UNITED STATES OF AMERICA

Congressional Record

PROCEEDINGS AND DEBATES OF THE 98th CONGRESS

FIRST SESSION

VOLUME 129—PART 16

JULY 28, 1983 TO AUGUST 3, 1983

(PAGES 21301 TO 22773)

GENERAL SERVICES ADMINISTRATION
LAW
LIBRARY
CENTRAL OFFICE

UNITED STATES GOVERNMENT PRINTING OFFICE, WASHINGTON, 1983

AUTHENTICATED
U.S. GOVERNMENT
INFORMATION
GPO

For sale by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402

United States
of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 98th CONGRESS, FIRST SESSION

SENATE—*Thursday, July 28, 1983*

(Legislative day of Monday, July 25, 1983)

The Senate met at 10 a.m., on the expiration of the recess, and was called to order by the President pro tempore (Mr. THURMOND).

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

Gracious God, our Heavenly Father, Thou hast lavishly endowed our land and our people. We have so much for which to be thankful. Forgive us for so easily accepting manifold blessings such as health, family love, friendships. We so often take these gifts for granted until we lose them, and then we so often complain. Teach us gratitude, Lord—gratitude for our land, rich in mineral wealth, beautiful mountains and valleys, rivers, lakes, and streams, forests and plains and deserts.

Teach us gratitude for each other. We so commonly withhold appreciation until a friend is gone, and then we eulogize over a casket. May we take seriously the Biblical exhortation, "Render, therefore, to all their due: tribute to whom tribute is due; custom to whom custom, honor to whom honor. Owe no man anything but to love one another * * *". (Romans 13: 7,8). In the name of Him who is incarnate love. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The majority leader is recognized.

Mr. BAKER. I thank the Chair.

SENATE SCHEDULE

Mr. BAKER. Mr. President, this morning, there will be a period for the transaction of routine morning business after the execution of the two special orders. The Senate will then resume consideration of the motion to proceed to the consideration of H.R. 2733, the agriculture target price bill.

Senators should note that I intend to pursue that bill, and that we will perhaps let a good part of this day be devoted to that motion, if necessary. The yeas and nays have been ordered on the motion. Rollcall votes may occur early today. No one should assume that this is a half-hearted effort.

Mr. President, there are other matters we need to take up. I have indicated on other occasions that I would like to pursue my conversations and colloquy with the minority leader on how we might reach some of them. There is Radio Marti, for example, and the supplemental conference report, which I understand will probably not reach us until tomorrow. Senators should be on notice that we will be in tomorrow and that it is the intention of the leadership on this side to take up the supplemental conference report as soon as it is received.

I fully expect votes on Friday. As of now, I do not foresee the likelihood of a Saturday session, but I do expect Friday to be a regular and full day of legislative action.

Mr. President, we will take up other matters as we free them up, including conference reports. There will be at least one additional conference report available either tomorrow or Monday. And, we have an appropriation bill that I would like to free from its bondage—the Interior appropriations bill.

I urge Senators who are concerned about certain aspects of that bill to try once more to work out their differences or at least to agree on a time limitation for debate on that measure. I will consult with the minority leader on this throughout the day as well.

Mr. President, unless we hit a snag, or unless there is some urgent emergency, and I do not see that as a prospect at this time, I fully expect the Senate to be able to adjourn on August 5. It is the regular every-other-year August recess provided for by statute.

Mr. BYRD. Mr. President, will the distinguished majority leader yield?

Mr. BAKER. Yes, I am happy to yield.

Mr. BYRD. Mr. President, I have not discussed this with the majority leader. I have not had the opportunity to do that, though I have intended to do it. It is a question that we should deal with. It pertains to the recess.

Heretofore, when we have had the August recess, we have put some language into the adjournment resolution which provides a way whereby the Congress may call itself back if there is a national emergency that would justify such action. In some instances, it is the Speaker of the House and the President pro tempore of the Senate, or the majority leaders of both Houses. There have been various phrases used over the years.

My question is, Would it be the intention of the majority leader to have such language? May I say, I called the Speaker last evening and suggested to him that there be such language in view of the situation in Central America. I have a feeling that if the adjournment resolution is initiated on the other side, it will have some such language. If it is originated over here, would it be the intention of the majority leader to have some such langauge?

Mr. BAKER. Mr. President, in all candor, I will say to the minority leader I have not thought about that, but I will. It is a good point that he and I should discuss, but it is not one I have focused on thus far.

Let me reserve any further response until I have had an opportunity to think about it and consult with the minority leader.

Mr. BYRD. I thank the majority leader.

Mr. BAKER. Mr. President, I reserve 1 minute of my time remaining under the standing order. I yield the floor.

RECOGNITION OF THE MINORITY LEADER

The PRESIDENT pro tempore. The minority leader is recognized.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

CENTRAL AMERICA—THE NEED FOR INFORMATION

Mr. BYRD. Mr. President, the President in his televised news conference this week, said this with reference to the so-called military exercises which are underway in Central America and the area thereof:

> First of all, these maneuvers . . . are not going to put Americans in any reasonable proximity to the border.

In today's Washington Post, I will quote from the story on page 22, carried over under the headline "Exercises Described As Way To Protect Honduras From War" the following:

> Today more than 87 additional U.S. advisers arrived here in the capital to start planning the massive joint maneuvers scheduled here in coming months. The first of these operations, according to U.S. military officials, will take place in the province of Choluteca which borders on Nicaragua.

Mr. President, we have a dichotomy with respect to whether or not Americans are going to be placed in a dangerous position when the President says first of all "those maneuvers are not going to put Americans in any reasonable proximity to the border," and then in the Washington Post it says,

> The first of these operations, according to U.S. military officials, will take place in the Province of Choluteca, which borders on Nicaragua.

There seem to be some divergent viewpoints expressed first by the President and then as reported by the Post. Whom are we to believe?

Are we to believe the President? Does he feel that this particular province is not in close proximity to the border? The contrary is reported in the press.

Mr. President, I think we ought to be kept advised as to precisely what is going on, if the President is going to have support for his policy, if there is going to be a consensus, if the American people are to support his policy. I believe there was something in his speech which indicated that the American people, those who were informed of what is going on, are supportive of his policy. I cannot understand how the American people can be informed except for the news media. That is precisely where I have gotten my information thus far—from the news media.

The President, in his remarks during the press conference, also implied that Congress is being kept apprised of the actions of the administration. I quote his words:

> Well, I think it would be a very, very grave mistake if the legislature interfered with what we're trying to do and we're trying to keep them apprised of our actions.

Mr. President, Mr. Reagan may believe that. I do not say that the President was not sincere in thinking that Congress is being kept apprised, but, indeed, Congress is not, except through the news media.

The majority leader was able to arrange a little briefing on the fourth floor on this side of the Capitol yesterday. I compliment the majority leader, and I thank him for arranging the meeting. He did the best he could. It was only a 30-minute briefing, but it was better to have that than none at all. In that briefing, I quoted what the President had said in his news conference to the effect that Congress is being kept apprised. I said, "If anybody in this room is being kept apprised, either Republican or Democrat, hold up your hand." Not one person held up his hand. It was also reported during that conference that the Speaker and the leadership of the House are not being kept apprised.

So it was the suggestion of the Senate majority leader to Judge Clark, who reportedly has access at any time to the Oval Office, that Senators have briefings on a regular basis. The majority leader referred to the briefings, which used to occur in my office, given by Mr. Warren Christopher anent happenings in Iran with respect to Americans who were being held hostage there. They were regular briefings that were held for the benefit of the joint leadership, Republicans and Democrats. The majority leader suggested that this administration follow the same course. I think it was a good suggestion.

But I say again, as I said yesterday or the day before, Mr. President, that if there is to be support for the President's policies, the American people are going to have to have more information than they have now. They are entitled to that information, and Congress is entitled to it. If we hope to make any sensible judgments, we are going to have to have information that is accurate and adequate upon which to base them.

Mr. President, I am not concerned about the argument as to "who lost" this or "who lost" that or who lost El Salvador. I think to put the question in that context is being politically crass. It may be that we ought to do this or we ought to do that, but whatever we do, it ought to be in the best interests of the United States. Whatever, is in the best interests of the United States, I want to support. But I want adequate information, I want to be assured that I have adequate information and accurate information, before I take a position that might later lead to bloodshed on the part of Americans who could be sent to that region of the world.

So, Mr. President, I hope we shall be given appropriate information through proper consultation.

It came as a surprise to me to find that the President's own party on Capitol Hill is not being kept apprised. I was amazed when I heard the President indicate that Congress is being kept advised. Perhaps he thought he was stating the facts. He may be unaware that Congress is not being kept apprised. But if he is unaware, that is almost as bad as knowing that we are not being kept apprised and saying just the opposite, because I should think he would see to it that Congress is being kept apprised. It does not have to be I, but somebody on this Hill ought to be kept apprised. I told President Carter once:

> It does not have to be I, but there are people up on that Hill who can keep secrets just as well as anybody here in the White House or anybody in the Pentagon.

I once said to President Carter, "Mr. President, your wife Rosalynn will tell this before I do." He had taken me into his confidence with respect to the Iranian hostage situation. I was not informed that the operation was at that moment going forward.

So there are people in Congress who can keep secrets. There are people in both parties, I am sure, who are just as patriotic and who have at heart the interests of the United States as much as anybody in this administration or any other administration. And until Congress is consulted, I am going to continue to raise the question and I am sure the majority leader, based on my observations of his work and my familiarity with his nature and position on matters, is not going to be satisfied until there is proper consultation with somebody on his side. If consultation is to be with the ranking members and the chairmen of the Foreign Relations Committee, the Armed Services Committee, and the Intelligence Committee, that is all right with me.

But I happen to think that the leadership of both parties is expected by our colleagues on both sides of the aisle to be likewise apprised.

So having said that, I will save for another occasion any further remarks on this subject.

If I have any time left, Mr. President, I yield it to the majority leader.

Mr. BAKER. I thank the minority leader.

Mr. BAKER addressed the Chair.

The PRESIDENT pro tempore. The majority leader is recognized.

Mr. BAKER. I thank the Chair.

Mr. President, I listened with great care and interest to the remarks of the minority leader. It will come as no surprise to Members of the Senate when I say that he and I have discussed this before. I understand his views and, indeed, I am sympathetic to many of them.

I do not mean to be unduly philosophical about it, but I have always thought one of the great values, one of the great virtues of the Constitution was that it was intentionally left fuzzy on some points.

Nobody ever quite explained to the country what it meant when it said

that the Senate had a special role to play in foreign policy or that the President was the chief officer of foreign policy.

Those are not the words of the Constitution, but that is what it meant. But we have overlapping jurisdiction, just as the Court has overlapping jurisdiction in that it can strike down legislation that we pass or the Congress or the President can disapprove. It is a magnificent hodgepodge, and it was built that way. We have to live with it. And we continue to establish precedents in those fields that are not clearly defined.

One of those imprecisions is, what is the role of the Senate in foreign policy. As in so many cases, I can tell you what it is not. It is not our role to dispatch troops to a foreign country or to order a battleship into hostile waters. But it certainly is something short of being totally oblivious and unconcerned in those things, and someplace in between those two priorities is what the Founding Fathers meant, I am sure, and it is up to us to sort of determine from time to time under the circumstances.

I listened with great interest to the remarks made by the minority leader, I assume, about the situation in Iran. I would trust the minority leader with the information whether I was President, Senator, or private citizen. I have absolute confidence in him, and President Carter was not disserviced in that, but I would remark he did not tell me and I was the minority leader.

Mr. BYRD. Will the Senator yield? I said to the President, "If at some point there is a decision to undertake a rescue operation, I would suggest that you get HOWARD BAKER down here, tell him how critical this matter is and the information, and I am confident he will keep it in trust."

Mr. BAKER. I have no doubt of that.

Mr. BYRD. "And furthermore, he would be the one to advise as to any others on that side of the aisle who should be taken into confidence."

Mr. BAKER. I have no doubt of that. And the point I was reaching for and about to reach did not relate really to that episode but, rather, to say we are playing this game from incident to incident, how Presidents confide in the leadership of one or the other of the two sides of the aisle or the chairman of the Armed Services Committee or Foreign Relations. I know of instances that represent every one of those things I have just said, where Presidents have confided in a particular Member, but I also, unfortunately, know of cases where Presidents of both parties have not confided in anybody as far as I could tell. So once again, we are sort of defining what the role is.

Let me say briefly what I think the role should be. The role should be that the Senate does have a constitutional responsibility in the field of foreign policy and national defense. One that should be before the fact and not after the fact. It does not mean the President should share with us every piece of intelligence he has or every plan he considers or every operation that he may initiate. But, it does mean that those situations that do have profound implications, should be investigated by the Senate before the fact.

It also means, Mr. President, that there should be an opportunity not just to hear and understand but also to suggest and propose. The President, of course, is free to reject if he wishes.

It means, Mr. President, that there needs to be some sort of formal arrangement, if not in the Constitution—at least by practice and tradition.

So I made the suggestion that the minority leader speaks of as much in an effort to regularize this messy business as it was to meet the exigencies of this particular situation.

I intend to pursue that suggestion with the President and the Secretary of State and with the President's national security adviser.

To summarize, that suggestion is that there be some sort of weekly or at least periodic briefing for the leadership of the Senate on national defense and foreign policy issues. They may be routine and last a minute or they may be extensive and last a long time. It may be just the two leaders or it may be an aggregation of Senators, but that is a Senate decision.

I am the President's spear carrier in the Senate. I am his friend, and surely I do not need to prove that anymore. I believe I have earned that badge. But I owe my first obligation to the Senate. I am majority leader of the Senate, and that is my first duty and responsibility. So I intend to serve my President, but I also intend to remain loyal to the Senate. And that loyalty must insist that the Senate have an opportunity to exercise that imprecise and ill-defined role in foreign policy determination.

Now, Mr. President, there is one other piece of information I should supply for the record on consultation on this particular issue. I did not mention it earlier but only because I forgot it. I did not think of it in this context.

On Monday of this week, at the President's request, Congressman MICHEL, the Republican leader in the House, and I lunched with the President at the White House, and the President reviewed the overall general situation.

The luncheon was not for the purpose, as I understand it, of telling us about the carrier task force in the Pacific or the battleship *New Jersey* or troops in Honduras. I did not understand that was the reason for the meeting. But I would like the record to show that the President did discuss these matters.

I would also point out it was after the fact, but he did explain his reason and rationale for doing these things to Congressman MICHEL and to me. I want that to be clearly understood so no one thinks that I am trying to diminish the President's effort to keep me apprised or Congressman MICHEL. And maybe that is what the President had in mind in his press conference when he said he was trying to keep the Congress apprised.

But in any event, Mr. President, I am saying now that we need do more than that. I will pursue that. I pledge to Members of the Senate on both sides of the aisle that I will discharge my responsibility and obligation to the Senate to be best of my ability to see that we have an opportunity to exercise our constitutional responsibility in this field.

I thank the minority leader for bringing the matter up.

Mr. BYRD. I thank the majority leader for his assurance. I feel much better after having heard the majority leader say what he has said. He did not have to say it publicly because I knew it, but I am glad he has said it here again.

Mr. BAKER. I thank the Senator.

ORDER OF PROCEDURE

Mr. BAKER. Mr. President, I believe there is an order in favor of the distinguished Senator from Wisconsin for 15 minutes, to be followed by an order in favor of the distinguished Senator from Nebraska for 15 minutes. They are both on the floor, and I assume they are ready to proceed.

The PRESIDENT pro tempore. The majority leader is correct.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDENT pro tempore. The Senator from Wisconsin (Mr. PROXMIRE) is recognized.

WHY WE SHOULD NOT PURSUE A MILITARY SOLUTION IN CENTRAL AMERICA

Mr. PROXMIRE. Mr. President, should this country accept the argument of President Ronald Reagan that this country has a genuine national security interest in the Marxist, Communist makeup of the Nicaraguan Government or the Marxist Communist challenge of thousands of rebels to the democratically elected Government of El Salvador? Certainly, these countries are near us. Yes, indeed, Marxism could spread to other Central American countries. Conceivably, we could be bedeviled by a half dozen Fidel Castro-type Communist bases on the front porch of this country, threaten-

ing the Panama Canal and serving as a possible military base for the Soviet Union. In such a series of catastrophic events, would this country face a serious military threat? The answer is absolutely, unequivocally, and emphatically: "No."

Even if, somehow, all the Central American countries should come together in a unanimous Communist cabal, they would constitute no genuine military threat to the United States. I am sure the people in those countries are brave and strong people. In fighting for their countries—in defending their homeland, in that kind of guerrilla warfare, as we have discovered—a relatively weak military force without any modern weapons of war can win surprising victories against a far bigger, stronger, better equipped military force. Vietnam and Afghanistan should remind us of the grim fact. But as an invading force? Can we expect the Nicaraguans to be in El Paso? And then striking out to Houston?

Consider what we face as a military threat in Central America. The first big fact about Central America is that one country, Mexico, dominates the area overwhelmingly. The population of the nine Central American countries including Cuba and Mexico is just over 100 million, compared to our 230 million, 70 percent of this population is Mexican.

For any country to mount a war effort, especially any kind of aggressive war effort, outside its borders, and particularly against the United States, requires an economy capable of supporting such a war effort. Consider the Central American economies—in aggregate. The total gross national product of these nine nations is $212 billion, and 80 percent of this GNP belongs to Mexico. That compares with a $3,000 billion, or $3 trillion, economy for this country. We are about 15 times more productive economically. So the potential for military power for these Central American countries is pathetically small.

Now, how about actual military expenditures? Here we find that the expenditures of all nine of these countries together total about $3 billion, more than half of which is Mexico's. Think of that: $3 billion for all the Central American countries. More than half of that is Mexico's. That compares to our U.S. military expenditures of $214 billion, or more than 70 times the total military expenditures of all these Central American countries combined.

Compare military personnel. The total military personnel of all nine of these countries amounts to 563,000, and two-thirds of these are Mexican troops. Incidentally, most of the Mexican troops are part-time conscripts. This compares with 2,100,000 full-time, regular American military personnel, not including National Guard and Reserve components.

Now look at the real muscle of modern war. In combat aircraft, all nine Central American countries have 265 combat aircraft, compared to over 5,000 American combat aircraft, about a 20-to-1 ratio in our advantage. In major naval vessels, the nine Central American countries, in aggregate, have 14, 10 of which are Mexican, compared to 285, or literally 14 times as many, for the United States. In army personnel the nine countries have 509,000, of which about 70 percent are Mexican. And, again, 250,000 of the Mexican troops are part-time conscripts compared to 780,000 regular U.S. Army personnel.

Mr. President, the Capitol Police, by themselves, on a good day, could handle any threat from most of these Central American countries. They do not amount to any kind of threat at all.

Of course, none of this includes the fact that this country has an immense arsenal of strategic nuclear weapons, on land, at sea, and in the air. And how many do the nine Central American countries have? Absolutely none.

The most striking facts about these comparisons are:

First, Mexico absolutely dominates Central America in military potential and actual force.

Second, the single significant military force in Central America outside of Mexico is Cuba. And the Central American countries other than Mexico add virtually nothing to the Cuban military power, even in the unlikely event that all of them should become Marxist Communist states and aline themselves firmly with Cuba. In considering this group of Central American nations together—excluding Mexico—Cuba makes 75 percent of the military expenditures, has 63 percent of the military personnel, 70 percent of the combat aircraft, 60 percent of the army personnel, and literally 100 percent of the major naval vessels. No one can argue that, annoying as Castro and Cuba may be, they in any way really threaten this country militarily.

Third, in aggregate, on any assumptions, all the Central American countries together pose no significant military threat—none to our national security.

Furthermore, there is every reason to believe that Mexico will remain, as she has for many years, our firm ally and friend, a wise and pacifying force in Central America.

What genuine, realistic national security interest does this country have in Central America? For many reasons we should do everything we can—without using military power—to keep communism out of Central America. Grinding poverty and cruel exploitation, either by Communist bureaucrats or rightwing plutocrats, is the bane of this area. We should aline ourselves with neither. We should press for human rights and land reform in all regimes. How should we do it? The best way to do that is with the kind of good neighbor policy enunciated by Franklin Roosevelt and with Peace Corps-type assistance as initiated by President Kennedy. The one way we can provoke Central America into a hostile and perhaps largely Communist alinement is if we continue to follow the kind of ham-handed, arrogant militarism that our Honduran military exercises and our covert and overt military operations in Nicaragua and El Salvador demonstrate and that the administration seems so intent on pursuing.

Mr. President our overwhelming military advantage overall of Central America combined should remind us of the imperative necessity that we use this massive military power with restraint and care. Here is why: The overpowering U.S. military advantage is matched by a very real psychological advantage that accrues to any little country we try to push around militarily—either by muscle-flexing maneuvers next to the little country's border or by an actual shooting invasion. All of us dislike bullies. In any kind of a confrontation, almost every human being favors the little guy, the underdog, the little, embattled few who do not seem to have a chance.

This is true of most of our fellow Americans, even when our country itself has become involved as the big, tough guy. The overwhelming majority of Americans love this country. We are very proud of it. Some still react the way Stephen Decatur put it: "My country, in her intercourse with other nations may she always be right. But right or wrong: My country!" But many Americans—patriotic as they may be—will not support this Nation when they think our actions are wrong. And without thinking very much about it, many Americans will assume that when we flex our mighty air and sea power on the very coastline of these small, weak, impoverished countries, good as our intentions may be, and wrong as those who rule the little country may be, we become the oppressor. Certainly, other nations throughout the world must have a far more intense revulsion against this kind of pushing the little kids in the neighborhood around.

Of course, what makes this kind of policy especially bad is that we cannot win. No policy we can pursue will more certainly assure the hostility of Central Americans, and possibly even the alienation of Mexico—and what a tragedy that would be. Mexico is indeed crucial to us in Central America. This big, tough, bully-on-the-block attitude, could cost us dearly.

Mr. President, I ask unanimous consent that a table I have compiled, showing the economic and military data about Central American countries compared to this country, be printed at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

ECONOMIC AND MILITARY STATISTICS—CENTRAL AMERICA AND THE UNITED STATES

	Population (in millions)	GNP/GDP (in billions)	Military expenditures (in millions)	Military personnel	Combat aircraft	Major naval vessels [1]	Army personnel
Costa Rica	2.4	4.8	[2] 13.9	[2] 7,000			
El Salvador	4.6	3.5	134.0	16,000	27		14,900
Guatemala	7.5	7.8	79.0	18,550	16		17,000
Honduras	4.1	2.5	50.0	11,700	25		11,500
Nicaragua	2.6	1.8	[4] 54.0	[5] 21,500	8		[5] 20,000
Panama	2.0	3.0	42.0	[3] 9,000			
Subtotals	23.2	23.4	372.9	83,750	76	0	63,400
Cuba	9.9	18.4	1,112.0	127,500	189	4	100,000
Subtotal	33.1	41.8	1,484.9	211,250	265	4	163,400
Mexico	71.3	170.0	1,656.0	119,500 [6](250,000)	25	10	95,000 [6](250,000)
Total	104.4	211.8	3,140.9	330,750	290	14	258,400
United States	233.9	3,073.0	214,300.0	2,127,000	5,090	285	780,000

[1] Frigates or larger including submarines. Most countries also have small patrol boats, some with surface-to-surface missiles.
[2] Ministry of Public Security and Civil Guard.
[3] Paramilitary forces/National Guard.
[4] This figure is dated (1979) and suspect given aid from Cuba and the USSR.
[5] Plus 80,000 militias and Reserves $125 million in military equipment from USSR. 2,135 foreign security advisers.
[6] Part-time conscripts.

Sources: Central Intelligence Agency, "The World Factbook 1982"; The International Institute for Strategic Studies, "The Military Balance 1982–1983"; Ruth Leger Sivard, "World Military and Social Expenditures 1982."

CENTRAL AMERICAN COUNTRIES AS A PERCENTAGE OF UNITED STATES

	Population	GNP/GDP	Military expenditures	Total military personnel	Combat aircraft	Major naval vessels	Army personnel
Costa Rica, El Salvador, Guatamala, Honduras, Nicaragua, and Panama	9.9	0.76	0.17	3.9	1.5	0	8.1
Above plus Cuba and Mexico	44.6	6.8	1.5	15.5	5.7	4.9	33.0

GOLDEN FLEECE TO COAST GUARD

Mr. PROXMIRE. Mr. President, I am giving my Golden Fleece of the Month Award for July to the U.S. Coast Guard for spending $1.1 million to build a boat repair station at Cape Hatteras, N.C., which sat empty and unused for about a year. Why?—now get this—because the Coast Guard forgot, they right plumb forgot to assign anyone to work there, that is why.

The Coast Guard should consider changing its motto from "Always Ready" to "Never Remember." The taxpayer can be forgiven for having a sinking feeling about this boat repair station.

The case of the forgotten repair station started back in 1975. The district office decided they needed a building in which to repair boats during bad weather. They estimated such a building would cost $500,000.

The Commandant of the Coast Guard disapproved this proposal in 1977. He was not convinced that the new building was needed.

The district office would not take "no" for an answer and prepared an analysis showing that the Coast Guard would save money by repairing the boats itself instead of having private companies do the work. The analysis assumed that staff would be transferred from other Coast Guard stations, that no additional salary costs would be incurred.

The Commandant then approved the proposal in 1979 and in 1980 Congress appropriated $1.1 million for the new building. By December of 1981, the building was ready for use.

There it sat, unused, day in and day out. Months passed, the seasons changed, and still no one appeared to work in the building.

Finally, after about a year, the Coast Guard assigned a skeleton staff to the building. Listen to their explanation of this incident:

> We accurately and correctly demonstrated the benefits which would result from a [new building], but we totally overlooked the fact that if you increase activity at a unit, you can expect additional staffing will be needed to do the work.

Think about that for a moment before you take your next boat ride. The Government agency charged with search and rescue on the high seas "totally overlooked the fact" that additional people would be needed to work in a new $1.1 million building.

Now comes the insult. To move boats from the water to the repair building, the Coast Guard purchased a $45,750 boat hoist. They successfully tested it by moving the largest boat available—one 44 feet long and weighing 20 tons. Because the repair building was 20x40 feet in size moving this boat should have been a reasonable test for anybody.

But not for the Coast Guard. They decided the hoist should have to lift a 30-ton load. A boat this size would scarcely fit into the new building. But the Coast Guard—always ready?—built a 30-ton test weight—at a cost of over $1,400. what happened when they used this weight, which was shaped more like a brick than a boat? The hoist broke and repairs will cost around $12,000.

The Coast Guard hoisted the taxpayer on its petard once again.

This new building is within sight of the area where Blackbeard the pirate was killed. He used a sword to commit piracy. Now the Coast Guard has shown that when it comes to modern-day buccaneering, the pen, applied to a Government check, is truly mightier than the sword.

WHAT ARE THE PROSPECTS FOR A MUTUAL, VERIFIABLE NUCLEAR FREEZE?

Mr. PROXMIRE. Mr. President, I have been rising on the floor of the Senate virtually every day since April of last year—that is 15 months—to plead with this body to support a nuclear freeze or to exercise restraint in authorizing and appropriating funds that advance the nuclear arms race. I am sure that no one in the Senate

favors unilateral disarmament. I am also sure that even those Senators who have most consistently voted for more and more nuclear weapons recognize what a cataclysmic disaster a nuclear war would bring.

And I am sure the President is equally sincere in desiring peace. But somehow this sincere peaceful sentiment has had pathetically little effect. This Congress—the House of Representatives and the Senate—moves relentlessly, month after month, year after year ahead with this insane nuclear arms race.

We even seem to be unable to resist the most inefficient weapons. We have gone along with the B-1B bomber, designed to carry nuclear weapons, in spite of the strong likelihood that it will be obsolete before we can build it.

We will come on in a few years with the new technology, or Stealth bomber, that will fulfill exactly the same mission as the B-1B except that it will foil the Soviet radar system that will certainly trap the B-1B and make each flight over the Soviet Union a suicide mission. Of course, the B-1B will cost tens of billions, and the Stealth will also cost additional tens of billions of dollars.

We also are hell-bent now on building 100 MX missiles with 10 warheads each and for a fat $20 billion, although 2 weeks of debate failed to produce a single Senator who could answer the repeated charge that the missile will be vulnerable, literally a sitting duck for the Russian hard-target kill missiles to knock out. In addition, we are racing ahead putting our technical and scientific laboratories hard to work to develop more efficient nuclear weapons, such as the D-5 hard target missile that we will fire from our submarines.

Also, we will construct thousands of cruise missiles in the next few years. We will build at least an additional 20 Trident submarines to carry our newest and most devastating hard-target kill weapons within 5 or 6 minutes of their Russian targets. And the President is bent on converting our space program to a very largely military mission, designed to give us a series of antimissile devices that will kill Russian satellites and in effect poke out the eyes of Russia's warning system and shoot down any Russian missiles that might be launched, thus destroying their deterrent and giving the Russians an incentive to attack before we develop an antimissile system that could literally disarm their nuclear capability.

The success of the antisatellite program could literally kill any prospect of a verifiable nuclear freeze of any kind and I mean any verifiable arms control program. Satellites are the quintessential heart of an effective verification. Now how can 535 peace-loving Members of the House of Representatives and Senate permit such a foolish race to national suicide?

Sometimes, Mr. President, Congress and our whole National Government seem like lemmings rushing to the sea, determined to drown en masse. Does this mean that we have become so absorbed with building nuclear military power that we have forgotten that the whole purpose, the only justification of military spending, is not war but peace?

Last year the House voted on August 5 by an almost precisely even split—204 to 202—against a nuclear freeze. On May 4 of this year the House reversed that vote and voted 278 to 149—nearly 2 to 1—for a nuclear freeze. What happened? Simple. On November 2, 1982, we had an election and in the fall of 1982 there were a series of nine referendums on the nuclear freeze in nine different States. Eight of those States supported the freeze, in most cases by big margins.

Every public opinion poll has shown the same result with freeze support running about 3 to 1 in favor. The people of this country are demanding an end to this arms race. We better get the message. If and when the Senate has a shot at the nuclear freeze, I am convinced we will follow the House of Representatives and also pass a nuclear freeze resolution.

Now, let us be clear about it. The freeze does not call for unilateral disarmament. No, indeed. It calls for the negotiation of a mutual, verifiable agreement between the United States and the Soviet Union to stop the testing, production, and deployment of nuclear weapons. Because it sets no time limit and because negotiations are under the firm control of whoever happens to be President of the United States, the freeze resolution simply states a policy and an intention. It is the beginning, but only the beginning, of our best hope for survival.

THE PLASTICITY OF HUMAN NATURE

Mr. PROXMIRE. Mr. President, the act of genocide—systematically murdering a racial, ethnic, national, or religious group—is hard for U.S. citizens to comprehend. This may be why the Genocide Convention, which makes mass slaughter punishable under international law, has gone unratified for 34 years.

It is understandable to us that one crazy man, like Adolf Hitler, could believe that the "final solution" lay in eliminating the Jewish people. But the notion that an entire society could go insane—much less a highly civilized nation like Germany—is far more incomprehensible, and disturbing.

The fact is, Adolf Hitler was necessary, but not sufficient, for the Holocaust. If the German intelligentsia, the German elite, and the German people had refused to go along with the notion that Jews were the source of all evil, then Adolf Hitler might today be an obscure figure in German history.

In some ways, it is hard to blame those who did not stand up. Movie critic Stanley Kauffman has a point when he says, "I'm never less sure of my physical courage than when I'm asked, by a film or a play or book, to condemn the anti-Nazi Germans who lived under the Nazi regime and did not rebel."

But a new German movie, "The White Rose," tells the story of the small number of German men and women who would not comply with the Nazi regime's slaughter of the Jewish people. The leaders of the anti-Nazi, pro-German movement—students Hans and Sophie Scholl and their philosophy professor, Kurt Huber—kept their honor, but lost their lives. All were guillotined.

"The White Rose," Mr. President, tells us that some people will face incredible danger in a stand for decency. What the movie also tells us, however, is that this courage is rare. Professor Huber and his pupils tried to stop genocide while it was happening. A few years later, the world set out to prevent genocide. The United Nations passed the Genocide Convention with the idea that outlawing genocide might in some way deter future Hitlers.

Despite this, the U.S. Senate has failed to act. I urge my colleagues to ratify the Genocide Convention.

Mr. President, I thank the Chair.

RECOGNITION OF SENATOR ZORINSKY

The PRESIDING OFFICER (Mr. HATFIELD). Under the previous order, the Senator from Nebraska (Mr. ZORINSKY) is recognized for not to exceed 5 minutes.

THE NATIONAL COMMISSION ON TEACHER EDUCATION ACT

Mr. ZORINSKY. Mr. President, since the report of the Commission on Excellence in Education was published, national attention has been focused on the crisis in our schools. Many suggestions have been made on ways to improve our educational system. However, one problem area noted in the report which has received little attention is weakness in teacher training.

The Commission report found that teacher preparation programs need substantial improvement and that the teacher preparation curriculum is weighted heavily with courses in educational methods at the expense of courses in subjects to be taught. As a result, many teachers have not mas-

tered the basic skills in reading, writing, math, and other subjects that they are required to teach.

Reaction to the report so far has dealt mainly with better pay for teachers, stricter curriculum requirements, competency testing, etc. I agree that these areas need attention. However, if teachers are not trained in their subject of instruction, all these changes will make little difference.

I have been looking into this matter since the Commission's report was issued, and the facts are surprising. Significant findings have been published in recent years—and earlier—about the poor quality of teacher education. Although some States have taken action, there has been no national response.

Numerous studies have found that the colleges of education now attract the least capable students, and those who go on to teaching jobs are among the lower-scoring graduates. Many students consider an education major as the easiest way to get a degree. They can earn 3 hours of college credit for taking courses such as materials for rhythmical activities, administering leisure delivery systems, or motorcycle safety and rider education. Ph. D. dissertations have been written on such topics as service in the high school cafeteria, student posture, and public school plumbing. As a result, talented students are discouraged from entering the teaching profession.

One of the most severe critics of teacher training has been Gene Lyons, staff writer for the Texas Monthly, who authored an article in 1979 about his investigation of teacher training institutions. He described as nonsense many of the classes he visited. The play-acting and other antics cause him to wonder if he had not wandered into classes for stand-up comedians. He said, "Everyone was having a grand time and why not? Everybody was getting an A or at worst a B." He called teacher education "a massive fraud, which drives out dedicated people, rewards incompetence and wastes millions of dollars."

Around the mid-1960's a faction of educators urged wholesale rejection of traditional educational methods. As a result, many teacher training programs shifted their emphasis from training teachers in academic subjects to emphasis on behavioral science techniques. They began to concern themselves with the children's emotional development, social adjustment, and so forth, at the expense of cognitive learning.

These theories have been criticized by other educators. Diane Ravitch of Columbia Teachers College in New York City stated.

It is really putting things backwards to say that if children feel good about themselves, they will achieve. Instead, if children are learning and achieving, then they feel good about themselves.

The distinction between teaching techniques and behavioral science techniques is not clear, since many of the psychological strategies which became popular in the 1960's and 1970's were meant to be interspersed in the classroom in all subjects. However, it is clear that for many teachers the subject to be taught is secondary to the student's inner life—their self-concepts, feelings, and values.

In 1981, J. W. Anderson, a member of the editorial page staff of the Washington Post, wrote about a paradox at George Mason University in Fairfax, Va. Its English Department was leading a statewide campaign to instruct teachers at every level on how to teach writing. At the same time, its education department was using a textbook which directed its future teachers not to require written reports but instead to have students sign up for oral reports. This would save the student the trouble of writing or typing a report, and you the trouble of reading a report; it will also give you the opportunity to interact with each of your students on a person-to-person basis and to probe more deeply into interpretations. Obviously the emphasis was on interaction and probing rather than on proficiency in writing. Mr. Anderson found the suggestion that writing was mere trouble for both the student and teacher insidious. Yet, this situation at George Mason is far from unique.

In the February 1981 issue of the Phi Delta Kappan, Arthur W. Combs of the University of Northern Colorado authored an article in support of humanistic education. He stated that "our society can get along very well with a bad reader; a bigot is a danger to everyone." While I do not care for bigots any more than Professor Combs does, I am disturbed that a distinguished professor in foundations of education could have such a cavalier attitude toward literacy.

Illiteracy in the United States has become so widespread that we have come to accept it as the norm. Over 22 percent of adults in this country are functionally illiterate, and another 32 percent are only marginally literate. Billions of our tax dollars are spent every year on remedial reading. Not only are remedial reading classes taught in colleges, but government agencies, the Armed Forces, and industry are forced to offer courses in basic reading skills.

This problem affects all segments of our society and our economy in that it contributes to increased welfare, unemployment, crime, and other social ills, all of which must be addressed with additional tax dollars. A 1975 Office of Education study found that while the situation is dismal for all American schoolchildren, it is even worse for minorities who are disproportionately represented in these illiteracy rates—more than twice that of the population as a whole.

Dr. Rudolf Flesch, in his 1981 book, "Why Johnny Still Can't Read," stated that because of current methods of instruction, the U.S. literacy rate has already dropped to the level of Burma and Albania and is approaching that of Zambia.

The whole-word system of reading being taught in our schools is described by Samuel Blumenfeld in the February, 1983 issue of American Education as imbecilic. He claims it is needlessly complicated, difficult, illogical, and ineffective. He wondered how educators can be "insane enough to think that you could successfully teach children to read English as if it were Chinese?"

Mr. Blumenfeld asks how the professors get away with this blatant educational malpractice in a free country where parents and elected representatives are supposed to have ultimate control over the public schools.

In a 1979 research article entitled "Teaching Reading to Learning-Disabled and Other Hard-to-Teach Children," Dr. Barbara Bateman stated,

Near failure-proof methods for teaching all children to read are already available. Continued failure of schools to employ these programs is at best negligent, and at worst malicious.

It has been suggested that the greatest obstacle to literacy in America is our own educational establishment, which has a vested interest in maintaining the status quo. According to the 1969 report of the National Academy of Education's blue-ribbon Committee on Reading, "an effective national reading effort should bypass the existing education macrostructure." The intimation is that there is power and money for educators in illiteracy.

The International Reading Association has gone from 7,000 members in 1965 to 65,000 in 1982. According to Mr. Blumenfeld, "it has become the impregnable citadel of the whole-word method." He claims that proven methods of teaching reading are kept out of our schools as effectively as if we had a "dictatorship with an all-powerful Ministry of Education." Strong words? Yes; but is it not our responsibility to find out the extent of the truth behind them? Why has remedial reading become institutionalized? Why are not teachers trained to teach it right in the first place?

In the New York Times Magazine of June 5, 1983, Leon Botstein as one of his "Nine Proposals to Improve Our Schools," stated that separate schools of education and departments of education should be disbanded. He suggested that education department faculty should be distributed throughout the academic departments. In this

way, the substantive training of teachers would be in their subject matter. Although this proposal sounds radical, we need to look at what prompted it.

School time is precious time. It should not be misspent because of teachers who have not been educated properly. Our children have only one opportunity for an education.

I find it significant that parents are willing to pay for private schools which, in most States, are not required to have certified teachers.

Mr. President, I am a strong supporter of our public schools. I am dismayed to find our that although our per capita public expenditures on education are higher than anywhere in the world, our students fall far behind those of other countries in test scores. Although we rank first on measures of resource allocation, we are not first on any measure of intellectual achievement.

While we obviously have many good schools of education and countless able and dedicated teachers, the facts cannot be ignored. Our education system is in trouble, and we must look for root causes. I believe that our system of teacher education is one of them. Students cannot learn from teachers who have not been educated and trained properly.

I am therefore introducing legislation to establish a Commission to investigate teacher training in this country. I do not suggest for one moment that we should create national policy on teacher education, but rather that we look into its problems. This is not meant to supplant any efforts that the States are already making, but to supplement them. The Commission could be a useful tool in working with the States, identifying common problems, and sharing solutions that have been found to be effective.

I believe it is a proper role of the Federal Government to focus on this national problem. The colleges of education and departments of education are not as subject to scrutiny as are our public schools. Therefore, a national Commission would be the most effective way to look into this matter. I also believe that we should not put this investigation into the hands of the education community alone. Representatives of business and industry as well as parents should be included in any study because they are also directly affected and can provide a fresh perspective.

The cost of this Commission is minute compared to the cost of doing nothing. I urge my colleagues to support this effort.

Mr. President, I ask unanimous consent that the text of the legislation be printed in the RECORD immediately following my floor statement.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S.J. RES. 138

Whereas the National Commission on Excellence in Education found that teacher preparation curriculum is weighted heavily with courses in "educational methods" at the expense of courses in subjects to be taught and found that teacher preparation programs need substantial improvement;

Whereas significant findings have been published about the poor quality of teacher education, but there has been no national response;

Whereas colleges of education are not accountable to the public as are local schools;

Whereas numerous studies have found that the colleges of education now attract the least capable students, and those who go on to teaching jobs are among the least talented graduates;

Whereas many teachers have not mastered the basic skills in reading, writing, math, and other subjects that such teachers are employed to teach;

Whereas it is important that competent persons be attracted to the field of teaching;

Whereas many teacher training programs have shifted emphasis from training teachers to develop expertise in academic subjects in which such teachers are to be certified, to emphasis on classroom psychological techniques not related to the development of student academic competencies;

Whereas recently, there has been a marked decline in student achievement test scores;

Whereas one out of five adults has been determined to be functionally illiterate; and

Whereas it is not possible to expect students to be taught properly by teachers who have not been trained properly: Now, therefore be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That this joint resolution may be cited as the "National Commission on Teacher Education Act".

ESTABLISHMENT OF COMMISSION

SEC. 2. (a) There is established a commission to be known as the Commission on Teaching Education (hereafter in this Act referred to as the "Commission").

(b) The Commission shall be composed of sixteen members as follows:

(1) Eight members shall be appointed by the President of the United States.

(2) Four members shall be appointed by the President pro tempore of the Senate, two upon recommendation of the Majority Leader of the Senate and two upon recommendation of the Minority Leader of the Senate.

(3) Four members shall be appointed by the Speaker of the House of Representatives, two upon recommendation of the Majority Leader of the House of Representatives and two upon recommendation of the Minority Leader of the House of Representatives.

(c)(1) Of the members specified in paragraph (1) of subsection (b), not more than four members shall be from the same political party. Of the members specified in paragraphs (2) and (3) of subsection (b), not more than two members specified in each such paragraph shall be from the same political party.

(2) Of the members specified in paragraph (1) of subsection (b), two shall be parents, two shall be representatives of business and industry, and two shall be members of local school boards. Of the members specified in paragraph (2) of subsection (b), one shall be a parent, one shall be a representative of business and industry, and one shall be a member of a local school board. Of the members specified in paragraph (3) of subsection (b), one shall be a parent, one shall be a representative of business and industry, and one shall be a member of a local school board. The members of the Commission shall be individuals who possess demonstrated capacities to discharge the duties imposed on the Commission.

(d) Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner in which the original appointment was made.

(e) The Commission shall elect a Chairman and a Vice Chairman from among its members.

(f) Nine members of the Commission shall constitute a quorum for the transaction of business, but the Commission may establish a lesser number as a quorum for the purpose of holding hearings, taking testimony, and receiving evidence.

FUNCTIONS

SEC. 3. (a) The Commission shall conduct a full and complete investigation of teacher training in the United States. Such investigation shall include, but not be limited to, the consideration of—

(1) the proper balance between courses in instructional methods and subject matter, and the degree to which imbalances may exist;

(2) the extent of training in the use of psychological techniques unrelated to academic content in colleges of education, and the use of such techniques in the classroom and the effect on students;

(3) the methods used to train teachers in all academic subject areas and grade levels to teach reading and reading comprehension, how reading is currently being taught in the classroom, and the effectiveness of these methods; and

(4) the role the Federal Government has played in the areas described in this subsection.

(b) In carrying out its functions under this section, the Commission shall—

(1) assess the factors which contribute to excellence in teacher education and the degree to which teacher education programs are or are not meeting these standards;

(2) assess the degree to which teacher education inadequacies have contributed to illiteracy;

(3) review teacher in-service training programs at the local, State, and university levels to determine the characteristics that promote effective classroom teaching performance and the degree to which these programs are or are not achieving these standards;

(4) recommend policies to attract competent persons to the field of teaching;

(5) recommend programs and policies to upgrade teacher education, with particular emphasis on teaching skills in the areas of reading and reading comprehension;

(6) recommend the appropriate local, State, and Federal role in addressing the problems of upgrading teacher education in this country; and

(7) assemble, analyze and publicize its findings.

(c) The Commission shall submit to the President and to the Congress such interim reports as it deems advisable. The Commission shall submit to the President and to the Congress not later than twenty-four months after the first meeting of the Commission, a final report of the study and investigation, together with such recommendations as the Commission deems advisable.

ADMINISTRATIVE PROVISIONS

SEC. 4. (a) Subject to such rules and regulations as may be adopted by the Commission, the Chairman is authorized to—

(1) appoint, terminate, and fix the compensation without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, or of any other provision of law, relating to the number, classification, and General Schedule rates—

(A) of such personnel as it deems advisable to assist in the performance of its duties, at rates not to exceed a rate equal to the maximum rate for GS-18 of the General Schedule under section 5332 of such title; and

(B) of an Executive Director for the Commission contingent upon confirmation by the Commission members at an annual rate of compensation not to exceed a rate equal to the rate provided for level V of the Executive Schedule under section 5316 of title 5, United States Code; and

(2) procure, as authorized by section 3109 of title 5, United States Code, temporary and intermittent services to the same extent as is authorized by law for agencies in the executive branch but at rates not to exceed the daily equivalent of the maximum annual rate of basic pay in effect for grade GS-18 of the General Schedule.

(b) Service as a member of the Commission or as an employee of the Commission shall not be considered service in an appointive or elective position in the Government for purposes of section 8344 of title 5, United States Code, or comparable provisions of Federal law.

(c) The Commission may adopt such rules and regulations as may be necessary to establish its procedures and to govern the manner of its operations, organization, and personnel.

COMPENSATION OF MEMBERS

SEC. 5. (a) The members of the Commission who are otherwise employed by the Federal Government shall serve on the Commission without additional compensation. The members of the Commission not otherwise employed by the Federal Government shall each be paid at a rate equal to the daily rate of pay for level IV of the Executive Schedule for each day such member is engaged in the actual performance of duties as a member of the Commission.

(b) All members of the Commission shall be reimbursed for travel as authorized by section 5703 of title 5, United States Code, subsistence, and other necessary expenses incurred in the performance of the duties of the Commission.

POWERS OF THE COMMISSION

SEC. 6. (a) The Commission or, on the authorization of the Commission, any subcommittee thereof or any member authorized by the Commission may, for the purpose of carrying out this joint resolution, hold such hearings and sit and act at such times and places, take such testimony, have such printing and binding done, enter into such contracts and other arrangements (with or without consideration or bond, to such extent or in such amounts as are provided in appropriation Acts, and without regard to section 3709 of the Revised Statutes (41 U.S.C. 5)), make such expenditures, and take such other actions as the Commission or such member may deem advisable. Any member of the Commission may administer oaths or affirmations to witnesses appearing before the Commission or before such member.

(b) The Commission is authorized to secure directly from any officer, department, agency, establishment, or instrumentality of the Government such information, suggestions, estimates, and statistics as the Commission may require for the purpose of this joint resolution, and each such officer, department, agency, establishment, or instrumentality is authorized and directed to furnish, to the extent permitted by law, such information, suggestions, estimates, and statistics directly to the Commission, upon request made by the Chairman or Vice Chairman.

(c) Upon request of the Commission, the head of any Federal agency is authorized to make any of the facilities and services of such agency available to the Commission or to detail any of the personnel of such agency to the Commission, on a reimbursable basis, to assist the Commission in carrying out its duties under this joint resolution, unless the head of such agency determines that urgent, overriding reasons will not permit the agency to make such facilities, services, or personnel available to the Commission and so notifies the Chairman in writing.

(d) The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

(e) No officer or agency of the United States shall require the Commission to submit any report, recommendation, or other matter to any such officer or agency for approval, comment, or review before submitting such report, recommendation, or other matter to the Congress.

TERMINATION OF THE COMMISSION

SEC. 7. Ninety days after the submission to the Congress of its final report the Commission shall cease to exist.

AUTHORIZATION OF APPROPRIATIONS

SEC. 8. There are authorized to be appropriated such sums, but not to exceed $2,000,000, as may be necessary to carry out the provisions of this joint resolution.

Mr. ZORINSKY. I thank the Chair. I yield back the remainder of my time, and I suggest the absence of a quorum.

The PRESIDING OFFICER. Will the Senator withhold?

Mr. ZORINSKY. I withhold my request.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order there will now be a period for the transaction of routine morning business for not to exceed 15 minutes with statements limited to 3 minutes each. We are now in morning business.

Mr. ZORINSKY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. DENTON). Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. BAKER. Mr. President, under the order previously entered, I believe the Senate will resume the consideration of the motion to proceed to the consideration of H.R. 2733. The order provides that Senator MELCHER will be recognized. Is that correct?

The PRESIDING OFFICER. The majority leader is correct.

Mr. BAKER. I yield the floor, Mr. President.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

CRITICAL AGRICULTURAL MATERIALS ACT

The PRESIDING OFFICER. Under the previous order, the Senate will resume consideration of the motion to proceed to consideration of H.R. 2733.

The Senator from Montana (Mr. MELCHER) is recognized.

Mr. MELCHER. To help stabilize the price of agricultural commodities we have had numerous farm programs. Our goal is to help keep family-size farms viable. We have not been successful enough. Mr. President, this morning's Washington Post carried a front-page article dealing with some agricultural payments under the payment-in-kind program. The author of the article is Ward Sinclair, who is a long-time Post reporter with both experience and good insight on matters dealing with agriculture. The article dealt with the payment in kind to some cotton producers in California. The payment-in-kind program (PIK) is the program that is used under the authority of the Secretary of Agriculture, to attempt to bring down production of commodities that are in surplus.

Payment in kind means just this: For those producers who agree not to grow a particular commodity covered under the program offered by the Secretary of Agriculture, they will receive, under his authority and under terms that the Secretary sets, payment for not producing. Payment is made in the commodity at an amount set by the Secretary of Agriculture based on the crop production of a particular operator in a particular commodity. In the case of these cotton producers in California, the article describes large amounts of payment in kind for those particular cotton producers.

The producer receiving the commodity as a payment in kind has the option of selling it or holding it under any conditions that that particular operator chooses. Most operators sell a portion or all of that particular pay-

ment, transferring the commodity itself into cash.

These are large cotton operators. In fact, the payments in kind are, for some of them, equates to a quarter of a million dollars or a half a million dollars, and I think in one or more instances described in the article "a million dollars worth of cotton." Well, that authority exists with the Secretary of Agriculture under existing law.

It may come as quite a surprise to many readers of the article that the payments are that large. If you read the article and are not necessarily experienced with the program or the operations of corporation farmers such as those that are described, I think there are three points that are quickly ascertained. One is that the payment-in-kind payments of the commodity translates itself into rather large amounts of cash when the commodity is sold.

Now, a person reading the article might jump to the conclusion that that is the case in all instances. Well, let me hasten to say that the payment in kind, under the PIK program whether it is in cotton or wheat or corn or rice, might be a very small payment depending on what size the farm is and depending upon what agreement the operator of that farm is willing to enter into with the Secretary of Agriculture. It could be for a very small amount and it in many cases is.

But the second point that will be quickly ascertained, even by those who have no direct knowledge of the program or the size of the operation, is that these are extremely large farm operations, not of family-farm size, and in many instances they are owned by large companies.

The third point that will be quickly ascertained by a reader is that these are large irrigation operations and that the water comes to them and is used by them and made available to them from Federal dams; that is, dams that have been constructed when all or a portion of the cost of the dam construction was from the Federal Treasury.

Given those three points, it will probably be a shock to a lot of the readers of Ward Sinclair's article in this morning's Post, and I would like to discuss three points in regard to that.

The first one is this: I would like to discuss why these particular operators are large operators. Why is a large company, a company that you will recognize by name, not necessarily from farm operations but more likely from those names as conglomerates that are in energy development, operating farms in California? Consider this: For almost 30 years agricultural prices have been under extreme downward pressure, and because of that the costs of production had to go down in order to allow the operator to survive. Not all farm operators during the past 30 years have survived. Indeed, a rather large percentage of operators who were in business 30 years ago did not survive. The trend has been downward in the number of family farm operators in the United States. It has gone down simply because reducing the cost of production in order to survive economically, selling the commodities that were produced at rather low market prices, meant that unless they could improve their efficiency—that is, raise the same amount of corps on the same acreage at less cost—they could not survive, could not hold the place together and continue to farm.

I suppose we have about half of the units of agriculture in operation today as we did 30 years ago. We believe we have about 2.1 or 2.2 million farm and ranch operators in the United States—about half of what we had 30 years ago. The reason is because of economic pressures, because of low prices as compared to the cost of producing wheat, cotton, corn and feed grains, rice, or for that matter sugar beets and cane. For these and other agriculture products there has been a trend toward fewer and fewer family farm operations and family ranch operations.

Now, what happened? What did they do? They sold out. They had to. They sold out and went into some other type of livelihood to earn their living. Most of them did not want to sell out. For the most part they wished to stay in business as farm and ranch producers, but it was not economically possible. Their loans were getting too large—resulting sometimes in forced liquidation, sometimes just an agreed liquidation because there was no way of surviving economically.

When they sell out, that means that the land is still there and the water to irrigate the land, if it is irrigated land, is still there, and it also means that somebody bought it. That made larger and larger sized farms and ranches in this country. The production continues. That does not change, because somebody else is operating where these family-sized farm operators or these family-sized ranch operators were. So the trend has been for 30 years toward bigger and bigger farms and bigger and bigger ranches, and in some instances it has been attractive for business, and rather large business, to buy the land and to continue the farm or ranch operation.

The public—consumers—have been served because the production is still there. The cost of production has continued to climb, however. In many instances the investment by a large company in land purchases has been an attractive investment. One of the reasons for that is because land values have continued to climb and so with an investment in land, a sound investment, if the corporate operators did not break even on the operation during that particular year or even a series of years, perhaps the increase in land values would make the investment still very attractive.

That type of situation lends itself to where the corporation or conglomerate which has some capital available and wishes to diversify part of their operations can put it in something like land that looks like a safe long-term investment.

It is likely that the value of the land will not go down and has a chance of increasing. It is an attractive investment. Meanwhile the farm or ranch operation continues under their management and the PIK program is available to them.

Those farms in California which are mentioned in the article this morning were not always large, huge farms owned by conglomerates. If you check back on them, you will probably find that 30 years ago there were a number of family-size operations on their large landholding. I have not checked back on them, so I cannot say for sure. But the likelihood is that they were all family-size operations 30 years ago operated by a number of individual owners.

There is no secret that for 30 years, farmers and their organizations, local and national, have said that with prices the way they are, it is not possible in many instances to hold a family-size operation together as economically sound.

This bill to hold down target prices for wheat feed grains, cotton, and rice would do further harm to them.

There have been times when agricultural prices spurted up. That happens in these particular commodities from time to time; that is, in the case of wheat, cotton, and feed grains. There are times when the prices have been high and above the cost of production in the past 30 years.

But the market prices have been tough for these producers and the overall pictures has been one of haveing a desperate time holding together a small unit and passing it on from one generation of the family, to the next, keeping the farm or ranch intact. In many instances, the family farms and family ranches of today are double or triple the size they were 30 years ago. They have absorbed the farms or ranches from another family or two and have increased their operation just to keep one family operation going.

Yes, family-size farm operations have been efficient. But the family-size farm or ranch operations generally are not financed well enough to finance 4 or 5 years of adverse market conditions.

Believe me, in the past 30 years there have been several cycles—wheth-

er in cattle, wheat, hogs, sheep, cotton, corn, feedgrains, or dairy—when there have been 2-, 3-, 4-, or 5-year period when the prices received for the production from these family farms and ranches have not paid the operating costs. They had the option then of either securing more capital in order to keep financing their operation, extending their credit, or perhaps mortagaging their land. The over result of this has been squeezing out those whose credit became hopeless resulting in fewer operators.

While the country has been well served, in term of food and fiber available and there have been attractive consumer prices, it has been a trend that damages severely individual families and the social fabric of rural America.

I greatly lament the loss of the family operators from our farms and ranches, and I have lamented for two reasons. First, it has disrupted those family-size operations from gaining their livelihood in the field they have chosen as their No. 1 choice. Second, in the long run, the most efficient production will come from family-size farms and ranch operations. We produce food and fiber in this country that is cheaper per unit, and we produce livestock cheaper in this country per unit than any other nation on Earth. Yet, we lose a lot of our producers.

While they have been making that production, our people, our consumers and that is all of us in this country who have had available to us food products that are wholesome, that are nutritious, that are convenient, that are fresh, and that are available throughout the country—cheaper than any other country on Earth. It is not just cheaper in terms of relative value, whether you measure it in hours worked, pay you received, or measure it in comparison to the costs of other consumer goods. U.S. food is cheaper and better than in any other country on Earth, during the whole history of the world. Agriculture has succeeded so well in America that it is the marvel of the world.

During that time, we have seen the nutritional advancements in this country. We have seen the opportunity not only for people to eat what they want but also wholesome food that is adequate nutritionally. That excellent nutrition is available for children from the time they are infants through their early years and their school years and their college years, on into adulthood, which has made them healthier and made it easier for them to learn.

Nutrition has a lot to do with the vigor and vitality of schoolchildren and collage age youngsters. It has a lot to do with how much they comprehend and how quickly they learn. Nutritional advances are extremely important to all of us in this country, for a variety of reasons. The success of good nutrition as the basis for sound health has been one of the great advantages we have had in making gains in controlling and preventing diseases, preventing ill health, and extending the years of elderly in a state of good health that also means comfort and enjoyment in our later years.

What we have done in this country, we are interested in seeing done abroad. When we talk about the opportunities for American agriculture, for a decent price, and for the economy of this country improving, we realize the need for broadening American agricultural trade.

What we are seeing done now throughout the world, in many countries, is almost a revolution in the advancement of nutritional goals. Advancement of nutritional goals can be made available to other countries from the abundance we have in our country and the abundance of other export countries, but principally from the agricultural abundance of the United States. We have developed some sales to Russia over the past dozen years which have been advantageous for our trade balance, and they have been advantageous for the agricultural producers of this country. Todays announcement of a 9 million metric ton sale of American grain and soybeans to the Soviet Union is a welcome revival of our trade with them, and it is for cash.

I point out that the Soviet Union purchasing our products is very advantageous to the general nutritional level of the people of the Soviet Union and Iron Curtain countries. When they eat more high protein foods, such as dairy products, poultry products, red meats, principally from hogs and cattle, they not only are satisfying what is a normal human appetite for these high protein foods, but also, they are satisfying the need to advance the nutritional level for all their people.

We have also developed broader markets for American products in Asia.

I stress that when a population of a country is improving its nutritional levels that generally means that the nutrition available to them, the foodstuffs available to them will be more and more the higher protein foods that I have mentioned. When a country that does not have sufficient grain supply to feed more chickens in order to have more poultry available or more eggs available or does not have the grain supply available, for instance, for dairy cows in order to produce more milk, or grain available to feed hogs or cattle, importation of American grain for those purposes means a greatly expanded market for American feed grains.

Why? If you take a pound of corn and make corn meal out of it simply by grinding it up, you can get yourself very full, one human being on one pound of corn per day. But if you want to use the corn in order to have more milk available or more eggs from chickens available or to fatten some hogs, you are probably going to use anywhere from 4 to 10 pounds of grain for 1 pound of that product. For chickens or hogs we are talking about converting 4 to 5 pounds of grain to make 1 pound of poultry. For 1 pound of pork it takes about 8 or 9 pounds of grain for a pig to gain that pound of weight.

That revolution of upgrading the nutritional opportunities is not only occurring in the Soviet Union and in Iron Curtain countries that are having more high protein food available for their people, it is also occuring in Asian countries.

Korea has been a long-term purchaser of American grain. Japan has been a long-time purchaser of American grain. So too are the Philippines. And China only recently has become a purchaser of quantities of American grains that are substantial and we want to see that broadened out.

I point out in particular one of the countries that we have had a long association with of several generations. It is the Philippines. They are net importers of grain, most of it from the United States.

Their Agricultural Minister is Arturo R. Tanco, Jr. He has been the Minister of Agriculture for 13 years in the Philippines. You might assume that a minster of agriculture who has been on the job for 13 years first of all must be well into his sixties or perhaps even into his seventies. That is not true. He is a much younger man.

You might also assume that he is a person who comes from an agricultural background. That is not true either. He comes from a business background.

I had the pleasure of meeting him a few weeks ago when he was here in the United States for a World Food Organization meeting. He, after all, was President of the World Food Council of the United Nations from 1977 to 1981. In fact, he is the only President of the World Food Council who ever served more than one term. He served two terms. He is an outstanding individual in terms of agriculture production and food distribution in global terms. He is familiar with the United States, received much of his education here and graduated from the Harvard School of Business. That is his background. But he brings to the Philippines an understanding of what agriculture should accomplish in an underdeveloped country. He is developing the agriculture capability in his own country that is truly remarkable.

I have some data to stress these points. In 1977 the Philippines imported 146,300 metric tons of yellow corn.

As of the third quarter of 1981 corn imports reached 234,096 metric tons. You might say what are you talking about? Is that agricultural improvement? It is improvement in what they are doing with that corn. They want it for chickens and hogs. They want to upgrade the nutritional levels of the people of the Philippines. So far traditional breeds of dairy cattle do not produce very well in that very hot humid country.

There is an emphasis on better nutrition for their people because of their importation of corn and they are also raising their own corn. They have more than doubled the production of their own corn in the past 5 years.

Agriculture Minister Tanco told me that so far hybrid varieties of corn have not been successful. They have a mold, a mildew problem that will require different types of hybrid seed corn than has been successful in the United States. But he feels fairly soon, perhaps in the next year or 2—because they are now trying some new varieties that have been developed to be resistant to both mildew and mold—perhaps they will see their corn production double within the next few years.

Does that mean that eventually they are not going to be much of an importer of agricultural products from the United States? No; I think they will continue to increase their agricultural importation because their agricultural production has been of a nature of increasing the capability for better nutritional levels for all of their people.

Because they are improving the nutritional level of the people throughout the Philippines, they are going to continue to need more and more feedgrains and other agricultural products.

Corn for human consumption in the Philippines is used as cornmeal principally. Corn in the form of cornmeal is one of the basic foods for some of the people in the Philippines. There are over 7,000 islands in the Philippines, the minister told me, many of which are not inhabited. But it is a large country. Some of the islands are very large. They have a rather large population. But for about 20 percent of the people in the Philippines the basic food is corn rather than rice.

The country is self-sufficient in white corn for human consumption. However, the production of yellow corn for animal feeds is what they import. The increasing demand for feed corn triggered by the rapid expansion in commercial production of pork and poultry is the reason for the importation of yellow corn and using it for feed purposes principally for hogs and poultry.

Minister of Agriculture Tanco has launched a vast program to increase the productivity of corn but until they have conquered this phase of moving into hybrid seed varieties—they think they are going to be able to within the next few years—their own production of corn has reached sort of a plateau.

But there are other reasons they have reached a plateau in increasing corn production and that is lack of credit, low prices and the high cost of marketing. You know, they are running into the same problem that we have here in the United States, lack of credit. That is the reason why we have lost so many family farm operations. The bottom line when we have lost them is because they could not extend their credit. To extend it any more than they had was totally unreasonable and many times impossible, so the family farm operator would have to sell out.

When the Philippines farmers mention the high cost of marketing it reminds me of the problem we have in Montana. What is the high cost of marketing in Montana? Let me tell you the high cost of marketing wheat in Montana is the cost of shipping a bushel of wheat either to the head of the lakes near Duluth where it gets on lake ship transportation or for the most part the cost of shipping a bushel of wheat from a Montana farm to the west coast where it is going to be exported and that is where most of our wheat goes.

So you produce a bushel of wheat in Montana and you are paid $3.50 for it, which is close to the price currently. The reason you are only getting that $3.50 is because it is going to take another dollar to get it out to the west coast where it will get on a ship and be transported to whatever foreign country is is bound for. More than two-thirds of the American wheat goes abroad, so it has to get to a point of ocean transportation, and be loaded on a ship.

You might say what has that got to do with $3.50. It has got a lot to do with the $3.50. Transportation costs are why it is that low. Is $3.50 high enough for a bushel of wheat? Consider this, the average cost of production, and we are the best producers of wheat in the world, U.S. wheat farmers produce wheat more cheaply, less cost of production than any other wheat producers on Earth, so we are pretty good, we admit that. We are not bragging either. But the cost of production is about $4.50 to $5 per bushel, somewhere between $4.50 and $5, and so when you sell it for $3.50, you know you have a loss.

What the producers in the Philippines are finding out in the production of yellow corn is just the same as we found out in our country. Minister of Agriculture Tanco believes that within a matter of 2, 3, 4 years, they will have hybrid varieties that will double their crop per acre, greater efficiency by far, and they can stay in production, stay in business.

But the Minister also told me one important thing. It is what we recognized in this country over 100 years ago, in fact Jefferson recognized it well over 200 years ago. In order to improve the economy of this country, we produced agricultural products and we sold them abroad and in doing so we created the capital that could be spent on all types of other products produced in this country. We made a purchaser out of farmers. We had the agricultural resource to develop the original wealth. We sold the product and much of it, as Jefferson recognized, would be sold abroad. It is about 50-50 now of some of our products; in the case of wheat more than two-thirds are sold abroad, in the case of cotton it is less than that, and in the case of corn it is less than that, but in many agricultural commodities produced in the United States half of the production is grown to be sold abroad in order to find a market. But in doing so it makes buyers for other goods out of those farm producers.

What we are lacking right now, Mr. President, is a balance for these agricultural producers that is having a decent price to cover the costs of production and provide a profit.

Minister Tanco recognizes that and is moving ahead with agricultural production in their country so they can make purchasers of other goods to support other industries and other businesses in the Philippines. That is the way agriculture works, that is the way you use agriculture and that is why agriculture is a basic business good for other businesses. It is not to be construed just as a way of life. Those of us in agriculture like that way of life, but it is much more than that; it is a livelihood, it is a business, and it is the country's most basic industry. As we develop it and use it and treat it properly so does this country prosper.

In the case of the Philippines, yes, they will be importers of agricultural products and other goods from the United States for years and for generations to come if their agriculture succeeds and their economy grows and their people prosper.

Mr. President, we will have an opportunity to discuss the problems of agriculture, or a great number of the problems of agriculture during the remainder of this day, into tomorrow and perhaps into next week, and I believe it is time we do. I believe it is time we do because we have got the best agriculture on Earth, let us make it work and let us make it successful.

I started out by talking about the payment-in-kind program and I want to make it clear that while the payment-in-kind program has transferred a great amount of money into the

hands of farm producers of the various commodities that are covered under the PIK program, it is not my choice, it is not my favorite farm program. Farmers and ranchers would rather produce than have a PIK payment. But because of the situation they are in, the payment-in-kind program was accepted by a great number of agricultural producers in this country, for cotton, wheat, feed grain, and rice. They would like to have it the other way, have the marketplace be strong enough and the demand for their product strong enough that they could be producing and selling their crops. That is the way I would like to have it too and that is one of the reasons why we have to be so diligent in improving the agricultural program for the United States at this time.

Mr. President, I yield the floor.

Mr. BAUCUS addressed the Chair.

The PRESIDING OFFICER (Mr. EAST). The Senator from Montana.

Mr. BAUCUS. Mr. President, I first want to commend my senior colleague, the Senator from Montana (Mr. MELCHER), for the remarks he has made today and the last several days concerning this bill. I think he has aptly, correctly, succinctly, and cogently stated the reasons why the target freeze should not proceed and I want to remind my colleagues of his leadership in the effort he has taken in that regard.

Mr. President, the Senate is facing the question of proceeding to the consideration of the bill that freezes target prices for wheat, feed grains, cotton, and rice for the next 2 years at 1983 levels.

Proponents of this legislation claim that farmers will continue to receive income protection for these commodities in a less costly manner, which expanded exports should strengthen farm prices in the marketplace. This sounds like the same empty promise that I heard less than 2 years ago during the debate over the 1981 farm bill.

It is ironic that I am standing here today defending a farm program that I voted against in 1981. I did so because the price-support levels it contained were totally out of line with the costs of production.

Despite my opposition, and the opposition of other Senators, this body adopted a 4-year farm bill in 1981. That bill was touted as a market-oriented bill which emphasized increased agricultural exports as the path toward improved farm prices. Exports, the argument went, would increase farm prices for Montana and the American farmers.

I told the Senate in 1981 that, in my opinion, we were putting the cart before the horse by assuming our export levels would increase and pull farm prices upward with them. There was no assurance then. There is no assurance now.

We should not have to rely on farm programs to improve prices. I would prefer to see the marketplace help achieve that goal. The marketplace resulting from increased exports. Farmers would prefer to receive a reasonable price for their product in the marketplace.

But look at what has happened to U.S. farm exports over the past 2 years. The value of farm exports increased from approximately $7 billion in 1970 to about $43.8 billion in fiscal year 1981.

The value of U.S. agricultural exports in fiscal year 1982 was $39.1 billion—a decline of almost $5 billion from the 1981 level. This is the first year-to-year decline in the value of farm exports in more than a decade. The Department of Agriculture is projecting agricultural exports to decline further this year to $35 billion.

Farmers are not the only ones who should be alarmed by these falling levels of agricultural exports.

In 1981, the U.S. agricultural trade surplus contributed about $20 billion to our balance of trade. This year the President's Council of Economic Advisers predict at least a $60 billion U.S. trade deficit.

Other economists predict the figure to climb closer to $100 billion. Even the administration predicts a $100 billion deficit next year.

How does this affect the U.S. economy? There is general agreement that for every additional $1 billion in our trade deficit we lose 25,000 to 30,000 U.S. jobs.

Obviously, that means that with the $100 billion trade deficit we lose in the United States between 2.5 million jobs and 3 million jobs for Americans.

Every American has an interest in seeing U.S. agricultural exports grow. But the question we are facing today is whether to lower the price a U.S. farmer receives for his product.

I cannot help being skeptical over the promise of improved farm prices through expanded exports given these figures of the last 2 years. Farmers cannot pay their bills with promises from Congress or the Department of Agriculture.

I have become even less convinced over the past 2 years that lowering the price a farmer receives will increase the U.S. competitive position in the international marketplace. Yet the central argument for freezing target prices seems to be that farm prices must be reduced to stimulate U.S. exports.

Why can we not put the horse back in front of the cart—why can we not expand U.S. agricultural exports, stabilize farm prices, and then talk about freezing target prices?

An additional point in the committee report puzzles me. The report says:

> The target price adjustment is expected to help rectify the current domestic surplus supply situation by providing farmers with the correct economic signal to cut back on overproduction.

Well, Mr. President, I hope you will excuse me if I cannot figure out how a wheatgrower who realizes he will receive less for a bushel of wheat will cut back on his production.

Farmers do not operate on large enough margin to simply absorb a price decease. In fact, the reason farmers have been able to survive through the past decade of stagnant farm prices is their own tremendous gains in productivity.

How we can ask farmers to cut back on their production and expect lower market prices is beyond me.

Let me make another point regarding the consistency of our farm programs. I said before that I opposed the 1981 farm bill. But the farm policy set in that legislation was meant to span 4 years.

There is good reason to adopt a 4-year farm bill. Farmers, even more so than other businessmen, need to plan their operations well in advance.

Farmers need to plan what crops they will plant, how many acres they will summer fallow how many acres of each crop they will plant, and what the production costs of their farm plans will be. They need to line up financing for their operations based on these farm plans.

Yet the nature of farming is uncertain. Drought, hail, and uncooperative weather can severely change a farmer's expected yield. There are no guarantees that they will be able to harvest the crops they plant.

For this reason, I constantly join with other farm State Senators who plead with the U.S. Department of Agriculture to announce the details of the annual farm programs early.

Farmers need to know early what the details of the annual farm programs will be under the overall context of 4-year farm policy. It is essential—let me repeat—essential that the Federal farm program remain consistent for the 4-year duration of a farm bill.

Let me share some excerpts of former Secretary of Agriculture Bob Bergland's foreward from the structure study of 1981 regarding farm policy:

> I remember those years now as one crisis after another, a seemingly endless debate on agricultural bills, with little or no discussion of agricultural policy.
>
> As a farmer who had no choice but to roll with the punches—because that was our home, our land, and I wanted to keep it—I had always felt there had to be a better way to make farm policy and make the farm programs conform to that policy.
>
> As a farm-program administrator, I still felt there had to be a better way.
>
> After six years in Congress, I was absolutely convinced.

I was always troubled during those hours of testimony and negotiation that we never seemed to get off the same familiary, circular tracks: the levels of price and income supports, the levels of exports, the constraints of the budget.

We didn't know who exactly was being helped or who was being hurt by the measure before us. The problems were seldom clearly defined. If they were, they were cast as narrow but immediate crises that needed patches quickly. Other than a dime a bushel here or a few pennies more a pound there, the remedies presented were either politically unacceptable or simply made no sense.

We thought—we hoped—that if we helped the major commercial farmers, who provided most of our food and fiber (and exerted most of the political pressure), the benefits would filter down to the intermediate-sized and then the smallest producers.

I was never convinced we were anywhere near the right track. We had symbols, slogans, and superficialities. We seldom had substance.

Soon after I was appointed Secretary, some thoughtful commentary in newspapers and magazines addressed the growing problems in agriculture in what was projected to become a "bust" year for many farmers. Reading these articles made me want to use my time as Secretary to try to move agricultural policy closer to that right track, wherever that was.

But this also raises questions about Federal farm policy. Where should we be directing our programs—credit, research, conservation, and technical assistance, not just income and price supports? Should we simply concentrate on overall production and export volume? Should we continue to ignore the role of off-farm income? How do we relieve the pressure on land prices, so out of proportion to the current income the land can return that new farmers find it almost impossible to bid on it? If we can find a way, should we?

As Secretary, I wanted to take up these central concerns. But, first, we had a farmer-owned grain reserve to put into place, as a start toward halting the plummeting grain prices and stabilizing markets, and there was a new farm bill to be developed.

The 1977 farm act was nine months in the making. It was and still is the most comprehensive assembly of elements for a national food and agricultural policy ever enacted in a single piece of legislation. The reserve program was endorsed; income-supplement levels were geared more closely to the costs of producing the commodity; benefits rigidly allocated by outdated acreage allotments were replaced by a system basing them on what was actually planted. All were features designed to provide producers with more latitude in decision-making, along with rewards for responsible risk management.

A new organizational structure was established to help redirect research and education, and the food stamp program was totally revamped, with eligibility for those benefits narrowed but access to them eased, a relief to millions of the rural poor.

And, during the final steps of the legislative process, a provision was added reaffirming what was called a "historical policy" of encouraging the family farm system, for the social well-being of the Nation and a competitive environment in food and fiber production. A "family farm" was not defined, and, the Congress stated, programs should not be exclusively administered for the benefit of family farms.

As good for farming as the 1977 farm act was, it still basically approached agriculture as if all farmers were alike, had the same problems, received the same benefits from the programs, and should be assisted on the basis of farm-unit production rather than per-person need. By and large, it failed to recognize any special problems of farms of different sizes or organization or experience, bought under different economic circumstances in different places.

At its heart, the directions in American agriculture with which the 1977 act was concerned were the direction of unit prices of supported commodities and the magnitude of budget expenditures. Averages and the dictates of the legislative calendar were still the principal guideposts.

There had to be a better way.

Mr. President, we must strive for consistency in our agricultural policy. We simply cannot afford to continue taking a band-aid approach to farm policy.

We are 1 week away from the August recess. I cannot support a motion to proceed to a major agricultural bill with plans for a new crop year approaching—and without any idea of what the 1984 farm program will be.

Freezing target prices and reducing the loan rate for agricultural commodities will have a widespread impact on farm prices and the farm economy. I am not prepared to take such drastic action simply to pacify David Stockman.

Over the past year I have encouraged the Senate to take action to curb the sodbusting of our fragile rangelands. I have encouraged the Senate to take action on farm credit legislation aimed at getting farmers through the extended depression in the farm economy. None of these bills have reached the Senate floor. In fact, over the past 2 years, the only agricultural bills we seem to address are those aimed at reducing the Government's commitment toward assuring farmers reasonable prices for food and fiber.

I am not prepared to let this trend continue without the opportunity to bring these important agricultural measures before the Senate.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. I thank the Chair.

GRAIN TRADE AND TEXTILE ISSUES

Mr. President, as the distinguished occupant of the chair is aware, there has been considerable discussion recently about what I consider to be a nonissue, certainly a nonissue in terms of substance. There was a report in some of the newspapers, for example, suggesting that there was a question about whether Red China would purchase more grain and perhaps other agricultural commodities from the United States if the Communist Chinese had greater access to U.S. textile and apparel markets.

That is a convoluted way to look at it, Mr. President. The Red Chinese are flooding the U.S. textile and apparel markets. Indeed, Communist China is now the fourth-largest supplier of textile and apparel imports to the United States. Suffice it to say that the information thus far made available to the public by the media has been one-sided, to say the least.

First, I do not think anybody can say with certainty what the Red Chinese would do about grain purchases from the United States if we were to permit the entry of even more of their textiles. Certainly, this Senator has no information in that regard. I am incapable of reading the mind of anyone, least of all a Communist's mind. But I do contend that the Red Chinese can now purchase whatever grain they want or need at substantially lower prices from other countries. In fact, Mr. President, the Red Chinese are doing just that. That is because virtually every other grain exporting country in the world uses massive export subsidies to dump their surpluses onto the world market.

Mr. President, in that connection, I ask unanimous consent that a table depicting recent price quotations on high-quality milling wheat for export from the principal exporting nations be printed in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Export prices for wheat—June 1983

[Dollars per metric ton]

United States	149
Argentina [1]	128
France [2]	136
Australia [1]	160
Canada [1]	186

[1] This is the price quoted by the government grain board that does all trading in these countries. Actual trades would be made at a lower price—probably as low as it took to get the business.

[2] Effective price to buyer, after the EEC export subsidy is paid. (Export subsidies for high-quality milling wheat for export at Rouen, France, on June 29, 1983, were $61 per ton. These prices and subsidies are highly variable. France guarantees its farmers $197 per ton, and the subsidies are the difference between that price and whatever it takes to make the sale.)

Mr. HELMS. As those who will be reading the RECORD will note, I have just inserted a comparison of the metric ton cost of wheat purchased from the United States, from Argentina, from France, from Australia, and from Canada.

There is a footnote in the cases of Argentina, France, Australia, and Canada. The first footnote relates to Argentina:

This is the price quoted by the Government Grain Board that does all the trading

in these countries. Actual trades would be made at a lower price—probably as low as it took to get the business.

In other words, Mr. President, it is sort of like the sticker on a car in a used carlot. If you believe that sticker, you will believe anything. You negotiate with the salesman and the price is always much lower.

But in any case, the footnotes have been included in the unanimous-consent request that I just made, and those who read the RECORD tomorrow or subsequently will be able to see the point I am making.

Now, Mr. President, the Senator from North Carolina yields to no one in my commitment to ending the predatory agricultural subsidies practiced and employed by various foreign countries. As a matter of fact, the so-called blended credit program which has been so successfully used by our Government to restore some small measure of equity to agricultural trade, is a result of the Helms amendment to the 1982 Budget Reconciliation Act.

Moreover, Mr. President, the Senate Commmittee on Agriculture, Nutrition, and Forestry has reported a bipartisan version of legislation that I introduced bearing the title Agricultural Export Equity Market and Expansions Act of 1983. This bill bears the number S. 822. It is now on the Senate Calendar. It provides a number of mechanisms to combat the unfair practices of exporting competitor nations and is designed to induce those nations using unfair subsidies to the bargaining table. Chances of passage of S. 822 later on this session seem quite good.

On top of all that, Mr. President, I have written a number of articles and have delivered a number of speeches on this subject, and I hope that I have to some extent helped draw the attention of our Nation's highest policymakers to the problem of these predatory export subsidies on the part of foreign countires. As a consequence, the administration is now engaged in serious discussions with our trading partners, and the President has taken a number of decisive actions to induce the kind of reforms needed in this area.

In addition, the Senate has adopted provisions that I authored and offered to the International Monetary Fund bill that require the U.S. Executive Director to the IMF to submit a proposal that would bring an end to predatory subsidies by IMF member nations.

I note with interest that the House of Representatives now has IMF legislation under consideration, and if the IMF bill survives there—and I fervently hope that it will not—there seems to be no question that the kind of language that I have proposed will become law.

All of this is to say that this Senator from North Carolina is concerned about encouraging as much U.S. agricultural exports as can possibly be accomplished. And my actions, I think, demonstrate that.

Now back to the textile situation with Red China. Senators should be aware that textile and apparel imports from Red China have increased dramatically in recent years—as a matter of fact, ever since the Carter administration granted what is known as most-favored-nation status to Communist China. I vigorously opposed that action by the previous administration. I believed it to be a tragic mistake then, and I am even more persuaded today that it was a tragic mistake. Look at the facts.

The total compound annual growth in the importation of textiles and apparel from Red China from 1977 to 1982 is 55.1 percent, and if you will add all that up, the total increase for the period has been 621 percent. We have a second Hong Kong on our hands in terms of this deluge of textile and apparel products.

Mr. President, I have a table depicting the growth of U.S. exports of textiles and apparel from the so-called People's Republic of China, and I ask unanimous consent that it be printed in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

U.S. TEXTILE IMPORTS FROM COMMUNIST CHINA

[Millions of square yard equivalents (SYE)]

Year	Cotton	Wool	Man-made	Total
1975	139.3	0.1	1.0	140.4
1976	148.4	0.7	3.4	152.5
1977	81.9	0.6	5.8	88.3
1978	186.1	1.2	13.7	201.0
1979	190.3	1.0	39.9	231.2
Most Favored Nation Status Extended to Communist China				
1980	261.4	10.7	52.7	324.8
1981	442.8	9.1	109.9	561.8
1982	438.2	11.4	221.1	670.0
1983 [1]	456.3	12.3	239.6	708.1

[1] Note: 12-month period ending May 1983.

Mr. HELMS. In the 12-month period ended June 1982, the U.S. imports of Red Chinese cotton apparel alone amounted to 145 million square yard equivalents (SYE). That was 31 percent higher than for the calendar year 1980. In the same 12-month period, imports of man-made fiber apparel surpassed cotton apparel and reached a level of 146 million SYE, 206 percent over calendar 1980. This increase reflects dramatically the effective utilization by Red China of its newly installed fiber-making capacity.

What do we have, Mr. President? We have the so-called People's Republic of China complaining about what it calls "limited access" to the U.S. market. Before anybody buys that line, consider Red China's exports of basic textile materials to other Far Eastern countries which export large quantities of apparel to the United States.

The total value of textiles and apparel exported directly to the United States by Red China in 1982 was $796 million, up from $427 million in 1980. The total value of exports of textiles—yarns, fabric, miscellaneous textiles—by Red China to countries which export apparel to the United States in 1980 was as follows: Hong Kong, $964 million; Japan, $210 million.

The U.S. bilateral agreement with the so-called People's Republic of China was originally effective January 1, 1980. Imports from Red China rose from 231.1 million square yard equivalents in 1979, the last year before controls, to 547.4 million square yard equivalents in the 12 months ending November 1981—the first month in which a call on Red China was made on print cloth.

It may seem a little involved, but I have tried to relate this to the Senate and to make it part of the record. It is essential that all of us back off and consider this in terms of the hundreds of thousands of textile and apparel jobs that have been lost in the United States.

This Senator is growing a little weary of hearing all the protests, not only from Peking but also from some in the United States, that we need to let Red China have even more of the U.S. textile market than it now has. What those voices are saying is this: "Forget about our textile and apparel workers, the hundreds of thousands who have lost and are losing their jobs throughout this country. We want to court and appease a nation that uses slave labor, a nation that, by the records of the U.S. Government itself, has slaughtered more than 60 million of its own innocent citizens."

So I may be forgiven, I hope, if I wait a while before I shed too many tears about what the rulers of Peking are complaining about. Mainly, I wanted the RECORD to show, for Senators and others to see, a bit of both sides of this proposition which, up to now, in the major news media of this country, has been given short shrift.

THE FUTURE OF FARMERS

Mr. President, this week the State presidents of the Future Farmers of America are visiting Washington for their annual conference. This group includes outstanding young leaders of agriculture from all 50 States.

The Future Farmers of America is an organization of students of vocational agriculture who are preparing for careers in agriculture and agribusiness. Last November, I had the opportunity to address the national convention of this fine organization, and I can attest to the good work which they are doing.

The creed of the FFA organization begins with the words: "I believe in the future of farming." Thus, it is particularly appropriate that these FFA

leaders are in Washington this week, because the legislation we are considering is vital to the future of agriculture.

I urge my colleagues to think about the long-term best interest of agriculture. While it may be difficult in the short term to consider adjustments in target prices, that is outweighed by the fact that American agriculture will be better off in the long run if we make these legislative changes.

I ask my colleagues to think about the agricultural economy in future years. Will these young FFA members find themselves in a farm economy characterized by costly, Government-induced surpluses, or will they be part of a market-oriented agriculture?

If we continue to allow our farm-support mechanisms, such as target prices, to escalate, the consequences will be twofold: We will encourage additional surplus production in the United States and we will lose markets for our farm products overseas.

Escalating target prices will require large, costly Federal outlays for deficiency payments. The potential cost of these payments may also force the United States into massive production-control efforts which are complicated and difficult to administer, which reduce the economic base of agribusinesses and local communities, and which allow other exporting nations to take a larger share of world export markets.

The result of this policy is that surplus production is induced, U.S. farmers lose their competitiveness in world markets, costs to the consumer and taxpayer are increased, and resources are used inefficiently. In the face of such surpluses, our young farmers will have no opportunity for profitable market prices. We will do these young farmers a disservice in the long run if we send them a price signal that is incorrect.

If we maintain high price supports and massive production controls, that policy will ultimately result in our agricultural products—and those of future generations—being shut out of world markets. We do so at great cost to ourselves and our posterity.

Today, more than a quarter of U.S. farm income is derived from agricultural exports, nearly twice that of a decade ago. About a third of harvested acres are devoted to exports. We export more than three-fifths of our wheat, half of our soybeans and rice, and more than a third of our corn and cotton.

If we surrender our export markets, what happens to these commodities? Do they all become a huge surplus, further depressing prices in the United States? If so, how many farmers—young and old—will go out of business?

There will be calls for more stringent limits on production—perhaps mandatory controls—if we withdraw from export markets. Yet recent history shows that while the United States cuts production, other exporting countries are expanding production of the same crops. The net result is that prices remain low, and the United States gradually reduces its market share and our opportunity for profit.

And what about the impact on the general economy? More than 1 million people in the United States work in jobs related to farm exports, over half of these in nonfarm industries. In fiscal year 1982, our 39.1 billion dollars' worth of farm exports created about 30 billion dollars' worth of additional business in the nonfarm community, and contributed a net $23.7 billion surplus to our balance of trade.

Like it or not, our farm economy is geared to agricultual exports. If we withdraw from world markets, either directly through massive production controls or indirectly through Government programs that are inflexible and nonmarket oriented, we will slowly reduce our agricultural production base in the United States. That is a fancy way or saying that massive numbers of farmers will cease to exist, and young farmers will have no opportunity at all. I believe our farmers deserve better.

We simply must adjust our Government farm programs to make them more cost effective and market sensitive. At the same time, we can continue to provide income protection and we must increase our efforts to counter unfair foreign trade practices.

There is another reason why this legislation is important to the future of agriculture. Much attention is now being focused on the cost of Federal farm programs. The public and the press are noticing that farm program costs have increased fivefold since 1981, faster than any Government agency including defense. Farm program outlays for this year are estimated at an all-time high $21.1 billion.

If we do not make responsible adjustments to control the costs of our programs, we may provoke a consumer and taxpayer backlash which could endanger all farm programs. As one farm organization representative said: "Either we take the initiative to get our house in order or someone will come along and wipe out these programs altogether."

Our farm programs have worked well over the years to provide a degree of predictability and support in an inherently unstable business. We should explain to the public that these programs have become costly for several reasons, but we should also make necessary adjustments to preserve and extend these programs. If we do not, we may endanger these programs for future generations of farmers. The pending legislation is a good step toward adjusting these programs for their continued use.

Mr. President, this legislation also contains $600 million in farm export assistance for fiscal years 1984 and 1985. In addition, the legislation will provide financing for the agricultural export credit revolving fund, which can serve as an ongoing source of financing for U.S. agricultural exports.

These are investments in the future of agriculture. Money that is loaned out from the fund as export credits will be repaid to the fund with interest. Then these repayments will be loaned out again. This revolving fund would be made permanent by the legislation we are considering.

Future generations of farmers will benefit from the investment we can make today in building long-term demand for farm products. That is what our young farmers need: more customers for our commodities, so that farmers can make profits in the marketplace.

Mr. President, I salute the Future Farmers of America. In their spirit, I urge the Senate to put aside short-term, political gain and to enact this legislation which will put us back on track toward a market-oriented agriculture in the future.

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. JEPSEN). Without objection, it is so ordered.

Mr. BAKER. Mr. President, could I inquire, is the conference report on H.R. 2973 at the desk?

The PRESIDING OFFICER. It is.

Mr. BAKER. I thank the Chair.

Mr. President, that is the conference report on the repeal of the withholding of tax from dividends and interest. I think it is important that we proceed with that as soon as possible.

REPEAL OF WITHHOLDING TAX FROM INTEREST AND DIVIDENDS—CONFERENCE REPORT

Mr. BAKER. Mr. President, I ask that the Chair lay before the Senate the conference report on H.R. 2973.

The PRESIDING OFFICER. The clerk will report.

The acting assistant legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 2973) to repeal the withholding of tax from interest and dividends, having met, after full and free conference, have agreed to recommend and do recommend to their respec-

tive Houses this report, signed by all of the conferees.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the conference report?

There being no objection, the Senate proceeded to consider the conference report.

(The conference report is printed in the House proceedings of the RECORD of July 27, 1983, on page H5763.)

The PRESIDING OFFICER. The Chair recognizes the Senator from Kansas.

Mr. DOLE. Mr. President, I am pleased to ask the Senate to consider and approve the conference report to H.R. 2973.

I understand that Senator KASTEN would like to speak briefly and Senator DANFORTH and maybe others. I might say to those who are listening in their offices, there are requests for a rollcall vote. We hope to move rather quickly.

The conference report and the statement of the managers were filed on July 27, 1983, after a conference lasting more than a full week. I believe the final product represents a good agreement for the Senate, and a good package of legislation for the Nation.

I believe the President would not have signed any bill repealing withholding on interest and dividends unless it contained meaningful alternative compliance measures. I believe that the Senate's success in adding such provisions to the House bill, and its success in adding the President's Caribbean Basin Initiative, will persuade the President to sign this legislation. Although all of the Senate provisions were not accepted, we can feel proud of the Senate's role in formulating this legislation.

As I said before on the floor, I do not think the President would have signed this modification of withholding without something in exchange. We believe the compliance provisions will satisfy the President, maybe not as well as withholding would have satisfied the President. In addition to that, the adoption of what he considers to be and what is a very important policy matter for the administration—in fact to many Members of Congress on both sides of the aisle—to the Caribbean Basin—the Caribbean Basin Initiative. So it is my belief and hope—and I have been so assured—that the President will sign this legislation.

I think—notwithstanding the bitter fight at times we have had over the withholding issue—that the issue has been properly resolved. There has been give and take on both sides; obviously not as far as some would like to go. Some probably still will oppose the conference report for that reason.

REPEAL OF MANDATORY WITHHOLDING AND SUBSTITUTION OF COMPLIANCE IMPROVEMENT MEASURES

Mr. President, the conference agreed to most of the substance of the Senate compliance improvement package. I want to review the compliance package and to explain the changes to the package that were insisted upon by the House conferees.

First, however, let me remind my colleagues of why we must improve compliance in this area, what the substance of backup withholding is, and why it is responsive to the criticisms that were made against mandatory withholding.

CHEATING ON INTEREST AND DIVIDEND INCOME

Approximately $25 billion in interest and dividend income goes unreported, according to the Treasury Department. That translates, again according to the Treasury Department, into a revenue loss of about $8 billion every year. If we could only collect all of the tax that is owed on such income, we would be one third of the way toward meeting the 1984 budget reconciliation instruction. All of this underreporting, whether intentional or inadvertent, occurs, despite the fact that the United States has had a comprehensive information reporting system since 1962.

PROBLEMS WITH INFORMATION REPORTING

Study of the information reporting system shows two major problems. First, the system is not working well in the identification of taxpayers who fail to comply. Second, the system is not working well in following up tax noncompliance. Both of these problems are dealt with by the conference agreement.

HOW BACKUP WITHHOLDING RESPONDS TO CRITICISMS OF MANDATORY WITHHOLDING

Mandatory withholding, which also sought to deal with these two problems, was criticized on three principal grounds. First, mandatory withholding was criticized as overly broad. It affected all taxpayers, conscientious as well as unconscientious. Backup withholding, by contrast, is targeted to cheaters and to those who fail to comply with the requirements of the information reporting system.

Mandatory withholding was also criticized because it shifted part of the IRS's job to the banks. While some of us believe that such "privatization" might have been much more efficient and therefore desirable, the judgment of the Congress has been that the job of tax enforcement should be left in the hands of the IRS. Backup withholding does just that, requiring the IRS to identify tax cheats. The banks' only role is to withhold at a 20-percent rate against identified tax cheats on notice from the IRS. This task is substantially like that performed by banks today in the case of IRS levies on bank accounts, a matter that was raised in the conference by the distinguished Senator from Louisiana, Senator LONG.

I would like to emphasize, however, that relying solely on IRS efforts to improve compliance carries a price. In order to obtain the level of compliance anticipated by this legislation, $15 million of additional IRS appropriations will be necessary for fiscal year 1984. This Senator appreciates the efforts of the Appropriations Committee, and especially Senators HATFIELD and ABDNOR, who have included the necessary funds in the Treasury appropriations bill for fiscal year 1984.

This $15 million is critical if the compliance provisions of this conference agreement are, in fact, going to be effective in this coming year. In addition, further appropriations will be necessary in succeeding years. These appropriations, I am convinced, will be cost effective in increased compliance. However, absent these appropriations, my colleagues should be acutely aware that increased compliance will not be achieved.

Third, and finally, mandatory withholding was criticized as creating too much paperwork. Under backup withholding, a taxpayer must only give his social security number to his bank, certify that it is correct and indicate whether he is subject to backup withholding. No exemption certificates will be required or necessary.

AN OVERVIEW OF THE COMPLIANCE PACKAGE

The core of the compliance package for interest and dividend income in the Senate bill was backup withholding and increased penalties on banks and other payors who fail to comply with the information reporting system. Both backup withholding and such increased penalties were retained in the conference agreement. Moreover, despite initial opposition from the House conferees, these penalties will be self-assesssed. Thus, Members of the Senate should rest assured that we have a tough compliance package, much like that with which we went to conference.

With that summary of the differences between mandatory withholding and backup withholding and the overview of the compliance package, I want to highlight the principal changes made by the conference.

ATTACHMENT OF 1099'S TO TAX RETURNS

The most important single change that the House conferees insisted upon was the deletion of the requirement that the taxpayer attach his 1099 information returns to his tax return.

That requirement was supported by a number of Senators, principally by the distinguished Senator from Alaska, Senator MURKOWSKI. It was included in many of the earlier withholding compromise bills, and there were a number of bills. And, as I said in the conference, there were a

number of Senators and a number of House Members from both parties who were going to suggest that since we do not require attaching the information return, the 1099, that somehow we are not seeking strong compliance. But the House conferees were convinced, and I think many of the Senate conferees were convinced, that perhaps that was unnecessary paperwork, it did not add anything, and that what we did do in the conference would be more effective.

Perhaps the strongest statement of the need for the attachment of 1099's to tax returns came from the Senator from Alaska (Mr. MURKOWSKI). Senator MURKOWSKI argued very persuasively in this Senator's judgment that a requirement on payees to attach their 1099 information reports to their tax return would do more to cause taxpayers to be more careful about maintaining accurate records of the interest and dividend income they receive than any further grant of authority to the Internal Revenue Service.

This Senator argued in the conference, as did Senator BENTSEN, that the attachment requirement should be retained. The House conferees, however, argued that because the IRS would not process the paper information documents, the attachment was an unnecessary paperwork burden.

The House never really had the opportunity—I will use the word opportunity—to debate withholding as we did in this body. Perhaps many of the House conferees never truly understood the feeling of a lot of Members on attaching the 1099. But if, in fact, attachment would have put another burden on the IRS and created an additional cost to the taxpayer, but does not provide additional information which could not be made in a more efficient way, then information reports should not have been required to be attached.

As I suggested in the conference committee, if for some reason this plan does not work, I will bet there will be a number of my colleagues in both parties and on both sides of the Capitol that will feel they should have attached the 1099's.

I hope the IRS is listening and we can make back-up withholding work.

The House conferees did agree, however, to retain the requirement that the 1099 information report be required to be in official form, and added a requirement of a separate mailing of such documents. Moreover, the House conferees agreed that the form 1099 should contain a stern warning of the consequence of noncompliance.

This requirement was insisted upon by Senator DANFORTH and others. Now, rather than to match the 1099, there will be a separate mailing to the taxpayer. That will be a separate special form indicating the income is taxable and, "If you do not pay your taxes, you are subject to penalty." Perhaps in the long run that will be the best way to go.

EFFECTIVE DATES

The conference agreement significantly delays the effective date of the new provisions, implementing the new safeguards generally only on January 1, 1984, rather than 30 days after the date of enactment. Frankly, I do not think that this delay seriously impairs the package. In the long run, both rules substantially improve compliance, and that should be our principal concern.

CORE PRESERVED

This Senator will say, despite the deletion in the conference at the insistence of the House conferees of some new penalties and special rules, that he is satisifed that the core of the compliance package was preserved intact. No significant revenue raising element of the package was deleted, according to the revenue estimating staffs of the Treasury and the Congress. That fact should provide substantial assurance to all those of my colleagues who have serious concern that we must improve taxpayer compliance.

NEW PENALTY ON INTEREST AND DIVIDEND WITHHOLDING

Mr. President, I should call my colleagues' attention to two additions that were made by the House conferees, on the specific recommendation of the Treasury Department, that this Senator and the rest of his colleagues had previously affirmatively rejected. The first is a new 5-percent penalty on underreporting of interest and dividend income subject to information reporting. It is arguably a tougher standard that what the House conferees and the Treasury Department were willing to impose on large financial institutions that fail to file information returns with correct identification numbers. And it may be a rare taxpayer who can show by clear and convincing evidence that he was not negligent. Thus, the 5-percent negligence penalty could fall on a broader class of taxpayers, many with nominal amounts of underreporting. However, the threshold of underreporting anticipated by this legislation and the cost of collecting this penalty for small tax deficiencies should go a long way toward assuring that this penalty will not be abused by the IRS.

This penalty was insisted upon by the Treasury Department and the House conferees, and in the interest of concluding the conference, the Senate conferees receded, despite some reservations.

TERM WITHHOLDING

A second major change in the conference was the conversion of the Senate's backup withholding system into a term withholding system. Thus, for an underreporter subject to backup withholding, correction of the problem or establishment that there is a bona fide dispute with the IRS will not terminate backup withholding before the end of the calendar year. If the correction occurs after October 15, withholding will continue through the end of the following year.

These are rigorous rules, Mr. President. To mitigate their harshness, the Senate conferees insisted on making the hardship exemption of the Senate bill available. Thus, the hardship exemption will override the requirement of term withholding. This Senator believes that we have a workable compromise on term withholding.

We were reminded of the fact that in the case of some elderly person or someone who, inadvertently, failed to comply, that individual should not have term withholding, so we provided this escape hatch which we think will take care of most of those cases.

CONCLUSION

Mr. President, having described the substance of the conference agreement, let me conclude by reminding my colleagues of all of the careful thought and hard work that went into this compromise.

Let me begin by highlighting the work of the Senator from Wisconsin. Many Americans know him as the leader of the drive to repeal interest and dividend withholding. That he was. But more importantly, in the long run, I believe, the junior Senator from Wisconsin was one of the leading advocates of an alternative to mandatory withholding. In forging backup withholding and the increased penalties for payors who do not comply with the information reporting requirements, the Senator from Wisconsin sent a clear signal that he would not tolerate tax cheating. For that role, the Senator deserves the warm support of all honest taxpayers, and the sincere appreciation of his colleagues. Let me add, too, that although the Senator and I differed on the merits of mandatory withholding, I have enjoyed very much working with the Senator to reach an accommodation on this problem. Our success demonstrates indeed that we will hear more from the Senator from Wisconsin in this Chamber.

I would be remiss, however, if I failed to note the strong role played by many other Members of the Senate in forging this compromise. I previously noted the important role of the junior Senator from Alaska (Mr. MURKOWSKI). Sentor STEVENS and Senator BOSCHWITZ also made important contributions to this compromise, as did Senator COHEN.

I particularly thank the distinguished Senator from Texas, the distinguished Senator from Hawaii, and the distinguished Senator from Louisiana for helping us to conclude the con-

ference. There will be mortgage revenue bonds that will not end at the end of this year. We will work out a satisfactory compromise, in my view. The Senator from Texas indicated a willingness to reach a compromise. He understands we ought to tighten up the program to some extent.

Senator LONG and I have a bill introduced which we think properly addresses at least a part of that problem. It is my hope that we can work with all Senators who have an interest in mortgage revenue bonds and have a bill on the floor or an amendment on the floor that will receive the substantial support in the next 60 to 90 days.

The result is a compliance package that deserves the support of all of us. With the repeal of mandatory withholding and enactment of these tough new compliance measures, the Senate can put this difficult issue behind us. I urge my colleagues to support this compromise.

CARIBBEAN BASIN INTIATIVE

Mr. President, I am particularly pleased that the conferees agreed to accept, almost without change, President Reagan's Caribbean Basin Initiative (CBI). This important program will authorize the President to proclaim, for a 12-year period, duty-free treatment for most imports from Caribbean Basin countries. The legislation further would extend North American convention tax status to beneficiary countries that agree to exchange information necessary for the enforcement of our tax laws. There are safeguards in the bill and existing law to protect U.S. firms and workers from injurious surges of imports made duty free pursuant to these new authorities. Finally, several provisions of the bill specially benefit Puerto Rico and the Virgin Islands.

The negligible differences between the House- and Senate-passed versions by this legislation principally related to criteria-conditioning eligibility for benefits; scope of duty-free treatment; and several studies.

With regard to eligibility for benefits, the Senate amendment contained three provisions not in the House bill. They were: First, the Senate deleted Cuba from the list of countries eligible for benefits; second, the Senate included a criterion that a beneficiary country must cooperate with U.S. efforts to interdict unlawful narcotics imports; and third, the Senate included among the criteria that the President may waive in the national interest a provision regarding the unauthorized broadcast of U.S.-copyrighted material. The House bill included, among the provisions the President must consider with regard to eligibility, the consideration whether a country affords adequate and effective means for foreign nations to secure, to exercise, and to enforce exclusive rights in intellectual property.

The House conferees agreed to the additional Senate provisions, and we agreed to the House provision. These additional criteria represent important U.S. interests that are fairly made a part of the conditions determining whether a country is entitled to the substantial benefits the CBI offers. While the House amendment had no Senate counterpart, in the opinion of the Senate conferees, it too reflects an important facet of U.S. trade interests that should be fostered. It is particularly important to the U.S. publishing industry, which engages in much business in the region, and I believe it will be supported by all Members.

The CBI extends duty-free treatment to most products, if all conditions for that treatment are satisfied. Certain products are excluded from such treatment, however, including leather products, footwear, canned tuna, and textiles. The Senate amendment added to this list two additional exclusions. They were: First, bulk rum valued at below $3 per proof gallon, except that the first 200,000 gallons of such rum could enter duty free and that volume could be increased annually by 10 percent unless Virgin Islands shipments fell below 95 percent of the 1982 level; and second, watches or watch parts of whatever type containing any material that is the product of certain Communist countries. The House agreed to accept the latter exclusion, but refused to agree to the rum provision.

Mr. President, the Senate approved this exclusion for certain low-priced rum when it agreed to the Senate amendment on June 13. As an amendment I had worked out with Senator WEICKER during that debate, I felt an especial responsibility to seek House agreement to it. Unfortunately, the overall best interests of the Virgin Islands dictated otherwise for the following reason:

The Senate amendment also included another provision concerning Virgin Islands rum which was not in the House bill. It would provide a limited and conditional exemption for certain nontoxic rum stillage discharges from applicable provisions of the Federal Water Pollution Control Act (FWPCA). This provision was strongly supported by the Virgin Islands Government as essential to maintaining their remaining rum industry. Because Federal excise taxes on rum are transferred back to the Virgin Islands government, that industry indirectly provides a substantial share of the Government's revenues.

The dilemma for the conferees simply was that the House conferees refused to consider accepting both provisions benefiting the Virgin Islands industry. The House members on the one hand argued that rum was perhaps the single most important export product potentially benefiting from the CBI; on the other hand, representatives of the Virgin Islands Government conceded that the FWPCA exemption was the more important of the two provisions affecting their industry. In these circumstances, the Senate conferees reluctantly agreed to recede from our insistence on the product exclusion, but only on the condition that the House conferees agree to accept the FWPCA exemption. They did so agree.

Mr. President, while I am disappointed that we did not achieve all of what we sought, I note that the bill nevertheless contains a number of safeguards and benefits for the Virgin Islands, including some specifically applicable to the rum industry. Further, I will ask the Finance Committee to request the International Trade Commission to establish a monitoring system that will keep the Congress and the President currently informed of the effects of increased rum imports on the Virgin Islands and Puerto Rican industries. I am confident that these measures will provide substantially the same safeguards as having the product exclusion now deleted from the Senate bill.

The remaining differences reconciled by the conferees were principally technical in nature. These included: First, House agreement to include citrus concentrate among the agricultural products eligible for emergency import relief; second, Senate agreement to three studies sought by the House; third, House agreement to a Senate provision authorizing the President to waive, for civil tax law enforcement purposes only, the requirement that a country agree to exchange tax information as a condition of attaining North American convention tax status; and fourth, House agreement to a Senate provision embodying a sense of the Congress resolution that there should be no imports of sugar from Communist countries. A very few other technical changes, involving minor differences in the two bills' language, also were agreed to by the conferees.

In sum, the conferees were able to achieve agreement on a bill substantially reflecting the work of the Senate and the proposal of the President. It represents the conclusion of 18 months of bipartisan effort to implement a bold idea offering hope for our neighbors to the south that they can rely on the United States to provide a means of economic growth and political stability. I consider the conference agreement to represent a final consensus statement of support for the program, which I am pleased that we can finally launch.

We have also been promised by the distinguished chairman of the committee and by the distinguished ranking Democratic member of that commit-

tee, Congressman GIBBONS, that they will not only work on reciprocity, which was initiated in this Chamber by the distinguished Senator from Missouri (Mr. DANFORTH) and the distinguished Senator from Texas (Mr. BENTSEN), that they will not only have hearings, but will actually markup that legislation, perhaps as early as September.

ENTERPRISE ZONES

Mr. President, the House conferees refused to accept the provisions of the Senate amendment that would have authorized the designation of up to 75 enterprise zones over the next 3 years. These zones would be eligible for substantial Federal tax and regulatory relief in an effort to spur development of distressed areas by removing barriers to private initiative. I regret that we could not make more progress with the House on this proposal, because it has been approved twice by the Finance Committee, and was the subject of extensive Senate hearings over the past 3 years.

However, it is important to note for the record that we did not leave conference emptyhanded on this important issue. Chairman ROSTENKOWSKI made a firm commitment during the conferees' discussion of enterprise zones to hold a hearing on the administration proposal this fall in the Ways and Means Committee. That will mark the first time enterprise zones have received a formal examination in the House, and we hope it will pave the way for final action in the near future. Certainly President Reagan, Senator BOSCHWITZ, Senator CHAFEE, and others who are vitally interested in this legislation will continue to work for a final package that can be signed into law. So we have made progress, even if the result is less than we had hoped for.

MORTGAGE SUBSIDY BONDS AND MORTGAGE INDEBTEDNESS

Mr. President, by the second full day of conference, the conferees had reached agreement on all but the Senate's provision repealing the sunset of mortgage subsidy bonds. The House conferees were adamant in their refusal to accept the Senate provision, but the Senate conferees insisted on our provision, and held steadfast for 7 more days. The Senate finally receded, but only after receiving assurances from Chairman ROSTENKOWSKI that the House Ways and Means Committee would consider the mortgage subsidy bond issue in the fall.

In the final analysis, I believe the Senate conferees acted responsibly in receding on this issue. Although there are 5 months left before the scheduled sunset of mortgage subsidy bonds, the Congress had less than 10 days to act on the withholding bill when the Senate finally receded. I am confident there will be ample opportunities to enact mortgage bond legislation before the end of the year.

The Senate also receded on its amendment modifying the tax treatment of the discharge of mortgage indebtedness on an individual's principal residence. This Senate provision, added as a floor amendment, would have cost $400 million over the next 2 years. I believe the high cost of this provision led the House conferees to resist taking it on this bill.

Senators DECONCINI and DANFORTH both have concerns in this area and have sought legislative relief from the current IRS rule in this area. I hope the Senate Finance Committee will have an opportunity to consider this problem again in the near future.

CONCLUSION

In summary, Mr. President, the conferees' report reflects an agreement on several important tax and trade proposals that the Senate can be proud of. The conference report was approved today by the House by a vote of 392 to 18 with 6 voting present. I urge the Senate to approve the report and send the important legislation to the President.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. LONG. Mr. President, I am pleased to have participated in this conference and to have signed the conference report. I want to congratulate the chairman of the committee (Mr. DOLE) on the fine way he conducted the conference as chairman of the conferees on the two sides. I am happy he was able to provide the leadership that brought us together on what I believe is a fair compromise on the differences between the Senate and the House bills. This conference report will make it possible to act on the repeal of withholding on dividends and interest.

Mr. President, Senators all know that I strongly opposed the backup withholding provisions that were contained in the Senate amendment. I felt we should simply repeal the withholding provisions enacted last year.

However, the conference agreement on tax compliance eliminates most of the new tax penalties in the Senate amendment, reduces the paperwork required by that amendment and limits the use of so-called backup withholding. The conference agreement would rely primarily on improvement of IRS document matching capabilities to improve tax compliance. Document matching—that is, comparing interest and dividends reported on Forms 1099 with the taxpayer's income tax return—would be improved through additional IRS funding and through provisions designed to encourage banks and stockholders to obtain correct taxpayer identification numbers from their customers.

The Senate amendment's requirement of filing forms 1099 on magnetic media, by payors filing 50 or more such forms, would be delayed until 1984 reports are filed in 1985, and the IRS would have the authority to grant hardship exemptions from this requirement. Backup withholding would apply beginning in 1984, as already provided under the 1982 tax bill, to accounts where document matching cannot work because of missing or inaccurate taxpayer identification numbers. Backup withholding could otherwise be applied only in cases where the IRS felt that it would be helpful in its collection efforts, and then only after an individual had failed to respond to a series of at least four IRS letters requesting tax payments on his unreported interest or dividends.

Although I would have preferred that backup withholding be eliminated completely, I do feel that the conference agreement is a vast improvement compared with the additional paperwork and complexity that would have been required under the Senate compliance provisions. Because of this improvement, I signed the conference report and support the conference agreement.

I am particularly pleased, Mr. President, that, as a part of this measure, we were able to bring back to the Senate an agreement on the Caribbean Basin Initiative. This is something the chairman of the committee has supported in the past, and all of us have favored it in one respect or another. It was a matter of getting together on the details. This Senator has feared that this matter might impede the repeal of withholding on interest and dividends. I am pleased to say it did not. This matter, I am happy to say, will become law and has been worked out in a fashion which I believe will meet the approval of both Houses.

Mr. President, I urge that all Senators vote for the conference report. Again, let me congratulate the distinguished Senator from Kansas for the fine work he has done in connection with this matter.

Mr. KASTEN. Mr. President, I want to congratulate and thank the Senator from Kansas, the chairman of the Committee on Finance (Mr. DOLE), the Senator from Louisiana (Mr. LONG), and all the other members of the Finance Committee who have worked for this compromise.

I echo the words of the Senators from Kansas and Louisiana in saying that the Caribbean Basin Initiative is important to the administration and Congress. And I am glad to see that the CBI will be signed into law.

Mr. President, no one knows better than I that this has been a long battle. It has been a long crusade—a year, in fact—to repeal withholding on interest and dividends. But we now have reached a point where we have a bill

that will be adopted by both Houses, and a repeal measure that will be signed into law by the President. So we have met all our goals.

With regard to the compliance measures: I agree with the Senators from Kansas and Louisiana. The compliance measures that we have been able to work out are most important. They make sense. They are tough, and put the emphasis where it really belongs. That is with the IRS. These measures will force them to use the information they already have to find the 10 percent of Americans who are not now in compliance with the law. It was wrong to penalize the 90 percent of all honest American taxpayers with mandatory withholding on interest and dividends. The best procedure is to identify the people who are not complying with the law, and focus our emphasis on them. The compliance measures in this bill will do so in a way that I think will be workable.

Originally I felt that the single best compliance measure was to require that the 1099 information reporting forms be attached to the tax returns when filed. Now that we have given more consideration to the interest problem and dividend compliance and have found out that the IRS would throw away the forms if they got them, it is clear that we do not need to require this attachment. I think the compromise the conference committee has worked out is a good one.

So, Mr. President, I urge adoption of the conference report. I do so with a great deal of respect and regard for the work of the conference committee, the Finance Committee, and particularly the Senator from Kansas.

I think that, by including compliance as part of this compromise, the Treasury or the IRS will never again come to Congress to propose the idea of withholding on interest and dividends. Their reason for proposing withholding was that they believed it was the best way to find people who are not in compliance. This bill provides a better way, a more workable way to do this. Their reason for proposing withholding has been eliminated. The idea, I believe, will never be proposed again.

So, not only have we defeated withholding on interest and dividends that was scheduled to take place in July 1983, we have also defeated this idea forever. We now have a way that will find the people who are not in compliance, put the emphasis on them, while not penalizing the honest taxpayers across America with the burdensome problems and complications of mandatory withholding.

I urge the adoption of this conference report and, once again, express my gratitude to the Senator from Kansas. It has been a great privilege and pleasure for me to be working along with him as we have developed a workable, meaningful compromise on this issue.

Mr. DANFORTH addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. DANFORTH. Mr. President, as the clerk reported, this conference report was signed by all members of the conference committee, including the Senator from Missouri. I stand now on the floor not so much as a member of the conference committee but as a Senator from Missouri. When a Member of the Senate belongs to a conference committee, he serves in that function as a representative of the U.S. Senate. I signed the conference report because I believed, as a representative of the Senate, that it did approximate the will of the majority of the Members of this body. But, Mr. President, I now stand here as an individual Senator and, as an individual Senator, I shall vote against the conference report.

I shall vote against it because, while I do believe that it represents the will of an overwhelming majority of the Members of the Senate, I am also confident in my own mind that it is contrary to the best interests of the United States.

Mr. President, every day's newspaper brings reports of deficits in the Federal budget somewhere in the neighborhood of $150 billion to $200 billion a year forever. This year, the Federal debt reached $1.3 trillion. By 1986, it will reach $2 trillion; by 1988, it will double from what it is now to $2.6 trillion. The majority of the people of this country say in public opinion polls that they are concerned about the size of the deficit, that they believe that the deficit is bad for America, that it weakens our country. They are correct in that view. Deficits are responsible for high inflation rates; deficits are responsible for high interest rates, deficits are responsible for high unemployment rates. We as a country cannot maintain deficits of this size without borrowing from our own future, borrowing from generations to come, and crippling any economic recovery which we are now experiencing.

One of the concerns I have about statements now coming from the President and from the Secretary of the Treasury is that they have so emphasized the economic recovery that they have adopted a very rose-colored-glasses view of where we stand as far as the economic outlook is concerned. I do not believe that we can have deficits of this size without having immense problems for the American people in the future.

Most of us in Congress also talk from time to time about the problem of the deficit, but I think that what we are really saying is this: We are willing to work on the deficit, to talk about it, and to make speeches about it, provided any action on our part is not unpopular with any of our constituents. We realize that what many of our constituents do not want is any control of entitlement programs or any increase in taxation. So we engage ourselves in a make-believe exercise, telling ourselves that we can get at the enormous deficit by plugging a tax loophole here, cutting a ridiculous program there, or zeroing in on a little waste in one program or another.

But, Mr. President, when we have deficits of $150 billion to $200 billion a year, there is no way to reduce them to a manageable level with a laundry list approach to specific spending cuts or specific tax increases. We in the Congress, if we are going to get our economy and the Federal budget under control, are going to have to start doing some things which are politically unpopular. We are going to have to start taking some steps that public opinion polls tell us are suicidal politically.

What this withholding repeal demonstrates is that as of now we are not prepared to do anything in the least bit unpopular to reduce the size of the deficit. If we cannot even agree to collect taxes that people owe and do not want to pay, what will we agree to do? I think that is really the issue behind the repeal of withholding on interest and dividends. Will we be willing to take at least some thought-to-be unpopular steps in order to help our country?

I believe, Mr. President, that if we who have a public forum in the Congress of the United States or in the White House went to the American people and said to them, "Your country is in trouble and we as a people are going to have to make some sacrifices for our country," most people in America would say, "Right on; count me in."

But we do not do that. We instead move from interest group to interest group, bankers, savings and loans, you name it, and say, "Oh, we don't want to do anything that is unpopular with you."

So, Mr. President, I think we are reading the economy wrong; I think we are reading tax policy wrong; I think that we are reading the will of the American people wrong, despite all the mail that was drummed up by the banks and the savings and loans. I do not think most people are as selfish as the interest groups would have us believe. I do think they want to have a stake in the future of this country. It is because of that deeply held feeling, and the similar feeling that by repealing withholding on interest and dividends we are caving in to interest groups against the best interests of this country, that I am going to vote against this conference report.

Mr. President, when this bill was finally passed in the Senate not long ago, I, after voting against it consistently, finally voted for the bill. I did so because the reciprocity bill, the extension of mortgage revenue bonds, the urban enterprise zone bill, and the Caribbean Basin Initiative bill were all attached. In addition, the bill included significant measures for toughening compliance provisions on interest and dividends. Unfortunately, the bill was substantially changed by the conference committee from what it was when it left the Senate.

Just to review the figures: When we first started withholding on interest and dividends, the projections by the Treasury Department were that the American people right now are not paying 8 billion dollars' worth of taxes each year that are due and owing on interest and dividends. It was further projected that about $3 billion of the $8 billion would be collected by withholding. When the repeal bill passed the Senate, the compliance provisions of the repeal would have collected about $1 billion of unpaid taxes on interest and dividends instead of the $3 billion that would have been collected by repeal. The stripped down compliance provisions in the conference committee version would produce a meager half a billion dollars out of what was originally $3 billion.

In addition to that, we stripped the bill of the reciprocity bill, although I must say that the members of the House and Ways and Means Committee did agree to take that bill to the floor of the House of Representatives. We stripped the bill of extension of the mortgage revenue bond exemption. We stripped the bill of the urban enterprise zone bill, and we left only repeal of withholding with a very meager effort to increase the compliance provisions and the Caribbean Basin Initiative.

Mr. President, while the Caribbean Basin Initiative bill is fine and while it at least indicates to our neighbors to the south of us that we are interested in the improvement of their economy, I believe that we have oversold that to them because 87 percent of the products imported into America from the Caribbean Basin countries come in duty free already, and this will increase that from 87 percent to 97 percent.

The only other thing the bill does is to extend the tax deduction for conventions which are held in the Caribbean Basin countries. This is all of some benefit, yes, but I think that it is overselling the point to say that this is going to be some great turnaround for the Caribbean Basin countries.

So, Mr. President, while I think that the CBI provision is laudable, but probably not terribly important, it is really eclipsed by the main point, and that is that we are today repealing withholding on interest and dividends. By doing so, we are caving in to special interests. By doing that we are blowing yet a bigger hole in the Federal budget. This is not in the best interests of the American people, and I will vote against it.

Mr. President, I am pleased that we are finally going to see the Caribbean Basin Initiative become law. The Caribbean Basin, a diverse conglomeration of Central American and Caribbean countries, poses a troubling situation to policymakers in the United States. While civil strife saps the strength of El Salvador, Cuba and Cuban-backed Nicaragua seek to extend their influence in the area. Our goal in the region must be political stability, but political stability cannot be achieved by victory on the battlefield. Any fireman will tell you that the best way to fight a fire is through prevention.

With this in mind, the President's Caribbean Basin Initiative (CBI) is important for three reasons. First, the deteriorating economic and political situation in the countries of the Caribbean Basin demands our attention. It is something we cannot afford to ignore and hope will go away. Second, the best way to achieve political stability in the region is through economic stability and growth. Trade rather than aid is the long-term program that will strike at the root of the problem in this poverty-stricken region. Third, the stronger economies created by the Caribbean Basin Initiative will lead to increased U.S. exports, providing more job opportunities for workers in the United States.

I. DETERIORATING SITUATION DEMANDS OUR ATTENTION

The countries of the Caribbean Basin are at a historic crossroads. They may enter a new period of political pluralism, justice, improved human rights, and economic development, or they may be forced into the false promise of Marxism. The historically close relationship between the United States and the countries of Central America and the Caribbean demands that we address this deteriorating situation.

Many of the countries in the Caribbean Basin have been hurt by the worldwide economic recession. In 1981, Barbados experienced a 3.1-percent decline in its gross domestic product and a 14.6-percent rise in its Consumer Price Index. This stagnant situation exists in many other countries—Haiti, Honduras, and Jamaica, to name a few. Political instability is also a contributing factor to economic turmoil. In El Salvador, for example, the per capita income has dropped 33 percent in the past 5 years to a dismal $612. This economic situation cannot be expected to improve unless political stability is restored.

The spread of guerrilla activity in Central America is of obvious concern to the United States. The Caribbean Basin is our own backyard. That our country has an interest in the affairs of this hemisphere has been recognized since the Monroe Doctrine. Nearly half our trade, three-quarters of our imported oil, and over half our strategic minerals pass through the Panama Canal or the Gulf of Mexico. We import 90 percent of our industrial requirements of bauxite and alumina from the Basin countries and rely on them to a significant degree for nickel.

Our relationship with the Caribbean Basin extends even further: When our exports to the area dropped by $155 million last year, thousands of U.S. jobs were lost. Likewise, the recession in the United States last year caused a steep drop in revenue from tourism for the Caribbean Basin countries.

The relationship with the Caribbean is more clearly seen by the fact that poor economic conditions continue to cause increases in immigration to the United States. In 1980, the per capita GNP of Haiti was $260. That year, from the poorest country in the Americas, 20,000 undocumented Haitian immigrants came to the United States.

The Caribbean Basin Initiative will cost $70 million per year, whereas the United States has already spent over $1 billion on operations and services related to the 135,000 Cuban and Haitian refugees that arrived in this country in recent years. The CBI is a program that will hedge this massive immigration into the United States through the promotion of economic development.

The United States cannot do it alone. Several other countries have taken note of the deteriorating situation in the Caribbean Basin. Canada has begun a 5-year program for the area, valued at over $500 million. They also provide duty-free treatment or preferential access for 98 percent of their imports from the Caribbean Basin. Mexico and Venezuela are involved in a program which provides long-term concessional credits for government development projects. This program is valued at over $700 million per year. The European Community and Colombia have also pitched in, providing preferential access to their markets. This bill is part of the total package of assistance that includes the $350 million in aid that passed the Congress last year. It is a small part in our shared responsibility to the countries of the Caribbean Basin.

We must make a concerted effort to stabilize the situation in the Caribbean Basin. Since we have been involved in El Salvador, political violence has diminished somewhat. The number of civilian deaths has dropped. The land reform program has been actively resumed. And at the end of this year, El Salvador is committed to holding a Presidential election.

The 83 percent of the Salvadorans that voted last March proves that, when given a chance, people chose democracy over political instability. If we fail to fulfill our responsibility to this region, other nations will not have that choice. Inaction on our part will give our neighbors but one path to follow, the path of Nicaragua, that has not held the promised elections, is increasingly oppressing the Indians and suppressing the church, labor unions, business, and media.

II. ECONOMIES VITAL TO POLITICAL STABILITY

Once we have decided to act, the question is how do we best achieve political stability. Economic development is the best way to insure political stability in the long run. Aid is necessary for immediate relief to these countries, but increased trade is the only way to achieve enduring stability in the region. Putting an emphasis on the economies of the region, we must continue to emphasize economic rather than military aid.

From 1946 to 1982, we provided $2.3 billion in economic aid and only $296 million in military assistance to the region. In 1982, only 18.7 percent of the total aid to the Caribbean Basin was military assistance. Excluding the aid to El Salvador, that figure drops to 11.3 percent of the total aid to the region. Still today, we are providing approximately three times as much economic as military aid. The proportion of economic aid and potential trade benefits accruing from the President's Caribbean Basin Initiative will far outweigh the proportion of military aid being supplied to El Salvador.

An emphasis on economic reform should serve to broaden the base support for the moderates in El Salvador. The guerrillas in El Salvador do not seek head-on confrontations with the army, but they try to defeat the Salvadoran economy and the people's livelihood through the destruction of electric transmission lines, through dropping bridges, and through burning buses. The guerrillas know that destruction of the Salvadoran economy is the only way they will be able to seize power. Army Chief of Staff, General Edward C. Meyer, said recently that more economic aid to El Salvador is equally or more important than military aid. "Economic assistance", he said "is very critical because guerrilla war is based on the legitimate concerns of the people."

In looking at the situation in El Salvador, we should be reminded of Venezuela, who 20 years ago never managed to defeat its insurgents on the battlefield. Instead, they rendered the insurgents irrelevant as fighters when the government succeeded in a combination of military action, civic action in the countryside, and the creation of a democratic system. There can be no military solution to El Salvador's problems. But with programs such as the Caribbean Basin Initiative, the Government of El Salvador, as well as the other governments in the Caribbean Basin, can achieve political stability through revitalized economic strength.

III. STRONGER ECONOMIES MEAN JOBS FOR UNITED STATES

These stronger economies in the Caribbean Basin translate into more jobs for U.S. workers. I am convinced of this, based on the role of exports in our economy, and the safeguards that have been added to protect U.S. industries.

Exports are an integral part of our economy. Between 1977 and 1980, four out of five of all new manufacturing jobs created in the United States were related to exports. One out of six U.S. jobs are dependent upon exports. The Department of Commerce projects that 2,500 jobs result per $100 million in U.S. exports of manufacturers.

The developing countries have been the fastest growing market for U.S. exports, and in the first 3 months of 1983 bought 36 percent of all U.S. exports. CBI countries import more from the United States than from any other country. We export to this region more machinery and capital goods per capita than any other developing region in the world. The United States enjoys a trade surplus with all but four of the 27 potential beneficiary countries, excluding petroleum imports. The key to this relationship is that trade is not a zero-sum game. Both sides will benefit from increased trade.

The impact of increased imports to the United States is not likely to have a noticeable impact on our economy. Of the $8 billion imported from the Caribbean Basin countries in 1982, $4.9 billion would be excluded from free trade eligibility, $1.9 billion are duty free for all MFN countries, and $0.6 billion are duty free under the GSP program. The remaining $600 million that would be affected constitute only 8 percent of the total amount imported from the Caribbean Basin and 0.4 percent of the total U.S. imports. Considering this small addition of products that would be granted duty-free access, it is doubtful that there will be any substantial negative impact on the U.S. economy.

Even so, several safeguards have been added to make sure that the program will not hurt domestic industry. Several classes of products are statutorily exempt, such as petroleum and petroleum products, textiles, footwear, and leather products. A rule of origin clause assures that an article must be the growth, product, or manufacture of a beneficiary country, or a new or different article of commerce produced in it. Special provisions protect Puerto Rico and the Virgin Islands, as well. Finally, if any domestic industry is found to have been hurt as a result of increased imports, import relief provisions are available for them to use.

Compared with the lavish and expensive beginnings of the "Alliance for Progress" in the 1960's, the CBI does not look like much. But 12 years of duty-free access means a lot to a country like Haiti, whose trade with the United States accounts for 78 percent of its exports and 89 percent of its imports. For the entire region, exports to the United States accounted for 68 percent of its total exports to industrial countries. The business expense deduction for conventions should be of great help to countries whose natural resources constitute potential for a thriving tourist industry, once given a chance.

By stressing self-help and real economic growth, the Caribbean Basin Initiative offers a great deal. This program is vital to the long-term political stability of our neighbors in the Caribbean Basin.

The PRESIDING OFFICER. The Senator from Kansas is recognized.

Mr. DOLE. Mr. President, I do not know whether there are any other requests for time.

I appreciate the comments made by all Senators, and I appreciate the comments just made by the distinguished Senator from Missouri. I do not know that I disagree with him. I favored withholding and still do, but the facts were we did not have the votes, and we still do not have the votes. We were down to about 25 to 28 votes to sustain a veto. It seemed at that point the best course to follow was to try to salvage what we could. Now, much will depend on how much this Congress authorizes to add additional primarily clerical assistants to the IRS, not agents to harass people but clerical assistants so they can match up the numbers and do other things to make certain that people are reporting their interest and dividend income, a point I made in my earlier remarks.

The record will reflect that when Congress suggests, as it did overwhelmingly, that we should not have the banks do this, that it should be done by the IRS, they were telling us, in effect, that we have to beef up certain areas of IRS so that they can do the work. Fifteen million dollars of additional money has been appropriated by the Appropriations Committee for fiscal year 1984.

I hope that the Senate and the House in succeeding years will help us make certain that we can have this improved compliance. That is, the best way to keep this withholding issue behind us is to give the IRS the money it needs to do its job. Many of the banks, savings and loans, and credit unions suggested that withholding would not be necessary if the IRS did the job they should do.

On a related matter, I want to call attention to an important development in another major area of noncompliance.

I have received the figures on the impact of the new tip reporting law, and the news is overwhelmingly good. The new law has virtually doubled the reporting level of tips. Twice as many tips were reported in the first quarter of 1983 over the same period in 1982.

According to the Treasury Department's figures released today, despite the fact that wages have not increased, total tips reported in the hospitality industry increased $167.3 million in the first quarter of 1983, an increase of 87 percent over the first quarter of 1982. In bars and other beverage establishments alone, the increase was 133 percent. That improvement occurred with only the first phase of the new law. Individualized reporting begins only after April 1. Thus, the results for the second quarter of 1983 should be even more substantial.

At a time when various Washington special interests are seeking the effective repeal of the new law, these results prove that the new rules are working. Tip reporting rates are beginning to come much closer to compliance levels for ordinary wage earners. Statistical proof that the new rules are improving compliance demonstrate that we cannot afford so-called technical amendments which will effectively eliminate proven new rules.

While the new law is working well, the Internal Revenue Service should do everything it can to minimize the burden of these new information reporting requirements. I hope that the Internal Revenue Service will move promptly to finalize the new reporting rules. When those regulations are issued, I hope that the Internal Revenue Service recognizes, in particular, the right of employers to make the estimated unreported tip allocation on an annual basis.

These compliance measures are working. People are reporting income, and they will be paying taxes on income that they should have been paying for some time. It is not an effort to harass anyone. It is an effort to make the tax system fair. We are going to continue those efforts on the compliance side. In my view, there are a number of other areas that can be addressed.

Mr. BAUCUS. Mr. President, I rise to support the conference report on H.R. 2973, which finally kills interest and dividend withholding.

The withholding requirement, adopted in 1982 over my opposition, was a bad idea.

Everyone agrees that we should catch tax cheats. The question simply is whether withholding is a fair and efficient way to do so. The evidence indicates that it is not. The vast majority of taxpayers already pay taxes on the interest they earn. To catch the relatively few cheats who do not, the IRS should put its own house in order by improving and expanding information matching. Withholding, in contrast, would transfer administrative costs from the Federal Government to taxpayers and transfer substantial investment resources from taxpayers to the Federal Government. That would be a good deal for the Federal Government, but a bad one for taxpayers.

That is why I voted against withholding last year and cosponsored legislation to repeal it this year, and that is why I support today's conference report.

Let me explain a little more about the conference report bill. The bill utterly repeals withholding. At the same time, it directs the IRS to take several steps to improve the tax compliance rate for interest and dividend income. These steps include a system of so-called backup withholding for taxpayers caught underreporting, and a requirement that financial institutions that file 50 or more 1099 forms must do so on magnetic tape. These steps should increase compliance, and thereby reduce the Federal budget deficit, significantly.

Mr. President, some work remains. I and many of my colleagues will carefully monitor the implementation of these new compliance steps, especially backup withholding, to make sure that they are efficient and effective. We also will work to see that legislation reestablishing the mortgage revenue bond program, which was dropped from the conference report, is quickly considered again.

But, overall, I am happy that we have finally cut through all the legislative redtape and killed withholding. This is an important victory for the thousands and thousands of Montanans who have written me, called me, and talked to me back home, to decry withholding and demand its repeal.

Now, I urge the President to listen to these Montanans, reevaluate his support of withholding, and sign this bill into law.

Mr. D'AMATO. Mr. President, I am pleased that the House-Senate conferees have reached an agreement on repeal of the 10 percent withholding of dividends and interest which was to be effective August 1, 1983. I have long been an advocate of repeal with as few cumbersome reporting provisions as possible. In fact, I was an original cosponsor of S. 222 which would have mandated straight repeal with a minimum of reporting requirements.

The House-Senate conferees have agreed to add the following provisions to the repeal bill:

First, certification of taxpayer identification numbers on all new accounts opened after 1983.

Second, corporations and financial institutions will have to supply taxpayer 1099 forms to the IRS. However, individual taxpayers would not be required to attach 1099 tax forms to their tax returns.

Third, magnetic tapes must be supplied to the IRS for all interest and dividend returns after 1983.

Fourth, the IRS will be authorized to hire thousands of additional employees to review taxpayer returns and insure compliance.

Fifth, 20 percent backup withholding could be required for chronic noncompliance. In addition, a $50 fine may be levied for noncompliance at the discretion of the IRS.

I am happy with this part of the House-Senate compromise package. The small commercial banks and savings institutions in New York State will not have to incur the terrific costs connected with withholding of dividends and interest. I believe that the compromise will enhance taxpayer compliance. For this the conferees should be applauded.

I am very concerned, however, about a deal engineered in the conference by Congressman PICKLE of Texas. It is my understanding that, at a later date, he will attach to the mortgage revenue bond legislation that was unjustifiably deleted in the conference an anti-IDB bill. Both mortgage revenue bonds and IDB's play important roles in economic development. Mortgage revenue bonds provide reasonably priced financing to individuals and families who could not otherwise afford a home. It is disgraceful to complicate the extension of mortgage revenue bond legislation by attaching other bills.

Congressman PICKLE's IDB legislation, H.R. 1635, would destroy a program that provides thousands of jobs and expands the tax base. He may not be aware that in his home State of Texas, over $527 million of net new taxes were generated in the last 3 years by IDB's. This figure takes into account any loss to the Federal Treasury from tax exempt interest payments. I have difficulty understanding why anyone would attempt to kill a program that has been so beneficial to his State.

The jobs creation effectiveness of IDB's is well documented. In my home State of New York, over 130,000 new jobs have been created through IDB's. Similar results have been documented in many States throughout the Nation.

Congressman PICKLE seems determined to create an antimunicipal finance package. He intends to reduce the Federal deficit on the backs of our cities and States. In the end, local taxes will rise and essential services will be cut. Savings at the Federal level that shift costs onto the backs of

local government are imaginary savings. I intend to fight any efforts to further limit IDB's, mortgage revenue bonds, or other legitimate avenues of municipal finance.

Mr. President, I would once again like to congratulate the conferees on a job well done. I am pleased that withholding of dividends and interest income will not become a reality, but I am deeply saddened that the conferees failed to accept the Senate amendment extending mortgage revenue bonds beyond December 31, 1983—especially given my understanding of the reason why this extension was dropped. Mortgage revenue bonds are an excellent financial mechanism. They, like IDB's, must be preserved.

Mr. MELCHER. Mr. President, I am pleased to be here today when this conference is passed. It contains provisions for the repeal of the withholding of taxes on interest and dividends. There have been many times over the past 13 months when I wondered if we were ever going to be able to correct the mistake we made in enacting this provision as part of the 1982 tax bill.

In opposing the withholding provisions at that time, I was sure that the additional costs and redtape created by this provision more than outweighed the gains that were promised by the proponents of withholding. It did not take long for the taxpayers in Montana to come to the same conclusion. I received better than 25,000 pieces of mail in my office alone calling for the repeal of this bad tax law.

Some of the proponents of withholding of taxes and interest and dividends said that the outpouring in support of repeal was generated and orchestrated by the Nation's financial institutions. The banks, savings and loans, and credit unions in Montana may have taken the lead in getting out the word on withholding, but let me assure you that they simply did not have the physical capability of generating that kind of outpouring of mail. The bottom line was the commonsense of the average taxpayer told him that this was only one more instance where the IRS chose to place an additional burden on the 98 percent of all taxpayers who accurately and legitimately file their taxes rather than to make the additional effort needed to catch those who were cheating. They felt that that was an unnecessary burden on the ordinary taxpayer, and I agree with them.

Further, it became increasingly obvious as time went on that the proposed gain in revenues from withholding were vastly overstated, and that whatever gain was to be achieved by the Government was to result from a one-time early collection of taxes in 1983. All of this, the unfairness of the withholding provisions, the increased paperwork and redtape that it caused, and the fact that the Government was really not collecting additional revenue, lay at the base of the tremendous outpouring against the withholding provision.

The irony of this situation is that, even following this tremendous outpouring against withholding, it took not one but three separate major efforts to finally end up with language repealing this poor tax law. I, myself, took the floor in April of this year to offer a provision that would have delayed the implementation of withholding until the end of 1983. I did this because there seemed to be a very cynical attitude on the part of some of the proponents of withholding that, if they could just get past the July 1 implementation date, those who supported repeal would give up and fade away. Well, that was never the case and we would have only looked so much more foolish had withholding been implemented the first of July, only to be repealed 60 to 90 days later. I am pleased that we did not have to go through that exercise.

Once the pending conference report has been approved by both the House and the Senate, which I am hopeful will happen very quickly, there is only one step that remains in the process. That is, getting it signed by the President prior to the date now set for implementation on August 5. I am hopeful that the President has heard the public outcry on withholding and will quickly sign this provision into law.

I truly feel that we have taken up a great deal of Congress time to repeal a provision that never had the support of the majority of either the American people or the Members of Congress. I hope we do not have to repeat this kind of exercise in the future and that we pay attention to the American taxpayer and work harder to close up the many actual loopholes that now exist in the Federal Tax Code, such as giveaways like the foreign tax credit and foreign tax deferral, rather than trying to devise ways to get the taxman's hands into the pocket of the ordinary taxpayer. I believe this has been a good lesson, and I hope we in Congress have learned it.

Mr. BOREN. Mr. President, I am pleased to cast my vote in favor of repealing interest and dividend withholding. I would have preferred that the Caribbean Basin Initiative not be included with the repeal measure, but I will not oppose the conference report because it is included.

Since its inception, the withholding of taxes on interest and dividends was an ill-conceived idea. Had it been allowed to go into effect it would have acted as a disincentive to savings and investment, lowering the real rate of return on some investments by denying investors the use of their withheld funds. Further, this law would have had a serious impact on our financial institutions by forcing them to design and implement withholding systems the cost of which would undoubtedly have been passed on to depositors in the form of lower rates of interest, reduced dividends, and extra service charges. Finally, this law would have had a devastating impact on the elderly and lower income families since the burden was placed on the individual to exempt himself from withholding.

In addition, the conference report includes less onerous compliance measures than did the Senate version of the backup withholding provisions. I had concern with the Senate bill because I felt that it allowed the IRS to gain too much access to a citizens' private business matters. It is my understanding that the conference report requires compliance with the law without undue interference.

It is for these reasons that I join with my many other colleagues in voting for repeal.

Mr. STEVENS. Mr. President, I rise to thank my good friend from Kansas for putting forth a tremendous effort in solving the problem that Congress faced with respect to the interest and dividend withholding issue.

The conference report on H.R. 2973 represents the final product of many months worth of negotiation on the part of both opponents and supporters of withholding.

I do not believe anyone has won or lost this issue. Senator DOLE has done a good job of preserving the framework of the fallback withholding concept that he worked out with Senator KASTEN and myself, and which the Senate approved. The compliance provisions agreed to by the conferees will recoup part of the revenues we originally envisioned from withholding.

The underground economy produces a tax loss to the U.S. Treasury of about $100 billion a year. We need $73 billion dollars of new revenue from 1984 to 1987 to meet the budget resolutions mandate. I believe we can meet that mandate Mr. President without having to resort to tax increases. Again, I commend Senator DOLE, Senator KASTEN and their staffs, for providing a responsible legislative resolution to this matter.

Mr. JEPSEN. Mr. President, I would like to express my support for the conference report on the repeal of withholding on interest and dividend income, as well as the Caribbean Basin Initiative. Finally we are going to repeal this obnoxious threat to honest savers, investors, and financial institutions. As one who opposed interest and dividend withholding legislation from the very beginning, this repeal will not come a moment too soon.

The considerable delay in resolving this issue has already generated much confusion and unnecessary expense. The conference report will lay the matter to rest once and for all. It will

be a very long time before anyone tries to impose interest and dividend withholding again.

The conference report includes another good provision; that establishing the Caribbean Basin Initiative (CBI). Given the many serious economic and social problems of the Caribbean, the CBI will undoubtedly prove mutually beneficial. The lowering of U.S. trade barriers is one good way to promote more economic and social stability in this strategic region.

The inclusion of backup withholding and the CBI make a Presidential veto very unlikely. I am glad President Reagan has demonstrated flexibility and reasonableness on this legislation. We should quickly pass this conference report and sent it to the President for his signature. Once again, time is running out.

I urge my colleagues to join me in voting for the repeal of withholding on interest and dividend income.

Mr. DOLE. Mr. President, if there are no other requests for time, I ask for the yeas and nays on the conference report.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the conference report. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from New Mexico (Mr. DOMENICI) is necessarily absent.

Mr. CRANSTON. I announce that the Senator from Ohio (Mr. GLENN) and the Senator from Colorado (Mr. HART), are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 90, nays 7, as follows:

[Rollcall Vote No. 234 Leg.]

YEAS—90

Abdnor	East	Levin
Andrews	Exon	Long
Armstrong	Ford	Lugar
Baker	Garn	Matsunaga
Baucus	Goldwater	Mattingly
Bentsen	Gorton	McClure
Biden	Grassley	Melcher
Bingaman	Hatch	Mitchell
Boren	Hatfield	Moynihan
Boschwitz	Hawkins	Murkowski
Bradley	Hecht	Nickles
Bumpers	Heflin	Nunn
Burdick	Heinz	Packwood
Byrd	Helms	Pell
Chafee	Hollings	Percy
Chiles	Huddleston	Pressler
Cochran	Humphrey	Proxmire
Cohen	Inouye	Pryor
D'Amato	Jackson	Quayle
DeConcini	Jepsen	Randolph
Denton	Johnston	Riegle
Dixon	Kassebaum	Roth
Dole	Kasten	Rudman
Durenberger	Laxalt	Sarbanes
Eagleton	Leahy	Sasser
Simpson	Symms	Wallop
Specter	Thurmond	Warner
Stafford	Tower	Weicker
Stennis	Trible	Wilson
Stevens	Tsongas	Zorinsky

NAYS—7

Cranston	Kennedy	Metzenbaum
Danforth	Lautenberg	
Dodd	Mathias	

NOT VOTING—3

Domenici	Glenn	Hart

So the conference report was agreed to.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. KASTEN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UNANIMOUS-CONSENT REQUEST

Mr. BAKER. Mr. President, I indicated earlier, much earlier, over the last several days, that at some point I wanted to try to get to the Radio Marti bill. I think that time to make the effort has probably arrived.

Let me describe the situation at this moment. The motion to proceed to the consideration of the agriculture target price bill is now the pending measure before us, is it not?

The PRESIDING OFFICER. It is.

Mr. BAKER. Mr. President, perhaps most Senators already know, and if they do not I would like to advise them, that negotiations have been conducted this morning with the Secretary of Agriculture and principals with respect to this bill and these measures on both sides of the issue and on both sides of the aisle.

I am advised that it would be the better part of discretion, and perhaps the best investment of the Senate's time, to not pursue this matter until Monday. That is not to say that it is likely that we are going to get an agreement; maybe we will not get an agreement at all. But it sounds like there is at least a possibility that something might be worked out that would let us pass a target price bill that did not create great controversy. I do not know anything about the bill, Mr. President, except that which I hear in debates, so I cannot testify to that personally. But I am persuaded that it is probably worth a gamble to lay this aside temporarily and go to something else and then get back on it after another conference is held between the parties on Monday.

Now what I would like to do at this point, then, Mr. President, and I do now ask unanimous consent that the pending motion be temporarily laid aside, that a call for the regular order will not bring it back, and that the Senate now proceed to the consideration of the budget waiver to accompany the Radio Marti bill. That budget waiver is Calendar Order No. 259, Senate Resolution 160.

The PRESIDING OFFICER. Is there objection?

Mr. MELCHER. Reserving the right to object, will the majority leader yield for a question?

Mr. BAKER. Yes; I yield.

Mr. MELCHER. I take it from what the majority leader has just stated, if this unanimous consent is agreed to, that he would not call up the H.R. 2733 motion to proceed again until sometime on Monday?

Mr. BAKER. That is my intention.

Mr. MELCHER. I thank the Senator.

Mr. BYRD. Mr. President, reserving the right to object, I must say to the majority leader I will need to do a little bit of further checking on this. Would he withhold his motion or withdraw it for the moment?

Mr. BAKER. Yes, Mr. President, let me leave the request pending. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I think I may have overcomplicated the issue by including one step too many in my unanimous-consent request. The request I put was that we temporarily lay aside the motion to proceed on the target price bill, that the call for regular order would not bring it back, and that the Chair lay before the Senate the budget waiver. I strike that third provision on the budget waiver and renew my request now that we temporarily lay aside the motion and that a call for regular order will not bring it back.

The PRESIDING OFFICER. Is there any objection? Without objection, it is so ordered.

BUDGET ACT WAIVER

Mr. BAKER. Mr. President, I advised the minority leader that I intended to proceed in this way.

Mr. President, I now move that the Senate proceed to the consideration of Senate Resolution 160, Calendar Order No. 259, which is the resolution waiving section 402(a) of the Congressional Budget Act with respect to the Radio Marti bill.

The PRESIDING OFFICER. The motion is not debatable.

Mr. WEICKER addressed the Chair.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. BAKER. Mr. President, let me explain once more to the Senator from Connecticut the situation. And it is

the situation I described to him just a moment ago. What has happened now is we have temporarily laid aside the motion to proceed to the target price bill. I have just moved that the Senate proceed to the consideration of the budget waiver to accompany Radio Marti. That motion, under the act, is not debatable. If the motion carries—and I hope it will—then, under the Budget Act, there will be 1 hour of debate on the budget waiver. If the budget waiver is adopted, then I will make a motion to proceed to the Radio Marti bill itself. Of course, the motion to proceed is debatable without limitation as to time.

Mr. WEICKER. Mr. President, I say to my good friend, the majority leader, I did discuss the matter with him. I have no objection to the unanimous-consent request laying aside the pending business and moving on to the budget waiver. It is my understanding now that the motion we have, the motion to proceed, is nondebatable and could require a rollcall vote if requested. It seems to me there is enough business to do here without inconveniencing the Members at this juncture.

I fully expect, however, to use the 1 hour's time, and there might be a motion made during the course of that. So, with that understanding, I am prepared to proceed at this time.

Mr. BAKER. I thank the Senator.

Mr. WEICKER. Have there been persons designated on this budget waiver? Who controls the time?

Mr. BAKER. The time would be under the control of the majority and minority leaders or their designees. As far as I am concerned, I will designate the chairman of the Foreign Relations Committee on this side. I wonder if the minority leader—we need some way or other to divide the other half of the time, I believe, to be controlled by the Senator from Connecticut.

Mr. WEICKER. Or Senator ZORINSKY.

Mr. BAKER. Or Senator ZORINSKY.

Mr. BYRD. I designate Mr. LEAHY on this side to control the time.

The PRESIDING OFFICER. The question is on agreeing to the motion to proceed.

The motion was agreed to.

Mr. BAKER. Mr. President, the matter before the Senate now is the budget waiver, is that right?

The PRESIDING OFFICER. The clerk will report the pending business.

The assistant legislative clerk read as follows:

A resolution (S. Res. 160) waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 602.

The Senate proceeded to consider the resolution.

Mr. BAKER. Mr. President, I have designated the distinguished Senator from Illinois to manage the time on behalf of the majority leader.

Mr. PERCY. Mr. President, the budget waiver is necessary because of an amendment that was offered by the distinguished Senator from Florida, Senator HAWKINS, to provide up to $5 million for compensation for damages that may be incurred by radio stations whose broadcasts may be interferred with because of Radio Marti.

At this time, if no one else would like to speak, I could give, on that particular budget waiver and the technicalities of it, a little background on the Radio Broadcasting to Cuba Act. Not seeing anyone who desires to speak immediately on the waiver itself, I will proceed to do that.

RADIO MARTI

Mr. President, the Senate is about to consider S. 602, the Radio Broadcasting to Cuba Act. The purpose of this legislation is to provide for the communication of accurate information and ideas to the people of Cuba. In introducing this legislation this year, Senator HAWKINS noted that—

When this legislation is enacted, the Cuban people will finally hear the truth. Access to accurate news reports and varied opinions is something that we in the United States take for granted. We forget sometimes that the truth is a precious and rare commodity in countries where the government censors every broadcast and news report. For decades, the United States has provided the people of Eastern Europe and the Soviet Union an alternative to government propaganda, and now, at long last, we can provide the same to the people of Cuba.

I support that interpretation fully. I support the notion that the Cuban people have a right to know the truth. Radio Free Europe and Radio Liberty have played important roles in bringing accurate information and the truth to the people of Eastern Europe and the Soviet Union. We know in times of crisis, Eastern European listenership increases tremendously. Eastern Europeans know that their own governments simply do not tell them the truth.

They cannot find out what is going on in their own country. In the Soviet Union itself, while the war was raging in Afghanistan, when an invasion had been made of a Third World country, when there were deaths occurring on all sides, it was as if nothing was happening. All the world knew about it, except the people of the Soviet Union who knew nothing of what was going on. Only Radio Free Europe and Radio Liberty carried the voice of truth and fact into the Soviet Union and into Eastern European countries as to what was actually going on.

Similarly, we are not sure that Cubans are even aware—and the same kind of condition exists in Cuba as exists in other countries in Eastern Europe and the Soviet Union—we are not sure that our own neighbors, very close to us, off the Florida coast, are even aware that their Government does not tell them the full story about what the Government of Cuba is doing.

We are not sure that Cubans are aware that their Government does not tell them the full story. We do know, from interviews with Cubans who have come to this country, who came during the massive Mariel exodus, that the Cuban people are painfully unaware of what is happening in the world or what their Government is doing around the world or of how their own lives compare with the quality of living elsewhere in Latin America. Radio Marti will make this information available to the Cuban people.

Mr. President, it is time for us to pass this bill. It has been before us for a long time. The radio broadcasting to Cuba bill was dealt with at length in the last Congress. The House Foreign Affairs Committee and the House Committee on Energy and Commerce held extensive hearings on Radio Marti. The full House voted favorably on the bill by a margin of 250 to 134 on August 19, 1982. In July and August of last year, the Foreign Relations Committee held 3 days of hearings on Radio Marti. After detailed discussion of the various issues involved, the committee adopted several amendments to the House-passed bill and reported it favorably by a vote of 11 to 5. In spite of heroic efforts, it was ultimately not possible to hold the vote on the bill in the final days of the last Congress.

This year the Foreign Relations Committee again held hearings on Radio Marti. In the interim months, the administration worked with members of the broadcasting community and with Congressmen and Senators and perfected its own proposal. The Radio Marti bill we have before us today is a streamlined version that has taken into account a number of the issues and concerns raised by Members of Congress. The Foreign Relations Committee made minimal changes in the bill and reported it favorably on June 8, 1983, by a vote of 13 to 4.

The bill that we are considering today establishes additional functions under the Board for International Broadcasting so that it may undertake to provide for radio broadcasting to Cuba. Radio broadcasting to Cuba is to be undertaken in the same spirit and with the same high standards as Radio Free Europe/Radio Liberty. Thus, such broadcasting is to be a consistently reliable and authoritative source of accurate, objective, and comprehensive news about Cuba itself.

The bill provides that any broadcasting to Cuba on the AM frequency, other than that provided through leasing of commercial or noncommercial educational radio broadcasting stations, shall be limited to the 1,180 kilo-

hertz frequency used by the Voice of America at Marathon, Fla., and provides that the VOA Marathon facility may be used for the purposes of Radio Marti broadcasting.

The bill also provides funds for compensating U.S. radio broadcasting licensees for equipment and engineering costs that result from interference from Cuba that can be attributed to Radio Marti Broadcasting.

This bill deals with the major issues that were of concern to broadcasters last year. It provides for a specific frequency for Radio Marti—one that is already used for broadcasting to Cuba and which has not received noticeable interference in recent years—and it provides for compensation of stations that may have to undertake some equipment and engineering expenses if Cuba chooses to increase its interference in U.S. broadcasting as a result of Radio Marti programing.

Mr. President, at an appropriate time, I will offer an amendment to this bill to authorize expenditure of funds by the Board for International Broadcasting to implement radio broadcasting to Cuba. Such funds were intended to be authorized under S. 1342, the State Department/BIB authorization bill. As that bill has not yet come to the floor, we will need to provide for funding of Radio Marti in this bill. Other Senators may have amendments that we can entertain, too. However, I believe that the bill before us requires very little perfecting.

In conclusion, Mr. President, let me say that Radio Marti is designed to respond to a basic human need—the need to have access to information on events and policies that affect the lives of individuals. Freedom of information is recognized by every responsible individual and government in the world. This right has been denied to the Cuban people since Castro came to power in 1959. Radio Marti will help restore it. I ask my colleagues to support the passage of S. 602 as reported by the Foreign Relations Committee.

Mr. President, the budget waiver deals specifically with section 6 of our bill.

At this time, I would like to insert into the RECORD and I will read, for the benefit of our colleagues who are here and those who might be listening, section 6 of the committee report on this bill. This section is entitled "Facility Compensation."

SECTION 6—FACILITY COMPENSATION

This section states, in subsection (a), that it is the intent of Congress that the Secretary of State seek prompt and full settlement of U.S. claims against Cuba that may arise from Cuban interference with broadcasting in the United States, and that pending settlement of such claims, there should be interim assistance to broadcasters adversely affected by Cuban radio interference.

Subsection (b) provides that the Board for International Broadcasting make payments to U.S. radio broadcasting station licensees that apply for expenses incurred or to be incurred in mitigating the effects of Cuban Government activites caused by radio broadcasting to Cuba undertaken to implement the authorities established in the bill that result in direct interference with U.S. broadcasting. The expenses covered under the section shall be limited to costs of equipment (replaced less depreciation) and associated technical and engineering costs.

Subsection (c) provides that not later than 180 days after enactment of the Act, the Board for International Broadcasting shall issue regulations and establish procedures for carrying out the intent of the section.

Subsection (d) authorizes an appropriation to the Board of International Broadcasting of $5 million for use in compensating U.S. radio broadcasting licensees as provided in subsections (a) and (b). The amount appropriated is to be available until expended.

Subsections (e) and (f) state that authorities for facility compensation established in the bill shall enter into effect beginning in fiscal year 1984 and funds shall be available for a period of no more than 4 years following the initial broadcast of radio broadcasting to Cuba programs.

Mr. PERCY. Mr. President, seeing no request for time on the other side, I am happy to recognize my distinguished colleague from Florida, Senator PAULA HAWKINS, who has worked so closely with the Senate Foreign Relations Committee in drafting this legislation. She introduced the original bill and we were pleased indeed to offer her original bill as the bill on which we would vote in the Foreign Relations Committee. I commend her for her tenacity and her desire to see that the people of Cuba have the right to know the truth of what is going on in their country and what their country is carrying on as activities of intervention and disruption around the world at their cost and expense.

The PRESIDING OFFICER. The Senator from Florida.

Mrs. HAWKINS. Mr. President, I thank the esteemed chairman of the Committee on Foreign Relations. He has been a steady source of guidance, support, assistance, and great sympathy for this cause we are involved in at this time.

I would like to concur in his remarks on the budget waiver, which is what we are discussing at this point. I intend to hold off on my remarks pertaining to the merits of Radio Marti until the proper time, when we are on the bill itself.

As far as my amendment goes, Mr. President, which requires the budget waiver, we have had interference in Florida for over 15 years. It is nothing new. This is an amendment that would merely set aside a small pot of $5 million for stations that sought and received permission from the FCC to alter their facilities to overcome the effect of Cuban interference.

Mr. President, it is a logical amendment. It gives some redress to the problems that we have experienced throughout our entire State of Florida. There are other stations throughout the United States that have the same problem, so it is not restricted to Florida. The amendment was an important addition to the bill, and I believe that the budget waiver was both appropriate and reasonable.

I yield back my time to the chairman.

The PRESIDING OFFICER. Who seeks recognition?

The Senator from Connecticut.

Mr. WEICKER. Mr. President, will the Senator from Vermont yield me 5 minutes?

Mr. LEAHY. Yes, I yield 5 minutes to the Senator from Connecticut.

Mr. WEICKER. Mr. President, I oppose the legislation now before the Senate. I shall not address my remarks specifically to the budget waiver; we may as well get into the substance of this matter. I inquire as to whether or not the expenditure of moneys involved here is worth it insofar as the interests of the American people are concerned.

First, to my good friend from Illinois, I say let us get one point clear. He says the Cuban people have the right to finally hear the truth. Several months ago, I happened to spend a week in Cuba. Every evening, I would turn on my transistor radio and, lo and behold, guess what I was hearing? Miami radio stations, New Orleans radio stations, New York radio stations. Certainly, my good friend from Illinois does not mean to imply that American radio stations, privately owned in the free sector, are doing anything but broadcasting the truth. And believe me, all those radio stations are heard in Cuba, to a greater or lesser degree, as is the Voice of America. So, in terms of what is being heard in Cuba, I can assure my colleagues that what is being heard is, in good measure, the voice of this country, either through the Voice of America or through the private sector, various stations broadcasting from various American cities.

Mr. PERCY. Will the Senator yield for a question?

Mr. WEICKER. I certainly do yield.

Mr. PERCY. I would be very interested in knowing what it was that the distinguished Senator from Connecticut heard on these radio stations from Florida. As to VOA, we know what you hear there. You hear what is happening in the United States of America. VOA, by charter, does not get into those areas that Radio Liberty or Radio Free Europe get into. They have an entirely different mission. It is a window on the United States. They can, and that is why Radio Marathon beams 5 hours a day to give the truth about what is going on inside the United States. But the mission of Radio Liberty, Radio Free Europe, and

Radio Marti would be an entirely different mission, to carefully research and find out what is going on in Cuba, what Cubans are carrying on around the world. That is an entirely different mission which the Board for International Broadcasting is uniquely qualified to carry out.

I repeat my original question—was it rock and roll music, was it baseball games? That is not really the intent and purpose of the legislation before us. What was it the distinguished Senator heard on the Florida radio stations?

Mr. WEICKER. What the Senator from Connecticut heard was exactly what the Senator from Illinois hears when he turns his radio on in his automobile or his home—the news broadcast by American broadcasters, rock and roll, sports; indeed, the picture of life in this country and around the world that we all get when we turn on our radio stations. That is what the Senator from Connecticut heard. Indeed, when I left this country for a week, I would have preferred to hear some other culture than our own for a week. I did not. I heard our own culture.

I heard those broadcasts emanating from our news media, which I do not think are tainted or biased. It was quite an experience.

I am not saying that the reception was all that the Senator or I would want all the time. But I think it terribly important to differentiate between the situation in Cuba and that in Eastern Europe.

First of all, we are talking about an island 90 miles off our shore. Obviously——

Mrs. HAWKINS. Will the Senator yield just for a question?

Mr. WEICKER. Of course I yield.

Mrs. HAWKINS. Were the broadcasts he heard in English or Spanish?

Mr. WEICKER. I heard both, English and Spanish.

To my good friend from Florida let me say this: I, as much as she, feel that there ought to be an accurate picture of life within the United States and throughout the world broadcast to the Cuban people. Indeed, I think the time has come for the United States of America to fill a vacuum created by the lack of the presence of the United States of America in Cuba, because only if that happens can we get the Soviet Union out of our hemisphere. The way to do that is to start talking and start being there.

I ask my good friend from Florida and my good friend from Illinois, Why do we not go to Cuba? Why do you not go to Cuba? Why do you not start talking?

I ask my good friend from Florida, she has the largest Cuban constituency in the United States. I think it is high time the Cuban people had a chance to talk to the Senator from Florida on Cuban soil and the other Senator from Florida and the chairman of our Foreign Relations Committee.

I know of no substitute for the human presence insofar as getting our point of view across. But certainly, I do not accept as a substitute for this Senator or for the views of the American people radio broadcasts from a Government agency.

The PRESIDING OFFICER. The Senator's 5 minutes have expired.

Mr. WEICKER. I ask for 1 more minute, then I shall yield to my good friend, Senator ZORINSKY.

Mr. LEAHY. I yield 1 more minute to the Senator.

Mr. WEICKER. Mr. President, let us understand at the outset of this debate that some of us feel very passionately that there should be an activist role for the United States of America in Cuba, in the Caribbean, in Central America, and in South America.

It is not a propagandist role. It is a people-to-people, face-to-face role. We think that in the course of our foreign policy we have done an excellent job in placing the Cuban Government and people into a vacuum; that we have isolated them.

Well, what we have succeeded in doing is to isolate ourselves. Everybody is in Cuba, not just the Soviet Union. Walk the streets of Havana. The Spanish are there, the Italians are there, the French are there, the Canadians are there, the British are there, the Japanese are there—everybody is there except the United States of America. The manifestation of our presence is some name calling across the Florida Straits, hardly a foreign policy and hardly designed to get the Soviet Union out of our hemisphere.

The PRESIDING OFFICER. The 1 minute yielded the Senator has expired.

Mr. WEICKER. I yield at this time. I suspect there will be plenty of time to get further views across during the course of this rather lengthy debate.

I thank my distinguished friend, the Senator from Vermont, for the time that he gave to me, and I now yield.

Mrs. HAWKINS. May I ask if I could take 1 minute out of our time to go back to the radio stations that the Senator from Connecticut said were heard. I do not want to discuss foreign policy right now. I would just like to discuss the radio stations he heard, since we are discussing the budget waiver for radio stations that are involved.

He said they were English and Spanish, and then prior to that I think I heard the Senator say that the broadcasts predominately reflected our culture. Was this our culture on the Spanish stations and did the Senator learn where the Spanish stations orginate?

Mr. WEICKER. No; our culture of truth. In other words, you can turn on the radio and hear everything and anything. I do not need to spend $5 million and entrust it to some Government agency to start propaganda. I am talking about no difference than if the Senator turned on her radio driving from Jacksonville to Miami at night. She is going to get everything from all over the United States of America.

Mrs. HAWKINS. All on commercial stations.

Mr. WEICKER. I believe you get commercial stations. Where you get all of them, I do not know, but you get a broad spectrum of commercial stations. And the last thing you need is to start another station. You need that as much as we need another team in the U.S. Football League down there.

The PRESIDING OFFICER (Mr. HECHT). Who yields time?

Mr. LEAHY. Mr. President, I yield myself such time as I may require.

Mr. President, I rise to join with my colleagues on both sides of the aisle to question this waiver of the budget resolution.

There is a reason why we have to go through this exercise—to waive the budget resolution provisions. This procedure forces us to remember the budget process itself, the restrictions, the provisions, the discipline of the budget process.

The purpose of the budget process that the Congress has designed for itself is to make us look very carefully at each and every bill that costs the American taxpayer additional tax dollars.

It is the discipline of the budget process that makes us take another look, to ask the hard questions. Is this new program, this new agency, this new benefit worth the impact it will have on our record high budget deficits?

After all, we are not dealing with balanced budgets these days. Things have gotten out of control in Federal spending. One statistic alone puts our current situation in perspective:

> If the present deficit projections continue under a second Reagan Administration, the deficit for the eight year period will be more than the combined deficits from the era of President Washington to President Carter.

So here we are today, discussing yet another budget waiver, considering another bill which will add to the deficit. Although this bill does not have a billion dollar price tag, we all know that every million adds up.

I would hope that we take the budget process seriously today. I would hope that all Senators take a careful look at S. 602. Is this a cost effective approach? Are there better, and less costly ways, to achieve the goals of S. 602? I think there is.

The most basic question is, Do we want to add to the deficit with a new

program? A new program, I might add, that may have unlimited costs. There is a certain vagueness about the costs involved in Radio Marti. Is it wise for us to waive these provisions of the budget act when we are unsure about the cost?

This Democrat is concerned about the deficit. I have agreed to cuts in programs I care deeply about, I have even offered amendments myself to hold the line on spending. Recently I offered an amendment to cut foreign aid, although I have been a long-time supporter of our foreign assistance programs. But I felt that, to be fair, all federally funded programs, all agencies, should share the burden of reducing the deficit. No agency, not even the State Department, should be immune from budget discipline.

Thus, Mr. President, I rise today to express a bipartisan concern about this budget waiver and the underlying bill on Radio Marti.

Mr. President, I will make a few points in amplication of my statement.

I find myself constantly called upon in the Senate to vote to cut programs that I happen to like, programs that I have long supported, programs of necessity to my own State of Vermont as well as in some instances the States of the other 99 Members of this body.

I do that because of the horrendous deficits this Nation is facing, deficits which under the President's budget have doubled in the course of his term in office. If you take all of the deficits from George Washington's time straight through President Carter's time and put them all together, they are double. And to continue to vote for things that add to that deficit is unwise.

Radio Marti is just another one of those examples. We could expand the Voice of America, if we are really serious about this. It has had a credible life. At least until of late it has been seen as an aboveboard, nonpartisan, factual news-reporting organization. But instead, we want to go to Radio Marti, which almost begs the Cubans to come out with something like Radio Lincoln to blast back at us. Because of the controversy it has created, it will be labeled as purely a propaganda tool. That will hurt its own credibility in Cuba, a country that already listens to American radio stations, which are, after all, only about 90 miles away, in the same way those of us who are from rural areas are used to listening to the radio stations of other areas.

The Senator from Connecticut made a very good statement—that we ought to expose them to our own views. We could do that. Spending more time talking to them does not mean we agree with them. We must tell them where we disagree. We must make it very clear, very open to the people of Cuba that we do disagree with their government, but we should not do it in this way, in a way that almost walks into the arms of the Castro government. It gives them a propaganda tool of their own. They will be able not only to block Radio Marti if they want, but in those times when the signal is able to get through they could label it for what it is, an extraordinarily expensive propaganda tool that will not be effective.

The other problem about it, of course, is that not only will they not be hearing Radio Marti, but people in the United States who happen to have a local radio station on the same frequency being used by Radio Marti will probably hear nothing when they turn on their radio station except static or extraneous noises, because Fidel Castro will have absolutely no compunction whatsoever about setting up jamming stations. They will jam not only the frequency used by Radio Marti but just about every other radio station in the United States using the same frequency.

So we are talking about $5 million to assist broadcasters in making technical adjustments to cover that kind of jamming operation. And that is only the tip of the iceberg. There is an awful lot more to it. The waiver does not consider the cost of operating Radio Marti. The administration requested $9,697,000 for fiscal year 1984 alone, and that is more than twice the cost of simply expanding the Voice of America program, something with some credibility.

The State Department recently declassified a document which said that in their judgment, if the decision is made to establish this radio system:

> We believe Cuba will retaliate by increasing its current level of interference with U.S. AM broadcasting operations. Potentially, about 20 percent or 1,200 U.S stations could be adversely affected. The economic loss generated by Cuban retaliation affecting 1,200 stations could itself run several hundred million dollars a year.

And who is going to pay for the several hundred million dollars a year in losses to our commercially owned radio stations, to our own free enterprise system? It is not going to be Fidel Castro. It is going to be, once again, the U.S. taxpayers. It will be the owners of those stations. It will be the people that they work for. It will ultimately be the taxpayers of the United States. And out of it we get nothing.

We have many boondoggles that come to the floor of the Senate. We have those who seem to work overtime to figure out useless ways to spend the taxpayers' money, but whoever dreamed up this idea ought to be given some compensatory time off. I cannot think of anything that would not only guarantee that we will spend far more money than we say we are going to but can guarantee that we will waste the money at the same time. It is not always that we get that perfect combination in our spending fever. Many times we spend the money but waste it. Other times we end up spending twice what we said we would. This time we do both. To that extent, this is the one respect in which Radio Marti is perfect. Other than that, it fails.

I notice my good friend from Nebraska is in the Chamber. Unless somebody on the other side is looking for time, I yield to my friend from Nebraska.

Mr. ZORINSKY. I thank the Senator from Vermont. I appreciate his yielding the floor to me.

Mr. President, I oppose the proposed waiver of the Budget Act for Radio Marti.

The waiver applies to $5 million authorized in the bill to assist broadcasters in making technical adjustments to overcome the Cuban interference expected as retaliation for Radio Marti. This $5 million, however, is the mere tip of the iceberg of the cost associated with this particular piece of legislation. The failure of the waiver resolution to include the total costs is deceptive in extreme.

The proposed waiver does not consider the costs of operating Radio Marti itself, for which the administration has requested $9,697,000 for fiscal year 1984. The outyear costs will be only slightly less.

I should point out that the $9,697,000 for Radio Marti is more than twice the cost of the alternative route for broadcasting to Cuba—and is, the expanded Voice of America programming.

I know the age-old argument, that that is not VOA's mission, that type of program. I have talked to a lot of people back home over several recesses, especially a few months ago, when VOA first reared its head on the floor of the Senate, and they said, "Well, don't we own Voice of America?"

I said, "Who owns Voice of America?"

They said, "The United States Government."

I said, "Yes."

They said, "Well, then, what are all these arguments that VOC can't broadcast that type of programming to Cuba?"

The last time I looked at my salary check, it bore the same words as the salary checks of the opponents to this bill. The words "United States Government, Department of the Treasury," are on their checks as well as on my check.

The missions can be changed by the Senate, by Congress, for one valid reason, and that is to save the money of some poor taxpayers who are having one terrible time in meeting their tax obligation to this Government, only because this Government

has forgotten how not to stop spending money foolishly.

We are looking at a $180 billion to $200 billion deficit in the 1984 budget. We have been spending, for many years, money we do not have. So what is a few more dollars to spend? Then we can turn around and say we need a separate radio station because that is not the primary mission of VOA, for which we already spent the money of these poor taxpayers. So let us reinvent the wheel, let us reinvent the radio station, let us spend more and more money, let us hire more people, and let us pay more Government pensions when those people in Radio Marti retire, and let us have the taypayers pay us more money.

I think the taxpayers are sick and tired of our inventing more ways for them to get rid of their money. I think what the people of America want today is reduced Federal spending, and we can accomplish this mission. If we ever get to that point, I have an amendment which proposes to do just that.

As my colleagues on the Foreign Relations Committee are fully aware, the amendment I proposed failed by one vote in committee. We lost that amendment by a vote of 9 to 8, which I think is just as close as you can lose that type of amendment in committee.

I believe that amendment may have a great deal of merit. When it comes time for that amendment, if the time does arrive on the floor of the Senate for me to offer that amendment, I will go into a great deal of depth with respect to that amendment, to fully explain to my colleagues how you can get the same results by spending half the money. I am sure you would get a God bless you from the taxpayers of this country for taking the opportunity to relieve them of a double tax burden.

The proposed waiver we are considering does not consider the cost of operating Radio Marti itself. I want to reemphasize that. The Cuban retaliation to Radio Marti is certain to do a gerat deal of damage to the U.S. AM broadcasters.

The National Association of Broadcasters has done a study of the effects of potential Cuban interference on just 17 stations and found that the lost advertising revenue alone could range from $50,000 per year for one station to $10 million per year for another station, depending on the density of the listener market.

Mr. LEAHY. Mr. President, will the Senator yield for a question?

Mr. ZORINSKY. I am happy to yield.

Mr. LEAHY. The figures that the Senator from Nebraska has just cited—that is above and beyond the amount he has already said the taxpayers would be saddled with on the operation, costs, salaries, maintenance, and everything else on Radio Marti, is it not?

Mr. ZORINSKY. Most certainly. This is the additional exposure and liability in the event there is retaliation with respect to Radio Marti.

Mr. LEAHY. And these are private owners whose livelihood, in effect, is being taken from them by actions over which they have no control. Is that correct?

Mr. ZORINSKY. This is due to the intervention of the good old U.S. Government, once again interfering in a marketplace where people who are in the broadcasting business have saved all their lives, amortized transmission equipment, hired people, paid them salaries, created American taxpayers to pay taxes to this Government. They have gone out, in fact, and signed long-term contracts for advertising and for broadcasting baseball games, football games, hockey games, any other type of sports and athletic events, and numerous other things that the broadcasting industry does.

All of a sudden, the Federal Government steps in and says, "Well, it's time for us to get the truth into Cuba, and we're going to expose you, as a taxpayer and businessman, to going out of business; and you will have to refund your advertising if it is not heard by the subscribers and the listeners of this station."

Mr. LEAHY. I thank the Senator.

Mr. ZORINSKY. A recently declassified State Department document reveals the Department's judgment that:

If the decision is made to establish a Radio Free Cuba (RFC), we believe Cuba will retaliate by increasing its current level of interference with U.S. AM broadcasting operations. Potentially about 20 percent, or 1200, U.S. stations could be adversely affected.

This is a judgment that was declassified by the U.S. State Department.

The economic loss generated by Cuban retaliation affecting 1,200 stations could run several hundred million dollars a year. In the end these costs almost surely will be borne by the taxpayers. Indeed it would be grossly unfair to ask private businessmen to absorb the costs of this foreign policy exercise.

Mr. President, the total costs of Radio Marti will run into the hundreds of millions of dollars. We should consider carefully whether we want to vote for this extravagance, especially at a time of record budget deficits and continued high unemployment. We should also consider whether we want to buy this gold-plated radio station when there is, in the VOA option, a much less costly means to accomplish the same objective.

It is outrageous, however, that the budget waiver does not consider the full compensation expenses likely to be borne by the taxpayer, or even the cost of setting up and operating the station. I urge this budget waiver be defeated so that the Foreign Relations and Budget Committees have the opportunity to study the issue and come forward with a waiver that accurately reflects the real costs of Radio Marti.

I do not think anyone on the opposition side to Radio Marti wants in any way to impair the truth from being heard in Cuba. I think we would like to have the truth heard throughout the world because that is what our society is all about.

I might point out with respect to the comments made by my colleague from Connecticut, Senator WEICKER, when he indicated that he had visited Cuba and heard on his transistor radio both in Spanish and in English the transmissions of numerous radio stations emanating from the U.S. geographical boundaries the fact that during the testimony of Radio Marti in the Foreign Relations Committee it was brought out that the mission of Radio Marti will be to expose to the Cuban people the true events taking place in Cuba. In deference to that my colleague from Illinois, the chairman of our Foreign Relations Committee, pointed out that the mission of VOA is different in that it transmits the happenings in the United States of America.

I simply wish to point out that in testimony in committee it was stated that the mission of Radio Marti would be to transmit such news, for instance, as the fact that Cuban soldiers are involved in Angola, which they intimated was being kept back from the Cuban people, and that there were Cuban soldiers being killed in Angola, and it was intimated in committee hearings that the Cuban people were not aware of this; therefore, we needed Radio Marti to tell them about that.

One of the places I quickly heard about involvement of Cuban troops in Angola was on the news on an American radio station, in addition, of course, to reading the printed news media and, as was stated in testimony in the committee, the fact that a member of the National Association of Broadcasters did the same thing LOWELL WEICKER did, went down, visited Cuba, in fact I entered that as testimony into the record in the Foreign Relations Committee, giving even the station call numbers and what cities they were from, so that whole log is in the record if any of my colleagues would take the time to look at it. They were hearing the normal, regular news, including the fact that Cuban troops were in Angola fighting and dying. The same thing for free for the American taxpayer was done by a private station as what we are attempting to reinvest by re-creating Radio Marti.

Mr. President, I yield the floor to the distinguished Senator from Vermont.

Mr. LEAHY. Mr. President, I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. PERCY. Mr. President, if our intention is to move forward to a vote on the budget waiver, we could continue to fill up the time, but I just would be prepared to yield back the remainder of our time if the opposition would be willing to yield back the remainder of their time and just go to a vote.

Mr. ZORINSKY. Mr. President, how much time do we have remaining on our side?

The PRESIDING OFFICER. The Senator from Vermont has 3 minutes and 3 seconds remaining.

Mr. LEAHY. Mr. President, if I might hold just for a moment on that, I shall quote from the writings of Jose Marti:

". . . Even in the United States today there may be a prevalence of this most human and virile (although always egotistical and victorious) element of the rebellious colonist, . . . which consumed the native race, fomented and lived off the slavery of another race and reduced or robbed the neighboring countries—has been sharpened rather than softened by the continuous grafting of the European hordes, a tyrannical breeding of political and religious despotism whose only common quality is the appetite amassed by exercising over the rest the authority that was exercised over themselves. They believe in need, in the law of the jungle, as the the only law: "This will be ours because we need it." They believe in the invincible superiority of 'the Anglo-Saxon race over the Latin.' They believe in the inferiority of the Negroes, whom they enslaved yesterday and are criticizing today, and of the Indians, whom they are exterminating. They believe that the Spanish American peoples consist mainly of Indians and Negroes."

"The tyranny of the political sphere".

The Americans' "narrow, egotistical concept of life".

"The North (USA) had been dreaming about these dominions from the cradle, with Webster's 'great light of the North'; with Sewall's statement on everyone's lips, 'the entire continent is yours, without limits'; and with Douglas' 'trade alliance'. And when a thoroughly rapacious nation reared in the hope and certainty of possessing a continent reaches this state of mind spurred on by its jealousy of Europe, by universal ambition, by a need for the false production it believes must by maintained (and even increased) in order to keep its influence and high standard of living—then it is urgent to put as many restraints on it as can be concocted. . . ."

"The North has been grasping and unfair, . . . obdurate and full of hate".

"Brutal and turbulent North".

"I have lived in the monster and I know its entrails".

Mr. President, I state also that if we reach a point where we are voting on Radio Marti, at that time I will seek adoption of an amendment which says:

Nothing in the act will be construed as an endorsement by the United States Government or the American people of the anti-American statements, writings, or philosophies of Jose Marti.

I found his reference to us as a racist nation to be extremely objectionable and I do not wish to have those statements made without challenge.

Mr. WEICKER and Mr. PERCY addressed the Chair.

The PRESIDING OFFICER. The Senator from Connecticut is recognized.

Mr. PERCY. Mr. President, if the Senator will yield for a moment, I did indicate before that I was prepared to yield back the remainder of my time, but the Senator from Florida (Mr. CHILES) has indicated a desire to speak. Before the distinguished Senator from Connecticut makes his motion would he permit the Senator from Florida to be heard?

Mr. WEICKER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. WEICKER. Mr. President, what is the situation timewise?

The PRESIDING OFFICER. The Senator from Illinois has 14 minutes and the Senator from Vermont has 2 minutes and 35 seconds remaining.

Mr. WEICKER. I have no objection.

Mr. CHILES. Mr. President, I say to my distinguished chairman of the Foreign Relations Committee if we are about ready to go to a vote on this I do not mind. I know there will be other opportunities for me to speak in this area.

Mr. PERCY. I am afraid there will be.

Mr. CHILES. I do not need to prolong this vote, I do not think.

I would just say that this is on the budget waiver. I think this is perhaps not the place to fully debate the merits of this bill, although we have already sort of embarked into that. But I think there is every reason why the budget waiver should be adopted in this instance and that we should go forward and debate this bill on its merits.

Mrs. HAWKINS addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. PERCY. Mr. President, I think if the Senator from Connecticut wishes to make his motion he may do so now.

Mr. WEICKER. Mr. President, I move to recommit the pending resolution to the Committee on Foreign Relations and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Under the Budget Act there are 20 minutes of debate on the motion.

Who yields time?

Mr. PERCY. Mr. President, I shall be very brief. The motion to recommit the bill is absolutely unnecessary. I think it is the duty of Senators to face an issue up or down. This matter has been debated fully. As I have indicated previously we have had 3 days of hearings.

Every amendment that could be offered has been offered. Some have been accepted, some have been rejected, some accepted by substantial margins, some rejected by narrow margins such as the amendment offered by our distinguished colleague and member of the committee, the Senator from Nebraska. But we have had votes up or down. The bill still has been sent to the floor and it is now up to the Senate to make a decision yes or no. Do we go ahead with this program or not? The Foreign Relations Committee has done its work. It does not intend to hold any further hearings. There is nothing to be said that has not been already said and if there is something new to be said, it can be said here on the floor. The majority leader has now made available time for the Senate to do that.

I might say that he has done so because of the urgency he feels in this matter. But we have many other things to be done in the Senate. We have the State Department authorization bill, we have our whole military security assistance program, our foreign aid bill. That authorization must be acted on in order for the authorization process to work, and we certainly need to proceed to the work of the Senate, so that I would hope we would get to this measure, vote it up or down one way or the other. Let the die be cast. But to take the time of the Senate now to vote on a motion to recommit the bill to the committee when the committee does not want it back, when the committee has spent its time, its energy, its effort, has come to its decison and has made its recommendation to the Senate.

Now it is time for the Senate to operate. That is the way the committee process works. We are subverting that process with what I consider to be an unnecessary vote, and I shall certainly vote against recommittal, and I urge my colleagues if you believe in the committee system and you want to see the work of the Senate proceed that we vote against this motion to recommit the bill.

Mr. WEICKER. Mr. President, if I might, I yield myself such time as I may use.

To my distinguished friend from Illinois I will tell you why this motion was made. I do not believe in frivolous type amendments here on the floor. I

suggested this might be recommitted to his committee for the following reason: I note in the report of the Foreign Relations Committee on page 12—and you might want to avail yourself of a copy of your report on page 12—I wonder if I might get the attention of the chairman of the Foreign Relations Committee.

Mr. PERCY. The chairman is listening intently.

Mr. WEICKER. Page 12, the estimated costs to the Federal Government, you have in there fiscal year 1984, $5 million. In the bill which you have here before the Senate, "This act shall enter into effect on October 1, 1984," that would mean in other words, we are talking about fiscal year 1985. I was wondering, in other words, are we talking about an expenditure of funds in fiscal 1984 as called for by the report or an expenditure of $5 million in fiscal year 1985 as is in the legislation before the Senate? That is obviously a very serious discrepancy.

Mr. PERCY. Yes. It depends obviously on when the radio broadcast actually gets under way. It depends also on actions possibly taken by Cuba which may or may not be taken. We just simply do not know. Then it depends upon an analysis which is to be made by broadcasters as to what equipment they need to protect themselves against the interference signals being sent by Cuba. The figure $5 million was provided as the best estimate and reasonable judgment that could be derived by the distinguished Senator from Florida, concurred in by the committee by majority vote, the $5 million was an adequate sum to provide in the fiscal year beginning October 1, 1983.

Mr. WEICKER. But to my good friend from Illinois the report is supposed to jibe with the bill before the Senate maybe some staff errors occurred. Would the distinguished Senator from Illinois care to amend his legislation in order to have it properly set forth as to what we are talking about, fiscal year 1984 or fiscal year 1985?

Mr. PERCY. I would only repeat what I did indicate in my previous statements that I intend to offer an amendment to provide authorizing legislation for Radio Marti beginning in 1983.

Mr. WEICKER. So, in other words the Senate is discussing fiscal year 1984.

Mr. PERCY. For the operation of Radio Marti, that is correct.

Mr. WEICKER. Yet the bill calls for fiscal year 1985, so there is a mistake and that is why I am trying to be of assistance to my good friend from Illinois suggesting this bill be recommitted, obviously drawn up in haste for whatever reason, to accommodate the administration, to accommodate members of the committee, but obviously drawn up in haste and in error, and this will afford the committee an opportunity to square out the report with the bill before the Senate.

Mr. ZORINSKY. Will my colleague yield?

Mr. WEICKER. I yield to the distinguished Senator from Nebraska.

Mr. ZORINSKY. I agree, not so much with drawn up in haste but I think there is a lot of sloppy work done here inasmuch as the chairman—I would like to ask the chairman of our Foreign Relations Committee why was not also put in here the cost of operation of Radio Marti. You have the cost of the exposure in the event there is a jamming of the stations, but why was not the cost of operation put in here as in all well-prepared budget presentations?

Mr. PERCY. That provision can be taken care of and an amendment will be offered.

Mr. ZORINSKY. Well, everything can be taken care of after the—the point I make is this was either hastily drawn up or sloppily drawn up to the extent that is was not included and now can be taken care of which raises the question in my mind of how many other items will we have to rectify because the proper work was not done initially, so I think the recommittal effort is one that makes sense not only from the point of proper legislation but one in refinement that I think is very necessary because I am sure my colleagues in the Foreign Relations Committee did not intend for this type of sloppy work to appear on the Senate floor.

Mrs. HAWKINS addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. PERCY. I yield such time as the Senator may require.

Mrs. HAWKINS. I feel the conversation before us is rather frivolous and dilatory and I move the Senator from Connecticut's motion be tabled and I ask for the yeas and nays.

The PRESIDING OFFICER. A motion to table is not in order while time remains on the motion to recommit.

Mr. LEAHY. Parliamentary inquiry. Did I understand the chairman to say that the motion to table is not in order at this point?

The PRESIDING OFFICER. The motion to table is premature as time remains.

Mr. LEAHY. Would also the call for the yeas and nays be premature at this time?

The PRESIDING OFFICER. The Senator is correct.

Mr. LEAHY. I thank the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. ZORINSKY. Will the Senator from Vermont yield me 30 seconds?

Mr. LEAHY. Yes.

Mr. WEICKER. I yield 1 minute.

Mr ZORINSKY. I would like to point out in all good faith there is no intent on my part to add any dilatory tactics at this point inasmuch as there is a time limit and we can consume, am I correct in asking the Chair, we do have 20 minutes to debate this subject?

The PRESIDING OFFICER. There are 20 minutes to the opposition.

Mr. ZORINSKY. So therefore it is not an open-ended debate and for us to be accused of open-ended dilatory tactics I think is not in keeping either with our intent at the present time under the rules of the Senate.

Mr. CHILES. Will the Senator yield?

Mr. ZORINSKY. Yes.

Mr. CHILES. I think dilatory was not the 20 minutes but I think dilatory was sending this bill back to the committee is where the dilatory was. I do not think it was the 20 minutes' debate. I think the Senator, both Senators, from Florida would be very happy to give 20 minutes of debate, make that 2 hours or make it 20 hours. I think our concern is whether or not we should have just a delay by sending this bill back to committee.

The PRESIDING OFFICER. The 1 minute has expired.

Mr. CHILES. As an attempt to keep the majority from working its will on the floor of the Senate.

The PRESIDING OFFICER. Who yields time?

Mr. WEICKER. I might add in explanation what is transpiring on the floor. So far the only dilatory tactic has been a motion made by the Senator from Florida that was clearly out of order to start with, so that we consumed all this time on something that should never have come to pass in the first instance.

Mr. CHILES. Well, the Senator from Connecticut would have to agree I think there has been no motion made.

Mr. WEICKER. Right.

I yield to my colleague from Nebraska.

Mr. ZORINSKY. I would just like to reply there has been quite obviously an omission in what has been presented to the Senate floor and I think that is why it makes good sense for recommittal to have the Foreign Relations Committee rectify what it has ommitted. There is no reason at all why the cost of this bill should not be in this budget, no reason at all. We discussed it for months and months, and it is either sloppy work or bad work or something that has not been presented to the U.S. Senate, and I think we are entitled to have something on the floor to debate or pass or turn down and, as you say, let the Senate work its will, but in its entirety instead of having to patchwork it here on the Senate floor.

Mr. WEICKER addressed the Chair.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. WEICKER. How much time do I have remaining?

The PRESIDING OFFICER. The Senator has 1 minute remaining.

Mr. WEICKER. Mr President, the Senator from Connecticut is not implying any omission of commonsense on the part of the Foreign Relations Committee. He is not implying any omission of fact or any omission of logic or any omission of sensible foreign policy. I am not implying any of these things.

The Senator from Connecticut is being very specific when he says there is an error between the report and the bill. The Senator from Nebraska is being very specific when he says there are certain costs that are not enumerated in the report. That is what we are talking about.

Mr. LEVIN. Mr. President, I am voting in favor of the motion to waive the Budget Act so that we will be able to consider the legislation to establish Radio Marti. I believe that the debate on this legislation should begin, and in order to be in a position to do that the Senate must waive the Budget Act.

I begin with the inclination to vote against this legislation. But I believe that both sides have the right to present their best case, and that we should have the benefit of hearing both sides.

The PRESIDING OFFICER. Who yields time?

Mr. CHILES. How much time remains, Mr. President?

The PRESIDING OFFICER. The Senator from Illinois has 6 minutes and the Senator from Connecticut has 30 seconds remaining.

Who yields time?

Mr. WEICKER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Senator has insufficient time to suggest the absence of a quorum, unless he asks unanimous consent to do so.

Mr. WEICKER. If no other Senator desires to speak, I have nothing further to say. I am really trying to protect the Senator from Illinois.

Mr. PERCY. Mr. President, if the other side has used up all of its time, I am prepared to yield back my time so we can go right to a vote.

The PRESIDING OFFICER. Does the Senator yield back his time?

Mr. PERCY. Has the other side used up all of its time?

The PRESIDING OFFICER. All time has been used up.

Mr. PERCY. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the motion to recommit. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. STEVENS. I announce that the Senator from New Mexico (Mr. DOMENICI), is necessarily absent.

Mr. BYRD. I announce that the Senator from California (Mr. CRANSTON), the Senator from Ohio (Mr. GLENN), the Senator from Colorado (Mr. HART), the Senator from South Carolina (Mr. HOLLINGS), and the Senator from New York (Mr. MOYNIHAN), are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 33, nays 61, as follows:

[Rollcall Vote No. 235 Leg.]

YEAS—33

Andrews	Durenberger	Mitchell
Baucus	Eagleton	Pell
Biden	Exon	Proxmire
Bingaman	Ford	Pryor
Boren	Grassley	Randolph
Bumpers	Inouye	Riegle
Burdick	Jepsen	Sasser
Byrd	Lautenberg	Stafford
Cochran	Leahy	Tsongas
Danforth	Mathias	Weicker
Dixon	Melcher	Zorinsky

NAYS—61

Abdnor	Hecht	Nunn
Armstrong	Heflin	Packwood
Baker	Heinz	Percy
Bentsen	Helms	Pressler
Boschwitz	Huddleston	Quayle
Bradley	Humphrey	Roth
Chafee	Jackson	Rudman
Chiles	Johnston	Sarbanes
Cohen	Kassebaum	Simpson
D'Amato	Kasten	Specter
DeConcini	Kennedy	Stennis
Denton	Laxalt	Stevens
Dodd	Levin	Symms
Dole	Long	Thurmond
East	Lugar	Tower
Garn	Matsunaga	Trible
Goldwater	Mattingly	Wallop
Gorton	McClure	Warner
Hatch	Metzenbaum	Wilson
Hatfield	Murkowski	
Hawkins	Nickles	

NOT VOTING—6

Cranston	Glenn	Hollings
Domenici	Hart	Moynihan

So the motion to recommit Senate Resolution 160 was rejected.

Mr. ZORINSKY addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska is recognized.

Mr. ZORINSKY. I yield to the Senator from Connecticut.

Mr. WEICKER. Mr. President, I move to recommit the pending resolution to the Budget Committee with instructions to consider the full budgetary impact of the committee amendment, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Who yields time?

Mr. ZORINSKY. Mr. President, I yield 2 minutes to the Senator from Connecticut.

The PRESIDING OFFICER. The Senator from Connecticut, having made the motion, controls the time.

Mr. WEICKER. Mr. President, I am sorry; I cannot hear the Chair.

The PRESIDING OFFICER. There will be order in the Senate.

The Senator from Connecticut as a proponent of the motion controls the time, which is 10 minutes.

Mr. WEICKER. Mr. President, I yield to myself 3 minutes.

The PRESIDING OFFICER. The Senator from Connecticut is recognized.

Mr. WEICKER. Mr. President, I wonder if we might have order.

The PRESIDING OFFICER. The Senate will be in order.

Mr. WEICKER. Mr. President, I believe section 6 of S. 602 is in violation of the Budget Act, section 303(a)(4). This section of the Budget Act states that the "First Concurrent Resolution on the Budget must be adopted before legislation providing new budget authority, new spending authority or changes in revenues or public debt limit is considered." Section 303(a)(4) reads:

It shall not be in order in either the House of Representatives or the Senate to consider any bill or resolution (or amendment thereto) which provides (4) new spending authority described in section 401(c)(2)(c) to become effective during a fiscal year; until the First Concurrent Resolution on the Budget for such year has been agreed to pursuant to section 301.

Mr. President, I do not think the Senate is in order.

The PRESIDING OFFICER. The Senate will be in order. Senators will take their seats.

Mr. WEICKER. I repeat, Mr. President, I do not think the Senate is in order.

The PRESIDING OFFICER. The Senate will be in order.

The Senator from Connecticut is recognized.

Mr. WEICKER. I thank the Chair.

In essence, section 401(c)(2)(c) describes an entitlement. I asked the American Law Division of the Congressional Research Service to analyze section 6 of S. 602 to verify my suspicions that this does, indeed, create a new entitlement.

This is an entitlement. Therefore, it is a violation of section 303(a)(4) because section 6(f) states, "this section shall enter into effect on October 1, 1984." This, of course, is fiscal year 1985, and we obviously have not agreed to the first concurrent resolution for fiscal year 1985.

Let me read the section, if I might, Mr. President, which we are discussing.

"(b) Accordingly, the Board for International Broadcasting shall make payments to the United States radio broadcasting station licensees upon their application for expenses which they have incurred or will incur in mitigating, pursuant to special temporary authority from the Federal Communications Commission, the effects of activities by the Government of Cuba which di-

rectly interfere with the transmission or reception of broadcasts by these licensees. Such expenses shall be limited to the costs of equipment (replaced less depreciation) and associated technical and engineering costs.

Mr. President, that in effect creates an entitlement, so let us understand that for all the talk as to how carefully prepared this was by the Foreign Relations Committee, we pointed out prior to the last vote that the report refers to fiscal year 1984, while the bill has in it language which authorizes the moneys in fiscal year 1985. By the same token, there was no estimate of the costs involved in the operation as was pointed out by the Senator from Nebraska (Mr. ZORINSKY).

Again, I have to repeat that in this particular instance obviously the substance of the Foreign Relations Committee report is not involved. It is the motion to recommit to the Budget Committee. But this is far more serious in terms of it creating an entitlement. This is something that is within the province of the Budget Committee's work, and I suggest has not properly been taken into account in the course of the preparation of the report or the bill itself.

Mr. President, I believe I yielded myself 3 minutes. Is that 3 minutes up?

The PRESIDING OFFICER. The Senator has used 3 minutes.

Mr. WEICKER. Does the Senator from Iowa care for time at this juncture?

Mr. GRASSLEY. In about 5 minutes.

Mr. WEICKER. Mr. President, I am greatly disturbed that this body is apparently quite prepared to take so lightly the creation of a new entitlement. I do not know, short of using the word "entitlement," that section 6(b) could be more clear or definite in creating an entitlement. Subsection (b) states:

Accordingly, the Board for International Broadcasting shall make payments to the United States radio broadcasting station licensees upon their application for expenses which they have incurred or will incur in mitigating, pursuant to special temporary authority from the Federal Communications Commission, the effects of activities by the Government of Cuba which directly interfere with the transmission or reception of broadcasts by these licensees. Such expenses shall be limited to the costs of equipment (replaced less depreciation) and associated technical and engineering costs.

This says "shall make payments." It does not say "may make payments." It says "shall."

In no way do subsections (c) and (b) take away from the strength of this entitlement. Subsection (c) merely points out that "the Board for International Broadcasting shall issue regulations and establish procedures for carrying out this section * * *." This does not suggest that the Board has any discretion whether or not to make payments, only that it shall decide how to carry out this mandate. Subsection (d) only sets out how much shall be available to carry out this obligation of the United States during fiscal year 1985. It does not in any way erode the force of subsection (b) which establishes an entitlement for broadcasters harmed by interference.

Therefore, I urge my colleague to send this resolution back to the Budget Committee so that they can reconsider this apparent violation of the Budget Act.

The PRESIDING OFFICER. Who yields time?

Mrs. HAWKINS. I yield to the Senator from Idaho.

Mr. SYMMS. Mr. President, the Senate has just spoken on this issue. We voted on a very similar motion just preceding this, and the vote was more than 2 to 1. In order to expedite things—it is obvious that we are in a delaying procedure, which is fine; my colleagues certainly are entitled to use the rules of the Senate—I will suggest that we vote on this issue immediately and get on with the procedural matter so we can get this very important matter before the Senate. Then we can actually have a full-scale debate on the issue. Unless the distinguished Senator from Florida wishes to say anything, my recommendation would be we bring this to a vote.

Mrs. HAWKINS. How much time remains, Mr. President?

The PRESIDING OFFICER. The Senator from Florida has 9 minutes remaining. The Senator from Connecticut has 5 minutes remaining.

Mr. SYMMS. I yield the floor.

The PRESIDING OFFICER. Who yields time?

If neither side yields time, time will run equally against both sides.

Mr. WEICKER. I yield myself 1 minute.

Mr. President, I want to point out to my colleagues that at any time during the course of this debate the proponents of this measure want to carry out this activity through the means of the Voice of America, I am sure that those of us who stand in opposition at this time could accommodate them. There is absolutely no necessity to set up a new entity, at enormous cost to the taxpayers, when we have that vehicle in the Voice of America.

Indeed, the House committee the other day insisted that the activities to be carried out will be carried out either through shortwave or the Voice of America. So it is not that there is not an alternative. There is, through an established medium.

The fact is that this narrow piece of legislation, which is rather broad in its expense, obviously has certain political ramifications. I do not think the people of the State of Connecticut or the other States of the Union should pay for the political aspirations of national and local candidates.

There is no necessity to create another vehicle to accomplish the ends desired by the majority of the Foreign Relations Committee.

The PRESIDING OFFICER. The Senator's 1 minute has expired.

Mr. WEICKER. I yield myself 30 seconds.

So I repeat to my colleagues: At such time as anyone wants to arrive at an accommodation to achieve a particular purpose, to have it achieved through the Voice of America, speaking for this Senator, at least, I will be glad to accommodate that point of view.

The PRESIDING OFFICER. Who yields time?

Mr. GRASSLEY. Mr. President, will the Senator from Connecticut yield?

Mr. WEICKER. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 3 minutes remaining.

Mr. WEICKER. I yield 2 minutes to the distinguished Senator from Iowa.

Mr. GRASSLEY. I am not going to use my time. Mr. President.

The PRESIDING OFFICER. Who yields time?

Mrs. HAWKINS. Mr. President, I feel that any further statements made, even in answer to many of the arguments that have been made by the opposition which have been left unanswered, unnecessarily delay the Senate at this time.

I yield back my time.

The PRESIDING OFFICER (Mr. ABDNOR). The Senator from Connecticut has 2 minutes remaining.

Mr. WEICKER. Mr. President, in response to the comments made by the distinguished Senator from Idaho (Mr. SYMMS), this is in no wise the same subject discussed with respect to the last vote. The Senator from Idaho was not on the floor at the time of the debate and specifically referred to the fact that the Foreign Relations Committee had made an error—that is, in the report they stated the cost to be $5 million, which was to paid over in fiscal year 1984; whereas, in the bill before the Senator from Idaho, it says that the money should be paid in 1985. There is a difference between 1984 and 1985.

By the same token, as the Senator from Nebraska pointed out, there is a total omission of operating costs that were contained in the report. That is why we recommended that it be sent to the Foreign Relations Committee, a recommittal.

Now we are talking about a new entitlement, and it is an entitlement in here. It is clearly in the purview of the Budget Committee.

Mr. SYMMS. Mr. President, I make the point that the debate on this is going to take place when we finally get the measure before the full

Senate. There was a 2-to-1 vote on the last vote, and we think we have the votes to either table this motion or vote it down. What we are seeing now is a delaying tactic, and that is fine, if that is what the Senator wishes to do. Once we get it before the Senate, we will debate it.

The PRESIDING OFFICER. All time has expired.

The question is on agreeing to the motion to recommit the resolution.

Mr. SYMMS. Mr. President, I move to lay that motion on the table.

The question is on agreeing to the motion to table.

Mr. WEICKER. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to table the motion to recommit. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk called the roll.

Mr. STEVENS. I announce that the Senator from Mexico (Mr. DOMENICI) is necessarily absent.

Mr. BYRD. I announce that the Senator from California (Mr. CRANSTON), the Senator from Ohio (Mr. GLENN), the Senator from Colorado (Mr. HART), and the Senator from South Carolina (Mr. HOLLINGS), are necessarily absent.

The PRESIDING OFFICER. Are there any Senators in the Chamber desiring to vote?

The result was announced—yeas 62, nays 33, as follows:

[Rollcall Vote No. 236 Leg.]

YEAS—62

Abdnor	Hawkins	Nickles
Armstrong	Hecht	Nunn
Baker	Heflin	Packwood
Bentsen	Heinz	Percy
Biden	Helms	Pressler
Boschwitz	Huddleston	Quayle
Bradley	Humphrey	Roth
Chafee	Jackson	Rudman
Chiles	Johnston	Sarbanes
Cohen	Kassebaum	Simpson
D'Amato	Kasten	Specter
DeConcini	Kennedy	Stafford
Denton	Lautenberg	Stevens
Dodd	Laxalt	Symms
Dole	Levin	Thurmond
East	Lugar	Tower
Garn	Matsunaga	Trible
Goldwater	Mattingly	Wallop
Gorton	McClure	Warner
Hatch	Metzenbaum	Wilson
Hatfield	Murkowski	

NAYS—33

Andrews	Eagleton	Moynihan
Baucus	Exon	Pell
Bingaman	Ford	Proxmire
Boren	Grassley	Pryor
Bumpers	Inouye	Randolph
Burdick	Jepsen	Riegle
Byrd	Leahy	Sasser
Cochran	Long	Stennis
Danforth	Mathias	Tsongas
Dixon	Melcher	Weicker
Durenberger	Mitchell	Zorinsky

NOT VOTING—5

Cranston	Glenn	Hollings
Domenici	Hart	

So the motion to lay on the table was agreed to.

Mrs. HAWKINS. Mr. President, I move to reconsider the vote by which the motion to table was agreed to.

Mr. SYMMS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Who yields time?

Mr. WEICKER. I move to recommit the pending resolution to the Appropriations Committee with instructions to consider the impact of section 12, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. WEICKER. Mr. President, I am going to suggest the absence of a quorum because it is my understanding that the majority leader wishes to confer on this matter. I would prefer not to pursue it to its ultimate at this juncture, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. WEICKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WEICKER. Mr. President, have the yeas and nays been requested on the budget resolution?

The PRESIDING OFFICER. The yeas and nays have not been requested on the budget resolution.

Mr. WEICKER. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. WEICKER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. WEICKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WEICKER. Mr. President, I ask unanimous consent that the yeas and nays be vitiated on my motion to recommit the pending resolution to the Appropriations Committee.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. WEICKER. I am prepared to yield back the remainder of my time.

Mr. BAKER. Mr. President, does the Senator wish a voice vote on the motion or does he wish to withdraw the motion?

Mr. WEICKER. I am prepared to withdraw the motion and do so withdraw it. If unanimous consent is necessary, I request that.

The PRESIDING OFFICER. The Senator has the right to withdraw the motion.

Mr. WEICKER. I so request.

The PRESIDING OFFICER. The motion is withdrawn.

Mr. BAKER. Mr. President, under this circumstance, the vote will occur on the budget waiver as soon as the time for debate has expired. If the parties are willing to yield back the time, we can get on this right away.

Mr. WEICKER. Mr. President, have the yeas and nays been ordered on the budget waiver?

The PRESIDING OFFICER. The yeas and nays have been ordered on the budget waiver.

Mr. ZORINSKY. Mr. President, I yield back the remainder of our time.

Mrs. HAWKINS. I yield back the remainder of our time.

The PRESIDING OFFICER. All time having been yielded back, the question is agreeing to the Budget Act waiver resolution. The yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. STEVENS. I announce that the Senator from New Mexico (Mr. DOMENICI) is necessarily absent.

Mr. BYRD. I announce that the Senator from California (Mr. CRANSTON), the Senator from Connecticut (Mr. DODD), the Senator from Ohio (Mr. GLENN), the Senator from Colorado (Mr. HART), and the Senator from South Carolina (Mr. HOLLINGS), are necessarily absent.

The PRESIDING OFFICER (Mr. JEPSEN). Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 64, nays 30, as follows:

[Rollcall Vote No. 237 Leg.]

YEAS—64

Abdnor	Heflin	Packwood
Armstrong	Heinz	Percy
Baker	Helms	Pressler
Bentsen	Huddleston	Quayle
Biden	Humphrey	Randolph
Boschwitz	Jackson	Roth
Bradley	Johnston	Rudman
Chafee	Kassebaum	Sarbanes
Chiles	Kasten	Simpson
Cohen	Kennedy	Specter
D'Amato	Lautenberg	Stafford
DeConcini	Laxalt	Stennis
Denton	Levin	Stevens
Dole	Long	Symms
East	Lugar	Thurmond
Garn	Matsunaga	Tower
Goldwater	Mattingly	Trible
Gorton	McClure	Wallop
Hatch	Metzenbaum	Warner
Hatfield	Murkowski	Wilson
Hawkins	Nickles	
Hecht	Nunn	

NAYS—30

Andrews	Baucus	Bingaman

Boren	Exon	Moynihan
Bumpers	Ford	Pell
Burdick	Grassley	Proxmire
Byrd	Inouye	Pryor
Cochran	Jepsen	Riegle
Danforth	Leahy	Sasser
Dixon	Mathias	Tsongas
Durenberger	Melcher	Weicker
Eagleton	Mitchell	Zorinsky

NOT VOTING—6

Cranston	Domenici	Hart
Dodd	Glenn	Hollings

So the resolution (S. Res. 160) was agreed to.

RADIO MARTI

The PRESIDING OFFICER. The question recurs on the motion to proceed to H.R. 2733.

Mr. BAKER addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. BAKER. I ask unanimous consent that that measure be temporarily laid aside, that regular order not bring it back.

The PRESIDING OFFICER. Is there objection?

Mr. BYRD. Mr. President, reserving the right to object——

Mr. BAKER. Mr. President, the request I made was that we once again temporarily lay aside the pending motion, and that no call for regular order bring it back.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. BAKER. Now, Mr. President, I move that the Senate proceed to the consideration of S. 602, the Radio Marti bill.

The PRESIDING OFFICER. The question is on agreeing to the motion.

Mr. BAKER addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. BAKER. Mr. President, I feel certain that someone will wish to debate that, so I would not wish the Chair to put the question. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The acting assistant legislative clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I see the distinguished junior Senator from Iowa on the floor, and I believe he will seek recognition in just a momemt.

Before I yield the floor, I also see the minority leader on the floor, and I rather expect he may have a question to put at this point. If he wishes, I will yield at this point.

Mr. BYRD. I first was going to ask whether or not the Chair has acted on the majority leader's request.

The PRESIDING OFFICER. The unanimous-consent request was granted.

PROGRAM

Mr. BYRD. Mr. President, I ask the majority leader if he can indicate at this point what the program is for the rest of today and tomorrow?

Mr. BAKER. Yes. Mr. President, I thank the minority leader.

First, Mr. President, I expect the Senate will continue in session this evening until approximately 6 p.m. I believe there is not an order for the Senate to convene yet on tomorrow. Is that correct?

The PRESIDING OFFICER. There is not an order.

ORDER FOR RECESS UNTIL 10 A.M. TOMORROW

Mr. BAKER. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until 10 a.m. tomorrow.

The PRESIDING OFFICER. Without objections, it is so ordered.

Mr. BAKER. Mr. President, when we finish our business around 6 p.m., we will go out on recess until 10 a.m. in the morning. I believe there are a couple of special order requests which I will put a little later. That means we will probably be back on the pending motion, which I anticipate will be the motion to proceed to the consideration of S. 602, the Radio Marti bill, sometime around 10:30 a.m. tomorrow or a little later. Debate will continue on that bill as long as necessary.

I would like to get it up, but from the signs and the temper of the times I am not optimistic that we will finish it in short order. But we will continue on that bill. It is entirely possible that a cloture motion may be filed on the motion to proceed if necessary on tomorrow.

Mr. President, during the day tomorrow I anticipate that we will receive—perhaps even this evening—from the House of Representatives the conference report on the supplemental appropriations bill. It is privileged, and it would be my intention, after first conferring with the minority leader, to ask the Senate to proceed to the consideration of this conference report when it is available to the Senate.

I expect tomorrow to be a full day, and we will continue on the matters at hand. I do not expect the day to be a very late day, but it will be a full day.

I do not anticipate the need for the Senate to be in session on Saturday. I anticipate, based on circumstances as they may develop tomorrow, that we will come in Monday, as we usually do, around 11 or 12 o'clock.

That is the best I can see at the moment.

Mr. BYRD. And on which measure is the cloture motion likely to be filed with respect to the motion to proceed?

Mr. BAKER. Mr. President, it would be on the motion to proceed on the Radio Marti measure.

Mr. BYRD. I thank the majority leader.

Mr. BAKER. Mr. President, I now believe the Senator from Iowa wishes to be recognized. I would first say that I do not anticipate any further rollcall vote this evening. That, of course, always excludes the possibility of a rollcall vote to require the attendance of absent Senators, but I do not anticipate that either. So I do not foresee any rollcall vote before the hour of recess which I estimate at 6 p.m. I now yield the floor.

RADIO MARTI

Mr. GRASSLEY addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa is recognized.

Mr. GRASSLEY. Mr. President, yesterday I received from the State Department their talking points on this issue now before the Senate, whether or not we ought to establish Radio Marti.

Implicit throughout their talking points is the message that the proponents of Radio Marti have taken great strides and made tremendous sacrifices in meeting the requests of our Nation's broadcasters. One of those broadcasters is WHO, located in Des Moines, Iowa, the same station at which President Reagan had his start in radio broadcasting. The prosperity of broadcasting in central Iowa has a great deal to do with the economy in my State and hence my interest. But my interest goes beyond that of WHO radio to certain property rights of broadcasters generally in our country, not out of respect for just the property rights of broadcasters but out of my respect for the constitutional protection of property generally.

These talking points from the State Department further implied that broadcasters had been unreasonable, that they keep shifting their position from one point to another. This is a clever tactic on the part of the State Department. But let me tell my colleagues in this body, Mr. President, about the shifting that the State Department did last year as we tried to reach a compromise on this issue.

And remember, Mr. President, that my position has always been that a compromise was possible. In fact, I think that my remarks will indicate to you that if the position of the State Department right now had been what it was last December, we would probably have a bill already passed and Radio Marti operating.

But last year, I helped negotiate and eventually agreed to a compromise amendment to Radio Marti which was later accepted by the Senate Foreign Relations Committee. Subsequent actions by the administration, its officials, and others in the Senate raised serious questions about the administration's intention to fully honor the

foundation and spirit of the agreement embodied in that compromise. That agreement was embodied in the frequency selection process which was developed by the House of Representatives a year ago.

These actions left me little choice but to join a filibuster last fall on the subject of Radio Marti. I feel that now we should go over the history of that evolution of events last fall, to clarify any misunderstandings created by misrepresentations of this controversy.

Initially, I recommended four alternatives to Radio Marti that I had hoped could be studied to find common grounds to resolve the concerns of broadcasters as well as to improve the viability of the Radio Marti effort. Several Senators on the committee were responsive to these ideas. Others, including the administration, adamantly opposed these suggestions upon the dubious grounds that they would undermine the purpose of Radio Marti, and they refused to offer any serious consideration of any other alternatives within the aspects of Radio Marti and the bill as introduced in 1982.

Although I viewed those alternatives superior to those contained in the bill, I recognized that this dogmatic opposition could eventually foil passage and enactment of my proposals. Therefore, I agreed to listen to administration suggestions.

Ultimately I negotiated a compromise amendment—or, more accurately, I should clarify that I helped negotiate a compromise amendment—that adds a fifth criterion to the frequency selection process established by the House of Representatives Commerce Committee and the full House of Representatives. That process involved a rulemaking by the National Telecommunications and Information Administration to select a frequency for Radio Marti.

Since the House Commerce Committee report language fully detailed the nature of this process and how it would be conducted, our negotiations were obviously based entirely upon the foundation that had already been constructed by the House of Representatives. The administration indicated no dissatisfaction with the frequency selection process for which it had bargained during the House deliberations. No one stated any desire to change the House Radio Marti legislation nor the House Committee report language.

Let me emphasize at this point that we are using as a point of departure during the summer of 1982 a position that the administration agreed to, which was adopted in the committee report of the House Commerce Committee. So I was starting there. I use that as a basis for any amendment compromise that I agreed to last year.

The fifth criterion we are talking about here, and which was negotiated, was a simple extension of the legislative work of the House of Representatives. So, again, we were following a pattern previously agreed to, and it was nothing more and certainly nothing less. It would be absurd to suggest anything to the contrary.

After securing written assurances of the administration's support of this amendment, I endorsed the compromise in lieu of my original proposals that were suggested in my testimony before the Senate Foreign Relations Committee in the summer of 1982. The Senate Foreign Relations Committee voted to approve that fifth criterion.

The chairman of the committee graciously offered me the opportunity to provide committee report language that explains the compromise amendment and the frequency selection process. This was an altogether reasonable offer, since I had been involved in these negotiations more closely than most others on the committee.

Furthermore, the subject of the amendment related to technical communications matters, as opposed to foreign policy concerns. We are talking about technical matters here and not matters of public policy.

My office had been working extensively with the attorney for radio station WHO, Mr. Kenneth D. Salomon, who had been involved in the negotiations for this frequency selection process in both the House and Senate.

It is worth noting that Mr. Salomon had formerly served as deputy chief counsel at the NTIA. His assistance assured an important continuum in the work of the House and the Senate on Radio Marti, and therefore he was instrumental in drafting appropriate, accurate, and consistent report language that I ultimately submitted to the committee.

Again, one should remember the relationship already pointed out between what the administration had already agreed to in 1982, in the House of Representatives and the House Commerce Committee language. Since this had been developed by the House Commerce Committee, naturally, we turned to that document as a guide.

The language offered to the Senate Foreign Relations Committee for its report—and this invitation had been given to me by the chairman of the committee—was virtually identical to that of the House.

I was surprised and I was dismayed when I learned that the administration—I am talking about the administration, not the staff of the Senate Foreign Relations Committee, not the chairman of the Foreign Relations Committee; I am talking about the administration—strongly objected to this language. I could not understand why, if the language was acceptable for the House Commerce Committee report, it was not now acceptable for the Senate.

I should have been informed that the administration no longer supported the frequency selection process as developed by the House, before we sat down to negotiate. Instead of coming to me to discuss their problems, certain administration officials attempted to convince others that this was not part of the agreement, that the junior Senator from Iowa was reneging on some sort of agreement. They even went so far as to manipulate others not as closely involved in these negotiations to agree that this was not part of the bargain before staff had an opportunity to fully explain the nuances of this complex, carefully constructed frequency selection process.

I hope I can again emphasize that we are talking about technical matters here that we were putting in the committee report. We are not talking about policy decisions as to whether or not we should have a Radio Marti, or even some of the more specific, corollary aspects of that initial and basic policy.

I, however, did fully understand the complexities of the frequency selection process and consequently recognized this action by the administration and others as an undeniable effort to undermine the strength and protections that this legislation and the committee report language provided broadcasting interests.

We all know that the administration prevailed at this report-writing level, and my report language was not adopted. Instead, it was included in the report only as "my understanding"—meaning the understanding of the junior Senator from Iowa. This action was disturbing and unacceptable. I did not bargain for meaningless words.

The only conclusion I can draw is that the report language that the administration accepted in the House Commerce Committee must at one time have been satisfactory to the administration, or they were Machiavellian in their approach to it and somehow felt that they did not have to go with that now. But that was the basis of my understanding as I worked with the administration in the summer and early fall of last year.

However, absent the foundation of the administration's previous agreement to the language in the House Commerce Committee report, what we agreed to as the fifth criterion had no substance, or at least much less substance.

In short, what the administration now found objectionable—or what they failed, for some reason, to mention during House deliberations, during our negotiations, and during the Senate Foreign Relations Committee markup, when this amendment

was explained—centered upon the report language reaffirming that this new frequency selection process would operate under the full cooperation of the Administrative Procedures Act. This act guarantees the private sector the constitutional right of due process.

I have to ask all my colleagues: In times of peace, in times of calm, in times when there is an opportunity to make the constitutional process work, what is wrong with the aspect of the Administrative Procedures Act which gives everybody the constitutional right of due process? It is basic to what we are working on here, the protection of people's interests.

It should go unquestioned. The report language explained that the new frequency selection procedure would be afforded a full rulemaking process under the APA. The hearing record from last year supports the position that this would be a full rulemaking process.

The term "rulemaking" is a term of art that clearly means full APA rulemaking process, not some sort of modified process.

No one offered any objection to this position during markup when Mr. Salomon, who I remind you was formerly high up in the NTIA, explained this provision. It was all laid out so everyone would know to what was being referred. And, of course, even more important and in support of this position, the committee transcript bears this point out.

Then we get to the lameduck session, after the election. I joined several of my colleagues, under the able leadership of the Senator from Nebraska, in a filibuster of Radio Marti. Not until it became clear that our filibuster was serious and effective did anyone from the administration bother to contact me to see if we could work out something.

When they came to the conclusion that I understood really what they were up to with the fifth criterion, that it was an empty agreement, that without the foundation of the House Commerce Committee report language there was really nothing there, and that was a return to the Machiavellian approach that previously must have been used in the House, then they wanted to talk. Although I felt it was somewhat late and also that I had negotiated in good faith throughout, I decided that I could at least listen to them at this point. This was sometime in early December of last year.

It was difficult to ascertain the real reason for the administration opposition to a full APA rulemaking, referring to the Administrative Procedure Act.

The rationale shifted from concerns about time delays to the desire to assure foreign policy immunity before any courts, to guaranteeing that at least one frequency could be selected, to allowing classified information to be used in selecting the frequency.

Remember this environment at this time. We were sitting down one on one between myself and some staff and with people from the administration to see what they wanted to do. Remember, the environment that goes back to last summer when there was no interest in the amendments that were proposed by this Senator and then their willingness to sit down and do something. The basis for that from my judgment was the House Commerce Committee report language. Then there was their refusal to go along with that report language in the Senate Foreign Relations Committee report. Then we reached a point where the bill eventually comes up where the administration still is sticking by the point of view that they won in the Senate Foreign Relations Committee report, to a filibuster, to people from the administration wanting to visit with me to see what we could work out, and then there was the shifting that goes on in those very meetings as you are trying to reach an agreement from concerns about time delays to their desire to assure foreign policy immunity before our courts, to guaranteeing that at least one frequency could be selected, to allowing classified information to be used in the selection of a frequency. All of these are legitimate concerns by our administration, and we explored all of them.

I was initially informed that the administration opposed a full rulemaking because it feared that it could become time consuming administratively and judicially in the event of a challenge.

Remember this: Back there in December after peddling around with this thing for 5 or 6 months they were concerned about something being time consuming, when just because of their inability or their desiring not to negotiate in good faith and to be very Machiavellian, a lot of time is eaten up. Remember, I said from the very beginning that if some of the efforts that have been put forth in the last 6 months had been put forth 12 months ago, I will be willing to gamble that Radio Marti would already be broadcasting.

Notwithstanding the fact that out of courtesy I should have been informed prior to negotiations of their full intentions to oppose full rulemaking procedure, I decided to work last December for a resolution of their concerns. First, I pointed out that the administrative part could be expedited and conducted within 3 to 4 months.

Second, if they followed the frequency selection criteria faithfully there would be no grounds for a court challenge based on the Administrative Procedure Act violation. In short, if they intended to honor the process to which they had agreed, there existed no reason to fear delay.

Nevertheless, I agree to negotiate an amendment that would provide an expeditious process but would retain the full APA rulemaking protection. This is something I agreed to last December.

The amendment I offered satisfied the time consideration. It did, of course, retain the protection of full rulemaking. We are talking about constitutional due process. At that point I was told that time was not the only problem. Now the full rulemaking protections were not satisfactory because they did not exclude foreign affairs functions from court review.

It was becoming clear what the administration had in mind. The frequency selection process, as established by the legislation, had nothing to do with foreign policy. This is the major reason why the House Commerce Committee in the last Congress developed this process and not the House Foreign Affairs Committee.

The establishment of Radio Marti and the type of material broadcast may fall within the realm of foreign policy, but certainly not the simple adherence to a set of criteria to select a frequency. That seems to me to be a very technical matter.

Eliminating the full rulemaking protections would open the frequency selection process to a cursory review and allow the selection of almost any frequency desired with little consideration for the criteria imposed by Congress.

That is what would happen if you did not have the protection of the APA. If a broadcaster challenged this selection in court the administation could simply plead foreign policy privileges and the court would refuse to hear the case.

Since the administration could offer no legitimate counter to the argument that a frequency selection was not a foreign policy issue, their concerns then shifted to the unlikely possibility that there may not exist a single frequency that could fit this criteria.

Of course, this was not my intention, taking the stand, as I have, that I did not oppose per se Radio Marti. So I offered to work on an amendment that would guarantee at least one eligible frequency.

At this point I was reminded of the purpose behind the compromise amendment, that it was aimed at providing the administration the flexibility to shift Radio Marti's frequency away from 1040 kilohertz, and that is WHO's frequency in Des Moines, Iowa, to another frequency.

I was at this point greatly intrigued by this revelation. This was the first and the last time I had heard any desire from the administration to shift the frequency from 1040 kilohertz.

Other high-ranking administration officials had stated we could not shift to another frequency because, and I would quote "We would lose face by submitting to Castro's blackmail." How many times have you heard that used? You know we just could not shift this from one frequency to another because then our State Department would be submitting to blackmail by this tinhorn dictator down there in Cuba.

But, in these negotiations, it was suggested that we might want to shift it, or that we could shift it.

In support of this wonderment on my part, the initial letter of commitment I received from the administration regarding the compromise contained a qualifier statement supporting—stating its support of and I quote "subject to the stipulation explained."

Since no stipulations had been discussed I inquired about the meaning of this. You understand we are sitting here in an office trying to negotiate a compromise. You think you get something negotiated down and then you receive a letter "subject to stipulation explained." The fact is, there had been no "stipulation explained."

Since none had been discussed, I inquired about the meaning of this. I was informed it meant that no assurances were given that a different frequency would be selected.

I should have known something was wrong when I received a revised letter of commitment only minutes before committee markup that offered only commitment to the "alternative language" when I had asked for specific commitments to that, as well as, to the "word and spirit of the new Radio Marti frequency process."

What was truly ironic was that they had apparently lost sight of the fact that I had stated from the beginning my concern was for all broadcasters, not just for WHO radio. The only reason I supported the compromise was I felt if the administration followed the selection process faithfully at least all broadcasters would be placed on an even footing and would be provided minimal protection.

It certainly did not assure anything for WHO radio and no one from the administration ever indicated that it would. They would not even agree to language that would strengthen protections by making the selection criteria mandatory as opposed to permissive.

In any event, the next administration suggestion, following this revelation, was that we turn to some of the alternatives that I had recommended in the first place in July. So, you see, we negotiate that fifth criterion. Four months later a filibuster takes place. They come to our office to negotiate something, and we think all the time that we are making considerable progress, and then we get letters that indicate there are stipulations in addition, stipulations not spoken to, and then you can imagine how astonished I was before Christmas when they somehow suggested that the alternatives that I had suggested way back there in July ought to be considered.

As I have stated so many times, the administration had summarily dismissed those proposals in the summer of 1982, last year. Now they were suggesting that they were acceptable. Unfortunately for them, another high-ranking official had indicated earlier that these original alternatives could serve as a "first step," that next year Congress could pass legislation to expand Radio Marti's broadcasting authority to suit the initial designs.

I responded by pointing out it was a little late to be offering these alternatives. I had offered them months ago in hopes of being of assistance, but regrettably the administration was not interested, and even if I had agreed at that late hour there was serious question as to whether broadcasters, whose concerns had been repeatedly ignored, were ready to agree. Furthermore there was certainly no guarantee that other Senators involved in the filibuster would be satisfied.

Consequently I recommended that we remain on our course of trying to resolve our differences over the frequency selection process, and that we develop an amendment that would satisfy the administration's most recently stated concern about the possibility that no frequency would be available under the process. For a person like me who has never said anything against Radio Marti per se, if I could assure them that I was willing to adopt an amendment that would assure the frequency, that a frequency would be selected, then why would not that solve their concern?

There was no need for another meeting. Although I had been led to believe that the foreign policy privilege issue had been resolved, I was informed the next day that any rulemaking that would not provide a foreign policy exclusion was unacceptable. You see another turnaround of administration position.

I was also informed that the administration would need an additional amendment to allow them to submit classified information for consideration with the frequency selection criteria. This information obviously would not be made available to the public, consequently, tying the hands of any broadcaster who might be forced to defend its interests in the courts. At no time did the administration offer to me any explanation of the nature of possible classified material that it might want to offer.

It is interesting to note that during our negotiations, rumors began circulating in the Senate that my concerns had been satisfied and that I was ready to support Radio Marti. Throughout these negotiations I took great pains to make certain no one held any false impressions about my continued unresolved concerns. These rumors obviously were concocted in hopes of breaking that filibuster last December.

I also learned that while I was meeting with administration officials to resolve our differences over the APA protections, work was underway to establish during Senate floor debate that the frequency selection process should not be afforded the protection of rulemaking under APA.

Radio Marti negotiations during the past few months have been no more forthright. I am talking now about 1983. While broadcasters worked in earnest with the administration to find a solution to broadcasting concerns, efforts to circumvent this progress were in motion. Attempts were made to misrepresent the position of broadcasters and to undermine their credibility.

I attended a meeting at the White House, I believe it was during the month of March, to discuss Radio Marti. We were told that broadcasting concerns had been satisfied. How many times have you heard that? Fortunately, I had just been on the phone with Eddie Fritts, president of the National Association of Broadcasters, prior to that meeting at the White House. Some of the people in the Chamber now were at that meeting. I was able to assure everyone that the fact of the matter was that broadcasters still had very serious problems with Radio Marti and that the administration and Congress should be interested in hearing what these concerns are before pushing ahead with legislation.

Not everyone shared my desire to hear from the broadcasters. In fact, there was considerable effort expended during this time to discourage broadcasters from publicly stating their position. The longer broadcasters could be dissuaded from taking a public position, the more time proponents would have to secure the necessary support in Congress. As long as broadcasters could be kept silent through numerous enticements to remain at the bargaining table, there was less of a chance that anyone could counter the repeated, erroneous contentions that broadcasters had been given everything they wanted but that they kept shifting their position by asking for more when accommodations were offered.

One of the points made time and again is that present Radio Marti legislation gives broadcasters everything they supported last year as embodied in the alternatives that I proposed. These contentions distort and mislead.

They attempt to discredit broadcasters and cloud the real issue.

There is no question that I offered alternatives last year, and I also offered what I viewed as good reasons why these alternatives were superior to that which was before us in this body last December.

Broadcasters also went on record stating these proposals represented a possible way of minimizing Radio Marti's potential for exacerbating the already intolerable Cuban interference problem, and they urged Congress to give serious consideration to these proposals.

The fact of the matter is that the Senate never did provide the necessary study of these proposals. And the principle reason little consideration was given was because of the strong opposition by the administration. It is incredible now to find these same people who so vociferiously opposed the consideration of these alternatives to try to convince us that the legislation they now offer adequately resolves the concerns of broadcasters simply because it adopts some of the suggestions made last year.

Congress may not have given sufficient consideration to these proposals, but broadcasters have since had the time to thoroughly review each of these alternatives. Through this review, they have found that some of the alternatives present serious problems for broadcasters. Consequently, they have taken a position against certain ideas, but at the same time have made quite clear precisely what they do want.

But instead of squarely facing the serious problems related to Radio Marti, proponents find it easier to attack the credibility of broadcasters for what simply amounts to taking a strong stand in protecting their interests. It became abundantly clear that the administration and Congress were not prepared to help sift through these options to find the best means of protecting broadcasters, so they were forced to do it themselves.

It is time to face reality. The key problem with Radio Marti is that it transforms our domestic broadcasting spectrum into a "chessboard" for foreign policy. It forces broadcasters and the American listening audience into the role of "pawns" to suffer the consequence of foreign policy maneuvering between the United States and Cuba. As with the Soviet grain embargo of the previous administration, any resulting harm will fall upon the private sector, not the Government.

Government assurances that Cuba will not counter with interference have been proven meaningless. Cuba's August 30, 1982, response to the tuning of the facility intended for Radio Marti dismissed any questions as to the ability and willingness of Castro to engage in the U.S. sanctioned "chessgame" on our domestic broadcasting spectrum.

Assurances that the Government holds several options to counter interference are equally insufficient. If these options are available and workable, they should have been implemented years ago to help the Florida broadcasters.

I repeat, they should have been used several years ago to help the Florida broadcasters.

And broadcasting engineers inform me that there is little that an individual broadcaster can do to overcome interference. Our domestic spectrum is so saturated with signals that even minimal adjustments of power or direction can have severe effects on other broadcasters.

Broadcasters did not ask for this battle. They did not ask to be thrown into the middle of a foreign policy debate. But they were forced into it, and have rightfully fought for their interests, first by asking Congress to consider several alternatives, but then by identifying and fighting for their preferred option once it became clear that Congress would not adequately address their concerns.

The blame for any delays or defeat of Radio Marti must fall squarely upon its proponents who have shown an unwillingness to be consistent in their pursuit of the proposal. Had the proposal been handled properly in the first place, Radio Marti would be broadcasting today.

Had the accepted, traditional shortwave spectrum been recommended for Radio Marti, or the use of off-band frequencies, or even a simple expansion of Voice of America broadcasts, U.S. broadcasters would not have been forced into this debate. Unfortunately, this is not the case and now Congress must make the decision as to whether they want to protect broadcasting interests while at the same time support Radio Marti, or whether they want to support Radio Marti at all costs.

Mr. KENNEDY. Mr. President, I support Radio Marti as an important contribution to freedom of information in this hemisphere. In keeping with the tradition established by Radio Free Europe and Radio Liberty, Radio Marti will provide objective news and information and promote the free exchange of ideas between the people of the United States and the people of Cuba.

The goals and purposes of Radio Marti are in full accord with the Universal Declaration of Human Rights. This new capability for open communication and full debate will enhance democracy and human rights and lead to greater understanding and peace.

Radio Marti will operate under the same strict standards of objectivity now maintained by the Board for International Broadcasting. Its primary responsibility will be to provide reliable, accurate and comprehensive information and alternative sources of news to the Cuban people, who are denied access to independent news coverage that is fair and impartial. The credibility and the effectiveness of Radio Marti depend on its scrupulous adherence to these standards of excellence, and I am confident that it will fulfill the important mandate and mission that Congress is giving it.

Throughout my career in the Senate, I have sought effective ways to encourage freedom of information in the Soviet bloc, in authorization regimes of the left or the right in Latin America, and in Asia and other parts of the world. My support today for Radio Marti and for the Radio Broadcasting to Cuba Act is a vote to accord this same freedom to all the people of Cuba.

Mr. BAKER. Mr. President, I announced earlier that we would go out about 6 p.m. Unless someone wishes to speak further on the motion at this time, I am prepared to put us into a period for the transaction of routine morning business.

ROUTINE MORNING BUSINESS

Mr. BAKER. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business to extend no longer than 6:15 p.m. in which Senators may speak.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I yield the floor.

A FLAGRANT SOVIET VIOLATION OF THE SALT I ANTIBALLISTIC MISSILE TREATY

Mr. McCLURE. Mr. President, I ask unanimous consent that an article in yesterday's New York Post entitled "New Soviet Radar Violates SALT Pact," by Rowland Evans and Robert Novak, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Post, July 27, 1983]

NEW SOVIET RADAR VIOLATES SALT PACT

(By Rowland Evans and Robert Novak)

The Soviet Union is building an immense new radar system some 500 miles north of the Mongolian border in the central USSR that U.S. specialists are convinced is a dangerous new violation of the SALT I treaty that sharply limits anti-ballistic missile defenses.

A top-secret "warning" from the Intelligence Community was sent to the White House July 15. It said, "The new radar's location appears to be inconsistent with the provisions of the 1972 SALT I ABM [antiballistic missile] Treaty."

Article I of that treaty prohibits any ABM system "for the defense of the territory" of the U.S. or Soviet Union. But the treaty goes further. It even prohibits early-warn-

ing radars—not just the radars that control the firing of anti-missile missiles—from being built anywhere except "along the periphery" of Soviet [and U.S.] territory "oriented outward."

The discovery of the new radar system, called a phased array radar, was made by U.S. spy satellites in a routine sweep of that portion of the Soviet Union, 3000 or so miles from the Pacific Coast. No effort to conceal the construction appears to have been made by the Soviets.

What deeply disturbs U.S. officials is that the new radar, which is oriented toward Alaska, is "almost identical" with the large missile-tracking radars now being tested at Pechora in the Soviet Northwest, at Lyaki near the Caspian Sea and at two other known locations—all "along the periphery." The new construction is the first that appears to be an unambiguous violation of the "periphery."

The new radar, with a transmitter building nearly 500 feet long and 300 feet wide, would close a gap in Soviet coverage to the Northeast against incoming U.S. ICBMs targeted on Eastern Soviet territory and possible submarine-launched missiles from the Pacific.

Secret disclosure of the new system to the President and high administration officials reinforces the dilemma that has plagued every administration since the first SALT agreement: What should the U.S. do after detecting Soviet violations? The problem was raised directly with President Reagan in a June 22 letter signed by 34 Republican senators. They quoted Secretary of State George Shultz as testifying to the Senate Foreign Relations Committee on June 15 that Moscow has been "stretching a series of treaties and agreements to the brink of violation and beyond."

These suspected violations specifically include the phased array radars being built for only one discernible purpose: to protect the Soviet Union with an ABM system which both countries agreed not to build. In the hands of only one country, it could bestow an insurmountable advantage over the unprotected adversary.

Mr. McCLURE. Mr. President, this article published on July 27, 1983, contains the first information about a significant new Soviet violation of the Strategic Arms Limitation Treaty—SALT I—the Anti-Ballistic Missile Treaty signed in Moscow in May, 1972.

The SALT I ABM Treaty has long been regarded as the most successful strategic arms limitation treaty in history. It has been reviewed by the United States and the U.S.S.R. twice, in 1977 and 1982, and is the only strategic arms treaty still in effect—the SALT I Interim Offensive Weapon Agreement having expired in 1977, and the SALT II Treaty of 1979 being unratified. Thus, if the Soviets are flagrantly violating the only Strategic Arms Limitation Treaty in force, this is extremely significant as an indicator of Soviet intentions in negotiating a Strategic Arms Reduction Treaty (START) or an Intermediate-range Nuclear Force Reduction (INF) Treaty.

The Soviets are reportedly building a new large, ABM battle management radar in central U.S.S.R. which is about 500 and 3,000 miles from Soviet borders. In January, 1981, the Joint Chiefs of Staff stated:

Soviet phased array radars, which may be designed to improve impact predictions and target handling capabilities for *ABM battle management*, are under construction at various locations throughout the U.S.S.R. *These radars could perform some battle management functions* as well as provide redundant ballistic missile early warning coverage. The first of these radars is expected to become operational in the early 1980's (Emphasis added.)

Large radars of the battle management type are clearly the long lead-time element of an ABM system. They are the basis for a Soviet breakout from the ABM treaty, together with the following interceptor missiles: The SAM-5, SAM-10, and SAM-12, all tested illegally in an ABM mode, and the ABM-3 missiles and radar, which are illegally mobile.

The new Soviet radar being constructed in central U.S.S.R. violates the following provisions of the SALT I ABM treaty:

Article I, paragraph 2 of the SALT I ABM treaty states:

Each Party undertakes not to deploy *ABM systems* for a *defense of the territory of its country and not to provide a base for such a defense.* (Emphasis added.)

The new ABM battle management radars, which reportedly now number five or six, do constitute a base for an ABM defense of the territory of the U.S.S.R. Moreover, when coupled with SAM-5's, SAM-10's, SAM-12's in an ABM mode, and with the mobile ABM-3 now reportedly in mass production and being deployed around Moscow, it can be argued that the Soviets already have more than a base for a nationwide ABM defense. They are in fact already deploying a nationwide ABM defense.

Article II of the SALT I ABM Treaty defines ABM systems as—

Radars constructed and deployed *for an ABM role*, or of a type tested in an ABM mode . . . and includes those which are *under construction* (Emphasis added.)

The JCS statement of January 1981 indicates clearly that the radars in question in fact have the capability to be ABM battle management radars.

Article VI of the SALT I ABM Treaty, paragraph (b) states:

Each Party undertakes . . . not to deploy in the future radars for *early warning* of strategic ballistic missile attack except at locations along the *periphery* of its national territory and oriented outward. (Emphasis added).

The most flagrant aspect of this new radar, which is also an early warning radar, is the fact that it is in central U.S.S.R. Clearly, it is not on the periphery, and therefore it is a clearcut violation of article VI paragraph (b). Indeed, U.S. Unilateral Statement G to the SALT I ABM Treaty states that:

Soviet hen house radars, which are Soviet ballistic missile early warning radars, have a significant ABM potential.

The new ABM battle management radars are even more powerful than hen house radars, which are themselves defined by the United States as having ABM potential. And of course, both hen house and the new ABM battle management radars also have an inherent early warning capability.

In sum, this new Soviet battle management radar flagrantly violates three important provisions of the SALT I ABM Treaty. Article I of the treaty is widely regarded as the most significant constraint of the treaty, yet the Soviets are flagrantly violating this central constraint.

Mr. President, I also ask unanimous consent that a recent letter from Under Secretary of Defense Fred Ikle be printed in the RECORD. This letter is important, because it strongly implies that the Reagan administration is clearly aware of flagrant Soviet SALT violations, but is unable to do anything about them.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE UNDER SECRETARY OF DEFENSE,
Washington, D.C., July 25, 1983.

Hon. JAMES A. MCCLURE,
U.S. Senate,
Washington, D.C.

DEAR JIM: I greatly appreciated receiving your introduction in the record to my article "After Detection—What?"

Thank you for your kind words about this 22 year old piece. My scepticism at that time about our ability to respond to violations was unfortunately an accurate forecast.

With warm regards and many thanks,

Sincerely,

FRED C. IKLE.

THE TOM ELLIS NOMINATION TO THE BOARD FOR INTERNATIONAL BROADCASTING

Mr. HELMS. Mr. President, at the outset I would emphasize that it is a worthy tradition of the Senate that we endeavor to hold each other in high respect and affection, even when we most strongly disagree on issues. I hope it may be said of me that I do my best to uphold that tradition. It is an important one, and it deserves to survive.

But there are times, Mr. President, when I find myself puzzled by the judgments and the actions of some of my colleagues. I readily acknowledge that I have displeased some of my friends in the Senate from time to time. It happens to all of us at one time or another. The only way to avoid controversy in the Senate is to do nothing and say nothing. But in the long run—and generally it is never very long—today's adversaries on one issue become tomorrow's joint participants in a different issue.

So it is with sadness, Mr. President, that I rise today to state for the RECORD that I was disappointed at the conduct of two of my colleagues during a hearing this past Tuesday involving the Foreign Relations Committee. A good American's name was tarnished deliberately and unjustifiably; a citizen who had been willing to serve his country without compensation or reward was rebuked—and, indeed, vilified—by two Senators, one of whom distributed a press release attacking the character of the nominee before the Senator had even heard the citizen's testimony.

What was involved, Mr. President, was President Reagan's nomination of Mr. Thomas F. Ellis, of Raleigh, N.C., to be a member of the Board of International Broadcasting.

Mr. Ellis is a prominent citizen of my hometown. He is a distinguished lawyer, a former judge, a veteran of World War II, a faithful and active member of his church, a loving husband and father, and very proud grandfather.

I have never heard a nominee subjected to more abuse by Senators. Epithets were hurled at him, sarcasm punctuated the criticism directed at Mr. Ellis. It was a discouraging episode in the history of this Senate.

And what, Mr. President, were the charges against Mr. Ellis? For the most part the characterization of Mr. Ellis's career was inaccurate and the stated conclusions reached by the Senators were irrelevant to the purpose of the hearing called by the Foreign Relations Committee—that is, President Reagan's nominees to the Board for International Broadcasting.

In the first place, Mr. President, only a handful of Senators were present. This is not unusual. All Senators have two or three committee meetings scheduled simultaneously. What was unusual was that one Senator boasted the day before the hearing that he was going to "nail" Mr. Ellis—a man the distinguished Senator had never met. Indeed the Senator had his aide distribute a press release—before the hearing began—calling on President Reagan to withdraw the nomination of Mr. Ellis.

To the credit of the White House and President Reagan, there was no interest in withdrawing the nomination following the attacks upon Mr. Ellis, by the two Senators.

But after the hearing, Mr. Ellis realized that his nomination was obviously a political weapon to be fired at President Reagan, and even though he himself could have survived the onslaught at the Foreign Relations Committee, Mr. Ellis was unwilling to allow the episode to be harmful to a President he admires, whom he has known as a personal friend for many years, and for whose candidacy Mr. Ellis had worked effectively in both 1976 and 1980.

So Mr. Ellis quickly made the decision to remove himself from that position. He reached the judgment that he would ask President Reagan to withdraw his nomination.

Mr. President, I am convinced that these attacks on a fine and decent man will backfire. I confess that I hope they will. Moreover, I hope that in some way all of us may have learned a little something about comity and fair play. Mr. Ellis will not serve on the Board for International Broadcasting, but I am convinced that this is the Nation's loss.

Again, I would emphasize my respect and affection for all my colleagues. While I am disappointed in this instance, I have learned that civility and grace usually await maturity. I am grateful to Tom Ellis for having been willing to serve his country. And, knowing him, I am confident he will bear no grudges even though he has been, in my judgment, seriously and intentionally maligned.

Mr. President, I ask unanimous consent that a copy of Mr. Ellis's letter to President Reagan be printed in the RECORD at the conclusion of my remarks, followed by the text of his letter to two Senators. Both letters are self-explanatory.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

MAUPIN, TAYLOR & ELLIS, P.A.,
Raleigh, N.C., July 28, 1983.

President RONALD REAGAN,
White House,
Washington, D.C.

DEAR MR. PRESIDENT: I appeared on Tuesday before the Senate Foreign Relations Committee for consideration of my appointment to the Board for International Broadcasting. It became obvious to me from the outset of the questioning by Senators Tsongas and Biden that they would use that occasion to attempt to divert the hearing away from broadcasting the U.S. views of freedom behind the Iron Curtain into a personal attack on me by my political enemies.

As a matter of fact, Senator Tsongas had issued a press release prior to the hearing criticizing you and prejudging my qualifications. It was an obvious partisan political effort to drive a wedge between you and the black community using me as the instrumentality. I have attached a copy of my letter to Senators Tsongas and Biden.

Frankly, I do not mind taking whatever heat these two ultra-liberal senators want to generate in my direction. However, I believe it is vital to America that they and their ilk be denied the opportunity to use me to hinder your struggle to return economic stablility and provide an adequate national defense to our nation. Therefore, I am respectfully requesting that you withdraw my name from consideration for appointment to the Board for International Broadcasting.

Let me say in closing that I appreciate your appointing me to the Board. I did not seek the appointment but was most anxious to serve as I believe our only hope to survive the spread of Soviet slavery across the free world and to free the hostage people of the USSR is to broadcast the tenets of Christian belief through mass communication. I trust that the Board for International Broadcasting will carry out this task without fear of interference from some of those in public office who do not recognize the threat of Communist world domination.

God Bless you and Nancy,
Sincerely,

THOMAS F. ELLIS.

MAUPIN, TAYLOR & ELLIS, P.A.,
Raleigh, N.C., July 27, 1983.

Senator PAUL TSONGAS,
Senator JOSEPH BIDEN, JR.,
Senate Office Building,
Washington, D.C.

GENTLEMEN: I knew prior to the hearing on my nomination to the Board for International Broadcasting that my views of the Communist threat to the free world were diametrically opposed to yours, nevertheless, I had been under the impression that the Senate Foreign Relations Committee hearing yesterday was to determine my views on broadcasting the message of freedom behind the Iron Curtain. It turned into a personal attack on me on a subject totally unrelated to my views of the Communist world. I congratulate you on your tactics of diverting the hearing from a discussion of the real issues facing Radio Free Europe and Radio Liberty.

I have just been furnished with copies of Sen. Tsongas' press releases regarding hearing on my nominaiton to the Board of International Broadcasting that took place on July 26. I note that you believe that all the Democrat members of the Foreign Relations Committee and several Republican members will vote against my confirmation. I am amazed that so many will be voting against my nomination without the benefit of hearing my testimony or reviewing my background. However, I have never pretended to understand how Congress operates.

I would like to set the record straight in the few areas which you gentlemen appear to have focused your questions of me and your statements during that process, as well as Tsongas' press releases made before and immediately after the hearing.

The following facts were brought out:

THE PIONEER FUND

1. The Pioneer Fund was established in 1937 in Boston, Mass. Its stated purpose was to study "racial betterment." Its first trustees included prominent Boston attorneys.

2. Its charter provided for the study of "racial betterment." In 1937, I submit, the term "racial betterment" was synonymous with the "betterment of mankind".

3. It operated continuously from 1937 to date with distinguished trustees including former Justice John Marshal Harlan of the U.S. Supreme Court; a department head at Columbia University; and other prominent and distinguished Americans from the Boston and New York areas.

4. I was appointed a trustee in 1973 at the request of a prominent Harvard attorney, Harry Weyher. I had nothing to do with determining what institutions received funds from the trust. I would merely sign blank authorizations from Weyher indicating my faith in his selection of universities.

In conclusion, whether academic freedom should include permitting Stanford University, University of California at Berkeley and other universities to fund genetic studies by faculty members is not my decision to make—nor did I do so. If my participation in authorizing grants to these institutions

makes me a "racist", then I suppose it follows that the Boards of Trustees of those institutions stand indicted with me.

SOUTH AFRICA

My only connection with South Africa was agreeing to accept an invitation as a private citizen to visit that lovely country at the expense of their government. I was not a government official accepting a junket paid for by our government or theirs. I made no statement about this trip on my return. Senator Tsongas thought it odd that I refused to discuss this trip with the press, but I believe it to be a private matter. I would have chosen not to discuss it with the Senate Foreign Relations Committee, but answered his questions. I am sure you would have wanted me to condemn South Africa for its race relations policies, but I feel that is a matter for South Africa. I do not believe it is matter for private citizens of the United States, especially those of us, including me, who have so little depth of understanding of the entire picture.

Senator Tsongas inquired as to my owning South African gold mining stock. I addressed him that I felt it was a hedge against inflation in the United States caused by too much government spending and rising deficits. These "extensive holdings" amount to less than $100,000 acquired over a period of 20 years.

BLACK RACIAL INFERIORITY

Senator Tsongas states in his press release that I declined to denounce the theory of Black racial inferiority. Even the press following the hearing made no such allegation. As a matter of fact, they carried my statement that there were studies indicating Black racial superiority. And, further, that I knew about as much of Einstein's theory of relativity as I did genetics, and was therefore in no position to make a scientific judgment on that subject.

RADICALIZED BLACKS

Sen. Tsongas referred to an article in which I stated that radicalized blacks influence the Democratic Party power structure. I stated that by "radical" I meant those who believed in drastic change and that would include Julian Bond who supports changing our free enterprise economic system into a socialistic one. Bond even stated he'd like to see a picture of Jesse Helms in N. C. newspapers with a rifle's crosshair over his chest. He asked that I name other radical blacks within my definition and I named Jesse Jackson and Andrew Young. I have no problem in supporting my charge that the latter two gentlemen are pushing for drastic change in our society.

You even went back over 25 years into my views following *Brown* v. *Board*. Views I held as a Democrat and which I submit were no different from those held by Senators Ervin, Eastland and other southerners. This was a cheap shot at best.

I am afraid that I have been so opposed to your views of what is best for America that I am perfectly willing to personally take whatever heat you may be able to generate. However, when you use the Senate Foreign Relations Committee to distort facts in an effort to hurt President Reagan and Jesse Helms, you seriously damage American foreign policy. I feel sure that the countries behind the Iron Curtain will be pleased that you have so succeeded in distorting the issues that I have withdrawn my name from consideration for appointment to the Board for International Broadcasting.

Finally and personally, I believe you have overreached the bounds of propriety and fair play for purely partisan politics.

Sincerely,

THOMAS F. ELLIS.

NATIONAL HOSIERY WEEK

Mr. HELMS. Mr. President, the week of August 14-20 marks the 13th annual observance of National Hosiery Week. I am proud to pay tribute once again to this important industry, which has played such a vital role in our free enterprise system.

In so many instances, hosiery manufacturers are the major employers in their communities. They provide jobs, and revenue for operating State and local governments. But most important, they provide a way of life for the thousands of Americans, and quality products for the rest of us.

Mr. President, the average hosiery company is a small or medium-sized business. Many of them are still family owned. Most are in smaller towns and cities. Yet they employ 62,000 workers in 417 plants nationwide. Total retail sales amount to more than $6 billion a year. The hosiery business is clearly a vital part of our economy.

Mr. President, this commemorative week is of special significance to me since North Carolina is the leading textile State in the Nation. I am proud that 54 percent of all American-made hosiery is produced in North Carolina. Incidentally, the average hosiery plant produces more than 8.1 million pairs a year, and employs an average of 149 workers.

During National Hosiery Week, retailers across the country will join the celebration as stores display and demonstrate all types of hosiery for the entire family. Mr. President, the hosiery industry is a good example of how well the free enterprise system works, and what it means to the people of this country.

North Carolina is proud of its distinctive leadership in the hosiery industry, and we are grateful for the fine qualify of life this industry has provided for so many people.

On behalf of my fellow North Carolinians, I extend my sincere thanks and congratulations to the hosiery industry for the outstanding job it is doing for the people of our State and Nation.

STUDENT LOANS

Mr. TOWER. Mr. President, during consideration of the emergency supplemental appropriations bill for 1983, H.R. 1718, the Senate approved an amendment which added sense of the Senate language to the effect that Congress opposed the Reagan administration's 1984 education proposals. Only nine of my colleagues joined me in opposing this amendment.

At the time of that vote, I wish that my colleagues would have had the benefit of an essay which appeared in the June 24 issue of the New York Times. The article to which I refer was written by Jospeh D. Rodota, Jr. Mr. Rodota graduated with honors from Stanford University in 1982, and is a former intern with the Senate Republican Policy Committee. In my view, his essay is a frank and objective discussion of Federal student aid policy, from the perspective of a recent graduate who has done his homework.

I ask unanimous consent that Mr. Rodota's article be printed in the RECORD.

[From the New York Times, June 24, 1983]

LIMIT STUDENT LOANS

(By Joseph D. Rodota, Jr.)

WASHINGTON.—I just mailed a check for $60 to a bank in California. By October 1982, I will have repaid—with interest—federally guaranteed student loans totaling $5,000 that helped my family finance my bachelor's degree from one of the most expensive private universities in the country.

Self-appointed defenders of the "right" to student aid claim that the Reagan Administration's proposals to "slash" Federal aid to students threaten the ability of middle-class youth to get a college education. These "spokesmen" are flat wrong.

Student aid is a privilege, not a right. President Reagan seeks to eliminate abuses while preserving aid to the truly needy. Nothing in the Administration's plan bars a student from attending the school of his choice, as long as the student and his family are willing to make reasonable sacrifice toward that end.

I am working to earn money for graduate school. Student aid is still a "hot" issue in my immediate future. Moreover, my experience with student aid is not limited to cashing Federal checks. One of my part-time jobs was as an assistant to my school's director of financial aid.

What is most striking about the present debate is that the typical college student believes that lessons of the classrooms are irrelevant to policy questions surrounding Federal student aid. It is time that each student assessed student-aid reform by applying knowledge acquired in college courses in economics, political science, history and philosophy.

"We live in a world of scarce resources," the economics student would begin. Scarce resources of any sort should not be used to encourage harmful or inefficient behavior. Nor should funds be distributed to promote beneficial or efficient behavior that would have occurred even if that allocation had not been made. In short, put scarce dollars to work where they'll do the most good.

The policy implications are clear. For some families, guaranteed student loans at 7 percent were handy funds for investing in money-market funds yielding 15 percent. In 1981, Congress established a $30,000 income ceiling above which a "needs test" limits borrowing to families with genuine need. The test is not all that severe, and even a family making $50,000 and sending one child to an expensive private college would qualify for $1,000 guaranteed student loan. I would go further and extend the needs test to all borrowers, since it is safe to assume that at least some of the families below the

$30,000 mark do not seek guaranteed loans out of need.

Rigorous analysis also tells us that some forms of aid offer greater incentives to students to reach their degrees. Studies have shown that work-study is the only form of student aid positively correlated with persistence in school. The Reagan Administration's 1984 budget calls for a 60 percent boost in college work-study funds.

Will billions more in Federal student aid enable the higher-education "market" to function more efficiently? The number of 18- to 22-year-olds in this country is declining and will not begin to increase until the year 2000. Beefed-up aid budgets neither encourage individual institutions to operate efficiently nor assist America's orderly transition to a time when significantly fewer colleges will be needed.

"These programs were expanded not to meet economic needs but to cater to political expressions of wants," the student of polical science would say. The dramatic expansion of student aid in the last decade arose from a Congressional desire to establish programs that foster loyal—and dependent—constituencies.

"The road to hell is paved with good intentions," the history major would warn. Federal programs begin with vague goals and then grow substantially: Verifiable results and clearer objectives seldom accompany this growth.

The philosophy major would offer the most thought-provoking observation: "Student aid is a privilege, not a right." A "right" is vested in individuals or groups, but "privileges" are earned. The claim of a "right" to student aid subtly places the responsibility for an individuals' college education on some other actor or institution—in this case, the Government.

My university's financial aid program was administered on the principle that aid was a privilege disbursed according to need and earned by the student's admission to a competitive university and his willingness to commit personal resources to his education. The Administration's 1984 budget seeks to reinforce this commitment, by requiring an explicit self-help contribution from every student seeking a Federal grant.

Before the next student protestor leaves for Washington, he should do his student-aid homework. Uncritical acceptance of half-truths would earn low marks from a college professor. Should Federal policy makers be less discerning?

LSD FOUND TO BE REGAINING ITS POPULARITY

Mrs. HAWKINS. Mr. President, the most recent national drug use survey has revealed a frightening trend—LSD is regaining its popularity among teenagers and young adults. Almost 2 million Americans used a hallucinogenic drug other than marihuana during the month preceding the survey. About three-fourths were young adults between 18 and 25 years old.

Lysergic acid diethylamide (LSD) and phencyclidine (PCP) are the two hallucinogenic drugs of greatest concern. Domestic clandestine laboratories produced virtually all of the LSD and PCP offered for sale. After a continuing decrease through the late 1970's, LSD is now making a sharp comeback on college campuses and among the working and middle class in Boston, Philadelphia, New York, Miami, Los Angeles, and San Francisco. Emergency rooms in hospitals in 26 metropolitan areas monitored by the Drug Abuse Warning Network of the National Institute on Drug Abuse have admitted 4,378 people suffering from overdoses of LSD in the last 4 years. The Drug Enforcement Administration estimates that there are up to 10 times as many LSD overdoses now than during most of the 1970's when this dangerous drug was out of fashion.

The chief of the Dangerous Drug Unit in the DEA's Office of Intelligence indicated that LSD traffic now runs about $20 million a year and sharply rising.

I ask that a July 21, 1983, Washington Post article by Thomas O'Toole entitled "LSD Found to be Regaining its Popularity" and a July 7, 1983, San Antonio Light article by Mark Barabak entitled "A West Coast Revival of LSD Use is Predicted to Spread Across Nation" be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the San Antonio (Tex.) Light, July 7, 1983]

A WEST COAST REVIVAL OF LSD USE IS PREDICTED TO SPREAD ACROSS NATION

(By Mark Barabak)

LOS ANGELES.—Young people, skeptical about "bad trip" drug stories from the psychedelic '60s, are starting an LSD renaissance in major cities that will spread across the nation, a drug expert says.

UCLA psychopharmacologist Dr. Ron Siegal said Tuesday that the resurgence in LSD popularity "appears to be ubiquitous throughout all classes of society and all age groups. But I would say the majority of the users we've seen are under 40.

"It's a recreational use, an infrequent use. They're used, but infrequently abused."

Los Angeles police said the highest abuse seems to be among high school students, attracted by the ease with which hallucinogens can be obtained, and by the convenience.

Greater sophistication among drug users, refinement of hallucinogens and fewer "bad trips" are responsible for the West Coast trend toward LSD, PCP and other psychedelics, Siegal said.

He predicted the trend "will spread gradually throughout the United States by the end of the decade."

"We are getting reports of a renaissance of LSD use in major cities such as New York and Chicago," Siegal said, noting users of the mind-altering drugs are cynical of the horror stories surrounding psychedelics.

Drugs such as LSD are more refined today than in the 1960s, making them safer, Siegal said.

The most popular form apparently is a single drop of LSD on a postage-stamp size piece of blotter paper that a user just pops into his mouth.

Among the horror stories that scared drug users away from psychedelics were tales of people who, under the influence of hallucinogenic drugs, exhibited bizarre public behavior, killed themselves or others, or suffered mental damage.

Some of the (current) users are aware of the history of LSD and they're aware a lot of the horror stories were just that, horror stories with little scientific validity," Siegal said.

Use of potent forms of marijuana, resulting in mild hallucinogenic experiences without ill effect, has "tempered the fear and anxiety many people have about experimenting with a hallucinogenic drug," Siegal said.

"Their own experience has convinced them these drugs could be used safely when handled properly," Siegal said.

Don Bays, an administrative assistant with the Los Angeles Police Department, said there recently has been an enormous increase in the confiscation of LSD.

So far this year police have seized 112,222 units of LSD—a 3,000 percent increase over the 3,462 units seized in the first six months of last year.

Detective Sal Nares, of the police juvenile narcotics division, said undercover officers have found it increasingly easy to obtain large quantities of hallucinogens from campus pushers.

[From the Washington Post, July 21, 1983]

LSD FOUND TO BE REGAINING ITS POPULARITY

(By Thomas O'Toole)

In row after row of padlocked drawers in an unmarked laboratory in McLean sit thousands of vials of green, yellow and purple tablets, LSD seized by Drug Enforcement Administration agents from Long Island to Los Angeles.

The pills are not remnants of the 1960s, when "acid" was often the hallucinogen of choice among college-age, artistic-minded and middle-class whites.

The LSD in the DEA's lab has been seized in the last four years, evidence that the drug is making a strong comeback on college campuses and among working- and middle-class whites in Boston, Philadelphia, New York, Miami, Los Angeles and San Francisco.

"There is a whole new generation of kids growing up today who refuse to believe the horror stories the generation before them suffered with LSD," said Dr. Edward Franzosa, chief chemist at the DEA.

They're finding out in growing numbers what the drug is like, authorities say. Emergency rooms in hospitals in 26 metropolitan areas monitored by the Drug Abuse Warning Network of the National Institute on Drug Abuse have admitted 4,378 people suffering from overdoses of LSD in the last four years. Three deaths from LSD overdoses have been reported in the past three years.

While those numbers do not compare with the thousands of deaths and mental hospitalizations attributed to LSD in the 1960s, the DEA estimates that there are five to 10 times as many LSD overdoses now than during most of the 1970s, when the drug was out of fashion.

One reason the number of LSD-related deaths remains low is that the doses of the drug sold on the street are much weaker than those available in the 1960s, when the average dose contained 180 micrograms. Nowadays, dosages run between 10 and 30 micrograms.

The strongest dose sold on the streets is a purple tablet containing 40 micrograms of lysergic acid diethylamide.

"These low dosages are still not safe," said Eric Rosenquist, chief of the Dangerous

Drugs Unit in the DEA's Office of Intelligence. "But they're probably why we're not seeing the incidents of really bizarre behavior we saw from use of the drug in the 1960s, when people thought they could fly and jumped out of windows."

Rosenquist said that there are about 1.2 million Americans who now use hallucinogenic drugs, including mescaline, peyote and LSD. He said his agency estimates that LSD traffic now runs about $20 million a year, nowhere near the sales of drugs like cocaine, marijuana, heroin, PCP and Quaaludes, but a number that is sharply rising.

Not only has the dosage of LSD changed, so has the method of its use. In the 1960s, people generally took LSD when they were alone or with one other person to experience "the trip," where colors swirl, the senses blend, music acquires an aroma and colors carry a sound.

In the 1960s, users took LSD as often as three or four times a week, which made the practice more dangerous because the drug can linger in the blood as long as a week and in fatty tissue even longer.

Today, LSD is generally regarded as a party drug by users who often take it once a week in combination with cocaine or alcohol.

The main reason that the DEA is alarmed over a comeback of LSD is that users develop a tolerance for the drug and may begin turning to higher doses, Rosenquist said. "The temptation is there right now among LSD users to increase their inputs. The time to really start worrying about LSD is when street doses start rising to tablets containing 100 to 150 micrograms."

AUGUST 21, 1968—A DAY OF SHAME

Mr. PERCY. Mr. President, August 21 marks the 15th anniversary of the Soviet invasion of Czechoslovakia. On this date in 1968, a half million Soviet and Warsaw Pact troops invaded that beautiful and peaceful nation and crushed Alexander Dubcek's reform movement, which had blossomed since the Prague spring of that year.

Indeed, this was already the second occasion since the birth of modern Czechoslovakia in 1981 that the Communists massively intervened in the affairs of the Czechoslovakia State. I felt great outrage and sadness when the Communists first toppled the government in 1948, and again when they brutally repressed the Czechoslovak people in 1968.

This anniversary is truly a Soviet day of shame. The Soviets, whose invasion was condemned in 1968 even by many Communists, vowed that their occupation would endure only until Czechoslovakia has achieved "normalcy." The Soviets announced the achievement of "normalcy" in 1971, but their troops remain on the ground in Czechoslovakia and they dictate the State's repressive, Soviet-style domestic and foreign policies.

All of us who cherish our own freedom must remember this sad anniversary. We should applaud all those in Czechoslovakia and expatriates in the United States who hold high the hope that someday their homeland will be free of Soviet repression and their government will be willing to uphold its own laws and international commitments to human rights. There must be no movement toward assisting Czechoslovakia economically, as is desired by the current Czechoslovak Government, until great progress is made in these areas.

On this anniversary, we pledge our continuing support of the aspirations of the Czechoslovak people for freedom and basic human rights. We pledge to remember the heroism and bravery of the proud Czechoslovak people. We honor those who work tirelessly for the rights of the Czechoslovak people, including my friends of the Czechoslovak National Council of America. We shall never forget this Soviet day of shame, August 21, 1968.

COMPREHENSIVE ORGAN DONOR NETWORK

Mr. ANDREWS. Mr. President, today I would like to take the opportunity to announce that after the Senate reconvenes in September, I will introduce legislation creating a comprehensive organ donor network.

As we all know, the greatest hindrance to all transplant programs is the lack of suitable donor organs for those individuals desperately awaiting surgery. Many of these patients may only breathe life for a few more days, weeks, or may linger for a matter of months—while their health is steadily declining moment by moment.

An immediate solution to this tragic dilemma is to have a well-informed public and medical community who comprehend the critical need for organ donation. The donation of an organ—the gift of life—must be offered when a family is dealing with a very traumatic situation—the death of a loved one.

I became aware and concerned of the need for this legislation through repeated contacts with Charles and Marilyn Fiske of Boston, Mass. The Fiskes are the parents of Jamie Fiske, who received a well-publicized liver transplant last year after her father made a nationwide plea for a donor at an appearance before the American Academy of Pediatrics convention.

Through courage, tenacity and the proper forum, Charles Fiske was able to find the vital organ needed to keep his little girl alive, but think of the thousands every year who are not so fortunate.

We must encourage organ donation and it is imperative that organ donations are discussed with family and friends. A cooperative relationship between an informed public and the medical community allows for effective implementation of a national organ donor network.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the Committee on Armed Services.

(The nominations received today are printed in the end of the Senate proceedings.)

DEFERRALS OF BUDGET AUTHORITY—MESSAGE FROM THE PRESIDENT—PM 70

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report, which was referred jointly, pursuant to the order of January 30, 1975, to the Committee on the Budget, the Committee on Appropriations, the Committee on Energy and Natural Resources, and the Committee on the Judiciary:

To the Congress of the United States:

In accordance with the Impoundment Control Act of 1974, I herewith report three new deferrals of budget authority totaling $16,118,000.

The deferrals affect Energy Activities and the Department of Justice.

The details of the deferrals are contained in the attached reports.

RONALD REAGAN.

THE WHITE HOUSE, *July 28, 1983.*

PRESIDENTIAL APPROVALS

A message from the President of the United States reported that on July 15, 1983, that he had approved and signed the following joint resolution:

S.J. Res. 68. Joint resolution to authorize and request the President to designate July 16, 1983, as "National Atomic Veterans Day."

On July 19, 1983:

S.J. Res. 18. Joint resolution designating September 22, 1983, as "American Business Women's Day."

S.J. Res. 34. Joint resolution designating "National Reye's Syndrome Week."

On July 22, 1983:

S. 929. An act to amend the act of July 2, 1940, as amended, pertaining to appropriations for the Canal Zone Biological Area.

On July 25, 1983:

S.J. Res. 96. Joint resolution to designate August 1, 1983, as "Helsinki Human Rights Day."

On July 27, 1983:

S.J. Res. 77. Joint resolution designating "National Animal Agriculture Week."

MESSAGES FROM THE HOUSE

At 12:24 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House disagrees to the amendment of the Senate to the bill (H.R. 2972) to authorize certain construction at military installations for fiscal year 1984, and for other purposes; it agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon; and appoints Mr. PRICE, Mr. DELLUMS, Mr. MONTGOMERY, Mr. KAZEN, Mr. WON PAT, Mr. DICKINSON, Mr. KRAMER, and Mr. WHITEHURST as managers of the conference on the part of the House.

The message also announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the amendment of the Senate to the bill (H.R. 2973) to repeal the withholding of tax from interest and dividends.

The message further announced that the House has passed the following joint resolutions, without amendment:

S.J. Res. 56. Joint resolution to designate the month of August 1983 as "National Child Support Enforcement Month"; and

S.J. Res. 67. Joint resolution to designate the week of September 25, 1983, through October 1, 1983, as "National Respiratory Therapy Week."

The message also announced that the House has agreed to the following concurrent resolution:

S. Con. Res. 35. Concurrent resolution to authorize the printing as a Senate document of a revised edition of "The Capitol."

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-343. A joint resolution adopted by the Legislature of the Northern Marianas Commonwealth; to the Committee on Energy and Natural Resources:

"H.J. RES. No. 33

"Whereas, the T.T.P.I. office of Social Security has been attempting to resolve the matter of funding the Prior Service Benefit Program for sometime; and

"Whereas, the T.T.P.I. office of Social Security has received final word from the U.S. Department of Interior that Prior Service Benefits will not be funded after the official conclusion of the Trusteeship Agreement; and

"Whereas, the T.T.P.I. office of Social Security initiated a U.S. Congressional lobby during March, 1983, to encourage official reconsideration of the prior service funding decision; and

"Whereas, the T.T.P.I. office of Social Security has requested the support of the 3rd Northern Marianas Commonwealth Legislature, through a joint resolution, in their lobbying effort; now, therefore,

"Be its resolved by the House of Representatives of the Third Northern Marianas Commonwealth Legislature, Third Regular Session, 1983, the Senate concurring, That the ongoing lobby to encourage official reconsideration of the prior funding decision be, and hereby is, fully supported by the Third Northern Marianas Commonwealth Legislature; and

"Be it further resolved, That the Speaker of the House of Representatives and the President of the Senate shall certify and the House Clerk and Senate Legislative Secretary shall attest to the adoption hereof and thereafter transmit copies of this house joint resolution to the President of the Senate, U.S. Congress; the Speaker of the House of Representatives, U.S. Congress; Secretary of the Department of Interior; the Honorable Janet McCoy, High Commissioner, T.T.P.I.; the Honorable James A. McClure, Senator; the Honorable Daniel K. Inouye, Senator; the Honorable Lowell P. Weicker, Senator; the Honorable Sidney R. Yates, Congressman; Mr. Jerold F. Facey, Social Security Administrator TTPI, Mr. Robert Myers, Consulting Actuary; and the Honorable Pedro P. Tenorio, Governor of the Commonwealth of the Northern Mariana Islands."

POM-344. A resolution adopted by the House of Representatives of the State of Illinois; to the Committee on Energy and Natural Resources;

"HOUSE RESOLUTION No. 373

"Whereas, Current federal and State regulatory schemes include secondary coal recovery operations in the definition of surface mining activities causing all the surface mine permitting provisions and performance standards of the State and Federal programs to be applied to secondary coal recovery operations; and

"Whereas, The application of these program requirements has caused approximately 20 secondary coal recovery operations in Illinois to cease operations and potential operations to not begin due to lack of the fiscal resources and technical staff or expertise for compliance; and

"Whereas, Program requirements have had a much greater and more devastating impact on secondary coal recovery operators than regular, small surface mine operators since secondary coal recovery operators do business in a limited market place where their product sells for only $5 to $6 per ton; and

"Whereas, It is virtually impossible to generate the resources to gather all the data and prepare all the engineering studies required to obtain a permit under the existing program and to subsequently comply with the performance standards of the existing program as the result of receiving a permit; and

"Whereas, Secondary coal recovery operations recover coal from abandoned coal waste piles (coarse refuse or gob) and slurry ponds and will be given high priority for reclamation under the Abandoned Mine Reclamation program authorized by Title IV of P.L. 95-87; and

"Whereas, If an affordable permitting and environmental control provision can be developed and implemented for secondary coal recovery operators, many of the abandoned mine problem sites in the coal producing regions of the State can be reclaimed by private enterprise, resulting in Title IV funds not being spent to reclaim those sites but being used to reclaim other priority sites; and

"Whereas, The Abandoned Mine Reclamation program under Title IV can be bolstered by secondary coal operators paying the 35¢ per ton of coal produced reclamation fee into the reclamation fund, a fiscal resource lost if the coal had been covered and revegetated under the Title IV program; and

"Whereas, In addition to reclaiming abandoned sites and paying into the reclamation fund, continuance of secondary coal recovery operations will directly provide several hundred jobs, thousands of dollars in federal, State and local taxes and several hundred jobs in associated industries; and

"Whereas, The utilization and conservation of the coal resource as mandated by Section 515(b)(1) of the Federal Act will be maximized by an increase in the number of secondary carbon recovery operations, without which much of this coal resource will be rendered unrecoverable under current economic conditions; and

"Whereas, There are no valid or logical reasons why these operations should be forced out of business and there are numerous reasons for taking action to allow these operators the opportunity to continue to operate; and

"Whereas, The Illinois General Assembly, representing all the citizens of the State of Illinois cannot unilaterally legislate a solution without federal executive branch approval; and

"Whereas, The Illinois Department of Mines and Minerals is seeking stopgap administrative assistance; therefore, be it

"Resolved, by the House of Representatives of the Eighty-third General Assembly of the State of Illinois, That we hereby request the United States Congress and the United States Department of the Interior assist and support the efforts of the State of Illinois to arrive at a solution which will repair existing environmental damage, conserve Abandoned Mine Reclamation Funds and create additional jobs and revenue; and, be it further

"Resolved, That a copy of this resolution be transmitted by the Secretary of State of Illinois to the President of the United States, the Secretary of the Senate of the United States, the Clerk of the House of Representatives of the United States, the Secretary of the Department of the Interior and to each member of the Congress from this State."

POM-345. A concurrent resolution adopted by the Legislature of the State of Texas; to the Committee on Environment and Public Works:

"HOUSE CONCURRENT RESOLUTION

"Whereas, The State of Texas, through the Texas Air Control Board ("TACB"), has long been a leader in implementing reasonable and effective air pollution control measures to protect the health and welfare of the citizens of the State; and

"Whereas, The federal Clean Air Act Amendments of 1977 required that the State of Texas prepare and implement a state implementation plan ("Plan") for attainment of federally promulgated National Ambient Air Quality Standards ("Air Quality Standards") by December 31, 1982, or by 1987 for areas such as Harris County where compliance could not be demonstrated by 1982, that extension being conditioned on the adoption of all Reasonably Available Control Measures and implementation of an Inspection and Maintenance Program for automobiles; and

"Whereas, The TACB, with the assistance of other state and local agencies and in consultation with the Environmental Protection Agency ("EPA"), has diligently devel-

oped an effective and reasonable Plan that meets the requirements of the Clean Air Act and in the development of that Plan has, among other things, performed extensive technical studies and analyses and implemented a pilot program for Inspection and Maintenance of automobiles; and

"Whereas, the TACB developed a Plan in 1979 that demonstrated attainment of the Air Quality Standards by December 31, 1982, for all areas of the State except Harris County (for which attainment could not be demonstrated by 1982 and for which an extension to 1987 was necessary), the Governor submitted that Plan to EPA on April 13, 1979, and EPA approved that Plan with certain conditions on December 18, 1979, and March 25, 1980, declaring that the Plan met the requirements of the Clean Air Act; and

"Whereas, The TACB, in compliance with the Clean Air Act and in consultation with the EPA, developed a 1982 Plan for Harris County demonstrating attainment of the Air Quality Standards by 1987, and included in that Plan an Inspection and Maintenance Program for private automobiles, developed after careful analysis and study and tailored to the specific circumstances existing in Harris County, and the Governor submitted that Plan to the EPA on December 9, 1982; and

"Whereas, The EPA on February 3, 1983, despite acknowledging the overall effectiveness of the Plan for demonstrating the attainment of Air Quality Standards and despite acknowledging significant air quality benefits of the State's proposed Inspection and Maintenance Program, proposed to reject the Texas Plan and impose severe sanctions on Harris County because of alleged deficiencies in the Inspection and Maintenance Program for automobiles; and

"Whereas, The EPA also has alleged that certain areas in Dallas, Tarrant, Cameron, Nueces, El Paso, and Harris counties have not achieved the Air Quality Standards for certain pollutants by December 31, 1982, as originally expected, and on February 3, 1983, proposed sanctions for these areas as well, even though the alleged noncompliance occurred without fault of the State of Texas or the TACB and despite full implementation of the approved Plan; and

"Whereas, the EPA has claimed that its actions and the proposed sanctions, which include a ban on new major industrial development and a threat to withhold federal funds from needed air pollution control programs, public highway projects, and possibly sewage treatment works, are required by Congress under the Clean Air Act; and

"Whereas, EPA disapproval and implementation of sanctions will create severe economic disruption to the citizens of the State of Texas including potential increases in unemployment and will do nothing to promote air pollution control or to protect the public health or welfare; now, therefore, be it

"Resolved by the House of Representatives of the State of Texas, the Senate concurring, That the 68th Legislature hereby request the Congress of the United States of America to act to prevent EPA's proposed actions by instructing the EPA or if necessary by amending the Clean Air Act so that:

"(1) states are allowed a reasonable time to implement additional control measures in areas that are found not to meet the Air Quality Standards after December 31, 1982, despite the implementation of an approved Plan;

"(2) states have the flexibility to develop and adopt alternative inspection and maintenance programs for automobiles at their discretion as long as attainment of the Air Quality Standards can otherwise be demonstrated; and

"(3) no sanctions of any kind may be imposed where a state is making good faith efforts to comply with the mandates of the Clean Air Act and is making continued progress toward attainment of Air Quality Standards; and, be it further

"Resolved, That the Texas Secretary of State forward official copies of this resolution to the President of the United States, to the Speaker of the House of Representatives and President of the Senate of the United States Congress, and to all members of the Texas delegation to the Congress, with the request that the resolution be officially entered into the Congressional Record as a memorial to the Congress of the United States of America."

POM-346. A concurrent resolution adopted by the Legislature of the State of Texas; to the Committee on Finance:

"HOUSE CONCURRENT RESOLUTION No. 9

"Whereas, The steel pipe and tube industry provides thousands of jobs in Texas and other states; and

"Whereas, A reliable domestic supply of specialty pipe and tube products, including oil country tubular goods is essential to U.S. energy exploration and production; and

"Whereas, Rapidly increasing imports of steel pipe and tube products are a substantial cause of serious injury to steel pipe and tube producers in Texas and other states; and

Whereas, This injury will be compounded by the diversion of steel imports from the European Community to pipe and tube producers as a result of recently negotiated restrictions on the importation of other types of European steel products; and

Whereas, The provisions of a separate arrangement between the United States and the European Community on the importation of steel pipe and tube products cannot be adequately enforced to prevent such diversion without federal legislation; now, therefore be it

"Resolved by the House of Representatives of the State of Texas, the Senate concurring, That the 68th Legislature hereto respectfully memorialize the Congress of the United States to enact legislation to prevent the unwarranted diversion of European Steel exports to the United States to pipe and tube products empowering the Secretaries of Commerce and the Treasury to enforce the terms of the October 21, 1982, steel pipe and tube arrangement between the United States and the European Community; and, be it further

"Resolved, That a copy of this resolution shall be forwarded by the Texas Secretary of State to the President of the United States, the President of the Senate, and the Speaker of the House of Representatives of the United States Congress, and all members of the Texas delegation to the Congress with the request that this resolution be officially entered into the Congressional Record as a memorial to the Congress of the United States of America."

POM-347. A resolution adopted by the County Board of Supervisors of the County of Fresno, Calif. urging Congress to pass the Wine Equity Bill of 1983; to the Committee on Finance.

POM-348. A petition from a citizen of Concord, N.H. requesting Congress to hold open hearings on the Missing in Action from Vietnam; to the Committee on Foreign Relations.

POM-349. A resolution adopted by the House of Representatives of the State of Illinois; to the Committee on Foreign Relations:

"HOUSE RESOLUTION No. 155

"Whereas, A plastic bullet of the type being used by British Security Forces in Northern Ireland is 3½ inches long and 1½ inches in diameter, weighs nearly 5 ounces and, when fired from a gun, travels toward its target with a muzzle velocity of 160 miles per hour; and

"Whereas, Far beyond simply disbursing mobs, these projectiles produce lethal results, as exemplified by the 1981 toll of the five children and two other persons who died, and the more than 160 others who suffered losses of eyes, multiple fractures and permanent disfigurement after being stuck by the bullets; and

"Whereas, From 1970 to 1980, British Security Forces fired 42,669 plastic bullets and 55,834 rubber bullets at Irish civilians—many of who were children and many of who were not involved in riot situations; and

"Whereas, In August 1981, the International Tribunal of Inquiry, convened by the Association of Legal Justice, concluded that plastic bullets were, indeed, lethal weapons, and on May 13, 1982, the European Parliament voted overwhelmingly to ban the use of plastic bullets in Common Market countries; and

"Whereas, That alternative methods exist for quelling riots is proven by the fact that the British only fire the plastic and rubber bullets into Nationalist crowds, opting for subtler means when dealing with Loyalist disturbances; therefore, be it

"Resolved, by the House of Representatives of the Eighty-Third General Assembly of the State of Illinois, That this house supports the effort currently being made in Congress to ban plastic bullets, and respectfully requests the United States State Department to urge our British allies to cease the use of plastic and rubber bullets against Nationalist civilians in Northern Ireland, and thereby assuage the pointless killing and maiming now taking place in that troubled land; and be it further

"Resolved, That suitable copies of this preamble and resolution shall be presented, respectively, to Secretary of State George Shultz, Vice President George Bush, in his capacity as President of the Senate, Speaker Thomas P. O'Neill and the members of the Illinois Congressional Delegation."

POM-350. A petition from a citizen of Concord, N.H. opposing House Resolution 427, 'the Gay Bill of Rights"; to the Committee on the Judiciary.

POM-351. A joint resolution adopted by the Legislature of the State of California; to the Committee on the Judiciary:

"ASSEMBLY JOINT RESOLUTION No. 37

"Whereas, The carnage and destruction left in California by persons driving motor vehicles while under the influence of alcohol is unacceptable; and

"Whereas, The federal Bankruptcy Act of 1978 does not authorize the discharge of an individual debtor from any debt for willful and malicious injury by the debtor to another entity or to the property of another entity; and

"Whereas, Certain federal courts, in bankruptcy proceedings, have determined that injuries caused by persons driving motor vehicles while under the influence of alcohol

are not willful and malicious injuries for purposes of bankruptcy law; and

"Whereas, The Congress presently is considering legislation to revise certain aspects of bankruptcy law; now therefore, be it

"Resolved by the Assembly and the Senate of the State of California, jointly, That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States to carefully consider the possibility of amending the bankruptcy law to discontinue the policy of permitting the debts of a person, including a personal injury judgment, resulting from that person's act of driving a motor vehicle while under the influence of alcohol to be discharged in a bankruptcy proceeding; and be it further

"Resolved, That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

POM-352. A joint resolution adopted by the Legislature of the State of Alaska; to the Committee on the Judiciary:

"RESOLUTION

"Whereas the first action of the Alaska Territorial Legislature in 1913 was to give women the right to vote; and

"Whereas in 1972, shortly after the Equal Rights Amendment was passed by the United States Congress, Alaska was among the first states to ratify the proposed amendment; and

"Whereas, effective October 14, 1972, the Constitution of the State of Alaska was amended by a vote of the people to include a provision that no person is to be denied the enjoyment of any civil or political right because of sex; and

"Whereas the 1972 state constitutional amendment guaranteeing the rights of women has already enhanced the ability of all citizens, not just women, to achieve their full potential; and

"Whereas negative results predicted by opponents of the state provision guaranteeing the rights of women have not materialized; and

"Whereas the 1972 constitutional amendment has not presented difficulties but rather has eliminated some long-standing discriminatory practices against women in our state; and

"Whereas the people of a state are free and equal only when all citizens enjoy the same rights; and

"Whereas the people of the State of Alaska wish to have the Congress again propose an Equal Rights Amendment to the states for their consideration; and

"Whereas adoption of this resolution does not minimize the state's support of and belief in traditicnal American family values:

"Be it resolved By the Alaska State Legislature that Congress is respectfully requested to again propose an amendment to the United States Constitution guaranteeing equal rights to all women in our nation.

"Copies of this resolution shall be sent to the Honorable George Bush, Vice-President of the United States and President of the U.S. Senate; the Honorable Thomas P. O'Neill, Jr., Speaker of the U.S. House of Representatives; and to the Honorable Ted Stevens and the Honorable Frank Murkowski, U.S. Senators, and the Honorable Don Young, U.S. Representative, members of the Alaska delegation in Congress."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. STAFFORD, from the Committee on Environment and Public Works, without amendment:

S. 1696. An original bill authorizing three additional Assistant Administrators of the Environmental Protection Agency (Rept. No. 98-196).

By Mr. MATHIAS, from the Committee on Rules and Administration, without amendment:

S. J. Res. 103. Joint resolution to provide for the appointment of Jeannine Smith Clark as a citizen regent of the Board of Regents of the Smithsonian Institution (Rept. No. 98-197).

S. Res. 150. Resolution authorizing the printing of additonal copies of the Joint Committee print entitled "Changing Economics of Agriculture: Challenge and Preparation for the 1980's." (Rept No. 98-198).

By Mr. MATHIAS, from the Committee on Rules and Administration, without amendment:

S. Res. 184. An original resolution relating to the Senate page program (Rept No. 98-199).

By Mr. MATHIAS, from the Committee on Rules and Administration, without amendment and with a preamble:

S. Con. Res. 59. An original concurrent resolution to authorize the Librarian of Congress to study the changing role of the book in the future (Rept No. 98-200).

By Mr. MATHIAS, from the Committee on Rules and Administration, with amendments:

H.R. 3034. A bill to provide for appointment and education of congressional pages, and for other purposes (Rept No. 98-201).

By Mr. MATHIAS, from the Committee on Rules and Administration, without amendment and with a preamble:

H. Con. Res. 126. Concurrent resolution providing for the commemoration of the 100th anniversary of the birth of Harry S. Truman.

By Mr. MATHIAS, from the Committee on Rules and Administration, without amendment:

S. Res. 186. An original resolution to pay a gratuity to Katherine C. Ahlers.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of commmittee were submitted:

By Mr. TOWER, from the Committee on Armed Services:

Mr. TOWER. Mr. President, from the Committee on Armed Services, I report favorably the following nominations: Maj. Gen. Leo Marquez, U.S. Air Force, to be lieutenant general, Vice Adm. Thomas J. Bigley, U.S. Navy (age 55), to be placed on the retired list, Lt. Gen. Richard E. Merkling, U.S. Air Force (age 57), to be placed on the retired list, Maj. Gen. Clarence E. McKnight, Jr., U.S. Army, to be lieutenant general, Lt. Gen. Lynwood E. Clark, U.S. Air Force (age 54), to be placed on the retired list, and Maj. Gen. Bruce K. Brown, U.S. Air Force, to be lieutenant general. I ask that these names be placed on the Executive Calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TOWER. Mr. President, in addition, in the Air Force there are five permanent promotions to the grade of colonel (list begins with Barry D. Guyse), James E. Cobean to be appointed to the grade of lieutenant colonel in the Air Force, in the Army Reserve there are 347 promotions to the grade of colonel and below (list begins with James P. Batista), in the Navy there are 866 promotions to the grade of commander (list begins with Dianne M. Abruzzo), in the Marine Corps there are 66 permanent appointments to the grade of colonel (list begins with Tommy L. Adair), in the Air Force Reserve there are 12 promotions from the Air National Guard to the grade of lieutenant colonel (list begins with David A. Beasley), in the Air Force Reserve there are 34 appointments to the grade of colonel and below (list begins with Karel B. Absolon), in the Air Force there are five appointments to the grade of second lieutenant (list begins with Scott L. Brummett), in the Army there are 28 appointments to the grade of major and below (list begins with James N. Stearns, Jr.), in the Army there are 12 permanent promotions/appointments to the grade of lieutenant colonel and below (list begins with Larry E. Caylor), in the Army there are six permanent promotions/appointments to the grade of colonel and below (list begins with Stanford W. Hickman), in the Marine Corps there are four permanent appointments to the grade of second lieutenant (list begins with Robert H. Caldwell), in the Naval Reserve there are 451 permanent promotions to the grade of captain (list begins with Gary W. Aaron), and in the Navy there are 1,643 promotions to the grade of lieutenant commander (list begins with Gerald P. Abbott). Since these names have already appeared in the CONGRESSIONAL RECORD and to save the expense of printing again, I ask unanimous consent that they be ordered to lie on the Secretary's desk for the information of any Senator.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The nominations ordered to lie on the Secretary's desk were printed in the RECORD of June 27, July 11, July 14, and July 21, 1983, at the end of the Senate proceedings.)

By Mr. ROTH, from the Committee on Governmental Affairs:

James Brian Hyland, of Virginia, to be Inspector General, Department of Labor.

(The above nomination was reported from the Committee on Governmental Affairs with the recommendation that it be confirmed subject to the nominee's commitment to respond to request to appear and testify before any

duly constituted committee of the Senate.)

By Mr. HELMS, from the Committee on Agriculture, Nutrition, and Forestry:

Paul I. Enns, of California, to be a member of the Federal Farm Credit Board, Farm Credit Adminstration for a term expiring March 31, 1989;

Daniel G. Amstutz, of New York, to be a member of the Board of Directors of the Commodity Credit Corporation; and

Joseph Alison Kyser, of Alabama, to be a member of the Federal Farm Credit Board, Farm Credit Administration, for a term expiring March 31, 1989.

(The above nominations were reported from the Committee on Agriculture, Nutrition, and Forestry with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. MATHIAS, from the Committee on Rules and Adminstration:

Joan D. Aikens, of Pennsylvania, to be a member of the Federal Election Commission for a term expiring April 30, 1989; and

John Warren McGarry, of Massachusetts, to be a member of the Federal Election Commission for a term expiring April 30, 1989 (Exec. Rept. No. 98-17)

(The above nominations were reported from the Committee on Rules and Administration with the recommendation that they be confirmed subject to the nominees' commitment to respond to request to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mrs. KASSEBAUM:

S. 1693. A bill to amend the International Aviation Facilities Act in order to insure the continued preeminence of the U.S. air safety leadership role in the world and, in furtherance thereof, to facilitate and promote the sale of U.S. manufactured aerospace products in world commerce, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. LAXALT (for himself and Mr. HECHT):

S. 1694. A bill to declare that the United States holds certain lands in trust for the Las Vega Paiute Tribe; to the Select Committee on Indian Affairs.

By Mr. CRANSTON (for himself, Mr. HECHT, Mr. LAXALT, Mr. SIMPSON, and Mr. ZORINSKY):

S. 1695. A bill to amend the National Trails System Act by authorizing for study the Pony Express Trail under the provisions of the act; to the Committee on Energy and Natural Resources.

By Mr. STAFFORD:

S. 1696. An original bill authorizing three additional Assistant Administrators of the Environmental Protection Agency; from the Committee on Environment and Public Works; placed on the calendar.

By Mr. HOLLINGS:

S. 1697. A bill to amend the Military Service Act to provide for the reinstitution of the registration and classification of persons under such act and to reinstate the authority of the President to induct persons involuntarily into the Armed Forces, and for other purposes; to the Committee on Armed Services.

By Mr. WILSON (for himself and Mr. CRANSTON):

S. 1698. a bill to amend the Internal Revenue Code of 1954 to provide an alternative method of allocation of property taxes for cooperative housing corporations; to the Committee on Finance.

By Mr. DOLE (for himself, Mr. DOMENICI, Mr. DURENBERGER, Mr. D'AMATO, Mr. JEPSEN, Mr. MATSUNAGA, and Mr. BAUCUS):

S. 1699. A bill to amend title XVIII of the Social Security Act to provide medicare coverage of hepatitis B vaccine for vaccine for end stage renal disease patients; to the Committee on Finance.

By Mrs. HAWKINS:

S. 1700. A bill to amend the Employee Retirement Income Security Act of 1974 and the Internal Revenue Code of 1954 to provide greater protection to spouses under private pension plans, and to amend such Code to repeal the earned income limitation on the deduction for retirement savings, to establish displaced homemakers as a targeted group for the purposes of computing credit for employment of certain new employees, and to provide a credit for household and dependent care services for individuals performing substantial volunteer services; to the Committee on Finance.

By Mr. McCLURE (for himself, Mr. JACKSON, Mr. BAUCUS, Mr. GORTON, and Mr. SYMNMS):

S. 1701. A bill to impose specific directions on the Bonneville Power Administration; to the Committee on Energy and Natural Resources.

By Mr. DOLE:

S. 1702. A bill to amend the Hostage Relief Act of 1980 to give the provisions of such Act permanent effect, and for other purposes; to the Committee on Finance.

By Mr. JEPSEN:

S. 1703. A bill to require the Commodity Credit Corporation to accept under certain conditions during fiscal years 1984, and 1985 offers to exchange needed strategic and critical materials for surplus dairy stocks; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. ROTH (for himself, Mr. CHAFEE, and Mr. INOUYE):

S. 1704. A bill to encourage the expansion of the international trade in services, and for other purposes; to the Committee on Finance.

By Mr. MOYNIHAN (for himself, Mr. D'AMATO):

S. 1705. A bill to modify Federal land acquisition and disposal policies carried out with respect to Fire Island National Seashore, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. RIEGLE (for himself and Mr. KENNEDY):

S.J. Res. 137. Joint resolution to designate April 7, 1984, as "World Health Day"; to the Committee on the Judiciary.

By Mr. ZORINSKY:

S.J. Res. 138. A joint resolution to establish a Commission on Teacher Education; to the Committee on Labor and Human Resources.

By Mr. MOYNIHAN (for himself, Mr. D'AMATO, and Mr. BAKER):

S.J. Res. 139. A joint resolution to commemorate the centennial of Eleanor Roosevelt's birth; to the Committee on Energy and Natural Resources.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. MATHIAS:

S. Res. 184. An original resolution relating to the Senate page program; from the Committee on Rules and Administration; placed on the calendar.

By Mr. DENTON (for himself, Mr. DECONCINI, and Mr. HATCH):

S. Res. 185. A resolution establishing a temporary Special Committee on the Family, Youth and Children; to the Committee on Rules and Administration.

By Mr. MATHIAS:

S. Res. 186. An original resolution to pay a gratuity to Katherine C. Ahlers; from the Committee on Rules and Administration; placed on the calendar.

S. Con. Res. 59. An original concurrent resolution to authorize the Librarian of Congress to study the changing role of the book in the future; from the Committee on Rules and Administration; placed on the calendar.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mrs. KASSEBAUM:

S. 1693. A bill to amend the International Aviation Facilities Act in order to insure the continued preeminence of the United States' air safety leadership role in the world and, in furtherance thereof, to facilitate and promote the sale of U.S. manufactured aerospace products in world commerce, and for other purposes; to the Committee on Commerce, Science, and Transportation.

UNITED STATES INTERNATIONAL AVIATION SUPPORT ACT OF 1983

Mrs. KASSEBAUM. Mr. President, today I am introducing legislation to enhance the international aviation programs of the Federal Aviation Administration (FAA). This legislation has been drafted in response to the growing concern of both Government and aerospace industry leaders about the ability of American aviation manufacturers to meet the challenge of foreign, government-subsidized competition.

The importance of sustaining the U.S. share of the world market for aviation products is self-evident in the fact that foreign sales of aircraft, engines, radars, computers, communication equipment, and engineering/design services has been, and still is the biggest single source of foreign exchange next to agricultural products.

Until recently, the United States enjoyed a near 90-percent share of the world aviation market. However, the traditional leadership of the United States in this area is now under seri-

ous challenge. The competitors are primarily located in Europe—large, State-assisted aerospace manufacturers—who, with considerable financial help from their governments for both developmental costs and purchase financing, have been able to market technically respectable products and services. Similar trends are in incipient stages in other parts of the world. The FAA can be a legitimate vehicle to support U.S. industry.

Traditionally, the FAA has set the standard for aviation safety regulation the world over. FAA certificates of all kinds have been literally prized throughout the world. Countries seeking to setup or enhance their air traffic control systems have wanted to know how we do it. Foreign airlines have sought FAA-certificated aircraft, pilots and repair stations because they know that if it is done according to the FAA book it is done right and that their flights will be safe and reliable. Moreover, once they establish such systems, they have asked us to assure that they continue to operate in concert with our standards. A current example of this desire to be a part of the FAA System emanates from Saudi Arabia, where the national airline has insisted that FAA regulatory practices govern their flight operations.

In addition to enhancing the safety and reliability of international aviation, this reliance on American regulatory standards has important ancillary benefits for U.S. manufacturers.

The reliance on American standards encourages and supports the use of American manufactured planes, parts, and related services. Foreign manufacturers seek American partners for their new projects, not only to spread the financial risk but also because they know the Americans, whose products must always meet FAA's high standards, know how to build safe and reliable airplanes.

Foreign aviation regulatory authorities are actively assisting their local aerospace industries in efforts to secure contracts the world over. Present legislation does not give FAA the freedom to act in behalf of U.S. firms, and provides no funds for such support.

In France, Sofereavia-Societe Francais d'Estudes et de Realisations d'Equipment Aeronautiques and the Aeroport de Paris are working hard to develop overseas markets for French exporters of aviation infrastructure equipment and services.

The range of Sofereavia's services is considerable, including feasibility studies and aviation system plans, turnkey contracts, flight inspection, and training of foreign nationals. Seventeen field offices support the provision of these services to 33 countries. The Aeroport de Paris is conducting similar technical cooperation programs in 11 countries.

Recently, Great Britain, witnessing the success of such programs in France, has instituted a similar approach to worldwide sales. The United Kingdom Department of Trade has helped to form a consortium of airport and airways equipment manufacturers to enhance the potential for export sales. The British consortium just announced its first contract—a $26 million order from Brazil for air traffic control equipment to be used on airports at Sao Paulo and Belo Horizante.

As in the Sofreavia-Aeroport de Paris examples, the Government is involved not only from the organizational standpoint but also in the crucial area of financing. Much of the financing for the Brazilian deal is covered by the U.S. Export Credits Guarantee Department and placed by the Lazard Brothers of London. As a result, the project will be financed over 10 years at a 7.75-percent interest rate—slightly over half of current U.S. prime.

The United States International Aviation Support Act of 1983 responds to these challenges. However, the challenges contemplated by the act do not constitute a significant change in American aviation policy. Federal law has always directed the Administrator of the FAA and its predecessor agencies to foster and promote civil aviation both domestically and internationally. Nor does it institute a program of heavy handed governmental intrusion, whether by regulation or subsidy, into the private sector. What it does do is provide the authority to the Secretary of Transportation to expand existing programs and create new ones which entail cooperative efforts between FAA and the U.S. firms seeking markets abroad. Further, it provides the Secretary with additional authority to meet the continuing demand for FAA technical assistance, thereby insuring that the FAA's worldwide regulatory preeminence is maintained. Finally, the legislation creates a funding mechanism whereby the beneficiaries of the international aviation programs will help support them, so the bill entails minimal new costs for the Government.

I am also submitting a detailed section-by-section analysis for the record specifying the legislative changes designed to meet these goals, and I ask unanimous consent that it be printed in the RECORD.

I hope my colleagues will agree that this legislation represents an important step in addressing the challenge to American aviation leadership and will work with me to seek its early enactment.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows;

SECTION-BY-SECTION ANALYSIS—THE UNITED STATES INTERNATIONAL AVIATION SUPPORT ACT OF 1983

SECTION 1

Provides that the Act may be cited as the "United States International Aviation Support Act of 1983."

SECTION 2

Provides a declaration of policy designed to assure the Administrator that agency programs undertaken to "foster and promote" are consistent with Congressional intent. Furthermore, the language is designed to reinforce the concept that such activities are not inconsistent with the agency's safety responsibilities nor existing trade and economic policy. All in all, the language is meant to convey the concept that a policy of "foster and promote" programs is not a new program, but rather is a reaffirmation of long-standing Congressional guidance. The importance of this proposal is that an undated approach to the challenge of increased competition is needed, and that we undertake these programs cognizant of our traditional policies and values, i.e., free trade and minimal government intrusion into the affairs of business.

SECTION 3

This section is meant to augment general authorities granted the Administrator through the Secretary under Section 303 of the Federal Aviation Act. It again reaffirms that the Administrator's actions are to be consistent with existing law and also "United States Foreign Policy Goals". This reference is intended to reinforce the long tradition of cooperation between the State Department and the FAA in the conduct of FAA international programs.

Subsection (1) authorizes the Secretary to add to the effectiveness of the FAA's technical assistance programs to foreign regulatory authorities, and to continue to provide FAA certificates to qualified non-U.S. citizens and facilities. This is designed to provide clear authority to expand such activities through, for example, the commitment of additional personnel and resources. By so doing, the agency will be in a better position to support U.S. products abroad.

Subsection (2) provides explicit authority for the Secretary to expand existing programs and institute new ones designed to assist U.S. firms in their efforts to export aerospace products and services. Subparagraphs (A), (B), and (D) suggest specific, but not exclusive ways in which to accomplish this goal.

Subparagraph (A) authorizes the Secretary to invite the active participation of U.S. firms in the agency's technical assistance programs with foreign governments. Activities contemplated under this subparagraph would include cooperative FAA-U.S. industry efforts to provide a full range of consultative and management services to requesting foreign aviation authorities.

Subparagraph (B) allows the Secretary to actively assist U.S. firms in their efforts to successfully bid on foreign projects. Such assistance could range from consultations regarding the appropriate personnel to contact in the foreign government or aviation concerns to technical assistance in the preparation of bids.

Subparagraph (C) allows the agency to continue, if the parties so desire, to play a role in the execution of a contract entered into between U.S. firms and a foreign government. For example, the FAA could, under this provision, agree to provide con-

tinuing regulatory oversight over a foreign operator of U.S. aircraft or air trafic control equipment.

Subparagraph (D) authorizes the Secretary to assist U.S. firms in developing training programs designed to enhance foreign sales. It is contemplated that such activities might include the provision of FAA personnel for training seminars or the provision of appropriate FAA studies which would be relevant to such efforts.

Subsection (b) provides explicit authority to allow the Secretary to establish such regulations as are necessary to carry out the policy and provisions of the Act.

SECTION 4

Amends certain provisions of the International Aviation Facilities Act in order to carry out the goals of the United States International Aviation Support Act of 1983.

Subsection (a) amends Section (5) of the International Aviation Facilities Act. This is the section of current law that allows the Secretary to accept payment for technical assistance and other international activities.

The amendments change current law in two basic ways.

First, the scope of the activities for which the Secretary can receive payments is broadened to include those new activities which are contemplated by the United States International Aviation Support Act of 1983. Further, the amendment allows Secretary to receive payment from "persons," thereby allowing him to charge private firms both foreign and domestic for international activities undertaken pursuant to this Act. The Secretary is also authorized, if he so finds, to provide services on a non-reimbursable basis or on a recovery of expense basis. This would permit assistance to U.S. firms in endeavors which exclusively would benefit that company if the manufacturer seeks the assistance of the FAA where such manufacturer is encountering competition from foreign manufacturers which are directly or indirectly supported by the foreign govenment. The amendment explicitly refers to activities undertaken pursuant to Section (3)(a)(2) of the Act, therefore contemplating that the cost of FAA international assistance programs aimed at enhancing U.S. sales opportunities abroad could be reimbursed by the beneficiaries of those efforts.

Secondly, the amendment defines the term "funds" (subparagraph (2)) in such a way as to include the provision of "in kind services" incident to the activities undertaken pursuant to this Act. This would allow FAA personnel to accept meals and lodging in the course of their duties undertaken pursuant to this Act. As the policy statements in Section 2 make clear, these activities are not seen to be in conflict with the safety regulatory mission of the FAA. Therefore the acceptance of such "in kind" services would not constitute an improper conflict or appearance of a conflict of interest on the part of those employees who were authorized to accept them.

This provision of law has always been permissive, i.e., the Secretary has never been required to charge for such services. The amendment does not change this policy. Indeed, subparagraph (3) is included to underscore the fact that in certain cases where the Secretary determines that the interests of safety and the prospects for the sale of U.S. firms would be enhanced by the activity, but payment is not feasible, then it need not be required.

Subsection (b) amends Section 11 of the International Aviation Facilities Act to include, in the protections of that section, any operators of U.S. registered aircraft. Current law applies only to air carriers. Thus, business or other privately owned aircraft which are discriminated against could avail themselves of the protections in Section 11.

Subsection (c) adds a new definition to the International Aviation Facilities Act, that of a "person." This, in turn, serves to clarify the amendments to Section 5, which, as discussed above, would allow the Secretary to accept payment from "persons." The Definition is patterned after that in the Federal Aviation Act.

SECTION 5

This section permits the FAA Administrator to establish an exchange of persons program with foreign aviation authorities and aerospace industries. It is a two-way street which will improve understanding and rapport in the international aviation community. Through the marketing of the competence of our systems, we will be selling foreign governments the quality of the U.S. products which support them.

SECTION 6

Creates a special fund in the U.S. Treasury to finance the activities undertaken pursuant to its provisions. The provision is patterned after the legislation creating the Airport and Airway Trust Fund.

Subsection (b) provides that funds received under the International Aviation Facilities Act (and therefore any funds received under activities undertaken pursuant to this Act) are to be deposited in the fund. This replaces existing language in Section 5 which provides that such funds are to be credited against current appropriations.

Subsection (c) allows the Secretary of State to make contributions to the fund from foreign assistance funds when he believes they may be utilized to carry out projects which would further the foreign policy goals of the United States. The provision allows the Secretary of State, in making such transfers, to require that they be spent on specific projects. Provision is also made to transfer some or all of the funds received in landing fees at the two Federally operated airports to the fund.

Subsection (d) modifies Section 45 of the Airline Deregulation Act to accommodate changes made in existing law by this Act. It is not intended to alter the current prohibition against charges for domestic certification activities but provides for deposit of funds received by the FAA certification services provided outside the United States in connection with airman, aircraft and air agencies.

Subsection (e) authorizes the acceptance and deposit of funds of private contributions given to further the purposes of the Act.

Subsection (f) provides that funds not needed to meet current withdrawals shall be invested. The language describing the types of investments that are permitted, subsection (g) regarding the sale of obligations and (h) regarding the deposit of interest to the fund track similar provisions regarding the Airport and Airways Trust Fund and are intended to have the same import as those provisions. (*See* section 208 of the Airport and Airways Revenue Act of 1970.)

Subsection (i) provides the authority for the Secretary of Transportation to make expenditures from the fund necessary to carry out the purposes of the Act, including salaries and related expenses.

By Mr. LAXALT (for himself and Mr. HECHT):

S. 1694. A bill to declare that the United States holds certain lands in trust for the Las Vegas Paiute Tribe; to the Select Committee on Indian Affairs.

LAS VEGAS PAIUTE TRIBE LANDS TRUST

● Mr. LAXALT. Mr. President, I introduce for appropriate reference a bill to transfer in trust to the Las Vegas Paiute Tribe some 3,840 acres of public domain lands in Nevada. I am joined by my distinguished colleague, Senator HECHT, in proposing this bill.

The Las Vegas Paiute Tribe needs an additional land base on which to provide for the future economic development of the tribe and for the housing and community service needs of its members.

The tribe has undertaken an ambitious and far-sighted planning effort for the future. However, its economic and development goals cannot be met within the confines of the present small 12½-acre colony area. The tribe, with the assistance of the Bureau of Indian Affairs, sometime back determined that a vacant tract of the public domain located northwest of Las Vegas, and comprising some 3,840 acres, would facilitate the tribe's efforts. That land is the subject of this bill.

I have been impressed by the ambitious and determined efforts of the tribe's leadership to provide economic opportunities, maintain the tribe's cultural and spiritual heritage, and provide for the housing and social services of its members. It is appropriate that the Federal Government, under its long-held trust responsibility to Indians, assist Indian communities where it can do so consistent with its responsibilities to the Nation.

The tribe has diligently worked to justify the transfer by submitting an overall plan for the land. It has worked closely with local and county governments and with all private parites with an interest in the land to insure that the tribe's goals are understood. There is a unanimity of support among the parties for this effort. All existing rights will be protected. The unanimity of local and State support for the tribe in this proposal has been most encouraging.

The land involved is part of the aboriginal lands occupied by the Paiutes prior to the coming of settlers and has historic and spiritual significance to tribal members.

The Congress can facilitate a worthy public purpose by giving the tribe an opportunity for growth through self-reliance and the development of the talents of its members through this legislation.●

By Mr. CRANSTON (for himself, Mr. HECHT, Mr. SIMPSON, and Mr. LAXALT):

S. 1695. A bill to amend the National Trails System Act by authorizing for study the Pony Express Trail under the provisions of the act; to the Committee on Energy and Natural Resources.

PONY EXPRESS TRAIL

Mr. CRANSTON. Mr. President, I introduce for appropriate reference a bill to authorize a study of the Pony Express Trail for possible inclusion in the national trails system.

The Pony Express represents an important segment in the development of our Nation. It was the first rapid transit and the first fast mail line across the continent from the Missouri River to the Pacific coast. The Pony Express, furthermore, is one of the best known symbols of courage, enterprise and the conviction that anything is possible when it is for the common good. The service provided by the Pony Express was instrumental in binding our young country together, in linking the far West to the more populous East at a time when overland travel was slow and cumbersome and when the impending Civil War made the rapid communication of news between these sections a necessity.

There were 190 stations spaced some 15 miles apart with 400 horses, as many stationmen and assistants, and approximately 80 riders served the Pony Express. It was like a giant relay. At each station the riders were given 2 minutes in which to transfer the saddlebags to fresh ponies and be on their way again. After riding a certain distance, one rider would hand the mail over to another and so on until the destination was reached. This relay continued day and night during both summer and winter through some of the wildest regions of the country.

The Pony Express Trail extended from St. Joseph, Mo., to Sacramento, Calif. In general, the route followed the well-known California-Oregon Trail by way of Fort Kearny and Scottsbluff (Nebraska); Fort Laramie, South Pass, and Fort Bridger (Wyoming); and Salt Lake City (Utah). From there the trail went around the southern end of the Great Salt Lake, by way of Fort Churchill and Carson City (Nevada), and Placerville to Sacramento (California).

The 22-day delivery time of the previous overland mail route was cut virtually in half by the Pony Express. Initially, its delivery schedule was set at 10 days for 8 months of the year and 12 days during the winter season. These times soon were lowered to 8 and 10 days respectively. An average speed of 10 miles, including stops, had to be maintained on the summer schedule. In the winter a speed of 8 miles an hour was sustained despite deep snows. The best record set by the Pony Express was in delivering a copy of President Lincoln's inaugural address across the country in March 1861. Lincoln's speech arrived in Sacramento, Calif., from St. Joseph, Mo.—a distance of 1,966 miles—in just 7 days and 17 hours.

Nonetheless, actual mail service via the Pony Express lasted a brief 19 months. Yet that period from April 3, 1860, when the first mail pouch and rider left St. Joseph, Mo. to October 24, 1861, when the Pony Express was officially ended, represents one of the most colorful episodes in American history. Certainly the deep impression the Pony Express made on the times belies its short duration. It marked the highest advancement in overland travel to its time and made clear that a central route across the continent would expedite the carrying of the mail to the west coast.

Over the years the progression of our postal service has been a vital force in the evolution of our country. This service followed the covered wagons with means of communication that maintained the early settlers' contacts with the families and friends they had left behind. It has been said that without this postal service, the development of the West may have been delayed for many years. The discovery of gold in California fueled the West's demand for rapid communication with the East, a demand that was intolerable of slow convoys or ships and that could not wait for railroad construction or the extension of the telegraph.

The Pony Express, however, proved the feasibility of a transcontinental railroad and paved the way for the first such rail to span the country 9 years later. The Pony Express demonstrated that such a line could be built and operated year round—a feat previously regarded as impossible. Not surprisingly, completion of the transcontinental telegraphic line long preceded the cross-country railroad. On October 24, 1861, it was the telegraph that escorted the Pony Express formally out of existence. On that date, the two telegraphic lines being built across the continent—one from Missouri and one from California—were joined. Messages could be sent from coast to coast and the need for the Pony Express no longer existed.

As the humming telegraph wires and roaring railroad took over its task, the Pony Express passed into legend. Nonetheless, it continues to be an exciting chapter in the Nation's history. The operation of the Pony Express was a supreme achievement of physical endurance on the part of men and their horses. Its history is truly a tribute to American courage and American organizing genius. The romance, courage, endurance, and individual exploits which the routine operations of the Pony Express involved, along with its relationship to issues of nationwide importance, make it well worth remembering. In view of its well-established historical and cultural values, Mr. President, I believe the Pony Express route merits study to determine the suitability and feasibility of its designation as a national historic trail and inclusion in the National Trails System.

Mr. President, I ask unanimous consent that the text of the bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1695

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Section 5 (c) of the National Trails System Act is amended be adding at the end thereof the following: "( ) Pony Express Trail, extending from St. Joseph, Missouri through Nebraska, Wyoming, Utah and Nevada to Sacramento, California.

By Mr. HOLLINGS:

S. 1697. A bill to amend the Military Selective Service Act to provide for the reinstitution of the registration and classification of persons under such act and to reinstate the authority of the President to induct persons involuntarily into the Armed Forces, and for other purposes; to the Committee on Armed Services.

REINSTITUTION OF THE DRAFT

Mr. HOLLINGS. Mr. President, I rise today to introduce legislation reinstituting the military draft. We need the draft for many reasons—most importantly, we need it in order to remain true to the ideals which built this country.

President Reagan and Defense Secretary Weinberger may cite the success of the All-Volunteer Force in reaching all of DOD's recruiting objectives. I do not for 1 minute think that the American public and our military leaders are fooled by such statistical gimmicks. We are in a recession, and our young people need jobs. It is that simple. There is over 20 percent unemployment of our young people—it is over 50 percent for young blacks—where else can these people turn? The AVF is the employer of last resort. If the economy improves—the military will no longer be able to compete with private industry and higher education for the young.

The AVF is a product of the Vietnam mindset. Early in the 1970's, with America's morale sapped by our involvement in Vietnam, everyone wanted the easy way for America to defend itself without personal sacrifice. So we instituted the Volunteer Army, and with that problem moved beyond arm's length, we put the whole defense problem beyond arm's length. That Volunteer Army which no longer touches every neighborhood is forgot-

ten in appropriations and removed from everyday life in America as far as most citizens are concerned.

That attitude must change. I continually warned my colleagues when the AVF was begun in 1973 that the proposed AVF would only institutionalize the inequities of the draft—inequities which could have been remedied with much less dislocation. Specifically, the poor, the black, and the disadvantaged who fought in Vietnam would constitute the bulk of the Volunteer Force. This is precisely what happened, and it goes on today. Many Members of the Senate will chastise me for these remarks. They will speak proudly of how well the AVF works, that it draws from all walks of life. They do not fool me with their comments. They should not fool themselves. The decision of 1973 insured that our Nation's defense burden would rest with the poor, the black, and the disadvantaged for years to come. And without a cross-section of representation, we have no cross-section of support. Rather than an equal call on all, we perpetuated the rich man's undemocratic lie: "We will pay for it."

The fact is we can never pay it. We can appropriate to cure the pay deficiencies, as we did with the large pay and benefits packages of recent years, but the fact is these were only halfway measures that did not address our long-term needs. On one end we have the equivalent of a military Job Corps—fertilely bred by a failed Reagan economic program. On the other end, we have commissioned officers who take home paychecks larger than those of a U.S. Senator.

There are those who point out that in times like today, with unemployment high and the economy sluggish, we will meet our manpower requirements. I say it is a sad commentary when we have to bank on a recession in the economy to man America's fighting forces. Even bigger problems are just around the corner, for all the demographic indicators warn that the pool of 17- to 21-year-old males—the largest grouping of potential recruits—is going to fall off sharply. The baby boom is history, and the prognosis is for a rapidly shrinking recruiting pot. In 1980, there were approximately 11 million males in the 17- to 21-year-old category. By 1990, this group is projected to total less than 9 million.

In 1980, the AVF was attempting to recruit one of five males 17 to 21 years old. By 1993, it is estimated that the AVF must get one of two in this age group due to the competition from an improved economy and when higher education is once again within the economic means of most young people.

Mr. President, how will we meet such demanding goals? One out of two. You and I both know that answer. It is money. We will once again be on the treadmill of escalating pay and benefits for our troops while diminishing arms for our troops and lessening our capability to defend ourselves.

The quality of recent volunteers in the Army is a matter of grave concern. Fewer Army recruits in recent years have demonstrated reading skills above the eighth grade level. And this is after we have required a larger number of high school graduates. This is especially disconcerting because the military's technical operations and complex equipment demand greater skill and judgment of our servicemen. If we fail to face up to the quality problem today, we will depend more and more on less educated soldiers to carry the weight of our conventional military force tomorrow.

The all-volunteer approach has been a failure. It has failed to provide the necessary number of combat troops. It has failed to provide a quality defense force. And we have failed as a people to fairly and equitably distribute the burden of our national defense. Our volunteer forces are sadly unrepresentative of the society they serve. Over one-quarter of all new recruits are black—double their proportion in the population. The number of other minorities, especially Hispanics, is growing. The minority soldiers are overrepresented in combat formations such as tank, artillery, and infantry outfits, raising the specter of disproportionate casualties among minorities in wartime. And, more than a racial problem, it is a class problem. For even the white recruits are drawn from the poorer and less educated segments of society.

The cross-section approach of an equitable draft solves this problem. The burden would be shared by all. Exemptions can and must be kept to a minimum. Just prior to the institution of the All-Volunteer Force, and in response to the inequitable deferment and exemption standards which had been in place, we tightened eligibility standards and greatly limited deferments and exemptions. Under the proposal I am introducing today, we would observe those necessary and tightened standards. Specifically, deferments and exemptions would be limited to: First, persons on active duty, in the Reserves, or in advanced ROTC study; second, surviving sons or brothers of those killed in war or missing in action; third, conscientious objectors and ministers; fourth, professions necessary to national health, like doctors; fifth, judges of courts of record and elected officials; and sixth, for students, short-term postponements of their military obligation. Those in high school could be deferred until they graduate, but in no case extending beyond age 20. And those in college could continue studying until the end of the semester or, if in their senior year, until the end of that school year. We all share the benefits of life in America; under my plan, we insure that we all help shoulder the burden of defending it.

The cost, the concept, the civil wrong of a volunteer army are bad enough, but more than anything, it has required a civilianization. That process can keep the army content and happy in peacetime, but in war it fairly well guarantees that the soldier will not fight. Anyone who has ever served in war realizes that the motivation to kill, to defend, to advance, to hold an untenable spot all springs from a unit loyalty—a loyalty developed from working together, playing together, training together, staying together and sacrificing together. It is an inner discipline; it is a developed pride for the organization that you are a part of. But to give the Volunteer Army appearances of success and harmony, civilianization has taken over. Soldiers stay off camp or fort with their wives, weekends are off with their families, promotions are made with little regard to merit, and the commander that breaks down his barracks and finds drugs can only turn in the drugs and not the man because civilian law has taken over and a warrant is required. Turning the Army into a microcosm of the office down the street does not suffice. The kind of camaraderie needed to weld an effective fighting force cannot flourish in an atmosphere where the military is a part-time chore. Defending America is not a 9 to 5 job.

In fairness to ourselves as a people, we need the draft—a universal draft, not the kind with all the exemptions that caused so much bitterness during Vietnam—a draft that would reflect the true character of America's greatness. We must provide for the reinstitution of registration and classification and for the reinstatement of the President's authority to induct individuals. We cannot respond to crises around the world unless our forces are significantly improved. The Joint Chiefs tell us so.

Conscience tells us that we need a cross-section of America in our Armed Forces. Defense is everybody's business. It is everybody's responsibility. Even if we had the money to make the All-Volunteer Army work, a professional army is un-American. It is an anathema to a democratic republic—a glaring civil wrong. Not until it makes an equal call on rich and poor alike, educated and uneducated, white and black, will it be a true reflection of us as a people. America benefits when serving alongside the high school dropout is the Harvard graduate who goes on to win the Navy Cross. A free society defended by the least free is a dangerous contradiction.

The great need of the hour is not so much planes and tanks, pilots and sol-

diers, and military power. The great need for America in foreign policy is willpower. We lack credibility. Even since Vietnam, we have receded and withdrawn, refusing to commit. The lesson should have been learned by now that a President's commitment counts for little unless it reflects the commitment of the people.

The direction of our foreign policy, the power of our newest weaponry, and the number of dollars in the defense budget are meaningless unless we, as a people, are committed to the task of protecting a nation and aiding our allies—allies who by and large do maintain systems of military conscription.

From all of these standpoints then, Mr. President, the lack of military cohesiveness, extravagant cost, and primarily the unequal sharing of equal responsibilities—America needs the draft.

We should listen to the words once again of John F. Kennedy—"Ask not what your country can do for you: Ask what you can do for your country." Mr. President, there is no painless way that we can provide for the defense of freedom.●

By Mr. WILSON (for himself and Mr. CRANSTON):

S. 1698. A bill to amend the Internal Revenue Code of 1954 to provide an alternative method of allocation of property taxes for cooperative housing corporations; to the Committee on Finance.

CO-OP PROPERTY TAX EQUITY ACT

Mr. WILSON. Mr. President, along with my colleague from California, Senator CRANSTON, I am today introducing the Co-op Property Tax Equity Act, S. 1698. This bill would provide for fair and equitable taxation of owners of co-op housing.

A co-op, technically a "cooperative housing corporation," is similar to a condominium arrangement, but each resident does not own his own unit. Instead, each resident owns shares of stock in a corporation that owns the building. The current law, section 216 of the Internal Revenue Code, allocates the property tax deductions in proportion to each resident's stockholding interest in the corporation.

Before the adoption in California of a limitation on property taxes—proposition 13—this method allocated to each resident the amount of property tax actually assessed and paid on his or her unit. Proposition 13, however, freezes property tax assessments until a unit is sold and then requires the new owner to pay the full amount of the increased assessment. As currently written, section 216 splits up the deduction, including the increased assessment, on an equal, per share basis, among all the residents, including those whose assessments have not changed. As a result, some of the residents get a greater tax deduction than they should—and others less than they deserve.

The legislation I am introducing today would revise section 216 so that if a State law requires that the real property tax be allocated other than on the basis of the shareholding interests of each resident of a co-op, each resident would be entitled to deduct exactly as much real estate tax as he or she actually pays.

Mr. President, the bill I am introducing does not place any drain on the Federal Treasury. The fiscal impact is zero. Under present law, some people are getting too great a deduction for Federal income tax purposes, while others are getting too small a deduction. This legislation would merely reallocate these deductions for property taxes, while the aggregate would remain the same.

Mr. President, my bill is straighforward, noncontroversial, and cost-free to the Federal Government, and I hope that the Finance Committee will soon give it consideration.

By Mr. DOLE (for himself, Mr. DOMENICI, Mr. DURENBERGER, Mr. D'AMATO, and Mr. JEPSEN):

S. 1699. A bill to amend title XVIII of the Social Security Act to provide medicare coverage to hepatitis B vaccine for end stage rental disease patients; to the Committee on Finance.

COVERAGE OF HEPATITIS B VACCINE

● Mr. DOLE. Mr. President, the bill we introduce today would permit medicare coverage of vaccinations for hepatitis B for end stage renal disease (ESRD) patients. These patients, the majority of whom rely on hemodialysis for their survival, are at high risk of contracting the hepatitis B virus because of the nature of the treatment for their condition. This virus is transmitted primarily by contact with infected blood and blood products. Consequently, the populations most at risk include patients who receive blood or blood products. Although many dialysis patients will not become seriously ill with hepatitis, a significant number of them become permanent carriers of the virus, exposing their therapists and fellow patients to infection. The cases of clinically significant hepatitis B infections which do occur in dialysis patients result in prolonged illness, expensive hospitalizations, and death.

INCIDENCE OF HEPATITIS B VIRUS

According to the centers for disease control (CDC), about 200,000 people are infected with the hepatitis B virus each year, resulting in over 10,000 hospitalizations and 250 deaths. Moreover, many of those infected become carriers of the disease and develop chronic active hepatitis. Information provided by the CDC indicates that about 4,000 people die each year from hepatitis B related cirrhosis and more than 800 die from hepatitis B related liver cancer.

CURRENT COVERAGE LIMITATIONS

At present, end stage renal disease patients, because of their high risk of exposure to the hepatitis B virus, are monitored through monthly blood tests to screen for the virus. These tests are covered and paid for under the medicare program. However, the vaccine used to immunize people against the virus is not covered.

The availability of a safe, efficacious hepatitis B vaccine means that not only can the costs of monthly monitoring and hospitalization be avoided, but more importantly, the incidence of morbidity and mortality for high risk patients can be reduced. The vaccine is administered in three doses over a period of 6 months and has been shown to be effective in producing immunity in about 90 percent of those tested to date. The effectiveness rate for ESRD patients may be lower, and may vary inversely with age, but will probably still be in the range of 75 to 80 percent. Researchers believe the vaccine provides protection for at least 3 years.

The vaccine would cost about $215 to administer to each patient. Therefore, the cost during the first year of vaccinating the existing population of dialysis patients covered by medicare would exceed the cost savings derived from foregoing frequent blood tests. The Congressional Budget Office estimates a first year net cost of $2.2 million. However, in subsequent years the cost of vaccinating those continuing in the program and the approximately 20,000 new end stage renal disease patients entering the program each year would be greatly outweighed by the savings resulting from the reduced need for monthly monitoring and for the treatment of those contracting the virus. CBO estimates savings in the second year of $1.5 million and net savings over 5 years of $7.2 million.

CONCLUSION

Mr. President, the hazard of hepatitis B virus is especially high for ESRD patients. Medicare coverage of a vaccine which provides for safe and effective immunization can have a significant impact on the quality of life and general health status of ESRD patients. If program costs can be reduced in the process, all the better.●

By Mrs. HAWKINS:

S. 1700. A bill to amend the Employee Retirement Income Security Act of 1974 and the Internal Revenue Code of 1954 to provide greater protection to spouses under private pension plans, and to amend such code to repeal the earned income limitation on the deduction for retirement savings, to establish displaced homemakers as a targeted group for the purposes of computing credit for employment of

certain new employees, and to provide a credit for household and dependent-care services for individuals performing substantial volunteer services; to the Committee on Finance.

ECONOMIC PARITY ACT

● Mrs. HAWKINS. Mr. President, sometimes I wonder how many women survive in this day and age. I wonder how they make ends meet, considering the grievous inequities in earning power, the puny size of their pensions, the dearth of day-care benefits, and the tragic deficiencies of current child-support laws. Sometimes I wonder that if women could earn at least as much as men, these inequities would not seem so drastic and truly life threatening. Since it is not really my job to wonder why but to do something about these inequities, today I am introducing legislation entitled the Economic Parity Act, identical to H.R. 3554 introduced by my distinguished colleague from Florida, Representative TOM LEWIS. This legislation seeks to correct many of the inequities in the pension laws affecting women, and most important, not just employed women, but divorced and widowed women as well.

Mr. President, no woman in this country should be penalized for choosing homemaking as a full-time career, interrupting an active career to raise children or combining an active career with childrearing. Because employed women tend to be young, work part time or part year, and interrupt their service for family obligations, most working women receive no pension coverage. My legislation attempts to remedy this grave situation by adressing the differing needs of employed women. For example, my legislation recognizes that women between the ages of 20 and 24 have the highest labor force participation and it amends ERISA to require employers to offer pension benefits at age 21 or after 1 year of employment, instead of age 25. In addition, the legislation would modify breaks-in-service rules to give up to 20 hours per week credit for up to 1 year of employer-approved maternity or paternity leave, if the employee returns to the job. This change is important because only 41 percent of women working full time were vested in their pension plans, as opposed to 51 percent of the men. The difference is clearly due, in part, to time off for childbearing.

The Women's Economic Parity Act (WEPA), also seeks to improve the pension laws affecting women who work within their homes. For many years, widows or divorced women have been unfairly treated by the pension and tax laws. Because they choose careers as homemakers, they are often dependent upon their spouse's pension plan. Yet, under current law, joint or survivor benefits can be terminated without notice or consent by the spouse. WEPA would correct this inequity by making joint and survivor benefits automatic unless both the plan participant and the spouse agree in writing to waive this section. It also corrects the problem of survivor benefits being withdrawn if the plan participant dies before retirement. WEPA provides that the survivor benefit be paid to the spouse even if the plan participant dies before retirement, as long as he or she was vested.

A very important provision of this legislation would clarify the extent to which State courts can consider pension benefits in divorce, child support, and other domestic-relations cases. This is consistent with recent congressional action to amend the Social Security Act to provide pension benefits to divorced wives married 10 years. It is also consistent with passage of the Foreign Service Act of 1980, which made military and foreign-service pension benefits subject to alienation by the courts in domestic-relations cases. I feel that this provision recognizes marriage as the economic partnership which it indeed is.

Displaced homemakers who have spent years creating a home and binding together a family and who have subsequently lost their jobs through divorce, separation, or death often lack marketable skills and need special assistance to reenter the labor force. WEPA would assist in the reentry of this special group by amending the targeted jobs tax credit to include displaced homemakers. Employers would receive a tax credit when hiring this targeted group.

A homemaker is crucial to the survival of the family; her work is all the more priceless because no one can put a value on it. It is high time we attempted to correct certain inequities created by this situation.

Another important provision in the Women's Economic Parity Act would amend the individual retirement accounts. IRA's are a new and innovative way to encourage people to save for their retirement. An important segment of the population is being ignored, however. Since alimony and spouse support is not considered earned income, separated or divorced women whose sole source of income may be alimony or spouse support are prevented from taking advantage of this method of retirement savings. Since elderly women are the fastest growing poverty group in America—in fact, 81 percent of women over age 65 not living with relatives are below the poverty line—the small reduction in revenues caused by this provision is well justified.

Mr. President, there is a saying; "Women are not a minority; they're just treated like one." Well, women are a majority—no minority, and certainly not women, should be subject to economic indignities that threaten their self-esteem, their well-being, and the health and safety of their families. I feel that these reforms in pension and tax laws are long overdue, and I urge my Senate colleagues to join me in supporting this bill.●

By Mr. McCLURE (for himself, Mr. JACKSON, Mr. BAUCUS, Mr. GORTON, and Mr. SYMMS):

S. 1701. A bill to impose specific directives on the Bonneville Power Administration; to the Committee on Energy and Natural Resources.

DIRECTIVES TO THE BONNEVILLE POWER ADMINISTRATION

Mr. McCLURE. Mr. President, today I am introducing for myself and others a bill to impose specific directives on the Bonneville Power Administration. The text of this bill is identical to Section 317 of H.R. 3363, the Department of the Interior and related agencies appropriation bill for 1984 which is currently awaiting action by the Senate. The report accompanying H.R. 3363 (S. Rept. 98-184) contains language approved by the Senate Appropriations Committee which provides in addition to the language of the bill, the limitation and directives intended to be imposed upon the Bonneville Power Administration (BPA). This language is intended to be applicable to this bill, as well, and is, therefore, included at this point in its entirety:

SEC. 317. The Committee, through section 317 of the bill and the provisions contained in this report, imposes specific directives on the Bonneville Power Administration (BPA), a Federal power marketing agency. BPA does not receive appropriations because it is a wholly self-financed entity under the provision of the Federal Columbia River Transmission System Act of 1974 (Transmission Act), 16 U.S.C. 838-838K. BPA's costs are, therefore, borne by its customers, not by the U.S. Treasury or the U.S. taxpayer. However, under section 11(b) of the Transmission Act, BPA expenditures are subject to "specific directives and limitations * * * included in appropriations act." 16 U.S.C. 838i(b). This provision is a specific directive and limitation of this type.

Federal power marketing agencies have authority under the Flood Control Act of 1944 to acquire resources by net billings. The Public Works Appropriations Act of 1971 specifically affirmed BPA's authority to acquire the plant capability of WPPSS 1, 2, and 70 percent of 3. This acquisition was affirmed in the Transmission Act of 1974 which authorized BPA to expend funds for the "purchase of electric power, (including the entitlement of plant capability) * * * if such purchase has been heretofore authorized." These resources were defined as "Federal base system resources," for example, "resources acquired by the Administrator under long-term contracts in force on" December 5, 1980, the effective date of the Pacific Northwest Electric Power Planning and Conservation Act, (Regional Act), 16 U.S.C. 839a(10)(B). As Federal base system resources, these facilities play a critical role in carrying out the purposes of the Regional Act. Under section 2(f) of the Bonneville Project Act and section 9(a) of the Regional

Act the Administrator is authorized to "enter into contracts" or to "make expenditures, upon such terms and conditions and in such manner as he may deem necessary," 16 U.S.C. 832a(f); 16 U.S.C. 839f(a). These statutory authorities give BPA a variety of alternative means by which it can fulfill its obligations under the existing net-billing agreements and protect the Federal interest in the three net-billed WPPSS projects.

The Washington Public Power Supply System (WPPSS), a municipal corporation, is currently facing difficulties because of its apparent inability to pay when due financial obligations it incurred in constructing two power projects (WPPSS 4 and 5) which are now terminated and in which there is no Federal investment. These difficulties have affected WPPSS' ability to finance WPPSS 1, 2, and 70 percent of 3, which have not been terminated, but are in various stages of construction. The remaining 30 percent of WPPSS 3 is owned by four investor-owned utilities which have separately financed their interest in WPPSS 3. To date, WPPSS has financed the construction of WPPSS 1, 2, and 70 percent of 3 through conventional bond issues secured by BPA's revenues under net-billing agreements. Although additional construction funding for WPPSS 1 is not presently needed as construction on that project has been extended indefinitely, such funding is required for WPPSS 2 and 70 percent of 3, which are approximately 98 and 78 percent complete, respectively.

WPPSS does not believe that it can raise the funds required to complete WPPSS 2 and 3 through conventional bond issues. The Committee recognizes that BPA will directly fund some or all of the costs of completing WPPSS 2 or 3 from current revenues under its existing authorities. It is not anticipated that the use of payments from rates for costs of construction of WPPSS 3 would increase substantially from those budgeted for the preservation costs of that plant by the Administrator in the BPA's June 22, 1983 supplement budget submitted to the Committee.

This provision directs an additional method for construction financing for either WPPSS 2 or 3 through the formation of a new entity, established pursuant to State law, that would issue bonds, notes or other evidences of indebtedness, the proceeds of which would be used to continue construction of these projects. The security on which lenders would rely for repayment of funds provided to the new entity would be a contract between the new entity and BPA. This contract would commit BPA to pay the principal, interest, and related costs on the new borrowings directly to the new entity, its obligees or their trustees.

This arrangement has several benefits. First, an entirely new entity, rather than WPPSS, could be the issuer of the financing instruments. Second, the construction funds raised by the new entity could be paid by the entity under appropriate contractual arrangements, precluding any attempt by WPPSS' creditors to levy on or attach such funds. Such arrangements may be made between the entity and the suppliers, contractors, laborers, and others on these projects or between the entity and WPPSS. These arrangements must assure that such funds are used for project construction and related costs. Third, direct payment would eliminate lenders' concerns over the authority of third parties to make payments (for example, the participants under the net-billing agreements).

The Committee intends that this provision would not disturb or supplant the Administrator's authorities, rights or obligations under the existing net-billing agreements, other contractual arrangements or provision of law, related to these three projects. Instead this provision represents an additional method available to the Administrator to provide the security necessary to meet BPA's existing obligations with respect to WPPSS 1, 2, and 3.

Utilizing the arrangements contemplated by this provision, construction financing should be available on reasonable terms to enable continuation of construction, particularly on WPPSS 3, which otherwise would be subject to a construction delay occasioned by WPPSS' financing difficulties. The Committee believes that the clarification of the authority of the BPA to enter into such arrangements will provide it with additional flexibility to address the problems facing the region. However, this directive should not be interpreted to be the only clarification of authority or remedy needed to protect the Federal investment in the Federal base system resources. The committee is also concerned that this directive might create a climate in the region which might precipitate unwise decisions. Accordingly, as a condition precedent to the BPA entering into any arrangements or agreements to provide security for financing completion of the projects pursuant to his provision, an agreement must be reached among BPA and the project owners of WPPSS 3, providing for the schedule upon which WPPSS 3 will be constructed. In negotiating the agreement the BPA shall consider among other relevent factors the need for and marketability of the power. If such a schedule is agreed upon, only the may the BPA exercise such authority.

Further, the Committee intends the BPA to exercise its authority directed by this amendment in a prudent and business-like manner. BPA shall not enter into any contractual arrangements pursuant to this provision without due consideration of the effects on the ratepayers of the region, including consideration of the effects of the duration of indebtedness, the interest rate, and the terms upon which such financial agreements are likely to be refinanced if necessary.

The BPA should also take into consideration the following factors prior to making any contractual arrangements pursuant to this provision: *(a)* the Committee's concern over the effect of the arrangement on the ratepayers of the region as compared to other viable alternatives for the acquisition of power from generating resources; *(b)* the committee's expectation that the BPA will not enter into arrangements which will result in financial obligations unreasonably in excess of those which would have otherwise accurred assuming financing by WPPSS: and *(c)* the Committee's recognition that this provision does not create any authority for BPA to incur liability with respect to WPPSS 4 and 5 and the investor owned utilities' shares of WPPSS 3.

In addition to this financing arrangement the Committee envisions that BPA would pay directly to WPPSS for BPA's share of the projects capability in the event that any of the existing net-billing agreements are determined to be invalid or unenforceable and BPA elects to affirm its right to the capability in the projects by contracting directly with WPPSS.

In order to keep the Committee fully informed of BPA's activities in this regard, new contractual agreements between BPA and the new entity or entities described in the provision shall be furnished to the Senate and House Appropriations Committees in the form in which they are to be executed at least 30 days prior to their execution. In addition, BPA shall reflect the cost impacts of any undertaking which it proposes to enter into pursuant to the provision in any annual, amended or supplemental budget which it is required to submit to Congress.

The Committee adopted this provision upon receipt of requests or expressions of support for action by the Bonneville Power Administration, the Governor of the State of Washington, WPPSS, investor-owned utilities which own shares of WPPSS 3, and other interested parties.

I would like to briefly summarize at this point the combined effect of the proposed statutory language and the accompanying report language. I will also clarify for the record some important points which are not authorized by this bill. First, the statutory language clarifies BPA's authority to enter into alternative financing agreements for construction of WPPSS No. 2 and No. 3. The financing alternative would utilize an appropriate entity or entities established pursuant to State law. Financing could be from bonds, notes, or other evidences of indebtedness. Second, the report language provides the directives and limitations under which BPA may use the authority which include:

First, a condition precedent that a schedule for the construction of WPPSS No. 3 be agreed upon.

Second, a directive that the authority be used in a prudent and business-like manner.

Third, a requirement that effects of the terms of the financing on the ratepayers be considered.

Fourth, a prohibition on BPA incurring a liability for WPPSS No. 4 and No. 5 or the private ownership in WPPSS No. 3.

Fifth, a requirement to consider the new financing in relationship to the cost of other viable alternatives for generating resources and the cost of traditional financing through WPPSS.

Sixth, a requirement that the Appropriations Committees of the Senate and House receive all contracts proposed to be entered into 30 days prior to their execution. In addition all costs associated with the agreements will be reflected in BPA's budget submissions to Congress.

Third, this proposal does not authorize:

First, BPA to seek appropriated funds.

Second, BPA to borrow funds from the Federal Treasury or any other source.

Third, extending the full faith and credit of the United States to financing agreements entered into by BPA.

Fourth, BPA itself to establish the new entity or entities referred to in section 317 of H.R. 3363 and this bill. Such entity or entities must be estab-

lished by a non-Federal party pursuant to State law.

I would like to add at this point that introduction of this bill does not in any way prejudice or compromise the sponsors' belief that the inclusion of identical language in H.R. 3363 is appropriate under the rules and practice of the Senate and the express terms of section 11(b) of the Federal Columbia River Transmission Act which states that BPA expenditures are subject to "specific directives and limitations * * * included in appropriations acts." 16 U.S.C. 838i(b). It is the sponsors' intent that this bill be utilized to provide an opportunity for the Senate Committee on Energy and Natural Resources to hold a hearing on the proposal contained in the appropriations measure. To that end, in a separate official notice, it will be announced that the Energy and Natural Resources Committee will hold public hearings on this bill on Wednesday, August 3, 1983 beginning at 2 p.m. in room SD-366, subject of course to the proviso that permission for the committee to sit is granted by the Senate.

(Personal views of Senator McCLURE on need will follow.)

During the past few weeks, the newspapers have been filled with information—and misinformation—about the WPPSS situation, and about the effort mounted by myself and other Northwest Senators to provide a workable means of maintaining the construction schedules of those plants (WPPSS No. 2 and No. 3) in which there is a Federal interest by virtue of net-billing agreement which BPA has with the project participants.

It is important to differentiate the interest in these plants from the other WPPSS projects (No. 4 and No. 5) in which there is no direct Federal interest. I say direct because we all must be concerned about the effect of the recently announced default by WPPSS in its ability to make payments on bonds issued for WPPSS No. 4 and No. 5. That situation is of great concern not only within the region for public entities seeking to finance capital expenditures, but for similar entities throughout the Nation. The effect the default has and will have on private investors, many of whom are private individuals, is cause for alarm among us all.

However, as I said, this legislation does not attempt to solve that problem. It relates only to WPPSS No. 1, No. 2, and No. 3 in which the region has an interest in maintaining viable sources of power. WPPSS No. 1 is currently in a preservation state. It is not anticipated to be needed until 1991. WPPSS No. 2 is currently 98 percent complete and is scheduled to be operational in early 1984 and will begin generating not only power but revenues in that time frame. WPPSS No. 3 is 78 percent complete and was scheduled to be completed in early 1986. However, the inability of WPPSS to obtain conventional financing due to the spillover effect of its problems with units No. 4 and No. 5 has necessitated a ramp-down of activity for unit No. 3 eventually placing it in a preservation mode.

The forced decision to preserve unit No. 3 has immediate adverse consequences. Perhaps foremost is the loss of some 3,000 jobs in the State of Washington which, like other States in the Northwest, can ill afford more unemployment. Second, if no foreseeable alternative for further financing of WPPSS No. 3 becomes available in the near term, experienced personnel needed to complete the plant may be lost forever. Third, if the bondholders of the net-billed plants do not have some reasonable assurance in the near future that their interests are protected through eventual completion of the projects, the legal and investment climate may become one in which financing is even more difficult, expensive, or impossible.

The ratepayers of the region must also be concerned about not completing WPPSS No. 1, No. 2 and No. 3 as expeditiously as possible and at the least possible cost. As a recent favorable editorial in the Oregonian pointed out:

> Regardless of one's position on nuclear energy or the events that led this region down this path, it should be clear to ratepayers that two revenue-producing nuclear plants are better than one, and three would be better than two. Conversely, dry holes, such as the terminated plants 4 and 5, produce no revenue toward retiring the debt.

Parenthetically, I would note that while I appreciate the Oregonian editorial, it was erroneous in characterizing the plan as similar to loan guarantees to Chrysler Corp. although that plan seems to be paying off.

Lastly, the 20 year power plan adopted by the Northwest Planning Council clearly shows a need for all three of the net-billed plants within a decade. Current surplus will not last forever. Opportunities for the sale of any surplus which may exist are being aggressively pursued. The lead time involved in powerplant construction is very lengthy. Unless a method to finance that construction is provided now, ratepayers may end up with the worst of all results—3 dry holes, a multibillion dollar debt which they must pay, and a shortage of power.

Mr. GORTON. Mr. President, I am pleased to join my colleagues, Senators McCLURE and JACKSON, as a cosponsor of this legislation to impose specific directives on the Bonneville Power Administration. I would also like to associate myself with the comments of the distinguished chairman of the Energy and Natural Resources Committee regarding the need for this legislation.

The language in this bill is identical to a provision in H.R. 3363, the Department of the Interior and Related Agencies Appropriations Bill for 1984, which has been reported out of the full Senate Appropriations Committee and is currently pending before the Senate.

I commend the efforts of Senators McCLURE and JACKSON for introducing this proposal as a separate bill so that the Energy and Natural Resources Committee can hold a hearing on the proposal in the near future.

By Mr. DOLE.

S. 1702. A bill to amend the Hostage Relief Act of 1980 to give the provisions of such act permanent effect, and for other purposes; to the Committee on Finance.

HOSTAGE RELIEF ACT AMENDMENTS OF 1983

● Mr. DOLE. Mr. President, today the Senator from Kansas is pleased to introduce the administration's proposed Hostage Relief Act of 1983. This act would make permanent many of the provisions of the Hostage Relief Act of 1980.

BACKGROUND OF THE ACT

The Hostage Relief Act of 1980 was a temporary measure designed to provide immediate financial relief to the families of the individuals then held hostage in Iran. The act as passed was deliberately made temporary with the suggestion that a committee be appointed to study and make recommendations on appropriate permanent legislation to provide relief for U.S. hostages and their families. Accordingly, the President's Commission on Hostage Compensation was created by Executive order on January 19, 1981.

The Commission was asked to make recommendations to the President as to whether the United States should provide financial compensation to U.S. nationals held hostage in Iran on and after November 4, 1979. The Commission was also asked to make recommendations concerning payment of compensation to all U.S. nationals held in captivity outside the United States.

In carrying out this mandate, the Commission considered current statutory remedies that provide monetary benefits to U.S. nationals in a hostage situation, and Federal employment compensation presently available to the hostages and their families.

One of the recommendations of the Commission was that the Hostage Relief Act of 1980 be made permanent and that it be amended to apply to future hostage situations. The hostage Relief Act of 1983 incorporates many of the recommendations of the Commission's report, as well as the results of analyses by the Departments of State and Defense, and by the Office of Management and Budget.

PROVISIONS OF THE ACT

The Hostage Relief Act of 1983 would authorize—but not require—payments of medical expenses and limited VA-type educational expenses for American hostages and their families. The medical and educational expenses are authorized only to the extent that the agency employing the hostage does not currently pay such expenses. The bill would also allow the filing of a joint income tax return by a hostage's spouse, and the postponement of certain tax deadlines and civil actions. A special savings fund for the deposit of the portion of a hostage's pay not needed by dependents would be required. These provisions would generally be applicable only to Federal civilian and military personnel, although the deferral of tax deadlines and stay of civil actions would apply to any individual taken hostage in an action directed against the United States.

The bill also authorizes payment of a detention benefit of $10.50 per day to the hostages detained during the Iranian crisis. This amount was based in part on the recommendation of the President's Commission on Hostage Compensation with assistance from the State Department, Defense Department, and OMB. This bill would allow the President to authorize special detention benefits for future hostages.

The agencies that employ the hostages will pay the cost of the benefits, including the detention benefit, out of their operating funds.

RISKS TO U.S. CITIZENS SERVING ABROAD

Mr. President, the suffering of the hostages in Iran and their families served to highlight for us the risks and sacrifices of those military and civilian employees who serve this country abroad. Fortunately a hostage situation like the one involving Iran is an unusual one. However, we are all too aware of the growth of terrorist activities throughout the world in recent years, of which the recent bombing attack on the U.S. Embassy in Beirut is an example.

The Hostage Relief Act of 1983 is designed to provide, in the event of a future hostage taking, the special benefits that are needed by hostages and their families but not generally part of a U.S. Government employee's compensation package. It is hoped that, through this act, the agencies employing citizens who serve abroad will be better able to serve those employees who, in turn, have provided an incomparable service to this Nation and its citizens.

I ask unanimous consent that the text of this act and a general and technical explanation be printed immediately following this statement.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1702

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Hostage Relief Act Amendments of 1983".

SEC. 2. Section 101 of the Hostage Relief Act of 1980 (94 Stat. 1967; 5 U.S.C. 5561 note) (hereinafter referred to as the "Act") is amended—

(1) by striking out "title" and inserting in lieu thereof "Act",

(2) by amending paragraph (2) to read as follows:

"(2) The term 'hostage period' means the period beginning and ending on a date determined by the Secretary of State and published in the Federal Register.", and

(3) by inserting "activities of" after "against" in subparagraph (A) of paragraph (4).

SEC. 3. Subsection (a) of section 102 of the Act is amended by inserting ", who remains in a captive status for 30 days or more," after "American hostage" the first time it appears.

SEC. 4. Section 103 of the Act is amended—

(1) by striking out "and" at the end of paragraph (1),

(2) by striking out the period at the end of paragraph (2) and inserting in lieu thereof "; and", and

(3) by adding after paragraph (2) the following new paragraph:

"(3) is not covered by other Government medical or health programs.".

Sec. 5. Section 104 of the Act is amended—

(1) by striking out "shall" in paragraph (1) of subsection (a) and inserting in lieu thereof "may",

(2) by amending paragraph (2) of subsection (a) to read as follows:

"(2) Payments may be made under this subsection for education or training of a spouse or child of an individual who is an American hostage or whose death is incident to being an American hostage, on the same basis as educational assistance benefits provided individuals made eligible under subparagraph (A) (i), (A) (iii), (B), or (C) of section 1701 (a) (1) of title 38, United States Code, except that in order to respond to special circumstances, the President may specify a date for purposes of cessation of assistance under this paragraph which is later than the date which would otherwise apply.",

(3) by striking out paragraph (3) of subsection (a) and redesignating paragraph (4) as paragraph (3) of subsection (a),

(4) by inserting in paragraph (3) of subsection (a) (as redesignated by paragraph (3)) ", or similar assistance under any other law" immediately before the period, and

(5) by inserting ", to the extent that such payments are not authorized by any other law" immediately before the period in paragraph (1) of subsection (b).

SEC. 6. Section 105 of the Act is amended—

(1) by striking out "an American hostage" in subsection (a) and inserting in lieu thereof "an individual who is placed in a captive status during a hostage period", and

(2) by striking out "American hostage" each time it appears in subsections (b) and (c) and inserting in lieu thereof "individual".

SEC. 7. Section 106 of the Act is repealed and section 107 is redesignated as section 106.

SEC. 8. Sections 201, 202, and 206 of the Act are repealed and sections 203, 204, and 205 are redesignated as sections 201, 202, and 203, respectively.

SEC. 9. Section 203 of the Act (as redesignated by section 8) is amended to read as follows:

"SEC. 203. HOSPITALIZED AS A RESULT OF CAPTIVE STATUS.

(a) IN GENERAL.—For purposes of this title, an individual shall be treated as hospitalized as a result of captive status if such individual is hospitalized as a result of injury or disease or physical or mental disability incurred or aggravated while such individual was in captive status.

(b) 2-YEAR LIMIT.—Hospitalization shall be taken into account for purposes of subsection (a) only if it is hospitalization—

(1) occurring on or before the day which is 2 years after the date on which the individual's captive status ends (or, if earlier, the date on which the hostage period ends), or

(2) which is part of a continuous period of hospitalization which began on or before the day determined under paragraph (1).".

SEC. 10. The Act is amended by striking out title III and inserting in lieu thereof the following new title:

"TITLE III—ADDITIONAL HOSTAGE BENEFITS "PRESIDENTIAL DISCRETION

"SEC. 301. (a) For any captive status occurring on or after November 4, 1979, the President may provide a payment to any American hostage or to the surviving spouse or dependent of any American hostage who dies in captive status. Such payment shall be in addition to any other benefit provided by law.

"(b) The President, in determining whether to make such a payment and its amount, may take into account unusually harsh treatment received by such hostage. The President shall prescribe regulations for the implementation of this section.".

SEC. 11. Any determination, authorization, regulation, order, agreement, or other action made, issued, undertaken, entered into, or taken under the authority of any provision of the Hostage Relief Act of 1980 repealed by this Act shall continue in full force and effect until modified, revoked, or superseded by appropriate authority. Any claim or appeal which was filed or made or is hereafter filed or made in timely fashion by an individual heretofore eligible to file or make such claim under any such provision shall continue to be governed by the repealed provision.

HOSTAGE RELIEF ACT OF 1983—GENERAL EXPLANATION

Prior Law: The Hostage Relief Act of 1980 (the "1980 Act") authorized the appropriate agencies (the Departments of State and Defense) to provide medical care and educational expenses for individuals held hostage in Iran and their families. In addition, the 1980 Act postponed certain tax filing deadlines for such individuals. The 1980 Act expired on January 1, 1983.

Proposal: A number of provisions of the Hostage Relief Act of 1980 would be made permanent.

Specificially, the bill would authorize the following measures for government civilian or military personnel and members of their families in the event of a future hostage-taking abroad in an action against the activities of the U.S. Government:

Deposit of a portion of the hostage's pay and allowances not needed by dependents in a special savings fund;

Payment of medical expenses not otherwise covered by the hostage's employing

agency to the hostage or his family as authorized by the agency;

VA-type education benefits for the education or training of a spouse or child of a hostage who had died or is missing in action;

Postponement of certain tax filing deadlines for a limited period, and the filing of a joint income tax return by a spouse of a hostage during the hostage's captivity;

Authorization of special detention benefits to future hostages in accordance with the regulations that may be issued by the President.

The agencies employing the hostages will pay the cost of the medical and educational benefits out of their operating funds. These benefits will be paid only to the extent that they are not authorized by the hostages' employing agency's ordinary educational and medical plans.

The bill also authorizes the payment of a detention benefit of $10.50 per day to hostages detained during the Iranian crisis. This amount was based in part on the report of the Presidential Commission on Hostage Compensation of September 21, 1981 and on the analysis of interested parties, particularly the State Department, Defense Department and Office of Management and Budget. The detention benefit will be paid by the affected agencies out of their operating funds.

The bill also extends the provisions of the Soldiers' and Sailors' Civil Relief Act to any individual (even if he or she is not a civilian or military employee of the U.S. Government) taken hostage abroad during an action directed against the United States. These provisions allow deferral of certain tax deadlines and permit a court to stay enumerated civil actions when an individual is prevented from performing due to captive status.

Revenue Effect: The revenue estimate for the Hostage Relief Act of 1980, which covered 73 hostages, was approximately $2 million, and a portion of that estimate represented decreased revenues under a section of the 1980 Act that will not be made permanent. Although the Joint Committee on Taxation has not made an estimate of the number of persons who will be taken hostage in the future and whether such persons will use any relief offered by the proposed legislation, it estimates that the revenue effect will not be significant.

HOSTAGE RELIEF ACT OF 1983: TECHNICAL EXPLANATION

A. PURPOSE

The Hostage Relief Act of 1983 (the "Act") makes permanent the Hostage Relief Act of 1980, by eliminating its January 1, 1983 termination date. The Secretary of State is authorized to define "hostage periods" by publishing the beginning and termination dates of such periods in the Federal Register. It is not intended that a period prior to November 4, 1979 shall be declared a "hostage period".

B. INDIVIDUALS COVERED

Except as noted in Section C(4) below, the benefits under the Act are available only to "American hostages". An "American hostage" is a Federal military or civilian employee or a citizen or permanent resident alien rendering personal services to the United States abroad similar to those performed by a civil officer or employee of the United States, as determined by the Secretary of State, who is placed in "captive status" during the "hostage period". Contractors, generally, as well as employees of contractors, will not be American hostages.

"Captive status" is defined as missing status arising because of a hostile action abroad directed against the activities of the United States.

C. BENEFITS PROVIDED

1. Savings Fund: The Act makes permanent the requirement that a special interest-bearing savings fund be established to allow allotments of a portion of the hostage's pay and allowances not necessary for the dependents' immediate support.

2. Medical Benefits: The 1980 Act is made permanent and amended to make it clear that medical payments authorized under the Act supplement rather than duplicate existing government medical health benefits.

Since the Act is permanent, payments authorized by the appropriate agency may continue to the Iranian hostages and their families after the 1983 termination date, until the end of the "hostage period."

3. Educational Benefits: The educational benefit provisions of the 1980 Act are amended to authorize, rather than require, payment of such benefits to the hostages and their families. Like the medical benefit provisions, the educational benefit provisions are amended to make clear that educational benefits supplement, not duplicate, other government educational programs.

The educational benefits that may be authorized under the Act are:

Payments for education or training of a spouse or child of an American hostage, or for a spouse or child of an American hostage whose death is incident to being a hostage. Payments to dependents of hostages in captivity are made only during the hostage period. Generally any educational assistance will not extend for a period greater than 45 months. In special circumstances the President may order an extension of the time for the payments.

In special circumstances the head of an agency may authorize payments for education and training of an American hostage after his captive status terminates and generally on or before the end of any semester or quarter beginning before the date which is 10 years after the hostage ceases to be in captive status.

4. Limitation on Civil Actions: The 1980 Act is amended to allow all individuals (as well as American hostages) the relief allowed under the Soldiers' and Sailors' Civil Relief Act of 1940, which permits a court to stay certain civil actions until the individual is in a position to respond.

5. Certain Tax Provisions Allowed for Iranian Hostages: Provisions in the 1980 Act allowing certain exemptions of pay and allowances from Federal income taxes for Iranian hostages are not allowed in the permanent 1983 Act.

6. Joint Returns: The 1983 Act makes permanent the rule that the spouse of an American hostage otherwise entitled to file a joint return may file such return for any taxable year beginning on or before the day which is 2 years after the hostage period ends.

7. Federal Tax Deferred: The Act makes permanent the rule exempting from certain tax filing deadlines American hostages in captive status or hospitalized outside of the United States due to the hostage-taking.

D. SPECIAL PAYMENTS

The Act authorizes a payment to Federal civilian and military personnel who were taken hostage during the Iranian hostage period or who may be taken hostage in the future. The president would invoke this authority when, in his judgment, the circumstances were appropriate, taking into account the treatment of the hostages. The amount and method of payment would be prescribed by regulation. It should be noted that for the Iranian hostages, the payment level has been set after taking into account the recommendation of the Presidential Commission on Hostage Compensation, and the input of the affected agencies, and the payments will be subject to taxation. Agencies will absorb the costs of these payments through current appropriation funding.

E. SAVINGS PROVISION

A new title is added to the Act, which makes clear that the provisions of the Hostage Relief Act of 1980 being repealed by this Act remain valid for individuals now covered by those provisions—the Iranian and other eligible former hostages and their families. Such former hostages with valid claims that are timely under the 1980 Act may continue to be granted benefits under the provisions proposed for repeal.●

By Mr. JEPSEN:

S. 1703. A bill to require the Commodity Credit Corporation to accept under certain conditions during fiscal years 1984 and 1985 offers to exchange needed strategic and critical materials for surplus dairy stocks; to the Committee on Agriculture, Nutrition, and Forestry.

SURPLUS DAIRY STOCKS

Mr. JEPSEN. Mr. President, today I am introducing legislation which, if enacted, would relieve us of a small part of our embarrassment of agricultural riches in exchange for critical and strategic minerals required for our national defense.

The bill would require the Department of Agriculture to barter surplus dairy products for minerals designated for priority acquisition for the strategic stockpile.

The heart of this bill is a requirement that the Department of Agriculture dispose of 15 percent of its surplus dairy products in each of the next 2 years by the sort of barter arrangement described above.

Here are some basic facts about the national defense stockpile:

Stockpile goals are set for a total of 61 family groups and individual materials at levels that will sustain the United States for 3 years in the event of a national emergency. The type of materials involved include bauxite, nickel, fluorspar, cobalt, quinidine, columbium, and many others.

Due to lack of funding, the stockpile is estimated to be $10.3 billion short of materials, many of which are only available from foreign sources. For example during 1978–82 our import dependency averaged 94 percent for bauxite; 73 percent for nickel; 85 percent for fluorspar; and 100 percent for columbium, quinidine, and rubber—these dependency figures are based on commercial as well as stockpile acquisitions.

With annual appropriations of around $120 million—the total for the current fiscal year—it will take close to a century to meet those goals.

In these times of tight budgets, simply trying to increase appropriations for the stockpile is not a viable option.

However, while the Government has this critical shortage in one area, there is a sizable surplus in another—namely, agricultural products, especially dairy products.

Currently, the dairy stocks owned by the Commodity Credit Corporation (CCC) are valued at over $3.25 billion. These stocks include over 476 million pounds of butter, 891 million pounds of cheese, and 1.33 billion pounds of nonfat dry milk.

Even with the movement of some of this dairy surplus through domestic and international donation programs, procurement and storage costs for the uncommitted dairy stocks continue to mount. Over the past year—July 16, 1982 to July 15, 1983—the butter stocks increased by 33 million pounds or 7.4 percent, the cheese stocks increased 107 million pounds or 13.6 percent, and the nonfat dry milk stocks increased 202 million pounds or 17.9 percent.

It seems to me and some of my colleagues that swapping some of our surplus dairy products for the strategic and critical materials that our country needs makes good sense.

We have been encouraging the administration to use the barter authority that exists and have introduced some measures that would strengthen or open up new methods of reaching a better balance in these two areas.

According to the U.S. Department of Agriculture (USDA), the barter authority included in the CCC Charter Act facilitated the barter of some 60 materials from 50 countries over the period of July 1, 1949 and June 30, 1973.

In 1973 the program was suspended for a number of reasons including changes in the strategic stockpile goals and an inability to match suppliers of strategic materials with those which needed grains. Generally, it was felt that barter was not a cost-effective way to expand U.S. agricultural exports.

I would like to remind you that during the 1970's our agricultural exports expanded at an unprecedented rate—total sales in fiscal year 1972 were $8.2 billion and by fiscal year 1982 the figure was $43.8 billion; that is 5-fold increase.

However, the world economic situation has taken its toll on our exports. This year USDA is projecting a second consecutive year of decline in total exports to perhaps $34.5 billion. Prior to 1982 our agricultural exports had increased every year since 1969.

Many of our current and potential customers for agricultural commodities, especially in developing countries, are facing serious debt problems. This has resulted in the inability of these nations to obtain the credit necessary to finance purchases from the United States. Consequently, these nations are either tightening already snug belts or they are benefiting from some enticing credit available from competing agricultural exporting nations.

Many of the countries that would like to buy farm products from us do have natural resources which are on our stockpile list.

Clearly, there appear to be the proper international market conditions for a return to barter transactions.

Under the current administration two separate barter arrangements have been worked out—both have been with Jamaica and both involve the exchange of Jamaican bauxite for U.S. dairy products.

The first agreement, signed in February 1982, encompasses 400,000 tons of bauxite for 9,115 metric tons of nonfat dry milk and butteroil. The General Services Administration will reimburse the CCC for the bauxite by the end of fiscal year 1984.

At this date the second agreement is being negotiated and the details have not been finalized by the two governments.

This bill does not place the burden of these transactions on the shoulders of the Government, but rather in the hands of private traders who are better equipped for trading.

The pricing structure requires that the dairy products be valued at not less than the current world price and the strategic materials at not more than the world price. This provides the margin necessary to interest private traders and to assure a reasonable return to them.

I believe this legislaton, similar to that introduced in the House by my colleague Representative COOPER EVANS, contains all the elements required to bring about the reduction of our dairy surpluses while enhancing our national security. I hope these two goals can be achieved.

I ask unanimous consent that a copy of my bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1703

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) notwithstanding any other provision of law, during fiscal years 1984 and 1985, the Commodity Credit Corporation shall accept offers from individuals or commercial firms to exchange strategic and critical materials needed to meet unmet national goals established under the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98 et seq.) for surplus dairy stocks owned by the Corporation if—

(1) such stocks will be exported;

(2) the value assigned to such stocks at the time of delivery is less than the world price at such time;

(3) the value assigned to such materials at the time of delivery is less than the world price at such time;

(4) the Secretary of Agriculture is reasonably assured that export markets for United States dairy products through commercial channels will not be displaced by such exchange; and

(5) such exchange will not result in the expenditure of funds by the Secretary or the Corporation other than for normal administrative costs.

(b) In carrying out subsection (a), the Corporation shall use in each of the fiscal years 1984 and 1985 a quantity of dairy products equal to—

(1) at least 15 percent of uncommitted surplus dairy stocks existing at the beginning of fiscal year 1984; or

(2) if the Corporation does not receive offers to exchange such quantity of dairy products, a quantity equal to the quantity of such stocks offered to be exchanged.

(c) The Corporation may—

(1) transfer strategic and critical materials acquired under this section to the National Defense Stockpile established under the Strategic and Critical Materials Stock Piling Act, and shall be reimbursed for such materials, in accordance with section 4(h) of the Commodity Credit Corporation Charter Act (15 U.S.C. 714(h)); or

(2) retain possession of, and title to, such materials.

(d) No later than six months after the date of the enactment of the Dairy and Tobacco Adjustment Act of 1983, and each six months thereafter through fiscal year 1985, the Secretary of Agriculture shall submit a report to the Congress describing—

(1) exchanges made under this section during the previous six month period; and

(2) any offers for exchanges made under this section during such period which were rejected by the Corporation and the reasons for such rejection.

By Mr. ROTH (for himself, Mr. CHAFEE, and Mr. INOUYE):

S. 1704. A bill to encourage the expansion of international trade in services, and for other purposes; to the Committee on Finance.

TRADE IN SERVICES ACT OF 1983

Mr. ROTH. Mr. President, today I join my colleagues, Senator CHAFEE and Senator INOUYE, in introducing the Trade in Services Act of 1983. This bill is a bipartisan effort to improve the treatment accorded services in our international trading efforts and to move services issues to center stage in global trade discussions.

The services sector is a large and growing segment of the U.S. economy, and its positive contribution to our trade balance continues to increase. These so-called invisibles—engineering and construction, shipping, insurance, banking, transportation, accounting, communications, and tourist services, just to name a few—generate over half the Nation's gross domestic product

and provide jobs for over 54 million Americans. The Commerce Department estimates that U.S. international service activities rose from $92 billion in 1977 to over $140 billion in 1981. The United States earned a trade surplus on services in 1981 of $40 billion, Despite a worldwide recession in 1982, our exports of services again earned a surplus of an estimated $40 billion. These export earnings were sufficient to offset the deficits we suffered in goods trade in those years.

Services have enabled us to keep a foothold on the positive side of the international trade ledger.

Our recent strong performance in services trade is no cause for complacency, however. While exports of services continue to grow absolutely, the U.S. share of world invisibles trade has fallen from 25 percent in 1969 to 21 percent in 1979. Moreover, this general trend is repeated in specific sectors such as banking, construction, engineering, insurance, and transportation.

Other countries, attempting to build or protect fledgling services industries, have begun to devise methods to stem foreign services supplies. These rising overseas trade barriers could send our now internationally strong services industries down the path already trod by U.S. merchandise producers. Once the world's predominant merchandise supplier, we have seen our market share whittled away by foreign import barriers and unfair export practices.

We must avoid making the same mistake in services.

The rising barriers to services trade affect every sector. In the accounting area, for example, provisions regarding confidentiality in the European Community's eighth directive on auditors' qualifications could be used to bar U.S. firms from participation in EC markets. In the information transfer business, restrictions on the use of foreign data processing facilities bar U.S. computer software firms from selling their services in countries like West Germany.

Foreign countries' subsidization of construction operations has enabled overseas firms to capture third-country markets from traditional U.S. suppliers. U.S. motor carriers are virtually excluded from providing trucking services in Mexico. Our truckers face stringent restrictions in Canada. Moreover, our insurance firms encounter nearly impenetrable barriers in many developing countries that seek to retain control for domestic monopolies or national insurance companies.

At the same time, U.S. service markets remain relatively open to foreign suppliers. With the enactment of the Motor Carrier Act of 1980, for example, foreign truckers have easy access to the U.S. market. Canadian suppliers alone have received hundreds of licenses in the past several years to provide interstate services. Foreign insurers, too, find fewer difficulties penetrating the lucrative U.S. market.

Despite their importance to our domestic and global trade accounts, despite the rising barriers to trade overseas, services have often been treated as an afterthought in United States and international trade law. The Trade Act of 1974 was the first attempt to raise the issue of services trade in international consciousness. Notwithstanding that act's charge that the President negotiate barriers to both goods and services, however, little was accomplished in the latter during the 1975–79 Tokyo Round of multilateral trade negotiations.

Distortions in services trade continue to increase unchecked by international agreement.

It is time to reverse that trend. It is clear we must begin to work now if we are to guarantee a continuing predominant role for U.S. service industries in the world economy. We must lay the groundwork now for international discipline in the treatment of services trade.

The Trade in Services Act of 1983 represents an important step in the direction of insuring open markets for services trade. The bill charges the President with placing a high priority on, and developing a work program for, negotiations to reduce services trade barriers. Section 2 of the Trade in Services Act builds upon the existing provisions of section 102 of the Trade Act of 1974 by providing a clear congressional directive to place services issues on the front burner.

In addition, the legislation would clarify and expand the coverage of U.S. trade law to deal more effectively with trade in services problems. In the past, arguments have been made that establishment-related issues involve investment, not trade and are therefore not covered by the 1974 Trade Act's negotiating and retaliatory authority. Sections 2 and 3 of this bill would resolve any potential problem or confusion by expressly including barriers to the establishment and operation of U.S. businesses in foreign markets within the Trade Act's meaning of "barriers to trade."

Section 4 of this bill assures that the President can take action to remedy services trade problems under section 301 of the Trade Act, which deals with unfair trade practices, notwithstanding any other provision of law.

The bill would also improve the coordination in the services trade policymaking process and Federal-State communication in trade regulation. As chairman of the Governmental Affairs Committee, I strongly believe State and local governments should continue to exercise their traditional regulatory authority over a variety of services, such as banking insurance, and accounting. Therefore, section 2 of the Trade in Services Act provides that, before entering into any negotiations in a service sector over which the States have regulatory responsibility, the U.S. Trade Representative must consult with representatives of the States concerning negotiating objectives and methods of implementing any agreements reached. Section 5 provides for the establishment of non-Federal governmental trade advisory committees. In addition, the legislation calls for coordination with private sector advisory groups specializing in services trade matters.

The Trade in Services Act would establish a service sector development program, providing for much needed collection and analysis of domestic and international services information. The United States is heads and shoulders above its trading partners in its appreciation of the role of services in the international economy, but more work remains to be done to understand, quantify, and take into account services' full impact on trade and national accounts.

I believe this legislation is crucial in our efforts to expand our export performance in the services sector. It is time we stop treating services as an afterthought and begin to consider what international rules would best promote free trade in the ever-growing service sector.

Mr. CHAFEE. Mr. President, I am delighted to join my colleagues, Senators ROTH and INOUYE, in introducing the Trade in Services Act. These provisions have enjoyed wide support, indeed they passed the Senate twice this year. They were first passed as a part of S. 144, the International Trade and Investment Act, introduced by Senator DANFORTH, and which I also supported as an original cosponsor. They were again approved as a part of H.R. 2973.

However, in the absence of companion provisions from the House, the reciprocity and services provisions were not included in the conference bill on H.R. 2973. I understand that in the course of the conference on H.R. 2973, Chairman ROSTENKOWSKI and Chairman GIBBONS indicated they would seek to move reciprocity and services through the House in September.

Mr. President, these provisions are important for many reasons, as I think the Senate has clearly recognized in passing them earlier this year.

First, the bill recognizes the significance of trade in the service sector. Indeed, we often cite statistics revealing a dramatic balance-of-trade deficit. But, while our balance-of-trade problem is growing, the fact is that trade in services has over the years produced an overall trade surplus. Clearly services trade is vital to our economy, deserving recognition and integration

into our trade policies and international efforts.

This bill provides for effective coordination and implementation of U.S. trade policy with regard to services. The bill directs the USTR to coordinate the development of services trade policy and requires that he consult with Federal regulatory agencies and the States in those areas of the services sector that are subject to Federal and/or State regulation, such as insurance and banking.

The bill provides that, prior to the negotiation of any agreement on services, the USTR must develop negotiating objectives in consultation with the private sector service industry advisory groups and the States. The bill also authorizes the Department of Commerce to establish a services industries program to develop information on the flow of trade in services, analyze the impact of U.S. laws pertaining to services, and provide information to the States on U.S. policy on international trade in services.

The third and perhaps most important purpose of this legislation is to insure that U.S. service industries continue to have free access to foreign markets. The bill specifies the elimination of barriers to U.S. service sector trade in foreign markets and the elimination of practices which distort international trade in services as negotiating objectives. It clarifies and emphasizes the President's authority to take action against unfair practices either at home or abroad which affect U.S. service industries. The bill allows Federal regulatory agencies with authority over service industries to take into account the extent to which U.S. service industries are accorded access to foreign markets. These regulatory agencies must act in consultation with the USTR.

Mr. President, I believe this legislation is an important tool that can help us insure that the rapidly expanding world of trade in services remains free and open. I urge my colleagues to support it again, and I look forward to expeditious action on it.

By Mr. MOYNIHAN (for himself and Mr. D'AMATO):

S. 1705. A bill to modify Federal land acquisition and disposal policies carried out with respect to Fire Island National Seashore, and for other purposes; to the Committee on Energy and Natural Resources.

FIRE ISLAND NATIONAL SEASHORE

● Mr. MOYNIHAN. Mr. President, I rise today, along with my distinguished colleague from New York, Senator D'AMATO, to introduce legislation to amend the Fire Island National Seashore Act (P.L. 88-587), passed in 1964. This bill is identical to one being introduced today in the House of Representatives by Congressman THOMAS DOWNEY.

The Fire Island National Seashore was established by Congress in 1964 for the purpose of conserving and preserving for use of future generations certain relatively unspoiled and undeveloped beaches, dunes, and other natural features within Suffolk County, N.Y., which possess high values to the Nation as examples of unspoiled areas of great natural beauty in close proximity to large concentrations of urban population. Fire Island, located just 50 miles East of New York City, is composed of sandy beaches, salt marshes, and sand dunes, which are among the highest in the Northeast. Within the boundaries of the seashore there are 17 small, heavily developed communities, primarily consisting of single-family homes and cottages and the businesses serving them and day visitors.

The 1964 act grants the Secretary of the Interior limited powers of condemnation in order to further the purposes of preserving the natural features of the seashore. In 1980, I joined Senator Jacob K. Javits, one of the prime sponsors of the legislation creating the seashore, in requesting that the General Accounting Office (GAO) review the National Park Service's land acquisition and management policies and practices for the Fire Island National Seashore. The GAO report (CED 81-78), issued on May 8, 1981, made several suggestions concerning ways to improve land acquisition and management policy at the seashore.

The legislation I introduce today is designed to perfect certain provisions of Public Law 88-587. The bill allows the Secretary of the Interior to sell certain acquired property, with covenants to insure future conforming uses, and to retain the proceeds from such sales for additional seashore acquisitions. Second, it permits the Secretary to apply for an injunction or temporary restraining order to prevent any use of, or construction upon, property after the commencement of a condemnation action taken pursuant to the Seashore Act. Finally, it clarifies the power of the Secretary to condemn property within the seashore that becomes the subject of a variance or exception under any applicable zoning ordinance.

The bill specifically implements two of the recommendations contained in the May 1981 GAO report. First, the GAO suggested that the National Park Service should sell unneeded land. This bill adds a new subsection to the law that provides for a turnaround provision that would direct that certain lands in the developed communities, acquired as nonconforming properties and not needed to further the purposes of the act, be sold. Properties thus sold would carry with them restrictions to insure that their use conforms to all applicable seashore regulations. The Park Service is currently in the process of identifying which of its present holdings may be eligible for such a turnaround. The revenues from the sale of these properties would be used to create a revolving fund to pay for future Park Service acquisitions within the seashore.

Second, the GAO pointed out a need to clarify land acquisition policy within the seashore's developed communities. This bill addresses that issue by amending section 3(e) of the current law. The new language provides that the Secretary's authority to condemn property in areas of the seashore with approved zoning ordinances would be reinstated only if a property becomes the subject of a zoning variance or exception and the Secretary finds that such an exception or variance results in the property being used in a manner that is inconsistent with the Secretary's guidelines issued pursuant to section 3. Currently, the Secretary does not make the latter finding. As the GAO observed, existing law "does not create a variance process that would permit the Park Service to certify if a nonconforming structure might harm the resource or not." The GAO went on to say, "The Secretary's authority to suspend condemnation is not discretionary." The new language in the bill will make it clear that a zoning variance is not, in and of itself, cause for condemnation. Instead, only a zoning variance that results in a use inconsistent with the purposes of the act would be cause for condemnation. This would put the Park Service back into the business of resource protection, where it belongs.

On January 18, 1983, the management of the Fire Island National Seashore presented a draft land protection plan for public review and comment. This plan will help clarify National Park Service intent with regard to its land management policies within the seashore. This bill is consistent with the management objectives contained in the draft land protection plan.

Mr. President, as I previously stated, the intent of this bill is to simply perfect the existing law (Public Law 88-587). This is necessary not only to make the operations of the seashore more efficient but also to help alleviate some very real concerns being expressed by Fire Island landowners about land acquisition policies within the seashore. It is for these reasons that I am today introducing this bill.

I should add that this matter was brought to my attention by the Honorable Thomas J. Schwarz, mayor of the village of Ocean Beach. Mayor Schwarz has long been dedicated to preserving the beauty of the natural features and comfortable settings that abound on Fire Island. I am confident that this legislation will serve to further such purposes.

11-059 O-87-3 (Pt. 16)

Mr. President, I ask unanimous consent that the full text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD as follows:

S. 1705

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Fire Island National Seashore Amendments Act of 1982".

SEC. 2. Section 2 of the Act entitled "An Act to establish the Fire Island National Seashore, and for other purposes", approved September 11, 1964 (16 U.S.C. 459e-1), is amended by adding at the end the following new subsections:

"(h)(1)(A) The Secretary shall sell any property described in subparagraph (B) of this paragraph acquired by condemnation under this Act—

"(i) to the highest bidder;

"(ii) at not less than the fair market value; and

"(iii) subject to covenants or other restrictions that will ensure that the use of such property conforms to the standards specified in regulations issued under section 3(a) of this Act which are in effect at the time of such sale and to any approved zoning ordinance or amendment thereof to which such property is subject.

"(B) The property referred to in subparagraph (A) of this paragraph is any property within the boundaries of the National Seashore as delineated on the map mentioned in section 1 except—

"(i) property within the Dune district referred to in subsection (g) of this section;

"(ii) beach or water and adjoining land within the exempt communities referred to in the first sentence of subsection (e) of this section; and

"(iii) property within the eight-mile area described in the second sentence of subsection (e) of this section; and

"(iv) any property acquired prior to October 1, 1982, that the Secretary determines should be retained to further the purposes of this Act.

"(2) Notwithstanding any other provision of law, all moneys received from sales under paragraph (1) of this subsection may be retained and shall be available to the Secretary, without further appropriation, only for purposes of acquiring property under this Act.

"(i)(1) Upon or after the commencement of any action for condemnation with respect to any property under this Act, the Secretary, through the Attorney General of the United States, may apply to the United States District Court for the Eastern District of New York for a temporary restraining order or injunction to prevent any use of, or construction upon, such property that—

"(A) fails, or would result in a failure of such property, to conform to the standards specified in regulations issued under section 3(a) of this Act in effect at the time such use or construction began; or

"(B) in the case of undeveloped tracts in the Dune district referred to in subsection (g) of this section, would result in such undeveloped property not being maintained in its natural state.

"(2) Any temporary restraining order or injunction issued pursuant to such an application shall terminate on the date the United States acquires title to such property or, if such proceedings are terminated without the United States acquiring title to such property, on the date of such termination.".

SEC. 3. Section 3(e) of the Act entitled "An Act to establish the Fire Island National Seashore, and for other purposes", approved September 11, 1964 (16 U.S.C. 459e-2(e)), is amended to read as follows:

"(e) If any property, including improved property but excluding undeveloped property in the Dune district referred to in section 2(g) of this Act, with respect to which the Secretary's authority to acquire by condemnation has been suspended under this Act—

"(1) is, after the date of the enactment of the Fire Island National Seashore Amendments Act of 1982, made the subject of a variance under, or becomes for any reason an exception to, any applicable zoning ordinance approved under this section; and

"(2) such variance or exception results, or will result, in such property being used in a manner that fails to conform to any applicable standard contained in regulations of the Secretary issued pursuant to this section and in effect at the time such variance or exception took effect;

then the suspension of the Secretary's authority to acquire such property by condemnation shall automatically cease.".●

● Mr. D'AMATO. Mr. President, I rise today to continue a long tradition of support by Members of the U.S. Senate from New York for a resolution of the problems unique to the Fire Island National Seashore. Specifically, I rise to cosponsor the legislation introduced by my colleague, Senator MOYNIHAN, and to commend him for his long involvement with this matter and his judicious resolution to a most pressing concern.

This legislation is vitally necessary to the communities located on Fire Island. Many residents of those communities are concerned with provisions of Public Law 88-587 that deal with land acquisition policies within the seashore. These concerns have prompted my colleague and I to introduce this legislation.

The bill would create a turnaround provision that would mandate that lands in developed communities within the seashore which were acquired as nonconforming lands and are not needed to further the purposes of the act be sold. Conveyed with these properties would be restrictions to insure that any future use conform with seashore regulations. The revenues from these sales would be used to create a revolving fund for the Park Service to purchase additional lands within the seashore. This is a well thought out and innovative solution to a long-standing problem.

Other sections of our bill address problems detailed by GAO in its 1981 assessment of the seashore, done at the request of Senator MOYNIHAN and Senator Javits. Specifically, section 3(e) of the current law would be amended to insure that the Park Service performs its proper role in assuring the continued viability of the seashore and that it interferes as little as possible with local governments, while still fulfilling its obligation to protect this valuable resource. I believe that this legislation offers a very just settlement to the concerns of the local residents and I urge my colleagues to adopt it.●

By Mr. RIEGLE (for himself and Mr. KENNEDY):

Senate Joint Resolution 137. A joint resolution to designate April 7, 1984, as "World Health Day"; to the Committee on the Judiciary.

WORLD HEALTH DAY

Mr. RIEGLE. Mr. President, today I am introducing for myself and Senator KENNEDY, Senate Joint Resolution 137 designating April 7, 1984, as "World Health Day."

April 7 is celebrated as "World Health Day" around the world to promote better health care for all people and to draw attention to the World Health Organization's goal of health for all by the year 2000. Good health is essential for people to be able to lead socially and economically productive lives.

Mr. President, given the quality of life enjoyed in this country, the view of a healthy world embodied in the call for "World Health Day" could easily be taken for granted. The goals of "World Health Day" are minimal, yet essential if we are to improve the health status of millions all over the globe. The objectives are simply the minimum requirements of safe water and adequate sanitary facilities; immunization against diphtheria, pertussis, tetanus, poliomyelitis, measles, and tuberculosis; local health care with 20 essential drugs on hand within 1 hour's travel; and trained personnel to attend childbirth and to care for infants and pregnant women.

Without the World Health Organization, the central agency of the United Nations directing international health activities, these goals would remain unrealized. The constant surveillance, control, and eradication of disease; the collection, dissemination, and exchange of health data; and collaborative research are all directed and supported by the World Health Organization. In this country, the American Association for World Health serves to heighten our awareness of the issues surrounding world health and works with the World Health Organization to make our participation in their efforts worthwhile.

Mr. President, health for all begins with each one of us becoming aware of how we we can improve our own health and which contributions we can make to the goals of "World Health Day" in other parts of the world.

In declaring April 7, 1984, as "World Health Day," it is my hope that we will increase our awareness of what must be undertaken to make ourselves and all people in the world healthier. Good health does not just happen. To

contribute to making health for all by the year 2000 a reality, I urge all my colleagues to join me in cosponsoring this resolution.

Mr. President, I ask unanimous consent that the joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 137

Whereas the health of a nation depends upon the health of its people;

Whereas improvement of the health of the people of our Nation contributes to world health, and world health contributes to the health of our Nation—a principle enunciated in the Constitution of the World Health Organization and accepted by the United States;

Whereas the United States is an active member of the World Health Organization and has both benefited from and contributed to the achievements of the Organization;

Whereas the countries of the world, acting through the World Health Orgnization, are committed to the goal of "Health for All by the Year 2000;"

Whereas primary health care is recognized as a key to the attainment of "Health for All by the Year 2000;"

Whereas health education and health awareness, prevention and treatment of common diseases and illnesses, basic sanitation, and adequate nutrition are essential elements of primary health care;

Whereas the World Health Organization has established April 7 of each year as World Health Day to call attention to what individuals and governments can do to further the health of human beings everywhere, and the American Association of World Health has sponsored and assisted in this endeavor; and

Whereas it has been the custom for the President to call attention to World Health Day each year in the form of a public message: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That April 7, 1984, is designated as "World Health Day," and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe the day with appropriate programs, ceremonies, and activities.

● Mr. KENNEDY. Mr. President, I rise in support of my colleague, Mr. RIEGLE, as he introduces this resolution to declare the day of April 7, 1984, as "World Health Day."

"World Health Day" will be celebrated in the coming year on the 36th anniversary of the signing of the World Health Organization's (WHO) constitution. Yet on "World Health Day" we look beyond the admirable efforts of WHO to direct and coordinate international efforts to improve health on a global scale. On "World Health Day" we should remind ourselves that the responsibility for our Nations' health must also include responsibility for other nations. Disease, malnutrition, and pestilence honor no boundaries, economic, geographic, or political.

Tuberculosis, a disease which once posed a major threat in the United States, still afflicts almost 11 million people annually worldwide; 1 in 10 cases of the 30,000 cases of TB reported in the United States is fatal. Despite the tragedy of those deaths, there are areas of the world with far greater prevalences and TB mortality rates, such as Latin America where 1 in 5 of the 220,000 reported cases are fatal. As such, we must work in concert with other nations to improve health for all.

Vaccination against the diseases of childhood—diphtheria, measles, poliomyelitis, tetanus, tuberculosis, and whooping cough—has been a priority for State and local government in the past decade here in our own country. The diseases from which we have worked to spare our Nation's children are the same ones against which other countries are fighting to save their next generation. As we have strived to improve our Nation's health through education about health and diet so, too, must we help to educate the rest of the world. WHO has been working to educate people in all countries, especially those of the Third World, about the importance of sound nutrition especially for mothers and children.

Waterborne diarrheal disease is the cause of 80 million deaths annually. To reduce the threat of disease and death WHO has promoted programs for improved drinking water and sanitation systems. One such program underway is called oral rehydration, the distribution of kits to individuals which provide the requisite materials to increase that individual's ability to retain water and fight infection from the water.

"World Health Day" will call attention to some of the real victories the people of the world have accomplished in the field of health. Smallpox is perhaps the greatest example of what we are capable of in making the world a healthier place. For ages, smallpox was a disease which killed up to 40 percent of its victims. There were 250,000 victims in 1958 worldwide. By 1980, efforts by health care professionals to isolate and destroy the disease were so successful that smallpox had been eradicated. The smallpox eradication programs which achieved worldwide success in removing the threat of one fatal disease serve as a model for the current fight against malaria. While we here in the United States have eradicated malaria, other countries are still plagued by this disease. Eradication and control programs have been working in many countries and have been successful in checking the spread of malaria only when their efforts were coordinated on both the national and international levels.

On "World Health Day" we should look at our national achievements as being part of the global health effort. Yet we should not limit our view of world health to medical terms. The World Health Organization outlined that primary care including education about health, diet, and safety, in addition to medical treatment is one of the key elements in improving the world health. On April 7, 1984, "World Health Day," we should remember that our work to improve the health and the quality of life in the United States will also positively effect the health of the world.●

By Mr. ZORINSKY:

S.J. Res. 138. Joint resolution to establish a Commission on Teacher Education; to the Committee on Labor and Human Resources.

(The remarks of Mr. ZORINSKY and the text of the joint resolution appear earlier in today's RECORD.).

By Mr. MOYNIHAN (for himself, Mr. D'AMATO and Mr. BAKER):

S.J. Res. 139. Joint resolution to commemorate the centennial of Eleanor Roosevelt's birth; to the Committee on Energy and Natural Resources.

CENTENNIAL OF THE BIRTH OF ELEANOR ROOSEVELT

Mr. MOYNIHAN. Mr. President, October 11, 1984, will mark the 100th anniversary of the birth of Eleanor Roosevelt, one of the most remarkable women of the 20th century. Today, I am introducing a joint resolution to commemorate that centennial. This legislation is the outgrowth of a suggestion I received from Lucille Pattison, the energetic county executive of Dutchess County, N.Y.—the county in which Franklin and Eleanor Roosevelt's Hyde Park home was located.

Eleanor Roosevelt will, forever, be remembered as the dynamic First Lady and U.N. delegate who championed the cause of the underprivileged and the oppressed. She redefined the role of the American political wife, and, in her own right, had an enduring influence in domestic and international politics.

Eleanor Roosevelt was a niece of President Theodore Roosevelt and grew up in the narrow world of privileged New York society. Although she cultivated an interest in public affairs when her husband became a New York State senator, she developed a strong sense of public service only when Franklin Delano Roosevelt assumed subcabinet duties in Washington during World War I.

After F.D.R. was crippled by polio in 1921, Eleanor Roosevelt served as his surrogate in New York Democratic Party affairs. Though she had not been sympathetic to the suffrage movement, she became active in the League of Women Voters and the Women's Trade Union League. Uncomfortable at public speaking, she nonetheless accepted scores of speak-

ing invitations. She also established a furniture factory at Val-Kill, in Hyde Park, to aid the unemployed.

During F.D.R.'s 4-year term as Governor, she answered his mail and represented him in inspections of State institutions. When he became President, in addition to the usual social duties of First Lady, she promoted various New Deal projects, including subsistence homesteads, the National Youth Administration, and women's programs.

Her influence was such that she had her own weekly press conferences and syndicated daily newspaper column. During World War II she served briefly as cochairman of the Office of Civilian Defense. She corresponded with many servicemen overseas and toured several theaters of operations.

Following F.D.R.'s death, President Truman sought Eleanor Roosevelt's advice and she gave it freely, urging him in particular to appoint women to public service posts and to continue the Fair Employment Practices Committee. President Truman appointed her a delegate to the first U.N. General Assembly and later to the U.N. Human Rights Commission. In this latter post, she drafted and fought for adoption of the Declaration of Human Rights. A U.N. delegate until 1952, she forcefully urged the establishment of the State of Israel. She was reappointed a U.N. delegate by President Kennedy in 1961 and remained in the delegation until her death on November 7, 1962.

I knew Eleanor Roosevelt. In December of 1961, President Kennedy created a President's Commission on the Status of Women, with Mrs. Roosevelt as its chairman. I was an assistant to the Secretary of Labor at the time and represented him on the Commission. Mrs. Roosevelt was an energetic chairman up until the time of her death. She was gracious but firm minded and helped guide the Commission to its conclusion that the role of women in American economic affairs was artificially and unwisely restricted.

The resolution I am introducing will establish a commission to encourage and coordinate commemorations of the centennial of Eleanor Roosevelt's birth. Day-to-day staff assistance to the Commission will be provided by the Eleanor Roosevelt Institute, a nonprofit organization headquartered in New York City. The Eleanor Roosevelt Institute is legal successor to the Eleanor Roosevelt Memorial Foundation, a federally chartered organization under the provisions of Public Law 88-11, approved on April 23, 1963. Except for nominal travel and per diem payments to private members of the Commission when they attend meetings, the resolution will not entail any Federal expenditures over those otherwise authorized in law.

Section 5 of the resolution directs the Interior Department to substantially complete renovation of Val-Kill, the Eleanor Roosevelt National Historic Site, in fiscal year 1984. The renovation has been underway for some years and the purpose of this section is simply to make certain that the National Park Service has Val-Kill fully open to the public in time for the Eleanor Roosevelt centennial year.

When Eleanor Roosevelt died, Adlai Stevenson, the U.S. Ambassador to the United Nations and long-time friend of hers remarked, "She would rather light candles than curse the darkness, and her glow warmed the world."

Her life and work were a credit to the United States; she, in turn, devoted her life to our country and to the pursuit of our ideals of liberty and opportunity the world over.

I am pleased to be joined in introducing this resolution by my colleague, Senator D'AMATO. The majority leader has been most helpful in preparing this resolution and has assured me of his support for its adoption. I am most grateful. I urge other Senators to cosponsor this resolution. I ask that the text of the resolution be printed in the RECORD following my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows;

S.J. RES. 139

Resolved by the Senate and House of Representatives of the United States of American in Congress assembled, that the Congress finds and declares that—

(1) Eleanor Roosevelt, who was First Lady of the United States from 1933 to 1945, was one of the country's great First Ladies;

(2) Born into wealth and privilege herself, Eleanor Roosevelt nevertheless worked tirelessly to secure opportunities for disadvantaged Americans and to improve the lot of the needy elsewhere and particularly in developing countries;

(3) Both during and after her service in the White House, Eleanor Roosevelt campaigned indefatigably for human rights in the United States and throughout the world;

(4) Eleanor Roosevelt devoted her efforts especially to promoting the welfare of children.

(5) For this service, for her articulate and compassionate advocacy of the highest American ideals, and for demonstrating by personal example the capacities of American women to succeed in areas of daily life and work from which they were frequently excluded in her day, Eleanor Roosevelt earned a place of honor and respect in the hearts of the American people;

(6) October 11, 1984, marks the centennial of Eleanor Roosevelt's birth, and it is appropriate for Americans to mark this occasion with appropriate commemorations during 1984.

SEC. 2 (a) There is hereby established a Commission on the Eleanor Roosevelt Centennial.

(b) The membership of the Commission shall consist of the following:

(1) two members of the House of Representatives, designated by the Speaker of the House;

(2) two members of the Senate, designated by the President of the Senate;

(3) the Director of the National Park Service, ex officio;

(4) the Archivist of the United States, ex officio;

(5) the Librarian of Congress, ex officio;

(6) the Governor of the State of New York, ex officio;

(7) the county executive of Dutchess County, New York, ex officio;

(8) the surviving children of Mrs. Eleanor Roosevelt; and

(9) the chairman of the Eleanor Roosevelt Institute.

(c) Commission members shall designate one of their number as Chairman.

SEC. 3. The Commission established by section 2 of this Act shall—

(1) encourage and recognize appropriate observances and commemorations, throughout the United States, of the one hundredth anniversary of the birth of Eleanor Roosevelt;

(2) provide advice and assistance in establishing such observances and commemorations; and

(3) coordinate the activities of Federal agencies in support of such observances and commemorations.

SEC. 4. (a) The Commission shall meet no later than thirty days after enactment of this Act at a place and location determined by the Librarian of Congress, and at such intervals thereafter as the Commission may decide.

(b) The Administrator of General Services and the Director of the National Park Service shall provide the Commission such assistance and facilities as may be necessary to conduct its meetings.

(c) The Commission may accept donations of money and services to carry out its responsibilities.

(d) The Eleanor Roosevelt Institute, a not-for-profit organization incorporated in the State of New York, and successor organization to the Eleanor Roosevelt Memorial Foundation, chartered pursuant to Public Law 88-11, shall provide staff assistance to and coordinate policies and events for the Commission.

(e)(1) The private members of the Commission shall be reimbursed for their travel and compensated for their time engaged on Commission business at the daily rate established for employees at grade 18 of the General Schedule.

(2) The Secretary of the Interior is authorized, out of appropriations otherwise available to him, such sums as may be necessary to carry out the provisions of this paragraph.

SEC. 5. (a) In commemoration of the one hundredth anniversary of the birth of Eleanor Roosevelt, the Secretary of the Interior, acting through the Director of the National Park Service, shall complete the renovation of the Eleanor Roosevelt National Historic Site at Val-Kill in Hyde Park, New York, in fiscal year 1984 sufficiently to open it to full public visitation.

(b) The Secretary of the Interior is authorized, out of funds available to him in any fiscal year, such sums as may be necessary to carry out the purposes of this section.

Mr. D'AMATO. Mr. President, I rise today to join my distinguished colleague, Senator MOYNIHAN, in com-

memorating the 100th anniversary of the birth of Eleanor Roosevelt. A native of New York, Eleanor Roosevelt was a lady who accomplished a great deal as a woman in her own right, as well as in the capacity of the wife of our 32d President.

The chronicling of her accomplishments would be a task requiring many volumes. I wish to bring to attention only a few. Born into a situation which could have offered a life of leisure and ease, Mrs. Roosevelt, chose instead to reach out to those less fortunate with an indefatigable spirit and a compassion that left few unmoved. Long before any political advantage could be attributed as her motive, she joined many organizations in an effort to further the cause of those whose rights were less protected than her own. The question of equality for women and minorities found a place in the national spotlight as a direct result of her efforts.

As First Lady, she served a unique role in this country's history. President Roosevelt, because of his illness, could not travel around the country. Therefore, Mrs. Roosevelt acted as his eyes and ears, ceaselessly apprising him of the feelings of the people. In the midst of the steepest depression and most cataclysmic war in this country's history, she carried a beacon of hope whose light none of her critics could dim. Many soldiers, wounded and far from home, were comforted by her. The long hours she spent in this task and others too numerous to cite are legend born of fact.

After the tragic death of her husband, Eleanor Roosevelt continued to play a vital role in the affairs of our country. As American Ambassador to the United Nations, she was the guiding force behind the Universal Declaration of Human Rights and commanded the respect of the entire assemblage in a way none of her successors has been able to match.

Her final official capacity, in which she served until her death, was as chairman of President Kennedy's Commission on the Status of Women. She championed the cause of equality both in words and through the example she set.

Today, we accept as given many of the benefits for which Eleanor Roosevelt fought. Let us not forget, however, the dedication, toil, and, most of all, compassion of the woman who was their champion. She stood, often alone, for justice in America and the world. She remains the standard bearer of the conscience of our Nation. She will always be remembered by those who admire the select few whose deeds outstrip their words.

Mr. BAKER. Mr. President, I want to take this opportunity to commend my distinguished colleagues from New York for sponsoring this joint resolution, and I would like to add my name to the list of cosponsors.

History leaves no doubt as to the remarkable and unique and vital force that was Eleanor Roosevelt. Her legacy is as bright today as it ever was, and she will forever be a symbol of caring and unselfish devotion. It is all too fitting that we commemorate the 100th anniversary of her birth.

I am most pleased to learn Mr. President that the Eleanor Roosevelt Institute will be involved in the centennial celebration. The institute is a not-for-profit organization that has already distinguished itself through the expert work of its members, and I am confident that their assistance will be significant.

ADDITIONAL COSPONSORS

S. 617

At the request of Mr. STENNIS, the name of the Senator from Ohio (Mr. GLENN) was added as a cosponsor of S. 617, a bill to promote the use of energy-conserving equipment and biofuels by the Department of Defense, and for other purposes.

S. 1051

At the request of Mr. TOWER, the name of the Senator from Alabama (Mr. DENTON) was added as a cosponsor of S. 1051, a bill to amend the Internal Revenue Code of 1954 to allow certain prepayments of principal and interest to be treated as contributions to an individual retirement account, to allow amounts to be withdrawn from such account to purchase a principal residence, and for other purposes.

S. 1080

At the request of Mr. GRASSLEY, the names of the Senator from Illinois (Mr. DIXON), the Senator from North Dakota (Mr. BURDICK), and the Senator from Colorado (Mr. ARMSTRONG) were added as cosponsors of S. 1080, a bill to amend the Administrative Procedure Act to require Federal agencies to analyze the effects of rules to improve their effectiveness and to decrease their compliance costs, to provide for a periodic review of regulations, and for other purposes.

S. 1146

At the request of Mr. BENTSEN, the name of the Senator from Arizona (Mr. GOLDWATER) was added as a cosponsor of S. 1146, a bill to amend the Federal Aviation Act of 1958 to provide for the revocation of the airman certificates and for additional penalties for the transportation by aircraft of controlled substances, and for other purposes.

S. 1350

At the request of Mr. LAXALT, the name of the Senator from Alabama (Mr. DENTON) was added as a cosponsor of S. 1350, a bill to amend the Federal Election Campaign Act of 1971 to increase the role of political parties in financing campaigns under such act, and for other purposes.

S. 1575

At the request of Mr. SASSER, the name of the Senator from Massachusetts (Mr. TSONGAS) was added as a cosponsor of S. 1575, a bill to improve the highway bridge replacement and rehabilitation program.

S. 1634

At the request of Mr. WALLOP, the name of the Senator from Utah (Mr. HATCH) was added as a cosponsor of S. 1634, a bill to amend the Mineral Lands Leasing Act of 1920 and for other purposes.

SENATE JOINT RESOLUTION 54

At the request of Mr. NICKLES, the names of the Senator from Arizona (Mr. DECONCINI), and the Senator from Connecticut (Mr. DODD) were added as cosponsors of Senate Joint Resolution 54, a joint resolution to authorize and request the President to designate the month of January 1984 as "National Eye Health Care Month."

SENATE CONCURRENT RESOLUTION 32

At the request of Mr. SPECTER, the name of the Senator from Massachusetts (Mr. TSONGAS) was added as a cosponsor of Senate Concurrent Resolution 32, a concurrent resolution to express the sense of the Congress concerning the legal minimum age for drinking and purchasing alcohol.

SENATE RESOLUTION 127

At the request of Mr. ANDREWS, the names of the Senator from South Carolina (Mr. THURMOND), the Senator from Wisconsin (Mr. KASTEN), the Senator from Connecticut (Mr. WEICKER), and the Senator from Kansas (Mrs. KASSEBAUM) were added as cosponsors of Senate Resolution 127, a resolution to make the Select Committee on Indian Affairs a permanent committee of the Senate.

SENATE CONCURRENT RESOLUTION 59—ORIGINAL RESOLUTION REPORTED RELATING TO THE CHANGING ROLE OF THE BOOK IN THE FUTURE

Mr. MATHIAS, from the Committee on Rules and Administration, reported the following original concurrent resolution; which was placed on the calendar:

S. CON. RES. 59

Whereas the Congress of the United States has built and nurtured a library preeminent in the world;

Whereas this library beginning as a small collection of books has now grown to over one hundred eighty million items in all formats encompassing all areas of knowledge;

Whereas eighteen million of these items are conventional books which throughout history have been the most powerful and democratizing learning device known to mankind;

Whereas the book is now among the least expensive and most widely accessible means to liberty and learning;

Whereas advances in technology over the last two decades have in many ways complemented the book as a learning tool;

Whereas rapidly advancing technologies and electronic printing and publishing are revolutionizing the world of learning and the role of the book in the future; and

Whereas the Congress in 1977 established the Center for the Book in the Library of Congress to study the development of the written record in our society: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That—

(1) a timely study of the changing role of the book in the future is highly desirable;

(2) the Congress authorizes the Librarian of Congress, under the auspices of the Center for the Book of the Library of Congress, to conduct such an inquiry;

(3) in conducting such a study, the Librarian of Congress shall seek the advice and assistance of persons highly knowledgeable about the role of the book in civilization and the influence of new technologies on the future of the book;

(4) such persons should include scholars, authors, educators, publishers, librarians, scientists, and individuals in computer technology, industry, and labor; and

(5) the Librarian of Congress should transmit the results of such a study to the Congress of the United States not later than December 1, 1984.

SENATE RESOLUTION 184—ORIGINAL RESOLUTION REPORTED RELATING TO THE SENATE PAGE PROGRAM

Mr. MATHIAS, from the Committee on Rules and Administration, reported the following original resolution; which was placed on the calendar:

S. RES. 184

Resolved, That until otherwise hereafter provided for by law, there shall be paid out of the contingent fund of the Senate such amounts as may be necessary to enable the Secretary of the Senate to furnish educational services and related items for Senate Pages in accordance with this resolution.

SEC. 2. The Senate Page Program shall be administered by the Sergeant at Arms and Doorkeeper of the Senate and the Secretaries for the Majority and Minority of the Senate. All policy decisions regarding the operation of the Senate Page Program shall be made by the Senate Management Board, with the concurrence of the Majority and Minority Leaders of the Senate.

SEC. 3. In order to provide educational services and related items for Senate Pages, the Secretary of the Senate is authorized to enter into a contract, agreement, or other arrangement with the Board of Education of the District of Columbia, or to provide such educational services and items in such other manner as he may deem appropriate.

SEC. 4. The educational services under the Senate Page Program shall consist of an academic year comprising two terms, and a page serving in such program shall be in the 11th grade.

SEC. 5. This resolution shall take effect as of the date of its approval.

SENATE RESOLUTION 185—RELATING TO ESTABLISHMENT OF A SPECIAL COMMITTEE ON THE FAMILY, YOUTH, AND CHILDREN

Mr. DENTON (for himself, Mr. DECONCINI, and Mr. HATCH) submitted the following resolution; which was referred to the Committee on Rules and Administration:

S. RES. 185

Resolved, That (a)(1) there is established a temporary special committee of the Senate to be known as the Special Committee on the Family, Youth, and Children (hereafter in this resolution referred to as the "special committee"). The special committee shall be composed of eleven members appointed by the President pro tempore from the recommendations of the Minority and Majority Leaders. Six members shall be appointed from the majority party and five members shall be appointed from the minority party.

(2) The President pro tempore shall designate a member of the special committee recommended by the Majority Leader to serve as chairman.

(b)(1) A majority of the members of the special committee shall constitute a quorum for the transaction of business, except that the special committee may fix a lesser number as a quorum for the purpose of taking sworn testimony.

(2) Vacancies in the membership of the special committee shall not affect the authority of the remaining members to execute the functions of the committee, and shall be filled in the same manner as original appointments are made.

(3) The special committee shall adopt rules of procedure not inconsistent with the rules of the Senate governing standing committees of the Senate.

(c) Service of a Senator as a member or as chairman of the special committee shall not be taken into account for the purposes of paragraph 4 of rule XXV of the Standing Rules of the Senate.

(d) The chairman may establish such subcommittees of the special committee as he considers appropriate, but each such subcommittee shall be composed of not less than four members.

SEC. 2. (a) It shall be the duty of the special committee to—

(1) make a full and complete study and investigation of the matters pertaining to the family, childhood and adolescence, including but not limited to, the problems of health (including child development and adolescent pregnancy), welfare (including child pornography and obscenity), education, marital relations, employment, economic policy, recreation, nutrition, adoption, foster care, and other problems of childhood, adolescence, and the welfare of families generally;

(2) study the use of all practicable means of encouraging the development of public and private programs and policies which will assist the family, youth or children; and

(3) review and recommendations relating to the family, youth or children made by the President or by any department or agency of the Federal Government.

(b) The special committee shall report to the Senate on the results of any investigation and review conducted under subsection (a) not later than March 31, 1984. The special committee shall submit a final report on the results of the investigation and review conducted pursuant to subsection (a) not later than November 30, 1984.

(c) No proposed legislation shall be referred to the special committee, and such committee shall not have the power to report by bill or otherwise have any legislative jurisdiction.

(d) After submission of its report pursuant to subsection (b), the special committee shall have 30 days to close its affairs and on the expiration of such 30-day period shall cease to exist.

SEC. 3. (a) For the purposes of this resolution, the special committee is authorized (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, (3) to hold hearings, (4) to sit and act at any time or place during the sessions, recesses, and adjourned periods of the Senate, (5) to require, by subpena or otherwise, the attendance of witnesses and the production of correspondence, books, papers, and documents, (6) to take depositions and other testimony, (7) to procure the services of individual consultants or organizations thereof, in accordance with the provisions of section 202(i) of the Legislative Reorganization Act of 1946, and (8) with the prior consent of the department or agency of the Federal Government concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) With the consent of the chairman of any other committee of the Senate, the special committee may utilize the facilities and the services of the staff of such other committee of the Senate, or any subcommittee thereof, whenever the chairman of the special committee determines that such action is necessary and appropriate.

(c) The chairman of the special committee or any member thereof may administer oaths to witnesses.

(d) Subpenas authorized by the special committee may be issued over the signature of the chairman or any member of the special committee designated by the chairman, and may be served by any person designated by the member signing the subpena.

SEC. 4. Expenses of the special committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the special committee, except that vouchers shall not be required for the disbursement of salaries of employees paid an annual rate.

Mr. DENTON. Mr. President, I am pleased today to submitting with my distinguished colleagues, Senators DECONCINI and HATCH, a resolution to establish a Senate Special Committee on Family, Youth, and Children. The committee would be a temporary committee composed of 11 members appointed by the President pro tempore of the Senate on the recommendations of the minority and majority leaders. The committee would have no legislative jurisdiction.

As I am sure many of my colleagues are keenly aware, the Senate for too many years now has lacked any vehicle for a comprehensive examination of policies, legislation, and national trends as they effect the well-being of our Nation's families and children. Our attention to the needs of families has at best been fragmented among an assortment of different legislative

committees and subcommittees. At worst, we have essentially ignored those needs. Yet one way or another, the policies which our Federal Government establishes by law or by regulation can play a major role in promoting either family unity or family disintegration; either a positive environment for children growing into adulthood or a negative one.

The family is now in a worse period of crisis than ever before in our Nation's history. Roughly one out of every two marriages now ends in divorce, and according to one estimate, single parent families are forming at 20 times the rate of two-parent families. One result of that unfortunate trend is that more and more children go without attention from a parent during the day, as increasing numbers of single mothers are forced into the work force to provide for children without help from a husband. Indeed, estimates show that close to 1 million children under age 5 are left without any adult care during the day.

The percentage of female-headed households has almost doubled since 1970, so that 19 percent of all households are now headed by women. The number of children living with only one parent has doubled since 1960 so that, according to one estimate, 45 percent of all children born in 1977 will live in a single-parent home at some time before reaching age 18.

The formation of families and the successful rearing of children have become more difficult than ever before. As healthy parental influence has diminished, we have seen the results in rising rates of juvenile problems, including teenage alcohol and drug abuse, adolescent pregnancy, teenage suicide, and juvenile delinquency. We see great confusion among our young people about direction and purpose in their lives.

Mr. President, the special committee I am proposing today would make a comprehensive study of matters affecting the family, childhood, and adolescence including, but not restricted to, problems of health, including child development and adolescent pregnancy; welfare, including child pornography; education, marriage, employment, economic policy, recreation, adoption, foster care, and other issues and problems. It would encourage and promote public and private policies and programs that assist families, youth and children.

I urge its prompt consideration.

Mr. DECONCINI. Mr. President, today I join my colleague, Senator DENTON in introducing a resolution calling for a Senate Special Committee on the Family, Youth, and Children.

The problems facing the family in America today are multifaceted and complex and because the problems are not simple, neither are the solutions. I believe that this special committee will give the Senate the opportunity to truly focus on these problems and at least begin the search for meaningful solutions.

The committee's purpose is to make a comprehensive overview of the family in America today. The committee will look at problems of employment, education, health, welfare, and economic policy and will report back to Congress by the end of 1984 with its findings.

The crisis of the family is neither a conservative nor a liberal issue. It is an issue which crosses party lines and ideologies. That is why I call on all of my colleagues in the Senate to join me in support of this resolution.

SENATE RESOLUTION 186—ORIGINAL RESOLUTION REPORTED TO PAY A GRATUITY TO KATHERINE C. AHLERS

Mr. MATHIAS, from the Committee on Rules and Administration, reported the following original legislation; which was placed on the calendar:

S. RES. 186

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Katherine C. Ahlers, widow of John C. Ahlers, an employee of the Senate at the time of his death, a sum equal to one year's compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

AMENDMENTS SUBMITTED

CRITICAL AGRICULTURAL MATERIALS

JEPSEN AMENDMENT NO. 2102

(Ordered to lie on the table.)

Mr. JEPSEN submitted three amendments intended to be proposed by him to the bill (H.R. 2733) to extend and improve the existing program of research, development, and demonstration in the production and manufacture of gauyule rubber, and to broaden such program to include other critical agricultural materials, as follows:

At the appropriate place in the bill, insert the following new section:

ANNOUNCEMENT OF ACREAGE LIMITATION AND SET-ASIDE PROGRAMS

SEC. . (a) Effective for the 1984 and 1985 crop of feed grains, the second sentence of section 105B(e)(1)(A) of the Agricultural Act of 1949 (7 U.S.C. 1444d(e)(1)(A)), as amended by section 124(1) of the Omnibus Budget Reconciliation Act of 1982, is amended by striking out "November 15" and inserting in lieu thereof "September 30".

(b) Effective for the 1985 crop of wheat, the second sentence of section 107B(e)(1)(A) of the Agricultural Act of 1949 (7 U.S.C. 1445b-1(e)(1)(A)), as amended by section 122(1) of the Omnibus Budget Reconciliation Act of 1982, is amended by striking out "August 15" and inserting in lieu thereof "July 1".

DAIRY PRICE SUPPORTS

JEPSEN AMENDMENT NO. 2103

(Ordered to lie on the table.)

Mr. JEPSEN submitted an amendment intended to be proposed by him to the bill (S. 1529) to stabilize a temporary imbalance in the supply and demand for dairy products, to enable milk producers to establish, finance, and carry out a coordinated program of dairy product promotion, to adjust the support levels for the 1983 and subsequent crops of tobacco, to make modifications in the tobacco production adjustment program, and for other purposes; as follows:

At the appropriate place in the bill, insert the following new section:

BARTER OF SURPLUS DAIRY PRODUCTS FOR STRATEGIC AND CRITICAL MATERIALS

SEC. . (a) Notwithstanding any other provision of law, during fiscal years 1984 and 1985, the Commodity Credit Corporation shall accept offers from individuals or commercial firms to exchange strategic and critical materials needed to meet unmet national goals established under the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98 et seq.) for surplus dairy stocks owned by the Corporation if—

(1) such stocks will be exported;

(2) the value assigned to such stocks at the time of delivery is less than the world price at such time;

(3) the value assigned to such materials at the time of delivery is less than the world price at such time;

(4) the Secretary of Agriculture is reasonably assured that export markets for United States dairy products through commercial channels will not be displaced by such exchange; and

(5) such exchange will not result in the expenditure of funds by the Secretary or the Corporation other than for normal administrative costs.

(b) In carrying out subsection (a), the Corporation shall use in each of the fiscal years 1984 and 1985 a quantity of dairy products equal to—

(1) at least 15 percent of uncommitted surplus dairy stocks existing at the beginning of fiscal year 1984; or

(2) if the Corporation does not receive offers to exchange such quantity of dairy products, a quantity equal to the quantity of such stocks offered to be exchanged.

(c) the Corporation may—

(1) transfer strategic and critical materials acquired under this section to the National Defense Stockpile established under the Strategic and Critical Materials Stock Piling Act, and shall be reimbursed for such materials, in accordance with section 4(h) of the Commodity Credit Corporation Charter Act (15 U.S.C. 714(h)); or

(2) retain possession of, and title to, such materials.

(d) No later than six months after the date of the enactment of the Dairy and Tobacco Adjustment Act of 1983, and each six months thereafter through fiscal year 1985, the Secretary of Agriculture shall submit a report to the Congress describing—

(1) exchanges made under this section during the previous six month period; and

(2) any offers for exchanges made under this section during such period which were rejected by the Corporation and the reasons for such rejection.

CRITICAL AGRICULTURAL MATERIALS

JEPSEN (AND KASSEBAUM) AMENDMENT NO. 2104

(Ordered to lie on the table.)

Mr. JEPSEN (for himself and Mrs. KASSEBAUM) submitted an amendment intended to be proposed by them to the bill H.R. 2733; as follows:

At the appropriate place in the bill, insert the following:

SEC. . (a) The Congress finds that—

(1) the United States balance of merchandise trade was a negative $31,800,000,000 in 1982;

(2) the United States share of world exports has declined from 15.4 per centum in 1970 to 13 per centum in 1982;

(3) one out of every eight United States manufacturing jobs is for export production and 20 per centum of our industrial production is exported;

(4) agriculture is the largest employer in the Nation providing for almost twenty-three million jobs, one million three hundred thousand of these being export related;

(5) the value of agricultural exports has dropped 18.9 per centum since 1981 and United States agricultural market share has dropped precipitously for such commodities as course grains, wheat, cottom, soybean meal and oil, rice, and poultry;

(6) increased ocean shipping costs will negate numerous United States efforts to promote exports;

(7) current world market conditions translate increased export prices into reduced income for domestic producers and lost United States sales abroad for such goods as agricultural products, coal, forest products, fertilizers, chemicals, ores and metals, and pulp and paper products;

(8) increased import costs for such goods as petroleum and other bulk materials will increase energy costs and production costs for the agricultural, fertilizer, iron and steel, rubber, textile, chemical, nonferrous refining, and paper industries;

(9) trade barriers have proven harmful to United States industry, labor, and consumers in the past;

(10) world bulk shipping capacity is currently in excess and is expected to remain so for at least the next decade;

(11) the effective United States controlled fleet, which is controlled by United States companies and subject to requisition by the United States Government, remains a strong and competitive force in the international ocean shipping industry;

(12) the United States merchant marine is uncompetitive in the world market with United States-flag bulk shipping costs as much as 300 per centum higher than the world average; and

(13) ocean shipping costs comprise a significant portion of import and export costs and these costs will be increased by expansion of cargo preference requirements.

(b) It is the sense of Congress that further expansion of cargo preference requirements, whether for commercial or other trade, is not in the interest of the United States and should not be imposed.

THURMOND AMENDMENT NO. 2105

(Ordered to lie on the table.)

Mr. THURMOND submitted an amendment intended to be proposed by him to the bill H.R. 2733, supra:

At the appropriate place in the bill, insert the following new section:

EXPANSION OF MILK MARKETING ORDERS

SEC. . Section 8c(17) of the Agricultural Adjustment act, as amended and reenacted by the Agricultural Marketing Agreement Act of 1937 (7 U.S.C. 608c(17)), is amended by adding at the end thereof the following new sentence: "An amendment to a milk order that would expand the production area specified in such order shall not be effective unless the Secretary of Agriculture determines, in addition to other required findings and determinations, that such amendment is approved or favored by at least (A) a majority of the producers who, during a representative period determined by the Secretary, have been engaged, within the area proposed to be added to the existing production area, in the production for market of milk, and (B) two-thirds of the producers who, during a representative period determined by the Secretary, have been engaged, within the area composed of the existing production area and the area proposed to be added to the existing production area, in the production for market of milk.".

Mr. THURMOND. Mr. President, I am today submitting for printing in the RECORD an amendment I intend to offer to H.R. 2733, the agricultural target price bill, at an appropriate time.

The amendment requires that, before an existing Federal milk order may be expanded, a majority of the dairy farmers in the area to be annexed, as well as two-thirds of the dairy producers in the entire area to be included within the order, must approve the expansion in a referendum. Under the current law, only the latter requirement—two-thirds of the producers within the total area of the expanded order—applies.

Mr. President, this amendment simply provides a measure of additional democratic protection to dairy farmers within a State or part thereof proposed to be included within an expanded milk order. It insures that the prevailing will of dairy producers in the area to be annexed is not overwhelmed by the collective will of dairy farmers already operating under a Federal milk order, especially in cases where the latter substantially outnumber the former. This amendment applies only to the expansion of milk marketing orders and would not affect other commodities.

NOTICES OF HEARINGS

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. McCLURE. Mr. President, I would like to announce for the information of the Senate and the public the scheduling of a public hearing before the Committee on Energy and Natural Resources on S. 1701, to impose specific directives on the Bonneville Power Administration. The hearing will be held on Wednesday, August 3, beginning at 2 p.m. in room SD-366 of the Dirksen Senate Office Building.

Those wishing to testify or who wish to submit written statements for the hearing record should write to the Committee on Energy and Natural Resources, U.S. Senate, Washington, D.C. 20510.

For further information regarding this hearing you may wish to contact Mr. Gary Ellsworth of the committee staff at 224-5304.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. BAKER. Mr. President, I ask unanimous consent that the Committee on Environment and Public Works be authorized to meet during the session of the Senate on Thursday, July 28, to continue the markup of S. 757, Solid Waste Disposal Act Amendments.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. BAKER. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition, and Forestry be authorized to meet during the session of the Senate on Thursday, July 28, to consider the nominations of Paul Enns and Joseph Kyser to be members of the Federal Farm Credit Board.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. BAKER. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet during the session of the Senate on Thursday, July 28, to conduct hearings with the House Committee on Energy and Commerce on local phone rate legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet during the session of the Senate on Friday, July 29, to conduct joint hearings with the House Committee on

Energy and Commerce on local phone rate legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. BAKER. Mr. President, I ask unanimous consent that the Committee on Governmental Affairs be authorized to meet during the session of the Senate on Friday, July 29, to hold a hearing on S. 905, the National Archives and Records Administration Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. BAKER. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Friday, July 29, to hold a code word briefing on the classified arms control issue.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON OVERSIGHT OF GOVERNMENT MANAGEMENT

Mr. BAKER. Mr. President, I ask unanimous consent that the Subcommittee on Oversight of Government Management of the Committee on Governmental Affairs be authorized to meet during the session of the Senate on Friday, July 29, to continue hearings on oversight of the management of the Synthetic Fuels Corporation.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

BIRTHDAY TRIBUTE TO RED SKELTON

● Mr. QUAYLE. Mr. President, I am pleased for this occasion to bring to the attention of my Senate colleagues, a recent milestone in the life of one of Indiana's most favored sons: The 70th birthday of Red Skelton, a native of Vincennes, Ind., observed on July 18.

It is appropriate that we honor Red Skelton today and I am pleased to join him in a special visit to the White House to commemorate his birthday with the President.

Red Skelton has brought happiness and laughter to generations of Americans throughout a career that has spanned five decades. His comic talent was first enjoyed by audiences in vaudeville, carnivals, circuses, riverboats, and burlesque houses in the early years. Later, Red starred in radio and in over 40 motion pictures. From the 1950's through the 1970's, Red Skelton delighted new generations of TV audiences with his unique brand of humor, mime, and unforgettable characters. In addition, Red Skelton is a talented composer, short story writer, and a recognized painter. One of his favorite subjects: clown portraits, with shocking red hair.

Red Skelton has ably proved the adage that laughter is the best medicine. During World War II and the Korean war, he entertained U.S. troops overseas. He has been honored numerous times for his selfless contributions to the needy and disabled. Red Skelton's success in show business is equaled only by his universal appeal to all ages.

I believe it fitting that we pay tribute today to Red Skelton and I know my Senate colleagues join me in wishing him continued health, humor, and his special grace which brings us cheer.●

THE GUNS OF GUATEMALA

● Mr. INOUYE. Mr. President, in April of this year, the New Republic printed an article on Guatemala written by Allan Nairn. The events depicted in this article show a shocking disregard for human rights. Indeed, they demonstrate that many in positions of authority in Guatemala overtly dismiss the sanctity of human life. I am grateful to a constituent, Mr. Paul Henning of Waianae, Hawaii, for bringing this article to my attention. I believe each member of the Senate could benefit from a close reading of Mr. Nairn's article.

Therefore, Mr. President, I ask that the article, "The Guns of Guatemala," be printed in the CONGRESSIONAL RECORD.

The article follows:

[From the New Republic, Apr. 11, 1983]

THE GUNS OF GUATEMALA

(By Allan Nairn)

On April 20, 1982, government troops entered the village of Acul in Guatemala's northwest highlands. According to an eyewitness, "They searched the houses and pulled the people out, and took us to the churchyard. The lieutenant walked up and down, pointing at people, saying 'These will go to hell, these will go to heaven.' The ones he said would go to hell they took out to be shot. They tied them up and kicked them and gave them karate chops to the throat. One soldier had a big knife and he stuck it into their genitals and hacked them on the neck and on the back. The people were crying and crossing themselves. The soldiers pulled out one boy and put him up against the big tree. They said they were going to shoot him because he was against the government. They took the others to the cemetery with their hands tied behind their backs. They dug a big ditch and lined them up at the edge. We all had to come and watch. The lieutenant said they were going to be shot because 'you haven't educated your children, your children are going around with scum, and that doesn't suit us. But we're not going to throw their bodies on the roadside, we're just going to shoot them.' He said this was the new law of Ríos Montt. They shot each one with a bullet in the face from about a meter away. Parts of their brains spilled out and scattered into the ditch." By the end of the day twenty-four lay dead. The next day the troops killed twenty-two more.

According to figures compiled by Amnesty International, at least 12,000 unarmed civilians have died by violence in Guatemala since 1978. Last year Amnesty reported that 2,600 had been killed between July and March 23, when General Efrain Ríos Montt seized power in a military coup. By December, however, army massacres had become more sporadic and the pace of guerrilla raids had slackened. These developments were widely interpreted to mean that the government had begun to curb human rights abuses and had succeeded in crushing the guerrillas.

The interpretation was wrong on both counts. The number of massacres fell because the army had completed the first stage of a major operation designed to depopulate the rural villages that are the guerrillas' logistical and political base. The guerrilla's level of activity fell because their village support network had been disrupted. During this operation, I conducted interviews with several dozen soldiers and officers in the field, as well as with refugees and government officials. What they said points to the conclusion that Ríos Montt's strategy was based on organized killing, torture, and bombing of unarmed civilians—a round of carnage that can be expected to resume as soon as guerrilla activity reaches a sufficently threatening level. And far from crushing the guerrillas, the counterinsurgency drive has left their corps of armed combatants essentially intact, while sowing bitterness among the peasant survivors.

Ríos Montt, who was trained in counterinsurgency at Fort Bragg and served in 1973 as director of studies at the Pentagon's Inter-American Defense College in Washington, D.C., brought the Guatemalan Army back into the mainstream of international counterinsurgency theory. General Romeo Lucas García, whom Ríos Montt toppled in the coup, had attempted to fight the guerrillas with an uncoordinated series of rural massacres. In the urban areas Lucas undertook a campaign of assassinations that destroyed a powerful popular movement of trade unionists, professionals, clergy, students, slum dwellers, and moderate politicians; he recklessly continued these highly visible killings long after their political objective had been accomplished. Besides bringing international condemnation of Guatemala's human rights abuses, Lucas' actions actually increased guerrilla strength.

Ríos Montt curtailed the politically disastrous urban assassinations. He shifted to a program of centralized planning, local and international public relations, and, as an army strategy document put it, "establishment of a scheme for control of the population"—forced labor "civil patrols" used for road repair, surveillance, and army-led military forays. The cutting edge of the strategy was a series of province-by-province sweeps by massed troops to clear the tiny mountain villages and to resettle much of the population in army-controlled towns. The sweeps concentrated the killing in a few brief but fierce bursts. After the phalanx had run out of villages in one region and moved on to the next, it could be said that violence in the first region had diminished and human rights improved. By October this claim could be made for the country as a whole.

As the sweeps began, in provinces of Chimaltenango and Alta Verapaz and Baja Verapaz, the level of killing—the highest in Guatemalan history—shocked even traditionally reserved elements of the local establishment. "Not even the lives of old people, pregnant women, or innocent chil-

dren were respected," said Guatemala's Conference of Catholic Bishops in a May 27 pastoral letter. "Never in our history has it come to such grave extremes." In an unprecedented series of editorials in May, the conservative *El Gráfico*, the country's leading newspaper, stated: "Massacres have become the order of the day . . . How is it possible to behead an 8- or 9-year-old child? . . . We do not deserve aid as long as this keeps occurring."

At the same time, the United States Embassy was assuring visitors that human rights conditions had dramatically improved and that if abuses were occurring they were contrary to policy. By way of proof, they distributed copies of the army's "Code of Conduct Toward the Civil Population," a twelve-point guide to counterinsurgency etiquette that admonishes soldiers not to "flirt or take liberties with the women," and to "show special affection and respect for the aged and children."

On May 24 Ríos Montt set the stage for the sweeps through Quiché and Huehuetenango, the provinces with the heaviest guerrilla activity, by announcing that he would grant amnesty to all guerrillas and collaborators who turned themselves in before July 1. After the amnesty had expired, any resident of a village believed to be collaborating with the guerrillas would be considered fair game. On June 30 Ríos Montt declared on television that "today we are going to begin a merciless struggle," and issued a decree that ordered all men age 18 to 30 to present themselves for military service. The decree stated that the army would "proceed with a vigorous and firm military action to annihilate the subversion that has not understood the good intentions of the government."

According to soldiers and officers who participated in the action last July, August, and September, the sweeps were directed not at armed guerrillas but at civilians in villages suspected of guerrilla collaboration. Ríos Montt had outlined the rationale in a May 17 interview. "The problem of the war," he explained, "is not just a question of who is shooting. For each one who is shooting, there are ten working behind him."

According to Lieutenant Romeo Sierra, who commands a 20-man patrol base at La Perla, a northwest highlands plantation, the sweeps were directed from the top. Field commanders like Sierra receive their orders through a chain of command which places only three steps—the minister of defense, the army chief of staff, and a colonel in the provinical capital—between themselves and Ríos Montt. The commanders receive daily orders from the colonel, and maintain hourly radio contact with his headquarters. "I advise him that 'I'm going to Tutzuhil with twenty men.' He knows everything. Everything is controlled." All field actions must be reported in the commanders' daily "diary of operations," which is reviewed and criticized in monthly face-to-face evaluations. "We're on a very short leash," Serra said.

Sierra, who directed the sweeps through his patrol area of 20 square kilometers and 10,000 people, told me that thousands of civilians were displaced but that "in the time I've been here [two-and-a-half months] no subversives have fallen. Lots of unarmed people, women refugees, but we haven't had actual combat with guerrillas."

Each patrol officer, after describing the success of his sweep, would casually point to his local mountain and say that 50 to 75 guerrilla combatants were still at large. Lieutenant Sierra estimated that 70 guerrillas were moving in the mountains immediately surrounding La Perla. "There are lots of them around here," said Miguel Raimundo, a sergeant in Nebaj, a medium-sized army-occupied town south of La Perla. "It's hard to fight them. There are about 300 of them—the ones who fight."

Just outside Nebaj, more than 2,500 peasants had been resettled on an army airstrip. "They didn't want to leave voluntarily," explained Felipe, a corporal who manned the 50-caliber machine gun that dominated the town from the church belfry. "The government put out a call that they would have one month to turn themselves in. So now the army is in charge of going to get all the people from all these villages."

Sergeant Miguel Raimundo, who was guarding a group of 161 suspected guerrilla collaborators (which included 79 children and 42 women), said, "The problem is that almost all the village people are guerrillas." According to camp records, these peasants had been rounded up in army sweeps through the villages of Vijolom, Salquil Grande, Tjolom, Parramos Chiquito, Paob, Vixaj, Quejchip, and Xepium. Sergeant José Angel, who commands a 40-man platoon based at La Perla, explained the procedure. "Before we get to the village, we talk with the soldiers about what they should do and what they shouldn't do. They all discuss it so they have it in their minds. We coordinate it first—we ask, what is our mission?"

According to José Angel, "One patrol enters the village from one point, on another side another patrol enters. We go in before dawn, because everyone is sleeping. If we come in broad daylight they get scared, they see it's the army, and they run because they know the army is coming to get them."

The army has a policy about such behavior. "The people who are doing things outside the law run away," the sergeant said. "But the people who aren't doing anything, they stay." He said he had seen cases where "lots of them ran, most of a village. They ran because they knew the army was coming."

Miguel Raimundo cited three cases where villages fled en masse. "All the villages around here, like Salquil, Palob, or here in Sumal, they have a horn and there's a villager who watches the road. If the soldiers come, he blows the horn. It's a signal. They all go running."

For the soldiers, the killing of fleeing, unarmed civilians has become a matter of routine. I ask Felipe, the Nebaj corporal, how the villagers react when the troops arrive.

"They flee from their homes. They run for the mountain."

"And what do you do?

"Some we capture alive and others we can't capture alive. When they run and go into the mountains that obligates one to kill them."

"Why?"

"Because they might be guerrillas. If they don't run, the army is not going to kill them. It will protect them."

"Among those you have to kill, what kind of people are they? Are they men or women?"

"At times men, at times women."

"In which villages has this happened?"

"Oh, it's happened in lots of them. In Acul, Salquil, Sumal Chiquito, Sumal Grande."

"In those villages, about how many people did you kill?"

"Not many, a few."

"More than ten? More than twenty? More than a hundred?

"Oh no, about twenty."

"In each village?"

"Yes, of course. It's not many. More than that were captured alive."

José Angel, the sergeant at La Perla, recalled a similar experience in the village of Chumansan in the province of Quezaltenango. "When we went in, the people scattered," he said. "We had no choice but to shoot at them. We killed some. . . . Oh, about ten, no more. Most of them got away."

According to accounts from soldiers and survivors, the army follows a consistent step-by-step procedure after entering a village. First, Sergeant José Angel explained, "We go into a village and take the people out of their houses and search the houses." Among the items the soldiers look for are suspiciously large stocks of grain or beans. The army takes what it can use and burns the rest. Next, he said, "You ask informers who are the ones that are doing things, things outside the law. And that's when you round up the collaborators. And the collaborators—you question them, interrogate them, get them to speak the truth. Who have they been talking to? Who are the ones who have been coming to the village to speak with them?"

The interrogations are generally conducted in the village square with the entire population looking on. I asked José Angel how he questioned people. He replied, "Beat them to make them tell the truth, hurt them."

"With what methods?"

"This one, like this [he wraps his hands around his neck and makes a choking sound]. More or less hanging them."

"With what?"

"With a lasso. Each soldier has his lasso."

The day before, in Nebaj, an infantryman who was standing over the bodies of four guerrillas who had been executed a few hours before demonstrated the interrogation technique he had learned in "Cobra," an army counterinsurgency course for field troops. "Tie them like this," he said, "tie the hands behind, run the cord here [around the neck] and press with a boot [on the chest]. Knot it, and make a tourniquet with a stick, and when they're dying you give it another twist and you ask them again, and if they still don't want to answer you do it again until they talk." According to sergeants and infantrymen of Nebaj and La Perla, the tourniquet is the most common interrogation technique. Live burial and mutilation by machete are also used.

The director of an ambulance squad in one of Guatemala's largest provinces said that roughly 80 percent of the bodies recovered by his unit have their hands tied behind their backs and show signs of strangulation. The bodies are usually naked and have been finished off by 5.56 millimeter bullets (the kind used in the army's assault rifles) fired at close range into the chest, or by puncture wounds to the neck, generally consisting of four intersecting slices, characteristic of the army's four-flanged bayonet.

The soldiers said they expect those they question to provide specific information, such as the names of villagers who have talked with or given food to guerrillas. Failure to do so implies guilt, and brings immediate judgment and action. "Almost everyone in the villages is a collaborator," said Sergeant Miguel Raimundo. "They don't say anything. They would rather die than talk."

When I asked Miguel Raimundo about the interrogation method, he replied: "We say, if you tell us where the guerrillas are, the army won't kill you. . . . If they collaborate with the army, we don't do anything."

"And if they don't say anything?"

"Well, then they say, 'if you kill me, kill me—because I don't know anything,' and we know they're guerrillas.

They prefer to die rather than say where the compañeros are."

According to Sergeant José Angel, it is common for suspected collaborators to be pointed out, questioned, and executed all on the same day. Explaining how he extracted information so quickly, he said, "Well, they don't talk like that voluntarily. You just have to subdue them a little to make them speak the truth."

After the interrogations have been completed, the patrol leader makes a speech to the survivors gathered in the village square.

"We tell the people to change the road they are on, because the road they are on is bad," said José Angel. "If they don't change, there is nothing else to do but kill them."

"So you kill them on the spot?"

"Yes, sure. If they don't want the good, there's nothing more to do but bomb their houses."

José Angel said he had participated in operations of this kind in the provinces of Sololá and Quezaltenango in which more than 500 people were killed. He and other soldiers said that smaller villages are destroyed with Spanish, Israeli, and U.S.-made grenades. Boxes of these grenades could be seen stacked in the Nebaj ammunition dump. The soldiers said they also used a 3.5-inch U.S.-made shoulder-held recoilless rocket that was designed as an antitank weapon but is effective against people and straw huts. At the La Perla headquarters, one such launcher was sitting next to boxes of "explosive projectile" rockets from the Iowa Army Ammunition Plant.

For larger operations, José Angel said, patrols called in army planes and helicopters to bomb the villages. The helicopters are U.S.-manufactured Hueys and Jet Rangers. (Until January 1983, when the State Department rescinded the Carter Administration's 1977 ban, the sale of spare parts for the helicopters had been withheld on human rights grounds.) The bombs include U.S.-made 50-kilogram M1/61As, twelve of which were stacked in the base munitions dump in Nebaj. José Angel said he had seen such bombs dropped from Huey helicopters in Pujujil and the surrounding cantons in Sololá. The ambulance squad leader cited six cases in his province where survivors told of being bombed from planes and from blue and white (the color of the Jet Rangers) helicopters. He said he had observed craters, shattered houses, and trees marked with heavy shrapnel. On December 8, at the graduation ceremonies of the Military Aviation School, the army gave a public demonstration of bombing from Huey helicopters.

The American Embassy would neither confirm nor deny that U.S. helicopters were being used for bombing, but a senior diplomat said that if they were, it would not be a violation of U.S. intent. "If you're engaged in a war, you bomb and you strafe," the official said. "If you have a fort you've got to take out, you save lives. That's what we did in World War I and World War II."

Some Guatemalan officers contend that although helicopters are widely used for bombing, they are of greater tactical importance for surprise entry. "When you go in on foot," said Lieutenant Cesar Bonilla, the officer in charge of the villagers resettled at the Nebaj airstrip, "they see the patrol three kilometers away and know you're coming. But with air transport, you land different units in the area, all the units close in rapidly, and the people can't go running away."

Bonilla said that this type of operation could only be executed by several helicopters at once. "With just one helicopter you scare them away and there's no control." The United States' refusal to sell spare parts had grounded much of the fleet, so Lieutenant Bonilla was encouraged by reports that the Reagan Administration was considering a change in policy. "That would be wonderful," he said, "With six helicopters, for example, the airborne troops would land all at once before they could make a move. The nicest, the ideal, the dream, would be a surprise: suddenly, pow! Helicopters with troops!" As he spoke, he made machine-gun noises and waved his Galil toward the refugee shacks. "Ta, ta, ta, ta, ta! All at once from the air! Pow! No escape routes. That would be ideal."

The day before this conversation, a peasant family in Bonilla's camp, interviewed in their shack outside the view of soldiers, described such an assault on their village. "Two times they came there in helicopters," said one of the men. "They would come in and land and the people would retire and they would always kill a few. They flew over, machine-gunning people from the helicopter." The family said that five were killed in the strafing.

This family, like its neighbors, was moved out of its village and told that the army would provide for its security, food, and housing. This is the "beans" component of General Ríos Montt's heralded "beans and rifles" program. Removed from their houses and fields, the people must depend on the army. Such relocations are a standard counterinsurgency tactic. Ríos Montt, however, has succeeded in portraying them as part of an economic reform program. The relocations make the army the well-publicized partner of international organizations that answer the government's plea to aid the villagers. Many foreign observers, unfamiliar with how and why the army resettled the people, are impressed by the sight of an army feeding and housing a peasantry it has been accused of massacring.

By September the sweep was coming to an end, and the next stage of the operation was beginning. "Up here there aren't any villages anymore," said José Angel, speaking of the patrol areas around La Perla. "There used to be, but then the soldiers came. We knew that such and such a village was involved, so went to get them. We captured some and the rest of the people from the village ran away. They're hiding in the mountains. Now we're going to the mountains to look for them.

Going into the mountains to track down refugees meant going into guerrilla territory. According to the soldiers and refugees who have come down from the mountains, many villagers fleeing the army wander through the hills alone, armed only with machetes and an occasional hunting shotgun. But some make contact with guerrilla patrols that act as their guides, sometimes sending them toward the relative safety of the Mexican border.

In some regions, the army has abandoned armed pursuit in favor of a strategy of waiting until hunger and disease flush out the villagers, who must live off weeds, roots, and quick-growing vegetables while staying constantly on the move. This tactic scored its first major success in mid-October, when several thousand refugees from the San Martín Jilotepeque area in Chimaltenango, many of whom had been in the hills since February following a series of massacres during the Lucas period, came down and surrendered to the army, asking for food. Nobody knows how many refugees are in the mountains. In May, before the Quiché and the Huehuetenango sweeps, the Conference of Catholic Bishops estimated that the number of refugees (not all of whom are living in the mountains) exceeded one million. Guatemala's total population is seven million.

Major Tito Arías, commander of the Nebaj base, said in mid-September that 2,000 people from the area of Sumal Grande had fled to the mountains and would be pursued by foot patrols and helicopters. Sergeant José Angel said his platoon went on such operations frequently. I asked José Angel what his troops did when they find refugees.

"At times we don't find them. We see them but they get away."

"But when you do find them, what do you do?"

"Oh, we kill them."

"Are they a few people or entire villages?"

"No, entire villages. When we entered the villages we killed some and the rest ran away."

Under the army's policy, a peasant found outside the army-controlled towns can be in mortal danger. "We know the poor people from close up and far away," said Sergeant Miguel Raimundo. "If we see someone walking in the mountains, that means he is a subversive. So we try to grab him and ask where he's going; we arrest him. And then we see if he is a guerrilla or not. But those who always walk in the mountains, we know they are guerrillas. Maybe some of them will be children, but we know that they are subversive delinquents. I've been walking in the mountains for a year now, and just in the mountains, one by one, we've captured more than 500 people."

Like his fellow sergeants and lieutenants, Miguel Raimundo is comfortable with the army's assumptions. "A woman told me yesterday that the soldiers kill people, that the soldiers killed her husband. But I told her that if the soldiers killed her husband it was because he was a guerrilla. The soldier knows whom to kill. He doesn't kill the innocent, just the guilty. And she said, 'No, my husband wasn't doing anything.' So I said, 'And how do you know it was nothing? How do you know what he was doing outside?' 'No,' she said, 'because he never went anywhere.' 'Yes,' I said, 'That's because he was a collaborator.' "

It is possible that Ríos Montt's strategy will succeed in isolating and demoralizing the guerrillas. But it is more likely that it will end up strengthening them. For all the relative sophistication of Ríos Montt's approach, it has relied largely on violence directed at the civilian population. And it was such violence, after all, that made the guerrillas a threat in the first place. In 1967 and 1968, the Guatemalan Army, assisted by U.S. advisers, did succeed in defeating the guerrillas of the eastern provinces of Zacapa and Izabal with a campaign that took 5,000 to 10,000 civilian lives. But those insurgents numbered only a few hundred and were poorly organized. By 1978 the guerrillas had reorganized, established political links with the peasantry, and expanded their combat force. When the army began killing peas-

ants whom speculators were evicting from the land, the guerrillas were ready to take advantage of the resulting popular resentment. It was Lucas's counterinsurgency campaign that made the difference. His massacres and assassinations sent the guerrillas waves of new recruits and transformed them from a militarily marginal force into a powerful movement.

Severe as Lucas's spasms of violence were, however, they pale in comparison to the death and dislocation sown by Rios Montt's systematic sweeps. Today there are tens of thousands of Guatemalans roaming the mountainsides and living in the villages and camps who have lost husbands, wives, parents, children, friends, and homes, and who carry with them graphic memories of a brutal encounter with their government. Ríos Montt's destruction of the rural social structure has set back the guerrillas, but has left them alive to organize and fight another day.

On March 23, the anniversary of his coup, Ríos Montt modified the state of siege. Speaking on television in the wake of the Pope's visit, the General, who is an evangelical Protestant, said, "We know and understand that we have sinned, that we have abused power, and we want to reconcile ourselves with the people." Ríos Montt has talked this way before, even while directing the bloodiest of his military campaigns. And it is hard to see how any kind of reconciliation can be achieved without the kind of basic political and economic changes that have been steadfastly resisted ever since a C.I.A.-sponsored coup brought the military to power in 1954. It is equally hard to see how such changes can be made as long as the army and the oligarchs continue to rule.

Neither Efraín Ríos Montt nor the officers and politicians constantly plotting to replace him can expect ultimately to achieve a military victory. They are more likely to find themselves on a downward spiral—having to kill more and more to stave off the consequences of the killing they have done before. Whether the guerrillas succeed in using this situation to fashion a victory of their own is another question. But it appears that given the logic of the Guatemalan struggle, the war is theirs for the losing.●

A BAD IDEA FOR TESTING

● Mr. GOLDWATER. Mr. President, for anyone sitting outside the operation of the military, particularly the operation of the Pentagon, it is not difficult at all to come up with places where money might be saved. Even with all of my background in the military and with my association with the Pentagon, I could come up with ideas that I think might work. Some of them do, but most of them do not.

The case in point I want to address today appeared in Aviation Week and Space Technology July 25, and it is entitled, "A Bad Idea for Testing."

There is no question in my mind that any person who has never been close to, observed or participated in the testing of complicated military equipment can figure that there could be a better way to do it. Having lived through the process for a long time, I can say, flatly, that there is not, if you want to get the real results. Let us say we are going to test something that sounds as simple as a radio to handle communications. This sound simple, yes; but the most important part of our world, whether it is military or civilian, in communications then becomes the question of: How will this piece of equipment operate under all degrees of heat, under all degrees of usage, with the use of the equipment by people who have never even seen a radio set before?

I cite a radio because it is a common thing. But, when you get into a complicated piece of equipment like an airplane it is not all that simple.

I am not going to go into great lengths about the testing of an aircraft. This is laid out in great detail and at great length, by a myriad of engineers, academics, test pilots, and so forth, whose every movement and every movement of the aircraft is carefully recorded by telemetry which is studied and restudied. Books could be and have been written on what has been found out about the testing of any one aircraft.

I mention these things because I am acquainted with them. But, I think it would be well for the Members of the Congress to read the article by William Gregory on this subject pointing out that congressional monitoring of testing would be a very dangerous and a very bad mistake.

I ask that the article I refer to be printed in the RECORD.

The article follows:

[From Aviation Week & Space Technology, July 25, 1983]

A BAD IDEA FOR TESTING

(By William H. Gregory)

Independent testing of weapons systems as an idea buzzed around a small circle in Congress this spring as a new solution to the problem of waste in military procurement—something the services have been convicted of by consensus. In the throes of trying to get a Fiscal 1984 budget authorization out of the Senate before the August recess, and to save funding for the MX, Senate leadership accepted the independent test force idea as a compromise—at least for the moment.

There are a lot of things wrong with this palliative. The worst is that it will slow down systems development a year or two at least, and development already has become an excruciatingly long process. Ten years is the going average.

Part of the slowdown will come from grafting onto the testing process of one more agency that must at least go through the motions of doing the job Congress mandated it to do. A more insidious time waster will be the way the existence of such a super agency—the bill proposes to make it part of the Defense Dept.—will further paralyze the decision-making process. Program managers are being second guessed more than sufficiently now by the multilayered management system in the Pentagon, by Congress and by its investigative arm, The General Accounting Office. One more layer of review will encourage even less boldness by program directors than the existing system does.

CONGRESSIONAL MONITORING

One of the sponsors of the independent testing agency is Rep. James A. Courter (R.-N.J.), who is cochairman of the military Reform Caucus, which is not antidefense but which is generating its own personal favorite policies for how the country should be defended. Courter is calling on Congress to improve military testing procedures as a means of improving its own monitoring of the weapons-acquisition process.

"This can be done," Courter contends, "by creating a new office in the Defense Dept. which would issue reports to Congress and the secretary of Defense on the adequacy of testing in major defense programs before the decision to begin full-scale production is made. . . . The imposition of strict standards on operational testing, coupled with the knowledge that an independent report on testing will be made to Congress, will be a strong impetus to eliminate success-oriented test procedures."

Not only would Courter's idea paralyze the program manager in his decision making, but it would also strike at the introduction of new technology itself. Instead of eliminating success-oriented testing, as Courter suggests, the creation of a super agency to audit test programs would do just the opposite. It would place incentives for program managers, and the services generally to play the acquisition game just as safely as possible. The obvious way to play the acquisition game as safely as possible is to stick to well-proven technology.

There is a story told that the late aerodynamicist Theodore von Karman once wrote to a program manager of an advanced missile system to this effect: "I see that you have had six successful test flights in a row. This tells me that you are being too cautious." Six successful test flights in a row is exactly the goal every program manager would strive for, not to mention every service chief, if he knew he were to face a grilling by Congress on the conduct of a test program. For better or for worse, the independent test agency idea will inject Congress into the details of weapons testing.

FAILURE-ORIENTED TESTING

Courter is right about one thing. Success-oriented test programs are not the way to test weapons. Failure-oriented testing is the way to find out what is wrong before a weapon system goes into the field, but a super watchdog agency with a mandate from Congress is the last way in the world to encourage failure-oriented testing.

The services already do independent testing. The Navy has its operational evaluation squadrons with pilots drawn from the fleet, and the Air Force has its Air Force Test and Evaluation Center at Kirtland AFB, N.M., which reports to the Pentagon rather than to its acquisition command. The Navy's OpEval of the McDonnell Douglas F-18 was hardly a whitewash. Try finding a test pilot anywhere who minces words about an aircraft he is evaluating. Testing by the services has singled out the problems that Congress now complains about.

Much of the new-found expertise being passed about in Congress on weapons testing starts from a false premise: that testing in a noncombat situation can ever simulate precisely how a system will perform under fire. The whole history of World War 2 for the U.S. was a case of finding out in the first year what worked in combat and using that experience to develop the hardware that did finally win on the battlefield. Some weapons developed in peacetime do work in

battle and some do not, but the idea that testing can do the kind of winnowing combat does if only a super agency keeps tab on the testers is a delusion.

If Congress wants to do something useful in the weapons testing field, it could look at the question of user participation in the testing process. The services have supported such participation for years, but the reliability problems of advanced weapons systems raise the question of whether the difficulties in blending user requirements with advanced technology and development and production realities need further attention. Congress should look carefully at the independent testing it has before adding to the bureaucracy.●

COMPUTER EDUCATION FOR ALL CHILDREN

● Mr. LAUTENBERG. Mr. President, a number of newspapers in my State of New Jersey and around the country have recently commented editorially on the issue of equal access to programs of computer learning for all children, rich and poor alike. This is an issue which concerns me greatly. While great strides are being made in the development of educational programs using computers, and the number of schools which are equipped with computers is growing at a fast clip, these benefits are not evenly distributed across all schools. Evidence is already available to show that schools in poor areas are not keeping up with more affluent schools. This is a problem to which the Congress must be sensitive.

The Senate will soon be considering a bill to improve science and mathematics instruction, the Education for Economic Security Act. The bill will provide assistance to strengthen teachers' skills in computer education. It will be very important that teachers in disadvantaged areas make use of this assistance to prepare themselves to provide computer education programs in their schools. I believe that children in all socioeconomic groups can benefit greatly from computer education, to learn basic skills and prepare for their future. As the Christian Science Monitor recently noted metaphorically, ". . . children without water can hardly learn to swim."

Mr. President, I ask that a number of editorials discussing the need for computer education for all children be printed in the RECORD for the information of my colleagues.

The editorials follow:

[From the Trenton Times]

GETTING ON LINE

"The concept of computer illiteracy defines a new type of illiteracy, and the potential for new and distressing divisions in our society."

Sen. Frank R. Lautenberg, in his maiden speech in the U.S. Senate, took hold of a problem we are going to have to deal with.

Lautenberg cited U.S. Office of Technology studies that show that almost 70 percent of wealthy school districts now have microcomputers for students; 60 percent of poor school districts don't. The number of home computers doubled in the past year. "Those computers are being acquired by the affluent, reinforcing disparities of opportunity," he said. ". . . In a nation that is plugged into computers, questions of success and failure may become questions of who is online and who is off-line."

A computer represents a large investment for a school district or a home, and it does not have an immediate payback. But if being able to use one is the key to getting a job in the future, people unable to make the investment will be unemployed, society's wards.

Lautenberg was sounding a "theme," not offering detailed solutions in this first speech. It's a new theme. He promised during the campaign he would be taking a longer vision than is customary in Congress, and with this speech he surely did.

The problem he is pointing to won't hit with its full fury until this school generation is in the job market. By then we may have lost part of a generation to computer illiteracy. The time to act to prevent that is now.

As a matter of equality of opportunity, we have to be sure our schools are graduating people who are "on-line" with computers.

[The New York Times, June 12, 1983]

HAVE-NOTS OF THE NEW ERA

Twenty years ago, C. P. Snow foresaw a "gulf of mutual incomprehension" separating literary intellectuals and scientists. In his maiden speech in the Senate last week, Frank R. Lautenberg, Democrat of New Jersey, said a similar gulf now separates computer literates and illiterates—meaning, all too often, children in wealthy school districts and children in poor ones.

In describing "the potential for new and distressing divisions in our society," Mr. Lautenberg put before lawmakers what has so far been primarily a scholarly concern. He spoke as an expert, having founded the nation's larges data-processing firm.

The results of recent studies support Mr. Lautenberg's warning that in an age demanding computer literacy, students from low-income families may be disenfranchised. A 1982-83 survey, conducted by the Center for Social Organization of Schools at Johns Hopkins University, found 67 percent of public schools in wealthier districts (those with no more than 10 percent of families below the poverty line) had microcomputers; only 41 percent of schools in poorer districts (with 21 percent or more families living in poverty) had them.

[From the Christian Science Monitor, June 9, 1983]

COMPUTERS AND THE POOR

Americans have received fresh warning that a new class of poor people could be created by lack of equal opportunity for computer learning in America's public schools. At the same time they are hearing of organizations and individuals dedicated to preventing such an outcome.

A leader among these organizations is the Minnesota Educational Computer Consortium with its goal of ensuring equal access to computers for every student from rich suburbs to poor rural districts. The consortium and its ripple effects are described elsewhere in today's Monitor.

As for individuals, a senatorial champion with the highest relevant credentials has emerged to join the cry against leaving poor children out of the computer revolution. He is freshman Frank Lautenberg (D) of New Jersey, former head of Automatic Data Processing, who used his maiden speech this week to stake out the effects of "the information age" as a framework for his Senate tenure.

Without doubt Congress can benefit from the focus of such a qualified individual on the rising importance of information in all forms—both for those who draw on it and for those with the skills and resources to control and purvey it. Many matters beyond education—privacy, security, manipulation—have to be addressed as information technology burgeons. But Mr. Lautenberg was on the mark in warning at the outset that, without equal opportunity for "computer literacy," a new class of poor people could be created.

As it is, he noted, computers are proliferating in the homes and schools of the affluent, while schools in poor districts average 25 percent fewer computers than other schools. The urgency of correcting the situation is suggested by another event drawing attention to the need. It is the start of Project Athena, a $70 million academic-industrial experiment to overhaul university teaching, with computers as the textbooks of the future. The Massachusetts Institute of Technology—allied with two computer manufacturers in the venture—compares it to previous MIT projects revamping whole academic fields with new sets of texts. In some cases a computer disk might be packaged in the cover of a textbook; it could simulate processes otherwise requiring much time and expense.

Since MIT's faculty includes at least one notable skeptic about computer teaching, particularly for young children, Project Athena will no doubt take account of pitfalls as well as promise in its assignment. But its thrust toward computerization appears in one form or another on many campuses.

The point for us—and presumably Senator Lautenberg—is that computer skills, like reading skills, are soon going to be taken for granted in higher education as well as in a growing number of workplaces. Students at lower levels without access to learning these skills will be just as surely discriminated against as those suffering any other denial of equal opportunity.

Fortunately the challenge is not going unnoticed. More evidence has come in since our editorial, "Children and computers" and the Monitor's special education section on computers (April 15).

There are examples on our own Massachusetts doorstep. In the fall a Cambridge magnet school will teach computers from kindergarten to eighth grade. The University of Massachusetts offers scholarships and other incentives to science students in exchange for agreeing to teach in public schools.

All this may be news more to parents than to young people taking to computers like ducks to water. But it cannot be said too often that children without water can hardly learn to swim.

[From the Washington Post, July 2, 1983]

COMPUTERS COST, MR. PRESIDENT

(By Ellen Goodman)

BOSTON.—At times I have the unhappy feeling that the president of the United States is suffering from computer illiteracy. He doesn't seem to speak the lingo of LOGO. He keeps talking about going back to basics instead of forward to BASIC.

Anyone following his political teaching across the country these weeks—if this is Wednesday, it must be Louisville—would suspect that he is living in the Misinformation Age. He maintains our education problems won't be solved by more money but by getting our money's worth for what we already spend. The target may be excellence but it's not one he thinks we should throw dollars at.

From where I sit, however, in front of a video display terminal, the notion that he can cut the federal funds for education and raise the tide of mediocrity qualifies as Voodoo Education.

It's true that money can't buy the love of learning. There is much that can be done with no more loose change than a change of mind. But if you want a hint of the true cost of getting our education system up to date and up to speed, try computing it.

There's little doubt about the need and value of preparing the next generation for their high-tech futures. Even the president noted it in his State of the Union Address last winter.

Sen. Frank Lautenberg (D-N.J.), the high-tech son of a man who worked in a textile mill that doesn't exist any longer, also talked about it in a speech to the Senate this month. He brought it down to the academic level. "In an age that demands computer literacy," he said, "a school without a computer is like a school without a library."

At the moment, there are a lot of schools without these "libraries." For all the talk of an "explosion" of computer use in education, there are no more than 250,000 terminals and microcomputers for 45 million schoolchildren. If kids are to get skills in using computers as a tool—which is what a vast proportion will do as adults—they need more than a few minutes a week, more than one computer for every 180 students.

Marc Tucker of the Carnegie Project on Information Technology and Education calculates the idea formula this way: "Suppose we want a reasonably capable computer for every four students and we have 40 million children in public schools. We need, then, 10 million work stations. With that kind of market, the price of this machinery might go to, say, $1,000 a station. That adds up to $10 billion. Assume again, that the state and local people pay for half. The bill still comes to $5 billion."

This may be pie-in-the-sky stuff, but any significant plan is going to cost plenty. As Tucker says, "There is no way on God's green Earth that we'll be able to do this without very significant federal assistance."

Computers are obviously not the magic solution to the woes of education. It's as easy to misuse a computer as a slide projector. Computers are just machines, and schools are just day-care centers if they don't attract high-quality teachers and caring administrators. But they do offer one small, concrete example of real costs.

The cost of buying this hardware and software also says something about fairness, about the gap between rich kids and poor kids and how they are affected by the gap between rich schools and poor schools.

Lautenberg, who comes from a state with the third highest per-capita income and some of the poorest cities, notes that a full 70 percent of wealthy schools in the country have computers, while 60 percent of poor schools have none. Not surprisingly, the school systems in wealthy and technologically sophisticated areas are gaining an advantage, increasing their side of the gap.

What's the role of the federal government in this? Since the early '60s, the government has played a part in equalizing opportunities, narrowing the gap. The Reagan administration has turned away from that role in and out of education, but it's a part of our heritage and our future.

Most of us talk about computers as education tools and as part of the transforming economy. The two—national education and the national economy—are simply inseparable.

Ideally, as Marc Tucker fantasizes the future, "If they were the right sort of machines, designed to be used in schools, with trained teachers, we'd have an extraordinary improvement in reading and writing. Kids would be able to handle data, use it, analyze it, understand it, which would make an extraordinary contribution to our ability to compete with other countries."

You can't do what with mirrors.●

COMMENDATIONS FOR INTERCEPT OF DRUG SMUGGLERS

● Mr. CHILES. Mr. President, I would like to take this opportunity to applaud and commend the commanders and crew of the destroyer U.S.S. *Kidd* and the Coast Guard law enforcement team, known as a TACLET, who were aboard the *Kidd* when it recently intercepted, stopped, and secured a drug trafficking vessel ladened with approximately 35 tons of marihuana estimated to be worth $23 million.

I think it is important that all of us who are involved in the fight against drugs here at home take notice of this superb performance by the Coast Guard and the Navy. On very short notice and in a potentially sticky situation, a historical precedent was set and successfully carried out. This is the first case since we amended the Posse Comitatus laws where a U.S. military vessel, working under the tactical control of the Coast Guard, has used disabling fire on a vessel involved in drug smuggling.

During the current and planned manuevers in and around the Carribean, it is my hope that more Coast Guard TACLET teams are put to use aboard Navy vessels. While we are intercepting gunrunners, we might as well catch a few drugrunners, too.

Mr. President, I ask to insert in the RECORD a copy of the July 16, 1983, statement released by the U.S. Atlantic Fleet Headquarters of the Commander in Chief about this incident.

The statement follows:

[News release]

U.S.S. "KIDD" ASSISTS COAST GUARD

A U.S. Coast Guard TACLET embarked onboard U.S.S. *Kidd*, a United States Navy guided missile destroyer, stopped and boarded a vessel for suspected drug smuggling into the United States today. The vessel, the merchant ship *Ranger*, is a 70-foot-long steel-hulled cargo carrier.

After visual signals and voice communication failed to halt the *Ranger* early last night, the Commanding Officer of the U.S.S. *Kidd*, acting with the approval of the Commander, Coast Guard District Seven, in Miami, Fla., fired warning shots from the ship's 50-caliber guns to attempt in bringing the *Ranger* to a halt for boarding.

At approximately 7:30 a.m. this morning, when all other means failed to halt the *Ranger*, the Commanding Officer of U.S.S. *Kidd*, acting with the approval of the Commander of the Coast Guard District, took action to disable the vessel. Eighteen inert rounds from the ship's guns were directed at the rear of the vessel to bring the *Ranger* to a halt for boarding. Every effort was made to minimize property damage, and there was no report of personnel injury.

The *Ranger* was boarded by the Coast guard TACLET and seized when illegal drugs were found. The crew was arrested and the vessel seized approximately 450 miles east of Miami, Fla., at 8:35 a.m. this morning. U.S.S. *Kidd* was operating under tactical control of the Commander, U.S. Coast Guard District Seven at the time of the boarding. The boarding was conducted by the senior Coast Guard boarding officer, acting in accordance with current Coast Guard directives and policy.

This operation is a result of President Reagan's commitment to strengthen Drug Interdiction efforts through the South Florida Task Force, headed by Vice President Bush. The specific administrative and logistic details of Navy operations in support of the U.S. Coast Guard were coordinated by the Secretary of Transportation, the Secretary of Defense, and the Secretary of the Navy.

The *Ranger* will be escorted to San Juan, Puerto Rico by the Coast Guard Bouy Tender USCGC *Sagebrush* and will arrive at approximately noon on Tuesday, July 19.

U.S.S. *Kidd* is commanded by Navy Commander William J. Flanagan, Jr., and is homeported in Norfolk, Va. U.S.S. *Kidd* was flying the U.S. Coast Guard Ensign during the course of this operation.●

TUITION TAX CREDITS

● Mr. BOREN. Mr. President, I wish to focus the Senate's attention today on the issue of tuition tax credits for parents who send their children to private schools. I believe such credits would be bad policy for several reasons.

First, tuition tax credits will lead to the destruction of fundamental principles of equality in which Americans have always believed. The Equal Opportunity Act of 1983 is ironically named: Instead of contributing to an educational system that will serve as an "open door" through which all children regardless of race, creed, or economic background can pass, the educational system will become "two-tiered." If this legislation is adopted, the most promising and brightest students will be skimmed from our public schools and placed in private schools. Such skimming will defeat one of the primary purposes of the public school system—the goal of providing all children an equal chance to enter the mainstream of American life and to achieve success.

I am also opposed to tuition tax credits because of their excessive cost. At a time of record budget deficits and diminished Federal support for public education, it would be irresponsible to enact tuition tax credits and drain ad-

ditional billions of dollars from the Federal Treasury.

Recently, I received a letter from former Senator Sam Ervin, Jr., of North Carolina, in which he outlined his reasons for being opposed to tuition tax credits. While in the Senate, Sam Ervin was a strong supporter of public education.

In an open letter to the President last year, Senator Ervin discussed in some detail why he believes tuition tax credits are a bad idea. In the same letter, he makes a forceful argument challenging their constitutionality. He also discussed this latter point in remarks delivered to the National Press Club on March 16, 1983.

I believe the issues raised in these papers by Senator Ervin are important ones for the Senate to consider. I therefore ask that the letter and the remarks of Senator Ervin be printed in the RECORD.

The material follows:

SAM J. ERVIN, JR.,
Morganton, N.C., April 20, 1982.

AN OPEN LETTER TO PRESIDENT RONALD REAGAN FROM FORMER SENATOR SAM ERVIN

Re the tuition tax credit.

The PRESIDENT,
The White House
Washington, D.C.

DEAR MR. PRESIDENT: When they send their children to parochial and private schools which teach religion, parents are primarily motivated by their understandable desire to have them instructed in the religious faith of their churches.

No matter how worthy your motive for urging it may be, the proposal that Congress grant these parents credit on their federal income taxes for the tuition they pay to these schools is indefensible for three reasons. It is unwise; it is unjust; it is unconstitutional.

WHY THE PROPOSAL IS UNWISE

The proposal is unwise because it is repugnant to good government, sound economics, and true religion.

Government owes the people specific obligations, which require substantial taxes to finance them. The teaching or the financing of the teaching of religion is not one of them. But public education is.

Apart from its constitutional infirmities, the tax credit proposal is repugnant to good government.

The government's financial resources are limited. It has none beyond what it can exact from taxpayers without impoverishing them or crippling the economy.

Government should never dissipate its limited financial resources to finance non-government obligations. When it does, it offends both good government and sound economics because it impairs its capacity to perform its own obligations in an acceptable way.

If it should approve the tax credit proposal, Congress would diminish the nation's ability to finance the public schools, and public education would suffer accordingly.

This observation is always true. Its importance is much magnified, nowadays, however, because the nation is staggering under a national debt in excess of a trillion dollars, and is anticipating a deficit in the coming fiscal year exceeding one hundred billion dollars. It is no time for government to increase the deficit by financing a non-governmental and constitutionally forbidden undertaking.

Furthermore, the tax credit proposal is repugnant to true religion. Under God's plan, religion is dependent for its support on the persuasive power of the truth it proclaims, and not on the coercive power of governmental taxation.

The Man of Galilee affirmed this to be so when he said, "Ye shall know the truth, and the truth shall make you free" (John, c. viii, v. 32), and "render, therefore unto Caesar the things which are Caesar's, and unto God the things that are God's" (Matthew c. xxii, vs. 15–22).

Government is contemptuous of true religion when it confiscates the taxes of Caesar to finance the things of God.

If it is to be faithful to itself, religion must look to the voluntary contributions of its adherents and not to the involuntary taxes of Caesar for its support. Churches merit no praise for undertakings if their own members are unable or unwilling to finance them.

WHY THE PROPOSAL IS UNJUST

It is unjust for government to compel one taxpayer to pay taxes and to exempt another, either in whole or in part, from paying like taxes. Yet that is exactly what the tax credit proposal, if approved by Congress, would do.

Moreover, it would do this with a vengeance. While every man receiving as income the bare pittance which subjects him to federal income taxes would be compelled by it to pay his income taxes in full, the proposal would grant special exemptions from taxation, in whole or in part, to parents for tuition paid by them to schools teaching religion, even though their incomes total $75,000.00 a year.

Taxation to support the established church in Virginia was abolished by Thomas Jefferson's Statute of Virginia for Religious Freedom.

This Statute declares that it is both sinful and tyrannical for government to compel men to make contributions of tax moneys for the propagation of religious opinions they disbelieve.

It is just as sinful and tyrannical for government to do this in 1982 as it was in Thomas Jefferson's day.

Yet that is exactly what the tax credit proposal, if adopted by Congress, would do. Protestants and Jews and all other Americans who do not send their children to parochial and private schools for religious instruction would be compelled to pay taxes to propagate the religious doctrines these schools teach, even if they disbelieve them.

This is so because these Protestants, Jews, and other Americans would be compelled by law to supply the deficiency in treasury receipts the tax credit would occasion.

WHY THE PROPOSAL IS UNCONSTITUTIONAL

In times past government imprisoned the minds and spirits of men and women in intellectual and spiritual jails. It did so by denying them freedom of religion, and by compelling them to pay taxes to support churches established by it, even if they disbelieved the doctrines the churches proclaimed.

The Founding Fathers knew the history of these governmental tyrannies, and were determined that they would not be repeated in our land. They staked the very existence of America as a free Republic on their abiding conviction that the state must keep its hands off religion, and religion must keep its hands off the state in general and the public purse in particular.

To this end, they added the First Amendment to the Constitution, and thus forbade government to make any law "respecting an establishment of religion, or prohibiting the free exercise thereof."

The tax credit proposal is repugnant to both prohibitions of the First Amendment.

If it were adopted by Congress, the tuition tax credit would be a law "respecting an establishment of religion" because it would indirectly supply to parochial and private schools tax credits to aid them to teach religion.

If it were approved by Congress, the tuition tax credit would also be a law "prohibiting the free exercise of religion" because it would tax Americans who do not send their children to parochial and private schools for religious instruction to supply the deficiency in treasury receipts arising out of the tax credits to those who do.

SUMMARY

Tuition tax credits would be governmental rewards to taxpayers who send their children to parochial and private schools to be taught the religious faith of their churches. The rewards would be funded by imposing on taxpayers who send their children to public schools the burden of supplying the deficiency in treasury receipts the tax credits would cause, and by impairing the financial capacity of public schools to perform their essential public mission. Moreover, the tuition tax credits would confiscate taxes of Caesar to finance things of God.

As a Senator, I always endeavored to make the First Amendment a reality for all Americans. If it should make the tuition tax credit proposal a reality, Congress would mortally wound the First Amendment.

I pray Congress will not murder the First Amendment.

Sincerely yours,

SAM J. ERVIN, JR.,
Former U.S. Senator.

THE CONSTITUTION AND RELIGION

(Remarks prepared by former Senator Sam J. Ervin, Jr., of Morganton, N.C., for delivery to a conference commemorating the birthday of President James Madison at the National Press Club in Washington, D.C., at 1:30 p.m., March 16, 1983)

I entitle my remarks "The Constitution and Religion."

Religion is man's belief in and reverence for a superhuman power recognized as the creator and governor of the universe. Believers call this power God.

I am a Presbyterian, whose Scotch-Irish, English, and French Huguenot ancestors came to America before the Revolution. All of them were Protestants. Most of them dissented from the established churches in the lands of their origin.

Religious faith, which is tolerant of other beliefs, is, in my opinion, the most wholesome and uplifting power on earth. Religious faith is not a storm cellar to which men and women can flee to escape the storms of life. It is, instead, an inner spiritual strength that enables them to face those storms with courage and serenity.

The Constitution makes two references to religion. One appears in Article 6, section 3 of the original Constitution, and the other is found in the first words of the First Amendment and the Bill of Rights.

Article 6, section 3 provides that all legislative, executive, and judicial officers "of the United States and the several States

shall be bound by oath or affirmation to support this Constitution, but no religious test shall ever be required as a qualification to any office or public trust under the United States."

The First Amendment provides in pertinent part that "Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof."

If we are to understand the meanings of these provisions, we must understand the historic events which prompted the Founding Fathers to embody them in the Constitution.

RELIGIOUS INTOLERANCE

The ugliest chapters in history are those which reveal the religious intolerance of the civil and ecclesiastical rulers of the Old World and the religious persecutions it inspired. I quote two comments indicating their nature and history.

Blaise Pascal, the French mathematician and philosopher, was moved by them to proclaim this tragic truth more than 300 years ago: "Men never do evil so completely and cheerfully as when they do it from religious conviction."

Chief Justice Walter P. Stacy, of the North Carolina Supreme Court, epitomized them in these words in *State* v. *Beal*, 199 N. C. 278, 302 (1930):

"It would be almost unbelievable, if history did not record the tragic fact, that men have gone to war and cut each other's throats because they could not agree as to what was to become of them after their throats were cut. Many sins have been committed in the name of religion. Alas! the spirit of proscription is never kind. It is the unhappy quality of religious disputes that they are always bitter. For some reason, too deep to fathom, men contend more furiously over the road to heaven, which they cannot see, than over their visible walks on earth."

Religious intolerance was fostered in Great Britain and virtually all the nations of Europe by unholy alliances between governments and particular churches recognized and established by law as the sole custodians of religious truth.

The objective of the unholy alliance in each nation was to persuade or coerce the people to accept and practice the political and religious orthodoxy sanctioned by the state and the established church. As pragmatists, state and church sought to accomplish this objective by imprisoning the minds and spirits of the people within intellectual and spiritual jails.

The British Parliament made the Church of England the established church in Great Britain. It created the crime of seditious libel to punish those who spoke ill of the government or its officers, and the crime of blasphemous libel to punish those who spoke ill of the established church. Besides, the British Parliament enacted laws compelling the people to pay tithes or taxes for the support of the established church, and to attend its worship services; denying those who dissented from its doctrines the capacity to hold civil office in government; and forbidding ministers of dissenting congregations to administer the sacraments to their members.

As a consequence of these attempts to regulate relations between men and religion, dissenters from the established church were compelled to make contributions of money for the propagation of religious opinions they disbelieved; required to listen to the exposition of religious doctrines they rejected; and denied the right to hold civil offices in government. Besides, they sometimes had their marriages annulled and their children adjudged illegitimate for daring to speak their marital vows before ministers of their own faiths than clergymen of the established church.

ESTABLISHED CHURCHES IN THE COLONIES

While they were joined by many Germans and French Huguenots and smaller numbers of Dutch, Swedes, and Swiss, natives of the British Isles constituted by far the greater part of those who migrated from the Old World to the thirteen British colonies in America.

A substantial proportion of the colonists were dissenters from the churches established by law in the lands of their origins.

Like the colonists who conformed to the established churches, these dissenters came to America to better their economic lots. But they were also motivated by the hope that they would find in the New World the political and religious freedom denied them by the civil and ecclesiastical rulers of the Old.

When they reached America, however, they discovered to their disappointment that in many of the colonies predominant groups had set up established churches here, and that they were compelled, in such colonies, to pay taxes for the support of established churches whose doctrines they disbelieved. Moreover, most of the colonies had established religious qualifications in their oaths for public office holders. As a rule, these tests were designed to exclude dissenters, Catholics, Jews, Deists, or unbelievers.

There is more than a modicum of historical truth in this statement of Artemas Ward, a humorist of a by-gone generation: "The Puritans nobly fled from a land of despotism to a land of freedom, where they could not only enjoy their own religion, but could prevent everybody else from enjoying his."

The colonies of Virginia, North Carolina, South Carolina, Georgia, and Maryland had established churches, and the Anglican Church was the favorite under their laws.

In the colonies of Massachusetts, Connecticut, and New Hampshire, the Congregational Church was the established church.

In the colony of New York, the Dutch Reformed and Anglican Churches were, in turn, established by law.

The people in these nine colonies were compelled by law to pay taxes for the support of these established churches, and in some cases to attend their services.

The dissenters were outraged by these requirements. They believed it tyrannical for government to attempt to regulate by law the relationship between an individual and his God. Moreover, as they pondered verses 15 to 22 of the 22nd chapter of Matthew and its moral, "Render, therefore, unto Caesar the things that are Caesar's, and unto God the things that are God's," they concluded that in addition to being tyrannical, the attempt to regulate religion by law was also sinful.

SEPARATION OF CHURCH AND STATE IN THE STATES

As a consequence, they demanded the separation of church and state in America.

During the Revolution and the years immediately following it, the dissenters found staunch allies in their fight for separation of church and state among non-church members and those adherents of established churches who believed that it was abhorrent to reason as well as freedom for earthy government to regulate the relationship between human beings and religion.

The separation of church and state presented no problems in Rhode Island, where Baptists led by Roger Williams had settled under a royal charter granting complete religious freedom to all, or in Delaware, New Jersey, and Pennsylvania, where establishment never acquired a foothold.

When their revolt against Great Britain converted the thirteen colonies into self-governing states, Rhode Island retained separation under its original charter, and Delaware, New Jersey, and Pennsylvania did so under Constitutions adopted in 1776. North Carolina, New York, Georgia, and Virginia granted the right of freedom of worship to all and disestablished religion within their borders before the drafting of the First Amendment, and South Carolina did likewise before the Amendment was ratified.

Hence, the only states maintaining any financial and legal relationship to religion at the time the First Amendment became a part of the Constitution were Connecticut, Maryland, Massachusetts, and New Hampshire. These four states were able to do this after the adoption of the First Amendment because the Amendment applied originally to the federal government and not to the States.

But in those four states there was no single established church at that time. As a concession to those demanding complete separation of church and state, they had substituted for single established churches multiple establishments and were providing for an impartial use of taxes for the support of all churches they deemed respectable.

The last of these four states to terminate such relationship to religion was Massachusetts, which did so in 1833.

THE STATUTE OF VIRGINIA FOR RELIGIOUS LIBERTY

It is not surprising that James Madison loathed religious intolerance and loved religious liberty. As a student at what is now Princeton University, he sat at the feet of the great educator and patriot, John Witherspoon, the Scottish divine, who taught that a mere condescending tolerance of other religious views is not enough; that every man is entitled to worship God as he chooses or not at all; and that every church should be supported by the contributions of its own members and not by taxation.

On entering politics in his native Virginia, Madison adopted as his wise and trusted counselor Thomas Jefferson, the great apostle of liberty, who had sworn on the altar of God eternal hostility to all forms of tyranny over the mind of man.

Jefferson, the theorist, and Madison, the pragmatist, were an ideal combination. They led the fight for the disestablishment of religion in Virginia. Madison subsequently authored the religious clauses of the First Amendment. For these reasons, the fight for religious freedom in Virginia illuminates the meaning of these clauses, and merits detailing.

In 1776, Virginia, as an independent Commonwealth, adopted a new Constitution. James Madison was a member of the constitutional convention which drafted it, and he succeeded in writing into it the proposition that all men are equally entitled to the free exercise of religion according to the dictates of conscience.

Shortly after the adoption of the new constitution, the Virginia Legislature met, and a conflict ensued between the members who

demanded total separation of church and state in Virginia, and those who favored supplanting the single established Anglican Church by an establishment of all the churches deemed to be respectable.

As a member of this legislature, James Madison was able to persuade his colleagues to provide that no dissenters should be compelled to pay taxes to the Anglican Church, which had been established in Virginia in 1629. He also secured the enactment of a law which suspended for the time being the requirement that members of the Anglican Church should pay taxes for its support.

But the Legislature of 1776 expressly reserved for the future the crucial decision of whether general taxes should be levied for the support of all the denominations which the controlling element in the Virginia Legislature deemed to be respectable.

The conflict was renewed in the Virginia Legislature of 1779, when James Henry introduced a bill for a multiple establishment, and James Madison introduced a bill which was drafted by Thomas Jefferson, and which is known to history as the Virginia Statute for Religious Liberty.

James Henry's bill undertook to establish by law virtually all of the Christian churches of Virginia as the established churches of Virginia, and to levy taxes for the support of all of them on an impartial basis. It is significant that in this bill reference to an establishment appears at a number of points, in contexts which clearly show that James Henry and the others of his day understood the term "an establishment of religion" to mean an official connection between the state and one or more churches whereby the state recognized such church or churches and provided for taxation for its or their support.

The bill for religious freedom which was drafted by Thomas Jefferson and introduced by James Madison, is one of the great documents which preceded the writing of the Constitution. It was designed to effect complete separation of church and state in Virginia.

To this end, the bill laid down these propositions in its preamble: First, "Almighty God hath created the mind free"; second, "to compel a man to furnish contributions of money for the propagation of opinions he disbelieves is sinful and tyrannical"; third, "the proscribing any citizen as unworthy the public confidence by laying upon him an incapacity of being called to offices of trust and emolument, unless he profess or renounce this or that religious opinion is depriving him injuriously of those privileges and advantages in which in common with his fellow citizens he has a natural right"; fourth, such action "tends only to corrupt the principles of that religion it is meant to encourage by bribing with a monopoly of worldly honors and emoluments those who will externally profess and conform to it"; fifth, "to suffer the civil magistrate to intrude his powers into the field of opinion, and to restrain the profession or propagation of principles on supposition of their ill tendency is a dangerous fallacy, which at once destroys all religious liberty, because he being of course judge of that tendency will make his opinions the rule of judgment, and approve or condemn the sentiments of others only as they will square with or differ from his own"; sixth, "it is time enough for the rightful purpose of civil governments for its officers to interfere when principles break into overt acts against peace and good order"; and, seventh, "truth is great * * * and has nothing to fear from the conflict" with error, and "will prevail" over error, and error will cease "to be dangerous" unless by human interposition "truth is disarmed by her natural weapons, free argument and debate."

On the basis of these propositions, the bill proposed that the Virginia Legislature make these enactments: First, "that no man shall be compelled to frequent or support any religious worship, place or ministry whatsoever"; second, that no man "shall be enforced, restrained, molested, or burthened in his body or goods" or "otherwise suffer on account of his religious opinions or beliefs"; third, "that all men shall be free to profess, and by argument to maintain, their opinion in all matters of religion, and that the same shall in no wise diminish, enlarge, or affect their civil capacities"; and, fourth, that "the rights hereby asserted are of the natural rights of mankind, and * * * if any act shall be hereafter passed to repeal the present or to narrow its application, such act shall be an infringement of natural right."

The opposing forces in the Virginia Legislature of 1779 were so nearly equal in power that it was impossible to secure the enactment of either the James Henry bill for a multiple establishment of religion or the Jefferson bill for complete religious freedom.

The contest was renewed in the Virginia Legislature of 1784, when James Madison again presented Jefferson's bill for religious freedom and Patrick Henry sponsored a new bill for a multiple establishment.

Patrick Henry's bill, which was entitled "A Bill Establishing A Provision For Teachers Of The Christian Religion", undertook to recognize the legal interest of Virginia in virtually all the Christian churches functioning within its borders, and to impose taxes on all Virginians for their support.

When the Legislature was apparently on the verge of passing Patrick Henry's bill, Madison persuaded it to postpone a final vote until its next session, which was scheduled for November 1785.

Between that time and the next meeting of the Legislature, Madison composed a most convincing and eloquent appeal for religious freedom, which he called "The Memorial and Remonstrance Against Religious Assessment." In it Madison said:

"It is proper to take alarm at the first experiment on our liberties . . . The same authority which can establish Christianity, in exclusion of all other religions, may establish with the same ease any particular sect of Christians, in exclusion of all other sects . . . The same authority which can force a citizen to contribute three pence only of his property for the support of any one establishment, may force him to conform to any other establishment in all cases whatsoever."

This document is crucial in determining what the Founding Fathers meant when they yield to the insistence of James Madison and wrote into the First Amendment the provision that Congress shall make no law respecting an establishment of religion.

In this document, which was a protest against the bill sponsored by Patrick Henry to levy taxes for the support of virtually all Christian churches in Virginia, Madison used the word "establishment" at least five times in contexts which showed that in his mind "an establishment of religion" meant an official relationship between the state and one church or many churches or all churches, and the imposition of taxation for the support of one church or many churches or all churches.

Madison caused "The Memorial and Remonstrance Against Religious Assessments" to be widely distributed throughout Virginia. By so doing, he insured his victory. When the members of the Legislature which was scheduled to convene in November 1785 were elected, those who supported Jefferson and Madison in their fight for religious freedom were in an overwhelming majority. Upon convening, they enacted into law Jefferson's bill for religious freedom.

THE FIRST AMENDMENT

After the Constitution of the United States was drafted and submitted to the States for ratification or rejection, many Americans were dissatisfied with it because it did not contain any bill of rights, or any provision relating to religious freedom other than Article 6 prescribing that no religious test should be required as a qualification for any office or public trust in the United States.

When New York, New Hampshire, and Virginia ratified the Constitution, they adopted resolutions which insisted that the Constitution should be amended by incorporating in it guaranties of religious freedom and freedom from taxation for the support of religion.

North Carolina and Rhode Island both postponed ratifying the Constitution, and their conventions resolved they would not ratify it unless it was amended to provide for the disestablishment of religion.

As a result of the actions of these five states and the demands of multitudes of Americans in the other original states, the Constitution was amended in these respects by the First Amendment which, as part of the Bill of Rights, was adopted by the requisite number of states by December 15, 1791.

The Constitution was so amended as a result of the efforts of James Madison, who was elected a Representative from Virginia to the First Congress which met after its ratification.

As soon as this Congress convened, Madision began his great fight to have the First Amendment added to the Constitution. Some of his colleagues did not want the Amendment to deny to government the power to support religion, and others insisted that the religious clauses of the amendment should merely prohibit a single established church.

But Madison contended at all times that the First Amendment should embody in it provisions that Congress should pass no law respecting an establishment of religion or prohibiting its free exercise.

He triumphed after much effort.

As has been observed, the First Amendment was originally an inhibition on the federal government and not on the states.

In July, 1868, the Fourteenth Amendment was added to the Constitution. Section 1 of this Amendment provides that no state shall deprive any person of liberty without due process of law.

The Supreme Court clearly adjudged for the first time in *Cantwell* v. *Connecticut*, 310 U.S. 296, which was decided in 1940, that the fundamental concept of liberty embodied in the Fourteenth Amendment embraced the liberties guaranteed by the First Amendment relating to religion, and that in consequence the First and Fourteenth Amendments in combination forbid the states as well as the federal government to make any law or take any action respecting the establishment of religion or prohibiting its free exercise, and thus secure to all people in the United States religious free-

dom. This ruling has been subsequently reaffirmed by the Supreme Court in many cases.

The First and Fourteenth Amendments do this by erecting a wall of separation between government and religion at all levels and in all areas of the United States. By prohibiting any official relationship between government and religion, they forbid government to undertake to control or support religion, and deny any religious group or groups the power to control public policy or the public purse.

The constitutional separation of government and religion is best for government and best for religion. It enables each of them to seek to achieve its rightful aims without interference from the other. Besides, it is wise. History reveals that political freedom cannot exist in any nation where religion controls government, and that religious freedom cannot survive in any nation where government controls religion.

Moreover, constitutional separation of government and religion is indispensable to the domestic tranquility of the United States "whose people came from the four corners of the earth and brought with them a diversity of religious opinion." As the Supreme Court revealed in *Abington School District* v. *Schempp* and *Murray* v. *Curlitt*, 374 U.S. 203, 214 (1963): "Today authorities list 83 separate religious bodies, each with a membership exceeding 50,000, existing among our people, as well as innumerable smaller groups." These organizations compete for the religious allegiance of the people.

By securing the absolute equality before the law of all religious sects and requiring government to be neutral in respect to them, the constitutional separation of government and religion makes the love of religious freedom and the other things which unite our people stronger than their diversities, and enables Americans of varying religious faiths to live with each other in peace.

As made applicable to the states by the Fourteenth Amendment, the religious clauses of the First Amendment accomplish their wholesome objectives in their entirety in these ways:

1. They prohibit the federal government and the states from establishing any religious test as a qualification for any public office at any level of government.

2. "The establishment of religion clause of the First Amendment means at least this: Neither a state nor the federal government can set up a church. Neither can pass laws which aid one religion, aid all religions, or prefer one religion over another. Neither can force nor influence a person to go to or remain away from church against his will or force him to profess a belief or disbelief in any religion. No person can be punished for entertaining or professing religious beliefs or disbeliefs, for church attendance or nonattendance. No tax in any amount, large or small, can be levied to support any religious activities or institutions, whatever they may be called, or whatever form they may adopt to teach or practice religion. Neither a state nor the federal government can, openly or secretly, participate in the affairs of any religious organizations or groups or vice versa. In the words of Jefferson, the clause against establishment of religion by law was intended to erect a wall of separation between church and state." (*Everson* v. *Board of Education*, 330 U.S. 1, 15-16 (1947))

3. The free exercise clause of the First Amendment secures to every person the absolute right to accept as true the religious beliefs that appeal to his conscience and to reject all others; to practice the religious beliefs he accepts in any mode of worship not injurious to himself or others; to seek by peaceful persuasion to convert others to his religious beliefs and practices; and to be exempt from taxation for the support of religious activities or teachings. A person is denied religious freedom if he is taxed to support any religious faith, including his own.

OPPOSITION TO THE FIRST AMENDMENT

Numerous Americans of the utmost sincerity are not in intellectual and spiritual rapport with the First Amendment's separation of government and religion. Whether they are hostile to the principle of separation itself or do not understand what it entails, I do not know and will not surmise.

One group demands that the public schools of the states teach religion to the children attending them; and the other group demands that government provide public funds to aid and support private schools maintained by various churches to teach their religious doctrines to the children attending them. In so doing, the second group demands that the taxes of Caesar be used to finance the things of God.

While one is concerned with the public schools and the other with private religious schools, both groups base their demands on the assumption that governmental fidelity to the First Amendment frustrates the religious education of children.

This assumption is without foundation. While it forbids government to teach religion, the First Amendment leaves individuals, homes, and non-governmental institutions, such as Sunday schools, churches, and private schools, free to do so. Indeed it encourages them to do so by securing religious freedom to all.

Churches should look to their members and their friends only for the financing of their undertakings, and no church should engage in any undertaking, no matter how laudable it may be, which its members and friends are unable or unwilling to finance.

THE PUBLIC SCHOOLS

For generations before the school prayer cases, the public schools of various states conducted religious exercises each school day conforming to the religious beliefs which prevailed in the communities where the schools were located. The school prayer cases are *Engel* v. *Vitale, School District of Abington Township* v. *Schempp*, and *Murray* v. *Curlett*.

The *Engel* case, 370 U.S. 421 (1962), involved the constitutionality of a New York regulation requiring the following prayer to be said aloud by each class in a public school in the presence of a teacher at the beginning of each school day: "Almighty God, we acknowledge our dependence upon thee, and we beg thy blessing upon us, our parents, our teachers, and our country."

The *Abington School District* and *Murray* cases, which were consolidated for decision, involved the constitutionality of a Pennsylvania statute which required that "at least ten verses from the Holy Bible shall be read, without comment, at the opening of each public school on each school day", and a rule of the School Commissioners of Baltimore, Maryland, which required the holding of opening exercises in the schools of the city consisting primarily of "reading, without comment, of a chapter in the Holy Bible and/or the use of the Lord's Prayer."

It was provided in each instance that any child would be excused from participating in the prescribed religious exercises on the request of his parent or guardian.

By a vote of 6 to 1 in the *Engel* case and 8 to 1 in the *Abington School District* and *Murray* cases, the Supreme Court ruled that by using their public school systems to require these religious exercises, New York, Pennsylvania, and Maryland violated the Establishment Clause of the First Amendment, and that the regulation, statute, and rule requiring them were, therefore, unconstitutional.

The Court dismissed as immaterial the circumstance that any child was excused on request from participating in the exercises on the ground that governmental coercion is not an essential ingredient of government establishment of religion.

The rationale of the rulings was thus summarized in the opinion in the *Abington School District* and *Murray* cases: "They are religious exercises required by the state in violation of the command of the First Amendment that the government maintain strict neutrality, neither aiding nor opposing religion."

These rulings shocked sincere people throughout the nation. It is not surprising that this was so. The custom of holding religious exercises in public schools had been followed in many states for generations, and the school authorities in these states had acted on the assumption that it was proper for these schools to teach the religious beliefs which prevailed in the communities in which they operated.

Many sincere persons charge that the school prayer cases show the Supreme Court to be hostile to religion. This charge is untrue and unjust. In these cases the Supreme Court was faithful to its judicial duty. It enforced the First Amendment, which commands government to maintain strict neutrality respecting religion, neither aiding nor opposing it.

In these and other cases, the Supreme Court recognizes the supreme value of religious faith in the lives of individuals and through them in the life of the nation.

The First Amendment forbids the states to teach religion to the children attending their public schools. Without impairing this principle to any degree, the Supreme Court makes this observation in its opinion in the *Abington School District* and *Murray* cases:

"It might well be said that one's education is not complete without a study of comparative religion or the history of religion and its relationship to the advancement of civilization. It certainly may be said that the Bible is worthy of study for its literary and historic qualities. Nothing we have said here indicates that such study of the Bible or of religion, when presented objectively as part of a secular program of education, may not be effected consistently with the First Amendment." (374 U.S. 203, 225)

It is to be noted, moreover, that the school prayer cases do not question the soundness of the prior ruling in *Zorach* v. *Clauson*, 343 U.S. 306 (1962) where the Supreme Court held that the New York system of released time for religious instruction did not violate the First Amendment. Under this system, the state authorities in charge of public schools released from their customary studies an hour a week children, acting without any pressure from them, who desired to receive religious instruction in churches or church schools outside public school property.

Those who demand that public schools be made instruments to teach religion to the

children attending them suggest varying ways to achieve their objective.

Since the school prayer cases adjudged the religious exercises involved in them to be rupugnant to the First Amendment because they were required by state authorities, they propose initially that state authorities sanction voluntary religious exercises in public schools. Despite their good faith, this proposal is fatally defective. In the nature of things, religious exercises sanctioned by public authorities are not, in reality, voluntary.

They propose secondarily that Congress deprive federal courts of jurisdiction to hear and determine cases in which states are alleged to have taught religion to the children attending their public schools in violation of the First Amendment. If it should take such action, Congress would nullify the First Amendment in substantial part by abolishing judicial enforcement of one of the Amendment's commands.

They propose finally that Congress and the states amend the Constitution to authorize the states to teach religion to children attending their public schools. If consummated, this forthright proposal would repeal the First Amendment in substantial part insofar as it applies to the public schools.

As a general rule, those who demand that the public schools of the states be made instruments to teach religion are motivated by their desire to have the children attending them taught the religious beliefs of their particular sect of Christianity.

The word "religion" as used in the Constitution is not restricted in its meaning to any particular sect of Christianity, or to the Christian religion in general. It embodies Buddhism, Hinduism, Judaism, Mohammedanism, Shintoism, and all other religions; and the Constitution confers on all persons of all religious persuasions an equality of constitutional right. If those who demand that the public schools be made instruments to teach religion would pause and ponder these things, the ardor of their demand might abate.

PRIVATE SCHOOLS THAT TEACH RELIGION

The Supreme Court held in *Pierce* v. *Society of Sisters*, 268 U.S. 510 (1925), that a state statute requiring all children to attend the public schools was unconstitutional because the guaranty of liberty of the due process clause of the Fourteenth Amendment gave Catholic parents a constitutional right to send their children to a Catholic School to receive both secular and religious instruction from it.

Although multitudes of Catholics revere and understand the First Amendment in its entirety and oppose taxation of any Americans to support the teaching of any religion, Catholics comprise the majority of those who insist that government give financial aid to private schools which teach religion.

The Catholic Church establishes and operates its parochial schools to teach the children of Catholic parents its religious doctrines and observances. Since the First Amendment forbids the public schools to teach any religion, Catholic parents who desire their children to be taught the Catholic faith send their children to parochial rather than public schools. As taxpayers, these Catholic parents pay taxes to help the state to maintain the public schools; and as parents, they bear the added expense of the instruction of their children in the parochial schools.

Many of these parents and others demand that government should provide public funds either directly or indirectly to aid and support the parochial schools. They base their demand on the propositions that it is unjust to compel Catholic parents to pay taxes for the support of public schools and bear the additional expense occasioned by sending their children to the parochial schools, and that the Catholic Church saves government enormous outlays of money because Catholic children go to parochial rather than public schools.

Without questioning the validity of the unadorned facts underlying these assertions, these observations are of crucial import:

1. The Catholic parents voluntarily impose the additional financial burden on themselves by sending their children to the parochial schools to obtain instruction in the Catholic faith, instruction which the First Amendment forbids the public schools to give them.

2. The Catholic Church operates the parochial schools to insure that it rather than government will control the education of Catholic children.

Justices Jackson and Rutledge present irrefutable reasons in their dissenting opinions in the *Everson case* why government must refuse to give financial aid and support, either directly or indirectly, to parochial and other private schools which teach religion if the religious freedom the First Amendment establishes is to endure in the United States. Justice Jackson added the warning that government may regulate the private schools it subsidizes.

CONCLUSION

As Justice Jackson stated in his dissent in the *Everson* case, 330 U.S. 1, 22-28, the First Amendment occupies first place in the Bill of Rights because its objective occupied first place in the minds of the Founding Fathers. He made the objective of the Bill of Rights clear in the opinion he wrote for the Court in *West Virginia Board of Education* v. *Barnette*, 319 U.S. 624, 638 (1943):

"The very purpose of a Bill of Rights was to withdraw certain subjects from the vicissitudes of political controversy, to place them beyond the reach of majorities and officials and to establish them as legal principles to be applied by the courts. . . . One's right to freedom of worship . . . and other fundamental rights may not be submitted to vote; they depend on the outcome of no elections."

The Oklahoma Court proclaimed truth when it said in *Cline* v. *State*, 9 Okla. Crim. 40, 130 P. 510:

"The crowning glory of American freedom is absolute religious liberty; every American has the unquestioned and untrammeled right to worship God according to the dictates of his own conscience, without let or hindrance from any person or any source."

It is just as sinful and tyrannical now as it was in the day of Jefferson and Madison for government to tell people what they must think about religion, or to compel them to pay taxes for the propagation of religious opinions they disbelieve.

May America cherish the First Amendment and thus keep religious freedom inviolate for its people as long as time shall last.

NOTES

1. North Carolina embodied this declaration in its Constitution of 1776, "that all men have a natural and unalienable right to worship Almighty God according to the dictates of their own conscience," and added to it as an amendment in 1835 the words "and no human authority should, in any case whatever, control or interfere with the rights of conscience."

2. *Torcaso* v. *Maryland*, 367 U.S. 488 (1961)

3. The statement revealing the meaning of the Establishment Clause appears in the majority opinion in *Everson* v. *Board of Education*, 330 U.S. 1, 15-16 (1947), which was written by Justice Black. In this case the Supreme Court upheld the constitutionality under the Establishment Clause of a statute which required New Jersey to use state funds to reimburse the cost of transportation of children to the state's public schools and Catholic parochial schools. The state was not permitted, however, to reimburse the cost of transportation of children attending private schools operated for profit.

The majority and dissenting opinions illuminate the Establishment Clause. The Justices did not disagree as to its meaning. They disagreed only as to its application to the New Jersey statute.

The majority concluded that the expenditure required by the New Jersey statute was comparable to governmental expenditures for fire and police protection, and were for the public purpose of promoting the safety of the children traveling between their homes and the public and parochial schools. The dissenters maintained that the expenditure did nothing to increase the safety of the children over that of other patrons of the transportation system and was for the private purpose of aiding parochial schools to teach the Catholic faith to the children attending them.

Some years after the *Everson* decision, the Supreme Court explained in the first school prayer case, *Engel* v. *Vitale*, 370 U.S. 421 (1962) that the Establishment Clause is unlike the Free Exercise Clause in that governmental coercion is not an essential ingredient of it, and enunciated the several reasons why the Founding Fathers embodied the Establishment Clause in the Constitution. In so doing, the Court said:

"Although these two clauses may in certain instances overlap, they forbid two quite different kinds of governmental encroachment on religious freedom. The Establishment Clause, unlike the Free Exercise Clause, does not depend on any showing of direct governmental compulsion and is violated by the enactment of laws which establish an official religion, whether those laws operate directly to coerce nonobserving individuals or not. This is not to say, of course, that laws officially prescribing a particular form of religious worship do not involve a coercion of such individuals. When the power, prestige, and financial support of government is placed behind a particular religious belief, the indirect coercive pressure upon religious minorities to conform to the prevailing officially approved religion is plain. But the purposes underlying the Establishment Clause go much further than that. Its first and most immediate purpose rested on the belief that a union of government and religion tends to destroy government and to degrade religion. The history of governmentally established religion, both in England and in this country, showed that whenever government had allied itself with one particular form of religion, the inevitable result had been that it had incurred hatred, disrespect, and even contempt of those who held contrary beliefs. That same history showed that many people had lost their respect for any religion that had relied upon the support of government to spread its faith. The Establishment Clause thus

stands as an expression of principle on the part of the Founders of our Constitution that religion is too personal, too sacred, too holy, to permit its 'unhallowed perversion' by a civil magistrate. Another purpose of the Establishment Clause rested upon an awareness of the historical fact that governmentally established religions and religious persecutions go hand in hand. . . . It was in large part to get completely away from . . . religious persecution that the Founders brought into being our Nation, our Constitution, and our Bill of Rights with its prohibition against any governmental establishment of religion."

4. *Cantwell* v. *Connecticut*, 310 U.S. 296 (1940); *Jones* v. *Opelika*, 316 U.S. 584 (1942); *West Virginia Board of Education* v. *Barnette*, 319 U.S. 624 (1943); *Follett* v. *City of McCormick*, 321 U.S. 573 (1944); *Kovacs* v. *Cooper*, 336 U.S. 77 (1949); *Sherbert* v. *Verner*, 374 U.S. 398 (1963); *Flast* v. *Cohen*, 392 U.S. 83 (1968).

Justice Rutledge made the meanings of both the Establishment and Free Exercise Clauses plain in his dissent in *Everson* v. *Board of Education*, 330 U.S. 31-63 (1947). He said:

"Not simply an established church, but any law respecting an establishment of religion is forbidden. The Amendment was broadly but not loosely phrased. It is the compact and exact summation of its author's views formed during his long struggle for religious freedom. In Madison's own words characterizing Jefferson's Bill for Establishing Religious Freedom, the guaranty he put in our national charter, like the bill he piloted through the Virginia Assembly, was a 'model of technical precision, and perspicuous brevity.' Madison could not have confused 'church' and 'religion' or 'an established church' and 'an establishment of religion.' "

"The Amendment's purpose was not to strike merely at the official establishment of a single sect, creed or outlawing only a formal relation such as had prevailed in England and some of the colonies. Necessarily it was to uproot all such relationships. But the object was broader than separating church and state in this narrow sense. It was to create a complete and permanent separation of the spheres of religious activity and civil authority by comprehensively forbidding every form of public aid or support for religion. In proof the Amendment's wording and history unite with this Court's consistent utterances whenever attention has been fixed directly upon the question."

" 'Religion' appears only once in the Amendment. But the word governs two prohibitions and governs them alike. It does not have two meanings, one narrow to forbid 'an establishment' and another, much broader, for securing 'the free exercise thereof.' 'Thereof' brings down 'religion' with its entire and exact content, no more and no less, from the first into the second guaranty, so that Congress and now the states are as broadly restricted concerning the one as they are regarding the other."

"No one would claim today that the Amendment is constricted in 'prohibiting the free exercise' of religion to securing the free exercise of some formal or creedal observance, of one sect or many. It secures all forms of religious expression, creedal, sectarian or nonsectarian, wherever and however taking place, except conduct which trenches upon the like freedoms of others or clearly and presently endangers the community's good order and security. For the protective purposes of this phase of the basic freedom, street preaching, oral or by distribution of literature, has been given 'the same high estate under the First Amendment as . . . worship in the churches and preaching from the pulpits.' And on this basis parents have been held entitled to send their children to private, religious schools. *Pierce* v. *Society of Sisters*, 268 U.S. 510 (1925). Accordingly, daily religious education commingled with secular is 'religion' within the guaranty's comprehensive scope. So are religious training and teaching in whatever form. The word connotes the broadest content, determined not by the form or formality of the teaching or where it occurs, but by its essential nature regardless of those details."

" 'Religion' has the same broad significance in the twin prohibition concerning 'an establishment.' The Amendment was not duplicitous. 'Religion' and 'establishment' were not used in any formal or technical sense. The prohibition broadly forbids state support, financial or other, of religion in any guise, form or degree. It outlaws all use of public funds for religious purposes."

"Two great drives are constantly in motion to abridge, in the name of education, the complete division of religion and civil authority which our forefathers made. One is to introduce religious education and observances into the public schools. The other, to obtain public funds for the aid and support of various private religious schools. . . . In my opinion both avenues are closed by the Constitution. Neither should be opened by this Court. The matter is not one of quantity, to be measured by the amount of money expended. Now, as in Madison's day, it is one of principle, to keep separate the separate spheres as the First Amendment drew them: to prevent the first experiment upon our liberties; and to keep them from becoming entangled in corrosive precedents. We should not be less strict to keep strong and untarnished the one side of the shield of religious freedom than we have been of the other.

5. After pointing out that parochial schools are established and maintained by the Catholic Church to teach "Catholic faith and morals", and that its Canon Law prescribes that they shall be "schools where religious and moral training occupy the first place", Justice Jackson declared in his dissenting opinion in the *Everson* case, 330 U.S. 22-28:

"It is no exaggeration to say that the whole historic conflict in temporal policy between the Catholic Church and non-Catholics comes to a focus in their respective school policies. The Roman Catholic Church, counseled by experience in many ages and many lands and with all sorts and conditions of men, takes what, from the viewpoint of its own progress and the success of its mission, is a wise estimate of the importance of education to religion. It does not leave the individual to pick up religion by chance. It relies on early and indelible indoctrination in the faith and order of the Church by the word and example of persons consecrated to the task."

"Our public school, if not a product of Protestanism, at least is more consistent with it than with the Catholic culture and scheme of value. It is a relatively recent development dating from about 1840. It is organized on the premises that secular education can be isolated from all religious teaching so that the school can teach all needed temporal knowledge and also maintain a strict and lofty neutrality as to religion. The assumption is that after the individual has been instructed in wordly wisdom he will be better fitted to choose his religion. Whether such disjunction is possible, and if possible is wise, are questions I need not try to answer."

"I should be surprised if any Catholic would deny that the parochial school is a vital, if not the most vital part of the Roman Catholic Church. If put to the choice, that venerable institution, I should expect, would forego its whole service for mature persons before it would give up education for the young, and it would be a wise choice. Its growth and cohesion, discipline and loyalty, spring from its schools. Catholic education is the rock on which the whole structure rests, and to render tax aid to its Church school is indistinguishable to me from rendering the same aid to the Church itself."

"It is of no importance in this situation whether the beneficiary of tax-raised funds is primarily the parochial school and incidentally the pupil, or whether the aid is directly bestowed on the pupil with indirect benefits to the school. The state cannot maintain a Church and it can no more tax its citizens to furnish free carriage to those who attend a Church. The prohibition against establishment of religion cannot be circumvented by a subsidy, bonus or reimbursement of expense to individuals for receiving religious instruction and indoctrination . . ."

"I agree that this Court has left, and always should leave to each state, great latitude in deciding for itself, in the light of its own conditions, what shall be public purposes in its scheme of things. It may make public business of individual welfare, health, education, entertainment or security. But it cannot make public business of religious worship or instruction, or of attendance at religious institutions of any character. There is no answer to the proposition . . . that the effect of the religious freedom to our Constitution was to take every form of propagation of religion out of the realm of things which could directly or indirectly be made public business and thereby be supported in whole or in part at taxpayers' expense. That is a difference which the Constitution sets up between religion and almost every other subject matter of legislation, a difference which goes to the very root of religious freedom. . . . This freedom was first in the Bill of Rights because it was first in the forefathers' minds; it was set forth in absolute terms, and its strength is its rigidity. It was intended not only to keep the state's hands out of religion, but to keep religion's hands off the state, and, above all, to keep bitter religious controversy out of public life by denying to every denomination any advantage from getting control of public policy and the public purse. . . ."

"This policy of our Federal Constitution has never been wholly pleasing to most religious groups. They all are quick to invoke its protections; they all are irked when they feel its restraints. . . ."

"But we cannot have it both ways. Religious teaching cannot be a private affair when the state seeks to impose regulations which infringe on it indirectly, and a public affair when it comes to taxing citizens of one faith to aid another, or those of no faith to aid all. If these principles seem harsh in prohibiting aid to Catholic education, it must not be forgotten that it is the same Constitution that alone assures Catholics the right to maintain these schools at

all when predominant local sentiment would forbid them. *Pierce* v. *Society of Sisters*, 268 U.S. 510 (1925). Nor should I think that those who have done so well without this aid would want to see this separation between church and state broken down. If the state may aid these religious schools, it may therefore regulate them. Many groups have sought aid from tax funds only to find that it carried political controls with it. Indeed this Court has declared that 'It is hardly lack of due process for the government to regulate that which it subsidizes.' "

"But in any event, the great purposes of the Constitution do not depend on the approval or convenience of those they restrain."

Justice Rutledge made these observations in his dissent in *Everson* v. *Board of Education*, 330 U.S. 58-60 (1947):

"No one conscious of religious values can be unsympathetic toward the burden which our constitutional separation puts on parents who desire religious instruction mixed with secular for their children. They pay taxes for others' children's education, at the same time the added cost of instruction for their own. Nor can one happily see benefits denied to children which others receive, because in conscience they or their parents for them desire a different kind of training others do not demand."

"But if those feelings should prevail, there would be an end to our historic constitutional policy and command. No more unjust or discriminatory in fact is it to deny attendants at religious schools the cost of their transportation than it is to deny them tuitions, sustenance for their teachers, or any other educational expense which others receive at public cost. Hardship in fact there is which none can blink. But, for assuring to those who undergo it the greater, the most comprehensive freedom, it is one written by design and firm intent into our basic law."

"Of course discrimination in the legal sense does not exist. The child attending the religious school has the same right as any other to attend the public school. But he foregoes exercising it because the same guaranty which assures this freedom forbids the public school or any agency of the state to give or aid him in securing the religious instruction he seeks."

"Were he to accept the common school, he would be the first to protest the teaching there of any creed or faith not his own. And it is precisely for the reason that their atmosphere is wholly secular that children are not sent to public schools under the *Pierce* doctrine. But that is a constitutional necessity, because we have staked the very existence of our country on the faith that complete separation between the state and religion is best for the state and best for religion."

"That policy necessarily entails hardship upon persons who forego the right to educational advantages the state can supply in order to secure others it is precluded from giving. Indeed this may hamper the parent and the child forced by conscience to that choice. But it does not make the state unneutral to withhold what the Constitution forbids it to give. On the contrary it is only by observing the prohibition rigidly that the state can maintain its neutrality and avoid partisanship in the dissensions inevitable when sect opposes sect over demands for public moneys to further religious education, teaching or training in any form or degree, directly or indirectly. Like St. Paul's freedom, religious liberty with a great price must be bought. And for those who exercise it most fully, by insisting upon religious education for their children mixed with secular, by the terms of our Constitution the price is greater than for others."

"The problem then cannot be cast in terms of legal discrimination or its absence. This would be true, even though the state in giving aid should treat all religious instruction alike. Thus, if the present statute and its application were shown to apply equally to all religious schools of whatever faith, yet in the light of our tradition it could not stand. For then the adherent of one creed still would pay for the support of another, the childless taxpayer with others more fortunate. Then too there would seem to be no bar to making appropriations for transportation and other expenses of children attending public or other secular schools, after hours in separate places and classes for their exclusively religious instruction. The person who embraces no creed also would be forced to pay for teaching what he does not believe. Again, it was the furnishing of 'contributions of money for the propagation of opinions which he disbelieves' that the fathers outlawed. That consequence and effect are not removed by multiplying to all-inclusiveness the sects for which support is exacted. The Constitution requires, not comprehensive identification of state with religion, but complete separation."●

THE AIR TRAVELERS SECURITY ACT OF 1983

● Mr. WARNER. Mr. President, yesterday, the Senator from Tennessee (Mr. SASSER) and I appeared before the Aviation Subcommittee of the House Public Works and Transportation Committee to testify in favor of the Air Travelers Security Act (H.R. 2053 and S. 765).

This is one of the most important proderegulation, proconsumer rights, procompetition bills to come before the Congress in some time. It is a bill which insures that the consumer is protected from fraud in the marketing of travel accommodations while at the same time the opportunities for competition in the marketing of travel accommodation are made unlimited.

So that all Senators may have the opportunity to gain a broader understanding of this important measure, I ask that the statements made by the Senator from Tennessee (Mr. SASSER) and myself be printed in full in the RECORD.

The statements follow:

SENATOR JIM SASSER—STATEMENT ON H.R. 2053 BEFORE THE COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION, SUBCOMMITTEE ON AVIATION

Mr. Chairman, I want to thank you for this opportunity to discuss, along with Senator Warner—with whom I co-chair the Senate Tourism Caucus, my views on H.R. 2053.

I suppose I could sum up what I have to say, Mr. Chairman, by posing as a question the title of a popular song of the 1960's, "Do You Know The Way to San Jose?"

I am sure that you do. But someone from my home state of Tennessee probably wouldn't know. They would probably contact their local travel agent in order to learn the quickest way. Likewise, the people from your home district in San Jose would probably have to contact their travel agent if they wanted to visit the "Home of the Blues" on Beale Street in Memphis or the Grand Ol' Opry in Nashville.

The problem is this: the ability of people to find the way to San Jose, or to Memphis, or to Nashville, is going to be seriously threatened come January 1984—if we don't set aside last year's narrow CAB decision. H.R. 2053 would do just this, vacate that decision and provide immunity for the current relationship between travel agents and the airline industry.

Other witnesses this morning will more than cover the many arguments related to H.R. 2053 and its Senate companion, S. 764. My brief remarks focus on what I believe will be the outcome . . . if immunity from antitrust statutes is not maintained for the Air Transport Conference.

Let's take the precedent of so-called rate deregulations. I supported deregulation of the airline industry and the sunset of the Civil Aeronautics Board. I had hoped that deregulation would encourage a healthy competition among carriers. I had hoped that short-haul carriers would fill in on those routes that were less-than-lucrative for major airlines.

That's what I had hoped. What we got was: a suicidal rate war among the airlines in which cut-rate prices made it attractive to go from Washington to Miami—but both costly and inconvenient to go from Washington to Chattanooga; a rate war that contributed to the demise of Braniff airlines; a rate war that still threatens the basic stability of the industry.

No one in the Congress really wants to regulate once again the routes or rate structures of airlines. But there is strong sentiment toward that direction—unless the airlines can exercise restraint and common sense on their own.

That kind of industry self-restraint, that kind of working and workable arrangement, is already in operation in the relationship among travel agents and the airlines. I say: let it continue to work.

The last thing we need is another episode of suicidal competition among airlines and travel agents. But I submit that this is exactly what could happen should the CAB ruling be allowed to stand.

I am concerned, too, about the economic impact to my state should the CAB decision be effected.

The more than 1,000 people working at travel agencies in Tennessee were responsible last year for $195 million in airline bookings. The payroll derived from booking commissions and the tax revenues these agencies generated for federal, state and local governments represent scores of millions more in positive economic impact for our state.

So, it comes down to this: common sense tells us it would be illogical not to act on the CAB ruling; economic sense tells us it would be too costly not to act.

I therefore urge this subcommittee to act, and to act favorably and quickly on H.R. 2053.

TESTIMONY OF SENATOR JOHN W. WARNER BEFORE THE AVIATION SUBCOMMITTEE, HOUSE PUBLIC WORKS COMMITTEE

Thank you, Mr. Chairman.

I appreciate the courtesy you have extended Senator Sasser and me, as the primary Senate sponsors of the Air Travelers

Security Act, to testify before the Aviation Subcommittee on this very important travel and tourism, consumer rights legislation.

There are some critical issues surrounding this measure which I feel must be examined more fully. The general public and the parties interested in the outcome of this debate must have every opportunity to completely understand these issues. They are:

(1) "Exclusivity," and

(2) Antitrust immunity.

EXCLUSIVITY

The Air Transport Conference program contains three provisions which, collectively, have been termed "exclusivity." The word, "exclusivity," is potentially confusing because the Conference program does not exclude qualified travel agents, and there are no quotas or other inappropriate barriers to entry into the travel marketplace.

In his decision, the Civil Aeronautics Board's administrative law judge found that the program merely prevented non-accredited persons from acting as agents for Conference airlines. But the judge also found that the program should not bar people from having other relationships with the airlines.

Further, the CAB's administrative law judge determined that elimination of this recognition by the Conference of its agents would endanger the viability of the present worldwide transportation marketing system.

He determined that elimination of this recognition would undermine intercarrier confidence in the travel agent network and in the reliability of interlining, ticket interchangeability and refundability.

He determined elimination of this recognition would reduce the universality of carrier representation by travel agents;

Threaten the competence and professionalism of the travel agency industry as a whole;

Undermine consumer confidence in the competence, professionalism and universal representation of such agents;

Reduce consumer use of the travel agent marketing system and competition within it; and

Reduce the availability of travel agents representing all carriers providing consumers with complete and reliable information on all travel options.

Clearly, the Conference certifies travel agents for purposes of consumer convenience and confidence. But if a consumer does not want to purchase travel accommodations through a travel agent, he or she has several other alternatives available.

The consumer can pick up the phone and shop from one airline to another until he or she finds just the right flight, at the right time and at the right price.

Or the consumer can go to a tour broker, purchase travel accommodations in a package, and obtain either regular schedule transport, charter service.

Finally, a consumer can, in some areas of the country, buy airline tickets from automated dispensing machines representing a limited number of carriers, or directly from an airline ticket office.

As far as the travel agencies are concerned, as a competitive force in the marketplace there are over 22,000 of them.

Virtually all are small businesses with fewer than 10 employees. Over half of these agencies are owned by women, and as employers of minorities, travel agencies have one of the finest records of any enterprise in our nation.

The travel agency business grows by an average 1,000 new agencies a year. That's over 1,000 new entrepreneurs a year who enter the marketplace to make it or break it on their own, in competition with other travel agencies, in competition with every customer who chooses to take the time and effort to arrange their own travel, in competition with tour brokers, and in competition with the automated ticketing machines and airline ticket offices operated by the airlines themselves.

The only thing exclusive about a travel agent is that a travel agent is a promoting force in the marketplace and because of that, the airlines remunerate travel agents with commissions for the tickets they sell.

Other market forces, if they can demonstrate and are able negotiators in the free marketplace, also may obtain remuneration in the form of customer discounts, and other nonfinancial benefits.

So let's be perfectly frank, Mr. Chairman. Let's recognize once and for all that the term, "exclusivity," is nothing more than a smoke screen behind which certain interests are hiding in the hopes of radically changing the present marketing system so that they do not have to meet certification requirements.

The present marketing system is highly competitive. It affords the consumer confidence, convenience, and the broadest selection possible. It has evolved over the past 40 years . . . responding to the demands of the marketplace; doing so without complaint or objection from the traveling public or the industries it represents.

ANTITRUST IMMUNITY

Antitrust immunity is a very important aspect of the Air Travelers Security Act. It is, in my estimation, the cornerstone of the Air Transport Conference. Without it, I am convinced the Conference will be forced out of existence. The travel marketing system—as we know it and as it is evolving during CAB sunsetting—will collapse, and in its place will come a highly decentralized, totally chaotic marketplace in which the battle cry will be "Buyer, beware."

Let me clarify one thing in light of this statement.

Supporters of this legislation are not anti-deregulation.

On the contrary, I believe I can safely speak for at least all of the Senate cosponsors of this legislation when I say, we believe that Congress made the right decision, and we would not for a moment attempt to re-regulate the airlines industry.

And that, Mr. Chairman, is why we are so amazed by the CAB's split decision to strip the Conference of its immunity effective January 1, 1985.

With the protection of immunity, the Conference will be able to act, as we believe the present administration would desire, and as we believe Congress intended after CAB sunset, as the industry's self-regulating mechanism.

The Conference would be capable of seeking the continued cooperation of industry members and agents, ensuring that the consumer continues to enjoy the best possible service in the most universal fashion obtainable.

And the Conference could do that free of government interference—but only if the Conference continues to have antitrust immunity.

Without antitrust immunity, the Conference would be forced into the regulatory environment of the courts and the U.S. Justice Department.

The CAB itself, in its order instituting the Competitive Marketing Investigation, recognized the importance of antitrust immunity, and wrote:

"Without immunity * * * it is likely that neither the IATA (International Air Transport Association) nor the ATC (Air Transport Conference) conference systems could have been developed."

In the course of the Congressional debate, as they did during the CAB's debate on this issue, the few opponents of the present system have publicly attempted to downplay the importance of the antitrust aspects of the Conference agreements.

But, for the airline members of the Conference, antitrust litigation would spell continued, deep financial hardship, especially during these times when the airlines are not in strong financial condition.

For the travel agencies, antitrust litigation could spell bankruptcy, especially since most of them are only small businesses, and many are barely able to meet their day to day expenses, let alone the cost of prolonged and expensive antitrust law suits.

And for everyone else who, at this time, thinks the way to attain a more rewarding financial relationship with the airlines is by stripping the Conference of its antitrust immunity, that kind of litigation can only spell higher cost air travel and a higher cost of doing business.

Mr. Chairman, the antitrust aspects of this legislation go far beyond simply the working relationships of the airlines with one another and the travel agents with the airlines.

The antitrust aspects of this issue go to the heart of the consumers' ability to have a meaningful choice and the consumers' ability to shop with confidence in the travel marketingplace.

The antitrust aspect of this issue effect all forms of accommodation in the travel and tourism industry, and they effect the millions of persons who not only consume, but who are employed throughout the industry.

That is why, almost without exception, people who understand the agency-carrier system believe it should remain intact.

The system relies heavily on collective agreements, on common rules and standards. But without immunity, these agreements and standards are strongly disfavored by the federal antitrust courts. Therefore, the system must receive antitrust immunity if it is to continue.

A final point, Mr. Chairman, from a foreign relations perspective. The State Department advised the CAB that without antitrust immunity, foreign governments which participate in bilateral agreements for the marketing of air travel would consider those agreements as empty gestures, tantamount to disapproval.

At at time when international tensions are so high, and our balance of payments is so distorted, it seems to me we ought to be doing more to encourage international travel . . . the understandings and commerce it generates . . . rather than discouraging it. The Air Travelers Security Act would help achieve that goal.

In the end, Mr. Chairman, it is the consumer who has the most at stake here.

The choices for Congress, it seems to me, are quite clear.

Is it the will of Congress to allow the present, highly competitive, extremely adaptable, totally consumer oriented travel marketing system to continue—protected as it must be by antitrust immunity to insure that when a consumer chooses to use a travel agent that agent is indeed a bonafide

representative for all travel accommodations?

Or is it the will of Congress to destroy the present, highly competitive, extremely adaptable, totally consumer oriented travel marketing system . . . subjecting the consumer to unnecessary risk, fraud, chaos, and inconvenience; subjecting member firms of the travel industry to unnecessary and arbitrary litigation and the inherent costs involved?

Mr. Chairman, there is an old adage: "If it ain't broke, don't fix it."

The present system certainly is not broken. It serves the public interest efficiently and effectively while promoting unlimited competition.

If Congress accepts the CAB's fix, neither the public's interest, nor the interests of the very few who oppose our legislation will be served.

I urge support of the Air Travelers Security Act of 1983.●

REHABILITATION AMENDMENTS OF 1984

● Mr. STAFFORD. Mr. President, I would like to add support to S. 1340, the Rehabilitation Amendments of 1983. I commend my distinguished colleagues, Senator WEICKER and Senator RANDOLPH, on their leadership in developing this legislation and their commitment to handicapped individuals of this Nation.

The vocational rehabilitation program has been in effect for 63 years, providing restorative services to handicapped individuals as well as job training and placement. The focus of the rehabilitation State grant program is to train disabled people so that they are able to enter the job market.

According to the Rehabilitation Services Administration, persons rehabilitated in fiscal year 1980 are expected to pay to Federal, State, and local governments an estimated $211.5 million more in income, payroll, and sales taxes than they would have paid had they not been rehabilitated. In addition, another $68.9 million will be saved as a result of decreased dependency on public support payments and institutional care. The estimated total first year benefit to Federal, State, and local government will be $280.4 million. The vocational rehabilitation program is cost effective.

Mr. President, three issues need to be highlighted.

REPORTS

Currently, the Rehabilitation Services Administration is required to submit to Congress an annual report which includes data on services and activities provided to their clients. Due to the reduction in paper work order, there has been a lack of available data. Senate Bill 1340 specifies the type of data RSA is to collect and include in its annual report. Under the amendments, the Rehabilitation Services Administration is mandated to include demographic data on clients; costs and types of services provided, and the earnings of a client when they become employed. This information is necessary for Congress to properly assess the rehabilitation program.

EVALUATION

Besides the State grant program, the rehabilitation act authorizes several discretionary programs, including the projects with industry and independent living programs. The Congress is interested in the performance of this program which it has authorized. Therefore, under the amendments, RSA is required to develop standards for evaluating these programs authorized by the Rehabilitation Act.

INDEPENDENT LIVING

In the 1978 amendments to the Rehabilitation Act, Congress established the independent living program to serve severely handicapped individuals. Since that time, over 154 independent living centers have been established across the country. The services most frequently offered by the programs are: Information and referral; personal care attendant programs; peer counseling; housing assistance; transportation assistance; independent living skills, and advocacy services. These services give severely handicapped individuals an opportunity to live as independently as possible. The staff of these centers is primarily comprised of disabled individuals. The Vermont Center for Independent Living was established in August of 1980. In Vermont, the center has served 248 individuals in their peer advocacy counseling program, while the information and referral program responded to 1,319 contacts last year.

This legislation increases the authorization for this program, and provides for an evaluation of the program.●

● Mr. STEVENS. Mr. President, it is required by paragraph 4 of rule 35 that I place in the CONGRESSIONAL RECORD this notice of a Senate employee who proposes to participate in a program, the principal objective of which is educational, sponsored by a foreign government or a foreign educational or charitable organization involving travel to a foreign country paid for by that foreign government or organization.

The Select Committee has received a request for a determination under rule 35 which would permit Ms. Kathy Stoner of the staff of Senator JESSE HELMS, to participate in a program sponsored by Tunghai University, in Taipei, Taiwan, from August 9–17, 1983.

The committee has determined that participation by Ms. Stoner in the program in Taiwan, at the expense of Tunghai University, to discuss United States-Taiwan relations, is in the interest of the Senate and the United States.●

MAMMOTH SITE A NATIONAL TREASURE

● Mr. PRESSLER. Mr. President, it is with great pride that I rise today to talk about one of the most important archaeological discoveries in North America. I am referring to the Mammoth Site of Hot Springs, S. Dak., which was discovered in 1974. The Mammoth Site is a historical gold mine which contains the remains of some 100 giant mammoths, and countless other prehistoric animals. The remains date back over 26,000 years before the time Christ walked the Earth. It contains possibly the largest concentration of these ancient animals to be found in North America. In recognition of the Mammoth Site's importance, the U.S. Department of the Interior designated it as a national natural landmark in 1980.

This treasure of scientific knowledge will provide us with a unique insight into the history and evolution of this wonderful and fascinating planet we call Earth. I am extremely proud that we have this vitally important find in my home State of South Dakota. I also take great pride in the way the local community of Hot Springs, S. Dak., and the entire State have reacted to and cared for this invaluable historical laboratory.

In the spirit of volunteerism and dedication to learning for which South Dakota is so famous, a nonprofit organization—the Mammoth Site of Hot Springs, S. Dak., Inc.—was created to preserve and develop the site. Hundreds of thousands of dollars of local money have been raised for the benefit of the entire scientific world. We are now in the process of fighting for a Federal grant to help defray some of the costs of this project. We are working to build a protective shelter for the site, a museum and visitors center to educate visitors, a laboratory, and other necessary facilities.

In addition to its great scientific and educational value, the Mammoth Site holds great potential for the economic well-being of Hot Springs and the entire State. It will bring more tourists, educators, scientists and other interested parties into the State. It will stimulate businesses and provide jobs for many unemployed South Dakotans.

In the past 2 years, 50,000 visitors have toured the site, despite its limited facilities. With increased development, those numbers will quickly mushroom. As chairman of the Senate Subcommittee on Business, Trade and Tourism, I know well what an important site like this means to the State's economy.

I strongly urge my colleagues to join me in support of this great treasure. I am very proud that we in South Dakota have been entrusted with its care, and will do every thing possible

to see that it receives proper recognition as one of the greatest discoveries of our century.

SENATE JOINT RESOLUTION 136—VOLUNTEER FIREMEN RECOGNITION DAY

● Mr. D'AMATO. Mr. President, I rise today to cosponsor Senate Joint Resolution 136, to help recognize the excellent job performance of the volunteer firemen of this country. Being a volunteer fireman myself, I well know the sacrifice that all these men and women must endure. These unsung heroes risk their lives every time they respond to a call.

Over 80 percent of the firefighters in the United States are volunteers. They protect a large percentage of the rural towns in the United States; 337 volunteer firefighters have lost their lives in the line of duty during the last 5 years, with 68 such deaths in 1982 alone. Their job is becoming increasingly more dangerous and difficult. Towns are rapidly expanding in size, and fire departments are forced to cover ever larger areas without increases in funds or manpower. Sadly, the firemen in America face one of the highest fire death tolls in the world.

Mr. President, it is for this reason that we must all respect and admire the hard work of the U.S. volunteer fireman. I wholeheartedly support "Volunteer Fireman Recognition Day" and I urge quick action by the Senate to pass this joint resolution.

TRIBUTE TO THOMAS D'ALESANDRO, JR.

● Mr. SARBANES. Mr. President, the people of Baltimore have been well served indeed by one of the most remarkable public servants it has ever been my privilege to call my friend, Thomas D'Alesandro, Jr.

The son of immigrant parents from central Italy and one of 14 brothers and sisters raised in Baltimore's Little Italy, "Big Tommy" as he is respectfully known, was elected to the Maryland House of Delegates in 1926, served in the Baltimore City Council from 1935 to 1938, followed by five terms in the House of Representatives, where he was chairman of the District of Columbia Committee, and then three terms as mayor of Baltimore from 1947 to 1959. On the eve of his 80th birthday this week, Tommy D'Alesandro lives in Little Italy, near St. Leo's Church where he was educated. This remarkable man, who has worked with and advised Presidents Roosevelt, Truman, Kennedy, and Carter, as well as a host of Senators, Governors, and Congressmen, remains an enthusiastic leader of our community.

His outstanding record of public service and leadership has inspired many to emulate and follow his example. Members of his own family have followed in his distinguished footsteps. "Young Tommy" D'Alesandro III also served as mayor of Baltimore with distinction and remains active in law practice, and daughter Nancy D'Alesandro Pelosi is a leader in the Democratic Party in California.

Mr. President, this unique and respected public servant will celebrate his 80th birthday this week. I ask that excerpts from a recent biography of "Big Tommy" D'Alesandro be printed in the RECORD at this point.

The material follows:

[From the Baltimore Magazine, July 1982]

THOMAS D'ALESANDRO, JR.

(By Robert Douglas)

One August morning in 1979 President Carter boarded an Amtrak Metroliner and came to town, the lastest track in his whistle-stop tours. He visited East Baltimore, proffered advice on energy, and spoke at the national convention of the Sons of Italy at the newly opened Convention Center.

Around noon the president's motorcade pulled into South High Street in Little Italy, the compact neighborhood of row houses and restaurants on the eastern edge of the Inner Harbor. But Carter had a visit to make before lunch at Chiapparelli's. He and his wife, Rosalynn, stepped into the crowd and walked around the corner to Albemarle Street. It was a route most local politicans had taken, but few members of the presidential press corps knew where it led.

"Where's he going?" shouted one national correspondent.

"To Tommy D'Alesandro's home," a member of the crowd replied.

"*Whose* home?" said the correspondent, flipping open his notebook.

Carter was following in the footsteps of virtually every major Democratic politician who had visited Baltimore during the past forty years. Thomas D'Alesandro Jr.—"Mr. Democrat" to local party members, "Dad" to another former Baltimore mayor, and just plain "Tommy" to several presidents—was the mentor to see. And there in the home at 245 Albemarle Street, beneath framed pictures of D'Alesandro and Roosevelt, D'Alesandro and Truman, and D'Alesandro and Kennedy, Carter posed for his addition to that lineup.

Then Carter and D'Alesandro and their entourages walked the thirty yards to Chiapparelli's and a chicken cacciatore lunch with other prominent Democrats (among them Senator Paul Sarbanes, Mayor William Donald Schaefer, then-Attorney General designate Benjamin Civiletti, City Councilman Dominic "Mimi" DiPietro, Governor Harry Hughes, and Senator Charles McC. Mathias).

But high-powered politics apparently were not what Carter wanted to hear that day. Before the white wine had been sipped, the conversation shifted to tales of rough ward politics and the brutally honest observations permitted an older man—one who began his campaigning known as a "goddamn dago." Tommy D'Alesandro held center stage with his salty political yarns. Jimmy and Rosalynn Carter listened entranced.

In an age of media consultants, campaign polls, and voter profile analyses, Tommy D'Alesandro is an expert on basic politics.

His own political career spanned thirty-three years, beginning in 1926 when he was elected to the House of Delegates. He served on the City Council from 1935 to 1938, then in the House of Representatives for a decade (where, as chairman of the District of Columbia Committee, which then ran the District, he became known as the "mayor of Washington"). He was mayor of Baltimore from 1947 to 1959.

But after the series of victories came two losses. Republican J. Glenn Beall beat him by seven thousand votes for a U.S. Senate seat in 1958. The second, and perhaps more painful, loss came the next year to J. Harold Grady in the Democratic primary for mayor of Baltimore, Grady arguing in his campaign that D'Alesandro had been in office too long.

At 78 D'Alesandro has been retired from active politics for almost two decades, but his sharp political eye has not dulled at all. And the national and local politicians (Harry Hughes, up for renomination, is among them) who come to share a meal and the stories at Chiapparelli's come because "Old Tommy" bridges two political and social eras.

The mayoral era of Old Tommy (so called to distinguish him from his son, Thomas III, who served as mayor beginning in 1967) was the start of a new Baltimore, a planning and building campaign geared to give the city the status he describes simply as "major league." D'Alesandro also is a man born and reared during the heyday of political machines. That makes Old Tommy—and only Old Tommy—the son of old Baltimore and the father of the new. In him many find where Baltimore started or where it's going.

But in the Baltimore of 1982 D'Alesandro finds a lot he does not understand. During four hours of interviews in his home—part shrine, and part museum—D'Alesandro touches upon the issues of today and of simpler times.

For example, his was an era when, as he told Time magazine in 1955, keeping the streets blacktopped helped big-city mayors pave their way to victory at the polls. D'Alesandro still regards the "inch-inch" method of paving as one of his greatest achievements as mayor. By that method road crews covered streets with a thin coating of asphalt rather than digging up the entire surface. Repairs were finished in a few days without greatly disrupting travel or business.

D'Alesandro says he's told Mayor Schaefer he can't understand the current state of the city's roadways. "There're a lot of axles being broken now. I told the mayor, 'I thought Rome was the Holy City when I became mayor, until I found out Baltimore was the Holey City. It's full of potholes. Now, you better get a loan through and start fixing these streets. That's the only thing you'll have to do, and you'll walk in. These streets are bad.'"

He admits to amazement at Schaefer's success during an era of higher taxes and fewer municipal services. "I don't understand. When I was mayor, we had a million and some people. The population made us the sixth largest city in the country. Today, it's dropped to eighth or almost ninth. The population has decreased, but taxes went up and more people are working for the city government. I don't understand it.

"Yet the government and mayor go on. I had an average [property] tax rate over ten years of $2.98 [per $100 of assessed value]. He's got one of $6 [actually, $5.97]. He gets reelected; they love him. Just like 'You beat me, daddy. I love it. Beat me again!'"

Although D'Alesandro professes not to understand the success of Schaefer, there are many parallels between the two. Both worked hard to improve the city's image. Both gained national reputations through their achievements and their ability to generate positive publicity (and both shared a talent for hamming it up in front of press photographers). Both have stayed in their boyhood neighborhoods.

But, says D'Alesandro, his duties as a family man added pressures today's bachelor mayor never has had to face. "The difference between me and Schaefer? I had a gang of kids. I had to send them to college and school and all. He has nobody but his mother and a cat, and I don't think the cat even hollers meow."

Although his children have presented public relations problems, D'Alesandro says they also were an asset in the early years. "When I was running for Congress, my wife and them made a song. My opponent was walking down the boardwalk at Ocean City, and my kids had a sign and a song." D'Alesandro places both hands atop his cane and taps out march time on the floor as he sings, to the tune of "The Notre Dame Fight Song":

Cheer, cheer for Tommy D'A,
He is the winner of every fray.
Cast your vote for Tommy D'A,
The defender of the USA.

Unlike politicians today D'Alesandro has not moved from his roots. He still lives in the small row house near the main corner of Little Italy—the one with Chiapparelli's, Sabatino's, Capriccio, and Trattoria Petrucci restaurants on the four corners. It is "sacramental ground," he says, just three blocks from President Street, where he was born in August 1903.

And unlike most former politicians nowadays, he is not eager to tell all; he is not searching for a ghostwriter to expose his true story as a best-seller. During interviews D'Alesandro appears content to keep any secrets he has, fending off questions about past political bosses with a quick retort: "I'm still around. They're not around."

He shows signs of age. He walks cautiously with the help of a cane, complains about the medicine he has to take at prescribed times, worries aloud about eating on the proper schedule. "I feel a little weak," he admits. "I lost some weight, but I'm getting along nice."

Nice enough to keep what amounts to a campaign pace. "I get out. Saturday night I'm going to the Italian American Charities banquet. I was one of the original organizers of it. Sunday I'm going to St. Leo's party. I go to different places. On the ninth I'm going to go to Italian American Charities [for its monthly meeting]. I went to the races one day, got tired, and had to stay and sit down. I won't go to the Preakness because it's too crowded, and everybody wants to talk and hello and then you'r Joed out and no good. If you get a winner, that helps."

The dapper style that impressed photographers has not gone. He still wears smart-looking suits. He is reluctant, though, to pose for photographers now because he lost nearly thirty pounds while hospitalized briefly this spring. (He checked in for treatment of a bleeding ulcer, a bladder infection, and diabetes—all miseries of aging.)

The first floor of the row house where he, his wife, and two of their sons live still looks as though it were designed to receive large groups. The first-floor dining and living rooms are unusually spacious. Along one wall is an antique cabinet displaying many of the gifts the couple received four years ago for their fiftieth wedding anniversary. Nearby, along the wall of the stairs leading to the second floor, are the pictures that mean the most: D'Alesandro and presidents, D'Alesandro and the local politicians of the past, D'Alesandro and the famous. With little effort he remembers all the names.

The drawers of several tables and desks are filled with mementos. From this collection he pulls out a large brochure. He opens it, exposing dozens of color pictures showing the projects either started or completed during the first ten years he was mayor. The pictures are the baby photos of Baltimore today. There are views of Friendship Airport (now Baltimore-Washington International) with a crowd gathered around a bulky prop plane, Memorial Stadium, Liberty Dam, the Ashburton filtration plant, the new Lexington Market, the Jones Falls Expressway, the City Hospitals infirmary building, and a score of other, now familiar, buildings.

D'Alesandro discusses his other successes—the building of the Civic Center, the fluoridation of the drinking water, the installation of 16,500 electric street lamps to replace the ancient gas ones, the $2.88 property tax rate. "Fifty years of progress in a decade," D'Alesandro says as he folds the brochure, closing in his hands a time when—as the brochure boasts—small-town Baltimore became major league.

It was a time of great planning and extraordinary cooperation between City Hall and business leaders, who founded the Greater Baltimore Committee. The GBC's formation stemmed from an insult. "I went to Pittsburgh one time and saw the work that Mellon did," D'Alesandro recalls. "And they had me down to the Baltimore Association of Commerce one day to speak, and I told them the difference between Baltimore and Pittsburgh is that they have Andy Mellon in Pittsburgh, and we got watermelon for business leaders here. That started the GBC to go to town."

That inauspicious event may not have been the actual birth of Baltimore's renewal, but there is no doubt that major changes began in the next few years. The Inner Harbor was transformed from a decaying backwater to a waterfront park, clearing the way for later development. More important, after D'Alesandro's speech to business leaders, work began on Charles Center, the first new portion of glass-and-concrete Baltimore.

In 1952, the mayor helped form a syndicate of local buyers for a professional football franchise. Later, when the Colts were struggling, he stepped in to save the team. "I sent out twenty telegrams to twenty people to come to my office and asked for $20,000 apiece. . . . Nineteen showed up. One didn't, but he called me up and he pledged the other $10,000 to $20,000. I know they wouldn't do that today."

For two years D'Alesandro cajoled major-league baseball owners, trying to convince them to bring a franchise to sports-hungry Baltimore. He succeeded when the St. Louis Browns moved to Baltimore in 1954 and became the Orioles. (A tidbit from those days: Richard Nixon threw out the ball at the Orioles' opening day in 1954 when D'Alesandro was in the hospital.) The man who brought baseball to Baltimore says he is not afraid that Washington superlawyer Edward Bennett Williams, the team's present owner, may be the man to take them away.

But current Colts owner Robert Irsay, who periodically threatens to move the team, is a horse of a different color, D'Alesandro says. "You know what I would do? I'd give him a one-way ticket to Alabama and tell him to get the hell out. One day he's one way; the next day he's another way. I really don't understand the man."

A product of rugged East Baltimore machine politics, in which absolute loyalty always reaped rewards, D'Alesandro is disillusioned with today's breed of politician. "I don't want to say some of them are liars, but in the olden days your word was your bond. . . . They just sometimes say they're for you, and they're half-hearted for you and they're half for somebody else. . . . They take a chance on two horses in the race, and one of them has to come in first."

The hedging on bets may reflect changed political realities. "Anybody's got a chance today. It ain't like it used to be in the old days when I could go down in my cellar and name a ticket and the whole ticket would win. Today, political clubs are has-beens. The radio and television and newspapers, civic leagues, and community associations have taken their place."

In the "old days" when D'Alesandro began campaigning at age 21, political machines ruled the city. Power was divided among political camps, which retained their ascendacy through simple and direct back-scratching—helping those who had helped bring in the votes (see box, page 58). Loyalty was the most important attribute anyone brought to politics. At 23, when he became the youngest member of the Maryland House of Delegates, D'Alesandro aligned himself with the machine of political boss Willie Curran and then-mayor Howard Jackson.

When he became mayor twenty-one years later, D'Alesandro didn't forget the nuts and bolts of machine politics. "I'd come home with a pocketful of favors: Get me a job, get this, get that done. . . . Sometimes I would walk out of the house, and there was a line of people wanting to go to work. I'd put them in the limousine and drive them uptown and try to get them a job with the city. . . . . They'd be loyal to you, most of them working in the campaign and voting."

Throughout D'Alesandro's twelve years as mayor, it was rumored that James "Jack" Pollack, Northwest Baltimore's machine boss, had a direct line to City Hall for patronage in return for his support. However, D'Alesandro insists the late Pollack "never took a nickel."

(In 1959 J. Harold Grady, a fast-rising former FBI agent who had tied his political campaign to fund-raiser Irvin Kovens, beat D'Alesandro in the Democratic mayoral primary. Below the surface lurked the issue of D'Alesandro's friendship with Pollack.)

By 1967, when D'Alesandro actively campaigned for his son to become mayor, he had found a vastly different world. And when "Young Tommy" was elected, the new mayor inherited a city tense with racial animosity. The riots following the 1968 assassination of Rev. Martin Luther King, Jr., D'Alesandro remembers, put out the political fires in his son.

"My son was a great mayor; then they had the riot. I think it took the heart out of him. I think he went through it all right, but it took the heart out of him. He wanted to get out, and I said, 'Don't do that, and don't say you want to. You'll be a lame-duck mayor. Nobody'll pay any attention to you.' He said 'I don't care, I want to get the hell out.'" His son, now a private lawyer, indeed

did not seek reelection in 1971. D'Alesandro denies any regret over his son's decision, but adds that Young Tommy still could have been mayor today. "He was off to a good start."

D'Alesandro does blame the animosity of some city blacks for Young Tommy's move. "They were threatening his life, his kids' life, they were behind the trees at his house, and all that kind of stuff. And there was no call for it. Tommy was good for the minorities." Racial politics still are a powerful force in the city, he says, adding that the root of the city's economic and social problems today started with the 1968 riots. He refuses, though, to answer any questions on the matter.

For D'Alesandro much about today's realities are unsettling. "The nation is lopsided. I don't know what they are doing. The state's trying, the city's trying, and the federal government has cut them off." And now the nation has a president who acts as if he doesn't even want to be president, he says. "I doubt he [Reagan] even wants it, because I think he's fed up already . . . getting shot. He's trying. I like his smile and his waving. He acts like he's on the way to Mandalay."

Matters are just as topsy-turvy in the city, he says. "I built them [schools], and he's closing them," he says of Schaefer. "They tell me the teachers can't read and write, so I don't know what the pupils are going to do. . . . They want to be doctors without going to school, lawyers without going to law school."

The city buses, he says, are just as bad. "I never ride them. I got on once, but I'll never get on again. You have to fight your way in and your way out." Asked what he thinks of the subway, he says, "Well, about all we can do is think. It's been taking a hell of a time. . . . Where it starts or where it ends or where it's going to stop I don't know."

His assessments of local politicians are just as blunt. Hughes looks "like he's ahead" in his face for a second term, and "he's becoming a leader," D'Alesandro says. Republican gubernational candidate Robert Pascal is in trouble "because he has Ronald Reagan for president. If Reagan were strong, he'd be a strong candidate for governor. But the weaker Reagan gets, the weaker Pascal gets." And state Senator Harry McGuirk, also a candidate for governor, has "no chance at all."

D'Alesandro says he can't understand why City Council President Walter Orlinsky was indicted for allegedly accepting kickbacks on sludge-dumping contracts. "He's only got one vote in the City Council and only one vote on the Board of Estimates. How he can do anything for anybody I don't know." He dismisses City Comptroller and self-styled poet Hyman Pressman as a good "yodeler."

Still, D'Alesandor may have saved his most candid assessment for himself: "I hope you get the story printed in time for me to read it."

For him there is time now to enjoy his friends and family. All his sons are healthy and employed, several in the city courthouse, a once-popular haven for patronage jobs. His daughter, Nancy, is a Californian on the National Democratic Committee. His wife is able to move around with little difficulty now after her hip replacement operation.

His main source of excitement is gambling—handicapping horses and putting his well-known address to another use he likes to play 245, his house number, in the Maryland State Lottery. He interrupts one interview to ask, "What time is it?" It is 7:30 p.m., time for the lottery's daily drawing. He rushes to the TV, only to discover he has lost.

At the end of the interview he invites me to Chiapparelli's to sit below the second-floor dining room where he so richly entertained Jimmy and Rosalynn Carter. "When you are in Little Italy," he says, "you are my guest."

As soon as we enter the dining room, Old Tommy disappears down the side aisle and into the kitchen, walking carefully with his cane. He wants to see who is cooking this night. If it is someone he does not trust, he says, we will go elsewhere.

He returns, satisfied, and tells me the spaghetti with clam sauce looks good. We both order it, and when dinner arrives, I discover his portion is half again as big as mine.

"MR. PREZ, IF THE BOYS COULD ONLY SEE US NOW": D'ALESANDRO WITH ROOSEVELT AND KENNEDY

Tommy D'Alesandro, an honors graduate of the pragmatic school of politics, always said that loyalty should be repaid by those in power. This code applied to him when he was in office, and he expected it of those above him—even two of the most powerful presidents of the twentieth century.

As a U.S. representative, D'Alesandro remembers, he supported Franklin Delano Roosevelt's New Deal policies, but found another Maryland politician at the head of the line when federal appointments were being handed out.

"I got mad one day. I was always supporting Roosevelt, and [Senator Millard] Tydings was getting all the patronage. So I wrote him a letter and said, 'Mr. President, we believe in you and support you and your philosophy, but have received a political smack in the face when the distribution of political patronage comes around. Senator Tydings vilifies you and always votes against you and gets all the patronage.'"

D'Alesandro fired off the letter and got back to work on congressional matters. One bit of extracurricular horseplay involved a joke he and several colleagues were playing on a New York representative, Arthur Klein, who was awaiting word on whether he had been appointed a federal judge. D'Alesandro and friends invented bogus messages from Jim Rowan, then an important White House staffer, to keep the anxious Klein jumping. But the trick almost backfired on D'Alesandro.

"Later on I'm sitting in my [House of Representatives] seat, and a page comes up to me and says, 'Mr. D'Alesandro, the White House is calling.' I thought somebody was pulling a Darby [joke] on me and said, 'You take this message to the president. Tell him if he wants to talk to me to come to Little Italy. I'll talk to him, but not unless he comes down there.'

"So when I got back to my office, the secretary said, 'Did you get the call from the White House?' I said, 'What?' and she said, 'Mr. Rowan called, the president wants to see you.'

"So I called Jim Rowan, and he's laughing. He said the president got a kick out of it. So I got an appointment the next day, and I got into the White House. I remember he had a beautiful suit on. I said, 'That's a nice suit, Mr. President.' So he put his hand in his pocket and got his silver cigarette case out and gave me a cigarette, then he took one. He got a lighter to light mine, and I said, 'No, after you, Chief.' I could see the glitter in his eye. He's smiling, and I'm smiling.

"So what do you think slipped out of my mouth? I said, 'Mr. Prez, if the boys could only see us now.'" They did. Roosevelt had a picture taken of the meeting, and D'Alesandro used it in his next congressional campaign. More to the point, Roosevelt also handed D'Alesandro several patronage jobs that day.

Back-scratching was an art that cemented relationships with many powerful politicans, even with the Democratic Party's progressive new leader for the '60s, John Kennedy. While running for president in 1960, Kennedy contacted D'Alesandro in Ocean City, where he was vacationing.

For D'Alesandro, who was out of office, it was a chance to renew his political activity. His spectacular string of elective victories had been broken by two successive losses, but Kennedy still wanted D'Alesandro's help.

Kennedy, he says, "came down to Ocean City to see if I'd campaign for him. I said OK and let it go. "Two days later he called and said, 'When are you coming up?' I said, 'After the season.' He said, 'Noooooo, I want you to come up now.' So I went up the next day."

D'Alesandro set up a meeting between Kennedy and state Democratic leaders and also accompanied the candidate on several speaking engagements in the Baltimore area. After the election local newspapers reported that D'Alesandro was in line for an appointment with the Kennedy administration. But D'Alesandro says he was waiting impatiently for confirmation from Washington.

"I started getting endorsements, and nothing was happening. So I sent a telegram to the president. I got it upstairs. It's a beautiful, long telegram. I said, 'You mentioned my name, got me out on a limb, and you left me there. What are you going to do about it?' And then I got a call. I was at a banquet at the Belvedere, and I got a call to come."

D'Alesandro says he went to the White House the next day, and during his interview Kennedy suddenly walked into the room, put his arm around him, and said, "Hello, Tomatso." "And I said, 'Hello, Johnny.' I was kidding him and he laughed and that was it." D'Alesandro received an appointment to the powerful renegotiation board, an independent government agency that settles cost overrun disputes on federal contracts. He served from 1961 to 1969.●

ORDER OF PROCEDURE

Mr. BAKER. Mr. President, there is a little bit of wrap-up to do tonight, matters we can dispose of, I believe, by unanimous consent.

Before I do that, however, I should make an announcement, I suppose. I talked to the distinguished minority leader of the House of Representatives a few minutes ago to get from him an estimate as to when we might have the supplemental appropriations conference report from the House. It was his best estimate that we are not likely to have that over here until after 3 p.m. in the afternoon.

Senators should not be under any misapprehension that that means we do not have to stay and deal with it tomorrow afternoon. We have very serious problems if we do not have that

bill on the President's desk before next Monday. Senators should know that we will continue to debate the Radio Marti, but as soon as we receive the conference report on the supplemental appropriations bill we will take it up.

As I said, I do not expect that conference report now before 3 p.m. in the afternoon. That means we will be in until 5 or 6 p.m. tomorrow in order to complete action on that measure.

ORDER FOR THE RECOGNITION OF CERTAIN SENATORS ON TOMORROW

Mr. BAKER. Mr. President, I am advised that there are requests for special orders for tomorrow. I ask unanimous consent that on tomorrow, after the recognition of the two leaders under the standing order, three Senators be recognized on special orders of not to exceed 15 minutes each as follows: Senators RIEGLE, BYRD, and WILSON, in that order.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, will the majority leader yield?

Mr. BAKER. Yes.

Mr. BYRD. Mr. President, I ask unanimous consent that my time under the order just entered by the majority leader be given to Mr. RIEGLE.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE CALENDAR

Mr. BAKER. Mr. President, there is one item on the Calendar of Business for today that has been cleared on this side for action at this time by unanimous consent. I inquire of the minority leader if he is prepared to consider at this moment Senate Concurrent Resolution 58, Calendar Order No. 318?

Mr. BYRD. Mr. President, this side had cleared that item for action.

Mr. BAKER. I thank the minority leader.

CORRECTIONS IN ENROLLMENT OF S. 272

Mr. BAKER. Mr. President, I ask that the Chair lay before the Senate Senate Concurrent Resolution 58.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 58) correcting the enrollment of S. 272.

The concurrent resolution (S. Con. Res. 58) was considered and agreed to, as follows:

S. CON. RES. 318

Resolved by the Senate (the House of Representatives concurring), That in the enrollment of the bill (S. 272) to improve small business access to Federal procurement information, and for other purposes, the Secretary of the Senate is hereby authorized and directed, in the enrollment of said bill, to make the following corrections, namely, strike the matter relating to subparagraph (D) of section 8(e)(1) of the Small Business Act in its entirety and insert in lieu thereof "(D) the procurement is made from another Government department or agency, or a mandatory source of supply;"; in the matter relating to section 8(e)(1)(G) of such Act strike out "from an educational institution"; in the matter relating to section (8)(e)(4) of such Act after the phrase "or section 9 of this Act" insert "or unless a Federal department's need for the property, supplies, or services is of such unusual and compelling urgency that the Government would be seriously injured if the provisions of this paragraph were complied with"; in the matter relating to section 8(e)(4) of such Act after the phrase "for the award of a sole source contract" insert "or a contract that results from an unsolicited proposal"; and in the matter relating to section 8(e)(4)(B) of such Act strike out "sole source"; and in the matter relating to section 8(e)(4) of such Act add at the end thereof the following: "Annually, each department shall report to the Congress on each negotiation above the stated amount if the head of the procuring activity or his deputy did not approve the authority to enter into such contract.".

Mr. BAKER. Mr. President, I move to reconsider the vote by which the concurrent resolution was agreed to.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDER FOR STAR PRINT

Mr. BAKER. Mr. President, I ask unanimous consent that the Report of the Committee on the Judiciary to accompany S. 52 (No. 98-190) be star printed to reflect the change which I send to the desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. BAKER. Mr. President, that concludes the items in my folder for unanimous consent at this time. Tomorrow, the Senate will convene at 10 a.m. After the recognition of the two leaders under the standing order, special orders totaling 45 minutes will be available for Senators as previously ordered. After the discussion of the special orders, a time for the transaction of routine morning business will be provided for.

At the expiration of the time for the transaction of routine morning business, the Senate will resume the consideration of the unfinished business, which will be the motion to proceed to consideration of the Radio Marti bill.

It is anticipated that, during the day, the Senate will receive from the House of Representatives the conference report on the supplemental appropriations bill. As and when that occurs, it is the intention of the leadership on this side to ask the Senate to turn to the consideration of that conference report.

It is anticipated that the Senate will be in session for a full day tomorrow, I would now estimate about 5 or 6 p.m., perhaps even later.

Mr. President, I have nothing further to place before the Senate. I inquire of the minority leader if there is anything he wishes to address at this time.

THE ATTORNEY GENERAL'S REMARKS CONCERNING THE PRESIDENT'S STATEMENT BEFORE THE ILA

Mr. BYRD. Mr. President, I thank the majority leader. I will take advantage of the opportunity to speak a few words.

On the UPI wire, Washington, I find the following:

Attorney General William French Smith said Thursday if groups are to be condemned by the White House for the criminal activities of their leaders, the administration might "have to terminate all of our relationships with Congress."

Apparently caught off guard at a news conference on the President's new crime commission, both Smith and FBI Director William Webster sidestepped questions about the propriety of President Reagan appearing before the International Longshoremen's Association last week and his frequent political contact with Teamsters Union leaders.

Both Unions are among the handful that supported Reagan's Presidential campaign and both have been identified repeatedly by Federal prosecutors as having links to organized crime.

In his ILA speech, Reagan praised union President Thomas "Teddy" Gleason as a man of integrity, despite Senate and grand jury testimony that his union is controlled by organized crime.

Thirty-four ILA leaders have been convicted of racketeering in recent years as the result of FBI investigations into the links between organized crime and the union.

"You have to make a distinction between the individual who may have engaged in some illegal activity and the organization, Smith told reporters at the White House.

Mr. President, as one of the elected leaders in Congress, I do find it shocking to read what the Attorney General said, and I repeat these words from the wire:

Attorney General William French Smith said Thursday if groups are to be condemned by the White House for the criminal activities of their leaders, the administration might "have to terminate all of our relationships with Congress."

Now, while the report does not quote Mr. Smith as having used the word "leaders," it must have been very clear to a reporter or else the wire should not have used it.

I do not know what leaders he may have in mind, whether it is Senator BAKER or the Speaker or Minority Leader MICHEL of the House or myself or whips or other elected leaders in

either party. But I am shocked by that kind of statement, and I think the Attorney General should put up or shut up. If he is talking about a leader or leaders, he should publicly state which leader he has in mind. In any event, I would call upon him to publicly retract his statement, and he ought to apologize for it. It is shocking that the chief legal officer of the Government should speak so contemptuously of the Congress.

That is all I have to say, Mr. President.

● Mr. NUNN. Mr. President, on behalf of Mr. BIDEN and myself, I wish to state that the Attorney General's recent comments raise some very serious questions which he has apparently left unanswered. The criminal activities of certain Teamsters and ILA leaders are well documented not only in extensive hearings before the Senate Permanent Subcommittee on Investigations, but also in the files of the U.S. Department of Justice.

The Attorney General should disclose what information, if any, he has indicating criminal activities by the leaders of Congress who are generally recognized to be Senators HOWARD BAKER and ROBERT BYRD, and Representatives TIP O'NEILL, JIM WRIGHT, and ROBERT MICHEL. If he has no such information or charges against the leaders of Congress, then he should retract his statement and immediately apologize.●

Mr. BAKER. Mr. President, I have nothing further.

RECESS UNTIL 10 A.M. TOMORROW

Mr. BAKER. Mr. President, I move, in accordance with the order previously entered, that the Senate stand in recess until 10 a.m. tomorrow.

The motion was agreed to; and the Senate, at 6:21 p.m., recessed until Friday, July 29, 1983, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate July 28, 1983:

IN THE ARMY

The Army National Guard of the United States officer named herein for appointment as Reserve Commissioned Officer of the Army, under the provisions of title 10, United States Code, sections 593(a), 3385, and 3392:

To be brigadier general

Col. Arthur V. Episcopo, xxx-xx-xxxx

The U.S. Army Reserve officers named herein for appointment as Reserve Commissioned Officers of the Army, under the provisions of title 10, United States Code, sections 593(a), 3371, and 3384:

To be major general

Brig. Gen. Robert O. Bugg, xxx-xx-xxxx
Brig. Gen. James E. Harrell, xxx-xx-xxxx
Brig. Gen. Walter K. Tagawa, xxx-xx-xx... xxx...

To be brigadier general

Col. James D. Ball, xxx-xx-xxxx
Col. Edwin Cox, xxx-xx-xxxx
Col. Jackson L. Flake, Jr., xxx-xx-xxxx
Col. Daniel W. Fouts, xxx-xx-xxxx
Col. Rudolph E. Hammond, xxx-xx-xxxx
Col. Jefferson S. Henderson, II, xxx-xx-x... xxx...
Col. Alvin W. Jones, xxx-xx-xxxx
Col. John W. Knapp, xxx-xx-xxxx
Col. Michael A. Schulz, Jr., xxx-xx-xxxx
Col. Robert P. Sy, xxx-xx-xxxx
Col. Robert L. Wick, Jr., xxx-xx-xxxx

The Army National Guard of the United States officers named herein for appointment as Reserve Commissioned Officers of the Army, under the provisions of title 10, United States Code, sections 593(a), 3385, and 3392:

To be major general

Brig. Gen. William J. Jefferds, xxx-xx-x... xxx...
Brig. Gen. Lawrence A. Keller, xxx-xx-x... xxx...
Brig. Gen. Edward W. Waldon, xxx-xx-x... xxx...

To be brigadier general

Brig. Gen. Dayle E. Williamson, xxx-xx-x... xxx...
Col. Robert L. Blevins, xxx-xx-xxxx
Col. Robert C. Dechert, xxx-xx-xxxx
Col. James D. Delk, xxx-xx-xxxx
Col. Larry H. Della Bitta, xxx-xx-xxxx
Col. Averill E. Hawkins, xxx-xx-xxxx
Col. Robert L. Helmer, xxx-xx-xxxx
Col. John V. Hoyt, xxx-xx-xxxx
Col. Dan E. Karr, xxx-xx-xxxx
Col. Joseph G. Martin, Jr., xxx-xx-xxxx
Col. Patrick J. McCarthy, xxx-xx-xxxx
Col. James M. Miller, xxx-xx-xxxx
Col. Curtis W. Milligan, xxx-xx-xxxx
Col. Robert B. Pettycrew, xxx-xx-xxxx
Col. James A. Ryan, xxx-xx-xxxx
Col. Harry R. Taylor, xxx-xx-xxxx
Col. Teddy E. Williams, xxx-xx-xxxx
Col. Bobby G. Wood, xxx-xx-xxxx

IN THE ARMY

The following-named officers for permanent promotion in the U.S. Army, and appointment into the Regular Army as appropriate, in accordance with the appropriate provisions of title 10, United States Code:

To be colonel

Abney, Robert O., xxx-xx-xxxx
Acklin, James M., III, xxx-xx-xxxx
Adams, Bobby R., xxx-xx-xxxx
Adams, Charles L., xxx-xx-xxxx
Adams, James L., xxx-xx-xxxx
Adams, Ronald E., xxx-xx-xxxx
Adderley, David L., xxx-xx-xxxx
Aikman, Larry P., xxx-xx-xxxx
Ailinger, Lawrence G., xxx-xx-xxxx
Akam, George R., xxx-xx-xxxx
Alexander, Leester, xxx-xx-xxxx
Alix, Richard R., xxx-xx-xxxx
Allen, Harold F., xxx-xx-xxxx
Anderson, Raymond L., xxx-xx-xxxx
Andre, David J., xxx-xx-xxxx
Andrews, Roger L., xxx-xx-xxxx
Arflack, Kenneth B., xxx-xx-xxxx
Arnold, Edward D., xxx-xx-xxxx
Arrington, Robert D., xxx-xx-xxxx
Asbury, David L., xxx-xx-xxxx
Bahm, John F., Jr., xxx-xx-xxxx
Bailey, Robert N., xxx-xx-xxxx
Baker, Ronald L., Jr., xxx-xx-xxxx
Barkman, Ralph A., Jr., xxx-xx-xxxx
Barnes, Darvin E., xxx-xx-xxxx
Barrett, Thomas P., xxx-xx-xxxx
Barron, Nicholas xxx-xx-xxxx
Barron, William M., Jr., xxx-xx-xxxx
Bates, Jared L., xxx-xx-xxxx
Bates, Thomas J., xxx-xx-xxxx
Battey, Bruce T., xxx-xx-xxxx
Baumgarten, John R., xxx-xx-xxxx
Beach, Dwight W., xxx-xx-xxxx
Beale, Richard E., Jr., xxx-xx-xxxx
Becker, Robert A., xxx-xx-xxxx
Beerthuis, Mark A., xxx-xx-xxxx
Belcher, Bill G., xxx-xx-xxxx
Bendele, James C., xxx-xx-xxxx
Bender, Charles D., xxx-xx-xxxx
Berry, Roy C., xxx-xx-xxxx
Biddinger, Dennis C., xxx-xx-xxxx
Bila, Ronal V., xxx-xx-xxxx
Bitler, William D., xxx-xx-xxxx
Blackwell, Paul E., xxx-xx-xxxx
Blackwood, Jerry D., xxx-xx-xxxx
Blase, James W., xxx-xx-xxxx
Blundell, James D., xxx-xx-xxxx
Boberek, Frank M., xxx-xx-xxxx
Bohannon, William H., xxx-xx-xxxx
Bombel, George A., xxx-xx-xxxx
Boone, Howard E., xxx-xx-xxxx
Boose, Donald W., Jr., xxx-xx-xxxx
Born, Howard P., xxx-xx-xxxx
Bouley, Eugene E., Jr., xxx-xx-xxxx
Bowker, Lewis W., Jr., xxx-xx-xxxx
Boyd, Wayne C., xxx-xx-xxxx
Boyer, Ernest F., xxx-xx-xxxx
Brady, Edward J., xxx-xx-xxxx
Brinkley, Ulyus O., xxx-xx-xxxx
Broderick, Edward S., xxx-xx-xxxx
Brokovich, Michael J., xxx-xx-xxxx
Brooks, Billy T., xxx-xx-xxxx
Brooks, Lawrence D., xxx-xx-xxxx
Brown, Arthur S., xxx-xx-xxxx
Brown, Billy C., xxx-xx-xxxx
Brown, Elwyn, L., xxx-xx-xxxx
Brown, Henry T., Jr., xxx-xx-xxxx
Brown, James L., xxx-xx-xxxx
Brown, Kenneth N., xxx-xx-xxxx
Bruce, Gene D., xxx-xx-xxxx
Bryce, Ronald H., xxx-xx-xxxx
Bunton, Terry R., xxx-xx-xxxx
Burr, Ralph R., Jr., xxx-xx-xxxx
Busbee, Walter L., xxx-xx-xxxx
Bush, William E., Jr., xxx-xx-xxxx
Bushong, James T., xxx-xx-xxxx
Butler, Billy C., xxx-xx-xxxx
Butzer, Charles B., xxx-xx-xxxx
Calhoun, William R., Jr., xxx-xx-xxxx
Call, William A., Jr., xxx-xx-xxxx
Callahan, James E., xxx-xx-xxxx
Campbell, John H., xxx-xx-xxxx
Campbell, William H., xxx-xx-xxxx
Campbell, Winton G., Jr., xxx-xx-xxxx
Canyock, John G., xxx-xx-xxxx
Carlson, James R., xxx-xx-xxxx
Case, Melvin E., xxx-xx-xxxx
Causer, Wilburn R., Jr., xxx-xx-xxxx
Cavedo, John R., xxx-xx-xxxx
Cephas, Earl F., xxx-xx-xxxx
Champ, Alan D., xxx-xx-xxxx
Chandler, Charles E., xxx-xx-xxxx
Chapman, Richard G., Jr., xxx-xx-xxxx
Charlesworth, Russell W., xxx-xx-xxxx
Cheshire, George T., xxx-xx-xxxx
Chesney, Ralph M., xxx-xx-xxxx
Chester, Michael Q., xxx-xx-xxxx
Chilcoat, Richard A., xxx-xx-xxxx
Childress, Richard T., xxx-xx-xxxx
Chun, Merton M., xxx-xx-xxxx
Clark, Louis R., xxx-xx-xxxx
Cleveland, Charles R., xxx-xx-xxxx
Coffman, Charles O., xxx-xx-xxxx
Colan, Albert R., Jr., xxx-xx-xxxx
Collins, Robert F., xxx-xx-xxxx
Connolly, John F., xxx-xx-xxxx
Corbett, John E., xxx-xx-xxxx
Cornine, Lance R., xxx-xx-xxxx
Costain, Phillip A., xxx-xx-xxxx
Cote, Albert H., Jr., xxx-xx-xxxx
Cothran, James M., xxx-xx-xxxx
Couch, Jacob B., Jr., xxx-xx-xxxx
Couch, John L., xxx-xx-xxxx

Cox, Dallas L., xxx-xx-xxxx
Craig, Richard P., xxx-xx-xxxx
Cummings, John W., xxx-xx-xxxx
Cupples, Alan B., xxx-xx-xxxx
Curtis, Myron F., xxx-xx-xxxx
Daily, James I., xxx-xx-xxxx
Dalziel, Dean A., xxx-xx-xxxx
Damron, Donald W., xxx-xx-xxxx
Dann, Thomas C., xxx-xx-xxxx
Date, Kenneth K., xxx-xx-xxxx
Dauber, Peter F., xxx-xx-xxxx
Daugherty, James R., xxx-xx-xxxx
Daugherty, William F., xxx-xx-xxxx
Daum, Richard S., xxx-xx-xxxx
Davis, Richard E., xxx-xx-xxxx
Davison, Michael S., Jr., xxx-xx-xxxx
Dawson, Richard A., Jr., xxx-xx-xxxx
Deason, Robert L., xxx-xx-xxxx
Deloach, Javan M., xxx-xx-xxxx
Detrio, Richard T., xxx-xx-xxxx
Dingwall, Bennett T., III, xxx-xx-xxxx
Dinniman, James I., xxx-xx-xxxx
Dolson, Kenneth R., xxx-xx-xxxx
Douglass, Robert E., xxx-xx-xxxx
Driskill, Joe G., xxx-xx-xxxx
Drolet, Robert A., xxx-xx-xxxx
Duffie, Robert D., xxx-xx-xxxx
Dunn, Carroll H., Jr., xxx-xx-xxxx
Dupwe, Robert L., xxx-xx-xxxx
Durbin, Harlin N., Jr., xxx-xx-xxxx
Duryea, Lyman C., xxx-xx-xxxx
Edwards, Thomas B., xxx-xx-xxxx
Elliott, David R., xxx-xx-xxxx
Ellis, Ronan I., xxx-xx-xxxx
Englund, Douglas M., xxx-xx-xxxx
Eppley, Vernon L., xxx-xx-xxxx
Erickson, Richard, xxx-xx-xxxx
Ervin, James R., xxx-xx-xxxx
Eskew, Michael P., xxx-xx-xxxx
Esposito, Curtis V., xxx-xx-xxxx
Eubank, Gerald T., xxx-xx-xxxx
Evans, Charles E., xxx-xx-xxxx
Even, Donald G., xxx-xx-xxxx
Everly, Julian R., xxx-xx-xxxx
Faley, Thomas E., Jr., xxx-xx-xxxx
Fang, Donald R., xxx-xx-xxxx
Fesmire, John A., xxx-xx-xxxx
Fincher, Hubert T., Jr., xxx-xx-xxxx
Firestone, Dennis E., xxx-xx-xxxx
Fischer, William F., xxx-xx-xxxx
Fisher, Edward C., xxx-xx-xxxx
Flanagan, William J., Jr., xxx-xx-xxxx
Flannigan, Robert A., xxx-xx-xxxx
Fleming, Andrew P., xxx-xx-xxxx
Floresvellido, Angel L., xxx-xx-xxxx
Flynn, Michael J., xxx-xx-xxxx
Foley, James G., Jr., xxx-xx-xxxx
Foley, William J., xxx-xx-xxxx
Foscue, Stanley M., xxx-xx-xxxx
Frailing, Leroy G., xxx-xx-xxxx
Franck, John L., xxx-xx-xxxx
Franks, Clifton R., xxx-xx-xxxx
Frasche, Louis D., xxx-xx-xxxx
Fredrick, Gilbert H., xxx-xx-xxxx
Freeman, Lowell F., xxx-xx-xxxx
French, Luther L., xxx-xx-xxxx
Fritz, Stanley G., xxx-xx-xxxx
Gaither, Thomas D., xxx-xx-xxxx
Gall, Frank Jr., xxx-xx-xxxx
Gardner, Arthur R., xxx-xx-xxxx
Garnett, Bruce M., xxx-xx-xxxx
Garrison, William F., xxx-xx-xxxx
Garvin, David B., xxx-xx-xxxx
Gatlin, Jerry D., xxx-xx-xxxx
Genetti, Albert J., Jr., xxx-xx-xxxx
George, Graham W., Jr., xxx-xx-xxxx
Geurin, John A., xxx-xx-xxxx
Giese, Paul A., xxx-xx-xxxx
Gifford, Ronald M., xxx-xx-xxxx
Gilligan, Richard M., Jr., xxx-xx-xxxx
Gilmore, Gary B., xxx-xx-xxxx
Girardi, Alfred F., xxx-xx-xxxx
Glassman, Arthur L., xxx-xx-xxxx
Gleim, Albert F., xxx-xx-xxxx
Glosson, Clyde W., xxx-xx-xxxx
Gole, Henry G., xxx-xx-xxxx
Gordy, John W., Jr., xxx-xx-xxxx
Gray, Robert E., xxx-xx-xxxx
Gregory, Wilbur T., Jr., xxx-xx-xxxx
Grett, Stanley E., xxx-xx-xxxx
Grier, Tommy F., Jr., xxx-xx-xxxx
Griffiths, William R., xxx-xx-xxxx
Grimshaw, John M., xxx-xx-xxxx
Hagerty, Neil M., xxx-xx-xxxx
Hagler, Ralph L., Jr., xxx-xx-xxxx
Hahn, Richard O., xxx-xx-xxxx
Hakola, Roger J., xxx-xx-xxxx
Hales, James P., III, xxx-xx-xxxx
Hall, Garrett S., xxx-xx-xxxx
Hall, Thomas F., Jr., xxx-xx-xxxx
Hall, William A., III, xxx-xx-xxxx
Hamilton, Edward A., Jr., xxx-xx-xxxx
Hampton, Don H., xxx-xx-xxxx
Hanke, James S., xxx-xx-xxxx
Hardy, Leonard D., Jr., xxx-xx-xxxx
Harriman, Charles T., xxx-xx-xxxx
Harris, Donald W., xxx-xx-xxxx
Harris, William D., xxx-xx-xxxx
Harrison, David A., xxx-xx-xxxx
Hartman, Clarence B., xxx-xx-xxxx
Haslemann, Walter, xxx-xx-xxxx
Hasse, Leonard, Jr., xxx-xx-xxxx
Haubrich, Robert W., xxx-xx-xxxx
Hayes, Robert L., II, xxx-xx-xxxx
Hendrickson, Richard E., xxx-xx-xxxx
Hengen, Orville J., Jr., xxx-xx-xxxx
Henry, James J., xxx-xx-xxxx
Hern, Jay R., xxx-xx-xxxx
Hertel, Herbert C., Jr., xxx-xx-xxxx
Hervey, Albert E., Jr., xxx-xx-xxxx
Hickey, John J., Jr., xxx-xx-xxxx
Higginbotham, James L., xxx-xx-xxxx
Higgins, Paul R., xxx-xx-xxxx
Hillyard, Frederick J., xxx-xx-xxxx
Hilton, Roger T., xxx-xx-xxxx
Hitchcock, Dickey, xxx-xx-xxxx
Hite, Donald R., xxx-xx-xxxx
Hix, William M., xxx-xx-xxxx
Hobson, Alan D., xxx-xx-xxxx
Hodder, Clinton A., xxx-xx-xxxx
Hodgson, George G., xxx-xx-xxxx
Hodsdon, Dennis K., xxx-xx-xxxx
Holcomb, Cornelius C., Jr., xxx-xx-xxxx
Holland, James R., xxx-xx-xxxx
Holland, Kenneth J., xxx-xx-xxxx
Holland, Robert L., xxx-xx-xxxx
Horton, Chapin, xxx-xx-xxxx
Hospodar, Edward J., xxx-xx-xxxx
Howard, Robert T., xxx-xx-xxxx
Howell, Milton L., Jr., xxx-xx-xxxx
Hughes, Billie L., xxx-xx-xxxx
Humphries, James F., xxx-xx-xxxx
Hunt, George E., xxx-xx-xxxx
Hunt, James P., xxx-xx-xxxx
Hunt, John W., xxx-xx-xxxx
Hunter, William W., Jr., xxx-xx-xxxx
Huser, Herbert C., xxx-xx-xxxx
Ingalsbe, Duane G., xxx-xx-xxxx
Irving, Robert J., xxx-xx-xxxx
Isbell, Ernest L., xxx-xx-xxxx
Izzard, William A., xxx-xx-xxxx
Jablonsky, David, xxx-xx-xxxx
Jackson, David S., xxx-xx-xxxx
Jellison, Robert J., xxx-xx-xxxx
Jew, Soot M., xxx-xx-xxxx
Jewell, James C., xxx-xx-xxxx
Johnson, Alvin B., Jr., xxx-xx-xxxx
Johnson, Cal D., xxx-xx-xxxx
Johnson, Charlton G., Jr., xxx-xx-xxxx
Johnson, Harry B., xxx-xx-xxxx
Johnson, James C., xxx-xx-xxxx
Johnson, Joe S., Jr., xxx-xx-xxxx
Johnson, Julius F., xxx-xx-xxxx
Johnson, Roy S., III, xxx-xx-xxxx
Johnson, William P., Jr., xxx-xx-xxxx
Jones, Bobby A., xxx-xx-xxxx
Jones, Boyd A., xxx-xx-xxxx
Jones, Lavert W., xxx-xx-xxxx
Jones, Wendell O., xxx-xx-xxxx
Joplin, Paul L., xxx-xx-xxxx
Jorgensen, John F., xxx-xx-xxxx
Kalanges, James G., xxx-xx-xxxx
Karlseng, Robert C., xxx-xx-xxxx
Karrer, Donald, xxx-xx-xxxx
Kauffman, Lewis E., xxx-xx-xxxx
Keaveney, Michael W., xxx-xx-xxxx
Keller, Kenneth F., xxx-xx-xxxx
Kelly, John J., xxx-xx-xxxx
Kelly, Patrick O., xxx-xx-xxxx
Kempster, John E., xxx-xx-xxxx
Kendall, John L., xxx-xx-xxxx
Kent, Richard S., xxx-xx-xxxx
Keough, Francis P., xxx-xx-xxxx
Kievenaar, Henry A., Jr., xxx-xx-xxxx
Kilkenny, John M., xxx-xx-xxxx
Kinard, William H., III, xxx-xx-xxxx
King, Burnell, xxx-xx-xxxx
King, Gerald F., xxx-xx-xxxx
Kinsey, Charles H., Jr., xxx-xx-xxxx
Kish, Joseph P., xxx-xx-xxxx
Knudsen, Jerald G., xxx-xx-xxxx
Kosco, William G., xxx-xx-xxxx
Kuhl, Herbert D., xxx-xx-xxxx
Kulbacki, Walter S., xxx-xx-xxxx
Kunhart, Thomas J., xxx-xx-xxxx
Kurtz, Richard G., xxx-xx-xxxx
Kuster, Bernard A., xxx-xx-xxxx
Kuypers, John C., xxx-xx-xxxx
Landis, George A., xxx-xx-xxxx
Landrum, Benson F., xxx-xx-xxxx
Lane, Joseph H., xxx-xx-xxxx
Lang, Walter P., Jr., xxx-xx-xxxx
Larkins, John G., xxx-xx-xxxx
Laroque, Fred R., Jr., xxx-xx-xxxx
Larson, Jeffrey A., xxx-xx-xxxx
Larson, Richard G., xxx-xx-xxxx
Larue, Lowell G., xxx-xx-xxxx
Lawrie, Thomas J., xxx-xx-xxxx
Lawson, Herbert L., xxx-xx-xxxx
Leassear, Leonard A., xxx-xx-xxxx
Lee, Roger C., xxx-xx-xxxx
Leinen, Robert D., Sr., xxx-xx-xxxx
Lenhardt, Alfonso E., xxx-xx-xxxx
Lindsey, David H., xxx-xx-xxxx
Linnen, James R., xxx-xx-xxxx
Lippincott, William R., xxx-xx-xxxx
Littlefield, William S., xxx-xx-xxxx
Lloyd, Herbert J., xxx-xx-xxxx
Lockwood, Robert S., xxx-xx-xxxx
Loftus, James S., Jr., xxx-xx-xxxx
Logan, James A., xxx-xx-xxxx
London, Leroy, Jr., xxx-xx-xxxx
Lovgren, Arthur A., xxx-xx-xxxx
Lovgren, Paul W., xxx-xx-xxxx
Lowrance, Jerry M., xxx-xx-xxxx
Lucy, Daniel H., xxx-xx-xxxx
Luster, Stephen, xxx-xx-xxxx
Lyle, James M., xxx-xx-xxxx
Lynch, Harold D., xxx-xx-xxxx
Mabry, Richard M., xxx-xx-xxxx
MacMurdy, William L., Jr., xxx-xx-xxxx
Maier, Nelson H., Jr., xxx-xx-xxxx
Maksimowski, Richard J., xxx-xx-xxxx
Malone, Edward C., Jr., xxx-xx-xxxx
Manley, John R., xxx-xx-xxxx
Manning, Robert, Jr., xxx-xx-xxxx
Martin, James R., xxx-xx-xxxx
Mason, Lloyd D., xxx-xx-xxxx
Mason, Ralph A., Jr., xxx-xx-xxxx
Matsuda, Clarence G., xxx-xx-xxxx
Matteson, Stephen C., xxx-xx-xxxx
Matthews, Daryl B., xxx-xx-xxxx
Matthews, John H., xxx-xx-xxxx
McBroom, Billy W., xxx-xx-xxxx
McClain, Charles W., Jr., xxx-xx-xxxx
McCollum, Lawrence J., xxx-xx-xxxx
McCormick, Michael J., xxx-xx-xxxx
McCoy, James B., xxx-xx-xxxx
McCoy, Ray E., xxx-xx-xxxx
McCurdey, Newton F., Jr., xxx-xx-xxxx
McDaniel, Richard A., xxx-xx-xxxx
McElroy, Roger L., xxx-xx-xxxx

McEnany, Brian R., xxx-xx-xxxx
McFerron, Darrel A., xxx-xx-xxxx
McGeachy, Clinton B., xxx-xx-xxxx
McGrath, Thomas R., xxx-xx-xxxx
McGregor, William L., Jr., xxx-xx-xxxx
McKay, Donald M., Jr., xxx-xx-xxxx
McKay, James F., Jr., xxx-xx-xxxx
McLaughlin, David R., xxx-xx-xxxx
McLemore, Oran F., xxx-xx-xxxx
McMakin, James P., xxx-xx-xxxx
McManners, John A., xxx-xx-xxxx
McNealy, John R., xxx-xx-xxxx
Means, Dale F., xxx-xx-xxxx
Mehigan, Denis M., xxx-xx-xxxx
Meisel, Bernard F., Jr., xxx-xx-xxxx
Mengel, Larry L., xxx-xx-xxxx
Merritt, Donald E., xxx-xx-xxxx
Merritt, Gordon L., xxx-xx-xxxx
Meyers, Frederick F., Jr., xxx-xx-xxxx
Mikkelson, David W., xxx-xx-xxxx
Milam, Michael M., xxx-xx-xxxx
Miles, Donald F., xxx-xx-xxxx
Miller, Frank D., Jr., xxx-xx-xxxx
Miller, Frank L., Jr., xxx-xx-xxxx
Miller, Garrett S., xxx-xx-xxxx
Miller Joseph B., xxx-xx-xxxx
Miller, Ward A., xxx-xx-xxxx
Miller, William A., xxx-xx-xxxx
Miller, William H., xxx-xx-xxxx
Millerlile, William M., xxx-xx-xxxx
Milliner, James E., xxx-xx-xxxx
Mitchell, Robert C., xxx-xx-xxxx
Mitchiner, Marvin E., Jr., xxx-xx-xxxx
Monsees, Stephen K., xxx-xx-xxxx
Montgomery, James R., xxx-xx-xxxx
Moore, Howard W., Jr., xxx-xx-xxxx
Moore, James L., III, xxx-xx-xxxx
Moore, Jimmy R., xxx-xx-xxxx
Morin, Carl R., Jr., xxx-xx-xxxx
Mullins, Cager W., Jr., xxx-xx-xxxx
Murphy, Haspard R., xxx-xx-xxxx
Murphy, William J., Jr., xxx-xx-xxxx
Murray, Richard N., Jr., xxx-xx-xxxx
Najjar, Alphonse L., xxx-xx-xxxx
Napier, Joseph S., xxx-xx-xxxx
Nau, John F., Jr., xxx-xx-xxxx
Needham, Thomas H., xxx-xx-xxxx
Nelson, Landy T., xxx-xx-xxxx
Neubert, Gunter H., xxx-xx-xxxx
Newell, Thomas K., Jr., xxx-xx-xxxx
Newman, Ralph E., xxx-xx-xxxx
Newton, Anthony H., xxx-xx-xxxx
Norman, William L., xxx-xx-xxxx
Norrod, Forrest P., Jr., xxx-xx-xxxx
Nowland, Donald E., xxx-xx-xxxx
Nutt, Merwyn L., xxx-xx-xxxx
O'Brien, James J., xxx-xx-xxxx
O'Neal, Samuel K., xxx-xx-xxxx
Orell, Seth R., xxx-xx-xxxx
Osburn, Gerald G., xxx-xx-xxxx
Osterhoudt, Michael B., xxx-xx-xxxx
Palmer, Charles S., xxx-xx-xxxx
Palmer, Terry, xxx-xx-xxxx
Paris, William F., II, xxx-xx-xxxx
Parrish, David H., xxx-xx-xxxx
Patin, Jude W., xxx-xx-xxxx
Pattison, William C., xxx-xx-xxxx
Paul, Leroy W., xxx-xx-xxxx
Paxton, Gary L., xxx-xx-xxxx
Peck, John A., xxx-xx-xxxx
Perezlebron, Hector, xxx-xx-xxxx
Perlow, Joyce S., xxx-xx-xxxx
Perrine, Charles H., xxx-xx-xxxx
Perry, Daniel R., xxx-xx-xxxx
Perry, Stephen M., xxx-xx-xxxx
Peters, Frederick, xxx-xx-xxxx
Peterson, James C., xxx-xx-xxxx
Petrolino, Joseph A., Jr., xxx-xx-xxxx
Pitcher, Rudolph A., xxx-xx-xxxx
Plymale, Charles F., xxx-xx-xxxx
Poch, Todd R., xxx-xx-xxxx
Poole, George E., Jr., xxx-xx-xxxx
Poshard, Robert J., xxx-xx-xxxx
Potter, Clifton A., xxx-xx-xxxx
Powe, Marc B., xxx-xx-xxxx
Powell, Robert L., xxx-xx-xxxx
Poynter, William D., xxx-xx-xxxx
Price, Carl N., xxx-xx-xxxx
Price, Hugh A., xxx-xx-xxxx
Prim, David F., xxx-xx-xxxx
Quast, John G., xxx-xx-xxxx
Quattromani, Anthony F., xxx-xx-xxxx
Ralston, Maurice H., xxx-xx-xxxx
Reavill, Jackson C., xxx-xx-xxxx
Regelski, Joseph R., xxx-xx-xxxx
Reich, Robert M., xxx-xx-xxxx
Renfro, Ronnie J., xxx-xx-xxxx
Rethlake, Ralph J., xxx-xx-xxxx
Reynolds, William J., xxx-xx-xxxx
Richardson, Johnny L., xxx-xx-xxxx
Richardson, Joseph L., xxx-xx-xxxx
Richardson, Obrene, xxx-xx-xxxx
Riley, Patrick E., xxx-xx-xxxx
Rimbey, Charles F., xxx-xx-xxxx
Riordan, Richard G., xxx-xx-xxxx
Ritchie, Richard H., xxx-xx-xxxx
Roberts, James T., Jr., xxx-xx-xxxx
Robinson, Charles W., xxx-xx-xxxx
Robinson, Karl W., xxx-xx-xxxx
Robles, Josue, Jr., xxx-xx-xxxx
Roderick, Gary L., xxx-xx-xxxx
Rodgers, Roland F., xxx-xx-xxxx
Rogers, Douglas H., xxx-xx-xxxx
Rogers, John B., xxx-xx-xxxx
Rosengrant, Larue R., xxx-xx-xxxx
Rowe, Dorsey E., xxx-xx-xxxx
Royer, Aaron M., xxx-xx-xxxx
Rozga, Anthony A., xxx-xx-xxxx
Rubery, Daniel J., xxx-xx-xxxx
Ruggerio, Dominic W., xxx-xx-xxxx
Russell, Eugene N., xxx-xx-xxxx
Saari, Donald R., xxx-xx-xxxx
Sabin, Charles B., xxx-xx-xxxx
Saffron, Joseph P., xxx-xx-xxxx
Samas, Frank R., xxx-xx-xxxx
Schaible, Dennis J., xxx-xx-xxxx
Scherr, William A., III, xxx-xx-xxxx
Schneider, William A., xxx-xx-xxxx
Schofield, Dale W., xxx-xx-xxxx
Scholl, Wayne J., xxx-xx-xxxx
Schroeder, James M., xxx-xx-xxxx
Schumacher, William J., xxx-xx-xxxx
Schwartz, Daniel, xxx-xx-xxxx
Scott, Eugene F., xxx-xx-xxxx
Seibert, Gunter P., xxx-xx-xxxx
Semrau, Buddy L., xxx-xx-xxxx
Sheehy, Stephen P., xxx-xx-xxxx
Sheffield, Robert W., xxx-xx-xxxx
Sheffield, Roger V., xxx-xx-xxxx
Shires, Charles D., xxx-xx-xxxx
Shlenker, Lenard L., Jr., xxx-xx-xxxx
Sholly, David J., xxx-xx-xxxx
Shope, Walter R., xxx-xx-xxxx
Short, Albert V., xxx-xx-xxxx
Sierra, Michael J., xxx-xx-xxxx
Simoneaux, Joseph A., xxx-xx-xxxx
Simpson, Kenneth W., xxx-xx-xxxx
Sims, Thomas L., xxx-xx-xxxx
Singsank, James J., xxx-xx-xxxx
Sloan, John N., xxx-xx-xxxx
Smith, Carlton H., xxx-xx-xxxx
Smith, Charles F., xxx-xx-xxxx
Smith, Emmette W., xxx-xx-xxxx
Smith, George F., xxx-xx-xxxx
Smith, Hubert G., xxx-xx-xxxx
Smith, James A., xxx-xx-xxxx
Smith, Jimmy T., xxx-xx-xxxx
Smith, William L., xxx-xx-xxxx
Snipes, Grover E., xxx-xx-xxxx
Snyder, L. B., II, xxx-xx-xxxx
Speedy, John C., III, xxx-xx-xxxx
Spencer, Thomas A., xxx-xx-xxxx
Sprague, Harold E., II, xxx-xx-xxxx
Starbird, Edward A., xxx-xx-xxxx
Steele, James J., xxx-xx-xxxx
Steele, Rowland G., xxx-xx-xxxx
Stetzinger, John E., xxx-xx-xxxx
Stevens, Pat M., V, xxx-xx-xxxx
Stewart, Asa E., xxx-xx-xxxx
Stewart, Thomas L., xxx-xx-xxxx
Stieglitz, Gilbert J., xxx-xx-xxxx
Stokes, Oliver C., Jr., xxx-xx-xxxx
Stong, Tobb D., xxx-xx-xxxx
Stpeter, Norman L., xxx-xx-xxxx
Strachan, James D., xxx-xx-xxxx
Strickland, David S., xxx-xx-xxxx
Stryjewski, Robert H., xxx-xx-xxxx
Sughrue, Lawrence T., xxx-xx-xxxx
Swenson, Peter C., xxx-xx-xxxx
Swift, William D., xxx-xx-xxxx
Szwarckop, Joseph D., xxx-xx-xxxx
Szydlo, Robert B., xxx-xx-xxxx
Tacelosky, Robert J., xxx-xx-xxxx
Talmadge, Roger S., xxx-xx-xxxx
Tate, Arthur W., Jr., xxx-xx-xxxx
Taylor, John L., xxx-xx-xxxx
Taylor, Robert B., xxx-xx-xxxx
Telenko, George J., Jr., xxx-xx-xxxx
Tempton, Willie A., xxx-xx-xxxx
Terrell, Douglas R., xxx-xx-xxxx
Terrell, Richard H., xxx-xx-xxxx
Theologos, John J., xxx-xx-xxxx
Thomas, Everett R., xxx-xx-xxxx
Thomas, Stanley E., xxx-xx-xxxx
Thompson, John C., xxx-xx-xxxx
Timmons, Richard F., xxx-xx-xxxx
Tincher, James C., III, xxx-xx-xxxx
Tindall, James E., xxx-xx-xxxx
Tinsman, Robert B., xxx-xx-xxxx
Tippins, Gerald M., xxx-xx-xxxx
Tipton, James D., xxx-xx-xxxx
Todd, Jackson E., xxx-xx-xxxx
Torres, Manuel, xxx-xx-xxxx
Townsend, Kenneth L., xxx-xx-xxxx
Tragemann, Richard W., xxx-xx-xxxx
Trombley, Thomas H., xxx-xx-xxxx
Tucker, Billy D., xxx-xx-xxxx
Tucker, James E., xxx-xx-xxxx
Tumminello, Albert J., Jr., xxx-xx-xxxx
Turcotte, Gerald V., xxx-xx-xxxx
Vanderbush, Albert III, xxx-xx-xxxx
Vanprooyen, Jan A., xxx-xx-xxxx
Vasey, Dennis P., xxx-xx-xxxx
Vejar, Ray J., xxx-xx-xxxx
Velezis, James A., xxx-xx-xxxx
Volta, Donald H., xxx-xx-xxxx
Wagner, Jerry T., xxx-xx-xxxx
Walker, Gerald S., xxx-xx-xxxx
Walts, Charles O., xxx-xx-xxxx
Warren, Robert J., xxx-xx-xxxx
Wasaff, Samuel K., Jr., xxx-xx-xxxx
Wascom, Charles L., xxx-xx-xxxx
Washburn, Curtis J., xxx-xx-xxxx
Webb, James T., xxx-xx-xxxx
Webster, Lynn C., xxx-xx-xxxx
Weeks, Thomas L., Jr., xxx-xx-xxxx
Weigand, Gerald L., xxx-xx-xxxx
Weirich, Danford N., xxx-xx-xxxx
White, David E., xxx-xx-xxxx
White, Thomas E., Jr., xxx-xx-xxxx
Whitehead, Charles L., xxx-xx-xxxx
Whitmore, Stanley E., Jr., xxx-xx-xxxx
Whittle, Charles E., xxx-xx-xxxx
Wilhelm, Alfred D., Jr., xxx-xx-xxxx
Williams, Wade J., xxx-xx-xxxx
Williams, Warren B., xxx-xx-xxxx
Willis, Deral E., xxx-xx-xxxx
Wills, Edward L., xxx-xx-xxxx
Wilson, Daniel M., xxx-xx-xxxx
Wilson, Johnnie E., xxx-xx-xxxx
Winkler, David M., xxx-xx-xxxx
Wissinger, Allen R., xxx-xx-xxxx
Wolf, Robert L., xxx-xx-xxxx
Womble, Columbus M., xxx-xx-xxxx
Wood, Smythe J., xxx-xx-xxxx
Woodbury, Paul W., xxx-xx-xxxx
Woodham, Gary E., xxx-xx-xxxx
Woods, Sanderson A., xxx-xx-xxxx
Woodward, James K., xxx-xx-xxxx
Wright, Wayne W., xxx-xx-xxxx
Yamashita, Ted K., xxx-xx-xxxx
Yates, Carl W., xxx-xx-xxxx

Yates, Walter H., Jr., xxx-xx-xxxx
Young, Danny A., xxx-xx-xxxx
Young, Thomas F., xxx-xx-xxxx
Zelez, Gordon N., xxx-xx-xxxx
Zepke, John R., xxx-xx-xxxx
Zetterberg, Robert W., xxx-xx-xxxx

CHAPLAIN

To be colonel

Autry, Jerry D., xxx-xx-xxxx
Breland, Don C., xxx-xx-xxxx
Bykowski, Norbert H., xxx-xx-xxxx
Clanton, Charles T., xxx-xx-xxxx
Confroy, Thomas J., xxx-xx-xxxx
Hunt, Henry L., xxx-xx-xxxx
Kent, David W., xxx-xx-xxxx
Nass, Bernard F., xxx-xx-xxxx
Peterson, David P., xxx-xx-xxxx
Roberts, Archie T., xxx-xx-xxxx
Schumacher, John W., xxx-xx-xxxx
Sharber, Pete, xxx-xx-xxxx
Smith, William T., xxx-xx-xxxx
Webb, Arthur M., xxx-xx-xxxx
Webster, Norris M., xxx-xx-xxxx
White, Buster P., xxx-xx-xxxx
Zimmerman, Matthew A., xxx-xx-xxxx

JUDGE ADVOCATE GENERAL'S CORPS

To be colonel

Armstrong, Henry J., xxx-xx-xxxx
Beans, Harry C., III, xxx-xx-xxxx
Brookshire, Robert R., II, xxx-xx-xxxx
Carroll, Bartlett J., Jr., xxx-xx-xxxx
Corrigan, Dennis M., xxx-xx-xxxx
Crean, Thomas M., xxx-xx-xxxx
Darley, Roger G., xxx-xx-xxxx
Gilley, Dewey C., Jr., xxx-xx-xxxx
Green, Herbert J., xxx-xx-xxxx
Lane, Jack F., Jr., xxx-xx-xxxx
Mann, Richard G., xxx-xx-xxxx
Murphy, James A., xxx-xx-xxxx
Sims, Benjamin A., xxx-xx-xxxx
Tiedemann, John J., III, xxx-xx-xxxx
Williams, Herbert D., III, xxx-xx-xxxx

DENTAL CORPS

To be colonel

Agar, John R., xxx-xx-xxxx
Antonini, Charles J., xxx-xx-xxxx
Backenstose, William M., xxx-xx-xxxx
Badger, Gary R., xxx-xx-xxxx
Baker, Kim J., Sr., xxx-xx-xxxx
Becka, David C., xxx-xx-xxxx
Beuttenmuller, Erhard A., xxx-xx-xxxx
Billingsley, Michael L., xxx-xx-xxxx
Bogue, John P., Sr., xxx-xx-xxxx
Butler, Gerald V., xxx-xx-xxxx
Comella, Martin C., xxx-xx-xxxx
Cuddy, John J., xxx-xx-xxxx
Edge, Marion J., xxx-xx-xxxx
Farmer, John B., Jr., xxx-xx-xxxx
Fay, James R., xxx-xx-xxxx
Ficara, Anthony J., xxx-xx-xxxx
Gardner, Furmon M., xxx-xx-xxxx
Gifford, Gerald R., xxx-xx-xxxx
Gracey, Leslie L., xxx-xx-xxxx
Gunderson, Ronald B., xxx-xx-xxxx
Hake, Terry H., xxx-xx-xxxx
Hanson, Donald P., xxx-xx-xxxx
Haro, David P., xxx-xx-xxxx
Hooks, Thomas W., xxx-xx-xxxx
Hughbanks, James C., xxx-xx-xxxx
Hunter, Ronald D., xxx-xx-xxxx
Hutchins, Harry S., Jr., xxx-xx-xxxx
Ivanhoe, John R., xxx-xx-xxxx
Jeffrey, Gary D., xxx-xx-xxxx
Johnson, Ralph G., III, xxx-xx-xxxx
Kallio, Donald M., xxx-xx-xxxx
Kestner, Allan T., xxx-xx-xxxx
Kokos, Ross D., xxx-xx-xxxx
Krakow, Arthur M., xxx-xx-xxxx
Kraut, Richard A., xxx-xx-xxxx
Kuhn, John B., xxx-xx-xxxx
Labounty, Gary L., xxx-xx-xxxx
Lessin, Michael E., xxx-xx-xxxx
Lorton, Lewis, xxx-xx-xxxx
Lucidi, Richard N., xxx-xx-xxxx
Lyon, Douglas R., xxx-xx-xxxx
Marcoot, Ralph M., xxx-xx-xxxx
McQuade, Michael J., xxx-xx-xxxx
Moergeli, James R., Jr., xxx-xx-xxxx
Moody, Edward L., xxx-xx-xxxx
Mooney, Darrel L., xxx-xx-xxxx
Nagy, William W., xxx-xx-xxxx
Nelson, Donald F., xxx-xx-xxxx
Newbry, Everett G., Jr., xxx-xx-xxxx
Pawsat, David S., xxx-xx-xxxx
Percy, Kent H., xxx-xx-xxxx
Petrucci, Vincent A., xxx-xx-xxxx
Phillips, Bruce B., xxx-xx-xxxx
Reddy, Thomas G., Jr., xxx-xx-xxxx
Sheehe, John P., xxx-xx-xxxx
Sheppard, Paul R., xxx-xx-xxxx
Smith, Malcolm G., Jr., xxx-xx-xxxx
Soehren, Stephen E., xxx-xx-xxxx
Stanford, Thomas W., Jr., xxx-xx-xxxx
Stankewitz, Charles G., xxx-xx-xxxx
Swain, Gary R., xxx-xx-xxxx
Tesch, Thomas N., xxx-xx-xxxx
Todd, Maylon J., xxx-xx-xxxx
Tressler, Lloyd E., xxx-xx-xxxx
Wallace, Douglas C., xxx-xx-xxxx
Wallace, William F., xxx-xx-xxxx
Wampole, Harry S., xxx-xx-xxxx
Wilke, Gary M., xxx-xx-xxxx

MEDICAL CORPS

To be colonel

Albus, Robert A., xxx-xx-xxxx
Anderson, Harry J., Jr., xxx-xx-xxxx
Ball, Robert M., xxx-xx-xxxx
Ballard, Clark T., Jr., xxx-xx-xxxx
Belts, Richard P., xxx-xx-xxxx
Bernier, Barre S., xxx-xx-xxxx
Boedeker, Edgar C., xxx-xx-xxxx
Brenz, Ronald W., xxx-xx-xxxx
Brewster, Frank A., xxx-xx-xxxx
Broadnax, Gary B., xxx-xx-xxxx
Bunner, David L., xxx-xx-xxxx
Burkhalter, Edward L., xxx-xx-xxxx
Butler, Hugh W., xxx-xx-xxxx
Carter, Preston L., xxx-xx-xxxx
Carter, Thomas E., xxx-xx-xxxx
Casey, Elmer M., Jr., xxx-xx-xxxx
Caughron, John R., xxx-xx-xxxx
Collins, Delano M., xxx-xx-xxxx
Curl, Walton W., xxx-xx-xxxx
Deshon, George E., Jr., xxx-xx-xxxx
Done, Stephen L., xxx-xx-xxxx
Dunagin, Percy E., Jr., xxx-xx-xxxx
Durham, James C., xxx-xx-xxxx
Fellini, Robert W., xxx-xx-xxxx
Franceschi, Porfirio, xxx-xx-xxxx
Frias, Antonio E., xxx-xx-xxxx
Frushour, Stephen J., xxx-xx-xxxx
Fuselier, Francis W., xxx-xx-xxxx
Genser, Sander G., xxx-xx-xxxx
George, Lynn D., xxx-xx-xxxx
Goldner, Fred H., xxx-xx-xxxx
Graham, Jimmie R., xxx-xx-xxxx
Gunby, Edwin N., xxx-xx-xxxx
Gutierrez, Jorge A., xxx-xx-xxxx
Haddock, James B., xxx-xx-xxxx
Hameister, Herbert H., xxx-xx-xxxx
Harris, Stanley C., xxx-xx-xxxx
Haugland, David, xxx-xx-xxxx
Hawksley, Vaughn C., xxx-xx-xxxx
Hayes, Charles R., xxx-xx-xxxx
Heiselt, Lawrence R., xxx-xx-xxxx
Heller, Paul B., xxx-xx-xxxx
Helsel, Robert A., xxx-xx-xxxx
Hood, Charles H., xxx-xx-xxxx
Hymarsh, Marilyn K., xxx-xx-xxxx
Jackson, Joseph P., Jr., xxx-xx-xxxx
Jung, Chung J., xxx-xx-xxxx
Kark, John A., xxx-xx-xxxx
Karl, Robert D., Jr., xxx-xx-xxxx
Kirchdoerfer, Richard G., xxx-xx-xxxx
Kraft, Barry, xxx-xx-xxxx
Lam, David M., xxx-xx-xxxx
Lapins, Nikolajs A., xxx-xx-xxxx
Lepore, Michael L., xxx-xx-xxxx
Lister, Robert C., xxx-xx-xxxx
Loleng, Cecilia M., xxx-xx-xxxx
Lowry, Barbara S., xxx-xx-xxxx
Lutz, Ronald L., xxx-xx-xxxx
Madden, William A., xxx-xx-xxxx
Maitland, Charles G., xxx-xx-xxxx
Mansfield, Lyndon E., xxx-xx-xxxx
Markey, Keith L., xxx-xx-xxxx
McLean, Ian W., xxx-xx-xxxx
Meade, William C., III, xxx-xx-xxxx
Meinert, William J., Jr., xxx-xx-xxxx
Melendez, Edwin, xxx-xx-xxxx
Miller, Charles F., xxx-xx-xxxx
Miller, Robert W., xxx-xx-xxxx
Miller, William W., Jr., xxx-xx-xxxx
Moore, Reginald G., Jr., xxx-xx-xxxx
Osterholzer, Heinz O., xxx-xx-xxxx
Park, Jinsoo, xxx-xx-xxxx
Perry, Michael E., xxx-xx-xxxx
Pulaski, Edwin T., xxx-xx-xxxx
Quattromani, Frank L., xxx-xx-xxxx
Rawlings, James S., xxx-xx-xxxx
Read, John A., II, xxx-xx-xxxx
Redmond, John, III, xxx-xx-xxxx
Reinker, Kent A., xxx-xx-xxxx
Rogers, Jack A., Jr., xxx-xx-xxxx
Salander, James M., xxx-xx-xxxx
Schneider, Richard L., xxx-xx-xxxx
Seyfer, Alan E., xxx-xx-xxxx
Sharma, Ashok K., xxx-xx-xxxx
Stelter, Gerald P., xxx-xx-xxxx
Stoddard, Frederick R., xxx-xx-xxxx
Stones, Carl, xxx-xx-xxxx
Swengel, Richard M., xxx-xx-xxxx
Talbot, Asa R., xxx-xx-xxxx
Tellis, Claude J., xxx-xx-xxxx
Thomas, Paul J., xxx-xx-xxxx
Thomsen, Russel J., xxx-xx-xxxx
Vaeth, Stephan J., xxx-xx-xxxx
Vanek, David V., xxx-xx-xxxx
Visintine, Robert E., xxx-xx-xxxx
Wehunt, William D., xxx-xx-xxxx
Whitsitt, Leighton S., xxx-xx-xxxx
Williams, Robert K., xxx-xx-xxxx
Wilson, Torrence M., xxx-xx-xxxx
Winkel, Craig A., xxx-xx-xxxx
Yelland, Graham, xxx-xx-xxxx
York, William B., Jr., xxx-xx-xxxx

MEDICAL SERVICE CORPS

To be colonel

Amos, William H., Jr., xxx-xx-xxxx
Berry, Walter L., Jr., xxx-xx-xxxx
Betasso, Joseph J., xxx-xx-xxxx
Bowen, Gail O., xxx-xx-xxxx
Breunle, Phillip C., xxx-xx-xxxx
Collins, Robert P., xxx-xx-xxxx
Colvin, John D., III, xxx-xx-xxxx
Conner, Johnny L., xxx-xx-xxxx
Dorsey, Philip L., xxx-xx-xxxx
Gayagas, Edwin J., xxx-xx-xxxx
Gray, William T., xxx-xx-xxxx
Hacker, Helmut F., xxx-xx-xxxx
Halvorson, Gerald W., xxx-xx-xxxx
Hammond, George E., Jr., xxx-xx-xxxx
Harrington, Jack O., Jr., xxx-xx-xxxx
Hausler, George W., xxx-xx-xxxx
Heimendinger, Richard B., xxx-xx-xxxx
Hilliard, Robert W., xxx-xx-xxxx
Holland, Leon L., xxx-xx-xxxx
Hunt, Dan W., xxx-xx-xxxx
Juchau, Simmeon V., xxx-xx-xxxx
Katsuyoshi, Charles M., xxx-xx-xxxx
Kishimoto, Richard A., xxx-xx-xxxx
Kovach, Frank J., Jr., xxx-xx-xxxx
Laible, James P., xxx-xx-xxxx
Leddy, John T., xxx-xx-xxxx
Lynch, Jeffrey G., xxx-xx-xxxx
Marine, Wayne E., xxx-xx-xxxx
Marley, Henry B., Jr., xxx-xx-xxxx
Martin, Mathis G., xxx-xx-xxxx
McKinster, Lowell, xxx-xx-xxxx

McNeill, Douglas W., xxx-xx-xxxx
Morrison, John B., xxx-xx-xxxx
Myles, Donald A., xxx-xx-xxxx
Pedersen, Carl E., Jr., xxx-xx-xxxx
Perry, William R., xxx-xx-xxxx
Pinson, Robert H., xxx-xx-xxxx
Reinert, John F., xxx-xx-xxxx
Rexrode, Robert W., xxx-xx-xxxx
Rose, Walter E., xxx-xx-xxxx
Rosenbleeth, Milton H., xxx-xx-xxxx
Sawyer, James R., xxx-xx-xxxx
Schiefer, Bernard A., xxx-xx-xxxx
Scofield, Thomas C., xxx-xx-xxxx
Shannon, Sam Jr., xxx-xx-xxxx
Shelton, Edward J., xxx-xx-xxxx
Strachan, Richard J., xxx-xx-xxxx
Thornton, Joseph A., xxx-xx-xxxx
Truscott, James J., xxx-xx-xxxx
Turner, Milton E., xxx-xx-xxxx
Vallandingham, James W., xxx-xx-xxxx
Vorpahl, Kenneth W., xxx-xx-xxxx
Walker, Jimmy, xxx-xx-xxxx
Warner, Lyle W., xxx-xx-xxxx
Waters, Henry J., xxx-xx-xxxx
Whitehouse, Roy L., xxx-xx-xxxx
Wright, Robert E., xxx-xx-xxxx

VETERINARY CORPS

Ervin, John T., xxx-xx-xxxx
Howarth, Robert A., xxx-xx-xxxx
Lupton, Harold W., xxx-xx-xxxx
Mellick, Paul W., xxx-xx-xxxx
Montrey, Richard D., xxx-xx-xxxx
Peace, Theopolis, xxx-xx-xxxx
Whitmire, Richard E., Jr., xxx-xx-xxxx

ARMY NURSE CORPS

To be colonel

Alexander, Gus N., Jr., xxx-xx-xxxx
Ashjian, Ann N., xxx-xx-xxxx
Bombard, Charles F., xxx-xx-xxxx
Bowles, Joyce G., xxx-xx-xxxx
Bredemeier, Laura J., xxx-xx-xxxx
Burke, Carole A., xxx-xx-xxxx
Burke, Gerald W., xxx-xx-xxxx
Clark, Dorothy J., xxx-xx-xxxx
Clutter, Leanna M., xxx-xx-xxxx
Crowley, Maureen A., xxx-xx-xxxx
Croy, Gail, xxx-xx-xxxx
Dockal, Harvey J., xxx-xx-xxxx
Ewing, Donna M., xxx-xx-xxxx
Finn, Elizabeth P., xxx-xx-xxxx
Frankeberger, Ann P., xxx-xx-xxxx
Gortner, A. E., xxx-xx-xxxx
Haag, George P., xxx-xx-xxxx
Jaquezbell, Virginia, xxx-xx-xxxx
Kral, Thomas E., xxx-xx-xxxx
Massimino, Joseph J., xxx-xx-xxxx
McCasland, Nickey J., xxx-xx-xxxx
McQuail, Claire M., xxx-xx-xxxx
Mino, Thomas A., xxx-xx-xxxx
Montgomery, Raymond A., xxx-xx-xxxx
Nooney, Nancy N., xxx-xx-xxxx
O'Neil, Marie R., xxx-xx-xxxx
Pfaehler, Karl H., xxx-xx-xxxx
Rossi, Marguarite J., xxx-xx-xxxx
Segler, Esther J., xxx-xx-xxxx
Snell, Frank W., xxx-xx-xxxx
Snyder, Helen R., xxx-xx-xxxx
Springmier, Joyce T., xxx-xx-xxxx
Strieper, Gerard E., xxx-xx-xxxx
Sylvester, Marilyn J., xxx-xx-xxxx
Washington, Lawrence C., xxx-xx-xxxx

ARMY SPECIALIST CORPS

To be colonel

Cronin, Martha A., xxx-xx-xxxx
Haley, Donald, xxx-xx-xxxx
Roberts, James, xxx-xx-xxxx
Sundstrom, Carl, xxx-xx-xxxx

HOUSE OF REPRESENTATIVES—*Thursday, July 28, 1983*

The House met at 10 a.m.

Rev. Msgr. Paul W. Clunan, St. Louis Catholic Church, Memphis, Tenn., offered the following prayer:

We pray Thee, O God of divine wisdom and justice, through whom authority is rightly administered, laws enacted, and judgments decreed, assist with Thy Holy Spirit of counsel and fortitude, these, our chosen leaders. Give them the light of wisdom to know what is right and the strength to act upon their honest convictions. Save them from pride and arrogance. Never let them use any situation or information to their own unfair advantage. Let them be fearless in defense of justice and truth. Give them a strength to uphold our laws and follow what is right, that they may obey Thy holy will and follow Thy divine purpose. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Saunders, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills of the House of the following titles:

On July 12, 1983:

H.R. 3133. An act making appropriations for the Department of Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1984, and for other purposes.

On July 13, 1983:

H.R. 1746. An act to authorize appropriations for the Navajo and Hopi Indian Relocation Commission; and

H.R. 2713. An act to amend the Public Health Service Act to authorize appropriations to be made available to the Secretary of Health and Human Services for research for the cause, treatment, and prevention of public health emergencies.

On July 14, 1983:

H.R. 3132. An act making appropriations for energy and water development for the fiscal year ending September 30, 1984, and for other purposes; and

H.R. 3135. An act making appropriations for the legislative branch for the fiscal year ending September 30, 1984, and for other purposes.

On July 15, 1983:

H.R. 1271. An act with regard to Presidential certifications on conditions in El Salvador; and

H.R. 2065. An act to authorize appropriations for the National Aeronautics and Space Administration for research and development, construction of facilities, and research and program management, and for other purposes.

On July 25, 1983:

H.R. 3392. An act to amend the Agricultural Act of 1949.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Sparrow, one of its clerks, announced that the Senate had passed a joint resolution and a concurrent resolution of the following title:

H.J. Res. 139. Joint resolution to designate the week beginning June 24, 1984, as "Federal Credit Union Week"; and

H. Con. Res. 39. Concurrent resolution expressing the sense of the Congress with respect to implementing the objectives of the U.N. Decade of Disabled Persons (1983-92).

REV. MSGR. PAUL W. CLUNAN

(Mr. FORD of Tennessee asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FORD of Tennessee. Mr. Speaker, it is a pleasure and an honor for me to welcome one of my district's most distinguished and best loved religious leaders to Washington, D.C.

Msgr. Paul Clunan was ordained into the priesthood some 41 years ago. For the past 25 years he has served the family and friends of St. Louis Church in Memphis, Tenn. He has been a source of inspiration, support, and encouragement to his parishioners, as well as to the entire community.

St. Louis Church, under the outstanding leadership of Monsignor Clunan has become a beautiful landmark in our city.

The vision and wisdom of his 25 years at St. Louis Church have provided many blessings to all those who know Monsignor Clunan. He has been successful in bringing many families together in a spirit of eternal happiness through the glory of God.

He has generously given his time and energies to numerous charities in Memphis, always remembering the needy and disadvantaged.

He has always opened the doors of his parish and the windows of his heart to all those who seek to come there.

Msgr. Paul Clunan has successfully bridged the gaps between all peoples in our community through his loving, ecumenical spirit.

Mr. Speaker, Memphis, the U.S. House of Representatives, and our country are all blessed by Msgr. Paul Clunan's divine presence today.

REV. MSGR. PAUL W. CLUNAN

(Mr. SUNDQUIST asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SUNDQUIST. Mr. Speaker, as my colleague and friend the gentleman from Tennessee (Mr. FORD) said, this is the 25th anniversary of St. Louis Church in Memphis.

Monsignor Clunan opened the session today with a beautiful prayer. Monsignor Clunan is my friend. He could be said to be a product of the entire State of Tennessee. Born and raised in Nashville in middle Tennessee, he served as a young priest at a Maryville mission in east Tennessee. He spent most of his mature life as a religious leader in west Tennessee.

Monsignor is a graduate of St. Ambrose College in Davenport, Iowa, which is an archrival of my own alma mater, Augustana College. He has endeared himself to everyone in Tennessee and to other States and to those who have known him.

At different times, he has been both the chaplain of both the University of Tennessee and Memphis State athletic programs, which is no mean feat in itself.

Monsignor Clunan is the pastor of St. Louis Catholic Church in Memphis. He is the Vicar General of the Catholic Diocese in middle Tennessee. Paul Clunan is respected, highly appreciated, and deeply revered as a leader, as a friend, and as a man of God. He has a twinkle in his eye and he has love in his heart. We are grateful today for his recovery from a recent illness and we celebrate that by his presence today.

Monsignor Clunan, all who know you and who have been influenced by you have great love and affection for you.

PROVIDING AMOUNTS FOR FURTHER EXPENSES OF INVESTIGATIONS AND STUDIES BY COMMITTEE ON STANDARDS OF OFFICIAL CONDUCT

Mr. ANNUNZIO. Mr. Speaker, by direction of the Committee on House Administration, I call up a privileged

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

resolution (H. Res. 267) providing amounts from the contingent fund of the House for further expenses of investigations and studies by the Committee on Standards of Official Conduct in the 1st session of the 98th Congress, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 267

Resolved, That (a) for further expenses of investigations and studies by the Committee on Standards of Official Conduct (hereinafter in this resolution referred to as the "committee"), including expenses for procurement of consultant services under section 202(i) of the Legislative Reorganization Act of 1946, there shall be paid out of the contingent fund of the House not more than $200,000.

(b) Not more than $200,000 of the amount specified in subsection (a) may be used for consultant services referred to in such subsection.

SEC. 2. Payments under this resolution shall be made on vouchers authorized by the committee, signed by the chairman of the committee, and approved by the Committee on House Administration.

SEC. 3. Amounts shall be available under this resolution for investigations and studies carried out during the period beginning at noon on January 3, 1983, and ending immediately before noon on January 3, 1984.

SEC. 4. Amounts made available under this resolution shall be expended in accordance with regulations prescribed by the Committee on House Administration.

Mr. ANNUNZIO (during the reading). Mr. Speaker, I ask unanimous consent that the resolution be considered as read and printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The SPEAKER. The gentleman from Illinois (Mr. ANNUNZIO) is recognized for 1 hour.

Mr. ANNUNZIO. Mr. Speaker, upon conclusion of my opening statement, I intend to yield to the gentleman from California (Mr. BADHAM), the distinguished ranking minority member of the Subcommittee on Accounts, such time as he requests, not to exceed 30 minutes, for the purposes of debate only.

Mr. Speaker, I yield myself such time as I may consume.

The purpose of House Resolution 267 is to provide $200,000 in supplemental funds for the special investigation authorized by the House during the 97th Congress, and reauthorized in this Congress by House Resolution 12.

I know of no investigation so important to the integrity of this institution and to retaining the confidence of the people. The value of the people's trust in our legislative branch is beyond measuring. Its loss would be catastrophic for this country.

The task set out in House Resolution 12 is of the greatest delicacy demanding the utmost in professionalism. The Committee on Standards of Official Conduct was directed by this House to investigate any improper sexual conduct; and illicit use or distribution of drugs; and any preferential treatment accorded in exchange for either of them, by any of our Members, officers, or employees.

The Nation's antennas are set aquiver by any news from this investigation. Any disclosures from it are instant headlines. Every step taken by the committee must be taken with infinite care. The results of its efforts can ruin families and taint careers. The disciplinary measures it recommends are sorely judged by millions of Americans.

A professional body is one which is specially entrusted with the confidence of the public. The Members of this House constitute such a body. As such a body, we must live within a voluntarily self-imposed code of ethics with strong sanctions against those who violate its provisions. By protecting the integrity of our code, we protect the integrity of our institution for which it is provided.

We repose the task of investigation, and recommendation with respect to imposition of sanctions, in our Ethics Committee, which is the Committee on Standards of Official Conduct.

As chairman of the Subcommittee on Accounts, I feel, as I know you do, a very personal responsibility for the integrity of this institution. Our responsibility includes all possible support of those to whom we have entrusted the responsibility and the authority; to study, to investigate, and to report any violations of our Code of Official Conduct.

The Standards Committee's contract with its professionally able special counsel, Mr. Joseph A. Califano, Jr., expires July 31, 1983. A new contract is required, so that the investigation and legal work in which he is engaged can be completed. The budget authorization in House Resolution 267 assures him the resources necessary to carry out the mandate of the House of Representatives.

I know there are Members who question whether we should spend large sums of money for the operations of our Ethics Committee. While some Members question the expenditure of funds, I feel we must provide an adequate sum to make certain that the House of Representatives polices itself in a professional manner.

It serves no purpose to have an Ethics Committee that functions in name only. The committee must have the funds to do—not just a good job, but—a first-class job.

This body will open itself to challenge of its real desire to police itself if we fail to give the committee the funds it needs.

This body is the House of the People. Its purpose is to write laws not break them. And, when Members do not comply with the laws of our land, or the accepted conduct of the land, then our Ethics Committee must have the funding to conduct its investigation fully, thoroughly, and expeditiously.

What we seek here is the truth. I would hate to think that we could not find the truth because we failed to spend enough money to do a thorough job.

This investigation is a nonpartisan matter. The supplemental budget requested should have the unanimous support of this House.

I urge all Members to vote "aye" on the previous question.

Mr. BADHAM. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, it is a difficult task that I face this morning, because I feel constrained to rise to oppose expenditure of the taxpayers money in this regard.

We are being asked to supply an additional $200,000 to the Committee on Standards of Official Conduct for the purpose of continuing investigations into the subject of sex and drugs amongst Members of the House of Representatives and those with whom they come in contact.

We all remember, with various degrees of emotion and various emotions indeed, the actions of this body last week when we received the report from the committee, which did do a thorough job—and I must say at this point that I have the utmost respect for its chairman, the gentleman from Ohio (Mr. STOKES), and the ranking minority member, the gentleman from South Carolina (Mr. SPENCE) and all the other Members who are called upon to serve as members of that committee.

But, Mr. Speaker, we should examine the work of this committee and examine whether or not and to what extent we should continue the work of that committee which has an apparently insatiable appetite for funds, investigation and staff.

Mr. Speaker, the committee and subsequently the House, by censure, called to the bar two Members of our body. Now, I cannot disagree with the fact that the admitted transgressions were intolerable; on the other hand, I think that dispassionately we should recognize that those acts, if performed by a Member of Congress with someone not a page, would be no crime. And, indeed, if the pages themselves had conducted the same acts with people not Members of Congress, there again would be no crime. But between Members and pages—the House after great investigation and great deliberation decided these acts were beyond the realm of acceptable conduct.

□ 1015

Now we are asked to fund an additional $200,000 for the purposes of continuing this probe into alleged drug abuse of the Members of the House.

We have spent in the investigation—just in consulting fees—not staff, not equipment, not telephone, not travel—from July 1982 to June 1983, $743,719.78.

We should stop and ask ourselves at this point: What have we received for this? Have we indeed demonstrated to the American people that the House has greater integrity than it had a week ago? I do not think so.

I have read the report of the committee, I have read letters to editors, I have seen editorial cartoons that certainly do not indicate an increased amount of credibility or integrity for this House. I agree that Members of Congress do feel required to have a different set of standards than most other people they represent.

In this morning's Washington Post an article appeared which quoted a letter to Joseph Califano from the Justice Department pointing out that the Justice Department conducted a complete investigation of allegations against Representatives DELLUMS, WILSON, and former Member Goldwater and has "determined there is insufficient admissible, credible evidence to support criminal charges."

Now, the difference between sex and dope is certainly great. But I said earlier there were no crimes involved in the previous stage of this probe. In this one, in the area of dope, there are crimes alleged, and the crime enforcement and investigation department of our Federal Government, the Justice Department, has said, and I quote again, has "determined that there is insufficient admissible, credible evidence to support criminal charges."

Why, then, do we have the additional burden of an endless search into the same thing that has already been decided by the Justice Department not to merit further investigation and not to merit any charges at all?

Those are the things we should consider before we go further into more fishing expeditions.

So, Mr. Speaker, I rise reluctantly, because I have the greatest respect for not only this House, but the committee on which I serve, the House Administration Committee, and for the members of the Ethics Committee, who have a difficult job, but I would ask for the defeat of this resolution so that the House might get back to legislating for the people of this country.

Mr. ANNUNZIO. Mr. Speaker, I reserve the balance of my time, and I yield 30 minutes to the gentleman from California (Mr. BADHAM) for the purposes of debate only.

Mr. BADHAM. Mr. Speaker, I yield 6 minutes to the gentleman from Minnesota (Mr. FRENZEL) for purposes of debate.

Mr. FRENZEL. Mr. Speaker, the Standards of Official Conduct Committee is one of the great committees of this House. Its work is tedious, its work is unpleasant, and the work that it does has been extraordinarily good since it was put together.

Its chairman, the distinguished gentleman from Ohio (Mr. STOKES), and its ranking minority member, the distinguished gentleman from South Carolina (Mr. SPENCE), have been cooperative and they have been effective in discharging the duties of their committee and of this House.

The fact that that committee is so strong and works so well is a tribute to the leadership of this House for insuring that good people get put on that committee and for insuring that the committee carries out its duties effectively. I have no criticism with the committee. I have only admiration and sympathy for the committee and the work that it does.

That committee is faced with real difficulty at this point. The House of Representatives gave it a charge with respect to the sex and drug investigations, and it has done its very best. It has finished its sex investigation, which culminated in the censure of two Members. It feels it must proceed with drug investigations.

It has a terrible problem. If it should stop its investigations and suddenly a rumor should arise anywhere in this country that relates to the House of Representatives and any sort of drug use, that rumor will stampede the press and stampede the country. As all of us know, the only thing that intrigues the press more than the salaries of Members of Congress is the possibility of sex or drug scandals in the Congress. And whatever scandal is raised gets automatic front page billing or 6 o'clock news time.

The problem, however, can be resolved if the committee is relieved of its charge by the whole House. If the committee goes the way it has been going, it will have to investigate every conceivable rumor that comes its way. It cannot decide for itself when to stop its investigation. I think it is time for the House to tell it to stop. Enough is enough. The pending resolution is too much.

That committee has already spent three-quarters of a million dollars of the taxpayers' money. This resolution allows it to spend $200,000 more, which will total about $1 million, of additional costs for these investigations.

This current investigation has not yet assumed the proportions of the Assassinations Committee, which labored for several years and $7 million, to no good effect for the taxpayers of the United States.

What we need to know and decide today is where the Standards of Official Conduct Committee is going. I do not think it knows where it is going. It has told its staff and its consultants to look into these problems. As the gentleman from California (Mr. BADHAM) correctly pointed out just a moment ago, the drug allegations against Members and ex-Members have been determined by the Justice Department to be unworthy of prosecution.

Now, how much additional work the committee has to do, I do not know, and the committee does not know. My suspicion is that its work will continue as long as its consultant lawyers continue to send invoices.

The committee feels obliged to investigate every rumor. It will send our lawyers to Nome or Pocatello or Blooming Prairie, or wherever, just as it did on the sex investigation, even though it already knows that the Justice Department has dropped its investigation.

And what sort of dope offenses will we find? I do not know, and they do not know. My judgment is that we are going to be the dopes because we continued to finance an investigation after the point which it became unreasonable.

I am in a difficult position. I have great respect for that committee. I have great respect for my subcommittee chairman, the distinguished gentleman from Illinois, Mr. FRANK ANNUNZIO. He has seen his duty and tried to relate to the obligation that the House has given the Standards Committee. But nevertheless, I feel obliged to part company from them. In subcommittee I voted for this resolution because it had to move forward. It had to come to the House for discussion. But now I am going to vote against it. I think it is time that we said, "Stop, we have had enough."

I think the committee staff should be able to handle whatever is left of the problem from here on out. I am not going to recommend that any other Member vote against this or that this resolution necessarily be defeated. I am only going to say that for one Member who has followed the course of these investigations, we have gone far enough.

I intend to request a vote, if no one else does. I intend to vote against the resolution myself, and I hope that the House will not want to continue this investigation forever.

I close with a further commendation for the Standards Committee and the leadership.

Mr. ANNUNZIO. Mr. Speaker, will the gentleman yield?

Mr. FRENZEL. I yield to the gentleman from Illinois.

Mr. ANNUNZIO. Mr. Speaker, I want to assure the gentleman from Minnesota that this investigation will

end. As the gentleman knows, from the hearings of the subcommittee, I talked with the chairman of the Ethics Committee, the gentleman from Ohio (Mr. STOKES). He is present on the floor of the House this morning, I have talked with Mr. Califano. The sex portion of the investigation is over. They are now dealing with the drug portion of the investigation, and this investigation will be concluded possibly by the end of October.

So I want to set the record straight. As far as I am concerned, as chairman of the Accounts Subcommittee, I am taking both gentlemen at their word that this investigation will be concluded.

Mr. FRENZEL. I thank the gentleman for his statement. I feel much better after hearing it.

I still feel compelled to vote against the resolution.

Mr. BADHAM. Mr. Speaker, I yield 5 minutes to the gentleman from Ohio (Mr. LATTA).

The SPEAKER. It was the understanding of the Chair this morning that this debate was going to take but a few moments and that the House would proceed to the business of the day.

If this is going to be a prolonged debate, the Chair might suggest that the gentleman withdraw the resolution.

Mr. ANNUNZIO. Mr. Speaker, I have no further requests for time, and I intend to move the previous question on the resolution.

Mr. BADHAM. Mr. Speaker, I understand the time constraints. I yield 1 minute to the gentleman from Ohio (Mr. LATTA), and further than that, I have no requests for time.

Mr. LATTA. Mr. Speaker, I take this time to ask a question. I read in the local "Gazette" this morning that the Justice Department has already indicated that this drug investigation is over. Now, if the Justice Department has indicated that, why do we need to spend $200,000?

Mr. BADHAM. I said earlier on the floor, if the gentleman will yield to me—I do not read the Gazette, I read the Post this morning—a complete investigation has been done on the allegations and that the Justice Department "has determined that there is insufficient admissible, credible evidence to support criminal charges."

That is why I asked that this resolution be defeated.

Mr. ANNUNZIO. Mr. Speaker, if the gentleman will yield, as far as the Justice Department is concerned, the criminal investigation is over. But as far as the three Congressmen are concerned, they have taken all of the material of the investigation, and have now dumped it into the lap of the Ethics Committee.

Mr. BADHAM. Mr. Speaker, I do not want to prolong this debate.

Mr. ANNUNZIO. Mr. Speaker, I have no further requests for time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. FRENZEL. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 407, nays 3, answered "present" 1, not voting 22, as follows:

[Roll No. 277]

YEAS—407

Ackerman	Conable	Gibbons
Addabbo	Conte	Glickman
Akaka	Cooper	Gonzalez
Albosta	Corcoran	Goodling
Anderson	Coughlin	Gradison
Andrews (NC)	Courter	Gramm
Andrews (TX)	Coyne	Gray
Annunzio	Craig	Green
Anthony	Crane, Daniel	Gregg
Applegate	Crane, Philip	Guarini
Archer	Crockett	Gunderson
Aspin	D'Amours	Hall (IN)
AuCoin	Daniel	Hall (OH)
Barnard	Dannemeyer	Hall, Ralph
Barnes	Daschle	Hall, Sam
Bartlett	Daub	Hamilton
Bateman	Davis	Hammerschmidt
Bates	Derrick	Hance
Bedell	DeWine	Hansen (UT)
Beilenson	Dicks	Harkin
Bennett	Dingell	Harrison
Bereuter	Donnelly	Hartnett
Berman	Dorgan	Hatcher
Bethune	Downey	Hawkins
Bevill	Dreier	Hefner
Biaggi	Duncan	Hertel
Bilirakis	Durbin	Hightower
Bliley	Dwyer	Hiler
Boehlert	Dymally	Hillis
Boggs	Dyson	Holt
Boland	Early	Hopkins
Boner	Eckart	Horton
Bonior	Edgar	Howard
Bonker	Edwards (AL)	Hoyer
Borski	Edwards (CA)	Hubbard
Bosco	Edwards (OK)	Huckaby
Boucher	Emerson	Hughes
Boxer	English	Hutto
Breaux	Erdreich	Hyde
Britt	Erlenborn	Ireland
Brooks	Evans (IA)	Jacobs
Broomfield	Evans (IL)	Jeffords
Brown (CA)	Fascell	Jenkins
Broyhill	Fazio	Johnson
Bryant	Ferraro	Jones (OK)
Burton (CA)	Fiedler	Kaptur
Burton (IN)	Fields	Kasich
Byron	Fish	Kastenmeier
Campbell	Flippo	Kazen
Carney	Florio	Kemp
Carper	Foglietta	Kennelly
Carr	Ford (MI)	Kildee
Chandler	Ford (TN)	Kindness
Chappell	Forsythe	Kogovsek
Cheney	Fowler	Kolter
Clarke	Frank	Kostmayer
Clay	Franklin	Kramer
Clinger	Frost	LaFalce
Coats	Fuqua	Lagomarsino
Coelho	Gaydos	Lantos
Coleman (MO)	Gejdenson	Latta
Coleman (TX)	Gekas	Leach
Collins	Gephardt	Leath
Lehman (CA)	Nowak	Slattery
Lehman (FL)	O'Brien	Smith (FL)
Leland	Oakar	Smith (IA)
Lent	Obey	Smith (NE)
Levin	Olin	Smith (NJ)
Levine	Ortiz	Smith, Denny
Levitas	Ottinger	Smith, Robert
Lewis (CA)	Owens	Snowe
Lewis (FL)	Oxley	Snyder
Lipinski	Packard	Solarz
Livingston	Panetta	Solomon
Lloyd	Parris	Spence
Loeffler	Pashayan	Spratt
Long (LA)	Patman	St Germain
Long (MD)	Patterson	Staggers
Lott	Paul	Stangeland
Lowery (CA)	Pease	Stark
Lowry (WA)	Penny	Stenholm
Lujan	Pepper	Stokes
Luken	Perkins	Stratton
Lundine	Petri	Studds
Lungren	Pickle	Stump
Mack	Porter	Sundquist
MacKay	Price	Swift
Madigan	Pritchard	Synar
Markey	Pursell	Tallon
Marlenee	Quillen	Tauke
Marriott	Rahall	Tauzin
Martin (IL)	Rangel	Taylor
Martin (NC)	Ratchford	Thomas (CA)
Martin (NY)	Ray	Thomas (GA)
Martinez	Regula	Torres
Matsui	Reid	Torricelli
Mavroules	Richardson	Towns
Mazzoli	Ridge	Traxler
McCain	Ritter	Udall
McCandless	Roberts	Valentine
McCloskey	Robinson	Vander Jagt
McCollum	Rodino	Vandergriff
McCurdy	Roe	Vento
McDade	Roemer	Volkmer
McDonald	Rogers	Vucanovich
McEwen	Rose	Walgren
McGrath	Rostenkowski	Walker
McHugh	Roth	Watkins
McKernan	Roukema	Waxman
McKinney	Rowland	Weaver
McNulty	Roybal	Weber
Mica	Rudd	Weiss
Michel	Russo	Wheat
Mikulski	Sabo	Whitehurst
Miller (CA)	Savage	Whitley
Miller (OH)	Sawyer	Whittaker
Mineta	Schaefer	Whitten
Minish	Scheuer	Williams (MT)
Mitchell	Schneider	Williams (OH)
Moakley	Schroeder	Winn
Molinari	Schulze	Wirth
Mollohan	Schumer	Wise
Montgomery	Seiberling	Wolf
Moody	Sensenbrenner	Wolpe
Moore	Shannon	Wortley
Moorhead	Sharp	Wright
Morrison (CT)	Shaw	Wyden
Morrison (WA)	Shelby	Wylie
Mrazek	Shumway	Yates
Murphy	Shuster	Yatron
Murtha	Sikorski	Young (AK)
Myers	Siljander	Young (FL)
Natcher	Simon	Young (MO)
Nelson	Sisisky	Zablocki
Nichols	Skeen	Zschau
Nielson	Skelton	

NAYS—3

Badham	Dickinson	Frenzel

ANSWERED "PRESENT"—1

Dellums

NOT VOTING—22

Alexander	Foley	Jones (NC)
Brown (CO)	Garcia	Jones (TN)
Chappie	Gilman	Neal
Conyers	Gingrich	Oberstar
de la Garza	Gore	Rinaldo
Dixon	Hansen (ID)	Wilson
Dowdy	Heftel	
Feighan	Hunter	

□ 1045

Mr. WHITTEN changed his vote from "present" to "yea."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ANNUNZIO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the resolution just agreed to.

The SPEAKER pro tempore (Mr. MOAKLEY). Is there objection to the request of the gentleman from Illinois?

There was no objection.

PERMISSION FOR COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION TO MEET TODAY DURING 5-MINUTE RULE

Mr. McNULTY. Mr. Speaker, at the direction of the gentleman from New Jersey (Mr. HOWARD), I ask unanimous consent that the Committee on Public Works and Transportation be permitted to meet today during the 5-minute rule.

The matter has been cleared with the minority.

The SPEAKER. Is there objection to the request of the gentleman from Arizona?

There was no objection.

REPORT OF NEW DEFERRALS OF BUDGET AUTHORITY AFFECTING ENERGY ACTIVITIES AND DEPARTMENT OF JUSTICE—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 98—88)

The SPEAKER pro tempore (Mr. MOAKLEY) laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Appropriations and ordered to be printed:

(For message, see proceedings of the Senate of today, July 28, 1983.)

APPOINTMENT OF CONFEREES ON H.R. 2972, MILITARY CONSTRUCTION AUTHORIZATION, FISCAL YEAR 1984

Mr. DELLUMS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 2972) to authorize certain construction at military installations for fiscal year 1984, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

Mrs. VUCANOVICH. Mr. Speaker, reserving the right to object, may I inquire, has this been cleared with the minority?

Mr. DELLUMS. Mr. Speaker, will the gentlewoman yield?

Mrs. VUCANOVICH. I yield to the gentleman from California.

Mr. DELLUMS. Yes; it has been cleared with the minority. All we are doing is appointing conferees to engage in a conference with the Senate on the military construction bill. It has, of course, been cleared with the minority.

Mrs. VUCANOVICH. Mr. Speaker, I thank the gentleman very much, and I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California? The Chair hears none, and, without objection, appoints the following conferees: Messrs. PRICE, DELLUMS, MONTGOMERY, KAZEN, WON PAT, DICKINSON, KRAMER, and WHITEHURST.

There was no objection.

CONFERENCE REPORT ON H.R. 2973, INTEREST AND DIVIDENDS TAX WITHHOLDING REPEAL

Mr. ROSTENKOWSKI. Mr. Speaker, I call up the conference report on the bill (H.R. 2973) to repeal the withholding of tax from interest and dividends, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of yesterday, July 27, 1983, at page 21219.)

Mr. ROSTENKOWSKI (during the reading). Mr. Speaker, I ask unanimous consent that the statement be considered as read.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The SPEAKER pro tempore. The gentleman from Illinois (Mr. ROSTENKOWSKI) will be recognized for 30 minutes, and the gentleman from New York (Mr. CONABLE) will be recognized for 30 minutes.

The Chair now recognizes the gentleman from Illinois (Mr. ROSTENKOWSKI).

Mr. ROSTENKOWSKI. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am bringing to the floor for immediate consideration the conference agreement on H.R. 2973. As this bill left the House, it repealed withholding on interest and dividends and provided relief from estimated tax penalties for those who had relied on withholding taking effect in making their estimated tax payments. The Senate added a number of related and unrelated provisions to the bill including the Caribbean Basin Initiative and returned it to the House. The House later added its version of the Caribbean Basin Initiative to the legislation prior to going to conference.

The conference agreement I bring to you today only contains provisions relating to matters which have been considered by the Committee on Ways and Means and the House. The House conferees have refused to agree to those provisions added by the Senate which were unrelated to the original bill or which had not been considered previously by the committee and the House. Thus, the agreement only contains provisions on the backup withholding system contained in the Senate amendment and on the Caribbean Basin Initiative. It does not contain provisions of the Senate amendment relating to trade reciprocity, enterprise zones, mortgage subsidy bonds, or the discharge of mortgage indebtedness. These matters will be considered by the Committee on Ways and Means in due course and will be brought before the House only after full and complete deliberations by the Committee on Ways and Means.

As to withholding, the conferees agreed to repeal withholding on interest and dividends and to include in the agreement a simplified version of the backup withholding provisions contained in the Senate amendment. The House version of estimated tax penalty relief was accepted. Under the agreement, backup withholding would be extended to taxpayers having unreported interest and dividend income, beginning January 1, 1984. Backup withholding would be generally applied at a 20-percent rate and would be instituted on a taxpayer only after an extensive notice period. Once instituted a taxpayer would generally stay on the backup withholding system until the end of the calendar year in which the problem was resolved.

A number of other changes were made to simplify the Senate provisions on backup withholding and penalties. However, the House conferees basically agreed with the thrust of the Senate amendments which are intended to encourage taxpayers and payors of interest and dividends to provide correct taxpayer identification numbers, that is social security numbers, to the Internal Revenue Service. It is clear that if the information reporting and matching process is to operate as a substitute for withholding, it must be greatly improved. Correct identification numbers are crucial as is payor reporting by magnetic media.

To reach that end, new requirements are included for providing sworn statements as to such identification num-

bers and as to one's status with regard to backup withholding. Reporting on magnetic media is required for all by 1985, although hardship exceptions are permitted. Stiffer penalties are provided for payors of interest and dividends for failures to accurately report such payments to the IRS and to taxpayers on 1099's, where due diligence has not been exercised. Due diligence requires an annual mailing, including one in 1983, to account holders with regard to the need for correct identification numbers. We are hopeful that institutions are preparing for such mailings now so that their files can be improved in this regard prior to January 1, 1984, We assumed in TEFRA that institutions would take the actions necessary to minimize the number of taxpayers who will face backup withholding on January 1 as a result of missing identification numbers. The conference agreement specifically requires a mailing, as described, in a further attempt to reach this result.

The conference agreement also requires a new 1099 form to be prescribed by the Department of Treasury and sent by payors of interest and dividends, in a separate mailing, to inform taxpayers of their liability for tax on these income amounts. While the conferees agreed not to require these 1099's to be stapled to the tax return because of processing difficulties, we did agree to take these other steps as a means of insuring that taxpayers have full notice of these amounts of income and understand that they are taxable. The adequacy of such notice is of added significance because the conferees also agreed to a recommendation from the Department of Treasury to adopt an additional negligence penalty instead of the added fraud penalty contained in the Senate amendment. This negligence penalty would apply to the tax due on any unreported interest and dividend income at the present law rate of 5 percent plus one-half of the interest due, unless the taxpayer had clear and convincing evidence to show that the failure to report the income was not negligent.

In conclusion, let me also stress that in repealing the withholding provisions, the conferees provide payors relief for whatever actions they might have taken in this period of great uncertainty about the status of the withholding provisions. For example, some dividend payors had to make decisions about withholding before June 15 and before Treasury's announcement of an across-the-board delay for 30 days in the withholding effective date. Other payors may find themselves in the same situation as the expiration of that 30-day period approaches. The conference report provides relief for amounts withheld through September 1. We also intend that payors be allowed to return withheld amounts to their customers under procedures to be prescribed by the Department of Treasury.

I turn now to the provisions of the agreement with regard to the Caribbean Basin Initiative.

Title II of the conference report contains the Caribbean Basin Economic Recovery Act, better known as the CBI. This legislation provides a very important package of trade and tax incentives to encourage economic development and revitalization in the Caribbean Basin region. Its centerpiece is the limited grant of a duty-free arrangement for qualifying CBI imports, subject to numerous conditions to protect vital U.S. interests. It also includes important benefits for Puerto Rico and the Virgin Islands. The program is designed to provide a means by which the countries of the Caribbean can promote their own economic growth through the incentive of increased trade and pull themselves out of an endless cycle of poverty and economic uncertainty.

This legislation recognizes the urgent need to provide greater trading opportunities for the Caribbean. In 1982, their combined trade deficit with the United States (excluding petroleum) was $2.9 billion. They are also amassing a huge foreign debt. If we do not give them the means and the incentive to sell more in the U.S. market in order to earn vital foreign exchange, they will be forced to buy less, and American industries will suffer as a result. Passage of this measure will preserve two-way trade and thereby serve America's long-range economic interests.

The conference agreement preserves all of the basic safeguards included in the House bill to protect U.S. industries and workers. Items which are import-sensitive in the context of Caribbean trade are still exempt; import relief measures are still included; special restrictions still apply to sugar; and the conferees accepted the House provision calling for annual reports to Congress by the Secretary of Labor on the impact of CBI on U.S. workers.

The conference report provides for payment of certain rum excise taxes to Puerto Rico and the U.S. Virgin Islands. It also allows tax deductions for business conventions held in certain beneficiary Caribbean countries or Bermuda provided the country enters into an exchange of information agreement. The conferees agreed to waive the exchange of certain civil tax information for a particular country when the Secretary of the Treasury determines the action would significantly assist tax administration and the President determines it is in our national security interest. The Treasury Department will also study the impact of Caribbean tax havens on U.S. tax revenues.

Mr. Speaker, the impact of this legislation on U.S. trade is miniscule and every possible safeguard has been included. However, I want to reiterate the commitment of the Committee on Ways and Means to maintain vigorous oversight of this program. We will receive regular reports from the International Trade Commission and Department of Labor, and if problems that we do not now foresee actually develop we will recommend modifications to the legislation.

In conclusion, I ask your support on this conference agreement.

□ 1100

Mr. KEMP. Mr. Speaker, will the gentleman yield for a question?

Mr. ROSTENKOWSKI. I yield to the gentleman.

Mr. KEMP. Mr. Speaker, I am a strong supporter of the Caribbean Basin Initiative and I congratulate the gentleman from Illinois, as well as my friend, the gentleman from New York, on the conference report which repeals the withholding of taxes on savings and dividends; so I want to congratulate the gentleman for his hard work in the conference along with that of my neighbor from New York (Mr. CONABLE).

What concerns me, there are more than 165 bipartisan cosponsors of a bill to encourage development in the economies of the inner cities of this country called enterprise zones.

The gentleman mentioned in passing that the enterprise zone legislation which had passed the Senate and has a number of cosponsors on both sides of the aisle was dropped. Could the gentleman tell us why and what are the plans for holding hearings on enterprise zones in 1983 giving this vital piece of jobs legislation a chance to come to the floor.

Mr. ROSTENKOWSKI. Well, in the conference, the chairman of the Committee on Ways and Means made a commitment to hold hearings on enterprise zones this fall. The reason, naturally, that we have not entertained any consideration of it is because our calendar has been so full; but it is the intention of the committee to engage in some hearings this fall.

Mr. KEMP. So there is not going to be any delay, if the chairman would yield another moment, there is not going to be any delay once those hearings are held this fall in bringing that legislation forward that is so critical to the job climate of the inner cities of this country?

Mr. ROSTENKOWSKI. I think the committee will make that judgment after the hearings have been held.

Mr. KEMP. Mr. Speaker, I thank the chairman.

Mr. HARKIN. Mr. Speaker, will the gentleman yield?

Mr. ROSTENKOWSKI. I yield to the gentleman.

Mr. HARKIN. Mr. Speaker, I thank the gentleman for yielding.

I am a little more than just curious as to why and exactly how the Members of the House today are faced with voting on a conference report that contains a bill that was passed overwhelmingly by the House, that is, the repeal of withholding, which passed overwhelmingly in the House, coupled with another bill that was highly controversial and which did not pass overwhelmingly that is, the Caribbean Basin Initiative.

Mr. ROSTENKOWSKI. Well, the Caribbean Basin bill was also passed overwhelmingly by the House. The Senate added it as an amendment to H.R. 2973, and subsequently the House, by unanimous consent, agreed to add the House version of CBI to H.R. 2973 for purpose of a conference.

Mr. HARKIN. I know it was passed by the House, but I said it was a highly controversial bill.

Mr. ROSTENKOWSKI. I think that depends on how you define "highly controversial." There were only 129 votes against the Caribbean Basin Initiative. It had overwhelming bipartisan support. It even had a large majority of Democrats supporting it.

Mr. HARKIN. One hundred twenty-nine?

Mr. ROSTENKOWSKI. The vote on the Caribbean Basin Initiative was 289 to 129.

Mr. HARKIN. That is right; 129 Members of the House were strongly opposed to the Caribbean Basin Initiative.

What was the vote on withholding, if the gentleman can tell me, in the House?

Mr. ROSTENKOWSKI. I do not recall.

Mr. HARKIN. I do not think there were 10 votes against it, were there?

Mr. ROSTENKOWSKI. But both bills were passed by the House by very large majorities.

Mr. HARKIN. But it would seem to me, though, that Members of the House today are faced with voting on one conference report, I am curious as to how these two very distinct and different bills could be put together, forcing Members of the House to make one vote on those two.

Mr. ROSTENKOWSKI. I will say to the gentleman that the Senate provisions and the House bill were combined at the acquiescence of the House. Obviously, we were in a negotiating situation with the Senate, which first added CBI to this bill. We had no justification for turning down a measure the House overwhelmingly supported.

PARLIAMENTARY INQUIRY

Mr. HARKIN. Then I have a parliamentary inquiry, Mr. Speaker.

The SPEAKER pro tempore. The gentleman will state it.

Mr. HARKIN. Mr. Speaker, under rule 28, it seems to me that after the reading of any conference report a point of order lies if, in fact, there is a provision in the conference report that is not germane to the bill that was passed by the House, and I do not think CBI is germane to the repeal of withholding.

The SPEAKER pro tempore (Mr. MOAKLEY). In answer to the gentleman, by unanimous consent the House, prior to sending the bill to conference, joined both issues as a House amendment to the Senate amendment, so there is no germaneness question.

Mr. HARKIN. Mr. Speaker, I am sorry, I cannot hear the Speaker.

The SPEAKER pro tempore. By unanimous consent, the House joined both these issues, so there is no germaneness question.

Mr. HARKIN. Mr. Speaker, a further parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. HARKIN. Mr. Speaker, in other words, a unanimous-consent request was offered on the floor of the House during a House session to join both these issues and no one objected to that unanimous-consent request?

The SPEAKER pro tempore. The gentleman is correct.

Mr. HARKIN. So therefore today the Members of the House who are in favor of voting for repeal of withholding would also find themselves voting for the Caribbean Basin Initiative; is that correct, if they voted "aye"?

The SPEAKER pro tempore. The gentleman has not stated a parliamentary inquiry.

Mr. ROSTENKOWSKI. Mr. Speaker, I reserve the balance of my time.

Mr. CONABLE. Mr. Speaker, I yield myself 10 minutes.

Mr. Speaker, I would like to review what occurred in the conjunction of the CBI and the repeal of withholding. The Senate had added to the repeal of withholding a number of nongermane measures including the Caribbean Basin Initiative. Following the subsequent passage of the Caribbean Basin Initiative by the House, here on the floor we by unanimous consent added that to the repeal of withholding, and so there was no question they were properly conjoined. This was an effort to provide some comity to the Senate.

The other nongermane measures added by the Senate were dropped out in conference.

My fellow managers on the part of the House should be commended, because the positions of this body were upheld in virtually all important respects.

I think the managers on the part of the other body also fared equitably and I commend them for coming to an agreement on this most important piece of legislation.

This has been delayed to this point because of efforts by Members of the Senate to bargain with respect to other nongermane amendments not having to do with withholding.

The conference action, assuming it is ratified by both bodies, should be signed into law by the President soon, and this should end a long and painful ordeal for all of us on the issue of interest and dividend withholding. This has not been among the more glorious episodes in congressional history, and I do not intend to relive it in my comments here today. I merely would like to note that the conference agreement achieves an accommodation which is workable and with which all parties should be able to live without serious administrative difficulty.

Now, quite frankly, as the repeal of withholding came from the Senate, I think there would have been some serious difficulties in the administration of backup withholding.

The conference agreement repeals withholding of interest and dividends and substitutes in its place a modification of backup withholding system which was enacted as part of the Tax Equity and Fiscal Responsibility Act of 1982, also known as TEFRA. The modified backup withholding system has the effect of retaining some of the revenue which would have been raised through withholding on interest and dividends and does improve compliance with respect to reporting of interest and dividends. The backup withholding changes which were adopted by the conferees are a modification of those which were contained in the Senate bill also, and they improve the provisions in a significant manner. It is the belief of the House conferees that these modifications will reduce significantly the burden which would have been placed on both payors and taxpayers if the Senate version had been adopted without change. The conference agreement also modified significantly the other provisions of the Senate bill in a manner which was considered to be less burdensome than would have occurred if the Senate provisions had been adopted.

Now, let me say in this respect, Mr. Speaker, that ultimately compliance with this important aspect of our tax law is going to depend to some extent on the willingness of this body and the other body to make available money to the IRS for enforcing the compliance that is implicit in backup withholding, and the information requirements that are placed on the payors of dividends and interest.

In that respect, I am not talking about a large number of additional agents; but the IRS must have clerical help to bring about the matching of the information returns that are pro-

vided by the payors and the returns filed by the taxpayers. There also must be more money for computer use by the IRS. We should make available that money; but of course, we cannot do that in a germane fashion in a tax bill. We will be asking later for additional money for the IRS and I think it will be money well spent in terms of compliance. It is one of our obligations if we are to bring about enforcement of the tax laws, to make this money available.

This conference also produced what I believe to be an excellent resolution of the differences on the Caribbean Basin Initiative. The results should work to the immediate advantage of our good friends in the Caribbean region and the long-range advantage of all of us who live in the United States.

The conference committee declined to accept amendments by the other body which were not germane to legislation passed by this body. We did not, for example, agree to the Senate amendments with respect to enterprise zone legislation, already inquired about by the gentleman from New York (Mr. KEMP); but the chairman of the Committee on Ways and Means, the gentleman from Illinois, did agree to hold hearings on this legislation at some point in the fall, and I intend, Mr. Speaker, to press for those hearings at the earliest possible opportunity and for appropriate action by the committee after the hearings have been held.

We do not agree to the so-called reciprocity legislation—the International Trade and Investment Act provisions—which the Senate also added to the conference; but the chairman of our Trade Subcommittee, the gentleman from Florida, agreed to arrange action on the subject as soon as possible and practicable, to the reassurance of the Members of the other body pressing that particular legislation.

We did not agree to an amendment to make permanent the tax exemption for interest on qualified mortgage revenue bonds. Here again, however, the chairman of the Committee on Ways and Means indicated clearly his intention of further and more definitive action on this subject later in the year. That is a matter which I know has considerable interest in this body and it will be acted on, I am sure, as the fall progresses.

All in all, Mr. Speaker, this was a good and productive conference—one of our better cooperative efforts. I strongly urge my colleagues to support the conference report, and the hope the President will be able to sign it into law very soon.

Mr. SKEEN. Mr. Speaker, will the gentleman yield?

Mr. CONABLE. I yield to the gentleman from New Mexico.

Mr. SKEEN. Mr. Speaker, I thank the gentleman for yielding.

I want to also commend the gentleman from New York and the gentleman from Illinois for the great work that they did in the conference.

As an original sponsor of one of the bills for repeal of withholding on interest and dividends, I am very pleased with the results of the work; but there is one question in my mind. That is, when we are dealing with this topic, the proposition comes up every time, or the issue arises that it is the U.S. Treasury itself that is having problems with its reporting.

I want to ask both gentlemen what consideration was given to getting the Treasury to do a better job of reporting what they pay in interest?

I think that would probably go a great distance toward helping in the recoupment of some of this money.

Mr. CONABLE. In this area, as in the area of pollution, the Treasury and the other agencies of Government are frequently among the worst offenders.

We are assured by the Secretary of the Treasury and by the representatives of the executive branch generally that as of the beginning of this year a much more serious effort has been made to make available 1099's, for instance, and to improve their reporting requirements so that the Government itself will not be a major offender in this area.

I must say, the proof of the pudding is in the eating. We are going to have to check that further; however, it is always one of those ironies of government that the Government itself is one of the most serious lawbreakers when it comes to complying with laws which we impose on the private sector and with which we expect total compliance.

Mr. SKEEN. Mr. Speaker, I thank the gentleman for his reassurance and I thank him for yielding.

Mr. KAZEN. Mr. Speaker, will the gentleman yield?

Mr. CONABLE. I yield to the gentleman from Texas.

Mr. KAZEN. Mr. Speaker, will the gentleman please explain to me what this rate of backup withholding being increased to 20-percent means. How does that work?

Mr. CONABLE. The backup withholding will be available as a compliance requirement for those people who have been demonstrated not to be in compliance with the tax law with respect to investment income.

In other words, that is part of the existing law, part of TEFRA. It would take effect next year and people who do not pay taxes on their dividends and interest can expect the IRS to come in with the power to order the people paying them dividends and interest to withhold 20 percent.

□ 1115

That is not a generalized withholding, which is what this body objected to and what the other body objected to.

It is, however, something to improve compliance and it is the stick that we can hold over the heads of those who have been found not to be in compliance with the tax requirements with respect to investment income.

Mr. KAZEN. But this does not come into effect until a taxpayer has been found not to have been in compliance?

Mr. CONABLE. That is correct, until he has been found not to be in compliance. And there are certain minimum requirements for notice to him before that. It is a way of enforcing, however, the payment of taxes on dividends and interest.

You recall we got into withholding in the first place because of the studies which showed there was substantial noncompliance on the part of some taxpayers with respect to investment income.

Mr. DAUB. Mr. Speaker, will the gentleman yield?

Mr. CONABLE. I yield to the gentleman from Nebraska.

Mr. DAUB. Mr. Speaker, I want to take this opportunity to commend the conferees. I know it was not an easy process. America has been waiting.

I rise in support of this legislation to repeal immediately mandatory withholding, to provide a system to insure the payment of taxes due by those who would seek to underreport interest and dividend income, and to implement the trade portion of the Caribbean Basin Initiative.

In the months since the Congress enacted withholding on dividend and interest income the American people have spoken out clearly to demand repeal. There have been some who criticized this grassroots effort but they fail to understand that opposition to withholding is both deep and wide in this Nation. Over the years the American people have made clear that they did not want the earnings from their interest and dividends withheld at the source. It does not matter that it is a more efficient means of collection. The American people are the final arbiters of how they shall be taxed. When the Congress would defy the clear intent of the electorate it should not be surprised to find itself under great—and deserving—criticism.

When I voted against withholding last year I understood that although the American people were opposed to it in principle that did not mean that they countenanced those persons who underreport interest and dividend income. That is why I embrace the decision of the conference committee to include this strong language that leaves unaffected the honest taxpayer but provides mandatory payment of

interest and dividends when due for those who underreport. This is a fair provision that will be very helpful in seeing that no American has to pay an unfair share of the tax burden.

The implementation of the trade portion of the Caribbean Basin Initiative is a historic landmark in our relations with those countries. The future of the United States is to a very great degree dependent upon the continuing peaceful and prosperous relations we now enjoy with our American neighbors.

This legislation will inure to the benefit of each one of us while at the same time adding greatly to the economic and political growth of the Caribbean region. By strengthening the Caribbean we provide the opportunity for increasing American exports to that region. These exports will mean more jobs in this country. By helping the Caribbean nations in this fashion we are demonstrating just how good a neighbor we in the United States can be.

H.R. 2973 is that all too rare combination in legislation considered by this Congress. It combines the wishes of the American people with an effort of help and assistance that will mean better lives both for those who receive it and those who will provide it.

Mr. CONABLE. I thank the gentleman for his comments.

Mr. CONTE. Mr. Speaker, will the gentleman yield?

Mr. CONABLE. I yield to the distinguished gentleman from Massachusetts (Mr. CONTE), one of the country's more renowned athletes.

Mr. CONTE. Mr. Speaker, I rise in support of the conference report on H.R. 2973, a bill which repeals withholding of interest and dividends, and which also contains, for the most part, the recently passed House Caribbean Basin Initiative. I commend my friends from the Ways and Means Committee—especially Chairman ROSTENKOWSKI, BARBER CONABLE, SAM GIBBONS, and all the conferees for so quickly bringing this important legislation to the floor.

Although the other body added several controversial tax amendments to this legislation, the House conferees rightfully decided to delete them at this time. Although such provisions as Urban Enterprise zones—of which I am a cosponsor—and extending the sunset on mortgage revenue bonds—of which I am also a cosponsor—need to be looked at further, and hopefully will be considered in the context of a larger revenue measure, this legislation is too important to be held hostage to these provisions. So I also want to commend the House colleagues for holding firm on deleting all but the two most important provisions of the legislation.

First, this legislation repeals withholding of taxes on interest and dividends. Unlike the bill passed by the House earlier this year, however, it imposes back-up withholding requirements for taxpayers who refuse to furnish a taxpayer identification number, or for those who have substantially under-reported their income. For these taxpayers, withholding will be imposed at a 20-percent rate. Although withholding was not a new tax, and probably would have hurt the honest taxpayer more than necessary, it is good that we are coming after those who are tax evaders—that was the point of withholding in the first place.

I was opposed to withholding because it took needed capital out of the economy just as it was beginning to expand. If we are serious about an economic recovery—and we all should be—then we do not want to take money out of the economy that could have been and should have been available for expansion. The conference report gets around that difficulty.

I also support the provisions relating to the Caribbean Basin Initiative. That legislation is in the national interest of the United States. The economic security of this country depends on a politically stable Caribbean Basin. Nearly one-half of U.S. trade—including three-quarters of our imported oil—passes through that region.

The net effect on employment of this legislation as a result of greater trade opportunities could be positive under the legislation. Increased Caribbean imports to the United States are likely to result in increased American exports to the Caribbean Basin countries.

On balance, the CBI provisions of this legislation, with repeal of withholding, make it easy to support. I urge my colleagues to act quickly for this legislation, pass it, and send it to the other body and to the White House. We need to act now.

Mr. CONABLE. Mr. Speaker, I yield 2 minutes to the the gentleman from Minnesota (Mr. FRENZEL), a valued member of the committee.

Mr. FRENZEL. Mr. Speaker, this is a good conference report. As the two previous speakers have indicated, the House position was upheld pretty much throughout.

I happen to be one who did not find withholding offensive. On the other hand, our constituents clearly did, and we are carrying out their will as well as the will of the majority of this body in this report.

The Caribbean Basin Initiative is long overdue. It is important that we pass it promptly. I am delighted that the conference committee has chosen to include it in similar form to that which passed the House.

One part about this conference report that causes me some concern is in the reporting requirements imposed on interest and dividend payers. I think we will find smaller financial institutions and corporations considerably less pleased when they read this report than we are today.

Nevertheless, I think it is a splendid report and I believe that most Members of this body want to vote for it.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 4 minutes to the gentleman from Florida (Mr. GIBBONS).

Mr. GIBBONS. Mr. Speaker, this is a historic moment for 23 million people who live in the Caribbean. It is a small gesture for the United States, but it is a giant stride for those people.

This is only a beginning step, however. It follows in the wake of many past efforts to improve living standards in the Caribbean.

These efforts first began back in the early 1930's under President Franklin Roosevelt when programs were initiated for Puerto Rico and the Virgin Islands that greatly assisted those sovereign entities.

In the 1960's, President Kennedy attempted to take other steps forward and some small steps were taken. Then we were caught up in the expenses of the Vietnam war and the Caribbean area was abandoned again.

During subsequent administrations, particularly that of Jimmy Carter, the initiative was revived, and our current President has followed through.

What we have here today in the Caribbean Basin Initiative is a bipartisan effort which has passed this House twice, both times by very large majorities.

I believe the Initiative will strengthen the economy of the United States, and I know that it will strengthen the economy of the Caribbean Basin. It will offer a true hand of friendship. More importantly, it will offer the most important form of assistance—private sector initiatives—to strengthen our Caribbean allies.

As we pass this legislation, I want to pay particular tribute to the gentleman from Illinois (Mr. ROSTENKOWSI), as chairman of the Ways and Means Committee. He approached this matter in his usual manner, with caution but with concern. In the end, he had the courage and the initiative to act. I would also like to pay tribute to the gentleman from New York (Mr. CONABLE) and the gentleman from Minnesota (Mr. FRENZEL) for their unfailing support, and to the many other Members whom I see here. This is, of course, a product of excellent staff work as are most good things that come out of the Ways and Means Committee, and I want to thank the staff for its excellent work.

I think we have a piece of legislation here that we can all be proud of. I hope that in the years to come we will resolve to take other steps to build peace and understanding and econom-

ic strength, not only for ourselves but for our friends and neighbors.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield such time as he may consume to the gentleman from Oklahoma (Mr. JONES).

Mr. JONES of Oklahoma. Mr. Speaker, I rise in support of the conference report. I am very pleased that the conference committee has finally broken the deadlock on the bill which repeals the 10-percent withholding of taxes on dividend and interest income. I am equally pleased that President Reagan has now agreed to sign the repeal into law once we pass the conference report, even though we had to push, pull, and gnaw to bring him to this point. Thank heavens he has agreed to put that veto pencil away that he kept mentioning every time this legislation was discussed.

Mr. Speaker, let me just reflect briefly on the history of this legislation. For years, members of both parties threatened to implement laws to withhold taxes on dividend and interest income. It is ironic that the Reagan administration, renowned for its reputed antitax sentiments, was the driving force behind the actual implementation of this notion. As a member of the Ways and Means Committee, I fought against withholding for years because it simply did not make much sense to me. It still does not. Not only does such a law unjustly penalize the vast majority of Americans who are honest and conscientious about paying taxes, but it is an inefficient method to improve taxpayer compliance. My constituents in Oklahoma recognized that plain truth years ago when this issue first came up; I am glad that some of my colleagues and the Reagan administration are now coming around as well to the truth on this legislation.

In summary, I am proud of several actions which have allowed us to repeal this bill. First, I am proud that the entire Oklahoma delegation has cosponsored bills to repeal the withholding tax. As dean of our delegation, it is an honor and a pleasure to work with my colleagues on such an important project which called for true teamwork. Second, I am proud that the people of Oklahoma became involved in the governmental process and made their feelings known to the Congress and the President. The President has finally started listening to the people on this issue. Third, I am proud of the conferees who broke their deadlock last night and brought this important conference report to us.

Finally, I am proud to vote against this ill-advised tax.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 2 minutes to the gentleman from New Hampshire (Mr. D'AMOURS).

Mr. D'AMOURS. Mr. Speaker, I thank the chairman of the Ways and Means Committee for yielding to me.

Having participated in attempts to repeal the interest and dividends withholding scheme, I do not want to take any time now to further delay the passage by this body of this legislation. We all know that it is going to pass rather easily here in this body and that it is going to be passed rather easily by the other body and the President has committed himself in a speech, a press conference of last Tuesday, to sign it.

I would like to take a moment to commend, as has already been done, the House conferees. I think they did a marvelous job in removing most of the irrelevant and controversial provisions that the other body had attached to this legislation. I think they did a pretty good job in clearing up some of the more confusing and cumbersome aspects of the backup withholding which the other body had already attached to this bill.

I think there still are some problems involved with backup. Hopefully we can work those out in the months and years ahead.

I intend, of course, to very strongly support this legislation the rest of the way. I believe it is a victory for the majority of the House. It is a clear victory for the overwhelming majority of the American taxpayers who are honest, who do pay their taxes on time, and who do pay them fully.

The need to improve compliance should be addressed in other legislation which I am sure the Ways and Means Committee will be considering down the road, but the backup withholding will make some beneficial improvement in overall compliance.

So, again I thank the House conferees for having done a good job, and I am very happy that the American taxpayers and grassroots America can still secure victories in this great body of ours.

● Mr. BROWN of California. Mr. Speaker, today we are about to correct an error we made nearly a year ago—we are about to repeal and improve upon the provisions of the Tax Equity and Fiscal Responsibility Act of 1982 that require financial institutions and corporations to withhold for income taxes 10 percent of all interest and dividend payments.

By repealing the withholding provision and instituting stricter compliance measures, Congress will be reinstating the Internal Revenue Services' (IRS) responsibility to collect taxes owed to the Federal Government. Included in the stricter compliance measures is backup withholding at a rate of 20 percent interest and dividend payments for all taxpayers who either have interest and dividend income and fail to file a tax return, or underreport interest and dividend income by a certain threshold amount.

IRS is to determine this secret threshold amount based on the amount of funding available to implement backup withholding. After deciding on a threshold level, the IRS would identify nonfilers and underreporters, and require financial institutions to begin backup withholding on these individuals. However, no individual would be subject to backup withholding until he or she has received four notices from the IRS soliciting an explanation. This backup withholding would remain in effect until the end of the year.

Financial institutions that file more than 50 form 1099's are required to file all such information reporting interest and dividend payments to the IRS on a magnetic tape. These institutions are also required to furnish taxpayers with the same information and inform them that these amounts are taxable and must be reported to IRS.

The tightening of compliance measures, I believe, will help to offset any revenue losses caused by the repeal of this measure. The Ways and Means Committee estimates that with an additional $300 to $600 million for IRS compliance, the deficit could be reduced by $2.4 to $3.7 billion from fiscal year 1983 to fiscal year 1988. It is an approach we should have originally initiated. I commend the Congress repeal of the well intended, but misguided, attempt to force compliance with this regulation. This new approach is a much wiser one, and should be given a chance to succeed.●

Mr. PICKLE. Mr. Speaker, I rise to urge my colleagues to support the conference report on the Caribbean Basin Initiative. It has been over 1 year since this initiative was first proposed, and the tiny Caribbean nations to the south are awaiting its fruition. There have been numerous changes in this legislation since it was first introduced. Sincere efforts have been made to address the concerns of all parties, and the conference committee went to great lengths to work out lingering differences between the House- and Senate-passed versions. All efforts were made to insure that the economies of the United States and its territories and possessions would not be destroyed as a result of our opening our markets to increased Caribbean imports.

Now some Members may still find fault with this legislations either because it does too much or because it does not do enough. I remind my colleagues, however, that this legislation does not represent the save all end all. This alone does not insure the economic future of these Caribbean nations. They, too, must pursue the goal of economic revitalization of the Caribbean region. We, Mr. Speaker, must be encouraging and supportive as they strive to make the necessary adjustments required by this legislation. The proposal for increased economic coop-

eration and improved trading relations was received enthusiastically by the Caribbean nations. Let us vote today to move forward with this initiative in the interest of future strong and viable United States-Caribbean relations.

Mr. Speaker, the withholding issue has been unsettling to the people, financial institutions, and the Congress. Although I did not favor the move to unravel TEFRA, I am glad to see the matter put to rest. I think, all things considered, that the conference report takes the right approach. It repeals the 10-percent withholding, but it also attempts to recoup some of the revenue lost as a result of that action. Most importantly, though, it addresses the compliance problem which started the withholding controversy in the first place. I am hopeful this compromise package will improve compliance with a minimum of burden on both our taxpayers and payers of interest and dividends. I urge my colleagues to support the conference report.

● Mr. BIAGGI. Mr. Speaker, as an original cosponsor of the initial bill to repeal the withholding tax on interest and dividend income, I rise in strong support of the conference report to accompany H.R. 2973. At long last the apprehensions felt by millions of Americans who would face a new and onerous tax can be put to rest for with the adoption of this conference tax, this tax will be repealed before it ever took effect.

Specifically, the conference agreement repeals the provisions of the TEFRA law that require banks, other financial institutions, and corporations to withhold for income taxes 10 percent of all interest and dividend payments. The bill also waives penalties for underpayment of estimated tax in the first two quarters of 1983 if the estimated tax payment was reduced to reflect amounts that were expected to be withheld under the withholding law.

This legislation makes great strides in trying to insure full compliance by taxpayers. The IRS together with financial institutions would embark on a new partnership to crack down on those who would underreport their tax liabilities. It is felt that giving proper resources to the IRS aimed at recouping delinquent taxes could significantly reduce the negative revenue impact which repeal of withholding might produce.

From the outset this tax was flawed policy. First it was attached to an omnibus tax bill meaning that it never really had to stand the test of individual scrutiny in a vote. There were efforts which I joined aimed at trying to have a separate recorded vote on the withholding issue but that was never permitted.

In addition the premise upon which this tax was based was inaccurate. It was based on the belief that the Government was losing large sums of money from taxpayers not fully declaring their tax obligation related to interest and dividends. However, a 1981 Internal Revenue Service study repudiated this when it revealed that 96.7 percent of all interest and dividends income reported to the IRS by financial institutions paying the interest is also reported by those taxpayers earning the interest.

It was also shown that the costs of implementing this new tax would have cut directly into whatever new revenues might have been raised. According to a survey by the U.S. Chamber of Commerce, withholding would force 50,000 lending institutions to spend $1 billion or more to implement and another $1 billion to maintain. It seems a very cost-ineffective way to do business.

From many standpoints, this was an idea whose time should not have come—and with passage of this resolution it will not come to pass. It would have imposed a new tax burden at a time when other policies were producing a lower tax burden. It would interfere with our concerted efforts to improve our Nation's woeful savings rate. It would have produced insignificant revenues compared to the administrative burdens it would have imposed.

I am pleased that we are taking this step today and I trust it will be followed posthaste by a similar vote in the Senate and the President's affixing of his signature to make it law. This is sound legislation both with respect to the repeal issue and the Caribbean Basin Initiative language in the bill.

We are doing the American working people, the elderly and any other person who is engaged in savings a tremendous service today with the passage of this legislation. We have averted a very serious mistake and one hopes we will not have to endure a similar experience again in the future.●

● Mr. MARTINEZ. Mr. Speaker, I rise today in regard to the final passage of H.R. 2973. Now that Congress has agreed on the conference report to repeal the withholding of interest on savings and dividends, I would like to say a few words in retrospect.

Those of us who have been fighting for the repeal of withholding on interest and dividends are relieved that Congress has finally passed this long overdue legislation. Thanks to the diligent efforts of many dedicated Members of Congress, we have been successful despite the threat of a Presidential veto. Every Member of Congress has listened to their constituents asking for this repeal, and I am pleased that their voices have been heard. Throughout the 30th District of California, there has been an overwhelming consensus to repeal withholding, and as the Representative of that district, it is my job to listen and act on my constituents' wishes. While Congress is often occupied with issues like unemployment, foreign affairs, and high interest rates, we cannot forget to listen to the concerns of the people who elected us. The repeal of withholding demonstrates that we in Congress have not forgotten.

The alternative backup withholding system we agreed upon today places the burden of proof where it belongs—on the small percentage of taxpayers who have demonstrated an unwillingness to comply with the law. I know that my constituents in the 30th District of California will agree with me that Congress was correct in freeing law-abiding, taxpaying citizens from the burden of withholding interest on savings and dividend income.●

● Mr. OBERSTAR. Mr. Speaker, on May 17, I joined an overwhelming majority of my colleagues to vote to repeal withholding on interest and dividend income. I had opposed the withholding provisions enacted last year because I believed that they were unfair to the taxpayer and excessively burdensome on the Nation's financial institutions.

The House vote in favor of H.R. 2973 was a sound one.

Today, I cannot, however, vote for the conference report on H.R. 2973. Regrettably, the conference report links the very much needed provisions of H.R. 2973 with the unfortunate provisions of H.R. 2769, the Caribbean Basin Initiative legislation. Two weeks ago, I led the fight to amend H.R. 2769. Our effort to secure a rule allowing amendments to H.R. 2769 fell eight votes short on a 212-204 vote. Denied the opportunity to offer amendments to H.R. 2769 and in the firm belief that the Caribbean Basin Initiative will harm American workers, I voted against H.R. 2769.

The choice today is a very difficult one. I want to see withholding repealed.

Withholding at the source would have imposed heavy burdens on many honest taxpayers, 96.7 percent of taxpayers according to the studies by the Internal Revenue Service, who report and pay taxes on their interest and dividend income. Withholding would have penalized this large majority of taxpayers to catch a few tax cheaters. Congress cannot sanction tax cheating, however, and the conference report provides for backup withholding for those identified by the IRS as nonfilers. Backup withholding, at a rate of 20 percent, will be imposed on taxpayers who fail to file tax returns on interest and dividend income, or who underreport interest and dividend income by a threshold amount, to be determined by the IRS.

Unfortunately, repeal is linked to a bad bill, the CBI. This Caribbean Basin Initiative will allow multinational corporations to take advantage of duty-free status for goods produced in part in the Caribbean. The bill, however, provides no protection for the health and safety of Caribbean workers and no protection for the jobs of American workers. The CBI is an ill-considered scheme whose principal effect would be to lay off American workers, by admitting foreign goods to the United States under preferential terms and conditions which undercut similar goods produced in this country.

When the House considered H.R. 2769, I sought to offer amendments to include human rights and worker safety conditions, to exempt certain import-sensitive items such as steel, electronics, and watches from duty-free treatment, and to stiffen the Caribbean content requirement. The rule precluded such amendments, regrettably. Without those necessary amendments, I cannot support CBI.

I will vote against the conference report with great reluctance. I do so, however, as a protest against the strategy followed here, of merging two dissimilar issues, with no intent that the popular, and needed provision—repeal of withholding on interest and dividend income—will carry this very unpopular and antiworker provision, the CBI. There two issues should be divided and voted upon separately, but, because they are joined, I must vote against the package as a protest against the process and a protest against the CBI.●

Mr. ROSTENKOWSKI. Mr. Speaker, I have no further requests for time, and I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the conference report.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. FRENZEL. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 392, nays 18, answered "present" 6, not voting 17, as follows:

[Roll No. 278]

YEAS—392

Ackerman	Applegate	Bedell
Addabbo	Archer	Beilenson
Albosta	Aspin	Bennett
Alexander	AuCoin	Bereuter
Anderson	Badham	Berman
Andrews (NC)	Barnard	Bethune
Andrews (TX)	Barnes	Bevill
Annunzio	Bartlett	Biaggi
Anthony	Bateman	Bilirakis
Bliley	Fuqua	Mavroules
Boehlert	Garcia	Mazzoli
Boggs	Gaydos	McCain
Boland	Gejdenson	McCandless
Boner	Gekas	McCloskey
Bonior	Gephardt	McCollum
Bonker	Gibbons	McCurdy
Borski	Gingrich	McDade
Bosco	Glickman	McDonald
Boucher	Goodling	McEwen
Boxer	Gradison	McGrath
Breaux	Gramm	McKernan
Britt	Gray	McKinney
Brooks	Green	McNulty
Broomfield	Gregg	Mica
Brown (CA)	Guarini	Michel
Brown (CO)	Gunderson	Mikulski
Broyhill	Hall (IN)	Miller (CA)
Bryant	Hall (OH)	Miller (OH)
Burton (CA)	Hall, Ralph	Mineta
Burton (IN)	Hall, Sam	Minish
Byron	Hamilton	Mitchell
Campbell	Hammerschmidt	Moakley
Carney	Hance	Molinari
Carper	Hansen (UT)	Mollohan
Carr	Harrison	Montgomery
Chandler	Hartnett	Moody
Chappell	Hatcher	Moore
Cheney	Hawkins	Moorhead
Clarke	Hefner	Morrison (CT)
Clay	Hertel	Morrison (WA)
Clinger	Hightower	Mrazek
Coats	Hiler	Murphy
Coelho	Hillis	Myers
Coleman (MO)	Holt	Natcher
Coleman (TX)	Hopkins	Neal
Collins	Horton	Nelson
Conable	Howard	Nichols
Conte	Hoyer	Nielson
Cooper	Hubbard	Nowak
Corcoran	Huckaby	O'Brien
Coughlin	Hughes	Oakar
Courter	Hunter	Olin
Coyne	Hutto	Ortiz
Craig	Hyde	Ottinger
Crane, Daniel	Ireland	Owens
Crane, Philip	Jacobs	Oxley
Crockett	Jeffords	Packard
D'Amours	Jenkins	Parris
Daniel	Johnson	Pashayan
Dannemeyer	Jones (OK)	Patman
Daschle	Kaptur	Patterson
Daub	Kasich	Pease
Davis	Kastenmeier	Penny
de la Garza	Kazen	Pepper
Derrick	Kemp	Perkins
DeWine	Kennelly	Petri
Dickinson	Kildee	Pickle
Dicks	Kogovsek	Porter
Dingell	Kolter	Price
Donnelly	Kostmayer	Pursell
Dorgan	Kramer	Quillen
Downey	LaFalce	Rahall
Dreier	Lagomarsino	Rangel
Duncan	Lantos	Ratchford
Durbin	Latta	Ray
Dwyer	Leach	Regula
Dymally	Leath	Reid
Dyson	Lehman (CA)	Richardson
Eckart	Lehman (FL)	Ridge
Edgar	Leland	Ritter
Edwards (AL)	Lent	Roberts
Edwards (OK)	Levin	Robinson
Emerson	Levine	Roe
English	Levitas	Roemer
Erdreich	Lewis (CA)	Rogers
Erlenborn	Lewis (FL)	Rose
Evans (IA)	Lipinski	Rostenkowski
Evans (IL)	Livingston	Roth
Fascell	Lloyd	Roukema
Fazio	Loeffler	Rowland
Feighan	Long (LA)	Rudd
Ferraro	Lott	Russo
Fiedler	Lowery (CA)	Sabo
Fields	Lujan	Savage
Fish	Luken	Sawyer
Flippo	Lundine	Schaefer
Florio	Lungren	Scheuer
Foglietta	Mack	Schneider
Ford (TN)	MacKay	Schroeder
Forsythe	Madigan	Schulze
Fowler	Marlenee	Schumer
Frank	Marriott	Seiberling
Franklin	Martin (NC)	Sensenbrenner
Frenzel	Martin (NY)	Sharp
Frost	Martinez	Shelby
Shumway	Studds	Weaver
Shuster	Stump	Weber
Sikorski	Sundquist	Wheat
Siljander	Swift	Whitehurst
Sisisky	Synar	Whitley
Skeen	Tallon	Whittaker
Skelton	Tauke	Whitten
Slattery	Tauzin	Williams (MT)
Smith (IA)	Taylor	Williams (OH)
Smith (NE)	Thomas (CA)	Wilson
Smith (NJ)	Thomas (GA)	Winn
Smith, Denny	Torres	Wirth
Smith, Robert	Torricelli	Wise
Snowe	Towns	Wolf
Snyder	Traxler	Wolpe
Solarz	Udall	Wortley
Solomon	Valentine	Wright
Spence	Vander Jagt	Wyden
Spratt	Vandergriff	Wylie
St Germain	Vento	Yatron
Staggers	Volkmer	Young (AK)
Stangeland	Vucanovich	Young (FL)
Stark	Walgren	Young (MO)
Stenholm	Walker	Zablocki
Stokes	Watkins	Zschau
Stratton	Waxman	

NAYS—18

Bates	Markey	Obey
Early	Martin (IL)	Panetta
Edwards (CA)	Matsui	Paul
Ford (MI)	McHugh	Roybal
Long (MD)	Murtha	Shannon
Lowry (WA)	Oberstar	Yates

ANSWERED "PRESENT"—6

Akaka	Gonzalez	Pritchard
Dellums	Harkin	Weiss

NOT VOTING—17

Chappie	Gore	Rinaldo
Conyers	Hansen (ID)	Rodino
Dixon	Heftel	Shaw
Dowdy	Jones (NC)	Simon
Foley	Jones (TN)	Smith (FL)
Gilman	Kindness	

□ 1140

Messrs. MURTHA, MARKEY, LONG of Maryland, and OBERSTAR changed their votes from "yea" to "nay."

Mr. PRITCHARD changed his vote from "yea" to "present."

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. AKAKA. Mr. Speaker, I voted "present" on final passage of the conference report on H.R. 2973. I took this unusual step because the legislation contains both the repeal of the law requiring withholding of taxes on interest and dividends and the provisions contained in H.R. 2769, the Caribbean Basin Initiative.

While I strongly support the repeal of tax withholding on interest and dividends, I am just as strongly opposed to the CBI legislation. Thus, I was faced with a true dilemma and was forced to vote "present."

I feel that these two matters should have been taken up separately so that Members could have cast their vote on the merits of each. Had I been able to, I would have voted "aye" on the withholding repeal and "no" on CBI.

These votes would be consistent with my previous votes on these two issues.

PERSONAL EXPLANATION ON DEFENSE BILL VOTE

(Mr. BONKER asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. BONKER. Mr. Speaker, on Tuesday, I reluctantly voted against the defense authorization bill. All Americans want and support a strong national security, and certainly I do. I have faithfully supported DOD authorizations and appropriations in the past. But our military budget is becoming so excessive, I can no longer justify voting for it.

The Reagan administration's $1.8 trillion 5-year arms buildup plan is not based on our traditional policy of deterrence, but upon the simplistic notion that more is better, that we must meet or beat the Soviets in every type of weapons system. The MX missile, B-1 bomber, and Pershing II are not only unnecessary to preserve an effective deterrent, but they are destabilizing and will most definitely fuel the arms race. Especially in the case of the MX combination of high threat as a counterforce weapon and its high vulnerability would make it an attrative target in time of conflict. Both sides would be tempted to use or lose such weapons.

Such hugh expenditures also impact our budget and national economy. Nearly one-third of the proposed budget for 1985 will be devoted to defense, and when we remove the social security trust funds later this decade, it will be closer to 50 percent. With projected budget deficits of $200 billion a year, we are going to be borrowing money from the private sector to sustain this budget outlay for years to come.

I am not at all pleased with voting against a defense bill, but I simply cannot in good conscience support the overall direction of this administration's military program for the future.

TRIBUTE TO JOHN J. GERMANIS

(Mr. ROSTENKOWSKI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROSTENKOWSKI. Mr. Speaker, I would like to pay tribute today to the late John J. Germanis, deceased staff member of the Joint Committee on Taxation, of which I am chairman.

John Germanis served with distinction as an economist and revenue estimator on the Joint Committee staff since October 1, 1968, to his death on June 30, 1983, at age 56. As you all know, the Joint Committee staff, in consultation with the Congressional Budget Office and the Treasury Department, provides the Congress with revenue estimates on all tax legislation considered by it.

John Germanis was the senior member of the revenue estimating staff on which the tax-writing committees are so dependent. He was looked up to by the other estimators as their leader, and was responsible for hiring and training many of them, who now must carry on his work.

John Germanis will be missed professionally by Members of the tax committees, congressional staff colleagues and associates from other committee staffs, as well as Treasury Department tax staff and others that John worked with during his years with the Joint Committee staff. John Germanis was the complete professional staff person, providing technical revenue cost analysis on a nonpartisan professional staff to both the majority and minority members of the tax committees and other Members of Congress as well. During congressional consideration of a tax bill, John worked long hours and weekends to make sure that his revenue estimates were the best and most adequately researched estimates that could be made in the timeframe allowed.

Moreover, John Germanis is and will be greatly missed because of his fine personal qualities. He was a true gentleman in his dealings with coworkers and others—mild mannered and patient at all times. He also always had time to give a friendly smile and a pleasant word.

Prior to joining the Joint Committee staff, John Germanis worked as a financial economist with the California State Department of Finance (1962-68), as an assistant statistician with the California State Highway Division (1960-62), and as an investment analyst with the Wells Fargo Bank in California (1957-60). John received his master of arts degree (economics) in 1957 from Harvard University (as well as completing his doctoral general exams), and his B.A. (summa cum laude) degree in 1953 from Claremont Men's College. He was a member of the American Economic Association.

John Germanis was born in 1927 in Riga, Latvia, and immigrated to the United States in 1949 at age 22, after spending 5 years in a displaced persons camp in West Germany after leaving Latvia at age 17. He served 2 years in the U.S. Army. John Germanis received appropriate military honor at his interment on July 11 at the Arlington National Cemetery. He was a member of the American Latvian Association and the Latvian Evangelical Lutheran Church of Washington, D.C.

Our sincere condolences and prayers go to his wife, Dzidra, and two sons, Peter, 25, and Martin, 23, all of McLean, Va. Peter is an economist (policy analyst) with the Heritage Foundation here in Washington, D.C., and Martin is a graduate student in information sciences at George Mason University in Fairfax, Va.

PERMISSION FOR SUBCOMMITTEE ON PUBLIC BUILDINGS AND GROUNDS OF COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION TO SIT DURING 5-MINUTE RULE TODAY

Mr. YOUNG of Missouri. Mr. Speaker, I ask unanimous consent that the Subcommittee on Public Buildings and Grounds of the Committee on Public Works and Transportation be permitted to sit during the 5-minute rule in the House on Thursday, July 28, 1983.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

REAGAN'S CIVIL RIGHTS RECORD

(Mr. GARCIA asked and was given permission to address the House for 1 minute.)

Mr. GARCIA. Mr. Speaker, today's Washington Post quotes Attorney General William French Smith as blaming "politically motivated criticisms and irresponsible journalism" for what he calls public misconceptions about the Reagan administration's record on civil rights. This is just another astonishing misrepresentation of the Reagan administration's record on civil rights.

Such an assertion is absurd and defies the reality of the administration's dismal performance on civil rights over the past 2½ years. Indeed, a good case can be made that the administration is using these type tactics to mask the absolutely abysmal record it has compiled in virtually every area of civil rights enforcement.

Let us look at the record of this administration and how it reflects a lack of commitment to civil rights. The administration:

Led for many months the opposition to a strong and effective extension of the Voting Rights Act;

Tried to reverse the well-established Federal policy of denying tax exempt status to schools which discriminate on the basis of race;

Has opposed the equal rights amendment;

Has threatened the independence and integrity of the Federal judiciary by supporting legislation which would strip the Supreme Court's jurisdiction over certain constitutional issues;

Attempted to abolish the Legal Services Corporation;

Has jeopardized the independence of the Civil Rights Commission by trying

to fire every member of the Commission;

Has repeatedly sought to impose an "intent" test in discrimination cases;

Has refused to endorse the Women's Economic Equity Act, legislation to eliminate sex discrimination in key economic areas;

Has attempted to relax the obligations of school systems for educating handicapped children; and,

Has tried to limit the coverage of civil rights laws by narrowing the definition of "Federal financial assistance" and by prohibiting discrimination only in those programs and activities for which Federal funds are given directly.

The record is clear. Only the Reagan administration can begin to undo the perception of unfairness that best characterizes its policies regarding blacks, Hispanics, women, and other minorities.

"PIK'D CLEAN"

(Mr. LEHMAN of California asked and was given permission to address the House for 1 minute.)

Mr. LEHMAN of California. Mr. Speaker, the PIK program has now cost the American taxpayer over $12 billion and has pushed many farm-related businesses to the brink of bankruptcy. Total farm subsidies now approximate $22 billion as compared with $3.5 billion under President Carter. PIK started with great promise but has proven itself to be a costly mistake that attacks the farmer's overproduction problem from the wrong angle.

Rather than idling 80 million acres of America's fertile croplands, we should be working to increase the markets for American farm products abroad. Such a promotional program would create, not destroy, farm-related employment here in the United States, and would contribute toward the long-term health of our economy. The American taxpayer should not have to pay the price for our failure to promote an aggressive trade policy.

Even those persons administering the PIK program admit that it has been poorly administered. They had no idea of the program's long-term impacts, or costs to the Treasury. Rather than acting as the panacea the administration proposed, PIK has opened a Pandora's box of troubles for American agriculture, agricultural workers, and the American taxpayer.

It is now evident that PIK is bad public policy. It is bad farm policy, it is bad employment policy, and it is bad fiscal policy. PIK is one gift horse that should have been looked in the mouth.

THE CHARGE OF OUR MIGHT BRIGADE

(Mr. CONTE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CONTE. Mr. Speaker—

Half a run, Half a run,
Half a run onward,
Out of the Dugout of Doom
Rose the mighty fourteen.
"Forward, Mighty Pachyderms!
Charge for the balls," I screamed:
Into the outfield of Death
Rode the mighty fourteen.

Theirs was not to catch the fly,
Theirs was not to tag Faunt-ry
Theirs was but to win, or tie
Back to the Dugout of Doom
Rode the mighty fourteen.

Pitchers to the right of them
Pitchers to the left of them
Pitchers right in front of them
Volleyed and beaned.

Oxley ran with might and fleet
Dan Crane's hits could not be beat
Into the jaws of victory
And out of the mouth of Defeat
Rode the mighty fourteen.

Flash! as Pursell leapt in air
Flash! as Schaefer's arm would scare
Striking out the batters fair
While Williams called the shots from there
And Chappell sat and steamed.
Ran out Ron Paul's fast ball's smoke
Through their outfield line we broke
Liberal and conservative
Reeled from that batter's stroke.
What a mighty team!
The donkeys they fell back, but not
Not the great fourteen.

Doubles to the left of them
Singles to the right of them
Triples far behind them
Volleyed and careened
Bonior's bat could feel the heat
Russo's strength was in his feet
With great pop flies by Alan Wheat
Dems, they sought the victory
From the mighty team
It would have to be hard won
From the great fourteen.

How could their great glory fade?
O, the errors that they made
A tie was unforeseen
Honor true the charge they made
Honor true our Might Brigade
Noble, great fourteen.

OUR "GOLDEN AMERICANS"

(Mr. BILIRAKIS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BILIRAKIS. Mr. Speaker, I recently introduced House Joint Resolution 323, National Senior Citizens Awareness Week. This bill will draw national attention to our golden Americans who, many times are forgotten and neglected by society.

On many occasions I have said that I represent the Nation's fastest growing area of senior citizens. In one county alone, nearly 50 percent of the population is at least 60 years old. And believe me, these individuals remain active in every aspect of community life. They do not sit and let life pass them by. I did not introduce this resolution, though, to honor only those seniors in my own district. I did this, so that all America might focus its attention on this wonderful resource in our society. The value of older persons lies in their time, energies, wisdom, and experiences that they have to offer all of us. Seniors, as a whole, are interested in continuing positive involvement in society through their volunteer work, political advocacy and employment. Older persons demonstrate a sense of self-esteem and a confidence in their ability to cope with what life gives them.

They provide a continuity to family and reinforcement of generational ties. They link the past with the present and help guide us through the future. In closing, I want to leave you with this one thought: Someday, each one of us will be a part of the senior citizens group in society and I know that I will appreciate knowing that someone is thinking of me.

THE BOLAND-ZABLOCKI BILL

(Mr. RITTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RITTER. Mr. Speaker, in the debate on Boland-Zablocki yesterday, most of its supporters appeared willing to admit that the Sandinistas have betrayed their revolution. They were generally willing to admit that those groups opposed to the regime in Managua were trying to regain their rightful legacy in that revolution. In sum, just about everyone seems to characterize the Sandinistas as anywhere from nogoodniks to downright despicable to those on the cutting edge of Soviet-style Communist expansion in this hemisphere. Yet these same people vigorously fight covert aid to those opposing the Sandinistas.

I questioned several colleagues who support Boland-Zablocki as to whether they would be willing to convert such covert aid to overt aid to those fighting inside Nicaragua. They avoided answering the question by describing the overt aid to friendly governments to interdict in their own countries.

The point is that those interested in cutting off covert aid are also those who would not help the opposition in Nicaragua one iota. Those well-meaning individuals then become the enforcers of the Brezhnev doctrine right here in our hemisphere. They perform the task of insuring the continuation in perpetuity of the Soviet/Cuban-style regime in Nicaragua, leaving it home free to continue its stated "revolution without frontiers."

AMNESTY LAW IN EL SALVADOR

(Mr. LAGOMARSINO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LAGOMARSINO. Mr. Speaker, last week, the constitutent assembly in El Salvador extended for an additional 30 days the amnesty law that has been in effect in that country since May 17.

The constituent assembly deputies took this action, it is reported, at the request of President Magana.

During the first 2 months of the amnesty, 540 political prisoners have been released and 218 guerrillas have laid down their arms to return to a normal life.

The extension of the amnesty is intended to provide a further opportunity for the guerrillas to lay down their guns and rejoin Salvadoran society.

REPEAL OF THE 10-PERCENT WITHHOLDING ON INTEREST AND DIVIDENDS

(Mr. HARRISON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HARRISON. Mr. Speaker, I am delighted that, after a very long time, the will of the people as expressed by the overwhelming majority of this House and the other body will finally be enacted into law. Today, we have repealed the 10-percent withholding on interests and dividends. It was, from the beginning, a bad idea. It was unnecessary to the enforcement of the Internal Revenue Code and was merely an effort to shift the burden of enforcement from the Internal Revenue Service, where it belongs, to the private institutions of this country. More importantly, it was an idea that would cause inconvenience and expense to millions of people. Today's repeal is a victory for the legislative process.

I very much regret that the so-called Caribbean Basin Initiative has been attached to this measure. It is certainly irrelevant to raising revenue. It is, moreover, an unwise and unfair law. I voted against it when it came before this House as a freestanding bill and I would like to have done so again. The fact is, however, that the Caribbean Basin Initiative had the votes to pass this House and the other body.

It was essential that this compromise pass today. The Secretary of the Treasury had announced that he would not further extend the effective date of the withholding provision. It would have gone into effect August 5 unless the conference report were approved. That would have required all of our financial institutions to begin withholding even though it is perfectly apparent that the withholding provision would have been repealed, in any event, within a very short time. This would have caused needless inconvenience and expense to millions of people. To avoid that, the conference report had to be approved today. And so I voted for its passage even though I very much disapprove of the Caribbean Basin Initiative which is attached to it and think it extremely unfortunate that these two unrelated matters were brought to us together.

FAIR TEXTILE IMPORT QUOTAS

(Mr. SPRATT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SPRATT. Mr. Speaker, I rise today to call for vigorous efforts by the United States in negotiating fair quotas for imports of textiles from foreign nations, and in particular the People's Republic of China. I also urge vigorous action by the United States to bring an end to unfair trade practices now employed by foreign nations, including China, in their efforts to export textiles into the United States.

So far in 1983, foreign textile exports to the United States have increased by 21 percent over the same period in 1982. This is a record rate of growth following a record rate of increase last year as well.

In bilateral negotiations now underway with China, the United States should insist on textile quotas providing for a rate of growth in imports not to exceed the rate of growth in the domestic textile market. This is simply the goal to which the President himself pledged his written commitment when he was a candidate. In the United States-China trade negotiations which resumed July 25 in Geneva, the textile industry-labor advisers to the United States left the negotiations after 1 day because of their dissatisfaction with the U.S. proposal. With the surge of imports from China and other countries, this split between the industry-labor advisers and the negotiating team raises serious questions whether the President's explicit commitment to control the rate of textile import growth is being honored and pursued.

In addition to liberal and imprecise import quotas, unfair trade practices, such as dumping, have plagued domestic textile manufacturers. Foreign government subsidies, evasion of U.S. import quotas, and foreign barriers to U.S. textile exports have made it difficult for domestic textile manufacturers to compete on an even playing field in world textile markets.

Last Friday, July 22, the International Trade Administration (ITA) validated complaints of the textile industry about foreign imports. The ITA found that China has been selling printcloth in the United States at 22 percent below fair market value. In a price-sensitive market like textiles, this is a large margin, indeed, for foreign product dumping. This finding confirms that the Chinese are shipping textiles to the United States at a loss to build market share and accumulate foreign exchange. Their strategem is not limited to printcloth. Faced with the imminence of the ITA decision, the Chinese some months ago shifted their exports of printcloth to broadcloth and batiste, which they are now selling for 15 cents per yard less than their own quoted price last year. In South Carolina, this means a loss of jobs.

The ruling by the International Trade Administration sends the right signal to foreign textile manufacturers. It proves that unfair trade practices have been used against U.S. textile manufacturers, and it shows that we will not allow these practices to continue. I urge the Reagan administration to work harder to prevent foreign abuses of the U.S. textile market. It is time to put a halt to practices that imperil this important industry and the 2 million jobs it provides.

□ 1200

AMENDMENT TO THE INTELLIGENCE AUTHORIZATION ACT FOR FISCAL YEAR 1983

The SPEAKER. Pursuant to House Resolution 261 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 2760.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 2760) to amend the Intelligence Authorization Act for Fiscal Year 1983 to prohibit U.S. support for military or paramilitary operations in Nicaragua and to authorize assistance, to be openly provided to governments of countries in Central America, to interdict the supply of military equipment from Nicaragua and Cuba to individuals, groups, organizations, or movements seeking to overthrow governments of countries in Central America, with Mr. NATCHER in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole House rose on Wednesday, July 27, 1983, all time for general debate had expired, and 9 hours and 7 minutes remained for consideration of the bill under the 5-minute rule.

Pending was an amendment offered by the gentleman from Florida (Mr. YOUNG) and an amendment offered by the gentleman from Maryland (Mr. BARNES) to the amendment.

Mr. MICA. Mr. Chairman, I have a substitute amendment for the amend-

ment offered by the gentleman from Florida (Mr. YOUNG) at the desk.

PARLIAMENTARY INQUIRY

Mr. MICA. I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MICA. A colleague would like to be recognized at this time for the purpose of a speech only. Can I, at this time, withhold my amendment so that the Chair can recognize my colleague?

The CHAIRMAN. The gentleman has the right to withhold his amendment.

Mr. DELLUMS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, since the advent of this administration we have seen a deliberate policy of confrontation, military escalation and illegal covert activity. This administration has fanned the local conflicts to the extent that we are at the brink of creating and involving ourselves in a widespread regional war.

This policy must stop. It is bound for defeat and disaster. We instead must seek to resolve differences. It should be the policy of the United States to seek, in Central America, a halt to the militarization, an end to foreign intervention, withdrawal of foreign military advisers and combat personnel, and the removal of all foreign military bases.

The premise of our policy is wrong. The seeds of the local struggles are oppression, poverty, disease and hunger. They are not Soviet bloc plots against the Americas. Because of the longstanding economic inequities of the region, there would still be revolution in Central America if the U.S.S.R. and Cuba were nonexistent. It is time for us to recognize that democracy does mean their right to decide their form or government and economy.

The Reagan administration is committed to a plan that is aimed at the overthrow, both directly and indirectly, of the Sandanista government of Nicaragua and the crushing of the guerrilla movements of El Salvador and Guatemala. I believe the President is even willing to intervene with U.S. troops if all his other options fail.

The U.S. policy is an amalgam of everything that is or has been wrong with U.S. foreign policy:

Aged anticommunism;
North American chauvinism;
Racism;
Imperialism; and
Militarism.

We cannot be and should not be the policeman of the world or the Americas. This is a world and a hemisphere of many diverse nations, and we must respect our neighbors. We must work in concert with them to solve our problems in peace.

The Reagan administration's covert war against the Government of Nicaragua is clearly illegal. It is yet another example of the cowboy mentality of the President and the CIA.

It cannot succeed. The people of Nicaragua will not support the remnants of the Somoza tyranny. In the long term we will lose a great deal as the rest of the hemisphere, particularly the democratic elements, see us again as the gun-wielding, intemperate, insensitive gringo. The Congress must stop the U.S. covert operations.

But I am not sure that stopping the covert funding will stop the covert war. Clearly, we are encouraging other governments, in Central America, in Latin America, and in the Middle East to help the "Contras." This, too, must stop so that we can achieve a peaceful settlement.

We must recognize that our willingness to support tyranny makes revolutions inevitable. Our continued political, military, and economic pressure has made political flexibility less possible.

The administration rejects such revolution. But dramatic evolution or revolution for the poor, the hungry, the sick, and the powerless is coming to Latin America and the Caribbean. We cannot nor should we stop it.

We can by example, with peaceful aid and counsel, foster democracy.

The opposition to the Sandinista government was heightened by allegations that they were assisting the rebels in El Salvador. The nature and extent of this alleged aid is still not explained. Senior U.S. advisers in El Salvador now say that weapons are coming to the rebels from U.S. supplied troops. The revolution in El Salvador continues because the Government in El Salvador, with U.S. backing, has failed to correct the inequities of that society.

The atrocities by official forces continue, while we certify progress toward human rights. Land reform has not worked, nor can it work under this regime. The elections of 1982 had little to do with the internal realities of El Salvador, but were intended to legitimize an unpopular government which the administration props up by force of arms. According to press accounts, El Salvador doubts if the elections scheduled for this year will be held. It is time for negotiations, without conditions, between all parties in El Salvador.

In the last year and a half a civilian government has emerged in Honduras. This administration has attempted to suffocate this fragile democracy. We have strengthened the military to the disadvantage of the civilian leaders. We have heightened internal political conflicts. Worse, we have pulled Honduras into conflicts with Nicaragua and the revolutionaries of El Salvador. Clearly the nation and its democratic government are in peril.

The administration is seeking a friendly relationship with a genocidal Guatemalan dictatorship. The Guatemalan military is attempting to stop broad-based opposition by systematic and widespread killing of civilians, especially indigenous populations.

The CHAIRMAN. The time of the gentleman from California (Mr. DELLUMS) has expired.

(By unanimous consent, Mr. DELLUMS was allowed to proceed for 3 additional minutes.)

Mr. DELLUMS. Mr. Chairman, besides genocide, there are no serious proposals for basic reforms, nor any coherent development strategies. If we are committed to democracy, we must continue to condemn the Rios Montt government in Guatemala.

The military aid to the junta of El Salvador, the development of Honduras as a U.S. fortress, and the not-so-secret war against Nicaragua have not accomplished President Reagan's goals. We now see a new ploy—a display of gunboat diplomacy. This is a dangerous and dubious venture. We are risking war by the provocative act of an actual blockade. The Gulf of Fonesca must not become another Tonkin Gulf.

I fear that when all other options fail, President Reagan will attempt to gain victory with air strikes from our carriers off the coast. We must say no to that option now.

The alternative to our present policy of military aid and escalation must be a political approach, but not the Kissinger Commission. This panel is a calculated public relations ploy designed to end run around Congress and to establish legitimacy for a policy of blockade, military threats and, finally, U.S. military intervention.

We must support an end to violence, repression and killing. We must assist the end of political and economic privilege and seek justice. We must assist basic economic change. We must commit ourselves to dialog and negotiation. It is time to turn toward peace.

The Congress must reject the Reagan Central America policy—

No covert war;
No gunboat diplomacy;
No increases in military aid; and
No armed intervention.

AMENDMENT OFFERED BY MR. MICA AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. YOUNG OF FLORIDA

Mr. MICA. Mr. Chairman, I offer an amendment as a substitute for the amendment.

The Clerk read as follows:

Amendment offered by Mr. MICA as a substitute for the amendment offered by Mr. YOUNG of Florida: On page 2, strike out line 20 and all that follows through line 10 on page 5 and insert in lieu thereof the following:

"(b) This section shall take effect upon the date prescribed in the classified annex to the report of the Permanent Select Com-

mittee on Intelligence of the House of Representatives to accompany H.R. 2760 (98th Congress), but in no event earlier than October 1, 1983, unless before that effective date the President, after consultation with the Congress, has submitted to the Speaker of the House of Representatives and the President pro tempore of the Senate in writing a new plan providing for the interdiction of arms being shipped from or through Nicaragua to forces hostile to the Government of El Salvador. In formulating such a plan, the President shall consider whether it would be useful to pursue direct bilateral negotiations between the United States and the Govenment of Nicaragua; multilateral negotiations among selected Western Hemispheric countries; involving the Organization of American States, the United Nations, or any other nation or nations in a diplomatic or peacekeeping role; involving other countries in the process of arms interdiction using United States military supplies and training; and any other policy that will stop the shipment of arms from Nicaragua to El Salvador. The plan submitted pursuant to this subsection shall cease to be implemented and the prohibition contained in subsection (a) shall take effect if—

"(1) the Government of Nicaragua has, by formal action, agreed that it will cease all its activities involving the furnishing of arms, personnel, training, command and control facilities, or logistical support for military or paramilitary operations in or against any country in Central America or the Caribbean; and

"(2) the Government of Nicaragua is taking steps to implement the commitments made by the Government of National Reconstruction of Nicaragua to the Organization of American States in July 1979; and

"(3) the cessation of such activities, and the taking of steps to implement such commitments, has been verified by the Organization of American States or the President of the United States.

Mr. MICA (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

Mr. BOLAND. Mr. Chairman, reserving the right to object, I would like to have an explanation and perhaps a reading of the amendment, if the gentleman would withhold his request.

Mr. MICA. Mr. Chairman, I will withhold my request at this time.

The CHAIRMAN. The Clerk will read.

The Clerk continued the reading of the amendment.

The CHAIRMAN (during the reading). For what purpose does the gentleman from Massachusetts (Mr. BOLAND) rise?

Mr. BOLAND. Mr. Chairman, the request of the gentleman from Massachusetts, under a reservation of my right to object, is made in order that I might understand precisely what is in the Mica substitute. My understanding is that—and the gentleman can correct me if I am wrong—that there is a difference between the Mica amendment as it is printed in the RECORD and this amendment, and we would like to understand that. We are not going to be able to understand that very well unless we understand what is in the amendment offered as a substitute.

Mr. MICA. There is a difference in the substitute, Mr. Chairman.

Mr. BOLAND. All right. Is it my understanding that the gentleman is going to explain what the difference is?

Mr. MICA. I will explain the difference, Mr. Chairman.

Mr. BOLAND. Mr. Chairman, with that understanding, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida that the amendment be considered as read and printed in the RECORD.

There was no objection.

The CHAIRMAN. The gentleman from Florida (Mr. MICA) is recognized for 5 minutes in support of his amendment.

Mr. MICA. Mr. Chairman, at the onset let me say that it has not been my intention to create a confrontation in this body, but, rather, to try to bring about a unanimity. There was a working group on this subject. It was made up of the leadership of both parties. It did not achieve its task, but I would like to submit for the RECORD the names of about 50 to 60 Democrats who had worked as recently as this week and tried to continue at least one effort to see unanimity on this floor before we had to approach it in this manner.

The list of names is as follows:

Don Fuqua, Bill Nelson, Marvin Leath, Bill Chappell, Jerry Huckaby, Glenn English, Charlie Whitley, Dan Daniel, Wes Watkins, Ben Erdreich, Ike Andrews, Ronnie Flippo, Harry M. Reid, Charlie Bennett, Beverly Byron, Buddy Roemer, G. V. Montgomery, Charlie Stenholm, Kent Hance, Robin Britt, Dante Fascell, Andy Ireland, James McClure Clarke, John Murtha, Bill Hefner, Wayne Dowdy, Robert A. Young, Earl Hutto, John Breaux, J. Roy Rowland, Ike Skelton, Charles Hatcher, Roy Dyson, Dave McCurdy, Richard Ray, Tom Carper, Ralph Hull, Marilyn Lloyd, Tom Lantos, Billy Tauzin, Daniel Akaka, Richard Shelby, Ed Jenkins, Jack Hightower, Sam Hall, Norman Sisisky, Bill Nichols, Samuel Stratton, Beryl Anthony Jr., Buddy MacKay, James R. Jones, Dan Mica.

Mr. Chairman, the second point I would like to make is that our majority leader, the gentleman from Texas, Mr. JIM WRIGHT, is circulating an amendment that he intends to introduce later today, and I would like to be very direct on this and say that I would totally and completely support that amendment. I think the findings that are stated in the Wright amendment to chastise the Government of Nicaragua and indeed to direct the President to try to find some diplomatic solutions are in effect what I am hoping, and have been hoping, to do right along in working with some kind of a bipartisan group to find a solution to this most difficult problem.

Let me say first that it is a complex situation, and I see it as a very complex situation involving tens of thousands of human beings' lives in which we are trying to impose a black or white solution. It is against the law so we will not do it, or it is not against the law so we will do it; I do not see that as an appropriate resolution to this type of situation where lives are involved.

Mr. Chairman, simply stated, I think the President is probably acting in breach of American laws, and I know that is in dispute. I think that Nicaragua is acting wrongly. There is no doubt about that, and I will read from the Boland report as to what they say Nicaragua is doing. But I also think the direct action of the Boland-Zablocki amendment is not correct.

So we have three actions that this Member feels are all incorrect.

Now, what does my amendment do? Simply stated there are two parts to it. First, the President must submit a plan to the Congress. This gives the President the opportunity to set forth in writing a legal approach to that which may be, and some say is, illegal in the activities that are being conducted in Central America. Certainly a committee that has approved action after action after action prior to saying it is illegal would give the opportunity to allow for a plan to be put in compliance with American law, and I think that is important. We need to have some approach other than just the confrontation, an ability to make sure that what we do as a nation—not Democrats or not Republicans, but as a nation—is legal.

Second, and more importantly, we believe that Nicaragua should take some action in ceasing its inappropriate activities in the region. Now, I do not think that is asking too much, particularly if each and every Member reads the Boland report, and I intend to read from that report here today.

Now, I have made a change, and I directly refer these comments to the chairman of the committee, who asked about a change. My original amendment, as indicated in the RECORD, said that these actions by Nicaragua could be verified first, by the OAS, second, by the Contadora group, or third, by the President. I have been advised, and I agree, that the Contadora group, which I support because I feel it makes a good faith effort, in and of itself is not an internationally recognized body. It does have the mechanism for verification. So I have changed that section to read that it can be verified by the President of the United States for the OAS.

This is not trying to impose a solution on Nicaragua. It is not saying that "You must deal with our President."

It is saying that "You can deal with us or you can deal with your peers in the region."

So I think that minor change is appropriate, and there were some eloquent speeches made about that yesterday on the floor.

Mr. SOLARZ. Mr. Chairman, will the gentleman yield?

Mr. MICA. I will yield at the conclusion of my remarks, but I only have 5 minutes.

Let me refer to not anything that this Member of Congress feels, not to any opinion, but to the judgment of the Boland committee, and I think the Members should read this before we vote, because they say that the following judgment is made "with certainty"—not with question.

The CHAIRMAN. The time of the gentleman from Florida (Mr. MICA) has expired.

(On request of Mr. HYDE, and by unanimous consent, Mr. MICA was allowed to proceed for 5 additional minutes.)

Mr. MICA. Mr. Chairman, the Boland committee says that the following judgment is made "with certainty":

A major portion of the arms and other material sent by Cuba and other communist countries to the Salvadoran insurgents transits Nicaragua with the permission and assistance of the Sandinistas.

The Boland committee goes on to say this:

The Salvadoran insurgents rely on the use of sites in Nicaragua, some of which are located in Managua itself, for communications, command-and-control, and for the logistics to conduct their financial, material and propaganda activities.

And the Boland committee, not this Member, says this directly:

The Sandinista leadership sanctions and directly facilitates all of the above functions.

The committee also says this:

Nicaragua provides a range of other support activities, including secure transit of insurgents to and from Cuba, and assistance to the insurgents in planning their activities in El Salvador.

Here is a Congress that is concerned about sending direct aid to El Salvador, a government that we support ostensibly, and now we are saying that we will not try in any way to stop this activity.

Now, let me add from the Boland committee report. This is an item that has been raised for the last year prior to all this.

Another area of serious concern to the Committee is the significant military buildup going on within Nicaragua. The President and other executive branch officials have addressed this subject publicly and exhaustively. Considering the small population of Nicaragua—

And I am continuing to report from the Boland committee report—

two and one half million people—and its weakened economic status—such a buildup cannot be explained away as solely defensive.

The Nicaraguan Government said they would build the largest standing army in this hemisphere. They have no threatening neighbors, they have no need for such an army. At this very moment, shiploads of Soviet equipment are on their way to Nicaragua.

So what I am saying is this: The gentleman from Indiana, Mr. LEE HAMILTON, made an eloquent argument about the problem of our approach in that region. I hope I have made some argument about the problems that are going on in Nicaragua, and the conclusion is that what is going on in Nicaragua is wrong. What we are doing may be wrong and it must be corrected by our plan and by the President, and it is of such a serious nature that we should not just pick up our marbles, just stop everything, and walk away.

Finally, let me say that we are going to give $80 million in the region, and all those who feel that the overt approach is correct, but do not want to support an open war had better think about that. Honduras and Guatemala and Nicaragua went to war over a soccer game. As for that $80 million, if it is the seed money for an open war, are we prepared to vote for open funding for war in that region?

□ 1220

There is a problem. It is a legitimate problem. I feel deeply about this. There is nothing that says that, be you a Democrat or a Republican, that you do not want to sometimes stop and look at the human situation. There are tens of thousands, whether we like it or not, who have alined themselves with a cause that we have supported that they felt was for freedom, and when we leave, the Sandinistas know who every one of them are.

Mr. SOLARZ. Mr. Chairman, will the gentleman yield?

Mr. MICA. I am happy to yield to the gentleman from New York.

Mr. SOLARZ. Mr. Chairman, I thank the gentleman for yielding.

I gather that one change the gentleman has made in the substitute the gentleman has offered, in comparison to the amendment that was put in the RECORD, is that the verification of the cessation of subversion by the Government in Nicaragua now has to be done either by the OAS or the President of the United States and that the reference to the Contadora countries has been eliminated.

Mr. MICA. The gentleman made such an eloquent speech yesterday that I had to rethink my position.

Mr. SOLARZ. I thank the gentleman for his response.

Mr. LAGOMARSINO. Mr. Chairman, will the gentleman yield?

Mr. MICA. I am happy to yield to the gentleman from California.

Mr. LAGOMARSINO. Mr. Chairman, I thank the gentleman for yielding.

I take it from the gentleman's remarks that basically what he is telling us here today—and I think this is really the kernel of this whole argument—is that it should be beyond any shadow of a doubt now, there should be no argument about it any more, that Nicaragua is indeed furnishing arms and equipment to the guerrillas in El Salvador.

The CHAIRMAN. The time of the gentleman from Florida has expired.

(At the request of Mr. LAGOMARSINO, and by unanimous consent, Mr. MICA was allowed to proceed for 2 additional minutes.)

Mr. LAGOMARSINO. Mr. Chairman, if the gentleman will yield further, there should be no argument, the issue should be laid to rest as to whether or not Nicaragua is, indeed, furnishing arms, equipment, training, logistics and so on to the guerrillas in El Salvador.

Mr. MICA. There is no question. If every Member in their offices or on the floor would get a copy of the Boland-Zablocki report, they do not make any bones about this. A great portion of that report recognizes, chastises, and condemns the activities in great detail of the activities of the Government of Nicaragua. I do not think that has been brought out. Some say maybe that is not so.

I think it needs to be put to rest. It is in the report.

I think to be fair to the committee, their argument is not that these things are not going on. Their argument is that maybe it is illegal and we should stop it.

My argument and my point here today is that I do not think a lot of people realize that this is a fact. These are judgments made with certainty by our committee in this Congress.

Mr. LAGOMARSINO. Mr. Chairman, if the gentleman will yield further, another point that is made in that report is that we should do something about it; right?

Mr. MICA. Well, the report does say that we should take some action.

I might say that my feeling is this. It is a pay now or pay later situation. There is and has been a major military buildup. I am on the Foreign Affairs Committee. We have had reports of it for over 1 year now in Nicaragua, aside from this debate, and their leaders have said that it will be the strongest military regime in the hemisphere outside the United States.

Mr. LAGOMARSINO. So the argument here today and yesterday really should be whether the remedy provided in the bill that is before us is the correct remedy or not. There should not be an argument anymore whether there should be a remedy.

Mr. MICA. I think the Boland-Zablocki resolution addresses a very salient point, a difficult problem, a very sincere effort.

I just think the way it approaches it, the final answer right now, with the situation where there are thousands who have alined themselves with this cause in Nicaragua, should be considered.

The CHAIRMAN. The time of the gentleman from Florida has again expired.

(At the request of Mr. HOPKINS, and by unanimous consent, Mr. MICA was allowed to proceed for 1 additional minute.)

Mr. HOPKINS. Mr. Chairman, will the gentleman yield?

Mr. MICA. I am happy to yield to the gentleman from Kentucky.

Mr. HOPKINS. Mr. Chairman, I thank the gentleman for yielding.

As the author of the amendment currently on the floor, is it the opinion of my colleague that if overt operations are approved by this Congress, in the gentleman's opinion, would that lead to a commitment of troops in the future in Central America?

Mr. MICA. I think there is every bit the possibility that with overt aid we could be supplying seed money for possible military actions in the region. Then those of us or those of you who supported it will have to make a judgment.

Did you give them the money to get it started and now you want to stop, do you want to pull away? That is a legitimate concern.

There are other concerns, such as immigration.

Mr. HOPKINS. Mr. Chairman, will the gentleman yield further?

Mr. MICA. I am happy to yield.

Mr. HOPKINS. Will the gentleman give me his opinion, using the reverse side of that coin? Would the approval of covert operations ultimately be more or less likely to result in the commitment of American soldiers in Central America?

Mr. MICA. I think if the covert operations meet the legal guidelines set forth in this Congress and this Committee.

The CHAIRMAN. The time of the gentleman from Florida has again expired.

(By unanimous consent, Mr. MICA was allowed to proceed for 2 additional minutes.)

Mr. MICA. Mr. Chairman, there is no doubt that the potential exists for problems, military problems, in that region right now. Either way, we are taking a risk.

I think it is difficult. I said that it was an honest effort; but if I may, because the Chairman has asked that I point out the changes in the record and I just recalled one minor change that I would like to point out. We changed the words, "affirmed its commitments" on page 2, to "is taking steps to implement the commitment." It is not a major change, but I wanted to point that out.

AMENDMENT OFFERED BY MR. BOLAND TO THE AMENDMENT OFFERED BY MR. MICA AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. YOUNG OF FLORIDA

Mr. BOLAND. Mr. Chairman, I offer an amendment to the amendment offered as a substitute for the amendment.

The Clerk read as follows:

Amendment offered by Mr. BOLAND to the amendment offered by Mr. MICA as a substitute for the amendment offered by Mr. YOUNG of Florida: Strike out all that follows "On page" through the end of the amendment and insert in lieu thereof the following:

3, after line 8, insert the following:

"(c) The prohibition contained in subsection (a) shall cease to apply if, after the end of the 30-day period beginning on the effective date of that prohibition—

"(1) the President submits to the Congress a report, classified if necessary, stating that the Government of Nicaragua is continuing to support, directly or indirectly, military or paramilitary operations by antigovernment forces in El Salvador, and that the President has determined that the assistance for military or paramilitary operations prohibited by subsection (a) is necessary, such report to include an analysis of the military significance of the aid provided by Nicaragua to antigovernment forces in El Salvador, a justification for the amount and type of assistance proposed to be furnished, a description of the objectives of such assistance, and an explanation of why the proposed assistance is in the United States national interest; and

"(2) the Congress enacts a joint resolution approving the resumption of assistance for military or paramilitary operations in Nicaragua.

Mr. BOLAND. Mr. Chairman, I yield to the gentleman from New York (Mr. SOLARZ).

Mr. SOLARZ. Mr. Chairman, I thank the gentleman from Massachusetts, the distinguished chairman of the committee for yielding for the purpose of explaining this amendment to the substitute amendment offered by the gentleman from Florida (Mr. MICA).

Mr. BOLAND. Mr. Chairman, the reason I yielded to the gentleman from New York is that both the gentleman from New York and the gentleman from Georgia were cosponsors of an amendment to the substitute that was going to be offered by the gentleman from Florida (Mr. MICA).

I sought the floor because of the fact that I chair this committee and probably have seniority over the gentleman from the Foreign Affairs Committee, the gentleman from Michigan (Mr. BROOMFIELD).

I sought this time so that we would have an opportunity to put this particular amendment before the House and the committee itself could make a judgment, both on the Mica amendment and also on the amendment to the Mica substitute that is offered in my name, but in behalf of the gentleman from New York and the gentleman from Georgia.

Mr. Chairman, I yield to the gentleman from New York (Mr. SOLARZ).

Mr. SOLARZ. Mr. Chairman, I thank the gentleman for yielding once more.

Mr. Chairman, I ask unanimous consent that the gentleman from Massachusetts (Mr. BOLAND) may sit while I engage in my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. SOLARZ. Mr. Chairman, my very good friend, the gentleman from Florida (Mr. MICA), described his substitute as a compromise which could hopefully provide a basis for facilitating a broad consensus within the House with respect to how we ought to be conducting ourselves toward Nicaragua.

I would submit that this amendment to his substitute, offered by the gentleman from Massachusetts (Mr. BOLAND) on behalf of the gentleman from Georgia (Mr. FOWLER) and myself, could fairly be characterized as a compromise to the compromise.

Let me try to explain exactly what the differences are between the Mica substitute and the Boland amendment. Under the Mica substitute, we would, in effect, continue our paramilitary operations against Nicaragua, unless Nicaragua first stops its efforts to destabilize the Government of El Salvador and the President or the OAS, in effect, certifies or reports to the Congress that they have, in fact, stopped these subversive activities directed toward a neighboring government.

Under the Boland amendment, we would stop upon the enactment of this legislation or paramilitary operations directed toward Nicaragua, but we would be in a position to resume those paramilitary operations if the President within 30 days after the enactment of the legislation and the cessation of our paramilitary operations reported back to the Congress that the Government of Nicaragua was continuing its efforts to destabilize other governments in the region and if, at that point, the Congress of the United States adopted a joint resolution approving the President's report.

□ 1230

What then is the fundamental difference between the Mica substitute and the Boland amendment?

Under the Boland amendment, we would take the first step. We would terminate our paramilitary operations directed against Nicaragua.

PARLIAMENTARY INQUIRY

Mr. COLEMAN of Missouri. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state this parliamentary inquiry.

Mr. COLEMAN of Missouri. Mr. Chairman, since we are playing by the strict rules here, does the gentleman have the time or does the chairman have the time?

The CHAIRMAN. The gentleman from Massachusetts (Mr. BOLAND) has the time.

Mr. BOLAND. Mr. Chairman, would the gentleman yield?

Mr. COLEMAN of Missouri. I yield.

Mr. BOLAND. My understanding is that the gentleman from New York (Mr. SOLARZ) asked unanimous consent that I be permitted to sit and there was no objection to it. So I yielded the time to the gentleman from New York so he could continue.

Mr. COLEMAN of Missouri. I think we ought to be kind to our senior citizens and if that unanimous consent has already been passed, far be it for me to object.

Mr. BOLAND. I would say to the gentleman from Missouri if sometimes he wants to go down to the gym and get involved in some kind of a little racket game, I will be delighted to accommodate him.

Mr. SOLARZ. Mr. Chairman, just for the record, so it may be understood, my unanimous consent request had absolutely nothing to do with the age or the physical capacity of the very distinguished chairman of the Intelligence Committee who could outlast all of us. It was merely a courtesy to a colleague which I would have extended even to the gentleman from Missouri if the situation had been reversed.

If I may, I would like to get back to the explanation of the differences between these two approaches. Under the Boland amendment we take the first step.

The CHAIRMAN. The time of the gentleman from Massachusetts (Mr. BOLAND) has again expired.

(On request of Mr. MICA and by unanimous consent Mr. BOLAND was allowed to proceed for 5 additional minutes.)

Mr. BOLAND. I yield to the gentleman.

Mr. SOLARZ. I thank my colleague for that request.

Once we take the first step, it is then up to Nicaragua to take the second step. And if they refrain from taking the second step, then we are in a position to resume our paramilitary operations against Nicaragua merely by virtue of a Presidential report that they have not taken the second step, and through the adoption of a joint resolution approving the President's report; whereas under the Mica amendment, we insist that the Nicaraguans take the first step and that they in effect terminate their subversive efforts against El Salvador before we terminate our paramilitary operations against them.

Now, I happen to believe that the United States, a nation of over 200 million people, one of the two superpowers in the world, engaged in a tense confrontation, as it were, with a small nation of a few million people like Nicaragua, is big enough and is powerful enough to take the first step.

Mr. MICA. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. I will be happy to yield to the gentleman from Florida.

Mr. MICA. Just for purposes of clarification, I understand your amendment would just stop everything for 30 days and then at the end of 30 days, after we have received a report from the President, that then we could either go ahead or continue with no action; correct?

Mr. SOLARZ. Under my amendment, once the prohibition on the paramilitary assistance contained in the Boland-Zablocki bill comes into effect, we stop our paramilitary assistance directed against Nicaragua and then, 30 days after that cessation, the President is empowered to report back to the Congress, if he so chooses, that the Government of Nicaragua is continuing its subversive efforts against El Salvador or anywhere else.

Then if the Congress adopts a joint resolution approving the President's report we resume our paramilitary operations against Nicaragua.

If the President does not submit such a report or if the Congress does not adopt a joint resolution the paramilitary assistance does not continue.

Mr. MICA. If the gentleman will continue to yield, I would like a clarification on that. But let me just ask this and then I will ask for clarification.

How long will it take us to withdraw everybody that we are supporting there?

Mr. FOWLER. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. I yield to the gentleman from Georgia.

Mr. FOWLER. The amendment offered by the gentleman from New York and myself preserves the classified date for cessation of hostilities contained in the classified annex of the intelligence authorization and we keep that classified date for the termination of all hostilities by the United States in the Boland-Zablocki bill.

So what the amendment offered by the gentleman from New York and myself would do would be after that date, when military activity is ceased by the United States, the President would then have 30 days from the classified date to submit this report on the cessation of Nicaraguan activities.

Mr. MICA. If the gentleman would continue to yield, my problem with this would be that if we are going to stop everything for 30 days we obviously will have those thousands that were referred to there, no one there to defend them while we are waiting on a report.

We may have to go back in 30 days to a very difficult situation.

Mr. SOLARZ. Let me say that if the groups that are now fighting against the government in Nicaragua cannot maintain themselves for at least 30 days without a continuing supply of American weaponry, given all of the assistance they have already gotten, they are not a very viable operation to begin with.

Mr. STRATTON. Would the gentleman yield?

Mr. SOLARZ. I would be happy to yield, but I wonder if the gentleman would allow me 2 minutes to conclude my remarks and then I will yield.

But if the gentleman prefers, I would ask the chairman to yield now.

Mr. BOLAND. I yield to the gentleman from New York.

Mr. STRATTON. I am interested in precisely the same point the gentleman from Florida (Mr. MICA) is making. I think the gentleman from New York (Mr. SOLARZ) is trying to deal with this thing from a legalistic point of view instead of a realistic point of view of the military situation that exists in Nicaragua.

It is not a question of whether the individuals that we are supporting can maintain themselves for 15 days, 30 days, 45 days, or even long enough for Congress to conduct another one of these debates that takes 13 or 14 hours. It is a question of whether this Congress is going to demonstrate that the United States is not willing to sustain an operation of this kind to assist those who are fighting for freedom.

You just cannot turn this thing off and on like a faucet. I think the gentleman's amendment is highly flawed in comparison with that of the gentleman from Florida.

The CHAIRMAN. The time of the gentleman from Massachusetts (Mr. BOLAND) has again expired.

(On request of Mr. FASCELL and by unanimous consent Mr. BOLAND was allowed to proceed for 3 additional minutes.)

Mr. McCURDY. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. I am happy to yield to the gentleman.

Mr. McCURDY. I just would like to clarify a point. I understand where the gentleman from Florida and the gentleman fron New York that just left the microphone are coming from.

But from a practical standpoint are we not saying that since this is an authorization bill for 1984, that because of the process that we are involved in here that the actual termination, if the other body even were to accept

this proposal, would not occur until October?

Mr. SOLARZ. Precisely.

Mr. McCURDY. So we are not talking about a spigot being turned off immediately.

Mr. SOLARZ. Can I say to the gentleman that he will have ample opportunity to debate the amendment but I would like to finish the explanation.

I am sure my colleagues on the other side of the aisle either have questions or want to make statements about it themselves.

But if I can try to conclude the summary and the description of what the amendment attempts to do, as I was pointing out, the big difference is that under the Mica substitute the Nicaraguans have to take the first step. Under the Boland amendment to the Mica substitute we take the first step. But if they do not reciprocate we are in a position to resume paramilitary operations against Nicaragua.

□ 1240

It seems to me the advantage of combining the Boland amendment with the Mica substitute is that it puts the Nicaraguan Government on notice that, if they want us to refrain from resuming paramilitary operations against them, all they have to do is to terminate their efforts to subvert the government in El Salvador.

Mr. COLEMAN of Missouri. Mr. Chairman, will the gentleman yield on that point?

Mr. BOLAND. I will be happy to yield.

Mr. COLEMAN of Missouri. Let me read to you from page 12 of the Intelligence Committee report. It says, "No member of the committee believes that ending support for the anti-Sandinista insurgency will by itself induce a corresponding end in Sandinista support for the Salvadoran insurgents." It flies right in the face of what the gentleman just got through saying.

Mr. SOLARZ. No.

Mr. COLEMAN of Missouri. You even put it in print, now you are backing away from that statement.

Mr. SOLARZ. Well, if I can respond to the gentleman's point, it says nothing of the sort, because if the Boland amendment to the Mica substitute is adopted, and if we take the first step, which that amendment would have us do, if we, under the terms of the Boland amendment, terminate our paramilitary assistance against Nicaragua——

Mr. COLEMAN of Missouri. Then what should——

Mr. SOLARZ. If I can complete my response to your question. If it should turn out that the Government of Nicaragua does not cease and desist from its efforts——

The CHAIRMAN. The time of the gentleman has expired.

(On request of Mr. FOWLER and by unanimous consent, Mr. BOLAND was allowed to proceed for 5 additional minutes.)

Mr. BOLAND. I yield to the gentleman.

Mr. SOLARZ. I thank the gentleman for the request. And if it turns out that the Government of Nicaragua does not cease and desist from its efforts to destabilize El Salvador, then 30 days after the termination of the paramilitary operations we are directing against Nicaragua, the President would submit a report to the Congress in which he would say the Government of Nicaragua is continuing its efforts. He would describe what they are doing. Under the terms of the amendment he would be obligated to assess the military significance of what they were doing. He would also presumably request us to authorize a continuation of the paramilitary operation against them. He would describe the purposes of that operation. If necessary, his report could be classified.

Once that report was submitted to the Congress, upon the adoption of a joint resolution by both the House and the Senate the paramilitary operations would resume.

Mr. COLEMAN of Missouri. Will the gentleman yield on that point?

Mr. BOLAND. Yes; I yield to the gentleman.

Mr. COLEMAN of Missouri. The gentleman has already prejudged his argument in this committee document because you have just said and I just read it to you that nobody on the Intelligence Committee thinks that this is going to work, for 30 days or whatever. What you are saying is you are going to give them 30 days and then come back with the report that the Congress might sit on for 30, 60, 90, 120 days. Members of the Intelligence Committee already said this is an ineffective method to use because by itself the Sandinistas will not give up. It says so on page 12 of the Intelligence Committee report.

Mr. SOLARZ. Let me say that I did not write the report; I do not think that anybody can predict with absolute certainty what the Sandinistas will do.

I think if we adopt the Boland amendment we will put the onus on them; regional pressure, international pressure will be focused on the Sandinistas. I think our political position will be enormously enhanced both within the region and around the world and, if it should turn out that the prediction contained in the committee report is accurate, and the Sandinistas continue their efforts to destablize El Salvador anyway, we are in a position to resume. I can assure you that there is no intention here to bottle up joint resolutions of approval.

Mr. COLEMAN of Missouri. The gentleman cannot give that assurance.

Mr. SOLARZ. I have not yielded. I am sure before this debate is over, I do not want to speak for them, but I believe that the chairmen of the relevant committees would be prepared to offer assurance that this legislation would be considered in a timely and expeditious fashion, and that the Congress would be given an opportunity to work its will. Let me say to the gentleman, if you want to offer an amendment to the amendment providing for expedited procedures, I personally have no problem with that.

The whole point is, however, that if the amendment is adopted and the Government of Nicaragua does not cease and desist from its efforts to destabilize El Salvador, we are in a position to resume.

Now, the advantages of the approach are twofold. From the point of view of those who believe that so long as Nicaragua continues to subvert El Salvador, we should continue our paramilitary operations against Nicaragua, the advantage is that the amendment provides for a mechanism for resuming the paramilitary operations if they do not cease and desist. Whereas, from the point of view of those Members who believe that even if Nicaragua does not cease and desist from its efforts to destabilize El Salvador, it is not in the interest of the United States to continue what we are doing, the Boland amendment provides for the termination of our paramilitary assistance toward Nicaragua and gives the Congress of the United States the right to prevent the resumption of a paramilitary assistance program directed against Nicaragua, if the Congress does not pass a joint resolution approving the President's report.

The fundamental difference between the Mica substitute and the Boland amendment, in addition to the fact that the Mica amendment would require them to go first whereas the Boland amendment would have us go first, is that under the Mica amendment there is no continuing congressional control, whereas under the Boland amendment the Congress remains in a position to prevent a resumption of this program in the event it decides that is not in our interest.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MICA. I ask unanimous consent that the gentleman be given 1 additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

Mr. BROOMFIELD. Reserving the right to object and I shall not object to it, but I think it is about time we get a balance in this debate here. I would like to see someone on this side recognized to answer the comments

made by the gentleman from New York.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

The CHAIRMAN. The gentleman from Massachusetts (Mr. BOLAND) is recognized for 1 additional minute.

Mr. BOLAND. I yield to the gentleman (Mr. MICA).

Mr. MICA. I would like to clarify one statement that the gentleman made when he said that with the Mica amendment there is no continuing congressional oversight.

At any time this body can stop everything. All we have to do is come together like we are right now here and act on an appropriations bill or a limitation. So, there is always control.

Mr. SOLARZ. If the gentleman from Massachusetts will yield, the gentleman's point is well taken, but I am sure the gentleman would also agree that the provision requiring the adoption of a joint resolution of approval contained in the Boland amendment to your substitute gives the Congress a greater degree of control over what we are doing with respect to Nicaragua than it would have without such an arrangement.

Mr. MICA. If the gentleman from Massachusetts will yield, I would agree it would give some other type of control, but we already have control.

Mr. LAGOMARSINO. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the Solarz amendment.

Mr. SOLARZ says that we, the United States, should take the first step. I really do not know why we should. Nicaragua is the one that took the first step in the first place, they are the ones who started support for the guerrillas in El Salvador.

They are the ones who are supporting, according to the Intelligence Committee report and something we all know, line 5, it says:

> Such judgments nonetheless constitute a clear picture of active promotion for revolution without frontiers throughout Central America by Cuba and Nicaragua.

In the gentleman's remarks about his amendment, in speaking about the guerrillas in El Salvador, he added the words, "or anywhere else." But that is not what his amendment says. The amendment only speaks to the support of the guerrillas in El Salvador. I submit to you that you could have a situation where it might be that the guerrillas in El Salvador could survive for 30 days without the kind of activities that are proscribed in the bill. But there is nothing in the amendment that would prohibit the Government of Nicaragua from continuing to supply subversive elements in Costa Rica, in Honduras, Guatemala or in any place else in the Caribbean. So there is a big difference between the gentleman's amendment with respect to that and the Mica amendment and others before us.

I would suggest, also, that even if there is an expedited procedure added to this amendment, that does not do very much good if the Congress is not in session when it comes before us.

What happens to the Contras who are in Nicaragua and more importantly, perhaps, what happens to the people who have attached themselves to their cause, the civilians in the highland, the Miskito and other Indians on the east coast? What happens to them? Are they supposed to go out and then come back later if that is indeed what happens?

I think the gentleman's amendment should be defeated.

Mr. SOLARZ. Mr. Chairman, will the gentleman yield?

Mr. LAGOMARSINO. I yield to the gentleman.

□ 1250

Mr. SOLARZ. I thank the gentleman for yielding.

Just for the purposes of clarification, the gentleman is quite right in saying that the amendment offered by the gentleman from Massachusetts (Mr. BOLAND) refers only to activities underway on the part of Nicaragua with respect to El Salvador, and not the other countries in the region, but I would point out to the gentleman that that is equally true of the substitute offered by the gentleman from Florida (Mr. MICA), which if the gentleman reads it, clearly applies only to the provision of arms from or through Nicaragua to forces hostile to the Government of El Salvador.

Mr. GRAMM. Mr. Chairman, will the gentleman yield?

Mr. LAGOMARSINO. I yield to the gentleman from Texas.

Mr. GRAMM. I thank the gentleman for yielding.

Mr. Chairman, I would like to clarify exactly what these amendments do. The Mica amendment sets out a reciprocity formula that basically says that if the Government of Nicaragua stops its actions against its neighbor, if it fulfills the commitments it made to OAS and if a third party verifies that action, that we will cut off aid to the anti-Sandinista freedom fighters.

Now, compare that to the Boland amendment, which is a gutting amendment. The Boland amendment says, let us cut off aid to those who are fighting for freedom, fighting to achieve important American objectives. Let us end arms assistance for 30 days with no guaranteed response. After 30 days, let us call on the President to send evidence to the Congress that Nicaraguan subversion and arms shipments to El Salvador has not stopped and then let us ask the Congress to assess that information and if the Congress chooses to act favorably, then we will resume support for those fighters within Nicaragua.

Now, how can we believe that this Congress will be objective when the committee has already voted, on a straight partyline vote, to cut off aid even through there is total agreement here that the evidence is overwhelming that the Nicaraguan Government is currently engaged in subversion in El Salvador and elsewhere in Central America.

Now if we all agree on the facts today, agree that Nicaragua is attempting to overthrow the Government of El Salvador and install a Marxist dictatorship, and yet we are voting to cut off aid how can we believe the Congress is going to be a neutral arbiter of any evidence submitted by the President? I think there is a legitimate reason to believe it will not. I think we are seeing rank partisanship here which does disservice to the American people, which threatens us in Central America and which some day may bring the rifle shots to our doorstep.

The CHAIRMAN. The time of the gentleman grom California (Mr. LAGOMARSINO) has expired.

(At the request of Mr. GRAMM and by unanimous consent, Mr. LAGOMARSINO was allowed to proceed for 5 additional minutes.)

Mr. GRAMM. If the gentleman will continue to yield, we are planting the seeds today for a conflict that could bring the rifle shots to our hearing range, at least within our hearing range in Texas.

Mr. Chairman, what we have here is an effort to simply grant a 30-day cessation of aid, call on the President to present evidence to a committee that agrees on the evidence—there is no disagreement here that subversion and arms shipments, are continuing on a massive scale—but yet in spite of the evidence the committee voted on a straight party line to cut off aid. How are we to believe that this committee or the Congress is going to be more receptive to evidence in the future than it is today? I submit that they will not.

The Mica amendment is a logical approach to the problem. It sets out an evidence test. It sets up a third party as an arbiter and basically creates a system of reciprocity.

If the Nicaraguans want peace, if they are willing to stop their aggression against their neighbor, then we will stop our support for the fighters within their borders. If they do not, we will not.

I would like to make one additional point, Mr. Chairman, and that is we have a proposal from this committee that says let us not repeat the errors of Vietnam, but let us repeat the methods of Vietnam.

How are we going to throw up walls on the borders of all of Nicaragua's neighbors? I repeat a point I made yesterday: With tens of billions of dollars, with 600,000 combat troops, with absolute mastery of the air and the sea and the land, we never shut down the Ho Chi Minh Trail and we never stopped the shipment of arms and the movement of men and materials into South Vietnam.

How can we believe that we can be successful in that activity in Central America when it did not work in Vietnam?

It seems to me that we are following the same path of blunting our own effort, granting a sanctuary, which is going to allow communism to succeed again. I think it is critical that we defeat the Boland amendment and then we move forward with the reciprocity proposal, as proposed by the gentleman from Florida.

Mr. STRATTON. Mr. Chairman, will the gentleman yield?

Mr. LAGOMARSINO. I yield to the gentleman from New York.

Mr. STRATTON. Mr. Chairman, I just wanted to say to the gentleman from Texas (Mr. GRAMM) that I subscribe to his analogy with Vietnam. The Solarz amendment would be precisely the same thing we did with all those bombing halts that we put through in Vietnam. They certainly did not solve the problem. They just made it worse.

Mr. GRAMM. If the gentleman will continue to yield.

The result would be exactly the same: The end of the conflict with a clear-cut defeat for freedom and democracy and for the United States. There is no doubt that the Boland amendment would produce exactly that result. It is a policy of retreat, it is a policy of abrogation of our responsibility, and it is a policy of surrender.

Mr. STRATTON. And also a policy unilateral disarmament.

Mr. LAGOMARSINO. Mr. Chairman, to clarify the issue, the gentleman from New York (Mr. SOLARZ) tried to imply or did imply that the Mica amendment was the same as his with regard to the support by Nicaragua of other groups in Central America.

If one reads the Mica amendment, on page 2, line 7:

> The Government of Nicaragua has by formal action agreed that it will cease all its activities involving the furnishing of arms, personnel, training, command and control facilities, or logistical support for military or para-military operations in or against any country in Central America or the Caribbean.

So, quite different from the Solarz amendment.

Mr. HYDE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I think this is very significant. The Solarz-Boland amendment is a significant retreat from the Boland-Zablocki that we started out with yesterday.

Now yesterday we were told that the right thing to do in our national interest was to cut off all covert aid to the Contras fighting in Nicaragua to recapture their own country, let the Indians go, let Commander Zero fend for himself and let the FMN do the best they can, but we are going to pour in $80 million for overt aid, sea, air, and land overt interdiction of these subversive arms.

Now today the unwisdom of that position has obviously been seen by the chief sponsor of that legislation because we have moved now a position of tolerating aid to the paramilitary forces inside Nicaragua, but first we have to stop for 30 days. We tell the Miskito Indians, "Hang in there. We may be back. Keep fighting. We just may come back if we can get a joint resolution through Congress."

Now if Congress has adjourned, the President can call a special session, we can then return from wherever we are on the globe, we can come in here and then have a secret session in the Senate and in the House and just maybe through this labyrinthine process get a joint resolution. Then we will let you go back in, and I hope there are some Indians left, and I hope there are some Contras left, so we can give them some aid.

Now this 30-day sanctuary, this free sanctuary that we give the great Sandinistas, those people of conscience and compassion and concern, while they have that 30 days, even if they step up the export of subversion, we are impotent. We are impotent spectators, paralyzed by the need to produce a joint resolution to give the President the right to do what the Constitution says he has already and the War Powers Act says he has already. We are abrogating all that with the Solarz-Boland amendment.

I see the gentleman from Wisconsin (Mr. ZABLOCKI) is not a part of this, but I can only speculate why.

Now, why do you limit it to El Salvador? What if they export revolution to Honduras? Or Costa Rica?

□ 1300

You are more familiar with that map than I am. I do not know anyone who knows the map of Central America as well as you do. Both of the gentlemen, the Solarz-Boland sponsorship, why do you say if they export subversion to El Salvador? What if they tried Costa Rica, with their 7,000 police force and a few mailmen who are aggressive and might help defend the country?

Honduras, we just do not care about exporting revolution to Honduras?

Now, this is an interesting retreat, but it goes in the wrong direction. So I hope the Solarz amendment will be defeated. And ultimately we get to the Mica amendment, which makes eminent commonsense.

Mr. COLEMAN of Missouri. Mr. Chairman, will the gentleman yield?

Mr. HYDE. I yield to the gentleman from Missouri.

Mr. COLEMAN of Missouri. We keep repeating the same error and compounding it. It is not 30 days we are talking about. The minimum is 30 days. As the gentleman said, it very well could be 60 to 90 days on top of that until the Congress acts.

I might remind the gentleman that we just passed, finally today, the repeal of the withholding of interest bill which everybody here but a couple of Members voted for. How many months was that in the making? With all of the mail we got, the most mail we have ever gotten on any subject in Congress, and it took us 3 months to get that little bill passed.

Mr. HYDE. Is the gentleman saying that we did not respond to public pressure quickly on that?

Mr. COLEMAN of Missouri. I am saying that if it took us that long to respond to the issue that we have received the most mail on in the history of Congress, how long would it take to respond to the situation in Central America.

Mr. HYDE. Well, this is known as the Trust Nicaragua Amendment, trust them, work with them on this, when there is absolutely nothing in the record to indicate that they are worthy of any trust.

I would hate to be telling those Miskito Indians, "See you later; we may be back."

Mr. FOWLER. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

My friends in the Congress, if this is to be known by any label, I hope this amendment offered by the chairman will be known as the trust our allies amendment, because that is actually what it is designed to do.

Let me lay some facts out on the table that I do not believe are in dispute. There is nothing covert about this war anymore. That is all the term covert action means. It means a secret military or paramilitary action. We do not have that anymore. We have an open war that the United States is unilaterally financing within Nicaragua. The only thing secret left about it is the funding mechanism. If we refuse to adopt this amendment, we will have countenanced an undeclared war by the United States in Nicaragua and violated our own responsibility to exercise congressional oversight over the funding of a war.

And that is why I say to the gentleman from Texas, who has criticized the U.S. Congress as being an unneutral arbiter of the evidence.

Quite the contrary. The U.S. Constitution gives us exclusive authority to declare war.

Second, the simple question is: What will we do about it?

Well, the Mexicans have said, "Please stop it"; the Colombians have said, "Please stop it"—largest democracy; the Venezuelans have said, "Please stop it."

Why have they said, "Stop this military operation"?

Because, our allies have said, "your military operation is actually attracting, rather than containing, these hostile influences. By you, the United States, trying to go it alone, you are causing the opposite effect of what we all want to happen. You are solidifying the Sandinista regime, you are unifying the Nicaraguan people against the U.S.-sponsored invasion, and you are forcing the Sandinista government to ask for more help from Cuba, and the Soviet Union. We want to help you eliminate all hostile influences and military personnel. But you cannot do it alone."

Can we not seize this moment and accept our allies offer of help in Central America?

The United States has demanded, through the Reagan administration, for a year and a half that Nicaragua agree to multilateral negotiations. That has been the sine qua non of any cessation of our paramilitary behavior. Ten days ago the Nicaraguans said "We accept multilateral negotiations, we are ready to negotiate. Your interdiction program has seized no arms going from our territory into El Salvador, but we are willing to sit down and talk about how we reach a negotiated solution to this problem."

And I say to my friend from Missouri: I signed that report that he read, but let me read the whole paragraph and try to discuss the point he raised, which was a good one.

This is the report of the Intelligence Committee:

> No member of the committee believes that ending support for the anti-Sandinista insurgency will by itself induce a corresponding end in Sandinista support for the Salvadoran insurgents. The committee does not wish to impose a unilateral restriction on U.S. policy. Rather, it seeks to end an ineffective program which does real harm to the image of the United States as a defender of democratic, peaceful change. That ineffective program must be replaced by a scheme of security assistance with direct U.S. participation, openly offered and received, that aims to create a capability among friendly nations where none now exists.

The CHAIRMAN. The time of the gentleman from Georgia (Mr. FOWLER) has expired.

(By unanimous consent, Mr. FOWLER was allowed to proceed for 5 additional minutes.)

Mr. FOWLER. Mr. Chairman, that report was written on May 13, 1983, 2½ months ago. And we stand by it. We will not get reciprocity by itself. Things have changed now. What has changed?

Well, first of all, we have forced through this paramilitary action the Sandinistas to request multilateral or bilateral negotiations. They have succumbed to our demand.

Second, there is no by itself. We are not now alone. Our allies, the democratic nations in Central America are saying, "We want to help; but we cannot help, we cannot develop a scheme of security assistance, of arms interdiction, of the containment of communism in our Hemisphere unless you let us help."

And the only thing they have requested of us is to cease this military operation and give us 30 days to work together in our hemisphere to remove the impression of the great gringo nation of the north trying to dictate by the use of American military power what the United States will tolerate and what it will not tolerate.

This amendment presents to us for the first time the opportunity to let our allies in on the action to try to stop this war on our own democratic terms.

□ 1310

All that this amendment is trying to say is that, as the most powerful nation on Earth, we, the United States of America, call Nicaragua's bluff. We are great enough to act as a powerful nation and say that we will accept the recommendations to work with our allies, cease this military intervention in a sovereign nation for at least 30 days and see whether or not this matter can be settled by the cessation of Nicaraguan hostilities toward El Salvador.

If that is too great a risk for the most powerful nation on this Earth to take, then, my friends, we ought to reconsider the innumerable missiles and security systems and military might of this country and whether our Nation's security is adequate.

Mr. GRAMM. Mr. Chairman, will the gentleman yield?

Mr. FOWLER. I yield to the gentleman from Texas.

Mr. GRAMM. I thank the gentleman for yielding.

Mr. Chairman, I would like to make three quick points. I am sure the gentleman will want to correct his statement concerning the United States unilaterally financing the war. The gentleman obviously does not deny, since he signed the report, that the Soviet Union, Cuba, the Eastern bloc and the Palestinian Liberation Organization are all providing funding and assistance for Nicaragua and El Salvador.

Mr. FOWLER. I would be delighted, if that was the interpretation of the gentleman from Texas. What I said, but I appreciate the opportunity to reiterate, is that the United States is unilaterally financing the counterrevolution against the Sandinista government who, certainly, yes, have logistical and financial support from the government that the gentleman mentioned.

The CHAIRMAN. The time of the gentleman from Georgia (Mr. FOWLER) has expired.

(On request of Mr. GRAMM and by unanimous consent, Mr. FOWLER was allowed to proceed for 2 additional minutes.)

Mr. GRAMM. If the gentleman will yield further, making my two other points very quickly, all the Mica amendment asks is not that the Communists talk; it asks that they act. If they want to end this war, they can do it very quickly by simply cutting off their assistance to those who are trying to overthrow the government of their neighbor.

Mr. FOWLER. I agree that that is what the Mica amendment asks, but unfortunately, over 2 years of this war that we are participating in, and all of the negotiating process that we have attempted, has not accomplished that fact. The reason that our allies in Central America tell us that it is impossible to accomplish by the Mica approach is because of U.S. unilateral military intervention. If that is ceased, we have a chance.

Mr. GRAMM. If the gentleman would continue to yield, it has not succeeded because the Nicaraguans have refused to act. They have been perfectly willing to talk; but they have refused to act.

Finally, it is hard for me to take this amendment as credible from those who have voted, in the face of overwhelming evidence of Nicaraguan involvement in El Salvador, to cut off aid today. When you are ready to move today, in the face of overwhelming evidence, to deny aid how am I to believe that you would move, in the face of additional evidence, to support aid.

That credibility factor is what I think destroys this amendment. It is not a question of Congress not being in session, when the President asks for aid. It is not even a question of the whole revolt inside of Nicaragua being killed off while we talk. But it is a question of credibility. Will we act even if there is more evidence, even if there is greater danger.

The CHAIRMAN. The time of the gentleman from Georgia (Mr. FOWLER) has again expired.

(On request of Mr. MILLER of California and by unanimous consent, Mr. FOWLER was allowed to proceed for 4 additional minutes.)

Mr. FOWLER. First of all, although no one is denying the support by the Government of Nicaragua for the insurgents in El Salvador, I must remind

all of us that the Salvadoran insurgency and the war there did predate Nicaraguan involvement, and has its roots, as I know the gentleman would agree, in social, economic, and political factors as well as outside military intervention from many sides.

Mr. GRAMM. That is true of every conflict in history.

Mr. FOWLER. So the fact that if the Nicaraguans do completely cease and desist, we still have a serious problem in El Salvador. But more importantly, and I must correct the record on this, there is no massive evidence that has been established of the extent of arms flow from Nicaragua into El Salvador. We believe it is taking place, but we have not captured a shipment by land or sea or mule train. Lacking that evidence, should we not take a chance, for a 30-day period, to show that the United States can call the bluff of the Nicaraguans?

Mr. MILLER of California. Mr. Chairman, will the gentleman yield?

Mr. FOWLER. I yield to my friend, the gentleman from California.

Mr. MILLER of California. I thank the gentleman for yielding.

Mr. Chairman, I would just like to commend the gentleman for his statement and point out to Members of the House who are both uneasy with this administration and uneasy with the Sandinistas that this amendment is really, in fact, the best compromise. Because of the fact that the cut-off date is classified and the time at which the 30-day period would begin to run is classified for that reason, the Sandinistas will get an opportunity to prove to the President of the United States, to prove to the Contadoras, to prove to the OAS that, in fact, they are serious about what they said on the fourth anniversary, on the 19th, last week, that they are willing to engage in efforts to secure the borders, to engage in nonaggression pacts, to engage in stopping the flow of arms through Latin America. If they are not, during the time in which they are mulling this over, there will be 4,000 troops placed on the Honduran border, there will be two of these carrier task forces steaming on the Atlantic and Pacific coasts, and I think they can start to appreciate how serious this administration is, how serious this Congress is, about this effort.

Now, we also appreciate, because it has been cited, the ability of the Intelligence Committee and the intelligence community to monitor their activities. The pictures were here, and we have all heard in the secret session of our ability to know what is going on. If they fail to meet that test, I expect what they will find is a finding by the President of the United States and/or the position that is allowed in this amendment, because let us not forget, there is nothing in this amendment, there is nothing in Boland-Zablocki, that prevents the President of the United States from coming back to the Intelligence Committee, laying a finding on the table, and commencing the actions that he thinks are desirable under the conditions of that finding.

So, in fact, this is truly the compromise between those individuals who are uneasy about the posturing of this administration and who are uneasy about the actions of the Sandinistas, because this does not say that tommorrow, starting 30 days, there is an opening. What it says is there is going to be, for an unspecified time in the period, not to exceed a great deal of time; there is going to be a window by which the Sandinistas can either perform concrete acts to stop actions that are bothering this administration, or the actions of this administration that we are currently debating will resume. They will not resume in an illegal fashion. They will resume in a legal fashion, not in violation of the Boland amendment.

The CHAIRMAN. The time of the gentleman from Georgia (Mr. FOWLER) has again expired.

(On request of Mr. SOLARZ and by unanimous consent, Mr. FOWLER was allowed to proceed for 3 additional minutes.)

Mr. SOLARZ. Mr. Chairman, will the gentleman yield?

Mr. FOWLER. I yield to the gentleman from New York.

Mr. SOLARZ. I thank the gentleman for yielding.

Mr. Chairman, I will be very brief. A little bit earlier in the debate, my very good friend from Illinois (Mr. HYDE) and my good friend from California (Mr. LAGOMARSINO) made what I thought was a good point. They referred to the fact that, whereas the Mica amendment would permit a continuation of paramilitary operations against Nicaragua, so long as they attempted to subvert any country in the region, the Boland amendment would, in effect, require a termination of the paramilitary assistance against Nicaragua even if they were attempting to subvert other countries in the region other than El Salvador, even if they had stopped in El Salvador itself.

Consequently, to rectify that omission, Mr. Chairman, I would like to ask unanimous consent that the amendment offered by the gentleman from Massachusetts (Mr. BOLAND) to the substitute offered by the gentleman from Florida (Mr. MICA) be amended by striking our "El Salvador" both places it appears in the amendment and inserting in lieu thereof, "any country in Central America or the Caribbean."

The CHAIRMAN. Does the gentleman from Georgia (Mr. FOWLER) yield for that request?

Mr. FOWLER. I yield for that request.

The CHAIRMAN. Is there objection to the request of the gentleman from New York (Mr. SOLARZ)?

□ 1320

Mr. BROOMFIELD. Mr. Chairman, reserving the right to object, I do so for the purpose of trying to get a limitation on the amendment before us at the present time, the Solarz amendment, so we can start getting some votes here.

I am not opposed to the amendment the gentleman wants to put to his original amendment, but I would like to get a limitation on time to the Mica amendment amended by the Solarz amendment.

Mr. Chairman, how about 1:45?

Mr. BOLAND. Mr. Chairman, how about 2 o'clock?

The CHAIRMAN. Does the Chair understand the request is for 2 o'clock now?

Mr. BOLAND. Mr. Chairman, reserving the right to object, the reason I say that is because, as we know, under the rules we have 9 hours. We had 9 hours left, and we have started this, so we have about 8 hours or a little less than 8 hours left. I do not know what is going to happen to the amendment.

As we know, there were 106 amendments printed in the RECORD, and I do not know how many of those are going to be offered. I do not know how many we will be offering. We may offer one or two on this side at the appropriate time. But the problem of how long we stay here really will be controlled by that side. These are the most important amendments, the Barnes amendment and whatever other amendments may be offered. The Mica amendment is obviously one of the most important ones.

Mr. BROOMFIELD. Mr. Chairman, will the gentleman agree that the Young amendment, plus all amendments thereto, end at 2 o'clock so then we can at least have a vote on the Barnes amendment?

Mr. BOLAND. Mr. Chairman, there is some concern on this side that that is a little bit too early. Let us make it 2:15.

We have the time. That will eat up some time, which will guarantee us that we will get out at the right time.

Mr. STRATTON. Reserving the right to object, Mr. Chairman, what is the procedure for allocating the time under this proposal? Are those Members standing to be recognized for an appropriate number of minutes?

The CHAIRMAN. It will be up to the Chair to allocate the time among the Members standing or between the two sides.

Will the gentleman from Michigan (Mr. BROOMFIELD) restate his request?

Mr. BOLAND. Mr. Chairman, first, under my reservation of objection, let me ask, in order to balance the time,

can we split it up 30 minutes on each side? Would that be agreeable?

Mr. BROOMFIELD. That will be fine.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

Mr. LIVINGSTON. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Is there objection to the request that is pending from the gentleman from New York (Mr. SOLARZ)?

Mr. WEISS. Reserving the right to object, Mr. Chairman, I reserve the right to object only to state that by not objecting certainly this gentleman does not intend to indicate support of the thrust either of the unanimous consent request or indeed the amendment offered by the gentleman from Massachusetts, which I consider to be leading us in exactly the opposite direction from where we started out in the first place.

The CHAIRMAN. The reservation of objection is withdrawn.

Is there objection to the request of the gentleman from New York?

Mr. GRAMM. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. GRAMM. The gentleman can state it again, when we have worked out the time.

Mr. FOWLER. Mr. Chairman, I trust that my time has expired.

The CHAIRMAN. The time of the gentleman from Georgia (Mr. FOWLER) has expired.

PARLIAMENTARY INQUIRY

Mr. SOLARZ. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. SOLARZ. Mr. Chairman, it is not clear to me what the gentleman from Texas objected to.

Mr. Chairman, my impression was that the minority would not have an objection to this unanimous consent request to amend the Boland amendment to meet some of the concerns they express.

The CHAIRMAN. The Chair would like to inquire of the gentleman from Texas (Mr. GRAMM), was the objection of the gentleman from Texas to both the unanimous consent request to modify the amendment and to the fixing of time?

Mr. GRAMM. Mr. Chairman, if the gentleman will yield, if the gentleman would restate his request, including in that request a limitation on debate to include debate on the Boland amendment and on the Barnes amendment, then this gentleman will not object.

Mr. BOLAND. Mr. Chairman, will the gentleman from Texas restate that? I was preoccupied here.

Mr. GRAMM. Mr. Chairman, if the gentleman will restate his unanimous-consent request to include something concerning the altering of the Boland amendment, with the inclusion of a limitation of debate on the Boland amendment to the Mica amendment and the Barnes amendment to the Young amendment, then this gentleman will not object. And as to the 2:15 time limitation——

Mr. BOLAND. Mr. Chairman, if the gentleman will yield, what about a reference to the Mica amendment? Was that included?

Mr. GRAMM. At this point the Mica amendment is a major instrument of debate, and I do not feel that we should limit the ability of Members to speak on it, but I think we need to move ahead on these amendments substantially.

Mr. MICA. Mr. Chairman, if the gentleman will yield, as the author of the amendment, I would like to see us move on this. I think it is appropriate. There has been a day and a half of debate. I would support the chairman of the committee and ask the gentleman to support him.

Mr. GRAMM. Mr. Chairman, I certainly would defer to my friend, the gentleman from Florida, who has the right to object himself.

Mr. MICA. Mr. Chairman, I thank the gentleman. I appreciate that.

Mr. BOLAND. Mr. Chairman, I ask unanimous consent that all debate on the Boland amendment and to the Young amendment, and also any amendments to the Barnes amendment, and the Boland to the Mica amendment, and all pending amendments, cease at 2:30, with the time to be evenly divided.

Mr. HYDE. Mr. Chairman, reserving the right to object, does the gentleman mean the Young amendment and all amendments thereto?

Mr. BOLAND. Yes; the gentleman states it precisely.

Mr. HYDE. Mr. Chairman, I thank the gentleman, and I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

Mr. WEISS. Mr. Chairman, I object.

The CHAIRMAN. Does the Chair understand that the gentleman objects?

Mr. WEISS. Mr. Chairman, let me reserve the right to object.

Reserving the right to object, Mr. Chairman, the original request, as I understood it, was to have a time limit on everything except Young. I would have no problem with that, but Young has a portion which has not even been addressed yet in the course of debate. There will be amendments which will be pending to that, so if we in fact dispose of that by 2:30, we will be foreclosing all amendments to the first part of it. So it seems to me that Young should not be included in this.

That is my reservation, Mr. Chairman.

The CHAIRMAN. Does the gentleman object?

Mr. SOLARZ. Mr. Chairman, will the gentleman yield?

Mr. WEISS. I am pleased to yield to the gentleman from New York.

Mr. SOLARZ. Mr. Chairman, would it satisfactorily address the concerns of the gentleman and the concerns of the Members on the other side if the unanimous-consent request to limit debate would apply to all pending amendments? It would apply, in other words, to the pending amendments, which leaves the gentleman free to offer subsequent amendments to Young after the pending amendments are resolved. So the gentleman's right to amend those provisions of the Young amendment which he finds objectionable would be preserved.

Mr. WEISS. Mr. Chairman, with that explanation or that understanding, I have no objection.

The CHAIRMAN. Will the gentleman from Massachusetts (Mr. BOLAND) restate his request?

Mr. BOLAND. Mr. Chairman, as I understand it now, we have agreed to limit debate to 2:30 on all pending amendments, designed to be equally divided on both sides.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The CHAIRMAN. The gentleman from Massachusetts (Mr. BOLAND) will be recognized for 30 minutes, and the gentleman from Michigan (Mr. BROOMFIELD) will be recognized for 30 minutes.

PARLIAMENTARY INQUIRY

Mr. SOLARZ. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. SOLARZ. Mr. Chairman, I assume that the unanimous-consent request which was just approved also included the unanimous consent request I had offered amending the Boland amendment to the Mica substitute?

The CHAIRMAN. The Chair would state to the gentleman from New York that it did not include the gentleman's request. Is there objection to the request of the gentleman from New York (Mr. SOLARZ) to modify the amendment?

There was no objection.

□ 1330

PARLIAMENTARY INQUIRY

Mr. SMITH of Flordia. A parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. SMITH of Florida. Mr. Chairman, does the Chair intend the motion made by the gentleman from Massa-

chusetts (Mr. BOLAND) and now accepted and consented to, to include the Mica substitute, which would not be included under the pending amendments provision?

The CHAIRMAN. The gentleman is correct, the Mica substitute is a pending amendment.

Mr. BOLAND. Mr. Chairman, I yield 3 minutes to the gentleman from New York (Mr. MRAZEK).

Mr. MRAZEK. Mr. Chairman, I thank the gentleman from Massachusetts for giving me 3 minutes.

I was listening with mounting interest a little earlier when the gentleman from Texas was talking about our policy in Vietnam and how he described our efforts in Vietnam as halfhearted and how this contributed to the failure of our policy in Vietnam.

Well, we all know how gallantly the gentleman from Texas fought for this country during those years and how so many other Americans fought to stay on campuses in this country or went to Canada. Some of us enlisted in the service during those years because we accepted what our national leaders told us we were fighting for.

Some of us saw some bad things in the service, and I am sure the gentleman from Texas saw some bad things on his campus. But I can remember an August day in 1964 when we Americans watched on television as the President of the United States described an unprovoked attack against our destroyers, the *Mattox* and the *Turner Joy*, by North Vietnamese gunboats near Hainan Island. It was not until many years later that we found out there was no such unprovoked attack.

Now in the debate we have heard in the last couple days, it is fair to say there is room for honest disagreement, and I can only say that it is not easy to make foreign policy decisions on behalf of this Nation in the face of Soviet and Cuban aggression; but one thing we do not need as we listen in this debate is to hear from another crop of armchair warriors.

Mr. McCAIN. Mr. Chairman, will the gentleman yield?

Mr. MRAZEK. Yes; I will yield to the distinguished gentleman from Arizona.

Mr. McCAIN. I hope the gentleman is not referring to some of us who were there as armchair warriors.

Mr. MRAZEK. I am not referring to the distinguished gentleman from Arizona. I only referred to the gentleman from Texas.

Mr. McCAIN. Well, since the gentleman from Texas and I, if the gentleman will yield further, are in total agreement, then I think the gentleman should direct his remarks at those of us who served there also.

Mr. MRAZEK. Well, the gentleman has every right to speak.

Mr. McCAIN. I will be glad to respond. Our involvement in Vietnam was exactly only more particularly described as the gentleman from Texas did and there is an exact parallel between what is happening now and what happened there.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. BOLAND. Mr. Chairman, I yield 1 additional minute to the gentleman from New York.

Mr. McCAIN. Mr. Chairman, will the gentleman yield further?

Mr. MRAZEK. No, I will not yield further at this time to the gentleman from Arizona (Mr. McCAIN). I would simply like to say that we are in a very similar position to the one we were in back in those early 1960's. A lot of us at that time took at face value what our national leaders told us were the reasons for their foreign policy decisions in this country.

I think the chairman of the Intelligence Committee has pointed out very, very effectively, that we are heading down a similar road.

The President of the United States has acted illegally in contradiction to a law, the Boland amendment, passed by this House last December.

The more troops we send down to Central and South America, the better the chances that some night the same thing will happen to American soldiers that happens every night to four or five Camposinos who are taken out in the jungle and tortured.

The CHAIRMAN. The time of the gentleman from New York has again expired.

Mr. BOLAND. Mr. Chairman, I yield 1 additional minute to the gentleman.

Mr. MRAZEK. All it is going to take, Mr. Chairman, are a few of our troops or advisers to be taken out some night in the jungle where they will have hand grenades strapped on to their arms, as was the case with a journalist from New Jersey who made the mistake of going down to El Salvador, and when that happens, the rage of the American people is going to be uncontrollable.

We are literally playing with dynamite when it comes to the lives of another generation of young Americans.

I would only ask that this Congress act as responsibly as I am confident we will act today.

Mr. BROOMFIELD. Mr. Chairman, I yield 4 minutes to the distinguished gentleman from Nebraska (Mr. BEREUTER).

Mr. BEREUTER. Mr. Chairman, this is my first time to take the well on the resolution, although I am a member of the Western Hemisphere subcommittee.

We are talking about a very serious matter, of course. I think there is perhaps a more important matter that ought to be discussed at least briefly; that is, the failure of the Intelligence Committee. It concerns me greatly that the process has become so politicized that we have straight line partisan votes coming from that committee. It places this body in great jeopardy and all of us not serving on the Select Committee on Intelligence. If that body does not have credibility, where are we Members to turn?

I might also say as a former counterintelligence officer concerned with security matters that I am very concerned by the way classified information is handled by Congress. Perhaps I come to this task with a little different orientation, coming out of the only nonpartisan legislature in the country. Perhaps I still believe that the civics book discussion about foreign policy is correct, that we should at least aim for bipartisanship in our foreign policy.

Now, let us take a look at the Boland-Zablocki bill that was presented to us. In section 802, the dollar amounts in that are as phony as a three-dollar bill. Furthermore, the totally inadequate $80 million over a 2-year period creates great danger for the surrounding nations of Honduras and Costa Rica and it certainly places larger requirements upon this country in terms of our own military personnel.

I think it is very counterproductive and unfair for a member of the Intelligence Committee to come up here and look at the minority side of the aisle and say, "Your covert aid programs are counterproductive and not working."

I too happen to think that covert aid is probably counterproductive, but those activities were approved about 19 months ago by the Intelligence Committee of which he is a member. Those operations were approved as suggested by the Intelligence Committee.

Now the question is, What should replace covert operations? Well, I am suggesting to you that if you put aside your partisanship, you have already been presented with an alternative that is a reasonable step, and it is the Mica amendment.

□ 1340

That amendment would bring results. It places verification in the hands of the OAS or the President of the United States.

I think those of you who might be concerned about the latter realize that you would not have that concern as long as the Organization of American States is involved, and they ought to be. The OAS ought to be strengthened. That is one of its purposes.

Verification is placed in that respect.

I think the majority of the Members in this body are willing to accept a situation where we say to Nicaragua we are no longer going to try to influence

what happens inside of your country. In turn, we expect the same kind of reaction from you and we expect it to be demonstrated. We expect you to keep yourself out of Costa Rica, out of El Salvador, and out of all the countries of Central America and the Caribbean.

That is a reasonable expectation. That is what the Mica amendment now does.

I think we ought to move to the Mica amendment. We should quit trying to be cute about it and come up with a variety of reasons why we are not voting on this issue. Now is the time to take that action. That country is watching to see if we are going to approach this in some kind of an even-handed fashion and set-aside partisanship.

This body has not conducted itself very well; it has been far too partisan on this matter. I think we are particularly crippled when we have had the kind of partisan demonstration from the Intelligence Committee and the House.

If we cannot receive unbiased information, where are we going to get it?

PARLIAMENTARY INQUIRY

Mr. BROOMFIELD. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. BROOMFIELD. Mr. Chairman, I wonder if you could take a moment to outline to the Members the procedure that we will be following after the termination of our debate in this particular segment.

The CHAIRMAN. The Chair would like to advise the gentleman from Michigan (Mr. BROOMFIELD) that following the vote on the Barnes amendment, amendments would still be in order at that time, that is perfecting amendments to the Young amendment.

If no amendments were offered at that time, the sequence would then be a vote next on the Boland amendment; then, following that, a vote on the Mica substitute; following that, a vote on the Young amendment as or as not amended.

That would be the procedure we would follow.

Mr. COLEMAN of Missouri. Mr. Chairman, will the gentleman yield?

Mr. BROOMFIELD. I yield to the gentleman from Missouri.

Mr. COLEMAN of Missouri. Does that mean one would be precluded from offering an amendment to the Mica amendment if the Boland amendment does not pass?

The CHAIRMAN. The Chair would advise the gentleman that would not be the situation.

Mr. COLEMAN of Missouri. I thank the gentleman.

Mr. BROOMFIELD. Mr. Chairman, I yield 4 minutes to the gentleman from California (Mr. ZSCHAU).

Mr. ZSCHAU. Mr. Chairman, I would like to compliment my friend, the gentleman from Florida (Mr. MICA) for offering his amendment in the form of a substitute. I would also like to thank him, not only for me, but for many others in this body because I think his amendment gets many of us off the horns of a difficult dilemma.

All of us agree there is a problem in Nicaragua. Nicaragua's support for the insurgents in El Salvador is destabilizing to that country. The question is: What do we do about it?

Like many of my colleagues, I am troubled by our covert operations. Like many of my colleagues, I am even more troubled by the proposed $80 million overt interdiction program that is in H.R. 2760.

I have come to the conclusion that there must be a better way. Why is it that we always pursue military solutions only? Why do we not consider more seriously diplomatic approaches?

What we need is new thinking. We need new approaches to these vexing problems. What we need is a new plan, a new plan that is based on the whole range of alternatives. That is precisely what is mandated by the Mica substitute.

The Mica substitute requires the President to explore a whole range of alternatives—bilateral and multilateral negotiations, the involvement of the OAS or the United Nations, and whatever might be effective in ceasing the activities of Nicaragua in the destabilization of El Salvador.

In addition to insisting on a new approach, the Mica amendment also defines the criteria for success—our objectives. I am one of many who have been frustrated by the fact that we lack clarity in our objectives in Central America and for our actions in Nicaragua. Those objectives are clearly defined in the Mica amendment. There are two.

First, we are seeking a cessation of those activities by Nicaragua in support of the insurgents in El Salvador. Second, we want Nicaragua to begin taking steps to implement those commitments that the Sandinistas made to the Organization of American States. Those are the two objectives that the new plan would be designed to achieve.

Because it both clarifies our objectives and because it mandates a new plan for achieving them, I strongly support the Mica amendment.

What would happen if the Mica amendment were adopted?

No. 1, after the effective date that is contained in the confidential appendix to the Intelligence Committee report, covert aid would be cut off.

In the interim, the President would be required to submit a new plan based on the whole range of diplomatic as well as military alternatives. That plan would be implemented, but only until such time as success is achieved; that is when criteria are met. Under the Mica amendment, whether or not the criteria are met would be judged by the Organization of American States or the President of the United States.

Mr. Chairman, the approach of the Mica amendment is a breath of fresh air in addressing this problem. It suggests that we should develop a new plan—a plan based on diplomacy as well as military solutions, a plan which would only be implemented until its objectives are achieved in the judgment of an outside organization, the Organization of American States.

The Mica amendment is a responsible and an effective response to a very vexing problem that we have in Central America.

I urge adoption of the Mica amendment.

Mr. BOLAND. Mr. Chairman, I yield 4 minutes to the distinguished gentleman from Arkansas (Mr. ALEXANDER).

Mr. ALEXANDER. Mr. Chairman, as I have listened to the debate yesterday and today on the Boland-Zablocki bill, I have heard Members of the party on the other side of the aisle defend Mr. Reagan's war in Central America. I could not help but be impressed by the perception that the ghost of Somoza walks very heavily in this Chamber.

For 50 years, this Nation supported the policy in Nicaragua of supporting a corrupt dictatorship that oppressed the people of his country. Today we are paying the price for that policy and today we are trying to repeat a similar policy of militarism that would impress upon a people the will of the United States.

Last weekend, I visited the 200th anniversary of Simon Bolivar, the great liberator of Latin America, and had occasion to talk to many Latin American leaders at this celebration, men of peace, and I asked one leader in particular, Senator Tejera-Paris, who is a peace-loving man, what is your recommendation of the best action of the United States in helping to bring about peace in Central America.

His response was as follows: "Please leave us alone. Please allow the Latin Americans to resolve these problems with democratic, bipartisan political solutions. Please send your Navy back to the Atlantic. Please let Latins resolve their own problems."

I was ashamed of our policy in Central America because our allies in Central America are being united against us. Only Honduras, El Salvador, and our friend, Great Britain, support this policy.

The Latin Americans are placing the United States in the same category as the Soviet Union. The Venezuelan Congress passed a resolution while I was there which asked the Latin

people to unite to rid this hemisphere of all traces of colonialism. They are talking about us and the Soviet Union.

□ 1350

What good it would do us in this Congress to see ourselves as others see us.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BOLAND. I yield the gentleman from Arkansas 1 additional minute.

Mr. ALEXANDER. We have a tendency to be inward in this country. People in the East look to Western Europe and to the Middle East, the people in the West look to the Orient, the people in the North to Canada and those of us from the South look to Latin America as our foreign interests.

Our foreign allies in Central America are alienated by President Reagan's policy and we are losing our traditional role of leadership. The Contadora countries are saying, "We cannot depend upon the United States for leadership for peace. We have to seize the initiative ourselves."

Mr. HYDE. Mr. Chairman, will the gentleman yield?

Mr. ALEXANDER. I yield to the gentleman.

Mr. HYDE. I thank the gentleman.

Will he tell me when and where the Contadora group said what he just said they said?

Mr. ALEXANDER. They said it over and over and over at Cancun.

Mr. HYDE. Where do I find that?

Mr. ALEXANDER. I will present you a resolution, I will make it part of the RECORD. I will make a part of this RECORD the resolution of the Congress of Venezuela, the Bolivarian manifesto.

(Text of "declaration of Cancun concerning peace in Central America", July 18, 1983)

In view of the worsened conflicts in Central America, the presidents of Colombia, Belisario Betancur; Mexico, Miguel de la Madrid; Panama, Ricardo de la Espriella; and Venezuela, Luis Herrera Campins, decided to meet in Cancun, Mexico, today July 17, 1983.

We analyzed the critical Central American situation and agreed on our deep concern over its quick deterioration, and the increase in violence, the progressive increase in tension, the border incidents, and the threat of a war confrontation that might become generalized. To this we must add the rash arms buildup and foreign intervention, to comprise a dramatic picture that affects the political stability of the region, which does not allow the advance and consolidation of institutions that answer to the democratic desire for liberty social justice, and economic development.

The Central American conflicts provide to the international community the alternative decidedly supporting and strengthening a political agreement, contributing with constructive solutions, or passively accepting the worsening of factors that might lead to even more dangerous armed confrontations.

The use of force as an alternative solution does not solve, but worsens the underlying tensions. Central American peace will only become a reality to the degree that the fundamental principles for coexistence between nations are respected: non-intervention, self-determination, the sovereign equality of States, cooperation for social and economic development, peaceful solution to controversies, as well as free and authentic expression of the people's will.

The creation of favorable conditions for peace in the region depends mainly on the attitude and genuine willingness to establish a dialogue by the Central American countries, who have the foremost responsibility and greatest effort in the search for agreements that assure their coexistence.

In this sense, it is necessary that the political will for understanding, already states since the early negotiations by the Contadora group, is clearly expressed again in the prosecution of peace efforts, so that they may become specific actions and pledges.

It is likewise necessary that other states with interests and links in the region contribute with their political influence to strengthen the means for an understanding and pledge themselves, without reservations, to a diplomatic option for peace.

The efforts by the contadora group have made it possible, so far, to start a dialogue with the participation of all the governments in Central America, the establishment of a mechanism for consultations, and the unanimous definition of an agenda that includes the most relevant aspects of regional problems.

These achievements, even though still insufficient, have been encouraged by support from many countries, several organizations, and the most assorted groups at international level. They all agree that the Contadora group's efforts have helped moderate the dangers and reduce the risks of a generalized confrontation. Their actions have allowed the identification of problems and causes of an scenario that today is expressed in conflicts and fear.

This generous support from the international community pledges us to persist in our endeavors and make all the necessary efforts for a cause whose noble goals more than compensate for any possible misunderstanding.

Encouraged by the broad spirit of solidarity of our countries with the brother peoples of Central America. We deem it necessary to hasten the processes that interpret the will for peace into proposals that, only developed, may efficiently contribute to the solution of these conflicts.

In this concern, we have agreed on the general guidelines of a program that will be proposed to the Central American countries, which represents strict compliance with the essential principles that underlie international relations and comprises: approval of political agreements and pledges that lead to effective control of the rash arms buildup in the region; the withdrawal of foreign advisors; the creation of demilitarized zones; a ban on the use the territory of any state to carry out political and military destabilization actions against other states; the eradication of trafficking and transfer of weapons; and a ban on other forms of aggression or interference in the internal affairs of any country in the area.

In order to render this general program effective, we need to reach agreements establishing political commitments aimed at guaranteeing regional peace. These agreements could cover:

The commitment to put an end to all existing warlike situations.

The commitment for a top-level freeze on existing offensive weapons.

The commitment for a start on talks on agreements to control and reduce the present inventory of armament, with adequate supervisory mechanisms.

The commitment to prohibit the existence of foreign military installations in their territories.

The commitment to give previous notice of troop movements near the border, whenever these contingents are in excess of the number stated in the agreement.

The commitment to carry out, as needed, joint border patrols or international supervision of borders, by observers chosen by common agreement by the interested parties.

The commitment to form joint security commissions in order to prevent, and if necessary to settle border incidents.

The commitment to establish internal control mechanisms to prevent the supplying of arms from the territory of any country in the area to another country.

The commitment to promote a climate of detente and trust in the area, avoiding declarations which might endanger the indispensable climate of political confidence required.

The commitment to coordinate systems of direct communications among the governments, in order to prevent armed conflicts and to generate an atmosphere of reciprocal political trust.

We also believe, that, simultaneously with the carrying out of this general program, the task of settling specific differences among countries should start with the signing of memoranda of understanding and the creation of mixed commissions that will allow the parties to develop joint actions and guarantee the effective control of their territories, especially along border areas.

These measures, aimed at eliminating the factors that disturb regional peace, should be accompanied by a great effort to strengthen democratic institutions and guarantee the observance of human rights.

To this end, we must perfect the methods of popular consultation, guarantee free access of the different currents of opinion to the electoral process, and promote the full participation of citizens in their country's political life.

The strengthening of democratic political institutions is closely tied to the evolution and progress made in the matter of economic development and social justice. We are therefore dealing with two dimensions of the same process, which is ultimately aimed at the achievements of man's basic values.

Within this viewpoint, economic backwardness must be curbed, because it is the root of regional instability and is the main cause of many of the area's conflicts.

The strengthening of integrational mechanisms, an increase in inter-zone trade, and use of the possibilities of industrial complementation, are among the most urgent actions needed to neutralize the effects of the world economic crisis.

Local efforts, however, must be complemented with help from the international community, especially the industrialized countries, through development credits, cooperation programs, and the access of Central American products to their markets.

The governments of the Contadora group countries reiterate their determination to continue with the cooperation programs in favor of the sub-region; and to offer their help to channel international support toward these economic reactivation programs.

Within these general guidelines, we have entrusted to our foreign ministers the drafting of specific proposals to be presented for the perusal of the Central American countries at the next foreign ministers meeting.

We call on all the members of the international community, especially those who have expressed sympathy with the efforts being carried out by the Contadora group, as well as on UN Secretary General and President of the OAS Permanent Council, to contribute their experience and diplomatic ability to help in the peaceful solution of Central American problems.

For all these reasons, we have called on all the rulers of the American continent in the quest of the solidarity that we need.

The Chiefs of State of Colombia, Mexico, Panama, and Venezuela reaffirm the aims which have united our governments in this task of building the just and lasting peace cherished by the peoples of Central America.

Dated: Cancun, Mexico, 17 July 1983.

Signed: Belisario Betancur, President of Colombia; Miguel de la Madrid, President of Mexico; Ricardo de la Espriella, President of Panama; Luis Herrera Campins, President of Venezuela.

Mr. HYDE. The Contadora group, the gentleman said.

Mr. BROOMFIELD. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Wisconsin (Mr. ROTH).

Mr. ROTH. I thank the gentleman for yielding.

Mr. Chairman, we have heard many analogies here in the last couple of days in this debate about Vietnam.

I would like to have you, if you are really concerned about that point, have you join me in opposing the Boland and Zablocki amendment. I think adoption of this amendment unamended would lead to another Vietnam. If we elect to accept covert aid rather than overt aid we are going to be setting countries like Honduras and Costa Rica, against Nicaragua. Costa Rica has no armed force right now. Honduras does not have a force that can stand up to Nicaragua's 75,000 troops. But what concerns me even more is that even if the Boland-Zablocki amendment were followed, that if we go the overt route that we are, possibly going to involve U.S. troops.

We do not have any fighting U.S. troops in Central America now. However, if we switch to covert aid then U.S. troops would likely be involved. To quote the committee:

The committee expects that much of the assistance particularly training, technical assistance or advice provided under the authority of this section, could involve the use of U.S. military personnel.

And it goes on to say that with regard to restrictions to the number of U.S. military advisers, that this restriction would have to be considered and the efficacy of this program, as set forth in Boland-Zablocki, would not be viable if we did not allow U.S. troops to be involved. Acordingly, any such restriction should be reviewed by the Committee on Foreign Affairs with this in mind. Now is this the route we want to take? Do we want to go the route of another Vietnam? I do not think so. That is why I think the President is right in this particular program. There are many analogies to a Vietnam if we chose the Boland-Zablocki alternative. But if we side with continued covert aid, i.e. the alternative that we have today I think we can eliminate that possibility.

So, for that particular reason I think it is important that we oppose the Boland-Zablocki amendment.

Mr. BOLAND. Mr. Chairman, I yield 3 minutes to the gentleman from Maryland (Mr. BARNES).

Mr. BARNES. Mr. Chairman, my colleagues in the committee. This past week the President of the United States sent a letter to the Presidents of the four so-called Contadora countries, Panama, Colombia, Mexico, and Venezuela. It is an excellent letter, a very positive letter, a positive initiative by President Reagan.

I would like to read just a couple of sentences from the President's letter which are extremely relevant to the discussion we are engaged in this afternoon.

President Reagan said to his fellow Presidents in the hemisphere:

There must be respect for the principle of nonintervention, including a ban on support for subversive elements that seek to destabilize other countries.

That is a quote, not from Mr. BOLAND, the chairman of the Intelligence Committee who has brought such a ban before the House today, but a quote from President Reagan. President Reagan goes on to say in his letter:

The Charter of the Organization of American States makes clear that it should be the purpose of the OAS to either prevent unjust acts committed by one state against another or to provide for common action on the part of members in the event of difficulties.

President Reagan said:

I believe the OAS, as this hemisphere's regional forum, is the appropriate mechanism to make sure that those who make commitments comply with them.

President Reagan did not say in his letter to the four Presidents that the appropriate mechanism is for one country to invade another in order to get them to keep their commitments. He said the appropriate mechanism is to go to the Organization of American States. That is not what the United States has done; as everybody in this room knows, as everybody in the world knows, what the United States decided to do was to unilaterally hire 10,000, 12,000 maybe in the future 20,000, 50,000, we do not know how many people, to invade Nicaragua, not to use the OAS as he said.

I would like to briefly address those who have some self-doubt about this policy. I know there are some committed solidly on both sides, but those wondering what we should do, what is the right thing to do, I ask you to act on the side of restraint.

We are financing a war. There are 10,000, 12,000 guerrillas engaged in fighting right now on behalf of the United States in Nicaragua.

It is a war. If you have any doubt as to whether or not this is the right policy, act on the side of restraint, show some caution, and you will not be acting just because a lot of left-leaning liberals have said this is the way to do it, you will be getting support in your view of restraint and caution from some of the most responsible former leaders of our Nation. I urge you to take a look at the statement put out by former Secretary of Defense Robert McNamara, three former Secretaries of State, Secretary Muskie, Secretary Rusk, Secretary Vance, and former Special Assistant to the President of the United States for National Security Affairs, McGeorge Bundy, who urged the passage of the Boland-Zablocki amendment and the amendments we have before us this afternoon.

Mr. BROOMFIELD. Mr. Chairman, I yield 2 minutes to the gentleman from New York (Mr. STRATTON).

Mr. STRATTON. Mr. Chairman, I rise in strong support of the Mica amendment and I also rise in strong opposition to the Solarz-Boland substitute.

The Mica amendment is a realistic amendment. If the Nicaraguans, as the gentleman from Georgia (Mr. FOWLER) has indicated, are really interested in negotiations, are really interested in stopping their intervention in El Salvador, the Mica amendment certainly will give them an opportunity to prove it; not just by words but by action. And if they desist, we, too, will desist.

But the Solarz-Boland-Fowler amendment is just a legalistic gimmick without any appreciation of what goes on in a real military situation.

We are asked to be the first ones to exercise unilateral restraint. Well, we had unilateral restraint in the Carter administration when we gave up the B-1, when we gave up the neutron bomb. But it did not stop that relentless military buildup by the Soviet Union. Unilateral restraint, with an endless series of bombing halts did not produce any results for us in Vietnam. Instead it increased the losses of our men because of that off-and-on procedure.

It was George Santayana who said those who are unable to profit from the mistakes of the past, are going to be condemned to repeat them.

I do hope we will not repeat those mistakes now in dealing with the Soviet and the Cuban threat that we are facing in the Caribbean. And let us make no mistake about who started

this illegal aggression in the first place. It was not the United States; it was the Soviets and their surrogates in the Caribbean: Cuba and Nicaragua.

□ 1400

Mr. BOLAND. Mr. Chairman, I yield 2 minutes to the gentleman from New York (Mr. McHUGH).

Mr. McHUGH. Mr. Chairman, in judging the pending amendments and any other amendments that may be offered later, I think it is terribly important to keep in mind the fundamental question before this House.

The fundamental question is whether the House of Representatives is prepared to terminate an activity which is illegal under U.S. law or, in the alternative, whether the House of Representatives is prepared to condone an activity which is illegal under U.S. law.

We can stipulate in this argument to a number of facts. First, that in December of last year we enacted a law, the Boland amendment, which precludes the use of U.S. funds for the purpose of overthrowing the government of Nicaragua.

Second, we can stipulate that U.S. funds are now being used to support counterrevolutionary activities in Nicaragua.

The administration and some others in the House have argued that the activities of the counterrevolutionaries are not for the purpose of overthrowing the Government, but rather for the purpose of interdicting arms going into El Salvador or perhaps for the purpose of putting some pressure on the Nicaraguan Government. On this basis, they then conclude that the administration is doing nothing illegal.

The facts are clearly to the contrary. The facts establish that the purpose of the counterrevolutionary activities is to overthrow the Sandinista government. The counterrevolutionaries say so themselves and commonsense dictates the same conclusion. For the most part the counterrevolutionaries are former Somozistas; some are Miskito Indians. Their grievance is against the Sandinista government. They are not risking their lives to stop a flow of arms into El Salvador or to put a bit of pressure on the Sandinistas. They are risking their lives, as they themselves admit, to secure a fundamental change in Nicaragua, to secure political power.

Accordingly, Mr. Chairman, I believe that if we are serious about the rule of law, if we are concerned that this administration act within the law, we have no alternative but to vote for the resolution before us and to reject any amendments which would condone the illegal activity which the Reagan administration is now engaged in.

For these reasons, Mr. Chairman, I urge my colleagues to support the Boland and the Barnes amendments both of which would stop the illegal activity. The Mica amendment and the Young amendment should be rejected on the ground that they would permit the illegal activity to continue.

Mr. BROOMFIELD. Mr. Chairman, I yield 2 minutes to the gentleman from Arizona (Mr. RUDD).

Mr. RUDD. Mr. Chairman, I rise because I am distressed by what I think is a wrong picture or message being conveyed to our fellow citizens.

I have heard words that add up to the theme that a powerful United States of America is attacking a defenseless Nicaragua, in fact, waging war against Nicaragua, and that is a wrong impression. It is not true.

The other wrong impression conveyed by those words is that we as Americans are ashamed that the United States of America is powerful, that perhaps we might wish to see it reduced to impotence so that we could experience the misery of slavery under the Soviet Union from Moscow through Havana, Cuba, through Managua, Nicaragua. America doesn't want this.

The other point that I would like to make is that the Contadora group is being mentioned frequently here and I will tell my colleagues that the citizens of El Salvador and that the Government of El Salvador do not wish for the Contadora group's decisions to be imposed upon them, a decision for unilaterial withdrawal of U.S. aid from Honduras and El Salvador. A decision which would permit that we can give them sympathy, but no aid. El Salvador and Honduras do need our aid. Not troops, not men and arms, but aid. Aid that they survive. Aid that we survive. Aid that America may survive.

Mr. BOLAND. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from New York (Mr. WEISS).

Mr. WEISS. Mr. Chairman, if Ronald Reagan is listening I would expect that he would turn to his staff and say, "That Boland amendment sounds pretty good to me."

And I am surprised that Members on the minority side of the aisle have not caught the drift of the Boland amendment. What in essence Boland, as explained by my dear friend from New York, does is to go against, to undercut, the original Zablocki-Boland amendment which said that covert activities are illegal; instead it says that covert activities will be illegal for 30 days. But if Ronald Reagan comes along and gives us a report which spells out why covert aid ought to be continued and if the two Houses, which in that kind of situation would be expected to go along with him, then all of a sudden this illegal covert action which we say, in Boland-Zablocki itself in the absence of a state of declared war is in fact in violation of the Charter of the United Nations, the Charter of the OAS, the Rio Treaty, it becomes transformed into something legal.

I would hope that we would not be adopting another Gulf of Tonkin resolution. I urge that we vote down the Boland-Solarz amendment, that we vote down the Mica amendment, that we adopt the Barnes amendment and adopt Boland-Zablocki as it came out of the Intelligence and Foreign Affairs Committees.

I can assure my colleagues that many of us who voted for Boland-Zablocki in the form in which it came out of committee would not have voted for it if it incorporated Boland-Solarz as it will if this is adopted.

I think that this is indeed an historical time. The then Members of Congress when they voted for the Gulf of Tonkin resolution had no idea of the repercussions of what they were doing. We have no idea either, but I am forewarning the Members that in fact we are sending a message that covert action is OK so long as Ronald Reagan and the Congress say it is OK. I think it would be a terrible mistake.

Mr. BROOMFIELD. Mr. Chairman, I yield 2 minutes to the gentleman from Washington (Mr. CHANDLER).

Mr. CHANDLER. Mr. Chairman, the historic secret debate on the question of covert aid to rebels in Nicaragua last week, raised a number of questions in my mind about our policy in Central America.

One question was, Do we have a right to interfere in the internal affairs of another country? Are we guilty of doing in Nicaragua what we accuse the Nicaraguans, the Cubans, and the Soviets of doing in El Salvador?

And then I had to ask myself, after I had heard that debate, what is the aim of our current policy? What is it we are trying to accomplish? Are we trying to interdict the flow of arms into El Salvador? Are we trying to overthrow the government in Managua?

If those are indeed our aims, it became clear in that debate that neither is succeeding. And if we were, in fact, successful in overthrowing the Nicaraguan Government, I became convinced that we would not bring peace to the region, and in fact what we are doing may well be creating more, rather than less, popular support for the Sandinistas.

But it is not just that simple, it is not just our policy that is at play here. We know that the Sandinistas in Nicaragua are creating a haven for the guerrillas operating in El Salvador. We know that it is a conduit for Cuban and Soviet support for the revolution that is going on there. For that reason, it is clearly too extreme to cut off the aid as would be the case with the Boland-Zablocki amendment.

I stand here today to support the Mica amendment, as my good friend and colleague, the gentleman from

California (Mr. ZSCHAU) described it earlier, as a midground, an acceptable way to find our way to a new policy, one that will answer the kinds of questions that I have raised here satisfactorily.

I urge my colleagues to pursue a middle course. Do not put blinders on to the reality of Nicaraguan, Cuban, and Soviet interference in the internal affairs of Central American countries. At the same time, let us not kid ourselves that U.S. armed surrogates will ever bring about peace in that troubled region. Let us provide the Nicaraguans an incentive to act and act now for peace in Central America.

Mr. BOLAND. Mr. Chairman, I yield 3 minutes to the gentleman from New York (Mr. SOLARZ).

Mr. SOLARZ. Mr. Chairman, I would like to concentrate on the difference between the Mica substitute and the Boland amendment.

The fundamental difference is that under the Mica substitute our paramilitary operations against Nicaragua would continue unless and until the Nicaraguans cease their efforts to destabilize El Salvador or other countries in Central America.

Under the terms of the Boland amendment to the Mica substitute, however, the original prohibitions contained in the Zablocki-Boland legislation would remain intact. Our paramilitary operations against Nicaragua would be terminated and they could only be resumed if the President submitted a report to the Congress that the Nicaraguans were continuing their efforts to destabilize the region and if the Congress of the United States adopted a joint resolution providing for the resumption of that paramilitary assistance to groups acting against Nicaragua.

□ 1410

I say to my good friend from New York (Mr. WEISS) that the very last thing the Boland amendment to the MICA substitute is, is another Gulf of Tonkin resolution. If the Boland amendment is adopted, our paramilitary assistance against Nicaragua is terminated. Of course, if the Congress subsequently adopted a joint resolution approving the resumption of paramilitary assistance, it would be resumed. But the answer to that is, even without the Boland amendment to the Mica substitute, if the Boland-Zablocki bill, as originally reported out of committee, was adopted and we flatly terminated our paramilitary operations against Nicaragua, the Congress would be free the very next day to adopt legislation providing for a resumption of aid.

So this is no Gulf of Tonkin resolution. This is a way to bring to an end our operations against Nicaragua but to give the Congress the right to decide what to do in the future.

Mr. BROOMFIELD. Mr. Chairman, I yield 5 minutes to the gentleman from Florida (Mr. YOUNG).

Mr. YOUNG of Florida. Mr. Chairman, those of us in the House today are going to make a very major decision and one that, if it goes through the entire legislative process and becomes a part of our law, is going to be with us and with our friends in Central America for a long, long time.

If the Castro-Sandinista movement that is underway in Central America is allowed to continue, and if Central America comes under this Castro-Sandinista jurisdiction, influence and control, we have serious problems, and years from now we are going to be sitting around wishing that we had done something different. Much as we do today, wishing we had done something different when Fidel Castro was just a blip on the TV screen many years ago.

The Sandinistas in connection with their Castro friends are Marxists, they are Leninists, they are Communists. And this is their revolution. And make no mistake about it. In fact, they have said that to some of us very personally, that that is the type of revolution they have and that it goes beyond any borders. It is not limited to their own country.

They have direct association with the PLO, they are receiving considerable support from Libya, they have supported terrorist-type raids into friendly Honduras, their neighbor. We know exactly what they are doing in El Salvador in supporting that insurgency. The headquarters, the command and control headquarters for the Salvadoran insurgency, make no mistake about it, it in Nicaragua. The Sandinistas know about it and they know where it is.

The Sandinistas have practiced a policy of near genocide to the Miskito Indians, who are Nicaraguans. Their treatment of the Jewish community cannot be excused. Those few Jews who were able to stay in Nicaragua have been expelled. Others who were expelled have had their property confiscated. They have been thrown out of the country with nothing.

Many of the original Sandinista leaders who were involved in the original revolution are no longer part of the junta. They have either left or they have been thrown out by the Marxist group of the junta. In fact, many of those original Sandinista leaders are now the leaders of the activity against the Sandinistas in Nicaragua because they reneged on the promises of freedom, of free elections, of free speech, of free press, of free religion, and so on and so forth.

H.R. 2760 allows the Sandinistas to roam freely because it stops any covert activity that we might be involved with in Nicaragua.

The amendment offered by the gentleman from Florida (Mr. YOUNG) and the substitute to that amendment offered by the gentleman from Florida (Mr. MICA) are good amendments, and I strongly support either or both, because they make us all play by the same rules. They suggest that whatever rules are going to apply to us by this Congress should also apply to the Sandinista. And what is wrong with all of the players playing by the same rules?

The amendment offered by my friend, the gentleman from Maryland (Mr. BARNES), takes the heart out of the Young amendment. It no longer makes it a mutual rule. What it does, in very nice language, it says that the Sandinistas ought to be good, but it does nothing to make them be good. It does nothing to support any effort or any of our friends in the region to help convince the Sandinistas that we ought to talk about our problems and we ought to solve them.

My friends, we are going to make that major decision today, and I really think if you search your heart and if you search your soul and if you search your conscience, you are going to find it difficult to vote for the Barnes amendment to gut the Young amendment. I think you can conscientiously vote for the Mica substitute or you can conscientiously vote for the original Young amendment because all it does is establish fair play, establish that we are going to abide by the same rules. And I see nothing wrong with that. I do not want a communistic or a Marxist or a Leninist Central America under the control of Fidel Castro today and turned over to Ortega or Ramirez, or someone like that, tomorrow when Castro eventually fades away from the picture.

Mr. PRITCHARD. Mr. Chairman, will the gentleman yield?

Mr. YOUNG of Florida. I yield to the gentleman from Washington.

Mr. PRITCHARD. I thank the gentleman for yielding.

Mr. Chairman, I am one on this side of the aisle who has some serious problems about the covert approach in Central America. I have looked carefully at the different amendments that have been brought up, and I do not dispute the meaning or the effort of the Boland-Solarz approach on this, attempting to get some kind of middle ground here, but I just do not think it is practical. I think the Mica approach does give us middle ground and is effective, and I hope we follow it.

The CHAIRMAN. The Chair will state that the gentleman from Massachusetts (Mr. BOLAND) has 10 minutes remaining, and the gentleman from Michigan (Mr. BROOMFIELD) has 7 minutes remaining.

Mr. BOLAND. Mr. Chairman, I yield 30 seconds to the gentleman from Florida (Mr. MICA).

Mr. MICA. Mr. Chairman, I would just like to conclude with my 30 seconds by saying that I would like to see the Barnes amendment defeated, the Solarz-Boland amendment defeated, the Mica amendment approved, and the Wright amendment after that approved. I recognize none of these people support my amendment. But that is what this author of this legislation would like to see done. I would appreciate your support on the Mica amendment.

Mr. BROOMFIELD. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Georgia (Mr. GINGRICH).

Mr. GINGRICH. I thank the gentleman for yielding.

Mr. Chairman, since we are going to be voting first on the Barnes amendment, I think it useful to focus on the Barnes amendment, because the Barnes amendment really poses the fundamental question of U.S. foreign policy in the 1980's. It poses that question squarely between radicals who favor unilateral disarmament and the rest of us.

We have heard a lot of rhetoric, but let us look at the words, the precise words, of this amendment. It says that we would substitute a negotiated agreement involving Nicaragua where they had to agree to quit trying to fight and destroy their neighbors, it would substitute for it the sense of Congress that the Government of Nicaragua should enter into an agreement.

Now, let me suggest that the gentleman from Washington (Mr. PRITCHARD) was exactly right in focusing on practicality. If we are serious about bringing peace to Central America, if we are serious about stopping the Soviet KGB, the Cuban Communists and their Nicaraguan allies from subverting a neighbor, then we have to stop this effort in the Barnes amendment for preemptive self-disarmament by the United States. We have to stop this effort in the Barnes amendment for self-imposed impotence which would strip our diplomats of any effect.

Can you imagine negotiating and saying, "By the way, it is the sense of Congress that you should quit doing what 9,000 Soviet advisers are encouraging"?

Imagine that today, tonight, in Castro's Cuba, in Nicaragua, in Moscow, that the people who have planned the guerrilla war in El Salvador sit and watch C-span and they watch today's results. If those Cuban Communists and Soviet advisers see this Congress tie up the United States in impotence, if they see us unilaterally disarm—and the Barnes amendment is in effect a vote to unilaterally disarm—then they will say to the Nicaraguan dictatorship, "Go full-steam ahead, the United States is helpless, the Congress has once again gutted the American Nation's ability to do anything."

□ 1420

But if we vote "no" on Barnes, if we defeat Barnes, then we send a signal to every Communist agent, we send a signal to every Nicaraguan dictator. We say clearly, "You have to negotiate. You have to come to the table. You have to deal with the American Nation, which is capable of moving decisively, and which is capable of protecting its friends and neighbors."

Franklin Delano Roosevelt created the Good Neighbor Policy. He did not say. "Why do we not send a message to Adolph Hitler and tell him it is the sense of Congress." We did not say, "Let us react to Pearl Harbor by sending a note saying it is the sense of Congress."

This is a clear, decisive step on the radical part of this Congress to say, "Let us unilaterally disarm."

Mr. BOLAND. Mr. Chairman, I yield 2 minutes to the gentleman from Michigan (Mr. BONIOR).

Mr. BONIOR of Michigan. I thank the gentleman for yielding me this time.

Mr. Chairman, the central question that we face here today is whether or not this country is a country of laws or is not a country of laws.

Since coming into office, from the very early days, this administration has failed to adhere to international obligations and to domestic statutes. I refer specifically to the early days of the administration when they blindly turned their heads to the activities that were going on in camps in Florida and California, camps that were supporting the revolutions that we are now having to debate on this floor.

I testified before Mr. BARNES' committee early in 1981, after having visited these areas, and it was clear to me then and it is clear to me now that this administration failed to take into account the laws of this country prohibiting any support for expeditions against foreign nations, a clear violation of U.S. law, prohibiting conspiracy to injure the property of a foreign nation, prohibiting the export of war materials and, of course, violating our own Neutrality Act, which is clearly as old as the Nation itself.

That was the first phase. The second phase was in this Congress during the last lame duck session when we unanimously adopted in this body the Boland amendment.

Now we are at a third stage, whether we will continue to ignore the laws of this country and the international laws under which we have hopefully and will hopefully operate under in the coming years.

I urge you to vote for the Boland amendment. I urge you to reject those amendments which seek to move us away from law.

Mr. BROOMFIELD. Mr. Chairman, may I inquire of the chairman of the Intelligence Committee how many speakers he has left? We have just one.

Mr. BOLAND. We have one speaker left.

Mr. BROOMFIELD. Mr. Speaker, I yield the balance of my time to the gentleman from Illinois (Mr. HYDE).

Mr. HUNTER. Mr. Chairman, will the gentleman yield?

Mr. HYDE. I yield to the gentleman from California.

Mr. HUNTER. I thank the gentleman for yielding.

Mr. Chairman, I would like to simply say that several colleagues have argued to the effect that somehow the Contadoras are going to restrain the Nicaraguans. I think it is important for us to realize that the Contadora group is scared stiff at this point. They are going to be able to enforce no restraint on the part of the radical leaders of Nicaragua. They are in essentially the same position that Saudi Arabia is in in the Middle East. Saudi Arabia is not going to restrain the PLO because they are intimidated by the PLO. That is why they pay them money. That is why they pay them lipservice.

That is the reason the Contadora group has said nothing about Fidel Castro's excursions in Africa or any of the other aggressive actions that he has taken, and that is the reason they are not going to do anything effective that would, in fact restrain the Nicaraguans.

I think we have to realize there is one nation in this Hemisphere that can prevent a Marxist takeover in Central America. That nation is the United States.

Mr. HYDE. I thank the gentleman for his contribution.

Very briefly, we are confronted with a Barnes amendment, with a Solarz-Boland amendment, with a Mica amendment, and then a Young amendment.

The Barnes amendment is paper chase. It is no solution. It is more paralysis. It is words, words, designed to bring the Sandinistas to their knees. It informs them in no uncertain terms that it is the sense of Congress that they should reach an agreement with their neighbors to be decent members of the human family down there. It will be about as effective as a butterfly's hiccup.

The Solarz-Boland puts the cart before the horse. The Solarz-Boland says, based on a phantasy, that we are going to stop covert aid and that will induce, if not seduce, the Sandinistas to stop exporting revolution to their neighbors. But if they do not, and if we find out, we may be back if we can get a joint resolution through Congress some year.

Then we move to the Mica amendment, which is a compromise, which involves the Organization of American States in a very important function. Mica says, "We will stop when you stop." That is all. It makes some sense.

One other thing that I would like to say, I listened to Mr. ALEXANDER, a gentleman whom I admire and whose knowledge of Central America is unequaled, and he said "Let the Latins solve their own problems." Well, Cuba is a Latin power, and I would just as soon they did not have too much influence in settling the problems of Central America.

I have said before, and I say again, Cuba is the largest country in the world. Their administration is in Havana, their government is in Moscow, their army is in Africa, and their population is in Miami.

Support Mica.

Mr. BOLAND. Mr. Chairman, I yield myself such time as I may consume, and then I will yield some time to the majority leader.

The pending vote at 2:30 or a little thereafter will be on the Barnes amendment. That preserves a cutoff, of course, of the secret war, and the Young amendment does. Like the Young amendment, the Barnes amendment puts the Congress on record as opposing Nicaraguan support for the Salvadoran insurgency, and all of us agree to that.

Like the Young amendment, it emphasizes that the solution to the conflict in Central America is a negotiated solution based on the principles of the San Jose Conference and Nicaragua's pledges to the OAS in July 1979, and we all agree to that.

Mr. Chairman, I yield the remainder of my time to the distinguished majority leader, the gentleman from Texas (Mr. WRIGHT).

Mr. WRIGHT. Mr. Chairman, first I want to congratulate all those who have taken part in this debate, and particularly those who have taken part in the very arduous effort that has been underway to strike some semblance of a reasonable compromise.

I want to congratulate Mr. MICA, Mr. BOLAND, Mr. SOLARZ, Mr. YOUNG, Mr. BARNES, Mr. FASCELL, Mr. BROOMFIELD, Mr. MCCURDY, and all those with whom I have worked for several weeks in that yet unavailing effort to find a magic formula that will be satisfactory to everybody. I think everyone involved has acted in good faith. I think Mr. YOUNG acted in good faith. I think Mr. MICA has acted in good faith, and Mr. BARNES and Mr. SOLARZ, all of those who have participated in this search.

The difficulty is that while we all agree on certain things, we come to one unbridgeable gulf. I believe all of us who participated in this agree that what the Sandinistas are doing in attempting to subvert the government of their neighboring country is fundamentally wrong. It is a violation of the Organization of American States charter, and it is a violation of the common rules of decency among humankind. All of us want to see that come to an end.

On the other hand, I think all of us who have been involved in this are more than just a little bit nervous and apprehensive and uneasy, and frankly a bit embarrassed that our country is pretending it is not doing something when in reality we know that it is. I do not think any of us wants to engage in subterfuge or a deception, and I think all of us know that there has been some deception in this matter.

All of us want to put an end to this covert financing of an invasion of Nicaragua, and we recognize that its purpose really is to overthrow the Government of Nicaragua contrary to the provision of law approved unanimously by the House last December. Certainly that has been the purpose of those who have been the recipients of our aid. Those whom we have recruited, trained, financed, equipped, and sent into that country state unequivocally that their purpose is to overthrow the government of that country. For us to say that it is otherwise really is to evade the fact and to render ourselves subject to the censure of our friends and colleagues throughout the hemisphere who see our denial of that purpose lacking in credibility.

We want to put a stop to that U.S.-financed military intervention, and we want to put a stop to what the Sandinistas are doing. But the question always comes down to this: Who goes first? That is really what we have to resolve in these amendments: Who goes first?

Is that not the fundamental flaw in human character that has always led to war? Is that not the fundamental question that always stands in the way of peace? Every page of history is stained with the blood of common people who have died while national leaders on both sides insist that the other one go first.

Yesterday Armenians bombed and killed people in a Turkish Embassy because of sins that were committed by the Turks against Armenians before most of us were born. Who goes first in seeking peace?

□ 1430

We are not able to get the Palestinian Arabs and the Israelis to sit down and talk together because each says the other must go first in recognizing the legitimacy of the other, and we have not been able to get them both simultaneously to sit down and do it.

Who goes first? In the meantime, men go on dying, and infants crying at mothers' breasts, and blood comes instead of milk because the statesmen of the world are insisting that "no, you go first, and then we will follow suit."

What the Nicaraguans are doing is a violation of the OAS Charter, and what we are doing is a violation of the OAS Charter, let there be no doubt about it. We are signatories to article 18 of the charter that says that no state has a right to intervene, directly or indirectly, for any reason whatsoever, in the internal or external affairs of any other state.

We are in violation of the President's own suggestions in a letter he released only the night before last over his signature to the Presidents of the four countries which make up the Contadora group.

Ronald Reagan, in writing to those Presidents, said:

> Second, there must be respect for the principle of nonintervention, including a ban on support for subversive elements that seek to destabilize other countries.

How else, I ask my colleagues, could we honestly describe what we are financing at this moment?

So let us wash our hands clean, come into the court with clean hands, expunged of our own sin, and then say to the court, "require the same compliance from Nicaragua." That, it seems to me, is the rightful order of events.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maryland (Mr. BARNES) to the amendment offered by the gentleman from Florida (Mr. YOUNG).

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. BROOMFIELD. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 213, noes 214, not voting 7, as follows:

[Roll No. 279]

AYES—213

Ackerman	Brown (CA)	Edwards (CA)
Addabbo	Bryant	Evans (IL)
Akaka	Burton (CA)	Fazio
Albosta	Carper	Feighan
Alexander	Carr	Ferraro
Anderson	Clarke	Flippo
Andrews (NC)	Clay	Florio
Annunzio	Coelho	Foglietta
Anthony	Coleman (TX)	Ford (MI)
Applegate	Collins	Ford (TN)
Aspin	Conte	Fowler
AuCoin	Conyers	Frank
Barnes	Cooper	Frost
Bates	Coyne	Garcia
Bedell	Crockett	Gejdenson
Beilenson	D'Amours	Gephardt
Bennett	Daschle	Gibbons
Berman	Dellums	Glickman
Bevill	Derrick	Gonzalez
Biaggi	Dicks	Gore
Boggs	Dingell	Gray
Boland	Donnelly	Green
Boner	Dorgan	Guarini
Bonior	Downey	Hall (IN)
Bonker	Durbin	Hall (OH)
Borski	Dwyer	Hamilton
Bosco	Dymally	Harkin
Boucher	Early	Harrison
Boxer	Eckart	Hawkins
Britt	Edgar	Hertel

Howard	Mollohan	Seiberling
Hoyer	Moody	Shannon
Jacobs	Morrison (CT)	Sharp
Jones (OK)	Mrazek	Sikorski
Kaptur	Murphy	Simon
Kastenmeier	Natcher	Slattery
Kennelly	Neal	Smith (FL)
Kildee	Nowak	Smith (IA)
Kogovsek	O'Neill	Solarz
Kolter	Oakar	Spratt
Kostmayer	Oberstar	St Germain
LaFalce	Obey	Staggers
Lantos	Olin	Stark
Leach	Ottinger	Stokes
Lehman (CA)	Owens	Studds
Lehman (FL)	Panetta	Swift
Leland	Patterson	Synar
Levin	Pease	Torres
Levine	Penny	Torricelli
Levitas	Pepper	Towns
Long (LA)	Perkins	Traxler
Long (MD)	Pickle	Udall
Lowry (WA)	Price	Vento
Luken	Rahall	Volkmer
Lundine	Rangel	Walgren
Markey	Ratchford	Watkins
Martin (IL)	Reid	Waxman
Martinez	Richardson	Weaver
Matsui	Rodino	Weiss
Mavroules	Roe	Wheat
McCloskey	Rose	Whitten
McCurdy	Rostenkowski	Williams (MT)
McHugh	Roukema	Wirth
McKinney	Roybal	Wise
McNulty	Russo	Wolpe
Mikulski	Sabo	Wright
Miller (CA)	Savage	Wyden
Mineta	Scheuer	Yates
Minish	Schneider	Yatron
Mitchell	Schroeder	Young (MO)
Moakley	Schumer	Zablocki

NOES—214

Andrews (TX)	Fields	Livingston
Archer	Fish	Lloyd
Badham	Franklin	Loeffler
Barnard	Frenzel	Lott
Bartlett	Fuqua	Lowery (CA)
Bateman	Gaydos	Lujan
Bereuter	Gekas	Lungren
Bethune	Gilman	Mack
Bilirakis	Gingrich	MacKay
Bliley	Goodling	Madigan
Boehlert	Gradison	Marlenee
Breaux	Gramm	Marriott
Brooks	Gregg	Martin (NC)
Broomfield	Gunderson	Martin (NY)
Brown (CO)	Hall, Ralph	Mazzoli
Broyhill	Hall, Sam	McCain
Burton (IN)	Hammerschmidt	McCandless
Byron	Hance	McCollum
Campbell	Hansen (ID)	McDade
Carney	Hansen (UT)	McDonald
Chandler	Hartnett	McEwen
Chappell	Hatcher	McGrath
Cheney	Hefner	McKernan
Clinger	Hightower	Mica
Coats	Hiler	Michel
Coleman (MO)	Hillis	Miller (OH)
Conable	Holt	Molinari
Corcoran	Hopkins	Montgomery
Coughlin	Horton	Moore
Courter	Hubbard	Moorhead
Craig	Huckaby	Morrison (WA)
Crane, Daniel	Hughes	Murtha
Crane, Philip	Hunter	Myers
Daniel	Hutto	Nelson
Dannemeyer	Hyde	Nichols
Daub	Ireland	Nielson
Davis	Jeffords	O'Brien
de la Garza	Jenkins	Ortiz
DeWine	Johnson	Oxley
Dickinson	Jones (NC)	Packard
Dreier	Kasich	Parris
Duncan	Kazen	Pashayan
Dyson	Kemp	Patman
Edwards (AL)	Kindness	Paul
Edwards (OK)	Kramer	Petri
Emerson	Lagomarsino	Porter
English	Latta	Pritchard
Erdreich	Leath	Pursell
Erlenborn	Lent	Quillen
Evans (IA)	Lewis (CA)	Ray
Fascell	Lewis (FL)	Regula
Fiedler	Lipinski	Ridge
Rinaldo	Skelton	Valentine
Ritter	Smith (NE)	Vander Jagt
Roberts	Smith (NJ)	Vandergriff
Robinson	Smith, Denny	Vucanovich
Roemer	Smith, Robert	Walker
Rogers	Snowe	Weber
Roth	Snyder	Whitehurst
Rowland	Solomon	Whitley
Rudd	Spence	Whittaker
Sawyer	Stangeland	Williams (OH)
Schaefer	Stenholm	Wilson
Schulze	Stratton	Winn
Sensenbrenner	Stump	Wolf
Shaw	Sundquist	Wortley
Shelby	Tallon	Wylie
Shumway	Tauke	Young (AK)
Shuster	Tauzin	Young (FL)
Siljander	Taylor	Zschau
Sisisky	Thomas (CA)	
Skeen	Thomas (GA)	

NOT VOTING—7

Chappie	Foley	Jones (TN)
Dixon	Forsythe	
Dowdy	Heftel	

□ 1440

The Clerk announced the following pair:

On this vote:

Mr. Dixon for, with Mr. Chappie against.

Messrs. McKAY, VANDER JAGT, CARNEY, JENKINS, and BOEHLERT changed their votes from "aye" to "no."

Messrs. BIAGGI, MOLLOHAN, and ANNUNZIO changed their votes from "no" to "aye."

So the amendment to the amendment was rejected.

The result of the vote was announced as above recorded.

□ 1450

AMENDMENT OFFERED BY MR. BROOMFIELD TO THE AMENDMENT OFFERED BY MR. YOUNG OF FLORIDA

Mr. BROOMFIELD. Mr. Chairman, I offer an amendment to the amendment.

PARLIAMENTARY INQUIRY

Mr. MICA. Mr. Chairman, I have a parliamentary inquiry.

Mr. CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. MICA. Mr. Chairman, I would like a clarification on the procedure from this point.

It is my understanding that we can take one amendment, then take the Solarz-Boland, and then the Mica amendment. Is that correct?

The CHAIRMAN. The Chair would like to advise the gentleman from Florida that further amendments to the Young amendment are in order one at a time and are debatable.

The Clerk read as follows:

Amendment offered by Mr. BROOMFIELD to the amendment offered by Mr. YOUNG of Florida: After the last line of the text of the proposed amendment insert the following new section 3:

"SEC. 3. The President shall commission a study to assess the potential consequences of a failure to halt Cuban and Nicaraguan directed revolution and subversion in Central America. Such study shall include but not be limited to the issues of refugee patterns and U.S. dollar outlays which may be necessary.".

Mr. BROOMFIELD. Mr. Chairman, this is a noncontroversial amendment.

Mr. COLEMAN of Missouri. Mr. Chairman, will the gentleman yield?

Mr. BROOMFIELD. I would like at this time to yield to the gentleman from Missouri (Mr. COLEMAN).

Mr. COLEMAN of Missouri. Mr. Chairman, this may be characterized as a noncontroversial amendment, but I am going to take some time, since we have 12 hours of debate, to talk about it.

We have not talked about the problems of refugees coming into the United States from Central America and it is an important topic on all of these amendments that we have before us.

We have talked about national security and security issues but I want to focus for just a minute on the social-economic issues.

□ 1500

Mr. Chairman, if Communist governments indeed come to power in Central America, we can expect to see a massive influx of refugees into the United States. If the historical experience bears this out certainly the cost in both dollars and social and economic terms would be tremendous.

In my few moments, I would like to tell a little bit of what I see the social and economic consequences to be.

Mr. BROOMFIELD. Mr. Chairman, I am finding it almost impossible to hear the gentleman. I am just a few feet away from him.

The CHAIRMAN. The gentleman's point of order is well taken. We will not proceed until we have better order.

The gentleman may proceed.

Mr. COLEMAN of Missouri. If one looks at recent refugee trends it is clear that the United States is almost invariably the preferred destination.

Furthermore, it appears that a general rule of thumb can be established regarding the percentage of a nation's population which, in the final analysis, ends up in the United States.

For example, since Cuba fell to the Communist revolutionaries over a million Cubans have come to the United States. This represents over 10 percent of the Cuban population.

If one wanted to use this as a baseline you could say 10 percent, but even if you use a conservative baseline of 8 percent it would seem a normal refugee pattern.

Because of the varying proximity of the Central American countries to the United States——

Mr. MARTIN of North Carolina. Mr. Chairman, it sounds as noisy as if there are already about 8 million refugees in this Chamber. If we could have it quiet down a little bit we might be able to hear the gentleman.

The CHAIRMAN. The Committee will be in order.

The gentleman may proceed.

Mr. COLEMAN of Missouri. If you took——

Mr. DELLUMS. Mr. Chairman, would the gentleman yield to me briefly?

Mr. COLEMAN of Missouri. Listen, I have not even had a chance to open my mouth on this amendment. We have 12 hours of debate. I am offering a little amendment.

Mr. DELLUMS. If the gentleman would not yield, I would appreciate the gentleman telling me whether he will yield or not.

The gentleman said there were 8,000 refugees here. I want to know is that a racist statement?

The CHAIRMAN. The gentleman from Michigan has the time.

Mr. MARTIN of North Carolina. He could not hear this gentleman. I said there are 8 million. There is too much noise.

Mr. DELLUMS. I wanted to ask a question: Will the gentleman yield briefly?

Mr. COLEMAN of Missouri. Give me 5 additional minutes.

Mr. DELLUMS. I ask unanimous consent the gentleman may have 6 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. COLEMAN of Missouri. Mr. Chairman, I yield for a minute.

Mr. DELLUMS. I am certainly not trying to harass the gentleman. I was sitting here trying to hear my colleague. What I asked the gentleman to yield for was my distinguished colleague on the other side of the aisle made the statement that it sounded as if there were 8,000 refugees in this room. There are black refugees, brown refugees, yellow refugees, and white refugees.

Is the gentleman suggesting that refugees by definition are rowdy human beings? And if that is the statement of the gentleman, I hope he will withdraw it.

Mr. MARTIN of North Carolina. I will not withdraw the statement that I actually stated. I did not refer to the race of any refugees, which as the gentleman from California himself acknowledged, is a desperate condition affecting all races.

If the gentleman will yield, I would be pleased to correct the gentleman. He could not hear what I was saying because it was so noisy. What I said was it sounds as noisy as if there are 8,000,000 refugees here, million. I said 8,000,000 refugees, not 8,000.

Mr. DELLUMS. That makes the point even worse. I thank my colleague.

Mr. COLEMAN of Missouri. If you take a conservative estimate of just 8 percent as the normal refugee pattern from these countries and apply it to the populations of Central America, and if you took just the Central American countries it is a potential of 2.3 million refugees. If you take into consideration the population of Mexico, a country which many analysts see as vulnerable to leftist insurgency then the numbers are even more imposing and astronomical.

In the case of Mexico, the figures may be very conservative because as you know, people are already crossing the Mexico-Texas land bridge today.

How many of them would pass through if they were fleeing communist persecution? Our present experience indicates that the Rio Grande River is hardly an imposing obstacle to determined people attempting to get into the United States. Thus, if you take a look at the figures, a number of disturbing possibilities emerge. For example, if one looks at just the country of El Salvador, with a population of 4.7 million people, if that government were to totally fall to the leftist government patterned on the Cuban model which we see developing, you could probably have 300,000 to 400,000 Salvadorans immediately trying to gain access and entry into the United States.

If you proceed one step further and look at the consequences of the region as a whole including Mexico, with a combined population of 90 million people, then the total figure becomes staggering, perhaps as high as 7 to 9 million refugees.

If you want to put this into perspective you are talking about the combined populations of 10 States in the United States. The number of refugees could potentially equal the population of Alaska, Wyoming, Vermont, Delaware, North Dakota, South Dakota, Montana, Nevada, New Hampshire and Idaho and if you take the less conservative figure you could add the States of Rhode Island and Hawaii's population in there to total 9 million people trying to gain access to the United States.

Mr. SKELTON. Will the gentleman yield.

Mr. COLEMAN of Missouri. How would we cope financially? Let me finish and I will yield to my friend.

How will our Nation cope financially with supporting 7 to 9 million potential refugees? What would the cost be? The State Department says that the average cost to support an individual refugee is $3,500 to $4,500. Some of them get on their feet financially, others do not. But the average is $3,500 to $4,500. This includes living, eating, and medical expenses and it includes revenues from State as well as Federal sources.

The possible costs are astronomical and if you take the figures of $3,500, a conservative figure, per refugee and multiply it times the conservative 8 percent normal refugee pattern, you would have a refugee price tag for the American taxpayer if the country of El Salvador fell could total a $1 billion expenditure.

And if one uses the higher estimates of 10 percent normal refugee pattern, and a $4,500 per refugee then you are talking about a potential $40 billion expenditure for all of these refugees coming into the country. The point of all this is, and I will yield when I am through here, the point of it is there are a lot of questions left unanswered, a lot of consideration we have not given to the refugee problem. And I think it goes to the heart of many of the amendments we have pending.

The Boland-Solarz amendment would encourage refugees fleeing this area. Now the only sensible amendment that would, I think, recognize the refugee issue are the various symmetry amendments, Mr. MICA and Mr. YOUNG's amendments, because they say we will not cut off this aid unless they cut off their aid and we are not going to see this massive migration pattern develop. But we need to ask ourselves as we debate the issues of Central America, are the taxpayers of the United States willing to spend $25 to $40 billion to support 7 to 9 million refugees that would be fleeing into our country? That is a question we have to concentrate on and the consequences of that have never really been discussed.

Who is to pay the bill? Can we cope with such a large influx of refugees?

I think these are issues that are serious and need to be debated and discussed as we talk about the entire Central American area.

This is not an amendment or suggestion that refugees are good or bad people or what part of the country they come from, or the color of their skin; the question is 7 to 9 million people coming into the United States as a consequence of our action or inaction dealing with this particular bill here on the floor of the House.

□ 1510

Mr. LAGOMARSINO. Mr. Chairman, will the gentleman yield?

Mr. BROOMFIELD. I yield to the gentleman from California.

Mr. LAGOMARSINO. Mr. Chairman, I thank the gentleman for yielding.

I want to commend the gentleman in the well for offering this amendment. This is one of the critical issues that we should all be considering very carefully, because if Communist governments do take over in Central America, there undoubtedly will be a great flood of refugees. There is absolutely no question about it.

When we consider that we have over 640,000 Indochinese in the United

States who were brought across the Pacific Ocean, many of whom had already gone across oceans themselves to get to their original, safe havens, I think there is no doubt at all that we would have the numbers that the gentleman is talking about when you consider that they would be, for the most part, foot people.

I might point out this is not just something that the gentleman in the well has calculated himself. Our U.S. Coordinator for Refugee Affairs has said exactly the same thing.

So I commend the gentleman and hope his amendment is adopted.

Mr. COLEMAN of Missouri. We have a land bridge between this area to the United States and we have never recognized this consequence of our actions here today.

Mr. YOUNG of Florida. Mr. Chairman, will the gentleman yield?

Mr. BROOMFIELD. I yield to the gentleman from Florida.

Mr. YOUNG of Florida. I thank the gentleman for yielding.

Mr. Chairman, I want to compliment the gentleman in the well, the gentleman from Missouri (Mr. COLEMAN). He has worked long and hard on this entire issue, not only on refugees but the entire Central American problem. He has given it great study, great detail and he has been very, very patient, waiting for his opportunity to offer this amendment. And I compliment the gentleman.

As the Member who introduced the basic amendment that he wishes to amend and as the Member from Florida who recently received some 130,000 Cubans during the recent Mariel boat lift, I can say to the gentleman that his amendment is extremely important because the issue of refugees, Mr. Chairman, is real.

And I would hope the House would adopt this amendment. And again, I want to compliment my colleague for the outstanding work and leadership that he has exhibited in this matter.

Mr. SKELTON. Mr. Chairman, will the gentleman yield?

Mr. BROOMFIELD. I yield to the gentleman from Missouri.

Mr. SKELTON. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I think that my colleague from Missouri has hit the nail on the head in this particular instance. Quite a few people in our district back home in Missouri ask about this very subject. What about the influx of people coming in from Latin America with the fact that there are some 450,000, the statistics tells us, undocumented workers coming from Mexico each year. I can imagine what tremendous problems would arise in the relation to the job problems that we have in this country should the gentleman's prediction come to pass.

I think a study such as the gentleman proposes is very much on point and I compliment the gentleman on pointing it out.

I hope that we will make the decision in this body today so that we can head this problem off in the future.

The CHAIRMAN. The time of the gentleman from Michigan (Mr. BROOMFIELD) has expired.

(At the request of Mr. MITCHELL and by unanimous consent, Mr. BROOMFIELD was allowed to proceed for 1 additional minute.)

Mr. MITCHELL. Mr. Chairman, will the gentleman yield?

Mr. BROOMFIELD. I yield to the gentleman from Maryland.

Mr. MITCHELL. I thank the gentleman for yielding.

Mr. Chairman, I heard the gentleman talking in general about a refugee-immigration problem, but honestly, I missed hearing what the gentleman's amendment does.

Would the gentleman tell me.

Mr. COLEMAN of Missouri, I would love to tell the getleman again. The Members feel that we are going to have a serious vote here pretty soon and that is not necessarily the case, on some of these other amendments, but I would be glad to explain it.

It requires the President to commission a study of refugees and the potential of refugees, the economic ramifications of a number of refugees coming into our country as a consequence of Nicaraguan/Cuban involvement in Central America.

Mr. MITCHELL. A study commission.

I thank the gentleman.

Mr. MARTIN of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. BROOMFIELD. I yield to the gentleman from North Carolina.

Mr. MARTIN of North Carolina. I thank the gentleman for yielding.

Mr. Chairman, I want to commend the gentleman from Missouri for the work that he has already done on this question. He has pursued it in a very sensitive way in which I think all Members would be very pleased and very proud.

The CHAIRMAN. The time of the gentleman from Michigan (Mr. BROOMFIELD) has expired.

(At the request of Mr. MARTIN of North Carolina and by unanimous consent, Mr. BROOMFIELD was allowed to proceed for 1 additional minute.)

Mr. MARTIN of North Carolina. If the gentleman will yield further, I would say that the point here is for this government to recognize that its inaction or its faulty action in this case could very well produce a crisis in Central America which would have a devastating effect on the people of those countries and which would force them to be and to become refugees from their own country.

If we are going to be sensitive to the plight of those potential refugees, as my colleague from California I think was seeking to raise the point earlier, we must be very attentive to actions which if faultily taken in this Congress will force them to become refugees from their land and force us to find some way to accommodate them within this country. We need to decide how we are going to share that accommodation throughout all regions of this country.

The CHAIRMAN. The time of the gentleman from Michigan (Mr. BROOMFIELD) has expired.

(By unanimous consent, Mr. BROOMFIELD was allowed to proceed for 2 additional minutes.)

Mr. SILJANDER. Mr. Chairman, will the gentleman yield?

Mr. BROOMFIELD. I yield to the gentleman from Michigan.

Mr. SILJANDER. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, the point needs to be made here in the House and to the gentleman from California, that refugees are not bad people. They are men, women of all colors, all races, all peoples that are fleeing tyranny in many, many cases. We have been blessed in this country as a melting pot, and people from all cultures and all backgrounds have helped expand the intellect and the capabilities of our great Nation.

Over the years we have had:

	Total refugees	Refugees entering the United States
East Europe:		
Poland	700,000	176,000
Romania	75,000	36,000
Bulgaria	200,000	4,000
Czechoslovakia	110,000	30,000
Hungary	600,000	71,000
Yugoslavia	275,000	85,000
Subtotal	1,960,000	402,000
East Germany	6,500,000	100,000
Soviet Union	400,000	100,000
Baltic Nations	200,000	80,000
China	4,000,000	43,000
Tibet	60,000	5,000
Cuba	1,250,000	970,000
Vietnam	1,000,000	425,000
Laos	282,000	135,000
Cambodia	224,000	83,000
Afghanistan	3,300,000	6,000
Nicaragua	100,000	60,000
Ethiopia	1,000,000	8,000
Angola	200,000	120
Total	20,476,000	2,417,120

We have had millions of refugees who have come to this Nation because they are seeking freedom and opportunity.

The point of the gentleman in the well is that our Nation is now under a terrible burden of unemployment, social and economic readjustment. And it is just an issue of how many people this country can absorb and handle, especially with the major influx of the potential of Central America, anywhere from 7 to 12 million.

That is the issue. Can we handle adequately the influx of many peoples

from all over the world, especially the potential crisis that could occur in Central America.

Can we handle the economic and social needs of people fleeing from tyranny.

The bottom line, if I may say to the gentleman from California, is how can we assist them in maintaining stability and prosperity in their own nations, as they probably would rather remain in their own countries to begin with.

Mr. GARCIA. Mr. Chairman, will the gentleman yield?

Mr. BROOMFIELD. I yield to the gentleman from New York.

□ 1520

Mr. GARCIA. I thank my colleague for yielding.

Mr. Chairman, if I may, I would like to ask the sponsor of the amendment a question or two.

Is this amendment that the gentleman is putting forth an amendment based on Boland-Zablocki? Is it part of what we are discussing right now?

Mr. COLEMAN of Missouri. It is an amendment to the Young amendment.

Mr. GARCIA. An amendment to the Young amendment to the Boland-Zablocki. Yes.

I want my colleague, who sponsored this amendment, to know that right now in the city of Washington, D.C., there are at least 100,000 Salvadorans at this moment. In the city of New York, I am certain an equal number, as well as from Honduras, from El Salvador, from Nicaragua and from many of those countries that we are now talking about.

Why are they there?

The CHAIRMAN. The time of the gentleman from Michigan (Mr. BROOMFIELD) has expired.

(On request of Mr. GARCIA and by unanimous consent, Mr. BROOMFIELD was allowed to proceed for 2 additional minutes.)

Mr. GARCIA. I really do not have a problem with the gentleman's amendment. I think it is important. But I really do not know of its usefulness at this point, because by the escalation and our intervention in Central America, many of these people already have fled.

Mr. COLEMAN of Missouri. If the gentleman will yield, I think the point has got to be made that we do not want to create refugees by our actions today. We happen to have a difference of opinion as to what policy creates refugees. We want to provide stable governments down there for these people to stay at home, to have their own country, to be their own leadership, and not have to flee to the United States. That would be the best possible scenario. The only thing that this amendment does is to study the ramifications if we do not act properly, and that is a matter of decision today and difference of opinion. But if we do not act, or whatever our resultant act is, that the President study this thing, report back here so we know how to deal with 7 million to 9 million additional people coming to the United States seeking jobs, seeking public assistance payments of $25 billion to $40 billion additional payments from the taxpayers. We have to know this. We have to plan for it.

Mr. GARCIA. I do not know whose time it is, but if I may, I think the gentleman from Michigan yielded to me.

The difference between Vietnam and Central America is that the people in Vietnam could not cross the Pacific to get here. I assure you that the moment we escalate and we start to send military forces into these countries, those people will head north. And I will tell you how they will get here. They will come up through Mexico, through Tijuana, through Juarez, and they will find themselves here, or they will find themselves in one of the Caribbean nations and then come up here. It is happening every day right now. And your amendment is not going to do anything as it relates to the study of what is happening because it is already happening.

The CHAIRMAN. The time of the gentleman from Michigan (Mr. BROOMFIELD) has again expired.

(On request of Mr. COLEMAN of Missouri and by unanimous consent, Mr. BROOMFIELD was allowed to proceed for 2 additional minutes.)

Mr. COLEMAN of Missouri. If the gentleman will yield further, this is a fundamental problem with this legislation. It says on page 13 of the report that they reject the fact that if we end our support for the anti-Sandinistas, that these people will not be fleeing into the United States. That is a difference of opinion. But the gentleman makes an excellent point why we ought to have the amendment adopted. We may differ on the reasons, but I do not think people are going to flee their homeland, their own country, if they are not being pushed out by a Communist-Marxist people coming out of Nicaragua and Cuba. Now, that is the essence of these people's problem. They are being pushed, as the gentleman says, through Mexico and into the United States.

Mr. GARCIA. If the gentleman will yield, we, the United States, with our intervention at this very moment are pushing those people out. It is not the Marxists. It is not the Soviets. We are the ones who are pushing them out.

Mr. COLEMAN of Missouri. They are not coming to the United States because we are pushing them out. Why would they come to the United States if we are pushing them out of their own country? They would want to go to another country if we were pushing them out of their homeland. That is not an argument that holds water. They would go to the Soviet Union if they wanted to do that.

Mr. BOLAND. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I yield to the gentleman from Oregon (Mr. AUCOIN).

Mr. AUCOIN. Mr. Chairman, I would like to tell my colleagues what offends me about the amendment.

What offends me is that it calls for the President to commission a study of any refugee problems that would be created by Cuban- and Nicaraguan-directed subversion in Central America.

I am sure that there would be immigration problems and refugee problems caused by such subversion. But what this amendment leaves out completely is the much greater refugee problem as a direct consequence of bombs bursting, borders flaring in a full-scale regional war which the covert war is leading to.

It is a one-sided amendment. But worse, I have listened carefully to this debate over the last several days. I have listened to the administration subtly change its rationale for the purpose of the not-too-secret war in Nicaragua. It has changed its rationale from arms interdiction.

Of late what we have begun to hear is a subtle reference to "feet people." There are those who are now telling us that we had better not stop this war in Nicaragua, because if we do we are going to have feet people coming in by the millions into the United States.

I would say to my colleagues that when you have a bankrupt case—and the policy that the administration is following in Nicaragua is an illegal war, illegal by U.S. law and international law, is a bankrupt case—when you have a bankrupt case you reach for other arguments to defend that bankrupt case. And you play to emotions and frighten people.

To this end, I have heard subtle suggestions that those who oppose the war are soft on communism. I actually heard the word appeasement used on the floor.

But lately I have begun to hear the argument, If we do not support the President in this covert war in Nicaragua, we are going to have millions of feet people—refugees—swarming into the United States.

You know what this is. This is an attempt to raise dark fears on the part of the American people that millions of little brown people are going to be coming into the United States. I resent that argument. I resent it very much. I do not care if it was intended by the author of the amendment or not. This element is creeping into the debate on this issue, and I resent it very, very deeply. And I believe every minority group in this country will.

Mr. COLEMAN of Missouri. Mr. Chairman, will the gentleman yield, since he has questioned my integrity and intention?

Mr. AUCOIN. I will yield in a minute.

The CHAIRMAN. The gentleman from Massachusetts (Mr. BOLAND) has the time.

Mr. COLEMAN of Missouri. Mr. Chairman, will the gentleman yield?

Mr. AUCOIN. I will yield to the gentleman in a minute because he is the author of the amendment.

I indicated to the gentleman that this may not be his intention, but the gentleman has listened to the arguments in the news, in the media, and here on the floor for the last several days, as have I. He knows that this argument has been introduced into this debate. I resent it very much.

We ought to decide this question on the basis of international law and domestic law. We ought to decide whether we are doing what is in the ultimate best interests of the United States on the merit of the question, not on the side issues that are being introduced.

Now, the gentleman may not have intended that, and I am sure he does not, but this has been introduced, and this is one reason why I fault his amendment.

I will yield to the gentleman, or perhaps the gentleman from Massachusetts will yield to him, as soon as I say this: If this is not what is intended by the gentleman's amendment, then I think he really ought to withdraw it and draft it in a way that would call upon the President to do a refugee analysis, not only as a result of any subversion that is started by Cuba or Nicaragua, but any refugee problems that might come to this country on the basis of a full-scale regional war that could explode and escalate from our current covert war in Nicaragua. If he is willing to do that, then I think we might have a fair amendment. But I resent those arguments, and I hope my colleagues do, as well.

Mr. COLEMAN of Missouri. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. I yield to the gentleman from Missouri.

Mr. COLEMAN of Missouri. Mr. Chairman, not only did I not have the courtesy of being heard on the amendment, I now have to fight and have to get time from the Chairman to defend my integrity.

Of course, it is not my intention, and I want the record straight. Why would the gentleman even raise the question unless he wanted to put me in a position of having to defend myself? That is a very basic type of argument that you can make to make someone look bad. Talk about the amendment, the gentleman from Massachusetts just indicated to me that he would accept the amendment.

□ 1530

I ask the gentleman, because it is a good amendment, and there is no intention or hidden agenda or anything else, he can question the amendment, but do not question why I introduced it. I think the taxpayers, I think the citizens of this country, have got to recognize the consequences of what we do.

Now, we may disagree on how we accomplish this, but we do not have to question the integrity of people who offer amendments here on the floor.

Mr. BOLAND. Mr. Chairman, in response to the gentleman from Missouri, let me say that the gentleman from Oregon has some very deep reservations about it, and I am delighted to have given him some time.

My own judgment on the matter is that I can accept the amendment because I think the administration would like another commission, and on that basis, I have no objection.

The CHAIRMAN. The time of the gentleman from Massachusetts (Mr. BOLAND) has expired.

(By unanimous consent, Mr. BOLAND was allowed to proceed for 3 additional minutes.)

Mr. AUCOIN. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. I yield to the gentleman from Oregon.

Mr. AUCOIN. I thank the gentleman for yielding.

Mr. Chairman, I will say to the gentleman over here who seems to be offended by the remarks I made that I do not call into question his motives in offering this amendment. I find fault in his amendment because it is one-sided.

But this is the time to focus the light of day on a regrettable element in the national debate on this issue. My effort was to do so.

Ms. MIKULSKI. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. I yield to the gentlewoman from Maryland.

Ms. MIKULSKI. I thank the gentleman for yielding.

Mr. Chairman, I wish to associate myself with the remarks of the gentleman from Oregon.

I understand the gentleman from Massachusetts is going to accept the suggestion of this commission. I would just hope there would be a few components to this so-called commission.

No. 1, I would like us to include in there the question: Why are the people refugees?

No. 2, who are the refugees? The gentlewoman from Maryland has gone to the border of El Salvador and Honduras and personally talked to the refugees and found that 95 percent of them were women and children who had no intention of coming to the United States but were just waiting for the Salvadoran Government to stop burning their crops so they could return home.

So I would like to know who are the refugees, why are they refugees, and what can be done to prevent people from being refugees, one being no civil war.

The gentlewoman feels that if you practice gunboat diplomacy, you have to be prepared for the lifeboats and your shore.

Mr. LIVINGSTON. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. I yield to the gentleman from Louisiana.

Mr. LIVINGSTON. I thank the gentleman for yielding.

Mr. Chairman, I would simply respond to the previous speaker by saying that I think that is the purpose that the author of the amendment wishes to accomplish, to find out exactly who will be the refugees and where the impact of those refugees will find itself.

I would say further that I appreciate the gentleman's lofty idealism and resentment of some ramifications of the amendment, but I would point out to the gentleman that he lives in Oregon. He is probably the least likely individual Congressman in this whole Chamber to be affected by the inflow of refugees when and if there is an inflow, when and if those 8 million to 10 million people start coming across the border.

I happen to be from the city of New Orleans. I can tell the gentleman that the Congressmen from Texas, from Louisiana, from Florida, and from California are going to be the ones who are most impacted, and I doubt that they have any right or any inclination to exhibit such righteous indignation at a simple request for the President to appraise the type of impact that this country is going to suffer as a result of such a massive inflow of refugees.

Mr. AUCOIN. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. Mr. Chairman, I yield for a response to the gentleman from Oregon (Mr. AUCOIN).

Mr. AUCOIN. I thank the gentleman for yielding.

Mr. Chairman, I just want to tell the gentleman from Louisiana that in the State of Oregon we have done more than most States in the Nation to take in boat people from Southeast Asia as a result of the misbegotten adventure over there, and we have accepted refugees from Central America. We are not unaffected.

I understand what I am talking about. The gentleman does, too. And the gentlewoman from Maryland said it very well.

The CHAIRMAN. The time of the gentleman from Massachusetts (Mr. BOLAND) has again expired.

(By unanimous consent, Mr. BOLAND was allowed to proceed for 3 additional minutes.)

Mr. MAZZOLI. Mr. Chairman will the gentleman yield?

Mr. BOLAND. I yield to the gentleman from Kentucky who chairs the Immigration Subcommittee of the Committee on the Judiciary.

Mr. MAZZOLI. I thank my distinguished chairman for yielding.

Mr. Chairman, I would like to respond very briefly to some of the debate that has gone on today. I would yield to my friend from Massachusetts if he feels that this amendment ought to be accepted, but there are some problems I find in accepting this additional commission.

I do share the observations of my friend from Oregon in saying that this amendment tends to be a one-sided proposition, because there are right now tens and scores and hundreds and thousands of people who are the so-called feet people already coming into the United States as a result of the problems in Central America.

So it is not what will go on thereafter, but what is happening in Central America right today.

Second, if I might also beg the gentleman's approval for further time, I believe this debate points out the very strong need for this House to deal with the immigration reform issue. The immigration reform bill was brought before the House last year; it is before the House again this year, before the Committee on Rules. It deals with the subject of immigration on a comprehensive basis, but it deals with it in one specific area: how you determine who is a refugee and who is an asylee.

The problem that we have now is that there are political decisions being made about who can be clothed with the status and sanction of being a refugee and, therefore, entitled to stay in the United States, and which people are summarily to be sent back to their homes. Our bill changes that. It separates the question of enforcement of the immigration law and puts the question of asylum before separate and independent arbiters.

Let me also say that unless we deal with this subject in a comprehensive way, we will have this kind of ad hoc treatment, and again, the refugee issue really should have come before the Committee on the Judiciary. This kind of an amendment really ought to come before the Immigration Subcommittee. I wish it had.

Again, I defer to the gentleman from Massachusetts if he wishes to accept the amendment, but I personally have some misgivings about this whole commission approach.

Mr. BOLAND. Mr. Chairman, let me say that I might have misspoken when I said I would accept it. I do not have any particular problem with it. That puts it in a better perspective from the point of view of others on this side of the aisle.

Mr. MAZZOLI. If the gentleman will yield further, I think it also brings out the question of what to do with the Salvadorans and the Guatemalans and others from Central America who are already here in the United States.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan (Mr. BROOMFIELD) to the amendment offered by the gentleman from Florida (Mr. YOUNG).

The question was taken; and the Chairman being in doubt, the committee divided, and there were—ayes 69, noes 29.

So the amendment to the amendment was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts (Mr. BOLAND) as modified, to the amendment offered by the gentleman from Florida (Mr. MICA) as a substitute for the amendment offered by the gentleman from Florida (Mr. YOUNG), as amended.

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. BOLAND. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 221, noes 205, not voting 7, as follows

[Roll No. 280]

AYES—221

Ackerman	Crockett	Harkin
Addabbo	D'Amours	Harrison
Akaka	Daschle	Hawkins
Albosta	de la Garza	Hefner
Alexander	Dellums	Hertel
Anderson	Derrick	Howard
Andrews (TX)	Dicks	Hoyer
Anthony	Dingell	Hughes
Applegate	Donnelly	Jacobs
Aspin	Dorgan	Jeffords
AuCoin	Downey	Jones (NC)
Barnes	Durbin	Jones (OK)
Bates	Dwyer	Kaptur
Bedell	Dymally	Kastenmeier
Beilenson	Early	Kennelly
Bennett	Eckart	Kildee
Berman	Edgar	Kogovsek
Biaggi	Edwards (CA)	Kolter
Boehlert	English	Kostmayer
Boggs	Evans (IL)	LaFalce
Boland	Fazio	Lantos
Boner	Feighan	Leach
Bonior	Ferraro	Lehman (CA)
Bonker	Florio	Lehman (FL)
Borski	Foglietta	Leland
Bosco	Ford (MI)	Levin
Boucher	Ford (TN)	Levine
Boxer	Fowler	Lipinski
Britt	Frank	Long (LA)
Brown (CA)	Frost	Long (MD)
Bryant	Garcia	Lowry (WA)
Burton (CA)	Gejdenson	Luken
Carper	Gephardt	Lundine
Carr	Gibbons	MacKay
Clarke	Glickman	Markey
Clay	Gonzalez	Martinez
Coelho	Gore	Matsui
Coleman (TX)	Gray	Mavroules
Collins	Green	Mazzoli
Conte	Guarini	McCloskey
Conyers	Hall (IN)	McCurdy
Cooper	Hall (OH)	McHugh
Coyne	Hamilton	McKernan
McKinney	Rahall	Stark
McNulty	Rangel	Stokes
Mikulski	Ratchford	Studds
Miller (CA)	Reid	Swift
Mineta	Richardson	Synar
Minish	Rodino	Torres
Mitchell	Roe	Torricelli
Moakley	Rose	Towns
Mollohan	Rostenkowski	Traxler
Moody	Roukema	Udall
Morrison (CT)	Roybal	Valentine
Mrazek	Russo	Vento
Murphy	Sabo	Volkmer
Natcher	Savage	Walgren
Neal	Scheuer	Watkins
Nowak	Schneider	Waxman
Oakar	Schroeder	Weaver
Oberstar	Schumer	Wheat
Obey	Seiberling	Whitley
Olin	Shannon	Whitten
Ortiz	Sharp	Williams (MT)
Ottinger	Sikorski	Wirth
Owens	Simon	Wise
Panetta	Slattery	Wolpe
Patterson	Smith (FL)	Wright
Pease	Smith (IA)	Wyden
Penny	Snowe	Yates
Pepper	Solarz	Yatron
Perkins	Spratt	Young (MO)
Pickle	St Germain	Zablocki
Price	Staggers	

NOES—205

Annunzio	Gradison	Molinari
Archer	Gramm	Montgomery
Badham	Gregg	Moore
Barnard	Gunderson	Moorhead
Bartlett	Hall, Ralph	Morrison (WA)
Bateman	Hall, Sam	Murtha
Bereuter	Hammerschmidt	Myers
Bethune	Hance	Nelson
Bevill	Hansen (ID)	Nichols
Bilirakis	Hansen (UT)	Nielson
Bliley	Hartnett	O'Brien
Breaux	Hatcher	Oxley
Brooks	Hightower	Packard
Broomfield	Hiler	Parris
Brown (CO)	Hillis	Pashayan
Broyhill	Holt	Patman
Burton (IN)	Hopkins	Paul
Byron	Horton	Petri
Campbell	Hubbard	Porter
Carney	Huckaby	Pritchard
Chandler	Hunter	Pursell
Chappell	Hutto	Quillen
Cheney	Hyde	Ray
Clinger	Ireland	Regula
Coats	Jenkins	Ridge
Coleman (MO)	Johnson	Rinaldo
Conable	Kasich	Ritter
Corcoran	Kazen	Roberts
Coughlin	Kemp	Robinson
Courter	Kindness	Roemer
Craig	Kramer	Rogers
Crane, Daniel	Lagomarsino	Roth
Crane, Philip	Latta	Rowland
Daniel	Leath	Rudd
Dannemeyer	Lent	Sawyer
Daub	Levitas	Schaefer
Davis	Lewis (CA)	Schulze
DeWine	Lewis (FL)	Sensenbrenner
Dickinson	Livingston	Shaw
Dreier	Lloyd	Shelby
Duncan	Loeffler	Shumway
Dyson	Lott	Shuster
Edwards (AL)	Lowery (CA)	Siljander
Edwards (OK)	Lujan	Sisisky
Emerson	Lungren	Skeen
Erdreich	Mack	Skelton
Erlenborn	Madigan	Smith (NE)
Evans (IA)	Marlenee	Smith (NJ)
Fascell	Marriott	Smith, Denny
Fiedler	Martin (IL)	Smith, Robert
Fields	Martin (NC)	Snyder
Fish	Martin (NY)	Solomon
Flippo	McCain	Spence
Forsythe	McCandless	Stangeland
Franklin	McCollum	Stenholm
Frenzel	McDade	Stratton
Fuqua	McDonald	Stump
Gaydos	McEwen	Sundquist
Gekas	McGrath	Tallon
Gilman	Mica	Tauke
Gingrich	Michel	Tauzin
Goodling	Miller (OH)	Taylor

Thomas (CA)	Weiss	Wortley
Thomas (GA)	Whitehurst	Wylie
Vander Jagt	Whittaker	Young (AK)
Vandergriff	Williams (OH)	Young (FL)
Vucanovich	Wilson	Zschau
Walker	Winn	
Weber	Wolf	

NOT VOTING—7

Andrews (NC)	Dowdy	Jones (TN)
Chappie	Foley	
Dixon	Heftel	

□ 1550

The Clerk announced the following pair:

On this vote:

Mr. Dixon for, with Mr. Chappie against.

Mr. McDADE changed his vote from "aye" to "no."

Mr. WHITLEY changed his vote from "no" to "aye."

So the amendment, as modified to the amendment offered as a substitute for the amendment, as amended, was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. BROOMFIELD TO THE AMENDMENT OFFERED BY MR. YOUNG OF FLORIDA, AS AMENDED

Mr. BROOMFIELD. Mr. Chairman, I offer an amendment to the amendment, as amended.

The Clerk read as follows:

Amendment offered by Mr. BROOMFIELD to the amendment offered by Mr. YOUNG of Florida, as amended: strike out all that follows page 2, and insert in lieu thereof the following:

Strike out line 20 and all that follows through line 10 page 5 and insert in lieu thereof the following:

"(b) This section shall take effect upon the date prescribed in the classified annex to the report of the Permanent Select Committee on Intelligence of the House of Representatives to accompany H.R. 2760 (98th Congress), but in no event earlier than October 1, 1983, unless before that effective date the President, after consultation with the Congress, has submitted to the Speaker of the House of Representatives and the President pro tempore of the Senate in writing a new plan providing for the interdiction of arms being shipped from or through Nicaragua to forces hostile to the Government of El Salvador. In formulating such a plan, the President shall consider whether it would be useful to pursue direct bilateral negotiations between the United States and the Government of Nicaragua; multilateral negotiations among selected Western Hemispheric countries; involving the Organization of American States, the United Nations, or any other nation or nations in a diplomatic or peacekeeping role; involving other countries in the process of arms interdiction using United States military supplies and training; and any other policy that will stop the shipment of arms from Nicaragua to El Salvador. The plan submitted pursuant to this subsection shall cease to be implemented and the prohibition contained in subsection (a) shall take effect If—

"(1) the Government of Nicaragua has, by formal action, agreed that it will cease all its activities involving the furnishing of arms, personnel, training, command and control facilities, or logistical support for military or paramilitary operations in or against any country in Central America or the Caribbean; and

"(2) the Government of Nicaragua is taking steps to implement the made by the Government of National Reconstruction of Nicaragua to the Organization of American States in July 1979; and

"(3) the cessation of such activities, and the taking of steps to implement such commitments, has been verified by the Organization of American States or the President of the United States.

Mr. BROOMFIELD (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

(By unanimous consent, Mr. BROOMFIELD was allowed to proceed for an additional 5 minutes.)

The CHAIRMAN. The gentleman from Michigan (Mr. BROOMFIELD) is recognized for 10 minutes.

Mr. BROOMFIELD. Mr. Chairman, the amendment I am offering is a bipartisan amendment representing the views of Mr. MICA and myself. It offers a creative solution to our dilemma. It not only forgoes the overt program idea, but it also sets a date to end the present covert program. Under this amendment, the current covert efforts will cease unless the President, after consulting with all of us here in Congress, submits a new arms interdiction plan.

For those of us concerned about negotiations, the President's plan must consider the usefulness of bilateral negotiations with Nicaragua and multilateral talks with other nations in this hemisphere.

Most importantly, this approach calls for ending any covert program should the Sandinistas agree to halt their various subversive activities and reaffirm their commitments to the OAS.

An important facet of this amendment is verification. Any agreement that is worth its salt must be verifiable. To guard against the possibility of cheating, this amendment also requires that a verification procedure be established to insure the Sandinistas are in full compliance with their agreement to cease all their subversive activities.

Finally, the Broomfield-Mica amendment gives all of us in the House the opportunity to march together. Through this bipartisan approach to this complex issue, we can work as a team to solve this vital foreign policy challenge.

We owe this to our institution, to our country, and to future generations of Americans.

I strongly urge you to support this effort.

□ 1600

Mr. MICA. Will the gentleman yield?

Mr. BROOMFIELD. I yield to the gentleman from Florida, the original sponsor of the amendment.

Mr. MICA. Mr. Chairman, we have come to a point where we are going to have a straight up-or-down vote on the Mica amendment. I have made the plea that I thought was appropriate before this body. I had earlier made the plea that I thought was appropriate before this body and I would be very concise. There is no need to go through the debate again.

But I simply feel very strongly and personally that the way the President is handling this may, indeed, be inappropriate if not illegal. It would take a court decision to render that judgment. I do not want to wait.

My amendment would call for the President to submit a plan. I think the President is acting improperly, if not directly, but possibly in the spirit of the law.

I know, and the Boland report has said repeatedly that the Nicaraguans are acting improperly and in violation of a half a dozen treaties that we all are signatories to. There is no doubt.

So there is one improper action.

A second improper action, and I personally think that the Boland-Zablocki approach to just walk away from it on the basis that we are acting improper is incorrect. It is a black and white solution to a very complex problem. The problem is very difficult.

I have studied this. I have been on the Foreign Affairs Committee for over 5 years now. It is not easy and I am not saying that the Boland committee has not done its job. They have done a magificent job in pointing out problems both from our administration and our activities and also what is happening in Nicaragua. There is no doubt.

But to say we are going to now stop covert activity, and I say this to my colleagues who have had troubles over the last few years with direct aid, military aid to El Salvador, we are going to give $80 million to an unstable region of the world, open, above board. Is that your commitment that that seed money, if it turns into an open conflict, that we indeed will support that war?

There is a problem I think the committee approved in increments. Mr. President, administration, you may do this. You may do this. You may do this. And at a point they said, you have gone too far.

What I am saying they did not say is come back to here or back to here or back to here. They said no, nothing.

Now we have thousands of people in that region of the world, thousands who have aligned themselves with the people we are supporting, whether you agree with them or not. What do we do with those people when we withdraw? What would be our excuse to

people who have stepped forward to fight for what they thought was democracy?

So I will not belabor the point. I simply think there are three improper actions.

I think my amendment would allow the President to submit a plan, to put into appropriate context what is legal, what is the action and the intent of the present administration, and we can make judgments on a legal document.

Second, that we will stop and the Nicaraguans will stop, and I do not even say you have to have it verified by our President. It can be verified by the President of the United States or it can be verified by the Organization of American States, either one.

So we have had the debate. I appreciate the up or down opportunity.

Mr. FOWLER. Mr. Chairman, will the gentleman yield?

Mr. BROOMFIELD. I yield to the gentleman from Georgia.

Mr. FOWLER. It is my understanding, and I am inquiring, that the amendment now being offered by the gentleman from Michigan (Mr. BROOMFIELD) to the amendment offered by the gentleman from Florida (Mr. YOUNG) is the Mica amendment?

Mr. MICA. Straight up or down.

Mr. FOWLER. The same amendment that this House just rejected?

Mr. MICA. No, sir.

Mr. FOWLER. I am sorry.

Mr. MICA. Did you vote for or against it?

Mr. FOWLER. Let me clarify. I am the one that is confused. I am trying to get us out of this and I am the one confused.

The amendment that was just adopted by this House was the Boland amendment which amended Mica. Now the amendment offered by Mr. BROOMFIELD is the Mica amendment again in its pure form?

Mr. MICA. Yes.

Mr. FOWLER. Despite the fact that this body just amended the pure Mica form by Boland; is that not correct?

Mr. MICA. That is correct.

Let me just state this: I think from this author's standpoint that it would frankly be better to vote straight out for Boland-Zablocki or straight out for the Mica amendment than do what we have just done on the floor of this House, to leave this situation where we cut off for 30 days, tell them all down there just hold on to everything for 30 days until you see if a joint resolution of Congress is passed to continue.

I personally think I could live more, sleep better with a straight vote just in favor of Boland-Zablocki.

But I think what we have done now, we say to them for 30 days we are going to cut it off and you wait, all the troops and all of those who support it, everybody that is down there, you wait until the Congress passes the resolution. I think that is worse.

Mr. FOWLER. If the gentleman would continue to yield, if you could persuade your friend from Michigan to withdraw this amendment then we could have a clean vote on Boland-Zablocki. That is what we have been trying to get all along.

But if we are going to have a revote on Mica and continue this process we will never get to the major part of the bill.

Mr. MICA. This will be the only clean vote we will have, as I understand, this opportunity, on the Mica amendment.

Mr. YOUNG of Florida. Mr. Chairman, will the gentleman yield?

Mr. BROOMFIELD. I will be happy to yield to the gentleman from Florida.

Mr. YOUNG of Florida. Mr. Chairman, I hope everyone paid close attention to what our colleague from Florida (Mr. MICA) had to say because I agree with the position he has taken. What he does is amend my amendment and I am willing to do that and I am willing to support his amendment to my amendment because they embrace the same basic fundamental concept.

But the gentleman is exactly correct. Rather than play games with the Solarz-Boland language and expect people in Central America to stop what they are doing and hang it up for 30 days just is not realistic and is not practical.

We ought to either get a straight vote on the Mica amendment or Mica as a substitute or the Young amendment or Boland-Zablocki as a bill, but let us not confuse the issue and make the people in Central America think we are any more strange than they think we are today after some of the things they have heard said during this debate.

Mr. FASCELL. Mr. Chairman, will the gentleman yield?

Mr. BROOMFIELD. I yield to the gentleman from Florida.

Mr. FASCELL. I thank the gentleman for yielding.

The issue is not 30 days from now, it is not 6 months from now and it is not a year from now. The decision that has to be made has to be made today. It confronts the Congress today.

I do not care what kind of an amendment you write that says put it off, and I have great respect for my colleague on the Foreign Affairs Committee who authored the last amendment, and was successful in this House in getting that amendment passed, but what it does is put off the vote until some other time. The vote is now and the issue is now. You either want to cut off the covert aid or you want to go for a proposition that says we have to put some pressure not only on our own Government but we have to put some pressure on the Nicaraguan Government.

The issues are quite clear and there is no point in putting it off.

If we go the Solarz route as the proposition in this House we defer until another time the issue of what we are going to do with respect to our policy in Latin America. I think, therefore, my colleague from Florida is right. We can decide right now one way or the other. You have the two issues before you. I see no other issue.

Mr. BROOMFIELD. Mr. Chairman, I would like to take just a moment to congratulate the gentleman from Florida (Mr. MICA). He has worked very, very hard. He has been very sincere in trying to develop a bipartisan approach and I really think the stakes are as the gentleman from Florida (Mr. FASCELL) has pointed out.

The bottom line is right now. Either you are for or you are against the policy that we have as representing the U.S. Government, or are you going to have more confidence in the Sandinistas.

I think the issue is extremely clear. That is why I think it is vital to have an up or down vote on the Mica amendment without any other amendments added to it.

So I, therefore, urge everybody in a bipartisan effort to support our Government and to vote for this amendment.

Mr. PAUL. Mr. Chairman, will the gentleman yield?

Mr. BROOMFIELD. I yield to the gentleman from Texas.

Mr. PAUL. Mr. Chairman, H.R. 2760 presents Members with only two options: Covert aid or overt assistance to Central America. The bill fails to address the fundamental question of whether or not we should be sending any assistance to Central America. Throwing U.S. tax dollars at Central America is a shortsighted, regional response to the global problem of Soviet aggression.

I believe that aid to the region, which is supposedly designed to stop the spread of communism, would be unnecessary if the United States would quit subsidizing communism at its source—the Soviet Union and the Eastern bloc. At the present time, the Soviets and other Comcon nations owe almost $100 billion to Western nations, particularly the United States; $100 billion buys a lot of arms for insurgents.

Many proponents of aid to Communist nations claim that the funds we give them are used only for peaceful purposes. However, funds are fungible. The grants, credits, and below-market loans the United States gives Communist nations for so-called peaceful reasons free up their own limited capital for fomenting revolution abroad.

All of us are concerned about the flow of arms from Cuba to Marxist rebels in Central America. Unfortunately, Congress has failed to examine the extent to which the Soviet Union is subsidizing Cuba. The amounts are staggering. In recent years, the Soviet Union has been spending over $10 million a day on Cuba. Soviet economic assistance to Cuba in 1982 amounted to $4.7 billion, accounting for almost 25 percent of Cuba's GNP. Further, Soviet military assistance to Cuba since 1961 is estimated at $10 billion. This massive flow of rubles into the Caribbean is being supported by the U.S. Government's credit policies.

The Soviets are not foolhardy. They are actually cautious and quite calculating in their foreign policy. They have, however, reached the stage in their empire building where they are having trouble controlling their subjugated nations.

The point I am making is this: The Central American region is peripheral to Soviet interests. If the United States would cut off aid to the Eastern bloc, the resultant belt tightening would probably force the Soviets to end their military adventurism in the Caribbean and Central America in order to maintain control over the Warsaw Pact nations and Afghanistan.

While I would prefer an entirely different course of action to the one proposed in H.R. 2760, let me state that in the context of the bill I am opposed to any covert military actions by the U.S. Government. Such actions have no place in a free society. Any action the Government takes must be open to examination by all.

Beyond the ethical questions involved, there are practical considerations. Covert actions in the past have usually failed. And when these failures have been uncovered, they have been used against us by our enemies. In the struggle between freedom and tyranny in the Third World, the United States, as the freest nation in the world, is losing the battle of ideas. This loss of stature is not for objective reasons. Our capitalist economy still provides the best model for development. Our largess has resulted in $2 trillion worth of foreign aid programs since the end of World War II. Yet we are viewed as an imperialist power by many wary, if not hostile, Third World nations. This is largely the result of effective Communist propaganda, and our own clumsy attempts at covert actions designed to bring about U.S. objectives.

While overt aid is always preferable to covert aid, the so-called interdiction assistance proposed in H.R. 2760 has many drawbacks. Many foreign policy experts believe that the $80 million called for in the bill is far too low to end the flow of arms to El Salvador. Further, the program's success rests completely on the cooperation of our Central American neighbors. I am also concerned because the bill would actually deepen U.S. involvement in the region. Covert assistance is currently going only to the rebels in Nicaragua. The interdiction assistance would be spread among friendly nations in the region.

The time has come to end the vicious cycle of funding communism and then funding those fighting communism. Instead of paying other nations to cut off the flow of arms into El Salvador, as H.R. 2760 proposes, let us simply stop paying for the arms.

Mr. BOLAND. Mr. Chairman, I withdraw my reservation on the point of order.

The CHAIRMAN. Does the gentleman from Massachusetts insist upon his reservation?

Mr. BOLAND. The gentleman from Massachusetts does not insist upon his reservation.

Mr. HAMILTON. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Florida (Mr. MICA) as offered by the gentleman from Michigan (Mr. BROOMFIELD).

The important thing for Members to understand here is that we are just voting again on the same issue we just voted on. Those who voted yes last time on the Boland amendment should vote no now.

The key issue is exactly as it has been described. Do you or do you not want the covert action to continue?

□ 1610

That is the key issue. If you want that covert action to continue, then you will vote for Mr. MICA's amendment. If you oppose that covert action, then you will vote no. This is the heart of the issue. We all understand that now. Our position here is that it is a mistake for U.S. policy to permit that covert action to continue. It is therefore, a mistake to adopt the Mica amendment. The Mica amendment requires Nicaragua to do certain things which Nicaragua will not be able to do and in effect that means the covert action continues. The covert action is not in the American national interest, for all of the reasons that we have cited here again and again. It is not working, it has not accomplished its purposes, it risks a wider war, it is illegal, it diminishes the chance for negotiations, it damages, the U.S. image abroad, it is opposed by the American people, it holds us up to ridicule for doing that which we claim we are not doing, it is not in keeping with the American character.

I strongly urge a vote against the Mica amendment.

Mr. HYDE. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the Mica amendment.

Mr. HYDE. Mr. Chairman, I have heard the American character described, very interestingly, by several people in this Chamber. I have my own view of the American character. That view encompasses the notion that we fight for freedom, we fight for the underdog, we help people defend themselves when they are attacked by a vicious aggressor. We have done it in every world war, we did it in Vietnam. We did not get anything out of that war but death, destruction and a national guilt complex. I know that. They say "learn the lessons of Vietnam in Central America." The lesson of Vietnam is that you have to be behind your troops when they are fighting in combat. You have to have the will, the will to assert your national interest. And communism means refugees. I have heard the argument made that we are trying to inject racism into this argument. There was no bombing in Cuba when 1 million of them, 1 million Cuban refugees swam across the sea to get here. We have 500,000 Salvadorans here now. And I am suggesting to you that if we turn Central America over to become a Soviet beachhead through Cuba, through Nicaragua and then El Salvador, then Honduras, then Costa Rica, then Guatemala, you have not dreamed of the refugee problem that you will have in this country from, not illegal aliens, not undocumented workers, but refugees by definition who are entitled to all of the welfare benefits that this country bestows, as rightly they should, on refugees. Now we have a choice. We are either going to continue covert aid until the Nicaraguans stop exporting subversion, killing, ammunition, weapons, training, subversive command and control to bleeding El Salvador; we are going to extract a price from them by saying "the Contras are still going to give you trouble in your own country unless you stop exporting trouble to your neighbors." But once Nicaragua stops exporting subversion, the President or the OAS, Organization of American States, can certify that they have stopped exporting revolution and we still stop supporting the Contras.

Now that seems to me to be equity and justice and fully in keeping with the American character. On the other hand we have the Solarz-Boland amendment which we have just adopted which says we stop, right now, we pull out, we cut and run, we withhold any further aid to the three groups of insurgents that are fighting in their own country for their own revolution, fighting for freedom, fighting for freedom of religion, freedom of speech, freedom of assembly, political pluralism; we are going to say, "stay there, ladies and gentlemen, children, women and men, we are pulling out." But if Nicaragua continues to do what it has done since 6 weeks after they took over in 1979, exporting their revolu-

tion without frontiers, then the President comes in with a long petition setting out a lot of things and then maybe a joint resolution by both Houses and then we will restore covert aid to whom? There will not be anybody left there to aid. They will have been cut to ribbons.

Is that in keeping with the American character? I do not think it is.

So, I suggest, and do not tell me that the covert action has not worked, because Eden Pastora has been there for only 3 months, April 15 is when he got in there, and he is the one that can do the job, if anyone can, harass, pressure the Sandinistas to live up to the promises they made in 1979 to the Organization of American States. Do not say that we are alone and isolated down there. We have allies.

Mr. BARNES. Mr. Chairman, will the gentleman yield?

Mr. HYDE. No.

Honduras wants us down there, Costa Rica wants us down there, El Salvador wants us down there and do not think that the other countries are not concerned about what is happening.

I will yield to my friend from Maryland.

Mr. BARNES. I thank the gentleman.

Yesterday the Wall Street Journal had, I thought, a fascinating article about the Contras the United States is supporting. You mentioned Eden Pastora; the front page of the Wall Street Journal yesterday noted that Mr. Pastora, who you just cited with great praise for what he is doing, has gone on clandestine radio to urge the Nicaraguan Army to fight harder against the forces that the United States has been supporting, the Contras, because if they win, he says, things will be worse off than they are now under the Sandinistas.

So the man that you say we ought to be helping, and as you know we have not been, has been urging the Sandinistas to fight hard against the people we are helping.

Mr. FOWLER. Mr. Chairman, I move to strike the requisite number of words and rise in opposition to the amendment.

My colleagues, I want to apologize to this body. I have spoken more today than I have spoken in the 7 years that I have been in the U.S. Congress. Now I will be very brief.

The issue now, after much debate, is clear: Are we or are we not going to continue covert paramilitary operations in Nicaragua.

Many people have asked—and it is a legitimate question—what is a covert action? Let me read you the definition out of one of our unclassified reports in the Intelligence Committee.

Covert activities are efforts to influence foreign governments, organizations or events which are planned and executed so that the role of the United States is not apparent. They may include political, economic, propaganda and/or paramilitary activities.

Now, my colleagues in the Congress, though some facts are in dispute, the following facts are not in dispute: This covert activity, covert simply means secret, is not secret any longer. It is a paramilitary operation of thousands of people that we are unilaterally supporting inside Nicaragua. Against the existing Government of Nicaragua which we all find repulsive.

Our democratic allies in Central America have said that the major impediment to ceasing the violence is the U.S. unilateral military operation, and urged us to stop it, so that we can all bring pressure together in our hemisphere to act to contain these hostile influences. Colombia, the largest democracy in our hemisphere after the United States of America, Venezuela, another democracy, Mexico, Costa Rica—these friends do not want Soviet masters or Cuban masters. These countries want to be regional powers, to retain their own influence, and they want to pursue democratic means and democratic institutions to contain Marxism in concert with the United States of America.

And they have said this publicly. The Presidents of the Contadora group, as well as many of our Western European allies, have urged us to cease financing an effort to overthrow the Government of Nicaragua in violation of our treaty obligations—at least for 30 days—and act as a great power and a great nation who could squash in 30 seconds the 2½ million people in Nicaragua or in Cuba if we choose to do so. Will you stop it long enough for us to work with you in the United States to develop a security strategy that will work to eliminate these hostile influences. That is the vote that is coming up right now.

There is nothing secret, there is nothing covert about the U.S. operation in Nicaragua except the under-the-table funding and the under-the-table numbers that continue to grow because we do not have the courage to exercise our constitutional responsibility for congressional oversight in the midst of a war that the United States is financing.

□ 1620

This vote is a rerun of Mica. I urge my colleagues to exercise our constitutional responsibility, our exclusive authority under our Constitution in matters where the forces of the United States or the proxies of the United States are being used militarily, to bring this matter before the American people and reject the continuation of this illegal war by preserving the 30-day cessation of hostilities which we just voted. Then, and only then, can we accept the offer of our allies in Central America and bring this matter to the negotiating table where a final resolution that will eliminate this cancer of communism can have a chance of attainment.

Mr. YOUNG of Florida. Mr. Chairman, I move to strike the requisite number of words and in support of the Broomfield-Mica amendment to the Young amendment.

Mr. Chairman, our colleague from Georgia has just made a very impassioned plea mentioning the names of some of our best allies who do not want us to be involved in Central America.

And I would respond to that gentleman that we came to the aid of those allies on numerous occasions at the great loss of American lives and expenditures of American dollars. They certainly have a right to their opinion, but I have listened very closely in the seven times that I have stood on the floor of this House and taken the oath of office, when the Speaker read my oath, where I swore to defend the United States. I am here to help those other nations that the gentleman from Georgia (Mr. FOWLER) mentioned, but I came here first and foremost swearing my allegiance to the United States and to what is in the best interest of my country, not some other country that I want to help, but my first allegiance is to the United States.

Now the gentleman from Georgia said those other countries he mentioned did not want to live under the yoke of communism. Well neither did the people of the Balkan nations, neither did the people of Poland or Hungary or Czechoslovakia and neither do the people of Afghanistan today want to live under the yoke of the Soviet Communists or any other form of communism.

Now, Mr. Chairman, we are a great and a powerful nation and there is no question about that. I do not believe that anyone in this world can match the industrial might of the United States. We can build almost anything better, more effective and if we have enough time, in larger numbers than any other nation in the world. But, Mr. Chairman, most of the raw materials that we will use in this great industry of ours comes to us from somewhere else because: First, we either do not have them in the United States; or, second, we are not allowed to get them because the lands have been set aside for other than commercial exploitation.

So, all of a sudden we become very dependent upon other parts of the world for raw materials we use in our industry.

And, Mr. Chairman, most of those materials that come to the United States and most of the products that we build and ship out, that includes

our energy, come in through the Caribbean and the Gulf of Mexico and our gulf ports. That part of the world is very important to our Nation's economy.

In World War II, Hitler's submarines sank more tonnage in the Gulf of Mexico than all of the North and South Atlantic.

Now, can the Members imagine what the Soviets could do in a case like that with all of their sophisticated war machine? Imagine how many more times effective the Soviets can be when they have the Soviet Union and Cuba for a base? Imagine how much more effective the Soviets can be when they have the Soviet Union, Cuba, Nicaragua, and Granada and possibly eventually El Salvador. What about the Panama Canal? How important does all this become to the great industrial might of the United States if we cannot get the raw materials that we need through the Panama Canal, through the Caribbean, through the Gulf of Mexico into the United States.

Considering all of this then, those countries of Central America become even more important to us, not just the politics of Central America, not just the politics of El Salvador and Nicaragua, but the security of the industrial capability of the United States which is essential, without which we could never defend the United States against the Soviet Union or any other industrial power. A nation dependent upon that type of shipping, that type of commerce, that could easily be disrupted by any major power, if they have bases all over the Caribbean for their submarines, for their ships, for their airplanes and for their rockets is at risk.

Mr. Chairman, I think we make a grave mistake allowing the Sandinistas, directed by Fidel Castro, to roam throughout the region to plant the seeds of Marxism or communism or call it what you will. It is time for we here in the Congress as Representatives of those American people who believe in and who have died for freedom and liberty against nazism and communism. I think it is time for Congress to establish that position solid today. We are going to make a decision and we are going to live with it for a long, long time.

So, my friends, lay aside the partisanship. Lay aside the little games we might seek to play from time to time and let us vote, as we pledged to do when we all took the oath of office in the well of this House, let us vote what is best for the United States of America.

Mr. BOLAND. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, there is only one reason why we are here today and that is to consider the bill which stops covert action in Nicaragua. For more than 1 year and one-half the Intelligence Committee has struggled with this problem. It has not been an easy task.

I know that there has been a split within the committee. Because of the attitude of the administration this particular problem has deteriorated at this moment into one of partisanship.

I have made a real effort in that committee to get away from partisanship and I think we have been greatly successful. And I would say that we have won from the intelligence community, whether it is the DIA or the National Security Agency or the CIA, you name it, I think one could say that this committee has won the respect of the intelligence community and has won, the respect of this House.

Now this House has a judgment to make with respect to a problem the Intelligence Committee has had to deal with.

The credo that I have tried to follow—and I think other members of this committee have tried to follow—is that we recognize that, "Among the increasingly intricate arsenals across the world intelligence is an essential weapon, perhaps the most important, but it is, being sacred, the most dangerous. Safeguards to prevent its abuse must be devised, revised, and rigidly applied. But, as in all enterprise, the character and wisdom of those to whom it is entrusted will be decisive. In the integrity of that guardianship, lies the hopes of free people to endure and prevail."

That is a quote that was taken from "The Man Called Intrepid". It is a credo that was established by William Stevenson, who was the chief intelligence officer for the British in World War II.

We have tried to adhere to that credo. I think it is an important one.

I said the other day that there must be Members within this body who were here when the Tonkin Gulf resolution was up and I am sure there are Members who are here today, who were here at that time, who would like to have that vote back.

Oftentimes in these matters we vote in the dark. The Intelligence Committee has a responsibility to be sure that those who are in this Chamber know what is going on if a particular covert action program is one that deserves to be changed.

□ 1630

That is the particular position to which we came. As I said the other day, we had a couple findings in this matter, one in March 1981, with which we did not disagree. It was a covert action, to do certain things in that part of the world. And we agreed to it. Along comes December of 1981, and the ball game has changed: A paramilitary operation, but a paramilitary operation that was going to be controlled, they tell us—controlled—and we believed them. And because it was so serious, we asked that we would be updated every 2 months in this area, and we were. And over that period of time, some 12 or 14 briefings were held on this matter because it was our responsibility to be sure that whatever the finding was, that it was being adhered to. And eventually we decided that it was not. And in May of this year, we took this decision. It was split vote, a partisan split, 9 to 5.

Yet we also had earlier made a decision in the budget conference report for fiscal year 1983, which specifically limited the funds to the interdiction of arms, and the Boland amendment, to which we agreed to back in December of 1982. That amendment specifically forbade the effort to overthrow the Nicaraguan Government or to provoke a military exchange between Honduras and Nicaragua.

That is where we are headed. Believe me, that is where we are headed. So that is the reason why this committee acted.

Do not get away from the basic purpose of this bill. The basic purpose of this bill is to stop covert operation. If you vote for the Mica amendment, you are reversing yourself on the last vote. I ask you not to do it.

Mr. ROBINSON. Mr. Speaker, I move to strike the requisite number of words, and I rise in support of the Mica amendment.

My colleagues, my chairman, the gentleman from Massachusetts, has just made a very wonderful appeal on behalf of bipartisanship with regard to his opening remarks, suggesting that he has tried to keep us moving in that direction, when, throughout the total debate that we have had with regard to this particular subject, there has been nothing but partisanship.

Now, I say to you here this afternoon, the first time that I have been on my feet today, that this is our last chance for a reasonable bipartisan effort that protects our allies and friends and the best interests of the United States.

This is the compromise amendment that is the product of the only bipartisan effort that has gone on with regard to this whole matter. And that was the effort that began at the White House, moved to the majority leader's office, and has continued more or less since that time.

There are more things at stake here than whether or not we cut off covert activity. The gentleman from Florida suggests how important it is that we look at the best interest of the United States and the way that the United States is perceived in other countries with regard to its ability to stand as the best friend that freedom has in the free world. And indeed we can do

that only if we are able to keep on helping those people down there.

Now, something has been made on more than one occasion of the prospective deployment of additional troops down there in that part of the world. Let me quote for you not something from the administration, not something from the Republican Caucus, but something from the majority committee report that accompanies this bill. This is with regard to the overt action, the overt assistance that is suggested by the Boland-Zablocki bill.

The Committee expects that much of the assistance—particularly training, technical assistance or advice—provided under the authority of this subsection could involve the use of U.S. military personnel. It should be emphasized that, since the program of assistance envisioned by this subsection is intended to supplement other types of security assistance, any outstanding restrictions on the numbers of U.S. military advisors permitted within a recipient country would constrain significantly the efficacy of that program. Accordingly, any such restrictions should be reviewed by the Committee on Foreign Affairs with this in mind.

Which, of course, endorses indeed the matter that we will be committing additional troops down there and have them in a position where they can certainly be in danger in more ways than one.

The Mica amendment does indeed go beyond just the matter of cutting off covert aid. It reflects the reciprocity and symmetry concept which has been accepted as the reasonable way to go, I think, by a majority of my colleagues here. It rejects, as proper, the putting off of a decision on U.S. policy in Central America that leaves our allies hanging as to what the United States is going to do. It forgoes the overt program but stipulates covert programs cannot continue unless the President submits a new and acceptable plan. And first and foremost, when the Sandinistas halt support for the insurgents in Central America, the covert program is terminated.

Is that not what we want to bring about? I ask for your support for the Mica amendment as the last chance for a reasonable bipartisan approach to the whole problem.

Mr. YATRON. Mr. Chairman, I move to strike the requisite number of words, and I rise in strong support of the Boland-Zablocki alternative. I strongly believe this bill will provide for a legal and more effective interdiction policy. I will not waste the time of my colleagues elaborating on the various reasons I support this bill. Most of them have already been discussed before this body, so I will confine my remarks to one aspect of this debate which I feel warrants closer attention.

As chairman of the Subcommittee on Human Rights, I have studied in detail the death tolls of innocent people throughout Central America, and especially in El Salvador. Any time you have a major guerrilla insurrection innocent lives are lost. If we continue to pursue a covert aid program supporting groups actively seeking to overthrow the Nicaraguan Government, we risk initiating a major conflict within that country. A full scale guerrilla war in Nicaragua would inevitably lead to a bloodbath which could result in the deaths of thousands of innocent people. Mr. Chairman, I have, and will continue to be, an outspoken critic of the Sandinista Government and its repressive policies. To this end, the Human Rights Subcommittee will conduct a full-scale review of human rights in Nicaragua in the near future. However, if we continue to support guerrilla groups within Nicaragua, the Sandinistas will tighten their grip on the Nicaraguan people, the conflict will escalate and thousands will die.

The Boland-Zablocki alternative would terminate support for these guerrilla groups thereby absolvng us of responsibility for what might become a crisis of epic proportions. In the final analysis, while it is absolutely essential to interdict arms shipments to the insurgents in El Salvador, we cannot continue to sponsor a policy which disregards the human rights of the Nicaraguan people. The Boland-Zablocki alternative seeks to secure our national interests and, at the same time, to uphold the U.S. commitment to the human rights of all peoples.

Mr. MICA. Mr. Chairman, will the gentleman yield?

Mr. YATRON. I yield to the gentleman from Florida.

Mr. MICA. First, I would like to point out that the gentleman says he opposes all covert aid. This committee consistently has approved covert aid. There is an appropriate place in the report of the committee.

And, second, with regard to human rights, I ask all of my colleagues, before you go home and try to discuss this issue, read the Boland-Zablocki report, because that is the most devastating document with regard to what is going on in Nicaragua and their military buildup in this region of any document I have ever seen.

Mr. VENTO. Mr. Chairman, will the gentleman yield?

Mr. YATRON. I yield to the gentleman from Minnesota.

□ 1640

Mr. VENTO. I thank the gentleman for yielding.

Mr. Chairman, I want to commend the gentleman for his statement with regard to human rights because frequently the view has been that if you can mouth U.S. slogans on democracy, free elections, and a variety of other values, that somehow the U.S. Government is going to be there ready to fund and assist you no matter your true motives.

Indeed, all of us have serious questions with regard to what is going on specifically in Honduras and in Nicaragua and in El Salvador today. The fact of the matter is, on government-to-government basis, we are dealing largely if not exclusively with the military; we are not even dealing with the freely elected governments in these countries that we profess to support.

The real question is whether Congress is going to assert itself; whether we are going to have an effective voice in terms of the Central American foreign policy issue. Some raise the fact that we took an oath of office to support our country, but the question is the character of that support. Are we going to do it under the table or over the table? We should be doing it out front. We should be proud of what we are doing. I am certainly not very proud of the actions of the Reagan administration in Central America.

Mr. Chairman, I am very concerned that we are involved with illegal covert activities in Honduras, Nicaragua, and Central America.

I am very concerned about the direction of our foreign policy, we are at a crossroad, either we can continue as a nation to pursue questionable covert U.S. activities or seek a path of overt actions which I hope would be a U.S. role as a negotiator, and arbitrator not primarily a military role.

The United States, the past 3 years, this Congress specifically has provided the administration what it wanted. Certainly not without dissent, not without debate, but the Reagan administration has by and large received economic and military assistance sought. However, one important limitation, the Boland amendment, in December 1982 was written into law. The Boland provision permitted the use of funds for interdiction of arms going to El Salvador, but very specifically prohibited any U.S. support or aid for any covert activities with the expressed intention of overthrowing the Nicaraguan Government.

Today it is clear that the Reagan administration and some House Members want to rewrite the meaning of the law. They would reinterpret and torture its meaning to accommodate the current administration's actions and apparently future intent rather than be limited by the law.

It is imperative that the Congress maintain an effective voice and establish better accountability concerning the law and the conduct of foreign policy.

The essence of the debate today is whether this House is going to permit the law as manifest in the Boland promise to be stretched and tore into something never intended or are we going to stand up and tell the Reagan

administration they are wrong, that these covert activities are inappropriate and illegal.

Whether the U.S. Government is going to pursue sneak and covert activities under the table, shielded from view or review of the Congress and the American people or can we pursue foreign policy in the full light of U.S. and world opinion with the U.S. Congress participating in a balanced manner as is envisioned in the Constitution.

I am concerned that only after we read in the media about secret wars is the Congress informed.

Mr. Chairman, Marxism has existed for 50 years in Central America; communism is not new to the Western Hemisphere.

It is an appropriate concern of the U.S. people and their elected officials.

But let us not be indifferent to the many other problems of that region. Few nations in that area of the world could ever have been pointed to as ideal democracies. Frankly economic, political, or social justice is simply not a reality for most people in Central America. The United States, of course, supports correcting these inequities, proding these nations into action, addressing these serious shortcomings.

But our covert and overt military support deal most often not with elected leadership, the products of the process we sponsored in many instances, but rather with the self-appointed Central American military leadership, the repressive powers, the tools of the wealthy landowners, and the remnants of military governments that so long have denied the basic human rights to the people of Central America.

We must move U.S. policy away from the covert action and simplistic military support for anyone who waves an anti-Communist banner.

This Congress must not act blindly in support of any and all means to an end, no matter how much we believe in the goal, the objective, our actions to attain the outcome are very important. In the final analysis inappropriate covert actions, actions which say democracy is only important at home in the U.S.A. will be self-defeating.

No one can beat us, but surely we can beat ourselves, if we sacrifice our values and compromise our system of decisionmaking in the heat of pursuing an objective or political support of the Reagan administration we will lose much more than the issue before us today.

It is clear that President Reagan believes that some expansion of the current conflicts in Central America are desirable. I strongly disagree with this view and the President's actions.

Our allies in Central America and Europe differ with this view as well.

I hope that President Reagan will reconsider his announced intentions. The massive naval training deployment off the coast of Honduras and Nicaragua, the intent to send 4,000 so-called military advisers to assist the insurgents in Honduras, all spell trouble and an uncertain future.

When confronted by questions from the media or Members of Congress the insurgents unabashedly report their objective to overthrow the Nicaraguan Government, in spite of the President's assurances to the contrary.

We do not need more military presence, or more arms in this part of the world. No; rather we urgently need a new, a tempered policy for Central America.

The appointment of a commission maybe a good diversion, but that provide no answers for today or in the near future.

There is no framework or symmetry to the current policy in this region or logical consequence as to where we will come out.

It is a jump into the dark and so far has resulted in blackened eyes for the United States and far worse for the people of Central America.

Mr. Chairman, the legislation before us will serve to send a much needed message to President Reagan from the American people. This Congress represents the people and if we do our job right we will hold the administration accountable to the law for its actions and inept policy in Central America.

It is of paramount importance that we defeat the Young and Mica amendments and similar efforts that either shrink from expressing a view or worse yet attempt to legitimize the illegitimate Reagan administration policies in Central America.

Mr. RITTER. Mr. Chairman, will the gentleman yield for a question to the last speaker?

Mr. YATRON. I yield to the gentleman from Pennsylvania.

Mr. RITTER. I thank the gentleman for yielding.

Mr. Chairman, I would like to ask the gentleman from Minnesota, since he is interested in up front rather than under the table, overt rather than covert, would he support covert aid and assistance to the Miskito Indians fighting against genocide inside of Nicaragua, to the Eden Pastora group and to the FEN? It is ironic that the gentleman is now the fourth Member of the other side who has neglected to respond to that question.

The CHAIRMAN. The time of the gentleman from Pennsylvania (Mr. YATRON) has expired.

Mr. ZSCHAU. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman I rise in support of the Broomfield-Mica amendment.

Mr. Chairman and Members of the committee, in a few minutes we are going to be voting on the Broomfield-Mica amendment. It will be one of the most important votes that we are going to have on this issue. Therefore, I think it is appropriate to understand why this amendment was introduced and what it will actually do. We have heard a lot of rhetoric today focusing on generalities, but I think it is important to understand the details of the amendment and its rationale.

It was proposed because there are many of us in this body, including myself, who are not supporters of covert aid but, on the other hand, are troubled by the prospect of an $80 million overt military program involving the "friendly countries" around Nicaragua to interdict arms shipments been Nicaragua and the insurgents in El Salvador.

The Intelligence Committee report clearly states we have a problem there. It's a problem we can't ignore. The Sandinistas are attempting to overthrow the government of El Salvador by providing assistance to the insurgents there. The Boland-Zablocki amendment would cut off covert aid but it would substitute an overt military program which I think would be both ineffective and dangerous. That puts many of us in the body on the horns of a dilemma.

Many of us are troubled by the use of covert operations but many of us are also troubled by the prospect of a new $80 million military extravaganza. We must look to other alternatives. We cannot keep looking to the same old, tired military solutions. Why not look at other alternatives—diplomatic approaches and other ways of solving this problem that do not involve reliance strictly on military solutions.

We need a new plan for dealing with this problem, a plan that is based upon considering bilateral and multilateral negotiations, involvement of the OAS or the United Nations, and any other approach that would stop the actions of Nicaragua against the Government of El Salvador. That is precisely what the Mica amendment proposes. It proposes a cutoff of the covert aid and in its place mandates the administration to prepare a new plan, a plan based on wider set of alternatives.

How will we know whether that plan should be continued or terminated? The Mica amendment proposes some very specific objectives. When the Sandinistas have stopped their activities against El Salvador and when the Sandinistas have started to take steps to implement their commitment to the OAS, then the plan would be terminated.

How would that be determined? It would be determined by the OAS or by the President of the United States.

We have with the Mica amendment a proposal that gets us off the horns of the dilemma. It does not just ignore the problem. Rather in supporting it you would saying, "I do not like to

covert aid and I do not like the overt program in the Boland-Zablocki bill. Let us charge the administration to formulate a better plan. Let us have specific objectives for that plan and let us have outside, third party; namely, the OAS, determine when those objectives have been achieved."

Mr. Chairman, I urge my colleagues to support the Broomfield-Mica amendment.

Mr. ROBINSON. Mr. Chairman, will the gentleman yield?

Mr. ZSCHAU. I yield to the gentleman from Virginia.

Mr. ROBINSON. I thank the gentleman for yielding.

Mr. Chairman, the gentleman refers to an $80 million extravaganza in terms of the overt program. I would like to read from a letter to me from the Secretary of Defense dated the 23d of June. A paragraph reads as follows:

> An interdiction program which treats Nicaragua as a sanctuary would be prohibitively expensive. For example, interdiction against ground supply flow alone could cost upwards of $300 million the first year, and at least $100 million for each subsequent year. Even at these levels, little interdiction could be achieved against air or waterborne infiltration.

So the $80 million that is suggested is a drop in the bucket.

Mr. ZSCHAU. Mr. Chairman, if I may reclaim my time, let me just once again urge my colleagues: Let us look beyond the tired, old military approaches. Let us expand the scope of our planning to include diplomacy in order to stop the actions of the Sandinista government that are destabilizing the country of El Salvador.

Mr. LAGOMARSINO. Mr. Chairman, will the gentleman yield?

Mr. ZSCHAU. I yield to the gentleman from California.

Mr. LAGOMARSINO. I thank the gentleman for yielding.

Mr. Chairman, I want to commend the gentleman on his statement and for his very hard and sincere work on this issue.

He makes a couple of very good points.

The CHAIRMAN. The time of the gentleman has expired.

(On request of Mr. LAGOMARSINO and by unanimous consent, Mr. ZSCHAU was allowed to proceed for 2 additional minutes.)

Mr. LAGOMARSINO. If the gentleman will yield further, one of the points is, of course, is that we should not be looking to purely military solutions. However, I think the Boland-Zablocki bill that is before us would lead to more, not less, military intervention.

For example, Costa Rica, a long-time democracy, has no army. How are they going to take part in any kind of interdiction program? The only way would be by some type of militarization of that country.

You make the point, and the gentleman from Virginia makes the point, that the money in the bill is not sufficient to do the job anyway. The report of the Intelligence Committee also points out very clearly that it would take additional American service personnel to carry this out.

So I think the Boland-Zablocki thing will lead to more military activity, not less. I support the gentleman's statements.

I hope the amendment is adopted.

Mr. ZSCHAU. I agree with the statements of the gentleman from California.

The fact that the military program proposed in the Boland-Zablocki amendment would be both ineffective and dangerous is the reason why we have to consider other alternatives. The Broomfield-Mica amendment requires the administration to consider such alternatives. That is why I urge its adoption.

Mr. BEREUTER. Mr. Chairman, will the gentleman yield?

Mr. ZSCHAU. I yield to the gentleman from Nebraska.

Mr. BEREUTER. I thank the gentleman for yielding.

Mr. Chairman, I commend the gentleman's analysis of exactly what the Broomfield-Boland amendment does. I certainly support it.

On the reverse, I think we ought to take a look at what the Solarz-Boland proposal, in fact, which is on the board right now, on the table, does.

For one thing, we are not talking about a 30-day period, an impossible, impractical 30-day period of time when we are going to stop covert action.

□ 1650

It is 30 days, I would say to all my colleagues, and then the President may seek a joint resolution from the Congress and you know how long that would take.

And what would we be starting if in fact it was approved by the Congress?

The CHAIRMAN. The time of the gentleman from California has expired.

(At the request of Mr. BEREUTER, and by unanimous consent, Mr. ZSCHAU was allowed to proceed for 1 additional minute.)

Mr. ZSCHAU. Mr. Chairman, I yield to the gentleman from Nebraska.

Mr. BEREUTER. Mr. Chairman, what would we be starting under a joint resolution by the Congress? We would be returning to covert aid—bear that in mind, covert assistance, and I thought that is what we were trying to get rid of here. You know, when we started some 19 months ago going down this process of covert assistance, you ought to have been able to predict what was going to happen. We might have been talking about interdiction, but the people affected were interested in the overthrow of the Sandinista government, and all of us have the responsibility. We have left the people sitting in Nicaragua out on a limb.

This is not the appropriate approach. The appropriate approach, Mr. Chairman, is the Broomfield amendment now before us, offered originally by the gentleman from Florida (Mr. MICA).

Mr. DOWNEY of New York. Mr. Chairman, I move to strike the requisite number of words. I rise in opposition to the amendment.

Mr. Chairman, I have not spoken on this matter, but I have listened very carefully to the debate, and without attempting to characterize part of the debate, it appears as though some of my colleagues have transited the last 30 years without learning very much about American diplomatic history or the history of Central America.

I do not think it is worth debating again the lessons that we should have learned in this country. Some of the blackest pages of American history have been written in that portion of the world. We have talked over and over again about the fact that American troops have been there twice in this century. The only thing that is different is that no longer are we interested in directly sending in American troops, although that is not yet completely resolved; we are prepared to do a land version of the Bay of Pigs, with the 10,000 thugs, brigands and thieves. We are prepared to finance an overthrow, since that is what they are interested in doing, the Government of Nicaragua.

The gentleman from Indiana (Mr. HAMILTON) and the majority leader have talked eloquently to the issue that this is a policy that will not work. First, it is not working now; and second, there is little support politically in Nicaragua for the group that we are financing.

What we are saying, and it is remarkable that we are even having this debate, that in El Salvador we will not allow the guerrillas to shoot their way into the Government, so do not negotiate with them; but in Nicaragua we are prepared to force the Government to the bargaining table or force the Government to have elections or attempt to interdict arms by the financing of a rebellion from the United States; so what is not good in El Salvador, our country says, is perfectly acceptable in Nicaragua—preposterous, preposterous.

We can get out of this if we seize the golden moment that has presented itself to us. The countries of this region want to resolve this dispute peacefully.

To those of my colleagues whose myopia on viewing the Red menace obscures the enormous suffering of the people in this region, I say this to

them. Is our arrogance so infinite that we can suggest that these countries are ours to lose? That presupposes that they are ours to begin with. It is the millions of poor, innocent people who would like to live in peace, have something for their families, that should concern us first, not whether we lose or win Nicaragua, but whether or not these people can live a life of hope and opportunity. They can live a life of hope and opportunity, Mr. Chairman, if we stop the killing. We can stop the killing by negotiating. We can stop the killing by pursuing policies that are not wrong and we can start it by voting against the Mica amendment.

Mr. EDWARDS of Oklahoma. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, in the 7 years that I have been in the Congress I have been faced, as we all have, with issues that are simple and clear and with issues that are very confusing and very complex.

Mr. Chairman, this amendment that we are about to vote on is as clear and as unambiguous as any we have ever considered on the floor of the House. We will stop our aid to the Contras in Nicaragua when Nicaragua stops exporting death and revolution to its neighbors in Central America.

Now, there are those in this Chamber who will say they are for the Mica amendment, who will say they are for symmetry, and yet they voted for the Boland-Solarz amendment.

Well, that option, that shelter, is not going to be available on this next vote. The choices are very, very simple. If you vote yes on the Mica amendment, you vote for a plan to stop the fighting and the death in Nicaragua. If you vote no on the Mica amendment, you vote to cut the ground out from under the people who are fighting for the right to live in a free society, the right to have free elections, the right to have a free press.

If you vote no on the Mica amendment, you vote to give a free hand for the next 30 days to those who believe in seizing power by killing and bombing and burning, who seized power in Nicaragua that way and who are trying to seize power in El Salvador that way.

What is wrong with us that we sit here in this Chamber using subterfuge and semantics and partisan politics to help pound the nails into the lid on the coffin of freedom in Central America?

We are all politicians, all of us want to win our elections; but are our elections so important to us and our values so mixed up that we are going to sit here and play partisan politics with the freedoms and the lives of millions of people in Central America?

When Europeans, white Europeans were threatened with the loss of freedom in World War II, Americans went to their aid with men and money and guns, and now millions of dark-skinned Latins and Indians are being deprived of freedom and we make excuses why we cannot help them.

A nation is like a person. We, too, as a nation, can lose our soul. We, as a nation, can hide our face and pretend not to see, while neighbors lost their lives and their freedoms. We must not hide our faces from those who need our help, not because we are big, not because we are strong, but because we care about our neighbors. That is the character and the strength of the American people.

Mr. WRIGHT. Mr. Chairman, I move to strike the requisite number of words. I had not intended to speak on this amendment, but something was said that surprised me.

I had been looking for my friend, the gentleman from Florida (DAN MICA) and I have not been able to find him. I just wonder if the gentleman is in the chamber?

If not, let me then address this to the gentleman from Michigan (Mr. BROOMFIELD), who is ostensibly the author of this amendment.

Some of the debate leads me to the belief, heretofore unexpected, that the Mica amendment as it is now offered would strike out that provision in the bill which provides $80 million for assistance to friendly governments in the hemisphere who want to seal off and sanitize their borders from the intrusion of arms.

Does it do that? Does it strip the bill of that?

I yield to the gentleman from Michigan.

Mr. BROOMFIELD. I would answer the majority leader, that is very true, for two reasons. First of all, many of us on this side, at least, and I think many on the Democrats' side feel that covert aid is not the way to deal with arms control down there.

Mr. WRIGHT. I thank the gentleman for his answer. I must say I am surprised and disappointed if you do not want to provide anything on top of the table, you just want to do it all under the table. I was not feeling too bad about the Mica amendment, and I thought it was done in good faith. But now I must express my concern over the deletion of this provision.

□ 1700

When I was involved in the effort to try to achieve some compromise, and I do not want to criticize anybody on the grounds of bad faith, we were never contemplating striking from the bill the very thing that makes us honorable and aboveboard and straightforward.

If we are going to be believed in this hemisphere, if we expect anybody to have any confidence at all in the promises that we make, the first thing we have to do is be honest. Renounce deception, be straightforward, be open and aboveboard.

Mr. HYDE. Will the gentleman yield?

Mr. WRIGHT. I may yield a little bit later. I just cannot yield at this time to the gentleman. He believes what we are doing in Nicaragua is self-defense. In my opinions it is not self-defense to invade another country. That is just not my view of things, and I cannot yield to the gentleman right now.

I want to make this one point. I was not prepared to be involved in this particular debate over this particular amendment.

I thought Mr. MICA simply allowed the continuance of the covert, so-called covert aid until certains findings were made. We know it is not covert. It is sneaky. We pretend we are not doing it and we know we are doing it. The whole world knows we doing it. Our enemies know we are doing it and our friends know we are doing it. The Mica amendment permits us to continue it until the Sandinistas have been found either by our President or by the OAS to have ceased and desisted from what they are doing. We all understood that. But I did not realize that this amendment strips from the bill the one straightforward thing that the bill permits and that is help, help for those who need help. That is true self-defense, for goodness sake.

When other people invade your country with arms and you ask the United States for help, that is the kind of help we ought to be able to give when we are invited in by a friendly government that wants to protect its borders from the intrusion of arms.

That is what this bill permits. But it is on top of the table. It is only where invited, and it is not to be used for invading another country. It is not going in uninvited with military and paramilitary forces that we have paid for, that we recruited, equipped, armed, trained, and sent into the borders of a sovereign nation while pretending that we are not doing it.

That is the kind of thing that I discover the amendment would permit to continue. But it would disallow the very honorable, straightforward and decent thing that the bill does permit, and that is $80 million on top of the table to friendly governments who want to protect their borders from the intrusion of arms.

Why in the name of reason do you cut that out? If you really believe what you are saying, that we have a responsibility to help countries defend and maintain their freedom, then is this not precisely the kind of thing we ought to be doing? Surely we should not be saying that the only thing we permit is the sneaky thing that Congress does not know about, that Con-

gress has no control over, that Congress has already forbidden by a unanimous vote in this House as recently as last December.

You want to permit that to continue, behind our backs, under the table, but you do not want to permit us to help countries that come to us and ask for assistance in the way of money that they themselves might defend their borders within their countries from intrusion of the flow of arms from outside. That seems inconsistent in the extreme.

Mr. GINGRICH. Mr. Chairman, I move to strike the requisite number of words.

Mr. HYDE. Mr. Chairman, will the gentleman yield to me?

Mr. GINGRICH. I yield to the gentleman from Illinois.

Mr. HYDE. I thank my friend for yielding.

I would just like to tell this body that the gentleman who was just in the well who made his usual marvelous speech, I asked him one time at a committee hearing how do you then characterize aiding the Afghan rebels who are fighting against a Soviet puppet regime in their own country? How do you deny aid to the insurgents in Nicaragua and at the same time think it is moral and good and not sneaky to help the rebels in Afghanistan?

After a slight pause, after a slight pause, the gentleman said, "I have no answer to that."

I thank the gentleman for yielding.

Mr. GINGRICH. Mr. Chairman, I rise frankly to respond to the last two speakers on this side of the aisle because I think they put it pretty clearly. This is the day before the 150th anniversary of the death of William Wilberforce. Most of you do not know who William Wilberforce was, or he is not a big factor in your lives. But William Wilberforce was the man who led the crusade that ended slavery in the British Empire, a convert to Methodism, a man who spent his lifetime dedicated to the idea that the abolition of slavery was worthwhile.

It is interesting to vote the day before the anniversary of his death and to think about William Wilberforce would have voted—he was a member of Parliament—had he been a Member of this Congress.

The gentleman from Texas just said and I quote: "You think you don't want to do it on top of the table, you just want to do it under the table." And he said, "It is not self-defense to invade another country."

But, of course, he will vote for aid to Israel despite the invasion of Lebanon. He will even, in fact, break precisely the principles he establishes when it is politically appropriate.

This is not a vote on morality. This is not a vote on whether this country is pure and is doing everything aboveboard.

This is a vote on whether or not we are going to cripple the forces of freedom. This is a vote on whether we are going to help the Soviet Union and the Cubans and the 9,000 Communist bloc advisers who are in Nicaragua. This is what this is a vote about.

The gentleman from New York articulated brilliantly the radical doctrine of his wing of his party. He said at one point we support, and I quote: "10,000 thugs, brigands and thieves"; strong, harsh language.

He did not say anything about the Soviets who are in fact arming people, trying to kill innocent folks in El Salvador. He did not say anything about the nature of reality in Central America.

If you are for America, what he said was, across this planet, on this floor, if you are for America you can expect an American Congressman to call you a thug, brigand, or thief. But if you are in fact willing to subvert El Salvador, if you are in fact willing to support a dictatorship in Nicaragua, it is not worth mentioning. That is not a bad thing to do.

He said are we so arrogant and so infinite that we can suppose we have this land to lose? Well, I think that a number of people in this body would say over and over again about Israel, about Germany, about France, about England, yes, as a free people we Americans do have an obligation to help our neighbors; yes, in Japan, there is a country that we would help.

But El Salvador is different. For some reason that is not as important.

It is reasonable to doubt that.

He says people who would like to live in peace, and I think that is true. I say to you if you honestly believe the war in El Salvador was started in Washington, then you ought to vote against the Broomfield-Mica amendment. If you honestly believe that the CIA is more dangerous than the KGB, then you ought to vote against Broomfield-Mica. If you honestly believe that the people who want to live in peace—let the gentlemen hiss. That is a useful game—I think it reasonable that people who would describe our allies as thugs, brigands, and thieves would hiss.

But the fact is that if you vote against Broomfield-Mica, what you are voting for is not peace; you are voting for slavery.

Why do we do it under the table, and it is not under the table, it is not covert. There has not been anything covert in this city since the Watergate era and since the publication of the Pentagon Papers. This is the most open circus on the planet.

We do it without legally defining it because weaker countries cannot possible police their borders overtly. Have we learned none of the lessons of the last 30 years, as the gentleman from New York said?

Do you honestly believe that those of you who are going to vote against Broomfield-Mica would vote for the kind of overt actions that are necessary? Do you want to vote for a blockade? No.

Do you want to vote for adequate forces in the field to stop this? No.

If you want to be moral about this, and you want to talk about being above the table, why do you not stand up and tell the American people that in fact if El Salvador goes down the drain that is the breaks, that it is not worth in fact trying to do realistic things that are necessary.

Mr. McCURDY. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I am somewhat amazed by the comments that have been voiced today from the other side of the aisle.

□ 1710

Some Members have said that if opponents of this covert action are on-the-table action, if we truly believe in support for the governments in the region, then why does one of us not stand up and say so? Well, Mr. Chairman, I am standing up today and telling you just that. I voted the other day not to cap the number of advisors in El Salvador; I voted not to put prohibitions on the use of military exercises in the region and I will match my national security voting record with Members on either side of the aisle. I am one that will proudly stand up and make that statement anywhere in this country or elsewhere in the world.

Other Members have come today and said it is not the American character, it is not mainstream America what we are doing today. But, I would submit to you that the American character, and mainstream America will support honest, well thought out, clearly enunciated policies.

The beauty of this country and institution is that we do have the opportunity to debate and to inform our constituents on the issues of the day.

The Intelligence Committee performs a very, very important function. One of our important responsibilities is to excercise oversight and to inform this body on U.S. foreign and intelligence policy. What we have today is a substitute for policy, because the administration has not sufficiently articulated a policy for Central America.

It is a lack, it is the very absence of that clear policy, ladies and gentlemen that brings us here today.

This is no longer a secret war. Members, many Members will use the covert action, the unlimited, uncontrolled covert action as something, as a cover to hide behind.

This Member stands up today and says we have a stake in Central America, but I plead with you, let us do it based on sound, clearly enunciated policy, not five or six different directions at once, not voices coming from every direction, but one strong clear policy.

Mr. ENGLISH. Would the gentleman yield to me?

Mr. McCURDY. I yield to my colleague from Oklahoma.

Mr. ENGLISH. I would like to commend the gentleman for his statement, particularly in behalf of those of us who certainly would be willing to support an open effort to cease the arms flow from Nicaragua into El Salvador, but who raise serious questions about the wisdom of following a covert policy that is no longer covert and has not been for some time. So, I want to thank the gentleman for his statement and I think that he speaks for far more than just himself with those eloquent words.

Mr. McCURDY. I thank the gentleman.

Mr. STRATTON. Mr. Chairman, will the gentleman yield?

Mr. McCURDY. I yield.

Mr. STRATTON. I want to commend the gentleman because he has been a very responsible member of the Armed Services Committee and he has voted for a strong defense. And it is quite true that he is prepared to support whatever might be required in an overt operation. But I was a little disturbed when I heard the majority leader say that one of the reasons he was going to vote against the Broomfield-Mica bill was that it eliminated $80 million that could be supplied for overt activities that would do the same job with respect to Central America as the covert operations are doing.

(On request of Mr. STRATTON and by unanimous consent, Mr. McCURDY was allowed to proceed for 5 additional minutes.)

Mr. STRATTON. Mr. Chairman, will the gentleman yield?

Mr. McCURDY. I yield to the gentleman.

Mr. STRATTON. The gentleman from Oklahoma, as a member of the committee, is well aware, I am sure, that $80 million is only a drop in the bucket for what would be required to do the same job on interdicting arms to El Salvador on an overt basis.

The committee, I think, has already been advised that to do the same job being done now covertly, it would cost some $300 million for the first year and at least $100 million for every year thereafter. And if a quarantine were required that would cost $1.2 billion for a single year.

Now, surely the gentleman from Texas (Mr. WRIGHT) realizes that the House is certainly not prepared to support that kind of money. And to suggest that we are undermining the future of the Costa Rica and Honduras and El Salvador because we are rejecting $80 million is simply not realistic. The job will cost a great deal more, and this Congress would never approve that kind of military expenditure.

Mr. WRIGHT. I wonder if the gentleman would yield to me so I can respond to what my friend from New York has just said.

Mr. McCURDY. I yield to the majority leader.

Mr. WRIGHT. It was not my suggestion that the $80 million in overt and open assistance for countries who want to seal their borders from the intrusion of outside arms would do the same thing that we are doing, supposedly, covertly. That was not my suggestion. I did not mean to leave that implication. What the $80 million does is quite honorable and quite fully accepted in the family of nations.

It helps nations who ask for that help to perform within their own borders thoroughly legitimate activities in self-defense and self-protection. But this $80 million of overt aid which is stricken, I discover, by the Mica amendment, was not intended to finance an invasion of Nicaragua; that is not what that was for. It was to be held within the borders of countries that ask for it, that seek our aid and who want to monitor and control and stop the flow of armaments into their own country. And I think that is thoroughly legitimate. Maybe $80 million is not enough; I do not know how much it will take. But it is more than they have now.

Mr. STRATTON. If the gentleman would yield to me, if we stop the present covert aid, Honduras and Costa Rica are going to be very much concerned about their future and about their borders $80 million is not going to do anything substantial to protect the borders of Honduras and certainly not the borders of Costa Rica. We are just kidding ourselves on that.

Mr. WEISS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I do not intend to take my 5 minutes. I rise really only to call attention again to the tone and the path which debates on this floor on this and related issues have a tendency to take.

The gentleman from Georgia (Mr. GINGRICH) in the statement that he just made indulged himself in some rhetorical excesses which I would hope that he would want to reconsider and withdraw.

I would like to think that those Members on his side of the aisle who applauded those statements would also want to rethink and reconsider. Does anybody, does the gentleman from Georgia really believe that there is any Member in this body on either side of the aisle who really prefers and thinks better of the KGB than of the CIA? The gentleman from South Carolina (Mr. HARTNETT) indicates that he does. So there are a couple of people who really question the loyalty and the motivation of other Members of the House of Representatives of the United States of America.

I think that that is reprehensible, shameful, despicable, and has no place in this body.

I yield back the balance of my time.

□ 1720

Mr. ROTH. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I, too, would hope that we would not question the motivations of our fellow Members. But when we review these issues realistically, I think, both sides of the aisle have to question the double standard that is so evident here in this Chamber.

For example, when we in the Foreign Affairs Committee debated the foreign aid authorization bill, we had all kinds of restrictions, all kinds of demands, all types of criteria that El Salvador had to follow. Free elections, human rights, all things that we applaud, unconditional dialog with the rebels and all those other high sounding goals we invoke here in this House.

And yet, when it comes to Nicaragua, a country whose government repeatedly has said that they live according to the Marxist-Leninist philosophy, a government like that, we in this House will do nothing to impede their aggression, we have to keep our hands off.

We hear that we have inflamed the rhetoric in this House today. I disagree. When I review the rhetoric of the leaders on your side of the aisle—I find that historically they have spoken in the tone and content of the rhetoric on this side of the aisle today.

For example, this side the Democrat side had a President some 23 years ago, he in his inaugural address spoke in determined tone and rhetoric about Central America. What did he say?

He said:

To our sister republics south of the border we offer a special pledge, to convert our good words into good deeds, to assist free men and free governments in casting off the chains of poverty, but this peaceful revolution cannot become the prey of hostile powers.

President Kennedy has a message for us today. In his inaugural address John Kennedy went on to say:

Let all our neighbors know that we shall join with them to oppose oppression and subversion anywhere in the Americas and let every other power know that this hemisphere intends to remain the master of its own house.

That was a Democratic President, from your side of the aisle, John Kennedy.

And I am proud of the Members on our side of the aisle because I think that the speeches they have made have had a historical perspective.

If I had to judge about where the Members on this side of the aisle, are coming from, I would conclude they are carrying on the traditions, they are carrying on the philosophy and the principles set forth by our leaders for the last 200 years.

We have debated here for 2 days. Seldom is the Monroe Doctrine invoked. I think we have to take a look at our principles, our heritage, our roots and debate from an historical perspective.

I am proud of the statements that were made on this side of the aisle because they have been in historical perspective, which I am thankful we have not lost on this side of the aisle.

Mr. DELLUMS. Mr. Chairman, will the gentleman yield?

Mr. ROTH. I yield to the gentleman from California.

Mr. DELLUMS. I thank the gentleman for yielding.

I accept the thrust of the gentleman's argument and that is that oftentimes we do engage in a dual standard in terms of how we evaluate the conduct of other nations.

And let us accept, for example, the gentleman's criticism of Nicaragua. This gentleman's basic question is do we move Nicaragua closer to our definition of democracy through threatening war or do we move them closer to our definition of democracy by advocating peaceful solutions and political solutions to the problems. That is this gentleman's concern.

If you want to move Nicaragua in that direction, do we have to do it with gunboat diplomacy and the deployment of 20,000 troops or do we use the magnificent power of this Nation to advocate peace. That is what the guts of this whole issue is all about.

Mr. ROTH. I appreciate the gentleman's comments, but we talked about symmetry. Well, why do we not apply the same standards to Nicaragua that we are applying to El Salvador? Why do we not do that, Then we would have real symmetry.

Mr. YOUNG of Florida. Mr. Chairman, will the gentleman yield?

Mr. ROTH. I yield to the gentleman from Florida.

Mr. YOUNG of Florida. I thank the gentleman for yielding.

I think the gentleman from California raises a good point. Which is the better way to go? And I would remind the gentleman and our colleagues that we helped install the Sandinista government based on the promises that they made to us and our neighbors in the Organization of American States.

I would also remined the gentleman that the American taxpayer gave the Sandinista government $125 million to help them get started with their promised program of peace, along with the program of freedom, free speech, free elections, free press. All of these things they reneged on.

We tried what the gentleman is suggesting and we tried hard.

Now what we are trying to do is to defend our other friends in the region from these very people who went back on specific promises.

The CHAIRMAN. The time of the gentleman from Wisconsin (Mr. ROTH) has expired.

(At the request of Mr. DELLUMS and by unanimous consent, Mr. ROTH was allowed to proceed for 3 additional minutes.)

Mr. DELLUMS. Mr. Chairman, will the gentleman yield?

Mr. ROTH. I yield to the gentleman from California.

Mr. DELLUMS. I thank the gentleman for yielding.

Mr. Chairman, let us accept that the statement of my colleague is fact. I still—and even the gentleman's response to my question—I ask the question again. Even if we establish the same criteria for El Salvador as we do for Nicaragua, the gut question that we still must ask, even if we have used some time, does that mean we use the awesome power of the United States to engage in war? That is my concern. What split this country apart in the 1970's was our preoccupation with killing and death in Vietnam and what American people are talking about is peace.

And what I am saying to my colleague is: Can we move Nicaragua closer to our concept of democracy through advocating peace as opposed to this insanity, this insane preoccupation with war?

Mr. ROTH. If I may reclaim my time, I think the gentleman from California makes a good statement, but I hope that the gentleman is as impassioned in his pleas when we debate the foreign aid authorization bill and when we debate and weigh the stipulations for El Salvador.

I hope the gentleman will come to the floor and support me in that effort. And if we have a chance to introduce an amendment to apply the same standards to Nicaragua as we have applied to El Salvador, I hope my good friend will come to the floor and help me.

Mr. LEVITAS. Mr. Chairman, will the gentleman yield?

Mr. ROTH. I yield to the gentleman from Georgia.

Mr. LEVITAS. I thank the gentleman for yielding.

Mr. Chairman, I think the gentleman from Wisconsin has put his finger on the real issues and I think the gentleman from California has responded to it earnestly even though I disagree completely with his conclusion.

This business about secret or covert aid versus open or overt aid is nonsense. The phony business about some aid being sneaky or under the table or over the table, it is just a lot of hot air. Everybody in the world, who cares, knows about the aid and the operations, and it is absurd to talk about one type being bad or another being good. After all should we, and, indeed, are we supporting the insurgency in Afghanistan? Should we abandon those freedom fighters because of some covert aid rhetoric?

Everybody knows the issue is: Are we going to continue to supply aid and assistance to people who are fighting against the Government in Nicaragua, the insurgents. It is no secret. Everybody knows about it. So that is not the question. Should we or should we not provide this aid?

Now the real question is this, it seems to me. Since we know that Nicaragua and Cuba and Russia are supplying the insurgents in El Salvador for the purpose of overthrowing the Government of El Salvador, is it appropriate and is it justifiable for the allies of El Salvador, including the United States, to provide aid to people who are trying to change, or change the conduct of, the Government of Nicaragua. That is the question. As long as Nicaragua is aiding foreign insurgency, is it justifiable for the United States to do so as well, in response to the Nicaraguan action?

And it seems to me that the amendment of the gentleman from Florida (Mr. MICA)—regardless of how one votes on the final outcome of this bill—addresses that question.

When Nicaragua, Cuba, and Russia stop supplying the insurgents in El Salvador to overthrow that Government, then the United States certainly ought to stop supplying insurgents in Nicaragua.

What we really need is a political and nonviolent resolution of the problems in Central America. We need negotiation. We need the help of our Latin American allies as mediators. We need an end to oppression and the denial of human rights and the killing of innocent people. We should let the Central Americans solve their own problems without outside intervention of military power and we should support the tender buds of emerging democracy.

But, in order to do this we must not let Cuba and Russia have a free hand to support exported violent revolution and military assassins to be used against friendly regimes. When they stop aiding insurgency, then we should too—at once.

Let us help bring peace, justice, stability, democracy and economic well-being to this region.

Mr. ROTH. I thank the gentleman from Georgia for making that statement.

Again I think the gentleman from Georgia has demonstrated that he can put into a nutshell of 2 minutes what it takes us 10 hours to debate here on the floor.

The CHAIRMAN. The time of the gentleman from Wisconsin (Mr. ROTH) has again expired.

(At the request of Mr. WALKER and by unanimous consent, Mr. ROTH was allowed to proceed for 1 additional minute.)

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. ROTH. I yield to the gentleman from Pennsylvania.

Mr. WALKER. I thank the gentleman for yielding.

Mr. Chairman, I think there is one other point that does answer the very legitimate points made by the gentleman from California and that is that covert aid is at least going to people who are fighting within their own country. We are not adopting a policy of militarism. If you go to overt aid, you are very definitely to a policy of militarism in that part of the world. And that is specifically why the covert aid type of policy is preferable to overt aid.

□ 1730

Mr. GARCIA. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I have sat here for the last 3 or 4 hours and I have heard us talk about Nicaragua and Central America, that we are in danger of losing Central America.

I just wonder who gives us the right to tell the people of Central America what to do and what not to do. It is not ours to win or lose. Central America belongs to the Central Americans. Who in God's name gives us the right to stand up here and decide the fate of millions of people who live in Central America, as if we are all-powerful and God. We are not God.

Let me tell you something about Central America; 50 years ago, we sent our soldiers into Nicaragua. I want to remind you that Somoza, who created these problems we are in today, was a West Point graduate. Has anybody brought that up?

We have been in Nicaragua for 50 years. And in this debate here, before the world, once again we are telling them what they should do. And every time we do, what we are really saying to them is, "Get closer to the Soviets, move closer to the Soviets."

They have enough problems in Nicaragua today. If we stepped aside, there is no doubt in my mind, the people of Nicaragua themselves would rise up and say, "We want democracy, we have had enough of Somoza, we have had enough of the other, of the Soviet-led Sandinistas."

I just want to make it very clear to all of you, we have sat around here and made it very clear that we are the big macho. And you know, the saddest part of all in our decisions today, is not going to affect the young people in many of your districts. They will find a way to get out of it. I will tell you who is going to fight this war. It is going to be a lot of young Hispanics and blacks from the Southwest and from the Northeast who will go in there. Others will find a way to make certain that they are not participants in a shooting war.

I say that to my colleagues because if you look up the number of your people who have died in Vietnam and look at it and analyze it, most of those were poor young men and women who grew up in the ghettoes of America.

The Contadora group. For the first time Hispanics in Central and South America are trying to work together. Why are we forcing their hand? Why are we telling them that we as Americans know better? For the first time they are uniting and joining together in a common cause to stop tyranny. Why can we not listen to them? Why can we not give them an opportunity to say to themselves, "Hey, we are doing something for our own hemisphere."

It is important that we understand that. I do not question the morality of any Member of this Congress. I think this is a partisan issue.

The President said at his Tuesday night press conference that it would be a "very grave mistake if the legislature interfered with what we're trying to do" with covert aid. Are we interfering, either Republican or Democrat, by deciding whether or not we will authorize or appropriate funds for these operations? It is not only our right to do so, it is our responsibility.

I think it is important that we do debate this issue, because today we may just be starting the next world war.

In this hemisphere we have long neglected Central and South America. We have long said to them south of our borders and in Central America, "Tomorrow, manana, manana we will get together with you." And now it has all come to roost.

And I say that to my colleagues because I think it is important that you understand that as Hispanics—and, yes, I am an American, I am proud to be an American, I was born in this country and I love this country and I fought for this country in Korea. But I am going to say something to you: Please give us a chance to discover for ourselves that we can stand up.

The CHAIRMAN. The time of the gentleman from New York (Mr. GARCIA) has expired.

(On request of Mr. WOLPE and by unanimous consent, Mr. GARCIA was allowed to proceed for 3 additional minutes.)

Mr. WOLPE. Mr. Chairman, will the gentleman yield?

Mr. GARCIA. I yield to the gentleman from Michigan.

Mr. WOLPE. I thank the gentleman for yielding.

Mr. Chairman, I want to congratulate the gentleman on the eloquence of the statement he just made.

As we reflect upon the debate that is taking place today, probably one of the most extraordinary aspects of that debate is that there are probably no more than a dozen Members of this Chamber who could identify on a map, if they were given that map, the countries of Central America.

It is a harsh reality, but it is the truth. There are very few Members of this body, just as there are very few of our constituents, who know much about any of the societies within Central America.

So what is happening is that this entire debate is turning not upon our knowledge of those societies, because that is not what is really at issue. Rather, the debate is turning on labels and slogans with which we are familiar, and we are responding to lots of labels and slogans without understanding the reality behind either in Central America. When that happens, we get suckered.

Time and time again there have been governments that have arisen in Central America, or Latin America more generally, that have taken upon themselves the label of anti-Communist. And the moment they have done that, knowing in advance that that was a sure-fire means of guaranteeing an American response, we have come trotting to their assistance. And in the name of anticommunism, we have supported time and time again rightwing dictatorships that have been violative of the rights of the people, that have been protective of a few land-owning families who are maintained in power with the support of rightwing military groups.

In Chile, in Guatemala, in El Salvador, in Nicaragua, that has been the pattern of American response to the region.

So the point the gentleman from New York (Mr. GARCIA) makes has two sides to it. One side is that we do not understand and do not identify with the human reality of the countries themselves. And when we respond on the basis of labels and stereotypes, what we do is to compromise the interests of the countries involved and the peoples in those countries. And the other side of the coin is that we compromise our own interests as well, because at that point we play directly into the hands of those who want to portray the United States as the imperialist, as the intervenor.

We have an opportunity now, as the gentleman has noted so eloquently, to ally ourselves with our key friends and allies within the region who do share our values, the Mexicans, the Venezuelans, the Colombians, the Panamanians, who are trying to mediate, to bring about a lasting political solution. Instead, here we are, in the midst of their peace initiative, sending new military forces into the region. That has been our response to their initiative.

That is silly. It is silly in terms of our goal of long-term stability in the region, and it is counterproductive in terms of our interests in resisting the expansion of communism.

I thank the gentleman from New York for his contribution.

Mr. WALKER. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the Mica amendment.

Mr. Chairman, I, too, have been sitting and listening to this debate, and I have made some notes as it went along, because it seems to me that we are engaged in a very important discussion that goes to the heart of what the foreign policy of this country may be, not only toward Central America in the future, but toward the world in the future.

And what I have heard is a debate that borders upon disinformation. I have heard a human rights argument made to defend a government that even the committee report that we have before us says is an abuser of human rights.

I have heard the Government of Nicaragua referred to as a freely elected government.

I heard the majority leader disparage covert aid and leave us with the idea that we probably should not even be supporting the rebels in Afghanistan.

Now, that kind of criticism I understand comes from deep feeling. I understand that the critics are obviously concerned about the covert aid in Nicaragua and Central America. But as I sat here and listened, I have come to the question of: What is it they are really concerned about? Are they concerned about what we are doing? Or are they concerned about the fact that we may be winning?

It sounds to me like the critics of our Nicaraguan policy are most upset about the fact that it has been somewhat successful. Let us look at the record. What we have heard said here on the floor by the critics is that the interdiction of supplies has not worked. And yet there has been evidence presented that it has worked, that it has been somewhat successful. It has not been perfect, it has not done everything we would want it to do. It has not even done all of the things that we would hope that a modestly successful program would do. But it has done some things well. It has stopped the flow of some arms, it has made them go to smaller caches of arms in terms of their shipments. It has done some good.

□ 1740

The critics have also said that the fact that the freedom fighters within Nicaragua are beginning to worry the Sandinista government some is a sign that we are wrong. They have also said that because there are now thousands of freedom fighters in Nicaragua rather than the hundreds that started out, that that that is somehow a reason why we ought to abandon the fight.

In my book, those are arguments that add up to trying to stop something that we are winning. If you look at it another way, we heard talk about a double standard here a few minutes ago. Let us look at it another way. Let us look at what these same critics would be saying if there were similar Communist successes taking place in El Salvador.

Suppose, for example, that the stated goals of a Communist action in El Salvador were being achieved with even modest success. The critics would then point to such successes as a reason to force our ally to accommodate those Communists. If the Government in El Salvador were being thrown into turmoil by Communist guerrilla activities, these critics, the same critics, would be out here saying that that is a sure sign of the failure of that society.

If the Communist guerrilla movement had increased in size by 10 or 20 fold in a period of just a few months, the liberal critics here would tell us the whole country was doomed and that we ought to beat a hasty retreat.

In other words, what the critics will accept as success in terms of Communist activity they are prepared to deny to our own policies. By the standards used by our own foreign policy critics to tell us whether the Communists are winning or losing when they are battling our friends, by those standards we seem to be winning in Nicaragua and that is what seems to upset the critics the most. They are prepared to accept and accommodate Communist successes. They are unprepared and unwilling to accept successful activities by pro-Western freedom fighters.

Now, that is a double standard with tragic consequences for now and for the future. Let us end that kind of double standard. Let us vote for the Broomfield-Mica amendment and permit us to get on with the job of making Central America safe for freedom.

The CHAIRMAN. The time of the gentleman from Pennsylvania (Mr. WALKER) has expired.

(On request of Mr. LAGOMARSINO and by unanimous consent, Mr. WALKER was allowed to proceed for 1 additional minute.)

Mr. LAGOMARSINO. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from California.

Mr. LAGOMARSINO. I thank the gentleman for yielding.

Mr. Chairman, I would like to commend the gentleman's statement. It seems to me that he is right on target; that the interdiction is showing some signs of success, and the ultimate interdiction of all would be for Nicaragua to stop exporting arms and revolution. That is exactly what the amendment before us would call for.

It is interesting although this activity goes on, for the first time, as it continues, that Nicaragua is now starting to talk about knocking off the supplying of arms to guerrilla groups in Central America. I think the gentleman is right on target.

Mr. WALKER. I think the gentleman makes an excellent point, and, of course, that is precisely what we could achieve through the Broomfield-Mica amendment.

Mr. DELLUMS. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I would be glad to yield to the gentleman from California.

Mr. DELLUMS. I thank my colleague for yielding.

Mr. Chairman, I would ask my colleague the same question I just asked the other gentleman because no one gave me a satisfactory answer.

The gentleman spoke articulately about a double standard. Let us accept the premise of your argument. I ask you to answer this question:

Do we move beyond the double standard by moving hastily and aggressively toward the principles of war or do we better accomplish that by attempting negotiation, political solution, and a peaceful orientation to the problem? Why such great haste to move toward war that may ultimately end up in tragic death of not only people in Central America, but some of our own young people in this country?

The CHAIRMAN. The time of the gentleman from Pennsylvania (Mr. WALKER) has again expired.

(On request of Mr. DELLUMS and by unanimous consent, Mr. WALKER was allowed to proceed for 2 additional minutes.)

Mr. DELLUMS. If the gentleman will yield further, I ask this question very sincerely, because I think that is an issue that has to be faced here.

Mr. WALKER. I thank the gentleman and I agree with him. I would say to the gentleman that we should be moving toward peace, and what we ought to be doing is making certain that we are not the only ones trying to move toward peace, but that our ad-

versaries in that area of the world also have some stimulation to move toward peace.

That is what Broomfield-Mica is all about. It says that we will end the covert aid as soon as the Sandinista government ends its subversion of other governments in that area. So I would say to the gentleman that his point is spoken to well by the Broomfield-Mica approach. It is precisely the kind of thing that will get us to the symmetry—that is the argument that is being used—that may bring peace to the area.

No one wants to put us on a war footing. Everyone wants to move toward peace, and it seems to me that peace is best achieved when you take actions that force both sides to accept human rights, that force both sides to accept peaceful settlement of the conflicts of that area.

Mr. SMITH of Florida. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I would be glad to yield to the gentleman from Florida.

Mr. SMITH of Florida. I thank the gentleman for yielding.

Mr. Chairman, would the gentleman just answer a question for me? I have been here a short time, and I have found a great deal to disagree with the gentleman about, but in this case I can agree with his statement that we have really brought them to the point where it looks like we are winning to some degree.

That is the very point, however, that I wish to query the gentleman on. Last week the Sandinista government, through Mr. Ortega, made the statement that they would be willing to accept multilateral negotiations. Does the gentleman have any reason why since that time no mention of that has been made by the administration, no one has done anything to move forward from this point now and move on to those negotiations?

Why do we have to continue with the covert aid when it has, in fact, achieved its desired result and now we need to take the diplomatic channel and show them that we really mean what we say?

Mr. WALKER. I thank the gentleman for his statement. I am not a spokesman for the administration. I think that we ought to have negotiations toward that end.

The CHAIRMAN. The time of the gentleman from Pennsylvania (Mr. WALKER) has again expired.

(On request of Mr. KEMP and by unanimous consent, Mr. WALKER was allowed to proceed for 2 additional minutes.)

Mr. WALKER. I would say to the gentleman that we ought not cut off the option of covert aid which has seemed to have brought us to this situation where the Nicaraguan Government would begin to make those kinds of concessions.

What we are debating on the floor here today is whether or not we cut off that option.

Mr. SMITH of Florida. Is it not a fact that with the Boland amendment to the Mica substitute, we have not cut off that aid, we have not cut off the option? We are merely for terminating for a 30-day period, which almost everyone agrees will not harm the troops in the field.

Mr. WALKER. I would disagree with the gentleman absolutely on that, because it would take a joint resolution to get back the aid, and that could take months, as the gentleman knows, the way this body works.

Mr. KEMP. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I would be glad to yield to the gentleman from New York.

Mr. KEMP. I thank the gentleman for yielding.

Mr. Chairman, the gentleman makes an outstanding point. And to my colleagues who just made mention of the fact that Ortega had suggested that maybe diplomacy was a way of bringing this crisis to some resolution, does anyone rationally think that Ortega would have made that statement had it not been for the impact of some of the events of the past few weeks?

Now, to shut off our assistance midstream seems to me to preclude the success of that opportunity. The President has expressed strong support for a diplomatic resolution of the crisis, and Ambassador Stone is working right now throughout Central America to that end; and to suggest that we are just going to cut off our efforts unilaterally seems to me to vitiate all of the good impact our efforts have had on Ortega and other Sandinistas over the past few months.

So I would beg the House to support the Mica amendment. If this bill should pass without the Mica amendment at this point would simply vitiate the progress that has taken place which is persuading General Ortega to seek a peaceful settlement of the conflict.

So if you are for peaceful resolution of these disputes, you should be for the Mica-Broomfield substitute. If you are for retreat and retrenchment in the face of Marxist advances, then you should shut off U.S. assistance and vote for Solarz.

Let me elaborate, at this point Mr. Chairman,

The overall purpose of the Boland-Zablocki bill is to limit the options available to the President of the United States to combat hostile activities directed at peaceful American States and friends.

It seems to me that if we are to take such an unprecedented step, we should be bluntly honest about what we are doing, and why, and the international ramifications of such a move toward isolationism.

It is an established fact by even the critics that the Government of Nicaragua is actively engaged in an effort to destabilize the governments of its neighbors in Central America. It is an established fact that Cuba, supported by the Soviet Union, is providing military arms and equipment and support personnel to sustain guerrilla forces in Central America. These facts are not disputed even by the Intelligence Committee.

In other words, it is an established fact that for the first time in our history, there is a clear and present danger to the security and territorial integrity of Latin American allies, resulting from the deliberate actions of nonhemispheric outside forces to undermine the stability of Central America.

This is a stunning alteration in the global strategic setting. In the past, our hemisphere has been characterized by the absence of international conflict. Today, we are faced with the realization that that era has passed, and we must confront the extension of hostile power into our hemisphere. Should that hostile presence continue to grow, we would be forced into a radical reorientation of our defense posture, and our ability to protect our vital interests elsewhere in the world would erode.

These facts do not come as news to anyone in this Chamber. Only last week, we gathered here to listen to classified briefings on developments in Central America, in which all this was discussed at length. Frankly, I came away from that session puzzled as to why we needed a secret session at all. There was nothing new or startling presented at that meeting, nothing we had not heard before, publicly. I only wish the American people could have listened in.

The point is that no one can say that the Members of this House are unaware of the magnitude of the threat to Central America, and to our own security. No one can say that the Members of this House are not intimately acquainted with the forces at work in the region. And no one can say that the Members of this House do not understand the implications of our vote here today.

For the question before us is a simple one. Are we, as a nation, committed to maintaining the peace and integrity and security of our hemisphere, or are we not? If we are not, then let us say so publicly. If we do not believe that the security of Central America merits the commitment of our resources, then let us so declare. But if we are determined to preserve the peace and stability of our hemisphere, if this is a worthy goal of our national policy, if these are vital inter-

ests of the United States, then it makes no sense whatsoever for us to tie the President's hands in effecting our purpose.

But it has to be one way or the other. There may be Members of this House who believe that we should refrain from military involvement, covert or overt, in Central America, even if it means the expansion of Marxist power in the region. If so, let them come forward, and state their position clearly, so that we may debate the issue. But it is a blatant abdication of our responsibility as legislators to enact piecemeal legislation, in a policy fog, that chips away at the President's ability to act without offering a substitute goal.

From my perspective, this legislation is incomprehensible. It does not proscribe U.S. efforts to interdict arms intended for leftist guerrillas. On the contrary, it would set up a specific fund for such a program, so long as it is an overt program.

So apparently the objection is not to the goal of the program, but only the means. OK. How does an overt program differ from a covert program? Well, for one thing, it would insure that our assistance did not accidentally help the democratic forces in Nicaragua. It would tell the world that this country is no closet supporter of democracy; that we will not let our funds be used to aid and abet peoples fighting against totalitarian injustice.

What is happening here? Why are some Members of this body so anxious to dissociate U.S. support from people fighting to reclaim their just rights? If Members of this Chamber believe that covert assistance is inherently bad, then why do we not pass a law prohibiting covert assistance to freedom fighters in Afghanistan? And if covert assistance is not inherently bad, then what is the policy rationale explaining why we should not use it in Central America against forces threatening the security of our friends and allies?

What is the policy behind this legislation? Is there one?

Let me be clear. There are many questions left unanswered to date about the President's policy in Central America, questions we have every right to expect the President to answer. For example, what are we willing to do in order to keep Central America out of the Soviet-Cuban sphere of influence?

People in the region, friend and foe alike, are constantly looking for signs to indicate whether the situation is moving in our favor or in favor of the Soviet Union. How do we make sure that friend and foe alike come to believe that the situation will go our way?

Some very different groups are contending for power in the region. Whom do we recognize as the best representatives of the cause of freedom? Since somebody will triumph in Central America, what are we going to do to see to it that the right people do?

I do not pretend to have all the answers to these questions. I do not believe that the President has given us answers to all these questions but I know that the sponsors of this legislation have not provided any answers at all to these questions.

But at present, at least we have a direction. The President is determined that the United States will not allow Soviet/Cuban expansion in our hemisphere. He is determined that the Soviet Union and its client states understand that their drive in Central America will not succeed and I support him.

The Boland-Zablocki bill is flatly inconsistent with that policy direction. Its purpose is to prohibit funding for military or paramilitary operations in Nicaragua that oppose the spread of Soviet/Cuban influence and control. If it passes, whatever the intent of its sponsors, it would signal a change in direction in U.S. policy. Both friends and enemies alike would perceive that the U.S. Congress is pulling American power out of the region and leaving a vacuum that our adversaries would be encouraged to redouble their efforts to fill. And sooner or later, we could well be forced to act militarily, on a large scale, under adverse circumstances, to keep from losing Central America. Is that not the lesson of the thirties?

Is this the same direction we will follow? I hope not.

I urge support for the Mica bipartisan effort as the best compromise possible on behalf of our Nation and our friends in Central America.

The fundamental question facing us as a nation is how to meet the challenge of aggression in this hemisphere. Never before has our country faced the threat of international instability on our very borders. Never before have our neighbors so needed our support and that is why I urge support for Mica-Broomfield and defeat of Boland-Zablocki.

What we need are initiatives that restrict the ability of our adversaries to succeed. What we have is a partisan attempt that restricts our own country.

The CHAIRMAN. The time of the gentleman from Pennsylvania (Mr. WALKER) has again expired.

Mr. BEDELL. Mr. Chairman, I ask unanimous consent that the gentleman have 1 additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

Mr. HARKIN. Mr. Chairman, reserving the right to object, some of us have been sitting here for many, many hours waiting to make our statements not only on this bill but on one or more of the amendments that have been offered. I know myself I have been here for several hours and some of my colleagues sitting by me have been here for 2 hours waiting to speak.

I do not want to cut off any debat at all, but I have a feeling that as the hour gets later that those of us who have been waiting a long time to speak will be precluded from making our statements.

So I will not object, but I just hope that those who have the well and who go beyond the 5 minutes will accord us the same kind of courtesy when our time comes to speak.

Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

The CHAIRMAN. The gentleman from Pennsylvania (Mr. WALKER) is recognized for 1 additional minute.

□ 1750

Mr. BEDELL. Mr. Chairman, I thank the gentleman from Pennsylvania.

To clear the record, I am one of those who have been waiting for a long time to speak. I would not have asked this if I did not think it should be pointed out; but I would like to inform all the Members that this gentleman was in Nicaragua several weeks ago and they literally were pleading with this gentleman to let our people know that they wanted to negotiate at that time. I hope our people will understand that very clearly as we debate this issue.

Mr. WALKER. Mr. Chairman, I thank the gentleman. I think our point is that one of the reasons why they may be pleading to negotiate is because we have had some successes in our policy, which is the statement I made in my original presentation.

Mr. BOLAND. Mr. Chairman, I ask unanimous consent that all debate on the Young amendment and all amendments thereto close at 10 minutes to 7 and that that time be split, one-half hour on the minority side and one-half hour on the majority side.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

Mr. YOUNG of Florida. Reserving the right to object, Mr. Chairman, I do so to inquire if the chairman, if he intends that the time for a vote on either the Mica amendment or the time for a vote on the Boland-Solarz amendment would be included in that time, or would the time be in excess of that?

Mr. BOLAND. Well, I would expect that it would not be included because I do not know how many votes are going to come in that period of time but I am sure it would prevent that side and this side from expressing their views

on whatever we are expressing our views on here.

The CHAIRMAN. The Chair would like to inquire of the gentleman from Massachusetts, was the time 10 minutes to 7?

Mr. BOLAND. One hour, that all debate on the Young amendment and all amendments thereto close in 1 hour, with one-half hour reserved to the minority side and one-half hour reserved to the majority side.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

Mr. HARTNETT. Reserving the right to object, Mr. Chairman, I feel that the Broomfield-Mica amendment is really the entire issue. I mean, this is really an up or down vote on covert aid or no covert aid to Nicaragua.

Now, it is my understanding, Mr. Chairman, and I would inquire of the Chair if this is not correct, that we had 9 hours of debate scheduled on all these amendments, which began at approximately 12 o'clock and which therefore should expire at approximately 9 o'clock this evening, which is only 2 hours past the time which the distinguished chairman wishes to cut off debate on this amendment; is that correct?

The CHAIRMAN. The gentleman is correct.

Mr. HARTNETT. Mr. Chairman, in view of that and because I think this Broomfield-Mica amendment is the entire issue, I think all the other amendments are just window dressing, that this is the entire issue, the Broomfield-Mica amendment. I would object, Mr. Chairman.

The CHAIRMAN. Objection is heard.

Mr. BOLAND. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, the only reason I made that unanimous-consent request is perhaps there was some indication there would be accommodation on the other side. Since there is no accommodation on the unanimous-consent request and I recognize the fact that we would be closing at 9 o'clock under the rule, then I guess that is what a lot of the Members on that side and this side want, and so be it.

Mr. SMITH of Florida. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, let me say this before I yield to the gentleman from Iowa. In response to the gentleman from New York who said that we should continue to keep up the pressure, is there anyone who really believes that with two carrier task forces now in place in South America or about to be there around Central America, with somewhere between 3,000 to 5,000 and maybe 6,000 troops being deployed overall on those ships, plus the troops in Honduras, that we are not going to keep up the pressure?

There is, in fact, no way to withdraw those by a sense of Congress resolution at this moment.

I would suggest very strongly that what we have here is a situation where we have accomplished some of the goals that we have set out to accomplish. The President took the well of this House and spoke about wanting to have an interdiction policy and to force Nicaragua to come to multilateral negotiations. The stage has been set for that. We have effectively shown them that the power that we wish to exercise can be exercised. We are deploying troops. We are deploying boats. We are deploying our Navy, our Marines, et cetera.

Does that mean that if we now remove covert aid for a period of 30 days, as is called for in the Boland amendment to the Mica substitute, that we are removing the pressure? I think not. I think that pressure is very evident. It will continue to stay where it is in place because Congress cannot remove it early on.

So I would suggest that the Boland substitute is the way to go, show them that we will deal from both sides.

I would urge my colleagues to remember that. We are not removing pressure. We are removing an obstacle to proper, legitimate negotiations, that may arrive at a good conclusion.

Mr. Chairman, I yield to the gentleman from Iowa (Mr. HARKIN).

Mr. HARKIN. Mr. Chairman, I thank the gentleman for yielding, and I appreciate his giving me his time.

Mr. Chairman, I have been waiting to focus a little bit of attention outside of some of the things we have been talking about. I think it is important that the House focus a little bit on just who is being aided by the covert training and supplies that we are giving to the Nicaraguans who are attacking the Sandinista government, the so-called freedom fighters that we hear so much about.

I do not intend to quote from press releases or even from what we have heard in our various sessions. Rather, I will take my lead from other Nicaraguan exiles, including those who are grouped around Eden Pastora.

Most U.S. covert aid, as we know, goes to the group fighting from the base in Honduras, the FDN. Arturo Cruz, a former member of the junta, former director of the Central Bank of Nicaragua, former Nicaraguan Ambassador to the United States until he became what he calls a dissident, wrote just recently in Foreign Affairs:

> The fact remains, however, that most of those persons in positions of military authority within the FDN are ex-members of the national guard who unconditionally supported Somoza until the end, against the will of the Nicaraguan people.

Arturo Cruz went on to write that in the event of a complete FDN victory, there might well be a "reinitiation of the vicious cycle of extreme rightwing oppression and exploitation." He continued:

> Backing the "Contra" indiscriminately could prove self-defeating to the United States. It weakens the moderating forces and sanctions the rule of the extremists in Nicaragua.

Or listen to the words of Alfonso Robelo, also a former member of the junta, now allied with Eden Pastora:

> * * * the military leadership (of the FDN) is made up of former members of the National Guard. This poses a problem for the return to power of the guard as a military institution.

Or listen to Eden Pastora himself, responding to a question from an Honduran journalist:

Pastora:

> They (the FDN) are the objectives of a general staff of former Somozan guardsmen. For example, their staff includes Captain Lagos, the feared member of the National Security Office, lieutenant colonels and captains of the Somozan guard. In other words, I don't think that they want a revolution full of love. They have lists of the people they kill. They have not even presented a single prisoner that they have taken.

□ 1800

I continue to quote from Eden Pastora:

> The people will not help the National Guard. The National Guard killed our people for 45 years. The guardsmen killed this guy's brother. They killed my father. Everybody in Nicaragua has a relative killed by the National Guard. Therefore, the Nicaraguan people will not support the National Guard. So they—[the United States, he refers to] are doing the National Directorate a big favor by trying to win through a general staff of former Somozan guardsmen. This must be clearly stated and understood.

The CHAIRMAN. The time of the gentleman from Florida (Mr. SMITH) has again expired.

(By unanimous consent Mr. SMITH of Florida was allowed to proceed for 2 additional minutes.)

Mr. SMITH of Florida. I yield to the gentleman.

Mr. HARKIN. These are descriptions of the Nicaraguan freedom fighters by exiles from Nicaragua. These are the so-called freedom fighters.

But let us look at other instances.

How many here remember that day on June 20, 1979, when Bill Stewart, an ABC newsman, walked up to a national guard checkpoint and they told him to lie down and he lay down in the street, totally unarmed, and one of the national guardsmen came up to him and very methodically blew his brains out. You all saw it on television.

That was not unique. That was not different. What was unique about it was that it was captured on film.

Again, this is the kind of thing we are dealing with in the so-called freedom fighters.

But there is even more. From 1974 to 1978, the national guard was engaged in a massive counterinsurgency campaign in the rural areas. Amnesty International, in its 1978 annual report, said that up to 3,000 peasants either disappeared after arrest or were killed outright by the national guard during this campaign.

In September 1978 there was an uprising by the Tercistas group of the Sandinistas. Very quickly the national guard regained control. The Tercistas left the cities, but did the national guard stop?

For 19 days starting on September 9, 1978, there was a massive and deliberate effort in five Nicaraguan cities where the national guard went on a terrorist campaign, not combat because the Sandinistas had already left, but a terrorist operation.

The CHAIRMAN. The time of the gentleman from Florida (Mr. SMITH) has again expired.

(On request of Mr. GARCIA and by unanimous consent Mr. SMITH of Florida was allowed to proceed for 2 additional minutes.)

Mr. HARKIN. Over 3,000 people were killed. Who were the targets? Not the Sandinistas but any young man between the age of 12 and 25.

The standard procedure for the national guard was to go into a city, round up the families, separate the young men out, and take them out back and blow their brains out.

Three thousand were killed in 19 days in September 1978 by the national guard.

During those years Amnesty International, church sources, and others pointed out what the national guard was doing but do not take my word for it. Again, listen to the words of Arturo Cruz writing in a recent issue of Foreign Affairs Quarterly. Listen to what he says:

> Carrying perhaps an even greater responsibility, those who sustain the forces inimical to the Sandinistas, and he is talking about the ex-Guardsmen, must not ignore the fact that idealistic young boys and girls constitute the revolution's rank and file. Therefore those who aid insurrection in my country—whose disenchantment with the revolution's course, and concern for the security of their own country I do not dispute—should be aware of the risk they take of bearing a historical responsibility for contributing, albeit indirectly and unintentionally, to a possible mass execution of the flower of our youth. A line of distinction should be drawn, now more than ever, between Contras' and armed dissidents.

Now, those who say the Sandinistas are not Boy Scouts, I agree, they are not Boy Scouts. But compared to the Contras, whom we are supporting with this covert aid, they are Eagle Scouts.

Let me point out one thing. In July 1979, within a few days after the Sandinistas had taken over, after they had won the revolution, do you know what their first act was? Was it to go out and round up the guardsmen and kill them? No. Their first act was to abolish the death penalty.

Now, understand that. Their first act, to abolish the death penalty. Who here could argue with any substance, that if the Contras were to succeed in overthrowing the Sandinista government, that they would abolish the death penalty? The fact is, if the Contras, the old national guardsmen whom Mr. Reagan is supporting, were to succeed with U.S. backing, there would be a bloodbath against the young people of Nicaragua.

The CHAIRMAN. The time of the gentleman from Florida (Mr. SMITH) has again expired.

Mr. HARKIN. Mr. Chairman, I ask unanimous consent that the gentleman have 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

Mr. HUCKABY. Mr. Chairman, reserving the right to object, I would like to point out to the gentleman in the well that he has now consumed 13 minutes, and 19 minutes ago he reserved the right to object because a Member asked for an extension of 2 minutes.

I shall not object this time, but I will the next time.

Mr. Chairman, I withdraw my reservation of objection.

Mr. HARKIN. I only asked for the same courtesy to be extended here, Mr. Chairman.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

Mr. RITTER. I object, Mr. Chairman.

The CHAIRMAN. Objection is heard.

Mr. RITTER. Mr. Chairman, I rise in support of the Mica amendment.

The hour is late and I doubt if many votes are going to be changed, certainly not from my speech. But I must say that for the gentleman from Iowa to equate the Sandinistas with Eagle Scouts is the height of the ridiculous. To say that the Sandinistas did away with the death penalty is the height of the ridiculous.

About 4,000, to 5,000 of the national guardsmen were executed by the Sandinistas who did away with the death penalty; 7,000 of the national guardsmen are still in prisons, which leaves a couple or 3,000 guardsmen, which even if every single one of them was in the Contras, which they are not, they would still constitute a small minority of those opposing the Sandinistas.

Adolfo Colero, who happens to be the leader of the FDN, was himself imprisoned by Somoza. Testimony that we have heard from Miguel Bolanos, a senior officer in the Nicaraguan State Security Apparatus stated that there are very, very few former Somocistas involved in the FDN, and I can tell you there are virtually zero involved in the Pastora group or in the Miskito Indian group. Those opposing the Sandinistas are Miskito Indians.

Now I would like to share with my colleagues a conversation which I had with one of the Miskito Indians not long ago, the leader of the major Miskito Indian movement, the Masurisata Steadman Fagoth, who personally told me that whether or not the aid continues, his people will continue to fight. They will continue to fight for their homeland because they feel that genocide is being perpetrated against them and that under presently constituted Sandinista rule they are doomed.

I had a variety of pictures blown up for a particular amendment relating to the Miskitos but I felt that I had better give this speech tonight because this is certainly the key vote. I do not have the pictures with me but what they show is the systematic destruction of an entire people.

A report written by Berkeley professor, Bernard Nietschmann, recently said that:

> The Sandinista invasion and occupation of eastern Nicaragua has turned into an outright war against all ethnic minority groups. Misquito, Sumo, and Rama Indians, Creoles, and Black Caribs have been killed, imprisoned, relocated by force.

The tales of torture, and I will share them with my colleagues if they are interested, the tales of torture documented by the Masurisata are inches thick.

Now, if our help is cut off, these people will continue to fight. They will fight and die because the Sandinista offer them only destruction of their culture and "relocation."

But why, I ask, why brand them Somocistas? Why equate them with the national guard as the gentleman from Iowa has done and why, if they are going to fight and die, should they not have a chance to succeed in preventing their own genocide?

That is what this bill, if the Boland-Zablocki or its sister, Solarz-Boland, prevails, genocide is what these people face; genocide without ability to resist.

□ 1810

Out of 240 churches, 162 have been shut down. These are basically of the Moravian faith, about 90 percent of them; 57 churches have been burned to the ground. Six communities of the Miskitos have been completely destroyed in the last 15 days. These people are fighting the Sandinistas for their very existence.

Mr. KEMP. Will the gentleman yield?

Mr. RITTER. Let me add one comment.

Mr. KEMP. On that point would the gentleman yield?

Mr. RITTER. I did not yield to the gentleman from the other side (Mr. McCLOSKEY) and I do not want to appear to be partisan in this discussion.

Mr. KEMP. I was not going to make a partisan statement, just praise the gentleman for his statement.

Mr. RITTER. I think in all fairness I would wait until the end of my speech. On the 8th of February in jail No. 3 of the state security prison in Managua at 7 p.m., Tomas Borge, the Minister of the Interior told then-captured Miskito leader Stedman Fagoth that "to bring Sandinista ideology to the Atlantic coast and to the Indians, if need be, they would kill the last Indian."

(By unanimous consent, Mr. RITTER was allowed to proceed for 3 additional minutes.)

Mr. RITTER. There are three witnesses, and if my colleagues in this Chamber wish the documentation of those witnesses I will provide it to them.

Stedman Fagoth said that if the aid is cut there will be a holocaust, there will be dying in jail, dying in concentration camps and dying from starvation and exposure in the mountains.

He said, "The fight is not because the CIA is involved, the fight is to prevent the genocide of our people."

If anyone thinks that 10,000 to 15,000 Nicaraguans have been recruited by the CIA which would be equivalent to an army in the United States if we take equal proportions, which would be equivalent to an army of 1.5 million. Does anybody think that our CIA are such good recruiters?

Mr. McCLOSKEY. Mr. Chairman, will the gentleman yield for a question?

I think you made the point very well.

Mr. RITTER. I want to make an observation on people who have said today, indeed the majority leader said it is "sneaky." Well, if we are going to resign from doing covert aid all over the world, we had better invite the KGB here today, because they are not resigning; they have stepped up their active measures, they have expanded their horizons and, indeed, the leader of the Soviet Union is himself a 15-year veteran of KGB leadership.

We have many covert operations; should we gut them all? Why not cut off our limited help to Afghanistan if the mentality prevails that all covert aid "is sneaky, under the table," and so forth.

Mr. KEMP. Will the gentleman yield?

Mr. RITTER. I will yield to the gentleman from Indiana (Mr. McCLOSKEY) first since he was the first to ask and I will then reclaim my time and yield to my colleague.

Mr. McCLOSKEY. I thank the gentleman very much.

Two brief questions and I think it goes to the heart of the gentleman's argument. Would you say Eden Pastora is a reasonably informed observer of the Nicaraguan problems?

Mr. RITTER. I would say that Eden Pastora as the leading commander of the taking of Managua, as having had family killed and going out there with 2,000 supporters is accepting our aid in spite of his anti-American rhetoric, is accepting cooperation with other opposition groups.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. RITTER was allowed to proceed for 2 additional minutes.)

Mr. RITTER. Mr. Chairman, I yield to the gentleman from New York.

Mr. KEMP. I appreciate my friend yielding.

I tried to get some time earlier to stand up and congratulate him for his statement concerning those people who are fighting not on behalf of the United States of America, but on their own behalf. He eloquently testified to the fact that the native Miskito Indians are the victims of a true genocide that has begun already and may become even more extensive unless we can bring pressure on the Sandinista govenment to stop. Just a few minutes ago, someone stood up on the other side of the aisle and labeled the people resisting that totalitarian government "thugs, thieves and brigands."

But to speak of these people who are fighting for their own just rights, and as the gentleman testified, on their own behalf, in such disdainful and pejorative terms as pirates and thugs and thieves does a great disservice to this great deliberative body, but even more, a disservice to some very decent and courageous people. Consider the parallel situation in Afghanistan. I do not think there is a Member in this body who would stand up and say the Mujahadin who are taking on the whole totalitarian machinery of the imperialistic Soviet Union are thugs and thieves.

The anti-Sandinistas in Nicaragua are the very same types of people who are fighting in their own country as are fighting in Afghanistan. It does a great disservice to this body to employ derogatory language to describe their courageous efforts. I would be glad to yield to the gentleman from California to help explain Mr. DOWNEY's use of the English language.

Mr. RITTER. Mr. Chairman, I have the time.

Mr. KEMP. That is an outrage; words become meaningless unless we keep our language consistent with the truth and the merits of the case.

Mr. MILLER of California. Will the gentleman yield?

Mr. RITTER. I yield to my colleague from California.

Mr. MILLER of California. Mr. Chairman, I would assume that if we are helping the people in Afghanistan who are fighting the occupation of the Soviet Union and we are doing it in a covert fashion, that we are doing it in compliance with the law, that there must have been a finding of some type.

I do not know this to be the fact but I assume there is a finding and the Intelligence Committee reviewed it and they determined that it makes sense.

The CHAIRMAN. The time of the gentleman has expired.

(On request of Mr. MILLER of California and by unanimous consent, Mr. RITTER was allowed to proceed for 1 additional minute.)

Mr. RITTER. I yield to the gentleman.

Mr. MILLER of California. Mr. Chairman, we are doing that. That is how this operation started out. There was a determination and a finding. Now 18 months later what we have found out is that because of the imposition—let me just finish—because of the imposition of the Boland amendment this particular covert action, corresponding to the Intelligence Committee is now illegal.

That says nothing about any other covert action.

Mr. RITTER. If I might reclaim my time, I think the gentleman has made a good point. If I might reclaim my time and ask the gentleman from California before he leaves whether or not he would transfer that covert aid to the Miskitos, to the Epadayans, to Borge and Pastora, whether he would transfer that into a kitty called overt aid to aid the freedom fighters in Nicaragua?

Mr. MILLER of California. Your definition of freedom fighters and again the history of the Miskito Indians at the particular time where the base was established in Honduras on the Miskitos in 1981, with American money which instigated the Miskito Indians and in fact started shutting off Miskito, so there is a difference.

The CHAIRMAN. The time of the gentleman has expired.

Mr. EDWARDS of Oklahoma. Mr. Chairman, I ask unanimous consent that the gentleman be permitted 1 additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

Mr. HARKIN. Reserving the right to object, Mr. Chairman, when I was in the well, I spoke for 7 minutes. I asked for 2 additional minutes. The gentleman in the well objected.

Therefore, Mr. Chairman, he has had 9 minutes. Mr. Chairman, I therefore object.

The CHAIRMAN. Objection is heard.

Mr OBERSTAR. Mr. Chairman, I move to strike the requisite number of words.

I thank the Chairman.

I think it is time to refocus this debate back to the original purpose of the covert aid program. The alleged purpose of the covert aid sought by the administration is to interdict the supposed arms flow from Nicaragua to El Salvador, in order to protect what is alleged to be a democracy, a so-called democratic government in El Salvador.

There are perhaps a handful of democracies in Central America and South America. El Salvador is not among them. The colonels in El Salvador have no idea of what the word "democracy" means. I have been twice in that country. I have lived in the Caribbean for 3½ years, in Haiti, under a dictatorship.

□ 1820

I know what repression means in the daily lives of innocent and decent people.

In El Salvador the colonels have killed or jailed labor leaders. They have closed the national university, closed its medical school and jailed the intellectuals or put them to death. They have closed the two independent newspapers in that country. They jailed two American journalists while we were there just earlier this year. They killed four Dutch reporters. They smashed the radio transmitter of the Catholic Church in the city of San Salvador. They have persecuted charismatic Christian communities. They murdered Archbishop Romero and four American churchwomen. They have massacred members of the Salvadoran Indian population, working in a native Indian cooperative in Sonsonati Province. They have put land reform in the hands of the land-grabbing oligarchy. And they have dispossessed peasants of the land that is rightfully theirs. They have made a mockery of civil and criminal justice. And they have made homicide the leading cause of death in El Salvador.

That is not a concept of democracy, not one by which I swear.

If ever interdiction of arms flow were the goal of our covert operation, it is no longer. I would remind my colleagues that 30 years ago this year, 30 years ago this spring, Honduras was the launching pad for an invasion of Guatemala, of the reformist-minded Arbenz government. Honduras is again the launching pad for invasion, only the target is different. This time the target is Nicaragua.

After 30 years of our reliance in Central and South America, essentially upon the CIA and other conspiratorial agencies for undercover activities against friendly governments with whom we have diplomatic relations, it is difficult to see what gains we have made in that region. If anything, on the balance sheet, we find peoples turned off and turned against the United States.

Let us not give a blank check—which this administration wants—with which to underwrite activities by the CIA or any other organization to subvert, to overthrow an established government by armed invasion.

Vote no on the Mica amendment.

Vote yes on the Boland amendment.

That is the way to bring peace in this region, end the covert action, and get us out of the business of subverting our Latin American nations.

Mr. EDWARDS of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. OBERSTAR. I yield to the gentleman from Oklahoma.

Mr. EDWARDS of Oklahoma. I thank the gentleman for yielding.

I just want to see if I understand thoroughly what the gentleman is saying.

Is the gentleman suggesting that the reason for the gentleman voting the way he is is that the gentleman does not want to have the supply of arms cut off from Nicaragua——

Mr. OBERSTAR. Make it very clear what I said that the stated purpose of the administration's policy is interdiction of arms flow. That is not the real purpose of the administration's policy, it is the invasion of Nicaragua. That is why the troops are massed. That is why this side of the aisle is fighting, clawing, and scratching to pass this legislation. It is dead wrong.

I yield no further. I reclaim my time.

I have made my point and the point is simply that the purpose of administration policy is no longer—if it ever was—interdiction of arms flow. It is the invasion of Nicaragua. That policy and that invasion must be stopped.

Mr. LIVINGSTON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, in response to the last speaker I would simply point out that this whole discussion is intended to center around Nicaragua, not El Salvador. Having been an observer to the elections in El Salvador, I grant him that there have been excesses on behalf of the Army in that country. But despite those excesses there is a duly elected government in existence in El Salvador. Eighty percent of the people trooped out to the polls on that hot day to declare their distaste, distrust, lack of desire for the alternative offered by the guerrillas, supplied by the Nicaraguan-Soviet-Cuba-Eastern bloc coalition.

And I submit to the gentleman if there is a launching pad of any sort in Central America, that he need look no further than to Nicaragua which now has currently approximately 100,000 troops under arms compared to the some 15,000 troops which were under arms under the Somoza government, which was described in so eloquent terms by the gentleman from Iowa (Mr. HARKIN).

Mr. Chairman, how many angels can dance on the head of a pin? What should be the size or the shape of the negotiating tables in Vietnam? And how many meaningless speeches and amendments should we address on H.R. 2760 to make it less unacceptable than it already is?

These are rhetorical questions that will go down in history as being interesting to think about, but totally worthless in substance. No one cares what the answers are to these questions; but if we care to indulge in matters of substance, then I suggest we direct our attention to other questions instead.

Where are those freedoms that were promised by the Sandinista government in Nicaragua only a few years ago, that Sandinista group of Eagle Scouts, which the gentleman from Iowa described?

Why is there no freedom of press in Nicaragua?

Why are they repressing the church?

How many Miskito Indians have been uprooted from their homes? Had their property pillaged? Their villages burned? How many have been forced into relocation camps or just plain killed?

Why have Nicaraguan Jews been forced to emigrate from their homeland? And their property confiscated?

Why are not Sandinista leaders content with improving the standard of living of their own people instead of fomenting revolution and spreading communism throughout Central America?

Why are 2,000 Cuban military advisers and 6,000 more Cubans in high executive offices in Nicaragua?

Why are PLO permeating Nicaragua's military as advisers and pilots?

Why are Libyans flying arms and ammunition to Nicaragua under the guise of medical supplies?

Why do the Sandinistas not grant free elections to their people as we have seen occur in El Salvador?

And why indeed has a motley group of 500 Nicaraguan nationals now grown to a ground swell of some 10,000 to 15,000 people, complained of by some people in this Chamber, a number admittedly getting larger every day? Why does it grow?

Why are such people prepared to gamble their lives and the lives of their families to rise up against the Sandinista regime?

And most importantly, why are a vast number of Members in this body turning their backs, covering their eyes and ears, and ignoring their cries and pleas for freedom in Central America?

Is it naivete? Is it isolationism? Is it partisan politics? Or is it worse?

Yesterday, I read the comments of the leaders of the Sandinista move-

ment. There can be no question about the motivation of those people. They are hellbent on the total subversion, conquest, and domination of all Central America, and ultimately North America, by the Communist movement. They are supplied by the Soviet-Eastern bloc-Cuban coalition, and their primary focus at this time is solidifying their hold in Nicaragua and eventually overthrowing El Salvador.

And then there is Honduras, and Costa Rica, Belize, Panama, Guatemala, Mexico, and so forth.

□ 1830

The CHAIRMAN. The time of the gentleman from Louisiana (Mr. LIVINGSTON) has expired.

(By unanimous consent, Mr. LIVINGSTON was allowed to proceed for 3 additional minutes.)

Mr. LIVINGSTON. Mr. Chairman, yet we continue to engage in rhetorical excesses which blind us to the truth and divert our attention away from what we really should be about.

Contrary to most of the speakers in this well, Mr. Chairman, I believe that we should be standing up to the Sandinistas, like the major power that we are, rather than imitating the three China monkeys, "Hear no evil, see no evil, speak no evil."

We should be standing strong and dealing firmly with any government or any individuals who are overtly or covertly supplying arms and munitions to Marxist-oriented insurgents who would topple governments of otherwise peaceful neighbors.

We should be assisting Nicaraguan nationals who want freedom for their country and who are trying to bring forth the pluralistic benefits of democracy promised, but not delivered, by the Sandinistas.

We should reject the entire context, intent and philosophy of H.R. 2760.

Some of my colleagues have been reluctant to say it, but I am not. A vote for this ill-advised and wrongful bill is a vote to pave the lanes of Central America for the Communist movement. If this bill is successful—and I suspect it will be—if it were passed and signed into law, this Congress will be writing off the futures of countless millions of Central American citizens, insuring economic chaos throughout the United States by inviting additional millions of Latin Americans to stampede into this country in flight from Communist oppressors, and threatening the very security of this Nation and all her citizens by giving the Soviets a launch pad from our own doorstep.

This bill would have us turn our backs on a few brave people who dare to stand up to the Soviet empire and thereby spare us from those disastrous consequences.

Is that what you want on your conscience? If not, I urge you to first support the Mica amendment, if necessary, but then vote against H.R. 2760, regardless of any amendments, no matter how beneficial they may be.

Mr. HARKIN. Mr. Chairman, will the gentleman yield?

Mr. LIVINGSTON. I yield to the gentleman from Iowa.

Mr. HARKIN. Mr. Chairman, I just wonder how the gentleman will explain this one small point, that in El Salvador, where they had this so-called election that the gentleman observed, in El Salvador today there is no opposition newspaper, but in Nicaragua there is still one newspaper operating, functioning, opposed to the Sandinista government. And in El Salvador there is no opposition press. How does the gentleman explain that?

Mr. LIVINGSTON. I would be delighted to tell the gentleman that there is plenty of opposition in El Salvador, and they are expressing themselves constantly up here and down there.

Mr. HARKIN. The gentleman discussed free press, and I am just telling the gentleman that in El Salvador there is no newspaper operating today that is opposed to the government.

Ms. OAKAR. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I have been listening to the debate, and I know a lot of our Members are listening in their offices and watching, and I have heard all of these comments about the morality issue, that this was not a moral issue, that really we are going at halt progress if we do not support convert action. And I also heard some of my fellow Members impugn reputations by suggesting that those who do not agree with the administration somehow are members of the KGB, and so on. I also heard Members whom I consider very knowledgeable, like Congressman GARCIA, himself Hispanic, talk about the superficiality with which Americans act sometimes in areas of the world that they are not particularly as familiar about as they should be, and the loss of good will that we have in those areas of the world.

But somehow nothing was more poignant to me, in focusing in on this issue and how I would vote, than a phone call that I received last night from my nephew, Jeff, who is going to be 18 in about 2 months. Now, he is what I have always considered—and I have 23 nieces and nephews—of all of them he is kind of the all-American kid. He is a graduate of a very fine catholic boys high school and he loves sports and he is bright and he is good looking and he is proud to be American; to Members on the other side, he is not a Communist, his father served in the Korean war and his grandfather served in World War II, and he has always been raised to be very patriotic. And he called me last night and he said, "What's happening?" And I thought maybe he wanted to ask my advice about what college he should go to, or maybe he needed a few dollars to borrow. But my nephew wanted to know what is happening in terms of our Government's covert activities and how that would affect him. He wanted to know if it was really true that in an undercover way, without telling the American people, our Government indeed was financing more than 10,000 insurgents, and he wanted to know whether or not I felt the President was being totally forthright with the American people during his press conference. He wanted to know why we are sending thousands of combat troops to Honduras and why are we sending these carriers and are we indeed, as some journalists were suggesting in terms of the point of view of some Members of Congress, in terms of our covert action, was our Government breaking its own law and was our Government breaking international law. Almost within hours this young boy had very serious adult considerations.

I think this young man put it right on the line. Are we breaking the law by our very, very secretive—or as the majority leader called it sneaky—activities in the area of Central America?

And do you know what? I heard one Member say our bombs and our bullets and our boys, will be ready, as they have been ready in the past, for war. And I say to you Members here, most of whom are over 40 and will not be drafted, will not be called upon to serve our country, that my nephew and the other young people in this country and those who will be called upon to serve, such as the ones BOB GARCIA described, he has a right to know, my nephew has a right to know whether our Government is breaking the law and why we are engaging in such secretive actions and whom we are really supporting and what the issue is.

Now, he cannot wait until 1984 because he is probably going to be among the group that is the first to be sent to Central America if there is a war. And before all this activity, his focus was on going to college and engaging in subjects like computer technology and perhaps less sophisticated issues. Now his focus is on whether or not he will go to war and why he does not know about our Government's covert activities.

Now, he has a right to know whether or not we are breaking the law, and that is what this bill is all about, whether or not we want to be forthright—yes, my friends, and moral—about our activities. I think we are going to be judged morally and historically by our actions.

The CHAIRMAN. The time of the gentlewoman from Ohio has expired.

(By unanimous consent, Ms. OAKAR was allowed to proceed for 1 additional minute.)

Ms. OAKAR. I say, with all of this pompous discussion about who is right and who is wrong, as if we could judge all individuals and put them in nice neat categories, when most of those people are interested in the same things we are interested in, survival and food on the table and education and health care, and work—all this superficial phony baloney talk about who is who, I say think of the young people and what we are getting them into. We are getting them and our country into a war, and it is wrong and shameful and outrageous, and I urge defeat of the Mica amendment because my nephew and other young people and indeed all Americans have a right to know for what our Government stands and in what covert activities our Government is engaged.

Mr. MARTIN of North Carolina. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I do not know that I have heard any more absurd contention than we have heard just recently which maintains that what we are doing is deciding to get the United States and our people into war.

Whether we provide covert aid to the Nicaraguan insurgents or overt aid to the Hondurans and Costa Ricans, to try to contain Communist expansion in that area, we are not talking in either case about committing our own forces to war there. In fact, it may well be that if we fail in striking the correct policy at this time, if we put such limits on aid, if we so constrain it that it cannot succeed, that will pose the greatest risk leading out of desperation, to later on having to face that kind of choice.

□ 1840

Earlier, one of our most respected Members, himself with a proud Hispanic ancestry and surname, the gentleman from New York, said to us, "Central America belongs to Central Americans." Exactly so. It does not belong to us. But neither does it belong to Cuba and the Soviet Union. It is not ours to lose. Indeed not.

We have heard that over and over. It is not ours to lose; but neither is it theirs to take.

Our purpose is to find some way to help Central Americans to solve their own problems without being overpowered by outside-directed Communist aggression. That is the nub of it; to help them to solve those problems and to resist that effort, not to send the nephew of the gentlewoman from Ohio.

The reason we have to help—the reason we have to help—is because there is no one else who can provide the resources to counter the Cubans and the Soviets and the Nicaraguans from spreading their venom, their revolution without borders, in this hemisphere.

This so-called covert aid program is covert only in the sense that it is not announced in advance; it is always suddenly announced by leaks after the fact. It is working partially, at least, because it forces the Nicaraguan surrogates of the Soviet Union to devote much of their resources against the insurgency in their own country.

Miguel Bolaños, a Sandinista intelligence official who defected just recently, in May, told me 2 days ago that the Contras, that is, the Nicaraguans who are against the Sandinista government, have reduced covert Nicaraguan access across the Honduran borders. That is what we were seeking to do under the terms worked out with the Intelligence Committee, and those who believe that what has been going on amounts to something which has been proven illegal ought to go back to the debates we have had here in open session involving the gentleman from Florida (Mr. YOUNG).

Miguel Bolaños said that we have reduced their access, their control, of the Honduran borders. Now, many ask why cannot our aid be overt? Despite what they are doing covertly, why, they ask, cannot our aid be overt? Well, it could be overt or it could be covert, but the real test is whether it can be adequate to do the job.

In the first place, the bill, in its present and original form as well, bars all aid to the Nicaraguan rebels. It bars covert aid; it bars overt aid to the Nicaraguan rebels, the Contras, the only people who are willing to take on the massive Soviet arms that dominate their country. They would be abandoned by this bill. The bill in its present form would abandon them. Only other governments like Honduras and Costa Rica would be eligible, yet they may not be able, they may not be willing, they may not be a match for taking sole responsibility for containing the export of this revolution without borders.

What will they say in Honduras and Costa Rica when they are asked to take on the much greater power of Nicaragua all alone, with only the $50 million a year, plus $30 million in the first half of the year that this bill allows them, to counter the $500 million in Soviet weapons? That is the minimum estimate.

The CHAIRMAN. The time of the gentleman from North Carolina (Mr. MARTIN) has expired.

(By unanimous consent, Mr. MARTIN of North Carolina was allowed to proceed for 2 additional minutes.)

Mr. MARTIN of North Carolina. $500 million is the estimate of Miguel Bolaños, defector from the Nicaraguan Sandinista Security Agency. That is what he says is the minimum of his estimate of what the Soviets have sent into Nicaragua. He ought to know.

What will Honduras say to us when they are handed responsibility, that we do not want, to challenge all that violence alone? They may not want to carry that responsibility. They are brave people, but if they see that we lack courage, they, too, will lack a feeling of responsibility for El Salvador, even though they know they will be next. They should not be given that burden alone.

Finally, the Nicaraguans and the Cubans, as detailed in the report of the House Intelligence Committee, have exported their Communist revolution into El Salvador, giving extensive support to the Salvadoran guerrillas. Yet this bill tells us no one should be enabled to reply in kind.

Honduras would not be allowed by this bill to move into Nicaragua. It provides that only Communist guerrillas should be armed in this world. But why should only Communist rebels be entitled to covert support? Why must only Communist rebels be guaranteed sanctuary? Why must we enforce the Brezhnev doctrine of one-way subversion? Yet that is what this bill does, and it ought to be defeated.

If you really want to avoid sending our forces and our young people from Ohio, and Pennsylvania, and North Carolina, to wage war, then you should support the Broomfield-Mica amendment to insure that we will stop arming insurgents against Nicaragua just as soon as Nicaragua leaves its neighbors alone. When they leave El Salvador to El Salvadorans, when Nicaragua leaves Honduras to Hondurans, when Nicaragua leaves Guatemala to Guatemalans, when Nicaragua leaves Costa Rica to Costa Ricans, when Nicaragua leaves Panama to Panamanians, when Nicaragua leaves Central America of the other countries to Central Americans in the other countries, then we can reply in kind. Until they do, then we must reply, again, in kind.

Mr. NELSON of Florida. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I appreciate the quality of this debate, and I appreciate the opportunity to engage in it. I must say that I think there are merits to the arguments from both sides as expressed here, but I would like to share with you why I support the Mica amendment.

Seven weeks ago, while in Managua, Nicaragua, the delegation that I headed received a number of signals that the Sandinistas wanted to talk, talk about a regional peace plan. In the morning, a Comandante Torres went to elaborate lengths to explain to us why Nicaragua considered it an offense that counterrevolutionaries were

engaged in activities throughout the country. He pointed out certain activities near the Honduran border. He brushed over the fact that Comandante Zero, Eden Pastora, was leading a guerrilla band to the south near the Costa Rican border. And he did not mention the Miskito Indians and their revolt against the Sandinistas.

The long and short of it is that they were recognizing that heat is being applied to the Nicaraguan Sandinista government. Now, I simply support the Mica amendment for this reason: That the timing is absolutely wrong to cut off the covert aid at this point if, as there obviously has been, some fruit born as a result of the heat that has been applied. Just within the past week we have heard the public announcement of the Sandinista change in policy—calling for talks about regional peace.

Comments that have been made here about the sins of the past. It is true, we need a more enlightened foreign policy so that we do not cozy to regimes the likes of Somoza.

Mr. FOWLER. Mr. Chairman, will the gentleman yield?

Mr. NELSON of Florida. Sir, I have been waiting for 3 hours to speak, and I must continue my statement since I have only 5 minutes allotted. Then, if I have time, I will be glad to yield to the gentleman.

Mr. Chairman, it is true that we have sins of the past, but I cannot do anything about that. The issue here before us is the question of whether or not we are going to cut off the covert aid at this time. And my conclusion simply is that the timing is wrong.

□ 1850

We may want to cut covert aid in the future, but the timing is wrong right now particularly since we see some progress of movement toward the table to talk peace.

Now I will yield to the gentleman from Georgia.

Mr. FOWLER. Mr. Chairman, I thank the gentleman for yielding. I appreciate the frustration of the long day which we all share.

I do want to say to the gentleman that, as he knows, the administration has been demanding, I think I use the correct word, that the Nicaraguan Government accept multilateral negotiations on our conflict in Nicaragua.

As the gentleman said last week, after 2 years of demands and 2 years of considerable pressure by the United States, which we have supported, they accepted and agreed upon multilateral negotiations.

Now, the problem was that we rejected it. Why have we rejected it? That is why we are here today. If they would accept that which they have agreed to accept, we might not be here today, but our country after demanding it and bringing this pressure now refuses to talk.

Mr. NELSON of Florida. The gentleman makes his point and let me respond.

Mr. FOWLER. Yes. I just say, that is why we are offering the amendments that we are offering to the Mica amendment.

Mr. NELSON of Florida. Mr. Chairman, let me share with the gentleman, there is a lot that this administration has done with which I do not agree in handling Central American policy. But that is not the issue before us tonight. The question before us tonight is whether or not we do something that would hinder the progress toward regional peace talks.

There is an issue raised by the gentleman from Massachusetts, the distinguished chairman of the committee, that he feels the committee has been misled by the CIA.

The CHAIRMAN. The time of the gentleman from Florida has expired.

(By unanimous consent, Mr. NELSON of Florida was allowed to proceed for 1 additional minute.)

Mr. NELSON of Florida. Mr. Chairman, I would feel very upset, as the gentleman from Massachusetts and his committee members must feel, that they have been misled; but that is not the main issue before us tonight.

Mr. FOWLER. We agree with that.

Mr. NELSON of Florida. The issue is, can we continue the progress to the peace table. I support the Mica amendment because I think it would be counterproductive for us to cut that aid. It would give all the wrong signals about the necessity of the Sandinistas moving to the peace table.

Mr. MICA. Mr. Chairman, will the gentleman yield?

Mr. NELSON of Florida. I will yield to the gentleman from Florida and then to the gentleman from New York.

Mr. MICA. Mr. Chairman, I would just like to take a moment and thank the gentleman for raising a very critical issue, that of timing.

I might say that if our colleagues had been following the issue, just last week, as the gentleman indicated, a six-point plan has been put forth by the Sandinista regime. The heat, the pressure being applied, is working, and this would probably be the worst time to make the change.

The CHAIRMAN. The time of the gentleman from Florida has again expired.

(At the request of Mr. KEMP, and by unanimous consent, Mr. NELSON of Florida was allowed to proceed for 1 additional minute.)

Mr. KEMP. Mr. Chairman, will the gentleman yield?

Mr. NELSON of Florida. I yield to the gentleman from New York.

Mr. KEMP. Mr. Chairman, I just wanted to say that I want to congratulate the gentleman from Florida for his statement and particularly for bringing a very thoughtful measure of objectivity and bipartisanship to this debate: That the timing could not be worse. The progress that has been made in terms of eliciting that six-point plan would be vitiated by us unilaterally removing an advantage that should figure into the process of negotiation.

To impart, the gentleman from Florida has made an extremely important point in that not only would the timing be bad, but to terminate our assistance would be a very bad signal to send to those with whom we would negotiate, should we preemptionally concede a major advantage as potential negotiations near, it might very well allow for talks to take place that would go on and on, indefinitely, and probably, as I said earlier, foreclose a resolution of this very serious conflict. So thanks to the gentleman from Florida for bringing a note of bipartisanship and reason to this debate.

AMENDMENT OFFERED BY MR. WRIGHT TO THE AMENDMENT OFFERED BY MR. MICA, AS AMENDED, AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. YOUNG OF FLORIDA, AS AMENDED

Mr. WRIGHT. Mr. Chairman, I offer an amendment to the amendment, as amended, offered as a substitute for the amendment, as amended.

The Clerk read as follows:

Amendment offered by Mr. WRIGHT to the amendment offered by Mr. MICA, as amended, as a substitute for the amendment offered by Mr. YOUNG of Florida, as amended: At the end of the Mica substitute, as amended, insert the following:

Page 5, after line 10, insert the following new section:

SEC. 2. (a) The Congress finds that—

(1) the Government of National Reconstruction of Nicaragua has failed to keep solemn promises, made to the Organization of American States in July 1979, to establish full respect for human rights and political liberties, hold early elections, preserve a private sector, permit political pluralism, and pursue a foreign policy of non-aggression and non-intervention;

(2) by providing military support (including arms, training, and logistical, command and control, and communications facilities) to groups seeking to overthrow the Government of El Salvador and other Central American governments, the Government of National Reconstruction of Nicaragua has violated article 18 of the Charter of the Organization of American States which declares that no state has the right to intervene, directly or indirectly, for any reason whatsoever, in the internal or external affairs of any other state;

(3) the Government of Nicaragua should be held accountable before the Organization of American States for activities violative of promises made to the Organization and for violations of the Charter of that Organization; and

(4) working through the Organization of American States is the proper and the most effective means of dealing with threats to the peace in Central America, of providing for common action in the event of aggres-

sion, and of providing the mechanisms for peaceful resolution of disputes among the countries of Central America.

(b) The President shall seek a prompt reconvening of the Seventeenth Meeting of Consultation of Ministers of Foreign Affairs of the Organization of American States for the purpose of reevaluating the compliance by the Government of National Reconstruction of Nicaragua—

(1) with the commitments made by the leaders of that Government in July 1979 to the Organization of American States; and

(2) with the Charter of the Organization of American States.

(c) The President shall vigorously seek prompt actions by the Organization of American States that would provide for a full range of effective measures by the member states to bring about compliance by the Government of National Reconstruction of Nicaragua with those obligations, including verifiable agreements to halt the transfer of military equipment and to cease furnishing of military support facilities to groups seeking the violent overthrow of governments of countries in Central America.

(d) The President shall use all diplomatic means at his disposal to encourage the Organization of American States to seek resolution of the conflicts in Central America based on the provisions of the Final Act of the San Jose Conference of October 1982, especially principles (d), (e), and (g), relating to non-intervention in the internal affairs of other countries, denying support for terrorist and subversive elements in other states, and international supervision of fully verifiable arrangements.

(e) The United States shall support measures at the Organization of American States, as well as efforts of the Contadora Group, which seek to end support for terrorist, subversive, or other activities aimed at the violent overthrow of the governments of countries in Central America. Funds authorized to be appropriated by this Act may be used to provide United States support for activities with respect to Nicaragua which are designed to end the conflict in the region and which are approved by the Organization of American States, including international surveillance and supervision activities, peacekeeping forces, border patrols, and election supervisors.

(f) Not later than March 15, 1984, the President shall report to the Congress on the results of his efforts pursuant to this Act to achieve peace in Central America and to end the flow of arms to Central America. Such report may include such recommendations as the President may consider appropriate for further United States actions to achieve these objectives, including requests for the authorization and appropriation of additional funds to carry out the purposes of this Act.

Mr. WRIGHT (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

Mr. MICA. Reserving the right to object, Mr. Chairman, I would like to ask the majority leader if this amendment is an addition to the Mica amendment?

Mr. WRIGHT. Mr. Chairman, if the gentleman will yield, it is an addition to the Mica amendment, as amended by the Boland amendment, and it would simply add additional language thereto.

Mr. MICA. To the original Mica amendment?

Mr. WRIGHT. To the Mica substitute, that is correct. It does not have anything to do with the pending Broomfield amendment.

Mr. MICA. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas that the amendment be considered as read and printed in the RECORD?

Mr. BROOMFIELD. Reserving the right to object, Mr. Chairman, I wonder if I could ask a question of the majority leader.

Mr. WRIGHT. By all means.

Mr. BROOMFIELD. I would like to ask if by unanimous consent we could incorporate this amendment—as I understand, this is the original Wright amendment that the gentleman wanted to sponsor, anyway, to the Mica amendment why we cannot put it on the pending one that I have offered.

Mr. WRIGHT. Well, the gentleman can be free to do that at his own option, but I am offering it at this point, because if I understand the parliamentary situation, I am privileged only at this point to offer an amendment to the Mica substitute, as amended by the Boland amendment.

The other pending amendment and the amendment pending thereto are not available for further amendment, and therefore I could not offer it at this time.

Mr. BROOMFIELD. My question was, By unanimous consent could the gentleman do it and would the gentleman do it?

Mr. WRIGHT. Well, I, of course, have no objection whatever to its being offered at any point, but I would like to have it considered as read, so that I could explain it, and then after I have explained the amendment, if the gentleman wants to ask unanimous consent, I would have no objection to that.

Mr. BROOMFIELD. Well, we accept it.

I ask unanimous consent, Mr. Chairman, that the Wright amendment be put on the Broomfield-Mica amendment at this time.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

Mr. MILLER of California. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Is there objection to the request of the gentleman from Texas (Mr. WRIGHT) that the amendment be considered as read and printed in the RECORD?

There was no objection.

The gentleman from Texas (Mr. WRIGHT) is recognized.

Mr. WRIGHT. Mr. Chairman, I want to make it clear that I do not have any objection to its being added at any point, because I think it is really what we need to be doing.

Let me explain what this does. This amendment makes a formal finding of the Congress to precisely the effect that many Members on both sides have been discussing all evening, and that is that the Nicaraguan Government under the present Sandinista rule has grossly violated the charter of the Organization of American States and have violated its formal commitments to the Organization of American States made in 1979.

It further calls on the President to use all of his diplomatic offices in an effort to prevail upon the Organization of American States to reconvene the foreign ministers of that organization for the purpose of assuming a position of reexamining and monitoring the compliance by or noncompliance by the Government of Nicaragua with its solemn pledge to the Organization of American States on the basis of which that organization took formal action in 1979 to withdraw its recognization from the Somoza government and instead to confer legitimacy upon this junta.

□ 1900

It seems that the Organization of American States is the very entity which has the initial responsibility to command compliance with those promises.

What were those promises? They were the very same that were made to some of us, including the gentleman from North Carolina (Mr. NEAL), who is sitting here in front of me, and the gentleman from Arkansas (Mr. ALEXANDER), and the gentleman from Texas (Mr. HANCE), and certain others.

We asked them, can we tell our colleagues in the Congress that you will assiduously observe the political rights, free speech, free press, free assembly? Yes, they said, you may.

They have not done that.

We said can we tell our colleagues in the Congress that you will observe a pluralistic political system in which you honor the rights of other political parties to participate. They said yes, you may.

They have not done that.

And we asked if they would observe the rights of private property, refusing to confiscate such property except by due process of law, and they said, yes, you may, indeed.

We asked if we might report that they would have early, free elections to ratify by the vote of the people the government by which they would be

governed. They said yes, we intend to do that very soon.

They have not really obeyed the spirit or, I am convinced, the letter of those commitments.

In addition to that, they have violated article 18 of the Organization of American States Charter.

The truth of it is I am afraid we too are in violation.

When we do come to the Organization of American States and ask them to command compliance, if we still are involved in financing an invasion of another country, then the Sandinistas and Nicaraguans will say, we will talk to you about compliance when first you make the Yankee behemoth comply.

We can quarrel about whether or not this invasion is having a benign effect. I do not know whether it is or not. Those who talk with me from friendly countries in Latin America tell me that they believe the inclination recently exhibited on the part of the Sandinistas to sit down and engage in some form of dialog toward negotiations has been brought about more by the pressures of disapproval on the part of their fellow Latin American countries than by intimidation from the United States.

I do not know whether that is true or not.

I do know, however, that people like Arturo Cruz and Alfonso Robelo, who were two of the initial members of the junta, after this pluralistic group from private as well as public and church organizations has gathered and overthrown the Somoza regime, these people believe in democracy. Arturo Cruz and Alfonso Robelo, who were thrown out of the junta because they did not embrace the Marxist views of those who now control the governing junta of Nicaragua, those people have come to us and suggested this very thing. They have said that the Organization of American States is the entity.

The CHAIRMAN. The time of the gentleman from Texas (Mr. WRIGHT) has expired.

(By unanimous consent Mr. WRIGHT was allowed to proceed for 5 additional minutes.)

Mr. WRIGHT. These people who were freedom fighters, and who feel that the goals of the revolution have been crassly betrayed by the Sandinista Marxists, suggest that the Organization of American States is the proper custodian of the liberties of the hemisphere.

We require in this amendment that the President shall vigorously seek prompt action by the Organization of American States that would provide for a full range of effective measures by the member states to bring about compliance of Nicaragua with those obligations, including verifiable agreements to halt the transfer of military equipment and to cease furnishing of military support facilities to groups seeking the violent overthrow of governments of countries in Central America.

The question is this: Do we go it alone? Do we postulate ourselves as a sort of hemispheric Lone Ranger riding throughout the hemisphere shooting silver bullets at people who misbehave from our point of view, or do we call upon that organization which has been created for that express purpose to exercise its authority, as it did in the case of the Dominican Republic in 1965, if my memory serves right?

I believe we should do the latter. Our friends in the hemisphere believe we should do the latter, that we should not attempt to be the exclusive custodian of right and peace but, rather, that we should call upon all of the hemisphere, the free, democratic governments in the hemisphere, represented in the Organization of American States, to apply the moral sanction which I believe will be far more embarrassing to the rulers of Nicaragua than we are intimidating to them.

There was a statesman in Brazil whose name I cannot recall, but may be able to find and supply for the record, a democratic statesman who a few years ago said, "God bless the Communists. Let us keep them well, for without them we would never get any attention from the United States."

Unfortunately, that is the view of many in Central and South America, that we rush down to put out fires, and then once the fire is out, retire to look upon them in benign neglect until another fire erupts.

They are desperately afraid that in this vigilantism by which we have recruited and trained and armed and sent into Nicaragua from outside, an invading force, we are courting an explosion which will send shock waves all the way from the Rio Grande River to the Andes in the South.

That is their apprehension.

I would recite to you only one other authority, one other person who believes that this is the place in which to repose the sanctions that ought to be imposed, and that is President Ronald Reagan in his letter to the four Presidents of the Contadora nations.

This statement is contained in the letter written by President Reagan, and I am quoting:

> I believe the OAS, as the hemisphere's regional forum, is the appropriate mechanism to insure that those who make commitments comply with them.

This is precisely what we would do by the adoption of this amendment. We would place it in the forum that has been established, in a democratic way, and in which all the member governments of the hemisphere participate freely and openly.

We would call upon the other freedom loving people in this hemisphere to join in a concerted effort, a multinational effort to require compliance on the part of Nicaragua or any other vagabond adventurer who would enter into war on others soil.

But in order to do that it seems to me that we really must come into that court with clean hands, having expunged ourselves of that which the Organization of American States would rightly regard as a violation on our behalf of its charter.

Mr. EDWARDS of Oklahoma. Will the gentleman yield?

Mr. WRIGHT. I yield to the gentleman from Oklahoma.

Mr. EDWARDS of Oklahoma. I just want to ask the gentleman a question. I commend him on a very good statement and a very good amendment.

I wanted to ask the gentleman whether in the case of the Broomfield-Mica amendment prevailing the gentleman from Texas would support having the same language then added to that amendment.

Mr. WRIGHT. I would have no objection to that. I have no objection to that at all.

I really prefer, I must say in all candor——

The CHAIRMAN. The time of the gentleman from Texas (Mr. WRIGHT) has again expired.

(On request of Mr. HUCKABY and by unanimous consent, Mr. WRIGHT was allowed to proceed for 2 additional minutes.)

Mr. WRIGHT. Permit me to continue to respond to the gentleman from Oklahoma.

I must say in all honesty I really would prefer to have this kind of an approach in lieu of the so-called covert action by which the U.S. Government somewhat unilaterally has been financing the military, paramilitary activities in Nicaragua.

□ 1910

Mr. EDWARDS of Oklahoma. I just want to say so that it is very clear that the purpose is to make these statements about Nicaragua and not merely to enhance the other version of the legislation that is before us, to remove that political connotation from it, that is why I asked the gentleman if he indeed would support putting the same language into Broomfield-Mica.

Mr. WRIGHT. I would support this language as a helpful addition to any of the alternatives before us this evening. But again, I must say my preference is to have it added to Mica as amended by Boland in order that we would shut off the covert aid and this would supplant and substitute for it.

Mr. HUCKABY. Mr. Chairman, will the gentleman yield?

Mr. WRIGHT. I yield to the gentleman from Louisiana.

Mr. HUCKABY. The intent of a statement that says:

> Seek to end support for terrorist, subversive, or other activities aimed at the violent overthrow of the governments of countries in Central America.

Does that mean that the United States can no longer support the rebels in Nicaragua?

(By unanimous consent, Mr. WRIGHT was allowed to proceed for 2 additional minutes.)

Mr. WRIGHT. This language in and of itself does not preclude that. However, if it is read in context with the original Boland-Zablocki bill to which it would be amendatory, then that Boland-Zablocki bill does shut off such covert aid.

And even in the amendment to which it would be amendatory, that is to say the Mica amendment as now amended by the Boland amendment, covert aid would be shut off for a period of time and it could be resumed under that language.

This does not affect that one way or the other, except that this language seeks to slant such unilateral action on the part of the United States by a multinational action and it says that funds authorized to be appropriated by this act may be used to provide U.S. support for activities with respect to Nicaragua which are designed to end the conflict in the region and which are approved by the Organization of American States, including international surveillance and supervision activities, peacekeeping forces, border patrols and election supervisors. In the case that we obtain agreement which I should hope that we would achieve, to have all parties participate in free elections in El Salvador, and let us hope some day soon in Nicaragua, if the OAS were to sponsor some form of supervision of those elections to guarantee all sides that they are fair and they are free and that everybody is given an opportunity to participate in safety, then we would participate in those supervisory forces if asked to do so by the Organization of American States.

Mr. MICA. Mr. Chairman, will the gentleman yield?

Mr. WRIGHT. I would be glad to yield to my friend, the gentleman from Florida (Mr. MICA).

Mr. MICA. I would just like to say as the author of the original unamended Mica amendment I appreciate your offer if that amendment passes this House to attach that amendment to it, I think it would immensely strengthen my legislation and I say not only do I appreciate the offer but I would insist that the right language be part of the unamended Mica provision if it passes the House.

Mr. CHAIRMAN. The time of the gentleman has expired.

(On request of Mr. ROEMER and by unanimous consent, Mr. WRIGHT was allowed to proceed for 2 additional minutes.)

Mr. ROEMER. Will the gentleman yield for a brief question?

Mr. WRIGHT. Yes, I gladly yield.

Mr. ROEMER. I thank the majority leader for yielding.

In reading his amendment earlier today and again the last few minutes, at the heart of it seems to be whether we are talking covert or overt aid.

The removal of the United States from unilateral action, substituting in its place the language in paragraph G which says that:

> Funds authorized to be appropriated by this act may be used to provide U.S. support for activities with respect to Nicaragua which are designed to end the conflict in the region and which are approved by the Organization of American States.

Does the majority leader feel that in any way compromises or enhances the foreign policy position of the United States in regard to Central America?

Mr. WRIGHT. I think it enhances that position. It does not diminish nor in any other way limit any authority or power we would possess other than this. It simply gives us an additional direction and an additional layer of strength, it would seem to me, if indeed we can work harmoniously hand in glove with the other democracies in the hemisphere, all jointly seeking to achieve this same objective of peace and free elections and governments that will respect the borders of other nations so that there need not be a continual conflagration throughout Latin America.

Mr. ROEMER. If you will yield for one final question, I do not think it does affect, but confirm that feeling on my part, it does not affect, it seems to me, anything we do with El Salvador.

Mr. WRIGHT. Absolutely not.

Mr. ROEMER. It relates specifically to Nicaragua?

Mr. WRIGHT. Absolutely not. Nothing in this language would diminish in any respect our rights to continue to assist the Government of El Salvador to defend itself against external and internal foes that are supported by external people and to provide for that embryonic democracy an opportunity to attain stability and give those people, who have been so long denied, the opportunities of freedom, the privileges of a free nation. It does not in any way diminish that. I support what we are doing in El Salvador and would not participate in stopping it.

Mr. COLEMAN of Missouri. Mr. Chairman, I move to strike the requisite number of words.

Mr. COLEMAN of Missouri. Mr. Chairman, I would like to say a few words about the plight of Nicaraguan Jews.

The fact of the matter is there are few, if any, Nicaraguan Jews left in their country because of the harassment by the Sandinistas in that country.

The main reason why most of the Nicaraguan Jews have left their homeland was the discriminatory manner in which the revolutionary government treated them. Their properties were the first to be confiscated. Jews who owned factories and stores were summarily ejected from their homes and places of business, their properties were turned over to workers. Many accusations were made against them without proof and often their individual safety was threatened.

In September 1978, the doors of the synagogue were torched by Sandinista supporters while the congregation was actually inside the synagogue worshiping.

Now the synagogue is a Sandinista building with propaganda posters covering the religious symbols at the front entrance and anti-Zionist posters are on the walls. This is the Government of Nicaragua that I am talking about, the Sandinista government.

The Government of Nicaragua refused to respond to actions taken by Nicaraguan Jews within the Nicaraguan legal system seeking to recover their properties.

More than 2 years ago, the Government of Nicaragua was asked by the Anti-Defamation League of B'nai B'rith to explain the status of the synagogue in Managua, list conditions under which Nicaraguan Jews could return to their country, and review the status of claims against the Government filed by Nicaraguan Jews.

The Nicaraguan Government—the Sandinista Government—despite promises to the contrary, has not responded to the Anti-Defamation League.

Last week, Mr. Isaac Stavisky, a member of the Nicaraguan Jewish community now forced into exile in the United States, speaking on behalf of that community, asserted that the Nicaraguan Jews had no anti-Semitic problems until the Sandinistas started their revolution.

He said that a favorite tactic was to anonymously telephone Jewish homes with warnings that, "We are going to get you Jews."

The clandestine Sandinista radio announced that the Honorary Counsel of Israel would be executed forcing him to flee 1 year before the Sandinistas came to power.

The clearest message of Sandinista intentions against the Jewish community, Mr. Stavisky says, was the arson attack on the synagogue in 1978.

I would like to quote this leader of exiled Nicaraguan Jews, verbatim, and I quote:

This was an especially traumatic experience for members of the Jewish community who were survivors because it evoked terrible memories they thought they had put behind them when they fled from Nazi terror and found refuge in Nicaragua.

I further would like to quote Mr. Isaac Stavisky, the exiled Jewish leader in the United States:

The Sandinistas threatened to take our property and they did. They threatened our lives and for that reason we left our country. We want to return to Nicaragua and live with our fellow countrymen under a democratic government which respects human rights. We hope that we will be able to do that soon.

□ 1920

And his closing two sentences add impact to his statement.

Permit me a final word of warning to Jews and other people of Central America. Beware of the Sandinista threat.

Mr. Chairman, I am not sure that we are aware of the Sandinista threat, but the words of this exiled member of the Jewish community ought to ring in our ears as we are called upon to vote in the next hour and a half, and that is why the only way to vote is to vote for the Broomfield-Mica amendment.

Mr. OBEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I take this time not to debate the substance of the issue except in passing, but I do want to take just a moment to address the quality and character of some of the debate of the last 2 hours.

I regret that I do not see—I am sorry, he is here. I am glad he is here.

I just want to say that I think a number of speeches earlier this evening, particularly those by the gentleman from Pennsylvania (Mr. WALKER), the gentleman from Florida (Mr. YOUNG), and to a lesser extent several other speeches, have bordered on the outrageous, not in terms of their content, but because they have at least indirectly called into question, in my judgment, the motives and the patriotism of a number of Members of this House.

Mr. YOUNG of Florida. Would the gentleman be willing to yield and suggest exactly what words of the gentleman from Florida he is concerned about. Who questioned any motives?

Mr. OBEY. Just let me finish my statement, then I will. That is what I am about to say. That is why I asked the gentleman from Pennsylvania to come to the floor so that I would not say it without his being here.

What I find outrageous in the remarks of the gentleman from Pennsylvania—and perhaps he did not mean it, if he did not, I am happy about that—but I do find outrageous even the suggestion that perhaps the reason some Members of this House are opposed to the covert activities and want to see them cutoff is precisely because they appear to be working.

I do not know if I am quoting directly, but I am certainly characterizing or paraphrasing——

Mr. YOUNG of Florida. I think it is important that the gentleman quote directly.

Mr. OBEY. I do not have a text of the gentleman's remarks, so it is impossible for me to do. I will stand by what is in the RECORD.

Mr. WALKER. Will the gentleman yield to me, because I do remember what I said.

Mr. OBEY. Not unitl I finish my statement, Mr. Chairman.

I sat for 3 hours listening to everybody talk here. I want my 5 minutes and I will be happy to answer any questions after that.

My objection to Mr. YOUNG's speech is that after Mr. FOWLER observed that a number of our allies were begging us to stop this covert operaton that Mr. YOUNG indicated in his later remarks that that was fine but that our first allegiance was to our own Government.

Mr. YOUNG of Florida. If the gentleman will yield, I plead guilty to that.

Mr. OBEY. Well, let me finish.

Mr. Chairman, I would appreciate not being interrupted. I did not yield.

The Chairman. The gentleman refuses to yield. The gentleman from Wisconsin has the floor. The gentleman refuses to yield.

The gentleman is recognized.

Mr. OBEY. To imply, Mr. Chairman, that listening to the advice of close allies is something akin to substituting primary allegiance to another country for allegiance to your own is, I think, a little bit out of line on this House floor.

The question that opponents of the covert operation are trying to address is this: It is not a question of whether we ought to fight the Marxists. It is a question of how. It is a question of whether we fight them dumb, or whether we fight them smart.

I personally do not know—and that does not mean that people have to agree with me—but I personally do not know how anyone who sat through the closed session last week and heard Mr. HAMILTON review the combined intelligence estimates of this administration, not of anybody else, but of this administration, I do not know how anybody who listened to that speech can say that this covert operation does serve our national interests. But there can be honest debate about that and honest disagreement about that.

We happen to think that this policy makes it easier for Marxists to make us the issue, rather than to make their conduct the issue in Central America.

We question whether we and our allies—following this policy—can win.

The question is not whether we like or dislike the Sandinistas. The question is how best we can contain their influence throughout Central America.

And as I say, we ought to be able to have honest disagreement without having implications, intentional or otherwise, that somehow if you do not support this specific policy, that somehow your patriotism is defective and somehow—at least some Members of the House might be a little glad if they can stop a policy which some people seem to think is working to contain the Sandinista influence.

I have been frankly disturbed on the floor, very disturbed.

The CHAIRMAN. The time of the gentleman from Wisconsin (Mr. OBEY) has expired.

(At the request of Mr. WALKER and by unanimous consent, Mr. OBEY was allowed to proceed for 2 additional minutes.)

Mr. OBEY. I am concerned, as I said, about the statements that I have heard on the floor today, because I believe that what they have a tendency to do, even though that may not be the intention, I think they have the tendency to try to assassinate the character of the person making the statement rather than to effectively assassinate the argument.

Mr. YOUNG of Florida. Mr. Chairman, I demand that the gentleman's words be taken down.

□ 1930

The CHAIRMAN. Words will be taken down.

PARLIAMENTARY INQUIRY

Mr. MICHEL. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. MICHEL. Mr. Chairman, why could we not have the words read back promptly?

The CHAIRMAN. That action is taking place at this time.

Mr. MICHEL. Excuse me?

The CHAIRMAN. They are being taken down, the words are.

Mr. MICHEL. Mr. Chairman, are we not taking down the proceedings of the House verbatim?

The CHAIRMAN. As soon as the words can be transcribed, as the gentleman knows, the Speaker will then pass upon the words that are being taken down.

The Clerk will report the words.

The Clerk read as follows:

I am concerned, as I said, about the statements that I have heard on the floor today, because I believe that what they have a tendency to do, even though that may not be the intention, I think they have the tendency to try to assassinate the character of the person making the statement rather than to effectively assassinate the argument.

The CHAIRMAN. The Committee will rise.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. NATCHER, Chairman of the Committee of the Whole House on the State of the Union, reported that that committee, having had under consideration the bill (H.R. 2760) to amend the Intelligence Authorization Act for fiscal year 1983 to prohibit U.S. support for military or paramilitary operations in Nicaragua and to authorize assistance, to be openly provided to governments of countries in Central America, to interdict the supply of military equipment from Nicaragua and Cuba to individuals, groups, organizations, or movements seeking to overthrow governments of countries in Central America, certain words used in debate were objected to and on request were taken down and read at the Clerk's desk, and he herewith reported the same to the House.

The SPEAKER. The Chairman of the Committee of the Whole House on the State of the Union reports that during the consideration of the bill, H.R. 2760, certain words used in the debate were objected to and on request were taken down and read at the Clerk's desk and does now report the words objected to the House.

The Clerk will report the words objected to in the Committee of the Whole House on the State of the Union.

The Clerk read as follows:

I am concerned, as I said, about the statements that I have heard on the floor today, because I believe that what they have a tendency to do, even though that may not be the intention, I think they have the tendency to try to assassinate the character of the person making the statement rather than to effectively assassinate the argument.

The SPEAKER. The words having been read, and the gentleman from Wisconsin having very definitely included in his statement a disclaimer that he does not impugn the motives or intentions of any Member of the House, in the opinion of the Chair, in his legislative argument the words of the gentleman from Wisconsin are not unparliamentary and the gentleman may proceed.

The committee will resume its sitting.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 2760, with Mr. NATCHER in the chair.

The CHAIRMAN. The gentleman from Wisconsin (Mr. OBEY) has 1½ minutes remaining.

Mr. WALKER. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. The gentleman may proceed.

Mr. WALKER. That last sentence turned out to be a pretty long one. Could he yield?

Mr. OBEY. Yes; let me simply say, before I do, that I think, to be perfectly clear, I should say that my sentence would have been better if I had not included the two words "to try." I think the gentleman knows what I mean.

The only reason I made that statement is because we know each other here. I just got back from an 11-day trip to the Soviet Union, where Members on both sides of the aisle dealt with the Soviets in a very hard-nosed fashion. You would not have seen partisanship on either side of the aisle. And I think it is regrettable, when that spirit seems to be eroded, when we come here, and in the heat of debate start to indicate in any way that a Member's position on this very crucial item is not motivated by anything except the highest patriotism, and that is the reason that I made the statement, and I would urge Members of this House tonight, if they want to strongly disagree on the merits, at least grant the right that what we are both talking about is not whether we defend this country but how.

Mr. WALKER. Would the gentleman now yield?

Mr. OBEY. Absolutely.

Mr. WALKER. I thank the gentleman for yielding, finally, and I would say to him that, No. 1, this gentleman impugned the motives of no one. My statement was quite clear. I said that what bothered me in the debate I had heard up until now was the fact that the policy that was being criticized seemed to be one that was successful and, therefore, the critics of the policy seemed to be arguing with success.

I went on to define exactly what I meant by that, and I pointed out that what we regard as success when the Communists are doing it was also a case——

The CHAIRMAN. The time of the gentleman from Wisconsin (Mr. OBEY) has expired.

(On request of Mr. WALKER and by unanimous consent, Mr. OBEY was allowed to proceed for 2 additional minutes.)

Mr. WALKER. Will the gentleman continue to yield?

I thank the gentleman for yielding.

And I went on to point out that what we often refer to as Communist success we will not grant as success when our own policies appear to be doing the same thing.

That was the point of my statement, that impugned nothing on the part of the critics. It simply——

Mr. OBEY. If I can take back——

Mr. WALKER. Well, the gentleman has attacked me personally. He might at least let me make my statement.

Mr. OBEY. I would like some of the time the gentleman got simply to make the point that I am sure that is what the gentleman thinks his statement said, but I invite him to simply reread it carefully when he gets the transcript, and I think you will see why some Members of the House were upset with the statement.

Mr. WALKER. If the gentleman would yield, if the gentleman would yield further——

Mr. OBEY. Sure.

Mr. WALKER. I have reread the statement. I got it back from the reporter. It said precisely what I am saying it said here, and it seems to me that the gentleman throughout his remarks, in attacking both Mr. YOUNG and me personally, said he drew those inferences. It was not in our statement. He said he drew those inferences. That is a pretty thin reed upon which to launch a personal attack.

Mr. OBEY. Could I ask the gentleman, did the gentleman edit the text of his statement tonight, or did he leave it unedited?

Mr. WALKER. Will the gentleman yield?

Mr. OBEY. Yes, if you will answer the question I will yield.

Mr. WALKER. Yes, I will answer the question.

Mr. OBEY. I yield.

Mr. WALKER. No, I did not edit one word of the statement.

Mr. OBEY. All right. Then why do we not just let the House decide tomorrow——

Mr. WALKER. It seems to me the altering of records around here is on the other side.

Mr. OBEY. Then just let the Members of the House decide tomorrow whether your statement was fair or not, OK?

Mr. WALKER. Well, if the gentleman will yield, I think the gentleman does owe me an apology, from the standpoint of whether or not I impugned the motives of any Member, because the gentleman said he drew that by inference.

Mr. OBEY. No.

Mr. WALKER. He did not give us one direct quote.

Mr. OBEY. No; I do not owe the gentleman an apology. Let me say, however, that I would have been shocked had any other Member but the gentleman made that statement earlier.

Mr. WALKER. Well, if the gentleman will yield further——

Mr. OBEY. I would yield to the gentleman from Florida.

Mr. WALKER. Will the gentleman yield further? The gentleman will not yield further?

Mr. OBEY. I have two people who have asked me to yield.

Mr. YOUNG of Florida. No, no. I am going to ask for my own time. Thank you very much.

Mr. OBEY. Because I mentioned his name also.

Mr. WALKER. The gentleman will not yield further?

Mr. OBEY. I said I had mentioned two people's names. I am trying to yield to both of them.

Mr. WALKER. The gentleman will not yield further.

Mr. OBEY. The gentleman is welcome to his interpretation.

Mr. YOUNG of Florida. I appreciate the gentleman's offer to yield. I would prefer to ask for my own time.

Mr. OBEY. Fine. Thank you.

The CHAIRMAN. The time of the gentleman has expired.

□ 1940

Mr. YOUNG of Florida. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, we have just witnessed an unfortunate turn of events in this debate. It has been heated at times, and there is no question about that. There have been some people who have waved their arms and made accusations about racist amendments and racist statements, and those things have taken place in here today and no one raised any points of order or accused anybody of being out of order or questioned their motives or accused them of character assassination.

In hearing a rereading of the gentleman's words on character assassination, I could agree with the speaker and I could have easily ruled the other way as well, because there is no question that what the gentleman from Wisconsin's words were was a strong inference and a strong innuendo that one of the two or both of these gentlemen had in fact attempted to assassinate someone's character.

Now, I have been involved in this House for a number of years in some very heated debates. Dr. LONG and I have presided over the debates on the foreign aid bills for a number of years, and they got very heated, and I just would find it hard for even Mr. OBEY to think that during any of those discussions that this gentleman had ever offended anyone, questioned anyone's motives, or attemped to assassinate character.

I wonder if Mr. OBEY would yield to a question, because I have in my very hands here the transcript, and he is free to look at it, the transcript of the remarks that he apparently objected to, and I would ask Mr. OBEY what words or what sentences or what phrases he found that would come anywhere near the suggestion he has made that someone's character was assassinated.

Mr. OBEY. If the gentleman would yield, at this point the gentleman has the text. I still do not. I will simply say that since I have been trying to get the floor for an hour, I do not recall with the exact clarity that I did an hour ago what the words were, but I do know that—I assume you are talking about the gentleman from Florida, at this point, his remarks.

Mr. YOUNG of Florida. Exactly. Of course I am talking about the gentleman from Florida. In fact, I intend to read the language that you are talking about so that we can have a discussion, you and I, as to whether or not that attacked anyone's character.

Mr. OBEY. As I explained in my previous remarks, what bothered me about the gentleman's speech, very frankly, was the reference after Mr. FOWLER's speech.

Mr. YOUNG of Florida. I would say to my friend, and he is my friend, that because the gentleman did not like what this gentleman might have said or might have felt some pang of conscience or something, does not give him, unless he can specifically point out some language or some words that this gentleman used, I think the gentleman is really off base to suggest that anyone's motives were questioned or that anyone's character was assassinated.

I invite the gentleman to read this and then to tell me and all of our colleagues who have heard this colloquy now to tell us which of those words would be found offensive to anyone in this Chamber.

Mr. GORE. Regular order, Mr. Chairman.

The CHAIRMAN. Regular order. The gentleman from Florida (Mr. YOUNG) and the gentleman from Wisconsin (Mr. OBEY) know the rules of the House. These two gentlemen are well acquainted with the rules. The debate will be on the pending amendment.

Mr. OBEY. Mr. Chairman, will the gentleman yield for a response?

Mr. YOUNG of Florida. I would be happy to yield to the gentleman.

Mr. OBEY. As I said, what I objected to is the even indirect suggestion——

Mr. GORE. Regular order, Mr. Chairman.

The CHAIRMAN. Regular order will be maintained. The gentleman from Florida (Mr. YOUNG) and the gentleman from Wisconsin (Mr. OBEY) know the rules of the House. The debate will be on the amendment pending before the Committee.

Mr. YOUNG of Florida. Mr. Chairman, I rise to seek recognition on a point of personal privilege.

The CHAIRMAN. The Chair would advise the gentleman that would not be in order in the Committee of the Whole.

Mr. YOUNG of Florida. Mr. Chairman, it has become very obvious that the accusation side is going to have all the time it needs and the defense side is not going to be entitled to its 5 minutes. I am not going to make the case any further. I think the case has been made very well, No. 1, by Mr. OBEY's lack of ability to mention the language directly, and Mr. GORE's unwillingness to allow the accused to have his day in court.

I yield back the balance of my time.

Mr. BOLAND. Mr. Chairman, I move to strike the requisite number of words.

Obviously, we have departed far from the amendment offered by Mr. WRIGHT to the substitute offered to the Mica amendment by SOLARZ, BOLAND, and FOWLER.

We have now been on the Broomfield amendment for 4 hours and 15 minutes. I have been around here long enough to know that the clock means an awful lot at a particular time. I am also conscious of the procedure under which this bill was brought to the floor and the particular amendments that will be voted on before 9 o'clock, and also the possibility of additional amendments.

So, Mr. Chairman, I move that all debate on the Young amendment and all amendments thereto close in 5 minutes.

The CHAIRMAN. The question is on the motion offered by the gentleman from Massachusetts (Mr. BOLAND).

The motion was agreed to.

The CHAIRMAN. The Chair will divide the debate time 2½ minutes on each side. The gentleman from Massachusetts (Mr. BOLAND) will receive 2½ minutes, and the gentleman from Michigan (Mr. BROOMFIELD) will be allotted 2½ minutes.

The Chair now recognizes the gentleman from Michigan (Mr. BROOMFIELD).

Mr. BROOMFIELD. Mr. Chairman, I yield 2 minutes to the gentleman from Illinois (Mr. HYDE).

Mr. HYDE. Mr. Chairman, this has been one of the more interesting days in Capitol history, but once in awhile we must return to reality. We are going to have an opportunity shortly to vote on the only amendment that has been offered in this body that is bipartisan in nature.

We are dealing with an enormously important issue. We are dealing with matters of life and death. I must take some exception to the term that the majority leader uses when he refers to an "invasion" of Nicaragua. It would seem to me when people who live in Nicaragua, such as Miskito Indians, people who were born and raised and who were citizens of Nicaragua, are trying to fight within the confines of their own country, it is hardly an invasion.

But nevertheless, the Mica amendment is truly bipartisan. The Mica amendment recognizes that the Sandinista government is exporting the cancer of revolution throughout Central America, and it seeks to extract through symmetry a penalty. By aiding the Contras who are fighting within their own country, they will

put pressure, they will harass, they will interdict the Sandinistas, and just maybe get them to stop exporting revolution to democratic El Salvador.

□ 1950

Now, if you reject that, we are left with the Solarz-Boland amendment, which says we stop aiding the Contras, we stop the covert aid for a period of 30 days, which is just enough time to cut them to ribbons and then maybe we will come back if symmetry is violated by the Nicaraguans and we get both Houses of Congress to agree. It trusts the Nicaraguans, the Sandinistas, for 30 days.

I say to you that this is a very important amendment. The gentleman from Michigan (Mr. BROOMFIELD) and the gentleman from Florida (Mr. MICA) are offering it as a bipartisan amendment.

We are so close in our decision, with 10 votes give or take.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. BROOMFIELD. Mr. Chairman, I yield the balance of my time to the gentleman from Illinois.

Mr. HYDE. I just simply want to say, Mr. Chairman, that we fancy ourselves as chairmen of the Joint Chiefs of Staff, Directors of the CIA, Secretarys of State and even clergy, making decisions on the future of the lives and freedom of people in Central America.

I suggest we are so divided among ourselves that it would be helpful if we could depoliticize this for a little bit and let the professionals, the military, let the State Department, let the people who are also most knowledgeable and equally committed to a solution, solve this problem.

The CHAIRMAN. The Chair now recognizes the gentleman from Massachusetts (Mr. BOLAND).

Mr. BOLAND. Mr. Chairman, I yield to the gentleman from Louisiana (Mr. HUCKABY).

Mr. HUCKABY. Mr. Chairman, I thank the gentleman for yielding.

I rise in support of the Mica amendment. I regret I have only 2½ minutes.

I would like to relate a story. I spoke last month to a lady who had just arrived in the United States from Cuba. We spoke into the late hours of the night. We talked about the tragic economic experiences that are happening there. I said to her, "Well, can't we get together again. Can't our countries, our governments, get together?"

She said, "You don't understand. It's too late. It's too late. Those people that are under 30 years of age who have grown up under the Castro government, they hate Americans. Their mission is to spread Marxism throughout the Caribbean."

I thank the Chairman for yielding.

Mr. BOLAND. I thank the gentleman from Louisiana.

Mr. Chairman, let me indicate what the scenario is going to be over the next hour or so.

First of all, there will be a vote on the Broomfield amendment. I would hope that amendment would be voted down.

I would ask for a no vote on the Broomfield amendment.

The second vote will come on the Wright amendment to the Mica substitute, as amended by Boland. That substitute has been amended in a way which apparently meets the approval of both sides of the aisle. We should vote yes on the Wright amendment.

The third vote will be on the Mica amendment, as amended by the Boland amendment. I would ask for a yes vote on that.

I presume there will be three rollcall votes in addition to a rollcall perhaps on the motion to close debate.

So, Mr. Chairman, I just say that I appreciate the tolerance of everybody here. I hope that any Members who are a little disappointed will go to lunch tomorrow with each other. They can probably clear up some of the problems that have developed on this floor.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan (Mr. BROOMFIELD) to the amendment offered by the gentleman from Florida (Mr. YOUNG), as amended.

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. BROOMFIELD. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 203, noes 223, not voting 7, as follows:

[Roll No. 281]

AYES—203

Archer	Daniel	Gunderson
Badham	Dannemeyer	Hall, Ralph
Barnard	Daub	Hall, Sam
Bartlett	Davis	Hammerschmidt
Bateman	DeWine	Hance
Bereuter	Dickinson	Hansen (ID)
Bethune	Dreier	Hansen (UT)
Bevill	Duncan	Hartnett
Bilirakis	Dyson	Hatcher
Bliley	Edwards (AL)	Hightower
Boner	Edwards (OK)	Hiler
Breaux	Emerson	Hillis
Broomfield	Erdreich	Holt
Brown (CO)	Erlenborn	Hopkins
Broyhill	Evans (IA)	Horton
Burton (IN)	Fascell	Hubbard
Byron	Fiedler	Huckaby
Campbell	Fields	Hunter
Carney	Fish	Hutto
Chandler	Flippo	Hyde
Chappell	Forsythe	Ireland
Cheney	Franklin	Jenkins
Clinger	Frenzel	Johnson
Coats	Fuqua	Kasich
Coleman (MO)	Gaydos	Kazen
Conable	Gekas	Kemp
Corcoran	Gilman	Kindness
Coughlin	Gingrich	Kramer
Courter	Goodling	Lagomarsino
Craig	Gradison	Latta
Crane, Daniel	Gramm	Leath
Crane, Philip	Gregg	Lent
Levitas	Nielson	Skelton
Lewis (CA)	O'Brien	Smith (NE)
Lewis (FL)	Oxley	Smith (NJ)
Lipinski	Packard	Smith, Denny
Livingston	Parris	Smith, Robert
Lloyd	Pashayan	Snowe
Loeffler	Patman	Snyder
Lott	Paul	Solomon
Lowery (CA)	Petri	Spence
Lujan	Porter	Stangeland
Lungren	Pritchard	Stenholm
Mack	Pursell	Stratton
Madigan	Quillen	Stump
Marlenee	Ray	Sundquist
Marriott	Regula	Tauke
Martin (NC)	Ridge	Tauzin
Martin (NY)	Rinaldo	Taylor
McCain	Ritter	Thomas (CA)
McCandless	Roberts	Thomas (GA)
McCollum	Robinson	Vander Jagt
McDonald	Roemer	Vandergriff
McEwen	Rogers	Vucanovich
McGrath	Roth	Walker
McKernan	Rowland	Weber
Mica	Rudd	Whitehurst
Michel	Sawyer	Whittaker
Miller (OH)	Schaefer	Williams (OH)
Molinari	Schulze	Wilson
Montgomery	Sensenbrenner	Winn
Moore	Shaw	Wolf
Moorhead	Shelby	Wortley
Morrison (WA)	Shumway	Wylie
Murtha	Shuster	Young (AK)
Myers	Siljander	Young (FL)
Nelson	Sisisky	Zschau
Nichols	Skeen	

NOES—223

Ackerman	Durbin	Levine
Addabbo	Dwyer	Long (LA)
Akaka	Dymally	Long (MD)
Albosta	Early	Lowry (WA)
Alexander	Eckart	Luken
Anderson	Edgar	Lundine
Andrews (NC)	Edwards (CA)	MacKay
Andrews (TX)	English	Markey
Annunzio	Evans (IL)	Martin (IL)
Anthony	Fazio	Martinez
Applegate	Feighan	Matsui
Aspin	Ferraro	Mavroules
AuCoin	Foglietta	Mazzoli
Barnes	Foley	McCloskey
Bates	Ford (MI)	McCurdy
Bedell	Ford (TN)	McHugh
Beilenson	Fowler	McKinney
Bennett	Frank	McNulty
Berman	Frost	Mikulski
Biaggi	Garcia	Miller (CA)
Boehlert	Gejdenson	Mineta
Boggs	Gephardt	Minish
Boland	Gibbons	Mitchell
Bonior	Glickman	Moakley
Bonker	Gonzalez	Mollohan
Borski	Gore	Moody
Bosco	Gray	Morrison (CT)
Boucher	Green	Mrazek
Boxer	Hall (IN)	Murphy
Britt	Hall (OH)	Natcher
Brooks	Hamilton	Neal
Brown (CA)	Harkin	Nowak
Bryant	Harrison	Oakar
Burton (CA)	Hawkins	Oberstar
Carper	Hefner	Obey
Carr	Hertel	Olin
Clarke	Howard	Ortiz
Clay	Hoyer	Ottinger
Coelho	Hughes	Owens
Coleman (TX)	Jacobs	Panetta
Collins	Jeffords	Patterson
Conte	Jones (NC)	Pease
Conyers	Jones (OK)	Penny
Cooper	Kaptur	Pepper
Coyne	Kastenmeier	Perkins
Crockett	Kennelly	Pickle
D'Amours	Kildee	Price
Daschle	Kogovsek	Rahall
de la Garza	Kolter	Rangel
Dellums	Kostmayer	Ratchford
Derrick	LaFalce	Reid
Dicks	Lantos	Richardson
Dingell	Leach	Rodino
Dixon	Lehman (CA)	Roe
Donnelly	Lehman (FL)	Rose
Dorgan	Leland	Rostenkowski
Downey	Levin	Roukema

Roybal	St Germain	Waxman
Russo	Staggers	Weaver
Sabo	Stark	Weiss
Savage	Stokes	Wheat
Scheuer	Studds	Whitley
Schneider	Swift	Whitten
Schroeder	Synar	Williams (MT)
Schumer	Tallon	Wirth
Seiberling	Torres	Wise
Shannon	Torricelli	Wolpe
Sharp	Towns	Wright
Sikorski	Traxler	Wyden
Simon	Udall	Yates
Slattery	Valentine	Yatron
Smith (FL)	Vento	Young (MO)
Smith (IA)	Volkmer	Zablocki
Solarz	Walgren	
Spratt	Watkins	

NOT VOTING—7

Chappie	Guarini	McDade
Dowdy	Heftel	
Florio	Jones (TN)	

□ 2000

The Clerk announced the following pairs:

On this vote:

Mr. Dowdy of Mississippi for, with Mr. Guarini against.

Mr. McDade for, with Mr. Florio against.

Mr. FORD of Tennessee changed his vote from "aye" to "no."

So the amendment to the amendment, as amended, was rejected.

The result of the vote was announced as above recorded.

□ 2010

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas (Mr. WRIGHT) to the amendment offered by the gentleman from Florida (Mr. MICA), as amended, as a substitute for the amendment offered by the gentleman from Florida (Mr. YOUNG), as amended.

The amendment to the amendment, as amended, offered as a substitute for the amendment, as amended, was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida (Mr. MICA) as amended, as a substitute for the amendment offered by the gentleman from Florida (Mr. YOUNG) as amended.

The question was taken; and the Chairman announced that the ayes appeared to have it.

The CHAIRMAN. The Mica substitute, as amended, is agreed to.

So the amendment, as amended, offered as a substitute for the amendment, as amended, was agreed to.

The CHAIRMAN. For what purpose does the gentleman from New York (Mr. SOLARZ) rise?

Mr. SOLARZ. Mr. Chairman, on that I ask for a recorded vote.

The CHAIRMAN. The request of the gentleman comes too late.

The question is on the amendment offered by the gentleman from Florida (Mr. YOUNG) as amended.

The amendment, as amended, was agreed to.

● Mr. WIRTH. Mr. Chairman, recently our Ambassador to Nicaragua, Anthony Quainton, described the goals of the Reagan administration's policy toward that nation. "Our policy," he said, "is to try and modify the Sandinista government's behavior in some substantial ways which are consistent with our interests." This followed by 1 day the suggestion by U.N. Ambassador Jeane Kirkpatrick that U.S. military interdiction of arms shipments on the high seas would have a positive effect.

Taken together, the import of these statements is chilling, as it signals nothing less than a return to the bad old days of gunboat diplomacy. Had the year been 1903, and the administration been Theodore Roosevelt's, one could understand the quiet acceptance of such crude foreign policy by the Congress. But the year is 1983, and if we have learned anything about mature international relations in the intervening four generations, it is incumbent upon us to speak out now.

We should be basing our policy toward Central America on our country's best values: Respect for human rights, the peaceful settlement of conflict through negotiation, and adherence to the principles of self-determination. Instead, the administration is emphasizing a policy reliant on some of our sorriest mistakes of the past: Support for oppressive regimes, covert action, and heavyhanded military posturing. Our country does have a legitimate role to play in the region, but our efforts should focus on facilitating peaceful solutions to conflict, not on measures which increase the risk on new bloodshed. Unfortunately, the recent actions of the Reagan administration unequivocally endorse the latter course.

Currently taking up positions off the east and west coasts of the region are two U.S. Navy aircraft carrier groups. Plans are also underway for a major United States-Honduran military "exercise" which administration officials have said could involve up to 5,000 military personnel. And Pentagon officials have recently made a request to more than double the amount of U.S. military advisers in El Salvador. This is in addition to the seemingly endless requests for more and more military aid for that nation.

The destructive effects of such a course are twofold. A progressively increasing U.S. military commitment to Central America not only escalates and broadens the scope of the violence now, but it also makes the prospects for a negotiated and equitable solution ever more dim. Each new military step that we take in the region may perhaps buy more strength in the short run, but in the long run it will irreparably weaken the bonds of faith that must exist between truly cooperative nations. At best, it would be an understatement to say that the saber-rattling politics of the Reagan administration is counterproductive.

In the case of Nicaragua, no one can argue with the administration's assessment of the deplorable political turn that the Sandinista regime has taken since assuming power in 1979. But the argument that this gives the United States the right to intervene is counter to both our long-range interests and our principles. Our hostile policy toward Nicaragua is increasing that country's tendency toward authoritarian rule and reliance on Soviet aid.

It is time to bring our Central American policy out into the open and assure that it is consistent with our real aims and ideals. To establish a farsighted policy, we first need to take Central America out of the cold war framework and recognize that change—brought on by the genuine aspirations of the people of the region—is a fact. We must then recognize in our actions the sovereignty of Central American nations, and the right of the peoples of the region to peaceful self-determination. Accommodating the change sweeping through Central America, while protecting legitimate American interests in the region, is the challenge facing our policy. It is a challenge that the Reagan administration has so far refused to recognize, much less taken steps to meet.

The United States should have grown beyond the paternalistic and insensitive policies which have so seriously damaged our Nation in the eyes of our Latin American neighbors for the past 50 years. Instead of pursuing those outworn policies, we should be working to increase our cooperation and partnership with our neighbors to support security and self-determination in our hemisphere.●

● Mr. COYNE. Mr. Chairman, I rise in support of H.R. 2760 and urge my colleagues to reject all weakening amendments which would place conditions on the prohibition of covert activities against Nicaragua.

H.R. 2760 would halt the funding of the counterproductive paramilitary operations within Nicaragua, while authorizing overt security assistance to friendly countries in Central America to use to interdict arms transfers from Nicaragua and Cuba.

The covert military operations have not achieved their intended goal of interdicting arms supplies to the guerrillas in El Salvador. Worse, these activities have added to the tensions in the area and have greatly increased the likelihood of expanded conflict in Central America and more extensive U.S. involvement.

The Reagan administration's policies toward Central America indicate a fundamental misunderstanding of the social, economic, and political forces at work in that region of the world. Instead, the administration continues to insist on portraying the situation as

strictly a West versus East conflict and to pursue a policy of military buildup. None of us is under the delusion that the goal of the Sandinistas is a free democratic society, but covert military aid to insurgents simply cannot provide the basis for democractic rule in that country. Such a policy only plays into the hands of those who are prepared to take advantage of the turmoil in Central America.

Virtually no friend or ally of the United States supports our present policy in Central America. I find this very disturbing. The Contadora Group consisting of Mexico, Venezuela, Colombia, and Panama have, for some time, been urging the United States to support regionwide negotiations to end the conflict in Central America. Later this week the Contadora Group along with the Foreign Ministers of El Salvador, Nicaragua, Costa Rica, Guatemala, and Honduras will meet to begin talks aimed at resolving the problems and lessening the tensions in the area. The Reagan administration has said that it welcomes and supports these efforts, yet at the same time has ordered the deployment of a large naval battle group off the coast of Central America and has announced plans to send between 3,000 and 4,000 battle troops to Honduras to participate in joint exercise.

When questioned about the increased U.S. military presence in the region at his press conference last night, President Reagan stated that these maneuvers had been planned for some time and were nothing more than regularly scheduled exercises. If that is indeed the case, it seems to me that these maneuvers should have been delayed. To say that you support negotiations in one breath and then order up an increased military presence in the next, not only leads to further doubts about our goals in the area, but also further increases tensions.

Once again I urge the Reagan administration to commit our considerable resources to regionwide negotiations. National opinion is growing daily in opposition to U.S. military intervention in Central America. Passage of H.R. 2760 will send a clear signal to our democratic partners around the world and to our Latin American neighbors that the American people have said "enough is enough." It is time to bring an end to this military adventurism.

I urge my colleagues to vote in favor of H.R. 2760.●

● Mr. BENNETT. Mr. Chairman, I support this legislation as a means of attempting to secure democracy and peace in Central America. However well intentioned, the current covert activity in Nicaragua no longer serves the cause of democracy and peace in that area, nor of our own national security. Henceforth, we should attempt to work in concert with our friendly allies in this area for our mutual security and the principles of democracy and freedom.●

● Mr. MINETA. Mr. Chairman, today we have an opportunity to cut off U.S. involvement in the secret war in Nicaragua. The covert action we are sponsoring in that country is contrary to U.S. and international law, unwise, unproductive, and harmful to our national interests. The operation in Nicaragua has not stopped the civil war in El Salvador, it has just opened up a new civil war. With the scope of war in the region expanded, the possibility of general regional war has increased drastically along with the increased likelihood of direct U.S. military involvement.

Mr. Chairman, we must decide whether we want the United States to support a war in which thousands of people, including innocent civilians, may be killed. The decision to support a war and sacrifice human lives should only be taken after a painstaking examination of the motives for that war and after thorough examination of the possible alternatives to war. The United States should only be directly involved in the initiation of a war when the security of the United States or the lives of U.S. citizens depend on that extreme action. Unfortunately, this administration has ignored these basic principles.

Perhaps the most frightening aspect of this covert operation in Nicaragua is that it is only one part of this administration's overall military approach to Central America. The most recent example of that approach was the dispatching of an armada to Central America. It is apparent to me that we are witnessing a repetition of the incremental escalation of military involvement that characterized our involvement in Vietnam.

How did we get so enmeshed in the Vietnam war? The answer is that the political leadership of both parties failed this country. Let us not fail the American people again. If Congress again fails to stop the President, we will share responsibility for this new, open-ended, and unnecessary war. Let us avoid deceiving ourselves again. We must not hide from the fact that the unchecked continuation of President Reagan's current policies in Central America will lead to the direct involvement of U.S forces.

If we fail as we did in the case of Vietnam, and American lives are needlessly sacrificed, our children will wonder how we let the same tragedy occur twice within one generation. They will look at votes such as the one we face today and ask how Members could have supported the current administration's approach. Members may answer that they were voting for democracy or voting to stop communism, but in reality a vote against H.R. 2760 or a vote to gut it through amendments is a vote to allow the President to continue to draw our country toward war.

Mr. Chairman, today the Members of this House are faced with a grave choice. Will we allow the President to continue our Nation on a path toward war in Central America or will we take a step toward peace?

The question before us is not whether the United States condones the policies of the Nicaraguan Government but whether we want to commit the United States to supporting war in an attempt to change those polices or to overthrow that Government.

It is now clear that unless we prevent the President from continuing his open-ended military commitment, citizens of this Nation may end up fighting and dying in Central America for a policy doomed to failure. In order to help avoid that outcome I urge my colleagues to support H.R. 2760 and oppose all amendments that remove the basic prohibition on U.S. support for the war in Nicaragua. We must take this opportunity before it is too late, take it before our country pays the tragic price of another war.●

● Mr. BONKER. Mr. Chairman, the reason there is so much debate on this issue and division in the country, is that many of us in Congress and American public do not really understand, let alone support, our policies there.

The President has not come before the Nation with a clearly enunciated policy; our activities, covert and overt, do not give us clear direction in Central America.

Once again, we are forming policies along East-West lines not unlike the 1960's and our deepening entanglement in Southeast Asia.

I have always felt we need to have at least four fundamental policy guidelines: First, what are the U.S. political and security interests; second, to what extent are we willing to commit ourselves in the internal political and security problems of these unstable countries; third, what price are we willing to pay for the cost of military involvement and possible use of U.S. personnel; and fourth, are U.S. policies and actions compatible with our own values and beliefs?

Earlier this week, the President sent a letter to the Contadora Group. The President wrote in this letter that: "A solution to the crisis in Central America must encompass four basic principles"

First, the establishment and strengthening of democratic institutions;

Second, respect for the principle of nonintervention;

Third, removal of the conflict in Central America from the context of East-West confrontation; and

Fourth; cooperation among the countries of Central America to achieve and sustain a level of economic growth that will guarantee the basic needs of their people.

In practice, however, the administration is pursuing actions toward and in this region which are not only in direct contradiction to the words of the President, but which undermine the Contadora Group process and which threaten the legitimate foreign policy and national security interests which I believe we have in the region.

The President endorses strengthening democratic institutions—yet he continues to bolster the regimes of Salvador and Guatemala.

The President endorses respect for the principle of nonintervention—yet he is fighting to continue covert aid to overthrow the Government of Nicaragua, he is contemplating an increase in the number of U.S. military advisers in Salvador, and intends to send 4,000 combat troops to Honduras and a major naval detachment to the surrounding seas.

The President endorses removing the Central American conflict from an East-West context—yet he first chose this context for describing the nature of our interests in the crisis there.

And finally, the President urges the countries of Central America to boost their economic growth to guarantee the basic needs of their people. Yet, the President has drastically skewed the balance of our aid to the region in favor of military assistance.

In short, the President is fooling no one, least of all the American people, when he says he is working for peace and at the same time pursuing military objectives.

The President has consistently referred to our security interests in the region. But what are those interests if they are the basis for our political and military involvement in Central America?

Twenty-five years ago, we Americans experienced considerable discomfort with Castro coming to power and the installation of a Communist government next to our borders. Did that in itself threaten our security? Castro has failed miserably in seeking to export his revolution in the intervening years. President Kennedy attempted to overthrow that regime, which resulted in a fiasco known as the Bay of Pigs. However, when the Soviet Union attempted to plant missiles in Cuba, there was no question about our security being threatened. President Kennedy drew the line and everybody knew exactly where it was, including the Russians.

The American public fully understood and supported that policy. Today, we do not know where that line is being drawn. The President has neither enunciated our policy, nor clearly established what our security interests are in Central America. Until he does, this administration's policies will only bring further confusion and uncertainty to the American people, not only about America's interests in the region, but about our resolve as well.

We must, I believe, redouble our diplomatic efforts in pursuit of a peaceful, negotiated settlement in Nicaragua and elsewhere in Central America. We must give the Contadora process support in deed as well as in word. The Boland-Zablocki bill is intended to be one important step toward erasing the administration's double standard, toward restoring American credibility in Central America, and toward correcting the balance in favor of a peaceful solution to the conflict there.

We are condemned to failure in Central America unless our policy exemplifies what we stand for as a Nation. We cannot succeed in combating endemic poverty, or in bringing an end to social injustices and gross violations of human rights by blindly lending our overt support to those who brandish an anti-Communist flag and at the same time funnel covert support to forces committed to overthrowing a neighboring government. The Reagan administration's double standard is glaring, and certainly does not encourage any country in the region to opt for a peaceful solution to its problems.●

● Mr. MARRIOTT. Mr. Chairman, I rise in opposition of H.R. 2760, the Boland-Zablocki bill, which would prohibit all covert assistance to groups attempting to overthrow the Sandinista junta in Nicaragua. Quite simply, Mr. Chairman, this measure cuts off U.S. aid to the freedom fighters rebelling against the Sandinista dictatorship which is disrupting peace in the region by exporting weapons, violence, and terror to surrounding nations; namely, to the insurgents in El Salvador and Honduras.

My opposition to this measure centers around the following points:

This measure unilaterally restricts U.S. conduct without regard to Nicaraguan behavior in Central America;

This measure authorizes an overt interdiction fund which has not been requested by our friends or allies in Central America;

This measure makes it more difficult to negotiate a peaceful verifiable resolution of the conflicts in Central America;

This measure provides a type of sanctuary for Nicaraguan/Cuban-based guerrillas who strike out with impunity against their neighbors without fear of retaliation behind their own borders; and

This measure deprives the United States of an important tool to thwart Nicaraguan/Cuban-based insurgency in Central America.

In addition to these negatives, the bill does not:

Deter the massive arms buildup in Nicaragua;

Request Nicaragua to cease the export of arms and revolution to other Central American countries;

Halt Nicaraguan efforts to overthrow the Government of El Salvador;

Provide any incentive for Nicaraguan Government to negotiate to end hostilities; and

Protect any of our friends in Central America against Nicaraguan/Cuban-backed insurgencies in their countries.

During the Carter administration, shortly after Sandinista assumed power in Nicaragua, the United States attempted to develop normal relations with this country following Somoza's ouster. But what has occurred are flagrant violations of human rights and the export of revolution to its next door neighbor, El Salvador. Passage of the bill on the floor today, H.R. 2760, could subject not just those directly involved, but also anti-Sandinista sympathizers to reprisals by the Nicaraguan army, initiate an influx of refugees into the United States, trigger a military clash between Honduras and Nicaragus and indicate a lack of resolve that would have grave repercussions not only in Central America, but to U.S. allies throughout the world.

I am pleased that the Intelligence Committee will be providing the Members with a documented closed-door briefing on activities in Central America so that the full House of Representatives can understand all the ramifications of pulling out our covert aid at this time. It is important that we repudiate this dangerous legislation and help our President resolve the serious problems in Central America.

In conclusion, Mr. Chairman, I have to ask this question: Why should the United States arm every friendly Central American country, including Costa Rica, which by law has no standing army, instead of disarming Nicaragua? Given the high stakes involved and the lack of resolve that would be demonstrated by the United States deserting the anti-Sandinistas, I doubt Central American governments will be willing to work with the United States in the overt interdiction program. In effect, Mr. Chairman, we are handing to Nicaragua a victory on a silver platter, but it is a victory at the price of increased human suffering and loss of lives in Central America and a greatly expanded immigration to the United States.

The current program is consistent with U.S. law, is wise, will help to end all the fighting in Central America by "forcing the Nicaraguans to the conference table to solve the problems of the region"—Mr. BILL YOUNG of Florida in his dissenting views—and is ef-

fective in the interdicting arms supplies from Nicaragua.

Mr. Chairman, I stand in opposition to the measure and I urge my colleagues to vote this ill-timed bill down. The United States cannot turn its back on the encroaching Marxist control in our southern neighboring countries.●

● Mr. RATCHFORD. Mr. Chairman, the President told us clearly this week that he has bigger fish to fry in sending 4,000 U.S. military personnel to Honduras. This reckless military buildup makes the CIA covert operation against Nicaragua seem pale by comparison. Mr. Chairman, I rise to urge the swift and decisive approval of H.R. 2760 by my colleagues. The administration's policy in Central America is a bankrupt one. Putting an end to the covert operation must be only a beginning. There are now bigger fires to put out, but let's be sure to take care of this one.

This policy is wrong morally. It is wrong legally. It hasn't achieved its objectives. In fact, it is wreaking havoc where it is supposed to be sowing the seeds of peace. It is time for a change, and time for this body to exercise some leadership in an area we can all agree is critical to our interests.

I am somewhat bemused that this measure has become so controversial. It in no way attempts to usurp the President's prerogatives in the foreign policy arena. It upholds his goal of helping to foster democratic, pluralistic, responsive governments in the region. Who could differ with that goal? The President is right. Central America is central to our security interests. We must demonstrate our understanding that our interests are synonomous with those of the people of the region. This measure seeks only to change the means of achieving the President's goals, acknowledging the fact of Cuban and Nicaraguan aggression, but calling a halt to U.S. policy failures in Nicaragua.

Every legislative body has a love of semantics, of the richness of words, the endless possibilities of interpretation. But let us not kid ourselves. The letter and the spirit of American and international law are being broken in Nicaragua. The CIA must cringe every time the antigovernment forces it is aiding assert that they are waging war on the Sandinista regime. This does not stop the President, however. He has publicly expressed support for their objectives. Not surprisingly, the Nicaraguan Government has protested that this is tantamount to a declaration of war. One need not love the Sandinistas to see that they have a point. I have little doubt that Jeanne Kirkpatrick would make the same point were the roles reversed.

If the legality of this policy is a matter of indifference, consider the fact that it is not working. In 18 months there has been no slowdown in the arms flow to the Salvadoran rebels. If anything, the Sandinista commitment to the insurgency has strengthened. U.S. hostility has thus had a disastrous threefold effect. It has strengthened Nicaraguan resolve to aid the leftists in El Salvador. It has contributed to a corresponding increase in repressive measures by the Sandinistas internally, in an effort to consolidate their hold on the country. And it has escalated the intensity and scope of violence in the region, threatening the fragile 2-year-old Honduran Government. It would be difficult to construct a policy which could produce results more destructive of the interests of all concerned.

My colleagues, all this measure will do is redirect U.S. policy away from a purely military solution—how many times must we learn this lesson—and toward support for regional negotiations for an end to the bloodshed. Democratic institutions cannot grow in an atmosphere of violence. We can continue to provide money to stop the arms flows. We can encourage the recent peace initiatives of the Sandinistas. And we can enlist the goodwill and aid of our European allies, and the members of the Contadora group and the Organization of American States for peaceful settlements of the conflicts. The situation is not hopeless unless we make it so. The structure of regional cooperation exists now in fledgling form. Let us seize this opportunity to change directions and help it grow. Strong support for H.R. 2760 will demonstrate our resolve, and I urge my colleagues to give this measure their support.●

● Mr. MATSUI. Mr. Chairman, I rise today in support of the legislation we are debating, H.R. 2760, which would cut off aid to rebels fighting in Nicaragua. I believe approval of this bill will send a clear message to the President that the American people do not support covert action against the Government of Nicaragua and do not support escalation of U.S. military involvement in the region.

As we are all aware, administration officials have justified support of the guerrillas on the basis that they would force the Sandinista government to "turn inward" and curtail its efforts to support rebel forces in El Salvador. But the administration and its critics alike agree this policy has not worked.

Rather than reducing Nicaragua's military activity, covert action has turned the border of Nicaragua and Honduras into a battle zone, where hundreds of people have lost their lives and many more have lost their homes and property. The conflict threatens to turn into a full-scale war, with the result of wider instability in the region and the temptation for a direct U.S. role.

Rather than threatening the Sandinista government, U.S. policy has given it a political shot in the arm. It has galvanized the Nicaraguan people behind the government and turned their attention away from the daily shortages of bread and gasoline toward the alarming threat of Yankee intervention. The Sandinistas have been able to blame their failed economic policies on the United States, and at the same time, set themselves up as heroes and freedom fighters.

Instead of looking for an alternative to its failed policy, the administration decided to raise the military stakes. It developed secret plans for nearly doubling the level of covert activity and is now undertaking a massive show of force in Honduras and off the coast of Nicaragua. I believe this will only exacerbate the conflict and lead the United States ever closer to direct intervention. But the administration continues to be deluded by the myth that military force can remedy the region's political problems.

Recently Nicaraguan leader Daniel Ortega Saavedra called for regionwide negotiations, a mutual ban on arms shipments to El Salvador and a nonaggression pact between Honduras and Nicaragua. Although Saavedra's statement was considered a diplomatic breakthrough, President Reagan coolly dismissed it by asserting that Nicaragua must agree to implement internal political reforms before talks could be started. The President went so far as to say that as long as the current junta was in power, it would be "extremely difficult" to make peace with Nicaragua. The President clearly prefers big stick diplomacy to negotiations.

I believe it is imperative that we in the Congress approve this legislation, H.R. 2760, in order to convince the President he must call a halt to covert activity and reduce the threat of direct U.S. military intervention. We must also encourage him to take the Sandinistas at their word and challenge them publicly before the world to engage in serious negotiations. Therefore, I urge my colleagues to join me in support of this important measure.●

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. WRIGHT

Mr. WRIGHT. Mr. Chairman, I offer an amendment in the nature of a substitute.

The Clerk read as follows:

Amendment in the nature of a substitute offered by Mr. WRIGHT: Strike out all after the enacting clause and insert in lieu thereof the following:

That the Intelligence Authorization Act for Fiscal Year 1983 is amended by adding at the end thereof the following new title:

"TITLE VIII—PROHIBITION ON COVERT ASSISTANCE FOR MILITARY OPERATIONS IN NICARAGUA; AUTHORIZATION OF OVERT INTERDICTION ASSISTANCE

"PROHIBITION ON COVERT ASSISTANCE FOR MILITARY OPERATIONS IN NICARAGUA

"SEC. 801. (a) None of the funds appropriated for fiscal year 1983 or 1984 for the Central Intelligence Agency or any other department, agency, or entity of the United States involved in intelligence activities may be obligated or expended for the purpose or which would have the effect of supporting, directly or indirectly, military or paramilitary operations in Nicaragua by any nation, group, organization, movement, or individual.

"(b) This section shall take effect upon the date prescribed in the classified annex to the report of the Permanent Select Committee on Intelligence of the House of Representatives to accompany the bill H.R. 2760 (98th Congress).

"AUTHORIZATION OF OVERT INTERDICTION ASSISTANCE

"SEC. 802. (a) The Congress finds that—

"(1) in the absence of a state of declared war, the provision of military equipment to individuals, groups, organizations, or movements seeking to overthrow governments of countries in Central America violates international treaty obligations, including the Charter of the United Nations, the Charter of the Organization of American States, and the Rio Treaty of 1949; and

"(2) such activities by the Governments of Cuba and Nicaragua threaten the independence of El Salvador and threaten to destabilize the entire Central American region, and the Governments of Cuba and Nicaragua refuse to cease those activities.

"(b) The President is authorized to furnish assistance, on such terms and conditions as he may determine, to the government of any friendly country in Central America in order to provide such country with the ability to prevent use of its territory, or to prevent to the extent permitted by international law the use of international territory, for the transfer of military equipment from or through Cuba or Nicaragua or any other country or agents of that country to any individual, group, organization, or movement which the President determines seeks to overthrow the government of such friendly country or the government of any other country in Central America. Assistance under this section shall be provided openly, and shall not be provided in a manner which attempts to conceal United States involvement in the provision of such assistance.

"(c) Assistance may be provided to a friendly foreign country under this section only if that country has agreed that it will not use any assistance provided by the United States under this section, the Foreign Assistance Act of 1961, or the Arms Export Control Act to destabilize or overthrow the government of any country in Central America and will not make any such assistance available to any nation, individual, group, organization, or movement which seeks to destabilize or overthrow any such government.

"(d) At least 15 days before providing assistance to a foreign country under this section, the President shall submit an unclassified report which describes the proposed assistance to the Speaker of the House of Representatives and to the chairman of the appropriate committees of the Senate.

"(e) There is authorized to be appropriated to the President to carry out this section $30,000,000 for the fiscal year 1983 and $50,000,000 for the fiscal year 1984.

"(f) Funds to carry out this section shall be made available for any friendly country in Central America only for the purpose of interdicting the transfer of military equipment to any country in Central America.".

SEC. 2. (a) The Congress finds that—

(1) the Government of National Reconstruction of Nicaragua has failed to keep solemn promises, made to the Organization of American States in July 1979, to establish full respect for human rights and political liberties, hold early elections, preserve a private sector, permit political pluralism, and pursue a foreign policy of non-aggression and non-intervention;

(2) by providing military support (including arms, training, and logistical, command and control, and communications facilities) to groups seeking to overthrow the Government of El Salvador and other Central American governments, the Government of National Reconstruction of Nicaragua has violated article 18 of the Charter of the Organization of American States which declares that no state has the right to intervene, directly or indirectly, for any reason whatsoever, in the internal or external affairs of any other state;

(3) the Government of Nicaragua should be held accountable before the Organization of American States for activities violative of promises made to the Organization and for violations of the Charter of that Organization; and

(4) working through the Organization of American States is the proper and the most effective means of dealing with threats to the peace in Central America, of providing for common action in the event of aggression, and of providing the mechanisms for peaceful resolution of disputes among the countries of Central America.

(b) The President shall seek a prompt reconvening of the Seventeenth Meeting of Consultation of Ministers of Foreign Affairs of the Organization of American States for the purpose of re-evaluating the compliance by the Government of National Reconstruction of Nicaragua—

(1) with the commitments made by the leaders of that Government in July 1979 to the Organization of American States; and

(2) with the Charter of the Organization of American States.

(c) The President shall vigorously seek prompt actions by the Organization of American States that would provide for a full range of effective measures by the member states to bring about compliance by the Government of National Reconstruction of Nicaragua with those obligations, including verifiable agreements to halt the transfer of military equipment and to cease furnishing of military support facilities to groups seeking the violent overthrow of governments of countries in Central America.

(d) The President shall use all diplomatic means at his disposal to encourage the Organization of American States to seek resolution of the conflicts in Central America based on the provisions of the Final Act of the San Jose Conference of October 1982, especially principles (d), (e), and (g), relating to non-intervention in the internal affairs of other countries, denying support for terrorist and subversive elements in other states, and international supervision of fully verifiable arrangements.

(e) The United States shall support measures at the Organization of American States, as well as efforts of the Contadora Group, which seek to end support for terrorist, subversive, or other activities aimed at the violent overthrow of the governments of countries in Central America. Funds authorized to be appropriated by this Act may be used to provide United States support for activities with respect to Nicaragua which are designed to end the conflict in the region and which are approved by the Organization of American States, including international surveillance and supervision activities, peacekeeping forces, border patrols, and election supervisors.

(f) Not later than March 15, 1984, the President shall report to the Congress on the results of his efforts pursuant to this Act to achieve peace in Central America and to end the flow of arms to Central America. Such report may include such recommendations as the President may consider appropriate for further United States actions to achieve these objectives, including requests for the authorization and appropriation of additional funds to carry out the purposes of this Act.

POINT OF ORDER

Mr. HYDE (during the reading). Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. HYDE. Mr. Chairman, I make a point of order that the amendment now being offered was not printed in the RECORD.

The CHAIRMAN. The Chair would advise the gentleman from Illinois that that is not necessary. It is offered by the majority leader, and it is permitted in the rule.

PARLIAMENTARY INQUIRY

Mr. HYDE. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HYDE. I have an amendment that was printed in the RECORD. Will I be given an opportunity to offer it?

The CHAIRMAN. The Chair will advise the gentleman that a printed perfecting amendment to the bill can be offered before the vote on the Wright amendment in the nature of a substitute.

Mr. HYDE. I thank the Chair.

The CHAIRMAN. The Clerk will read.

The Clerk continued the reading of the amendment.

Mr. HYDE. (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

Mr. VOLKMER. Mr. Chairman, I object.

Mr. BONIOR of Michigan. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

The Clerk will read.

The Clerk continued the reading of the amendment.

Mr. THOMAS of California (during the reading). Mr. Chairman, I ask

unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

Mr. VOLKMER. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

The Clerk will read.

The Clerk continued the reading of the amendment.

□ 2020

PARLIAMENTARY INQUIRY

Mr. EDWARDS of Oklahoma. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman from Oklahoma will state his parliamentary inquiry.

Mr. EDWARDS of Oklahoma. I wonder if the Chairman can tell us if copies of that amendment are available to Members of the House.

The CHAIRMAN. That question can be answered by the gentleman from Texas (Mr. WRIGHT).

Mr. EDWARDS of Oklahoma. I thank the Chairman.

The CHAIRMAN. The Clerk will continue to read.

The Clerk continued the reading of the amendment.

Mr. COURTER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

Mr. FOWLER. I object, Mr. Chairman.

The CHAIRMAN. Objection is heard.

Mr. COURTER. Mr. Chairman, I move that the amendment be considered as read.

The CHAIRMAN. The Chair will advise the gentleman that would not be a proper motion, since the amendment has not been printed in the RECORD.

The Clerk will continue to read.

The Clerk continued the reading of the amendment.

Mr. MARTIN of North Carolina (during the reading). Mr. Chairman, I ask unanimous consent that if we are going to hear the reading of this amendment that we have the unanimous courtesy to be quiet so that we can hear it. It is impossible to tell what the amendment is from the reading.

The CHAIRMAN. The Clerk will continue to read.

The Clerk continued the reading of the amendment.

Mr. LOTT (during the reading). I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

Mr. FOWLER. I object, Mr. Chairman.

The CHAIRMAN. Objection is heard.

The Clerk will continue to read.

The Clerk continued the reading of the amendment.

Mr. LAGOMARSINO (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

Mr. FOWLER. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

The Clerk will continue to read.

The Clerk continued the reading of the amendment.

Mr. MARTIN of North Carolina (during the reading). Mr. Chairman, I ask unanimous consent that the Clerk read faster since we cannot hear anyway.

The CHAIRMAN. The Chair would advise the gentleman there are only four more lines.

The Clerk will continue to read.

The Clerk concluded reading of the amendment.

The CHAIRMAN. The gentleman from Texas (Mr. WRIGHT) is recognized for 5 minutes in support of his amendment.

Mr. WRIGHT. Mr. Chairman, this has been, for the most part, I think, a high level, enlightening and elevated debate on a subject of the very highest possible importance to our Nation and to the peace of the hemisphere in which we live.

Tempers have grown short at times. The hour has grown late. Members have been sorely strained to speak in terms less temperate than normal on only rare occasions today.

For the most part I believe Members on both sides have conducted and demeaned themselves in a manner that reflects credit upon the finest traditions of this institution of ours. I want to congratulate all of my colleagues, including those, who, on occasion, have had disagreements with me. And I want to thank them that on those occasions when they have disagreed with me, they have disagreed without being disagreeable. I hope that I have done the same. And I believe that most of the Members on our side have been at some pains to respect the integrity and the good will of the Members on the other side. I hope that applies to all of us.

□ 2030

The amendment in the nature of a substitute which I offer now would be a recodification of the original Roland-Zablocki language, with the addition of the entirety of the language which I offered earlier and which was adopted as an amendment to the Mica substitute, as amended by the Boland amendment.

In effect, what it does is to remove the verbiage which was contained in the Boland-Solarz amendment. It would contain the following clear provisions:

First, that this country will cease at a given date privy to the members of the Committee on Intelligence its covert activities of a military or paramilitary type inside the sovereign territory of Nicaragua.

Second, that it will provide $80 million for those friendly countries in the hemisphere who seek such assistance in sanitizing their borders against the intrusion of arms from outside.

Then, third, it will make an indictment of the Nicaraguan Government for its violation of pledges made to the Organization of American States and for its violation of the charter of the Organization of American States in its intrusions into its neighbor El Salvador.

It will call upon the President of the United States to use the good offices of the Presidency to ask for an immediate reconvening of the 17th conference of the foreign ministers of the Organization of American States for the purpose of taking such action as they would deem appropriate to monitor and supervise breaches of commitment that have been made by Nicaragua.

And, finally, it would permit the United States to participate if the Secretary of State and the President deemed appropriate, financially and otherwise, in peacekeeping measures and in measures designed and sanctioned by the Organization of American States of a multilateral nature, to prevent the flow of arms from one country into another in the Central American region, to monitor that prohibition against the flow of arms and to provide such other means as may be necessary to create the conditions of a lasting peace, including free elections and, if necessary, joint supervision of those free elections by the Organization of American States.

PARLIAMENTARY INQUIRY

Mr. ROBINSON. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman from Virginia will state his parliamentary inquiry.

Mr. ROBINSON. My parliamentary inquiry, Mr. Chairman, is this: If the Wright substitute, as just introduced, is adopted by the House, does it then prevent the minority from introducing a motion to recommit with instructions that would be reported back to the floor immediately?

The CHAIRMAN. The Chair would advise the gentleman that the rule does not protect such a motion to recommit, but that would be up to the Speaker when we go back into the House to answer that question specifically.

AMENDMENT OFFERED BY MR. HYDE TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. WRIGHT

Mr. HYDE. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute.

The Clerk read as follows:

Amendment offered by Mr. HYDE to the amendment in the nature of a substitute offered by Mr. WRIGHT. At the end of Section 1 of the amendment insert:

"EFFECTIVE DATE

"SEC. 803. The provisions of this title shall take effect 30 days after:

"(a) the Permanent Select Committee on Intelligence and the Committees on Foreign Affairs and Armed Services of the House of Representatives have held hearings on the feasibility of the overt interdiction assistance program which would be authorized by section 802 of this title on the costs and number and type of U.S. personnel and the amount and type of equipment required to implement such a program that would overtly and effectively interdict arms and supplies shipped from or through Nicaragua to support military or paramilitary operations against any nation in Central America; and

Mr. HYDE (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

Mr. BONIOR of Michigan. Mr. Chairman, I object.

Mr. HARKIN. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

The Clerk will continue to read.

The Clerk continued the reading of the amendment.

Mr. BARNES (during the reading). Mr. Chairman, I withdraw my objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois (Mr. HYDE) that the amendment be considered as read and printed in the RECORD?

Mr. HARKIN. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

The Clerk will continue to read.

The Clerk concluded the reading of the amendment.

Mr. HYDE. Mr. Chairman, I yield to the gentleman from Georgia (Mr. FOWLER).

Mr. FOWLER. Mr. Chairman, I thank my friend, the gentleman from Illinois.

We simply need a copy of the amendment which we do not have on this side.

I thank the gentleman.

Mr. HYDE. Mr. Chairman, this amendment simply says that the bill will take effect, the legislation will take effect, 30 days after the Permanent Select Committee on Intelligence, the Foreign Affairs Committee and Armed Services have held hearings on the feasibility of the overt interdiction assistance program which would be authorized by section 802. Hearings should deal with the cost and number and type of U.S. personnel, the amount and type of equipment required to implement such a program that would overtly and effectively interdict arms and supplies shipped from or through Nicaragua to support military or paramilitary operations against any nation in Central America.

Now, the reasons for this is rather simple. We are taking a course of action by shutting off covert aid, and we are moving to the interdiction of the export of revolution overtly, but we do not have any money in the bill that relates to the reality of that problem. We have taken $30 million in fiscal 1983 and $50 million in fiscal 1984 literally out of the sky. Where did those numbers come from? Those are the sums that the administration wanted for covert interdiction.

Now, covert interdiction and overt interdiction are two separate operations. Overt interdiction involves a lot more than covert interdiction. So it just seems to me, if we are going to start a program, we ought to know what it costs. We ought to know what is involved. We have held no hearings on this very important strategic, not to say economic, move from trying to interdict covertly to overt interdiction. We are talking about Honduras, we are talking about El Salvador, we are talking about Costa Rica. We really do not know what we are talking about. But it seems to me one should not launch into a program, at least as far as the taxpayers are concerned, not to say our friends in Central America, without some idea as to what it will cost.

Now, it just seems to me very foolish to say we are going to overtly interdict and we pick figures that obviously are not related to overt interdiction. And all my amendment says is: Please, let us hold hearings, let us get the facts, and then the bill may take effect.

Mr. STRATTON. Mr. Chairman, will the gentleman yield?

Mr. HYDE. I yield to the gentleman from New York.

Mr. STRATTON. I think the gentleman is making a very excellent amendment. We have just passed in this Chamber a bill for a 1984 budget of some $187 billion. A number of Members in this Chamber, more than 100, were opposed to the legislation. And if we are going to get in, as the gentleman has suggested, to overt military action, which the Pentagon has indicated to be extremely costly, certainly there ought to be hearings in the Committee on Armed Services so that we could understand what impact this will have on our defense.

I would strongly support the gentleman's amendment, and it would appear to be noncontroversial.

Mr. SOLARZ. Mr. Chairman, will the gentleman yield?

Mr. HYDE. I yield to the gentleman from New York.

Mr. SOLARZ. I thank the gentleman for yielding.

I wonder if my good friend, the gentleman from New York, who just spoke, would perhaps answer a question.

I have no problem, speaking just for myself, with this amendment. It requires a hearing, but I assume the hearing can be held in a timely and expeditious fashion.

Mr. HYDE. They are within your control, as you know.

Mr. SOLARZ. Well, I am neither on the Intelligence Committee nor the Armed Services Committee. I have no doubt that the Intelligence Committee would be prepared to have an expeditious hearing on this.

Can the gentleman from New York give us some reasonable assurances that Armed Services would proceed, if this is adopted, to have a hearing as well?

Mr. STRATTON. Well, I cannot speak for the committee, but I am sure that the chairman would move very expeditiously, because this is going to have a major impact on the budget we just passed, and it might require that some of the things that have been added to the budget would have to be taken out.

Mr. SOLARZ. If the gentleman will yield further, do I interpret the gentleman's amendment correctly to read that if the hearings envisioned in the amendment are held, even before the legislation is enacted, it would satisfy the requirement of the amendment to have such a hearing?

Mr. HYDE. That is correct. I simply want hearings held so we do not leap into the dark, into a new operation in Central America and not have any idea what it costs.

□ 2040

The CHAIRMAN. The time of the gentleman from Illinois (Mr. HYDE) has expired.

(On request of Mr. COURTER and by unanimous consent, Mr. HYDE was allowed to proceed for 3 additional minutes.)

Mr. SMITH of Florida. Mr. Chairman, will the gentleman yield?

Mr. HYDE. I yield to the gentleman from Florida.

Mr. SMITH of Florida. I thank the gentleman for yielding.

Mr. Chairman, I would like to know if this 30-day prohibition until after those enumerated committees have their hearings applies not only to the $80 million in overt aid but also the covert aid as well?

Mr. HYDE. Yes, sir; it is the effective date of the legislation must wait until the hearings are held.

Mr. SMITH of Florida. If the gentleman would yield further, in essence, then, if their hearings were to be stretched out over any period of time for any reason whatsoever, that all the covert aid would continue to flow while those hearings were held?

Mr. HYDE. Well, if I may say, Mr. SMITH, the chairmen of the three committees involved are Democrats, and they are pretty strong people. They can open the hearings and close the hearings. They can determine whether they are moving along, and control the ebb and flow of the hearings. So I am not concerned with that.

Mr. SMITH of Florida. The answer is yes. I thank the gentleman.

Mr. HYDE. Well, yes.

Mr. MARTIN of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. HYDE. I yield to my friend, the gentleman from North Carolina.

Mr. MARTIN of North Carolina. I thank the gentleman for yielding.

Mr. Chairman, I would observe for the benefit of the gentleman from Florida who was inquiring about the effective date that the amendment offered by the gentleman from Illinois does not in any way supersede the provisions that is already in the Wright substitute, which says it takes effect upon the date prescribed in the classified annex to the report of the select committee.

That certainly is not going to be revoked by this 30-day provision which the gentleman from Illinois has provided.

If the gentleman would yield further, I would want to commend him for his amendment.

Mr. HYDE. I always yield to be commended.

Mr. COURTER. Mr. Chairman, will the gentleman yield?

Mr. HYDE. I yield to the gentleman from New Jersey, because I suspect he may have a commendation in mind.

Mr. COURTER. I do, but that is not the main reason I want to be heard.

Mr. Chairman, is it my understanding that the purpose for your bringing this amendment is the fact that there has been no hearings or independent determination on adequacy of the $80 million?

Mr. HYDE. That is right.

Mr. COURTER. Is the gentleman saying that we are about to pass legislation that requires an $80 million expenditure with no determination as to its adequacy?

Mr. HYDE. I am saying that we are moving from a program of covert interdiction into overt. They are two different animals entirely, with different requirements, so we ought to have hearings to see what it will cost.

Mr. MARTIN of North Carolina. Mr. Chairman, will the gentleman yield for a partial answer?

Mr. HYDE. I yield to my friend, the gentleman from North Carolina.

Mr. MARTIN of North Carolina. I think I can remind the Members of a partial answer that was developed earlier, if I may have the attention of the gentleman, when, in debate, we pointed out that a recently defected former member of the Sandinista secret police gave us his estimate that the amount that had been brought into Nicaragua for export was somewhere in excess of $500 million.

The CHAIRMAN. The time of the gentleman from Illinois (Mr. HYDE) has again expired.

(On request of Mr. BEDELL and by unanimous consent, Mr. HYDE was allowed to proceed for 2 additional minutes.)

Mr. BEDELL. Mr. Chairman, will the gentleman yield?

Mr. HYDE. I yield to the gentleman from Iowa.

Mr. BEDELL. I thank the gentleman for yielding.

Mr. Chairman, the question that needs to be clarified is the gentleman says "have held hearings." Does this mean one hearing, or does this mean that the committee could string it on and on, and on and on if it was the will of the committee to do so and, therefore, hold this up for an indefinite period of time?

Mr. HYDE. I would say it would be within the control of the chairman of the committee and the members of the committee, and since your party is in the majority, I have total confidence in them.

Mr. BEDELL. Mr. Chairman if the gentleman from Iowa could be heard further, then the net result of this amendment is to leave it up to any one of those committees to delay this thing for as long as they wish to do so. This Member of this body thinks this is a responsibility of the Members of this body, and I, for one, am not willing to turn it over to any one of our committees to delay it forever.

Mr. HYDE. This Member can only express dismay at the lack of confidence in the committee structure established by the Democratic rules. I reaffirm my confidence in the chairmen.

Mr. BEREUTER. Mr. Chairman, will the gentleman yield?

Mr. HYDE. I yield to my friend, the gentleman from Nebraska.

Mr. BEREUTER. I thank the gentleman for yielding.

Mr. Chairman, first I would like to ask, does the gentleman's amendment cover the requirement to look at additional U.S. military assistance that would be involved in an overt interdiction program?

Mr. HYDE. Yes, sir.

Mr. BEREUTER. Including personnel, U.S. personnel?

Mr. HYDE. Yes, sir. You see, if we are going to be involved down there in terms of money and personnel, the least thing we can do is hold hearings to find out how many personnel and how much money.

Mr. BARNES. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the Wright substitute.

Mr. Chairman, before I address the merits of the Wright substitute and the Hyde amendment to it which are pending before us, I just want to comment that I think the leadership that we have seen from the chairman of the Intelligence Committee, the gentleman from Massachusetts (Mr. BOLAND) has been absolutely remarkable, and I know the Members on both sides of the aisle have seen their respect for the gentleman from Massachusetts grow today. I, for one, have found it an honor to work with our chairman on this issue.

I also want to say that we throw our titles around here a lot. We are all proud of the titles we have as chairmen or whatever, but the title "majority leader" has taken on a new dimension, I think, in the context of the debate today and I am very proud of the role that the majority leader has played in leading the majority of this House on an important issue.

The leader's substitute could not be more appropriate. Earlier today some of us noted the excellent letter that President Reagan sent to the presidents of the four Contadora countries, the presidents of Panama, Colombia, Mexico, and Venezuela, in which President Reagan said, and I quote:

> The charter of the Organization of American States makes clear that it should be the purpose of the OAS to either prevent unjust acts committed against one state against another, or to provide for common action on the part of the members in the event of difficulties.

The President said:

> I believe the OAS, as this Hemisphere's regional forum, is the appropriate mechanism to insure that those who make commitments comply with them.

Well, the substitute that we have before us now offered by the distinguished majority leader calls upon the Government of the United States to go to the Organization of American States as the proper forum for consideration of the concerns that we have with respect to the actions of Nicaragua. It is totally consistent with the statement that the President made in his letter to the four Presidents.

I would urge strong support for the substitute offered by the gentleman from Texas (Mr. WRIGHT). I would urge opposition to the amendment to

the Wright substitute that has been offered by the gentleman from Illinois (Mr. HYDE). There is no need for any amendment to this bill that would delay the implementation of the termination of the covert action and the movement of the United States to the Organization of American States to begin the action that is called for under the Wright substitute. There is no need for us to await action.

Mr. CAMPBELL. Mr. Chairman, will the gentleman yield?

Mr. BARNES. I yield to the gentleman from South Carolina.

Mr. CAMPBELL. I thank the gentleman for yielding.

Mr. Chairman, let me ask one question, and it is a very serious question.

I am in agreement that the OAS ought to act. What does the Wright substitute provide for if they do not act and if Nicaragua continues with their actions?

Mr. BARNES. The Wright substitute incorporates, as did the original Boland-Zablocki language that was before the House at the beginning of this debate, assistance for our friends in the hemisphere, and as the chairman of the Intelligence Committee and the chairman of the Committee on Foreign Affairs said earlier this week in a "Dear Colleague" that all of us received, if the assistance that is provided in this legislation turned out at some date in the future not to be adequate, they would expeditiously bring to the floor of the House legislation to provide adequate assistance.

□ 2050

So that is taken care of.

I want to make one final point in the time that is remaining to me, and I apologize that I do not have much time, but I want to make one final point.

Mr. CAMPBELL. I will ask for more time for the gentleman.

Mr. BARNES. It demonstrates the significance of what we have done today, the timeliness and the importance of what we have done today.

On the evening news tonight, on CBS, there was this report. CBS reported:

There are deep divisions within the CIA's clandestine operations directorate over plans to expand covert operations against Nicaragua.

CBS reported further:

Senior career officers are warning the plans pose a major danger of escalating the conflict.

They went on to say:

According to very reliable sources, CIA Director William Casey proposed expanding the covert operations over the objections of a number of his senior advisors.

The CHAIRMAN. The time of the gentleman from Maryland (Mr. BARNES) has expired.

Mr. BARNES. Mr. Chairman, I ask unanimous consent to proceed for 1 additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Maryland?

Mr. LOTT. I object, Mr. Chairman.

The CHAIRMAN. Objection is heard.

AMENDMENT OFFERED BY MR. BEREUTER AS A SUBSTITUTE FOR THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. WRIGHT

Mr. BEREUTER. Mr. Chairman, I offer an amendment as a substitute for the amendment in the nature of a substitute.

The Clerk read as follows:

Amendment offered by Mr. BEREUTER as a substitute for the amendment in the nature of a substitute offered by Mr. WRIGHT:

Strike out all after the enacting clause and in lieu thereof insert the following:

That the Intelligence Authorization Act for Fiscal Year 1983 is amended by adding at the end thereof the following new title:

TITLE VIII—PROHIBITION ON COVERT ASSISTANCE FOR MILITARY OPERATIONS IN NICARAGUA; AUTHORIZATION OF OVERT INTERDICTION ASSISTANCE

"PROHIBITION ON COVERT ASSISTANCE FOR MILITARY OPERATIONS IN NICARAGUA

"SEC. 801. (a) None of the funds appropriated for fiscal year 1983 or 1984 for the Central Intelligence Agency or any other department, agency, or entity of the United States involved in intelligence activities may be obligated or expended for the purpose or which would have the effect of supporting, directly or indirectly, military or paramilitary operations in Nicaragua by any nation, group, organization, movement, or individual.

"(b) This section shall take effect upon the date prescribed in the classified annex to the report of the Permanent Select Committee on Intelligence of the House of Representatives to accompany H.R. 2760 (98th Congress), but in no event earlier than October 1, 1983, unless before that effective date the President, after consultation with the Congress, has submitted to the Speaker of the House of Representatives and the President pro tempore of the Senate in writing a new plan providing for the interdiction of arms being shipped from or through Nicaragua to forces hostile to the Government of El Salvador. In formulating such a plan, the President shall consider whether it would be useful to pursue direct bilateral negotiations between the United States and the Government of Nicaragua; multilateral negotiations among selected Western Hemispheric countries; involving the Organization of American States, the United Nations, or any other nation or nations in a diplomatic or peacekeeping role; involving other countries in the process of arms interdiction using United States military supplies and training; and any other policy that will stop the shipment of arms from Nicaragua to El Salvador. The plan submitted pursuant to this subsection shall cease to be implemented and the prohibition contained in subsection (a) shall take effect if—

"(1) the Government of Nicaragua has, by formal action, agreed that it will cease all its activities involving the furnishing of arms, personnel, training, command and control facilities, or logistical support for military or paramilitary operations in or against any country in Central America or the Caribbean; and

"(2) the Government of Nicaragua is taking steps to implement the commitments made by the Government of National Reconstruction of Nicaragua to the Organization of American States in July 1979; and

"(3) the cessation of such activities, and the taking of steps to implement such commitments, has been verified by the Organization of American States or the President of the United States.".

"AUTHORIZING OF OVERT INTERDICTION ASSISTANCE

SEC. 802. (a) The Congress finds that—

"(1) in the absence of a state of declared war, the provision of military equipment to individuals, groups, organizations, or movements seeking to overthrow governments of countries in Central America violates international treaty obligations, including the Charter of the United Nations, the Charter of the Organization of American States, and the Rio Treaty of 1949; and

"(2) such activities by the Governments of Cuba and Nicaragua threaten the independence of El Salvador and threaten to destabilize the entire Central American region, and the Governments of Cuba and Nicaragua refuse to cease those activities.

"(b) The President is authorized to furnish assistance, on such terms and conditions as he may determine, to the government of any friendly country in Central America in order to provide such country with the ability to prevent use of its territory, or to prevent to the extent permitted by international law the use of international territory, for the transfer of military equipment from or through Cuba or Nicaragua or any other country or agents of that country to any individual, group, organization, or movement which the President determines seeks to overthrow the government of such friendly country or the government of any other country in Central America. Assistance under this section shall be provided openly, and shall not be provided in a manner which attempts to conceal United States involvement in the provision of such assistance.

"(c) Assistance may be provided to a friendly foreign country under this section only if that country has agreed that it will not use any assistance provided by the United States under this section, the Foreign Assistance Act of 1961, or the Arms Export Control Act to destabilize or overthrow the government of any country in Central America and will not make any such assistance available to any nation, individual, group, organization, or movement which seeks to destabilize or overthrow any such government.

"(d) At least 15 days before providing assistance to a foreign country under this section, the President shall submit an unclassified report which describes the proposed assistance to the Speaker of the House of Representatives and to the chairman of the appropriate committees of the Senate.

"(e) There is authorized to be appropriated to the President to carry out this section $30,000,000 for the fiscal year 1983 and $50,000,000 for the fiscal year 1984.

"(f) Funds to carry out this section shall be made available for any friendly country in Central America only for the purpose of interdicting the transfer of military equipment to any country in Central America.".

SEC. 2. (a) The Congress finds that—

(1) the Government of National Reconstruction of Nicaragua has failed to keep

solemn promises, made to the Organization of American States in July 1979, to establish full respect for human rights and political liberties, hold early elections, preserve a private sector, permit political pluralism, and pursue a foreign policy of non-aggression and non-intervention;

(2) by providing military support (including arms, training, and logistical, command and control, and communications facilities) to groups seeking to overthrow the Government of El Salvador and other Central American governments, the Government of National Reconstruction of Nicaragua has violated article 18 of the Charter of the Organization of American States which declares that no state has the right to intervene, directly or indirectly, for any reason whatsoever, in the internal or external affairs of any other state;

(3) the Government of Nicaragua should be held accountable before the Organization of American States for activities violative of promises made to the Organization and for violations of the Charter of that Organization; and

(4) working through the Organization of American States is the proper and the most effective means of dealing with threats to the peace in Central America, of providing for common action in the event of aggression, and of providing the mechanisms for peaceful resolution of disputes among the countries of Central America.

(b) The President shall seek a prompt reconvening of the Seventeenth Meeting of Consultation of Ministers of Foreign Affairs of the Organization of American States for the purpose of re-evaluating the compliance by the Government of National Reconstruction of Nicaragua—

(1) with the commitments made by the leaders of that Government in July 1979 to the Organization of American States; and

(2) with the Charter of the Organization of American States.

(c) The President shall vigorously seek prompt actions by the Organization of American States that would provide for a full range of effective measures by the member states to bring about compliance by the Government of National Reconstruction of Nicaragua with those obligations, including verifiable agreements to halt the transfer of military equipment and to cease furnishing of military support facilities to groups seeking the violent overthrow of governments of countries in Central America.

(d) The President shall use all diplomatic means at his disposal to encourage the Organization of American States to seek resolution of the conflicts in Central America based on the provisions of the Final Act of the San Jose Conference of October 1982, especially principles (d), (e), and (g), relating to non-intervention in the internal affairs of other countries, denying support for terrorist and subversive elements in other states, and international supervision of fully verifiable arrangements.

(e) The United States shall support measures at the Organization of American States, as well as efforts of the Contadora Group, which seek to end support for terrorist, subversive, or other activities aimed at the violent overthrow of the governments of countries in Central America. Funds authorized to be appropriated by this Act may be used to provide United States support for activities with respect to Nicaragua which are designed to end the conflict in the region and which are approved by the Organization of American States, including international surveillance and supervision activities, peacekeeping forces, border patrols, and election supervisors.

(f) Not later than March 15, 1984, the President shall report to the Congress on the results of his efforts pursuant to this Act to achieve peace in Central America and to end the flow of arms to Central America. Such report may include such recommendations as the President may consider appropriate for further United States actions to achieve these objectives, including requests for the authorization and appropriation of additional funds to carry out the purposes of this Act.

Mr. BEREUTER. Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Nebraska?

Mr. WEISS. Reserving a point of order, Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

The Clerk will continue to read.

The Clerk continued the reading of the amendment.

Mr. BEREUTER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Nebraska?

Mr. HARKIN. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

The Clerk will continue the reading of the amendment.

The Clerk continued the reading of the amendment.

Mr. SOLARZ (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

POINT OF ORDER

Mr. WEISS. Mr. Chairman, a point of order.

The CHAIRMAN. Does the gentleman from New York (Mr. WEISS) insist upon his point of order?

Mr. WEISS. Mr. Chairman, I do insist on my point of order.

The CHAIRMAN. The Chair will be glad to hear the gentleman.

Mr. WEISS. Mr. Chairman, it is my understanding that substitutes, except for the one offered by the gentleman from Texas, the majority leader, have to be in written form and filed in advance. I understand that this particular substitute had not been, and that is the basis of my point of order.

The CHAIRMAN. Does the gentleman from Nebraska desire to be heard?

Mr. BEREUTER. I do not, Mr. Chairman.

The CHAIRMAN. The Chair would advise the gentleman from New York (Mr. WEISS) that this is an amendment offered as a substitute for the Wright amendment and the rule does not require that it be printed in the RECORD.

Is there objection to the request of the gentleman from New York (Mr. SOLARZ) that the amendment be considered as read and printed in the RECORD?

There was no objection.

The CHAIRMAN. The gentleman from Nebraska (Mr. BEREUTER) is recognized for 5 minutes in support of his amendment.

Mr. BEREUTER. Mr. Chairman, the amendment I have offered can be explained very briefly in that the three components in this amendment have been thoroughly discussed, have been read, have been debated at great length.

The three components of this amendment that I am offering are, first, the so-called Broomfield-Mica amendment offered earlier; second, the amendment offered by the majority leader, the gentleman from Texas (Mr. WRIGHT), which relates to the promises made by the Government of Nicaragua and involves the Organization of American States, I think we recall that, and, third, would be to reinstate section 802 from the original Boland-Zablocki bill or resolution. That section, of course, relates to the overt interdiction aid provided to adjacent Central American nations in the amount of $30 million for fiscal year 1983 and $50 million for fiscal year 1984.

I think that is an adequate explanation. We have been over it before.

Mr. Chairman, I yield back the balance of my time.

Mr. BOLAND. Mr. Chairman, I rise in opposition to the amendment just offered by the gentleman from Nebraska.

Mr. Chairman, the gentleman's amendment, of course, absolutely reinstates the Broomfield amendment. There is no doubt about that.

This House has already voted twice on that particular amendment. We ought to vote it down for a third time.

I have some problem with the Hyde amendment, I must say. I have no problem with the individual. I think he is one of the nicest men you would ever want to meet and perhaps one of the cleverest lawyers here.

I am a little concerned about the effective date. The covert action, of course, would go on until the effective date has been accomplished and that effective date would be 30 days after the Armed Services Committee, the Intelligence Committee, and the Foreign Affairs Committee have held hearings.

Mr. HYDE. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. I am delighted to yield.

Mr. HYDE. I have no problem with 7 days after hearings. I just want hearings to be held before we launch into a new program and 7 days is fine with me.

The chairman of the Armed Services Committee is here and he hears what we are saying. I know him, as the gentleman knows him, to be an honorable man who will move with dispatch.

This is simple to do things in a sensible, reasonable, orderly way.

Mr. BOLAND. Mr. Chairman, I think if the gentleman from Illinois had restricted this particular amendment to any one of the three, I would have no objection to it; but it offers a way to delay this about as long as you want.

For my part, I am not about to hold a hearing all during August on this particular matter, I can tell you that. I do not know what is going to happen with the other two committees.

I think it is an ineffective amendment. I do not say it is a gutting amendment. I just say it is a very clever amendment. I would hope that the membership would vote "no" on the amendment.

On the final vote, I would hope the Members would vote "aye" on the Wright amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois (Mr. HYDE) to the amendment in the nature of a substitute offered by the gentleman from Texas (Mr. WRIGHT).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. BROOMFIELD. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 194, noes 229, not voting 10, as follows:

[Roll No. 282]

AYES—194

Archer	Coleman (MO)	Fields
Badham	Conable	Fish
Barnard	Corcoran	Forsythe
Bartlett	Coughlin	Frenzel
Bateman	Courter	Gekas
Bereuter	Craig	Gilman
Bethune	Crane, Daniel	Gingrich
Biaggi	Crane, Philip	Goodling
Bilirakis	Daniel	Gradison
Bliley	Dannemeyer	Gramm
Breaux	Daub	Gregg
Broomfield	Davis	Gunderson
Brown (CO)	DeWine	Hall, Ralph
Broyhill	Dickinson	Hall, Sam
Burton (IN)	Dreier	Hammerschmidt
Byron	Duncan	Hansen (ID)
Campbell	Dyson	Hansen (UT)
Carney	Edwards (AL)	Hartnett
Carper	Edwards (OK)	Hatcher
Chandler	Emerson	Hightower
Chappell	Erdreich	Hiler
Cheney	Erlenborn	Hillis
Clinger	Evans (IA)	Holt
Coats	Fiedler	Hopkins
Horton	McKernan	Shaw
Hubbard	McKinney	Shelby
Huckaby	Michel	Shumway
Hunter	Miller (OH)	Shuster
Hutto	Montgomery	Siljander
Hyde	Moore	Sisisky
Ireland	Moorhead	Skeen
Johnson	Morrison (WA)	Skelton
Kasich	Myers	Smith (NE)
Kazen	Nichols	Smith (NJ)
Kemp	Nielson	Smith, Denny
Kindness	O'Brien	Smith, Robert
Kramer	Oxley	Snyder
Lagomarsino	Packard	Solomon
Latta	Parris	Spence
Leath	Pashayan	Stenholm
Lent	Patman	Stratton
Lewis (CA)	Paul	Stump
Lewis (FL)	Petri	Sundquist
Lipinski	Porter	Tauke
Livingston	Pritchard	Tauzin
Lloyd	Pursell	Taylor
Loeffler	Quillen	Thomas (CA)
Lott	Ray	Thomas (GA)
Lowery (CA)	Regula	Vander Jagt
Lujan	Ridge	Vandergriff
Lungren	Rinaldo	Vucanovich
Mack	Ritter	Walker
Madigan	Roberts	Weber
Marlenee	Robinson	Whitehurst
Marriott	Roemer	Whittaker
Martin (IL)	Rogers	Williams (OH)
Martin (NC)	Rostenkowski	Wilson
Martin (NY)	Roth	Winn
Mazzoli	Rowland	Wolf
McCain	Rudd	Wortley
McCandless	Sawyer	Wylie
McCollum	Schaefer	Young (AK)
McDonald	Schneider	Young (FL)
McEwen	Schulze	Zschau
McGrath	Sensenbrenner	

NOES—229

Ackerman	Donnelly	Jones (NC)
Akaka	Dorgan	Jones (OK)
Albosta	Downey	Kaptur
Alexander	Durbin	Kastenmeier
Anderson	Dwyer	Kennelly
Andrews (NC)	Dymally	Kildee
Andrews (TX)	Early	Kogovsek
Annunzio	Eckart	Kolter
Anthony	Edgar	Kostmayer
Applegate	Edwards (CA)	LaFalce
Aspin	English	Lantos
AuCoin	Evans (IL)	Leach
Barnes	Fascell	Lehman (CA)
Bates	Fazio	Lehman (FL)
Bedell	Feighan	Leland
Beilenson	Ferraro	Levin
Bennett	Flippo	Levine
Berman	Florio	Levitas
Bevill	Foglietta	Long (LA)
Boehlert	Foley	Long (MD)
Boggs	Ford (MI)	Lowry (WA)
Boland	Ford (TN)	Luken
Boner	Fowler	Lundine
Bonior	Frank	MacKay
Bonker	Frost	Markey
Borski	Fuqua	Martinez
Bosco	Garcia	Matsui
Boxer	Gaydos	Mavroules
Britt	Gejdenson	McCloskey
Brooks	Gephardt	McCurdy
Brown (CA)	Gibbons	McHugh
Bryant	Glickman	McNulty
Burton (CA)	Gonzalez	Mica
Carr	Gore	Mikulski
Clarke	Gray	Miller (CA)
Clay	Green	Mineta
Coelho	Guarini	Minish
Coleman (TX)	Hall (IN)	Mitchell
Collins	Hall (OH)	Moakley
Conte	Hamilton	Mollohan
Conyers	Hance	Moody
Cooper	Harkin	Morrison (CT)
Coyne	Harrison	Mrazek
Crockett	Hawkins	Murphy
D'Amours	Hefner	Murtha
Daschle	Hertel	Natcher
de la Garza	Howard	Neal
Dellums	Hoyer	Nelson
Derrick	Hughes	Nowak
Dicks	Jacobs	Oakar
Dingell	Jeffords	Oberstar
Dixon	Jenkins	Obey
Olin	Scheuer	Traxler
Ortiz	Schroeder	Udall
Ottinger	Schumer	Valentine
Owens	Seiberling	Vento
Panetta	Shannon	Volkmer
Patterson	Sharp	Walgren
Pease	Sikorski	Watkins
Penny	Simon	Waxman
Pepper	Slattery	Weaver
Perkins	Smith (FL)	Weiss
Pickle	Smith (IA)	Wheat
Price	Snowe	Whitley
Rahall	Solarz	Whitten
Rangel	Spratt	Williams (MT)
Ratchford	St Germain	Wirth
Reid	Staggers	Wise
Richardson	Stark	Wolpe
Rodino	Stokes	Wright
Roe	Studds	Wyden
Rose	Swift	Yates
Roukema	Synar	Yatron
Roybal	Tallon	Young (MO)
Russo	Torres	Zablocki
Sabo	Torricelli	
Savage	Towns	

NOT VOTING—10

Addabbo	Franklin	Molinari
Boucher	Heftel	Stangeland
Chappie	Jones (TN)	
Dowdy	McDade	

□ 2110

The Clerk announced the following pair:

On this vote:

Mr. Molinari for, with Mr. Addabbo against.

Mr. GUARINI changed his vote from "aye" to "no."

Mr. COUGHLIN changed his vote from "no" to "aye."

So the amendment to the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. The Chair will state that all time under the 5-minute rule on the bill has expired.

The question is on the amendment offered by the gentleman from Nebraska (Mr. BEREUTER) as a substitute for the amendment in the nature of a substitute offered by the gentleman from Texas (Mr. WRIGHT).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. BEREUTER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 196, noes 228, not voting 9, as follows:

[Roll No. 283]

AYES—196

Archer	Byron	Daniel
Badham	Campbell	Dannemeyer
Barnard	Carney	Daub
Bartlett	Chandler	Davis
Bateman	Chappell	DeWine
Bereuter	Cheney	Dickinson
Bethune	Clinger	Dreier
Bevill	Coats	Duncan
Bilirakis	Coleman (MO)	Dyson
Bliley	Conable	Edwards (AL)
Boner	Corcoran	Edwards (OK)
Breaux	Coughlin	Emerson
Broomfield	Courter	Erdreich
Brown (CO)	Craig	Erlenborn
Broyhill	Crane, Daniel	Evans (IA)
Burton (IN)	Crane, Philip	Fascell

Fiedler	Livingston	Rogers
Fields	Lloyd	Roth
Fish	Loeffler	Rowland
Flippo	Lott	Rudd
Forsythe	Lowery (CA)	Sawyer
Frenzel	Lujan	Schaefer
Fuqua	Lungren	Schulze
Gekas	Mack	Sensenbrenner
Gilman	Madigan	Shaw
Gingrich	Marlenee	Shelby
Goodling	Marriott	Shumway
Gradison	Martin (NC)	Shuster
Gramm	Martin (NY)	Siljander
Gregg	McCain	Sisisky
Gunderson	McCandless	Skeen
Hall, Ralph	McCollum	Skelton
Hall, Sam	McDonald	Smith (NE)
Hammerschmidt	McEwen	Smith (NJ)
Hance	McGrath	Smith, Denny
Hansen (ID)	Mica	Smith, Robert
Hansen (UT)	Michel	Snyder
Hartnett	Miller (OH)	Solomon
Hatcher	Montgomery	Spence
Hightower	Moore	Stenholm
Hiler	Moorhead	Stratton
Hillis	Morrison (WA)	Stump
Holt	Myers	Sundquist
Hopkins	Nelson	Tauke
Horton	Nichols	Tauzin
Hubbard	Nielson	Taylor
Huckaby	O'Brien	Thomas (CA)
Hunter	Oxley	Thomas (GA)
Hutto	Packard	Vander Jagt
Hyde	Parris	Vandergriff
Ireland	Pashayan	Vucanovich
Jenkins	Patman	Walker
Johnson	Paul	Weber
Kasich	Petri	Whitehurst
Kazen	Porter	Whittaker
Kemp	Pritchard	Williams (OH)
Kindness	Pursell	Wilson
Kramer	Quillen	Winn
Lagomarsino	Ray	Wolf
Latta	Regula	Wortley
Leath	Ridge	Wylie
Lent	Rinaldo	Young (AK)
Levitas	Ritter	Young (FL)
Lewis (CA)	Roberts	Zschau
Lewis (FL)	Robinson	
Lipinski	Roemer	

NOES—228

Ackerman	Coyne	Guarini
Akaka	Crockett	Hall (IN)
Albosta	D'Amours	Hall (OH)
Alexander	Daschle	Hamilton
Anderson	de la Garza	Harkin
Andrews (NC)	Dellums	Harrison
Andrews (TX)	Derrick	Hawkins
Annunzio	Dicks	Hefner
Anthony	Dingell	Hertel
Applegate	Dixon	Howard
Aspin	Donnelly	Hoyer
AuCoin	Dorgan	Hughes
Barnes	Downey	Jacobs
Bates	Durbin	Jeffords
Bedell	Dwyer	Jones (NC)
Beilenson	Dymally	Jones (OK)
Bennett	Early	Kaptur
Berman	Eckart	Kastenmeier
Biaggi	Edgar	Kennelly
Boehlert	Edwards (CA)	Kildee
Boggs	English	Kogovsek
Boland	Evans (IL)	Kolter
Bonior	Fazio	Kostmayer
Bonker	Feighan	LaFalce
Borski	Ferraro	Lantos
Bosco	Florio	Leach
Boucher	Foglietta	Lehman (CA)
Boxer	Foley	Lehman (FL)
Britt	Ford (MI)	Leland
Brooks	Ford (TN)	Levin
Brown (CA)	Fowler	Levine
Bryant	Frank	Long (LA)
Burton (CA)	Frost	Long (MD)
Carper	Garcia	Lowry (WA)
Carr	Gaydos	Luken
Clarke	Gejdenson	Lundine
Clay	Gephardt	MacKay
Coelho	Gibbons	Markey
Coleman (TX)	Glickman	Martin (IL)
Collins	Gonzalez	Martinez
Conte	Gore	Matsui
Conyers	Gray	Mavroules
Cooper	Green	Mazzoli
McCloskey	Perkins	Staggers
McCurdy	Pickle	Stark
McHugh	Price	Stokes
McKernan	Rahall	Studds
McKinney	Rangel	Swift
McNulty	Ratchford	Synar
Mikulski	Reid	Tallon
Miller (CA)	Richardson	Torres
Mineta	Rodino	Torricelli
Minish	Roe	Towns
Mitchell	Rose	Traxler
Moakley	Rostenkowski	Udall
Mollohan	Roukema	Valentine
Moody	Roybal	Vento
Morrison (CT)	Russo	Volkmer
Mrazek	Sabo	Walgren
Murphy	Savage	Watkins
Murtha	Scheuer	Waxman
Natcher	Schneider	Weaver
Neal	Schroeder	Weiss
Nowak	Schumer	Wheat
Oakar	Seiberling	Whitley
Oberstar	Shannon	Whitten
Obey	Sharp	Williams (MT)
Olin	Sikorski	Wirth
Ortiz	Simon	Wise
Ottinger	Slattery	Wolpe
Owens	Smith (FL)	Wright
Panetta	Smith (IA)	Wyden
Patterson	Snowe	Yates
Pease	Solarz	Yatron
Penny	Spratt	Young (MO)
Pepper	St Germain	Zablocki

NOT VOTING—9

Addabbo	Franklin	McDade
Chappie	Heftel	Molinari
Dowdy	Jones (TN)	Stangeland

□ 2130

The Clerk announced the following pair:

On this vote:

Mr. Molinari for, with Mr. Addabbo against.

So the amendment offered as a substitute for the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. The question is on the amendment in the nature of a substitute offered by the gentleman from Texas (Mr. WRIGHT).

The amendment in the nature of a substitute was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. WRIGHT) having assumed the chair, Mr. NATCHER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 2760) to amend the Intelligence Authorization Act for Fiscal Year 1983 to prohibit U.S. support for military or paramilitary operations in Nicaragua and to authorize assistance, to be openly provided to governments of countries in Central America, to interdict the supply of military equipment from Nicaragua and Cuba to individuals, groups, organizations, or movements seeking to overthrow governments of countries in Central America, pursuant to House resolution 261, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. BROOMFIELD

Mr. BROOMFIELD. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. BROOMFIELD. I certainly am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. BROOMFIELD moves to recommit the bill, H.R. 2760, to the Permanent Select Committee on Intelligence and the Committee on Foreign Affairs.

The SPEAKER. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER. The question is on the motion to recommit.

The question was taken; and the Speaker announced that the noes appeared to have it.

Mr. BROOMFIELD. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 189, nays 234, not voting 10, as follows:

[Roll No. 284]

YEAS—189

Archer	Emerson	Jenkins
Badham	Erdreich	Johnson
Barnard	Erlenborn	Kasich
Bartlett	Evans (IA)	Kazen
Bateman	Fiedler	Kemp
Bereuter	Fields	Kindness
Bethune	Fish	Kramer
Bevill	Flippo	Lagomarsino
Bilirakis	Forsythe	Latta
Bliley	Frenzel	Leath
Breaux	Fuqua	Lent
Broomfield	Gekas	Lewis (CA)
Brown (CO)	Gilman	Lewis (FL)
Broyhill	Gingrich	Lipinski
Burton (IN)	Goodling	Livingston
Campbell	Gradison	Lloyd
Carney	Gramm	Loeffler
Chandler	Gregg	Lott
Chappell	Gunderson	Lowery (CA)
Cheney	Hall, Ralph	Lujan
Clinger	Hall, Sam	Lungren
Coats	Hammerschmidt	Mack
Coleman (MO)	Hance	Madigan
Conable	Hansen (ID)	Marlenee
Corcoran	Hansen (UT)	Marriott
Courter	Hartnett	Martin (IL)
Craig	Hatcher	Martin (NC)
Crane, Daniel	Hightower	Martin (NY)
Crane, Philip	Hiler	McCain
Daniel	Hillis	McCandless
Dannemeyer	Holt	McCollum
Daub	Hopkins	McDonald
Davis	Horton	McEwen
DeWine	Hubbard	McGrath
Dickinson	Huckaby	McKernan
Dreier	Hunter	Mica
Duncan	Hutto	Michel
Edwards (AL)	Hyde	Miller (OH)
Edwards (OK)	Ireland	Montgomery

Moore
Moorhead
Morrison (WA)
Myers
Nelson
Nichols
Nielson
O'Brien
Oxley
Packard
Parris
Pashayan
Patman
Paul
Petri
Porter
Pritchard
Pursell
Quillen
Ray
Regula
Ridge
Rinaldo
Ritter
Roberts
Robinson
Roemer
Rogers
Roth
Rudd
Sawyer
Schaefer
Schulze
Sensenbrenner
Shaw
Shelby
Shumway
Shuster
Siljander
Sisisky
Skeen
Skelton
Smith (NE)
Smith (NJ)
Smith, Denny
Smith, Robert
Snyder
Solomon
Spence
Stenholm
Stratton
Stump
Tauke
Tauzin
Taylor
Thomas (CA)
Vander Jagt
Vandergriff
Vucanovich
Walker
Weber
Whitehurst
Whittaker
Williams (OH)
Wilson
Winn
Wolf
Wortley
Wylie
Young (AK)
Young (FL)
Zschau

NAYS—234

Ackerman
Akaka
Albosta
Alexander
Anderson
Andrews (NC)
Andrews (TX)
Annunzio
Anthony
Applegate
Aspin
AuCoin
Barnes
Bates
Bedell
Beilenson
Bennett
Berman
Biaggi
Boehlert
Boggs
Boland
Boner
Bonior
Bonker
Borski
Bosco
Boucher
Boxer
Britt
Brooks
Brown (CA)
Bryant
Burton (CA)
Byron
Carper
Carr
Clarke
Clay
Coelho
Coleman (TX)
Collins
Conte
Conyers
Cooper
Coughlin
Coyne
Crockett
D'Amours
Daschle
de la Garza
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dorgan
Downey
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edgar
Edwards (CA)
English
Evans (IL)
Fascell
Fazio
Feighan
Ferraro
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Fowler
Frank
Frost
Garcia
Gaydos
Gejdenson
Gephardt
Gibbons
Glickman
Gonzalez
Gore
Gray
Green
Guarini
Hall (IN)
Hall (OH)
Hamilton
Harkin
Harrison
Hawkins
Hefner
Hertel
Howard
Hoyer
Hughes
Jacobs
Jeffords
Jones (NC)
Jones (OK)
Kaptur
Kastenmeier
Kennelly
Kildee
Kogovsek
Kolter
Kostmayer
LaFalce
Lantos
Leach
Lehman (CA)
Lehman (FL)
Leland
Levin
Levine
Levitas
Long (LA)
Long (MD)
Lowry (WA)
Luken
Lundine
MacKay
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McHugh
McKinney
McNulty
Mikulski
Miller (CA)
Mineta
Minish
Mitchell
Moakley
Mollohan
Moody
Morrison (CT)
Mrazek
Murphy
Murtha
Natcher
Neal
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Ottinger
Owens
Panetta
Patterson
Pease
Penny
Pepper
Perkins
Pickle
Price
Pritchard
Rahall
Rangel
Ratchford
Reid
Richardson
Ridge
Rodino
Roe
Rose
Rostenkowski
Roukema
Roybal
Russo
Sabo
Savage
Scheuer
Schneider
Schroeder
Schumer
Seiberling
Shannon
Sharp
Sikorski
Simon
Slattery
Smith (FL)
Smith (IA)
Snowe
Solarz
Spratt
St Germain
Staggers
Stark
Stokes
Studds
Swift
Synar
Tallon
Thomas (GA)
Torres
Torricelli
Towns
Traxler
Udall
Valentine
Vento
Volkmer
Walgren
Watkins
Waxman
Weaver
Weiss
Wheat
Whitley
Whitten
Williams (MT)
Wirth
Wise
Wolpe
Wright
Wyden
Yates
Yatron
Young (MO)
Zablocki

NOT VOTING—10

Addabbo
Chappie
Dowdy
Franklin
Heftel
Jones (TN)
McDade
Molinari
Stangeland
Sundquist

□ 2150

The Clerk announced the following pair:

On this vote:

Mr. Molinari for, with Mr. Addabbo against.

Mr. WEISS changed his vote from "yea" to "nay."

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. WRIGHT). The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appear to have it.

RECORDED VOTE

Mr. BROOMFIELD. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device and there were—ayes 228, noes 195, not voting 10, as follows:

[Roll No. 285]

AYES—228

Ackerman
Akaka
Albosta
Alexander
Anderson
Andrews (NC)
Andrews (TX)
Annunzio
Anthony
Aspin
AuCoin
Barnes
Bates
Bedell
Beilenson
Bennett
Berman
Biaggi
Boehlert
Boggs
Boland
Bonior
Bonker
Borski
Bosco
Boucher
Boxer
Britt
Brooks
Brown (CA)
Bryant
Burton (CA)
Carper
Carr
Clarke
Clay
Coelho
Coleman (TX)
Collins
Conte
Conyers
Cooper
Coughlin
Coyne
D'Amours
Daschle
de la Garza
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dorgan
Downey
Durbin
Dwyer
Dymally
Early
Eckart
Edgar
Edwards (CA)
English
Evans (IA)
Evans (IL)
Fazio
Feighan
Ferraro
Fish
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Fowler
Frank
Frost
Garcia
Gejdenson
Gephardt
Gibbons
Glickman
Gonzalez
Gore
Gray
Green
Guarini
Hall (IN)
Hall (OH)
Hamilton
Harkin
Harrison
Hawkins
Hefner
Hertel
Horton
Howard
Hughes
Jacobs
Jeffords
Jones (NC)
Jones (OK)
Kaptur
Kastenmeier
Kennelly
Kildee
Kogovsek
Kolter
Kostmayer
LaFalce
Lantos
Leach
Lehman (CA)
Lehman (FL)
Leland
Levin
Levine
Long (LA)
Long (MD)
Lowry (WA)
Luken
Lundine
MacKay
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McHugh
McKernan
McKinney
McNulty
Mikulski
Miller (CA)
Mineta
Minish
Mitchell
Moakley
Mollohan
Moody
Morrison (CT)
Mrazek
Murphy
Natcher
Neal
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Ottinger
Owens
Panetta
Patterson
Pease
Penny
Pepper
Perkins
Pickle
Price
Pritchard
Rahall
Rangel
Ratchford
Reid
Richardson
Ridge
Rodino
Roe
Rose
Rostenkowski
Roukema
Roybal
Russo
Sabo
Savage
Scheuer
Schneider
Schroeder
Schumer
Seiberling
Shannon
Sharp
Sikorski
Simon
Slattery
Smith (FL)
Smith (IA)
Snowe
Spratt
St Germain
Staggers
Stark
Stokes
Studds
Swift
Synar
Tallon
Thomas (GA)
Torres
Torricelli
Towns
Traxler
Udall
Valentine
Vento
Volkmer
Walgren
Watkins
Waxman
Weaver
Weiss
Wheat
Whitley
Whitten
Williams (MT)
Wirth
Wise
Wolpe
Wright
Wyden
Yates
Yatron
Young (MO)
Zablocki

NOES—195

Applegate
Archer
Badham
Barnard
Bartlett
Bateman
Bereuter
Bethune
Bevill
Bilirakis
Bliley
Boner
Breaux
Broomfield
Brown (CO)
Broyhill
Burton (IN)
Byron
Campbell
Carney
Chandler
Chappell
Cheney
Clinger
Coats
Coleman (MO)
Conable
Corcoran
Courter
Craig
Crane, Daniel
Crane, Philip
Crockett
Daniel
Dannemeyer
Daub
Davis
DeWine
Dickinson
Dreier
Duncan
Dyson
Edwards (AL)
Edwards (OK)
Emerson
Erdreich
Erlenborn
Fascell
Fiedler
Fields
Flippo
Forsythe
Franklin
Frenzel
Fuqua
Gaydos
Gekas
Gilman
Gingrich
Goodling
Gradison
Gramm
Gregg
Gunderson
Hall, Ralph
Hall, Sam
Hammerschmidt
Hance
Hansen (ID)
Hansen (UT)
Hartnett
Hatcher
Hightower
Hiler
Hillis
Holt
Hopkins
Hubbard
Huckaby
Hunter
Hutto
Hyde
Ireland
Jenkins
Johnson
Kasich
Kazen
Kemp
Kindness
Kramer
Lagomarsino
Latta
Leath
Lent
Levitas
Lewis (CA)
Lewis (FL)
Lipinski
Livingston
Lloyd
Loeffler
Lott
Lowery (CA)
Lujan
Lungren
Mack
Madigan
Marlenee
Marriott
Martin (IL)
Martin (NC)
Martin (NY)
McCain
McCandless
McCollum
McDonald
McEwen
McGrath
Mica
Michel
Miller (OH)
Montgomery
Moore
Moorhead
Morrison (WA)
Murtha
Myers
Nelson
Nichols
Nielson
O'Brien
Oxley
Packard
Parris
Pashayan
Patman
Paul
Petri
Porter
Pursell
Quillen
Ray
Regula
Rinaldo
Ritter
Roberts
Robinson
Roemer
Rogers
Roth
Rowland
Rudd
Sawyer
Schaefer
Schulze
Sensenbrenner
Shaw
Shelby
Shumway
Shuster
Siljander
Sisisky
Skeen
Skelton
Smith (NE)
Smith (NJ)
Smith, Denny
Smith, Robert
Snyder
Solomon
Spence
Stenholm
Stratton
Stump
Sundquist
Tallon
Tauke
Tauzin
Taylor
Thomas (CA)

Thomas (GA)	Weber	Wolf
Vander Jagt	Whitehurst	Wortley
Vandergriff	Whittaker	Wylie
Vucanovich	Wilson	Young (AK)
Walker	Winn	Young (FL)

NOT VOTING—10

Addabbo	Hoyer	Solarz
Chappie	Jones (TN)	Stangeland
Dowdy	McDade	
Heftel	Molinari	

□ 2210

The Clerk announced the following pairs:

On this vote:

Mr. Addabo for, with Mr. Molinari against.

Mr. Hoyer for, with Mr. Jones of Tennessee against.

Mr. MICA changed his vote from "aye" to "no."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. Sparrow, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 2973) entitled "An act to repeal the withholding of tax from interest and dividends."

The message also announced that the Senate had passed with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 3263. An act making appropriations for military construction for the Department of Defense for the fiscal year ending September 30, 1984, and for other purposes.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 3263) entitled "An act making appropriations for military construction for the Department of Defense for the fiscal year ending September 30, 1984, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MATTINGLY, Mr. LAXALT, Mr. GARN, Mr. HATFIELD, Mr. SASSER, Mr. INOUYE, and Mr. STENNIS to be the conferees on the part of the Senate.

The message also announced that the Senate had passed a bill, joint resolutions, and a concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. 1340. An act to revise and extend the Rehabilitation Act of 1973 and to extend the Developmental Disability Assistance and Bill of Rights Act, and for other purposes;

S.J. Res. 116. Joint resolution to designate the week of September 4, 1983, through September 10, 1983, as "Youth of America Week";

S.J. Res. 131. Joint resolution designating "National Cystic Fibrosis Week"; and

S. Con. Res. 58. Concurrent resolution correcting the enrollment of S. 272.

PERMISSION FOR SUBCOMMITTEE ON WATER RESOURCES OF COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION TO SIT TOMORROW DURING THE 5-MINUTE RULE

Mr. ROE. Mr. Speaker, I ask unanimous consent that the Subcommittee on Water Resources of the Committee on Public Works and Transportation be permitted to sit during the 5-minute rule in the House on Friday, July 29, 1983.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

IMF INCREASE NEEDED

(Mr. WYLIE asked and was given permission to address the House for 1 minute and to revise and extend his remarks, and include extraneous matter.)

Mr. WYLIE. Mr. Speaker, I was particularly pleased by the editorial in the Columbus Dispatch yesterday, headlined, "IMF Increase Needed." The editorial is well reasoned and very supportive of the IMF quota legislation. This is significant because it comes from a Midwestern, conservative, established newspaper which is now the second largest in circulation for the State of Ohio.

The Columbus Dispatch is too sound to take an editorial position of this magnitude without first thoroughly evaluating both sides of this issue. This is, indeed, very good news today.

[From the Columbus Dispatch]

IMF INCREASE NEEDED

The U.S. House of Representatives may vote this week on a bill to increase this Nation's contribution to the International Monetary Fund. It is important that this increase be approved and vital that voters help push the hike through.

The IMF has 146 member nations which contribute funds to a central account. These funds can then be loaned to nations in need of financial help. The present U.S. contribution to the IMF is $16 billion, and the bill before the House would increase that amount by $8.4 billion.

Strengthening the IMF is important to the United States for several reasons. One of the most important reasons is that the loaned money enables borrowing nations to safeguard their own economies. Strong—or at least stable—foreign economics are absolutely essential to the well-being of the U.S. economy since this nation exports so much of the goods it produces to consumers overseas. If foreign consumers cannot afford to buy U.S. goods, American production and employment will suffer. It is estimated, for instance, that one in five American jobs is dependent upon foreign consumer. U.S. Rep. Chalmers Wylie, R-Columbus, a strong supporter of the IMF increase, points out that one-third of all goods consumed in Mexico are produced in the United States. A dropoff in trade with Mexico, which could happen if the IMF is unable to assist that nation in getting back on its feet, could result in a substantial loss of jobs for U.S. workers.

In short, the money the United States contributes to the IMF works for the American citizen. Not only is interest paid on the loans, but the U.S. money helps prime the pump of international trade which results in jobs, production and tax revenues benefiting all Americans.

The IMF is important in another way to this country, since the United States is both a borrower and a lender. Indeed, Washington is the IMF's second highest all-time borrower, having gone to the IMF well on 24 separate occasions, the last being in 1978 when President Carter looked for help in strengthening the U.S. dollar and borrowed $2.28 billion for this purposes. England is the IMF's all-time top borrower.

Despite these obvious benefits, the IMF increase legislation is in danger in the House, not because of Democratic opposition but because some Republicans do not like the idea of this form of international assistance. What needs to emerge is a majority of moderate representatives from both sides of the aisle who see the wisdom in a free global marketplace but who also recognize the need to insure that credit is available to those countries which need help from time to time getting through economic difficulties. As Wylie rightly points out "The international financial system is a disarray. There is a critical need for the IMF to help countries weather the current financial crisis."

The IMF increase has the strong support of the Reagan White House and it deserves broad support from the citizens of this land. Voter views should be voiced in Washington to guarantee this bill's passage.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 953

Mr. EDWARDS of Oklahoma. Mr. Speaker, I ask unanimous consent to have my name removed as a cosponsor of H.R. 953.

The SPEAKER pro tempore (Mr. ECKART). Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

WAIVING CERTAIN POINTS OF ORDER AGAINST CONSIDERATION OF THE AMENDMENTS IN DISAGREEMENT TO THE CONFERENCE REPORT ON H.R. 3069, SUPPLEMENTAL APPROPRIATIONS, 1983

Mr. FROST. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 284 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 284

Resolved, That during the consideration of the amendments reported from conference in disagreement on the bill (H.R. 3069) making supplemental appropriations for the fiscal year ending September 30, 1983, and for other purposes, all points of order under clause 7 of rule XVI are hereby waived against the proposed House amendments,

printed on the following pages of the joint statement of managers accompanying the conference report, to the following numbered Senate amendments reported from conference in disagreement: on pages 9 through 10, to number 1; on page 11, to number 8; on page 35, to number 83; on page 45, to number 119; on page 48, to numbers 128 through 132; on page 56, to number 164; on page 57, to number 168; and on page 67, to number 231.

The SPEAKER pro tempore. The gentleman from Texas (Mr. FROST) is recognized for 1 hour.

Mr. FROST. Mr. Speaker, for purposes of debate only, I yield 30 minutes to the gentleman from Tennessee (Mr. QUILLEN), pending which I yield myself such time as I may consume.

Mr. Speaker, the Committee on Rules has reported House Resolution 284 to provide for the orderly and expeditious disposition of the conference report on the fiscal year 1983 supplemental appropriation and its amendments in disagreement. The rule specifically waives points of order on proposed House amendments to certain amendments in disagreement. The rule waives clause 7 of Rule XVI, the germaneness rule, against 12 specified amendments to the Senate amendments reported from the conference in disagreement.

This unusual procedure is necessary in order that the House might consider these 12 amendments on their merit, for otherwise, it would be possible for any one Member of the House to raise a point of order against consideration of each of these amendments and would thereby preclude the House the opportunity to come to a decision on these amendments. The waivers granted in the rule in no way change the normal procedure under which conference reports of the Appropriations Committee are considered, and as is customary, the conference report will be considered in the House under the hour rule. Once it has been adopted, the manager of the conference agreement, the distinguished chairman of the Committee on Appropriations, Mr. WHITTEN, will then bring up each of the 105 amendments in disagreement which will be considered and subject to a vote. In the 12 specific instances where waivers have been granted in the special order reported by the Committee on Rules, the waiver will enable each amendment to be called up, debated and voted on without a point of order being raised and sustained. Each of the amendments in disagreement is allowed 1 hour of debate, equally divided and each is subject to a rollcall vote.

Mr. Speaker, the conference agreement contains $7 billion in supplemental appropriations for the remainder of this fiscal year. Contained in this amount are critically needed funds for the food stamp program—failure to pass the supplemental before the end of this month will result in mandatory across-the-board benefit reductions for food stamp recipients in the month of August and the elimination of benefits in September. The conference agreement contains $1.2 billion in food stamp funding which will enable the program to operate at current levels through the end of the fiscal year. In total mandatory spending, the supplemental conference agreement contains $4.5 billion in administration requested moneys for five programs, including food stamps.

The waivers provided in the rule extend to a number of areas that, in addition to food stamps, need to be addressed in the supplemental. Included in the 12 specific amendments is a provision to incorporate the exact text of H.R. 3385, which passed the House on July 19 by a vote of 312 to 97. H.R. 3385 seeks to prevent the Department of Agriculture from imposing substantial hardships on upland cotton producers who are participating in the administration's PIK program. This bill received the overwhelming support of the House, and as such, the Committee on Rules has made special provision for this amendment to the supplemental in the rule before us today.

In addition, the rule waives point of order for amendments in disagreement relating to the school lunch program, the creation of a hazardous waste center within the Environmental Protection Agency, the creation of a commission to review the coal leasing procedures of the Department of the Interior, funding for the National Institutes of Health for further research on AIDS, extention of the availability of Federal funds for highway crossing Federal projects, provision of additional funding for a methane conversion study authorized by the Surface Transportation Assistance Act of 1982, recapture of funds for a bridge project in Florida and provision of additional funding for three integrated Veterans' Administration hospital system projects.

Mr. Speaker, in order to meet our commitments to the people of this Nation, time is of the essence. It is crucially important that the House act on this conference agreement in the most expeditious manner possible, and the rule before us affords the House that opportunity. I urge my colleagues to support the rule so that we may quickly proceed to the conference report and the important programs which it contains.

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the hour is late. Some of the departments of Government will be short of funds unless this supplemental appropriation conference report is passed.

I would like to call to the attention of the Members of the House that when this supplemental appropriation bill was first considered on the floor of the House on May 25, some 41 pages out of 77 pages had to be protected by waivers of points of order. Tonight, what we have in this rule is a whole new set of waivers of the House rules. These waivers are included to protect specified amendments in disagreement from points of order for failure to comply with the germaneness rule.

I think the waivers are being misused.

I feel that this House should limit its use of supplemental appropriations. A supplemental appropriation should be used only for departments and agencies that have run short of funds. But instead, we are using supplemental appropriations for many other purposes. In the future I hope the supplemental appropriation can again become a means for supplementing programs that have run short, rather than a vehicle for new initiatives.

□ 2220

But, Mr. Speaker, the hour is late. We cannot let the Government come to a screeching halt.

Mr. Speaker, I have no requests for time and I do not oppose the rule.

Mr. FROST. Mr. Speaker, I have no requests for time, and I yield back the balance of my time.

Mr. Speaker, I move the previous question on the resolution.

the SPEAKER pro tempore. The question is on ordering the previous question.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. THOMAS of California. Mr. Speaker, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The SPEAKER pro tempore. The Chair will count. Two hundred and twenty-two Members are present, a quorum.

The pending business is the demand of the gentleman from California (Mr. THOMAS) for a recorded vote.

A recorded vote was refused.

Mr. THOMAS of California. Mr. Speaker, on that I demand a division.

On a division (demanded by Mr. THOMAS of California) there were—ayes 178, noes 51.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and on a division (demanded by Mr. THOMAS of California) there were—ayes 161, noes 63.

RECORDED VOTE

Mr. THOMAS of California. Mr. Speaker, I demand a recorded vote.

The SPEAKER pro tempore. Was the gentleman on his feet at the time the vote was announced?

Mr. THOMAS of California. Mr. Speaker, I was on my feet, and as in

previous operations, the Chair did not recognize me immediately.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 267, noes 138, answered "present" 1, not voting 27, as follows:

[Roll No. 286]

AYES—267

Ackerman	Garcia	Murphy
Akaka	Gaydos	Murtha
Albosta	Gejdenson	Myers
Alexander	Gephardt	Natcher
Andrews (NC)	Gibbons	Neal
Andrews (TX)	Glickman	Nelson
Annunzio	Gonzalez	Nichols
Applegate	Gore	Nowak
Aspin	Gray	Oakar
AuCoin	Green	Oberstar
Barnard	Guarini	Obey
Barnes	Hall (IN)	Olin
Bates	Hall (OH)	Ortiz
Bedell	Hall, Ralph	Ottinger
Beilenson	Hall, Sam	Owens
Bennett	Hamilton	Panetta
Berman	Hammerschmidt	Patterson
Bevill	Hance	Pease
Biaggi	Harkin	Penny
Boehlert	Harrison	Pepper
Boggs	Hatcher	Perkins
Boland	Hawkins	Pickle
Boner	Hefner	Price
Bonior	Hertel	Pursell
Bonker	Hightower	Quillen
Borski	Horton	Rahall
Boucher	Howard	Rangel
Boxer	Hubbard	Ratchford
Breaux	Huckaby	Ray
Britt	Hutto	Regula
Brooks	Jacobs	Reid
Brown (CA)	Jeffords	Richardson
Bryant	Johnson	Rinaldo
Byron	Jones (NC)	Rodino
Carper	Jones (OK)	Roe
Chandler	Kaptur	Roemer
Chappell	Kastenmeier	Rose
Clarke	Kazen	Rostenkowski
Clay	Kennelly	Rowland
Coelho	Kildee	Roybal
Coleman (TX)	Kogovsek	Russo
Collins	Kolter	Sabo
Cooper	Kostmayer	Savage
Coughlin	LaFalce	Scheuer
Coyne	Lantos	Schroeder
D'Amours	Leach	Schumer
Daniel	Lehman (CA)	Seiberling
Daschle	Leland	Shannon
Davis	Levin	Shelby
de la Garza	Levine	Sikorski
Dellums	Levitas	Simon
Derrick	Lipinski	Sisisky
Dicks	Livingston	Skelton
Dixon	Lloyd	Slattery
Donnelly	Long (LA)	Smith (FL)
Dorgan	Long (MD)	Smith (IA)
Downey	Lowry (WA)	Smith (NE)
Duncan	Lujan	Smith (NJ)
Durbin	Luken	Snyder
Dwyer	MacKay	Solarz
Dymally	Markey	Spratt
Dyson	Martinez	St Germain
Early	Matsui	Staggers
Eckart	Mavroules	Stark
Edwards (AL)	Mazzoli	Stenholm
Edwards (CA)	McCloskey	Stokes
English	McCurdy	Stratton
Erdreich	McHugh	Studds
Evans (IL)	McKinney	Synar
Fascell	McNulty	Tallon
Fazio	Mica	Tauzin
Feighan	Mikulski	Thomas (GA)
Ferraro	Miller (CA)	Torres
Fish	Miller (OH)	Torricelli
Florio	Mineta	Towns
Foglietta	Minish	Traxler
Foley	Mitchell	Udall
Ford (MI)	Moakley	Valentine
Ford (TN)	Mollohan	Vandergriff
Fowler	Montgomery	Vento
Frank	Moore	Volkmer
Frost	Morrison (CT)	Walgren
Fuqua	Mrazek	Watkins
Weaver	Williams (OH)	Wyden
Weiss	Wilson	Yates
Wheat	Wirth	Yatron
Whitley	Wise	Young (FL)
Whitten	Wolpe	Young (MO)
Williams (MT)	Wright	Zablocki

NOES—138

Anderson	Gramm	Parris
Archer	Gregg	Pashayan
Badham	Gunderson	Patman
Bartlett	Hansen (ID)	Paul
Bateman	Hansen (UT)	Petri
Bereuter	Hartnett	Pritchard
Bethune	Hiler	Ridge
Bilirakis	Hillis	Ritter
Bliley	Holt	Roberts
Broomfield	Hopkins	Robinson
Brown (CO)	Hughes	Rogers
Broyhill	Hunter	Roth
Burton (IN)	Hyde	Roukema
Campbell	Kasich	Rudd
Carney	Kemp	Sawyer
Cheney	Kindness	Schaefer
Clinger	Kramer	Schneider
Coats	Lagomarsino	Schulze
Coleman (MO)	Latta	Sensenbrenner
Conable	Lent	Sharp
Conte	Lewis (CA)	Shaw
Corcoran	Lewis (FL)	Shumway
Courter	Loeffler	Shuster
Craig	Lott	Siljander
Crane, Daniel	Lowery (CA)	Skeen
Crane, Philip	Lungren	Smith, Denny
Dannemeyer	Mack	Smith, Robert
Daub	Madigan	Snowe
DeWine	Marlenee	Solomon
Dickinson	Marriott	Spence
Dreier	Martin (IL)	Stangeland
Edgar	Martin (NY)	Stump
Edwards (OK)	McCain	Sundquist
Emerson	McCandless	Tauke
Erlenborn	McCollum	Taylor
Evans (IA)	McDonald	Thomas (CA)
Fiedler	McEwen	Vucanovich
Fields	McGrath	Walker
Forsythe	McKernan	Weber
Franklin	Michel	Whitehurst
Frenzel	Moorhead	Whittaker
Gekas	Morrison (WA)	Winn
Gilman	Nielson	Wolf
Gingrich	O'Brien	Wortley
Goodling	Oxley	Wylie
Gradison	Packard	Zschau

ANSWERED "PRESENT"—1

Burton (CA)

NOT VOTING—27

Addabbo	Flippo	Martin (NC)
Anthony	Heftel	McDade
Bosco	Hoyer	Molinari
Carr	Ireland	Moody
Chappie	Jenkins	Porter
Conyers	Jones (TN)	Swift
Crockett	Leath	Vander Jagt
Dingell	Lehman (FL)	Waxman
Dowdy	Lundine	Young (AK)

□ 2240

So the resolution was agreed to.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. ECKART). Without objection, a motion to reconsider is laid on the table.

Mr. THOMAS of California. Mr. Speaker, I object.

The SPEAKER pro tempore. Objection is heard.

PARLIAMENTARY INQUIRY

Mr. SMITH of Iowa. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. SMITH of Iowa. Mr. Speaker, was there a unanimous-consent request? Is that all it was?

The SPEAKER pro tempore. The gentleman objected to the question of laying the motion to reconsider on the table.

Mr. SMITH of Iowa. I move to table the motion.

Is there a motion before the House?

The SPEAKER pro tempore. There is no motion pending before the House.

Mr. GEPHARDT. Mr. Speaker, I move to reconsider House Resolution 284.

Mr. FROST. Mr. Speaker, I move to table the motion to reconsider.

The SPEAKER pro tempore. The question is on the motion to table.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. THOMAS of California. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 271, nays 125, not voting 37, as follows:

[Roll No. 287]

YEAS—271

Ackerman	Dixon	Huckaby
Akaka	Donnelly	Hughes
Albosta	Dorgan	Hutto
Alexander	Duncan	Jacobs
Andrews (NC)	Durbin	Jeffords
Andrews (TX)	Dwyer	Johnson
Annunzio	Dymally	Jones (OK)
Applegate	Dyson	Kaptur
Aspin	Early	Kastenmeier
Barnard	Eckart	Kazen
Barnes	Edgar	Kennelly
Bateman	Edwards (AL)	Kildee
Bates	Edwards (CA)	Kogovsek
Bedell	English	Kolter
Beilenson	Erdreich	Kostmayer
Bennett	Evans (IL)	LaFalce
Bereuter	Fascell	Lantos
Berman	Fazio	Leach
Bevill	Feighan	Leath
Biaggi	Ferraro	Lehman (CA)
Boehlert	Florio	Lehman (FL)
Boggs	Foglietta	Leland
Boland	Foley	Levin
Boner	Ford (MI)	Levine
Bonker	Ford (TN)	Levitas
Borski	Fowler	Lipinski
Boucher	Frank	Lloyd
Boxer	Franklin	Long (LA)
Breaux	Frost	Long (MD)
Britt	Fuqua	Lowry (WA)
Brooks	Garcia	Luken
Brown (CA)	Gaydos	MacKay
Broyhill	Gejdenson	Markey
Bryant	Gephardt	Martin (NY)
Burton (CA)	Glickman	Martinez
Byron	Gonzalez	Matsui
Carper	Gore	Mavroules
Chappell	Gray	Mazzoli
Clarke	Green	McCloskey
Clay	Guarini	McCurdy
Clinger	Gunderson	McHugh
Coats	Hall (IN)	McKinney
Coelho	Hall (OH)	McNulty
Coleman (TX)	Hall, Ralph	Mica
Collins	Hall, Sam	Michel
Conte	Hamilton	Miller (CA)
Cooper	Hammerschmidt	Miller (OH)
Coughlin	Hance	Mineta
Coyne	Harrison	Minish
D'Amours	Hatcher	Mitchell
Daniel	Hawkins	Moakley
Daschle	Hefner	Mollohan
Davis	Hertel	Montgomery
de la Garza	Hightower	Moore
Dellums	Hillis	Morrison (CT)
Derrick	Horton	Mrazek
Dicks	Howard	Murphy
Dingell	Hubbard	Murtha

Myers	Rostenkowski	Tauzin
Natcher	Rowland	Taylor
Nelson	Roybal	Thomas (GA)
Nichols	Russo	Torres
Nowak	Sabo	Torricelli
Oakar	Scheuer	Towns
Oberstar	Schroeder	Traxler
Obey	Schumer	Udall
Olin	Seiberling	Valentine
Ortiz	Shannon	Vandergriff
Ottinger	Shelby	Vento
Owens	Sikorski	Volkmer
Panetta	Simon	Walgren
Patterson	Sisisky	Watkins
Pease	Skelton	Weaver
Penny	Slattery	Weiss
Pepper	Smith (FL)	Wheat
Perkins	Smith (IA)	Whitley
Pickle	Smith (NE)	Whitten
Price	Smith (NJ)	Williams (MT)
Pursell	Snyder	Wilson
Quillen	Solarz	Wirth
Rahall	Spratt	Wise
Rangel	St Germain	Wolpe
Ratchford	Staggers	Wright
Ray	Stark	Wyden
Regula	Stenholm	Yates
Reid	Stokes	Yatron
Richardson	Stratton	Young (FL)
Rinaldo	Studds	Zablocki
Rodino	Synar	Zschau
Roemer	Tallon	
Rose	Tauke	

NAYS—125

Anderson	Hansen (ID)	Pashayan
Archer	Hansen (UT)	Patman
Badham	Hartnett	Paul
Bartlett	Hiler	Petri
Bethune	Holt	Porter
Bilirakis	Hopkins	Pritchard
Bliley	Hunter	Ridge
Broomfield	Hyde	Ritter
Brown (CO)	Kasich	Roberts
Burton (IN)	Kemp	Robinson
Campbell	Kindness	Rogers
Carney	Kramer	Roth
Chandler	Lagomarsino	Roukema
Cheney	Latta	Rudd
Coleman (MO)	Lent	Sawyer
Conable	Lewis (CA)	Schaefer
Corcoran	Lewis (FL)	Schneider
Courter	Livingston	Schulze
Craig	Loeffler	Sensenbrenner
Crane, Daniel	Lott	Shaw
Crane, Philip	Lowery (CA)	Shumway
Dannemeyer	Lujan	Shuster
Daub	Lungren	Siljander
DeWine	Mack	Skeen
Dickinson	Madigan	Smith, Denny
Downey	Marlenee	Smith, Robert
Dreier	Marriott	Snowe
Edwards (OK)	Martin (IL)	Solomon
Emerson	McCain	Spence
Erlenborn	McCandless	Stangeland
Evans (IA)	McCollum	Stump
Fiedler	McDonald	Sundquist
Fields	McEwen	Thomas (CA)
Forsythe	McGrath	Vucanovich
Frenzel	McKernan	Walker
Gekas	Moorhead	Weber
Gilman	Morrison (WA)	Whittaker
Gingrich	Nielson	Winn
Goodling	O'Brien	Wolf
Gradison	Oxley	Wortley
Gramm	Packard	Wylie
Gregg	Parris	

NOT VOTING—37

Addabbo	Harkin	Neal
Anthony	Heftel	Roe
AuCoin	Hoyer	Savage
Bonior	Ireland	Sharp
Bosco	Jenkins	Swift
Carr	Jones (NC)	Vander Jagt
Chappie	Jones (TN)	Waxman
Conyers	Lundine	Whitehurst
Crockett	Martin (NC)	Williams (OH)
Dowdy	McDade	Young (AK)
Fish	Mikulski	Young (MO)
Flippo	Molinari	
Gibbons	Moody	

□ 2300

So the motion to table was agreed to.

The result of the vote was announced as above recorded.

GENERAL LEAVE

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on consideration of the conference report on H.R. 3069, and on all amendments reported in disagreement, and that I may include extraneous and tabular matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

Mr. THOMAS of California. Mr. Speaker, reserving the right to object, I am reserving the right to object to take this time to indicate that this House functions primarily under the spirit of the rules.

When Members exercise the rules to the letter this House does not function. I am asking Members to consider their actions in the spirit of the rules rather than the letter of the rules, and I am referring specifically to objections under the previous bill for purposes of dilatory tactics in using up the time when there was a set time for consideration under the bill.

I will not object, but I would only ask that we consider the spirit of the rules rather than the letter.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

Mr. EDWARDS of Oklahoma. Mr. Speaker, reserving the right to object, I reserve the right to object to make a point. Some of my colleagues on the other side apparently thought that the gentleman from California made a funny remark.

I have been in this body for 7 years. This is the first time on the last bill that I ever saw anybody, when we had a time limit on debate, object to the waiving of the reading of an amendment solely for the purpose of using up the time to prohibit Members from offering amendments or debating them fully.

I do not think it is funny. I would think the gentlemen on that side would not think it was funny, either.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

CONFERENCE REPORT ON H.R. 3069, SUPPLEMENTAL APPROPRIATIONS, 1983

Mr. WHITTEN. Mr. Speaker, I call up the conference report on the bill (H.R. 3069) making supplemental appropriations for the fiscal year ending September 30, 1983, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Pursuant to the rule, the conference report is considered as having been read.

(For conference report and statement, see proceedings of the House of July 20, 1983.)

The SPEAKER pro tempore. The gentleman from Mississippi (Mr. WHITTEN) will be recognized for 30 minutes, and the gentleman from Massachusetts (Mr. CONTE) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Mississippi (Mr. WHITTEN).

Mr. WHITTEN. Mr. Speaker, I yield myself such time as I may require.

Mr. Speaker, I ask for the attention of my colleagues at this time. I realize that all of us are tired and there have been many problems that have arisen throughout the day. But the Appropriations Committee certainly did not cause those problems and we are just trying to serve the interests of the House on a conference agreement that is absolutely essential we adopt this week.

This supplemental appropriations bill is necessary. Sixty-five percent of this bill is considered as mandatory under existing law. It contains payments to the social security trust fund of $1,300,000,000 and $1,189,484,000 for food stamps. It is critical that this measure be signed by the President soon because notice has been sent that if we do not act on this bill this week, on Monday there will be no food stamps.

The pay supplementals total $785,664,602. This is also considered a mandatory item as is $615,000,000 for advances to the unemployment insurance trust fund. Other mandatory items include $342,264,000 for payment to the civil service retirement system, $186,000,000 for black lung benefits, and $118,000,000 for the school lunch program.

May I say to you again that 65 percent of the conference agreement is required by law and your committee is the only one you can turn to to handle the matter and bring it to your attention.

My understanding of the schedule for the rest of the evening is that we will debate this conference report for not to exceed 1 hour, vote on the conference report, and then adjourn until tomorrow. So I hope you will bear with us for a little while more tonight. The amendments in disagreement will be disposed of tomorrow.

The other body made 254 amendments to this bill which had to be resolved in conference. The other body added the IMF funds of about $8.5 billion. We did not go along with that be-

cause it is not authorized. We are bringing that to you in true disagreement. Unless the House should approve the authorization for it in the meantime, we will move to insist on the House position at this time, not on the merits of the funding for IMF but because it should not be in a supplemental appropriation without the House having an opportunity to act on the authorization.

□ 2310

This conference agreement provides $7,038,061,267 in budget authority for fiscal year 1983. This is only $100,616,235 over the amounts requested by the administration, or approximately 1 percent. Excluding funding for the IMF, this conference report is $600 million below the amount proposed by the Senate, and is well within the budget ceilings.

Now, after going through 2 days of wrestling with 254 amendments, certainly we appreciate your help in winding up the conference report in a hurry tonight so we can go home and come back tomorrow and dispose of the amendments in disagreement.

I would like you to know again that notice has already gone out and if the Congress does not get this bill to the President by the weekend, there will be no food stamps on Monday.

May I add that last Wednesday, a week ago, I asked unanimous consent to bring this bill up on Friday. We were ready then or any day thereafter. Your committee has been ready to bring up the conference report.

I want to mention a specific provision that the conferees agreed to. We have in this bill a provision that was passed by the House in identical form by a vote of 312 to 97. It corrects an injustice that happened by representations that proved to be unfair and untrue made by the administration in connection with the operation of the PIK program and upland cotton.

We have put it here with the agreement of our friends on the Committee on Agriculture and I expect them to help us handle it. It puts it on the track to perhaps get it through in time to be of some benefit.

I see my good friend, the chairman of the Committee on Agriculture, KIKA DE LA GARZA, and others. I am sure they would agree with me. As I say, our position on amendment No. 1 is exactly the same as the bill that the House passed by 312 to 97.

Another issue we have is the restoration of the west front of the Capitol. Funds have been included to accomplish this, which is in agreement with the House position. We also have the coal leasing provision which we worked out in conference. It provides for the establishment of a commission to review current policies and make recommendations to the Congress on the Department of Interior's coal leasing program. It is the conferees' hope that this commission will be a positive step in the resolution of a very significant problem.

Other major items in the conference agreement include $152,000,000 for the small business loan and investment fund, $22,000,000 to repair the Beirut Embassy as a result of the bombing, and $97,000,000 for education programs.

So, I ask you again, just give a little consideration of what we have gone through to bring this to you, and we bring it to you because we are the only ones that can. We need to get busy on it because tomorrow's paper is going to say if you do not get this passed by Friday, there will be no food stamps Monday.

So, I hope you will go along with us. We have done a good job for you. We ask your approval.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman.

Mr. WALKER. I thank the gentleman for yielding.

Is it not a fact that the reason why we are faced with the food stamp crisis at this point is because last year we did not fully fund the food stamp program for the entire year? So therefore we come down to the point that we are 9 months into the program, have no money because we did not go through a full year? And is it not also a fact that you opposed an amendment that I offered at that time to fund it for a full year so we would not be in this crisis at this point, hanging a big spending bill on the crisis of the hungry people in this country? I think that the very kind of policies we adopted some years ago is the problem.

Mr. WHITTEN. Will the gentleman let me answer his question first?

The gentleman is incorrect; it is here because of the increase in unemployment which made many more people eligible for the program.

The gentleman is right that at one time we proposed to appropriate less than the money required for a full year, but that was because the administration had asked for changes in the law which did not occur.

They refused to request the money to carry out the law as it was. So what we did, instead of us taking the credit for cutting down the amount which is required by law, we took the money they asked for in the budget and applied it for a period of less than 1 year.

In conference with the Senate we worked that out. We did appropriate the full amount of money called for by law. We were able to do that because the President submitted a revised request. But due to the period of great unemployment, more and more people became eligible and the request was understated. I assure the gentleman the money here is to take care of the increased eligibility by reason of unemployment.

Mr. WALKER. Will the gentleman yield further? The gentleman does admit though that when we funded this program last year the problem is that we did not fund it for a full year and the gentleman did oppose an amendment designed to fund it for the full year?

Mr. WHITTEN. We appropriated the full amount requested by the President and the OMB to run the program for a full year.

Mr. WALKER. Yes, but only for a 9-month period.

Mr. WHITTEN. The money they finally requested was for a full year so we gave it to them. We refused to change the law which we had no authority to do.

Mr. ROEMER. Mr. Speaker, will the chairman yield?

Mr. WHITTEN. I yield to the gentleman.

Mr. ROEMER. I thank the chairman for yielding.

In reading a report on our supplemental tonight, the numbers say that it is $2.23 billion more than the House bill that we passed. Would you explain to the Members of the House why that much more, what area it is in? You might want to hit it.

Mr. WHITTEN. The gentleman has a copy of the report, which includes an explanation of those items. Since we are trying to get through at a reasonable time this evening I would hope the gentleman would read the report. At this point in the RECORD I will insert a table detailing the budget estimates considered, the House and Senate recommendations, and the conference agreement.

[The table follows:]

SUPPLEMENTAL APPROPRIATIONS, 1983 (H.R. 3069)

	Supplemental Request	House	Senate	Conference	Conference compared with Request
TITLE I					
CHAPTER I					
DEPARTMENT OF AGRICULTURE					
Agricultural Research Service					
Scientific activities overseas (foreign currency program)	3,172,000	2,000,000	2,000,000	2,000,000	1,172,000
Animal and Plant Health Inspection Service					
Salaries and expenses	---	3,600,000	3,600,000	3,600,000	+3,600,000
Farmers Home Administration					
Agriculture Credit Insurance Fund:					
Real estate loans	---	---	(100,000,000)	(25,000,000)	(+25,000,000)
Guaranteed operating loans (increase in limitation)	---	(50,000,000)	(50,000,000)	(50,000,000)	(+50,000,000)
Rural Development Insurance Fund					
Water and sewer facility loans	---	---	(225,000,000)	---	---
Rural water and waste disposal grants	---	---	75,000,000	25,000,000	+25,000,000
Soil Conservation Service					
Emergency watershed operations	---	---	10,000,000	5,000,000	+5,000,000
Resource conservation and development	---	---	10,000,000	---	---
Great Plains conservation program	---	---	3,900,000	---	--
Matching grants	---	---	10,000,000	---	
Special areas	---	---	600,000	---	--
Total, Soil Conservation Service	---	---	34,500,000	5,000,000	+5,000,000
Agricultural Stabilization and Conservation Service:					
Agricultural conservation program	---	---	10,000,000	---	--
Food and Nutrition Service					
Child nutrition program	118,000,000	---	---	118,000,000	--
Commodity supplemental food program:					
Appropriation	---	750,000	750,000	750,000	+750,000
(Transfer from Commodity Credit Corporation)	---	(585,000)	(585,000)	(585,000)	(+585,000)
Food stamp program	1,189,484,000	1,038,484,000	1,189,484,000	1,189,484,000	---
Food donations programs:					
Elderly feeding program	---	16,000,000	16,000,000	16,000,000	+16,000,000
Total, Food and Nutrition Service	1,307,484,000	1,055,234,000	1,206,234,000	1,324,234,000	+16,750,000
Office of International Cooperation and Development					
Salaries and expenses	500,000	--	500,000	---	500,000
RELATED AGENCIES					
DEPARTMENT OF HEALTH AND HUMAN SERVICES					
Food and Drug Administration:					
Salaries and expenses	5,000,000	1,000,000	5,000,000	1,000,000	4,000,000
Standard Level User Charges (by transfer)	(500,000)	---	(500,000)	(500,000)	---
Independent Agencies					
Commodity Futures Trading Commission	---	---	965,000	965,000	+965,000
Total, Chapter I:					
New budget (obligational) authority	1,316,156,000	1,061,834,000	1,337,799,000	1,361,799,000	+45,643,000
(Transfer from Commodity Credit Corporation)	---	(585,000)	(585,000)	(585,000)	(+585,000)
(Increase in limitation on direct loans)	---	---	(325,000,000)	(25,000,000)	(+25,000,000)
(Increase in limitation on guaranteed loans)	---	(50,000,000)	(50,000,000)	(50,000,000)	(+50,000,000)

SUPPLEMENTAL APPROPRIATIONS, 1983 (H.R. 3069)

	Supplemental Request	House	Senate	Conference	Conference compared with Request
CHAPTER II					
DEPARTMENT OF COMMERCE					
General Administration					
Special foreign currency program	500,000	500,000	500,000	500,000	---
Economic Development Administration					
Salaries and expenses	---	1,800,000	1,800,000	1,800,000	+1,800,000
(By transfer)	(1,851,000)	---	---	---	(-1,851,000)
Economic development revolving fund (by transfer)	(23,400,000)	---	---	---	(-23,400,000)
International Trade Administration					
Operations and administration (limitation on direct loans)	(-11,884,000)	---	---	---	(+11,884,000)
National Oceanic and Atmospheric Administration					
Operations, research, and facilities	20,000,000	26,700,000	48,873,000	48,873,000	+28,873,000
Total, Department of Commerce	20,500,000	29,000,000	51,173,000	51,173,000	+30,673,000
RELATED AGENCIES					
Office of the United States Trade Representative					
Salaries and expenses	136,000	130,000	130,000	130,000	-6,000
Small Business Administration					
Business loan and investment fund	152,000,000	---	152,000,000	152,000,000	---
(By transfer)	(178,600,000)	---	---	---	(-178,600,000)
Pollution control equipment contract guarantee fund (limitation on guaranteed loans)	(-100,000,000)	---	---	---	(+100,000,000)
DEPARTMENT OF JUSTICE					
Legal Activities					
Salaries and expenses, general legal activities	5,211,000	---	5,211,000	4,600,000	-611,000
Salaries and expenses, U.S. attorneys and marshals	5,200,000	---	5,992,000	5,800,000	+600,000
(by transfer)	(792,000)	---	---	---	(-792,000)
Support of U.S. prisoners	1,500,000	---	1,500,000	1,500,000	---
Total, Legal Activities	11,911,000	---	12,703,000	11,900,000	-11,000
Federal Bureau of Investigation					
Salaries and expenses	1,000,000	---	1,000,000	1,000,000	---
Drug Enforcement Administration					
Salaries and expenses	300,000	---	---	---	300,000
Federal Prison System					
Salaries and expenses	3,734,000	---	3,734,000	3,734,000	---
Total, Department of Justice	16,945,000	---	17,437,000	16,634,000	-311,000
DEPARTMENT OF STATE					
Administration of Foreign Affairs					
Salaries and expenses	7,985,000	---	7,985,000	7,985,000	---
Acquisition, operation, and maintenance of buildings abroad (special foreign currency program)	22,256,000	---	22,256,000	22,256,000	---
Payment to the Foreign Service Retirement and Disability Fund	4,658,000	4,658,000	4,658,000	4,658,000	---
Other					
The Asia Foundation	---	5,000,000	2,900,000	2,900,000	+2,900,000
Fishermen's Protective Fund	500,000	---	---	---	-500,000
Total, Department of State	35,399,000	9,658,000	37,799,000	37,799,000	+2,400,000

SUPPLEMENTAL APPROPRIATIONS, 1983 (H.R. 3069)

	Supplemental Request	House	Senate	Conference	Conference compared with Request
RELATED AGENCIES					
Arms Control and Disarmament Agency					
Salaries and expenses	564,000	---	564,000	564,000	---
Board for International Broadcasting					
Grants and expenses	29,840,000	21,300,000	21,300,000	21,300,000	-8,540,000
United States Information Agency					
Salaries and expenses	30,867,000	24,000,000	9,000,000	13,000,000	-17,867,000
Acquisition and construction of radio facilities	11,833,000	10,800,000	11,833,000	10,800,000	-1,033,000
Total, United States Information Agency	42,700,000	34,800,000	20,833,000	23,800,000	-18,900,000
THE JUDICIARY					
Courts of Appeals, District Courts, and Other Judicial Services					
Salaries of Judges	1,400,000	1,400,000	1,400,000	1,400,000	---
Salaries of supporting personnel	2,450,000	---	---	---	-2,450,000
Defender services	2,400,000	1,400,000	1,400,000	1,400,000	-1,000,000
Bankruptcy courts, salaries and expenses	2,750,000	2,500,000	2,500,000	2,500,000	-250,000
Total, courts of appeals, district courts, and other judicial services	9,000,000	5,300,000	5,300,000	5,300,000	-3,700,000
Total, Chapter II:					
New budget (obligational) authority	307,084,000	100,188,000	306,536,000	308,700,000	+1,616,000
(By transfer)	(204,643,000)	---	---	---	(-204,643,000)
(Limitation on direct loans)	(-11,884,000)	---	---	---	(+11,884,000)
(Limitation on guaranteed loans)	(-100,000,000)	---	---	---	(+100,000,000)
CHAPTER III					
DEPARTMENT OF DEFENSE - MILITARY					
OPERATION AND MAINTENANCE					
Operation and maintenance, Army	6,190,000	6,190,000	6,190,000	6,190,000	---
Operation and maintenance, Navy (Liquidation of contract authority)	(25,000,000)	(25,000,000)	(25,000,000)	(25,000,000)	---
Operation and maintenance, Air Force	310,000	310,000	310,000	310,000	---
Total, Operation and maintenance:					
New budget (obligational) authority	6,500,000	6,500,000	6,500,000	6,500,000	---
(Liquidation of contract authority)	(25,000,000)	(25,000,000)	(25,000,000)	(25,000,000)	---
PROCUREMENT					
Missile procurement, Army	478,600,000	453,600,000	453,600,000	453,600,000	-25,000,000
Other procurement, Army	4,960,000	4,960,000	4,960,000	4,960,000	---
Other procurement, Air Force	3,210,000	3,210,000	3,210,000	3,210,000	---
Total, Procurement	486,770,000	461,770,000	461,770,000	461,770,000	-25,000,000
RESEARCH, DEVELOPMENT, TEST, AND EVALUATION					
Research, development, test and evaluation, Navy	---	---	1,500,000	1,500,000	+1,500,000
Total, Chapter III:					
New budget (obligational) authority	493,270,000	468,270,000	469,770,000	469,770,000	-23,500,000
(Liquidation of contract authority)	(25,000,000)	(25,000,000)	(25,000,000)	(25,000,000)	---
CHAPTER IV					
DEPARTMENT OF DEFENSE - CIVIL					
DEPARTMENT OF THE ARMY					
Corps of Engineers-Civil					
General investigations	---	10,000,000	10,000,000	10,000,000	+10,000,000
Construction general	---	---	2,000,000	2,000,000	+2,000,000
Flood control and coastal emergencies	---	25,000,000	25,000,000	25,000,000	+25,000,000
Flood control, Mississippi River and tributaries (by transfer)	(30,000,000)	---	---	---	(-30,000,000)
Operation and maintenance, general (by transfer)	(110,000,000)	---	---	---	(-110,000,000)
Total, Corps of Engineers-Civil	---	35,000,000	37,000,000	37,000,000	+37,000,000

SUPPLEMENTAL APPROPRIATIONS, 1983 (H.R. 3069)

	Supplemental Request	House	Senate	Conference	Conference compared with Request
DEPARTMENT OF ENERGY					
Energy Supply, Research and Development Activities:					
Operating expenses	---	500,000	500,000	500,000	+500,000
Atomic Energy Defense Activities:					
Plant and capital equipment	18,300,000	18,300,000	18,300,000	18,300,000	---
Western Area Power Administration, construction, rehabilitation, operation and maintenance	---	30,000,000	15,000,000	30,000,000	+30,000,000
Federal Energy Regulatory Commission:					
Salaries and expenses 1/	2,988,000	2,988,000	3,988,000	3,488,000	+500,000
Total, Department of Energy	21,288,000	51,788,000	37,788,000	52,288,000	+31,000,000
Total, Chapter IV:					
New budget (obligational) authority	21,288,000	86,788,000	74,788,000	89,288,000	+68,000,000
(By transfer)	(140,000,000)	---	---	---	(-140,000,000)
1/ Requested as pay costs.					
CHAPTER V					
MULTILATERAL ECONOMIC ASSISTANCE					
Funds Appropriated to the President					
International Financial Institutions					
International Development Assistance					
Contribution to the International Development Association (IDA VI)	245,000,000	245,000,000	125,000,000	245,000,000	---
International Monetary Fund					
Increase in United States Quota	---	---	5,812,511,276	---	---
General arrangements to borrow	---	---	2,651,497,500	---	---
Total, International Monetary Fund 1/	---	---	8,464,008,776	---	---
1/ Does not reflect estimate of $8,464,008,776 for IMF reported in true disagreement.					
Department of State					
International organizations and programs	4,500,000	4,500,000	22,186,000	20,500,000	+16,000,000
BILATERAL ECONOMIC ASSISTANCE					
Funds Appropriated to the President					
Agency for International Development					
Agriculture, rural development, and nutrition development assistance	5,000,000	---	5,000,000	5,000,000	-
Payment to the Foreign Service Retirement and Disability Fund	1,134,000	1,134,000	1,134,000	1,134,000	---
Economic support fund	354,500,000	253,000,000	322,500,000	301,250,000	-53,250,000
(Limitation on direct loans)	(91,000,000)	(100,000,000)	(45,000,000)	---	(-91,000,000)
Total, Agency for International Development	360,634,000	254,134,000	328,634,000	307,384,000	-53,250,000
Overseas Private Investment Corporation					
(Increase in limitation on direct loans)	(5,000,000)	---	(5,000,000)	---	(-5,000,000)
(Increase in limitation on guaranteed loans)	(20,000,000)	---	(20,000,000)	---	(-20,000,000)
MILITARY ASSISTANCE					
Funds Appropriated to the President					
Military assistance program	187,000,000	31,000,000	155,650,000	93,325,000	-93,675,000
Foreign military sales credit: Loan guarantees	(525,000,000)	(189,000,000)	(398,000,000)	(293,500,000)	(-231,500,000)
International military education and training	1,000,000	1,000,000	1,000,000	1,000,000	---
Total, Chapter V:					
New budget (obligational) authority	798,134,000	535,634,000	9,096,478,776	667,209,000	-130,925,000
(Loan guarantee)	(525,000,000)	(189,000,000)	(398,000,000)	(293,500,000)	(-231,500,000)
(Limitation on direct loans)	(96,000,000)	(100,000,000)	(50,000,000)	---	(-96,000,000)
(Limitation on guaranteed loans)	(20,000,000)	---	(20,000,000)	---	(-20,000,000)

SUPPLEMENTAL APPROPRIATIONS, 1983 (H.R. 3069)

	Supplemental Request	House	Senate	Conference	Conference compared with Request
CHAPTER VI					
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT					
HOUSING PROGRAMS					
Rent supplement (rescission of contract authority, indefinite)	-1,198,459,000	-499,356,000	-499,356,000	-499,356,000	+699,103,000
(Limitation on annual contract authority, indefinite)	(-25,394,000)	(48,434,000)	(48,434,000)	(48,434,000)	(+73,828,000)
Rental housing assistance (rescission of contract authority, indefinite)	-380,772,000	556,759,000	556,759,000	556,759,000	+937,531,000
(Limitation on annual contract authority, indefinite)	(-6,637,000)	(65,157,000)	(65,157,000)	(65,157,000)	(+71,794,000)
Payments for operation of low-income housing projects (effect of new deferral)	---	(-69,000,000)	(-69,000,000)	(-69,000,000)	(-69,000,000)
Federal Housing Administration Fund (limitation on guaranteed loans)	(5,000,000,000)	---	(5,000,000,000)	(5,000,000,000)	---
SOLAR ENERGY AND ENERGY CONSERVATION BANK					
Assistance for Solar and Conservation Improvements (transfer to low income home energy assistance)	(11,000,000)	---	---	---	(-11,000,000)
COMMUNITY PLANNING AND DEVELOPMENT					
Urban renewal programs	---	6,000,000	---	6,000,000	+6,000,000
ENVIRONMENTAL PROTECTION AGENCY					
Salaries and expenses	---	6,800,000	11,128,400	9,000,000	+9,000,000
Hazardous Substance Response trust fund (increase in limitation on administrative expenses)	---	(2,000,000)	(2,000,000)	(2,000,000)	(+2,000,000)
VETERANS ADMINISTRATION					
Medical care	2,280,000	2,280,000	2,280,000	2,280,000	---
Construction, major projects	263,400,000	263,400,000	263,400,000	263,400,000	---
Total, Chapter VI:					
New budget (obligational) authority	265,680,000	278,480,000	276,808,400	280,680,000	+15,000,000
Rescission of contract authority	-1,579,231,000	57,403,000	57,403,000	57,403,000	+1,636,634,000
(By transfer)	(11,000,000)	---	---	---	(-11,000,000)
(Limitation on annual contract authority)	(-32,031,000)	(113,591,000)	(113,591,000)	(113,591,000)	(+145,622,000)
(Increase in limitation on administrative expenses)	---	(2,000,000)	(2,000,000)	(2,000,000)	(+2,000,000)
(Limitation on guaranteed loans)	(5,000,000,000)	---	(5,000,000,000)	(5,000,000,000)	---
(Effect of new deferral)	---	(-69,000,000)	(-69,000,000)	(-69,000,000)	(-69,000,000)
CHAPTER VII					
DEPARTMENT OF THE INTERIOR					
Bureau of Land Management					
Management of lands and resources	45,000,000	45,000,000	---	---	-45,000,000
United States Fish and Wildlife Service					
Construction and anadromous fish	---	4,000,000	---	4,000,000	+4,000,000
National Park Service					
Operation of the national park system	---	500,000	---	500,000	+500,000
Construction	---	4,280,000	---	1,000,000	+1,000,000
(Effect of new deferral)	---	(-63,600,000)	(-63,600,000)	(-63,600,000)	(-63,600,000)
Land and water conservation fund (rescission of contract authority)	---	-30,000,000	-30,000,000	-30,000,000	-30,000,000
Land acquisition and state assistance	---	30,000,000	64,000,000	68,200,000	+68,200,000
Federal Highway Administration					
Federal-aid highways (liquidation of contract of contract authorization) (trust fund)	---	---	(14,000,000)	---	---
Geological Survey					
Surveys, Investigations, and Research (transfer from Exploration of National Petroleum Reserve in Alaska)	---	(24,000,000)	(24,000,000)	(24,000,000)	(+24,000,000)
(Effect of new deferral)	---	(-24,000,000)	(-24,000,000)	(-24,000,000)	(-24,000,000)
Office of Surface Mining Reclamation and Enforcement					
Abandoned mine reclamation fund (definite, trust fund)	---	---	54,730,000	51,870,000	+51,870,000

SUPPLEMENTAL APPROPRIATIONS, 1983 (H.R. 3069)

	Supplemental Request	House	Senate	Conference	Conference compared with Request
Bureau of Indian Affairs					
Operation of Indian Programs	14,000,000	15,800,000	51,350,000	53,150,000	+39,150,000
Construction	240,000	240,000	240,000	240,000	---
Road construction	---	120,000	---	---	---
Papago Trust Fund	15,000,000	15,000,000	15,000,000	15,000,000	---
Cooperative Fund (Papago)	5,250,000	5,250,000	5,250,000	5,250,000	---
Territorial and International Affairs					
Administration of Territories	---	3,188,000	12,058,000	12,058,000	+12,058,000
(Effect of deferral disapproval)	---	---	(3,188,000)	---	---
Departmental Offices					
Office of the Solicitor	---	484,000	484,000	484,000	+484,000
RELATED AGENCIES					
DEPARTMENT OF AGRICULTURE					
Forest Service					
National forest system	59,000,000	46,000,000	---	---	-59,000,000
DEPARTMENT OF ENERGY					
Strategic Petroleum Reserve					
Storage Facilities Development	---	---	370,000,000	---	---
SPR Petroleum Account					
Storage Facilities Development	---	(370,000,000)	---	---	---
(Effect of deferral disapproval)	---	---	(800,000,000)	---	---
DEPARTMENT OF HEALTH AND HUMAN SERVICES					
Health Services Administration					
Indian Health Services	---	19,359,000	23,734,000	19,359,000	+19,359,000
DEPARTMENT OF EDUCATION					
Office of Elementary and Secondary Education					
Indian education	---	1,938,000	---	1,938,000	+1,938,000
SMITHSONIAN INSTITUTION					
Salaries and expenses	---	180,000	---	---	---
Total, Chapter VIII					
New budget (obligational) authority	138,490,000	191,339,000	596,846,000	233,049,000	+94,559,000
Rescission of contract authority	---	-30,000,000	-30,000,000	-30,000,000	-30,000,000
(By transfer)	---	(24,000,000)	(24,000,000)	(24,000,000)	(+24,000,000)
(Appropriation to liquidate contract authority)	---	---	(14,000,000)	---	---
(Effect of new deferral)	---	(-87,600,000)	(-87,600,000)	(-87,600,000)	(-87,600,000)
(Effect of deferral disapproval)	---	---	(803,188,000)	---	---
CHAPTER VIII					
DEPARTMENT OF LABOR					
EMPLOYMENT AND TRAINING ADMINISTRATION					
Employment and Training Assistance/ Summer Youth Employment	---	---	30,000,000	---	---
Advances to the Unemployment Trust Fund and other funds	615,000,000	615,000,000	615,000,000	615,000,000	
EMPLOYMENT STANDARDS ADMINISTRATION					
Black Lung Disability Trust Fund/ Definite	186,000,000	186,000,000	186,000,000	186,000,000	---
Total, Department of Labor	801,000,000	801,000,000	831,000,000	801,000,000	---
DEPARTMENT OF HEALTH AND HUMAN SERVICES					
CENTERS FOR DISEASE CONTROL					
Preventive health services	---	2,225,000	2,225,000	2,225,000	+2,225,000

SUPPLEMENTAL APPROPRIATIONS, 1983 (H.R. 3069)

	Supplemental Request	House	Senate	Conference	Conference compared with Request
NATIONAL INSTITUTES OF HEALTH					
National Cancer Institute	---	3,300,000	3,300,000	3,300,000	+3,300,000
National Heart, Lung, and Blood Institute	---	1,030,000	1,030,000	1,030,000	+1,030,000
National Institute of Neurological and Communicative Disorders and Stroke	---	545,000	545,000	545,000	+545,000
National Institute of Allergy and Infectious Diseases	---	4,500,000	4,500,000	4,500,000	+4,500,000
Total, National Institutes of Health	---	9,375,000	9,375,000	9,375,000	+9,375,000
ALCOHOL, DRUG ABUSE, AND MENTAL HEALTH ADMINISTRATION					
Alcohol, drug abuse, and mental health	---	400,000	400,000	400,000	+400,000
ASSISTANT SECRETARY FOR HEALTH					
HMO Loan and Loan Guarantee Fund	2,650,000	---	2,650,000	2,650,000	---
SOCIAL SECURITY ADMINISTRATION					
Payments to Social Security Trust Funds	1,300,000,000	---	1,300,000,000	1,300,000,000	---
Health care benefits for the unemployed	---	---	225,000,000	---	---
Total, Department of Health and Human Services	1,302,650,000	12,000,000	1,539,650,000	1,314,650,000	+12,000,000
DEPARTMENT OF EDUCATION					
Compensatory education for the disadvantaged:					
Grants to local education agencies	---	---	40,000,000	40,000,000	+40,000,000
Education for the handicapped:					
State grant program	---	---	47,900,000	47,900,000	+47,900,000
Regional Resource Centers	---	---	2,500,000	1,250,000	+1,250,000
Rehabilitation services and handicapped research	---	---	3,620,000	3,620,000	+3,620,000
Higher and continuing education	4,816,000	4,816,000	4,816,000	4,816,000	---
Student Financial Assistance:					
Supplemental Opportunity Grants	---	---	4,600,000	---	---
Total, Department of Education	4,816,000	4,816,000	103,436,000	97,586,000	+92,770,000
FACILITIES DEVELOPMENT					
Health resources and services	---	---	14,500,000	14,500,000	+14,500,000
National Library of Medicine	---	---	5,900,000	5,900,000	+5,900,000
Grants for construction of academic facilities	---	---	22,500,000	22,500,000	+22,500,000
Total, Chapter VIII:					
New budget (obligational) authority	2,108,466,000	817,816,000	2,516,986,000	2,256,136,000	+147,670,000
CHAPTER IX					
LEGISLATIVE BRANCH					
SENATE					
Compensation of Senators (effect of pay increase - permanent)	---	---	220,000	220,000	+220,000
Expense allowances of the Vice President, President Pro Tempore, Majority and Minority Leaders and Majority and Minority Whips:					
Majority Whip of the Senate	2,500	---	2,500	2,500	---
Minority Whip of the Senate	2,500	---	2,500	2,500	---
Salaries, Officers and Employees					
Administrative, clerical, and legislative assistance to Senators	197,000	---	197,000	197,000	---
Conference committees	100,000	---	100,000	100,000	---
Expense allowance for the Secretary of the Senate, Sergeant at Arms and Doorkeeper of the Senate, and Secretaries for the Majority and for the Minority of the Senate	4,000	---	4,000	4,000	---
Contingent Expenses of the Senate					
Miscellaneous items	240,000	---	240,000	240,000	---
Total, Senate	546,000	---	766,000	766,000	+220,000

SUPPLEMENTAL APPROPRIATIONS, 1983 (H.R. 3069)

	Supplemental Request	House	Senate	Conference	Conference compared with Request
HOUSE OF REPRESENTATIVES					
Payments to Widows and Heirs of Deceased Members of Congress					
Gratuities, deceased Members	---	139,600	139,600	139,600	+139,600
Contingent Expenses of the House					
Allowances and Expenses					
Allowances and expenses	11,946,000	7,946,000	7,946,000	7,946,000	-4,000,000
Total, House of Representatives	11,946,000	8,085,600	8,085,600	8,085,600	-3,860,400
JOINT ITEMS					
Office of the Attending Physician					
Medical supplies, equipment, expenses, and allowances (reappropriation)	19,000	19,000	19,000	19,000	
Official Mail Costs					
Expenses	38,064,000	37,965,000	37,965,000	37,965,000	-99,000
OFFICE OF TECHNOLOGY ASSESSMENT					
Salaries and expenses	245,000	100,000	175,000	165,000	-80,000
ARCHITECT OF THE CAPITOL					
Capitol Buildings and Grounds					
Senate office buildings	8,000,000	---	250,000	250,000	-7,750,000
House office buildings	275,000	275,000	275,000	275,000	---
West central front of the Capitol	73,000,000	49,000,000	48,000,000	49,000,000	-24,000,000
Total, Capitol Buildings and Grounds	81,275,000	49,275,000	48,525,000	49,525,000	-31,750,000
Library Buildings and Grounds					
Restoration and renovation of Jefferson and Adams buildings	72,270,000	---	---	---	72,270,000
LIBRARY OF CONGRESS					
Furniture and furnishings	7,700,000	---	---	---	-7,700,000
Total, Chapter IX:					
New budget (obligational) authority	212,065,000	95,444,600	95,535,600	96,525,600	-115,539,400
Appropriations	(212,046,000)	(95,425,600)	(95,516,600)	(96,506,600)	(-115,539,400)
Reappropriation	(19,000)	(19,000)	(19,000)	(19,000)	---
CHAPTER X					
DEPARTMENT OF TRANSPORTATION					
Coast Guard					
National recreational boating safety and facilities improvement fund:					
(Liquidation of contract authorization)	(5,000,000)	(5,000,000)	(10,000,000)	(7,500,000)	(+2,500,000)
(Limitation on obligations)	(5,000,000)	(5,000,000)	(10,000,000)	(7,500,000)	(+2,500,000)
Federal Aviation Administration					
Operations	45,000,000	44,000,000	44,000,000	44,000,000	-1,000,000
Aircraft purchase loan guarantee program (limitation on borrowing authority)	(250,000,000)	(150,000,000)	(150,000,000)	(150,000,000)	(-100,000,000)
Federal Highway Administration					
Limitation on general operating expenses (increase in limitation)	---	---	---	(1,750,000)	(+1,750,000)
Federal-aid highways (liquidation of contract authorization) (trust fund)	(300,000,000)	(300,000,000)	(300,000,000)	(300,000,000)	
Highways crossing federal projects (reappropriation)	---	---	---	400,000	+400,000
Interchange reconstruction demonstration project (contract authority)	---	---	6,366,139	---	

SUPPLEMENTAL APPROPRIATIONS, 1983 (H.R. 3069)

	Supplemental Request	House	Senate	Conference	Conference compared with Request
National Highway Traffic Safety Administration					
State and community highway safety (liquidation of contract authorization) (trust fund)	(3,000,000)	(2,000,000)	(2,000,000)	(2,000,000)	(-1,000,000)
Highway safety education and information (liquidation of contract authorization) (trust fund)	---	(1,000,000)	(1,000,000)	(1,000,000)	(+1,000,000)
Federal Railroad Administration					
Rail Service Assistance	1,356,000	---	---	---	-1,356,000
Appropriation for debt reduction	-1,356,000	---	---	---	+1,356,000
Settlements of railroad litigation	18,499,000	18,499,000	18,499,000	18,499,000	---
Appropriation for debt reduction	-18,499,000	-18,499,000	-18,499,000	-18,499,000	---
Railroad Rehabilitation and Improvement Financing Funds:					
Appropriation	7,100,000	7,100,000	7,100,000	7,100,000	---
Appropriation for debt reduction	-7,100,000	-7,100,000	-7,100,000	-7,100,000	---
Urban Mass Transportation Administration					
Mass Transportation Capital Fund (liquidation of contract authorization) (trust fund)	(55,000,000)	(55,000,000)	(55,000,000)	(55,000,000)	---
RELATED AGENCIES					
Motor Carrier Ratemaking Study Commission					
Salaries and expenses (rescission of unobligated balances)	---	-636,000	---	---	---
Panama Canal Commission					
Operating expenses	375,000	378,635	378,635	378,635	+3,635
GENERAL PROVISIONS					
Federal Highway Administration:					
Federal-aid highways (limitation on obligations)	(-500,000,000)	---	---	---	(+500,000,000)
Urban Mass Transportation Administration:					
Formula grants (limitation on obligations)	(550,000,000)	---	---	---	(-550,000,000)
Total, Chapter XI					
New budget (obligational) authority	45,375,000	44,378,635	50,744,774	44,778,635	-596,365
Appropriations	(72,330,000)	(69,977,635)	(69,977,635)	(69,977,635)	(-2,352,365)
Appropriation for debt reduction	(-26,955,000)	(-25,599,000)	(-25,599,000)	(-25,599,000)	(+1,356,000)
Contract authority	---	---	---	---	---
Reappropriation	---	---	---	(400,000)	(+400,000)
Rescission	---	-636,000	---	---	---
(Appropriation to liquidate contract authority)	(363,000,000)	(363,000,000)	(368,000,000)	(365,500,000)	(+2,500,000)
(Limitation on borrowing authority)	(250,000,000)	(150,000,000)	(150,000,000)	(150,000,000)	(-100,000,000)
(Limitation on obligations)	(55,000,000)	(5,000,000)	(10,000,000)	(9,250,000)	(-45,750,000)
CHAPTER XI					
DEPARTMENT OF THE TREASURY					
United States Customs Service					
Claims against the United States Customs Service	2,430	2,430	2,430	2,430	---
EXECUTIVE OFFICE OF THE PRESIDENT					
Official residence of the Vice President	141,000	141,000	141,000	141,000	---
Office of Management and Budget	669,000	669,000	669,000	669,000	---
INDEPENDENT AGENCIES					
General Services Administration:					
Federal Buildings Fund:					
Limitation on availability of revenue:					
Construction and acquisition of facilities	(8,102,000)	(1,027,000)	(8,102,000)	(8,102,000)	---
Federal Personnel Activities					
Office of Personnel Management:					
Payment to civil service retirement and disability fund	342,269,000	342,269,000	342,269,000	342,269,000	---
Salaries and expenses	---	---	1,500	1,000	+1,000
Merit Systems Protection Board: Salaries and expenses	1,000,000	1,600,000	1,600,000	1,600,000	+600,000
Total, Chapter XI:					
New budget (obligational) authority	344,081,430	344,681,430	344,682,930	344,682,430	+601,000
(Limitation on availability of revenue)	(8,102,000)	(1,027,000)	(8,102,000)	(8,102,000)	---

SUPPLEMENTAL APPROPRIATIONS, 1983 (H.R. 3069)

	Supplemental Request	House	Senate	Conference	Conference compared with Request
CHAPTER XII					
DISTRICT OF COLUMBIA					
Operating Expenses					
Governmental direction and support (rescission)	(-2,759,000)	---	(-2,759,000)	(-2,759,000)	---
Economic development and regulation (rescission)	(-2,402,700)	---	(-2,538,800)	(-2,538,800)	(-136,100)
Public safety and justice	(15,026,100)	---	(9,130,600)	(9,130,600)	(-5,895,500)
Public education system (rescission)	(-1,679,700)	---	(-1,871,100)	(-1,871,100)	(-191,400)
Human support services	(4,402,700)	---	(2,087,400)	(2,087,400)	(-2,315,300)
Transportation services and assistance (rescission)	(-544,600)	---	(-544,600)	(-544,600)	---
Environmental services and supply (rescission)	(-5,504,500)	---	(-5,504,500)	(-5,504,500)	---
Personal services (rescission)	(-17,287,100)	---	(-8,748,800)	(-8,748,800)	(+8,538,300)
Energy adjustment	(2,078,500)	---	(2,078,500)	(2,078,500)	---
Unallocated General Fund Adjustment (rescission)	(-15,183,600)	---	---	(-15,183,600)	---
Total, operating expenses, general fund	(-23,853,900)	---	(-8,670,300)	(-23,853,900)	---
Enterprise Funds					
Washington Convention Center enterprise fund	(830,700)	---	(680,700)	(830,700)	---
Lottery and Charitable Games enterprise fund	(1,000,000)	---	(1,500,000)	(1,000,000)	---
Total, Chapter XII: District of Columbia funds	(-22,023,200)	---	(-6,489,600)	(-22,023,200)	---
TITLE II					
INCREASED PAY COSTS					
LEGISLATIVE BRANCH					
SENATE					
Salaries, officers and employees	7,027,000	---	7,027,000	7,027,000	---
Office of the Legislative Counsel of the Senate	47,000	---	47,000	47,000	---
Office of Senate Legal Counsel	12,000	---	12,000	12,000	---
Senate Policy committees	78,000	---	78,000	78,000	---
Inquiries and investigations	1,764,000	---	1,764,000	1,764,000	---
Total, Senate	8,928,000	---	8,928,000	8,928,000	---
HOUSE OF REPRESENTATIVES					
House leadership offices	197,000	197,000	197,000	197,000	---
Salaries, officers and employees	1,753,000	1,753,000	1,753,000	1,753,000	---
Committee employees	1,674,000	1,674,000	1,674,000	1,674,000	---
Members' clerk hire	5,966,000	5,966,000	5,966,000	5,966,000	---
Allowances and expenses	3,360,000	1,360,000	1,360,000	1,360,000	-2,000,000
Total, House of Representatives	12,950,000	10,950,000	10,950,000	10,950,000	-2,000,000
JOINT ITEMS					
Joint Economic Committee	60,000	60,000	60,000	60,000	---
Joint Committee on Printing	39,000	39,000	39,000	39,000	---
Joint Committee on Taxation	144,000	144,000	144,000	144,000	---
Education of pages	22,000	22,000	22,000	22,000	---
Capitol Guide Service	31,000	31,000	31,000	31,000	---
Total, Joint Items	296,000	296,000	296,000	296,000	---
CONGRESSIONAL BUDGET OFFICE					
Salaries and expenses	448,000	269,000	269,000	269,000	-179,000

SUPPLEMENTAL APPROPRIATIONS, 1983 (H.R. 3069)

	Supplemental Request	House	Senate	Conference	Conference compared with Request
ARCHITECT OF THE CAPITOL					
Office of the Architect of the Capitol:					
Salaries and expenses	217,000	217,000	217,000	217,000	---
Capitol buildings	261,000	100,000	100,000	100,000	-161,000
Capitol grounds	90,000	40,000	40,000	40,000	-50,000
Senate office buildings	531,000	---	480,000	480,000	-51,000
House office buildings	707,000	200,000	200,000	200,000	-507,000
Capitol power plant	138,000	50,000	50,000	50,000	-88,000
Library buildings and grounds:					
Structural and mechanical care	157,000	80,000	80,000	80,000	-77,000
Total, Architect of the Capitol	2,101,000	687,000	1,167,000	1,167,000	-934,000
LIBRARY OF CONGRESS					
Salaries and expenses	4,437,000	3,937,000	3,937,000	3,937,000	-500,000
Copyright Office: Salaries and expenses	680,000	180,000	180,000	180,000	-500,000
Congressional Research Service: Salaries and expenses	1,689,000	1,389,000	1,389,000	1,389,000	-300,000
Books for the blind and physically handicapped:					
Salaries and expenses	170,000	---	---	---	-170,000
Collection and Distribution of Library Materials (Special Foreign Currency Program)	18,000	---	---	---	-18,000
Total, Library of Congress	6,994,000	5,506,000	5,506,000	5,506,000	1,488,000
GENERAL ACCOUNTING OFFICE					
Salaries and expenses	9,350,000	7,480,000	8,050,000	7,765,000	-1,585,000
BOTANIC GARDEN					
Salaries and expenses	70,000	70,000	70,000	70,000	---
COPYRIGHT ROYALTY TRIBUNAL					
Salaries and expenses	35,000	20,000	20,000	20,000	-15,000
OFFICE OF TECHNOLOGY ASSESSMENT					
Salaries and expenses	396,000	344,000	396,000	344,000	-52,000
Total, Legislative Branch	41,568,000	25,622,000	35,652,000	35,315,000	-6,253,000
THE JUDICIARY					
SUPREME COURT OF THE UNITED STATES					
Salaries and expenses	480,000	---	--	---	-480,000
Care of the building and grounds	36,000	---	--	---	-36,000
Total, Supreme Court of the United States	516,000	---	---	---	516,000
UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT					
Salaries and expenses	146,000	97,000	97,000	97,000	-49,000
UNITED STATES COURT OF INTERNATIONAL TRADE					
Salaries and expenses	180,000	129,000	129,000	129,000	-51,000
COURTS OF APPEALS, DISTRICT COURTS, AND OTHER JUDICIAL SERVICES					
Salaries of Judges	2,510,000	2,510,000	2,510,000	2,510,000	
Salaries of Supporting Personnel	16,800,000	6,250,000	6,250,000	6,250,000	-10,550,000
(By transfer)	---	(9,000,000)	(9,000,000)	(9,000,000)	(9,000,000)
Defender Services	700,000	600,000	600,000	600,000	-100,000
Bankruptcy Courts, Salaries and Expenses	4,100,000	4,100,000	4,100,000	4,100,000	
Total, Courts of Appeals, District Courts, and other Judicial Services	24,110,000	13,460,000	13,460,000	13,460,000	-10,650,000
ADMINISTRATIVE OFFICE OF THE UNITED STATES COURTS					
Salaries and expenses	860,000	660,000	660,000	660,000	-200,000
FEDERAL JUDICIAL CENTER					
Salaries and expenses	171,000	66,000	66,000	66,000	-105,000
Total, The Judiciary	25,983,000	14,412,000	14,412,000	14,412,000	-11,571,000

SUPPLEMENTAL APPROPRIATIONS, 1983 (H.R. 3069)

	Supplemental Request	House	Senate	Conference	Conference compared with Request
EXECUTIVE OFFICE OF THE PRESIDENT					
The White House Office: Salaries and expenses	640,000	565,000	565,000	565,000	-75,000
Executive Residence at the White House:					
Operating expenses	149,000	149,000	149,000	149,000	---
Special assistance to the President:					
Salaries and expenses	31,000	31,000	---	---	-31,000
Council of Economic Advisers: Salaries and expenses	77,000	77,000	77,000	77,000	---
Office of Policy Development: Salaries and expenses	112,000	112,000	112,000	112,000	---
National Security Council: Salaries and expenses	164,000	164,000	164,000	164,000	---
Office of Administration: Salaries and expenses	204,000	204,000	204,000	204,000	---
Office of Management and Budget: Salaries and expenses	1,318,000	1,318,000	1,318,000	1,318,000	---
Office of Federal Procurement Policy:					
Salaries and expenses	95,000	95,000	95,000	95,000	---
Office of Science and Technology Policy:					
Salaries and expenses	73,000	24,000	24,000	24,000	-49,000
Office of the United States Trade Representative:					
Salaries and expenses	409,000	409,000	409,000	409,000	---
Total, Executive Office of the President	3,272,000	3,148,000	3,117,000	3,117,000	-155,000
FUNDS APPROPRIATED TO THE PRESIDENT					
International Development Assistance: Operating expenses of the Agency for International Development	9,938,000	9,938,000	9,938,000	9,938,000	---
DEPARTMENT OF AGRICULTURE					
Office of the Secretary	318,000	318,000	318,000	318,000	---
Departmental administration	524,000	524,000	524,000	524,000	---
Office of Governmental and Public Affairs	206,000	206,000	206,000	206,000	---
Office of Congressional Affairs	10,000	10,000	10,000	10,000	---
Office of the Inspector General	273,000	273,000	273,000	273,000	---
(Transfer from Food Stamp Program)	(555,000)	(555,000)	(555,000)	(555,000)	---
Office of the General Counsel	686,000	686,000	686,000	686,000	---
Agricultural Research Service	6,442,000	6,442,000	6,442,000	6,442,000	---
National Agricultural Library	111,000	111,000	111,000	111,000	---
Economic Research Service	1,028,000	1,028,000	1,028,000	1,028,000	---
Statistical Reporting Service	1,061,000	1,061,000	1,061,000	1,061,000	---
World Agricultural Outlook Board	60,000	60,000	60,000	60,000	---
Foreign Agricultural Service	605,000	605,000	605,000	605,000	---
Office of International Cooperation and Development	45,000	45,000	45,000	45,000	---
Office of Rural Development Policy	30,000	30,000	30,000	30,000	
Federal Crop Insurance Corporation:					
Administrative and operating expenses	991,000	991,000	991,000	991,000	
Rural Electrification Administration:					
Salaries and expenses	581,000	581,000	581,000	581,000	---
Farmers Home Administration: Salaries and expenses	9,791,000	9,791,000	9,791,000	9,791,000	---
Soil Conservation Service:					
Conservation operations (by transfer)	(9,776,000)	---	---	---	(-9,776,000)
Conservation operations	---	9,776,000	9,776,000	9,776,000	+9,776,000
River Basin Surveys and Investigations (by transfer)	(351,000)	---	---	---	(-351,000)
River Basin Surveys and Investigations	---	351,000	351,000	351,000	+351,000
Watershed planning (by transfer)	(202,000)	---	---	---	(-202,000)
Watershed planning	---	202,000	202,000	202,000	+202,000
Federal Grain Inspection Service:					
Salaries and expenses	179,000	179,000	179,000	179,000	---
Agricultural Marketing Service:					
Marketing services	3,032,000	1,132,000	1,132,000	1,132,000	1,900,000
Transportation Office	49,000	49,000	49,000	49,000	---
Funds for strengthening markets, income and supply (sec. 32) (increase in limitation)	(170,000)	(170,000)	(170,000)	(170,000)	
Food Safety and Inspection Service:					
Salaries and expenses	12,520,000	12,520,000	12,520,000	12,520,000	
Food and Nutrition Service:					
Food program administration	313,000	313,000	313,000	313,000	
Human Nutrition Information Service	56,000	56,000	56,000	56,000	
Animal and Plant Health Inspection Service	3,600,000	3,600,000	3,600,000	3,600,000	
Packers and Stockyards Administration	166,000	166,000	166,000	166,000	
Agricultural Stabilization and Conservation Service:					
Salaries and expenses (by transfer from Commodity Credit Corporation)		(12,400,000)	(12,400,000)	(12,400,000)	(+12,400,000)
Forest Service:					
Forest research	1,651,000	2,651,000	1,651,000	2,651,000	+1,000,000
State and private forestry	357,000	657,000	357,000	507,000	+150,000
National forest system	18,941,000	29,941,000	18,941,000	23,441,000	+4,500,000
Construction	4,135,000	4,135,000	4,135,000	4,135,000	---
Total, Forest Service	25,084,000	37,384,000	25,084,000	30,734,000	+5,650,000
Total, Department of Agriculture	67,761,000	88,490,000	76,190,000	81,840,000	+14,079,000

SUPPLEMENTAL APPROPRIATIONS, 1983 (H.R. 3069)

	Supplemental Request	House	Senate	Conference	Conference compared with Request
DEPARTMENT OF COMMERCE					
GENERAL ADMINISTRATION					
Salaries and expenses	1,232,000	1,230,000	930,000	930,000	-302,000
BUREAU OF THE CENSUS					
Salaries and expenses	2,685,000	2,680,000	2,680,000	2,680,000	-5,000
Periodic censuses and programs	1,651,000	1,650,000	---	1,650,000	-1,000
Total, Bureau of the Census	4,336,000	4,330,000	2,680,000	4,330,000	-6,000
ECONOMIC AND STATISTICAL ANALYSIS					
Salaries and expenses	1,333,000	1,330,000	665,000	665,000	-668,000
INTERNATIONAL TRADE ADMINISTRATION					
Operations and administration	---	3,800,000	---	3,800,000	+3,800,000
MINORITY BUSINESS DEVELOPMENT AGENCY					
Minority business development	446,000	440,000	---	---	-446,000
NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION					
Operations, research, and facilities	---	23,828,000	23,828,000	23,828,000	+23,828,000
(By transfer)	(2,000,000)	(4,000,000)	(4,000,000)	(4,000,000)	(+2,000,000)
PATENT AND TRADEMARK OFFICE					
Salaries and expenses	4,658,000	4,640,000	4,640,000	4,640,000	-18,000
NATIONAL BUREAU OF STANDARDS					
Scientific and technical research and services	2,737,000	2,730,000	2,730,000	2,730,000	-7,000
Total, Department of Commerce	14,742,000	42,818,000	35,473,000	40,923,000	+26,181,000
DEPARTMENT OF DEFENSE - CIVIL					
DEPARTMENT OF THE ARMY					
CEMETERIAL EXPENSES, ARMY					
Salaries and expenses	68,000	---	---	---	-68,000
CORPS OF ENGINEERS - CIVIL					
Operation and maintenance, general	13,700,000	13,700,000	13,700,000	13,700,000	
General expenses	4,100,000	4,100,000	4,100,000	4,100,000	
Total, Corps of Engineers - Civil	17,800,000	17,800,000	17,800,000	17,800,000	
SOLDIERS' AND AIRMEN'S HOME					
Operation and maintenance	341,000	341,000	341,000	341,000	
Total, Department of Defense - Civil	18,209,000	18,141,000	18,141,000	18,141,000	-68,000
DEPARTMENT OF ENERGY					
Energy Information Administration	946,000	2,182,000	2,182,000	2,182,000	+1,236,000
Economic regulation	875,000	875,000	560,000	560,000	-315,000
Total, Department of Energy	1,821,000	3,057,000	2,742,000	2,742,000	+921,000
DEPARTMENT OF HEALTH AND HUMAN SERVICES					
FOOD AND DRUG ADMINISTRATION					
Salaries and expenses	---	714,000	12,596,000	714,000	+714,000
(By transfer)	(12,596,000)	(11,882,000)	---	(11,882,000)	(-714,000)

SUPPLEMENTAL APPROPRIATIONS, 1983 (H.R. 3069)

	Supplemental Request	House	Senate	Conference	Conference compared with Request
HEALTH RESOURCES AND SERVICES ADMINISTRATION					
Health resources and services	4,075,000	3,475,000	3,644,000	3,475,000	-600,000
(By transfer)	(4,381,000)	(4,425,000)	(4,256,000)	(4,425,000)	(+44,000)
Indian health services	7,574,000	14,274,000	14,274,000	14,274,000	+6,700,000
(By transfer)	(6,700,000)	---	---	---	(-6,700,000)
Total, Health Resources and Services Administration	11,649,000	17,749,000	17,918,000	17,749,000	+6,100,000
CENTERS FOR DISEASE CONTROL					
Preventive Health Services	2,936,000	4,590,000	4,590,000	4,590,000	+1,654,000
(By transfer)	(3,054,000)	(1,400,000)	(1,400,000)	(1,400,000)	(-1,654,000)
NATIONAL INSTITUTES OF HEALTH					
National Cancer Institute	---	---	1,532,000	766,000	+766,000
National Heart, Lung, and Blood Institute	---	---	968,000	484,000	+484,000
National Institute of Dental Research	---	---	864,000	432,000	+432,000
National Institute of Arthritis, Diabetes, and Digestive and Kidney Diseases	---	---	2,621,000	1,310,000	+1,310,000
National Institute of Neurological and Communicative Disorders and Stroke	---	---	1,599,000	800,000	+800,000
National Institute of Allergy and Infectious Diseases	---	---	2,097,000	1,048,000	+1,048,000
National Institute of General Medical Sciences	---	---	504,000	252,000	+252,000
National Institute of Child Health and Human Development	---	---	1,338,000	669,000	+669,000
National Eye Institute	---	---	680,000	340,000	+340,000
National Institute of Environmental Health Sciences	---	---	1,000,000	500,000	+500,000
Research resources	---	---	226,000	113,000	+113,000
John E. Fogarty International Center for Advanced Study in the Health Sciences (by transfer)	(163,000)	---	---	---	(-163,000)
National Library of Medicine	---	---	359,000	---	---
(By transfer)	(1,071,000)	(359,000)	---	(359,000)	(-712,000)
Office of the Director	---	---	1,065,000	---	---
(By transfer)	(1,065,000)	(1,065,000)	---	(1,065,000)	---
Total, National Institutes of Health	---	---	14,853,000	6,714,000	+6,714,000
ALCOHOL, DRUG ABUSE, AND MENTAL HEALTH ADMINISTRATION					
Alcohol, drug abuse, and mental health	---	---	375,000	1,388,000	+1,388,000
Saint Elizabeths Hospital	---	---	5,901,000	---	---
(By transfer)	(5,901,000)	(5,901,000)	---	(5,901,000)	---
ASSISTANT SECRETARY FOR HEALTH					
Health service management	---	1,125,000	2,000,000	1,125,000	+1,125,000
(By transfer)	(2,262,000)	(875,000)	---	(875,000)	(-1,387,000)
HEALTH CARE FINANCING ADMINISTRATION					
Program management	1,654,000	1,654,000	1,654,000	1,654,000	---
(Trust fund transfer)	(3,200,000)	(3,200,000)	(3,200,000)	(3,200,000)	---
SOCIAL SECURITY ADMINISTRATION					
Assistance Payments Program	---	500,000	500,000	500,000	+500,000
(By transfer)	(500,000)	---	---	---	(-500,000)
Limitation on Administrative Expenses (Increase in limitation)	(103,434,000)	(103,434,000)	(103,434,000)	(103,434,000)	---
OFFICE OF HUMAN DEVELOPMENT SERVICES					
Human Development Services (by transfer)	(1,414,000)	---	---	---	(-1,414,000)
Total, Department of Health and Human Services	16,239,000	25,332,000	60,387,000	34,434,000	+18,195,000
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT					
MANAGEMENT AND ADMINISTRATION					
Salaries and expenses, by transfer FHA (increase in limitation on FHA corporate funds for transfer)	(10,000,000)	(10,000,000)	(10,000,000)	(10,000,000)	---

SUPPLEMENTAL APPROPRIATIONS, 1983 (H.R. 3069)

	Supplemental Request	House	Senate	Conference	Conference compared with Request
DEPARTMENT OF THE INTERIOR					
BUREAU OF LAND MANAGEMENT					
Management of lands and resources	4,595,000	4,595,000	4,595,000	4,595,000	---
Oregon and California grant lands	657,000	657,000	657,000	657,000	---
Total, Bureau of Land Management	5,252,000	5,252,000	5,252,000	5,252,000	---
BUREAU OF RECLAMATION					
Construction program	2,605,000	2,605,000	2,605,000	2,605,000	
General investigations	397,000	397,000	397,000	397,000	---
Operation and maintenance	1,658,000	1,658,000	1,658,000	1,658,000	---
General administrative expenses	799,000	799,000	799,000	799,000	---
Total, Bureau of Reclamation	5,459,000	5,459,000	5,459,000	5,459,000	---
UNITED STATES FISH AND WILDLIFE SERVICE					
Resource management	1,530,000	6,462,000	1,530,000	4,030,000	+2,500,000
NATIONAL PARK SERVICE					
Operation of the national park system	9,019,000	15,029,000	9,019,000	12,019,000	+3,000,000
National recreation and preservation	168,000	168,000	168,000	168,000	---
John F. Kennedy Center for the Performing Arts	89,000	89,000	89,000	89,000	---
Total, National Park Service	9,276,000	15,286,000	9,276,000	12,276,000	+3,000,000
GEOLOGICAL SURVEY					
Surveys, investigations and research	6,895,000	9,895,000	6,895,000	8,395,000	+1,500,000
MINERALS MANAGEMENT SERVICE					
Minerals and royalty management	1,989,000	1,989,000	1,989,000	1,989,000	---
OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT					
Regulation and technology	522,000	522,000	522,000	522,000	---
BUREAU OF MINES					
Mines and minerals	1,515,000	1,515,000	1,515,000	1,515,000	
BUREAU OF INDIAN AFFAIRS					
Operation of Indian programs	7,469,000	7,469,000	7,469,000	7,469,000	
OFFICE OF TERRITORIAL AND INTERNATIONAL AFFAIRS					
Administration of territories	39,000	39,000	39,000	39,000	---
Trust Territory of the Pacific Islands	30,000	30,000	30,000	30,000	---
Total, Office of Territorial Affairs	69,000	69,000	69,000	69,000	---
OFFICE OF THE SOLICITOR					
Salaries and expenses	663,000	663,000	663,000	663,000	
OFFICE OF THE SECRETARY					
Departmental management	998,000	998,000	998,000	998,000	
OFFICE OF THE INSPECTOR GENERAL					
Salaries and expenses	400,000	400,000	400,000	400,000	
Total, Department of the Interior	42,037,000	55,979,000	42,037,000	49,037,000	+7,000,000
DEPARTMENT OF JUSTICE					
GENERAL ADMINISTRATION					
Salaries and expenses	1,831,000	1,800,000	1,800,000	1,800,000	-31,000
UNITED STATES PAROLE COMMISSION					
Salaries and expenses	216,000	216,000	216,000	216,000	---

SUPPLEMENTAL APPROPRIATIONS, 1983 (H.R. 3069)

	Supplemental Request	House	Senate	Conference	Conference compared with Request
LEGAL ACTIVITIES					
Salaries and expenses, general legal activities	4,720,000	4,700,000	4,700,000	4,700,000	-20,000
Salaries and expenses, Antitrust Division	1,133,000	1,100,000	---	1,100,000	-33,000
Salaries and expenses, Foreign Claims Settlement Commission	28,000	---	---	---	-28,000
Salaries and expenses, United States Attorneys and Marshals	10,810,000	10,500,000	10,500,000	10,500,000	-310,000
Salaries and expenses, Community Relations Service	203,000	100,000	200,000	100,000	-103,000
Total, Legal Activities	16,894,000	16,400,000	15,400,000	16,400,000	-494,000
FEDERAL BUREAU OF INVESTIGATION					
Salaries and expenses	28,165,000	28,100,000	28,100,000	28,100,000	-65,000
DRUG ENFORCEMENT ADMINISTRATION					
Salaries and expenses	7,334,000	7,634,000	7,334,000	7,334,000	
IMMIGRATION AND NATURALIZATION SERVICE					
Salaries and expenses	11,263,000	11,200,000	11,200,000	11,200,000	-63,000
FEDERAL PRISON SYSTEM					
Salaries and expenses	10,373,000	10,300,000	10,300,000	10,300,000	-73,000
Federal Prison Industries, Incorporated: (Increase in limitation on administrative and vocational training expenses)	(222,000)	(200,000)	(200,000)	(200,000)	(-22,000)
OFFICE OF JUSTICE ASSISTANCE, RESEARCH AND STATISTICS					
Research and statistics (by transfer)	(392,000)	(392,000)	(392,000)	(392,000)	---
Total, Department of Justice	76,076,000	75,650,000	74,350,000	75,350,000	-726,000
DEPARTMENT OF LABOR					
EMPLOYMENT AND TRAINING ADMINISTRATION					
Program administration	2,652,000	752,000	752,000	752,000	1,900,000
(Trust fund transfer)	(819,000)	(819,000)	(819,000)	(819,000)	---
EMPLOYMENT STANDARDS ADMINISTRATION					
Salaries and expenses	4,390,000	3,866,000	3,866,000	3,866,000	524,000
(Trust fund transfer)	(27,000)	(27,000)	(27,000)	(27,000)	---
Black lung disability trust fund	368,000	---	---	---	-368,000
Total, Employment Standards Administration	4,758,000	3,866,000	3,866,000	3,866,000	-892,000
OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION					
Salaries and expenses (by transfer)	(1,393,000)	(1,393,000)	(1,393,000)	(1,393,000)	
BUREAU OF LABOR STATISTICS					
Salaries and expenses	3,600,000	1,600,000	1,600,000	1,600,000	2,000,000
DEPARTMENTAL MANAGEMENT					
Salaries and expenses	400,000	400,000	400,000	400,000	---
(Trust fund transfer)	(400,000)	(400,000)	(400,000)	(400,000)	---
Total, Department of Labor	11,410,000	6,618,000	6,618,000	6,618,000	4,792,000
(Trust fund transfer)	(1,246,000)	(1,246,000)	(1,246,000)	(1,246,000)	---
DEPARTMENT OF STATE					
ADMINISTRATION OF FOREIGN AFFAIRS					
Salaries and expenses	13,642,000	13,600,000	13,600,000	13,600,000	42,000
(By transfer)	(8,111,000)	(8,111,000)	(8,111,000)	(8,111,000)	---
INTERNATIONAL COMMISSIONS					
International Boundary and Water Commission, United States and Mexico: Salaries and expenses	174,000	174,000	174,000	174,000	
Total, Department of State	13,816,000	13,774,000	13,774,000	13,774,000	-42,000

SUPPLEMENTAL APPROPRIATIONS, 1983 (H.R. 3069)

	Supplemental Request	House	Senate	Conference	Conference compared with Request
DEPARTMENT OF TRANSPORTATION					
OFFICE OF THE SECRETARY					
Salaries and expenses	1,040,000	---	400,000	400,000	-640,000
(By transfer)	---	(400,000)	---	---	---
COAST GUARD					
Headquarters administration	2,700,000	2,650,000	---	---	-2,700,000
(By transfer)	---	---	(2,650,000)	(2,650,000)	(+2,650,000)
Operating expenses	12,578,000	---	---	---	-12,578,000
(By transfer)	---	(12,550,000)	(10,000,000)	(10,000,000)	(+10,000,000)
FEDERAL AVIATION ADMINISTRATION					
Headquarters administration	1,529,000	1,400,000	1,400,000	1,400,000	-129,000
Operations	28,311,000	16,700,000	16,700,000	16,700,000	-11,611,000
Operation and maintenance, Metropolitan Washington Airports (by transfer)	(500,000)	(500,000)	(500,000)	(500,000)	---
FEDERAL HIGHWAY ADMINISTRATION					
Limitation on general operating expenses (increase in limitation)	(2,743,000)	(2,000,000)	(2,000,000)	(2,000,000)	(743,000)
Motor carrier safety	209,000	---	200,000	200,000	-9,000
(By transfer)	---	(200,000)	---	---	---
NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION					
Operations and research	600,000	---	300,000	---	-600,000
(By transfer)	---	(300,000)	---	(300,000)	(+300,000)
FEDERAL RAILROAD ADMINISTRATION					
Office of the Administrator	452,000	---	225,000	---	-452,000
(By transfer)	---	(225,000)	---	(225,000)	(+225,000)
URBAN MASS TRANSPORTATION ADMINISTRATION					
Administrative expenses	334,602	---	3[illegible],602	325,602	9,000
(By transfer)	(204,398)	(530,000)	(204,398)	(204,398)	---
SAINT LAWRENCE SEAWAY DEVELOPMENT CORPORATION					
Limitation on administrative expenses (Increase in limitation)	(24,000)	(24,000)	(24,000)	(24,000)	---
OFFICE OF THE INSPECTOR GENERAL					
Salaries and expenses	409,000	---	409,000	409,000	---
(By transfer)	---	(409,000)	---	---	---
Total, Department of Transportation	48,162,602	20,750,000	19,959,602	19,434,602	-28,728,000
DEPARTMENT OF THE TREASURY					
Office of the Secretary:					
Salaries and expenses	1,295,000	1,295,000	1,295,000	1,295,000	---
(By transfer)	(242,000)	(242,000)	(242,000)	(242,000)	---
International affairs	731,000	731,000	731,000	731,000	---
Office of Revenue Sharing: Salaries and expenses	255,000	---	255,000	255,000	---
Federal Law Enforcement Training Center:					
Salaries and expenses	306,000	306,000	306,000	306,000	---
(By transfer)	(45,000)	(45,000)	(45,000)	(45,000)	---
Bureau of Government Financial Operations:					
Chrysler Corporation loan guarantee program, administrative expenses	11,000	---	---	---	-11,000
Bureau of Alcohol, Tobacco and Firearms:					
Salaries and expenses (by transfer)	(2,492,000)	(2,492,000)	(2,492,000)	(2,492,000)	---
United States Customs Service: Salaries and expenses	17,617,000	17,617,000	17,617,000	17,617,000	---
Internal Revenue Service:					
Salaries and expenses	7,402,000	8,443,000	8,443,000	8,443,000	+1,041,000
Taxpayer service and returns processing	17,320,000	1,827,000	1,827,000	1,827,000	-15,493,000
Examinations and appeals	39,815,000	48,352,000	48,352,000	48,352,000	+8,537,000
Investigation and collections	30,285,000	36,200,000	36,200,000	36,200,000	+5,915,000
Total, Internal Revenue Service	94,822,000	94,822,000	94,822,000	94,822,000	---
United States Secret Service: Salaries and expenses	5,462,000	5,462,000	5,462,000	5,462,000	---
Total, Department of the Treasury	120,499,000	120,233,000	120,488,000	120,488,000	-11,000
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION					
Research and program management	30,150,000	28,500,000	28,500,000	28,500,000	-1,650,000

SUPPLEMENTAL APPROPRIATIONS, 1983 (H.R. 3069)

	Supplemental Request	House	Senate	Conference	Conference compared with Request
VETERANS ADMINISTRATION					
Medical care	181,445,000	181,445,000	180,168,000	180,168,000	-1,277,000
Medical and prosthetic research	2,174,000	2,174,000	2,174,000	2,174,000	
Medical administration and miscellaneous operating expenses	613,000	613,000	613,000	613,000	
General operating expenses	3,152,000	2,152,000	2,152,000	2,152,000	-1,000,000
Total, Veterans Administration	187,384,000	186,384,000	185,107,000	185,107,000	-2,277,000
OTHER INDEPENDENT AGENCIES					
Action	350,000	---	350,000	---	-350,000
Administrative Conference of the United States: Salaries and expenses	59,000	59,000	59,000	59,000	
Advisory Council on Historic Preservation: Salaries and expenses	22,000	22,000	22,000	22,000	
Arms Control and Disarmament Agency: Arms control and disarmament activities	301,000	300,000	300,000	300,000	-1,000
Civil Aeronautics Board: Salaries and expenses	700,000	700,000	700,000	700,000	
Commission of Fine Arts: Salaries and expenses	9,000	9,000	9,000	9,000	
Commission on Civil Rights: Salaries and expenses	355,000	350,000	350,000	350,000	-5,000
Committee for Purchase from the Blind and other Severely Handicapped: Salaries and expenses	9,000	9,000	9,000	9,000	
Consumer Product Safety Commission: Salaries and expenses	581,000	530,000	530,000	530,000	-51,000
Equal Employment Opportunity Commission: Salaries and expenses	4,661,000	4,650,000	4,650,000	4,650,000	-11,000
Farm Credit Administration: (Increase in limitation on administrative expenses)	(232,000)	(232,000)	(232,000)	(232,000)	
Federal Communications Commission: Salaries and expenses	3,119,000	3,100,000	3,100,000	3,100,000	-19,000
Federal Election Commission: Salaries and expenses	197,000	197,000	197,000	197,000	
Federal Emergency Management Agency: Salaries and expenses	1,645,000	1,645,000	1,645,000	1,645,000	
Federal Home Loan Bank Board: Limitation on administrative expenses (increase in limitation)	(650,000)	(650,000)	(650,000)	(650,000)	
Limitation on nonadministrative expenses (increase in limitation)	(900,000)	(600,000)	(400,000)	(400,000)	(-500,000)
Federal Savings and Loan Insurance Corporation: Limitation on administrative expenses (increase in limitation)	(30,000)	(30,000)	(30,000)	(30,000)	
Federal Labor Relations Authority: Salaries and expenses	314,000	314,000			-314,000
Federal Maritime Commission: Salaries and expenses	271,000	270,000	270,000	270,000	-1,000
Federal Mediation and Conciliation Service: Salaries and expenses	694,000	694,000	694,000	694,000	
Federal Mine Safety and Health Review Commission: Salaries and expenses	115,000	--	--	--	-115,000
Federal Trade Commission: Salaries and expenses	1,233,000	1,233,000	3,233,000	3,233,000	+2,000,000
General Services Administration: Federal Buildings Fund: Limitation on availability of revenue (increase in limitation): Program direction	(2,275,000)	(2,275,000)	(2,275,000)	(2,275,000)	
Federal Supply Service, operating expenses	4,360,000	---	---	---	-4,360,000
(By transfer)	--	(2,000,000)	(2,000,000)	(2,000,000)	(+2,000,000)
Transportation and Public Utilities Service, operating expenses	344,000	-			-344,000
National Archives and Records Service, operating expenses	2,129,000	-			-2,129,000
Automated Data and Telecommunications Service: Operating expenses	1,441,000	-			-1,441,000
Consumer Information Center	31,000	---	31,000	--	-31,000
Federal property resources service, operating expenses	360,000	-			-360,000
General management and administration, salaries and expenses	4,215,000		-		-4,215,000
Office of Inspector General	770,000				-770,000
(By transfer)	---	(700,000)	(700,000)	(700,000)	(+700,000)
Intergovernmental Agencies: Advisory Commission on Intergovernmental Relations: Salaries and expenses	40,000	40,000	40,000	40,000	
Delaware and Susquehanna River Basin Commissions: Salaries and expenses	16,000	16,000	16,000	16,000	
International Trade Commission: Salaries and expenses	731,000	500,000	500,000	500,000	-231,000
Merit Systems Protection Board: Salaries and expenses	452,000	452,000	452,000	452,000	
Office of the Special Counsel, salaries and expenses	139,000	139,000	139,000	139,000	
Total, Merit Systems Protection Board	591,000	591,000	591,000	591,000	

SUPPLEMENTAL APPROPRIATIONS, 1983 (H.R. 3069)

	Supplemental Request	House	Senate	Conference	Conference compared with Request
National Capital Planning Commission:					
Salaries and expenses	125,000	125,000	125,000	125,000	---
National Foundation on the Arts and the Humanities:					
National endowment for the arts: Salaries and expenses	233,000	233,000	---	---	-233,000
National endowment for the humanities: Salaries and expenses	187,000	187,000	187,000	187,000	---
National Labor Relations Board: Salaries and expenses	2,569,000	2,000,000	2,000,000	2,000,000	-569,000
National Science Foundation:					
Research and related activities	1,700,000	1,300,000	1,300,000	1,300,000	-400,000
Nuclear Regulatory Commission: Salaries and expenses	3,470,000	2,770,000	3,470,000	2,770,000	-700,000
Office of Personnel Management:					
Salaries and expenses	1,809,000	1,809,000	1,809,000	1,809,000	---
(Increase in limitation)	(1,675,000)	(1,675,000)	(1,675,000)	(1,675,000)	---
Railroad Retirement Board:					
Railroad retirement account (increase in limitation)	(699,000)	(699,000)	(699,000)	(699,000)	---
Securities and Exchange Commission:					
Salaries and expenses	1,300,000	2,000,000	1,300,000	1,650,000	+350,000
Selective Service System: Salaries and expenses	564,000	---	564,000	400,000	-164,000
Small Business Administration: Salaries and expenses	3,780,000	6,580,000	3,780,000	6,580,000	+2,800,000
Smithsonian Institution:					
Salaries and expenses	2,390,000	3,190,000	2,890,000	2,890,000	+500,000
Salaries and expenses, National Gallery of Art	409,000	409,000	259,000	259,000	-150,000
Salaries and expenses, Woodrow Wilson International Center for Scholars	20,000	20,000	20,000	20,000	---
Total, Smithsonian Institution	2,819,000	3,619,000	3,169,000	3,169,000	+350,000
Total, Other Independent Agencies	48,219,000	35,852,000	35,000,000	36,905,000	-11,314,000
Other Temporary Commissions:					
Navajo and Hopi Indian Relocation Commission:					
Salaries and expenses	26,000	26,000	26,000	26,000	--
United States Holocaust Memorial Council:					
Holocaust Memorial Council	16,000	16,000	16,000	16,000	---
United States Information Agency:					
Salaries and expenses	9,510,000	8,810,000	9,500,000	8,810,000	-700,000
United States Tax Court: Salaries and expenses	517,000	517,000	517,000	517,000	---
TITLE II - INCREASED PAY COSTS					
TOTAL - New budget (obligational) authority	787,355,602	784,577,000	791,944,602	785,444,602	-1,911,000
(Increase in limitations)	(112,884,000)	(111,819,000)	(111,619,000)	(111,619,000)	(-1,265,000)
(Limitation on corporate funds)	(10,000,000)	(10,000,000)	(10,000,000)	(10,000,000)	---
(Section 32 - increase in limitation)	(170,000)	(170,000)	(170,000)	(170,000)	---
(Trust fund transfer)	(4,446,000)	(4,446,000)	(4,446,000)	(4,446,000)	---
(By transfer)	(65,370,398)	(69,951,000)	(47,940,398)	(68,716,398)	(+3,346,000)
(Transfer from Commodity Credit Corporation)	---	(12,400,000)	(12,400,000)	(12,400,000)	(+12,400,000)
TITLE IV					
GENERAL PROVISIONS					
Funds Appropriated to the President					
Agency for International Development (reappropriation)	100,000,000	---	100,000,000	100,000,000	--
TITLE I - GENERAL SUPPLEMENTALS					
Chapter I					
Agriculture:					
New budget (obligational) authority	1,316,156,000	1,061,834,000	1,337,799,000	1,361,799,000	+45,643,000
(Transfer from Commodity Credit Corporation)	---	(585,000)	(585,000)	(585,000)	(+585,000)
(Limitation on direct loans)	---	---	(325,000,000)	(25,000,000)	(+25,000,000)
(Limitation on guaranteed loans)	---	(50,000,000)	(50,000,000)	(50,000,000)	(+50,000,000)
Chapter II					
Commerce, Justice, State and the Judiciary:					
New budget (obligational) authority	307,084,000	100,188,000	306,536,000	308,700,000	+1,616,000
(By transfer)	(204,643,000)	---	---	---	(-204,643,000)
(Limitation on direct loans)	(-11,884,000)	---	---	---	(+11,884,000)
(Limitation on guaranteed loans)	(-100,000,000)	---	---	---	(+100,000,000)
Chapter III					
Defense:					
New budget (obligational) authority	493,270,000	468,270,000	469,770,000	469,770,000	-23,500,000
(Appropriation to liquidate contract authority)	(25,000,000)	(25,000,000)	(25,000,000)	(25,000,000)	---
Chapter IV					
Energy and Water Development:					
New budget (obligational) authority	21,288,000	86,788,000	74,788,000	89,288,000	+68,000,000
(By transfer)	(140,000,000)	---	---	---	(-140,000,000)

SUPPLEMENTAL APPROPRIATIONS, 1983 (H.R. 3069)

	Supplemental Request	House	Senate	Conference	Conference compared with Request
Chapter V					
Foreign Operations:					
New budget (obligational) authority	798,134,000	535,634,000	9,096,478,776	667,209,000	-130,925,000
(Loan guarantee)	(525,000,000)	(189,000,000)	(398,000,000)	(293,500,000)	(-231,500,000)
(Limitation on direct loans)	(96,000,000)	(100,000,000)	(50,000,000)	---	(-96,000,000)
(Limitation on guaranteed loans)	(20,000,000)	---	(20,000,000)	---	(-20,000,000)
Chapter VI					
Housing & Urban Development-Independent Agencies:					
New budget (obligational) authority	265,680,000	278,480,000	276,808,400	280,680,000	+15,000,000
Rescission of contract authority	-1,579,231,000	57,403,000	57,403,000	57,403,000	+1,636,634,000
(By transfer)	(11,000,000)	---	---	---	(-11,000,000)
(Limitation on annual contract authority)	(-32,031,000)	(113,591,000)	(113,591,000)	(113,591,000)	(+145,622,000)
(Increase in limitation on administrative expenses)	---	(2,000,000)	(2,000,000)	(2,000,000)	(+2,000,000)
(Limitation on guaranteed loans)	(5,000,000,000)	---	(5,000,000,000)	(5,000,000,000)	---
(Effect of new deferral)	---	(-69,000,000)	(-69,000,000)	(-69,000,000)	(-69,000,000)
Chapter VII					
Interior and Related Agencies:					
New budget (obligational) authority	138,490,000	191,339,000	596,846,000	233,049,000	+94,559,000
Rescission of contract authority	---	-30,000,000	-30,000,000	-30,000,000	-30,000,000
(By transfer)	---	(24,000,000)	(24,000,000)	(24,000,000)	(+24,000,000)
(Appropriation to liquidate contract authority)	---	---	(14,000,000)	---	---
(Effect of new deferrals)	---	(-87,600,000)	(-87,600,000)	(-87,600,000)	(-87,600,000)
(Deferral disapproval)	---	---	(803,188,000)	---	---
Chapter VIII					
Labor, Health and Human Services, and Education:					
New budget (obligational) authority	2,108,466,000	817,816,000	2,516,986,000	2,256,134,000	+147,670,000
Chapter IX					
Legislative Branch:					
New budget (obligational) authority	212,065,000	95,444,600	95,533,600	96,525,600	-115,539,400
Appropriations	(212,046,000)	(95,425,600)	(95,516,600)	(96,506,600)	(-115,539,400)
Reappropriation FY 1983	(19,000)	(19,000)	(19,000)	(19,000)	---
Chapter X					
Transportation:					
New budget (obligational) authority	45,375,000	44,378,635	50,744,774	44,778,635	-596,365
Appropriations	(72,330,000)	(69,977,635)	(69,977,635)	(69,977,635)	(-2,352,365)
Appropriation for debt reduction	(-26,955,000)	(-25,599,000)	(-25,599,000)	(-25,599,000)	(+1,356,000)
Contract authority	---	---	(6,366,139)	---	---
Reappropriation	---	---	---	(400,000)	(+400,000)
Rescission	---	-636,000	---	---	---
(Appropriation to liquidate contract authority)	(363,000,000)	(363,000,000)	(368,000,000)	(365,500,000)	(+2,500,000)
(Limitation on borrowing authority)	(250,000,000)	(150,000,000)	(150,000,000)	(150,000,000)	(-100,000,000)
(Limitation on obligations)	(55,000,000)	(5,000,000)	(10,000,000)	(9,250,000)	(-45,750,000)
Chapter XI					
Treasury, Postal Service & General Government:					
New budget (obligational) authority	344,081,430	344,681,430	344,682,930	344,682,430	+601,000
(Limitation on availability of revenue)	(8,102,000)	(1,027,000)	(8,102,000)	(8,102,000)	---
Chapter XII					
District of Columbia:					
District of Columbia funds (net)	(-22,023,200)	---	(-6,489,600)	(-22,023,200)	---
TITLE I - GENERAL SUPPLEMENTALS					
TOTAL - New budget (obligational) authority	6,050,089,430	4,024,853,665	15,166,975,480	6,152,617,665	+102,528,235
Appropriations, 1983	(6,077,025,430)	(4,050,433,665)	(15,186,189,341)	(6,177,797,665)	(+100,772,235)
Reappropriation	(19,000)	(19,000)	(19,000)	(419,000)	(+400,000)
Appropriations for debt reduction	(-26,955,000)	(-25,599,000)	(-25,599,000)	(-25,599,000)	(+1,356,000)
Contract authority	---	---	(6,366,139)	---	---
Rescissions	-1,579,231,000	26,767,000	27,403,000	27,403,000	+1,606,634,000
(Effect of new deferrals)	---	(-156,600,000)	(-156,600,000)	(-156,600,000)	(-156,600,000)
(Deferral disapproval)	---	---	(803,188,000)	---	---
(Appropriation to liquidate contract authority)	(388,000,000)	(388,000,000)	(407,000,000)	(390,500,000)	(+2,500,000)
(By transfer)	(356,143,000)	(24,000,000)	(24,500,000)	(24,500,000)	(-331,643,000)
(Transfer from Commodity Credit Corporation)	---	(585,000)	(585,000)	(585,000)	(+585,000)
(Limitation on annual contract authority)	(-32,031,000)	(113,591,000)	(113,591,000)	(113,591,000)	(+145,622,000)
(Limitation on obligations)	(55,000,000)	(5,000,000)	(10,000,000)	(9,250,000)	(-45,750,000)
(Limitation on borrowing authority)	(250,000,000)	(150,000,000)	(150,000,000)	(150,000,000)	(-100,000,000)
(Increase in limitation on administrative expenses)	---	(2,000,000)	(2,000,000)	(2,000,000)	(+2,000,000)
(Loan guarantee)	(525,000,000)	(189,000,000)	(398,000,000)	(293,500,000)	(-231,500,000)
(District of Columbia funds)	(-22,023,200)	---	(-6,489,600)	(-22,023,200)	---
(Change in limitation on direct loans)	(84,116,000)	(100,000,000)	(375,000,000)	(25,000,000)	(-59,116,000)
(Change in limitation on guaranteed loans)	(4,920,000,000)	(50,000,000)	(5,070,000,000)	(5,050,000,000)	(+130,000,000)
(Limitation on availability of revenue)	(8,102,000)	(1,027,000)	(8,102,000)	(8,102,000)	---
TITLE II - INCREASED PAY COSTS					
TOTAL - New budget (obligational) authority	787,355,602	784,577,000	791,944,602	785,444,602	-1,911,000
(Increase in limitations)	(112,884,000)	(111,819,000)	(111,619,000)	(111,619,000)	(-1,265,000)
(Limitation on corporate funds)	(10,000,000)	(10,000,000)	(10,000,000)	(10,000,000)	---
(Section 32 - increase in limitation)	(170,000)	(170,000)	(170,000)	(170,000)	---
(Trust fund transfer)	(4,446,000)	(4,446,000)	(4,446,000)	(4,446,000)	---
(By transfer)	(65,370,398)	(69,951,000)	(47,940,398)	(68,716,398)	(+3,346,000)
(Transfer from Commodity Credit Corporation)	---	(12,400,000)	(12,400,000)	(12,400,000)	(+12,400,000)

SUPPLEMENTAL APPROPRIATIONS, 1983 (H.R. 3069)

	Supplemental Request	House	Senate	Conference	Conference compared with Request
TITLE IV - GENERAL PROVISIONS					
TOTAL - New budget (obligational) authority	100,000,000	---	100,000,000	100,000,000	---
Reappropriation	(100,000,000)	---	(100,000,000)	(100,000,000)	---
GRAND TOTAL					
TOTAL - New budget (obligational) authority 1/	6,937,445,032	4,809,430,665	16,058,920,082	7,038,062,267	+100,617,235
Appropriations, 1983	(6,864,381,032)	(4,838,010,665)	(15,978,133,943)	(6,961,242,267)	(+98,861,235)
Reappropriation	(100,019,000)	(19,000)	(100,019,000)	(100,419,000)	(+400,000)
Appropriations for debt reduction	(-24,955,000)	(-25,599,000)	(-25,599,000)	(-25,599,000)	(+1,356,000)
Contract authority	---	---	(6,366,139)	---	---
Rescissions	-1,579,231,000	26,767,000	27,403,000	27,403,000	+1,606,634,000
(Effect of new deferrals)	---	(-156,600,000)	(-156,600,000)	(-156,600,000)	(-156,600,000)
(Deferral disapproval)	---	---	(803,188,000)	---	---
(Appropriation to liquidate contract authority)	(388,000,000)	(388,000,000)	(407,000,000)	(390,500,000)	(+2,500,000)
(By transfer)	(421,513,398)	(93,951,000)	(72,440,398)	(93,216,398)	(-328,297,000)
(Transfer from Commodity Credit Corporation)	---	(12,985,000)	(12,985,000)	(12,985,000)	(+12,985,000)
(Increase in limitations)	(112,884,000)	(111,619,000)	(111,619,000)	(111,619,000)	(-1,265,000)
(Section 32 - increase in limitation)	(170,000)	(170,000)	(170,000)	(170,000)	---
(Limitation on obligations)	(55,000,000)	(5,000,000)	(10,000,000)	(9,250,000)	(-45,750,000)
(Limitation on borrowing authority)	(250,000,000)	(150,000,000)	(150,000,000)	(150,000,000)	(-100,000,000)
(Limitation on corporate funds)	(10,000,000)	(10,000,000)	(10,000,000)	(10,000,000)	---
(Increase in limitation on administrative expenses)	---	(2,000,000)	(2,000,000)	(2,000,000)	(+2,000,000)
(Loan guarantee)	(525,000,000)	(189,000,000)	(398,000,000)	(293,500,000)	(-231,500,000)
(Trust fund transfer)	(4,446,000)	(4,446,000)	(4,446,000)	(4,446,000)	---
(District of Columbia funds)	(-22,023,200)	---	(-6,489,600)	(-22,023,200)	---
(Limitation on annual contract authority)	(-32,031,000)	(113,591,000)	(113,591,000)	(113,591,000)	(+145,622,000)
(Change in limitation on direct loans)	(84,116,000)	(100,000,000)	(375,000,000)	(25,000,000)	(-59,116,000)
(Change in limitation on guaranteed loans)	(4,920,000,000)	(50,000,000)	(5,070,000,000)	(5,050,000,000)	(+130,000,000)
(Limitation on availability of revenue)	(8,102,000)	(1,027,000)	(8,102,000)	(8,102,000)	---

1/ Does not reflect estimate of $8,464,008,776 for IMF reported in true disagreement.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Massachusetts (Mr. CONTE).

Mr. CONTE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I did not sign the conference report on this supplemental.

I want to make it clear to my colleagues that I will vote for the conference report.

Except for a few items, this is a good conference report.

We went to conference with 254 Senate amendments. The Senate bill was over the President's budget by $1.4 billion, which consisted of $775 million in budget authority, $647 million in deferrals, and $7 million in other forms of obligational authority, such as transfers, loans, and limitations.

The conference agreement is $530 million under the President's budget estimates. While we are $101 million over in budget authority, we are $157 million under in deferrals, and $474 million under in transfers, loans, and limitations.

All in all, we reduced the Senate bill by $1.9 billion. The major reductions were an $800 million deferral and a $370 million appropriation for the strategic petroleum reserve, $350 million in direct loans, $105 million in military sales loan guarantees, and $225 million for health care benefits for the unemployed.

These cuts were very difficult for the conferees to make. However, in the end, there was agreement that we wanted a bill that would be signed, and not a veto, and the necessary agreements were reached.

In making those agreements, I particularly want to recognize the outstanding contributions made by the gentleman from Illinois, the chairman of the Interior Subcommittee, and the gentleman from Mississippi, the chairman of the full committee.

The gentleman from Illinois was the key to an agreement on the strategic petroleum reserve. The gentleman from Mississippi was they key to an agreement on direct loans.

While in both cases the disagreements were strong, and the gentleman from Mississippi and the gentleman from Illinois stoutly defended their positions, when the chips were down, agreements were reached.

Although there was some rhetoric in the conference about cutting domestic spending at the expense of spending for defense and foreign aid, as a matter of fact, that was not a real issue.

The conference agreement on foreign aid is $478 million below the administration's request. Further cuts would have been irresponsible in the extreme. And virtually all of the additional funds in the defense chapter were $453.6 million for Army missile procurement, which was in the House bill, and was not amended by the Senate, and was, therefore, not a conference item.

Members may also be interested to know how the conference report compares to the budget resolution for fiscal 1983.

If we compare the original budget resolution with the conference report, the amendments in technical disagreement, and the House position on the four amendments in true disagreement, we would be under the original 1983 ceilings by $8.1 billion in budget authority and by $479.6 million in outlays.

If we make the same comparison, using the Senate position on the four amendments in disagreement, we would be $356 million over the original ceiling for budget authority, and $473.9 million under the original ceiling for outlays.

However, in the Rube Goldberg world of the congressional budget process, the ceilings in the budget resolution we passed on June 23 are not the same ceilings any more.

Section 2 of that resolution established a reserve for fiscal 1983 of $6 billion in budget authority, and $5.4 billion in outlays.

The Budget Committee met on Tuesday of this week, and through a report to the House released $696 million in budget authority and $381 million in outlays for fiscal 1983.

The Budget Committee specifically released those funds for H.R. 1190, the Emergency Agricultural Credit Act of 1983, and H.R. 3521, the Health Care for the Unemployed Act, plus related interest.

However, under section 3(e) of the budget resolution, any reserves released simply increase the total ceilings for budget authority or outlays.

So the amounts released by the Budget Committee for emergency agriculture programs and health insurance for the unemployed have the effect of increasing the 1983 ceilings enough to accommodate the conference report, all of the amendments in technical disagreement, and the Senate position on the amendments in true disagreement, including IMF.

If Rube Goldberg were alive today he could not make a living. People would be too busy watching the budget process.

In summary, we have a conference agreement that is acceptable to the administration, with two exceptions.

Those exceptions are the IMF, where I will offer a motion to recede and concur in the Senate amendment which provides the funds for IMF, and the cotton-PIK program, which will be subject to a separate vote.

In my opinion, however these two items are disposed of, the bill will be enacted into law, provided no further changes are made on the House or Senate floor.

The bill contains $1.2 billion which is needed immediately for the food stamp program and other funds which are required under existing law such as $342 million for the civil service retirement fund, $786 million for pay costs, $118 million for child nutrition, $615 million for the unemployment trust fund, $186 million for black lung benefits, and $1.3 billion for the social security trust fund.

I urge my colleagues to vote for the conference report, and I will urge the President to sign it.

AGRICULTURE

The Agriculture portion of the supplemental appropriations conference report resolved seven items of difference with the Senate version of the bill—funding of $1.2 billion in food stamps, unbudgeted request for $965,000 for the Commodity Futures Trading Commission, deletions and additions for rural water and waste disposal grants, and deletion of money for salaries and expenses for the OICD for the Caribbean Initiative.

There are nine agriculture items in technical disagreement. The main controversy revolves around the cotton PIK provision (amendment 1). The Senate added to the House language which brought rented and leased land farmed by the same person or persons the year before into the PIK program. The Senate action would increase the amount available to $100 million over the currently estimated $2.5 billion for the cotton program.

The administration opposes this action because it relieves the contractual obligation farmers agree to under the program. In the face of rising cotton prices and the need to provide more cotton to fulfill the requirements of the program, the administration believes that this is an undesirable action and urges the support of the House language.

The other amendments in technical disagreement make adjustments in FmHA, salaries and SLUC charges in the Food and Drug Administration, and provide for announcement of farm program dates. They are considered noncontroversial and have the approval of the administration.

The main public concern with the agriculture portion of the bill is that food stamps will have to be reduced if a bill is not signed into law before the August recess.

The conference report provides $308,700,000 for the Departments of Commerce, Justice, and State and for the Judiciary and related agencies, an increase of $208,512,000 over the House bill and $2,164,000 over the Senate bill. Ninety-seven percent of the increase over the House bill is for three items: $152 million to cover expected defaults on Small Business Administration guaranteed loans, $20 million for a trust fund for the Pribilof Islands, and $30 million for the replacement of the Embassy and other emergency costs related to the Beirut bombing tragedy.

Senate conferees refused to accept $15 million provided in the House bill for Project Democracy activities of the U.S. Information Agency. Funding is provided in the reported fiscal 1984 appropriations bill for the National Endowment for Democracy, a related but separate activity to be administered by the two major political parties, the AFL-CIO and the Chamber of Commerce.

The conferees also agreed to the Senate amount of $2.9 million for the Asia Foundation instead of the $5 million provided by the House. It is expected that the amount provided will be sufficient in the relatively short time remaining in fiscal 1983, and $10 million is included for the foundation in the fiscal 1984 bill.

The conferees did not agree to Senate language extending the availability of money provided in the so-called jobs bill for SBA tree-planting projects beyond the current fiscal year which ends September 30, 1983. I opposed the appropriation of these funds all along, but since the money was appropriated for short-term employment assistance, it should be spent promptly. Language is included in the statement of the managers insuring that the funds can be used for purposes other than planting trees as long as the money is spent before October 1, 1983.

DISTRICT OF COLUMBIA

In chapter 12, the D.C. section, the conferees have reduced the District's budget authority for District funds by some $22 million. The House version of the supplemental did not reflect District requests because those requests were not available at the time the House passed its version of the supplemental.

The action taken by the conferees in chapter 12 reflects two considerations in the District's budget pursuant to a review of the District's financial posture: First, various District agencies have been determined to have excess and unneeded authority, while others have unmet needs; second, there is projected to be a revenue shortfall in the District this year of some $24 million below the amount originally anticipated when the budget was approved.

As I said, the District of Columbia section contains a net reduction of some $22 million overall. However, conferees have provided additional authority in the amount of $9.1 million in the public safety and justice category.

Most of the new authority for public safety and justice will go to support a correctional institution population which is larger than originally anticipated, and to support additional correctional officers pursuant to a court order.

The remainder of the public safety and justice funds will go to the fire department and the District of Columbia court system.

Other conferee actions which will result in a rise in District funds spending authority include $2.1 million in additional human support service funding, $2.1 million in energy adjustments, and additional authority for the District Convention Center and lottery games enterprise funds for support for those funds.

All in all, Mr. Speaker, I think the conference action taken with respect to the District of Columbia will result in aiding the District government in moving toward a balanced budget.

DEFENSE

The Defense portion of the conference approves $185 million for procurement of certain long-lead time items for the B-1 bomber program. This is not new money. It comes from the funds already appropriated in the 1983 bill for the B-1. In no way does this action approve multiyear procurement for the bomber. That matter will be addressed in the fiscal 1984 bill.

Conferees also agreed to continue to deny the Army authority to move more equipment to Europe for storage in pre-positioned sites, but this issue as well, will be taken up in the fiscal 1984 bill.

ENERGY AND WATER

Within chapter IV, the energy and water development section of the bill, there are several items worth mentioning. First, the conferees have agreed to the House position in approving $30 million for the Western Area Power Administration, to be used for a direct current intertie near Sidney, Nebr. This project will be of great benefit to power consumers in the Western Area Power Administration service area, who should benefit from lower electrical rates when this intertie becomes operational. In addition, this project should generate much-needed work for manufacturers of the electrical equipment needed for the intertie.

The conferees have agreed to several legislative provisions relating to the Corps of Engineers and the Bureau of Reclamation. For the Bureau of Reclamation, these include the authorization of a feasibility study for the Prairie Bend unit of the Pick-Sloan program. This study will include a detailed report on any effects the proposed project may have on wildlife habitat, including habitat of the sandhill crane and the endangered whooping crane. The study will also develop alternative water management plans that are consistent with the Endangered Species Act and Migratory Bird Treaty Act.

The conference agreement also authorizes the Secretary of the Interior to engage in a joint study with the State of Nebraska of cost-effective alternatives to the Norden Dam of the O'Neill unit. No funds will be expended for any construction activity on the Norden Dam prior to the completion of this study.

The conferees agree with the House report language regarding the falls of the Ohio National Wildlife Conservation area in Kentucky, and with the Senate report language regarding the South Metropolitan Atlanta Study in Georgia.

FOREIGN OPERATIONS

The conference report provides $667,209,000 in budget authority and $293,500,000 in loan guarantees for foreign assistance activities. In budget authority the amount provided is $131,575,000 over the House bill and $8,429,269,776 below the Senate bill. The amount agreed to for loan guarantees, which is entirely for foreign military sales credits, represents an exact split between the House and Senate—$104.5 million over the House bill and the same amount below the Senate bill.

Senate conferees accepted the House amount of $245 million for an additional U.S. contribution to the sixth replenishment of the International Development Association, the soft loan window of the World Bank. The Senate had included only $125 million for IDA VI. I offered the amendment in our Appropriations Subcommittee adding this $245 million to the bill, and I am pleased that this will put us within shooting distance of completing our commitment to IDA VI during fiscal 1984.

The conference report includes the Senate amount of $16 million for the International Fund for Agriculture Development. The House bill contained no funds for IFAD. When combined with funds in the continuing resolution, the total U.S. contribution to IFAD in fiscal 1983 will be $40 million, or $25.4 million below the President's request.

Lebanon will receive a total of $251 million under the conference agreement, including $150 million in grant aid in economic support funds, $100 million in foreign military sales credits, and $1 million in military training.

El Salvador is limited to $25 million in military assistance, compared to $50 million in the Senate bill and no funding in the House bill. Together with amounts provided under the continuing resolution and a reprograming, El Salvador will receive $18.3 million in military assistance in fiscal 1983. The administration plans to provide nearly three times that amount, or $232 million, in economic assistance during the same period.

In the security assistance area, the conferees agreed to strong administration requests to avoid earmarking funds for specific countries in order to allow the maximum amount of flexibility with the reduced funding provided. In dollar terms the report includes $301,250,000 for the economic support fund, an increase of $48 million over the House bill and a reduction of $21 million below the Senate bill. The conferees split the dollar differences in the military assistance grant program and the foreign military sales guarantees, providing $93,325,000 for the former and $293,500,000 for the latter.

In summary, the foreign assistance chapter of this supplemental bill represents the usual compromise between those who favor more economic assistance and those who support more security assistance. We should support this agreement.

HUD

The HUD portion of the supplemental was relatively noncontroversial, and moved through the conference quickly. The conferees accepted Senate language to provide the Secretary of HUD authority under section 8 housing to add up to 6,000 units of loan management, 7,000 units of property disposition, 900 new or substantial rehabilitation units, and up to 100 public housing units.

The House also accepted a Senate amendment which increased the authority the Secretary of HUD has under section 203 of the National Housing Act to provide emergency disaster assistance. Under current law, the Secretary is granted emergency authority to insure replacement of single family residences destroyed in natural disasters up to 100 percent of the assessed value of the property, not to exceed $14,400. The amendment by the other body increased that limit to $67,500.

Mr. Speaker, another provision in the HUD portion of the supplemental increased the salaries and expenses account for EPA by $9 million, some $2.2 million above the House-passed bill. In addition, the conferees agreed to include report language requesting a university study on toxic waste.

Other appropriations in the legislation include nearly $180 million for medical care at VA hospitals, $225,000 for the Office of Revenue Sharing, $1.3 million for the National Science Foundation to remain available through fiscal year 1984, and $400,000 for the Selective Service System.

Also of importance, Mr. Speaker, is the deletion of House language which would have prohibited HUD from implementing its proposed cost-saving rules on construction of section 202 housing. The proposed HUD rules would have required competitive bidding by the contractors of section 202 dwellings, which are sponsored by nonprofit organizations. The proposed rules were a cost-saving device, and I was upset to see a prohibition against implementing those rules in the House bill. However, the conferees agreed to delete the House language, allowing HUD to begin implementing the new regulations shortly.

INTERIOR AND RELATED AGENCIES

H.R. 3069 will appropriate $327,931,000 for pay and program activities during the remainder of fiscal year 1983 at the Department of the Interior and related agencies. The bill was agreed to by the conferees on July 20, 1983.

The conference agreement on this supplemental appropriation drops the House prohibition on the sale or lease of coal on public lands for the balance of 1983. Instead, the Secretary of the Interior shall, within 30 days after the enactment of this act, appoint a commission to study the Department's coal leasing procedures. Within 6 months, this commission will make its recommendations to the Secretary to insure the Department receives fair market value under its coal leasing program. Under this language, the Secretary may proceed with a leasing program for the balance of fiscal year 1983.

The conferees agreed to drop the prohibition on lease sale No. 78 from

taking place during the balance of fiscal year 1983. This prohibition was dropped after the Department of the Interior, the Department of Defense, and NASA agreed that oil rigs would not be located under NASA flight plans.

Finally, at the insistence of the administration, the managers have reluctantly recommended no funds in this bill for further construction of the Big Hill, Tex. storage site.

Additional funds for the construction will be presented in the fiscal year 1985 budget request from the administration. The managers reaffirm their strong commitment to an average daily fill rate of 220,000 barrels, as required by law, for the strategic petroleum reserve.

LEGISLATIVE BRANCH

The conference report provides $96,305,600 for legislative branch items, which is an increase of $861,000 over the House bill and $990,000 over the Senate bill; 90 percent of the funds provided is for two items: $49 million for the restoration of the west front of the Capitol, and $37.9 million for official mail costs.

Concerning the west front, the conferees agreed to the House amount of $49 million instead of the $48 million provided by the Senate. The funds are to be used for restoration only, not for extension. House conferees agreed to Senate language providing for a fixed-cost contract and for the appointment of a consulting architect to "assist" the Architect of the Capitol on this project.

The conferees also agreed to language allowing Senators a 15-percent pay increase, thus placing Senators' pay at the same level as House Members, $69,800. Language is also approved imposing a statutory limitation on income from honoraria for both House and Senate Members at 30 percent of congressional pay, effective January 1, 1984.

The Senators' pay raise is effective July 1, 1983. And finally, the Commission on Executive, Legislative and Judicial Salaries is directed to assume a prohibition on the receipt of honoraria by Members when recommending an appropriate salary for Members.

As the long-time sponsor of an equal limitation on honoraria for both Houses of Congress, I heartily applaud the conferees for this action. I will do whatever I can to assure that never again are the two Houses treated differently in matters of pay and other income.

LABOR/HHS/EDUCATION

When H.R. 3069 passed the House, the Labor/Health and Human Services/Education chapter was almost precisely at the amount of the supplemental budget request. In fact, the program supplementals were exactly at the budget request—$615 million for advances to the unemployment trust fund; $186 million for the black lung trust fund; and $4.8 million for title III of the Higher Education Act. Those items were agreed to by the Senate.

For pay supplementals, we provided some $3 million less than requested, a figure that the Department subsequently agreed with.

Then on the floor of the House, the subcommittee chairman and I added $12.5 million for stepped-up research on acquired immune deficiency syndrome (AIDS). I might add at this point that the $12.5 million for AIDS was retained in conference, with an amendment that I offered making the money available through fiscal year 1984, in the event there is not time to obligate it in the remaining months of fiscal year 1983.

The Senate, in its inimitable style, made some 39 amendments in this chapter alone. It added funding for two late administration requests; $2.6 million for defaults under the health maintenance organization loan fund, and $1.3 billion for crediting the Social Security Administration checks, as required in the Social Security Act of 1983.

It also added some $418 million in unrequested supplementals for a number of different programs. In conference, we cut that figure back substantially, by over two-thirds, to about $140 million, and did a good job, I think, of bringing this chapter into line with the overall requirements of the bill.

We deleted the $225 million the Senate had provided for health care for the unemployed, since that legislation has not yet been enacted. But we did add, at my request, language indicating that we will act expeditiously to provide funds when the health care for the unemployed legislation is enacted. That is an important piece of legislation, and we will act on it as soon as it is in place.

We retained $47.9 million for Public Law 94-142, education for the handicapped, grants to States; $40 million for chapter I, compensatory education for the disadvantaged, to take care of 14 States, mostly in the South, that were losing a significant proportion of funds in fiscal year 1983 due to the effects of the 1980 census data on the distribution formula; $42.9 million for academic facilities at the University of Oregon, the University of New Hampshire, and Boston College; $2.1 million for independent living centers; $1.5 million for two rehabilitation centers; and $1.25 million for regional resource centers under education for the handicapped. We added about $8 million in pay supplementals, approximately half of the Senate figure, to reduce the amount of reprogramming required from other programs in the Public Health Service in order to meet additional pay costs. Under this category, I was able to obtain agreement to add $1.2 million to the National Institute of Mental Health to reduce the amount of reprogramming necessary from clinical training and research funds, and to assure that NIMH is treated on a par with NIH.

I was also able to obtain the agreement of the conferees to retain the bill language requested by the administration and included in the House bill to reimburse outside debt collectors from the amounts of defaulted student loans collected by the outside collectors. This will allow the Department to pursue aggressively the debt collection program it has commenced.

The Heinz amendment—to impose a moratorium on social security disability reviews—was not included in the conference report because of the actions taken by the Ways and Means Committee to enact reforms needed in the disability review process. We stated in our conference report the following:

> The conferees strongly support the authorizing committees in drafting legislation, and urge prompt action to achieve enactment. The conferees direct the Secretary of Health and Human Services to proceed with extreme caution in the termination of benefits, pending enactment of this legislation.

You can be sure I would never have agreed to this outcome because of my strong position on the necessity to enact such reforms unless I had received the strong personal assurances of the chairman of the Subcommittee on Social Security that legislation would be forthcoming.

TRANSPORTATION

Chapter X of this supplemental measure appropriates funds for the Department of Transportation and related agencies. For the Coast Guard, the conferees provided $7.5 million for the national boating safety and facilities improvement fund. I have long opposed funding for this activity as an unwarranted intrusion into what should be a State and local matter, and can take only small comfort in the fact that the conference compromise is $2.5 million below the Senate amount.

The conferees have directed that $15 million in funds previously appropriated to Amtrak for the rehabilitation of a line between Attleboro and Hyannis, Mass., be made available to the Commonwealth of Massachusetts. These funds, which represent the total Federal participation in the capital cost of this project, will permit work to get underway this construction season in restoring this line for rail passenger service.

The conferees have also provided $1.75 million to the Federal Highway Administration to perform a study of methane conversion, as authorized in section 152 of the Surface Transportation Assistance Act of 1982. The House

report provided that this would be an analytical demonstration of the commercial practicability of offshore methane conversion for highway fuel use, and directed the Department to contract for the necessary data base development as rapidly as possible.

Finally, the conferees have agreed to delete language contained in the House-passed bill that would have prohibited the Department of Transportation from limiting the applicability of the "buy America" provision in section 165 of the Surface Transportation Assistance Act to projects above a specified dollar amount. The Federal Highway Administration's interim $450,000 project cost threshold has been eliminated, and a final rule in this area will be issued later in the year following a Transportation Systems Center assessment of the impact of the "buy America" provision on transportation grantees.

TREASURY, POSTAL SERVICE

Mr. Speaker, chapter 11 of the conference report, the Treasury, Postal Service section, had only a few points of difference between the two bodies, and those points of difference were of minor consequence.

Total funding in the supplemental for those entities under the Treasury/Postal Service jurisdiction is $344.7 million. Of that sum, $342.3 million will provide for the Government's share of the retirement cost of the unfunded liability in the civil service retirement and disability fund generated by the October 1982 pay raise.

The conferees agreed to provide small additional sums to the Department of Treasury for official representation expenses so that U.S. officials do not have to put forth out-of-pocket moneys when representing our Government at official business functions such as international conferences.

The conferees have provided for a raising of the limitation on availability of revenue in the Federal buildings fund of the General Services Administration. The raising of this figure will accommodate the reimbursement to the Treasury for the payment of certain construction claims.

Among these claims is one for $7 million for a Federal courthouse and office building project in Atlanta, Ga. The House had disallowed reimbursement for that claim while the Senate had provided for it.

While the conferees agreed to provide for the reimbursement on this project, it is stipulated in the manager's statement that the General Services Administration and the Federal courts are to work together to monitor Federal court construction projects to prevent recurrence of a situation such as the overrun in Atlanta where a substantial amount of already completed work was torn down and redone.

Also included in the conference report is an amendment I originally introduced in full committee to prohibit the Internal Revenue Service from moving forward to enforce any regulation, ruling, procedure or other activity to tax campus faculty housing furnished at colleges and universities. I might point out that while I wanted to help the schools, I offered this amendment reluctantly.

Without this provision, which seeks only to buy time to allow the appropriate tax-writing committees to address the subject, the IRS will go forward with issuing to educational institutions, notices of back taxes due, which could run into the hundreds of thousands of dollars for each of many institutions across the country.

With most, if not all of the affected institutions, plagued by sliding endowments and borderline cash flow postures, the requirement to all of a sudden pay out large sums for back taxes would have a devastating effect.

At this point, Mr. Speaker, I would like to call attention to one of the administrative provisions in chapter 11 on which the two bodies disagreed, and on which the Senate receded to the House. That provision prohibits the Office of Personnel Management from going forward with needed personnel management changes.

With the publishing of new regulations by OPM, this prohibition, which refers to proposals published in the March 30, Federal Register, is a moot point. That being the case, however, I would strongly suggest to this body that the appropriate committees in Congress work with the Office of Personnel Management in putting forth constructive changes in our personnel management system, rather than trying to block activity in this area.

Mr. FRENZEL. Mr. Speaker, will the gentleman yield.

Mr. CONTE. I yield to the gentleman from Minnesota.

Mr. FRENZEL. Mr. Speaker, I rise in opposition to H.R. 2760 as reported by the Intelligence and Foreign Affairs Committees.

In July 1979, the Sandinistas pledged that their government would be democratic, nonalined, and pluralistic. In response, from July 1979 through 1981 the United States provided $120 million in economic aid, and sponsored $262 million in loans from international lending institutions—twice that received by Somoza in the previous 19 years. Total Western aid came to $1.6 billion—an amount equal to about three quarters of Nicaragua's annual GNP.

In return, the Sandinistas did not welcome a friendly relationship with the United States. An excellent article written by Lawrence E. Harrison, the Director of U.S. Agency for International Development in Nicaragua from 1979 to 1981, recently appeared in the Washington Post. I commend this article, which follows, as an interesting first-hand account.

Since the success of the Sandinista revolution, and to this day, Nicaragua has been propping up the guerrillas in El Salvador. According to the Intelligence Committee report which accompanies this bill:

> It is not popular support that sustains the (Salvadoran) insurgents. * * * This insurgency depends for its lifeblood—arms, ammunition, financing, logistics, and command and control facilities—upon outside assistance from Nicaragua and Cuba. * * * It began shortly after the overthrow of Somoza in July 1979. It had provided—by land, sea, and air—the great bulk of the military equipment and support received by the insurgents.

Mr. Chairman, it is absurd to claim that Nicaraguan radicalism abroad, and at home, is caused solely by U.S. support of anti-Sandinistan guerrillas. The Intelligence Committee report indicates that U.S. support began about December 1981. Before that the Sandinistas were actively supporting Salvadoran violence. Defections from the ruling Sandinista junta had already begun. Dissent of business, labor, and church groups had already begun in response to persecution. While there may be other merits to this bill, it seems highly unlikely that it will quell Sandinistan radicalism.

For that reason, Mr. Chairman, I intend to support the amendment offered by the gentleman from Michigan, Mr. BROOMFIELD, and the gentleman from Florida, Mr. MICA, which would predicate the cessation of U.S. covert assistance upon Nicaragua ceasing its covert and overt actions in El Salvador. In my judgment, that amendment provides the first worthwhile incentive to help stop export of militarism in the region. Such a mutual ban has been endorsed both by President Reagan in his April 27, 1983 speech to Congress, and by Daniel Ortega of the Sandinistan junta in his July 19, 1983 speech.

This amendment is also important, I feel, to help begin regional or bilateral negotiations to settle more fundamental questions. I support negotiations in the region, particularly those sponsored by the Contadora Group (Colombia, Mexico, Panama, Venezuela). Those nations have an even larger stake in the future of Central America than does the United States, and would appear to have a greater ability to hammer out a workable solution.

Mr. Chairman, I urge support of the Broomfield-Mica amendment, and urge the subsequent passage of H.R. 2760.

The subsequent article follows:

[From the Washington Post, June 30, 1983]

WE TRIED TO ACCEPT NICARAGUA'S REVOLUTION—THE SANDINISTAS COULDN'T LIVE WITH A POSITIVE IMAGE OF THE UNITED STATES

(By Lawrence E. Harrison) [1]

The Sandinista Government of National Reconstruction was installed four years ago, on July 19, 1979. Three days later, I arrived in Nicaragua in a Flying Tigers DC-8 stretch jet loaded with food—the first of many such flights—to take charge of U.S. assistance programs, the most tangible evidence of our commitment to build a new relationship with Nicaragua.

I left Nicaragua two years later, on July 1, 1981. During those two years, the U.S. government was the most important source of food aid and one of the most important source of financial aid to revolutionary Nicaragua. We provided assistance valued at $120 million, including 100,000 tons of food. We had tried very hard to build that new relationship. But the effort failed, principally, I believe, because the Sandinistas could not live with a positive image of the U.S. government. They did not try at all. And many in the United States cheered them on.

Within a few months of the installation of the Government of National Reconstruction, an article appeared in the Sandinista newspaper Barricada announcing the imminent arrival of 600 Cuban teachers. I called on the minister of education, with whom I had been working to reactive an old school construction loan, to express concern that so large a number of Cuban teachers would be interpreted in the United States as a Cuban takeover of the Nicaraguan education system. The minister replied that the government would welcome qualified teachers from any country.

I told him that the United States would certainly be interested in sending teachers, possibly through the Peace Corps. He responded, somewhat apologetically, "You know, we Latin Americans have a view of the Peace Corps which would make it an inappropriate vehicle." (He meant, "We Latin Americans of the Left." What he had in mind was symbolized by the movie "Blood of the Condor," which depicts Aryanlooking Peace Corps volunteers engaging in genocidal sterilization programs in Bolivia.)

At the end of 1979, as a result of the intervention of then junta member Alfonso Robelo (who is now allied with ex-Sandinista Eden Pastora's guerrilla movement), we received Sandinista approval in principle to start a Peace Corps program. After a lengthy study, the Peace Corps sent in a husband-wife team as co-directors. Both were experienced in Latin American, altruistic and totally committed to building a new relationship with Nicaragua. After six months of being fobbed off by the Sandinistas, they left. Not one Peace Corps volunteer was accepted.

We often expressed our concern to Sandinista officials about the line in the Sandinista anthem, "We shall fight against the Yankee, enemy of humanity." In November 1979, Jaime Wheelock, one of the most influential comandantes and a person with whom I sustained a very frank dialog throughout my two years in Managua, told me that the word "poverty" was going to be substituted for "the Yankee." Soon thereafter, I was told the same thing by then economic czar (and Stanford MBA) Alfredo Cesar, who has since defected. The change was never made.

At about the same time, a U.S. congressional delegation, led by Rep. Dante Fascell (D-Fla.), visited Managua at Ambassador Larry Pezzullo's initiative. Fascell was extremely effective, as were his colleagues. Lee Hamilton (D-Ind.), Matthew McHugh (D-N.Y.) and David Obey (D-Wis.). They pressed hard on the issues of political pluralism and nonalinement in very intense meetings with both the junta, which was increasingly becoming a figurehead, and Sandinista National Directorate, which is where the real power resides. The congressional group was particularly forceful on the question of elections. In each session they were told that national reconstruction had to be the first priority but that the Sandinistas were committed to elections.

When Alfonso Robelo resigned from the junta in April 1980 and went into opposition, he was promptly labeled a traitor by the Sandinistas. In a conversation with Jamie Wheelock, I tried to explain our concept of dissent. I got nowhere—there is no Spanish word that accurately captures the nuances of "dissent." A day or two later I experienced similar frustration in a conversation about dissent with a young U.S.-trained cabinet minister who had on his desk a bottle of Cuban rum, and a copy of "Das Kapital." At one point, he suddenly beamed and said, in English, "Now I know what you're talking about—Civil disobedience!"

He has since defected.

A few months later, Larry Pezzullo and I were in Washington to lobby in Congress for the much-delayed $75 million special appropriation for Nicaragua. The Sandinista minister of health, with whom I was working on several programs, was also in Washington, and we had dinner together. During the conversation I complained about inaccuracies and distortions in Barricada, the official Sandinista newspaper, and el Nuevo Diario, which closely followed the Sandinista line. Both sounded very much like Cuba's official newspaper, Granma, particularly in their treatment of the United States. The minister's response : "You don't understand revolutionary truth. What is true is what serves the ends of the revolution."

The August 1980 ceremony to celebrate completion of the literacy campaign was a chilling experience. I had been invited to sit with the commandantes and the cabinet because AID had contributed food and some vehicles to the campaign. The ambassador sat in nearby stands with the diplomatic corps.

The Plaza of the Revolution was mobbed with kids in uniform shouting slogans in response to the urgings of leaders on the platform. I was reminded of films I had seen of Nuremberg in the 1930s.

Commandante Humberto Ortega gave the principal address. In the midst of a series of attacks on the United States, he announced that elections would not be held until 1985, thereby reneging on a commitment to opposition groups for early elections. Moreover, he assured his audience, the elections of 1985 would be nothing like the corrupted elections held in the United States. Larry Pezzullo and I both walked out.

My youngest daughter, Amy, then 16 years old, worked during the summer of 1980 as a volunteer with a Nicaraguan organization, Genesis II, which promoted breastfeeding and provided help to orphanages. The head of the organization was Geraldine Macias, a former American Maryknoll nun married to Edgard Macias, vice minister of labor. At the end of the summer (shortly after the completion of the literacy campaign), we had a get-together at our house for Amy and her co-workers. The evening was a little strained because some of the Genesis II people were totally committed to the Sandinista cause and doubtless felt uncomfortable being in the USAID director's house. The Maciases may have felt that way.

Two years later, after the Sandinista security police threatened his life, Edgard sought asylum in the Venezuelan embassy. The Maciases and their children arrived in Washington soon thereafter. They were treated as lepers by many left-leaning church people in the Washington area who had formerly been their friends. The Maciases have found it very difficult to get work and have been living on a shoestring ever since.

In a recent letter to friends, they said:

"Since leaving Nicaragua we have had access to documentation of [the Sandinistas] and some of [their] former members that proves beyond a doubt that their plans from 1979 on were to deny political and religious freedom. Documents that also show how their methods resemble Somoza to the point they appear as a mirror image: rapes, torture, disappearances, murders, threats, and control of unions and community groups through the formation of their 'elite' political party."

During the last part of 1980, the Partners of the Americas program between the state of Wisconsin and Nicaragua, which had endured for some 15 years, ran into trouble. Most of the activities were focused on the Atlantic Coast. Among other problems, the Sandinistas attempted to take over the Partners' educational radio station (they subsequently did take it over); two Wisconsin plastic surgeons were harassed during a visit to Puerto Cabezas, where they did some highly complicated surgery free; and the Sandinistas circulated the word that Partners personnel were CIA agents.

The ambassador sent a letter to the junta expressing his concern, and I called on the comandante responsibile for the Atlantic Coast. After I ran down the litany of problems, the comandante said, "You have to understand, Mr. Harrison, that Americans are not very popular in this country." I replied that I had lived in Nicaragua for 18 months, traveled extensively, and had the impression that, notwithstanding Sandinista efforts to paint us as devils, most Nicaraguans liked Americans. I added that this seemed to be particularly true on the Atlantic Coast.

He paused for a few moments, then broke into a broad grin and said, "You're right."

Norma Pineda, an accountant, was the senior Nicaraguan employee of the USAID mission, an admirable professional and human being. Her husband, Byron, had been a lieutenant colonel in a noncombatant unit of the National Guard. Just prior to their triumphal entry into Managua, the Sandinistas announced that National Guard members who had committed no crimes had nothing to fear. Despite the pleadings of family and friends to seek asylum in a nearby embassy, Byron Pineda chose to stay in his house because, as he told his wife, "I have done nothing wrong."

About two weeks after the installation of the Sandinista government, Pineda was arrested and much of his property was confis-

[1] The writer, director of USAID in Nicaragua from 1979 to 1981, is now at Harvard's Center for International Affairs.

cated. He was tried some six months later and sentenced to 11 years in jail. As in thousands of others cases, all that was proven by the prosecution was that he had been a member of the National Guard.

A few months later, the Sandinistas told Pineda that he would be freed if his wife would provide information on USAID activities to the government. She refused. He was, however, released to house arrest toward the end of 1980, perhaps because of representations the ambassador and I made at high levels of government. Shortly after, he was told that he would be returned to prison if he failed to persuade his wife to become a spy and if he refused to engage in spying activities himself.

A few weeks after that Norma Pineda left Nicaragua. Byron Pineda sought asylum in the Peruvian Embassy in Managua, where he has lived for more than 2 years.

Late in 1980, the Latin American Studies Association, an organization of U.S. intellectuals interested in Latin America, held its annual meeting in Bloomington, Ind. Junta member Sergio Ramirez and Foreign Minister Miguel d'Escoto attended and were given a hero's ovation. James Cheek, then deputy assistant secretary of state for Latin America, was jeered and heckled, (Cheek, one of the Foreign Service's most distinguished and enlightened specialists on Latin America, had played a crucial role in U.S. disengagement from Somoza as far back as 1974).

In a subsequent Latin American Studies Association newsletter, Harvard Professor and Association President Jorge Dominguez described the Bloomington meeting as "one of the darkest moments of my professional life . . . appalling . . . scandalous . . . damnable."

I returned to the United States on July 1, 1981, and retired from AID early in 1982. I have been at Harvard working on a book on the relationship between culture and development. In December 1982, I was asked to appear on a panel at the John F. Kennedy School of Government at Harvard. The principal speaker was Francisco Fiallos, then Nicaraguan ambassador to the United States. Despite a subdued speech on Nicaragua's economic problems, Fiallos was given a hero's ovation by the 300 people in attendance. My comments focused on Sandinista human rights abuses and, in particular, Sandinist reneging on commitments to pluralism and nonalinement. I was booed and jeered repeatedly.

One week later, Fiallos defected.

Mr. CONTE. OK, $1.3 billion, social security.

Mr. FRENZEL. Got that.

Mr. CONTE. $118 million child nutrition; $115 million food stamps; $22 million for NOAA, $152 million for SBA; $232 million more for foreign aid, $38 million more for National Park Service, $52 million for the abandoned mine reclamation fund, $38 million for Indian programs, $40 million for education grants, and $48 million for State grants for the handicapped. That is it.

Mr. FRENZEL. I thank the gentleman.

Mr. CONTE. I could go on in great detail, but after a 2:30 session here the other night and almost a 1:30 session on that baseball field, I quit.

Mr. WHITTEN. Mr. Speaker, I yield 5 minutes to the gentleman from Maryland (Mr. LONG).

Mr. LONG of Maryland. Mr. Speaker, the Foreign Operations portion of the supplemental totals $677 million in new budget authority and $293 million in loan guarantees.

□ 2320

In addition to this, the conferees have brought back in true disagreement the matter of funding for the International Monetary Fund.

The principal items in the conference report include the International Development Association, affectionately known as IDA, $245 million; the economic support fund, $301 million; military assistance program, $93 million; and military credit sales of $293 million.

Now contained in the figure for military assistance is $25 million for El Salvador. Funding for El Salvador was clearly the most difficult subject of all the foreign assistance issues.

Frankly I feel that $25 million is too large a sum for military aid to El Salvador at this time, given both the human rights situation and the unavailability of reliable information about how effectively our military assistance funds are being used.

Substantial improvements have occurred in the human rights situation in El Salvador, notably the decline of murders in 1 year to half their 1981 number; namely, 10,000 to 5,000; the recent release of 540 political prisoners as a result of the agreement with Secretary Shultz and President Magana as a condition of the reprograming of $30 million in military aid; the agreement of El Salvador to permit the inspection, unannounced and unsupervised, of the prisons and detention centers by the International Red Cross to determine whether prisoners are being held without due process or being mistreated; and the appointment of retired Federal Judge Harold Tyler to inspect the raw FBI files to determine whether vital information was overlooked by the Salvadoran prosecuting authorities in remanding the cases of the accused murderers of the four American nuns. America's Watch has referred to the release of the prisoners as the most encouraging development in the recent history of the Salvadoran human rights problem.

In addition, there is some reason to hope that former Senator Richard Stone, appointed as Ambassador under the Long-Shultz agreement may be making progress in getting the two sides to negotiate for a political settlement and that it constitutes a move toward a broad base and honest election in which all elements of the Salvadoran nation may participate without fear or discrimination.

These developments are encouraging. However, human rights violations are still far too high and may even be increasing again.

Further, the war goes on with great loss of life and damage to property and standards of life and health.

In view of these somewhat less encouraging recent developments, the Foreign Operations Subcommittee must serve notice therefore that in the future the provision of additional military assistance to El Salvador will continue to depend on evidence of improvement in the human rights records and the more effective use of military personnel and the movement toward a political rather than military solution.

Mr. CONTE. Mr. Speaker, I have quite a few requests here, but I am reserving them, because I have been assured by the majority that they do not have any requests.

I will reserve them, but they keep talking.

Mr. WHITTEN. Mr. Speaker, I yield 1 minute to the gentleman from New York (Mr. BIAGGI).

Mr. BIAGGI. Mr. Speaker, I would like to pose a question to the distinguished gentleman from Mississippi, the chairman of the committee, regarding some of the funds provided to programs under the Older Americans Act in this bill.

As the gentleman knows, the House earlier this year passed legislation I authored, H.R. 2807, which raised authorization levels in the commodity distribution program under title III of the act by $5 million in fiscal 1982 and $16 million in fiscal 1983. This increase was necessary in order to increase funding for this program this year to avert cutbacks in the meals programs supported by the commodity program. I am pleased to note that the House bill reflected the need for added funds in this program. If this money is not provided to allow for States to be reimbursed 51.5 cents for each meal that they serve, major cutbacks in the meals program will have to be effected this year. Can the gentleman tell me if funds are included in the conference report for the commodity program?

Mr. WHITTEN. Mr. Speaker, will the gentleman yield?

Mr. BIAGGI. I yield to the gentleman from Mississippi.

Mr. WHITTEN. May I say to my colleague the $16 million for 1983 is included in the bill. The $5 million for 1982 was funded out of available funds by the Department.

Mr. BIAGGI. I thank the gentleman.

Mr. WHITTEN. Mr. Speaker, I yield such time as he may consume to the gentleman from Iowa (Mr. SMITH).

Mr. SMITH of Iowa. Mr. Speaker, 40 amendments were added to the Commerce, Justice, and State portion of the supplemental by the Senate. And I have been asked some questions about

three of four of these items that I want to mention very briefly.

The money for Project Democracy is not in the bill because it was not authorized.

The $152 million for repurchase of defaulted loans guaranteed by SBA is in the bill.

The money for replacing the Embassy in Lebanon, $22 million, is in the bill.

A number of Members were interested in trade adjustment assistance, $3.8 million is in the bill to take care of the increased pay cost requirements for ITA, and $5.1 million in carryover balances for the trade-adjustment-assistance program is earmarked in the statement of the managers to take care of some of the applications for this program that Members were interested in.

A total of $2 million is in the bill that will permit the continuation of FTC's 10 regional office structure.

A total of $1.65 million is in the bill for the SEC for increased pay costs and 33 additional positions, which some Members were interested in because of the increase in the SEC's activity.

I think this supplemental bill is very essential and I ask my colleagues to support the conference report.

● Mr. BOLAND. Mr. Speaker, chapter VI—the HUD-Independent Agencies Subcommittee's chapter—is noncontroversial. The chapter includes supplemental program appropriations totaling $280,680,000 in budget authority—an increase of $15 million above the budget estimates. We are also recommending that $1.6 billion of recaptured rent supplement and rental housing assistance authority be set aside for contract amendments for 33,700 State aided, noninsured housing units. The administration had proposed rescinding this authority. I will go into greater detail on that matter in a few minutes.

Let me now review briefly the conference agreements.

You may recall that funds for the 1983 assisted housing programs were included in the further continuing resolution enacted last December. The Department did not comply with the distribution of 1983 assisted housing funds as outlined in that conference report. As a result, the 1983 housing distribution table was included in the jobs bill as a statutory provision. However, having the table in law removes all flexibility in meeting changing needs.

Because of that problem, bill language is included under the annual contributions for assisted housing heading that will allow funds to be shifted between individual housing programs with the approval of the Committees on Appropriations. In addition to the general reprograming language, the conference agreement contains specific transfer language proposed by the Senate. This will provide for up to 6,000 units of loan management, up to an additional 7,000 units of property disposition, up to 900 units of section 8 new or substantial rehabilitation pursuant to a court order, up to 100 additional public housing units for conversion from section 23 assistance, and $245 million in budget authority for amendments for existing section 8 units. The cost of these additional units is approximately $1.2 billion.

Instead of giving HUD discretion as to which programs to reduce, the conferees made those decisions. Offsetting the increases, the bill language reduces the budget authority available for public housing interest rate adjustments by $340 million—section 23 conversions by $63,450,000, public housing amendments by $62 million and amendments for section 8 new construction and substantial rehabilitation by $198 million.

However, the offsetting items carried as decreases total only approximately $663 million. Therefore, language has also been included which permits the Department to make up the difference by the use of any recaptured funds exceeding $2.4 billion. The Department is to choose the order of priority for the additional funding.

Next, let me address the administration's rescission request for the rent supplement and rental housing assistance programs. This is a complicated proposal—but it is an action which both the House and Senate conferees believe is necessary at this time.

The administration, because of inadequate amendment funds, is converting units covered by the rent supplement and rental assistance payment programs to section 8 assistance. The Congress has provided section 8 funds to make the conversions for the past 4 years. However, despite directions to fund cost increases for State aided, noninsured projects, the Department has announced its intention not to do so. The conferees disagree with the administration's proposal regarding noninsured projects and are recommending a long-term solution to this problem. The recommendation permits the Department to continue converting insured rent supplement and rental housing assistance projects to section 8 assistance. However, instead of rescinding an estimated $1.6 billion, those funds will be reserved for contract amendments for an estimated 33,700 State aided, noninsured rent supplement and rental housing assistance units.

The State agencies would like to have 100 percent of the increased costs covered. However, the bill includes a long-term solution that provides for 90 percent of these increased costs to be funded with Federal funds. Although the State agencies believed that the Federal Government has an obligation to fund all the amendment costs—the conferees felt that that was simply not the case, In fact, the Department's general counsel has issued an opinion that there is no legal Federal responsibility to fund cost increases.

The bill, therefore, includes language covering 90 percent of the amendment costs because the noninsured projects belong to the States. This approach will insure that the States contribute at least 10 percent of the costs which, in turn, suggests that the State governments have some responsibility in this area. In view of the large Federal deficit it does not seem unreasonable to ask the States to contribute 10 percent of the cost increases on projects owned by the States. The only change from the original House language which passed in May is that the implementation date of the 90-percent provision is delayed until October 1, 1983, in order to provide an orderly transition to the cost-sharing stipulation.

The conference agreement also includes $5 billion of additional loan guarantee authority under the Federal Housing Administration mortgage insurance program. This will insure that as housing activity continues to escalate—sufficient authority is available for FHA mortgage commitments.

Language has also been included in the bill which amends section 203(h) of the National Housing Act by raising the amount insurable for mortgages on residences replacing residences destroyed by natural disasters from $14,400 to $67,500, more in high-cost areas. In view of the significant number of natural disasters occuring in the past 3 months throughout the Western States—this legislative change is critical.

The conferees agreed to $6 million for an urban renewal grant for the Kendall Square project. This grant will be the final funding for the project and fulfills a unique and long-standing Federal Government responsibility to finance the completion of the Kendall Square project.

The bill includes $9 million in supplemental funds for salaries and expenses of the Environmental Protection Agency. This amount includes $2 million to be transferred to the research and development account for establishing a hazardous waste management center to bring together technical, medical, and public policy experts in a modern research and educational facility. I believe that the establishment of a center for hazardous waste management is essential to solving the Nation's serious hazardous waste problems.

The conferees adopted highly technical language for the Consumer Information Center. The Senate added language setting up a fund to be de-

rived from appropriations, reimbursements, and fees that will be used to pay for activities of the Consumer Information Center—including those dealing with the cost of distributing consumer pamphlets to recipients.

The conferees reached agreement on several matters relating to the Veterans' Administration. A Senate amendment proposed transferring less than 2 acres of land from the National Park Service and the Forest Service to the Veterans' Administration for the Sitka National Cemetery. Frankly, I questioned why this legislation needed to be in an appropriations bill. However, the Senate conferees insisted on their amendment, with a technical modification.

The conference agreement also includes $180,168,000 for increased pay costs for the medical care appropriation and a provision regarding three integrated hospital system computer projects. The conferees were concerned that integrated hospital system (IHS) computer projects proposed for three VA medical centers were not proceeding forward. To address this concern and carry out the previously planned IHS projects, language earmarking $4,200,000 for this purpose from available fiscal year 1983 medical care funds has been included in the bill. The $4,200,000 is to be derived from the reprograming of funds that the VA is unable to obligate for the purposes planned. The VA has been unable to effectively obligate $4,200,000 of the $11,200,000 assumed for the contractual component of the psychological readjustment counseling program. It is not intended that funding for the IHS projects be derived from decentralized hospital computer program moneys.

The $4,200,000 together with sufficient fiscal year 1984 moneys, estimated to be $6,300,000, will be made available to fully fund the three IHS projects at Philadelphia, Pa.; Saginaw, Mich.; and Big Spring, Tex. It is expected the the contracts for these multiyear pilot projects will be awarded by February 1, 1984.

Finally, in accordance with the conference agreement on the 1983 HUD-Independent Agencies Appropriation Act, this bill includes the requested amounts of $254 million for the replacement hospital at Minneapolis and $9,400,000 for the clinical addition project at Cleveland. While the funding for these two projects is requested in the 1984 budget, the conferees believe that construction funding should be provided at this time in order that construction can begin on the hospitals during the 1983 construction season.●

● Mr. FAZIO. Mr. Speaker, this conference report includes funds to restore the structural integrity of the west central front of the Capitol. The House had approved $49 million; the Senate approved $48 million. The conferees agreed to the $49 million with specific reference to including funds to repair and replace the old terrace courtyard walls. However, the funding level, $49 million may well not be enough to do the work properly. Our best estimate, developed by competent and experienced architectural and engineering consultants after more than 1 year of extensive study and after the development of detailed working drawings, was $66 million. In order to be sure the job is done thoroughly and to assure sufficient resources, that is the amount that should be appropriated.

The fact that insufficient funds will be available will likely result in the necessity to appropriate additional amounts in the future. In their ardor, the opponents of the west front extension, including the American Institute of Architects, forced this arbitrary reduction in order to make the debate between extension and restoration into an economic issue. Although the AIA did not share with us the details of this revised estimate, we have to assume it comports with the actions of the Senate subcommittee in marking up the restoration proposal. We have been able to remedy one defect. Among the obvious deficiencies of the arbitrary reduction was that of the old courtyard walls. The cost for their repair had been eliminated by the Senate and has been restored in conference in order to retain the earth that forms the footings and foundation area for the main north and south original wings.

Other inadequacies remain unresolved. The reduction in the contingency percentage of 35 percent, recommended by the consultants as typical and prudent for a project of this nature, is another weakness in the last minute estimate. For example, the consultants estimated that only 5 percent of the sandstone in the west front wall will have to be repaired or replaced. However, if there should be a need to repair or replace just 10 percent of the stone—not an unlikely possibility—the cost of doing that work will increase from $7,281,534 to $14,563,068, using escalated figures. The cost difference of $7,281,534 would almost exhaust the remaining contingency amount of $8,355,077.

In addition, there will be delays resulting from noisy and potentially disruptive work having to be accomplished outside of regular working hours, in order not to interfere with legislative activities in the Capitol. That is a common experience in construction and renovation work in the area of the Capitol and was provided for in the more carefully developed cost estimates of the consulting engineers and had been incorporated in the official $66 million estimate.

Furthermore, although the terrace walkways are not necessarily a part of the wall project, they are unarguably in need of restoration and should be repaired concurrently with the wall project so that the entire west front is completed over a relatively short period of time and with minimum future disruption to its use and enjoyment by all. But the funds to restore the terraces were eliminated by the AIA-backed House amendment and the Senate provision—a fact, I believe, that most Members were not aware of.

Mr. Speaker, early this year my subcommittee began the move to resolve the west front issue. Mr. LEWIS, the ranking minority member, and I urged the Commission to act and committed ourselves to taking the necessary appropriation action. We felt the situation had gone too long without resolution and I am proud that we have accomplished the primary objective.

In short, Mr. Speaker, whereas I am pleased that the Congress has finally acted on the west central front issue, I believe we have cut too many corners. The Capitol Building is a national treasure and we should be prudent and realistic in appropriating the funds needed to properly restore it. Instead, what we have here is a situation where the extension proponents may well have low balled the estimate. If additional funds are required in the future to finish the job, I hope we find support among those who have sold us this restoration at a discount price.

AMENDMENT NO. 153—CONTRACT PROVISIONS

The Senate added language to the bill—which is a portion of amendment 153—regarding vendor contracts with the House and Senate. Under current law, if a vendor wishes to provide a discount or special terms and conditions on a product or service, he must offer that discount or terms and conditions to every agency of the Government.

The language exempts House and Senate transactions from that provision.

Now there are many cases where suppliers and GSA have negotiated so-called schedule contracts for items—which saves a great deal of administrative time and saves the Government and industry a great deal of money each year.

If a House or Senate office has a need for a special device—whether in a routine or experimental application—it is not able to accept a discount or slightly different terms and conditions—even if warranted under the circumstances—without potentially forcing a complete adjustment in the highly detailed scheduled contracts or in the vendor's normal price line.

This is an unnecessary burden for both industry and Government. It also works a great disadvantage to House and Senate offices who do not have an elaborate procurement bureaucracy at their disposal as does the executive branch.

We agreed to the Senate provision in conference because it makes good business sense.

AMENDMENT NO. 158—HONORARIA INCOME

The House receded to the Senate in the matter of honoraria income and an increase in the salaries of Senators.

We had an honoraria limitation—30 percent of a Member's salary—in the bill sent to the Senate. The House language was added when the full Appropriations Committee considered and reported H.R. 3069 to the House.

The Senate adopted a similar 30-percent limit which will become effective on January 1, 1984. While not a word-for-word copy of the language in the House bill—which had been patterned after the honoraria limitations which have applied to all Members of the House for many years in rule XLVII—the effects are almost identical.

Very simply, beginning January 1, 1984, all Members of Congress will be covered by a limit on their income from honoraria of 30 percent of their congressional salaries.

For Members of the House this represents no change at all. They have been covered by an honorarium limitation all along.

For Members of the Senate, they have not been covered by any limitation—but now will be.

I think that restores a sense of equity to congressional compensation and eliminates the potential for serious abuse of our public trust.

The language also lifts the limitation as the salaries of Members of the other body. Henceforth, Members of both bodies will now make the same salaries—which is as it should be.

AMENDMENT NO. 159—CHARITABLE CONTRIBUTIONS

The Senate added this language in a floor amendment. The language amends the Federal Elections Campaign Act at 2 U.S.C. 441i(b) to define the conditions upon which a charitable contribution can be made without being counted in the $2,000 limitation on honoraria imposed by the act.

Under current law, a Government official has to undertake a very elaborate procedure whereby five charities are designated, and the sponsoring organization actually makes the payment. We are told that frequently the sponsors do not complete the paperwork, or that the Government official or Member is not advised of the actual payment for tax purposes.

We are just simplifying the procedure in this amendment. Henceforth, in applying the $2,000 test under 2 U.S.C. 441i(b), the official may make direct payment to the charity. This will facilitate the paperwork and make it easier to maintain our records for financial disclosure.●

● Mr. YATES. Mr. Speaker, chapter VII includes several matters which posed a number of difficult problems. First is the issue of the strategic petroleum reserve. At the insistence of the administration, the managers reluctantly have recommended no funds in this bill for further construction of the Big Hill, Tex., permanent storage site. The conferees, after lengthy deliberation, agreed to delete the appropriation for the construction of phase III to avoid the consequences of a threatened veto. The administration has committed in writing to submit a budget request for further construction at Big Hill in fiscal year 1985. The fill rate for the reserve remains at 220,000 barrels per day in fiscal year 1983 and the managers reaffirmed the Congress resolve to maintain this fill rate.

Coal leasing, another important energy concern, is also a major component of this chapter. The managers have agreed that the Secretary shall appoint a commission to review the Department's coal-leasing procedures to insure fair market value and that they shall make their recommendation within 6 months after enactment of this act.

The Secretary is reported to have asked David Linowes and Elmer Staats, members of the former Linowes Commission on Royalty Management to serve on the Commission. It is the expectation that people of similar caliber exemplifying independence and expertise will be selected. It is also the expectation that the Commission will make clear any problems with the coal program stemming from deficiencies in the authorizing legislation; review the methodology for estimating fair market value; determine the impact of competition on achieving fair market value; review the procedures for evaluating tracts to reflect regional differences in coal and establishing cents per ton minimums on a regional basis; determining if presale planning procedures are adequate; and of equal importance, holding public hearings on proposed lease sales.

We reluctantly yielded to the Senate on a moratorium on coal leasing since it appears that the Fort Union coal lease sale scheduled by the Secretary of Interior has slipped and will probably not occur in fiscal year 1983. In addition we considered the threat of a veto which would have a nationwide impact since items such as food stamps and funds for payment of salaries are contained within this bill. We are resolved to bring the proposed moratorium back in the appropriation bill for fiscal year 1984 because we believe so strongly that it is the course of action which must be taken if we are to protect the American public against giveaway coal-leasing practices and assure fair value to the American people for their resources.

In respect to land acquisition, this chapter contains partial compensation for the legislative taking in 1978 in Redwoods National Park. The money is to be allocated to the three major timber owners according to the distribution formula agreed to by the owners and the court. Language has also been added that requires the National Park Service to order an update of the appraisal of Sweeney Ridge within 30 days and to begin good-faith negotiations with the owners of that tract in the Golden Gate National Recreation Area within 30 days after the updated appraisal is approved by the service.

In this bill we have yielded to the Senate on many occasions in order to effect a timely bill that does not jeopardize meeting the needs of the people by being vetoed. However, there is one issue where we did not agree. That is the Cumberland Gap Tunnel. We did not agree with the Senate in adding $14 million in liquidating cash to finance engineering, roadway and bridge access, and pilot tunnel boring for Cumberland Gap National Historic Park. This funding is the tip of the iceberg on a $125 million project. I am, therefore, requesting of my colleagues in the House their support for this disagreement.

Mr. Speaker, I recommend that the conference report, and this specific chapter, be agreed to.●

● Mr. LEHMAN of Florida. Mr. Speaker, at the appropriate time a preferential motion will be offered on amendment 169, which is in true disagreement, to recede and concur in the Senate amendment. This is a change in the position the House conferees first agreed to on July 19, which is necessitated by changed circumstances.

Originally, the House conferees chose to bring this Senate amendment which appropriates $5 million for design and engineering work to replace the Talmadge Bridge in Savannah, Ga., back to the House floor in true disagreement. We took this action based on the objections of the House authorizing committee chairman, Mr. HOWARD, and the Senate authorizing committee chairman, Senator STAFFORD. Since that time, the gentleman from Georgia (Mr. THOMAS) has brought to our attention the fact that, on July 23 a cargo boom from a ship passing under this bridge struck the primary support beam on its center span causing the bridge to be closed for at least 3 months. We are advised that the total collapse of this bridge was only narrowly averted.

Due to these changed circumstances, the chairman of the House authorizing committee, Mr. HOWARD, has notified the committee that he has withdrawn his objection to inclusion of this provision in the bill. Similarly, as chairman of the Transportation Appropriations Subcommittee, I feel that, in light of these changed circum-

stances, the House should recede and concur in the Senate amendment.

As a point of clarification, the Senate amendment appropriates $5 million from the general fund for planning and engineering work only. This appropriation is not intended to distort any priorities that have been established with respect to projects funded under section 144 of title 23.

Finally, I want to commend the gentleman from Georgia (Mr. THOMAS) for the outstanding work he did in educating the members of the committee on the need for this appropriation. He was highly effective in covering the necessary bases. I doubt if this project would have made it this far without his diligence.●

● Mr. McDADE. Mr. Speaker, I rise in support of the conference report to H.R. 3069 making supplemental appropriations for fiscal year 1983 and to urge its adoption by this House.

The Interior chapter contains a provision that is particularly critical to the citizens of the entire east coast of the United States and especially the residents of northeastern Pennsylvania. It provides a framework that will allow us to save lives and save jobs in the area adjacent to and including the Delaware Water Gap National Recreation Area. It represents a light at the end of the tunnel for both the residents along Route 209 and the people who must, for work or for pleasure, cross highway 209 through the park. It is an integral part of the entire stream of commerce that passes from New England through the Middle Atlantic States to the south and west.

I would be remiss if I did not thank the Senator from New York, Senator D'AMATO, the Senator from Idaho, Senator MCCLURE, the Senator from Oregon, Senator HATFIELD, the Senator from West Virginia, Senator BYRD, the Senator from Kentucky, Senator HUDDLESTON, and my own chairman of the Interior Subcommittee the gentleman from Illinois (Mr. YATES) along with all of the House conferees for their support and their willingness to hear the pleas of my constituent for relief from the Route 209 problem.

Mr. Speaker, the conferees did agree to apply an immediate ban on all through trucks except those trucks in the three counties of Monroe, Pike, and Northampton adjoining the Delaware Water Gap National Recreation Area. Those trucks will be given access to the road paying a toll, receipts from which will be retained by the National Park Service for permanent maintenance and safety improvement along the highway. The ban on through trucks will take effect immediately upon enactment of the supplemental and will terminate on December 31 of this year, absent other actions. The tolls meanwhile will continue in place for maximum of 10 years. It is the expectation of all of us that should construction begin on a permanent alternative to Route 209 those tolls would terminate much before that.

Meanwhile, the legislation authorizes the creation of a three-State, five-member Commission to be called by the Secretary of the Interior consisting of Secretary Watt, Transportation Secretary Dole, and the Governors of Pennsylvania, New Jersey and New York. The Commission will be established within 15 days and within 90 days that Commission will report back to Congress on a permanent solution to the Route 209 traffic problem. In shaping that solution the Commission will look very hard, not only at the best way to clean up Route 209, but will also explore the consequences of truck bans on the smaller roads of all three States. Should the Commission find that a new through route linking the interstate is necessary this legislation provides the authority and the financial assistance necessary to build that road. The Commission is on a tight schedule. Its creation insures that all three States will meet at highest levels, something they have never done before, to grapple with the Route 209 problem head on. The National Park Service, because it has a road to manage and park to run, has a tremendously vital stake in the outcome of the Commission deliberations as well.

Mr. Speaker, the residents of northeastern Pennsylvania have waited for nearly two decades for a solution to the Route 209 dilemma. Regrettably Route 209 has become something for which it was never intended when built—a link between two major interstates—Route 80 on the south and Route 84 on the north. Winding through both Pennsylvania and New York, U.S. Route 209 was originally built as a small farm road to enable trucks to get to market. This was long before the advent of the Delaware Water Gap National Recreation Area.

Because of delays in completing the Interstate System in northeastern Pennsylvania, especially delays in completing Interstate 84, trucks from the south and west were forced onto Route 209 as the quick, easy way to avoid New England. The problem and the resulting confusion was aggravated by the heavyhanded presence of the Federal Government and the endless turmoil that surrounded the creation of the Delaware Water Gap National Recreation Area. Land was being acquired to create a park whose overall design and scope was still subject to violent debate and legislative challenge. The terrible problems of Route 209 were caught up in a wave of redtape and bureaucratic confusion. All the while lives were threatened daily. Unfortunately, even after the completion of Route 84 the trucks did not leave Route 209, staying in droves until this 35-foot highway was carrying 10,000 vehicles per day, 3,000 of which were large trucks. Mingled with schoolbuses, tourists to the park, and resort goers, the traffic situation became unbearable.

In 1972, I held a meeting in my office to try to bring all the affected parties together to find a common ground for attacking the Route 209 problem. At this time the Army Corps of Engineers proposed construction of the Tocks Island Dam creating a 37-mile square lake in the middle of the park. This would provide a possible solution to the Route 209 problem since the legislation authorizing the Tocks Dam would have to relocate Route 209 over the mountain and west of the park. At that meeting the Federal Highway Administration, the Commonwealth of Pennsylvania, representative of local counties adjacent to Route 209, and the National Park Service all agreed that a relocated Route 209 should be pursued.

The Corps of Engineers would acquire the land, complete the design, and complete the environmental review for a new four-lane highway linking the Interstates 80 with 84 around the western boundary of the park. But the authority to relocate Route 209 contained in the Tocks Dam authorization allowed the corps to construct two lanes only. The Commonwealth of Pennsylvania would then construct the two outside lanes of the four-lane highway and the necessary interchanges. Congress even went so far as to provide, at my request, an initial payment of $5 million to begin the process.

Regrettably, the Commonwealth of Pennsylvania reneged on its promises, a rejection based upon the lack of construction funds. This rejection left us with funds and authority for a two-lane highway around the edge of the park. However building a two-lane highway around the park was not the answer. It would not have solved the Route 209 traffic problem. It simply would have moved it over the mountain. There would be a new two-lane road carrying too many trucks depositing them 23 miles down Route 209 at the park's edge. Instead of solving the problem, we were making it worse. A new course had to be charted.

It was then decided that the Commonwealth of Pennsylvania would deed Route 209 to the National Park Service. The Park Service, faced with an unsafe highway cutting through the park, stipulated that they would accept title to the highway only if they could be allowed to manage it properly and if funds were provided for necessary safety improvements. It took 2 years to secure a unanimous act of the Pennsylvania Legislature to achieve but the legislation passed and was signed by the Governor.

One final hurdle remained. A complete truck ban in accordance with ex-

isting regulations would have led to the direct loss of at least 1,000 verifiable jobs in the northeastern regions of the State. The legislation contained in the conference report gives the relief necessary to allow those people the opportunity to live and work in the region near the park. It is a reasonable approach for the through-truck access around the park on the Interstate System remains available. For the local trucks, a reasonable amount of access is guaranteed.

Throughout the entire debate over what to do with this highway, several things have become clear. First, that this 23-mile segment of road is far too small, far too unsafe, far too inadequate to handle a 3,000-vehicle volume per day load. It is also apparent that seldom in the history of this Nation has there been such confusion of responsibility as to who should take the initiative and try to solve a highway problem. Route 209 has become an unintended consequence of delays in completion of the interstate and delays surrounding the creation of the park, with big trucks and small schoolbuses blending together in a witch's brew that threatens lives. For the Congress to step in and act to save lives is proof that the peoples branch of Government, on welcome occasions, does overcome adversity.

With the legislation herein Congress is going fully and forcefully on record that Route 209 in northeastern Pennsylvania is a vital link in interstate commerce. The Congress has found that Route 209 as presently constructed constitutes an inherent and critical public safety problem resulting from excessive interstate truck traffic. The Congress has further found that such unlimited truck traffic seriously affects the public health of and safety of citizens in the United States. The Congress has found that such unlimited truck passage must be limited in the public interest and under the authority of its inherent power to regulate commerce and such other powers as may be available and in recognition of the current emergency on Route 209, the legislation contained in this bill has been agreed upon.

This language is, in my judgment, the way to proceed. It is a compromise. Yet we did not compromise with people's lives. What we did do was to give the impacted States the chance to devise a permanent solution to this problem. What we did was draw the framework for that solution; 90 to 95 percent of these big trucks will come off Route 209 now. Those who remain will have access that will alleviate their economic difficulties. The National Park Service will accomplish these goals through revisions in their regulations.

It was the conferees clear intention that the availability of funding not be a barrier to the ability of the three States to come up with a permanent solution. The report includes the House provision providing 90 percent trust fund money and another 10 percent from general revenues to facilitate construction. It is to be hoped that this will serve as a further incentive to help the three States arrive at a long-term solution. I hope my friends on both sides of the aisle can support this compromise and support this conference report.●

Mr. WHITTEN. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the conference report.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. FRENZEL. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 257, nays 133, answered "present" 1, not voting 42, as follows:

[Roll No. 288]

YEAS—257

Ackerman	Early	Kastenmeier
Akaka	Eckart	Kazen
Albosta	Edgar	Kemp
Andrews (NC)	Edwards (AL)	Kennelly
Andrews (TX)	Edwards (CA)	Kildee
Barnes	Edwards (OK)	Kogovsek
Bates	English	Kolter
Bedell	Erdreich	Kostmayer
Beilenson	Evans (IA)	LaFalce
Berman	Evans (IL)	Lantos
Bevill	Fascell	Leach
Biaggi	Fazio	Lehman (CA)
Bliley	Ferraro	Lehman (FL)
Boehlert	Fiedler	Leland
Boggs	Florio	Lent
Boland	Foglietta	Levin
Boner	Ford (MI)	Levine
Bonker	Ford (TN)	Levitas
Borski	Fowler	Lewis (FL)
Bosco	Frank	Lipinski
Boucher	Frost	Lloyd
Britt	Fuqua	Long (LA)
Brooks	Garcia	Long (MD)
Brown (CA)	Gaydos	Lowry (WA)
Bryant	Gejdenson	Luken
Byron	Gephardt	Lundine
Carney	Gibbons	Markey
Carper	Gilman	Martin (NY)
Chappell	Glickman	Martinez
Clarke	Gonzalez	Matsui
Clay	Gore	Mavroules
Clinger	Gradison	Mazzoli
Coelho	Gray	McCloskey
Coleman (MO)	Green	McCurdy
Coleman (TX)	Guarini	McGrath
Collins	Hall (IN)	McHugh
Conte	Hall, Ralph	McKernan
Cooper	Hall, Sam	McNulty
Coughlin	Hamilton	Mica
Coyne	Hammerschmidt	Michel
D'Amours	Hance	Miller (CA)
Daschle	Harkin	Mineta
Davis	Harrison	Minish
de la Garza	Hatcher	Mitchell
Derrick	Hefner	Moakley
Dickinson	Hightower	Mollohan
Dingell	Hillis	Morrison (CT)
Dixon	Horton	Murphy
Donnelly	Howard	Murtha
Downey	Hoyer	Myers
Duncan	Huckaby	Natcher
Durbin	Hughes	Nelson
Dwyer	Jeffords	Nichols
Dymally	Johnson	Nowak
Dyson	Kaptur	O'Brien
Oakar	Roybal	Synar
Oberstar	Rudd	Tallon
Obey	Russo	Thomas (CA)
Ortiz	Sabo	Thomas (GA)
Owens	Savage	Torres
Packard	Scheuer	Torricelli
Panetta	Schneider	Towns
Parris	Schroeder	Traxler
Patterson	Schumer	Udall
Pease	Seiberling	Valentine
Penny	Shannon	Vento
Pepper	Sikorski	Vucanovich
Perkins	Simon	Watkins
Pickle	Sisisky	Weiss
Porter	Skelton	Wheat
Price	Smith (FL)	Whitley
Quillen	Smith (IA)	Whitten
Rahall	Smith (NE)	Williams (OH)
Rangel	Smith (NJ)	Wilson
Ratchford	Smith, Robert	Winn
Regula	Snowe	Wirth
Reid	Snyder	Wise
Richardson	Spratt	Wolf
Ridge	St Germain	Wolpe
Rinaldo	Staggers	Wortley
Rodino	Stark	Wright
Rogers	Stokes	Yates
Rose	Stratton	Yatron
Rostenkowski	Studds	Young (FL)
Roukema	Sundquist	Zablocki
Rowland	Swift	

NAYS—133

Anderson	Gregg	Oxley
Applegate	Gunderson	Pashayan
Archer	Hansen (ID)	Patman
AuCoin	Hansen (UT)	Paul
Badham	Hartnett	Petri
Barnard	Hertel	Pritchard
Bartlett	Hiler	Pursell
Bateman	Holt	Ray
Bennett	Hopkins	Ritter
Bereuter	Hubbard	Roberts
Bethune	Hunter	Robinson
Bilirakis	Hutto	Roemer
Boxer	Jacobs	Roth
Breaux	Jones (OK)	Sawyer
Broomfield	Kasich	Schaefer
Brown (CO)	Kindness	Schulze
Broyhill	Kramer	Sensenbrenner
Burton (IN)	Lagomarsino	Sharp
Campbell	Latta	Shaw
Chandler	Leath	Shelby
Cheney	Lewis (CA)	Shumway
Coats	Livingston	Shuster
Conable	Loeffler	Siljander
Corcoran	Lott	Skeen
Courter	Lowery (CA)	Slattery
Craig	Lujan	Smith, Denny
Crane, Daniel	Lungren	Solomon
Crane, Philip	Mack	Spence
Daniel	MacKay	Stangeland
Dannemeyer	Madigan	Stenholm
Daub	Marlenee	Stump
Dellums	Marriott	Tauke
DeWine	Martin (IL)	Tauzin
Dorgan	McCain	Taylor
Dreier	McCandless	Vandergriff
Emerson	McCollum	Volkmer
Erlenborn	McDonald	Walgren
Feighan	McEwen	Walker
Fields	Miller (OH)	Weaver
Franklin	Moore	Weber
Frenzel	Moorhead	Williams (MT)
Gekas	Morrison (WA)	Wyden
Gingrich	Mrazek	Zschau
Goodling	Nielson	
Gramm	Olin	

ANSWERED "PRESENT"—1

Burton (CA)

NOT VOTING—42

Addabbo	Foley	Molinari
Alexander	Forsythe	Montgomery
Annunzio	Hall (OH)	Moody
Anthony	Hawkins	Neal
Aspin	Heftel	Ottinger
Bonior	Hyde	Roe
Carr	Ireland	Solarz
Chappie	Jenkins	Vander Jagt
Conyers	Jones (NC)	Waxman
Crockett	Jones (TN)	Whitehurst
Dicks	Martin (NC)	Whittaker
Dowdy	McDade	Wylie
Fish	McKinney	Young (AK)
Flippo	Mikulski	Young (MO)

□ 2240

Messrs. NIELSON of Utah, WILLIAMS of Montana, HUTTO, WYDEN, and HERTEL of Michigan changed their votes from "yea" to "nay."

Mr. GLICKMAN changed his vote from "nay" to "yea."

So the conference report was agreed to.

The result of the vote was announced as above recorded.

EXPLANATION FOR MISSED VOTES

Mr. GILMAN. Mr. Speaker, I was unavoidably detained earlier today, and was unable to cast my vote on House Resolution 267, relating to activities of the Committee on Standards of Official Conduct and the vote on the conference report to H.R. 2973. Had I been present, I would have voted "aye" on House Resolution 267, and "aye" on the vote on the conference report to H.R. 2973, to repeal withholding on interest and dividends and the report on the Caribbean Basin Initiative.

IRREGULARITIES IN PIK PROGRAM

(Mr. MRAZEK asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. MRAZEK. Mr. Speaker, a front page story in today's Washington Post details blatant irregularities in the Department of Agriculture's payment-in-kind program, including a $214,000 windfall in free cotton for the program's administrator, Everett G. (Bud) Rank, Jr.

The story goes on to detail how major conglomerates such as Tenneco, Shell Oil, Chevron USA and others stand to receive millions of dollars in free cotton through the PIK program. At the other end of the spectrum, the small farmer who needs help most desperately during these hard times for agriculture in our country is, not surprisingly, benefiting the least from PIK.

Mr. Speaker, these allegations lend strong support to the notion that we in this body bought ourselves a pig in a poke when the House gave recent approval to the PIK program. As in the case of tobacco subsidies, and peanut subsidies, and a lot of other programs to benefit the few, we are seeing the results of this stupidity in Mr. Rank's bulging coffers.

At a time of $200 billion deficits which threaten to choke off the limited economic recovery we have realized by forcing interest rates back up, I need not impress upon my colleagues the overwhelming necessity incumbent upon us to choose our priorities wisely for the expenditure of Federal dollars. As in all other spheres, subsidies to the truly needy among our farmers can be justified when net farm income, adjusted for inflation, has just hit its lowest ebb since the Great Depression. I would suggest that Bud Rank and Big Oil do not qualify as truly needy.

Mr. Speaker, it could well be that an agonizing reappraisal is in order with respect to the PIK program.

The following article was submitted for the RECORD.

[From the Washington Post, July 28, 1983]

AGRIBUSINESS WINDFALL: CONGLOMERATES TO REAP MILLIONS FROM PIK

(By Ward Sinclair)

FRESNO, CALIF.—Dozens of big farms in the San Joaquin Valley, some owned by such conglomerates as Bangor Punta, Tenneco, Chevron USA, Shell Oil and Superior Oil, will receive millions of dollars worth of free cotton through the Reagan administration's payment-in-kind (PIK) program.

In Fresno, Kings, Kern and Tulare counties, nearly 50 farms will receive cotton worth $1 million or more each, according to Department of Agriculture records at county offices of the Agriculture Stabilization and Conservation Service. They also show that dozens of smaller farms in the four counties will receive free cotton worth more than $500,000 through the federal program.

Among the beneficiaries is Everett G. (Bud) Rank, Jr., chief administrator of the PIK program and head of the Agriculture Department's Stabilization and Conservation Service since 1981. He and four partners in a Fresno County operation, Cinco Farms, will receive 1.3 million pounds of cotton, worth slightly more than $1 million, in return for idling their entire cotton base of 2,163 acres.

The PIK program will give farmers amounts of free cotton, wheat, corn and rice in return for not planting all or part of their 1983 crop. It is intended to reduce market-depressing surpluses and increase farm prices. Last year, net farm income, adjusted for inflation, hit its lowest mark since the Depression.

But PIK is coming under increasing fire in Congress and across the farm belt. Critics, charging that the program is too generous, estimate that it will cost taxpayers $12 billion or more and claim that it undermines farm-supply companies and gives outsized benefits to big farmers, who in many instances need help the least.

Rank, in a meeting with farmers here last week, touched on these issues. He said farm program costs are becoming "kind of embarrassing" and are "bleeding the taxpayer."

"Being from California, our philosophy is for a market-oriented agriculture," Rank said. "We can't expect the American taxpayer to keep subsidizing agriculture. . . . The American taxpayer at some point is going to say 'that's enough'. . . . We farmers bitch about welfare and we all have our hands out. You have to relaize the taxpayers are not going to guarantee your profit."

Willoughby Houk, a rancher near the community of Firebaugh who idled 91 acres and stands to get only 98 bales of free cotton, said, "The rich just get richer in this program. They never should have waived that $50,000 limit on federal payments to individual farmers."

As PIK was being designed late last year, Secretary of Agriculture John R. Block insisted that the program would not work unless it was open to all farmers. He argued that it would not attract enough participants if a congressionally imposed limit of $50,000 on federal aid payments to individual farmers was left in place.

The Agriculture Department, which failed to win congressional authorization for the PIK with a waiver of the payment limitation, went ahead on its own. Government lawyers reasoned that the $50,000 limit would not apply because farmers would be given a commodity rather than cash.

That decision has turned out to be a boon for many of the country's largest grain and cotton farmers. In the four major cotton-growing counties of the San Joaquin Valley, 503,479 acres—two of every five eligible acres—have been enrolled in the program.

In this valley, where farmers traditionally have been harsh critics of federal agricultural support programs, yet have been quick to take advantage of them, there is an additional dimension to benefits from Washington.

Federally subsidized irrigation water available to many farmers here at a fraction of its real cost has contributed to extraordinary cotton yields from a desert landscape that otherwise would produce little. Farmers from this area mounted a major lobbying effort to persuade Congress to retain their water subsidies in last year's revision of the Reclamation Act of 1902.

The large PIK payments to the valley's farmers are based on these high yields, which range between two and three bales per acre of high-demand, top-quality cotton, compared with one bale per acre for the typical dry-land farmer in the South and Southeast.

They also are getting another break in the PIK program. Because of the cost of irrigation water here, they have been exempted from the program's requirement to plant their idled fields with cover crops to prevent erosion.

The Agriculture Department also is permitting farmers here to use a "skip-row" cropping technique that will enhance yields further by alternating planted strips of land with idled strips, thus creating more "outside" rows that get more full sunlight. Some farmers in the valley also are being allowed to plant grapevines on idled land if they intend to give up cotton as a crop.

Some of the biggest recipients of PIK cotton here also cashed in handsomely in 1979 when the federal government paid millions of dollars in low-yield disaster payments to cotton farmers stricken by drought the previous year.

One such operation is South Lake Farms, owned by Producers Cotton Oil Co., a subsidiary of the Bangor Punta Corp., a Connecticut-based conglomerate that makes airplanes, boats, firearms, sporting goods and other industrial products. South Lake Farms, in Kings County, received $1 million in diaster aid in 1979. This year it will get at least 4,524,329 pounds of PIK cotton, worth about $3.6 million, according to the Government records.

Producers Cotton Oil Co. President Gerald Brewer, who is also president of the National Cotton Council, refused to divulge details of his company's participation in PIK, although he said that the company has farms "in two or three counties." Producers Vice President Sid Cox refused to identify the counties or to name the farms, then hang up the telephone.

South Lake is only one of a number of conglomerate-owned farming operations

that will benefit from the cotton portion of PIK.

In Kern County, Belridge Farms, an affiliate of Shell Oil, is due to get 3.1 million pounds of cotton, worth about $2.5 million, plus 37,000 bushels of free Federal wheat, worth about $150,000, through another part of the PIK program.

In Kern and Tulare counties, farming subsidiaries of Tenneco West, an arm of the Houston-based Tenneco oil and gas multinational, will get slightly more than 2 million pounds of cotton, with a current resale value of about $1.7 million.

Chevron USA, although not directly involved in farming, will cash in on PIK through its ownership of extensive agricultural land put in to the program by farmers who operate on leases.

At least nine of these operations in Kern, Fresno and Kings counties will give Chevron more than 502,000 pounds of cotton, with a value of at least $401,000, as its share from the PIK program. Chevron also stands to get at least 2,346 bushels of PIK-program wheat from two of its Kern lease operations.

In Tulare County, the Superior Farming Co., a subsidiary of Superior Oil, will get 222,707 pounds of cotton through PIK, while the Standard Oil Co., operator of another farm, will receive 43,641 pounds of cotton.

Farmers in Fresno County, the richest agricultural county in the world, stand to get 73.2 million pounds of PIK cotton, with 26 of the growers receiving more than 1 million pounds each. Many of them are in the Westlands Water District, a 600,000-acre federally irrigated zone where farms of 1,000 acres and more with high yields are common.

Westlands farmers, represented by a phalanx of Washington and California lawyers, lobbied Congress to rewrite in 1902 reclamation law in ways that would protect their large holdings and their access to the cheap Federal water.

Federal district and appellate courts had held that the 1902 law limiting an individual to 160 acres of federally irrigated land and requiring owners to reside on the land, had been violated on a wholesale basis in Westlands. The 1982 revision of the law will increase water rates in Westlands, but it wiped out the tight restrictions on farm size and residency.

The biggest PIK recipients from Fresno County include Hillside Farms, owned by Steven H. Hall, and El Dorado Farms, operated by Yataro and Isamu Minami, with more than 4.6 million pounds of cotton each. Harris Farms, operated in Westlands by John Harris, will get 3.4 million pounds.

The largest individual PIK recipient in the valley apparently will be C. J. Ritchie Farms in Tulare County, which is scheduled to get 4,798,862 pounds with a market value of $3.8 million.

Don Jackson, who operates alone and in partnerships on about 25,000 acres in Kings and Tulare counties, according to government records, will get about 3.5 million pounds of cotton, which could be resold today for more than $2.8 million.

Jackson said in an interview that he had no qualms about accepting federal aid because he felt that federal farm policies were the root of his and other farmers' economic troubles.

"They're helping us out of something they got us into." Jackson said. "It is a salvation for farmers across the United States. There would be wholesale bankruptcies without it . . . The government uses food as a big hammer over the markets. The whole concept of federal support levels is wrong . . . If they kept their hands off, we would be okay."

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. PICKLE, in connection with the bill H.R. 2973, the Caribbean Basin Initiative.

SENATE JOINT RESOLUTIONS REFERRED

Joint resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S.J. Res. 116. Joint resolution to designate the week of September 4, 1983, through September 10, 1983, as "Youth of America Week"; to the Committee on Post Office and Civil Service.

S.J. Res. 131. Joint resolution designating "National Cystic Fibrosis Week"; to the Committee on Post Office and Civil Service.

ADJOURNMENT

Mr. MURTHA. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 11 o'clock and 45 minutes p.m.) the House adjourned until tomorrow, Friday, July 29, 1983, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1634. A letter from the Deputy Assistant Secretary (Logistics and Communications), transmitting notice of the Air Force's decision to convert to contractor performance the mess attendant function at Loring Air Force Base, Maine, pursuant to section 502(b) of Public Law 96-342; to the Committee on Armed Services.

1635. A letter from the Principal Deputy Assistant Secretary of the Navy (Shipbuilding and Logistics), transmitting notice of the Navy's decision to convert to contractor performance the food services function at the Naval Regional Medical Center, Charleston, S.C., pursuant to section 502(b) of Public Law 96-342; to the Committee on Armed Services.

1636. A letter from the Director, Information Security Oversight Office, General Services Administration, transmitting an information copy of that Office's annual report to the President for fiscal year 1982; to the Committee on Government Operations.

1637. A letter from the Assistant Attorney General, Office of Legislative Affairs, Department of Justice, transmitting a draft of proposed legislation to amend certain provisions applicable to compensation for the overtime inspectional service of employees of the U.S. Customs Service and Immigration and Naturalization Service, and for other purposes; jointly, to the Committees on the Judiciary and Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. PERKINS: Committee on Education and Labor. Report pursuant to section 302(b) of the Congressional Budget Act of 1974 (Rept. No. 98-326). Referred to the Committee of the Whole House on the State of the Union.

Mr. JONES of North Carolina: Committee on Merchant Marine and Fisheries. H.R. 1256. A bill to amend title 14, United States Code, to provide for selective preappointment travel to the Coast Guard Academy for cadet applicants; with amendments (Rept. No. 98-327). Referred to the Committee of the Whole House on the State of the Union.

Mr. ROSTENKOWSKI: Committee on Ways and Means H.R. 3409. A bill to amend the Federal Supplemental Compensation Act of 1982 with respect to the number of weeks of benefits paid in any State; with an amendment (Rept. No. 98-328). Referred to the Committee of the whole House on the State of the Union.

Mr. HAWKINS: Committee on House Administration. House Joint Resolution 297. Joint resolution providing for appointment of Jeannine Smith Clark as a citizen regent of the Board of Regents of the Smithsonian Institution (Rept. No. 98-329). Referred to the House Calendar.

Mr. HAWKINS: Committee on House Administration. S. 930. An act to authorize the Smithsonian Institution to purchase land in Santa Cruz County, Ariz. (Rept. No. 98-330). Referred to the House Calendar.

Mr. HAWKINS: Committee on House Administrations. Senate Concurrent Resolution 7. Concurrent resolution to authorize a bust of Carl Hayden to be placed in the Capitol (Rept. No. 98-331). Referred to the House Calendar.

Mr. DE LA GARZA: Committee on Agriculture. H.R. 3564. A bill to require the Secretary of Agriculture to make an earlier announcement of the 1984 crop feed grain program; with amendments (Rept. No. 98-332). Referred to the Committee of the Whole House on the State of the Union.

Mr. ROSTENKOWSKI: Committee on Ways and Means. H.R. 3677. A bill to amend title XVIII of the Social Security Act to increase the cap amount allowable for reimbursement of hospices under the medicare program (Rept. No. 98-333). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BILIRAKIS:

H.R. 3686. A bill to provide benefits under the survivor benefit plan to surviving spouses of certain members of the Armed Forces retired before September 21, 1972; to the Committee on Armed Services.

By Mr. DERRICK:

H.R. 3687. A bill to amend title 18, United States Code, to prohibit certain practices in administering and using polygraph exami-

nations for purposes of hiring, demoting, promoting, disciplining, and dismissing employees; to the Committee on the Judiciary.

By Mr. EDWARDS of California:

H.R. 3688. A bill to amend the Clayton Act to limit the liability of units of local government under the antitrust laws; to the Committee on the Judiciary.

By Mr. KASTENMEIER:

H.R. 3689. A bill to eliminate diversity of citizenship as a basis of jurisdiction of Federal district courts, and for other purposes; to the Committee on the Judiciary.

H.R. 3690. A bill to modify diversity of citizenship as a basis of jurisdiction of Federal district courts; to the Committee on the Judiciary.

H.R. 3691. A bill to amend title 28, United States Code, to increase the amount in controversy in diversity cases to $100,000, and to require certain diversity cases to be brought in State court; to the Committee on the Judiciary.

H.R. 3692. A bill to amend title 28, United States Code, to increase the amount in controversy in diversity cases to $100,000, and to require diversity cases to be first submitted to arbitration; to the Committee on the Judiciary.

H.R. 3693. A bill to restrict diversity of citizenship as a basis of jurisdiction of Federal district courts, and for other purposes; to the Committee on the Judiciary.

By Mr. LIVINGSTON:

H.R. 3694. A bill to repeal the Boland amendment, relating to the use of Central Intelligence Agency funds in Central America; to the Committee on Appropriations.

By Mr. PEASE:

H.R. 3695. A bill to amend the Federal Water Pollution Control Act to require that 30 percent of the amounts granted for construction of treatment works in a State be used in labor surplus areas; to the Committee on Public Works and Transportation.

By Mr. DICKS:

H.R. 3696. A bill to amend title XVIII of the Social Security Act to provide that certain hospice programs may provide nursing care through arrangements with certified medicare providers in rural and medically underserved regions; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. DOWNEY of New York (for himself, Mr. MRAZEK, Ms. FERRARO, and Mr. SOLARZ):

H.R. 3697. A bill to modify Federal land acquisition and disposal policies carried out with respect to Fire Island National Seashore, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. ERLENBORN (for himself and Mr. HORTON):

H.R. 3698. A bill to amend the Freedom of Information Act to require that information be made available to Congress; to the Committee on Government Operations.

By Mr. FAUNTROY:

H.R. 3699. A bill to amend the District of Columbia Self-Government and Governmental Reorganization Act to provide autonomy for the District of Columbia Government over expenditure of funds derived from revenues of the District of Columbia Government; to the Committee on the District of Columbia.

H.R. 3700. A bill to authorize the Architect of the Capitol to relocate certain greenhouse and nursery facilities presently located at Poplar Point, to direct the Secretary of the Interior to permit the District of Columbia to construct, maintain, and operate certain transportation improvements; jointly, to the Committees on the District of Columbia and House Administration.

By Mr. STARK:

H.R. 3701. A bill to designate the main channel for the project for San Leandro Marina, California, as the "Jack D. Maltester Channel"; to the Committee on Public Works and Transportation.

By Mr. WEISS (for himself, Mr. WAXMAN, Mrs. BOXER, and Mr. ROYBAL):

H.R. 3702. A bill to amend the Public Health Service Act to provide funds for the prevention and treatment of public health emergencies; to the Committee on Energy and Commerce.

By ERDREICH:

H.R. 3703. A bill to amend section 1086(c) of title 10, United States Code, to provide for payment under the CHAMPUS program of certain health care expenses incurred by certain members and former members of the uniformed services and their dependents to the extent that such expenses are not payable under medicare; to the Committee on Armed Services.

By Mr. GREEN (for himself, Mr. RANGEL, and Mr. WEISS):

H.J. Res. 333. Joint resolution to congratulate the people of the county of New York on the occasion of the tricentennial of the founding of the county of New York; to the Committee on Post Office and Civil Service.

By Mr. FISH (for himself, Mr. PEPPER, Mr. SOLOMON, Mrs. SCHROEDER, Mrs. HALL of Indiana, Mrs. KENNELLY, Mr. MCHUGH, Mr. GILMAN, Mrs. BOXER, Ms. KAPTUR, and Mr. GARCIA):

H.J. Res. 334. Joint resolution to establish a Commission on the Eleanor Roosevelt Centennial; jointly, to the Committees on Post Office and Civil Service and Interior and Insular Affairs.

By Mr. MOAKLEY:

H. Con. Res. 152. Concurrent resolution directing the Commissioner of Social Security and the Secretary of Health and Human Services to immediately conduct a study and report to Congress on steps which can be taken to correct the benefit disparity known as the notch problem, in order to insure equitable and fair treatment for those who have based their retirement plans on benefit levels which have existed for the past decade; to the Committee on Ways and Means.

By Mr. STANGELAND:

H. Res. 288. Resolution abolishing the page system of the House of Representatives; to the Committee on House Administration.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. DYSON:

H.R. 3704. A bill for the relief of Emiliana Raqueno; to the Committee on the Judiciary.

By Mr. FRANK:

H.R. 3705. A bill for the relief of Dennis Brutus; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 408: Mr. GILMAN, Mr. WAXMAN, Mrs. BOXER, Mr. DELLUMS, and Mr. FORD of Tennessee.

H.R. 433: Mr. GRAY.

H.R. 601: Mr. GEJDENSON, Mr. EVANS of Iowa, Mr. CORRADA, Mr. OBEY, Mr. MCHUGH, Mr. JEFFORDS, Mr. SOLARZ, Mr. ADDABBO, Mr. LIPINSKI, Mr. HORTON, Ms. OAKAR, Mr. OWENS, Mr. HARRISON, Mr. LAFALCE, Mr. BIAGGI, Mr. HARKIN, Mr. GARCIA, Mr. TOWNS, Mr. RANGEL, Mr. NEAL, Mr. KOSTMAYER, Mr. ROSE, Mr. SCHUMER, Mr. YATRON, Mr. LOWRY of Washington, Mr. DICKS, Mr. MCCLOSKEY, and Mr. JACOBS.

H.R. 700: Mr. HOWARD.

H.R. 1016: Mr. HORTON, Mr. LAGOMARSINO, Mr. OTTINGER, and Mrs. SCHNEIDER.

H.R. 1176: Mr. TORRES.

H.R. 1199: Mr. DANIEL B. CRANE, Mr. MRAZEK, Mr. ASPIN, Mr. CRAIG, Mrs. BOGGS, Mr. BOLAND, Mr. BROWN of California, Mr. COELHO, Mr. DONNELLY, Mr. FASCELL, Mr. HAWKINS, Mr. LOEFFLER, Mr. MCHUGH, Mr. MICA, Mr. MICHEL, Mr. MILLER of California, Mr. MURTHA, Mr. MYERS, Mr. OBERSTAR, Mr. OBEY, Mr. PANETTA, Mr. ROEMER, Mr. ROSTENKOWSKI, Mr. SAVAGE, Mr. SHANNON, Mr. SIMON, Mr. WHITTEN, Mr. BROOKS, and Mr. EARLY.

H.R. 1263: Mr. FORSYTHE.

H.R. 1376: Mr. MARTIN of New York, Mr. PRITCHARD, Mr. RAHALL, and Mr. WEISS.

H.R. 1415: Mr. DUNCAN.

H.R. 2036: Mr. RATCHFORD, Mrs. BOXER, Mr. MORRISON of Connecticut, Mr. MRAZEK, Mr. BEDELL, Mr. CORRADA, and Ms. FERRARO.

H.R. 2053: Mr. ALBOSTA, Mr. SIKORSKI, Mr. OBERSTAR, and Mr. GAYDOS.

H.R. 2097: Mr. NIELSON of Utah, Mr. HANSEN of Idaho, Mr. WORTLEY, Mr. BONIOR of Michigan, Mr. FISH, Mr. LEVIN of Michigan, Mr. REID, Mr. MCCURDY, Mr. RANGEL, Mr. BETHUNE, Mr. CONABLE, Mr. HARTNETT, Mr. GILMAN, Mr. BILIRAKIS, Mr. PORTER, Mr. PACKARD, and Mr. BROYHILL.

H.R. 2145: Mr. BRITT and Mr. SWIFT.

H.R. 2169: Mrs. COLLINS and Mrs. JOHNSON.

H.R. 2176: Mr. JEFFORDS.

H.R. 2191: Mrs. COLLINS, Mr. DEWINE, Mr. GEJDENSON, and Mr. RAHALL.

H.R. 2351: Mr. STARK and Mr. ROYBAL.

H.R. 2382: Mr. LUKEN, Mr. SISISKY, Mr. ST GERMAIN, Mr. SILJANDER, Mr. NOWAK, Mr. OLIN, Mr. FORSYTHE, and Mr. WORTLEY.

H.R. 2440: Mr. CORCORAN, Mr. EDWARDS of Oklahoma, Mr. GOODLING, and Mr. PRITCHARD.

H.R. 2702: Mr. BEDELL and Mr. MCKINNEY.

H.R. 2711: Mr. BOUCHER, Mr. CAMPBELL, Mr. GILMAN, Mr. PASHAYAN, Mr. STAGGERS, and Mr. WOLPE.

H.R. 2715: Mr. FUQUA, Mr. LEVIN of Michigan, and Mr. VANDERGRIFF.

H.R. 2817: Mr. HARRISON, Mr. SHUSTER, and Mr. MURPHY.

H.R. 2837: Mr. RICHARDSON, Mr. BADHAM, and Mr. DASCHLE.

H.R. 2887: Mr. STUMP.

H.R. 3031: Mr. KRAMER and Mr. MCNULTY.

H.R. 3072: Mr. MITCHELL.

H.R. 3091: Mr. FRENZEL, Mr. SUNIA, Mr. KEMP, Mr. HUGHES, Mr. WINN, Mr. MCEWEN, Mr. MCDONALD, Mr. DREIER of California, Mr. BEDELL, Mr. WORTLEY, Mr. ROE, Mr. SENSENBRENNER, Mr. FLORIO, Mr. WOLF, and Mr. LAGOMARSINO.

H.R. 3105: Ms. FERRARO.

H.R. 3139: Mrs. COLLINS.

H.R. 3254: Mr. HOWARD, Mr. CONYERS, Mr. SUNIA, Mr. GRAY, Mr. WEISS, Mr. SEIBERLING, and Ms. FERRARO.

H.R. 3255: Mr. HUGHES, Mr. CARNEY, Mr. SUNIA, Mr. MCKERNAN, Mr. FRANKLIN, Mrs.

BOGGS, Mr. SWIFT, Mr. ROE, Mr. LONG of Louisiana, Mr. BRITT, Mr. BEVILL, Mr. FRANK, Mr. SISISKY, and Ms. KAPTUR.

H.R. 3277: Mr. OTTINGER and Mr. COUGHLIN.

H.R. 3314: Mr. GUARINI, Mr. MORRISON of Connecticut, and Mrs. COLLINS.

H.R. 3321: Mr. FEIGHAN, Mr. COLEMAN of Texas, Mr. KOSTMAYER, Mrs. KENNELLY, Mr. DOWNEY of New York, Mr. SOLARZ, Mr. RATCHFORD, Mr. ALBOSTA, Mr. CARR, Ms. MIKULSKI, Mr. LAFALCE, Mr. PATTERSON, Mr. KASTENMEIER, Mr. SMITH of Florida, Mr. STARK, Mr. COELHO, Mr. BEDELL, Mr. MATSUI, Mr. SCHEUER, Mr. ROYBAL, Mr. LONG of Maryland, Ms. OAKAR, Mrs. SMITH of Nebraska, Mr. DWYER of New Jersey, Mrs. BURTON of California, Mr. MOAKLEY, Mr. OTTINGER, Mr. OBERSTAR, Mr. BOUCHER, Mr. SCHUMER, Mr. NELSON of Florida, Mr. IRELAND, Mr. FORD of Michigan, Mr. WHITLEY, Mr. SKELTON, Mr. ROSE, Mr. HOWARD, Mr. THOMAS of Georgia, Mr. HEFNER, Mr. RAY, Mr. VOLKMER, Mr. FOGLIETTA, Mr. DELLUMS, Mr. TORRES, Mr. GORE, Mr. MITCHELL, Mr. SISISKY, Mr. GRAY, Mr. BONIOR of Michigan, Mr. FOWLER, Mrs. SCHROEDER, Mr. MAVROULES, Mr. AUCOIN, Mr. BARNARD, Mrs. HOLT, Mr. CARPER, Mr. PATMAN, Mr. KAZEN, Mr. MINISH, Mr. MURTHA, Mr. HAWKINS, Mr. MARKEY, Mr. UDALL, Mr. MCNULTY, Mr. BROOKS, Mr. BROWN of California, Mr. NEAL, Mr. ST GERMAIN, Mr. MINETA, Mr. SHANNON, Mr. PEASE, Mr. CROCKETT, Mr. SMITH of Iowa, Mr. MILLER of California, Mr. MRAZEK, Mr. GUARINI, Mr. SABO, Mr. SHARP, Mr. BEILENSON, Mr. JONES of Oklahoma, Mr. ANTHONY, Mr. PICKLE, Mr. JONES of North Carolina, Mr. ECKART, Ms. FERRARO, Mr. EARLY, Mr. STAGGERS, Mr. ORTIZ, Mr. BENNETT, Mr. WEISS, Mr. GLICKMAN, Mr. KILDEE, Mr. GONZALEZ, Mr. YOUNG of Florida, and Mr. GEJDENSON.

H.R. 3344: Mr. STUMP, Mr. MCDONALD, and Mr. DUNCAN.

H.R. 3352: Mr. GEKAS, Mr. STOKES, Mr. ROE, and Mr. GOODLING.

H.R. 3405: Mr. EDWARDS of California.

H.R. 3419: Mr. SENSENBRENNER and Mr. RICHARDSON.

H.R. 3420: Mr. NIELSON of Utah, Mr. DAUB, Mr. GLICKMAN, Mr. AUCOIN, Mr. BADHAM, Mr. VANDERGRIFF, Mr. DREIER of California, Mrs. BOXER, Mr. ROEMER, Mrs. LLOYD, Mr. SIMON, and Mr. WEISS.

H.R. 3491: Mr. LAGOMARSINO, Mr. TAUKE, Mr. BATEMAN, Mr. BILIRAKIS, Mr. OXLEY, Mr. SOLOMON, Mr. DEWINE, and Mrs. BOXER.

H.R. 3512: Mr. MOODY.

H.R. 3545: Mr. GUNDERSON and Mr. DENNY SMITH.

H.R. 3626: Mr. ARCHER.

H.R. 3643: Mr. BEDELL, Mr. DASCHLE, Mr. THOMAS of Georgia, Mr. STAGGERS, Mr. BOUCHER, Mr. FRANK, Mr. ROTH, Mr. TAUKE, Mr. WISE, and Mr. SPENCE.

H.R. 3678: Mr. ROWLAND.

H.J. Res. 71: Mr. MCEWEN and Mrs. SCHNEIDER.

H.J. Res. 103: Mr. FLIPPO, Mr. FORD of Tennessee, Mr. GREEN, Mr. HUBBARD, and Mr. LONG of Louisiana.

H.J. Res. 205: Mrs. COLLINS.

H.J. Res. 218: Mr. GREEN.

H.J. Res. 240: Mr. DELLUMS, Mr. DOWNEY of New York, Mr. EDWARDS of California, Mr. GRAY, Mr. LELAND, Mr. MITCHELL, Mr. FAZIO, Mr. WON PAT, Mr. SAVAGE, Mr. GARCIA, Mr. KILDEE, Mr. HAWKINS, Mr. HOWARD, Mr. LUNDINE, Mr. WEAVER, Mr. LEVIN of Michigan, Mr. CARPER, Mr. RATCHFORD, Mr. VENTO, Mr. BORSKI, Mr. MORRISON of Connecticut, Mr. ADDABBO, Mr. LOWRY of Washington, and Mr. MARKEY.

H.J. Res. 241: Mr. FAZIO, Mr. WON PAT, Mr. SAVAGE, Mr. GARCIA, Mr. KILDEE, Mr. HAWKINS, Mr. HOWARD, Mr. LUNDINE, Mr. WEAVER, Mr. LEVIN of Michigan, Mr. CARPER, Mr. RATCHFORD, Mr. VENTO, Mr. BORSKI, Mr. MORRISON of Connecticut, Mr. ADDABBO, Mr. LOWRY of Washington, and Mr. MARKEY.

H.J. Res. 307: Mr. BONIOR of Michigan, Mrs. BOXER, Mr. CHANDLER, Mr. CLINGER, Mr. CONYERS, Mr. DUNCAN, Mr. FAUNTROY, Mr. HAMMERSCHMIDT, Mr. HUGHES, Ms. KAPTUR, Mr. KASTENMEIER, Mr. KEMP, Mr. LANTOS, Mr. MCEWEN, Mr. MCNULTY, Mr. RAHALL, Mr. SCHEUER, Mr. SHUMWAY, Mr. SKELTON, Mr. SMITH of Iowa, Mr. STENHOLM, Mr. TALLON, Mr. WILSON, Mr. WIRTH, Mr. ACKERMAN, Mr. ADDABBO, Mr. AKAKA, Mr. ANDREWS of Texas, Mr. ALEXANDER, Mr. ANNUNZIO, Mr. BATEMAN, Mr. BOLAND, Mr. FRANK, Mr. GREEN, Mr. HANSEN of Idaho, Mr. HATCHER, Mr. HIGHTOWER, Mr. JEFFORDS, Mr. JONES of Tennessee, Mr. JONES of North Carolina, Mr. KILDEE, Mr. LENT, Mr. LUKEN, Mr. RICHARDSON, Mr. ROBERTS, Mr. RODINO, Mr. ROWLAND, Mr. SABO, Mr. SAVAGE, Mrs. SCHROEDER, Mr. SILJANDER, Mr. STOKES, Mr. SWIFT, and Mr. WEBER.

H.J. Res. 311: Mr. BOUCHER, Mr. CONTE, Mr. EDWARDS of Oklahoma, Mr. JENKINS, Mr. PICKLE, and Mr. WYLIE.

H. Con. Res. 112: Mr. MARKEY.

H. Con. Res. 136: Mr. BURTON of Indiana, Mr. SOLOMON, Mr. SHUMWAY, Mrs. MARTIN of Illinois, Mr. HAMMERSCHMIDT, Mr. SIMON, Mr. OXLEY, Mr. SAWYER, Mr. GRADISON, Mr. HOPKINS, Mr. DORGAN, and Mr. MADIGAN.

H. Res. 46: Mr. ACKERMAN, Mr. KOSTMAYER, Mr. MILLER of California, Mr. SAVAGE, Ms. OAKAR, Mr. DOWNEY of New York, Mr. ROE, Mr. GUARINI, Mr. BATES, Mr. BROWN of California, Mr. BEDELL, Mr. BOSCO, Mr. YATES, and Mrs. KENNELLY.

H. Res. 139: Mr. TORRICELLI and Mr. MCKINNEY.

H. Res. 171: Mr. ACKERMAN, Mr. ANNUNZIO, Mr. ASPIN, Mr. BATES, Mr. BEILENSON, Mr. BERMAN, Mr. DWYER of New Jersey, Mr. FAZIO, Mr. FEIGHAN, Ms. FERRARO, Mr. FISH, Mr. FORD of Tennessee, Mr. FORSYTHE, Mr. FRANK, Mr. GREEN, Mrs. HALL of Indiana, Mr. HOWARD, Mrs. JOHNSON, Mr. KASICH, Mrs. KENNELLY, Mr. LELAND, Mr. LEHMAN of California, Mr. LEVIN of Michigan, Mr. LEVINE of California, Mr. LIPINSKI, Mr. LOWERY of California, Mr. LUNGREN, Mr. MCGRATH, Mr. MCKINNEY, Mr. MARKEY, Mr. MOAKLEY, Ms. OAKAR, Mr. PARRIS, Mr. PATTERSON, Mr. RANGEL, Mr. RODINO, Mr. ROE, Mrs. SCHNEIDER, Mr. SCHEUER, Mr. SCHUMER, Mr. TORRES, Mr. TORRICELLI, Mr. TRAXLER, Mr. VANDERGRIFF, Mr. WEISS, and Mr. YATES.

H. Res. 190: Mr. COUGHLIN.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 2780

By Mr. LEVITAS:

—Page 2, beginning on line 18, strike out all of section 4 through line 22 and redesignate the succeeding sections (and references thereto) accordingly.

H.R. 2867

By Mr. EDGAR:

—On page 59, after line 4 add the following new section:

NATIONAL GROUND WATER COMMISSION

SEC. 26. (a) ESTABLISHMENT.—There is established a commission to be known as the National Ground Water Commission (hereinafter in this Act referred to as the "Commission").

(b) DUTIES OF COMMISSION.—The duties of the Commission are to:

(1) Assess generally the amount, location, and quality of the Nation's ground water resources.

(2) Identify generally the sources, extent, and types of ground water contamination.

(3) Assess the scope and nature of the relationship between ground water contamination and ground water withdrawal and develop projections of available, usable ground water in future years on a nationwide basis.

(4) Assess the relationship between surface water pollution and ground water pollution.

(5) Assess the need for a policy to protect ground water from degradation caused by contamination.

(6) Assess generally the extent of overdrafting of ground water resources, and the adequacy of existing mechanisms for preventing such overdrafting.

(7) Assess generally the engineering and technological capability to recharge aquifers.

(8) Assess the adequacy of the present understanding of ground water recharge zones and sole source aquifers and assess the adequacy of knowledge regarding the interrelationship of designated aquifers and recharge zones.

(9) Assess the role of land-use patterns as these relate to protecting ground water from contamination.

(10) Assess methods for remedial abatement of ground water contamination as well as the costs and benefits of cleaning up polluted ground water and compare cleanup costs to the costs of substitute water supply methods.

(11) Investigate policies and actions taken by foreign governments to protect ground water from contamination.

(12) Assess the use and effectiveness of existing interstate compacts to address ground water protection from contamination.

(13) Analyze existing legal rights and remedies regarding contamination of ground water.

(14) Assess the adequacy of existing standards for ground water quality under State and Federal law.

(15) Assess monitoring methodologies of the States and the Federal Government to achieve the level of protection of the resource as required by State and Federal law.

(16) Assess the relationship between ground water flow systems (and associated recharge areas) and the control of sources of contamination.

(17) Assess the role of underground injection practices as a means of disposing of waste fluids while protecting ground water from contamination.

(18) Assess methods for abatement and containment of ground water contamination and for aquifer restoration including the costs and benefits of alternatives to abatement and containment.

(19) Assess State and Federal ground water law and mechanisms with which to manage the quality and quantity of the ground water resource.

(20) Assess the adequacy of existing ground water research and determine future ground water research needs.

(21) Assess the roles of State, local, and Federal Governments in managing ground water quality and quantity.

(c) MEMBERSHIP.—(1) The Commission shall be composed of seventeen members as follows:

(A) Four appointed by the Speaker of the United States House of Representatives from among the Members of the House of Representatives, two of whom shall be members of the Committee on Public Works and Transportation and two of whom shall be members of the Committee on Energy and Commerce;

(B) Four appointed by the majority leader of the United States Senate from among the Members of the United States Senate;

(C) Eight appointed by the President as follows:

(i) Four from among a list of nominations submitted to the President by the National Governors Association, two of whom shall be representatives of ground water appropriation States and two of whom shall be representatives of ground water riparian States;

(ii) One from among a list of nominations submitted to the President by the National League of Cities;

(iii) One from among a list of nominations submitted to the President by the National Academy of Sciences;

(iv) One from among a list of nominations submitted to the President by groups, organizations, or associations of industries the activities of which may affect ground water; and

(v) One from among a list of nominations submitted to the President from groups, organizations, or associations of citizens which are representative of persons concerned with pollution and environmental issues and which have participated, at the State or Federal level, in studies, administrative proceedings, or litigation (or any combination thereof) relating to ground water; and

(vi) The Director of the Office of Technology Assessment.

A vacancy in the Commission shall be filed in the manner in which the original appointment was made. Appointments may be made under this subsection without regard to section 5311(b) of title 5, United States Code. Not more than two of the four members appointed under subparagraph (A) and not more than two of the four members appointed under subparagraph (B) may be of the same political party. No member appointed under paragraph (C) may be an officer or employee of the Federal Government.

(2) If any member of the Commission who was appointed to the Commission as a Member of the Congress leaves that office, or if any member of the Commission who was appointed from persons who are not officers or employees of any government becomes an officer or employee of a government, he may continue as a member of the Commission for not longer than the ninety-day period beginning on the date he leaves that office or becomes such an officer or employee, as the case may be.

(3) Members shall be appointed for the life of the Commission.

(4)(A) Except as provided in subparagraph (2), members of the Commission shall each be entitled (subject to appropriations provided in advance) to receive the daily equivalent of the maximum annual rate of basic pay in effect for grade GS-18 of the General Schedule for each day (including travel time) during which they are engaged in the actual performance of duties vested in the Commission. While away from their homes or regular places of business in the performance of services for the Commission, members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in Government service are allowed expenses under section 5703 of title 5 of the United States Code.

(5) Members of the Commission who are Members of the Congress shall receive no additional pay, allowances, or benefits by reason of their service on the Commission.

(6) Five members of the Commission shall constitute a quorum but two may hold hearings.

(7) The Chairman of the Commission shall be appointed by the Speaker of the House of Representatives from among members appointed under paragraph (1)(A) of this subsection and the Vice Chairman of the Commission shall be appointed by the majority leader of the Senate from among members appointed under paragraph (2)(B) of this subsection. The Chairman and the Vice Chairman of the Commission shall serve for the life of the Commission unless they cease to be members of the Commission before the termination of the Commission.

(8) The Commission shall meet at the call of the Chairman or a majority of its members.

(d) DIRECTOR AND STAFF OF COMMISSION; EXPERTS AND CONSULTANTS.—(1) The Commission shall have a Director who shall be appointed by the Chairman, without regard to section 5311(b) of title 5, United States Code.

(2) The Chairman may appoint and fix the pay of such additional personnel as the Chairman considers appropriate.

(3) With the approval of the Commission, the Chairman may procure temporary and intermittent services under section 3109(b) of title 5 of the United States Code.

(4) The Commission shall request, and the Chief of Engineers and the Director of the Geological Survey are each authorized to detail, on a reimbursable basis, any of the personnel of their respective agencies to the Commission to assist it in carrying out its duties under this section. Upon request of the Commission, the head of any other Federal agency is authorized to detail, on a reimbursable basis, any of the personnel of such agency to the Commission to assist it in carrying out its duties under this section.

(e) POWERS OF COMMISSION.—(1) The Commission may, for the purpose of carrying out this section, hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence, as the Commission considers appropriate.

(2) Any member or agent of the Commission may, if so authorized by the Commission, take any action which the Commission is authorized to take by this section.

(3) The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

(4) The Administrator of General Services shall provide to the Commission on a reimbursable basis such administrative support services as the Commission may request.

(5) The Commission may secure directly from any department or agency of the United States information necessary to enable it to carry out this section. Upon request of the Chairman of the Commission, the head of such department or agency shall furnish such information to the Commission.

(f) REPORT.—(1) The Commission shall transmit to the President and to each House of the Congress a report not later than October 30, 1985. The report shall contain a detailed statement of the findings and conclusions of the Commission with respect to each item listed in subsection (b), together with its recommendations for such legislation; and administrative actions, as it considers appropriate.

(2) Not later than one year after the enactment of this Act, the Commission shall complete a preliminary study concerning ground water contamination from hazardous and other solid waste and submit to the President and to the Congress a report containing the findings and conclusions of such preliminary study. The study shall be continued thereafter, and final findings and conclusions shall be incorporated as a separate chapter in the report required under paragraph (1). The preliminary study shall include an analysis of the extent of ground water contamination caused by hazardous and other solid waste, the regions and major water supplies most significantly affected by such contamination, and any recommendations of the Commission for preventive or remedial measures to protect human health and the environment from the effects of such contamination.

(g) TERMINATION.—The Commission shall cease to exist on January 1, 1986.

(h) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated for the fiscal years 1983 through 1985 not to exceed $7,000,000 to carry out this section.

By Mr. FROST:

—Page 21, line 15, after "as a fuel." insert: "After the date of enactment of this subsection and until standards are promulgated and in effect under paragraph (2) of this subsection, no fuel which contains any hazardous waste identified or listed under section 3001 may be burned in any cement kiln which is located within the boundaries of any incorporated municipality with a population greater than 500,000 (based on the most recent census statistics) unless such kiln fully complies with the regulations (as in effect on the date of the enactment of this subsection) under this subtitle which are applicable to incinerators. Any person who knowingly violates the prohibition contained in the preceding sentence shall be deemed to have violated section 3008(d)(2).".

By Ms. MIKULSKI:

—Page 30, after line 25, insert:

EXPORT OF HAZARDOUS WASTE

SEC. 11. (a) EXPORT.—Subtitle C is amended by adding the following new section at the end thereof:

"EXPORT OF HAZARDOUS WASTE

"SEC. 3004. (a) GENERAL.—Beginning twenty-four months after the date of enactment of the Hazardous Waste Control and Enforcement Act of 1983, no person may export any hazardous waste identified or listed under section 3001 unless—

"(1) such person has provided the notification required in subsection (c) of this section,

"(2) the receiving country has consented to accept such hazardous waste, and

"(3) a copy of the receiving country's written consent is attached to the manifest accompanying each waste shipment.

"(b) REGULATIONS.—Not later than 12 months after the date of enactment of the Hazardous Waste Control Enforcement Act of 1983, the Administrator shall promulgate the regulations necessary to implement this section.

"(c) NOTIFICATION.—Any person who intends to export a hazardous waste identified or listed under section 3001 after the date beginning twelve months after the date of

enactment of the Hazardous Waste Control Enforcement Act of 1983, shall, before such hazardous waste is scheduled to leave the United States, provide notification to the Administrator. Such notification shall contain the following information—

"(1) the name and address of the exporter;

"(2) the types and estimated quantities of hazardous waste to be exported;

"(3) the estimated frequency or rate at which such waste is to be exported, and the period of time over which such waste is to be exported;

"(4) the ports of entry;

"(5) a description of the manner in which such hazardous waste will be transported to and treated, stored, or disposed in the receiving country; and

"(6) the name and address of the ultimate treatment, storage, or disposal facility.

"(d) PROCEDURES FOR REQUESTING CONSENT OF THE RECEIVING COUNTRY.—Within 30 days of the Administrator's receipt of a complete notification under this section, the Secretary of State, acting on behalf of the Administrator, shall—

"(1) forward a copy of the notification to the government of the receiving country;

"(2) advise the government that United States law prohibits the export of hazardous waste unless the receiving country consents to accept the hazardous waste;

"(3) request the government to provide the Secretary with a written consent or objection to the terms of the notification; and

"(4) forward to the receiving country a description of the Federal regulations which would apply to the treatment, storage, and disposal of the hazardous waste in the United States.

"(e) CONVEYANCE OF WRITTEN CONSENT TO EXPORTER.—Within 30 days of receipt by the Secretary of State of the receiving country's written consent or objection (or any subsequent communication withdrawing a prior consent or objection), the Administrator shall forward such a consent, objection, or other communication to the exporter.

"(f) INTERNATIONAL AGREEMENTS.—Where there exists an international agreement between the United States and the receiving country establishing notice and export procedures for the transportation, treatment, storage, and disposal of hazardous wastes, only the requirements of subsection (g) shall apply.

"(g) REPORTS.—After the date of enactment of the Hazardous Waste Control Enforcement Act of 1983, any person who exports any hazardous waste identified or listed under this subtitle shall file with the Administrator no later than March 1 of each year, a report summarizing the types, quantities, frequency, and ultimate destination of all such hazardous waste exported during the previous calendar year.

"(h) OTHER STANDARDS.—Nothing in this section shall preclude the Administrator from establishing other standards for the export of hazardous wastes under section 3002 or section 3003 of this subtitle.".

(b) PENALTIES.—Section 3008(d) is amended by adding the following new paragraph at the end thereof:

"(6) knowingly exports a hazardous waste identified or listed under section 3001 without the consent of the receiving country;".

CONFORMING AMENDMENTS.

Page 39, line 12, strike out "or".

Page 39, line 18, insert "or".

H.R. 2957

By Mr. PATMAN:

—Strike title III of H.R. 2957.

By Mr. ST GERMAIN:

—Page 18, after line 13, insert the following:

PROMOTING ECONOMIC GROWTH AND CONDITIONS FOR EXCHANGE RATE STABILITY

SEC. 301. The Bretton Woods Agreements Act (22 U.S.C. 286 et seq.) is amended by adding at the end thereof the following:

"PROMOTING ECONOMIC GROWTH AND THE CONDITIONS FOR EXCHANGE RATE STABILITY

"SEC. 46. (a) In order to help assure that the resources provided under section 40 are used to support pro-growth policies which will help establish the economic conditions necessary for greater financial and exchange rate stability, it is the sense of Congress that the Secretary of the Treasury shall instruct the United States Executive Director of the Fund to work for adoption of policies in the Fund, both within the framework of Article IV consultations and with respect to the conditions associated with Fund-supported balance of payments adjustments programs, that—

"(1) promote sustained noninflationary economic growth, monetary stability, and higher levels of productive employment;

"(2) support the evolution of broadly based, nondiscriminatory, low-rate tax systems which will encourage private sector savings and provide incentives for productive employment, investment, and private sector growth;

"(3) encourage the establishment of sound monetary and fiscal policies which limit government preemption of real and financial resources and which are conducive to sustainable economic recovery and growth, full employment, and price and exchange rate stability;

"(4) discourage government regulation and government allocation of real and financial resources;

"(5) encourage international capital flows and investment by providing a predictable economic and legal climate based on sanctity of contracts with, and property rights of, foreign investors;

"(6) ensure that policies adopted by third world countries pursuant to their borrowing from the Fund are fair and equitable to all strate of their economy and society; and

"(7) would allow prices to better reflect underlying market forces.

"(b) In negotiating with third world countries, the United States Executive Director of the Fund shall work through the Fund for policies which assist low- and moderate-income families to maintain and increase their level and standard of living, and which provide for and foster the creation of democratic institutions.

"(c) The Secretary shall also instruct the United States Executive Director of the Fund to propose and work for the adoption of policies by the Fund that would strengthen efforts to promote conditions contributing to greater stability of exchange rates. Among other steps, the United States Executive Director of the Fund shall propose that—

"(1) Fund-approving economic adjustment programs seek to promote greater exchange rate stability by supporting policies which would reduce the need for abrupt or damaging exchange rate changes;

"(2) as part of the Article IV consultation process, the Fund review the efforts of each Fund member to collaborate with the Fund to promote stable exchange rates. If as a result of such review, it is determined by the Fund that a member is not pursuing policies which promote a stable system of exchange rates, the Fund shall recommend and encourage the adoption of policy changes to better promote greater economic, price and exchange rate stability.

"(d) The Secretary of the Treasury, as the United States Governor of the Fund, shall report to the Committee on Banking, Housing, and Urban Affairs and the Committee on Foreign Relations of the Senate and to the Committee on Banking, Finance and Urban Affairs of the House of Representatives on a semi-annual basis concerning the above directives to the United States Executive Director of the Fund.".

Page 18, strike out line 18 and all that follows through page 19, line 3, and insert in lieu thereof the following:

(A) by striking out "decision of January 5, 1962, and inserting in lieu thereof "decisions of January 5, 1962, and February 24, 1983, as amended in accordance with their terms,"; and

(B) by striking out "not to exceed $2,000,000,000 outstanding at any one time," and inserting in lieu thereof "in an amount not to exceed the equivalent of 4,250,000,000 Special Drawing Rights, limited to such amounts as are appropriated in advance in appropriation Acts, except that prior to activation the Secretary of the Treasury shall certify that supplementary resources are needed to forestall or cope with an impairment of the international monetary system and that the Fund has fully explored other means of funding,";

(2) in section 17(b), by striking out "$2,000,000,000," and inserting in lieu thereof "4,250,000,000 Special Drawing Rights, except that prior to activation the Secretary of the Treasury shall certify that supplementary resources are needed to forestall or cope with an impairment of the international monetary system and that the Fund has fully explored other means of funding,";

Page 19, line 16, insert "(a)" after "Sec. 40.".

Page 19, after line 20, insert the following:

"(b) The Secretary of the Treasury shall consult with the Chairman and the Banking Minority Member of—

"(1) the Committee on Banking, Finance and Urban Affairs and the Committee on Appropriations of the House of Representatives, and any appropriate subcommittee of each such committee; and

"(2) the Committee on Foreign Relations, the Committee on Appropriations, and the Committee on Banking, Housing and Urban Affairs of the Senate, and any appropriate subcommittee of each such committee, for purposes of discussing the position of the executive branch and the views of the Congress with respect to any international negotiations being held to consider any future quota increase for the International Monetary Fund which may involve an increased contribution, subscription, or loan by the United States. Such consultation shall be made (A) not later than 30 days before the initiation of such international negotiations, (B) during the period in which such negotiations are being held, in a frequent and timely manner, and (C) before a session of such negotiations is held at which the United States representatives may agree to such quota increase."

Page 25, strike out line 20 and all that follows through page 27, line 5, and insert in lieu thereof the following:

SUSTAINING ECONOMIC GROWTH

"SEC. 307. The Bretton Woods Agreements Act (22 U.S.C. 286 et seq.) is amended by adding at the end thereof the following:

"SUSTAINING ECONOMIC GROWTH

"SEC. 47. (a)(1) The President shall instruct the Secretary of the Treasury, the Secretary of State, and other appropriate Federal officials, including the Chairman of the Board of Governors of the Federal Reserve System, to use all appropriate means to encourage countries to formulate economic adjustment programs to deal with their balance of payment difficulties and external debt owed to private banks.

"(2) Such economic adjustment programs should be designed to safeguard, to the maximum extent feasible, international economic growth, world trade, employment, and the long-term solvency of banks, and to minimize the likelihood of civil disturbances in countries needing economic adjustment programs.

"(b) To ensure the effectiveness of economic adjustment programs supported by Fund resources—

"(1) the United States Executive Director of the Fund shall recommend and shall work for changes in Fund guidelines, policies, and decisions which would—

"(A) convert short-term bank debt which was made at high interest rates into long-term debt at lower rates of interest;

"(B) assure that the annual external debt service, which shall include principal, interest, points, fees, and other charges required of the country involved, is a manageable and prudent percentage of the projected annual export earnings of such country; and

"(C) provide that in approving any economic adjustment program the Fund shall take into account the number of countries applying to the Fund for economic adjustment programs and the aggregate effects that such programs will have on international economic growth, world trade, exports and employment of other member countries, and the long-term solvency of banks.

"(2)(A) Except as provided in subparagraph (B), the United States Executive Director of the Fund shall oppose and vote against providing assistance from the Fund for any economic adjustment program for a country in which the annual external debt service exceeds 85 percent of the annual export earnings of such country unless the United States Executive Director of the Fund first determines and provides written documentation to the Committee on Banking, Housing, and Urban Affairs and the Committee on Foreign Relations of the Senate and the Committee on Banking, Finance and Urban Affairs of the House of Representatives that—

"(i) the economic adjustment program converts short-term bank debt which was made at high interest rates into long-term debt at lower rates of interests;

"(ii) the annual external debt service required of the country involved is a manageable and prudent percentage of the projected annual export earnings of such country; and

"(iii) the economic adjustment program will not have an adverse impact on international economic growth, world trade, exports, and employment of other member countries, and the long-term solvency of banks.

"(B) The provisions of subparagraph (A) shall not apply in any case in which the United States Executive Director of the Fund first determines and provides written documentation to the Committee on Banking, Housing, and Urban Affairs and the Committee on Foreign Relations of the Senate and the Committee on Banking, Finance, and Urban Affairs of the House of Representatives that—

"(i) an emergency exists in a nation that has applied to the fund for assistance that requires an immediate short-term loan to avoid disrupting orderly financial markets;

"(ii) a sudden decrease in export earnings in the country applying to the fund for assistance has increased the ratio of annual external debt service to annual export earnings, to greater than 85 percent for a period projected to be no more than one year; or

"(iii) other extraordinary circumstances exist which warrant waiving the provisions of subparagraph (A).

"(C) The National Advisory Council on International Monetary and Financial Policies shall include in each of its annual reports to the Congress copies of the analyses and any written documentation prepared by the United States Executive Director of the Fund pursuant to paragraphs (2)(A) or (2)(B) of subsection (b) and a statement detailing the actions and progress made in carrying out the requirements of subsections (a) and (b).".

PROMOTING DOMESTIC ECONOMIC GROWTH AND EMPLOYMENT

SEC. 308. The Bretton Woods Agreements Act (22 U.S.C. 286 et seq.) is amended by adding at the end thereof the following:

"PROMOTING DOMESTIC ECONOMIC GROWTH AND EMPLOYMENT

"SEC. 48. (a)(1) The cornerstone of a healthy world economy and international trading and financial system is a growing domestic economy in the United States with price stability and low interest rates.

"(2) Sustained noninflationary economic growth in the United States, full employment in United States basic industries, and a robust economy are essential to avoiding the imposition of protectionist barriers that would inhibit the free flow of trade and undermine the economic and financial stability of countries using the Fund.

"(3) Provision of adequate credit at affordable rates of interest to the United States economy by the United States banking system is essential to promoting a growing domestic economy.

"(b) To that end, and especially to provide working capital to promote the expansion of domestic industries, the appropriate Federal banking agencies, as defined in section 402 of the International Lending Supervision Act of 1983, are directed to develop regulations to implement subsections (c) through (f) within 30 days of the date of the enactment of this section.

"(c) This section shall apply to all banking institutions which have foreign loans which are excessive. A banking institution's loans shall be considered excessive if the aggregate of such loans to public and private sector borrowers in a foreign country described in section 404 of such Act exceeded such banking institution's primary capital on June 30, 1983, or on any date thereafter until January 1, 1986.

"(d)(1) Except as provided in subsections (e) and (f), from the date of the enactment of this section until January 1, 1986, no banking institution having excessive loans under subsection (c) shall make any new loans to foreign countries described in section 404 of such Act if such loans shall cause the growth rate of such banking institution's aggregate loans to all such foreign countries to exceed one-half of the growth rate of such banking institution's aggregate loans to all such foreign countries during the period of January 1, 1980, through June 30, 1982.

"(2) Notwithstanding the provisions of this section, banking institutions may honor binding commitments, which were effective before July 30, 1983, to lend in such countries.

"(e)(1) Any banking institution having excessive loans under subsection (c) may exceed the limits set forth in subsection (d) if the annual rate of growth of such banking institution's domestic lending exceeds the limit so specified.

"(2) In such cases, the rate of growth of aggregate loans to all foreign countries described in section 404 of such Act shall not exceed the rate of growth of domestic lending.

"(f) This section shall not be enforced if—

"(1) the Secretary of the Treasury and the Chairman of the Board of Governors of the Federal Reserve System find that such enforcement would adversely affect the domestic economy; or

"(2) the President determines that enforcement of this section would be detrimental to the national interest.".

PROHIBITION OF FRONT END FEES

SEC. 309. (a) In order to avoid excessive debt service burdens on debtor countries, no banking institution shall charge, in connection with the restructuring of an international loan, any fee exceeding the administrative cost of the restructuring unless it amortizes such fee over the effective life of each such loan.

(b) The requirement of subsection (a) shall take effect on the date of the enactment of this section. Each appropriate Federal banking agency shall promulgate such regulations as are necessary to further carry out the provisions of this section.

OPPOSING FUND BAILOUTS OF BANKS

SEC. 310. The Bretton Wood Agreements Act (22 U.S.C. 286 et seq.) is amended by adding at the end thereof the following:

"OPPOSING FUND BAILOUTS OF BANKS

"SEC. 49. Except as provided in section 47 (a section entitled 'Sustaining Economic Growth'), the Secretary of the Treasury shall instruct the United States Executive Director of the Fund—

"(1) to oppose and vote against any Fund drawing by a member country where, in his judgment, the Fund resources would be drawn principally for the purpose of repaying loans which have been imprudently made by banking institutions to the member country; and

"(2) to work to insure that the Fund encourages borrowing countries and banking institutions to negotiate, where appropriate, a rescheduling of debt which is consistent with safe and sound banking practices and the country's ability to pay.".

FLOATING EXCHANGE RATES

SEC. 311. The Bretton Woods Agreements Act (22 U.S.C. et seq.) is amended by adding at the end thereof the following:

"FLOATING EXCHANGE RATES

"SEC. 50. (a) The Secretary of the Treasury shall, in consultation with the Secretary of State and the United States Trade Representative, initiate discussions with other countries regarding the economic dislocations which result from structural exchange rate imbalances.

"(b) Not later than 180 days after the date of the enactment of this section, the Secretary of the Treasury shall transmit a report to the Committee on Banking, Housing, and Urban Affairs and the Committee on Foreign Relations of the Senate and the Com-

mittee on Banking, Finance and Urban Affairs of the House of Representatives regarding proposals to reform the floating exchange rate system. Such report shall contain such recommendations for legislative or administrative actions as the Secretary of the Treasury considers advisable.".

SURPLUS COMMODITIES REPORT

SEC. 312. (a) Section 4(b) of the Bretton Woods Agreement Act (22 U.S.C. 286b) is amended—

(1) in paragraph (5)—

(A) by inserting "(A)" after "(5)"; and

(B) by adding at the end thereof the following:

"(B) Beginning 180 days after the date of the enactment of this paragraph, and at intervals of 180 days thereafter for the next three years, the Council shall prepare and transmit to the President and to the Congress a report listing all applications which have been filed during the preceding 180 days with the Fund for project assistance which would establish or enhance the capacity of any country to produce a commodity for export, if—

"(i) such commodity is in surplus on world markets or is likely to be in surplus on world markets at the time the resulting productive capacity is expected to become operative; and

"(ii) such project assistance will cause substantial injury to the United States producers of the same, similar, or competing commodity."; and

(2) by adding at the end thereof the following: "(8) The general policy objectives for the guidance of the United States Executive Director of the Fund shall take into account the effect that country adjustment programs have upon individual industry sectors and international commodity markets—

"(A) to minimize projected adverse impacts; and

"(B) to avoid, wherever possible, government subsidization of production and exports of international commodities without regard to economic conditions in the markets for such commodities.".

HUMAN NEEDS REPORT

SEC. 313. Section 33 of the Bretton Woods Agreement Act (22 U.S.C. 286s) is amended by adding at the end thereof the following:

"(d) Not later than 180 days after the date of the enactment of this subsection, the Secretary of the Treasury shall transmit a report to the Committee on Banking, Housing, and Urban Affairs and the Committee on Foreign Relations of the Senate and the Committee on Banking, Finance, and Urban Affairs of the House of Representatives specifying the actions which have been taken to carry out the provisions of this section.".

NON-PROLIFERATION OF NUCLEAR WEAPONS

SEC. 314. The Bretton Woods Agreements Act (22 U.S.C. 286 et seq.) is amended by adding at the end thereof the following:

"NON-PROLIFERATION OF NUCLEAR WEAPONS

"SEC. 51. The United States Executive Director of the Fund shall consider, if appropriate, in carrying out his duties, whether a recipient country has detonated a nuclear device, whether the country is not a State Party to the Treaty on Non-Proliferation of Nuclear Weapons, and whether the country is not a State Party to the Treaty Banning Nuclear Weapon Tests in the Atmosphere, in Outer Space, and Under Water.".

By Mr. WYLIE:

—Page 18, after line 13, insert the following:

PROMOTING ECONOMIC GROWTH AND CONDITIONS FOR EXCHANGE RATE STABILITY

SEC. 301. The Bretton Woods Agreements Act (22 U.S.C. 286 et seq.) is amended by adding at the end thereof the following:

"PROMOTING ECONOMIC GROWTH AND THE CONDITIONS FOR EXCHANGE RATE STABILITY

"SEC. 46. (a) In order to help assure that the resources provided under section 40 are used to support progrowth policies which will help establish the economic conditions necessary for greater financial and exchange rate stability, it is the sense of Congress that the Secretary of the Treasury shall instruct the United States Executive Director of the Fund to work for adoption of policies in the Fund, both within the framework of Article IV consultations and with respect to the conditions associated with Fund-supported balance of payments adjustments programs, that—

"(1) promote sustained noninflationary economic growth, monetary stability, and higher levels of productive employment;

"(2) support the evolution of broadly based, nondiscriminatory, low-rate tax systems which will encourage private sector savings and provide incentives for productive employment, investment, and private sector growth;

"(3) encourage the establishment of sound monetary and fiscal policies which limit government preemption of real and financial resources and which are conducive to sustainable economic recovery and growth, full employment, and price and exchange rate stability;

"(4) discourage government regulation and government allocation of real and financial resources;

"(5) encourage international capital flows and investment by providing a predictable economic and legal climate based on sanctity of contracts with, and property rights of, foreign investors;

"(6) ensure that policies adopted by third world countries pursuant to their borrowing from the fund are fair and equitable to all strata of their economy and society; and

"(7) would allow prices to better reflect underlying market forces.

"(b) In negotiating with third world countries, the United States Executive Director of the Fund shall work through the Fund for policies which assist low- and moderate-income families to maintain and increase their level and standard of living, and which provide for and foster the creation of democratic institutions.

"(c) The Secretary shall also instruct the United States Executive Director of the Fund to propose and work for the adoption of policies by the Fund that would strengthen efforts to promote conditions contributing to greater stability of exchange rates. Among other steps, the United States Executive Director of the Fund shall propose that—

"(1) Fund-approved economic adjustment programs seek to promote greater exchange rate stability by supporting policies which would reduce the need for abrupt or damaging exchange rate changes;

"(2) as part of the Article IV consultation process, the Fund review the efforts of each Fund member to collaborate with the Fund to promote stable exchange rates. If as a result of such review, it is determined by the Fund that a member is not pursuing policies which promote a stable system of exchange rates, the Fund shall recommend and encourage the adoption of policy changes to better promote greater economic, price and exchange rate stability.

"(d) The Secretary of the Treasury, as the United States Governor of the Fund, shall report to the Committee on Banking, Housing, and Urban Affairs and the Committee on Foreign Relations of the Senate and to the Committee on Banking, Finance and Urban Affairs of the House of Representatives on a semi-annual basis concerning the above directives to the United States Executive Director of the Fund.".

Page 18, strike out line 18 and all that follows through page 19, line 3, and insert in lieu thereof the following:

(A) by striking out "decision of January 5, 1962, and inserting in lieu thereof "decisions of January 5, 1962, and February 24, 1983, as amended in accordance with their terms,"; and

(B) by striking out "not to exceed $2,000,000,000 outstanding at any one time," and inserting in lieu thereof "in an amount not to exceed the equivalent of 4,250,000,000 Special Drawing Rights, limited to such amounts as are appropriated in advance in appropriation Acts, except that prior to activation the Secretary of the Treasury shall certify that supplementary resources are needed to forestall or cope with an impairment of the international monetary system and that the Fund has fully explored other means of funding,";

(2) in section 17(b), by striking out "$2,000,000,000," and inserting in lieu thereof "4,250,000,000 Special Drawing Rights, except that prior to activation the Secretary of the Treasury shall certify that supplementary resources are needed to forestall or cope with an impairment of the international monetary system and that the Fund has fully explored other means of funding,";

Page 19, line 16, insert "(a)" after "Sec. 40.".

Page 19, after line 20, insert the following:

"(b) The Secretary of the Treasury shall consult with the Chairman and the Ranking Minority Member of—

"(1) the Committee on Banking, Finance and Urban Affairs and the Committee on Appropriations of the House of Representatives, and any appropriate subcommittee of each such committee; and

"(2) the Committee on Foreign Relations, the Committee on Appropriations, and the Committee on Banking, Housing and Urban Affairs of the Senate, and any appropriate subcommittee of each such committee, for purposes of discussing the position of the executive branch and the views of the Congress with respect to any international negotiations being held to consider any future quota increase for the International Monetary Fund which may involve an increased contribution, subscription, or loan by the United States. Such consultation shall be made (A) not later than 30 days before the initiation of such international negotiations, (B) during the period in which such negotiations are being held, in a frequent and timely manner, and (C) before a session of such negotiations is held at which the United States representative may agree to such quota increase.

Page 25, strike out line 20 and all that follows through page 27, line 5, and insert in lieu thereof the following:

SUSTAINING ECONOMIC GROWTH

"SEC. 307. The Bretton Woods Agreements Act (22 U.S.C. 286 et seq.) is amended by adding at the end thereof the following:

"SUSTAINING ECONOMIC GROWTH

"SEC. 47. (a)(1) The President shall instruct the Secretary of the Treasury, the Secretary of State, and other appropriate

Federal officials, including the Chairman of the Board of Governors of the Federal Reserve System, to use all appropriate means to encourage countries to formulate economic adjustment programs to deal with their balance of payment difficulties and external debt owed to private banks.

"(2) Such economic adjustment programs should be designed to safeguard, to the maximum extent feasible, international economic growth, world trade, employment, and the long-term solvency of banks, and to minimize the likelihood of civil disturbances in countries needing economic adjustment programs.

"(b) To ensure the effectiveness of economic adjustment programs supported by Fund resources—

"(1) the United States Executive Director of the Fund shall recommend and shall work for changes in Fund guidelines, policies, and decisions which would—

"(A) convert short-term bank debt which was made at high interest rates into long-term debt at lower rates of interest;

"(B) assure that the annual external debt service, which shall include principal, interest, points fees, and other charges required of the country involved, is a manageable and prudent percentage of the projected annual export earnings of such country; and

"(C) provide that in approving any economic adjustment program the Fund shall take into account the number of countries applying to the Fund for economic adjustment programs and the aggregate effects that such programs will have on international economic growth, world trade, exports and employment of other member countries, and the long-term solvency of banks.

"(2)(A) Except as provided in subparagraph (B), the United States Executive Director of the Fund shall oppose and vote against providing assistance from the Fund for any economic adjustment program for a country in which the annual external debt service exceeds 85 percent of the annual export earnings of such country unless the United States Executive Director of the Fund first determines and provides written documentation to the Committee on Banking, Housing, and Urban Affairs and the Committee on Foreign Relations of the Senate and the Committee on Banking, Finance and Urban Affairs of the House of Representatives—

"(i) the economic adjustment program converts short-term bank debt which was made at high interest rates into long-term debt at low rates of interest;

"(ii) the annual external debt service required of the country involved is a manageable and prudent percentage of the projected annual export earnings of such country; and

"(iii) the economic adjustment program will not have an adverse impact on international economic growth, world trade, exports, and employment of other member countries, and the long-term solvency of banks.

"(B) The provisions of subparagraph (A) shall not apply in any case in which the United States Executive Director of the Fund first determines and provides written documentation to the Committee on Banking, Housing, and Urban Affairs and the Committee on Foreign Relations of the Senate and the Committee on Banking, Finance, and Urban Affairs of the House of Representatives that—

"(i) an emergency exists in a nation that has applied to the Fund for assistance that requires an immediate short-term loan to avoid disrupting orderly financial markets;

"(ii) a sudden decrease in export earnings in the country applying to the Fund for assistance has increased the ratio of annual external debt service to annual export earnings, to greater than 85 percent for a period projected to be no more than one year; or

"(iii) other extraordinary circumstances exist which warrant waiving the provisions of subparagraph (A).

"(c) The National Advisory Council on International Monetary and Financial Policies shall include in each of its annual reports to the Congress copies of the analyses and any written documentation prepared by the United States Executive Director of the Fund pursuant to paragraphs (2)(A) or (2)(B) of subsection (b) and a statement detailing the actions and progress made in carrying out the requirements of subsections (a) and (b).".

PROMOTING DOMESTIC ECONOMIC GROWTH AND EMPLOYMENT

SEC. 308. The Bretton Woods Agreements Act (22 U.S.C. 286 et seq.) is amended by adding at the end thereof the following:

"PROMOTING DOMESTIC ECONOMIC GROWTH AND EMPLOYMENT

"SEC. 48. (a)(1) The cornerstone of a healthy world economy and international trading and financial system is a growing domestic economy in the United States with price stability and low interest rates.

"(2) Sustained noninflationary economic growth in the United States, full employment in United States basic industries, and a robust economy are essential to avoiding the imposition of protectionist barriers that would inhibit the free flow of trade and undermine the economic and financial stability of countries using the Fund.

"(3) Provision of adequate credit at affordable rates of interest to the United States economy by the United States banking system is essential to promoting a growing domestic economy.

"(b) To that end, and especially to provide working capital to promote the expansion of domestic industries, the appropriate Federal banking agencies, as defined in section 402 of the International Lending Supervision Act of 1983, are directed to develop regulations to implement subsections (c) through (f) within 30 days of the date of the enactment of this section.

"(c) This section shall apply to all banking institutions which have foreign loans which are excessive. A banking institution's loans shall be considered excessive if the aggregate of such loans to public and private sector borrowers in a foreign country described in section 404 of such Act exceeded such banking institution's primary capital on June 30, 1983, or on any date thereafter until January 1, 1986.

"(d)(1) Except as provided in subsections (e) and (f), from the date of the enactment of this section until January 1, 1986, no banking institution having excessive loans under subsection (c) shall make any new loans to foreign countries described in section 404 of such Act if such loans shall cause the growth rate of such banking institution's aggregate loans to all such foreign countries to exceed one-half of the growth rate of such banking institution's aggregate loans to all such foreign countries during the period of January 1, 1980, through June 30, 1982.

"(2) Notwithstanding the provisions of this section, banking institutions may honor binding commitments, which were effective before July 30, 1983, to lend in such countries.

"(e)(1) Any banking institution having excessive loans under subsection (c) may exceed the limits set forth in subsection (d) if the annual rate of growth of such banking institution's domestic lending exceeds the limit so specified.

"(2) In such cases, the rate of growth of aggregate loans to all foreign countries described in section 404 of such Act shall not exceed the rate of growth of domestic lending.

"(f) This section shall not be enforced if—

"(1) the Secretary of the Treasury and the Chairman of the Board of Governors of the Federal Reserve System find that such enforcement would adversely affect the domestic economy; or

"(2) the President determines that enforcement of this section would be detrimental to the national interest.".

PROHIBITION OF FRONT END FEES

SEC. 309. (a) In order to avoid excessive debt service burdens on debtor countries, no banking institution shall charge, in connection with the restructuring of an international loan, any fee exceeding the administrative cost of the restructuring unless it amortizes such fee over the effective life of each such loan.

(b) The requirement of subsection (a) shall take effect on the date of the enactment of this section. Each appropriate Federal banking agency shall promulgate such regulations as are necessary to further carry out the provisions of this section.

OPPOSING FUND BAILOUTS OF BANKS

SEC. 310. The Bretton Woods Agreements Act (22 U.S.C. 286 et seq.) is amended by adding at the end thereof the following:

"OPPOSING FUND BAILOUTS OF BANKS

"SEC. 49. Except as provided in section 47 (a section entitled 'Sustaining Economic Growth'), the Secretary of the Treasury shall instruct the United States Executive Director of the Fund—

"(1) to oppose and vote against any Fund drawing by a member country where, in his judgment, the Fund resources would be drawn principally for the purpose of repaying loans which have been imprudently made by banking institutions to the member country; and

"(2) to work to insure that the fund encourages borrowing countries and banking institutions to negotiate, where appropriate, a rescheduling of debt which is consistent with safe and sound banking practices and the country's ability to pay.".

FLOATING EXCHANGE RATES

SEC. 311. The Bretton Woods Agreements Act (22 U.S.C. 286 et seq.) is amended by adding at the end thereof the following:

"FLOATING EXCHANGE RATES

"SEC. 50. (a) The Secretary of the Treasury shall, in consultation with the Secretary of State and the United States Trade Representative, initiate discussions with other countries regarding the economic dislocations which result from structural exchange rate imbalances.

"(b) Not later than 180 days after the date of the enactment of this section, the Secretary of the Treasury shall transmit a report to the Committee on Banking, Housing, and Urban Affairs and the Committee on Foreign Relations of the Senate and the Committee on Banking, Finance and Urban Affairs of the House of Representatives regarding proposals to reform the floating exchange rate system. Such report shall contain such recommendations for legislative or

administrative actions as the Secretary of the Treasury considers advisable.".

SURPLUS COMMODITIES REPORT

SEC. 312. (a) Section 4(b) of the Bretton Woods Agreement Act (22 U.S.C. 286b) is amended—

(1) in paragraph (5)—

(A) by inserting "(A)" after "(5)"; and

(B) by adding at the end thereof the following:

"(B) Beginning 180 days after the date of the enactment of this paragraph, and at intervals of 180 days thereafter for the next three years, the Council shall prepare and transmit to the President and to the Congress a report listing all applications which have been filed during the preceding 180 days with the Fund for project assistance which would establish or enhance the capacity of any country to produce a commodity for export, if—

"(i) such commodity is in surplus on world markets or is likely to be in surplus on world markets at the time the resulting productive capacity is expected to become operative; and

"(ii) such project assistance will cause substantial injury to the United States producers of the same, similar, or competing commodity,"; and

(2) by adding at the end thereof the following:

"(8) The general policy objectives for the guidance of the United States Executive Director of the Fund shall take into account the effect that country adjustment programs have upon individual industry sectors and international commodity markets—

"(A) to minimize projected adverse impacts; and

"(B) to avoid, wherever possible, government subsidization of production and exports of international commodities without regard to economic conditions in the markets for such commodities.".

HUMAN NEEDS REPORT

SEC. 313. Section 33 of the Bretton Woods Agreement Act (22 U.S.C. 286s) is amended by adding at the end thereof the following:

"(d) Not later than 180 days after the date of the enactment of this subsection, the Secretary of the Treasury shall transmit a report to the Committee on Banking, Housing, and Urban Affairs and the Committee on Foreign Relations of the Senate and the Committee on Banking, Finance, and Urban Affairs of the House of Representatives specifying the actions which have been taken to carry out the provisions of this section.".

NON-PROLIFERATION OF NUCLEAR WEAPONS

SEC. 314. The Bretton Woods Agreements Act (22 U.S.C. 286 et seq.) is amended by adding at the end thereof the following:

"NON-PROLIFERATION OF NUCLEAR WEAPONS

"SEC. 51. The United States Executive Director of the Fund shall consider, if appropriate, in carrying out his duties, whether a recipient country has detonated a nuclear device, whether the country is not a State Party to the Treaty on Non-Proliferation of Nuclear Weapons, and whether the country is not a State Party to the Treaty Banning Nuclear Weapon Tests in the Atmosphere, in Outer Space, and Under Water.".

EXTENSIONS OF REMARKS

THE ECONOMIC RECOVERY: FACT OR FACADE

HON. NICHOLAS MAVROULES
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES

Thursday, July 28, 1983

● Mr. MAVROULES. Mr. Speaker, judging from the deluge of press releases of the past 2 months, the administration would have us believe that our economy is undergoing the greatest surge of prosperity of the present century. While it is true that some economic signals have turned for the better, the optimistic forecasts we hear from the administration do not tell the whole story. When taken at a second glance, the simple facts about the economic recovery hold much more behind their rosy surface.

To start with, the recovery must be taken in its proper perspective. In January 1981, Reaganomics plunged the economy into the most severe crisis since the Great Depression. Since then, our Nation has struggled to regain the billions of dollars of output lost as a result of these disastrous policies. Moreover, the pace of the recovery has been slow from a historical context. Martin Feldstein himself has confessed that this year's growth in GNP has been 33 percent below the average of the last seven recoveries. Considering the poor performance of other factors such as unemployment, budget deficits, and business failures during 1981–82, expectations about the recovery are doubtful at best.

However the validity of the so-called recovery lies not so much in where we are coming from as in where we are heading. The true implications of the Reagan economic policies can best be shown through careful analysis of some of our Nation's vital economic signs. As I will prove, these signs show virtually no promise for a strong, sustained recovery.

Certainly the root of the problem lies in the basic Reagan economic program. In his budget for fiscal year 1984, for instance, the President clearly made known his priorities. Defense expenditures would grow by 14 percent while a number of programs would be cut drastically: education by 8 percent, job training funds by 18 percent, environmental expenditures by 21 percent, and medicaid by 3 percent. The amount of low-income housing units being built would be reduced by more than half and rents would be raised for 3.5 million low-income families and elderly. In addition, localities would be affected by the scheduled 46 percent reduction of block grants for community development by 1986. Granted, Congress must tighten its financial belt, but such a lopsided distribution of cuts places an unfair and unwarranted burden on certain members of society.

The question of equity arises in the distribution of benefits as well. The President's 3-year tax cut serves as a perfect example. In the midst of the Kemp-Roth tax debate of 1981, OMB Director David Stockman admitted that "the Kemp-Roth was always a Trojan horse to bring down the top rate." As many economic experts could foresee, Stockman was right. The tax cut, though justified by the trickle down theory, was in reality a deceptive Republic ploy designed to conceal benefits to the rich. As evidence of this, the Joint Congressional Committee on Taxation has determined that the wealthiest 5 percent of the taxpayers will derive 35 percent of the plan's benefits over the next 3 years. Put another way, those with income below $10,000 will lose more than $20 billion while those with incomes over $80,000 will save $64 billion. Can such an uneven tax cut be deemed fair to all citizens? Must the middle and lower classes be forced to accept the worst in both services and tax benefits?

The President's combination of large tax cuts, uncontrollable defense spending, and cuts in domestic services have created an even greater economic monster: the budget deficit. In 1981, President Reagan stated:

> This administration is committed to a balanced budget, and we will fight to the last blow to achieve it . . . we will not sit on our hands and watch helplessly as the deficit swells and swells.

Evidently, the President could not have been serious about his commitment.

Currently, budget deficits of at least $200 billion are projected through 1985. Taken cumulatively, this means that the national debt during the Reagan administration approaches the $1 trillion mark, an amount greater than the total debt incurred during the first 200 years of the Republic. And this from a President who even now says he supports a constitutional amendment for a balanced budget.

Virtually every economist acknowledges the relationship between huge budget deficits and high, long-term interest rates which stand in the way of recovery. Everyone except Mr. Reagan, that is. He has sidestepped the issue whenever possible and, when confronted, often defends himself by noting that interest rates have declined approximately 8 percentage points since the start of his Presidential tenure. However, Americans should realize that this sudden drop was attributable to a sudden growth in the money supply and not at all due to the administration's economic policies.

No one can be fooled about the damaging effects of high rates of interest on the economy. Federal Reserve Board Chairman Paul Volcker has stressed that extensive Treasury borrowing could take away about three-fourths of all net private saving. The President's chief economic adviser Martin Feldstein has even warned that:

> The primary cause of the high real interest rates is the very large budget deficits that will hang as a cloud over the economy for the entire decade of the 1980's.

These high interest rates cripple any kind of recovery by discouraging mortgage buying, business investment, and consumer credit. In these ways, perhaps Mr. Reagan was correct in predicting that the effects of his program would trickle down to middle- and lower-class society.

Then there are the devastating effects of Reaganomics on business. Bankruptcies are the highest since the 1930's. Most specifically, small business firms, the backbone of our economy, were beset with a 38-percent bankruptcy rate for 1981–82, and small business failures increased 49 percent during that same period. Moreover, high interest rates pulled down business investment in 1982 by 5 percent and decreases of the same magnitude are expected in 1983.

Another well-kept secret of the President is the unevenness of the recovery. The many industries that have shown no improvement include steel, construction machinery, coal mining, oil and gas drilling, commercial aircraft, insurance, and industrial construction. In addition, bank failures have tripled. But hard times are not only limited to business and banking, they have also come to agriculture. Farm foreclosures are running at two to three times the normal rate and rising. Farm equipment manufacturers are on the ropes. Furthermore, we must bear in mind that the visible industries are not the only ones affected by the Reagan policies. Suppliers and distributors of these crucial industries are hit just as hard. With so many lagging parts of the business sector, to call what has happened in the last 2

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

months a recovery is hardly appropriate.

Let us look further at the other side of the coin: the consumers who serve and buy from business. According to the administration's economic plan, unemployment will remain at or above the 8-percent level until 1986. Considering a normal increase in the labor force, this means that there will be 3 million more jobless workers in 1986 as there were when President Reagan took office. This is a far cry from the 13 million new jobs the President promised to create back in 1981.

None of us can underestimate the psychological indignity and financial hardship that unemployment causes many Americans. All around us, in every walk of life, Americans struggle to make ends meet. Despite all of its talk about inflation, the administration has failed to mention that wages have decreased just as much as prices. The net result has been that the purchasing power of the average American has experienced virtually no gain since 1981. According to the Commerce Department, individual purchasing power has increased by 0.4 percent yearly, a rate of increase slower than the rate under every other President for the past 30 years. It comes as no surprise then that the average American's standard of living has actually decreased since President Reagan took office. Again, can this be seen as an economic recovery?

I have thus far discussed the major domestic effects of the Reagan policies. Lastly, I would like to say a word about the implications of these policies on foreign nations and on the present worldwide recession. At the recent Williamsburg summit, foreign leaders stressed that the President's economic pursuits greatly endanger worldwide recovery. A major concern is the present U.S. trade deficit which reached a record high of $42 billion in 1982 and is expected to reach an even greater $75 billion in 1983. The deficit, a result of the strength of the dollar abroad caused by high interest rates, could abort a world recovery in several ways. First, with a persistence of the deficit, the liberal trade system, important for both the economy and friendly relations, could be in danger of reform. Second, with its high unemployment and interest rates, the United States is forced to finance the deficit by drawing off investment funds from abroad. Lastly, the strength of the dollar hurts U.S. exports abroad; this will eventually affect the over 20 percent of industrial output destined for export use.

The trade deficit is not the only way in which U.S. policies influence the world economy. The international debt is another issue of grave concern. Again, high interest rates and the drawing off of capital impede the ability of underdeveloped nations to service their debts. We must change our policies at home now in order to prevent possible defaults by countries such as Brazil, Mexico, or any of our Latin American neighbors.

In conclusion, the failure of the President's economic policies can be demonstrated from a number of standpoints, both foreign and domestic. To put it simply, the economy just cannot survive if it remains headed in its present direction. Through the pursuit of controlled defense spending, greater sources of revenue, responsible increases in social programs, and through a serious commitment to balance the Federal budget, the economy can be restored. Without the adoption of these measures, there is a long way to go before a recovery is in sight.●

SPENDING CUTS A MYTH

HON. DOUGLAS K. BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 28, 1983

● Mr. BEREUTER. Mr. Speaker, I wish to bring to the attention of my colleagues an excerpt from a recent editorial that appeared in the Beatrice Daily Sun. The subject of the editorial is spending cuts and some of the myths that have been reported about what has and has not been done in Congress. The editor makes some very good points that deserve attention by my colleagues.

I commend a portion of the editorial to the CONGRESSIONAL RECORD.

[From the Beatrice Daily Sun, July 20, 1983]

SPENDING CUTS A MYTH

Those bleeding heart liberals who claim the Reagan Administration has sacrificed social programs in favor of a massive defense buildup are wrong again.

The facts show otherwise. Domestic spending this year is $149.5 billion higher than it was during the last year of the Carter Administration.

Yes, defense spending has increased, too—by $78.9 billion since the last year of the Carter term. But let the record also show that President Carter's last budget message projected a defense budget of $210.4 billion for 1983; we're actually spending $214.8 billion—a modest increase compared to that in domestic programs.

Without question our federal deficit is unacceptably high, but it's certainly not because people aren't paying enough taxes; rather because Congress is not willing to control spending.●

NERVE GAS

HON. ED BETHUNE

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 28, 1983

● Mr. BETHUNE. Mr. Speaker, I believe all Members will find the enclosed article which appeared in the New York Times, July 28, 1983, to be a clear statement of the reasons why we should not produce nerve gas. Speaking for myself, I simply do not believe the minute questionable benefit to be gained from producing unneeded artillery shells and suspect aerial bombs is worth the loss of high ground we now hold in world opinion. Why the administration refuses to capitalize on the stark contrast between our policy and practice and that of the Soviets can only be attributed to an intractable mindset that world opinion has little or no value in arms control.

The article follows:

[From the New York Times, July 28, 1983]

NERVE GAS: A CHANCE TO BOLSTER CREDIBILITY

(By David Pryor and Ed Bethune)

WASHINGTON.—The recent vote in the Senate providing $130 million for the production of nerve gas raises a fundamental question concerning the larger issue of arms control: Does the United States mean what it says? Our credibility is already suspect on the issue of nuclear weapons. We are now running the same risk on the issue of chemical weapons. At the very least we are sending out mixed signals.

Many people think the United States is not serious about arms control. Almost every proposal we have made to reduce or eliminate nuclear weapons has been met with suspicion at the outset.

When it comes to nuclear weapons, people tend to see the United States and the Soviet Union as partners in crime because both build and deploy more and more weapons while calling for nuclear treaties. For complicated reasons, this regrettable contradiction may persist. But there is no real reason why the United States should allow itself to be caught in the same bind on chemical weapons.

The United States has not produced chemical weapons since 1969. The Soviet Union, on the other hand, is producing chemical and other toxic weapons and using them as well. The stories out of Sverdlovsk and Afghanistan clearly show that the Soviet Union is in the wrong.

On Feb. 4 in Geneva, Vice President Bush announced a comprehensive initiative on chemical weapons, calling for a treaty banning the development of new chemical weapons and eliminating all existing ones. His proposal generated good will among our allies and third world nations. Yet our negotiating strategy is not playing as well as it should. Why?

The reason is that while our negotiators seek a treaty, the Administration is asking for money to start producing a whole new age of chemical weapons, presumably on the assumption that such weapons are necessary to induce the Soviet Union to bargain. The euphoria surrounding the Vice President's proposal in February has disappeared because the Soviet Union and its allies continue to say we are not serious about our position.

The new "binary" weapons keep two chemical substances separate until the last moment, when they are mixed to create deadly nerve gas. In a recent Government Accounting Office report, scientists said the chemical agents in binaries are "dangerous substances" and that one of them is "extremely toxic as an oral poison." These weapons would replace the "ready mix" unitary weapons we have. The Chemical Corps,

advancing the notion that the new weapons would be safer, wants to replace our existing stock of 155-millimeter unitary artillery shells with the new binaries, and they want to build a new binary aerial bomb called the Bigeye.

We don't need the shells, and the Bigeye is a mechanical nightmare. In fact, this "deep strike" weapon is more likely to blow up on us than on the enemy—which it has done twice in recent testing.

Our chemical weapons stockpile now includes a large supply of 155-millimeter unitary shells, most of them in good shape. The Defense Department had to admit that this supply would be serviceable at least to the end of this decade and perhaps longer. They have an excellent safety record, we have the means to deliver them and they have been dynamically tested, which the binaries have not.

Our point is this: The current stockpile is sufficient to see us through treaty negotiations. The Administration should pull back its request to start producing binary nerve gas weapons. And it should expressly restate the policy begun by President Nixon in 1969 against producing and using chemical weapons. The House of Representatives has taken that position two years in a row.

Furthermore, the Administration should join Congress in speaking proudly of our record and our policy. We should point out that even though the Soviet Union produces and uses chemical weapons, the United States does not. We are a good people, a people of hope, and we want nothing to do with these weapons.

The Committee on Disarmament is meeting in Geneva. It will be in session again in February. Before giving up the high ground from our freeze on nerve gas, we should define a comprehensive political strategy that puts world pressure on the Soviet Union—then see what it will do.

And we can take further constructive action at home. While the Senate has approved money for chemical weapons, the House has defeated the proposal. This leaves the issue up to a conference committee, where the right move can still be made. If the people of the world understand that the United States is serious and that we are trying to do the right thing, they will trust us. And their trust will not only serve us well in chemical weapons discussions, it will carry over into other arms negotiations as well.●

TRIBUTE TO A HERO: MR. DELBERT HALYARD

HON. AUGUSTUS F. HAWKINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 28, 1983

● Mr. HAWKINS. Mr. Speaker, on October 10, 1980, Mr. Delbert R. Halyard lost his life trying to help another man—a stranger he had never seen before.

Mr. Halyard was killed while preventing the senseless beating of a lone man by six youths in front of a liquor store in Downey, CA. The man Halyard assisted is alive today because of his special heroics.

Mr. Speaker, I am honored to nominate Delbert Halyard as recipient for the Carnegie Hero Fund Award, which would go to benefit his wife and children who are still trying to cope with the tragic reality of his death. All of us can be proud of Mr. Halyard's courageous action. When he first saw the man being brutally assaulted, he said to a bystander, "I can't stand to see this. I've got to go break it up." Mr. Halyard's willingness to place another man's welfare ahead of his own epitomizes the characteristics to which we all should strive to achieve.

There is not a logical way to communicate to Mr. Halyard's sons the reasoning of his untimely death. But they should know that he stood for what is decent and right in our society and that his Good Samaritan act is a source of inspiration to us all.

Mr. Speaker, I submit to my colleagues a poem written in behalf of Delbert Halyard honoring him for his valiant and unselfish bravery:

DELBERT HALYARD THE BRAVE ONE

I have written of great men,
Things courageous they've done,
But none ever gave more,
Than Halyard the brave one.

Who went against six,
To aid a lone stranger,
Without thought for himself,
Or the risk of great danger.

For he just couldn't stand,
Seeing one kicked around,
So he went to his aid,
And was knocked to the ground.

Where they beat, kicked and shot him,
Yes it cost him his life,
He leaves two children,
And his expecting wife.

But the other man was saved,
Who walked away knowing,
That this hero most brave,
He would always be owing.

We owe him in Downey,
As good hearts everywhere,
To care for his family,
As he did when here.

For he set an example,
A great blazing show,
Of most splendid courage,
On which we may grow.

That we all survive,
We must encourage his kind,
Rewarding those who are always,
The back bone of mankind.●

CONGRESSIONAL FAST AND PRAYER VIGIL FOR SOVIET JEWRY SENDS STRONG MESSAGE TO SOVIETS

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 28, 1983

● Mr. PORTER. Mr. Speaker, on July 14, 1983, I was proud to sponsor with my distinguished colleague from New York, Congressman ROBERT MRAZEK, the National Congressional Fast and Prayer Vigil for Soviet Jewry. The day marked the fifth anniversary of the imprisonment of Anatoly Shcharansky. Our observance at the west front of the Capitol was highlighted by speeches by JACK KEMP and JIM WRIGHT, by leaders of the religious community, by Lynn Singer, president of the Union of Council for Soviet Jews, Morris Abram, chairman of the National Conference on Soviet Jewry and especially by Anatoly's wife, Avital, who has worked tirelessly for his release and for the release of all refuseniks and prisoners of conscience in the Soviet Union.

I am particularly proud that over 100 Members of Congress participated in the fast and prayer vigil and helped send to the Soviet authorities the strong message that we in the Congress will continue to fight against violations of basic human rights in the Soviet Union and will bring before the world, wherever possible, the repression, anti-Semitism, and discrimination that characterize Soviet policy and action toward Jews in their country today.

My remarks on July 14, follow:

Today all of us on Capitol Hill join with people from all over the country, people from all over the world in commemoration of an anniversary. But it is an anniversary not of a happy remembrance. It is not a time to celebrate or rejoice.

For unfortunately today marks another milestone in the lengthy record of flagrant human rights violations and the long history of Jewish oppression that has characterized the Soviet Union.

For today marks for one man, Anatoly Shcharansky, the fifth year of his imprisonment simply because of his conviction to stand by his religious beliefs and the principles of human freedom. Today marks a sad moment for his wife, Avital, who has not seen her husband since the day after their wedding, ten years ago. But today provides to all of us who believe in freedom, democracy and human rights the opportunity to show our commitment that the injustices suffered by millions of Soviet Jews be ended, once and for all.

Today we join together by fasting and standing together on the steps of the Capitol, a building that represents freedom of speech, freedom of religion and the many other freedoms guaranteed by our Constitution. We join together in solidarity, hope and prayer for Anatoly Shcharansky and all refuseniks and prisoners of conscience living in the oppressed society of the Soviet Union.

In prayer I turn to the words of one who understood the meaning of both suffering and hope far better than I ever could. I offer to you, to Anatoly and to Avital the words from the diary of Anne Frank, a young Jewish girl forced to hide from Nazi oppression. Anne Frank beautifully expresses her prayer for the suffering she felt and the faith that kept her alive. These are the words of Anne Frank, words we offer to all those living in the Soviet Union:

"That's the difficulty in these times: ideals, dreams and cherished hopes rise within us, only to meet the horrible truth and be shattered. It's really a wonder that I haven't dropped all my ideals, because they seem so absurd and impossible to carry out. Yet I kept them, because in spite of everything, I still believe that people are really good at heart. I simply can't build up my

hopes on a foundation consisting of confusion, misery, and death. I see the world gradually being turned into a wilderness. I hear the ever-approaching thunder, which will destroy us too. I can feel the sufferings of millions and yet, if I look up into the heavens, I think that it will all come right, that this cruelty too will end, and that peace and tranquility will return again. In the meantime, I must uphold my ideals, for perhaps the time will come when I shall be able to carry them out."

These words of hope, of dreams, and of prayer reflect the thoughts of Anatoly himself. At the end of his trial Shcharansky said: "Now when I am farther than ever from my people and my Avital, now, when I face long, hard years of imprisonment, I turn to my people and to my Avital and say: 'Next Year in Jerusalem! Next Year in Jerusalem!' "

Both Anne Frank and Anatoly Shcharansky were persecuted merely for their belief in the Jewish religion. We must confess that we allowed anti-Semitism to darken our world once—we will not allow it to happen again.

Soviet propagandists have engineered a multi-media campaign against the Soviet Jews through anti-Semitic literature and broadcasts. Anti-Semitic propaganda supplements the Soviet government-sanctioned raids on Jewish homes, confiscation of personal property, suppression of Jewish culture and threats of arrest and imprisonment. Last month an official Soviet Anti-Zionist Committee claimed that virtually all those who wanted to leave the Soviet Union had done so. This is an outrageous lie! Over a hundred members of Congress are joining together today in fasting and prayer on behalf of individuals who are denied the right to emigrate. Let's make it clear to Radio Moscow and the Soviet authorities, who don't believe us, that there are over 750,000 Soviet Jews alone who would welcome the chance to escape their repression. There's one simple way for the Soviets to find out who tells the truth. Allow all who want to leave to do so now.

We cannot stand idle and allow the Soviets to use their people as political hostages. We cannot allow the Soviets to continue to violate international human right treaties. We must continue to speak out—forcefully, so that the Kremlin knows we will not give up our fight. For the last four months I have tried to get an appointment with someone at the Soviet Embassy in Washington. Again and again they have set up appointments and cancelled. I had an appointment with the First Secretary of the Embassy for today. Two days ago he cancelled due to a "scheduling conflict". The Soviets can continue to refuse to discuss this issue, but we in the Congress—members of the Congressional Human Rights Caucus and all who believe in human rights—will continue to speak out.

Let us join together in prayer for Anatoly Shcharansky for all refuseniks and for all the prisoners of conscience. Anatoly turned to us five years ago today and said "Next Year in Jerusalem!" This can happen only if, like Anne Frank, we uphold our ideals, fight for the principles of democracy and continue to work for human rights. We turn to you and praise your continued struggle on behalf of those under the hand of oppression. We turn to the Soviets and cry out we will not give up our fight. Next Year in Jerusalem! . . . for Anatoly Shcharansky . . . and for all who wish to be free.●

AMENDMENT TO RCRA ON HAZARDOUS WASTES EXPORTS

HON. BARBARA A. MIKULSKI

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 28, 1983

● Ms. MIKULSKI. Mr. Speaker, I am offering this amendment today in order to close a major loophole in the Resource Conservation and Recovery Act.

Currently EPA has no authority to prevent the export of hazardous wastes to other countries. My amendment will provide EPA with the authority to prohibit the export of hazardous wastes if the receiving nation does not certify that it is aware of the hazardous nature of the waste, and that it is willing to receive the shipment.

This amendment does not mandate an outright ban on such shipments. I recognize the fact that there are several legitimate reasons for exporting hazardous wastes, such as for scientific testing, reprocessing, and recycling. My amendment is not aimed at these shipments.

The focus of my amendment is those wastes which are exported to avoid the stringent and more expensive requirements which govern the disposal of hazardous wastes in this country.

We must prevent the dumping of hazardous waste in unsuspecting Third World nations and we must make it very clear to other countries that we will not export our problems onto their shores.

There have been several incidences in the past few years where American companies have sought to export wastes in order to dump them in someone else's backyard. This reflects poorly on our country and harms our foreign policy interests.

In Mexico, an American citizen illegally disposed of PCB's and mercury sludge—both extremely hazardous substances—in an abandoned mine without adequate safeguards to the surrounding area.

Last year a Florida company proposed to incinerate large quantities of PCB-contaminated wastes in a Honduran facility after it had been denied an EPA permit for PCB incineration in this country. Once the Honduran Government learned of the hazardous nature of the waste, it refused to permit the activity.

In both of these cases, if the receiving country was notified of the nature of the waste, and certified it was willing to accept it, this amendment would provide no obstacle to the shipment. However, if the receiving country does not want the shipment, EPA would have the authority to stop the shipment.

Both the State Department and EPA agree that the RCRA legislation is the appropriate place to deal with this issue and I have worked with the EPA to create the least administrative burden on that Agency.

Our own country will have safeguards from the ill effects of hazardous waste upon passage of this legislation. We should take an equally firm stand on the transportation of hazardous waste bound for export to other countries. I urge you to support my amendment to insure such a clear message to the rest of the world.●

STAKES ARE HIGH IN CENTRAL AMERICA

HON. JAMES G. MARTIN

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 28, 1983

● Mr. MARTIN of North Carolina. Mr. Speaker, each of us faces a complex problem in voting on the Boland-Zablocki amendment. Several important issues are involved, and there are different ways of looking at the problem. Because the stakes are high, it is vital that we identify the most fundamental issue and view the matter in the clearest possible light.

The fundamental issue is whether the United States has the political will to help stop the advance of communism in Central America. Other issues are of deep and legitimate concern to many, but, I believe, this one is paramount.

It is true that the underlying causes of the crisis in Central America are poverty and oppression. But it is also true that popular discontent is being exploited by Communist-led forces, aided and abetted by Cuba and the Soviet Union, in order to impose Communist rule. This threatens our national security as well as the interests of the people of Central America. It is the Communists who have turned Central America into an East-West issue. To those who claim there can be no military solution, I say: you are so wrong: If we turn our backs and abandon any responsibility to non-Communist latin countries, there will be a military solution. The Cubans and Soviets and Nicaraguans and Sandinistas will impose a military solution.

Decades of repression by Somoza brought the Sandinistas to power in 1979. The United States did not oppose their takeover and gave considerable aid to the new regime. But the Sandinistas spurned our friendship, repudiated their promises of democracy, and turned to Cuba and Russia for help. As the veil of Communist totalitarianism falls across Nicaragua, the people find they have merely exchanged one oppressor for another.

This would not be our business, but for the Sandinistas' aggression against El Salvador, by providing the major

support for the Communist guerrillas in that country, and by providing their main operations center outside Managua. The majority report of the House Intelligence Committee on H.R. 2760 concedes:

It is not popular support that sustains the insurgents * * * (t)his insurgency depends for its lifeblood—arms, ammunition, financing, logistics and command-and-control facilities—upon outside assistance from Nicaragua and Cuba.

Nicaragua is rapidly becoming a Cuban-Soviet client state. It has welcomed 4,000 to 5,000 Cuban civilian "advisers" and 2,000 military and secret police personnel. It has a full-fledged Department of "State Security"—"KGB" in Russian. The militarization of the country has proceeded to the point that its armed forces exceed the rest of Central America's combined, and there are 50 Soviet military advisers as well.

The Soviet-Cuban-Sandinista effort to take advantage of instability in Central America poses a potentially grave threat. It could lead to an extensive, permanent Soviet presence in the region, leaving us exposed, for the first time, in our own hemisphere. Who among us wants to take responsibility for that?

Following is documentation of the massive Soviet buildup in Cuba and the comparable growth in Cuban forces. In addition, I submit for the RECORD a list of the possible military consequences of an increased Soviet presence in Central America and the Caribbean area.

All members agree that our policy ought to be to foster democracy and freedom in the region. Communist Nicaragua is threatening democratic development throughout the area. Regardless of past policies, U.S. policy today is nurturing the seed of democracy. We are giving solid backing to the elected Governments of Costa Rica and Honduras, and are making slow progress against difficult obstacles in El Salvador. The Caribbean Basin Initiative is the centerpiece of our efforts to address the underlying economic causes of turbulence and revolution.

Another issue that rightly concerns many of us is covert action against a foreign government. Two points should be considered. First, Nicaragua and Cuba are doing exactly that in their attempt to subvert the freely elected Government of El Salvador. Our assistance to those fighting the Sandinistas is legitimate self-defense on behalf of El Salvador. Second, the widening revolt against the Sandinistas is a spontaneous uprising against repression and the betrayal of the revolution that expelled Somoza; it is not a creation of the CIA. It would be derogation of the historic traditions of our country not to aid these courageous people, the vast majority of whom are fighting for the ideals we share.

The fundamental issue stands out for all to see. American's capability to defend its interests also is clear. What is not clear, however, is our will to defend our interests and the cause of freedom in Central America. Some do not believe our country has the moral right to do this. Their success would send an unmistakable message to our foes and allies that the United States will not exert its power, where necessary, to oppose aggression and meet its obligations, even on its own doorstep. The world will become more unstable, the influx of refugees will reach floodtide, and the descent into chaos will accelerate.

A. THE CHARACTERISTICS OF THE SOVIET/CUBAN BUILDUP: MEN, MONEY, MATERIEL

The Soviet Union maintains and reinforces its presence by:

Deploying its long range Bear Bombers to the region on an almost back-to-back basis.

Deploying its naval combatants for joint training exercises with Cuba.

Providing a palace guard of approximately 3,000 men of its Soviet Brigade near Havana and an additional presence of 2,500 military advisors.

Providing Cuba with 8,000 civilian advisors.

In 1982, the Soviets and Cubans had 50 times as many military advisors in Latin America as did the U.S. Last year the Soviets increased their military advisors in Cuba by 500.

The U.S.S.R. has also provided a steady stream of military equipment to Cuba. In 1981 alone, Moscow provided 66,000 metric tons in military assistance valued at $600 million. Deliveries in 1982 exceeded 1981 by 2,000 metric tons and amounted to over $1 billion in military assistance in the last two years.

Cuban armed forces have grown to a size disproportionate for defensive needs:

Cuba posesses an Army of over 225,000; a Navy of 11,000 and air and air defense forces of 16,000 not including hundreds of thousands of paramilitary.

Cubans have well over 200 MIG fighter aircraft.

Castro has about 65,000 Cubans serving overseas, 40,000 military (25,000 troops in Angola, about 12,000 in Ethiopia) and 25,000 civilian technicians.

Cuba has 2.3 percent of its population in the regular armed forces, one of every 20 Cubans participates in some security mission.

Moscow underwrites the activities of its Cuban surrogate at a cost exceeding $4 billion annually (¼ of Cuba's GNP) and supports efforts to collect funds, arms, and supplies from the communist bloc for guerrilla activities in Central America and the Caribbean.

The number of Soviet Bloc academic grants offered annually to Latin American students jumped from 400 in the 1960's to about 7,000 now. In 1979 Moscow admitted to sponsoring 7,000 Cubans for studies in the Soviet Union. Last year 700 Nicaraguans were reported studying there and an additional 300 scholarships were being provided. Scholarships include free room, board, tuition, transportation, medical care and a small stipend.

About 3,000 Latin American students, including 1,600 Nicaraguans are studying in Cuba. Cuba has constructed 17 schools for foreigners each costing about $2 million to build and $600,000 to operate annually.

B. THE THREAT POSED BY SOVIET EXPANSIONISM

Such communist expansion could lead to an extensive and permanent Soviet presence, and an increased Soviet strategic capability in the region which would create significant military consequences for the U.S.

It could place hostile forces and weapons systems within striking distance of targets in the U.S.

It could provide air and naval bases, such as those in Nicaragua and Grenada, for recovery of Soviet aircraft after strategic missions.

It would furnish missile sites for launching attacks against the U.S. with short and intermediate range missiles.

It could provide bases for use in covert operations against the U.S. and our neighbors.

It could provide for pre-positioning of Soviet equipment, supplies and ammunition in our hemisphere.

It could allow the Soviet Pacific and Atlantic fleets to operate near our shores without having to return to the U.S.S.R. for maintenance.

It could threaten our Caribbean Sea Lines of Communication through which a large volume of our goods pass; thus endangering the economic well-being of our nation.

And finally, it could cause the U.S. to divert scarce resources in manpower and materiel from other areas of the world to protect an area previously considered militarily secure.●

END COVERT MILITARY AID TO NICARAGUA

HON. BOB EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 28, 1983

● Mr. EDGAR. Mr. Speaker, I would like to share with my colleagues a very strong statement by Catholic theologian Father Henry Nowan and signed by 68 Catholic orders and organizations, appealing to Congress to end the attacks on Nicaragua by our Government.

I urge my colleagues to give careful consideration to the statement and immediately end covert military aid to Nicaragua.

At this critical moment, in which the rumors and threats of a war with Nicaragua are increasing day by day, we, members of the Catholic Church in the United States, want to repeat loudly and clearly the words of Pope John Paul II, "War should belong to the tragic past." We affirm the U.S. Catholic Bishops' conviction, so strongly stated in their recent Peace Pastoral Letter, that peacemaking is not an optional commitment but a requirement of our faith.

Therefore, in the name of Our Lord Jesus Christ and in the name of His Gospel of peace, we call for an immediate halt to any form of U.S. intervention in Nicaragua. We condemn any intervention in the Nicaraguan struggle for self-determination as unjustifiable, illegal and immoral.

We call upon our government to cease any support of armed attacks upon the govern-

ment and the people of Nicaragua. We call upon the people of the United States to resist thoughts, words, and actions that can lead to war and we promise to call on the members of our organizations, as well as on those with whom we live and work, to join us in our attempt to seek a constructive reconciliation with the Nicaraguan people.

PARTIAL LIST OF SIGNERS OF STATEMENT

Adrian Dominicans, Chapter Prioress Midwest Mission—Marge Hehigan, OP

Adrian Dominicans, Chapter Prioress Upper Midwest Mission—Denise Debitt, OP

Alliance for Justice—Sr. Mary Louise Lynch, SCMM

Baltimore Archdiocesan Justice/Peace Commission—C. William Michaels

Benedictine Srs. of Baltimore—Sr. Joan Marie Stief, OSB

Benedictines for Peace—Mary Lou Kowanacki, OSB, Director

Bishop of Rockville Centre, NY—Most Rev. John R. McGann, DD

Blessed Sacrament Fathers—Rev. Donald Pelotte, SSS, Provincial Superior

Chicago Catholic Women—Maureen Reiss, Convenor

Christic Institute—William J. Davis, SJ

Cara—Cassian Yuhaus, CP, President

Catholic Theological Union (Chicago)—John Linnan, CSV, President

Catholic Theological Union (Chicago)—Carolyn Osiek, RSCJ, Acting Dean

Center of Concern—Peter Henriot, SJ, Director

Community Creativity, Inc.—Sr. Barbara Valukas, SSND

Conference of Major Superiors of Men—Ronald Carigan, OMI, President and Donald Skwor, SDS, Executive Director

Consolata Fathers & Bros.—Rev. Aristide Bruni, IMC, Regional Superior

Conventional Franciscan Conference of N.A. & England—Rev. Juniper Cummings, OFM Con., President

Divine Word Missionaries (Midwest)—Rev. Donald Mulrenan, SVD, Provincial Superior

Divine Work Missionaries (South)—Rev. Terry Steib, SVD, Provincial Superior

8th Day Center, Chicago

Franciscan Conference—Rev. Alan McCoy, OFM, Executive Director

Glenmary Commission on Justice—Rev. Gerry Conroy, OFM

Institute of Women Today—Margaret Traxler, SSND, President

Intercommunity Center on Justice & Peace (NY)—Sr. Regina Murphy, SC

Intercommunity Center for Justice & Peace (NY) School Program Director—Kathleen Kanet, RSHM

International Justice Network—Sr. Ann Gormly, SNDdeN

Jesuit Missions, Inc.—Rev. Simon Smith, SJ, Executive Secretary

Justice & Peace Coordinator of Missionhurst—Rev. Joseph Lapauw, CICM

Leadership Conference of Women Religious—Helen Flaherty, SC, President

Marianist Office of Justice & Peace—Richard E. Ullrich, Director

Maryknoll Fathers & Bros.—Rev. James Noonan, MM

Maryknoll Sisters—Sr. Josephine Kollmer, MM, Central Governing Board

Medical Mission Sisters—Sr. Janet Gottschalk, SCMM

Mexican American Cultural Center (Texas)—Rev. Virgil Elizondo, President

Mission Education Center—Srs. of Notre Dame de Namur

Missionaries of Africa—Rev. John Heigl, WF, Provincial Superior

Missionhurst—Rev. Walter D'Heedene, CICM, Provincial Superior

Monroe IHM's Central Administration—Sr. Carol Quigley

National Assembly of Women Religious—Sr. Marjorie Tuite, OP, National Coordinator

National Assembly of Women Religious (NY region)—Sr. Susan McCarthy, Director

National Association of Religious Brothers—Bro. Patrick Hanson, CP, President

National Coalition of American Nuns—Donna Quinn, OP

National Federation of Priests Councils—Rev. Robert Johnson, President

National Sisters Vocation Conference—Sr. Maureen Clark, CSJ, President

Network/Catholic Social Justice Lobby Group—Nancy Sylvester, IHM

New York Archdiocesan Council of Women Religious—Sr. Mary Mitchell, President

Office of Social Concerns—Maryknoll Sisters—Sr. Helene O'Sullivan, NM

Paulist National Catholic Evangelization Association—Rev. Alvin Illig, CSP, Director

Pax Christi USA—Paul Mazur, National Coordinator and John Szura, OSA

Peace & Justice, Office of (Chicago)—Rev. Francis Kane, Director

Peace & Justice Office—Maryknoll Fathers & Bros.—Rev. Daniel P. Driscoll, NM

Peace Studies Institute—Manhattan College—Dr. Joseph Fahey, Director

Priests for Equality

Queensboro Community College Newman Center—Sr. Seton Cunneen, SND

Quixote Center—William Callahan, SJ

Religious Formation Conference—Sr. Carol Ann Jokerst, CCVI

Religious Task Force on Central America—Lee Miller and Marge Swedish, Co-Directors

Salvatorian Fathers & Bros.—Board of Directors

SSND—Peace & Justice Commission (Baltimore Province)—Sr. Sharon Dei, SSND Co-Chair

Sisters of Charity, Region X—Catherin McHugh, BVM, Regional Representative

Sisters of Loretto, Marion McAvoy, SL, President

Sisters of Mercy of the Union of the USA—Sr. M. Theresa Kane, RSM President

Sisters of Mercy of the Union of the USA (Chicago Province Team)—Sr. Catherine Gallagher, RSM; Ruth Mutchler, RSM; Elizabeth Smith, RSM; Kathleen McClelland, RSM; Judy Niemt, RSM; and Lois Graver, RSM

Sisters of Notre Dame de Namur—Sr. Mary Daniel Turner, Superior General

Sisters of Providence (Sacred Heart Province)—Sr. Ann Casper, Provincial

Sisters of Providence (Chicago)—Sr. Marilyn Ginder, SP, Provincial Councilor

Sisters of Providence (St. Gabriel Province)—Mary Catherine Duffy, SP

Sisters of Providence of Holyoke—Sr. Catherine Laboure Fitman, SP, Director

Sisters of St. Joseph of Peace—Sr. Patricia Lynch, CSJP & Sr. Dorothy Vidulich, CSJP, Executive Council

Sisters of the Sacred Heart of Mary—St. Helene Louise Vimmerman and Sr. Carol Schommer, Province Administration

Society of African Missions—Ted Hayden, SMA

U.S. Catholic—Mark Brummel, CMF Editor (Chicago)

U.S. Catholic Missions Association—Sr. Mary Ann Dillon, RSM, President; Rev. Anthony Bellagamba, IMC, Executive Director.

Villa Center for Renewal—Barbara Blake, RSM, St. Charles, IL

Womens Alliance for Theology Ethics and Rituals—Ms. Mary E. Hunt and Ms. Diann Neu

World Justice and Peace Commission/Diocese of Bridgeport—Ms. Rosemarie Gorman.

INDIVIDUALS

Abramozich, OP; Rosemary
Barrett, RSM; Betty
Bergant, Dianne (CTU)
Blacquiere, RSM; Theresa
Bossie, SCJ; Rev. Robert (8th Day)
Brennan, OP; Peggy
Brooks, Rev. Robert
Brin, Shirley (CTU)
Brucks, Rev. Kenneth
Bruska, Julianne (CTU)
Carek, OP; Cyrilla
Carolan, Rev. John
Carrol, Rev. Robert
Corbeth, OSF; Jennifer
Crippner, BVM; Catherine
Daly, RSM; Mary Catherine
Dahm, OP; Charles (8th Day)
Dempsey, OP; Dorothy
Donahue, RSM; Karen (8th Day)
Dressler, Rev. Philip
Eaton, SP; Rose Ann
Egan, MSGR. John J.
Fallon, SP; Sr. Maureen
Finnegan, RSM; Mary
Flynn, OP; Julie
Freedman, Jane
Gallagher, OP; Maureen
Gartland, SP; Dorothy (8th Day)
Gemska, OFM; De Paul
Goeddeke, OP; Marion (8th Day)
Hargadon, RSM; Nadine
Hollahan, BVM; Dorothy
Hund, CP; Carl
Hyland, Connie (CTU)
Keifer, OP; Eugenia Clare
Madden, OP; Colette
Maher, RSM; Berchmans
Maloney, OP; Ann
McGrory, SP; Sr. Frances
McLaughlin, SP; Sr. Laura Ann
McManigal, BVM; Bernadette
McMillan, RSM; Betsy
McNamara, SP; Sr. Margaret Ann
Meyer, BVM; Rose Mary (8th Day)
Michalowski SSSF; Laurie
Misciasci, CSJ; Mary Lou
Niemet, RSM; Judith
O'Malley, CP; Kenneth
Perkins, RSM; Madeleine
Petruziello, CSJ; Catherine
Pinkerton, CSJ: Catherine
Rea, OP; Mary Richard
Scott, Juandine (CTU)
Senior, CP; Donald
Specht, RSM; Joan
Specht, Joseph and Ruth
Studer, SSND; Sr. Rita
Uline, OP; Marilyn
Ventura, Rev. Tom
Zachmann, Alice.●

THE EFFECT OF THE SOCIAL SECURITY SYSTEM ON BLACK AMERICANS

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 28, 1983

● Mr. CLAY. Mr. Speaker, during the last decade preceding the signing into law of Public Law 98-21, the Social Se-

curity Amendments of 1983, a great number of adverse financial reports was discussed pertaining to our Social Security system. These reports created a significant degree of public pessimism regarding the longevity of the social Security System.

Public opinion polls consistently showed that substantial doubts existed as to whether the Social Security system would survive. In addition, the public's view was that even if the system did survive, it was doubtful whether it would provide much of a retirement benefit.

Even after the amendments were signed into law on April 20, 1983, in an attempt to resolve the financing problems. Mr. Speaker, discussions, research, and controversy pertaining to our Social Security system continue.

A Dallas-based think tank recently conducted a Social Security reform study and found that raising the retirement age gradually to age 67 in the next century will adversely affect black workers. While most people recognize that our Social Security system favors the old over the young; few realize that the system also favors some individuals over others within the same age group. According to the attached article, the black population can expect to receive considerably fewer benefits from Social Security.

I commend the following article reported in the Globe-Democrat Newspaper of St. Louis, Mo., on July 15, 1983, for the consideration of my colleagues:

SOCIAL SECURITY REFORM COSTS BLACKS THE MOST, STUDY SAYS

DALLAS (AP)—Raising Social Security's retirement age to 67 in the next century will hurt black workers the most because of their lower life expectancy and will result in a "massive transfer of wealth from blacks to whites" a Dallas-based think tank contends.

"It would appear that Social Security is becoming a system under which black workers pay taxes to support white retirees," John Goodman, president of the National Center for Policy Analysis, said in an interview Wednesday.

The center has issued a report detailing how the recently enacted two-year increase in the retirement age will affect blacks.

"A black male born today has a life expectancy of 64 years," said Goodman.

"Over his working life he will pay more than $60,000 in Social Security taxes. Yet he can expect to die three years before he reaches full retirement age, which at that time will be 67."

In 1979 the Advisory Council on Social Security, a panel of outside experts who studied the system for Congress, concluded that although a disproportionate number of minority workers do not live to retirement age, "they are more likely to have surviving spouses and children who collect Social Security survivor benefits."

The council said that in 1977 blacks, who constitute about 12 percent of the U.S. population, made up 7.8 percent of retired workers, but 10.3 percent of all Social Security beneficiaries. Blacks also were 16.5 percent of disabled workers and 21 percent of the children of retired, dead or disabled workers.

Social Security experts estimate that raising the age to 66 by the year 2009 and to 67 by 2027 amounts to about a 13 percent benefit cut on average for everyone born since 1960. All those born since 1938 will be affected, to some degree.

The think-tank study said the change means a black male age 25 today lost more than 80 percent of his expected benefits. By contrast, a white male the same age lost less than 22 percent of his.

"Exact statistics are not available, but it is probably true that considerably more is being taken from the black population in Social Security taxes than is being paid back to the population in the form of benefits," the study said.

Social Security Administration spokesman James M. Brown in Baltimore said Thursday the agency had no immediate comment on the study.●

DEFLATING THE CLAIMS OF THE AIR-BAG STUDIES

HON. ELWOOD HILLIS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 28, 1983

● Mr. HILLIS. Mr. Speaker, the recent ruling of the Supreme Court overturning the administration's decision to forgo a mandatory passive restraint standard for automobiles is only the last in a very long list of events surrounding air bags. The debate has raged within the Department of Transportation, the Congress, and now the Supreme Court for years. No issue is memory has been more debated, more studied, more reviewed without being resolved.

I personally felt that the administrator, Raymond Peck of the National Highway Traffic Safety Administration, was correct in his decision not to implement the passive restraint standard. I think the Supreme Court was mistaken in its interpretation of the law requiring NHTSA to review its passive restraint decision.

The Wall Street Journal on July 21 ran an article written by Sam Kazman entitled "Deflating the Claims of the Air-Bag Studies," which presents a clear argument against the Court's position. Because I feel that the Congress will once again be forced to consider this issue, I am placing the article in the CONGRESSIONAL RECORD at this point. I recommend it to everyone's reading.

[From the Wall Street Journal, July 21, 1983]

DEFLATING THE CLAIMS OF THE AIR-BAG STUDIES

(By Sam Kazman)

The Supreme Court's recent overturning of the Department of Transportation's decision to rescind its requirement of passive restraints in autos has been widely characterized as a judicial defeat for President Reagan's deregulatory effort. However, when nine Supreme Court justices manage to agree unanimously that an agency arbitrarily assessed such a factbound issue, one begins to suspect that the setback was dealt less by the court than by the agency itself.

That suspicion isn't allayed in the least by a review of DOT's handling of the issue, for the agency's course was fundamentally marred by an administrator's failure to challenge his staff's advocacy of a technological fix.

The decision to rescind the passive restraint rule was made by Raymond Peck Jr., head of the National Highway Traffic Safety Administration within DOT. The most crucial aspect of his decision was his acceptance of the assessment that his predecessor, Joan Claybrook, had made concerning air bags—that their effectiveness had been confirmed by the field experience of those air bag-equipped cars that were on the road. Most of these cars had been manufactured by General Motors from 1974-76; while GM had hoped to sell several hundred thousand cars so equipped, it succeeded in selling only 10,000 and subsequently stopped offering the optional device.

BUREAUCRATIC INFATUATION

In fact, there was good reason to doubt the claim that air bags were a proven technology. Had Mr. Peck openly questioned that claim as part of his basis for rescinding the rule, then it is highly unlikely that the Supreme Court would have ruled, as it did, that the agency had illegally failed to consider an air bag-only requirement. Instead, NHTSA blandly asserted that it had "no basis . . . for changing its earlier conclusions" on this issue. There were few ways indeed that NHTSA could have made things harder for itself in court than through this approach. NHTSA's action illustrates how an agency can become so wedded to a notion that even a new administrator, riding a popular mandate for political change, is unable to break the knot and instead ends up being hanged by it.

In the case of air bags, the indications of bureaucratic infatuation are clear—NHTSA has misrepresented the device to the public, and it has concealed adverse data and analysis regarding air-bag performance.

The agency has long known that air bags alone don't offer full occupant protection but must be used together with manually buckled lap belts. For an agency committed to the dream of totally passive protection, however, this is an exceedingly inconvenient fact that must be ignored or glossed over. For example, a 1977 NHTSA brochure, aimed at the general public, describes air bags as "systems that protect automobile occupants from collision injuries automatically, without the need to fasten belts or to take any other action." Pity the person who, believing that, finds himself unbelted in a side, rear, or rollover collision, where air bags offer little or no aid.

NHTSA's attitude doesn't change when one moves from its public relations to its analytical work.

In April 1976, a NHTSA statistician examined the four deaths that were then known to have occurred in air-bag cars and concluded that "the actual number of deaths (in these cars) was at least four times as high as the expected number—a discrepancy that he found to be "statistically significant at the 99% confidence level" and which sugested "that the air bag is totally ineffective in fatality reduction." This wasn't the sort of finding that would be joyously received by an agency enthralled by air bags. Instead, the study, "A Statistical Analysis of

Air Bag Deaths," was concealed for 2½ years until it was forced into the open in 1979 during the Pacific Legal Foundation's suit against the passive-restraint rule.

The agency's most recent examination of the accident data appeared in July 1980, in its "Automobile Occupant Crash Protection—Progress Report No. 3." On the basis of six reported fatalities, that study concludes that the demonstrated effectiveness of air bags is "consistent with earlier estimates made by the Department. . . ." Because this effectiveness was calculated by comparing the known fatalities in air bag cars with the expected fatality experience of a conventional fleet of similar model cars, its value was critically dependent on the accuracy of the air-bag fatality count.

However, at the time NHTSA issued this report it knew not of six but of seven air bag fatalities. That seventh death, resulting from a 1974 accident in Florida, was simply omitted from the agency's analysis because it occurred more than 30 days after the accident and thus exceeded the usual time cutoff for defining a fatality. While this 30-day standard may be acceptable in computing national statistics, its appropriateness is highly questionable when data are as scarce as those on airbag fatalities. One would expect at least a footnote indicating the omission of a fatality; instead one finds total silence.

More importantly, the 1980 report illustrates NHTSA's unfounded assumption that it knows of every fatality that has occurred in an air-bag car. This assumption is crucial because, given the single-digit numbers at issue here, every such fatality that NHTSA doesn't know about (or knows about and ignores) significantly reduces the calculated effectiveness of these devices.

The tenuous nature of this assumption of omniscience should have been evident to the agency from the very pattern of the fatalities described in its report.

Generally, about 38% of all occupant fatalities occur in non-frontal impacts. One would expect to find at least several such accidents among the six fatal collisions reported for the air-bag cars. In fact, however, there wasn't a single such case among them; all six deaths occurred in frontal collisions with full air-bag deployment. This absence of non-frontal accident deaths could hardly be credited to air bags, because those devices are unlikely to deploy in such impacts. It is far more likely that non-frontal accident fatalities were simply being missed by NHTSA's reporting system, because the collision of a non-deployed air-bag car could easily be mistaken as involving only a conventional vehicle.

In effect, much of the fatality reduction that NHTSA was touting was probably due not to air bags but to the inadequacy of the agency's own reporting system.

Strangely enough, NHTSA received strong evidence of this inadequacy in the same month that it issued its Progress Report. In July 1980, the agency learned of a non-deployment fatality in the non-frontal rollover collision of an air-bag car in Washington State. However, lest one think NHTSA's reporting system had suddenly begun to function properly, the accident itself had occurred in September 1977. NHTSA had simply been unaware of it for nearly three years. NHTSA's chief counsel, Frank Berndt, wasn't the least bit apologetic for this delay; in a surprisingly candid letter, he stated that the agency felt "quite fortunate to have discovered the Washington State accident at all, let alone 34 months after its occurrence."

Fortunate indeed! Between this nearly undiscovered accident and the Florida fatality that NHTSA neatly ignored, the 54% effectiveness that NHTSA calculated for air bags is reduced by more than one-quarter; it would take only a few more undiscovered fatalities to shrink that effectiveness figure down to insignificance.

CAMPAIGN FOR AIRBAGS

Misleading advertising, concealed studies, conveniently incomplete data—this sounds like the archetypal accusation that Joan Claybrook would throw at the auto industry. Instead, it characterizes NHTSA's own campaign for air bags. Unlike the market activities of car manufacturers, however, that campaign is restrained by neither competition nor product liability.

This isn't to say that air bags themselves are inherently ineffective. The issue of whether and when they should be reintroduced into the market, however, isn't a question that can be entrusted to NHTSA. Unfortunately, that is exactly where it currently rests.

Coming to office in the wake of th Reagan election, Raymond Peck was ideally situated to question the conventional wisdom that air bags have been proven in the real world. Because he didn't, that bromide has received the imprimatur of the Supreme Court. It is doubtful that the issue will be examined any more critically by the new transportation secretary, Elizabeth Dole, who saw fit to publicly praise air bags one week before the case was argued before the court.

In 1972 NHTSA mandated ignition interlocks, which so enraged the public that Congress soon banned their requirement. In 1978, NHTSA's requirement of complex antilock devices for air-braked buses and trucks was overturned by a federal court when it found that the agency had created "a potentially more hazardous highway situation than existed before . . . ." The cost of these fiascoes was ultimately borne by consumers. From the looks of things, the public is in for an even heftier tab in the future.●

THE DEFECTION OF COMANDANTE MONTENEGRO

HON. JAMES G. MARTIN

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 28, 1983

● Mr. MARTIN of North Carolina. Mr. Speaker, one of the most remarkable sources of information about the Communist direction and domination of the guerrilla forces in El Salvador has come to us in the person of Arquimedes Canadas, who defected from his military leadership position with the Salvadoran guerrillas, where he was known as Comandante Montenegro. Many of us have visited with this courageous man and been impressed by his narrative. I spread this interview on the RECORD for the benefit of the Congress.

The article follows:

[From the New York Times, July 28, 1983]

CUBA DIRECTS SALVADOR INSURGENCY, FORMER GUERRILLA LIEUTENANT SAYS

(By Bernard Weinraub)

WASHINGTON, July 27.—A former Salvadoran guerrilla who played a key role in anti-Government raids in San Salvador has told United States officials that Cuba has "directed the activities" of the insurgency since 1980 and that the guerrilla leadership is now operating from bases in Nicaragua.

The former rebel, Arquimedes Canadas, also known as Comandante Alejandro Montenegro, said in an interview here that before 1980 the guerrilla movement was largely "nationalistic," made up of a multitude of political and armed groups. But he said it gradually moved under Havana's influence to the point that Cuban military aides specifically advised Salvadoran guerrillas on tactics to cripple Government forces.

Mr. Canadas, who has been sentenced to death by guerrilla forces and is under United States Government protection here, said he and four other leaders of the People's Revolutionary Army met four Cuban military officials, three men and a woman, in Havana and Managua in July and October 1981. At that point Mr. Canadas, the 28-year-old son of a civil servant, was an underground leader in the "central front," which includes San Salvador, the capital.

"As far as the central front was concerned," Mr. Canadas said, "they said the principal activity should be the sabotage of electric power and telephone lines to prevent the national army from using the telephone as a principal means of communication and force them to use only radio."

REPORT HAS "CHECKED OUT"

Two State Department officials said Mr. Canadas's background and the details of his report had been checked in recent months by the State Department and the Central Intelligence Agency. "His bona fides have been established," an official said. "We have checked what he's said with other sources and it's checked out."

The official said there was special concern in validating the report, given the embarrassment last March when a Nicaraguan publicly recanted statements given to the State Department and the C.I.A. about Nicaraguan and Cuban involvement in El Salvador.

Mr. Canadas was seized last Aug. 22 by Honduran security forces at a cafe in Tegucigalpa while on his way to a meeting of Salvadoran rebel leaders in Managua. Since then he has told his story to United States officials, ranging from a teen-ager who abhorred what he called the Salvadoran Government's "military repression" to an underground leader who directed one of the guerrilla movement's major propaganda triumphs, the destruction of seven American-made helicopters and eight planes at the Ilopango Air Base near San Salvador in January 1982.

"The seven soldiers that carried out the operation were trained for six months in Havana," Mr. Canadas said. "In October, when I was in Managua, Villalobas had put me in charge of the mission." Joaquin Villalobas leads the People's Revolutionary Army.

OPPOSED CUBAN INVOLVEMENT

Although several other guerrilla leaders have been seized and accepted amnesty—and quietly fled to other Latin American countries after privately yielding intelli-

gence information—Mr. Canadas said he had decided to speak publicly for several reasons.

At the time he drifted into the underground in 1974, after 30 people died when the military opened fire on a peaceful demonstration by students, anti-Government activity was "nationalistic," he said.

"We wanted an end to oppression in our homeland," Mr. Canadas said. "We did not want Communists and Cubans."

Even before his arrest, he said, he had made known his dissatisfaction "that the process was being transformed and manipulated by other interests, the Cubans and Nicaraguans."

"At the moment," he continued, "we should fight for peaceful political alternatives so that the bloodshed will be stopped. I want to take that message and direct it to my ex-companions."

The Salvadoran spoke in Spanish in the interview, held at the institute on Religion and Democracy, a foundation and church-supported group.

"PEOPLE CLOSED THEIR DOORS"

Mr. Canadas said he grew aware of Cuba's involvement in mid-1980 when the Farabundo Marti National Liberation Front was set up as the umbrella organization for Salvador's guerrilla groups, inlcuding the People's Revolutionary Army. Overseeing the front was a supreme executive body, the Unified Revolutionary Directorate, or D.R.U., that was formed, he said, at a secret meeting in Havana.

"From the political and military point of view, all the decisions that the D.R.U. took—from the strategic sense, from the military sense—were done in coordination with the Cubans," he said.

For example, in November 1980, when guerrilla leaders met in Havana, "the military plan for the final offensive in January '81 was authorized by the Cubans," he said.

That offensive, in which guerrilla forces attacked key points in hopes of a general uprising, fizzled. "There was no popular backing for an insurrection," Mr. Canadas said, adding that the umbrella guerrilla group had "never agreed on a common strategy; there were ideological differences."

He said he was in Soyapango, just east of San Salvador, on Jan. 10 and "the people closed their doors on us."

According to Mr. Canadas, the guerrillas made a crucial mistake in March 1980 when the highly popular Archbishop Oscar Arnulfo Romero, who had advocated social change, was murdered. "There could have been the insurreciton then and there," he said. "The people were waiting for the call." But "the Communists in the movement said wait," he said, adding, "It was a major political error."

By June 1980, Mr. Canadas said, after guerrilla leaders, not including him, went to Havana, "arms began coming in and the commanders after that meeting did not return to Salvador." He said that was when the leaders moved their operations to Nicaragua.

"They never returned," he said, with the exception of Villalobas, who was the last one to leave Salvador in February '81."

"Before that we did not have much arms coming in," he said. "After that the majority of arms was given by Vietnam, American M-16's. The arms came from Vietnam to Havana. Havana to Managua. Managua to Salvador."

Mr. Canadas said that although the guerrillas' umbrella group includes several factions of either nationalist or Communist grouping, it moved into closer alignment with Cuba "because they thought they were going to win militarily; they felt with Cuban aid the success would come more quickly."

Mr. Canadas, a hefty man with an engaging smile, said he now lives in Costa Rica and Panama. He is in Washington for several days and declined to discuss further details about his whereabouts.

On his first visit to Cuba in July 1981, he recalled, he and three other People's Revolutionary Army leaders—Jorge Meléndez of the Morazán area, Juan Ramón Medrano of the "southern front" and Miguel Ramírez of the "western front"—met the four Cubans.

The Cubans "told us what had to be done in the interior of the country," Mr. Canadas said. "They directed the activities. In the case of Morazán, they said the principal activities should be to take the fight from the mountain to the city because we had to get the city population on our side." Morazán Province, northeast of San Salvador on the Honduran border, is a key battleground.

Three months later, in October, he said, the same group of Salvadorans and Cubans met in Managua. "We examined everything that had been done since July," he said. "We analyzed the taking of Villa el Rosario in Marazán. It was a village occupied by the guerrillas. It showed how much we had advanced. As far as the central front, they indicated that the sabotage of the electric power and telephone lines was not enough, not sufficient. We had to make greater efforts in these activities.

Mr. Canadas said he hoped the United States would back away from any military solution in El Salvador and press the Salvadoran Government for "a political agreement among all sectors."

"You have to take into account the guerrilla forces in any settlement," he said.●

SCHOLARSHIP FUND

HON. MICHAEL DeWINE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 28, 1983

● Mr. DEWINE. Mr. Speaker, last April, two of my constituents, Mr. and Mrs. Robert T. Rice, of Springfield, Ohio, contacted all Members of Congress to explain their efforts to develop a scholarship fund in memory of their son, Bob, who died in action in Vietnam.

Bob was a graduate of Xavier University, in Cincinnati, Ohio where he was a member of ROTC, Pershing rifles and the corps drill team. In recognition of this outstanding leadership and scholastic achievement, Bob was awarded in his freshman year the Presidents' trophy and the superior cadet decoration. Later in his college career he received awards for outstanding proficiency in leadership, drill and the exercise of command. He and his men won many awards in drill meets around the country. In 1969, Bob received his bachelor of science degree and was awarded a regular commission in the U.S. Army Infantry. The regular commission was awarded on the basis of his graduating as a distinguished military student.

Mr. and Mrs. Rice have worked since Bob's death to memorialize his enthusiasm and his desire to help others by building a scholarship fund at Xavier University. It is their hope to raise enough money to provide a 4-year tuition scholarship to be granted to at least one incoming freshman each year. In addition to their own substantial contributions, the Rices have asked almost 11,000 individuals, corporations, funds and foundations for contributions for the scholarship fund. Their appeal is not professional, but is heartfelt and earnest. In fact, their letter asks its readers to make a contribution to the college or university of your choice in honor of all our servicemen.

I believe that Mr. and Mrs. Rice's desire to help their son's university is exemplary. Many parents throughout the United States lost sons in Vietnam conflict. There is no way to replace this loss to thousands of American families. However, the hard work of Mr. and Mrs. Rice to bring positive results in order to help other college students build meaningful lives should be applauded.●

DAIRY TAX SHOULD BE REPEALED

HON. RICK BOUCHER

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 28, 1983

● Mr. BOUCHER. Mr. Speaker, I would like to direct my colleagues' attention to legislation introduced by my good friend and colleague, the gentleman from Virginia, (Mr. OLIN). In a dear colleague letter of July 25, 1983, Representative OLIN announced that he is introducing a bill to repeal the second 50-cent assessment on milk production, which is scheduled to take effect on September 1 of this year.

Everyone associated with the dairy industry knows that the assessment program has been a disaster. Originally designed to decrease large dairy surpluses and the cost of the dairy program, the assessment has only encouraged dairy farmers to produce more milk in anticipation of revenue shortfalls arising from the assessment.

In an effort to restore stability to the dairy program, the Livestock, Dairy and Poultry Subcommittee of the House Agriculture Committee has reported H.R. 1875, the Dairy Production Stabilization Act of 1983. This comprehensive legislation, which repeals the Secretary's authority to impose the second 50-cent assessment, holds great promise for a more equitable and responsible dairy program. However, it now appears that H.R. 1875 will not be acted upon before the

summer recess and that unless we adopt Representative OLIN's bill, the second assessment will go into effect on September 1.

Representative OLIN's bill addresses the most serious problem of the current dairy program, and it encompasses one of the major components of H.R. 1875. I urge my colleagues to act upon this bill immediately so that it may become law before the recess.●

DISCRIMINATION IS STILL WITH US

HON. AUGUSTUS F. HAWKINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 28, 1983

● Mr. HAWKINS. Mr. Speaker, I am pleased that the Washington Post has provided the opportunity to present a civil rights viewpoint shared by millions of our citizens. Unfortunately, for our Nation and our people, discrimination is still with us. Only through a vigorous enforcement of civil rights statutes can we insure that all Americans benefit from an improving economy. I sincerely trust that the administration will join with us in fighting discrimination wherever it exists. I submit my article from yesterday's Post to further this effort.

[From the Washington Post, July 26, 1983]

(By Augustus F. Hawkins)

DISCRIMINATION IS STILL WITH US

Attorney General William French Smith contends ["Yes, We Do Enforce Civil Rights Laws," Outlook, July 10] that criticism of the administration's civil rights enforcement policies and record unfairly focuses on the administration's opposition to busing as a remedy for school segregation and quotas as a remedy for employment discrimination. Unfortunately, once again this administration seems to have missed the mark.

While the administration may not be willing to admit it, discrimination on the basis of race, sex, and national origin exists in virtually all phases of our society. As a result, minorities and women continue to lag well behind white males when it comes to earnings or in access to employment, education or housing opportunities.

The magnitude of the disparity takes on greater significance when we consider just the area of employment and the following facts: the lowest black unemployment rate for the last decade is greater than the highest white unemployment rate for the same period. In the last few months, while the unemployment rate for whites has been on the decline, the unemployment rate for blacks has remained constant at more than double that of whites. Despite the federally enacted programs that prohibit maintaining different pay scales for men and women who perform "equal work," there is ample evidence that women continue to lag well behind white males with respect to pay.

There are strong indications that these persistent disparities are not chance occurrences. Data compiled and analyzed in a recent study by the U.S. Commission on Civil Rights showed that "improvement in the overall health of the economy and in the education or skill level of blacks, Hispanics, and women lead in some cases to the reduction of disparities, but not to their elimination." The commission conservatively concluded: "The suspicion, therefore, remains that discrimination continues to have a major effect on blacks, Hispanics and women in their struggle to find jobs commensurate with their qualifications and experience."

Elaborating on the conclusions of the study, the commission observed further: "We believe this report does an excellent job of exploding the myth that the younger age of black and Hispanic populations, the lack of adequate education and skills, or the changes in economic cycles are the principal cause of minority underemployment and unemployment." The commissioners concluded, as I believe this administration must, that "Instead, we must try to end discrimination directly by enforcing the law."

Enforcing the law, if it is to be effective, may mean relying for a time on remedial relief that imposes temporary group preferences. The alternative would be to provide no relief or meaningless, symbolic relief which serves only to perpetuate the community-wide harmful effects of the unlawful conduct.

The characterization of the concerns of women and minorities as dissatisfaction with the administration's policies on busing and quotas is a poor attempt to hide the truth. Busing and quotas are remedies of last resort, which are used by courts when discrimination has been proven and where other relief would be ineffective. Neither has been defended as being without negative aspects. They have been used, often with reluctance, because on balance the negative results they may generate are far outweighed by the clear and present injury that results from permitting present discrimination and the effects of past discrimination to persist.

It is noteworthy that this administration often tries to equate goals and timetables with quotas, notwithstanding the clear distinction between the two devices. As Ellen Feingold, a member of the board of the American Civil Liberties Union, noted in comments before the House subcommittee on employment opportunities, which I chair:

"Goals and quotas are both numbers, as pineapples and lemons are both fruits. But there the similarities cease. A quota is a ceiling; it is rigid, it is usually small, it has no relationship to equity or to availability, and it is designed to be exclusionary. The fact that it is a number is not its essential quality.

"A goal is just that—it is an objective which is set and toward which one strives. It is rooted in reality—related to an organization's policies and needs, and to the constraints and opportunities of the organization's environment. It is one of the most normal business practices, described by every major treatise on good management since the 1940s as an essential component of proper business management. Goals, objectives, targets, deadlines, milestones—these are standard components of good management planning, and no manager, senior or mid-level, who wishes to do well would dream of doing without these necessary tools for business success."

This administration would have us believe that the battle for equal opportunities for minorities and women has been won. It would have us believe that discrimination, where it does exist, affects only a few individuals and hence should, and can, be fought on a case-by-case basis. It would also have us believe it has been doing everything possible to end discrimination and make the dream of equal opportunity for all Americans a reality.

When it comes to equal opportunities and civil rights for women and minorities, the attorney general seems to be satisfied with carrying out the letter, but not the spirit of the law, and with resting the administration's civil rights record on the number of cases it has initiated. However, after decades of struggling, we know the error of elevating form over substance. And, unlike this administration, we know that the significant variables in the quest for civil rights and equal opportunity are the results achieved, and not merely efforts allegedly expended.

To assess the success of the civil rights struggle, there are no substitutes for objectively measurable factors such as the number of women and minorities in professional schools, the percentage of minorities and women in a given industry or the number and type of loans a lender is willing to make to minorities and women.

The administration's opposition to serious affirmative action measures justifies the accusation, which the attorney general now seeks to rebut, that the Department of Justice and, indeed, the entire administration, lack any real commitment to enforcing this nation's civil rights laws or ensuring equal opportunities for all its citizens.

Paraphrasing Lyndon Johnson: you do not wipe away the scars of centuries by saying, "Now you are free to go where you want, and do as you desire, and choose the leaders you please." You do not take a person who, for years, has been hobbled by chains and liberate him, bring him to the starting line of a race and then say, "You are free to compete with all the others," and still justly believe that you have been completely fair. Thus, it is not enough in 1983 for the administration to say that it is going to treat everyone the same and expect the goal of civil rights for all Americans to be achieved.●

DIOXIN/CANCER

HON. THOMAS A. DASCHLE

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 28, 1983

● Mr. DASCHLE. Mr. Speaker, I am inserting for the benefit of my colleagues an article which appeared in the July 28, Washington Post, which provides further evidence that the chemical contaminant in agent orange, dioxin, is carcinogenic in humans. Of special interest is the fact that some of the Monsanto workers died of soft tissue cancer fully 30 years after initial exposure.

Two independent studies conducted in Sweden confirm the NIOSH findings as does the following chart I am inserting which reveals a 771-percent increase in soft tissue sarcomas over the past 20 years among white women in Midland, Mich., not coincidentally the location of a Dow Chemical Co. plant where agent orange and other

dioxin contaminated herbicides were produced.

Following is the Washington Post story and the chart from the National Cancer Institute/Environmental Protection Agency Interagency Agreement on Environmental Carcinogenesis:

[From the Washington Post, July 28, 1983]

EVIDENCE CALLED STRONG—DIOXIN TIED TO CHEMICAL WORKERS' CANCER

(By Victor Cohn and Felicity Barringer)

A rare form of Cancer contracted by seven herbicide manufacturing workers "strongly suggests" that dioxin can cause cancer in humans, according to the chief of surveillance for the National Institute for Occupational Safety and Health (NIOSH).

If diagnoses by the victims' doctors are confirmed by the Armed Forces Institute of Pathology, the cases will become evidence that the controversial chemical—highly carcinogenic in animals—can cause cancer in humans.

The seven rare cancers, called soft tissue sarcomas because they attack muscle, fat, nerves or connective fibers, were discovered in studies of between 3,000 and 4,000 workers exposed to dioxin. Soft tissue sarcomas normally appears once in 50,000 persons in the general population, suggesting that the incidence in the chemical workers may be related to dioxin exposure.

Dioxin, an unwanted contaminant of the manufacture of herbicides and related chemicals is one of the substances most toxic to animals.

Dioxin was contained in an oil compound that was sprayed on roads to keep down dust in dozens of Missouri communities, and has been recently discovered in other sites across the country. The Environmental Protection Agency evacuated and bought the entire town of Times Beach Mo., after dioxin washed through the community during a flood this spring.

Chemical companies' officials, however, have said that there is no proof that dioxin causes anything more serious in humans than a sometimes severe skin disease, called chloracne.

Dr. Philip Landrigan, chief of surveillance, evaluation and field studies for NIOSH, cautioned that samples of the suspected cancers are being studied at the Armed Forces lab for final confirmation of diagnoses.

"To be absolutely certain there's a cause-and-effect relationship" between dioxin exposure and cancer, "we want this confirmation" and "we need to investigate more cases," Landrigan said.

"But to me," he added, "the evidence is very strongly suggestive that occupational exposure to dioxin can cause cancer."

Although workers for other companies were included in the studies, the seven cancers were found in workers at the Dow Chemical Co. and the Monsanto Co.

Dow and Monsanto doctors have said the findings on dioxin's role as a long-time hazard are inconclusive. "If you force me to say is it or is it not, I'd have to say no. I want to see some further research," said Dr. Ralph Cook, director of epidemiology for Dow.

Dr. William Gaffey, who holds the same position at Monsanto, said, "I don't think we can say until we have an opportunity for a longer look."

Four of the workers, all now dead, were involved in the manufacture of 2,4,5-T and related herbicides or their chemical components, compounds commonly contaminated by dioxin, Landrigan said.

The other three, he said, may have been exposed because they worked in plants where such products were made. One of the three is still alive.

Officials at the Environmental Protection Agency's Health Effects Research Laboratory in Cincinnati are examining independently a set of EPA reports saying that this and other evidence show that dioxin "probably" can cause human cancers, an EPA spokesman said.

The Dow and Monsanto cases were disclosed in medical journals two years ago. But their significance was debated at the time, because of varying results in different studies.

It is unclear, too, whether these studies show major hazards from lower-level exposures, the kind that might be more applicable to the general population. Most of the chemical workers were either exposed for several years, had massive shorter-term exposures or both.

The Dow and Monsanto experiences "don't tell us whether or not" low-level exposure is harmful but do dictate caution, Landrigan said.

Chemical industry officials say that industrial exposure to dioxin has caused many cases of chloracne, a skin disorder that can sometimes escalate into serious liver, blood or nerve problems. But both industry and government officials have repeatedly said that there is no proof that dioxin has caused even worse effects, like cancer.

Swedish scientists first reported five years ago that lumberjacks and other laborers exposed to dioxin suffered five to six times the expected number of soft tissue sarcomas.

Dow and Monsanto independently studied four groups of their workers at plants in Midland, Mich., and Nitro, W. Va. None of these studies seemed to show a statistically abnormal number of the rare tumors.

But NIOSH epidemiologists added up these populations and added possible cases reported by other doctors. This produced the seven cases under investigation, two among Dow workers, five among Monsanto's.

Information on the length and intensity of the workers' exposures is incomplete. Dow's Cook said that one of the Dow workers was first exposed to suspect substances in 1964 and died in 1975. The other was first exposed in 1951 and died this year. Both were part of a group inadvertently over-exposed for three to nine months in 1963-64 when a manufacturing change released unexpectedly large quantities of chemicals.

At least two of the seven victims being studied by NIOSH were heavy smokers, Cook said. Scientists know cancer may sometimes be caused by smoking in combination with a chemical exposure.

Gaffey said three of the Monsanto victims worked at the Nitro plant where a 1949 explosion may have spread chemicals. He said two of the three might have been involved in the cleanup after the accident. The third, a clerk, had "minimal opportunity" for exposure, he said.

The final Monsanto cases involved a father and son who worked at an East St. Louis, Ill., plant. Gaffey said that the father was a maintenance worker exposed to unknown amounts of dioxin and that the son, a clerk, was diagnosed as having a soft tissue sarcoma two years after he went to work. The son is dead; the father is alive.

U.S. CANCER MORTALITY RATES AND TRENDS 1950–78—CONNECTIVE AND SOFT TISSUE CANCER, WHITE FEMALES

County and State	1950–59		1960–69		1970–78		Percent change			Percentile	
	Deaths	Rate	Deaths	Rate	Deaths	Rate	1960–50	1970–60	1970–50	Percent change 1970–50	Rates 1970
Gogebic, Mich			1	0.7	1	0.9		23			74
Grand Traverse, Mich	1	0.5	1	.5	3	1.4	1	159	162	87	84
Gratiot, Mich	1	.5			1	.7			28	52	65
Houghton, Mich	2	1.1	3	1.5	2	1.2	34	−20	7	42	80
Huron, Mich	2	1.2			2	1.0			−13	30	78
Ingham, Mich	5	.7	4	.5	5	.5	−37	15	−27	21	59
Ionia, Mich	1	.6	2	.9	2	1.0	46	12	63	67	76
Iosco, Mich					1	1.2					81
Iron, Mich			1	1.0	[1] 2	1.9		93			90
Jackson, Mich	3	.6	4	.7	2	.3	18	−53	−44	12	52
Kalamazoo, Mich			3	.4	4	.5		12			57
Kent, Mich	5	.4	8	.4	[1] 21	1.2	26	161	229	93	80
Keweenaw, Mich					[1] 1	10.0					99
Lake, Mich			[1] 1	4.9	[1] 1	2.8		−42			95
Lafeer, Mich			1	.5							
Leelanau, Mich					[1] 2	3.1					96
Lenawee, Mich	1	.3	2	.5	1	.2	35	−67	−55	.7	50
Livingston, Mich	1	.7	1	.5	2	.8	−36	77	13	45	71
Luce, Mich					1	2.6					94
Macomb, Mich	3	.4	13	.6	18	.7	78	13	101	77	67
Manistee, Mich	[1] 2	1.9			1	.8			−59	6	70
Marquette, Mich	1	.6			1	.4			−22	24	56
Mason, Mich			1	.8	1	.7		−8			66
Mecosya, Mich	1	1.0			1	1.0			1	39	76
Menominee, Mich					2	1.5					85

U.S. CANCER MORTALITY RATES AND TRENDS 1950–78—CONNECTIVE AND SOFT TISSUE CANCER, WHITE FEMALES—Continued

County and State	1950–59		1960–69		1970–78		Percent change			Percentile	
	Deaths	Rate	Deaths	Rate	Deaths	Rate	1960–50	1970–60	1970–50	Percent change 1970–50	Rates 1970
Midland, Mich	[1] 1	.3	[1] 5	2.3	[1] 7	2.8	618	21	771	99	[1] 95
Monroe, Mich	2	.7	4	.9	4	.9	16	9	27	51	75
Montcalm, Mich	1	.6	1	.6	3	1.4	−11	154	127	82	85
Muskegon, Mich	4	.9	3	.4	4	.6	−53	52	−29	19	64
Newaygo, Mich			2	1.7							
Oakland, Mich	9	.5	17	.6	34	.9	20	57	88	74	74
Oceana, Mich					[1] 2	2.6					94
Ogemaw, Mich			1	1.3							
Osceola, Mich	1	1.7	1	1.5			−14				
Otsego, Mich	[1] 1	3.4			1	1.5			−54	8	86
Ottawa, Mich	1	.4	2	.4	2	.4	−2	8	6	41	56
Saginaw, Mich	5	.8	4	.5	5	.7	−36	33	−16	29	65
St. Clair, Mich	1	.2	4	.7	1	.2	242	−79	−28	20	50
St. Joseph, Mich	[1] 3	1.4									
Sanilac, Mich	1	.7	2	1.3	1	.6	78	−56	−22	24	61
Schoolcraft, Mich					1	3.2					96
Shiawassee, Mich			2	.8							
Tuscola, Mich	1	.6	2	1.1	1	.5	88	−54	−13	30	58
Van Buren, Mich	1	.6	1	.5	4	1.5	−23	221	148	86	86
Washtenaw, Mich	3	.4	7	.9	8	1.2	115	27	174	88	80
Wayne, Mich	36	.4	75	.8	58	.7	96	−14	68	69	64
Wexford, Mich			1	1.0							
Minnesota	80	.5	[1] 136	.8	140	.8	44	1	45		
Aitkin, Minn			1	1.1	1	1.1		−7			78
Anoka, Minn	2	.7	4	1.1	2	.8	66	−31	15	45	69
Becker, Minn	1	.9	2	1.5	2	1.6	81	1	82	72	86
Beltrami, Minn			1	.9	1	1.2		26			81
Benton, Minn			1	1.5	1	.7		−52			67
Big Stone, Minn					1	1.6					87
Blue Earth, Minn	2	.9	[1] 4	1.8	1	.5	91	−70	−44	12	59
Brown, Minn	[1] 3	2.2	2	1.4	2	1.0	−37	−29	−55	8	76
Carlton, Minn	1	.9	1	.8	1	.7	−15	−4	−18	27	68
Carver, Minn			2	2.2	2	1.5		−31			86
Cass, Minn					1	.8					71
Chippewa, Minn	1	1.3									
Chisago, Minn	[1] 2	2.8	1	1.0			−63				
Clay, Minn	[1] 2	1.1	[1] 4	2.3	1	.5	102	−79	−57	7	57
Clearwater, Minn					1	2.2					92
Crow Wing, Minn	1	.6	2	1.1				81			
Dakota, Minn	1	.5	3	.7	7	1.3	43	80	158	87	83
Dodge, Minn					1	1.2					80
Douglas, Minn	1	1.0	1	1.0	1	1.1	−7	16	7	42	79
Faribault, Minn	1	.9									
Fillmore, Minn	1	.8	1	.6			−27				
Freeborn, Minn	1	.6			1	.3			−46	10	53
Goodhue, Minn	1	.6			2	1.0			81	72	77
Hennepin, Minn	[1] 25	.7	34	.8	34	.8	16	−4	12	44	69
Houston, Minn			1	1.2	1	.8		−37			69
Hubbard, Minn			1	1.9							
Itasca, Minn			1	.6							
Jackson, Minn					1	1.2					81
Kanabec, Minn			[1] 2	4.0	1	2.0		−50			90
Kandiyohi, Minn	1	.7	2	1.3			82				
Kittson, Minn					1	3.1					96
Koochiching, Minn	1	.8	1	1.1	1	1.3	27	22	55	64	83
Lac qui Parle, Minn					1	1.4					84
Le Sueur, Minn			[1] 4	3.6	1	1.4		−62			84
Lincoln, Minn	[1] 1	2.2	1	1.9			−12				
Lyon, Minn	[1] 2	2.0	[1] 3	2.5	[1] 3	2.9	30	15	49	62	95
McLeod, Minn	1	.8	1	.8	2	1.4	−9	87	70	69	84
Marshall, Minn					1	1.5					86
Martin, Minn			2	1.6	1	.7		−57			66
Meeker, Minn	1	1.1			1	.7			−35	16	67
Mille Lacs, Minn	1	1.5			1	.8			−46	10	70
Morrison, Minn	1	.9	1	.9			1				
Mower, Minn	1	.7	2	.8			25				
Murray, Minn					[1] 2	3.8					98
Nicollet, Minn			1	.9	1	.9		6			75
Nobles, Minn			1	.8	2	1.6		95			87
Norman, Minn	1	1.7									
Olmsted, Minn			1	.3	5	1.1		220			79
Otter Tail, Minn	1	.4	2	.7	1	.2	71	−64	−39	15	51
Pennington, Minn			1	1.4							
Pine, Minn					1	1.0					76

[1] Significantly more deaths than expected.●

ON INTRODUCTION OF HIS FORGOTTEN WIDOWS LEGISLATION

HON. MICHAEL BILIRAKIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 28, 1983

● Mr. BILIRAKIS. Mr. Speaker, today I am introducing legislation to provide benefits under the Uniformed Services Survivor Benefit Plan to a deserving group of military widows who have thus far been denied the recognition and compensation they have earned through their contributions to their husbands' long service careers and to this Nation as military wives. My bill would provide survivor benefits to widows whose husbands retired and died prior to enactment of the SBP in 1972.

These forgotten widows are receiving no military annuity benefits despite the fact that their husbands served for 20, 30, or even 40 years. These are women who for the most part worked—and I emphasize worked—as traditional wives, homemakers, and mothers throughout their spouses' career. Providing a home for their family and supporting their husband through the separations, frequent moves, and often inadequate pay that charactize military life, these widows usually had no personal work experience and only meager savings, if any, to fall back on when their hus-

bands died. After giving the best years of their lives in service to the military, many of them assumed—incorrectly perhaps but in good faith nevertheless—that they would be cared for as widows. And because there was no requirement when their spouses retired prior to 1972 that they be notified if their husband chose not to participate in a survivor plan, they did not find out until his death that their years of service had earned them nothing.

Unfortunately, these widows were not included in the Survivor Benefit Plan when it was enacted in September 1972. In 1980, the Congress brought some pre-1972 widows under the plan when it extended the SBP to those widows whose husbands died on active duty before 1972 after becoming eligible for retirement. My bill would at long last provide benefits to women whose spouses died in retirement prior to the plan's enactment. These service members had at least 20 years of active duty service but did not have the opportunity to join the Survivor Benefit Plan.

The rationale for failing to include these widows when the SBP was created and for continuing to exclude these elderly women from the plan is based on the assumption that their husbands had an opportunity, at the time of retirement, to choose participation in a survivor plan. The argument goes that since these men did not choose to participate, their widows should not be entitled to any survivor benefits.

This argument requires a closer look, however. Prior to 1972, the only survivor plan available to servicemembers was the Retired Serviceman's Family Protection Plan, commonly referred to as the RSFPP. In truth, this plan had many, many shortcomings.

The cost of participating in the RSFPP was often prohibitive in light of the low military pay at that time and only a very small percentage of military personnel could afford to purchase coverage. In some cases, the premiums were 2½ to 5 times higher than those charged civilians for comparable coverage. Because of flaws such as this, many members earnestly believed they could better provide for their spouse by other means. And it was this obvious inadequacy of the RSFPP that prompted Congress to enact a more solid and substantial survivor plan in 1972.

If we could honestly say that these men had access to a fair and affordable survivor plan and that these women were fully aware of what their circumstances would be in the event their husband died, then the argument that congressional action is inappropriate would hold water. The facts, however, clearly state that this was not the case.

While it is difficult to determine the exact number of these forgotten widows because the military files kept prior to 1972 are inadequate in many ways, the Department of Defense has proposed an estimate that there are fewer than 27,000 of these women today. However, a recent search of computer files at the Defense Manpower Data Center indicated that there could be fewer than 4,000 widows who would receive benefits under my bill. The National Organization of Military Widows estimates from their firsthand contact with forgotten widows that this lower figure may be more accurate.

As a fiscal conservative, I would point out that the cost of providing benefits to these widows would decline in future years because of the advanced age of most of these women. However, I firmly believe that the primary question here is one of equity and not cost. It is terribly unfair that these women are being penalized because of the inadequacies of the system now and at the time of their spouse's retirement. Certainly it is through no fault of their own that they are not eligible for benefits as compensation for their contributions to a long military career.

I also want to make the point that there is precedent for this change. The civil service survivor benefit plan was amended 25 years ago to provide benefits to those widows whose husbands retired prior to the plan's enactment in 1948. Our military widows deserve no less and this legislation will bring the uniformed services SBP up to date in this regard.

My bill will not provide retroactive benefits to these widows, but it will provide them with the same benefits as other widows presently covered by SBP whose husband died before 1972. These annuities would be based on the same formula already in place—55 percent of their deceased husband's retired pay, adjusted by the overall percentage increase in retired pay since his death. The annuity would be subject to future cost-of-living adjustments.

The great majority of the forgotten widows are elderly and many of them are living at or near the poverty level. Some must rely solely on meager social security benefits but others have no pension income of any kind. I am very concerned that these women are suffering severe and unnecessary hardships and I firmly believe that they were cocontributors to their husband's career and equal partners in their family's service to this country. They gave the best years of their lives. We can and must afford to provide for them in these their later years and I urge my colleagues to join me in this effort on behalf of these women.●

THE BAY CLIFF HEALTH CAMP

HON. ROBERT W. DAVIS

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 28, 1983

● Mr. DAVIS. Mr. Speaker, I am submitting to my colleagues an essay written by Ms. Dixie Franklin which tells the story of a special place in northern Michigan. At the Bay Cliff Health Camp handicapped children of all ages have, for 50 years, been given the affection and devotion of dedicated staffers and the financial and emotional support of an enthusiastic community. In this, Bay Cliff's 50th anniversary year, I congratulate everyone involved with Bay Cliff's efforts and hope for many more happy summers for the handicapped children of northern Michigan.

BAY CLIFF

The note was pinned to a cabin wall at the Bay Cliff Health Camp, its author a 10-year-old handicapped camper.

It read in part:

"You call me 'cripple Billy'
And I guess that is my name
But the cripple part is not my heart
My legs are all that's lame . . ."

Therapists who found the note never met the author of the poem, but they are working with 195 handicapped youngsters like Billy during their six weeks of training here.

Handicapped children ages 4 to 18 occupy the cabins at this 170-acre camp located on the shores of Lake Superior at Big Bay 30 miles northwest of Marquette. The camp serves handicapped children primarily from the Upper Peninsula.

"There are many day camps for handicapped children but Bay Cliff is unique in that it serves children with a variety of handicaps on a live-in basis," said camp director John Vargo.

Children receive daily therapy designed to meet their special needs through programs approved by their physicians. This includes occupational therapy, physical therapy, reading and speech.

Wheelchair campers, children in braces and children with other handicaps participate in activities such as camping, swimming and cookouts.

One therapist said working with campers here gives her the opportunity to see children in all their moods: in therapy, in their cabins at rest hour, at meals and play.

"I am seeing them as people, not merely as clients," said Janette Tews of Milwaukee.

Here some children learn to dress themselves for the first time, learn to eat alone, attempt faltering steps, "accepting themselves, believing themselves and learning to like themselves," one therapist said.

Bay Cliff attracts therapists and counselors from across the nation. Vargo said part of the success of the camp was due to the enthusiasm generated by the youthful staff members who work with the children day and night and become their parents away from home.

Counselors offer piggy-back rides to 5-year-olds, with other preschoolers hanging on to outstretched hands or tagging along behind. They take time to listen to teen problems and save hugs for nine-year-olds.

Bay Cliff is a non-profit, tax-deductible organization financed by contributions. Each of the Upper Peninsula's 15 counties attempts to raise money for support of children from their area, Vargo said.

The health camp was established in 1933 by Elba L. Morse, R.N., (deceased) of Marquette and Goldie B. Corneliuson, M.D., of Drummond Island, Mi. and Ft. Myers, Fla.●

INEXHAUSTIBLE ENERGY: THE CLINCH RIVER BREEDER REACTOR

HON. SID MORRISON

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 28, 1983

● Mr. MORRISON of Washington. Mr. Speaker, the United States is on the threshold of tapping an inexhaustible energy source that is known to be both technically feasible and within economic reach. I am referring to the Clinch River breeder reactor plant project.

It has been correctly assessed that this project is locked in a struggle that may reach a climax in this session of Congress. What needs to be understood is that the price to build Clinch River is well worth the cost of the struggle. Nothing of great value to the Nation comes without an enormous amount of controversy and effort.

The Clinch River project now stands poised to begin construction work at the end of 1983. Tremendous progress has been made since site preparation began almost a year ago. Over $1.5 billion has been invested in the project and $750 million worth of components have either been delivered or ordered. Research and development work stands almost 98 percent complete, and the plant design is over 90 percent complete. All this tremendous investment will be irretrievably lost if the project were sacrificed at this late date. Even more devastating would be the loss of the R&D benefits should this national project be canceled.

Recently, the Nuclear Regulatory Commission issued a limited work authorization (LWA) for the Clinch River project. Issuance of this LWA represents a major step in the licensing process and demonstrates the licensability of breeder reactors in the United States. The LWA also completes the plant's environmental review and affirms that the Clinch River reactor and plant site meet all environmental regulations and are environmentally acceptable.

The plant is also on a fast track construction schedule. With the issuance of a construction permit, work can begin late this year and the plant can begin producing power by 1990. The project is supported by the majority of the scientific community and by the Committee on Jobs, Environment, and Technology (CJET), which is an extraordinary coalition of very diverse groups—the likes of which have probably never been associated before in support of a single project. Its highest priority is support for the Clinch River project. CJET members include such organizations as the Building and Construction Trades Department of the AFL-CIO, the National Association for the Advancement of Colored People, the U.S. Chamber of Commerce, the National Federation of Women's Clubs, and 30 other national and local organizations.

Congress has clearly indicated that increased funding for the Clinch River project must be provided by the private sector. This financing is being developed in the alternate financing plan proposed by the utility industry. The proposals outlined in this plan would provide the basis for private sector financing of about 40 percent of the remaining cost to completion. There is substantial and general agreement among the Government, the investment community, and the utility industry that about $1 billion can be raised. This should, once and for all, end any impression that private industry is not committed to seeing Clinch River built, or that confidence in the project and its technology does not exist.

The utility industry has already pledged $257 million to the project. With the accumulated interest to be paid on this money, the total commitment from the electric systems of this country will come to almost $350 million. This is the largest financial commitment ever made by the electric systems of this country to a single research and development project and, together with the positive approach now being developed for new source financing, the private sector will be providing about two-thirds of the CRBR plant cost of $1.7 billion. There are a number of other significant points that I wish to bring to the attention of my colleagues.

JOBS

About 4,000 people in 32 States and the District of Columbia are presently employed on the Clinch River breeder reactor project. Proceeding to construction will provide additional jobs which will peak over the next 3 years providing 12,000 to 15,000 more workers in the construction and manufacturing trades and in the raw materials and resource supply industries.

If the project is abandoned, these jobs will be lost forever. It is quite likely that these jobs, and thousands of others created by the new breeder industry, would be simply exported to countries that are developing breeder technology. We would once again be putting ourselves in the position—as we have in the automobile industry—of creating an industry and letting other countries harvest the benefits of our efforts.

ENDLESS ENERGY

The breeder reactor is about 60 times more efficient than today's nuclear reactors. Breeders can utilize depleted uranium reserves and produce electricity for centuries. This existing stockpile of uranium for breeder reactors is worth trillions of dollars and will produce energy equivalent to all U.S. coal reserves or three times OPEC oil reserves.

ELECTRIC GROWTH RATE

Nobody really knows what the demand for electricity will be in the future. However, even using conservative growth estimates of 1 or 2 percent annually, America will still have to double its electrical energy capacity by early in the next century. We will need to build more nuclear power plants to keep up with the energy demand. Sooner or later we will need to have breeders or forgo the option of the energy that can be provided from uranium.

BREEDER DEVELOPMENT WORLDWIDE

All advanced countries are developing the breeder reactor. Japan, Germany, Great Britain, France, and the Soviet Union are pushing ahead with breeder programs because they know that those who lead the world in energy development will lead the world economically and thereby influence it politically.

THE CLINCH RIVER PROJECT IS TECHNOLOGICALLY ADVANCED

Those who claim that the Clinch River project is obsolete are simply wrong. From a technical standpoint, the Clinch River project is at the cutting edge of breeder technology. Some of its components and technical advancements are not yet even incorporated in breeders in other parts of the world. The Clinch River breeder reactor will be the finest reactor of its kind in the world when it goes into operation in 1990.

What it comes down to is whether the United States is going to turn its back on nuclear energy and the future. As the General Accounting Office concluded in one of its reports on Clinch River, the project is an important and necessary step in developing the breeder. With the breeder reactor, nuclear energy has an unlimited future. Lack of willingness to build the Clinch River project implies a willingness according to the General Accounting Office, to "foreclose on the long-term future of a major energy option—nuclear fission."

Alvin Weinberg, a world-famous scientist and currently director of the Institute for Energy Analysis of Oak Ridge Associated Universities, recently summed up his position on breeders by saying that development of an inexhaustible energy source must be regarded as an effort at least as noble as going to the Moon. I concur.

The question is not whether we can afford to build the Clinch River project. The question is, Can we afford not to?●

JUSTIFYING AN UNJUSTIFIABLE CENTRAL AMERICAN POLICY

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 28, 1983

● Mr. EDWARDS of California. Mr. Speaker, recent polls assert that over three quarters of all Americans are opposed to this administration's plan to overthrow the Government of Nicaragua. In fact, a majority of Americans feel that the real threat in Central America lies not in the spread of communism, but in U.S. entanglement in the internal conflicts of the nations within that region. Yet, in spite of this opposition, the Reagan administration continues to maintain its antagonistic position toward the Sandinista government to the extent of possibly involving the United States in an undeclared war.

Jay Friedman, an associate researcher at the Council on Hemispheric Affairs, recently prepared a thought-provoking analysis of the situation in Central America and the Reagan administration's Central American policy. I would encourage each of my colleagues to take the time to read this insightful article. I am enclosing a copy of the article for the RECORD.

The article follows:

The Reagan Administration and Congress are in grim embrace over Central American policy. One of the administration's new weapons in its battle against Congressional opponents is the State Department's recently released White Paper on Central America. Pending action by Congress on the Boland-Zablocki bill to "prohibit United States support for military or paramilitary operations in Nicaragua" will mark the legislative response to a presidential challenge whose outcome will affect not only the future of U.S.-Latin American relations, but also the balance of power in the U.S. foreign policy-making process.

The May 27 release of the White Paper coincided with a series of staff changes by which Reagan sought to buttress his capacity to promote military objectives in Central America. Assistant Secretary for Inter-American Affairs Thomas O. Enders, who had been a prime architect of administrative policy in the area, clashed with Secretary of Defense Caspar W. Weinberger over the contents of the new White Paper. This encounter contributed to the causes lying behind his being ousted in favor of a presumably more responsive Langhorne A. Motley. Although Secretary of State George P. Shultz said Enders performed "as well as anyone in memory," he failed to protect Enders against an even tougher line being promoted by National Security head William Clark and United Nations ambassador Jeane Kirkpatrick.

The preface to the White Paper states that it is "being issued in the interest of contributing to a better public understanding of the history of developments in the region." This latest document, however, is little more than a rehash of an original White Paper released February 23, 1981 entitled "Communist Interference in El Salvador." Several months later, the Wall Street Journal exposed errors and distortions in the paper, and the finding quickly lost credibility.

The new White Paper, like its predecessor, attempts to detail the alleged Cuban, Nicaraguan and Soviet activities in Central America. More specifically, it "describes how politically motivated violence is being used to exploit the demands for more democracy, social justice, and economic development in Central America in order to bring extreme leftist groups in power."

The major failing of the new State Department release, and perhaps Reagan's Central American policy as well, is clearly established by a sentence in its own preface: "This background paper does not attempt to analyze social and economic conditions in the Central American countries." The Reagan administration consistently has given little more than a pro forma nod to the indigenous nature of Central America's social and economic problems and attempts. Instead, it insists on continually pressing upon Congress and U.S. public opinion its messianic vision that the region is in strife because of a Moscow-inspired communist contagion.

Even some State Department experts knowledgeable on Central American affairs privately downgrade what may well be the myth of inevitable Soviet penetration. The favor Senator CHRISTOPHER J. DODD's (D-Conn) response to Reagan's address to a joint session of Congress in April: "If Central America were not wracked with poverty, there would be no revolution."

In Honduras, according to news of a few days ago, the CIA is planning to double its secret war effort by supporting a Nicaraguan exile army that is increasing to 12,000 to 15,000 armed combatants. While this force's original mission was to interdict the flow of military supplies from Nicaragua to the Salvadoran guerrillas, the exiles themselves have flaunted their real intention which is to topple the Sandinista regime. In recent days, the administration has also ceased to cite the interdiction function as the reason why it is financing the exile forces.

Despite the administration's effort to educate the public on its version of what is happening in Central America, a recent national poll reveals that more than three-quarters of Americans oppose a secret campaign to overthrow the Sandinistas; and a majority believes U.S. entanglement in the problems of Central America pose a greater threat than the spread of communism in the region. In response to the unease of the U.S. public, the Reagan administration continues to maintain a painfully obvious double standard in Central America. Its uneven foreign policy condemns violence and subverison against the governments in El Salvador and Guatemala, while supporting it in Nicaragua. Indeed, even ex-CIA director Stansfield Turner recently remarked that "Congressional and public instinct on Nicaragua is correct today."●

THE GENIUS OF RONALD EDMONDS, EDUCATOR

HON. AUGUSTUS F. HAWKINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 28, 1983

● Mr. HAWKINS. Mr. Speaker, one of America's great educators, Prof. Ronald Edmonds, died on July 15, 1983, creating a great void in the field of education for those who credited Professor Edmonds with speaking most clearly on matters pertaining to urban education.

His most outstanding work was in effective schools research, where he gained a national reputation for articulating the view that all schools have the potential to educate all their students, regardless of a student's socioeconomic status.

His research efforts took him to Harvard University's Graduate School of Education where he taught, and where he directed Harvard's Center for Urban Studies.

Concurrent with his appointment at Harvard, Professor Edmonds served as the senior assistant to the chancellor for instruction for the New York City school system, and organized the nationally recognized school improvement program.

On numerous occasions he provided assistance to me and my staff on matters pertaining to urban education, and on methodologies for improving classroom teaching, curriculum development, and leadership enhancement for school administrators. His expert guidance was sought on other occasions in helping to plan seminars and conferences on education.

In 1981, Professor Edmonds returned to his home State of Michigan, where he assumed teaching assignments at Michigan State University, and where he was senior researcher at the Institute for Research in Teaching in MSU's College of Education.

His major contribution to education was his assertion, based on years of study and teaching, that strong instructional leadership from principals, that high expectations of academic excellence of students by their teachers, and that the climate of the school—were significant contributions to student achievement.

This giant of an educator will be sorely missed.●

LEGISLATION INTRODUCED TO CLARIFY APPLICATION OF ANTITRUST LAWS

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 28, 1983

● Mr. EDWARDS of California. Mr. Speaker, I am pleased to introduce today legislation that will clarify the application of the antitrust laws to a city, county, or other local government unit. The antitrust laws remain the cornerstone of our economic policy based upon a system of free enterprise that has proven the most effective way to distribute goods and services in our economy. Antitrust laws, however, do not serve us well when applied to legitimate governmental activity that is based upon the will of the majority and provides our citizens with services and protections that cannot fairly and sufficiently be distributed by a private market economy.

Having recognized these fundamental distinctions, the courts generally did not extend the Federal antitrust laws to governmental activity at any level. See, for example, *Parker* v. *Brown*, (317 U.S. 341 (1943)). Recent decisions of the Supreme Court, however, have now limited the immunity available to actions of city and local governments. See *Community Communications Co.*, v. *City of Boulder, Colo.* (455 U.S. 40 (1982)). Local governments occasionally engage in activity in competition with private enterprise, and probably should, to that extent, be subject to the same rules of competition applicable to others. There is, however, little dispute that governments should be free, to exercise their police and regulatory powers free of concern with potential antitrust liability.

Two other distinguished members of the Committee on the Judiciary have preceded me in introducing clarifying legislation concerning antitrust immunity for local governments. I share the concerns which have motivated their action. The bill I offer today differs somewhat from each of the other proposals. Most significantly, it extends antitrust immunity to those activities engaged in by a local governmental unit that are an "exercise of the sovereign power of the State" in which such unit is located. There is no express condition that the State confer authority to the governmental body before antitrust protection attaches. I do not maintain the belief that, in instances where a local government is engaged in undisputed regulatory conduct for the benefit of its citizens, antitrust immunity for municipalities or other local bodies should turn on the frequently technical, or subtle, point of whether authority to act was first conferred by the State legislature. Certainly, that line of inquiry was not decreed by the Congress which passed the Sherman Act and, in numerous other contexts, Congress has acted not to disturb the relationship between States and their subgovernmental local units. This is not to say, of course, that courts are prohibited from looking to legislative enactments or other actions by States in order to reach a conclusion about the character of a particular activity engaged in by local bodies. Rather, the threshold question is deciding whether or not anticompetitive conduct is of the type the Sherman Act meant to proscribe involves a determination as to whether such activity is required of the governmental unit in carrying out its duties as sovereign.

I also note here that while antitrust immunity under this bill will ultimately turn on the court's interpretation of a flexible standard; nonetheless, that standard is one that reaches back far into America's legal history. The distinction between actions sovereign in character, and those more commericial in nature, was recognized early in our Nation's history by Chief Justice John Marshall, who effectively described the rationale supporting such a standard:

> It is, we think a sound principle, that when a government becomes [involved with] a trading company, it divests itself, so far as it concerns the transactions of that company, of its sovereign character, and takes that of a private citizen. Instead of communicating to the company its privileges and its prerogatives, it descends to a level with those with whom it associates itself, and takes the character which belongs to its associates, and to the business which is to be transacted. 22 U.S. (9 Wheat) 398, 399 (1824).

Laws in other areas have recognized similar distinctions between the exercise of governmental or regulatory powers, on the one hand, and the conduct of commercial or proprietary activity, on the other hand. For example, the Foreign Sovereign Immunities Act, 28 U.S.C., section 1605, does not confer immunity on the actions of foreign states that are commercial or proprietary in nature. Similarly, a 1982 amendment to the Clayton Act draws a distinction between foreign government-owned enterprises that engage primarily in commercial activities and those that do not. Public Law 97-393, 96 Stat. 1965. For a review of some other applications, see *Yosemite Park and Curry Co.* v. *United States*, 686 F.2d 925, 933 n.40 (Ct.Cl. 1982).

Hearings on this bill and other proposed legislation dealing with this subject will surely aid in building a record for distinguishing sovereign acts from those that should be viewed as commercial or proprietary. The Department of Justice and the Federal Trade Commission may well be able to offer expert advice on the types of activities that should remain under the protective wing of antitrust law and policy, even when engaged in by local governments.

My hope now is that, following full and constructive debate, Congress will act promptly to resolve this question in the interest of local governments and the citizens they represent.●

WHY CLINCH RIVER?

HON. JOE SKEEN

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 28, 1983

● Mr. SKEEN. Mr. Speaker, over the next few weeks as the alternative financing plan for the Clinch River breeder reactor is debated, the project's merits will likely again become an issue.

I would, therefore, like to bring to my colleagues' attention the assessment by Dr. Alvin Weinberg, Director of the Institute for Energy Analysis at Oak Ridge, entitled, "Why Clinch River?" (Public Utilities Fortnightly, April 14, 1983), and ask that this be entered in the RECORD.

[From Public Utilities Fortnightly, Apr. 14, 1983]

WHY CLINCH RIVER?

(By Alvin M. Weinberg)

Nuclear power is proving to be a difficult, demanding enterprise. At this moment, we are in the throes of a nuclear moratorium: No new reactor has been ordered in the U.S. since 1978, and it is unlikely that a new one will be ordered in this decade. Why, then, do I believe that we should build the Clinch River breeder?

We must distinguish between energy strategy and energy tactics. By energy "strategy" I mean the overall policies that govern the long-term development of our energy future; by energy "tactics" I mean the short-term decisions that implement the overall strategy. Our failure to distinguish between strategy and tactics has confused the debate over Clinch River.

Since fossil fuels are limited, either because they may be exhausted, or because their environmental impact may be unacceptable, our government has always accepted as a cornerstone of energy policy the development of the so-called inexhaustible energy sources. These include solar energy in all manifestations (wind, hydro, direct solar, biomass); thermonuclear fusion; and the breeder. Any one of these represents an essentially inexhaustible energy source. When we shall need any of the inexhaustibles is hard to say—it may well be as much as fifty or even 100 years from now. But every administration, since President Truman's, has accepted as national policy the necessity of investigating these long-range energy sources including the breeder, and it has committed many millions of dollars to each of them; at present more than $1 billion is being spent on developing these inexhaustible energy sources. Even Jimmy Carter accepted the necessity of pursuing breeders, although he rejected Clinch River.

Various tactics can be adopted for achieving the strategic goal of a successful breeder. An alternative tactic to building Clinch

River would focus on testing components rather than building an operating breeder. This course is being advanced both by those of the Clinch River opponents who accept the long-range strategic goal of breeders, and by the nuclear nihilists who see killing Clinch River as a step to killing nuclear energy. My own forty years of experience in nuclear energy has shown over and over that the least effective way to do heavy engineering development is to spend too much effort on components without focusing on a fully integrated operating device in which the real problems reveal themselves. One reason other countries are so far ahead of the United States in breeder development is that they built operating reactors, while we fiddled with components. Clinch River is our first full integrated large-scale breeder: It represents a shift in research tactics from never-ending development of components to the building of an integrated device that will exhibit the true problems and possibilities. I can only say we lost ten years, and suffered tremendous cost escalation, by choosing the wrong tactics in developing the breeder.

The second reason for building Clinch River has to do with time scale. I often have felt that we went too fast in our conventional light water reactor deployment, that much of nuclear energy's travail would have been avoided had we moved more deliberately. We forget that a 1,000-megawatt-electric power plant, if it is to be fully economical, is expected to last as long as thirty years; but if we build reactors too quickly we have no way of knowing whether the system will last anywhere near thirty years, nor can we incorporate lessons learned in earlier reactors into later ones without expensive backfits. This is now happening with many light water reactors—steam generators and pipe cracking may limit their lifetime seriously, even though we have learned ways of dealing with these problems.

Can we not learn from this experience? If we have fifty years before breeders are needed on a large scale, we do not have all that much time to wait. If Clinch River is built by 1990, it will be 2020 before we know whether the device has lasted thirty years—or whether serious deficiencies, that appear after extended operation, will limit its lifetime.

We are unaccustomed to think about technologies that are as slow moving and ponderous as are large nuclear power plants. In this age of computers and jet travel, time is foreshortened, and we forget that only with the passage of thirty years will we *know* that a big device will last for thirty years. We do not have time to waste. We ought therefore to get on with Clinch River. The great French Marshal Lyautey once said to his gardener: "Plant a seedling tomorrow." And that gardener said, "It won't bear fruit for a hundred years." "In that case," Lyautey said to the gardener, "plant it this afternoon." Clinch River is such a seedling.

Dr. Weinberg thus makes the important point that we do not have time to waste and we must, therefore, get on with Clinch River. I urge my colleagues to consider the wisdom of his analysis and to strongly support his conclusions.●

TUITION CREDIT ISSUE

HON. AUGUSTUS F. HAWKINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 28, 1983

● Mr. HAWKINS. Mr. Speaker, the recent Supreme Court decision allowing tax deductions for certain school expenses to parents of Minnesota schoolchildren, at first reading seems to promise more than it actually does. Initially there was talk that the Court decision was supportive of the administration's tuition tax credit scheme. This is far from the case: The tax benefits in this case could be received by parents of students who attend either private school or public school. And the Minnesota tax benefit is a deduction. The administration's bill provides tax credits—not tax deductions, for private schools—not public schools.

Even with the Supreme Court decision, which somewhat broadens an understanding of who may participate in a school tax benefit plan, there are very serious problems concerning any tuition tax credit plan. For example: What would be the nature of the tuition tax credit revenue loss? Is the tuition tax credit scheme a "budget busting" initiative? Would the middle-and upper-class benefits be unfair in comparison to other economic groups? Of what benefit would tuition tax credits be to poor people?

A more extended discussion of this most important issue appeared in a recent edition of the Los Angeles Times. I urge my colleagues to read the article which I have submitted for their information:

[From the Los Angeles Times, July 13, 1983]

TAX CREDITS FOR TUITION ADDRESS THE WRONG ISSUE

(By Edwin Dorn and Mary Frances Berry)

The U.S. Supreme Court's recent 5-4 decision upholding a Minnesota law allowing tax deductions for certain education expenses including private-school tuition represents a narrow victory for someone, but it is hard to say for whom. It would seem to be a victory for proponents of tuition tax credits, except for two points: The court's majority made clear that it supported the Minnesota law because the tax benefits are available to parents of students who are enrolled in private and public schools. And the operative mechanism in the Reagan Administration's proposal is credits—not deductions—for private-school tuition.

Thus, in order to survive this court's scrutiny, it appears that the Reagan plan would have to be revised to allow parents of all schoolchildren to obtain tax benefits for educationally related expenses. When one adds up all the potential deductions (or credits) for all the nation's 50 million students—gym clothes, materials for home work projects, transportation, field trips, textbooks and tuition—losses to the U.S. Treasury could become astronomical.

Indeed, the court may have opened a door through which Congress could authorize billions of dollars worth of tax expenditures for education, thereby canceling out the federal government's recent cutbacks. Even as indirect support, this could be very helpful to the nation's educational needs, and it would raise another set of problems. Tax expenditures generally are regarded as inefficient public-policy mechanisms, because their benefits are difficult to target. They also tend to be inequitable, because low-income people who pay little or no taxes can claim few if any deductions.

Whatever the ultimate implications of the high court's decision, its immediate effect is to eliminate some of the constitutional arguments from the debate over tax credits. This should cause the Adminstration, its supporters and its critics to focus on the educational merits of the private-school tuition issue.

On key question that proponents of schemes to assist private schools must now address is this: What will additional support for private schools, which enroll only 10 percent of the nation's schoolchildren, do to improve the quality of American education? The National Commission on Excellence in Education reported recently that our nation's future is "at risk" because our education system has been turning out underachieving students trained in the wrong subjects. Ninety percent of the nation's students are enrolled in public schools, and it is in those schools that the problems are most pronounced. Clearly tuition tax credits do not address those problems.

Tax credits may enable more public-school students to enroll in private schools. However, that is not likely to happen quickly, because few quality private schools have vacancies; some have years-long waiting lists. Where room does become available in the better private schools, it will attract the most talented public-school students and their committed parents thereby adding grease to the slippery slope of decay that many public schools have been sliding down. Even some low-income parents who have moved their children from public to private schools do not want to see measures taken that would erode further the quality of public education.

The ability to be selective is one major advantage that private schools have over public schools. Selectivity is the reason why comparisons between public and private schools often are misleading, and also why talk about fostering competition between public and private schools borders on sophistry.

The better private schools are selective on the grounds of merit. But many others are selective on the grounds of race and other prohibited criteria. Thus a second question that supporters of tax credits must answer is: How will civil-rights enforcement efforts be stepped up to ensure against discrimination? That question would become especially important if federal funds were to start flowing, however indirectly, into the coffers of "segregation academies." One wonders whether the proponents of tuition tax credits have thought carefully about the implications of closer government scrutiny.

Discrimination has as much to do with the quality of education as school finance does. The Commission on Excellence in Education found cause for alarm not only in the failure of schools to teach relevant skills but also in their failure to convey the "intellectual, moral and spiritual strengths . . . which knit together the very fabric of society." Our young people will not learn the value of our richly diverse society if they attend schools that are segregated by race, class or religion.

America's historic commitment to public schools has stood for more than a minimal guarantee of training for work; it has been a great cohesive force in the life of the nation. In principle, if not always in fact, our system of public education has been a proving ground for our democratic ideals. The public base of our schools should be a source of pride, not begrudgement.

The Supreme Court's decision may provide mild encouragement to the supporters of tuition tax credits. At the same time, it presents a constructive challenge to those of us who sincerely want to arrest the "unilateral educational disarmament" that the commission described. We must now think very hard about ways by which the nation can provide quality education to all its young people. In a united re-dedication to strengthening public education, the people of this country could find a new sense of purpose and cohesion.●

FIRE ISLAND NATIONAL SEASHORE

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 28, 1983

● Mr. DOWNEY of New York. Mr. Speaker, today I introduced legislation to amend the Fire Island National Seashore Act. The Fire Island National Seashore was established in 1964 to preserve and protect one of the last relatively unspoiled natural barrier islands in the Northeast for the use and enjoyment of future generations.

Fire Island is a unique resource. It is located only 50 miles from New York City and has one of the finest ocean beaches in the world. It also has magnificent dunes and spectacular maritime forests including the famous Sunken Forest preserve. Although there are bridges at either end of Fire Island, there are no roads to mar the beauties of the island. Access to most of the seashore is by ferry or footpath. Within the boundaries of the seashore are 18 scattered small, heavily developed communities, primarily consisting of single-family homes and cottages and the businesses serving them and day visitors. There are about 4,500 such structures today compared with fewer than 3,000 when the seashore was established. Future growth is estimated at about 1,000 additional structures.

The act exempts private property within these communities from condemnation, with some exceptions, provided that the local authorities have in effect zoning ordinances which conform to standards promulgated by the Secretary and which are approved by him. No current local zoning ordinances have been approved by the Secretary, although three of the four zoning authorities have made the necessary amendments and the fourth one is expected to follow shortly. No new commercial use or expansion of existing ordinances is permitted without the approval of the Secretary of Interior. Property subject to a variance or nonconforming use loses this exemption. Since the subdivision in many communities originally was intended for modest cottages, under present zoning laws many plots are buildable only under a variance. More than one-third of the structures built since 1964 received a legal variance under New York law.

Public Law 95-625 created an oceanfront development on the protective dune system. Owners of undeveloped property within the dune district are permitted to retain title provided the dune is kept in its natural state.

The first zoning standards were promulgated by the Secretary in 1967; the latest revision was in September 1980. The standards contemplated low density of use to protect the environment, mostly single-family homes, and limitation of commercial uses to those serving the needs of the communities. The idea was to keep private development within bounds appropriate for a national park. Unfortunately this scheme has not been entirely successful. The high demands for vacation rentals on this most desirable island has led to the sometimes illegal conversion of single-family homes into multiple dwellings or roominghouses. Bars, discos, and hotels have been established in violation of zoning standards.

Enforcement of standards, by and large, has been a failure because Congress authorized condemnation as the only enforcement tool. The Secretary has no authority to obtain an injunction in Federal court. We twice have raised the authorized ceiling for land acquisitions, but annual appropriations have not been adequate. Furthermore, in these times of fiscal constraints, the National Park Service puts a low priority on using scarce land acquisition funds for enforcement. A Federal court has criticized this scheme as follows:

In their justifiable frustration plaintiffs have sought relief from the courts but it is clear that only Congress can provide the remedy . . . nevertheless, precatory though our words must necessarily be, we cannot help but urge those with the power and authority to preserve this gem of an island to halt their procrastination and get on with the urgent business of saving this charming and fragile outpost of nature before the encroachment of haphazard development irrevocably despoil it. (Biderman v. Morton, 497 F.2d at page 1148-49).

This bill offers a way out of the dilemma. It is one which will cost the taxpayer little or nothing. It is one which avoids retiring from private use expensive property with little or no public value. It also is more flexible and respectful of private property owners.

It is important to emphasize that the broad powers the Secretary now has and the additional powers this bill would grant are intended to be used only in instances when the municipalities are unable or unwilling to enforce the zoning standards. The principle of home rule in this area is primary. The Secretary's powers are a court of last resort.

It is intended that the Secretary shall use the powers given to him only in cases of gross violations which degrade the character of the communities or which threaten the natural resources which the seashore was established to protect. The seashore now has a land-acquisition plan that takes into account these fine distinctions. Congress cannot take on the burden of enforcing the Secretary's zoning regulations or making judgments on individual instances. But we can provide a better and more cost-efficient mechanism than now exists.

This bill does two things: It allows the Secretary to sell acquired property with a covenant for a conforming use and to retain the proceeds for future enforcement action. It also gives the Secretary the option of applying to the U.S. district court for an injunction against the nonconforming use pending the condemnation. These are not new powers. What is new is the way in which they are being applied.

The turn-around provision, acquiring a nonconforming property and selling it for a conforming use, has been in the Lands and Waters Conservation Act. It has not been used in the seashore because the proceeds from such sales do not go back in the seashore but into the general fund. This bill would establish a revolving fund to put proceeds of the sales right back into the seashore only for the purposes of implementing the act.

One reason the deterrent has not been effective is that the safeguards Congress has built into land-acquisition procedures to protect the interests of private property owners have a built-in time delay. Where development pressures are as great as they are at Fire Island, these put the property owner who is determined to violate the standards in a no-risk situation, which guarantees a loss to the taxpayers.

Testimony before the House Appropriations Subcommittee on Interior and Related Agencies, March 17, 1980, documented a number of recent instances in which building in violation of standards was carried on even after the Secretary had initiated use of his condemnation powers. Before the required proceedings had been completed, the Government was faced with paying fair market value for a developed tract instead of for vacant land. The National Park Service then either backed away from the whole situation or expended hundreds of thousands of dollars needlessly.

The provision to permit the Secretary to apply for an injunction will give him the ability to act swiftly to prevent such exploitation. It does not confiscate property rights because at the end of this procedure one of two things happens: either the property owner is paid fair market value for his property, or he decides to use it in conformity with the zoning standards. If the property is acquired, this bill provides for the turnaround and the ability to use appropriate funds similarly for future potential violations.

This is not exactly a "free lunch" proposal. There will be some costs. But it does protect both the public interest in preserving the island and the public treasury. It also is more equitable for private property owners than what we now have and will allay the concerns some Fire Islanders have expressed in the past about the seashore's acquisition and condemnation policies.

Since this proposal was introduced in the last session of the 97th Congress, the Park Service has issued a land protection plan for the seashore. That plan attempts to offer cooperation and good faith as principle vehicles for resolving land-use issues. We applaud that attitude and sincerely hope that it will be met with a positive response locally. However, intervening development actions that contravene local zoning standards indicate a need for a viable enforcement mechanism. This legislation will prove such a tool and will insure that the will of Congress—to permit compatible development within the national seashore—will be upheld.

H.R. —

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Fire Island National Seashore Amendments Act of 1983".

SEC. 2. Section 2 of the Act entitled "An Act to establish the Fire Island National Seashore, and for other purposes", approved September 11, 1964 (16 U.S.C. 459e-1), is amended by adding at the end the following new subsections:

"(h)(1)(A) The Secretary shall sell any property described in subparagraph (B) of this paragraph acquired by condemnation under this Act—

"(i) to the highest bidder;

"(ii) at not less than the fair market value; and

"(iii) subject to covenants or other restrictions that will ensure that the use of such property conforms to the standards specified in regulations issued under section 3(a) of this Act which are in effect at the time of such sale and to any approved zoning ordinance or amendment thereof to which such property is subject.

"(B) The property referred to in subparagraph (A) of this paragraph is any property within the boundaries of the national seashore as delineated on the map mentioned in section 1 except—

"(i) property within the Dune district referred to in subsection (g) of this section;

"(ii) beach or waters and adjoining land within the exempt communities referred to in the first sentence of subsection (e) of this section; and

"(iii) property within the eight-mile area described in the second sentence of subsection (e) of this section; and

"(iv) any property acquired prior to October 1, 1982, that the Secretary determines should be retained to further the purposes of this Act.

"(2) Notwithstanding any other provision of law, all moneys received from sales under paragraph (1) of this section may be retained and shall be available to the Secretary, without further appropriation, only for purposes of acquiring property under this Act.

"(i)(1) Upon or after the commencement of any action for condemnation with respect to any property under this Act, the Secretary, through the Attorney General of the United States, may apply to the United States District Court for the Eastern District of New York for a temporary restraining order or injunction to prevent any use of, or construction upon, such property that—

"(A) fails, or would result in a failure of such property, to conform to the standards specified in regulations issued under section 3(a) of this Act in effect at the time such use or construction began; or

"(B) in the case of undeveloped tracts in the Dune district referred to in subsection (g) of this section, would result in such undeveloped property not being maintained in its natural state.

"(2) Any temporary restraining order or injunction issued pursuant to such an application shall terminate on the date the United States acquires title to such property or, if such proceedings are terminated without the United States acquiring title to such property, on the date of such termination.".

SEC. 3. Section 3(e) of the Act entitled "An Act to establish the Fire Island National Seashore, and for other purposes", approved September 11, 1964 (16 U.S.C. 459e-2(e)), is amended to read as follows:

"(e) If any property, including improved property but excluding undeveloped property in the Dune district referred to in section 2(g) of this Act, with respect to which the Secretary's authority to acquire by condemnation has been suspended under this Act—

"(1) is, after the date of the enactment of the Fire Island National Seashore Amendments Act of 1982, made the subject of a variance under, or becomes for any reason an exception to, any applicable zoning ordinance approved under this section; and

"(2) such variance or exception results, or will result, in such property being used in a manner that fails to conform to any applicable standard contained in regulations of the Secretary issued pursuant to this section and in effect at the time such variance or exception took effect;

then the suspension of the Secretary's authority to acquire such property by condemnation shall automatically cease.".●

THE FAIR CAMPAIGN ACT OF 1983

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 28, 1983

● Mr. LANTOS. Mr. Speaker, the time has come to take political power out of the hands of special interest groups and return it to the people. Political action committees organized by business and other groups with special interests and narrow concerns, exercise influence that frequently contradicts the general interests of the majority of the people of this Nation.

The tremendous power of these special interests is wielded through their substantial contributions to political campaigns. In the 1982 elections, PAC's contributed almost 24 percent, $82 million, of the $344 million spent in all races for Senate and House seats. The proportion of funds contributed by PAC's was even higher when amounts spent by candidates who lost in the primary elections are excluded—over 27 percent of the $290 million spent.

Nearly all of us who have been elected Members of the House of Representatives and the Senate have received money from these organizations. As long as we are subject to existing election finance laws, there is little that we as individual public officials can do to limit the influence of special interests upon the political process, no matter how much we may wish to do so. Acting together, however, we can limit their influence by changing the rules, and amending the laws that govern campaign contributions.

Mr. Speaker, to deal with these problems, I recently introduced H.R. 3610—the Fair Campaign Act of 1983. This legislation makes two major changes in campaign financing in order to reduce special interest influence in the political process.

First, it imposes a ceiling on contributions from PAC's. For campaigns for seats in the House of Representatives, the limit which could be contributed by all such committees would be $75,000 for a general or special election. An additional $25,000 maximum would be permitted in the case of a runoff election. In election campaigns for Members of the U.S. Senate, the limit for contributions from multicandidate political committees would be the greater amount of either $75,000 or the product of $37,500 times the number of U.S. Representatives elected from that State up to a maximum amount of $500,000. For runoff elections, an additional amount of either $37,500 or the product of $12,500 times the number of U.S. Representatives elected from that State would be permitted.

A second set of changes which H.R. 3610 makes would encourage individual participation in funding political campigans. The bill will increase the tax credit allowed to individuals for campaign contributions made to candidates for public office. Under current law a tax credit of $50 per individual and $100 per couple filing a joint return is allowed for political contribu-

tions. H.R. 3610 will double that amount to permit a tax credit of $100 per individual and $200 for a joint return.

Another provision of the bill to encourage individual—as opposed to group—contributions will increase the ceiling for individual contributions for political campaigns for seats in the House of Representatives from $1,000 to $2,500 per campaign.

Mr. Speaker, the purpose of the Fair Campaign Act of 1983 is to return the elections to the people—to reduce the influence of special interests, and to encourage individual participation in the electoral process.

Let us set aside partisan considerations. Let us act to return political campaigns to the people and limit the influence of special interests. I invite my colleagues in the House to join with me in cosponsoring and supporting this important legislation.●

SAN JOSE MERCURY ON U.S. COVERT ACTIVITIES IN NICARAGUA

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 28, 1983

● Mr. MINETA. Mr. Speaker, I have repeatedly voiced my opposition to the administration's overt covert war in Nicaragua. In the House Select Committee on Intelligence, on the floor of this House, and in the news media, I have tried to point out the folly of using U.S. resources for the aggressive purpose of sponsoring a civil war.

Today, my colleague DON EDWARDS and I are pleased to acknowledge the outstanding editorial stance which our hometown paper, the San Jose Mercury, has consistently taken on this crucial issue. For my colleagues and their staff, we now submit into the record one of the Mercury's many outstanding editorials about U.S. policy in Central America. This editorial highlights the "rapidly escalating Americanization of the fighting in Central America," and it offers the well-reasoned recommendation that we move to end the administration's overt covert war.

We hope our colleagues take that advice.

[From the San Jose Mercury, July 26, 1983]

STOPPING THE "COVERT" WAR WITH "OVERT" $80 MILLION

Almost daily there is more evidence: The United States is drifting into war in Central America. With the administration setting an ever more militaristic course, it is left to Congress to demonstrate the caution called for by the majority of Americans. That can be an awkward process, as events in the House of Representatives will demonstrate this week.

The House today takes up a bill that cuts off money for the Central Intelligence Agency's $19 million a year covert operation in Nicaragua and substitutes for it an overt $80 million anti-gunrunning program. That amount would be parceled out to friendly Central American nations willing to help halt the flow of Cuban arms through Nicaragua to El Salvador.

This alternative, above-board arms interdiction effort has been endorsed by the two House Committees most intimately involved with the problem, Intelligence and Foreign Affairs. The House has scheduled two hours of general debate on the bill and 10 hours for consideration of the more than 150 amendments that have been offered to it.

We're not persuaded that spending $80 million this way will contribute greatly to defeating the leftist insurgency in El Salvador or to stabilizing Central America. But we are convinced that the CIA's secret war against Nicaragua is wrong, dangerous and must stop.

We urge our congressional delegation to vote for the Boland-Zablocki arms interdiction bill because it's the only measure now before Congress that shuts off the money the CIA needs to arm and supply its anti-Sandinista army. That's the Hobson's choice facing the House.

The Reagan administration insists it is secretly arming and training upward of 15,000 guerrillas so they can halt the flow of arms to El Salvador. The guerrillas say their goal is to shoot their way to power in Managua, a purpose that makes them legally ineligible for American aid. Last December Congress enacted the Boland amendment, which specifically outlaws aid, direct or indirect, to any force dedicated to overthrowing the government of Nicaragua.

If the Boland amendment is to have any meaning, Congress must make it impossible for the CIA to flout it. That's what this week's debate and vote in the House is all about. If the Boland-Zablocki bill passes the Democratic House, it faces an uncertain fate in the Republican Senate, which is more favorably disposed toward President Reagan's Central American policies.

Those policies, as expressed in administration actions to date, are frightening. We fear they will lead to a regional war in Central America that will ultimately involve direct American participation in the fighting. The parallel to Vietnam is chilling.

We are disturbed at the apparent contradiction between the administration's words on Central America and its actions there. The president has convened a National Bipartisan Commission on Central America and given it until Dec. 1 to produce a coherent consensus policy toward the region.

At the same time he has authorized six months of "routine" naval maneuvers off Nicaragua. The ships will practice blockade tactics.

Meanwhile, Army Green Beret troops have opened a training center for Salvadoran troops in Honduras, and an additional 26 Army doctors have joined the 40-odd American military advisers in El Salvador. The Pentagon says it may want to increase the number of advisers from the present authorized level of 55 to as many as 140 if Congress fails to give the administration the $110 million in military aid it has requested for El Salvador.

Further, the president has criticized as "not going far enough" Nicaragua's offer to join other Central American nations in negotiating a settlement of the region's problems. Yet he has offered little more than lip service to this process, first proposed last February by the governments of Mexico, Panama, Colombia and Venezuela, the Contadora Group.

These developments, coupled with the guerrilla invasion of Nicaragua the CIA is bank-rolling, constitute a rapidly escalating Americanization of the fighting in Central America. Public opinion polls consistently have found the American people disapproving of this. Congress is correct to reflect that disapproval in its votes on measures like the one before the House this week. If the administration plunges ahead militarily now, it may make little difference what the bipartisan commission on Central America says should be done come December.●

H.R. 2969

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 28, 1983

● Mrs. SCHROEDER. Mr. Speaker, during our consideration of the Defense authorization bill (H.R. 2969) on Tuesday evening, I offered an amendment to authorize the payment of hostile fire pay to service members in Lebanon and El Salvador. The amendment was adopted by the House.

The adoption of this amendment should mean that our soldiers and sailors in these locations receive special pay for being subject to hostile fire or imminent danger after October 1, 1983. The following letter from Deputy Secretary of Defense Paul Thayer to Chairman LES ASPIN of the Military Personnel and Compensation Subcommittee states the intention of the Department of Defense to make such payments:

THE DEPUTY SECRETARY OF DEFENSE,
Washington, D.C., July 20, 1983.

Hon. LES ASPIN,
Chairman, Subcommittee on Military Personnel and Compensation, Committee on Armed Services, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: This responds to your letter concerning the amendment to Section 310 of Title 37, United States Code, relative to "special pay: duty subject to hostile fire or imminent danger."

The Department of Defense supports the proposed amendment enclosed with your correspondence of July 12, 1983. If adopted, this amendment will extend eligibility for payment of this "special pay" to members serving outside the United States in areas where the member is exposed to imminent danger because of civil insurrection, civil war, terrorism, or wartime conditions.

If the "special pay" amendment is adopted, it will permit the payment of "special pay" to members serving in Lebanon and in El Salvador. In the event of adoption of this amendment, it is the intention of the Department to take advantage of the expanded eligibility and to declare Lebanon and El Salvador as areas in which members are eligible to receive the "special pay."

Sincerely,

PAUL THAYER.●

FOOD FOR THE TABLE, NOT THE WAREHOUSE

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 28, 1983

● Mr. GARCIA. Mr. Speaker, the current withholding of excess food from the needy by the Department of Agriculture is a crime against this Nation's poor.

Earlier this year, the surplus of cheese, milk, and butter bought by the USDA greatly increased. Confronted with overflowing reserves, the USDA permitted and encouraged States to distribute food to the needy as they deemed necessary, and as long as supplies lasted. As the demand for food continued to rise, by as much as 100 percent in some States, the USDA distributed up to 60 million pounds of cheese per month.

However, following a midyear study which indicated a 15-percent decline in cheese sales, the USDA limited the amount of cheese a State could receive to 35 million pounds. Why has this action been taken when the level of needy people in this country is at an all time high? The USDA believes that some State procedures permit the inequitable distribution of free food to those not in dire need and holds that increased supplies of cheese contribute to the drop in commercial sales. Should alleged loopholes in the distribution procedures of some States prevent others in need from receiving increased allotments of food subsidies? Should people be permitted to go hungry while our Government pays for the purchase and storage of vast amounts of cheese and other produce? The following editorial from the Christian Science Monitor "Food for the Table, Not the Warehouse," highlights these points.

[From the Christian Science Monitor, July 21, 1983]

FOOD FOR THE TABLE, NOT THE WAREHOUSE

It has always seemed inexplicable that in a land so richly endowed with a flourishing agricultural economy as the United States, dire poverty and hunger should still be found in substantial parts of American society. Yet, hunger is now the "most prevalent and the most insidious" challenge facing U.S. cities, according to the United States Conference of Mayors. And a recent report by the General Accounting Office determined that hunger has increased throughout the United States during the past several years as a result of recession and high unemployment.

What that rising level of hunger has translated into, as many mayors repeatedly point out to Washington these days, is the development of scores, even hundreds, of food distribution and private relief centers.

The numbers by themselves indicate what is happening: a 75 percent increase in food centers in Rochester, N.Y., last year; requests for food assistance jumping by 112 percent in Cleveland from 1981 to 1982; a fivefold hike in the number of households served by food programs in the Detroit area from 1980 to 1982.

Given such an increase in assistance and food distribution programs, it hardly seems appropriate for the U.S. government to be cutting back on its programs to feed the needy. Yet the government is doing just that despite huge—and growing—surpluses of such commodities as cheese, milk, and butter.

Take cheese, for example.

Since December 1981, Washington has distributed 450 million pounds of cheese. This past March alone some 60 million pounds of cheese were turned over to the public. Cheese stockpiles have grown about 50 percent since late 1981.

But now, the Department of Agriculture has cut back cheese distribution programs to a limit of 25 million to 35 million pounds a month.

Why? An official explains that free distribution programs are believed to be partly responsible for a decline in the commercial sale of cheese at the supermarket counter.

Such an argument strains credulity.

The government should be alert to graft and misuse in the food distribution programs—i.e., cases where food stocks are delivered to persons not actually needing the commodities. The US Department of Agriculture will be remiss if it does not tighten up its administrative procedures involving distribution programs.

But beyond ensuring tighter administration, there is still the larger issue of hunger—and what to do with the available food stocks now on hand.

The robust recovery under way, as well as increasing employment, will no doubt alleviate some of the cases of hunger.

But administration economists concede that unemployment will remain historically high throughout 1983 and 1984. That being the case, it seems only reasonable that Washington draw on existing food stocks to help Americans truly in need.

Legislation introduced by Congressman Leon Panetta and Senator Robert Dole would actually *increase* federal food distribution programs. The legislation, which has cleared the full House and the Senate Agriculture Committee, should be approved by Congress and sent to President Reagan for signature.

In a land as blessed as the United States, no American should have to go to bed hungry.●

RANCHERS TELL STORIES OF COAL SLURRY PIPELINE COERCION

HON. BERKLEY BEDELL

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 28, 1983

● Mr. BEDELL. Mr. Speaker, on June 15 the Agriculture Subcommittee on Conservation, Credit, and Rural Development held a hearing on legislation I have introduced, H.R. 1749, regarding the sale by one State of water resources shared with other States. I am pleased to note that the hearing was extremely productive.

A number of witnesses expressed their serious concern that, in the wake of the Sporhase and El Paso decisions, the States have constitutionally questionable authority to protect their water resources from interstate transfer and particularly with regard to shared water resources.

Mr. Speaker, agriculture and the rural Midwest stand to lose a great deal if wholesale water transfers are allowed to take place. Our Nation's agricultural productivity would be severely hampered as a result.

One of the related issues that surfaced during the hearing was the impact of transporting the water by pipeline. Realizing that such pipelines would generally be routed across farmland, the farmer/landowner would be confronted with environmental hazards to his/her land. Farmers are some of our Nation's best conservationalists and go to great lengths to protect and promote the integrity of their land.

One panel of witnesses at the June 15 hearing was a group of four ranchers from western South Dakota who have experienced a great deal of difficulty with the ETSI pipeline attempting to route a water pipeline across their land for use in a coal slurry operation. At this point, I submit for the RECORD an article on their testimony from the Missouri Times:

RANCHERS TELL STORIES OF COAL SLURRY PIPELINE COERCION

(By Joan Edwards)

WASHINGTON.—Four South Dakota ranchers in cowboy hats came to Washington recently to tell a congressional subcommittee a shocking tale of intimidation and threats by Energy Transportation Systems Inc. (ETSI), which is seeking land to construct a coal slurry pipeline from South Dakota to Arkansas.

The project has created major controversies, since it involves a diversion of Missouri River water and obtaining a right of way for construction. Railroads, the traditional coal carriers, could be hurt by the loss of coal revenues. But the coal slurry pipeline could be an important energy source for some states and bring water to them.

All of these considerations took a back seat, however, as the ranchers told of their struggles to retain some sort of control over the use of their land by the powerful ETSI, which seeks federal rights of eminent domain, so it can take the property it needs for its pipeline.

Rep. Tom Coleman, R-Mo., who is ranking minority member on the House Agriculture Committee's Conservation, Credit and Rural Development Subcommittee, said to the ranches:

"I would like every members of Congress to hear your story, so that their constituents will not be turned into people who will be affected as you are."

Congressional passage of pending eminent domain legislation would permit ETSI to condemn privately-owned land.

"The farmers have been coerced and threatened," Coleman said. "I am not at all sure I want to allow companies the power to back those threats up."

South Dakota has contracted with ETSI to sell water from the Oahe Reservoir, which is connected with the Missouri River. ETSI would pay the state $1.4 billion over

50 years to take about 16 billion gallons of water per year from the reservior to the Powder River Basin coal mining region in Wyoming. The water would be mixed with crushed coal and sent, via a 1,300-mile pipeline, to Arkansas, where utilities from Arkansas, Louisiana and Oklahoma could purchase the coal.

ELOQUENT RANCHER

One of the ranchers, Pat Trask, gave an eloquent Mr. Deeds Goes to Washington presentation of ETSI's misdeeds. Trask proudly noted that his family had come to South Dakota the year after General Custer was defeated by the Indians at Little Big Horn. Then Trask told how his father, who was an expert in such matters, tried to persuade the ETSI respresentative that the path ETSI had chosen across his land for the pipeline was "almost impassable, and ecologically and financially unsound—but ETSI wants to take its pipeline to areas where people might buy its water." The Trasks wanted the least damaging and shortest route for the 100-foot right of way.

Trask said ETSI threatened his father: "Take the contract now, before it's too late or we'll go to the condemnation process."

The rancher said, "We do not support eminent domain for any entity that is a private corporation for profit—it's not in the Constitution. But ETSI got the politicians to work for them in South Dakota."

The ETSI plan had originally been sold to South Dakota citizens and state officials as a way to "save the Madison Formation" (a large underground water supply in western South Dakota and Wyoming) and use Missouri River water for the coal slurry pipeline. The pipeline also was supposed to supply water to "drought-sticken communities" along its path.

Another rancher said, "ETSI's a four letter word in South Dakota" and recalled how the ETSI representative has harassed "My 74-year-old dad, who has poor eyesight, with a lengthy contract in tiny print. The contract permits ETSI to take a 100-foot right of way which they can select, to carry any water, gas, oil or other substance. Land owners are held liable for any damage to the pipeline, accidental or otherwise."

ETSI on the other hand, would not be held liable for accidents to the pipeline that would prevent delivery of water to a community. "If ETSI decides to cut off its water to a town, they only have to let the people know a day ahead," the rancher said.

Pat Trask said ETSI's plan "does not bring water to South Dakota communities, not one single community has contracted for this. If the government gives ETSI eminent domain for the pipeline, the people will just have to borrow more money from the federal government to buy the water back.

"It's a wrong concept that the people of South Dakota are buying this garbage. When multinationals and government officials use government power and finances in states, we're in a last ditch struggle.

"The lawyers of the state are at ETSI's disposal, and they threaten land owners if they don't concede in the case—they can start pumping. The government canceled 250 water rights in the state so it could have the water to sell to ETSI."

DOMAIN GRANT REFUSED

The state legislature, after a major flurry of news stories about ETSI's activities, voted 2-to-1 to refuse to grant ETSI eminent domain. ETSI officials have claimed the firm must have eminent domain to begin the pipeline, and it is lacking about 10 to 20 percent of the land it needs.

Coleman said, "It does not speak well for the company to abuse this power, and we're being asked to extend it (in a House bill sponsored by Morris Udall, D-Ariz., and Dick Cheney, R-Wyo., among others). You people represent the ranchers, and the 2-to-1 vote in the state legislature is very important."

Coleman then asked the ranchers how the governor had responded to their complaints and the requests that the pipeline take the shortest, least damaging route. Trask said he usually waited six weeks to two months for a response, and at one point he was told it was up to the judiciary to decide. Coleman snapped, "Is this the same person who tried to get books taken off the shelves of stores in an attempt to curtail freedom of speech?"

South Dakota Gov. Bill Janklow reportedly has been in a fury over a recent book on the Indians in South Dakota in which he is prominently featured. The book, In the Spirit of Crazy Horse reportedly alleges the governor, when he was working on an Indian reservation, committed rape, random shooting of animals, public drunkenness and public nudity. Janklow has said these charges are all unfounded, and he is suing the author and publisher. But the book is a major best seller in South Dakota.

Rep. Tom Daschle (D-S.Dak.), told the ranchers:

"I'm proud you represent my state . . . I've come to the reluctant conclusion that ETSI does leave something to be desired. If we fail to provide the Missouri River water, they have the legal right to take the Madison Aquifer water."

The whole issue of the ETSI pipeline is enmeshed in legal controversy. The U.S. Supreme Court decided, in Sporhase vs. Nebraska, that water is an article of commerce, and therefore, a state cannot place a blanket embargo on export of water—just as no state could place an embargo on the export of oil or coal. But the ruling does prohibit the export of water "for wasteful purposes."

AN IMPORTANT PRECEDENT

"The quantity of the water (in the proposed ETSI diversion) is not germane to the issue, but the precedent is," Coleman said. "There are proposals on the drawing board that would siphon off 10 million acre feet of water per year, which is nearly half the flow of the Missouri River at Sioux City, Iowa.

"The Colorado River is nearly exhausted by the time it reaches Mexico . . . Distribution of its water by the U.S. Supreme Court has not worked. Because of a tangle of unreasonable demands and court decisions, states and Mexico have legal rights to more water than the Colorado contains. Before a similar point of no return is reached in reference to the diversion of the Missouri River water, a solution must be achieved."

The subcommittee hearing was on a bill, co-sponsored by Coleman and Rep. Berkley Bedell, D-Iowa, who is chairman of the subcommittee, to create an interstate compact in conjunction with out-of-state transfers of water.

On the Senate side, Missouri's Jack Danforth has introduced an amendment to coal slurry legislation that would also require consent by downstream states to water transfers and promote the formation of an interstate compact.

Steve Hilton, press aide to Danforth said "There will not ever be a Missouri Basin compact (to allocate water among the states) unless the upstream states have the incentive to negotiate a contract. Under our present water laws, there is no reason for upstream states to work out a compact. If the coal slurry goes through, this situation will be exacerbated."

Danforth said there are only two ways to deal with this situation, "either prevent passage of the coal slurry bill, or attach provisions so that other states could have control over decisions."

Danforth said the issue of environmental effects of the coal slurry pipeline has not been sufficiently addressed—the end product of the coal slurry would be a "corrosive, pollutive product."

He added that "economic consequences of the coal slurry pipeline" could be severe if the coal traffic, which is traditionally a major source of revenue for railroads, were to be moved to the slurry.

"Railroads are multi-commodity carriers, and if they lost their major source of revenue—coal—other commodities, such as grain, would feel this loss," Danforth said.

Hilton said a former federal railroad administrator has estimated that the railroad transportation rate for farm commodities could increase up to 40 percent if the railroads lost their principal source of revenue—coal.

"Railroads represent a transportation system that is in place," Danforth said. "The coal slurry system of transportation, in terms of being a competitive element, is silly. It is a single commercial carrier with no common carrier responsibilities. The slurries would be competing with nothing—operating under take-or-pay contracts ranging from 20 to 30 years."

The Senate bill on the coal slurry issue is expected to come to the floor of the Senate very soon. On the House side, there will be additional committee hearings.●

REAGAN'S BIG STICK

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 28, 1983

● Mr. OTTINGER. Mr. Speaker, having attempted to turn the clock back in many areas of domestic policy, the Reagan administration is now demonstrating a dangerously nostalgic attitude toward the crisis in Central America. Preferring arrogant displays of military force to sincere and energetic efforts at negotiation, Mr. Reagan evidently yearns for the days of gunboat diplomacy. The deployment of several naval task forces off the Nicaraguan coasts, the buildup of the U.S. military presence in Honduras and the increased support being provided to groups attempting to overthrow the Nicaraguan Government are only the most recent signs of the President's desire to wield an American "Big Stick" in Central America. A recent article by Tom Wicker of the New York Times eloquently explains the self-defeating character of this short-sighted policy. I commend it to the attention of my colleagues:

[From the New York Times, July 26, 1983]

REAGAN'S BIG STICK

(By Tom Wicker)

MANAGUA, NICARAGUA, July 25.—If President Reagan set out last week to convince the people of Nicaragua that he means to make war on them and overthrow the Sandinista Government, he scored a considerable success. But it may prove a costly one that the United States will long regret.

Henry Kissinger, the Great Destabilizer of Chile, the scourge of Cambodia, is named to head a study of Central American policy. Maneuvers involving U.S. ground forces are announced for neighboring Honduras. An American flota de guerre is ordered to each of Nicaragua's coasts, amid talk of blockade and quarantine. Mr. Reagan himself, waving the biggest stick since Theodore Roosevelt seized Panama, says he doesn't see how the United States could reach an agreement with the Sandinistas.

All this came to Managua (in the glaring headlines of a controlled press) on top of the border fighting between Nicaraguan forces and the "contras" recruited and financed by the C.I.A., and in the wake of a history that includes occupation by the U.S. Marines from 1911 to 1933 and the U.S.-created and supported Somoza family dynasty (1934-79). Some of the contras, U.S. officials do not deny, formerly were members of the brutal National Guard that terrorized the country during the Somoza regime.

From all this it seems clear—certainly to the Nicaraguans—that Mr. Reagan aims to overthrow the Sandinista Government by military force. If so, he probably hopes to stop short of U.S. troop involvement; but whether he can or not, in the unpredictable winds of a Central American war, his is a policy that may prove far more self-defeating than the C.I.A.'s celebrated overthrow of the Arbenz Government in Guatemala 30 years ago.

It's true that the Sandinistas follow the Soviet line in foreign affairs, censor the press at home and have made some serious mistakes—including the mistreatment of the Miskito Indians on the Atlantic coast. But the economy here is still mixed, and the dominant reality in Nicaragua today, as the people of the barrios are eager to testify, is that they are free of the terror and brutality of the Somozas' National Guard. The human rights problem, as even American officials concede, is minor compared to those of Guatemala, where Mr. Reagan supports a repressive Government, and El Salvador, for which he constantly seeks more U.S. aid.

But the bone in Ronald Reagan's throat is the fear that Nicaragua will try to "export revolution." No one can say for sure that it won't. But this is a small, poor country that desperately needs all its resources at home; and the threat of exporting revolution seems hardly so menacing as to justify Mr. Reagan's militarist reaction (which may be in compensation for his ineffective war in El Salvador).

His policy, moreover, backfired in numerous ways, playing often into the hands of the Sandinistas. The threats of war and invasion serve to mobilize the nationalism and fighting spirit of the people, for instance, just when the enthusiasm of the four-year-old revolution might have begun to fade. The incursions of the conflict even give the Government an excuse to send militia units to the front for combat training and experience.

One of the problems of the Sandinistas is ineffective economic management, resulting in shortages of cooking oil, soap, gasoline and other necessities. U.S. hostility allows the Government to blame these shortages on the Reagan Administration; people standing in bread lines at the *supermercado* talk as much about invasion as about mismanagement, and a poster shows Uncle Sam's many-forked tongue spouting the lie: "They're sending all the soap to Cuba."

A people already suspicious of the Colossus of the North are far more so now; a Government already trending toward the Soviet bloc—although Moscow has never formally adopted Nicaragua and has no apparent wish to—has been pushed farther in that direction. Thus, while U.S. aid dropped from $123 million in 1981 to zero this year, the Socialist countries are making up nearly $300 million of the estimated $518 million Nicaragua needs in addition to its foreign earnings for 1983.

Therefore, the Reagan policy is to a great extent self-defeating, even if he isn't trying to overthrow the Sandinistas; and if he is, using contras and the Honduran armed forces as surrogates, he has little chance to gain his object that cheaply. Honduras is one of the world's poorest countries, and its ill-trained soldiers would be reluctant tigers indeed against the highly motivated and spirited Nicaraguans.

But even the possibility that American forces might have to extricate Ronald Reagan from a new Bay of Pigs is not as grim as his arrogant assertion of the right to dominate other countries of the hemisphere by force. Teddy Roosevelt at least had the excuse that in his day the 20th century was only beginning; while Mr. Reagan seems to have learned nothing from its bloody passage.●

HEALTH EMERGENCY TREATMENT FUND

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 28, 1983

● Mr. WEISS. Mr. Speaker, When a community is injured by a hurricane, flood, or crippling fire, a wide range of Federal assistance programs are available to State and local governments. When these natural disasters strike we do not expect States or communities to be able to shoulder the burden of protecting public health and rebuilding property alone. The Federal Government has long been committed to supplementing local efforts.

I believe the same rationale should apply when a public health emergency, such as the recent outbreak of acquired immune deficiency syndrome, arises. Epidemics are often localized in certain cities or regions. Yet State and local governments cannot anticipate these sudden crises when formulating their budgets. Hospitals and health departments may be unable to transfer adequate resources. Sufficient funding for facilities, personnel and equipment may simply not be available.

A mechanism that permits the Federal Government to step in, as needed, is essential. Understanding and compassion are not enough.

Mr. Speaker, a bill I am introducing today along with three of our colleagues, Mrs. BOXER, Mr. ROYBAL and Mr. WAXMAN, would establish a revolving fund for treatment and prevention services in response to a public health emergency. The money would be provided, on an emergency basis only, through grants and contracts to State and local governments in areas particularly hard hit by a health crisis. Those governing bodies would have the option of contracting out services to institutions such as hospitals, hospices and nonprofit organizations. I am requesting $60 million for the first year of the revolving fund.

This legislation would amend the public health emergency fund recently enacted into law. The act, authored by the gentleman from California (Mr. WAXMAN), provides emergency funds for research into the cause, treatment and prevention of health crises. The revolving fund I am proposing today would complement the public health emergency fund by providing for actual treatment and prevention.

The best example of the need for these funds is also the most timely example. AIDS has hit particularly hard in certain cities such as New York, San Francisco, Newark, Los Angeles, Houston, and Washington, D.C. The local governments are doing the best they can to respond with treatment and prevention efforts, but they are drawing on already scarce resources. Public hospitals are overwhelmed.

The cost of treatment, estimated at about $60,000 per patient, is staggering. About 1,700 persons have contracted AIDS nationwide; we are therefore looking at a $360 million medical bill. And if the number of AIDS cases continues to double every 6 months, the cost of this health care will be in the billions.

The tremendous cost is compounded by the unfortunate reality that many persons with AIDS do not have health insurance. Those who are covered may carry a policy that does not reimburse for experimental treatment or runs out because of the size of the medical bills. Victims must wait 2 years before they qualify for medicare disability benefits. Many do not qualify for public assistance medicaid.

In a letter to the Journal of the American Medical Association, a group of physicians from New Jersey reported:

> We find that a large portion of our AIDS population is indigent and unable to obtain requisite outpatient care. Once discharged, they can neither eat well enough to bolster their deficient nutritional state nor afford the many drugs required for their multiple infections.

Without outside help, local efforts can be expected to focus only on the most immediate needs. However, the nature of AIDS, I believe, requires an outpouring of psychological and social

support. Needed services cover a broad spectrum: individual and group therapy, legal assistance, home care, hospice care, medical referrals, training for health professionals, crisis intervetion, and guidance through a maze of public assistance, health and disability programs.

In many instances, patients require additional support to deal with the feelings of isolation and loss that result from disruptions in their jobs, personal lives and social networks. Prevention, in the form of extensive public education, outreach and early screening, may save lives as well as money.

Mr. Speaker, a small but growing number of Americans are suffering from a frightening disease of which we do not know the cause or the cure. It is imperative that the Congress communicate to those individuals—as well as the health authorities in the communities in which they reside—that they need not face the struggle alone.

I strongly urge may colleagues to join me in cosponsoring this important legislation. The text of the bill follows:

H.R. 3702

A bill to amend the Public Health Service Act to provide funds for the prevention and treatment of public health emergencies

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled. That section 319 of the Public Health Service Act (42 U.S.C. 247d) is amended by adding at the end the following:

"(c)(1) The Secretary, acting through the Director of the Centers for Disease Control, may make grants to and enter into contracts with States and political subdivisions of States for programs conducted or supported by the States and political subdivisions for the prevention and treatment of public health emergencies determined under subsection (a) to exist. Funds provided under grants and contracts under this paragraph may be used by States and political subdivisions to conduct such programs and to provide grants and contracts for public and nonprofit private entities to conduct such programs. Applications for grants and contracts from the Secretary shall be subject to such conditions as the Secretary may by regulation prescribe.

"(2) There is established in the Treasury a fund designated the 'Public Health Emergency Prevention and Treatment Fund' to be available to the Secretary without fiscal year limitation to carry out paragraph (1). There is authorized to be appropriated to the fund $60,000,000 for fiscal year 1984. For fiscal year 1984 and each fiscal year thereafter there is authorized to be appropriated to the fund such sums as may be necessary to have $60,000,000 in the fund at the beginning of such fiscal year.

"(3) The Secretary shall report to the Committee on Energy and Commerce of the House of Representatives and the Committee on Labor and Human Resources of the Senate not later than ninety days after the end of a fiscal year—

"(A) on the expenditures made from the Public Health Emergency Prevention and Treatment Fund in such fiscal year; and

"(B) describing each public health emergency for which the expenditures were made and the activities undertaken with respect to each emergency which were conducted or supported by expenditures from the Fund.".

SEC. 2. Subsection (b) of section 319 of the Public Health Service Act is amended by striking out "Fund" each place it occurs and inserting in lieu thereof "Research Fund".●

HOSPICE SERVICES

HON. NORMAN D. DICKS

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 28, 1983

● Mr. DICKS. Mr. Speaker, last year the Congress approved the new medicare hospice program. Thus beginning in October of this year, hospice services will for the first time be reimbursable by medicare.

Hospice exists to provide support and care for persons in the last phase of incurable disease so that they might live as fully and comfortably as possible. Death is the natural end of life, but it is only a fraction of a moment. During all the hours and days and weeks before that moment, the dying person is a living human being, entitled to all the comfort, respect, and dignity to which everyone is entitled.

Mr. Speaker, unfortunately it now appears under the current law, thousands of deserving medicare recipients, residing in rural or medically underserved areas, could be denied this benefit. This occurs, not because these people are ineligible for the benefit, but because there will not be any hospices in their area that are able to contract out for nursing services.

The law as presently written states that a hospice must, "routinely provide directly substantially all" of four basic care services. These services include: nursing care, medical social services, physician services, and counseling.

Simply stated, this particular provision of the law prohibits the contracting out of any of these services.

The inability to have reasonable flexibility in subcontracting for nursing services severely limits the ability of many existing programs to continue. The problem is particularly acute in rural and underserved areas where flexibility in subcontracting for nursing services is the only way hospice care can be provided. The combination of limited manpower and limited fiscal capital investment moneys in such areas makes subcontracting essential in order to provide care. There are areas where there is only one, or a few nurses, physicians, or medical social workers in a geographic area. They cannot be hired directly and no hospice will exist in such areas if subcontracting is not permitted.

In a National Association for Home Care report dated June 13, 1983, Charles Frickey, vice president of the Association of Kansas Hospices stated in a letter to Senator ROBERT DOLE:

A community-based, volunteer hospice, which attempts to utilize and coordinate services already available, will find it difficult if not impossible to participate in the Medicare hospice benefit. The vast majority of Kansas hospices fall into this classification.

In a similar letter to members of the New Jersey congressional delegation, Maureen Eng, director of the New Jersey Hospice Organization, stressed the importance of preserving the coalition model of hospice. She responded to their survey by stating that over half of the hospices in New Jersey would be adversely affected by the inability to subcontract for nursing services.

Ann Katterhagen, executive director of Hospice of Tacoma, in a letter to me stated:

This amendment will improve the access to hospice care for patients with terminal disease, who happen to live in rural, underserved areas. Hospices in these areas need the flexibility to be able to contract for nursing care thus preserving the community nature of this model of hospice care so prevalent in small rural areas.

Mr. Speaker, I do not believe that it was the deliberate intent of Congress to penalize medicare recipients residing in rural or medically underserved areas. It is for this reason that I have introduced this bill to provide for contracting out of the nursing care service under certain specific conditions. Key provisions of the bill include:

First, a "Grandfather" clause which allows contracting out of nursing services for hospices which were incorporated or licensed prior to the passage of the Tax Equity and Fiscal Responsibility Act.

Second, permits for hospices located in rural areas or areas designated as "medically underserved" to contract out for nursing services.

Third, a requirement that if a hospice does contract out it must do so with an agency that is medicare certified to protect against fraud.

As Senator JEPSEN said in his recent statement concerning S. 1511, the Senate counterpart of this legislation:

It is hard enough to encourage qualified people to come to rural areas and work, let alone requiring services which inevitably would necessitate additional medical personnel.

Mr. Speaker, it is extremely important that we allow greater flexibility in the law.●

A TRIBUTE TO HERBERT M. FRISBY—SCIENTIST AND EXPLORER

HON. PARREN J. MITCHELL

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 28, 1983

● Mr. MITCHELL. Mr. Speaker, this week, my city of Baltimore lost one of our treasured citizens, Herbert M. Frisby. Mr. Frisby, a noted former science teacher at Douglass High School, was also a determined explorer who was among those who explored and lived in Alaska.

Herbert Frisby's life was marked by the achievement of laudable goals amidst formidable obstacles. His research and exploration in such places as Norway and Canada and his insistence on pursuing certain courses offered to whites only, back in the 1940's, substantiated his refusal to accept racism as a deterrent. I am proud to share comments about the life of Herbert Frisby as presented in this morning's Baltimore Sun newspaper:

FRISBY OF THE NORTH

Not long after Robert E. Peary and five other men reached the North Pole in 1909, a teacher told sixth graders in a Baltimore Jim Crow school about Matthew A. Henson, the Marylander in the group, the first black man at the Pole. "I'm going to be second," a boy blurted out. For this he was made to write 500 times, "I will not talk about foolish things in class."

In 1956, a U.S. Air Force plane swooped low over the North Pole. Out dropped a tablet honoring Henson and the flags of the United States and Maryland. They fell from the hands of that boy, who at that moment because the second black man to reach the Pole.

Herbert M. Frisby's message in a life career as teacher in Baltimore schools, mostly segregated, was the opposite of the admonition he received. He taught by demonstration to pick an impossible goal and get there. "There are no Alps," he said.

Most boys drop their 11-year-old obsessions. Mr. Frisby clung to his, for the Arctic and for Henson. It took World War II and service as a correspondent for the Afro-American newspapers to get north, following black servicemen wherever they went, including Alaska and Greenland. He returned again and again, often on his own teacher's salary, more than 20 times, even in his 70s.

"Living in the Arctic is rough, rugged, harsh and everything negative to human existence," he said. But he had "Arctic fever." He lived with Inuit or Eskimos in Alaska, toured scientific installations in Spitzbergen in International Geophysical Year, inspected facilities in Norway and a Canadian station on Baffin Island. His home, "the Igloo," was filled with Arctic hides and Eskimo artifacts.

Mr. Frisby believed that Henson reached the Pole 45 minutes before Peary. His 15-year crusade to obtain proper honors for Henson succeeded in 1961 with placement of a memorial to the "co-discoverer of the North Pole" in the State House.

The dogged Douglass High School science teacher crossed terrain closer to home that was harsh and negative to human existence. His insistence on taking a course in greenhouse gardening offered to whites in 1949 by the parks department broke the color bar at Druid Hill Park. Denied access to an anthropology summer course at the University of Maryland College Park because of race, he took it at the University of Alaska.

Mr. Frisby, who died well up in years on Tuesday, combined research with the honorable profession of science teaching. He overcame barriers no American today need face. He said, "No worthy task is to be left undone because it seems impossible." He personified achievement in the Baltimore city schools.●

EXECUTIVE PRIVILEGE

HON. JOHN N. ERLENBORN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 28, 1983

● Mr. ERLENBORN. Mr. Speaker, permit me to explain a bill Representative HORTON and I are introducing today to define the narrow circumstances and procedure under which a President could withhold information from Congress.

One of the recurring problems that plagues the Congress is difficulty in gaining access to documents of the executive branch which are relevant to our work. These problems became newsworthy again this year, as officials of an agency which was under investigation tried to deny Congress various documents, and one official and one of her former aides were even cited for contempt by the House.

Throughout all these disputes, the words "executive privilege" lurk in the background. Occasionally, they are even uttered. Never, though, are they defined. No one knows what the term means.

Our bill, which is identical to one we introduced and the House Government Operations Committee approved in 1974, would put an end to guessing about what the mysterious doctrine of executive privilege is. It establishes a specific statutory procedure to restrict the executive branch's ability to withhold information from Congress. Under that procedure, no individual in the executive branch except the President could decide to withhold documents or testimony from us. If either House objected to the decision, it could take the matter to court; and if we pursued the matter there, the President would bear the burden of proof in overcoming the presumption that all information should be provided. He would have to demonstrate a "compelling national interest" which would include protecting the essential ability of the President to confer with his close advisers, in order to prevail.

By greatly narrowing the Executive's prerogative to withhold material and balancing the burden of proof in executive-legislative information conflicts, the bill would greatly enhance the Congress capacity to secure materials it needs to carry out its legislative and constitutional responsibilities.

This would be a great improvement over the present situation, in which our ultimate weapon against a recalcitrant executive official is to cite him for contempt of Congress and ask that he be prosecuted on that charge. As demonstrated in a recent case, this procedure leaves us at the mercy of executive branch officials, who may choose not to bring suit.

If we won such a legal proceeding, all we would accomplish is to throw a Government official into the Capitol dungeon. That strikes me as an unseemly way to operate. Furthermore, I doubt very much that we would win. Courts just do not place much stock in Congress claims that certain material is essential to its work.

When Senator Sam Ervin's Watergate Committee sued President Nixon to secure important information, for example, the court of appeals ruled that the committee had failed to show that its duties "cannot responsibly be fulfilled without access to (the) records." The court indicated that such a showing could rarely, if ever, be made, when it stated:

> While fact-finding by a legislative committee is undeniably a part of its task, legislative judgments normally depend more on the predicted consequences of proposed legislative actions and their political acceptability, than on precise reconstruction of past events.

Enactment of our bill would make clear Congress' ability to enforce our rightful demands on the Executive. Importantly, it provides a civil forum for the resolution of these disputes, rather than the criminal contempt procedure.

Before another conflict between the legislative and executive branches deteriorates into a bitter stalemate, I urge enactment of this bill to establish a reasonable means for settling our differences.●

THE DEATH OF JOE DELANEY

HON. W.J. (BILLY) TAUZIN

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 28, 1983

● Mr. TAUZIN. Mr. Speaker, some of the Members of the House may have heard about the death of Joe Delaney, a 24-year-old running back for the Kansas City Chiefs. Mr. Delaney, a resident of Haughton, La., drowned earlier this month while trying to rescue three children from a water pond in Monroe, La. Although Mr. Delaney could not swim, he did not hesitate to jump into the pond to try to

save the drowning children. He thus demonstrated the highest form of love, when he sacrificed his life in order to save others.

President Reagan has awarded the Presidential Citizen's Medal to Mr. Delaney posthumously. I can think of no more fitting recipient for this award, and I commend the President for honoring Joe Delaney's memory.●

DEDICATION, CANDOR, AND REALISM: AMBASSADOR KAMPELMAN AT MADRID

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 28, 1983

● Mr. KEMP. Mr. Speaker, as the Madrid Conference on Security and Cooperation in Europe draws to a close, Americans can take deep pride in the quality and dedication of the U.S. delegation, headed by our dedicated Ambassador, Max Kampelman. Thanks to his skillful leadership, and the support and solidarity of our allies, Soviet efforts to turn aside compliance questions and to divide the West were defeated; and Madrid became the single most comprehensive forum for public exposure of the nature of Soviet behavior.

I want to take this opportunity to express my personal thanks to Max Kampelman for his dedicated service to the Nation. When he was appointed by President Carter to the U.S. delegation to the CSCE in May of 1980, no one could have guessed that he was embarking on a 3-year tour, or that during his tenure he would deliver close to 100 speeches on Soviet and East European violations of human rights. He has proven himself to be a brilliant spokesman on behalf of the values all Americans hold dear. Little wonder President Reagan called upon him to lead our delegation at Madrid.

More than any single individual, Ambassador Kampelman has spoken out forcefully and bluntly to call the world's attention to ongoing Soviet and Eastern bloc violations of human rights in contravention of the Helsinki Final Act. His closing address before the CSCE is an unflinching recitation of the limits of high sounding promises in the face of continuing bad faith actions. Ambassador Kampelman's remarks were inspired by his deep faith in human rights, and the commitment of the United States to that cause, as embodied in the principles set forth in the Helsinki accords. Equally heartfelt and true is the Ambassador's warning that "unless these principles are taken seriously, the accords will become historically irrelevant."

Mr. Speaker, I ask that Ambassador Kampelman's final address before the Conference on Security and Cooperation in Europe be printed in the RECORD.

The address follows:

SPEECH BY AMBASSADOR MAX M. KAMPELMAN, CHAIRMAN, U.S. DELEGATION, CONFERENCE ON SECURITY AND COOPERATION IN EUROPE, JULY 18, 1983

Thank you, Mr. Chairman:

After two years and more than ten months of negotiation, we are close to the end of our Madrid meeting.

We have just been informed by the delegate from Malta that he intends, as is his right, to continue to pursue the amendments about which he has fully informed us. He is aware that our delegation, among others, will continue to oppose those amendments and will not provide the necessary consensus to them.

The American delegation is pleased with the draft concluding document that has emerged out of our deliberations. We consider it noteworthy that in a number of respects, such as in provisions dealing with the reunification of families, religious rights, trade unions, terrorism, rights of journalists, access to missions, and Helsinki monitors, the Madrid document goes beyond the Helsinki Final Act of 1975.

We also consider the decision to hold a conference on security and confidence building to be important. This can be a significant step toward strengthening security and cooperation in Europe. The need to minimize the risk of surprise military attack is of great significance to all of us. We welcome a decision to hold such a conference, a proposal we joined in supporting as early as February, 1981.

We look for a conference which will produce more than vaguely worded declarations. We take very seriously the provisions in the mandate that the conference would concern itself with confidence and security building measures which are militarily significant, politically binding, verifiable, and applicable to the whole of Europe. The conference must complement, and not interfere, with other arms control negotiations. The United States will take a constructive approach to the wish of the conference, and hopes that others will do the same.

Agreement to notify military activities which will take place on land in Europe is an example of the kind of measure we believe could be a valuable result of this conference.

It is also gratifying to all of us that Madrid is firmly establishing the continuity of the Helsinki process. We have done so explicitly; and we are doing so with our decision to hold another follow-up meeting in Vienna in 1986, preceded by a tenth anniversary meeting in Helsinki in 1985. This continuity is strengthened by a decision to hold meetings, between the sessions in Madrid and Vienna, on human rights, human contacts, cultural activities, the Mediterranean and the peaceful resolution of international disputes.

The United States recognizes the special importance of arriving at an agreement in Madrid at a time when international tensions and differences continue to dominate our consciousness. We hope Madrid will be a significant signal of a new beginning in our earnest pursuit of peace.

We must, however, not be blind to the difficulties of the task ahead. These difficulties were dramatized by a first-page editorial in the July 14 issue of Pravda, which I read shortly after leaving this hall on Friday, when 34 of us signified our provisional approval of a final document. The editorial sharpens for us not only the real meaning of the Madrid agreement, but its decided limitations as well.

The editorial's theme is the speech made to the June Plenum of the Communist Party Central Committee by the leader of the Soviet Union, during which he said: "There is a struggle for the hearts and minds of billions of people on this planet." Concerned that the USSR may not be doing too well in that struggle, Pravda urges that Soviet citizens be "immunized" against hostile ideas. Specifically, it aims at religion in the USSR as a danger.

The United States understands the profound seriousness of the inherent contradictions between the Soviet totalitarian system and the system of liberty and individual dignity which is a hallmark of democratic governments. Reaching agreements such as we did in Helsinki and now in Madrid, do not, by themselves, automatically minimize those differences or end the competition.

We intend to be in the competition for "hearts and minds" to which Pravda refers. We welcome a competition of ideas and values. In many ways the Madrid forum has been and remains a vehicle for that competition. What concerns us deeply, however, is that the Soviet Union may believe that it cannot win a competition of ideas and values without the threat and use of armed force and repression, both within and outside its borders.

The Helsinki Final Act and the Madrid Agreement are efforts to channel the competition of values within civilized constraints; and at the same time to strive for understanding so that we can learn to live with one another in peace. The fact that these agreements continue to be violated, even during this very period of negotiation and agreement, is discouraging.

We cannot in good conscience permit a limited negotiating success, important as we believe it to be, to make us forget, much to our regret, that signatures on a document do not necessarily produce compliance with its provisions. The continued fighting in Afghanistan, where more than 100,000 invading troups remain, violating the sovereignty of that unhappy country and abusing the humanity of its people, stands as an affront to the peace we in Helsinki professed to pursue.

The people of Poland remain today subjugated by a martial law which attacked the legitimacy of their free trade union, Solidarity, and continues to keep in internment and imprisonment thousands of persons who declare and champion their human rights.

Our delegation believes in the importance of words. But we cannot permit an agreement on words to obfuscate unpleasant realities.

We have sought and welcome the agreement represented by our decision in Madrid. We do not wish to minimize the importance of that agreement. But we also do not wish to minimize the consequence of undermining such agreements when they are not complied with in letter and in spirit.

What are we to think when at the very time we were coming to agreement on provisions dealing with religious rights, Pravda Vostoka of Uzbekistan informed us that leading members of the Seventh Day Adventist Church have been imprisoned by government authorities, precisely because of their wish to practice their religion?

Mr. Chairman, on December 1, 1981, I reluctantly brought to the attention of this body a detailed report of what clearly ap-

peared to be a government-sponsored anti-Jewish campaign in the Soviet Union. It was my hope, obviously misplaced, that I would never have reason to raise that issue again. The facts, however, force me to do so.

The decline in Soviet Jewish immigration is to the lowest levels since the 1960's, a tragic violation of the Helsinki Accords. An important escape valve has thus been cut off for one of the most presecuted religious groups in that society. We note too, with sadness, that many Jewish scientists and professionals have been stripped of their educational degrees; that the teaching of the Hebrew language brings on police harassment and arrest; and, perhaps most distutbing of all, that extreme anti-semitic articles are appearing in the Soviet press with increasing frequency.

Soviet officials sometimes respond to these facts with assertions of "indignation" and "libel". I fully understand such indignation in the light of the horrendous memories of anti-semitism during and prior to world war II. As to libel, in many of our societies truth is a defense to a charge of libel. We pray that this issue may soon disappear as an issue between us. Until the facts justify that change, however, I quote from a statement made last week by President Reagan: "We have repeatedly stated that our concern for human rights in general, and Soviet jewry in particular, is integral to our national interest and remains a major focus of our national policy."

The picture is no more encouraging when we turn to the very marrow of our objectives, the search for peace.

A Soviet pacifist, Alexlander Shatravka, was recently sentenced to three years in prison for circulating a petition calling for the universal abolition of nuclear weapons. The document had urged both the United States and the Soviet Union to scrap their nuclear arsenals. Mr. Shatravka had earlier been associated with a group of young people, who, a year ago, had been arrested for unfurling a banner in red square bearing only the Russian words for "bread-life-disarmament."

The arrest of these young Soviet citizens seeking peace stands in sharp contrast to the enthusistic editorial which appeared in Pravda last January hailing anti-war movements in Western Europe as "vital causes of the people." Is it any wonder that we are reminded of a perceptive statement by Clausewitz: "The aggressor" he said, "is always peace loving. We would like to make his entry into our country undisturbed."

We know that the people of the Soviet Union, like all of our peoples, are peace loving. But we also know from the Pravda editorial of last week that Soviet authorities, who are not elected by their people, fear independent ideas and want their people "immunized" against them. General Aleksei Yepishev, the political head of the Soviet Army, recently complained that Soviet youth was being infected by pacifism. To stop independent ideas is a lost cause. Ideas, like the wind currents and the climate, reach all lands and cannot be stopped by artificial barriers.

It is the view of our delegation, Mr. Chairman, that in arresting and harassing those of its citizens who work for peace and universal nuclear disarmament, Soviet authorities not only maintain an indefensible double standard, they clearly demonstrate that the mantle of peace, in which they would like to cloak themselves, simply does not fit their shape, their ideology, or their practices, and it is not simply, Mr. Chairman, one country that we wish to address these comments.

Similarly, a few weeks ago, more than 390 Czechoslovak young people were clubbed by the police, with many arrested, for holding a peace demonstration in Prague and chanting "we want peace and freedom." And in that country, Ladislav Lis, a spokesman for the Charter 77 Human Rights and Peace Organization, a Helsinki monitoring group, is expected to go on trial this week for his activities. Religious believers are also facing renewed repression for their expressions of faith.

In East Germany, where there is a growing unofficial peace movement that opposes all nuclear arms, including those of the Soviet Union and the United States, young people, many of them associated with churches, also find themselves harassed. At least 22 members of this group have recently been expelled. Patches worn on clothing depicting "swords into plowshares," distributed by East German church leaders, have been outlawed as "the expression of a mentality hostile to the state and proof of membership in an illegal political association." Students wearing the patch were threatened with expulsion from their schools and workers from their jobs.

The irony is not lost on us as we remind ourselves that the statue of peace given by Moscow to the United Nations has the same motif of "swords into plowshares."

A double irony is that the harassment of those who try to demonstrate for peace stands in stark contradiction to a United Nations General Assembly resolution of last December, co-sponsored by the United States, calling on all states "to encourage their citizens freely and publicly to express their own views on disarmament changes and to organize and to meet publicly for that purpose."

Once again, we have words: and we have deeds contrary to those words. We have that continuation of a pattern which has plagued the Helsinki process since 1975, and which continues to plague this meeting to this day.

The question might well be asked, therefore, and many in my country understandably ask, why do we negotiate about words? Why do we seek to forge a concluding document? Why do we enter into an agreement at a time when the repression of human beings in the Soviet Union is greater than at any time since the Helsinki accords were signed in 1975?

Mr. Chairman, the American delegation has pursued these activities here in Madrid because the pursuit of peace is too vital, the need for understanding too indispensible, the importance of the Helsinki accords too great to permit us to be discouraged by the task or by the obstacles we face.

We are convinced that the Helsinki Final Act has within it a formula for peace which is indispensible in this age of potential nuclear devastation. It is our conviction, furthermore, that unless these principles are taken seriously, the accords will become historically irrelevant. We, therefore, continue to express ourselves on this issue, even during these closing days of our meeting, in order to help mobilize a wider moral and political insistence upon universal respect for the act by compliance with its provisions. Anything less threatens the integrity of our process and of our relationships under it.

The American delegation makes this statement today not to irritate or offend any delegation here. We understand the need for patience in building the structure of peace and understanding among us. We cannot, however, lull our publics into believing that words alone are adequate to erase the pressing threats to the integrity of the Helsinki and Madrid principles.

We earnestly desire to enter into a constructive dialogue at all levels in order to achieve understanding and restore the "detente" contemplated in the Helsinki Accords. We wish to negotiate reductions in arms of all kinds to ease the burdens of military spending on all of us. We wish peace with every state here. We wish to resolve all potential conflicts between us, bilateral, regional, and international. We seek to do so on the basis of reciprocity and mutuality.

We appreciate that in order to have a successful dialogue, we must be as attentive and responsive to the concerns of others as we ask them to be with respect to ours. We are prepared to do so.

Mr. Chairman, I conclude with an extract from a statement issued by President Reagan in Washington last Friday evening:

"In concluding the Madrid meeting, we reaffirm our commitment to the Helsinki process. We will not flag in our continued determination to work with all governments and peoples whose goal is the strengthening of peace in freedom. As Madrid has shown, dialogue, when based on realistic expectations and conducted with patience, can produce results. These results are often gradual and hard-won but they are the necessary building blocks for a more secure and stable world. The challenge remains: We must all consolidate and build on these gains; we must ensure that good words are transformed into good deeds and that the ideals which they embody are given concrete expression. Giving substance to the promises of Madrid and Helsinki will remain one of our prime objectives."

Thank you.●

SAY NO TO COVERT AID

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 28, 1983

● Mr. OTTINGER. Mr. Speaker, I am incensed by this administration's warmongering in Central America. The most odious of our involvements is the support by the United States for Somoza adherents in their endeavor to reestablish a rightwing dictatorship in Nicaragua. Even putting aside the critically important issue of abandoning our historic concern for human rights and democracy, this act of folly is the single most important factor encouraging the expansion of communism in the area, driving Nicaraguans to rally around the Sandinistas, the Sandinistas to turn ever more to Cuba and Russia for support, and the rest of the region to justly fear the imperialistic and repressive aims and results of American policy. The stupidity of maintaining this position in Nicaragua is astounding.

The President's ambiguity in his press conference this week about the expanding U.S. military involvement in Nicaragua makes it more important

than ever to pass the Boland/Zablocki amendment. Fueling a guerrilla war within Nicaragua brings us no closer to the peace and prosperity Mr. Reagan claims to desire for that region. It accomplishes the opposite.

I wonder at the President, whose own words should be enough to convince us immediately to halt the covert aid he so fervently desires. Consider some of his points from last night's press conference, "dialog and negotiations can best succeed when the parties are convinced that their goals cannot be achieved through the barrel of the gun." Why, then, are we concentrating on military and paramilitary operations to elicit the violent overthrow of the Sandinista government? Mr. Reagan said: "we want to help our neighbors lift themselves up to prosperity." Is this why our economic support to Nicaragua fell to zero this year? How will a gaudy display of military might help the Nicaraguans to implement land reform, or improve health, and education? Mr. Reagan says: "we want a political and peaceful solution," and responds with a massive naval maneuver on both ocean sides of Nicaragua accompanied by a threat of a blockade and the dispatch of 4,000 combat troops to Honduras.

I hail the sagacity of one of Mr. Reagan's strongest statements. He told the Nation:

> You have got to prevent what is happening down there to people who want peace, but are not allowed to have it because of outside forces that are seizing upon their situation and hoping to further their own ideological aims.

That is the most cogent argument for the Boland/Zablocki amendment to stop covert aid to Nicaragua. What the President's response should be is to endorse the offer of the Contadora group for reciprocal negotiations to ban all foreign troops and military equipment from the area, supervised by a regional international force, and a significant regional effort to improve the economic lot of Central Americans. That would achieve Reagan's stated aims of stopping the flow of Soviet and Cuban military assistance and offer a real hope for peace.

Let us take the opportunity today to take a step in the direction of peace in Central America. I urge my colleagues to support this necessary amendment.●

THE AMERICAN POLITICAL SCIENCE ASSOCIATION

HON. GERALDINE A. FERRARO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 28, 1983

● Ms. FERRARO. Mr. Speaker, for 30 years the American Political Science Association has been giving young professionals a chance to participate in the political process via the congressional fellowship program.

In the real world of Congress, 1,024 fellows—many of these fellows, I might add, have been women—have had a chance to see how practical politics and political theory work hand in hand to create our Nation's legislative system.

I have firsthand knowledge of the value of this program, having enjoyed the services of two congressional fellows in 1981–82. I know they contributed significantly to my office and I am confident that they took with them a much deeper understanding of the way our Government works.

In an era when public discourse tends to foster distrust and lack of confidence in our governmental institutions, I commend the APSA. For 30 years, APSA has brought our best and brightest to Washington and to Congress to see and understand.●

ALL-VOLUNTEER FORCE

HON. RON PAUL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 28, 1983

● Mr. PAUL. Mr. Speaker, this month marks the 10th anniversay of the end of the military draft and the birth of the All-Volunteer Force. Despite the record of the All-Volunteer Force we nevertheless continue to hear in this Chamber and in the Nation an outcry for a return to conscription. This, as Doug Bandow makes clear in this timely article in the July 26 Wall Street Journal, would be a serious mistake. Mr. Bandow, moreover, is a writer to be reckoned with, former staffer with the President's Military Manpower Task Force, editor of Inquiry magazine, and contributor on public policy to a wide range of newspapers and magazines. I commend this superb essay to the attention of my colleagues.

ALL-VOLUNTEER FORCE

(By Doug Bandow)

Ten years ago this month, America inaugurated the all-volunteer force, ending a costly 30-year experiment with a peacetime draft. American society is no longer being torn apart by conscription. The social and economic costs of raising a military have declined. And the services are having their best recruiting year ever. In short, the AVF is working.

Despite volunteerism's success, however, conscription remains an issue. Draft registration has entered its third year, and several politicians, including presidential hopeful Sen. Fritz Hollings (D., S.C.), support a return of the draft.

Among the AVF's most important benefits has been a lowering of the cost to society of raising the military. Though a draft lets the government pay some soldiers a lower salary, it increases overall "people" costs, simply moving most of the increased burden onto the draftees, who must disrupt their career plans. The rest of us also pay for the waste caused by the draft taking people out of their best occupations and education programs, increasing employee turnover and causing costly draft-avoidance activities.

A draft probably wouldn't even reduce federal budgetary costs. Of the $80.8 billion spent on personnel in fiscal 1981, for example, only $6.6 billion went to first-term active servicemen, who would be drafted. The rest supported soldiers, civilians and retirees. The small savings from severely cutting this amount would be more than offset by the costs of conscription, as well as the increased expense of maintaining the career force. (Draftees reenlist in fewer numbers than volunteers, so training costs would rise, and pay for careerists would have to be increased.)

What's more, by almost any measure, the services today are taking in higher-quality recruits than ever before. For example, in fiscal 1982 60 percent of the recruits scored above average on the Armed Forces Qualification Test, which divides the population into five separate mental-ability groups, compared with 53 percent of their civilian counterparts. Among recruits of the Army, which traditionally has had the greatest recruiting problems, 53 percent scored above average. And no service is drawing enlistees from the bottom 7 percent of the population.

In any case, a draft would do little to raise the quality of recruits. Bernard Rostker, a former Selective Service director, estimates that even a draft with few exemptions would do little to change the percentage of Army recruits in the lowest and highest categories. Indeed, a truly universal draft would result in a lower-quality military.

The AVF also has succeeded in building a military that is fairly representative of society. Recruits in fiscal 1982 were better educated than their civilian counterparts: 86 percent of all service recruits and of Army recruits were high school graduates, compared with 74 percent of young people generally. These levels are far higher than they ever were under the draft. The military as a whole has almost the same percentage of college graduates as does the civilian work force, and the new enlistees are as qualified as civilian young people to attend a representative group of colleges. Moreover, an Ohio State University study found that recruits had much higher educational aspirations than their civilian counterparts.

The AVF's socioeconomic composition reflects the rest of society. Officers and career enlisted personnel make up half of the military and are solidly middle-class. The educational background of young servicemen's parents is virtually identical to that of the parents of all civilian young men, and the occupational background of the recruits' parents is only slightly more bluecollar.

Blacks are overrepresented in the military, but the percentage of black Army recruits has declined for two years in a row. Moreover, since black recruits are qualified to serve and are volunteers, there isn't any demonstrated military or social problem with their role.

Anyway, a draft wouldn't significantly reduce blacks' representation, unless they were prevented from volunteering and reenlisting. And doing that would suggest the purpose of the military is to promote racial quotas rather than national defense.

Finally, the AVF is raising a military in a manner consistent with principles that underlie the founding of our republic. The

government is the protector, not grantor, of our rights; individual freedom is a right, not an "unearned benefit" to be paid for by service to the state. (Although, to the extent that people believe there is such an obligation, the AVF is still the best system. It most fairly distributes the burden of defending our nation throughout society by having everyone share the expense of raising a military. In contrast, a draft concentrates the cost on one narrow segment of the population.)

The AVF faces a number of challenges in the future. But it can meet them with a mixture of traditional incentives and innovative management. In particular, pay should keep pace with the cost of living: However patriotic young Americans are, they will be less likely to volunteer for military service if they must work at poverty levels.

The draft's proponents are nostalgic about a past that never was. The draft wouldn't enhance our national security. Moreover, it would violate the democratic traditions and the values of freedom that set this nation apart from so many others. If America has lost the moral authority to persuade its people to voluntarily defend this society, then it has lost something that no amount of coercion can restore.●

THE 25TH ANNIVERSARY OF CAPTIVE NATIONS WEEK

HON. SAM GEJDENSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 28, 1983

● Mr. GEJDENSON. Mr. Speaker, last week we again commemorated the struggle and suffering of those living under Soviet domination with the 25th anniversary of Captive Nations Week. The grim histories of the Baltic republics, the Ukraine, the nations of Eastern Europe, and most recently, the brutal occupation of Afghanistan, are well known to all of us. This year, Captive Nations Week is an especially significant occasion as we recall the millions who died in the Ukrainian famine 50 years ago—a calamity not caused by natural forces, but by the ruthless directives of Stalin's regime.

Unfortunately, the terror and repression of totalitarian governments are not limited to a few isolated examples, or to one political ideology. Innumerable abuses of human rights continue throughout the world today. As we remember the plight of the Ukrainians, the Poles, and many other peoples and nations under Soviet control, it is vital that we take a clear and unwavering stand against tyranny in all its forms, as inimical to democracy and to humanity.●

AFRICAN DROUGHT: LESSONS FROM THE PAST

HON. HOWARD L. BERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 28, 1983

● Mr. BERMAN. Mr. Speaker, 10 years after the devastating drought in Africa's Sahelean region, a similar catastrophe has struck an even larger area of Africa. If the United States does not immediately expand its belated and inadequate disaster relief, we will have learning nothing from the disaster that cost so many lives just a decade ago.

As happened with the Sahel, a U.S. Government preoccupied with military challenges in other regions has been slow to respond to famine in the world's poorest countries. A decade ago, hundreds of thousands died because aid arrived too late. Today, thouands face starvation. There are 50 to 100 children dying daily.

Just as 10 years ago, drought-affected nations have been deemed someone else's problem because they have not been counted among America's strategically important friends. This is especially true of Ethiopia, where the drought is most severe.

As happened with the Sahelean drought, the press and Congress have taken the lead in calling attention to the need for disaster relief and pressing for action.

As we learned in the Sahel, a slow American response to famine is costly in both economic and political terms.

By the time aid is finally sent, it must be delivered by the costliest means in order to curtail famine.

Friendly governments can fall before American relief arrives. This happened during the last drought in Ethiopia.

Today, drought in Ethiopia confronts the United States with a different but equally grave political problem. Many of us have made appeals to the Ethiopian Government on behalf of the Falashas, Ethiopia's Jews who have courageously practiced their religion for thousands of years. How seriously will our appeals for justice and humanity be taken if we do not help the multitude of Ethiopians who now face starvation?

I am proud to join the gentleman from New York (Mr. WEISS) in introducing a resolution calling for desperately needed U.S. assistance to the victims of drought in Ethiopia.

If we have learned anything from the Sahelean drought, it is that the United States must respond quickly and generously when our fellow human beings are threatened by drought and famine.

There are other lessons from the Sahel that we should apply in responding to today's drought in Africa.

First, it is critical that development assistance to African nations focus on food production. People who live constantly at the margin have no reserves for times of scarcity. Subsistence farmers using Biblical methods have not even the simplest means to overcome the effects of drought, though they live on a continent where weather varies more than anywhere else on Earth.

In this regard, I am deeply concerned about AID's current shift in emphasis from aiding the poor majority to aiding large businesses. This strategy makes little sense on a continent where 75 percent of the people still depend on farming for their livelihood, and most are subsistence farmers.

A second lesson from the Sahel is that donor and recipient nations can cooperate productively to prevent future catastrophes. The nations of the Sahel and Western donors have cooperated in making that region drought-resistant and raising its food production. This model should be applied in other drought-affected regions in Africa.

In this regard, the United States' support for regional cooperation in southern Africa is critical. The administration and Congress have joined in bipartisan support for this program. I have authored a provision of the foreign aid bill to earmark funds for the southern African program, in order to prevent this critical assistance from being again reprogrammed into less worthy projects.

Mr. Speaker, America's interests and values demand that we respond urgently and generously to the drought and famine in Africa, and that we work with African nations in their regional efforts to prevent starvation in the future.●

THE ISSUE OF UNIVERSAL TELEPHONE SERVICE

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 28, 1983

● Mr. MARKEY. Mr. Speaker, today, the House and Senate begin consideration of no less than 13 bills on the issue of universal telephone service. That is quite a legislative bounty at a time when, only 4 months ago, committee leaders in both Houses of Congress were predicting that we were unlikely to see common carrier legislation this year.

Why the change?

I think that the change is a response to a perceived national crisis: The threat that millions of Americans, urban and rural, might lose one of modern life's most basic necessities, the telephone. Many in Congress,

myself included, believe that such a prospect would result in the most serious of consequences—the creation of an information aristocracy and an information underclass in our society. And while I have been skeptical about the value of legislation to deal with this problem during this period of grave uncertainty, I think it is time for everyone involved in the process to recognize the overwhelming consensus of the members of both committees to have legislation this year. We may well be beyond asking, "Should there be a bill?" and now appear ready to ask instead, "What bill should there be?"

On Tuesday, Mr. LUKEN and I introduced a bill which proposes one solution to this problem. The Consumer Communications Act of 1983, H.R. 3647, seeks to solve the impending difficulties which Members perceive in the telecommunications industry from a pro-consumer, pro-competition viewpoint. I use both of these terms in the same breath because I remain convinced that competition will ultimately serve to build the best national telephone network available to the greatest number of consumers at the lowest possible rates. For those who still need proof that competition benefits their constituents, the consumers of this industry, I recommend the most basic evidence: the morning newspaper. There you will find ads selling telephones for under $10, or promoting long distance service at half the normal rate. Thus, I feel enthusiastic about dubbing the Markey-Luken bill as the pro-consumer and pro-competition approach.

What are the elements of the Consumer Communications Act? I believe that the act is best understood by grouping its provisions into five categories:

First, it softens the impact that legal and regulatory changes have on consumers without distorting the new competitive communications market. H.R. 3647 lowers the residential access charge to 50 cents a month in 1984, down from $2 a month under the FCC's plan. It proposes a 10-year—as opposed to a 6-year—phasein of the charges. To make up the difference, it pegs business charges slightly higher. It also includes so-called "provider of last resort" safeguards for consumers. Over a 10-year period, then, it eliminates the uneconomic trap of subsidizing local rates with heavy long distance add-on charges.

Second, it provides help to those who cannot afford basic telephone service in the new environment. The bill targets moneys for a special "lifeline telephone service" rate for low-income Americans. Recognizing that poverty is not a rural or an urban problem, H.R. 3647 establishes a national lifeline telephone service fund to provide the resources needed to sustain such service. The fund is financed through a minimal surcharge on long-distance usage and local network bypassers.

Third, it attempts to aid those in high-cost areas without oversubsidizing the unneedy or promoting inefficiency in the national telephone network. Recognizing that some areas face particular problems, we have supported limited subsidies for high-cost areas. H.R. 3647 adopts the joint board formula with its efficiency rewarding subsidy taper as a reasonable compromise between the differing approaches outlined thus far.

Fourth, it seeks to enhance the prospects for competition within the industry. To this end, we have suggested in this bill that jurisdiction over intrastate toll policy should be moved to the FCC in an effort to speed up the growth of competitive long distance service. Also, we have prohibited cross-subsidization of regulated and unregulated services so as to insure that all competitors are playing on a level field.

Finally, fifth, it hopes to improve the effectiveness of the regulatory process. The Consumer Communications Act provides for the funding of public participation at the FCC to improve the breadth of debate at that forum. It also insists that a comprehensive study—even broader than the one the FCC ordered yesterday—be conducted to examine the future of universal service and the basis for local rate increase requests. Reports on this study are to be made annually to the Congress and the State commissions.

In conclusion, Mr. Speaker, I urge all Members of both Houses to consider the bills before us carefully and not agree to any quick fix of one of our Nation's most important and successful industries, I especially urge my House colleagues to examine H.R. 3647 closely, and join me as a cosponsor of this bill in the weeks ahead.

MAJOR PROVISIONS OF H.R. 3647

Sec. 1—Title and Table of Contents.

Sec. 2—Statement of Findings and Purposes: Substantially the same as Wirth-Dingell bill (H.R. 3621). The only differences are in Finding No. 5 on competition and technological innovation and the deletion of Purpose No. 3, increasing state regulatory powers.

Sec. 3—Definitions: This section is identical to H.R. 3621. Note that completely private systems are not considered indirect interconnectors.

Sec. 4—Access Charges: This section preserves in place, with some major changes, the FCC Access Charge decision (CC Docket 78-72). Elements of the decision not addressed in the bill remain unchanged. This includes preservation of Premium Access fees on AT&T or the role of the Joint Board. Likewise, long-distance carriers will continue to only pay for the access they receive. To minimize the impact of the Access Charge on consumers this section changes the ratio of residential to business access charges so that residential customers pay one-third of what businesses pay. In 1994 residential access charges would be $5.35 per month and $16.10 for business customers. This lowers residential costs by $40 and raises business costs by $90 per year.

This section spreads out the access charge phase-in. Under the FCC plan, customers face $2/mo. in 1984 rising to $8.50 in 1989. Under this bill, residential users begin at 50¢/mo. and rises to only $5.35 by 1994. Businesses begin at $1.50 (instead of $6 under the FCC plan) rising to $16.10 in 1994. Both would save substantially in reduced long-distance charges in comparison to H.R. 3621.

Indirect interconnectors pay a "comparable" charge less than that for direct connectors, who remain covered under the FCC's AC decision. Completely private systems are exempt from charges.

Sec. 5—Lifeline Services: Lifeline Service is basic telephone service intended to include a "limited" number of calls with a per-call charge for additional calls. Lifeline Service could not include LMS or OMS (measured service). Persons eligible for AFDC, SSI, or Food Stamps would be eligible for the subsidized rate. State Commissions would establish specific application rules, but eligibility certification would be simple. Most phone companies would offer this service at 30% of the cost of service, approximately $2 to $3 per month.

Sec. 6—Intrastate Competition: To further intrastate toll route competition, the bill shifts jurisdiction over these routes to the FCC.

Sec. 7—Lifeline Service Fund: This establishes a fund to reimburse exchange carriers for their losses in providing Lifeline Service below cost. Revenues will come from Carrier Common Line Charges and indirect interconnectors. the fund will be administered by the Joint Board which also oversees the High Cost Service Fund.

Sec. 8—High Cost Service Fund: This is what is known as the Universal Service Fund. This section codifies the proposed 50-60-95-100 reimbursement taper the Joint Board proposed in CC Docket 80-286. The FCC is estimating the cost of this set-up at $400 million and will ensure that no ratepayer pays more than 158% of the national average.

Sec. 9—Universal Service Study: This section directs the FCC to conduct a five-year study into the future of universal service. The FCC is required to make annual interim reports to Congress and state PUCs. The study is also to examine the basis and background for the cost structures claimed by local telephone companies in their filings before state PUCs.

Sec. 10—Public Participation: This section provides for the reimbursement of participants in FCC or Joint Board proceedings. It is designed to increase the level of potential participation by the public-interest sector in such proceedings. It is adapted from the Committee print of H.R. 5158 (97th Congress).

Sec. 11—Provider of Last Resort: This section grants to state PUCs the authority to require local exchange carriers to be providers of last resort of basic telephone instruments and inside wiring. If such service is required, it is to be provided at no less than cost.

Sec. 12—Competitive Equity: This section prohibits "cross-subsidization." It prohibits carriers from subsidizing unregulated services with revenues from regulated services. At the same time, it prohibits the FCC and

state PUCs from requiring a carrier to use revenues from unregulated services to defray the cost of providing regulated services. Yellow Pages revenues are excluded.

Sec. 13—Effective Date: The Act takes effect upon enactment.●

AN AMERICAN HERO: GERARD B. MORAN

HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 28, 1983

● Mr. LENT. Mr. Speaker, I rise today to bring to the attention of my colleagues the news of a truly heroic act performed by Mr. Gerard B. Moran, who, I am proud to say, lives in Seaford, N.Y., in my Fourth Congressional District.

Mr. Speaker, on rare occasions, we all have heard stories of brave men and women who, at tremendous personal risk, perform great deeds on behalf of others. Yet what Mr. Moran did on a day back in November 1982, was truly a heroic act above and beyond the call of bravery and duty.

Gerard Moran, 31 years of age, was working at his daily chores as the assistant director of personnel at a New York City hospital when an armed man, carrying a machinegun and two pistols, burst into a hospital office suite. Firing a warning shot, this would-be killer rounded up all the innocent bystanders and forced them into a nearby conference room.

The gunman then started toward the suite's occupied offices. Having witnessed what took place, Gerard Moran, disobeying the gunman's orders, ran to the offices to alert its occupants of the oncoming criminal.

At this point, the gunman began firing his guns, wounding two hospital employees. He then lowered his sights on Gerard Moran who stood nearby. At the moment he was about to pull the trigger, Mr. Moran lunged forward and grabbed the barrel of the machinegun. As the two men struggled, the gunman managed to fire another shot before Mr. Moran was finally able to subdue him. After disarming the assailant, Mr. Moran detained him until the police arrived.

In recognition of his heroism, the Carnegie Hero Fund Commission of Pittsburgh has just awarded Mr. Moran a special medal. Mr. Speaker, I believe Mr. Moran is truly one of America's heroes and we too should honor him for his heroic act.

His courage and bravery in saving the lives of so many innocent men and women deserve our commendation. It is a rare man who would step forward, face to face with death, to save the lives of those around him. Yet this is just what Gerard B. Moran did on November 4, 1982.

I am most proud to call Mr. Moran a constituent. I know all my colleagues join me in extending our congratulations to an outstanding American hero, Gerard B. Moran.●

HOUSE JOINT RESOLUTION 139

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 28, 1983

● Mrs. OAKAR. Mr. Speaker, on February 10, I introduced House Joint Resolution 139, a measure designating the week of June 24, 1984, as "Federal Credit Union Week." It is during that week that our Nation's 11,400 Federal credit unions will join in celebrating the 50th anniversary of the signing of the Federal Credit Union Act. I want to thank all the Members who cosponsored this resolution.

From their inception on June 24, 1934, and continuing today, Federal credit unions have faithfully met their statutory mandate to promote thrift among their members and to provide credit for productive purposes. Federal credit unions have grown tremendously over the past 50 years. Today, they hold more than $45 billion in savings and serve more than 26 million members. Yet the orientation of Federal credit unions remains toward smaller, local institutions, with 87.7 percent of Federal credit unions having assets of less than $5 million.

I thank my colleagues once again for their support of House Joint Resolution 139.●

REMEMBER SHCHARANSKY AND NUDEL

HON. WILLIAM F. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 28, 1983

● Mr. GOODLING. Mr. Speaker, during the past few days we have been much occupied with Central America. Attention has primarily been focused on covert action in Nicaragua and the state of human rights in El Salvador—lively discussion on these issues has emanated from both sides of the aisle. But in our zeal to determine the legality of action in Nicaragua, and the condition of human rights throughout that region, let us not forget those on the other side of the globe whose human rights are being trampled upon daily. I speak of the Jews of the Soviet Union. I speak of Anatoly Shcharansky, of Ida Nudel, and of countless others.

At this moment, Anatoly Shcharansky lies in a prison cell watching his life slip away from him as the terrible conditions of his prison eat away at the remains of his health. At this moment, Ida Nudel waits in some small Soviet backwater for the authorities to tell her she has no right to reside in that area and must move on. This woman who was sent to Siberia, imprisoned with felons and madmen, forced for her own safety to sleep with an ax under her bed, then released from prison, but denied the vital residence permit, has been forced to wander throughout the Soviet Union in search of some town that would allow her to stay for more than 1 or 2 nights, all the while suffering from a weak heart. For these and other Soviet Jews, the Holocaust has not yet ended. Like Shakespeare's "Macbeth" they have supped full with horrors.

Let us not forget these unfortunate people. I urge all my colleagues to take the initiative and individually write to Yuri Andropov to ask him to allow Shcharansky and Nudel to leave for Israel.●

MEDICARE HOSPITAL INSURANCE PROGRAM

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 28, 1983

● Mr. MINETA. Mr. Speaker, I am sponsoring H.R. 3405 to reform an excessively and needlessly burdensome provision of the medicare program.

As my colleagues know, the basic medicare hospital insurance program, known as part A, is automatically available to most individuals when they reach the age of 65. Those people who during their working career did not participate in social security, such as teachers and other public employees, are not automatically eligible for part A, but do have the opportunity to purchase such coverage at a rate of $113 a month.

In order to exercise that option to enroll in medicare, you are required to sign up during an initial enrollment period at the time of your 65th birthday. Those people who sign up after that initial enrollment period are charged a late penalty of 10 percent of the basic medicare part A premium for each year they are late in enrolling.

Thus, individuals who are 1 year late in enrolling pay a 10-percent penalty; those 2 years late pay a 20-percent penalty, and so forth. Under current law, this penalty is paid each and every month of coverage for the rest of the beneficiary's life.

My bill would keep the existing penalty structure in place, with one significant change. Under my bill, the penalty would be paid for twice the number of years the enrollment was delayed past the appropriate time, after which time the premium would revert to the regular monthly charge in effect at that time.

Thus, someone 1 year late in enrolling would pay a 10-percent penalty for 2 years; someone 2 years late would pay a 20-percent penalty for 4 years, and so on. Such individuals would receive credit toward the total years required for the time they have already paid penalties. No refunds, however, would be available.

For example, at the current monthly rate of $113, a 10-percent penalty is $11.30. Under current law, someone eligible to pay that penalty would pay it each and every month for the rest of their lives. Under H.R. 3405, the penalty would be paid for only 2 years. The following table shows the differences under current law and as changed by this legislation:

MEDICARE PENALTIES UNDER CURRENT LAW AND UNDER H.R. 3405

Years late	Penalty rate (percent)	Duration	
		Current law	Under H.R. 3405
1	10	Forever	2 yr.
2	20	...do...	4 yr.
3	30	...do...	6 yr.

In addition to part A, this legislation would also affect the penalties now charged for late enrollment in part B, the supplementary medical insurance coverage.

These penalty fees can be a terrible burden for seniors. To be sure, the Government has a legitimate need to encourage prompt enrollment. Without such a graduated system of penalties, it would only be natural for some individuals to delay enrollment until the onset of a major illness. Such delays in enrollment would, of course, deny the system significant revenues needed to keep the system solvent.

On the other hand, in practice this penalty has excessively penalized a small group of individuals. According to one estimate only about 18,000 people nationwide—mostly retired public employees—purchase the part A insurance, and only about 5,000 of them are paying some form of penalty.

One group that I am aware of, in particular, are retired school teachers in California, who believed in good faith that they had health insurance from Blue Cross. That Blue Cross policy was canceled, however, and by the time the retired teachers learned what had happened and understood that they needed to sign up for medicare, many of them were assessed penalties of from 1 to 3 years. Under current law, these teachers will pay these penalties for the rest of their lives.

Mr. Speaker, this is an important measure. For those who are forced to it, the penalty is a burdensome and difficult requirement. This is a moderate measure which maintains the basic premise and operation of the graduated penalty system, while at the same time eliminating its most oppressive aspects.

I am pleased to have the support of my colleagues from California, Mr. PANETTA and Mr. EDWARDS, for this legislation and I urge its careful and thoughtful consideration by the Congress.

Thank you.●

ALZHEIMER'S DISEASE

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 28, 1983

● Mr. CONTE. Mr. Speaker, I would like to bring to the attention of my colleagues an article from Time magazine (July 11, 1983) describing the serious national health problem of Alzheimer's disease.

An estimated 5 percent of Americans over the age of 65 suffer from this dementing disorder. Equally startling, some 60,000 Americans in their forties and fifties—people still in the prime of life—are victims of what was once thought to be a disease of old age.

Scientists now know that Alzheimer's disease is not a natural result of old age. It is a disease. Mercifully, not every older person is afflicted. But enough are—and with the steadily growing number of Americans reaching age 65, more and more will fall victim—that conquering this devastating disease must be a national task of utmost priority.

In the forefront of the battle against Alzheimer's disease is the National Institute of Neurological and Communicative Disorders and Stroke (NINCDS). The NINCDS is the focal point within the Federal Government for brain research, and is the world's leader in developing the new technology scientists are now using to learn more about how the brain works and what goes wrong in Alzheimer's disease.

I commend the NINCDS for its carefully planned research attack on Alzheimer's disease and pledge my continued support for this effort until a cure and a prevention are found.●

THE STATUS OF INSURANCE TAXATION REVISION

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 28, 1983

● Mr. STARK. Mr. Speaker, the Select Revenue Measures Subcommittee, which I chair, has spent the past few months developing a proposal for the taxation of life insurance companies.

This proposal, which has been the subject of subcommittee hearings, is the product of enormous staff work aided by the assistance and cooperation from the life insurance industry. The proposal, I believe, represents a sound starting point for the development of a final legislative product, which will establish realistic tax policy reflecting the current nature of the life insurance industry.

However, to achieve legislation that is fair and reasonable to all parties involved will required the continued cooperation and hard work that have marked these past few months. I believe Hon. DAN ROSTENKOWSKI, chairman of the House Ways and Means Committee, described the issue at hand and set the tenor for the upcoming legislative effort in a speech to the Massachusetts Mutual Life Insurance Co. delivered July 26. I would like to call members' attention to that speech which I feel explains the situation well.

The speech follows:

INSURANCE SPEECH BY DAN ROSTENKOWSKI

Insurance taxation is about as arcane and complex as any provisions of the code. Those of you who practice the art have my admiration—if not my envy.

My reason for accepting your invitation is not to duel over the fine points of insurance taxation, but to make the strongest case possible for continuing a working relationship between Congress and the life insurance industry in the months to come. We are bound by two contracts: first, is the budget instruction on revenue and second, is the expiration of the "stop gap" provisions at the end of this year. The first is a target. The second is a demand.

"Stop gap" was, as we all agreed last year, the best we could work out in a short time. It serves as a temporary remedy while we pursue our mutual commitment to seek a more rational, more balanced and permanent formula. Modified co-insurance was the first leg of the journey Stop gap was the second leg. We have now begun the last.

Our earliest and most significant decision was to make Capitol Hill—not the chambers of the ACLI or the Treasury—the forum for legislative choice. It is more than a symbol of our sense of jurisdictional prerogatives. It is a declaration that we are not willing, as we have in the past, to cede legislative control to the insurance industry—that we want to complete a broad and durable restructuring of insurance taxation that has public understanding and approbation.

We understood then, as we do today, that ultimate legislative success rests largely on flexibility and the willingness to work with you in the industry. We are fully aware that we cannot pick our way through the forest alone—and achieve both fairness and simplicity.

The most recent benchmark in this process is the Stark-Moore discussion draft now under consideration in the Select Revenue Measures Subcommittee. Both men have devoted enormous amounts of time and energy in an attempt to frame the issues and offer a more rational, simpler tax structure for life insurance. Hundreds of hours have been logged since January examining all facets of the life insurance business and the complexities of the 1959 Act and its predecessors—many of them spent with your industry's best technicians.

The Stark-Moore concept is a start, not an end. It is not perfect. It is not, perhaps, without political as well as technical flaws. But it is a significant product and stands as the point of reference for Thursday's hearings.

We are aware of the contradictory positions the mutuals and stocks have taken this year. We understand the economic and competitive stakes in restructuring. It is axiomatic, however, that any long-lasting revision of tax rules for life insurance companies must be built by consensus. And my job as chairman is to husband that consensus.

Pete Stark and Henson Moore have drawn up the preliminary blueprints for a new insurance taxation structure. We all understand that it does not perfectly suit the stocks or the mutuals. We sincerely invite you to suggest alterations. I would caution, however, that blatant attempts to undermine the basic structure of the Stark-Moore proposal will be met with resistance. I want to be very clear on that point.

The ultimate level of the aggregate tax burden on the life insurance industry will be determined much less by the recent budget instruction than what we on the Committee on Ways and Means believe is proper and fair relative to other economic sectors. Again, we are far more concerned with the structure than the precise cost, or revenue impact.

We are not unmindful of the unsettled state of financial intermediary deregulation and competition. Some have argued that even if we were to succeed in a good faith effort to accurately measure the economic income of life insurance companies, any tax increase—no matter how fair—would adversely affect life insurance companies relative to banks, property/casualty companies and holding companies. Therefore, goes the argument, the aggregate burden on life insurance companies shouldn't increase much at all.

This argument, of course, is a convenient reason to abandon any effort to reform the tax code. As it applies to the insurance industry, however, it has three fundamental flaws:

First, the industry itself suggested a two-year stop gap—which expires in five months.

Second, as much as we would like, we cannot reform the entire tax code in one session of Congress.

And third, there is a broad, if not yet well organized, effort underway to examine the tax treatment of property and casualty companies, banks, and other financial intermediaries. But we have to start somewhere.

The alternatives to failing to reach a compromise between Congress and the insurance industry before year's end are forbidding.

Returning to the provisions of the 1959 Act would undermine your economic standing.

In the event that the Stark-Moore initiative stalls or fails, we might have to develop a set of temporary tax rules to replace the stop gap provisions—with perhaps another stop gap. But given budget realities, we might be forced to add some sort of "toll charge." Such a development at best would be of speculative help to your industry and, at worst, could be harsh by current stop gap standards. This is not a bargaining posture. It is a budgetary reality—given the shortfall in revenues estimated with regard to the current stop gap provisions.

That's why Thursday's hearings are so important. They offer the forum to make changes in the Stark-Moore design. And perhaps more critical, they will set the temper of our relationship for some time to come. Intemperate broadsides and biased substitutes won't do.

We've all been negotiating on insurance taxation for nearly three years. Your representatives have been enormously cooperative and instructive. Our representatives have been receptive and appreciative. Together, we have the time and the knowledge to bring about an historic adjustment in insurance taxation. I am committed to that end. My committee is committed to that end—both in substance and in spirit. I urge your continued partnership in that effort.●

WHEELING-PITTSBURGH/BRAZIL DEAL EQUALS LOSS OF AMERICAN JOBS

HON. PETER H. KOSTMAYER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 28, 1983

● Mr. KOSTMAYER. Mr. Speaker, I hate to say I told you so, but I told you so.

News reports this morning indicate that the Wheeling-Pittsburgh Steel Corp. is presently negotiating with Brazil to import unfinished steel slabs for finishing in this country.

What is ominous about this report, Mr. Speaker, is that Wheeling-Pittsburgh is the second major steel company trying to import foreign steel for finishing, following United States Steel's announcement that it was negotiating such a deal with the Government owned British Steel Corp.

It is clear that such arrangements pose a threat to America's steelmaking capacity. Foreign steel is subsidized in contravention of American trade laws, and its importation into our country means that American steelworkers will lose their jobs so that foreign workers can keep theirs. It is as simple as that.

Unless these proposals are stopped the Reagan administration will have to answer not just to the thousands of steel workers who lost their jobs, but to our countrymen who will shortly live in a country that has lost the ability to produce any steel at all.

In September the Subcommittee on International Policy and Trade under the chairmanship of Representative BONKER will hold hearings on the proposed deal between United States Steel and British Steel. As the Wheeling-Pittsburgh/Brazil deal now confirms, the issue of foreign investment in our steel industry demands the attention of the Congress because of its potential impact on our domestic steelmaking capacity. I urge my colleagues to help insure our trade laws are enforced, and to support efforts to stop these two deals from displacing American workers.●

WAGE EQUITY FOR ALL WORKERS: INCREASE THE MINIMUM WAGE

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 28, 1983

● Mr. BIAGGI. Mr. Speaker, today I am introducing legislation to provide for a long-overdue increase in the minimum wage from the current $3.35 per hour to $4.15 per hour. I propose this legislation in order to bring equity to our lowest-paid working men and women who depend upon this wage for their daily existence.

The last time the minimum wage was increased was on January 1, 1981. The ravages of inflation have dealt a severe blow to the purchasing power of the dollar and its ability to insure an adequate income to American workers. The current level of $3.35 is no longer acceptable. An increase is long overdue when one considers that a 1981 dollar is worth 83 cents today—a 17-percent decline.

A closer look at who receives the minimum wage as provided by the Fair Labor Standards Act of 1938 will paint a stark picture of the kinds of workers this bill will assist. Of the 98.3 million total American workers, 61.3 million are covered by the Fair Labor Standards Act which guarantees them the minimum wage. Of these 61.3 million workers, at least 11 million receive the minimum wage of $3.35 per hour and would directly benefit from this legislation. Higher wage earners would indirectly benefit as well as a result of a hierarchical wage ordering/pay system.

Who do these 11 million wage earners represent? Examination by age groups reveals that teenage and elderly workers are much more likely to receive the minimum wage than members of other age groups. Almost 70 percent of all minimum wage workers are adults 20 years of age and older; 50 percent are 25 or over. Looking at these earners by households will show that role of the minimum wage earner within the family unit. Over half of all minimum wage earners are either household heads—or spouses of household heads. Although male and female household heads together account for more than one-fourth of all minimum wage workers, women who head households are much more likely to earn the minimum wage than their male counterparts.

The impact of low wages disproportionately hurts women who are overrepresented in the entire minimum wage population. Women are three times more likely to be heading households while earning the minimum wage than men who are earning it. There are at least 1 million women

who are the only workers in their families—which represents 10 percent of all minimum wage workers and over 40 percent of all low-income single wage earners.

Looking at the impact upon women in differing marital situations does not improve their earnings record. Fourteen percent of married women, as compared to only 4 percent of married men are minimum wage workers. In addition, widowed, divorced or separated are especially burdened—twice as many of them as their male counterparts are employed but nearly four times as many of them work for the minimum wage or less.

An increase in the current $3.35 per hour is needed to help the poorest of American families. One-quarter of all minimum wage earners have family incomes of $6,000 per year or less according to the most recent data. An added 17.2 percent earn between $6,000 and $10,000 per year. Clearly, these families are the very same families that have been caught in the political and economic bondage of the past 3 years. They are the very same people that the now infamous safety net is supposed to assist. We now know that in fact, these very same people are those Americans who have been forced to bear the full weight of our past and present economic woes while at the same time living with woefully inadequate wages.

Mr. Speaker, 31 months is an unacceptably long time to wait for a wage increase. However, for the 11 million Americans who are receiving the minimum wage currently, this has been the amount of time they have been forced to accept this level of pay. The sheer demographics of this issue compel us to act to increase this level to $4.15 which would be the amount needed if we are to compensate for inflation as well as build upon the history of increases of the minimum wage since it was first enacted in 1938.

The same reasons for increasing the minimum wage that were given when the Fair Labor Standards Act was first adopted apply to the workforce today. The minimum wage guarantees a basic, adequate income for working men and women in this country. I believe that minimum wage earners have had to wait for too long for such a guarantee. If we are to adhere to the intent of the FLSA, then we must act accordingly to increase this wage base, otherwise, the working poor of this country will be forced into poverty because we have ignored their needs and not given them the proper ammunition with which to combat inflation. Dollars now buy less than they did 31 months ago—it is time to recognize that fact and give working Americans who rely on this wage as their sole or primary source of income a long in coming increase.

As a senior member of the House Education and Labor Committee, I intend to actively work to focus attention on this issue in order that we might pass this legislation in a timely fashion. To delay this bill would be to continue to delay—and deny the basic needs of the poorest of our work force.●

DENSE PACK OR ACID RAIN, WHITE HOUSE "SCIENCE" IS ALL THE SAME

HON. NICK JOE RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 28, 1983

● Mr. RAHALL. Mr. Speaker, I believe the following editorial from the July 26, 1983, edition of the Wall Street Journal is highly illuminating. I ask that it be printed in the RECORD.

WHAT ACID RAIN?

We seem to be experiencing a sudden shower of "acid-rain" studies. The White House has just published two, the National Academy of Sciences another and the Environmental Protection Agency is working on one. What's apparent so far isn't how much we know about acid rain, it's how little. But some members of the Reagan administration have been put in such fear of the environmental lobby that they want private industry—and its customers, of course—to throw billions of dollars at the problem while its causes still are clouded with doubt.

The point man of this effort is presidential science adviser George A. Keyworth II, better known as the man who tried to give us "dense-pack" basing for the MX missile. Mr. Keyworth's acid-rain study isn't due out until fall, but he has been in such a hurry to get on the record that he has issued a sketchy five-page summary. It recommends that "additional steps should be taken now" to make a "meaningful reduction" in the emissions of sulfur compounds into the atmosphere. Presumably those steps include adding more super-costly scrubbers to the Midwest power plants the acid-rain lobbyists claim are ruining lakes in the Northeast U.S. and Southeast Canada.

What's the scientific basis for recommending such huge expenditures? Not much. "The overall scientific understanding of the various aspects of acidic precipitation is quite incomplete at the present time and will continue to have major uncertainties well into the future," the Keyworth summary admits. It says getting at the truth will take "at least 10 or 20 years" of additional research. While recommending action now based on "imperfect data" runs the risk of error, the White House science types insist that inaction pending more research entails "even greater risk of damage." And after all, we might add, it's someone else's money.

The National Academy of Sciences report takes a different tack. Curbing sulfur dioxide emissions throughout eastern North America would reduce acid deposition in the region, it argues. But the NAS can't predict whether substantially reducing emissions from Midwest power plants would help the Northeast U.S. and Canada. Moreover, the academy's scientists say they really don't fully understand the meteorological processes that may (or may not) be making precipitation more acidic. Their modeling suffers from a limited data base. "There is, admittedly, much to be learned about the relationships between emissions and deposition," the study states.

Neither the Keyworth nor NAS studies pay much heed to that considerable number of scientists who believe that what's called acid rain probably is more the result of changing natural conditions than man-made pollution. The Western U.S. has been less dry, on the whole, in recent years, which means that less alkaline dust is being picked up to neutralize the natural acidity of rain clouds as they move eastward, one such theory holds.

In addition, changes in local farming and forestry practices near the affected lakes and streams may be increasing the amount of acidic runoff. Rising precipitation levels may also be overwhelming the natural buffering capacity of sensitive areas in the Northeast. Declining fish-stocking in Adirondack lakes, coupled with increased fishing, may be more responsible for declining fish populations than those suspected rain clouds from Ohio and West Virginia.

These and other nagging questions about the acid-rain hypothesis were given more consideration by the White House Council on Environmental Quality, which in its annual report noted that the air generally is getting cleaner (something that seems self-evident and makes us wonder why, if acid rain is a result of pollution, it is said to be getting worse). Emphasizing the need for more long-term acid-rain research, it says that the work over the past 10 years shows that "the causes and effects of acid rain are certainly more complicated than once believed."

As part of a joint U.S.-Canadian acid-rain study published earlier this year, the U.S. team concluded that "cause-and-effect relationships have often not been clearly established." It couldn't differentiate between manmade and natural causes, for example, and cited our lack of knowledge about key chemical and biological processes that may effect water acidity.

In the face of all this scientific uncertainty, the call for "immediate action" is strange indeed. Peabody Holding Co., admittedly with some bias as a result of its coal interests, estimates tighter emission rules would cost Midwestern and Southern residents $7 billion annually in higher electricity bills and would create a loss of $5 billion in annual mining wages. Edison Electric Institute calculates electricity bills in some parts of the U.S. would rise as much as 50%.

That seems to us like a lot of money to extract from ratepayers on the basis of so little understanding. Perhaps Mr. Keyworth should be promoted to a political post and let someone else take over the job of evaluating scientific inquiry.●

WELFARE FOR THE RICH

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 28, 1983

● Mr. ANDERSON. Mr. Speaker, it seems that every day we are informed of new outrages occurring under the Payment-in-Kind Tax Treatment Act of 1983, the so-called PIK program. In today's Washington Post, July 28,

1983, is an article explaining how large conglomerates, such as Bangor Punta, Tenneco, Chevron USA, Shell Oil, and Superior Oil will reap millions of dollars worth of free cotton from PIK. These companies own farms in Fresno, Kings, Kern, and Tulare Counties in California where "nearly 50 farms will be given cotton worth $1 million or more each, according to Department of Agriculture records at county offices of the Agriculture Stabilization and Conservation Service. They also show that dozens of smaller farms in the four counties will receive free cotton worth more than $500,000 through the Federal program.

The article cites the South Lake Farms, owned by Producers Cotton Oil Co., a subsidiary of the Bangor Punta Corp., a Connecticut-based conglomerate, which "received $1 million in disaster aid in 1979. This year it will get at least 4,524,329 pounds of PIK cotton, according to the Government records."

In addition, "in Kern County, Belridge Farms, an affiliate of Shell Oil, is due to get 3.1 million pounds of cotton, worth about $2.5 million, plus 37,000 bushels of free Federal wheat, worth about $150,000, through another part of the PIK program."

"In Kern and Tulare Counties, farming subsidiaries of Tenneco West, an arm of the Houston-based Tenneco oil and gas multinational, will get slightly more than 2 million pounds of cotton, with a current resale value of about $1.7 million."

"Chevron USA, although not directly involved in farming, will cash in on PIK through its ownership of extensive agricultural land put into the program by farmers who operate on leases."

"At least nine of these operations in Kern, Fresno, and Kings Counties will give Chevron more than 502,000 pounds of cotton, with a value of at least $401,000, as its share from the PIK program. Chevron also stands to get at least 2,346 bushels of PIK-program wheat from two of its Kern lease operations."

"In Tulare County, the Superior Farming Co., a subsidiary of Superior Oil, will get 222,707 pounds of cotton through PIK, while the Standard Oil Co., operator of another farm, will receive 43,641 pounds of cotton."

In the same edition of the Post, is another article outlining how Everett G. Rank, chief administrator of the PIK program, will receive about $214,000 worth of free cotton from PIK. I urge all of my colleagues to take notice of this story. As the only Member of Congress to vote against the PIK program, I must reluctantly say, "I told you so." The article follows:

[From the Washington Post, July 28, 1983]

TOP PIK OFFICIAL HAS FARM IN PROGRAM

(By Ward Sinclair)

Everett G. (Bud) Rank Jr., on leave from his California farm to work in the Reagan administration, will receive about $214,000 worth of free cotton from the federal payment-in-kind (PIK) program that he administers in the Agriculture Department, according to government records.

Rank is one of five partners in Cinco Farms, a Fresno County farming operation that is scheduled to receive 1,338,820 pounds of free surplus cotton through PIK. His share would be 267,764 pounds of cotton, which could be sold at today's prices for about 80 cents a pound, according to cotton handlers in Fresno, the center of San Joaquin Valley agriculture.

Rank said in an interview that he did not learn until last week that his farm had been enrolled in the PIK program and that he saw no conflict between that and his role as chief administrator of the PIK program.

But David Scott, chief counsel of the Office of Government Ethics at the Office of Personnel Management, said yesterday, "There clearly is a problem here. We will want to take a look into it, and will begin by contacting ethics people at USDA to take a look at this."

William J. Riley Jr., the Agriculture Department's director of personnel, said that he was not aware that Rank's farm was enrolled in PIK.

"Yes, of course, we will take a look at it," he said. "But I don't know if we would come to a different conclusion than Mr. Rank has."

Secretary of Agriculture John R. Block said that he also was unaware of Rank's enrollment in PIK, but he added that Rank had met federal requirements by giving up a directorship of the operation.

In contrast to Rank, Block has pledged that his own large farm operations in Illinois would not take part in federal farm aid programs, thus avoiding any real or apparent conflicts.

Block appointed Rank, a Republican, as national administrator of the Agriculture Department's Stabilization and Conservation Service shortly after the Reagan administration took office in 1981. Rank became chief of the PIK program when it was set up early this year to prop up farm prices and reduce crop surpluses.

Rank said that, to avoid conflicts of interest, he gave up his directorship of Cinco Farms when he came to Washington. He said that he was unable to sell his stock in the partnership when he came here and continues to receive rent from the farming operation in the huge Westlands Water District of the San Joaquin Valley.

Cinco Farms is headed by William McFarlane, a Fresno County grower who was president of a coalition of agribusiness interests that lobbied Congress heavily in 1981 and 1982 to retain federal irrigation subsidies in Westlands and in other western states.

Government records indicate that Cinco Farms enrolled its entire eligible base acreage of 2,163 acres in the PIK cotton program. Under terms of the federal surplus-reduction scheme, Cinco Farms is leaving that land idle this year and will receive 1.3 million pounds of surplus cotton for resale in the fall.●

THE GANDHI NOBODY KNOWS

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 28, 1983

● Mr. McDONALD. Mr. Speaker, a myth is being carefully built with the movie entitled: "Gandhi." It builds a myth of the man that is not entirely accurate. The film is, in reality, almost a pure propaganda film, as Mr. Richard Grenier, the movie reviewer for the magazine Commentary pointed out in the March 1983 issue. Mr. Grenier indicates some of the myths and unrealities of the movie in most precise way.

Extracts from his article follow:

[From Commentary, March 1983]

THE GANDHI NOBODY KNOWS

(By Richard Grenier)

I had the singular honor of attending an early private screening of Gandhi with an audience of invited guests from the National Council of Churches. At the end of the three-hour movie there was hardly, as they say, a dry eye in the house. When the lights came up I fell into conversation with a young woman who observed, reverently, that Gandhi's last words were "Oh, God," causing me to remark regretfully that the real Gandhi had not spoken in English, but had cried, Hai Rama! ("Oh, Rama"). Well, Rama was just Indian for God, she replied, at which I felt compelled to explain that, alas, Rama, collectively with his three half-brothers, represented the seventh reincarnation of Vishnu. The young woman, who seemed to have been under the impression that Hinduism was Christianity under another name, sensed somehow that she had fallen on an uncongenial spirit, and the conversation ended.

At a dinner party shortly afterward, a friend of mine, who had visited India many times and even gone to the trouble of learning Hindi, objected strenuously that the picture of Gandhi that emerges in the movie is grossly inaccurate, omitting, as one of many examples, that when Gandhi's wife lay dying of pneumonia and British doctors insisted that a shot of penicillin would save her, Gandhi refused to have this alien medicine injected in her body and simply let her die. (It must be noted that when Gandhi contracted malaria shortly afterward he accepted for himself the alien medicine quinine, and that when he had appendicitis he allowed British doctors to perform on him the alien outrage of an appendectomy.) All of this produced a wistful mooing from an editor of a major newspaper and a recalcitrant, "But still. . . ." I would prefer to explicate things more substantial than a wistful mooing, but there is little doubt it meant the editor in question felt that even if the real Mohandas K. Gandhi had been different from the Gandhi of the movie it would have been nice if he had been like the movie-Gandhi, and that presenting him in this admittedly false manner was beautiful, stirring, and perhaps socially beneficial. As it happens, the government of India openly admits to having provided one third-of the financing of Gandhi out of state funds, straight out of the national treasury—and after close study of the finished product I would not be a bit surprised to hear that it

was 100 percent. If Pandit Nehru is portrayed flatteringly in the film, one must remember that Nehru himself took part in the initial story conferences (he originally wanted Gandhi to be played by Alec Guinness) and that his daughter Indira Gandhi is, after all, Prime Minister of India (through no relation to Mohandas Gandhi). The screenplay was checked and rechecked by Indian officials at every stage, often by the Prime Minister herself, with close consultations on plot and even casting. If the movie contains a particularly poisonous portrait of Mohammed Ali Jinnah, the founder of Pakistan, the Indian reply, I suppose would be that if the Pakistanis want an attractive portrayal of Jinnah let them pay for their own movie. A friend of mine, highly sophisticated in political matters but innocent about film-making, declared that Gandhi should be preceded by the legend: The following film is a paid political advertisement by the government of India.

Gandhi, then, is a large, pious, historical morality tale centered on a saintly, sanitized Mahatma Gandhi cleansed of anything too embarrassingly Hindu (the word "caste" is not mentioned from one end of the film to the other) and, indeed, of most of the rest of Gandhi's life, much of which would drastically diminish his saintliness in Western eyes. There is little to indicate that the India of today has followed Gandhi's precepts in almost nothing. There is little, in fact, to indicate that India is even India. The spectator realizes the scene is the Indian subcontinent because there are thousands of extras dressed in dhotis and saris.

I cannot honestly say I had any reasonable expectation that the film would show scenes of Gandhi's pretty teenage girl followers fighting "hysterically" (the word was used) for the honor of sleeping naked with the Mahatma and cuddling the nude septuagenarian in their arms. (Gandhi was "testing" his vow of chastity in order to gain moral strength for his mighty struggle with Jinnah.) When told there was a man named Freud who said that, despite his declared intention, Gandhi might actually be enjoying the caresses of the naked girls, Gandhi continued, unperturbed. Nor, frankly, did I expect to see Gandhi giving daily enemas to all the young girls in his ashrams (his daily greeting was, "Have you had a good bowel movement this morning, sisters?"), nor see the girls giving him his daily enema. Although Gandhi seems to have written less about home rule for India than he did about enemas, and excrement, and latrine cleaning ("The bathroom is a temple. It should be so clean and inviting that anyone would enjoy eating there"), I confess such scenes might pose problems for a Western director.

Gandhi rose early, usually at three-thirty, and before his first bowel movement (during which he received visitors, although possibly not Margaret Bourke-White) he spent two hours in meditation, listening to his "inner voice." Now Gandhi was an extremely vocal individual, and in addition to spending an hour each day in vigorous walking, another hour spinning at his primitive spinning wheel, another hour at further prayers, another hour being massaged nude by teenage girls, and many hours deciding such things as affairs of state, he produced a quite unconscionable number of articles and speeches and wrote an average of sixty letters a day. All considered, it is not really surprising that his inner voice said different things to him at different times. Despising consistency and never checking his earlier statements, and yet inhumanly obstinate about his position at any given moment, Gandhi is thought by some Indians today (according to V.S. Naipaul) to have been so erratic and unpredictable that he may have delayed Indian independence for twenty-five years.

Anti-racism: the reader will have noticed that in the present-day community of nations South Africa is a pariah. So it is an absolutely amazing piece of good fortune that Gandhi, born the son of the Prime Minister of a tiny Indian principality and received as an attorney at the bar of the Middle Temple in London, should have begun his climb to greatness as a member of the small Indian community in, precisely, South Africa. Natal, then a separate colony, wanted to limit Indian immigration and, as part of the government program, ordered Indians to carry identity papers (an action not without similarities to measures under consideration in the U.S. today to control illegal immigration). The film's lengthy opening sequences are devoted to Gandhi's leadership in the fight against Indians carrying their identity papers (burning their registration cards), with for good measure Gandhi being expelled from the first-class section of a railway train, and Gandhi being asked by whites to step off the sidewalk. This inspired young Indian leader calls, in the film, for interracial harmony, for people to "live together."

The film, moreover, does not give the slightest hint as to Gandhi's attitude toward blacks, and the viewers of Gandhi would naturally suppose that, since the future Great Soul opposed South African discrimination against Indians, he would also oppose South African discrimination against black people. But this is not so. While Gandhi, in South Africa, fought furiously to have Indians recognized as loyal subjects of the British empire, and to have them enjoy the full rights of Englishmen, he had no concern for blacks whatever. In fact, during one of the "Kaffir Wars" he volunteered to organize a brigade of Indians to put down a Zulu rising, and was decorated himself for valor under fire.

For, yes, Gandhi (Sergeant-Major Gandhi) was awarded Victoria's coveted War Medal. Throughout most of his life Gandhi had the most inordinate admiration for British soldiers, their sense of duty, their discipline and stoicism in defeat (a trait he emulated himself). He marveled that they retreated with heads high, like victors. There was even a time in his life when Gandhi, hardly to be distinguished from Kipling's Gunga Din, wanted nothing so much as to be a Soldier of the Queen. Since this is not in keeping with the "spirit" of Gandhi, as decided by Pandit Nehru and Indira Gandhi, it is naturally omitted from the movie.

It should be understood that it is unlikely Gandhi ever truly conceived of "becoming" an Englishman, first, because he was a Hindu to the marrow of his bones, and also, perhaps, because his democratic instincts were really quite weak. He was a man of the most extreme, autocratic temperament, tyrannical, unyielding even regarding things he knew nothing about, totally intolerant of all opinions but his own. He was, furthermore, in the highest degree reactionary, permitting in India no change in the relationship between the feudal lord and his peasants or servants, the rich and the poor. In his The Life and Death of Mahatma Gandhi, the best and least hagiographic of the full-length studies, Robert Payne, although admiring Gandhi greatly, explains Gandhi's "new direction" on his return to India from South Africa as follows:

He spoke in generalties, but he was searching for a single cause, a single hard-edged task to which he would devote the remaining years of his life. He wanted to repeat his triumph in South Africa on Indian soil. He dreamed of assembling a small army of dedicated men around him, issuing stern commands and leading them to some almost unobtainable goal.

Gandhi, in short, was a leader looking for a cause. He found it, of course, in home rule for India and, ultimately in independence.

The idea of swaraj, originated by others, crept into Gandhi's mind gradually. With a fair amount of winding about, Gandhi, roughly, passed through three phases. First, he was entirely pro-British, and merely wanted for Indians the rights of Englishmen (as he understood them). Second, he was still pro-British, but with the belief that, having proved their loyalty to the empire, Indians would be granted some degree of swaraj. Third, as the home-rule movement gathered momentum, it was the swaraj, the whole swaraj, and nothing but the swaraj, and he turned relentlessly against the crown. The movie to the contrary, he caused the British no end of trouble in their struggles during World War II.

Nonviolence: but the real center and raison d'être of Gandhi is ahimsa, nonviolence, which principle when incorporated into vast campaigns of noncooperation with British rule the Mahatma called by an odd name he made up himself, satyagraha, which means something like "truth-striving." During the key part of his life, Gandhi devoted a great deal of time explaining the moral and philosophical meanings of both ahimsa and satyagraha. But much as the film sanitizes Gandhi to the point where one would mistake him for a Christian saint, and sanitizes India to the point where one would take it for Shangri-la, it quite sweeps away Gandhi's ethical and religious ponderings. his complexities, his qualifications, and certainly his vacillations, which simplifying process leaves us with our old European friend: pacifism. It is true that Gandhi was much impressed by the Sermon on the Mount, his favorite passage in the Bible, which he read over and over again. But for all the Sermon's inspirational value, and its service as an ideal in relations among individual human beings, no Christian state which survived has ever based its policies on the Sermon on the Mount since Constantine declared Christianity the official religion of the Roman empire. And no modern Western state which survives can ever base its policies on pacifism. And no Hindu state will ever base its policies on ahimsa. Gandhi himself—although the film dishonestly conceals this from us—many times conceded that in dire circumstances "war may have to be resorted to as a necessary evil." But it is not widely realized (nor will this film tell you) how much violence was associated with Gandhi's so-called "nonviolent" movement from the very beginning. India's Nobel Prize-winning poet, Rabindranath Tagore, had sensed a strong current of nihilism in Gandhi almost from his first days, and as early as 1920 wrote of Gandhi's "fierce joy of annihilation," which Tagore feared would lead India into hideous orgies of devastation—which ultimately proved to be the case. Robert Payne has said that there was unquestionably an "unhealthy atmosphere" among many of Gandhi's fanatic followers, and that Gandhi's habit of going to the edge of violence and then suddenly retreat-

ing was fraught with danger. "In matters of conscience I am uncompromising," proclaimed Gandhi proudly. "Nobody can make me yield." The judgment of Tagore was categorical. Much as he might revere Gandhi as a holy man, he quite detested him as a politican and considered that his campaigns were almost always so close to violence that it was utterly disingenuous to call them nonviolent.

At the famous Amritsar massacre of 1919, shot in elaborate and loving detail in the present movie and treated by post-independence Indian historians as if it were Auschwitz, Ghurka troops under the command of a British officer, General Dyer, fired into an unarmed crowd of Indians defying a ban and demonstrating for Indian independence. The crowd contained women and children: 379 persons died; it was all quite horrible. Dyer was court-martialed and cashiered, but the incident lay heavily on British consciences for the next three decades, producing a severe inhibiting effect. Never again would the British empire commit another Amritsar, anywhere.

As soon as the oppressive British were gone, however, the Indians—gentle, tolerant people that they are—gave themselves over to an orgy of bloodletting. Trained troops did not pick off targets at a distance with Enfield rifles. Blood-crazed Hindus, or Muslims, ran through the streets with knives, beheading babies, stabbing women, old people. Interestingly, our movie shows none of this on camera (the oldest way of stacking the deck in Hollywood). All we see is the aged Gandhi, grieving, and of course fasting, at these terrible reports of riots. And, naturally, the film doesn't whisper a clue as to the total number of dead, which might spoil the mood somehow. The fact is that we will never know how many Indians were murdered by other Indians during the country's Independence Massacres, but almost all serious studies place the figure over a million, and some such as Payne's sources, go to 4 million. So, for those who like round numbers, the British killed some 400 seditious colonials at Amritsar and the name Amritsar lives in infamy, while Indians may have killed some 4 million of their own countrymen for no other reason than that they were of a different religious faith and people think their great leader would make an inspirational subject for a movie.

But Gandhi's monstrous behavior to his own family is notorious. He denied his sons education—to which he was bitterly hostile. His wife remained illiterate. Once when she was very sick, hemorrhaging badly, and seemed to be dying, he wrote to her from jail icily: "My struggle is not merely political. It is religious and therefore quite pure. It does not matter much whether one dies in it or lives. I hope and expect that you will also think likewise and not be unhappy." To die, that is. On another occasion he wrote, speaking about her: "I simply cannot bear to look at Ba's face. The expression is often like that on the face of a meek cow and gives one the feeling, as a cow occasionally does, that in her own dumb manner she is saying something. I see, too, that there is selfishness in this suffering of hers. . . ." And in the end he let her die, as I have said, rather than allow British doctors to give her a shot of penicillin (while his inner voice told him that it would be all right for him to take quinine). He disowned his oldest son, Harilal, for wishing to marry. He banished his second son for giving his struggling older brother a small sum of money. Harilal grew quite wild with rage against his father, attacked him in print, converted to Islam, took to women, drink, and died an alcoholic in 1948. The Mahatma attacked him right back in his pious way, proclaiming modestly in an open letter in *Young India*, "Men may be good, not necessarily their children."

What are we to make of this Gandhi? We are dealing with two strangenesses here, Indians and Gandhi himself. The plain fact is that both Indian leaders and the Indian people ignored Gandhi's precepts almost as thoroughly as did Hitler. They ignored him on sexual abstinence. They ignored his modifications of the caste system. They ignored him on the evils of modern industry, the radio, the telephone. They ignored him on education. They ignored his appeals for national union, the former British Raj splitting into a Muslim Pakistan and a Hindu India. No one sought a return to the Arcadian Indian village of antiquity. They ignored him, above all, on *ahimsa*, nonviolence.●

PERSONAL EXPLANATION

HON. PAUL SIMON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 28, 1983

● Mr. SIMON. Mr. Speaker, earlier today the House approved the conference report on H.R. 2973, Interest and Dividends Tax Withholding Repeal, in a vote of 392 to 18.

I was on the floor at the time of the vote and certainly intended to cast an "aye" vote, reflecting my longstanding support for this action in repealing the program of withholding set to begin next month. Though I have a recollection of voting as such, my vote was not recorded, for whatever reason. Even if one vote would not have made a difference in this decision, my constituents feel as strongly as I do about this issue, and they will want to know that I approved today's favorable action on H.R. 2973.●

A DEDICATED MAN—PARRAN JARBOE

HON. ROY DYSON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 28, 1983

● Mr. DYSON. Mr. Speaker, I rise today to praise a most dedicated civil servant who is retiring from the Federal Civil Service on July 29, 1983, after 40 years as a craftsman. Mr. Parran B. Jarboe leaves behind many years of solid contribution and experience to the Patuxent River Naval Air Station. His life is a story of hard work and diligence. A life that shows us how an individual with a strong spirit can achieve almost any goal.

Mr. Jarboe was not a stranger to the area when the Department of the Navy purchased the property called Cedar Point Farm, where they proceeded to build a naval air test center. Mr. Jarboe's father was the overseer of the farm before it was sold to the U.S. Government. As a young man he went to work for the contractors who were building the new Navy base. With this work experience, he learned the skills which eventually, combined with his dedication, won him a job when the Navy officially opened the station in 1943.

Parran Jarboe was one of the very first civil servants hired to work at this military installation and after 40 years, he is retiring. His contributions and cost-saving measures will be in use for many years to come. His ingenuity and precision earned him the reputation of being one of the top carpenters in the region. His patience and knowledge have been instrumental in training many apprentices and his methods serve as a model for those who were trained under him.

The Department of Navy realized the talents of Parran Jarboe and advanced him to the eventual position of foreman of trades, where he was responsible for all construction and trade shops at the base. The Federal work force is losing an exceptional craftsman who will be difficult to replace. He has left his mark with the Department of Public Works at Patuxent River. He will be missed by his coworkers who enjoyed his patience and congeniality.

I am proud to know Parran Jarboe and represent him in Congress. It also gives me great pleasure to join with his family and friends in congratulating him and wishing him well. I know the years ahead will be enjoyable for Parran and his wife Alyce. I wish them only the best in years to come.●

IN PRAISE OF NIAGARA COUNTY

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 28, 1983

● Mr. LaFALCE. Mr. Speaker, we all know the words from Acts (20: 35), "It is more blessed to give than to receive." But, do we practice what we preach—all of us? No, but a coalition of professional and volunteer organizations in Niagara County does follow this precept.

A recently formed Health Care Coalition, sponsored by the Medical Society of the County of Niagara, has established a program to provide free medical care to the unemployed who have no health insurance or health care coverage under medicare or medicaid. The coalition estimates that 500 individuals will meet its criteria for free health care and will receive free doctor's care, prescription drugs and certain hospital services.

Participating organizations and hospitals include: Catholic Charities, the

Salvation Army, the Family and Children's Service of Niagara Falls, Niagara Falls Memorial Medical Center, Mount St. Mary's Hospital, and Inter-Community Memorial Hospital. They have set an example worth replicating in communities throughout the Nation.

A news release issued by the Niagara County Medical Society which describes the coalition follows:

NIAGARA COUNTY MEDICAL SOCIETY ANNOUNCES HEALTH CARE COALITION

The Medical Society of the County of Niagara, Inc. is pleased to announce a first for New York State, a Health Care Coalition.

This unique program was developed for the recently unemployed in cooperation with the United Way of Niagara, SPUR-Niagara Falls Area Chamber of Commerce, Catholic Charities of Niagara County, the Salvation Army of Niagara County, Family & Children's Service of Niagara Falls, Niagara Falls Memorial Medical Center, Mount St. Mary's Hospital, and Inter-Community Memorial Hospital.

The purpose of this Coalition is to provide access to quality medical care without fee for service to Niagara County residents who meet all of the following criteria:

1. Require urgent but not emergent medical care;
2. Unemployed;
3. Have no medical insurance;
4. Not be eligible for Medicare or Medicaid;
5. Must be a resident of Niagara County, New York.

Members of the Medical Society of the County of Niagara have, and continue to render medical care to needy individuals without fee. However, with the extenuating economic conditions impacting upon the County, the Medical Society of the County of Niagara initiated this program to encourage those who need urgent medical care and meet the criteria to come forward.

Specifically, there are those individuals who may require urgent medical care who, due to their sense of pride and integrity, may not readily seek the care of their physician. Any Niagara County resident who meets all of these criteria should contact:

The Salvation Army of Niagara County;
Catholic Charities of Niagara County;
Family & Children's Service of Niagara Falls.

Special forms for use by these three agencies and physicians have been developed by the Niagara County Medical Society and the United Way of Niagara. Eligible persons will be referred from any of the three agencies to the Niagara County Medical Society. In turn, the Niagara County Medical Society will refer the individual to a physician member on an alpha-geographic rotating basis if they have no personal physician.

PHARMACEUTICALS

If a physician prescribes for the patent, a special prescription blank will be utilized. A "Niagara Pharmaceutical Bank" has been established thanks to the total and complete cooperation of the United Way of Niagara, Inc., the Niagara Food Bank, and SPUR-Niagara Falls Area Chamber of Commerce. United Way of Niagara will act as fiscal agent for all donations through this "pharmaceutical bank."

Numerous pharmacists throughout Niagara County have agreed to provide medications at cost, to be paid for from the "pharmaceutical bank." It has been impractical for the Medical Society of the County of Niagara, due to time restraints, to contact all Niagara pharmacists to ascertain their participation. However, any pharmacist who has not as yet been contacted and is interested in participating is encouraged to contact the Medical Society of the County of Niagara as soon as possible.

HOSPITALIZATION

To date, three Niagara County hospitals have agreed to participate in this program:

Niagara Falls Memorial Medical Center;
Mount St. Mary's Hospital;
Inter-Community Memorial Hospital.

Each hospital has agreed to make every effort possible to provide free medical care when and only all other sources of income and assistance are exhausted. In addition, each hospital will initiate their own screening to determine when charity is deemed necessary and essential. General guidelines have been developed and agreed upon in principle by these hospitals.

The Medical Society of the County of Niagara wishes to express their sincerest appreciation to all those individuals and agencies who have assisted in the development of this very worthwhile Health Care Coalition.

Mr. Joseph F. Macaluso-Niagara Falls Memorial Medical Center.

Mr. Roy Clark-Inter-Community Memorial Hospital.

Mr. Richard Russel-Mount St. Mary's Hospital.

Francis J. Clifford, M.D.-Commissioner of Health.

Mr. Vincent S. Buccirosso-United Way of Niagara, Inc.

Mr. Henry J. Kalfas-SPUR-Niagara Falls Area Chamber of Commerce.

Mr. Gerald J. Kozak-Family & Children's Service of Niagara Falls.

Mr. John Lynch-Catholic Charities of Niagara County.

Cpt. Raymond Patrick-Salvation Army of Niagara County.

Mr. David Slepian-Community Medical Pharmacy, Inc.

Mr. Frank Marotta-Jay's Drug Stores, Inc.

Mr. Art Ceccato-Moore Business Forms, Inc.

Mr. Gary P. Andelora-Medical Society of the State of New York.

A special thanks to Steven V. Grabiec, M.D. of Niagara Falls and his County Medical Society Committee members who have expended a great deal of hard work in the leadership and implementation of this program:

Steven V. Grabiec, M.D., Chairman.
James P. Moore, M.D.
Theodore C. Gerwig, Jr., M.D.
Mary Ann Z. Bishara, M.D., President of Medical Society.
William C. Stein, M.D.
Mr. William J. Carbone, Executive Officer.●

DRUG ENFORCEMENT

HON. EDWARD F. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 27, 1983

● Mr. FEIGHAN. Mr. Speaker, all of us know the hateful effects of narcotics abuse. It breaks up families; it destroys lives; and it robs people of hope. If we believe in families—and our children—we must find effective answers to the corrosive cancer of drug trafficking and abuse.

And to find those solutions, we have to begin at the source. The U.S. Government must show the world that we attach a high priority to international narcotics control, and that we expect more effective international cooperation to help prevent the initial cultivation of narcotics.

So far, the political will is missing. True, the administration has implemented a number of drug enforcement initiatives, like the South Florida Task Force, and the establishment of six interdiction operations centers across the Nation. But all of these fine efforts must be seen in the context of the administration's failure to develop a coordinated and comprehensive approach to international cooperation on control of the drug trade.

Without a vigorous, multilateral effort, all of the millions spent on domestic drug enforcement will only scratch the surface of the worldwide narcotics trafficking network. Attorney General William French Smith estimates that a dollar spent on drug enforcement overseas is worth $10 spent in the United States. Despite a tripling of the budget for stopping drugs at our borders between 1977 and 1982, we still are able to stop only about 1 pound of heroin or cocaine for every 19 pounds that get through. This costly and ineffective program of trying to seize drugs at our borders, instead of cooperating with foreign governments to try to stop them at the source, has placed an awesome burden on the shoulders of our State and local governments, which must pick up the tab for crime control, drug rehabilitation centers, welfare, and other costs.

Ninety percent of the drugs used in this country originate in a handful of countries overseas. That is why our efforts to control drugs at home must also begin overseas—with a strong, coordinated, and cooperative effort by our Government to work with the governments of drug-producing countries and our other allies, who also have a vital interest in halting the international flow of narcotics.

The administration has no such program. International narcotics control is the stepchild of both foreign and domestic policy. That is why the distinguished chairman of the Foreign Affairs Committee, Mr. ZABLOCKI, has established a task force to oversee the administration's activities in this area and to investigate ways that the United States can best encourage and coordinate international drug control efforts. I am honored that Chairman ZABLOCKI chose me to chair this effort, and I look forward to working with my colleagues—Mr. GILMAN, Mr. SMITH, and Mr. REID—in developing constructive and workable proposals to address the international drug problem.●

THE PRESIDENT'S PRESS CONFERENCE ON CENTRAL AMERICA

HON. SANDER M. LEVIN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 28, 1983

● Mr. LEVIN of Michigan. Mr. Speaker, the President said Tuesday night that he supports dialog and negotiations among and within countries of Central America. But while the President talks dialog, he acts by deploying battleships and U.S. troops.

He said Tuesday night that he supports democracy, reform, and human rights. But components of the U.S.-backed armed forces undermining the Sandinista government bear the taint of the authoritarian Somoza regime.

The President said Tuesday night that he supports a security shield for the region's threatened nations in order to protect these other goals. But his policies do not focus on creating a shield, from destruction by military violence, for the fragile prospects for democracy, economic justice, and human rights in El Salvador. Instead, his policies assume that any such shield in El Salvador must be combined with a spear launched through the borders of Nicaragua, thereby broadening, instead of trying to confine, the span of conflict in El Salvador.

The President's approach presumes that a wider threat of force in Central America as a region will increase the chances of peace in each Central American country.

On Tuesday night the President said that—

> The trouble that is going on down there comes from outside the area—is revolution exported from the Soviet Union and from Cuba, and from others of their allies * * *

His statement demonstrates a tragic failure to understand the total sources of trouble in Central American countries. Clearly, the Soviet Union and Cuba are supporting, militarily and otherwise, revolutionary activities in El Salvador. At the same time, the U.S.S.R. and Cuba did not create numerous conditions there which have historically fomented revolution. Ingrained social and economic injustices in El Salvador have a home-made label; there are Salvadorans fighting Salvadorans in El Salvador today, and our country's policies will never succeed in Central America until we understand that social and economic injustices subvert democratic political goals and that the policies—Central American nations and ours—either address those injustices or fail.●

THE RIGHT POLICY IN CENTRAL AMERICA

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 28, 1983

● Mr. DORGAN. Mr. Speaker, all along, the Reagan administration has pretended that no secret war was being supported in Central America. But for several months the news media has made clear that the administration-supported secret war against Nicaragua is no secret.

Now Congress again has taken up the cudgels in the debate on our policy in Central America. In a historic effort, Congress has begun to put teeth in the Boland amendment, which it passed last year in the hope of curbing covert military assistance for use against the Government of Nicaragua. Congress will soon decide whether to stop illegal "covert" military aid to counterrevolutionary forces to overthrow another sovereign government and to allow only overt aid to prevent Nicaragua from shifting arms to rebels in El Salvador or elsewhere in Central America.

If we are a nation of laws, then the President and his officials must obey the law like everyone else.

In the wake of this debate, the President has established a new Commission to develop a long-term bipartisan policy for Central America. The idea has some merit, but its mission now seems to be in jeopardy.

On the heels of this announcement, we now learn that the President has decided to expand covert aid in Central America and ordered a major military exercise in and on the coast of Honduras. The 4,000-soldier contingent and accompanying carrier task force that the United States will send to the region have raised fears in Congress and with the American people that the administration will move from a secret war by proxy to an open war with U.S. troops. The action has also raised questions about the gaps in our defense of Middle East oil lanes and Pacific sealanes which will result from this redeployment of carrier task forces.

This military move has also disturbed and puzzled our Latin American allies who thought that the administration was committed to the Contadora Initiative, which seeks to bring about a negotiated settlement to conflicts in Central America. Now they are wondering whether the administration really meant what it said.

There is one central issue at stake in the House debate: Is the administration breaking the law? Stopping communism is one thing. I heartily support constructive efforts to do so. But breaking the law through action approaching an undeclared war is quite another thing. The House Intelligence Committee has made crystal clear that the administration has broken the rules by aiding groups who actively seek the overthrow of the Nicaraguan Government.

The issue here is not a beauty contest between Nicaragua, which the Cubans support, and El Salvador, which our Government supports. Both have dismal records on human rights, civil freedom, and respect for international law and the Charter of the Organization of American States. I have no enthusiasm for either regime or for any military aid to the region.

But neither can I support a policy which does not work. The administration's policy has failed to intercept arms shipments or to bring peace. It has only succeeded in alienating our Latin-American neighbors and alarming the American people.

I hope the administration will look to negotiated settlements, creative use of economic and food aid, and congressionally approved open military aid as the best antidote to unrest in Central America. Unless it does, I fear that the Bay of Fibs will become the Bay of Pigs II. A New York Times editorial which follows shows why Abraham Lincoln would likely be joining modern-day Congressmen in restraining unbridled and unwise action by the President. The editorial included is entitled, "Yankees, Bats and Nicaragua,"

And I hope my colleagues will support H.R. 2760, the Boland-Zablocki bill, to put our policy in Central America back on course.

YANKEES, BATS AND NICARAGUA

As a Yankee fan, New York's Senator D'Amato has no trouble seeing why a bat with too much pine tar cost George Brett a home run and the Kansas City Royals a ninth-inning victory Sunday. Baseball rules 1.10(b) and 6.06(d) forbid any foreign substance more than 18 inches above the handle. "Sure, it was fine print," says the Republican Senator, "but a rule's a rule."

It certainly is, in every American's congenital sense of law and fair play. So what about the rules—Congress's rules—against undeclared war in foreign countries like Nicaragua? Respect for the rules, and for the Constitution, is not an empty ritual. It's as American as baseball, whose thick rulebook is the first Constitution of most American youngsters. The book binds Yankees as well as Royals. Slugger Reagan may not like the fine print, but who exempted him?

Congress has been willing, with misgivings, to vote for open aid to Honduras, if that can be shown as necessary to stop Nicaragua from slipping arms to rebels in El Salvador. But Congress has expressly forbidden a secret war to overthrow Nicaragua's leftist regime. The President denies any such intention, but the telltale grease is all over his bat.

The small bands of Nicaraguan exiles hitherto used to "harass" the alleged weapon routes are said to be failing. So now the C.I.A. wants a 10,000-man invasion force. Cuba's training and aid missions inside Nicaragua are to become targets for its sabotage and destruction. American ships

and planes are to fly in support of these operations. And Mr. Reagan, defining his objectives, says peace is incompatible with Sandinista rule in Nicaragua.

These plans were not supposed to be revealed until after the House of Representatives had voted this week on the new aid request for the anti-Sandinista army of Nicaraguan "contras." The plans were in any case to be misrepresented as something other than what they are: acts of war.

Since President Reagan feels uninhibited by the law so far, it is important that Congress now make its meaning unmistakably clear.

Representatives Boland and Zablocki two mainstream Democrats, propose that $80 million be allocated for curbing any arms traffic—provided, however, that the plans are public and can be shown to have no more devious purpose. If any of the money turned out to be financing a secret war to overthrow the Nicaraguan junta, the money authorization would be terminated forthwith.

This is not a case of writing rules in midgame; the proposed limitation only takes President Reagan at his word. As freshly restated by his Ambassador to Managua, Anthony Quainton, the word is that American policy aims not to topple the Sandinista regime but rather "to modify its behavior in some substantial ways." Congress has already said that the only justifiable "behavior modification" by force has to be confined to external behavior—the kind that clearly threatens other nations.

Yet Administration officials already plan to use the money for the biggest covert operation since Vietnam, for also doubling the number of American soldier-advisers in El Salvador, for permitting them to operate "in the field" though not "in combat" (whatever that distinction means) and of an all-American naval blockade against Nicaragua.

The United States is being taken to war not only without a declaration from Congress but against its expressed desire. Americans, including Congress, are being asked to let the President and his C.I.A. be the only judges of the national interest, irrespective of either international or domestic law.

We don't know what George Brett thinks about that, but we feel certain that a young Illinois Congressman in 1848 would have voted for Zablocki-Boland as the best way to affirm his sense of the nation's values.

"Allow a President to invade a neighboring nation whenever he deems it necessary," he said, ". . . and you allow him to make war at pleasure. Study to see if you can fix any limit to his power in this respect after you give him so much as you propose."

That Congressman was Abraham Lincoln, whom you might call a home-run hitter.●

TRIBUTE TO DR. JAMES S. SPENCER

HON. PAUL SIMON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 28, 1983

● Mr. SIMON. Mr. Speaker, Dr. James S. Spencer, chancellor of Illinois Eastern Community Colleges, will retire this year. I would like to bring to the attention of my colleagues the enormous contributions to the cause of public higher education that Dr. Spencer has made during his career.

He began as a high school social science teacher and went on to become a principal, a superintendent, a professor, a college president, and, finally, a chancellor. In each of these capacities and in his numerous positions on State-level committees, Dr. Spencer has worked tirelessly as an advocate of public education for all citizens. He believed that free higher education should be accessible to all, that Illinois should have a system of tuition free community colleges, and that the government should provide equalization funding for community colleges in Illinois that do not have a substantial tax base.

While chancellor of Illinois Eastern Community Colleges he developed college transfer, vocational-technical, adult, and continuing education programs at his colleges. He also advocated funding for tribally controlled community colleges and chaired the north central accreditation visits to two Indian schools.

But Dr. Spencer was not satisfied with just increasing the availability of higher education, he was also devoted to increasing the quality of education. He saw the need for foreign language training and high standards for athletes, and increased the quality of specialized, high-cost programs by developing the collegiate common market.

At a time when our Nation's public education system is receiving sudden and some unfavorable publicity, Dr. Spencer serves as a testimonial to the many men and women who have dedicated their lives to improving the system. Dr. Spencer opened the door for many, from high schoolers who thought they could not afford to go to college to working parents who never got a chance to finish high school. It is my privilege to pay tribute to James Spencer. I hope his retirement is as rewarding to him as his years of service have been to the people of the State of Illinois.●

SENATE—*Friday, July 29, 1983*

(Legislative day of Monday, July 25, 1983)

The Senate met at 10 a.m., on the expiration of the recess, and was called to order by the President pro tempore (Mr. THURMOND).

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

Almighty God, great forests in our land—thousands of acres of valuable timber—have been destroyed by fire started by a little spark. Central America is like a tinder box of confusion and conflict. Dear God, guide our Government in its involvement. Remembering the words of St. James, "* * * the tongue is a fire, a world of iniquity * * * that setteth on fire the course of nature * * *" (James 3: 6), help the administration, the Congress, and all responsible individuals not to say or do anything which will ignite a conflagration. Dear God, guide the leaders of our Nation and the nations in Central America that we may have peace. We pray this in the name of the Prince of Peace. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The majority leader is recognized.

Mr. BAKER. I thank the Chair.

IN MEMORY OF MR. GELINDO DURANTE

Mr. BAKER. Mr. President, those who waited patiently until today for this week's poem will, I trust, not be disappointed by the selection. It is a poem written in memory of Mr. Gelindo Durante, who died of Lou Gehrig's disease. The author is Kent Frederickson, a resident of the U.S. Veterans' Administration Medical Center in Leeds, Mass. Kent describes himself as completely quadriplegic, but that obviously does not deter from his excellent prose and uncommon compassion. I ask unanimous consent that his poem be printed in the RECORD, and that an article about Kent which appeared in the Daily Hampshire Gazette also be printed.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

A VETERANS PROJECT TEACHES MORE THAN WRITING: ONE OF THE POETS: KENT FREDERICKSON

It takes less than an hour for Kent Frederickson to remind you that there is much about learning, and about life, that you do not know.

He lives in a room at the U.S. Veterans Administration Medical Center in Leeds. Twenty-one years ago, when he was teaching at Greenfield Community College, he was diagnosed as having multiple sclerosis. Today, he describes himself as "completely quadriplegic."

He sits in a wheelchair, a white blanket spread over his legs, motionless hands folded in his lap. On the ledge above his bed are photographs of his parents.

"I got the glad news in 1962 about what my trouble was," he says. It got worse with time. "Like a rat, I was hugging the walls, so I wouldn't fall over."

By 1967 he could only teach parttime. "Three years later, I went on sabbatical, and I never went off." By 1972, "I was trapped in my bedroom." The only place to go was to the hospital, and he has been in and out of several ever since. He has been at Leeds, he says quietly, "too long."

Frederickson met Douglas Whynott and Domenic Stansberry last fall.

"He was excited," recalls Whynott, about their first meetings. "It meant he would have a chance to talk with someone about literature. I think he was somewhat of an outsider up there, and this became his major social outlet."

And talk they did—or Frederickson did, as the student-teacher role quickly reversed itself. "He's articulate, brilliant," says Stansberry. "We more or less just listened." As the weeks went by, the sessions in Frederickson's room grew less formal. "I'd sit in the wheelchair, and spin around, Domenic would put his feet up on the bed, and we'd talk," Whynott recalls.

Some days, Frederickson would recite favorite poems by Frost and Pope, or talk about his recent readings or thoughts about the Greek influence on Christian civilization, or ruminate about what he calls those "curious links in history." What does it mean that Thomas Jefferson and John Adams both died on the same day, and both on July 4?, he wonders.

And the former teacher wasn't shy about handing out a gentle reprimand now and then. "You'd walk into his room," Stansberry remembers, "and he'd say, 'last week, you remarked on a line I'd written—and I don't think you were correct.' "

But Frederickson, of course, realizes he should know more than the two students. "I have a Ph.D.," he says with a smile. "They're only working on theirs." He enjoyed them both. The tall, sandy-haired Whynott was the "good New Englander," he says, but Frederickson can't resist a barb at Stansberry's let-it-all-hang-out California. The right eyebrow arches ever so slightly. "Well, I think you ought to keep something back."

Together, the three of them rediscovered Frederickson's writings. "I'd forgotten some of them completely," says Frederickson. For the two younger writers, seeing Frederickson's work in print was deeply satisfying. "He had all that work sitting in a drawer somewhere, and we came along and helped him bring it back to life," Whynott says. They chose eight to be printed in "Voices from the Hill."

Frederickson began writing during his graduate years at Harvard University in the 1950s, when he wrote the first of what is now a collection of 50 sonnets.

There are, he says with a smile, those "persnickety types" who insist that the only perfect sonnets are those written in the 8/6 rhyme scheme used in the Italian sonnet. But, he says, English has so few rhyming words that it is "poverty-stricken" compared to Italian. "So I invented what I call the American sonnet" to remedy that. In it, he adapts a more flexible rhyme scheme to the 14 lines.

Some of his sonnets are about people he has shared time and experiences with during his hospital stays. In others, inspiration came from the material world, and imagination.

He finds much contemporary poetry "badly written, illogically chopped up prose." That leaves him, he says, securely outside the mainsteam—at least "I hope so," he says.

These days, he "reads" politics, science, and economics by listening to books recorded on tape. "I've been turned off fiction ever since I've been here," he says, except for novels by P. G. Wodehouse. When he listens to those tapes, "I'm lying there laughing so hard the tears run down my face." Another recent favorite was Henry Fairlie's "The Two Parties,"—"I think I've listened to that one three times."

Finding the books he wants to read on tape can be frustrating. Many books are not on tape at all, and those that are are not always what he wants to read. "You wouldn't believe the junk," he says. He looks to other outlets, too.

The radio next to his bed is often tuned to classical music stations. Sometimes in the morning, he watches the early news on television. But "when a commercial comes on, I turn away and think. On weekends, I listen to music and daydream."

He does not elaborate. "So . . . we go back to the verse."

In memory of Mr. Gelindo Durante, who died of Lou Gehrig's disease.

A bony little old Italian man
Wasting incurably, he never spoke
Of dread to me. He'd rather crack a joke
About the nurse or omnipresent pan.
He called his wheelchair his deluxe sedan.
I'd light his cigarette. He still could smoke
Despite his useless arms.
Against his yoke
He'd lean to drop his ashes in a can.
Once dolce far niente crossed my mind
To make sport of this sweet man's bitter case.
His life-enhancing manner was enshrined
In that mortal hall of fame we're all assigned
Called death, the dull and final commonplace.
Spirit prevails. I've seen it face to face.

—KENT FREDERICKSON.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

SENATE SCHEDULE

Mr. BAKER. Mr. President, this morning, after the two leaders are recognized, there will be special orders in favor of three Senators. However, the time allocated to the distinguished minority leader on a special order has been assigned, at his request, to the distinguished Senator from Michigan (Mr. RIEGLE). All together, the leader time and the three special orders will take about an hour.

ORDER FOR ROUTINE MORNING BUSINESS

Mr. President, I ask unanimous consent that after the execution of the special orders, there be a period for the transaction of routine morning business, not to extend past 12 noon, in which Senators may speak for not more than 5 minutes each.

The PRESIDENT pro tempore. Without objection, it is so ordered.

RADIO MARTI

Mr. BAKER. Mr. President, at 12 noon, the Senate will resume the consideration of the unfinished business, which is a motion to proceed to the consideration of S. 602, the Radio Marti bill.

SUPPLEMENTAL APPROPRIATIONS—CONFERENCE REPORT

If possible and available, I should like to ask the Senate to take up the supplemental appropriations conference report this afternoon.

The House of Representatives did not pass that measure last evening. I understand that it is not likely that we will have it here before midafternoon—after 3 p.m. Based on that, it appears that we will have a late Friday afternoon.

I urge and caution Senators not to expect to be able to leave early. I indicated to some Senators yesterday that I hoped we could be out by 2 or 3 p.m. today, and I especially invite their attention to this announcement, because I do not want them to be taken unaware. That estimate was based on the assumption that the House would deal with that conference last evening, as first indicated to me. That did not occur. Therefore, we will be in later, in all likelihood, than I anticipated.

Let me repeat: The predictions I made yesterday about midafternoon are off. I think it will be later in the day; and if pressed to make an estimate, I would say it probably will be 6 p.m. before we finish.

I still do not expect a Saturday session. It is not impossible, but as of this moment, I do not see it. The Senate will be in Monday, of course.

REQUEST FOR ADJOURNMENT UNTIL 11 A.M. ON MONDAY NEXT

Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 11 a.m. on Monday next.

Mr. BYRD. Mr. President, I object for the moment. I know that the leader can do whatever he wants on this matter because the motion to adjournment is not debatable, but I wish he would withhold that request for the moment, until we talk about it.

Mr. BAKER. Mr. President, I do withhold that request.

That is all I have at the moment. I reserve 1 minute of my time, if I may.

The PRESIDING OFFICER (Mrs. KASSEBAUM). Without objection, it is so ordered.

Mr. BAKER. I yield the floor.

RECOGNITION OF THE MINORITY LEADER

The PRESIDING OFFICER. The minority leader is recognized.

EMERGENCY HEARINGS ON CENTRAL AMERICA

Mr. BYRD. Madam President, on a daily basis the Congress and the American people are informed through the news media of our ever-escalating military involvement in the turmoil in Central America. There is no issue of greater importance to the American people than the commitment of our national honor and possibly our men and women in the armed services in foreign military activities.

To date, not only has there been little or no consultation from the administration on the maneuvers in Honduras and in the Caribbean and Pacific Oceans, but also the Senate itself has not exerted its institutional responsibilities, through its committee system, to apprise itself thoroughly of the nature, scope, and risk inherent in our growing involvement.

For that reason I have written a letter today to Senator CLAIBORNE PELL, ranking member of the Committee on Foreign Relations, to urge him, in cooperation with Chairman PERCY, to conduct thorough and intensive hearings on our military maneuvers in that region. Specifically, I have recommended that the committee study the extent to which our military forces are being put at risk with these maneuvers, and the impact of the maneuvers on the war powers resolution.

I have pointed out that if it is necessary to have a closed session, the committee has the authority to do that. But whether the hearings are closed or open, I strongly believe the Senate has over-riding institutional reasons to be fully informed about our escalating military involvement in Central America.

Madam President, I ask unanimous consent that a copy of my letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

OFFICE OF THE DEMOCRATIC LEADER,
Washington, D.C. July 29, 1983.

Hon. CLAIBORNE PELL,
Committee on Foreign Relations
Washington, D.C.

DEAR CLAIBORNE. I write you in your capacity as Ranking Minority Member of the Committee on Foreign Relations to urge you, in the strongest terms, to make every effort, in cooperation with Chairman Percy, to convene emergency hearings to review the role of U.S. military forces in Central America.

According to press reports, the military presence of the United States is being significantly increased in this volatile region of the world. At his press conference Tuesday night, the President assured the American people that Americans are not going to be put "in any reasonable proximity to the border." However, today's Washington Post, citing senior United States and Honduran military officials, reports that:

"A major aim of the rapidly escalating U.S. military presence in and around Honduras is to provide a protective shield for this country as U.S.-backed rebel forces operating along the border with neighboring Nicaragua expand their efforts to overthrow the Sandinista government there."

The Post further reports that the first operations of the maneuvers ". . . according to U.S. military officials, will take place in the province of Choluteca which borders on Nicaragua."

As you well know, the Congress of the United States has been kept completely in the dark as to the purpose, scope, and danger to American forces of this significant projection of American military forces. Therefore, I belive it is essential that your Committee, which has jurisdiction over the War Powers Resolution, ascertain as quickly as possible the extent to which American forces will be put at risk by these maneuvers. It is also essential that your Committee determine whether or not these maneuvers, especially those of our ground forces in Honduras, would trigger Section 1543(a) of the War Powers Resolution requiring Congressional approval for deployment of these forces beyond 60 days.

I strongly urge that these hearings be held prior to the August recess, that they be thorough and intensive, and that the Committee issue a report on these hearings as soon as possible.

Committee members may determine that certain elements in the testimony need to be reviewed in closed session. Whether the hearings are closed or open, I strongly believe that the Senate has the most powerful institutional reasons to be fully informed about our excalating military involvement in Central America.

Thank you for your attention to this critical matter.

Sincerely yours,

ROBERT C. BYRD.

Mr. BYRD. Madam President, I understand that the distinguished Senator from Wisconsin wishes to have a little of my time. I yield to the Senator.

Mr. PROXMIRE. I thank the distinguished minority leader.

CAN WE STOP THE NUCLEAR ARMS RACE? VERY DOUBTFUL

Mr. PROXMIRE. Madam President, what has happened to nuclear arms

control negotiations? Not much news from that source lately and here the answer, unfortunately, is that no news is bad news. Both this country and the Soviet Union race ahead in the nuclear arms race. The Russians continue the massive buildup that has moved them sharply ahead of this country in stationary land-based missiles, in hard target kill capacity, in megatonnage, and lift capacity. If there has ever been any doubt about the Russian ability to destroy this country in a surprising first strike, or in retaliation after they have been hit with a first-strike attack, the Russians certainly have erased that doubt. But do they stop? No, they go on and on.

On our side, we have a wide lead in survivable, virtually invulnerable nuclear power. We have far more warheads on our submarines than the Soviets have. Our Secretary of the Navy and the Chief of U.S. Naval Command have both testified that not only is our submarine deterrent invulnerable; they say it will become even more invulnerable as the years go by. At this very moment, our submarines carry 3,000 nuclear warheads at sea at all times, compared to an estimated 300 carried by Russian submarines. Similarly, we have far more nuclear warheads borne by our bombers and we carry many times more nuclear bombs in the air at all times than the Soviets.

So there can be no doubt that we, like Russia, also have an absolutely certain survivable deterrent—a capability of striking back with an utterly and totally destructive retaliation against the Soviet Union in the event they would institute an attack against us.

Both superpowers have ample, complete deterrents. And additions of more nuclear arms now are redundant. Even the most bloodthirsty hawks—American or Russian—can or should be satisfied with a freeze on nuclear weapons, because both sides have all the nuclear military power they can use.

The two arsenals differ. The Russians' arsenal is heavier in megatonnage and throw-weight. We have more warheads and have a more survivable arsenal. But the comparisons mean nothing, because the real message is that right now with no additional nuclear testing or deployment, both sides can destroy the other, utterly and completely, as organized societies.

Yes, we go on and on. Why? We are insisting on deploying intermediate nuclear weapons in Europe. And the best evidence now tells us that we almost surely will. The intermediate range missile negotiations seem to have ground to a virtual halt. With every day that passes without progress, the likelihood of succesful negotiations dims. But if we go ahead and deploy, as very likely we will, the Russians have assured us that they will increase their nuclear missiles trained on Europe. And they will.

Meanwhile, we go ahead with our 10-warheads per missile, 100 missiles MX program. The Russians have indicated they will match that. Also, we are going to build more Trident submarines and equip them with by far the most devastating, hard target kill nuclear missile ever deployed at sea—the D-5. And there is no sign we will slow down, let alone abort, our construction of B-1B bombers, to be followed shortly by Stealth bombers.

The Russians undoubtedly will do their best to match these U.S. advances one way or another. On and on the nuclear arms race rolls. And that is not all. A few weeks ago, the President announced his intentions to move ahead with a new antiballistic missile initiative. President Reagan said that we have the potential scientific know-how and we would move to exploit that know-how to develop missiles that will intercept Russian missiles in space and shoot them down. Of course, this would be a true disaster for arms control, because it would kill one of the few successful arms control agreements—the Antiballistic Missile Treaty of 10 years ago. It would surely destabilize the nuclear balance between the United States and the Soviet Union. It would force the Soviets into the same kind of rush to be first in a new space war, and it would put whoever seemed to be losing ground in such a race in the posture of striking before the other nation developed the facility that would destroy its deterrant.

And even that is not all. The Russians have developed a crude, partially effective satellite killer. So what follows? That is right: this country is in the process of developing a more effective and assured satellite killer. This constitutes the most serious threat of all to nuclear peace, because satellites provide the prime prerequisite for any kind of arms control.

So on many fronts, Madam President, the two superpowers are rushing ahead to the edge of the cliff. Then what hope is there? "In Living With Nuclear Weapons," the Harvard study group sets forth in a brief passage the role of public opinion to stop the arms race. Unfortunately, public opinion plays its role only in this country. It plays no role in the Soviet Union.

But there is another force that may be at work in the Soviet Union about which I shall say more in the future. It is the limiting effect of a ponderous and inefficient economic system that seems to be slowing more and more with each passing year and that limits not only the Soviet living standards but also their military potential and offers the Soviets the tough choice of continuing to race ahead militarily while starving their industrial base, or to slow down their pace of military buildup to give their industrial base a chance to move ahead and give them a stronger long-run position.

The Harvard study's analysis of the role of public opinion in arms control in our country is perceptive and realistic, and I ask unanimous consent that it be printed at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE ROLE OF PUBLIC OPINION

Arms control has tended to succeed in the United States in periods of significant public involvement and concern. The 1963 Test-Ban Treaty and the 1972 ABM Treaty both were achieved during such periods. One of the most interesting developments of the early 1980s was the remarkable rise of public interest and public protest in the area of nuclear policy. Failure of the U.S. to ratify SALT II, after a similar failure to ratify two treaties negotiated in 1976 to further limit nuclear tests, suggested to the public that arms control was not working, and that the principal diplomatic lever for controlling the arms competition was stuck. The 1980 election was filled with rhetoric about rearmament. Concern in Europe about these events and the plans to deploy new nuclear weapons helped to stimulate mass movements. A year-long series of pronouncements by the U.S. president and his secretaries of state and defense which reflected a preoccupation with improving U.S. nuclear war-fighting capability and a new level of hostility toward the Soviet Union followed. This was accompanied by rapidly increasing military budgets.

As budgets and rhetoric escalated, so did the memberships and the influence of public and professional groups opposed to nuclear war. Physicians' groups, some dating from the campaign against nuclear testing two decades earlier, were particularly effective in reminding Americans of the horrible human suffering and death that would accompany nuclear war. Because of this revival of public interest in arms control, the current nuclear freeze movement, the careful examination of the moral basis of nuclear policy by the U.S. Catholic bishops, and intensified support for arms control in the scientific and professional community came into being.

The nuclear freeze movement began in the spring of 1980 with a call for bilateral, verifiable freeze on the production, testing, and deployment of all nuclear weapons systems in the U.S. and the USSR. Its aim is to prevent further development or deployment of counterforce and other destabilizing weapons, and to stabilize the current balance so that reductions can go forward. Various freeze resolutions were supported by the electorates in eight (of nine) states where it appeared on the ballot in November 1982. Public opinion polls at the end of 1982 showed the freeze idea appealed to some three-quarters of the public if it is verifiable and would grant no significant advantage to the Soviet Union. The same polls showed overwhelming opposition to unilateral disarmament and considerable mistrust of the Soviet Union.

Earlier freezes suggested by Presidents Johnson and Carter did not have any obvious drawing power, nor have the various moratoria proposed by the Soviet Union. But with the combination of the seemingly

bellicose pronouncements of the early Reagan administration and the belief that arms control was not being seriously pursued, the freeze movement took hold with the public. Considering the difficulty of any treaty of substance gaining the two-thirds Senate vote needed for ratification, this degree of public arousal may turn out to be an essential requirement for any future arms control agreement.

In Europe, the anti-nuclear opposition has focused on deployment of new NATO missiles and is strongest in northern Europe and among the Protestant churches. By contrast, in the U.S. the initiative from the religious sector has come from the Catholic bishops. This has taken the form of a well-planned, deliberate debate.

A further indication of the spread of concern is seen in the mobilization of support for arms control in the scientific community. Not only are activist scientists busy refining freeze proposals, but the establishment itself is involved. For the first time the National Academy of Sciences passed virtually unanimously a resolution urging intensified efforts at the negotiating table and adherence to the still unratified treaties. A carefully crafted statement by the presidents of scientific academies and other leading scientists on these matters was presented to Pope John Paul II in September 1982. It urged curbing "the development, production, testing and deployment of nuclear weapons systems and their reduction to substantially lower levels," claiming that "the sole purpose of nuclear weapons, as long as they exist, must be to deter nuclear war," and calling upon all nations "never to be the first to use nuclear weapons."

This brief overview cannot convey the full extent of the diversity and vigor of the new public engagement in nuclear policy. Like public involvements in the past, this one may be changed or move in new directions. But it seems likely that this new force will prove durable enough to affect government policies.

DOCUMENTED GENOCIDE

Mr. PROXMIRE. Madam President, on June 28 of this year, I alerted this body to the unknown war and forgotten victims of the Indonesian aggression against East Timor. I was encouraged by an article which appeared that same day in the Christian Science Monitor indicating that Indonesia and the Timorese rebels had finally started talking after 8 years of warfare.

I was, therefore, deeply troubled to read Ken Pottinger's article in the July 22 issue of the Christian Science Monitor reporting new revelations about systematic torture and Government-sanctioned violence by the Indonesians against the Timorese. Mr. Pottinger, a correspondent who has been following the Timor story closely, recounts charges leveled at Indonesia by Amnesty International, the London-based human rights organization. Amnesty International drew attention to "the details of torture techniques in the 82-page document . . ." which it received after the document was smuggled out of Indonesia. The document Amnesty International referred to was an Indonesian military handbook.

Madam President, this Indonesian military handbook confirms two facts. First, the anti-Indonesian struggle is by no means over. Previous reports from Indonesian President Suharto's government would have us believe the contrary. Second, and most important, the handbook is documentary evidence of a systematic program which inflicts, in the words of the Genocide Convention, "serious bodily harm to members" of a racial, ethnical, national, or religious group.

The applicability of the Genocide Convention to the case of East Timor is overwhelmingly evident. The absence of the United States from the roster of adherents to the Convention is disgraceful. It places us in the company of states like Indonesia which have also failed to ratify the Convention.

Madam President, Mr. Pottinger's article is distressing in light of earlier hopeful signs of a solution to this terrible situation. The charges which Amnesty International has made against the Indonesian forces are serious. The fact that documentary evidence exists to back up these charges is significant.

Unfortunately, the United States is currently in no position to act on this problem. Our failure to ratify the Genocide Convention not only besmirches our moral position within the family of nations, it also ties our hands in dealing with this problem.

I hope that my colleagues will join me in the effort to secure Senate approval of the Genocide Convention. Perhaps if Senators could read about the blatant sanctioning of genocidal acts by President Suharto, they would be convinced of the immediacy and relevance of the issue which I have discussed here on so many occasions. Madam President, I ask unanimous consent that Mr. Pottinger's article from the Christian Science Monitor be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Christian Science Monitor, July 22, 1983]

AMNESTY INTERNATIONAL CHARGES INDONESIA PERMITS TORTURE IN EAST TIMOR

(By Ken Pottinger)

LISBON.—Repeated Indonesian efforts to deny claims of ongoing guerrilla resistance to the annexation of the former Portuguese colony of East Timor appear seriously discredited by the release of an alleged Indonesian military handbook.

The gravest disclosure of the handbook, supposedly captured by Timorese guerrillas last December, is that torture is used against Timorese dissidents.

In a section on the use of force and violence, the released manual says: "It is hoped that interrogation with the use of violence will not be undertaken except in certain situations where the person interrogated finds it difficult to tell the truth. If you are forced to use violence, no witnesses should be present. . . . Avoid the taking of photographs which show torture. . . ."

The chapter, however, acknowledges that torture is wrong and says: "Too much coercion has been used in the past often resulting in the person admitting his guilt through fear and subsequently following the wishes of the interrogator." This, says the manual, is an obstacle to obtaining accurate information for use in the field.

The London-based Amnesty International organization, which has drawn attention to the details of torture techniques in the 82-page document, claims that the handbook, written in Indonesian, has been verified as authentic by experts on Indonesia.

[In Jakarta Wednesday, a spokesman for the Indonesian Defense and Security Ministry denied the existence of a special military manual for troops serving in East Timor, according to Reuters. Ministry spokesman Rear Adm. Erwin Mangaweang said, "No, it does not exist. We have never issued such a manual for East Timor."]

Information contained in the handbook implies that the guerrilla movement, known as Fretilin, is by no means a spent force despite repeated Indonesian claims to the contrary. Fretilin is the Marxist group displaced from power in East Timor when the Indonesian Army invaded in 1976. It has been resisting the occupation since that time.

The military manual is mainly classified "secret" and is supposedly written by two Indonesian military officers, Maj. Williem Da Costa and infantry Col. A. Sahala Rajagukguk. It was smuggled to Lisbon last month along with other materials for distribution by Fretilin's overseas representatives.

The release of the handbook follows reports last month that Indonesia has negotiated a ceasefire with guerrillas on the island in preparation for bringing an end to the eight year-old conflict.

Tha manual outlines the highly developed Fretilin network in the island's towns and villages and gives advice on how to combat the guerrillas and their sympathizers. The detailed nature of the chapters, which describe the guerrilla network as it existed at the time of writing of the manual (September 1982), underlines the generalized extent of opposition to the Indonesian takeover of the island.

The document concedes that the greatest problems for the Indonesian forces are in the eastern zone of the island—long recognized as a guerrilla stronghold—where it says there are places suffering from food shortages. The authors say the military has successfully dismantled "communist cells" in five regions of the eastern zone south of Bakau, site of the Indonesian military headquarters on the island, but that other areas remain linked to the guerrilla network.

Amnesty International Wednesday disclosed the content of a letter to Indonesian President Suharto, condemning the possibilities for torture contained in the document and stating that "all governments are bound by international human rights standards prohibiting torture in all circumstances."

Amnesty said it had asked President Suharto to issue instructions prohibiting torture by all forces under his command.

ORDER OF PROCEDURE

Mr. BAKER addressed the Chair.

Mr. BYRD. I believe I have the floor.

The PRESIDING OFFICER. The Democratic leader does have the floor.

Mr. BYRD. I yield to the majority leader.

Mr. BAKER. I was going to yield back the time, and it dawned on me that the minority leader had the floor.

Mr. BYRD. If the majority leader or the assistant majority leader have no further use for time, I yield back my time.

RECOGNITION OF SENATOR RIEGLE

The PRESIDING OFFICER. Under the previous order, the distinguished Senator from Michigan (Mr. RIEGLE) is recognized for not to exceed 15 minutes.

Mr. RIEGLE. Madam President, if I may have the attention of the minority leader, it is my understanding he yielded his time under the special order to me.

The PRESIDING OFFICER. The Senator from Michigan is correct. The Senator from West Virginia has yielded 15 minutes of his time.

Mr. RIEGLE. I thank the Chair.

CENTRAL AMERICA

Mr. RIEGLE. Mr. President, only rarely do I seek Senate floor time under a special order to deliver a major statement. I do so today because of the gravity of the situation in Central America and my deep concern that administration policy is leading toward major U.S. military involvement in that region.

It is my belief that an Americanized military conflict in Central America must be avoided. Our top military officers have openly expressed this view publicly and I believe they are right.

Despite President Reagan's statement that we do not seek a war in Central America—or direct armed U.S. military intervention there—the pattern of events appear to be heading in that direction.

Within the past 4 days, two significant U.S. military initiatives in Central America have been announced. One involves the dispatch of naval warships to the area, the second involves the planned movement of some 4,000 American combat forces into Honduras for a period of several months.

Whether intended or not, these are war-like acts when taken in the context of the events now taking place in El Salvador and Nicaragua and the openly acknowledged and growing covert activities of our Government in the region.

The situation is fraught with dangers of the highest significance—and direct U.S. military participation now appears likely if events continue to move in the same direction we have seen in recent days and weeks.

These dangers must be illuminated for the American people and for the Congress. If American military personnel are to be put at risk in Central America—and if the policy of our Government is leading toward the possibility of open military conflict, then the time to assess these policies and their possible justification is now.

The Congress should not adjourn for the month of August with these major questions unanswered—and with the pattern of U.S. military activities suddenly escalating in Central America.

I am deeply concerned about possible future events in Central America and the lack of any clearly stated U.S. policy in this regard.

Let me indicate why I am so concerned.

First, the two U.S. military initiatives announced this week came as a complete surprise to those of us here in Congress.

Contrary to past practice, neither the majority nor minority leaders of the Senate were consulted or advised of these military initiatives prior to their public announcement. This also appears to be true for the House leadership on both sides of the aisle.

This lack of consultation with the congressional leadership is a sharp break from past practice extending back through many administrations of both parties. There is no explanation for this change.

With Congress alone having the power to declare war and appropriate all moneys for military and other purposes—lack of consultation of matters of this gravity shows a fundamental misunderstanding of the constitutional process and the institutional requirements of a governmental system of shared powers.

Here in the Senate, when major U.S. military initiatives are being undertaken in a region where hostilities are already taking place, it is imperative that the majority and minority leaders be consulted and advised.

Second, it is not clear how U.S. foreign policy is presently being developed and, in turn, carried out. Here there are two problems. There is great confusion about the policy process itself and there is a lack of a comprehensive understanding of exactly what our policy is and how it is being carried out.

As to the policy process itself we see a bewildering number of participants and activities with nothing to indicate overall coordination and a centralized control point. For example, at present we appear to have the following administration participants: First, a newly established Presidential Commission on Central America, headed by Henry Kissinger, that has been hurriedly assembled; second, a Special Presidential Ambassador to the region, Richard Stone who is busy traveling between Central American countries; third, a recent wholesale shifting of key U.S. diplomats stationed in Central American countries; fourth, Judge Clark, the President's National Security Adviser, who appears to be directly involved in the details of Central America decisionmaking; fifth, George Shultz, Secretary of State, the official normally thought to be in charge of U.S. foreign policy; sixth, Caspar Weinberger, who appears to be in charge of the naval flotilla and the combat forces going into Honduras; seventh, William Casey, who appears to be in charge of covert activities in Central America, and finally; eighth, President Reagan, who as President and Commander in Chief, did little in this week's news conference to provide any clear overall sense of our policy in Central America and where it is leading.

It is not clear to this Senator who in the administration is in charge—or if anyone is in charge. The appearance is one of confusion and overlapping initiatives and jurisdiction—with the clear lack of a well-coordinated unified direction to our Central American policy.

On Tuesday of this week, one of the administration's foreign policy advisers I just named who serves at the very highest level, was unable to answer a very important question from Senator GLENN. That question was whether the U.S. combat forces going into Honduras were being equipped with live ammunition—and orders to fire if fired upon. This official did not know the answer, and further did not seem to be knowledgeable of the critical need for such a determination prior to the authorized deployment of U.S. Armed Forces in turbulent settings.

Next I must express my strong apprehension about the recent named Presidential Commission on Central America.

I do not understand the need for such a group, and how its judgments can properly be substituted for the normal foreign policy decision process and judgments produced by a duly elected administration in consultation with the Congress.

The President of the United States is directly responsible for setting the direction of U.S. foreign policy in consultation with the Congress. The President cannot farm this job out to an ad hoc commission—it is both inappropriate and improper. This is so obvious that it gives rise to the suspicion that the Central America Commission may actually be a public relations ploy to obscure U.S. policy for the next several months and diffuse its public dissemination through a presumed arms-length and balanced public commission. While this Commission has a carefully crafted appearance of supposed bipartisanship and, according to

the President, is balanced equally with supporters and opponents of current U.S. Central American policy, it is, in fact, a stacked Commission, with persons generally supportive of current administration policies in Central America.

By contrast, when the Social Security Commission was earlier established by the Reagan administration, the Democratic leaders in the House and Senate were given a free hand in selecting the Democratic participants. In the Central American Commission, the Reagan administration selected the Democratic participants and informed the congressional Democratic leadership.

Moreover, the composition of the Central American Commission does not contain a single member who has an established record of opposition to administration Central American policy. These factors seriously impair this Commission before it even holds its first meeting.

The selection of Henry Kissinger to head the Commission is particularly unfortunate—and is a choice that I oppose and would strongly challenge if the avenue of Senate confirmation were open to me. The Commission appointment of Mr. Kissinger bypasses the Senate confirmation process, although I understand that Senator HELMS intends to convene hearings in an attempt to challenge Mr. Kissinger's suitability for this assignment. I hope Senator HELMS will persist with this effort.

Those of us who served in Congress during the Vietnam war period, remember it vividly, and Mr. Kissinger's role as the principal architect of the disastrous U.S. policy in Vietnam and Southeast Asia. A host of mistaken actions were taken at that time, and Mr. Kissinger was central to the development of these flawed policies, and actions and the widespread deception of the Congress and the American people. The secret bombing of Cambodia is one prominent example, which Mr. Kissinger and the Nixon administration deliberately concealed from the Congress and the American people. Certainly our enemies in Southeast Asia knew the bombing was occurring—so the secrecy at the time was to mislead the American people.

Mr. Kissinger's role in the wiretapping of American journalists during that period is another unacceptable part of his governmental activities in the past. I could add to this list, but books are readily available on this subject.

Putting Mr. Kissinger in charge of any portion of U.S. policymaking in Central America is a dangerous mistake.

The next cause for serious misgiving is the very nature of the turbulence and rising revolutionary pressures in South and Central America.

Repressive military oligarchies trying to preserve the wealth and power for themselves and a small privileged class are no answer to the massive poverty and social injustice that plagues that region.

People want constructive change and not a continuation of the status quo. Any ideology that plausibly identifies with this desire for fundamental change will attract support.

Our challenge, as Americans who represent a vastly different culture, and who speak a different language, is to relate ourselves and our values to the aspirations of the broad masses of Latin American people. It is a difficult task.

It means supporting new initiatives that directly challenge the status quo in Central and South America. This is inherently unattractive to ruling oligarchies who are our longstanding clients and nominal allies.

Such a condition is ripe for exploitation by other ideologies—including communism—who can ally with the masses against the status quo. If the United States can do no more than dig in on the side of the status quo, then we are surely facing the "big headache" down the road President Reagan referred to this week.

But the headache, if we stay on the present track, will be the need to inject more and more American force and money to prop up ruling oligarchies who cannot win the broad active public support of their own people.

American combat troops are not the answer in Central or South America anymore than they were in Southeast Asia. In fact, the presence of large numbers of uniformed U.S. military personnel on the ground in Central America will provide the greatest rallying cry that our ideological adversaries could ever dare hope for. We "Yankees" are not loved to start with in this region—and if we make the mistake of plunging in with military force—we will make every American soldier a target for those who can be motivated to fight to drive out the "outsiders" and topple the existing power structures we seek to maintain there. If we Americanize this conflict, we are certain long-term losers as I see it. And yet that appears to be the road we are on.

I do not believe the administration sees these risks, and seems to be moving to Americanize the conflict by design or inadvertence.

The logical course and the wisest course is to support the initiatives of other regional governments who are seeking to contain the conflict and settle it by some process of negotiation. If combat forces are needed, they should be regional forces, composed of personnel from the region itself. If the threat is not seen as serious enough to warrant such a mobilized regional effort by other nations in the area—then I question our own diagnosis of the problem and any possible notion that our national will and military force can adequately substitute for what may be lacking in the governments within the region.

This Central American problem must be solved by the parties in Central America, with the United States in a supporting role which deemphasizes U.S. military involvement.

It is also necessary to acknowledge another concern and that is the growing risk of an incident arising which could quickly escalate military events in Central America far beyond any prudent limit.

While the Tonkin Gulf incident may be up in the attic of the public memory, I remember how this alleged attack of a U.S. naval vessel became the basis for a massive U.S. military response in Southeast Asia.

We should be striving at this point to make such an incident in Central America as unlikely as possible. Unfortunately, the administration's actions are moving us in the opposite direction.

One can see how rival forces, or even our own allies who may feel their power slipping, would welcome a chance to help pull the United States more deeply into this quagmire for their own quite separate purposes.

Let me conclude this somber assessment by noting that the faith of the American people in our National Government has been deeply shaken by events in recent years. Vietnam, Watergate, Abscam, improper conduct by elected and appointed Federal officials, failure to deal effectively with epic economic change—have all taken their toll of public faith in our Government.

Today among the American people there is great apprehension about events in Central America and the degree to which the Reagan administration is prepared to involve the United States militarily in the region. We cannot afford to make a grievous national error on this issue.

We have enormous domestic challenges to deal with—and major international obligations as well. In that context, our Nation can and should play a constructive part in helping Central America and South America build a better future for its people.

As one who holds the Senate seat once held by Arthur Vandenberg, I, like him, am an internationalist and feel that our own long run strategic interests and our human values compel us to play an active and constructive role in world events, and particularly so in this hemisphere.

The message I believe our Government should send to the rank and file citizens of the Central American countries is that we deeply share their longing for a better life. We wish to

assist that basic human impulse in every constructive way we can. We are not defenders of the status quo or hostage to narrowly based oligarchies in the region. Neither are we imperialists nor do we seek to impose an American vision upon the people of Central America. We believe in genuine self determination and believe the people of Central America must determine their own future.

We are a Nation born out of revolution. We understand the aspirations of those who seek their own vision of justice for themselves and their children. Life is short and precious—and the yearning of the dispossessed and oppressed was the very heartbeat that brought the United States of America into being.

The tide of history is on the side of human rights and social justice.

Our entry into World War II, the Peace Corps, and the Alliance for Progress were national commitments that moved with that tide and were initiatives we can recall with pride.

Our neighbors to the south should know that here in America is an understanding and a deep respect of their aspirations.

If we here in positions of responsibility in our national government can discern the right steps and avoid the wrong ones, we can play a constructive role in Central America consistent with our heritage, our values, and our interests.

I believe we must change the course the administration appears to be taking in Central America, and we must call upon the American people to also speak out on this vital issue.

An aroused citizenry eventually changed American policy in Vietnam. If we draw upon that painful experience we can act now to change U.S. policy in Central America.

Mr. BYRD. I thank Mr. RIEGLE and I compliment him on his statement. Although I was by necessity called out of the Chamber I will read his statement with great interest.

Mr. RIEGLE. I thank the Senator.

I yield back the remainder of my time.

RECOGNITION OF SENATOR WILSON

The PRESIDING OFFICER. Under the previous order, the Senator from California (Mr. WILSON) is recognized for not to exceed 15 minutes.

S. 1707—COMPETITION IN TELEVISION PRODUCTION ACT

Mr. WILSON. Madam President, I am today introducing the Competition in Television Production Act, S. 1707. This bill will allow for continued vitality and diversity in the television production industry.

It is not startling news that the television industry is under great marketplace control of the three major commercial television networks. They have what some term oligopsony power—that is, the power that is exerted when there are only a limited number of large buyers in the marketplace.

The result of this situation, if left unchecked, is that the sellers of television programs would be subject to undue and unfair pressures by these networks.

There presently exist three rules, promulgated by the Federal Communications Commission in 1970, which have kept this situation in proper balance. They are known as the syndication rule, the financial interest rule, and the prime time access rule.

Together, they serve to insure that the networks act in a responsible, procompetitive fashion in arranging for the production and acquisition of television shows to be aired over their facilities out to their affiliates across the United States.

Prior to establishment of these rules, the networks were pretty much free to dictate the rules of television—free to produce their own programs, free to discourage competition in programming by refusing access to independent producers, free to provide daytime reruns only when and to whom they saw fit.

If the networks wanted to contract for the production of a new show with an independent producer, they did so holding all the cards. For if a producer balked at the terms of a deal offered, he had, effectively, nowhere else to turn. Yes, there are two other networks, but, by custom and for all practical purposes, if a producer were rejected by one network, the others would also bypass him.

With this power of an oligopsony, the networks were able to negotiate favorable deals which allowed for little profit to flow to the independent producers, keeping them small and few in number.

Without the rules, the networks were also able to freely choose when and to whom they would provide the rights for rerunning successful prime time shows. Not surprisingly, the networks tended to wait until the show had run during prime time for a very long time before doling out the most popular shows and tended to favor their own affiliates.

Should there be any doubt about what I have been telling you today, an assessment of what has happened since the enactment of the rules is instructive.

In the 1971-72 television season, when the FCC rules first went into effect, there were only 48 independent producers supplying programming for network prime-time exhibition.

By the 1981-82 season, the number had grown to 81.

In 1970, there were only 65 independent television stations in the United States. By 1982, the number had grown to 179.

Madam President, the networks have claimed before the FCC that they are losing their market power as buyers because of advancements in technology. They suggest that cable television, nonnetwork organizations, and the independent television stations today provide a large enough market to supply a serious alternative to the networks as buyers of television programming.

But the fact is that while change is definitely occurring in the marketplace, the time of equal bargaining power has by no means yet arrived.

The networks today draw over 80 percent of the prime-time audience. By their own projections, the networks will still be drawing 70 percent in 1990, 7 years from now.

Even if the networks are right about their market share in 1990, only 30 percent of the market will be outside their control—a badly fragmented 30 percent made up of small broadcasters fighting for the leftovers. The oligopsony would still be very much in control if these three rules were not retained by the FCC.

Madam President, I do not support Government regulation of the marketplace as a general rule because it tends to discourage free and open competition. In this case, however, without these FCC rules, competition will be strongly discouraged.

As in many other areas of our economy, in television, more is better. The rules have brought us more of everything. Today we have more programs created by more producers that can be sold to more stations than ever before. Television viewers are enjoying more choice because there is an ever-growing pool of competition and diversity.

While the rules have brought new life to television, the networks are now trying to snuff it out. They have joined their resources to convince the FCC to repeal the rules and, unfortunately, the FCC seems to be siding with the networks. An early decision on behalf of the networks is reportedly imminent.

Madam President, my bill would simply bar the FCC from repealing or modifying the existing rules prior to July 1, 1988.

Identical legislation has been introduced in the other body by my colleague from California, Congressman HENRY WAXMAN. That bill, H.R. 2250, enjoys bipartisan support and cosponsorship of 115 Members of the House. It is scheduled for hearings in the near future.

In 5 years, Madam President, we will be in a position to better assess net-

work dominance in the television industry. If the industry is then truly competitive, the rules can then be repealed.

I do not contend for one moment that these rules should be cast in stone or that they should last forever. I do strongly contend that they are needed today and for these next few years not only for healthy competition but also to assure a ready flow of information and entertainment to the public from diverse sources.

Repeal would restore the encompassing commercial power of the networks, a control that has been only slightly diminished in the last decade. Frankly, it would drive a lot of small, fledgling, independent companies right out of business.

Madam President, I ask for the support of my colleagues for this important legislation and its early consideration by the Commerce Committee.

Madam President, I ask unanimous consent that the bill and a description of the issues underlying this matter, in question-and-answer form, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1707

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Competition in Television Production Act".

SEC. 2. In order to maximize competition in the television broadcasting marketplace and to promote diversity of programming sources for the public, the Federal Communications Commission shall not have authority to take any action before July 1, 1988, to repeal, amend, or otherwise modify the provisions or applicability of any of the following:

(a) section 73.658(j)(i) of title 47, Code of Federal Regulations (commonly known as the "Syndication Rule"; 23 F.C.C. 2d 382);

(b) section 73.658(j)(ii) of title 47, Code of Federal Regulations (commonly known as the "Financial Interest Rule"; 23 F.C.C. 2d 382); and

(c) section 73.658(k) of title 47, Code of Federal Regulations (commonly known as the "Prime Time Access Rule"; 23 F.C.C. 2d 382).

QUESTIONS AND ANSWERS

Q. What are the "financial interest and syndication rules"?

The financial interest rule prohibits the three major commercial TV networks (ABC, CBS and NBC) from acquiring a stake in the revenues generated by a program produced by a non-network producer.

The syndication rule prohibits the networks from controlling the syndication rights to any TV programming.

Together, these rules prevent the networks from controlling the sale or licensing of TV programs after the shows have completed their network run.

Q. Why did the FCC adopt these rules?

In the late Sixties, the FCC took a long, hard look at the relationship between the three major TV networks and program producers, as part of an overview of network practices.

The FCC found that a number of factors had conspired to limit American television to three networks. Moreover, these three networks had taken almost complete control of the programs they aired. The networks' power over the program production industry also restricted what shows were available to their competitors, independent (non-affiliated) TV stations.

Unless producers could sell their shows to one of the three networks, the FCC discovered, access to the prime-time TV audience was all but impossible. And when producers negotiated with the networks to sell their programs, producers were placed in a very unequal bargaining position.

The networks represented an oligopsony (i.e., a small number of buyers confronting a large number of potential sellers). Various demands placed on producers by the networks, and the conflict of interest inherent in network ownership of the programs they aired, harmed competition and reduced the choices available to the viewing public, the FCC concluded.

To remedy the situation, the FCC passed the financial interest and syndication rules in 1970. Several years later, the Justice Department pursued antitrust suits against the three networks, charging them with predatory practices which included the very abuses the FCC's rules are intended to curb. The Justice Department reached consent decrees with each of the three networks between 1978 and 1980 which incorporated these rules.

Q. Have the rules really improved diversity and competition in TV programming?

Let's look at the numbers.

One of the most important effects of the rules has been the creation of additional non-affiliated TV stations known as "independents". By reducing the networks' ability to restrict programming available to independents, the rules have allowed independents to acquire more attractive programming and to build larger audiences. Healthy independent TV stations mean more outlets for original programming, popular reruns, and community service programs.

In 1972, just after the rules were passed, there were only 73 independent TV stations in 38 markets nationwide. Since the rules have been in effect, independent TV has boomed . . . today there are some 179 independent stations serving 86 markets coast to coast.

The rules have also brought new faces into program production. More and different program producers are now creating programs both for the networks and for syndication. In 1970–71, only 48 different producers were represented in network prime time. By 1982, 81 producers were creating prime-time programs. In 1971, only 122 program distributors were active. By 1981, 184 distributors were providing programming to local network affiliates and independents alike . . . a 51-percent increase.

And, there are changes that can't be measured by numbers alone. The rules have placed those who create and produce shows for the networks in an improved bargaining position. They can place their programs on the networks without giving up their just rewards from future sales. They can build the financial independence which allows them to produce innovative programming for all parts of the broadcast day. They can try more new ideas with less creative interference. And they can turn to independent stations and other alternative outlets to run shows which might not interest the networks, including a variety of mini-series and special audience programs.

All this means more competition, more diversity, and more choice for the viewer.

Q. But the networks are saying that unless these rules are lifted, there'll be no more "free TV". . .

That's not quite right. If the rules are repealed, there may be no more competition in advertiser-supported TV. But the networks will clearly remain the dominant outlets for video programing for a long, long time.

First, it's important to realize that the financial interest and syndication rules have *no* practical effect on the networks' ability to acquire broadcast rights in any programming other than entertainment series and specials. Thus, the networks' suggestion that the rules somehow prohibit them from bidding for the rights to major sports events or feature films is disingenuous.

Second, the networks remain dominant in every sense of the word. Today, the networks continue to draw over 80 percent of the total prime-time audience. That's down several points from 1970, and that loss is largely attributable to new-found competition from independent TV stations. But reduction in the networks' total prime-time audience will remain very gradual . . . CBS estimates the networks will still have 70 percent of the prime-time audience in 1990, an audience that will have grown in real numbers.

The rules certainly are causing no measurable financial harm to the networks. As CBS said in a recent study, "For the foreseeable future, at least, network television will continue to be the predominant national advertising medium." Indeed, the networks are looking at a "six billion dollar year" for 1982. And network profits have climbed precipitously during the years the rules have been in effect . . . a 550 percent rise between 1970 ($50 million) and 1980 ($375 million). In that same period, the networks' share of all television profits has increased from 11 to 20 percent.

Q. The networks also say all those "new media", such as cable and pay TV, are going to destroy them. Is this true?

The "new media" are coming, but for most Americans, advertiser-supported broadcast TV is still the sole or primary source of video programming.

Only 34 percent of American households have access to cable. Less than 10 percent currently subscribe to any form of pay TV. Only five percent of TV households have videocassette players. And most of the other "new media", such as direct broadcast satellites and low-power TV, won't be with us for several years.

How competitive will these new media be? ABC projects that even by 1990, broadcast revenues will still greatly outstrip all other media. Basic cable revenues will equal about seven percent of broadcast revenues, and pay cable 14 percent.

And there's one other thing the networks haven't been very open about . . . they are among the heaviest investors in pay television. Consider: All three networks have major interests in cable programming networks. CBS has applied for direct broadcast satellite authorization, as has NBC's parent corporation, RCA. ABC will soon enter the subscription TV market. If anything, this indicates the networks are very healthy financially, and intend to retain their dominance in the media market of the future.

Q. If the rules were eliminated, what could the networks do that they can't do now?

The networks could use their dominant bargaining position against program producers to demand an inordinate share of program revenues, even when the networks themselves haven't put any money at risk in producing the programs. Producers, who must often deficit-finance their productions, could be deprived of any chance at a fair return on their investment. They would again he reduced to little more than employees of the networks, with all the creative inhibitions that entails.

By taking over syndication rights to off-network programs, the networks could constrict the flow of such programs. This would hurt independent TV stations, which often use these programs to build large audiences. Moreover, the network could be expected to favor their affiliates over their competitors in deciding who would get the rights to a syndicated program in a given market. This, too, would make independent stations less competitive.

If the networks can take a financial interest in programming they produce, will they suddenly begin to serve special audiences? Not likely. The networks have been allowed to produce a substantial number of hours per week of entertainment and information programming, and then sell off the syndication rights to the highest bidder. NBC has done this with "Little House on the Prairie" and "Father Murphy" for example. But even with this freedom to produce, the networks have done little or nothing to serve minority, handicapped, children's, and other special audiences. There is nothing to indicate the networks would be any more inclined to serve these audiences even if the rules were lifted.

Q. What are other concerned groups saying to the FCC on this issue?

Action for Children's Television, a national organization of concerned parents, told the FCC the rules have encouraged the development of independent TV stations and of multiple programming services. ACT criticized network "indifference" and "backsliding" on children's television, and noted that limited public access to new media requires retention of the rules to encourage competion.

The National Institute for Low-Power Television, representing new would-be competitors in the video marketplace, told the FCC that repeal was premature, and that the rule was needed to maintain "an economic environment in which LPTV and other emerging technologies can compete and survive".

The United Church of Christ and the National Council of Churches, through their counsel, Media Access Project, termed the rules "a modest, self-enforcing, structural approach" to problems inherent in the network system. The rules "protect the public's right to receive diverse and competing ideas in its television programming" by "insulat(ing) creative competition from the possible effects of (network) power".

People for the American Way and Black Citizens for Fair Media, joined by various church groups, observed that "there is no evidence whatsoever that the financial interest and syndication rules have undermined the programming abilities of the networks or the nation's television stations."

The National Association of Black Owned Broadcasters, a trade association representing the interests and concerns of black broadcasters throughout the United States, said "(T)here is nothing in the record of programming production by the networks which would suggest that repeal of the rules will create any new diversity of programming, particularly for minority audiences. The networks have consistenly adopted a policy of programming designed for attracting the largest number of total viewers without regard to the tastes and interests of minority audiences. Repeal . . . would only permit the networks to continue this manner of programming on a larger scale".

Women in Film, a non-profit organization comprised of qualified professional women in the entertainment industry, said, "Elimination of the rules will mean that the profits and program ownership (which WIF's producer members can only acquire from putting their personal or business finances at risk) will now have to be shared with the networks who don't assume such risks." WIF said current levels of network interference with casting and the creative process would only worsen with repeal. "(T)he . . . rules serve the purpose for which they were intended. (I)ndependent producers have become stronger and their numbers have increased over the years that the rules have been in force. As a result the quality and variety of progrmming has also increased both in terms of its creation for network telecast and its subsequent availability for independent syndication."

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business that will not last past 12 noon, during which time Senators may speak for 5 minutes each.

AMENDMENT NO. 2106 TO THE CONFERENCE REPORT ON H.R. 3069

Mr. MATHIAS. Madam President, I send to the desk an amendment to an amendment of the House to an amendment of the Senate accompanying the conference report on H.R. 3069, a bill making supplemental appropriations for the fiscal year ending September 30, 1983, knowing that that conference report is not yet in the Senate but hoping that this amendment could be held at the desk so that other Members could be familiar with it at the time the conference report does arrive here.

Madam President, this is an extraordinary amendment for an extraordinary situation. I recognize that this amendment could delay final passage of the supplemental appropriations conference report, but I only offer it because there seems to be no other alternative.

On March 30, 1983, the Office of Personnel Management proposed a series of regulations affecting dramatic changes in the civil service, including implementing a pay-for-performance plan through the Federal work force, diminishing the importance of seniority in a reduction in force, and providing guidelines for what is negotiable in a collective bargaining setting.

The Governmental Affairs Subcommittee on Civil Service has held four hearings on these proposals and on related legislative alternatives. The hearings surfaced very serious problems with the regulations. In the first place, the proposals were to be applied to the entire work force, without any prior testing or experimentation as to their efficacy. In fact, the currently operating governmental system, the one system which incorporates some of features of these regulations, which is the merit pay system, I think has to be characterized as a dismal failure. So if that is the testing ground for these regulations, it is not a very hopeful outlook.

Second, the proposals constitute the most far-reaching changes to the civil service since the enactment of the Civil Reform Act of 1978, and yet they are being accomplished through regulation and not legislation.

Third, the proposals have been categorized by almost every party as being unfair and extreme.

As a result of the hearings, Senator STEVENS, chairman of the subcommittee, has drafted legislation which authorizes a portion of the regulations to be tested on 10 percent of the work force for 3½ years. That is a reasonable approach, it is a rational approach, and it is fair approach. Make a test. See how they work. Do it over a long enough time to make sure that we understand just exactly what is happening.

The Stevens legislation has the support of virtually all the Federal employee groups plus the General Accounting Office, the agency of the Congress which is supposed to look closely at matters such as this.

During the same period, the House added a provision to the supplemental bill which the Senate adopted prohibiting the March 30 regulations from going into effect. However, 2 weeks ago the Office of Personnel Management scrapped their earlier set of regulations and proposed a new set with a 30-day comment period. While the new regulations alleviate some of the more onerous problems of the first set, they are still fatally flawed for the same reasons I mentioned previously.

The problem we now face and the reason for my amendment is that the prohibition in this bill does not cover the new, second set of regulations, and it is very likely they will be issued in final form and implemented prior to our return from the recess. That is what creates the urgency. This bill is the last opportunity to even delay these proposals from becoming effective.

It is not to repeal them, not to block them permanently, but just to delay them from becoming effective.

We are currently working on legislation incorporating the concepts of the proposals and will probably have it

before the full Senate sometime in September.

I think it far wiser to consider these massive changes legislatively than through an almost unchecked, unrestrained regulatory process, the very embodiment of big Government at its worst. This amendment simply delays the carrying out of the proposals until after September 30, 1983. That is not a great deal to ask. It seems to me it is the minimum that is prudent.

Madam President, this is a concept which has been considered and thought about by a number of Members of the Senate besides myself. I have already mentioned the hearings which have been conducted by the Senator from Alaska (Mr. STEVENS), and the great concern this subject has given him. I am joined in this amendment by the Senator from Maryland (Mr. SARBANES), the Senator from Tennessee (Mr. SASSER), the Senator from New Mexico (Mr. BINGAMAN), the Senator from Missouri (Mr. EAGLETON), the Senator from Virginia (Mr. TRIBLE), the Senator from Ohio (Mr. GLENN), the Senator from North Dakota (Mr. BURDICK), and the Senator from Virginia (Mr. WARNER).

Look at the spread—Senators from every part of the country from both parties expressing through this amendment their concern over what can be done to the Federal work force as a result of regulations arbitrarily issued without the kind of testing which is normal in personnel practice in every kind of large organization in this country.

I wanted to offer this amendment early before the conference report is before the Senate so that all Senators would be on notice of the problem and of the proposed solution. I hope that Senators will pay close attention to this issue, which is a primary responsibility of the Senate, and will approve the amendment. In the alternative, of course, the President could himself voluntarily delay the implementation of these regulations which would be, I think, much appreciated by Members of the Congress. The House has already spoken on this issue, though their efforts have been blocked by the new set of regulations.

I think it would be an act of restraint on the part of the Executive that would be appreciated in the Congress, I am sure, and by every member of the civil service whose lives can be so much affected.

Madam President, I make the point of order that a quorum is not present. I withhold that point of order.

● Mr. BINGAMAN. Mr. President, I strongly support the amendment offered by Senator MATHIAS. The amendment will prohibit the implementation of the revised regulations proposed by the Office of Personnel Management (OMB) and published in the Federal Register on July 14, 1983. I am a cosponsor of the amendment and I urge my colleagues to join me in support of this necessary action.

The amendment is a technical correction. The conference agreement on H.R. 3069, the supplemental appropriations bill for fiscal year 1983, already contains a provision which prohibits the implementation of the earlier set of regulations which OPM issued on March 30, 1983. The earlier regulations were superseded by the new July 14 proposals. This amendment is needed in order to change the already agreed to language to reflect the fact that the old regulations have been withdrawn and new regulations issued.

The revised July 14 regulations, although slightly revised, are very similar in substance and purpose to the previously issued and subsequently withdrawn March 30 regulations. I opposed the March 30 regulations for a number of reasons. I also sponsored legislation, S. 1385, a bill to prohibit the implementation of the March 30 regulations. I must also oppose the July 14 proposals.

The revised regulations, like the old proposals, would: First, extend yet-to-be-perfected merit pay principles, now only applicable to mid-level managers, to the entire Federal work force; second, revise reductions in rules making it easier to dismiss older employees and veterans; and third, greatly limit the scope of collective bargaining rights to Federal employees.

I believe the proposed regulations amount to drastic and uncalled-for cutbacks in Federal employee benefits and protections. They have not been carefully analyzed and are not supported by up-to-date empirical data and documentation. Clearly, proposed changes of this magnitude, which are extremely controversial and will literally impact upon each of the more than 2 million Federal workers, should not be hastily considered in the context of regulatory changes. Instead, such major changes should be considered in the scope of legislative changes by the proper committees of Congress.

The Civil Service, Post Office, and General Services Subcommittee, of which I am the ranking minority member, has held several days of hearings on these regulatory changes. The testimony received has raised very serious questions regarding the purpose, impact, and even the legality of these changes. The General Accounting Office (GAO) has determined that the proposed "Performance Based Incentive System" proposed by OPM in both the old and new regulations is illegal and could not be implemented without appropriate legislation. Although OPM has chosen to ignore these findings, the GAO opinion is binding upon the executive branch since it involves the expenditure of Government funds.

OPM argues that the new regulations are extensions of the Civil Service Reform Act. However, the changes made CSRA were accomplished by legislation and were experimental in nature. The changes were to be carefully analyzed and evaluated. According to the evidence compiled, the impact of many of the Reform Act personnel changes have produced questionable results.

According to GAO, the merit pay system now in effect for managers and supervisors, GS-13 through 15, has been met with great employee opposition, inconsistent results from agency to agency without any improvement in productivity, and a variety of administrative problems.

In an effort to address these and other concerns, the Civil Service Subcommittee, chaired by Senator STEVENS, is actively considering a legislative solution to this issue which will produce positive changes.

I am confident that with the cooperation of the administration and others involved, a legislative solution can be achieved. In order to allow time for the completion of the subcommittee action, however, it is necessary to block implementation of these regulations.

I urge my colleagues to join me in support of the amendment.●

THE IMPACT OF DRUGS ON AMERICA'S PRODUCTIVITY

Mrs. HAWKINS. Madam President, drug abuse is now so widespread among children and adults that a May 17, 1983, special report of U.S. News & World Report found that it threatens to sap the Nation's strength at a critical juncture in its history.

The special report revealed that millions of Americans—from children in schoolyards to computer analysts in California's Silicon Valley, and stockbrokers on Wall Street—are turning on to all kinds of pot, pills, and powders, giving the United States the highest rate of drug abuse of any developed country on the globe.

The United States is carrying this burden as it struggles to hold its own against unprecedented scientific, technological, and economic challenges not only from the Soviet Union, but also from Japan and American allies in Western Europe.

Industry is losing as much as $25 billion a year as a result of employees who snort, swallow, inhale, or inject illicit substances. The toll takes the form of slowed productivity, absenteeism, lateness, and irrational decisions.

In 1962, only 4 percent of adults age 18 to 25 had ever smoked marihuana, or pot. By last year, that figure had risen to 64 percent. Among the 182.5 million Americans age 12 or older, more than 57 million—31.3 percent—

had tried marihuana. With cocaine, the picture is similar. Two decades ago, only a small fraction of the populace had encountered it, let alone used it. By last year, some 22 million people had done so.

Among adults 26 and older, about 8.4 million have smoked pot and 1.5 million have taken cocaine in the last month, according to the latest Government figures.

The growth of U.S. productivity has been lagging behind that of other major industrial nations, none of which has a drug problem as serious. Between 1967 and 1981, America's manufacturing output advanced 39 percent. In the same period, Japan's leaped 209 percent, France's climbed 98 percent, West Germany's 90 percent, and Britain's, 57 percent.

Though drug abuse is far from the only problem afflicting U.S. industry, it plainly is throwing sand in the Nation's industrial engine. Marvin Leonard, vice president of the New Orleans-based Pendleton Detectives, Inc., estimates that 30 percent of the U.S. work force uses drugs. "Almost any field we go into, we can find a problem," he reports.

An official of the U.S. Health and Human Services Department says HHS's $25 billion estimate of annual industrial losses is conservative.

Dale Masi, head of HHS's employee-counseling services, explains: "The estimate does not include hidden costs such as disability pay, workers' compensation, and loss of coworkers' and supervisors' time."

In Houston, a division of the National Supply Co. was hit a year ago with a decline in output and a rise in absenteeism, stealing, and discipline problems. Drugs were the cause. After a 6-month probe, police and company officials raided a drug deal in progress on the company parking lot with sirens blaring and lights flashing. Twenty-one employees were fired. Drug use plummeted. Within a week, minor injuries were cut in half, and efficiency rates jumped 20 points. Pilferage and absenteeism also declined.

The bigger the company, the bigger the potential problem. Roger Smith, chairman of General Motors, has said that absenteeism, much of it due to drug and alcohol abuse, costs the corporation a billion dollars a year. Among other problems GM has found: a hoist operator admitted being so stoned that he dropped cars he was lifting from one point on the production line to another. The cars had to be scrapped, and thousands of dollars were lost.

Even the nuclear industry has been affected. In California, a group of former workers disclosed 2 years ago that after smoking pot, they and others did shoddy repairs on the steam generator of a San Onofre nuclear reactor. A Nuclear Regulatory Commission spokesman said their work was corrected and no permanent damage done. Even so, he admitted that "no doubt there is a cost."

In many fields where creativity is at a premium—from the high-tech computer world to the Hollywood film-and-music realm—cocaine is the drug of choice. People get the feeling that "I can do anything better on coke."

Tests show just the opposite. Cocaine produces real impairment—rapid heart rate, raised blood pressure and, if used regularly, symptoms similar to schizophrenia.

In Hollywood, a press agent for several well-known entertainers discounts stories about films being ruined because stars are spaced out on drugs. But he says: "Sometimes actors come to work coked out, and that halts production. They are sent home. The film is shot around them, and they do their part later."

Surely, Madam President, this Nation is in a crisis. We hear about it daily. We are in a crisis for the present and in a crisis for the future. Surely, this body should stop all that it is doing and examine the impact of drugs on America's present and future.

I thank the Chair.

Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Assistant Secretary of the Senate proceeded to call the roll.

Mr. WARNER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. COCHRAN). Without objection, it is so ordered.

LT. COL. GLENN C. PECK

Mr. QUAYLE. Mr. President, on July 31, 1983, Lt. Col. Glenn C. Peck will culminate a distinguished career in the U.S. Air Force when he retires at Wright-Patterson AFB, Ohio after over 20 years of dedicated service. Lieutenant Colonel Peck was ordained as a Southern Baptist Minister in 1981 and upon his retirement, will redirect his life to the service of his fellow man with his full time entry in the Baptist ministry.

Lieutenant Colonel Peck was born October 18, 1941, in Liberty, Ky. He was raised in Indiana and graduated from Paris Crossing High School, Paris Crossing, Ind. on April 22 1959. He attended Purdue University and received his commission as a distinguished Air Force Reserve Officer Training Corps (AFROTC) graduate, as well as a bachelor of science degree in industrial education in 1963. He is married to the former Connie J. David of Columbus, Ind. and has three children, Carmen, Karen, and David.

Following his commission, he served in the Ballistic Systems Division at Norton AFB, Calif. and then was assigned as the Chief of Maintenance for the 6980th and 6984th Security Squadrons in Alaska. In 1968, he was assigned to Kelly AFB, Tex., where he served as Chief, Plan and Programs Division in the Telecommunications Directorate. In 1973 he completed graduate school at Western Kentucky with a master as assistant professor of aerospace studies at the University of Kentucky. Following this assignment, he attended Air Command and Staff College, in residence, and was assigned to the 1931 Communications Group, Elmendorf, Ala., as Chief of Maintenance. Lieutenant Colonel Peck assumed his present duties as Chief of the Advanced Communications Electronics Requirements Division at Wright-Patterson AFB in August 1980.

I want to congratulate this fine officer on his retirement and wish him Godspeed in his new endeavors in the ministry.

ATLANTIC COUNCIL POLICY PAPERS

Mr. WARNER. Mr. President, I ask unanimous consent to have printed in the RECORD a recent publication by the Atlantic Council on Arms Control. This document is entitled "Policy Papers." It has been prepared by a working group of some 40 noted experts under the chairmanship of Gen. George M. Seignious.

Although I do not profess to agree with all of the conclusions reached therein in my own private study, I have found it to be a very helpful document relating to the arms control debate now ongoing across our Nation and, indeed, throughout the world.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE ATLANTIC COUNCIL OF THE UNITED STATES POLICY PAPERS

FOREWORD

During the past year, members of the Board of Directors of the Atlantic Council have expressed concern about deteriorating relationships within the Atlantic Alliance, including U.S.-European differences over policies toward the Soviet Union, especially on arms control, and on trade and credit, as illustrated by the gas pipeline controversy. Strong public pressures in this country and abroad with regard to the nuclear arms race and various freeze proposals have tended to polarize views and obscure the need to maintain NATO's cohesion and the effectiveness of its military deterrent.

Although formal negotiations with the Soviet Union are in progress in several arms control fora, differences remain within as well as among various members of the Alliance—most of whom are undergoing political change or turmoil in a bad economic environment.

Accordingly, the Council developed this study on the relationship of arms control and economic policy to the cohesion and security of the NATO Alliance jointly with the International Economic Studies Insti-

tute. Its president, Dr. Timothy W. Stanley, served as rapporteur of an expert Council Working Group under the chairmanship of Lt. General (Ret.) U.S. Army George Seignious, a former Director of ACDA. The membership is listed on page 7.

Although agreement on all points is hardly to be expected in a group of diverse experience and viewpoints, this policy paper does reflect a consensus in its main lines of reasoning and in its broad conclusions.[1] But no member necessarily concurs with every formulation or argument it contains. The group agrees that the polarization which has accompanied recent developments calls for a "centrist" approach, combining both security and arms control considerations; and they have collaborated to that end by their willingness to negotiate or submerge differences of opinion. Some specific points of emphasis or dissent are reflected in comments by Working Group members at the end of this report.

The Council is thus pleased to publish this Policy Paper on behalf of the Working Group as a valuable contribution to public understanding of critical current issues. It gratefully acknowledges the contributions of Chairman Seignious, the individual members, and Dr. Stanley as rapporteur. I also wish to thank Christopher Manning, assistant for international affairs at the Institute, and especially Colonel James Motley (USA), senior fellow at the Council, for valuable substantive contributions to the research that went into this effort, including the appendices.[2] Special appreciation is due to the officers and staffs of both the Council and the Institute for their hard work in producing this Policy Paper under the pressure of deadlines. Finally, we are all deeply grateful to the Carthage Foundation, the Rockefeller Foundation, the Dreyfus Corporation, and the NATO Information Service for their support which made this project possible. Those institutions, of course, bear no responsibility for the final product.

KENNETH RUSH,
Chairman,
The Atlantic Council of the United States.

MEMBERS OF THE COUNCIL WORKING GROUP ON ARMS CONTROL

Chairman: George M. Seignious II, Lt. General (Ret.) U.S. Army, former Director, Arms Control and Disarmament Agency, and President, The Citadel.

Project Director: Francis O. Wilcox, Director General, Atlantic Council; former Assistant Secretary of State and Dean, SAIS, Johns Hopkins University.

Rapporteur: Timothy W. Stanley, President, International Economic Studies Institute; former Minister, U.S. Mission to NATO and ACDA Representative at MBFR negotiations.

Assistant Rapporteurs: Christopher Manning, Assistant to the President, IESI, for international affairs, and James B. Motley, Senior Fellow, Atlantic Council.

Members

Donald G. Agger, President, DGA International Inc.

Madeleine Albright, William H. Donner Professor of International Affairs, Georgetown University, former Staff Member, National Security Council.

Jacob D. Beam, U.S. Ambassador, retired.

George S. Blanchard, former Commander-in-Chief, U.S. Army Europe, and Commander, NATO Central Army Group.

Barry M. Blechman, Vice President, Roosevelt Center for American Policy Studies.

Robert R. Bowie, Professor of Government, Harvard University.

L. Dean Brown, President, Middle East Institute; former U.S. Ambassador.

Anne H. Cahn, Executive Director, Committee for National Security, former Chief, Social Impact Staff, Arms Control and Disarmament Agency.

Arthur Macy Cox, Writer specializing in Soviet affairs; former CIA official.

Robert F. Ellsworth, Consultant; former U.S. Ambassador to NATO and Under Secretary of Defense.

Henry H. Fowler, Partner, Goldman Sachs & Co.; former Secretary of the Treasury.

Curt Gasteyger, Professor, Graduate Institute for International Studies, Geneva.

Andrew J. Goodpaster, former Superintendent, U.S. Military Academy and former Supreme Allied Commander, Europe.

John P. Hardt, Senior Specialist, Congressional Research Service, Library of Congress.

Townsend Hoopes, former Under Secretary of the Air Force.

William G. Hyland, Senior Associate, Carnegie Endowment for International Peace, former NSC Staff.

U. Alexis Johnson, U.S. Ambassador Retired, former Under Secretary of State and Chairman, U.S. SALT Delegation.

Richard F. Kaufman, Assistant Director, Joint Economic Committee, U.S. Congress.

Eugenia Kemble, former Atlantic Council Senior Fellow.

Robert Komer, former Under Secretary of Defense and U.S. Ambassador.

Lyman L. Lemnitzer, former Supreme Allied Commander, Europe; Chairman of the Joint Chiefs of Staff.

George C. McGhee, former Ambassador to Turkey and Germany, and Under Secretary of State for Political Affairs.

David E. McGiffert, Partner, Covington & Burling, former Asst. Secretary of Defense.

R. Daniel McMichael, Secretary, The Carthage Foundation.

Robert S. McNamara, former Secretary of Defense, and President, World Bank.

John Newhouse, author.

Robert E. Osgood, Christian Herter Professor of American Foreign Policy and former Dean, Johns Hopkins School of Advanced International Studies.

Donald A. Petrie, Partner, Lazard Freres & Co.

Robert Pfaltzgraff, Jr., Professor, Fletcher School, and President, Institute for Foreign Policy Analysis.

Myer Rashish, President, Rashish Associates, Inc., former Under Secretary of State for Economic Affairs.

Jeffrey Record, Senior Fellow, Insitute for Foreign Policy Analysis.

Stanley R. Resor, Attorney; former Secretary of the Army and former head of U.S. MBFR Delegation.

Nathaniel Samuels, Chairman, Advisory Directors Board, Lehman Bros Kuhn Loeb Inc.; former Under Secretary of State.

Brent Scowcroft, former Assistant to the President of the U.S. for National Security Affairs.

Joyce Lasky Shub, Director European Studies Program, The American Enterprise Institute, former Professional Staff Member, Senate Foreign Relations Committee.

Dimitri Simes, Director, Soviet and East European Research Program, SAIS, Johns Hopkins University.

Stanley Sloan, Senior Specialist, Congressional Research Service.

Frank A. Southard, Jr., former U.S. Executive Director and Deputy Managing Director, International Monetary Fund.

Ralph I. Straus, Director, Atlantic Council; former State Department adviser.

Darnell M. Whitt II, former Executive Director, Committee of Nine; former Member of the U.S. Mission to NATO.

Joseph J. Wolf, former U.S. Minister to NATO.

Ex Officio Members: Theodore C. Achilles, Vice Chairman, Atlantic Council, Martha C. Finley, Assistant Director General, Atlantic Council, Joseph W. Harned, Deputy Director General, Atlantic Council, Kenneth Rush, Chairman, Atlantic Council.

Senior Fellows: James B. Motley, Colonel, U.S. Army and Alfred D. Wilhelm, Lt. Colonel, U.S. Army.

Project Assistants: Kathryn M. Coulter, Assistant to the Director General, Atlantic Council, Lois Lynch, Executive Secretary to the President, IESI, and Albert P. Toner, Editorial Consultant, IESI.

PREFACE

Since this project was started in the spring of 1982, there has been substantial movement in the subject matter, much of it in a desirable direction, for example the lifting of pipeline sanctions and some greater flexibility on the part of both sides with respect to arms control negotiations. We have tried to reflect such developments in the paper. But even subsequent to the final meeting of the Working Group on January 11, 1983, there have been major flurries of publicity and propaganda on the intermediate-range nuclear force (INF) negotiations. The group recommended, although not unanimously, maintaining NATO's commitment to deploy INF missiles unless a satisfactory alternative solution can be negotiated but not treating the "zero" option as an all-or-nothing proposition. One of our main concerns was not to undercut the agreed Western negotiating position. In the State of the Union message, President Reagan himself stated that the United States is "prepared to carefully explore serious Soviet proposals," while U.S. chief negotiator Paul Nitze said that the U.S. "is certainly not locked into zero option."

Meanwhile the Soviets have mounted a major propaganda effort focusing on Germany with an eye to the March 6, 1983 elections. Various European leaders have suggested an interim accord and the Soviets have returned to a posture of mixing implied threats (e.g., to withdraw from the START negotiations) with promises, e.g., to reduce the number of their SS-20s. One clear lesson that emerges is the difficulty of negotiating in the full glare of public opinion. One must hope that at least after the German elections, if not before, both sides will settle down to serious negotiations looking to realistic results during 1983.

Despite all the furor, the basic facts remain: the Soviets have and continue to add to an overwhelming advantage in medium-range theater missiles which NATO has unanimously agreed should be countered by some American missiles, either the plan approved by NATO in December 1979 following requests by the Europeans themselves, or a satisfactory negotiated alternative. This may well have to occur over a period of time and in stages as a part of a dynamic process.

The Reagan Administration has recently anticipated two of our recommendations: to give greater weight to allied opinion, which was one of the purposes of Vice President

[1] Footnotes at end of paper.

Bush's European trip in January, and to strengthen U.S. information programs, now to be undertaken by a special task force appointed by the President.

I hope that our study will contribute to the forward-looking approach to arms control which we believe is needed, and highlight the need to "close the gaps" described in the paper.

GEORGE SEIGNIOUS,
Chairman,
Arms Control Working Group.

March 1, 1983.

CONCLUSIONS AND RECOMMENDATIONS

The Alliance

The security threat to NATO remains real and it is increasing by virtue of the Russian military buildup in both strategic and theater nuclear power and in conventional forces, which clearly surpasses reasonable Warsaw Pact security needs. It is not reassuring that this buildup has been accompanied by a major Soviet propaganda effort against all Western countermeasures.

The Russians have long sought to divide Europe from the United States and de-link America's strategic deterrent from applicability to Europe, whether by their military strength, compartmentalized arms control negotiations, or campaigns to confuse and manipulate public opinion and exploit Western divisions. If those efforts should succeed, the long-term correlation of forces would indeed shift in the Soviets' favor—perhaps decisively in the case of Europe. Finlandization—or worse—would then become a real possibility there. Although perhaps less immediately affected, the United States would also find itself badly weakened in the global contest with the Soviet Union: on many issues we would lack the support of the only large powers, other than Japan, that carry real political, economic, and military weight, and represent moral force as well, in the legitimacy of their democratic systems.

In such circumstances, European lack of confidence in America's commitment to its defense would feed on itself, leading to neutralism and to lagging defense efforts there which would stimulate American impatience and neoisolationism, and perhaps end the Alliance as an effective and credible factor in international security. The prospects for a viable peace, and for European independence from Soviet influence, would then rest on the fragile hope that the Soviet Union, reassured by the devaluation of the "threat" it perceives from NATO, would moderate its own behavior toward the West. Nothing in the history of the Soviet Union offers much support for such a hope. But there is ample evidence that the Soviet Union will back away from undue risks and negotiate seriously with a strong opponent. It clearly repects the power of the alliance between Europe and North America which is has long sought to divide.

Maintaining the Alliance is a clear prerequisite for continued independence and a secure peace. This requires continued major deployments of U.S. ground, air, and naval forces in Europe, a solution to the theater missile imbalance, continued modernization and improvement of NATO's conventional forces, with respectable but politically manageable levels of efforts by the Europeans themselves. Above all, it calls for the political framework of Alliance cohesion necessary to support the economic sacrifices involved in this defense effort.

There is, in other words, a "core" to the Alliance which is essential to all parties but which disputes over other issues have eroded somewhat. Some of those issues are directly related to security, such as strategic trade controls and, in the view of some, the Siberian gas pipeline because of the greater European dependence of Soviet energy sources. Others are more on the periphery, including assorted East-West Trade issues which are exacerbated by the current economic malaise, and conflicting approaches to Third World problems.

It is too much to expect that an alliance so subject to conflicting economic interests, and to the personalities and prejudices of sixteen heads of government, can ever concert policies over the entire area of constituent interests. Its member nations are engaged in industrial competition for markets and pursue varying interests and responsibilities in diverse regions of the world. They respond to the mandates of varied political constituencies, each complex and often contradictory in its own right, and work from different geographical, historical, and psychological perspectives.

This suggests that the Alliance members as a whole should seek to lower their expectations of what the fact of alliance portends for harmony in policies toward less essential issues and to raise those expectations on matters pertaining to the core: the necessity for and indivisibility of the common defense.

If this concept can be accepted, then useful tradeoffs can be found which can satisfy the political and bureaucratic imperatives of the countries concerned on the peripheral and parochial issues. As a minimum, the Alliance should relearn former U.S. NATO Ambassador Harlan Cleveland's golden rule of consultation: Consult others as you would like them to consult you.

Collectively, NATO members should take appropriate steps to improve the image of the Western Alliance as an association of free nations sharing common values and bound together by the principles of democracy, individual liberty and the rule of law.

Arms control

Just as there are defense requirements for the Alliance, there are also arms control imperatives to assure stable security for the future. The European allies have, for the most part, been concerned by the anti-Soviet tone of the Reagan Administration's policies and they have different geographical, historical, and political-economic perspectives on relations with the East. These differences have created gaps and frictions in what should be a common approach.

We believe that the accession to Brezhnev's mantle of a younger, more dynamic Soviet leader makes it all the more important to develop a new forward-looking arms control environment for the eighties and beyond, including the possible reestablishment of a summit-level dialogue.

Specifically, the Working Group urges:

A new Harmel-type review in NATO, along the lines of the special study conducted in the mid-sixties, to reinforce both the defense and arms control strands of Alliance policy in public opinion.

Integrating our approach in the three major arms control negotiations underway, and meshing that approach more clearly with allied defense policies and programs. Heads of government would have to be actively involved on both sides.

Increasing our efforts to maintain and modernize NATO's conventional capabilities so that we may eventually be able to place less emphasis on nuclear force for deterrence.

Developing mechanisms to look forward, past current negotiating impasses, to a longer range solution to the arms control problem, perhaps in the form of a joint U.S.-Soviet commission with appropriate allied participation or coordination. It would examine prospects for, and approaches to, stable security in the nineteen nineties, with particular attention to maintaining the mutual invulnerability of reduced strategic deterrent forces. Such an "end game" approach could enhance confidence and constructive feedback into the current negotiations.

Accepting and building on the SALT II accords in START and then seeking to reduce the ratio of warheads to aiming points in order to lower first-strike vulnerability, by limiting multiple warheads and including cruise missiles in the negotiations before they have further proliferated.

Demonstrating our willingness to move ahead in the arms control field by proceeding to ratify the test ban treaties now pending before the U.S. Senate.

Reaffirming our commitment to the existing limitations on anti-ballistic missiles.

Maintaining NATO's commitment to deploy the intermediate nuclear force (INF) missiles,[3] which were requested by our allies, unless a satisfactory alternative solution can be negotiated, but developing greater flexibility in the INF talks and not treating the "zero" option as an all or nothing proposition.

Insuring that, whatever the outcome on INF or any specific security issue which is controversial, it does not lead to agonizing reappraisals of even more essential Western interests; for the Alliance is basically about solidarity, not about specific actions or pieces of military hardware.

Devoting the necessary political capital at a high level to breaking the impasse in the Mutual and Balanced Force Reductions (MBFR) negotiations, which requires resolving the data problem relating to the number of Warsaw Pact forces now in the reductions area. The few remaining problems holding up an MBFR accord should then become negotiable.

Recognizing the asymmetries confronting arms control such as Soviet secrecy, but pursuing realistically other arms control subjects, including exploring the possibility of military expenditure limitations at some time in the future and, in particular, putting more emphasis on various confidence-building measures such as those relating to troop deployment and movement, new ideas relating to inspection techniques, including the possibility of multilateral inspection, and the use of the hot line.

In all of the above, recognizing that arms and arms races result from underlying tensions, rather than the other way around, but that both can be approached in parallel if the Soviets are willing to pursue serious negotiations rather than to merely engage in propaganda exercises.

Defense economics

There is a triangular relationship between defense, arms control, and the economy. The current economic malaise makes allocation of increased resources for defense difficult, especially in the case of what is required to strengthen conventional capabilities in Europe. It also offers incentives to both East and West for arms control progress which would result in decreased defense expenditures, particularly in the context of the negotiations for mutual and bal-

anced force reductions (MBFR) in Central Europe.

What is needed are measured, sustained, and cost-effective defense improvements, not wasteful crash programs, which can contribute to, rather than perhaps hinder, economic recovery. And the Alliance should move forward in concert, avoiding so far as possible major differences in levels of effort which will rekindle burden-sharing frictions and stimulate congressional efforts to force American troop withdrawals.

East-West economic relations

The type of intra-Western frictions exemplified in the natural gas pipeline case should be avoided in the future by new mechanisms which draw on the capabilities of NATO, plus the Organization for Economic Cooperation and Development (OECD), the International Energy Agency (IEA), and Coordinating Committee (COCOM) to try to reach common assessments, for example on European energy vulnerability or the export to the East of "critical technologies." Above all, the several channels of interallied consultation should be actively used, rather than abused by press-release diplomacy. Awareness of the distinction between core security issues and peripheral ones should be heightened on the part of all concerned, and from the U.S. point of view, the "half loaf" of concerted Alliance policy may be perferable to no agreement at all.

Integrating policies

We need to improve the integrative capacity of our policy-making machinery within the Alliance and especially in Washington—to the end that conflicting views may be more readily resolved. It is essential that a coherent long-range policy integrating defense and arms control policy be maintained in Washington. Presidential discipline is also essential to assure that this government speaks with one voice and consistently, wherever possible. Making the Director of ACDA also an Under Secretary of State might help in this regard and with respect to improved Executive-Congressional relations. More frequent Cabinet and NSC-level consideration of the defense-arms control-economic interactions should focus more clearly on objectives, means and strategies, and less on the technical nuts and bolts.

Within the Alliance, a new Harmel-type exercise could lead to a more common approach and better understanding of the Alliance's role in international cooperation. Its elements could then be better coordinated by NATO's continuing analytical and consultative machinery.

The U.S. should strengthen its information programs so that our arms control policies will be more clearly understood and supported by allies and neutrals—and by the U.S. public. This would greatly help our negotiating position and offset the renewed Soviet propaganda efforts. By the same token, however, the policies themselves should reflect a greater input by our major allies, especially where they are directly affected by them.

If measures such as these are taken, they should improve comity, coordination and consultation within the Alliance and ease friction over policy conflicts. But all concerned must recognize the need to agree on the essentials and to agree to disagree on more marginal questions—assuming their leaders have the wisdom and statesmanship to tell one from the other. By thus closing the gaps and facing together the prospect of a continuing long-term contest with the Soviet Union, Nations can assure its members of a more prosperous future and a less dangerous world. The problems of Alliance security and their potential solutions ultimately involve both sides of the Atlantic. There is much that either side cannot do alone, but relatively little they cannot do together.

I. INTRODUCTION AND BACKGROUND

Nineteen eighty-two has been a year of crisis in several overlapping dimensions: in the depressed, debt-burdened world economy, in East-West relations, and in the NATO Alliance itself.

There are dangers of further unraveling in 1983 in all three categories; but there are significant opportunities for progress. This policy paper proceeds from the premise that the Alliance must overcome forces that threaten to tear it apart, close the gaps between the United States and Western Europe on East-West relations and arms control, and integrate Alliance defense and arms control approaches so as to promote stable security in ways that will not overburden strained economies. If it does so, NATO will not only avoid losses but achieve positive gains.

After reviewing the divisive and cohesive elements in the Alliance and the challenges to Atlantic security in the eighties, the paper examines three sets of interactions: arms control and defense; economics and defense; and the political-economic dimensions of East-West relations, as a basis for its conclusions and recommendations.

It should be noted that none of the issues is new. Debates over NATO strategy and nuclear deterrence go back to the fifties; "detente," by whatever name, recalls NATO's 1967 study of "The Future Tasks of the Alliance"; and the need to counter Soviet missiles targeted on Western Europe has a provenance of over two decades, as does the question of East-West trade controls. Because only a minority of those now engaged in the public debates on three subjects can even remember the circumstances that gave birth to NATO, and since few take time to recall the relevant developments in its subsequent history, this paper includes a capsulated "Background of the Alliance" as Annex I. We call it to the reader's attention because the paper's analysis and conclusions draw upon the Working Group's experience with those important elements.

The past few years have featured stagnant economic performance at home and abroad. The supply side approach tried in Washington has thus far failed to produce a meaningful response while budget deficits has shot up. Inflation has been sharply curtailed—a significant accomplishment, but at the price of continuing severe unemployment. As the malaise spread through the world, protectionist pressures and trade conflicts proliferated, adding an economic dimension to other threats to the cohesion of the Western Alliance of North America, Western Europe and Japan.

These are the only three non-Communist power centers with the political, economic, and military strength—and moral legitimacy as democracies—to shape world events and constrain Communist imperialism. Yet even as they are partners in security, they are also industrial competitors, making it difficult in hard times to strike the necessary balance between the two roles.

The Reagan Administration set out to correct the disrepair of the U.S. military establishment that had been worsening since Vietnam; to regain a strategic balance which had been upset by the Russian military buildup; to postpone meaningful arms control negotiations and, in effect, to arm in order to parley later; and to practice strategies of economic denial to weaken the Soviet military machine. All of this was to be done within the context of a sharply articulated set of anti-Soviet policies [4] which have, however, involved a more moderate tone in recent months.

These elements, excepting the military repair task, proved controversial in the U.S. and they sent profound shocks throughout NATO Europe, where only Britain's Margaret Thatcher seemed fully in tune with the Reagan approach. Some believe that they have also alarmed the Russians, who seem to fear that Reagan is out to reestablish a first-strike strategic superiority for the United States.

What matters most, however, is the likely Soviet response to the fears which U.S. actions and rhetoric are instilling in them and the counter-programs they may develop. For those interactions could insure a continuing arms race for the rest of the century. It must be emphasized that the Soviets, for their part, have not shown much arms control sensitivity or self-restraint. Indeed their own strategic and naval buildup achieved during a time of level or declining U.S. forces was a major factor in the successful electoral campaign of Ronald Reagan and his Administration's subsequent programs.

To that Administration's credit, it responded effectively to the public concern and protest about nuclear weapons in Europe and the United States. The President put forward the "zero-option" in the Intermediate Range Nuclear Force (INF) talks (whereby NATO would forgo its planned deployment of Pershing and cruise missiles if the Soviets eliminated their medium-range missiles aimed at Europe); and he made a proposal for fairly deep cuts in intercontinental ballistic missiles and warheads. The long-delayed strategic arms reduction ("START") talks got underway in June 1982 and are continuing.

But much more is involved in NATO's current crisis than one Administration's policies. For perceptions and interests vary widely between Europe and the United States. Canada, as a North American member of NATO, occupies a frustrating place between the U.S. and the Europeans, which contributes to its own identity crisis.[5]

In the early eighties Europeans found it difficult to agree on what to do about security problems collectively or individually, or what they wanted the United States to do. The substantive problems involved have deep roots.

For example, a dimension of "European" security that is all too often ignored in the United States persists at least subconsciously in the minds of all Europeans: For two generations, German expansionism and aggression were the problem of European security. Virtually no European over fifty can forget the Hitler era. World War II, which some have characterized as America's last "romantic" war, was in no sense viewed that way by its European survivors. To them, the Western European Union and NATO with American involvement provide the framework for maintaining West Germany's place in the West and the viability of Berlin without reviving German nationalism.

Attitudes toward the Soviet Union differ widely in every country on both sides of the Atlantic. The Europeans stress the need to coexist with a superpower that is their immediate neighbor. Thus, while recognizing

the essential contribution that the Western Alliance makes to stability and security, they have tried to avoid unduly provoking the Soviet bear.

Europeans have a different sense of the Eastern "threat" from what is usual in Washington. They have interacted with Russians and Eastern Europeans for centuries and think of Western Russia as European rather than an alien force. Italy, France, and other countries live with sizable Communist minorities in their electorates and do not view them as the devils they sometimes appear through American prisms. Moreover, "Marxism" is not perceived as the mortal foe of capitalism and democracy it is often depicted to be across the Atlantic. (Most European Socialist parties, while strongly anti-Communist, have Marxist roots, although the French, German, Italian and Spanish versions moved toward the center and a more social democratic orientation, often earning the hostility of the Communists who claim to speak for the working classes.)

International trade looms larger in Europe than in the United States. The average European country's world trade is two and half times larger in relation to GNP than is the case for the U.S. Trade with the East has been particularly important, creating economic interests on the Continent which tend to be particularly powerful during high unemployment.[6]

Germany is a special case because of the key role of interzonal trade in the economies of East and West Germany. It has generally continued to grow regardless of cold war and detente, even during major crises over Berlin, and it is sanctified by treaty. The Federal Republic also needs the environment of detente to permit a tolerable relationship with its countrymen to the East and mitigate the human effects of the country's division. Historic pulls to the East also affect West Germany's political psyche.

More subtle factors are also at work, such as disparities of scale which are a fundamental fact of life in the Alliance. The United States, along with Canada, is continental in scope and it has Pacific as well as Atlantic interests and responsibilities. The European nations, in their own images at least, are small and comparatively weak. Former colonial countries like Britain and France do retain some global perspective; but increasingly they focus on ex-colonies, the Commonwealth, and other areas with which they have special ties. The European Community, although active as a diplomatic entity, is only gradually changing the modest self-perception of the European public.

Americans often fail to disaggregate "Europe" into its political components. They consider it unrealistically as an entity, think it should do more to meet the Soviet challenge on a global basis, and fail to allow for the regional orientation that has emerged on the Continent. At the same time, some Europeans are cynical about the efficacy of almost any solution to the problems of deterrence and defense proposed by the Americans. That mood also reflects apathy and an unwillingness to make sacrifices in a recession, and it is encouraged by the political changes that have swept over Europe. Recent years have seen France, Greece, and Spain elect Socialist governments, while Germany and Norway have moved toward the right, the former only provisionally, pending a closely contested election in March 1983 which some fear may mark the beginnings of reduced political stability. Italy faces a continuing political impasse, and the Benelux nations depend on fragile coalitions.

The growing economic and political constraints on the widening of the European Community intensify the basic security dilemma: While Europeans are ever more reliant on American power and the nuclear deterrent, they are increasingly aware of Henry Kissinger's 1979 warning that "Our European allies should not keep asking us to multiply strategic assurances that we cannot possibly mean, or if we do mean, we should not want to execute. . . ." We will return to this critical issue that General de Gaulle raised in the early sixties.

Such disparities of outlook periodically give rise to frustration in the United States and to proposals there for overhauling the Atlantic relationship. Sometimes American isolationists (and even "globalists")[7] make strange bedfellows with those Atlanticists who believe that Europe is vital to the United States but that the relationship can only be saved if far greater responsibility for its own security devolves on Europe, on the sink-or-swim theory. Hence, we have had a variety of proposals including a dumbbell configuration of linked but equal partners; a multilateral force (MLF) to share nuclear military power with the allies; the withdrawal of American troops to force the Europeans to do more; the decoupling of American strategic power from Europe in the context of a U.S.-European theater deterrent; and a strengthened conventional defense which would reduce NATO's dependence on nuclear weapons for Europe's defense. For their part, some Europeans have talked about a "Euro-deterrent" and a third force in the shape of a revived European Defense Community; but advances in Soviet military power have made this an impossible dream to all but a few.

Despite periodic outbursts of anti-Americanism, pacifism, and neutralism, a broad European consensus in support of American involvement in European defense remains after three decades. This is to ensure that American forces would be involved in hostilities from the outset and to give an aggressor incalculable risks of nuclear escalation. The maintenance of European security, so clearly in the fundamental interest of the Europeans, is also vital to the United States in its effort to check Soviet expansionism. For it provides a framework for the forward deployment of U.S. ground, sea, and air forces, and it is the essential insurance against neutralization, "Finlandization," or still worse, a form of Soviet domination which could make Europe a liability instead of an asset. Moreover, a U.S. alliance with Western Europe facilitates joint approaches to other security problems and provides a framework for political-economic cooperation which is especially valuable during a time of depressed economies.

Both Europeans and Americans share an interest in arms control and disarmament measures to lower the risks of nuclear war, above all, and to forestall other conflicts and permit some reduction in the arms burden on all concerned.

Opinion is far from monolithic in either Europe or the United States, and the recent addition of major church groups, such as the American Catholic Bishops, to the debate has added moral elements to the nuclear freeze and anti-nuclear issues. There are numerous differences of opinion about other armament and arms control issues. But there is a broad consensus on the need for a continuing European-American partnership which has endured the test of over three decades. That edifice must still rest on an American commitment—with a substantial continuing presence of conventional and nuclear forces—to Europe's security in exchange for a realistic level of European effort. But each side needs to be more sensitive to the special concerns of the other and to divisive influences, lest Europeans conclude that they might be safer without an alliance with the United States than with it. We may not be able to "eliminate the negative," but we can accentuate the positive—and build on it.

The Soviet challenge to Atlantic security in the eighties

Although indirect threats to Alliance security arise in the Third World, especially where Middle East oil is concerned, the only direct challenge is posed by the Soviet Union. It is inconceivable that any of Russia's East European allies would seriously threaten Western interests unless fully backed by the Soviet Union. Thus a new look is needed at the Soviet Union in the light of the leadership transition in Moscow.

The fact of massive Soviet military power represents an impressive achievement for a basically underdeveloped economy. The key question, however, is the intended uses of that power vis-à-vis the West and the Third World.

Some interests of the Soviet Union can be considered as inherent in the status of a major world power, and not open to effective challenge. They might therefore be a basis for peaceful coexistence with the West: Other "interests," however, derive from the Communist vision of history and Russia's imperial pretensions which the West cannot accept.

The former category might include maintaining the basic security of the Eastern bloc and deterring Western intervention during unrest in Poland; preventing German revanchism—especially by a reunited nation—which would stir painful Soviet memories; protecting the frontier with China, and preserving a sufficient balance of power to preclude a two-front conflict; and maintaining the Soviet political system against external disruption and internal stresses, such as the nationality and other problems inevitably engendered by a suppressive totalitarian system.

At the great power level, the Soviet Union—not unlike other countries—pursues political, economic, and military advantage while seeking to weaken and divide its opponents and influence their people by massive propaganda efforts. As of January 1983, Yuri Andropov, doubtless drawing on his KGB background in propaganda, has taken a major role in mobilizing a Warsaw Pact peace offensive, including a proposed nonaggression agreement with NATO. This campaign draws upon Warsaw Pact statements, appeals, and declarations going back to the sixties in some cases. While such "agitprop" must be countered by more effective Western information programs, few people would argue that the moral failings of the Soviet system, however grave, are such that the West must try to change it by direct pressure. For one thing, the risks of thermonuclear conflict that would be involved by doing so—or in effectively challenging Russian hegemony in Eastern Europe—would be enormous. But such realism should not prevent the West from calling attention to the massive failure of the Communist system, or working for a gradual easing of the rigid constraints imposed by Russia on its

Warsaw Pact allies. Their internal "disarray" may be as great as that so often publicized about NATO.

For the Soviets, real arms control would both reduce the threat they perceive and provide relief from the strains their enormous military-industrial complex imposes on the economy. Then there are Soviet interests in gaining access to Western products and capital, particularly technology and the foreign currency to pay for it. To the extent that such goods and services are nonmilitary in nature, these objectives are legitimate from the Western point of view.

The Soviet Communist set of interests needs to be examined through their own looking glass. As the Soviet journal, *International Affairs*, noted a decade ago:

"Throughout the existence of the Soviet state, all of its foreign policy acts have adhered to two main principles, originally elaborated by Lenin. First, there is the principle of internationalism, which is a starting premise in relations between the Soviet Union and the Socialist countries, and the countries fighting for the national liberation. Second, there is the principle of peaceful coexistence, for the establishment of which in relations with the capitalist states, the Soviet Union and the other fraternal countries have always stood:[8]

"Peaceful coexistence" is defined in Soviet literature as "the basic principle of the foreign policy of the USSR and other Socialist countries in their relations with states with different social systems . . . for stable peace, for the lessening and eventual elimination of the danger of the occurrence of a new world war.[9]

This doctrine emerged under Malenkov and Khrushchev, who were the first Soviet leaders to acknowledge publicly that the advent of nuclear weapons meant that the Soviet Union, as well as the capitalist countries, would face unacceptable levels of destruction in a third world war. But as confirmed at the XXV Communist Party Congress, "Peaceful coexistence does not extend to the class struggle and consequently to the ideological struggle of the two systems."

Detente goes beyond mere coexistence when it is defined in the Soviet handbook as "the process of reorganizing the modern system of international relations on the basis of peaceful coexistence," and leading toward a "gradual shift from the confrontation of states of the two systems to a mutually advantageous working relationship." But detente "in no way abolishes and cannot abolish or change the laws of the class struggle. On the contrary, it creates better conditions for the growth of the struggle of the working class. . . ."[10]

Thus we find the Soviet Union caught between its narrower interests as a state and its proclaimed Marxist-Leninist ideology, which sometimes appears to be a disguise for classifical imperial ambitions. The West often fails to understand that the Soviet Union cannot abandon the latter for the former and simply live and let live, because the legitimacy of the Soviet system depends upon the Marxist-Leninist view of the class struggle and its distinction between the capitalist world on one hand and "Socialist countries and the countries fighting for the national liberation." That claim to legitimacy is essential to justify the sacrifices imposed on the Soviet and East European peoples.

This explains why the twelve "basic principles of relations between the Union of Soviet Socialist Republics and the United States of America" agreed to by Nixon and Brezhnev in 1972 were never accepted by the Soviets as applicable to the Third World, or to areas affected by the Brezhnev doctrine, such as Eastern Europe or Afghanistan. This is the area, apart from the arms race itself, where most East-West disagreements arise, now that the issues of Germany and Berlin have been pretty well stabilized.

From a Western perspective, much has been yielded to assuage "legitimate" security concerns of the Soviets. Their goals for West German and Japanese ratification of the nuclear nonproliferation treaty were met. The Western powers have formally recognized the Communist regime in East Berlin, another major Soviet goal, while the Helsinki accords confirmed the legitimacy of the current boundaries in Eastern Europe. The West has also accepted the Soviet claim to strategic parity with the United States and has exercised self-restraint to try to curb the arms race throughout most of the seventies.

It is therefore troubling to mark the military buildup by the Soviets well beyond what is necessary for their own security, and the continuation of their efforts to divide the United States from Europe. If their goal is global hegemony and some form of dominance of Western Europe, then it cannot be accepted by the West, which must persevere in its efforts to insure that the correlation of forces does not further shift in Soviet favor.

There are other explanations for Soviet behavior including the Russian tradition of a large peacetime army—although this is disputed by some, the paranoia stemming from repeated humiliations and invasions by foreigners, and the bureaucratic rigidities that make curbing the dominant military-industrial complex difficult, especially during a transition in leadership.

The explanations might include the growing internal weakness of the Soviet system: economic growth has slowed substantially; manpower shortages have developed; and the endemic nationality problems have intensified. Whole sectors such as agriculture and energy are in difficulty. It has been suggested that the Soviet military and propaganda posture directed at the West is a facade—constructed to prevent the West from exploiting the destructive forces working from within. Others point to the differences between the Soviets' rhetoric for internal consumption and their more conservative conduct in the real world.

It is hard to weigh these factors, for all may be operating to some degree. But the Soviet Union continues an aggressive strategy accompanied by peace offensives designed to prevent the West not only from recapturing any military lead but even from redressing the military imbalance in Europe.

The policy of the Soviets appears as an amalgam of legitimate security concerns, peaceful coexistence coupled with ideological competition and an aggressive push to enhance the correlation of forces in their favor while they pursue "internationalism" with the Third World.

The challenge for the West is to search for positive elements, especially under the new Soviet leadership, while discouraging the negative. This involves the judicious use of deterrence and the offering of economic and arms control incentives that advance, or at least do not harm, Western interests. The search for answers to this challenge has given rise to many differences within the NATO Alliance.

We need to devote a word to the rapid consolidation of power by Andropov. A convergence of interest by the military and the KGB seemed to enable them to override the Communist Party—the leading power factor in the Soviet triad—which has prevailed in all prior successions. This could be because the KGB had the best candidate and all factions were tired of the immobilism of the Party gerontocracy. We harbor no illusions that anyone reaching the apogee of the KGB hierarchy, like Andropov, could merit the label of "closet liberal," and cannot overlook the information and disinformation activities of the KGB. But we also know that in the compartmented Soviet hierarchy, only a handful of people are allowed to perceive accurately the "real" world outside.

There seems reason to believe that Andropov is intelligent, tough, well-informed and pragmatic and that he faces severe internal problems of a structural nature. His ascension suggests a more dynamic and imaginative approach to arms control and other East-West negotiations, at least in their public relations aspects and possibly in substance. But it should also be recalled that Andropov's "constituency" in the Kremlin includes both the military and the KGB. It behooves the U.S. to be alert for surprises, whether pitfalls or opportunities, and strive to get its foreign policy house in order. That something needs to be done here is suggested by the reports of dissension within the Administration and changes in the Arms Control and Disarmament Agency (ACDA).[11] The President has to be and be seen to be in charge, although the Vice President's mission to Western Europe as a special emissary is appropriate. The roles of the National Security Council and the Secretary of State should be enhanced; and giving the Director of ACDA another hat as an Under Secretary of State might help coordination.

II. ARMS CONTROL AND DEFENSE INTERACTIONS

With the advent of the eighties, new questions have been raised about old issues: What is the nature of deterrence in an era of U.S.-Soviet nuclear parity, assuming it still exists? Is NATO's flexible response strategy still viable? Can the West significantly improve its conventional defenses (without unrealistic increases in levels of effort) by adopting new tactics, such as airmobile forces, "assault breaker" barrages, "high-tech" battlefields featuring precision-guided munitions (PGM) and electronic measures, or new structures for defense cooperation which can capitalize on economies of scale? Above all, does arms control—as we believe—have a role to play in advancing Western security in any meaningful sense, as opposed to propaganda value? If so, how can it be integrated with NATO's strategy and force structure, especially at a time of accelerating advances in military technology?

Detailed answers to such questions would go beyond the scope of this report. But we will attempt some summary judgments on the key arms control aspects, drawing on the combined experience of the working group.

Despite the President's May 9, 1982 Eureka College speech, where he mentioned the goal of "dismantling" the nuclear menace, some Administration officials apparently feel that arms control contains more dangers than opportunities for the West and should be given only the attention necessary for public relations. Even within the American arms control community, there are questions about the sixties' dogma that arms control and defense are two sides

of the same coin which can be integrated to enhance our net security.[12] This disillusionment with arms control (which the current Secretary of Defense once described as a "melancholy chapter"[13]) appears to stem from several causes; unrealistic expectations during the detente era; the overselling and subsequent withdrawal of the SALT II accords; the momentum of the Soviet military buildup; the more conservative political tide in the country; and complications introduced by new technology.

In Europe, however, professional thinking about arms control appears to retain some of the enthusiasm manifested in the United States a decade ago, while public opinion there has been particularly aroused by Western rearmament plans and the absence of arms control progress.

Even in the United States, the frustrations of the arms control community have spilled over onto the general public which has responded to various proposals to "stop the overkill" and "freeze" now—with relatively little thought to what would be frozen, how it would be verified, or what the effects might be on strategic stability.[14] In the November 1982 elections, freeze resolutions carried by wide margins in eight of nine states and in several large cities, insuring that the issue will be raised in the new Congress with better chances for success. It was defeated by only two House votes in 1982. The position of the U.S. Catholic bishops in questioning the morality of deterrence based on nuclear weapons will certainly intensify the debates.

With similar controversies also simmering in European politics, it is difficult to find a common denominator for Alliance discussions except on highly technical issues. Indeed, it may be because the public feels that if war is too important to be left to the generals, so arms control is too important to be left to the specialists, that the issue has stimulated so much political interest.

We believe that neither a defense position that is built around the "winnability" of strategic nuclear war,[15] nor the extreme alternatives of unilateral disarmament or freeze can withstand analysis or the test of politics, even apart from the considerable moral considerations involved. Rather, we believe that an East-West dialogue—without the unrealistic expectations of detente—and an intensified arms control process can establish a framework for stable security. By generating mutual deterrence to war, that would be in the common interest of both East and West. The concept of a nuclear freeze is good only if it is treated as one goal of a negotiating process, in other words as an end rather than a means to initiate such a process.

With the rapid advance of military technology on both sides—although the United States has sometimes enjoyed a lead of several years in such systems as multiple independently targeted re-entry vehicles (MIRVs) or precision-guided cruise missiles—an arms control dialogue is a necessity rather than a luxury in any long-term perspective. For in the absence of trust, an absence likely to endure, neither side will let the other achieve a meaningful superiority. Misperceptions of the other side's intentions, which can easily be magnified without such a dialogue, heighten the risks of thermonuclear miscalculation. They also add substantially to the heavy defense burdens now shouldered in both NATO and the Warsaw Pact, generally, at the expense of other important needs.

This means that both sides must integrate their defense programs and arms control objectives so as to be mutually reinforcing. They must discuss them, not only in the technical terminology of throwweights and MIRVs, but taking into account broader concepts, such as a stable security environment for the long term. If based upon rough parity, this approach should reduce temptations of preemptive attack in times of crisis. Those temptations could be encouraged as the ratio of warheads to vulnerable aiming points increases on both sides. This seems to us to support the arguments that multiple warhead missiles (MIRVs) are potentially destabilizing and that President Reagan's START proposals may leave too high a warhead-to-target ratio. This danger suggests a need for a new and broader look at strategic arms control—which would aim for a START goal of fewer multiple warhead missiles and seek to exchange an emerging regime of "mutual vulnerability" for one of mutually assured invulnerability of basic nuclear deterrence systems.

It is in the nature of both the U.S. and Soviet governmental systems that such a revived dialogue must have continued attention at the top, which means reestablishing if not "summitry" then at least more high-level discussions which do not become major media events. Meetings, whether of heads of government, foreign ministers, military chiefs, or special emissaries, need not aim at reaching specific accords. It is enough if they can generate an understanding of each side's true interests which can be reflected in guidance to lower level negotiators.

If such a U.S.-Soviet process gets underway—and a somewhat unorthodox suggestion is made later in this paper—then there will be opportunities for closing some of the the U.S.-European gaps through the interallied consultation process that should precede and follow such meetings. Equally important is the public perception, both in Europe and in the United States, that their leaders are at least trying to bring about stable rather than confrontational security relationships, and that arms control is being pursued for serious rather than propaganda purposes. The latter impression is heightened to the extent the dialogue is carried on through the public media as opposed to private forums, although a certain amount of internal political jousting and position-staking is bound to occur in both Pravda editorials and in the Western press.

Any recommendation in this area has to take account of the Soviet approach to arms control as an integral part of foreign and military policies, as outlined earlier. They have initiated proposals for nuclear-free zones, freezes, etc., to influence public opinion in the West while they maintain iron-handed dominance of Eastern Europe. But they are capable of negotiating seriously when confronted with firmness about weapons systems or forces which they perceive as a threat to their homeland, as the SALT and other accords of the past two decades demonstrate.

Even though the Russians, not unlike ourselves, often go into negotiations with positions designed to satisfy various bureaucratic or political constituencies rather than to be negotiable, the comment of one experienced Western negotiator is worth noting: "The dispassionate, structured dialogue on security issues which has been taking place in Vienna has already made a worthwhile contribution to dispelling the misconceptions and distorted perceptions of the military posture of the two sides."[16]

Let us look, then, at the East-West defense competition in Europe and the related arms control fora.

Strategic Forces

The strategic buildup by the Soviets, undertaken when the United States had leveled off its own strategic force posture quantitatively, has now achieved for them what the Carter Administration termed "essential equivalence"; and in the Reagan Adminstration's view, they may have gone beyond it, with the SS-18 and SS-19 ICBMs posing a threat to America's land-based Minuteman force in the future.

Comparing the two sides is extremely complex, for numbers and yield of warheads, throw-weight, accuracy, vulnerability and reliability factors must all be taken into account. The Soviet force structure still reflects an early decision to go for large payloads, and yields (partly to offset their initial low accuracy), and most operational Soviet ICBMs are still liquid-fueled, posing reliability problems. In contrast, the United States, with an early lead in warhead miniaturization and in solid fuels and better guidance, had no comparable need for large boosters. It also led in MIRV technology and still has superiority in cruise missiles and bomber force penetration capabilities.

Moreover, the Soviets have stressed land-based ICBMs while the U.S. has emphasized submarine launched missiles (SLBMs) and strategic bombers as shown in Chart I.

It is therefore little wonder that the two sides disagree in their respective assessments or that individual and institutional estimates within the West are at variance on what to count and how to weigh them in the balance.

Some rough comparisons of nuclear delivery vehicles of the U.S. and the U.S.S.R. and NATO and the Warsaw Pact are summarized in Chart II below. Like the more detailed Tables I and II in the Appendices, they are based upon International Institute for Strategic Studies publications.[17]

CHART II.—NUCLEAR DELIVERY VEHICLES [1]

[Missiles, bombers and artillery]

	United States	Soviet Union
Strategic missiles	1,572	2,387
Long-range bombers	316	[1] 330
Subtotal	1,888	2,717
Intermediate	39	606
Tactical	144	1,222
Total	2,071	4,545
British and French land-based and submarine missiles	162	
Total NATO	2,233	

[1] Includes all Backfire bombers. For strike aircraft figures, in addition to NATO and Warsaw Pact figures, see appendix tables I and II.

Total intercontinental missiles (both land- and sea-based) are listed as approximately 2,387 for the Soviets to 1,572 for the United States, with each side also having over 300 intercontinental range bombers. (The U.S. Government figure is 1,944 U.S. missiles and bombers to 2,704 for the U.S.S.R.)

The U.S. accordingly plans to add new Trident C4 (later D5, Trident II) submarine-launched missiles, 100 MX missiles—if a basing mode can be agreed upon and if Congress funds production—plus 100 B-1 bombers and, further down the road, "stealth" bombers designed to penetrate radar defenses along with new air- and sea-launched cruise missiles.[18] On the other hand, the U.S. is phasing out some older systems. The

Russians plan to develop at least one new large (probably mobile) solid-fueled ICBM, described as "in no way inferior to" the MX (if the U.S. deploys it) as well as other modernizations.

SALT I, was signed in 1972, and elaborated in SALT II which was signed in June 1979 (but withdrawn from Senate ratification that December following the Russian invasion of Afghanistan). These agreements set an initial limit for land-based and sea-based strategic missile launchers and heavy bombers of 2,400 (later to become 2,250) and provide for various other limitations, e.g., on "MIRVed" missile launchers and on cruise missile launchers per bomber. Though ratification of SALT II has been opposed by the Reagan Administration, each side has indicated that it would do nothing to jeopardize the treaty long as the other abided by it.[19]

We believe that more formal acceptance of SALT III, as an interim step in the context of the ongoing START talks, would make sense—forcing the Soviets to reduce, while the U.S. could increase up to the limit—without in any way removing incentives for agreement on deeper eventual cuts, which is the President's stated objective.[20] Any ultimate accord, of course, should be subject to Senate ratification.

The U.S. position for START was outlined in President Reagan's Eureka College speech on May 9, 1982. The negotiations opened in Geneva on June 20, and after two recesses are continuing early in 1983. The President proposed a first phase in which both sides would agree to reduce ballistic missile warheads by one-third or to a ceiling of 5,000, no more than 2,500 of which could be on land-based missiles. Both sides would be required to reduce ballistic missiles to a ceiling of 850. The focus of the proposal is on land-based missiles, where the Soviets have made their heaviest investment, so that the Soviets would be required to dismantle more missiles than the U.S., as well as more warheads. The U.S. with only 2,100-plus long-range ICBM missile warheads could presumably increase up to the ceiling of 2,500. Bombers and cruise missiles, where the U.S. has the lead, would not be further limited in the first phase but are open to discussion in the second, in which both sides would make further reductions, including reductions in ballistic missile throw-weight to below the current U.S. level.

The Soviet Union has subsequently proposed a combined ceiling of 1,800 missiles and bombers.[21] This would represent a 25-percent cutback in Moscow's existing arsenal and approximately a 10-percent reduction for the U.S., but there are some complicated strings attached, such as limitations on Trident II and MX missiles, as well as ambiguities; and a number of U.S. concerns are left unaddressed, such as specific warhead reductions. Chart IV compares the proposals.

CHART IV.—STRATEGIC ARMS REDUCTION PROPOSALS

	Proposed ceiling		Approximate current levels	
	United States	U.S.S.R.	United States	U.S.S.R.
Ballistic missile warheads (land/sea-based)	5,000	(1)	7,200	7,500
Land-based ballistic missile warheads	2,500	.....	2,150	5,900
Ballistic missiles (land/sea-based)	850	.....	1,600	2,350
Missiles and bombers	.....	1,800	1,900	2,700
Total strategic arms	(2)	(2)	(2)	(2)

[1] Lower ceiling.

[2] 25 percent reduction to equal numbers.

Source: International Institute for Strategic Studies and U.S. Department of State.

The January 1983 round of negotiations began against a background of cautious optimism on the American side, while confusing signals emanated from Moscow. An Andropov expression of hope for compromise and interest in a summit meeting was followed two days later by a *Pravda* editorial blaming the U.S. for the START impasse and stressing the familiar Soviet theme that the U.S. is seeking to gain "unilateral military advantages."[22]

Although the Working Group does not want to offer specific recommendations at such a delicate stage in these negotiations, we do think that the approach of initially capping the present arms race, using the SALT II benchmarks, would consolidate what has already been achieved and perhaps facilitate progress toward further reductions, even if no breakthrough is at hand. We also urge a maximum effort to make progress in 1983, perhaps by initiating the approach discussed later, so as to avoid a possible paralysis as the 1984 Presidential election nears.

Although there are differences in the Working Group about elements of the U.S. defense buildup, such as the MX and its basing, we do believe that in an era of relative parity, the U.S. must not be perceived by either its potential enemies or its NATO allies to be at a strategic disadvantage. For the former might be tempted into a rash bluff, with catastrophic consequences, or the latter might lose confidence in the Alliance itself. Thus, to the extent that any emerging gaps in the U.S. strategic deterrent cannot be rectified through the SALT-START process, there is little choice but to take the necessary steps to close them. But such steps should be designed to improve stability in times of international crisis and to be as cost-effective as possible, given the economic strains which the Pentagon budget adds to the U.S. budget deficit. Even more important, they should be consistent with the long-range goal of stable security for both East and West.

That goal, as noted earlier, should include a reduction for both sides in the ratio of warheads to aiming points, with particular reference to MIRVs, an emphasis on achieving invulnerability of basic strategic systems through mobility or sea-basing, and particular attention to verifiability. For example, the cruise missile—essentially a "buzz bomb" with modern, highly accurate guidance systems—meets the criteria of cost-effectiveness and relative invulnerability because of its mobility (in land- sea- and air-launched modes). But if extensively proliferated, cruise missiles could so complicate verification as to frustrate further progress on strategic arms control. We believe that the lessons of multiple warheads (where the early U.S. advantage proved to have a short half-life as the Soviets followed suit) should be applied to cruise missiles by including them in near-term arms control efforts. The applicable SALT II provisions might serve as a point of departure.

Finally, the Anti-Ballistic Missile Treaty of 1972 and its 1974 Protocol are important elements in the strategic stability equation. Although an argument can be made that modifications to permit greater protection of central deterrence systems could enhance stability, the Working Group believes that a defense arms race would also be potentially destabilizing and agrees that we should not depart from present ABM limitations. In similar vein, we would like to see the Threshold Test Ban Treaty (with a limit of 150 KT) and the Comprehensive Test Ban go forward as quickly as technical questions about seismic signals can be resolved.

Intermediate Range Forces

Since the Soviet acquisition of substantial nuclear capabilities, NATO has faced a basic question: To what extent can Europe be sheltered by the American strategic nuclear deterrent based largely in the United States? As nuclear parity between the U.S. and the Soviet Union approached, this became a sharper issue of confidence within the Alliance.

The opposing positions are that as long as the Alliance is perceived to be intact, a missile in Wyoming deters an attack in Europe as effectively as one based there; or, alternatively, that political geography is so important that a "theater deterrent" linked to but separate from the U.S. and sea-based forces and capable of striking the U.S.S.R. is needed.

The Alliance has never embraced either extreme. Doubts about the threat of strategic nuclear retaliation as a deterrent to conventional aggression led to NATO's "flexible response" strategy in the sixties, calling for a spectrum of deterrence based on sound conventional defense. (See Annex I for details.) Much earlier, Soviet missile deployments threatening Europe had led to the stationing on the Continent of U.S. medium-range Thor and Jupiter missiles. These obsolescent systems were replaced by the assignment of U.S. Polaris submarines to theater targets following the failure of the multilateral force (MLF) proposal. That scheme, involving missiles on internationally operated surface ships, was another effort to deal with the basic question, with particular attention to sensitivities of Germany as a non-nuclear power. The British retained and modernized, and the French developed, their own nationally controlled strategic nuclear forces at least in part because of negative leanings on the basic issue as well as for reasons of national prestige.

In the meantime, the Soviets deployed a substantial number of land-based intermediate missiles targeted on Western Europe during the sixties. With the Thors and Jupiters withdrawn, NATO had no comparable forces. This "gap" was tolerable as long as the U.S. was perceived to have strategic nuclear superiority. The Soviet deployment of SS-20 missiles, starting in the late seventies, widened that gap at a time when this strategic superiority was also disappearing.

The reactions of the U.S. and many Europeans to this situation have been ambivalent. On the one hand, they feared that a theater approach lead to "decoupling" Europe from the main deterrent and perhaps to a "limited," i.e., theater nuclear conflict and, on the other, that the absence of comparable theater forces put too much reliance for deterrence on increasingly less credible strategic systems. From a military standpoint, additional U.S. nuclear deployments in Europe now add only marginally to target coverage (which was not the case in the early years of the Alliance when range was a major limiting factor). But such deployments might ease the European's sense of political vulnerability and overdependence on the U.S. and sea-based strategic deterrent. To a degree, then, this concept revives earlier notions of "proportional" deterrence.

This was the provenance of NATO's dual-track decision in December 1979. It followed nearly two years of interallied discussion over the problem of disparities of military

power in Europe as the strategic parity of the superpowers became codified in SALT and in effect "neutralized" their strategic forces, as Chancellor Schmidt observed in a major speech.[23] It was designed to prevent the Soviets' use of military superiority to their political advantage, while also giving the West some leverage against the seemingly endless buildup of Soviet INF capabilities.

The package of 572 missile deployments—108 Pershing II and 464 ground-launched cruise missiles (chosen as large enough to be significant but too small to risk decoupling) was to go forward only in the context of "the pursuit of serious negotiations" on TNF, hence the dual-track concept; it aimed at meeting both political-arms control and deterrence needs. But the subsequent public rationale for the December 1979 decision has been inconsistent, varying among such objectives as deterrence, war-fighting, political signalling, answering the Soviet SS-20 deployments, and meeting NATO's inherent modernization needs, according to the points of view represented.

After initially rejecting negotiations—NATO had properly dismissed as propaganda Brezhnev's offer to freeze insted of deploying even more SS-20s—the Soviets did participate in preliminary negotiations in October 1980, which were suspended for the U.S. elections. It was May 1981 at the Rome meeting of NATO Foreign Ministers before agreement to begin the Intermediate Nuclear Force discussions during that year was announced. They have been going on in Geneva in a parallel forum to START since late 1981.

In November 1981 President Reagan announced the U.S. proposal for a "zero option" in which the U.S. would agree not to deploy the 572 Pershing II or ground-launched cruise missiles if the Soviets would dismantle all their intermediate range missiles based on land, about 600 SS-4s, SS-5s, and SS-20s. The U.S., of course, has no missiles of this range on land to dismantle. Aircraft and U.S. sea-based missiles assigned to NATO would not be limited, nor would comparable Soviet systems. British and French forces would also not be covered by the proposed agreement. The Soviets argued that the U.S. proposals would change the balance in total intermediate range nuclear weapons from 1:1 to 2:1 in favor of the West. Because of the underlying divergencies on what to count, a Western estimate of the theater balance, including all nuclear-capable aircraft, comes out 560 to 3,890 in favor of the Soviets, while the latter count only 975 for themselves against 986 for the West.[24] The first substantive Soviet proposal, according to the then Director of ACDA, was to limit both sides to 300 intermediate range missiles launchers and 900 warheads.[25] These would include only missiles deployed in the European portion of the U.S.S.R. (where the Soviets have now deployed 340 SS-20 triple warhead missiles) and for the West some 162 British and French missiles.

The INF negotiations resumed in January 1983 against a backdrop of a new offer by the Soviets to reduce their missiles to the level of the combined British and French missile forces (approximately 162). Andropov's December 21 statement also indicated that the Soviets would reduce to any lower number to which these allies might scale down.[26] This was promptly rejected by the United States on its merits and because of many ambiguities (including the status of "reduced" SS-20s removed beyond the Urals), and by Britain and France as inappropriate to their special situations. It is clear, however, that a bargaining process is underway, even though it is heavily larded with propaganda.[27]

Press reports suggest that the Administration is split on how far the U.S. should deviate from its initial zero-option negotiating proposal.[28] Our Working Group is also divided between those who feel that the original December 1979 decision was so unnecessary or wrong (or at least that it was overtaken by the subsequent failure to pursue SALT) and a larger group who believe that the decision was made by responsible Alliance leaders only after long evaluation and should be implemented on schedule unless a negotiated solution satisfactory to the West is reached.

We all agree that although only the U.S. is directly negotiating with the Soviet Union, any and all decisions must be made by the Alliance—or at least the European countries principally concerned with the deployments (Britain, Germany, and Italy and possibly Belgium and the Netherlands). This is especially true for West Germany, where March 1983 elections promise to highlight the nuclear deployment issue.

The problem is twofold: some U.S. officials feel that only a "zero-zero" balance is satisfactory, since the Soviets would otherwise retain a significant Euro-strategic advantage, while NATO would suffer from the political perceptions of that advantage. Others see the GLCMs as posing verification problems and regard the Pershing IIs as potentially destabilizing because of their few-minute flight time to the Soviet Union, so that the actual deployment might set back arms control hopes. The other problem is that anti-nuclear protests plus Soviet propaganda could undermine the determination of European governments to proceed, offering the Soviets no incentives to reduce and handing NATO a bad psychological defeat.[29]

The majority of our Working Group believe the answer lies in continuing with the deployment plan (as NATO agreed to do at its December 1982 ministerial meeting) while pursuing negotiations realistically and flexibly, especially as the first deployments draw near in 1983. Without specifying how "flexibly" might be defined, it seems clear that the zero option cannot be construed as an all-or-nothing proposition. Otherwise there would be no point to holding negotiations! Some combination of limited or modified NATO deployments of U.S. missiles and partial Soviet dismantling and withdrawal should be possible if both sides persevere in private bargaining. Even the British and French forces (which are a part of the "threat" as viewed from Moscow) need not be an insuperable obstacle. As some involve single warhead systems, while each Soviet SS-20 has three warheads, some qualitative or asymmetrical adjustments could be made which would allow the two sides to take allied forces "into account" without negotiating about them. But clear understandings would be needed about dismantling, not just redeploying, the SS-20s, as the Soviets have since recognized in principle.

On the contingency that the negotiations nevertheless fail, it is important in the working group's view for NATO to have demonstrated genuine flexibility so that the necessary deployments proceed on the basis of evident Soviet intransigence or propaganda initiatives. But if the Europeans should decide otherwise, then it is important for the U.S. to avoid making this a test of loyalty to the Alliance with a public orgy of agonizing reappraisals. For that could do the Alliance more harm in the long run than the good that might flow from either a successful deployment or a negotiated outcome.

There may be other ways of skinning the cat, such as to deploy MRBMs on ships stationed off Europe, as some U.S. officials have suggested, although there are also drawbacks to such a course. But any actions will require great sensitivity by the United States to the special political problems of Germany and Italy (which may also face 1983 elections) as well as an avoidance of threats and posturing, and a corresponding awareness of U.S. congressional sensibilities by Europeans.

The allies can only solve the basic problems by working together on both the deployment and the arms control tracks, keeping in mind that the Alliance is concerned with solidarity, rather than pieces of military hardware or their siting. Moreover, the INF issue is only one thread in the interwoven fabric of arms control issues and processes. The important thing is to keep it in that context and not to pull on it to the extent of unraveling the whole.

Conventional forces and the MBFR negotiations

Since the early cold war there has been a quantitative military imbalance in Europe favoring the Warsaw Pact, especially in a scenario where the Pact takes the initiative in attacking; and that disparity is unlikely to change, at least in this decade. As the International Institute for Strategic studies says in the 1982-83 version of its Military Balance series: "The numerical balance over the last 20 years has slowly but steadily moved in favor of the East. At the same time, the West has largely lost the technological edge which allowed NATO to believe that quality could substitute for numbers."

Chart V shows some current comparisons of NATO and Warsaw Pact forces.

However, there has also been a balance of deterrence, as shown by NATO's 33 years of peace, which reflects not only qualitative factors but also the Western mobilization potential, and Soviet uncertainties about nuclear escalation and about the reliability of their Warsaw Pact allies in a shooting war. The tendency of military establishments to overestimate the capabilities of prospective opponents may also add to the credibility of NATO's deterrent as seen from Moscow.

Given the Soviet Union's superiority in theater nuclear capabilities and its attainment of full parity in strategic weaponry, it is only prudent for NATO to strengthen its non-nuclear defenses to the maximum consistent with political and economic realities, while in the meantime planning defenses that avoid the vulnerabilities of depending on early first use of nuclear weapons. Beyond this, there is little consensus among experts on either continent. (Background on the "no first use" debate is given in Annex I.) Europeans are now intellectually interested in improve conventional capabilities, but only in the context of the agreed NATO strategy of flexible response. We believe that much should be done to improve them along the lines SACEUR General Rogers has been urging. Increasing annual real defense spending by 4 percent annually, he believes, could achieve meaningful conventional flexibility in NATO's response capability over the next six years, at a 1983 average

cost per capita throughout the Alliance of under $25.[30] The U.S., of course, is planning almost twice as large a percentage of annual real increases but may not be able to sustain it under present economic conditions. The European allies, already hard pressed to make 2 or 3 percent real increases, will find it even less feasible in the near term but they could do so if there is a robust recovery.

It is hoped in NATO that interallied armaments cooperation, including the efforts of the Eurogroup, can improve the effective utilization of defense resources. France and Britain, however, face the nuclear power's problems of being unable to fund both nuclear and conventional modernization and the temptation of what might be described in Paris as "plus frappe pour le franc." Many NATO officials felt that Britain's decision to buy the Trident was the least effective use of these funds from the Alliance point of view. France, by her own choice outside the military structure of NATO, now faces the dilemma that only closer coordination with allied forces can make her conventional ground and air power meaningful if they are underfunded during the current economic stringency.

In the event of a conflict in Europe, any nuclear escalation would enter a vast unknown with unlimited possibilities for Murphy's law and panic and miscalculation. But since this condition applies to both sides, the very uncertainty contributes to the structure of deterrence. NATO should therefore preserve as wide a range of nuclear options as possible. Although the central front properly remains the primary concern, improvements must also be made in NATO's ability to respond to contingencies on its flanks and at sea, which are probably as likely as the massive attack in Germany often cited in the defense planning literature.

Against this background, do the negotiations for Mutual and Balanced Force Reductions (MBFR)[31] hold any promise? Despite the discouraging stalemate at Vienna for almost a decade, it has provided a valuable education for all participants, in the only set of alliance-to-alliance negotiations since Athens and Sparta.

Prior to July 1982, Western participants in Vienna had proposed that reductions to a common ceiling be achieved through separate, consecutive, negotiated agreements. The first would cut U.S. and Soviet forces only but would include commitments by the other Western participants about a second agreement for reducing the remaining forces. In July 1982 following the Bonn Summit meeting, the western side submitted a new proposal which moved back to the original Warsaw Pact concept of a single agreement on reductions with successive stages of implementation. The first stage would still comprise only U.S. and Soviet reductions. This willingness of the non-U.S. participants to commit themselves to reductions from the outset could provide a basis for some movement in the negotiations.

Over the years, considerable progress has been made in Vienna, although no soldiers have yet been removed as a result. Both sides have now tabled treaty drafts. In its version, the East has confirmed its informal acceptance of the West's concept that the United States and the Soviet Union should reduce first, that personnel reductions should focus on active duty ground force manpower, and that ground forces should be cut to a common ceiling for both alliances set at 700,000 ground force manpower and 900,000 total manpower for each. In principle, it has been accepted that the ceiling should be collective for each alliance, that is without national subceilings but with a possible limit of 50 percent of the aggregate for any one country, thus easing Eastern concerns about Germany.

The West has proposed "associated measures" including advance notification of large numbers of troops entering the Central European reduction area and of major out-of-garrison activities. The Western terms would permit entry to and departure from the reduction area only through permanent exit-entry points manned by observers; periodic exchanges of force data would be required; and, most important, each alliance would be allowed an annual quota of ground and/or air inspections of the forces of the other. The East has agreed, in principle, although with significant differences of detail, to temporary exit points with observers, prenotification of major movements into the area and out-of-garrison activities, and to exchange data after reductions.

The stumbling block to an agreement is the data issue—disagreement as to the number of Warsaw Pact ground and air force personnel in the reduction area, a difference of about 160,000 for ground forces alone.[32] The West's figure for Warsaw Pact ground force manpower is about 960,000 while the total provided by the Warsaw Pact; is about 800,000.

Agreement on data would seem to be intrinsic to the concept of reducing. A reduction must be accompanied by a ceiling on the remaining forces expressed in a finite number. Since it is impractical to count all of the personnel comprising the forces under the ceiling as of a given moment, the necessary tools for checking compliance reduction backed by continuing data exchange and an adequate verification regime.

It would appear that the Warsaw Pact has omitted some categories considered by the West to be active duty military personnel. The ideal way to resolve the difference as to data would be to compare Western and Eastern figures for the same components. To date, the East has been unwilling to furnish the necessary data. It has argued that agreement on data is not a prerequisite, claiming that both sides should undertake to reduce to the agreed common ceiling of 700,000 and rely on commitments to cooperatively verify thereafter the residual force levels.

If the Warsaw Pact's refusal to supply data is motivated by a basic unwillingness to make reductions of the size and asymmetry which would be called for by accurate data on its forces, then relying on verification of residual levels *after* withdrawal could lay the groundwork for later recriminations. And those, in turn, would undermine the mutual confidence which a successful agreement should enhance.

To date, neither the Warsaw Pact nor NATO participants have committed the sustained high-level political effort necessary to an agreement. Progress on the data problem and the other remaining issues might be achieved if both sides, including the British and Germans, decide to make such an investment. Progress in other arms control negotiations, such as INF, might help the Soviet Union to resolve the data roadblock. The economic cost to both sides of maintaining the present two million-man military confrontation in Central Europe and the damage it does to the overall East-West relationship will continue to provide incentives for both sides to make the compromises necessary to reach an agreement.[33]

Intergrating arms control efforts?

These are many reasons, tactical and political, why the three negotiations discussed have been held in separate forums. For one thing, most of the NATO allies, like their Warsaw Pact counterparts, are involved in MBFR, whereas naturally only the United States and the Soviet Union are involved in the SALT-START process. On INF, the West did not want to discuss British and French nuclear forces, and so that too is a bilateral negotiation—although the U.S. is closely coordinating its positions through NATO's Special Group on this subject. But in substance, as contrasted with procedure, all three negotiations are linked; for progress—or obstacles—if one can facilitate (or impede) others. In the long term, we believe, all of the bargaining chips may have to be dealt with concurrently and in coordination, and thus be figuratively on the same table, up to and including summit-level processes, in order to clarify options for tradeoffs. For example, an equitable MBFR accord might reduce both sides' theater nuclear requirements somewhat, or an INF agreement could help START to make progress and vice versa.

Despite the lack of progress in recent years, we believe that arms control can play a meaningful role in Western security, and that the leaders of the NATO countries should look to a new era of opportunities as the transition from Brezhnev to Andropov settles down and as the West redresses some of the military imbalances it faces. Not to do so would be to concede that the future can only offer more of the past, a conclusion not likely to be well received by the West's "successor generation."

We suggest that NATO may need a new "wise men" (or women) type of exercise, carefully structured as was the 1967 Harmel study,[34] to help regenerate the Alliance during the eighties, reinforce *both* its defense and arms control policies, and hold out the hope of realistic arms control accords for the future.

Such an effort could also help seize the "peace" initiative from the peace movements and from the Russians; for peace is far too important to be left to either one. Preparing now for a concerted effort to achieve real arms control and reduction progress in the late eighties and nineties need not undercut needed Western defense efforts. Indeed, one theme of a new Harmel report might well be that adequate defense and deterrence is the other side of the coin of arms control and may indeed be its prerequisite. At the same time, such a project could ease the concerns of those worried about the economic burdens of armaments and take advantage of the very real incentives on both sides to ease the arms burden for the future. Most important from an Alliance standpoint, is the role such an initiative could play in narrowing transatlantic gaps and defusing the mounting tensions between the political right and left in virtually every country in Europe.

One must not forget, however, that many troublesome asymmetries disturb the climate for East-West arms control. One obvious one is that hundreds of thousands of people can gather to express their views and protest in Bonn and New York and Paris, while a dozen Russians doing the same thing in Red Square are arrested![35] Another is that secrecy has been a hallmark of Russian society since before the Bolshevik Revolution, and it serves as an instrument of security against external enemies and a

tool of internal governance. Information control limits the debates and frictions that might occur over resource allocation between guns and butter, for example. The Soviet Union consistently maintains that its defense spending is under 18 billion rubles per year (about 3 percent of the national income) while Western sources estimate it at four to five times that figure, in both rubles and percentage of GNP. There is no agreement, however, as to what is included or excluded, so that the Soviets' stated figures may involve only operating and construction costs.[36]

The problem of the numbers gap in MBFR has already been mentioned; but questions have been raised about Soviet adherence to the Limited Test Ban Treaty and there are apparent violation of chemical/biological warfare agreements in Southeast Asia.[37] We believe, therefore, that the Reagan Administration is well advised to emphasize the importance of verification and include inspection where this is essential. It might be useful now to try to establish and test some agreed verification machinery, manned either by NATO and Warsaw Pact observers or by a team drawn from neutral countries, who could exercise a hypothetical inspection mandate initially in the West and then in a noncontroversial area of the East. This procedure should not become an obstacle to arms control accords; they might in fact be eased forward if a mutually acceptable verification infrastructure were created ahead of time.

A New Approach?

Given the apparent impasse in all three major arms control fora, and the possibilities that new opportunities that may arise from Andropov's succession to Brezhnev's mantle in the Soviet Union, it seems useful to consider an unorthodox proposal for breaking the deadlock. This is to temporarily leapfrog the current negotiating postures and force structures of both sides and look for an opportunity in the future which could feed back into the present.

Suppose that the U.S. and Soviet governments created a high level joint commission to examine prospects for stable security between the superpowers and their allies in the nineteen nineties. The composition, terms of reference, and modalities of such a body are vital and seem a worthy agenda item for preparation for a possible summit-level meeting. Numerous variations are possible, including participation by a few key allies and nongovernment experts such as, for the U.S., some members of the House and Senate. Alternatively, the Soviet government Academy of Sciences and its U.S. counterpart with some executive branch officials added might be the sponsoring organizations. Another option, and a way to avoid the asymmetrical problems of a commission in which the Soviet side would tend to be monolithic, would be to establish without publicity a very small negotiating group on an official basis, according to the precedents mentioned in Henry Kissinger's memoirs. But all such options would have to involve some high-level interallied consultation at the appropriate stages. Whatever the details, the focus would be on arms control at the broadest level and need not attempt to resolve basic East-West differences on such topics as conflicts in the Third World or the Brezhnev doctrine. By moving from the technical and bureaucratic to the longer term political-economic-strategic context, shared interests might become more readily discernible. The parties could continue to look at the trees in the arms control forest now being explored in actual negotiations; but at least there would be a joint effort to survey the entire forest as it is likely to exist in the *next* decade.

One might consider a variation in the normal adversarial approach, in which each side initially proposes an overall security posture for the *other* during the nineties which should meet that side's legitimate security needs and be acceptable to its opponent within a stable security context. The exchanged critiques of such postures would make possible a more constructive dialogue in which the participants would look at security—and especially survivability of strategic deterrent forces—through each other's eyes.

To those worried about nuclear conflict or escalating armaments, the nineties may seem far away. But the U.S. is already locked into its major military programs through at least 1986-7 and well beyond if Congress funds such major programs as the B-1 bomber and MX missile. Momentum and the bureaucratic, military and industrial vested interests of both sides may well preclude significant shorter term adjustments. Moreover, such an initiative could reassure the younger generations that their future need not be mortgaged to an arms race at ever higher costs and risks, and that a saner superpower relationship is possible, at least in arms control matters.

By looking beyond the horizon one need not necessarily be stymied by situations such as Poland, Afghanistan, and the other current East-West issues. If the Soviets are in fact interested, it might then be possible to construct a "START-SALT III" framework in which the limitation objectives of SALT II and the deep reductions, as in START, could be combined. The stabilizing values of walking the cat back toward single warheads and away from MIRVs and their first-strike potential might be seen more clearly in this context.

Such a framework would have to take into account the theater nuclear and non-nuclear balances, which have proved intractable in the INF and MBFR negotiations, respectively. The parties could allow "in principle" for forward-based and allied nuclear systems without having to negotiate precise tradeoffs, and they would have to allow for Soviet Far Eastern needs and missile deployments as well. By also taking account of the agreement already reached in principle in MBFR for common manpower ceilings in the reductions area, some guidelines might then result for all three current negotiations which could reinforce—and be reinforced by—consensus on stable security in strategic systems.

Moreover, it is impossible to imagine eventually putting an even broader framework around the subject matter: some limitations on total military expenditures for the two sides. This could be to hold them to a percentage of gross national product no larger, or even smaller by a specified degree than at present. Because such an undertaking does not lend itself to "verification," given the Soviet penchant for secrecy, the myriad difficulties of definition, and the possibilities of cheating, some members of the working group do not see merit in the approach. On the other hand, the Soviets say that they do trust (to a degreee) the macro figures which are available on the U.S. defense program, and some U.S. experts assert that modern input-output models of the Soviet economy could have fairly high reliability for detecting any major shift from a "baseline" military posture. But the underlying hope, of course, is that such an agreement would tend to be self-enforcing because of the clear economic advantages for both sides. The magnitudes of their defense spending over the past two decades are shown in Chart VI, which also reveals the sharp Soviet increases since 1972 and since 1980 for the United States.

The fact of an understanding, if one could ever be reached, might provide vital ammunition to those Soviet leaders who would like to shift the heavy allocation of resources from the Russian military-industrial complex toward agriculture and other nonmilitary investment and consumption. They could presumably be counted on to see that their side adhered as long as the other one did. Or if they could not prevail in internal debates, their failure might become known to the West through intelligence channels and reinforce the limited verification possibilities by national means. An understanding on military expenditure limitations[38] might have to be an informal one, similar to the arrangement whereby both sides are adhering to the SALT II accords. But it would make the most sense and be most feasible in the context of other, more specific, arms accords, as discussed above.

Supposing a joint commission—or any other suitable mechanism—could agree on a broad framework for stable East-West security in the nineties, taking account of space systems and other technology, what then? It would hardly be binding and their government could treat it as an academic exercise. But even if it were not made public, the mere existence of such a report with the inevitable caveats and dissents could gain the attention of the top leadership in East and West alike. From there, summit-level communications might spawn new initiatives in the negotiations underway. By looking to a high common ground of the future, both leaderships would gain short-term political advantage, minimize risks of backlash from currently opposed constituencies, and imbue the future with a new sense of hope, rather than mutual fears.

From a U.S. standpoint, such an approach should facilitate public and congressional support for the defense improvements underway (many of which we agree are needed) by establishing a future framework for meaningful arms control which could have valuable feedback on all of the current negotiations. Both leaderships might thus gain confidence that the other side was not seeking to gain strategic superiority and see hope for reducing the long-term armaments burden on their economies.

III. ECONOMIC AND DEFENSE INTERACTIONS

The members of the Alliance, like much of the world, are experiencing the worst recession since the nineteen thirties. Growth is stunted and Western forecasts show relatively slight real increases in GNP. Unemployment is making records in some countries, has reached politically disruptive levels every where, and is threatening to remain so. The many causes of this universal malaise include the two OPEC shocks of 1973-74 and 1979-80 which acted as an excise tax on all oil-consuming countries, reducing their disposable income and increasing inflation. The seven economic summit countries, for example, saw their GNP growth cut in half, inflation doubled, and productivity slashed between the five years before and after the 1973 oil price watershed.[39] These events also created a maldistribution of liquidity, which the banking system recycled successfully at first but at

the cost of mountainous debt burdens in many developing countries. The danger of large-scale defaults still overhangs the world economy.

Another problem was the accumulation of structural shifts caused by changing factor costs, especially for energy, advances in technology, increased competition, including the newly industrialized countries, and altered consumption patterns. A further cause was the failure of macroeconomic policies in many countries to adjust adequately to these and other changes. Also, slow growth and shifting demographic patterns meant too few workers to pay for the inflation swollen social entitlements promised in the high-growth sixties.

Persistent unemployment at high levels poses major problems for all our governments in addition to the human deprivation involved. It strains budgetary resources, wastes human and economic ones and restrains production and economic growth. It also casts disquieting shadows. The longer it continues at high levels the greater becomes the danger of social and political instability throughout the Alliance.

The causes and cures of the economic situation are not the subject of this policy paper, but its effects impinge directly upon the ability of the Alliance to carry out its most basic task of maintaining a defense posture to provide for the common security. Yet they also increase the incentives for a balanced approach to arms control.

The Working Group sees these relationships: Arms control is illusory without a strong defense; but defense cannot assure security without arms control. The economy serves as the base of the triangle.

NATO's unofficial target is an average real increase in defense spending of 3 percent annually, and General Rogers as SACEUR is urging 4 percent, as noted earlier. Low growth rates in the economy will mean that such increases must come out of domestic programs already strained by the social insurance costs of unemployment. It is doubtful that many other countries will find it politically feasible to emulate President Reagan's success in increasing defense while holding down nonmilitary programs.

Even he may have increasing trouble on that course, as rising budget deficits are perceived as a potential cause of a new climb in interest rates which could abort a U.S. economic recovery and as various political constituencies begin to target defense cuts as an alternative to further belt-tightening in their own programs. Moreover, the magnitude of the funds allocated to the Defense Department in a relatively short period may lead others to conclude, like a former Comptroller General of the United States, that they simply cannot be spent effectively. His belief is "that present schedules constitute unacceptable risks of waste, mistakes and even loss of public confidence in the (defense) goals themselves."[40] The Pentagon denies that it is simply "throwing money at the problem", but many Working Group members, believe that a more measured and sustainable military buildup would be preferable to the Administration's current approach, which has been criticized even by the conservative Heritage Foundation.

While some additional demand is generated in the defense sector of the economy, its multiplier and job-creating effects are generally believed to be less than other forms of public spending produce, and the fiscal and monetary effects tend to offset each other, at least in the United States. There are also some questions about the inflationary and bottleneck effects of defense spending,[41] although these are less troublesome when there is great slack in the economy.

In the Administration's current five-year plan, the defense budget is projected to grow 7.4 percent annually in real terms and rise to over 7 percent of GNP by FY 1986.[42] But even if it proves able to overcome growing congressional opposition and go ahead with this plan, it is possible to foresee heightened friction in the Alliance over burden sharing. The United States has one of the lowest real defense budget increases in NATO (actually a negative 1.5 percent) between 1970 and 1980,[43] but as a percentage of GNP, U.S. defense spending was already the highest in NATO in 1981 even before the Reagan increases took effect.

As the U.S. burden (measured by share of GNP) rises to nearly twice what most of the other allies are able to do, we are concerned that there will be renewed interest in a Mansfield-type amendment calling for American troop withdrawals from Europe unless the allies do more. (Indeed in September 1982, the Senate Defense Appropriations subcommittee voted 12 to 1 to reduce American troops in Europe by 15,000 men.) The concern here over Japan's modest defense efforts is also illustrative of the sentiments.

We believe that U.S. force withdrawals would not have the desired effect in Europe. They would most likely be counter-productive by encouraging a slackening in European efforts, possible initiating a vicious cycle with adverse effects not only on security and Alliance solidarity but on prospects for the MBFR and other arms control negotiations. It seems important therefore for the Alliance to stay at least roughly in tandem, moving forward together, even if slightly more slowly, to implement the agreed force improvement program on a cost-effective and politically substainable basis, although that may mean slowing the U.S. buildup to a somewhat more measured pace.

The economic squeeze also will require maximum feasible use of armaments cooperation to achieve economies of scale and enhanced standardization and interoperability to improve efficiency, subjects which attract some lip service but little commitment. Hard choices may also have to be made about future weapons systems, looking to trade off qualitative technological sophistication for greater simplicity and cost-effectiveness. Different approaches to problems in these areas, including competition in high technology systems and the problems of opening a two-way street in armaments procurement, can also exacerbate inter-allied frictions.

The only "good" news on the economic front is that the Warsaw Pact countries seem to be in even worse shape economically. The Soviet Union faces slow labor growth in the eighties (0.4 percent annually, and much of that is in the non-Russian Republics) continuing inefficiencies in agriculture, recurring energy bottlenecks, and industrial and GNP growth rates only about half what they were in the late sixties. They will face difficult investment decisions, not only between guns and butter (i.e., agriculture), but also between housing and consumer goods and modernization of industry.[44] Of course, no government in Eastern Europe has to submit its defense budget to a democratic legislature, and while public opinion counts to a degree, it can be manipulated. Still, in a climate of adversity, added economic incentives for meaningful arms control progress should exist.[45] The scope for large savings on nuclear systems is relatively small in the short term, so MBFR is the most likely beneficiary from the standpoint of both East and West.

Looking ahead to the competition in space and other high technology systems, one commentator has observed: "For those who look not for the end, then perhaps for some pause in the arms race, the only hope lies in the budget-defeating costs which new weapons now lay upon productive populations wherever they live. The point really does seem to be approaching when man will no longer be able to afford the things which he is clever enough to invent,"[46] nor, one might suggest, to live with their consequences.

The security problems discussed in this paper have been with us for a long time. Even with arms control progress, they will continue to absorb significant portions of national output. If the defense burdens on the economy can be eased somewhat so as to aid recovery, not only in the United States but throughout the world, then the healthier economic outlook which seems probable for the mid- to late-eighties can sustain a long-term commitment to necessary defense programs—and to the augmented conventional capabilities in Europe we feel are essential to ease the Alliance's nuclear dilemmas. Thus we must close the gaps between arms control and defense and between both of them and the economy, and resolve differences between the United States and Europe on the way these interactions are approached. They must be better integrated both conceptually and in the day-to-day conduct of policy.

IV. THE POLITICAL ECONOMICS OF EAST-WEST RELATIONS

A Senate Foreign Relations Committee study concluded that a major source of the Alliance's most severe crisis in many years "can be found in differing U.S. and European attitudes toward East-West relations. Many of these differences are not new; they have been part of the dynamic of alliance relations since NATO was founded."[47]

As the cold war intensified and NATO came into being, the United States established controls on trade to the Soviet Union and later to Communist China after that country's entry into the Korean War. Legal authority for these measures was provided by the Export Control Act of 1949 and the Mutual Defense Assistance Control Act of 1951, better known as the Battle Act. The latter threatened to cut off American military and economic aid to states that did not conform to U.S. policies on exports to the Communist countries.

In the words of one congressional report: "From the outset, few West European or Japanese statesmen or businessmen shared the underlying assumption, or for that matter, the ultimate objective of the embargo. Only under the most intense pressure and coercion did Europe and Japan accede to this restrictive policy . . . allied differences with the United States rested both on policy and economic interests. Europeans simply could not accept the view that denying trade would put an end to communism or even curtail the Communist countries' development."[48]

Although other Western nations resented U.S. pressure, they recognized that a unilateral U.S. embargo would be ineffective if the Soviets could get similar goods from our allies. So they cooperated in forming the Coordinating Committee for Multilateral

Export controls, known as COCOM. The COCOM lists of restricted items generally parallel those of the United States. They cover military and atomic energy categories plus an industrial-commercial list which has proved the most controversial, since many items on it are "dual-use," i.e., have civilian as well as military potential and often are technologically advanced.[49]

One writer evaluating COCOM's effectiveness has concluded that it "can be looked at like the proverbial glass of water—as half full, half empty! To the extent that some advocates of a hard line toward the Communist bloc sought to establish a complete economic boycott, then the COCOM system was a relatively weak instrument and, at best, a 'sieve.' But taking account of the widely divergent interests working within and among a group of sovereign countries, the case can also be made that COCOM has accomplished its stated purposes quite well over an extended period of years."[50]

Disputes in the West about the political purposes and effectiveness of trade denial were inevitably compounded by important differences of national economic interest. Historically, trade flows with the East have always been of greater consequence for Western Europe than for the United States. As noted earlier, European NATO countries have averaged nearly 10 percent of their world trade with the Eastern bloc countries compared to half that much for the United States. Even during the heyday of detente, Henry Kissinger candidly acknowledged that:

"Our strategy was to use trade concessions as a political instrument, withholding them when the Soviet conduct was adventurous and granting them in measured doses when the Soviets behaved cooperatively." [51]

U.S. attitudes on trade and investment with the nonmarket economies have, in the words of one analysis, "moved between the carrot and the stick, never quite certain which is the preferred instrument, and from time to time actually trying both concurrently." [52]

The Europeans, while following COCOM procedures on military goods, have tended to press for liberalization in the system and join reluctantly, if at all, in sanctions such as the Carter Administration imposed as a result of the Soviet invasion of Afghanistan and the Reagan Administration's moves in response to the repression in Poland.

The Soviet Union, while expressing resentment over "linkage," has tended to ride with the tide of U.S. policy shifts. When the U.S. has been more open and positive, as during the detente of the early and mid-seventies, the Soviets have appeared as eager trading partners and beneficiaries of Western transfers of capital and technology; but they have also been able to make the necessary adjustments when U.S. policy turns more restrictive, as at present.

This set the stage for the major dispute over the pipeline to bring natural gas from Siberia to Western Europe. The Reagan Administration attempted to persuade the Europeans that the project would make them vulnerable to Soviet pressure and, because the USSR could earn some $10 billion per year in hard currency, that it would reduce pressure on the Soviet economy and facilitate their military buildup.

The U.S. pleas fell on deaf ears, and by the fall of 1981 arrangements involving European firms and contracts for pipe and machinery were nearing completion. With the establishment of martial law in Poland in December, President Reagan announced a program of sanctions which included a retroactive denial of export licenses to U.S. firms involved in the pipeline.

At the Versailles Summit meeting in June 1982, the pipeline controversy was brought up again, but U.S. views were not accepted. The United States thought it had made headway in gaining European consent for greater prudence in government-subsidized or guaranteed credit to the East and in tightening COCOM restrictions on "critical technologies." The Europeans thought they had attained greater U.S. willingness to examine sympathetically the prospects for coordination of macroeconomic policy and central bank intervention in monetary disturbances. But contradictory statements on both sides started even before the meeting adjourned.

While the degree to which misunderstandings played a role in the U.S. decision of June 23, 1982 is unknown, it is clear that much European resentment centered on the President's decision to ban the use of even U.S.-licensed products for the pipeline to be furnished by European firms.

The extraterritorial application of U.S. controls, i.e., to foreign subsidiaries of U.S. companies, has long been a source of controversy.[53] It was compounded in this case by the fact that the controls were retroactive in the sense that contracts had been made prior to the imposition of U.S. sanctions. For its part, the United States argues that it is not logical to allow a company to do from its overseas affiliate what it is prohibited to do from the United States.

All the European governments involved reacted strongly, intervening with local subsidiaries to insure delivery of goods, regardless of orders from the parent company.[54] The United States applied sanctions and the entire Alliance went into an uproar.

President Reagan defended his policy of refusing to ban grain exports on the ground that grain could be obtained elsewhere and that it costs the Soviet Union money, whereas the pipeline would bring them earnings.[55] Meanwhile both the European allies and the Soviet Union made clear their determination to proceed.

In any event, following an unusual NATO foreign ministers meeting in Canada in October, the President announced on November 13, 1982, that enough progress had been made in coordinating trade relations with the U.S.S.R. to lift the sanctions.

The Working Group believes that several lessons can be learned for the future: First, the energy vulnerability argument should have been thrashed out among the allies before the project was so far advanced. The European Community maintains that "even when gas is flowing at the maximum rate in 1990, it will represent less than 4 percent of the Community's total energy consumption." [56] By contrast, Germany is currently about 24 percent dependent for its share of energy on Middle East oil, France nearly 30 percent. Some degree of diversification may be prudent. The question is what degree might make the allies vulnerable to Soviet pressure. And that basic question was never aired in the North Atlantic Council, which provides a forum for consultation that might have been useful in this case.

Second, the rationale of hard currency denial is an issue that will return on other East-West questions. The Europeans believe that the Soviet economy is structured so that allocations of resources can be enforced by fiat, despite the current economic situation and competing resource demands. The United States tends to believe that any action which limits the Soviet's ability to purchase in the West will help to constrain the Soviet defense budget. This is another question worthy of dispassionate study on an Alliance basis.

Third, the dependability of U.S. suppliers has received a setback all over the world. Countries that have looked to Americans as leaders in advanced technology are now likely to have second thoughts about entering into contracts, fearing that they, too, might be subject to some ex post facto change in arrangements on which they had relied.

Perhaps the most significant long-term effect of the controversy is its strain on the solidarity of the Alliance, and the revelation of the limits of that solidarity. It is too soon to tell whether the allied discussions will lead to greater European cooperation in COCOM restrictions and a tightening of future governmental credits to Soviet bloc countries. That should certainly be the outcome. We believe even non-security-related trade should be conducted with the East on as commercial a basis as possible.

On the broader East-West issue, however, we believe than an effort must be made to provide a better institutional framework within which a coherent approach to economic relations can be constructed to serve the interests of the Alliance. Suitable fora exist in NATO, the OECD, the IEA, and COCOM. Special machinery could be constructed, drawing on the expertise of all four institutions, to develop a common policy framework.

In particular, NATO presents possibilities which have never been tapped because suggestions that NATO consider economic matters have often been rejected on the grounds that "OECD can do it better." Yet the relationship between economic and strategic policy is both beyond the competence of the OECD, with its neutral members, and of direct relevance to the defense problems which are NATO's responsibility. This might also become a useful agenda item for the new "Harmel" exercise—a review of major Alliance policy issues by a group of respected statemen—recommended above.

It is evident from the history recited that reaching an agreement will not be easy. The United States will have to give considerably in its "carrot and stick" approach, since the Europeans clearly are not prepared to conduct economic warfare with the East against the grain of their immediate economic interests. But to the extent agreement can be reached, the U.S. policies, however, watered down from the optimum desired by Washington, will be more effective precisely because they are an Alliance position. If broad guidelines can be agreed upon, particular issues such as the pipeline can be avoided or resolved. Without a common framework, unilateral U.S. policies are bound to fail; and common sense argues that half a loaf would be better than none.

One element in such a unified policy might be the establishment of NATO guidelines for government-to-government umbrella agreements with the Soviet Union and its allies. If these were limited to, say, a three-year period, there would still be some leverage in terms of their renewal and a basis for common contingency planning about responses to future Soviet action. But within the specified period, it would be understood that governments would not interfere with approved commercial projects, i.e., those not involving COCOM list items, absent an overt hostile act against an Alliance member. A better sense of mutual benefits

could emerge from a series of such short-term agreements which would increase the reluctance in both East and West to damage the prospects for their continuation.

Finally, as previously noted, there are a whole set of "West-West" economic tensions affecting the Alliance. The painful industrial restructuring which deep-rooted as well as cyclical factors are forcing on the industrial world at a time of recession and high unemployment is generating serious discord. The trade and investment issues involved are often intractable; but their corrosive side-effects can be limited by a common effort, such as the pledge to avoid protectionism which was renewed, albeit weakly, at the GATT Ministerial Meeting in November 1982, and has been a feature of most economic summit sessions.

No matter how painful politically the competitive issues may become, it is the duty of statesmanship to see that they are not placed on a par with the core issues of the Alliance: preserving our common security and freedom and preventing nuclear war.

ADDITIONAL COMMENTS FROM WORKING GROUP MEMBERS

A number of the members of the Working Group believe it important to make the following supplementary statement with regard to nuclear arms control:[57]

There is an urgent requirement for United States arms control policies aimed at limiting and ending the nuclear arms competition with the Soviet Union through negotiated agreements. Indeed, unless the United States demonstrates a genuine and persuasive intent to negotiate and conclude such agreements, the cohesion of the North Atlantic Alliance and the security of its members will be seriously weakened, especially during a period in which the declining performance of their economies renders member countries unusually vulnerable to political instability.

Specifically, we believe the interests of the U.S. and its allies call for:

1. Prompt ratification of the SALT II Treaty.

2. Sustained commitment to further agreements on controls and reductions of nuclear weapons, based on the principles of essential equivalence and adequate verification. While recognizing the desirability of an interim agreement in the intermediate range nuclear force (INF) talks, we believe that in the longer run, owing to the fact that the various weapons are inter-related, the negotiations for INF and inter-continental range missile systems should be combined.

3. Completing negotiations on the Comprehensive Test Ban Treaty, followed by prompt ratification.

4. Negotiating a ban on the deployment of long-range land-launched and sea-launched cruise missiles. These weapons are so small, so easily hidden, and so impossible to distinguish between nuclear and conventionally armed versions, as to make verification—and hence arms control itself—virtually impossible.

5. Resuming the negotiations to ban anti-satellite weapons.

COMMENTS BY R. DANIEL M'MICHAEL, ROBERT L. PFALTZGRAFF, JR. AND JEFFREY RECORD

In our judgement, the Atlantic Council Policy Paper is fundamentally flawed in its underlying assumptions which are best summarized in the introductory comment: "What matters most, however, is the likely Soviet response to the fears which U.S. actions and rhetoric are instilling in them and the counter-programs they may develop." It is from this notion of U.S. culpability that flow the major themes and general assessments contained in the Policy Paper. In essence the paper underplays the scope and nature of the Soviet strategic arms buildup and efforts to achieve military superiority while it implies that U.S. effors to respond to this are confrontational and destabilizing. To portray the United States in such a light represents a gross distortion of reality that essentially ignores our nation's long history of responsible arms control policy. It is a view from which we must disassociate ourselves.

We are equally troubled with what this Policy Paper does not contain. There is no coherent examination of Soviet strategic doctrine, whose central proposition is that nuclear war is not only thinkable but winable. There is no informed discussion relating the potential for "nuclear blackmail" that may result from the ongoing Soviet strategic-military buildup to the Brezhenev Doctrine or to "wars of national liberation." Further, the Policy paper fails adequately to analyze the security environment in Europe in light of the Soviets' long-term global strategy: the withdrawal of the United States and the decoupling of the American security guarantee from Western Europe. In the short period since assuming power, Andropov has moved adroitly in support of this Soviet goal.

We concur in the expression of support in the Policy Paper for deployment of the 572 Pershing 2 and Ground Launched Cruise Missiles taken by the NATO Ministerial Council in December 1979 after more than two years of intra-Alliance consultation. However, we believe that the Policy Paper should have reaffirmed the need to begin deployment in accordance with the present timetable, i.e., before the end of 1983.

Although NATO has yet to deploy any of the INF systems, the Policy Paper calls upon the United States to demonstrate greater "flexibility" in the INF talks. Instead it is the Soviet Union which has shown little real flexibility in deploying SS-20s at the rate of one every five days.

There are many other conclusions and recommendations contained in this Policy Paper with which we do not agree:

1. The Policy Paper sets forth arms control recommendations which essentially represent a restatement of the failed policy of the past, whose principal result has been the unilateral weakening of the U.S. strategic military posture. Despite years of SALT and MBFR negotiations, the Soviet Union made huge strides in its armaments buildup at all levels—nuclear and conventional.

2. It is in light of Moscow's continuing anti-arms-control performance that we reject the assumption set forth in the Policy Paper that "real arms control" (whatever that means) would reduce the Soviet perception of threat. Their foreign policy behavior is driven by a combination of ideological imperatives and a conception of security that calls for successive zones of control and influence, based upon global power projection capabilities.

3. We oppose ratification of the SALT II Treaty because it would codify, or formally legalize, the advantage given to the Soviet Union in weapons of intimidation, the counterforce-capable strategic launchers that constitute a first-strike potential. The SALT II unit of account, deployed launchers, is inadequate. In START, the United States has properly emphasized the need for substantial reductions in the number of missile warheads and their destructive potential.

4. Placing a limitation upon defense expenditures, as the Policy Paper recommends, does not provide, in itself, a useful approach to arms control. What matters, in the context, is not the total of expenditures, but rather the military capabilities which result. Moreover, there is no evidence of persons in the Soviet system who would be able to reorient spending on a substantial scale from defense to nondefense sectors.

5. The Policy Paper is unduly obsequious with respect to the political and economic sensitivities of our European allies. It conveys the image that the United States must never do anything that would irritate our allies or dispel whatever illusions some in Europe may have about the nature of Soviet power and the required responses to it. As the Policy Paper points out in one discussion but ignores in another, European opinion is not monolithic. Moreover, political solidarity is deemed to be paramount, even at the lowest common denominator, and even at the expense of maintaining the effective military deterrence for which the Alliance was created and upon which the security of the West depends.

In conclusion, we believe that the United States must attempt to conclude arms reduction agreements designed to eliminate the present Soviet advantages in destabilizing weapons, notably SS-20s and heavy intercontinental systems. Both in our public statements and our negotiating policy we must reject the idea that the Soviet Union has any legitimate security interest calling for the possession of such clearly offensive weapons.

The prerequisite to the rebuilding of Alliance consensus is a policy of strength on the part of the United States which cannot be accomplished by arms control policies which codify a military imbalance unfavorable to NATO. This would make difficult reestablishing Alliance cohesion and tempt the allies to press the United States toward ever more "flexibility" in diplomacy with the East—leading to even greater imbalance and to the potential for Soviet nuclear blackmail to "get America out of Europe."

APPENDICES

ANNEX I

The Background of the Alliance

Many people do not remember the formation of the Atlantic Alliance in the spring of 1949 or the pervasive fear of the Soviet Union which gave it birth. Against the background of a devastated Europe, Soviet post-World War II conduct provoked the West into one of the most ambitious "entangling alliances" ever undertaken by a group of sovereign states.

In 1949, the consensus was that only a policy of firmness and substantial U.S. aid to war-weakened Europe could prevent gradual expansion of the Soviet sphere of influence. Within a year, this view was reinforced by the North Korean invasion of South Korea, an action believed approved by the Soviet Union. Because of these hostilities, the United States began a major rearmament effort which gradually involved the Europeans through mutual defense assistance, and ultimately led to the creation of German armed forces within NATO.

During the late sixties, revisionist historians argued that the West had overreacted in the late 1940s to the Soviets' traditional sense of insecurity, a fear reinforced by the U.S. monopoly of atomic weapons. According to this view, Soviet moves were designed to prevent the West from interfering with the installation of Communist governments

in Eastern Europe. Although this thesis held an attraction for many, especially in the United States, history suggests that West European fears for survival as independent countries were justified.

In retrospect, to counter Soviet actions, NATO overreacted with respect to estimates of its political will and capabilities. For example, the Lisbon goals of 1952 called for 35 to 40 active and 55 to 60 reserve divisions, plus 9,000 aircraft by 1954. These goals were not met and the Alliance entered a phase of "rearmament and relaxation," [58] where a wide discrepancy persisted between strategy and forces.

When the Eisenhower Administration assumed office in 1953, it adopted the strategy of "massive retaliation" which allowed the Joint Chiefs of Staff, subject to Presidential control, "to base their plans on using tactical and strategic nuclear weapons against conventional attacks wherever this was militarily advantageous." [59] This reliance on nuclear deterrence, however, was to have far-reaching consequences.

In time, NATO strategy was aligned with that of the United States in the form of MC 14-2 which called for the use of nuclear weapons at the outset of any war initiated by Soviet aggression against any NATO member. Although the Soviet Union had detonated a fission nuclear weapon in 1949 and demonstrated fusion (or hydrogen bomb) weapons by 1953, allied planning continued to be based upon an assumed predominance of American nuclear power for the foreseeable future.

Defense and Deterrence: The Traditional U.S.-European Debate

From its inception, NATO faced discrepancies between declared strategy and military capabilities. The Korean War had spurred the dispatch to Europe of additional U.S. ground forces. Any by the mid-fifties, imaginative diplomacy had overcome the demise of the European Defense Community and incorporated German forces into the Alliance. Though lacking an adequate posture for conventional defense, NATO had become more than a paper organization.

Britain, the only other nuclear power in the Alliance in the 1950s, followed the U.S. lead in emphasizing nuclear weapons because of their cost-effectiveness. NATO also began to emphasize the availability of tactical nuclear weapons for ground as well as air forces. The Deputy Supreme Commander, SHAPE, Field Marshal Montgomery, made it "absolutely clear that we at SHAPE are basing all our operational planning on using atomic and thermonuclear weapons in our defense." [60] This nuclear emphasis, formalized in MC-70 and MC-14/2, inevitably raised questions about the role of nonnuclear forces. Accordingly, various conventional forces formulae were advanced such as the "trip wire", the "plate glass window", and the "shield". [61]

Throughout the fifties and into the sixties, debates also raged on both sides of the Atlantic about the possibility of "limited" nuclear war. The dispute was complicated by the Soviet Union's rapid acquisition of substantial tactical and strategic nuclear capabilities. By the late fifties, the Soviet Union posed an array of medium-range missiles against Western Europe which led General Norstad, SACEUR, to recommend the establishment of a countering MRBM force in Western Europe. This force ultimately was composed of Thor and Jupiter ballistic missiles and Mace and Matador cruise missiles. These missiles were eventually overtaken by technology and phased out in favor of submarine-launched Polaris and intercontinental missiles.

Thus, the stage was set for the argument as to whether the fundamental mission of the Alliance was deterrence or defense. None doubted that nuclear deterrence by threat of retaliation was a sound strategy if it worked, but what if it failed? Assuming the initial battleground would most likely be on Western Europe soil, it was understandable for the Europeans to favor rapid escalation to intercontinental exchanges rather than a continent-destroying tactical nuclear (or even a large-scale conventional) war. On the other hand, the United States found it difficult to contemplate the initiation of intercontinental nuclear destruction except as a last resort and pointed out that such a strategy was losing its credibility. There was also a well-founded suspicion that the Europeans preferred the anomaly of relying on the nuclear guarantee (which some began to call an option of "pre-emptive surrender" if the Russians successfully called the Americans' bluff) in order to avoid substantial increases in defense spending required to reduce NATO's nuclear reliance. Some of the classic arguments were summed up in books by various European defense ministers. [62]

With John F. Kennedy's inauguration in 1961, America sought to deemphasize strategic nuclear retaliation, and to create the ability to fight limited wars and to counter insurgencies—thus returning to the conventional forces emphasis of the Truman-Acheson era. [63] This shift in strategy was, in part, due to the concern that the Eisenhower "New Look" had placed the United States in a musclebound posture. But more was involved than doctrine. The Eisenhower policies gave priority to the Air Force strategic nuclear mission, thus leaving the Army and Navy chafing for larger roles and appropriations.

Early in 1962, the Kennedy Administration began to seek modifications in NATO's strategy in accord with this new U.S. approach. Under the leadership of U.S. Secretary of Defense Robert McNamara and the British Defense Ministry, NATO Secretary General Dirk Stikker was persuaded to launch an exercise intended to be "the first genuine attempt at a cohesive examination of the military strategy and force requirements of the Atlantic Alliance . . . to bring every government from Ottawa to Ankara face-to-face with the hard question" about defense budgets. [64]

Initially, the Stikker exercise was conducted for the United States by a group of civilian experts from the Rand Corporation; but Secretary McNamara decided to change the arrangement to a more official one and appointed Timothy W. Stanley as his Assistant for NATO Force Planning in the spring of 1965. The extent to which European members were determined to cling to the MC-14/2 nuclear doctrine is revealed by the difficulty encountered in establishing an experimental political/military game which postulated a limited Soviet incursion into NATO territory. Three countries refused to allow their territory to be involved in any such scenario on the basis that rather than meeting the assumed incursion, NATO was obligated by its strategy to bomb Moscow!

NATO also adopted a "rolling" five-year force planning system that depended upon political guidance from defense ministers. A parallel effort was made to involve the defense ministers personally in Alliance planning through the Nuclear Planning Group mechanisms, also established by Secretary McNamara, as an alternative to the foundering proposal for a mixed-manned multilateral force (MLF) proposed by some American and European officials as a solution to NATO's longstanding "nuclear sharing" dilemma.

After sharing with the European defense ministers theretofore highly classified U.S. information, and involving them actively in assessing the consequences of different nuclear use scenarios, NATO finally agreed in 1967 to the modified strategic concept of "flexible response." This concept was a compromise between two points of view—the Europeans viewed the threat of nuclear escalation as an essential part of the deterrent, while the Americans contended that a substantial nonnuclear defense capability was essential to make a credible deterrent. [65] Actually, the term "flexible response" was regarded by its drafters as an oversimplification. The basic concept was one of assured response with flexibility in escalation to bring about a favorable solution, with the element of uncertainty of that response viewed as an essential part of the deterrent. Also involved in the flexible response concept was a renewed commitment to "forward defense", a political imperative for the Germans, despite the military drawbacks. [66] For Americans, flexible response meant an increased commitment to a conventional defense in Europe.

On 9 May 1967, the NATO ministers, for the first time, gave detailed political, strategic, and economic guidance to the NATO military authorities; in December, they approved the revised NATO strategic concept, MC 14/3, which had been prepared in accordance with previous ministerial guidance:

"This concept, which adapts NATO's strategy to current political, military, and technological developments, is based upon a flexible and balanced range of appropriate responses, conventional and nuclear, to all levels of aggression or threats of aggression. These responses, subject to appropriate political control, are designed, first, to deter aggression and thus to preserve peace; but, should aggression unhappily occur, to maintain the security and integrity of the North Atlantic Treaty area within the concept of forward defense." [67]

Thus, a period of doctrinal peace emerged, made possible, in part, by the withdrawal of France (which was against any NATO Doctrine that might undercut the French *force de frappe*) from the military affairs of the Alliance. However, the underlying issue of the role of nuclear weapons in NATO strategy was not solved.

It is ironic that fifteen years later, the debate has been reopened with a proposal for "no first use". [68] McGeorge Bundy, George Kennan, Robert McNamara, and Gerard Smith argue that limiting nuclear weapons to the role of deterring the other side from using them could significantly reduce the dangers of nuclear conflict, as well as some of the Alliance's nuclear dilemmas, and that a nonnuclear defense of Western Europe is possible, taking advantage of new conventional technologies, such as "smart" guided weapons, without calling for unrealistic increases in the defense effort. [69] This thesis has been countered by a group of German experts who contend that such a doctrine would allow an aggressor to make war a calculable rather than an incalculable option, thus increasing the risk of war. [70]

Questions have, however, been properly raised about the availability of NATO forces and resources to meet higher levels of con-

ventional defense that would be required, even though on an aggregated basis the resources are theoretically there. NATO has a larger population, significantly greater gross national product, more men under arms, spends more on defense, and has a higher technological base than the Warsaw Pact. The problem is that as a voluntary coalition of countries whose parliaments represent widely divergent viewpoints on the Soviet threat and on defense needs, it is improbable that political leaders could deliver forces matching the resources potential. Thus, there is no agreement in the Alliance on a doctine of no first use of nuclear weapons. But there is a consensus that NATO's defenses must be structured to avoid the necessity for early first use, and the "use or lose" dilemma must be avoided or at least postponed as long as possible.[71]

Detente

Coincident with these developments in NATO's strategy and force planning was a year-long study on "The Future Tasks of the Alliance" undertaken on the basis of an initiative by former Belgian Foreign Minister Harmel. This project was designed to answer critics of the Alliance who felt NATO's emphasis on maintaining military strength was interfering with the prospects for political settlements of the many East-West issues that gave rise to the Cold War. Its central conclusion, widely accepted at the time but subsequently overlooked, was that "The Atlantic Alliance has two main functions: . . . to maintain adequate military strength and political solidarity, to deter aggression and other forms of pressure, and to defend the territory of member countries if aggression should occur . . ." and "to purse the search for progress towards a more stable relationship in which the underlying political issues can be solved." The study concluded that:

"Military security and the policy of detente are not contradictory but complementary. Collective defense is a stabilizing factor in world politics. It is a necessary condition for effective policies directed toward a greater relaxation of tensions. The way to peace and stability in Europe rests in particular on the use of the Alliance constructively in the interest of detente. The participation of the USSR and USA will be necessary to achieve a settlement of the political problems of Europe."[72]

The Harmel study was approved at the same December 12-14, 1967, meetings dicussed earlier. But in this case, France was an active participant, albeit opposed to any bloc-to-bloc diplomacy.

The interest in Soviet-American relations was taken a step futher in 1968 at the Reykjavik Ministerial session when NATO issued a declaration concerning East-West mutual force reductions. By December 1968, the philosophy of the Harmel report, combined with Chancellor Brandt's *Ostpolitik* and the possibility of some breakthrough in the long impasse over Berlin, led NATO to issue a declaration, responding in part to various Warsaw Pact messages and appeals, concerning the readiness of its members to negotiate on a wide range of European security issues but only on a realistic basis and if accompanied by positive Soviet responses.[73]

The eventual outcome of several years of such "detente diplomacy" was the Conference on Security and Cooperation in Europe (CSCE) which led ultimately to the 1976 Helsinki Final Act and the current talks on Mutual and Balanced Force Reduction (MBFR) in Vienna.[74]

NATO repeatedly resolved that "until agreement can be reached on East-West mutual force reductions . . . NATO will continue to ensure that there is no reduction in its overall military capability.[75] But the Alliance was weakened by the drawdown of some U.S. forces for Vietnam, Canadian and British restructuring, and by a failure of various members of the Alliance to meet their force goals in both qualitative and quantitative terms.

The United States, meanwhile, leveled off its own strategic nuclear forces and undertook the Strategic Arms Limitations Talks (SALT), a process started under President Johnson, continued through President Nixon's tenure, and extended through the Ford and Carter Adminstrations.[76] By the late seventies, however, detente increasingly came under fire, particularly by U.S. groups such as the Committee on the Present Danger, which felt that detente had worked in a one-sided manner, leading the West to relax its military preparedness while the Soviet buildup continued unimpeded. President Ford even forbade the use of the term "detente" during his reelection campaign. Other critics argued that the Helsinki agreements, in the context of the CSCE, provided Western recognition of the Soviet postwar territorial acquisitions, but allowed the Soviets to disregard human rights principles.

The death of detente was sounded when the Soviets invaded Afghanistan in 1979. President Carter imposed sanctions, withdrew the SALT II agreement from Senate ratification, and recommended substantial increases in U.S. defense spending, which were further enlarged under the Reagan Administration.

In NATO in the late 1970's, the perceived shifts in the conventional and nuclear military balance led to twin responses by the Alliance. A long-term defense program, undertaken at U.S. urging, and various arms cooperation measures were initiated to try to reduce both the conventional and the nuclear gap. As the Soviet nuclear buildup continued, especially the deployment of the mobile Soviet SS-20 missile, concerns about the Eurostrategic balance led to a European initiative which resulted in the Long Range Theater Nuclear Force (LRTNF) also known as the Intermediate Nuclear Force (INF) modernization. This program involves the planned deployment in Western Europe, beginning in December 1983, of 464 ground-launched Tomahawk cruise missiles and 108 Pershing II intermediate range ballistic missiles. This decision, arrived at a special meeting of the foreign and defense ministers on December 12, 1979,[77] was taken on the basis of a two-track approach also calling for U.S.-Soviet negotiations on Intermediate Nuclear Forces which commenced in Geneva in November 1981.

All of the issues noted above and discussed further in the text retain a potential for divisiveness within an Alliance characterized by a collective short memory about the many other occasions when it has survived the "disarray" attributed to it by the media. The key point is that for over thirty years, NATO has managed to keep the peace in Europe, which is longer than any other period in modern history.

ANNEX II

TABLE I.—NUCLEAR DELIVERY VEHICLES: COMPARATIVE STRENGTHS[1] (AS OF JULY 1982)

[Missiles and artillery]

United States			Soviet Union		
Category and type	Number deployed	Range (km)	Category and type	Number deployed[2]	Range[3] (km)
STRATEGIC					
Land-based (ICBM):					
Titan II	52	15,000	SS-11	570	8,800–10,500
Minuteman II	450	11,300	SS-13	60	10,000
Minuteman III	550	13,000	SS-17	150	10,000–11,000
			SS-18	308	9,000–12,000
			SS-19 (RS-18) Model 1–3	310	10,000–11,000
Sea-launched (SLBM):					
Poseidon C-3	304	4,600	SS N-5	57	1,400
Trident C-4	216	7,400	SS-N-6	400	2,400–3,000
			SS-N-8	292	7,800–9,100
			SS-NX-17	12	3,900
			SS-N-18	208	6,500–8,300
			SS-NX-20	20	8,300
INTERMEDIATE					
Land-based (I/MRBM):					
Pershing II	(4)	1,500	SS-14	275	2,000
			SS-5	16	4,100
(GLCM)			SS-20	315	5,000–7,400
BGM-109A	(5)	(6) 2,250			
TACTICAL					
Land-based (SRBM):					
Pershing 1A	108	160–720	SS-1b	450	150
Lance	36	110	SS-1c		160–300

TABLE I—NUCLEAR DELIVERY VEHICLES: COMPARATIVE STRENGTHS [1] (AS OF JULY 1982)—Continued

[Missiles and artillery]

United States			Soviet Union		
Category and type	Number deployed	Range (km)	Category and type	Number deployed [2]	Range [3] (km)
			FROG–7	482	70
			SS–12	70	490–900
			SS–21	[4] 10	120
			SS–22	100	1,000
			SS–23	[5] 10	350
(GLCM)			SS–C–1b	100	450
Sea-launched (SLCM):					
			SS–N–3	356	450
			SS–N–7	154	45
			SS–N–9	([7])	280
			SS–N–12	32	1,000
			SS–N–14	292	55
			SS–N–19	44	460
Air-launched (ALCM):					
AGM–86B	([6])	2,500	AS–2	([8])	200
			AS–3	70	650
SRAM			AS–4	180	300
AGM–69A	1,250	55–160	As–6	65	250
INTERMEDIATE					
Artillery:					
M–110 203 mm SP how (mod)	200	21	S–23 180 mm towed gun	(168)	30
M–109 155 mm	252	18			
AIRCRAFT (Bombers)					
Long-range:					
B–52D	75	9,900	Tu–95	105	12,800
B–52G	151	12,000	Mya–4	45	11,200
B–52H	90	16,000			
Medium-range:					
			Tu–16	580	4,800
FB–111A	60	4,700	Tu–22	165	4,000
			Tu–22m/–26 (Backfire)	180	8,000
STRIKE AIRCRAFT					
Land-based:					
F–4C/D/E	198	2,200	Su–7	150	1,400
F–111/E/F	156	4,700	MiG–21	100	1,100
F–16	48	3,800	MiG–25	550	1,400
			Su–17/–20	650	1,800
			Su19/–24 Fencer	550	4,000
Carrier-based:					
A–6E	60	3,200			
A–7E	144	2,800			

[1] For a more detailed treatment, refer to The Military Balance 1982–1983. The International Institute for Strategic Studies, pp. 112–115, from which this table is adapted.
[2] Includes assorted types.
[3] Range variance based on assorted types of weapons.
[4] Some 39 to be deployed 1983.
[5] Some to be deployed 1983.
[6] Some.
[7] 136 plus.
[8] Not available.

TABLE II.—NUCLEAR DELIVERY VEHICLES: COMPARATIVE STRENGTHS [1] (AS OF JULY 1982)

[Missiles and artillery]

NATO excluding United States			Warsaw Pact excluding Soviet Union		
Category and type	Number deployed	Range (km)	Category and type	Number deployed [2]	Range [3] (km)
Land-based:					
IRBM—SSBS S–3	18	3,500	SRBM (dual capable—SS–1c, KY–3	143	160–450
SRBM:					
Honest John	90	40	FROG–3/–7	205	40–60
Pershing IA	72	720			
Pluton	42	120			
Lance	61	110			
Sea-launched:					
SLBM:					
Polaris A–3	64	4,600			
MSBS M–20	80	3,000			
Artillery (dual-capable):					
M–110 203 mm—SP how	231	16			
M–109 155 mm—SP how	1,454	18			
Aircraft					
Bombers:					
Medium-Range—Vulcan B2	48	6,400			
Strike aircraft:					
Land-based:					
F–104	290	2,400	Su–7	115	1,400
F–4	172	2,200	Su–20	35	1,800
F–16	20	3,800			
Buccaneer	50	3,700			
Mirage IVA	34	3,200			
Mirage IIIE	30	2,400			
Jaguar	117	1,600			
Carrier-Based: Super Etendard	36	1,500			

[1] For a more detailed treatment, refer to "The Military Balance Balance 1982–83," The International Institute for Strategic Studies, pp. 116–117, from which this table is adapted.

ANNEX III

Selected glossary of terms and weapons

Antiballistic Missile (ABM). A missile system specifically designed to detect, intercept, and destroy incoming nuclear warheads.

Arms Control. Any plan, arrangement, or process resting upon explicit or implicit international agreement, governing any aspect of the following—the numbers, types, and performance characteristics of weapons systems (including their command and control, logistics support arrangements, and any related intelligence gathering mechanisms) and the numerical strength, organization, equipment, deployment, or employment of armed forces.

Arms Race. A reciprocal build-up in the quality or quantity of the military power of two opponents, caused by each striving to maintain or achieve a desired military posture relative to the other.

Balance of Power. An equilibrium of adjustment of power (as between potentially opposing sovereign states) such that no one state is willing or able to upset the equilibrium by waging war or interfering with the independence of the other states.

B-1 Bomber. A new U.S. strategic bomber capable of flying intercontinental missions without refueling. The B-1 will be capable of high subsonic speeds. The aircraft is in an advanced state of development and has a planned armament of twenty-four nuclear-tipped short-range attack missiles (SRAM) and free-fall nuclear bombs.

Command and Control. An arrangement of personnel, facilities, and the means for information acquisition, processing, and dissemination employed by a commander in planning, directing, and controlling operations.

Counterforce Strategy. A strategy of using nuclear weapons to destroy the opponent's nuclear and general military forces. The main consequence of adopting such a strategy is the need for large numbers of extremely accurate nuclear weapons.

Countervalue Strategy. A strategy of targeting nuclear weapons on the opponent's cities and industrial areas. When compared with a counterforce strategy, this strategy requires fewer and less accurate nuclear weapons.

Cruise Missile. A non-ballistic, air-breathing missile using sophisticated guidance systems. The U.S. Tomahawk cruise missile scheduled for deployment in NATO will be ground-launched (GLCM) and each launcher carries four missiles. There are also air-launched (ALCM) and sea- (or submarine) launched (SLCM) cruise missiles.

Damage Limitation. A term used in nuclear strategy debates to indicate a situation in which one side, feeling that an attack is imminent launches a pre-emptive strike with the objective of reducing the opponent's nuclear forces and therefore the severity of the expected strike.

Deterrence. The prevention from action by fear of the consequence. Deterrence is a state of mind brought about by the existence of a credible threat of unacceptable counteraction.

Disarmament. Reduction of military forces or armaments, especially to levels set by international agreement.

Escalation. The deliberate or unpremediated increase in the scope or violence of a war.

First Strike Capability. The ability to destroy all, or every nearly all, of the enemy's strategic nuclear forces in a pre-emptive nuclear attack.

First Strike Strategy. A strategy adopted perforce by a country which possesses nuclear weapons that are vulnerable to an attack and must therefore be used before such an attack is made.

Flexible Response. The capability to react across the entire spectrum of possible challenge, for coping with anything from general atomic war to infiltration and aggression. Also, a shorthand description of NATO's current strategy. (See Annex I).

General and Complete Disarmament (GCD). Reduction of armed forces and armaments by all states to levels required for internal security and for an international peace force.

Gray-Area Systems. Weapons systems that are not classified as central systems per se, yet have strategic capabilities (e.g., the Soviet Backfire bomber, US forward based FB-111s).

Inspection. Agreed procedures by which individuals as representatives either of national states or of international organizations conduct activities for the primary purpose of verifying compliance with arms control and disarmament agreements.

Military Strategy. The art and science of employing the armed forces of a nation to secure the objectives of national policy by the application of force or the threat of force.

Minuteman III. Principal U.S. intercontinental ballistic missile, introduced in 1970. Range 7,020 nautical miles and a payload consisting of three 160-kiloton independently targetable warheads.

Multiple Independently-Targetable Re-Entry Vehicle (MIRV). In this multiple warhead system, each warhead can be directed toward an individually selected target. The warheads are mounted on a "bus" which is guided through a series of predetermined velocity changes, releasing a warhead after each change.

Mutual Deterrence. The situation that obtains between two powers when each is deterred from attacking the other (i.e., launching a first strike) because the damage expected to result from the victim's retaliation (second strike) would be unacceptable: usually thought of as applying only to attacks upon the homelands of the opponents, but sometimes extended to important interests and commitments outside the homelands.

Neutron Bomb. An enchanced-radiation warhead, designed to maximize radiation and minimize blast effects.

Nuclear Parity. A mutually recognized equivalence of nuclear military power between two adversary states such that the military plans of both are based upon qualitatively similar though not quantitatively identical factors of strength. Generally employed with primary reference to the correlation of strategic power.

Nuclear Superiority. Advantage possessed by a side having a nuclear striking force so large that it would be credible that its possessor might use a nuclear strike in retaliation to conventional aggression and still have sufficient nuclear capability to carry out a second-strike response.

Pershing. A U.S. ballistic missile deployed in Germany in its first mode since 1969. The Pershing II planned to modernize the system, would extend its range (to 1,000 miles) and improve its accuracy. It is included in the NATO INF plan.

Polaris. U.S. submarine-launched ballistic missile. The current A3, first deployed in 1964 has a range of 2,500 nautical miles and three kiloton warheads (not independently targetable).

Poseidon. The latest U.S. submarine-launched ballistic missile, first deployed in 1971. Range 2,500 nautical miles and a payload consisting of ten to fourteen 40-kiloton independently targetable warheads. Currently deployed on twenty-seven strategic submarines.

Proliferation of Nuclear Weapons. The acquisition of national nuclear capabilities by states not previously possessing them, either by the dissemination by nuclear weapons or information necessary for their manufacturer, or by the development of domestic nuclear programs.

SALT I. The series of negotiations beginning in the late 1960s resulting in the "Interim Agreement Between the United States of America and the Union of Soviet Socialist Republics on Certain Measures With Respect to the Limitation of Strategic Offensive Arms" and the "Treaty Between the United States of America and the Union of Soviet Socialist Republics on the Limitations of Anti-Ballistic Missile Systems," signed at Moscow on May 25, 1972.

SALT II. The negotiations since SALT I, culminating in the signing on June 18, 1979, in Vienna, of the "Treaty Between the Union of Soviet Socialist Republics and the United States of America on the Limitation of Strategic Offensive Arms" and the "Protocol to the Treaty Between the Union of Soviet Socialist Republics and the United States of America on the Limitation of Strategic Offensive Arms." When the Soviets invaded Afghanistan in December 1979, President Carter suspended the SALT II Agreement from Senate ratification.

Second Strike Capability. The ability to mount a nuclear attack after a first strike by the opponent. For a strategy of deterrence the object is to convince the enemy that no matter what he does (in a first strike), his opponent will retain the capability to deliver an unacceptably severe second strike.

Stability. An international situation in which there are inherent forces that tend to combat disruptive influences or to restore order whenever disruptive elements threaten it.

Strategic Advantage. The overall relative power relationship of opponents which enables one nation or group of nations effectively to control the course of a military/political situation.

Strategy. The art and science of developing and using political, economic, psychological, and military forces as necessary during peace and war, to afford the maximum support of policies, in order to increase the probabilities and favorable consequences of victory and to lessen the chances of defeat.

Surgical Strike. A U.S. term used to indicate a selective attack with nuclear weapons in contrast to an all-out first strike or retaliatory second strike. The desirability of being able to carry out a surgical strike is being used to justify the development and procurement of nuclear weapons with counterforce capabilities.

Throwweight. The useful weight which is placed on a trajectory toward the target by the boost stage of a missile.

Triad. Combined strategic offensive U.S. force concept including intercontinental ballistic missiles, submarine launched ballistic missiles, and heavy bombers.

Trident C-4. A new U.S. SLBM currently being deployed. Range: 4,000 nautical miles and multiple independently targetable warheads.

Verification. The totality of means, of which inspection is just one, by which one

nation can determine whether another nation is complying with obligations under an arms control or disarmament agreement.

FOOTNOTES

[1] With the exception of the dissent filed by Working Group members McMichael, Pfaltzgraff and Record.

[2] The rapporteur also thanks the Stanley Foundation (no relation) for his opportunity to chair the U.S. Security and Arms Control in Europe panel at its 23rd Strategy for Peace Conference at Airlie House on October 15-17, 1982, and for including several members of the Council's Working Group in those meetings. Insights gained from these discussions are reflected in this study and have been published in the Foundation's Conference Report (Muscatine, Iowa, 1982, pp.41-49).

[3] This is not a unanimous view within the Working Group.

[4] See Bialer and Afferica, "Reagan and Russia," Foreign Affairs, Winter 1982/83, Vol. 61, p 249.

[5] Canada's ability to mediate has been undercut by the reduction of its military presence in Europe and other differences with its giant neighbor. The constructive report on "Canada and Western Security," by the Atlantic Council of Canada and several other Canadian institutes (Toronto, 1982) noted that "Canada cannot expect to have its voice in the Alliance taken seriously if Canadians fail to shoulder their responsibilities," and commented that the "country's contribution to NATO has been less than adequate." (p. 3)

[6] European NATO countries have averaged nearly 10 percent of their two-way world trade with the Eastern bloc countries, compared to under 5 percent for the United States. See U.S. Department of State, Trade With NATO and Communist Countries, Special Report No. 76, Washington: U.S. Department of State, January 1981.

[7] This school presses for the ability to punish the Soviet Union militarily from several directions in a protracted conflict, regardless of its origins, and is less centered on NATO Europe. See the "Comment and Correspondence" section of Foreign Affairs. Winter 1982-83.

[8] Blinov and Dremmer, "A Time-Tested Policy," International Affairs (Moscow, February 1971, p. 5).

[9] Translated By G. Vernon from "A Short Dictionary—Reference Book for Agitators and Political Information Officers," Moscow, 1977, see G. Vernon, ed., *Soviet Perceptions of War and Peace*, National Defense University Press, Washington, D.C. 1981, p. 133.

[10] Ibid., P. 135-136.

[11] According to press reports (for example *The Washington Post*, January 18, p. A17 and January 24, 1983, p. A13) some unauthorized explorations by U.S. INF negotiator Paul Nitze and his Soviet counterpart Yuli Kvitsinsky led to a possible compromise which was later rejected by both sides. (This would have involved reducing the U.S. Tomahawk GLCMs to 300, and eliminating the Pershing IIs in exchange for limiting Soviet European-based SS-20s. to 75 three-warhead missiles). The ensuing policy dispute in Washington may have contributed to the resignation of ACDA Director Rostow.

[12] This appears still to be U.S. declaratory policy. For example, the State Department's July 1982 "Gist" says, "We seek agreements that . . . enhance U.S. and allied security and reduce the risk of war, because arms control is not an end in itself but rather a complement to defense preparations as an important means of underwriting peace and international stability." Department of State, Bureau of Public Affairs, "U.S. Arms Control Policy."

[13] *Secretary of Defense Report to Congress, Fiscal Year 1983*, Washington, D.C., GPO, 1982, p. I-19.

[14] An October 1982 poll by the Associated Press and NBC showed 76 percent of respondents favoring a "nuclear freeze—although an even larger number indicated that they would oppose it if it worked to the net advantage of the USSR.

[15] For a good discussion of the "war-fighting" versus "war-winning" debate as well as many other current issues, see Stanley R. Sloan and Robert C. Gray, "Nuclear Strategy and Arms Control: Challenges for U.S. Policy," Foreign Policy Association *Headline* series, New York, Winter 1982-83 (forthcoming).

[16] Jonathan Dean, "MBFR: Ten Years of Negotiating Security in Europe, *Arms Control Today*, September 1982. Dean was head of the U.S. Delegation to MBRF from 1978-81, and deputy head from 1973-78.

[17] The official numbers used by the U.S. Government ("Strategic Nuclear Balance" chart, Department of State, July 1982), count 580 SS-11s (instead of the IISS' 570) but only 300 instead of 310 SS-19s, reaching the same total of 1,398. The U.S. counts 950 Soviet SLBMs, to which the IISS adds some 39 experimental or other systems in transition. The U.S. also counts 544 for itself, to 520 in the IISS data.

[18] Secretary of Defense *Annual Report to Congress, Fiscal 1983*, Washington, GPO, 1982.

[19] See *Arms Control and Disarmament Agreements*, Washington, D.C., U.S. ACDA, 1982.

[20] The fact that the U.S. Joint Chiefs of Staff, with some State Department support, was the only agency in the Reagan Administration to publicly favor SALT II (because of the further constraints on Soviet forces it imposed) speaks rather for it. For a detailed account of the Administration's thinking, see John Newhouse's comprehensive treatment in *The New Yorker*, June 7, 1982.

[21] See *The Washington Post*, September 22, 1982, p. A-14.

[22] See *The Washington Post*, January 2, 1983, p. A-1.

[23] Writing in the Trilateral Commission's *Trialog* (Fall 1982), Zbigniew Brzezinski, who was President Carter's National Security Adviser, recalls: "I was never personally persuaded that we needed TNG (theater nuclear forces) for military reasons. I was persuaded reluctantly that we needed it to obtain European support for SALT . . . because Chancellor Schmidt made such a big deal out of the so-called Euro-strategic imbalance. . . . We felt we were responding to the European desire in shaping the TNF, but we were also very conscious of the fact that Europeans were ambivalent."

[24] See Sloan and Gray, cited, based on data in the Department of State *Bulletin*, January 1982. See also the Appendix tables.

[25] *The Washington Post*, September 10, 1982, p. A9.

[26] *The New York Times*, December 22, 1982.

[27] See *The Washington Post*, December 22, 1982, p. A1, A24-25.

[28] Ibid., December 11, 1982, p. A-1. See also footnote 1, p. 24, above with regard to the reported "Nitze-Kvitsinsky" compromise.

[29] Mr. Brzezinski, in the article quoted, adds, "I am now rather doubtful that a bargain can be struck in the TNF negotiation. This doubt is due in part to the fact that . . . since the Europeans are increasingly less likely to go through with the deployment, the Soviets have less of an incentive to reach an arms control accord."

[30] General Bernard Rogers, Remarks to the Atlantic Treaty Association Annual Assembly; Oslo, Norway, September 22, 1982.

[31] The formal agreed title is "Mutual Reduction of Forces and Armaments and Associated Measures in Central Europe," (MURFAAMCE), a concoction that reflects the different interests of the two sides.

[32] The most comprehensive treatment of this subject is contained in Lothar Ruehl's "MBFR: Lessons and Problems," IISS Adelphi Papers No. 196, London 1982.

[33] See Stanley R. Sloan, "A Revival for MBFR?', National Defense, July-August 1982, p. 30. See also J. Dean, cited.

[34] The reference is to the special study on "The Future Tasks of the Alliance", p. 60 of Annex I. A subsequent nongovernmental effort with analogous purposes was conducted by the "Committee of Nine" former prominent Alliance leaders. Its 1973 report made specific recommendations for improving political, security and economic relations between Western Europe and North America.

[35] Any Russian "peace group" outside the officially orchestrated propaganda lobby is harassed and threatened; even the innocuous "Group to Establish Trust Between the U.S.S.R. and the U.S.A." was forced to disband.

[36] IISS, The Military Balance, 1982-83, cited, p. 12.

[37] Secretary of State Shultz has indicated that the U.S. now has physical evidence in support of its claims, The Washington Post November 30, 1982, p. A1

[38] The basic early work on this subject is Abraham S. Becker's Military Expenditure Limitation for Arms Control. Problems and Prospects. Cambridge, Mass., Ballinger, 1977. Becker draws heavily upon the work done at the U.N. General Assembly by Experts Groups between 1974 and 1976 and concludes that there are may problems but also some prospects, given the requisite political will. The rapporteur for the present has also held informal discussions with Soviet experts which give ground for cautious optimism.

[39] For details, see Stanley, Denielian and Rosenblatt, U.S. Foreign Economic Strategy for the Eighties, Westview Press, Boulder, Colorado. 1982, pp. 9-13.

[40] Elmer B. Staats, Remarks to the Center for Defense Information Forum, New York City, May 5, 1982. See also Council on Economic Priorities, "The Costs and Consequences of Reagan's Military Buildup," New York, 1982.

[41] See Richard Kaufman, "The Defense Buildup and the Economy," Staff Study for the Subcommittee on Economic goals and Intergovernmental Policy, Joint Economic Committee, GPO, Washington, 1982.

[42] Secretary of Defense *Annual Report to the Congress, Fiscal Year 1983 (GPO, Washington, February 1982).*

[43] The Military Balance 1982-83, cited, p. 118. It was also the second highest as a percentage of government expenditures; see p. 124.

[44] See U.S. Foreign Economic Strategy for the Eighties, cited, p. 60.

[45] A comprehensive CIA study issued by the Joint Economic Committee makes the point that although the Soviet Union has experienced steady improvements in living standards, it "has major economic problems, some of which are related to excessive military expenditures." The JEC Chairman's release noted that "The study illustrates that a real arms control agreement would be as much in the Soviet national interest as it would in ours." See "U.S.S.R.: Measures of Economic Growth and Development, 1950-1980," prepared by the CIA for the use of the Joint Economic Committee, December 8, 1982, GPO, Washington 1982.

[46] John Keegan, Washington Post Book World, October 24, 1982.

[47] "Crisis in the Atlantic Alliance: Origins and Implications," prepared for the Senate Foreign Relations Committee by the Congressional Research Service, Washington, GPO, March 1982, p. 1.

[48] Statement of Congressman Ashley, Hearings on H.R. 4293 to extend and amend the Export Control Act of 1949, House Committee on Banking and Currency, 1969, p. 4.

[49] For details see Samuel M. Rosenblatt, "East-West Trade in Technology: A Purpose in Search of a Policy," International Economic Studies Institute, Contemporary Issues No. 4, Washington, D.C., 1980.

[50] Ibid, p. 46.

[51] Henry Kissinger, The White House Years (Boston, Mass., Little, Brown & Company, 1979), p. 840.

[52] See Stanley, Danielian and Rosenblatt, U.S. Foreign Economic Strategy for the Eighties, (Westview Press, Boulder, Colorado, 1982), p. 153.

[53] However, in few if any cases, such as Fruehauf, did the U.S. try to enforce its controls by punitive action against companies following foreign government determinations contrary to the U.S. position. See "Extraterritoriality and the Long Arm of United States Law," International Financial Law Review (Euromoney). August 1982.

[54] The Department of Commerce had estimated that the sanctions could cost U.S. firms and their foreign subsidiaries some $1.6 billion over a three-year period for the Yamal pipeline alone.

[55] The provisions of the Agricultural and Food Act of 1981 (P.L. 97-98) also made it prohibitively expensive for the U.S. to embargo grain. Unless all trade to a country is halted, an embargo on an agricultural export involving 3 percent of its foreign sales triggers payments or loans to producers at 100 percent of parity, which could have cost the Department of Agriculture billions of dollars.

[56] European Community Message to the Departmens of State and Commerce, August 12, 1982, The New York Times, August 13, 1982, p. A4.

[57] Those supporting this supplementary statement include: Anne Cahn, Arthur Cox, Townsend Hoopes, Richard Kaufman, John Newhouse, Robert McNamara, Donald Petrie, and Joyce Shub.

Alexis Johnson supports the paragraph 3 recommendation on the Comprehensive Test Ban Treaty only if provisions can be made for proof testing of existing weapons.

Joseph Wolf believes paragraph 1 pins unrealistic hopes on ratification which could impair the continued reciprocal observation of SALT II. He supports the rest of the supplementary statement on the understanding that all negotiations should be fleshed out in light of a coherent security policy

which should encompass a balance between arms control and defense measures.

[58] See Robert E. Osgood, NATO, The Entangling Alliance, Chicago, University of Chicago Press, 1962, Chapter 4.

[59] Ibid.

[60] *Ibid.*

[61] See Timothy W. Standley, *NATO in transition*, New York, Praeger (for the Council on Foreign Relations), 1965, Chapter 5.

[62] For example, see Helmut Schmidt's *Defense or Deterrence.*

[63] Based upon the decision in NSC 68 for a general buildup of forces to counter the Soviet threat. A similar thrust was contained in the report of an expert group (the Gaither Commission) empaneled by the Eisenhower Administration but which was largely ignored by his Administration in favor of the "more bang for the buck" nuclear-heavy posture.

[64] See Stanley, cited, p. 354.

[65] The arduous bargaining involved in this agreement has been described by one participant as follows: ". . . our Committee formulated the Ministerial guidance for a new NATO strategy to instruct the generals to plan according to new principles and procedures. Timothy Stanley . . . represented the views of his, and I those of my government. The Englishman, Arthur Hockaday, Chairman of the Committee, brought the two views together, step by step. Gradually, over efforts of many months, we found compromises not fulfilling the maximal claims of both sides but good enough to satisfy Americans as well as Euorpeans. Our fundamental idea was simple: an attack on NATO should find an appropriate response from our side, and at the same time NATO should be capable to deter the eneny by threatening him with a higher level of escalation . . ." Gerd Schmueckle, *Ohne Pauken und Trompeten (Without Fanfare)*, Deutsche Verlagenstalt, Stuttgart, 1982 (author's translation).

[66] For useful background, see Waldo L. Freeman, Jr., "NATO Central Region, Forward Defense," National Defense University, 1981.

[67] Communique of the Ministerial Meeting of the North Atlantic Council held at the new Brussels headquarters on 13-14 December 1967, paragraph 12; see *NATO Final Communiques, 1949-1974*, NATO Information Service, Brussels, p. 1971.

[68] See "Nuclear Weapons and the Atlantic Alliance," *Foreign Affairs*, Spring 1982, p. 753.

[69] The moral dilemmas of using nuclear weapons at all and especially in response to nonnuclear conflicts have been further sharpened by the American Catholic Bishops conference, which is attempting to draft a policy statement on the subject.

[70] Karl Kaiser, Georg Leber, Alois Mertes, and Franz-Josef Schultze, "Nuclear Weapons and the Preservation of Peace," *Foreign Affairs*, Summer 1982, p. 1157.

[71] General Bernard Rogers, NATO's current SACEUR, has argued that if the members could increase the current targets of 3 percent annual real increases in defense spending to 4 percent, a substantially improved conventional deterrent could be obtained over the next six years. Remarks to the Atlantic Treaty Association Annual Assembly, Oslo, Norway, September 22, 1982.

[72] *NATO Final Communiques, 1949-74*, cited, p. 199.

[73] Ibid., p. 229.

[74] The history of this period is discussed in detail in Stanley and Whitt, *Detente Diplomacy: United States and European Security in the 1970s*, Dunellen (for the Atlantic Council), New York, 1970. It should be noted that Soviet efforts initially focused on a *European* security conference which would have, by their definition, excluded the United States while including them.

[75] *1949-74 Communiques*, cited, p. 227.

[76] It should be noted that the provenance of the strategic arms control process goes back at least to the Geneva Summit meeting of the big four heads of government (British, French, Soviet, and U.S.) in 1955. There is also a long history of other postwar agreements including the Antarctic and Outer Space Treaties, the Limited Test Ban Treaty, the two hot line agreements plus two on reducing the risks of nuclear war, nonproliferation, seabed arms control, threshold test ban, and PNB Treaties, plus a convention on biological weapons and on environmental modification in addition to the SALT and ABM agreements. See U.S. Arms Control and Disarmament Agency, *Arms Control and Disarmament Agreements*, Washington, 1982.

[77] *Communiques*, cited, Vol. II, p. 121.

COMMEMORATING THE BICENTENNIAL OF THE TREATY OF PARIS

Mr. WARNER. Mr. President, turning now to a bill pending at the desk, House Joint Resolution 321, this is a companion bill to one that I and others have sponsored here designated as Senate Concurrent Resolution 36. It relates to the commemoration of the Bicentennial of the Treaty of Paris. I introduced this with the cosponsorship of other Senators from the Thirteen Original States.

The House resolution in addition to memorializing the signing of the Treaty of Paris, discusses the ratification of the treaty by the Congress of Confederation on January 14, 1784, in Annapolis, Md.

I believe this is fitting, Mr. President, therefore, I urge my colleagues to pass this resolution, rather than the Senate version.

Mr. President, this year will mark the bicentennial of the courageous and successful conclusion to the War for Independence. On September 3, 1783, John Adams, Benjamin Franklin, and John Jay, the American Peace Commissioners, signed a definitive Treaty of Peace with David Hartley, the representative of George the Third, the King of Great Britain, in the city of Paris.

This treaty, which ended the Revolutionary War, ushered the United States into the world of sovereign states and diplomacy. By this treaty, Great Britain recognized the independence we had so bravely declared 7 years before, and agreed to the Mississippi River as our western boundary, thus, more than doubling our territory.

Helping to plan our Nation's observance of this occasion is the National Committee for the Bicentennial of the Treaty of Paris. This committee, composed of distinguished citizens and chaired by Joan R. Challinor, has been hard at work for 2 years coordinating and planning programs and events. This committee is operated with private contributions and not taxpayer dollars.

Mr. President, I believe this group deserves our congratulations and support. We believe that 1983 is the midpoint in America's historic bicentennial commemoration: Our Declaration of Independence in 1776; the conclusion of the War for Independence in 1783; and the drafting of the Constitution in 1787, the high points of this commemorative period.

The theme of this observance will be a tribute to the importance of diplomatic negotiations between nations and their value to individual Americans. The three American signers, John Adams, Benjamin Franklin, and John Jay, spent months in arduous negotiations to realize this independence for the United States. Their achievement has been hailed as "The greatest triumph in the history of American diplomacy."

The President of the United States is the honorary chairman of the committee. This will assist the committee in their work with France and other nations who want to participate in the commemoration.

Many outstanding programs are planned both here and in France commemorating this historic event in our Nation's life.

I urge my colleagues to support this resolution.

It is my understanding that at an appropriate time today the leadership in the Senate will call up the House bill for floor action.

Mr. MATHIAS. Mr. President, will the Senator from Virginia yield?

Mr. WARNER. Indeed I do yield to my distinguished colleague from Maryland who has taken and played a very historic role on this subject as well as many others relating to the bicentennial.

Mr. MATHIAS. Mr. President, I want to support the proposal of the Senator from Virginia. He has, of course, for many years been a leader in the proper observance of the history of this Republic, dating back to the time when he led the Nation in the bicentennial celebration.

The Treaty of Paris was signed in Paris on September 3, 1783. There will be a celebration in Paris this year in commemoration of the bicentennial. Also on the same day, September 3, there will be a celebration in Annapolis, Md., which anticipates the fact that Congress met in Annapolis to consider and to ratify the Treaty of Paris.

Senator WARNER has mentioned Joan Challinor and her activities. I think it is some indication of the tremendous zeal she has shown in educating the people of this country about an important aspect of our history that she will lead the parade in Paris on Sepember 3, and she will then fly back to the United States and on the same evening will lead the festivities in Annapolis.

I take this opportunity to invite all Senators and their families to come to Annapolis, Md., and to take part in the significant ceremonies. There will be ceremonies on the date of congressional action, but we will really begin this cycle on September 3, and it will be a significant time for all who gather there.

I thank the Senator from Virginia for taking the lead in this matter and I again urge the Senate to follow his advice.

Mr. WARNER. Mr. President, I thank my distinguished colleagues from Maryland.

Mr. THURMOND. Mr. President, it is appropriate and helpful for us to

pause now and then to reflect on the wondrous accomplishments achieved by this great Nation is a remarkably short time, when measured against the sands of time.

Just 200 years ago, in the year 1783, the Thirteen Original Colonies had just completed ratification of the Articles of Confederation, binding themselves into the United States of America. The Constitutional Convention, held in Philadelphia, was yet 4 years away. Only 8 years had passed since the firing of "the shot heard around the world," at Bunker Hill.

In my native South Carolina, people were still talking about the brave men of Colonel Moultrie's batteries, who had turned back a strong British sea attack on Charleston. Talk also centered on the remarkable events which occurred in the ensuing years; events which led unmistakably to the tidewater Virginia settlement known as Yorktown; events which resulted in the execution of the Treaty of Paris on September 3, 1783.

Mr. President, Charleston finally fell to British occupation in May 1780, but I daresay that the soldiers of Lord Cornwallis would wish many a time thereafter that they had never set foot on South Carolina soil. The tenacious militiamen of South Carolina, led by such patriots as Gen. Francis Marion, harrassed the British unceasingly. Mr. President, should you have occasion to travel to Camden, S.C., today you would see chamber of commerce sponsored signs proclaiming, "Come spend a few peaceful hours where the British spent a miserable year." In early October 1780, a segment of Lord Cornwallis' forces led by Maj. Patrick Ferguson was soundly defeated by militiamen commanded by Cols. John Sevier, Isaac Shelby, William Campbell, and Benjamin Cleveland, on South Carolina soil near Kings Mountain.

British operations in the South under the command of Cornwallis and Col. Banastre Tarleton, in 1781, were checked by Maj. Gen. Nathanael Greene and Brig. Gen. Daniel Morgan in such encounters as the Battle of Cowpens where Tarleton was deceived into allowing his forces to become virtually surrounded by a horseshoe-shaped movement of Continental troops, resulting in a great loss of British forces with Tarleton, himself, barely escaping with his life. Such was the nature of the road which led to Yorktown where Lord Cornwallis was forced to surrender on October 19, 1781.

In 1782, the British Cabinet agreed to recognize the independence of the United States of America. Lengthy preliminary negotiations were held, with the United States being ably represented by John Adams, John Jay, and Benjamin Franklin. On September 3, 1783, the formal treaty of peace was signed in Paris, France. This became known as the Treaty of Paris.

For the United States the terms of the treaty were generous. Not only did the treaty explicitly recognize the independence of the Colonies; it also established territorial boundaries of our new Nation, extending our western boundary far past the Appalachians all the way to the Mississippi River. Tenacious bargaining gained for Americans the right to fish in the Grand Banks off the Newfoundland coast and to dry their catch on unsettled adjacent British shores.

Mr. President, it is said that King George III choked at the word "independence" when he announced the terms of the treaty in Parliament. Little did he realize that the fledgling Nation would become the greatest Nation ever to exist on this planet, nor could he have realized the mutual love and respect which would come to exist between the United States and Great Britain.

I am pleased, Mr. President, to join with the distinguished Senator from Virginia (Mr. WARNER) in urging the immediate passage of House Joint Resolution 321, commemorating the 200th anniversity of the signing of the Treaty of Paris.

Mr. WARNER. Mr. President, as I stated a moment ago, the leadership in the Senate at some appropriate time today will call this measure up for floor action. I hope that other Members of the Senate who are interested in this historic event will take the opportunity to avail themselves of making a statement about this historic moment in our Nation.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRESIDENT REAGAN'S SECRET WAR IN CENTRAL AMERICA

Mr. KENNEDY. Mr. President, yesterday the House of Representatives sent a clear and unequivocal message to this administration that it is time to end the dangerous escalation of covert warfare in Central America. I congratulate Representative EDWARD BOLAND, the chairman of the House Intelligence Committee, for his courage in taking up this cause and for his persistence, which brought it to a successful conclusion. The chairman of the House Foreign Affairs Committee, Representative CLEMENT ZABLOCKI, played an important role in the effort.

I now intend to hold the Boland-Zablocki bill at the desk, so that it can be called up before the full Senate for a vote. I intend to work hard to pass it. I will insist that every Senator stand up and be counted on the vital question of war and peace in Central America. I do not believe we should hide by not voting. If the House could take its stand openly, then so can we. The people do not want a military solution in Central America; they want a negotiated one. Now, all of us have an obligation to be honest with the citizens who elected us and to say "yes" or "no" to President Reagan's secret war against Nicaragua. My answer will be a resounding "no"—no to increasing violence, "no" to the mounting toll of casualties, and "no" to the risk of full-scale war.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

RADIO MARTI

The PRESIDING OFFICER. The Senate will resume consideration of the pending business which the clerk will report.

The assistant legislative clerk read as follows:

Motion to proceed to the consideration of S. 602, a bill to provide for the broadcasting of accurate information to the people of Cuba, and for other purposes.

Mr. BAKER. Mr. President, the distinguished Senator from Connecticut today was kind enough to point out to me in advance that he intended to make a point of order against this measure under certain provisions of the rules of the Senate. I must say that after I examined that situation, I found, after consulting with the Parliamentarian, that the point of order the Senator from Connecticut proposed to make was probably well taken. In any event, it has sufficient merit that I think it should not be contested in the Senate.

Mr. President, therefore, I withdraw my motion to proceed.

The PRESIDING OFFICER. The motion is withdrawn.

ORDER OF PROCEDURE

Mr. BAKER. Mr. President, the principal business of the Senate today, since we are not on the motion to pro-

ceed, will be to wait around for the House to act on the supplemental appropriations conference report. It is possible we may get back to the Radio Marti bill today, but that depends on a whole string of circumstances that I cannot now predict.

ROUTINE MORNING BUSINESS

Mr. BAKER. While we do wait for the House to act and to send us the conference report, which I hope will be mercifully swift, I ask unanimous consent that there be a period for the transaction of routine morning business to extend not past the hour of 3 p.m. in which Senators may speak for not more than 10 minutes each.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

THE WOMEN'S HOUR

Mr. BAKER. Mr. President, for those narrow-minded and misguided individuals who continue to think of the U.S. Senate as an all-male, vested suited, Gucci loafered, silver-haired private club—submitted for your consideration, the scene which took place at approximately 10:50 a.m. this morning on the Senate floor:

The distinguished Senator from Florida (Mrs. HAWKINS) was delivering a persuasive speech on our Nation's drug problems; the distinguished Senator from Kansas (Mrs. KASSEBAUM) was presiding over the Senate; Mrs. Marilyn Courtot, the Assistant Secretary of the Senate was at the desk and subsequently called the roll during a quorum; Mrs. E. Frances Garro, the Official Reporter of Debates, reported verbatim the remarks of Senator HAWKINS; Miss Jennifer Smith, the second assistant bill clerk, was on duty in the well of the Senate acting as the staff assistant for the official reporters; Miss Elizabeth Baldwin, floor assistant for the secretary for the majority, was on duty in the Chamber; and, the operations on the floor were being serviced by half a dozen female pages.

Frankly, Mr. President, I do not know if I am more proud or more frightened by a total takeover by the female population here in the Capitol. It is obvious that we mere mortal men are not required anymore, and I just want to plead with my biological counterparts not to forget about us guys out here. I also hope that the press will not dwell on the reports that the Senate was a fixture of decisiveness and harmony, in an unprecedented fashion, during this time, which will no doubt come to be known as "The Women's Hour."

CLARION CALL OR UNCERTAIN TRUMPET?

Mr. MATTINGLY. Mr. President, I call the attention of my colleagues to the editorial that appeared yesterday in the Wall Street Journal entitled "Uncertain Trumpet."

The editorial cites what I believe to be the central reason why the President has not been able to rally the American people behind his efforts to stem the advance of communism in Central America.

In my view, and echoed in the editorial, the President is the victim of his own competing efforts. He is valiantly attempting to educate the American people on the very real menace that threatens their interests in Central America but at the same time he downplays the significant military actions that have taken place in the last 2 weeks and continues to allow himself to be manipulated by those who demand impossible guarantees about the future direction of U.S. policy.

It is little wonder, as the polls reflect, that the people of our land are divided and confused about the issue.

My colleagues will recall the ancient Roman god of gates and doorways, Janus, who was always depicted with two faces looking in different direcitons. Sadly, the President's performance at his recent press conference was as much Januslike as it was Presidential.

The editorial notes correctly that policies cannot move one way and rhetoric another without resulting in lost credibility.

The President would meet with more success if he matched his press conference comments with his commendable policy decisions.

I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, July 28, 1983]

UNCERTAIN TRUMPET

We are sending ships to Central America. There is ony one sane reason to send such a show of force anywhere. It is to remind our adversaries that we are capable of doing them a great deal of damage if push comes to shove, to deter them from running risks that might lead to actual use of force. Fidel Castro certainly has the message straight. He has yelled and screamed at our action, denouncing us in a most satisfying way.

At the president's news conference Tuesday night, the press corps was interested in almost nothing else. The journalists, in effect, accused Mr. Reagan of getting us into another Vietnam. So what does Mr. Reagan say? He says nothing unusual is going on at all. Military exercise? We've conducted bigger ones before, and no one paid attention. A larger U.S. military presence in Central America? Of course not. Nothing threatening about this at all. Nobody here but us chickens. No more Vietnams.

Some of those newsmen grilling the president the other night were, if you can believe it, too young to remember much about the Vietnam failure. The older ones mostly reflected the views of the left about what we did wrong there. We intervened in Vietnam against the will of the people, so the catechism goes. Therefore we lost and we deserved it. In the process, our government deceived us about our chances in Vietnam and what we would have to pay there.

From the beginning of its Central American policy the Reagan administration has been very, very respectful of this catechism. For a start, it has spent great effort to ensure and to demonstrate that our ally, the Salvadoran government, is morally respectable. We have pushed land reform and nagged the government about human rights. We invited the whole world down to El Salvador to observe the democratic elections there, held despite the efforts of the left-wing guerrillas and with the aid of U.S. technology designed to endure punctilious honesty in the electoral process.

The administration has also tried to meet the arguments of the American left when talking about the Sandinist regime in Nicaragua, which is supporting the Salvadoran guerrillas. The State Department has tried to provide detailed proof that Cubans and Soviets have borrowed deep into the Nicaraguan government; this is so no one can accuse us, God forbid, of getting in the way of the spread of what is simply a popular revolution.

Needless to say, none of this courtesy by the administration has done it any good. Liberals in Congress and the press have looked at the Salvadoran election and decreed that the government must negotiate with the unelected guerrillas anyway. The same liberals have reported in loving detail on the flaws in the land-reform program and given the government almost no credit for the effort.

On human rights, the critics argue that the Salvadorians' efforts are worthless because people are still being killed; these critics talk as if the government were no more morally acceptable than the guerrillas who are ripping El Salvador apart. By the same token, no White Paper is enough to prove to such critics that the Soviet presence in Nicaragua is serious; they say Soviet support of the Sandinistas is no worse than our support of the Salvadorans.

In spite of the futility of the exercise, the administration persists in trying to placate the left. The reason is that the administration is afraid. Battered every day by Congress and the Washington press corps, it thinks these cadres in the capital somehow stand for the American people. It fears that if it talks too tough, people out there will think it bellicose, and the White House will be swept under by a tide of peace-loving wrath.

This low estimate of the American people becomes a self-fulfilling prophecy. It is impossible for a president to build public support for his policies, especially foreign policy, unless he tells people straight out what he wants and asks them to stand behind it. And if the President cannot gather such support, U.S. policy will be forced to creep along sideways in that ambivalent way that turns peace into war. The president's attempts to reassure the American public Tuesday must have been profoundly reassuring to Mr. Castro and company, and profoundly discouraging to our friends on the firing line in Central America.

The same reassurances, of course, are anything but reassuring to the American people. Instead, they convey an image of a leadership that doesn't know that it wants, that might stumble in its attempts to deter war and slip into real fighting in a hesitant

and uncertain way. What Mr. Reagan needs to do is to challenge the myths of the left, above all the myths about the electorate's views on how to prevent war, the myths that retain such inexplicable power after having led George McGovern and Jimmy Carter to electoral disaster.

Instead, Mr. Reagan is ducking the challenge, moving his policies one way and his rhetoric the other. This is a recipe not for gaining support but for losing credibility at home and abroad. No one is going to rally behind a strong U.S. stand in Central America if the president himself is afraid to do so.

RADIO MARTI

Mr. HOLLINGS. Mr. President, as a cosponsor of S. 602, I rise in support of Radio Marti. As the ranking minority member of both the Communications Subcommittee, as well as the Appropriations Subcommittee that controls the funding of the Board for International Broadcasting, I am well aware of the concerns of our domestic broadcasters, as well as the success of Radio Free Europe and Radio Liberty in getting the truth to the enslaved people behind the Iron Curtain. Accordingly, I have examined this bill in all its aspects. It is my considered opinion that this legislation is needed as part of a U.S. strategy to stem Cuban and Soviet encroachment in the Caribbean and Central America.

This legislation takes into account the views of U.S. broadcasters concerned about Havana's longstanding interference with U.S. radio stations. It also guarantees that Radio Marti will "serve as a consistently reliable and authoritative source of accurate, objective, and comprehensive news."

Radio Marti is a peaceful foreign policy option which will build on the experience that has made Radio Free Europe and Radio Liberty successful for more than 30 years. The proposed cost of the station is very modest in relation to the benefits that will flow from its establishment and is very small in comparison with the cost of Moscow's international propaganda apparatus at work in this hemisphere. The Cubans and Soviets are currently outbroadcasting the United States in Latin America by a ratio of 5 to 1 in terms of hours on the air.

Some have criticized Radio Marti as "confrontational" while ignoring the source of the confrontation—Communist expansionism—and overlooking the fact that Radio Marti will give the truth to the Cuban people. Radio Marti will have the effect of defusing the war hysteria that the Castro regime fosters in Cuba. It promises to be an effective tool to counter Fidel Castro's aggressive propaganda campaign.

Mr. BAKER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. JEPSEN). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. ABDNOR). Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. BAKER. Mr. President, there have been extensive conversations, deliberations, and negotiations that have been undertaken on the schedule of the Senate in relation to what we can do while we wait for the House of Representatives on the supplemental appropriations bill and how we will arrange the affairs of this Senate in respect to our business this week and next.

I have consulted with the minority leader, with the distinguished Senator from Connecticut (Mr. WEICKER), with those proponents of the Radio Marti bill, particularly the Senator from Florida (Mr. CHILES), the Senator from Florida (Mrs. HAWKINS), and a number of others.

I have a sequence of events which appears to be satisfactory all around. I would like to state a unanimous-consent request in several parts.

UNANIMOUS-CONSENT AGREEMENT

Mr. BAKER. First, Mr. President, I ask unanimous consent that the pending question, which is the motion to proceed to the consideration of the agriculture target price bill, be temporarily laid aside and that no call for regular order will bring it back.

I ask unanimous consent that if this arrangement is granted, that I be first recognized for the purpose of making a motion to proceed to the consideration of S. 602, the Radio Marti bill.

I ask unanimous consent, Mr. President, that if at that time a cloture motion is filed against further debate on the motion to proceed to the consideration of the Radio Marti bill, the vote on that cloture motion occur after a quorum is established beginning at 2 p.m. on Wednesday next.

I ask unanimous consent, Mr. President, that if the Senate adjourns today, when it reconvenes, the reading of the Journal be dispensed with, that no resolutions come over under the rule, that the call of the calendar be dispensed with, and, following the recognition of the two leaders under the standing order, there be a period for the transaction of routine morning business not to exced 30 minutes in length with Senators permitted to speak therein for not more than 5 minutes each, and provided that the morning hour will be deemed to have expired.

I further ask unanimous consent, Mr. President, that when the Senate completes its business today it stand in adjournment until the hour of 11 a.m. on Monday next.

That is the request, Mr. President.

The PRESIDING OFFICER. Is there objection?

Mr. BYRD. Mr. President, reserving the right to object, I take it the majority leader is referring to the hour of 2 p.m. on next Wednesday. I did not understand what was to happen at 2 p.m.—the beginning of the quorum call to establish a quorum or the vote itself on the cloture motion?

Mr. BAKER. Mr. President, I should clarify that point. What I have in mind was the mandatory provisions of rule XXII would begin at 2 p.m. and as soon as that quorum is established then, under the rule, a vote on cloture would occur.

Mr. BYRD. I thank the majority leader.

Second, still reserving the right to object, when the Senate completes its business today under the majority leader's request, as I understand, it will go over until Monday at what time?

Mr. BAKER. Eleven o'clock.

Mr. BYRD. One final question. Would the majority leader extend the period for the transaction of routine morning business to not to exceed 60 minutes rather than 30?

Mr. BAKER. Yes. I modify the request. I think it would be well to extend the time during which Senators may speak from 5 minutes to 10 minutes.

Mr. BYRD. I thank the majority leader.

The PRESIDING OFFICER. Without objection, it is so ordered.

RADIO MARTI

Mr. BAKER. Mr. President, I seek recognition now under the order just entered and I move that the Senate now proceed to the consideration of S. 602.

The PRESIDING OFFICER. The question is on agreeing to the motion.

CLOTURE MOTION

Mr. BAKER. Mr. President, I send a cloture motion to the desk.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the motion to proceed to the consideration of S. 602, an act to provide for the broadcasting of accurate information to the people of Cuba, and for other purposes.

Senators Jesse Helms, Paula Hawkins, Rudy Boschwitz, Slade Gorton, Steven D. Symms, Barry Goldwater, Orrin G. Hatch, Jeremiah Denton, Bob Kasten, Lawton Chiles, Paul Trible, Gordon Humphrey, John P. East, Dan Quayle, Robert Dole, and Frank H. Murkowski.

ORDER OF PROCEDURE

Mr. BAKER. Mr. President, I do not anticipate any further action on this motion today. Indeed, I think the only remaining business before the Senate is to wait for the House of Representatives to send us the supplemental appropriations conference report. The latest information I have is that the conference report cannot reach us prior to the hour of 4:30 p.m. this afternoon.

There are some items in disagreement that will accompany the conference report. I would urge Senators to consider that there will be almost surely a vote on the conference report, but, as well, there may be votes on items in disagreement.

RECESS UNTIL 4:30 P.M.

Mr. BAKER. Mr. President, in view of the fact that there is nothing else that can be done this afternoon prior to the hour of 4:30 p.m., if the minority leader has no objection I am prepared to ask that the Senate recess until 4:30 p.m.

Mr. BYRD. I certainly have no objection.

Mr. BAKER. Then, Mr. President, I ask unanimous consent that the Chair now place the Senate in recess until the hour of 4:30 p.m. this afternoon.

There being no objection, the Senate, at 3:30 p.m., recessed until 4:30 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. GARN).

Mr. BAKER addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. BAKER. Mr. President, I regret to inform the Senate that the House has still not completed action on the supplemental appropriations conference report. I must also say that I have conferred with responsible officials of the administration who indicate to me that it is urgently important that we complete action on that measure before Monday.

ORDER FOR RECESS UNTIL TOMORROW AT 10 A.M.

Mr. BAKER. Mr. President, in view of that, with great reluctance, I ask unanimous consent that the previous order be changed to show that when the Senate completes its business today, it stand in recess until the hour of 10 a.m. tomorrow. I further ask unanimous consent that when the Senate completes its business on Saturday, it then stand in adjournment under the terms and conditions ordered previously.

Mr. BYRD. Mr. President, reserving the right to object, if the Senate adjourns over until tomorrow, is the majority leader providing the same boiler plate——

Mr. BAKER. Recess.

Mr. BYRD. Pardon me.

Second, for the record, and the majority leader has already discussed this with me, why is there the necessity for coming in tomorrow? What I am asking is, what is there in the supplemental that makes it necessary for us to come in tomorrow rather than wait until Monday?

Mr. BAKER. First, I really do not think we will be in tomorrow. I dare say I think we can finish this bill today. But I dare not take the chance that we cannot finish it today. Hence, the change requested.

I am advised that, in addition to a number of other items, the food stamp matter is extremely urgent. I will say to the minority leader that I inquired of the White House staff this morning if they were absolutely sure we could not postpone final action on this measure until Monday.

I completed conversations with senior officials in the White House just a moment ago who indicated to me that it was their determination that they simply could not wait until Monday. As they put it, we ran the grave risk of great dislocation and circumstances that would cause great concern, maybe even worse, if we waited until Monday on the food stamp issue, that it must be resolved.

There is no procedural way we can spring out the food stamp matter by itself. Hence, I feel it is simply essential that we deal with the conference report and the items in disagreement.

I will also say for the minority leader just to illustrate how serious the administration is about this and how serious I am about this, he knows how strongly I feel about the IMF matter, how strongly the President feels, and the Secretary of the Treasury. The House did not go forward with the IMF funding, as I had hoped they would. But it is so important that we pass this conference report that it is not my present plan to insist on the Senate amendment with respect to IMF.

I hope that further illustrates to Senators how serious the administration views this situation and how serious I do, and why it is necessary to complete action on this conference report this evening if at all possible and, if not, then tomorrow.

Mr. BYRD. Further reserving the right to object, has the House already gone out for the weekend?

Mr. BAKER. No, Mr. President, the House is still in session. I am now informed that there are two more items in disagreement that must be dealt with. As a practical matter, the House may be hard put to get a quorum much longer, but it is the stated intention of the House leadership to finish this matter and get it to the Senate yet today.

Mr. BYRD. I thank the majority leader. I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. I thank the minority leader.

Mr. President, if the information we have is still correct, that it is going to be at least an hour, I see no reason to stay in session. I am prepared to put us into recess until 5:30 p.m. I am going to suggest the absence of a quorum while I make one more check on the timing.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk preceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. BAKER. Mr. President, I have now been advised that the House of Representatives has just completed action on the supplemental appropriations conference report and that the papers will be here within 15 minutes. I urge Senators to come to the floor. It is important that we deal with this matter promptly, and it is certainly important to do so if we are going to avoid a Saturday session. So I hope those who are listening in their offices will understand that by 5 p.m., we shall begin action on this matter and I hope we can finish it with reasonable dispatch. I shall put out a hotline from my cloakroom to that effect.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. JEPSEN). Without objection, it is so ordered.

ORDER FOR ADJOURNMENT UNTIL MONDAY UNDER CERTAIN CONDITIONS

Mr. BAKER. Mr. President, earlier, I amended the order so we could be in tomorrow if we have to. I would like to amend that request in one detail.

I ask unanimous consent that if the Senate does complete its business today, it stand in adjournment until Monday under the same terms and conditions; and that, if the Senate does not complete its business today, it stand in recess until tomorrow and then stand in adjournment until Monday under the same terms and conditions.

Mr. BYRD. I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. I thank the Chair.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I had thought we would be on the conference report on the supplemental appropriations bill by now, but once again we are waiting for our friends and colleagues in the House of Representatives. They have completed action on the conference report. The last report I have had the bill has not yet reached their enrolling room, and it will be 15, 20, maybe long as 30 minutes before it can be offered to the Senate.

I hope they can improve on that. We are doing the very best we can. I make this announcement so that Senators will be apprised of the situation.

Let me point out to Senators it now appears certain we will have at least one, perhaps two, and maybe more than two, rollcall votes before this day is over. So Senators should not assume that this is going to go by voice vote. I will try to keep the Senate apprised of the situation. But right now it looks like we are 20 or 30 minutes away from taking up the conference report.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. JEPSEN). Without objection, it is so ordered.

SUPPLEMENTAL APPROPRIATIONS, 1983—CONFERENCE REPORT

Mr. BAKER. Mr. President, I am happy to report that there is now a messenger from the House at the door. I believe he brings us good tidings. I move that the Chair receive him.

Mr. President, the distinguished Senator from Alaska, the assistant majority leader, will manage the conference report on this side.

Before we proceed, Mr. President, is the minority leader ready for us to proceed?

Mr. BYRD. Yes, Mr. President.

The PRESIDING OFFICER (Mr. COCHRAN). Is there any objection? The Chair sees none. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I submit a report of the committee of conference on H.R. 3069 and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated.

The assistant legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 3069) making supplemental appropriations for the fiscal year ending September 30, 1983, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of July 20, 1983 on page 20101.

Mr. BAKER. Mr. President, I wish to say to Senators once again what I said a moment ago: I do expect rollcall votes, at least one, perhaps two, and maybe more.

I yield to the minority leader.

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. STEVENS. I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, at last the Senate has before it the conference report on H.R. 3069, the regular fiscal year 1983 supplemental. This bill was reported from the Appropriations Committee on May 26, the day after the House passed the bill, and passed the Senate on June 16, nearly 6 weeks ago.

In its consideration of the bill, the Senate adopted 254 amendments of a substantive and technical nature. Many of these amendments contributed substantially to the bill's total recommended spending level, and as a result the bill as passed by the Senate exceeded the President's request by more than a billion dollars, making it an obvious candidate for a veto.

Our chairman, Senator HATFIELD, said at the time the Senate passed the bill that he would attempt to secure reductions in conference with the House so as to insure Presidential approval of this bill. The conference was delayed in order to pursue negotiations with the administration and our colleagues in the House and identify reductions that were not only desirable but also possible.

The additional time for these negotiations proved to be quite useful, for in our conference on July 19 and July 20, we were able to agree on substantial reductions and produce a bill which I believe will be acceptable to the President.

Let me briefly summarize some of the more important elements of this bill. The largest single item in this supplemental as passed by the Senate was $8.4 billion for the International Monetary Fund, the amount requested by the President.

As the Senate knows, Mr. President, the House has not been able to pass an authorization for the IMF and the matter was reported in true disagreement from the conference. Earlier today the House insisted on its position to deny additional funding for the IMF at this time. If the Senate insists on its position, the bill would return to the other House. If we recede, we can complete action on the supplemental and clear it for the President.

That, Mr. President, is the recommendation of the leadership.

There is considerable urgency in doing this, Mr. President, because the food stamp program needs the additional $1.2 billion in this bill in order to avoid a reduction in benefits on Monday, August 1. Secretary of Agriculture Block and OMB Director Stockman have said that if this bill is passed by tonight, no reduction in food stamp benefits will occur. Otherwise, some 209 million food stamp recipients will be caught short come Monday.

We have conferred with the administration, and that is a fact. There is no escaping the fact that, because of the situation, this bill must be sent to the President tonight.

Additional matters of interest to Senators include:

Child nutrition, $118,000,000.

Elderly feeding, $16,000,000.

SBA/Business loan and investment fund, $152,000,000.

Pershing II missiles, $453,600,000.

Abandoned mine reclamation, $52,000,000.

Handicapped education, $47,900,000.

Reconstruction of American Embassy in Lebanon, $22,000,000.

Black Lung Trust Fund, $186,000,000.

Social security, $1,300,000,000.

Elementary and secondary education, $40,000,000.

West front restoration, $49,000,000.

Mr. President, the House receded to the Senate amendment relative to Senators' pay and the limitation on honoraria.

There is a series of amendments in disagreement, and there are other items for us to handle. The first matter before the Senate is agreeing to the conference report.

I yield to the Senator from Mississippi, if he desires to make a statement.

Mr. STENNIS. Mr. President, this bill has been very thoroughly gone over and put together in the hearings, the markup of the bill, and in its original presentation here, which was long and elaborate. It was debated, and there were key votes. I was privileged to attend every sitting of the conference of the House. They had their best teams present, and they are good at it. This matter was thoroughly weighed and considered. It is the end product. The bill has had the fullest consideration and is generally sound.

I think the leader is correct in asking for the adoption of the conference report.

Mr. STEVENS. I thank the Senator from Mississippi.

Mr. President, at the request of Senator DOMENICI, the distinguished chairman of the Budget Committee, who is still recuperating from his recent surgery, I ask unanimous consent to have printed in the RECORD his statement concerning the conference agreement on the fiscal year 1983 supplemental appropriations bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

● Mr. DOMENICI. Mr. President, I support the conference agreement on H.R. 3069, the Supplemental Appropriations Act for fiscal year 1983.

I want to commend the distinguished chairman of the committee, Senator HATFIELD, and all of the conferees for bringing us a bill that is close to the levels originally reported to the Senate. At the time of Senate passage of the bill, I expressed my hope that the conference agreement would be in line with the Senate-reported totals. The conferees have done just that. I think their work deserves the support of the Senate.

The conference agreement provides $7.1 billion in budget authority and $4.7 billion in outlays for a variety of program requirements, including $1.2 billion for the food stamp program which will shortly run out of money.

H.R. 3069, together with all previous budget actions for fiscal year 1983, puts budget authority $8.1 billion in budget authority and $0.5 billion in outlays below the recently adopted fiscal year 1983 budget resolution totals.

With regard to the credit budget, the conference report provides $0.9 billion in new direct loan obligations and $5.1 billion in new loan guarantee commitments. When added to legislation already enacted, these amounts exceed the budget resolution nonbinding assumptions by $0.2 billion in new direct loan obligations and $0.1 billion in new primary loan guarantee commitments.

The conference agreement is $6.8 billion in budget authority and $0.3 billion in outlays below the President's request.

I submit for printing in the RECORD two tables showing the relationship of the conference agreement spending and credit totals to the fiscal year 1983 budget resolution.

H.R. 3069, FISCAL YEAR 1983 SUPPLEMENTAL APPROPRIATIONS CONFERENCE REPORT

[In billions of dollars]

	Budget authority	Outlays
1st concurrent resolution on the budget for fiscal year 1984 (H. Con. Res. 91)	877.2	807.4
Current level as of July 18, 1983	865.1	805.5
Amount remaining	12.1	1.9
H.R. 3069 as reported by conferees, including items reported in agreement	7.1	4.7
Less offsetting receipts affected by appropriation action	−2.3	−2.3
Less items already in current level	−.8	−1.0
Total, conference report items in agreement with adjustments	4.0	1.4
Items reported in disagreement	8.5	(1)
Total bill, assuming enactment of items reported in the true agreement	12.4	1.4
Amount (+) under (−) resolution assuming enactment of H.R. 3069, items in true agreement only	−8.1	−.5
Amount over (+) under (−) resolution assuming enactment of H.R. 3069 plus all items reported in true disagreement	+.4	−.5

[1] Less than $50,000,000.

Note: Details may not add to totals due to rounding.

CREDIT TOTALS—H.R. 3069, SUPPLEMENTAL APPROPRIATIONS ACT, 1983 CONFERENCE AGREEMENT

[In billions of dollars]

	Fiscal year 1983		
	Direct loans	Primary loan guarantees	Secondary loan guarantees
1st concurrent resolution on the budget for fiscal year 1984 (H. Con. Res. 91) nonbinding assumptions	52.70	99.60	68.25
Current level as of July 18, 1983	51.97	94.60	68.25
Amount remaining	.73	5.00	.....
H.R. 3069 as reported by conferees	.90	5.10	.....
Amount over (+) resolution assuming enactment of H.R. 3069	+.17	+.10	.....

●

Mr. METZENBAUM. Mr. President, I rise to inquire of the manager of the bill, my good friend from Alaska, concerning the deletion of an amendment in conference that had been rather vigorously contested here on the floor. It was an amendment I offered providing that none of the funds appropriated by the act would be used in connection with the indemnification of any person for their attorneys' fees or to indemnify them for their taxes in connection with the lease arrangements that had been made by some of the arms of Government, particularly the Defense Department.

As the Senator from Alaska will recall, there was a motion to table that amendment, which was defeated by a vote of 50 to 49, and the amendment was then accepted.

It concerns me much that that amendment did not remain in the conference committee report, and I am wondering whether the Senator from Alaska will be good enough to indicate, if he knows, why it is not in the conference agreement.

Mr. STEVENS. Mr. President, I say to my good friend from Ohio that the amendment was brought up in the conference committee, and the Senate conferees were prepared to defend the Senator's amendment.

The House informed us that they now have a rule which provides that if an amendment involves the jurisdiction of the Ways and Means Committee and did not originate in the House, it is subject to a point of order, and that the point of order would be raised. We checked that with the Ways and Means Committee, and they informed us that they would raise a point of order to this language, that it was not something we could avoid.

Under the circumstances, the chairman of the committee yielded on the amendment, rather than have the matter subject to a point of order on the floor.

We do not agree with that rule, I say to my good friend; and to my knowledge, we have not had the situation arise as yet. We wish to discuss it with the Senate Finance Committee and with the leadership here, to determine what to do about that procedure before the matter is left to the House to determine.

Mr. METZENBAUM. Is it clear, then, for the Senator from Ohio to assume that if there were other amendments that would be subject to a point of order, that are to be found subsequently in other appropriations bills, the managers of the appropriations bills on the floor of the Senate will not insist upon retaining those measures?

I specifically refer to one that is now being talked about concerning an Interior appropriations bill and another one that may come up in the continuing resolution.

I understand this one being deleted—not with enthusiasm, but with much concern on my part—but I am really inquiring as to whether or not similar amendments that will be contained in appropriations bills will be deleted before they go to conference, if the point is raised by Members of this body.

Mr. STEVENS. Mr. President, the concerns of the Senator were explored. The Ways and Means Committee has reported a bill on leasing which deals with this subject. The Ways and Means Committee has insisted on its jurisdiction under the House rules. I am informed that if a bill comes back to the House with an amendment that is within the jurisdiction of the Ways and Means Commit-

tee, involving revenues or the Internal Revenue Service, it comes within the province of this rule.

I cannot answer the Senator by saying it is a general policy that the managers would pursue, but in this instance, the chairman of the committee—and I believe he conferred with the distinguished ranking minority member; I remember being there, and the question arose—the chairman of the committee did yield under those circumstances.

Mr. METZENBAUM. I thank the manager of the bill.

Mr. LONG. Mr. President, will the Senator yield?

Mr. STEVENS. I yield.

Mr. LONG. Mr. President, let me say for the benefit of the Senator from Ohio that the House has indicated that they have conducted hearings. They are acting in this area. They have indicated that they are considering legislation on the subject.

We in the Finance Committee have conducted hearings on the subject. The chairman of the Finance Committee has every intention to act on the matter and deal with it on the Senate floor.

I believe the Senator will have an opportunity to support legislation to achieve his objective, out of the committee that has proper jurisdiction.

It can be argued that, from the Senate's point of view, this is revenue legislation; and, under the Constitution, revenue legislation must originate in the House. The House bill, as the Senator knows, was not a bill to raise revenues. It was an appropriations bill. That rule in the House really has the effect of upholding the Constitution in that respect, even though it is not done in the forthright manner of defending the Constitution, because the House has insisted on taking the point of view that an appropriation is a revenue bill.

Mr. METZENBAUM. I thank the Senator from Louisiana, and I say to him that I am indeed aware of the House action. I have consulted with Mr. PICKLE, the chairman of the committee, and I hope we can work together on a condition which I consider to be a rather egregious one.

Mr. LONG. I am sure the Senator will have an opportunity to achieve his objective.

Mr. METZENBAUM. I thank the Senator from Louisiana for his reassurance.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. BRADLEY. Mr. President, I intend to take a few minutes of the Senate's time talking about a matter that I think every Senator should be aware of and I hope that the distinguished manager of this bill will be able to respond to the questions that I will have concerning a particular matter in the bill related to the strategic petroleum reserve.

Mr. President, what is going on here? Any Senator interested in national security of this country should be aware of what he is voting for in this supplemental appropriations bill and what he is not voting for.

I thought the Senate had expressed full support for the strategic petroleum reserve on every possible occasion. I thought Congress in the Energy Emergency Preparedness Act of 1982 had set 300,000 barrels per day as a minimum target fill rate or 220,000 if the President found the lower rate essential to the national interest.

I thought the Senate version of this supplemental appropriations contained a disapproval of the largest impoundment in history, $800 million in SPR oil purchases, $800 million impounded. I thought that both the Senate and the House of Representatives had included funding for the construction of oil storage facilities at the Big Hill Salt Dome in Texas.

In spite of all of this, in spite of the disapproval of impoundment, the $370 million for the construction of new storage facilities, and the clear congressional intent in the Energy Emergency Preparedness Act of 1982, in spite of all of this, the conferees dropped the Big Hill funding and deleted the impoundment disapproval.

Further, the Appropriations Committee has now accepted a fill rate of 145,000 barrels per day, well less than the 300,000 target and less than the bare minimum of 220,000. I hope that the distinguished floor manager can help me understand what is going on here.

Let me try to explain some background for my questions.

Mr. President, in the face of broad sustained and deep support for the SPR for military and economic security, the conferees, as I have said, have dropped the provisions in the bill concerning the SPR, related to Big Hill funding and impoundment.

Mr. President, the SPR is essential for our national security. It is also the only component of our energy security policy. Our national security policy must consider the effect of our military capabilities if world oil supplies are disrupted. Our military depends on oil to power ships, planes, and tanks. Our industrial support base is heavily dependent on oil to provide a logistical backup required to mount an effective military operation.

The fact that a significant portion of the world's oil supplies is produced and must be transported from unstable parts of the world means that the Defense Department must take at least two special precautions.

First, the Defense Department must maintain a stockpile of petroleum products and must rely on the SPR for crude oil. It was reported this week that some administration officials are considering the establishment of a separate military reserve because of concern that the strategic petroleum reserve may be insufficient to meet the needs of both the military and private sector.

Second, the Defense Department must take extra precautions to keep maritime supply lanes open. This administration professes to take the second mission very seriously. Indeed, part of the justification for our current military involvement in Central America is based on the importance of Caribbean sealanes especially regarding oil supplies.

Arguing that Central America and the Caribbean Basin are strategically important to the United States, the administration is conducting war games with troops and naval forces in the area. The military exercises will involve 4,000 Army and Marine soldiers, two aircraft carrier battle groups, and the battleship *New Jersey*.

An interesting component of the administration's rationale for this military action is the volume of goods that passes through the South Atlantic in the Caribbean sealanes. We are told that nearly half of all goods shipped into the United States from abroad uses these lanes and that includes 50 percent of our petroleum and 75 percent of our nonfuel minerals.

So that is one picture, a willingness to defend those sealanes militarily.

Shift now, if you can, 8,000 miles away, to the long festering war between Iran and Iraq. Iraq this week threatened to attack Iranian oil fields and installations and in response naturally Iran threatened to block the entire Straits of Hormuz where the Persian Gulf meets the Indian Ocean and through which more than 20 percent of the world's oil passes.

This week also, and note this, the U.S. State Department vowed to keep the strait open using force if necessary. The Persian Gulf is of strategic importance to the United States and the industrialized world in that it contains more than two-thirds of the world's exportable oil.

The aircraft carrier U.S.S. *Vincent* was dispatched to the Indian Ocean.

So the importance of the Central American region and the Persian Gulf is beyond dispute. Nor is the need to protect our shipping lanes at issue.

But should we rely solely on the U.S. Navy for these security missions? If we are willing to send troops and naval forces to protect our interests 8,000 miles away and in the Caribbean should we not be able to take other less costly steps to protect these same interests? Of course, we should.

The existence of a large oil stockpile would lessen the danger of the grave economic damage that would result

from the interruption of oil deliveries from overseas.

Despite several fits and starts the United States is now on the road to building a credible strategic oil stockpile in the salt domes located in Louisiana and Texas.

(Mr. WILSON assumed the chair.)

Mr. BRADLEY. When the Reagan administration arrived in Washington the program was just hitting its stride, the reserve was being filled at a rapid rate.

Despite severely restricted budgets Congress passed a law, the Emergency Preparedness Act of 1982, requiring that the President fill the strategic petroleum reserve at no less than 220,000 barrels per day and it continued to provide more than the funds necessary to meet this goal. Why? One reason is the SPR is the only weapon, the only weapon, the Government has to counter the economic damage of an oil supply disruption. Sure, there are other possible alternatives. Some have argued to return to price controls, Government allocations during an oil supply disruption. Some have suggested rationing, and I have advocated financial assistance to low-income people and emergency block grants to Governors.

But this administration has rejected all of these as unwarranted interference in the market. So we are left only with the strategic petroleum reserve, not a bad alternative if it is filled rapidly.

It is for this reason that the Congress has provided the funds. But the administration has refused to spend the funds for oil and facilities. GAO has concluded that the Reagan administration has impounded $800 million for the strategic petroleum reserve. In the supplemental appropriations bill the Senate disapproved this impoundment and both the House and the Senate provide $370 million for the construction of oil storage facilities at the Big Hill salt dome in Texas.

Despite the fact that both Houses included this funding the administration convinced the conferees to drop these funds from the conference report, and to delete the disapproval of the impoundment.

How can you explain this? Look at the conference report. Amendment No. 111 deletes on-budget appropriations for construction of phase III of the strategic petroleum reserve, that is the Senate. Amendment No. 112 deletes disapproval of the impoundment. Amendment No. 113 deleted off-budget as opposed to on-budget, off-budget appropriations for construction of phase III, the Salt Dome. Amendment No. 114 deletes deferral of disapproval of the $800 million for the purchase of oil.

Now, those are the four actions, four simple amendments. But the report goes on:

> The managers reaffirm the strong commitment of Congress, as expressed in Public Law 97-229, to an average daily fill rate of 220,000 barrels per day.

And get this:

> At the insistence of the administration, the managers reluctantly have recommended no funds in this bill for the further construction of the Big Hill, Texas, storage site.

Everybody is for it but nobody wants to spend any money.

> The managers have been informed—

The report goes on—

> that a request for additional construction of these facilities will be presented in the fiscal year 1985 budget request as stated in the July 19, 1983 letter from the Director of the Office of Management and Budget. This schedule will permit fill at Big Hill to begin in the third quarter of fiscal year 1987.

And underline this—the report goes on:

> The administration's proposal delays the availability of additional permanent storage by 19 months and continued fill at 220,000 barrels per day as required by law will necessitate the use of expensive interim storage in fiscal year 1985.

This is very interesting, Mr. President. Let us take a closer look at that letter from Mr. Stockman on July 19. It states:

> The administration is now committed to a fill rate of 145,000 barrels per day.

Even though the Congress mandated a goal of 300,000 and no less than 220,000 barrels.

In March of this year the Senate Energy Committee in the persons of Senator JACKSON, Senator MCCLURE, Senator JOHNSTON, Senator WARNER, and I introduced Senate Resolution 84. It is not long. Let me read the resolve part:

> *Resolved,* That it is the sense of the Senate that the United States should provide the resources necessary for continuing the rapid buildup of the Strategic Petroleum Reserve in fiscal year 1984 so as to achieve a minimum fill rate of at least 220,000 barrels per day consistent with the Energy Emergency Preparedness Act of 1982.

It says that:

> For military and economic reasons we should fill the reserve at 200,000 barrels per day.

Military and economic reasons.

But now the conferees say 145,000 is just fine. How can this be? Who agreed to this? Did any of the original cosponsors of Senate Resolution 84 agree to this?

Mr. President, you perhaps see the source of the confusion. Has the threat of an oil supply disruption diminished? If so why are we moving the aircraft carrier *Carl Vinson* closer to the Persian Gulf?

The administration says it cannot fill the 220,000 barrels because it does not have sufficient permanent oil storage capacity, and interim capacity, and interim capacity is very expensive.

Well, if they are really concerned about the lack of permanent storage capacity why are they knocking funds out of the supplemental for the Big Hill permanent storage facility? Mr. President, this does not make any sense at all. It leads one to doubt the seriousness of the administration on this issue.

As a further justification for the reduced fill rate and the delay in Big Hill funding, Mr. Stockman writes:

> The Strategic Petroleum Reserve is just one facet of our energy emergency preparedness. As part of our continued effort to work with Congress to take the necessary steps to ensure such preparedness, we plan to implement certain additional actions which are outlined in the letter to you from Secretary Hodel, sent under separate cover.

So the administration has other emergency preparedness steps in mind but Mr. Stockman is not willing to put his name on these other steps. For these we have to go to yet another letter from the Secretary of Energy to Senator MCCLURE. Mr. President, these additional actions are reportedly the other half of the deal. In return for congressional acquiescence or I would say capitulation, because that is what it is, to a dramatically reduced fill rate, and a delay in the Big Hill funding, the administration is prepared to support the following steps:

First, amendments to give antitrust and conflict-of-interest immunity to permit the use of the executive manpower reserves in an oil emergency.

What a concession. It is the administration that has proposed mobilizing the oil company executives to become Government employees to implement the Government's response to an oil storage shortage. That is the first big concession that we gave up, the purchase of oil and the construction of new facilities.

What are the others? Legislative extension IEA, antitrust defense. That is no concession, that is what they have been asking for 3 or 4 years.

Third, legislation to correct shortfalls in existing emergency preparedness legislation. Mr. President, this concession is so ambiguous we cannot determine what, if anything, is conceded.

Fourth, Federal preemption of State and local laws on price and allocation controls. This concession calls for "appropriate legal resolution," so it may not even necessarily imply that legislation is involved. While this is no concession, given the administration's free market philosophy, it is a concession with regard to their position on States rights.

Fifth big concession, intra- and inter-agency changes to improve the emergency preparedness procedures. That is very reassuring, very reassuring.

Sixth, administrative changes in how SPR oil is to be distributed and used in a drawdown. This is not any

concession at all. It only concedes that "an analysis already underway will continue with a view to developments of measures necessary to insure" and so on and so forth.

So, let us clearly look at what the Congress of the United States has gotten in exchange for essentially gutting the strategic petroleum reserve.

Well, let me add that all that the administration has pledged to do with respect to emergency preparedness legislation is to "enter into a prompt and meaningful dialog * * * with a view to developing acceptable legislation which appropriately deals with these issues."

Mr. President, I can only conclude that the Congress has been taken. In return for slowing the SPR fill rate contrary to the law we passed only last summer and delaying permanent storage, we get the executive manpower reserves. Oil company executives to the rescue. This is emergency preparedness?

Mr. President, let me say in all seriousness that our only weapon to combat an oil supply disruption is not the strategic petroleum reserve. No rationing, no controls, no allocations, no block grants, no money to poor people. The only tools we have to combat the damage that would flow from an oil supply disruption are the stockpiles of oil that we have in Louisiana in salt domes that we can draw out to keep this economy moving. That is all.

Mr. President, oil prices will never be lower—never. Now is the time to fill the reserve at as rapid a rate as feasible.

Should we buy oil cheap now in big quantities and put it into a salt dome as a hedge against the day when the war in the Middle East blows up again, or should we defer purchases and buy oil after the disruption when the price goes through the roof again? The answer, to me, is self-evident—buy now, not later.

Mr. President, the turmoil and the threat of turmoil in the Middle East makes further delay of these purchases irresponsible. If Iran makes good on its recent threat to block the Straits of Hormuz tomorrow, we will wish that we had filled the reserve today. I must say that we delay at our peril, yet we proceed pellmell into placing and playing war games with combat troops in Central America to protect our sealanes, our oil sealanes. Clearly that must mean we are concerned about an oil supply disruption. Yet we are not concerned enough to stockpile so that disruptions will be bearable.

Mr. President, it does not make sense. It raises the question of the seriousness of the administration's purposes. It raises the question of how well thought out our whole national security apparatus is with regard to energy security.

Mr. President, with this background, I would like to ask the distinguished floor manager of the bill why the conferees, given the chaos in the Middle East, the possibility that war tomorrow will knock out the oil-producing capacity of Saudi Arabia or Iraq or Iran for 6 months or a year; and why, given the willingness to protect our sealanes in the Caribbean through which all this oil passes, why did the conferees delete the disapproval of the impoundment, thereby preventing us from using $800 million before September 30 to buy oil that is now cheap and putting it in stockpiles? Why did the conferees delete that disapproval and why did the conferees delay the funding for the Big Hill construction permanent storage sites?

Mr. STEVENS. Mr. President, I would like to respond to the Senator.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. The Senator has a great concern about this issue. The Senate should be advised there was no budget request for the funding on-budget of the $370 million that the House included off-budget. But the House provision putting the money off-budget was actually a change in the current law because the current law provides that oil acquisition and transportation be off-budget. Planning, construction of storage facilities, and administration are all on-budget under the current law.

So in order to comply with the current law, it was necessary to put the items on-budget. But if they were put on-budget, they would have raised this bill even further, as the Senate did, to the point where it was going to be vetoed.

In the conference, SPR was the last issue to be decided and the distinguished Congressman from Illinois, Mr. YATES, when he was unable to obtain the concessions that he sought, did agree to recede from the House position. The effect of the actions of the House and Senate receding was, as the Senator has stated, the supplemental no longer contained any provision for the construction of the phase III of the storage facility at Big Hill. That position has been sustained by the House now in its passage of the conference report on this supplemental appropriations bill.

The issues of the facility construction and the fill rate are, of course, interrelated. The earlier plan had been to begin Big Hill construction in fiscal 1984 and to complete it in 1986 and begin filling it in 1987. This facility is to provide the last 140 million barrel increment of the 750 million barrel strategic petroleum reserve.

Rather than complete SPR in fiscal year 1989 as planned, the administration believes that, due to the costs of borrowing, it is less expensive to fill at a slower rate and delay the completion by about 18 months. The action of the supplemental is consistent with the request of the administration, and the Senate 1984 Interior bill does provide for a fill rate of 145,000 barrels per day. The House bill carries a fill rate of 220,000 barrels per day. That bill, as the Senator knows, will be before the Senate sometime next week, we hope.

The change of direction that was agreed to by the committee, obviously, the change recommended by the administration does not mean that we are not committed to SPR. On the contrary, we are filling right now at the rate of 220,000 barrels per day. The full 750 million barrels of the SPR by 1991 is still the commitment. The budget request for the Big Hill construction in the 1985 budget will be presented to the Senate in January; and we do envision still a completion of Big Hill by 1987.

I want the Senator to know that we do appreciate his concern. We think that, under the circumstances, since the bill is coming up next week, the Senator will have an opportunity to express himself once again on the issue then because the same issue exists in the Interior bill for 1984.

Mr. BRADLEY. Will the Senator yield for a question?

Mr. STEVENS. I am happy to yield to my friend.

Mr. BRADLEY. Does that mean the Senator is supportive of the Interior appropriations bill of 220,000 barrels per day fill rate?

Mr. STEVENS. This Senator has not made up his mind yet on that. I do not think the Senate has, either. I understand there has been a savings of some $800 million due to the fact that the fill rate, while at the rate set by the Congress, has been achieved at a lesser cost. The $800 million that the Senator refers to is savings while filling at the rate that was mandated by the Congress.

I have not yet decided, personally, and I do not think the Appropriations Committee has had the opportunity to face that question.

Mr. BRADLEY. Since the Senator referred to 1982, the Congress is on record with a minimum fill rate of 220,000 and a preferred fill rate of 320,000. There is no mention of 185,000 barrels per day. Let us not have the Senator mistake what happened in conference, with all of this on-budget or off-budget discussion. What happened was the Senate decided that, yes, we should increase funding so we could build a bigger permanent reserve, and we will put that $370 million on-budget. The House said yes, we should increase our permanent storage capacity, and they put that $370 million off-budget. Both went to conference and under the pressure of this administration both agreed to

drop it, thereby running contrary to the clear intent of both Houses.

Likewise, both Houses disapproved the impoundment, the $800 million saving that the Senator is talking about. Yes, it is an $800 million saving. That means that oil is not being purchased and put into the stockpile. That means we are more vulnerable tomorrow and the next day than we would have been had we spent the $800 million.

I would argue that the Senator's explanation, while I understand it, is not acceptable.

Mr. STEVENS. Mr. President, the Appropriations Committee felt constrained to move because of the urgency of their food stamp question and they knew that this would be a contentious issue in both Houses unless there was a basis for the agreement. The basis for the agreement was that Congress could settle that matter in the Interior appropriation bills for 1984. The moneys we are talking about in this bill would have been carryover moneys from 1983 to 1984 anyway. They are not by definition moneys that are truly supplemental moneys to be spent in 1983. Everyone agreed these funds could not be spent in 1983. So we have left the issue to the 1984 appropriations bill. I urge the Senator to allow the Senate to adopt the same solution for this rather contentious problem because of the time frame of this bill.

Mr. BRADLEY. Mr. President, let me just say that these moneys could be spent but there was no permanent storage facility and no attempt made to find interim storage facilities. The one thing that the Senator and I agree on is that the Senate will have a chance to revisit this issue next week in the Interior appropriations bill. At that time we will clearly be able to test whether the Senate intends to fulfill the commitment that was made in 1982, whether we are going to continue to fill this reserve and enlarge it, or whether we are going to leave ourselves even more vulnerable, even at the time we are running war games to protect oil reserves in the Caribbean and the situation in the Persian Gulf continues to deteriorate. That will be the choice to make next week. I thank the Senator for his time and I hope for his support when the Interior appropriations bill is before the Senate.

Mr. President, I want to go on record as opposing a provision in the fiscal year 1983 supplemental appropriations bill as reported by the conferees. That provision temporarily bans truck traffic on Route 209 in Pennsylvania and by so doing creates potentially serious safety and environmental problems for New Jersey and New York.

The House-passed version of the supplemental appropriations bill would have permanently banned most commercial traffic on Route 209. The Senators from New Jersey and New York objected to the ban and took the matter to a vote of the full Senate. We explained to our colleagues that prohibiting trucks from using Route 209 would have a major regional impact because those vehicles would have to use other roads in New Jersey and New York. We pointed out that there has been no study of how this diversion would affect neighboring States. In fact, no one has even identified the alternative routes, let alone considered the impact that increased commercial traffic will have on the safety and well-being of the communities through which it passes. And we argued that the transportation problems the ban sought to address are regional problems that require a regional solution.

These arguments persuaded 60 Senators to vote with us to strike the entire House-passed provision. Notwithstanding the overwhelming vote for the Bradley-Lautenberg amendment, the conferees unfortunately adopted a modified version of the original ban. The conference agreement provides for the prohibition to take effect immediately and to continue until December 31, 1983. In the interim, a commission will be set up to study the impact of the truck ban on the entire region and to recommend a permanent solution to Congress within 90 days of enactment.

Even though the ban is only temporary and even though the legislation provides a mechanism for dealing with the problem on a regional basis, and even though the fee provided in the legislation applies only to trucks operating in the recreation area, I oppose the conference position. We need to get the States and the appropriate Federal agencies to work out an acceptable solution before any ban takes effect, not after the fact. I hope the commission will see the ban's unfairness and recommend that it be permanently lifted.

The only positive aspects of the conference agreement are that it explicitly provides that the legislation will not prejudice litigation on this issue that is currently pending between the State of New Jersey and the U.S. Park Service and that it cannot be construed as legislative approval of a permanent ban.

AUTHORIZATION PROCESS MUST BE PROTECTED

Mr. PERCY. During the House-Senate conference, the conferees agreed to waive the need for authorization of fiscal year 1983 foreign aid funds after September 15. On the House floor, the waiver was postponed until September 30.

I understand the reasons behind the position taken by the conferees, but I disagree with their fundamental assessment. Specifically, I believe that the foreign aid authorization legislation can be enacted by the end of this fiscal year. I am hopeful that the Senate will take up this bill in the near future. I know I speak for Senator PELL when I say we will both do everything we can to enact this bill prior to September 30.

I note that during House consideration of this provision, chairman of the Foreign Operations Subcommittee CLARENCE LONG agreed that this September 30 deadline would probably be extended in the continuing resolution if progress is being made on the authorizing legislation. I take assurance from this and hope that the chairman of the Senate subcommittee can make a similar pledge. I also note that if necessary I will offer such an amendment to the continuing resolution extending this deadline.

Mr. KASTEN. Mr. President, I want to assure the chairman of the Foreign Relations Committee that the conferees had a thorough, and I believe thoughtful, discussion of this issue, and I believe I represented his viewpoint in the conference. The conferees did not make this recommendation lightly, as we do believe that the proper process was for authorizations to come first and then appropriations. While this fact is not a defense, I know the chairman realizes that a great deal in this supplemental is not authorized, and, in fact, the supplemental contains a great deal of authorization legislation. This is not the proper process and procedure, but time once again has forced us to go this route.

There were three new elements which confronted the conferees which did not exist when the chairman of the Foreign Relations Committee and I had a discussion of this matter on the floor of the Senate. First was the explicit request by the Secretary of State that we provide a waiver of the authorization. We did not do what he suggested by either providing a flat waiver or a waiver with August 15 as a deadline, but instead we used the Percy formula developed in connection with the Caribbean Basin Initiative last year so that the funds which are not authorized cannot be spent without authorization or until September 15, whichever comes first.

On the floor of the House during consideration of the conference report, Chairman ZABLOCKI of the House Foreign Affairs Committee recommended that the date be changed to September 30 in order to give the authorization process more time. I have no problem with that, and, in fact, endorse it as a further indication of my own desire that the proper process be given every opportunity to work.

Second, the House conferees told us it was their very firm opinion that there was no chance for authorization on the House side.

Third, while I presented your views that authorization was possible in the Senate, and I believe it is, the timing of that has slipped from July to September, further complicating matters.

Mr. President, I regret that we have to continue this type of process. I am not for it, and I want to assure the chairman of the Foreign Relations Committee that I will do what I can to secure consideration and passage of authorization legislation.

Mr. President, the suggestion that the deadline be extended if the authorization process is near completion is a reasonable one, and if when the time comes it is practical, I would certainly have no problem with such an extension.

JORDAN

Mr. MATHIAS. Mr. President, I note that the statement of managers of the joint conference on H.R. 3069, the supplemental appropriations bill, contains a statement under the section on foreign military sales credits that "no funds provided in this chapter shall be available to Jordan." I am concerned that Jordan is being singled out for special critical treatment. Would you explain to me the origin of this reference to Jordan?

Mr. KASTEN. I am delighted to do so. There has been some confusion with respect to this issue.

In the legislative history of H.R. 3069, the House Appropriations Committee identified specific countries to receive FMS credits from authority made available under H.R. 3069. Jordan was not one of those countries.

The legislative history of the Senate amendment made it clear that our levels of FMS authority included $15 million for Jordan, thus bringing Jordan's FMS level for fiscal year 1983 up to $55 million, its fiscal year 1982 FMS level. At conference we split the total difference on FMS credits, but we decided not to earmark country levels either in the bill or in the statement of managers.

At the first of three meetings of the conferees, however, the difference on Jordan, Somalia, and other countries, was noted, and originally the conferees intended to indicate amounts for each of the countries involved. At the last meeting it was decided that we would not earmark countries, except for those which had been initially agreed upon—Jordan, Somalia, El Salvador, and Lebanon, with some limitation on the types of programs for Zaire and Guatemala. We had a very good conference agreement, and we did not wish to jeopardize it by returning to a subcommittee conference where our entire agreement could be unraveled. For that reason, there was no objection to the suggestion that some limitation on Jordan be placed in the statement of managers.

We took this approach to save a very favorable compromise for the Senate. I want to stress that this was a limited act in a supplemental appropriations bill in which we cut deeply into the administration's request.

Mr. MATHIAS. I appreciate this explanation. There has been some concern expressed as well with respect both to funds for Jordan in the continuing resolution and the use of economic support funds to repay Jordan for funds previously programed for that country which were diverted to Lebanon to meet emergency needs.

Mr. KASTEN. Let me respond to those questions:

First, we knew then, and we know now, that this language applies only to the supplemental appropriations bill, not to the continuing resolution.

Second, the prohibition clearly does not apply to the ESF funds appropriated for Lebanon, which can be repaid to Jordan, as this was not at issue in conference.

Mr. MATHIAS. Am I to understand then that the administration can use the FMS credits provided in the continuing resolution to provide an additional $15 million in FMS credits for Jordan?

Mr. KASTEN. Yes. If it can find the funds, the administration can reprogram from the authority contained in the continuing resolution. Of course, they would have to notify us of the reprograming, as they had previously notified us that they would allocate only $40 million in FMS credits for Jordan under the continuing resolution.

CHAPTER V—FOREIGN ASSISTANCE

Mr. President, the conference agreement, as it relates to chapter V, foreign assistance, was the result of 3 2-hour sessions with the House conferees, and the result, while not one that either side is totally happy with, is a reasonable compromise, and one I can nonetheless recommend that the Senate support.

While the House insisted that our funding levels be reduced for the economic support fund, the military assistance program, and the foreign military sales program, the lower figures come unencumbered by earmarks, thus giving the administration flexibility in allocating the programs. The conferees did make specific recommendations for earmarkings with respect to Lebanon, El Salvador, Jordan, and Somalia, but otherwise the administration is free to make allocations within the constraints of existing law.

The Senate receded to the House position on the International Development Association, the soft loan window of the World Bank. The House receded to the Senate position on an additional $16 million for IFAD, and on an additional $5 million in development assistance for Belize. However, overall the conference agreement is still well below the administration's budget requests, and within the budget resolution.

Some additional aspects of the conference agreement which need comment are as follows:

The House accepted the Senate deobligation/reobligation authority language with a technical change allowing the authority to be used for possible help in South America in response to the ongoing weather disaster. The deobligation/reobligation authority in the bill allows for congressional oversight of deobligated and reobligated funds by applying a 15 day notification requirement. Notification is required whenever the deobligation/reobligation authority of this section is used to make available funds which would otherwise not be available for reobligation because the period of their availability had lapsed. Where funds are deobligated for return to the treasury and not made available for reobligation, no notification is required. Reobligation of funds under this act in fiscal year 1983 may take place within a year from when they were recorded by AID, as deobligated.

The conference accepted the House suggestion for additional funds for African refugee programs and the antipiracy program in the Gulf of Thailand. However, in doing so, the conferees accepted my suggestion that we transfer the funds in the current fiscal year so that we could take advantage of funds which would have lapsed instead of reappropriating lapsed funds in fiscal year 1984 which the House had suggested and which would have been scored against us in fiscal year 1984. It is clear that the intention of the conferees with respect to the antipiracy program was that these funds are to be used to support the existing multilateral effort. While we have transferred the funds to the economic support fund, the conferees leave it to the Secretary of State to decide which office in the Department of State should properly have management and policy control.

Mr. President, the House has insisted on its position that we provide no funding for the International Monetary Fund. The Senate could now insist on its position and send this entire conference report back to the House for further consideration. But the leadership has determined that because of other very important matters, together with the lack of time and the House insistence that the IMF be authorized first, that we will not press our position at this time. We can expect that this matter will be considered again at a later date.

Mr. President, I would like to express my appreciation for the continuing cooperation by Senator INOUYE, the ranking member of the Foreign Operations Appropriations Subcommittee, and also my appreciation to

the chairman of the committee, Senator HATFIELD, who was his normal helpful self in this process.

REHABILITATION, RESEARCH, AND TRAINING CENTERS

Mr. WEICKER. Mr. President, I want to call my colleagues attention to a particularly significant item within the bill—amendment No. 144 to H.R. 3069—under the jurisdiction of the Subcommittee on Labor, Health, and Human Services, and Education and Related Agencies. I want to emphasize the need for a research and training center focusing on pediatric rehabilitation needs and reiterate the directive in the statement of the managers accompanying the conference report that this center be located at the University of Connecticut. Furthermore, the bill addresses the unique rehabilitation needs of the Pacific Basin and establishes a research and training center in this area; the conferees directed that this center be located at the University of Hawaii.

The need for the establishment of these two centers is reflected not only by this supplemental appropriations bill, but is also clearly addressed in the provisions of S. 1340, the Rehabilitation Amendments of 1983. S. 1340, passed by the Senate on July 26, specifically authorizes a pediatric and a Pacific Basin research and training center. The committee report for S. 1340 likewise directs that the pediatric rehabilitation center be located at the University of Connecticut and that the Pacific Basin center be located at the University of Hawaii.

By affirming the need for these two centers in two separate bills, and specifying their location in both reports, we have clearly indicated our intent regarding the establishment of pediatric and Pacific Basin research and training centers. Following enactment of this supplemental, the administration should act expeditiously to establish these two vitally needed research and training centers at the two locations directed by Congress.

MOANA GEOTHERMAL HEATING PROJECT

Mr. LAXALT. Mr. President, would the distinguished chairman of the Appropriations Committee and the conference committee yield for a question or two?

Mr. HATFIELD. I would be happy to yield to my good friend, the senior Senator from Nevada.

Mr. LAXALT. I thank the Senator.

I am pleased to note that the House and Senate conferees on H.R. 3069 agreed to the Senate position that the geothermal heating project in the Moana area of Reno should be expeditiously completed. To accomplish that objective, the statement of managers references the language of the Senate report directing the Secretary of Energy to make $475,000 in fiscal year 1983 funds available for the project.

I understand that the funds are to be used to complete construction of a pipeline network between the project's two successful geothermal wells, to finish retrofit work at the Salem Plaza Condominiums, to obtain commitments for the sale of excess heat, and to prepare engineering estimates of the capital costs of such heat sales. Does the Senator share this understanding?

Mr. HATFIELD. Yes, I concur with the Senator's statement.

Mr. LAXALT. I thank the Senator. As he knows, I am anxious to assist the officials of the Department of Energy in developing a completion plan which will be acceptable to them and to the project's private sponsors. I have been favorably impressed by the quality of leadership within the Energy Department, and look forward to continuing to work with Mr. Joseph Tribble and Dr. Robert San Martin to resolve this issue. I am sure it will be possible to reach an understanding with these highly skilled and reasonable individuals.

Mr. HATFIELD. I know the Senator from Nevada has worked hard to keep the Reno geothermal project going, and I share his view that a completion plan can be developed that is acceptable to all parties. It should be easier to work out such a plan now that both Houses of Congress have agreed that continued funding of the project is a priority item.

Mr. LAXALT. I appreciate the Senator's kind words, and I thank him for yielding to me.

THE SANTEE-COOPER EARTHQUAKE PROTECTION AMENDMENT

Mr. THURMOND. Mr. President, I want to express my deep appreciation to my colleagues in the Senate, as well as the conferees from the House and Senate, for their acceptance and support of the Santee-Cooper earthquake protection amendment to the supplemental appropriations bill, which was offered by me with Senator HOLLINGS as cosponsor.

This provision will allow the Corps of Engineers to design and construct remedial works in the South Carolina Public Service Authority Dam System, upriver from Charleston, S.C., at an estimated cost of $22 million. It also appropriates $2 million so that design work may begin immediately.

These modifications to the dam system are necessary in light of recent Federal Energy Regulatory Commission studies which indicate that both the Pinopolis West Dam, nearest Charleston, and the North Dam, on the Santee River, would likely fail in the event of an earthquake of intensity equal to the one which struck Charleston in 1886. Current data from the geological survey shows Charleston to be an area of high seismic activity, and a very likely region for a large east coast earthquake.

Following the determination by FERC that the two dams would likely fail, Santee-Cooper commissioned extensive geotechnical studies which revealed the likely consequences of dam failure and resulted in preliminary design of the necessary modifications.

Mr. President, in light of the seriousness of the threat, and considering the amount of study already done on this situation, I want to stress the need for the Corps of Engineers to begin work immediately on these remedial measures. I would also fully expect that the already completed, very detailed studies will be extensively used by the corps to save time and expense in refining the design for the necessary work.

Mr. President, I have discussed these points with Senator HOLLINGS, who shares this view, and I am confident that all of the members of the South Carolina congressional delegation join us in expressing their intent and desire that this work begin immediately and proceed expeditiously.

Our goal, of course, is to prevent potentially catastrophic losses to lives and property, including a number of Federal military installations in and around Charleston.

Mr. President, I wish to thank my colleagues for their support in this very important matter, especially Chairman HATFIELD and Senator STENNIS, who were especially helpful in working out this legislation.

Mr. HEINZ. Mr. President, this conference agreement on the supplemental appropriations bill deletes the Senate passed amendment, which I sponsored, imposing a 6-month moratorium on all social security disability reviews of people with mental disabilities, pending reforms in the disability review process.

The conferees deleted the Senate amendment because of concerns on the part of certain House members that the committee of jurisdiction, the House Ways and Means Committee, should have the opportunity to develop legislation on this issue. And indeed, since the Senate passed my amendment on June 15, the House Social Security Subcommittee has moved with great dispatch to hold hearings and mark up a bill that will reform the continuing disability review process.

The subcommittee's proposed bill, which is still in markup, and therefore subject to change, is an ambitious piece of legislation that includes, among other proposed disability reforms, a temporary moratorium on reviews of all the mentally disabled. It requires a revision of the standards used to evaluate mental disabilities. It sets up an outside advisory group to help the Secretary of HHS make the needed changes. And it requires that a qualified psychiatrist or psychologist

participate in the disability evaluations of people with mental disabilities, in those cases where a denial or termination of benefits is contemplated.

In short, the Social Security Subcommittee's proposed bill embodies all of the major elements of the Senate amendment to the supplemental appropriations bill. The chairman of the House Social Security Subcommittee, Mr. PICKLE, has also stated that it is his goal to get this bill through the House as soon as possible and hopefully by the August recess. In this legislative context, the conferees on the supplemental appropriations bill deleted the Senate amendment while expressing their strong support for the legislation being developed by the authorizing committees, and urging its prompt enactment. In the interim, the conferees directed the Secretary of HHS to proceed—and I quote, "with extreme caution in the termination of benefits, pending enactment of this legislation."

In conclusion, Mr. President, congressional passage of this conference report will send a strong and clearly worded message to the Secretary of HHS to stop what has become, sadly, a national scandal. And the badly needed reforms in the reviews of the mentally disabled that the Senate approved as amendment to the supplemental appropriations bill will—I predict—be passed by both Houses of Congress, on one legislative vehicle or another.

I am pleased that our colleagues in the House are moving quickly to pass a comprehensive bill. But if their efforts bog down, for whatever reason, I am prepared to again offer this bill, S. 1144, which now has 46 cosponsors, as an amendment to the next revenue bill that comes over from the House.

I thank my colleagues for their continued support.

Mr. DOLE. Mr. President, it is with great relief that we now have before us for consideration, the conference report on the supplemental appropriations.

During the last few weeks, the Senator from Kansas has been extremely concerned about the funding situation for the food stamp program. As has happened so often in the past, congressional action has occurred at the last minute, and there was very nearly a funding crisis for the States with regard to the issuance of program benefits for the month of August. At one point, it looked as if August benefits would have to be reduced by 20 percent, given the limited funds available, and States were beginning to gear up to implement these benefit reductions. This kind of crisis has now been controlled, thanks to instructions from the Department of Agriculture to the States, However, the major concern now is that there may still be some danger that August benefits will go out late, because of the issuance systems utilized by many States and the time frames within which they have to work. I sincerely hope that this kind of result can be avoided. I had previously recommended that the food stamp funding be separated from the larger supplemental and passed as an emergency measure because of what appeared to be an impending crisis for the program.

The supplemental appropriations measure before us contains about $1.2 billion in additional food stamp funds, and since Monday is the first day of August, it is advisable to get this money out to the States as expeditiously as possible. Although I plan to vote against this bill for a number of other reasons, it is a great relief that the food stamp program will receive the additional funding necessary to issue full benefits through the remainder of this fiscal year.

Mr. EXON. Mr. President, this Senator has many reservations with regard to the supplemental appropriations measure before us and support it only because of the many important appropriations favorably affecting Nebraska and its people especially with regard to our important water resources.

Mr. President, I am grateful for the Appropriations Committee's efforts and cooperation in providing language in the fiscal year 1983 supplemental appropriations bill directing the U.S. Department of the Interior to engage in a joint, State-led study of alternatives to the Norden Dam, O'Neill unit in the State of Nebraska and to immediately contract with the State to initiate this review.

The State of Nebraska has requested this opportunity to fully examine an artificial ground water recharge proposal as an alternate project to deliver irrigation water to north-central Nebraska. The primary objective of this study remains the same as that of the authorized project, to provide irrigation water. Both fiscal and environmental objections to the authorized project, however, have compelled us to reexamine and rethink the O'Neill project and to find an alternative which is significantly less costly and less environmentally objectionable. The State will examine workable alternatives which would not utilize a dam and reservior, and which could actually result in reducing project costs by nearly two-thirds while irrigating the same acreage as the authorized project now estimated to cost in excess of $370 million.

A well field and ground water recharge plan has been developed by the Nature Conservancy and has attracted attention as a possible alternative. The State of Nebraska will begin its review of alternatives with the Nature Conservancy proposal as its starting point.

The State's agenda for this 18-month study will include a review of existing wells in the Niobrara area as well as existing literature and studies; an examination of the kinds of wells best suited for the proposed well field such as conventional wells or horizontal wells, and the use of the latest technological advances available in this area; direct and indirect application of water from the wells; short-term and long-term well yields and replacement costs; energy costs and methods available to minimize those costs; location of the Niobrara River Valley's alluvial channel; the recharge potential and methods to reduce the siltation of the recharge basins; the effects of the project on the instream flow of the Niobrara River; the feasibility of additional components such as surface irrigation systems to the well field and ground water recharge proposal of the nature conservancy.

Mr. President, these and many other questions have been raised by water experts in the State of Nebraska regarding the workability of the nature conservancy plan. Interest in the well field proposal is strong enough that the State believes that a serious review is in order and merits the time and effort of water officials in the State. The State has indicated a willingness to match Federal contributions for this study of workable, less costly alternatives.

Mr. J. Michael Jess, director of Nebraska's Department of Water Resources, will lead the State study team, assisted by Mr. Dayle Williamson of the Nebraska Natural Resources Commission and Mr. Vince Dreeszen of the University of Nebraska's Conservation and Survey Division. These State water experts will examine the well field and ground water recharge proposal as well as other combinations of alternatives based upon the recharge concept.

Mr. Jess has outlined a five-part study outline to Assistant Secretary Carruthers, Commissioner Broadbent, and the Bureau's regional director Billy Martin.

First, the State will examine the potential for developing water supply in the Niobrara Valley. This will require test drilling, examination of the aquifer, well field feasibility, and direct diversion and delivery, and the use of gallery or collector wells.

Second, the State will inventory existing irrigated lands, quantify recharge potential by actual demonstration, and determine actual project needs.

Third, the State will develop a preliminary design for the project to provide for the water supply, conveyance system, and delivery.

Fourth, the State will examine cost estimates, and in particular, costs to irrigators. Finally, the study will review

other legal, institutional, and environmental considerations of the alternative.

The State has requested, and the Bureau has agreed, to provide a Bureau staff member to work with the State during the study process. This will permit a close working relationship, with the State as the lead agency, which will work out problems and questions while the study is in progress and thus expedite completion and avoid any unnecessary delay in the final evaluation of the study's assumptions, conclusions, and recommendations.

The State has also committed to provide periodic briefings for Members of Congress and their staff, local irrigators, the nature conservancy whose plan will be the starting point of the study, and all interested parties to provide ample opportunity for input during the study process. This study certainly is important to irrigators in the proposed reclamation district who have been asking for assistance, as well as taxpayers who will be footing the bill for a project in the area. The nature conservancy is an essential participant as the initial engineering designs and concept where developed by the conservancy. I would hope that the State study team would regularly consult with these groups during the study to work out assumptions and conclusions as with the Bureau staff.

The Bureau of Reclamation is directed to immediately contract with the State of Nebraska to conduct this 18-month study of the well field alternative. It is the intent of the Congress that the Department of the Interior participate and help finance this State-led study and to contract with the State to undertake the necessary work.

In a meeting last Friday, July 22, Assistant Secretary Carruthers, Bureau of Reclamation Commissioner Broadbent, and the Bureau's Regional Director Martin, committed to State officials to work quickly to implement the study and to provide the State with a grant to expedite the progress of the study.

Costs incurred by the Bureau of Reclamation to administer the contracts for this State-led study are not intended to be taken from the $100,000 designated for the review. The State, of course, will be expected to provide in-kind services to insure that the full $100,000 requested from the Department of the Interior's available funds be directed toward the study itself. The State has indicated that the full $100,000 is necessary to actually conduct the study itself and it is the intent of the Congress that these funds be made available for that purpose. The Bureau of Reclamation has indicated to the Senate Appropriations Committee that the funds are, in fact, available, and that further funding, thought to be necessary in the fiscal year 1984 appropriations legislation, is not needed.

In addition, Mr. President, it is the intention of the Congress that the Department of the Interior act with all speed to implement the contracts with the State of Nebraska. The clock will begin ticking upon enactment of this measure and the Congress intends that the full 18-month study period be devoted to the actual study itself. Any delay which reduces unnecessarily the 18-month time period will violate the intent of the Congress. Time is of the essence in initiating the study process. The State of Nebraska has been preparing in advance to initiate the contracting process with the Department of the Interior. The Congress is expecting similar expeditious action by the Department.

I was encouraged and pleased that, last July 22, Mr. Billy Martin, the Bureau's Regional Director pledged full cooperation in assisting the State to prepare the preliminary paperwork for the grant from the Bureau, and would assist the State during the study process in view of the 18-month time limitation imposed by the Congress. Commissioner Broadbent has pledged his full support and cooperation as well in preparing to expedite the initiation of the study upon the President signing the fiscal year 1983 supplemental appropriations bill into law.

On a separate track, the Bureau will examine the potential for making actual cost reductions of about $10 million to the authorized project. In addition, a review will be made of shifting about $40 million in authorized project costs to the State. The Governor of Nebraska will review the policy implications of such a cost shift as another alternative. The separate study was requested by Congresswoman SMITH and is not a part of the State-led study mandated in the supplemental appropriations bill.

I commend the State of Nebraska's eagerness to begin this study and to complete the review in an efficient and timely manner. More importantly, I commend State water officials who have recognized the realities facing the future of water project development. Fiscal constraints are forcing the hand of the Congress to look much more closely at water project development. Limited Federal dollars will challenge the creativity of today's water experts and require new thinking and innovations to meet tomorrow's water needs. Nebraska water officials have demonstrated that this is a challenge they are ready and willing to accept. Nebraska's leadership role in this regard will provide an example for the Nation's water leaders and offer a new direction in meeting water development needs for the future. The Nation will be watching with great interest and expectation.

Representative DAVID BONIOR, who led a successful effort in the House last year to defund the authorized Norden Dam project, has pledged that he will not press for deauthorization while the State of Nebraska studies realistic, workable alternatives which will significantly reduce project costs and environmental objections to the authorized project.

Again, I thank the committee members and staff who have been helpful in providing Nebraska with this opportunity.

PRAIRIE BEND

This bill also provides for a feasibility study of the Prairie Bend project which is a 4-year study to examine the potential for irrigation and ground water stabilization in the Platte River Basin area north of the Platte River in eastern Buffalo County and western Hall County in central Nebraska. The legislation would also provide for examining the need to locate a part of the facilities for a Prairie Bend project in part of Dawson County.

This study will review and identify several alternative approaches to addressing the water decline in the Prairie Bend area. The public will have an opportunity to review and compare the various alternatives. The study should be broad based to address all concerns.

In addition to identifying possible alternatives for a project, this feasibility study will, as a project purpose, integrate a plan to provide for the enhancement of habitat for fish, wildlife, and waterfowl including the migratory birds currently utilizing the Platte River.

The Prairie Bend feasibility study shall develop project alternatives which provide for the Federal responsibilities of instream flows, restoration and maintenance of the migratory bird habitat in the Big Bend area of the Platte River. The study will also examine a conjunctive use project as a possible alternative for the Prairie Bend. In its 1979 prefeasibility study, the Bureau of Reclamation recognized a conjunctive use project as holding the greatest promise for meeting the needs of the Prairie Bend unit and minimizing any detrimental effect on the environment.

This Prairie Bend feasibility study is important to the State of Nebraska. The area to be reviewed is experiencing ground water depletion and will eventually result in a decline in the agricultural economy as well as create future water quality problems. The feasibility study will assist the State in examining future options for the area and develop a plan which meets the needs of both irrigators and wildlife habitat.

SIDNEY INTERTIE PROJECT

Finally, Mr. President, the bill provides for the funding of an east-west

electrical grid intertie project for the Western Area Power Administration to be located at Sidney, Nebr. This project will benefit both the State of Nebraska and the State of Kansas in making available more economical electric power. Up to 75 people will be hired during the construction phase of the project in the Sidney area, and will bring nearly $6 million in direct revenues to that area through this construction activity. In addition, other communities in the Nation will benefit from this project. Design engineering, transformer and reactor manufacture, valve production, and other components for this project will create jobs in Pennsylvania, Iowa, Massachusetts, New York, Virginia, and New Hampshire.

I am pleased that the conference version of H.R. 3069 has been adopted by the Congress and I urge the President to sign this measure into law without delay.

Again, I thank my colleagues on the Senate Appropriations Committee and their staff members who have been helpful in my efforts to achieve adoption of these provisions so important to the State of Nebraska.

Mr. MATTINGLY. Mr. President, on April 27, 1983, I testified before the Transportation Subcommittee of the Senate Appropriations Committee about the extreme safety hazard that existed on the Talmadge Bridge in Savannah, Ga. It was stated that, "this hazard exists not only for surface transportation but for navigational traffic as well." In addition, it was also explained that, "the problem with the Talmadge negatively impacts the national defense capabilities of our country." Secretary of the Army John Marsh substantiated that, "timely movement of this element of our Rapid Deployment Force—the U.S. Army 24th Infantry Division—is seriously constrained by the height of the Talmadge Bridge."

Recognizing the seriousness of the safety problem at the Talmadge Bridge, the Senate approved for the inclusion in the fiscal year 1983 supplemental appropriations bill $5 million for the design and engineering for replacement of the bridge. However, a similar provision was not included in the House version of the bill.

Last Saturday, July 23 at 6:15 in the morning, a vessel participating in Operation Bright Star as part of the Rapid Deployment Force exercise struck and severly damaged the Eugene Talmadge Bridge. A forward boom of the vessel *Adm. William N. Callaghan* ripped through the lower, main structural support beams of the bridge. Fortunately, the vehicles on the span—including a passenger bus—did not plunge into the water below.

On July 25, my friend and colleague from Georgia, Senator NUNN and I wrote each Member of the House and asked that they recede to the Senate provision of $5 million for design and replacement of the Talmadge Bridge. I am happy to report that today the House did recede on this issue.

I am pleased and thankful that this action has taken place. It is unfortunate that there had to be an accident to prove that the Talmadge Bridge was unsafe. We should all be thankful that no lives were lost and that we now have the opportunity to act to prevent even more serious accidents.

Mr. MELCHER. Mr. President, will the Senator yield?

Mr. STEVENS. I yield.

Mr. MELCHER. Mr. President, I thank the Senator for yielding to me.

I wish to make a couple remarks and ask him a question at the conclusion of my remarks.

Mr. President, I feel a little bit lonesome on this Senate floor, and I feel greatly forsaken because in the supplemental appropriations bill that was before us by 67 to 29 vote, more than 2 to 1, the Senate agreed to increase the soil conservation funds by an amount of $34.5 million, and locking that amendment into the supplemental with that kind of a vote gave heart to those of us in the Senate ardently hoping for an increase in soil conversation work, and it gave heart to the soil conservation districts throughout the United States, that indeed there was a determination by the Senate at least and hopefully by the House of Representatives also that we would start the process of conservation catch up, that is catching up on the necessary work to protect our land base.

We have been losing ground in soil conservation work for at least a decade, as I see it, for more than 12 years, and the desperate need to reverse that process is becoming more desperate each year.

We have had great erosion problems that are increasing year by year and are currently as bad now as they were during the Dust Bowl years of the dirty thirties.

Land does not stand still for a lack of concern in Congress. Land does not stand still and just remain the same without care and proper work, and our conservation efforts are an ongoing process that are really at the heart of protecting the U.S. land base.

Land does not stand still nor does it even contemplate nor does it even recognize the effects of inflation.

All during the past 10 or 12 years the inflationary rate in this country has assured that each year the same amount of money will produce less in soil conservation work.

The $34.5 million was a well thought of add-on to stimulate the necessary planning that is required before soil conservation work actually gets under way.

It covered five different programs involved in soil conservation work in the United States. Those programs are the resource conservation development program, the Great Plains conservation program, the soil conservation matching grants, the special areas conservation program, and the agricultural conservation program, the oldest of all of these programs that I have mentioned, and it is known as a cosharing program.

Three out of five of the programs actually generate matching funds, and because of that the dollars appropriated out of the Federal Treasury matched by other dollars from those working the land assure us an ongoing attack on perhaps our greatest enemy to our land base, an ongoing attack on erosion and other features of sound conservation practices.

I am deeply distressed that the result of the conference has been to strike this amount of money that was retained in the amendment I offered and was so overwhelmingly adopted by the Senate.

Does the Senator from Mississippi wish me to continue?

Mr. STENNIS. Well, I was interested in the measure, in the bill. This amendment just did not prevail and the regular bill that is coming along—I understand the Senator from Mississippi has an explanation though of just what was said.

Mr. MELCHER. I thank the Senator from Mississippi, my distinguished friend.

Mr. COCHRAN. Will the Senator yield?

Mr. MELCHER. Yes, Mr. President.

Mr. COCHRAN. Mr. President, I sympathize with the argument being advanced by the Senator from Montana because I too have a very strong feeling that we need to make available every possible allocation of our resources for soil conservation activities. As a matter of fact, in the 1984 bill that is going to be the subject of conference just in a few days between the House and Senate, there is $817 million for soil conservation, and water resource conservation activities. This includes the Soil Conservation Service and the ASCS accounts that are earmarked for soil conservation.

I realize the obligation of our conferees is to try to get the House to go along with the bill as approved by the Senate, but we found in conference that we were $1 billion over the President's requested appropriation for this supplemental in all the accounts combined, and we had to work with the administration and the House to try to get those numbers down to a point where the President could be expected to sign the bill and we could fund those programs that had to be funded to carry on the essential functions of Government for the remainder of this fiscal year, which is just a couple of months.

But nonetheless I am sympathetic to the arguments that the Senator from Montana is making, and I too am disappointed we do not have higher figures in this supplemental for soil conservation activities. As a matter of fact, one amendment that I suggested on the floor of the Senate, which was approved by the Senate, added $10 million for emergency work in this area, and that was cut in conference to $5 million. Every effort was made to get the maximum amount of money for these amounts in the bill.

So I have no way of explaining away the fact that we do not have the amendment of the Senator from Montana included in full in this bill except to say that there were restraints placed upon the conferees and we did the best we could. I am hoping that we can in the 1984 bill make up for some of the shortfall that now exists.

I might also say in 1983 we included $107 million for soil conservation activities in the jobs bill for that kind of activity.

So hoping that that will help solve some of the problems. I thank the Senator for yielding.

Mr. MELCHER. I thank the Senator for this remarks and I would like to ask a question of the manager of the bill, if he would yield for a question.

Mr. STEVENS. I would be happy to yield to the Senator from Montana.

Mr. MELCHER. I wonder if we could have assurances that in the conference that will be underway shortly on the agriculture appropriations bill for 1984, fiscal 1984, that the conferees, headed by the able Senator from Alaska, will work very diligently to protect these funds. I find it somewhat disappointing, more than somewhat, very disappointing that all too often when we are looking at how to trim costs we somehow decide that the conservation money is not essential as are some of the other program costs.

Mr. STEVENS. Mr. President, I will state to my good friend from Montana I am certain the Senate will be very devoted to the Senate version of the bill. The distinguished Senator from Mississippi is the chairman of that subcommittee and would be the manager for the Senate in the conference. Perhaps he will respond. The Senator from Montana wants to be assured the Senate conferees will work assiduously for the Senate position on conservation in the coming up agriculture appropriations bill.

Mr. COCHRAN. If the Senator will yield, I can assure the Senator from Montana personally that I will see to it that we have the maximum amount of money allocated to these accounts. I know of no other assurance I can give you except that we will do the very best we possibly can. We realize these accounts are very important.

Mr. MELCHER. I thank the Senator.

Mr. STEVENS. Mr. President, I urge adoption of the conference report and move adoption of the conference report. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The legislative clerk called the roll.

The PRESIDING OFFICER. Is there further discussion on the conference report? If not, the question is on agreeing to the conference report. The yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Minnesota (Mr. BOSCHWITZ), the Senator from Alabama (Mr. DENTON), the Senator from New Mexico (Mr. DOMENICI), the Senator from Iowa (Mr. GRASSLEY), the Senator from Oregon (Mr. HATFIELD), the Senator from Pennsylvania (Mr. HEINZ), the Senator from Nevada (Mr. LAXALT), the Senator from Maryland (Mr. MATHIAS), the Senator from Idaho (Mr. MCCLURE), the Senator from Oklahoma (Mr. NICKLES), and the Senator from Texas (Mr. TOWER) are necessarily absent.

I further announce that the Senator from Oregon (Mr. HATFIELD) would vote "yea."

I further announce that, if present and voting, the Senator from Alabama (Mr. DENTON), the Senator from Iowa (Mr. GRASSLEY), and the Senator from Oklahoma (Mr. NICKLES) would each vote "nay."

Mr. BYRD. I announce that the Senator from Texas (Mr. BENTSEN), the Senator from Oklahoma (Mr. BOREN), the Senator from Arkansas (Mr. BUMPERS), the Senator from California (Mr. CRANSTON), the Senator from Connecticut (Mr. DODD), the Senator from Ohio (Mr. GLENN), the Senator from Colorado (Mr. HART), the Senator from Alabama (Mr. HEFLIN), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Louisiana (Mr. JOHNSTON), the Senator from Massachusetts (Mr. KENNEDY), the Senator from New Jersey (Mr. LAUTENBERG), the Senator from Vermont (Mr. LEAHY), the Senator from New York (Mr. MOYNIHAN), and the Senator from Arkansas (Mr. PRYOR) are necessarily absent.

The PRESIDING OFFICER (Mr. MURKOWSKI). Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 49, nays 25, as follows:

[Rollcall Vote No. 238 Leg.]

YEAS—49

Abdnor	Chiles	Exon
Andrews	Cochran	Ford
Armstrong	D'Amato	Goldwater
Baker	Danforth	Gorton
Bingaman	DeConcini	Hawkins
Burdick	Dixon	Hecht
Byrd	Durenberger	Inouye
Chafee	Eagleton	Jackson
Kassebaum	Pell	Stevens
Kasten	Percy	Thurmond
Levin	Quayle	Trible
Long	Randolph	Tsongas
Matsunaga	Riegle	Wallop
Melcher	Rudman	Weicker
Metzenbaum	Sarbanes	Wilson
Murkowski	Stafford	
Packwood	Stennis	

NAYS—25

Baucus	Hollings	Roth
Biden	Humphrey	Sasser
Bradley	Jepsen	Simpson
Cohen	Lugar	Specter
Dole	Mattingly	Symms
East	Mitchell	Warner
Garn	Nunn	Zorinsky
Hatch	Pressler	
Helms	Proxmire	

NOT VOTING—26

Bentsen	Grassley	Laxalt
Boren	Hart	Leahy
Boschwitz	Hatfield	Mathias
Bumpers	Heflin	McClure
Cranston	Heinz	Moynihan
Denton	Huddleston	Nickles
Dodd	Johnston	Pryor
Domenici	Kennedy	Tower
Glenn	Lautenberg	

The conference report was agreed to.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. STENNIS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STEVENS. Mr. President, I ask unanimous consent that the amendments reported in disagreement, with the exception of amendments numbered 65, 93, and 165, be considered en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments in disagreement, with the exception of Nos. 65, 93, and 165, are as follows:

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 1 to the aforesaid bill, and concur therein with an amendment as follows:

Strike out the matter striken by said amendment, and insert:

AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE PAYMENT-IN-KIND PROGRAM

All land rented or leased, and in production for crop year 1982, if now rented or leased by the same individual, partnership, or corporation, and eligible for acreage reduction shall qualify for designation under the payment-in-kind program for crop year 1983, the same as land owned by the producer.

Until such time as additional legislation to the contrary may be enacted, it is provided: That, notwithstanding any other provision of law, in order to acquire a sufficient amount of upland cotton to carry out the payment-in-kind program for the 1983 crop of upland cotton, the Secretary of Agriculture shall solicit bids from cotton producers, for sale to the Commodity Credit Corporation of 1980, 1981, and 1982 crop cotton pledged by such producers as security for nonrecourse loans made under section 103(g)(1) of the Agricultural Act of 1949 (7 U.S.C. 1444(g)(1)). Until sufficient cotton to carry out the payment-in-kind program for the 1983 crop of upland cotton is acquired under this procedure, or until a reasonable

bid period opportunity has been determined and made available by the Secretary, but in no event less than two weeks, no bid for 1982 crop cotton shall be rejected unless it exceeds (on a percentage basis) the amount of the highest bid received and accepted under the same procedure for feed grains. The Secretary shall also give any producer who has previously submitted a bid the opportunity to nullify such bid if the producer agrees to submit another bid under the provisions of this Act.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 2 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum named in said amendment, insert: *$25,000,000*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 4 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum named in said amendment, insert: *$25,000,000*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 8 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

CHILD NUTRITION PROGRAMS

For an additional amount for the "Child nutrition programs", $118,000,000.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 11 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum named in said amendment, insert: *$5,000,000*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 13 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum named in said amendment, insert: *$1,000,000*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 24 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

SALARIES AND EXPENSES, GENERAL LEGAL ACTIVITIES

For an additional amount for "Salaries and expenses, General Legal Activities", $4,600,000, of which not to exceed $3,800,000 for asbestos litigation support contracts shall remain available until September 30, 1984.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 25 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum named in said amendment, insert: *$5,800,000*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 38 to the aforesaid bill, and concur therein with an amendment as follows:

Strike out the matter stricken by said amendment, and insert: *, and, in addition there shall be available the sum of $4,000,000*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 40 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

GENERAL PROVISIONS

Notwithstanding any other provision of law, the Administration Office of the United States Courts, or any other agency or instrumentality of the United States, is prohibited from restricting solely to staff of the Clerks of United States Bankruptcy Courts the issuance of notices to creditors and other interested parties. The Administrative Office shall permit and encourage the preparation and mailing of such notices to be performed by or at the expense of the debtors, trustees or such other interested partries as the Court may direct and approve. The Administrator of the United States Courts shall make appropriate provisions for the use of and accounting for any postage required pursuant to such directives. The provisions of this paragraph shall terminate on October 1, 1983.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 42 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

AIRCRAFT PROCUREMENT, AIR FORCE

For an additional amount for "Aircraft Procurement, Air Force", $185,000,000, to be available until September 20, 1985, for long lead procurement of engine, defensive and offensive avionics, and airframe components, in quantities which will be required if Congress approves multiyear procurement of the B-1B pursuant to section 2306(h), title 10, U.S.C.: Provided, That $185,000,000 appropriated under this head for the B-1B in Public Law 97-377 is rescinded: Provided further, That nothing in this paragraph shall be deemed to approve multiyear procurement of the B-1B.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 49 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

None of the funds appropriated by this Act may be obligated or expended to formulate or carry out any requirement that, in order to be eligible to submit a bid or an offer on a Department of Defense contract to be let for the supply of commercial or commercial-type products, a small business concern (as defined pursuant to section 3 of the Small Business Act) must (1) demonstrate that its product is accepted in the commercial market (except to the extent that may be required to evidence compliance with the Walsh-Healey Public Contracts Act), or (2) satisfy any other pre-qualification to submitting a bid or an offer for the supply of any such product.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 53 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

The project for flood protection on the Lower San Joaquin River, California, authorized by the Flood Control Act approved December 22, 1944, as amended, is hereby further modified to authorize the Secretary of the Army, acting through the Chief of Engineers, to perform clearing and snagging on the San Joaquin River from Stockton, California, to Friant Dam, at an estimated cost of $5,000,000. Prior to initiation of construction, a non-Federal entity shall provide adequate assurance for providing all lands, easements, rights-of-way and utility relocations at no expense to the Federal Government; execute a written agreement pursuant to section 221 of Public Law 91-611; agree to operate and maintain the project works upon completion of construction in accordance with rules and regulations prescribed by the Department of the Army; and hold and save the United States free from damages due to construction, operation, and maintenance of the project, not including damages due to the fault or negligence of the United States or its contractors.

Funds for the Wister Lake project, Oklahoma, authorized pursuant to the Flood Control Act of 1938 (52 Stat. 1218) shall be used to reduce sedimentation impacts by raising the level of the conservation pool permanently by 3 feet and seasonably by an additional 3.4 feet and the Secretary of the Army, acting through the Chief of Engineers, is hereby authorized to take such measures as are necessary to carry out this directive.

Contracts for architect and engineering services, and surveying and mapping services, shall be awarded in accordance with title IX of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 541 et seq.).

The Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to include in the survey report on Threemile Creek, Mobile, Alabama, the costs and benefits of local improvements initiated subsequent to January 1, 1982, by the city of Mobile for flood damage reduction measures which the Chief of Engineers determines are compatible with and constitute an integral part of his recommended plan. In determining the appropriate non-Federal share for such plan, the Chief of Engineers shall give recognition to costs incurred by non-Federal interests in carrying out such local improvements.

The Secretary of the Army, acting through the Chief of Engineers, is hereby authorized to prepare a comprehensive study and recommendations for the development and efficient utilization of the water and related resources of southcentral and southeast Oklahoma and to prepare a similar comprehensive study and recommendations for the Red River and its tributaries in Arkansas, Texas, Louisiana, and Oklahoma.

Funds herein or hereafter provided for the Beverly Shores, Indiana, project may be used to operate and maintain the emergency shore protection measures constructed pursuant to section 103 of the Energy and Water Development Appropriations Act, 1982 (95 Stat. 1137).

Not to exceed $500,000 shall be available for removal of obstructive shoals within the project limits of the Kawkawlin River, MI, project.

Section 107 of Public Law 97-88 pertaining to maintenance and operation of the Chicago Sanitary and Ship Canal of the Illinois Waterway in the interest of navigation includes the Control Structure and Lock in the Chicago River, and other facilities as are necessary to sustain through navigation from Chicago Harbor on Lake Michigan to Lockport on the Des Plaines River.

Not to exceed $500,000 shall be available for channel clearing of Bayou Rigolette as determined advisable by the Chief of Engineers in the Project Aloha-Rigolette Area, Grant and Rapides Parish, Louisiana, au-

thorized by the Flood Control Act approved August 18, 1941.

The Wallisville Reservoir, Texas, project, authorized by section 101 of the River and Harbor Act of 1962 (Public Law 87-874), is hereby modified with respect to its physical elements and planned operation as recommended in the Wallisville Lake, Texas, Post-Authorization Change Report, July 1981, as supplemented, July 1982. Notwithstanding the above modifications, provisions of the Contract for Water Storage, Salinity Control, and Recreation in Wallisville Reservoir (Contract Numbered DACW64-67-C-0108 signed by the Secretary of the Army, 2 February 1968) between the United States Government and the city of Houston, the Trinity River Authority of Texas, and the Chambers Liberty Counties Navigation District, shall govern non-Federal participation: Provided, That total project cost as cited in said contract shall be understood to consist of (1) costs, exclusive of land costs, actually incurred by the United States in connection with construction of elements currently in place and to be used in the modified plan, including interest during construction; (2) the actual cost of lands used in the modified plan; and (3) completion costs of the modified plan, including interest during construction.

The Secretary of the Army is authorized, notwithstanding any other provision of law, to widen, as necessary for safe passage, the navigation opening of Franklin Ferry Bridge, Jefferson County, Alabama. The work herein authorized shall be accomplished at Federal expense; however, no construction to widen the navigation opening shall begin nor contract for alteration of the bridge may be awarded until the owner shall agree that upon completion of the alteration to thereafter operate and maintain the Franklin Ferry Bridge as altered. There is hereby authorized to be appropriated not to exceed $4,000,000, which includes $1,000,000 previously appropriated, to carry out this section. Amounts authorized by this subsection shall be available until expended.

The Ventura Marina project authorized by section 101 of the River and Harbor Act of 1968 (Public Law 90-483), as modified, is hereby amended to authorize the Secretary of the Army, acting through the Chief of Engineers to reimburse the Ventura Port District available Operation and Maintenance, General funds for work performed by the Port just priority to February 25, 1983, in the area normally maintained by the Corps of Engineers. None of the funds appropriated in this or any future Act for the Ventura Mariana, California, project may be used to reimburse local interests for any work performed unless such work has the prior approval of the United States Army Corps of Engineers and the Appropiations Committees.

Section 164 of the Water Resources Development Act of 1976 (Public Law 94-587) as amended by Section 3 of Public Law 97-140, is further amended—

(1) by inserting the following after the first sentence: "The Secretary of the Army, acting through the Chief of Engineers, shall construct an approach roadway from the end of the Washington State Route 129 overpass of such bridge to Sixteenth Avenue in the city of Clarkston, Asotin County, Washington,"; and

(2) in the last sentence, by striking out "$23,200,000" and inserting in lieu thereof "$24,000,000".

The authorization for the Sardis Lake project contained in section 203 of the Flood Control Act of 1962 (Public Law 87-874) as amended by section 108 of the Energy and Water Development Appropriation Act of 1982 (Public Law 97-88) is hereby amended to authorize the Secretary of the Army, acting through the Chief of Engineers, to plan, design, and construct a water intake structure at an estimated Federal cost of $500,000.

The project for navigation at Moriches and Shinnecock Inlets, New York, authorized in section 101 of the River and Harbor Act of 1960 (Public Law 86-645), and the items of local cooperation pertaining thereto, are hereby modified to the extent necessary to require the Secretary of the Army, acting through the Chief of Engineers, to provide for the construction of the Navigation feature independent of other features.

Notwithstanding subsection 5901(a) of title 5, United States Code (80 Stat. 508), as amended, the uniform allowance for uniformed civilian employees of the United States Army Corps of Engineers may be up to $400 annually.

The United States Army Chief of Engineers may accept the services of volunteers and provide for their incidental expenses to carry out any activity of the Army Corps of Engineers except policy making or law or regulatory enforcement. Such volunteers shall not be employees of the United States Government except for the purposes of (1) chapter 171 of title 28 of the United States Code, relating to tort claims, and (2) chapter 81 of title 5 of the United States Code, relating to compensation for work injuries.

Hereafter, notwithstanding any other provisions of law or of this Act, appropriations for the Yatesville Lake construction project made available by Public Law 97-257, chapter V and Public Law 97-377, title I, section 140 (96 Stat. 1916) shall be obligated to construct the Yatesville Lake project.

Section 104(b) of the River and Harbor Act of 1958, Public Law 85-500, as amended by section 302 of the River and Harbor Act of 1965, Public Law 89-298, is further amended by striking out "$5,000,000" and inserting in lieu thereof "$10,000,000".

The Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to prepare and submit to Congress a feasibility report on the water resource needs in the vicinity of the Homochitto and Buffalo Rivers, Saint Catherine and Coles Creeks, Bayou Pierre, and other major tributaries draining into the Mississippi River between Bayou Pierre and the Buffalo River, Mississippi, to recommend remedial measures for flood control, bank stabilization, sedimentation, and related purposes.

The Columbia River at the mouth, Oregon and Washington, project authorized by the River and Harbor Act of July 5, 1884, as amended, is modified to provide for deepening of the northernmost 2,000 feet of the channel cross section to 55 feet at Federal expense: Provided, That $5,300,000 of "Construction, general" funds shall be made available to undertake this project modification.

Section 1114 of title 18, United States Code, is amended by inserting "any civilian official or employee of the Army Corps of Engineers assigned to perform investigations, inspections, law or regulatory enforcement functions, or field-level real estate functions," immediately after "National Park Service,".

The Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to design and construct and undertake measures necessary to provide a level of protection as the Chief of Engineers determines necessary to prevent recurring flood damages along the Pearl River in the vicinity of Jackson, Mississippi, substantially in accordance with preliminary plans developed by the Mobile District Engineer, at a currently estimated cost of $26,500,000, including $2,300,000 made available in this appropriation for advanced engineering and design. Expenditures by the Pearl River Basin Development District in constructing improvements at the Mississippi Highway 25 Bridge, an integral part of the plan authorized herein, shall be credited toward the local share of the project costs. Prior to implementation of the work authorized herein, non-Federal interests must agree to provide the requirements prescribed in section 3 of the Flood Control Act of 1936, as amended.

The Secretary of Army acting through the Chief of Engineers is directed to start construction of the Crater Lake phase of the Snettisham hydroelectric project authorized by the 1962 Flood Control Act with funds appropriated in fiscal years 1982 and 1983.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 58 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

The Secretary of the Interior is hereby authorized to engage in a feasibility study for the Prairie Bend unit, Pick-Sloan Missouri River Basin program, located in Dawson, Buffalo, and Hall Counties in Nebraska for irrigation, stabilization of ground-water levels, enhancement of water quality, small community and rural domestic water supplies, management of fish and wildlife habitat, public outdoor recreation, flood control, and other purposes determined to be appropriate. Such feasibility study shall include a detailed report on any effects the proposed project may have on wildlife habitat, including habitat of the sandhill crane and the endangered whooping crane. Such feasibility study shall also develop alternative water management plans that are consistent with the Endangered Species Act and the Migratory Bird Treaty Act. Before funds are expended for the feasibility study, the State of Nebraska, or other non-Federal entity, shall agree to participate in the study and to share in the cost of the study. The non-Federal share of the costs may be partly or wholly in the form of services directly related to the conduct of the study.

In accordance with the repayment contract for the Dallas Creek participating project of the Upper Colorado River storage project, entered into January 14, 1977, and entitled "Repayment Contract Between the United States of America and the Tri-County Water Conservancy District", the portion of the costs of such project, including interest on construction costs, allocated to municipal and industrial use which exceeds $38,000,000 shall not be reimbursable.

To provide adequate access to the McGee Creek recreation areas, Wildlife Management Area, and Natural Scenic Recreation Area for use and enjoyment by the general public of those facilities, the Secretary of the Interior is authorized to secure right-of-way, design and construct or otherwise improve two existing county access roads (1) west-side road beginning at the existing county road extending from Oklahoma State Highway 3 near the community of Lane, Oklahoma, and extending adjacent to the McGee Creek Reservoir and terminating at the existing county road extending from Oklaho-

ma State Highway 43 in the vicinity of Stringtown, Oklahoma, a distance of some 19 miles; (2) eastside road beginning at State Highways 3 and 7 near Center Point, Oklahoma, and extending northward to the upper end of McGee Creek Reservoir, a distance of some 11 miles. The westside road will be constructed with a 24-foot berm and 20-foot paved surface and the eastside constructed with a 28-foot berm and 24-foot paved surface. Both roads will have a minimum 6-inch gravel base and be paved with all weather asphaltic surface. The cost for the facilities authorized by this Act shall be nonreimbursable.

The Secretary of the Interior is authorized, when he deems it appropriate, to defer over the remaining term of any repayment contract or for a period of five years, whichever is less, the 1983 water service and repayment contract obligations for capital and operation and maintenance costs associated with federally constructed or federally assisted projects to reflect the percentage of acreage removed from cultivation pursuant to the "Special program for Corn, Grain, Sorghum, Upland Cotton, and Rice" under title 7 of the Code of Federal Regulations part 770, and any regulations supplementary thereto or amendatory thereof. Such deferment of payments shall not be deemed a "supplemental or additional benefit" within the meaning of section 203(a)(2) of the Reclamation Reform Act of 1982.

The Secretary of the Interior is hereby authorized to engage in feasibility studies of the following proposals:

(1) Pilot Butte powerplant, Riverton unit, located in Fremont County, Wyoming;

(2) Siletz River Basin project, located in Lincoln and Polk Counties, Oregon;

(3) Water conservation and efficient use program, All-American Canal relocation project, located in Imperial County, California; and

(4) Gibson Dam powerplant, located on the Sun River in Lewis and Clark Counties, Montana.

The Secretary of the Interior shall, under the general investigations authority, engage in a joint, State-led study with the State of Nebraska, which will consult with its appropriate subdivisions, of cost-effective alternatives to the Norden Dam, O'Neill unit of the Pick-Sloan Missouri River Basin program, Nebraska; and shall use available funds to initiate such study. The study period shall not exceed 18 months, starting with enactment of this Act. No funds shall be expended for any construction activity for the Norden Dam, O'Neill unit prior to the completion of this study.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 66 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert: *$20,500,000, of which $4,500,000 is available only for payment to the International Atomic Energy Agency and $16,000,000 is available only for payment to the International Fund for Agricultural Development*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 69 to the aforesaid bill, and concur therein with an amendment as follows:

Strike out the matter stricken by said amendment, and insert:

OVERSEAS PRIVATE INVESTMENT CORPORATION

The Overseas Private Investment Corporation is authorized to make such expenditures within the limits of funds available to it and in accordance with law (including not to exceed $30,000 for official reception and representation expenses), and to make such contracts and commitments without regard to fiscal year limitations, as provided by section 104 of the Government Corporation Control Act (31 U.S.C. 9104), as may be necessary in carrying out the program set forth in the budget for fiscal year 1983.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 70 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

DEPARTMENT OF STATE

MIGRATION AND REFUGEE ASSISTANCE

For an additional amount for "International disaster assistance", $15,000,000, to remain available until September 30, 1984, which shall be derived by transfer from "Migration and Refugee Assistance": Provided, That this sum shall be available only for resettlement services and facilities for refugees and displaced persons in Africa.

For an additional amount for the "Economic Support Fund", $5,000,000, to remain available until September 30, 1984, which shall be derived by transfer from "Migration and Refugee Assistance": Provided, That this sum shall be available only for assistance to combat piracy in the Gulf of Thailand.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 74 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

Notwithstanding section 10 of Public Law 91-672 funds in this chapter may not be obligated until the enactment of authorizing legislation or until September 30, 1983, whichever comes first.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 75 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert: *: Provided, That in addition to the above, the budget program set forth in the first proviso under the heading Annual Contributions for Assisted Housing (Disapproval of Deferral) in Public Law 98-8 (97 Stat. 13, 16, 17) is hereby amended to provide for assistance under section 5 of the United States Housing Act of 1937, as amended (42 U.S.C. 1437c), for additional section 8 housing of up to six thousand units under loan management, up to seven thousand units under property disposition, and up to nine hundred new or substantial rehabilitation units to be made available to satisfy an existing consent decree, settlement agreement, and set-aside pursuant to court order, respectively, in litigation in which the Department of Housing and Urban Development is a party; for up to one hundred additional public housing units for conversions from assistance under section 23 of such Act as it existed immediately before enactment of Public Law 93-383 (88 Stat. 633); and for amendments, $24,500,000 of contract authority and $245,000,000 of budget authority for existing units: Provided further, That such budget program is hereby amended further to reduce the budget authority to be made available for interest rate adjustments by $340,000,000, section 23 conversions by $63,450,000, public housing amendments by $62,000,000, and amendments for section 8 new construction/substantial rehabilitation by $198,000,000, and the budget authority made available by the foregoing reductions shall be used for the purposes and up to the amounts set forth in the immediately preceding proviso: Provided further, That notwithstanding the limitation on the use of recaptured budget authority in the third proviso under this heading in Public Law 97-377 (96 Stat. 1830, 1907), any budget authority authorized by such section 5 which is recaptured in fiscal year 1983 and exceeds $2,400,000,000 shall also, with the amounts of budget authority which become available as a result of the reductions set forth in the preceding proviso, be made available to satisfy the budget authority requirements of the amendments to such budget program set forth in the first proviso hereof, and such recaptured amounts exceeding the amount of the budget authority necessary to satisfy the requirements of such first proviso shall then be used in accordance with the third proviso under this heading in Public Law 97-377 (96 Stat. 1830, 1907).*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 83 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum inserted by said amendment, insert: *$9,000,000, of which $2,000,000 shall be transferred to "Research and development" to remain available until September 30, 1984 and shall only be used for establishing a center for hazardous waste management*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 84 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

CONSUMER INFORMATION CENTER FUND

Notwithstanding any other provision of law, there is hereby established in the Treasury of the United States a Consumer Information Center Fund, General Service Administration, for the purpose of disseminating Federal Government consumer information to the public and for other related purposes. There shall be deposited into the fund for fiscal year 1983 and subsequent fiscal years: (A) Appropriations from the general funds of the Treasury for Consumer Information Center activities; (B) User fees from the public; (C) Reimbursements from other Federal agencies for costs of distributing publications; and (D) Any other income incident to Consumer Information Center activities. Moneys deposited into the fund shall be available for expenditure for Consumer Information Center activities in such amounts as are specified in appropriation Acts. Any unobligated balances at the end of the fiscal year shall remain in the fund and shall be available for authorization in appropriation Acts for subsequent fiscal years. This fund shall assume all the liabilities, obligations, and commitments of the said Consumer Information Center account. The revenues and collections deposited into the fund shall be available for necessary expenses of Consumer Information Center activities in the amount of $5,415,000 during fiscal year 1983. Administrative expenses of the Consumer Information Center in fiscal year 1983 shall not exceed $1,382,000. For the purposes of the fund, administrative expenses shall be defined as those expenses pre-

viously paid from appropriations to the Consumer Information Center. Revenues and collections accruing to this fund during fiscal year 1983 in excess of $6,797,000 shall remain in the fund and shall not be available for expenditure except as authorized in appropriation Acts. The Department of Housing and Urban Development-Independent Agencies Appropriation Act, 1984 (Public Law 98-45), is hereby amended by deleting "other than administrative expenses" from the first proviso under the heading "General Service Administration, Consumer Information Center".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 85 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

GENERAL PROVISION

SEC. 1. (a) Subject to valid existing rights, administration of the following described lands is hereby transferred to the Veterans Administration for use as an addition to the Sitka National Cemetery: That tract of unimproved land lying easterly of existing structures which is a portion of the lands described in Public Land Order numbered 1707 of August 6, 1958, provided that the actual description of the lands to be administered by the Veterans Administration shall be determined by a survey made and approved by the Secretary of the Interior, after consultation with the Secretary of Agriculture. The actual description shall be published in the Federal Register by the Secretary of the Interior as a Public Land Order.

(b) The lands described in subsection (a) of this section are a portion of the lands reserved by Executive Order numbered 8854 of August 16, 1941, for use of the United States Coast and Geodetic Survey as a magnetic and seismological observatory site. Subsequently, a portion of the lands described in Executive Order numbered 8854 was transferred by Public Land Order numbered 1707 of August 6, 1958, to the jurisdiction of the Forest Service, Department of Agriculture for use as an administrative site in connection with the administration of the Tongass National Forest. Lands described in subsection (a) of this section are hereby deleted from Executive Order numbered 8854 and Public Land Order numbered 1707.

SEC. 2. (a) Subject to valid existing rights and subsection (c) of this section and provided that the National Park Service shall be permitted to continue to use the residence and other improvements on the lands described in this section for a period of not less than three years from the date of enactment of this Act in accordance with terms mutually agreed to by the Secretary of the Interior and the Administrator of the Veterans Administration, and provided further that the National Park Service shall pay no more for the use of the residence and other improvements than the money actually expended to maintain the same by the Veterans Administration, administration of the following described public lands is hereby transferred to the Veterans Administration for use as an addition to the Sitka National Cemetery: The lands described as tract numbered 2 of Presidential Proclamation 2965 of February 25, 1952, provided that the actual description of the lands to be administered by the Veterans Administration shall be determined by a survey made and approved by the Secretary of the Interior. The actual description shall be published in the Federal Register as a Public Land Order.

(b) The lands described in subsection (a) of this section were reserved by Presidential Proclamation 2965 on February 25, 1952, as an administrative site for the Sitka National Monument. Lands described in subsection (a) of this section are hereby deleted from Presidential Proclamation 2965.

(c) In the event that the Administrator of the Veterans Administration determines that all or any part of the lands described in subsection (a) of this section are no longer needed for National Cemetery purposes, those lands no longer needed shall be returned to the jurisdiction of the Secretary of the Interior.

SEC. 3. These provisions may be cited as the "Sitka National Cemetery Transfer Act of 1983".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 89 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

(4) a new section 6907 is added as follows:

(a) Notwithstanding any other provision of this chapter, A State may enact legislation which requires that any payments which would be made to units of general local government pursuant to this chapter be reallocated and redistributed in whole or part to other smaller units of general purpose government which (1) are located within the boundaries of the larger unit of general local government, (2) provide general governmental services and (3) contain entitlement lands within their boundaries.

Such reallocation or redistribution shall generally reflect the level of services provided by, and the number of entitlement acres within, the smaller unit of general local government.

(b) Upon enactment of legislation by a State, described in subsection (a), the Secretary shall make one payment to such State equaling the aggregate amount of payments which he otherwise would have made to units of general local government within such State pursuant to this chapter. It shall be the responsibility of such State to make any further distribution of the payment pursuant to subsection (a).

Such redistribution shall be made within 30 days after receipt of such payment. No payment, or portion thereof, made by the Secretary shall be used by any State for the administration of this subsection or subsection (a).

(c) Appropriations made for payments in lieu of taxes for a fiscal year may be used to correct underpayments in the previous fiscal year to achieve equity among all qualified recipients.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 94 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum inserted by said amendment, insert: $68,200,000.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 102 to the aforesaid bill, and concur therein with an amendment as follows:

In licu of the sum inserted by said amendment, insert: $53,150,000.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 103 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert: : Provided, That $22,000,000 of such amount shall be available until expended for transfer to the State of Alaska on the condition that the State use the funds for the benefit of Alaska Native secondary students by either renovating the former Bureau of Indian Affairs Mount Edgecumbe Boarding School or constructing another non-Federal boarding school facility and the Bureau of Indian Affairs shall not expend any other funds for the operation of any secondary education program or facility in the State after June 30, 1983: Provided further, That while consultation concerning day school transfers to the State of Alaska will continue with affected villages, local concurrence is not required in this continuing effort to establish a single system of education envisioned by the State's constitution: Provided further, That after June 30, 1984, the Bureau of Indian Affairs shall fund no more than ten day schools in Alaska: Provided further, That the Bureau of Indian Affairs shall not fund any schools in Alaska after June 30, 1985: Provided further, That $9,350,000 of such amount shall be available until expended for transfer to the State of Alaska to assist in the rehabilitation or reconstruction of Bureau-owned schools which are transferred to the State: Provided further, That the $9,350,000 appropriated in Public Law 97-394 available to the State of Alaska to assist in the rehabilitation of Bureau-owned schools which are transferred to the State may also be used for reconstruction: Provided further, That when any Alaska day school operated by contract is transferred, the State shall assume any existing contract pertaining to the operation or maintenance of such school for a minimum of two years or until the expiration of the negotiated contract, whichever comes first: Provided further, That nothing in the foregoing shall preclude assistance otherwise available under the Act of April 16, 1934 (48 Stat. 596) as amended (25 U.S.C. 452 et seq.), or any other Act to such schools on the same basis as other public schools: Provided further, That the Secretary of the Interior shall prepare within one year after the date of this Act, an official survey by supplemental plat and convey to the State of Alaska all right, title, and interest of the United States, including all improvements situated thereon, in the following described lands:

That portion of Japonski Island (U.S. Survey No. 1496, within protracted sections 34 and 35, T. 55 S., R. 63 E., sections 2 and 3, T. 56 S., R. 63 E., Copper River Meridian, State of Alaska), withdrawn from the public domain of the United States by Public Law 79-478 and Public Law 83-568 for use of the Bureau of Indian Affairs and the Indian Health Service, except the smallest practicable tract, as determined by the Secretary of Interior, enclosing land actually used in connection with the administration of the Indian Health Service hospital on the date of this Act (this IHS-used land comprising no more than 15.25 acres, excluding roads). The southwesterly boundary of these lands is common with lands withdrawn for use of the United States Coast Guard by public land order and with lands held by the State of Alaska, Division of Aviation.

Such conveyance is conditioned upon the execution by the State of Alaska of an agreement to begin operating a Mt. Edgecumbe school facility no later than September 1, 1984. The above-described lands reserved for the use of the Indian Health Service shall also be conveyed to the State of Alaska if at any time the Indian Health Service or any

successor organization or agency ceases to operate a health care facility on said lands.

Enactment of this statute has the full force and effect of an interim conveyance, as defined in the Alaska National Interest Lands Conservation Act, to the State of Alaska, subject to the above condition. The force and effect of such an interim conveyance is to convey to and vest in the State of Alaska exactly the same right, title, and interest in and to the lands as the State would have received had it been issued a patent by the United States. Upon survey of lands covered by the interim conveyance a patent thereto shall be issued to the State of Alaska. The lands conveyed by this statute are not subject to acreage adjustment under section 6 of the Alaska Statehood Act.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 105 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter proposed by said amendment, insert:

For payment to the authorized governing body of the Papago Tribe of Indians, $15,000,000 to remain available until expended, for deposit in the Papago Trust Fund established by said governing body pursuant to Public Law 97-293 (96 Stat. 1283) which fund shall be held in trust for the benefit of such tribe pursuant to section 309 of that law.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 115 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter proposed by said amendment, insert:

ADMINISTRATIVE PROVISIONS, DEPARTMENT OF ENERGY

Notwithstanding section 303(3) of Public Law 97-257, funds provided for Economic Regulatory Administration by this or any other Act shall be used: (1) to maintain not less than three hundred and eighty full-time permanent Federal employees, of which not less than forty employees shall be assigned to the Office of Fuels Conversion, for the fiscal year ending September 30, 1983; and (2) to maintain not less than three hundred and five full-time equivalent Federal employees, of which not less than twenty-seven employees shall be assigned to the Office of Fuels Conversion, for the fiscal year ending September 30, 1984: Provided further, That notwithstanding any other provision of law, the minimum employment level established in Public Law 97-257 for the Office of the Assistant Secretary for Fossil Energy is reduced to 715 with no further amendment to the suballocations therein.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 117 to the aforesaid bill, and concur therein with an amendment as follows:

Strike out the matter stricken by said amendment, and insert:

DEPARTMENT OF EDUCATION

INDIAN EDUCATION

For part C of the Indian Education Act and the General Education Provisions Act, an additional amount of $1,938,000, to remain available until expended.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 119 to the aforesaid bill, and concur therein with an amendment as follows:

Strike out the matter stricken by said amendment, and insert:

The Secretary shall appoint a Commission to review the Department's coal leasing procedures to ensure receipt of fair market value within 30 days after enactment of this Act, and said Commission shall make its recommendations within 6 months after enactment of this Act.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 121 to the aforesaid bill, and concur therein with an amendment as follows:

Strike out the matter stricken by said amendment, and insert:

No funds provided in this or any other Act to agencies funded by the Interior and Related Agencies Appropriation Act, 1983 (Public Law 97-394) may be expended to take actions related to termination of programs or closure of facilities proposed to be terminated or closed in the budget for fiscal year 1984 until enactment of the Interior and Related Agencies Appropriation Act, 1984 or through approved reprogramming procedures.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 125 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter proposed by said amendment, insert:

The Congress finds that the Forest Service's proposal of March 15, 1983, to consider six million acres of the national forest for possible sale has met with considerable opposition; and the national forests are an important part of the national heritage of the United States; and the national forests provide and protect important resources; and the national forests provide unique opportunities for recreation; and it is inconsistent with past management practices to dispose of large portions of our national forests. It is, therefore, the sense of the Congress that it is not in the national interest to grant the authority to sell significant acreage of the national forest until such time as the Forest Service specifically identifies the tracts which are no longer needed by the Federal Government; inventories the tracts as to their public benefit values; provides opportunities for public review and discussion of the tracts; and completes all necessary environmental assessments of such sales.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 128 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter proposed by said amendment, insert: *to remain available until September 30, 1984*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 129 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter proposed by said amendment, insert: *to remain available until September 30, 1984*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 130 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter proposed by said amendment, insert: *to remain available until September 30, 1984*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 131 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter proposed by said amendment, insert: *to remain available until September 30, 1984*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 132 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter proposed by said amendment, insert: *to remain available until September 30, 1984*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 137 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

From the Rural Development Loan Fund under the Community Economic Development Act of 1981, $10,000,000 in available appropriations shall be obligated in the form of loans only by December 31, 1983.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 138 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

From the Community Development Credit Union Revolving Loan Fund, the entire remaining balance of the Fund as of September 30, 1983, shall be obligated on or before December 31, 1983. No such obligations shall be made in the form of loan guarantees.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 144 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

For an additional amount to the National Institute of Handicapped Research for the establishment and support of two research and training centers, $1,500,000, to remain available until expended, one-half of which shall be available for the establishment and support of a research and training center in pediatric rehabilitation pursuant to section 204(b)(1) of the Rehabilitation Act of 1973, and one-half of which shall be available for a research and training center on the rehabilitation needs of the Pacific Basin.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 145 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

ELEMENTARY AND SECONDARY EDUCATION

For an additional amount for subpart 1 of part A of title I of the Elementary and Secondary Education Act of 1965, such as may be necessary but not to exceed $40,000,000, to remain available until September 30, 1984, for the payment of grants to local educational agencies located in a State in which the aggregate amount of grants determined for such agencies from amounts appropriated for fiscal year 1983 prior to the date of enactment of this Act is less than 95 percent of the amount of the grants for that State from amounts appropriated for fiscal year 1982 by reason of the application of the 1980 Census data in order to increase the amount for local educational agencies in each such State to the amount determined for that State for fiscal year 1982: Provided,

That the amount of the increase in any grant which a local educational agency in any State shall be eligible to receive by reason of the application of this paragraph shall be determined on a pro rata basis.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 146 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

STUDENT FINANCIAL ASSISTANCE

Notwithstanding section 413D(b)(1)(B)(ii) of the higher Education Act of 1965 and section 10 of the Student Financial Assistance Technical Amendments Act of 1982, funds appropriated under this heading and any funds appropriated for fiscal year 1983 for subpart 2 of part A of title IV of the Higher Education Act of 1965 that are not obligated or committed for the fiscal year 1983 shall be allocated in a manner designed to ensure that all eligible institutions receive a minimum funding level based upon a uniform State percentage for such fiscal year.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 148 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

FACILITIES DEVELOPMENT

HEALTH RESOURCES AND SERVICES ADMINISTRATION

HEALTH RESOURCES AND SERVICES

For an additional amount for "Health resources and services" for the remodeling and expansion of an existing academic health center library under section 720(a)(1) of the Public Health Service Act, $14,500,000, to remain available until expended; and notwithstanding any other provision of this or any other Act, such amount shall be made available without regard to the provisions of sections 702(b) and 722(a)(1) of the Public Health Service Act.

NATIONAL INSTITUTES OF HEALTH

NATIONAL LIBRARY OF MEDICINE

For an additional amount to carry out section 301 and parts I and J of title III of the Public Health Service Act with respect to conducting research, development, and demonstration projects at an existing academic health center, $5,900,000 to remain available until expended.

GRANTS FOR CONSTRUCTION OF ACADEMIC FACILITIES

For part B of title VII of the Higher Education act of 1965, $22,500,000, to remain available until expended.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 152 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum named in said amendment, insert: *$49,000,000*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 164 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

ACCESS HIGHWAYS TO PUBLIC RECREATION AREAS ON CERTAIN LAKES

Appropriations under this heading for fiscal year 1981 shall remain available until September 30, 1984.

HIGHWAYS CROSSING FEDERAL PROJECTS

The period of availability of approximately $400,000 appropriated in Public Laws 94-387, 95-29, 95-85, 95-335, and 96-131 is hereby extended through September 30, 1984.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 168 to the aforesaid bill, and concur therein with an amendment as follows:

Strike out the matter stricken by said amendment, and insert:

LIMITATION ON GENERAL OPERATING EXPENSES

The limitation on general operating expenses of the Federal Highway Administration is increased by $1,750,000 for necessary expenses to carry out the provisions of section 152 of the Surface Transportation Assistance Act of 1982 for a methane conversion study, to remain available until expended.

ACOSTA BRIDGE

Notwithstanding subsection (b) of section 142 of Public Law 97-377, the funds made available by such subsection for the Dodge Island Briage project in Miami, Florida, shall be available for the Acosta Bridge project in Jacksonville, Florida, in accordance with the provisions of section 144 of title 23, United States Code, to remain available until expended: Provided, That, notwithstanding any other provisions of law, obligations incurred under this section shall not be subject to any limitations on obligations for Federal-aid highways.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 172 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

OFFICE OF THE SECRETARY

Of the sums appropriated for Office of the Secretary, Salaries and Expenses, not to exceed $18,500 may be used for official reception and representation functions.

Of the sums appropriated for International Affairs, not to exceed $66,500 may be used for official reception and representation functions.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 176 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum named in said amendment, insert: *$1,000*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 181 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter proposed by said amendment, insert:

CHAPTER XII

DISTRICT OF COLUMBIA

DISTRICT OF COLUMBIA FUNDS

GOVERNMENTAL DIRECTION AND SUPPORT

(RESCISSION)

Of the funds appropriated for "Governmental direction and support" for fiscal year 1983 in Public Law 97-378, $2,759,000 are rescinded.

ECONOMIC DEVELOPMENT AND REGULATION

(RESCISSION)

Of the funds appropriated for "Economic development and regulation" for fiscal year 1983 in Public Law 97-378, $2,538,800 are rescinded.

PUBLIC SAFETY AND JUSTICE

For an additional amount for "Public safety and justice", $9,130,600.

PUBLIC EDUCATION SYSTEM

(RESCISSION)

Of the funds appropriated for "Public education system" for fiscal year 1983 in Public Law 97-378, $1,871,100 are rescinded.

HUMAN SUPPORT SERVICES

For an additional amount for "Human support services", $2,037,400.

TRANSPORTATION SERVICES AND ASSISTANCE

(RESCISSION)

Of the funds appropriated for "Transportation services and assistance" for fiscal year 1983 in Public Law 97-378, $544,600 are rescinded.

ENVIRONMENTAL SERVICES AND SUPPLY

(RESCISSION)

Of the funds appropriated for "Environmental services and supply" for fiscal year 1983 in Public Law 97-378, $5,504,500 are rescinded.

PERSONAL SERVICES

(RESCISSION)

Of the funds appropriated for "Personal services" for fiscal year 1983 in Public Law 97-378, $8,748,800 are rescinded.

ENERGY ADJUSTMENT

For an additional amount for "Energy adjustment", $2,078,500.

UNALLOCATED GENERAL FUND ADJUSTMENT

(RESCISSION)

Of the funds appropriated out of the "General fund" for fiscal year 1983 in Public Law 97-378, $15,183,600 are rescinded.

WASHINGTON CONVENTION CENTER ENTERPRISE FUND

For an additional amount for "Washington convention center enterprise fund", $830,700.

LOTTERY AND CHARITABLE GAMES ENTERPRISE FUND

For an additional amount for "Lottery and charitable games enterprise fund", $1,000,000.

GENERAL PROVISION

Title 11, section 11-1732(d) of the District of Columbia Code, is amended by striking out "1983" and inserting in lieu thereof "1984".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 205 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum named in said amendment, insert: *$1,388,000 Resolved,* That the House recede from its disagreement to the amendment of the Senate numbered 231 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum named in said amendment, insert: *$180,168,000: Provided,* That of the funds appropriated under this heading in the Department of Housing and Urban Development-Independent Agency Appropriations Act, 1983 (Public Law 97-272), $4,200,000 shall be available only for three integrated hospital system projects and such funds shall remain available until September 30, 1984

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 247 to the aforesaid bill,

and concur therein with an amendment as follows:

In lieu of the matter proposed by said amendment, insert:

SEC. 403. Amounts certified pursuant to section 1311 of the Supplemental Appropriations Act, 1955, as having been obligated against appropriations heretofore made under the authority of the Foreign Assistance Act of 1961, as amended, for the same general purpose as any of the subparagraphs under "Agency for International Development" in prior appropriations Acts, are, if deobligated, hereby continued available for the same period as he respective appropriations in such subparagraphs for the same general purpose and for the same country as originally obligated or for relief, rehabilitation, and reconstruction activities in the Andean region: Provided, That the Appropriations Committees of both Houses of the Congress ar notified fifteen days in advance of the deobligation or reobligation of such funds.

Resolved, That the House receded from its disagreement to the amendment of the Senate numbered 251 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the section number named in said amendment, insert: *406*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 253 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the section number named in said amendment, insert: *407*

Mr. STEVENS. Mr. President, I move that the Senate concur in the amendments of the House to the amendments of the Senate considered en bloc.

The PRESIDING OFFICER. The question is on agreeing to the motion.

Mr. STEVENS. Mr. President, I have a similar motion to make as to the amendments that we must recede from. It is my understanding that there is a desire for a vote on this first motion. There would be no request for a vote on the second motion, on the motion to recede. If there is any Senator who wishes to request a vote on that, this is the time for him to speak up.

Mr. BYRD. Mr. President, what are the amendments in disagreement that we are talking about? I do not recognize them by number.

Mr. STEVENS. It is IMF, Cumberland Gap, and a bridge in Nevada.

Mr. President, I ask the yeas and nays on my motion.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Is there further debate?

Mr. TSONGAS. Will the Senator yield?

Mr. STEVENS. I yield.

Mr. TSONGAS. Can we assume there will be no vote after this one?

The PRESIDING OFFICER. The Senate will come to order.

Mr. STEVENS. I say to the majority leader that it is my intention not to ask for a rollcall vote on the succeeding motion. This will be the last vote, if the majority leader concurs.

Mr. BAKER addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. BAKER. Mr. President, of course, we cannot keep anyone from requesting a rollcall. I do not plan one. I urge that we get on with this vote and then maybe we will find out.

Mr. BYRD. Mr. President, that is fine with me, but what are the three?

Mr. STEVENS. IMF, Cumberland Gap, and a Nevada bridge, but we will cover them in one move to consider those en bloc on a voice vote.

Mr. BYRD. I think it is well for us to know. I thank the Senator.

The PRESIDING OFFICER. The question is on agreeing to the motion. The yeas and nays have been ordered. The clerk will call the roll.

Mr. STEVENS. I announce that the Senator from Minnesota (Mr. BOSCHWITZ), the Senator from Rhode Island (Mr. CHAFEE), the Senator from Alabama (Mr. DENTON), the Senator from New Mexico (Mr. DOMENICI), the Senator from Iowa (Mr. GRASSLEY), the Senator from Oregon (Mr. HATFIELD), the Senator from Florida (Mrs. HAWKINS), the Senator from Pennsylvania (Mr. HEINZ), the Senator from Nevada (Mr. LAXALT), the Senator from Maryland (Mr. MATHIAS), the Senator from Idaho (Mr. MCCLURE), the Senator from Oklahoma (Mr. NICKLES), the Senator from Texas (Mr. TOWER), and the Senator from Wyoming (Mr. WALLOP) are necessarily absent.

I further announce that, if present and voting, the Senator from Oregon (Mr. HATFIELD) would vote "Yea."

Mr. BYRD. I announce that the Senator from Texas (Mr. BENTSEN), the Senator from Oklahoma (Mr. BOREN), the Senator from California (Mr. CRANSTON), the Senator from Connecticut (Mr. DODD), the Senator from Ohio (Mr. GLENN), the Senator from Colorado (Mr. HART), the Senator from Alabama (Mr. HEFLIN), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Louisiana (Mr. JOHNSTON), the Senator from Massachusetts (Mr. KENNEDY), the Senator from New Jersey (Mr. LAUTENBERG), the Senator from Vermont (Mr. LEAHY), the Senator from New York (Mr. MOYNIHAN), the Senator from Rhode Island (Mr. PELL), and the Senator from Arkansas (Mr. PRYOR) are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 49, nays 22, as follows:

[Rollcall Vote No. 239 Leg.]

YEAS—49

Abdnor	Baker	Bumpers
Andrews	Bingaman	Burdick
Armstrong	Bradley	Chiles
Cochran	Inouye	Riegle
D'Amato	Jackson	Rudman
Danforth	Kassebaum	Simpson
Dixon	Kasten	Stafford
Dole	Long	Stennis
Durenberger	Matsunaga	Stevens
Eagleton	Mattingly	Symms
Exon	Metzenbaum	Thurmond
Ford	Murkowski	Trible
Goldwater	Packwood	Tsongas
Gorton	Percy	Weicker
Hecht	Pressler	Wilson
Hollings	Quayle	
Humphrey	Randolph	

NAYS—22

Baucus	Helms	Roth
Biden	Jepsen	Sarbanes
Byrd	Levin	Sasser
Cohen	Lugar	Specter
DeConcini	Melcher	Warner
East	Mitchell	Zorinsky
Garn	Nunn	
Hatch	Proxmire	

NOT VOTING—29

Bentsen	Hart	Leahy
Boren	Hatfield	Mathias
Boschwitz	Hawkins	McClure
Chafee	Heflin	Moynihan
Cranston	Heinz	Nickles
Denton	Huddleston	Pell
Dodd	Johnston	Pryor
Domenici	Kennedy	Tower
Glenn	Lautenberg	Wallop
Grassley	Laxalt	

So the motion to concur in the amendments of the House to the amendments of the Senate was agreed to.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the motion to concur was agreed to.

Mr. STENNIS. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STEVENS. Mr. President, I ask unanimous consent that it be in order to move en bloc that the Senate recede from the remaining three amendments in disagreement.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, I move that the Senate recede from its amendments numbered 65, 93, and 165, amendment numbered 65 is the IMF, 93 is the Cumberland Gap, and 165 is the Nevada bridge amendment.

Mr. FORD. Mr. President, will the distinguished Senator yield for a question?

Mr. STEVENS. I would be happy to yield.

Mr. FORD. I ask the distinguished Senator, under one of these amendments that will be included in the en bloc motion, is money provided for the Cumberland Gap Tunnel? Is that correct?

Mr. STEVENS. The Senator is correct. That is amendment No. 93.

Mr. FORD. We, in Kentucky, are very interested in that particular item, and it is my understanding there are other vehicles on which this money might, or the amendment will, be applied, and I understand we will be in the posture where we will not lose the opportunity of securing this money at a later date.

Mr. STEVENS. That was the intention of the chairman of the committee.

I yield to the Senator from Tennessee.

Mr. BAKER. Mr. President, I thank the Senator from Kentucky for bringing the subject up and making sure the record reflects the situation as it exists.

The Tennessee delegation has worked with the Kentucky delegation for a long, long time regarding the measure on the Cumberland Gap, the Cumberland National Park. It was a matter of great disappointment to me, and I know Senator HUDDLESTON worked very hard on it, and I am sure Senator FORD and Senator SASSER were disappointed that it was not included in the final version. But rather than create any further problem with it, I am convinced that we can and we will include it in the Interior appropriations bill, and I will work very hard with Senator FORD, Senator SASSER, and Senator HUDDLESTON to see that it is contained in that bill.

Mr. FORD. I thank the distinguished majority leader for his remarks. Therefore, I have no objection to the motion en bloc.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the motion of the Senator from Alaska.

The motion was agreed to.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. STENNIS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HECHT. Mr. President, I wish the RECORD to show that had a rollcall vote occurred I would have voted in the negative. The reason is the deletion of the $6.3 million for the Nevada bridge project.

Mr. BAKER. Mr. President, I wish to express my appreciation to the managers on both sides, the Senator from Alaska and the Senator from Mississippi, and to the Senator from Oregon, the chairman of the Appropriations Committee, and all of the conferees for their good work on this matter.

There were many disappointments imbedded in this conference report. There were many pieces of unfinished business, but this matter had to be disposed of and was disposed of in good style, and I wish to express the appreciation to the managers.

ROUTINE MORNING BUSINESS

Mr. BAKER. Mr. President, I ask unanimous consent that there be a period for the transaction of routine morning business to go on longer than 8 p.m. in which Senators may speak.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE HOUSE

ENROLLED BILL AND JOINT RESOLUTIONS SIGNED

At 11:05 a.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the Speaker of the House has signed the following enrolled bill and joint resolutions:

S. 143. An act to authorize the Twenty-nine Palms Band of Luiseno Mission Indians to lease for ninety-nine years certain lands held in trust for such band;

S.J. Res. 56. Joint resolution to designate the month of August 1983 as "National Child Support Enforcement Month"; and

H.J. Res. 139. Joint resolution to designate the week beginning June 24, 1984, as "Federal Credit Union Week".

The enrolled bill and joint resolutions were subsequently signed by the President pro tempore (Mr. THURMOND).

At 12:52 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the following measures, in which it requests the concurrence of the Senate:

H.J. Res. 266. Joint resolution designating the week beginning September 4, 1983, as "Youth of America Week";

H.J. Res. 321. Joint resolution to proclaim a day of national celebration of the two hundredth anniversary of the signing of the Treaty of Paris.

At 5:57 p.m., a message from the House of Representatives, delivered by Mr. Berry, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 3069) making supplemental appropriations for the fiscal year ending September 30, 1983, and for other purposes; it recedes from its disagreement to the amendments of the Senate numbered 5, 14, 16, 19, 20, 21, 22, 23, 26, 27, 28, 29, 30, 31, 35, 41, 43, 48, 50, 51, 56, 57, 67, 76, 78, 79, 80, 88, 126, 133, 139, 143, 149, 151, 153, 158, 159, 162, 169, 171, 180, 182, 183, 218, 230, 239, 248, and 249, and agrees thereto; it recedes from its disagreement to the amendments of the Senate numbered 1, 2, 4, 8, 11, 13, 24, 25, 38, 40, 42, 49, 53, 58, 66, 69, 70, 74, 75, 83, 84, 85, 89, 94, 102, 103, 105, 115, 117, 119, 121, 125, 128, 129, 130, 131, 132, 137, 138, 144, 145, 146, 148, 152, 164, 168, 172, 176, 181, 205, 231, 247, 251, and 253, and agrees thereto, each with an amendment, in which it requests the concurrence of the Senate; and it insists upon its disagreement to the amendments of the Senate numbered 65, 93, and 165 to the bill.

The message also announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 153. Concurrent resolution providing for a conditional adjournment of the House from August 4 or 5 until September 12, 1983, and a conditional adjournment of the Senate from August 3, 4, or 5 until September 12, 1983.

The message further announced that the House has agreed to the following resolution:

H. Res. 290. Resolution electing the Honorable Bill Alexander, a representative from the State of Arkansas, as Speaker pro tempore during the absence of the Speaker.

ENROLLED JOINT RESOLUTION SIGNED

The message also announced that the Speaker has signed the following enrolled joint resolution:

S.J. Res. 67. Joint resolution to designate the week of September 25, 1983, through October 1, 1983, as "National Respiratory Therapy Week."

The enrolled joint resolution was subsequently signed by the Acting President pro tempore (Mr. BAKER).

HOUSE MEASURES REFERRED

The following bill and joint resolution were read the first and second times by unanimous consent, and referred as indicated:

H.R. 3497. A bill to defer proposed amendments to the Federal Rules of Civil Procedure and the Federal Rules of Criminal Procedure; to the Committee on the Judiciary.

H.J. Res. 266. Joint resolution designating the week beginning September 4, 1983, as "Youth of America Week"; to the Committee on the Judiciary.

ENROLLED BILLS AND JOINT RESOLUTIONS PRESENTED

The Secretary of the Senate reported that on today, July 29, 1983, he had presented to the President of the United States the following enrolled bill and joint resolution:

S. 143. An act to authorize the Twenty-nine Palms Band of Luiseno Mission Indians to lease for ninety-nine years certain lands held in trust for such band.

S.J. Res. 56. Joint resolution to designate the month of August 1983 as "National Child Support Enforcement Month."

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-1524. A communication from the Mayor of the District of Columbia, proposing, pursuant to D.C. law, that the United States seek immediate negotiation with the Soviet Union for a permanent mutual nuclear weapons freeze; to the Committee on Foreign Relations.

EC-1525. A communication from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting, pursuant to law, copies of international agreements, other than treaties, entered into by the United States within the previous 60 days; to the Committee on Foreign Relations.

EC-1526. A communication from the Deputy Assistant Secretary of the Interior transmitting, pursuant to law, a report on a new Privacy Act system of records; to the Committee on Governmental Affairs.

EC-1527. A communication from the Secretary of Education transmitting, pursuant to law, a report entitled "Private Elementary and Secondary Education"; to the Committee on Labor and Human Resources.

EC-1528. A communication from the Secretary of Education transmitting, pursuant to law, a copy of final regulations for chapter 1 of the Education and Consolidation Act of 1981; to the Committee on Labor and Human Resources.

EC-1529. A communication from the Principal Deputy Assistant Secretary of the Navy for Shipbuilding and Logistics transmitting, pursuant to law, a report on the decision to convert the custodial services function at the Naval Hospital, Camp Lejeune, N.C. to performance under contract; to the Committee on Armed Services.

EC-1530. A communication from the Acting Director of the Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on a refund of excess royalty payments to Tenneco Oil Exploration and Production Co.; to the Committee on Energy and Natural Resources.

EC-1531. A communication from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting, pursuant to law, copies of international agreements, other than treaties, entered into by the United States during the previous 60 days; to the Committee on Foreign Relations.

EC-1532. A communication from the District of Columbia Auditor transmitting, pursuant to law, the annual audit report on depository activities, fiscal year 1982; to the Committee on Governmental Affairs.

EC-1533. A communication from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Review of the Federal Crop Insurance Corporation's Financial Statements for the year ended September 30, 1981"; to the Committee on Agriculture, Nutrition, and Forestry.

EC-1534. A communication from the Director of the Office of Management and Budget transmitting, pursuant to law, a supplemental summary of the fiscal year 1984 budget; jointly, pursuant to the order of January 30, 1975, to the Committee on Appropriations and the Committee on the Budget.

EC-1535. A communication from the President and Chairman of the Export-Import Bank of the United States transmitting, pursuant to law, a report on transactions supported by Eximbank during June 1983 with Communist countries; to the Committee on Banking, Housing, and Urban Affairs.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. PACKWOOD, from the Committee on Commerce, Science, and Transportation:

David John Markey, of the District of Columbia, to be Assistant Secretary of Commerce for Communications and Information.

(The above nomination was reported from the Committee on Commerce, Science, and Transportation with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BAKER, for Mr. DOMENICI, from the Committee on the Budget, without amendment:

S. Res. 176. A resolution waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 1129.

By Mr. ANDREWS, from the Select Committee on Indian Affairs, without amendment:

S. Res. 187. An original resolution waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 856. Referred to the Committee on the Budget.

By Mr. ANDREWS, from the Select Committee on Indian Affairs, with an amendment in the nature of a substitute:

S. 856. A bill to provide for an Indian housing program for construction and financing of housing for Indians, and for other purposes (Rept. No. 98-203).

By Mr. THURMOND, from the Committee on the Judiciary, without amendment:

S. Res. 189. An original resolution waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 500. Referred to the Committee on the Budget.

By Mr. ANDREWS, from the Select Committee on Indian Affairs, with amendments and an amendment to the title:

S. 1148. A bill to provide for the use and distribution of funds awarded the Assiniboine Tribe of the Fort Belknap Indian Community, Mont., and the Assiniboine Tribe of the Fort Peck Indian Community, Mont., in docket numbered 10-81L by the U.S. Court of Claims, and for other purposes (Rept. No. 98-204).

By Mr. McCLURE, from the Committee on Energy and Natural Resources, without amendment and without recommendation:

S. 1715. An original bill to amend the Natural Gas Policy Act of 1978, to protect consumers from those price increases that would occur because of market distortions as a consequence of current regulation of natural gas prices, to permit natural gas contracts to reflect free market prices, to provide for a phased deregulation of natural gas prices in order to achieve a free market by a date certain, to eliminate incremental pricing requirements for natural gas, to eliminate certain restrictions on the use of natural gas and petroleum, and for other purposes (with additional and minority views) (Rept. No. 98-205).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. DOLE:

S. 1706. A bill to amend title 18 to provide for the positive identification of persons holding identification documents; to the Committee on the Judiciary.

By Mr. WILSON:

S. 1707. A bill to provide a moratorium until June 30, 1988, on changes to the Federal Communications Commission rules regarding network television syndication, network television financial interests, and prime time access; to the Committee on Commerce, Science, and Transportation.

By Mr. GRASSLEY (for himself, Mr. DOLE, Mr. DURENBERGER, Mr. WALLOP, and Mr. HEINZ):

S. 1708. A bill to amend part D of title IV of the Social Security Act to assure that all children in the United States who are in need of assistance in securing financial support from their parents will receive such assistance regardless of the economic status of their parents and that parents prevent their children from becoming a burden on taxpayers by fulfilling, to the best of their ability, their financial obligations on behalf of their children; to the Committee on Finance.

By Mrs. HAWKINS (for herself and Mr. CHILES):

S. 1709. A bill to provide for the broadcasting of accurate information to the people of Cuba, and for other purposes; to the Committee on Foreign Relations.

By Mr. DENTON:

S. 1710. A bill to amend chapter 25 of title 18, United States Code, to provide penalties for the forging of endorsements on, or fraudulently negotiating, U.S. checks or bonds or securities, and for other purposes; to the Committee on the Judiciary.

By Mr. JEPSEN:

S. 1711. A bill to extend patent numbered 3,376,198, and for other purposes; to the Committee on the Judiciary.

By Mr. MOYNIHAN:

S. 1712. A bill to amend the Agriculture Act of 1949 to modify the dairy price support program and repeal the dairy assessment and diversion programs, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. KENNEDY (for himself and Mr. PELL):

S. 1713. A bill to amend the Intelligence Authorization Act for fiscal year 1983 to prohibit U.S. support for military or paramilitary operations in Nicaragua and to authorize assistance, to be openly provided to governments of countries in Central America, to interdict the supply of military equipment from Nicaragua and Cuba to individuals, groups, organizations, or movements seeking to overthrow governments of countries in Central America; to the Select Committee on Intelligence.

By Mr. PACKWOOD:

S. 1714. A bill to amend the Federal Trade Commission Act to provide authorization of appropriations, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. McCLURE from the Committee on Energy and Natural Resources:

S. 1715. An original bill to amend the Natural Gas policy Act of 1978, to protect consumers from those price increases that would occur because of market distortions as a consequence of current regulation of natural gas prices, to permit natural gas contracts to reflect free market prices, to provide for a phased deregulation of natural gas prices in order to achieve a free market by a date certain, to eliminate incremental pricing requirements for natural gas, to eliminate certain restrictions on the use of natural gas and petroleum, and for other purposes; placed on the calendar.

By Mr. METZENBAUM (for himself, Mr. KENNEDY, Mr. MOYNIHAN, Mr. INOUYE, Mr. SASSER, Mr. NUNN, Mr. RANDOLPH, Mr. BUMPERS, Mr. DURENBERGER, Mr. STENNIS, Mrs. HAWKINS, Mr. RIEGLE, Mr. MATSUNAGA, Mr. PRESSLER, Mrs. KASSEBAUM, Mr. ZORINSKY, Mr. DECONCINI, Mr. HOLLINGS, Mr. GLENN, Mr. BOSCHWITZ, Mr. HEINZ, and Mr. BRADLEY):

S.J. Res. 140. A joint resolution to provide for the designation of the week of October 2 through October 8, 1983, as "Myasthenia Gravis Awareness Week"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. ANDREWS from the Select Committee on Indian Affairs:

S. Res. 187. An original resolution waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 856; to the Committee on the Budget.

By Mr. HOLLINGS:

S. Res. 188. Resolution expressing the sense of the Senate that the President should award Benjamin Elijah Mays the Presidential Medal of Freedom in honor of his distinguished career as an educator, civil rights leader, and theologian; to the Committee on the Judiciary.

By Mr. THURMOND from the Committee on the Judiciary:

S. Res. 189. An original resolution waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 500; to the Committee on the Budget.

By Mr. BAKER (for himself and Mr. BYRD):

S. Res. 190. Resolution to authorize representation by the Senate Legal Counsel of Senator STEVENS and C. Braxton Valentine, Jr., a Senate employee, in the case of *Robert Fierer* v. *Daniel Minchew;* considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. DOLE:

S. 1706. A bill to amend title 18 to provide for the positive identification of persons holding identification documents; to the Committee on the Judiciary.

IDENTIFICATION SYSTEMS

Mr. DOLE. Mr. President, I sent to the desk for appropriate reference S. 1706, a bill to amend title 18 to move toward the positive identification of persons holding identification documents. This proposal is intended to serve as a vehicle to focus congressional attention on the confusion, conflict, and redundancy which now exists in the various Federal identification systems. The hearings on S. 1706 can serve to develop the dimensions of the problem and explore alternatives, then appropriate legislative remedies can be developed.

In the 97th Congress, legislation was enacted in several diverse areas which suggest some of the dimensions of the problem. First, drunk driving legislation of the last year—Public Law 97-364—authorized the establishment in four States of pilot programs to develop an automated national drivers registry. This will be a system within the Department of Transportation which will contain information contributed from several States on bad drivers. Included would be information on persons whose licenses have been revoked for one reason or another such as drunk driving convictions. The drivers license system has been subject to abuse by those whose licenses have been revoked. These drivers can simply apply for another license under an assumed name or in another State where their previous record is unknown.

Second, last year the Congress passed the Missing Children Act—Public Law 07-272. This legislation authorized expansions of the FBI's National Crime Information Center, to include information contributed from either State or local criminal justice agencies or concerned parents of missing children. Very few children have been fingerprinted. While it is true that in many jurisdictions, a baby's footprint is taken at the time the birth certificate is issued, these prints are never used for identification purposes. This lack of documentation makes it difficult to establish the positive identity of a child when a missing report is filed with law enforcement officials.

Third, in the 1982 amendments to the food stamp legislation, Congress authorized the development of automated systems for the dispensing of food stamps. Currently, almost $11 billion of this Federal assistance is received by approximately 20 million people. In his recent state of the Union address, the President estimated that over $1 billion of this assistance was wasted through fraud, ineligibility, or other misuse of the system. At the center of the problem is the fact that current methods of dispensing food stamps do not require positive identification of recipients, thus opening the door for abuse of the system.

The Senate recently passed S. 529, a bill to revise comprehensively our immigration laws. Included in this bill is a provision which directs the President to develop a "secure system" within a 3-year period for the identification of those persons lawfully admitted to and entitled to work in the United States as well as those citizens of the United States who would be employed by companies having four or more employees. Criminal sanctions would be imposed of employers who knowingly hire persons not lawfully able to work in the United States.

The recent legislation and pending proposals have a common thread: They are forms of Federal identification that would extend to tens of millions of our citizens. To say the least, concerted action needs to be taken to reduce duplication and redundancy, to protect the privacy of persons who are subjects of these files, to develop sanctions for unauthorized use of disclosure of the information contained in them, and to provide for coordination of interested Federal, State, and local agencies and authorities who have legitimate uses for this information.

The May 12, 1983, report of the Permanent Subcommittee on Investigations dealing with Federal identification fraud underscores the tremendous need for reforms in the current system. The report shows that this fraud is costing the taxpayers through various Federal, State, and local agencies an excess of $24 billion annually. Illegal aliens have easy access to identification documents such as social security cards, birth certificates, and drivers' licenses. At present, more than 7,000 different agencies using more than 1,000 different formats issue original or duplicate birth certificates. These certificates are then used to obtain drivers licenses, passports, social security cards, food stamp identification cards, and so forth. These items then enable these people to collect unemployment benefits, food stamps, and student loans. Counterfeit INS green cards allow these aliens to remain in the country.

The problem lies in the inability to establish positive identification in the current system. Agencies such as the Social Security Administration, the Internal Revenue Service, the Immigration and Naturalization Department and the State Department as well as State and local agencies need to work out a system in which to work together to uncover fraud. The Subcommittee on Investigations listed in its report several projects in which agencies cooperated and were successful in tracking down fraud schemes. These projects are in limited areas, however, and if we are to stop this unnecessary waste and criminal activity it must become a nationwide effort.

Mr. President, these remarks are intended only to give the briefest discussion of the tip of the iceberg relating to the dimensions and problems of Federal identification systems. I have not even mentioned the passport system or various military identification systems. If the truth be known, there are undoubtedly hundreds of these systems serving a multitude of Federal information needs. At the base of all these systems are data bases of identification from birth certificates or fingerprints of individuals. Somewhere between 20 to 25 percent of the population is fingerprinted at some point. This occurs by reason of application for employment in public service, or exposure to the criminal justice system. This fingerprint identi-

fication then becomes the basis for positive identification of individuals. Yet millions of people never have occasion to be fingerprinted. In the existing state of the art of identification technology, the only reasonable positive means of identification is based on a comparison of fingerprint images. Without such comparison, the various and sundry identification systems have great potential to be misused and manipulated by those whom for whatever reasons, wish to abuse these systems. This abuse costs the taxpayers literally billions of dollars.

These are other important considerations to be considered, not the least of which are the concerns for the protection of privacy as well as safeguarding the methods of identification from use by unauthorized personnel. At the present time, identification systems are rushing headlong into the computer age with very little interface and cooperation.

Mr. President, I suggested at the outset that S. 1706 was intended as a vehicle to focus congressional attention on the confusion, conflict, and redundancy which exists in the system. I want to underscore that statement in closing. This Senator believes that there is an urgent need to focus on these problems and to develop appropriate legislative remedies.

By Mr. WILSON:

S. 1707. A bill to provide a moratorium until June 30, 1988, on changes to the Federal Communications Commission rules regarding network television syndication, network television financial interests, and prime time access; to the Committee on Commerce, Science, and Transportation.

(The remarks of Mr. WILSON on this legislation and the text of the bill appear earlier in today's RECORD.)

By Mr. GRASSLEY (for himself, Mr. DOLE, Mr. DURENBERGER, Mr. WALLOP, and Mr. HEINZ):

S. 1708. A bill to amend part D of title IV of the Social Security Act to assure that all children in the United States who are in need of assistance in securing financial support for their parents will receive such assistance regardless of the economic status of their parents and that parents prevent their children from becoming a burden on taxpayers by fulfilling to the best of their ability, their financial obligations on behalf of their children; to the Committee on Finance.

CHILD SUPPORT COLLECTION PROCEDURES

Mr. GRASSLEY. Mr. President, today I am introducing legislation which will make significant progress in improving current child support collection procedures. Joining me in sponsoring this important bill are Senators DOLE, DURENBERGER, WALLOP, and HEINZ.

The problems in enforcing child support orders are well documented. The lack of consistent child support payments is a national disgrace. A recent Bureau of the Census report highlights some startling findings:

First, only one-half of all children born this year will spend their entire childhood living with both natural parents; second, more than 8.4 million women in 1981 were raising children whose fathers were absent; 30 percent of these women and children were living in poverty; third, of the 4 million women due child support payments in 1981, only 47 percent received the full amount due and 28 percent received no payments whatsoever, and; fourth, two thirds of the children in families headed by women depend on welfare. A contributing factor to this situation is that AFDC recipients lack sufficient support from absent parents.

Even when mothers are employed their economic situation is grim. Divorce sharply reduces the family income. A recent California study of per capita income showed that after divorce the wife's income dropped by 73 percent on average and the husband's rose by 42 percent 1 year after the dissolution. This situation is affected by a number of factors including the fact that women earn about 60 percent as much as men. Women usually receive custody of the child and the income level is drastically affected by the father's compliance with the child support order.

Congress recognized the need in 1975 to enact title IV-D of the Social Security Act to establish the child support enforcement program. We must make a serious and permanent commitment toward improving present collection practices. While the current program has made gains in the area of child support enforcement, the above statistics indicate program revisions and modifications are warranted.

All aspects of the bill are designed to get better performance in States' efforts to collect child support owed, and to do so with a minimum of burdensome administrative techniques. The performance of States varies tremendously. My State of Iowa and five other States account for 88 percent of all the support collected, while those same States spend only 32 percent of total administrative funds. The remaining 44 States spend 68 percent of total funds but collect only 12 percent of welfare savings. The 10 "best" States collect $2.47 in child support for each dollar expended, while the 10 States with the lowest collections received only 49 cents in support payments for each dollar spent.

By mandating that States adopt certain cost-effective methods, more uniformity in performance can be achieved. Since 70 percent of the administrative costs of the IV-D program are federally funded, I feel it is crucial and appropriate that the Federal Government strive to achieve perfections in current State operations.

In order to achieve meaningful reforms in the success of collection efforts for all children it is necessary to change the incentive formula contained in current law. Presently, States receive bonus payments equal to 12 percent of support collected for AFDC families. One important change my bill accomplishes is to equalize the program's commitment to both AFDC and nonpublic assistance children. By altering the incentive payment formula to reward performance in areas other than AFDC collections, we can better attain that goal.

I must stress that while I believe modifications in the incentive payments are necessary, I am completely willing to examine alternatives other than those contained in my bill. I believe it is imperative to work with State administrators, county and local workers, and the administration to craft a workable incentive payment structure.

Several alternatives to the four-part financing provisions contained within my bill have been brought to my attention and merit further study. Both emphasize the need to encourage non-AFDC support collections. The first would be similar to current incentive payments but would base a portion of the bonus payments on non-AFDC collections. An additional option would be to calculate State collections per employee in both the AFDC and non-AFDC categories. States could then receive their bonus dollars based on its performance in each of those categories.

One issue we must reconcile is the lack of adequate data to determine appropriate benchmarks for performance. Central to efforts to improve State collections is the need for better management information systems. My bill would provide Federal grant money which States could utilize to update computer systems essential to enforcement efforts, particularly in pursuing interstate collections. It may be prudent to implement the data registry and clearinghouse provisions of the legislation prior to adopting financing changes in order to obtain solid information detailing what would be the most feasible and desirable revisions to reward States, performance.

Much work has gone into reworking current law to develop the various proposals now before the Congress. I would like to express appreciation to Representative CARROLL CAMPBELL for his leadership and work on this bill, and I commend the administration and Secretary Margaret Heckler for making child support enforcement a national priority. I am pleased to be a cosponsor of the administration's child

support enforcement bill recently introduced by my good friend Senator ARMSTRONG. Congress needs to have the full benefit of various options and initiatives to compile a reasonable package.

As Congress continues to focus on the needs of the child and the custodial parent, we cannot lose sight of the problems of the absent parent and the matter of visitation rights. This is a troubling concern. I remain hopeful that as the absent parent fulfills financial support obligations, emotional support will be a natural byproduct. The well-being of any child can only be enhanced through increased parental attention. Absent parents are more likely to feel a part of the child's life if both financial support and visitation orders are obeyed.

The bill I present to the Congress is a comprehensive package to deal with an extremely critical problem. I urge my colleagues to review its contents carefully. I am greatly encouraged that the Senate Committee on Finance will be holding hearings on this and other child support bills in early September. As chairman of the Subcommittee on Oversight of the Internal Revenue Service, I will be holding a hearing September 15 to examine one of the provisions contained within this bill which would extend the present Federal income tax offset to non-AFDC families.

Finally, I would like to take this opportunity to call attention to the designation of August as "Child Support Enforcement Month." The public needs to be sensitized to the harsh realities facing many children and single parents today, and this will serve to stimulate public awareness of the effectiveness of this program.

Mr. President, at this time I would like to ask unanimous consent that a detailed description of the Child Support Enforcement Act of 1983 be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

DESCRIPTION OF THE BILL

STATEMENT OF PURPOSE

Section 1 adds an explicit statement of purpose to Title IV-D where none now exists, as follows: "The purpose of the program . . . is to assure that all children in the United States who are in need of assistance in securing financial support from their parents will receive such assistance regardless of the economic status of their parents and that parents prevent their children from becoming a burden on taxpayers by fulfilling, to the best of their ability, their financial obligations on behalf of their children.

While this statement of purpose seems almost unnecessary, in fact there has been considerable disagreement over the extent to which the IV-D program ought to assist non-AFDC families obtain child support, if at all. Not only have several states virtually ignored the non-AFDC population, but at the Federal level as well there has been a substantial emphasis on the AFDC caseload as well as a reluctance to see states attempt "universal" enforcement systems under which support paid by all absent parents is closely monitored. I am suggesting a statement of purpose which makes clear that assisting all children who have been unable to obtain support from absent parents is just as valid a function of the program as preventing the dependency of these children on tax dollars when their parents refuse to support them. I have a strong suspicion that these two goals are more closely related than studies thus far have been able to demonstrate and that when families are reasonably confident that support payments will be made in full and on time, they will be able to build economic, emotional, and social and educational strengths in the family that will help ward off dependency and breakdown later on.

FINANCIAL INCENTIVES FOR BALANCED AND EFFICIENT STATE PROGRAMS

Section 3 replaces the present law incentive payment which focuses exclusively on AFDC collections. Under the current scheme, States are permitted to keep a "bonus" equal to 12 percent of support they have collected on behalf of families on AFDC. The remaining 88 percent is then divided among State and Federal governments in proportion to the rate at which the Federal government matches State AFDC payments. This 12 percent incentive is expected to amount to about $120 million in Fiscal 1984.

I am proposing to replace the 12 percent AFDC incentive with a four-part incentive plan which is intended to encourage States to provide child support enforcement services to all families which request assistance, to work as hard on interstate cases where the child and absent parent reside in different States or localities as on so-called domestic cases, as well as to seek child support to offset AFDC expenses incurred when parents fail to support their children.

These incentives will be computed and paid quarterly beginning in Fiscal 1986 so that States and localities will have frequent measures of their progress and so that Federal incentive funds will arrive throughout the year as they are needed. A pass-through requirement will make sure that localities which do the bulk of the work and bear a large portion of the costs will receive their share of the incentive payments. Because the record-keeping systems required to compute eligibility for incentive payments do not exist in many states, a phase-in provision assures States that they will receive amounts equal to at least four-fifths, three-fifths and two-fifths respectively in Fiscal 1986, 1987 and 1988 of what they would have gotten under the existing 12 percent AFDC incentive.

The first of the four incentive payments urges States to try to develop as many "perfect cases" as possible. By this I mean that the total amount of support owed has been paid in full and on time in each of the 12 months in the first four of the last five calendar quarters. The reason for measuring achievement in terms of cases rather than in dollar amounts is to value cases with high support amounts equally with those ordering low amounts and not to give wealthier localities or States which might order higher support on average an advantage over less well to do areas. However, in order not to encourage "low-balling" of support orders so that more cases will qualify for the incentive. The bill provides that incentive payments will be reduced proportionately to the extent that the average amount collected per case is less than the AFDC amount that would be paid to a family of two in that State. An AFDC payment for two is used because the average AFDC family has a parent and two children; only the children are potentially owed child support. The average payment for all cases (whether paying or not) is used because it is realized that in some cases it will be appropriate to order low support amounts and that in other cases, such as those where the absent parent cannot be located, it is unrealistic to expect payments.

While ideally we would want all cases to be completely paid up on time, in reality this will be impossible. Not only are lapses and arrearages an inescapable fact—often due to unemployment as well as recalcitrance, disinterest or slack enforcement—but there are always new cases being filed. Many of these families do not yet have a support order; some may not have yet legally established paternity; and others cannot locate the absent parent. Also, States may open a new "case" each time a family begins a new episode of AFDC dependency rather than reopen the old file. Therefore, this incentive payment begins with a threshold of 30 percent of all cases in which the state undertook after June 30, 1984 to collect support. That is, the incentive will be paid only on "perfect" cases in excess of 30 percent of all cases. The incentive payment will be equal to 0.2 percent of the State's administrative costs for the quarter in question for each 1 percent of cases in excess of 30 percent. For example, if 40 percent of a State's cases were in the "perfect" category, its incentive payment would be equal to 0.2 percent times 10 percent, or 2 percent of its administrative costs. If the average support collected on all cases equalled only 90 percent of the AFDC payment for two, the State's incentive payment would be reduced proportionately—by 10 percent.

The second incentive is similar to the first. However, it rewards States for having a high percentage of cases making "adequate" payment. This is defined as paying at least 80 percent of the ordered amount anytime during the first four of the last five quarters. Under this incentive, only cases in excess of 70 percent of all the State's cases would count toward the incentive payment. For each percent of "adequate" cases over 70 percent, the State will receive 0.4 percent of its administrative costs. As in the first incentive, this payment will be reduced to the extent that average support collected on all cases is less than the AFDC payment for two. The reason for having this second system-wide incentive is to make sure that States, in their efforts to achieve "perfect" cases, do not concentrate only on cases which are already approaching perfect status and neglect other cases making sporadic, incomplete, or no payments.

The third incentive encourages states to pursue interstate cases. This incentive will be paid at the rate of 0.4 percent of administrative costs for each 1 percent in excess of half the all a State's interstate cases in which at least "adequate" payment is obtained (80% of ordered amount anytime during the first four of the last five quarters). Both States would receive the incentive—the State where the child resides as well as the State where the absent parent resides. This puts the case on a par with "domestic" cases as far as the incentive payment is concerned.

The fourth incentive payment is based on AFDC caes, and is measured in terms of how much of total State AFDC payments

for single-parent families are recovered through child support collections for children receiving AFDC. Nationally, States average 6.6 percent AFDC "recovery" through child support enforcement. This incentive would pay States an incentive equal to 1 percent of support collected in AFDC cases for every 1 percent by which their recovery of AFDC payments exceeded 5 percent. This incentive would be paid regardless of whether the AFDC child lived in the State or elsewhere so that interstate cases can be pursued equally with in-state cases. Under this incentive, for example, if a State collected $50 million on behalf of children receiving AFDC and this equalled 10 percent of the State's $500 million AFDC expenditure for single-parent families, the State would get an incentive payment equal to 5 percent of the $50 million, or $2.5 million.

It is intended that where specific cases qualify under more than one of the four incentives, they be counted toward each. Therefore, an interstate AFDC case which paid in full and on time all year would count toward all four incentive payments.

Many States do not currently keep track of case-by-case statistics and cannot tell how many cases are fully paid, how many are in arrears, or the amount and duration of the arrearages. However, because child support enforcement must necessarily keep track annually of literally millions of financial transactions, it seems unrealistic not to develop an "accounts receivable" type of monitoring system for the future. Given the current lack of such information, I am the first to admit that the threshold levels and payment percentages set forth in my bill are educated guesses intended to aim high enough to enourage improvement and low enough to be within reach for well-managed, efficient systems. Also, the incentives will measure only support which the States have undertaken to collect after June 30, 1984 so that any new information system will need to pick up data only from that point forward. I have offered this 4-part scheme to stimulate discussion and to focus reform, not as a final proposal. Therefore, I hope that people familiar with the operations and potential for child support collections will study these suggested incentive levels and share with me any refinements, improvements or substitutes which might better achieve the goals I have discussed.

IMPROVED ENFORCEMENT TECHNIQUES

The remainder of the bill sets forth a number of methods which have been shown to increase the payment of child support obligations at relatively low cost, minimal personnel, and high return.

COLLECTION OF PAST-DUE SUPPORT FROM FEDERAL TAX REFUNDS

Section 4 extends to non-AFDC cases the present law procedure whereby Federal income tax refunds are used to offset past child support obligations in AFDC cases. This simple and inexpensive process ($11 per case) has been extremely successful, accounting for $168 million in collections the first year it was used (1981) and more in 1982.

A State will be permitted to limit its non-AFDC offset activities to only the amount of past due support which accumulated after it undertook to seek support. However, a State or locality may opt to submit to the Federal government arrearages that accumulated before the case was filed.

Because the bill merely broadens present law to include non-AFDC cases, the procedures and safeguards that have been worked out during the first two years for AFDC cases will apply. This includes procedures for notifying obligors and permitting them to respond and indicate any errors in the alleged arrearage.

WITHHOLDING FROM WAGES

Section 5 requires States to implement a procedure for withholding child support amounts from the wages of absent parents. This has been found to be a reliable, effective and low-cost technique which efficiently brings cases into paying status and keeps them there. My bill allows States flexibility as to when they implement withholding. At the latest, they must make withholding when support becomes past due in amount equal to two months' payments or when the absent parent requests withholding. However, States could implement withholding immediately, beginning with the first support payment as a means of preventing arrearages from ever occurring.

Because this withholding system will add to employers' paperwork burden, the bill permits employers to withhold fees, in addition to support, to cover any additional costs. Also, employers may send a single check to the appropriate State agency for distribution to the proper families.

States must impose fines on employers who dismiss or refuse to hire individuals because of withholding. Withholding must be used in interstate as well as domestic cases.

QUASI-JUDICIAL OR ADMINISTRATIVE PROCEDURES

Section 5 also requires the use of alternative procedures to the traditional and often lengthy and expensive judicial forums. States have found that administrative personnel can often get parties to agree on the establishment and enforcement of support obligations more quickly and at less public and private expense than in adversarial court proceedings. These alternative procedures must observe all due process requirements and provide for notice of actions to be taken, opportunity to be heard, and appeal to a court.

STATE TAX REFUND OFFSETS

Section 5 requires at the State level the same income tax refund offset proposed at the Federal level. This offset would be used in both AFDC and non-AFDC cases.

LIENS AGAINST REAL PROPERTY

Section 5 requires States to make greater use of their procedures for placing liens on real property for past due support owed by absent parents owning property in the state. In States where child support activities are handled at the local level, procedures must be implemented for using the lien procedure throughout the state. Liens are to be used in both interstate and domestic cases.

REPORTING PAST DUE SUPPORT TO CREDIT AGENCIES

Section 5 requires States to report periodically to consumer credit bureau organizations the amount of past due support owed by absent parents in both interstate and domestic cases. Child support obligations cannot be discharged in bankruptcy and stand in front of virtually all other debt an individual may incur. Therefore, creditors and credit reporting agencies are interested in knowing about child support arrearages. Absent parents will have to pay support arrearages in order to clear their credit ratings. Prior to reporting arrearage information. States must notify obligors and give them a chance to respond. The protections under the Fair Credit Reporting Act also protect absent parents in case of erroneous information.

The credit reporting, lien, and tax offset procedures are all intended to help collect support from non-wage earners who will not be affected by withholding. These individuals may be proprietors, farmers, independent contractors or otherwise self-employed. These are effective and relatively inexpensive techniques which are expected to bring these individuals into better compliance.

MEDICAL SUPPORT

Often the absent parent can provide employment-related health care or insurance for his children at little or no additional cost. Under section 5, States are to seek such support when the custodial parent has been unable to provide such health coverage.

The Secretary of HHS is permitted to waive any of these section 5 requirements if a State can demonstrate with factual, detailed data that a particular procedure would not improve the efficiency or effectiveness of its program. The effective date for these State procedures is October 1, 1984, or, if enabling legislation is required, until the close of the first State legislative session after January 1, 1985.

CENTRAL PAYMENT AND REGISTRY SYSTEMS

The incentive system proposed in section 3 as well as the demands of tracking the staggering number of transactions in millions of child support cases means that most States (and localities where child support enforcement is decentralized) will have to automate and upgrade their information management systems. At the very least, they need to know the amount of support ordered to be paid to children residing in the State, the amounts ordered to be paid by parents residing in or employed in the State, the amounts collected or paid and the dates of payment, and the amounts past due and the duration of arrearages. Without this essential data, States will not be able to respond to increasing requests for support assistance or to measure their progress.

States may wish to use their information systems as clearinghouse mechanisms through which all or most child support payments are channelled and forwarded. Other States may prefer to use the central registry concept wherein payments are made directly to the custodian via withholding, bank transfers, credit cards or other means and the central registry is notified that the payment, withholding or transfer has been made. Either way the State has a record of the timing and amount of payments and a means for triggering enforcement activities when payments are incomplete or late.

Although most States have automated at least part of their child support effort, upgrading to handle clearinghouse or registry tasks will be a lengthy and expensive process. Therefore, the bill authorizes a fund of $20 million per year for 5 years to be available until spent. This money will be available to States on a project grant basis for between 80 to 90 percent of project costs.

QUARTERLY SYSTEM OF WAGE REPORTING

Section 7 amends Title III of the Social Security Act to require all unemployment compensation agencies to collect employment, wage, name and address information at least quarterly. The vast majority of States currently do this now, and problems of interstate fraudulent claims is forcing the remaining few to consider switching to this approach. The bill further provides that

this employment and address information be shared with the child support agency in order to facilitate location of absent parents and ascertainment of their financial and employment status.

● Mr. DURENBERGER. Mr. President, this country was founded upon the notion of responsibility to one's family and country. In recent years, however, this basic tenet of our society has been eroded to the point of national disgrace. The situation to which I refer is the failure of many parents to assume financial responsibility for their children.

Divorce has drastically altered the composition of the American family. In 1981, there were 8.4 million women with children under 21 whose fathers were absent, an increase of over 100 percent from 1970. The Census Bureau predicts that only half of all children born this year will spend their entire childhood living with both natural parents. Women head 90 percent of the rapidly growing number of single parent families.

Many studies have been conducted on compliance with child support orders and the effect of failures to comply. These studies all point to one conclusion: absent parents don't pay child support. Of the $9.9 billion due from absent parents, only $6.1 billion was ever paid. Between a quarter and a third of parents never make a single court-ordered payment. According to a 1973 Michigan study, patterns of delinquency have no relation to the parent's income. In fact, the economic circumstances of single fathers are usually better than while they were married. A recent California study revealed that 1 year after divorce, the wife's income dropped by 73 percent while the husband's rose by 42 percent.

This situation should shock the conscience of a responsible society. It has directly contributed to the frequently mentioned "feminization of poverty" and must be remedied.

Congress, in 1975, established the child support enforcement program, title IV-D of the Social Security Act. It requires each State to have an approved program of child support enforcement, including measures to establish paternity, locate missing fathers, establish or modify court-ordered child support orders, and collect court-ordered payments. The program is intended to serve both AFDC and non-AFDC families, with the latter being charged fees for services provided.

The child support enforcement program is a good beginning but more needs to be done to help women who are seeking child support for their children.

Mr. President, I have been deeply troubled by this issue for a number of years. In 1981, when I first introduced the Economic Equity Act, I called upon the Department of Justice to conduct a study of this problem and recommend solutions.

I am proud to have introduced the 1983 Economic Equity Act, S. 888, in the Senate. Title V of the legislation is designed to improve and expand the IV-D program in order to return responsibility to those individuals who should properly bear such obligations.

As the principal author of the EEA, I am very pleased that Senator GRASSLEY has recognized the need to improve child support enforcement and is introducing this legislation, which I am pleased to cosponsor.

As I indicated when I cosponsored the administration's proposal, I will support any and all legislation that is aimed at making our child support enforcement programs more effective. This is not a partisan issue, neither is it just a woman's issue, nor a welfare issue—it is an issue that should be of concern to all Americans. We have reached the point where everyone knows someone who is not receiving child support. The effect this has on the children of America and on her institutions can no longer be tolerated.

I believe the most effective way for Congress to address child support enforcement is to pass S. 888 with all its other reinforcing provisions for economic equality. I am encouraged by the number of similarities between this legislation and the Economic Equity Act:

Mandatory wage withholding. Senator GRASSLEY's bill, like S. 888, would require mandatory wage withholding to assure compliance with child support orders. This proposal could impose mandatory wage withholding at an early date and, in this respect, is an improvement.

State income tax intercept. State income tax intercept programs have proven very effective where utilized and I am pleased to see that Senator GRASSLEY has adopted such a proposal. I continue to emphasize the need to make this available to both AFDC and non-AFDC parents.

Quasijudicial and administrative procedures. These procedures are much more cost-efficient and a far quicker way to enforce and establish child support. Both the EEA and Senator GRASSLEY suggest greater use of these procedures.

Liens against property. Both pieces of legislation would utilize liens against property. The EEA would also provide for liens against estates. Senator GRASSLEY has expanded this to property located in other States and this is a welcome addition.

Medical support. Medical support should be provided for children when it is available at a reasonable cost. Both the EEA and Senator GRASSLEY have made provision for such support. Similarly, the administration has proposed this as a regulatory change for next year.

Senator GRASSLEY has suggested the use of consumer credit agencies for reporting of past-due support owned by absent parents. This is an excellent concept and I endorse its inclusion in this legislation.

On the other hand, S. 888 is preferable to this bill in that it contains several additional enforcement proposals which I will work to see enacted into law: use of bonds or guarantees, default procedures for paternity, scientific testing to establish paternity, and the use of objective standards.

In recognition of the growing need to computerize and systematize child support enforcement programs, the Economic Equity Act requires States to establish clearinghouses to monitor and trigger enforcement. This legislation does not go that far, but does provide a grant procedure for the establishment of clearinghouses.

Senator GRASSLEY has proposed expanding the Federal income tax intercept to non-AFDC parents for past-due support the IV-D agency has undertaken to collect. He has also suggested that the States be given the option of including all arrearages and I wholehearteldy support this approach to the Federal income tax intercept.

With respect to Senator GRASSLEY's specific funding mechanisms, I agree that we should encourage States to become more effective and efficient. However, I am concerned about the complexity of the incentive formula in his bill and the impact it would have on States that are not fully computerized. Determination of eligibility for States that operate their programs on a county or city basis will be extremely difficult until clearinghouses have been established statewide. I believe it is important that these incentives be easily identified and equitably distributed.

Improvement of child support enforcement in this country is imperative—both from a societal perspective and from an economic perspective. In the long run dollars invested in this program today will be returned to society many times again. If, through improved child support collection efforts we can help single parents become self-sufficient, we will eventually see reductions in AFDC, food stamps, and many other public assistance programs. More importantly, the more adequate the parental support for children, the less costly the requirements on the education, justice and other societal systems.

Society cannot de facto dictate that single women assume the entire burden of raising a family. The responsibility for the children of our Nation rests with both the mother and father. We must enforce the responsi-

bility once undertaken to those who choose selfishly to abandon their familial duties. As Reinhold Neibuhr once stated: "Life has no meaning except in terms of responsibility." Society will profit from these changes.

Mr. President, I am hopeful that the Senate will act quickly to improve and expand child support in this country.●

By Mr. DENTON:

S. 1710. A bill to amend chapter 25 of title 18, United States Code, to provide penalties for the forging of endorsements on, or fraudulently negotiating, U.S. checks or bonds or securities, and for other purposes; to the Committee on the Judiciary.

PENALTIES FOR FORGING ENDORSEMENTS

● Mr. DENTON. Mr. President, today I introduce legislation that would amend the title 18, chapter 25 of the United States Code, thereby providing penalties for the forging of the endorsement or fraudulently negotiating U.S. checks, bonds, or securities.

At present, violations for forgery or fraudulent negotiations of a treasury bond or a check or a security are prosecuted under section 495 of title 18 that was not designed to apply to such violations. Section 495 applies to contracts, deeds, powers of attorney, and other writings. There is as a practical matter a gap in the law, making the prosecution of certain forgeries impossible. For example, a thief who steals a treasury check already endorsed and then endorses it himself is not violating section 495. A thief may steal Government checks from the rightful owner and then sell to a middleman and still a violation under section 495 has not occurred.

Mr. President, the proposal I introduce today would add a new section to title 18, United States Code, to make it a felony: First, to forge an endorsement or signature on a treasury check or bond or security of the United States, or second, to pass or attempt to pass such an obligation knowing that it bears a forgery. The bill also makes it a felony to knowingly exchange or possess, with knowledge of its false character, an obligation of the United States that has been stolen or bears a forged endorsement. The penalty would be a fine of not more than $10,000 or imprisonment for not more than 10 years, or both. If the amount of the obligation involved did not exceed $500, the penalty would be a fine of not more than $1,000 or imprisonment not to exceed 1 year, or both.

I would point out that this legislation in no way redistributes the investigative responsibility of any agency. Specifically, the Postal Service would retain primary jurisdiction to investigate mail theft. At the same time the Secret Service would be greatly assisted in investigating crimes involving securities of the United States.

I ask my colleagues to consider this legislation carefully. It seems that those who steal, forge, or fraudulently appropriate the property of others too easily find legal loopholes that afford a safe harbor for their crimes. This legislation blocks those loopholes, ultimately leading to better law enforcement and less criminal activity.

I ask unanimous consent that a copy of the bill appear in the RECORD immediately following my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1710

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That chapter 25 of title 18, United States Code is amended by adding the following new section:

SEC. 510. FORGING ENDORSEMENTS ON TREASURY CHECKS OR BONDS OR SECURITIES OF THE UNITED STATES.

"(a) Whoever, with intent to defraud—

(1) falsely makes or forges any endorsement or signature on a Treasury check or bond or security of the United States; or

(2) passes, utters, or publishes, or attempts to pass, utter, or publish, any treasury check or bond or security of the United States bearing a falsely made or forged endorsement or signature shall be fined not more than $10,000 or imprisoned not more than 10 years, or both.

(b) Whoever, with knowledge that such check or bond or security of the United States is stolen or bears a falsely made or forged endorsement or signature buys, sells, exchanges, receives, delivers, retains, or conceals any such check or bond or security of the United States that in fact is stolen or bears a forged or falsely made endorsement or signature shall be fined not more than $10,000 or imprisoned not more than 10 years, or both.

(c) If the face value of the Treasury check or bond or security of the United States or the aggregate face value, if more than one Treasury check, bond or security of the United States, does not exceed $500, in any of the above mentioned offenses, the penalty shall be a fine of not more than $1,000 or imprisonment for not more than 1 year, or both."

SEC. 2. Section 3056(a) of title 18, United States Code, is amended by inserting in the fifth clause the number "510," after "509,".

SEC. 3. The analysis of chapter 25, of title 18, United States Code, immediately preceding section 471 of such title, is amended by adding at the end thereof the following:

"510. FORGING ENDORSEMENTS ON TREASURY CHECKS OR BONDS OR SECURITIES OF THE UNITED STATES."●

By Mr. JEPSEN:

S. 1711. A bill to extend Patent Numbered 3,376,198, and for other purposes; to the Committee on the Judiciary.

IMPRO PRODUCTS

● Mr. JEPSEN. Mr. President, I am today introducing a private bill for patent relief for Impro Products, a small company in Iowa which has developed a product to improve conception and milk production in cattle and to prevent cattle disease.

Impro received a patent for its unique process in 1968 but it has been unable to make full commercial use of its product. Prior to obtaining the patent, Impro applied to the Department of Agriculture for a license under the Virus, Serum and Toxins Act. While a temporary license was in effect, Department of Agriculture scientists conducted tests to determine the efficacy of the product. The tests resulted in a refusal of the Department to extend the temporary license when it expired in September 1967.

The unusual events surrounding the Department of Agriculture's tests of Impro's product were explored in an opinion last September by senior U.S. District Judge Howard F. Corcoran. The opinion by Judge Corcoran, in the case of Impro Products, Inc. against Block, focused on a 1970 article by several Department of Agriculture scientists which summarized the tests which they had conducted. Until Judge Corcoran's decision, the Department had been distributing the article to persons inquiring about Impro's products.

After a careful review of the methodology of the Department's tests, the district court found that the article contained false or misleading statements about the tests. For example, the court concluded that the article had inaccurately reported that each treated cow had been innoculated 5 to 7 days before the anticipated day of calving; the district court found that, in fact, only one-third of the treated cows had been injected during that time. The article further reported that Agriculture's test methodology had been developed in conjunction with Impro Products, when, in fact, Agriculture had altered the test procedures and goal's without Impro's agreement. The article did not reveal that data from distinct herds had been combined, and that crossbreeds had been used. The court concluded that these facts should have been noted to allow persons interested in the study to evaluate its deficiencies. On the basis of its examination of the record, the court enjoined further dissemination of the 1970 article and ordered that any future report by Agriculture of its tests should contain a fair and accurate account of the problems involved in conducting the tests.

The Secretary of Agriculture has appealed to the U.S. Court of Appeals for the District of Columbia Circuit. It is not my purpose to comment on the merits of the appeal; the court will reach its conclusions on the basis of the law and of the record before it. The issue which I am placing before the Senate in this bill is solely whether fairness requires that Impro Products have an additional period of time to benefit from its scientific innovation. The facts developed by the dis-

trict court demonstrate, in my opinion, that Impro has not had a fair opportunity to convince the Government or the public of the efficacy of its product. The bill I am introducing will provide Impro with the opportunity which all inventors deserve to demonstrate the efficacy of their products to licensing authorities and to potential customers.

I ask unanimous consent that a copy of my bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1711

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Patent Numbered 3,376,198 (relating to the production of immunocompetent factors in milk) issued on April 2, 1968, to Impro Products, Inc., of Waukon, Iowa (hereinafter referred to in this Act as the "patentee") be, and the same hereby is, renewed and extended for a term of seventeen years from the date on which such patent would otherwise expire, with the same force and effect as if said patent had been originally issued for a term inclusive of the terms provided for herein. The benefits conferred by this Act shall accrue to the patentee's heirs, assigns and successors in interest.

SEC. 2. The Commissioner of Patents shall—

(1) cause notice of the renewal and extension granted under this Act to be published in the Official Gazette and marked upon copies of such patent for sale by the Patent Office in such manner as the Commissioner may determine; and

(2) whenever requested by the said patentee or the successors or assigns of such patentee, make a certificate of renewal and extension and append an authenticated copy thereof to such patent, whenever the same shall be requested by the said patentee or the successors or assigns of such patentee.●

By Mr. MOYNIHAN:

S. 1712. A bill to amend the Agricultural Act of 1949 to modify the dairy price-support program and repeal the dairy assessment and diversion programs, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

DAIRY ADJUSTMENT AND STABILIZATION ACT OF 1983

● Mr. MOYNIHAN. Mr. President, I rise today to introduce the Dairy Adjustment and Stabilization Act of 1983. I urge my colleagues to support this measure, which is designed to provide a lasting solution to the pressing problem of excessive dairy production.

Mr. President, Government subsidies to farmers have reached alarming levels. Farm price supports were $3.5 billion in 1979; in fiscal year 1983 they will exceed $21 billion, nearly equaling the total earnings of America's farmers. All agricultural subsidies, including payment-in-kind (PIK) and farm credit funding, will total $38 billion.

The Agriculture and Food Act of 1981 was predicated on the assumption that farm prices would continue to rise. That assumption was wrong. Soft export demand, dramatically higher yields, and lower inflation rates prevented price increases from occurring. Yet the Federal Government committed itself to an archaic system of price supports.

Now the Federal Government is obligated to purchase surplus agricultural commodities at exorbitant, artificial prices. At the taxpayer's expense, the Federal Government stores a bin-busting surplus of wheat, corn, and other grains. The PIK program begun to reduce this surplus has achieved mixed results, and is a short-term solution at best.

When we turn to dairy, we discover that the problem is no less serious. The cost of the dairy price support program has swollen from $250 million in 1979 to more than $2.2 billion in 1982. Expenditures for fiscal year 1983 could reach $2.7 billion. The Federal Government is the reluctant owner of a huge and expanding surplus of dairy goods for which there is no market. As of April 1, 1983, the Commodity Credit Corporation (CCC) owned 430 million pounds of butter, 758 million pounds of cheese, and 1.2 billion pounds of nonfat dry milk. The Federal Government's transportation, handling, and storage costs for these commodities were $112.8 million in fiscal year 1982.

In 1982, Congress passed the Omnibus Reconciliation Act. That act included a provision designed to decrease the quantity of surplus milk products and lower the cost of the dairy price support program. This provision authorized the Secretary of Agriculture to collect two 50-cent assessments from the proceeds of the sale of every hundredweight of milk marketed commercially.

Mr. President, I have opposed this provision since its enactment as being hastily considered, ill-advised, and counterproductive. The assessments, which have precipitated numerous lawsuits, penalize the farmer but do not lower the cost of milk to the consumer. In New York, the Nation's third largest milk producing State, dairymen will lose as much as $92 million this year if the second assessment is levied. A $1 assessment will penalize a dairyman whose herd produces 1 ton of milk daily, $600 each month. Such penalties will hurt all dairymen and will prove fatal to many younger, highly leveraged producers.

Does the assessment reduce production? It does not. The assessment encourages production. Dairy farmers produce more milk to compensate for the lost revenue. The New York State Farm Bureau estimates that its dairy farmers will increases production 3 to 4 percent to offset the assessments. Clearly, the assessment program and all other contemplated quick-fix ideas should be abandoned.

On February 16, 1983, I joined my distinguished colleagues, Senators D'AMATO, MURKOWSKI, BAUCUS, HATFIELD, INOUYE, SASSER, and PROXMIRE in introducing a bill (S. 498) to repeal the assessments. I am pleased to report that Senators MATSUNAGA, THURMOND, BOREN, PRESSLER, JOHNSTON, ANDREWS, and HEINZ have since become cosponsors.

S. 498 is a laudable bill, I am concerned, however, that more needs to be done. For this reason, I am introducing additional legislation today. My bill, quite simply, will repeal the assessments and authorize the Secretary of Agriculture to lower the dairy price support level from $13.10 per hundredweight to $11.60 per hundredweight. The Secretary will determine the size of the reduction administratively, and will have authority to adjust the price support level annually. Additionally, my bill will provide a referendum for producers to determine whether they wish to fund and participate in a national dairy products promotion program. Representative CONABLE has introduced similar legislation in the House.

Mr. President, the simplest, most effective way to reduce the quantity of surplus milk products is to encourage increased demand. We can do this by lowering the price support level so that America's dairy products will entice both domestic and international buyers. According to the National Milk Foundation, a price support reduction of just $1 will benefit the consumer tremendously: nonfat dry milk prices could drop 6 cents per pound, whole milk prices could drop 9 cents per gallon, cheese prices could drop 9 cents per pound, and butter prices could drop 11 cents per pound. The consumer could save as much as $4.2 billion in dairy costs next year. We have a choice: We can continue to levy a $1 per hundredweight assessment that encourages production or we can lower the price support to a level that encourages consumption.

Another way to encourage consumption is to advertise. I firmly believe that a nationwide dairy promotion program is desirable and would be effective. My bill provides an opportunity for dairy farmers to vote on a national dairy promotion program. The program would be funded through a 15-cent-per-hundredweight assessment and producers would receive credit for contributions made to State, local, or cooperative advertising campaigns.

Increased private sector demand will reduce pressure on the Federal Government to purchase surplus dairy goods. The Department of Agriculture estimates that CCC net purchases of milk—equivalent—would decline from 17.3 billion pounds in fiscal year 1983 to 6.6 billion pounds in fiscal year 1985

if the price support level dropped $1.50.

The dairy price support level has been lowered five times since the program was enacted in 1949. In each instance, CCC purchases were reduced significantly. Let me cite just a few examples: In fiscal year 1954-55, the price support level was lowered 16 percent. CCC net removals dropped from the prior year's 11.3 billion pounds to 5.1 billion pounds—a reduction of over 50 percent. In fiscal year 1958-59, the price support level was lowered 6 percent. CCC net removals dropped from the prior year's 6.8 billion pounds to 3.5 billion pounds—nearly a 50-percent reduction. Finally, in fiscal year 1962-63, the price support level was lowered 8 percent. CCC net removals dropped from the prior year's 11.2 billion pounds to 8.8 billion pounds—a reduction of over 20 percent.

My bill will stimulate demand and reduce CCC purchases. The consumer will benefit and the Federal Government's costs will be reduced. Moreover, these achievements will not be at the expense of the farmer.

Dairy producers acknowledge the need to reduce the price support level. They prefer a price support reduction which will stimulate demand to equivalent assessments, which do nothing to lower the consumer's costs. A price support reduction is equitable—far more equitable than a paid diversion program that requires all dairy farmers to pay an assessment so that the Federal Government can pay some dairy farmers to curtail production.

A return to the basic principles of the dairy price support program as it operated under the Agriculture Act of 1949 is the simplest, most effective, and most equitable way to curb excess production and increase demand. My bill, which is simple to administer, would perpetuate a program that has served producers, consumers, and the industry so well for the past 30 years. It gives the Secretary of Agriculture the flexibility needed to adjust the economic signals sent to dairymen so that the dairy price support program will achieve and maintain the equilibrium between demand and supply that is so urgently required.

Mr. President, my bill is supported by the American Farm Bureau Federation and the New York State Farm Bureau. I submit letters of endorsement from both of these organizations, and I ask unanimous consent that they accompany my statement in the RECORD. These organizations, it may be fairly stated, represent dairy farmers. Dairy farmers should support this bill because it is equitable and it will spur demand. Consumers should support this bill because it will lower the cost of assorted dairy products. I urge my colleagues to support this bill.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

AMERICAN FARM BUREAU FEDERATION,
Washington, D.C., July 28, 1983.

Hon. DANIEL PATRICK MOYNIHAN,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MOYNIHAN: The American Farm Bureau Federation is pleased to support the legislation you plan to introduce to modify the dairy support program by returning to the Secretary of Agriculture discretionary authority to adjust the support price of milk. This legislation will return to the Department of Agriculture the authority necessary to make adjustments to keep supply in line with demand. The legislation will preserve a workable program and maintain it in an efficient and operable fashion. It makes possible reasonable adjustments in the support price of milk at the farm and assures an opportunity for those price reductions to be passed on to the consumer.

Additionally, the legislation would provide an opportunity for dairy producers across the country to vote on a nationwide dairy promotion program. It would protect the interests of those farmers who are already contributing to a promotion program, but preserve the precedent of allowing farmers to vote whether or not to impose a promotion program on themselves. Since dairy promotion programs are paid exclusively by the farmers, it is a clear statement of equity that this preserves their right to vote as a mechanism for determining whether a promotion program should be enacted.

For thirty years we have had a dairy program that has worked well in assuring an adequate supply protecting against the undue costs of oversupply and maintaining an orderly marketing framework for producers. The legislation continues this tradition and makes the improvements necessary to overcome current, unacceptable oversupply problems.

Sincerely,

JOHN C. DATT,
Secretary and Director,
Washington Office.

[Telegram]

GLENMONT, N.Y.

Senator DANIEL P. MOYNIHAN,
Capitol One, D.C.

DEAR SENATOR MOYNIHAN: New York Farm Bureau is pleased to support the Conable-Moynihan bill as the most effective and practical solution to the current dairy production-consumption imbalance. This legislation which provides for the repeal of the current dairy assessment authorizes the Secretary to annually adjust the price support and establishes a national dairy promotion program with producer referendum and rebate. We believe this approach offers the best opportunity for reducing overproduction and increasing consumption. In addition it continues a viable dairy price support program and gives the correct long-term signals to the dairy industry and lending institutions. While we believe that given the authority the Secretary would only reduce the support price $1 this year, we would support efforts that would specify a gradual reduction. We appreciate your concern and interest in resolving this serious problem.

Sincerely,

RICHARD MCGUIRE,
President, New York Farm Bureau.●

By Mr. METZENBAUM (for himself, Mr. KENNEDY, Mr. MOYNIHAN, Mr. INOUYE, Mr. SASSER, Mr. NUNN, Mr. RANDOLPH, Mr. BUMPERS, Mr. DURENBERGER, Mr. STENNIS, Mrs. HAWKINS, Mr. RIEGLE, Mr. MATSUNAGA, Mr. PRESSLER, Mrs. KASSEBAUM, Mr. ZORINSKY, Mr. DECONCINI, Mr. HOLLINGS, Mr. GLENN, Mr. BOSCHWITZ, Mr. HEINZ, and Mr. BRADLEY):

S.J. Res. 140. A joint resolution to provide for the designation of the week of October 2 through October 8, 1983, as "Myasthenia Gravis Awareness Week"; to the Committee on the Judiciary.

MYASTHENIA GRAVIS AWARENESS WEEK

● Mr. METZENBAUM. Mr. President, I am introducing today a joint resolution to designate the week of October 2, through October 8, 1983 as "Myasthenia Gravis Awareness Week."

I am pleased to have Senators KENNEDY, MOYNIHAN, INOUYE, SASSER, NUNN, RANDOLPH, BUMPERS, DURENBERGER, STENNIS, HAWKINS, RIEGLE, MATSUNAGA, KASSEBAUM, ZORINSKY, DECONCINI, HOLLINGS, PRESSLER, GLENN, BOSCHWITZ, HEINZ, and BRADLEY join me as cosponsors of this resolution.

Myasthenia gravis is a neuromuscular disease characterized by spells of extreme, sometimes fatal weakness. It can strike anyone at any age. An estimated 100,000 to 200,000 diagnosed, and over 100,000 undiagnosed, Americans of both sexes and of all races and ages are affected by this debilitating disease.

Although myasthenia gravis is called a neuromuscular disease, it is not a disease of either the nerves or the muscles. It literally lies between the two. Communication between healthy nerves and healthy muscles is lacking because the victim's body is deficient in a substance which acts as an electrical conductor between nerve and muscle.

Myasthenia gravis was first diagnosed in the 17th century, but substantial progress in diagnosing and treating this puzzling disease has only been made in the last decade. In its milder forms, the disease's symptoms indicate chronic fatigue, and doctors will often treat for that condition. Other mistaken diagnoses include emotional disturbance, brain damage, or diseases of the throat, eyes, lungs, limbs, or the heart, since the functioning of any of these may be affected by myasthenia gravis.

We face a continuing need to educate the public and to conduct research into the cause, treatment, and cure of this debilitating disease. Myasthenia Gravis Awareness Week is a first step in meeting this need.

Mr. President, I ask unanimous consent that the text of the joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows;

S.J. RES. 140

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, To authorize and request the President to designate the week of October 2 through October 8, 1983, as "Myasthenia Gravis Awareness Week."

Whereas the incidence and prevalence of myasthenia gravis present a significant health problem in the United States;

Whereas myasthenia gravis is a severe neuromuscular disorder, characterized by weakness of the voluntary muscles of the body;

Whereas an estimated one hundred thousand to two hundred thousand diagnosed, and over one hundred thousand undiagnosed, Americans of both sexes, and all races and ages, are afflicted with the disease;

Whereas the Nation faces a continuing need to support innovative research into the causes, treatment, and cure of myasthenia gravis;

Whereas it is appropriate to focus the Nation's attention upon the problem of myasthenia gravis: Now therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of October 2 through October 8, 1983, is designated "Myasthenia Gravis Awareness Week" and the President of the United States is authorized and requested to issue a proclamation calling upon all government agencies and the people of the United States to observe the week with appropriate programs, ceremonies, and activities.●

ADDITIONAL COSPONSORS

S. 616

At the request of Mr. DURENBERBER, the name of the Senator from Ohio (Mr. GLENN) was added as a cosponsor of S. 616, a bill to promote the use of solar and other renewable forms of energy developed by the private sector.

S. 764

At the request of Mr. WARNER, the names of the Senator from Pennsylvania (Mr. SPECTER) and the Senator from Nevada (Mr. LAXALT) were added as cosponsors of S. 764, a bill to assure the continued protection of the traveling public in the marketing of air transportation, and for other purposes.

S. 1333

At the request of Mr. HELMS, the name of the Senator from Alabama (Mr. DENTON) was added as a cosponsor of S. 1333, a bill to amend the Federal Election Campaign Act to prohibit the use of compulsory union dues for political purposes.

S. 1359

At the request of Mr. METZENBAUM, the name of the Senator from Pennsylvania (Mr. HEINZ) was added as a cosponsor of S. 1359, a bill to amend the Internal Revenue Code of 1954 to increase the amount of the credit for household and dependent care services, and for other purposes.

S. 1435

At the request of Mr. WALLOP, the name of the Senator from Louisiana (Mr. JOHNSTON) was added as a cosponsor of S. 1435, a bill to amend the Internal Revenue Code of 1954 to allow a deduction for contributions to housing opportunity mortgage equity accounts.

S. 1615

At the request of Mr. MATSUNAGA, the name of the Senator from Kentucky (Mr. FORD) was added as a cosponsor of S. 1615, a bill to amend title XVIII of the Social Security Act to authorize payment for occupational therapy services under part B of the medicare program.

S. 1623

At the request of Mr. DOLE, the names of the Senator from Ohio (Mr. GLENN), the Senator from Ohio (Mr. METZENBAUM), and the Senator from Pennsylvania (Mr. HEINZ) were added as cosponsors of S. 1623, a bill to establish a National Commission on Neurofibromatosis.

S. 1644

At the request of Mr. NUNN, the name of the Senator from Kansas (Mrs. KASSEBAUM) was added as a cosponsor of S. 1644, a bill to improve Federal criminal sentencing by imprisoning dangerous and violent offenders and by diverting nonviolent offenders from imprisonment to restitution or community service programs.

S. 1699

At the request of Mr. DOLE, the name of the Senator from New Jersey (Mr. BRADLEY) was added as a cosponsor of S. 1699, a bill to amend title XVIII of the Social Security Act to provide medicare coverage of hepatitis B vaccine for vaccine for end stage renal disease patients.

SENATE JOINT RESOLUTION 93

At the request of Mr. EAST, the names of the Senator from Nevada (Mr. LAXALT), and the Senator from Utah (Mr. HATCH) were added as cosponsors of Senate Joint Resolution 93, a joint resolution to designate the month of September each year as "National Sewing Month."

SENATE JOINT RESOLUTION 114

At the request of Mr. NUNN, the names of the Senator from Iowa (Mr. JEPSEN), the Senator from Idaho (Mr. MCCLURE), the Senator from Wisconsin (Mr. KASTEN), the Senator from Washington (Mr. JACKSON), the Senator from Rhode Island (Mr. PELL), and the Senator from New Hampshire (Mr. HUMPHREY) were added as cosponsors of Senate Joint Resolution 114, a joint resolution to request the President to proclaim September 1983 as "National Professional Security Month."

SENATE JOINT RESOLUTION 119

At the request of Mr. HUMPHREY, the names of the Senator from North Carolina (Mr. HELMS), and the Senator from California (Mr. WILSON) were added as cosponsors of Senate Joint Resolution 119, a joint resolution to designate the week of December 11, 1983, through December 17, 1983, as "National Drunk and Drugged Driving Awareness Week."

SENATE JOINT RESOLUTION 121

At the request of Mr. ABDNOR, the names of the Senator from Hawaii (Mr. MATSUNAGA), the Senator from South Carolina (Mr. THURMOND), and the Senator from North Dakota (Mr. ANDREWS) were added as cosponsors of Senate Joint Resolution 121, a joint resolution to designate November 1983 as "National Diabetes Month."

SENATE JOINT RESOLUTION 131

At the request of Mr. DOLE, the name of the Senator from Ohio (Mr. METZENBAUM) was added as a cosponsor of Senate Joint Resolution 131, a joint resolution designating "National Cystic Fibrosis Week."

SENATE JOINT RESOLUTION 132

At the request of Mr. RIEGLE, the names of the Senator from Arkansas (Mr. BUMPERS), the Senator from Alabama (Mr. HEFLIN), the Senator from Michigan (Mr. LEVIN), the Senator from Minnesota (Mr. BOSCHWITZ), the Senator from Nevada (Mr. LAXALT), the Senator from New Mexico (Mr. BINGAMAN), the Senator from Florida (Mr. CHILES), the Senator from South Carolina (Mr. HOLLINGS), and the Senator from South Carolina (MR. THURMOND) were added as cosponsors of Senate Joint Resolution 132, a joint resolution to designate the week beginning August 7, 1983, as "National Correctional Officers Week."

SENATE RESOLUTION 126

At the request of Mr. WALLOP, the name of the Senator from Georgia (Mr. NUNN) was added as a cosponsor of Senate Resolution 126, a resolution to express the sense of the Senate that the changes in the Federal estate tax laws made by the Economic Recovery Tax Act of 1981 should not be modified.

SENATE RESOLUTION 139

At the request of Mr. ZORINSKY, the name of the Senator from Mississippi (Mr. COCHRAN) was added as a cosponsor of Senate Resolution 139, a resolution disapproving the recommendation of the Study Group on Senate Practices and Procedures to abolish the Senate Committee on Veterans' Affairs.

SENATE RESOLUTION 167

At the request of Mr. PRESSLER, the name of the Senator from Tennessee (Mr. SASSER) was added as cosponsor of Senate Resolution 167, a resolution expressing the sense of the Senate that the Federal Government take all

necessary steps to promote travel to the United States by foreigh visitors during the 1984 Summer Olympics and the 1984 Louisiana World Exhibition, to inform such visitors of recreational and commercial opportunities throughout the United States, and to facilitate their entry into and travel within this country.

SENATE RESOLUTION 180

At the request of Mr. METZENBAUM, the name of the Senator from Pennsylvania (Mr. SPECTER) was added as a cosponsor of Senate Resolution 180, a resolution expressing the sense of the Senate in support of affordable and decent health care for older Americans.

SENATE RESOLUTION 181

At the request of Mr. BINGAMAN, the name of the Senator from North Dakota (Mr. BURDICK) was added as a cosponsor of Senate Resolution 181, a resolution expressing the sense of the Senate that the U.S. Government should support the peace initiatives of the four-nation Contadora group, should indicate its willingness to cease the flow of arms into Central America in conjunction with other nations, and should terminate all programs of assistance to guerrilla forces in Nicaragua.

SENATE RESOLUTION 187—BUDGET WAIVER RELATING TO CONSIDERATION OF S. 856

Mr. ANDREWS, from the Select Committee on Indian Affairs, reported the following original resolution, which was referred to the Committee on the Budget:

S. RES. 187

Resolved, That pursuant to section 402(c) of the Congressional Budget Act of 1974, the provisions of section 402(a) of such Act are waived with respect to the consideration of S. 856. Such waiver is necessary because S. 856 authorizes the enactment of new budget authority which would first become available in fiscal year 1984, and such bill was not reported on or before May 16, 1983, as required by section 402(a) of the Congressional Budget Act of 1974 for such authorizations.

The waiver of section 402(a) is necessary to permit congressional consideration of statutory authority to provide for an Indian housing program for construction and financing of housing for Indians, and for other purposes.

S. 856 provides an authorization for fiscal year 1984 of $132,500,000. S. 856 was not reported on or before May 16, 1983, because of a lack of agreement among Committee members on the scope of exemptions to the application of the Davis-Bacon Act to projects authorized under S. 856.

The waiver of section 402(a) is necessary to permit congressional consideration of statutory authority for what the Select Committee on Indian Affairs considers to be a viable alternative to the current HUD Indian housing program. In fiscal years 1982 and 1983, funds for the continuation of the existing HUD public assisted housing programs were provided through the appropriations process, without any legislative authorization. Again, a fiscal year 1984 HUD appropriations bill has been approved by both houses of Congress and is on its way to the President for his signature. S. 856 not only provides a workable alternative to the current HUD Indian housing program, which has been the subject of much criticism from the Administration, as well as Indian country, but will also provide a safety-net for Indian housing needs.

The funding for the programs proposed under S. 856 will be under the jurisdiction of the Appropriation Subcommittee on Interior and Related Agencies. The House Appropriations Subcommittee on Interior and Related Agencies completed mark-up on the fiscal year 1984 budget on June 28, 1983, and the Senate Appropriations Subcommittee on Interior and Related Agencies is near completion on its mark-up. It is, therefore, not feasible to provide for the inclusion of appropriations for S. 856, with the exception of Title I of S. 856. Title I, which gives a statutory base to the current Housing Improvement Program at the Bureau of Indian Affairs, was a part of the President's budget request for fiscal year 1984 and has been included in both Houses' appropriations bill for Interior and Related Agencies. The Select Committee on Indian Affairs' report to the Budget Committee on the fiscal year 1984 budget also recommended that $132.5 million in new budget authority be authorized for the initiation of this program. This recommendation was based on the fact that S. 856 had been originally introduced in the 97th Congress as S. 2847, but due to the heavy schedule of the lameduck session did not make it to the floor before the end of that session. In anticipation that S. 2847 would be reintroduced early in the 98th Congress, the Committee included this recommendation in their annual report to the Budget Committee. It is the belief of the Select Committee on Indian Affairs that in the event S. 856 is enacted into law this year, a supplemental request could be made in fiscal year 1984 for start-up costs for Titles II and III of S. 856.

SENATE RESOLUTION 188—RELATING TO BENJAMIN ELIJAH MAYS

Mr. HOLLINGS submitted the following resolution, which was referred to the Committee on the Judiciary:

S. RES. 188

Whereas Benjamin Elijah Mays, throughout his distinguished career of more than half a century as an educator, civil rights leader, and theologian, has inspired people of all races throughout the world by his persistent commitment to excellence;

Whereas Benjamin Mays persevered, despite the frustrations inherent in segregation, to begin an illustrious career in education;

Whereas, as head of the School of Regligion of Howard University and later as President of Morehouse College in Atlanta, Georgia, for twenty-seven years, Benjamin Mays overcame seemingly insurmountable obstacles to offer quality education to all Americans, especially black Americans;

Whereas, at the commencement of World War II, when most colleges suffered from a lack of available students and the demise of Morehouse College appeared imminent, Benjamin Mays prevented the college from permanently closing its doors by vigorously recruiting potential students and thereby aiding in the development of future generations of black leaders;

Whereas Benjamin Mays was instrumental in the elimination of segregated public facilities in Atlanta, Georgia, and promoted the cause of nonviolence through peaceful student protests during a time in this Nation that was often marred by racial violence;

Whereas Benjamin Mays has been the recipient of numerous accolades throughout his career, including fifty-three honorary degrees from universities across the Nation and the naming of a school and a street in his honor; and

Whereas the Presidential Medal of Freedom, the highest civilian honor in the Nation, was established in 1945 to appropriately recognize Americans who have made an especially meritorious contribution to the security or national interests of the United States, world peace, or cultural or other significant public or private endeavors: Now, therefore, be it

Resolved, That it is the sense of the Senate that the President should award Benjamin Elijah Mays the Presidential Medal of Freedom in honor of his distinguished career as an educator, civil rights leader, theologian and his many contributions to the improvement of American society.

SEC. 2. The Secretary of the Senate shall transmit a copy of this resolution to Benjamin Elijah Mays.

Mr. HOLLINGS. Mr. President, I rise today for two purposes, both of them happy. First to wish a very happy 89th birthday to Dr. Benjamin Elijah Mays—he was born August 1, 1894; and second, to introduce a resolution expressing the sense of the Senate encouraging the President to award to Dr. Mays the Presidential Medal of Freedom in honor of Dr. Mays distinguished career as an educator, civil rights leader, and theologian.

Let me share with my colleagues, Mr. President, a brief statement of the background of this outstanding man. He is truly one of South Carolina's most extraordinary natives and a man who has meant much to the civil rights movement of this Nation and the aspirations of its people. His achievements, his ideas, and his principles are profound, and I believe, Mr. President, that my colleagues will readily understand why this distinguished citizen is so deserving of the recognition that the Presidential Medal of Freedom will confer.

The statement follows:

BENJAMIN ELIJAH MAYS

Born in Epworth, S.C., of slave parents, Benjamin Mays became one of the great forces and spokesmen for freedom and human dignity in our country. A graduate of South Carolina State College and Bates College, with a Ph.D. from the University of Chicago, Dr. Mays began his career as a teacher at Morehouse College and South Carolina State College. During the late twenties and the early thirties Benjamin Mays served with the Tampa Urban League, as national student secretary of the YMCA and conducted a study of Negro churches in the United States.

From 1934 to 1940, Dr. Mays served as the dean of the School of Religion at Howard University here in the District of Columbia. In 1940 Benjamin Mays began his distinguished career as president of Morehouse College in Atlanta. While at Morehouse, he served as the spiritual and intellectual fountain for Dr. Martin Luther King, Jr., and other major figures in the civil rights movement. In fact, Dr. King often times proclaimed Dr. Mays his "spiritual mentor."

Dr. Mays retired from Morehouse College in 1967 and was given the title of president emeritus. Subsequently he served as president of the Atlanta Board of Education for 12 years. Benjamin Mays has received many honors including scores of honorary degrees. A street and high school bear his name in Atlanta. South Carolina Gov. Dick Riley awarded him the Order of the Palmetto in 1980 during ceremonies unveiling Dr. Mays' portrait in the South Carolina State Capitol. But these awards and honors can never meet the measure of the man. For, more than a man with fine credentials, he was the spiritual and intellectual leader for a movement dedicated to human progress.

The great journalist and author Samuel Dubois Cooke once said:

"Benjamin Mays has strength of character, gifts of mind, vision, and ability, a zest for life, a stubborn moral courage, a prophetic imagination, a deep commitment to social justice, a single minded commitment to the most precious and enduring values of human enterprise, and a lifelong romance with the world of higher possibilities."

High praise from a very noble source.

But perhaps Dr. Mays described himself best when he said in his autobiography, "Born to Rebel":

"Foremost in my life has been my honest endeavors to find the truth and proclaim it."

And he not only found the truth and proclaimed for himself. He found the truth and proclaimed it for all men and women, of all races, of all religions and from all walks of life for decades to come.

Mr. President, it is obvious to me that the many achievements of Dr. Mays make him a very worthwhile recipient of a Presidential Medal of Freedom. His distinguished career and unselfish service to mankind are truly deserving of this recognition. So that my colleagues can capture the true spirit of Dr. Mays and his lifelong work benefiting his fellow citizens I ask unanimous consent that an address by Dr. Larry A. Jackson, president of Lander College, given at the dedication of the historic marker placed at the birthplace of Dr. Mays on November 7, 1981.

Mr. President, I urge my colleagues to join with me in passing this resolution.

There being no objection, Dr. Jackson's address ordered to be printed in the RECORD, as follows:

ADDRESS BY DR. JACKSON

"History is the essence of innumerable biographies"—Thomas Carlyle.

It is an honor to speak on a day when we reflect on the life of one of America's great teachers and moral leaders. I would like to use my time to explore two questions with you. The first question is this: What is the most important reason for the people of this State to place this monument in this place on this November day? To honor Dr. Mays? I answer "no." That is not the most important reason. The honor which the home county of Dr. Mays owes him by the right of his accomplishments has been far too slow in coming, but it has come. We now, thank God, live in a time when most school children in this county know his name. And a man with schools and college buildings named for him, and with 49 honorary degrees, from institutions as varied in purpose as Harvard University and Lander College, does not need another honor.

The most important reason for placing this monument here is not to honor Benjamin Elijah Mays but to remind us, the citizens who pass here, of the quality and message of his life.

This leads me to my second question. What was it that caused Benjamin Elijah Mays to be different from the crowd and to serve as a teacher and as an example to a whole generation of people who have dedicated their lives to make American democracy work better and to cure it of the illness of racial prejudices?

The historian who traces the movement toward the renewal of American democracy which has characterized this century will find intertwined in this history the life of the teacher and schoolmaster whom we gather to honor today. It was Benjamin Elijah Mays who was the mentor of Dr. Martin Luther King, Jr. and his fellow patriots. (I call them patriots because they were fighting to make reality of the dream of the earlier patriots.)

In a time when we desperately need similar examples of integrity and courage, I ask you to think about this question: "How did his life emerge in our midst." What were the forces which nurtured and generated it?"

Think back with me to the turn of the century. Which of us, had we been walking along this unpaved country road in the year 1894 would have thought that a few feet from us was being born a child who would become a force for justice, truth, and light in his generation. And if we had been told that the child was Black, our incredulity would have been multiplied.

How did this child, born in this simple house, in rural South Carolina, and in a time when the whole area knew little save poverty, overcome the many obstacles which any sane man would have predicted would have prevented him from becoming any kind of a leader, much less a gentle, unbitter leader who advocated dynamic evolution rather than revolution, non-violent love rather than armed hate? How did he come to be? That is the question which gnaws at us as we approach this celebation. Benjamin Mays could have so easily become bitter and resigned. He did not. Why not?

Although there is a great deal of mystery in any life which we human beings cannot explain, and there are providential movements through history that only the most arrogant would try to explain, I am, on the basis of having heard Dr. Mays speak on several occasions and on the basis of having read his autobiography, "Born To Rebel," going to point to at least three influences which nurtured him in a special way and which set him apart from other men from an early age.

These three influences, added to a sound mind and a very good brain given by God, were his family, his church, and his religion.

You are probably surprised that I have listed "his church" and "his religion" separately. In thinking of the church, I am thinking of a social institution of people who took a special interest in, and gave strong nurturing encouragement to Benjamin Mays. In thinking of his religion, I am thinking of prophetic faith which taught Benjamin Mays about justice at an early age and taught him that "love" is the law of life and anything that contradicts love contradicts life in its essence."

Let's look for a moment at the early life of Benjamin Elijah Mays. The simple home in which he was born was characterized by dignity and love. His parents, Hezekiah Mays and Louvenia Carter Mays, had been born into slavery and knew the importance of freedom.

You can sense something of the quality of the home if you picture Benjamin's oldest sister tutoring him in reading and writing prior to the time that the family was able to send him to school. She was an excellent teacher and the quality of her own concern that her brother become educated no doubt accounted in some measure for the success that always characterized him in school.

Picture him at the age of 5. Although he lived in a home characterized by warmth and support, he lived in a county where Blacks were considered not to be the equal of Whites in intelligence or humanity. One of his earliest memories was a night in 1898 when a group of white men rode into his yard on horses and held his father at gunpoint and forced him to humiliate himself by bowing down before them over and over again. It was a night in which seven Blacks were lynched in this county, and we can imagine the fear that ran through the Mays family that night, and we can understand why that scene has never disappeared from the memory of Benjamin Elijah Mays. We marvel that the memory of the Phoenix riots did not embitter Benjamin Elijah Mays forever.

Now picture him at the age of 8, still living in this same simple farm house. It was Children's Day at his church and Benjamin Mays had committed to memory the fifth chapter of the Gospel according to Matthew. When he finished his speech, it is reported that the women stood up and waved their handkerchieves and men stomped their feet in praise. After the applause died down, the minister said, "This boy is going to be a preacher."

In his autobiography, "Born to Rebel," Benjamin Mays reports that he was a marked boy from then on. I ask you today to contemplate on how much the encouragement of that family and that congregation meant to Benjamin Mays. And how much that one incident had to do with the burning ambition that was born in him to become an educated man. Even at eight, Benjamin Mays knew that the only way for him to be truly free and to lead his people out of degradation was by obtaining an excellent education. But it was not a goal easily attained. His father, although supportive in many ways, did not believe that an education was needed. As he told his son, "If you want to preach, the Lord will open your mouth and tell you what to say." "And if you want to farm, you can learn it from me." His father was convinced that these were the only two possible occupations for a Black boy.

In his autobiography, Benjamin Mays recalls many times when he tethered his horse between plowing chores and went into the woods to pray that he might become an educated man. At one point he said to a reporter, "I prayed myself into an education." After overcoming many obstacles, Benjamin

Mays was graduated from the high school at South Carolina State College at the age of 21.

At this point, Benjamin Mays decided to pursue his college education outside of the South. This decision was based upon a very rational analysis of two contradictory influences in his life. (1) He lived in an environment which said to him that he was an inferior person, and (2) he worshipped a God who said that all men were equal. He decided to compete at a very excellent liberal arts college where the majority of the students were white so that he could prove that he was not an inferior person. Benjamin Mays soon proved it. He was not only an honor student at Bates College with the highest academic honor awarded in American higher education, a Phi Beta Kappa Key. The picture of Benjamin Mays in the Bates College annual shows a very determined-looking young man.

He continued his education at the University of Chicago where he was eventually awarded a Master's degree and a Ph. D. degree. These degrees were earned by doing odd jobs and working as a pullman porter, the route to a new life for so many ambitious Black males in those days.

After serving as a pastor, as an urban league representative, and a Dean of the School of Religion at Howard University, Benjamin Elijah Mays reached his most important life's work. At the age of 46, he became President of Morehouse College in Atlanta. Dr. Mays turned a struggling institution into one of the strongest colleges in this country and it was here that he became the mentor for many of the leaders who have renewed American democracy in our generation, leaders such as Martin Luther King, Jr.

For 27 years, Benjamin Mays preached a weekly sermon in the chapel of Morehouse College and students such as Martin Luther King, Jr. looked back upon those sermons as turning points in their lives. Someone said of him during this time, "Mays wanted to invent souls. he wanted to root out the weaknesses and the evasions which were the heritage of 300 years of spiritual and material oppression." "If you are ignorant," he told his students "the world is going to cheat you. If you are weak, the world is going to kick you. If you are a coward, the world is going to keep you running."

And he said other things to those students in those days, and I want to quote a few of them now.

"No person deserves to be congratulated unless he has done the best he could with the mental equipment he has under the existing circumstances."

"It will not be sufficient for Morehouse College, for any college, for that matter, to produce clever graduates, men fluent in speech and able to argue their way through, but honest men, men who can be trusted in public and in private—men who are sensitive to the wrongs, the sufferings, and the injustices of society and who are willing to accept responsibility for correcting these ills."

"It must be borne in mind that the tragedy in life doesn't lie in not reaching your goal. The tragedy lies in having no goal to reach. It isn't a calamity to die with dreams unfulfilled, but it is a calamity not to dream. It is not a disaster to be unable to capture your ideal, but it is a disaster to have no ideal to capture. It is not a disgrace not to reach the stars, but it is a disgrace to have no stars to reach for. Not failure, but low aim is sin."

Now let me close by quoting a few things which others have said of Benjamin Elijah Mays. Samuel Du Bois Cook, a former student who is now President of Dillard University, says "Mays' genius was as an inspirer and motivator as well as a transformer of young men. With the possible exception of Robert Hutchins at the University of Chicago, he had no peer among his contemporaries as a school master. I rank him with America's great educators, with William Rainey Harper of the University of Chicago, Nichols Murray Butler of Columbia, and Charles W. Elliot of Harvard."

When Benjamin Elijah Mays was awarded an honorary Doctorate in Law from Harvard University in 1967, this is what was said of him.

"Creative president of one of our nation's strong colleges; unremitting champion of rigor and high purpose in education."

And finally, when the college in Benjamin Mays' county of birth, Lander College, became the 34th college to give him an honorary doctorate these words were included in the citation.

"We know of no life more characterized by concern for the needs and distresses of others than the life of Benjamin E. Mays. Against many odds, you disciplined yourself and prepared yourself morally and intellectually to walk among your contemporaries as befits a man whose life is informed by and dedicated to the Judeo-Christian ethic."

Let me close with this word of thanks to Benjamin Mays: If mankind has learned anything about teaching in our long years on earth, we have learned that no words, no gesture, can be more persuasive than an authentic life, a life dedicated to a quest for truth and justice. The monument will serve to remind us of such a life. Dr. Mays, you have given us a better vision of what human life is supposed to be like, and we will always remain in your debt.

SENATE RESOLUTION 189—BUDGET WAIVER RELATING TO THE CONSIDERATION OF S. 500

Mr. THURMOND, from the Committee on the Judiciary, reported the following original resolution, which was referred to the Committee on the Budget:

S. RES. 189

Resolved, That pursuant to section 402(c) of the Congressional Budget Act of 1974, the provisions of section 402(a) of such Act are waived with respect to consideration of S. 500. Such waiver is necessary because S. 500, as reported, authorizes the enactment of new budget authority which would first become available in fiscal year 1984, and such bill was not reported on or before May 15, 1983, as required by section 402(a) of the Congressional Budget Act of 1974 for such authorizations.

The budget waiver will allow Senate consideration of S. 500 which provides for the establishment of a 30-member Commission, plus a nonvoting participant from Spain and a nonvoting participant from Italy, to plan, encourage, coordinate, and conduct the commemoration of the quincentennial of the voyages of Christopher Columbus.

S. 500 authorizes the appropriation of an estimated $220,000 for fiscal year 1984 and $220,000 for each of the fiscal years beginning on October 1, 1984, and ending before October 1, 1992, and $20,000 for the period from October 1, 1992, through November 15, 1992, resulting in a total appropriation of $2,000,000.

AMENDMENTS SUBMITTED

SUPPLEMENTAL APPROPRIATIONS CONFERENCE REPORT

MATHIAS (AND OTHERS) AMENDMENT NO. 2106

(Ordered to lie on the table.)

Mr. MATHIAS (for himself, Mr. SARBANES, Mr. SASSER, Mr. BINGAMAN, Mr. EAGLETON, Mr. TRIBLE, Mr. GLENN, Mr. BURDICK, Mr. WARNER, and Mr. DOMENICI) submitted an amendment intended to be proposed by him to the amendment of the House to the amendment of the Senate to the bill (H.R. 3069) making supplemental appropriations for the fiscal year ending September 30, 1983, and for other purposes; as follows:

At the end of the matter proposed to be inserted by the amendment, add the following:

None of the funds appropriated by this Act may be obligated or expended—

(1) to adopt, to issue, or to carry out a final rule or regulation, a final revision, addition, or amendment to regulations, or a final statement of policy based on any proposed rule or regulation, any proposed revision, addition, or amendment to regulations, or any proposed statement of policy of which a notice was published in parts III-IV of the Federal Register on March 30, 1983 (48 F.R. 13,342 to 13,381) or in parts III through VI of the Federal Register on July 14, 1983 (48 F.R. 32,275 to 32,312); or

(2) to adopt, to issue, or to carry out any final rule or regulation, any final revision, addition, or amendment to a regulation or any final statement of policy which effectuates the purposes of any proposed rule, regulation, revision, addition, amendment or statement of policy referred to in clause (1).

(The remarks of Mr. MATHIAS on this legislation appear earlier in today's RECORD.)

CRITICAL AGRICULTURAL MATERIALS ACT

JEPSEN AMENDMENT NO. 2107

Mr. JEPSEN submitted an amendment intended to be proposed by him to the bill (H.R. 2733) to stabilize a temporary imbalance in the supply and demand for dairy products, to enable milk producers to establish, finance, and carry out a coordinated program of dairy product promotion, to adjust the support levels for the 1983 and subsequent crops of tobacco, to make modifications in the tobacco production adjustment program, and for other purposes, as follows:

AMENDMENT NO. 2107

At the appropriate place in the bill, insert the following new section:

BARTER OF SURPLUS DAIRY PRODUCTS FOR STRATEGIC AND CRITICAL MATERIALS

SEC. . (a) Notwithstanding any other provision of law, during fiscal years 1984

and 1985, the Commodity Credit Corporation shall accept offers from individuals or commercial firms to exchange strategic and critical materials needed to meet unmet national goals established under the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98 et seq.) for surplus dairy stocks owned by the Corporation if—

(1) such stocks will be exported;

(2) the value assigned to such stocks at the time of delivery is less than the world price at such time;

(3) the value assigned to such materials at the time of delivery is less than the world price at such time;

(4) the Secretary of Agriculture is reasonably assured that export markets for United States dairy products through commercial channels will not be displaced by such exchange; and

(5) such exchange will not result in the expenditure of funds by the Secretary or the Corporation other than for normal administrative costs.

(b) In carrying out subsection (a), the Corporation shall use in each of the fiscal years 1984 and 1985 a quantity of dairy products equal to—

(1) at least 15 percent of uncommitted surplus dairy stocks existing at the beginning of fiscal year 1984; or

(2) if the Corporation does not receive offers to exchange such quantity of dairy products, a quantity equal to the quantity of such stocks offered to be exchanged.

(c) The Corporation may—

(1) transfer strategic and critical materials acquired under this section to the National Defense Stockpile established under the Strategic and Critical Materials Stock Piling Act, and shall be reimbursed for such materials, in accordance with section 4(h) of the Commodity Credit Corporation Charter Act (15 U.S.C. 714(h)); or

(2) retain possession of, and title to, such materials.

(d) No later than six months after the date of the enactment of the Dairy and Tobacco Adjustment Act of 1983, and each six months thereafter through fiscal year 1985, the Secretary of Agriculture shall submit a report to the Congress describing—

(1) exchanges made under this section during the previous six month period; and

(2) any offers for exchanges made under this section during such period which were rejected by the Corporation and the reasons for such rejection.

NOTICES OF HEARINGS

SUBCOMMITTEE ON WATER AND POWER

Mr. NICKLES. Mr. President, I would like to announce for the information of the Senate and the public the scheduling of a public hearing before the Subcommittee on Water and Power to consider S. 752, to authorize certain additional measures to assure accomplishment of the objectives of title II of the Colorado River Basin Salinity Control Act, and for other purposes; S. 1027, to amend Public Law 96-162; and S. 483, to provide for the relief of water users deprived of winter stock water on Willow Creek, Idaho, below the Ririe Dam and reservoir.

The hearing will be held on Thursday, September 15, beginning at 10 a.m. in room SD-366 of the Dirksen Senate Office Building.

Those wishing to testify or who wish to submit written statements for the hearing record should write to the Committee on Energy and Natural Resources, Subcommittee on Water and Power, U.S. Senate, Washington, D.C. 20510.

For further information regarding this hearing, you may wish to contact Mr. Russ Brown of the subcommittee staff at 224-2366.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON THE JUDICIARY

Mr. BAKER. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Monday, August 1, in order to receive testimony on the following nomination:

Mr. John F. Keenan, of New York, to be a U.S. district judge for the southern district of New York.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. BAKER. Mr. President, I ask unanimous consent that the Committee on Environment and Public Works be authorized to meet during the session of the Senate on Monday, August 1, to consider the following nominations:

Alvin L. Alm, to be Deputy Administrator of the Environmental Protection Agency;

Howard M. Messner, to be Assistant Administrator of the Environmental Protection Agency; and

Fred M. Bernthal, to be a member of the Nuclear Regulatory Commission.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENT

TOWARD A NEW ERA

● Mr. GARN. Mr. President, in the June 24, 1983 issue of the National Review, there appeared an article entitled "Toward a New ERA?", written by Lincoln C. Oliphant, formerly a member of my staff and presently a member of the Senate Republican Policy Committee staff.

The article is timely, in light of the renewed interest in an equal rights amendment and the hearings on the subject that have begun to take place in both the Senate and the House of Representatives, and offers an entirely new perspective which ought to be carefully considered as the debate proceeds.

Mr. Oliphant points out that while the 1972 version of the Equal Rights Amendment "ought to remain interred," that does not necessarily mean there should be no such amendment at all. "In fact," he says:

A new amendment may be far preferable to hoping that the Supreme Court will reject, year after year, the absolutist arguments thrust at it by radical feminists and civil libertarians. . . . A new amendment would provide the opportunity to bind the Court to something besides its own dispositions.

He suggests that the necessary starting point for discussions about equal rights for men and women is "the idea that men and women can be importantly different without being fundamentally unequal." He goes on to propose language for an equal rights amendment which includes certain important exceptions, which supporters of the current 1972 version "aver is there implicitly" but refuse to spell out.

The article is a valuable and important contribution to the continuing dialog on the ERA, and I highly recommend it to all of my colleagues.

Mr. President, I ask that the article be printed in the RECORD.

The article follows:

[From the National Review, June 24, 1983]

TOWARD A NEW ERA?

(Lincoln C. Oliphant)

The Equal Rights Amendment is dead. But the faithful, led by Tip O'Neill in the House, Paul Tsongas in the Senate, and Judy Goldsmith in the streets, have begun calling it to arise, Lazarus-like, to live again. On May 26, the prayers of the faithful were partially answered, when the Senate Subcommittee on the Constitution began hearings on S.J. Res. 10/H.J. Res. 1: the same Equal Rights Amendment that was first proposed in 1972. A two-thirds vote in each House would reanimate this once-dead amendment, although three-fourths of the state legislatures would then need to adopt it for it to become part of the Constitution.

Amending the Constitution is just shy of impossible. Of some nine thousand constitutional amendments that have been introduced in Congress, only 26 have been ratified—11 of them in the eighteenth century. Generally, conservatives do not favor amending the Constitution, and the proposed 1972 Equal Rights Amendment was particularly ill-favored. But should opponents of that ERA oppose every amendment that would set a constitutional standard for sex-based classifications? Perhaps not.

Equal-rights amendments are not all created equal. One can see the need for an ERA without having any particular affection for the version that sprang forth in the spring of 1972—a version that was itself different from the original proposal of 1923. The 1972 version had more infirmities than strengths, yet it was not without the latter. Foremost among its strengths was an ability to express quite starkly a broad principle of equality that made many friends for the amendment. Ironically, some of these ostensible friends were responsible for the amendment's demise.

In addition, the infirmities of the 1972 amendment made it many enemies. It left gaping holes to be filled by the federal judiciary, and while some hole-filling is inveitable, the people—whose Constitution it is—ought to minimize the opportunities for judicial government. When a Senate subcommittee asked about the meaning of the 1972 amendment, its chief Senate sponsor, Paul

Tsongas of Massachusetts, could only repeat, "The courts will decide . . . the courts will decide . . . the courts will decide . . ." Yet in many highly sensitive areas where the meaning of the 1972 amendment was reasonably discernible, it would have set bad rules in constitutional concrete. The amendment was, in other words, both too vague and too specific, in the sense that its specifics were wrongly chosen. This seemingly contradictory criticism helps to explain the confusion about the meaning of the 1972 amendment, and the charges and countercharges exchanged during ten years of rancorous debate.

It also suggests that the 1982 Equal Rights Amendment ought to remain interred. Does this mean that there will be no Equal Rights Amendment at all? For now, it means exactly that. But, in the long run, we must ask ourselves if we are content with the status quo. The status quo is that the Supreme Court makes up sex-discrimination rules out of whole cloth.

Indeed, the current rules vary from case to case. Most recently, the Court has upheld some laws that classify persons according to sex, but only when the government can advance an "exceedingly persuasive" justification for such classifications. This rule is about right, in my judgement, but it cannot be said to be grounded in the original understanding of the Fourteenth Amendment or any other provision of the Constitution. Though the Court had no business doing so, it has done an admirable job of rulemaking. Had it not the 1972 ERA would today be the law of the land. The Court-created rules substantially reduced the felt need for an equal-rights amendment.

Since the current rules are more the Court's than the Constitution's, however, they are the Court's to change. Change will not occur haphazardly, for the Court has its precedents. But trusting the status quo is trusting the Court with its own rules. To propose and adopt a new amendment would be to entrust the Court with the people's ratified rule. There is risk in both alternatives, but that is the point: accepting the status quo is not a risk-free alternative.

A new equal-rights amendment should deal with fundamental questions about the nature of men and women, about the nature of equality, and about American constitutional government differently from the way the 1972 amendment did. The general rule of the 1972 amendment was that "sex should not be a factor in determining the legal rights of men or of women." Most Americans, while agreeing that in most cases sex should be irrelevant, would stop short of such an absolute rule. The gap between mostly not and never, while not wide, can be deep, and brimful of the most important questions facing the human race.

If the best rule is not an absolute one, then it will be one anchored in an equality that recognizes important differences between the sexes. The new rule should partake of the sort of insight shown by Professor Elizabeth H. Wolgast in her book, "Equality and the Rights of Women:"

"Justice requires men and women to be treated differently, not in all areas but in some important ones. It is not just a curious fact that men never bear babies. Nor do women bear them because society teaches them how and insists they do, while guarding this knowledge from men. And from this difference other consequences flow. A good society will acknowledge the differences, treating them with respect and fairness and accommodating institutions to the human condition. To proceed otherwise is to imitate Procrustes, who invited guests to spend the night and then cut them down or stretched them to fit his bed. It is to be guided by a strange sense of priorities."

Under an equal-rights amendment grounded in reality rather than in ideology, sex classifications would be carefully scrutinized but not always prohibited. A classification by sex ought to be permissible, for example, if its real effect is to bring about more equal treatment. The 1972 ERA seems to require a blind indifference to sex under the banner of fairness and equality.

For instance, the National Organization for Women (NOW), currently led by Judy Goldsmith, opposes the use of sex-based actuarial tables in insurance plans. The ERA would have eliminated this evil, NOW says. Of course there are real differences between women as a group and men as a group. Young women, as a group, are better drivers than young men. Women, as a group, live longer than men. The lifespan of any woman or any man is unknowable, but the best possible way to treat her or him fairly is to use all available data, including statistical data. NOW complains that this is stereotyping, not enlightened thinking, and it is currently litigating its complaints under the 1964 Civil Rights Act (by the time this article is published, the Supreme Court may have decided the issue as regards pensions); but in the words of Chief Justice Burger (in dissent), "This is in no sense a failure to treat women as 'individuals.' . . . It is to treat them as individually as it is possible to do in the face of the unknowable length of each individual life." Eliminating sex-based actuarial tables is also likely to increase the total insurance costs women will have to pay.

The idea that men and women can be importantly different without being fundamentally unequal is the necessary starting-point for all serious analysis of how to achieve equal rights between the sexes. Rather than a Procrustean rule, a new amendment should offer the flexibility of equal protection under the laws. The difference between these two concepts was illustrated in a recent 5 to 4 decision of the Washington State Supreme Court.

An old (1927) Washington state law requires each of its political parties to be governed by a state central committee. This committee is composed of two members from each county, one man and one woman. The chairman and vice chairman of the state central committee are to be of opposite sexes. The law was challenged under the state's Equal Rights Amendment. Five justices upheld the law, holding that "while there is certainly a classification [by sex], there is equality of treatment and this is sufficient to meet the requirements of the Equal Rights Amendment." Four justices dissented, writing, "The Equal Rights Amendment . . . absolutely forbids any classifications of persons based on sex."

The four dissenters in this case are quite clearly in accord with the stated objectives of the 1972 Equal Rights Amendment. Unlike that amendment, a properly drawn national amendment would tolerate the Washington law. The women of Washington and the 49 other states should consider such matters when contemplating their participation in political life and their support for a federal equal-rights amendment.

Even more fundamentally, the 1972 Equal Rights Amendment contradicted certain important heterosexual rights. We live in a heterosexual society based on heterosexual values. Correspondingly, we have established various heterosexual rights, the most important of which pertain to marriage. But heterosexual rights cannot be consistent with a constitutional amendment that prohibits all sex-based classifications.

The ideal non-heterosexual, non-sexist society has been described by Professor Richard Wasserstrom:

"If a non-sexist society is a society in which one's sex is not more significant than eye color in our society today, then laws which require the persons who are getting married to be of different sexes would clearly be sexist laws. [The] typical adult in this kind of non-sexist society would be . . . indifferent to the sexual, physiological differences of other persons for all significant interpersonal relationships. Bisexuality, not heterosexuality or homosexuality, would be the typical intimate, sexual relationship in the ideal society that was assimilationist in respect to sex."

Would the 1972 Equal Rights Amendment have created a society like the one Wasserstrom describes—one that is "assimilationist in respect to sex"? No, if for no other reason than that human heterosexuality runs deeper than does positive law. But the 1972 amendment would have undermined the legal foundations of a heterosexual society because a heterosexual society requires some classifications by sex.

Some supporters of the 1972 version argue that it does not conflict with legal preferences for heterosexuality because it contains two inherent exceptions to the general rule against all sex classifications. The first exception, these supporters say, permits classifications based on physical characteristics unique to one sex and "closely, directly, and narrowly confined" to the unique characteristic. The second alleged exception is for privacy. Doubts have been raised about the real existence of these exceptions. The doubts began when the Senate flatly rejected Senator Sam Ervin's proposed amendments to the 1972 ERA that would have included in the language of the amendment specific exceptions for privacy and unique physical characteristics. Doubt is all too natural when proponents of a measure refuse to spell out what they aver is there implicitly. If an exception is really there, sub silentio, why not remove all doubt by writing it down? I have never heard a satisfactory answer to that question.

If the 1972 version permits exceptions for unique physical characteristics, the exceptions are few indeed, and mostly irrelevant. Laws affecting sperm banks and wet nurses are the favorite examples of the amendment's advocates. Sperm-bank and wet-nurse laws hardly seem to go the heart of the policy's concerns, however. Consider instead the example of statutory rape.

Michael M. was charged under California law with the statutory rape of Sharon, a 16-year-old. Michael M. challenged the constitutionality of the law because it was sex-specific ("Sexual intercourse accomplished with a female not the wife of the perpetrator, where the female is under the age of 18 years"). He lost in both the California Supreme Court and the United States Supreme Court, but not for lack of powerful friends. The Women's Legal Defense Fund (WLDF) and the American Civil Liberties Union (ACLU) urged, with Mr. M., that the California law was unconstitutional under the Equal Protection Clause of the Fourteenth Amendment. By one vote, the U.S. Supreme Court disagreed. If the litigation had taken place within the framework

of the 1972 Equal Rights Amendment rather than the Equal Protection Clause, the statute would almost certainly have fallen.

There are reasons for treating young men and young women differently in matters such as statutory rape, but the 1972 ERA would not have countenanced these reasons. Some of the reasons that different treatment should be constitutionally permissible were explained by the Solicitor General of the United States in the Carter Administration, who came to the defense of the California statute: "Young men and young women are not similarly situated with regard to the problems and risks of sexual intercourse," because only women can become pregnant. There are "dramatic biological distinctions between prepubescent males and females" that expose the young female, but not the young male, to serious physical injury and the risk of later illness such as cervical cancer. Females may be engaged in sexual intercourse while still very young; very young males are generally incapable of intercourse. "Sexual assaults on young females are a far greater problem than sexual assaults on young males." And carnal-knowledge and statutory-rape laws "facilitate the prosecution of forcible rapes involving young victims" where, as in the Michael M. case, there are serious evidentiary problems that would make forcible rape difficult to prove.

As noted, part of the justification for the statute was based on a "unique physical characteristic": only females can become pregnant. (The WLDF thought this was a ruse because "only penetration and not emission is necessary to complete the crime . . ." Next, I suppose, the WLDF is going to be requiring prosecutors in rape trials to prove penetration, emission, *and* fertility.) The fact of female pregnancy did not satisfy the feminist and civil-libertarian litigators here, and it will not satisfy them in the future. These are the same people who brought us the 1972 amendment, and they are the people who will be defining, in the courts, any equal-rights amendment that is eventually ratified. Look for sperm banks and wet nurses to be within the alleged exception for unique physical characteristics, and statutory rape to be without it.

Concurring in the Court's judgment in the Michael M. case, Justice Stewart wrote:

"The Equal Protection Clause does not mean that the physiological differences between men and women must be disregarded. While those differences must never be permitted to become a pretext for invidious discrimination, no such discrimination is presented by this case. The Constitution surely does not require a state to pretend that demonstrable differences between men and women do not really exist."

A new amendment should reflect Justice Stewart's approach, allowing legislatures to enact sex-specific statutory rape laws justified in part as pregnancy-prevention measures.

The 1972 ERA is also alleged to have an implicit exception for privacy. There is reason to doubt the reality of this exception, too, at least if we judge from the words of two important advocates of that amendment, the United States Commission on Civil Rights and the NOW Legal Defense and Education Fund (LDEF). (The LDEF prepared the "draft report" that was the "basis for [the commission's] discussions." A very cozy arrangement.)

The Civil Rights Commission said in its 1981 report on the ERA that the 1972 version would close the bona fide occupational qualification (BFOQ) "loophole" (the commission's word) of Title VII of the 1964 Civil Rights Act. Title VII prohibits sex discrimination in employment, but sex can be a BFOQ permissible under the statute, where, for example, an employer wants to hire a man to play Hamlet. The bfoq exception is a tiny exception to the nationwide rule against sex discrimination in employment.

The bfoq exception is very important, however, for protecting privacy. The exception has been used to allow hospitals to limit their obstetrics and gynecology nurses to members of the female sex. States and localities have been permitted to require juvenile-home supervisors to be females in the girls' home and males in the boys' home. Based on records showing the system to be "rampant [with] violence" and like a "jungle," Alabama has been permitted to exclude women from "contact" positions in its all-male prisons, and men from such positions in all-female prisons.

The 1972 version—according to its prominent supporters, the Civil Rights Commission and the LDEF—would eliminate the bfoq exception to Title VII. When that exception is eliminated, our legitimate rights of privacy will be diminished. How the BFOQ exception can be eliminated when the ERA is supposed to have its own exception for privacy is a great mystery—unless the alleged exception is itself an illusion.

Some of the weaknesses of the 1972 amendment have been described here partly because that version is now once again a live issue; also because any movement toward a new amendment must begin with the knowledge obtained from the debate over the old. The wording for such an amendment, drawing on some of the lessons of the old one, is set out below. The proposal is my own, although most of the phrases have been borrowed from others. Like the 1972 amendment, this is a text that can be improved.

Section 1. Neither the United States nor any state shall deny to any person the equal protection of the laws on account of sex.

Section 1 is based on the Equal Protection Clause and contains the general rule, which requires equal protection or equal treatment. Sex classifications are not absolutely prohibited.

Section 2. This article shall not prohibit the United States or any state from making legal distinctions respecting motherhood, or based on pregnancy or other physical differences between the sexes, or from making laws respecting privacy.

The references to pregnancy and motherhood recognize that humankind is a two-sex species and that women are different from men in the important respect of having babies. This amendment would not prohibit laws reasonably related to the status of women as mothers. The references to motherhood and pregnancy are intended, inter alia, to emphasize the legitimacy of laws relating to heterosexuality and the primacy of the family among heterosexual institutions.

Section 2 also explicates what is said to be implicit in the 1972 version. Distinctions based on bona fide physical differences are made clearly allowable and legislatures are permitted to weigh privacy more heavily than equality when making legislative judgments. The subtleties of the 1972 amendment are not to be trusted. If an exception is real, let it be explicit.

Section 3. This article shall not prohibit the United States or any state from exempting women from the compulsory military service or combat assignment, or from regulating abortion or sexual offenses.

Section 3 lists specific exemptions where policy objections can now be anticipated and where reasonable legislative prerogatives should be preserved. The most important areas are included, although readers may find the list too long or too short.

Contrary to the assertions of some advocates of the 1972 ERA, that proposal has a great deal to do with abortion. (Some, but by no means all, of the available evidence is collected in Congressman Henry Hyde's testimony of May 26, 1983, to the Senate Subcommittee on the Constitution.)

Section 4. Congress and the several states shall have the power to enforce this article by appropriate legislation.

Section 4 permits the states and Congress to enforce the article within their respective jurisdictions. States might differ on their methods of enforcing the equal protection of the laws. For example, some states might require political parties to be organized along the lines required by Washington state. Other states might prohibit such restrictions and simply require that the two top vote-getters be the county representatives to the state central committee. Both approaches coud be upheld under the new amendment. There is enormous strength in a system so combining equality and flexibility.

Any attempt to draft a constitutional amendment to regulate sexual classifications is fraught with difficulty. It is easy to prohibit all classifications, and easy to permit them all, but delineating a reasonable standard between the two extremes is difficult indeed—which is an excellent reason for permitting some legislative flexibility. The drafting difficulties are substantial, but they will be dwarfed by the political realities. Radical feminists, by and large, will disapprove of a new amendment. They are committed to their 1972 version, now being revived in Congress. Opponents of the 1972 amendment are going to be much tempted to accept the status quo, a temptation that I find alluring my self. It must be remembered, however, that the status quo consists in the Supreme Court's making up rules out of an Equal Protection Clause that was not designed for the purpose.

There is no safety in the status quo. Arguably, there is less danger in the statue quo than in a change, but that is arguable. In fact, a new amendment may be far preferable to hoping that the Supreme Court will reject, year after year, the absolutist arguments thrust at it by radical feminists and civil libertarians.

The Court is not now bound by the chains of the Constitution, although it will pay some deference to its own precedents. A new amendment would provide the opportunity to bind the Court to something besides its own dispositions.●

HERBERT M. FRISBY

● Mr. SARBANES. Mr. President, I rise to pay tribute to the memory of Herbert M. Frisby, a courageous American and a truly outstanding Baltimorean, who died on July 26, 1983, at the age of 97. A student of Eskimo culture who made the last of his 21 trips to the Arctic Circle when he was 80 years old, Herbert Frisby lived his entire life to its fullest, truly embracing the spirit of his favorite maxim: "No worthy task is to be left undone because it seems impossible."

As a teacher and principal in the Baltimore City schools for more than 30 years and as a student himself and explorer of the Arctic north, Herbert Frisby both inspired and enlightened all whom he touched—students, friends, viewers of his exhibits, and readers of his numerous travel articles. His own inspiration had come, he said, from the announcement in his sixth grade geography class that another black Marylander, Matthew Henson, had accompanied Robert E. Peary on the first expedition to the North Pole in 1909. He vowed then to be the second black to attain that goal. And despite the immediate ridicule of his teacher and the racial barriers that existed, Herbert Frisby did become the second black man to reach the North Pole. Although 70 years old at the time, a lifelong dream was fulfilled when he was flown over the North Pole by the U.S. Air Force to drop a strongbox containing an American flag and a bronze plaque commemorating Mr. Henson as the first black to reach the North Pole.

The legacy left by Herbert M. Frisby is rich in spirit, courage, and vitality. His collection of arctic artifacts has been exhibited at the Maryland Science Center and the Maryland Historical Society. The Herbert M. Frisby Historical Society, devoted to the history of black Marylanders, is named after him. An editorial in the Baltimore Sun on July 27, 1983, summarizes well the achievements and accomplishments of this extraordinary Baltimorean. I ask that it be printed at this point in the RECORD.

The editorial follows:

FRISBY OF THE NORTH

Not long after Robert E. Peary and five other men reached the North Pole in 1909, a teacher told sixth graders in a Baltimore Jim Crow school about Matthew A. Henson, the Marylander in the group, the first black man at the Pole. "I'm going to be second," a boy blurted out. For this he was made to write 500 times, "I will not talk out foolish things in class."

In 1956, a U.S. Air Force plane swooped low over the North Pole. Out dropped a tablet honoring Henson and the flags of the United States and Maryland. They fell from the hands of that boy, who at that moment became the second black man to reach the Pole.

Herbert M. Frisby's message in a life career as teacher in Baltimore schools, mostly segregated, was the opposite of the admonition he received. He taught by demonstration to pick an impossible goal and get there. "There are no Alps," he said.

Most boys drop their 11-year-old obsessions. Mr. Frisby clung to his, for the Arctic and for Henson. It took World War II and service as a correspondent for the Afro-American newspapers to get north, following black servicemen wherever they went, including Alaska and Greenland. He returned again and again, often on his own teacher's salary, more than 20 times, even in his 70s.

"Living in the Arctic is rough, rugged, harsh and everything negative to human existence," he said. But he had "Arctic fever." He lived with Inuit or Eskimos in Alaska, toured scientific installations in Spitzbergen in International Geophysical Year, inspected facilities in Norway and a Canadian station on Baffin Island. His home, "the Igloo," was filled with Arctic hides and Eskimo artifacts.

Mr. Frisby believed that Henson reached the Pole 45 minutes before Peary. His 15-year crusade to obtain proper honors for Henson succeeded in 1961 with placement of a memorial to the "co-discoverer of the North Pole" in the State House.

The dogged Douglass High School science teacher crossed terrain closer to home that was harsh and negative to human existence. His insistence on taking a course in greenhouse gardening offered to whites in 1949 by the parks department broke the color bar at Druid Hill Park. Denied access to an anthropology summer course at the University of Maryland College Park because of race, he took it at the University of Alaska.

Mr. Frisby, who died well up in years on Tuesday, combined research with the honorable profession of science teaching. He overcame barriers no American today need face. He said, "No worthy task is to be left undone because it seems impossible." He personified achievement in the Baltimore city schools.●

SBA'S 30TH ANNIVERSARY

● Mr. D'AMATO. Mr. President, I rise today to commemorate the Small Business Administration's (SBA) 30th anniversary. Since 1953, the SBA has been hard at work providing for the needs of small businessmen, insuring that they are able to successfully compete in an increasingly complex economy.

Entrepreneurial spirit is one of the things that makes America strong. Small businesses make an overwhelming contribution to the technical and creative advantage that this Nation enjoys. Without the achievements of the small business sector, the United States would not be the great society it is today.

America's economy is based on the continued viability of two streets—Wall Street and Main Street. Millions of Americans, from all walks of life, are dependent on the goods and services provided by small business, from bakeries and barbershops to software and defense products. Small businesses provide a substantial proportion of the Nation's employment base. The continued health of the small business community is essential to the future strength of our economy.

Small businesses, however, operate at a distinct disadvantage in the marketplace. These firms have limited resources, but must perform many of the same corporate functions as large conglomerates with open access to the credit market. One of the most important problems facing the small business community is the difficulty raising capital. Wall Street and Main Street do not always interact well, financial institutions are often unwilling to extend the necessary credit. While large companies may rely on a corporate credit history, small businesses often do not have this advantage. One important role of the SBA is to help insure that small businesses have ample opportunities for capital formation.

In this era of budget cutbacks and Government belt tightening, legislators must remember that savings at the Federal level which shift costs onto other sectors are imaginary savings. Expanding the tax base should be the goal of policymakers. Actions taken to constrain SBA's lending authority do not serve this purpose. A Government agency such as the SBA cannot succeed in its goal if it is denied the ability to use all available efficient means to effectively pursue its mandate.

Mr. President, there are over 13 million small businesses in this country and this number continues to grow. The SBA makes an important contribution to the continued success of these enterprises through such programs as loan guarantees, disaster loans, and managerial assistance. I am proud to personally thank the men and women of the Small Business Administration for their significant contribution to the continued health of our Nation.●

THE CLINCH RIVER FINANCING PLAN: NOTHING TO SHARE

● Mr. HUMPHREY. Mr. President, recently Secretary of Energy Donald Hodel announced that he would ask Congress to make the Breeder Reactor Corporation's (BRC's) final off-budget funding proposal for the Clinch River breeder reactor project law before the end of this fiscal year. This announcement came in answer to Congress recent passage of the energy and water development appropriation for fiscal year 1984, which prohibits further funding for Clinch River until substantial industry cost-sharing is enacted.

Unfortunately, the proposal Hodel has agreed to back is no better than the plan he refused to submit to Congress 3 months ago in May. The reason why is simple: The plan he has been asked to back now is based on the earlier plan and has the same fundamental flaws. It still does not answer Congress' request for industry cost-sharing because it does not place any industry investment capital at risk. It still requires interim private borrowing and is virtually certain to increase the cost of paying for the project over continuing to fund it through congressional appropriations. Finally, it still depends entirely on Government guaranteed issues and Government guaranteed tax benefits.

Mr. President, it is important that whatever Congress does to defuse the Clinch River breeder reactor contro-

versy, it not end up making matters worse. My own staff has had a chance to analyze the proposal Secretary Hodel has agreed to back. I ask that the full text of this analysis and a dear colleague letter that Senator BUMPERS and I recently distributed on the BRC proposal's flaws be entered into the RECORD.

The material follows:

U.S. SENATE,
Washington, D.C., July 28, 1983.

DEAR COLLEAGUE: On July 21, 1983, Secretary of Energy Donald Hodel announced that he would ask Congress to make the Breeder Reactor Corporation's (BRC's) final off-budget funding proposal for the Clinch River Breeder Reactor Project law before the end of this fiscal year. This proposal (attached) appears to be fundamentally unsound and to fail the requirement of fiscal year 1984's Energy and Water Development Appropriation that there be substantial industry cost-sharing before the project is allowed to proceed.

Our reasons for questioning the BRC's final proposal are detailed in the attached stafff analysis and center on the following points:

1. Federal support and establishment of the BRC's proposed American Energy Development Corporation sets a dangerous precedent. The federally supported corporation could equally well be used to conceal funding for Clinch River's fuel cycle support activities—$3 billion worth of line items normally funded separately from the project. In fact, the project's proponents attempted to establish such off-budget funding for Clinch River last fall when it was suggested that an off-budget nuclear fuel cycle activities account be created within the nuclear energy budget.

2. The plan is not an industry cost-sharing proposal because no industry funds are placed at risk. Indeed, industry itself publicly admits this. Instead of true cost-sharing, which would reduce federal expenditures through increased industry contributions to the project, the plan would merely take a portion of the project's funding off the annual federal budget by having the government lend money to itself through the sale of government-guaranteed bonds. This cosmetic move in no way reduces federal spending on the project. More important, because the plan requires interim private borrowing before the government-guaranteed bonds are sold, it will actually increase the cost of financing the project as compared to continued federal appropriations.

3. The BRC task force and financial houses that the Department of Energy paid nearly $1 million to produce this proposal did not follow Congressional instructions to reconsider the original cost-sharing proposal of 1971, which had the nuclear industry pay for nearly one-half of the project's costs. Also, the task force failed to consider the aggressive cost-sharing plans now in place in Germany, France and Japan for their breeder industrialization development efforts, even though the task force was instructed to do a "vigorous" exploration of alternative cost-sharing proposals.

As the attached staff analysis, "The Alternative Financing Plan for Clinch: Nothing to Share," makes clear, the BRC's plan is far less than it claims to be. The plan should be carefully reviewed by the appropriate authorizing and appropriating committees and should proceed as normal legislation. In no event should the Senate resort to any last-minute legislative procedures.

With warmest regards, we are

Sincerely,

GORDON J. HUMPHREY,
U.S. Senator.

DALE BUMPERS,
U.S. Senator.

THE ALTERNATIVE FINANCING PLAN FOR CLINCH: NOTHING TO SHARE

BACKGROUND

Shortly after the Clinch River Breeder Reactor project was first authorized in 1971 at a cost of $400 million, an agreement was reached among the nation's electric utilities, the Breeder Reactor Corporation (the BRC, which acts on the utility industry's behalf on the Clinch River project), and the Atomic Energy Commission that the utilities would contribute $257 million (and whatever interest this amount might earn) to defray the project's construction costs. In exchange, the utilities would be able to get in on the ground floor of breeder technology, which they assumed they would require by the early 1980s to meet what turned out to be unrealistically high electricity demand projections. This 50 percent contribution did not entitle the utilities to any equity share or ownership in the project. The project itself was to be built on federal TVA property and TVA secured an option to buy the plant if the government chose to sell. In 1972 the AEC increased the project's estimated construction costs to $700 million and the utilities demanded that their contribution pledge by frozen at $275 million plus interest.

Unfortunately, the project's estimated cost continued to rise. The Department of Energy (DOE) now admits that the reactor's construction will cost at least $4 billion. Last December after funding for the project was defeated in the House and carried in the Senate by only one vote, Congress instructed DOE to "vigorously explore proposals, including a reconsideration of the original cost-sharing arrangement [the 50 percent contribution arrangement], that would reduce Federal budget requirements for the Clinch River Project." DOE was to report its findings by March 15, 1983.

DOE divided its study. It supplied technical information to the BRC, which in turn, submitted general suggestions for developing private financing for Clinch River to DOE on March 12, 1983. The BRC's general suggestion was that government surrender its claim to any of the revenues that might be made from the sale of electricity from Clinch River and use this revenue stream as the basis for issuing government guaranteed bonds that, in turn, could be used to spread out spending on the project.

The Congressional reception to this March suggestion was cool. The critique by the General Accounting Office was negative. GAO observed that "while the proposal will probably change many of the existing project arrangements" (such as the government's right to own and sell the plant and to take the revenues from electricity sales or impute them into the possible sale price it might ask for the plant), "the Federal government still appears to retain most risks if the project fails or if cost overrruns occur." In this case, the new bond holders would get their money back plus interest, plus tax benefits no matter what and would be responsible for none of the new costs or risks. The GAO also pointed out that industry would be able to claim over $400 million worth of tax credits (depreciation, accelerated depreciation, investment tax credits, and research and development tax credits) by participating in the plan even though industry would only be lending the government $800 million.

A possible bill to enact this proposal was drafted by DOE in late April. This bill was nearly introduced in May but Congressmen Bevil and Fuqua objected to the proposal because it failed to reduce the cost of the project to the federal government. After consulting these Congressmen, top officials at DOE decided not to submit the bill (see *Energy Daily*, May 10, 1983).

THE PLAN

Work to finalize the BRC draft proposal continued. On June 23, the BRC task force submitted a second report to Secretary of Energy Hodel. The task force claimed in this final draft that it had developed "a specific plan for raising one billion dollars of private capital for the CRBR project" and "one billion dollars represents 40 percent of the estimated remaining cost to complete the Project (2.4 billion dollars)." In its basics, this plan is identical to BRC's earlier proposals. This plan's elements are as follows:

1. Congressional obligation to be voted on in one up-or-down vote in 1983 and to be spent over the next seven or more years to construct the project (this would effectively remove Clinch River as an issue from Congress for several years)—$1,400 million.

2. Utility contributions already pledged ($257 million) plus interest (approximately $68 million) minus what the utilities have contributed to date ($150 million)—$175 million.

3. Equity shares in the project that a newly created corporation (The American Energy Development Corporation) would begin selling immediately $150 million.

4. $1.04 billion in proceeds from the sale of 30-year 10-percent bonds (to be issued beginning in 1990) minus the interest costs of borrowing an identical amount at 10 percent from private sources to pay for a portion of the project's construction from 1984 through 1990 before the bonds are issued ($365 million)—$675 million.

Total funds raised off budget—($1 billion) plus Congressional obligation—($1.4 billion) equals what DOE estimates it will cost to complete the balance of the project—$2.4 billion.

The first three elements of the plan (the numbered items 1 through 3 above) are fairly straight forward. The plan (1) would require Congress to commit itself to a multiyear obligation to spend $1.4 billion over the next seven or more years to complete the project's construction. The plan (2) assumes the nuclear utility industry will make good on its existing pledge to contribute $257 million plus interest (i.e, that after subtracting the $150 million already contributed, the nuclear industry will contribute another $175 million over the next 5 to 7 years). The plan (3) would create a new entity, the American Energy Development Corporation, that would immediately sell $150 million worth of equity shares in the Clinch River project. These equity shares would entitle their holders to any profits that might be made from the sale of Clinch River electricity (the federal government would surrender its existing claim to the project's electricity sale revenues to the new corporation), and certain tax benefits.

These first three elements would account for $1.725 billion of the $2.4 billion DOE estimates it needs to complete the remainder

of the project; and subtracting the Congressional obligation of $1.4 billion, the off budget elements would account for only $325 million). The balance ($675 million) necessary to bring the private sector funding up to $1 billion and the total funding up to $2.4 would be raised by the plan's fourth element—through the sale beginning in 1990 of 30-year, 10 percent bonds.

The proceeds from these bond sales, $1.04 billion, according to the plan, is precisely the amount of money needed to pay the principal and interest on $675 million (this assuming the money would be needed in equal amounts annually between 1984 and 1990 before the bonds were issued to help pay for the project's construction costs and that money could be had from private lenders at 10-percent).

Private lenders presumably would lend the project the $675 million at a cost of $365 million (the compounded 10-percent interest charge on $675 million for the interim period 1984-1990 described) on the expectation that beginning in 1990 $1.04 billion worth of 10-percent bonds would be issued to pay the private lenders back. The Congressional obligation to spend $1.4 billion to complete construction of the project through 1990 would also serve as an assurance that the project and repayment were sound prospects.

PROBLEMS

In presenting this plan, BRC claims that it has "vigorously explored proposals . . . that would reduce Federal budget requirements for the Clinch River Project." The BRC, though, carefully avoided reference to the complete Congressional instructions, which specifically asked DOE to "includ[e] a reconsideration of the original cost-sharing arrangement." This original cost-sharing arrangement required the nuclear industry to pay for nearly 50 percent of the project's estimated cost and entitled the industry to no equity share or ownership in the plant. The reason why BRC deleted reference to this original instruction is simple: Properly understood, their proposal has nothing to do with the original 50/50 cost sharing arrangement or cost sharing, which would place the nuclear utility industry's money at risk. Thus:

1. No new nuclear industry contributions are provided for by the Plan. In some press accounts the BRC proposal is portrayed as providing an additional $175 million in contributions from the utilities but this, in fact, is the precise amount the utilities already owe the project from their original pledge of $257 million plus interest. This pledge was made by the utilities in a contract with the BRC and the federal government. Given this contract, the utilities would have to pay this $175 million or go to court to get out of their contractual pledge. This would be the case with or without the plan.

2. The plan requires complete government guarantees to industry against all possible risks or losses. Thus, the plan explicitly states that the federal government must guarantee the principal, tax benefits, and a fixed rate of return on the bonds and the tax benefits on the equity shares if the nuclear industry is to participate. The BRC correctly notes that the nuclear utilities currently have neither the money nor the regulatory backing to participate in further support of the project beyond fulfilling their original pledge of $257 million plus interest (even this pledge, it should be noted, is uncertain since only $150 million has been raised so far and the last contribution the nuclear industry made was in very early 1977—over six years ago). What is even more disturbing is the prospect that many state public utility commissions may not allow their utilities to participate in the plan even if the federal government does provide guarantees. As the National Association of Regulatory Utility Commissioners pointed out June 13, 1983 (See The CONGRESSIONAL RECORD, "Alternative Financing for Clinch River—Utility Regulators Unenthusiastic," June 16, 1983), "Many regulatory agencies, by state law or regulatory precedent, either limit or do not allow utilities under their jurisdiction to recover from current ratepayers the cost of plants held for future use or construction work in progress. Some of these same jurisdictions are facing the issue of how to cope with the current and future costs of existing excess capacity and abandonment or termination of power projects that will still be a problem at the projected in-service date of the breeder reactor. To ask the nation's utilities (and ultimately the ratepayers) to invest an additional $800 million in the project during this period of financial uncertainty seems harsh. . . . In addition, while it has been suggested that the Federal Government offer enhanced tax benefits to utilities for financing the project, the fact is that the nation's utility customers already carry a heavy load through rates for deferred income taxes and investment credits." Whether or not utilities can get the government to guarantee a fixed rate of return on investment on the bonds or a high level of tax advantages on the equity shares, then, may be irrelevant to the prospect of them investing: They are already having a difficult time paying for their own construction projects and until these are paid for, their public utility commissions are unlikely to let them spend money anywhere else. What the task force must assume (although they do not admit it openly) is that the government guarantees will make the equity shares and long-term bonds look so attractive that the nuclear utilities (the supposed benefactors of the project) will not have to be relied upon to invest in these issues; that others will buy.

3. Most, if not all, of the plan's $150 million in so-called equity shares would be paid for out of the U.S. Treasury, not from the nuclear industry's existing pool of venture capital. One of the key objections to the BRC's earlier alternative financing formulations of March was under them the federal government would be extending hundreds of millions of dollars of tax benefits to secure industry's participation. Thus, in the case DOE itself used to test out BRC's early formulations, the investment tax credits, depreciation, and accelerated depreciation that industry could take on a loan of $763 million to the project would cause a tax revenue loss, according to the GAO, of over $400 million to the U.S. Treasury. Such tax benefits have not been eliminated in the latest final version of the BRC's plan. Unlike the early March formulations, the final plan would not allow depreciation and accelerated depreciation credits on the bonds that would issued beginning in 1990. But it still permits industry to take a tax investment credit of approximately 10 percent on these bonds, which, assuming industry bought all $1.04 billion of the issues, would be worth over $100 million. The plan also allows depreciation, accelerated depreciation, tax investment credits, and research and development tax credits to be taken on the $150 million worth of equity shares. GAO officials estimate that the later equity share tax benefits could exceed $75 million in value to the industry. Thus, the government guaranteed tax benefits associated with the bond and equity shares could more than repay the industry for the $150 million it might invest in so-called equity shares. Confirming these points, Miner Warner, Salomon Brothers vice president and Commonwealth Edison chairman James O'Conner conceeded in questioning before the press July 21, 1983 (see Energy Daily July 22, 1983) that industry's equity contribution would come from the tax benefits available to the investors, not from risk venture capital. In way of an explanation, O'Conner claimed that he had high confidence that the project would be built and run successfully, but that it was unfair to ask private companies to assume any of the risks associated with the project.

4. The nuclear industry assumes no responsibility for project failures, delays, or cost overruns. In fact, the plan emphasizes that the government must guarantee all tax benefits, interest, and principal on the bonds. These guarantees are to prevail no matter if the project costs more than expected or is not built, if the project fails to perform as well as projected, or if electricity from the plant does not command as high a price as DOE optimistically projects. As for the equity shares, which will be paid for by industry from the tax advantages they gain from investing in the project, these too, as noted above, are to come with their own government guaranteed tax benefits. Given the nuclear industry's repeated insistence that there will be no further cost overruns on the project (that the past overruns were simply due to Congressional delays), one might think that this plan might at the very least eliminate further requests of Congress for money. Yet, when asked (again see Energy Daily, July 22, 1983), the authors of the plan refused to make a commitment that the private participants in the project would not come back to the government for more support should the project turn out to cost more than planned or encounter expensive operation and maintenance problems. More important, the plan itself stipulates that if Clinch River revenues for any reason fall short of the amounts necessary to pay off the investors, the government must pick up the difference.

5. Ironically, the plan increases the federal government's risk exposure and is almost certain to increase the project's cost. As noted above, the government must guarantee tax benefits and full repayment of the bonds even though the project's true final cost is uncertain as is its performance level. More important, though, is that the plan assumes that the interim financing will only cost 10 percent or what it currently costs the government to borrow through the U.S. Treasury to fund federal projects and programs. Even with government assurances, though, the uncertainty inherent to the project is such that this interim financing is almost certain to cost more than Treasury issues. Finally, the plan assumes that the project bonds issued in 1990 will also sell for the same rate as Treasury issues. This again seems unreasonable since even if the bonds are heavily guaranteed, they must carry some risk premium over Treasury issues. Otherwise, the buyer would reason, there would be no reason for the bonds to be issued separately from Treasury issues in the first place. Here it is instructive to note that if the bonds sell for only 1 percentage point more than Treasury bonds, they would add nearly $100 million to the

project's financing costs over what the cost would be if Congress simply continued appropriating money for the project as it has in the past. The only possible way around this difficulty would be to have the Federal Financing Bank issue the bonds (a step that would require the review of the Finance Committee). Nothing in the plan, however, can assure against the need for additional funding to cover project construction and operation overruns or less than expected revenues from electricity sales. As the plan notes, "if net revenues available after paying for fuel and other expenses are insufficient to provide returns on and of private investments in the Project, the Federal government will have to provide money for such purposes."

6. The plan's ability merely to breakeven depends on electricity sales from the reactor, which are almost certain to prove insufficient. Indeed, the plausibility of even attempting this "movement of money around in time" (the phrase of Shelby Brewer, Assistant Secretary of Nuclear Energy) rests on the mistaken assumption that utilities in the region of Oak Ridge actually will need the electricity Clinch River will produce. The plan's authors are rather vague about who will buy Clinch River's electricity. Several utilities have allowed that they might buy some electricity from the plant at avoidance costs (at prices at or below their cheapest alternative source), but no utility has yet been willing to sign binding contracts for purchase of the electricity even under these favorable conditions, much less at fixed market rates. The reason for such reluctance was best explained recently by TVA's general manager, William Willis. As he explained in testimony before the Environment and Public Works Subcommittee on Regional and Community Development in April, ". . . we do not anticipate having any need for capacity in that time frame" (through the year 2000). Confirming his point are not only the TVA's own regional demand projections, but two major, recent Congressional Research Service studies (See Alvin Kaufman and Karen K. Nelson, "Do We Really Need All Those Electric Plants?", CRS Report No. 82-147 S, August 1982 and Office of Senior Sepcialists and the Science Policy Research Division, "Perspective On Regional Electric Utility Planning"—working title of CRS report to be issued July 31, 1983). Their conclusion: Even assuming high demand, electricity capacity for the regions within reach of Clinch River will be overbuilt through the 1990s. Perhaps in recognition of this, Gordon Corey, chairman of the BRC task force that authored the plan, privately volunteered that Clinch River electricity might best be sold to distant Florida—a prospect even DOE rejected in its March 1983 analysis since extensive new, efficient power lines would have to be paid for, built, and integrated into Florida's power grid merely to dispose of the generation capacity of a plant that at most will be equivalent to that of a small coal plant.

7. The plan is an embarrassment when compared against the original cost-sharing agreement and other nations' commercial breeder development cost sharing efforts. Assuming that industry completes its own pledge to contribute $257 plus interest, or approximately $350 million, it will have assumed less than 9 percent of the $4 billion DOE optimistically assumes the project's construction will finally cost. The so-called equity shares would increase the total to at most no more than 12 percent—a far cry from the 50 percent contribution required by the original cost-sharing arrangement, which allowed industry no equity share or ownership in the plant. The plan also compares unfavorably with foreign cost sharing arrangements. Germany, for example, requires private industry to pay for, (not lend government) 29 percent of the commercial breeder effort in that country. Germany's other advanced nuclear energy commercialization effort—a high temperature gas cooled thorium fueled reactor—is cost shared not only with industry, but with money from the state or locality where the work is being done on the reactor (such state cost sharing pays for 9 percent of the project). The French, meanwhile, pay for their industrialization development breeder—the Super Phenix—entirely through increased utility rates and foreign participation. Thus, absolutely no French national research and development money is involved in this effort. Instead, 51 percent of the plant's cost is paid out of increased French utility rates, 30 percent comes from Italian utility cooperation, and 19 percent comes from Dutch, German, and Belgian utility cooperation. Finally, Japan—a heavily corporatist state—requires private industry to pay for (again, not lend) at least 20 percent of the cost of Japan's commercial breeder effort.

CONCLUSION

Recently, Secretary Hodel spoke before the staff of the Washington Times and Nucleonics Week and emphasized that although it was important to maintain America's lead in breeder reactor research, building Clinch River or any other breeder demonstration plant in the near-term was not necessary to accomplish this and that maintaining our base breeder research program (currently funded at more than $300 million for fiscal year 1984) was sufficient to the task (See Los Angeles Times, June 27, 1983 and Nucleonics Week, June 30, 1983). Apparently industry agrees, since it no longer thinks they should share the project's costs by increasing their share of contributions. Nor do they think they ought to assume any of the project's risks.

As for the work of DOE and BRC task force, little that is favorable can be said. Congress gave DOE $1 million to produce increased industry cost sharing. Yet, neither DOE nor the BRC or the financial houses who were paid to participate seem to have worked all that vigorously to do so. Although instructed to do so, they did not seriously reconsider the original 50/50 cost sharing arrangement nor is there any evidence that other options such as foreign cost sharing, national utility taxes, or state cost sharing were examined in depth.

That Congress asked for increased private cost sharing on the project and only received a proposal for government to lend money to itself at increased risk is disappointing. The bigger point, though, is that this disappointment ought not to be all that surprising. For several years now the shortcomings of the Clinch River Breeder Reactor Project have been documented in great detail. A project that is difficult to justify economically generally is difficult to cost share with industry. Industry, unlike government, after all, needs to show a profit to survive. Although the nuclear industry was vitally interested in investing in Clinch River when it seemed that it would produce significant commercial benefits, it no longer is willing to put new capital at risk.

Under these conditions, proponents of the project find it easy to conclude that government should simply assume industry's share (thus, the hollowness of the plan they offer). They would have Congress ask how can we finance Clinch River? Yet, the difficulty the proponents are having in getting industry to pay for more of this "industrialization" project (the term DOE uses in its latest budget justification for Clinch River) suggests that this is the wrong question. If Congress is unwilling to pay for all of the Clinch River Project because it is too costly and open to question, and industry is unwilling to put any more of its capital at risk, the question no longer is how can government cost share the project, but rather whether or not government should at all.●

ALBANY COUNTY CELEBRATES 300TH ANNIVERSARY

● Mr. D'AMATO. Mr. President, this year, the residents of Albany County, N.Y., are most proud to celebrate their 300th anniversary. I join with them in commemorating this historic occasion by offering a special tribute in recognition of the numerous achievements of this important county along the Hudson. Throughout its 300 years, Albany has occupied a key position in the history of the Empire State and this Nation.

As the oldest continuous settlement of the Thirteen Original Colonies, Albany is well-deserving of its designation as "the cradle of the Union." Its colorful history began in 1609 when the English explorer Henry Hudson, sailing for the Dutch East India Co., landed on the site of present day Albany. Although originally under Dutch rule, Albany became an English colony in 1664. Nevertheless, the legacy left by the Dutch has remained to this day in terms of language, customs and traditions. Since Revolutionary times Albany has been an important center of political activity. In 1754, Benjamin Franklin offered his "Albany Plan of the Union," which was the prototype for our federal form of government.

Today, the city of Albany serves as the capital of New York State. The relatively small population of Albany County belies the vibrancy and importance of the area. In addition to its role as the seat of State government, Albany is also an important commercial center. The Hudson River's deep water channel has enabled Albany to become a world-famous seaport, each year handling several million tons of cargo from around the country and the world.

Albany County has long served as an educational center and currently has 18 institutions of higher learning. It is home to the State University of New York at Albany, the oldest in the SUNY system. In addition, Albany Law School, the oldest in the State, is located within the county's borders.

Over the years, Albany has successfully retained the charming qualities of smalltown life while developing a cosmopolitan air more often found in

larger cities. Albany provides a generous selection of theater, art, and music to residents and visitors alike. The imposing Empire State Plaza contains the Performing Arts Center, which features a variety of cultural presentations within its unique egg-shaped structure. Several excellent museums afford a diverse offering of works. Albany is also proud of its resident Albany Symphony Orchestra and Capital Repertory Co. With all that Albany has to offer, it is no wonder that it has become a major tourist mecca. Each year thousands visit the area in order to take advantage of the county's broad range of sights and activities.

For 300 years, Albany County has been in the forefront of economic, political, and cultural activity in New York State and this Nation. It is with great pride, therefore, that I extend my sincerest congratulations and best wishes to the residents of the capital region as they participate in the tricentennial celebrations. I am confident that the county will meet with continued success and prosperity in the years to come.●

ADDRESS BY SENATOR KENNEDY BEFORE NATIONAL COUNCIL OF SENIOR CITIZENS

● Mr. RIEGLE. Mr. President, most Members of Congress are aware that one of the most significant issues before us over the next few years will be the fiscal integrity of the medicare system. Recent actuarial estimates have slightly lengthened the period of time before the onset of the projected shortfall in the medicare insurance trust fund. Nevertheless, the need for exploring the full range of options available to us to avert any crisis in the medicare program is real and it is something we should be doing today.

In that regard, I urge all of my colleagues to examine the recent address delivered by the distinguished senior Senator from Massachusetts, Mr. KENNEDY, before the National Council of Senior Citizens. Senator KENNEDY, who throughout his many distinguished years of service in the Senate has established himself as a leading expert in the field of health care, has developed a medicare rescue plan which he has outlined in his address before the National Council.

Mr. President, I ask that the address by Senator KENNEDY to the National Council of Senior Citizens be printed in the RECORD.

The address follows:

ADDRESS OF SENATOR EDWARD M. KENNEDY TO THE NATIONAL COUNCIL OF SENIOR CITIZENS

First of all, let me thank Bill Hutton for that rousing introduction.

You know, every time I listen to Bill, I realize that Ronald Reagan's problem isn't his age.

What's wrong with Reagan isn't that he's over 70, but that all of those reactionary Republican ideas he has are at least 70 years out of date.

We know that this Administration is led by the oldest American President. But we also know how ironic and tragic that is. Let's say it bluntly and plainly: this is the most anti-elderly, anti-Social Security, anti-Medicare Administration in all of American history.

So I am proud to be here today to restate my opposition to that Administration—and to reaffirm my solidarity with all of you—with your President and my friend, Jake Clayman; with another great progressive leader, John Jacob of the Urban League; and with that extraordinary, tireless, and very special person, Evie Dubrow.

I am here today to renew my promise that I will stand with you in 1984 as we have stood together so often before. Although I will not be a Presidential candidate myself, I will work hard and campaign my heart out to replace Ronald Reagan with a new Democratic President—who will defend the rights of the elderly instead of denying them.

And I will work to elect a new Democratic Senate, so that we can protect the nutrition of our senior citizens by removing Jesse Helms as Chairman of the Agriculture Committee.

We can protect their legal services by removing Orrin Hatch as the Chairman of the Human Resources Committee.

And I hope you won't mind this at all: with a Democratic Senate, instead of Orrin Hatch, you will have Edward Kennedy as Chairman of that committee.

And then Bill Hutton and I will travel this nation and hold hearings and tell the American people the harsh reality: too many retirees are barely living on social security today; too many of them can barely pay for their rent or their heat; too many fear that illness will cost them their homes as well as their health—and so we cannot afford and we will not accept any more federal budget cuts in basic programs for the elderly.

We believe in reducing the deficit. But we insist that we should do it by taking from the gains of the greedy and not by adding to the pains of the needy. We believe that it is time, at long last, for the special interests to ask what they can do for their country.

We remember the President's reassurance that he really does care about the elderly. Well let me reply: Our senior citizens could do with a little less of Mr. Reagan's care and a little more Medicare.

Let me recall the dishonor roll of the Reagan record on the elderly:

We believe in the Older Americans Act, which provides social services so that elderly citizens can stay in their own homes and eat at least one square meal a day. You would think everyone would believe in that—but not Ronald Reagan. He tried to cut 70 million dollars last year—and 55 million more this year.

He was wrong then; he is wrong now—and on this issue, we have only just begun to fight.

We believe in low income energy assistance, so that the elderly will not be left cold in a bitter winter or face heat exhaustion in a brutal summer. You would think everyone would believe in that—but not Ronald Reagan. He tried to cut half a billion dollars last year and another half a billion this year.

He was wrong then; he is wrong now—and on this issue, we have only just begun to fight.

We believe in food stamps, so that the elderly will never again have to shop in the pet food section of our local supermarkets. You would think everyone would believe in that—but not Ronald Reagan. He tried to cut 2.3 billion dollars from food stamps last year—and three quarters of a billion more this year.

He was wrong then; he is wrong now—and on this issue, too, we have only just begun to fight.

We believe in legal services, so that senior citizens can have their day in court even when they can't afford a lawyer. You would think everyone would believe in that—but not Ronald Reagan.

This is his proposal: Eliminate the Legal Services Corporation. And this is our reply: Eliminate Mr. Reagan's Administration.

And the most shameful part of this record was his assault on Social Security. Ronald Reagan always opposed that program—and when he learned the system was in trouble, he saw a golden opportunity to salvage Social Security in order to salvage his $200 billion budget deficit.

But you and I and the Democratic Party, and millions of citizens, young and old, stood our ground and stopped that scheme.

We did not achieve every thing that everyone wanted, but we saved the system. And we sent a clear message to David Stockman and his friends: Keep your budget-cutting hands off our Social Security.

But now Reagan, Stockman, and Meese have picked another target. They want to exploit the crisis of Medicare in order to excuse billions of dollars in benefit cuts. And our reply to them is as strong today as it was a year ago on Social Security—Ronald Reagan and David Stockman, keep your budget-cutting hands off our Medicare.

You don't have to kill Medicare in order to save it. We can and we will save Medicare—and we will do it without unfair benefit cuts, without massive tax increases, and without tatooing a means test on any Medicare beneficiary.

The crisis in Medicare is real. If we do nothing, the deficit in that program over the next two decades will total one trillion dollars. But there is a right way and a wrong way to deal with the crisis—and the Reagan way is the wrong way.

If we try to eliminate the deficit in Medicare by reducing benefits, we will have to cut the program by thirty percent. If we try to eliminate the deficit by raising taxes, we will have to raise them by fifty percent. Now, we know something that Ronald Reagan is about to learn—higher taxes and lower benefits are unacceptable to N.C.S.C., unacceptable to Congress, and unacceptable to the American people.

The President actually seems to believe the preposterous notion that Medicare is in crisis because the benefits are too generous and the elderly are using too much health care. But we know that Medicare now pays only 44 percent of the total health care bill for the elderly; on the average, senior citizens now pay twenty cents out of every dollar of income for needed health care, yet they are worse off today than before Medicare was enacted.

No elderly citizens in America should have to choose between food on their table, heat for their home, or an appointment with their doctor. So let me make this pledge to you now: Medicare is one issue where we are not going to let Reagan be Reagan.

The Administration also refuses to acknowledge something else that everyone already knows—that the cause of the Medicare crisis is not the abuse or overuse of services by the elderly, but the uncontrolled

inflation that is corrupting every aspect of our health care system.

We often hear the President speak about his record as an inflation fighter—but he obviously is not aware that health costs are still rising at double digit levels. I think I can guess the reason. When do you think was the last time Ronald Reagan even looked at his own doctor's bills?

Instead of taxing workers and cutting Medicare benefits for the elderly who are ill, it is time to treat the cause of the problem by demanding far-reaching changes in the health care system. Instead of placing all the burden on elderly and the sick, it is time to demand a fair share of sacrifice from the hospitals and the doctors who have grown wealthy off of health care inflation. It is time to end that inflation, and to say to this Administration, to doctors and hospitals: You shall no longer impoverish the golden years of our senior citizens.

The alternative I favor—the Medicare Rescue Plan—contains four essential elements:

First, we must adopt a system of prospective payments for all hospital costs.

Senator Russell Long tells the story about three businessmen arguing over the check for dinner. The first one says, let me pay it; I'm in the fifty percent tax bracket and it only costs me fifty cents on the dollar. The second says, no, I'll pay it; I'm on a company expense account and it doesn't cost me a thing. And the third says, no let me have the check; I'm on a "cost plus" government contract and I can actually make money on it. Well, "cost plus" is the way we are paying for health care, and we can't afford it anymore.

Earlier this year, Congress went part way by adopting a prospective payment system for Medicare. But Congress did not go far enough—you can't squeeze just one part of the balloon or it will pop out in other places.

Adoption of prospective payment for all providers is the indispensable condition for solving the Medicare crisis. By itself, this step will cut the Medicare deficit almost in half and save billions of dollars in the coming years. Instead of loading new costs on workers and deep benefit cuts on the elderly, it is time to control health costs at the source, by putting real restraints on what hospitals can charge.

Second, we must establish reasonable incentives for out-patient treatment under Medicare in the many cases where in-hospital care is wasteful and unnecessary. In recent years, we have travelled in precisely the wrong direction. Because of the misguided incentives of present law, hospital admissions have increased four percent a year under Medicare, yet the Medicare population has gone up only 1.5 percent.

The incentives we need are already a feature of all the successful state systems for hospital control. But using out-patient treatment more often under Medicare, we can achieve essential savings without embracing the Reagan extreme of denying essential services.

Third, we must reform the way physicians themselves are reimbursed for their services in the hospital. At the present time, there is no effective constraint at all. The result is that physician costs under Medicare have been climbing an incredible 18 to 20 percent a year, the worst inflation in the entire health sector. And if doctors decide that Medicare doesn't pay enough, they are completely free to charge patients any additional cost.

The Medicare Rescue Plan will combine physician and hospital reimbursements in a single payment for each patient treated in the hospital. Instead of a system that challenges Medicare to end cost overruns. When an elderly citizen who is sick goes to the door, he ought to find a doctor making a house call, not a bill collector charging him for what Medicare won't pay.

These three elements of the rescue plan are sufficient to eliminate the entire projected deficit in the Medicare Hospital Insurance Trust Fund and make it sovent in every year covered by the economists' projections. But the plan has an additional feature as a margin of safety—it also places the current temporary borrowing between Medicare and Social Security on a permanent basis, so that each fund can assist the other in a future shortfall.

This plan to rescue Medicare is a positive approach and a progressive alternative for the 1980's. We have no illusions about the difficulty of the struggle. We know the power and the entrenched position of the special interests arrayed against us, but we shall not hesitate to make the effort. And we shall fight every bit as hard to save Medicare today as we fought to start it in the 1960's.

In fact, even more than Medicare is at stake. The present crisis poses a critical choice for the future of the entire health care system—not just for Medicare, not just for the elderly, but for every citizen of this country.

We cannot go on as we are. We cannot accept a situation where every year, the cost of health care demands an ever-greater share of the nation's wealth and enterprise.

We will not succeed in controlling costs by cozzing up to President Reagan and his self-defeating schemes for benefit cuts and tax increases. Democratic candidates will not succeed in their campaigns by posturing in ways that promise only to cut benefits a little less and not raise taxes quite so high.

And our candidates will not succeed by running away from one of the most fundamental issues of all—the continuing, urgent need for a national health plan as a fundamental right of all Americans.

The United States of America must not continue to stand alone with the apartheid regime of South Africa; we must no longer deny the basic necessities of health on the basis of a family's wealth.

Only with a national health plan can we halt the runaway inflation that has stricken American medicine. Instead of rationing health care, let us make our health care system more rational. And let me say again something that I have said before—and that I will continue to say until it finally comes true: If a national health plan is good enough for the President, the Vice President and the members of Congress, then it is good enough for you and for every citizen in this land.

Let me close with a few personal words to each of you. No group of Americans has meant more to me, no group meant more to my brothers, than the senior citizens of this land. Your hopes have been central to all of our public lives.

When John Kennedy ran for the presidency in 1960, one of the issues at the heart of his campaign was Medicare. Three years later, twenty summers ago, on a sunny day like this, he spoke at the White House to the members of the National Council of Senior Citizens. He expressed a commitment to decent health care for the elderly—which, he said, "is strongly supported by this Administration, and particularly by this President." It was a cause that was close to his heart. Your cares truly were his concern.

I am proud that across all the years since then, I have stood for that same commitment. I believe that there is no more important test of the quality of our country than how we treat our senior citizens, for all of us, if we are fortunate, will someday be elderly.

Finally, I am more grateful than words can say that so many of you stood with me during the most difficult hours of the 1980 campaign. When I recall how hard and long Bill Hutton worked, and how many senior citizens were there volunteering in our headquarters, sitting at the phone banks, getting out the vote, when I reflect on how much energy they had and gave, I realize the truth of Robert Kennedy's observation: "Youth is not a time of life, but a state of mind."

In fact, this is the youngest looking group of senior citizens that I have ever seen. And because you will continue to be young in spirit, I am confident that we will win the struggle for social and human justice—and that the 1980's will be, as they should be, among the very best years of your lives.

Fact Sheet—Kennedy Medicare Rescue Plan

BACKGROUND ON THE DANGER OF MEDICARE BANKRUPTCY

Health care cost the nation $322 billion in 1982, of which Medicare consumed $52 billion.

Health care as a percentage of the gross national product has risen from 5.3% of GNP in 1960 to 10.5% in 1982.

The latest Medicare Hospital Insurance (HI) Fund Trustees Report projects Medicare bankruptcy by 1990 under the most likely ("intermediate") economic assumptions.

Under more pessimistic economic assumptions, bankruptcy could come as early as 1988.

The accumulated deficit for the period 1985 to 2005 will exceed one trillion dollars under the most likely economic assumptions.

INFLATION IN THE COST OF HEALTH CARE

Year	Percent increase—			Health as percent of GNP
	CPI	Hospital costs	Physician costs	
1960	1.6	11.2	3.7	5.3
1965	1.6	7.2	8.4	6.0
1970	5.9	15.4	13.4	7.5
1975	9.1	16.4	17.4	8.6
1980	13.5	16.6	16.6	9.5
1982	6.0	14.9	12.8	10.5

PRINCIPLES OF THE KENNEDY MEDICARE RESCUE PLAN

(1) No reduction in benefits.

(2) No increase in taxes.

(3) Reimbursement reforms applied to all hospital patients, not just those under Medicare.

The Kennedy plan to eliminate the medicare deficit

	Billions
Cumulative medicare deficit (1985 to 2005) medicare savings under Kennedy plan	−$1,018
I. Prospective payment system for hospitals	+426

	Billions
II. Incentives to reduce unnecessary hospital admissions	+210
III. Prospective payment system for in-hospital physician services	+411
IV. Authorization for borrowing between medicare and social security trust funds (not needed under the most likely economic assumptions)	
Net surplus under Kennedy plan	29

THE KENNEDY PLAN ALSO PRODUCES SAVINGS FOR EMPLOYEES, EMPLOYERS, AND OTHER PRIVATE PAYERS OF HEALTH COSTS

In addition to the savings achieved under Medicare, corresponding savings will also be obtained in hospital costs in the non-Medicare sectors of the health care system.

Hospital costs will be reduced by approximately one-third.

DETAILED DESCRIPTION OF KENNEDY MEDICARE RESCUE PLAN

I. Comprehensive hospital prospective payment system

Hospitals will be paid prospectively for each admission; payments will increase from a base period at the market basket rate (a measure of the amount hospitals pay for their goods and services) plus one percent.

The prospective payment system provides incentives to hospitals and other providers to deliver health care efficently, and it will reward those who do so.

The prospective payment system lowers Medicare costs by reducing hospital demand for goods and services, which in turn reduces market basket prices.

The Kennedy plan also includes incentives for states to develop their own prospective payment systems under broad federal guidelines.

The plan will make additional revenues available to hospitals providing care to those who cannot afford to pay.

II. Incentives for hospitals to reduce unnecessary admissions

Hospitals will be reimbursed at a lower rate for unnecessary admissions.

The lower rate will encourage hospitals to provide treatment on a less costly, outpatient basis where feasible and appropriate.

This type of incentive reimbursement is a current feature of virtually every mandatory state program for hospital cost containment.

III. Prospective payment system for hospital-related physician costs

Lump-sum payment for physician services and hospital services for each hospital patient at the market basket rate plus one percent.

Incentives for physicians and hospitals to work together to promote cost effective care.

Transfer hospital-related physician services from the Medicare Supplementary Medical Insurance (SMI) Fund to the Hospital Insurance (HI) Fund. Savings will reduce the HI Fund deficit.

IV. Interfund borrowing authority

Under the most likely economic assumptions, Medicare balances will be lowest when other Social Security trust fund balances have large surpluses.

Interfund borrowing provides a safety net in the event of shortfalls in HI balances resulting from changes in estimates or unanticipated economic circumstances.●

REMARKS OF MRS. CHARLENE BAKER CRAYCRAFT AT 25TH ANNIVERSARY OF ACA

● Mr. HATCH. Mr. President, the Americans for Constitutional Action (ACA) recently celebrated its 25th anniversary. This fine organization met in Washington, D.C., on June 28, 1983, and I would like to bring to the attention of my colleagues the splendid remarks of the Chairman of the Board of Trustees of ACA, Mrs. Charlene Craycraft.

Mr. President, I ask that the remarks of Mrs. Craycraft be printed in the RECORD.

The remarks follow:

REMARKS OF MRS. CHARLENE BAKER CRAYCRAFT

Welcome to the 25th Anniversary Celebration of the Americans for Constitutional Action. Tonight is indeed a milestone . . . not just for ACA, but for the entire conservative movement in America.

With the tremendous growth of public interest groups supporting a variety of causes today, I think it is difficult for many of us to recall the days twenty-five years ago when groups such as ours were not in existence. In fact, ACA was established because a small group of very dedicated, conservative Americans believed that there was a need for balance in the American political system. The Americans for Democratic Action had been established and there was no credible conservative voice to represent a positive alternative to ADA.

So, ACA was established to provide that kind of positive conservative voice that America needed. You may recall that among the founders of our group was Admiral Ben Moreell, an outstanding American and the man who built the Navy's Seabees. For many years, Admiral Moreell led ACA and no one man better exemplified the guiding principles of our group than he. Governor Charles Edision was ACA's first treasurer and held that position until his death. Governor Edison was the son of Thomas Edison and a man whose name is even today still synonymous with philanthropy and patriotism.

ACA, as most of you know, has been a quiet organization for most of its years. We have never sought the limelight; we have never looked for headlines; rather we have just simply tried to do our best to elect solid conservatives to the House and to the Senate. Beyond that we have, of course, published what I believe is the finest conservative vote rating for Members of Congress for the past twenty-five years. Though we've been a quiet group, I hope you'll allow me to boast for just a minute. During the past twenty-five years, ACA has assisted countless candidates for public office in every state of the union. During the early years we were often the only Conservative voice to be heard.

For the last thirteen years we have been helping to raise funds for our Conservative friends. As a matter of fact, ACA handled approximately 4 million dollars in the 1981 and 1982 campaign years alone. The checks went directly to the incumbents and candidates, something no other group does. This was accomplished on an annual budget of $100,000.00 for ACA. Imagine what we could accomplish on twice that amount!

We have finally reached the point in America today where we have a winning Conservative coalition. Now it is our charge to keep that coalition going, to keep it strong, to keep it fresh, to keep it responsive to the needs of the American people. We still have major obstacles in our way. We still need more Conservatives in the Congress. We need to improve the Conservative ranks at the state and local level, too. Working together, I know that we can achieve our goals. We've come so far already, we must not stop now.

I know most of you here this evening gave personal donations to ACA because you believe in our work as strongly as I do. With a rent increase of 150 percent beginning in August, we will not be able to continue this important work without your support and I know we can count on you.

In less than a week we will celebrate the 207th Birthday of the United States of America. As we approach that important birthday I invite each of you to reflect upon the values that have made this Nation great—our commitment to the free enterprise system, to a strong defense, to the freedoms we so cherish, to local self-determination and to individual rights and the responsibilities that come with them. In short, to have the opportunities to enjoy the liberties that our system of government insures to each of its citizens. This is what our Nation is all about. This is what ACA is all about.

Thank you for being with us tonight to celebrate 25 good years. I hope that you will be with us in the years to come.●

BISHOP R. S. FIELDS

● Mr. METZENBAUM. Mr. President, this week, in my home city of Cleveland, the Ohio North Jurisdiction of the Church of God in Christ will hold its 67th annual convocation. I wish to extend to the delegates my best wishes for a productive meeting.

This convocation is a very special one, Mr. President, because it marks the 20th anniversary of the ordination and consecration of R. S. Fields, a truly outstanding religious and community leader, as bishop of Ohio, north.

Bishop Fields, who served for 27 years as a highly respected pastor before he was named to his current position, is a man who knows the meaning of the scriptural injunction to work the work of Him that sent me while it is day. He is a person who has earned the high respect in which he is held by his friends and colleagues of all religious persuasions.

Mr. President, I join the delegates to this convocation in honoring Bishop Fields and in expressing to him the gratitude of the entire community for his years of distinguished service. I wish also to extend my warm best wishes to Mrs. Helen Fields, who has contributed so greatly to her husband's success, and to the four Fields children, who will be able always to take pride in the accomplishments of their parents.

I ask, Mr. President, that a biographical sketch of Bishop Fields be printed in the RECORD.

BIOGRAPHICAL SKETCH OF BISHOP R. S. FIELDS

"I am crucified with Christ; nevertheless I live, yet not I, but Christ liveth in me: and the life which I now live in the flesh I live by the faith of the Son of God, who loved me, and gave Himself for me."—Galatians 2:20

Bishop R. S. Fields is the very epitome of those words spoken by one of the greatest spiritual and intellectual giants of all times, the Apostle Paul, in that there are many parallels. While Bishop Fields' life is exemplary of the indwelling Christ, he emulates both Christ and the Apostle. His record speaks for itself for he has lived under the influence of God and has edified great congregations and brought many to Christ. His accomplishments are most notable, and stand as a monument now, and will remain throughout history.

Bishop Fields was born in Mason, Tennessee, and came to reside in Cleveland, Ohio as a youth. He was saved at an early age under the late Bishop Riley F. Williams. He worked in the Church with all his might serving in many different capacities. For 27 years, he served as the State President of the Y.P.W.W. Department—until 1963 when he was ordained as Bishop of Ohio, North, and consecrated in Memphis, Tennessee during the Convocation of the same year.

In addition, Bishop Fields served loyally as the Assistant Pastor to the late Bishop R. F. Williams, and Assistant Overseer to the late Bishop U. E. Miller, whom he succeeded. He also worked out and pastored congregations in Massillon, Cleveland, Warren, and Youngstown, and the State Temple, Calvary Hill Church of God in Christ, Cleveland, Ohio, where he has been involved in an extensive restoration program which now reflects the beautiful fruit of his arduous labor. His theme is "I must work the work of him that sent me, while it is day."Bishop Fields has a lovely, devoted, supportive and competent wife working by his side, Sister Helen Fields, who is an inspiration to those who know her. They are the proud parents of four surviving, successful children, Ernest, Barbara, Doris, and Darrell.●

ARIZONA REPUBLIC ENDORSES COAL SLURRY LEGISLATION

● Mr. GOLDWATER. Mr. President, I am pleased to inform my colleagues that a prominent Southwestern newspaper, the Arizona Republic of Phoenix, Ariz., has recently endorsed the coal slurry pipeline legislation which Senator JOHNSTON has introduced and which I am cosponsoring, S. 267.

This development indicates that almost everyone in the West is now satisfied that the provisions of the bill are adequately protective of water rights and water use by local and State governments and users. I ask that the editorial which appeared in the Republic may be printed in the RECORD for the benefit of other Senators who may not yet have seen it.

The editorial follows:

[From the Arizona Republic, June 25, 1983]

AN O.K. FOR COAL SLURRY?

If Congress approves coal slurry pipelines—and it now seems closer than at any time in the past 20 years—this would cut the delivery price of Western low-sulfur coal.

More utilities across the country would buy cleaner Western coal, eventually generating greater income and jobs for the West.

Arizona produces 12.5 million tons a year, all on the Navajo Indian reservation.

Coal-fired plants produce more than half of all U.S. electricity.

Railroads, fighting to keep their high-volume coal traffic, have managed to defeat pipeline developers for two decades.

They are still attempting to block the pipelines—carrying a 50-50 mixture of coal and water through mostly underground lines—from crossing railroad rights-of-way.

Western coal and pipeline interests are trying to use the power of eminent domain.

One reason why the bill has a chance of passage is that much of Western agriculture's past fear of losing irrigation water to slurry had been calmed.

Reps. Richard Cheney, R-Wyo., and Morris Udall, D-Ariz., have written a measure that gives the states authority over water used in interstate coal slurry pipelines.

No firm may purchase water for slurry without state approval.

In some cases, moving coal by pipeline is half that of rail rates.

In all instances, the new delivery method offers savings to customers.

Coal slurry pipelines should make both the railroads and slurry lines more cost-efficient.

Such efficiency should help coal better compete with nuclear and oil energy.

The United States has hundreds of years of energy resources in its coal deposits.

Western coal is relatively clean-burning.

After two decades, the time for coal slurry pipelines has finally arrived.●

PERCY ROSS

● Mr. DURENBERGER. Mr. President, there is a name familiar to a lot of people without much explanation—Percy Ross. Millionaire philanthropist. Syndicated columnist. A man with a heart of gold who gives pieces of it away in the form of silver dollars, checks, and cash.

Percy Ross, born the son of a junk dealer, lived in poverty and dreamed of wealth. His wish was to become a millionaire, and to share his riches, helping underprivileged children and adults.

One such time he invited 1,050 children from low-income homes to a Christmas Eve party at his expense. Food and festivities abounded throughout the evening. At the end of the night, each child received a brand-new bicycle. Watching their great surprise and delight was Percy's own best gift.

He wants to keep giving it all away before he goes. His greatest joy in life is watching the recipients of his good will when they see their gifts from him. He has given color televisions, bikes, cash, checks, and even a cow—whatever someone in need, needed.

He is always ready and willing to share his advice and his optimism along with his heart and his pocketbook, with anyone who needs it.

I would like to share with my colleagues a story on this very special man in Minnesota.

I request that the article from the Washington Post of July 18, 1983, be printed in today's CONGRESSIONAL RECORD.

The article follows:

[From the Washington Post, July 18, 1983]

THE BUCKS START HERE—PERCY ROSS IS FREE WITH ADVICE—AND THE MONEY TO BACK IT UP

(BY JOYCE WADLER)

A letter in the newspaper from a lady in Ohio. She's written to Percy Ross, the Daddy Warbucks of the Modern Age, the Miss Lonelyhearts with the dough. "My dear Mr. Ross," the lady begins, for clearly, she is refined, "I am 73 and give my 86-year-old sister intensive care 24 hours a day. She is an epileptic, who can't talk, walk and can barely see . . . Our combined income is $665 a month, including food stamps. I need my roof fixed badly, it leaks from the upstairs into the first floor . . . The only money we have is about $400 I saved to bury us . . . I'm sure you're one of God's angels. Will you please help us?"

The naivete of the lady! To think she will get something for nothing! From a newspaper columnist, no less! Good lord, they're lucky if *they* can pay the rent.

But wait a minute, what's this?

"I have contacted Dick Baker of the Baker Roofing Inc. in Columbus and he is going to do the work and send me the bills," writes Percy Ross. "Hang on to your savings.

"Perhaps I can answer your prayers . . . although I'm not one of God's angels," it says.

Percy Ross. The Dear Abby of the Downtrodden. Millionaire Philanthropist who vowed to give it away before he dies, and is doing, at the age of 66, pretty well. Spent thousands and thousands on a party for disadvantaged children the night before Chistmas 1977, and before they went home, provided each with a brand-new bike. Threw a $25,000 steak and champagne party for the bellhops at Minneapolis Airport, who treated him just as well when he made his millions as when he was down and out. When he goes on a trip, he carries a few hundred in silver dollars to give out: his motto is Sharing is Caring.

Then there's the column, Thanks A Million, syndicated by the Register Tribune Syndicate in 80-odd papers. Advice. Better yet, cash. A woman on public assistance and her handicapped daughter without running water in Tennessee? Off goes the check! An elderly woman, the candy lady of Seattle, who's been dispensing goodies to the children for years, now in a wheelchair, and the neighbors want her to get a remote-control TV so she doesn't have to get out of her chair? Ross will go out to Seattle and buy the TV himself. Himself, himself!

Not out of a hat, not via a pumpkin, not even out of a private jet. Those high living flamboyant days, those days of the color TV in the shower, have been toned down for Ross, he insists; even if he still wears the Gucci loafers and drives the limo once

owned by Howard Hughes. A tuition check for the high school dropout who wants to better herself and take the high school equivalency test; Ross is a sucker for self-improvement, out goes the check. A 92-year-old woman who took her driving test at 72, but can't afford to fix her car, and she has to visit friends at the nursing home; out goes the check.

Oh, there's them that's turned down, of course; the idle dreamers, the loafers, looking for an easy way out. But for others, there will be the money, the common denominator only that it will change a life. And this money is the most suspect thing in the universe, the free buck.

Naturally, there are those who decline to carry the word. Ross' hometown paper, the Minneapolis Star and Tribune, the only major paper in town, does not run Ross' column, and some in town question his motivation.

"Percy Ross is a publicity hound from the word go," Minneapolis Star Tribune columnist Robert T. Smith told People magazine. "If you're going to be a real philanthropist, you do it quietly and get your reward in heaven."

Ross' rules, which have a tendency to rhyme (Sharing Is Caring) are absolutely the opposite.

"He Who Gives While He Lives, Knows Where It Goes," he says.

As for his needs, it is entirely possible that among them, publicity is only a small part.

Meanwhile:

Dear Mr. Ross:

I am 71 and never sleep well in this high crime area in Brooklyn . . . I'd feel a lot safer if I had steel bars on my windows—Mrs. L.O., Brooklyn.

Dear Mrs. O.:

I hope you sleep better. My check is in the mail.

What hot copy precedes Percy Ross! He sits in a hotel room with a Detroit reporter and throws silver dollars into the air, to glory in that unnatural, but in his case quite real, phenomenon, a shower of money. He rode in the Minneapolis Aquatennial Torchlight Parade as Honorary Swede of the Year five years back and, from the back of a Lincoln Continental, flung $16,500 in silver dollars to the crowd, trying for a giveaway rate of $5,000 a mile. His staff is all female. On the phone to Jimmy the Greek, it's "Jimmy Baby"—"Percy Baby."

So it's something of a surprise when Ross, age 66 comes into New York to promote the newspaper column and appear on "Late Night With David Letterman," to find, in the hotel lobby, a man quite subdued, perhaps even preoccupied with some sorrow. The build is slight, the voice is quite, he wears a quiet blue sports jacket, albeit with the silk pocket scarf and Guccis; he asks if it's okay if he's interviewed in the lobby; his wife isn't feeling well, he'd rather not disturb her upstairs. He is not covered with jewelry; he doesn't call anyone "baby." You know, only because you've seen the stories, that there's a medallion under the shirt that says Percy Ross—Millionaire; just as you know, only because he tells you offhandedly later, that the white strands of softly waving hair on the top of his head are transplants.

Does he still have the color TV set in the shower?

"That was in the good old days," he says, his voice as pleasant and friendly as a Fortune 500 exec. "I've changed. It was just a thing I always wanted . . . I was living out my fantasies." He laughs, a little at himself. "The steam in the shower clouded the screen, so that I had windshield wipers installed."

And the cars, the nine cars to match the colors of his 200 suits?

I've still got the cars," says Percy. "Generally, I'll use the limo only if I'm giving a talk at one of the schools, to take the kids for a ride, or if I have guests . . . I'm down to about 100 suits . . . I enjoyed my life, I'm pretty much back to normal now . . ."

A few days after the first discussion he is asked in a telephone conversation to comment on a charge of possession of hashish, which he was acquitted of two years ago, and he is considerably less affable.

"I'm only going to give you one sentence on that," he says. "I can't waste my time thinking of anything negative; what was found was not hashish and the case was dismissed." Pressed to explain further, he threatens to hang up, while a loyal assistant, Connie Hanson, interjects, "That was all started by a vindictive female employe, who was angry that Mr. Ross was giving money to other people and not to her . . . He was charged . . . and it isn't true."

The ups and downs of Percy Ross: it's no wonder the New York literary agents and Los Angeles producers are after him to do the story of his life. Born poor, the son of immigrants, twice rich, twice broke; buys a plastic-bag factory in '58 for $30,000, sells it 11 years later for $8 million. Gives $2 million each to his two sons and wife ("I didn't give it to her, she *earned* it," he corrects), cleverly invests the rest. No one now knows precisely what he's worth; the figure $20 million circulates only because a Newsweek reporter put that to him once as a guess, and Percy shrugged, and so it remains in the files. It's enough, at any rate, to do what he likes with it, and what he likes to do is give it away.

He's been asked why so often that his reply, accompanied by silver dollars for reporter and photographer, could probably be made in his sleep.

"What am I going to do with it after I'm gone?" he says. "My family is all taken care of, I could leave it all to different organizations, but I enjoy spending it while I'm alive. My motto, of course, is 'He Who Gives While He Lives, Also Knows Where It Goes' . . ."

They say if you were a true philanthropist, you'd give it away quietly, without hogging the limelight; that you could go off and build a hospital or something without this undignified spectacle of flinging money into the street; or bringing in disadvantaged kids the night before Christmas and making sure the TV crews are there when you give it away.

An unflappable shrug from Ross.

"I enjoy giving," he says. "I want to be there when I give. Just like parents want to be there when they give a present on Christmas morning—they don't go in the other room. I want to see the faces of those kids when they see those shiny new bicycles. That was a dream of mine ever since I was a kid, to help as many poor kids as I could."

That particular party: One thousand and fifty disadvantaged children, in Minneapolis, gathered in a high school auditorium. At each table, as "kind of a subconscious lesson," two policemen, as counselor and friend. He had policemen opening gifts for kids, he had policemen taking kids by the hand to the bathroom, chuckles Ross. The room is divided by a curtain. End of the evening, Percy has the kids stand up, backs to the curtain. "I said, 'you all stand up and keep looking at me'—I had 1,050 kids facing me." When the curtain goes up, he has the kids turn around. They see the 1,050 shining bicycles and they start screaming, yelling, knocking over chairs to get to their bikes. He can't describe it. He cried, that's for certain. Those kids and their bicycles. Because of him, Percy Ross.

Dear Mr. Ross:

I am a young pretty girl of 16. No 9-to-5 jobs for me. I'm going after a rich husband. I'm asking you to find out from your wife how she landed you—L. L., Pennsylvania

Dear Miss L. L.:

Actually, my wife landed a poor man and helped him become rich.

It was for a reason, by the way, Percy Ross invited 1,050 children to his bicycle party. One thousand fifty has significance in Percy Ross' life. He bets "10" and "50" at the tables in Vegas; at his parties, he often invites 1,050 guests. This is the significance: when he was a kid in Laurium, Mich., Upper Peninsula copper country, he opened his mason jar savings bank and counted 1,050 pennies. A number that remains with him. Which was, in addition, insufficient to buy a bike.

He was a poor kid, no question. His father was a Swedish Jewish immigrant who had come to New York and left it, finding the going rough for a man who spoke only Swedish. He relocated in Michigan, where, if he was a minority as far as religion, at least he was among people to whom he could speak. There was marriage, and three sons, the oldest of whom was Percy. The father's profession was a junk man, or, often, dealer in used goods. They bought old potatoes from the farmers and brushed off the dirt after the long winters in the bin and brought them into the city to be made into potato chips; they bought and rebuilt batteries; Percy sold eggs. The second son, Bernard, was considered the scholar; Percy tended to follow his father in business. His father did not do well.

"I never had clothes like the other kids," Ross says quietly, his hands folded across his chest in a protective way he does when he talks about his past. "We lived on the outskirts of town, near something called The Slop Ditch . . . it was an open sewer . . . once I fell into it . . ."

As for what he wanted, he answers without hesitation.

"I wanted to be rich," he says. "Because I remembered what the other rich people in town looked like . . . they were the copper barons, the copper kings, the Ryans, that was a big name in Montana . . . they rode around in their big cars; they had their big country clubs . . . in fact, I went to a country club, wasn't more than 8 or 9 years old, tried to shine shoes for some of these rich people, a nickel a shine; you know they wouldn't even let me through the door. I knew I looked good, my mother dressed me up neat and clean, Dad drove me up there in his wagon, they wouldn't let me in the door . . . I don't know why, maybe because I was Jewish, maybe because I was too poor . . . to this day, they invite me now, I won't set foot in that door . . ."

It was a life with some tragedy. His brother Bernard drowned when he was 16; years later his remaining brother would die at The Battle of the Bulge; his body, says Ross, is still "over there." Ross graduated from high school, moved to Duluth, Minn., started a scrap metal business. He met his wife at the tables in Las Vegas. She was in a maroon dress, beside Clark Gable, and such

a knockout Ross assumed she was a movie actress. He was trying to roll four, a difficult point. "If I make it, will you introduce me to your date?" he asked.

She turned out to be a vacationing Jewish girl from Duluth. They married. They had two sons. He made his first fortune in the fur business, then lost it; made his second as an auctioneer handling government surplus. He broke the law once, as a very young man, dealing stolen copper, but he confessed immediately and charges were never pressed. In '58, he bought Poly-Tech, a small plastic-bag manufacturing plant in Eau Claire, Wis. Five years later, he was $500,000 in debt. He pawned his wife's furs and, working with one of his sons, a business student, was able to turn the business around. Up, down; up, down! A friend of 25 years, Mrs. Eddie Cohen, says that even when he was down "he would never dwell on it; he was an up person." But Ross, recalling the hard times from the inside, says there were times you couldn't help but feel bad.

"When you call people and ask for help and they don't answer your phone calls, when you see them darting into doorways because they're afraid you're going to ask them for a loan, when you're not invited anywhere . . ."

That wasn't his style. During one of the up periods, he bought his wife a fur, and when, during a get-together with six other couples who were their closest friends, the women admired it, Ross said that if he got rich, he'd buy everyone of those ladies a fur.

He got rich.

They teased him about it.

"When are you getting us our mink, Percy? It's getting colder every year," Mrs. Eddie Cohen says.

Ross calls a furrier friend in New York. He has him send in 50 or 60 furs. He hires a country club for the night, for just these six couples who have been his friends for life. Because he has worried a bit about whether the husbands might be offended, he has determined to get them all plastered first. He gets everybody plastered. He tells the band to strike up "Promises, Promises." He stands up in front of the curtain—oh, yes Ross likes that curtain—and says, "Girls, 14 years ago, I made you a promise." "Who you kidding, Percy?" they yell.

The curtains fly open.

A half dozen models start parading 50, 60 coats. The women are screaming. For the Fabulous Mr. Moola; for the once-in-your-life real fairy godfather; for him, Percy Ross.

Dear Mr. Ross:

I am unhappily married and planning to get a divorce in order to marry a marvelous man I met while skiing last winter. Could you help me ($500 for the divorce)? Could you also include an extra $500 in case the new marriage doesn't work out?—R.P.

Dear R.P.:

You are not taking marriage seriously enough! Sorry no money.

So now there's the newspaper column, and an average of 4,000 letters a week. There are the visits to schoolchildren, to whom he gives the I-did-it-work-hard-you-can-do-it-too pep talk, followed by the ride in his limousine. There are the people who get his number and call him from England and Africa. There are the hard-luck readers he will attend to himself; the junk dealer in Fargo, N.D., who needs a truck; well it's clear why he feels close to that one; the lady in Seattle who's raising her dead sister's children, as well as her own, and feels they can scrape by if they get a cow; Ross will go out himself—he used to be an auctioneer, after all—and buy her a cow.

As for what he himself is missing, what Ross would request if he could write to some fairy godfather like himself; he can't really say.

"I wish I had another 66 years," he says, with a laugh. "Really, I've been pretty lucky. I have a wife who loved me and put up with me, I have a family . . ."

And yet he seemed somewhat sad at the beginning of this talk.

"I'm sad a lot of the time," he says. "I could tell you stories, but you probably wouldn't believe it . . . you don't know what poverty is. Or what buying 25 cents worth of junk was like; weighing out eight pounds of junk, 16 cents a pound in somebody's kitchen, I don't know if the word exactly is 'degrading' . . .

"It was hard," he says. "I was called 'Sheeny,' 'Christ Killer,' 'Goddamn Dirty Jew'—by some of the grandparents of the kids I buy bicycles for now. How I felt—I don't know how to explain it—how did Shylock feel? He knew he was an outcast in the community, and yet there they were, doing business with him. There we were in that old truck . . .

"Now I'm offering hope," he says. "I'm showing all rich people aren't selfish; they aren't bad; I'm saying I was poor once, I worked hard, I got rich, now I'm having a terrific time, so can you . . ."

And so what if the rich people snub him? And so what if the Mellons and the Rockefellers care to give theirs away building hospital wings and such? He, Percy Ross, will personally fly out to Seattle next week and buy that milk cow. Because he, Percy Ross, wants to have "the satisfaction of delivering that cow to that lady." And if she asks him to stay to supper, you can bet he will stay to supper. To bask not in the publicity, but in the appreciation, the thanks, the respect, of a woman who will look at him and see not a "Chirst-killer," not a "sheeny," not a poor boy left standing outside the country club or a fellow in need of a handout, but the Great Fairy Godfather, the Caring Rich Person, the Generous Human Being, the wonderful Percy Ross.●

ANIMAL AGRICULTURE WEEK

● Mr. TOWER. Mr. President, as we are in the midst of "Animal Agriculture Week," I wish to take this opportunity to highlight the importance of animal agriculture in our Nation. Because of the difficult times our Nation's farmers and ranchers are currently facing, I consider it more important today than even for us to reemphasize our commitment to the animal agriculture industry's well-being and stress its importance to our national and world economy.

Animal agriculture employs a wide range of ranchers, farmers, and stockmen while supporting many other industries. Animal agriculture products include beef, poultry, pork, eggs, veal, wool, leather, milk, and dairy products, as well as many other products that are essential to our lifestyles. Fifty percent of the land area of the world, including 45 percent of the land in the United States cannot be used to grow cultivated crops, yet, much of it can be used as grazing or range land. Through animal agriculture, we are able to harvest food from the billions of acres of land which are too rough, too dry, or too infertile to produce crops.

As a Texan, I am proud of the primary role my State plays in the Nation's animal agriculture sector. Texas is the No. 1 producer of cattle and calves. More than half of Texas' agriculture receipts were made up of livestock sales last year, totaling some $5.1 billion. Every dollar of cattle sales directly generates an additional $5 to $6 of business activity in the farm supply and food businesses.

Animal products are excellent sources of all but a few of the essential nutrients necessary to a healthy diet. They provide these essential nutrients in appropriate proportion with calories consumed. Animal agriculture is particularly important because it converts otherwise wasted resources into essential protein and nutrients.

For example, in addition to grazing land, 80 percent of the feed consumed by beef cattle in the United States comes from roughages and byproducts not edible by man. The grain that is fed to cattle is not food grain, but feed grain that would otherwise not be edible for humans.

In my view, those of us who are involved in deciding the agriculture policy for this Nation sometimes appear to forget the important role played by the animal producing segment of our overall agricultural industry. As we look at future farm programs involving wheat, corn, grain sorghum, and other feed grains, it is important that we remember the crucial part that animal agriculture plays in insuring these grain producers have a market for their products. As we work toward curbing our dairy production, we need to be watching how an increased culling rate of dairy cows affects our beef cattle industry—an industry that is not subsidized by the Federal Government.

The critical and primary role that animal agriculture plays in our overall agricultural economy cannot be overemphasized. I urge my colleagues to remember the importance of this industry in the weeks and years ahead as we decide the future course of our farm policies.●

ORDER OF PROCEDURE

Mr. BYRD. Mr. President, I wish to ask the distinguished majority leader what the program is for Monday insofar as he can see.

Mr. BAKER. I thank the minority leader.

ORDER VITIATING CONVENING TIME FOR SATURDAY

Mr. BAKER. First, Mr. President, in response to the minority leader, let me say I now ask unanimous consent to vitiate the order of the Senate to convene on Saturday, tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I believe that the situation is such that if we adjourn this evening under the order already entered that we will do so under the "boilerplate" language that has already been agreed to, is that not correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. BAKER. I thank the Chair.

PROGRAM

Mr. BAKER. Mr. President, first I would say to the minority leader that I hope the warring parties to the agriculture target price bill can come together and give us an opportunity to work on that measure and maybe even dispose of it in a relatively brief period of time. So that is the first thing I would hope we can do on Monday.

There are other things that are available that I would very much like to take up if we can arrange for that. For instance, the Department of the Interior appropriations bill. We were not able to get a time agreement on that before, but maybe attitudes will mellow and positions will change. I will try that again on Monday to see if we can work out an arrangement to take up that bill.

Mr. BYRD. If the majority leader will yield, I would hope—since it does not cost anything for me to hope—that the majority leader would move to take up that bill Monday.

Mr. BAKER. Mr. President, that would be a good day for it. Let me say now that I will include that in the list of things I would like to do on Monday. And I hope that we will succeed in that effort.

Mr. BYRD. I thank the majority leader.

Mr. BAKER. Mr. President, other matters for this coming week include, of course, the continuation of the debate on the motion to proceed to the consideration of the Radio Marti bill on which there will be a cloture vote on Wednesday. I expect to try to provide a brief time before that cloture vote for further comments or remarks the parties may wish to make, since we did not utilize our full time on that measure today. I know some Senators who wish to be recognized have not yet had a chance to speak.

Mr. President, there are other measures that many Senators wish to have brought up before we go out on the 5th of August. They include the revenue sharing reauthorization bill. If we cannot do that this week, maybe we can do that next week.

The distinguished chairman of the Foreign Relations Committee is pushing very hard to get two bills taken up of special interest to his jurisdiction; that is, the foreign assistance authorization bill and the State Department authorization bill. Both of those bills are controversial, but they should go on the list of possible items next week that can be taken up.

The intelligence authorization bill is here and available. The distinguished chairman of the committee, Senator GOLDWATER, has suggested we ought to consider the possibility of addressing that in the coming week and before we go out, as well.

There are conference reports that may become available, and as and when they do, of course, they will be placed before the Senate.

Mr. President, that is less definitive than I would like to make my answer to the minority leader, but it is a list at least of the things I hope we can do next week.

Mr. BYRD. I thank the majority leader.

Mr. BAKER. I thank the minority leader. Mr. President, I see no other Senator seeking recognition.

Mr. BYRD. Mr. President, if the majority leader has yielded the floor, and if he has not, if he would yield.

Mr. BAKER. Mr. President, will the minority leader permit me to do one other thing?

Mr. BYRD. Yes.

Mr. BAKER. I apologize to him. I failed to see a calendar of cleared items here.

Could I ask the minority leader if he wishes to go forward with these routine items now or would he rather do them on Monday?

Mr. BYRD. Mr. President, I will be very happy to proceed now if the majority leader wishes.

First, I would like to ask the Chair if a message from the House has been received on H.R. 2760.

The PRESIDING OFFICER. The Senator has not received a message from the House on H.R. 2760.

Mr. BYRD. I thank the Chair.

AUTHORITY FOR CERTAIN ACTION

Mr. BAKER. Mr. President, the first request I would make is in light of the fact that the distinguished Vice President is not here and available this weekend, nor is the distinguished President pro tempore of the Senate. Therefore, with due humility, I ask unanimous consent that during the adjournment of the Senate over until Monday, August 1, 1983, the majority leader be authorized to sign any duly enrolled bills and joint resolutions.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROCLAIMING A DAY OF NATIONAL CELEBRATION OF THE TWO HUNDREDTH ANNIVERSARY OF THE SIGNING OF THE TREATY OF PARIS

Mr. BAKER. Mr. President, I would say to the minority leader that I would propose now to proceed to the consideration of House Joint Resolution 321, if there is no objection.

Mr. BYRD. No objection, Mr. President.

Mr. BAKER. Mr. President, I ask unanimous consent that the Senate turn to the consideration of House Joint Resolution 321, to proclaim a day of national celebration of the 200th anniversary of the signing of the Treaty of Paris.

The PRESIDING OFFICER. The resolution will be stated by title.

The legislative clerk read as follows:

A House joint resolution (H.J. Res. 321) to proclaim a day of national celebration of the 200th anniversary of the signing of the Treaty of Paris.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution.

The PRESIDING OFFICER. The joint resolution is before the Senate and open to amendment. If there be no amendment to be offered, the question is on the third reading and passage of the joint resolution.

The joint resolution (H.J. Res. 321) was ordered to a third reading, was read the third time, and passed.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

THE CALENDAR

Mr. BAKER. May I say to the minority leader, Mr. President, there are two Senate resolutions and a House concurrent resolution cleared on this side. They are Calendar Order Nos. 322, 323, and 326. If the minority leader is prepared to do so, I would ask that we next consider those.

Mr. BYRD. Mr. President, those items have been cleared on this side.

Mr. BAKER. Would the minority leader mind if we consider those en bloc?

Mr. BYRD. No objection.

Mr. BAKER. Mr. President, I ask unanimous consent that the items just identified be considered en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

SENATE PAGE PROGRAM

The resolution (S. Res. 184) relating to the Senate page program, was considered, and agreed to, as follows:

S. RES. 184

Resolved, That until otherwise hereafter provided for by law, there shall be paid out of the contingent fund of the Senate such amounts as may be necessary to enable the Secretary of the Senate to furnish educational services and related items for Senate Pages in accordance with this resolution.

SEC. 2. The Senate Page Program shall be administered by the Sergeant at Arms and Doorkeeper of the Senate and the Secretaries for the Majority and Minority of the Senate. All policy decisions regarding the operation of the Senate Page Program shall be made by the Senate Management Board, with the concurrence of the Majority and Minority Leaders of the Senate.

SEC. 3. In order to provide educational services and related items for Senate Pages, the Secretary of the Senate is authorized to enter into a contract, agreement, or other arrangement with the Board of Education of the District of Columbia, or to provide such educational services and items in such other manner as he may deem appropriate.

SEC. 4. The educational services under the Senate Page Program shall consist of an academic year comprising two terms, and a page serving in such program shall be in the 11th grade.

SEC. 5. This resolution shall take effect as of the date of its approval.

GRATUITY TO KATHERINE C. AHLERS

The resolution (S. Res. 186) to pay a gratuity to Katherine C. Ahlers was considered, and agreed to, as follows:

S. RES. 186

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Katherine C. Ahlers, widow of John C. Ahlers, an employee of the Senate at the time of his death, a sum equal to one year's compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

The 100TH ANNIVERSARY OF THE BIRTH OF HARRY S TRUMAN

The concurrent resolution (H. Con. Res. 126) providing for the commemorative of the 100th anniversary of the birth of Harry S Truman, was considered, and agreed to.

The preamble was agreed to.

Mr. BAKER. Mr. President, I move to reconsider en bloc the vote by which the resolutions were agreed to.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AUTHORIZATION FOR REPRESENTATION BY THE SENATE LEGAL COUNCIL

Mr. BAKER. Mr. President, on behalf of the distinguished minority leader and myself, I send a resolution to the desk with respect to the Senate Legal Counsel and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A resolution (S. Res. 190) to authorize representation by the Senate Legal Counsel of Senator Stevens and C. Braxton Valentine, Jr., a Senate employee, in the case of Robert Fierer v. Daniel Minchew.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. BAKER. Mr. President, this resolution would authorize and direct the Senate Legal Counsel to represent Senator TED STEVENS and staff of the Select Committee on Ethics in response to two subpenas duces tecum which have been served by the defendant in the case of Robert Fierer against Daniel Minchew, now pending in the U.S. District Court for the District of Maryland. The subpenas direct the production of investigatory records pertaining to the proceedings of the Ethics Committee in 1978 and 1979 regarding Senator Talmadge. At Senator STEVENS' request, the Senate Legal Counsel would be authorized to assert all privileges to which the committee may be entitled to protect these sensitive records.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 190

Whereas, the case of *Robert Fierer* v. *Daniel Minchew*, Civil Action No. B-79-2003, is pending in the United States District Court for the District of Maryland;

Whereas, counsel for the defendant has served trial subpenas for the production of documents upon Senator Ted Stevens, Chairman of the Select Committee on Ethics, or his agent, and upon C. Braxton Valentine, Jr., Staff Director of the Committee, relating to the Committee's investigation of former Senator Herman Talmadge and former Senate employee Daniel Minchew;

Whereas, title VII of the Ethics in Government Act of 1978, Public Law No. 95-521, establishes the Office of Senate Legal Counsel and provides that the Senate may direct its Counsel to represent the Senate, its committees, Members, officers, and employees: Now, therefore, be it

Resolved, That pursuant to section 704(a)(2) of the Ethics in Government Act of 1978, the Senate Legal Counsel is directed to represent Senator Ted Stevens and staff of the Select Committee on Ethics in connection with the subpoenas served for the production of documents in the case of *Robert Fierer* v. *Daniel Minchew*, Civil Action No. B-79-2003.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

THE EXECUTIVE CALENDAR

Mr. BAKER. Mr. President, on today's Executive Calendar, those nominations beginning on page 2, under new reports, and continuing through page 3, page 4 and page 5, nominations placed on the Secretary's desk in the Air Force, Army, Marine Corps, Navy, have been cleared for action on this side.

Could I inquire of the minority leader if he is prepared to consider at this time any or all of the nominations?

Mr. BYRD. Mr. President, all nominations on pages 1 through 5 have been cleared on this side with the exception of calendar orders numbered 234 and 235.

Mr. BAKER. I thank the minority leader.

EXECUTIVE SESSION

Mr. BAKER. Mr. President, in view of that, I ask unanimous consent that the nominations of the calendar as calendar orders numbered 238, 239, 240, 241, 242, 243, 244, 245, 246, 247, 248, and the nominations placed on the Secretary's desk be the subject of consideration by the Senate in executive session. I now ask unanimous consent that the Senate go into executive session for the purpose of considering those nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senate proceeded to the consideration of executive business.

The PRESIDING OFFICER. Without objection, the nominations are considered and confirmed en bloc.

The nominations considered and confirmed en bloc are as follows:

IN THE AIR FORCE

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. Leo Marquez, [redacted] FR, U.S. Air Force.

The follow-named officer for appointment to the grade of lieutenant general on the retired list pursuant to the provisions of title 10, United States Code, section 1370:

To be lieutenant general

Lt. Gen. Richard E. Merkling, [redacted] FR, U.S. Air Force.

The following-named officer for appointment to the grade of lieutenant general on the retired list pursuant to the provisions of title 10, United States Code, section 1370:

To be lieutenant general

Lt. Gen. Lynwood E. Clark, [redacted] FR, U.S. Air Force.

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. Bruce K. Brown, [redacted] FR, U.S. Air Force.

IN THE ARMY

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. Clarence E. McKnight, Jr., [redacted] U.S. Army.

IN THE NAVY

The following-named officer to be placed on the retired list in the grade indicated under the provisions of title 10, United States Code, section 1370.

To be vice admiral

Vice Adm. Thomas J. Bigley, [redacted] 1110, U.S. Navy.

DEPARTMENT OF AGRICULTURE

Daniel G. Amstutz, of New York, to be a member of the Board of Directors of the Commodity Credit Corporation, vice Seeley Lodwick, resigned.

FARM CREDIT ADMINISTRATION

Paul I. Enns, of California, to be a member of the Federal Farm Credit Board, Farm Credit Administration, for a term expiring March 31, 1989.

Joseph Alison Kyser, of Alabama, to be a member of the Federal Farm Credit Board, Farm Credit Administration, for a term expiring March 31, 1989.

FEDERAL ELECTION COMMISSION

Joan D. Aikens, of Pennsylvania, to be a member of the Federal Election Commission, for a term expiring April 30, 1989.

John Warren McGarry, of Massachusetts, to be a member of the Federal Election Commission for a term expiring April 30, 1989.

NOMINATIONS PLACED ON THE SECRETARY'S DESK IN THE AIR FORCE, ARMY, MARINE CORPS, NAVY

Air Force nominations beginning Barry D. Guyse, and ending Robert C. Sparks, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of June 27, 1983.

Air Force nominations James E. Cobean, which was received by the Senate and appeared in the CONGRESSIONAL RECORD of June 27, 1983.

Air Force nominations beginning David A. Beasley, and ending Xel Sant'Anna, which nominations were received by the Senate on July 8, 1983, and appeared in the CONGRESSIONAL RECORD of July 11, 1983.

Air Force nominations beginning Karel B. Absolon, and ending Erlind G. Royer, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of July 11, 1983.

Air Force nominations beginning Scott L. Brummett, and ending Leonard Smith, Jr., which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of July 11, 1983.

Army nominations beginning James P. Basista, and ending Dennis P, Mcknight, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of June 27, 1983.

Army nominations beginning James N. Stearns, Jr., and ending Stanley J. Wolanin, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of July 11, 1983.

Army nominations beginning Larry E. Caylor, and ending Christopher Vanasche, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of July 11, 1983.

Army nominations beginning Stanford W. Hickman, and ending Brian E. Nockleby, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of July 11, 1983.

Marine Corps nominations beginning Tommy L. Adair, and ending Stephen W. Zolomij, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of June 27, 1983.

Marine Corps nominations beginning Robert H. Caldwell, and ending Troy M. Mitchell, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of July 11, 1983.

Navy nominations beginning Dianne Marie Abruzzo, and ending Rober Werling, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of June 27, 1983.

Navy nominations beginning Gary Wayne Aaron, and ending Peter Burr Loomis, IV, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of July 14, 1983.

Navy nominations beginning Gerald Paul Abbott, and ending Michael J. Zakrajsek, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of July 21, 1983.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the nominations were confirmed en bloc.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BAKER. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of these nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. BAKER. Mr. President, I ask unanimous consent that the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

HOUSE CONCURRENT RESOLUTION 153—CONDITIONAL ADJOURNMENT OF THE TWO HOUSES OF CONGRESS

Mr. BAKER. Mr. President, may I inquire of the Chair, is the adjournment resolution at the desk?

The PRESIDING OFFICER. The adjournment resolution is at the desk.

Mr. BAKER. Mr. President, I believe, but may I inquire of the Chair, is it necessary under the statute that a rollcall vote occur on that resolution?

The PRESIDING OFFICER. The statute requires a rollcall vote. However, that requirement may be waived by unanimous consent.

Mr. BAKER. Yes. Mr. President, I ask unanimous consent that the statutory requirement for the rollcall vote be waived.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Now, Mr. President, I ask that the Chair lay before the Senate House Concurrent Resolution 153.

The PRESIDING OFFICER. The resolution will be stated.

The assistant legislative clerk read as follows:

H. CON. RES. 153

Resolved by the House of Representatives (the Senate concurring), That when the House adjourns on Thursday, August 4, 1983, or on Friday, August 5, 1983, pursuant to a motion made by the Majority Leader, or his designee, in accordance with this resolution, and that when the Senate adjourns on Wednesday, August 3, 1983, or Thursday, August 4, 1983, or on Friday, August 5, 1983, pursuant to a motion made by the Majority Leader in accordance with this resolution, they stand adjourned until 12 o'clock meridian on Monday, September 12, 1983, or until 12 o'clock meridian on the second day after Members are notified to reassemble pursuant to section 2 of this concurrent resolution whichever occurs first.

SEC. 2. The Speaker of the House and the Majority Leader of the Senate shall notify the Members of the House and the Senate, respectively, to reassemble whenever, in their opinion, the public interest shall warrant it.

Mr. BAKER. Mr. President, I have discussed this matter with the minority leader; and in the usual or extraordinary circumstance that would require the Speaker and me to concur in the call for Congress to reconvene, before any such determination is made, I will consult with the minority leader.

Mr. BYRD. I thank the majority leader. I compliment the Speaker and the majority leader on the recall provision.

Mr. BAKER. I thank the minority leader.

The PRESIDING OFFICER. The question is on the adoption of the concurrent resolution.

The concurrent resolution (H. Con. Res. 153) was agreed to.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the concurrent resolution was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

THE ATTORNEY GENERAL'S STATEMENT ON PRESIDENT REAGAN'S APPEARANCE BEFORE THE ILA

Mr. BYRD. Mr. President, I called to the attention of the Senate on yesterday a UPI wire which made reference

to something that the Attorney General had said with respect to Congress.

I simply want to say that the Attorney General called me and gave a very satisfactory explanation with regard to the matter, so far as I am concerned.

I watched him on television this morning and listened to his explanation. Inasmuch as yesterday I publicly remonstrated against his words, I wish today to thank him publicly for his call and to say again that his explanation is satisfactory to me.

SENATE PROCEDURE ON MONDAY

Mr. BYRD. Mr. President, I ask the majority leader what hour on Monday he feels we might expect the first vote.

Mr. BAKER. Mr. President, it is difficult to say, since the schedule is a little fluid.

It is my understanding, however, that a meeting between the Secretary of Agriculture and certain principally interested Senators will not occur until after the noon hour. Based on that, I would not expect any votes—certainly no votes other than procedural votes, such as to compel the attendance of absent Senators—prior to midafternoon and probably later.

Mr. BYRD. I thank the majority leader.

Mr. BAKER. I thank the minority leader.

ADJOURNMENT UNTIL 11 A.M. MONDAY, AUGUST 1, 1983

Mr. BAKER. Mr. President, I see no other Senators seeking recognition.

I move, in accordance with the order previously entered, that the Senate stand in adjournment until 11 a.m. on Monday next.

The motion was agreed to, and at 8:06 p.m. the Senate adjourned until Monday, August 1, 1983, at 11 a.m.

CONFIRMATIONS

Executive nominations confirmed by the Senate July 29, 1983:

DEPARTMENT OF AGRICULTURE

Daniel G. Amstutz, of New York, to be a member of the Board of Directors of the Commodity Credit Corporation.

FARM CREDIT ADMINISTRATION

Paul I. Enns, of California, to be a member of the Federal Farm Credit Board, Farm Credit Administration, for a term expiring March 31, 1989.

Joseph Alison Kyser, of Alabama, to be a member of the Federal Farm Credit Board, Farm Credit Administration, for a term expiring March 31, 1989.

FEDERAL ELECTION COMMISSION

Joan D. Aikens, of Pennsylvania, to be a member of the Federal Election Commission, for a term expiring April 30, 1989.

John Warren McGarry, of Massachusetts, to be a member of the Federal Election Commission, for a term expiring April 30, 1989.

The above nominations were approved subject to the nominees' commitments to respond to requests to appear and testify before any duly constituted committee of the Senate.

IN THE AIR FORCE

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. Leo Marquez, [redacted] FR, United States Air Force.

The following-named officer for appointment to the grade of lieutenant general on the retired list pursuant to the provisions of title 10, United States Code, section 1370:

To be lieutenant general

Lt. Gen. Richard E. Merkling, [redacted] FR, U.S. Air Force.

The following-named officer for appointment to the grade of lieutenant general on the retired list pursuant to the provisions of title 10, United States Code, section 1370:

To be lieutenant general

Lt. Gen. Lynwood E. Clark, [redacted] FR, U.S. Air Force.

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. Bruce K. Brown, [redacted] FR, U.S. Air Force.

IN THE ARMY

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. Clarence E. McKnight, Jr., [redacted], U.S. Army.

IN THE NAVY

The following-named officer to be placed on the retired list in the grade indicated under the provisions of title 10, United States Code. section 1370.

To be vice admiral

Vice Adm. Thomas J. Bigley, [redacted] 1110, U.S. Navy.

IN THE AIR FORCE

Air Force nominations beginning Barry D. Guyse, and ending Robert C. Sparks, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of June 27, 1983.

Air Force nomination of James E. Cobean, which was received by the Senate and appeared in the CONGRESSIONAL RECORD of June 27, 1983.

Air Force nominations beginning David A. Beasley, and ending Xel Sant'Anna, which nominations were received by the Senate on July 8, 1983, and appeared in the CONGRESSIONAL RECORD of July 11, 1983.

Air Force nominations beginning Karel B. Absolon, and ending Erlind G. Royer, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of July 11, 1983.

Air Force nominations beginning Scott L. Brummett, and ending Leonard Smith, Jr., which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of July 11, 1983.

IN THE ARMY

Army nominations beginning James P. Basista, and ending Dennis P. Mcknight, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of June 27, 1983.

Army nominations beginning James N. Stearns, Jr., and ending Stanley J. Wolanin, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of July 11, 1983.

Army nominations beginning Larry E. Caylor, and ending Christopher Vanasche, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of July 11, 1983.

Army nominations beginning Stanford W. Hickman, and ending Brian E. Nockleby, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of July 11, 1983.

IN THE MARINE CORPS

Marine Corps nominations beginning Tommy L. Adair, and ending Stephen W. Zolomij, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of June 27, 1983.

Marine Corps nominations beginning Robert H. Caldwell, and ending Troy M. Mitchell, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of July 11, 1983.

IN THE NAVY

Navy nominations beginning Dianne Marie Abruzzo, and ending Robert Werling, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of June 27, 1983.

Navy nominations beginning Gary Wayne Aaron, and ending Peter Burr Loomis, IV, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of July 14, 1983.

Navy nominations beginning Gerald Paul Abbott, and ending Michael J. Zakrajsek, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of July 21, 1983.

HOUSE OF REPRESENTATIVES—*Friday, July 29, 1983*

The House met at 10 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

We pray, O God, for Your blessing upon us and we thank you for all the gifts that Your creation bestows. For friendship and loyalty, for camaraderie and compassion, for kindly and loving hearts, we offer our thanksgiving and praise. May Your spirit of faith, hope, and love be with us this day and every day. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Sparrow, one of its clerks, announced that the Senate had passed with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 3415. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1984, and for other purposes.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 3415) entitled "An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1984, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. SPECTER, Mr. HATFIELD, Mr. MATTINGLY, Mr. DOMENICI, Mr. LEAHY, Mr. STENNIS, and Mr. BUMPERS to be the conferees on the part of the Senate.

INTERNATIONAL RECOVERY AND FINANCIAL STABILITY ACT

The SPEAKER. Pursuant to House Resolution 249 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 2957.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 2957), to extend the authority of the Export-Import Bank of the United States, encourage balanced worldwide economic growth, provide for continued participation in the International Monetary Fund, strengthen the supervision of international lending by U.S. banks, and provide for continued U.S. participation in multilateral development banks, with Mr. ALEXANDER (Chairman pro tempore) in the chair.

The Clerk read the title of the bill.

The CHAIRMAN pro tempore. When the Committee of the Whole rose on Tuesday, July 26, 1983, title III was open to amendment.

Are there any further amendments to title III?

Mr. FLORIO. Mr. Chairman, I commend the fine work of the Banking Committee and the very able chairman of the International Trade Subcommittee for his excellent work in bringing this bill to the floor. The legislation takes substantial strides toward clarifying and strengthening the mandate of the Eximbank and assuring the international competitiveness of Bank financing. I applaud the committee's efforts and hope that the authorities provided in this legislation will enable the Bank to help U.S. firms compete more successfully in world markets.

In this regard, Mr. Chairman, I would like to address the question of service industries. As you know, trade in services represents one of the fastest growing areas in export trade. The production of services currently accounts for over 67 percent of our Nation's GNP and employs nearly half of the Nation's private work force. In 1981, U.S. service exports supported an estimated $54 billion services trade surplus. Over the last decade, service exports have played an important role in offsetting increasing trade deficits in traditional manufactured goods.

It is time to recognize the vitality and importance of our service industries from an international trade perspective. Although we remain the world's leading services exporter, the U.S. share of total world service exports fell from 20 percent to 15 percent between 1972 and 1980. Increasingly, the same types of trade barriers and foreign subsidies which have hurt U.S. exporters of manufactured goods are emerging in the services sector. Greater attention to the effects of these international practices on U.S. service exports will be essential if we are to retain our current preeminent role in this area.

As the gentleman from North Carolina is aware, companion Senate legislation would mandate increased attention to the services sector by the Eximbank by requiring that services be afforded the same consideration for Bank support as other export sectors. While it is not my intention to offer a similar amendment to the legislation before us today, I would hope that this matter is something which can be regarded favorably in conference.

Mr. NEAL. Mr. Chairman, personally, I have long thought that Eximbank should give careful attention to financing the export of services as well as manufactured goods. Economically, there is little distinction between the two types of exports. Both increase our foreign earnings, and both employ more Americans in the export sector.

It is my understanding that Eximbank does not consciously discriminate against services. In fact, the latest notification Eximbank sent to the Congress is a notification of a new loan to finance the export of project management services for a nuclear science and engineering center in Indonesia. Eximbank will extend a direct credit of about $4 million to cover the purchase, from Bechtel Petroleum, Inc., of services that include project management, construction management, procurement management, quality assurance, project control, and training. This is, I think, a good example of our potential for the export of services, and of Eximbank's readiness to finance them, where appropriate.

I have looked at the language on services in the Eximbank legislation reported by the Senate Banking Committee. I am certainly prepared to give it my close attention in conference. I cannot, of course, commit the conferees, and I must reserve my own position until we enter conference negotiations. This particular language is but one instance of many potential differences that must be reconciled, and it will have to be dealt with in the context of all the conference compromises.

Nonetheless, whatever comes out of conference, I will continue to support Eximbank efforts to finance the export of services.

Mr. ST GERMAIN. Mr. Chairman, I ask unanimous consent that the remainder of the bill, H.R. 2957, be considered as read, printed in the RECORD, and open to amendment at any point.

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

The text of title IV and title V is as follows:

TITLE IV—INTERNATIONAL LENDING SUPERVISION

SEC. 401. This title may be cited as the "International Lending Supervision Act of 1983".

DEFINITIONS

SEC. 402. (a) The term "appropriate Federal banking agency" has the same meaning assigned to the term in section 3(q) of the Federal Deposit Insurance Act (12 U.S.C. 1813(q)), and, for purposes of this title, the "appropriate Federal banking agency" for bank holding companies and any nonbank subsidiary thereof, Edge Act corporations organized under section 25(a) of the Federal Reserve Act (12 U.S.C. 611-631), and agreement corporations operating subject to section 25 of the Federal Reserve Act (12 U.S.C. 601-604(a)) is the Board of Governors of the Federal Reserve System.

(b) The term "banking institution", for purposes of this title, means any "insured bank", as that term is used in section 3(h) of the Federal Deposit Insurance Act (12 U.S.C. 1813(h)) or any subsidiary of an insured bank; any Edge Act corporation organized under section 25(a) of the Federal Reserve Act (12 U.S.C. 611-631); and any agreement corporation operating subject to section 25 of the Federal Reserve Act (12 U.S.C. 601-604(a)). To the extent determined by the appropriate Federal banking agency, the term "banking institution" shall also include any agency or branch of a foreign bank, and any commercial lending company owned or controlled by one or more foreign banks or companies that control a foreign bank as those terms are defined in the International Banking Act of 1978 (12 U.S.C. 3101). The term "banking institution" shall not include a foreign bank.

(c) The term "Examination Council" for the purposes of this title shall have the same meaning as the term "Council" as that term is defined in the Federal Financial Institutions Examination Council Act of 1978 (12 U.S.C. 3301 et seq.).

STRENGTHENED SUPERVISION OF INTERNATIONAL LENDING

SEC. 403. Each appropriate Federal banking agency shall evaluate banking institution foreign country exposure and transfer risk for use in banking institution examination and supervision. Each such agency shall establish examination and supervisory procedures to assure that factors such as foreign country exposure and transfer risk are taken into account in evaluating the adequacy of the capital of banking institutions.

RESERVES

SEC. 404. (a) Pursuant to regulations promulgated by the Examination Council, each appropriate Federal banking agency shall require a banking institution to establish and maintain a special reserve whenever in the judgment of such agency:

(1) the quality of such institution's assets has been impaired by a protracted inability of public or private borrowers in a foreign country to make payments on their external indebtedness as indicated by such factors, among others, as a failure by such public or private borrowers to make full interest payments on external indebtedness, or to comply with the terms of any restructured indebtedness, or a failure by the foreign country to comply with any International Monetary Fund or other suitable adjustment program, or where no definite prospects exist for the orderly restoration of debt service; or

(2) there is a substantial likelihood that such debt cannot reasonably be expected to be repaid in accordance with its original terms and conditions without additional borrowing or a major restructuring.

(b) The appropriate Federal banking agency shall have the discretion to grant reasonable time periods to a banking institution required to establish such a special reserve to come into compliance with the requirement, if such action is taken to avoid disrupting orderly international lending.

(c) Special reserves established pursuant to this section shall be charged against current income and shall not be considered as part of capital and surplus or allowances for possible loan losses for bank regulatory or supervisory purposes.

(d) The Examination Council shall promulgate regulations to implement this section within one hundred and eighty days after the date of the enactment of this title. The appropriate Federal banking agencies shall promulgate regulations or orders necessary to implement this section within ninety days after the promulgation of such Examination Council regulations.

ACCOUNTING FOR FEES ON INTERNATIONAL LOANS

SEC. 405. (a) The Examination Council shall promulgate regulations for accounting for agency, commitment, management and other fees charged by a banking institution in connection with an international loan. Such regulations shall establish the accounting treatment of such fees for regulatory and supervisory purposes to assure that the appropriate portion of such fees is accrued in income over the effective life of each such loan.

(b) The Examination Council shall promulgate regulations to implement this section within one hundred and eighty days after the date of the enactment of this title. The appropriate Federal banking agencies shall promulgate regulations or orders necessary to implement this section within ninety days after the promulgation of such Examination Council regulations.

COLLECTION AND DISCLOSURE OF CERTAIN INTERNATIONAL LENDING DATA

SEC. 406. (a) Pursuant to regulations promulgated by the Examination Council, each appropriate Federal banking agency shall require each banking institution with foreign country exposure to submit, no fewer than four times each calendar year, such information regarding that exposure in a format prescribed by the Examination Council regulations.

(b) Pursuant to regulations promulgated by the Examination Council, each appropriate Federal banking agency shall require banking institutions to disclose to the public information regarding material foreign country exposure in relation to assets and to capital.

(c) The Examination Council shall promulgate regulations to implement this section within one hundred and eighty days after the date of the enactment of this title. The appropriate Federal banking agencies shall promulgate regulations or orders necessary to implement this section within ninety days after the promulgation of such Examination Council regulations.

INTERNATIONAL COOPERATION AND STUDY OF INTERNATIONAL SUPERVISION

SEC. 407. (a) the Examination Council and the Federal banking agencies shall consult with the banking supervisory authorities of other countries to reach understandings aimed at achieving the adoption of effective and consistent supervisory policies and practices with respect to international lending.

(b) Within twelve months after the date of the enactment of this title, the Examination Council shall report to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Banking, Finance and Urban Affairs of the House of Representatives on the statutes, regulations, and examination and supervisory procedures and practices, governing international banking in each of the Group of Ten Nations and Switzerland with particular attention to such matters bearing on capital requirements, lending limits, reserves, disclosure, examiner access, and lender of last resort resources.

CAPITAL ADEQUACY

SEC. 408. (a)(1) Each appropriate Federal banking agency shall undertake to strengthen the capital of banking institutions by establishing adequate levels of capital for each category of institution, such as multinational, regional and community institutions, and by using such other methods as the agency deems appropriate.

(2) Each appropriate Federal banking agency shall have the authority to establish such level of capital for an institution as the agency deems to be necessary or appropriate in light of the particular circumstances of the institution.

(b)(1) Failure of a banking institution to maintain its established level of capital shall constitute an unsafe and unsound practice within the meaning of section 8 of the Federal Deposit Insurance Act.

(2) In addition to any other appropriate remedy, the appropriate Federal agency shall require any banking institution which does not maintain its prescribed capital level to submit and adhere to a plan, acceptable to the agency, describing how and when the institution will achieve its prescribed level.

(c)(1) The Chairman of the Board of Governors of the Federal Reserve System and the Secretary of the Treasury shall encourage governments, central banks, and regulatory authorities of other major banking countries to work toward maintaining and, where appropriate, strengthening the capital bases of banking institutions involved in international lending.

(2) The Chairman and the Secretary shall report to the Congress within one hundred and eighty days of the enactment of this provision on progress achieved in reaching such goal.

FOREIGN LOAN EVALUATIONS

SEC. 409. (a)(1) No banking institution shall extend credit, whether by loan, lease, guarantee, or otherwise, which individually or in the aggregate exceeds $1,000,000, to finance any project involving the construction or operation of any mining, processing or manufacturing facility located outside the United States or its territories and possessions unless a written economic feasibility evaluation of such foreign project is prepared and approved in writing by a senior official of such banking institution.

(2) Such evaluation shall—

(A) take into account the profit potential of the project, the impact of the project on world markets, the inherent competitive ad-

vantages and disadvantages of the project over the entire life of the project, and the likely effect of the project upon the overall long term economic development of the country in which the project is located;

(B) document that the extension of credit can reasonably be expected to be repaid from revenues generated by such foreign projects without regard to any subsidy or guarantee provided by the government involved, any instrumentality of any country, or by any international organization; and

(C) shall be available to representatives of the appropriate Federal banking agency and such other individuals and entities as have lawful access to such information.

(b) Such economic feasibility evaluations shall be reviewed by representatives of the appropriate Federal banking agencies whenever an examination by such appropriate Federal banking agency is conducted.

GENERAL AUTHORITIES

SEC. 410. (a) The Examination Council is authorized to interpret and define the terms used in this title, and the Examination Council and each appropriate Federal banking agency shall prescribe rules or regulations or issue orders as necessary to effectuate the purposes of this title and to prevent evasions thereof. The appropriate Federal banking agency is authorized to apply the provisions of this title to any affiliate of an insured bank, but only to affiliates for which it is the appropriate Federal banking agency, in order to promote uniform application of this Act or to prevent evasions thereof. For purposes of this section, the term "affiliate" shall have the same meaning as in section 23A of the Federal Reserve Act (12 U.S.C. 371c(b)) except that the term "member bank" in such section shall be deemed to refer to "insured bank", as that term is used in section 402(b) of this title.

(b) The appropriate Federal banking agencies shall establish uniform systems to implement the authorities provided under this title.

(c) The powers and authorities granted in this title shall be supplemental to and shall not be deemed in any manner to derogate from or restrict the authority of each appropriate Federal banking agency under section 8 of the Federal Deposit Insurance Act (12 U.S.C. 1818) or any other law including the authority to require additional capital or reserves. Any such authority may be used by an agency to ensure compliance by a banking institution with the provisions of this title and all rules, regulations, or orders issued pursuant thereto.

(d) The issuance of regulations, requirement of reports, and collection of information pursuant to this title shall be exempt from the requirements of section 3501 through 3520, inclusive, of title 44, United States Code, and sections 601 through 612, inclusive, of title 5, United States Code.

(e) Any banking institution which violates, or any officer, director, employee, agent, or other person participating in the conduct of the affairs of such banking institution, who violates any provision of this title, or any rule, regulation, or order, issued under this title, shall forfeit and pay a civil penalty of not more than $1,000 per day for each day during which such violation continues. Such violations shall be deemed to be a violation of a final order under section 8(i)(2) of the Federal Deposit Insurance Act (12 U.S.C. 1818(i)(2)) and the penalty shall be assessed and collected by the appropriate Federal banking agency under the procedures established by, and subject to the rights afforded to parties, provided in said section.

(f) Within one year after the date of the enactment of this title and for each of the two succeeding years, the Examination Council and the appropriate Federal banking agencies shall report to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Banking, Finance and Urban Affairs of the House of Representatives on actions taken to implement the provisions of this title. The report shall include a description of the actions taken in carrying out the objectives of the title, and any actions taken by any appropriate Federal banking agency that are inconsistent with the uniform implementation by the appropriate Federal banking agencies of their respective authorities under this title, and any recommendations for amendments to this or other legislation.

LEGISLATIVE REVIEW

SEC. 411. (a) No rule or regulation promulgated by the Examination Council or by an appropriate Federal banking agency pursuant to this title may become effective until after the first period of thirty calendar days of continuous session of Congress which occurs after the day on which such rule or regulation is published as final. If within such thirty-day period, the Committee on Banking, Housing, and Urban Affairs of the Senate or the Committee on Banking, Finance and Urban Affairs of the House of Representatives has reported out or been discharged from further consideration of a joint resolution of disapproval or other legislation which is intended to modify or invalidate the rule or regulation or any portion thereof, the rule or regulation or portion thereof so addressed shall not become effective for a period of ninety calendar days from the date of committee action or discharge unless the House to which such committee reports has rejected such resolution or legislation, in which case the rule or regulation may go into effect only after the expiration of the thirty calendar days described in the first sentence of this subsection if the other House does not have such a resolution or legislation pending or adopted, and if the requirements of section 553 of title 5, United States Code, are met.

(b) The provisions of subsection (a) may be waived upon the written request of the Examination Council or the appropriate Federal banking agency, if agreed to by the chairmen and ranking minority members of both committees.

(c) Congressional inaction on any rule or regulation shall not be deemed an expression of approval of the rule or regulation involved.

(d) For purposes of this section—

(1) continuity of session is broken only by an adjournment of Congress sine die; and

(2) the days on which either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of calendar days of continuous session of Congress.

GAO AUDIT AUTHORITY

SEC. 412. (a) Under regulations of the Comptroller General, the Comptroller General shall audit the Examination Council (as defined in section 402(c) of the Act) and the appropriate Federal banking agencies (as defined in section 402(a) of this Act), but may carry out an onsite examination of an open insured bank or bank holding company only if the appropriate Federal banking agency has consented in writing. An audit under this subsection may include a review or evaluation of the international regulation, supervision, and examination activities of the Examination Council and the appropriate Federal banking agency, including the coordination of such activities with similar activities of regulatory authorities of a foreign government or international organization. Audits of the Federal Reserve Board and Federal Reserve banks may not include—

(1) transactions for or with a foreign central bank, government of a foreign country, or nonprivate international financing organization;

(2) deliberations, decisions, or actions on monetary policy matters, including discount window operations, reserves of member banks, securities credit, interest on deposits, and open market operations;

(3) transactions made under the direction of the Federal Open Market Committee; or

(4) a part of a discussion or communication among or between members of the Board of Governors and officers and employees of the Federal Reserve System related to paragraphs (1) through (3) of this subsection.

(b)(1) Except as provided in this subsection, an officer or employee of the General Accounting Officer may not disclose information identifying an open bank, an open bank holding company, or a customer of an open or closed bank or bank holding company. The Comptroller General may disclose information related to the affairs of a closed bank or closed bank holding company identifying a customer of the closed bank or closed bank holding company only if the Comptroller General believes the customer had a controlling influence in the management of the closed bank or closed bank holding company or was related to or affiliated with a person or group having a controlling influence.

(2) An officer or employee of the General Accounting Office may discuss a customer, bank, or bank holding company with an official of the Examination Council or an appropriate Federal banking agency and may report an apparent criminal violation to an appropriate law enforcement authority of the United States Government or a State.

(3) This subsection does not authorize an officer or employee of the Examination Council or an appropriate Federal banking agency to withhold information from a committee of Congress authorized to have the information.

(c)(1) To carry out this section, all records and property of or used by the Examination Council or an appropriate Federal banking agency, including samples of reports of examinations of a bank or bank holding company the Comptroller General considers statistically meaningful and workpapers and correspondence related to the reports shall be made available to the Comptroller General, including such records and property pertaining to the coordination of international regulation, supervision and examination activities of the Examination Council or an appropriate Federal banking agency. The Comptroller General shall give the Examination Council or an appropriate Federal banking agency a current list of officers and employees to whom, with proper identification, records and property may be made available, and who may make notes or copies necessary to carry out an audit. The Examination Council or an appropriate Federal banking agency shall give the Comptroller General suitable and lockable offices and furniture, telephones, and access to copying facilities.

(2) Except for the temporary removal of workpapers of the Comptroller General that do not identify a customer of an open or closed bank or bank holding company, an open bank, or an open bank holding company, all workpapers of the Comptroller General and records and property of or used by the Examination Council or an appropriate Federal banking agency that the Comptroller General possesses during an audit, shall remain in such agency. The Comptroller General shall prevent unauthorized access to records or property.

TITLE V—MULTILATERAL DEVELOPMENT BANKS

INTER-AMERICAN DEVELOPMENT BANK

SEC. 501. The Inter-American Development Bank Act (22 U.S.C. 283 et seq.) is amended by adding at the end thereof the following:

"SEC. 31. (a)(1) The United States Governor of the Bank is authorized to vote for resolutions—

"(A) which were proposed by the Governors at a special meeting in February 1983;

"(B) which are pending before the Board of Governors of the Bank; and

"(C) which provide for—

"(i) an increase in the authorized capital stock of the Bank and subscriptions thereto; and

"(ii) an increase in the resources of the Fund for Special Operations and contributions thereto.

"(2)(A) Upon adoption of the resolutions specified in paragraph (1), the United States Governor of the Bank is authorized on behalf of the United States to—

(i) subscribe to four hundred twenty-seven thousand three hundred and ninety-six shares of the increase in the authorized capital stock of the Bank; and

"(ii) contribute $380,000,000 to the Fund for Special Operations.

"(B) Any commitment to make such subscriptions to paid-in and callable capital stock and to make such contributions to the Fund for Special Operations shall be effective only to such extent or in such amounts as are provided in advance in appropriation Acts.

"(b) In order to pay for the increase in the United States subscription and contribution provided for in this section, there are authorized to be appropriated, without fiscal year limitation, for payment by the Secretary of the Treasury—

"(1) $5,155,862,744 for the United States subscriptions to the capital stock of the Bank; and

"(2) $380,000,000 for the United States share of the increase in the resources of the Fund for Special Operations.

"SEC. 32. It shall be the policy of the United States that no initiatives, discussions, or recommendations concerning the placement or removal of any Inter-American Development Bank, African Development Bank, or Asian Development Bank personnel shall be based on the political philosophy or activity of the individual under consideration.".

ASIAN DEVELOPMENT BANK

SEC. 502. The Asian Development Bank Act (22 U.S.C. 285 et seq.) is amended by adding at the end thereof the following:

"SEC. 27. (a)(1) The United States Governor of the Bank is authorized to subscribe on behalf of the United States to one hundred twenty-three thousand three hundred and seventy-five additional shares of the capital stock of the Bank.

"(2) Any subscription to the capital stock of the Bank shall be effective only to such extent or in such amounts as are provided in advance in appropriation Acts.

"(b) In order to pay for the increase in the United States subscription to the Bank provided for in subsection (a), there are authorized to be appropriated, without fiscal year limitation, $1,322,999,476 for payment by the Secretary of the Treasury.

"SEC. 28. (a)(1) The United States Governor of the Bank is authorized to contribute on behalf of the United States $520,000,000 to the Asian Development Fund, a special fund of the Bank.

"(2) Any commitment to make the contribution authorized in paragraph (1) shall be made subject to obtaining the necessary appropriations.

"(b) In order to pay for the United States contribution to the Asian Development Fund provided for in this section, there are authorized to be appropriated, without fiscal year limitation, $520,000,000 for payment by the Secretary of the Treasury.".

AFRICAN DEVELOPMENT FUND

SEC. 503. The African Development Fund Act (22 U.S.C. 290g et seq.) is amended by adding at the end thereof the following:

"SEC. 213. (a)(1) The United States Governor of the Fund is authorized to contribute on behalf of the United States $150,000,000 to the Fund as the United States contribution to the third replenishment of the resources of the Fund.

"(2) Any commitment to make the contribution authorized in paragraph (1) shall be made subject to obtaining the necessary appropriations.

"(b) In order to pay for the United States contribution provided for in this section, there are authorized to be appropriated, without fiscal year limitation, $150,000,000 for payment by the Secretary of the Treasury.".

HUMAN RIGHTS

"SEC. 504. Section 701 of the International Financial Institutions Act (22 U.S.C. 262g) is amended—

(1) in subsection (a)(1), by striking out "consistent"; and

(2) in subsection (g)(1), by striking out "The Secretary of the Treasury, in consultation with the Secretary of State, shall report quarterly" and inserting in lieu thereof "Not later than thirty days after the end of each calendar quarter, the Secretary of the Treasury, in consultation with the Secretary of State, shall report.".

STUDY

SEC. 505. (a) It is the sense of Congress that—

(1) the multilateral development institutions serve an invaluable role in promoting development abroad;

(2) foreign direct investment, trade, and commercial lending make a contribution at least equal to that of development assistance in promoting development;

(3) United States economic interests are vitally affected by conditions in developing countries; and

(4) the multilateral development banks already play an important, although indirect, role in encouraging private investment flows.

(b)(1) The Secretary of the Treasury shall conduct a study of how the multilateral development institutions could more actively encourage foreign direct investment and commercial capital flows and channel such investment and capital flows to developing countries for sound and productive development projects through a new investment banking facility at one or more of these institutions. In addition, such study shall evaluate whether the multilateral development institutions could help increase foreign direct investment and commercial capital flows by insuring that the interests of investors and host governments are adequately protected.

(2) The Secretary of the Treasury shall solicit comments on such study from the multilateral development institutions and shall incorporate such comments with the study in a report to be transmitted to both Houses of the Congress within one hundred and eighty days of the date of the enactment of this section.

EFFECTIVE DATE

SEC. 506. This title shall take effect on October 1, 1983, except that section 503 shall take effect on the date of the enactment of this title.

Mr. ST GERMAIN. Mr. Chairman, I ask unanimous consent that all debate on the bill and all amendments thereto cease at 12 o'clock.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Rhode Island?

Mr. BETHUNE. Mr. Chairman, reserving the right to object, would the gentleman please restate the request.

Mr. ST GERMAIN. That all debate on the remainder of the bill and all amendments thereto cease at 12 o'clock.

Mr. BETHUNE. Mr. Chairman, I object.

The CHAIRMAN pro tempore. Objection is heard.

AMENDMENT OFFERED BY MR. ST GERMAIN

Mr. ST GERMAIN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ST GERMAIN: Page 18, after line 13, insert the following:

PROMOTING ECONOMIC GROWTH AND CONDITIONS FOR EXCHANGE RATE STABILITY

SEC. 301. The Bretton Woods Agreements Act (22 U.S.C. 286 et seq.) is amended by adding at the end thereof the following:

"PROMOTING ECONOMIC GROWTH AND THE CONDITIONS FOR EXCHANGE RATE STABILITY

"SEC. 46. (a) In order to help assure that the resources provided under section 40 are used to support progrowth policies which will help establish the economic conditions necessary for greater financial and exchange rate stability, it is the sense of Congress that the Secretary of the Treasury shall instruct the United States Executive Director of the Fund to work for adoption of policies in the Fund, both within the framework of Article IV consultations and with respect to the conditions associated with Fund-supported balance of payments adjustments programs, that—

"(1) promote sustained noninflationary economic growth, monetary stability, and higher levels of productive employment;

"(2) support the evolution of broadly based, nondiscriminatory, low-rate tax systems which will encourage private sector savings and provide incentives for productive employment, investment, and private sector growth;

"(3) encourage the establishment of sound monetary and fiscal policies which limit government preemption of real and financial

resources and which are conducive to sustainable economic recovery and growth, full employment, and price and exchange rate stability;

"(4) discourage government regulation and government allocation of real and financial resources;

"(5) encourage international capital flows and investment by providing a predictable economic and legal climate based on sanctity of contracts with, and property rights of, foreign investors;

"(6) ensure that policies adopted by third world countries pursuant to their borrowing from the Fund are fair and equitable to all strata of their economy and society; and

"(7) would allow prices to better reflect underlying market forces.

"(b) In negotiating with third world countries, the United States Executive Director of the Fund shall work through the Fund for policies which assist low- and moderate-income families to maintain and increase their level and standard of living, and which provide for and foster the creation of democratic institutions.

"(c) The Secretary shall also instruct the United States Executive Director of the Fund to propose and work for the adoption of policies by the Fund that would strengthen efforts to promote conditions contributing to greater stability of exchange rates. Among other steps, the United States Executive Director of the Fund shall propose that—

"(1) Fund-approved economic adjustment programs seek to promote greater exchange rate stability by supporting policies which would reduce the need for abrupt or damaging exchange rate changes;

"(2) as part of the Article IV consultation process, the Fund review the efforts of each Fund member to collaborate with the Fund to promote stable exchange rates. If as a result of such review, it is determined by the Fund that a member is not pursuing policies which promote a stable system of exchange rates, the Fund shall recommend and encourage the adoption of policy changes to better promote greater economic, price and exchange rate stability.

"(d) The Secretary of the Treasury, as the United States Governor of the Fund, shall report to the Committee on Banking, Housing, and Urban Affairs and the Committee on Foreign Relations of the Senate and to the Committee on Banking, Finance and Urban Affairs of the House of Representatives on a semi-annual basis concerning the above directives to the United States Executive Director of the Fund.".

Page 18, strike out line 18 and all that follows through page 19, line 3, and insert in lieu thereof the following:

(A) by striking out "decision of January 5, 1962, and inserting in lieu thereof "decisions of January 5, 1962, and February 24, 1983, as amended in accordance with their terms,"; and

(B) by striking out "not to exceed $2,000,000,000 outstanding at any one time," and inserting in lieu thereof "in an amount not to exceed the equivalent of 4,250,000,000 Special Drawing Rights, limited to such amounts as are appropriated in advance in appropriation Acts, except that prior to activation the Secretary of the Treasury shall certify that supplementary resources are needed to forestall or cope with an impairment of the international monetary system and that the Fund has fully explored other means of funding,";

(2) in section 17(b), by striking out "$2,000,000,000," and inserting in lieu thereof "4,250,000,000 Special Drawing Rights, except that prior to activation the Secretary of the Treasury shall certify that supplementary resources are needed to forestall or cope with an impairment of the international monetary system and that the Fund has fully explored other means of funding,";

Page 19, line 16, insert "(a)" after "Sec. 40.".

Page 19, after line 10, insert the following:

"(b) The Secretary of the Treasury shall consult with the Chairman and the Ranking Minority Member of—

"(1) the Committee on Banking, Finance and Urban Affairs and the Committee on Appropriations of the House of Representatives, and any appropriate subcommittee of each such committee; and

"(2) the Committee on Foreign Relations, the Committee on Appropriations, and the Committee on Banking, Housing, and Urban Affairs of the Senate, and any appropriate subcommittee of each such committee, for purposes of discussing the position of the executive branch and the views of the Congress with respect to any international negotiations being held to consider any future quota increase for the International Monetary Fund which may involve an increased contribution, subscription, or loan by the United States. Such consultation shall be made (A) not later than 30 days before the initiation of such international negotiations, (B) during the period in which such negotiations are being held, in a frequent and timely manner, and (C) before a session of such negotiations is held at which the United States representatives may agree to such quota increase.

Page 25, strike out line 20 and all that follows through page 27, line 5, and insert in lieu thereof the following:

SUSTAINING ECONOMIC GROWTH

"SEC. 307. The Bretton Woods Agreements Act (22 U.S.C. 286 et seq.) is amended by adding at the end thereof the following:

"SUSTAINING ECONOMIC GROWTH

"SEC. 47. (a)(1) The President shall instruct the Secretary of the Treasury, the Secretary of State, and other appropriate Federal officials, including the Chairman of the Board of Governors of the Federal Reserve System, to use all appropriate means to encourage countries to formulate economic adjustment programs to deal with their balance of payment difficulties and external debt owed to private banks.

"(2) Such economic adjustment programs should be designed to safeguard, to the maximum extent feasible, international economic growth, world trade, employment, and the long-term solvency of banks, and to minimize the likelihood of civil disturbances in countries needing economic adjustment programs.

"(b) To ensure the effectiveness of economic adjustment programs supported by Fund resources—

"(1) the United States Executive Director of the Fund shall recommend and shall work for changes in Fund guidelines, policies, and decisions which would—

"(A) convert short-term bank debt which was made at high interest rates into long-term debt at lower rates of interest;

"(3) assure that the annual external debt service, which shall include principal, interest, points, fees, and other charges required of the country involved, is a manageable and prudent percentage of the projected annual export earnings of such country; and

"(C) provide that in approving any economic adjustment program the Fund shall take into account the number of countries applying to the Fund for economic adjustment programs and the aggregate effects that such programs will have on international economic growth, world trade, exports and employment of other member countries, and the long-term solvency of banks.

"(2)(A) Except as provided in subparagraph (B), the United States Executive Director of the Fund shall oppose and vote against providing assistance from the Fund for any economic adjustment program for a country in which the annual external debt service exceeds 85 percent of the annual export earnings of such country unless the United States Executive Director of the Fund first determines and provides written documentation to the Committee on Banking, Housing, and Urban Affairs and the Committee on Foreign Relations of the Senate and the Committee on Banking, Finance and Urban Affairs of the House of Representatives that—

"(i) the economic adjustment program converts short-term bank debt which was made at high interest rates into long-term debt at lower rates of interests;

"(ii) the annual external debt service required of the country involved is a manageable and prudent percentage of the projected annual export earnings of such country; and

"(iii) the economic adjustment program will not have an adverse impact on international economic growth, world trade, exports, and employment of other member countries, and the long-term solvency of banks.

"(B) The provisions of subparagraph (A) shall not apply in any case in which the United States Executive Director of the Fund first determines and provides written documentation to the Committee on Banking, Housing, and Urban Affairs and the Committee on Foreign Relations of the Senate and the Committee on Banking, Finance and Urban Affairs of the House of Representatives that—

"(i) an emergency exists in a nation that has applied to the Fund for assistance that requires an immediate short-term loan to avoid disrupting orderly financial markets;

"(ii) a sudden decrease in export earnings in the country applying to the Fund for assistance has increased the ratio of annual external debt service to annual export earnings, to greater than 85 percent for a period projected to be no more than one year; or

"(iii) other extraordinary circumstances exist which warrant waiving the provisions of subparagraph (A).

"(c) The National Advisory Council on International Monetary and Financial Policies shall include in each of its annual reports to the Congress copies of the analyses and any written documentation prepared by the United States Executive Director of the Fund pursuant to paragraphs (2)(A) or (2)(B) of subsection (b) and a statement detailing the actions and progress made in carrying out the requirements of subsections (a) and (b).".

PROMOTING DOMESTIC ECONOMIC GROWTH AND EMPLOYMENT

SEC. 308. The Bretton Woods Agreements Act (22 U.S.C. 286. et seq.) is amended by adding at the end thereof the following:

"PROMOTING DOMESTIC ECONOMIC GROWTH AND EMPLOYMENT

"SEC. 48. (a)(1) The cornerstone of a healthy world economy and international trading and financial system is a growing

domestic economy in the United States with price stability and low interest rates.

"(2) Sustained noninflationary economic growth in the United States, full employment in United States basic industries, and a robust economy are essential to avoiding the imposition of protectionist barriers that would inhibit the free flow of trade and undermine the economic and financial stability of countries using the Fund.

"(3) Provision of adequate credit at affordable rates of interest to the United States economy by the United States banking system is essential to promoting a growing domestic economy.

"(b) To that end, and especially to provide working capital to promote the expansion of domestic industries, the appropriate Federal banking agencies, as defined in section 402 of the International Lending Supervision Act of 1983, are directed to develop regulations to implement subsections (c) through (f) within 30 days of the date of the enactment of this section.

"(c) This section shall apply to all banking institutions which have foreign loans which are excessive. A banking institution's loans shall be considered excessive if the aggregate of such loans to public and private sector borrowers in a foreign country described in section 424 of such Act exceeded such banking institution's primary capital on June 30, 1983, or on any date thereafter until January 1, 1986.

"(d)(1) Except as provided in subsections (e) and (f), from the date of the enactment of this section until January 1, 1986, no banking institution having excessive loans under subsection (c) shall make any new loans to foreign countries described in section 404 of such Act if such loans shall cause the growth rate of such banking institution's aggregate loans to all such foreign countries to exceed one-half of the growth rate of such banking institution's aggregate loans to all such foreign countries during the period of January 1, 1980, through June 30, 1982.

"(2) Notwithstanding the provisions of this section, banking institutions may honor binding commitments, which were effective before July 30, 1983, to lend in such countries.

"(e)(1) Any banking institution having excessive loans under subsection (c) may exceed the limits set forth in subsection (d) if the annual rate of growth of such banking institution's domestic lending exceeds the limit so specified.

"(2) In such cases, the rate of growth of aggregate loans to all foreign countries described in section 404 of such Act shall not exceed the rate of growth of domestic lending.

"(f) This section shall not be enforced if—

"(1) the Secretary of the Treasury and the Chairman of the Board of Governors of the Federal Reserve System find that such enforcement would adversely affect the domestic economy; or

"(2) the President determines that enforcement of this section would be detrimental to the national interest."

PROHIBITION OF FRONT END FEES

SEC. 309. (a) In order to avoid excessive debt service burdens on debtor countries, no banking institution shall charge, in connection with the restructuring of an international loan, any fee exceeding the administrative cost of the restructuring unless it amortizes such fee over the effective life of each such loan.

(b) The requirement of subsection (a) shall take effect on the date of the enactment of this section. Each appropriate Federal banking agency shall promulgate such regulations as are necessary to further carry out the provisions of this section.

OPPOSING FUND BAILOUTS OF BANKS

SEC. 310. The Bretton Woods Agreements Act (22 U.S.C. 286 et seq.) is amended by adding at the end thereof the following:

"OPPOSING FUND BAILOUTS OF BANKS

"SEC. 49. Except as provided in section 47 (a section entitled 'Sustaining Economic Growth'), the Secretary of the Treasury shall instruct the United States Executive Director of the Fund—

"(1) to oppose and vote against any Fund drawing by a member country where, in his judgment, the Fund resources would be drawn principally for the purpose of repaying loans which have been imprudently made by banking institutions to the member country; and

"(2) to work to insure that the Fund encourages borrowing countries and banking institutions to negotiate, where appropriate, a rescheduling of debt which is consistent with safe and sound banking practices and the country's ability to pay.".

FLOATING EXCHANGE RATES

SEC. 311. The Bretton Woods Agreements Act (22 U.S.C. 286 et seq.) is amended by adding at the end thereof the following:

"FLOATING EXCHANGE RATES

"SEC. 52. (a) The Secretary of the Treasury shall, in consultation with the Secretary of State and the United States Trade Representative, initiate discussions with other countries regarding the economic dislocations which result from structural exchange rate imbalances.

"(b) Not later than 180 days after the date of the enactment of this section, the Secretary of the Treasury shall transmit a report to the Committee on Banking, Housing, and Urban Affairs and the Committee on Foreign Relations of the Senate and the Committee on Banking, Finance and Urban Affairs of the House of Representatives regarding proposals to reform the floating exchange rate system. Such report shall contain such recommendations for legislative or administrative actions as the Secretary of the Treasury considers advisable.".

SURPLUS COMMODITIES REPORT

SEC. 312. (a) Section 4(b) of the Bretton Woods Agreement Act (22 U.S.C. 286b) is amended—

(1) in paragraph (5)—

(A) by inserting "(A)" after "(5)"; and

(B) by adding at the end thereof the following:

"(B) Beginning 180 days after the date of the enactment of this paragraph, and at intervals of 180 days thereafter for the next three years, the Council shall prepare and transmit to the President and to the Congress a report listing all applications which have been filed during the preceding 180 days with the Fund for project assistance which would establish or enhance the capacity of any country to produce a commodity for export, if—

"(i) such commodity is in surplus on world markets or is likely to be in surplus on world markets at the time the resulting productive capacity is expected to become operative; and

"(ii) such project assistance will cause substantial injury to the United States producers of the same, similar, or competing commodity."; and

(2) by adding at the end thereof the following:

"(8) The general policy objectives for the guidance of the United States Executive Director of the Fund shall take into account the effect that country adjustment programs have upon individual industry sectors and international commodity markets—

"(A) to minimize projected adverse impacts; and

"(B) to avoid, wherever possible, government subsidization of production and exports of international commodities without regard to economic conditions in the markets for such commodities.".

HUMAN NEEDS REPORT

SEC. 313. Section 33 of the Bretton Woods Agreement Act (22 U.S.C. 286s) is amended by adding at the end thereof the following:

"(d) Not later than 180 days after the date of the enactment of this subsection, the Secretary of the Treasury shall transmit a report to the Committee on Banking, Housing, and Urban Affairs and the Committee on Foreign Relations of the Senate and the Committee on Banking, Finance, and Urban Affairs of the House of Representatives specifying the actions which have been taken to carry out the provisions of this section.".

NON-PROLIFERATION OF NUCLEAR WEAPONS

SEC. 314. The Bretton Woods Agreements Act (22 U.S.C. 286 et seq.) is amended by adding at the end thereof the following:

"NON-PROLIFERATION OF NUCLEAR WEAPONS

"SEC. 51. The United States Executive Director of the Fund shall consider, if appropriate, in carrying out his duties, whether a recipient country has detonated a nuclear device, whether the country is not a State Party to the Treaty on Non-Proliferation of Nuclear Weapons, and whether the country is not a State Party to the Treaty Banning Nuclear Weapon Tests in the Atmosphere, in outer space, and under water.".

Mr. ST GERMAIN (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

Mr. ST GERMAIN. Mr. Chairman, debate on this bill began last Friday on the rule, with general debate occurring on Monday, followed by over 6 hours under the 5-minute rule on Tuesday. From the beginning we knew this bill would be controversial, and for this reason, I and my committee colleagues have encouraged an open debate with ample opportunity for Members to voice their doubts and misgivings in an effort to assure a thorough amendatory process.

Taking into account the legitimate concerns voiced by a number of Members on both sides of the aisle concerning this legislation, the ranking minority member of the Banking Committee, CHALMERS WYLIE, and I are offering a compromise perfecting amendment supported by the House leadership and the administration.

Our amendment in summarized form responds to the concerns expressed

during extensive debate to this point as follows:

First. The amendment provides for controls over the release of U.S. funds to the IMF by requiring that the $2.61 billion requested by the administration for increases in the general agreements to borrow (GAB) funds can only be released after the Secretary of the Treasury has certified the necessity for supplemental resource to forestall an impairment of the international monetary system and that the IMF has explored all other means of financing.

Second. Responding to the legitimate concerns related to a possible diverting of resources from U.S. domestic needs, we incorporated the perfecting amendments adopted by the House on Tuesday as well as a number of other proposals to title III which address this concern. In addition, the amendment changes the Bretton Woods Agreement Act to establish without doubt the priority of the health of the U.S. economy and requires the Federal Reserve, Comptroller of the Currency, and FDIC, to identify excessive foreign lending, prevent further excess foreign lending, encourage domestic lending, and to require the Treasury Secretary and Federal Reserve Chairman to implement the Bretton Woods Act in such a way that U.S. economic well-being has the highest priority.

Third. An antibailout provision is provided to instruct the U.S. Executive Director to, in the words of the amendment:

> To oppose and vote against any fund drawing by a member country where, in his judgment, the Fund resources would be drawn principally for the purpose of repaying loans which have been imprudently made by banking institutions to the member country.

Fourth. The concerns expressed that repayment requirements are too stringent thereby cutting off any import capability is met by requiring the U.S. Executive Director to:

> Work to insure that the Fund encourages borrowing countries and banking institutions to negotiate, where appropriate, a rescheduling of debt which is consistent with safe and sound banking practices and the country's ability to pay.

Fifth. An absolute prohibition of upfront rescheduling fees by U.S. banks is contained in the amendment except for administrative fees covering actual costs.

Sixth. A limitation is placed upon further lending by U.S. banks which have engaged in excessive loans to U.S. countries. Excessive loans are identified as those which exceed a bank's primary capital.

I ask my colleagues on both sides of the aisle to review carefully this amendment and give due weight to the need for compromise and enactment of this legislation.

My colleagues, all I can say to you is that a great deal of work was put into this compromise. There are those who will continue to criticize it, but very frankly, it would be impossible to satisfy everyone's objections to this legislation, because the minute you satisfy the objection of one group, you then find that you have another group that is upset with that which you have done to satisfy the objections of the other group.

So, we really and truly worked in a bipartisan manner—and I reiterate bipartisan—with the administration, with the Secretary of the Treasury, with the Federal Reserve Board, and with the approbation and approval and assistance of the White House to come up with this compromise.

The time is short. There are very bad messages going out into the international economic community. We all have a very deep responsibility here. To those who oppose the legislation, again I say, I respect you, but let us take this legislation up this morning, let us address it in a manner that is not dilatory but addresses the amendments that are up before us for consideration, and let us come to a conclusion on this legislation and, I hope, a conclusion, as a result of this compromise, that will meet the favor of the House through adoption of the legislation.

Mr. WYLIE. Mr. Chairman, I move to strike the requisite number of words and I rise in support of the amendment.

Mr. Chairman, I rise in strong support of the committee perfecting amendment to title III. This amendment was drafted jointly yesterday by some of those who had strong objections to certain parts of the bill, but agreed in principle, and by some of its strongest supporters.

It was drafted out of a realization that the general perception of the House was that the committee package was politically difficult for some Members to swallow, given seeming widespread public misunderstanding of the IMF and the need to respond to pressing domestic problems.

□ 1010

I continue to believe strongly that there is no measure Congress could enact this year that is more important to our domestic economy, to lower interest rates, to jobs and to growth than this bill. But I also realize that we must recognize political realities. This amendment will not make the bill acceptable to everyone, but I think it is fair to say the amendment will make the bill acceptable to more Members and adoption will improve the bill.

May I add my explanation as to what this amendment does. First, it takes the committee-passed language for title III and the amendments agreed to in the Committee of the Whole on Tuesday. To this it adds the following new provisions:

It places tough new conditions of the use of the general arrangements to borrow authority. It makes the authority conditional on a certification by the Secretary of the Treasury. It limits use of the GAB resources to those instances where absolutely necessary to forestall a serious threat to the international financial system.

This addresses a concern which was expressed by our minority whip, the gentleman from Mississippi (Mr. LOTT).

It requires the United States to oppose any IMF loan which appears likely to "bailout banks." While I would continue to argue that the IMF does not and cannot bail out banks, I know that some of my colleagues are not convinced and want specific language; and the language in this amendment is very specific in this regard and was alluded to by the chairman in his remarks.

The perfecting amendment includes the McNulty amendment requiring reports every 180 days on IMF loans and commodities in surplus. It was offered by the gentleman from Arizona and is designed to prevent the IMF from exacerbating the problem of surplus production of commodities which end up competing with United States produced commodities. We agree with its purpose and have included it in our substitute.

In conjunction with the committee leadership and the Treasury and the Federal Reserve Chairman, we have worked out a revision to the stretchout language proposed by the gentleman from New York (Mr. SCHUMER). I know the gentleman from New York made very significant concessions to please those who questioned the workability of the original language, and I bow to the gentleman for his willingness to be helpful in this regard.

The amendment strikes directly at the highly questionable practice of some big banks, that of charging very high, front-end fees for rescheduling commercial loans and showing these fees as profits in the quarter in which they were paid.

We have moved decisively to force commercial banks to allocate more credit domestically and less to foreign borrowers.

As in the original committee language, we require prior congressional approval before any new SDR allocations.

We also require the U.S. Executive Director to insure that member countries using Fund resources eliminate all import restrictions and unfair export subsidies, both on agricultural and manufactured exports.

The substitute incorporates the amendment offered in committee by

the gentleman from Florida (Mr. MCCOLLUM).

We have included the new language offered by Mr. LEACH and Mrs. MARTIN expressing the sense of the Congress that the IMF should promote conditions for economic growth and exchange rate stability.

In reponse to a concern of the gentleman from Texas (Mr. PAUL), we have included another new provision requiring prior congressional consultation in a timely fashion before any future IMF quota increase can be made by the United States.

In reponse to the very serious concern expressed by the gentleman from Iowa (Mr. HARKIN) and the gentleman from California (Mr. PATTERSON), the committee has included a provision that requires the Secretary of the Treasury to report to Congress what action has been taken to promote human needs under section 33 of the Bretton Woods Act.

We have included in this the perfecting amendment of Mr. PANETTA and Mr. STARK.

In total, Mr. Chairman, this amendment should make the bill far more palatable for any Member who genuinely seeks to improve this legislation. It is a careful blend of new restraints on banks and reasonable limits on the administration's authority to use the funds which the bill provides. I strongly support this carefully crafted compromise and urge its adoption.

The CHAIRMAN. The time of the gentleman from Ohio (Mr. WYLIE) has expired.

(On request of Mr. CORCORAN and by unanimous consent, Mr. WYLIE was allowed to proceed for 2 additional minutes.)

Mr. CORCORAN. Mr. Chairman, will the gentleman yield?

Mr. WYLIE. I yield to the gentleman from Illinois.

Mr. CORCORAN. I thank the gentleman for yielding.

Mr. Chairman, I would like to ask, first of all, the parliamentary situation in which we find ourselves.

The gentleman from Ohio has described this during the course of his discussion while I was in attendance on the floor as a substitute.

Mr. WYLIE. No. It is a perfecting amendment.

Mr. CORCORAN. It is a perfecting amendment?

Mr. WYLIE, Yes. It is amendable.

Mr. CORCORAN. My second inquiry, Mr. Chairman, to my good friend and colleague from Ohio, is relative to the major provision, as least as I would understand the perfecting amendment, and that is the stipulation that, with respect to the general arrangements to borrow funds, the $2.6 billion could only be released, as it were, to the International Monetary Fund on the certification of the Treasury Secretary or his designee.

My question is this: Does the gentleman think that the Secretary of the Treasury would so designate today?

Mr. WYLIE. Would he so designate today?

Mr. CORCORAN. Yes.

Mr. WYLIE. I do not think he would today, no.

Mr. CORCORAN. Has he testified to the fact?

Mr. WYLIE. As a matter of fact, I discussed that with him, and today he would not make such a designation, that is correct.

Mr. ST GERMAIN. Mr. Chairman, will the gentleman yield?

Mr. WYLIE. I yield to the gentleman from Rhode Island.

Mr. ST GERMAIN. I thank the gentleman for yielding.

Mr. Chairman, the gentleman from California (Mr. PANETTA) would like to address a question to me, so perhaps the gentleman will be kind enough to yield to him and then yield to me again so that I can answer the question.

Mr. WYLIE. I yield to the gentleman.

Mr. PANETTA. I thank the gentleman for yielding, and I thank the chairman for including the amendment that we had offered.

There is the language "if appropriate" that has been added, and I want to make clear that this was intended merely to emphasize the discretion of the Director and not intended to create an exception in the consideration of the provisions of my amendment as they apply to any recipient country.

Mr. ST GERMAIN. If the gentleman will yield, I would reply by saying to the gentleman from California that he is absolutely correct.

Mr. PANETTA. I thank the chairman and I thank the gentleman from Ohio.

Mr. LAFALCE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am a strong proponent of the legislation to increase the U.S. contribution to the International Monetary Fund (IMF). My support reflects careful consideration of the President's request for additional funding, and reflects, as well, my understanding of the nature of the global financial system.

When the IMF was created in the tense atmosphere of 1944, the world was entering a phase of profound economic transition. The dire and miscast energies of the war years were poised to spur renewal, development, and invention. World leaders designed the IMF to help direct these energies by accommodating the postwar reopening of channels of international commerce. The IMF's job, providing temporary economic assistance for countries facing problems in their balance of payments, is one that for over 30 years has made possible a more even distribution of growth and has encouraged the powerful and productive forces of global enterprise.

The development of a system of global trade and changes in international economic arrangements have required modernization of the IMF. Abundant growth in world trade has necessitated increased IMF funding for the purposes of smoothing balance-of-payments difficulties. Recently, efforts worldwide to conquer the inflationary syndrome have brought parts of the developing world to the edge of default. Recession has increased pressures for protectionism that could reverse the gains made in global economic interaction, and we still face the prospect of unemployed millions both here and abroad.

The needs that were present when the IMF was conceived are precedents for today. Recovery and trade growth promise to be uneven; the international adjustment process requires balance-of-payments assistance; protectionism must be resisted. Federal Reserve Chairman Paul Volcker has recently said that "Failure to manage and diffuse these strains could deal a serious blow to the United States and the world recovery." It is in this context that I support the IMF as a workable institution which can aid consistent and well-managed growth as we enter a new phase of global economic development and interdependence.

THE PROPER PERSPECTIVE

Mr. Chairman, in this and other contexts I have argued in favor of U.S. support for multilateral institutions and of the IMF in particular. In most instances I have been impressed by the intellectual depth and sincere commitment of those who debate the nature and extent of U.S. involvement in such institutions. In the instance of this particular legislation, however, I am deeply disturbed by the misleading debate and blatant statement of error and misinformation that has characterized the arguments about the IMF.

I am dismayed that much of our discussion on the quota proposal will be devoted to belabored rhetoric trying to counter the unreasonable arguments of ideologues, yet I believe that it is imperative that we clarify the record on several important points. I would like to take a few minutes of the House's time to address some of the charges that have been made against the proposal for increased IMF funding.

CHARGE NO 1: THE IMF QUOTA INCREASES A BANK BAIL-OUT

The most notorious statement about approving the IMF legislation is that the U.S. taxpayer would, in effect, be bailing out large American banks who have overextended themselves in the developing world. Opponents of the quota increase have used this argu-

ment to create a public relations scam equal to the bank's own efforts on the 10-percent withholding measure.

Not 1 penny of IMF money will be paid to banks. IMF participation in any debt settlement negotiation is, in fact, practically guaranteed to result in further loan commitments by international banks. Commercial banks are now lending on average $4 to debtor countries for every $1 the IMF lends.

The reason for this is that developing countries need continued capital inflows to support economic activity as world recovery begins to generate needed export sales and improved income. The IMF works with lenders—both national governments and commercial banks—to insure that the flow of funds is sustained.

Besides, the IMF could not possibly bail out the banks. The total resources of the IMF represent only a fraction of debt in the Third World, and it is just not possible for the IMF to pay that debt—even if it were warranted economically or mandated legally.

CHARGE NO. 2: THE DEBTOR NATIONS ARE "INCAPABLE OF PAYING THEIR DEBTS AND WE ARE THROWING GOOD MONEY AFTER BAD"

The statement that Third World nations are incapable of paying their debts is a misleading and uninformed assessment of current world conditions.

The LDC's—lesser developed countries—are working to get out of a world recession which had a profound effect on their earnings position as well as on the level of debt they carried. At the same time that the demand and price for LDC commodities fell, monetary policy actions in the United States and abroad caused record high interest rates. The combined low earnings and high debt service costs have placed the developing countries in a temporary debt bind.

World recovery promises to increase LDC earnings, and the moderation in interest rates has already improved LDC balance sheets. There remains further work to do, and the IMF will play a key role in managing economic recovery and long-term stability. Yet, IMF Managing Director Jacques de Larosiere has said, should economic recovery continue, "the financing needs of the nonoil developing countries should prove to be manageable over the medium term."

Frankly, the poignant issue to be addressed is how LDC debt repayment will be accomplished. Without the involvement of the IMF in providing sound economic discipline, improved credit flows, and funding assistance, debt repayment will be financed through a drastic reduction in LDC imports over the long term. Such a retrenchment is virtually guaranteed to cost the United States in lost exports and lost jobs far more than the $8.4 billion this quota legislation represents.

Let me emphasize that in support of the developing economies through cooperation with international efforts to get through this rough economic transition, we are investing in the long-term growth potential of these countries. Remember, Mexico's domestic product has increased by a factor of six since 1950, and per capita output has almost tripled. The average purchasing power per person now stands at the same level as Japan's in 1960. Mexico, and other developing economies, are vibrant and growth oriented. In a growing world market, we can trust that our investment in the LDC's will grow also.

CHARGE NO. 3: THE IMF SHOULD SELL ITS GOLD

Mr. Chairman, Under Secretary of the Treasury Beryl Sprinkel recently did an excellent job countering proposals that the IMF be forced into selling its gold holdings. I recommend that my colleagues refer to Mr. Sprinkel's Senate testimony of June 6 because it so clearly states the understanding of this administration which is that the sale of IMF gold is both unworkable and ill-advised.

The IMF currently holds 103 million ounces of gold. Under the articles of agreement, the Fund can sell that gold in one of two ways if 85 percent of the voting power in the IMF approves such a sale. First, the IMF can sell its gold at open market prices or, second, it can sell to members in proportion to their quotas as of August 31, 1975, at a price of SDR $35 per ounce (now about $38).

As Mr. Sprinkel points out, sale of IMF gold would disturb the highly volatile gold markets and could cause a major reduction in the world price of gold. Even a small price drop would reduce the potential value of our own gold holdings, and chances are that we would see a price plunge that would immediately wipe out any savings from a refusal to approve an IMF quota increase.

Similarly, the effects of selling gold through the restitution process outlined in the IMF articles of agreement would result in a nonproductive transfer of wealth. Selling gold to member countries at a below market price would represent, according to Sprinkel, "a get-rich scheme" for the wealther nations while providing no assistance to the developing world. As Sprinkel says:

> The point is that the amounts individual developing countries might be able to receive through restitution would be far less than they would be eligible to borrow from the IMF—on a conditional basis—if the IMF continues to function and if they continue to meet the economic adjustment objectives set out in their IMF programs.

Aside from these market consequences, there is very little likelihood that IMF creditors would be willing to approve a gold sale that would have the effect of reducing the available collateral for their loans. Borrowing against IMF gold would have the same effect of subordinating creditors' claims on the gold. It is in the interest of IMF creditors—including the United States—that gold remain in the institution as security for loans outstanding.

Mr. Chairman, I believe these arguments are convincing. Requiring the IMF to sell its gold would weaken the institution itself, weaken the claims of IMF creditors, and do nothing for the developing countries and the world economy. The costs of such action are potentially enormous, and, to my eyes and the eyes of this administration, the benefits are nonexistent.

CHARGE NO. 4: WORLD RECOVERY ELIMINATES THE NEED FOR ADDITIONAL IMF RESOURCE

The view that the IMF's role should be reduced as the global economy begins to grow overlooks the objectives of the Fund. In 1944 the IMF was designed to facilitate expansion of international trade; that is precisely the role it should play today.

The IMF serves several functions which promote stability and even the expansion of trade. First, the institution is responsible for the surveillance of the global exchange rate system. The goal of such surveillance is the promotion of exchange rate stability and the avoidance of competitive exchange rate depreciation.

Second, the IMF helps to insure a steady sustainable growth in trade by providing countries which have balance-of-payments problems an alternative to extreme and destructive economic retrenchment. Trade growth often occurs at the temporary expense of individual countries' balance of payments. Developing countries, particularly, tend to find internal demand increasing suddenly in periods of rapid economic growth, and balance-of-payments assistance allows continued import financing while export markets develop.

Additionally, the IMF serves an increasingly important function in its promotion of international cooperation in monetary affairs. In an important contribution to the workings of the floating exchange system, the IMF has assumed responsibility for monitoring the underlying economic stability of Fund participants. The IMF's role in the collection and dissemination of information regarding global trends and monetary conditions is invaluable in a world of increasingly interconnected economies. In fact, agreement of world leaders at Williamsburg to seek greater convergence of economic policies was predicated, in part, on the information and participation of the IMF.

Some critics of the IMF have charged that in fulfilling these roles of surveillance, balance-of-payments assistance, and promotion of monetary

cooperation, the institution is "operating outside of its charter." These critics imply that the deterioration of the fixed exchange system left the Fund without a mandate, and that the current activities of the IMF are being carried out independently of the instructions and desires of Fund members.

Mr. Chairman this charge is ridiculous. The problems of global economic adjustment are present with or without a fixed system of exchange. The IMF as an institution has not developed in competition, but in tandem with the evolution of the world economy. This fact was recognized by Fund members, including the United States, when charter amendments were devised in 1976. As many of us here well remember, the Congress discussed and approved those amendments after long and careful consideration at the IMF, in the President's offices, and within the appropriate congressional committees. To charge that the IMF is operating outside of its charter overlooks the fact that there has been no change in the goals of the Fund, even though developments in the world economy have meant that the Fund works in a different historical context. The IMF is today more useful—more essential to a changing world economy—than at any time since its inception.

CHARGE NO. 5: IMF IMPOSED AUSTERITY REDUCES GROWTH AND TRADE

Perhaps one of the most serious and difficult questions to be debated in consideration of the IMF quota increase is that of IMF conditionality. Many opponents of the quota increase are charging that the IMF imposes austerity on borrowers who are forced to reduce the level of imports, thus reducing world trade and cutting off purchases of U.S. goods.

Mr. Chairman, these critics utilize misleading language in making this charge. First, the IMF does not force anyone to do anything. Countries facing debt problems go to the IMF to request assistance. Negotiations concerning the amount of necessary funding also consider needed economic adjustments. In most instances, the borrowing country provides its own plan for improving its international credit position.

Second, austerity is not a matter of choice by the time a country goes to the IMF. In order to promote stable, long-term economic growth it is essential that the borrowing country improve its balance-of-payments position. While temporary import reductions often go along with other measures taken by a borrower to improve its economy, the goal and long-range effect of such policies is to allow improved credit flows and resumption of growth in trade. Without IMF assistance, many borrowers would not just reduce imports to a sustainable level commensurate with sound economic development, but would be forced into drastic reductions in international purchases.

The fact of the matter is, IMF programs do not necessarily result in import restrictions. Sometimes such restrictions are needed, but a recent study found that 19 of 26 countries recently working with the IMF found imports and GNP growing in the first year after an IMF agreement.

Mexico provides a good case in point. One year ago Mexico was close to default on $80 billion in foreign debt. In negotiations with the IMF, Mexico received a $3.8 billion loan and agreed to take strong action to right its economy. There is no question that the measures taken by the Mexican Government were stringent and demanding, both economically and politically.

The result, however, is that Mexico now appears to be positioned for renewed growth—both internally and in terms of trade. Problems remain, of course, but Mexico is doing well enough to have recently announced that it wanted to delay additional loans because its recovery is progressing ahead of schedule.

The impact on the U.S. economy of such a turn around is going to be enormously beneficial. The U.S. Treasury has estimated that our exports to Mexico for 1983 will approach $11.9 billion. Without IMF assistance and its so-called imposed austerity the levels of U.S. products exported to Mexico would be closer to $4.9 billion.

Mr. Chairman, the IMF does not force economic retrenchment. It provides an opportunity for countries in trouble to plan and execute an affordable austerity—an austerity that is an investment in the future. And as the Mexican case demonstrates, IMF capital and advice can be good for the United States.

THE NEED FOR A STRONG IMF

I have intended, in these few moments, to offer some imperative and sensible reasons to support an IMF quota increase. The IMF is a practical, effective mechanism for dealing with the problem of international debt. Moreover, while approving a quota increase will not in itself solve the problems of the world financial system, rejecting the quota legislation will most certainly make them far worse.

The Fund has nothing more to prove, especially in the light of its usefulness in the recent crisis atmosphere. It has forged an iron-work of success in its well-girded support of the developing world economy. Failure of the Congress to offer its support to the IMF would have serious and potentially frightening consequences.

Failure of the U.S. Congress to vote in favor of an increased IMF quota will send shocks of uncertainty through the world financial system. At the minimum, market perceptions of increased risk will push interest rates higher here and abroad.

Failure of the House to approve the quota legislation would bring to a halt negotiations regarding privately financed projects in the developing world, thus slowing the process of development and, in many instances, hurting American suppliers and financiers.

Failure to pass legislation in the House will signal the unwillingness of the United States to commit itself to international economic cooperation and will undermine the position of our negotiators in future international transactions.

Most importantly, if we fail to increase the U.S. subscription to the IMF, and the IMF runs short of funds, we in Congress are practically guaranteeing that any advances made this year in the world economy will be eroded as some countries are forced into unworkable and dangerous austerity. Stringent import restrictions, potential defaults, protectionism and international loan losses will interrupt trade flows, reduce the market for our exports, and thereafter deflect economic recovery and jobs in the United States. Chairman of the Council of Economic Advisors Martin Feldstein recently quoted Benjamin Franklin in saying, we must all hang together or we shall all hang separately. If we choose to believe in the efficacy of economic gallows, let me invoke the corollary warning: Today's victims may turn out to be our eventual hangman.

The interdependence of the world financial system and the delicacy of the U.S. recovery demand that we now share most vitally in the global economy. International cooperation is no longer a matter of useful ideals, but is a matter of essential policy. The dictates of reason and the wisdom of commonsense demand our strong support for the IMF.

Mr. BETHUNE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to begin by complimenting the chairman of the full committee and the subcommittee for giving members of the Banking Committee every opportunity to hear witnesses and offer amendments throughout the committee process. I thought it was a good series of hearings and certainly much was learned by those who are in favor of the bill and those who are opposed to the bill.

Today I objected to the unanimous consent request to limit time to 12 o'clock today because the fact of the matter is that, while those of us on the Banking Committee have had considerable opportunity to debate the issues and to hear witnesses, other Members of the House have not had a comparable opportunity. We had a

debate on this a couple of days ago, and many Members were present and participated. But the fact of the matter is, the Schumer amendment consumed most of that time, and it dealtith a rather narrow proposition.

Mr. ST GERMAIN. Mr. Chairman, will the gentleman yield?

Mr. BETHUNE. I yield to the gentleman from Rhode Island.

Mr. ST GERMAIN. Mr. Chairman, if the gentleman will check the debate on the Schumer amendment, I would say that, out of 3½ hours to almost 4 hours on the Schumer amendment, perhaps 25 minutes of debate was devoted to the Schumer amendment. The balance was devoted to the legislation.

Mr. BETHUNE. Perhaps the RECORD would reflect that we did venture into larger concepts. My point would be this: that Mr. SCHUMER, a member of the committee, had an opportunity to offer his amendment. Two other amendments were offered. They were relatively noncontroversial. But other Members who are not on the committee—and there are some 30 or 35 amendments pending, having been printed in the RECORD—have not had an opportunity. And had we limited the debate to 12 o'clock today and then the chairman being recognized to offer this perfecting amendment and members of the committee having the prerogative to be recognized ahead of those other Members, would simply consume all of that time and thus foreclose the Members who have serious amendments that they have worked on very long and hard the opportunity to come here and be heard.

Now, I know that it is important to rush this matter through today because a fig leaf has been constructed for those Members who wish now to honor their loyalty to the administration and vote for the bill or for those Members who are concerned about some proposition in the bill politically and want to vote for it; for God knows what reason, we have constructed the fig leaf.

□ 1020

When you have fig leaf like this one, it is important to get it on the floor and get it voted on and get it out of here in a hurry, because if you do not, pretty soon people begin to see through the fig leaf and then it is not any good any more; it becomes transparent.

I think that is precisely what will happen if we continue our debate here.

I want to make a larger point and I principally would like to speak primarily to my colleagues on the Republican side of the aisle who tell me over and over again, in the privacy of the cloak room, that they bemoan and are concerned by the fact that we are considered to be the party of the rich. They wonder how could anybody come to such a conclusion.

We worry about that. We take polls about it. We spend a great amount of money trying to figure out how to get rid of this image that we are the party of the rich.

The fact of the matter is that we put inordinate pressure here, through our legislative activities, on the smallest people in the society, the little people, the poor people. We will whack away at food stamps. We will whack away at student loans. We will put all kinds of pressure on those people, but when it comes to the big banks, or when it comes to corporate America, we do not do anything. We just stand by and let them pass through this Congress anything that they come in here and ask for.

If you are wondering why you are regarded as the party of the rich, maybe you better look at that a little bit.

Now, on the other side of the aisle, it seems to me they are more consistent because they enlarge the safety net for everyone, poor and rich alike. Just keep building a bigger safety net, take the risk out of life, take the risk out of business, take the risk out of everything for everyone.

We contend that ultimately that will collapse and it will not work. I say to my colleagues on the Republican side of the aisle that you are being hoodwinked on this particular bill. The big banks are getting a bailout and they are going to line their pockets with money.

The CHAIRMAN. The time of the gentleman from Arkansas (Mr. BETHUNE) has expired.

(On request of Mr. BARNARD and by unanimous consent, Mr. BETHUNE was allowed to proceed for 2 additional minutes.)

Mr. BARNARD. Mr. Chairman, will the gentleman yield?

Mr. BETHUNE. I yield to my friend, the gentleman from Georgia.

Mr. BARNARD. I thank the gentleman for yielding.

Mr. Chairman, I want to say that likewise, the gentlemen on this side are known for understanding the system. They are business acclimated and they understand the system. They understand the system of banks clearing checks between one another. This is nothing more than that.

We are not talking about the great economies that have been brought into this discussion. We are talking about nothing but a system that was calculated to help us with a settlement problem of currencies between nations.

This has been debated time and time again. This is not foreign aid, this is not bailing out the banks. What we are dealing with is a system. If there are faults in the system, and I will certainly give credit to different ideas about how the system should work, whether or not we should use gold or not use gold, but if we need to change the system, I am willing to have that come to a forum and be discussed. But what we do here, we have a system of currency exchanges throughout the world that comes about because of normal business activity, because of exports and imports among nations. The fact that countries have imbalances in their balance of payments, this is a mechanism, only a mechanism.

I would remind the gentleman from Arkansas this is a mechanism and it has worked for 40 years. Now, I do not say that it should be there for an eternity, but if we want to change the mechanism, let us come back to the Congress with a resolution. Let us come back to the people with hearings and with consultation. If we want to change the Bretton Woods Agreement, well and good. But now this is not the time and this is not the place to bring all of those things into discussion.

We can get back into that system at another time. I find no fault with the philosophies that are being brought into this discussion, but they are extraneous to the issue. If we are doing something wrong, it is fine, but at this time and place it is not right.

The CHAIRMAN. The time of the gentleman from Arkansas (Mr. BETHUNE) has again expired.

Mr. PATMAN. Mr. Chairman, I ask unanimous consent that the gentleman be given 2 additional minutes.

Mr. ST GERMAIN. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

For what purpose does the gentleman from Rhode Island (Mr. ST GERMAIN) rise?

Mr. ST GERMAIN. I have a motion, Mr. Chairman.

On Monday we had 4 hours of general debate. On Tuesday we debated this for approximately 6 hours, not on the Schumer amendment but on the bill itself. We are now under a time constraint on this legislation given us by the leadership.

Under the circumstances, I have no alternative but to do something that I do not like to do but I must do because of the importance of this legislation.

I now move that all debate on the bill, H.R. 2957, and all amendments thereto, cease at 12 noon.

The CHAIRMAN. The question is on the motion offered by the gentleman from Rhode Island (Mr. ST GERMAIN).

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. BETHUNE. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic devise, and there were—ayes 242, noes 145, not voting 46, as follows:

[Roll No. 289]

AYES—242

Ackerman	Gore	Ortiz
Akaka	Gradison	Ottinger
Albosta	Gray	Panetta
Alexander	Green	Parris
Andrews (NC)	Guarini	Patterson
Andrews (TX)	Hall (IN)	Pease
Aspin	Hall (OH)	Penny
Barnard	Hall, Ralph	Pepper
Barnes	Hamilton	Perkins
Bartlett	Hance	Pickle
Bennett	Hansen (UT)	Price
Bereuter	Harrison	Quillen
Berman	Hartnett	Rangel
Bevill	Hawkins	Ratchford
Biaggi	Hefner	Ray
Bliley	Hertel	Regula
Boehlert	Hightower	Reid
Boggs	Horton	Richardson
Boland	Howard	Robinson
Boner	Hoyer	Rodino
Bonior	Hubbard	Roe
Bonker	Hutto	Rose
Borski	Ireland	Rostenkowski
Bosco	Jeffords	Roukema
Boucher	Jenkins	Rowland
Boxer	Johnson	Roybal
Breaux	Jones (NC)	Russo
Britt	Kazen	Sabo
Brooks	Kennelly	Savage
Broomfield	Kildee	Scheuer
Brown (CA)	Kogovsek	Schulze
Broyhill	Kolter	Schumer
Bryant	Kostmayer	Shannon
Burton (CA)	LaFalce	Sharp
Byron	Lantos	Shelby
Carper	Latta	Shuster
Cheney	Leath	Sikorski
Clarke	Lehman (CA)	Sisisky
Clay	Lehman (FL)	Skelton
Clinger	Leland	Smith (FL)
Coelho	Levin	Smith (IA)
Coleman (TX)	Levine	Smith (NJ)
Collins	Lipinski	Snowe
Conable	Lloyd	Solarz
Conte	Long (LA)	Spratt
Cooper	Long (MD)	St Germain
Coyne	Lowery (CA)	Stark
D'Amours	Lowry (WA)	Stenholm
Daniel	Lujan	Stokes
Daschle	Luken	Stratton
Dickinson	Lundine	Studds
Dicks	MacKay	Stump
Dixon	Markey	Swift
Donnelly	Marriott	Synar
Duncan	Martinez	Tallon
Dwyer	Matsui	Taylor
Dymally	Mavroules	Thomas (GA)
Dyson	McCloskey	Torres
Edgar	McHugh	Towns
Edwards (AL)	McKinney	Valentine
Edwards (CA)	McNulty	Vento
Emerson	Mica	Watkins
English	Michel	Waxman
Erdreich	Mineta	Weiss
Erlenborn	Minish	Wheat
Evans (IL)	Mitchell	Whitehurst
Fazio	Moakley	Whitley
Feighan	Mollohan	Whitten
Ferraro	Moody	Williams (MT)
Flippo	Morrison (CT)	Wilson
Florio	Mrazek	Wirth
Foglietta	Murphy	Wolpe
Ford (MI)	Murtha	Wortley
Ford (TN)	Natcher	Wright
Forsythe	Neal	Wyden
Fowler	Nelson	Wylie
Frenzel	Nichols	Yates
Gaydos	Nowak	Yatron
Gejdenson	Oakar	Young (MO)
Gephardt	Oberstar	Zablocki
Gibbons	Obey	

NOES—145

Anderson	Bedell	Campbell
Anthony	Bethune	Carney
Archer	Bilirakis	Chandler
Badham	Brown (CO)	Coats
Bateman	Burton (IN)	Coleman (MO)
Corcoran	Kemp	Ridge
Coughlin	Kindness	Rinaldo
Courter	Lagomarsino	Ritter
Craig	Lent	Roberts
Crane, Daniel	Levitas	Roemer
Crane, Philip	Lewis (CA)	Rogers
Daub	Lewis (FL)	Roth
Davis	Livingston	Rudd
de la Garza	Loeffler	Sawyer
Derrick	Lott	Schaefer
DeWine	Lungren	Schneider
Downey	Mack	Sensenbrenner
Dreier	Marlenee	Shaw
Durbin	Martin (IL)	Siljander
Eckart	Martin (NC)	Skeen
Edwards (OK)	Martin (NY)	Smith (NE)
Evans (IA)	Mazzoli	Smith, Denny
Fiedler	McCain	Smith, Robert
Fields	McCandless	Snyder
Fish	McCollum	Solomon
Franklin	McCurdy	Spence
Gekas	McDonald	Staggers
Gilman	McEwen	Stangeland
Gingrich	McGrath	Sundquist
Glickman	McKernan	Tauke
Gonzalez	Mikulski	Tauzin
Goodling	Miller (CA)	Thomas (CA)
Gramm	Miller (OH)	Traxler
Gregg	Moore	Vander Jagt
Gunderson	Moorhead	Vandergriff
Hammerschmidt	Morrison (WA)	Volkmer
Hansen (ID)	Nielson	Vucanovich
Harkin	O'Brien	Walgren
Hiler	Olin	Walker
Hillis	Oxley	Weaver
Hopkins	Packard	Weber
Huckaby	Pashayan	Whittaker
Hughes	Patman	Winn
Hyde	Paul	Wise
Jacobs	Petri	Wolf
Jones (OK)	Porter	Young (AK)
Kaptur	Pritchard	Zschau
Kasich	Pursell	
Kastenmeier	Rahall	

NOT VOTING—46

Addabbo	Early	McDade
Annunzio	Fascell	Molinari
Applegate	Foley	Montgomery
AuCoin	Frank	Myers
Bates	Frost	Owens
Beilenson	Fuqua	Schroeder
Carr	Garcia	Seiberling
Chappell	Hall, Sam	Shumway
Chapple	Hatcher	Simon
Conyers	Heftel	Slattery
Crockett	Holt	Torricelli
Dannemeyer	Hunter	Udall
Dellums	Jones (TN)	Williams (OH)
Dingell	Kramer	Young (FL)
Dorgan	Leach	
Dowdy	Madigan	

□ 1040

Mr. PACKARD and Mr. SUNDQUIST changed their votes from "aye" to "no."

Mrs. HALL of Indiana changed her vote from "no" to "aye."

So the motion was agreed to.

The result of the vote was announced as above recorded.

Mr. GEKAS. Mr. Chairman, I move to strike the last word.

The CHAIRMAN. The gentleman from Pennsylvania (Mr. GEKAS) is recognized for 5 minutes.

Mr. BETHUNE. Mr. Chairman, a parliamentary inquiry.

Mr. HAWKINS. Mr. Chairman, a parliamentary inquiry.

Mr. NEAL. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The Chair has recognized the gentleman from Pennsylvania (Mr. GEKAS) for 5 minutes. Does the gentleman care to yield for a parliamentary inquiry?

Mr. GEKAS. I yield to the gentleman from Arkansas (Mr. BETHUNE).

PARLIAMENTARY INQUIRIES

Mr. BETHUNE. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BETHUNE. Mr. Chairman, the parliamentary inquiry is for the Chair to please state the process by which we will do our business from now until the time is cut off.

The CHAIRMAN. For the time being, the Chair intends to proceed under the 5-minute rule.

Mr. NEAL. Mr. Chairman, will the gentleman yield for a parliamentary inquiry?

Mr. GEKAS. I will yield, if the gentleman will guarantee to ask for more time for me later.

Mr. NEAL. Mr. Chairman, I appreciate the gentleman's yielding.

Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. NEAL. Mr. Chairman, would it not be in order at this time to ask that the time be divided between the proponents and the opponents of this measure, since there is a limitation on the time?

The CHAIRMAN. The Chair believes not, because the time has been limited on the entire bill. It would be very difficult to allocate time to any one particular party or two parties when the Chair has no knowledge of the amendments that will be offered.

Mr. NEAL. Mr. Chairman, a further parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. NEAL. Mr. Chairman, is it not true that members of the committee should be given preference in terms of recognition?

The CHAIRMAN. That is true. At the time the gentleman from Pennsylvania was recognized, he was the only one seeking recognition.

Mr. GEKAS. Mr. Chairman, I would like to reclaim my time.

Mr. Chairman, there has been one element that has been noticeably missing in the debate on this very important subject. The missing element, Mr. Chairman, in the deliberations thus far taking place on this important issue is the Williamsburg Declaration on Economic Recovery. This is a document which was fashioned at the recent high level chiefs of state conference that was held very near the capital of the United States in which the heads of states of our cooperative partners on international trade and on politics and defense, I might add, those leaders came together and crafted a final agreement which we must take cognizance of in our deliberations here, in my judgment.

□ 1050

Listen to what the language was of one of the important phrases having to do with the IMF, the very subject of our deliberation. In the final communique where the set of policies was set out for the Williamsburg Declaration on Economic Recovery, in No. 4, among other things, it states: "We will seek early ratification of the increases in resources for the International Monetary Fund and the general arrangements to borrow."

Now, that goes without saying that is what they agreed to do. But what is important for us in the U.S. House of Representatives is that the President of the United States became a signatory to the Williamsburg Declaration on Economic Recovery. His sole purpose in doing so was to join in the worldwide, as it were, effort to bring about the economic recovery which each one of us heartily endorses and wants to see come about.

It seems to me that the Williamsburg Declaration on Economic Recovery is just as much a part of American foreign policy as is any other subject upon which this body debates on a day-to-day, hour-to-hour basis.

Now is the time, then, to come to the aid of the President of the United States who signed the declaration in Williamsburg and is leading the world, not just this Nation, leading the world in the cause of economic recovery.

We must support that cause.

Mr. JACOBS. Mr. Chairman, will the gentleman yield?

Mr. GEKAS. I yield to the gentleman.

Mr. JACOBS. The gentleman just read that at that conference the declaration was that the signatories would seek an increase.

Mr. GEKAS. That is correct.

Mr. JACOBS. I hope that they will seek and find out that they cannot get it from the taxpayers of the United States.

Mr. GEKAS. If I might say, when the President of the United States seeks it, it is incumbent upon him and the people who support the Government of the United States, because he is the leader in the world recovery of this economy, and the leader of the world in every other criterion we can place, that when he says he will seek, all of us should follow in this particular instance.

Mr. NEAL. Mr. Chairman, I move to strike the requisite number of words.

Mr. GIBBONS. Mr. Chairman, will the gentleman yield?

Mr. NEAL. I yield to the gentleman from Florida.

Mr. GIBBONS. I appreciate the gentleman yielding. I will be so brief, I hope, that everyone will listen so that I will not have to repeat it.

Much of our trouble is caused by our success, not our failures.

Let me give you this picture. Twelve years ago, the exports of the United States were about $25 billion a year. Do my colleagues know what they are today? Today they are $250 billion a year. That is where most of our illiquidity originates.

Eighty percent of all of the new jobs that have been created in the U.S. economy in the last 12 years have been created because of these exports—exports, jobs. That is our problem.

The well-meaning people who would collapse this economy, and they do not understand what they are about to do, do not understand that picture. You have to have cash. You have to have credit, or these jobs will disappear from our society.

Our success, not our few failures, have put us in this dilemma.

Mr. TORRES. Mr. Chairman, will the gentleman yield?

Mr. NEAL. I yield to the gentleman from California.

Mr. TORRES. I thank the gentleman for yielding. I rise in support of the chairman's amendment and the bill and to ask the distinguished gentleman from Rhode Island, chairman of our committee, a question.

Your amendment, which in part amends section 46 of the Bretton Woods Act, calls for the establishment and the fostering of democratic institutions. This phrase in the section certainly would be defined to include democratic trade unions; am I correct?

Mr. ST GERMAIN. Will the gentleman yield?

Mr. NEAL. I yield to the gentleman from Rhode Island.

Mr. ST GERMAIN. The gentleman is absolutely correct.

Mr. TORRES. They would be included within that?

Mr. ST GERMAIN. Very definitely, most appropriately.

Mr. TORRES. I thank the gentleman.

I am particularly concerned about the fact that several countries now going through IMF-supervised adjustment programs are going down the same path as Poland. We are all familiar with Poland's efforts to destroy the independent trade union Solidarity during Poland's debt crisis. In the last few months, both Brazil and Chile have been carrying out a similar crackdown on democratic and peaceful trade unions. This trampling of the rights of trade unionists is undermining the long-term goals stated in the preamble of the IMF charter to maintain economic growth with high levels of employment and real income.

Poland has demonstrated the long-term economic as well as social and political costs of repressing independent trade unions. On the other hand, experience in this country and elsewhere shows that a healthy and active trade union movement can be maintained during difficult economic times and can contribute to the solution of economic problems. When governments intervene to destroy trade union organizations, the opportunity for a creative and cooperative role for workers is also destroyed. Not only is the economic structure of the country rigidified, but workers are forced to make an inordinate economic sacrifice. An independent and democratic trade union movement is essential for workers to achieve anything close to equity.

Two weeks ago the Government of Brazil threw out the elected leaders of the metalworkers union in an industrial suburb of Sao Paulo. This union has over 100,000 members and includes most of the country's auto workers. The leadership of this union, just as those of Polish Solidarity, had decided to peacefully protest its opposition to the inequitable effect of the Government's austerity measures on the workers of Brazil. Several other unions have also been taken over by the Brazilian Government. The IMF should not turn its head from Brazil's destruction of these unions.

In judging whether a country should receive IMF credits, the IMF now requires that a country propose a plan to reverse its balance-of-payments difficulties. The measures approved by the IMF often affect sensitive domestic issues. The priorities of the Fund are badly distorted when it puts so much scrutiny on the climate for foreign investor organizations and none at all on the climate for domestic worker organizations.

In light of recent experience, the IMF should add a new yardstick in judging whether a country is adopting appropriate domestic policies for long-term growth. It should examine whether that country is preserving the basic rights of workers to organize freely, to bargain collectively through representatives of their own choosing, and to engage in peaceful collective action to obtain better wages and working conditions. The IMF should not grant credit to support—and thereby sanction—a government's headlong rush to improve financial figures when trade union rights are trampled in the process.

If this interpretation of the directions to be given to the U.S. Director to the IMF is accepted, the IMF policy and practice would seek a commitment by a credit-seeking country to provide a basic framework of trade union rights. Thus, in addition to the standard financial measures, the IMF would consider a country's human rights, especially its treatment of trade unions. This would put all potential future borrowers on notice that the IMF will consider its respect for domestic trade unions. It does not require anyone to form or join a union, but defends the

freedom of workers to do so if they choose.

While this interpretation defends the role of democratic and independent trade unions during the implementation of an IMF sponsored adjustment program, it does not prejudge either the type or degree of economic sacrifice that a government may impose. If required to do so, all governments can meet this condition. Thus, it should not prevent any country from receiving needed IMF assistance nor getting its economic house in order.

Mr. FRENZEL. Mr. Chairman, will the gentleman yield?

Mr. NEAL. I will be happy to yield to the gentleman from Minnesota.

Mr. FRENZEL. I thank the gentleman for yielding.

Mr. Chairman, I supported the original bill. I have written to my colleagues on the subject. The IMF is a vital international agency which helps to promote world stability.

I support the amendment of the gentleman from Rhode Island. I would prefer the original bill, but the St Germain is acceptable. Our problem is that it is going to cost us more not to increase IMF funding than it is going to cost us to pass this bill.

We must keep our system of international financial discipline in good working order. The IMF is the international vehicle which all of the nations of the free world have devised and supported to maintain economic stability and prevent disruptions.

If we do not pass this bill, we will be forced to pay the costs of disruption in some other ways. As they say in the ads, "We can pay now or we can pay later." This bill is the best, most effective, and cheapest way to absorb measurable costs. It is far better to pay now, along with other countries of the free world.

If bankruptcies occur because of our failure to fund IMF, there are likely to be massive bailouts. Those of us who, like me, voted against New York, Lockheed, and Chrysler, are not likely to support those bailouts, but they will be passed. It is far better to guarantee stability the easy way, with other nations helping, by passing this bill.

All that is at stake is American jobs, agriculture, growth, investment, and exports. If they are important to you, I suggest you vote for this bill.

Mr. NEAL. Mr. Chairman, I ask unanimous consent for an additional 3 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

Mr. BETHUNE. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. NEAL. Mr. Chairman, while we have a number of distinguished members of the minority party on the floor I would like to quote to them several comments made by the President, the Secretary of the Treasury, and some others. I think they will find these comments of great interest.

This is not a simple little political issue. What we are talking about here is the future of the international economy. It is a most important matter, and I hope that minority Members will pay some attention to these words from leaders of their party.

Let me say to my Democractic friends, if there were a Democrat in the White House today and we had a Democratic Secretary of the Treasury those Democratic officials would be saying exactly the same things about the IMF. The IMF has been supported by every Democratic and every Republican administration since 1944, when the IMF was organized under President Roosevelt. It has had the backing of every President through President Reagan because it is in our national interest, my friends.

Listen to what President Reagan says:

> We cannot afford to become complacent and leave unaddressed the very serious threat to our recovery posed by the strains in the international financial system.
>
> The IMF is at the center of the strategy, but must have adequate resources to fulfill its important responsibilities successfully.

He goes on to say:

> Failure of the Congress to provide the U.S. share of the agreed increase in IMF resources would seriously erode confidence in our leadership and jeopardize the stable financial framework needed for an open, growing U.S. and world economy.

Mr. Chairman, I ask unanimous consent to proceed for 3 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

Mr. CORCORAN. Mr. Chairman, reserving the right to object, and speaking on my reservation, and I certainly do not want to be critical or appear to be critical of my good friend from North Carolina, but if you review the debate on this legislation the members of the Committee on Banking, Finance and Urban Affairs, pursuant to the rules, and properly so, of this House, have been able to dominate the debate with their amendments and their evaluation of the pending business before the Committee of the Whole.

□ 1100

But there are a number of other Members of this House, Mr. Chairman, who are deeply concerned and have a lot of unanswered questions that they would like to raise and I would hope that we be given opportunity not only to offer our amendments but to participate in the debate.

I withdraw my reservation.

Mr. PATMAN. Mr. Chairman, reserving the right to object.

The CHAIRMAN. The gentleman from Texas reserves the right to object.

Mr. PATMAN. And I would like to ask the distinguished subcommittee chairman, are there any plans or possibilities for the opposition to this bill to speak before the time runs out at 12 o'clock? So far, we have had only the proponents speaking for the legislation and I do believe in fairness that the opposition should have an opportunity to speak. I am not going to begrudge the gentleman his time, reading his statements which have already been read, if I may say so, into the RECORD.

Mr. CORCORAN. Mr. Chairman, would the gentleman from Texas yield on reservation?

Mr. PATMAN. I yield to the gentleman.

Mr. CORCORAN. I thank my colleague for yielding on his reservation.

I would be willing and I hope the gentleman from Texas would be willing to grant the opportunity for our friend from North Carolina to have an additional minute or two if he would answer this question, and that is with respect to the stipulation in the St Germain substitute, would the Secretary of the Treasury today acknowledge that stipulation, would he grant, as he has testified repeatedly, as he has said in trying to twist arms here in the House of Representatives, that if we do not pass the IMF, if we do not grant the 2.6 additional to the GAB, that there would be some impairment to the international banking system, would he say that today or not?

Mr. NEAL. Would the gentleman yield to me for a response?

Mr. PATMAN. I would have to speak on my reservation.

The CHAIRMAN. The gentleman from Texas has the time under a reservation.

Mr. PATMAN. I would like to ask the gentleman a question.

Mr. ST GERMAIN. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard. The time of the gentleman has expired.

Mr. McKINNEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I will try not to take this 5 minutes.

I understand the opponents of this bill would like to be heard. I have obviously spoken at least four times on it in the process.

Mr. CONABLE. Mr. Chairman, will the gentleman yield?

Mr. McKINNEY. I yield to the gentleman.

Mr. CONABLE. I thank the gentleman for yielding.

Mr. Chairman, I support this measure and urge my colleagues also to support it.

Mr. Chairman, the current debate on the IMF funding bill provides an excellent opportunity to focus attention on the misalinement of exchange rates between the U.S. dollar and other major currencies—especially the Japanese yen. The misalinement of the dollar has a serious impact on three interrelated factors—U.S. competitiveness abroad, the U.S. trade balance, and ultimately on U.S. unemployment levels.

As the dollar has strengthened and other currencies weakened, the competitiveness of U.S. exports has declined. At the same time, the misalinement of exchange rates makes imports artifically cheap in the U.S. market.

As U.S. companies find their products increasingly uncompetitive in international markets, the U.S. trade balance will deteriorate. According to C. Fred Bergsten, director of the Institute for International Economics, the overvaluation of the dollar caused the U.S. trade balance to deteriorate by $60 billion to $80 billion between the first quarter of 1981 and the fourth quarter of 1982. In May, the U.S. trade deficit reached a record $6.9 billion and is forecast to climb to a staggering $70 billion for 1983. A study by Data Resources Inc. shows that if the dollar had not climbed above its 1980 level, net exports—the difference between imports and exports—would have been $24.4 billion higher during the first quarter of 1983.

Some estimates indicate that the overvalued dollar is costing the country $100 billion in lost gross national product and almost 1.6 million jobs. Is it any wonder that misalined exchange rates are fueling protectionist pressures? Protectionist solutions, however, would have far more extensive adverse effects. Therefore, we need to recognize the integral relationship between trade and financial markets and take the initiative in seeking multilateral discussions of appropriate responses to the causes rather than the symptoms of the existing currency dilemma.

The devastating effect of the misalinement of currencies is compounded by the fact that the impact is so long term. Japanese and European rivals have now seized the opportunity to grab U.S. market shares, both at home and abroad. It will be difficult or impossible for U.S. companies to recapture these markets. Even if the dollar should decline substantially today, it would take years for the U.S. economy to begin to recover from the impact of the currency misalinement. The serious nature of this problem is highlighted in a 1982 report by the Group of Thirty, which is made up of American and foreign experts in international finance. The report pointed out how an overvalued currency can cause deindustrialization over an extended period. Thus, we must take immediate action to remedy the misalinement of currencies.

Finally, we cannot escape the fact that the misalinement of exchange rates is adding problems to those developing countries which are struggling to repay $700 billion of debt, 90 percent of which is dollar denominated. This excessive debt is forcing LDC's, which have been the fastest growing markets for U.S. exports, to curtail imports. Mexico, for example, has reduced its imports from the United States by almost 50 percent.

The IMF is in a unique position to address the existing misalinement of currencies. The IMF is explicitly charged with surveillance of the exchange rate arrangements of its member nations and it has considerable expertise and experience in exchange rate management. Furthermore, the present misalinement in exchange rates is a multilateral problem, requiring international cooperation for its resolution. Thus, the IMF is both a uniquely suited and a logical forum in which to address this issue.

I thank the gentleman.

Mr. McKINNEY. Mr. Chairman, I would yield 30 seconds to the gentleman from North Carolina (Mr. NEAL) to answer the question asked earlier.

Mr. NEAL. I thank the gentleman for yielding.

Let me quote from the Secretary of the Treasury. He says nearly 20 percent of total U.S. manufactured goods are exported. The jobs of millions of Americans, the health of our banking system and the prospects for a sustained U.S. economic recovery all depend, on the IMF's success in maintaining a stable financial framework for world trade. I think that is very clear.

Mr. McKINNEY. I thank the chairman for his comments.

Mr. Chairman, I am not going to go through all the basic arguments on this bill. My good friend, Mr. BARNARD, said something that is very important earlier and I hope you listened to it. There are those of you here on this floor who are great believers in gold and a solid value for currency; there are those of you here on the floor who are very upset like I am over the misalignment of currencies such as the yen; there are all of us who have some sort of concern about the international monetary system and with very good reason.

But, as Mr. BARNARD said earlier, we are dealing with order. If we do not have the IMF, we do not have order, and if we do not have order in the international financial markets we are going to deal from crisis.

The final payor will be the U.S. Treasury, the U.S. taxpayer, the men and women who are losing their jobs and we will have no semblance of order in which to construct recovery.

If in fact you want a new Bretton Woods or you want to discuss the gold standard or you want any of those good things, you can only discuss them within the structure of order. If, in fact, our international financial system collapses and we have to react to that chaos, we are going to pay and pay and pay, as my friend, Mr. FRENZEL said earlier.

I congratulate the chairman of this committee and the ranking member and I am delighted that Treasury came down from the mountain and sat down with us.

I think that those gentlemen, together, have tried to answer every reasonable doubt that has been expressed during the general debate and the discussion of this bill.

We have tried to bring back to you a bill that does not bail out the banks, a bill that has cut back the financial limits, a bill that has safeguards before this further borrowing, a bill that aims for international stability and new agreements and new meetings together.

Mr. Chairman, every newspaper, every economist, the President, past Presidents, Secretaries of the Treasury, everyone has said that if we do not do this, the world faces international financial calamity.

Let us not bring our political arguments, our rights or our lefts, into something that colors the entire western world's well-being.

If in fact we want to bring about that political change, remember, there is never constructive political change in a revolution. It takes a body that is organized like this one and we have to have the IMF to keep that order.

Mr. Chairman, I yield back the balance of my time.

Mr. GONZALEZ. Mr. Chairman, let me say that I am impelled to speak because I think some of the statements and utterances made here are not only mischievous, they are just absolutely incorrect.

This bill is being pawned off as a jobs bill. Let me say categorically, not only is it not going to produce one job for Americans, it is going to continue to lose jobs in view of the use of the IMF that has been made in the last 3 years.

Let me give you one example: Mexico, where we have had a 7-to-1 ratio of favorable balance of trade dealings. In the last 11 months, since the IMF infusion plus our Treasury, to the tune of better than $5 billion all combined, Mexico has curtailed 80 percent of its imports. The overwhelming proportion of that is American products, services and the like.

I invite my colleague to make a trip up and down the Mexican border and you will see an average of 23 percent unemployment. For us to continue means that these other countries, and

Mexico continuing, though Mexico's case, contrary to what has been said here is not affected by this vote of this additional $8.4 billion. But this $8.4 billion infusion will compel the other countries to do the same as Mexico to our exports. This will lose American jobs.

Now, I think that we should discharge our obligation, especially in the last 3 years in this Congress, to review the whole policy of IMF and its continuation, and our nature of participation in it, because it now has been perverted, as I said earlier. The IMF is now being looked upon by these banks as a sort of a last bank of resort, or as I said specifically, a super global FDIC.

□ 1110

And that is not at all the purposes of the IMF, never have been, and it cannot function in that capacity without grievous adverse impact on our monetary system, our economic system.

For example, the reason the banks are desperate for this is that they have already exhausted their avenues of access to American tax funds. As of this year our Treasury, through the Department of Agriculture alone, will ante up three-quarters of a billion dollars to these banks, these same banks already at the trough, because of the default of Poland—not free Third World countries—on the guarantees.

The same administration that is saying now that they have got to have this for IMF, 1 year ago was adamantly swearing that over their dead body would the United States add 1 penny to these contributions. Why?

Now I realize the importance of this institution and in the past, but the nature of the world, but the nature of our relationship, the nature of our dependence on these banks to control our destiny has to be reviewed by this Congress, and I say that all of these scare tactics are to be deplored.

There is not one bank that is going to be saved. The banking system is not going to depend on this. It is doomed. I do not care what we do, it is doomed for other reasons. Some of us have been trying to say this for 15 years and some of us have been especially speaking out on the need to review this, as well as the Federal Reserve, because of Congress primary obligation in this area.

What I am saying is, it is a shame to pawn this off as a jobs bill.

Mr. PAUL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to this amendment because this amendment really does not improve the bill. It is designed only to deduce a few more Members into voting for it on final passage. And I think it would be a mistake to vote for the amendment, as it would be a mistake to vote for final passage of this bill.

This bill, now that we have closed out debate rather rapidly, will prevent me from presenting four amendments, which I have worked on for quite a few years. I will be able to discuss them on a very short-time basis. I may get 5 minutes, but the debate will be closed out here in less than 1 hour, which I think is quite unfair.

This new version of the bill was described as a fig leaf. I would like to think it is more like a cactus bush. And if you are opposed to this bill on principle, or if you are opposed to it because of the political heat back home, the vote is "no" on this amendment and the vote is still "no' on final passage.

This is one time the political atmosphere in your home districts is identical with correct principles. The correct principles and the right economic view is not to subsidize the banks. This is corporate banking elitist welfarism, nothing more, nothing less.

This entire bill has $30 billion in it. The IMF, of course, is $8.4 billion. And there is no way we can go home and justify voting for this as our people become unemployed and as the suffering is expanded in this country at the same time we are off spending money to help the bankers.

Now they are going to tell you that with this amendment they have taken care of this. That no longer will this money be used to continue the repayment to the banks. They claim that the bill will not help the bankers.

Well, that is a bit naive to think that you can give money to a nation that might be $25 or $50 or $80 billion in debt and say, "Don't use it to pay interest," and "Don't let it go to the bankers." There is absolutely no way that can be accomplished. And anybody who would believe that is just being foolish or naive. This is not possible. There is no way that you can trace this money.

One of my amendments I have proposed—if it were passed—would mean we the Congress would assume the proper role by saying to the President that he could not make international commitments, for funding for the IMF.

Earlier we had a Member state that it is because the President has made this commitment, which is practically like writing a treaty, that we support the President because he has already made the promise we would comply.

Well, that is terrible.

Mr. BETHUNE. Mr. Chairman, will the gentleman yield?

Mr. PAUL. I yield to the gentleman from Arkansas.

Mr. BETHUNE. I thank the gentleman for yielding.

I was intrigued by that point and I hope that it will have some persuasive influence on the Members who last night rushed to the support of the President for the commitments that he has made in Central America.

If that thesis is enough to carry a bill through this House, well, then this thing ought to sail right through now that the President has extended himself throughout the world.

And I was wondering if the gentleman, who was making that very point, supported the President down in Central America.

Mr. PAUL. I think the gentleman makes a very good point. And my amendment, if it were adopted, would mean that the President must have consent from Congress and allow us control over the pursestrings once again.

Some have described the IMF as necessary to maintain stability and order. The IMF is the cause of the instability and the disorder. We are trying to address an international banking crisis because we no longer have a money of account. Nobody knows what the money is in this country. It is called a Federal Reserve note. A piece of paper that is printed out of thin air.

Internationally we create credit and funds out of thin air through the IMF. That is all it is. It is a fancy organization to create credit to steal wealth from one country and transfer it to another country in a very, very sinister way.

So for the IMF to create SDR's out of thin air is doing nothing but creating international inflation.

We cannot expect in the long run that the IMF will restore order under today's circumstances. We cannot correct a disease of the unit of account by coming up with some fancy banking regulations and more inflation. The disease in this country, the disease internationally, is inflation. And inflation is the increase in the supply of money and credit for political reasons. You cannot solve that problem by more inflation, more regulations, more gimmickry. That is what this is all about, it is gimmickry in order to avoid the real issue. And the real issue is: Do the politicians have the moral right to create money out of thin air? And until we address that issue we will never solve the serious problems the international financial community faces. A commodity money standard, such as gold, is the only solution available to us if we expect to achieve long term stability. Continuing to prop up a massive pyramid of debt with more debt and more credit creation may temporarily help but ultimately it will contribute to the seriousness of the international banking crises that is sure to come. I cannot, nor do I believe that any Member can, turn stones into bread. The power to create wealth, or real money, out of nothing is not available to us. We are deceived into believ-

ing we can achieve a positive good by perpetuating the fraudulent scheme of fiat money, whether it is in our domestic or the international monetary system. For this reason the IMF bill must be defeated.

Mr. PATTERSON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman I believe this debate has been a healthy and a good one. As a matter of fact, we have had more than 9 hours of debate. It will be 11 hours before we are through.

The compromise amendment to title III is a productive one and should bring about great support on both sides of the aisle.

I want to point out a few items for some of my colleagues that they might be interested in. First of all, I should point out that the United States Chamber of Commerce—and I am on the Democratic side of the aisle—supports this bill.

And for my colleagues from southern California, the Los Angeles Chamber of Commerce has sent to me a letter saying:

LOS ANGELES
CHAMBER OF COMMERCE,
LOS ANGELES, CALIF., *July 22, 1983.*

Hon. JERRY PATTERSON,
House of Representatives,
Washington D.C.

DEAR CONGRESSMAN PATTERSON: The LA area Chamber of Commerce strongly supports H.R. 2957. International trade is crucial to the California economy, and jobs depend upon the strength of that trade. We do not consider this strictly a banking bill because roughly 30,000 jobs result from every billion dollars generated from trade. For this reason we respectfully urge your yes vote.

Sincerely,

THEODORE A. BRUINSMA,
President.

Second, Mr. Chairman, from the State Senate of California, the president pro tempore and the Republican minority leader, sent to me a joint letter in support of the bill, which letter states:

STATE OF CALIFORNIA SENATE,
Sacramento, Calif., July 21, 1983.

Hon. JERRY M. PATTERSON,
U.S. House of Representatives,
Washington, D.C.

DEAR MR. PATTERSON: On behalf of the California State Senate, we would like to urge your support for H.R. 2957, legislation authorizing funding for the International Monetary Fund (IMF), which is scheduled to be considered by the House of Representatives in the next few days.

The IMF is vitally important to California exports, offering assistance to its 146 member countries during periods in which they import more goods and services than they export. For example, the Bank of America reports that five of the six largest importers of California products were developing countries, for whom the IMF has been an important source of economic and technical assistance during the recent worldwide recession. The five were: Korea, Singapore, Taiwan, Mexico and Malaysia. They accounted for $8.4 billion in purchases from California—almost 30 per cent of the $28.6 billion in exports from California in 1982. The Bank of America further estimates that 720,000 jobs result in California from these exports.

We realize that some concerns have been raised with the level of U.S. commitment to the IMF. However, we understand that the manner in which the U.S. Government participates in funding the IMF does not add to the Federal budget deficit. On the contrary, this financial commitment to the IMF contributes to international financial stability and helps promote economic growth in developing nations.

Most importantly, participation in the IMF enhances our own national economic recovery and California's contribution to that revival. President Reagan has recently characterized the issue as being of "the utmost importance to the world economy, to the strength of the recovery and to the U.S. position of leadership in world affairs." We agree, and we therefore hope you will vote in favor of H.R. 2957 when it considered by the House.

Sincerely,

DAVID ROBERTI.
RAY JOHNSON.

I hope Californians, all 45, vote for the bill.

I have another letter, and I think an important one in regard to interest rates, which has been an issue raised over and over.

□ 1120

Statements that interest rates might go up are irrefutably opposed by the Chairman of the Federal Home Loan Bank Board who has the expertise to know, Mr. Edwin J. Gray.

His letter reads as follows:

FEDERAL HOME LOAN BANK BOARD,
Washington, D.C., July 20, 1983.

DEAR MEMBER: This is to urge your support for pending legislation to authorize and appropriate the U.S. contribution to an increase in the resources of the International Monetary Fund.

I make this request because I believe that if the legislation fails there will be strong upward pressures on interest rates. This would be devastating for much of the savings and loan industry which, because of the recent rise in rates, has slipped back into the red. This is a critical period for the savings and loan business which remains in a very fragile state. The kind of increase in rates which I fear could occur—if the legislation does not pass—would represent a very significant setback for savings and loan institutions in their quest for recovery. Clearly, the recovery of the entire homebuilding and real estate industry in this country may be at stake as a direct consequence of increases in interest rates.

Again, I strongly urge your support for the legislation which is scheduled to be voted on tomorrow, Thursday, July 21.

Sincerely,

EDWIN J. GRAY,
Chairman.

We also have a letter from the Coalition for Employment Through Exports, Inc., a national business and labor organization, and their letter is as follows:

COALITION FOR EMPLOYMENT
THROUGH EXPORTS, INC.,
Washington, D.C., July 19, 1983.

To Members of the U.S. House of Representatives.

On behalf of the Coalition for Employment Through Exports (a group of 48 business organizations, 14 labor unions and 14 governors organized to foster U.S. export competitiveness), I want to strongly encourage your support of the Recovery and Financial Stability Act (H.R. 2957). Two aspects of the bill, in particular, deserve your attention, since they affect U.S. export competitiveness, economic growth, and job creation.

Our country's export competitiveness has been critically affected by the increasingly predatory practices of many official export credit agencies. U.S. exporters cannot compete with foreign governments which are providing government backed financial subsidies to potential purchasers of their products. The Export-Import Bank provisions of H.R. 2957 go a long way toward assuring U.S. exporters the institutional support they need to maintain markets overseas and jobs here at home. H.R. 2957 contains a number of improvements in the Eximbank charter: it provides clear priority to the Bank's primary function of expanding U.S. exports through fully competitive financing; section 1912 is modified to serve as a more useful deterrent to unfair foreign subsidized credit into our U.S. home market; and, the Bank's advisory committee is reconstituted and broadened.

The provisions relating to the International Monetary Fund (IMF) quota increase also have an important bearing on our economy and on U.S. jobs. The IMF is the keystone to resolving the current global economic crisis and restoring health to the world trading system. Twenty percent of U.S. production is now exported, and 5 million workers are directly dependent upon these exports. In recent years world trade has generated the most dynamic part of our economic growth and created the largest share of new jobs.

Forty percent of our export sales flow to Lesser Developed Countries, those countries the IMF is committed to help. Should the IMF be unable to give temporary monetary assistance and policy advice to countries with balance of payment difficulties, we will see fewer markets for our exports and more domestic unemployment.

Our coalition would appreciate your support of H.R. 2957 when it comes to the floor of the House. It is vital to our future and our country's long-term economic welfare.

Sincerely,

WILLARD M. BERRY.

We have other letters that may have been referred to in earlier debate. Some have been printed in the RECORD. One such letter is from Paul A. Volcker, Chairman of the Federal Reserve System. He supports the amendment that is on the floor now, as well as this entire bill, and his letter is as follows:

BOARD OF GOVERNORS OF THE
FEDERAL RESERVE SYSTEM,
Washington, D.C., July 20, 1983.

Hon. FERNAND J. ST GERMAIN,
Chairman, Committee on Banking, Finance and Urban Affairs, House of Representatives, Washington, D.C.

DEAR CHAIRMAN ST GERMAIN. As the House of Representatives prepares to take

up the International Recovery and Financial Stability Act, H.R. 2957, I would like to underline the importance of prompt and favorable action by the Congress on the proposed increase in the U.S. quota in the International Monetary Fund (IMF) and in the U.S. commitment to the IMF's General Arrangements to Borrow. I believe U.S. support for this increase in IMF resources is essential to maintain stability and confidence in the international financial system at this critical time.

As you know, an extraordinary cooperative effort is underway to deal with the strains arising out of the heavy indebtedness of many developing countries. That effort involves continuing action by debtors and creditors, and by the governments and central banks of leading countries. But the IMF is the linchpin for the entire effort, providing, as part of its leadership role, a critically needed margin of financing.

Current and prospective demands on the Fund growing out of this process could well exhaust its usable present resources. To strengthen its ability to deal with this situation and to maintain a stable international financial system, these resources must be increased.

I cannot emphasize too strongly that failure of the U.S. to participate in providing the IMF with adequate resources to do its job, as an essential part of an international effort joined by virtually every country of the Western World, would deal a devastating blow to the effort to manage the international financial situation, with clearly adverse consequences for U.S. credit markets and our own economic growth.

Sincerely,

PAUL A. VOLCKER.

And you have all received a letter from the President of the United States in strong support of this bill, which follows:

THE WHITE HOUSE,
Washington, D.C., July 13, 1983.

Hon. JERRY M. PATTERSON,
House of Representatives,
Washington, D.C.

DEAR JERRY: The House of Representatives will soon consider my request for increased United States participation in the International Monetary Fund (IMF). In my letter transmitting this request, I explained that the IMF plays the central role in a comprehensive strategy to resolve current world debt and financial problems. Since then, I have met with leaders of the other industrialized nations at Williamsburg where we affirmed the correctness of this strategy and pledged to secure early ratification of the increase in IMF resources. I would now like to emphasize the major importance I attach to this request.

The world economy is currently facing a number of serious strains, including a heavy international debt burden which threatens to stifle growth in the developing countries and, if not handled properly, thwart economic recovery in the United States and other industrialized nations. To assure orderly resolution of current global economic problems, there must be better coordination of policies in developed countries to promote sustainable, noninflationary growth; appropriate policies in LDCs to set their economies on a path to sustainable growth; continued official and private financing at adequate levels to maintain a viable international trading system; and reduction of protectionist barriers to trade.

The IMF is the centerpiece of these efforts, and it must have adequate resources to do its job. Those resources are now nearly exhausted. If they are not augmented in the very near future, as agreed to by all member countries, the IMF will be unable to provide financial support and policy advice to countries facing balance of payments problems. Without this, commercial lending will dry up, and economic conditions in developing countries will deteriorate, forcing severe contractions in imports and possible defaults.

The U.S. economy could not escape the after-effects of such events. The legislation I have requested to fulfill our share of the increase in IMF resources is necessary to protect our own interests in a stable financial system, a growing world economy, and sustained economic recovery and higher employment levels. It is also necessary to help protect U.S. foreign policy and security interests overseas.

Because of the importance of early ratification of the proposed increase to help stabilize the international financial system, I have pledged to other world leaders my full efforts to ensure prompt enactment of the legislation to authorize and appropriate the proposed U.S. share. I believe this legislation is in our Nation's best interests and warrants, as it has in the past, the broadest bipartisan support in the Congress. I therefore urge its prompt approval by the House of Representatives.

Sincerely,

RONALD REAGAN.

Mr. Chairman, let me say to my fellow colleagues, this is an important piece of legislation. Many of your constituents do not understand it fully because it is complex, but you are doing the best thing for them, the best thing for your country and the best thing you can possibly do this year for American jobs by supporting the compromise, and by supporting this IMF legislation.

Mr. LEACH of Iowa. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, a cloud over this vote today is whether we are dealing with a banking bailout. Actually, this is a bailout of the monetary system, not the banking system.

Prior Congresses have voted contingency legislation that had the potential of bailing out the banking system. That is what the Federal Reserve Act, that is what the FDIC are all about. Hopefully, no bailout of banks will ever be necessary, but if so, it should be stressed that in this legislation 82 percent of the money comes from foreign countries. Only 18 percent is that of the United States.

If we ever have to bail out the banks through our other contingency legislation, 100 percent will come from the U.S. taxpayer, directly or indirectly.

In addition, it has to be stressed that the countries that are in trouble are anchors to the Free World, countries like Brazil, Mexico, Argentina, Nigeria, Indonesia.

Just as no American President is ever going to allow our banks to go under, no American President can afford to allow our principal allies in the world to go under.

The alternative is far more money spent through foreign aid and, frankly, far more money devoted to military spending. It will be far more costly to vote against this legislation than for this legislation.

The issue, in a fundamental way, is whether trade or aid has the best chance to pull us out of this recession and the mess that we are in that the banks are partly responsible for causing.

Finally, let me stress to my Democratic colleagues that a vote to turn our back on the IMF has more implications for causing war than the whole effort last night relating to the Boland amendment. A vote for international economic stability is a vote against an increased likelihood of war and an increased likelihood of a commitment of American troops abroad.

And to my Republican colleagues, let me stress that the word of the President of the United States of America is at issue. Our President has worked for 2 years to defer and restrain the U.S. financial obligation to the IMF. He has struck a very prudent deal involving the lowest percentage U.S. contribution ever negotiated by any American President to an analogous financial or international institution. We are to contribute 18 percent of the funds to the International Monetary System. Over the last 40 years we have averaged contributing almost 30 percent to all analogous institutions. This contribution represents the lowest we have ever negotiated. It also represents a lower percentage of contribution than our GNP is to the world economy. It is a very conservative deal to conserve the world economic order. It should be supported.

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. LEACH of Iowa. I yield to the gentleman from Ohio.

Mr. REGULA. What portion of the 80 percent of the contributions from other nations will be hard currencies?

Mr. LEACH of Iowa. Because the United States contribution is somewhat higher in proportion of hard currencies, the equivalent could come to more than 18 percent. But I would stress, in this legislation before us we are now cutting back our contribution unless the Secretary of the Treasury affirms to this body—and I stress, the Secretary of the Treasury, appointed by President Ronald Reagan, asserts to this body that an international calamity would in effect occur unless we contributed our full 18 percent.

Mr. REGULA. But of the balance, what portion will be hard currencies?

Mr. LEACH of Iowa. Of hard currencies we rise to almost a third. But I would stress here again, in terms of contingencies, that is not all that bad

a deal, and I would also stress and this body should understand that we rank second in the world in borrowing from the IMF. Only one other country has borrowed more than we have. That is Great Britain.

So the two principal beneficiaries today in the whole history of the IMF are the United States and Great Britain.

Mr. REGULA. I thank the gentleman.

Mr. BETHUNE. Mr. Chairman, will the gentleman yield?

Mr. LEACH of Iowa. I yield to the gentleman from Arkansas.

Mr. BETHUNE. In this morning's paper alone, there are two other bailouts that are now beginning to move; one is for the timber industry, and the President signed off on that.

Mr. LEACH of Iowa. And I think it was perhaps a mistake.

Mr. BETHUNE. And also the National Public Radio, $600,000 forgiveness for debt.

I just wonder, how long can we go on bailing out everyone who comes here and says that the whole world is going to collapse around our ears if we do not?

Is the gentleman not concerned about the fact that we are taking over the allocation of credit in this country and that pretty soon, when we do enough of these, there is really not going to be any more credit to allocate, we will have taken over the entire matter.

Mr. LEACH of Iowa. I think the gentleman makes a very fair point. All I would say in return is: Your President and my President, my political party and your political party negotiated the most prudent international monetary deal ever negotiated in history. Our President has staked his word on this deal. I hope that we can support him.

Mr. BETHUNE. If the gentleman will let me make one more point on that, when the bill was here 2 days ago we ran it off the floor, and now they come back saying that we have got a better deal. I say if we defeat it we will get an even better deal. We will get some of that money back from the banks.

Mr. LUNDINE. Mr. Chairman, I move to strike the requisite number of words.

Mr. NEAL. Mr. Chairman, will the gentleman yield?

Mr. LUNDINE. I yield to the gentleman from North Carolina.

Mr. NEAL. Mr. Chairman, some Congressmen are balking at legislation to increase our lending to the International Monetary Fund (IMF). They fear that strengthening the IMF means bailing out banks, indulging spendthrift foreigners, or squandering money abroad that could relieve suffering at home.

Mr. Chairman, they have it all wrong. The issue in the IMF bill is jobs. American jobs. No measure now before Congress would do more to protect and create jobs.

Our economic recovery depends, in part, on reviving world demand for our goods and services. If we want to sell more abroad, however, we must insure that our best customers get the temporary IMF assistance needed to weather the recession.

Mr. Chairman, under the bill before the House of Representatives, the United States would lend the IMF up to $8.4 billion—an interest-earning investment—over several years. Our quota share is about 19.5 percent of what the IMF needs; the rest would come from the other 145-member nations.

Our IMF participation, which has had bipartisan support from Congress and from every President from Franklin Roosevelt through Ronald Reagan, is a bargain. At little cost, we get the benefits of a more stable and open world trading system.

Some Americans refuse to acknowledge our stake in an interdependent world economy. But look at the numbers: One of every seven U.S. manufacturing jobs produces for export; 1 of every 3 farm acres here grows crops for export; $1 of every $3 of corporate profits is earned through exports or overseas. In the late 1970's, three-fourths of the increase in gross national product and 80 percent of our new jobs were generated by world trade.

Developing countries, which most need IMF help, are among our best customers. They buy more than one-third of our exports. They need our technology—machinery, powerplants, aircraft, and so forth—and our farm products. When they stop buying, we suffer. Last year, about one-third of the drop of U.S. production was because of lost export sales.

Mr. Chairman, because of the recession and high interest rates, many developing countries cannot repay on schedule the debts they acquired in better times. If forced to default, they could no longer borrow or trade on normal terms: they would buy little from the industrial countries. Such defaults would also unsettle our financial markets, forcing some U.S. banks to reduce lending here, as well as abroad. This would further jeopardize our recovery.

It is strongly in our interest that the IMF—now near the bottom of its resources—be able to help debtor countries recover. IMF loans help countries manage temporary balance-of-payments deficits. In return, borrowing countries must adopt economic adjustment programs to get their finances in order.

Mexico is a good case study. A year ago, Mexico faced bankruptcy, with $80 billion in foreign debt and with its income reduced by sagging oil exports. The IMF agreed to lend Mexico $3.8 billion; private banks, another $5 billion. Mexico agreed to devalue the peso, cut spending, and further tighten its belt. As a result, Mexico's recovery now appears to be ahead of schedule; it does not need all the loans promised for this year. For us, this means that our southern neighbor and third largest customer is being nursed back to economic health. When Mexico reduced purchases from us by some $6 billion in 1982, about 145,000 American jobs were lost as a result.

A few myths about the IMF should be corrected:

First, it is not a bailout operation for banks. IMF loans are a tiny percentage of a country's debt; in Mexico's case, about 5 percent. Total IMF resources, in fact, are but a fraction of the $700 billion of developing country debt. The IMF could not bail out the banks if it wanted to. More often, the IMF presses banks to lend more to sustain trade. Big banks are more interested in the IMF adjustment programs, which help borrowers discipline themselves. Granted, some U.S. banks have shown bad judgment in foreign lending; but the IMF bill has tough new regulations to foster greater prudence.

Second, our IMF investment is not a giveaway. It is a loan, to be repaid with interest. The IMF is like an international credit union: Members deposit and members may borrow. Our deposits are safe; no country has ever defaulted on an IMF loan.

Third, the IMF does not impose austerity on debtor countries. IMF borrowers are at the end of their ropes, essentially bankrupt; for them, austerity is inevitable. IMF-approved adjustment programs are often bitter medicine, but the alternative may be economic and social chaos. Many times the IMF is scapegoated; governments lacking political will for belt tightening use IMF requirements as an excuse for doing what must be done. Blaming the IMF is a good way to evade political responsibility.

Fourth, our IMF investments do not add to the Federal budget deficit. Our IMF account constitutes an asset that, in budget accounting, offsets any outlays.

Fifth, not only the small, developing countries benefit. IMF programs helped Great Britain restore economic stability, and now are helping U.S. allies such as Turkey and Italy. The United States, in fact, has been the second largest user of the IMF—behind Britain—having drawn 24 times since 1947 for a total of $6.2 billion in foreign currencies to stabilize the dollar on exchange markets. This use of IMF funds did not require an adjustment program.

Mr. Chairman, the IMF has a remarkable record of success. It cannot solve all the world's economic prob-

lems, nor can it handle all the social and political roles that some would assign it. But we may be certain of one thing: Without a strong IMF, the problems would be a lot worse, and might be of crisis proportions. It would be dangerously shortsighted of us to take the risk of denying the IMF the resources it needs.

Mr. AuCOIN. Mr. Chairman, will the gentleman yield?

Mr. LUNDINE. I yield to the gentleman from Oregon.

Mr. AuCOIN. I thank the gentleman for yielding.

Mr. Chairman, I rise today in support of the committee substitute. I am particularly pleased to note that the committee has incorporated my amendment on exchange rate imbalances.

I am also pleased that my colleagues on the right side of the aisle as well as the left side of the aisle have come to recognize the severe economic hardship which exchange rate imbalances have caused—and more importantly have agreed to this amendment as a rational first step in addressing a very serious problem

The U.S. balance of trade has been declining at an alarming rate over the past several years. Between 1980 and 1982, our balance of trade declined steadily by a total of $22.5 billion. This year our trade deficit is expected to top out at $80 billion, and unless our competitive posture is improved some analysts have predicted that our trade deficit could hit $100 billion before 1985.

This deterioration in our competitive trade position is not just a disaster for those involved in the export/import business. The entire U.S. economy is being ground down by the burden of our balance-of-payments deficit. It is estimated that our trade deficit has knocked 1.5 percent off our GNP at a cost of $100 billion and from 1 to 2 million jobs.

Now I realize that there are a number of reasons for the fact that the dollar has risen in value by about 30 percent against that of the currencies of our trading partners.

One problem has been the fact that the fiscal/monetary policy mix of the United States has been at odds with the economic policies followed by many of our trading partners. For example, in recent years the United States has followed a loose fiscal policy—with large deficits—and a tight monetary policy. The result has been very high real rates of interest. In contrast, one of our major trading partners, the Japanese, have followed a tight fiscal policy coupled with a less restrictive monetary policy. The result has been fairly low real rates of interest in Japan. Because of the high relative rates of interest, the demand for dollars in the international marketplace has been strong which has tended to keep the dollar overvalued.

Interest rates alone do not explain the behavior of the exchange rates however. For example, in April of this year—with the prime running between 10.5 to 10.8 percent—the yen stood at 238 to 1—yen to dollar ratio. As of July 20 of this year, the prime had dropped to 10.2 percent but the yen had risen to 246.05 to 1. While there may be some unknown factors at work, it is disturbing to see the dollar continue to gain in strength while interest rates continue to fall.

There is no question that the policies which are producing record deficits and high interest rates in this country must be changed. That alone will have a beneficial impact on the overvaluation of the dollar. In the meantime, there are steps which can be taken by the administration to combat exchange rate imbalances, some of which may have been created by the internal financial practices of our trading partners. Such practices are unfair and add to the overvaluation of the dollar.

My amendment does not seek to find villains, or assess blame for what clearly has become a major problem for the United States. Instead it simply directs the administration to begin, in earnest, discussions which will lead to the resolution of some of these exchange rate problems.

In fact my amendment is really a followup to last May's Williamsburg declaration which stated that the industrialized Nations were, "Willing to undertake coordinated intervention in exchange markets in instances where it is agreed that such intervention would be helpful."

The second part of my amendment directs the administration to come forward with legislative recommendations regarding reform of the floating exchange rate system now in use. It does not presume to favor any particular structure—some have argued for a return to a more rigid, structured system, while others have argued for the establishment of a semifixed system which would keep currency values within target ranges.

Regardless of the solution arrived at, we should at least recognize that there is an enormous problem facing this country which is costing us in terms of sales of goods abroad and in terms of jobs. My amendment simply provides the flexibility for the administration to move ahead at the earliest possible moment.

Mr. LUNDINE. Mr. Chairman, I believe that this is a trade bill, and it means jobs for American workers. During the last part of the 1970's, we created 3 million new jobs in this country, and 85 percent of those jobs can be directly attributable to the gain in exports.

Today we face a world economy that is very fragile. The International Monetary Fund is a part of trying to provide some stability to that fragile situation.

□ 1130

Mr. Chairman, I rise in support of the committee amendment, which I believe is a reasonable compromise. I believe that it addresses the issues of those who are concerned with putting reasonable restrictions on the banks. I believe that it gives some attempt to look to the assets, including gold, of the International Monetary Fund in raising the ample funds so that they can perform the function of stability in international financial markets.

I think that it addresses the point raised by the gentleman from New York (Mr. SCHUMER) that these borrowing countries do not just have a liquidity crisis; that they do need some stretchout and that our representatives should work for readjustment along those lines.

I believe that it also addresses the point raised by the gentleman from Oregon (Mr. AuCOIN) about exchange rates. If we are going to get exchange rates into a more proper balance in this world, we are going to have to have more stability of these borrowing and debtor nations.

A great American, Mark Twain, spent a great deal of his lifetime in my district, in Elmira, N.Y., and he said one time, "I do not mind getting older when I think about the alternative." To those who are undecided about this bill, I ask you to think about the alternative. It really could be the death of the worldwide trading system. I am not saying it will be; I do not think anyone knows that. I am saying it could be.

I am saying the alternative of passing this measure, the alternative of allowing the IMF to perform its role of providing partial credit is better. They do not go in and bail out countries. They go in where there is a large infusion of private capital. They provide the necessary conditions for the possible restructuring and repayment.

I think that the IMF's small role is nevertheless catalytic, and is very important.

Finally, I would like to mention that this is a voluntary decision on the part of the debtor countries. If they want to look elsewhere, if they want to take other means to try to refinance their situation, there is nothing preventing it.

Mr. Chairman, I urge your support of the committee amendment because I think the alternatives indeed could be awful, awful for small towns all over this country, awful for workers whose jobs depend on exports. I think the measure is reasonable, particularly as amended by the committee amend-

ment, and I urge the passage of this bill designed for international financial stability.

Mr. McCOLLUM. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, as we started discussing this measure last Friday, I had the privilege in the rule discussion to open up the questions and the debate, and at that time I made the point that I would like to make again today: that the sky is not going to fall if we do not pass a quota increase, as some people have advocated here.

I, today, reluctantly—and I say that because it is in opposition to my administration, on my side of the aisle—stand in opposition to the quota increase even with the passage of the perfecting amendment which is now pending. I do that even though I also have great respect for the gentleman from Rhode Island, the chairman of the full Banking Committee, and his position, the ranking member on my side of the aisle, the gentleman from Ohio, the chairman of my subcommittee on this issue, the gentleman from North Carolina, and the gentleman from Iowa, my ranking member.

I do it because the perfecting amendment is merely cosmetic when it comes to the quota increase question. In fact, it does not touch the issue of the quota increase itself at all, and that is why, in a few minutes, I am going to offer an amendment, which may very well not be debatable unless there is a unanimous-consent request granted, which would strike a very limited portion of this bill which deals with strictly the $5.3 billion to $5.4 billion quota increase.

Now, what does the perfecting amendment do, first of all? It does a number of things that I would have to support in terms of the bank restrictions. That portion of the bill, though there are quibbles and quabbles about it and some of the banking interests do not care for it, I am not arguing about. I think that the amendment is fine in that area and I think the amendment is fine as it goes to the GAB, the General Agreements on Borrowing. Although I do not particularly want to see even the $2.8 billion in GAB used, and I think there are a lot of changes that need to be made in the GAB, the amendment I am going to offer will go not to that but will go strictly to the quota increase.

Now, let me for a moment take the time to explain to my colleagues once more that there are three alternatives, at least, that the International Monetary Fund has if it does not get this quota increase granted, so we do not have the world economy falling off the table somewhere.

First, the International Monetary Fund has the power right now, with no more changes in its charter, to go out on the world market itself, like the World Bank, and borrow. It can go out and borrow whatever it needs to.

Second, the International Monetary Fund has a large supply of gold. I do not advocate selling that gold, but there are those who say it could be done. But I do know that that gold could be used as collateral in many different ways in order to solve particular problems the IMF has in directing resources to one troubled country or another.

The third thing that could happen, which this administration has not been willing to do in any discussions with this Member, or even to seriously consider, is for the $5.4 billion or so in the quota increase, instead of making it a quota increase, to temporarily, with a maturity date, loan that amount of money to the IMF if things are that bad. The Saudis loaned, with a specific maturity date of 2 years, about $8 billion not long ago to the International Monetary Fund.

Our biggest problem is the fact that this a permanent quota increase that is in this bill. It is something that comes about every so often, regardless of the excuses, and we have not had a check on it. Literally billions of dollars over the last 10 years have gone out of this country on a permanent transfer basis because we have received very little back in return on that during that time.

We must have an opportunity to get this money situation under control. We must have an opportunity to bargain for a position so that we no longer have this outflow going on, change the nature of the U.S. participation in the permanent quota increase, and change the manner in which the International Monetary Fund does its dealings in terms of foreign countries and in its requirements as it goes about its business.

Now, I am not opposed to the International Monetary Fund. I supported the Caribbean Basin Initiative. I support the appropriate economic aid to some of our neighbors. But this bill gives us the only opportunity to say to our administration and to the world that we will no longer put up with this permanent type of quota increase in billions of dollars year after year. I hope that when the appropriate time comes on the McCollum amendment that my colleagues will join with me in striking that small portion, but very significant portion, that deals with the $5.3 billion or $5.4 billion that authorizes the permanent quota increase.

Mr. KEMP. Mr. Chairman, will the gentleman yield?

Mr. McCOLLUM. I yield to the gentleman from New York.

Mr. KEMP. I thank the gentleman for yielding.

Mr. Chairman, I would like to congratulate the gentleman from Florida for his statement. It is well reasoned and quite articulate in making the point known on this floor that there is something in between total support for the so-called compromise and what would prevail or transpire if, in fact, it did not carry.

Mr. SCHUMER. Mr. Chairman, I move to strike the requisite number of words.

Mr. LEHMAN of California. Mr. Chairman, will the gentleman yield?

Mr. SCHUMER. I yield briefly to the gentleman from California.

Mr. LEHMAN of California. I thank the gentleman for yielding.

Mr. Chairman, I rise in support of the compromise perfected by the distinguished gentleman from Rhode Island.

In addition to the other reasons proffered this morning by my colleagues, there are two additional substantive reasons why we should approve this allocation to the International Monetary Fund.

First, this is one of the few international programs in which other nations actively participate. The burden of providing the capital for these loans is broadly shared. Less than 20 percent of the funding is provided by the United States. Should we not be encouraging those other countries to continue doing their share? How can we do that if we are unwilling to live up to our own responsibilities? In the IMF many nations with different people and philosophies work together to keep the international economy moving. Whether we like it or not we are all tied to the international economy.

Second, it is ironic to me that we are debating this issue today following the extensive debate on stabilizing Central America which took place yesterday. How much clearer it is to me to vote to make loans to needy countries through an international agency than it is to provide massive amounts of direct aid when they are on the verge of collapse and/or military assistance as their governments destabilize.

I cannot help but think that the message to Latin America that will resound with defeat of this bill will be that the United States is ready to send its guns, and its ships, and troops when its neighbors are on the verge of collapse, but not willing to loan a few dollars to prevent that from occurring. To defeat the IMF would be penny-wise and pound foolish.

Mr. SCHUMER. Mr. Chairman, for the last several months many of us have really been guided by two principles in seeking to deal with the IMF crisis that is upon us, the principle of internationalism and the principle of balance.

In terms of internationalism, ladies and gentlemen, I think most of the Members of this House realize that we cannot turn our back on the Third World. We cannot turn our back on

the rest of the world. America in 1960 perhaps could. America in the 1980's cannot.

We depend on those countries not only for raw materials, but for markets. That is a new phenomenon. I think we must all be aware that unemployment in Pittsburgh and Detroit is related to prosperity in Brazil and Nigeria.

□ 1140

That is a new condition for those of us in this House, and that is a condition we will have to live with for the next several years.

The initial bill, even without the amendment, dealt with that concept of internationalism, but it had a fatal flaw in my opinion and, I believe, in the opinion of many in this House. It did not address the problem of balance. We all realized a problem existed, a problem caused by Third World countries that were too eager to borrow and banks too eager to lend, but a problem we had to deal with.

It was my opinion and, I believe, the opinion of many others in this House that the initial method by which the IMF went about doing its job was not in balance. It put too much of the burden for getting us out of this crisis on Third World countries and again on American workers and too little on the banks.

We did not seek to punish the banks. That would be a futile exercise that would not solve the problem. Instead, we sought to restore the balances for the benefit of the world economy.

I believe that the St Germain amendment, which was worked on feverishly by so many of us yesterday, addresses the problem of balance. It says to the banks, "Yes, we will help you with the problem, but do not charge excessive rates of interest in short term. Stretch out your loans at lower rates of interest." Yet it says to the world economy, "We will not turn our backs on you."

The St Germain amendment avoids a very painful choice for me, and that would have been perhaps to vote against the bill to speak up for balance to the detriment of internationalism. I am now proud to support this amendment and, should it be adopted, the bill.

Mr. Chairman, I urge my colleagues and this House to do the same. It is fair, it is balanced, and it takes into account the principles of internationalism.

Mr. BONKER. Mr. Chairman, will the gentleman yield?

Mr. SCHUMER. I yield to the gentleman from Washington for a brief statement.

Mr. BONKER. Mr. Chairman, I thank the gentleman for yielding.

There has been a lot said here about international trade, but I think the gentleman from Florida made a valid point when he reminded us that our export trade now amounts to $250 billion, and when one considers that for every billion dollars of exports we generate 25,000 to 30,000 new jobs, one can translate very easily our export trade to job creation at home.

The fact is that our domestic economy is no longer sufficient to meet our growth needs in the future, and at the same time we are in a seriously competitive world economy. International trade is our economic destiny, and that depends in large measure on a stable financial system. The fact is that 40 percent of our export trade goes to Third World countries, many of which are debtor nations that may be impacted by this legislation.

It is not an easy choice for many Members here, but I believe it is the right choice. Time magazine recently pointed out that this was a time bomb about to go off. That certainly would not bring stability. It certainly would not help our exporters, and in turn that would bring great instability into our own domestic economy.

Mr. Chairman, I think the committee chairman has come forward with a practical measure, and I urge my colleague to support it.

Mr. WORTLEY. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the substitute amendment.

The substitute is a carefully crafted compromise designed to meet the genuine concerns raised by many Members about the International Monetary Fund. Because of this, it is something that most of us will be able to support.

The compromise is not just another example of blue smoke and mirrors. Rather, it is a good faith attempt to address some of the major objections raised by many Members during the course of debate.

For months, those opposed to this legislation said it is nothing more than a big bank bailout. Well, the substitute satisfies those who feel that way. This is tough language that requires the U.S. Executive Director to oppose and vote against any IMF loan used principally for the purpose of repaying banks. Sanctions are included that preserve and promote the expansion of domestic industries. Foreign loans may not grow at a rate to exceed domestic lending. Banks will not be able to charge rescheduling fees in excess of administrative costs. This is not cosmetic.

Every man and woman who serves in this body knows that preserving and promoting job opportunities is one of our foremost responsibilities. Approving the quota increase for the IMF is one of the most effective means of doing that. We would do a grave disservice to our constituents if we fail to support this legislation.

I do not want the workers in my district to be laid off because orders for their goods from overseas customers suddenly stop. I do not want to face my farmers who are confronted with financial hardship because they cannot sell their products. The American people are not stupid. They recognize that we live in an economically interdependent world. They recognize that free and open trade between nations is the most effective means available for maintaining a stable world.

The IMF is not perfect. But is one of the best vehicles we have for ensuring financial stability abroad and prosperity at home. H.R. 2957 has been thoroughly debated and discussed. Each of us has had ample opportunity to hear and be heard on this legislation. Now it is time to be counted.

I urge every one to do the responsible thing and vote for the substitute amendment to title III. It is a vote that you will not regret.

Mr. REGULA. Mr. Chairman, will the gentleman yield to me for the purpose of asking a few questions of the gentleman from Ohio (Mr. WYLIE)?

Mr. WORTLEY. I yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, I thank the gentleman for yielding.

I would like to ask the ranking minority member a couple of questions.

First of all, it is my understanding that financial institutions will restructure existing loans in addition to making new loans as a result of the passage of this bill. As the gentleman knows, I have expressed to him strong opposition to the institutions receiving fees for restructuring existing loans I would ask the gentleman, does the substitute amendment address this concern, and if so, how?

Mr. WYLIE. Mr. Chairman, will the gentleman yield?

Mr. WORTLEY. I yield to the gentleman from Ohio.

Mr. WYLIE. Mr. Chairman, I would say, in direct response to the concerns of the gentleman from Ohio (Mr. REGULA) that we have a provision in the amendment which has now been offered, something which goes directly to this questionable practice of some big banks charging very high front-end fees for rescheduling commercial loans. What we have done is suggest new language which specifically prohibits the practice unless it is fully amortized over the life of the loan.

Mr. REGULA. Mr. Chairman, I have a second question.

Ohio, of course, as the gentleman well knows, is No. 4 in export volume in the United States among all 50 States. What will be the likely impact of the passage of this bill on Ohio in terms of jobs? And, as pointed out by the gentleman from New York, will the possible better exchange rates between currencies also have value to Ohio, and could that result from the passage of this bill?

Mr. WYLIE. Mr. Chairman, will the gentleman yield further?

Mr. WORTLEY. I yield to the gentleman from Ohio.

Mr. WYLIE. Mr. Chairman, I thank the gentleman for yielding.

I received statistics from the U.S. Department of Commerce that said Ohio has 300,000 jobs which directly depend on exports. That is about 8 percent of all the jobs in our home State.

I also have a telegram here from 3-M Co. in my district that says 3-M exports 40 percent of its $6 billion yearly business, much to South American countries. I also have information here from Kinnear, Ranco, Avco, Dennison Engineering, Ashland Chemical, Ingersoll-Rand, National Electric Co., Xerox, and Dresser Industries, all with a presence in my district, that they are all exporting to other countries, and that this bill is desirable from their viewpoint to continue the export trade.

Mr. Chairman, I thank the gentleman for raising these questions.

Mr. REGULA. Mr. Chairman, I thank the gentleman from New York for yielding.

Mrs. ROUKEMA. Mr. Chairman, will the gentleman yield?

Mr. WORTLEY. I yield to the gentlewoman from New Jersey.

Mrs. ROUKEMA. Mr. Chairman, I want to commend the ranking minority member and the gentleman from Ohio for that colloquy. I think they have focused on precisely the issues in this debate, and those are the issues on which we should direct our attention.

Mr. Chairman, throughout the debate on the IMF, numerous concerns and problems have been raised. There may be other alternatives to this current debt problem, but today we are faced with a situation that requires immediate attention. The legislation before us today along with the perfecting amendment represents the only viable alternative.

This legislation is as much an investment in American jobs and the health of the American economy as almost any other legislation we are likely to consider this year.

Trade has become an increasingly important sector of the American economy. World trade depends on the continued availability of credit. There is no doubt but that international flows of credit and money have a critical effect on the U.S. economy and unemployment. Our failure to pass this legislation will have severe adverse effects on United States and international credit markets. My colleagues and I on the Banking Committee have worked hard to craft this perfecting amendment in an effort to address the many concerns that were expressed during debate on Monday. It includes the necessary conditionalities on both the banks and the lending countries and deserves my colleagues support.

First, this amendment includes provisions that would first prohibit upfront fees by U.S. banks in rescheduling debt to lesser developed countries, limiting charges to administrative fees covering actual costs.

Second, for those of us who are concerned that this money would go to bail out the big banks, this amendment includes an antibailout provision requiring that the IMF Executive Director vote against loans where the funds would be used primarily to repay loans from commercial banks imprudently incurred by the member country.

Third and most importantly, this amendment has a provision to encourage domestic lending by U.S. banks at affordable rates.

This is a bill that does not bail out the banks. It is a bill that seeks to stabilize the structure of trade and finance throughout the world. This bill seeks to manage the fragile nature of our global economy. I submit to my colleagues that past experiences have taught us that crises can rarely be predicted and that prevention is less expensive than a cure. Consequently, I strongly believe that it would be foolish indeed to be without the contingency arrangements agreed upon by the members of the IMF.

I urge my colleagues' support.

Mr. LIVINGSTON. Mr. Chairman, will the gentleman yield?

Mr. WORTLEY. I yield to the gentleman from Louisiana.

Mr. LIVINGSTON. Mr. Chairman, it's hard to find common ground with anyone on the IMF—it is a very complex issue. But I have devoted a great deal of time and effort to the IMF issue, since it comes largely under the jurisdiction of the Appropriations Subcommittee on Foreign Operations on which I have the privilege to serve. In connection with my duties on that subcommittee, this past March a number of our colleagues and I accompanied a Treasury Department delegation on a fact-finding trip to Mexico, Peru, and Brazil, which are three of the countries most prominently involved in the current debt and balance-of-payment negotiations with the IMF.

I have followed the debate appearing in the country's leading financial journals for at least the last 7 months. And, most recently, I had a meeting with Secretary Regan during which we addressed almost every major criticism of the quota increase.

In all of this, I have learned that there are few if any hard and fast "truths"; and that this is a very close call.

We are charged with the duty of studying and voting on the issues that confront us and our constituents, whether or not they lend themselves to easy or clear-cut analysis. Having done so, I have decided to support the President by voting for H.R. 2957, despite some misgivings that remain, because I believe that, on balance, we play too dangerous a game if we fail to join our industrialized allies in helping to bolster the world economy, and by risking international defaults on loans due creditors within the United States.

The plain truth is, Mr. Speaker, that I simply cannot find a satisfactory alternative to providing the additional funding sought by the IMF. For months, I have wrestled with this problem, and to this date, no opponent of the funding that I have met, or whose writings I have read, is in any way certain that in failing to supply the IMF with this additional infusion of capital, we will be able to avoid a potential collapse of the economy in the Western economic world. On the contrary, some of the foremost opponents of IMF funding have admitted that "Yes, one or two countries may default on their obligations," but they proceed to discount the effect of such an occurrence.

Well, I cannot discount such an occurrence. This Nation has just emerged from one of the most lethal recessions of this century; certainly the most onerous since the Great Depression. Our people have suffered under exorbitantly high interest rates—21.5 percent in January 1981, when the new administration took office.

Subsequently, one business after another, worse still, one industry after another, knuckled under the pressure of high interest rates, and doors began to close. Unemployment rose from a low of 6.9 percent unemployment in 1976 to almost 11 percent in early 1982.

Nevertheless, under the fiscal and tax policies adopted by Congress under the leadership of the Reagan administration, we have brought inflation down from an annual rate of almost 13 percent to below 3 percent. Interest rates have declined from a high of 21.5 percent to the lowest rate in 6 years, currently 10.5 percent. Businesses are going back to work, and unemployment is now about to hit single digits for the first time in far too long.

So what is the risk if we fail to provide the funding for IMF, that this administration, the same administration that once opposed an increase in our contributions to the IMF, has requested?

Well, let one country default on its obligations; let one sole nation fail to make its scheduled payments to its creditors; then first and foremost, it will have no credit extended to it to buy goods from abroad. All of its imports will be immediately curtailed. Thus, the markets previously prosper-

ing on sales to this defaulting country, whether in the United States or elsewhere, will be immediately terminated. The businesses, the production, and the employees necessary to bring about that production will no longer be employed. In turn, the markets for supplies and consumer goods required by those nations, businesses, and employees will be likewise diminished. We will have a chain reaction which no doubt will fly in the face of the often touted economic recovery we are all anticipating so fervently.

And what of the so-called bank bailout? Well, maybe that is what it is. Perhaps the banks have been too lax in their past performance in the international field. But stopping funding for the IMF is hardly the way to remedy that situation.

Under the Reagan administration, the Comptroller, C.T. Conover, has already issued severe regulations which seek to tighten the screws on the banks in the future, and hopefully, his action will help prevent a reoccurrence of this admittedly sour state of affairs.

In addition, this bill contains some very strong restrictions to force banks into a clear departure from their present ways of doing international business. That is:

First. Presently, banks do not have to disclose their foreign loans; so they are not required to disclose the extent of their exposure to potential defaults. H.R. 2957 would require banks to disclose their foreign loans.

Second. It would also require banks to amortize over the life of the loan the front-end fees they receive for placing it. This will tend to more accurately reflect and reduce the immediate profitability of foreign loans and thus reduce, to some extent, the incentive to make overly risky loans.

Third. H.R. 2957 will also require banks to begin establishing reserves to protect themselves as soon as it becomes apparent that a debtor country is in a potential situation of default.

And the bipartisan amendment before us today has made significant additional improvements to the bill, addressing almost every reasonable criticism that has arisen in the course of debate earlier this week.

First. The general agreement-to-borrow increase cannot go into effect unless the Secretary of the Treasury certifies that the IMF cannot otherwise come up with the funds by other means, including use of its gold reserves;

Second. A cap is placed on excessive foreign lending by banks;

Third. Excessive bank fees are prohibited;

Fourth. Our representative to the IMF will be required to oppose new loans used strictly to repay the banks;

Fifth. He must seek implementation of progrowth policies under IMF auspices;

Sixth. He must also seek to assure all reasonable means of stretching out the terms of loans;

Seventh. And, finally, the amendment makes clear that there can be no IMF quota negotiations, much less agreements, without prior executive consultation with Congress.

As I said, the changes embodied in this bipartisan amendment should make the bill palatable to everyone. The bill, with these amendments, puts enough restrictions on the banks to force them to clean up their acts, and at the same time, it provides our international financial system with the cushion it needs to avoid a potential major crisis.

Because if we fail to keep the IMF capable of extending credit to troubled nations, and there are 40 of them, including at least 4 in severe jeopardy right now, we may well find that any one of them, and the catastrophic possibility is that because of curtailed markets previously noted, perhaps all of them, might call it quits on their repayment schedules.

Now, I do not like this scenario, but it could happen. If it does, it will mean that each creditor bank, here and around the world, will be obligated to write off major portions of its loan portfolios. In order to adequately secure its own obligations, a bank will then have to raise its own reserve level, and the only way to do this is to call in other loans to other debtors. The unexpected calling of loans outstanding to innocent individuals and businesses is sure to wreak havoc in the financial community—causing wholesale bankruptcies and collapse of the financial markets. The result—quite possibly—worldwide depression.

Fearmongering, possibly. But I am a conservative. If I had my way, we would not have been placed in this situation. I would most certainly recommend dealing sternly with banks who over extended themselves for short-term profit.

But this situation frightens me. It is not one to play games with, or to gamble on. I did not create it, and I do not like it. But unless someone can show me that the scenario as I have outlined it cannot happen, then I am going to buy time.

And I want to make one more point as well. The situation exists. We can choose to deal with it now, or we can deal with it later. If we act now, we have the option of using the relatively efficient means of the IMF—to which we contribute roughly only one-fifth to help avert crisis.

If we choose to wait, we will not have that option; 60 percent of the total LDC debt is borne by Mexico, Brazil, Argentina, and Chile, each of which has already had to defer payment of the principal on their loans. These are countries that are among our major trading partners, among our allies and in our hemisphere. The United States simply could not allow any one of those countries to go bankrupt. We would have to come to their aid and bail them out—and this time we could bear all of the costs.

So we can contribute part of the costs of insuring a stable international finance system now—or the U.S. taxpayers might bear all of the costs of a crisis in the future.

All things considered, Mr. Chairman, I am going to vote for this IMF funding with the clear message it contains for the creditor banks. Get your house in order. Clean up this situation and get us over the hump. This is your last chance, because as I told Secretary Regan last week, I am not voting for any more IMF increases. Let us make this one count.

AMENDMENT OFFERED BY MR. PATTERSON TO THE AMENDMENT OFFERED BY MR. ST GERMAIN

Mr. PATTERSON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PATTERSON to the amendment offered by Mr. ST GERMAIN: On page 15, line 14, insert "and with the Bank" immediately following "Fund".

On page 16, line 1, insert "and the Bank" immediately following "Fund".

Mr. PATTERSON. Mr. Chairman, this amendment was originally offered and printed in the RECORD by my colleague, the gentleman from Arizona (Mr. MCNULTY). It is known as the McNulty amendment, and I understand it will be accepted by the committee.

Mr. ST GERMAIN. Mr. Chairman, will the gentleman yield?

Mr. PATTERSON. I yield to the chairman of the committee.

Mr. ST GERMAIN. Mr. Chairman, this is a perfecting amendment to the amendment that we had included in the perfecting amendment now pending, and I am very happy to support the amendment.

Mr. PATTERSON. Mr. Chairman, I thank the gentleman.

Mr. WYLIE. Mr. Chairman, will the gentleman yield?

Mr. PATTERSON. I am happy to yield to the gentleman from Ohio.

□ 1150

Mr. WYLIE. Mr. Chairman, we are very happy to accept the amendment. It was in the original bill and somehow was inadvertently left out in the amendment which was offered; so we accept it also.

Mr. LOWRY of Washington. Mr. Chairman, will the gentleman yield?

Mr. PATTERSON. I yield to the gentleman from Washington.

Mr. LOWRY of Washington. Mr. Chairman, I also rise in support of the McNulty amendment and in support of the St Germain amendment, which I think is very important, and in support of the bill.

I rise really to engage in a short colloquy with the chairman of the subcommittee on which we serve, where we have been taking up the consideration of multilateral development bank projects on the environment and the health and side effects of the project, where we have learned and gathered much information that many times the effects of these projects on the environment, the indigenous people, the health of the area around the projects, are not really taken into consideration.

Because of the leadership of the subcommittee chairman and the ranking minority member of that subcommittee, we have now gotten into a set of hearings that have been very revealing, that frankly speaking have only scratched the surface.

I would like to ask the chairman if it is his intention to continue hearings on the subject of the side effects of these large MDB projects.

Mr. PATTERSON. Yes; I would be delighted to answer the question of the gentleman from Washington. I want to thank the gentleman for raising that question on the floor.

The subcommittee does intend to hold further hearings on the environmental effects of MDB projects and we will do so.

I thank the gentleman from Washington for having first raised this matter and brought it to our attention and the ranking minority member, the gentleman from Nebraska (Mr. BEREUTER) joins me in that. We thank the gentleman for raising the question.

Mr. LOWRY of Washington. Mr. Chairman, I thank the gentleman. His leadership on this has been very important on this subject.

Mr. HILER. Mr. Chairman, I move to strike the requisite number of words. I rise in opposition to the bill.

Mr. Chairman, I rise in opposition to the bill for several reasons. This is the first time I have spoken to the bill.

The argument that somehow the International Monetary System is going to collapse if we do not approve this fund "increase," I think is dead wrong.

The fact of the matter is that the International Monetary System is in chaos today and all we are going to do is to put the day of reckoning off 1 or 2 years. Until we have systemic reform in the International Monetary System, we cannot hope to bring order out of the chaos that we currently have.

Mr. KEMP. Mr. Chairman, will the gentleman yield?

Mr. HILER. I yield to the gentleman from New York.

Mr. KEMP. Mr. Chairman, I thank my colleague for yielding. I appreciate the gentleman's extraordinary generosity, as a member of the committee, taking his time to yield to me.

I am frankly disappointed that there is not more time. I know we spent a lot of time debating the IMF and these issues; but as we come down to the time in which we want to perhaps amend the legislation, it has of course shortened that timeframe and left the debate, I think, in short shrift. From that standpoint, I want to again thank my colleague from Indiana.

Mr. Chairman, let me rise and say as sincerely as I possibly can that I congratulate the gentleman from Ohio and the chairman, the gentleman from Rhode Island (Mr. ST GERMAIN) for their efforts.

I think there is no disagreement on this floor, either by the proponents or the opponents, on the need for world economic growth and exports. In fact, if there is anything upon which there is total unanimity in America today, it is on the necessity for expanding our economy and expanding the economies of the world. That is a good sign for the world that America finally is recognizing that it cannot go it alone, that we not only have a stake in the rest of the world, but the rest of the world has a stake in our economy.

I appreciate that because, frankly, there has been too much acrimony between the proponents and opponents on the basis that those who are against this particular legislation somehow are against trade, against exports.

Frankly, I would say to my colleagues that I got on the subcommittee of the gentleman from Maryland, the Appropriations Subcommittee on Foreign Aid, because I wanted to play a role in developing, along with the gentleman from Maryland, an approach to foreign assistance which would put an end to foreign aid based simply, on the transfer of resources and establish a mechanism for exporting those ideas which are absolutely critical to getting other countries in the world to grow in the way our own Nation has grown in these 200 years plus.

So from that standpoint, let me just speak on behalf of those who are as sincere proponents of international trade and exports and jobs and economic growth as those who favor this IMF quota increase.

Second, let me say that I also appreciate the fact that the President of the United States, with whom I so reluctantly find myself in opposition on this issue, is the most progrowth President of the United States since President Kennedy in the early 1960's. He has committed himself to some rather radical ideas to change the boom and bust cycles of the late sixties and seventies in order to restore noninflationary economic growth. President Reagan is committed to economic growth as the best means to bring down the deficit, bring down unemployment, and to help the world grow again by taking steps that I want to applaud, that I have supported—and I stand second to no one on behalf of supporting those policies.

President Reagan has moved dramatically and courageously to remove the tax, regulatory, and monetary impediments to economic expansion. More needs to be done but he started this revolution.

The compromise does put forth, or the attempt to compromise puts forth, some outstanding language. I want to say that the gentleman from Ohio and the gentleman from Rhode Island have also participated in the language compromise and I appreciate their efforts to seek consensus. I only wish they had moved earlier on our concerns.

I worked with the Secretary of the Treasury to try to get policy changes and some language dealing with these concerns into the bill, despite his valiant efforts there were limits unfortunately on how far he could go.

Frankly, let me say to my colleagues, however, that my biggest disappointment in this whole debate is that not enough attention has been placed on the systemic problem brought up by the gentleman from Indiana.

There is a systemic problem in the world. The United States is going to have a trade imbalance of about $70 billion this year. I do not think we can have a true recovery in the United States, western New York, or throughout this country, unless we start to export more.

The gentleman from Indiana has raised an issue that unfortunately has not gotten enough attention, which is that there is a systemic problem.

There are those who have raised on the floor of the House the issue of the Japanese yen in comparison or juxtaposition with the U.S. dollar.

The failure of the administration and the governments of our allies, as well as the failure of the committee which has presented us with this legislation, to come to terms with the systemic flaws in the international monetary system forces me to oppose adoption of title III. We should not be considering a permanent increase in the size of the IMF when we have virtually no idea of its appropriate role in the monetary system and when there are major questions as to the policies which it has been pursuing. Moreover, it is inappropriate for us to consider major changes in the regulation of international lending by domestic commercial banks when we have not considered the system under which they are operating.

The IMF was created to assist member nations in maintaining fixed exchange rates. By evening out short-term deficits and surpluses in national currencies, it served to keep the system steady. But, in the absence of fixed exchange rates, what is its role?

Most supporters of the quota increase claim that the IMF is now to act as a lender of last resort and a financial policeman for debtor nations. Further, they argue that to fulfill this function, the IMF quota should grow at the same rate as world trade. Let us examine these.

First, the problems of debtor nations are not short term. They are the result of systemic flaws which cannot be corrected by increased borrowing or by adjustment within particular countries. Correcting the systemic flaws would reduce interest rates and restore commodity prices such that IMF or other official intervention would not be necessary. Without such corrections, there is nothing the IMF can do other than put off the evil day of judgment.

The first step in reestablishing a monetary standard is to call an international conference similar to Bretton Woods to investigate the flaws in the system and propose remedies for these flaws. This is absolutely necessary to restoring economic growth and maintaining a liberal economic order.

The process of reordering the monetary system will be a lengthy and difficult one. The goals, however, are straightforward and, I believe, shared by the President and the Members on both sides of the current debate.

First, in order to maintain the trading system which developed over a period of stable exchange rates and liberal trading relations, we must restore stability. The current environment of extreme fluctuations in exchange rates and the growing tendency to use currency values as a weapon in international trade can result only in a deterioration of trade, a reduction in economic growth, and a decline in employment.

Second, international financial relations must be structured so that they encourage the free flow of capital, both equity and lending. The allocation of productive resources by the free play of market forces is the real source of increased opportunity for all peoples.

These goals will be difficult to achieve. In the current international economic climate, there are tremendous pressures for increased protectionism and isolation. This Congress and the President whose goals for growth we all support must provide the leaderships to begin the process.

In the meantime, there are many alternatives to a permanent increase in the size of the IMF.

Let us look for a minute at what would happen without the IMF quota increase.

First, as has been pointed out by Fred Smith, of the Council for a Competitive Economy, the IMF does not require funding to act as financial arbitrator between the private banks and the debtor nations. It can easily take the role of Moody's or Standard and Poor, providing guidance and evaluations.

Second, the banks continue to have the same incentives to restructure loans and avoid defaults whether the IMF has additional lending authority or not. Working through the Bank for International Settlements, the Paris Club, and through their own individual channels, the international banks will continue to seek solutions to the problems they share with the debtors.

It should also be remembered that our Government is not impotent to act if some of these efforts fall short. The Federal Reserve System stands ready to assist as it did in Mexico by making additional exchange available in support of the banking system. The Exchange Stabilization Fund at Treasury is similarly available to help those who are in real danger.

I am sure that supporters of the legislation will respond that this is too much for us to do alone, that we must leverage other nations to support our efforts and that we can only do that through the IMF. But other nations have the same incentives we have to seek solutions. These are not dependent on the IMF any more than the incentives of the banks are dependent on outside forces. Moreover, we should keep in mind that the only usable resources which flow into the IMF or any international institution are those of the industrialized nations, basically the G-10. There is not a member of this group which would fail to support its trading partners in an effort to maintain trade relationships and avoid crisis.

I believe that these mechanisms will forestall any panics, failures, or crises. But, for the sake of debate, let us ask the question, "What would happen in the event of a default by a major debtor?"

The dire warnings from proponents indicate that U.S. banks would fail, that a major deflation would occur, and that interest rates would skyrocket. Where is the truth?

To begin with, a major default, or even writing off the bad loans being held by some banks, will indeed cause problems for those banks. Their stockholders will probably lose money. But that is the risk which they accepted in making capital available for adventurous foreign lending. It is not the responsibility of the taxpayer.

We should keep in mind that it is the stockholders who are at risk, not the depositors. The Federal Deposit Insurance Corporation stands ready to protect depositors. Even if this requires additional funding, it results in the economic damage being placed on the appropriate risk takers.

Just as the FDIC protects depositors, the Federal Reserve System has the authority to prevent any spread of defaults or a deflation. If bank assets are wiped out by default to such a degree that the banking system itself is endangered, the Fed can step in with additional reserves in an amount identical to the lost assets. This injection of reserves would protect the system without bailing out irresponsible bankers. Moreover, since the Fed can replace the exact amount of assets lost, there is no domestic deflationary or inflationary impact.

The notion that interest rates would rise is simply a ruse. The Chairman of the Federal Reserve Board scored the Congress recently for high deficits, increased borrowing, and the pressures these bring on interest rates. He now tells us that if we do not borrow additional funds for the IMF, rates will rise. I have been told by some supporters of this legislation that funding the IMF will not cause rates to fall but not funding it will cause them to rise. What logic is this?

Interest rates in international lending are set, as those for domestic lending, based on risk and inflation. The only possible increase in rates if we do not fund the IMF will be due to making banks responsible for their risks, that is, if the bankers perceive that a Government guarantee of their loans has been withdrawn. What effect would this have domestically? It is very simple. Domestic lending opportunities—unguaranteed loans for houses, automobiles, college educations, and small businesses—will move up the list of desirable risks as the Government subsidy to foreign lending is removed.

As I have shown above, the Fed can forestall any inflationary or deflationary effects of defaults, so there is no pressure on interest rates from that source.

Interest rates will rise because the Fed says they will rise.

The tactics being used are unfortunate. The horrifying consequences of not approving the IMF are without substance.

Therefore, Mr. Chairman, I would like to reiterate the program which I believe provides an opportunity to address the systemic flaws of the monetary system while providing for short-term difficulties at home and abroad.

I do this rather than offer amendments, because the IMF's approach to the international monetary and financial situation is too flawed to be corrected piecemeal by floor amendments in the House. This has become clear to me after months of debate on H.R. 2957. For that reason, I will support the amendment to strike title III, the section containing the IMF quota increase as prepared by Mr. McCollum and Mr. Patman of Texas and Mr. Roemer of Louisiana.

First, the international monetary and financial system suffers from a number of systemic problems which

have made it prone in the past decade to cycles of inflation, speculation, overborrowing, and crisis. These problems have to do with the instability of exchange rates and the absence of a stable, internationally accepted money since the breakdown of the Bretton Woods system around 1971. The effects of floating exchange rates on our trade balance, for example, are painfully evident.

In proposing yet another increase in the permanent quota of the International Monetary Fund, amounting to almost 50 percent, the administration has not adequately addressed these systemic problems, which could lead to a new crisis within a few years. Indeed, far from correcting the problem, the United States is now contributing to the pressures for protectionism which have resulted from these systemic problems.

In addition, the IMF appears to be inadequately concerned with the adverse effects of its own role and lending policies upon the borrowing countries. I believe we must be sympathetic to the plight of the developing nations. But IMF conditions have tended, on the one hand, to encourage incorrect economic policies in developing countries, and on the other, to diminish rather than improve the prospects for long-run economic growth and ability to repay debts when these countries try to extricate themselves from their problems.

The IMF also appears to have large uncommitted resources, exceeding the requested quota increase, which could be employed as collateral in its lending. Such uncommitted resources should be used before any further contributions from American taxpayers can be justified.

Further, if the current financial difficulties of some borrowing countries are temporary and nonsystemic, as IMF and Treasury officials say, any new U.S. resources should be made available on a temporary basis, not as a permanent increase in IMF resources.

Commercial banks should also be required to take responsibility for their past lending decisions, by writing off portions of loans upon which interest is not being paid. This necessary process can be facilitated without disruption by increasing the size of loan loss reserves which are deductible for tax purposes. I might add that this would affect only the timing, not the size, of the banks' tax payments, since losses are already deductible as a business expense.

Finally, the worldwide economic recovery which is now underway has significantly improved the economic situation for both industrial and developing nations. The outlook is for further improvement. The notion that the IMF quota increase will advance, and that failing to increase the quota will retard, long-term economic growth is neo-Keynesian nonsense. Piling debt upon debt does not produce growth. In fact, by the very reasoning, IMF austerity policies will have a negative effect on U.S. exports, since they involve import restriction and import substitution in borrowing countries.

All of the alternative policies which I have outlined must be considered before any increase in IMF resources is justified. Despite lengthy discussion of these concerns, the legislation before us does almost nothing—zero—in a positive direction. All the discussions we have had with the backers of this legislation have resulted in nothing but cosmetic changes in boilerplate language.

I, therefore, suggest that a vote to strike the IMF quota is not antitrade or antijobs or antigrowth, but an honest and sincere attempt to tell the administration and the Congress go back and work on the manifold shortcomings in the world monetary system and help restore an IMF facility that can truly help encourage world economic expansion and trade.

The CHAIRMAN. The time of the gentleman from New York has expired.

The question is on the amendment offered by the gentleman from California (Mr. PATTERSON) to the amendment offered by the gentleman from Rhode Island (Mr. ST GERMAIN).

The amendment to the amendment was agreed to.

PREFERENTIAL MOTION OFFERED BY MR. LOTT

Mr. LOTT. Mr. Chairman, I offer a preferential motion.

The CHAIRMAN. The Clerk will report the preferential motion.

The Clerk read as follows:

Mr. LOTT moves that the Committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken out.

The CHAIRMAN. The gentleman under the terms of the prior agreement is recognized for 1 minute.

Mr. LOTT. One minute? Well, I will be extremely brief then.

I want to emphasize the point, Mr. Chairman, that the gentleman from New York (Mr. KEMP) made in his remarks just a moment ago.

This substitute was not developed just by the committee, just by the gentleman that is offering it, the gentleman from Rhode Island (Mr. ST GERMAIN), but with the cooperation of the gentleman from Ohio (Mr. WYLIE), with representatives from the Treasury Department and, as a matter of fact, with the gentleman from New York and myself. This is a bipartisan effort to try to improve some on what is in this bill with regard to IMF. It is marginal. It is not enough, but it is positive in the movement that it makes toward some restrictions, some limitations on the banks, some positive language that I think is important.

I want to emphasize to my colleagues that they should vote for this substitute amendment, even if you are against IMF, because this improves the IMF provisions. It is some additional language and it is a positive step.

I do not think my colleagues would want to be in the position of being against these improvements, these five or six steps in the right direction.

I urge that you vote for the substitute.

The CHAIRMAN. The time of the gentleman from Mississippi (Mr. LOTT) has expired.

Mr. BETHUNE. Mr. Chairman, I ask unanimous consent that the gentleman from Mississippi (Mr. LOTT) may proceed for 1 additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Arkansas?

Mr. ST GERMAIN. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

The gentleman from Rhode Island (Mr. ST GERMAIN) is recognized for 1 minute.

Mr. ST GERMAIN. Mr. Chairman, I just want to concur with the gentleman from Mississippi that this was a tremendous effort by a great many people.

Second, as the gentleman from New York stated, if you will check the record, in each and every instance I have expressed profound respect for everyone who has debated this topic on both sides of the issue, because I feel that everybody is very sincere in this area.

Mr. Chairman, I yield to the gentleman from Mississippi (Mr. LOTT).

□ 1200

Mr. LOTT. I just want to emphasize again the importance of voting for this substitute language.

I urge my colleagues to read it. It is a very clear message to the banks and to the IMF that we are not satisfied with what is being done with these loans and that we want some changes.

I would like for it to go even further. There will be an opportunity to offer some additional amendments, but I would ask you to support this substitute.

Mr. BETHUNE. Mr. Chairman, will the gentleman yield?

Mr. ST GERMAIN. I yield to the gentleman from Arkansas.

Mr. BETHUNE. I thank the gentleman for yielding.

My question is earlier in the day we had——

The CHAIRMAN. The time of the gentleman from Rhode Island (Mr. ST GERMAIN) has expired.

Mr. BETHUNE. Mr. Chairman, I ask unanimous consent the gentleman be recognized for 5 additional minutes.

The CHAIRMAN. All time has expired.

PARLIAMENTARY INQUIRIES

Mr. BETHUNE. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. BETHUNE. Earlier today, Mr. Chairman, a request was made for unanimous consent to limit debate to 12 o'clock. That was defeated. Later it was put in the form of a motion and that carried, limiting the debate to 12 o'clock today. That, therefore, closed debate past the hour of 12 o'clock.

Now, a motion to rise is being made by the minority whip. Does that foreclose now the offering of further amendments should that motion to rise carry?

The CHAIRMAN. If the preferential motion to strike the enacting clause carries, further amendments would not be in order.

Mr. BETHUNE. As I understand it, it was a motion to rise.

The CHAIRMAN. The preferential motion is to rise and report with the recommendation that the House strike the enacting clause.

Mr. LOTT. A parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. LOTT. If this should carry, as the Chairman stated, that would now cut off additional amendments after the 12 o'clock cutoff hour?

The CHAIRMAN. If the preferential motion carries the Committee rises.

Mr. LOTT. I would like to say as part of my parliamentary inquiry, my effort was to have a brief opportunity to speak.

I would urge the defeat of the preferential motion.

Mr. BETHUNE. Mr. Chairman, is the motion to strike the enacting clause pending?

The CHAIRMAN. Yes. The question is on the preferential motion.

Mr. PATMAN. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. PATMAN. Would a motion to table the gentleman's preferential motion be in order at this time?

The CHAIRMAN. A motion to table is not in order at this time.

Mr. LOTT. Mr. Chairman, it would be in order to withdraw the motion, I believe, would it not?

The CHAIRMAN. The gentleman may do so by unanimous consent.

Mr. LOTT. Mr. Chairman, I ask unanimous consent to withdraw the preferential motion.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

Mr. BETHUNE. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. PAUL. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. PAUL. Mr. Chairman, if this motion were to fail, whose amendments will be protected? Only those who have amendments printed in the RECORD, or anybody who has an amendment?

The CHAIRMAN. Under the rule, if this motion is defeated, any amendment printed in the RECORD could be offered and debated for 5 minutes on each side. Any other germane amendment could also be offered but no debate would be allowed.

Mr. LEWIS of California. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. LEWIS of California. I am sorry to take your time, Mr. Chairman, but am I correct in understanding if this motion passes, in spite of the fact that all of the debate was held on Monday when nobody was here, that Members who have amendments in the RECORD would not have a chance to present those amendments; they could not be debated; and the serious questions involved in this bill could not be heard if the motion passes?

The CHAIRMAN. If the preferential motion carries, in the House that would be the case.

The question is on the preferential motion offered by the gentleman from Mississippi (Mr. LOTT).

The preferential motion was rejected.

Mr. PATMAN. Mr. Chairman, I have an amendment printed in the RECORD and at the desk. Would that amendment be in order at this time?

The CHAIRMAN. Is this an amendment to the St Germain amendment? If not, it is not in order at this time.

The Chair rules that no timely request was made for a recorded vote on the preferential motion.

Are there any amendments to the pending amendment of the gentleman from Rhode Island?

If not, the question is on the amendment offered by the gentleman from Rhode Island (Mr. ST GERMAIN), as amended.

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. PAUL. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 332, noes 76, not voting 25, as follows:

[Roll No. 290]

AYES—332

Ackerman	Andrews (NC)	Archer
Albosta	Andrews (TX)	Aspin
Alexander	Anthony	AuCoin
Anderson	Applegate	Badham
Barnard	Gregg	Moore
Barnes	Guarini	Morrison (CT)
Bartlett	Gunderson	Morrison (WA)
Bateman	Hall (IN)	Mrazek
Bates	Hall (OH)	Murphy
Bedell	Hamilton	Murtha
Beilenson	Hammerschmidt	Neal
Bereuter	Hance	Nelson
Berman	Hansen (UT)	Nielson
Biaggi	Harkin	Nowak
Boehlert	Harrison	O'Brien
Boggs	Hartnett	Oakar
Boland	Hawkins	Oberstar
Boner	Hefner	Obey
Bonior	Hertel	Olin
Bonker	Hightower	Ortiz
Borski	Hiler	Ottinger
Bosco	Hillis	Owens
Boucher	Horton	Oxley
Boxer	Howard	Packard
Breaux	Hoyer	Panetta
Britt	Hubbard	Parris
Brooks	Huckaby	Pashayan
Brown (CA)	Hughes	Patterson
Broyhill	Hutto	Pease
Bryant	Hyde	Penny
Burton (CA)	Ireland	Pepper
Byron	Jeffords	Pickle
Campbell	Jenkins	Porter
Carney	Johnson	Price
Carper	Jones (NC)	Pritchard
Chandler	Jones (OK)	Pursell
Chappell	Kaptur	Quillen
Cheney	Kastenmeier	Rahall
Clarke	Kennelly	Rangel
Clay	Kildee	Ratchford
Clinger	Kindness	Ray
Coats	Kogovsek	Regula
Coelho	Kolter	Reid
Coleman (MO)	Kostmayer	Richardson
Coleman (TX)	LaFalce	Ridge
Collins	Lagomarsino	Rinaldo
Conable	Lantos	Roberts
Conte	Latta	Rodino
Conyers	Leach	Roe
Coyne	Leath	Rose
Crockett	Lehman (CA)	Rostenkowski
Daschle	Lehman (FL)	Roth
Davis	Leland	Roukema
de la Garza	Lent	Rowland
Derrick	Levin	Roybal
DeWine	Levine	Russo
Dickinson	Levitas	Sabo
Dicks	Lewis (FL)	Savage
Dingell	Lipinski	Sawyer
Dixon	Livingston	Schaefer
Downey	Loeffler	Scheuer
Duncan	Long (LA)	Schneider
Durbin	Lott	Schulze
Dwyer	Lowery (CA)	Schumer
Dymally	Lowry (WA)	Seiberling
Dyson	Lujan	Shannon
Edgar	Luken	Sharp
Edwards (AL)	Lundine	Shaw
Edwards (CA)	MacKay	Sikorski
Emerson	Madigan	Siljander
English	Markey	Sisisky
Erdreich	Marriott	Skeen
Erlenborn	Martin (IL)	Skelton
Evans (IA)	Martin (NC)	Smith (FL)
Evans (IL)	Martin (NY)	Smith (IA)
Fascell	Martinez	Smith (NE)
Fazio	Matsui	Smith (NJ)
Feighan	Mavroules	Smith, Robert
Ferraro	Mazzoli	Snowe
Fish	McCain	Solarz
Foglietta	McCandless	Spence
Ford (MI)	McCollum	Spratt
Ford (TN)	McCurdy	St Germain
Forsythe	McEwen	Staggers
Fowler	McHugh	Stangeland
Frank	McKernan	Stark
Frenzel	McKinney	Stokes
Gaydos	McNulty	Stratton
Gejdenson	Mica	Studds
Gekas	Michel	Swift
Gephardt	Mikulski	Synar
Gibbons	Miller (CA)	Tallon
Gilman	Miller (OH)	Tauke
Gingrich	Mineta	Taylor
Glickman	Minish	Thomas (CA)
Goodling	Mitchell	Thomas (GA)
Gore	Moakley	Torres
Gradison	Molinari	Torricelli
Gray	Mollohan	Towns
Green	Moody	Udall

Valentine	Wheat	Wright
Vander Jagt	Whitehurst	Wyden
Vandergriff	Whitley	Wylie
Vento	Whittaker	Yates
Volkmer	Williams (MT)	Yatron
Walgren	Wilson	Young (AK)
Walker	Wirth	Young (FL)
Waxman	Wise	Young (MO)
Weaver	Wolf	Zablocki
Weber	Wolpe	Zschau
Weiss	Wortley	

NOES—76

Akaka	Gonzalez	Perkins
Bennett	Gramm	Petri
Bethune	Hall, Ralph	Ritter
Bevill	Hall, Sam	Robinson
Bilirakis	Hansen (ID)	Roemer
Bliley	Hopkins	Rogers
Brown (CO)	Hunter	Rudd
Burton (IN)	Jacobs	Sensenbrenner
Corcoran	Kasich	Shelby
Courter	Kazen	Shuster
Craig	Kemp	Slattery
Crane, Daniel	Lewis (CA)	Smith, Denny
Crane, Philip	Lloyd	Snyder
D'Amours	Long (MD)	Solomon
Daniel	Lungren	Stenholm
Daub	Mack	Stump
Donnelly	Marlenee	Sundquist
Dreier	McCloskey	Tauzin
Early	McDonald	Traxler
Eckart	McGrath	Vucanovich
Edwards (OK)	Montgomery	Watkins
Fiedler	Moorhead	Whitten
Fields	Natcher	Williams (OH)
Flippo	Nichols	Winn
Florio	Patman	
Franklin	Paul	

NOT VOTING—25

Addabbo	Dorgan	Jones (TN)
Annunzio	Dowdy	Kramer
Broomfield	Foley	McDade
Carr	Frost	Myers
Chappie	Fuqua	Schroeder
Cooper	Garcia	Shumway
Coughlin	Hatcher	Simon
Dannemeyer	Heftel	
Dellums	Holt	

□ 1220

The Clerk announced the following pair:

On the vote:

Mr. McDade for, with Mr. Dannemeyer against.

Messrs. SUNDQUIST, GRAMM, WILLIAMS of Ohio, MOORHEAD, LONG of Maryland, Mrs. LLOYD, and Ms. FIEDLER changed their votes from "aye" to "no."

Mr. HANCE changed his vote from "no" to "aye."

So the amendment, as amended, was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN. The Chair would advise the Committee that under the rule debate is in order for those amendments that are printed in the RECORD. Five minutes of debate will be allowed on each side.

Amendments which are not printed in the RECORD, to the bill or to amendments, are nonetheless in order, if germane, and those amendments will be voted on without debate.

AMENDMENT OFFERED BY MR. M'COLLUM

Mr. McCOLLUM. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. McCOLLUM: Page 19, strike out line 16 and all that follows through line 20.

The CHAIRMAN. The Chair will inquire, has the amendment been printed in the RECORD.

Mr. McCOLLUM. Mr. Chairman, the amendment has not been printed, but this gentleman requests unanimous consent that the rule be waived as to this amendment only and that each side be given 5 minutes to debate this amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

Mr. BARNARD. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. PATMAN. Mr. Chairman, I have an amendment which was printed in the RECORD.

The CHAIRMAN. The Chair would advise the gentleman that the amendment is not in order at this point.

The question is on the amendment offered by the gentleman from Florida (Mr. McCOLLUM).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. McCOLLUM. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 181, noes 226, not voting 26, as follows:

[Roll No. 291]

AYES—181

Albosta	Emerson	Lewis (CA)
Anderson	English	Lewis (FL)
Applegate	Erdreich	Lipinski
Archer	Evans (IA)	Lloyd
Badham	Evans (IL)	Loeffler
Bates	Fiedler	Long (MD)
Bennett	Fields	Lott
Bethune	Flippo	Lujan
Bevill	Florio	Luken
Bilirakis	Franklin	Lungren
Bliley	Gingrich	Mack
Breaux	Gonzalez	Marlenee
Broomfield	Gramm	Martin (IL)
Brown (CO)	Gregg	McCain
Broyhill	Gunderson	McCloskey
Burton (IN)	Hall (OH)	McCollum
Byron	Hall, Ralph	McCurdy
Campbell	Hall, Sam	McDonald
Carney	Hammerschmidt	McEwen
Chappell	Hance	McGrath
Coats	Hansen (ID)	Mikulski
Coleman (MO)	Hansen (UT)	Miller (OH)
Collins	Harkin	Mollohan
Corcoran	Harrison	Montgomery
Courter	Hefner	Moore
Craig	Hertel	Moorhead
Crane, Daniel	Hightower	Mrazek
Crane, Philip	Hiler	Natcher
D'Amours	Hopkins	Nelson
Daniel	Hunter	Nichols
Daschle	Hutto	Nielson
Daub	Hyde	Oberstar
Davis	Jacobs	Olin
Donnelly	Jenkins	Ortiz
Dreier	Jones (NC)	Packard
Duncan	Kaptur	Patman
Durbin	Kasich	Paul
Dyson	Kazen	Penny
Early	Kemp	Perkins
Eckart	Leath	Petri
Edwards (OK)	Levitas	Pickle
Rahall	Shuster	Traxler
Ray	Siljander	Valentine
Reid	Skeen	Vander Jagt
Richardson	Skelton	Volkmer
Rinaldo	Slattery	Vucanovich
Ritter	Smith (NE)	Walgren
Roberts	Smith, Denny	Walker
Robinson	Smith, Robert	Watkins
Roemer	Snyder	Weaver
Rogers	Solomon	Weber
Roth	Spence	Wheat
Rowland	Staggers	Whitley
Rudd	Stenholm	Whittaker
Russo	Stratton	Whitten
Schaefer	Stump	Williams (OH)
Schulze	Sundquist	Wise
Sensenbrenner	Tallon	Yatron
Sharp	Tauzin	Young (AK)
Shaw	Taylor	
Shelby	Thomas (GA)	

NOES—226

Ackerman	Glickman	Oakar
Akaka	Goodling	Obey
Andrews (NC)	Gore	Ottinger
Andrews (TX)	Gradison	Owens
Anthony	Gray	Oxley
Aspin	Green	Panetta
AuCoin	Guarini	Parris
Barnard	Hall (IN)	Patterson
Barnes	Hamilton	Pease
Bartlett	Hartnett	Pepper
Bateman	Hawkins	Porter
Bedell	Hillis	Price
Beilenson	Horton	Pritchard
Bereuter	Howard	Pursell
Berman	Hoyer	Quillen
Biaggi	Hubbard	Rangel
Boehlert	Huckaby	Ratchford
Boggs	Hughes	Regula
Boland	Ireland	Ridge
Boner	Jeffords	Rodino
Bonior	Johnson	Roe
Bonker	Jones (OK)	Rose
Borski	Kastenmeier	Rostenkowski
Bosco	Kennelly	Roukema
Boucher	Kildee	Roybal
Boxer	Kindness	Sabo
Britt	Kogovsek	Savage
Brooks	Kolter	Sawyer
Brown (CA)	Kostmayer	Scheuer
Bryant	LaFalce	Schneider
Burton (CA)	Lagomarsino	Schumer
Carper	Lantos	Seiberling
Chandler	Latta	Shannon
Cheney	Leach	Sikorski
Clarke	Lehman (CA)	Sisisky
Clay	Lehman (FL)	Smith (FL)
Clinger	Leland	Smith (IA)
Coelho	Lent	Smith (NJ)
Coleman (TX)	Levin	Snowe
Conable	Levine	Solarz
Conte	Livingston	Spratt
Conyers	Long (LA)	St Germain
Coughlin	Lowery (CA)	Stangeland
Coyne	Lowry (WA)	Stark
Crockett	Lundine	Stokes
de la Garza	MacKay	Studds
Derrick	Madigan	Swift
DeWine	Markey	Synar
Dickinson	Marriott	Tauke
Dicks	Martin (NC)	Thomas (CA)
Dixon	Martin (NY)	Torres
Downey	Martinez	Torricelli
Dwyer	Matsui	Towns
Dymally	Mavroules	Udall
Edgar	Mazzoli	Vandergriff
Edwards (AL)	McCandless	Vento
Edwards (CA)	McHugh	Waxman
Erlenborn	McKernan	Weiss
Fascell	McKinney	Whitehurst
Fazio	McNulty	Williams (MT)
Feighan	Mica	Wilson
Ferraro	Michel	Winn
Fish	Miller (CA)	Wirth
Foglietta	Mineta	Wolf
Ford (MI)	Minish	Wolpe
Ford (TN)	Mitchell	Wortley
Forsythe	Moakley	Wright
Fowler	Molinari	Wyden
Frank	Moody	Wylie
Frenzel	Morrison (CT)	Yates
Gaydos	Morrison (WA)	Young (FL)
Gejdenson	Murphy	Young (MO)
Gekas	Murtha	Zablocki
Gephardt	Neal	Zschau
Gibbons	Nowak	
Gilman	O'Brien	

NOT VOTING—26

Addabbo	Dorgan	Jones (TN)
Alexander	Dowdy	Kramer
Annunzio	Foley	McDade
Carr	Frost	Myers
Chappie	Fuqua	Pashayan
Cooper	Garcia	Schroeder
Dannemeyer	Hatcher	Shumway
Dellums	Heftel	Simon
Dingell	Holt	

□ 1240

The Clerk announced the following pair:

On this vote:

Mr. Dannemeyer for, with Mr. McDade against.

Mr. FEIGHAN changed his vote from "aye" to "no."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. PATMAN

Mr. PATMAN. Mr. Chairman, I offer an amendment.

The CHAIRMAN. Is the amendment printed in the RECORD?

Mr. PATMAN. Yes, it is.

The Clerk read as follows:

Amendment offered by Mr. PATMAN: Strike line 13 on page 18 and all that follows through line 8 on page 28.

The CHAIRMAN. Under the rule, the gentleman is entitled to 5 minutes in support of his amendment.

Mr. NEAL. Mr. Chairman, we do not have a copy of the amendment.

Mr. PATMAN. Mr. Chairman, I will explain it. This amendment simply strikes title III of the bill, the IMF portion.

Mr. NEAL. Is the amendment printed in the RECORD?

Mr. PATMAN. It is printed in the RECORD.

Mr. Chairman, it is important that we realize that the measure we have under consideration today not only will obligate this Nation to come up with $8.4 billion this year, and perhaps the next few years, but will likely start a new and expensive program of continually increasing periodic commitments of large additional amounts.

Mr. ST GERMAIN. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman from Texas has the time. He would have to yield to you for that purpose.

Mr. ST GERMAIN. Would the gentleman yield for a parliamentary inquiry?

Mr. PATMAN. Not at this time, Mr. Chairman. I will toward the end of my remarks.

Mr. ST GERMAIN. I want to know where in the RECORD this amendment is printed. Our staff cannot locate it. On what day was it submitted and on what page in the RECORD is it printed?

Mr. PATMAN. It was printed the day before yesterday, as I recall, but I saw the wording myself, Mr. Chairman. In fact, I offered another amendment similar to this. It was printed in today's RECORD.

Mr. ST GERMAIN. Is this the actual amendment that was printed in the RECORD?

Mr. PATMAN. Both of them were printed in the RECORD, Mr. Chairman.

The CHAIRMAN. The gentleman from Texas may proceed.

Mr. PATMAN. Mr. Chairman, I ask for your vote for my amendment to strike the IMF portions of this bill. We are indirectly approving a new process of the International Monetary Fund's loaning money in the long term.

Mr. ROEMER. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Louisiana.

Mr. ROEMER. I thank the gentleman for yielding.

Mr. Chairman, the gentleman from Texas and I both serve on the Banking Committee, and I would like to make one point that the gentleman from Texas made so eloquently on the floor in the last 48 hours, and that is that those of us who are opposed to this bill, and the gentleman from Texas and I are two of those numbers, are not opposed to world trade, are not opposed to world growth, are not opposed to jobs in America, Nigeria, or Venezuela. What we are opposed to is taking our once-every-5-years opportunity to look at IMF and refuse to look at it.

What we are opposed to is to pass this legislation that does not deal with any of our six major complaints about IMF, the major one of which is the IMF practice of austerity rather than growth. If you are jobs, you are against the IMF bill.

Mr. PATMAN. I thank the gentleman.

Mr. Chairman, I would say to the Members of this House that what we are doing, in effect, by endorsing the policies of the IMF, with the new program that the IMF has embarked upon, is to export the policies of the Federal Reserve System to other countries. We have already seen what those policies have done to this United States, to this country.

Testimony was presented before our subcommittee to the effect that the last recession imposed by the Federal Reserve System cost the United States $1 trillion.

□ 1250

Mr. PAUL. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield briefly to the gentleman from Texas.

Mr. PAUL. Mr. Chairman, am I correct in stating that the gentleman's amendment would strike the IMF? In other words, this vote is going to be the only time we have a clean vote on the IMF?

Mr. PATMAN. It is.

Mr. PAUL. Otherwise, we would have to be dealing with the Eximbank.

Mr. PATMAN. I thank the gentleman from Texas (Mr. PAUL).

Mr. Chairman, if I may reclaim my time, I have some brief comments that I would like to make about the IMF and my objections to this portion of the bill.

During the 40 years that have elapsed since the Bretton Woods Agreement the IMF served for 30 years as a remedy for situations of temporary illiquidity that nations experienced on the world market. In recent years that has changed. Now we have new policies of the IMF to go to these countries and extend what is in effect long-term credits, not only the credit of the IMF, but that of our banks in the United States. The IMF has insisted that banks in the United States "bail themselves in," as they call it, in order to provide additional credits needed by foreign countries.

The situation will never change from here on out. There will be a continual rollover of debt, and the United States will finance a major portion of that. Our country funds a portion estimated to be up to 40 percent of the hard currency credit the IMF extends. We have a dangerous situation here which we must stop at this point.

Beginning about 10 years ago, our banks in this country started extending credit to foreign nations for the first time. The nine largest banks in America today have lent money equal to 222 percent of their total capital to the non-oil-producing, developing nations. The IMF in the future will be loaning money from the United States to the same debtors or bank customers. Were they good ones, the banks doubtless would complain of socialized banking competition. We need new approaches that offer promise of solutions, not debt piled upon debt.

The CHAIRMAN. The time of the gentleman from Texas (Mr. PATMAN) has expired.

Mr. PATMAN. Mr. Chairman, I ask unanimous consent that I be permitted to speak for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

Mr. NEAL. I object, Mr. Chairman.

The CHAIRMAN. Objection is heard.

Mr. ST GERMAIN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I say to the Members of the House that we have indeed been debating this legislation at length. This is the third day that we have engaged in this debate.

The amendment now pending before us would strike title III, which indeed is IMF, containing the perfecting amendment that was adopted two votes ago by a very substantial margin. That is the compromise amendment that was agreed to by all parties on the minority and majority leadership,

and by the secretary of the Treasury, as well as by the Federal Reserve Board. We were successful in that, and I think that indeed answers the questions and the concerns of a great many people.

As I said when I offered that amendment, it would not answer everyone's concerns, nor would it satisfy all those who have legitimate problems with the legislation. But the fact still remains that this is the guts of the bill. If we were to adopt this amendment, we would have done away with and run away from our commitment to the other nations in this world in the IMF.

For that reason, Mr. Chairman, I ask for the defeat of this amendment.

Mr. WYLIE. Mr. Chairman, will the gentleman yield?

Mr. ST GERMAIN. I yield to the gentleman from Ohio.

Mr. WYLIE. Mr. Chairman, I thank the gentleman for yielding.

I oppose the amendment also. There is no real difference between this amendment and the other amendment except that it also strikes the general agreements to borrow.

The gentleman from Louisiana said that the worst problem with the IMF is that it causes austerity, not growth. Exactly the opposite happens to be true.

I have a list here of 26 nations which have been benefited or helped through IMF programs, and following help from the IMF, 19 of those nations have increased real economic growth.

I have the list and the statistics, if anybody wants to see them, of the same 26 countries recently helped by IMF programs through 1982. Twenty of those nations have provided for increased imports in the very first year after an IMF program was instituted.

So, Mr. Chairman, the statistics do not bear out what the gentleman from Louisiana said.

Mr. ST GERMAIN. Mr. Chairman, I thank the gentleman for his contribution.

Once again, like the previous amendment that was defeated, this amendment would do in the legislation and would prevent us from keeping faith with the commitments to the administration and to our sister nations around the world.

Mr. Chairman, I urge the overwhelming defeat of the amendment.

PERFECTING AMENDMENT OFFERED BY MR. GONZALEZ

Mr. GONZALEZ. Mr. Chairman, I have a perfecting amendment to title III at the desk which I offer.

The Clerk read as follows:

Perfecting amendment offered by Mr. GONZALEZ: On line 18, page 19, strike out" 5,310.8 million Special Drawing Right" and insert in lieu thereof "1,750 million Special Drawing Rights".

Mr. CHAIRMAN. The Chair will inquire of the gentleman from Texas (Mr. GONZALEZ), has the amendment been printed in the RECORD?

Mr. GONZALEZ. Mr. Chairman, this is a perfecting amendment to the Patman amendment which strikes title III.

The CHAIRMAN. The Chair would inquire of the gentleman from Texas whether this perfecting amendment has been printed in the RECORD.

Mr. GONZALEZ. No, Mr. Chairman, it has not been printed in the RECORD.

POINT OF ORDER

Mr. ST GERMAIN. I have a point of order, Mr. Chairman. I think that the amendment is not in order.

The CHAIRMAN. The Chair would state that the amendment offered by the gentleman from Texas (Mr. GONZALEZ) is a perfecting amendment to title III. As such, it takes precedence over a motion to strike. It is in order.

PARLIAMENTARY INQUIRY

Mr. BETHUNE. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman from Arkansas will state his parliamentary inquiry.

Mr. BETHUNE. Mr. Chairman, is it not the case that when a Member offers a perfecting amendment to an amendment such as is the case before us now, he should be recognized for 5 minutes to explain his amendment?

The CHAIRMAN. The Chair will state that the rules do not provide for any debate after a limitation of time on any amendment which has not been previously printed in the RECORD.

Mr. GONZALEZ. Mr. Chairman, I ask unanimous consent that I may be permitted to explain my amendment.

Mr. BARNARD. Mr. Chairman, I object.

The CHAIRMAN. The Chair will inquire, does the gentleman request a specific amount of time?

Mr. GONZALEZ. Mr. Chairman, I ask unanimous consent, without pressing a disputation upon an interpretation of the rules, for an opportunity not to exceed 5 minutes to explain this perfecting amendment to the pending amendment, as well as on title III, which was printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

Mr. CONTE. Mr. Chairman, I reserve the right to object.

Mr. NEAL. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

PARLIAMENTARY INQUIRY

Mr. EDWARDS of Oklahoma. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. EDWARDS of Oklahoma. Mr. Chairman, it is my understanding the gentleman from Texas (Mr. GONZALEZ) is offering an amendment to an amendment, and if that is the case, does that, an amendment to an amendment, still have to be printed in the RECORD?

The CHAIRMAN. The Chair will state that the perfecting amendment offered by the gentleman from Texas (Mr. GONZALEZ) is an amendment to the bill, not to the amendment, but that it was not printed in the RECORD.

The question is on the perfecting amendment offered by the gentleman from Texas (Mr. GONZALEZ).

The perfecting amendment was rejected.

The CHAIRMAN. The question now is on the amendment offered by the gentleman from Texas (Mr. PATMAN) to strike title III.

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. PATMAN. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 178, Noes 226, not voting 29, as follows:

[Roll No. 292]

AYES—178

Albosta	Hall, Sam	Ortiz
Anderson	Hammerschmidt	Packard
Applegate	Hance	Parris
Archer	Hansen (ID)	Pashayan
Bates	Hansen (UT)	Patman
Bennett	Harkin	Paul
Bethune	Harrison	Penny
Bevill	Hartnett	Perkins
Bilirakis	Hefner	Petri
Bliley	Hightower	Rahall
Bosco	Hiler	Ray
Brooks	Hopkins	Reid
Broomfield	Hughes	Richardson
Brown (CO)	Hunter	Ritter
Burton (IN)	Hutto	Roberts
Byron	Jacobs	Robinson
Campbell	Jenkins	Roemer
Carney	Jones (NC)	Rogers
Chappell	Kaptur	Roth
Coats	Kasich	Rowland
Coleman (MO)	Kastenmeier	Rudd
Collins	Kazen	Russo
Corcoran	Kemp	Schaefer
Courter	Kolter	Schulze
Craig	Levitas	Sensenbrenner
Crane, Daniel	Lewis (CA)	Sharp
Crane, Philip	Lewis (FL)	Shaw
D'Amours	Lipinski	Shelby
Daniel	Lloyd	Shuster
Daschle	Loeffler	Siljander
Daub	Long (MD)	Skeen
de la Garza	Lott	Skelton
Donnelly	Lujan	Slattery
Dreier	Lungren	Smith (NE)
Duncan	Mack	Smith, Denny
Durbin	Marlenee	Smith, Robert
Dyson	Martin (IL)	Snyder
Early	McCain	Solomon
Eckart	McCloskey	Spence
Edwards (OK)	McCollum	Staggers
Emerson	McCurdy	Stenholm
English	McDonald	Stump
Erdreich	McEwen	Sundquist
Evans (IL)	McGrath	Tallon
Fiedler	Mikulski	Tauzin
Fields	Miller (OH)	Taylor
Flippo	Mollohan	Thomas (CA)
Franklin	Montgomery	Thomas (GA)
Gingrich	Moore	Traxler
Gonzalez	Moorhead	Valentine
Gramm	Mrazek	Vander Jagt
Gregg	Murphy	Vandergriff
Gunderson	Natcher	Volkmer
Hall (OH)	Nelson	Vucanovich
Hall, Ralph	Nichols	Walgren

Walker	Whitley	Wise
Watkins	Whittaker	Yatron
Weaver	Whitten	Young (AK)
Weber	Williams (OH)	
Wheat	Winn	

NOES—226

Ackerman	Gibbons	Oakar
Akaka	Gilman	Oberstar
Andrews (NC)	Glickman	Obey
Andrews (TX)	Goodling	Olin
Anthony	Gore	Ottinger
Aspin	Gradison	Owens
AuCoin	Gray	Oxley
Badham	Green	Panetta
Barnard	Guarini	Patterson
Barnes	Hall (IN)	Pease
Bartlett	Hamilton	Pepper
Bateman	Hawkins	Pickle
Bedell	Hertel	Porter
Beilenson	Hillis	Price
Bereuter	Horton	Pritchard
Berman	Howard	Pursell
Biaggi	Hoyer	Quillen
Boehlert	Hubbard	Rangel
Boggs	Huckaby	Ratchford
Boland	Hyde	Regula
Boner	Ireland	Ridge
Bonior	Jeffords	Rinaldo
Bonker	Johnson	Rodino
Borski	Jones (OK)	Roe
Boucher	Kennelly	Rose
Boxer	Kildee	Rostenkowski
Britt	Kindness	Roukema
Brown (CA)	Kogovsek	Roybal
Broyhill	Kostmayer	Sabo
Bryant	LaFalce	Savage
Burton (CA)	Lagomarsino	Sawyer
Carper	Lantos	Scheuer
Chandler	Latta	Schneider
Cheney	Leach	Schumer
Clarke	Lehman (CA)	Seiberling
Clay	Lehman (FL)	Shannon
Clinger	Leland	Sikorski
Coelho	Lent	Sisisky
Coleman (TX)	Levin	Smith (FL)
Conable	Levine	Smith (IA)
Conte	Livingston	Smith (NJ)
Conyers	Long (LA)	Snowe
Coughlin	Lowery (CA)	Solarz
Coyne	Lowry (WA)	Spratt
Crockett	Luken	St Germain
Davis	Lundine	Stangeland
Derrick	MacKay	Stark
DeWine	Madigan	Stokes
Dickinson	Markey	Stratton
Dicks	Marriott	Studds
Dixon	Martin (NC)	Swift
Downey	Martin (NY)	Synar
Dwyer	Martinez	Tauke
Dymally	Matsui	Torres
Edgar	Mavroules	Torricelli
Edwards (AL)	Mazzoli	Towns
Edwards (CA)	McCandless	Udall
Erlenborn	McHugh	Vento
Evans (IA)	McKernan	Weiss
Fascell	McKinney	Whitehurst
Fazio	McNulty	Williams (MT)
Feighan	Mica	Wilson
Ferraro	Michel	Wirth
Fish	Miller (CA)	Wolf
Florio	Mineta	Wolpe
Foglietta	Minish	Wortley
Ford (MI)	Moakley	Wright
Ford (TN)	Molinari	Wyden
Forsythe	Moody	Wylie
Fowler	Morrison (CT)	Yates
Frank	Morrison (WA)	Young (FL)
Frenzel	Murtha	Young (MO)
Gaydos	Neal	Zablocki
Gejdenson	Nielson	Zschau
Gekas	Nowak	
Gephardt	O'Brien	

NOT VOTING—29

Addabbo	Dorgan	Kramer
Alexander	Dowdy	Leath
Annunzio	Foley	McDade
Breaux	Frost	Mitchell
Carr	Fuqua	Myers
Chappie	Garcia	Schroeder
Cooper	Hatcher	Shumway
Dannemeyer	Heftel	Simon
Dellums	Holt	Waxman
Dingell	Jones (TN)	

□ 1310

Mr. DERRICK changed his vote from "aye" to "no."

Mr. HUGHES changed his vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

● Mr. FAUNTROY. Mr. Chairman, I rise in support of H.R. 2957, the International Recovery and Financial Stability Act, and in particular title III which authorizes the Secretary of the Treasury to consent to an increase of the U.S. quota to the International Monetary Fund. This bill is one of the more important pieces of legislation in the international financial area that we will consider. It is crucial to the maintenance of a successful domestic economic recovery. It is essential to the developing nations of the world as they seek to cope with the severe strains of high-interest rates, an overly strong dollar, and weakening markets for raw materials, which have made their quest for development more difficult.

We all know what the basic problem is. Dozens of countries have accumulated billions of dollars in debts, much of it owed to U.S. banks. Some of these loans were for unwise and economically irresponsible projects, but most were for constructive and necessary development. We should not feel superior to these countries for borrowing like this, for a large part of our own economic development during the last century was financed by foreign loans. However, because of a combination of high-interest rates and worldwide recession, many of these countries find themselves unable to repay their loans on schedule. This threat of default not only threatens these countries with the loss of any ability to obtain credit in the future, it threatens us with the shutdown of our exports to these countries and with possible shocks to our financial system.

The IMF is one of the basic international institutions for coping with this threat of default, and the increase in the IMF quota is one of the essential acts which must be taken to prevent the breakdown of world trade and the disturbances to our financial system which would result from a debt default. The IMF acts as an intermediary and a broker between those in a position to lend and those who need to borrow. The IMF provides bridge financing for countries to help them continue to receive credit from private lenders, and in return it helps countries make the necessary economic reforms which will allow these countries to continue to service this debt. It is true that the terms of IMF assistance can be very stringent, and can include cutbacks in imports. However, bridge financing and economic restructuring allows many countries to avoid the even more restrictive and austere economic policies at home which would occur if private lenders abruptly and permanently cut off credit to these borrowers, as would happen in the absence of the IMF. The IMF's efforts will also help, in the long run, to restore these countries to financial solvency, which will keep their markets open to our exports and poised to resume growth once the world economic recovery begins.

Given the interdependence of the world economy, it is directly in our economic interests to support the IMF efforts through an increase in the IMF quota. From my tenure as chairman of the House Subcommittee on Domestic Monetary Policy, I am well aware of the feedback effects between the domestic and international financial markets. This interdependence results in benefits which will accrue to this country in the form of increased demand for our goods and services by borrowing countries. The borrowers, who have always been willing to import American goods and services, turn to the IMF to help reorganize their financial affairs so that they will, in the future, be able to make these purchases. With 20 percent of U.S. goods being sold in export markets, millions of jobs depend directly on the financial security of these countries. This legislative action to increase the IMF's pool of resources would be a decisive step in the journey toward worldwide economic stability. Indeed, the sustainment of an American economic recovery is inextricably bound to a revitalization of the world economy.

One of the fundamental premises of a stable world economy is efficiency in the marketplace. This bill seeks to impart stability in section 303, which addresses the inefficient, to say nothing of the abhorrent and inhuman, practice of apartheid. As a governmental policy, apartheid creates inefficient labor market rigidities and fosters balance-of-payments deficits. This provision directs the U.S. Executive Director of the IMF to actively oppose any credit drawings on the Fund or any of its facilities by any country which practices apartheid. The cogency of this directive lies in its prescription to the IMF to avoid funding of practices that would unnecessarily and artificially create destabilizing forces in the world economy. This provision alone warrants support for the bill.

In addition, both the bill and the St Germain amendment contain more than ample provisions that address the many stated concerns about irresponsible practices of the private banking institutions that precipitated the current world debt crisis. I call attention, first, to title IV of the bill and subsequently to the provisions of the amendment which mandates Federal

supervision on international lending by U.S. bank and nonbank institutions. The oversight by the appropriate Federal agencies will curtail the undertaking of too much risk exposure by these institutions. No longer will these institutions be allowed to engage in the heady practices of overly aggressive marketing of foreign loans that now place our domestic banking system in jeopardy. Under the provisions of the St Germain amendment, for example, no IMF funds can be used in a country to repay loans which were imprudently incurred. Federal regulatory agencies would be required to develop regulations that would prohibit excessive foreign lending so that our domestic institutions would be encouraged to do more local business at affordable rates. This bill generally, and now with the St Germain amendment in particular provides direct guidance and ultimately will provide more funds to the small local businesses whose needs have in the past been neglected because of the ease and profits that come from international lending. Improving international financial markets can help all of our business. That is the principle reason for this bill. Imposing direct lending limits—if you will, imposing credit controls on international lending—as this bill does will redirect credit resources back to our local communities. That is good for the banks, that is good for the safety and soundness of depositors, that is good for small business and consumers and these constitute good reasons—if more are really needed—to vote for the bill.

On an accompanying note, I would like to take this time to highlight another important thrust of this legislation. The thrust to restructure the short-term debt of the debtor countries into long-term debt schedules ought to receive considerable attention from the IMF despite its formal absence from this legislation. A schedule to retire debt over a longer period would allow for more realistic expectations of a borrowing country's growth. The U.S. Executive Director is required to work to insure that the IMF require borrowing countries to reschedule their commercial loans to aid in their economic recovery. As a part of that process, up-front fees charged by U.S. banks would be limited to administrative costs with any excess amortized over the life of the loan. This will better enable a country to cope with the unanticipated economic disturbances that have occurred with greater frequency. None of these things will, however, be done if we do not support this bill.

Therefore, it is my view that it is imperative we adopt this legislation. It will prescribe a consistent set of actions for the promotion of sustainable economic growth in developing countries and the enhancement of our domestic economy. It will assure orderly markets, it will protect our employment, and it will enhance employment opportunities abroad thereby encouraging peace and stability. Perhaps most important, it will proscribe support for racial policies that denigrate the human existence.

I have outlined the positive things which this legislation would do. I do not want nor do I intend to dwell upon the negative results that will undoubtedly occur if we fail to enact this legislation. Members ought to understand, however, that a failure to enact this legislation would negate all of the positive things I spoke about and most probably deal a highly devastating blow toward the efforts to manage the international financial crisis. Enormous losses to domestic financial institutions, foreign markets, suppliers, American jobs, and our nascent recovery would occur. Interest rates would probably rise, the dollar would probably plummet, and all kinds of markets would contract; in short, our recovery would end and a recession would probably begin. Perhaps not everyone shares that view; hopefully it is one which is overstated. I do not wish to find out. For those who are unemployed, particularly the 20.6 percent black unemployed, it seems to me that preservation of our economic system and of our financial markets which are so interrelated with the rest of the world, passage of this bill is important. I know it is hard to explain. It is even harder to explain and understand when viewed in the context of needed help for mortgages, jobs, and health insurance for the unemployed. It is, however, just as real and just as important when properly viewed. If my saying so helps, let me simply say that I know and can assure you that I would not have voted for the bill and the Banking Committee would not have reported it were it not so.●

● Mr. STARK. Mr. Chairman, I have discovered that on several occassions, the Eximbank has made taxpayer-supported loans in tax-haven countries to dummy corporations set up to insure that no tax is paid on profits from the sale of subsidized exports.

Just as one example, the Eximbank's fiscal year 1981 report lists a loan of $3,590,589 to Intairdrial, Ltd., of the Cayman Islands, which has long been a mecca for those who wish to escape legitimate taxes and one of the most financially uncooperative countries.

Intairdril used the money to buy a drilling rig constructed by the Pool Co. of San Angelo, Tex., which just happens to be the parent company of Intairdril, both of which are owned by the huge U.S. firm, Enserch, Corp. of Dallas.

I would be shocked if the profits on the 1981 Intairdril deal, or a subsequent $4.48 million Eximbank loan to the company, will ever be subject to U.S. taxation.

My question, Mr. Chairman, is whether you share this concern and would be willing to urge the Bank not to deal with dummy corporations in tax-haven and tax-shelter countries?

I understand that Mr. ST GERMAIN agrees with me that this situation is disturbing, given the Eximbank's limited resources and that the Bank will respond quickly to these concerns.●

● Mr. MARRIOTT. Mr. Chairman, I rise in support of section 409, to the International Recovery and Financial Stability Act, H.R. 2957. This section directs our attention to the losses the United States has had in competitive markets of copper, steel, and other metal and mineral industries due to subsidized foreign competition. U.S. mining industries have, over the past few years, been hit hard by record mine and plant closures and record unemployment. Clearly, the oversupply and production of these commodities by subsidized foreign companies has added to those staggering statistics.

Located in my district is Kennecott Copper which has consistently been a mainstay of the U.S. copper industry. During our last economic crisis Kennecott was on the verge of closing its doors—think of what this means in terms of people out of work alone. Fortunately, Kennecott was able to survive that crisis but unless we do something to help our mining industry, next time Kennecott, and all the people it employs, may not be so lucky. While I wholeheartedly support free trade, I feel it is equally important for us not to inadvertently subsidize our foreign competition, therefore, jeopardizing the stability and success of U.S. companies like Kennecott Copper.

Section 409 would require commercial banks to conduct an economic feasibility evaluation before extending a foreign project loan relating to a mining, processing or manufacturing operation in excess of $1 million. Specifically, the evaluation would include such factors as the profit potential of the project, its impact on world markets, and the inherent competitive advantage and disadvantage. The bank evaluation would also include the likely effect of the project on the country's long-term development and consideration of whether the loan could be repaid from revenues generated by the project.

The provision is not protectionist since economic, rather than uneconomic, Third World development will be encouraged. Moreover, it will not create a burden of additional paperwork on banks, since such projects are already routinely evaluated by banks. However, a new emphasis will be placed on the intrinsic economic merits of each foreign project, since

host country subsidies are to be discounted from the determination of creditworthiness.

This provision is carefully drafted so as to not prohibit a bank from making foreign project loans. It only asks the banks to evaluate the economic merits of the foreign project by gaining additional information to assess the risks of the project. Section 409 is designed to give banks guidance to be more prudent in their foreign lending. In the past, banks have overlooked careful scrutiny of project economies when it came to government guarantees or subsidies of projects.

Since compliance with the provision will be supervised by banks themselves, in the same manner as other actions are handled internally, the amendment is not Federal intrusion beyond the body of government regulations to which banks are subject.

Clearly, section 409 is vitally important to the International Recovery and Financial Stability Act, H.R. 2957, and I encourage the support of my colleagues to insure this provision is retained in the IMF bill.●

● Mr. STARK. Mr. Chairman, the vote today on H.R. 2957, the IMF bill, poses some very difficult questions. While I believe we ought to help those less fortunate in the world through bank loans and financial assistance, I believe the IMF has become just another political arm for this administration's regressive foreign policies.

Among the other reasons for voting against this IMF bill, which are very persuasive on their own, I believe the IMF has become, unfortunately for all of us, a political institution.

It has become clear recently that this administration, and other administrations that preceeded it, have had hit lists of countries to which the United States will oppose IMF loans. During the Allende government, this list included Chile, and the current list is said to include Nicaragua. To list any country in such a manner, prior to loan application, is certainly a political maneuver.

We have U.S. foreign aid as a way to reward our friends, and punish our enemies. The IMF is supposed to disregard such things. The IMF is supposed to help countries that need help regardless of their political persuasions. Recently, however, this has not been the case.

As I said before, there are many good reasons to vote against the IMF, but the basic reason is that it has strayed from its role as nonpolitical provider to those in the world that are facing difficult times. Most other things can be overlooked; this disregard for the role the IMF is to play in the world international financial market cannot be ignored. I will vote no on H.R. 2957.●

● Mr. MRAZEK. Mr. Chairman, I rise in support of the provision requiring the President to instruct U.S. representatives on the IMF Board to oppose IMF loans to nations practicing the dehumanizing policy of apartheid.

Mr. Chairman, the inhumanity of apartheid as practiced in South Africa is a matter of record. Often, too often, our response to the outrageous and flagrant violations of human rights characteristic of apartheid is to conveniently look away in the name of our so-called strategic interests in the region.

But, after years of neglecting our moral prerogatives, Mr. Chairman, it now appears that many among us have resolved to change our woeful record of implicit support of the apartheid policies of the South African Government. Members of this body are beginning to question our previous course, a healthy sign for our future dealings with a corrupt system.

Earlier this year, I introduced a resolution in this body which expressed the opposition of our Government to the homeland policy practiced in South Africa. A similar resolution was introduced in the other body by Senator GLENN. The racist homeland policy has uprooted millions of black South Africans from their ancestral lands and resettled them in isolated pockets of poverty, disease, starvation, and repression.

The homeland policy, rooted as it is in the stagnant murk of apartheid, stands as a monument to the bankruptcy of South Africa's political and ethical standards. A recent report characterized one such homeland as having the greatest population density of any place on Earth—more than 1,100 people per square mile, struggling to subsist without electricity, transportation, economic self-sufficiency or basic medical treatment.

Mr. Chairman, I offer this information for the purpose of illuminating for my colleagues a practice carried on in South Africa for decades. The homeland policy, like apartheid, seeks to reverse the evolution of human progress. I would suggest to my colleagues today, as Walter Lippmann once wrote, that "the American conscience is a reality. It will make hesitant and ineffectual, even if it does not prevent, an un-American policy."

I urge the support my colleagues for this provision, a true expression of American conscience.●

Mr. ST GERMAIN. Mr. Chairman, I move to strike the last word.

Mr. BARNES. Mr. Chairman, will the gentleman yield.

Mr. ST GERMAIN. I yield to the gentleman from Maryland.

Mr. BARNES. Mr. Chairman, I rise in strong support of H.R. 2957, the International Recovery and Financial Stability Act.

The legislation before us encompasses a series of crucial efforts on the part of the United States to fulfill its international commitments by promoting worldwide economic recovery. During the past few years we have been confronting the worst economic crisis since the Great Depression. It has become clear that in this interdependent world that we live in, we either all pull together to reach the shore or give up and suffer the consequences.

I strongly disagree with the critics of H.R. 2957 who argue that through this bill we are bailing out the banks, that we are providing handouts to governments that have shown their inability to manage their economies.

On the contrary, the measures contained in this legislation will serve to help countries that are at the mercy of external economic factors, including fluctuating oil prices, plunging commodity prices, and increasing interest rates. Furthermore, by promoting their development we guarantee markets for U.S. exports and promote economic recovery here at home.

I also disagree with the argument that we should not support the IMF and other multilateral financial institutions because they are not designed to alleviate poverty and that, in some instances, these institutions serve to aggravate this situation.

The Western Hemisphere Subcommittee, which I have the honor of chairing, recently completed a series of hearings on the debt crisis in Latin America. One of the main subjects of the hearings has been the effects of the economic crisis and of the IMF prescriptions on the people. We have received testimony from knowledgeable witnesses, including a missionary who has lived in a slum in Lima, Peru, for the last 14 years. None of our witnesses called for the termination of the IMF. They all agreed that the IMF has an important role to play during the present crisis, although most of them also felt that some changes were needed in order to ameliorate the negative effects of the IMF conditionality on the poorest sectors of society.

As demonstrated by the IMF reaction to last year's economic crises in Mexico and Brazil, this institution is crucial to the economic stability of our own hemisphere. Because after all, when we talk about the debt crisis we are mostly talking about a Latin American crisis. Brazil, Argentina, and Mexico alone account for over half of the non-OPEC LDC debt.

H.R. 2957 also contains authorizations for regional development banks and for the Export-Import Bank. In the case of the Inter-American Development Bank, the bill authorizes $5.16 billion for the hard loan program, and $380 million for the concessional window, the Fund for Special Operations, for fiscal years 1984 through 1988. I am more familiar with the IDB

than with the other regional banks, but they have all earned high marks for their funding programs. They clearly deserve our continued support.

I urge my colleagues to reaffirm today that we are willing to fulfill our international commitments and that we recognize that our own economic well-being depends largely on the stability of the international economic situation.

Mr. ROEMER. Mr. Chairman, will the gentleman yield?

Mr. ST GERMAIN. I yield to the gentleman from Louisiana.

Mr. ROEMER. Mr. Chairman, I frankly do not care whether Members vote for or against this amendment by our colleague, Mr. ST GERMAIN. The amendment improves the bill but only marginally.

I do, however, strongly oppose the bill. It is not that I am opposed to the IMF or to trade or to jobs in Brazil. I support the IMF. But I oppose our missing the one opportunity we have for the next 5 years to improve the IMF. If we authorize and appropriate this money with no strings or conditions attached either to the IMF or the big banks, what chance do we have to make necessary changes? None.

I believe that we would strike a blow for creation of jobs and for fairness if we revised this bill to accomplish five goals:

First. We should direct the IMF to promote growth, not austerity. Growth as encouraged by tax relief and removal of trade barriers is the only answer to the world's economic difficulties. Austerity to control inflation can be an appropriate economic prescription for some nations during some economic cycles. But such austerity measures are not universally apropos and, in general, are secondary to the requirements for growth in the midst of a worldwide recession. We must not allow the IMF to continue exporting the high interest rate policies of the Fed. These policies have not fostered growth in the United States. They will not foster growth in lesser developed countries, either.

Second. We should require better utilization of IMF's current assets, thereby minimizing the cost to the taxpayers for supporting the IMF. This means requiring some disposition of the more than $40 billion of gold at IMF. Disposition does not necessarily mean sale of the gold. Depending upon market conditions and the temporary, rather than permanent, status of the economic crisis, the gold could be used as collateral for short-term IMF loans to achieve economic growth.

Third. We should require that the current practice of allowing banks to charge high front-end fees for renegotiating current loans be temporized by requiring that all such fees and administrative costs be amortized over the life of the loan rather than collected at the front end.

Fourth. We should require revised bank regulations which would reduce the opportunity of this financial fiasco from happening again. Do not be fooled by those who come to the floor and pretend that this bill does not bail out the big banks which made excessively lenient loans to the LDC's. This bill does represent a bailout of the big banks. That is why they are supporting the bill so vigorously.

Perhaps this bill will also help world trade. Perhaps not. That is what we are debating here today. What is not at issue is the question, "Does this bill bail out the big banks?" It does.

In return for this bailout, the least we should demand is a strengthened regulatory environment that would protect the American taxpayer in the future.

Such regulation should include increased capital and reserve requirements, limits on the amounts of loans to a single country, and a strong public disclosure requirement of transactions and profits.

And finally, five, we should demand that a new Bretton Woods conference on the international economic situation and on a stable exchange rate environment be called in 1984.

Let me emphasize, Mr. Chairman, that I do not join those who would scuttle the IMF. I do, however, join those who insist that we seize this opportunity to revise and improve the goals and operations of our worldwide economic system. It is important to us and to the world.

Mr. COYNE. Mr. Chairman, will the gentleman yield?

Mr. ST GERMAIN. I yield to the gentleman from Pennsylvania.

Mr. COYNE. Mr. Chairman, I rise in support of H.R. 2957, the International Monetary and Financial Stability Act. In this bill title I, the Export-Import Bank Amendments of 1983, and title III, the International Monetary Fund, were reported out of the International Trade Subcommittee on which I serve.

This legislation is essential if the United States is to remain competitive in the area of international trade and, further, if the stability which is so essential to the orderly functioning of an international economy is to remain.

The committee, in this legislation, has changed the charter of the Export-Import Bank to make the Bank fully competitive. H.R. 2957 states that:

> It is further the policy of the United States that loans made by the Bank shall bear interest at rates determined by the Board of Directors of the Bank, taking into consideration, foremost, the Bank's mandate to support United States exports, in all of the Bank's programs, at rates and on terms which are competitive with exports of other countries, and, second, the average cost of money to the Bank.

Mr. Chairman, testimony before the subcommittee made very clear that American firms competing abroad for contracts are at a competitive disadvantage. Foreign companies are at a distinct advantage if they are able to borrow at rates which are below the prevailing interest rates in the United States. Further, American firms cannot compete internationally if foreign firms are subsidized by their own governments while the Export-Import Bank is concerned about its average cost of money to the Bank, rather than the objective of the Bank which is to support U.S. exports.

Mr. Chairman, while I fully support the Export-Import Bank's activities because these loans generate jobs in the United States, I am also concerned that some loans made by the Bank may place U.S. firms at a competitive disadvantage. For example, the Export-Import Bank has made: A loan in Algeria for $7,000,000 for two 32-ton open hearth furnaces; a loan in Argentina of $18,735,000 for equipment and services for a steel plant; a loan in Taiwan of $19,500,000 for a steel expansion project. In Mexico, the Export-Import Bank made the following loans: One for $151,393,500 for the expansion of a steel plant; a second loan for a steel pipe production facility for $58,500,000. In Nigeria the Export-Import Bank made a loan of $33,150,000 for the construction of a ministeel mill and a second loan in Nigeria for similar purposes for $32,925,000.

In 1978, the Congress amended the Export-Import Bank Act as follows:

> SEC. 1911. The Bank shall implement such regulations and procedures as may be appropriate to insure that full consideration is given to the extent to which any loan or financial guarantee is likely to have an adverse effect on industries, including agriculture, and employment in the United States, either by reducing demand for goods produced in the United States or by increasing imports to the United States. To carry out the purposes of this subsection, the Bank shall request, and the United States International Trade Commission shall furnish, a report assessing the impact of the Bank's activities on industries and employment in the United States. Such report shall include an assessment of previous loans or financial guarantees and shall provide recommendations concerning general areas which may adversely affect domestic industries, including agriculture, and employment.

The study by the International Trade Commission mandated by this section was not carried out because funds were never authorized. Consequently, I offered an amendment in subcommittee, which is section 110 of H.R. 2359. It is the subcommittee's intention that the International Trade Commission carry out the study required by section 1911 (12 U.S.C. 635a-2). While I fully support the Export-Import Bank policies to promote exports, we should be aware of the fact

that there is the possibility that such loans could adversely affect other industries in this country. And while Export-Import Bank officials have assured me that their policies and practices are such that this does not happen, I think it is important to have the International Trade Commission review the practices and loans of the Bank and make a report to the Congress.

I fully support title III of this bill, and I support section 303 of H.R. 2957 which requires the President to instruct the U.S. Executive Director to the International Monetary Fund to oppose actively any loans to South Africa. The subcommittee, in adopting this section, was of the opinion that the racially discriminatory practices of the Government of South Africa were so morally repugnant that the Congress should oppose any loans to that country. In so doing the subcommittee found that the practice of apartheid:

Resulted in severe constraints on labor mobility and other highly inefficient labor supply rigidities which contribute to balance of payments deficits in direct contradiction of the goals of the International Monetary Fund.

Because members of the subcommittee were not unmindful of the objections of some to this section, because it was viewed as introducing a political dimension into the proceedings of the International Monetary Fund, the subcommittee made an economic finding of fact and proceeded accordingly.

There has been some question raised as to the cost of this legislation to the taxpayers. I would direct the attention of my colleagues to the committee report:

The true cost of U.S. participation in the IMF is not the amount of money lent over any accounting period but the differential, if any, between the treasury's own cost of borrowing and the rate it earns on money lent to the IMF, plus any valuation losses that arise from an appreciation of the dollar vis-a-vis the SDR. Treasury estimates of such costs since 1969 put them at an average of about $111 million annually—a small cost to pay for the benefits the IMF brings to the U.S. by helping keep foreign markets to our exports.

Further, Mr. Chairman, there is a relationship between the financial difficulties which certain countries are experiencing and a decrease in United States imports. An editorial in the Washington Post on February 6, 1983, states that Mexico, until it started to experience financial difficulty last year, was buying $18 billion worth of American goods a year. The Post editorial continued:

If Mexico had been forced into default, all trade across the Mexican border would have stopped except for a trickle of barter. Without the normal lines of commercial credit and exchange, billions of dollars' worth of American sales to Mexico would have evaporated. When sales are lost, jobs are lost. Even with the rescue, Mexico's imports from this country dropped sharply over the summer. That was one reason, and not a minor one, why this country did not come out of its recession in the middle of last year as most forecasters had expected.

Congressional Quarterly on April 9, 1983 stated that:

When oil prices sagged in 1981 and interest rates soared, Mexico had to cut imports drastically in order to use hard earned export dollars to make payments on its huge debt. The result: Mexican imports from the United States dropped more than 60 percent between the fourth quarter of 1981 and 1982 alone." Secretary of State George Shultz, citing this situation stated "that drastic cut in Mexico's imports, if sustained, would represent a $10 billion loss in U.S. exports and the elimination of at least a quarter million American jobs.

Further, the Department of Commerce states that for the first 4 months of this year exports to the six high debt nations of Latin America were 40 percent below the level of 1981, $22.7 billion as against $31.6 billion. A. J. Kingon, Assistant Secretary for International Economic Policy for the Commerce Department stated that:

Using the accepted benchmark equivalent of 25,000 jobs for each $1 billion in U.S. exports, the almost $9 billion decline in Latin American exports occurred last year cost the United States about 225,000 jobs, and contributed to our global 1982 trade deficit of $32 billion.

Mr. Chairman, I fully support H.R. 2957 and urge its passage.

Mr. MICHEL. Mr. Chairman, will the gentleman yield?

Mr. ST GERMAIN. I yield to the gentleman from Peoria.

Mr. MICHEL. Mr. Chairman, I have asked the gentleman to yield because I am assuming that he will be making a motion that the committee rise and the gentleman from Illinois agrees with that move. May I say to the Members on my side that the Speaker has been accommodating to the administration here that pressed hard for enactment of the IMF.

There were an awful lot of bodies that were put together to try to work out a compromise on title III, and that was agreed to. It was overwhelmingly passed by this body. We just reaffirmed that move again by the most recent of votes.

I am, however, cognizant of the fact that there are Members who have other amendments they would like to offer to the legislation. We probably were a little bit strained and restrained in our allotment of time earlier to get to this point because Members have been under the understanding that they would be out of here at 3, could catch planes, and we still have to do the urgent supplemental or we will run out of food stamps over the weekend.

So I just wanted the Members to be aware of the fact that we agree with the decision to rise at this point. It would then be the Speaker's decision when we would come back to finish up IMF. But, again, I want to say that I am appreciative for the Speaker rescheduling to accommodate the administration and this Member's desire to help the Secretary of the Treasury and the administration get as far as they could on this legislation.

So, having said that, Mr. Speaker, I think we ought to proceed as best we can to get the most we can out of the few hours left.

Mr. ST GERMAIN. Mr. Chairman, I, too, would like to say to the Speaker that we appreciate his assistance, his patience, and we hope that we can complete this legislation at an early date.

Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. PEASE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 2957) to extend the authority of the Export-Import Bank of the United States, encourage balanced worldwide economic growth, provide for continued participation in the International Monetary Fund, strengthen the supervision of international lending by U.S. banks, and provide for continued U.S. participation in multilateral development banks, had come to no resolution thereon.

GENERAL LEAVE

Mr. ST GERMAIN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and include extraneous material, on the bill just considered.

The SPEAKER. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

PERSONAL EXPLANATION

Mr. SOLARZ. Mr. Speaker, I was not here last evening in the Chamber when we voted on rollcall No. 285. If I had been, I most emphatically would have voted "aye."

PERMISSION FOR COMMITTEE ON AGRICULTURE TO FILE REPORTS ON H.R. 2590 AND HOUSE CONCURRENT RESOLUTION 40

Mr. DE LA GARZA. Mr. Speaker, I ask unanimous consent that the Committee on Agriculture may have until midnight tonight, Friday, July 29, 1983, to file reports on H.R. 2590 and House Concurrent Resolution 40.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

PRIVILEGES OF THE HOUSE—RECORD OF PROCEEDINGS

Mr. WALKER. Mr. Speaker, I rise to a point of privilege.

The SPEAKER. The gentleman will state his privilege.

Mr. WALKER. Mr. Speaker, I offer a privileged resolution.

The SPEAKER. The Clerk will report the resolution.

The Clerk read the resolution, as follows:

H. RES. 289

Whereas the Clerk of the House is making an electronic recording of the official proceedings of the House of Representatives to produce a verbatim account of the proceedings of the House;

Whereas the remarks of Representative Walker of Pennsylvania were not printed in the Record of July 28, 1983, and instead a statement appears on page H5856 stating: "Mr. Walker addressed the Committee. His remarks will appear hereafter in the Extension of Remarks.";

Whereas said remarks of Representative Walker of Pennsylvania were discussed and debated at a point in the Record on pages H5866 to H5867 of the Record of July 28, 1983;

Whereas the Record does not accurately reflect the proceedings and statements of the House of Representatives for the date of July 28, 1983: Therefore be it

Resolved, That the Congressional Record of July 28, 1983, should be corrected to include the remarks of Representative Walker, and be it further

Resolved, That the Clerk of the House of Representatives report to the House not later than the close of business today, July 29, 1983, as to the circumstances surrounding this instance and report what actions will be taken in the future to prevent Member's remarks from being omitted from the Record.

□ 1320

The SPEAKER. The Chair has examined the resolution. The gentleman from Pennsylvania (Mr. WALKER) is correct; it does raise a question of the privileges of the House.

The Chair recognizes the gentleman (Mr. WALKER) on the resolution.

Mr. WALKER. I thank the Speaker.

Mr. Speaker, I realize that this resolution does interfere with today's House schedule. For that reason, I intend to make my case for it very succinctly and hopefully it will not take very much time of the Members.

Mr. Speaker, last night there was a rather acrimonious and unnecessary exchange that took place on the floor in which the gentleman from Wisconsin (Mr. OBEY) charged several Members with impugning the motives of the Members of this body.

He named me specifically and I objected strenuously to his characterization of my remarks.

In the course of that exchange the point was made that my speech earlier in the day would speak for itself. In fact, I regard that speech as my best defense against the emotion-laden, groundless charge that was made, and I did not revise one word of those remarks.

Lo and behold, when the RECORD was published this morning, my best defense did not appear.

An entire exchange involving the remarks of several Members was missing in its entirety.

I was concerned deeply by their deletion and I sought to find out how such a thing could have happened.

What I discovered is that another Member was given the transcripts in order to revise and extend his remarks and, inadvertently, failed to rush them to the Clerk for printing in today's RECORD.

That Member has apologized and I am assured that no harm was meant.

But some harm was done.

I publicly pointed to my remarks as my defense and yet those remarks are unavailable when one goes to the RECORD.

The RECORD ends up being an incomplete and inaccurate representation of yesterday's proceedings.

I certainly do not want any interpretation that I purposefully withheld the materials which, given the context of last night's debate, could be inferred by some.

In my opinion, we cannot afford to go on having incidents which call our documents into question and that is the reason for this resolution.

It asks for two things, two very simple things: First, it asks simply that the RECORD for yesterday be correct. Second, it asks the Clerk of the House to report to the House by the end of the day the circumstances surrounding the incident and to provide some direction about how such occurrences can be avoided in the future.

I can offer a suggestion. It seems to me that resolution introduced recently by our colleague from Illinois, Mr. DURBIN, may present us with a solution. That is to have verbatim transcripts of what takes place here. We adopted such a procedure in the Science and Technology Committee just the other day.

But the bottom line is the public deserves to know precisely what it is we do here. This incident shows that our processes prevent that from happening at times and should be changed.

I ask the adoption of the resolution.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. In view of the fact that there was a Member trying to get the gentleman to yield, when the Chair recognized Mr. WALKER, before he recognized him, it was agreed that we would dispense with his privileged matter and take a vote within a few minutes, which we did.

CONFERENCE REPORT ON H.R. 3069, SUPPLEMENTAL APPROPRIATIONS, 1983

The SPEAKER. The unfinished business is the consideration of the Senate amendments in the report in disagreement accompanying the conference report on the bill (H.R. 3069) making supplemental appropriations for the fiscal year ending September 30, 1983, and for other purposes.

The Clerk read the title of the bill.

AMENDMENTS IN DISAGREEMENT

The SPEAKER. The Clerk will designate the first amendment in disagreement.

Senate amendment No. 1 reads as follows:

Senate amendment No. 1: Page 2, strike out lines 14 to 21, inclusive.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 1 and concur therein with an amendment, as follows: In lieu of the matter stricken by said amendment, insert:

AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE

PAYMENT-IN-KIND PROGRAM

All land rented or leased, and in production for crop year 1982, if now rented or leased by the same individual, partnership, or corporation, and eligible for acreage reduction shall qualify for designation under the payment-in-kind program for crop year 1983, the same as land owned by the producer.

Until such time as additional legislation to the contrary may be enacted, it is provided: That, notwithstanding any other provision of law, in order to acquire a sufficient amount of upland cotton to carry out the payment-in-kind program for the 1983 crop of upland cotton, the Secretary of Agriculture shall solicit bids from cotton producers, for sale to the Commodity Credit Corporation of 1980, 1981, and 1982 crop cotton pledged by such producers as security for nonrecourse loans made under section 103(g)(1) of the Agricultural Act of 1949 (7 U.S.C. 144(g)(1)). Until sufficient cotton to carry out the payment-in-kind program for the 1983 crop of upland cotton is acquired under this procedure, or until a reasonable bid period opportunity has been determined and made available by the Secretary, but in no event less than two weeks, no bid for 1982 crop cotton shall be rejected unless it exceeds (on a percentage basis) the amount of the highest bid received and accepted under the same procedure for feed grains. The Secretary shall also give any producer who has previously submitted a bid the opportunity to nullify such bid if the producer agrees to submit another bid under the provisions of this Act.

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. WHITTEN. Mr. Speaker, I rise in support of the motion.

The SPEAKER. The gentleman from Mississippi (Mr. WHITTEN) is recognized for 30 minutes.

Mr. WHITTEN. Mr. Speaker, I would like to explain to my colleagues that I shall do my very best to move quickly in dealing with this subject matter.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair would announce at this time that at the conclusion of the supplemental the business of the week will be over.

Mr. WHITTEN. Mr. Speaker, with the cooperation of my colleagues I think we can move expeditiously. We had 254 amendments added by the Senate. The conference resolved these amendments, except for four amendments here where there is a true difference of opinion. Those four amendments will have to be dealt with separately. We have some 43 amendments that can be handled en bloc. But I do want to say that we will do our best and hope you can go along with us so we can move ahead and finish this supplemental today. It is essential this bill be completed today.

Mr. Speaker, I regret that we are delayed as much as we are. We know there are many reasons for it.

But I do not want to say that the Committee on Appropriations tried to cooperate with the leadership and with the administration in the handling of this necessary supplemental bill.

Our bill has been ready since last Friday waiting for an opportunity to complete this action.

We are advised that food stamps will not be issued Monday unless we finish this bill today. May I say I think the House position is sound. I have stated, we have true disagreement on only four amendments and we have some 40-odd amendments that we can handle en bloc.

I yield at this time to the gentleman from Texas, the distinguished chairman of the Committee on Agriculture to deal with the subject of amendment No. 1.

I yield at this time to my colleague from Texas (Mr. DE LA GARZA).

Mr. DE LA GARZA. I thank the distinguished chairman for yielding to me.

Mr. Speaker and Members of the House, this is a rare and exceptional circumstance in which we find ourselves. The House has already spoken on this issue 312 to 97. It is trying to bring fairness and equity to a group of farmers that were enticed by the Department of Agriculture, to join a program called payment-in-kind.

Unfortunately, the assurances they received from the administration did not prove to be correct, and this is an attempt to bring fairness and equity into the situation. I am assured that this has no impact on the budget, inasmuch as our committee has previously passed legislation which reduces the budget more than the amount that this would cost. We have always taken a meticulous interest in trying to see that we do not impact on the budget beyond the figure that was allotted to us.

That is the intent and purpose of the legislation and what this amendment does, Mr. Speaker.

Mr. WHITTEN. May I add, Mr. Speaker, to the statement made by the distinguished chairman of the Committee on Agriculture that it is my information that the committee acted in order to correct an unfairness. That unfairness does not go to the PIK which they claim is authorized under existing law. The committee's recommendation goes only to the limited number of cotton farmers who were misled by the Department of Agriculture. I add further, this matter was reported by the Committee on Agriculture unanimously. Both sides supported it. May I also point out that the House voted on the exact text of this amendment on July 19 and it passed by a vote of 312 to 97. So the text of the amendment has already passed. Our purpose in going along with our colleagues on the Committee on Agriculture, and including the amendment here, is an effort to speed up the final consideration of this so the farmers will not be waiting until the end of September. It may be too late for many farmers if we have to deal with it in the fiscal year 1984 appropriation for the Department, which can take effect only after October 1, 1983.

□ 1330

So I trust that the Members will go along with us in that again this does not go to the major program about which you have been reading. That is done not under a statute that we passed, but under a general authority that the Department contends that it has. Whether it has it or not, I do not know.

The point I wish to make is that what we are doing here is trying to correct an unfairness, an inequity. We added it to this bill trying to expedite the final decision that would be made.

Mr. HUCKABY. Mr. Speaker, will the gentleman yield.

Mr. WHITTEN. I yield to the gentleman from Louisiana.

Mr. HUCKABY. I thank the gentleman for yielding.

Mr. Speaker, I want to commend the chairman of the Appropriations Committee for using this vehicle to bring the legislation back to the floor and hope to get it passed in an expeditious manner. It will prevent chaos in the cotton industry and we certainly need this legislation.

Mr. WHITTEN. Mr. Speaker, I repeat again this is a corrective measure. The House has already voted 312 to 97 on this issue. We brought it here again for the purpose of speeding up the consideration and approval of it.

The SPEAKER pro tempore. The gentleman from Massachusetts (Mr. CONTE) is recognized for 30 minutes.

Mr. CONTE. Mr. Speaker, I rise in opposition to the motion.

Simply put, the gentleman from Mississippi is asking the House to stretch the appropriations process beyond its proper limits. And the House should say "no."

The Appropriations Committee is often asked to solve urgent problems that cannot be addressed in the authorization process.

But we are given this power, and this responsibility, to be exercised on questions of great urgency by establishing levels and conditions for appropriated funds.

So long as we limit ourselves to our proper jurisdiction under the rules of the House, we can retain both our authority and the confidence of the House.

But if we violate those rules—waiver or no waiver—sooner or later we will lose both our authority and the confidence of the House.

And that is exactly what we will be doing if we agree to the amendment offered by the gentleman from Mississippi.

This is not an urgent matter. This is not an appropriation.

This is not a limitation or a condition on appropriated funds.

It is the text of an authorization bill, H.R. 3385, that passed the House on July 19.

It is a $100 million windfall for a select group of cotton producers.

I would remind the gentleman from Mississippi of our adventures with authorization legislation during the last session.

In the first continuing resolution for 1983, we amended the International Coffee Agreement and the duties on imported steam, provided permanent residence for two aliens, and made extensive changes in the existing law regarding the national stockpile and steel import licenses.

As a direct result of that adventure, the House rules for the 98th Congress were changed to prohibit revenue bills or amendments except those reported by the Committee on Ways and Means.

If that rule is interpreted to apply to limitations on appropriations, then the loss to our committee and to the House will be incalculable.

While such an interpretation is not justified by the language of the rule or

its legislative history, the point to be made here and now is that we went beyond the proper bounds of the appropriations process, and may pay a terrible price.

And the gentleman from Mississippi is asking the House to do the same thing today.

I say no, and I hope the House will say no.

The House should also say no on the issue itself.

There is no justification for this bailout. The Chrysler bailout was a real surprise to many of us. Congress never had any idea that our action would help get that outfit back on its feet so quickly. But there was a good reason for that bailout. We could see some prospect for success if everybody chipped in and did their part.

But this Senate amendment to bail out the cotton producers has no merit. What has happened with the cotton PIK program is that there is no cotton to "PIK." Events and the market have created a situation in which cotton prices are rising and there is no cotton to give to the farmers as a "PIK" payment. So now farmers are going to grow cotton for the Government in order to fulfill "PIK" requirements.

Those big brokers who "forward-contracted" in order to get the benefit from PIK now see that the market is better and they want to have an opportunity to take advantage of higher prices.

I do not mind that idea, but I do mind letting these guys have it both ways at the taxpayers' expense. They signed on the dotted line and now they want out of the obligation.

But Mr. Speaker, even if they are forced to honor their obligation, they will make money, though not as much. These are the big brokers in cotton and do not need this help to stay alive—they want it just to make more money.

I do not believe that we ought to be providing a profit "bailout" for these big speculators. Every dollar we can cut from the deficit will help sustain a long-term recovery. So we need to adhere to the original House language in the bill we sent over to the Senate. What has been done in conference is not only the wrong thing to do, it was the wrong way to do it. The Senate did not have any language in the bill and we went into new ground in the conference on this one.

Protect the rules of the House.

Protect the taxpayer.

Vote no.

Mr. WHITTEN. Mr. Speaker, I yield such time as he may consume to the gentleman from Texas (Mr. DE LA GARZA), chairman of the Committee on Agriculture.

Mr. DE LA GARZA. Mr. Speaker, I wish to assure my distinguished colleague from Massachusetts and friend that our committee is never one to impose on the Appropriations Committee and that this is a rare and unusual circumstance. I can assure the gentleman that it is not a common day occurrence.

The fact is that the House has already acted on this legislation, and this is the earliest possible vehicle for completing legislative action by the Congress. I do not believe that we have stretched the rule. We have secured from the Rules Committee the necessary waiver and the House has agreed to it.

I would like to say one further thing with relation to the subject matter. That it is not a windfall, as many believe, to wealthy ranchers. It is a need of the smaller farmer. The Department of Agriculture, rightly or wrongly, misjudged the amount of cotton that they had. For the bigger ones it makes no difference.

The smaller farmer is being asked to sell his cotton to the Government for use as PIK payments because the Department misjudged how many bales they had. Some of them had forward contracted their cotton with the assurances of the Department that no such request would be made of them. There was even a conference call with several small growers by the Secretary of Agriculture where the Secretary assured them to go ahead and forward contract, but join the PIK because their participation was needed for the welfare of the Nation and the welfare of the program. He stated that they should go ahead and sign up with the assurance that they would not be required to turn over their cotton to the Government for use as PIK payments.

Well, unfortunately, it did come to pass. And again, I repeat, it does not impose a burden on the budget. We have already passed and approved legislation that accommodates this amount. It is not an added burden on the budget.

But I can assure my distinguished chairman and my friend from Massachusetts that this is one of those very rare and few circumstances in which we ask your cooperation.

Mr. THOMAS of California. Mr. Speaker, will the gentleman yield?

Mr. DE LA GARZA. I yield to the gentleman from California.

□ 1340

Mr. THOMAS of California. I thank the distinguished chairman of the Agriculture Committee for yielding.

Mr. Speaker, when one examines the various agricultural programs, one finds that the cotton program is the most market-oriented program, and it pains me to hear my colleagues talk about a windfall when in fact the legislation, H.R. 3385, was quite correctly called the Cotton Producers Equity Act, because the reason the Department does not have sufficient cotton is because it did not respond to the market conditions, and cotton has a market orientation. And all H.R. 3385 does is to require that the Department recognize that cotton is a market-oriented commodity. So it is not a windfall. It is an equity measure. In addition, I want to remind my colleagues that unless this program is put into effect soon, harvest for PIK will injure a major portion of the U.S. cotton industry. Without congressional action, cotton producers are going to have to use their 1983 crops to help satisfy the Government's obligation to them under the payment-in-kind program.

Without the open-bid program which the title provides, many cottongrowers will have to default on futures contracts covering their 1983 crop or their PIK entitlements. The industry would be mired in years of costly litigation as a result. Although the growers could buy contracts to provide the additional cotton, the vastly changed market for cotton has made that option economically untenable for many growers.

These growers should not be required to suffer for PIK when producers of other commodities such as wheat and feed grains have been taken care of by USDA under the 1983 PIK program. These other commodities were in similar short supply until USDA offered attractive bids to obtain sufficient stores of wheat and feed grains for PIK. Cottongrowers now face a very serious situation unless Congress requires USDA to go after surplus cotton with the same high bids with which it pursued wheat and feed grains. It is a matter of equity, Mr. Speaker, and I ask my colleagues to help deliver this equity to the Nation's cotton farmers. Otherwise, for them, PIK will not be godsend, it will be a nightmare.

Mr. DE LA GARZA. I thank the gentleman for his comments, and I thank my distinguished chairman.

Mr. WHITTEN. Mr. Speaker, I yield myself such time as I may consume.

May I say, Mr. Speaker, that I appreciate the statement that has been made here. I hope my record here shows that I am as conservative as the next person. The Secretary of Agriculture appeared before our committee three times. Never did he mention anything about a contract such as this. He was asked several times to keep us advised, because I have some grave doubts about this whole PIK program. I think the American farmer has to accept PIK because otherwise he is bankrupt. But the program has many, many problems. But my amendment is not a windfall; it is to keep the smaller operator from being penalized by the Department leading him on to commit himself to put his production into PIK and later coming up with a contract saying, "Do not worry about that; it will not be called on at all."

So I think the gentleman from Texas has clearly described it. And may I say, we hear about rules and rules. All the rules we have in the House are the rules. So we went before the Rules Committee, in view of the emergency that we have here, and asked their permission to bring this up. So we bring it up in proper order.

Again, our purpose on this committee was to expedite the handling of this matter, and it is 100 percent what my friend from Texas and his committee unanimously approved—not to give anybody a windfall, but to keep his government from penalizing him.

Now, they say this involves a forward sale. The forward sale has been promoted by the Department of Agriculture for years to add some stability to agriculture. So what he did was in line with what the Department has always preached. But it developed that when they led him to believe that there would be plenty of cotton to meet this, they guessed wrong. And now he is being penalized, through no fault of his own. I just hope, Mr. Speaker, that our colleagues will go along with us in this instance. It is most unusual, but the rule provides for the unusual, and that is the way this is being handled.

Mr. CONTE. Mr. Speaker, I yield 7 minutes to the gentleman from Illinois (Mr. MADIGAN).

Mr. MADIGAN. Mr. Speaker, I was one of the people who supported the passage of this cotton bill here a few days ago. I think that if some of us, just a very few of us, who had supported the passage of that bill, had chosen to oppose it, that it would not have received the necessary two-thirds vote, because it was a bill under suspension. But I did not want to hold up the passage of that bill because I understood that there was something being put together here to deal with a variety of subjects that were of interest not only to Members of this House and Members of the Senate, but also to people in the administration, most especially the Secretary of Agriculture.

It now seems that a scenario is developing where all of the things that are of interest to Members of the House and those things that are of interest to Members of the Senate may ultimately be incorporated in some kind of legislative package, but the things that were of interest to the Secretary of Agriculture and of special interest to me as the ranking minority member of the Agriculture Committee are never going to be considered. And one of the ways that we would have insured the consideration of the things in which I am interested would have been to have all of these things come together, as it appeared they were going to come together over in the Senate, in the other body, in these bills that we were sending over there under suspension.

But now it appears that that is not going to happen. And what is going to happen is that something that is of special interest to certain Members has been tacked on to this appropriations bill in a way that violates the rules of the House and requires a waiver from the Rules Committee, so that the entire legislative process that was developing is going to be frustrated. And what some people want, they are going to get; but what other people want who are concerned about the size of our deficit, is never going to occur and is never going to be voted on anywhere.

Now, when we started out a few months ago, before we began considering any of these things, we were talking about trying to save between $1½ billion and $2 billion in some of these agicultural programs. It looks like we are not going to get any of those savings at all and that we are instead going to spend roughly an additional $2 billion in total, so that the gap is going to be in the neighborhood of $4 billion. Instead of having $2 billion in savings, we are going to have no savings, and we are going to have $2 billion in additional expenditures.

Now, I am not opposed to the concept of moving this bill in the authorization process as we started out doing; but I think it needs to be pointed out that we are going to spend $6.4 billion for the 1983 cotton crop without this bill. $6.4 billion, just for cotton alone, of the taxpayers' money.

Now, if you want to spend another $100 million, I think the very least that the people who want to spend that money ought to do is to provide this legislative body with an opportunity to vote on some of the issues that would save some money in these agricultural expenditures. And we are being denied that opportunity and we are being end-run by this process that is taking place at this moment on the floor of the House. I think absent some guarantee, absent some guarantee, from the distinguished chairman of the Agriculture Committee that before we adjourn this House for the August recess we are going to have an opportunity right here on the floor to vote on all of these issues, absent that guarantee, I think this should be defeated.

Mr. JEFFORDS. Mr. Speaker, will the gentleman yield?

Mr. MADIGAN. I yield to the gentleman from Vermont.

Mr. JEFFORDS. Mr. Speaker, I jut want to echo the comments of the gentleman in the well. I think it is important to realize, as the gentleman pointed out, that there are other important pieces of legislation. All of those are waiting action this next week on the Senate floor. A part of that, an important part—and I do not disagree with the cotton legislation—was the cotton bill. So it will be acted on next week in the Senate.

But also, along with it, are the items that the gentleman talked about. There is a dairy compromise, which will bring, fortunately, the surplus problem of dairy under control. It will save us a great deal of money. There are attempts at trying to do something in other areas. If you pick it apart—forgive the pun—if you do that and pass these that certain Members want and let it go out, there is not much incentive to do some of the important essential necessary things which are critical to the Agriculture Department and to all of us who want to see a more rational agriculture policy. Those may just get lost next week if we just allow these items—we already let part of the tobacco package get away, now we are going to let the cotton get away, and there is not going to be enthusiasm for doing any of these important issues.

Mr. DE LA GARZA. Mr. Speaker, will the gentleman yield?

Mr. MADIGAN. I yield to the gentleman from Texas.

Mr. DE LA GARZA. I appreciate my colleague yielding, and I want to assure my colleague, as well he knows, that it has never been the intention either of myself or the members of the committee to bypass the normal process. We, in cooperation and with the assistance of my distinguished colleague, the ranking minority Member, have already passed the tobacco bill and the long staple cotton bill that reduced Government costs approximately $100 million.

The reason is not because of any particular Member or area, but because of the specific crop. We needed to pass the tobacco bill before the auctions start this month. There was an emergency situation. The same applies to the cotton that they forward contracted. The harvest is upon us, and this legislation is needed to be passed now. But it never had been my intention nor will it be, to bypass the normal process. The problem is in the other body, wherein we pass legislation and they are holding it for various and sundry reasons. We have legislation affecting the dairy industry that we hope would bring some order and reduce cost and some of the surplus. As far as the gentleman from Texas is concerned, we are ready to move with it on Monday, but nothing is coming out of the other body. So I would submit to the gentleman that the cooperation asked is granted. But we need to combine our resources and our intellects to see if we can move our colleagues in the other body so they may assist us. But you have no problem from our side. We are ready to move, package or no package, individually or together. We have offered the forum for the Secretary and to anyone

else who wants to have a forum. There will not be an obstruction to any legislation at any time. I can say that as chairman of the committee.

Mr. MADIGAN. If the gentleman will allow me to reclaim my time, the issue in which I have paramount interest is the issue of the target price freeze.

□ 1350

That issue has not been able to be considered on the floor of the House because all the bills reported from the Committee on Agriculture have been reported dealing with only one subject, and it has been brought to the floor on the Suspension Calendar.

Mr. DE LA GARZA. Mr. Chairman, will the gentleman yield to me?

Mr. MADIGAN. If the gentleman will allow me to continue my sentence, so at no time would I have been able to offer an amendment to allow this House to work its will on this question of target price freezes. Now, I voted for this cotton bill. I do not have any cotton in my district; I do not have any cotton in my State. But I voted for the cotton bill out of respect for those people who do have cotton and do have problems.

That bill has passed this House and it is pending in the other body where it can be considered next week, or it can be locked into this supplemental appropriation bill as an out-of-order amendment, a bill that we know has to be signed by the President because of the food stamp program.

The SPEAKER pro tempore. The time of the gentleman from Illinois (Mr. MADIGAN) has expired.

Mr. CONTE. I yield 2 additional minutes to the gentleman from Illinois.

Mr. MADIGAN. We know the President has to sign this bill, so here we have taken care of cotton, now we have cotton up to $6.5 billion this year, we have taken care of it, but we have never had an opportunity to vote on the issue that would save the taxpayers some money at a time when we face a $200 billion deficit.

I think I am being denied my opportunity to be a legislator, and the House is being denied its opportunity to work its will on probably the most important agriculture issue of this period.

Mr. DE LA GARZA. Mr. Speaker, will the gentleman yield?

Mr. MADIGAN. I will be glad to yield to the gentleman from Texas.

Mr. DE LA GARZA. I appreciate the gentleman yielding.

The gentleman has had an opportunity. I offered the Secretary of Agriculture the forum. The fact is that the committee did not approve the target price freeze. The gentleman or I have no control over that. I fulfilled my promise to the Secretary to offer him a forum. He got the forum. The Secretary came in an unusual circumstance to address the committee while we were deliberating, so the gentleman has not been denied the right. The committee did not approve his request for the target price freeze.

Mr. MADIGAN. Mr. Chairman, if the gentleman will allow me to reclaim my time, I am not talking about that action before the committee. To make the record complete, the distinguished chairman advised the Secretary not to bring the issue to a vote, and advised me not to bring the issue to a vote, and I accepted his advice as being good-faith advice, and I will accept it.

I am talking about the procedure here on the floor of the House, where everything that is coming out of that committee is coming out on a single subject. It is coming out to the Suspension Calendar. So I have no opportunity to propose a target price freeze on the floor of this House.

Now, because I was under the impression that all these things were coming together over in the Senate, and we were going to get some opportunity to have that issue heard in the two Houses of Congress, I have not objected to this slippery procedure of coming here with one thing at a time when all these things could have been in the same bill. I have not objected. I have not objected to all these things going on the Suspension Calendar.

But now, Mr. Chairman, I object to an out-of-order procedure that takes care of one problem for one crop in an out-of-order amendment to a supplemental appropriation bill that has to be signed. I object to that because it is part of a plot, if you will, to deny the opportunity to vote on the target price freeze, to maybe let the tobacco thing collapse over on the other side, to maybe let the dairy thing collapse, to the embarrassment of everybody.

I object to the procedure. I am not going to vote for this.

The SPEAKER pro tempore. The time of the gentleman from Illinois (Mr. MADIGAN) has again expired.

Mr. CONTE. Mr. Speaker, I yield 2 additional minutes to the gentleman from Illinois.

Mr. MADIGAN. I voted for cotton as a bill. I would again.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield to me?

Mr. MADIGAN. In just a moment I will be happy to yield to the distinguished chairman.

Mr. Speaker, I voted for cotton as a bill. I voted for these other things as a bill. I am not going to vote for this, and I have to tell my chairman that if something comes over from the Senate next week, I am going to tie the process up. We are going to go home for the August recess with all these issues up in the air because of the manner in which this is being done today. I am tying up the rest of the agriculture bills from now until the August recess starts.

I do not have any opportunity to do any thing else because I feel that I am being frustrated as a legislator, and so I am going to use the tools that are available to me to deal with that frustration.

Mr. Speaker, I yield to the chairman of the Committee on Appropriations.

Mr. WHITTEN. May I say to my colleague from Illinois, I do not know of anyone here who is stronger for giving attention to the agricultural situation than I am. With less than 4 percent of our population providing food, clothing, and shelter for the rest of us, most people do not realize that agriculture, as an industry, is bigger than the auto, steel, and housing industries combined. Agriculture is our chief earner of foreign exchange.

I think the mistake was made when we failed to use the authority of the Commodity Credit Corporation to sell in world trade those commodities we have and did not need. Every country in the world offers their commodities at the world price, but when we do that our competitors argue that we are subsidizing exports. We are not. Our price support is to offset the high cost the American farmer pays for his equipment and supplies.

The gentleman from Illinois would know this. The farmer's costs in the last 30 years have gone up 1,100 percent, but his prices have gone up only 300 percent. Not only that, the farmer now is getting only 31 percent of the consumer dollar; 30 years ago he was getting 51 percent. Industry and labor today are getting 69 percent; 30 years ago they were getting 39 percent.

So with the farmer getting less and less of the consumer dollar, he cannot stay in business. But neither can the Government stand the farmer not selling commodities in world trade. The dollars earned by agriculture are essential to our economy. Today companies in the fertilizer and farm equipment business are going down.

So I hope the gentleman will rewrite the agriculture bill, and I am for it. But we have an emergency here. May I call to the attention of my colleague that this does not treat cotton differently; this says treat cotton like feed grains. So you are putting cotton where you have all the rest of them. So this is not special. It says cotton will be treated like feed grain.

A fellow having been lulled into signing a contract of this kind, we think he is entitled to some relief, and we think any one commodity is entitled to be treated as fairly as the others.

Mr. MADIGAN. Mr. Chairman, if you will allow me to reclaim my time, I would not argue world economics with you. You have been here several years longer than I have. And I would not

argue cotton programs with you. It is undoubtedly a crop about which you have much more knowledge than I do, as we do not grow any of it in my State.

I have not taken the well to raise those kinds of objections. I object to the procedure here where one crop is being set aside in a legislative way to receive this special legislative consideration while we are not considering the other things that might save us some money. We have a $200 billion deficit, which I know the chairman is very familiar with.

As I said at the outset, we began this process talking about ways to save between $1½ billion and $2 billion. That is out of the question now, and we are going to spend $2 billion more, a $4 billion gap. I am very much concerned about that.

As a legislator, I want the opportunity to vote on all of these issues. I voted with the distinguished chairman on this cotton bill here when it passed as a piece of legislation and was sent to the other body, but I am not going to vote for it as an amendment to an appropriation bill.

The SPEAKER pro tempore. The time of the gentleman from Illinois (Mr. MADIGAN) has again expired.

Mr. WHITTEN. Mr. Speaker, I yield myself 1 minute.

I do not know of any person in Congress who stands any better with all of us than the gentleman from Illinois. I do not believe you would penalize a particular group by refusing to let them be treated the same as feed grains producers are treated while you work these things out. You would hold this particular group captive until you get all farmers to take a reduced price. Now listen to this—the income of the farmer is not meeting his costs. His income is volume times price less cost. His costs are skyrocketing. Under PIK, you are cutting off his exports, so you are cutting down his volume.

□ 1400

Cutting down his volume, reducing his price and reducing his volume by not exporting—they cannot live with it. Let us not hold this particular commodity captive while the gentleman tries to get these other things done.

I beg the gentleman, let us go ahead.

There is no violation of the rules. We call this a special emergency situation. We followed the rules, for the rules say go to the Rules Committee and get a waiver. We did that. That is a part of the rules, too.

So I hope the gentleman will not insist on this. Let us go ahead and I will cooperate with the gentleman in writing a new program.

The SPEAKER. The time of the gentleman from Illinois has again expired.

Mr. CONTE. Mr. Speaker, I yield 1 additional minute to the gentleman from Illinois.

Mr. MADIGAN. Mr. Speaker, I thank the gentleman for yielding.

I assure the distinguished chairman of the Appropriations Committee that I want everyone treated equally, whether they are producing cotton in the gentleman's State or corn in my State or horseradish someplace else, I want them all treated the same.

I think the way they get treated the same is if all these legislative issues relating to these crops that are important to these individual groups have the same opportunity for hearing in this, the people's House. That has not been the case and what we have is a supplemental appropriation bill dealing with only this one crop.

As I said to the chairman, I voted for this cotton bill when it passed here and was sent to the other body. I will vote for it as part of the conference report, but I believe that we should have the opportunity to work our will on all these issues. I feel that I am being denied that opportunity to even offer amendments dealing with the things that are important to the agricultural concerns in my area.

I thank the gentleman for his attention.

Mr. WHITTEN. Mr. Speaker, I yield myself 1 addition minute.

I make only one statement, Mr. Speaker. I said earlier how high the gentleman from Illinois stands. I would respectfully urge the gentleman, give us the same consideration as feed grains. That is what the amendment says.

Mr. Speaker, I yield to the gentleman from California (Mr. LEHMAN).

Mr. LEHMAN of California. Mr. Speaker, I rise today to speak in support of this supplemental appropriations bill. H.R. 3069 provides for the continued funding of such vital services as the Federal food stamp program, child nutrition programs, and black lung benefits for America's miners.

The bill also contains provisions for funding payments to America's cotton growers under the President's payment-in-kind program. This provision will put America's cotton growers on an equal footing with our wheat farmers, rice growers, and others who chose to participate in PIK.

While I am convinced that this appropriaton is necessary to put cotton growers on an equal footing with other farmers, I feel that the need for this provision is another indication of the Reagan administration's failure to foresee the many problems and shortcomings of PIK. If the administration had thoroughly thought out the PIK program before offering it to the House as the cure-all for America's agricultural surplus, problems such as this one would not have arisen.

Other problems with PIK have led the program to balloon from a $1 billion farm program, to a $13 billion nightmare. I believe that the PIK program should be thoroughly overhauled, before inclusion in next years budget. We owe America's farmers and consumers a much more coherent and defensible farm policy than the administration is currently providing.

The SPEAKER pro tempore (Mr. BROWN of California). If there are no further requests for time, the question is on the motion offered by the gentleman from Mississippi (Mr. WHITTEN).

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. MADIGAN. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. The Chair will count.

One hundred three Members are present, not a quorum.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 204, nays 191, answered "present" 1, not voting 37, as follows:

[Roll No. 293]

YEAS—204

Akaka	Evans (IL)	Long (MD)
Albosta	Fascell	Lott
Alexander	Fazio	Lowery (CA)
Andrews (NC)	Feighan	Lundine
Andrews (TX)	Fiedler	Marlenee
Anthony	Flippo	Martin (NC)
Applegate	Ford (TN)	Martinez
AuCoin	Fowler	Matsui
Barnes	Gejdenson	McCain
Bartlett	Gephardt	McCandless
Bedell	Glickman	McCloskey
Bethune	Gonzalez	McCurdy
Bevill	Gore	McEwen
Boggs	Hall (IN)	McHugh
Boland	Hall, Ralph	McNulty
Boner	Hall, Sam	Mica
Bonior	Hamilton	Mineta
Boucher	Hammerschmidt	Moakley
Boxer	Hance	Mollohan
Breaux	Harrison	Montgomery
Britt	Hartnett	Moore
Brooks	Hawkins	Murphy
Brown (CA)	Hefner	Murtha
Bryant	Hightower	Natcher
Byron	Hopkins	Neal
Campbell	Hoyer	Nichols
Chappell	Hubbard	Nowak
Coats	Huckaby	Oberstar
Coelho	Hunter	Obey
Coleman (TX)	Hutto	Olin
Conyers	Ireland	Ortiz
Daniel	Jones (NC)	Panetta
Daschle	Jones (OK)	Parris
de la Garza	Kastenmeier	Pashayan
Derrick	Kazen	Patman
Dickinson	Kennelly	Patterson
Dixon	Kogovsek	Pease
Duncan	Kolter	Penny
Durbin	Lantos	Pepper
Dwyer	Lehman (CA)	Perkins
Dymally	Lehman (FL)	Pickle
Dyson	Leland	Price
Early	Levitas	Rahall
Edwards (AL)	Lewis (CA)	Ratchford
Edwards (CA)	Lewis (FL)	Ray
Edwards (OK)	Livingston	Reid
Emerson	Lloyd	Richardson
English	Loeffler	Roberts
Erdreich	Long (LA)	Roe

Rogers	Smith (IA)	Udall
Rose	Smith (NJ)	Valentine
Rostenkowski	Solarz	Vandergriff
Rowland	Spence	Volkmer
Roybal	Spratt	Vucanovich
Rudd	St Germain	Watkins
Russo	Staggers	Weber
Sabo	Stangeland	Whitley
Savage	Stenholm	Whittaker
Seiberling	Stump	Whitten
Shannon	Sundquist	Williams (MT)
Sharp	Synar	Wilson
Shelby	Tallon	Winn
Sikorski	Tauzin	Wise
Sisisky	Thomas (CA)	Wolpe
Skeen	Thomas (GA)	Wright
Skelton	Torres	Yatron
Slattery	Towns	Young (AK)
Smith (FL)	Traxler	Young (MO)

NAYS—191

Ackerman	Gingrich	Nelson
Anderson	Goodling	Nielson
Archer	Gradison	O'Brien
Bateman	Gramm	Oakar
Bates	Gray	Ottinger
Beilenson	Green	Owens
Bennett	Gregg	Oxley
Bereuter	Guarini	Packard
Berman	Gunderson	Paul
Biaggi	Hall (OH)	Petri
Bilirakis	Hansen (ID)	Porter
Bliley	Hansen (UT)	Pritchard
Bonker	Hertel	Pursell
Borski	Hiler	Rangel
Bosco	Hillis	Regula
Broomfield	Howard	Ridge
Brown (CO)	Hughes	Rinaldo
Broyhill	Hyde	Ritter
Burton (CA)	Jacobs	Robinson
Burton (IN)	Jeffords	Rodino
Carney	Johnson	Roth
Carper	Kaptur	Roukema
Chandler	Kasich	Sawyer
Cheney	Kemp	Schaefer
Clarke	Kildee	Scheuer
Clay	Kindness	Schulze
Clinger	Kostmayer	Schumer
Coleman (MO)	LaFalce	Sensenbrenner
Collins	Lagomarsino	Shaw
Conable	Latta	Shuster
Conte	Leach	Siljander
Corcoran	Lent	Smith (NE)
Coughlin	Levin	Smith, Denny
Courter	Levine	Smith, Robert
Coyne	Lipinski	Snowe
Craig	Lowry (WA)	Snyder
Crane, Daniel	Lujan	Solomon
Crane, Philip	Luken	Stark
Crockett	Lungren	Stokes
D'Amours	Mack	Stratton
Daub	MacKay	Studds
Davis	Madigan	Tauke
DeWine	Markey	Taylor
Dicks	Marriott	Torricelli
Donnelly	Martin (IL)	Vander Jagt
Downey	Martin (NY)	Vento
Dreier	Mavroules	Walgren
Eckart	Mazzoli	Walker
Edgar	McCollum	Waxman
Erlenborn	McDonald	Weaver
Evans (IA)	McGrath	Weiss
Ferraro	McKernan	Wheat
Fields	McKinney	Whitehurst
Fish	Michel	Williams (OH)
Florio	Mikulski	Wirth
Foglietta	Miller (OH)	Wolf
Ford (MI)	Minish	Wortley
Forsythe	Mitchell	Wyden
Frank	Molinari	Wylie
Frenzel	Moody	Yates
Gaydos	Moorhead	Young (FL)
Gekas	Morrison (CT)	Zablocki
Gibbons	Morrison (WA)	Zschau
Gilman	Mrazek	

ANSWERED "PRESENT"—1

Roemer

NOT VOTING—37

Addabbo	Boehlert	Dellums
Annunzio	Carr	Dingell
Aspin	Chappie	Dorgan
Badham	Cooper	Dowdy
Barnard	Dannemeyer	Foley
Franklin	Horton	Quillen
Frost	Jenkins	Schneider
Fuqua	Jones (TN)	Schroeder
Garcia	Kramer	Shumway
Harkin	Leath	Simon
Hatcher	McDade	Swift
Heftel	Miller (CA)	
Holt	Myers	

□ 1410

Messrs. BILIRAKIS, WYDEN, BERMAN, BENNETT, CLAY, MOODY, DOWNEY of New York, GINGRICH, MAVROULES, CROCKETT, MACKAY and HOWARD changed their votes from "yea" to "nay."

Mr. BOLAND changed his vote from "nay" to "yea."

So the motion was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

□ 1420

The SPEAKER. The Clerk will designate the next amendment in disagreement.

Senate amendment No. 2 reads as follows:

Senate amendment No. 2: Page 2, line 25, after "$50,000,000" insert "; and for insured real estate loans, $100,000,000".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 2 and concur therein with an amendment, as follows: In lieu of the sum named in said amendment insert "$25,000,000".

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi (Mr. WHITTEN).

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

Senate amendment No. 4 reads as follows:

Senate amendment No. 4: Page 2, after line 25, insert:

RURAL WATER AND WASTE DISPOSAL GRANTS

For additional grants pursuant to sections 306(a)(2) and 306(a)(6) of the Consolidated Farm and Rural Development Act, as amended (7 U.S.C. 1926), $75,000,000, to remain available until expended, pursuant to section 306(d) of the above Act.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 4 and concur therein with an amendment, as follows:

In lieu of the sum named in said amendment insert "$25,000,000".

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi (Mr. WHITTEN).

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that the Senate amendments numbered 5, 14, 16, 19, 20, 21, 22, 23, 26, 27, 28, 29, 30, 31, 35, 41, 43, 48, 50, 51, 56, 57, 67, 76, 78, 79, 80, 88, 126, 133, 139, 143, 149, 153, 162, 171, 182, 183, 218, 230, 239, 248, 249 be considered en bloc and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Senate amendment No. 5 reads as follows:

Page 2, after line 25, insert:

GENERAL PROVISION

None of the funds appropriated by this or any other Act may be used to relocate the Hawaii State office of the Farmers Home Administration from Hilo, Hawaii, to Honolulu, Hawaii.

Senate amendment No. 14 reads as follows:

Page 4, after line 17, insert:

STANDARD LEVEL USER CHARGES

(TRANSFER OF FUNDS)

For an additional amount for payment of standard level user charges of the Food and Drug Administration, $500,000, which shall be derived by transfer from "Salaries and expenses".

Senate amendment No. 16 reads as follows:

Page 4, after line 25, insert:

WHITE HOUSE CONFERENCE ON PRODUCTIVITY

In the appropriation language of section 158 in Public Law 97-377, insert "to remain available until January 31, 1984" immediately after "$1,500,000".

Senate amendment No. 19 reads as follows:

Page 5, line 13, after "expended" insert ", of which $20,000,000 shall be for the establishment of a fund for the residents of the Pribilof Islands: *Provided*, That such sum shall be available only upon the enactment into law of authorizing legislation: *Provided further*, That no additional Federal funds shall be made available for this purpose".

Senate amendment No. 20 reads as follows:

Page 5, after line 19, insert:

SMALL BUSINESS ADMINISTRATION

BUSINESS LOAN AND INVESTMENT FUND

For additional captial for the "Business loan and investment fund", authorized by the Small Business Act, as amended, $152,000,000, to remain available without fiscal year limitation.

Senate amendment No. 21 reads as follows:

Page 5, after line 19, insert:

DEPARTMENT OF JUSTICE

Senate amendment No. 22 reads as follows:

Page 5, after line 19, insert:

GENERAL ADMINISTRATION

WORKING CAPTIAL FUND

For additional requirements of the "Working captial fund", $900,000, to be derived from current operating income.

Senate amendment No. 23 reads as follows:

Page 5, after line 19, insert:

LEGAL ACTIVITIES

Senate amendment No. 26 reads as follows:

Page 5, after line 19, insert:

SUPPORT OF UNITED STATES PRISONERS

For an additional amount for "Support of United States Prisoners", $1,500,000.

Senate amendment No. 27 reads as follows:

Page 5, after line 19, insert:

SALARIES AND EXPENSES, COMMUNITY RELATIONS SERVICE

Funds advanced to "Salaries and expenses, Community Relations Service" shall be made available until expended to make payments in advance for grants, contracts, and reimbursable agreements and other expenses necessary under section 501(c) of the Refugee Education Assistance Act of 1980, Public Law 96-422, for the processing, care, maintenance, security, transportation and reception and placement in the United States of Cuban and Haitian entrants.

Senate amendment No. 28 reads as follows:

Page 5, after line 19, insert:

INTERAGENCY LAW ENFORCEMENT

ORGANIZED CRIME DRUG ENFORCEMENT

Of funds available under the above heading, $9,619,000, for undercover operations, and $14,000,000 for purchase of automated data processing and telecommunications equipment shall remain available until September 30, 1984.

Senate amendment No. 29 reads as follows:

Page 5, after line 19, insert:

FEDERAL BUREAU OF INVESTIGATION

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", $1,000,000: *Provided*, That during fiscal year 1983 there is authorized to be purchased for police-type use (not to exceed one thousand six hundred and twenty of which thirteen hundred are for replacement only) passenger motor vehicles.

Senate amendment No. 30 reads as follows:

Page 5, after line 19, insert:

IMMIGRATION AND NATURALIZATION SERVICE

SALARIES AND EXPENSES

Of funds available under this heading, $27,177,000, for work under section 501(c) of the Refugee Education Assistance Act shall remain available until expended.

Senate amendment No. 31 reads as follows:

Page 5, after line 19, insert:

FEDERAL PRISON SYSTEM

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses, Federal Prison System", $3,734,000.

Senate amendment No. 35 reads as follows:

Page 6, after line 6, insert:

COMMISSION ON WARTIME RELOCATION AND INTERNMENT OF CIVILIANS

SALARIES AND EXPENSES

Funds appropriated under the heading of Commission on Wartime Relocation and Internment of Civilians in Public Law 97-377 (96 Stat. 1877) shall remain available until September 30, 1983.

Senate amendment No. 41 reads as follows:

Page 8, after line 3, insert:

Obligations incurred or to be incurred hereafter for termination liability in connection with the TAKX and T-5 programs, for which the Navy has already entered into agreements to charter (including conversion or construction related to such agreements or charters) shall, so long as the Government remains liable for termination costs, be considered as obligations in the current Operation and Maintenance, Navy, appropriation account, to be held in reserve in the event such termination liability is incurred, for the purposes of title 31, United States Code, in an amount equal to 10 percent of the outstanding gross termination liability.

Senate amendment No. 43 reads as follows:

Page 8, line 19, after "1985" insert ": *Provided*, That funds available under this heading in Public Law 97-377 may be used for the purchase of six vehicles for physical security of overseas personnel, notwithstanding price limitations applicable to passenger vehicles, but not to exceed $100,000 per vehicle".

Senate amendment No. 48 reads as follows:

Page 10, after line 3 insert:

No funds available to the Department of Defense during the current fiscal year may be used to enter into any contract with a term of three years or more, inclusive of any option for contract extension or renewal, for any vessels, aircraft or vehicles, through a lease, charter, or similar agreement, that imposes an estimated termination liability (excluding the estimated value of the leased item at the time of termination) of the Government exceeding 50 percent of the original purchase value of the vessel, aircraft, or vehicle involved for which the Congress has not specifically provided authority in an appropriation Act for the obligation of 10 percent of such termination liability.

Senate amendment No. 50 reads as follows:

Page 10, after line 3 insert:

The amount that may be transferred pursuant to section 732 of the Department of Defense Appropriation Act, 1983, is hereby increased to $1,700,000,000.

Senate amendment No. 51 reads as follows:

Page 10, after line 3 insert:

None of the funds appropriated in this Act may be obligated or expended in any way for the purpose of the sale, lease, rental, or excessing of any portion of land currently identified as Fort DeRussy, Honolulu, Hawaii.

Senate amendment No. 56 reads as follows:

Page 17, after line 9, insert:

To assure adequate flood protection for developed areas in the vicinity of the Cowlitz and Toutle Rivers, Washington, and to improve navigation in the Columbia River, the navigation project on the Cowlitz River, Washington, authorized by the first section of the Act entitled "An Act making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes", approved June 25, 1910 (36 Stat. 665), is hereby modified to authorize the Secretary of the Army, acting through the Chief of Engineers, to implement and maintain flood control measures on the Cowlitz and Toutle Rivers by dredging or other means determined by the Secretary to be necessary to assure flood protection for developed areas in the vicinity of such rivers against a one-hundred-year flood on the lower Cowlitz River and to reduce sedimentation flow and the chance of blockage on the Columbia River. The authorization provided in this paragraph shall remain in effect until such time as permanent solutions and measures for flood control and navigation as identified in the Chief of Engineers' Cowlitz and Toutle Rivers final feasibility report, to be submitted to the President and the Congress by the Secretary of the Army, are fully implemented.

Senate amendment No. 57 reads as follows:

Page 17, after line 9, insert:

The project for Cooper River, Charleston Harbor, South Carolina, authorized by the River and Harbor Act of 1968, Public Law 90-483, approved August 13, 1968, is hereby modified to authorize and direct the Secretary of the Army, acting through the Chief of Engineers, to install a closure structure in the diversion canal between Lake Marion and Lake Moultrie and to construct such measures as the Chief of Engineers determines necessary to improve the seismic stability of the Pinopolis West Dam on the Cooper River, at an estimated cost of $22,000,000: *Provided*, That nothing in this paragraph shall waive any requirements under the Federal Power Act of 1935 (49 Stat. 847): *Provided further*, That in addition to such sums as are otherwise appropriated by this Act there are appropriated an additional $2,000,000, to remain available until expended, for "Construction, general, Corps of Engineers—Civil", for engineering and design studies in connection with the project authorized by this paragraph.

Senate amendment No. 67 reads as follows:

Page 23, after line 3, insert:

AGRICULTURE, RURAL DEVELOPMENT, AND NUTRITION

For an additional amount for "Agriculture, rural development, and nutrition, Development Assistance", $5,000,000: *Provided*,

That these funds are available only for Belize.

Senate amendment No. 76 reads as follows:

Page 27, line 16, after "rescind" insert ": *Provided further*, That notwithstanding any other provision of law the 90 per centum limitation contained in the third proviso shall be implemented on October 1, 1983 and remain in effect thereafter".

Senate amendment No. 78 reads as follows:

Page 28, line 9, after "1984" insert ": *Provided*, That funds heretofore provided under this heading in Public Law 97-272 shall remain available for obligation for the fiscal year ending September 30, 1984, and shall be used by the Secretary for fiscal year 1984 requirements in accordance with section 9(d) of the United States Housing Act of 1937, as amended".

Senate amendment No. 79 reads as follows:

Page 28, after line 9, insert:

FEDERAL HOUSING ADMINISTRATION FUND

For an additional amount for commitments to guarantee loans to carry out the purposes of the National Housing Act, as amended, $5,000,000,000.

Senate amendment No. 80 reads as follows:

Page 28, after line 9, insert:

SECTION 203(h) LIMIT

Section 203(h) of the National Housing Act is amended by striking out "$14,400" and inserting in lieu thereof "the applicable maximum dollar limit under subsection (b)".

Senate amendment No. 88 reads as follows:

Page 30, after line 13, insert:

PAYMENTS IN LIEU OF TAXES

Notwithstanding any other provision of law: (1) 31 U.S.C. 6901(2) is amended to read as follows:

"(2) 'unit of general local government' means:

"(A) a county (or parish), township, borough existing in Alaska on October 20, 1976, or city where the city is independent of any other unit of general local government, that: (i) is within the class or classes of such political subdivisions in a State that the Secretary of the Interior, in his discretion, determines to be the principal provider or providers of governmental services within the States; and (ii) is a unit of general government as determined by the Secretary of the Interior on the basis of the same principles as were used on January 1, 1983, by the Secretary of Commerce for general statistical purposes. The term 'governmental services' includes, but is not limited to, those services that relate to public safety, environment, housing, social services, transportation, and governmental administration;

"(B) the District of Columbia;

"(C) the Commonwealth of Puerto Rico;

"(D) Guam; and

"(E) the Virgin Islands.".

(2) Section 6903(a)(4) is repealed.

(3) The United States shall not be subject to any cause of action or any liability for distribution of payments made prior to January 1, 1983, under the Act of October 20, 1976 (90 Stat. 2662), as amended, or regulations pursuant thereto.

Senate amendment No. 126 reads as follows:

Page 38, after line 12 insert:

EMPLOYMENT AND TRAINING ASSISTANCE

Funds appropriated under the heading Employment and Training Assistance in Public Law 97-257 shall remain available for obligation until September 30, 1984.

Senate amendment No. 133 reads as follows:

Page 40, after line 5, insert:

ASSISTANT SECRETARY FOR HEALTH

HEALTH MAINTENANCE ORGANIZATION LOAN AND LOAN GUARANTEE FUND

For an additional amount for "Health Maintenance Organization Loan and Loan Guarantee fund", $2,650,000 to be used solely for obligations resulting from defaulted loans guaranteed by this fund.

Senate amendment No. 139 reads as follows:

Page 40, after line 5, insert:

Sums appropriated under section 101(e)(2) of Public Law 97-377 for health planning activities may be used for carrying out such activities for fiscal year 1983 under section 935(b) of the Omnibus Reconciliation Act of 1981.

Senate amendment No. 143 reads as follows:

Page 40, after line 6, insert:

For additional amount for centers for independent living under part B of title VII of the Rehabilitation Act of 1973, $2,120,000: *Provided*, That the amount appropriated under this paragraph shall be available for special projects under the Rehabilitation Act of 1973 that were reduced by reason of the first proviso under the heading "Rehabilitation Services and Handicapped Research, Department of Education", contained in Public Law 93-377, if the condition of that proviso has been met.

Senate amendment No. 149 reads as follows:

Page 40, after line 20, insert:

SENATE

EXPENSE ALLOWANCES OF THE VICE PRESIDENT, THE PRESIDENT PRO TEMPORE, MAJORITY AND MINORITY LEADERS, AND MAJORITY AND MINORITY WHIPS

For an additional amount for "Expense Allowances of the Vice President, the President Pro Tempore, Majority and Minority Leaders, and Majority and Minority Whips", $2,500 for the Majority Whip and $2,500 for the Minority Whip; in all $5,000: *Provided*, That, effective with the fiscal year 1983 and each fiscal year thereafter, the expense allowance of the Majority and Minority Whips of the Senate shall not exceed $5,000 each fiscal year for each Whip.

SALARIES, OFFICERS AND EMPLOYEES

ADMINISTRATIVE, CLERICAL, AND LEGISLATIVE ASSISTANCE TO SENATORS

For an additional amount for "Administrative, clerical, and legislative assistance to Senators", $197,000.

CONFERENCE COMMITTEES

For an additional amount for the Conference of the Majority and Conference of the Minority, $50,000 for each such committee; in all $100,000.

EXPENSE ALLOWANCES OF THE SECRETARY OF THE SENATE, SERGEANT AT ARMS AND DOORKEEPER OF THE SENATE, AND SECRETARIES FOR THE MAJORITY AND MINORITY OF THE SENATE

For an additional amount for "Expense allowances of the Secretary of the Senate, Sergeant at Arms and Doorkeeper of the Senate, and Secretaries for the Majority and Minority of the Senate", $1,000 for each such officer; in all $4,000: *Provided*, That, effective in the case of fiscal years beginning on or after October 1, 1982, the first sentence of section 119(a) of Public Law 97-51 (2 U.S.C. 65c) is amended by striking out "$2,000" and inserting in lieu thereof "$3,000".

CONTINGENT EXPENSES OF THE SENATE

MISCELLANEOUS ITEMS

For an additional amount for "Miscellaneous Items", $240,000.

Senate amendment No. 153 reads as follows:

Page 42, after line 7, insert:

SEC. 901. (a) Effective October 1, 1982, the allowance for administrative and clerical assistance of each Senator from the State of Texas is increased to that allowed to Senators from States having a population of fifteen million but less than seventeen million, the population of said State having exceeded fifteen million inhabitants.

(b) Effective October 1, 1982, the allowance for administrative and clerical assistance of each Senator from the State of Colorado is increased to that allowed to Senators from States having a population of three million but less than four million, the population of said State having exceeded three million inhabitants.

SEC. 902. The Secretary of the Senate is authorized to withhold from the salary of each Senate page who resides in the page residence hall an amount equal to the charge imposed for lodgings, meals, and related services, furnished to such page in such hall. The amounts so withheld shall be transferred by the Secretary of the Senate to the Clerk of the House of Representatives for deposit by such Clerk in the revolving fund, within the contingent fund of the House of Representatives, for the page residence hall and page meal plan, as established by H. Res. 64, Ninety-eighth Congress.

SEC. 903. (a) Notwithstanding any provision to the contrary in any contract which is entered into by any person and either the Administrator of General Services or a contracting officer of any executive agency and under which such person agrees to sell or lease to the Federal Government (or any one or more entities thereof) any unit of property, supplies, or services at a specified price or under specified terms and conditions (or both), such person may sell or lease to the Congress the same type of such property, supplies, or services at a unit price or under terms and conditions (or both) which are different from those specified in such contract; and any such sale or lease of any unit or units of such property, supplies, or services to the Congress shall not be taken into account for the purpose of determining the price at which, or the terms and conditions under which, such person is obligated under such contract to sell or lease any unit of such property, supplies, or services to any entity of the Federal Government other than the Congress. For purposes of the preceding sentence, any sale or lease of property, supplies, or services to the Senate (or any office or instrumentality thereof) or to the House of Representatives (or any office or instrumentality thereof) shall be deemed to be a sale or lease of such property, supplies, or services to the Congress.

(b) The provisions of this section shall take effect with respect to sales or leases of

property, supplies, or services to the Congress after the date of enactment of this section.

SEC. 904. (a) Subject to subsection (b) of this section and notwithstanding any other provision of law—

(1) the compensation of the Librarian of Congress shall be at an annual rate which is equal to the annual rate of basic pay payable for positions at level III of the Executive Schedule under section 5314 of title 5, United States Code, and

(2) the compensation of the Deputy Librarian of Congress shall be at an annual rate which is equal to the annual rate of basic pay payable for positions at level IV of the Executive Schedule under section 5315 of title 5, United States Code.

(b) The limitations contained in section 306 of S. 2939, Ninety-seventh Congress, as made applicable by section 101(e) of Public Law 97-276 (as amended by section 128(a) of Public Law 97-377) shall, after application of section 128(b) of Public Law 97-377, be applicable to the compensation of the Librarian of Congress and the Deputy Librarian of Congress, as fixed by subsection (a) of this section.

(c) The provisions of subsection (a) shall take effect on the first day of the first applicable pay period commencing on or after the date of the enactment of this Act.

Senate amendment No. 162 reads as follows:

Page 45, after line 23, insert:

FACILITIES AND EQUIPMENT

Of the funds available under this heading, $5,000,000 shall be available from existing appropriations for the Secretary of Transportation to enter into grant agreements with two universities or colleges to conduct demonstration projects in the development, advancement, or expansion of an airway science curriculum and such money, which shall remain available until expended, shall be made available, under such terms and conditions as the Secretary of Transportation may prescribe, to such universities or colleges for the purchase or lease of buildings and associated facilities, instructional materials, or equipment to be used in conjunction with the airway science curriculum.

Senate amendment No. 171 reads as follows:

Page 49, after line 20, insert:

MOTOR CARRIER RATEMAKING STUDY COMMISSION

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

Of the funds made available under the heading of Department of Transportation, Office of the Secretary, Salaries and Expenses, for Fiscal Year 1983 for the Motor Carrier Ratemaking Study Commission, unobligated balances available as of September 30, 1983, shall remain available until expended.

Senate amendment No. 182 reads as follows:

Page 53, after line 17, insert:

SENATE

"Salaries, officers and employees", $7,027,000;

"Office of the Legislative Counsel of the Senate", $47,000;

"Office of Senate Legal Counsel", $12,000;

"Senate Policy Committees", $78,000;

"Inquiries and investigations", $1,764,000;

Senate amendment No. 183 reads as follows:

Page 54, after line 11, insert:

"Senate office buildings", $480,000;

Senate amendment No. 218 reads as follows:

Page 68, line 20, after "$2,650,000" insert ", to be derived by transfer from "Retired pay" ".

Senate amendment No. 230 reads as follows:

Page 71, after line 25, insert:

OFFICE OF REVENUE SHARING

"Salaries and expenses", $255,000: *Provided*, That of the funds heretofore provided under this heading in Public Law 97-272, $400,000 shall remain available until September 30, 1984;

Senate amendment No. 239 reads as follows:

Page 76, line 14, after "management)" insert ", to remain available until September 30, 1984".

Senate amendment No. 248 reads as follows:

Page 79, after line 10, insert:

SEC. 404. The Secretary of the Treasury shall instruct the United States executive director of the International Monetary Fund to use the voice and vote of the United States to oppose any assistance by the International Monetary Fund, using funds appropriated or made available pursuant to this Act, for the production of any commodity for export, if it is in surplus on world markets and if the assistance will cause substantial injury to United States producers of the same, similar, or competing commodity.

Senate amendment No. 249 reads as follows:

Page 79, after line 10, insert:

SEC. 405. It is the sense of Congress that the Secretary of Agriculture should announce the 1984 annual commodity programs for wheat, feed grains, upland cotton, and rice by the dates specified in the following schedule:

(1) For wheat, July 1, 1983;

(2) For feed grains, September 1, 1983;

(3) For upland cotton, November 1, 1983; and

(4) For rice, December 15, 1983.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendments of the Senate numbered, 5, 14, 16, 19, 20, 21, 22, 23, 26, 27, 28, 29, 30, 31, 35, 41, 43, 48, 50, 51, 56, 57, 67, 76, 78, 79, 80, 88, 126, 133, 139, 143, 149, 153, 162, 171, 182, 183, 218, 230, 239, 248, 249 and concur therein.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi (Mr. WHITTEN).

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

Senate amendment No. 8 reads as follows:

Senate amendment No. 8; Page 4, after line 2, insert:

GENERAL PROVISIONS

(a) The Congress finds that—

(1) Federal nutrition programs, including the food stamp program, school lunch program, school breakfast program, child care food program, summer food program, special supplemental food program for women, infants, and children (WIC), the commodity supplemental food program, special milk program, and elderly feeding programs, have been effective in reducing hunger and malnutrition in the United States;

(2) the Congress has closely scrutinized and made significant changes in both child nutrition and food stamps over the past two years in an effort to achieve budgetary savings;

(3) current levels of unemployment have greatly increased dependency on Federal, State, and local programs;

(4) churches and other volunteer organizations in the United States are having difficulty meeting the growing need for food created by poor economic conditions;

(5) the food stamp program provides nutrition benefits to those without the means to obtain a nutritionally adequate diet and is often the only form of Federal assistance available to many unemployed workers;

(6) nutrition benefits to mothers and children at critical periods of growth represent a cost-effective way to reduce infant mortality, low birthweight, and promote long-term health;

(7) nutrition benefits through the school lunch program and other child nutrition programs significantly contribute to the health maintenance and learning potential of our Nation's children;

(8) nutrition programs for elderly people, including the food stamp program, can prolong health, allow for independent living, and preserve the dignity of our Nation's senior citizens;

(9) a Federal role in meeting the nutritional needs of low-income Americans is appropriate since the costs of obtaining an adequate diet do not vary significantly throughout this country; and

(10) a reduction in the Federal Government's commitment to provide adequate nutrition to the needy would cause increasing hardship and hunger to those least able to survive in our society.

(b) It is the sense of the Congress that—

(1) the Federal nutrition programs, including the food stamp, child nutrition, and elderly feeding programs, should be protected from budget cuts that would prevent them from responding effectively to nutritional needs in the United States;

(2) the special supplemental food program for women, infants, and children (WIC) should continue to be funded at the full level authorized by law; and

(3) the Federal Government should maintain primary responsibility for nutrition programs.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 8 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

CHILD NUTRITION PROGRAMS

For an additional amount for the "Child nutrition programs", $118,000,000.

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi (Mr. WHITTEN).

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

Senate amendment No. 11 reads as follows:

Senate amendment No. 11: Page 4, after line 10, insert:

For an additional amount for emergency measures to repair flood damage as authorized by sections 403-405 of the Agricultural Credit Act of 1978 (16 U.S.C. 2203-2205), $10,000,000, to remain available until expended.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 11 and concur therein with an amendment, as follows: In lieu of the sum named in said amendment insert "$5,000,000".

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi (Mr. WHITTEN).

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

Senate amendment No. 13 reads as follows:

Senate amendment No. 13: Page 4, line 17, strike out "$1,000,000" and insert "$5,000,000, to remain available until expended, to become available only to the extent necessary to meet unanticipated costs of emergency activities not provided for in budget estimates".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 13 and concur therein with an amendment, as follows: In lieu of the sum named in said amendment insert "$1,000,000".

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi (Mr. WHITTEN).

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

Senate amendment No. 24 reads as follows:

Senate amendment No. 24: Page 5, after line 19, insert:

SALARIES AND EXPENSES, GENERAL LEGAL ACTIVITIES

For an additional amount for "Salaries and expenses, General Legal Activities", $5,211,000, of which not to exceed $3,800,000 for asbestos litigation support contracts shall remain available until September 30, 1984.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 24 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

SALARIES AND EXPENSES, GENERAL LEGAL ACTIVITIES

For an additional amount for "Salaries and expenses, General Legal Activities", $4,600,000, of which not to exceed $3,800,000 for asbestos litigation support contracts shall remain available until September 30, 1984.

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi (Mr. WHITTEN).

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

Senate amendment No. 25 reads as follows:

Senate amendment No. 25: Page 5, after line 19, insert:

SALARIES AND EXPENSES, UNITED STATES ATTORNEYS AND MARSHALS

For an additional amount for "Salaries and expenses, United States Attorneys and Marshals", $5,992,000.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 25 and concur therein with an amendment, as follows: In lieu of the sum named in said amendment, insert the following: "$5,800,000".

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi (Mr. WHITTEN).

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

Senate amendment No. 38 reads as follows:

Senate amendment No. 38: Page 6, line 24, strike out all after "$9,000,000" over to and including $15,000,000 in line 2 on page 7.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 38 and concur therein with an amendment, as follows: In lieu of the matter stricken by said amendment, insert the following: ", and, in addition there shall be available the sum of $4,000,000".

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi (Mr. WHITTEN).

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

Senate amendment No. 40 reads as follows:

Senate amendment No. 40: Page 7, after line 17, insert:

GENERAL PROVISIONS

Notwithstanding any other provision of law, the Administrative Office of the United States Courts, or any other agency or instrumentality of the United States, is prohibited from restricting solely to staff of the Clerks of United States Bankruptcy Courts the issuance of notices to creditors and other interested parties. The Administrative Office shall permit and encourage the preparation and mailing of such notices to be performed by or at the expense of the debtors, trustees or such other interested parties as the Court may direct and approve. The Administrator of the United States Courts shall make appropriate provisions for the use of and accounting for any postage required pursuant to such directives.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 40 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

GENERAL PROVISIONS

Notwithstanding any other provision of law, the Administrative Office of the United States Courts, or any other agency or instrumentality of the United States, is prohibited from restricting solely to staff of the Clerks of United States Bankruptcy Courts the issuance of notices to creditors and other interested parties. The Administrative Office shall permit and encourage the preparation and mailing of such notices to be performed by or at the expense of the debtors, trustees or such other interested parties as the Court may direct and approve. The Administrator of the United States Courts shall make appropriate provisions for the use of and accounting for any postage required pursuant to such directives. The provisions of this paragraph shall terminate on October 1, 1983.

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi (Mr. WHITTEN).

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

Senate amendment No. 42 reads as follows:

Senate amendment No. 42: Page 8, after line 15, insert:

AIRCRAFT PROCUREMENT, AIR FORCE

For an additional amount for "Aircraft procurement, Air Force", $185,000,000 to be available until September 30, 1985, for B-1B multiyear procurement pursuant to section 2301, title 10, U.S.C. as amended: *Provided*, That $185,000,000 appropriated under this head in Public Law 97-377 is rescinded.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 42 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

AIRCRAFT PROCUREMENT, AIR FORCE

For an additional amount for "Aircraft Procurement, Air Force", $185,000,000, to be available until September 30, 1985, for long lead procurement of engine, defensive and offensive avionics, and airframe components, in quantities which will be required if Congress approves multiyear procurement of the B-1B pursuant to section 2306(h), title 10, U.S.C.: *Provided*, That $185,000,000 appropriated under this head for the B-1B in Public Law 97-377 is rescinded: *Provided further*, That nothing in this paragraph shall be deemed to approve multiyear procurement of the B-1B.

Mr. CONTE (during the reading). Mr. Speaker I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi (Mr. WHITTEN).

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

Senate amendment No. 49 reads as follows:

Senate amendment No. 49: Page 10, after line 3, insert:

None of the funds appropriated by this Act may be obligated or expended to formulate or carry out any requirement that, in order to be eligible to bid on a Department of Defense contract for the supply of commercial products or services, an individual or firm that is a small business concern (as defined in section 3 of the Small Business Act) must (1) be in the business of selling to the general public the products or services for which bids are being solicited and maintain a ready supply of such products or services for sale to the general public, or (2) submit a bid sample of the products or services as a precondition to submitting a bid on the contract.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 49 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

None of the funds appropriated by this Act may be obligated or expended to formulate or carry out any requirement that, in order to be eligible to submit a bid or an offer on a Department of Defense contract to be let for the supply of commercial or commercial-type products, a small business concern (as defined pursuant to section 3 of the Small Business Act) must (1) demonstrate that its product is accepted in the commercial market (except to the extent that may be required to evidence compliance with the Walsh-Healey Public Contracts Act), or (2) satisfy any other pre-qualification to submitting a bid or an offer for the supply of any such product.

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi (Mr. WHITTEN).

The motion was agreed to.

□ 1430

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

Senate amendment No. 53 reads as follows:

Senate amendment No. 53: Page 10, strike out all after line 15 over to and including line 9 on page 17 and insert:

Section 107 of Public Law 97-88 pertaining to maintenance and operation of the Chicago Sanitary and Ship Canal of the Illinois Waterway in the interest of navigation includes the Control Structure and Lock in the Chicago River, and other facilities as are necessary to sustain through navigation from Chicago Harbor on Lake Michigan to Lockport on the Des Plaines River.

Not to exceed $500,000 shall be available for channel clearing of Bayou Rigolette as determined advisable by the Chief of Engineers in the project Aloha-Rigolette Area, Grant and Rapides Parish, Louisiana, authorized by the Flood Control Act approved August 18, 1941.

The Wallisville Reservoir, Texas, project, authorized by section 101 of the River and Harbor Act of 1962 (Public Law 87-874), is hereby modified with respect to its physical elements and planned operation as recommended in the Wallisville Lake, Texas, Post-Authorization Change Report, July 1981, as supplemented, July 1982. Notwithstanding the above modifications, provisions of the Contract for Water Storage, Salinity Control, and Recreation in Wallisville Reservoir (Contract Numbered DACW64-67-C-0108 signed by the Secretary of the Army, 2 February 1968) between the United States Government and the city of Houston, the Trinity River Authority of Texas, and the Chambers-Liberty Counties Navigation District, shall govern non-Federal participation: *Provided*, That total project cost as cited in said contract shall be understood to consist of (1) costs, exclusive of land costs, actually incurred by the United States in connection with construction of elements currently in place and to be used in the modified plan, including interest during construction; (2) the actual cost of lands used in the modified plan; and (3) completion costs of the modified plan, including interest during construction.

The Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to prepare and submit to Congress a feasibility report on the water resource needs in the vicinity of the Homochitto and Buffalo Rivers, Saint Catherine and Coles Creeks, Bayou Pierre, and other major tributaries draining into the Mississippi River between Bayou Pierre and the Buffalo River, Mississippi, to recommend remedial measures for flood control, bank stabilization, sedimentation, and related purposes.

The Secretary of the Army is authorized, notwithstanding any other provision of law, to widen, as necessary for safe passage, the navigation opening of Franklin Ferry Bridge, Jefferson County, Alabama. The work herein authorized shall be accomplished at Federal expense; however, no construction to widen the navigation opening shall begin nor contract for alteration of the bridge may be awarded until the owner shall agree that upon completion of the alteration to thereafter operate and maintain the Franklin Ferry Bridge as altered. There is hereby authorized to be appropriated not to exceed $4,000,000, which includes

$1,000,000 previously appropriated, to carry out this section. Amounts authorized by this subsection shall be available until expended.

The Columbia River at the mouth, Oregon and Washington, project authorized by the River and Harbor Act of July 5, 1984, as amended, is modified to provide for deepening of the northernmost 2,000 feet of the channel cross section to 55 feet at Federal expense: *Provided*, That $5,300,000 of "Construction, general" funds shall be made available to undertake this project modification.

The Ventura Marina project authorized by section 101 of the River and Harbor Act of 1968 (Public Law 90-483), as modified, is hereby amended to authorize the Secretary of the Army, acting through the Chief of Engineers to reimburse the Ventura Port District from available Operation and Maintenance, General, funds for work performed by the Port just prior to February 25, 1983, in the area normally maintained by the Corps of Engineers. None of the funds appropriated in this or any future Act for the Ventura Marina, California, project may be used to reimburse local interests for any work performed unless such work has the prior approval of the United States Army Corps of Engineers and the Appropriations Committees.

The Secretary of the Army, acting through the Chief of Engineers, is directed to reimburse to local and State interests those sums of monies (in total not to exceed $3,500,000) expended by them in construction of Flat River Channel improvements to the extent that such construction is incorporated into the Bayou Bodcau and Tributaries project authorized by Public Law 89-298, approved October 27, 1965.

Section 164 of the Water Resources Development Act of 1976 (Public Law 94-587) as amemded by section 3 of Public Law 97-140, is further amended—

(1) by inserting the following after the first sentence: "The Secretary of the Army, acting through the Chief of Engineers, shall construct an approach roadway from the end of the Washington State Route 129 overpass of such bridge to Sixteenth Avenue in the city of Clarkston, Asotin County, Washington,"; and

(2) in the last sentence, by striking out "$23,200,000" and inserting in lieu thereof "$24,000,000".

Contracts for architect and engineering services, and surveying and mapping services, shall be awarded in accordance with title IX of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 451 et seq.).

Section 1114 of title 18, United States Code, is amended by inserting "any civilian official or employee of the Army Corps of Engineers assigned to perform investigations, inspections, law or regulatory enforcement functions, or field-level real estate functions," immediately after "National Park Service,".

Notwithstanding subsection 5901(a) of title 5, United States Code (80 Stat. 508), as amended, the uniform allowance for uniformed civilian employees of the United States Army Corps of Engineers may be up to $400 annually.

The United States Army Chief of Engineers may accept the services of volunteers and provide for their incidental expenses to carry out any activity of the Army Corps of Engineers except policy making or law or regulatory enforcement. Such volunteers shall not be employees of the United States Government except for the purposes of (1) chapter 171 of title 28 of the United States Code, relating to tort claims, and (2) chapter 81 of title 5 of the United States Code, relating to compensation for work injuries.

The project for navigation at Moriches and Shinnecock Inlets, New York, authorized in section 101 of the River and Harbor Act of 1960 (Public Law 86-645), and the items of local cooperation pertaining thereto, are hereby modified to the extent necessary to require the Secretary of the Army, acting through the Chief of Engineers, to provide for the construction of the Navigation feature independent of other features.

Section 104(b) of the River and Harbor Act of 1958, Public Law 85-500, as amended by section 302 of the River and Harbor Act of 1965, Public Law 98-298, is further amended by striking out "$5,000,000" and inserting in lieu thereof "$10,000,000".

The Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to design and construct and undertake measures necessary to provide a level of protection as the Chief of Engineers determines necessary to prevent recurring flood damages along the Pearl River in the vicinity of Jackson, Mississippi, substantially in accordance with preliminary plans developed by the Mobile District Engineer, at a currently estimated cost of $26,500,000, including $2,300,000 made available in this appropriation for advanced engineering and design. Expenditures by the Pearl River Basin Development District in constructing improvements at the Mississippi Highway 25 Bridge, an integral part of the plan authorized herein, shall be credited toward the local share of the project costs. Prior to implementation of the work authorized herein, non-Federal interests must agree to provide the requirements prescribed in section 3 of the Flood Control Act of 1936, as amended.

The Secretary of the Army acting through the Chief of Engineers is directed to start construction of the Crater Lake phase of the Snettisham hydroelectric project authorized by the 1962 Flood Control Act with funds appropriated in fiscal years 1982 and 1983.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 53 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

The project for flood protection on the Lower San Joaquin River, California, authorized by the Flood Control Act approved December 22, 1944, as amended, is hereby further modified to authorize the Secretary of the Army, acting through the Chief of Engineers, to perform clearing and snagging on the San Joaquin River from Stockton, California, to Friant Dam, at an estimated cost of $5,000,000. Prior to initiation of construction, a non-Federal entity shall provide adequate assurance for providing all lands, easements, rights-of-way and utility relocations at no expense to the Federal Government; execute a written agreement pursuant to section 221 of Public Law 91-611; agree to operate and maintain the project works upon completion of construction in accordance with rules and regulations prescribed by the Department of the Army; and hold and save the United States free from damages due to construction, operation, and maintenance of the project, not including damages due to the fault or negligence of the United States or its contractors.

Funds for the Wister Lake project, Oklahoma, authorized pursuant to the Flood Control Act of 1938 (52 Stat. 1218) shall be used to reduce sedimentation impacts by raising the level of the conservation pool permanently by 3 feet and seasonably by an additional 3.4 feet and the Secretary of the Army, acting through the Chief of Engineers, is hereby authorized to take such measures as are necessary to carry out this directive.

Contracts for architect and engineering services, and surveying and mapping services, shall be awarded in accordance with title IX of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 541 et seq.).

The Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to include in the survey report on Threemile Creek, Mobile, Alabama, the costs and benefits of local improvements initiated subsequent to January 1, 1982, by the city of Mobile for flood damage reduction measures which the Chief of Engineers determines are compatible with and constitute an integral part of his recommended plan. In determining the appropriate non-Federal share for such plan, the Chief of Engineers shall give recognition to costs incurred by non-Federal interests in carrying out such local improvements.

The Secretary of the Army, acting through the Chief of Engineers, is hereby authorized to prepare a comprehensive study and recommendations for the development and efficient utilization of the water and related resources of southcentral and southeast Oklahoma and to prepare a similar comprehensive study and recommendations for the Red River and its tributaries in Arkansas, Texas, Louisiana, and Oklahoma.

Funds herein or hereafter provided for the Beverly Shores, Indiana, project may be used to operate and maintain the emergency shore protection measures constructed pursuant to section 103 of the Energy and Water Development Appropriations Act, 1982 (95 Stat. 1137).

Not to exceed $500,000 shall be available for removal of obstructive shoals within the project limits of the Kawkawlin River, MI, project.

Section 107 of Public Law 97-88 pertaining to maintenance and operation of the Chicago Sanitary and Ship Canal of the Illinois Waterway in the interest of navigation includes the Control Structure and Lock in the Chicago River, and other facilities as are necessary to sustain through navigation from Chicago Harbor on Lake Michigan to Lockport on the Des Plaines River.

Not to exceed $500,000 shall be available for channel clearing of Bayou Rigolette as determined advisable by the Chief of Engineers in the Project Aloha-Rigolette Area, Grant and Rapides Parish, Louisiana, authorized by the Flood Control Act approved August 18, 1941.

The Wallisville Reservoir, Texas, project, authorized by section 101 of the River and Harbor Act of 1962 (Public Law 87-874), is hereby modified with respect to its physical elements and planned operation as recommended in the Wallisville Lake, Texas, Post-Authorization Change Report, July 1981, as supplemented, July 1982. Notwithstanding the above modifications, provisions of the Contract for Water Storage, Salinity Control, and Recreation in Wallisville Reservoir

(Contract Numbered DACW64-67-C-0108 signed by the Secretary of the Army, 2 February 1968) between the United States Government and the city of Houston, the Trinity River Authority of Texas, and the Chambers Liberty Counties Navigation District, shall govern non-Federal participation: *Provided*, That total project cost as cited in said contract shall be understood to consist of (1) costs, exclusive of land costs, actually incurred by the United States in connection with construction of elements currently in place and to be used in the modified plan, including interest during construction; (2) the actual cost of lands used in the modified plan; and (3) completion costs of the modified plan, including interest during construction.

The Secretary of the Army is authorized, notwithstanding any other provision of law, to widen, as necessary for safe passage, the navigation opening of Franklin Ferry Bridge, Jefferson County, Alabama. The work herein authorized shall be accomplished at Federal expense; however, no construction to widen the navigation opening shall begin nor contract for alteration of the bridge may be awarded until the owner shall agree that upon completion of the alteration to thereafter operate and maintain the Franklin Ferry Bridge as altered. There is hereby authorized to be appropriated not to exceed $4,000,000, which includes $1,000,000 previously appropriated, to carry out this section. Amounts authorized by this subsection shall be available until expended.

The Ventura Marina project authorized by section 101 of the River and Harbor Act of 1968 (Public Law 90-483), as modified, is hereby amended to authorize the Secretary of the Army, acting through the Chief of Engineers to reimburse the Ventura Port District from available Operation and Maintenance, General funds for work performed by the Port just prior to February 25, 1983, in the area normally maintained by the Corps of Engineers. None of the funds appropriated in this or any future Act for the Ventura Marina, California, project may be used to reimburse local interests for any work performed unless such work has the prior approval of the United States Army Corps of Engineers and the Appropriations Committees.

Section 164 of the Water Resources Development Act of 1976 (Public Law 94-587) as amended by Section 3 of Public Law 97-140, is further amended—

(1) by inserting the following after the first sentence: "The Secretary of the Army, acting through the Chief of Engineers, shall construct an approach roadway from the end of the Washington State Route 129 overpass of such bridge to Sixteenth Avenue in the city of Clarkston, Asotin County, Washington,"; and

(2) in the last sentence, by striking out "$23,200,000" and inserting in lieu thereof "$24,000,000".

The authorization for the Sardis Lake project contained in section 203 of the Flood Control Act of 1962 (Public Law 87-874) as amended by section 108 of the Energy and Water Development Appropriation Act of 1982 (Public Law 97-88) is hereby amended to authorize the Secretary of the Army, acting through the Chief of Engineers, to plan, design, and construct a water intake structure at an estimated Federal cost of $500,000.

The project for navigation at Moriches and Shinnecock Inlets, New York, authorized in section 101 of the River and Harbor Act of 1960 (Public Law 86-645), and the items of local cooperation pertaining thereto, are hereby modified to the extent necessary to require the Secretary of the Army, acting through the Chief of Engineers, to provide for the construction of the Navigation feature independent of other features.

Notwithstanding subsection 5901(a) of title 5, United States Code (80 Stat. 508), as amended, the uniform allowance for uniformed civilian employees of the United States Army Corps of Engineers may be up to $400 annually.

The United States Army Chief of Engineers may accept the services of volunteers and provide for their incidental expenses to carry out any activity of the Army Corps of Engineers except policy making or law or regulatory enforcement. Such volunteers shall not be employees of the United States Government except for the purposes of (1) chapter 171 of title 28 of the United States Code, relating to tort claims, and (2) chapter 81 of title 5 of the United States Code, relating to compensation for work injuries.

Hereafter, notwithstanding any other provisions of law or of this Act, appropriations for the Yatesville Lake construction project made available by Public Law 97-257, chapter V and Public Law 97-377, title I, section 140 (96 Stat. 1916) shall be obligated to construct the Yatesville Lake project.

Section 104(b) of the River and Harbor Act of 1958, Public Law 85-500, as amended by section 302 of the River and Harbor Act of 1965, Public Law 89-298, is further amended by striking out "$5,000,000" and inserting in lieu thereof "$10,000,000".

The Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to prepare and submit to Congress a feasibility report on the water resource needs in the vicinity of the Homochitto and Buffalo Rivers, Saint Catherine and Coles Creeks, Bayou Pierre, and other major tributaries draining into the Mississippi River between Bayou Pierre and the Buffalo River, Mississippi, to recommend remedial measures for flood control, bank stabilization, sedimentation, and related purposes.

The Columbia River at the mouth, Oregon and Washington, project authorized by the River and Harbor Act of July 5, 1884, as amended, is modified to provide for deepening of the northernmost 2,000 feet of the channel cross section to 55 feet at Federal expense: *Provided*, That $5,300,000 of "Construction, general" funds shall be made available to undertake this project.

Section 1114 of title 18, United States Code, is amended by inserting "any civilian official or employee of the Army Corps of Engineers assigned to perform investigations, inspections, law or regulatory enforcement functions, or field-level real estate functions," immediately after "National Park Service,".

The Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to design and construct and undertake measures necessary to provide a level of protection as the Chief of Engineers determines necessary to prevent recurring flood damages along the Pearl River in the vicinity of Jackson, Mississippi, substantially in accordance with preliminary plans developed by the Mobile District Engineer, at a currently estimated cost of $26,500,000, including $2,300,000 made available in this appropriation for advanced engineering and design. Expenditures by the Pearl River Basin Development District in constructing improvements at the Mississippi Highway 25 Bridge, an integral part of the plan authorized herein, shall be credited toward the local share of the project costs. Prior to implementation of the work authorized herein, non-Federal interests must agree to provide the requirements prescribed in section 3 of the Flood Control Act of 1936, as amended.

The Secretary of Army acting through the Chief of Eingineers is directed to start construction of the Crater Lake phase of the Snettisham hydroelectric project authorized by the 1962 Flood Control Act with funds appropriated in fiscal years 1982 and 1983.

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi (Mr. WHITTEN).

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

Senate amendment No. 58, reads as follows:

Senate Amendment No. 58: Page 17, strike out all after line 20 over to and including line 11 on page 20 and insert:

The Secretary of the Interior is hereby authorized to engage in feasibility studies of the following proposals:

(1) Pilot Butte powerplant, Riverton unit, located in Fremont County, Wyoming;

(2) Northwest Oklahoma Water Supply project, located in Cimarron, Texas, Beaver, Harper, Woods, Ellis, Woodward, and Dewey Counties, Oklahoma;

(3) Siletz River Basin project, located in Lincoln and Polk Counties, Oregon;

(4) Water conservation and efficient use program, All-American canal relocation project, located in Imperial County, California; and

(5) Gibson Dam powerplant, located on the Sun River in Lewis and Clark Counties, Montana.

The interest rate used for computing interest during construction, and interest on the unpaid balance of the interest-bearing reimbursable costs of the WEB pipeline project shall be no more than 5 percent per year.

Appropriations for the Bureau of Reclamation shall be available for purchase of one aircraft.

The Secretary of the Interior shall, under the general investigations authority, engage in a joint, State-led study with the State of Nebraska of cost effective alternatives to the Norden Dam, O'Neill unit of the Pick-Sloan Missouri River Basin program, Nebraska; and shall use available funds to initiate such study. The study period shall not exceed 18 months. No funds shall be expended for any construction activity for the Norden Dam, O'Neill unit prior to the completion of this study.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amend-

ment of the Senate numbered 58 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

The Secretary of the Interior is hereby authorized to engage in a feasibility study for the Prairie Bend unit, Pick-Sloan Missouri River Basin program, located in Dawson, Buffalo, and Hall Counties in Nebraska for irrigation, stabilization of ground-water levels, enhancement of water quality, small community and rural domestic water supplies, management of fish and wildlife habitat, public outdoor recreation, flood control, and other purposes determined to be appropriate. Such feasibility study shall include a detailed report on any effects the proposed project may have on wildlife habitat, including habitat of the sandhill crane and the endangered whooping crane. Such feasibility study shall also develop alternative water management plans that are consistent with the Endangered Species Act and the Migratory Bird Treaty Act. Before funds are expended for the feasibility study, the State of Nebraska, or other non-Federal entity, shall agree to participate in the study and to share in the cost of the study. The non-Federal share of the costs may be partly or wholly in the form of services directly related to the conduct of the study.

In accordance with the repayment contract for the Dallas Creek participating project of the Upper Colorado River storage project, entered into January 14, 1977, and entitled "Repayment Contract Between the United States of America and the Tri-County Water Conservancy District", the portion of the costs of such project, including interest on construction costs, allocated to municipal and industrial use which exceeds $38,000,000 shall not be reimbursable.

To provide adequate access to the McGee Creek recreation areas, Wildlife Management Area, and Natural Scenic Recreation Area for use and enjoyment by the general public of those facilities, the Secretary of the Interior is authorized to secure right-of-way, design and construct or otherwise improve two existing county access roads (1) westside road beginning at the existing county road extending from Oklahoma State Highway 3 near the community of Lane, Oklahoma, and extending adjacent to the McGee Creek Reservoir and termination at the existing county road extending from Oklahoma State Highway 43 in the vicinity of Stringtown, Oklahoma, a distance of some 19 miles; (2) eastside road beginning at State Highway 3 and 7 near Center Point, Oklahoma, and extending northward to the upper end of McGee Creek Reservoir, a distance of some 11 miles. The westside road will be constructed with a 24-foot berm and 20-foot paved surface and the eastside constructed with a 28-foot berm and 24-foot paved surface. Both roads will have a minimun 6-inch gravel base and be paved with all weather asphaltic surface. The cost for the facilities authorized by this Act shall be nonreimbursable.

The Secretary of the Interior is authorized, when he deems it appropriate, to defer over the remaining term of any repayment contract or for a period of five years, whichever is less, the 1983 water service and repayment contract obligations for capital and operation and maintenance costs associated with federally constructed or federally assisted projects to reflect the percentage of acreage removed from cultivation pursuant to the "Special program for Corn, Grain, Sorghum, Upland Cotton, and Rice" under title 7 of the Code of Federal Regulation part 770, and any regulations supplementary thereto or amendatory thereof. Such deferment of payments shall not be deemed a "supplemental or additional benefit" within the meaning of section 203(a)(2) of the Reclamation Reform Act of 1982.

The Secretary of the Interior is hereby authorized to engage in feasibility studies of the following proposals:

(1) Pilot Butte powerplant, Riverton unit, located in Fremont County, Wyoming;

(2) Siletz River Basin project, located in Lincoln and Polk Counties, Oregon;

(3) Water conservation and efficient use program, All-American Canal relocation project, located in Imperial County, California; and

(4) Gibson Dam powerplant, located on the Sun River in Lewis and Clark Counties, Montana.

The Secretary of the Interior shall, under the general investigations authority, engage in a joint, State-led study with the State of Nebraska, which will consult with its appropriate subdivisions, of cost-effective alternatives to the Norden Dam, O'Neill unit of the Pick-Sloan Missouri River Basin program, Nebraska; and shall use available funds to initiate such study. The study period shall not exceed 18 months, starting with enactment of this Act. No funds shall be expended for any construction activity for the Norden Dam, O'Neill unit prior to the completion of this study.

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi (Mr. WHITTEN).

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement:

Senate amendment No. 65 reads as follows:

Senate Amendment No. 65: Page 22, after line 19, insert:

INTERNATIONAL MONETARY FUND

INCREASE IN UNITED STATES QUOTA

For an increase in the United States quota in the International Monetary Fund, the dollar equivalent of 5,310,800,000 Special Drawings Rights, to remain available until expended: *Provided*, That such funds may be made available for obligation only upon enactment of authorizing legislation.

GENERAL ARRANGEMENTS TO BORROW

For an increase in loans to the International Monetary Fund under the General Arrangements to Borrow, the dollar equivalent of 4,250,000,000 Special Drawing Rights less $2,000,000,000 previously appropriated by the Act of October 23, 1962 (Public Law 87-872, 76 Stat. 1163), pursuant to the authorization contained in section 17 of the Bretton Woods Agreements Act and merged with this appropriation, to remain available until expended: *Provided*, That such funds may be made available for obligation only upon enactment of authorizing legislation: *Provided further*, That official United States Government debt reschedulings of debtor countries shall be submitted to the Appropriations Committees of both Houses of Congress.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House insist on its disagreement to the amendment of the Senate numbered 65.

PREFERENTIAL MOTION OFFERED BY MR. CONTE

Mr. CONTE. Mr. Speaker, I offer a preferential motion.

The Clerk read as follows:

Mr. CONTE moves that the House recede from its disagreement to the amendment of the Senate numbered 65 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert:

INTERNATIONAL MONETARY FUND

INCREASE IN UNITED STATES QUOTA

For an increase in the United States quota in the International Monetary Fund, the dollar equivalent of $5,310,800,000 Special Drawings Rights, to remain available until expended: *Provided*, That such funds may be made available for obligation only upon enactment of authorizing legislation.

GENERAL ARRANGEMENTS TO BORROW

For an increase in loans to the International Monetary Fund under the General Arrangements to Borrow, the dollar equivalent of $4,212,000,000 Special Drawing Rights less $2,000,000,000 previously appropriated by the Act of October 23, 1962 (Public Law 87-872, 76 Stat. 1163), pursuant to the authorization contained in section 17 of the Bretton Woods Agreements Act and merged with this appropriation, to remain available until expended: *Provided*, That such funds may be made available for obligation only upon enactment of authorizing legislation: *Provided further*, That official United States Government debt reschedulings of debtor countries shall be submitted to the Appropriations Committees of both Houses of Congress.

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the preferential motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The gentleman from Mississippi (Mr. WHITTEN) will be recognized for 30 minutes, and the gentleman from Massachusetts (Mr. CONTE) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Mississippi (Mr. WHITTEN).

Mr. WHITTEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, on the House side may I say that I shall not discuss the merits involved, for regardless of the merits or demerits, I oppose bringing up the IMF at this time as a matter of procedure.

I had earlier, and I say so frankly, assured the Secretary of the Treasury that I would see that in the event the

authorization had been approved in the House that he got a vote on receding and concurring in the Senate amendment which included money for the IMF.

However, I did not agree that I would make such a motion. So I am not surprised at the motion being made by my colleague, with whom I have worked so well through the years.

I do think that this major step is not one which should be made in a supplemental appropriation bill without authorization and without hearings before the Committee on Appropriations. For that reason, I have made my motion to further insist on the House position of not funding the International Monetary Fund in this bill.

Let it come up in the regular way. I hope you will support the position of the House.

Mr. CONTE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, at the outset I want to thank the chairman for his cooperation, not only in this matter, but in all matters pertaining to this supplemental.

It was a very, very difficult supplemental. We reported it out way back in May, I believe.

Mr. WHITTEN. If the gentleman will yield, may I thank the gentleman for his comment and assure him that it is a pleasure to work with him. We have many problems. We cannot agree on everything, but we do realize we have got one country and we try our best to work together and succeed nearly all the time.

Mr. CONTE. Well, we are almost like Ivory Soap, 99$^{44}/_{100}$ percent of the time we are together.

Mr. Speaker, I strongly urge the House recede to the Senate on amendment 65, and concur therein with an amendment. The Senate amendment provides for an increase in the U.S. participation in the International Monetary Fund in the approximate amount of $8.5 billion, subject to the enactment of authorizing legislation. My amendment to the Senate amendment makes a technical reduction in the amount provided for the general arrangements to borrow.

It is important, perhaps of primary importance, that you remember this provision denies increased U.S. participation in the IMF unless Congress completes action on the authorization bill and the President signs it. All of the questions and reservations which have been raised about this increase should be dealt with in the normal, or at least, correct manner—that is in the authorization process. Only when that is done can these funds be used.

The Senate passed the IMF authorization bill on June 8 by a vote of 55 to 34. The House has been debating its version of the authorization this week. This supplemental appropriations bill is the best available vehicle for providing the actual funding of this increase, subject to whatever action is finally taken on the authorization.

Look at the schedule. Both the House and Senate are planning recesses for most of August and much of September. As usual, we do not know if or when we will ever get a regular fiscal 1984 foreign assistance bill enacted. The House subcommittee markup has been postponed twice already and no new markup date has been announced. Even when that bill is finally marked up and reported, its fate on the House and Senate floors will be questionable at best. In any event, it is clear to anyone who has been around here for awhile that the foreign aid bill will not be enacted by October 1.

So then you might argue that we can put the IMF funding in the continuing resolution. The only problem with that is the continuing resolution funds programs in fiscal 1984, and that funding is governed by the fiscal 1984 budget resolution. The 1984 budget resolution does not include room for the $8.5 billion IMF contribution; it is only included in the 1983 resolution. How do you write a continuing resolution which goes into effect at midnight September 30 to provide $8.5 billion in funding authority for the previous fiscal year? This funding must be provided in fiscal 1983, not fiscal 1984.

Let us not get bogged down in all kinds of monetary philosophies and development theories here while the last train pulls out of the station. Our own economic recovery is at stake.

For those on this side of the aisle, what does our Republican President say about this IMF increase? In a letter to Members of this body, President Reagan has stated:

The IMF is the centerpiece of the efforts to maintain a healthy and open trading system in the world. IMF resources are necessary to protect our own interests in a stable financial system, a growing world economy, and sustained economic recovery and higher employment levels.

"Sustained economic recovery and higher employment levels," that is what this IMF increase is all about. A letter from Secretary of State Shultz and Secretary of the Treasury Regan continues this theme:

Nearly 20 percent of total U.S. goods are exported. The jobs of millions of Americans, the health of our banking system, and the prospects for a sustained U.S. economic recovery all depend on the IMF's success in maintaining the stable financial framework essential for world trade to prosper. Failure of the United States to participate in the increase of IMF resources would thus have serious consequences for our own economic recovery and the preservation of American jobs.

One final quote: The President summed up the situation earlier this month when he stated:

No legislation now before the Congress is more important to a healthy world economy and to a continuing economic recovery here in the United Statess.

It is no secret that this particular President's political career is closely tied to continued economic recovery, as are possibly the career of many here in Congress who have supported his economic and fiscal policies. If you want to continue to support his policies on this side of the asile, vote for this motion.

And for my friends on the other side of the aisle, a vote for this motion is a vote for all those workers in your districts who are critical to your own political survival. As the only surviving Republican in the House from the State of Massachusetts, I would observe that out of 600,000 jobs in my State, more than 100,000 are export related. More than 10 percent of the total dollar value of Massachusetts products are exported and are therefore dependent on a healthy and growing world economy. The IMF is the key institution in the promotion of world economic health and growth which will lead to future exports of products from Massachusetts as well as all of your other States.

Recovery and jobs, recovery and jobs. That is what this vote is all about. For only 20 percent of the tab, we can get other members of the IMF to put up 80 percent of the resources needed to assist our own economic recovery. That is a deal we should not turn down. I urge you to support this motion.

Mr. JONES of Oklahoma. Mr. Speaker, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from Oklahoma.

Mr. JONES of Oklahoma. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I want to address the Budget Act or budget resolution here.

The Senate IMF amendment, coupled with the other parts of the supplemental appropriations, would have violated the budget resolution which we passed just a few weeks ago.

However, the gentleman's amendment reduces the Senate IMF appropriation to the required amount so that if the gentleman's amendment passes, or preferential motion passes, there would be no Budget Act violation and the remaining legislation that we anticipate for fiscal year 1983 could be accommodated.

Obviously that would be the case if Chairman WHITTEN's position were prevailed upon also, but in either instance, there would be no Budget Act violation, thanks to the gentleman correcting this problem.

Mr. CONTE. In answer to the gentleman from Oklahoma, he is absolutely right. And I might say to the Members of this body, that just about

30 seconds before I took this floor, I was asked by an official of the administration not to do this.

□ 1440

I said I would not offer the amendment if that were the case. We are staying within the budget. We are $40 million in budget authority below the Senate figure, to make ample room to take care of the legislation that will be coming down the pipe next week.

Mr. WHITTEN. Mr. Speaker, I yield 5 minutes to the gentleman from Maryland (Mr. LONG).

Mr. LONG of Maryland. Mr. Speaker, I rise in strong support of the motion of the gentleman from Mississippi, Chairman WHITTEN, to insist on the House position and not to provide any funding at this time for the International Monetary Fund. The Conte motion should be defeated and the Whitten motion supported.

To appropriate funds for the IMF in this supplemental would be wrong, wrong, wrong. On an issue of such magnitude and complexity, it is essential that there be an authorization bill first. We have not even had the opportunity for hearings in our appropriations subcommittee. Before we consider providing $8.5 billion: What kind of conditions are attached to the IMF? What is being done to improve the banking system so that there will not be a repeat of the present international financial crisis?

For example, in the House-reported authorization bill, there are several significant provisions that will cause major changes in the way banks make loans to foreign countries. These provisions are not contained in the Senate bill. If these provisions were deleted in the conference process, I personally would not even want to consider providing funds for the IMF. It would be wrong to provide additional IMF funding without major improvements in the system by which U.S. banks make loans to foreign countries. We cannot determine if this has been done until there has been a completed authorization bill.

Additionally, there are a number of major documents that will be offered to the authorization bill in the House that could have a major impact on the IMF. The disposition of these amendments should be known before we consider funding.

My subcommittee, as I have said, has had no opportunity to hold hearings. To pass the $8.5 billion appropriation for the IMF at this time is to attach a very large animal to a very small tail.

I would say this to the House: When the chairman of the Appropriations Committee and the chairman and ranking minority member of the Appropriations Subcommittee responsible for the IMF all are united in their opposition to providing funds at this time, I believe it is a clear indication of the grave mistake that would be committed if the Conte motion were approved.

I urge its defeat.

Mr. LEWIS of California. Mr. Speaker, will the gentleman yield?

Mr. LONG of Maryland. I yield to the gentleman from California.

Mr. LEWIS of California. Mr. Speaker, I was not sure I heard the gentleman correctly. I do serve as a member of the gentleman's subcommittee, but I thought perhaps I had been absent sometime. Is the gentleman telling me that our subcommittee has never had even the opportunity to have a hearing on this major appropriation?

Mr. LONG of Maryland. Absolutely none.

Mr. LEWIS of California. Well, that is incredible. How can the Appropriations Committee do that to themselves?

Mr. LONG of Maryland. I could not agree with the gentleman more.

Mr. LEWIS of California. Mr. Speaker, I would like to associate myself with my chairman's remarks, and I agree with his position.

Mr. TRAXLER. Mr. Speaker, will the gentleman yield?

Mr. LONG of Maryland. I yield to the gentleman from Michigan.

Mr. TRAXLER. Mr. Speaker, I want to join the distinguished gentleman in his statement. I wish to speak and address myself to those Members of the House who serve on the authorizing committees and who come to the members of the Appropriations Committee and say, "Why is it that you always accept those Senate amendments which we have never had an opportunity to consider and discuss on the floor of this House? You fellows on the Appropriations Committee are nasty for doing that."

Now, the chairman of the full Appropriations Committee has brought this matter back in disagreement. His recommendation is that you not accept it. The chairman of the subcommittee has recommended that you not accept it. We implore you fellows on the authorizing committee, please be consistent, please stand with the Appropriations Committee, please do not appropriate $8.5 billion before you have one line of authorization, even though they are trying to sneak it through on the basis that you do not spend it unless we get an authorization.

Mr. McKINNEY. Mr. Speaker, will the gentlman yield?

Mr LONG of Maryland. I yield to the gentleman from Connecticut.

Mr. McKINNEY. Mr. Speaker, I would just like to ask the gentleman who has just spoken: As ranking member of the Housing Authorization Committee, how much concern was paid to the attention that you came in and appropriated money for housing and never even consulted with us who were authorizing one of the most complicated Federal programs in the United States of America?

Mr. TRAXLER. Mr. Speaker, will the distinguished gentleman yield?

Mr. LONG of Maryland. I yield to the gentleman from Michigan.

Mr. TRAXLER. As a member of the subcommittee which handles that matter, let me say to the gentleman that we are anxious for you to put a housing bill on this floor. And what year was it you last did that?

Mr. McKINNEY. We have one, I will say to the gentleman, and we voted for it, and it passed. But you bothered to go ahead of us without consulting with my chairman, who is standing, and I will now let the gentleman from Rhode Island (Mr. ST GERMAIN) take over.

Mr. TRAXLER. Mr. Speaker, if the gentleman will further yield, the point is that that is the first housing bill we have had in some time. In the absence of the appropriation, you would have not have had any money for housing.

I thank the gentleman for yielding.

Mr. LONG of Maryland. Mr. Speaker, let me say that if we were to pass this thing, we would be in a very weak position, and I think the authorizing committee would be in a very weak position when they come to us in the future and say, "Please do not pass an appropriation because there is no authorization."

Mr. WHITTEN. Mr. Speaker, I yield 2 minutes to the gentleman from Connecticut (Mr. MORRISON).

Mr. MORRISON of Connecticut. I thank the gentleman for yielding.

Mr. Speaker, I am sorry that I have to disagree with my friend and chairman, the gentleman from Rhode Island, and my friend, the gentleman from Connecticut. Two wrongs do not make a right. It is true that the fiscal year 1984 housing appropriations bill was taken up and approved by this body and the Congress before the housing authorization bill was even considered by the House. However, that does not justify moving an appropriation for IMF before the IMF authorization is passed.

I think the IMF is very important. I am a supporter of efforts to authorize and appropriate increased funds for the IMF, especially given the amendment we adopted today to greatly strengthen controls on lending practices. But I think we ought to follow the proper procedure and pass the IMF authorization bill in the House, and it ought to be passed by the Senate before we move ahead to appropriate funds.

Mr. CONTE. Mr. Speaker, I have some further requests for time, but let me say this, in regard to the gentleman from Michigan (Mr. TRAXLER). The gentleman from Connecticut (Mr. McKINNEY) was absolutely right. The

housing bill came out of the committee of the gentleman from Michigan (Mr. TRAXLER), and he was up here speaking for it. There was no authorization bill.

Just a few minutes ago the gentleman voted for PIK. There is no authorization bill.

It all depends on whose pocket is being PIKed, let us be fair about it.

Mr. FRENZEL. Mr. Speaker, will the gentleman yield?

Mr. CONTE. I yield to my good friend, the gentleman from Minnesota.

Mr. FRENZEL. I thank the gentleman for yielding.

Mr. Speaker, when this bill came to the floor, the rule contained 20 separate waivers for rules for legislating on an appropriations bill.

When in heaven's name did we suddenly get legitimate around here? The committee has lined off waivers. No one even worried about unauthorized spending here.

I urge support for the Conte motion. Our votes this noon indicated preliminary support for the IMF funding. We should endorse it now.

Mr. CONTE. Mr. Speaker, I yield 5 minutes to my good friend, the gentleman from New York (Mr. KEMP).

Mr. KEMP. I appreciate my colleague yielding.

Mr. Speaker, I am sorry that the debate is deteriorating into a struggle over turf between the authorizing and the appropriation process for there are substantial issues at stake. Despite the comments of my good friend from Minnesota, many Members of the minority as well as several in the majority had legitimate and thoughtful amendments to offer and ideas to contribute in this debate. These Members felt very much aggrieved this morning when, within 5 minutes of convening of the House, the majority moved to shut off debate with unanimous consent. I think it was a tragic mistake to shut off debate and preclude many thoughtful contributions to our deliberations. It would have been far easier, far more responsible, far more fitting in the tradition of this great House to have allowed the debate to have taken place, and I think we could have come to an orderly resolution and everybody could have had their say and made their contribution. I cannot understand why Members of the Republican Party would vote to limit those of us who deeply care about this administration, our President and the world economy.

Second—and I want to make the point again—on behalf of those who are opposed to the appropriation, we are not against the IMF, we are not against an orderly and open trading system, we are not opposed to exports. We simply believe that if you are for growth and against austerity as the gentleman from Louisiana pointed out this morning, you might very well have some opposition to an amendment to a bill which funds programs that literally impose upon other countries of the world no-growth policies for a number of years.

The one thing upon which we all agree—and I tried to mention this this morning and then lost my time because of the debate limitation—is that all of us for the first time in a long time in this body agree that what the world needs the most right now is an expansion of the world and U.S. economy.

□ 1450

That would do more to help Mexico and Brazil and Third World countries than any transfer of resources or any subsidized lending. The chairman of the committee, Dr. LONG, at least my subcommittee, has been working long and hard to promote policies of development and growth, and we take a back seat to no one. We supported the IDA compromise, we supported the Caribbean Basin Institative, we supported foreign assistance, and support all efforts to encourage economic development. We support policies that would lead toward economic growth in the belief that social and political progress toward democracy, justice, and freedom is inextricably, linked to hope, opportunity, and prosperity.

I just wanted to slow the debate down a little bit and simply say this to my colleagues: This IMF bill has not been authorized yet and I understand the movement and impatience on both sides of the issue, I understand why there is pressure to get it through, why they would like to make sure that this is resolved before 3 o'clock this afternoon.

But please, please, give the benefit of the doubt to those of us who have sincere doubts about the systemic problems in world trade climate and world monetary system. It is falling apart not because of the lack of money in the IMF but because there has been introduced into the world trade system a sence of anarchy that has not yet been dealt with, and that is the floating exchange rates and the breakdown in international monetary stability. Countries are using their currencies to gain short-term trade advantages against other countries in order to boost exports and it is causing poison throughout the world.

Those systemic problems have not yet been dealt with, and those of us who are opposed to the IMF are not opposed to an open trade system or liberalizing the world trade system. We are opposed to the idea that we should impose upon Third World countries austerity and zero sum solutions that will only lead to further problems in the future.

Mr. DICKS. Mr. Speaker, will the gentleman yield?

Mr. KEMP. I am glad to yield to my friend, the gentleman from Washington.

Mr. DICKS. I thank the gentleman for yielding.

Mr. Speaker, the gentleman from New York, as usual, has made a very intelligent statement on a very difficult subject, but let me ask him, as the ranking member of this subcommittee: As I understand this amendment, it is contingent upon an authorization bill being enacted, so what we are doing here is appropriating the money, but we are saying it cannot be spent until there is an authorization bill enacted.

That, I think, gives us the safeguard that we need. It seems to me that we are wasting a lot of time when we should be moving ahead and getting this done, and then we go back to the authorization bill. Am I right on this subject?

Mr. LONG of Maryland. Mr. Speaker, will the gentleman yield?

Mr. KEMP. I yield to the chairman of the subcommittee, the gentleman from Maryland.

Mr. LONG of Maryland. I thank the gentleman for yielding.

The gentleman well knows that the key is not whether we get an authorization, but what kind of an authorization we get. There are a tremendous number of factors here.

Mr. DICKS. That is something the House will decide.

Mr. LONG of Maryland. Exactly, but if you only consider an authorization, they can come in with an authorization which would be totally the wrong kind. We have a right to pass on this in Appropriations.

Mr. KEMP. I only have a couple seconds left, because the gentleman from Massachusetts was gracious in giving me the 5 minutes I could not get this morning.

Mr. Speaker, I just want to say that I understand the forces at work. I hope the House will join some of us, the gentleman from Louisiana and others, in moving toward true reform, stabilizing exchange rates and pushing through an international monetary system such as we had under Bretton Woods, to encourage world growth. I know the President believes in these goals and I think he should be further encouraged by the Congress.

Mr. WHITTEN. Mr. Speaker, I yield 2 minutes to the gentleman from Rhode Island (Mr. ST GERMAIN).

Mr. ST GERMAIN. I thank the distinguished chairman for yielding this time to me.

Mr. Speaker, I must say that I, too, was amused, and I am sorry the gentleman from Michigan (Mr. TRAXLER) has absented himself, but for him to get up and give the remarks he gave as a member of the HUD subcommittee that handles housing as well—there he is—is absolutely unbelievable. You

rolled us so badly that it was not funny.

In this instance, as of 1 o'clock or 1:15 today, we have disposed of the major amendments to the IMF legislation. I had written the chairman of the Committee on Appropriations, as well as the subcommittee, asking that we hold off any action on IMF appropriations. However, in view of the actions of the House, we have a number of amendments pending, it is true, but those are for the most part very minor amendments. The major amendments to that legislation have been disposed of.

The substitute was adopted by an overwhelming vote and we are indeed on the right track. It is important legislation. We want to conclude it, but we cannot conclude it. Even if the authorizing committee were to conclude it, we still have to have the appropriation.

One further thought. You are going to have two more shots at this legislation, final passage by the authorizing committee, hopefully next week, then once the conference has concluded its actions, we will have to come back to you from the conference committee with the legislation.

We have had hearings like have never been held before on IMF. We do not want to delay it any longer. I plead with those on the minority side to understand that we have worked very closely with the administration on this, and you should be supporting the administration.

To those on the majority side, as chairman of an authorizing committee, I do not like to ask that the procedures be rolled over, but in this instance, at least we are 90 percent complete with the authorizing legislation.

The SPEAKER pro tempore. The time of the gentleman from Rhode Island (Mr. ST GERMAIN) has expired.

Mr. CONTE. I yield 2 additional minutes to the gentleman from Rhode Island.

Mr. ST GERMAIN. I want to say this: Contrary to what happened to the authorizing committee on the housing legislation, which incidently passed this House, in this instance we are asking for cooperation from the Committee on Appropriations in accepting this particular amendment so we can conclude the authorizing next week and go forward.

Mr. DICKS. Mr. Speaker, will the gentleman yield just briefly?

Mr. ST GERMAIN. I yield to the gentleman from Washington.

Mr. DICKS. I thank the gentleman for yielding.

The gentleman's understanding is that none of this money can be spent until your authorization bill is passed.

Mr. ST GERMAIN. That is correct. That is why I say you have two more shots at it, final passage here and the return of the conference report.

Mr. CONTE. Mr. Speaker, will the gentleman yield?

Mr. ST GERMAIN. I yield to the gentleman from Massachusetts.

Mr. CONTE. I thank the gentleman for yielding.

Mr. Speaker, I want to first of all commend the gentleman from Rhode Island. He has had a very, very difficult task with this particular bill and he has handled it well. He has steered it through here.

As the gentleman said, some of the major issues were passed here today on rollcall votes. The gentleman from Maryland keeps on saying, "Yes, but there may be other amendments." If other amendments come along, they will govern if they become law. This will not be an infringement on any then that become law.

Second, let me say this: This bill was acted upon in the House on May 25. We came out of the conference, I think it was, July 20. We have been waiting here, the chairman and I have been waiting every day to have the IMF bill passed. It is not our fault. We have been very patient. We have been very, very deliberative on this issue here. We have never wanted to infringe upon your committee. Now we have total agreement between the chairman of the Committee on Banking and Currency, the chairman and the ranking Republican on the Committee on Appropriations, and some outsiders are coming in here and saying that we should not do this.

Mr. ST GERMAIN. If I may reclaim my time for half a second—I want to vote, too. I wanted to vote on IMF's final passage last week. We did not get around to it.

I want to thank the chairman of the Committee on Appropriations, as well as the members of the Committee on Appropriations, and the subcommittee chairman and ranking minority on that subcommittee for their patience. Yes, indeed. You waited around. You held it off. We have for the most part completed the legislation, and for that we are grateful.

Now I say, let us go forward.

Mr. WHITTEN. Mr. Speaker, I yield 3 minutes to the gentleman from North Carolina (Mr. NEAL).

Mr. NEAL. I thank the gentleman for yielding this time to me.

Mr. Speaker, let me just make one other point, if I may. That is that because we brought up the authorizing legislation today, the eyes of the world are upon us.

It was not our choice that this amendment be in disagreement. It would have been better, possibly, if we had not had to vote on this, but I would just like to say now that a vote is required; that is very important in this context of the IMF and for our own future in the world economy to follow the advice of this motion and approve funding for this bill.

□ 1500

Mr. ROEMER. Mr. Speaker, will the gentleman yield for one question?

Mr. NEAL. I yield for one question.

Mr. ROEMER. Mr. Speaker, we were told this morning in discussing the IMF bill that the compromise that the chairman of our committee worked so hard on and so well on lowered the amount of the authorization from $8.4 billion to I think $5.8 billion, taking the GAB $2.6 billion out of the bill; but yet this appropriation has $8.4 billion in it.

Mr. NEAL. Yes.

Mr. ROEMER. While the bill we amended this morning now only has $5.8 billion. Not only do we have appropriations before authorizations, we have numbers that do not even match.

Mr. NEAL. Let me respond to the gentleman.

Mr. ROEMER. Please.

Mr. NEAL. The authorizing legislation prevails. This motion says that these funds are available for obligation only upon enactment of authorizing legislation. The authorizing legislation lays down very clearly the conditions under which this money can be used, so the gentleman can rest assured that the authorizing legislation controls.

Mr. WHITTEN. Mr. Speaker, I yield 2 minutes to the gentleman from Maryland (Mr. LONG).

Mr. LONG of Maryland. Mr. Speaker, let me point out, to pass this motion at this time would make a mockery not only of the authorization process, but of the appropriation process.

We have had no authorization. We have had no hearings. We are asked to add an appropriation 17 times the size of the existing foreign operations chapter of the supplemental, $8½ billion to be added to the half a billion already in this chapter. I think if we do this, we will go down as one of the most irresponsible bodies this world has ever seen.

Mr. CONTE. Mr. Speaker, I yield 2 minutes to the gentleman from Indiana (Mr. BURTON).

Mr. BURTON of Indiana. Mr. Chairman, I think it is inappropriate to pass an appropriation bill before you pass the authorization bill, because some of us might change our minds when we hear the rest of the amendments.

You know, I have heard that the major amendments to the authorization bill have been decided.

Well, some of us think our amendments are major. The gentleman from Indiana (Mr. JACOBS) has an amendment that I think is very important on the other side of the aisle.

His amendment points out that 20 percent of the employees of the IMF are making more than $100,000 a year, and with fringe benefits some of them are making about $154,000 a year.

They are getting 5-percent mortgage loans for homes in Washington, D.C.—5 percent. Can you believe that, when other Americans must pay 12 percent, 13 percent, 14 percent, and more.

Mr. JACOBS' amendment affects that problem. I submit that amendment might change some people's minds toward the IMF.

I have an amendment which would help American businessmen. Right now, Communist and Third World countries are getting loans at interest rates 6 percent, 7 percent, and 8 percent below what small businessmen in this country can get. Why should Communist and Third World countries get that kind of break when American businessmen cannot. I think we ought to address those amendments before we go to an appropriations bill.

Mr. CONTE. Mr. speaker, I have requests for other speakers, but I think the time has come for a vote right here, and I yield back the balance of my time.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the preferential motion.

There was no objection.

The SPEAKER pro tempore. The question is on the preferential motion offered by the gentleman from Massachusetts (Mr. CONTE).

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. CONTE. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 165, nays 213, not voting 55, as follows:

[Roll No. 294]

YEAS—165

Ackerman	Coleman (TX)	Glickman
Alexander	Conable	Goodling
Andrews (NC)	Conte	Gore
Andrews (TX)	Conyers	Green
Anthony	Coughlin	Guarini
AuCoin	Coyne	Hamilton
Barnes	Derrick	Hawkins
Bartlett	Dickinson	Hillis
Bateman	Dicks	Howard
Bedell	Dingell	Hoyer
Beilenson	Dwyer	Hubbard
Bereuter	Edgar	Ireland
Berman	Edwards (AL)	Jeffords
Biaggi	Edwards (CA)	Johnson
Boggs	Erlenborn	Jones (NC)
Boland	Evans (IA)	Kennelly
Bonior	Fascell	Kildee
Bonker	Fazio	Kogovsek
Boucher	Fish	Kostmayer
Boxer	Foglietta	Lagomarsino
Britt	Ford (TN)	Latta
Burton (CA)	Forsythe	Leach
Carper	Fowler	Lehman (CA)
Chandler	Frenzel	Leland
Chappell	Gaydos	Levine
Cheney	Gejdenson	Livingston
Clarke	Gekas	Long (LA)
Clinger	Gibbons	Lowery (CA)
Coelho	Gilman	Lundine
Markey	Pepper	Spratt
Martin (NC)	Porter	St Germain
Martin (NY)	Price	Stangeland
Martinez	Pritchard	Stratton
Matsui	Pursell	Studds
Mavroules	Rangel	Tauke
McCandless	Ratchford	Thomas (CA)
McHugh	Regula	Torres
McKernan	Rodino	Torricelli
McKinney	Roe	Towns
McNulty	Rose	Udall
Michel	Rostenkowski	Vento
Mineta	Roukema	Waxman
Moakley	Roybal	Weiss
Molinari	Sabo	Whitehurst
Moody	Sawyer	Williams (MT)
Morrison (WA)	Schaefer	Wilson
Murtha	Scheuer	Wirth
Neal	Schumer	Wolf
O'Brien	Seiberling	Wolpe
Oakar	Shannon	Wortley
Ottinger	Sikorski	Wylie
Oxley	Sisisky	Yates
Panetta	Smith (NJ)	Young (MO)
Patterson	Snowe	Zablocki
Pease	Solarz	Zschau

NAYS—213

Akaka	Gunderson	Oberstar
Albosta	Hall (IN)	Obey
Anderson	Hall (OH)	Olin
Applegate	Hall, Ralph	Ortiz
Archer	Hall, Sam	Owens
Bates	Hammerschmidt	Packard
Bennett	Hance	Parris
Bethune	Hansen (ID)	Pashayan
Bevill	Hansen (UT)	Patman
Bilirakis	Harrison	Paul
Bliley	Hefner	Penny
Boner	Hertel	Perkins
Borski	Hightower	Petri
Bosco	Hiler	Rahall
Breaux	Hopkins	Ray
Brooks	Hughes	Reid
Broomfield	Hunter	Richardson
Brown (CA)	Hyde	Ridge
Brown (CO)	Jacobs	Rinaldo
Broyhill	Jones (OK)	Ritter
Burton (IN)	Kaptur	Roberts
Byron	Kasich	Robinson
Campbell	Kastenmeier	Roemer
Carney	Kazen	Rogers
Clay	Kemp	Roth
Coats	Kindness	Rowland
Coleman (MO)	Kolter	Rudd
Collins	Lantos	Russo
Corcoran	Lehman (FL)	Savage
Courter	Levin	Sensenbrenner
Craig	Levitas	Sharp
Crane, Daniel	Lewis (CA)	Shaw
Crockett	Lewis (FL)	Shelby
D'Amours	Lipinski	Shuster
Daniel	Lloyd	Siljander
Daschle	Loeffler	Skeen
Daub	Long (MD)	Skelton
Davis	Lowry (WA)	Slattery
de la Garza	Lujan	Smith (FL)
DeWine	Luken	Smith (IA)
Dixon	Lungren	Smith (NE)
Donnelly	Mack	Smith, Denny
Downey	Marlenee	Smith, Robert
Dreier	Marriott	Snyder
Duncan	Martin (IL)	Solomon
Durbin	Mazzoli	Spence
Dymally	McCain	Staggers
Dyson	McCloskey	Stark
Early	McCollum	Stenholm
Eckart	McCurdy	Stokes
Edwards (OK)	McDonald	Stump
Emerson	McEwen	Sundquist
English	McGrath	Swift
Evans (IL)	Mikulski	Synar
Feighan	Miller (CA)	Tallon
Ferraro	Miller (OH)	Tauzin
Fiedler	Minish	Thomas (GA)
Fields	Mitchell	Traxler
Flippo	Mollohan	Valentine
Florio	Montgomery	Vander Jagt
Ford (MI)	Moore	Vandergriff
Frank	Moorhead	Volkmer
Gingrich	Morrison (CT)	Vucanovich
Gonzalez	Mrazek	Walgren
Gradison	Murphy	Walker
Gramm	Natcher	Watkins
Gray	Nielson	Weaver
Weber	Whitten	Wyden
Wheat	Williams (OH)	Yatron
Whitley	Winn	Young (AK)
Whittaker	Wise	Young (FL)

NOT VOTING—55

Addabbo	Fuqua	MacKay
Annunzio	Garcia	Madigan
Aspin	Gephardt	McDade
Badham	Gregg	Mica
Barnard	Harkin	Myers
Boehlert	Hartnett	Nelson
Bryant	Hatcher	Nichols
Carr	Heftel	Nowak
Chappie	Holt	Pickle
Cooper	Horton	Quillen
Crane, Philip	Huckaby	Schneider
Dannemeyer	Hutto	Schroeder
Dellums	Jenkins	Schulze
Dorgan	Jones (TN)	Shumway
Dowdy	Kramer	Simon
Erdreich	LaFalce	Taylor
Foley	Leath	Wright
Franklin	Lent	
Frost	Lott	

□ 1520

The Clerk announced the following pairs:

On this vote:

Mr. Addabbo for, with Mr. Nichols against.

Mr. Cooper for, with Mr. Erdreich against.

Mr. Hatcher for, with Mr. Dorgan against.

Mr. MacKay for, with Mr. Annunzio against.

Mr. Frost for, with Mr. Fuqua against.

Mr. Boehlert for, with Mr. Lott against.

Mr. Horton for, with Mr. Taylor against.

Mr. McDade for, with Mr. Dannemeyer against.

Mr. Garcia for, with Mr. Franklin against.

Mr. STOKES changed his vote from "yea" to "nay."

Messrs. FORSYTHE, JONES of North Carolina, McHUGH, GLICKMAN, GUARINI, and YATES changed their votes from "nay" to "yea."

So the preferential motion was rejected.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi (Mr. WHITTEN).

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

Senate amendment No. 66 reads as follows:

Senate amendment No. 66: Page 22, lines 22 and 23, strike out "for payment to the International Atomic Energy Agency, $4,500,000" and insert "$22,186,000, of which $4,500,000 is available only for payment to the International Atomic Energy Agency, $16,000,000 is available only for payment to the International Fund for Agricultural Development, and $1,686,000 is available only for payment to the Expanded Program on Immunization Revolving Fund of the Pan American Health Organization.".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 66 and concur therein with an amendment, as follows: In lieu of

the matter stricken and inserted by said amendment, insert the following: "$20,500,000, of which $4,500,000 is available only for payment to the International Atomic Energy Agency and $16,000,000 is available only for payment to the International Fund for Agricultural Development.".

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Mr. WHITTEN (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi (Mr. WHITTEN).

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

Senate amendment No. 69 reads as follows:

Senate amendment No. 69: Page 23, after line 15, insert:

OVERSEAS PRIVATE INVESTMENT CORPORATION

The Overseas Private Investment Corporation is authorized to make such expenditures within the limits of funds available to it and in accordance with law (including not to exceed $30,000 for official reception and representation expenses), and to make such contracts and commitments without regard to fiscal year limitation, as provided by section 104 of the Government Corporation Control Act (31 U.S.C. 9104), as may be necessary in carrying out the program set forth in the budget for fiscal year 1983.

During fiscal year 1983 and within the resources and authority available, gross obligations for the amount of direct loans for the Direct Investment Fund shall not exceed $15,000,000.

During the fiscal year 1983, total commitments to guarantee loans shall not exceed $120,000,000 of contingent liability for loan principal.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 69 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

OVERSEAS PRIVATE INVESTMENT CORPORATION

The Overseas Private Investment Corporation is authorized to make such expenditure within the limits of funds available to it and in accordance with law (including not to exceed $30,000 for official reception and representation expenses), and to make such contracts and commitments without regard to fiscal year limitations, as provided by section 104 of the Government Corporation Control Act (31 U.S.C. 9104), as may be necessary in carrying out the program set forth in the budget for fiscal year 1983.

The managers on the part of the Senate will move to recede and concur in the amendment of the House to the amendment of the Senate.

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi (Mr. WHITTEN).

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

Senate amendment No. 70 reads as follows:

Senate amendment No. 70: Page 23, strike out lines 16 to 24, inclusive.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 70 and concur therein with an amendment, as follows: In lieu of the matter stricken by said amendment, insert the following:

DEPARTMENT OF STATE

MIGRATION AND REFUGEE ASSISTANCE

For an additional amount for "International disaster assistance", $15,000,000, to remain available until September 30, 1984, which shall be derived by transfer from "Migration and Refugee Assistance": *Provided*, That this sum shall be available only for resettlement services and facilities for refugees and displaced persons in Africa.

For an additional amount for the "Economic Support Fund", $5,000,000, to remain available until September 30, 1984, which shall be derived by transfer from "Migration and Refugee Assistance": *Provided*, That this sum shall be available only for assistance to combat piracy in the Gulf of Thailand.

The managers on the part of the Senate will offer a motion to concur in the amendment of the House to the amendment of the Senate.

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi (Mr. WHITTEN).

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

Senate amendment No. 74 reads as follows:

Senate amendment No. 74: Page 24, after line 22, insert:

Funds in this chapter may be made available for obligation only upon enactment of authorizing legislation. Funds in this chapter shall remain available until expended.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 74 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

Notwithstanding section 10 of Public Law 91-672 funds in this chapter may not be obligated until the enactment of authorizing legislation or until September 30, 1983, whichever comes first.

The managers on the part of the Senate will offer a motion to concur in the amendment of the House to the amendment of the Senate.

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi (Mr. WHITTEN).

The motion was agreed to.

The SPEAKER pro tempore. For what purpose does the gentleman from Wisconsin (Mr. ZABLOCKI) rise?

Mr. ZABLOCKI. Mr. Speaker, is this 74, the amendment before the House, amendment 74?

The SPEAKER pro tempore. That amendment has just been agreed to. Is the gentleman seeking recognition on that?

Mr. ZABLOCKI. I am seeking recognition.

The SPEAKER pro tempore. Without objection the proceedings will be vacated.

There was no objection.

The SPEAKER pro tempore. The gentleman from Mississippi is recognized for 30 minutes.

Mr. WHITTEN. Mr. Speaker, I yield such time as he may consume to the gentleman from Wisconsin.

Mr. ZABLOCKI. Mr. Speaker, I rise in support of the pending motion. I had intended to offer a preferential motion at this point in order to require that the supplemental funds for foreign assistance in this bill could not be obligated until an authorization is enacted.

However, in order to expedite passage of this important appropriation bill, the gentleman from Maryland, the subcommittee chairman, Mr. LONG, and Chairman WHITTEN have agreed to amend the motion so as to extend the deadline for authorization action from September 15 to September 30, 1983.

When the conferees agreed to the September 15 deadline on the authorization, it appeared that the authorization bill was not moving expeditiously

in the House because of the legislative veto provisions which were included in the bill prior to the recent Supreme Court decision. Since the conferees met, however, the situation has changed. The Foreign Affairs Committee has resolved the legislative veto problem in the bill and the Rules Committee will meet to grant a rule on the authorization next Tuesday, August 2, so that it can be moved expeditiously. The Senate has also placed its version on the authorization on its floor schedule.

It is my understanding that, in the event that the authorization bill is not enacted by September 30, 1983, the gentleman from Maryland would consider extending the September 30 deadline in the continuing resolution if the authorization is making progress toward enactment. Is that the intention of the gentleman from Maryland?

Mr. LONG of Maryland. Mr. Speaker, if the gentleman would yield, this amendment provides that funds in the bill shall be available for obligation only upon enactment of authorization or September 30, 1983, whichever comes first.

This is a change in the original amendment from September 15 to September 30. The change has been made in order to accommodate a request from the authorizing committee headed by the gentleman from Wisconsin (Mr. ZABLOCKI). It has been cleared with the minority and the Senate.

The effect of this change will be to allow the authorizing committee 2 additional weeks to pass its authorization.

I appreciate Chairman WHITTEN's assistance in this matter.

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that the motion be amended as suggested by the gentleman from Wisconsin (Mr. ZABLOCKI).

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi (Mr. WHITTEN).

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

Senate amendment No. 75 reads as follows:

Senate amendment No. 75: Page 25, line 18, after "17)" insert ": *Provided*, That notwithstanding the above the Department shall carry out the budget program in accordance with the following under this heading: (A) the budget program set forth in the first proviso under the heading Annual Contributions for Assisted Housing (Disapproval of Deferral) in Public Law 98-8 (97 Stat. 13, 16, 17) is hereby amended to provide for assistance under section 5 of the United States Housing Act of 1937, as amended (42 U.S.C. 1437c), for additional section 8 housing of up to six thousand units under loan management, up to seven thousand units under property disposition, and up to nine hundred new or substantial rehabilitation units to be made available to satisfy an existing consent decree, settlement agreement, and set-aside pursuant to court order, respectively, in litigation in which the Department of Housing and Urban Development is a party; for up to one hundred additional public housing units for conversions from assistance under section 23 of such Act as it existed immediately before enactment of Public Law 93-383 (88 Stat. 633); and for amendments, $24,500,000 of contract authority and $245,000,000 of budget authority for existing units; (B) that the Secretary of Housing and Urban Development is authorized to deviate from the values set forth in such budget program and to adjust such values, other than the totals of contract authority and budget authority set forth in Public Law 98-8 (97 Stat. 13, 17), as may be necessary to reflect the foregoing amendment; and (C) that notwithstanding the limitation on the use of recaptured budget authority in the third proviso under this heading in Public Law 97-377 (96 Stat. 1830, 1907), the Secretary of Housing and Urban Development shall have the authority to use such recaptured budget authority to the extent necessary to provide the additional section 8 units under loan management and the additional public housing units reflected by the foregoing amendment".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 75 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following: ": *Provided*, That in addition to the above, the budget program set forth in the first proviso under the heading Annual Contributions for Assisted Housing (Disapproval of Deferral) in Public Law 98-8 (97 Stat. 13, 16, 17) is hereby amended to provide for assistance under section 5 of the United States Housing Act of 1937, as amended (42 U.S.C. 1437c), for additional section 8 housing of up to six thousand units under loan management, up to seven thousand units under property disposition, and up to nine hundred new or substantial rehabilitation units to be made available to satisfy an existing consent decree, settlement agreement, and set-aside pursuant to court order, respectively, in litigation in which the Department of Housing and Urban Development is a party; for up to one hundred additional public housing units for conversions from assistance under section 23 of such Act as it existed immediately before enactment of Public Law 93-383 (88 Stat. 633); and for amendments, $24,500,000 of contract authority and $245,000,000 of budget authority for existing units: *Provided further*, That such budget program is hereby amended further to reduce the budget authority to be made available for interest rate adjustments by $340,000,000, section 23 conversions by $63,450,000, public housing amendments by $62,000,000, and amendments for section 8 new construction/substantial rehabilitation by $198,000,000, and the budget authority made available by the foregoing reductions shall be used for the purposes and up to the amounts set forth in the immediately preceding proviso: *Provided further*, That notwithstanding the limitation on the use of recaptured budget authority in the third proviso under this heading in Public Law 97-377 (96 Stat. 1830, 1907), any budget authority authorized by such section 5 which is recaptured in fiscal year 1983 and exceeds $2,400,000,000 shall also, with the amounts of budget authority which become available as a result of the reductions set forth in the preceding proviso, be made available to satisfy the budget authority requirements of the amendments to such budget program set forth in the first proviso hereof, and such recaptured amounts exceeding the amount of the budget authority necessary to satisfy the requirements of such first proviso shall then be used in accordance with the third proviso under this heading in Public Law 97-377 (96 Stat. 1830, 1907)".

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi (Mr. WHITTEN).

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

Senate amendment No. 83 reads as follows:

Senate amendment No. 83: Page 29, line 16, strike out "$6,800,000" and insert "$11,128,400".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 83 and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment, insert the following: "$9,000,000, of which $2,000,000 shall be transferred to "Reaserch and development" to remain available until September 30, 1984 and shall only be used for establishing a center for hazardous waste management".

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi (Mr. WHITTEN).

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

Senate amendment No. 84 reads as follows:

Senate amendment No. 84: Page 29, after line 22, insert:

CONSUMER INFORMATION CENTER

Notwithstanding any other provisions of law, there is hereby established in the Treasury of the United States a Consumer Information Center Fund, General Services Administration, for the purpose of disseminating Federal Government consumer information to the public and for other related purposes. There shall be deposited into the fund for fiscal year 1983 and subsequent fiscal years: (A) Annual appropriations from the general funds of the Treasury for Consumer Information Center activities; (B) User fees from the public; (C) Reimbursements from other Federal agencies for costs of distributing their publications; and (D) Any other income incident to Consumer Information Center activities. Moneys deposited into the fund shall be available for expenditure for Consumer Information Center activities in such aggregate amounts as are specified in annual appropriations Acts. Any unobligated balances at the end of a fiscal year shall remain in the fund and shall be available for authorization in appropriation Acts for subsequent fiscal years. This fund shall assume all the liabilities, obligations, and commitments of the said Salaries and Expenses, Consumer Information Center account. The revenues and collections deposited into the fund shall be available for necessary expenses of Consumer Information Center activities in the aggregate amount of $6,797,000 during fiscal year 1983: *Provided*, That revenues and collections accruing to this fund during fiscal year 1983 in excess of $6,797,000 shall remain in the fund and shall not be available for expenditure except as authorized in appropriation Acts.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 84 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

CONSUMER INFORMATION CENTER FUND

Notwithstanding any other provision of law, there is hereby established in the Treasury of the United States a Consumer Information Center Fund, General Services Administration, for the purpose of disseminating Federal Government consumer information to the public and for other related purposes. There shall be deposited into the fund for fiscal year 1983 and subsequent fiscal years: (A) Appropriations from the general funds of the Treasury for Consumer Information Center activities; (B) User fees from the public; (C) Reimbursements from other Federal agencies for costs of distributing publications; and (D) Any other income incident to Consumer Information Center activities. Moneys deposited into the fund shall be available for expenditure for Consumer Information Center activities in such amounts as are specified in appropriation Acts. Any unobligated balances at the end of the fiscal year shall remain in the fund and shall be available for authorization in appropriation Acts for subsequent fiscal years. This fund shall assume all the liabilities, obligations, and commitments of the said Consumer Information Center account. The revenues and collections deposited into the fund shall be available for necessary expenses of Consumer Information Center activities in the amount of $5,415,000 during fiscal year 1983. Administrative expenses of the Consumer Information Center in fiscal year 1983 shall not exceed $1,382,000. For the purposes of the fund, administrative expenses shall be defined as those expenses previously paid from appropriations to the Consumer Information Center. Revenues and collections accruing to this fund during fiscal year 1983 in excess of $6,797,000 shall remain in the fund and shall not be available for expenditure except as authorized in appropriation Acts. The Department of Housing and Urban Development-Independent Agencies Appropriation Act, 1984 (Public Law 98-45), is hereby amended by deleting "other than administrative expenses" from the first proviso under the heading "General Services Administration, Consumer Information Center".

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi (Mr. WHITTEN).

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

Senate amendment No. 85 reads as follows:

Senate amendment No. 85: Page 30, after line 7, insert:

GENERAL PROVISIONS

SECTION 1. (a) Subject to valid existing rights, administration of the following described lands is hereby transferred to the Veterans Administration for use as an addition to the Sitka National Cemetery: That tract of unimproved land lying easterly of existing structures which is a portion of the lands described in Public Land Order numbered 1707 of August 6, 1958, provided that the actual description of the lands to be administered by the Veterans Administration shall be determined by a survey made and approved by the Secretary of the Interior, after consultation with the Secretary of Agriculture. The actual description shall be published in the Federal Register by the Secretary of the Interior as a Public Land Order.

(b) The lands described in subsection (a) of this section are a portion of the lands reserved by Executive Order numbered 8854 of August 16, 1941, for use of the United States Coast and Geodetic Survey as a magnetic and seismological observatory site. Subsequently, a portion of the lands described in Executive Order numbered 8854 was transferred by Public Land Order numbered 1707 of August 6, 1958, to the jurisdiction of the Forest Service, Department of Agriculture for use as an administrative site in connection with the administration of the Tongass National Forest. Lands described in subsection (a) of this section are hereby deleted from Executive Order numbered 8854 and Public Land numbered 1707.

SEC. 2. (a) Subject to valid existing rights and the provisions of subsections (c) and (d) of this section, administration of the following described public lands is hereby transferred to the Veterans Administration for use as an addition to the Sitka National Cemetery: That tract of land lying southerly of existing structures which is a portion of the lands described as tract numbered 2 of Presidential Proclamation 2965 of February 25, 1952, provided that the actual description of the lands to be administered by the Veterans Administration shall be determined by a survey made and approved by the Secretary of the Interior. The actual description shall be published in the Federal Register as a Public Land Order.

(b) The lands described in subsection (a) of this section are a portion of the lands described as tract numbered 2 which was reserved by Presidential Proclamation 2965 on February 25, 1952, as an administrative site for the Sitka National Monument. Lands described in subsection (a) of this section are hereby deleted from Presidential Proclamation 2965.

(c) A right-of-way for a road across the lands described in subsection (a) of this section to the residence located on the lands described in section 3 of this Act shall be provided and maintained by the Veterans Administration.

(d) In the event that the Administrator of the Veterans Administration determines that all or any part of the lands described in subsection (a) of this section are no longer needed for National Cemetery purposes, those lands no longer needed shall be returned to the jurisdiction of the Secretary of the Interior.

SEC. 3. Tract numbered 2 of Presidential Proclamation 2965 is hereby modified to include the following described lands: That tract of land containing the existing structures which is all the remaining portion of the lands described as tract numbered 2 of Presidential Proclamation 2965 of February 25, 1952, not transferred by subsection 2(a) of this Act, and lands lying northerly of the existing structures to the southerly boundary line of Public Land Order numbered 1707, provided that the actual description of these lands shall be determined by a survey made and approved by the Secretary of the Interior. The actual description shall be published in the Federal Register as a Public Land Order.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 85 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

GENERAL PROVISION

SEC. 1. (a) Subject to valid existing rights, administration of the following described lands is hereby transferred to the Veterans Administration for use as an addition to the Sitka National Cemetery: That tract of unimproved land lying easterly of existing structures which is a portion of the lands described in Public Land Order numbered 1707 of August 6, 1958, provided that the actual description of the lands to be administered by the Veterans Administration shall be determined by a survey made and approved by the Secretary of the Interior, after consultation with the Secretary of Agriculture. The actual description shall be published in the Federal Register by the Secretary of the Interior as a Public Land Order.

(b) The lands described in subsection (a) of this section are a portion of the lands by Executive Order numbered 8854 of August 16, 1941, for use of the United States Coast

and Geodetic Survey as a magnetic and seismological observatory site. Subsequently, a portion of the lands described in Executive Order numbered 8854 was transferred by Public Land Order numbered 1707 of August 6, 1958, to the jurisdiction of the Forest Service, Department of Agriculture for use as an administrative site in connection with the administration of the Tongass National Forest. Lands described in subsection (a) of this section are hereby deleted from Executive Order numbered 8854 and Public Land Order numbered 1707.

SEC. 2. (a) Subject to valid existing rights and subsection (c) of this section and provided that the National Park Service shall be permitted to continue to use the residence and other improvements on the lands described in this section for a period of not less than three years from the date of enactment of this Act in accordance with terms mutually agreed to by the Secretary of the Interior and the Administrator of the Veterans Administration, and provided further that the National Park Service shall pay no more for the use of the residence and other improvements than the money actually expended to maintain the same by the Veterans Administration, administration of the following described public lands is hereby transferred to the Veterans Administration for use as an addition to the Sitka National Cemetery: The lands described as tract numbered 2 of Presidential Proclamation 2965 of February 25, 1952, provided that the actual description of the lands to be administered by the Veterans Administration shall be determined by a survey made and approved by the Secretary of the Interior. The actual description shall be published in the Federal Register as a Public Land Order.

(b) The lands described in subsection (a) of this section were reserved by Presidential Proclamation 2965 on February 25, 1952, as an administrative site for the Sitka National Monument. Lands described in subsection (a) of this section are hereby deleted from Presidential Proclamation 2965.

(c) In the event that the Administrator of the Veterans Administration determines that all or any part of the lands described in subsection (a) of this section are no longer needed for National Cemetery purposes, those lands no longer needed shall be returned to the jurisdiction of the Secretary of the Interior.

SEC. 3. These provisions may be cited as the "Sitka National Cemetery Transfer Act of 1983".

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi (Mr. WHITTEN).

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

Senate amendment No. 89 reads as follows:

Senate amendment No. 89: Page 30, after line 13, insert;

(4) A new section 6907 is added as follows:

"(a) Notwithstanding any other provision of this chapter, a State may enact legislation which requires that any payments which would be made to units of general local government pursuant to this chapter be reallocated and redistributed in whole or part to other smaller units of general purpose government that provide general governmental services and contain the entitlement lands within their boundaries.

"(b) Upon enactment of legislation by a State, described in subsection (a), the Secretary shall make one payment to such State equalling the aggregate amount of payments which he otherwise would have made to units of general local government within such State pursuant to this chapter. It shall be the responsibility of such State to make any further distribution of the payment pursuant to subsection (a).".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion. The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 89 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

(4) a new section 6907 is added as follows:

(a) Notwithstanding any other provision of this chapter, a State may enact legislation which requires that any payments which would be made to units of general local government pursuant to this chapter be reallocated and redistributed in whole or part to other smaller units of general purpose government which (1) are located within the boundaries of the larger unit of general local government, (2) provide general governmental services and (3) contain entitlement lands within their boundaries.

Such reallocation or redistribution shall generally reflect the level of services provided by, and the number of entitlement acres within, the smaller unit of general local government.

(b) Upon enactment of legislation by a State, described in subsection (a), the Secretary shall make one payment to such State equaling the aggregate amount of payments which he otherwise would have made to units of general local government within such State pursuant to this chapter. It shall be the responsibility of such State to make any further distribution of the payment pursuant to subsection (a).

Such redistribution shall be made within 30 days after receipt of such payment. No payment, or portion thereof, made by the Secretary shall be used by any State for the administration of this subsection or subsection (a).

(c) Appropriations made for payments in lieu of taxes for a fiscal year may be used to correct underpayments in the previous fiscal year to achieve equity among all qualified recipients.

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The gentleman from Mississippi (Mr. WHITTEN) is recognized for 30 minutes.

Mr. WHITTEN. I yield to the gentleman from Kentucky (Mr. ROGERS).

Mr. ROGERS. Mr. Speaker, I wonder if I might enter a colloquy with the chairman in relation to that amendment proposed in order to clarify the intent of the amendment.

I wonder if the gentleman might help me understand it. This is the "payment in lieu of taxes" feature of the law presently, whereby the U.S. Government pays to local government moneys in lieu of taxes for federally owned lands in that territory, or that region, generally to counties or cities. This amendment, if I understand it correctly, would change that so that the moneys would instead be paid to the State government which in turn then if it so chose by legislation would then pay that money, itself, to those local communities below the county level, even, townships, municipalities, school districts, and the like.

Is that a correct understanding of it?

Mr. WHITTEN. Mr. Speaker, may I direct that question to my colleague from Illinois (Mr. YATES) to answer this question?

Mr. YATES. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman.

Mr. YATES. The gentleman is correct.

Mr. ROGERS. Let me ask this: Suppose a State legislature or State government does not so act, what happens then with the moneys that are now paid directly to the local units of government?

□ 1530

Mr. YATES. The present regulation would prevail and the money would be paid to the county. The present regulation provides for payment of the money to counties as the lowest governmental unit. And that would continue.

Mr. ROGERS. And if a State so chooses to enact legislation to change the procedure, the amendment says that the State shall receive no moneys for administation costs; is that the understanding correctly of this amendment?

Mr. YATES. The gentleman is correct.

Mr. ROGERS. The amendment provides that appropriations made for payment in lieu of taxes may be "used to correct underpayments in the previous fiscal year to achieve equity," among all qualified recipients.

Could the gentleman enlighten me about what is intended by that amendment?

Mr. YATES. The purpose of that amendment is to make correction for any errors that may have occurred in previous years. And there are errors that have occurred. This gives the legislative authority to the Bureau of Land Management to make appropriate corrections.

Mr. ROGERS. Am I correct in understanding the intent and spirit of this amendment would not permit either the Federal or State government to reallocate or redistribute moneys that are presently entitled by a county or a city to another county or city? Is that correct?

Mr. YATES. That is correct.

Mr. ROGERS. So that if a unit of local government is not receiving moneys under the present law, under its entitlement based on acreage of Federal lands within that county, the county in total would not receive less than it presently receives; is that correct.

Mr. YATES. That is correct. The county would not receive less and if the State passed a law that provided for payment to small governmental units than counties within the counties the amount that would be made available to all units within the counties would not be greater or less than the amount that would have been made available to the county.

Mr. ROGERS. I wonder if the gentleman might finally give us the benefit of the intent of this amendment in changing the present law.

Mr. YATES. The purpose of the amendment was to carry out the wishes of a number of States and the governmental units within those States to provide the opportunity for funds under this program to be paid to such governmental units as townships and cities and other governmental units that actually provided the local services. The present regulations provides for payment to the counties. This change would provide for a new system of payment.

Mr. ROGERS. So it is only an administrative change.

Mr. YATES. That is correct.

Mr. ROGERS. And there will be no change in the allocation of funds to a local area?

Mr. YATES. That is correct, unless the State by legislation provides for an appropriate change.

Mr. ROGERS. I thank the gentleman.

Mr. WHITTEN. Mr. Speaker, I yield such time as he may consume to the gentleman from Massachusetts (Mr. EARLY).

Mr. EARLY. Mr. Speaker, I wish to engage the distinguished chairman of the Transportation Subcommittee and the ranking minority member in a brief colloquy on funding provided in this bill for section 152 of the Surface Transportation Assistance Act of 1982.

First, I would like to commend the conferees for the manner in which they represented the will of this House in the conference. As the Members of the House may know, the conferees added $1.75 million to carry out the provisions of section 152 of the Surface Transportation Assistance Act of 1982. Is my understanding correct that this appropriation is made to supplement available funds to enable the Department of Transportation to have the required section 152 study performed by a contractor team experienced both in low pressure, single stream methanol production from natural gas and in waterborne transportation of gas-derived energy products?

Mr. LEHMAN of Florida. Mr. Speaker, will the gentleman yield?

Mr. EARLY. I yield to the gentleman from Florida.

Mr. LEHMAN of Florida. The gentleman from Massachusetts is correct.

The House report on the supplemental appropriations bill contains such guidance to the Department of Transportation.

Mr. COUGHLIN. Mr. Speaker, will the gentleman yield?

Mr. EARLY. I yield to the gentleman from Pennsylvania.

Mr. COUGHLIN. I thank the gentleman for yielding.

That language was in the House report. The gentleman is correct.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi (Mr. WHITTEN).

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

Senate amendment No. 90 reads as follows:

Senate amendment No. 93: Page 31, after line 5, insert:

Of the funds appropriated under this head in the Department of the Interior and Related Agencies Appropriation Act, 1983 (Public Law 97-394) and proposed for rescission as R83-16, $63,600,000 is hereby deferred and shall not become available for obligation until enactment of the Department of the Interior and Related Agencies Appropriation Act, 1984: Provided, That for payment of obligations incurred for engineering services, roadway and bridge access and pilot tunnel bore work for the Cumberland Gap Tunnel, as authorized by section 160 of Public Law 93-87, $14,000,000 to be derived from the Highway Trust Fund and to remain available until expended to liquidate contract authority provided under section 104(a)(8) of Public Law 95-599.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House insist on its disagreement to the amendment of the Senate numbered 93.

The SPEAKER pro tempore. The gentleman from Mississippi (Mr. WHITTEN) is recognized for 30 minutes.

Mr. ROGERS. Mr. Speaker, will the gentleman yield?

Mr WHITTEN. I yield to the gentleman from Kentucky.

Mr. ROGERS. I thank the gentleman for yielding. I rise in disagreement to this disagreement because this deals with a tunnel project in my district.

I realize the severe financial and fiscal restraints which exist now in the country. I regret the chairman has not seen his way clear to support this project.

The reason the project is needed is to permit the improvement of a seriously hazardous road. Two hundred accidents and 19 fatalities in the past decade on this stretch of road which is over twice the national average. It is called now "Massacre Mountain."

It has great economic impact in that region, in a very depressed area of the country, which has 20-percent unemployment.

It has great tourism potential, if it should be completed.

For the record, it should be pointed out that funding for this project has been mandated by the Congress as one of four parkways and park highways listed as priority items in the Surface Transportation Act passed by Congress last year and the money will come from the Highway Trust Fund.

I hope to work with the chairman of the committee and the subcommittee over the coming months to urge him and his colleagues to support the Senate provision in the fiscal 1984 bill.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

Senate Amendment No. 94 reads as follows:

Senate amendment No. 94: Page 31 line 12, strike our "$30,000,000" and insert "$64,000,000".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 94 and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$68,200,000".

Mr. YATES (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi (Mr. WHITTEN).

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

Senate amendment No. 102 reads as follows:

Senate amendment No. 102: Page 32, line 14, strike out "$15,800,000" and insert "$51,350,000".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 102 and concur therein with an amendment as follows: In lieu of the sum proposed by said amendment insert "$53,150,000".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

Senate amendment No. 103 reads as follows:

Senate amendment No. 103: Page 32, line 14, after "$15,800,000" insert: "*Provided*, That $33,350,000 of such amount shall be available until expended for transfer to the State of Alaska to assist in the basic operation and maintenance of Bureau-owned schools which are transferred to the State, such sum to be in addition to assistance otherwise available under the Act of April 16, 1934 (48 Stat. 596), as amended (25 U.S.C. 452 et seq.), or any other Act to such schools on the same basis as other public schools: *Provided further*, That after June 30, 1984, the Bureau of Indian Affairs shall operate no more than ten day schools in Alaska: *Provided further*, That the Bureau of Indian Affairs shall not operate any day school in Alaska after June 30, 1985, *Provided further*, That notwithstanding the provisions of Public Law 97-394, the Bureau of Indian Affairs shall operate the Mount Edgecumbe boarding school in Alaska until June 30, 1983".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 103 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following: ": *Provided*, That $22,000,000 of such amount shall be available until expended for transfer to the State of Alaska on the condition that the State use the funds for the benefit of Alaska Native secondary students by either renovating the former Bureau of Indian Affairs Mount Edgecumbe Boarding School or constucting another non-Federal boarding school facility and the Bureau of Indian Affairs shall not expend any other funds for the operation of any secondary education program or facility in the State after June 30, 1983: *Provided further*, That while consultation concerning day school transfers to the State of Alaska will continue with affected villages, local concurrence is not required in this continuing effort to establish a single system of education envisioned by the State's constitution: *Provided further*, That after June 30, 1984, the Bureau of Indian Affairs shall fund no more than ten day schools in Alaska: *Provided further*, That the Bureau of Indian Affairs shall not fund any schools in Alaska after June 30, 1985: *Provided further*, That $9,350,000 of such amount shall be available until expended for transfer to the State of Alaska to assist in the rehabilitation or reconstruction of Bureau-owned schools which are transferred to the State: *Provided further*, That the $9,350,000 appropriated in Public Law 97-394 available to the State of Alaska to assist in the rehabilitation of Bureau-owned schools which are transferred to the State may also be used for reconstruction: *Provided further*, That when any Alaska day school operated by contract is transferred, the State shall assume any existing contract pertaining to the operation or maintenance of such school for a minimum of two years or until the expiration of the negotiated contract, whichever comes first: *Provided further*, That nothing in the foregoing shall preclude assistance otherwise available under the Act of April 16, 1934 (48 Stat. 596) as amended (25 U.S.C. 452 et seq.), or any other Act to such schools on the same basis as other public schools: *Provided further*, That the Secretary of the Interior shall prepare within one year after the date of this Act, an official survey by supplemental plat and convey to the State of Alaska all right, title, and interest of the United States, including all improvements situated thereon, in the following described lands:

That portion of Japonski Island (U.S. Survey No. 1496, within protracted sections 34 and 35, T. 55 S., R. 63 E., sections 2 and 3, T. 56 S., R. 63 E., Copper River Meridian, State of Alaska), withdrawn from the public domain of the United States by Public Law 79-478 and Public Law 83-568 for use of the Bureau of Indian Affairs and the Indian Health Service, except the smallest practicable tract, as determined by the Secretary of Interior, enclosing land actually used in connection with the administration of the Indian Health Service hospital on the date of this Act (this IHS-used land comprising no more than 15.25 acres, excluding roads). The southwesterly boundary of these lands is common with lands withdrawn for use of the United States Coast Guard by public land order and with lands held by the State of Alaska, Division of Aviation.

Such conveyance is conditioned upon the execution by the State of Alaska of an agreement to begin operating a Mt. Edgecumbe school facility no later than September 1, 1984. The above-described lands reserved for the use of the Indian Health Service shall also be conveyed to the State of Alaska if at any time the Indian Health Service or any successor organization or agency ceases to operate a health care facility on said lands.

Enactment of this statute has the full force and effect of an interim conveyance, as defined in the Alaska National Interest Lands Conservation Act, to the State of Alaska, subject to the above condition. The force and effect of such an interim conveyance is to convey to and vest in the State of Alaska exactly the same right, title, and interest in and to the lands as the State would have received had it been issued a patent by the United States. Upon survey of lands covered by the interim conveyance a patent thereto shall be issued to the State of Alaska. The lands conveyed by this statute are not subject to acreage adjustment under section 6 of the Alaska Statehood Act.

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi (Mr. WHITTEN).

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

Senate amendment No. 105 reads as follows:

Senate amendment No. 105: Page 33, strike out lines 2 to 9, inclusive, and insert:

For deposit into the Papago Trust Fund established pursuant to Public Law 97-293 (96 Stat. 1283), $15,000,000, to remain available until expended.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 105 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

For payment to the authorized governing body of the Papago Tribe of Indians, $15,000,000 to remain available until expended, for deposit in the Papago Trust Fund established by said governing body pursuant to Public Law 97-293 (96 Stat. 1283) which fund shall be held in trust for the benefit of such tribe pursuant to section 309 of that law.

□ 1540

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The gentleman from Massachusetts (Mr. CONTE) is recognized for 30 minutes.

Mr. FRENZEL. Mr. Speaker, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from Minnesota.

Mr. FRENZEL. Mr. Speaker, today we are considering the conference report for H.R. 3069, the supplemental appropriation. Although I know supplementals are sometimes necessary, I dislike them, and believe that most of them are the result of intentional underfunding. After the House version passed on May 25, I was hoping the bill would somehow magically disappear, or be reduced in the other body, or in conference. Unfortunately, H.R. 3069 has returned.

In case anyone has forgotten, the supplemental passed the House with 41 of its 77 pages covered by waivers. I have not checked the Guiness book, but that must be close to a new record for the Rules Committee. Its two page rule granted 20 separate waivers of rules for legislating on appropriation bills. It called for five separate waivers against clause 6 of rule XXI, against reappropriations. Basically, it waived the entire Budget Act for the whole bill.

Section 311(a), prohibiting the consideration of any bill, resolution, or amendment providing additional new BA in excess of the ceiling set in the most recently adopted concurrent resolution of the budget was waived. Sec-

tion 402(a) prohibiting the consideration of authorizing legislation if that measure is not reported by May 15 of the calendar year preceding the fiscal year in which it is to be effective was also waived.

Budget waivers, especially against sections 311(a) and 402(a), are becoming more and more commonplace. We spend the first half of the year on the budget, and then throw it out. We may as well forget all the work we do in this House on budgets. The Budget Act provides a framework for budgetary discipline, yet we waiver that discipline out of our lines, merely because it is inconvenient.

When the supplemental first passed the House it contained $4.8 billion in new budget authority. In conference it picked up another $2.2 billion for a total increase of 46 percent. We sent excessive spending to conference, and we got even more spending back. I do not see how I can support such excesses.

There is no doubt that programs such as food stamps, education assistance for the handicapped, military assistance, and payments to the social security trust funds need to be provided. But the practice of depending on supplementals to provide these funds rather than including all the necessary funding in the initial appropriation bills is irresponsible and misleading to the public.

Congress needs to practice and improve its budgetary discipline. We do not follow our own rules whenever they get in our way. We fail over and over again to show fiscal restraint. There is a lack of willingness to make the difficult but essential decisions needed to keep control of the Federal purse.

This conference report should be defeated. It was too fat when it left the House the first time, now 46 percent fatter, it should be voted down.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi (Mr. WHITTEN).

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

Senate amendment No. 115 reads as follows:

Senate amendment No. 115: Page 34, after line 22, insert:

ADMINISTRATIVE PROVISIONS, DEPARTMENT OF ENERGY

Notwithstanding section 303(3) of Public Law 97-257, funds provided for Economic Regulatory Administration by this or any other Act shall be used: (1) to maintain not less than three hundred and eighty full-time permanent Federal employees, of which not less than forty employees shall be assigned to the Office of Fuels Conversion, for the fiscal year ending September 30, 1983; and (2) to maintain not less than three hundred and five full-time equivalent Federal employees, of which not less than twenty-seven employees shall be assigned to the Office of Fuels Conversion, for the fiscal year ending September 30, 1984.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 115 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

ADMINISTRATIVE PROVISIONS, DEPARTMENT OF ENERGY

Notwithstanding section 303(3) of Public Law 97-257, funds provided for Economic Regulatory Administration by this or any other Act shall be used: (1) to maintain not less than three hundred and eighty full-time permanent Federal employees, of which not less than forty employees shall be assigned to the Office of Fuels Conversion, for the fiscal year ending September 30, 1983; and (2) to maintain not less than three hundred and five full-time equivalent Federal employees, of which not less than twenty-seven employees shall be assigned to the Office of Fuels Conversion, for the fiscal year ending September 30, 1984: Provided further, That notwithstanding any other provision of law, the minimum employment level established in Public Law 97-257 for the Office of the Assistant Secretary for Fossil Energy is reduced to 715 with no further amendment to the suballocations therein.

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi (Mr. WHITTEN).

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

Senate amendment No. 117 reads as follows:

Senate amendment No. 117: Page 35, strike out lines 7 to 11, inclusive.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 117 and concur therein with an amendment, as follows: In lieu of the matter stricken by said amendment, insert the following:

DEPARTMENT OF EDUCATION

INDIAN EDUCATION

For part C of the Indian Education Act and the General Education Provisions Act, an additional amount of $1,938,000, to remain available until expended.

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi (Mr. WHITTEN).

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

Senate amendment No. 119 reads as follows:

Senate amendment No. 119: Page 35, strike out lines 17 to 21, inclusive.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 119 and concur therein with an amendment, as follows: In lieu of the matter stricken by said amendment, insert the following:

The Secretary shall appoint a Commission to review the Department's coal leasing procedures to ensure receipt of fair market value within 30 days after enactment of this Act, and said Commission shall make its recommendations within 6 months after enactment of this Act.

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi (Mr. WHITTEN).

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

Senate amendment No. 121 reads as follows:

Senate amendment No. 121: Page 36, strike out lines 4 to 10, inclusive.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 121 and concur therein with an amendment as follows: In lieu of the matter stricken by said amendment, insert the following:

No funds provided in this or any other Act to agencies funded by the Interior and Related Agencies Appropriation Act, 1983 (Public Law 97-394) may be expended to take actions related to termination of programs or closure of facilities proposed to be terminated or closed in the budget for fiscal year 1984 until enactment of the Interior and Related Agencies Appropriation Act, 1984 or through approved reprogramming procedures.

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent

that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi (Mr. WHITTEN).

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

Senate amendment No. 125 reads as follows:

Senate amendment No 125: Page 38, after line 9, insert:

The Senate finds that the Forest Service's proposal of March 15, 1983, to consider six million acres of the national forest for possible sale has met with considerable opposition; and the national forests are an important part of the national heritage of the United States; and the national forests provide and protect important resources; and the national forests provide unique opportunities for recreation; and it is inconsistent with past management practices to dispose of large portions of our national forests. It is, therefore, the sense of the Senate that it is not in the national interest to grant the authority to sell significant acreage of the national forest until such time as the Forest Service specifically identifies the tracts which are no longer needed by the Federal Government; inventories the tracts as to their public benefits values; provides opportunities for public review and discussion of the tracts; and completes all necessary environmental assessments of such sales.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 125 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

The Congress finds that the Forest Service's proposal of March 15, 1983, to consider six million acres of the national forest for possible sale has met with considerable opposition; and the national forests are an important part of the national heritage of the United States; and the national forests provide and protect important resources; and the national forests provide unique opportunities for recreation; and it is inconsistent with past management practices to dispose of large portions of our national forests. It is, therefore, the sense of the Congress that it is not in the national interest to grant the authority to sell significant acreage of the national forest until such time as the Forest Service specifically identifies the tracts which are no longer needed by the Federal Government; inventories the tracts as to their public benefit values; provides opportunities for public review and discussion of the tracts; and completes all necessary environmental assessments of such sales.

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The gentleman from Mississippi (Mr. WHITTEN) is recognized for 30 minutes.

Mr. WHITLEY. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from North Carolina.

Mr. WHITLEY. Mr. Speaker, Mr. SEIBERLING, from the Committee on Interior and Insular Affairs, and I, as Representatives of committees having jurisdiction over matters involving the national forests, have a question concerning amendment 125.

That amendment expresses the sense of Congress that it is not in the national interest to grant authority to sell significant acreage of the national forests until the Forest Service takes various specified actions. Our question is whether it is the intent of the amendment that Congress is directing the Forest Service to take such actions.

Mr. YATES. Mr. Speaker, will the gentleman yield?

Mr. WHITLEY. I yield to the gentleman from Illinois.

Mr. YATES. Mr. Speaker, I would respond to the gentleman that the amendment does not direct the Forest Service to take the administrative actions specified in the amendment. The thrust of the amendment is that Congress does not favor sale of national forest lands and would not consider authorizing any such sales unless and until the Forest Service identifies the tracts no longer needed, inventories the tracts for their public interest values, allows the public to review and discuss the tracts and completes necessary environmental assessments of the sales.

Mr. WHITLEY. I thank the gentleman.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi (Mr. WHITTEN).

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

Senate amendment No. 128 reads as follows:

Senate amendment No. 128: Page 39, line 10, "tute" " insert "for research into acquired immune deficiency syndrome".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 128 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following: "to remain available until September 30, 1984".

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi (Mr. WHITTEN).

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

Senate amendment No. 129 reads as follows:

Senate amendment No. 129: Page 39, line 13, after "Institute" " insert "for research into acquired immune deficiency syndrome".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 129 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following: "to remain available until September 30, 1984".

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi (Mr. WHITTEN).

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

Senate amendment No. 130 reads as follows:

Senate amendment No. 130: Page 39, line 17, after "Stroke" " insert "for research into acquired immune deficiency syndrome".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 130 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following: "to remain available until September 30, 1984".

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by

the gentleman from Mississippi (Mr. WHITTEN).

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

Senate amendment No. 131 reads as follows:

Senate amendment No. 131: Page 39, line 22, after "Diseases" " insert "for research into acquired immune deficiency syndrome".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 131 and concur therein with an amendment as follows: In lieu of the matter proposed by said amendment, insert the following: "to remain available until September 30, 1984".

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi (Mr. WHITTEN).

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

Senate amendment No. 132 reads as follows:

Senate amendment No. 132: Page 40, line 5, after "health" " insert "for research into acquired immune deficiency syndrome".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 132 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following: "to remain available until September 30, 1984".

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi (Mr. WHITTEN).

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

Senate amendment No. 137 reads as follows:

Senate amendment No. 137: Page 40, after line 5, insert:

From the Rural Development Loan Fund under the Community Economic Development Act of 1981, $10,000,000 in available appropriations shall be obligated in the form of loans only by September 30, 1983, and $10,000,000 in available appropriations or the remaining balance of the fund, whichever is the lesser amount, shall be obligated in the form of loans only in each succeeding fiscal year. Loans shall be made to nonprofit organizations with previous experience in administering Rural Development Loan Fund loans and which had, by the end of fiscal year 1982, disbursed half or more of their available Rural Development Loan Funds.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 137 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following:

From the Rural Development Loan Fund under the Community Economic Development Act of 1981, $10,000,000 in available appropriations shall be obligated in the form of loans only by December 31, 1983.

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi (Mr. WHITTEN).

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

Senate amendment No. 138 reads as follows:

Senate amendment No. 138: Page 40, after line 5, insert:

From the Community Development Credit Union Revolving Loan Fund, the entire remaining balance of the Fund as of September 30, 1983, shall be obligated on or before September 30, 1983. No such obligations shall be made in the form of loan guarantees.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 138 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

From the Community Development Credit Union Revolving Loan Fund, the entire remaining balance of the Fund as of September 30, 1983, shall be obligated on or before December 31, 1983. No such obligations shall be made in the form of loan guarantees.

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi (Mr. WHITTEN).

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

Senate amendment No. 144 reads as follows:

Senate amendment No. 144; Page 40, after line 6, insert:

For an additional amount to the National Institute of Handicapped Research for the establishment and support of two research and training centers, $1,500,000, to remain available until expended, one-half of which shall be available for the establishment and support of a research and training center in pediatric rehabilitation at the University of Connecticut, Health Center in Farmington, Connecticut, pursuant to section 204(b)(1) of the Rehabilitation Act of 1973, and one-half of which shall be available for a research and training center on the rehabilitation needs of the Pacific Basin to be located at the University of Hawaii.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 144 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

For an additional amount to the National Institute of Handicapped Research for the establishment and support of two research and training centers, $1,500,000, to remain available until expended, one-half of which shall be available for the establishment and support of a research and training center in pediatric rehabilitation pursuant to section 204(b)(1) of the Rehabilitation Act of 1973, and one-half of which shall be available for a research and training center on the rehabilitation needs of the Pacific Basin.

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi (Mr. WHITTEN).

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

Senate amendment No. 145 reads as follows:

Senate amendment No. 145: Page 40, after line 6, insert:

ELEMENTARY AND SECONDARY EDUCATION

For an additional amount for subpart 1 of part A of title I of the Elementary and Secondary Education Act of 1965, such sums as

may be necessary, but not to exceed $40,000,000 to be available for the payment of grants to local educational agencies located in a State in which the aggregate amount of grants determined for such agencies from amounts appropriated for fiscal year 1983 prior to the date of enactment of this Act is less than 95 percent of the amount of the grants for that State from amounts appropriated for fiscal year 1982 by reason of the application of the 1980 Census data in order to increase the amount for local educational agencies in each such State to the amount determined for that State for fiscal year 1982: *Provided*, That the amount of the increase in any grant which a local educational agency in any State shall be eligible to receive by reason of the application of this paragraph shall be determined on a pro rata basis.

It is the intention of the Congress that for each fiscal year ending prior to September 30, 1987, an additional amount will be appropriated, as necessary, for the payment of grants to local educational agencies in all States subject to the provisions of the previous paragraph in order to increase the amount for local educational agencies in each such State for each such fiscal year to the amount determined for that State for fiscal year 1982.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 145 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

ELEMENTARY AND SECONDARY EDUCATION

For an additional amount for subpart 1 of part A of title I of the Elementary and Secondary Education Act of 1965, such sums as may be necessary but not to exceed $40,000,000, to remain available until September 30, 1984, to be available for the payment of grants to local educational agencies located in a State in which the aggregate amount of grants determined for such agencies from amounts appropriated for fiscal year 1983 prior to the date of enactment of this Act is less than 95 percent of the amount of the grants for that State from amounts appropriated for fiscal year 1982 by reason of the application of the 1980 Census data in order to increase the amount for local educational agencies in each such State to the amount determined for that State for fiscal year 1982: *Provided*, That the amount of the increase in any grant which a local educational agency in any State shall be eligible to receive by reason of the application of this paragraph shall be determined on a pro rata basis.

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi (Mr. WHITTEN).

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

Senate amendment No. 146 reads as follows:

Senate amendment No. 146: Page 40, after line 9, insert:

STUDENT FINANCIAL ASSISTANCE

For an additional amount for subpart 2 of part A of title IV of the Higher Education Act of 1965, relating to Supplemental Educational Opportunity Grants, $4,600,000: *Provided*, That, notwithstanding section 413D(b)(1)(B)(kk) of the Higher Education Act of 1965 and section 10 of the Student Financial Assistance Technical Amendments Act of 1982, funds appropriated under this heading and any funds appropriated for fiscal year 1983 for such subpart 2 that are not obligated or committed for the fiscal year 1983 shall be allocated in a manner designed to ensure that all eligible institutions receive a minimum funding level based upon a uniform State percentage for such fiscal year.

MOTION OFFERED BY MR. YATES

Mr. YATES. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. YATES moves that the House recede from its disagreement to the amendment of the Senate numbered 146 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

STUDENT FINANCIAL ASSISTANCE

Notwithstanding section 413 D(b)(1)(B)(ii) of the Higher Education Act of 1965 and section 10 of the Student Financial Assistance Technical Amendments Act of 1982, funds appropriated under this heading and any funds appropriated for fiscal year 1983 for subpart 2 of part A of title IV of the Higher Education Act of 1965 that are not obligated or committed for the fiscal year 1983 shall be allocated in a manner designed to ensure that all eligible institutions receive a minimum funding level based upon a uniform State percentage for such fiscal year.

Mr. YATES (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. CONTE. Mr. Speaker, I am concerned with the amendment offered by the gentleman from Illinois. What he addresses is indeed a serious problem. A district court judge has prohibited expenditure of discretionary funds in elementary and secondary education as a result of a finding that the Department has not complied with a 1980 consent decree in which the Government agreed to provide assistance to desegregation efforts in the city of Chicago. That freeze on expenditures is causing problems throughout the country for programs like title IV, "Civil Rights Training," where funds have been held up.

But what we are getting into here is a district court case, which has not yet had the appeal process completed, and on which the Department of Education has not yet communicated its position to Congress. More disturbing, the district court judge is said to be considering figures on the order of $250 million, not just $20 million as a final settlement. I would not want, by this action here, to have it said that Congress has taken a position, one way or another, on this case. I want the distinguished chairman of the Interior Committee to know that I will accept his amendment to relieve the situation created by the impoundment of funds but I do so on one condition. The Department of Education should release these funds only upon receiving assurance that the judicially imposed impoundment of discretionary funds for elementary and secondary education will be lifted. Otherwise, the States and cities affected by the judge's order will get no relief from this amendment, and it is my intention, in accepting this amendment, that they do get that relief concomitant with the relief provided to the Chicago school system.

I would also say to the gentleman that if this situation requires any further resolution, the way it should be resolved is through the reauthorization of the Emergency School Assistance Act. As the Members will recall, this reauthorization has passed the House, on suspension, and is pending in the Senate. Any further action on this situation in the Appropriations Committee should depend upon that reauthorization. There are many other cities whose desegregation plans have been thrown into disarray, and it is not fair that one city should receive special treatment, at least prior to a final disposition of this case.

Mr. YATES. Mr. Speaker, approving this amendment will be possible to begin carrying out the agreement between the board of education and the Federal Government in accordance with the order of the Court in the case of the *United States of America* v. *Board of Education for the City of Chicago*, No. 80 C 5124 (N.D. Ill.). The amendment provides funds to carryout that agreement. It is hoped and expected it will also free up funds for distribution from U.S. Department of Education sources, including the Secretary of Education's discretionary fund and the Department's special programs and populations fund, amounts which have not been obligated because of restrictions imposed on the Department by the Court.

This action will allow funds restricted by the Court to be distributed to school systems which would have received certain grants had the Court not acted. For example, Congressman BRUCE MORRISON of Connecticut has informed me that earlier this year, the U.S. Department of Education informally notified the New Haven, Conn.,

School Department that it would receive, for the 1983-84 school year, a Follow Through grant in the same amount—$173,713—as the previous year. Formal notification was to follow in June. However, because of the Court's actions, the Follow Through grant for New Haven has been cut to $21,714. Follow Through grants for 76 other school systems are similarly affected.

In addition, I am informed that certain State block grant program funds authorized under chapter 2 of the Education Consolidation and Improvement Act also are affected by the Court's decision. It is our intention that this amendment will persuade the Court to make available funds for use in local communities.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Illinois (Mr. YATES).

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

Senate amendment No. 148 reads as follows:

Senate amendment No. 148: Page 40, after line 18, insert:

FACILITIES DEVELOPMENT

HEALTH RESOURCES AND SERVICES ADMINISTRATION

HEALTH RESOURCES AND SERVICES

For an additional amount for "Health resources and services" for the remodeling and expansion of an existing academic health center library in the Pacific Northwest under section 720(A)(1) of the Public Health Service Act, $14,500,000, to remain available until expended; and notwithstanding any other provision of this or any other Act, such amount shall be made available without regard to the provisions of sections 702(b) and 722(a)(1) of the Public Health Service Act.

NATIONAL INSTITUTES OF HEALTH

NATIONAL LIBRARY OF MEDICINE

For an additional amount to carry out section 301 and parts I and J of title III of the Public Health Service Act with respect to conducting research, development, and demonstration projects at an existing academic health center in the Pacific Northwest $5,900,000 to remain available until expended.

GRANTS FOR CONSTRUCTION OF ACADEMIC FACILITIES

For part B of title VII of the Higher Education Act of 1965, $22,500,000, to remain available until expended, shall be available for two grants in New England except that the provisions of section 721(a)(2) and (b) shall not apply to the funds appropriated under this heading, and the amount of the grants paid from funds appropriated under this heading shall not be subject to any matching requirement contained in section 721(c) of such part and shall be used for two facilities of the type mentioned in section 713(g):

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 148 and concur therein with an amendment, as follows:

FACILITIES DEVELOPMENT

HEALTH RESOURCES AND SERVICES ADMINISTRATION

HEALTH RESOURCES AND SERVICES

For an additional amount for "Health resources and services" for the remodeling and expansion of an existing academic health center library under section 720(a)(1) of the Public Health Service Act, $14,500,000, to remain available until expended; and notwithstanding any other provision of this or any other Act, such amount shall be made available without regard to the provisions of sections 702(b) and 722(a)(1) of the Public Health Service Act.

NATIONAL INSTITUTES OF HEALTH

NATIONAL LIBRARY OF MEDICINE

For an additional amount to carry out section 301 and parts I and J of title III of the Public Health Service Act with respect to conducting research, development, and demonstration projects at an existing academic health center, $5,900,000 to remain available until expended.

GRANTS FOR CONSTRUCTION OF ACADEMIC FACILITIES

For part B of title VII of the Higher Education Act of 1965, $22,500,000, to remain available until expended.

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi (Mr. WHITTEN).

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

Senate amendment No. 151 reads as follows:

Senate amendment No. 151: Page 41, after line 20, insert:

SENATE OFFICE BUILDINGS

For an additional amount for "Senate office buildings", $250,000, to remain available until expended.

An additional amount not to exceed $210,000 of the unobligated balance of the appropriation for Senate Office Buildings for the fiscal year 1983 shall remain available until expended.

MOTION BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 151, and concur therein.

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi (Mr. WHITTEN).

The motion was agreed to.

□ 1550

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

Senate amendment No. 152 reads as follows:

Senate amendment No. 152: Page 42, strike out lines 1 to 6, inclusive, and insert:

Notwithstanding any other provision of law, to enable the Architect of the Capitol, under the direction of the Commission on the West Central Front of the United States Capitol, to restore the West Central Front of the United States Capitol (without change of location or change of the present architectural appearance thereof) in substantial accordance with the "Restoration of the West Central Facade" report dated March 1978, $48,000,000, to remain available until expended: *Provided*, That the architect of the Capitol, under the direction of such Commission and without regard to the provisions of section 3709 of the revised Statutes, as amended, is authorized and directed to enter into such contracts, incur such obligations, and make such expenditures for personal and other services and other expenses as may be necessary to carry out this paragraph: *Provided further*, That any general construction contracts entered into under authority of this paragraph shall be for a firm fixed price, supported by standard performance and payment bonds, and shall be awarded competitively among selected responsible general contractors approved by such Commission and upon the approval by such Commission of the amount of the firm fixed price contracts: *Provided further*, That, the Commission on the West Central Front of the United States Capitol shall appoint, from among private individuals who are qualified, by reason of education, training, and experience, a consulting architect who shall assist the Commission in directing the architect of the Capitol with respect to the restoration of the West Central Front of the United States Capitol: *Provided further*, That the Architect of the Capitol shall keep the consulting architect appointed under this paragraph fully and currently informed of the progress of the restoration of the West Central Front of the United States Capitol: *Provided further*, That the consulting architect for the restoration of the West Central Front of the United States Capitol appointed under this paragraph shall be paid for his services (out of the sum appropriated by this paragraph) at such rate of pay as the Commission considers appropriate, but not exceeding a rate equal to the daily equivalent of the rate of basic pay payable for grade GS-18 under the General Schedule under section 5332 of title 5, United States Code.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 152 and concur therein with an amendment, as follows: In lieu of

the sum named in said amendment, insert "$49,000,000".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

Senate amendment No. 158 reads as follows:

Senate amendment No. 158: Page 44, after line 21, insert:

SEC. 908. (a) For the purposes of this section—

(1) "charitable organization" means an organization described in section 170(c) of the Internal Revenue Code of 1954;

(2) "honorarium" means a payment of money or anything of value to a Member for an appearance, speech, or article, by the Member; but there shall not be taken into account for the purposes of this section any actual and necessary travel expenses, incurred by the Member, and spouse or an aide to the extent that such expenses are paid or reimbursed by any other person, and the amount otherwise determined shall be reduced by the amount of any such expenses to the extent that such expenses are not paid or reimbursed;

(3) "Member" means a United States Senator, a Member of the House of Representatives, a Delegate to the House of Representatives, or the Resident Commissioner from Puerto Rico; and

(4) "travel expenses" means with respect to a Member, and spouse or an aide, the cost of transportation, and the cost of lodging and meals while away from his or her residence or the metropolitan area of Washington, District of Columbia.

(b)(1) Notwithstanding any other provision of law except as provided in paragraph (2), on and after January 1, 1984, a Member shall not accept honoraria which are attributable to any calendar year and total more than the amount that is equal to 30 percent of the aggregate salary paid to such Member for service as a Member during such calendar year.

(2) An individual who becomes a Member on a date after the first day of a calendar year shall not accept honoraria which are attributable to the remaining portion of that calendar year on and after the date such individual becomes a Member and total more than the amount that is equal to 30 percent of the aggregate salary paid to the Member for service as a Member during such calendar year.

(3) For the purposes of this subsection, an honorarium shall be attributable to the period or calendar year in which payment is received.

(c) Any honorarium, or any part thereof, paid by or on behalf of a Member to a charitable organization shall be deemed not to be accepted for the purposes of subsection (b).

(d) Notwithstanding any other provision of law, in the case of a Member who is serving in the office or position of Senator, president pro tempore of the Senate, Majority Leader of the Senate, or Minority Leader of the Senate during a calendar year, the annual rate of pay that is paid to such Member for such service shall not be less than the annual rate of pay payable for such position on December 17, 1982, increased by 15 percent and rounded in accordance with section 5318 of title 5, United States Code.

(e) The Commission on Executive, Legislative, and Judicial Salaries shall include in the first report required to be submitted by it after the date of the enactment of this Act a recommendation for an appropriate salary for Members, which recommendation shall assume a prohibition on the receipt of honoraria by Members.

(f) Subsection (d) of this section shall take effect with respect to service as a Member performed on or after July 1, 1983.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 158, and concur therein.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Mississippi (Mr. WHITTEN) for 30 minutes.

Mr. WHITTEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. SENSENBRENNER. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Wisconsin.

Mr. SENSENBRENNER. Mr. Speaker, I would ask that the membership vote down the motion that has been offered by the gentleman from Mississippi (Mr. WHITTEN).

This motion not only concurs in the pay raise that the other body granted to itself, which I think is bad enough, but it also sets up the machinery to give a whopping big pay raise to Members of both Houses of Congress following the election.

On page 98 of the printed bill that is before us, there is a provision in it that says that the Commission on Executive, Legislative, and Judicial Salaries shall include in the first report required to be submitted by it after the date of enactment of this act a recommendation for an appropriate salary for Members, which recommendation shall assume a prohibition on the receipt of honoraria by Members.

Now, the last time the Quadrenniel Commission made its recommendation, it suggested that the salary of Members be increased from $60,000 to $85,000. As we all know, there has been a pay raise that has been given to Members of this body up to almost $70,000, and I think it is safe to assume that the Quadrenniel Commission that meets in 1984 will recommend a further substantial salary increase for Members of Congress.

What the clause that I have just read to the membership will insure is that that increase will increase by about $20,000 because that is the maximum amount of honoraria that we are presently allowed to receive, and if you assume that no honoraria and the fact that many of the Members of the other body are well over the maximum, we are going to see the increase of the full amount.

Under the previous law, the Quadrenniel Commission's recommendations, once approved by the President, came to the Congress for a veto, and in 1981 both this House and the other body did veto the Quadrenniel Commission's recommendations, so the $85,000 salary was not approved. However, as we all know, the Supreme Court of the United States has said that legislative vetoes are unconstitutional.

So I am afraid that without a legislative veto, with the Quadrenniel Commission recommendation, plus the extra $20,000 that this law will guarantee be added on, it will mean an unconscionably large pay raise granted to Members of the Congress following the 1984 election in a manner in which we cannot do anything about it.

For that reason, I would hope that the motion offered by the gentleman from Mississippi will be voted down; that we will insist upon our disagreement with the other body on this particular amendment, and hopefully get this matter stricken from the bill.

Mr. WHITTEN. Mr. Speaker, I support the motion to recede and concur and may I say my understanding of the situation is very different from the interpretation given by the gentleman.

Mr Speaker, I yield to the chairman of the Subcommittee on the Legislative, the gentleman from California, Mr. FAZIO.

Mr. FAZIO. I thank the gentleman for yielding.

Mr. Speaker, first of all, let me say that I think it is very unclear as to what the effect of the court decision on the legislative veto is in general. But specifically, I do not interpret the provisions of existing law that this body and the other body must deal with in regard to the Quadrenniel Commission report as legislative vetoes.

We are required to affirmatively approve in both Houses whatever Quadrenniel Commission recommendation is forwarded to us before it can be implemented.

Second, I would say the reason this language is here is not to preclude any other form of recommendation from the Quadrenniel Commission. We are simply asking them to consider what they might propose for appropriate congressional salary if Members of both bodies were to agree to do away with receiving honoraria income.

Outside income is a very controversial issue. Honoraria income has been roundly criticized in recent days as well as over the years by the media. We may wish, as a body, to attempt to do away with it. I think that issue really should not be dealt with at this time. It should be dealt with when the Quadrennial Commission reports to us.

All we are asking for is simply the advice of the Commission as to how we might proceed, if we so choose, at that time.

I think the gentleman's concern is misplaced. I think the Senate provi-

sion should be approved as it is, because it accomplishes a great deal of what we have been trying to do for a number of years, and that is to achieve uniformity between both bodies in both honoraria income limitations and salary. We have finally, statutorily accomplished that equity between the House and the Senate with this provision. I think this is an opportunity to ratify that action. I think that is so overridingly important that the expressed concerns of the gentleman from Wisconsin should be put aside and we should go ahead and recede to the Senate.

Mr. OBEY. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Wisconsin.

Mr. OBEY. I thank the gentleman for yielding.

Mr. Speaker, I would simply like to endorse every single word uttered by the gentleman from California, and to simply say in response to the point raised by my good friend from Wisconsin that this language is what Otto Passman used to describe as being here "for illustrative purposes." It is simply an effort to get the Commission to spell out what the range would be if, in fact, we decided, not they, but if we ever decided to go down the route of precluding all outside income.

It is simply an effort to get some outside judgment as so what the range of alternatives might be. There is nothing in here at all that I can see that is mandatory. I think the gentleman from California has described the situation accurately and in detail and I would urge support for the committee position.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Pennsylvania.

Mr. WALKER. I thank the gentleman for yielding.

Mr. Speaker, I would hope that we would go along with the action that the gentleman from Wisconsin proposes that we take.

As the Members know, we have provided an automatic appropriation for legislative salaries around here, and if, in fact, the scenario were to develop that the gentleman from Wisconsin sees as a possibility in this legislation, we could, in fact, have exactly the situation that he describes, an action that could not be reversed by this body.

I would hope that the gentleman would be supported.

Mr. FAZIO. Mr. Speaker, will the gentleman yield one more time?

Mr. WHITTEN. I yield to the gentleman from California.

Mr. FAZIO. I thank the gentleman for yielding.

Mr. Speaker, I would like to try to correct the record. There is no relationship between the action we would take following a recommendation from the Quadrenniel Commission and any other method of granting an increase in compensation to the Members. They are not related.

If the Quadrenniel Commission recommends an increase in pay based on existing rules or based on this provision, both bodies must agree to that by a record vote. Then the other provision the gentleman refers to may take effect. They are not related at this time, and there should be no confusion with our action today in adopting this provision. There is no automatic pay raise assumed in this language and I hope the Members are clear on that point.

Mr. CONTE. Mr. Speaker, I yield myself such time as I may consume.

I hope the gentleman from Wisconsin does not prevail. This amendment, which was offered by me over here in the House in the subcommittee, places a statutory limitation on the amount of outside income from honoraria for House and Senate Members at 30 percent of congressional pay, or $20,940. It also raises Senators' pay from $60,662.50 to $69,800, a 15-percent increase to raise it to the level of House Members' pay.

This amendment essentially accomplishes what I have been trying to do for several years to bring us to a point of equal pay and outside income for Members of both bodies. House Members would still be restricted by House rules which limit all outside income, including honoraria and other sources, to 30 percent of our salaries.

□ 1600

So this amendment would, in effect, affect only Members of the other body. Their disclosures this year as to how much they have been raking in from honoraria have shocked us all. Unfortunately, our pristine House rules forbid me from identifying the biggest benefactors, but you can read it in the papers.

Altogether, Members of the Senate received $2.4 million last year in honoraria income, with individual Senators making as much as $134,000 apiece. This is on top of their congressional salary.

House Members know all too well that serving in this body and maintaining two homes is an expensive proposition, and we took the difficult but open and honorable step last year to raise our salaries while retaining our 30-percent limit on outside income.

The Senate chose another route. They refused to take the pay raise, but also refused to reinstate any limit on their outside income. We can see the results in the recent disclosures on honoraria.

We finally will reach equal treatment in this amendment.

I cannot tell you how pleased I feel, because I knew and I felt way down deep in my heart that they were worth as much as we were and they should be paid that.

Mr. SENSENBRENNER. Mr. Speaker, will the gentleman yield?

Mr. CONTE. Yes, I yield to my good friend, the gentleman from Wisconsin.

Mr. SENSENBRENNER. Mr. Speaker, I thank the gentleman from Massachusetts for yielding.

I will be the first one to concede that six of them are worth one of us.

I want the record to be clear that I very firmly support a limit on the honoraria that Members of both Houses receive; but I think that looking at the fine print is that the honoraria does not get imposed on Members of the other body until January 1, 1984. I think between now and New Year's Day, there is going to be a rush out of the other wing of the Capitol to go and claim land, like the Cherokee land grab back in the early part of this century, to fill up the honoraria until the limits get put on.

I would hope that since I cannot divide this question that we would vote down the proposal that the gentleman from Mississippi (Mr. WHITTEN) has offered so that you can go back to conference and put this cap on right away, because if it is good for January 1, 1984, it ought to be good for July 29, 1983.

Mr. CONTE. Mr. Speaker, I think the gentleman is right; but you know, a bird in the hand is worth two in the bush. It was not easy to get what we got.

Mr. FAZIO. Mr. Speaker, will the gentleman yield?

Mr. CONTE. Yes, I yield.

Mr. FAZIO. Mr. Speaker, I think we would miss a tremendous opportunity to take this gargantuan step forward if we do not act to recede to the Senate at this time. We were not happy with the 6-month gap between their pay increase and the end of their unlimited honoraria income, but we understood the practical political realities. Common Cause and others who have been very interested in this issue all agreed, however, that we should accept the Senate language. It may not be the perfect solution but we have come a long way and I think this is really the place to applaud the gentleman from Massachusetts (Mr. CONTE) and the gentleman from Wisconsin (Mr. OBEY) who have been the leaders in the House on putting this limitation on Senate honoraria income into the statutes.

I think we would be making an awfully bad mistake to try to be, as the gentleman from Massachusetts (Mr. CONTE) has said about our rules, pristine pure about these provisions. We have really accomplished our purpose

and I would hope the House would recede.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi (Mr. WHITTEN).

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. SENSENBRENNER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device and there were—yeas 225, nays 106, not voting 102, as follows:

[Roll No. 295]

YEAS—225

Ackerman	Ford (TN)	Mikulski
Akaka	Forsythe	Miller (CA)
Albosta	Frank	Mitchell
Alexander	Frenzel	Molinari
Anthony	Gejdenson	Mollohan
Applegate	Gibbons	Moore
AuCoin	Gingrich	Morrison (CT)
Barnes	Gonzalez	Morrison (WA)
Bartlett	Gray	Mrazek
Bateman	Green	Murphy
Bates	Guarini	Natcher
Bedell	Hall (IN)	Neal
Beilenson	Hall (OH)	O'Brien
Berman	Hamilton	Oakar
Bevill	Hansen (ID)	Oberstar
Bliley	Hansen (UT)	Obey
Boggs	Harrison	Olin
Boland	Hawkins	Ortiz
Boner	Hefner	Ottinger
Bonior	Hoyer	Owens
Borski	Hughes	Oxley
Boucher	Hyde	Packard
Boxer	Ireland	Pashayan
Breaux	Jeffords	Patterson
Brooks	Jones (OK)	Pepper
Brown (CA)	Kastenmeier	Perkins
Burton (CA)	Kemp	Price
Campbell	Kennelly	Pursell
Carney	Kindness	Rahall
Carper	Kolter	Rangel
Chandler	Kostmayer	Ray
Chappell	Latta	Reid
Cheney	Lehman (CA)	Richardson
Clarke	Lehman (FL)	Ridge
Clay	Leland	Rinaldo
Coelho	Levin	Robinson
Coleman (MO)	Levine	Rodino
Coleman (TX)	Lewis (CA)	Roe
Collins	Lewis (FL)	Rose
Conable	Lipinski	Roukema
Conte	Livingston	Rowland
Conyers	Long (LA)	Roybal
Coughlin	Long (MD)	Rudd
Coyne	Lowery (CA)	Russo
Crockett	Lowry (WA)	Sabo
Daniel	Lujan	Sawyer
Daschle	Luken	Scheuer
Dixon	Lundine	Schumer
Donnelly	Lungren	Shannon
Downey	Markey	Sikorski
Dreier	Marlenee	Sisisky
Duncan	Marriott	Skeen
Dymally	Martin (NC)	Skelton
Edwards (AL)	Martin (NY)	Smith (IA)
Edwards (CA)	Martinez	Snowe
Edwards (OK)	Matsui	Solarz
Erlenborn	Mazzoli	Spratt
Fazio	McCain	Stark
Feighan	McCandless	Stokes
Ferraro	McEwen	Stratton
Fiedler	McGrath	Studds
Fish	McHugh	Swift
Florio	McKinney	Synar
Foglietta	McNulty	Tallon
Ford (MI)	Michel	Tauke
Thomas (CA)	Vucanovich	Wilson
Thomas (GA)	Walgren	Wolf
Torres	Waxman	Wortley
Torricelli	Weaver	Wylie
Towns	Weiss	Yates
Udall	Wheat	Young (AK)
Valentine	Whitehurst	Young (FL)
Vander Jagt	Whitley	Young (MO)
Vandergriff	Whitten	Zablocki
Vento	Williams (MT)	Zschau

NAYS—106

Anderson	Hall, Ralph	Pritchard
Andrews (TX)	Hall, Sam	Regula
Bennett	Hammerschmidt	Ritter
Bereuter	Hance	Roberts
Bethune	Hertel	Roemer
Biaggi	Hightower	Rogers
Bilirakis	Hiler	Roth
Bosco	Hopkins	Sensenbrenner
Britt	Hubbard	Sharp
Brown (CO)	Hunter	Shaw
Broyhill	Jacobs	Shelby
Burton (IN)	Kaptur	Shuster
Byron	Kasich	Siljander
Clinger	Kazen	Slattery
Coats	Kildee	Smith (NE)
Corcoran	Lagomarsino	Smith (NJ)
Courter	Leach	Smith, Denny
Daub	Levitas	Smith, Robert
Davis	Lloyd	Snyder
DeWine	Loeffler	Staggers
Durbin	Mack	Stangeland
Dyson	Martin (IL)	Stenholm
Eckart	McCollum	Stump
Emerson	McCurdy	Sundquist
English	McDonald	Tauzin
Evans (IA)	McKernan	Volkmer
Evans (IL)	Miller (OH)	Walker
Fields	Minish	Weber
Flippo	Montgomery	Williams (OH)
Fowler	Moorhead	Winn
Gekas	Nielson	Wise
Gilman	Panetta	Wolpe
Glickman	Patman	Wyden
Goodling	Paul	Yatron
Gramm	Penny	
Gunderson	Petri	

NOT VOTING—102

Addabbo	Frost	Mica
Andrews (NC)	Fuqua	Mineta
Annunzio	Garcia	Moakley
Archer	Gaydos	Moody
Aspin	Gephardt	Murtha
Badham	Gore	Myers
Barnard	Gradison	Nelson
Boehlert	Gregg	Nichols
Bonker	Harkin	Nowak
Broomfield	Hartnett	Parris
Bryant	Hatcher	Pease
Carr	Heftel	Pickle
Chappie	Hillis	Porter
Cooper	Holt	Quillen
Craig	Horton	Ratchford
Crane, Daniel	Howard	Rostenkowski
Crane, Philip	Huckaby	Savage
D'Amours	Hutto	Schaefer
Dannemeyer	Jenkins	Schneider
de la Garza	Johnson	Schroeder
Dellums	Jones (NC)	Schulze
Derrick	Jones (TN)	Seiberling
Dickinson	Kogovsek	Shumway
Dicks	Kramer	Simon
Dingell	LaFalce	Smith (FL)
Dorgan	Lantos	Solomon
Dowdy	Leath	Spence
Dwyer	Lent	St Germain
Early	Lott	Taylor
Edgar	MacKay	Traxler
Erdreich	Madigan	Watkins
Fascell	Mavroules	Whittaker
Foley	McCloskey	Wirth
Franklin	McDade	Wright

□ 1610

Mr. SUNDQUIST changed his vote from "yea" to "nay."

Mrs. KENNELLY changed her vote from "nay" to "yea."

So the motion was agreed to.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

Senate amendment No. 159 reads as follows:

Senate amendment No. 159: Page 44, after line 21, insert:

(g) Subsection (b) of section 323 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441i(b)) is amended to read as follows:

"(b) Any honorarium, or any part thereof, paid by or on behalf of an elected or appointed officer or employee of any branch of the Federal Government to a charitable organization shall be deemed not to be accepted for the purposes of this section.".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 159, and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

Senate amendment No. 164 reads as follows:

Senate amendment No. 164: Page 47, after line 7, insert:

ACCESS HIGHWAYS TO PUBLIC RECREATION AREAS ON CERTAIN LAKES

Appropriations under this heading for fiscal year 1981 shall remain available until September 30, 1984.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 164 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

ACCESS HIGHWAYS TO PUBLIC RECREATION AREAS ON CERTAIN LAKES

Appropriations under this heading for fiscal year 1981 shall remain available until September 30, 1984.

HIGHWAYS CROSSING FEDERAL PROJECTS

The period of availability of approximately $400,000 appropriated in Public Laws 94-387, 95-29, 95-85, 95-335, and 96-131 is hereby extended through September 30, 1984.

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi (Mr. WHITTEN).

The motion was agreed to.

□ 1620

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

Senate amendment No. 165 reads as follows:

Senate amendment No. 165: Page 47, after line 7, insert:

INTERCHANGE RECONSTRUCTION DEMONSTRATION PROJECT

The Secretary of Transportation is authorized to carry out a demonstration project for the purpose of demonstrating state-of-the-art methods which can be applied to the reconstruction of a substandard interchange at the intersection of Vista Boulevard and Interstate Route 80 near Sparks, Nevada. The project shall include the improvement to safe standards of an existing bridge within the interchange and crossing over the Interstate route; the elimination of an atgrade crossing of a railroad on an approach to, and in the immediate vicinity of, the interchange; the improvement of ramps to eliminate serious geometric deficiencies relating to truck turning movements; and other work as considered necessary to complete the project. There is authorized to be appropriated to carry out this project, out of the Highway Trust Fund, not to exceed $6,366,139 for the fiscal years beginning after September 30, 1982. Funds authorized for this project: (1) shall be available for obligation in the same manner and to the same extent as if such funds were appropriated under chapter 1 of title 23, United States Code, except that the Federal share of the cost of this project shall be 100 per centum of the total cost thereof and such funds shall remain available until expended, and (2) shall not be subject to any obligational limitations.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House insist on its disagreement to the amendment of the Senate numbered 165.

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

PREFERENTIAL MOTION OFFERED BY MRS. VUCANOVICH

Mrs. VUCANOVICH. Mr. Speaker, I offer a preferential motion.

The Clerk read as follows:

Mrs. VUCANOVICH moves that the House recede from its disagreement to the amendment of the Senate numbered 165, and concur therein.

The SPEAKER pro tempore. The gentleman from Mississippi (Mr. WHITTEN) is recognized for 30 minutes.

Mr. WHITTEN. Mr. Speaker, I strongly support the motion to insist on the House position. I strongly oppose the preferential motion to recede and concur in the Senate amendment.

I am joined in that by the chairman of the Committee on Public Works and Transportation, Mr. HOWARD. I yield now to the gentleman from Florida (Mr. LEHMAN), who is the chairman of the Appropriations Subcommittee on Transportation.

Mr. LEHMAN of Florida. I thank the gentleman.

I strongly support the chairman's statement that we must insist on the House position.

Mr. Speaker, I would like to read pertinent sections from a letter we received from the chairmen of the House and Senate authorizing committees on this subject:

"We are greatly concerned about provisions in H.R. 3069 which would authorize contract authority for new projects and which would change existing highway policies.

"We are particularly concerned about provisions in H.R. 3069 * * * would authorize $6 million for an interchange."

We believe legislation of this type on an Appropriations bill undermines the legislative jurisdiction of our Committees. We respectfully request that any legislative provisions with regard to the Federal-aid Highway Program be deleted during consideration of H.R. 3069.

Mr. WHITTEN. Mr. Speaker, I repeat again I hope our colleagues will vote "no" on the preferential motion and agree to the motion to insist.

Mr. REID. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman.

Mr. REID. Mr. Speaker, I rise in support of the motion offered by my distinguished colleague, the Honorable BARBARA VUCANOVICH, to recede and concur in Senate amendment No. 165 to the conference report on H.R. 3069, supplemental appropriations for fiscal year 1983.

Senate amendment No. 165 provides $6.4 million for the reconstruction or rehabilitation of Vista Bridge in Washoe County, Nev. Vista Bridge, constructed in 1964, provides one of the major access routes to Interstate 80. This area has experienced a 65-percent increase in population since 1970. The Washoe County School District operates 150 schoolbuses, many of which use the bridge. The bridge was not constructed for large vehicles and is unable to accommodate the heavy industrial traffic that also exists in the area. This imposes a very serious safety hazard.

Because Nevada receives only a small amount of highway funds for this type of construction, the resources for this necessary project are not available. The need for this supplemental appropriation is justified. I urge that this motion be adopted.

I thank the Chairman.

Mrs. VUCANOVICH. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I yield to the gentlewoman.

Mrs. VUCANOVICH. Mr. Speaker, I think the gentleman.

Mr. Speaker, today, I urge my colleagues to withdraw their objections to the Senate amendment which would fund repairs of the Vista Bridge in Sparks, Nev. I realize the other body did not follow the proper procedures when it funded this project in an appropriations bill. However, the safety considerations are so great regarding Vista Bridge that I ask the House to allow the project to proceed despite that fact.

Vista Bridge was constructed in 1964, when there was a small population and little traffic in the area. Since that time, there has been tremendous growth, with the construction of new residential subdivisions, new warehouses and commercial properties, a new hospital and the Washoe County School District bus yard. All this increased traffic must now use Vista to exit and enter Interstate 80.

The bridge was not constructed for such heavy use nor for the large vechicles that utilize the bridge. The long tractor trailer trucks and buses find it next to impossible to negotiate the 90 degree turn at the end of the offramp. Often they knock out the guardrail damaging both the vehicle and the bridge. This, in turn, could cause a vehicle to slip down into traffic on the freeway below, causing a needless tragedy.

The need is immediate. Unfortunately, even after passage of last year's gas tax bill, the State of Nevada receives a relatively small allocation of 4-R moneys, the account which would be used to repair Vista. This 4-R money must be used to repair and maintain Nevada's extensive highway system and build equally high priority roads. In short, traditional highway funds are not available.

Because of the need to move quickly to prevent a serious tragedy, the Senate added the funds to the first available bill before it. I acknowledge, as does the Senate, that adding money to the supplemental appropriations bill did not follow the correct procedures, but given the dangers involved, I urge my colleagues to allow the project to be funded by this measure.

Mr. ROBERT F. SMITH. Mr. Speaker, will the gentlewoman yield?

The SPEAKER pro tempore. The time is controlled by the gentleman from Massachusetts (Mr. CONTE) and the gentleman from Mississippi (Mr. WHITTEN.)

Mr. CONTE. Mr. Speaker, I yield to the gentleman from Oregon.

Mr. ROBERT F. SMITH. I thank the gentleman for yielding.

Mr. Speaker, I just want to say, Mr. Speaker, that I personally have been at this particular intersection, being a neighbor in the State of Oregon; I can attest to the fact that it is a very, very dangerous situation, particularly after you have been to Sparks, Nev., and

you are on you way home, your car is lighter, you are lighter, and I suggest to you that even as light as you may be, you are in great danger at this particular intersection. I would ask the House at this point to give particular attention to the gentlewoman's request and the gentleman from Nevada, and recognizing the fact that this may not be totally in line with all of the particular rules, the conference committee has acted and I assume a majority of both House and Senate have acted. I would ask then that the gentlewomen's request be given every possibility in the House.

Mr. CONTE. Mr. Speaker, I have no further requests for time.

Mr. WHITTEN. Mr. Speaker. I would like to say this if I may and I hope the gentlewoman from Nevada (Mrs. VUCANOVICH) can get her problem solved. But let me say this regarding the pending preferential motion: The authorizing committee, and its distinguished chairman are very much opposed to agreeing to the Senate amendment numbered 165 to this bill. The House conferees are opposed to it. The gentleman from Florida, chairman of the subcommittee on Transportation, is opposed to it. I certainly hope that you will vote down the preferential motion and support the House position. We will try to help the gentlewoman in the future.

Everybody who deals with this situation is sympathetic, and we will give it thought in the future. But now is not the time to deal with it.

I hope you will vote the woman's position down and try to work out something in the future.

The SPEAKER pro tempore. The question is on the preferential motion offered by the gentlewoman from Nevada (Mrs. VUCANOVICH).

The preferential motion was rejected.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi (Mr. WHITTEN).

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

Senate amendment No. 168 reads as follows:

Senate amendment No. 168: Page 49, strike out lines 14 to 19, inclusive.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 168 and concur therein with an amendment, as follows: Delete the matter stricken by said amendment, and insert in lieu thereof the following:

LIMITATION ON GENERAL OPERATING EXPENSES

The limitation on general operating expenses of the Federal Highway Administration is increased by $1,750,000 for necessary expenses to carry out the provisions of section 152 of the Surface Transportation Assistance Act of 1982 for a methane conversion study, to remain available until expended.

ACOSTA BRIDGE

Notwithstanding subsection (b) of section 142 of Public Law 97-377, the funds made available by such subsection for the Dodge Island Bridge project in Miami, Florida, shall be available for the Acosta Bridge project in Jacksonville, Florida, in accordance with the provisions of section 144 of title 23, United States Code, to remain available until expended: *Provided*, That, notwithstanding any other provisions of law, obligations incurred under this section shall not be subject to any limitation on obligations for Federal-aid highways.

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi (Mr. WHITTEN).

The motion was agreed to.

□ 1630

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

Senate amendment No. 169 reads as follows:

Senate amendment No. 169: Page 49, after line 19, insert:

Notwithstanding section 144 of title 23, United States Code, and any other provision of law, the Secretary of Transportation shall make available, upon request of the State of Georgia, under such section 144, an amount not to exceed $5,000,000, from funds appropriated in this Act or previous Acts, such sum to initiate the design and engineering phase of the Eugene Talmadge Memorial Bridge replacement project in Savannah, Georgia.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 169, and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

Senate amendment No. 172 reads as follows:

Senate amendment No. 172: Page 50, after line 6, insert:

OFFICE OF THE SECRETARY

Of the sums appropriated for Office of the Secretary, Salaries and Expenses, not to exceed $22,000 may be used for official reception and representation functions.

Of the sums appropriated for International Affairs, not to exceed $73,000 may be used for official reception and representation functions.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate number 172 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

OFFICE OF THE SECRETARY

Of the sums appropriated for Office of the Secretary, Salaries and Expenses, not to exceed $18,500 may be used for official reception and representation functions.

Of the sums appropriated for International Affairs, not to exceed $66,500 may be used for official reception and representation functions.

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

Senate amendment No. 176 reads as follows:

Senate amendment No. 176: Page 52, after line 10, insert:

SALARIES AND EXPENSES

For necessary expenses to carry out functions of the Office of Personnel Management pursuant to Reorganization Plan Numbered 2 of 1978 and the Civil Service Reform Act of 1978, not to exceed $1,500 for official reception and representation funds.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate number 176 and concur therein with an amendment, as follows: In lieu of the sum named in said amendment, insert the following: "$1,000".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

Senate amendment No. 180 reads as follows:

Senate amendment No. 180: Page 53, after line 11 insert:

For purposes of applying section 44C of the Internal Revenue Code of 1954, paragraph (10) of section 44C(c) of such Code (relating to property financed by subsidized energy financing) shall not apply with respect to any financing for energy conservation or renewable energy source expenditures which was provided—

(1) before January 1, 1983,

(2) under a State program in existence before 1978, and

(3) with respect to any residence the first mortgage on which is financed by the proceeds of any qualified veterans' mortgage bond (within the meaning of section 103A(c)(3) of such Code).

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 180, and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

Senate amendment No. 181 reads as follows:

Senate amendment No. 181: Page 53, after line 11, insert:

CHAPTER XII

DISTRICT OF COLUMBIA

DISTRICT OF COLUMBIA FUNDS

GOVERNMENTAL DIRECTION AND SUPPORT

(RESCISSION)

Of the funds appropriated for "Governmental direction and support" for fiscal year 1983 in Public Law 97-378, $2,759,000 are rescinded.

ECONOMIC DEVELOPMENT AND REGULATION

(RESCISSION)

Of the funds appropriated for "Economic development and regulation" for fiscal year 1983 in Public Law 97-378, $2,538,800 are rescinded.

PUBLIC SAFETY AND JUSTICE

For an additional amount for "Public safety and justice," $9,130,600.

PUBLIC EDUCATION SYSTEM

(RESCISSION)

Of the funds appropriated for "Public education system" for fiscal year 1983 in Public Law 97-378, $1,871,100 are rescinded.

HUMAN SUPPORT SERVICES

For an additional amount for "Human support services" $2,087,400.

TRANSPORTATION SERVICES AND ASSISTANCE

(RESCISSION)

Of the funds appropriated for "Transportation services and assistance" for fiscal year 1983 in Public Law 97-378, $544,600 are rescinded.

ENVIRONMENTAL SERVICES AND SUPPLY

(RESCISSON)

Of the funds appropriated for "Environmental services and supply" for fiscal year 1983 in Public Law 97-378, $5,504,500 are rescinded.

PERSONAL SERVICES

(RESCISSION)

Of the funds appropriated for "Personal services" for fiscal year 1983 in Public Law 97-378, $8,748,800 are rescinded.

ENERGY ADJUSTMENT

For an additional amount for "Energy adjustment" $2,078,500.

WASHINGTON CONVENTION CENTER ENTERPRISE FUND

For an additional amount for "Washington convention center enterprise fund" $680,700.

LOTTERY AND CHARITABLE GAMES ENTERPRISE FUND

For an additional amount for "Lottery and charitable games enterprise fund" $1,500,000.

GENERAL PROVISION

Title 11, section 11-1732(d) of the District of Columbia Code, is amended by striking out "1983" and inserting in lieu thereof "1984".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate number 181 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

CHAPTER XII

DISTRICT OF COLUMBIA

DISTRICT OF COLUMBIA FUNDS

GOVERNMENTAL DIRECTION AND SUPPORT

(RESCISSION)

Of the funds appropriated for "Governmental direction and support" for fiscal year 1983 in Public Law 97-378, $2,759,000 are rescinded.

ECONOMIC DEVELOPMENT AND REGULATION

(RESCISSION)

Of the funds appropriated for "Economic development and regulation" for fiscal year 1983 in Public Law 97-378, $2,538,800 are rescinded.

PUBLIC SAFETY AND JUSTICE

For an additional amount for "Public safety and justice", $9,130,600.

PUBLIC EDUCATION SYSTEM

(RESCISSION)

Of the funds appropriated for "Public education system" for fiscal year 1983 in Public Law 97-378, $1,871,100 are rescinded.

HUMAN SUPPORT SERVICES

For an additional amount for "Human support services", $2,087,400.

TRANSPORTATION SERVICES AND ASSISTANCE

(RESCISSION)

Of the funds appropriated for "Transportation services and assistance" for fiscal year 1983 in Public Law 97-378, $544,600 are rescinded.

ENVIRONMENTAL SERVICES AND SUPPLY

(RESCISSION)

Of the funds appropriated for "Environmental services and supply" for fiscal year 1983 in Public Law 97-378, $5,504,500 are rescinded.

PERSONAL SERVICES

(RESCISSION)

Of the funds appropriated for "Personal services" for fiscal year 1983 in Public Law 97-378, $8,748,800 are rescinded.

ENERGY ADJUSTMENT

For an additional amount for "Energy adjustment", $2,078,500.

UNALLOCATED GENERAL FUND ADJUSTMENT

(RESCISSION)

Of the funds appropriated out of the "General fund" for fiscal year 1983 in Public Law 97-378, $15,183,600 are rescinded.

WASHINGTON CONVENTION CENTER ENTERPRISE FUND

For an additional amount for "Washington convention center enterprise fund", $830,700.

LOTTERY AND CHARITABLE GAMES ENTERPRISE FUND

For an additional amount for "Lottery and charitable games enterprise fund", $1,000,000.

GENERAL PROVISION

Title 11, section 11-1732(d) of the District of Columbia Code, is amended by striking out "1983" and inserting in lieu thereof "1984".

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Misissippi (Mr. WHITTEN).

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

Senate amendment No. 205 reads as follows:

Senate amendment No. 205: Page 62, after line 23, insert:

"Alcohol, Drug Abuse, and Mental Health", $375,000;

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 205 and concur therein with an amendment, as follows: In lieu of the sum named in said amendment insert "$1,388,000".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

Senate amendment No. 231 reads as follows:

Senate amendment No. 231: Page 72, line 5, strike out "$181,445,000" and insert "$180,168,000".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 231 and concur therein with an agreement, as follows: In lieu of the sum proposed by said amendment, insert the following: "$180,168,000: *Provided*, That of the funds appropriated under this heading in the Department of Housing and Urban Development-Independent Agencies Appropriation Act, 1983 (Public Law 97-272), $4,200,000 shall be available only for three integrated hospital system projects and such funds shall remain available until September 30, 1984".

Mr. CONTE (during the reading) Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

Senate amendment No. 247 reads as follows:

Senate amendment No. 247: Page 79, after line 10, insert:

SEC. 403. Amounts certified pursuant to section 1311 of the Supplemental Appropriations Act, 1955, as having been obligated against appropriations heretofore made under the authority of the Foreign Assistance Act of 1961, as amended, for the same general purpose as any of the subparagraphs under "Agency for International Development" in prior appropriations Acts, are, if deobligated, hereby continued available for the same period as the respective appropriations in such subparagraphs for the same general purpose and for the same country as originally obligated: Provided, That the Appropriations Committees of both Houses of the Congress are notified fifteen days in advance of the deobligation or reobligation of such funds.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 247 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

SEC. 403. Amounts certified pursuant to section 1311 of the Supplemental Appropriations Act, 1955, as having been obligated against appropriations heretofore made under the authority of the Foreign Assistance Act of 1961, as amended, for the same general purpose as any of the subparagraphs under "Agency for International Development" in prior appropriations Acts, are, if deobligated, hereby continued available for the same period as the respective appropriations in such subparagraphs for the same general purpose and for the same country as originally obligated or for relief, rehabilitation, and reconstruction activities in the Andean region: Provided, That the Appropriations Committees of both Houses of the Congress are notified fifteen days in advance of the deobligation or reobligation of such funds.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

Senate amendment No. 251 reads as follows:

Senate amendment No. 251: Page 79, after line 10, insert:

SEC. 407. Upon request of the city of Pine Bluff, Arkansas, the Secretary of Commerce shall authorize such city to lease to any person the banquet and kitchen facilities of the Pine Bluff Convention Center, without affecting the Federal assistance provided by a grant under the Public Works Employment Act of 1976 (project number 01-51-00020) or any other law, if such transfer documents provide for the operation of such facilities as kitchen and banquet facilities for at least 25 years after the date of such transfer.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 251 and concur therein with an amendment, as follows: In lieu of the section number named in said amendment, insert "406".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the last amendment in disagreement.

Senate amendment No. 253 reads as follows:

Senate amendment No. 253: Page 79, after line 10, insert:

SEC. 409. Upon request of the city of Oakland, California, the Secretary of Commerce shall authorize such city to sell or lease to any person the George P. Scotlan Memorial Convention Center building, without affecting the Federal assistance provided under the Public Works and Economic Development Act of 1965 (project numbered 07-01-02471), or any other law, if—

(1) such sale or lease provides, for the operation of such facilities as a Convention Center for at least sixty-five years after such transfer; and

(2) in the event of the sale of such building, the repayment of any grant made pursuant to the Public Works and Economic Development Act of 1965 shall—

(A) be made over a period of thirty years;

(B) provide that no payments shall be made for the first fifteen years of such period; and

(C) be made in equal annual installments over the last fifteen years of such period.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 253 and concur therein with an amendment, as follows: In lieu of the section named in said amendment, insert "407".

The motion was agreed to.

● Mr. DASCHLE. Mr. Speaker, I would like to make note of one item in the fiscal year 1983 supplemental appropriations bill, and that is the International Fund for Agricultural Development (IFAD). The supplemental appropriations bill contains $16 million for IFAD, a U.N. agency which is totally focused on improving the capability of small and landless farmers in developing nations to become self-sufficient. I strongly support IFAD, and only wish the bill contained more money for this worthy program.

There is always a great deal of criticism of our foreign aid, with many people, unfortunately, not distinguishing among various foreign assistance initiatives. There is, however, an enormous difference between guns for the Salvadoran military versus helping improve the productivity of Egyptian farmers who have about one acre each. And there is a big difference between funds for covert activities in Nicaragua versus credit to small farmers in Pakistan. Even with development aid, as opposed to military aid, we need to exercise discrimination. We have made mistakes in our food and development assistance programs—at times our Food for Peace aid has proved to be a disincentive for local food production in the recipient country. And a good case can be made that the International Monetary Fund is misdirected in its orientation toward export production rather than toward helping people meet their basic needs. We often hear talk of the need in this Nation for a constituency for foreign aid. I agree that we do need this type of constituency. And IFAD, which is properly focused, effective, and which is providing leadership by example to other development agencies regarding direct assistance to the poorest segments of populations, merits the support of the American public.

IFAD was formed in 1977 as an outgrowth of the World Food Conference. OPEC and Western nations cooperated in the founding of IFAD, and contributed equally to its initial funding. However, the U.S. pledge to pay $180 million over the years 1981-83 has not been paid. To our discredit, the United States is the only nation to not meet its pledge to IFAD. We have paid only $24 million of our pledge. And with the $16 million contained in the fiscal year 1983 supplemental bill which is on the floor today, we still will have paid only $40 million. Oddly enough, the administration opposed the inclusion of $16 million for IFAD in the supplemental, even though Congress appropriated only half of what the administration had requested for fiscal year 1983. The administration's less than active effort on behalf of IFAD, lipservice to the contrary not withstanding, is puzzling in light of the fact that 85 percent of IFAD's funding has been used for projects in nations for which the President is requesting fiscal year 1984 security assistance.

American representatives are just now returning from a conference in Geneva where IFAD funding was discussed—a conference at which the United States came under justifiable criticism. There is a good chance that some nations will refuse to pledge further money to IFAD until we pay, or at least give an indication that we will pay, our pledge.

I am apalled to see us—Congress and the administration—stymie a program which so directly helps those most in need. And I hate to see us so foolishly discourage, by defaulting on our payments, OPEC and other nations from

being actively involved in this development effort.

I will continue to work for funding for programs which effectively promote a better life for the world's poorest people. By passing the fiscal year 1983 supplemental bill, we are sending a message that the United States still supports the work of the Inernational Fund for Agricultural Development.●

● Mr. HAMMERSCHMIDT. Mr. Speaker, I note that the conference report deletes the House-passed language which earmarked $2 million of the funds provided under the jobs bill (Public Law 98-8) to be used for rehabilitation of Six-Mile Creek in Arkansas. I also note that the language agreed to by the conferees provides the same total program funding for SCS rehabilitation activities as was included in the amendment which I offered and was passed on the floor of the House. The conference report that we are considering here today makes the following statement "The conferees have been assured that within the $17 million available for rehabilitation of existing small watersheds, adequate funds are available to carry out the restoration of Six-Mile Creek." It is my understanding that nothing in the conference report is meant to change the intention of the House-passed language that the Six-Mile Creek project is meant to be funded under authority of the language agreed to by the conferees. It is also my understanding that this basic agreement is shared by the Senate conferees on this legislation and that this basic agreement is implicit in the conference report language that we have before us, and I am pleased to have personally received that assurance from the distinguished chairman, Mr. WHITTEN.●

A motion to reconsider the votes by which action was taken on the conference report and the several motions was laid on the table.

GENERAL LEAVE

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the consideration of the amendments reported in disagreement to the conference report on H.R. 3069, and that I may include extraneous and tabular material.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, D.C., *July 25, 1983.*

Hon. THOMAS P. O'NEILL, Jr.,
Speaker, House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: I notified you on July 11, 1983 that Robert McGuire of my office had received a subpoena duces tecum from the Superior Court of the District of Columbia.

After consultation with counsel, I have determined that the subpoena is consistent with the rights and privileges of the House and will therefore comply with the subpoena.

Sincerely,

BENJAMIN J. GUTHRIE,
Clerk, House of Representatives.

DEPARTMENT OF DEFENSE AUTHORIZATION ACT, 1984

Mr. PRICE. Mr. Speaker, I call up from the Speaker's table the Senate bill (S. 675), to authorize appropriations for fiscal year 1984 for the Armed Forces for procurement, for research, development, test, and evaluation, and for operation and maintenance, to prescribe personnel strengths for such fiscal year for the Armed Forces and for civilian employees of the Department of Defense, to authorize appropriations for such fiscal year for civil defense, to authorize certain construction at military installations for fiscal year, to authorize appropriations for the Department of Energy for national security programs for such fiscal year, and for other purposes, and ask unanimous consent for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

Mr. LEVITAS. Mr. Speaker, reserving the right to object, and I do not intend to object, but I do this for purposes of inquiring whether the distinguished Speaker pro tempore or someone in the leadership can advise the Members as to the schedule for the remainder of the day, it now being almost 2 hours after the anticipated adjournment time.

Could we just have some sense so we could make our plans accordingly.

Mr. ALEXANDER. Mr. Speaker, will the gentleman yield?

Mr. LEVITAS. I yield to the gentleman from Arkansas.

Mr. ALEXANDER. Mr. Speaker, the next item of business is to swear the Speaker pro tempore.

Following that there will be a vote on the concurrent resolution relating to adjournment, which is mandatory, and which will complete the schedule of business for the week.

Mr. LEVITAS. Mr. Speaker, I thank the gentleman, and I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

MOTION OFFERED BY MR. PRICE

Mr. PRICE. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. PRICE moves to strike out all after the enacting clause of the Senate bill, S. 675, and to insert in lieu thereof the provisions of H.R. 2969, as passed by the House, as follows:

That this Act may be cited as the "Department of Defense Authorization Act, 1984".

TITLE I—PROCUREMENT

AUTHORIZATION OF APPROPRIATIONS, ARMY

SEC. 101. Funds are hereby authorized to be appropriated for fiscal year 1984 for procurement of aircraft, missiles, weapons and tracked combat vehicles, and ammunition and for other procurement for the Army as follows:

For aircraft, $3,331,800,000.

For missiles, $2,990,900,000.

For weapons and tracked combat vehicles, $4,738,400,000.

For ammunition, $2,157,900,000.

For other procurement, $5,045,700,000.

AUTHORIZATION OF APPROPRIATIONS, NAVY AND MARINE CORPS

SEC. 102. (a) AIRCRAFT.—Funds are hereby authorized to be appropriated for fiscal year 1984 for procurement of aircraft for the Navy in the amount of $10,716,900,000.

(b) WEAPONS.—Funds are hereby authorized to be appropriated for fiscal year 1984 for procurement of weapons (including missiles and torpedoes) for the Navy as follows:

For missile programs, $3,090,800,000.

For the MK-48 torpedo program, $124,600,000.

For the MK-46 torpedo program, $248,000,000.

For the MK-60 torpedo program, $105,400,000.

For the MK-30 mobile target program, $22,100,000.

For the MK-38 minimobile target program, $2,000,000.

For the antisubmarine rocket (ASROC) program, $17,300,000.

For the modification of torpedoes, $111,800,000.

For the torpedo support equipment program, $72,100,000.

For the MK-15 close-in weapons system program, $126,700,000.

For the 5-inch/54-caliber gun mount program, $16,100,000.

For the MK-75 76-millimeter gun mount program, $11,100,000.

For the MK-19 gun mount program, $900,000.

For the 25-millimeter gun mount program, $700,000.

For the 9-millimeter handgun, $500,000.

For small arms and weapons, $2,500,000.

For the modification of guns and gun mounts, $13,600,000.

For the guns and gun mounts support equipment program, $9,300,000.

(c) SHIPBUILDING AND CONVERSION.—Funds are hereby authorized to be appropriated for fiscal year 1984 for shipbuilding and conversion for the Navy as follows:

For the Trident submarine program, $1,759,000,000.

For the SSN-688 nuclear attack submarine program, $2,042,400,000.

For the aircraft carrier service life extension program (SLEP), $95,900,000.

For the CG-47 Aegis cruiser program, $3,435,000,000.

For the DDG-51 guided missile destroyer program, $79,000,000.

For the battleship reactivation program, $57,700,000.

For the LSD-41 landing ship dock program, $509,000,000.

For the LHD-1 amphibious assault ship program, $1,379,700,000.

For the LPD-4 amphibious ship service life extension program (SLEP), $13,800,000.

For the MCM-1 mine countermeasures ship program, $301,000,000.

For the MSH-1 minesweeper hunter program, $65,000,000.

For the TAGS ocean survey ship program, $34,500,000.

For the TAH hospital ship program, $260,000,000.

For the TAK(FBM) missile resupply ship program, $900,000.

For the TAFS combat stores ship program, $16,100,000.

For the TAO-187 fleet oiler program, $524,600,000.

For the TAKR fast logistic ship program, $246,500,000.

For the strategic sealift ready reserve program, $31,000,000.

For the LCAC landing craft air cushion program, $161,100,000.

For service craft and landing craft, $134,300,000.

For outfitting, post delivery, and cost growth, $1,003,100,000.

(d) OTHER.—Funds are hereby authorized to be appropriated for fiscal year 1984 for other procurement for the Navy in the amount of $4,583,500,000, of which—

(1) the sum of $684,500,000 is available only for the ship support equipment program;

(2) the sum of $1,600,500,000 is available only for the communications and electronics equipment program; and

(3) the sum of $930,300,000 is available only for the ordnance support equipment program.

(e) PROCUREMENT, MARINE CORPS.—Funds are hereby authorized to be appropriated for fiscal year 1984 for procurement for the Marine Corps (including missiles, tracked combat vehicles, and other weapons) in the amount of $1,800,400,000.

AUTHORIZATION OF APPROPRIATIONS, AIR FORCE

SEC. 103. (a) Funds are hereby authorized to be appropriated for fiscal year 1984 for procurement of aircraft and missiles and for other procurement for the Air Force as follows:

For aircraft, $21,051,300,000.

For missiles, $5,719,100,000.

For other procurement, $6,935,600,000.

(b) Of the funds authorized to be appropriated in this section for aircraft for the Air Force, the sum of $112,100,000 is available only for contribution by the United States as its share of the cost for fiscal year 1984 of acquisition by the North Atlantic Treaty Organization of the airborne Warning and Control System (AWACS).

(c) Of the funds authorized to be appropriated in this section for missiles for the Air Force, the sum of $464,000,000 is available for procurement of two hundred and forty missiles under the AGM-86B air-launched cruise missile program and the sum of $14,000,000 is available for advance procurement for such program.

(d) Notwithstanding any other provision of law, procurement of the B-1B aircraft program may be carried out under a multiyear procurement contract in accordance with section 2306(h) of title 10, United States Code.

AUTHORIZATION OF APPROPRIATIONS, DEFENSE AGENCIES

SEC. 104. Funds are hereby authorized to be appropriated for fiscal year 1984 for procurement by the Defense agencies in the amount of $1,053,200,000.

EXTENSION OF AUTHORITY PROVIDED SECRETARY OF DEFENSE IN CONNECTION WITH THE NATO AIRBORNE WARNING AND CONTROL SYSTEM (AWACS) PROGRAM

SEC. 105. Effective on October 1, 1983, section 103(a) of the Department of Defense Authorization Act, 1982 (Public Law 97-86; 95 Stat. 1100), is amended by striking out "fiscal year 1983" both places it appears and inserting in lieu thereof "fiscal year 1984".

SECURE COMMUNICATIONS EQUIPMENT

SEC. 106. The Secretary of Defense is authorized to procure secure telephone communication systems, including equipment and related items, during fiscal year 1984 for the Department of Defense and other Government agencies and entities to support a national program to provide secure telephone service. Of the funds authorized to be appropriated pursuant to this title, not more than $60,000,000 may be used to provide secure telephone equipment and related items to the Department of Defense and other Government agencies and entities in support of such a national program. Equipment provided to Government agencies and entities outside the Department of Defense under the authority of this section and such related services as may be necessary may be furnished by the Secretary of Defense with or without reimbursement.

LIMITATION ON ARMY PROCUREMENT

SEC. 107. The Secretary of the Army may not make a contract for the purpose of establishing a second source for production of the engine for the M-1 tank.

LIMITATIONS ON NAVY PROCUREMENT

SEC. 108. (a)(1) None of the funds appropriated pursuant to the authorization of appropriations for the strategic sealift ready reserve program under section 102(c) (under Shipbuilding and Conversion for the Navy) may be obligated or expended for the acquisition of a specific vessel for that program until (A) the Secretary of the Navy has notified the Committees on Armed Services and on Appropriations of the Senate and House of Representatives of the proposed acquisition of that vessel for that program, and (B) a period of thirty days of continuous session of Congress has expired following the date on which that notice was received by those committees.

(2) For purposes of paragraph (1), the continuity of a session of Congress is broken only by an adjournment of the Congress sine die, and the days on which either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of such thirty-day period.

(b) None of the funds appropriated pursuant to the authorization of appropriations for the LCAC landing craft air cushion program under section 102(c) (under Shipbuilding and Conversion for the Navy) may be obligated or expended until the Secretary of the Navy has submitted a report to the Committees on Armed Services and on Appropriations of the Senate and House of Representatives which—

(1) responds to the Comptroller General decision B-203652 of April 20, 1983;

(2) evaluates the feasibility of establishing a second source for the production of the landing craft air cushion;

(3) recommends a specific acquisition strategy for such program that ensures procurement of the best landing craft air cushion for the Navy and, to the extent feasible, provides that such procurement shall be competitive if practicable and appropriate; and

(4) describes a plan to conduct a new source- selection competition for the landing craft air cushion program and evaluates the feasibility of that competition.

PROHIBITION ON PROCUREMENT OF BINARY CHEMICAL MUNITIONS AND RELATED PRODUCTION FACILITIES, EQUIPMENT, AND PRECURSOR CHEMICALS

SEC. 109. None of the funds appropriated pursuant to the authorizations of appropriations in this title may be obligated or expended for procurement of binary chemical munitions or for production facilities, equipment, or precursor chemicals for such munitions.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

AUTHORIZATION OF APPROPRIATIONS

SEC. 201. (a) Funds are hereby authorized to be appropriated for fiscal year 1984 for the use of the Armed Forces for research, development, test, and evaluation in amounts as follows:

For the Army, $4,204,552,000.

For the Navy (including the Marine Corps), $7,604,385,000.

For the Air Force, $9,730,141,000.

For the Defense Agencies, $3,048,422,000, of which $50,000,000 is authorized for the activities of the Director of Test and Evaluation, Defense.

(b) In addition to the funds authorized to be appropriated in subsection (a), there are authorized to be appropriated for fiscal year 1984 such additional sums as may be necessary for increases in salary, pay, retirement, and other employee benefits authorized by law for civilian employees of the Department of Defense whose compensation is provided for by funds authorized to be appropriated in subsection (a).

LIMITATIONS ON FUNDS FOR THE ARMY

SEC. 202. (a) Of the amount authorized in section 201 for the Army—

(1) $7,650,000 is available only for 75-millimeter and 90-millimeter guns for light armored vehicles;

(2) $7,000,000 is available only for neutral particle beam research as part of the ballistic missile defense advanced technology program;

(3) $28,000,000 is available only for integration (including qualification) of the Hellfire missile on the UH-60 helicopter;

(4) $50,160,000 is available only for the Joint Tactical Missile System and for selection of either the Patriot T-16 or Lance T-22 as the delivery vehicle for such system; and

(5) $12,561,000 is available only for the Mobile Protected Gun System.

(b) None of the amount appropriated pursuant to the authorization in section 201 for the Army may be used for full-scale engineering development of the Military Computer Family System until the Secretary of Defense provides to the Committees on Armed Services of the Senate and House of Representatives a plan for the introduction and integration of advanced micro-electronic computers into weapons systems.

LIMITATIONS ON FUNDS FOR THE NAVY

SEC. 203. (a) Of the amount authorized in section 201 for the Navy (including the Marine Corps)—

(1) $24,000,000 is available only for continued development of the Rankine Cycle Energy Recovery (RACER) system for installation on the DDG-51 lead ship;

(2) $20,000,000 is available only for the antiradiation projectile program;

(3) $60,593,000 is available only for the Mark 92 fire control system;

(4) $18,000,000 is available only for a derivative of the Standard Missile II to be used for the Navy outer air battle mission; and

(5) $1,470,000 is available only for the evaluation of a wing-lift system for Navy utility craft.

(b)(1) None of the amount appropriated pursuant to the authorization in section 201 for the Navy may be used for full-scale engineering development of the AN/UYK-43 and AN/UYK-44 computers until the Secretary of Defense provides to the Committees on Armed Services of the Senate and House of Representatives a plan for the introduction and integration of advanced microelectronic computers into weapons systems.

(2) None of the amount appropriated pursuant to the authorization in section 201 for the Navy may be used for the Navy Mid-Infrared Advanced Chemical Laser program.

LIMITATIONS ON FUNDS FOR THE AIR FORCE

SEC. 204. (a) Of the amount authorized in section 201 for the Air Force—

(1) $80,000,000 is available for the Air Force Space Command only for the development of the visible/ultraviolet short wavelength laser with the objective of demonstrating as early as practicable an antisatellite capability against low-orbit satellites;

(2) $350,000,000 is available only for a competitive advanced fighter/attack aircraft program;

(3) at least $20,000,000 is available only for development of an Advanced Joint Tactical Information Distribution Derivative System that provides interoperability among Navy, (including and Marine Corps) and Air Force aircraft;

(4) $20,000,000 is available only for the development of terminally guided and sensor-fused submunitions for the Air Force deep strike mission; and

(5) $123,500,000 is available only for the development of the Air Force T-46 Next Generation Trainer aircraft.

(b) None of the amount appropriated pursuant to the authorization in section 201 for the Air Force may be used for the Airborne Laser Laboratory program or for the Low Altitude Navigation and Targeting Infrared, Night (LANTIRN) system.

LIMITATIONS ON FUNDS FOR THE DEFENSE AGENCIES

SEC. 205. (a) Of the amount authorized in section 201 for the Defense Agencies—

(1) not less than $65,000,000 is available only for research, development, test, and evaluation of free-electron and other short wavelength (including blue-green) lasers;

(2) $48,100,000 is available only for the particle-beam technology program, including modifications to the advanced test accelerator required for free-electron laser research;

(3) $20,000,000 is available only for a joint Defense Advanced Research Projects Agency and Department of Energy project for research, development, test, and evaluation of third-generation defensive weapons; and

(4) $30,000,000 is available only for the Defense Nuclear Agency for research, development, test, and evaluation of third-generation defensive weapons.

(b) None of the amount appropriated pursuant to the authorization in section 201 for the Defense Agencies may be used for research, development, test, and evaluation for the program for fifth-generation artificial intelligence computers until the Secretary of Defense submits to Congress a comprehensive plan for the manner in which such program will be carried out.

TITLE III—LAND-BASED STRATEGIC BALLISTIC MISSILE MODERNIZATION PROGRAM

PROCUREMENT OF MX MISSILE

SEC. 301. In addition to the amount authorized to be appropriated in section 103 for procurement of missiles for the Air Force, there is hereby authorized to be appropriated to the Air Force for fiscal year 1984 for procurement of missiles the sum of $2,200,000,000 to be available only for the MX missile program.

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION FOR MX MISSILE AND SMALL MOBILE MISSILE SYSTEMS

SEC. 302. (a) In addition to the amount authorized to be appropriated in section 201 for research, development, test, and evaluation for the Air Force, there is hereby authorized to be appropriated to the Air Force for fiscal year 1984 for research, development, test, and evaluation for the land-based strategic ballistic missile modernization program—

(1) $1,980,389,000 to be available only for research, development, test, and evaluation for the MX missile program; and

(2) $250,000,000 to be available only for research, development, test, and evaluation for a small mobile missile system.

(b) In addition to the amount authorized to be appropriated in section 201 for research, development, test, and evaluation for the Defense Agencies, there is hereby authorized to be appropriated for the Defense Nuclear Agency for fiscal year 1984 for the land-based strategic ballistic missile modernization program the sum of $20,000,000 to be available only for research, development, test, and evaluation related to silo hardening technology.

LIMITATION ON EXPENDITURE OF FUNDS

SEC. 303. (a) None of the funds authorized by clause (2) of section 302(a) may be obligated or expended for research, development, test, or evaluation for an intercontinental-range mobile ballistic missile that would weigh more than 33,000 pounds or that would carry more than a single warhead.

(b) The Secretary of Defense may not deploy more than 10 MX missiles until—

(1) demonstration of subsystems and testing of components of the small mobile intercontinental ballistic missile system (including missile guidance and propulsion subsystems) have occurred; and

(2) nuclear effects tests on the components and subsystems of the prototype mobile transporter-launcher basing system and fixed basing system for the small missile have been carried out using full-scale tests, when practicable, and otherwise using scaled tests.

(c) The Secretary of Defense may not deploy more than 40 MX missiles until—

(1) the major elements (including the guidance and control subsystems) of a mobile missile weighing less than 33,000 pounds as a part of an intercontinental ballistic missile system have been flight tested;

(2) the major elements of the prototype small mobile intercontinental ballistic missile system (including the missile, the prototype mobile transporter-launcher basing system and fixed basing system, and the command, control, and communications system) have been designed and functionally integrated and the system has been validated;

(3) contractors for the full-scale engineering development of such a missile system have been selected and contracts have been awarded to those contractors; and

(4) full-scale engineering development of such a missile system has begun.

(d)(1) Not later than January 15 of each year from 1984 through 1988, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives a report—

(A) on the progress being made with respect to the development and deployment of the MX missile system;

(B) on the progress being made with respect to the development and testing of a small mobile intercontinental ballistic missile system; and

(C) on developments related to silo-hardening technology.

(2) In each report under paragraph (1), the Secretary shall certify whether the Department of Defense is developing a small mobile intercontinental ballistic missile system with a missile that weighs no more than 33,000 pounds and that is planned to carry no more than a single warhead.

(e) If at any time during the development of the small mobile intercontinental ballistic missile it appears that the weight of the missile when deployed will exceed 30,000 pounds, the Secretary of Defense shall submit a report to Congress stating the projected weight of the missile and providing an explanation of the reasons for the weight exceeding 30,000 pounds and the anticipated effects that weight could have on the mobility and blast resistance of the missile system.

TITLE IV—OPERATION AND MAINTENANCE

AUTHORIZATION OF APPROPRIATIONS

SEC. 401. (a) ARMY.—Funds are hereby authorized to be appropriated for fiscal year 1984 in the total amount of $17,588,890,000 for expenses, not otherwise provided for, for the operation and maintenance of the Army as follows:

(1) For general purpose forces, $6,359,187,000.

(2) For intelligence and communications, $1,034,389,000.

(3) For central supply and maintenance, $5,065,237,000.

(4) For training, medical, and other general personnel activities, $3,872,421,000.

(5) For administration, $1,148,958,000.

(6) For support of other nations, $108,698,000.

(b) NAVY.—Funds are hereby authorized to be appropriated for fiscal year 1984 in the total amount of $22,254,888,000 for expenses, not otherwise provided for, for the operation and maintenance of the Navy and the Marine Corps as follows:

(1) For strategic forces, $1,931,861,000.

(2) For general purpose forces, $10,582,807,000.

(3) For intelligence and communications, $1,063,889,000.

(4) For central supply and maintenance, $6,011,933,000.

(5) For training, medical, and other general personnel activities, $2,008,832,000.

(6) For administration, $652,566,000.

(7) For support of other nations, $3,000,000.

(c) MARINE CORPS.—Funds are hereby authorized to be appropriated for fiscal year 1984 in the total amount of $1,555,400,000 for expenses, not otherwise provided for, for the operation and maintenance of the Marine Corps as follows:

(1) For general purpose forces, $895,201,000.

(2) For central supply and maintenance, $353,123,000.

(3) For training, medical, and other general personnel activities, $211,073,000.

(4) For administration, $96,003,000.

(d) AIR FORCE.—Funds are hereby authorized to be appropriated for fiscal year 1984 in the total amount of $18,365,248,000 for expenses, not otherwise provided for, for the operation and maintenance of the Air Force as follows:

(1) For strategic forces, $3,093,181,000.

(2) For general purpose forces, $3,968,778,000.

(3) For intelligence and communications, $1,801,922,000.

(4) For airlift and sealift, $1,187,935,000.

(5) For central supply and maintenance, $5,750,311,000.

(6) For training, medical, and other general personnel activities, $2,019,042,000.

(7) For administration, $536,902,000.

(8) For support of other nations, $7,177,000.

(e) DEFENSE AGENCIES.—Funds are hereby authorized to be appropriated for fiscal year 1984 in the total amount of $6,636,835,000 for expenses, not otherwise provided for, for the operation and maintenance of activities and agencies of the Department of Defense (other than the military departments) as follows:

(1) For general purpose forces, $279,700,000.

(2) For intelligence and communications, $2,238,359,000.

(3) For central supply and maintenance, $1,536,966,000.

(4) For training, medical, and other general personnel activities, $2,164,599,000.

(5) For administration, $417,211,000.

(f) ARMY RESERVE.—Funds are hereby authorized to be appropriated for fiscal year 1984 in the total amount of $686,400,000 for expenses, not otherwise provided for, for the operation and maintenance of the Army Reserve as follows:

(1) For mission forces, $409,234,000.

(2) For depot maintenance, $8,810,000.

(3) For other support, $268,356,000.

(g) NAVY RESERVE.—Funds are hereby authorized to be appropriated for fiscal year 1984 in the total amount of $660,200,000 for expenses, not otherwise provided for, for the operation and maintenance of the Navy Reserve as follows:

(1) For mission forces, $370,648,000.

(2) For depot maintenance, $116,838,000.

(3) For other support, $172,714,000.

(h) MARINE CORPS RESERVE.—Funds are hereby authorized to be appropriated for fiscal year 1984 in the total amount of $53,229,000 for expenses, not otherwise provided for, for the operation and maintenance of the Marine Corps Reserve as follows:

(1) For mission forces, $27,453,000.

(2) For depot maintenance, $1,589,000.

(3) For other support, $24,187,000.

(i) AIR FORCE RESERVE.—Funds are hereby authorized to be appropriated for fiscal year 1984 in the total amount of $801,000,000 for expenses, not otherwise provided for, for the operation and maintenance of the Air Force Reserve as follows:

(1) For mission forces, $540,218,000.

(2) For depot maintenance, $127,749,000.

(3) For other support, $133,033,000.

(j) ARMY NATIONAL GUARD.—Funds are hereby authorized to be appropriated for fiscal year 1984 in the total amount of $1,181,600,000 for expenses, not otherwise provided for, for the operation and maintenance of the Army National Guard as follows:

(1) For training operations, $220,608,000.

(2) For logistical support, $865,662,000.

(3) For headquarters and command support, $84,828,000.

(4) For medical support, $10,502,000.

(k) AIR NATIONAL GUARD.—Funds are hereby authorized to be appropriated for fiscal year 1984 in the total amount of $1,778,900,000 for expenses, not otherwise provided for, for the operation and maintenance of the Air National Guard as follows:

(1) For mission forces, $1,335,413,000.

(2) For depot maintenance, $330,246,000

(3) For other support, $113,241,000.

(l) NATIONAL BOARD FOR THE PROMOTION OF RIFLE PRACTICE, ARMY.—There is hereby authorized to be appropriated for fiscal year 1984 the amount of $899,000 for the expenses of the Secretary of the Army, upon the recommendation of the National Board for the Promotion of Rifle Practice, under section 4308 of title 10, United States Code, and the expenses of the Secretary of the Army under sections 4309 and 4313 of such title.

(m) CLAIMS, DEFENSE.—There is hereby authorized to be appropriated for fiscal year 1984 the amount of $222,900,000 for payment, not otherwise provided for, of claims authorized by law to be paid by the Department of Defense (except for civil functions).

(n) COURT OF MILITARY APPEALS, DEFENSE.—There is hereby authorized to be appropriated for fiscal year 1984 the amount of $3,372,000 for salaries and expenses for the United States Court of Military Appeals.

GENERAL AUTHORIZATION OF APPROPRIATIONS FOR PAY RAISES, FUEL COSTS, AND INFLATION ADJUSTMENTS

SEC. 402. There are authorized to be appropriated for fiscal year 1984, in addition to the amounts authorized to be appropriated in section 401, such sums as may be necessary—

(1) for increases in salary, pay, retirement, and other employee benefits authorized by law for civilian employees of the Department of Defense whose compensation is provided for by funds authorized to be appropriated in section 401;

(2) for unbudgeted increases in fuel costs; and

(3) for increases as the result of inflation in the cost of activities authorized by section 401.

AUTHORIZATION OF APPROPRIATIONS FOR ASSISTANCE FOR 1984 GAMES OF THE XXIII OLYMPIAD

SEC. 403. (a) Notwithstanding any other provision of law, the Secretary of Defense is authorized—

(1) to provide logistical support and personnel services to the 1984 games of the XXIII Olympiad;

(2) to lend and provide equipment in support of the 1984 games of the XXIII Olympiad; and

(3) to provide such other services in support of the 1984 games of the XXIII Olympiad as the Secretary may consider advisable.

(b) There is authorized to be appropriated to the Department of Defense for fiscal 1984 such sums as may be necessary but not to exceed $50,000,000 for the purpose of carrying out subsection (a). Except for funds used for pay and nontravel related allowances for members of the Armed Forces (other than members of the reserve components called or ordered to active duty to provide support for the XXIII Olympiad), no funds may be obligated for such purpose unless specifically appropriated for such purpose. The costs for pay and nontravel related allowances of members of the Armed Forces (other than members of the reserve components called or ordered to active duty to provide support for the XXIII Olympiad) may not be charged to appropriations made pursuant to this authorization. None of the funds appropriated pursuant to the authorization contained in this section may be obligated until the President approves a justification submitted by the Olympic Law Enforcement Coordinating Council for Olympic arrangements to include security, medical support, and other related matters. Such justification shall delineate the general financial and operational responsibilities of each organization represented on the Council by functional area and identify the Department of Defense support that may be requested, in such level of detail as the Secretary of Defense deems necessary.

PROHIBITION OF USE OF VESSELS WITH FOREIGN-BUILT MAJOR COMPONENTS UNDER CERTAIN LEASES OR SERVICE CONTRACTS

SEC. 404. (a)(1) None of the funds appropriated pursuant to the authorizations of appropriations in section 401 may be obligated or expended for the lease of a vessel, or for the provision of a service through use by a contractor of a vessel, under a contract which will be for a long term or under which the United States will have a substantial termination liability and under which the vessel involved will have a main propulsion system or other major component not built in the United States.

(2) None of the funds appropriated pursuant to the authorizations of appropriations in section 401 may be obligated or expended for a contract that is an agreement to lease or an agreement to provide services and that is (or will be) accompanied by a contract for the actual lease or provision of services if the contract for the actual lease or provision of services is (or will be) a contract described in paragraph (1).

(b) For purposes of subsection (a)—

(1) a contract shall be considered to be for a long term if the term of the contract, including all options under the contract, is for more than 5 years or is for a period longer than one-half the useful life of the vessel; and

(2) the United States shall be considered to have a substantial termination liability under a contract if, as determined under regulations prescribed by the Secretary of Defense, the sum of—

(A) the present value of the amount of the termination liability of the United States under the contract as of the end of the term of the contract (exclusive of any option to extend the contract), and

(B) the present value of the total of the payments to be made by the United States under the contract (excluding any option to extend the contract) attributable to capital-hire,

is more than one-half the price of the vessel involved.

(c) Subsection (a) does not apply with respect to a contract entered into before the date of the enactment of this Act.

SHELTER FOR THE HOMELESS AT MILITARY INSTALLATIONS

SEC. 405. (a)(1) Chapter 151 of title 10, United States Code, is amended by adding at the end thereof the following new section:

"§ 2546. Shelter for homeless; incidental services

"(a)(1) The Secretary of a military department may make military installations under his jurisdiction available for the furnishing of shelter to persons without adequate shelter. The Secretary may, incidental to the furnishing of such shelter, provide services as described in subsection (b). Shelter and incidental services provided under this section may be provided without reimbursement.

"(2) The Secretary concerned shall carry out this section in cooperation with appropriate State and local governmental entities and charitable organizations. The Secretary shall, to the maximum extent practicable, use the services and personnel of such entities and organizations in determining to whom and the circumstances under which shelter is furnished under this section.

"(b) Services that may be provided incident to the furnishing of shelter under this section are the following:

"(1) Utilities.

"(2) Bedding.

"(3) Security.

"(4) Transportation.

"(5) Renovation of facilities.

"(6) Minor repairs undertaken specifically to make suitable space available for shelter to be provided under this section.

"(7) Property liability insurance.

"(c) Shelter and incidental services may only be provided under this section to the extent that the Secretary concerned determines will not interfere with military preparedness or ongoing military functions.

"(d) The Secretary of Defense shall prescribe regulations for the administration of this section.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end thereof the following new item:

"2546. Shelter for homeless; incidental services.".

(b) Section 2546 of title 10, United States Code, as added by subsection (a), shall take effect on October 1, 1983.

LIMITATION ON CONTRACTING-OUT AT THE SERVICE ACADEMIES

SEC. 406. None of the funds appropriated pursuant to authorizations of appropriations in this title shall be available to carry out at the United States Military Academy, the United States Naval Academy, or the United States Air Force Academy the provisions of Office of Management and Budget Circular A-76 (or any successor circular, order, or other regulation of the executive branch relating to contracting-out commercial and industrial functions).

LOANS TO CERTAIN SCHOOL DISTRICTS IN SAN ANTONIO, TEXAS

SEC. 407. (a) The Secretary of the Army may make a loan to the Fort Sam Houston Independent School District of San Antonio, Texas, in an amount not to exceed $784,000, in order to assist that school district in meeting current expenditures. A loan under this subsection may be made from amounts available to the Army for operation and maintenance for fiscal year 1984. Any such loan shall bear interest at such a rate and be subject to such terms and conditions as the Secretary requires.

(b) The Secretary of the Air Force may make loans to the Randolph Field Independent School District and to the Lackland Independent School District of San Antonio, Texas, in a total amount not to exceed $657,000, in order to assist those school districts in meeting current expenditures. A loan under this subsection may be made from amounts available to the Air Force for operation and maintenance for fiscal year 1984. Any such loan shall bear interest at such a rate and be subject to such terms and conditions as the Secretary requires.

(c) If funds under the Act of September 30, 1950 (Public Law 874, 81st Congress; 20 U.S.C. 236 et seq.), are not provided for fiscal year 1984 to a school district receiving a loan under this section in the full amount that would have been provided to that school district for that fiscal year without regard to the Omnibus Budget Reconciliation Act of 1981, then such loan (including interest) shall be forgiven to the extent that the amount provided to that school district for that year under such Act is less than such full amount.

TITLE V—ACTIVE FORCES

AUTHORIZATION OF END STRENGTHS

SEC. 501. The Armed Forces are authorized strengths for active duty personnel as of September 30, 1984, as follows:

(1) The Army, 778,000.

(2) The Navy, 560,300.

(3) The Marine Corps, 194,600.

(4) The Air Force, 592,500.

QUALITY CONTROL ON ENLISTMENTS INTO THE ARMY FOR FISCAL YEAR 1984

SEC. 502. Effective on October 1, 1983, section 302(a) of the Department of Defense Authorization Act, 1981 (Public Law 96-342; 10 U.S.C. 520 note), is amended by striking out "October 1, 1982" and "September 30, 1983" and inserting in lieu thereof "October 1, 1983" and "September 30, 1984", respectively.

LIMIT ON FUNDS FOR PERMANENT CHANGE OF STATION (PCS) TRAVEL DURING FISCAL YEAR 1984

SEC. 503. (a) During fiscal year 1984, not more than $2,585,626,000 may be spent from funds available to the Department of Defense for permanent change of station travel (including all expenses of such travel for organizational movements). Assignments for temporary duty may not be increased in order to circumvent the limitation in the preceding sentence.

(b) The Secretary of Defense shall take such steps as are necessary, consistent with the requirements of military readiness, to reduce the number of permanent changes of station of members of the Armed Forces. Such steps shall include—

(1) reductions to the minimum essential level in the number of permanent changes of station required within the continental United States;

(2) extensions of the length of tours of duty overseas in locations other than locations that do not allow for accompanied tours; and

(3) reductions in the number of active duty military personnel stationed outside the continental United States.

REDUCTION ON THE NUMBER OF PERSONNEL ASSIGNED TO HEADQUARTERS STAFFS

SEC. 504. The Secretary of Defense shall reduce the total of the strengths authorized by section 501 by a total of 500 personnel to be derived from reductions in positions assigned to headquarters staffs of the military departments, defense agencies, commands, and other components of the Department of Defense.

ALLIED CONTRIBUTIONS TO THE COMMON DEFENSE

SEC. 505. (a) In recognition of the increasing military threat faced by the Western World and in view of the growth, relative to the United States, in the economic strength of Japan, Canada, and a number of Western European countries which has occurred since the signing of the North Atlantic Treaty on April 4, 1949, and the Mutual Cooperation and Security Treaty between Japan and the United States on January 19, 1960, it is the sense of the Congress that—

(1) the burdens of mutual defense now assumed by some of the countries allied with the United States under those agreements are not commensurate with their economic resources;

(2) since May 1978, when each NATO member nation agreed to increase real defense spending annually in the range of 3 per centum, most NATO members except for the United States have failed to meet the 3 per centum real growth commitment consistently and performance toward this goal in 1983 is estimated to be the most deficient, on average, since the goal was established;

(3) since May 1981, when the Government of Japan established its policy to defend the air and sea lines of communication out to 1,000 nautical miles from the coast of Japan, progress to develop the necessary self-defense capabilities to fulfill that pledge has been extremely disappointing;

(4) Japan is the ally of the United States with the greatest potential for improving its self-defense capabilities and should therefore rapidly increase its annual defense spending to the levels required to fulfill that pledge and to enable Japan to field an effective conventional self-defense capability by 1990, including the capability to carry out its 1,000-mile defense policy, a development that would be consonant not only with Japan's current prominent position in the family of nations but also with its unique sensibilities on the issues of war and peace, sensibilities that are recognized and respected by the people of the United States;

(5) the continued unwillingness of such countries to increase their contributions to the common defense to more appropriate levels will endanger the vitality, effectiveness, and cohesiveness of the alliances between those countries and the United States.

(b) It is further the sense of the Congress that the President should seek from each signatory country (other than the United States) of the two treaties referred to in subsection (a) acceptance of international security responsibilities and an agreement to make contributions to the common defense which are commensurate with the economic resources of such country, including, when appropriate, an increase in host nation support.

PROHIBITION ON ASSIGNING TROOPS TO OVERTHROW GOVERNMENT OF NICARAGUA

SEC. 506. No personnel authorized by this title shall be assigned to the mission of overthrowing the government of Nicaragua.

TITLE VI—RESERVE FORCES

AUTHORIZATION OF AVERAGE STRENGTHS FOR SELECTED RESERVE

SEC. 601. (a) For fiscal year 1984 the Selected Reserve of the reserve components of the Armed Forces shall be programed to attain average strengths of not less than the following:

(1) The Army National Guard of the United States, 425,000.

(2) The Army Reserve, 270,700.

(3) The Naval Reserve, 112,600.

(4) The Marine Corps Reserve, 40,300.

(5) The Air National Guard of the United States, 103,400.

(6) The Air Force Reserve, 68,600.

(7) The Coast Guard Reserve, 12,000.

(b) The average strength prescribed by subsection (a) for the Selected Reserve of any reserve component shall be proportionately reduced by (1) the total authorized strength of units organized to serve as units of the Selected Reserve of such component which are on active duty (other than for training) at any time during the fiscal year, and (2) the total number of individual members not in units organized to serve as units of the Selected Reserve of such component who are on active duty (other than for training or for unsatisfactory participation in training) without their consent at any time during the fiscal year. Whenever such units or such individual members are released from active duty during any fiscal year, the average strength prescribed for such fiscal year for the Selected Reserve of such reserve component shall be proportionately increased by the total authorized strength of such units and by the total number of such individual members.

AUTHORIZATION OF END STRENGTHS FOR RESERVES ON ACTIVE DUTY IN SUPPORT OF THE RESERVES

SEC. 602. Within the average strengths prescribed in section 601, the reserve components of the Armed Forces and the National Guard are authorized, as of September 30, 1984, the following number of Reserves to be serving on full-time active duty, and members of the National Guard to be serving in a full-time duty status, for the purpose of organizing, administering, recruiting, instructing, or training the reserve components or the National Guard:

(1) The Army National Guard and the Army National Guard of the United States, 19,494.

(2) The Army Reserve, 10,664.

(3) The Naval Reserve, 13,846.

(4) The Marine Corps Reserve, 801.

(5) The Air National Guard of the United States, 5,915.

(6) The Air Force Reserve, 517.

(b) Upon a determination by the Secretary of Defense that such action is in the national interest, the end strengths prescribed by subsection (a) may be increased by a total of not more than the number equal to 2 per centum of the total end strengths prescribed.

INCREASE IN NUMBER OF CERTAIN PERSONNEL AUTHORIZED TO BE ON ACTIVE DUTY IN SUPPORT OF THE RESERVE COMPONENTS

SEC. 603. (a) The columns under the headings "Army" and "Marine Corps" in the table in section 524(a) of title 10, United States Code, are amended to read as follows:

	"Army	Marine Corps
	1,577	95
	793	48
	291	23".

(b) The amendments made by subsection (a) shall take effect on October 1, 1983.

CLARIFICATION OF FISCAL YEAR 1983 GUARD AND RESERVE STATUS FOR ARMY NATIONAL GUARD AND AIR NATIONAL GUARD

SEC. 604. Section 502 of the Department of Defense Authorization, 1983 (Public Law 97-252; 96 Stat. 726), is amended—

(1) by inserting "and the National Guard" after "the Armed Forces";

(2) by inserting ", and members of the National Guard to be serving in a full-time duty status," after "active duty";

(3) by inserting "or the National Guard" after "reserve components" the second place it appears;

(4) by striking out paragraph (1) and inserting in lieu thereof the following:

"(1) The Army National Guard and the Army National Guard of the United States, 14,419."; and

(5) by striking out paragraph (5) and inserting in lieu thereof the following:

"(5) The Air National Guard and the Air National Guard of the United States, 5,158.".

STATUS OF CERTAIN MEMBERS OF THE NATIONAL GUARD SERVING IN A FULL-TIME DUTY STATUS

SEC. 605. (a)(1) Chapter 3 of title 32, United States Code, is amended by adding at the end thereof the following new section:

"§ 335. Status of certain members performing full-time duty

"Members of the National Guard serving in a full-time duty status for the purpose of organizing, administering, recruiting, instructing, or training the National Guard shall be entitled to all rights, privileges, and benefits of members called to active duty under section 265 of title 10 and shall be considered to be serving on active duty for purposes of sections 524(a) and 976 of such title.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end thereof the following new item:

"§ 335. Status of certain members performing full-time duty.".

(b) Not later than November 15, 1983, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives a draft of legislation to provide on a permanent basis that members of the National Guard described in section 335 of title 32, United States Code, as added by subsection (a), are under State control except when explicitly ordered to Federal service in accordance with law.

TITLE VII—CIVILIAN PERSONNEL

AUTHORIZATION OF END STRENGTH

SEC. 701. (a) The Department of Defense is authorized a strength in civilian personnel, as of September 30, 1984, of 1,067,374.

(b) The strength for civilian personnel prescribed in subsection (a) shall be apportioned among the Department of the Army, the Department of the Navy, the Department of the Air Force, and the agencies of the Department of Defense (other than the military departments) in such numbers as the Secretary of Defense shall prescribe. The Secretary of Defense shall report to the Congress within sixty days after the date of enactment of this Act on the manner in which the initial allocation of civilian personnel is made among the military departments and the agencies of the Department of Defense (other than the military departments) and shall include the rationale for each allocation.

(c)(1) In computing the strength for civilian personnel, there shall be included all direct-hire and indirect-hire civilian personnel employed to perform military functions administered by the Department of Defense (other than those performed by the National Security Agency) whether employed on a full-time, part-time, or intermittent basis, but excluding special employment categories for students and disadvantaged youth such as the stay-in-school campaign, the temporary summer aid program and the Federal junior fellowship program and personnel participating in the worker-trainee opportunity program.

(2) Personnel employed under a part-time career employment program established by section 3402 of title 5, United States Code, shall be counted as prescribed by section 3404 of that title. Personnel employed in an overseas area on a part-time basis under a nonpermanent local-hire appointment who are dependents accompanying a Federal civilian employee or a member of a uniformed service on official assignment or tour of duty shall also be counted as prescribed by section 3404 of that title.

(3) Whenever a function, power or duty, or activity is transferred or assigned to a department or agency of the Department of Defense from a department or agency outside of the Department of Defense, or from another department or agency within the Department of Defense, the civilian personnel end-strength authorized for such departments or agencies of the Department of Defense affected shall be adjusted to reflect any increases or decreases in civilian personnel required as a result of such transfer or assignment.

(d) When the Secretary of Defense determines that such action is necessary in the national interest, the Secretary of Defense may authorize the employment of civilian personnel in excess of the number authorized by subsection (a), but such additional number may not exceed 2 per centum of the total number of civilian personnel authorized for the Department of Defense by subsection (a). The Secretary of Defense shall promptly notify the Congress of any authorization to increase civilian personnel strength under this subsection.

PROHIBITION OF CIVILIAN PERSONNEL CEILINGS ON INDUSTRIALLY FUNDED ACTIVITIES DURING FISCAL YEAR 1983

SEC. 702. During fiscal year 1983, the Secretary of Defense may authorize the employment of civilian personnel at industrially-funded activities of the Department of Defense without regard to the number of civilian employees for the Department of Defense authorized by section 601 of the Department of Defense Authorization Act, 1983 (Public Law 97-252; 96 Stat. 728), and such activities shall be operated during such year without regard to any statutory or administrative civilian personnel ceiling.

TITLE VIII—MILITARY TRAINING STUDENT LOADS

AUTHORIZATION OF TRAINING STUDENT LOADS

SEC. 801. (a) For fiscal year 1984, the components of the Armed Forces are authorized average military training student loads as follows:

(1) The Army, 71,817.
(2) The Navy, 66,911.
(3) The Marine Corps, 21,105.
(4) The Air Force, 49,007.
(5) The Army National Guard of the United States, 21,105.
(6) The Army Reserve, 12,724.
(7) The Naval Reserve, 2,886.
(8) The Marine Corps Reserve, 3,223.
(9) The Air National Guard of the United States, 2,845.
(10) The Air Force Reserve, 1,705.

(b) The average military student loads for the Army, the Navy, the Marine Corps, and the Air Force and the reserve components authorized in subsection (a) for fiscal year 1984 shall be adjusted consistent with the manpower strengths authorized in titles V, VI, and VII of this Act. Such adjustment shall be apportioned among the Army, the Navy, the Marine Corps, and the Air Force and the reserve components in such manner as the Secretary of Defense shall prescribe.

EXTENSION OF REDUCTION IN NUMBER OF STUDENTS REQUIRED TO BE IN A UNIT OF THE JUNIOR RESERVE OFFICERS' TRAINING CORPS

SEC. 802. Section 602 of the Department of Defense Authorization Act, 1981 (10 U.S.C. 2031 note), is amended by striking out "August 31, 1983" and inserting in lieu thereof "August 31, 1984".

TITLE IX—CIVIL DEFENSE

AUTHORIZATION OF APPROPRIATIONS

SEC. 901. There is hereby authorized to be appropriated for fiscal year 1984 to carry out the provisions of the Federal Civil Defense Act of 1950 (50 U.S.C. App. 2251 et seq.) the sum of $200,000,000.

AMOUNT AUTHORIZED FOR CONTRIBUTIONS FOR STATE PERSONNEL AND ADMINISTRATIVE EXPENSES

SEC. 902. Notwithstanding the second proviso of section 408 of the Federal Civil Defense Act of 1950 (50 U.S.C. App. 2260), $54,000,000 of the amount authorized to be appropriated by section 901 is available for appropriations for contributions to the States under section 205 of such Act (50 U.S.C. App. 2286) for personnel and administrative expenses.

TITLE X—MILITARY PERSONNEL AND COMPENSATION MATTERS

PART A—COMPENSATION MATTERS

4-PERCENT INCREASE IN BASIC PAY AND ALLOWANCES EFFECTIVE ON JANUARY 1, 1984

SEC. 1001. (a) The adjustment required by section 1009 of title 37, United States Code, in certain elements of the compensation of members of the uniformed services to become effective on October 1, 1983, shall not be made.

(b)(1) Subject to the provisions of paragraphs (2) and (3), the elements of compensation specified in sections 1009(a) of title 37, United States Code, shall be increased for members of the uniformed services by 4 percent effective on January 1, 1984.

(2) Subsections (c) and (d) of section 1009 of title 37, United States Code, shall apply to any pay adjustment made pursuant to this section in the same manner as such subsections apply to an increase described in subsection (b)(3) of such section.

(3) None of the increase provided for in paragraph (1) may be used to adjust the basic pay of members of the uniformed services in pay grades E-1 and E-2.

ADJUSTMENT IN BASIC PAY OF CERTAIN OFFICERS WITH PRIOR ENLISTED AND WARRANT OFFICER SERVICE

SEC. 1002. (a) Section 203(d) of title 37, United States Code, is amended to read as follows:

"(d) The basic pay of a commissioned officer who is in pay grade O-1, O-2, or O-3 and who is credited with a total of over four years' active service as a warrant officer and enlisted member shall be computed in the same manner as the basic pay of a commissioned officer in the same pay grade who has been credited with over four years' active service as an enlisted member.".

(b) The amendment made by subsection (a) shall take effect on October 1, 1983.

HAZARDOUS DUTY PAY FOR CERTAIN TOXIC FUEL HANDLERS

SEC. 1003. (a) Section 301(a)(12) of title 37, United States Code, is amended by inserting "or the testing of aircraft or missile systems (or components of such systems) during which highly toxic fuels or propellants are used" after "propellants".

(b) The amendment made by subsection (a) shall take effect on October 1, 1983.

CLARIFICATION OF ELIGIBILITY FOR SEPARATION PAY

SEC. 1004. (a) Subsection (c) of section 1174 of title 10, United States Code, is amended to read as follows:

"(c)(1) Except as provided in paragraphs (2) and (3), a member of an armed force other than a regular member who after September 14, 1981, is discharged or released from active duty and who has completed five or more, but fewer than twenty, years of active service immediately before that discharge or release is entitled to separation pay computed under subsection (d)(1) or (d)(2), as determined by the Secretary concerned, if—

"(A) the member's discharge or release from active duty is involuntary; or

"(B) the member was not accepted for an additional tour of active duty for which he volunteered.

"(2) If the Secretary concerned determines that the conditions under which a member described in paragraph (1) is discharged or separated do not warrant separation pay under this section, that member is not entitled to that pay.

"(3) A member described in paragraph (1) who was not on the active-duty list when discharged or separated and who had not completed at least five years of continuous active duty immediately before such discharge or release is not entitled to separation pay under this section. For purposes of this paragraph, a period of active duty is continuous if it is not interrupted by a break in service of more than thirty days.".

(b) Subsection (g)(2) of such section is amended by inserting ", other than section 1212 of this title," after "any other provision of law".

(c) The amendments made by this section shall take effect on October 1, 1983.

FREEZE OF VARIABLE HOUSING ALLOWANCE AT FISCAL YEAR 1983 RATES

SEC. 1005. During fiscal year 1984, the rates at which the variable housing allowance under section 403(a)(2) of title 37, United States Code, is paid shall be the same as the rates in effect on September 30, 1983.

VARIABLE HOUSING ALLOWANCE FOR RESERVES ON ACTIVE DUTY FOR A PERIOD OF 140 DAYS OR MORE

SEC. 1006. (a) Section 403(a)(2) of title 37, United States Code, is amended—

(1) by striking out "A member" in the first sentence of subparagraph (A) and inserting in lieu thereof "Except as provided in subparagraph (D) of this paragraph, a member"; and

(2) by adding at the end thereof the following new subparagraph:

"(D) A member of a reserve component is not entitled to a variable housing allowance while on active duty under a call or order to active duty specifying a period of less than one hundred and forty days.".

(b) The amendments made by subsection (a) shall apply only with respect to members called or ordered to active duty after September 30, 1983.

CLARIFICATION OF RULES FOR PAYMENT PER DIEM

SEC. 1007. (a) Section 402(e) of title 37, United States Code, is amended—

(1) by inserting "(1)" after "(e)"; and

(2) by adding at the end thereof the following new paragraph:

"(2) For purposes of subsection (b) of this section, a member shall not be considered to be performing travel under orders away from his designated post of duty if such member—

"(A) is an enlisted member serving his first tour of active duty;

"(B) has not actually reported to a permanent duty station pursuant to orders directing such assignment; and

"(C) is not actually traveling between stations pursuant to orders directing a change of station.".

(b) Section 404(f) of such title is amended by adding at the end thereof the following new paragraph:

"(3) For purposes of entitlement to per diem in place of subsistence under subsection (d)(2) of this section, a member shall not be considered under subsection (a)(1) of this section to be performing travel under orders away from his designated post of duty if such member—

"(A) is an enlisted member serving his first tour of active duty;

"(B) has not actually reported to a permanent duty station pursuant to orders directing such assignment; and

"(C) is not actually traveling between stations pursuant to orders directing a change of station.".

TRAVEL AND TRANSPORTATION ALLOWANCE FOR MEMBERS STATIONED OVERSEAS WITH DEPENDENT CHILDREN ATTENDING SCHOOL IN THE UNITED STATES

SEC. 1008. (a)(1) Chapter 7 of title 37, United States Code, relating to allowances for members of the uniformed services, is amended by inserting after section 429 the following new section:

"§ 430. Travel and transportation: dependent children of members stationed overseas

"(a) Under regulations to be prescribed by the Secretary of Defense, a member of a uniformed service who—

"(1) is assigned a permanent duty station outside the United States,

"(2) is accompanied by his dependents at or near his oversea duty station (unless his only dependents are in the category of dependent described in clause (3) of this subsection), and

"(3) has a dependent child who is under twenty-three years of age attending a school in the United States for the purpose of obtaining a secondary or undergraduate college education,

may be paid the allowance set forth in subsection (b) of this section if he otherwise qualifies for such allowance.

"(b) A member described in subsection (a) of this section may be paid a transportation allowance for each unmarried dependent child, who is under twenty-three years of age and is attending a school in the United States for the purpose of obtaining a secondary or undergraduate college education, of one annual trip between the school being attended and the member's duty station in the oversea area and return. The allowance authorized by this section may be transportation in kind or reimbursement therefor, as prescribed by the Secretaries concerned.

"(c) Whenever possible, the Military Airlift Command or Military Sealift Command shall be used, on a space-required basis, for the travel authorized by this section.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end thereof the following new item:

"430. Travel and transportation: dependent children of members stationed overseas.".

(b) Section 430 of title 37, United States Code, as added by subsection (a), shall apply only with respect to travel begun after September 30, 1983.

HOSTILE FIRE PAY FOR MEMBERS SERVING IN AREAS THREATENING IMMINENT DANGER

SEC. 1009. (a) Section 310(a) of title 37, United States Code, is amended—

(1) by striking out "or" at the end of clause (2);

(2) by striking out the period at the end of clause (3) and inserting in lieu thereof "; or"; and

(3) by inserting after clause (3) the following new clause:

"(4) was on duty in a foreign area in which he was subject to the threat of physical harm or imminent danger on the basis of civil insurrection, civil war, terrorism, or wartime conditions.".

(b)(1) The heading of section 310 of such title is amended to read as follows:

"§ 310. Special pay: duty subject to hostile fire or imminent danger".

(2) The item relating to such section in the table of sections at the beginning of chapter 5 of such title is amended to read as follows:

"310. Special pay: duty subject to hostile fire or imminent danger.".

(c) The amendments made by this section shall take effect on October 1, 1983.

PART B—RETIRED PAY MATTERS

PERMANENT SIX-MONTH DELAY IN COST-OF-LIVING ADJUSTMENTS FOR RETIRED PAY

SEC. 1011. An adjustment in any year in retired and retainer pay pursuant to section 1401a of title 10, United States Code, shall be effective on November 1 of that year. This section shall not take effect unless a provision of law is enacted providing for an identical effective date for adjustments in annuities payable under subchapter III of chapter 83 of title 5, United States Code.

LIMITATION ON COST-OF-LIVING ADJUSTMENTS IN RETIRED PAY FOR PERSONS UNDER AGE 62 DURING FISCAL YEAR 1986

SEC. 1012. During fiscal year 1986, any adjustment in retired or retainer pay under section 1401a of title 10, United States Code, shall be made, with respect to any person entitled to such adjustment who on the effective date of such adjustment is under age sixty-two, in one-half of the amount by which such adjustment would otherwise be made. This section shall not take effect unless a provision of law is enacted providing for a similar limitation with respect to annuities payable under subchapter III of chapter 83 of title 5, United States Code.

TERMINATION OF SIX-MONTH ROUNDING RULE FOR COMPUTING RETIRED PAY

SEC. 1013. (a)(1) The text of each of the footnotes listed in paragraph (2) is amended to read as follows: "Before applying percentage factor, credit each full month of service that is in addition to the number of full years of service creditable to the member as one-twelfth of a year and disregard any remaining fractional part of a month.".

(2) The footnotes referred to in paragraph (1) are the following:

(A) Footnote 3 of the table in section 1401 of title 10, United States Code.

(B) Footnote 2 of the table in section 1402(a) of such title.

(C) Footnote 1 of the table in section 1402(d) of such title.

(D) Footnote 1 of the table in section 1402a(a) of such title.

(E) Footnote 1 of the table in section 1402a(d) of such title.

(F) Footnote 4 of the table in section 3991 of such title.

(G) Footnote 2 of the table in section 3992 of such title.

(H) Footnote 4 of the table in section 8991 of such title.

(I) Footnote 2 of the table in section 8992 of such title.

(b) Subsection (f) of section 1174 of title 10, United States Code, is amended to read as follows:

"(f) In determining a member's years of active service for the purpose of computing separation pay under this section, each full month of service that is in addition to the number of full years of service creditable to the member is counted as one-twelfth of a year and any remaining fractional part of a month is disregarded.".

(c)(1) Paragraph (2) of section 6151(b) of such title is amended to read as follows:

"(2) In determining the number of years to be used as a multiplier under this subsection, each full month of service that is in addition to the number of full years of service creditable to a member is counted as one-twelfth of a year and any remaining fractional part of a month is disregarded.".

(2) The text of section 6328 of such title is amended to read as follows:

"In determining the total number of years of service to be used as a multiplier in computing the retired pay of officers retiring under this chapter, each full month of service that is in addition to the number of full years of service creditable to an officer is counted as one-twelfth of a year and any remaining fractional part of a month is disregarded.".

(3) The first sentence of section 6330(d) of such title is amended to read as follows: "For the purposes of subsection (c), each full month of service that is in addition to the number of full years of service creditable to a member is counted as one-twelfth of a year and any remaining fractional part of a month is disregarded.".

(4) The text of section 6404 of such title is amended to read as follows:

"In determining the total number of years of service to be used as a multiplier in computing retired pay and separation pay on discharge under this chapter, each full month of service that is in addition to the number of full years of service creditable to a member is counted as one-twelfth of a year and any remaining fractional part of a month is disregarded.".

(d) The fourth sentence of section 423 of title 14, United States Code, is amended to read as follows: "In computing the number of years of service by which the rate of 2½ percent is multiplied, each full month of service that is in addition to the number of full years of service creditable to a member is counted as one-twelfth of a year and any remaining fractional part of a month is disregarded.".

(e) Subsection (b) of section 16 of the Coast and Geodetic Survey Commissioned Officers' Act of 1948 (33 U.S.C. 853o) is amended to read as follows:

"(b) In computing the number of years of service of an officer for the purposes of subsection (a), each full month of service that is in addition to the number of full years of service creditable to a member is counted as one-twelfth of a year and any remaining fractional part of a month is disregarded.".

(f) Section 211(e) of the Public Health Service Act (42 U.S.C. 212(e)) is amended by striking out "a part of" and all that follows and inserting in lieu thereof "each full month of service that is in addition to the number of full years of service credited to an officer is counted as one-twelfth of a year and any remaining fractional part of a month is disregarded.".

(g) The amendments made by this section shall apply with respect to (1) the computation of retired or retainer pay of any individual who becomes entitled to that pay after September 30, 1983, and (2) the recomputation of retired pay under section 1402, 1402a, 3992, or 8992 of title 10, United States Code, of any individual who after September 30, 1983, becomes entitled to recompute retired pay under any such section.

RETIRED PAY FOR CERTAIN OTHERWISE INELIGIBLE RESERVISTS

SEC. 1014. (a) Section 1331(c) of title 10, United States Code, relating to retired pay for nonregular service, is amended by striking out "unless he" the first place it appears and all that follows in such section and inserting in lieu thereof "unless—

"(1) he performed active duty after April 5, 1917, and before November 12, 1918, or after September 8, 1940, and before January 1, 1947; or

"(2) he performed active duty (other than for training) after June 26, 1950, and before July 28, 1953, after August 13, 1961, and before May 31, 1963, or after August 4, 1964, and before March 28, 1973.".

(b) The amendment made by subsection (a) shall apply with respect to retired pay payable for months beginning after September 30, 1983, or the date of the enactment of this Act, whichever is later.

PART C—PERSONNEL MANAGEMENT MATTERS

MODIFICATIONS TO RESERVE OFFICER TRAINING CORPS' SCHOLARSHIP PROGRAM

SEC. 1021. (a)(1) Section 2101(3) of title 10, United States Code, is amended by striking out the period and inserting in lieu thereof "(except that, in the case of a student enrolled in an academic program which has been approved by the Secretary of the military department concerned and which requires more than four academic years for completion of baccalaureate degree requirements, including elective requirements of the Senior Reserve Officers' Training Corps

course, such term includes a fifth academic year or a combination of a part of a fifth academic year and summer sessions).".

(2) Section 2104(a) of such title is amended by inserting "at least" before "two".

(3) Section 2107(c) of such title is amended by inserting after the first sentence the following new sentence: "In the case of a student enrolled in an academic program which has been approved by the Secretary of the military department concerned and which requires more than four academic years for completion of baccalaureate degree requirements, including elective requirements of the Senior Reserve Officers' Training Corps course, financial assistance under this section may also be provided during a fifth academic year or during a combination of a part of a fifth academic year and summer sessions.".

(4) Section 209(a) of title 37, United States Code, is amended by striking out "20" and inserting in lieu thereof "30".

(b)(1) Section 2005 of title 10, United States Code, is amended by adding at the end thereof the following new subsection:

"(f) The Secretary concerned shall require, as a condition to the Secretary providing financial assistance under section 2107 or 2107a of this title to any person, that such person enter into an agreement described in subsection (a). In addition to the requirements of clauses (1) through (4) of such subsection, any agreement required by this subsection shall provide—

"(1) that if such person fails to complete the education requirements specified in the agreement, the Secretary will have the option to order such person to reimburse the United States in the manner provided for in clause (3) of such subsection without the Secretary first ordering such person to active duty as provided for under clause (2) of such subsection and section 2107(f) and 2107a(f) of this title; and

"(2) that any amount owed by such person to the United States under such agreement shall bear interest at the rate equal to the highest rate being paid by the United States on the day on which the reimbursement is determined to be due for securities having maturities of ninety days or less and shall accrue from the day on which the member is first notified of the amount due to the United States as a reimbursement under this section.".

(2) The amendment made by paragraph (1) shall apply with respect to agreements entered into after September 30, 1983.

(c)(1) Section 2107(b)(5) of title 10, United States Code, is amended—

(A) by striking out "either" in the matter preceding subparagraph (A);

(B) by striking out "or" at the end of subparagraph (A);

(C) by striking out the period at the end and inserting in lieu thereof "; or"; and

(D) by adding at the end the following:

"(C)(i) accept an appointment, if offered, as a commissioned officer in the Army, Navy, Air Force, or Marine Corps, as the case may be; and

"(ii) serve in a reserve component of that armed force until the sixth anniversary of the receipt of such appointment, unless such appointment is otherwise extended by subsection (d) of section 2108 of this title, under such terms and conditions as may be prescribed by the Secretary of the military department concerned.".

(2) The second sentence of section 2107(b) of such title is amended—

(A) by inserting "or (5)(C)" after "(5)(B)"; and

(B) by striking out the period at the end and inserting in lieu thereof ", except that performance of service under clause (5)(C) shall include not less than two years of active duty.".

(3) The amendments made by this subsection shall apply with respect to agreements entered into under section 2107(b)(5) of title 10, United States Code, after September 30, 1983.

TRANSFER OF PUBLIC HEALTH SERVICE OFFICERS TO OTHER UNIFORMED SERVICES

SEC. 1022. (a)(1) Section 716 of title 10, United States Code, is amended to read as follows:

"§ 716. Commissioned officers: transfers among the armed forces, the National Oceanic and Atmospheric Administration, and the Public Health Service

"(a) Notwithstanding any other provision of law, the President, within authorized strengths and with the consent of the officer involved, may transfer any commissioned officer of a uniformed service from his uniformed service to, and appoint him in, another uniformed service. The Secretary of Defense, the Secretary of Transportation, the Secretary of Commerce, and the Secretary of Health and Human Services shall jointly establish, by regulations approved by the President, policies and procedures for such transfers and appointments.

"(b) An officer transferred under this section may not be assigned precedence or relative rank higher than that which he held on the day before the transfer.

"(c) In this section, 'uniformed service' means any of the armed forces, the Commissioned Corps of the National Oceanic and Atmospheric Administration, or the Commissioned Corps of the Public Health Service.".

(2) The item relating to such section in the table of sections at the beginning of chapter 41 of such title is amended to read as follows:

"716. Commissioned officers: transfers among the armed forces, the National Oceanic and Atmospheric Administration, and the Public Health Service.".

(b)(1) Chapter 53 of such title is amended by adding at the end thereof the following new section:

"§ 1043. Service credit: service in the National Oceanic and Atmospheric Administration or the Public Health Service

"Active commissioned service in the the National Oceanic and Atmospheric Administration or the Public Health Service shall be credited as active commissioned service in the armed forces for purposes of determining the retirement eligibility and computing the retired pay of a member of the armed forces.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end thereof the following new item:

"1043. Service credit: service in the National Oceanic and Atmospheric Administration or the Public Health Service.".

(c)(1) Section 533(a)(1) of such title is amended by inserting ", the National Oceanic and Atmospheric Administration, or the Public Health Service" after "in any armed force".

(2) Section 1174(i) of such title is amended—

(A) by inserting "(1)" after "(i)"; and

(B) by adding at the end thereof the following new paragraph:

"(2) Active commissioned service in the National Oceanic and Atmospheric Administration or the Public Health Service shall be credited as active service in the armed forces for the purposes of this section.".

(3) Section 3353(a)(1) of such title is amended—

(A) by striking out "chapters 337 and 363" and inserting in lieu thereof "this chapter and chapter 363"; and

(B) by inserting ", the National Oceanic and Atmospheric Administration, or the Public Health Service" after "in any armed force".

(4) Section 5600(a)(1) of such title is amended by inserting ", the National Oceanic and Atmospheric Administration, or the Public Health Service" after "in any armed force".

(5) Section 8353(a)(1) of such title is amended—

(A) by striking out "chapters 837 and 863" and inserting in lieu thereof "this chapter and chapter 863"; and

(B) by inserting ", the National Oceanic and Atmospheric Administration, or the Public Health Service" after "in any armed force".

(d) Clause (13) of section 3(a) of the Act of August 10, 1956 (33 U.S.C. 857a(a)), is amended to read as follows:

"(13) Section 716, Commissioned officers: transfers among the Armed Forces, the National Oceanic and Atmospheric Administration, and the Public Health Service.".

NOMINATIONS TO SERVICE ACADEMIES

SEC. 1023. (a)(1) Clause (10) of section 4342(a) of title 10, United States Code, relating to the number of cadets at the United States Military Academy, is amended to read as follows:

"(10) One cadet from American Samoa, nominated by the Delegate in Congress from American Samoa.".

(2) Clause (10) of section 6954(a) of such title, relating to the number of midshipmen at the United States Naval Academy, is amended to read as follows:

"(10) One from American Samoa, nominated by the Delegate in Congress from American Samoa.".

(3) Clause (10) of section 9342(a) of such title, relating to the number of cadets at the United States Air Force Academy, is amended to read as follows:

"(10) One cadet from American Samoa, nominated by the Delegate in Congress from American Samoa.".

(b)(1) Clause (8) of section 4342(a) of title 10, United States Code, is amended to read as follows:

"(8) One cadet nominated by the Administrator of the Panama Canal Commission from the children of civilian personnel of the United States Government residing in the Republic of Panama who are citizens of the United States.".

(2) Clause (8) of section 6954(a) of such title is amended to read as follows:

"(8) One nominated by the Administrator of the Panama Canal Commission from the children of civilian personnel of the United States residing in the Republic of Panama who are citizens of the United States.".

(3) Clause (8) of section 9342(a) of such title is amended to read as follows:

"(8) One cadet nominated by the Administrator of the Panama Canal Commission from the children of civilian personnel of the United States Government residing in the Republic of Panama who are citizens of the United States.".

APPOINTMENT OF CITIZENS OF NORTHERN MARIANA ISLANDS AS COMMISSIONED OFFICERS

SEC. 1024. (a) Notwithstanding any provision of law respecting citizenship and in accordance with the covenant entitled "A Covenant to establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America" (approved on March 24, 1976, by Public Law 94-241), a citizen of the Northern Mariana Islands who indicates in writing to a commissioned officer of the Armed Forces of the United States an intent to become a citizen, and not a national, of the United States upon full implementation of such covenant, and who is otherwise qualified for military service under applicable laws and regulations, may be appointed as an officer in the Armed Forces of the United States, may be appointed or enrolled in the Senior Reserve Officers' Training Corps program of any of the Armed Forces under chapter 103 of title 10, United States Code, and may be selected to be a participant in the Armed Forces Health Professions Scholarship program under chapter 105 of such title.

(b) This section shall expire upon the establishment of the Commonwealth of the Northern Mariana Islands.

VARIABLE TERMS FOR ENLISTMENTS AND REENLISTMENTS IN REGULAR COMPONENTS

SEC. 1025. Section 505 of title 10, United States Code, is amended by striking out "two, three, four, five, or six years" in subsections (c) and (d) and inserting in lieu thereof "at least two but not more than six years.".

PART D—HEALTH-CARE MATTERS

CHAMPUS PROVISIONS

SEC. 1031. (a) Section 1079 of title 10, United States Code, is amended—

(1) in subsection (a)—

(A) by striking out the period at the end of clause (5) and inserting in lieu thereof "; and"; and

(B) by inserting after such clause the following new clause:

"(6) inpatient mental health services may not (except as provided in subsection (i)) be provided to a patient in excess of sixty days in any year."; and

(2) by adding at the end thereof the following new subsections:

"(i) The limitation in subsection (a)(6) does not apply in the case of inpatient mental health services—

"(1) provided under the program for the handicapped under subsection (d);

"(2) provided as residential treatment care;

"(3) provided as partial hospital care; or

"(4) provided pursuant to a waiver authorized by the Secretary of Defense because of extraordinary medical or psychological circumstances that are confirmed by review by a non-Federal health professional pursuant to regulations prescribed by the Secretary of Defense.

"(j)(1) A benefit may not be paid under a plan covered by this section in the case of a person enrolled in any other insurance, medical service, or health plan to the extent that the benefit is also a benefit under the other plan, except in the case of a plan administered under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.).

"(2)(A) The amount to be paid to a provider of services for services provided under a plan covered by this section may be determined under joint regulations to be prescribed by the Secretary of Defense and the Secretary of Health and Human Services which provide that the amount of such payments shall be determined to the extent practicable in accordance with the same reimbursement rules as apply to payments to providers of services of the same type under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.).

"(B) In subparagraph (A), 'provider of services' means a hospital, skilled nursing facility, comprehensive outpatient rehabilitation facility, home health agency, or other institutional facility providing services for which payment may be made under a plan covered by this section.

"(k) A plan covered by this section may include provision of liver transplants (including the cost of acquisition and transportation of the donated liver) in accordance with this subsection. Such a liver transplant may be provided if—

"(1) the transplant is for a dependent considered appropriate for that procedure by the Secretary of Defense in consultation with the Secretary of Health and Human Services and such other entities as the Secretary considers appropriate; and

"(2) the transplant is to be carried out at a health-care facility that has been approved for that purpose by the Secretary of Defense after consultation with the Secretary of Health and Human Services and such other entities as the Secretary considers appropriate.".

(b) Subsection (d) of section 1086 of such title is amended to read as follows:

"(d) The provisions of section 1079(j) of this title shall apply to a plan covered by this section.".

(c) The amendments made by this section shall take effect on October 1, 1983, except that clause (6) of section 1079(a) of title 10, United States Code, as added by subsection (a)(1), shall not apply in the case of inpatient mental health services provided to a patient admitted before January 1, 1983, for so long as that patient remains continuously in inpatient status for medically or psychologically necessary reasons and subsection (k) of section 1079 of such title, as added by subsection (a)(1), shall apply with respect to liver transplant operations performed on or after July 1, 1983.

CONTRACT SURGEONS

SEC. 1032. (a)(1) Chapter 55 of title 10, United States Code, is amended by adding at the end thereof the following new section:

"§ 1091. Contract surgeons

"The Secretary concerned may employ contract surgeons for necessary services (including personal services) when he determines they are required.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end thereof the following new item:

"1091. Contract surgeons.".

(b) Section 201(b) of title 37, United States Code, is amended by striking out "is entitled to basic pay of a commissioned officer in pay grade O-3 with over four, but not more than six," and inserting in lieu thereof "may be paid not more than the basic pay of a commissioned officer in pay grade O-6 with over twenty-six, but not more than thirty,".

(c) Subsection (a) of section 421 of such title is amended to read as follows:

"(a) A contract surgeon who is serving full time with a uniformed service may be paid not more than the basic allowances, and other allowances authorized by this chapter, of a commissioned officer in pay grade O-6 with over twenty-six, but not more than thirty, years of service computed under section 205 of this title.".

(d)(1) Section 4022 of title 10, United States Code, is repealed.

(2) The table of sections at the beginning of chapter 373 of such title is amended by striking out the item relating to section 4022.

(e)(1) Section 9022 of title 10, United States Code, is repealed.

(2) The table of sections at the beginning of chapter 873 of such title is amended by striking out the item relating to section 9022.

(f) The amendments made by this section shall take effect on October 1, 1983.

STUDIES AND DEMONSTRATION PROJECTS RELATING TO HEALTH AND MEDICAL CARE

SEC. 1033. (a)(1) Chapter 55 of title 10, United States Code, is amended by adding after section 1091 (as added by section 1032) the following new section:

"§ 1092. Studies and demonstration projects relating to delivery of health and medical care

"(a)(1) The Secretary of Defense, in consultation with the Secretary of Health and Human Services, shall conduct studies and demonstration projects on the health care delivery system of the uniformed services with a view to improving the quality, efficiency, convenience, and cost effectiveness of providing health care services under this title to members, former members, and their dependents. Such studies and demonstration projects may include the following:

"(A) Alternative methods of payment for health and medical care services.

"(B) Cost-sharing by eligible beneficiaries.

"(C) Methods of encouraging efficient and economical delivery of health and medical care services.

"(D) Innovative approaches to delivery and financing of health and medical care services.

"(E) Alternative approaches to reimbursement for the administrative charges of health care plans.

"(F) Prepayment for medical care services provided to maintain the health of a defined population.

"(2) The Secretary of Defense shall submit to Congress from time to time written reports on the results of the studies and demonstration projects conducted pursuant to this subsection and shall include in such reports such recommendations for improving the health care delivery system for the uniformed services as he considers appropriate.

"(b) Subject to the availability of appropriations for such purpose, the Secretary of Defense may enter into contract with public or private agencies, institutions, and organizations to develop and conduct studies and demonstration projects under subsection (a).".

(2) The table of sections at the beginning of such chapter is amended by adding at the end thereof the following new item:

"1092. Studies and demonstration projects relating to delivery of health and medical care.".

(b) Section 1092 of title 10, United States Code, as added by subsection (a), shall take effect on October 1, 1983.

MEDICAL MALPRACTICE PROTECTION FOR HEALTH-CARE PERSONNEL OF THE SOLDIERS' AND AIRMEN'S HOME

SEC. 1034. (a) Subsection (a) of section 1089 of title 10, United States Code, is amended by inserting "the United States

Soldiers' and Airmen's Home," after "the Department of Defense,".

(b) Subsection (f) of such section is amended by striking out "or his designee may, to the extent that he or his designee deems" and inserting in lieu thereof "may, to the extent that the head of the agency concerned considers".

(c) Subsection (g) of such section is amended—

(1) by striking out "and" at the end of clause (2);

(2) by redesignating clause (3) as clause (4); and

(3) by inserting after clause (2) the following new clause (3):

"(3) the Board of Commissioners of the United States Soldiers' and Airmen's Home, in the case of an employee of the United States Soldiers' and Airmen's Home; and".

(d) The amendments made by this section shall apply only to claims accruing on or after the date of the enactment of this Act.

ADJUSTMENTS IN STIPEND PAID TO RECIPIENTS OF ARMED FORCES HEALTH PROFESSIONS SCHOLARSHIPS

SEC. 1035. (a) Section 2121(d) of title 10, United States Code, is amended to read as follows:

"(d) Except when serving on active duty pursuant to subsection (c), a member of the program shall be entitled to a stipend at the rate of $556 per month. That rate shall be increased annually by the Secretary of Defense effective on July 1 of each year (beginning in 1984) by an amount (rounded to the next highest multiple of $1) equal to—

"(1) the amount of such stipend (as previously adjusted (if at all)), multiplied by

"(2) the overall percentage of the adjustment (if such adjustment is an increase) in the rates of basic pay for members of the uniformed services made effective for the fiscal year in which the school year ends.".

(b) The rate payable for stipends under section 2121(d) of title 10, United States Code, as amended by subsection (a), shall be increased by 4 per centum effective on October 1, 1983.

PART E—SURVIVOR BENEFITS

EXPANSION OF SURVIVOR BENEFITS COVERAGE FOR FORMER SPOUSES

SEC. 1041. (a)(1) The second sentence of subsection (a)(5) of section 1448 of title 10, United States Code, is amended by inserting "except in accordance with subsection (b)(3)" after "may not be revoked".

(2) Subsection (b) of such section is amended to read as follows:

"(b)(1) A person who is not married and does not have a dependent child when he becomes eligible to participate in the Plan may elect to provide an annuity to a natural person with an insurable interest in that person. In the case of a person providing an annuity under this paragraph by virtue of eligibility under subsection (a)(1)(B), such an election shall include a designation under subsection (e).

"(2) A person who has a former spouse when he becomes eligible to participate in the Plan may elect to provide an annuity to that former spouse. In the case of a person with a spouse or a dependent child, such an election prevents payment of an annuity to that spouse or child. If there is more than one former spouse, the person shall designate which former spouse is to be provided the annuity. In the case of a person providing an annuity under this paragraph by virtue of eligibility under subsection (a)(1)(B), such an election shall include a designation under subsection (e).

"(3)(A) A person—

"(i) who is a participant in the Plan and is providing coverage for a spouse or a spouse and child, and

"(ii) who has a former spouse who was not that person's former spouse when he became eligible to participate in the Plan,

may (subject to subparagraph (B)) elect to provide an annuity to that former spouse. Any such election terminates any previous coverage under the Plan and must be written, signed by the person, and received by the Secretary concerned within one year after the date of the decree of divorce, dissolution, or annulment.

"(B) A person may not make an election under subparagraph (A) to provide an annuity to a former spouse who that person married after becoming eligible for retired or retainer pay unless—

"(i) the person was married to that former spouse for at least one year, or

"(ii) that former spouse is the parent of issue by that marriage.

"(C) An election under this paragraph may not be revoked except in accordance with section 1450(f) of this title and is effective as of the first day of the first calendar month following the month in which it is received by the Secretary concerned. This paragraph does not provide the authority to change a designation previously made under subsection (e).

"(D) If a person who is married makes an election to provide an annuity to a former spouse under this paragraph, that person's spouse shall be notified of that election.

"(4) A person who elects to provide an annuity to a former spouse under paragraph (2) or (3) shall, at the time of making the election, provide the Secretary concerned with a written statement (in a form to be prescribed by that Secretary and signed by such person and the former spouse) setting forth whether the election is being made pursuant to a written agreement previously entered into voluntarily by such person as a part of or incident to a proceeding of divorce, dissolution, or annulment and (if so) whether such voluntary written agreement has been incorporated in, or ratified or approved by, a court order.".

(3) Section 1450 of title 10, United States Code, is amended—

(A) by striking out "at the time the person to whom section 1448 applies became entitled to retired or retainer pay" in subsection (a)(4); and

(B) by inserting "(without regard to the eligibility of the person making the change of election to make an election under such section)" before the period at the end of the third sentence of subsection (f)(1).

(b) In the case of a person who on the date of the enactment of this Act is a person described in subparagraph (A) of subsection (b)(3) of section 1448 of title 10, United States Code (as amended by subsection (a)(2)), such subsection shall apply to that person as if the one-year period provided for in subparagraph (A) of such subsection began on the date of the enactment of this Act.

(c) Section 1408 of title 10, United States Code, is amended—

(1) by inserting "in the case of a division of property," in subsection (a)(2)(C) before "specifically provides for"; and

(2) by striking out the first sentence of subsection (d)(1) and inserting in lieu thereof the following: "After effective service on the Secretary concerned of a court order with respect to payments by a member to the spouse or former spouse of the member, the Secretary shall, subject to the limitations of this section, make payments from the disposable retired or retainer pay of the member to the spouse or former spouse in the amount provided for in the court order.".

(d)(1) Section 1447(8) of title 10, United States Code, is amended by striking out "annulment, or legal separation," both places it appears and inserting in lieu thereof "or annulment".

(2) Section 1448(a)(3) is amended—

(A) by inserting "for a former spouse" after "an annuity" the second place it appears in subparagraphs (A) and (B); and

(B) by striking out "of this section" both places it appears.

(3) Section 1450(f) of such title is amended—

(A) by striking out "of this subsection" in paragraph (1); and

(B) by striking out "annulment, or legal separation," in paragraph (2) and inserting in lieu thereof "or annulment,".

(4) Section 1006(e)(3) of the Uniformed Services Former Spouses' Protection Act (title X of Public Law 97-252; 96 Stat. 738) is amended by striking out "section" and all that follows and inserting in lieu thereof "section 1072 of title 10, United States Code.".

EXTENSION OF MINIMUM INCOME PROVISION FOR CERTAIN WIDOWS

SEC. 1042. (a) Section 4(a)(1) of the Act entitled "An Act to amend chapter 73 of title 10, United States Code, to establish a Survivor Benefit Plan, and for other purposes", approved September 21, 1972 (10 U.S.C. 1448 note), is amended by striking out "on the effective date of this Act is, or within one calendar year after that date becomes," and inserting in lieu thereof "on September 21, 1972, was, or during the period beginning on September 22, 1972, and ending on March 20, 1974, became,".

(b) Any annuity payable by reason of subsection (a) shall be payable only for months after September 1983.

BENEFITS FOR WIDOWS OF CERTAIN RETIRED RESERVISTS

SEC. 1043. (a) The Secretary concerned shall pay an annuity to any individual who is the surviving spouse or a dependent child of a member or former member of the uniformed services who—

(1) died during the period beginning on September 21, 1972, and ending on September 30, 1978; and

(2) at the time of his death would have been eligible for retired pay under chapter 67 of title 10, United States Code, but for the fact that he was under 60 years of age.

(b) An annuity under subsection (a) shall be paid under the provisions of subchapter II of chapter 73 of title 10, United States Code, in the same manner as if the member or former member had died after September 30, 1980, and had elected under section 1448(a)(2)(B) of such title to participate in the Survivor Benefit Plan established by such subchapter and had made a designation under section 1448(e) of such title to provide an annuity to become effective on the first day after his death.

(c) If an individual entitled to an annuity under this section is also entitled to an annuity under subchapter II of chapter 73 of title 10, United States Code, based upon a subsequent marriage, the individual may not receive both annuities but must elect which to receive.

(d) As used in this section:

(1) The term "uniformed services" means the Armed Forces and the commissioned corps of the Public Health Service and of the National Oceanic and Atmospheric Administration.

(2) The term "surviving spouse" has the meaning given the terms "widow" and widower" in section 1447 of title 10, United States Code.

(3) The term "dependent child" has the meaning given such term in section 1447 of title 10, United States Code.

(4) The term "Secretary concerned" has the meaning given such term in section 101(8) of title 10, United States Code, and includes the Secretary of Commerce, with respect to matters concerning the National Oceanic and Atmospheric Administration, and the Secretary of Health and Human Services, with respect to matters concerning the Public Health Service.

(e) This section shall apply to annuity payments payable for months after August 1984. No benefit shall accrue to any person by virtue of the enactment of this section for any period before September 1, 1984.

PART F—MISCELLANEOUS

ACCEPTANCE OF VOLUNTARY SERVICES FOR MILITARY MUSEUMS AND FAMILY SUPPORT PROGRAMS

SEC. 1051. (a) Chapter 81 of title 10, United States Code, is amended by adding at the end thereof the following new section:

"§ 1587. Authority to accept certain voluntary services

"(a) Notwithstanding section 1342 of title 31, the Secretary of a military department may accept from any person voluntary services to be provided for a museum or a family support program operated by that military department.

"(b) A person providing voluntary services under subsection (a) shall be considered to be an employee for the purposes of chapter 81 of title 5, relating to compensation for work-related injuries, and to be an employee of the Government for the purposes of chapter 171 of title 28, relating to tort claims. Such a person who is not otherwise employed by the Federal Government shall not be considered to be a Federal employee for any other purpose by reason of the provision of such services.".

(b) The table of sections at the beginning of such chapter is amended by adding after the item relating to section 1586 the following new item:

"1587. Authority to accept certain voluntary services.".

EXTENSION OF PILOT DEPARTMENT OF DEFENSE EDUCATIONAL ASSISTANCE LOAN REPAYMENT PROGRAM

SEC. 1052. Section 902(g) of the Department of Defense Authorization Act, 1981 (10 U.S.C. 2141 note), is amended by striking out "October 1, 1983" and inserting in lieu thereof "October 1, 1984".

ACCRUAL FUNDING FOR MILITARY RETIREMENT SYSTEM

SEC. 1053. (a)(1) Title 10, United States Code, is amended by inserting after chapter 73 the following new chapter:

"CHAPTER 74—DEPARTMENT OF DEFENSE MILITARY RETIREMENT FUND

"Sec.
"1461. Establishment and purpose of Fund; definition.
"1462. Assets of Fund.
"1463. Payments from the Fund.
"1464. Board of Actuaries.
"1465. Determination of contributions to the Fund.
"1466. Payments into the Fund.
"1467. Investment of assets of Fund.

"§ 1461. Establishment and purpose of Fund; definition

"(a) There is established on the books of the Treasury a fund to be known as the Department of Defense Military Retirement Fund (hereinafter in this chapter referred to as the 'Fund'), which shall be administered by the Secretary of the Treasury. The Fund shall be used for the accumulation of funds in order to finance on an actuarially sound basis liabilities of the Department of Defense under military retirement and survivor benefit programs.

"(b) In this chapter, 'military retirement and survivor benefit programs' means—

"(1) the provisions of this title creating entitlement to, or determining the amount of, retired or retainer pay; and

"(2) the programs under the jurisdiction of the Department of Defense providing annuities for survivors of members and former members of the armed forces, including chapter 73 of this title, section 4 of Public Law 92-425, and section 5 of Public Law 96-402.

"§ 1462. Assets of Fund

"There shall be deposited into the Fund the following, which shall constitute the assets of the Fund:

"(1) Amounts paid into the Fund under section 1466 of this title.

"(2) Any amount appropriated to the Fund.

"(3) Any return on investment of the assets of the Fund.

"§ 1463. Payments from the Fund

"(a) There shall be paid from the Fund—

"(1) retired pay payable to persons on the retired lists of the Army, Navy, Air Force, and Marine Corps;

"(2) retainer pay payable to members of the Fleet Reserve and Fleet Marine Corps Reserve; and

"(3) benefits payable under programs under the jurisdiction of the Department of Defense that provide annuities for survivors of members and former members of the armed forces, including chapter 73 of this title, section 4 of Public Law 92-425, and section 5 of Public Law 96-402.

"(b) The assets of the Fund are hereby made available for payments under subsection (a).

"§ 1464. Board of Actuaries

"(a)(1) There is established in the Department of Defense a Department of Defense Retirement Board of Actuaries (hereinafter in this chapter referred to as the 'Board'). The Board shall consist of three members, who shall be appointed by the President from among qualified professional actuaries who are members of the Society of Actuaries.

"(2)(A) Except as provided in subparagraph (B), the members of the Board shall serve for a term of 15 years, except that a member of the Board appointed to fill a vacancy occurring before the end of the term for which his predecessor was appointed shall only serve until the end of such term. A member may serve after the end of his term until his successor has taken office. A member of the Board may be removed by the President for misconduct or failure to perform functions vested in the Board, and for no other reason.

"(B) Of the members of the Board who are first appointed under this subsection, one each shall be appointed for terms ending five, ten, and fifteen years, respectively, after the date of appointment, as designated by the President at the time of appointment.

"(3) A member of the Board who is not otherwise an employee of the United States is entitled to receive pay at the daily equivalent of the annual rate of basic pay of the highest rate of basic pay then currently being paid under the General Schedule of subchapter III of chapter 53 of title 5, for each day the member is engaged in the performance of duties vested in the Board and is entitled to travel expenses, including a per diem allowance, in accordance with section 5703 of title 5.

"(b) The Board shall report to the Secretary of Defense annually on the actuarial status of the Fund and shall furnish its advice and opinion on matters referred to it by the Secretary.

"(c) The Board shall review valuations of the Fund under section 1466 of this title and under chapter 95 of title 31 and shall report periodically, not less than once every four years, to the President and Congress on the status of the Fund. The Board shall include in such reports recommendations for such changes as in the Board's judgment are necessary to protect the public interest and maintain the Fund on a sound actuarial basis.

"§ 1465. Determination of contributions to the Fund

"(a) Not later than six months after the Board of Actuaries is first appointed, the Board shall determine the amount that is the present value (as of October 1, 1984) of future benefits payable from the Fund that are attributable to service in the armed forces performed before October 1, 1984. That amount is the original unfunded liability of the Fund. The Board shall determine the period of time over which the original unfunded liability should be liquidated and shall determine an amortization schedule for the liquidation of such liability over that period. Contributions to the Fund for the liquidation of the original unfunded liability in accordance with such schedule shall be made as provided in section 1466(b) of this title.

"(b)(1) The Secretary of Defense shall determine each year, in sufficient time for inclusion in budget requests for the following fiscal year, the total amount of Department of Defense contributions to be made to the Fund during that fiscal year under section 1466(a) of this title. That amount shall be determined as the product of—

"(A) the current estimate of the value of the single level percentage of basic pay to be determined at the time of the next actuarial valuation under subsection (c); and

"(B) the total amount of basic pay expected to be paid during that fiscal year to members of the armed forces (other than the Coast Guard) on active duty or in the Selected Reserve.

"(2) The amount determined under paragraph (1) for any fiscal year is the amount needed to be appropriated to the Department of Defense for that fiscal year for payments to be made to the Fund during that year under section 1466(a) of this title. The President shall include not less than the full amount so determined in the budget transmitted to Congress for that fiscal year under section 1105 of title 31. The President may comment and make recommendations concerning any such amount.

"(c)(1)(A) Not less often than every four years, the Secretary of Defense shall carry out an actuarial valuation of Department of Defense military retirement and survivor benefit programs. Each actuarial valuation of such programs shall include a determination (using the aggregate entry-age normal cost method) of a single level percentage of basic pay to be used for the purposes of subsection (b) and section 1466(a) of this title.

"(2) If at the time of any such valuation (or any valuation carried out in order to comply with chapter 95 of title 31) there has been a change in benefits under a military retirement or survivor benefit program that has been made since the last such valuation and such change in benefits increases or decreases the present value of amounts payable from the Fund, the Secretary of Defense shall determine an amortization methodology and schedule for the amortization of the cumulative unfunded liability (or actuarial gain to the Fund) created by such change and any previous such changes so that the present value of the sum of the amortization payments (or reductions in payments that would otherwise be made) equals the cumulative increase (or decrease) in the present value of such amounts.

"(3) If at the time of any such valuation (or any valuation carried out in order to comply with chapter 95 of title 31) the Secretary of Defense determines that, based upon changes in actuarial assumptions since the last valuation, there has been an actuarial gain or loss to the Fund, the Secretary shall determine an amortization methodology and schedule for the amortization of the cumulative gain or loss to the Fund created by such change in assumptions and any previous such changes in assumptions through an increase or decrease in the payments that would otherwise be made to the Fund.

"(4) Contributions to the Fund in accordance with amortization schedules under paragraphs (2) and (3) shall be made as provided in section 1466(b) of this title.

"(d) All determinations under this section shall be made using methods and assumptions approved by the Board of Actuaries (including assumptions of interest rates and inflation) and in accordance with generally accepted actuarial principles and practices.

"(e) The Secretary of Defense shall provide for the keeping of such records as are necessary for determining the actuarial status of the Fund.

"§ 1466. Payments into the Fund

"(a) The Secretary of Defense shall pay into the Fund at the end of each month as the Department of Defense contribution to the Fund for that month the amount that is the product of—

"(1) the level percentage of basic pay determined under the most recent (as of the first day of the current fiscal year) actuarial valuation under section 1465(c) of this title; and

"(2) the total amount of basic pay paid that month to members of the armed forces (other than the Coast Guard) on active duty or in the Selected Reserve.

Amounts paid into the Fund under this subsection shall be paid from funds available for the pay of members of the armed forces under the jurisdiction of the Secretary of a military department.

"(b)(1) At the beginning of each fiscal year the Secretary of the Treasury shall promptly pay into the Fund from the General Fund of the Treasury the amount certified to the Secretary by the Secretary of Defense under paragraph (3). Such payment shall be the contribution to the Fund for that fiscal year required by sections 1465(a) and 1465(c) of this title.

"(2) At the beginning of each fiscal year the Secretary of Defense shall determine the sum of the following:

"(A) The amount of the payment for that year under the amortization schedule determined by the Board of Actuaries under section 1465(a) of this title for the amortization of the original unfunded liability of the Fund.

"(B) The amount (including any negative amount) for that year under the most recent amortization schedule determined by the Secretary of Defense under section 1465(c)(2) of this title for the amortization of any cumulative unfunded liability (or any gain) to the Fund resulting from changes in benefits.

"(C) The amount (including any negative amount) for that year under the most recent amortization schedule determined by the Secretary of Defense under section 1465(c)(3) of this title for the amortization of any cumulative actuarial gain or loss to the Fund.

"(3) The Secretary of Defense shall promptly certify the amount determined under paragraph (2) each year to the Secretary of the Treasury.

"§ 1467. Investment of assets of Fund

"The Secretary of the Treasury shall invest such portion of the Fund as is not in the judgment of the Secretary of Defense required to meet current withdrawals. Such investments shall be in public debt securities with maturities suitable to the needs of the Fund, as determined by the Secretary of Defense, and bearing interest at rates determined by the Secretary of the Treasury, taking into consideration current market yields on outstanding marketable obligations of the United States of comparable maturities. The income on such investments shall be credited to and form a part of the Fund.".

(2) The tables of chapters at the beginning of subtitle A, and at the beginning of part II of subtitle A, of title 10, United States Code, are amended by inserting after the item relating to chapter 73 the following new item:

"74. Department of Defense Military Retirement Fund ..... 1461".

(b)(1) Section 1464 (relating to the Board of Actuaries) of title 10, United States Code, as added by subsection (a), shall take effect on October 1, 1983.

(2) Sections 1463 (relating to payments from the Fund) and 1466 (relating to payments to the Fund) of title 10, United States Code, as added by subsection (a), shall take effect on October 1, 1984.

(3) There shall be transferred into the Fund on October 1, 1984, any unobligated balances of appropriations made to the Department of Defense that are currently available for retired pay, and amounts so transferred shall be part of the assets of the Fund.

FEE FOR VETERINARY SERVICES

SEC. 1054. The Secretary of Defense shall require that a member of the Armed Forces pay a fee of $10 for each time that a pet of such member is provided veterinary care service by a member of the Armed Forces.

GRADE FOR DIRECTOR OF INTELLIGENCE COMMUNITY STAFF

SEC. 1055. The President is authorized to appoint, by and with the advice and consent of the Senate, Rear Admiral Edward A. Burkhalter to the grade of vice admiral to serve in such grade while holding the position of Director of the Intelligence Community Staff. When appointed to such grade for service in such position, such officer shall be considered to be an additional number in grade for purposes of section 525(b) of title 10, United States Code, during the period beginning on the date of that appointment and ending on the date on which the first vacancy in the grade of vice admiral in the Navy occurs after the date of that appointment.

TRANSPORTATION OF REMAINS OF MILITARY RETIREES DYING IN MILITARY HOSPITALS

SEC. 1056. (a)(1) Chapter 75 of title 10, United States Code, is amended by adding at the end thereof the following new section:

"§ 1490. Transportation of remains of members entitled to retired or retainer pay who die in a military medical facility

"(a) Subject to subsection (b), when a member entitled to retired or retainer pay or equivalent pay dies while properly admitted under chapter 55 of this title to a medical facility of the armed forces located in the United States, the Secretary concerned may transport the remains, or pay the cost of transporting the remains, of the decedent to the place of burial of the decedent.

"(b)(1) Transportation provided under this section may not be to a place outside the United States or to a place further from the place of death than the decedent's last place of permanent residence, and any amount paid under this section may not exceed the cost of transportation from the place of death to the decedent's last place of permanent residence.

"(2) Transportation of the remains of a decedent may not be provided under this section if such transportation is authorized by sections 1481 and 1482 of this title or by chapter 23 of title 38.

"(c) In this section, 'United States' includes the Commonwealth of Puerto Rico and the territories and possessions of the United States.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end thereof the following new item:

"1490. Transportation of remains of members entitled to retired or retainer pay who die in a military medical facility.".

(b) Section 1490 of title 10, United States Code, as added by subsection (a), shall apply with respect to the transportation of the remains of persons dying after September 30, 1983.

TITLE XI—GENERAL PROVISIONS

TRANSFER AUTHORITY

SEC. 1101. (a)(1) Upon determination by the Secretary of Defense that such action is necessary in the national interest, the Secretary may transfer amounts of authorizations made available to the Department of Defense in this Act between any such authorizations (or any subdivisions thereof). Amounts of authorizations so transferred shall be merged with and be available for the same purposes as the authorization to which transferred.

(2) The total amount of authorizations that the Secretary of Defense may transfer under the authority of this section may not exceed $1,500,000,000.

(b) The authority provided by this section to transfer authorizations—

(1) may only be used to provide authority for higher priority items than the items from which authority is transferred; and

(2) may not be used to provide authority for an item that has been denied authorization by Congress.

(c) The Secretary of Defense shall promptly notify Congress of transfers made under the authority of this section.

LIMITATION ON AUTHORITY TO ENTER INTO CERTAIN CONTRACTS FOR VESSELS

SEC. 1102. (a) Chapter 141 of title 10, United States Code, is amended by adding at the end thereof the following new section:

"§ 2401. Requirement for authorization by law of certain contracts relating to vessels

"(a) Except as provided in subsection (c), the Secretary of a military department may not make a contract for the lease of a vessel or for the provision of a service through use by a contractor of a vessel if—

"(1) the contract will be for a long term; or

"(2) under the contract the United States will have a substantial termination liability.

"(b) Except as provided in subsection (c), the Secretary of a military department may not make a contract that is an agreement to lease or an agreement to provide services and that is (or will be) accompanied by a contract for the actual lease or provision of services if the contract for the actual lease or provision of services is (or will be) a contract described in subsection (a).

"(c)(1) The Secretary may make a contract described in subsection (a) or (b) if—

"(A) the Secretary has been specifically authorized by law to make the contract;

"(B) before a solicitation for proposals for the contract was issued the Secretary notified the Committees on Armed Services and on Appropriations of the Senate and House of Representatives of the Secretary's intention to issue such a solicitation and a period of 30 days of continuous session of Congress expired following the date on which that notice was received by such committees before the solicitation was issued; and

"(C) the Secretary has notified the Committees on Armed Services and on Appropriations of the Senate and House of Representatives of the proposed contract and provided a detailed description of the terms of the proposed contract and a justification for entering into the proposed contract rather than providing for the lease or services involved through purchase of the vessel to be used under the contract, and a period of 30 days of continuous session of Congress have expired following the date on which notice was received by such committees.

"(2) For purposes of paragraphs (1)(B) and (1)(C), the continuity of a session of Congress is broken only by an adjournment of the Congress sine die, and the days on which either House is not in session because of an adjournment of more than three days to a day certain are excluded in a computation of such 30-day period.

"(d) For purposes of subsection (a)—

"(1) a contract shall be considered to be for a long term if the term of the contract, including all options under the contract, is for more than five years or is for a period longer than one-half the useful life of the vessel; and

"(2) the United States shall be considered to have a substantial termination liability under a contract if, as determined under regulations prescribed by the Secretary of Defense, the sum of—

"(A) the present value of the amount of the termination liability of the United States under the contract as of the end of the term of the contract (exclusive of any option to extend the contract), and

"(B) the present value of the total of the payments to be made by the United States under the contract (excluding any option to extend the contract) attributable to capital-hire,

is more than one-half the price of the vessel involved.".

(b) The table of sections at the beginning of such chapter is amended by adding at the end thereof the following new item:

"2401. Requirement for authorization by law of certain contracts relating to vessels.".

LIMITATION ON PROCUREMENT OF BINARY CHEMICAL WEAPONS

SEC. 1103. Notwithstanding any other provision of law, no funds may be obligated or expended after the date of the enactment of this Act for the production of binary chemical weapons unless the President certifies to the Congress that for each one-hundred-and-fifty-five-millimeter binary artillery shell or aircraft-delivered binary aerial bomb produced a serviceable unitary artillery shell from the existing arsenal shall be rendered permanently useless for military purposes.

LIMITATION ON WAIVERS OF COST-RECOVERY REQUIREMENTS UNDER ARMS EXPORT CONTROL ACT

SEC. 1104. The authority of the President under section 21(e)(2) of the Arms Export Control Act may be exercised without regard to the limitation imposed by section 770 of the Department of Defense Appropriation Act, 1983 (as contained in Public Law 97-377; 96 Stat. 1862).

WAIVER OF LIMITATION ON FOREIGN MILITARY SALES PROGRAM

SEC. 1105. The Arms Export Control Act shall be administered as if section 747 of the Department of Defense Appropriation Act, 1983 (as contained in Public Law 97-377; 96 Stat. 1858) had not been enacted into law.

F/A-18 AIRCRAFT PROGRAM

SEC. 1106. The Secretary of the Navy may carry out the F/A-18 aircraft program without regard to the first proviso in the paragraph under the heading "AIRCRAFT PROCUREMENT, NAVY" in title IV (PROCUREMENT) of the Department of Defense Appropriation Act, 1983 (as contained in Public Law 97-377; 96 Stat. 1841).

NAME OF SCHOOL OF MEDICINE AT THE UNIFORMED SERVICES UNIVERSITY OF THE HEALTH SCIENCES

SEC. 1107. The School of Medicine of the Uniformed Services University of the Health Sciences shall after the date of the enactment of this Act be known and designated as the "F. Edward Hébert School of Medicine". Any reference to such school of medicine in any law, regulation, map, document, or other record of the United States shall after such date be deemed to be a reference to such school of medicine as the F. Edward Hébert School of Medicine.

PROHIBITION ON PURCHASE OF CERTAIN TYPEWRITERS

SEC. 1108. None of the funds available to the Department of Defense shall be available for the procurement of manual typewriters which were manufactured by facilities located within states which are signatories to the Warsaw Pact.

REQUIREMENT OF AUTHORIZATION OF APPROPRIATIONS FOR WORKING-CAPITAL FUNDS

SEC. 1109. (a) The second sentence of section 2208(d) of title 10, United States Code, is amended to read as follows: "In addition, such amounts may be appropriated for the purpose of providing capital for working-capital funds as have been specifically authorized by law.".

(b) The amendment made by subsection (a) shall apply only with respect to appropriations for fiscal years beginning after September 30, 1984.

RESTORATION OF BEDFORD AIR FORCE STATION, VIRGINIA

SEC. 1110. The Secretary of the Air Force may remove from the site of the former Bedford Air Force Station, Virginia, the improvements made to that site by the Air Force and may restore the premise as provided in the license from the United States Forest Service of the Department of Agriculture authorizing the use of that site by the Air Force.

ENDORSEMENT OF REPORT ON IMPROVED STRATEGIC COMMUNICATIONS

SEC. 1111. (a) The Congress finds that the report to the Congress by the Secretary of Defense entitled "Direct Communications Links and Other Measures to Enhance Stability", dated April 11, 1983, and submitted to the Congress pursuant to section 1123 of the Department of Defense Authorization Act, 1983 (Public Law 97-252; 96 Stat. 756), contains several significant proposals that if implemented would, taken together, make significant progress toward eliminating the danger of accident or misinterpretation leading to nuclear war. Among the proposals in that report that Congress specifically finds constructive are proposals—

(1) to enhance the speed and quality of communications between the Governments of the United States and the Soviet Union;

(2) to establish a communications link between the senior military commands of the United States and the Soviet Union; and

(3) to develop a system of prior notification between the United States and the Soviet Union of missile launches and military exercises by either nation that could be misinterpreted by the other and therefore be destabilizing.

(b) The Congress—

(1) endorses the findings in the report described in subsection (a) and urges the President and the Secretary of Defense to implement as rapidly as possible the proposals made in that report;

(2) suggests that, when practicable and not harmful to the national security of the United States, the United States should unilaterally implement confidence-building measures (such as prior notification of missile launches and military exercises) on a temporary, voluntary basis and should invite the Soviet Union to join in implementing those measures; and

(3) endorses proposals that the United States, through its arms control negotiators, should seek a separate, limited agreement with the Soviet Union on confidence-building measures, such as those recommended in the report described in subsection (a), designed to reduce the danger of accident or misinterpretation leading to nuclear war.

REPORT ON MANAGEMENT OF SPARE PARTS

SEC. 1112. (a) The Secretary of Defense shall submit to the Committees on Armed Services and on Appropriations of the Senate and House of Representatives, by June 1, 1984, a comprehensive report on the management by the Department of Defense of acquisition of initial and replenishment spare parts and on the status of efforts within the Department of Defense (including particularly the Defense Logistics Agency and the military departments) to

correct problems associated with increased costs of such parts. The Secretary shall include in the report the following:

(1) The status of efforts to ensure that procurement method codes (PMC's) used to denote the method of procurement for spare parts are accurately and appropriately applied.

(2) With respect to technical data required by a contract to be delivered to the Department of Defense, the status of efforts to identify and obtain such data that are missing and to identify and correct such data that are inaccurate or incomplete.

(3) The status of efforts to enhance the Department of Defense High Dollar Spare Parts Breakout Program.

(4) The number of, and the organizational identity of, personnel assigned to the efforts referred to in paragraphs (1), (2), and (3).

(5) The status of efforts to automate the procurement process.

(6) A brief summary of any audit, investigation, or study relating to the acquisition or management of spare or replenishment parts conducted by or for any organization within the Department of Defense during the period beginning on the date of the interim report required in subsection (c) and ending on the date of the submission of the report under this subsection, to be accompanied by a copy of all current regulations or proposed defense regulations relating specifically to the acquisition or management of spare or replenishment parts.

(7) An analysis of the feasibility and desirability of establishing a statutory or contractual time limit on the protection from disclosure outside the Department of Defense given technical data delivered by contractors to the Department of Defense with limited rights (as defined in the Defense Acquisition Regulations).

(8) An analysis of the feasibility and desirability of withholding Department of Defense contracts from contractors who have obtained unreasonable profits on defense contracts or have sold items to the Department of Defense at unjustifiable prices, until any such excess amounts have been repaid.

(b) The report under subsection (a) shall also include information showing the following:

(1) The number and total dollar value of parts acquired by the Department of Defense during each of 1982 and 1983 from mandatory and nonmandatory Federal Supply Schedules, shown according to Federal supply class.

(2) The number and total dollar value of parts acquired by the Department of Defense during each of 1982 and 1983 through the Department of Defense supply system.

(3) The number of parts acquired during each of 1982 and 1983 in a total dollar amount for the year in excess of $10,000, and the total dollar value of those parts, that were acquired through each of the following methods:

(A) By fixed-price contract with firm prices on individual items established before the items were ordered.

(B) By fixed-price contract with prices negotiated for individual items after the parts were ordered.

(C) By competition.

(D) By sole source contract, identifying separately those items which were purchased from a prime contractor not the manufacturer of the item and those which were purchased from the manufacturer.

(4) The number and total dollar value of parts acquired during each of 1982 and 1983 shown by procurement method code.

(5) The number of parts and the total dollar value of those parts broken out from a prime contract during each of 1982 and 1983 under the Department of Defense High-Dollar Spare Parts Breakout Program.

(c) Not later than December 1, 1983, the Secretary shall submit to the committees named in subsection (a) an interim report on the progress being made by the Department of Defense on the acquisition and management of spare parts by the Department. The report shall address at least the following subjects:

(1) With respect to each major system approved for use by a military department after January 1, 1980—

(A) the cost of initial and replenishment spare parts bought for that system for each fiscal year from fiscal year 1980 through 1983;

(B) the portion of those parts (shown by number of items and by cost) bought directly from the prime contractor; and

(C) if unlimited rights to technical data for those parts to which the Government would not otherwise be entitled were acquired by the Government, the cost of acquiring those rights.

(2) A brief summary of any audit, investigation, or other study conducted by or for any organization within the Department of Defense since January 1, 1980, relating to the acquisition or management of initial or replenishment spare parts, including the identity and purpose of any current working group.

(d) The Secretary of Defense shall put into effect at the earliest practicable date policies and procedures to achieve a long-term solution to problems relating to excessive costs of, and long-lead times in the acquisition of, initial and replenishment parts. In formulating such policies and procedures, the Secretary shall consider the following recommendations:

(1) Parts should be acquired competitively whenever feasible and practicable.

(2) Parts should be acquired through Federal Supply Schedules and the Department of Defense supply system.

(3) Parts should be acquired in economic order quantities and on a multiyear basis whenever feasible and practicable.

(4) On all major system acquisitions, contractors should be required to identify in their contract proposals the cost to the Government of acquiring unlimited rights in technical data and the extent to which the contractor uses standard commercial products in order to allow the Government to assess the desirability of acquiring those unlimited rights and to enable the Government to assess properly the total life-cycle cost of the system.

(5) Contractors should be required to identify the manufacturer of a part and the manufacturer's part number.

(6) Consideration should be given early in the acquisition process to determinations of whether acquisition of unlimited rights in technical data is desirable, taking into consideration that the cost of acquiring reprocurement data may in some instances outweigh the benefits to be derived from such purchase.

(7) When unlimited data rights in technical data are acquired from a contractor, the contractor should be required to provide to the Government data necessary to incorporate changes in design or technology.

(8) Before ordering any spare part, the contracting officer should review the acquisition history of that part.

(e) During fiscal year 1984, the Secretary shall continue to compile the information required to prepare the report under subsection (a).

DEPARTMENT OF DEFENSE DIRECTOR OF OPERATIONAL TEST REVIEW AND EVALUATION

SEC. 1113. (a)(1) Chapter 4 of title 10, United States Code, is amended by inserting after section 136 the following new section:

"§ 136a. Director of Operational Test Review and Evaluation: appointment; powers and duties

"(a)(1) There is a Director of Operational Test Review and Evaluation in the Department of Defense, appointed from civilian life by the President, by and with the advice and consent of the Senate. The Director shall be appointed without regard to political affiliation and solely on the basis of fitness to perform the duties of the office of Director. A commissioned officer of the Armed Services may serve in an Acting capacity as Director without prejudice to his commissioned status as an officer. The Director may be removed from office by the President. The President shall communicate the reasons for any such removal to both Houses of Congress.

"(2) In this section—

"(A) 'Operational test and evaluation' means—

"(i) the field test, under realistic combat conditions, of any item of (or key component of) weapons, equipment, or munitions for the purpose of determining the effectiveness and suitability of the weapons, equipment, or munitions for use in combat by typical military users; and

"(ii) the evaluation of the results of such test.

"(B) 'Major defense acquisition program' means a Department of Defense acquisition program that is a major defense acquisition program for purposes of section 139a(a)(1) of this title or that is designated as such a program by the Director for purposes of this section.

"(b) The Director is the principal adviser to the Secretary of Defense on operational test and evaluation in the Department of Defense. The Director shall—

"(1) recommend policies and procedures for the conduct of operational test and evaluation in the Department of Defense;

"(2) upon request, provide guidance to and consult with the Secretary of Defense and the Secretaries of the military departments with respect to operational test and evaluation in the Department of Defense in general and with respect to specific operational test and evaluation to be conducted in connection with a major defense acquisition program;

"(3) coordinate operational test conducted jointly by more than one military department or defense agency;

"(4) analyze the results of the operational test and evaluation conducted for each major defense acquisition program and report concurrently to the Secretary of Defense and the Committees on Armed Services and on Appropriations of the Senate and House of Representatives on—

"(A) whether the test and evaluation performed was adequate; and

"(B) whether the test and evaluation results confirm that the items or components actually tested are effective and suitable for combat; and

"(5) review and make recommendations to the Secretary of Defense on all budgetary and financial matters relating to operational test and evaluation, including operational test facilities and equipment, in the Department of Defense.

"(c) The Director reports directly, without intervening review or approval, to the Secretary of Defense. The Director shall consult closely with, but is independent of, the Under Secretary of Defense for Research and Engineering and all other officers and entities of the Department of Defense responsible for research and development.

"(d)(1) The Secretary of a military department shall report promptly to the Director the results of all operational test and evaluation conducted by the military department and of all studies conducted by the military department in connection with operational test and evaluation in the military department.

"(2) The Director may require that such observers as he designates be present during the preparation for and the conduct of the test part of any operational test and evaluation conducted in the Department of Defense.

"(3) The Director shall have access to all records and data in the Department of Defense (including the records and data of each military department) that the Director considers necessary to review in order to carry out his duties under this section.

"(e)(1) Operational testing of a major defense acquisition program may not be conducted until the Director has approved in writing the adequacy of the plans (including the adequacy of projected levels of funding) for operational test and evaluation to be conducted in connection with that program.

"(2) A final decision within the Department of Defense to proceed with a major defense acquisition program beyond low-rate initial production may not be made until the Director has submitted to the Secretary of Defense and the Committees on Armed Services and on Appropriations of the Senate and House of Representatives the report with respect to that program required by subsection (b)(4).

"(f)(1) The Director shall prepare an annual report summarizing the operational test and evaluation activities of the Department of Defense during the preceding fiscal year. Each such report shall be submitted concurrently to the Secretary of Defense and the Congress not later than January 15 immediately following the end of the fiscal year for which the report is prepared. The report shall include such comments and recommendations as the Director considers appropriate, including comments and recommendations on resources and facilities available for operational test and evaluation and levels of funding made available for operational test and evaluation activities. The Secretary may comment on any report of the Director to Congress under this paragraph.

"(2) The Director shall comply with requests from Congress (or any committee of either House of Congress) for information relating to operational test and evaluation in the Department of Defense.

"(g) The President shall include in the budget transmitted to Congress pursuant to section 1105 of title 31 for each fiscal year a separate statement of estimated expenditures and proposed appropriations for that fiscal year for the activities of the Director of Operational Test Review and Evaluation in carrying out the duties and responsibilities of the Director under this section.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 136 the following new item:

"136a. Director of Operational Test Review and Evaluation: appointment; powers and duties.".

(c) Section 5315 of title 5, United States Code, is amended by adding at the end thereof the following new item:

"Director of Operational Test Review and Evaluation, Department of Defense.".

(d) The amendments made by this section shall take effect on October 1, 1983.

ASSISTANT SECRETARIES IN THE DEPARTMENT OF DEFENSE

SEC. 1114. (a)(1) Subsection (a) of section 136 of title 10, United States Code, is amended by striking out "seven" and inserting in lieu thereof "ten";

(2) Subsection (b) of such section is amended—

(A) by inserting "(1)" after "(b)";

(B) by designating the second sentence of such subsection as paragraph (2);

(C) by designating the fourth sentence of such subsection as paragraph (3) and by striking out "Reserve Affairs" in such sentence and inserting in lieu thereof "Logistics";

(D) by striking out "reserve component" in the fifth sentence of such subsection and inserting in lieu thereof "logistics";

(E) by inserting after paragraph (3) of such subsection (as designated by clause (C)) the following paragraphs:

"(4) One of the Assistant Secretaries shall be the Assistant Secretary of Defense for Reserve Affairs. He shall have as his principal duty the overall supervision of reserve component affairs of the Department of Defense.

"(5) One of the Assistant Secretaries shall be the Assistant Secretary of Defense for Command, Control, Communications, and Intelligence. He shall have as his principal duty the overall supervision of command, control, communications, and intelligence affairs of the Department of Defense.";

(F) by designating the sentence beginning "In addition" as paragraph (6) and in such sentence—

(i) striking out "In addition, one" and inserting in lieu thereof "One";

(ii) redesignating clauses (1) through (5) as clauses (A) through (E), respectively;

(iii) redesignating subclauses (A) through (D) of subclauses (i) through (iv), respectively; and

(iv) striking out "clauses (1)-(4)" and inserting in lieu thereof "clauses (A) through (D)".

(3) Subsection (f) of such section is repealed.

(b) Section 175(c) of title 10, United States Code, is amended by striking out "Manpower and".

(c)(1) The first sentence of section 3013 of title 10, United States Code, is amended by striking out "four" and inserting in lieu thereof "five".

(2) The first sentence of section 5034(a) of such title is amended by striking out "three" and inserting in lieu thereof "four".

(d) Section 5315 of title 5, United States Code, is amended—

(1) by striking out "(7)" after "Assistant Secretaries of Defense" and inserting in lieu thereof "(10)";

(2) by striking out "(4)" after "Assistant Secretaries of the Army" and inserting in lieu thereof "(5)"; and

(3) by striking out "(3)" after "Assistant Secretaries of the Navy" and inserting in lieu thereof "(4)".

(e) The amendments made by this section shall take effect on October 1, 1983.

TWO-YEAR EXTENSION OF PROHIBITION ON CONTRACTS FOR THE PERFORMANCE OF FIREFIGHTING AND SECURITY FUNCTIONS

SEC. 1115. (a) Except as provided in subsection (b), funds appropriated to the Department of Defense may not be obligated or expended before October 1, 1985, for the purpose of entering into a contract for the performance of firefighting or security-guard functions at any military installation or facility.

(b) The prohibition in subsection (a) does not apply—

(1) to a contract to be carried out at a location outside the United States (including its commonwealths, territories, and possessions) at which military personnel would have to be used for the performance of the function described in subsection (a) at the expense of unit readiness;

(2) to a contract to be carried out on a Government-owned but privately operated installation; or

(3) to a contract (or the renewal of a contract) for the performance of a function being performed by contractor personnel on the date of the enactment of this Act.

(c) Not later than March 1, 1984, the Secretary of Defense shall submit to Congress a written report containing an assessment of the special needs of the Department of Defense with respect to firefighting and base security and an assessment of how those needs are met by both Federal employees and contract personnel. The report shall be prepared in consultation with the United States Fire Administrator.

REPEAL OF REQUIREMENT FOR RETIREE SUGGESTION PROGRAM

SEC. 1116. (a) Section 2390 of title 10, United States Code, is repealed.

(b) The table of sections at the beginning of chapter 141 of such title is amended by striking out the item relating to section 2390.

LIMITATION ON AUTHORITY TO CONSOLIDATE CERTAIN FUNCTIONS WITHIN THE DEPARTMENT OF DEFENSE

SEC. 1117. (a) Section 125 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(e) Notwithstanding subsection (a), the Secretary of Defense—

"(1) may not test the transfer, reassignment, or consolidation of a function, power, or duty of a military department to a component of the Department of Defense outside a military department unless the test has been specifically authorized by law; and

"(2) may not carry out the transfer, reassignment, or consolidation of a function, power, or duty of a military department to a component of the Defense Department outside a military department unless the transfer, reassignment, or consolidation has been specifically authorized by law after the completion of the study of such transfer, reassignment, or consolidation.".

(b)(1) Clause (1) of section 125(e) of title 10, United States Code, as added by subsection (a), shall apply to tests begun on or after the date of the enactment of this Act.

(2) Clause (2) of section 125(e) of title 10, United States Code, as added by subsection (a), shall apply to transfers, reassignments, and consolidations after January 1, 1983.

OFFSHORE DRILLING AFFECTING NAVAL OPERATIONS

SEC. 1118. (a) The Secretary of the Navy shall submit a report to the Committees on Armed Services of the Senate and House of Representatives on the potential effect on

naval operations of any proposed lease by the Department of the Interior of offshore lands for oil or gas drilling.

(b) The Secretary of the Navy shall define offshore zones along the United States in which oil or gas drilling would cause appreciable impact on naval operations. The Secretary shall transmit to Congress and to the Secretary of the Interior a report describing the zones so established and the justification for each such zone.

USE OF POLYGRAPHS BY THE DEPARTMENT OF DEFENSE

SEC. 1119. The Secretary of Defense may not, before April 15, 1984, use, enforce, issue, implement, or otherwise rely on any rule, regulation, directive, policy, decision, or order that would permit the use of polygraph examinations in the case of civilian employees of the Department of Defense or members of the Armed Forces in any manner or to any extent greater than was permitted under rules, regulations, directives, policies, decisions, or orders of the Department of Defense in effect on August 5, 1982.

ROUTINE PORT SERVICES

SEC. 1120. (a) Section 7227(b) of title 10, United States Code, is amended—

(1) by inserting "(1)" after "(b)"; and

(2) by adding at the end thereof the following new paragraph:

"(2) When furnishing routine port services under this section to naval vessels operating as part of a multinational naval force of the North Atlantic Treaty Organization, the Secretary may furnish such services without reimbursement if such services are provided under a multinational standardization agreement that provides for the reciprocal furnishing of routine port services to naval vessels of the United States without reimbursement. If routine port services are furnished under this section by a working-capital fund activity of the Navy established under section 2208 of this title and such activity is not reimbursed directly for the costs incurred by the activity in furnishing those services by reason of this paragraph, the working-capital fund activity shall be reimbursed for such costs out of operating funds currently available to the Navy.".

(b) The amendments made by subsection (a) shall take effect on October 1, 1983.

ONE-YEAR POSTPONEMENT FOR CERTAIN DEPOSITS FOR CIVIL SERVICE RETIREMENT BASED ON MILITARY SERVICE

SEC. 1121. Section 8334(j)(2)(A) of title 5, United States Code, is amended by striking out "October 1, 1982;" and inserting in lieu thereof "October 1, 1983;".

REPORT ON COST SAVINGS UNDER CONTRACTING OUT PROCEDURES

SEC. 1122. (a) Not later than April 15, 1984, the Secretary of Defense shall submit a report to Congress describing the experience of the Department of Defense since January 1, 1981, with conversion to contractor operation of commercial or industrial type functions of the Department of Defense which previously had been performed by Department of Defense civilian or military personnel.

(b)(1) The report under subsection (a) shall include with respect to each function of the Department of Defense converted to contractor operation since January 1, 1981—

(A) the estimated cost (as of the date of the award of the contract) of performance of the function by the Government,

(B) the contractor's estimated cost of performance of the function in the bid of the contractor,

(C) the actual cost (as of the end of the contract or the date of the report) of contractor operation of such function, and

(D) the savings (shown in dollars and as a percentage) for the operation of such function since conversion to contractor performance.

(2) The report shall also show—

(A) the average savings (shown in dollars and as a percentage) of all functions converted to contractor performance since January 1, 1981, as projected at the time of contracting and as realized at the end of the contract or the date of the report,

(B) the dollar amount and percentage of such contracts awarded to small businesses, and

(C) the number of Federal employees whose employment by the Government was terminated as a result of conversion of such functions to contractor performance.

PERFORMANCE OF CIVIL FUNCTIONS BY MILITARY OFFICERS

SEC. 1123. (a) Section 973 of title 10, United States Code, relating to performance of civil functions by officers of the Armed Forces, is amended by striking out subsection (b) and inserting in lieu thereof the following:

"(b)(1) This subsection applies—

"(A) to a regular officer of an armed force on the active-duty list (and a regular officer of the Coast Guard on the active duty promotion list);

"(B) to a retired regular officer of an armed force serving on active duty under a call or order to active duty for a period in excess of 180 days; and

"(C) to a reserve officer of an armed force serving on active duty under a call or order to active duty for a period in excess of 180 days.

"(2)(A) Except as otherwise authorized by law, an officer to whom this subsection applies may not hold, or exercise the functions of, a civil office in the Government of the United States—

"(i) that is an elective office;

"(ii) that requires an appointment by the President by and with the advice and consent of the Senate; or

"(iii) that is a position in the Executive Schedule under sections 5312 through 5317 of title 5.

"(B) An officer to whom this subsection applies may hold or exercise the functions of a civil office in the Government of the United States that is not described in subparagraph (A) when assigned or detailed to that office or to perform those functions.

"(3) Except as otherwise authorized by law, an officer to whom this subsection applies may not hold or exercise, by election or appointment, the functions of a civil office in the government of a State, the District of Columbia, or a territory, possession, or commonwealth of the United States (or of any political subdivision of any such government).

"(4) Nothing in this subsection shall be construed to invalidate any action undertaken by an officer in furtherance of assigned official duties.

"(c) The Secretary of Defense, and the Secretary of Transportation with respect to the Coast Guard when it is not operating in the Navy, shall prescribe regulations to implement this section.".

(b) Nothing in section 973(b) of title 10, United States Code, as in effect before the date of the enactment of this Act, shall be construed—

(1) to invalidate any action undertaken by an officer of an armed force in furtherance of assigned official duties; or

(2) to have terminated the military appointment of an officer of an armed force by reason of the acceptance of a civil office, or the exercise of its functions, by that officer in furtherance of assigned official duties.

(c) Nothing in section 973(b)(3) of title 10, United States Code, as added by subsection (a), shall preclude a Reserve officer to whom such section applies from holding or exercising the functions of an office described in such section for the term to which the officer was elected or appointed if, before the date of the enactment of this Act, the officer accepted appointment or election to that office in accordance with the laws and regulations in effect at the time of such appointment or election.

USE OF FUNDS TO RELIEVE ECONOMIC DISLOCATIONS

SEC. 1124. (a) Section 2392 of title 10, United States Code, is amended—

(1) by striking out "No funds" in subsection (b) and inserting in lieu thereof "Except as provided in subsection (c), no funds"; and

(2) by adding at the end thereof the following new subsections:

"(c) The Secretary of Defense shall conduct a program in accordance with this subsection to exempt certain contracts of the Department of Defense from subsection (b) and to pay a price differential under such contracts for the purpose of relieving economic dislocations. Under such program, the Secretary may exempt from the provisions of subsection (b) any contract (other than a contract for the purchase of fuel) made by the Defense Logistics Agency—

"(1) if the contract is to be awarded to an individual or firm located in a labor surplus area (as defined and identified by the Secretary of Labor); and

"(2) if the Secretary of Defense determines—

"(A) that the awarding of the contract will not adversely affect the national security of the United States;

"(B) that there is a reasonable expectation that bids will be received from a sufficient number of responsible bidders so that the award of the contract will be made at reasonable cost to the United States;

"(C) that the price differential to be paid under the contract will not exceed 2.2 percent; and

"(D) that the value of the contract, when added to the cumulative value of all other contracts awarded under the program during the fiscal year in which the contract is to be awarded, will not exceed $7,000,000,000.

"(d) Not later than April 15 of each year, the President shall submit a report to Congress on the implementation and results during the preceding year of the program authorized by subsection (c). Each such report shall include an assessment of the costs and benefits of the program.".

(b)(1) The heading of such section is amended to read as follows:

"§ 2392. Prohibition on use of funds to relieve economic dislocations; exception".

(2) The item relating to such section in the table of sections at the beginning of chapter 141 of title 10, United States Code, is amended to read as follows:

"2392. Prohibition on use of funds to relieve economic dislocations; excep-

tion.".

(c) The amendments made by this section shall take effect on October 1, 1983.

Amend the title so as to read: "An Act to authorize appropriations for fiscal year 1984 for the Armed Forces for procurement, for research, development, test, and evaluation, and for operation and maintenance, to prescribe personnel strengths for such fiscal year for the Armed Forces and for civilian employees of the Department of Defense, to authorize appropriations for such fiscal year for civil defense, and for other purposes.".

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

A similar House bill (H.R. 2969) was laid on the table.

□ 1640

APPOINTMENT OF CONFEREES ON S. 675, DEPARTMENT OF DEFENSE AUTHORIZATION ACT, 1984

Mr. PRICE. Mr. Speaker, I ask unanimous consent that the House insist on its amendments to the Senate bill (S. 675) to authorize appropriations for fiscal year 1984 for the Armed Forces for procurement, for research, development, test, and evaluation, and for operation and maintenance, to prescribe personnel strengths for such fiscal year for the Armed Forces and for civilian employees of the Department of Defense, to authorize appropriations for such fiscal year for civil defense, to authorize certain construction at military installations for fiscal year, to authorize appropriations for the Department of Energy for national security programs for such fiscal year, and for other purposes, and request a conference with the Senate thereon.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois? The Chair hears none, and without objection, appoints the following conferees: Messrs. PRICE, BENNETT, STRATTON, NICHOLS, DANIEL, MONTGOMERY, ASPIN, DELLUMS, DICKINSON, WHITEHURST, and SPENCE, Mrs. HOLT, Messrs. HILLIS and BADHAM, and Messrs. BOLAND, MINETA, MCCURDY, ROBINSON, and STUMP from the Permanent Select Committee on Intelligence, only when differences regarding intelligence-related activities are under consideration.

As additional conferees on sections 1030C and 1030D of the Senate bill and modifications thereof committed to conference: Messrs. PERKINS, HAWKINS, FORD of Michigan, BIAGGI, ERLENBORN, and GOODLING.

There was no objection.

PERSONAL EXPLANATION

Mr. GEJDENSON. Mr. Speaker, on July 21, 1983, I inadvertently voted "no" on rollcall No. 264. I meant to vote "aye."

AUTHORIZING CLERK TO MAKE CORRECTIONS IN ENGROSSMENT OF HOUSE AMENDMENT TO S. 675

Mr. PRICE. Mr. Speaker, I ask unanimous consent that in the engrossment of the House amendment to the Senate bill, S. 675, the Clerk be authorized to make necessary technical corrections, including section numbers, punctuation, and cross references as may be necessary to reflect the actions of the House in amending the bill, H.R. 2969.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

LEGISLATIVE PROGRAM

(Mr. MICHEL asked and was given permission to address the House for 1 minute.)

Mr. MICHEL. Mr. Speaker, I have requested this time for the purpose of inquiring of the acting majority leader the program for the balance of the day and for next week.

Mr. ALEXANDER. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from Arkansas.

Mr. ALEXANDER. Mr. Speaker, the program for the balance of the day is to elect a Speaker pro tempore, following a vote on the motion for adjournment, which I understand is mandatory.

The program for next week is as follows:

On Monday the House will consider the Suspension Calendar, and the following bills are to be considered:

H.R. 3409, Federal supplemental compensation amendments.

H.R. 3677, Technical hospice amendments.

S. 930, Smithsonian purchase of Arizona land for observatory.

S. Con. Res. 7, bust of Carl Hayden.

H.J. Res. 297, Smithsonian Board of Regents appointment.

H.R. 2727, codify recent laws related to money and finance.

H.R. 3232, authorize payment of travel and transportation expenses of newly appointed special agents of Department of Justice.

S. 272, conference report of improving small business access to Federal procurement information.

S. 1098, NOAA and Coastal Program Authorizations Act.

H.R. 1372, provide for Hovercraft operation in Alaska coastal trade.

S. 46, revise United States Code title 46 (Coast Guard).

H.R. 1256, Coast Guard Academy preappointment bill.

S. 64, Irish Wilderness bill.

H.R. 3564, require Agriculture Secretary to announce crop feed grain programs.

H.R. 2590, amend Agriculture Adjustment Act re Filberts.

H. Con. Res. 40, sense of Congress re continued Federal presence in nutrition programs.

H.R. 3394, Student Loan Consolidation Act of 1983.

H.R. 2717, reauthorization of Administration Office of Government Ethics.

H.R. 3706, Martin Luther King birthday holiday bill.

Following consideration of the bills on the Suspension Calendar, the House will consider H.R. 1646, Railroad Retirement Solvency Act, a modified rule with 2 hours of general debate.

Mr. Speaker, votes on the bills on the Suspension Calendar will be deferred until Tuesday, but votes will be taken on H.R. 1646, the Railroad Retirement Solvency Act, which is expected to occur about 2:30 or 3 o'clock.

The House meets at noon on Tuesday. The House will first take recorded votes on suspension bills debated on the Monday previous, following which the House will consider the conference report on H.R. 3329, Transportation appropriations, fiscal year 1984, and H.R. 2780, State and Local Fiscal Assistance Amendments of 1983, an open rule with 2 hours of general debate.

On Wednesday and Thursday the House will consider H.R. 3021, health insurance for the unemployed; H.R. 2957, International Recovery and Financial Stability Act (IMF); H.R. 2867, Hazardous Waste Control and Enforcement Act of 1983, and H.R. 2350, Health Research Extension Act.

We expect to complete the business for the week on Thursday evening to adjourn for the August recess.

Mr. MICHEL. I thank the gentleman.

Mr. Speaker, I think we would want to underscore that last week, in the colloquy between the majority leader and the minority leader, we alerted Members to the fact that there would be rollcall votes on Monday. And beyond the Railroad Retirement Act, on which there may be some rollcall votes, we do not yet know for sure what the other body will be doing with the supplemental appropriation bill, particularly with the disagreeing amendments. If they insist on an amendment or two and we may have to reconsider that matter on Monday, obviously there would be prospective rollcalls.

While the acting majority leader may not be able to respond, I want to alert the House and the gentleman that I will be talking with the Speaker with respect to also bringing up House

resolution 180 having to do with the contempt citation of Ann Gorsuch Burford, provided there is an agreement between the chairman of the Committee on Public Works, the gentleman from New Jersey (Mr. HOWARD), and the Speaker in bringing that resolution to the floor.

Mr. ALEXANDER. I appreciate the gentleman's notice on his intent to bring up that resolution. I will convey the gentleman's wishes to the Speaker and to the majority leader.

Mr. MICHEL. I thank the gentleman.

ADJOURNMENT TO MONDAY, AUGUST 1, 1983

Mr. ALEXANDER. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at 12 o'clock noon on Monday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. ALEXANDER. Mr. Speaker, I ask unanimous consent that the business in order under the calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

PROVIDING FOR ADJOURNMENT OF THE HOUSE AND SENATE

Mr. ALEXANDER. Mr. Speaker, I send to the desk a privileged concurrent resolution (H. Con Res. 153) and ask for its immediate consideration.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 153

Resolved by the House of Representatives (the Senate concurring), That when the House adjourns on Thursday, August 4, 1983, or on Friday, August 5, 1983, pursuant to a motion made by the majority leader, or his designee, in accordance with this resolution, and that when the Senate adjourns on Wednesday, August 3, 1983, or Thursday, August 4, 1983, or on Friday, August 5, 1983, pursuant to a motion made by the majority leader in accordance with this resolution, they stand adjourned until 12 o'clock meridian on Monday, September 12, 1983, or until 12 o'clock meridian on the second day after Members are notified to reassemble pursuant to section 2 of this concurrent resolution whichever occurs first.

SEC. 2. The Speaker of the House and the majority leader of the Senate shall notify the Members of the House and the Senate, respectively, to reassemble whenever, in their opinion, the public interest shall warrant it.

The SPEAKER pro tempore. Pursuant to Public Law 91-510, the vote on this House concurrent resolution must be taken by the yeas and nays.

The vote was taken by electronic device, and there were—yeas 291, nays 0, not voting 142, as follows:

[Roll No. 296]

YEAS—291

Akaka	Gekas	Mitchell
Albosta	Gibbons	Molinari
Alexander	Gilman	Mollohan
Anderson	Gingrich	Montgomery
Andrews (TX)	Gonzalez	Moody
Anthony	Goodling	Moore
AuCoin	Gramm	Moorhead
Barnes	Gray	Morrison (WA)
Bartlett	Green	Mrazek
Bateman	Guarini	Murphy
Bedell	Gunderson	Natcher
Beilenson	Hall (IN)	Neal
Bennett	Hall (OH)	Nielson
Bereuter	Hall, Ralph	O'Brien
Berman	Hall, Sam	Oakar
Bethune	Hamilton	Oberstar
Bevill	Hance	Olin
Bilirakis	Hansen (ID)	Ortiz
Bliley	Harrison	Oxley
Boggs	Hefner	Packard
Boner	Hertel	Pashayan
Bonior	Hightower	Patman
Borski	Hiler	Patterson
Boucher	Hopkins	Paul
Boxer	Hoyer	Penny
Breaux	Hubbard	Pepper
Britt	Hughes	Petri
Brooks	Hunter	Price
Brown (CA)	Hyde	Pursell
Brown (CO)	Ireland	Rahall
Burton (CA)	Jacobs	Rangel
Burton (IN)	Jeffords	Ray
Byron	Jones (OK)	Regula
Campbell	Kaptur	Reid
Carney	Kasich	Richardson
Carper	Kastenmeier	Ridge
Clay	Kazen	Rinaldo
Coats	Kemp	Ritter
Coelho	Kennelly	Roberts
Coleman (MO)	Kildee	Robinson
Coleman (TX)	Kindness	Rodino
Collins	Kolter	Roe
Conte	Kostmayer	Roemer
Corcoran	Lagomarsino	Rogers
Coughlin	Lantos	Rose
Courter	Latta	Roth
Coyne	Leach	Roukema
D'Amours	Lehman (FL)	Rowland
Daniel	Leland	Roybal
Daschle	Levin	Russo
Daub	Levine	Sabo
Davis	Levitas	Sawyer
DeWine	Lewis (CA)	Schumer
Dixon	Lipinski	Sensenbrenner
Donnelly	Livingston	Shannon
Downey	Loeffler	Sharp
Dreier	Long (LA)	Shaw
Duncan	Long (MD)	Shelby
Durbin	Lowery (CA)	Shuster
Dymally	Lowry (WA)	Sikorski
Dyson	Lujan	Siljander
Eckart	Luken	Sisisky
Edwards (AL)	Lundine	Skeen
Edwards (CA)	Lungren	Skelton
Edwards (OK)	Mack	Slattery
Emerson	Markey	Smith (IA)
English	Marlenee	Smith (NE)
Erlenborn	Martin (IL)	Smith (NJ)
Evans (IA)	Martin (NC)	Smith, Denny
Evans (IL)	Martin (NY)	Smith, Robert
Fazio	Martinez	Snyder
Feighan	Matsui	Solarz
Fiedler	Mazzoli	Spratt
Fields	McCain	St Germain
Fish	McCandless	Staggers
Flippo	McCollum	Stangeland
Florio	McCurdy	Stark
Foglietta	McDonald	Stenholm
Ford (MI)	McGrath	Stokes
Ford (TN)	McHugh	Stratton
Forsythe	McKernan	Studds
Fowler	McNulty	Stump
Frank	Michel	Sundquist
Frenzel	Miller (CA)	Swift
Gejdenson	Miller (OH)	Synar
Tallon	Walgren	Wise
Tauke	Walker	Wolf
Tauzin	Weaver	Wolpe
Thomas (GA)	Weber	Wyden
Torricelli	Weiss	Wylie
Towns	Wheat	Yates
Udall	Whitley	Yatron
Valentine	Whitten	Young (AK)
Vander Jagt	Williams (MT)	Young (FL)
Vandergriff	Williams (OH)	Young (MO)
Volkmer	Wilson	Zablocki
Vucanovich	Winn	Zschau

NOT VOTING—142

Ackerman	Franklin	Moakley
Addabbo	Frost	Morrison (CT)
Andrews (NC)	Fuqua	Murtha
Annunzio	Garcia	Myers
Applegate	Gaydos	Nelson
Archer	Gephardt	Nichols
Aspin	Glickman	Nowak
Badham	Gore	Obey
Barnard	Gradison	Ottinger
Bates	Gregg	Owens
Biaggi	Hammerschmidt	Panetta
Boehlert	Hansen (UT)	Parris
Boland	Harkin	Pease
Bonker	Hartnett	Perkins
Bosco	Hatcher	Pickle
Broomfield	Hawkins	Porter
Broyhill	Heftel	Pritchard
Bryant	Hillis	Quillen
Carr	Holt	Ratchford
Chandler	Horton	Rostenkowski
Chappell	Howard	Rudd
Chappie	Huckaby	Savage
Cheney	Hutto	Schaefer
Clarke	Jenkins	Scheuer
Clinger	Johnson	Schneider
Conable	Jones (NC)	Schroeder
Conyers	Jones (TN)	Schulze
Cooper	Kogovsek	Seiberling
Craig	Kramer	Shumway
Crane, Daniel	LaFalce	Simon
Crane, Philip	Leath	Smith (FL)
Crockett	Lehman (CA)	Snowe
Dannemeyer	Lent	Solomon
de la Garza	Lewis (FL)	Spence
Dellums	Lloyd	Taylor
Derrick	Lott	Thomas (CA)
Dickinson	MacKay	Torres
Dicks	Madigan	Traxler
Dingell	Marriott	Vento
Dorgan	Mavroules	Watkins
Dowdy	McCloskey	Waxman
Dwyer	McDade	Whitehurst
Early	McEwen	Whittaker
Edgar	McKinney	Wirth
Erdreich	Mica	Wortley
Fascell	Mikulski	Wright
Ferraro	Mineta	
Foley	Minish	

□ 1700

So the concurrent resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

ELECTION OF HON. BILL ALEXANDER AS SPEAKER PRO TEMPORE DURING THE ABSENCE OF THE SPEAKER

Mr. McHUGH. Mr. Speaker, I send to the desk a privileged resolution (H. Res. 290) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 290

Resolved, That the Honorable Bill Alexander, a Representative from the State of Arkansas be, and he is hereby, elected Speaker pro tempore during the absence of the Speaker.

Resolved, That the President and the Senate be notified by the Clerk of the election of the Honorable Bill Alexander, as Speaker pro tempore during the absence of the Speaker.

The resolution was agreed to.

A motion to reconsider was laid on the table.

SWEARING IN OF HON. BILL ALEXANDER AS SPEAKER PRO TEMPORE DURING THE ABSENCE OF THE SPEAKER

The SPEAKER pro tempore. The gentleman from Arkansas will take the chair and be sworn in by the Dean of the House, the distinguished gentleman from Mississippi (Mr. WHITTEN).

Mr. ALEXANDER assumed the chair and took the oath of office administered to him by the gentleman from Mississippi (Mr. WHITTEN).

PERSONAL EXPLANATION

(Mr. SMITH of Florida asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of Florida. Mr. Speaker, along with the gentleman from New Jersey, the chairman of the Judiciary Committee, and other Members, I attended yesterday's announcement at the White House of the establishment of the President's Commission on Organized Crime. Consequently, I was not able to vote on roll No. 278, the conference report on the 10-percent withholding repeal and the Caribbean Economic Recovery Act. If I had been present, I would have voted "aye."

PERSONAL EXPLANATION

(Mr. SHAW asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SHAW. Mr. Speaker, yesterday, at 11:15, I was called to the White House to attend a meeting with the President on the Organized Crime Commission. During the time I was absent from the floor I missed vote No. 278. Had I been present, I would have voted "yes" on rollcall No. 278 to repeal the withholding of tax from interest and dividends measure.

□ 1710

CUTTING OFF AID TO NICARAGUA

(Mr. RITTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RITTER. Mr. Speaker, Members who voted yesterday to cut off aid to those fighting the regime inside Nicaragua enjoyed a major victory yesterday. Over the Republicans? No; we all went home to the safety and contentment of our homes to make our case another day. They were victorious over those fighting in Nicaragua. The people in the resistance groups—they are the big losers. Make no mistake about it; the blood of our friends, those we have supported, will flow because of yesterday's action.

I urge my colleagues on the Democratic side of the aisle who passed the cutoff to at least recognize the enormous contradiction embodied in legislation. On the one hand, the cutoff legislation (after the Wright amendment) enumerated transgressions of the Nicaraguan Government against their own commitments—freedom of assembly, speech, press, economy, elections, human rights. And on the other hand, the legislation pulls the rug out from under those who are laying their lives on the line to oppose the Sandinista Communists and who are fighting for the fulfillment of those very promises.

After thorough detailing of the failure of Nicaragua's Cuba-style regime, legislation was passed to cut off the regime's opponents. In a push of an electronic voting button, America offered protection to a Soviet-style Marxist regime against the wrath of its betrayed people. The Brezhnev doctrine is alive and well in this hemisphere, and the U.S. House can proudly proclaim its new role as enforcer. However we may feel about the Monroe Doctrine, we should admit that at least at its beginning, it was successful in keeping the big European imperial powers from expanding their empires and crushing newly independent nations in the Western Hemisphere in the 19th century; a situation not unlike the one we face today with the U.S.S.R. Yesterday's vote was a gratuitous victory for Brezhnev over Monroe.

ECONOMIC RECOVERY

(Mr. McCANDLESS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McCANDLESS. Mr. Speaker, for 17 months—June 1981 through November 1982—this Nation suffered its most severe economic hangover since the Great Depression. Irresponsible and excessive Government taxation and spending during the Carter-Mondale administration combined to lead the economy into a drunken stupor. We can say today, however, that this Carter-Mondale-induced recession is finally over.

Not only is the economy back on the wagon, it is back on the road to prosperity. Real GNP is rising at an annual rate of 5.6 percent. The housing and auto industries are booming. Retail sales are up. The level of consumer confidence is a full 66 percent higher than in October 1982. Interest rates, despite some recent fluctuations, are down substantially over a 2-year period. Unemployment has moved steadily downward since December. And inflation—judged by the American people in 1980 as public enemy No. 1—has been dealt a knockout blow. The long-awaited and highly touted Reagan economic recovery has arrived with a bang.

One vestige of the recessionary hangover remains—the Federal budget deficits. Projected deficits of $200 billion threaten both higher interest rates and accelerated inflation. They could destroy the recovery. Yet there are those in this House who would apparently be willing to sacrifice the recovery in exchange for still more Government spending funded by still more and higher taxes. Neither the Congress nor the Nation can afford to revert to the same old taxation and spending policies that brought about the recession in the first place. To preserve and enhance the recovery and bring a semblance of sobriety to the budget process, this body must demonstrate the moral and political courage to exercise fiscal restraint.

COMITY AND RESPECT IN APPLYING THE RULES OF THE HOUSE

(Mr. LUNGREN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LUNGREN. Mr. Speaker, yesterday when we were dealing with the whole question of our Central American policy, unfortunately there seemed to be a type of bipartisanship that developed on this floor. That does occur at times, but when it was manifest in ways that I think embarrassing, I think we ought to be concerned.

It seems to me that we do ourselves a disservice when we take advantage of the rules to try and stifle minority dissent or minority statements or minority ideas.

Yesterday we had the example of people refusing to allow unanimous consent so that we not have to listen to 15 minutes of particular amendments being read when we had an overall time limit on the amount of debate. The reason, of course, for that is so that other Members would be given the opportunity to present their viewpoint to have their ideas expressed, to have them considered and to have them voted upon.

It seems we ought to be worried in this House if the idea of comity is not going to prevail. Comity is a two-way street. It means that we have respect for one another. It means that we do not take advantage of the rules even if we happen to be within the letter of the rules.

We should try and act with the spirit of the rules, and one of the

major ingredients of the spirit of the rules of this House is mutual respect.

Yesterday, unfortunately, I saw mutual respect break down where I saw the majority take advantage of the rules to basically stomp on the minority.

There is an old expression that every dog is going to have his day. I do not know if that is going to be true. I do not know if the Republicans will ever take the majority in this House. But that ought not to be the way that we deal with one another.

We ought to have mutual respect and admiration and at least consider other people's ideas.

If we do not have the guts to consider ideas in this place, the people's House, where should they look for that opportunity?

□ 1720

COMMISSION ON THE ELEANOR ROOSEVELT CENTENNIAL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. FISH) is recognized for 15 minutes.

● Mr. FISH. Mr. Speaker, October 11, 1984, marks the 100th anniversary of Eleanor Roosevelt's birth. Today I am introducing a joint resolution to commemorate that occasion, and I am joined by my colleagues: Mr. PEPPER, Mr. SOLOMON, Mrs. SCHROEDER, Mrs. HALL, Mr. MCHUGH, Mrs. KENNELLY, Mrs. BOXER, Ms. KAPTUR, and Mr. GARCIA.

In 1948, Time magazine called Eleanor Roosevelt "perhaps the best-known woman in the world." This resolution will establish a commission to encourage and coordinate commemorations of the centennial of Eleanor Roosevelt's birth. It is the result of the initiative of Hon. Lucille Pattison, County Executive of Dutchess, and a resident of Hyde Park, N.Y. A companion bill has been introduced in the Senate by my colleagues from New York, Senators MOYNIHAN and D'AMATO.

Eleanor Roosevelt was one of the remarkable women of the 20th century. She is remembered as an indefatigable supporter of human rights and as a champion of the underprivileged. Raised in a family of wealth and privilege, Eleanor Roosevelt devoted most of her adult life to enhancing the lot of the poor and the disenfranchised.

Prior to her marriage to Franklin Delano Roosevelt, Eleanor Roosevelt became involved in social efforts as a volunteer in an east side settlement house in New York City. This was only the beginning, however, of a long life of service to others.

As politics became an increasing part of FDR's life, Mrs. Roosevelt's interest in public affairs grew. As America entered World War I, she became involved in the Red Cross and found an outlet for her organizational abilities. She became increasingly involved in politics as FDR began the race for the Vice Presidency.

Through the tragedy of FDR's polio attack, Eleanor Roosevelt came to the forefront of American political life. As FDR's surrogate she became adept at public speaking and active in the League of Women Voters, the Women's Trade Union League, and the Democratic Party.

When FDR became President, Eleanor Roosevelt redefined the role of First Lady, not content with traditional duties, she made several projects her own. Her priorities included subsistence homesteads, the National Youth Administration, and services that involved women.

After President Roosevelt's death, Eleanor Roosevelt continued her interest in public affairs. She pushed hard for women in public jobs, for the continuation of the Fair Employment Practices Committee, and other progressive policies. President Truman appointed her as Delegate to the first U.N. general assembly in London, in 1945. It was here that she became known throughout the world as an advocate for social justice. She was appointed to the U.N. Human Rights Commission and drafted and fought for the adoption of the Declaration of Human Rights. She also worked for and urged the establishment of the State of Israel.

Day-to-day staff assistance to the Commission will be provided by the Eleanor Roosevelt Institute, a nonprofit organization headquartered in New York City. The Eleanor Roosevelt Institute is legal successor to the Eleanor Roosevelt Memorial Foundation, a federally chartered organization under the provisions of Public Law 88-11, approved on April 23, 1963. Except for nominal travel and per diem payments to private members of the Commission when they attend meetings, the resolution will not entail any Federal expenditures over those otherwise authorized in law.

Section 5 of the resolution directs the Interior Department to substantially complete renovation of Val-Kill, the Eleanor Roosevelt National Historic Site, in fiscal year 1984. This renovation has been underway for some time. The purpose of this section is simply to make certain that the National Park Service has Val-Kill fully open to the public in time for the Eleanor Roosevelt centennial year.

I urge the Members of the House to join us in commemorating the life of one of the most outstanding women in our history. The text of the resolution follows:

H.J. RES.—

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress finds and declares that—

(1) Eleanor Roosevelt, who was First Lady of the United States from 1933 to 1945, was one of the country's great First Ladies;

(2) Born in wealth and privilege herself, Eleanor Roosevelt nevertheless worked tirelessly to secure opportunities for disadvantaged Americans and to improve the lot of the needy elsewhere and particularly in developing countries;

(3) Both during and after her service in the White House, Eleanor Roosevelt campaigned indefatigably for human rights in the United States and throughout the world:

(4) Eleanor Roosevelt devoted her efforts especially to promoting the welfare of children.

(5) For this service, for her articulate and compassionate advocacy of the highest American ideals, and for demonstrating by personal example the capacities of American women to succeed in areas of daily life and work from which they were frequently excluded in her day, Eleanor Roosevelt earned a place of honor and respect in the hearts of the American people;

(6) October 11, 1984, marks the centennial of Eleanor Roosevelt's birth, and it is appropriate for Americans to mark this occasion with appropriate commemorations during 1984.

SEC. 2. (a) There is hereby established a Commission on the Eleanor Roosevelt Centennial.

(b) The membership of the Commission shall consist of the following:

(1) two Members of the House of Representatives, designated by the Speaker of the House;

(2) two Members of the Senate, designated by the President of the Senate;

(3) The Director of the National Park Service, ex officio;

(4) the Archivist of the United States, ex officio;

(5) the Librarian of Congress, ex officio;

(6) the Governor of the State of New York, ex officio;

(7) the County Executive of Dutchess County, New York, ex officio;

(8) the surviving children of Mrs. Eleanor Roosevelt;

(9) the chairman of the Eleanor Roosevelt Institute.

(c) Commission members shall designate one of their number as Chairman.

SEC. 3. The Commission established by section 2 of this act shall—

(1) encourage and recognize appropriate observances and commemorations, throughout the United States, of the one hundredth anniversary of the birth of Eleanor Roosevelt;

(2) provide advice and assistance in establishing such observances and commemorations;

(3) coordinate the activities of Federal agencies in support of such observances and commemorations.

SEC. 4. (a) The Commission shall meet no later than thirty days after enactment of this Act at a place and location determined by the Librarian of Congress, and at such intervals thereafter as the Commission may decide.

(b) The Administrator of General Services and the Director of the National Park Service shall provide the Commission such assistance and facilities as may be necessary to conduct its meetings.

(c) The Commission may accept donations of money and services to carry out its responsibilities.

(d) The Eleanor Roosevelt Institute, a not-for-profit organization incorporated in the State of New York, and successor organization to the Eleanor Roosevelt Memorial Foundation, chartered pursuant to Public Law 88-11, shall provide staff assistance to and coordiante policies and events for the Commission.

(e)(1) The private members of the Commission shall be reimbursed for their travel and compensated for their time engaged on Commission business at the daily rate established for employees at grade 18 of the General Schedule.

(2) The Secretary of the Interior is authorized, out of appropriations otherwise available to him, such sums as may be necessary to carry out the provisions of this paragraph.

SEC. 5. (a) In commemoration of the one hundredth anniversary of the birth of Eleanor Roosevelt, the Secretary of the Interior, acting through the Director of the National Park Service, shall complete the renovation of the Eleanor Roosevelt National Historic Site at Val-Kill in Hyde Park, New York, in fiscal year 1984 sufficiently to open it to full public visitation.

(b) The Secretary of the Interior is authorized, out of funds available to him in any fiscal year, such sums as may be necessary to carry out the purposes of this section.●

EFFECTS OF VOTE ON CENTRAL AMERICAN AID

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. BURTON) is recognized for 30 minutes.

Mr. BURTON of Indiana. I thank the Speaker. I certainly will not take 30 minutes. I will take very, very little time.

Yesterday, we had a very important debate take place and the gravity of the situation sunk in last night on me and a number of my colleagues. I could not leave this week without expressing my concern for what took place.

What happened yesterday probably will not become law; nevertheless it sent a message, the wrong message, to our adversaries throughout the world, in particular, the Soviet Union.

They have an expansionist policy which has not changed in my lifetime. Since I was born, there have been 26 countries that I know of that have become Iron Curtain countries. Those countries include Albania, Bulgaria, Yugoslavia, Tibet, North Vietnam, Cuba, Cambodia, South Vietnam, Laos, Afghanistan, and then there are puppet states like Angola, Zimbabwe, Nicaragua, South Yemen, Ethiopia, Mozambique, Algeria, the Congo, Guinea, Iraq, Liberia, Madagascar, Mali, Syria, Tanzania, and Zambia.

And we see their expansionist policy continuing almost unabated.

Last night, we voted to cut off covert aid to those people who are trying to stop the revolutionary movement, the Marxist terrorist movement in Central America.

In place of that, we said we would give, for overt aid to those countries who want it, $30 million this year and $50 million next year.

That simply is a drop in the bucket. It will not do the job and we will continue to see if this bill should become, which I do not think it will, an expansionist policy unparalleled in the history of men. While we were fiddling, yesterday, Rome was burning. Let me give you an illustration.

While we talked about this, 12 Soviet cargo ships were steaming toward Nicaragua and they are probably docked there today and unloading more materials which will not be used to defend Nicaragua but will in large part be used to support the revolutionary movement of the Marxist terrorists in the countries adjacent to Nicaragua.

There were pictures on the news last night. We watched the news here in the cloakroom and saw some of the Soviet ships as they were docking. They said they were not war materials. But you could see under the covering, covering the vehicles on those ships, tank turrets and gun turrets. So, there is no doubt they were war materials and the Communist objective is to still support and export revolution in Central America.

The Soviet Union, Mr. Speaker, has exported to Nicaragua over the past few years $80 million for military aid and, in addition to that, the Eastern European satellites of the Soviet Union have sent $70 million. That is $150 million from those two sources alone. And we talk about $30 million in overt aid, $50 million the next year—how do you combat that? That is like trying to catch water in a sieve; it is impossible.

We talk about 55 military advisers in El Salvador, how bad that is. Let us look at what the Soviet Union and Cuba are doing in Nicaragua: Nicaragua right now has 4,000 to 5,000 civilian advisers from Cuba, plus 2,000 military security advisers—2,000; we have 55. Nicaragua's regime built 36 new military bases and garrisons. The previous regime had 13. Nicaraguan pilots and mechanics are being trained in Bulgaria. The regime has received so far—and this is way behind schedule; I am sure it is more than this because of the supplies delivered last night and today—50 Soviet tanks, 1,000 East German trucks, 100 antiaircraft guns, Soviet 152-millimeter howitzers that have a range of 17 miles.

In addition to that, the Nicaraguans are building the biggest military army in all Central and South America. As a matter of fact, they anticipate having 250,000 people in their armed forces. So, 1 in 10 Nicaraguans will soon be in the military or milita. I think we made a grave mistake yesterday, Mr. Speaker. And I think that we should talk to our colleagues in the Senate and urge them to take this piece of legislation to make sure that it never gets passed into law.

I am confident, however, if the Senate does make the mistake we did, that the President of the United States will veto. I doubt seriously there is the two-thirds majority necessary to override that veto. We, in this country, in my opinion, should be dedicated to the proposition that South America should remain free and that we should do everything in our power to make sure that those people who want to remain free receive the assistance, the support, economically and militarily, which is necessary to retain that freedom, because they are not only fighting for their freedom but ultimately they are fighting for our freedom as well. El Salvador is less than 900 miles from the Texas border. If revolution is successful in El Salvador, Honduras, Guatemala, Belize, and ultimately Mexico, then we are going to see not only military consequences that will involve American boys and spill American blood, we are also going to see economic chaos unparalleled in the history of our country, because 10 million refugees will be coming into this country. We will not be able to turn our back on them. Illegal aliens we can send back but our policy has always been to accept with open arms refugees fleeing oppression.

If we get 10 million refugees, can you imagine the economic impact that is going to have on the United States of America? I submit to you and to the people of this country that not only is freedom at stake, military problems are at stake, but also the economic survivability of America is at stake.

I urge my colleagues in the Senate to think very closely about this legislation as they ponder it in the weeks to come.

I thank the Speaker.

The SPEAKER pro tempore. The gentleman yields back the balance of his time.

□ 1730

FOOD FOR EL SALVADOR

The SPEAKER pro tempore. Under a previous order of the House, the gentlemen from Arizona (Mr. RUDD) is recognized for 5 minutes.

● Mr. RUDD. Mr. Speaker, 2 weeks ago, two of my colleagues and I had the opportunity to visit El Salvador where we saw with our own eyes some of the tragedies that the Communist-backed guerrillas have inflicted upon the people of that tiny but very heavily populated country.

Literally thousands—by some counts as many as 280,000—men, women, and children have been terrorized and driven off their farms and from their homes. Many of them now live in displaced persons camps that have been

set up by the Government in various parts of the country.

I was able to visit two such camps, one in San Vicente Province and the other in San Francisco Gotera.

I will long remember the poverty and pathetic conditions of the campesinos—conditions that they are forced to live under because they have been terrorized off their own land.

Although strong of will, these people are in desperate and urgent need of food, especially corn and dairy products.

It is time for the United States to step forward, much like it has done so many other times and in so many other places, and help feed the victims of this tragic war.

We must, without delay, increase our food assistance to El Salvador with surplus corn and dairy products. And we must do it in a people-to-people manner—perhaps through groups such as the Food for the Hungry, which is based in my own State of Arizona—so that we can be certain that our help actually reaches the people who so desperately need it.

It is clear to me that if these people do not receive food soon, thousands of them will begin heading for the borders of our country. And when that happens, it will cost us much more than any increase in our food assistance to El Salvador.

This kind gesture of friendship not only will help feed the needy, but it also will have the added benefit of helping to bolster El Salvador's troubled economy, which must be righted before the country can begin to stabilize.●

LEGISLATION TO ABOLISH PAGE SYSTEM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota (Mr. FRENZEL) is recognized for 5 minutes.

● Mr. FRENZEL. Mr. Speaker, today I am introducing, along with 16 other colleagues a bill which would abolish the page system for the House of Representatives at the end of the 98th Congress.

As I stated during the debate on the Studds-Crane censure votes last week, the problem is still with us. That problem is the page system. During the last few months many improvements have been made in housing and education for the pages, however, we cannot control nor completely supervise these young employees. I feel we have no choice but to abandon this page system and replace the pages with regular House employees before other unfortunate situations occur.

H. RES. 291

Resolution abolishing the page system of the House of Representatives

Resolved, That effective at the end of the ninety-eighth Congress, the page system of the House of Representatives is abolished.

SEC. 2. In sessions of Congress beginning with the first session of the ninety-ninth Congress, messenger services and other functions formerly provided under the page system of the House of Representatives shall be provided in the manner prescribed by the Committee on House Administration.●

FREE ENTERPRISE RADIO CAPTURES WORLD'S ATTENTION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Louisiana (Mr. TAUZIN) is recognized for 5 minutes.

Mr. TAUZIN. Mr. Speaker, on February 13, 1982, the FCC awarded to WRNO Worldwide, of Metairie, La., a license to operate the first commercial shortwave broadcast station in America. Mr. Joseph Costello, owner and operator of WRNO Worldwide, wished to provide commercial shortwave broadcast services to the European continent and Canada, introducing those nations to American music and culture, and to our commercial advertisers. His experiment has proven to be an unqualified success.

Recently, Kim Andrew Elliott, of the University of Massachusetts department of communications studies, conducted a study for the Review of International Broadcasting to determine ratings for worldwide broadcasting. WRNO Worldwide scored some dramatic points. In the short time since its initial operation, WRNO Worldwide is now ranked as the seventh most listened to worldwide broadcast station, and has the fourth most popular singular program, "World of Radio," on any international broadcast station, and the second most popular radio personality, Glen Hauser. To further illustrate the dimensions of its success, WRNO Worldwide's seventh ranking was right behind the sixth place ranking achieved by Radio Moscow and the fifth place ranking achieved by the Voice of America.

This example of one man's initiative and innovative forward thinking, operating within the free market as this commercial enterprise does, is a sterling model for us all. Mr. Costello's spirit and drive is now bringing America's message to countless thousands in foreign lands and paves the way for others to follow. We in Louisiana are particularly proud of this man's achievement and of the fact that, with the upcoming Louisiana World Exposition to be held in New Orleans in 1984, the events of that great exposition will be brought nearer to many of our overseas friends who may be encouraged to come and visit our great State and Nation.

On behalf of all of us in America who cherish the entrepreneurial spirit demonstrated by Mr. Joseph Costello and the success of his innovative commercial, shortwave, broadcast station, WRNO Worldwide, I salute this extraordinary achievement and wish him and others like him even greater successes in the future.

THE RUNAWAY INTELLIGENCE AGENCIES

The SPEAKER pro tempore (Mr. TAUZIN). Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 30 minutes.

Mr. GONZALEZ. Mr. Speaker, certainly at this late hour it would be my last intention to prolong proceedings unnecessarily, but I feel a very deep obligation to my colleagues in the House, on both sides, to speak out, particularly in view of the actions by the House yesterday and today and with respect to the actions taken today. The fact that I am the ranking member of the Banking, Finance and Urban Affairs Committee, and ostensibly took a position that was in contradiction with the very distinguished leadership of this committee and also the leadership in the House that in obedience to the desire to cooperate with the President, who gave absolute priority to the consideration of the replenishment of the IMF fund as our contribution to that fund.

And I feel that during the debate, all the time that it took, during the consideration of the Boland-Zablocki resolution, in which, for the first time, certainly the House, if not the Senate, because I might say by way of explanation that the Senate under the leadership of Chairman CHURCH, the then Senator from Idaho, was the first, and as far as I know the record shows, the only time that the Congress really discharged a very serious obligation of overseeing and attempting to hold accountability these runaway intelligence agencies that have become rogue elephants and have since the Reorganization Act of 1947 and since the advent and the creation of this type of agency have in effect done what all history shows will happen when societies, whether they are free or closed societies, resort to what is implied in some of the activities that some of the agents of these agencies feel with the greatest of zeal and the greatest patriotic fervor is necessary to save the Republic, but which involves the destiny and the lives of Americans and has indeed and in fact compromised our country in what I consider to be a very harmful and detrimental way in the last two decades.

It has been said, and as a matter of fact, if we walk on the first floor and see the newly decorated halls we will

see one of these beautiful quotations that goes to that effect on the first floor. It says:

> The greatest dangers to liberty lurk in insidious encroachment by men of zeal, well meaning, but without understanding.

And then the thing I referred to the day before yesterday in consideration of the Zablocki-Boland amendment and it was James Madison who said:

> I believe there are more instances of the abridgement of the freedom of the people by gradual and silent encroachment of those in power by violent and sudden usurpation.

So that these two events, the course of action taken by the House in both, I believe, is essentially correct. But it is the first attempt, as reflected in the Boland-Zablocki amendment that we in the House make and only after such a stolid, certainly nobody can ever accuse Chairman BOLAND of being anything but a firm footed, very solid thinking Member of this body. He has chaired the Subcommittee on Appropriations on HUD and other agencies and he is actually the chairman that has literally taken over and rebuilt the so-called Intelligence Committee after the rather shaky start of that committee and has done such a tremendous job.

What would impel a man of the stature and nature of Chairman BOLAND and also, I might say, a man of the stature and nature of Chairman ZABLOCKI, chairman of the Foreign Affairs Committee, to join in asking that the House show its disapproval and tell the executive branch, the President, who ostensibly is the head of this agency, to cease and desist in the so-called covert—which actually has been so overt that it is ludicrous to call the operation covert—in Nicaragua.

And why I am rising at this time is to point out the tremendous importance and significance of that to the House of Representatives acting faithfully in representing this great Nation.

Throughout Latin America it is now the House of Representatives that is looked upon as the last resort of understanding, the last depository of North American understanding or even a glimmer of comprehension of what that world is like now.

□ 1740

They no longer even talk about the Senate, but the House, yes, because it is the House that has had so many illustrious Members getting up and saying: "We wish to render a report, we have just returned from a trip to Nicaragua, to El Salvador, to Guatemala," and, therefore, this is really the place where all this vast realm to the south of us, which now, I must remind my colleagues, is way over greater the number than our Union, the United States of America, by better than 50 million. This is a late development, true, only within the last 15 years, not even the last two decades. And also the misconception that continues to dominate the thinking of our leadership and among us in the Congress, but particularly in the executive branch.

Why, I could not believe it when President Reagan returned from his trip to those four or five countries last October, the first remark he made when he set foot in California was: "Gee, I did not know they were so different." I cannot believe that.

This is the perception of a world long disappeared.

And I have said to many of my colleagues that even if such a popular man in South America, and Central America, and Mexico, where he is idolized to this day, if President John F. Kennedy were President today and he were trying to launch what we call the Alliance for Progress, he would not succeed in today's Latin America. That world is gone. And that was just 23 years ago.

As a matter of fact, if Lyndon Johnson were President today, I daresay that he would realize the change, and he would not have taken the decision that he did in 1965.

But then the reason I am further impelled to speak at this time, because of some of the utterances made this very afternoon, in which obedient to this misperception, a different interpretation is given and the conclusion reached that it was the wrong decision on the part of the House both yesterday as well as today.

Today the action was to not approve a handout of $8.4 billion, at least—actually, it is more—of our Treasury to the so-called IMF, the International Monetary Fund.

My experience has been all through my privilege of serving in varying capacities, which I think is possible only in this country—on the city council, the local legislative body, in the State senate, the State legislative body and, for the past 22 years, here in the House of Representatives—I have always been an admirer and a fervent believer in the people themselves, their wisdom, and, second, the wisdom of this large conglomeration of Representatives, 435 in the House here, 31 over in the State senate, and at that time—and I am speaking now of almost 30 years ago—on the city council, 9.

This has been my avocation, what I call legislative advocacy, because I feel that through attribute, experience, and education this is what I was really meant to be doing. I do not like executive or administrative type of things, but I love the forum. I love the give and take. I do not even like the gavel, but I love the give and take, the processes that are great. And sometimes there is exasperation.

We find many Americans saying: "How could the people have voted this way?" And it does seem, at first blush, that the people did not know what they were doing. But, lo and behold, time passes by, 2 and 3 years, and all of a sudden that wisdom inherent in that people's free choice then becomes apparent and in full view.

And it is the same thing here. We get frustrated when we have some pet projects or something we fervently believe in and we find that we cannot get the vote of the majority of our colleagues, and we say: "Gee whiz, how could they do this?"

But as temporary as that disappointment may be, it is not long after that that experience in the flow of events then prove that there were good reasons. And I think that the House acted wisely, even though I must say that it was not what I felt was the full way that we should have acted.

I have been advocating that we assert our American leadership while we had the leverage. We do not have it. And this was what I was reaching to in saying why at this point we are in such a precarious position.

In the first place, the President unquestionably is acknowledging the failure of our diplomacy in Latin America. It has been said that war is diplomacy by other means. The truth is that until and unless you have failure in the diplomatic range, you do not resort to war. It is only upon the failure of the first that nations have resorted to war. At this time and at this conjunction of world events, and particularly in Latin America, I felt, from the first time I spoke on this subject matter—El Salvador, April 1, 1980—and certainly it was not President Reagan then, it was President Carter—that America had limited leverage left to assert its leadership through collective action; that is, through the OAS, the Organization of American States.

Unfortunately, that President, like this one, was very inaccessible. It was impossible to reach those judgment-making decision levels, as it is now, and there is no question that this President has set the course unerringly and undeviatingly along the lines of war.

We do not need Fidel Castro to tell us this. You do not have a so-called maneuver, with 22,000 combat troops involved, plus a naval squadron, for 6 months, without recognizing that it is a major operation. The policy, obviously, is one that is so bankrupt and has been for even longer than the 20 years—and I must say, by way of parenthesis, that the first President to recognize, evolve the policy, the fundamental policy that no President since then, even President John F. Kennedy, has had the wit or the will, was Franklin D. Roosevelt with his Good Neighbor Policy.

So that while announcing, after he had created the roving ambassador-

ship, the creation of a Commission that he said would become advisory on Latin America, simultaneously and at the same site he announced the so-called maneuvers, but which in effect are deployment, that can be interpreted only one way and have since been interpreted that way in all of Latin America, in all of its press, whether it is the conservative press, or whether it is the so-called independent press, or so-called liberal press.

So that, as the Mexican intellectual told us in his speech at Harvard recently, what we are now about is consolidating and unifying these disparate 21 nations solidly against us.

Now, we read our history very self-contained. The turning processes of the historical developments in the New World, as we have learned them, have been very partial, very fragmentary.

As a matter of fact, we talk about 13 colonies. There really were 37. But the other 24 were what today is Canada, Nova Scotia, and the like, and they do not count. But they were an integral part of that colonial period of development. The same thing with the countries to the south. To hear my colleagues talk, I am very, very distressed because the intellectual community in Latin America would be very grieved, because they reflect the concept of the culture south of us as being not only in the backward disorderliness of a primitive stage, but completely omitting the fact that it was in Mexico in the 16th century that the first printing press, the first college, the first university were set up.

□ 1750

But more insidiously, when the President announced that he was going to seek an advisory committee, he was setting an undeviating course that makes that committee nothing but nonentities to serve the propaganda purposes of either endorsing his policies, or left nothing but that as a choice. In fact, I predict that before it is all over, within a few months, and maybe weeks, we will see many Members jumping up and saying: "We have got to rally 'round the flag. We have got to support the President, and we have got to justify defense, even if it means committing our American boys to the jungles of Central and South America," because it will be the same thing as we had before.

I was here when we had the vote on the Gulf of Tonkin resolution, and I daresay that if we had the same thing happen today we would have the same results, because the President is asking us after an act has been performed or it has been charged that one has been directed against our interests to give him moral support. Well, who, under those circumstances, is not.

What I am saying is that the only thing that might prevent this this time is the kind of action that the House took yesterday, although in approving that amendment to the resolution by our distinguished majority leader, Mr. WRIGHT, the immediate reaction this morning by the leaders of the OAS was: "Hey, wait a while. Do not call on us now. We have been waiting for months."

This is true. I have a letter, as of last year, when I finally gave up trying to bring attention to this President, as I had the prior one, that our leverage was eroding. Of course, once the Falklands came along, it is gone forever.

I heard a gentleman talking about the Monroe Doctrine. They laugh at that today because we, ourselves, through the activity that we engage in, once the Falklands war broke out, abrogated the Rio Pact. In fact, it so infuriated some of the oldest and most loyal friends of this country like the leader in Peru, Belaunde Terry, refused to even talk to our emissaries because of his indignation at our violation of the Rio Pact which we, ourselves, had taken the leadership in bringing through.

I did not hear that in this discussion here. We were talking as if what was involved in our decision on Boland-Zablocki was the freedom of the countries. I tried, in the brief few minutes that I had, to say that, no, this was our domestic issue, our freedom, our freedom from the runaway, rogue elephant such as the CIA, and even the FBI.

Let me tell you that south of us there is no question that this is the biggest fear of all, for we have gone through these so-called covert actions. We have plotted and helped conduct the assassination of leaders down there, in the absolutely fruitless task and baseless idea that we can assassinate, we can bomb out of existence such things as communism, or whatever you want to call it, Marxist-Leninism, or fascism for that matter.

It will never be done. You cannot bomb ideas out of existence, and we never will. As I have said repeatedly, the only way we will defeat is to provide the social justice and the alternative. Instead of that, we are building up, we are giving credit to the Communists, credit they do not deserve, I can assure you. We are the ones who have made a No. 1 leader out of Fidel Castro, who really has been a third-rater.

The proof of the failure of our policies: Last week the Argentinian generals and ambassadors, cheek by jowl, unifying with Fidel Castro. This was a country that Alexander Haig, as Secretary of State, persuaded to send Argentine troops where—where we are sending ours now—to Honduras. And Argentina had every reason to feel that we were going to back them up or that they were right in exerting the claims the way they did—and, of course, that was wrong—on the Falklands.

In the case of IMF, the banking situation as now controlled is hand in glove with our predicament. The CIA, for instance, in El Salvador and all the countries surrounding it, our CIA is involved with the assassination squads conducted by the present leader, D'Aubuisson, who is now the guy who is in charge of the destinies of the Salvadoran Government. We are saying that is the regime we identify with. He is identified as the murderer of Archbishop Romero, the murderer of four American nuns, the murderer of four Scandinavian reporters.

I say that under those circumstances, we cannot end up anyplace but as losers, at great cost in blood and treasury eventually, unless—and this is the importance of the House vote—the House message is interpreted correctly by our leaders.

I want to say further that in rejecting the money before we complete consideration of the authorization of the IMF, the House acted preeminently responsibly. The banks that are asking and pushing, and I have had everybody from the Secretary of Agriculture to the Treasury to all the major banks, to some of the leading interconnecting agencies and organizations, demanding that I vote for the $8.4 billion, which is really a bailout for these banks.

These banks already, beginnng February 1, 1982, when President Reagan ordered the Department of Agriculture to reimburse these banks—City Bank, Chase, Morgan, Bank of America, First Chicago—that day $71 million, and since then a total of almost three-quarters of $1 billion as payment to these banks through the Department of Agriculture for the interest guarantees that Poland had failed to pay. Now this is not Brazil, this is not Mexico, this is not Argentina, which are the three big things you talk about on the IMF bailout. This is Poland. And that is just a fragment of their overhang in the Comecon; that is, the Communist-bloc economy where, incredibly, these same banks and our Government, in credit allocations and in Government guarantees, have invested and given out more between 1970 and 1977 to the Communist bloc than we allowed the Western European countries to have during the entire length of the Marshall plan, and even taking inflation into account.

□ 1800

The same thing is happening today through this concourse of events, and this is unbelievable to me, as happened after World War I when Uncle Sam became known as Uncle Sap and we became the patsies. We paid not only for all the money we had loaned out to these countries to fight World

War I, but we even paid through the speculation of our bankers who gobbled up, because they were getting those big interest rates like they think they are from Chile, from Argentina, and from Mexico, and they are. When they talk about interest rates, the reason these banks are on that overhang is that they are talking about 27 and 30 percent, that greed.

They did the same thing in the twenties. We had these banks taking our depositors' money, then unprotected and everything else, investing in German Government bonds, 20 and 25 year; Japanese Government imperial bonds. Ironically, the greater chunk of those were due and payable in 1941. You know, 1941 was when we got our Pearl Harbor.

The same thing is happening now, except that instead of calling those arrangements then cartels, we call them today multinational.

After World War II and when we were supposed to decartelize and de-Nazify all these interests, we were frustrated in doing that by their American counterparts, those who had helped to finance Hitler.

Today all that is back in place. All those combinations, called cartels then, that financed Hitler are back in place today.

One of the biggest promoters and influencers of President Reagan's Latin American policy is one of those men who today heads a conglomerate that has through the conglomerate its interests in United Fruit and the other heavy, heavy owners, and investors, and whatnot in Latin America.

It was United Fruit in Guatemala in 1954 that paid for the mercenary pilots that the CIA hired that bombed that capital of Guatemala, Guatemala City, and forced the capitulation of Arbenz who was then of course labeled a Communist.

So in the name of anticommunism—remember, after all, that is what Hitler was against—we have sucked in and are embracing murderous regimes.

I want to ask my colleagues that have come up here and said that these freedom fighters that we are giving this money to, I want them to come and go down to Chiapas and visit the bishop of Chiapas, Mexico. This is the bordering Mexican State with Guatemala, and let him tell you about the soldiers of these murderous regimes that we are supporting, that the President says we misunderstand, who rip the bellies of 6-month-old peasant infants. That is fighting Marxist-Leninism?

ARTHUR WIRTZ

● The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. ROSTENKOWSKI) is recognized for 5 minutes.

Mr. ROSTENKOWSKI. Mr. Speaker, I rise to pay tribute to Arthur Wirtz, one of the Nation's most successful and influential economic forces over half a century, who died this week.

Arthur Wirtz' life story is an American classic. He was the son of a Chicago policeman. His optimism, intellect, and vision brought him from salesman to multimillionaire. His career moved in wide sweeps, spanning real estate, sports stadiums and teams, banking, and family entertainment.

Arthur Wirtz, who made the Chicago Blackhawks a family enterprise over the last 30 years, is widely regarded as the guiding force behind the National Hockey League. Back in the mid-1930's he signed Olympic figure-skating champion Sonja Henie and created the "Hollywood Ice Review" which matured into "Holiday on Ice" which has entertained millions around the world.

Beyond the notoriety and fortune he gained in the worlds of business and sports, his true measure was his devotion to Virginia, his wife of 57 years. He never recovered from her recent death.

The memory of Arthur Wirtz will live on well beyond the bounds of the city he made greater. He remains a symbol of what can be in America.

I want to pass along my deepest regrets to his children and grandchildren.●

SERIES OF BILLS WHICH MODIFY DIVERSITY OF JURISDICTION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. KASTENMEIER) is recognized for 5 minutes.

● Mr. KASTENMEIER. Mr. Speaker, over two decades ago Chief Justice Earl Warren urged that we "achieve a proper jurisdictional balance between the Federal and State court systems, in the light of the basic principles of Federalism." In the past four Congresses I have endeavored to fulfill that goal through the abolition of diversity of citizenship jurisdiction in the Federal courts. In the 96th Congress, legislation was passed that eliminated the amount-in-controversy requirement in Federal question cases, presumptively providing access to justice in the Federal courts for all Federal questions. See Public Law 96-486. This week I have introduced a series of bills that address the issue of the diversity jurisdiction of the Federal courts.

I continue to believe that matters of State law—such as contract or tort actions—can be properly adjudicated, in most instances, in our State courts. I remain convinced that the best solution to the burgeoning caseload of the Federal courts is the total abolition of diversity jurisdiction. On the other hand, I recognize that such an approach has generated some opposition. Therefore, I have also offered for consideration a series of bills which modify diversity of jurisdiction without totally abolishing it. These proposals—most of which have never been offered in bill form—are intended to generate thought. In addition, it is my hope that by offering a series of alternatives to abolition of diversity a consensus will be generated around one or more of these ideas.

The first diversity bill, H.R. 3689, is the purist approach: diversity, with the exception of statutory interpleader, is abolished. This bill is virtually identical to legislation passed twice by the House during the 95th Congress—on February 20, 1978, by a vote of 266 to 133; and on October 4, 1978, by a vote of 323 to 49. It also is identical to H.R. 6816 from the 97th Congress. This measure, which was introduced by my distinguished former colleague, Caldwell Butler, of Virginia, was reported by the Committee on the Judiciary during the last Congress, House Report 97-308. The approach now embodied in H.R. 3689 has the full support of the administration, the Judicial Conference of the United States, the Conference of State Chief Justices, various public interest groups, and a large number of noted legal scholars. The net savings to the Federal Government of this approach would be $6 million in the next 2 years, and approximately $160 million in cost avoidance over the next 5 years. More importantly, this bill would create an appropriate division of jurisdiction between the State and Federal courts.

The second in this series of diversity related bills, H.R. 3690, would abolish diversity jurisdiction with the exception of multiparty tort cases. For purposes of Federal jurisdiction, a multiparty injury is defined as an injury that involves 25 or more persons, all of whom have suffered a loss of more than $10,000. This approach was first suggested by the Justice Department during the Carter administration and represents a more comprehensive solution to perceived problems with mass disaster tort litigation. See "Diversity of Citizenship Jurisdiction/Magistrates Reform" hearings before the Subcommittee on Courts, Civil Liberties and the Administration of Justice of the House Committee on the Judiciary, 96th Congress, 1st session, 158-162, Serial No. 22 (1979). As relates to present diversity law, H.R. 3690 actually broadens access to a Federal forum by eliminating the rule of complete diversity. See *Strawbridge* v. *Curtis*, 7 U.S. (3 Branch) 267 (1806).

The third bill in this series, H.R. 3693, provides for the temporary abolition of diversity of citizenship with re-

spect to instate plaintiffs. The bill bars the resident of a State from using the Federal courts of that State for diversity claims. If, as some lawyers' groups argue, the reason for diversity jurisdiction is primarily fear of prejudice to an out-of-State plaintiff, there is no real need to secure an extra forum for instate plaintiffs. This approach was first suggested by the American Law Institute in 1968, and was most recently offered as an amendment to H.R. 6816 by my colleague, BARNEY FRANK, during the last Congress. See American Law Institute, "Study of the Division of Jurisdiction Between State and Federal Courts" (1968) at 12, 123-135. This approach has received the endorsement of the American College of Trial Lawyers and the ABA Pound Follow-Up Task Force Report.

The fourth bill, H.R. 3691, follows the basic direction suggested by Senators HEFLIN and THURMOND in the Senate-passed version of the bankruptcy reform bill, S. 1013. See also in the House, H.R. 3257 by Congressmen KINDNESS, KASTENMEIER, et al. This bill, although raising the amount-in-controversy requirement from $10,000 to $100,000, nonetheless preserves diversity jurisdiction; at the same time, the bill authorizes Federal courts to abstain from hearing diversity cases in which damages of more than $100,000 are shown if adequate and timely State court remedies exist. This type of deference toward the fairness and competence of our State courts is fully justified. Because decisions about when and whether to abstain would be made on the local level this approach is sensitive to the potential impact on State courts of a sudden shift in cases from Federal to State courts. See "Diversity of Citizenship Jurisdiction," hearing before the Subcommittee on Courts, Civil Liberties and the Administration of Justice of the House Committee on the Judiciary, 97th Congress, 2d session, at 338-341—statement of Hon. Herbert Evans, Chief Administrative Judge, State of New York, Serial No. 93; 1982; see generally Shapiro, "Federal Diversity Jurisdiction: A Survey and a Proposal", 91 Harvard Law Review 317; 1977, suggests modification of diversity by local rule.

The final alternative, H.R. 3692, provides for a system of mandatory arbitration claims of diversity cases. This approach has been tried experimentally by local rule in the eastern district of Michigan. Under this bill all diversity cases would be referred for arbitration under rules established by the Judicial Conference of the United States. If a party is dissatisfied with the results of the arbitration, a trial de novo at the district court would be available. Under the bill, however, if a party seeks a trial de novo without adequate justification, such a party may be liable for the other side's attorney fees, and the court costs. This type of fee shifting would place an appropriate disincentive on the improper use of scarce Federal court resources.

In sum, this series of bills represents the beginning of a dialog on the fundamental questions of Federal court jurisdiction over claims based on diversity of citizenship jurisdiction. Any persons or organizations wishing to submit comments on these proposals should write to the Subcommittee on Courts, Civil Liberties and the Administration of Justice, 2137 B, Rayburn House Office Building, Washington, D.C. 20515.●

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. MOLINARI (at the request of Mr. MICHEL), after 8 p.m. on July 28, on account of official business.

Mr. BOEHLERT (at the request of Mr. MICHEL), on July 29, on account of official business.

Mr. ADDABBO (at his own request), for July 28 and 29, on account of official business.

Ms. MIKULSKI (at the request of Mr. WRIGHT), after 10:15 p.m. on July 28, on account of official business.

Mr. LEWIS of Florida (at the request of Mr. MICHEL), after 4:30 p.m. today, on account of official business.

Mr. FOLEY (at the request of Mr. WRIGHT), for July 28 and 29, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. BURTON of Indiana) to revise and extend their remarks and include extraneous material:)

Mr. BATEMAN, for 30 minutes, on August 1.

Mr. LIVINGSTON, for 15 minutes, today.

Mr. FISH, for 10 minutes, today.

Mr. BURTON of Indiana, for 30 minutes, today.

Mr. RUDD, for 5 minutes, today.

Mr. FRENZEL, for 5 minutes, today.

(The following Members (at the request of Mr. TAUZIN) to revise and extend their remarks and include extraneous material:)

Mr. ANNUNZIO, for 5 minutes, today.

Mr. TAUZIN, for 5 minutes, today.

Mr. GONZALEZ, for 30 minutes, today.

Mr. ROSTENKOWSKI, for 5 minutes, today.

Mr. FEIGHAN, for 5 minutes, today.

Mr. NICHOLS, for 5 minutes, today.

Mr. MAVROULES, for 5 minutes, today.

Mr. WEAVER, for 15 minutes, today.

Mr. EVANS of Illinois, for 5 minutes, today.

Mr. KASTENMEIER, for 5 minutes, today.

Mr. GLICKMAN, for 30 minutes, on August 2.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. FLORIO and Mr. NEAL, to revise and extend immediately prior to consideration of title III of the bill.

(The following Members (at the request of Mr. BURTON of Indiana) and to include extraneous matter:)

Mr. DEWINE.
Mr. PORTER.
Mr. BEREUTER.
Mr. BETHUNE.
Mr. KEMP in two instances.
Mr. LENT.
Mr. HILLIS.
Mr. MARTIN of North Carolina in four instances.
Mr. MORRISON of Washington.
Mr. SKEEN.
Mr. BILIRAKIS.
Mr. GOODLING.
Mr. PAUL.
Mr. ERLENBORN.
Mr. DAVIS.
Mr. CONTE in two instances.
Mr. MCGRATH in two instances.
Mr. LOWERY of California.
Mr. LIVINGSTON.
Mr. DANNEMEYER.
Mr. MARRIOTT.
Mr. LUJAN.
Mr. FRENZEL in six instances.
Mr. RITTER.
Mr. MOLINARI.
Mr. SPENCE.
Mr. PURSELL.
Mr. GRADISON.
Mr. CHENEY.
Mr. CLINGER.
Mr. CAMPBELL.
Mr. PACKARD.
Mr. GREEN.
Mr. PHILIP M. CRANE.
Mr. FIELDS.

(The following Members (at the request of Mr. TAUZIN) and to include extraneous matter:)

Mr. COLEMAN of Texas.
Mr. MAVROULES.
Mr. TAUZIN.
Mr. HAWKINS in four instances.
Mr. CLAY in two instances.
Ms. MIKULSKI.
Mr. EDGAR.
Mr. EDWARDS of California in two instances.
Mr. MINETA.
Mr. OTTINGER in three instances.
Ms. OAKAR.
Mr. MARKEY in three instances.
Ms. FERRARO.
Mr. LEVIN of Michigan.
Mr. DOWNEY.

Mr. LANTOS.
Mr. GARCIA.
Mrs. SCHROEDER.
Mr. BERMAN.
Mr. BEDELL in two instances.
Mr. MARTINEZ in two instances.
Mr. WEISS in two instances.
Mr. OBERSTAR.
Mr. RAHALL.
Mr. MCDONALD.
Mr. NICHOLS.
Mr. LAFALCE.
Mr. DORGAN.
Mr. ACKERMAN.
Mr. MAVROULES in two instances.
Mr. FORD of Michigan.
Mr. STOKES.
Mr. YATRON in two instances.
Ms. KAPTUR.
Mr. WILLIAMS of Montana.
Mr. HARRISON.
Mr. FLORIO in six instances.
Mr. HARKIN in two instances.
Mr. HAMILTON.
Mr. VENTO in two instances.
Mr. SMITH of Florida.
Mr. BOLAND.
Mr. SKELTON.
Mr. WIRTH in two instances.
Mr. STARK.
Mr. FEIGHAN.
Mr. CONYERS.
Mr. BENNETT.
Mr. FASCELL.
Mr. MRAZEK.
Mr. WON PAT.
Mr. JACOBS.
Mr. DONNELLY.

SENATE ENROLLED BILL AND JOINT RESOLUTIONS SIGNED

The SPEAKER announced his signature to an enrolled bill and joint resolution of the Senate following title:

S. 143. An act to authorize the Twenty-nine Palms Band of Luiseno Mission Indians to lease for 99 years certain lands held in trust for such band;

S.J. Res. 56. Joint resolution to designate the month of August 1983 as "National Child Support Enforcement Month", and

S.J. Res. 67. Joint resolution to designate the week of September 25, 1983, through October 1, 1983, as "National Respiratory Therapy Week."

ENROLLED JOINT RESOLUTION SIGNED

Mr. HAWKINS, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a joint resolution of the House of the following title, which was thereupon signed by the Speaker:

H.J. Res. 139. Joint resolution to designate the week beginning June 24, 1984, as "Federal Credit Union Week."

ADJOURNMENT

Mr. GONZALEZ. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 5 minutes p.m.) under its previous order, the House adjourned until Monday, August 1, 1983, at 12 o'clock noon.)

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1638. A letter from the Principal Deputy Assistant Secretary of the Navy (Shipbuilding and Logistics), transmitting the Navy's decision to convert to contractor performance the laundry services function at the Naval Hospital, San Diego, Calif., pursuant to 502(b) of Public Law 96-342; to the Committee on Armed Services.

1639. A letter from the Auditor of the District of Columbia, transmitting a report entitled, "Annual Report on Depository Activities, Fiscal Year 1982," pursuant to section 455(d) of Public Law 93-198; to the Committee on the District of Columbia.

1640. A letter from the Chairman, Federal Trade Commission, transmitting the sixth annual report on the premerger notification provisions of the Clayton Act, pursuant to section 7A(j) of the act, as amended (90 Stat. 1394); to the Committee on the Judiciary.

1641. A letter from the Federal Inspector, Alaska Natural Gas Transportation System, transmitting the 16th quarterly report on the status of the Alaska Natural Gas Transportation System, pursuant to section 7(a)(5)(E) of Public Law 94-586; jointly, to the Committees on Energy and Commerce and Interior and Insular Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. JONES of North Carolina: Committee on Merchant Marine and Fisheries. H.R. 1372. A bill to provide for the operation of certain foreign-built vessels in the coastwise trade of Alaska until November 6, 1988; with an amendment (Rept. No. 98-334). Referred to the Committee of the Whole House on the State of the Union.

Mr. DE LA GARZA: Committee on Agriculture. H.R. 2590. A bill to amend the Agricultural Adjustment Act to authorize marketing research and promotion projects, including paid advertising, for filberts; with amendments (Rept. No. 98-335). Referred to the Committee of the Whole House on the State of the Union.

Mr. DE LA GARZA: Committee on Agriculture. House Concurrent Resolution 40. Concurrent resolution expressing the sense of the Congress that the Federal Government should maintain current efforts in Federal nutrition programs to prevent increases in domestic hunger; with amendments (Rept. No. 98-336, Pt. I). Ordered to be printed.

SUBSEQUENT ACTION ON A REPORTED BILL CONCURRENTLY REFERRED

Under clause 5 of rule X, the following action was taken by the Speaker:

Consideration of H.R. 1234 by the Committee on Ways and Means extended not later than September 26, 1983.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mrs. HALL of Indiana (for herself, Mr. UDALL, Mr. FORD of Michigan, Mr. CLAY, Mrs. SCHROEDER, Mr. GARCIA, Mr. LELAND, Ms. OAKAR, Mr. DELLUMS, Mr. MITCHELL, Mr. RANGEL, Mrs. COLLINS, Mr. DIXON, Mr. GRAY, Mr. OWENS, Mr. TOWNS, Mr. FORD of Tennessee, Mr. STOKES, Mr. FAUNTROY, Mr. HOYER, Mr. BONER of Tennessee, Mr. PEPPER, Mr. LANTOS, Mr. WON PAT, Mr. FROST, Mr. BERMAN, Mr. BOSCO, Mr. D'AMOURS, Mr. FOGLIETTA, Mrs. SCHNEIDER, Mr. FRANK, Mrs. KENNELLY, Mr. SOLARZ, Mr. HARRISON, Mr. LEHMAN of California, Mr. MARKEY, Mr. ORTIZ, Mr. MORRISON of Connecticut, Mr. KOGOVSEK, Mrs. JOHNSON, Mr. MCNULTY, Mr. WAXMAN, Mr. SIMON, Mr. RODINO, Mr. MATSUI, Mr. KOSTMAYER, Mr. ACKERMAN, Mr. STRATTON, Mr. KEMP, Mr. MOODY, Mr. SLATTERY, Mr. OBERSTAR, Mr. STUDDS, Mr. TORRICELLI, Mr. FAZIO, Mr. LEVINE of California, Mr. BRYANT, Mr. CARR, Mr. SCHUMER, Mr. LONG of Louisiana, Mr. BIAGGI, Mr. WIRTH, Mr. ASPIN, Mr. MCCURDY, Mr. WHEAT, Mr. SUNIA, Mr. SMITH of Florida, Mr. SAVAGE, Mr. STARK, Mr. SILJANDER, Mr. LUNGREN, Mr. SIKORSKI, Mr. YATES, Mr. VENTO, Mr. RICHARDSON, Mr. GORE, Mr. YOUNG of Missouri, Mr. COLEMAN of Texas, Mr. PENNY, Mr. MINETA, Mr. AKAKA, Mr. TALLON, Mr. JONES of North Carolina, Mr. CLARKE, Mr. TORRES, Mr. SEIBERLING, Ms. KAPTUR, Mr. LEVIN of Michigan, Ms. MIKULSKI, Mr. MCCLOSKEY, Mr. LOWRY of Washington, Mr. HUBBARD, Mrs. BOGGS, Mr. GONZALEZ, Mr. MOAKLEY, Mrs. BOXER, Mr. SABO, Mr. NOWAK, Mr. BARNES, Mr. WISE, Mr. HOWARD, Mr. REID, Mr. WEAVER, Mr. ZABLOCKI, Mr. MAVROULES, Mr. TAUZIN, Mr. HAWKINS, Mr. MURTHA, and Mr. PICKLE):

H.R. 3706. A bill to amend title 5, United States Code, to make the birthday of Martin Luther King, Jr., a legal public holiday; to the Committee on Post Office and Civil Service.

By Mr. FAUNTROY:

H.R. 3707. A bill to convey the District of Columbia Employment Security Building to the District of Columbia and to provide for the payment of a note entered into to finance the construction of such building; to the Committee on the District of Columbia.

H.R. 3708. A bill to amend the District of Columbia Self-Government and Governmental Reorganization Act to provide autonomy for the District of Columbia Government over expenditure of funds derived from revenues of the District of Columbia Government; to the Committee on the District of Columbia.

By Mr. GUARINI:

H.R. 3709. A bill to extend the existing suspension of duty on natural graphite until

January 1, 1988; to the Committee on Ways and Means.

By Mr. HARKIN:

H.R. 3710. A bill to amend title XVIII of the Social Security Act to provide for a program of health care for elderly individuals who require long-term care; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. HARTNETT:

H.R. 3711. A bill to postpone for 10 years the effective date of provisions terminating mother's and father's benefits under title II of the Social Security Act upon the child's attainment of age 16; to the Committee on Ways and Means.

By Mr. LAFALCE:

H.R. 3712. A bill to amend the Defense Production Act of 1950 to revitalize the defense industrial base of the United States; jointly, to the Committees on Banking, Finance and Urban Affairs and Education and Labor.

By Mr. MARLENEE:

H.R. 3713. A bill to amend title 18, United States Code, to penalize the obstruction of hunts, and for other purposes; to the Committee on the Judiciary.

By Mr. Mr. MARLENEE (for himself and Mr. CRAIG):

H.R. 3714. A bill to provide to any person lawfully possessing a firearm in the place of such person's residence in the United States the right to possess that firearm anywhere in the United States; to the Committee on the Judiciary.

H.R. 3715. A bill to protect the manufacturers of firearms from certain litigation; to the Committee on the Judiciary.

H.R. 3716. A bill to protect owners of firearms from certain litigation; to the Committee on the Judiciary.

By Mr. MARRIOTT (for himself, Mr. YOUNG of Alaska, Mrs. VUCANOVICH, and Mr. EMERSON):

H.R. 3717. A bill to strengthen national minerals and materials policy coordination, and for other purposes; jointly, to the Committees on Interior and Insular Affairs and Science and Technology.

By Mr. NICHOLS (for himself, Mr. HOPKINS, Mr. KAZEN, Mr. RAY, Mr. BRITT, Mr. KASICH, Mr. STRATTON, Mr. DANIEL, Mr. MARTIN of New York, and Mr. DANIEL B. CRANE):

H.R. 3718. A bill to amend title 10, United States Code, to strengthen the position of Chairman of the Joint Chiefs of Staff and to provide for more efficient and effective operation of the Joint Chiefs of Staff; to the Committee on Armed Services.

By Mr. RIDGE:

H.R. 3719. A bill to provide a comprehensive reform of Federal laws relating to the pricing and marketing of natural gas; to the Committee on Energy and Commerce.

By Mr. SHUSTER (for himself, Mr. BORSKI, Mr. CLINGER, Mr. COUGHLIN, Mr. COYNE, Mr. EDGAR, Mr. FOGLIETTA, Mr. GAYDOS, Mr. GEKAS, Mr. GOODLING, Mr. GRAY, Mr. HARRISON, Mr. KOLTER, Mr. KOSTMAYER, Mr. MCDADE, Mr. MURPHY, Mr. MURTHA, Mr. RIDGE, Mr. RITTER, Mr. SCHULZE, Mr. WALGREN, Mr. WALKER, and Mr. YATRON):

H.R. 3720. A bill to name the Veterans' Administration Medical Center in Altoona, Pa., as the "James E. Van Zandt Veterans' Administration Medical Center"; to the Committee on Veterans' Affairs.

By Mr. STARK:

H.R. 3721. A bill to amend the Internal Revenue Code of 1954 to permit the tax-free rollover of certain benefits received by law enforcement officers and firefighters on separation from service by increasing the limitation on the deduction for retirement savings; to the Committee on Ways and Means.

By Mr. JEFFORDS:

H.J. Res. 335. Joint resolution designating the week beginning January 29, 1984, as "National Cross Country Ski Week;" to the Committee on Post Office and Civil Service.

By Mr. TAUZIN:

H.J. Res. 336. Joint resolution designating March 23, 1984, as "National Energy Education Day;" to the Committee on Post Office and Civil Service.

By Mr. TOWNS (for himself, Mr. BONIOR of Michigan, Mr. DELLUMS, and Ms. MIKULSKI):

H.J. Res. 337. Joint resolution to designate the month of March 1984 as "National Social Work Month;" to the Committee on Post Office and Civil Service.

By Mr. FRENZEL (for himself, Mr. GINGRICH, Mr. DICKINSON, Mrs. LLOYD, Mr. LUKEN, Mr. LOEFFLER, Mrs. SCHROEDER, Mr. O'BRIEN, Mr. ANNUNZIO, Mr. HYDE, Mr. COATS, Mr. CONABLE, Mr. FUQUA, Mr. SABO, Mr. BOEHLERT, Mr. WINN, and Mr. DUNCAN):

H. Res. 291. Resolution abolishing the page system of the House of Representatives; to the Committee on House Administration.

By Mr. HAMILTON:

H. Res. 292. Resolution to amend the rules of the House of Representatives to restrict the honoraria any Member may receive from persons with legislative interests before committees upon which the Member serves; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. LIPINSKI:

H.R. 3722. A bill to permit the vessel *Odyssey* to engage in the coastwise trade and the fisheries; to the Committee on Merchant Marine and Fisheries.

By Mr. SPRATT:

H.R. 3723. A bill for the relief of Henry D. Barnett; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 225: Mr. RINALDO, Mrs. COLLINS, Mr. HOWARD, and Mr. YATRON.

H.R. 493: Mr. WOLF, and Mr. JONES of North Carolina.

H.R. 953: Mr. MATSUI and Mr. O'BRIEN.

H.R. 1087: Mr. DEWINE.

H.R. 1199: Mr. ARCHER, Mr. AUCOIN, Mr. BEDELL, Mr. BLILEY, Mr. BOUCHER, Mr. CARR, Mr. COYNE, Mr. PHILIP M. CRANE, Mr. DANNEMEYER, Mr. DINGELL, Mr. FOGLIETTA, Mr. FOLEY, Mr. FORD of Michigan, Mr. GARCIA, Mr. GIBBONS, Mr. GORE, Mr. HUGHES, Mr. WOLPE, Mr. LEHMAN of Florida, Mr. LONG of Louisiana, Mr. MCKINNEY, Mr. MADIGAN, Mr. MINETA, Mr. MITCHELL, Mr. MOAKLEY, Mr. MOLLOHAN, Mr. NATCHER, Mr. PAUL, Mr. PEASE, Mr. PRICE, Mr. RITTER, Mr. ROTH, Mr. ROYBAL, Mr. SCHULZE, Mr. SEIBERLING, Mr. SMITH of Iowa, Mr. THOMAS of California, Mr. UDALL, Mr. WALKER, Mr. WEISS, Mr. BENNETT, Mr. BONIOR of Michigan, Mr. LUNDINE, Mr. ROSE, and Mr. GONZALEZ.

H.R. 1571: Mr. SMITH of New Jersey and Mrs. KENNELLY.

H.R. 1580: Mr. SCHEUER and Mr. SIKORSKI.

H.R. 1610: Mr. TAUZIN.

H.R. 1676: Mr. DANIEL and Mr. LANTOS.

H.R. 1887: Mr. MYERS, Mr. MOAKLEY, Mr. TORRICELLI, Mr. GEKAS, Mr. SHUSTER, Mr. RITTER, Mr. WHITLEY, Mr. PACKARD, Mr. ANDREWS of Texas, Mr. NIELSON of Utah, Mr. PURSELL, Mrs. JOHNSON, Mr. YOUNG of Florida, and Mr. LUNGREN.

H.R. 1905: Mr. JONES of Tennessee, Mr. GILMAN, Mr. STRATTON, Mr. OTTINGER, and Mr. GLICKMAN.

H.R. 1959: Mr. BONIOR of Michigan, Mr. SUNIA, Mr. ROE, Mr. DELLUMS, Mr. ADDABBO, Mr. LANTOS, Mr. DE LA GARZA, and Mr. HARRISON.

H.R. 2053: Mr. BRYANT.

H.R. 2099: Mr. MINETA, Mr. BRITT, and Mr. WISE.

H.R. 2100: Mr. WHEAT.

H.R. 2105: Mr. FRANK.

H.R. 2362: Mr. ACKERMAN, Mr. ADDABBO, Mr. BEDELL, Mr. BENNETT, Mr. CLAY, Mr. CONYERS, Mr. D'AMOURS, Mr. DELLUMS, Mr. DWYER of New Jersey, Mr. EDWARDS of California, Mr. EVANS of Illinois, Mr. FASCELL, Mr. FAUNTROY, Mr. FAZIO, Mr. FORD of Tennessee, Mr. FROST, Mrs. HALL of Indiana, Mr. HERTEL of Michigan, Mr. KASTENMEIER, Mr. LONG of Maryland, Mr. MATSUI, Mr. MITCHELL, Mr. MORRISON of Connecticut, Mr. MURPHY, Mr. OWENS, Mr. PATTERSON, Mr. RICHARDSON, Mr. RODINO, Mrs. SCHROEDER, Mr. SEIBERLING, Mr. SIKORSKI, Mr. SMITH of Florida, Mr. STOKES, Mr. TOWNS, Mr. VENTO, Mr. WASHINGTON, Mr. WAXMAN, Mr. WEAVER, Mr. WEISS, Mr. WHEAT, Mr. WIRTH, and Mr. WOLPE.

H.R. 2468: Mr. TAUKE, Mr. PACKARD, and Mrs. LLOYD.

H.R. 2490: Mr. RICHARDSON.

H.R. 2790: Mr. STARK, Mr. LAGOMARSINO, and Mr. UDALL.

H.R. 2817: Mr. GAYDOS and Mr. GRAY.

H.R. 2872: Mr. NOWAK and Mr. PORTER.

H.R. 2916: Mr. WYLIE and Mr. GARCIA.

H.R. 2927: Mr. KOLTER.

H.R. 2977: Mr. MOORHEAD.

H.R. 2991: Mr. HUGHES, Mr. TALLON, Mr. BIAGGI, and Mr. TORRES.

H.R. 2997: Mrs. COLLINS.

H.R. 3016: Mr. ASPIN, Mr. TALLON, Ms. KAPTUR, Mr. RANGEL, and Mr. MCGRATH.

H.R. 3072: Mr. PORTER and Mr. GEJDENSON.

H.R. 3098: Mr. FAZIO, Mr. MARKEY, Mr. WYDEN, Mr. MAVROULES, Mr. DYMALLY, Mr. LANTOS, and Mr. DENNY SMITH.

H.R. 3099: Mr. MCCANDLESS and Mr. PACKARD.

H.R. 3146: Mr. FROST, Mr. SUNIA, Mr. LEVINE of California, Mr. FORD of Tennessee, Mr. SIMON, Mr. DWYER of New Jersey, Mr. EDGAR, Mr. CONYERS, Mr. RATCHFORD, Mr. CORRADA, and Mr. HARRISON.

H.R. 3252: Mr. MCCOLLUM and Mr. HANSEN of Idaho.

H.R. 3309: Mr. SABO and Mr. LEWIS of Florida.

H.R. 3245: Mr. WEISS, Mr. DONNELLY, Mr. WOLPE, and Mr. GEPHARDT.

H.R. 3348: Mr. BEDELL, Mrs. COLLINS, and Mr. AUCOIN.

H.R. 3409: Mr. PEASE and Mr. UDALL.

H.R. 3498: Mr. GLICKMAN, Mr. FRANK, Mr. FEIGHAN, Mr. BIAGGI, Mr. FORSYTHE, Mr. WHITEHURST, Mr. STARK, Mr. GOODLING, Mr. SOLARZ, Mr. BARNES, Mr. DIXON, Mr. LELAND, Mr. DYMALLY, and Mr. ANDREWS of Texas.

H.R. 3554: Mr. FISH, Mr. WON PAT, and Mr. SENSENBRENNER.

H.R. 3575: Mr. BONIOR of Michigan, Ms. KAPTUR, Mr. SAWYER, Mr. HERTEL of Michigan, Mr. PURSELL, Mr. DINGELL, Mr. BROOMFIELD, Mr. ALBOSTA, Mr. TRAXLER, Mr. FAUNTROY, Mr. MURPHY, Mr. KINDNESS, Mr. CROCKETT, Mr. FORD of Michigan, Mr. SILJANDER, Mr. HARRISON, Mr. KILDEE, Mr. BEDELL, Mr. RIDGE, Mr. SIMON, Mr. REGULA, Mr. APPLEGATE, Mr. WOLPE, Mr. CARR, Mr. EVANS of Illinois, Mr. QUILLEN, Mr. WILLIAMS of Ohio, Mr. SOLARZ, Mr. CONYERS, Mr. PEASE, Mr. SEIBERLING, Mr. DAVIS, and Mr. SAVAGE.

H.R. 3640: Mrs. BOXER.

H.R. 3642: Mr. RAHALL, Mr. LEHMAN of California, Mr. MARKEY, Mr. HUTTO, Mr. KOGOVSEK, Mr. FORSYTHE, Mrs. SCHNEIDER, Mr. NEAL, Mr. FROST, Mr. BENNETT, Mr. MCNULTY, Mr. FORD of Tennessee, Mr. JEFFORDS, Mr. PATTERSON, Mr. GEJDENSON, Mr. ANNUNZIO, Mr. FAZIO, Mr. ANTHONY, Mr. ALBOSTA, Mr. GONZALEZ, Mr. MURPHY, Mr. LANTOS, and Mr. WIRTH.

H.R. 3678: Mr. WEBER.

H.R. 3694: Mr. HYDE, Mr. KEMP, Mr. RUDD, Mr. BATEMAN, Mr. LOTT, Mr. CHENEY, Mr. THOMAS of California, Mr. LUNGREN, Mr. STUMP, Mr. WORTLEY, Mr. MCCAIN, Mr. KINDNESS, Mr. RITTER, Mr. HANSEN of Utah, Mr. NIELSON of Utah, Mr. DENNY SMITH, Mr. DREIER of California, Mr. CAMPBELL, Mr. LOEFFLER, Mr. ROBERT F. SMITH, Mr. ROTH, Mr. MCCANDLESS, Mr. CARNEY, Mr. EMERSON, Mr. WALKER, Mr. EDWARDS of Oklahoma, Mr. DANIEL, Mr. TAUZIN, Mr. SILJANDER, Mr. SHAW, Mr. SKEEN, Mr. BREAUX, and Mr. MILLER of Ohio.

H.J. Res. 176: Mr. TOWNS, Mr. BATES, Mr. OBERSTAR, Mr. HUBBARD, Mrs. MARTIN of Illinois, Mr. WEBER, Mr. EVANS of Illinois, Mr. ST GERMAIN, and Mr. MCGRATH.

H.J. Res. 179: Mr. OXLEY, Mr. DANIEL, Mr. KRAMER, Mr. SHARP, Mr. MCCLOSKEY, Mr. LEVIN of Michigan, Mr. LUJAN, Mr. THOMAS of Georgia, Mr. COUGHLIN, Mr. WORTLEY, Mr. LOEFFLER, Mr. HAMMERSCHMIDT, Mr. MOORHEAD, Mr. LEWIS of Florida, Mr. HAMILTON, Mr. ACKERMAN, Mr. CARNEY, Ms. KAPTUR, Mr. SABO, Mr. PATTERSON, Mr. STARK, Mrs. SCHNEIDER, Mr. MACKAY, Mr. CONTE, Mr. OTTINGER, Mr. MORRISON of Connecticut, Mr. TOWNS, Mr. YOUNG of Alaska, Mr. WOLF, Mr. KOGOVSEK, Mr. KEMP, Mr. GONZALEZ, Mr. QUILLEN, Mr. EVANS of Iowa, Mr. BROOMFIELD, Mr. GILMAN, Mr. DANIEL B. CRANE, Mr. WHITEHURST, Mr. RITTER, Mr. ROYBAL, Mr. CARPER, Mr. TALLON, Mr. HARKIN, Mr. SISISKY, Mr. VOLKMER, Mr. ROWLAND, Mr. STENHOLM, Mr. PANETTA, and Mr. STOKES.

H.J. Res. 283: Mr. FLORIO, Mr. KOSTMAYER, Mr. LEVINE of California, Mr. LEWIS of Florida, Mr. LUKEN, Mr. PORTER, Mr. SCHAEFER, Mr. WEBER, and Mr. WHEAT.

H.J. Res. 292: Mr. ADDABBO, Mr. WAXMAN, Mr. MATSUI, Mr. TOWNS, Mr. ANDREWS of Texas, Mrs. BYRON, Mr. SIMON, Mr. JEFFORDS, Mr. EDWARDS of California, Mr. VANDERGRIFF, Mr. ACKERMAN, Mr. SMITH of Florida, Mr. HUGHES, Mr. MARTINEZ, Mr. GEKAS, Mr. WYDEN, Mr. LEVINE of California, Mr. OWENS, Mr. RANGEL, Mr. FEIGHAN, Mr. DASCHLE, Mr. ROE, Mr. SOLARZ, Mr. BIAGGI, Mrs. BOXER, Mr. WORTLEY, Mr. DWYER of New Jersey, Mr. MCGRATH, Ms. MIKULSKI, Mr. HORTON, Mr. SUNIA, Mr. TAUZIN, Mr. LELAND, Mr. DYSON, Mr. FORSYTHE, Mr. WEISS, Mr. WILSON, Mr. BRITT, Mr. SCHUMER, Mr. MORRISON of Connecticut, Mr. RATCHFORD, Mr. TORRICELLI, Mr. BERMAN, Mr. GUARINI, Mr. DE LA GARZA, Mr. GILMAN, Mr. DOWNEY of New York, Mr. BROWN of California, Mr. CARPER, Mr. CLARKE, Mr. DOWDY of Mississippi Mr. DYMALLY, Mr. WALGREN, Mr. SNYDER, Mr. DAUB, Mrs. SCHNEIDER, Mr. GRAY, Ms. KAPTUR, Mr. HEFTEL of Hawaii, Mr. RICHARDSON, Mr. FRENZEL, Mrs. COLLINS, Mr. LAFALCE, Mr. FISH, Mr. CLINGER, Mr. SCHEUER, Mr. ALEXANDER, Mr. CARR, Mr. BENNETT, Mr. CLAY, Mr. WON PAT, Mr. CROCKETT, Mr. BARNES, Mr. FAZIO, Mr. SABO, Mr. PRITCHARD, Mr. PASHAYAN, Mr. HATCHER, Mr. PRICE, Mr. MURPHY, Mr. MOLINARI, Mr. FOLEY, Mr. SAVAGE, Mr. FAUNTROY, Mr. RODINO, Mr. WEBER, Mr. HAMMERSCHMIDT, Mr. BONER of Tennessee, Mr. WHITEHURST, Mr. HANSEN of Idaho, Mr. PATTERSON, Mr. DIXON, Mr. FORD of Tennessee, Mr. VENTO, Mr. FROST, Mr. KEMP, Mr. CORRADA, Mr. BATES, Mr. LOWERY of California, Mr. AKAKA, Mr. HOYER, Mr. BREAUX, Mr. BROWN of Colorado, Mr. DANIEL B. CRANE, Mr. MCNULTY, and Mr. BOUCHER.

H.J. Res. 324: Mr. SUNIA, Mr. WIRTH, Mr. LELAND, Mr. ROE, Ms. OAKAR, Mr. PRITCHARD, Mr. SMITH of Iowa, Mr. MCNULTY, Mr. HUTTO, Mr. WOLF, Mr. KEMP, Mr. DIXON, Mr. DWYER of New Jersey, Mr. KINDNESS, Mr. BEDELL, Mr. FORSYTHE, Mr. PATTERSON, Mr. MILLER of Ohio, Mr. FROST, Mr. SIMON, Mr. TOWNS, Mr. LEHMAN of Florida, Mr. TALLON, Mr. BARNES, Mr. LEVIN of Michigan, Mr. HUGHES, Mr. CORRADA, Mr. DEWINE, Mr. MCCAIN, Mr. WEISS, Mr. ROWLAND, Mr. WHEAT, Mr. PHILIP M. CRANE, Mr. BROYHILL, Mr. SMITH of Florida, Mr. RITTER, Mr. BERMAN, and Mr. MCGRATH.

H. Con. Res. 107: Mr. AKAKA, Mr. BROYHILL, Mr. MCKERNAN, and Mr. O'BRIEN.

H. Con. Res. 122: Mr. HOYER, Mr. HUGHES, Mr. MATSUI, Mr. EVANS of Illinois, Mr. LOWRY of Washington, Mrs. COLLINS, and Mr. RICHARDSON.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

[Omitted from the Record of July 28, 1983]

H.R. 953: Mr. EDWARDS of Oklahoma.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 2780

By Mr. JONES of Oklahoma:

—Page 2, line 17, after the word "thereof" strike "$5,297,330,000" and insert "$5,016,700,000".

By Mr. NELSON of Florida:

—Page 2, line 14, strike out the heading and all that follows through the period on line 17 and redesignate the succeeding sections and references thereto accordingly.

H.R. 2957

By Mr. GONZALEZ:

—Page 18, line 21, strike out "4,250 million" and substitute "500 million".

—Page 19, line 2, strike out "4,250" and substitute "500".

—Page 19, line 18, strike out "5,310.8 million" and substitute "500 million".

—Page 21, line 13, strike out "one year" and substitute "six months".

—Page 24, line 14, strike out "one hundred and eighty" and substitute "ninety".

—Page 25, strike out line 5 and all that follows through line 9.

—Page 31, line 13, strike out "one hundred and eighty" and substitute "ninety".

—Page 31, line 16, strike out "ninety" and substitute "sixty".

—Page 41, strike out line 6 and all that follows through line 18.

By Mr. GRAMM:

—On Page 22, line 17, after the word "apartheid" add "and communist dictatorships".

On Page 22, line 21, strike the word "practice" and all that follows through the word "labor" on line 23, and insert in lieu thereof the following: "practices of apartheid and communist dictatorship result in severe constraints on labor and capital mobility and other highly inefficient labor and capital".

On Page 23, line 4, strike the period and insert in lieu thereof "or communist dictatorship."

By Mr. KEMP:

—Page 44, line 18, strike "$380,000,000" and insert "$290,000,000".

Page 45, line 8, strike "$380,000,000" and insert "$290,000,000".

—Page 45, strike out line 11 and all that follows through line 16.

—Page 46, after line 8, insert the following:

"(c) Whereas the Republic of China is a charter member in good standing of the Asian Development Bank;

"Whereas the Republic of China has grown from a borrower to a lender in the Asian Development Bank; and

"Whereas the Republic of China provides, through its economic success, a model for other nations in Asia: Now, therefore, be it

"Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that the support provided by the United States to the Asian Development Bank will be terminated if the Republic of China is denied full membership in the Asian Development Bank.".

By Mr. ST GERMAIN:

—Page 29, strike out line 16 and all that follows through line 19.

Page 30, beginning on line 6, strike out "Pursuant to regulations promulgated by the Examination Council, each" and insert in lieu thereof "Each".

Page 30, line 8, insert ", by regulation," after "shall require".

Page 31, beginning on line 12, strike out "The" and all that follows through "enactment of this title." on line 14.

Page 31, beginning on line 16, strike out "ninety days after the promulgation of such Examination Council regulations." and insert in lieu thereof "120 days after the date of the enactment of this title.".

Page 31, line 20, strike out "Examination Council" and insert in lieu thereof "appropriate Federal banking agencies".

Page 32, beginning on line 3, strike out "The" and all that follows through "enactment of this title," on line 5.

Page 32, beginning on line 7, strike out "ninety days" and all that follows through "regulations." on line 9, and insert in lieu thereof "120 days after the date of the enactment of this title.".

Page 32, beginning on line 12, strike out "Pursuant to regulations promulgated by the Examination Council, each" and insert in lieu thereof "Each".

Page 32, line 14, insert ", by regulation," after "shall require".

Page 32, line 17, strike out "the Examination Council" and insert in lieu thereof "such".

Page 32, beginning on line 18, strike out "Pursuant to regulations promulgated by

the Examination Council, each" and insert in lieu thereof "Each".

Page 32, line 20, insert ", by regulation," after "shall require".

Page 32, beginning on line 23, strike out "The" and all that follows through "enactment of this title." on line 25.

Page 33, beginning on line 2, strike out "ninety days" and all that follows through "regulations." on line 4, and insert in lieu thereof "120 days after the date of the enactment of this title.".

Page 33, line 7, strike out "(a) The Examination Council and the" and insert in lieu thereof "The".

Page 33, strike out line 13 and all that follows through page 35, line 7, and insert in lieu thereof the following:

CAPITAL ADEQUACY

SEC. 408. (a)(1) Each appropriate Federal banking agency shall cause banking institutions to achieve and maintain adequate capital by establishing minimum levels of capital for such institutions and by using such other methods as the agency deems appropriate.

(2) Each appropriate Federal banking agency shall have the authority to establish such minimum level of capital for an institution as the agency, in its discretion, deems to be necessary or appropriate in light of the particular circumstances of the institution.

(b)(1) Failure of a banking institution to maintain capital at or above its minimum level as established pursuant to subsection (a) may be deemed by the appropriate Federal banking agency, in its discretion, to constitute an unsafe and unsound practice within the meaning of section 8 of the Federal Deposit Insurance Act.

(2)(A) In addition to, or in lieu of, any other action authorized by law, including subsection (b)(1), the appropriate Federal banking agency may issue a directive to a banking institution that fails to maintain capital at or above its required level as established pursuant to subsection (a).

(B)(i) Such directive may require the institution to submit and adhere to a plan acceptable to the agency describing the means and timing by which the institution shall achieve its required capital level.

(ii) Any such directive issued pursuant to this paragraph, including plans submitted pursuant thereto, shall be enforceable under the provisions of section 8(i) of the Federal Deposit Insurance Act to the same extent as an effective and outstanding order issued pursuant to section 8(b) of such Act which has become final.

(3)(A) Each appropriate Federal Banking agency may consider such institution's progress in adhering to any plan required under this subsection whenever such institution, or an affiliate thereof, or the holding company which controls such institution, seeks the requisite approval of such agency for any proposal which would divert earnings, diminish capital, or otherwise impede such institution's progress in achieving its minimum capital level.

(B) Such agency may deny such approval where it determines that such proposal would adversely affect the ability of the institution to comply with such plan.

(C) The Chairman of the Board of Governors of the Federal Reserve System and the Secretary of the Treasury shall encourage governments, central banks, and regulatory authorities of other major banking countries to work toward maintaining and, where appropriate, strengthening the capital bases of banking institutions involved in international lending.

Page 36, line 16, strike out "The Examination Council is" and insert in lieu thereof "The appropriate Federal banking agencies are".

Page 36, beginning on line 17, strike out "the Examination Council and".

Page 37, strike out line 20 and all that follows through line 24.

Page 38, line 1, strike out "(e)" and insert in lieu thereof "(d)".

Page 38, strike out line 14 and all that follows through page 40, line 14.

Page 40, line 16, strike out "Sec. 412." and insert in lieu thereof "Sec. 411".

Page 40, beginning on line 17, strike out "the Examination Council (as defined in section 402(c) of this Act) and".

Page 40, line 25, strike out "Examination Council and the".

Page 42, line 8, strike out "the Examination Council or".

Page 42, line 13, strike out "the Examination Council or".

Page 42, line 17, strike out "the Examination Council or".

Page 42, beginning on line 24, strike out "the Examination Council or".

Page 43, beginning on line 1, strike out "the Examination Council or an" and insert in lieu thereof "each".

Page 43, beginning on line 5, strike out "The Examination Council or an" and insert in lieu thereof "each".

Page 43, line 15, strike out "the Examination Council or".

Page 43, after line 18, insert the following:

REPORTS TO CONGRESS

SEC. 412. (a) Within 120 days after the date of the enactment of this title, the Secretary of the Treasury shall report to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Banking, Finance and Urban Affairs of the House of Representatives on the statutes, regulations, and examination and supervisory procedures and practices, governing international banking in each of the Group of Ten Nations and Switzerland with particular attention to such matters bearing on capital requirements, lending limits, reserves, disclosure, examiner access, and lender of last resort resources.

(b) Not later than 120 days after the date of the enactment of this title, the Chairman of the Board of Governors of the Federal Reserve System and the Secretary of the Treasury shall transmit a report to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Banking, Finance and Urban Affairs of the House of Representatives on the progress made in reaching the goal specified in section 408(c).

(c)(1) Within one year after the date of the enactment of this title and for each of the two succeeding years, the appropriate Federal banking agencies shall report to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Banking, Finance and Urban Affairs of the House of Representatives on actions taken to implement the provisions of this title.

(2) The report shall include a description of the actions taken in carrying out the objectives of the title, and any actions taken by any appropriate Federal banking agency that are inconsistent with the uniform implementation by the appropriate Federal banking agencies of their respective authorities under this title, and any recommendations for amendments to this or other legislation.

By Mr. WALKER:

—On page 28, after line 8, add the following:

SEC. 308. Consistent with the objective of sustaining worldwide economic growth and recovery set forth in this title, section 3 of Public Law 96-389, the Bretton Woods Agreements Act Amendments of 1980, is amended by striking it in its entirety and inserting in lieu thereof the following: "Beginning in fiscal year 1985, the total budget outlays of the Federal Government shall not exceed its receipts.".

—On page 28, after line 8, add the following:

SEC. 308. Consistent with the objective of sustaining worldwide economic growth and recovery set forth in this title, Congress reaffirms its commitment to the mandates required under section 7 of Public Law 96-435, the Bretton Woods Agreements Act Amendments of 1978.

EXTENSIONS OF REMARKS

CHILD OF HOLOCAUST SURVIVORS EXPLAINS CHOICE OF CAREER

HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, July 29, 1983

● Mr. LENT. Mr. Speaker, Members of the House will recall that earlier this year, Washington, D.C., was honored by a gathering of survivors of the Holocaust. I attended some of their sessions and it was one of the most moving experiences of my life. The group of survivors becomes smaller with each passing year, but memories of the experience pass from the parents to their children and sometimes influence the child's choice of career.

Such is the case of Diane R. Spielmann, the associate archivist of the Leo Baeck Institute in New York City. Her parents survived the camps at Auschwitz and Riga, and their experience compelled their daughter to devote her life to the preservation of a culture that the Nazis tried to destroy during World War II.

I urge my colleagues to read this account and reflect on the course chosen by this extraordinary woman, Diane Spielmann.

The material follows:

STATEMENT BY DIANE R. SPIELMANN

Yesterday I had the privilege to speak as a professional; today I have the added privilege to speak on the personal level.

I will be speaking briefly on how my personal feeling of responsibility given my identity as a child of Holocaust survivors has lead to my professional responsibilities as the associate archivist of the Leo Baeck Institute in New York.

The institute with additional offices in Jerusalem and London is a membership-supported research center founded in 1955 by the Council of Jews from Germany. The institute in New York City consists of archives and library concerned with the preservation of the history and culture of German-speaking Jewry of Central Europe from the Emancipation to the Nazi persecution. I will shortly describe our resources and functions in greater detail. However, I would first like to get back to the topic of personal identity and responsibilities of the Second Generation.

My mother, German born, is a survivor of Auschwitz and Ravensbrueck. My father, Galician born and former resident of Berlin for thirty years is a survivor of Riga and Stuffhof. Thus as a child whose both parents suffered the ravages of the Holocaust, my own feelings and my need for identification with my parents, with my past and with the Jewish community have always been quite strong. This need for identification was amplified during adolescence and especially while I was in college in the late sixties and early seventies, a time when the emphasis was on "finding oneself." As a result, in college my program was filled with Jewish studies ranging from history to language. However, I also did not neglect German language studies. Having been brought up bilingually, my association with the German language was not negative. Thus I continued my graduate work in German Language and Literature—but interestingly enough—my personal studies always veered toward the Jewish influence in German letters. It seemed that I needed to justify to myself, my studies and later my career for five years as teacher of the German language on the college and graduate levels. While teaching German, I realized I could never be quite comfortable. I must emphasize here that this was not the result of external factors, such as professional or school environment—but the result of an inner tension arising from my own ambivalence of what the German language had come to represent to me. On the one hand it was the language of many Jewish writers and thinkers as well as the language of my parents and my home environment, but, on the other hand I could not deny that it was also the language of those who perpetrated the Holocaust. These mixed feelings and inner tensions finally resulted in my resignation as a German teacher. My identity had become a question of responsibility to myself and to my personal background.

As members of the so-called Second Generation with the awareness of what our parents endured, we question our every step. We are attuned to be more sensitive in relation to ourselves as well as to the community at large. It has been passed along to us by our parents and by the circumstances of our upbringing—to be more understanding—to have a greater consciousness of our environment.

In my case the responsibility to myself as member of the Second Generation was realized into a professional responsibility, almost seven years ago. When I began working as a part-time assistant in the archives of the Leo Baeck Institute, an institute dedicated to perpetuate my legacy—our legacy. Finally, my training in Jewish studies, history and the German language was transformed into a professional responsibility. Now as full-time associate Archivist of the Leo Baeck Institute I have the unique opportunity to utilize my studies in conjunction with my background in order to make known our past.

The archives of the Leo Baeck Institute, consisting of over 2000 linear feet, attests to the history of German-speaking Jewry throughout the centuries with a substantial percentage dealing with the era of the Second World War.

Collections consist of documents and photos of former Jewish organizations, institutions and businesses as well as Nazi documentation. For example such varied materials as deportations lists, or records of Jewish communities in Germany and Central Europe before and after the war are available to researchers. Our files include personal papers of individuals from all levels of society—professionals, academics, businesspeople, housewives, and even children. Among these holdings are over 800 unpublished memoirs, of which approximately 25 percent attest to the atrocities of the Nazi era. These memoirs reflect the lives of those who suffered through the death camps, of those who lived in hiding, and of those fortunate enough to have escaped by emigrating to the four corners of the earth. We also have an extensive art collection with many of the works created by both professional and amateur artists while interned in the camps or while living in emigration.

Our library comprising over 60,000 volumes contains among its published works, Jewish and emigrant diaries, Jewish periodicals and reference books, as well as Nazi publications. All of these supplement the rich archival holdings.

In the archives and library it is our responsibility to catalogue these materials and make them accessible to the general public—to the academic community—to students—to professors—to researchers.

Museums throughout the world use our resources. For example, the "Akademie der Kuenste" (Academy of Arts) of West Berlin, using our material, is planning an exhibit on bookburnings to open shortly. This will eventually travel throughout West Germany. Closer to home, the Leo Baeck Institute has provided the Jewish Museum in New York with much historical material of Frankfurt for their current exhibit, "A Tale of Two Cities." We also provide material for Jewish publications, for documentary films, public and private, here and abroad.

To our membership we extend further privileges. Members receive mailings of biannual Newsletters plus our year book of scholarly writings highly acclaimed in the international academic community. Members also receive invitations to lectures and seminars sponsored by the Leo Baeck Institute held throughout the academic year. Our functions and services are indeed numerous and varied.

Thus I find it most satisfying to be a part of the Leo Baeck Institute where the personal responsibility to myself as member of the Second Generation has been transformed into a professional responsibility to the public—A responsibility to inform and enlighten as was passed on to me by my parents.

For those of you who are interested and have not already done so—I invite you to speak to me and visit our booth here in order to view in greater detail what type of materials are available at the Leo Baeck Institute in New York.●

NATIONAL GROUNDWATER COMMISSION

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, July 29, 1983

● Mr. FLORIO. Mr. Speaker, I wish to bring to my colleagues' attention an article published in the New York Times on July 26, 1983, entitled, "U.S. Effort Grows To Protect Water: Rise in Underground Pollution Threatens Drinking Supply." This article, written by Mr. Philip Shabecoff, emphasizes that there is presently no unified national strategy for protecting the Nation's underground water supply from contamination. As a result of this deficiency, the drinking water supply for more than half the country's population is in danger from toxins which are seeping into the Nation's aquifers. These toxins come from a variety of sources, including waste dumps, septic tanks, construction, mining, and industrial activity. Mr. Shabecoff points out that in the past several years 2,830 wells in 20 States have been contaminated and that this number continues to grow on an almost daily basis.

One answer to this deficiency is the creation of a national groundwater commission. Such a commission could investigate, among other things, the adequacy of existing standards for groundwater quality under State and Federal law, the merits of various methods for the abatement and containment of groundwater contamination, and whether methods for aquifer restoration are practical alternatives to abatement and containment. Upon completion of its work, the commission's report could be used by Congress to develop a comprehensive national plan which will insure that everything that can be done, will be done, and that the Nation's drinking water will be safe and pure.

An amendment to create a national groundwater commission will be offered by Mr. EDGAR to the Hazardous Waste Control and Enforcement Act, H.R. 2867, which is scheduled for the floor next week. The need for the commission and a national groundwater policy is clear. If my colleagues will take a few minutes to read the following article, I am confident they will agree with me.

The article follows:

[From the New York Times, July 26, 1983]

U.S. EFFORT GROWS TO PROTECT WATER

(By Philip Shabecoff)

WASHINGTON, July 25.—American governments at all levels are urgently seeking solutions to the increasing contamination of the underground water supply that provides drinking water for more than half of the country's population.

Because there is no nationwide system of monitoring underground water pollution, the full extent of the problem is not known. But environmental experts agree that the problem is serious in virtually every part of the country and is getting worse. They note that once ground water is contaminated, it is extremely difficult and sometimes impossible to reverse the process.

NO UNIFIED NATIONAL STRATEGY

"We are sitting on a time bomb, not only in my district but in every Congressional district and every locality in this country," said Representative Mike Synar, Democrat of Oklahoma, chairman of a House subcommittee that is investigating the problem.

Despite increasing knowledge and growing alarm about the magnitude of the problem and broad legislative authority to address it, there has been no coordinated national strategy to clean up contaminated ground water and protect supplies that are still pristine. In fact, there is no agreement that there should be such a strategy.

William D. Ruckelshaus, the new Administrator of the Environmental Protection Agency, said recently that he has given high priority to protecting ground water and has assigned a special group in his agency to recommend solutions.

"But we must all understand that there is no quick or simple solution," he told a House subcommittee this month. "The problems we face are the result of decades of misunderstanding and neglect of this vast resource."

According to figures assembled by Mr. Synar's Environment and Natural Resources subcommittee of the House Government Operations Committee, ground water use in this country grew from 21 billion gallons a day in 1945 to 82 billion gallons in 1975, and it is projected to reach 100 billion gallons by the year 2000.

Mr. Synar said a survey showed that 2,830 wells in 20 states have been contaminated in the past few years and that "almost daily," dozens of new wells are found unusable because of toxins leaching into the ground water.

The poisons seep into the water from a variety of sources, including waste dumps, septic tanks, mining, industrial and construction activity, the runoff of agricultural chemicals and the injection of industrial chemicals above, below and sometimes directly into the aquifers.

FLURRY OF LEGISLATIVE ACTIVITY

There has been a flurry of legislative activity in recent weeks as Congress has sought to come to grips with the issue. Last week a bipartisan group of Congressmen said they were introducing a bill that would create a national groundwater commission to make recommendations on what needs to be done.

Representative James J. Florio, Democrat of New Jersey, one of the proposal's sponsors, said the Environmental Protection Agency had not come forward with a program for solving the problem. "Millions of people rely on ground water for their drinking water and Congress must protect it from hazardous and other kinds of waste," he said.

A policy drafted by the staff of the environmental agency proposed Federal, state and local cooperation in setting national standards for using equipment that would achieve a certain level of clean underground water. But President Reagan's Cabinet Council on Natural Resources killed the proposal earlier this year after Interior Secretary James G. Watt, acting chairman of the council, criticized it as an infringement of states' rights.

CHANGE IN E.P.A. PERSPECTIVE

Mr. Ruckelshaus "is not committed to a national ground water policy," one of his aides said this week. But "neither is he committed against such a policy," he added.

Some agency officials said, however, that there has been a substantial change in policy perspective on ground water since Mr. Ruckelshaus took office this year. In particular, they said, there is no longer any discussion of legislative amendments to ease standards imposed under the Safe Drinking Water Act, or to weaken protections under the Resource Recovery and Conservation Act, Clean Water Act of 1972 and other statutes that give the agency its mandate to protect water.

The agency's change in attitude on the ground water issue is "like night and day," said one official who asked not to be identified.

An important aspect in the search for solutions to the progressive poisoning of ground water is that to control the quality of the water, it is necessary to control the use of the land above it.

But land use decisions have historically been a jealously guarded prerogative of state and local governments. Although advocates of a national ground water policy have noted that aquifers do not conform to state or local boundaries, this tradition has been a significant stumbling block to dealing with the issue nationally.

Some ground water reservoirs, such as the great Ogallala aquifer that runs under several Western states, are becoming depleted as growing cities withdraw more water than is put in, or where watersheds that absorb surface water and refill the aquifers are developed or drained.

NEW YORK AND CONNECTICUT PLANS

In some areas, including Connecticut, a start has been made in regulating land use decisions to protect ground water.

Connecticut is employing a land use system that classifies areas for levels of protection to be afforded ground water. Areas where aquifers are recharged receive the highest level of protection, with limits on landfilling, use of pesticides and highway de-icing salts and other safeguards. Areas where there is not much underground water receive the least protection and may be used for such activities as dumping wastes.

Several states have adopted such classification plans, according to environmental agency officials, and others have considered or are considering legislation to bar the use of certain toxins that have been found to contaminate underground water reserves.

New York City does not get its drinking water from underground sources, but Long Island does. On Long Island, several major studies have been initiated and prohibitions imposed on the use of such substances as alecarb, a pesticide used for potato bugs, and trichloroethylene, and industrial solvent, both of which are suspected cancer-causing agents. Also under assessment are land use restraints, particularly on the Long Island pine barrens, an important recharging area for the aquifer underlying the island.

LACK OF MONITORING SYSTEMS

Ruth Patrick, chairman of the Environmental Assessment Council of the Philadelphia Academy of Natural Sciences, recently told a House subcommittee that "no national systematic effort has been made to determine the frequency of contamination."

"To date," she said, "one of our greatest problems in assessing ground water contamination is the lack of effective monitoring systems; because of this lack, we do not know how widespread contamination is, nor do we know the health effects and other environmental effects produced by ground water contamination."

She said that once an aquifer is contaminated, it can be cleaned up only at great cost, and that sometimes it is simply not feasible to clean ground water once it has become polluted.

Mr. Synar said the recent hearings on the problem had demonstrated that "we don't have enough people to deal with it and, secondly, we don't have the mechanical expertise on the state and local levels."

He said he was convinced that the states needed Federal help in dealing with the ground water issue and that a national ground water policy was required.

"It will cost some money, but, as the commercial says, you can pay now or later," he said.●

RELEASE OUR MINERAL AND MATERIAL RESOURCES FROM THE "RESOURCE FREEZE" OF THE 1970'S

HON. DAN MARRIOTT

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Friday, July 29, 1983

● Mr. MARRIOTT. Mr. Speaker, today, I am introducing the National Minerals and Materials Policy Coordination Act of 1983.

This bill is designed chiefly to provide a more central focus to minerals and materials policy considerations of the Federal Government and to focus the mineral assessment work of the Government, in coordination with private industry and the academic and scientific community, in such a way as to enable us to make more informed land use decisions, especially in areas currently withdrawn from mineral development.

I have long believed that we should know the true mineral potential of lands which the Federal Government, in one way or another, proposes to withdraw from mineral development before making the decision to withdraw them for extensive periods of time. This was the intent of Congress when it passed the Wilderness Act in 1964.

When the 1964 Wilderness Act was enacted, Congress indicated that it expected the mining industry and the Department of the Interior to explore potential wilderness lands for mineral content so that Congress would have the "benefit of professional technical advice as to the presence or absence of minerals in each area" before making a decision about wilderness designation. (Conf. Rep. No. 1829, 88th Congress, 2d session p. 19).

But the truth is that it is impossible to come to any final conclusions on the presence or absence of minerals.

We can never say that we know all the minerals which are in any particular lands because our knowledge of mineral deposition and use changes over time.

The plain fact is that the process of assessing the true mineral potential of the Nation's lands will never be completed because of the nature of geologic formations and of economic and scientific progress. The identification of potentially recoverable deposits of any mineral is dependent on the continued advancement of geological knowledge and insight—and it is dependent on keeping lands open for exploration.

When a wilderness system was first contemplated, proponents emphasized that only a limited amount of land was to be included and therefore, the impact on mineral resources minimized. The first 14.3 million acres that were designated as wilderness in 1964 were considered an almost miniscule fraction of the Nation's land. But as those acres designated as wilderness have mounted through the years, the land possibilities for competing interests outside of wilderness have declined while the interpretation of what uses are allowable in wilderness has narrowly constricted the actual use of those lands including an effective ban on legally permissible mining activity under the 1964 Wilderness Act.

While Congress has effectively prevented lawful mineral activity from proceeding in wilderness areas, in addition, through various appropriations bills, it has effectively extended the closure of lands from any use to another 40 million acres of land generally under wilderness consideration, thus preempting the land-use decisionmaking process.

These appropriations bills have effectively preempted the decisionmaking process by prohibiting any industry exploration and development of oil (including tar sand), gas, coal, oil shale, gilsonite, phosphate, sulphur, and potassium in National Forest System lands which are potential wilderness. Even though the Department will continue to assess the mineral value of these lands, in the absence of real exploration, the value of these evaluations is limited. In a GAO report (EMD-82-29 Feb. 4, 1982), it was found that the estimates of mineral potential for wilderness study areas have been erroneously made, that is, where nothing was known of the mineral potential of an area, the field personnel reported the area had "no potential" for mineral development.

Some of the advocates of earlier versions of these restrictions were willing to prevent exploration or development of hardrock minerals in some 1.5 million acres of acquired forest lands, including the Irish in Missouri, which has some of this country's highest potential for lead-zinc resources. However, after concern for the Nation's needs for strategic and critical minerals was expressed, an amendment to exclude those hardrock minerals from the bill was agreed to.

I was the author of that amendment and today, through introduction of this bill, I raise once again the question: How can the United States make informed land use decisions without a means to continually and effectively assess the mineral potential of our Nation's lands?

The reach for more land to be placed in wilderness—off-limits and inaccessible to all but a limited sector of a growing population—has met with increasing resistance as it has become evident that proponents are unwilling to consider alternative nonexclusive uses of the land in their eagerness to declare wilderness the highest and best use.

There is a tremendous fallacy in the notion of exclusive use so adamantly applied to wilderness areas in particular.

Many advocates would have us believe that the wilderness designation by Congress effects a permanent withdrawal of those lands from proscribed mineral activity. This is an illusory goal. The pressure on wilderness, both potential and actual, for oil and gas development, for example, stems from the increasing demand for energy as the population expands and the geologic fact that the overthrust belt, which is revealing enormous potential, coincides with the mountainous areas which are also most likely candidates for wilderness. In the same GAO report these advocates cite (EMD 81-40 Feb. 11, 1981) to indicate how much land is available for oil and gas leasing, GAO points out that of the 20 million acres withdrawn from leasing in 5 States, over 11 million acres are considered to be valuable for oil and gas.

The oft-stated view that the minerals in the wilderness lands will always be available whenever an emergency arises is naive at best. It reflects an unaccountable removal from reality which results in irresponsible action. Such an argument gives no recognition to lead times involved in getting a mineral into production—especially when no previous mineral investigation has taken place on the land.

It currently takes 8 to 10 years to bring oil and gas into production where there has been no previous discovery, and with regard to hardrock minerals, a geologist counts himself fortunate if he finds one major ore body in 30 years of searching.

The U.S. import dependence for some critical and strategic minerals from numerous unstable foreign sources of supply is too well known to recount here. It is the duty of the Federal Government to assure that the

United States will not be found wanting in an emergency should supply disruptions occur. Stockpiling currently carries with it a $10 billion price tag. The other most reasonable alternative is for the United States to keep its vast lands open to mineral exploration and development.

The notion that wilderness and mineral exploration are incompatible is outdated and clearly false. Mineral exploration results in minimal, temporary intrusion in the land. Mineral development, outside of strip mining, results in minimal temporary disturbance of the land.

Americans seem to have some misconception about the actual impact of mining activities on the Nation's lands. The Bureau of Mines' (Information Circular 8862 published in 1982) report entitled "Land Utilization and Reclamation in the Mining Industry, 1930-80" points out that land used for mining from 1930 through 1980, a period when domestic mining activities were called upon to fulfill mineral requirements for three wars and an expansive economy, amounted to a cumulative total of 5.7 million acres or just one-quarter of 1 percent of the total U.S. land mass and that figure includes coal mining and sand and gravel operations. Currently, 0.13 percent of the total U.S. land mass is being used for mining or mineral processing activities while 70 percent is used for agriculture, 3.4 percent for national parks, 3 percent for urban areas, and 1.1 percent for Forest Service wilderness areas. Land currently dedicated to mining is equivalent to the area used by railroads or about two-thirds of the area used by airports.

Over the last decade, much of the Nation's prime land for mineral use has been under what might be termed a resource freeze. The Nation's large mineral stockpiles amassed in World War II and the Korean war have been severely depleted over this same period, perhaps giving the Nation a false sense of mineral security due to the temporary abundance of these minerals in the market. However, the Nation must move ahead now to encourage mineral exploration if we expect to maintain domestic mineral capacity in the 1990's.

This Nation had long ago made a decision that a market economy is the most efficient means to meet the Nation's economic, defense, and social requirements. But in the 1970's, we began denying access to the natural resources upon which our market economy is based. We have written procedures into our mineral leasing laws and closed so much land to exploration under the mining laws that the Government is placed in the position of dictating the rate and timing of exploration and development of those resources where once the market presided over those decisions.

Ignoring lag times between exploration on the one hand and production on the other, the Federal Government, as owner of one-third of the Nation's lands, has acted increasingly as a monopolist, by withholding the leasing of rights to explore or access to promising lands, in spite of the increased number of laws and regulations insuring environmental protection in any development that may occur. Thus, the Federal Government has sowed the seed that will reap the crisis of the 1990's and 21st century. The trend toward leasing mineral exploration rights in accordance with Government projected demand instead of leaving land open for exploration under the mineral leasing and mining laws has stood the market on its head, creating a climate for artificial shortages and high prices for the 1990's and beyond.

In order to meet anticipated mineral and material resource needs in the 1990's and later, we must release our mineral and material resources from the "Resource Freeze" of the 1970's. This is the decade in which we must move to do that.

But we must proceed to unlock our resources with intelligence and balance. Perhaps no other resource lends itself so little to advance Government planning than minerals. Mineral exploration leading to discovery of a recoverable deposit is a long, costly, and risky process because of the nature of mineral deposition. No government can dictate where to look, how much money to spend, or how long to look. That is why mineral exploration and development is best borne by the private sector and why lands ought to remain open for exploration activity without time constraints or exclusive use restrictions. Mineral geology is not moved by artificial surface land boundaries.

Yet, we must face the fact that Congress, through the decade of the 1970's, has placed vast amounts of the Federal lands off limits to mineral activity by the private sector. In order to assure that this Nation will have access to vital mineral resources in time of national need, the bill I am introducing today would place emphasis on the assessment of the strategic and critical mineral potential of withdrawn lands through cooperative government-industry-academic and scientific community efforts. In this connection, it provides for an integrated information-generation and decisionmaking process which will enable us to make genuinely informed land-use decisions which will safeguard our future and the future of succeeding generations of Americans.

The bill is based on the premise that mineral information is vital to our national welfare, enabling us to make informed land-use decisions and give us options in the event of a national emergency. The bill I am offering would not alter the environmental protection afforded any of our Nation's lands under existing law.

The advance in mining technology and reclamation techniques, along with the complete network of environmental laws and regulations in place, insures that mineral development can take place today with solid protection of our environment—our air, our water, and our soils.

Mr. Speaker, I am convinced that this bill will go a long way toward resolving in a sound, balanced fashion the important resource availability problems of the future caused by the resource freeze of the last decade. As such, this legislaton is vitally important to our Nation's future.●

AMERICAN GATHERING OF HOLOCAUST SURVIVORS—II

HON. RAYMOND J. McGRATH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, July 29, 1983

● Mr. McGRATH. Mr. Speaker, during the recent gathering of Holocaust survivors, Aviva Kempner, the child of a Holocaust survivor, delivered a speech on the importance of documenting this terrible event.

Nothing can be more painful than reliving this tragic period, but Aviva Kempner's remarks show why we must be obsessed with documenting this period of history. I commend this speech to my colleagues.

SPEECH DELIVERED BY AVIVA KEMPNER AT THE AMERICAN GATHERING OF HOLOCAUST SURVIVORS ON APRIL 13, 1983

Still the night, and full of starlight,
And the frost-burned on the land;
Do you still remember how I taught you
To hold a revolver in your hand?

(These words were played at the beginning of the speech)

This song, Shtil Ki Nakht or Still the Night, is a song written for the Jewish underground in the Vilna ghetto which is often sung at Jewish cultural events in the United States. Even Pete Seeger has it in his repertory.

In the past two years I have conducted an informal survey about how this song is introduced. Let me give you two very distorted examples:

1. In the Lillith magazine of the spring/summer 1982 edition Aviva Cantor included this song in her egalitarian Hagada. The introduction reads: "Hirsh Glick, a partisan, wrote this poem to honor Vitke Kempner, a woman who was his comrade in the Vilna Ghetto Uprising. Both were killed in the resistance."

2. In the program note for a cultural event in Boston on the theme of Jewish resistance to the Nazis the description reads: "This song was written to commemorate the first uprising of the Vilna ghetto against the Nazi army in 1942. It is dedicated to Vitka

Kempner, a young woman Glick loved. She was a leader of the uprising and died in it."

I thought about entitling my speech "Vitke Kempner" lives. Although she risked her life daily as an active member of the Vilna ghetto underground and later on as a partisan in the Vilna region, she did not die in the Vilna ghetto uprising which was not even in 1942, but in 1943. She is alive and well and living in the kibbutz Ein Haroesh in Israel for over 35 years. And by the way, she is not a relative.

In all fairness to Aviva Cantor when she wrote her Hagada she based her information about Vitke Kempner's death on a New York Times article in 1973 that reported a newly released American Jewish Committee's detailed document describing Jewish resistance. Although the article accurately reported the 1942 action as being an open sabotage of blowing up a German train with a homemade bomb which inspired Hirsh Glick to write this song, the article reports that the American Jewish committee document states that Miss Kempner was later killed while serving the partisan forces.

Hirsh Glick, the traubador of the Vilna ghetto, died in Estonia, not in the Vilna ghetto uprising of 1944. The uprising was in 1943 and not in 1944. He also wrote the famous Partisan Hymn, Zog Nit Keyn Mol or Never Say, which I have read as being mistakenly identified as being written in the Warsaw Ghetto.

But two and a half years ago I could never tell you about these factual distortions. I know them about this song only because of a personal and professional trek I began at that time by working on a documentary film on Jewish resistance against the Nazis. I had been brought up as a child of a survivor knowing very little about the Holocaust because it was too painful for my mother to speak about it and she said she wanted to protect her children. Growing up in Detroit in the 60's did not allow for much education on the Holocaust. My conception of the Holocaust was based on the popular images of the Warsaw Ghetto Uprising, Anne Frank and Auschwitz.

For me, Leon Uris was my teacher. I first learned about the concentration camps devouring Exodus in one weekend and about the Warsaw Ghetto Uprising reading Mila 18. I read both these books at least three times. I did not realize at that time that this popular author was taking almost illegal literary license to make good popular American storytelling. For instance, until I started working on the documentary film I always thought that Mordecai Anilewicz had a shiksa girlfriend who aided in the uprising.

I also learned that the Warsaw Ghetto Uprising was not the only incident of Jewish resistance but that it occurred in many other cities. The first call for it was written in the Vilna Ghetto which is one reason why Vilna was chosen as the subject for the documentary film.

I do not know how many second generation in this audience share the ignorance I possessed about the Holocaust. But it would not surprise me if it were a majority of you. I certainly do not blame my mother for trying to shield me from her painful memories. I think that there was not, until very recently, the support and encouragement to learn about the historical aspects of the Holocaust.

Today we have a special responsibility to both educate ourselves and document the thousands of untold stories. I am not telling everyone to go make a documentary film, although I feel that the film I am working on as well as the other many documentary films and video history projects about the survivors are the most important documentation to be supported today since they will preserve the survivor stories for the future generations. In a hundred years from now I want our descendants to be learning about the Holocaust from the mouths of the survivors not from the Polish accent of Meryl Strepp who could not even think to mention that tragic period while accepting her Academy Award this week.

And we need to lobby American Jewish organizations, not just survivors, to financially support these documentary film projects.

Let me suggest some ways to personally document the Holocaust. When in New York city stop by the YIVO, the Yiddish research institute, and utilize their collection even to only read about your parents' hometowns before the war. Remember that rich heritage of eastern European Jewry. Don't let the Nazis succeed in having completely wiped out the memories of it. Try to take classes in Yiddish and Ladino so they won't become forgotten. There is also the Leo Beck Institute that you have heard about today. While in Israel make sure to go to Yad Vashem and the Ghetto Fighters Kibbutz and study the exhibits and make time to also do some research about the places your survivor parents lived during the war.

Educate yourselves and become familiar with the historical accounts, the survivor testimonies, and the documents. See for yourself the photo albums from the ghettoes where your parents stayed. Soak it in and try to encourage education and documentation in your local communities, schools, and synagogues. Try to get your parents and family to talk about their experiences. Since I started working on my film I have interviewed my relatives in Israel and am slowly trying to encourage my mother to talk. Be patient because their stories are recollections of living through hell. We need to listen to them and record them.

Time is running out for us. We must spend these next years obsessed with documenting our history. It is an especially important responsibility since there are revisionist historians trying to prove it never happened. And we are doubly burdened because distortions even appear in our own Jewish publications and events.

Maybe we should view ourselves as a new kind of soldier—the enemy is the distorted fact, the untold tale, the unpublished account. Instead of guns we are armed with cameras, tape recorders, and pens. Instead of sabotage actions against the enemy we need to look among our families and our communities. Since working on the film I discovered the man whose shop I had been taking my typewriter for repair was a partisan from Vilna. His daughter is here today and she is writing a novel about his experiences.

We should make a commitment by our conference of the International Network of Children of Jewish Holocaust Survivors to establish video projects in all our communities, to support documentary films about survivors and their children and encourage survivors to write out their accounts.

Let us dedicate ourselves to the inspiring ending of Glick's Partisan Hymn:

"As the hour that we have longed for is so near—
Our step beats out the message—we are here."

During these past days we have seen that these witnesses are here. Let us take it upon ourselves as the second generation to say we are also here to hear and document their experiences.●

RAILROADS UNDERBID SLURRY PIPELINE

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, July 29, 1983

● Mr. FLORIO. Mr. Speaker, much has been said about how coal slurry pipelines would supposedly provide a less expensive competitive alternative for moving coal. However, according to an article in the July 23 Washington Post, a major utility, the Arkansas Power & Light Co., recently signed a 20-year contract with two railroads, the Chicago Northwestern and the Union Pacific, for the movement of coal.

What is significant about this contract is that the two railroads underbid a proposed coal slurry line. Indeed, the senior vice president of Arkansas Power & Light noted that the projected costs of the proposed pipeline have jumped three or four times from the original estimates.

The Post article follows:

[From the Washington Post, July 23, 1983]

TWO RAILROADS OUTBID PIPELINE CONSORTIUM FOR COAL SHIPMENT

(By Cliff Tan)

Two major railroads yesterday won a contract to deliver coal from Wyoming to Arkansas power plants, outbidding a coal slurry pipeline consortium, in an apparent setback for coal slurry promoters.

The Arkansas Power & Light Co. announced a 20-year contract with the Chicago North Western Transportation Co. and the Union Pacific System, which includes the Union Pacific and Missouri Pacific railroads, to move low-sulphur coal from the Powder River Basin in Wyoming to its White Bluff and Independence power plants.

Chicago North Western and Union Pacific had underbid the ETSI (Energy Transportation Systems Inc.) Pipeline Project for the transportation contract. The two railroads and ETSI, along with Burlington Northern Inc., submitted bids to Arkansas Power & Light April 15.

Coal slurry is coal crushed and mixed with water and then transported along a pipeline system. Proponents of slurry pipelines claim that these systems present a low-cost alternative to the railroad's virtual monopoly on transporting coal.

Railroads have opposed the pipeline, saying that they will suffer greatly and that the cost of shipping other commodities will go up if pipeline transport comes into being.

In the intense political debate over the two competing systems, Congress is considering legislation that would give pipeline operators eminent domain, the power to acquire rights of way despite railroad protestations. A spokesman for the Slurry Transport Association said legislation probably will be voted on in September.

Previously, pipelines have been blocked either by states worried about whether their water resources should be used to

make slurry, or, pipeline supporters claim, by railroads, which will not let pipelines acquire the right-of-way beneath the tracks.

A staff member of the House water and power subcommittee said even though ETSI had been underbid, that still does not mean that the slurry-pipeline measures will fail in Congress.

The issue for proponents of the measures, he said, is whether maximum competition will hold in the coal-transportation field. What is important is giving pipeline operators the chance to compete, he said, adding it is less important whether railroads underbid pipeline operators as long as competition exists.

"We personally don't know how they could do it and make money," said Stuart Serkin, of the Slurry Transport Association, about the railroads' bid. "It makes you think if they're doing this to put ETSI out of business," he added.

A spokesman for Union Pacific, however, said his company will fully recover costs and make money from the bid it submitted to Arkansas Power & Light. He also denied a conscious attempt by Union Pacific to put ETSI out of business.

Jerry L. Maulden, president of Arkansas Power & Light, said his company has been a supporter of the slurry pipelines in the past and still believes they are a viable alternative.

Charles Steel, senior vice president of Arkansas Power & Light, said competition has increased for pipeline proponents since passage of the Staggers Act in 1980, the major rail deregulation legislation that permits many railroads to conclude specific-commodity contracts with utilities, at lower rates than before deregulation.

In addition, the projected costs of the slurry pipeline system have jumped three to four times from original estimations, he said.

The White Bluff and Independence power plants in Arkansas will require between 10 and 11 million tons of coal a year at full operation. At currently regulated coal transportation, that would represent a shipping bill of between $230 million and $250 million a year.●

SENATOR GLENN'S OBSERVATIONS ABOUT THE NAACP AND CIVIL RIGHTS IN AMERICA

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, July 29, 1983

● Mr. STOKES. Mr. Speaker, I take this opportunity to share the remarks of Ohio Senator JOHN GLENN at the 74th Annual Convention of the National Association for the Advancement of Colored People with my colleagues.

In his remarks to the convention delegates, Senator GLENN made some particularly salient observations about the history of America's oldest civil rights organization. He capsulated many of the major achievements and historic actions of the National Association for the Advancement of Colored People in their efforts to eradicate discrimination and injustice in this Nation.

Additionally, Mr. Speaker, the Senator outlined his personal involvement and views on the civil rights movement today.

Concluding his eloquent remarks, Senator GLENN provided very insightful projections about the challenges before the NAACP and those of us committed to the struggle for civil rights, justice, and equality for all citizens.

At this time, Mr. Speaker, I insert Senator JOHN GLENN's remarks in the RECORD.

REMARKS OF SENATOR JOHN GLENN BEFORE THE 74TH ANNUAL CONVENTION OF THE NAACP

Whenever I'm asked to speak before a Convention such as this, the person introducing me almost always mentions at least two things. One of them is my military career—and the other is my participation in America's space program.

And you know something? Even after all these years, I don't mind it a single bit. I'm proud of the service I've been able to give this country—and I'm deeply honored that many people still consider me a patriot and a hero.

But let me suggest that if anyone is looking for patriots or heroes, they need only look around this room and into the history of this great organization. For 74 years now, the NAACP has served on the front lines in one of the most epic struggles in human history: the struggle for freedom, justice and equality.

The struggle was often lonely—and sometimes the battle seemed lost. But even when the hour was dark, you never gave up and you never gave in. You pursued the dream and you kept the faith, and you bore witness to that prophecy of old: "Persecuted, but not forsaken; cast down, but not destroyed."

So I've come to New Orleans this morning to praise your courage and to salute your conviction—and to say how proud I am to have stood with you in all the battles we have fought together.

I am especially proud of our success in getting your former General Counsel—Nate Jones—appointed Judge of the Sixth Circuit Court of Appeals in my home state of Ohio. I am equally proud to have worked with your former Washington representative—Clarence Mitchell—on issues ranging from school desegregation to civil service reform—and to have joined hands with Eleanor Holmes Norton in reorganizing and strengthening the Equal Opportunity Employment Commission.

I am proud to have voted for every single piece of civil rights legislation that has come through the Senate since I have been a member—and I am proud to stand before you today as a sponsor of the bill to make Martin Luther King's birthday a national holiday.

But above all else, I am proud of the battle we waged and won a year ago this month to save and extend the Voting Rights Act. It has been said that by crushing the right wing filibuster, the Senate reaffirmed the most basic civil right of all: the right to cast a ballot freely and have it counted fairly.

But I say to you that passing the Voting Rights Act was the easy part. The hard part is just beginning—and that is to ensure that the power of the ballot is used, and not refused.

And that is why your voter registration drive is so vitally important. We all know that black votes can make a difference. We saw it in the Congressional elections last fall—and we saw it again in Chicago earlier this year. But today—just 16 months before one of the most critical elections in our Nation's history—more than 7 million potential black voters remain unregistered.

So the task is clear—and the lesson is, too. As Ben Hooks has said, you must "find 'em, sign 'em, and get 'em to the polls." In November of 1984, the voice of black America must be heard. And in January of 1985, the voice of black America will be heeded.

And that day is certainly long overdue. For two and a half long years now, we've watched the doors of opportunity slowly slam shut in this country.

But when you stop to think about it, maybe that's not too surprising.

After all, President Reagan neatly summed up his Administration's attitude toward black America last fall in a speech before the National Black Republican Council. He said that past Federal efforts to help minorities were a failure—and went onto say that if the Great Society had never been inaugurated—and I quote—"black families . . . would be appreciably better off today."

Last September, Atlanta Mayor Andrew Young reflected on those callous words. He reflected on them—and he wept. But those who know Andy Young know that his tears were not tears of surrender. They were tears of frustration—frustration at how pitifully little some people have learned from the civil rights struggles of the past.

And I know I speak for Andy—and for every person in this hall today—when I say that we will not allow our frustration to deter, deflect or detain us. We will not retreat or abandon the cause. We will join hands, link arms, and continue the journey. And we shall overcome someday.

And in the meantime, we will speak out. We will speak out against tax cuts targeted mostly to the rich—and against budget cuts aimed mainly at the poor. We will speak out, against a selective recovery that promises renewed prosperity for some—but only continued misery for others. And above all, we will speak out against an unjust and unfair economic philosophy that takes most from those who have least.

So I don't blame you for lacking faith in Administration policies. Not when black unemployment still officially hovers around 20%—and unofficially soars much higher. Not when the jobless rate among minority youth continues to exceed 50% in many areas. And not when the income gap between whites and blacks grows steadily wider.

Two years ago last month, President Reagan talked about that income gap before the NAACP Convention in Denver. After pledging that his policies would result in "economic emancipation," the President said—and I quote—"I do not intend to let America drift further toward economic segregation."

Well, now it's two summers later—and that drift has become a stampede. When President Reagan took office in 1981, the earnings gap between black and white families averaged 130 dollars per week. By the first quarter of 1983, that gap had widened by 6 percent for families, and by 18% for individuals.

In fact, the income gap between blacks and whites has grown nearly 10 times faster during the first two years of this Adminis-

tration than it did during the last two years of the previous one.

Instead of the economic emancipation you were promised, you've been driven even further into the bondage of inequality. Well, I say this country has come too far to return to the days when there were two Americas. I refuse to accept the proposition that minority-owned businesses deserve less than 3 percent of all Federal contracts. And I reject the idea that a decent job at a decent wage should be a dream deferred.

But simply creating jobs today is not enough. We must also ensure that both our industries and our workers have the tools they need for the future. As leaders in the black community, you know exactly what I'm talking about. You know that new technologies are changing our world as dramatically as the Industrial Revolution did a century ago. You know that many of the jobs held by minorities today could well be eliminated tomorrow. And you know that if our people don't get the kind of training they need, they can't build the kind of future they deserve.

Well, I share those concerns. And that's why I'll soon be introducing legislation to create a job training trust fund for workers in need of help—and it's why I've recently announced a 7 billion dollar education program to restore excellence and opportunity in our schools. At the college level—where cutbacks in student aid have devastated blacks and other minorities—I have also proposed a national voluntary service program that would permit high school graduates to earn tuition grants in exchange for work in their local communities.

You and I know that it will take all this—and more—to restore excellence in our schools and opportunity in our society. But to those who say we cannot afford to make the effort, I reply that we can ill-afford not to. You're doing your part through the NAACP Scholarship Fund and through such outstanding programs as ACT-SO. And now it is time for the Federal Government to do its part as well. In the future, we must ensure that no worker who is willing to learn is ever denied the chance to gain new skills for a better job. And we must see to it that no black student or any other young American finds the door to a decent life barred by a school system that has failed to educate him.

So we will continue to insist on quality education for all Americans—and we will continue to resist any proposal that would grant tax exemptions to segregationist academies. And before the Administration asks us to help any more schools that practice racism as part of their religion, let me say it as bluntly as I can: Mr. President, there is a huge difference between the epistles of the New Testament and the apostles of the New Right.

In the coming decade, we will face other important challenges as well. On the great issues of equality, we must renew the struggle to make the old dream of justice a new American reality. And as a first step, let us demand that the Reagan Administration spend a little more time promoting civil rights—and a little less time stacking the Civil Rights Commission.

We must also continue to stand with the majority of Americans who are women. And we must not rest until the ERA is passed by the Congress, ratified by the states, and written into our Constitution.

And let me say that under a Glenn Administration, there would be no retreat from the goals of Affirmative Action. Finally—and at long last—let us build a society where blacks and other minorities are elevated to the corporate boardroom, instead of relegated to the company dining room.

In the meantime, I believe that those of us in government have a responsibility to take the lead. So I'm proud to have the NAACP's former Deputy Executive Director—Charles Smith—now serving as my Deputy National Political Director—and I can tell you there wasn't a better qualified candidate in the country.

I'm also proud to have lured Reginald Gilliam away from the Interstate Commerce Commission—where President Carter had made him only the second black Commissioner in that agency's 94-year history. As many of you know, Reg worked on my Senate staff for five years as a Senior Legislative Counsel—and he now serves as Chairman of my National Political Advisory Committee. The distinguished President of the Ohio NAACP—Mrs. Dorothy Burch—also serves on that Committee—and so do more than 100 other prominent black Americans.

And let me say that I intend to continue this commitment as President. We all know the Reagan Administration's shameful record on minority appointments—and we've heard all their excuses about not being able to find qualified candidates. Well, I intend to find those candidates—and I assure you that those who I *do* appoint will be more than mere tokens.

And every single one of my appointments—black *and* white—will enforce the laws. My Attorney General will see to it that the agency he heads is truly a Department of Justice. My Assistant Attorney General won't need Aaron Henry or Jesse Jackson to take him on a tour before he understands the difference between civil rights and civil rights violations. And my Budget Director won't spend his first two years merrily slashing away at equal employment opportunity programs or housing discrimination enforcement funds.

Lately, of course, the Administration has been telling us that it's all a misunderstanding—and that they're now deeply concerned about civil rights. So this week they filed their first school desegration suit—and vowed to put "real teeth" into enforcement provisions of the Fair Housing Act.

But it's no accident they announced their desegregation suit on the same day the NAACP opened its Convention. It's no accident they unveiled their fair housing plan the day before the Senate began confirmation hearings on the President's nominees to the Civil Rights Commission. And if this Administration ever enforces the law in a way that actually helps our minority citizens, then I say that will be an accident.

The White House can issue press releases until they run out of paper, but it won't change the facts. Over the past 30 months, they've tried to turn the clock back in almost every area of civil rights—and that record speaks a lot louder than this year's public relations offensive or last year's photograph of the President visiting a black household in the state of Maryland.

Instead of spending all their time dressing windows, let this Administration start redressing wrongs. And since they still don't seem to understand the distinction, let us say it clearly and let us say it frankly: Black Americans don't want photo opportunities—they want equal opportunities.

And that brings me to the final issue I want to address this morning. Because just as we must meet our obligations at home, so must we stand up to our responsibilities abroad. The Reagan Administration likes to describe its foreign policy as one of "quiet diplomacy"—when in reality, it is only an excuse for closing their ears to the cries of poor and oppressed peoples around the world.

But you and I know that when America loses its voice for human rights, it speaks for very little—and stands for even less. In 1984, we need an Administration that treats political refugees fairly—and respects their rights fully. And we need an Administration that will pursue a policy of better relations with the people of black Africa, instead of "constructive engagement" with the apartheid regime of South Africa.

And now let me close my remarks with one final thought. Paul Lawrence Dunbar once observed that "black life in America is a promise, not a fulfillment."

Sadly, those words still ring true today—82 years after they were written. This morning, I have talked about a few of the things we must do to finally fulfill that promise.

But you and I both know that the answer does not lie in law or policy alone. Ultimately, it is in the far more difficult struggle to change the hearts and minds of men and women, so that the blights of bigotry and racism are finally and forever cleansed from the deepest recesses of America's soul.

In that great cause, we are united as brothers. So in the words of the black national anthem, let us "march on 'till victory is won." Together, we shall renew our strength, stay the path, and continue the journey until justice shall roll down like water and righteousness like a mighty stream. And one day—my friends—one day soon, we shall fulfill the dream—the dream that will truly make all Americans free at last.

Thank you very much.●

COAL IS STILL THE BEST RESOURCE FOR ENERGY INDEPENDENCE

HON. RICHARD J. DURBIN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 29, 1983

● Mr. DURBIN. Mr. Speaker, despite the fact that energy independence in the United States is currently taking a back seat to other important and pressing issues, I feel we should not lose sight of the importance energy independence plays in a strong economy.

In the 20th District of Illinois not only is national energy independence important, but also the large part that Illinois coal can play in making the United States independent is of significance. Granted there are questions, both economic and environmental, that need to be answered before coal can play a major role in our Nation's supply of energy. We, as members of the 98th Congress, must meet these questions head on and with enthusiasm.

I would like to share with my colleagues an article written by Hays T. Watkins, from the June 1983 edition of Financier magazine that addresses

the questions that arise when the use of coal is considered:

Despite the effects of a worldwide recession that shortened industry perspective and made some commentators myopic, Mr. Watkins finds that the prospects for coal remain excellent. In this article written for Financier, the chairman of CSX points out that the nation possesses enormous domestic reserves of coal, which make it the best resource for achieving a major goal of national policy: Energy independence.

Furthermore, he notes, at almost any foreseeable price of oil, coal will still be a far cheaper form of energy.

Clearly, as a result of the recession, the coal industry has been experiencing some difficult times. Few segments of the economy have been left untouched. But will the problems of unemployment and reduced production in the coal fields continue past full recovery? I think not.

Three facts stand out above all others:

First: There is less recoverable oil in the ground now than in 1978, the beginning of the last OPEC supply crisis.

Second: The nation's identified coal reserves of some 1.7 trillion net tons, enough to last at least through the next century, remain a vital national resource.

Third: The free world's industrial countries did in fact get the OPEC message and began a massive energy-conservation effort, including a broad movement to convert to coal power.

Some idea of the extent of that effort can be seen in the increasing number of domestic utility power units being built to burn coal or converted from oil to coal.

On CSX rail lines alone in 1982, domestic utilities had completed conversion of 13 units with an annual burn of 4.6 million tons. In addition, domestic utilities have 48 coal-fired units in various stages of planning and development that can use coal originated in CSX territory.

BRIGHT PROMISE OF EXPORT

The bright promise of the overseas export market is readily apparent in the growth of coal-loading facilities under way at CSX ports on the Atlantic and Gulf coasts. Chessie's three piers at Baltimore and Newport News and Seaboard's major facility at Mobile have a combined maximum annual loading rate of more than 58 million tons.

That capability is nearly doubled—to 113 million tons—by construction and expansion projects either completed or under way by private companies at Newport News, Baltimore, Savannah, Mobile and Charleston, all of which will be served by CSX lines. In addition, proposed facilities at Portsmouth, Va., and Wilmington would add another 32 million tons of capacity.

These investments—in new and converted utility units and in new and expanded export facilities—are clear evidence of coal's strong future.

To serve the existing as well as expanding coal markets, the CSX railroads have continued strong capital spending programs as well. Last year, an off year by any measure, CSX invested nearly $293 million in capital improvements, including 25 more locomotives and 685 open-top hopper cars, and has earmarked for 1983 another $340 million for more equipment and improvements, including another 25 locomotives, to maintain our coal-transport capability. We also have our own modern car-building plant in Kentucky that can turn out up to 32 100-ton coal hopper cars a day.

My perspective of the long-term prospects for coal is not entirely unclouded. Some commentators see real problems facing the industry in the near term.

MANY DIFFICULTIES DISAPPEAR

But many of these supposed difficulties, such as the effect of OPEC's current collapse or the impact of rail transportation rates on coal sales, really disappear upon closer analysis.

Another—the proposed solution to the perceived environmental threat of acid rain—could seriously undermine our efforts to convert electricity production from unreliable and costly foreign oil to domestic coal if Congress acted before the facts were in.

Also unclear is what short- and long-term impact Polish and South African Government actions will have on coal once the European economy improves and demand increases. Both countries are now pricing their coal at $10 to $12 a ton under US levels.

What about the recent OPEC price moves?

The National Coal Association sees little impact, except a possible deferral of some plans for conversion to coal fuel;

"The coal option remains strong and viable in terms of new plant construction. What utilities have on the drawing boards now are primarily coal-fired power plants. We don't think utility planners are going to rethink their plans because the price of oil is dropping. Even with some erosion, the cost differential is significant. Oil is more than three times costlier per BTU and would have to drop to about $15 a barrel to equal coal."

Sharing those views is the Edison Electric Institute representing about 200 utilities, or 75% of all US power companies:

"We believe that most of our members, having been burned by OPEC twice in the '70's, are going to continue to move to coal or some other fuel besides oil. Conversions and construction, at least where the permit process is well along, will probably continue."

Some rail-service users, including coal customers, have complained that the railroads are abusing the price freedom conferred by the 1980 Staggers Act.

STAGGERS REDUCES RATES

It is a documented fact, however, that Staggers is being interpreted and implemented as a way to reduce, rather than raise, rates for railroad transportation.

For instance, in the coal area alone, with the new freedom to negotiate long-term contracts, CSX's Chessie System Railroads have concluded 32 transportation contracts covering the annual movement of 33 million tons of coal, and 38 other contracts involving another 29 million tons are being negotiated.

All of these contracts actually reduce Chessie rates. The tradeoff for Chessie is the certainty of the traffic, and the ability to plan and make greater efficiencies because of that certainty. The result is that we are now moving a large volume of coal at rates lower than those in force before Staggers.

As a matter of fact, over the 11 years since 1971, the price of coal has risen more rapidly than rail coal rates, with the result that the rail rate, as a percentage of destination price, has declined from 34.4% to 30.5%.

Coal prices at the mine, on the other hand, have increased from an average of $7.07 per ton in 1971 to $27.30 per ton in 1982, a 286% increase. So the statements being reported that rail coal rates are the main threat to eroding gains made in keeping coal prices stable at the mine just aren't true.

During the same period, 1971-1982, rail coal rates have increased only slightly more than rates for all commodities—an annual average of 10.9% for coal, versus 10.2% for all others.

So deregulation has not produced an explosion in rail rates.

One other point regarding deregulation. The fact that the railroad industry could come through the worst recession since World War II in comparatively good health is eloquent testimony to the benefits of the new regulatory environment.

I think it is safe to say that a decade ago—in a similar economic climate—the railroad industry would have been awash in a sea of red ink with a wave of railroad bankruptcies and a rush for Federal funding.

None of this has happened and the railroad industry has been able to keep its head above water during this severe downturn.

FUNDAMENTALLY NEW COURSE

In short, deregulation is putting the industry on a fundamentally new course—one which we feel means both better and more efficient service to our coal and other customers.

Much also has been written of the treatment of "captive coal shippers," who are supposedly served by only one railroad. The charge is that if no competing railroad is in the vicinity, the railroad serving the mine is likely to set exorbitant rates.

Coal is the number one commodity for our railroads. If a mine operator can't market his production, we won't move it. The railroad would be foolish to set a rate so high that the coal lost its market.

While one mine may not be served by competing railroads, competing mines are served by competing railroads—and a coal user has the option of going overseas for his coal as well as considering alternative fuels.

Besides, some mines are situated in such a way that a short truck run gives the mine operator the option of choosing between railroads or even shipping it on a barge.

Producers of oil and natural gas, and even some currently exotic fuels, are eager to see their products supplant coal. And nuclear energy, despite its recent setbacks, remains a powerful potential competitor. Thousands of coal mines, almost all with excess capacity, are seeking new customers.

VESTED INTEREST IN COMPETITION

Thus the railroads have a vested interest, not only in keeping coal competitive with other fuels, but in retaining the coal business they now have from existing mines on their lines. They cannot afford to do otherwise.

In short, if coal-mine operators don't make money, neither do the coal-hauling railroads.

Environmental issues also remain to be resolved.

There is little quarrel with the conclusion that acid rain is caused, in part, by sulphur oxide emissions. There is, however, considerable debate in the scientific community about the source of these emissions, the mechanism by which acid rain is formed in the atmosphere, and about the best and most cost-efficient means of controlling acid rain and mitigating its effects on the environment.

When Sen. Daniel Moynihan (D-NY) introduced the 10-year acid precipitation research bill, which was included in the 1980 Energy Security Act, he pointed out: "It will be possible to make profoundly gross mis-

takes here if we do not do research first, mistakes that would cost billions."

Yet two years later Congress is considering massive, expensive controls on users of high sulphur coal.

At the same time, with the increased pace of research on acid precipitation, "hardly a month goes by without new findings that could dramatically alter our thinking on the causes and effects of acid precipitation," according to Dr. Harry G. Enoch, Director of Environmental and Technology Assessment for the Kentucky Energy Cabinet.

Questions that now have been raised, he says, include:

"Normal" rainfall may be much more acidic than previously thought;

Acid lakes are not new nor an unnatural phenomenon in the Northeast; and

Local sources in the Northeast and Canada may be much more important contributors to acid precipitation than previously thought.

In short, the steps leading to the formation of acid rain are not understood well enough to justify the imposition of costly control strategies with any reasonable degree of certainty.

What indeed is the long-term outlook for coal?

1983 forecasts by the Department of Energy show total domestic and export consumption by 1985 at 922 million tons, up some 13% from the 812 million tons of 1982. By 1995, however, total consumption is expected to grow to 1.3 billion tons. Of that total, export tonnage is seen at 240 million tons, a 56% increase from 1982.

SLOWER, BUT STILL STRONG

While these estimates show a slower annual rate of growth than many analysts previously predicted, strong growth is clearly evident nonetheless.

Coupled with the strong activity in new coal-fired power plant construction, export-loading facilities and railroad plant and equipment modernization, the outlook should be optimistic—not pessimistic or confused.

All that is needed, really, is a faster pace in the economy here and abroad. And we all know that will come sooner rather than later.

US railroads have been partners with the coal industry ever since the first train ran more than 150 years ago. Despite the short-term difficulties both industries have been experiencing, rail industry leaders remain confident common sense will prevail, and railroads and their coal counterparts can look forward to a sustained and growing partnership, not only through this decade, but far beyond that time as well.●

HAZARDOUS WASTE NOTIFICATION

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, July 29, 1983

● Mr. FLORIO. Mr. Speaker, I wish to bring to my colleagues' attention two items concerning the problem posed by those who generate less than 1,000 kilograms (2,200 pounds) of hazardous waste per month. The first item is a news article published in the Lexington Herald-Leader on June 28, 1983. This article reports an incident in Lexington, Ky., where three refuse workers were hospitalized as the result of exposure to hydrochloric acid. From the information available, it appears that someone simply tossed a 5-gallon container of hydrochloric acid into the trash without notifying anyone of the hazard; when the container ruptured at the landfill site, the three workers were overcome by the fumes.

The second item is a list compiled by the National Solid Waste Management Association which details incidents across the country similar to the one in Lexington. This list shows that we are facing a national problem which is endangering human health and the environment, not just isolated incidents. The public is clearly put to risk when those who generate between 25 and 100 kilograms of hazardous waste per month are allowed to dispose of that waste in any manner they wish, without even being required to notify the transporter that the waste is hazardous.

I will offer an amendment to the Hazardous Waste Control and Enforcement Act, H.R. 2867, that will require a generator which produces between 25 and 100 kilograms of hazardous waste per month to provide a simple notification that the waste is hazardous. For quantities below 25 kilograms, my amendment would permit the Administrator of the Environmental Protection Agency to develop regulations for notification for those wastes which are extremely dangerous, based on their reactivity, ignitability, toxicity, or corrosive qualities.

This amendment requires only a notification. It does not impose the more rigid standards established for large generators. It simply states that small generators must let others know that the waste being disposed is hazardous.

I urge my colleagues to take a few minutes to read these two items and hope they will support this amendment.

[From the Lexington Herald-Leader, June 28, 1983]

ACID LEFT IN TRASH PUTS THREE IN HOSPITAL

(By Diane Amann, Staff Writer)

A search begins today for the person who left a container of hydrochloric acid for trash pickup yesterday.

Three refuse workers were hospitalized yesterday with rashes, breathing difficulty and watery eyes after they encountered the chemical at the Urban County Government's garbage transfer station at 1555 Old Frankfort Pike.

In satisfactory condition yesterday at Good Samaritan Hospital were Gary Lee Isaacs, 27, of 131 Rogers Road; David Michael Parkerson, 33 of 488 Whispering Hills Drive; and Orville Shanks of 112 Rice Court, Richmond.

After sorting through the trash for several hours, Lexington firefighters discovered several containers of potassium hydroxide and a 5-gallon plastic container of hydrochloric acid, said Maj. Ron Meadows of the fire department's hazardous-materials unit.

Although both are toxic substances, Meadows said, "people who are exposed to hydrochloric acid will get the kind of reaction that these men had."

Sanitation trucks from all over Lexington dump their loads into a compactor at the transfer station; the compacted trash is transferred to the landfill on larger trucks.

Thus, tracing the source of the container could take time.

"But we're going to try," he said. "There's a regulation against putting any kind of liquids in dumpsters. The landfill does not handle anything that would get into the water table."

The container was already compacted, Meadows said, so firefighters don't know how much acid had been in the container.

The hospitalized refuse workers are employed by Newtown Corp., a trucking company that contracts with the government to transport trash from the transfer station to its landfill in Avon.

Newtown Corp. manager Jack Foster said the incident occurred about 8:15 a.m. while the men were hooking up tractor-trailers in a pit at the station.

"All of a sudden," said Public Works Commissioner Gordon Garner, "their eyes started watering and they had trouble breathing. It put them down pretty quick."

The compacting of pressurized containers occasionally causes explosions or fires at transfer stations, Garner said, but he added, "This is the first I've heard of this kind of thing happening."

EXAMPLES OF EFFECTS OF SMALL QUANTITIES OF HAZARDOUS WASTE IN TRASH REPORTED TO NSWMA IN 1983

Place: Houston, TX.

Quantity: 4 55-gallon drums.

Substance: 90% toluene and ethyl acrylate label on drums.

Circumstance: Roll-off collection vehicle dumped at landfill, drums spilled into landfill. Had to remove all contaminated fill. Substance is toxic and carcinogenic.

Place: Baton Rouge, LA.

Quantity: Under 100 kg.

Substance: Elemental sodium.

Circumstance: Roll-off container emptied at landfill; when sodium came in contact with air and with damp fill, it blew up.

Place: Boston, MA.

Quantity: Unknown.

Substance: Unknown.

Circumstance: A rear-loader mechanized pick-up in downtown Boston. As loading the bin, fumes from the bin overcame the driver, and when two assistants came to help him, they also breathed fumes. They left the bin with generator and told him to get a hazardous waste company to handle it, then went for treatment to the hospital.

Place: Baton Rouge, LA.

Quantity: 8 empty drums.

Substance: Fiberglass resins.

Circumstance: Drums were white with red skull and cross bones but hidden in large roll-off. Discovered when roll-off reached landfill and truck was turned away. Hauler had to pay to have it handled properly, and had to attempt to recover costs from generator.

Place: Auburn, MA.

Quantity: Under 100 kg.

Substance: Paint, solvents, thinners.

Circumstance: Rear loader compacted load which leaked all over road. Driver, attempting to stop the leak situation, emptied the liquid into a storm drain. Obviously wrong solution.

Place: Ashland, MA.
Quantity: Under 100 kg.
Substance: Probably elemental sodium.
Circumstance: Load caught fire as being unloaded at landfill.
Place: Ashland, MA.
Quantity: Unknown.
Substance: Unknown powder.
Circumstance: Landfill operator noticed funny looking powders when truck was being unloaded; sent truck away.
Place: Evansville, IN.
Quantity: Unknown.
Substance: Resins.
Circumstance: A load from a roll-off vehicle caused fire that took four hours to put out.
Place: Evansville, IN.
Quantity: Unknown.
Substance: Resins.
Circumstances: Part of landfill just blew up, with the fill catching fire as far as 100 yds. away.
Place: Evansville, IN.
Quantity: Less than 100 kg. (1 cardboard box).
Substance: Misc. chemicals.
Circumstances: School cleaned out its chemistry lab by dumping everything in the dumpster. When it was unloaded at landfill, caused a fire that took an hour and a half to put out and sent two people to the hospital..
Place: Atlanta, GA.
Quantity: 2 55-gallon barrels.
Substance: Pesticide.
Circumstances: When landfill compactor rolled over trash, pesticide from barrels sprayed in the air, killing a flock of birds flying over head and sending operator to the hospital for fume inhalation.
Place: Roscoe, ILL.
Quantity: One gallon bottle.
Substance: Caustic material,
Circumstances: Plastic bottle of caustic caused severe skin irritation. Same hauler reports many incidents at landfills which sprayed acids and thinners over trucks and operators, causing fires and fume inhalation.
Place: Chaffee, N.Y.
Quantity: A couple of bottles.
Substance: Chlorine.
Circumstance: A plastic container inside a plastic bag contained pool chlorine which could have caused a fire inside the truck if not detected.
Place: Rice, VA.
Quantity: Less than 100 kg.
Substance: A flammable powder or liquid.
Circumstances: While welding the hopper of a compacting truck during repair, hauler found this substance when it started a fire which was extremely hard to extinguish.
Place: Galveston, TX.
Quantity: Six quarts.
Substance: Furfural.
Circumstance: Glass jars in trash broke when truck compacted garbage. Employees sent to company doctor after complained of nausea and burning eyes. Hauler eventually identified type of substance and generator. This is a chemical which is irritating to skin, dangerous to the eyes and can be explosive.
Place: Boyne City, MI.
Quantity: Two gallons.
Substance: Ammonia.
Circumstance: Sealed container burst under pressure, spraying the hauler's eyes and face. he had to seek medical attention.
Place: Hickory, NC.
Quantity: As much as two 20-gallon drums.
Substance: Furniture finishing materials.
Circumstance: Hauler finds these quantities in waste several times a year; so far, no serious consequences from this highly explosive material.
Place: Rochester, NY.
Quantity: 1 55-gallon drum.
Substance: Acids and solvents.
Circumstance: In several incidents each year, company has detected single drums of hazardous waste, none of which have yet caused injuries because they all have been detected.
Place: Lyndhurst, NJ.
Quantity: Several 20-gallon fiber drums.
Substance: Unidentified powder.
Circumstance: When a compactor truck began its packing phase, a fire erupted immediately. The load had to be ejected right there in that parking lot.
Place: Lexington, KY.
Quantity: Several 5-gallon containers.
Substance: Potassium hydroxide and hydrochloric acid.
Circumstance: Three workers hospitalized while hooking up tractor-trailers at a transfer station. Fire department hand sorted trash for several hours before finding cause of the rashes and respiratory problems of the workers.
Place: Waterville, NY.
Quantity: Partly filled pails.
Substance: Generator would not identify.
Circumstance: Worker exposed complained of violent itching and coughing. Because of uncooperativeness of generator, hauler was forced to give up the account.
Place: Canton, OH.
Quantity: 1 cardboard barrel.
Substance: Unknown.
Circumstance: Fire in truck.
Place: Bridgeton, N.J.
Quantity: 10 barrels.
Substance: Generator would not identify.
Circumstances: Wastes when wet burst into flame, setting truck on fire. Generator insists they are not hazardous wastes. Hauler now uses special handling.
Place: Elmhurst, IL.
Quantity: About 10 gallons.
Substance: Battery acid, cleaning fluid.
Circumstance: Wastes, both acids, ate through clothing and burned skin. Hauler was told that if they wanted to keep the account, they would have to continue to take the waste.
Place: Hollywood, FL.
Quantity: Unknown.
Substance: Pool chemicals.
Circumstance: Chemicals in jugs set fire in truck causing serious damage to equipment and caustic fumes. Company tried to recover from customer, could not and decided not to serve that customer any more.
Place: Downers Grove, IL.
Quantity: Small amounts.
Substance: Chlorine tablets.
Circumstance: Small amounts of chlorine caused fire in truck, noxious odor which caused nausea, eye irritation, etc.
Place: Celina, OH.
Quantity: 5-gallon buckets.
Substance: Sulfuric acid.
Circumstance: Bulldozer on landfill ran over buckets which exploded, sending fluid up over driver's entire body. He had to be treated for serious burns, and remains scarred.
Place: Lemon Grove, CA.
Quantity: Small container.
Substances: Pool cleaning acids, paint thinner, pesticides, cleaning solvents,
Circumstances: Liquids spraying out of trash as it is being compacted. Various incidents affected fourteen employees in one year, one employee losing partial sight in one eye and others retain scars from burns.
Place: Pennsylvania.
Quantity: Five to ten 10-gallon containers.
Substance: Flammable ink.
Circumstance: Containers labeled as containing ink with a flashpoint of 180° (not a hazardous waste) actually contained ink with a flashpoint of 114° (fails the ignitable characteristic test for a hazardous waste). Federal marshalls searched and impounded the truck! To date landfill operator has not been charged with any offense but received quite a bit of public scrutiny as a "hazardous waste dump."
Place: Santa Barbara, CA.
Quantity: Several boxes.
Substance: Paint filter elements.
Circumstance: Substance was in a container; when the truck emptied the container into its hopper, the air got to the opening and it started a fire. The driver had to dump the load right there. Hauler had to cancel account when incidents persisted.
Place: Steamboat Springs, CO.
Quantity: 5 1-gallon containers.
Substance: Acids.
Circumstance: Plastic trash bag with these containers inside were placed in hopper of truck; when it was compacted, liquid squirted on his face and eyes. Man was hospitalized with serious eye burns.
Place: St. Louis, MO.
Quantity: Usually 1-gallon containers.
Substances: Thinners, chlorine.
Circumstances: Miscellaneous waste sprays trucks when containers conpacted.
Quantity: Two 55-gallon drums.
Substance: Acid.
Circumstance: One landfill attendant was hospitalized for 2 days with respiratory problems. Equipment also damaged. Hauler says that the company retrieved the drums and now denies any liability for the incident.
Place: Rochester, NY.
Quantity: 36 quarts.
Substance: Acid drain cleaner.
Circumstance: Driver became dizzy, had respiratory problems and was taken to the hospital. Load had to be dumped, acid neutralized by fire department. Investigated by county health department.
Place: Columbus, OH.
Quantity: Cans.
Substance: Various.
Circumstance: Old cans of material have caused burnt eyes, skin burns, etc.
Place: Carroll, OH.
Quantity: 10 bottles.
Substance: Miscellaneous chemicals.
Circumstance: Several years ago, a school cleaned out its lab, contacting the fire department for special handling. The fire department threw it in their dumpster, enveloping the collection truck in gas fumes, overcoming the driver who had to be given CPR. He never returned to this job. Hauler believes a similar incident could happen today.

EXAMPLES REPORTED TO NSWMA IN 1982 AND 1981

Place: Wisconsin.
Substance: Flammable.
Circumstance: Resource recovery plant was severely damaged by fire caused by substance in a small tank.
Place: Pittsburgh, PA.
Quantity: Small bottles.
Substance: Miscellaneous chemicals.
Circumstance: Trash truck caught fire when waste chemicals from a high school laboratory reacted with ordinary garbage inside the truck.

Place: Newburg, OR.
Quantity: 10-15 gallons in plastic carton.
Substance: Highly caustic stripper or degreaser.
Circumstance: When tractor operator pushed load off to compact it at the landfill, the plastic drum acted like a waterfilled balloon and squirted caustic over the driver. Thirteen percent of his body was affected. At the time this was reported, it was unclear when the driver would be able to work again.
Place: Wisconsin.
Quantity: Unknown.
Substance: Unknown.
Circumstance: Hauler reports several fires in his trucks "of unknown origin" and incidents of people being sprayed. Since he must bring trucks partially filled into maintenance area, a fire in one of these trucks could wipe him out.
Place: Newberg, OR.
Quantity: Small containers.
Substance: Ammonia-type wastes.
Circumstance: After three warnings to a company to keep these wastes out of the trash bin, the fourth time a container spilled during compaction and the drivers were injured.
Place: Michigan.
Quantity: 12 cases of one-pint cans.
Substance: Paint with propellant.
Circumstance: The propane in these cans could have caused explosions if compacted at the operator's landfill. Same operator reported detecting a 55-gallon barrel of concentrated hydrochloric acid before it could be compacted.
Place: Indiana.
Quantity: Unknown.
Substance: Acid.
Circumstance: Employee burned by acid put in with refuse while emptying the container.
Place: Michigan.
Quantity: Unknown.
Substance: Flammable.
Circumstance: Serious truck fire causing loss of vehicle from flammable waste in load.
Place: Ingalls, Indiana.
Quantity: Various.
Substance: Acids, chlorides, ammonias.
Circumstance: Hauler reports that hardly a day passes that our trucks do not handle small amounts of hazardous waste, most of which is detected. The problem is when the material is compacted, causing eye injuries and chemical burns. He states "I have lost count of the fires caused by chemical reaction inside of the trucks . . . I could go into detail about specific incidents, ranging from finding live hand grenades to bottles of cyanide . . . It must be understood that I am talking about small amounts compared to tons hauled. However, it takes very little to do a lot of damage."●

THE SECRET WAR

HON. FRANK HARRISON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 29, 1983

● Mr. HARRISON. Mr. Speaker, I voted for the Boland-Zablocki bill to cut off funds for further covert U.S. activity in Central America.

I voted for this bill for three reasons. First, because the activity is no longer covert. Indeed, the whole world knows what we are doing and this administration, itself, brags that we are doing it.

Second, because it is clear we have not yet decided exactly what the goal of these so-called covert activities is or how far we are willing to commit our resources in support of them.

Third, because for both of these reasons, our policy of covert activity has not worked and will not work.

Of course it would be better, Mr. Speaker, if all foreign forces, all foreign advisers and, indeed, all foreign economic influences were to leave Central America and allow the people of that region to work out their own destiny in their own way. This is the sermon that has been so eloquently preached by the Archbishop of San Salvador and this would be, I hope, the fervent desire of all of us. But if other foreign powers will not withdraw, then no purpose would be served in our withdrawing alone. In fact, our unilateral departure might create a situation full of even greater danger and misery for the people of Central America.

Indeed, if foreign arms and foreign troops are being shipped into Nicaragua or El Salvador by European or Asian powers, or their surrogates, then this is a violation of the Monroe Doctrine and we have an obligation to do something about it. But let us do it as Americans have always done things—out in the open, in the clear sunshine of day, with our heads held high and proud of what we are about. Nothing is to be gained by cloak and dagger operations, by the imitation of second-rate spy novels, by pretending to do in secret what the whole world knows we are doing.

Let us do it as this bill proposes: providing funds to democratic states in the region to protect their own sovereignty by interdicting those arms. If the intensity of hostile foreign involvement renders it impossible for the independent States of Central America to protect themselves, then—and only then—let us get involved. And if we must do so—and, Mr. Speaker, we are, I think, a long, long way from that—then let us interdict arms to Central America just as John F. Kennedy interdicted the Soviet missiles being shipped into Cuba; by a carefully limited, publicly announced, and internationally responsible program; by a program which has the support of the American people because it has been duly deliberated by both elected branches of the U.S. Government.

Such a program would succeed, Mr. Speaker, because it is consistent with our traditions, because it would be limited to a specific, justifiable end, because it would not threaten the overthrow of a foreign government simply because we do not like its politics or approve of its principals, because it would appear to the world as a defense of the Monroe Doctrine and not a return to gunboat diplomacy.

And then, unsupplied by foreign arms, unintimidated by foreign advisers, and foreign troops and uncontrolled by foreign economic influences, the people of Central America can begin—at long, long last—to work out their own destiny in their own way.

That, Mr. Speaker, is the end to which I hope we all aspire.●

AMTRAK'S IMPROVEMENTS

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, July 29, 1983

● Mr. FLORIO. Mr. Speaker, I think we would all agree that Amtrak, our national rail passenger system, has made tremendous gains in recent years. Amtrak's continually improving performance has helped convince the administration of the value of a national rail passenger system.

Amtrak recently released ridership and on-time performance statistics for May. In both cases, there have been significant improvements since May of last year. These improvements are summarized in the following article from the Newark Star-Ledger:

USE, PUNCTUALITY RISE ON AMTRAK

Amtrak is reporting May figures which indicate a significant improvement in on-time performance and ridership since the same month last year.

Although ridership was down slightly for the full eight-month period preceding May, officials of the national passenger railroad said Amtrak trains carried 1.8 million riders in May, or 13 percent more than they did in May of last year.

At the same time, Amtrak's systemwide on-time performance improved from 76 percent in May of last year to 83 percent in May of this year, they said.

On the Boston-Washington Northeast Corridor, where Amtrak carries more than half its riders, the May ridership was up 7.7 percent over a year before.

On-time performance on the Northeast Corridor, which also includes branches to Harrisburg, Pa., and Springfield, Mass., went from 73 percent in May of last year to 84 percent this May. Amtrak operated 3,269 trains on the Northeast Corridor during the month and 527 of them were late.

By coincidence, the improvement in on-time performance for the 347 Amtrak trains between New York and Philadelphia was identical to the overall Northeast Corridor figure.

Ridership on the New York-Philadelphia trains is also up. According to the officials, ridership in May reached 204,000, or 25 percent more riders than were carried during May of last year.●

FEDERAL CORRECTIONAL EDUCATION ASSISTANCE ACT

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, July 29, 1983

● Mr. CONYERS. Mr. Speaker, this week I introduced legislation to improve the educational services and opportunities available to inmates in State and local correctional institutions. I welcome cosponsors.

The Federal Correctional Education Assistance Act (H.R. 3684), introduced on July 27, 1983, if enacted, would establish the first Federal correctional education program administered by the Department of Education. It would authorize a $75 million, 3-year program of grants to State education agencies. The Secretary of Education would distribute funds to all States on the basis of inmate populations. Grants could be used for all types of education and training, including basic, secondary, and postsecondary education; vocational training; job training and placement services; teacher training; and library development.

On any given day this year, some 2.5 million men, women, and children in the United States will be under some type of correctional supervision. Some 614,000 individuals are in jails, prisons, and juvenile correctional facilities. The U.S. ranks third behind South Africa and the Soviet Union in the percentage of its citizens who are behind bars.

Equally scandalous is the inhumane treatment of inmates—the terrible overcrowding, the boredom, and idleness, and the failure to provide inmates with the resources with which to develop knowledge, skills, and self-respect.

Nearly $8 billion annually is spent on Federal, State, and local correctional institutions and the average cost to maintain an inmate is $15,000 a year. Only 5 percent of the total State correctional budgets, on the average, goes toward education or training. Just over one-third of the inmate population is enrolled in education, even though study after study has shown that recidivism among inmates who have received education or training is significantly lower than among inmates who have not.

Under the present system, correctional institutions have to compete with school districts for scarce State education funds. This legislation will put them on a stronger footing to obtain the educational resources that inmates require.

A similar bill, S. 625, has been introduced in the Senate by Senator CLAIBORNE PELL.●

WILLIAM NORRIS OF CONTROL DATA SUPPORTS THE SBIR PROGRAM AT NIH

HON. BERKLEY BEDELL

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 29, 1983

● Mr. BEDELL. Mr. Speaker, as my colleagues are aware, I plan to offer, along with my friend from the Energy and Commerce Committee, AL GORE, an amendment to H.R. 2350, the National Institutes of Health authorization bill, that would preserve the small business innovation research program at NIH.

Our amendment is supported by all of the small business groups and I have received many letters in support of our effort from individuals like Gov. James Hunt of North Carolina, who chairs the National Governor's Association Task Force on Technological Innovation and Mr. Milt Stewart, who is the president of the Small Business High Technology Institute.

I would like to share with my colleagues a letter from Mr. William Norris, the chairman of Control Data Corp. Mr. Norris and his company are recognized as being active leaders in our Nation's attempt to regain its position of preeminence in the world economy. I welcome his thoughts on the SBIR program at NIH and his support for the Bedell-Gore amendment to H.R. 2350.

CONTROL DATA CORP.,
Minneapolis, Minn., July 27, 1983.

Hon. BERKLEY BEDELL,
Chairman, Small Business Subcommittee on General Oversight and the Economy, Rayburn House Office Building, Washington, D.C.

DEAR CONGRESSMAN BEDELL: I am writing to express my strong support for your efforts to prevent any weakening of the Small Business Innovation Research Act. While I know that the amendments proposed by Congressman Dingell to the National Institute of Health authorization bill are well intentioned, I am convinced that they would seriously weaken the SBIR program.

As you know, Control Data was one of the first proponents of a government-wide SBIR program, and we have consistently supported this essential means of strengthening and encouraging the growth of small business since then. Small business is the major source of innovation and new jobs in this country, and it would be a major mistake for the Federal government not to take advantage of the contribution small businesses can make to our national economy and to our research and development efforts. Experience clearly shows that absent an SBIR program, small firms, no matter how innovative, will not be able to gain sufficient access to Federal R&D funds.

The health field is no exception. Small firms can and do make a tremendous contribution in this area. Unfortunately, there will always be skeptics. When Control Data testified on the SBIR program in the Senate, for example, OMB witnesses contended that there were not enough small firms engaged in health research to allow for a competitive allocation of SBIR funds in this area. I understand, however, that just this year there were some 9,000 requests for information about NIH's SBIR program, and that there were 727 proposals for 100 grants. This ratio is over twice the normal ratio of applicants to grants at NIH.

Mr. Dingell's amendment, would essentially eliminate the special procedures Congress approved by an overwhelming vote for the SBIR program. While these procedures would apply only to NIH, I fear they would soon be extended to other agencies as well. The SBIR program is a sound and valuable one that encourages the creative and productive potential of small business which brings thousands of new and creative ideas to NIH and other agencies of government. I urge you to do all you can to keep the program intact so that it will accomplish its intended purpose of strengthening small business and promoting innovation.

Sincerely,

WILLIAM C. NORRIS.●

CONGRESSIONAL HONORARIUM REFORM ACT

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 29, 1983

● Mr. HAMILTON. Mr. Speaker, lately I have become increasingly concerned about the growing problem of congressional honoraria. These payments made to Members of Congress for speeches to private audiences have been criticized severely in the media and in Congress itself. One of the major issues in the controversy—the rapidly expanding total amount of honoraria received—seems to have been resolved by the Senate's decision to cap honoraria for Senators at the current House limit of 30 percent of congressional salary. Even with this highly desirable reform, however, two other issues remain unresolved.

The first is the preception that the congressional honorarium has become just one more device that special interests use to try to buy influence with prominent legislators. An especially distrubing pattern is developing in this regard. Large honoraria are being paid to Members by groups with direct interests in legislation before the Members' committees—banking committee leaders receive honoraria from banking interests, transportation committee leaders from transportation interests, and so forth. More than half of all honoraria now come from business interests, and the greatest share goes to powerful Members (committee chairmen, legislators on taxing and spending committees, and congressional party leaders) who are capable of dispensing legislative favors. The idea behind the honorarium generally is a good one: Legislators should be encouraged to meet a wider variety of people than they would meet otherwise. If it continues unchecked, howev-

er, the practice of paying special interest honoraria to prominent Members may push the public to the point that it will look on the practice as something little better than bribery.

To dispel this perception, the House resolution I am introducing would retain the overall limits on honoraria of 30 percent of congressional salary and $2,000 per speech but would reduce the amount a legislator could receive from groups with special interests in his committees. A Member earning the total 30 percent of his congressional salary in honoraria would not be allowed to receive more than half of that sum from such groups. Also, his payment per speech (from these groups only) could not exceed $750 annually. These additional limits basically reduce a legislator's honoraria from groups with direct interests in his committees to the general limits on honoraria passed by the House in 1977, except that the $750 limit would extend over an entire year to prevent a Member from receiving several $750 payments in succession by speaking to a single group evening after evening. The definition of a "direct interest in legislation before a committee" would follow the general line of House Advisory Opinion No. 10, which defines a "direct interest in legislation before Congress." Under my resolution, the additional limits would not apply to the payments of just any group. The group would have to be one formally in the business of trying to influence legislation, as evinced either by its employment of lobbyists or its use of a political action committee. Also, it would have to have an interest in a legislative matter handled by the particular congressional committee in question. For example, the additional limits would not apply if the chairman of the House Education and Labor Committee were paid for a speech to college students and their parents. They would apply if his paid speech were given to the National Education Association.

In short, under my resolution, legislators would face additional limits only on the amounts of honoraria received from groups in the business of trying to influence legislation before the Members' committees. My resolution is designed to allow legislators enough compensation to continue to speak before such groups without "getting rich" from them or becoming financially beholden to them.

Unlike Members, executive branch officials are not permitted to receive honoraria from groups which they regulate. Moreover, several legislators, citing the possibility of abuse, already have decided on their own to reduce the amount of honoraria they receive from groups with special interests in legislation before their committees. The idea behind the practice of the executive branch and the voluntary action of these members is worth adopting as a guide to a general policy for the House.

The second problem that my resolution would address is that of the congressional honorarium received as part of a lavish, all-expense-paid "speaking vacation" at a resort area. The media recently have reported several cases of legislators and their spouses receiving free trips to Honolulu and Las Vegas, with an honorarium to boot, all paid for by groups with a direct interest in legislation before Congress. The Member who takes such a vacation gives the public the impression that he is both "cashing in" on his office and creating an obligation to give legislative favors in return. Again, the idea that a legislator should be reimbursed for a speaking engagement is legitimate. It is the practice that has gotten out of hand. Current House rules and advisory opinions state that only "necessary" expenses will be allowed, but these provisions are not elaborated with any precision and so are largely unenforceable and subject to abuse.

My resolution would require that reimbursement of Members for trips sponsored by special interest groups be limited to moderate, necessary expenses, not to those incurred at the finest restaurants and hotels at the finest resorts and vacation spots. Reimbursement would be tied to the General Services Administration's annual figures on the estimated costs of food and lodging in various cities across the United States. A legislator speaking before a special interest group in New York City, for example, would be allowed $157.40 per day for expenses under the present schedule. In Indianapolis, he would be allowed $76.90 per day. Any payment above those limits would be considered part of the Member's honorarium and would be subject to the limits on honoraria.

Mr. Speaker, I believe that the reforms contained in my resolution are necessary. Recent stories of abuse leave little room for any other conclusion. My resolution recognizes that it should not be a financial hardship for legislators to speak to special interest groups, but it also recognizes that no financial bonanza should be permitted. The provisions of my resolution are reasonable. They will be effective if they are adopted. I urge that my resolution be given prompt consideration.●

THE RETIREMENT OF BILL WINN

HON. WILLIAM F. CLINGER, JR.

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 29, 1983

● Mr. CLINGER. Mr. Speaker, an institution in the 23d District of Pennsylvania, which I represent, is retiring on September 2. That institution is Mr. Bill Winn of WESB radio in Bradford, who began his career by fiddling around with radios in the attic as a youngster and later landed his first radio job in Williamsport, Pa., for the princely sum of $5 a week during the Depression.

In a sense, Bill Winn is the end of an era. In the earlier part of his career, he often produced live shows for radio and even was known as "Swingtime Charlie" on the show. Since then, the nature of radio has changed as a result of television, and in the future, Bill thinks it will change again with the development of satellite technology.

Still, Mr. Speaker, there will remain something special about the early days of radio and the impact it had on the lives of so many Americans. Bill Winn was certainly no small part of that effort, having served for radio stations stretching from Pennsylvania to Honolulu, Hawaii.

As an example of his abilities and his prominence with his peers, Bill Winn served as president of the Pennsylvania Associated Press Broadcasters Association and won several prestigious awards. I am proud that Bill Winn is from the district I represent, and I will certainly miss his presence.●

GOVERNMENT CONTRIBUTION TO EDUCATION

HON. TIMOTHY E. WIRTH

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Friday, July 29, 1983

● Mr. WIRTH. Mr. Speaker, on Thursday, July 28, the Subcommittee on Elementary, Secondary and Vocational Education held a hearing on House Concurrent Resolution 118, a resolution expressing the sense of the Congress that the Federal Government should contribute to the support of education in our country. This resolution was introduced by my colleague, Mr. AUCOIN, who testified before the subcommittee.

In my colleague's testimony, he stressed the importance of having a quality education system, and that cutting the budget as proposed by the administration in recent years is not the way to achieve this goal. He also discussed the growing importance of high technology to education. There is a growing demand for a highly trained work force, and yet our students are far behind other nation's students in math, science, engineering, and other critical fields. If we are to reverse these dangerous trends, as my colleague points out, we must have strong Federal support for education. This is the point of Mr. AUCOIN's resolution, and I urge my colleagues to support it.

Mr. Speaker, I would like to insert my colleague's testimony into the RECORD. His comments provide a good deal of insight into what role the Federal Government should play in the education of our children.

The testimony follows:

TESTIMONY OF CONGRESSMAN LES AUCOIN SUBCOMMITTEE ON ELEMENTARY, SECONDARY AND VOCATIONAL EDUCATION, JULY 28, 1983

Mr. Chairman, I commend you for holding this hearing to consider House Concurrent Resolution 118. It is a privilege for me to appear before you today to urge its adoption.

Mr. Chairman, I come from a state with a tradition of educational excellence. Oregon was one of the first states to institute a program of competency testing at the elementary and high school levels. Oregon students consistently score above the national average on achievement tests. Oregon business, industry and labor work together to improve public education.

Despite these successes, in virtually every meeting I've held in my district over the past year, people have expressed concern about the condition of public education. Oregonians are worried about the future of their schools. They are worried because it is becoming increasingly difficult to hire qualified educators in Oregon. They are worried because a very deep and protracted recession has eroded the state's revenue base—and with it, vital basic school support.

They are worried because they have learned the hard way that the economic future of Oregon depends on access to quality education.

Oregon is just now beginning to recover from a damaging recession which held unemployment above ten percent for over three years. Oregonians realize that for the recovery to be sustained the state must diversify its economic base. And diversification is impossible without an educated workforce.

I readily concede that my views are strongly influenced by the view of society taken by the most enlightened leaders of the high technology industry, which has become a significant economic factor in my district.

The high tech industry is at the cutting edge of this country's ability to innovate and develop the technologies necessary to remain competitive. When asked to name the single most important factor which will allow the high tech industry to sustain this competitive drive, those within the industry uniformly cite the need for a highly educated pool of workers.

This should not be surprising to anyone familiar with the high tech industry. To remain competitive, innovative developments must jump ahead at light speed—state of the art knowledge doubles every 18 months. Only the finest minds and most highly educated workforce can keep this industry out front in a highly competitive world.

It's like the forward point on a wheel in motion; to stay in place is to end up on the reverse side of the wheel. The need is to invest in ever more productive advances of the human mind. Prosperity, even survival, depends on it.

Mr. Chairman, what the high tech industry can teach us in the field of science, mathematics and engineering holds true for American society as a whole—in medicine, in the liberal arts, in the professions and in our basic industries such as steel and automobiles which need technological innovation to survive.

Representatives of Oregon's high technology industries have pushed, and worked with the state, to improve support for public education. Businessmen in the more "traditional" fields have cooperated in improving vocational and basic skills programs to insure that they will continue to have the educated workforce they need.

But the demands being placed on Oregon's public education system—as across the nation—are such that the combined efforts of businesses, local schools and state legislatures are simply inadequate.

And, distressingly, instead of working in cooperation with state and local governments, this Administration has turned its back on support for education.

At a time when education should be one of our top national priorities, the share of the budget allocated for education has been falling. Elementary and secondary programs have been cut 15% in the past two years. The Administration recommended cutting higher education 37% this year.

Public education has traditionally been the engine that drives the industrial machinery of this nation. If we are to continue to keep pace with other nations, we need a national commitment to educational excellence.

Consider: 95 percent of Japanese teenagers graduate from high school, compared with 74 percent in the US. Only 38 percent of US high school students take a one year course in chemistry—while all students in the Soviet Union complete four years of chemistry.

Now consider: Japan now produces automobiles more efficiently than the United States. South Korea just built the world's most efficient steel mill. West Germany is replacing the US as the premier producer of machine tools in the world marketplace.

Recently, there have been some encouraging signs that the federal government is willing to recognize its responsibility to encourage educational excellence. Over the past few months, largely due to a series of reports on the condition of US public education, education has become a hotly-debated national topic.

The reports of the National Commission on Excellence in Education, the Twentieth Century Fund and the Task Force on Education for Economic Growth, outline the serious decline in the educational performance of U.S. students over the past several decades.

The reports show that Scholastic Achievement scores have declined steadily for the past twenty years. The reports show that 23 million adults in this country are considered to be functionally illiterate. The reports show that hours devoted to "core" courses in high school are declining.

And, while the reports differ in their analysis of the steps that must be taken to improve educational performance, they are unanimous on one point—state and local efforts must be backed by a strong federal commitment if they are to be successful.

H.R. 118 is intended as a first step in renewing the federal commitment to education. By approving this resolution, Congress can go on record as emphasizing its concern about, and continued support for, educational opportunity and educational excellence in the United States.

The resolution is in no way intended to preempt the role of state and local governments.

Rather, the resolution says to those school board members, teachers and state officials who are working so hard to meet educational priorities, that they will have the cooperation and commitment they need at the federal level.

The resolution says that the federal government will continue to recognize its historic responsibility for special groups—the handicapped, the disadvantaged.

The resolution says that education is of an importance deserving a place in the President's Cabinet, and reiterates support for the Department of Education.

The resolution recognizes that federal actions may impact local efforts, and calls for the continuation of aid to offset these changes.

The resolution recognizes that the problems facing our public education system will require the best efforts of all sectors of government.

Mr. Chairman, I think that H.R. 118 is an important first step in regaining momentum and working to improve our national system of public education. H.R. 118 can help to build a reservoir of support for ongoing efforts to improve the quality of education in the United States, including plans for implementing the suggestions of the National Commission on Excellence in Education.

While I've emphasized the important economic aspects today, we all realize that support for public education is much more. The U.S. public education system has helped to build a common culture, an understanding of institutions, the kind of cohesion in a social and cultural sense that will prepare this country for the unprecedented challenges that lie ahead.

We must continue to give it our full support.●

MUNICIPAL TREASURERS INDISPENSIBLE TO CITY GOVERNMENT

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 29, 1983

● Mr. DYMALLY. Mr. Speaker, today I join my fellow Members of Congress as well as city, county, and State governments across the Nation in acknowledging the contributions of municipal treasurers to the smooth running of local government. The Municipal Treasurers Association of the United States and Canada will hold its annual convention in Tulsa, Okla., on the 10th through the 13th of August. It is therefore fitting that all of us in the Congress extend our appreciation to these public servants as they come together for this annual event.

Local government serves the people best when it is operated in an efficient, orderly and trustworthy manner. Without proper procedures and strict financial records, the functioning of government would be severely impaired. And it is the municipal treasurer who administers procedures and keeps the financial records.

More than administering procedures, the municipal treasurer is the custodian of local government funds. These are dedicated funds intended for spe-

cific purposes. The proper management and investment of these funds is the solemn charge of the municipal treasurer. As a result of this charge, there is no other local public servant with a more organized financial knowledge about a community and its government activities. The knowledge is indispensible to the process of government.

Finance, however, is not the only vital aspect of local government. A government which lacks the support of those it purports to govern cannot long exist. The strength of local government, therefore, depends upon the citizens' opinion of it, and such opinion is formed largely by the image set forth by municipal government employees. The treasurer is one of the municipal officials most closely in daily contact with the citizenry and is in a key position to mold sound public opinion.

I am proud, therefore, to join with my colleagues in the Congress in recognizing the holders of an historic municipal office which grew out of the traditions of our democratic heritage.●

NEW YORK TIMES HAILS MRS. BURTON

HON. ANTONIO BORJA WON PAT

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Friday, July 29, 1983

● Mr. WON PAT. Mr. Speaker, I am pleased to call to the attention of our colleagues an excellent profile of our dear colleague, Mrs. SALA BURTON of California.

The article appeared in today's New York Times and does a fine job of reflecting the charm and dedication of this wonderful woman. Those of us who were overjoyed to see her take the seat of her late husband, Philip Burton, can see that she has obviously taken charge of her life and of her new job and will make a great contribution to this body.

Recently, I was honored to have SALA join me on the House Interior Committee and equally important, on the Subcommittee on Insular Affairs which I chair. Like her husband before, SALA has pledged to do her best to support the U.S. Territories and I welcome her support and friendship in their effort.

I know we all wish SALA the best of success in her position and I commend the New York Times article to the attention of my colleagues here today.

The article follows:

[From the New York Times, July 29, 1983]

"THE POPULAR BURTON" AND HER MISSION

(By Barbara Gamarekian)

WASHINGTON, July 28.—When Sala Burton walked onto the floor of the House of Representatives a little more than four weeks ago to be sworn in as her late husband's successor in Congress, she found it, she said, "a touching, bittersweet experience."

Her husband, Phillip, a driving force among House liberals, had served in that institution for 19 years when he died of an embolism in April. A number of his colleagues, including Senator Alan Cranston of California, stood at Mrs. Burton's side as she took the oath of office.

"All those familiar faces," she said, "they gave me such a warm welcome. It still seems unreal."

Although Mrs. Burton had never worked in her husband's Congressional office, she shared his passion for politics. The Congress had often referred to her as his greatest political asset. "She's the popular Burton," he would say. "I keep Sala busy repairing all the fences I've busted."

"One reason I've always been involved in politics is that I'm European born," said Mrs. Burton, a warm hearty woman of 57 who says with a laugh that she speaks "a little English" as well as French, Russian, Polish, German and Yiddish. She arrived in the United States as a teen-ager from Poland with her Jewish parents as World War II was about to break out.

WE MUST ALL BE VIGILANT

"I saw and felt what happened in Western Europe when the Nazis were moving," she said. "You learn that politics is everybody's business. The air you breath is political—it isn't just a game for certain people. We must all be vigilant in terms of whom we elect to office, vigilant in terms of our civil rights and liberties."

Mrs. Burton was elected to her seat June 21, defeating 10 other candidates with 56.9 percent of the vote. Since then she has been busy traveling between the capital and her home state.

There was a short week in Washington before returning to her home district in San Francisco for the Fourth of July recess and the reorganization of her district office. Now she is back on Capitol Hill getting resettled with her staff of six, all holdovers from her husband's office, in two nondescript rooms in the Longworth House Office Building. With no seniority, she is far down the pecking order when it comes to office space.

The issues that are of special interest to her, she says, are education ("I started talking about teachers before the President. We are losing the good ones.") and the environment. And she has been successful in gaining appointments to both the House Education and Labor Committee and the Interior and Insular Affairs Committee.

NEVER GOT HER DRAMA DEGREE

"And of course," she added, "the issues of peace and disarmament and the passage of the equal rights amendment are both high on my agenda. One of the first things I did was to sign on as a co-sponsor of the E.R.A."

The Burtons met at a Young Democrats' convention in 1950. He headed the organization and she was a delegate. Three years later they married, and she never did collect the drama degree that she was working for at San Francisco State University.

There is a daughter, Joy, and two grandchildren.

In the years her husband served as a member of the California State Assembly, Mrs. Burton helped organize the California Democratic Council and served as its vice president. She also worked for the California Public Affairs Institute, a forum for political candidates; served as a member of San Franscisco's fair housing committee working closely with the National Association for the Advancement of Colored People: served as a member of the state Democratic Party's steering committee and was chairman of the Democratic Women's Forum. She has been a delegate to Democratic Presidential conventions three times.

Mrs. Burton continued her political activities in Washington after her husband's election to Congress, serving on the advisory boards of the National Security Committee and the National Council on Soviet Jewry and as the legislative chairman of the Women's National Democratic Club here.

STEADY AS A BRICK

"She is a very able, tough, clear-headed person," said Fred Dutton, a Washington lawyer who was chief of staff for Gov. Edmund G. Brown in California in the 1950's. "Phil was a real firebrand and would go off in all directions, but Sala was as steady as a brick."

William K. Coblentz, a West Coast lawyer who has long been involved in California politics, said: "She knows the legislative process and she was so intimately involved with Phil she can step into his shoes easily. In personal relationships, she's much better at getting on than Phil who could be pretty abrasive."

"People used to say that Phil ate shredded precinct lists for breakfast," said Mrs. Burton with a smile. "But that is so untrue. He was a man who was 6-foot-3 with a booming voice and a strong personality and he could be tough in the best sense. He would fight for things he believes in until the very end. But when it came to his family and friends, he was very soft."

Mrs. Burton has no game plan, no theories about how to become a political force on the Hill.

"I just want to do my very best to represent the city of San Francisco," she said. "And I want to represent, as my husband did, the dispossesed, the hungry, the poor, the children, people in the trust territories, the aged—those people who don't have a lot of lobbying being done for them."●

NATIONAL SOCIAL WORK MONTH, MARCH 1984

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, July 29, 1983

● Mr. TOWNS. Mr. Speaker, it is with great personal pleasure and a sense of mission that I introduce a House joint resolution proclaiming the month of March 1984 as National Social Work Month.

Social work is an important profession which embodies what is best about Americans—the instinct to reach out a hand to those who need help. It is the profession which manifests the generosity of spirit of our Nation.

At a time of reduced Federal funding and mounting societal pressures, social workers meet the challenge every day, with every person they assist.

We must never lose touch with our critical national goal—to mine our Nation's human treasure, to nurture, to

heal, to repair, and rehabilitate in order to create productive workers, effective, satisfied family members, and responsible, contributing citizens.

Social workers are on the frontlines pursuing that goal. They help with the debilitating effects of drug and alcohol abuse, the disorientation of divorce and separation, the devastation of unemployment. They support the families, protect the children, care for the aged.

The National Association of Social Workers is the professional organization with 92,000 members which supports the efforts of individual social workers and maintains the profession's standards. NASW leads us in the effort to remember that social workers are a deeply needed commodity in our society.

NASW suggests that we look at the variety of settings in which social workers practice as a measure of their worth: there were social workers in the disaster relief tents after the Coalinga earthquake; they helped relocate families during last spring's mud and flood in Utah; there are social workers in schools, hospitals, nursing homes, runaway houses, day care centers, mental health clinics, veterans' centers. They work in factories and in corporate offices; social workers work in police stations and courthouses; churches have social workers on their staffs, as well as family service agencies, adoption and foster care agencies, public assistance offices and Traveler's Aid booths in train and bus stations and airports; social workers are in the waiting rooms of dentists, pediatricians, funeral directors; social workers are in mayors' offices planning for the social well being of urban populations; social workers help shape public policies which guard our national well-being.

Today's social workers work to improve the quality of life for people at all income levels. Their methods include both the Jane Addams approach of seeking social reform and the therapeutic method of counseling families and individuals. Their aim in either case is the same—to increase people's control over their own lives and their ability to contribute to society.

The National Association of Social Workers has brought these matters to our attention by asking us to designate 1 month during the year when we recognize social workers and the important role they play.

Designating March 1984 as National Social Work Month will help the public understand and support the tireless efforts of this hard working profession because, after all, social workers help people * * * just like you.

Mr. Speaker, I request unanimous consent that the text of this resolution be printed in the RECORD.●

THERE ARE NO QUICK FIXES FOR CENTRAL AMERICA

HON. CHARLES E. BENNETT

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 29, 1983

● Mr. BENNETT. Mr. Speaker, I would like to include at this point in the RECORD a thoughtful article by my dear friend, Brig. Gen. J. D. Hittle, USMC (Retired) who was formerly Assistant Secretary of the Navy and is intensely interested in all matters of national defense and international affairs, and a good analyst of the problems facing our country. He is certainly on solid ground in his observation that there is no way to work out a quick solution in the struggle against Communist agression in Central America. Good judgment and preseverance are essential. The article reads as it was originally published in Navy Times.

[From the Navy Times, July 25, 1983]

THERE ARE NO QUICK FIXES FOR CENTRAL AMERICA

(By Brig. Gen. J. D. Hittle, USMC (Ret.))

Too many in Congress, the public and the press are demanding quick solutions to the struggle against communist aggression in Central America.

What they overlook is that it look a long time for the communists to create the current crisis there. By the same token, it's going to take a long time to defuse the crisis and rebuff the Russian-backed threat to the region. That threat to El Salvador, Honduras, Guatemala, and Costa Rica is also, in turn, a danger to the Panama Canal, Mexico and the Caribbean sea lanes that are vital to the strategic integrity of the United States.

Is should be recognized by this time that when Russia and the communist client states, like Cuba, embark on a policy of penetration, terror and armed rebellion, it is not done on a short-range basis. Russia is acting in accordance with its doctrinal communist belief that history is on its side.

Thus, Russia takes the long view that the United States does not have the emotional and intellectual stamina nor the stiffness of spine to persevere against the communist expansionism. For the communists, their victory and the U.S. defeat in Vietnam, Cambodia and Loas reaffirmed that belief.

It's worth remembering that it took North Vietman, backed by Russia and communist China, over a quarter of a centry of dogged, unrelenting progaganda, intrigue and overt military action to break the back of U.S. congressional support of our historically important stand in Indochina. That Moscow is following much the same scenario in Central America is obvious.

This alone should jolt some of the wishful thinkers in our Congress, the press, and the universities back to the real world of facts and acts. what these dreamers don't, or won't, see is that the United States didn't start the vicious Red aggression in Central America. Nor will these critics of President Reagan's alert opposition to Russian encroachment on the American mainland recognize the disasters that would flow endlessly out another U.S. retreat.

Whether the critics of U.S. defense of Central America like it or not, the fact is that we, as a nation, are facing a long and burdensome confrontation in that immensely important strategic area. We must gird ourselves for a long, tough effort. There is no quick fix.

But defeat of this close-to-home communist drive will depend on much more than military support. It will require a full range of effort. Military action alone will not do the basic job that has to be done. Quite correctly, President Reagan is placing heavy emphasis on the economic aspects of the situation.

What is needed is a major economic improvement program for El Salvador and the other endangered Central American countries. It requires, in a sense, a Central American version of the enlightened Marshall Plan that raised Europe from the ruble of World War II and put those war-battered people on the road to survival, hope and progress.

Central America is not, of course, Europe, and an economic improvement program will have to be skillfully tailored to the nature and size of the area's problems. Otherwise, money will be wasted and success will be an ever-elusive goal.

But the inescapable necessity for such an economic effort does not lessen the absolute need for continued and adequate U.S. military assistance in countering the Red terror and aggression.

Without sufficient military protection against the Russian-backed guerrillas, the most ably planned economic program wouldn't have a chance. One reason is that a basic goal of communist strategy in El Salvador, as it was in Southeast Asia, is to destroy the economic viability of the country. This is why bridges are blown up, roads mined, and electrical power lines destroyed.

Military power is thus an essential ingredient in the formula for defense against the Red aggression that is now brutalizing El Salvador and threatening to engulf the area.

In short, U.S. economic assistance would make possible the rebuilding of El Salvador's economy with the resulting social improvement and political stability and progress.

The military's ability to fend off the Red terror and destruction gives the economic effort a chance to succeed.

The communist bosses who are calling the shots in Central America have a pretty good idea of what we should do economically and militarily to assure the protection and survival of El Salvador and the rest of Central America. These same communist strategists are betting that, like in Vietnam, we will falter in the test of wills and again lack the moral stamina to persevere.

We can hope that such a communist assessment of U.S. frailty will be proven wrong. It could be so proven if as a nation we face up to one basic strategic truth: This time the Russian-backed penetration and aggression isn't in Vietnam, halfway around the world. Rather it is in mainland America, just "south of the border."

That border, as the world knows, is an undefended one. But if Central America falls to communist aggression, the requirements for sheer survival will mean the military manning of the U.S.-Mexico border and accepting all the dangers and problems that go with such a national emergency.●

DANNY AND ROSE MARIE THOMAS: TWO LIVES DEVOTED TO CHILD HEALTH

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 29, 1983

● Mr. DYMALLY. Mr. Speaker, in the history of research on cures for diseases that take the lives of children, there is perhaps no institution that has made a greater contribution than St. Jude Children's Research Hospital in Memphis, Tenn. Thanks in significant part to the work that has been carried out at St. Jude's, the cure rate for childhood cancer has increased steadily over the years. The accomplishments of researchers and doctors at St. Jude's is something about which the Nation is both proud and grateful.

At the same time that we acknowledge our gratitude, it is essential to realize that advances in the cure rate for catastrophic childhood diseases are made at enormous cost. Those children who have been saved are alive today in large part because of the love of two people for these children. Those people are Danny and Rose Marie Thomas. They have dedicated their adult life to raising the funds necessary to continue the research and therapy which has literally given to thousands of children for whom there previously had been no hope. Fundraising is not the area of the research enterprise that attracts the greatest recognition. But Danny and Rose Marie have not sought recognition. Their reward has been the knowledge that they have given others the means by which to restore health, vitality, and hope to the grievously ill.

Danny and Rose Marie are all the more remarkable because their selfless devotion to this work came about as a result of a deliberate and voluntary choice. Our natural tendency is to avoid that which is painful, and Danny and Rose Marie have had the means to turn away from the painful reality of childhood suffering and death. Instead, they chose to face the challenge head on. They chose to help end the pain. They chose to create a new reality. Today the medical knowledge made possible by their fund raising efforts has been incorporated into medical practice the world over. Many of the heroes of this world are recognized because they have slain their enemies in war. In acknowledging the gift of Danny and Rose Marie Thomas to humanity, I think we are recognizing a greater heroism. Their enemy is death. And the testament to their conquest is to be found in the smiling faces of those who live because of their loving devotion.●

UNDERSTANDING THE NATURE OF CONFLICT IN CENTRAL AMERICA

HON. MATTHEW G. MARTINEZ

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 29, 1983

● Mr. MARTINEZ. Mr. Speaker, the present policy in Central America is a failing, shortsighted policy which does not address the real problems of the area. In fact misconception of what is troubling Central America is so dangerously wrong that it will be the stumbling block to any coherent lasting solution for peace. I have voted, along with the majority of my colleagues in Congress, to amend the Intelligence Authorization Act and prohibit covert aid in Nicaragua. I have done so with the firm belief that we as a nation can best serve the interests of that area, and the cause of democracy, by not blindly overwhelming the areas of conflict with military responses.

Yesterday Congress acted to rebuke the administration's policy by a 228–195 vote. Much of the 14 hours of debate was consumed by studying the reality of day-to-day life in Central America. The basic problems of hunger, health, and education are the major causes of societal discontent and conflict. Since this region was first settled there has been a large disparity between the very rich and the very poor. This division has been so complete that it is manifest in all aspects of life. A major example is the lack of an educated population. While the ruling educated class has perpetuated their control through restrictive and dictatorial means, the majority of the people, who have lived for generations in poverty, have never been allowed to participate in the political process. Their concerns were more directed toward daily survival.

Another factor which we must acknowledge as the cornerstone for any plan for a lasting peaceful solution is land reform. Historically, the survival of the peasants and farmers in Central America has relied on the whims of the landed ruling classes and foreign-controlled companies which owned much of the infrastructure on which the progress of a country's economy rely. The peasants have had to work the land they could not own and were not allowed to bear the fruits of their own labors. In Nicaragua, the Somoza regime owned 20 percent of all the arable land in that country; in El Salvador, 14 families controlled the vase majority of the land suitable for farming.

These major problems place obstructions in the path of open democratic governing. The weathly ruling segment of the population wishes to remain in control of events and to increase their power and prestige. They can only do so as long as they maintain a passive, cheap labor force, which in turn necessitates an uneducated population. This is not the only side effect. The governing regime must repress the civil rights of its citizenry to insure that there is no criticism or political opposition to the government's political policies. In other words the status quo is geared toward repression of individual rights and powerful dictatorial regimes.

We as Americans must realize that these socioeconomic problems are the root from which the military conflicts arise. By supporting continued military action we are only exacerbating the problem while ignoring the basic issues. The administration is trying to convince America that the Sandinista government and the rebels in El Salvador are really only Soviet and Cuban insurgents. They assume that we can solve intrinsically economic and social problems with shortsighted military solutions.

The administration has stated that the Government of Nicaragua has been aggressively seeking the overthrow of the democratically elected Government of El Salvador, via the supply of arms to anti-Government forces in that country. What the President does not say is that CIA agents have been doing the same thing. Our Government has been supporting anti-Sandinista forces on the pretense of halting the arms flow from Nicaragua to the rebels in El Salvador. Congress, by cutting off funds for covert aid, has demonstrated its belief that the CIA agents have gone further than their stated goals and have been actively facilitating the overthrow of the Government of Nicaragua. This is in direct violation of the law which prohibits funds for the purpose of overthrowing the Sandinista government, or for efforts to provoke military conflicts between Nicaragua and Honduras.

In the past weeks we have heard the administration make repeated aggressive remarks concerning Nicaragua. President Reagan has asked for increased aid for the anti-Sandinista forces. The CIA has revealed their plan to assemble 12,000–15,000 rebel troops in that country, an increase of 100 percent. The administration has planned a large-scale increase in its military presence in and around Central America for the expressed purpose of intimidating the Sandinista government. All of these actions can only obstruct the path to peace in Central America.

What the United States should encourage are negotiations between the conflicting parties. We must halt the increase of our military presence and seek a cease-fire between warring factions in El Salvador and Nicaragua. And most importantly we must promote social and economic programs

that will bring about a more equitable system of governing. Only by taking these actions will the United States be of any aid to the establishment of an open, peaceful atmosphere, reliant on a democratic means for change.

I congratulate the Members of the House who voted to pass this measure. We have taken a major step toward the formulation of a rational foreign policy for this troubled area. I urge that the Members of the Senate, who next take up this bill, and the President to take heed of the message that this vote symbolizes. The people of this country demand that the Government conduct its activities in compliance with the law, and with good faith attempt to lessen tensions between conflicting groups.●

CONGRESSIONAL FELLOWSHIP PROGRAM

HON. DICK CHENEY

OF WYOMING

IN THE HOUSE OF REPRESENTATIVES

Friday, July 29, 1983

● Mr. CHENEY. Mr. Speaker, I first came to Washington in 1968, as a congressional fellow for Congressman Bill Steiger. As you know, the Congressional Fellowship program is sponsored by the American Political Science Association and includes a 10-month experience working for Members on both sides of the Hill. Since coming to Congress myself, I have been on the board of the APSA and am an enthusiastic supporter of the fellowship program. Not only does the program provide a congressional office with the opportunity to get quality help from highly qualified professionals, but those who participate in the program usually bring an abundance of enthusiasm, commitment, and a fresh outlook that makes a very positive contribution to a congressional office.

Participation in the Congressional Fellowship program is done at no cost to the individual congressional office. The cost of the program is underwritten in part through the generosity of private companies or foundations that recognize the value of such a program; companies such as the Andreas Foundation, AT&T, Exxon Education Foundation, Field Charitable Enterprises Corp., Gannett Foundation, New York Times Foundation, the Poynter Fund, and IBM.

As a result of such broad, nonpartisan support, the program is able to provide Members of Congress with exceptional people that offer a broad range of experience. I can highly recommend participation in this program to my colleagues.●

CONOVER AN IRON CURTAIN JAZZ HERO

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, July 29, 1983

● Mr. KEMP. Mr. Speaker, for more than 27 years and 10,000 programs Willis Conover has broadcast American jazz to enthusiastic audiences around the globe for the Voice of America. A native of Buffalo, N.Y., Willis Conover is one of the best known Americans abroad. He is treated virtually as a hero in Eastern Europe, as the following letter from two Bulgarian emigres points out:

We are two lucky escapees from behind the Iron Curtain (we jumped off a Bulgarian ship in Africa) and we have been living for years with you, your voice and your music. There is absolutely no way we can describe what enormous importance you have for somebody living back there, in the darkness of communist propaganda. You are the music, you are the light, you are the voice of America, you ARE America.

Willis Conover views music as a way to increase understanding and communications around the world, as a common ground among peoples and cultures. To him, American jazz is the classical music of the 20th century, and his voice and his music have been instrumental in elevating the democratic spirit of hope and freedom to all the world. I commend the following article to my colleagues on Willis Conover and his music from the Atlanta Journal.

The article follows:

[From the Atlanta Journal, July 8, 1983]

HE'S AN IRON CURTAIN JAZZ HERO

(By Deborah Well)

-WASHINGTON.—His deep voice resonates in the cluttered windowless studio where he works, inside a nondescript government office building.

"This is Willis Conover," he enunciates, leaning toward the mike and spacing each word with a musician's timing, "with the Voice of America Jazz Hour."

Conover, a tall man with heavy-framed glasses and graying hair may be the world's most famous disc jockey, but odds are most Americans have never heard of him.

His oft-rehearsed introduction has crackled over shortwave radio to millions of listeners in Eastern Europe, the Soviet Union, India, and Africa six evenings a week for the past 28 years, since he began his jazz broadcasts in 1954.

He earns something less than $50,000 a year for the hours he spends in his nest of an office, stacked with record albums and tapes, books and articles. And he is generally credited with influencing several generations of jazz musicians in Eastern Europe, where he is treated as a hero.

At a concert in Moscow last year, a crowd of 500 erupted in applause when Conover stepped to the microphone to intone his familiar, "Good Evening."

On his first trip abroad in 1959, to Poland, he was "flabbergasted" when he stepped off the plane to the strains of a 30-piece orchestra playing for him.

But to Conover, jazz is what matters.

"Jazz is not so much a kind of music, as a way," he paused for effect, dragging out the word in his distinctive gravelly voice, "of playing * * * It's the most honest music in the world."

"Many people assume that I'm doing a disc jockey show and I'm not. It's a program of music and I try to make it the best of truly American music, which includes the best of jazz * * * a kind of catch-all word. It includes the enduring popular song, not the top 40."

VOA director Kenneth Tomlinson calls Conover "the greatest resource in the house." His Music USA program is the longest running at the station, Tomlinson said. "He'll spend hour upon hour for a five minute thing," said Tomlinson. "He's a perfectionist."

Last year Conover was honored with a party celebrating his 10,000th jazz broadcast. On a recent morning, he was logging in broadcast number 10,453.

He was smoking, his eyes narrowed and his head bobbing rhythmically as he listened to a tape of a '40s jazz great, Joe Mooney, scheduled for airing in August. Shirtsleeves rolled up, tieless, his government ID card tucked into his breast pocket, he hunkered over his metal desk as if it were a keyboard. His sound technician flashed a toothy smile through the glass partition.

The tape was of an interview Conover made with the jazz accordionist in 1965. He is rebroadcasting it as part of a series on early jazz figures whose work is no longer available on record.

Conover's broadcasts form but a fraction of the weekly menu of 970 hours of direct broadcasting by the VOA. A division of the U.S. Information Agency, the station began operating as the U.S. global radio network in 1942, 79 days after the attack on Pearl Harbor.

The first program included the statement, "Daily at this time, we shall speak to you about America and the war—the news may be good or bad—we shall tell you the truth."

Today it broadcasts from the main Washington, D.C., studio in 42 languages from Albanian to Uzbek. Sixty percent of the programing is news.

Conover broadcasts primarily in English. Sometimes a co-host will translate his remarks for a particular audience.

"Many people have told me they have learned English by listening to my programs," he said, "as well as learning about this 20th century music, the best of which will be regarded as the classical music of the 20th century * * *"

An army brat born in Buffalo, N.Y., Conover ran away from home when he was a teenager, "tired of being told what to do."

"I'm not very good at being harnessed," he said, explaining that he is still an independent contractor rather than a Voice of America employee.

Conover, who hasn't taken a vacation in 13 years, reads a lot to prepare for his broadcasts.●

A TRIBUTE TO MRS. SYLVIA EVERETT MORGAN

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, July 29, 1983

● Mr. CLAY. Mr. Speaker, it is with great pride that I pay a special tribute to a native St. Louisan, Mrs. Sylvia Everett Morgan who is retiring from the Federal Government on July 31, 1983.

Mrs. Morgan has devoted 33 years of her life serving the Federal Government. During these years, she has demonstrated devotion, persistence, and an abiding faith and love for her native land.

I am pleased to cite her as an unusual American who cares profoundly about people and human possibilities. All of us in St. Louis and beyond are enriched and inspired by the extraordinary example that Mrs. Morgan has set.

To Mrs. Morgan, I extend my warmest best wishes, Godspeed, good health, and personal fulfillment as she undertakes other interests of her choosing.

I am sure that all Members of the Congress join me in congratulating Mrs. Morgan on her retirement and her remarkable contribution of service. I am submitting for your information a more detailed description of Mrs. Morgan's involvements.

BIOSKETCH OF SYLVIA EVERETT MORGAN

Sylvia E. Morgan, a native of St. Louis, Missouri, has been employed by the Federal Government for 33 years. Twenty-seven of those years have been spent in the training field. She was a Training Coordinator at the Military Personnel Records Center in St. Louis, Missouri. In March 1966, she moved to Washington, D.C., to take a position as an Employee Development Specialist with the Veterans' Administration. In December 1966, she transferred to the Civil Service Commission.

Formerly the Director of the Civil Service Commission's (now the Office of Personnel Management) Communications Training Institute, the Director of the EEO and General Personnel Management Training Branch, the Acting Director of the Communications and Office Skills Training Center, and the Acting Director of the Personnel Management Training Center, she has received numerous awards and commendations for her exemplary service.

She has conducted communications workshops for senior executives at the Federal Executive Institute, and has done extensive training in stress management, listening, reading, writing, speaking, and interpersonal communications.

She has been a guest speaker for many universities, professional organizations, and government agencies. Some of them are American University, Howard University, Lincoln University, American Society for Training and Development, Administrative Management Society, National Communications Association, and the Departments of Agriculture, Commerce, Energy, Interior, Labor, and State.

She is a member of many professional organizations and she is also a former model for Ebony and McCall magazines.

She is the wife of Dick Morgan and she has two children and five grandchildren.

She is retiring from Federal Government service on July 31, 1983.●

CHINESE INFANTICIDE

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 29, 1983

● Mr. PHILIP M. CRANE. Mr. Speaker, today the House of Representatives considered House Resolution 258, my resolution of disapproval of the extension of most-favored nation (MFN) trade status to the People's Republic of China. I believe that it is foolish for the U.S. Government to force the taxpayer to provide what amounts to a subsidy to a totalitarian country which engages in all the attendant repressions of freedom and basic human rights. In the last 30 years, Communist China has had a dismal human rights record.

When looking at the long list of human rights violations in the People's Republic of China, I am most appalled by the population control measures of the Communist government. Parents are permitted to have only one child. The authorities limit each population unit, such as a rural collective, to a certain number of births per year. Mothers pregnant with over-quota babies are forced to attend study courses until they submit to an abortion. Families that actually have a second child must pay heavy fines and run the risk of demotion or assignment to less desirable work. The Communist government's severe population control policy has caused a wave of infanticide to sweep over the Chinese countryside.

I submit that such barbarous behavior is the rule and not the exception in the People's Republic of China. We are dealing with a government which has murdered 34-66 million of its citizens in the last 30 years. Now, the Chinese have turned to infanticide. The United States must not allow another government to terrorize and murder its own citizens.

Mr. Speaker, can the United States, in good conscience, grant most favored nations status to such a brutal regime? MFN status should be reserved to those nations that share in the belief of personal freedom and human rights. MFN status is a privilege that the People's Republic of China, if it continues to repress its people, can never earn.

In his article, "Why are Baby Girls Being Killed in China," which appeared in the Wall Street Journal on July 25, 1983, Mr. Steven W. Mosher presents a graphic and frightening view of "population control" in China. By extending MFN status to China, the United States would be encouraging this deplorable behavior. After reading Mr. Mosher's telling account, I do not believe that any Member of this Congress could, in good conscience, vote to extend MFN status to the People's Republic of China.

[From the Wall Street Journal, July 25, 1983]

WHY ARE BABY GIRLS BEING KILLED IN CHINA?

(By Steven W. Mosher)

In 1980, when I was living with the 8,000 members of Sandhead Brigade in China's Guangdong Province, I asked village friends whether female infanticide ever occurred locally. The answer, which came with rather more heat than I had expected, was an emphatic no. "Ours is a land of fish and rice," one wrinkled old midwife told me in explanation. "All the people here have always been able to raise their daughters." She and others insisted that even under the old imperial regime girl babies had never been put to death.

Yet less than two years later Chinese friends in Hong Kong who had recently been back to the village began to tell of girl infants dying soon after birth in suspicious circumstances. One young woman was even more candid, admitting to me that when her mainland sister-in-law had recently given birth to a girl, the baby had been murdered immediately. A bucket of water had been prepared beside the bed. When the newborn turned out to be a girl, she was drowned.

Female infanticide isn't just an anomaly of the village I lived in. Premier Zhao Ziyang thought the problem widespread enough to condemn it in his report to the National People's Congress in December 1982. "We must protect in particular infant girls and their mothers," he said. "The whole society must resolutely condemn the criminal activities of female infanticide and maltreatment of mothers. The judicial apparatus should resolutely punish the offenders according to law."

In recent months provincial newspapers throughout China have reported grisly tales of the murder of female infants. On March 3, the People's Daily admitted that "the butchering, drowning and leaving to die of female infants and the maltreating of women who have given birth to girls has become a grave social problem."

Peking claims that these crimes are committed by "backward" villagers in the name of "feudal" attitudes that "boys are precious, girls are worthless." Male villagers, said to desire sons to "carry on the ancestral line and extend the generations," have been especially singled out for censure. "In their keen desire to have sons," the English-language Peking Review said last January, "some men still torment their wives who bear daughters and worse still, they kill the baby girls through neglect or outright murder." If Peking is to be believed, many peasant men are ignorant and misguided monsters who willingly sacrifice their infant daughters on the altar of some feudal belief.

Nothing could be further from the truth. Infanticide does have a long and tragic history in many parts of China. But by the middle decades of this century, it looked as though this barbarism was on its way to extinction. In Chinese villages today, where ancestral land has long since been expropri-

ated by the state and ancestor worship is on the decline, traditional notions of clan and family continuity no longer exert much influence. These attenuated ideas could not possibly account for the sudden reoccurrence of female infanticide.

The wave of infanticide sweeping China is a direct consequence of a population-control policy of unprecedented severity. It restricts families to one child, ignores the realities of old-age economics in the countryside and systematically denigrates the value of human life.

Parents are permitted to have only one child, and then only after a "birth quota" has been issued by the authorities. Each population unit, such as a rural collective, is limited to a certain number of births per year, which it allots to couples who have yet to have children.

Women pregnant with "over-quota" babies are forced to attend round-the-clock "study courses" until they submit to an abortion. Families who actually have a second child must pay heavy fines of up to $2,000—several years wages in mainland China—and run the risk of demotion or assignment to less desirable work as well.

This draconian policy makes no provision for the long-term economic concerns of peasant parents, especially their anxieties about financial security in old age. Sons are the only social-security system known to villagers, for there are no pension programs in the Chinese countryside. Neither can daughters give long-term assistance, for rural custom decrees that they take up residence with their husband's family upon marriage and sever all economic ties with their natal family. Even if they were to keep a daughter at home, peasants say, it would be impossible to find her a husband in a population of only sons.

Those who are without sons must toil in the fields throughout their twilight years. As their strength declines to the point where they cannot keep up, they are assigned lighter work that pays scarcely enough for their rice ration. Old age is a long downward spiral of flagging vigor, worsening diet and weakening health.

While the birth of a son has always been a more important event than the arrival of a daughter, Peking's policy of one child per family has raised the stakes. For the peasantry birth rate has become a kind of Russian roulette: The arrival of a son heralds a relaxed and secure old age; the coming of a daughter portends poverty and slow starvation during one's declining years. It is not "feudal nonsense" but brutal economic reality that moves the parents to hope for a man-child.

If the child isn't male, then the choice is a stark one: Either kill or abandon the newborn female infant, reserving your one-child quota for the birth of a boy, or face a harrowing old age. It is no surprise that many peasants decide in favor of their own security, and trade the infant's life for their own.

It is also an act in which the Chinese state is a silent accomplice. The English-langauge China Daily printed in Peking may publish editorials lamenting the resurgence of infanticide, but the implementation of the birth control policy at the grass roots encourages cadres to overlook the willful murder of female infants.

County, commune and production brigade cadres are told how many births their units is to be allowed each year and are promoted and otherwise rewarded on the basis of whether they succeed in meeting the quota. It isn't in their interest to prevent female infanticide. Each girl who dies at birth or disappears soon after is one less head that they will be held to account for in the annual birth control report.

Front-line cadres take their cues from their superiors, and these have made clear that population growth is to be held down at all costs, even that of the lives of millions of infants.

Not only are forced abortions being performed up to the time of birth, there are even cases of officially sanctioned infanticide. In one incident shortly after I left Guangdong Province, a young woman pregnant for the first time gave birth to twin boys. What should have been an occasion for rejoicing quickly turned tragic as the cadres present asked her which one she wanted. Both of them, she replied, but to no avail. One of the babies—she could not and would not choose which—was taken from her and put to death.

(Mr. Mosher, one of the first American social scientists since 1949 permitted to live in a Chinese village, is author of "Broken Earth: The Rural Chinese," to be published later this summer by the Free Press.)●

WABASH VALLEY COLLEGE COMMENCEMENT ADDRESS GIVEN BY DR. JAMES S. SPENCER

HON. PAUL SIMON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 29, 1983

● Mr. SIMON. Mr. Speaker, 3 months ago Dr. James Spencer, the chancellor of the Illinois Eastern Community Colleges, announced his plans to retire at the end of the 1982-83 academic year. Dr. Spencer has been an educator for more than 35 years and served in his present position as chancellor for 15 years. In his final commencement address at Wabash Community College in Olney, Ill., on May 27, 1983, Dr. Spencer reviewed his observations over his career in education and gave his perceptions of what the future of the Illinois eastern colleges should be and what directions the colleges should take. More importantly, he also outlined the vital role of education in our society and the level of commitment that the American public and its elected officials must have to insure that our country prospers.

As the Congress takes on the difficult task of reviewing our system of education and setting new priorities, we would do well to follow the wisdom and experience of leaders like Dr. Spencer in determining how we can best meet the challenges of the future through the education of our young. I commend this excellent commencement address to my colleagues.

WABASH VALLEY COLLEGE COMMENCEMENT ADDRESS GIVEN BY DR. JAMES S. SPENCER, MAY 27, 1983

Thank you, Mr. Benedict. Graduation ceremonies are an important time when faculty and administration honor students who have successfully completed the program studies designed for their benefit. We therefore welcome on this occasion members of the Board of Trustees, faculty, and staff of the college. But most of all, we extend a special welcome to members of families and friends who are here tonight to help us honor the members of the graduating class.

I would like to recall just a few important data. The first graduating class from Wabash Valley College was 1963 with 18 students. Tonight, we graduate 404 students, for a total number of students who have received their degrees over the years, 4,134—for an average of 207 per year.

In announcing my retirement plans some 3 months ago, I had the best interests of Illinois Eastern and Wabash Valley in mind, as well as those of my family. And as a close observer of over 35 years of officials serving in public office, I have concluded that a change of administration within an institution is better made too soon than too late. The goals established 15 years ago when I became the Chancellor have been accomplished, through the cooperation of an outstanding Board of Trustees, competent administrative staff, faculty, and support staff. Therefore, this is an opportune time for new leadership to step in and to begin a new phase of planning for the future. With this in mind, it is appropriate, therefore, that I state at this time that this will not be a traditional commencement address. Very little of what I have to say will have to deal with the fact that the students here before us will charge out the doors of this building into a wonderful new opportunity in the world to work. Rather, I would like first to take the time to speak about the state of the college as I see it after 15 years, and second and perhaps equally important, the state of education and the state of the nation and the state that education finds itself in tonight in the nation. And if my comments are a little more lengthy than is traditionally expected, I hope that will be appreciated and tolerated. If not, I should only remind you that there is not a lot that can be done about it; because as we've already acknowledged, I have already resigned and therefore, the Board can't fire me.

But in regard to my second assignment, I would like to take this opportunity to discuss a major concern of our times and a major concern which the graduates here before us will address. And that is, that education leaders across the United States currently express grave concern over the decreasing financial investment in America in human resources, especially at all levels of education. The nation's dependency on a broadly educated citizenry seems to be all but forgotten. Many of our political leaders in national and state governments treat education more as an obligation than as an opportunity, and indeed the greatest investment in the future of our nation.

In regard to the state of the college, I wish to take a moment to discuss the assessment of where Wabash Valley College is and some of the priorities that I see for it is to realize its potential, as I am sure it will, in the days and years ahead.

In the area of human resources, it is essential that staff and faculty development must become and be maintained as a top priority for the administration of this college, and a strong core in the liberal arts and sciences be maintained at all costs.

In the areas of finance, I would observe as follows: With the cutback in state and federal financial support, the following avenues must be followed and must bear fruit. Number one, an increase in the local tax

rate. Our tax rate of 25 cents was established in 1967 when the District was created. It has not been increased since then. I know of no other item that you can buy in 1983 for the same price for which you could buy it in 1967. Ladies and gentlemen, I submit to you that tax conscious though we have all become, it would be in your best interest to vote to increase the local taxes for the colleges of Illinois Eastern. For example, let me cite the following: Wabash Valley College, since its inception, has received taxes from Wabash County totaling $2,722,750. During that same period of time, the expenditures at Wabash Valley College have totaled $30,973,639—a ratio of 11 to 1. District-wide during the same period of time, the tax bills of our District have supported our four colleges to the tune of $23,800,000 when our expenditures have totaled $90,000,000—a ratio of 4 to 1. To explain it in different terms: the taxes which are paid to support Wabash Valley and the other three colleges of our District comprise seven percent of your total tax bill. If your tax bill is average, and county officials in our counties tell us the average is $500 a year, that means that taxes you pay annually to support our colleges total $35 or nine cents a day. If you double that average tax bill, and assume that your taxes are $1,000 a year, then your taxes in support of our colleges are $70 a year or 18 cents a day, just about the price of a cup of coffee depending on where you purchase it. And yet I am told by many that an attempt to increase taxes for the support of our colleges would not receive a favorable vote. If this be true, I think it is indeed regrettable and I would ask each of us seriously to reflect upon what I have just said.

A second avenue that the college must consider in addition to increased taxes is an increase in student tuition. Illinois Eastern was tuition-free for 14 years, the only tuition-free college in Illinois. For the first seven years, fees and textbooks cost each student $90 a year. That figure was gradually increased to $180 a year in 1981-82, the year the sophomores here tonight started. This past year, the year that has just ended, we initiated for the first time a $288 or $6.00 per quarter hour tuition. In addition, for the first time, we requested that students buy texbooks. Monday night of this week, our Board of Trustees voted to increase tuition for next year to $384 or $8.00 per credit hour. Ladies and gentlemen, this represents an increase of 326 percent in student tuition, plus the cost of textbooks, during the past 15 years with no increase in taxes. Now there may be those who say that this is appropriate and that such increases should continue in the years ahead. I say they should not, for the simple reason that if this trend continues, colleges, even Wabash Valley, will soon become accessible only to the affluent and the well-to-do. Should this be allowed to happen, it will benefit no one.

A third source to which the college must look in the future for additional funding is private giving. This effort must succeed, and it will, but to do so it will require, Mr. Benedict, a more comprehensive college development program than is currently in place. Through the college Foundation and other private funds which result from successful development programs, the college must acquire in the near future from the Foundation physical facilities, money for scholarships which are based on academic merit, money to endow chairs in the basic disciplines in addition to those in music and the performing arts which have already been established, and I would cite, as a minimum, chairs of science, political science and history, mathematics, and English. These are minimum baseline accomplishments which the Wabash Valley College Foundation should soon establish as its role for the future of Wabash Valley College.

With regard to physical facilities, the administration and student personnel services functions need, as soon as possible, to be moved out of the Main Hall into a building or buildings yet to be constructed. The faculty and staff offices and the Study Skills Center need to be moved from the Library to the Main Hall. The Library needs to be enlarged to include space utilized by the Study Skills Center, the hallway and faculty and staff offices. The Study Skills Center needs to be centrally located in the Main Hall in space adequate to function properly. A new building is needed for Telecommunications. Upgrading is needed for Food Services in the Student Center and a student lounge and restroom area in the Applied Arts Building need to be provided. And finally, and perhaps most important of all, state-of-the-art equipment for all of our technical programs needs to be provided.

Moving to the area of educational programs, to accommodate more adults and part-time students a wider variety of evening division course offerings should be considered. And evening division and Saturday courses should be offered to include more college transfer and technical education courses. Second, to address the problem of remedial education, as indicated earlier, more space for the Study Skills Center needs to be provided and in addition, additional staffing is required.

In the area of technical education, course content and equipment must prepare students for employment. Technical programs must be on the cutting edge of industrial development. Closer ties with local businesses and industry need to be developed to assist Mt. Carmel in the area in economic development through job training and retraining and to enable the college to assist the Chamber of Commerce and local businesses in attracting new industries to the city. Programs in Electronics, Data Processing, and Word Processing are three programs, appropriately developed, which would lead to significant new enrollment and meet emerging community needs.

In the area of the liberal arts and sciences, more and better academic advisement on the part of transfer faculty is required. Every student must be totally informed as to what is transferable to what institution and in what curriculum, in order that he or she may transfer without losing one single hour of credit. A commitment to the importance of liberal arts and sciences is an absolute must. And might I say, that, at this juncture, in education we are confronted daily with two sides of the same coin. There are two fundamental aspects of education. First, although not necessarily most important, is learning to make a living. This is where technical programs in community colleges and professional programs in universities come into play. These programs must be ever-changing if they are to succeed. The second aspect is learning to live a life. This is where the liberal arts come into play and to be successful, these programs must remain always the same. As long as there exists truth, goodness, and beauty, three ideas, or three abstractions, by which we are all judged; and as long as there exists three ideas or abstractions such as liberty, equality, and justice, three ideas upon which each of us acts out our lives[1]—the liberal arts will always remain the core of a college education and their mastery the only true criteria of an educated person. In short, the liberal arts and sciences are to higher education what reading, writing, and arithmetic are to the public schools. Public schools are being subjected to a plethora of national criticism, far too much of it for some of it not to be justified. The challenge to the college transfer faculty of Wabash Valley College is to see that the criticism of the public schools of today is not visited on Wabash Valley College tomorrow. Finally, there needs to be an unremitting monitoring of grades to make certain that Wabash Valley College is not guilty of grade inflation as are most colleges and universities in America today.

In the area of support services, student personnel and library a greater emphasis must be placed on appropriate testing for initial placement of all incoming students in the college level courses. Second, Wabash Valley College must assume responsibility for job placement for each individual student enrolled in each of its technical programs. Student financial aid must be more aggressively sought as student tuitions increase and duties assigned to students in work study programs must make certain that they contribute to the student's ability to stay in college, but in addition, that they make a substantial financial contribution to the college.

Student recruitment and retention is an institution-wide problem involving every college employee, but responsibility for leadership for that effort must rest with the Dean of Student Services, and one full-time recruitment counselor would be a wise investment of college funds.

Finally, concerning the library as noted earlier, more space is required for the library in order for it to meet the needs of students, faculty, and members of the community who wish to avail themselves of it. So much for my comments on the state of the college.

And now, with regard to the state of education in general. A major concern for all of us must be the future of education in this nation. For the people in our nation to prosper, for the security of our nation about which we hear so much, for the preservation of freedom as a nation, as a state, and as a community, we must invest adequately in human resources development, primarily in the education of our citizens. For my part, in my retirement I will continue to help build the kind of society for the people of southeastern Illinois in which I so fervently believe—one that is humane, caring, and provident in developing the talents of all people regardless of their station in life. A strong Wabash Valley College will provide this kind of society.

A few weeks ago, the President's Commission on Excellence in Education produced its report entitled, "Our Nation is at Risk." One quote from that report is as follows, "If an unfriendly foreign power had attempted to impose on America the mediocre educational performance that exists today, we might well have viewed it as an act of war. As it stands, we have allowed this to happen to ourselves. We have even squandered the dreams of student achievement we made in the Wake of the Sputnik Challenge."

Now, I do not purport to know all of the reasons for this condition, but this one thing I do know: There can be no economic

[1] Mortimor Adler, *Six Great Ideas.*

development in this nation without human development. Increased investment in education for the poor, as well as for the more affluent, is not only a matter of social justice, but a matter of political and economic survival. Thomas Jefferson stated it best when he said, "If the nation expects to be free and ignorant in the state of civilization; it expects what never was and never will be." Failure to appreciate this fundamental truth, failure to appreciate this fundamental truth, is more dangerous to this nation's future than any missile gap or any shortcoming in armaments which might exist. In this connection two ironies are noteworthy: First, I will speak to three contrasting responses from three Republican presidents. First, Abraham Lincoln: With the nation suffering from the wounds of the most devastating war the country has ever known and with its resources depleted, his response was the Morrill Act of 1862 which created the land grant colleges and universities of our Nation, one of which is the University of Illinois, and vocational education throughout our Nation primarily in agriculture and the mechanic arts. The result of Abraham Lincoln's effort was that he moved America from an agrarian economy to the forefront of an industrial age which we maintained from his day until the industrial age was replaced by the post industrial age. In this new emerging age we are no longer the world leader. Second, Dwight Eisenhower: In 1957 after Sputnik, what was his response? The National Defense Education Act. The result, he moved America into space age preeminence, a spot which we have not yet and are not likely to relinquish. Third, Ronald Reagan: His appropriate response should have been the High Technology Morrill Act of 1983. His actual response was: "Federal funding for education is a part of the problem, money is not a part of the solution, the Federal Government is not responsible, and the Tuition Tax Credit Act of 1983." The Tuition Tax Credit Bill will have two unquestioned consequences. It will destroy the public school system as we know it today. The only children attending public schools will be children of white people too poor to send their kids to private or parochial schools, minorities, or students with mental or physical handicaps. The second result that his Tuition Tax Credit Bill, when fully implemented, would add at least one billion annually to our national debt. And this cost estimate is from his office.

A second contrasting response is that at a time when the United States appears to be turning its back on public education, all the way from kindergarten to the graduate school, turning its back on the greatest system of public education the world has ever known—Japan, West Germany, and Saudi Arabia among others, are copying our system of higher education and spending whatever it takes to fund it. For example, only last month Japan spent two weeks at the University of Illinois in Champaign-Urbana to produce a one-hour production on all aspects of the University of Illinois. It will soon be shown over Japanese national television and viewed by almost every person in Japan. Must we not seriously ask ourselves why the people of Japan will soon know more about the University of Illinois than the residents of the State of Illinois who pay for it? Now, it is quite true that we cannot solve the problems of education or anything else merely by throwing money at it. We've all heard that so often. But I suggest to you that when the problems of tenure, teacher unions, seniority, and merit pay and all of the other things about which we talk so much have been resolved, it will be equally true that while throwing money at a problem will not solve it, the problems faced by public education in America will not be resolved without a significant infusion of additional money from local, State, and the Federal levels.

Unquestionably we as educators are at a crossroads. We, as educators, and America, as a nation, face a challenge. But such challenges have been faced before and the facing of them has made our nation great. Certainly as educators, we must place our house in order. Much of the responsibility and the blame we have brought on ourselves. We must establish priorities with the mastery of the basics at the top of our list and we must insist, most importantly, on doing no more than we have the time and the resources to do. But unlike law and medicine, as educators we are in the public sector and as such, we have responded to political pressure to be all things to all people. Is it any wonder that we have become purveyors of mediocrity? We, therefore, must find ways effectively, as educators, to insist upon our rights as professionals, to limit the scope of our responsibility to the resources available to us and to establish appropriate priorities. And when we do this, the public through their elected representatives at the local, state, and national levels will, I am sure, allocate the necessary resources to enable the schools and colleges to produce the graduates which will enable America, once again, to regain the competitive edge that it has now lost to other countries in selected areas of emerging technology.

In the meantime, many small colleges will not survive the next twenty years. In Illinois alone, from 12-15 small colleges will close in the next 17 years. Wabash Valley College will not be among them. The value of the college and its past, present, and future contributions are far too great for anyone to contemplate any other fate. In addition, its leadership, stable for the first time in 20 years—Jim Benedict, Bonnie Burns, Jerry Bayne—will effectively concentrate their efforts to communicating to you, the public, the value of this college, so that increased financial support from both public and private sources will be forthcoming.

My challenge to you tonight, graduates of 1983, is to urge you to maintain your strong support for Wabash Valley College.

Let me say that is has been my privilege to serve as Chancellor of this District for the past 15 years, which has and has had, and retains an educational mission and purpose of incalculable value to Mt. Carmel, to Wabash Valley, and to all of southeastern Illinois. Graduates, I wish you every success as you pursue your goals in life and I challenge you to join other graduates of the past 21 years in your support of education generally and your support of Wabash Valley College specifically.

Thank you very much.●

WILLIAM WILBERFORCE

HON. JAMES G. MARTIN

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 29, 1983

● Mr. MARTIN of North Carolina. Mr. Speaker, I rise to commemorate the life and work of William Wilberforce, who died 150 years ago today.

Wilberforce and Abraham Lincoln are the great emancipators of history. For almost half a century, Wilberforce led the fight in the House of Commons to abolish slavery in the British Empire. Taking up the cause in 1787, when he was 28 years old, this great man devoted his life to the freedom of enslaved black people, whose conditions of oppression and misery he could understand only by the application of his moral imagination, never having visited the new world himself.

In 1789, Wilberforce first moved the abolition of British participation in the Atlantic slave trade. Powerful interests were ranged against him, and persuasive arguments had to be overcome. These obstacles always stand in the way of progress and reform. The march of truth and justice is inexorable, but usually very slow indeed. Modest regulation of the slave trade was enacted by Parliament in the 1790's, and finally, in 1807, 18 years after he first proposed the legislation, Parliament approved the abolition of British participation in the Atlantic slave trade.

The debate on this legislation was marked by one of the greatest feats of oratory in history, Sir Samuel Romilly's famous comparison between Wilberforce and Napoleon. Sir Samuel said:

When I look to the man at the head of the French Monarchy, surrounded as he is with all the pomp of power, and all the pride of victory, distributing Kingdoms to his family, and principalities to his followers, seeming, when he sits upon his throne to have reached the summit of human ambition, and the pinnacle of earthly happiness, and when I follow that man into his closet or to his bed, and consider the pangs with his solitude must be tortured, and his repose banished, by the recollection of the blood he has spilt, and the oppressions he has committed; and when I compare with these pangs of remorse, the feelings which must accompany my honorable friend from this house to his home, after the vote of this night should have confirmed the object of his humane and unceasing labors; when he should retire into the bosom of his happy and delighted family, when he should lay himself down on his bed, reflecting on the innumerable voices that will be raised in every quarter of the world to bless him; how much more pure and perfect felicity must he enjoy in the consciousness of having preserved so many millions of his fellow-creatures, than the man with whom I have compared him, on the throne to which he has waded through slaughter and oppression.

The ban was difficult to enforce, despite the creation of a special squadron of the Royal Navy to patrol the West African Coast. Under the most difficult conditions, the heroic seamen of this squadron saved countless human beings from the horror of enslavement. Britain also paid bribes to other countries, including Spain and

Portugal, to encourage them to give up their participation in the trade.

After the slave trade came the ultimate step, abolition of slavery itself. Wilberforce continued his leadership role into old age. Through the 1820's, the policy of amelioration of the conditions of the slaves increasingly gave way to the principle of their emancipation.

Finally, on July 26, 1833, the House of Commons passed the emancipation legislation in its second reading, a key step before final enactment later that year. Upon hearing the news, Wilberforce said, "Thank God that I should have lived to witness a day in which England is willing to give twenty million sterling (the sum with which the West Indies planters were to be compensated) for the Abolition of Slavery." Three days later he died.

Wilberforce's death was marked by memorial services by free blacks in New York and elsewhere in our country.

In noting this day, we also remember the equally great contribution to the cause of Thomas Clarkson, and of great contempories of Wilberforce, including Charles Fox, William Pitt, Edmund Burke, James Stephen and Granville Sharp.

Wilberforce was laid to rest amongst his honored countrymen in Westminster Abbey. About a year later, a statue of him was erected nearby in the Abbey, with an epitaph attributed to Thomas Macaulay. I include it for the RECORD.

TO THE MEMORY OF WILLIAM WILBERFORCE

(Born in Hull August 24th 1759 Died in London July 29th 1833)

For nearly half a century a Member of the House of Commons, and, for six Parliaments during that period, one of the two Representatives for Yorkshire.

In an age and country fertile in great and good men, he was among the foremost of those who fixed the character of their times because to high and various talents to warm benevolence, and to universal candour, he added the abiding eloquence of a Christian life.

Eminent as he was in every department of public labour, and a leader in every work of charity, whether to relieve the temporal or the spiritual wants of his fellow men his name will ever be specially identified with those exertions which, by the blessing of God, removed from England the guilt of the African slave trade, and prepared the way for the abolition of slavery in every colony of the empire: In the prosecution of these objects, he relied, not in vain, on God; but in the progress, he was called to endure great obloquy and great opposition: he outlived, however, all enmity: and, in the evening of his days, withdrew from public life and public observation to the bosom of his family.

Yet he died not unnoticed or forgotten by his country: the peers and commons of England, with the Lord Chancellor, and the Speaker, at their head, carried him to his fitting place among the mighty dead around, here to repose: till, through the merits of Jesus Christ, his only Redeemer and Saviour, (whom, in his life and in his writings he had desired to glorify,) he shall rise in the resurrection of the just.●

THE MEDICARE CRISIS

HON. LAWRENCE J. SMITH

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 29, 1983

● Mr. SMITH of Florida. Mr. Speaker, the elderly residents of my district write to me with the same question: What is Congress going to do about medicare and when?

My constituents have enclosed copies of their hospital bills and have said that they are not surprised there is a crisis when the hospital charges them four or five times more for a pill they can buy at their local pharmacy for less. They depend upon medicare for assistance when they are ill, yet they are disgusted that that same system permits abuse and does not reimburse many of their health care costs.

The cost of medicare, which provides hospital and other medical insurance to almost 30 million elderly and disabled people, has been growing at an annual rate of almost 18 percent since 1970. In about 5 years its trust fund, financed by payroll taxes, will be bankrupt. The elderly already spend 20 percent of their incomes on out-of-pocket health care costs. As costs continue to escalate, medicare will be needed by an increasing elderly population. However, as out-of-pocket costs escalate, more and more elderly will be unable to afford needed health care services.

Solving medicare's problems requires deciding how much the Nation wants to spend on medical care and how it wants to pay for it. Americans want to be free to choose their own doctors and places of treatment. The Federal Government as a major purchaser of health care services, has a responsibility to abate explosive inflation in the health sector. Experience, however, has demonstrated that medicare's approach to hospital cost containment leads to cost shifting to private patients and other third-party payers and thus, no reduction in overall hospital costs.

Medicare beneficiaries must not be severely burdened with increases in out-of-pocket costs for health care, in spite of what the administration proposes. Moreover, any changes made in these programs should contribute to the larger goal of achieving health care cost restraint. We must concentrate on efficiency and fairness in the delivery of health care.

The extent of the medicare problem means that few solutions are available. The changes required to solve the medicare problem are more expensive than the changes required by social security. One report estimates that keeping medicare solvent through the next decade would require either a 70-percent hike in revenues or a 40-percent cut in benefits—both drastic and unacceptable solutions.

Medicare is too valuable a program for Congress to let collapse. Our Nation has a large elderly population which is graying even further. Those who are already elderly want an answer so that they do not have to fear becoming ill and penniless. Those who have not reached age 65 need an answer so that they may better plan their retirement. Each and every citizen realizes a quick answer will not be a complete solution. However, Congress must begin the difficult and long search for a fair and equitable solution to medicare's problems.●

JOINT STATEMENT: FRIENDS OF IRELAND AND THE IRISH-UNITED STATES PARLIAMENTARY GROUP

HON. JAMES M. SHANNON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 29, 1983

● Mr. SHANNON. Mr. Speaker, this past week was a historic one in the relations between the United States and Ireland. The Friends of Ireland were host to the Irish-United States Parliamentary Group, formed earlier this year as a counterpart group to the Friends of Ireland in the Dail, the Parliament of Ireland. The delegation came at the invitation of Speaker O'NEILL, and was led by the Ceann Comhairle (Speaker) of the Dail, Mr. Tom Fitzpatrick. The delegation included Sean Barrett, Minister of State and chief whip for the Fine Gael Party; Brian Lenihan, formerly Minister of Foreign Affairs and currently deputy leader of the Fianna Fail Party; Bertie Aherne, whip for the Fianna Fail Party; Senators Sean O'Leary and Brendan Howlin, and members of the Dail, Bernard Allen and Denis Lyons.

Many Members of the U.S. Congress met with the delegation informally at a reception on Tuesday evening. Many others were able to exchange views with them in the course of their presentations to the Senate Foreign Relations Committee, the House Foreign Affairs Committee, and in private meetings with leading members of the Friends of Ireland, including the Speaker, Senator KENNEDY, Congressman FOLEY, and Senator MOYNIHAN.

It was my great pleasure and honor to chair the first formal meeting between these two bodies, the Friends of Ireland and the Irish-United States Parliamentary Group, on July 27, 1983. Our discussion focused on the problems in Northern Ireland. The

Irish-United States Parliamentary Group welcomed the strong stand of the Friends of Ireland against violence and support for it, and encouraged its continued support for the New Ireland Forum. The Forum was established in March 1983 by the three major political parties in the Republic of Ireland and the Social Democratic and Labor Party in Northern Ireland. It is intended to explore means of achieving peace and stability in a new Ireland through the democratic process.

The central issue at the meeting was the problem of Northern Ireland. That situation is of continuing concern to the Friends of Ireland and to the many millions of Americans who share an Irish heritage. The Irish visitors briefed their American hosts on recent developments of importance in Ireland and in Anglo-Irish relations. They particularly emphasized the initiative by the leaders of their three political parties and by the Social Democratic and Labor Party of Northern Ireland to establish a new Ireland forum. The forum, it was explained, is intended to explore means of achieving peace and stability in a new Ireland through the democratic process. The Friends of Ireland, who were represented at the inaugural session of the forum, reaffirmed their support for this important initiative which they hope will make a substantial contribution to the cause of reconciliation between the two great Irish political traditions.

The Friends of Ireland recalled their strong desire to help bring peace to Northern Ireland and to assist a lasting political settlement. This had been a major motivation in their formation 3 years ago. Along with the great majority of the Irish in Ireland and of those of Irish heritage in the United States, they have supported and would continue to support the goal of Irish unity. They also recognized, as successive Irish governments have done, that unity requires the consent of all the parties concerned, and that violence has served only to inhibit the free political dialog essential to reconciliation in Ireland. They have, therefore, frequently joined with Irish political leaders in condemning violence and injustice in Northern Ireland and in appealing to Americans not to support or assist the advocates of violence in Northern Ireland. They renewed that urgent appeal on the occasion of this important visit.

A parallel concern was the absence of political progress in Northern Ireland where the problem has continued at a serious level for over 14 years. There has been constant and tragic loss of life, erosion of the social and economic fabric of the society, and a growing alienation of a section of the population in Northern Ireland from the constitutional process. The Friends of Ireland, therefore, called on the newly elected British Government to use this opportunity to fulfill its obligation to Northern Ireland with a comprehensive review of its policies directed at correcting the situation and assisting reconciliation throughout Ireland as a whole.

The Friends of Ireland welcomed the resumption of the Anglo-Irish talks, and encourged an open attitude towards the work and conclusions of the new Ireland forum.

The Irish delegation expressed its appreciation and the appreciation of the political parties in the Irish Parliament for the constructive interest which the Friends of Ireland have taken in Irish affairs over the years, and for the good will that so many Americans have demonstrated toward Ireland. It is evident that there is a positive role which Americans can play in assisting progress toward reconciliation and unity in Ireland, in contributing to the economic development of Ireland, and in identifying with the cultural achievements of the Irish people. They wished to make it clear, however, that those who advocate violence in Northern Ireland were in no way serving the interests of the Irish people or of Irish unity. They called on Americans of Irish heritage to reject violence and to be strong in support of peaceful political change. In this connection, the delegation welcomed the resolution introduced in the House and Senate by the Friends of Ireland on March 17, 1983, as a clear and helpful statement of the political principles underlying an informed American role and hoped that this resolution would command even wider support.●

FREEDOM FOR THE BALKAN NATIONS

HON. FLOYD SPENCE

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 29, 1983

● Mr. SPENCE. Mr. Speaker, on June 7, 1983, our distinguished colleague in the Senate, Senator JESSE HELMS, made a major policy statement on the strategically important Balkan region, The Balkans Today: Yugoslavia and the Prospects for Freeing the Albanian Nation (June 7, 1983, CONGRESSIONAL RECORD—Senate, 14756-14771 The senior Senator from North Carolina expressed his deep concern "about the deteriorating situation in the Balkan region and particularly the threat that the Soviet Union poses for the area." I concur with Senator HELMS' concern for the nations of the Balkan region, and I am pleased to recommend to my colleagues in the House that they examine his thoughtful, detailed analysis of that region.

In the 1860's many of the leaders of the nations of the Balkan region, Albania, Bulgaria, Croatia, Greece, Macedonia, Montenegro, Rumania, and Serbia, joined together to coordinate their activities to free the territories of their nations from centuries-old Turkish occupation. They sought a new era for a Balkan region of free and independent sovereign nations, voluntarily joined together as equals in unity in diversity. Unfortunately, their efforts did not succeed and, in the eyes of many, subsequent events growing out of this unsettled situation played a significant role in bringing on World War I.

In the course of that effort of the 1860's, the great Albanian leader of the time, Xhemal Pasha of Mati, ancestor of H. M. King Leka I of the Albanians, traveled to Russia to seek the aid of the Tsar for the Balkan nations' combined liberation struggle against Turkish oppression. After 6 months in St. Petersburg, the then capital of Russia, as he was returning home to ethnic Albania he observed that he feared that the Russians would become the new Turks in the Balkans. His foresight has been proved correct in our century, with the Communist regimes being more oppressive than the Ottoman Empire had ever been.

We Americans, believing in the right of self-determination of nations, must consistently affirm our belief in that principle and provide our moral support to those who refuse to bow their heads to Communist tyranny. Eight years ago I brought to the attention of my colleagues in the House of Representatives a courageous and deeply moving sermon by Archbishop, now Cardinal, Franjo Kuharic, Roman Catholic Primate of Croatia. Today the spirit of resistance in all Balkan nations remains undiminished, and their proud tradition of fighting for the freedom and independence of their nations within their natural ethnic territories remains the underlying reality in the region.

Among other methods, the Communist regimes try to control this underlying reality by falsifying the history of nations through the use of lies, distortion, and deceit. In the words of a prominent Croatian historian, Gen. Franjo Tudjman:

> In the course of history it has long been known that these methods make it fairly easy to indict the crucified Christ as the Anti-Christ, or alternatively, to prove that Satan's torments are in fact—the Kingdom of Heaven.

General Tudjman was a partisan during World War II, fighting against the Axis occupation forces in Croatia. As with many of his generation in Europe, his opposition to fascist socialism unfortunately led him to the international socialism of communism. But with the by now self-evident fail-

ure of any ideology based on spiritually wrong and scientifically false premises, General Tudjman and many of his former partisan coleagues, and their children, have returned to the deep national patriotism and spiritual values of their Croatian national heritage. On the strategically vital Adriatic coastline, for example, many Croatians, Montenegrins, and Alabanians seek a new, non-Marxist era for their nations, to be achieved without bloodshed, if not without sacrifice. General Tudjman, despite his great prestige as a war hero, has suffered greatly through being incarcerated for his commitment to truth, and we should be pleased to note his release at last from Yugoslavia's Lepoglava prison.

During World War II the late King Zog I of the Albanians recommended to a representative of the British Government, now a distinguished Member of Parliament, the Rt. Hon. Julian Amery, that the Allies should support a Balkan Union of free and equal nations. The Allies did not follow this sage advice, but as a result of the serious interest in the Balkan region evoked by Senator HELMS' speech of June 7, that concept should be included in the formulation of consistent, fundamental policies directed toward the attainment, through peaceful evolution, of the freedom and independence of the Balkan nations.

In closing, Mr. Speaker, it should be remarked that the United States, in keeping with long-established policy, seeks no territorial gain but only to encourage and promote the development of free and independent government. America's interest in the Balkan nations reflects solely the deeply rooted commitment of the American people to the principles which have made the United States a beacon of freedom for all nations.●

PUBLICATION ENTITLED "UNCENSORED DRAFT"

HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, July 29, 1983

● Mr. GREEN. Mr. Speaker, I would like to bring the attention of my colleagues to a publication which many of us recently received from the American-Arab Anti-Discrimination Committee. The publication, entitled the "Uncensored Draft" of a GAO report on U.S. assistance to the state of Israel, apparently was designed to resemble the official GAO document which was sent to our offices previously.

The ADC openly admits that its publication contains classified information that was deleted from the GAO document and subsequently leaked in outright violation of the espionage statutes or executive order. Furthermore, in its cover letter to Congressmen the ADC states, "It is a subterfuge of the highest order to say that the report should be classified." I do not believe that it is in the jurisdiction of this group to decide what should and should not be considered classified by the U.S. Government.

In addition to the inclusion of GAO deletions, there are several fraudulent distortions in the doctored document. Some sections of the ADC document contain information marked as if they had been censored by the GAO, although the corresponding sections of the original document indicate no deletions. ADC additions of this kind include:

Israeli officials maintain that the Lebanon campaign will not result in any increase in requests for U.S. assistance but U.S. reports speculate otherwise. (p. 25)

Reagan's September, 1982 Middle East initiative "included concerns for certain Israel actions." (p. 8)

In other sections of the ADC document the original text is simply replaced with material that attempts to downgrade Israel's credibility. For example:

Where the GAO states that "the U.S. had succeeded in obtaining a negotiated withdrawal of Israeli and PLO forces from Beirut, Lebanon," the ADC instead prints that "it was the U.S. belief that Israel had broken its assurances to the United States that it would not invade Beirut, Lebanon." (p. 3, 8)

While the GAO notes Israel's $722 million payment to the U.S. for defense loans in FY 1982, ADC cites an $810 million debt for defense loans. (p. 37, 32) With regard to these figures, the ADC also adds that "the impact of a large and unrealistic FMS loan program must be faced." (p. 32)

While the GAO publication states that "many" of the nations other than Israel that receive aid through the U.S. Economic Support Fund have some development projects tied to assistance, the ADC writes that "almost all" recipients do. (p. 31, 26) The GAO continues, "This is changing, as the amounts of cash transfers is being increased." The ADC report, instead, continues, "This is changing, and the degree of cash transfers is increasing but Israel was the first to receive a full cash transfer. Thus the Israeli program set a precedent to move this type of assistance further away from economic development programs."

The ADC version also omits certain GAO information that shows United States-Israel relations in a favorable light. For example, the ADC version of the document omits the information that the foreign military sales program was intended for purchase of goods and services in the United States to support U.S. firms, and that Israel has agreed to use U.S. ships to transport 50 percent of Israeli grain purchases from the United States. (p. 42, 1)

Furthermore, the GAO report states that beginning in fiscal year 1979, the requirement that Israel provide specific evidence of each nonmilitary purchase was dropped. A footnote to this information explains that the GAO recommended suspension of the requirements for Israel in August, 1978, "in consideration of the fact that Israel and the United States were only being burdened with cumbersome procedural requirements that did not add any control over the method with which this program had been implemented." (p. 31) the ADC report filed to print this footnote.

The ADC report also omits pertinent information concerning Israel's economy and U.S. assistance. For example, while Israel has suffered substantial tourism losses, the GAO notes that "these losses began prior to the Lebanon campaign and for the most part can be attributable to the international economic situation." (p. 41) Through its omission of this explanation, the ADC version of the GAO report implies that the Lebanon campaign was the cause of Israeli tourism losses.

ADC also fails to report that "the State Department commented that they do not foresee the development of a severe debt situation." (p. 40) The ADC also deletes the GAO report that the Agency for International Development "noted that there is cause for optimism about Israel's balance of payment prospects." (p. 40)

Most blatant, however, is ADC's deletion of the statement in the GAO report, "it is clear that the ultimate solution to Israel's security depends upon a negotiated settlement with its Arab neighbors." (p. v, 78)

Contrary to the implications of the ADC report and the Evans and Novak column of July 8, the GAO report does not conclude that aid to Israel is, or is about to become a burden to the United States. Rather, the GAO report affirms the strong U.S. commitment to Israel: The report declares that U.S. assistance for Israel's defense is founded on a "staunch friendship and on (Israel's) position as a democratic form of government in the Middle East region." (p. 76) The report goes on to note the support that this relationship has received from American Presidents, Congress, and public, and it explains that the relationship is "predicated upon shared cultural, religious, moral, and political values." (p. 76,i)

The GAO report confirms that U.S. aid benefits this country in myriad ways. The report states that "Israel as a stable democracy and the region's strongest military power, is considered by the United States to be a strategic asset in the Eastern Mediterranean against a Soviet threat." (p. 1)

Assistance to Israel is not only beneficial to the United States from a political and military standpoint, however; the program is a highly cost-effective expenditure as well. Since 1974

more than half of Israel's military assistance from the United States has been in the form of loans which are repaid with interest at a rate equal to the cost of the money to the U.S. Treasury. Furthermore, Israel has never defaulted on its debt servicing obligations for U.S. loans. (p. 27) In fiscal year 1983, Israel will repay the United State about $887 million for interest and principal on outstanding FMS loans. (p. iv) It is also important to realize that all of the U.S. aid to Israel is spent in the United States, thus promoting American industry and its economy.

Finally, the GAO report also confirms that U.S. aid is necessary for Israel to maintain stability in the face of unrelenting Arab hostility and the continual flow of Soviet and American weaponry into Arab arsenals. The GAO notes that "Israel has been virtually operating in a wartime economy since its establishment as a state in 1948." (p. 35) The report recognizes that the need to indicate political support and to insure Israel's security are the two major purposes of foreign military sales to Israel. (p. 6)

The ADC version of the GAO report has tried to cloud these facts. it has already caused irreparable harm by spreading misinformation through the press and among Members of Congress. I believe that ADC's blatant violation of classified material and meddling in official Government reports cannot be ignored, and I have asked the Justice Department to investigate the publication. Thank you, Mr. Speaker, for allowing me to bring this important matter to the attention of the House.●

THE SENIOR CITIZENS INDEPENDENT COMMUNITY CARE ACT

HON. TOM HARKIN

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 29, 1983

● Mr. HARKIN. Mr. Speaker, today I am pleased to rise to introduce the Senior Citizens Independent Community Care Act. This important piece of legislation is designed to enable our Nation's senior citizens to remain in their homes as long as possible, rather than leaving to turn to hospitals and nursing homes for the care they need—care that they could potentially receive in their own homes. The purpose of this bill, then, is to improve the quality of life for our Nations elderly by providing more inhome health-care services under medicare for those individuals 65 and over.

The rapid growth of the elderly population, combined with the rising cost for long-term health-care services, has stirred interest in developing community-based alternatives for the elderly. Studies have shown that community-based health and social services can be effective in reducing institutionalization and improving longevity and patient satisfaction.

Currently, medicare policy focuses almost exclusively on acute short-term care. The inhome health-care benefits provided for under medicare includes skilled services, at the exclusion of many health-related social support services which would help individuals in their daily lives. Because of the lack of needed services many elderly individuals face institutionalization.

Also, current medicare policy requires individuals receiving home health-aid services to need the services of a skilled nurse, or a physical speech or occupation therapist. This requirement may actually encourage senior citizens to receive services they do not need, in order to receive services they do need.

This is only one example of the problems with the current medicare policy in the area of inhome health services. Clearly, the problem of providing adequate long-term care for our Nation's elderly is complex, and involves a wide array of health, social, and personal care services ranging across many professional disciplines. Our task is to develop an effective strategy for dealing with the rapidly increasing demand for these services, and to make that strategy responsive to varying needs.

Now, one out of every nine persons is over the age of 65, and within 50 years one in every six persons will be in that category. In the next 50 years the aging population will grow from 23 million to 55 million. In the State of Iowa alone, the number of elderly persons is nearly 400,000.

Furthermore, increased life expectancies will make the so-called frail elderly, those 75 and older, the fastest growing segment of the elderly population over the next half century. By the year 2050 it is estimated that 12 percent of the population will be 75 and older, and more than 5 percent of the population will be over age 85. Finally, while individuals 65 and over now represent more than 11 percent of the population, by the year 2025 this age group will comprise 19 percent of the total population.

The problem of accommodation is real. Unless Congress acts promptly to assess and implement programs to expand inhome health care services, many elderly individuals face the prospect of being placed in nursing homes or other institutions. This legislation is one effort to begin to deal with this real and growing problem.

Before introducing this bill, I sought out the advice of senior advocates in Iowa. It is they who encouraged me to introduce this bill on behalf of all of our Nation's elderly.

Mr. Speaker, I ask unanimous consent that a copy of this bill and a summary of the bill be added at the end of my statement.●

PLAIN TALK FROM THE PLAIN DEALER

HON. EDWARD F. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, July 29, 1983

● Mr. FEIGHAN. Mr. Speaker, the debate on how to best serve our national interest in Central America is by no means over. It will, I suspect, intensify. That is why I urge my colleagues to take a few moments to consider the Plain Dealer's editorial of July 28: "Time To Stop the Shame." It reflects a clear understanding of our national interest—and our national ideals.

TIME TO STOP THE SHAME

Remember, a few months back, when all the publicity first emerged about CIA training, funding and support of counter-revolutionary forces opposed to the Sandinista regime in Nicaragua? The administration eventually justified such covert activity, arguing that the purpose was merely to interdict the supply of arms from Nicaragua to rebels fighting in El Salvador. Congressional critics were appalled, snorting and condemning the activities as a violation of a 1982 law barring the CIA from supporting efforts aimed at the overthrow of the Sandinista government.

Today, the administration still argues that the purpose of the operation is to interdict the supply of arms. But the administration has expanded that theme. It now adds that these covert operations include pressuring the Sandinistas to the negotiating table and returning to the principles of the revolution, including elections.

In his news conference this week, President Reagan sidestepped questions about covert aid to the anti-Sandinista guerrillas, saying to discuss covert aid would no longer be covert. (Someone should have awakened him when such discussions came up in the past.) But he defended such action as "common sense."

"Common sense" to the president seems to mean that if the Nicaraguans are aiding an insurgency movement against the government of El Salvador, then the United States has the right to do likewise against the government of Nicaragua. At best, such an argument is sleazy. Does not the administration hold itself to slightly higher principles than the type of bullying gangster tactics it accuses the Sandinistas, Cubans and Soviets of employing? What about America's belief in the sovereignty of nations?

Of course, the justification is that such tactics are necessary in order to get the Sandinistas to see the error in their ways. When working with pigs, you have to wallow in the mud. And only last week, Managua, for the first time, expressed a willingness to negotiate regional problems, including support for subversive movements and the withdrawal of all foreign military advisers. While the administration may argue its forceful approach was successful in moving the Sandinistas toward the negotiating

table, a more convincing argument can be made that, even if true, the cost has been too great.

There are those who say, not unconvincingly, that the Sandinista government would have collapsed by now had it not been for the administration's covert activities. Such operations polarized the support for the Sandinistas, diverting Nicaraguans' attentions from the government's failures and broken promises, thus saving the regime from political demise.

Covert operations against the Sandinistas have also alarmed several of the democratic nations in the region, including members of the Contadora Group—Mexico, Colombia, Venezuela and Panama—which have been working since January for peaceful solutions to the region's conflicts. Such tactics bring to mind past instances of Yankee intervention in the region: Cuba, El Salvador, Guatemala, and Chile. Has the United States not learned from past mistakes in Central America and Vietnam?

Apparently not, particularly with a president who sees the continuation of covert operations against the Nicaraguans as "common sense."

Debate is currently underway in the House on a bill which would prohibit the CIA from further covert actions against the Nicaraguan government. Critics of the administration rightly argue that if the purpose of covert activity is to interdict arms, then it should be done openly, not by attempts at destabilizing the Sandinistas.

In addition to halting CIA covert activities, the bill would provide funds to Nicaragua's neighbors to strengthen the efforts of those governments in halting gun-running through their territories to Salvadoran guerrillas.

The bill is a far more sensible approach to the problem than the shameful bullying tactics employed by the administration. It also provides Congress with the rare opportunity to show it indeed has a backbone with which to resist the administration and stand responsibly on its own.

With alarm rising over the dangerous and confusing initiatives of the administration in Central America, someone must show a willingness to do so. Congress, in passing the bill, can move convincingly toward filling the void.●

NEED FOR EXCELLENCE IN EDUCATION

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, July 29, 1983

● Mr. SKELTON. Mr. Speaker, I have recently spent a great deal of time reviewing the National Commission on Excellence in Education's report, "A Nation at Risk." I think the Commission should be praised for its ability to candidly point out the weaknesses of our school system while maintaining a positive perspective for the future. There are those who would have us believe that the American system of public education is a total failure. I do not agree with that sentiment. This report dispells the thought that our system of education is worthless. Admittedly, the superior American standards of education have taken a sharp decline. The National Commission gives examples, such as:

Nineteen international academic tests where American students were never first or second and, in comparison with other industrialized nations, were last seven times;

The 40-to-50 point drop in the math and verbal scores on the scholastic aptitude tests since 1963; and

The 72-percent increase in remedial mathematics courses taught in public colleges. This list of defiencies is just a part of the Commission's report.

The American public must be made aware of the National Commission's findings. The public should also be brought to realize the urgency of the situation and the fact that there is no easy short-cut to regain quality education. However discouraging these problems may be, they are not insurmountable if we act now.

The administration, however, wants us, in full awarness of the ramifications of "A Nation at Risk" to cut back on Federal funding for the education of American youth. Since the current administration has been in office, elementary and secondary school programs have been slashed from $7.4 billion to $6.6 billion. Vocational education programs were cut 15.9 percent between 1980 and 1982. School lunch programs were cut a whopping 35 percent between 1981 and 1982. And the administration wants to eliminate the Department of Education which has assured local school districts a voice in Washington.

If the administration is allowed to continue its course of financial cutbacks together with the elimination of the Department of Education, the future of the American education system will be in great jeopardy.

For the last 2 years Congress has been able to stop the administration from fully making its proposed cuts in the educational budget. But this is not sufficient. In order to cure the various problems listed by the National Commission's report we must maintain Federal funding for elementary and secondary schools and rededicate ourselves to quality education. A total commitment by this entire Nation is necessary to preserve the American educational system.

Even before the issuance of the Commission's report, I had begun looking at the problems in the American educational system. I initiated a Library of Congress study that looked into the supply and demand of scientists and engineers and the effects shortages in these areas will have on defense research and technology. This study, along with the National Commission's report "A Nation at Risk," has clearly defined the problems at hand. It is now time to take specific action.

I have already taken several strong steps in this direction.

First, I introduced legislation, H.R. 2620, aimed at helping to improve scientific, mathematic, and technical education in the schools.

Second, I had the chance to vote in favor of H.R. 1310, the Emergency Mathematics and Science Education and Jobs Act. This piece of legislation provides funds to increase the quality of instruction at the elementary and secondary levels in the fields of science and mathematics, increases the supply of math and science teachers, and insures an adequate number of skilled individuals to meet our national defense requirements.

Third, I had the opportunity to cosponsor H.R. 881 which authorizes a national program to improve the quality of instruction in the fields of mathematics, science, communication skills, foreign languages, technology, and guidance counseling. I feel all of these measures will help this Nation prepare for the new and exciting challenges of the 21st century.

It is important to note that, as significant as these three steps are, they are just the beginning of the process whereby we restore excellence to our Nation's schools.

There are several recommendations made by the education Commission which I urge the local school boards to follow. First, we must strengthen graduation requirements. This could be done by setting specific guidelines for English, math, and science courses.

Second, the Commission urges the schools, colleges, and universities try to adopt more rigorous and measurable standards for academic performance.

Third, this Nation should take every step necessary to make sure that outstanding people are not discouraged from becoming teachers.

If all of these steps are carried out, in conjunction with current legislation, we can once again feel confident in America's future.

Our world has demonstrated itself to be a place of neverending change and development. We can only hope to keep up with the rigors of progress by maintaining a strong educational system. The position this Nation now holds in the world community was not obtained easily. We owe future generations quality school systems that will enable them to secure our place as world leaders.●

DR. HOMER E. NEWELL, JR., ASSOCIATE ADMINISTRATOR OF NASA—1967-73

HON. EDWARD P. BOLAND

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 29, 1983

● Mr. BOLAND. Mr. Speaker, on July 18 this country lost a pioneer in the

field of space science with the death of Dr. Homer E. Newell, Jr. Dr. Newell served as Associate Administrator of the National Aeronautics and Space Administration from 1967 until 1973 when he retired after 29 years of dedicated public service. During his tenure at NASA, he testified before the HUD-Independent Agencies Appropriations Subcommittee on numerous occasions between 1962 and 1969 concerning space science programs.

Throughout his public career Dr. Newell championed the view that scientific exploration of space should be under civilian rather than military auspices. He was also a staunch supporter of the free exchange between nations of data collected by rockets and satellites. This policy was at the heart of the International Geophysical Year of 1957-58.

At this time let me share with my colleagues a few of Dr. Newell's achievements and honors. Dr. Newell was born in Holyoke, Mass., He earned a bachelors and a masters degree from Harvard University and later received a Ph. D. in mathematics from the University of Wisconsin.

In 1940 he accepted a teaching position at the University of Maryland, which he left in 1944 to join the Civil Aeronautics Administration, one of the precursors of NASA.

Beginning in 1947 Dr. Newell was appointed science program coordinator for Project Vanguard, the Navy's plan to launch scientific satellites in the International Geophysical Year.

Dr. Newell left the Navy's program to join NASA in 1958, almost immediately after its formation. At NASA he was instrumental in designing the Nation's civilian space science program. In 1983 he was appointed Associate Administrator for Space Science and Applications. He left that post in 1967 to accept the No. 3 position at the Agency, from which he retired in 1973.

As an internationally known authority in the field of atmospheric and space sciences, Dr. Newell has authored numerous scientific articles and seven books. The topics of his writings range from highly technical works to popular treatments of rockets and space science in general.

His accomplishments have been many as evidenced by the long list of honors and awards he has received. This list includes the American Institute of Aeronautics and Astronautics' prestigious Pendray Award and the President's Award for Distinguished Federal Civilian Service.

Dr. Newell's contribution to the establishment of this country's space science program will be long remembered.●

WAR IN THE AMERICAS—A SPECIAL REPORT

HON. CARL D. PURSELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, July 29, 1983

● Mr. PURSELL. Mr. Speaker, beginning on Sunday, June 26, 1983, the Detroit News ran an eight-part series on conditions in Central America. The series was authored by John Broder and Claudia Capos, both of whom spent 2 months reporting on the elements of conflict found in Central America. This series of articles deserves the attention of my colleagues. It is the product of two capable writers and offers a very unique perspective on a very serious problem.

For the benefit of the House, I attach the final article, in which Mr. Broder and Ms. Capos summarize options which the United States may pursue.

The article follows:

U.S. OPTIONS: WIN, WITHDRAW OR TALK

(By John Broder and Claudia Capos)

SAN SALVADOR.—Americans call the U.S. Embassy in San Salvador "The Bunker." Fourteen-foot-high walls of reinforced concrete and underground vents that spray tear gas at the touch of a button separate the compound from the surrounding neighborhood.

Atop the gray featureless building sit a sandbagged machine-gun nest and a forest of antennas. Some 150 U.S. Marine and Salvadoran guards protect the entrance and grounds from an occasional burst of gunfire and rocket attacks.

In many ways "The Bunker" reflects the image of America's presence in El Salvador. From the outside, it appears powerful, imposing, remote and seemingly unmovable. Inside, U.S. personnel are involved in nearly every aspect of Salvadoran affairs from the conduct of the war to the internal politics of the government bureaucracy.

"Saving the Salvadorans from themselves" is how one embassy staff member described the U.S. mission's role. He was only half kidding.

President Reagan views El Salvador as the front line in the battle against Communist aggression in the Western Hemisphere.

"The national security of all the Americas is at stake in Central America," he told Congress in April. "If we cannot defend ourselves there, we cannot expect to prevail elsewhere. Our credibility would collapse, our alliances would crumble and the safety of our homeland would be put in jeopardy."

The Reagan administration believes that a leftist takeover of El Salvador would threaten the security of the Panama Canal and U.S. shipping lanes in the Caribbean, pose a danger to Mexican oil fields and touch off a stampede of refugees into the United States.

White House policy-makers warn that, if the United States fails to continue pressuring the Salvadoran government to carry out social, economic and political reforms, the progress that has been made in redistributing land to the campesinos, curtailing human rights abuses and setting up free elections and a democratic system of government may be lost.

But there is growing opposition to U.S. policy in Congress and among the public, with many arguing for a different approach to solving El Salvador's considerable problems.

From interviews with Salvadoran politicians and peasants, U.S. policy-makers and their critics four options stand out for the Reagan administration:

The United States could withdraw all military and economic aid and let the events in El Salvador follow their course.

The United States could escalate its involvement militarily, economically and politically in an effort to help the Salvadoran government achieve a decisive victory over the guerrillas.

Congress could continue its carrot-and-stick approach of making the renewal of American military aid contingent upon improvement in the human rights situation, development of democratic institutions and progress in land and judicial reforms.

The United States could initiate negotiations with the leftists aimed at a coalition government or "power-sharing."

Each option has its supporters and opponents. The task facing the Reagan administration is to formulate a policy and persuade the American people that pursuing it will be worth the cost in time, money and—potentially—American lives.

Those who argue that the United States already has invested too much in El Salvador believe the country's deep-seated social problems cannot be solved with bullets or U.S. aid programs.

"The area is inherently unstable," said an aide to a Democratic senator who has been highly critical of the Reagan policy. "You've got the plantation owners and the slaves down there. It's a postmedieval society in the 20th century.

"If five million Salvadorans want to kill each other, I'm sorry," he continued, crushing his cigarette in the botton of a plastic coffee cup, "but I don't think we should be a part of it."

Given President Reagan's public pronouncements, it's unlikely he will adopt this hands off position. On the contrary, the president indicated he wants to raise the level of U.S. commitment despite growing congressional unhappiness over El Salvador policy.

To get around the 55-man limit on U.S. advisers in El Salvador, the administration opened a new military base in Honduras for training Salvadoran troops. About 100 U.S. Army advisers will staff it. The president also said he intends to send up to 25 medical corpsmen to El Salvador in coming months.

However, Mr. Reagan vowed that he has no intention of sending U.S. troops to fight in El Salvador and, at this point, there is virtually no support for such a move in the administration, even among top Pentagon brass.

Without a total U.S. commitment to victory and without strong backing from the American public, such a venture would be doomed to failure, said Gen. John W. Vessey Jr., chairman of the Joint Chiefs of Staff. Several other generals, who have not forgotten Vietnam's heavy blow to American military prestige, seconded his opinion.

A leftist intellectual in San Salvador warned that the United States must suffer the consequences of deeper involvement.

"I don't think the revolution here can be smashed easily," he said. "If you send in the Marines, you will get a lot of bodies coming back in boxes. You may get peace—but at what price, and for how long?"

The third option—continuing U.S. military and economic aid with strings attached—has supporters across the political spectrum in Congress. They differ widely, however, on the mix of aid and the conditions under which it should be continued.

Generally, liberals believe that aid should be suspended until the Salvadoran government improves its dismal human rights record and shows progress toward creating an effective judicial system to punish the lawless.

Conservatives, who see the war going badly for government troops, advocate increasing military aid to the point where some semblance of security can be achieved. Only then, they argue, can social and economic reforms go forward.

But an emerging bipartisan consensus is pushing for a de-emphasis on the military aspects of the conflict and a massive infusion of economic aid to correct the historic economic inequities of Salvadoran society.

This course is supported by such ideological opposites as conservative Rep. Jack Kemp, R-N.Y., and liberal Rep. Michael Barnes, D-Md. They propose a new "Marshall Plan" of significant long-term U.S. economic aid designed to build a productive Salvadoran middle class. Such a plan has been outlined by Mr. Reagan's chief delegate to the United Nations, Jeane Kirkpatrick.

The final option is to negotiate a settlement with the guerrillas, a position favored by the rebels, by many U.S. allies in Europe and Latin America and by some Reagan administration officials.

France and Mexico have urged the United States to pursue this course and have offered to serve as intermediaries. Many Salvadorans, who fear the totalitarianism of both the left and the right, believe talks between the government and the guerrillas are the only way out of a violent situation.

"The only solution is to force the two extremes to negotiate," said a professor at the Jesuit university in San Salvador." Perhaps the outcome would be a nonaligned socialist state on the European model."

But those in power in El Salvador strenuously refuse to yield any additional political ground to the guerrillas, contending that the rebels should not win through negotiation what they cannot win on the battlefield.

Mr. Reagan, too, rejected negotiation aimed at forming a coalition government, insisting that Marxists have never willingly shared power. They will use negotiation as a stalling tactic until they can achieve military victory, he said. Some Washington observers speculate that the administration ousted Thomas O. Enders as assistant secretary of state for inter-American affairs for suggesting negotiation as an alternative to current policy.

Nevertheless, Mr. Reagan is quietly pursuing the possibility of conducting informal talks with the insurgents. He has authorized special Central American envoy Richard Stone to explore ways of encouraging guerrilla participation in the presidential election slated for later this year.

The rebels refuse to put forth candidates, contending they will become targets for assassination by right-wing elements.

As the controversy builds in the United States over the nation's proper role in El Salvador, the killing in the steamy Central American republic goes on.

The stakes are high for Americans. They are higher, of course, for the Salvadorans.

Many Salvadorans are bewildered by the bitter debate in America over U.S. involvement. Nor can the Salvadorans understand what they perceive as hesitation by the United States to commit itself fully to the defense of an ally.

"We are frustrated by the lack of a clearly defined American foreign policy," said Juan Maldonado, director of the conservative Salvadoran National Association of Private Enterprise. "Every four years, the United States changes its attitudes and policies.

"It makes it very difficult to be a friend of the United States," he said. "You never know when you are going to be left twisting in the air, waiting for the vultures to come and eat you."●

PRICE-ANDERSON: A LIABILITY FOR NUCLEAR POWER SAFETY CLAIMS

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, July 29, 1983

● Mr. OTTINGER. Mr. Speaker, in 1957, the Congress provided the nuclear industry with a financial protection unique among hazardous activities conducted in theoretically "free markets." The Price-Anderson Act, as this protection is called, originally limited for 10 years the total damages recoverable in the event of a nuclear accident to $560 million. The liability limitation is now $570 million. This act was demanded by the nuclear industry as a precondition to its development of commercial nuclear power because Federal studies showed that damages far in excess of this amount could result from a nuclear accident. Although studies continue to project damages ranging in the billions of dollars, this limit has not been significantly raised. Twenty-five years of inflation have eroded even this small protection. The liability limitation was extended for 10 years in 1967 and 1977. It will expire in 1987 unless extended once again.

The New York Times of July 20, 1983, printed an article by Keiki Kehoe of the Environmental Policy Center which eloquently points out the contradiction in the nuclear industry's confidence in its own claims of safety by demanding this extraordinary relief from consequences which only it—and a flawless safety record—can prevent.

The article follows:

[From the New York Times, July 20, 1983]

A-PLANTS: INSURABLE RISKS?

(By Keiki Kehoe)

WASHINGTON.—As New York grapples with the controversy over evacuation plans for nuclear power plants, the fundamental question is: How great is the risk? Should the public believe industry assurances that an accident is so improbable that "perfect" evacuation plans are unnecessary?

Or should we believe the critics, who insist on planning for the worst? The one set of experts rarely consulted are society's professional risk assessors, the private insurance industry. The insurers' response to nuclear risks is both revealing and unsettling.

At first glance, nuclear power appears to be "uninsurable." Every insurance policy—written for everything from homes and businesses to contact lenses—specifically excludes coverage for any damages caused by radioactive contamination. Unlike the risk of earthquakes, floods and other disasters, the public does not have the option of buying nuclear insurance for an additional premium. Not even Lloyds of London will sell it.

The vulnerability of the public is compounded by an obscure federal law, the Price-Anderson Act. Under the Price-Anderson Act, the total compensation available for all off-site damages after a nuclear accident is limited to the money in an insurance pool—currently $570 million. If damages to the public exceed the amount in the pool, no one is allowed to sue the reactor operator, the company that built the plant or any other responsible party—regardless of negligence or fault.

In striking contrast to the $570 million the entire public would divide up after an accident, the utilities carry roughly $1 billion of insurance for each of their power plants. This amount, increased from the $300 million carried before the 1979 accident at Three Mile Island, is expected to climb to $2 billion in the next few years.

Nuclear insurance is sold to utilities by the same companies that exclude nuclear coverage in policies for the public. In fact, hundreds of insurance companies participate in special pools that write nuclear insurance only for the owners of power plants. Meanwhile, the insurers argue that not a penny of coverage can be offered directly to home and business owners who want to protect their property.

The contradiction between the nuclear industry's reassurances about safety and the insurance industry's actions is disturbing. If the odds of a major accident are really as small as we are told, private insurers should be eager to write as much coverage as the public is willing to buy.

Despite significant citizen pressure over the last decade, the insurers steadfastly refuse to disclose how much nuclear insurance would cost if it were available to the public. It is hardly reassuring to watch the utilities who create the nuclear risk ask the public to dismiss the possibility of an accident—while they insure their own property for billions of dollars, just in case.

The public is left with a garble of mixed messages. We are asked to believe the experts who assure us that the risks of nuclear power are infinitesimal. And yet we know if there ever is an accident, the nuclear industry will not be liable for damages to the public. If we try to buy insurance to protect our investments, no one will sell it to us.

How great is the risk of a nuclear accident? Judging by the actions of the insurers and the nuclear industry, the risk appears to be very great.

If the leaders of the nuclear industry want the public to believe that the risks of nuclear power are aceptable, they must be willing to accept full liability for an accident. By refusing to put their money where their mouth is, they are destroying public confidence in the very industry they are trying to preserve.●

STATE DEPARTMENT SUPPORTS CHILEAN DEMOCRACY

HON. TOM HARKIN

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 29, 1983

● Mr. HARKIN. Mr. Speaker, I invite the attention of my colleagues to the State Department's July 11 press briefing comment concerning the current political crisis in Chile. I am happy to say that the Department has made clear its support for the cause of Chilean democracy. Specifically, the Department's spokesman referred to the need for "the transition to democracy sought by the vast majority of Chileans." He then added: "We firmly support that tradition, as defined by the Chileans themselves."

I welcome this forthright and timely statement. As my colleagues well know, I am a frequent critic of State Department policies and pronouncements, especially in the Latin American area. Therefore, I find this opportunity to applaud the Department's performance all the more gratifying. Unfortunately, this very significant policy statement has received almost no attention in our newspapers, although I am pleased to report that it has been published in full in the Chilean press. I am certain the Department's stand comes as very good news to the great majority of Chilean people in their hour of need.

I insert the following transcript of this important official statement into the RECORD, and I urge my colleagues to read it carefully:

Question. On Chile, do you have any reaction after the arrest of Mr. Gabriel Valdes?

Answer. Yes, I can give you some reaction. Former Foreign Minister Gabriel Valdes, former Senator Jorge Lavendero, and Jose de Gregorio were asked by a judge of the Santiago Court of Appeals to appear before him Saturday, July 9, in connection with his investigation of the earlier arrest of two men and a woman regarding the seizure of a large number of pamphlets calling for a peaceful anti-government protest on July 12. Following the hearing, he ordered them detained and held incommunicado.

The three persons arrested earlier had been turned over to the court on July 6 by the Ministry of Interior, which accused them and unidentified other persons of violating the 1958 law on internal security. Under general provisions of Chilean law, an investigating magistrate can order people detained for up to five days while he decides whether to indict or release them.

Appeals for the release of the political leaders detained on Saturday are expected to be heard today in the Court of Appeals.

In Chile, as elsewhere in the world, we support the right to peaceful dissent. The detention and solitary confinement of prominent democratic leaders such as Mr. Valdes can only be regarded as a regrettable manifestation of the serious tensions and divisions affecting Chile.

In previous comments we supported calls from various sectors of Chilean society in favor of dialogue to overcome those divisions. We viewed authorizations for the return of certain prominent political exiles as a positive development. Whatever the legal basis and eventual disposition of these new arrests, such actions illustrate the need for moderate leaders on all sides to find ways to halt the trend toward confrontation and to establish the basic consensus needed for the transition to democracy sought by the vast majority of Chileans. We firmly support that transition, as defined by the Chileans themselves.

We have communicated our views and our concern about these arrests to senior government officials.●

H.R. 3657

HON. WILLIS D. GRADISON, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, July 29, 1983

● Mr. GRADISON. Mr. Speaker, Congressman DOWNEY and I recently introduced a bill, H.R. 3657, the purpose of which is to correct an inadvertent error in the Technical Corrections Act of 1982 ("TCA").

Section 338 of the Internal Revenue Code (the "Code"), which was enacted as part of the Tax Equity and Fiscal Responsibility Act of 1982 ("TEFRA"), provides that a corporate purchaser of 80 percent or more of the stock in a target corporation may elect to treat the stock purchase for tax purposes as a purchase of the assets of the target corporation. Section 338 generally applies to stock purchases occurring after August 31, 1982, although a special rule permits a purchasing corporation to elect to have the provision apply to the purchase of stock in a target corporation if the acquisition occurs after August 31, 1980, and before September 1, 1982, provided that the target corporation was not liquidated before September 1, 1982.

After the enactment of TEFRA, it became apparent that inequities could result under the special rule if a purchasing corporation could elect to have the selling group of corporations pay a tax on section 338 income that was not contemplated by the parties at the time that they entered into the transaction. Accordingly, the TCA provides in general that section 338 income realized from a deemed sale of assets will be included in the final return of the target corporation, which, for this purpose, is not considered a part of the selling group of corporations. This provision has the effect of imposing upon the purchasing corporation and its affiliates the burden of paying the tax on any section 338 income realized from the deemed sale of assets.

However, a transition rule contained in the Technical Corrections Act of 1982 allows the tax on any income realized from a stock purchase transaction subject to section 338 to be incurred by the selling group of corporations filing a consolidated return, provided that a binding contract was entered into on or after "the date of enactment of the Tax Equity and Fiscal Responsibility Act of 1982 (September 3, 1982), and on or before the date of enactment of" the TCA (January 12, 1983), if the purchasing corporation establishes by clear and convincing evidence that the contract was negotiated with the expectation that any income realized on the deemed sale of assets under section 338 would be paid for by the selling group of corporations filing a consolidated income tax return.

H.R. 3657 would modify ths transitional rule so that it applies to binding contracts entered into on or after September 1, 1982, rather than the date of enactment of TEFRA (September 3, 1982), and on or before the date of enactment of the TCA (January 12, 1983). Taxpayers affected by H.R. 3657 would be entitled to file a section 338 election within 30 days after enactment of H.R. 3657.

This matter first came to my attention because, on September 1, 1982, a corporate seller and a corporate purchaser entered into a stock purchase agreement whereby all of the stock of a subsidiary of the seller was sold in a transaction subject to section 338. Under the terms of the agreement, the selling group of corporations filing a consolidated income tax return agreed to include in their return any income arising from the deemed purchase of assets under section 338. In so doing, the parties relied upon an understanding (drawn both from conversations with the staff of the Joint Tax Committee and from the House conference report) that TEFRA would impose on the selling corporation and its affiliates the burden of paying tax on income realized from a stock purchase subject to section 338 of the Code. (See, House Conference Report accompanying H.R. 4961, August 19, 1982, page 533 (the "Conference Report").)

Discussions with the staff of the Joint Tax Committee and the Office of Tax Legislative Counsel of the Treasury Department have disclosed that (i) the interpretation of section 338 by the parties to the transaction was consistent with Congress' intent in TEFRA, and (ii) the beginning date for applying the transitional rule in the TCA, i.e., September 3, 1982, was not intended to treat unfairly stock purchase transactions entered into prior to that date. The existence of the transitional rule to the TCA indicates recognition by Congress that transactions already binding in nature before enactment of the TCA could be adversely and inequitably affected if the TCA change were applied retroactively with no exceptions.

H.R. 3657 does not excuse the parties to the transaction from the pay-

ment of any tax arising from the section 338 income generated by the deemed asset sale; it merely shifts the burden of the tax from one taxpayer to another as permitted by the law and as intended by the parties on the date of the transaction, September 1, 1982.●

GHOSTS OF VIETNAM WAR

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, July 29, 1983

● Mr. ACKERMAN. Mr. Speaker, the New York Times, July 23, 1983, "Reagan Plans Rise in Military Maneuvers in Latin America; Plan Calls for Preparing a Possible Quarantine of the Nicaraguans."

The New York Times, July 25, 1983, "U.S. Seeks Increase in Covert Activity in Latin America: Anti-Sandinistas To Gain: Expanded Program Would Be Largest CIA Operations of Kind Since Vietnam."

The Washington Post, July 26, 1983, "U.S. Combat Troops To Be Sent to Honduras: Administration: Part of Exercises."

Mr. Speaker, as one who attended college in the 1960's, I get more than an uneasy sense of deja vu from these headlines. I get a sense of dread: a fear that the U.S. Government, far from being a helpless, pitiful giant, is a dull, stumbling behemoth that cannot learn from its mistakes.

Was the Vietnam war really so long ago? Have we all forgotten the lesson of that tragedy, that we cannot win the hearts and minds of a people by bludgeoning them, that a nation's friendship must be earned with compassionate moves, not stolen with hostile acts?

It appears the Reagan administration, with special guest star Henry Kissinger joining Jeane Kirkpatrick in the cast, has forgotten this, if, indeed, it ever learned it.

But, Mr. Speaker, I believe that a majority of the House of Representatives recalls recent history, and that we will remember our lessons when we vote on the Boland-Zablocki bill tonight.●

LISTEN TO WHAT THE STATES ARE SAYING ABOUT THE NEW FEDERALISM

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, July 29, 1983

● Mr. WEISS. Mr. Speaker, President Reagan's two-pronged policy of drastically reducing the Federal Government's domestic spending while shifting responsibility for some Federal programs to the states has placed an immense burden on the already weighted shoulders of the State governments.

The best source of information about the impact of Reaganomics and the so-called New Federalism, I believe, is directly from the State governments. I would like to recommend to my colleagues a recent article by Stanley Fink, speaker of the New York State Assembly.

Mr. Fink details the insensitivity and illogic of the New Federalism, and he has some serious comments about the Reagan administration's disregard for the sovereignty of the States. He communicates the alarm of State Governors and legislators across the country who must repair the damage of an ill-conceived and ill-timed idea. It is important that we in Congress listen to what he has to say.

The article, from the Democratic National Committee's publication, Democrats Today, follows:

[From the Democrats Today, May-June 1983]

DEMOCRATIC IDEAS TO ASSIST THE STATES

(By Stanley Fink)

The legislatures in the 50 states now face the unenviable job of "mopping up" in the wake of Hurricane Ronnie. A disproportionate share of the budget cutting at the federal level has come in the area of intergovernmental aid programs, putting the responsibility on state legislatures for either filling in for the federal and reductions or having, in many cases, to pass those cuts along. This situation has been exacerbated by the damage of the Reagan program on the national economy. Even states that have picked up none, or very few, of the federal cuts have been required to enact tax increases simply to balance their budgets. In effect, Reaganomics has moved a greater and greater share of the responsibility for public services from the progressive federal tax base, which itself has been made less progressive, to the primary state and local revenue producers—the real property tax and the sales tax.

It is important for Democrats everywhere to understnad the impact of the Reagan program on the people of this country and the responsibilities that the changes wrought by the Reagan Presidency are placing on the doorstep of the state legislatures. Such an understanding would be important regardless of party considerations, but the Democratic Party, as the result of the 1982 elections, finds itself in a central role in this on-going drama, with both burdens to carry and tremendous opportunities for service to the nation. In November 1982, changes in party control occurred in 13 legislative houses, with the Democrats gaining 11 legislative bodies and losing two. The Democratic Party now controls 72 of the 98 state legislative houses in which political parties are present. (Nebraska's legislature is unicameral and elected on a non-partisan basis.)

It is obvious to most observers why the voters around the country have turned to the Democratic Party to represent them in the state houses. The result is both an honor to those of us called on to serve and to lead. But it is also a very real challenge. We must come up with creative solutions to blunt the devastating effect of the Reagan program on our people—on those who truly are in need and on those working people who have always carried their share of the load but are now enduring the ravages of unemployment and the indignities of dependence.

The Reaganauts promised the nation an economic "fix," supply-side economics. They promised growth and they promised to control inflation without causing greater unemployment. The reality of their program has taught us that certain old truths are still with us. Yes, they reduced inflation, but in the way that all previous Republican administrations have reduced inflation—on the backs of the working people of this country, by increasing unemployment. And, now they tell us that while our economic recovery has started, it will be a "different" type of economic recovery, one with chronically high unemployment. For state legislatures and state taxpayers this is bad news. People who aren't working don't pay income taxes and they can't affort to consume as much, thus reducing sales tax revenues. Such reductions in the tax base only fuel the need for increases in tax rates. The list of states now caught in this vicious cycle is a long one and it includes states, such as Colorado, California, Oregon, and Minnesota, which only a few short years ago were thought to be immune from such concerns.

Ronald Reagan and his administration also talk a lot about a New Federalism, about re-ordering responsibilities among the federal, state and local levels of government. But their proposals have had virtually no underlying logic to them. Moreover, the Administration has shown an unbelievable disregard for the sovereignty of the states in their own realm—a concern that is at the heart of any federal system.

On the first point, the Reagan proposals seem to represent nothing more than a random re-shuffling of responsibilities without any logical foundation. What sense does it make to propose moving the responsibility for Medicaid funding to Washington and have the states pick up the full cost of Aid to Families with Dependent Children and Food Stamps and then engage in seemingly endless negotiations with organizations of state government officials on the minutia of such a trade. Welfare is a national responsibility and whether we are talking about food, clothing, shelter, or medical care, responsibility must gradually but completely be moved to the national government. But even within the overall parameters of this ridiculous game, there were tricks and false starts. State and local officials hungry for any relief from the increasing cost of medical care for the needy were attracted to the bargaining table by the lure of a federal medicaid takeover, only to learn months later what should have been obvious from the first—that optional services would have to remain a state responsibility. For any aid program of this type to be logical, fair and equitable this must be the case. If it wasn't, state choices could drive up the cost to the federal treasury with no participation by state taxpayers.

While this aspect of the New Federalism proposals has held center stage and is most important in a real world, dollars and cents way, even more astounding, given their glorification of the terms, is the Reagan team's absolute lack of respect for the meaning of the concept. While preaching about returning responsibilities and decision-making to the states, the Reagan Administration and its allies in the Congress continually put forward proposals, usually in the name of

New Federalism, which tell the states how to order their internal affairs and establish intricate mazes through which to pass before qualifying for the block grants or other supposedly less cumbersome programs such as the Job Training Partnership Act. A good example of this insensitivity is the requirement under the so-called Education Block Grant that, in order to receive money under that program, a state must create an Advisory Committee to its "state educational agency." The law (the Gramm-Latta Omnibus Budget Reconciliation Act of 1981), establishing this requirement, requires that this committee be appointed by the Governor of the State and that it be determined by the Governor to be broadly representative of the educational interests and the general public in the state, including persons representative of public and private elementary and secondary school children, teachers, parents, local boards of education, school administrators, institutions of higher education, and the state legislature.

In terms of its financial and economic impacts, the New Federalism is a mystery. The Reagan Administration originally talked about "revenue turnbacks" to go along with the responsibilities it had begun and would continue "returning" to the states. It created a Cabinet Council working group on revenue turnbacks and got numerous state, local and private sectors leaders involved in advisory committee meetings. But when the failure of supply-side economics began to sink in and the reality of ever increasing deficits became clear, the Administration cut off discussions and had a now departed, Supply-Side Under Secretary of the Treasury announced that the revenue turnbacks had been accomplished that the federal government had cut its tax rates and that the states were now free to pick up the slack by increasing their tax rates. That wasn't quite what we had in mind, but it's what we got.

A recent survey compiled by the National Conference of State Legislatures reveals that nineteen states will end their current fiscal year in debt. Twelve other states are facing extremely small end-of-year budget balances. During the past two years, over 40 states have enacted various tax increases and budget cuts to balance their budgets or reduce their impending deficits. Even more austere measures may have to be enacted by state legislatures as we approach 1984. Without sufficient revenues coming in, state governments simply will not have the funds to pay for essential state services and to provide local governments with the aid they need to continue providing the numerous basic services which are local responsibilities. Further cuts or further tax increases will be the name of the game in many statehouses.

Finally, it is important to note that the Reagan Administration's policies have had a disproportionate impact on those who can least afford it, the poor and those in need of human services. Although a basic tenet of this country has been the right to equal opportunity, under Reagan's administration the rich have benefited at the expense of the rest of us. Although many, but not all, of the human services cutbacks have saved a few federal dollars in the short run, they are likely to increase state and local costs—now and in the future.

The strength of our nation, and its ability to resist foreign adversaries, is as much determined by the health and education of our citizens as it is by the size of our military arsenal. Our economic stability and hoped-for prosperity is as dependent upon an adequate transportation system as upon tax reductions for the wealthy. Unfortunately, for us all, the Reagan program has tended to feed the fat and starve the lean. ●

THE DANGEROUS TRUTH

HON. JAMES G. MARTIN

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 29, 1983

● Mr. MARTIN of North Carolina. Mr. Speaker, we know that the people of our country do not want to see us involved in a war in Central America. None of us in the Congress want the United States involved in such a war.

The dangerous truth is: There is a war in Central America and the Communists are using it as a vehicle to capture control of Central America. They have armed and trained and directed a series of rebellions in Central America. If we draw the shades, and pretend to sit in our living rooms listening to music while we ignore our neighbors whose houses are being torched, pretty soon there goes the whole neighborhood.

We do have a responsibility and if we do not meet it the chances of war involving us will grow.

There is a desperate need for our best thinkers, our most creative leaders, to present ideas to resolve the issues that divide us so that, united, we can meet our responsibility. For that reason I was pleased to read the recent article in the New York Times by our colleague, Representative JACK KEMP, and ask that it be printed in the CONGRESSIONAL RECORD. As we search for a responsible consensus, there can be no doubt but that the twofold approach advocated by Mr. KEMP must be a part of that consensus: Long-term economic aid coupled with short-term military aid, as well as humanitarian reforms in both sectors of policy.

Otherwise, we, can draw the shades, but that will not stop the fires from spreading.

[From the New York Times, Friday, July 29, 1983]

REACHING A SYNTHESIS FOR SALVADORAN POLICY

(By Jack Kemp)

WASHINGTON.—Narrowness on both sides—liberal and conservative—has left the American people with a pretty unappetizing choice between one-sided policies in Central America. Political leaders would do the people a favor if they climbed down off the barricades and put together a bold, comprehensive policy that answered both the economic and security problems of Central America. To ignore one or the other is sheer folly.

The average liberal in Congress says that the United States can't support the Government of El Salvador because it doesn't respect human rights and that we should cut off all military aid to Central America because the problems there are basically social and economic. The average conservative emphasizes the military aspects of the crisis and too often minimizes the issues of social injustice and poverty. Both sides need to reconsider the problem.

The stakes are high in Central America—for us and for the people of the region. To act rashly would be a mistake, but to bury our heads in the sands of isolationism would be just as dangerous. The first step is to recognize that the threat is different from past threats to United States security. Defending our security there is not simply a matter of sending armed forces against an undisguised aggressor, as in both world wars and in Korea. The aggressive forces in Central America are clandestine and take advantage of the social and economic problems of the region. They hide behind and within movements for genuine social progress and emerge openly to grab power only after the fighting has stopped. In Nicaragua, a popular revolution to overthrow one dictatorship led to the seizure of power by another, and the new Nicaraguan regime is becoming a Soviet satellite.

Conservatives should not doubt that some Salvadoran rebels really want progressive economic and democratic change. But liberals should not doubt that other factions seek to establish the kind of Leninist totalitarianism that exists today in Nicaragua, Cuba and the Soviet Union. The question is, if the rebellion were to succeed, which faction would take power—those who favor progressive change or the totalitarians? After what happened in Nicaragua and Cuba, is there any reason to believe that a revolution in El Salvador would lead to a better government than currently exists?

Liberals who want to cut off military aid to El Salvador to punish the Government for its imperfections seem unaware of this dilemma. Nevertheless, it would be a mistake to believe that military hardware is the sole solution to the crisis. As long as bleak economic and social conditions plague Central America, it will be ripe for upheaval. This is why I support greater economic aid to the region.

But economic changes don't stop bullets, and economic aid won't end rebellions fed by Soviet and Cuban supply lines. Would the Soviet Union stop supporting the Salvadoran rebels if the Salvadoran Government were suddenly revamped? The Soviet leaders with whom I have talked show little concern for fostering democracy and human rights in Central America—or, for that matter, in their own country. Moscow wants governments it can control, and it gets what it wants by turning genuine struggles for progress into Leninist power grabs.

A United States policy that ignores this threat to the security of our friends in Central America is doomed to failure. The prerequisite for economic growth and greater democracy, after all, is security of life and property. How much capital investment can there be in El Salvador if, for the next 10 years, guerrillas roam freely, destroying bridges and power stations and threatening the lives of the people who work the land?

There are no easy choices in Central America. Our decisions would be simpler if our friends there had perfect governments or if the rebellions were not supported by our adversaries. We could more easily afford to be morally fastidious if our security were not threatened by events in Central America. Alas, none of this is true—and our security is very much threatened.

The Central American problem is not an abstract war of ideas being fought thousands of miles from our homes. Central America is right on our borders, and we

can't just look the other way. If we let Cuba, Nicaragua and the Soviet Union stay on their present path, we will spend the next 20 years struggling to protect an ever-shrinking share of the region from totalitarian control. The effect of our global responsibilities would be disastrous.

To prevent such a dismal future, we need a twofold policy that provides both long-term economic aid and short-term military aid. We must provide a shield behind which economic growth and democratic change can begin to take root. That is the only hope for the future.●

UNEMPLOYMENT TOUCHES AMERICANS

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 29, 1983

● Mr. MARKEY. Mr. Speaker, for millions of jobless Americans, unemployment means despair, frustration, and oftentimes tragedy. For millions more who are still working, unemployment is an ever-present threat to their livelihood, security and dreams for the future. But this is a problem that deeply concerns more than those who work or wish to work. Unemployment touches even the youngest of Americans.

I would like to call the attention of my colleagues to an essay dealing with unemployment written by a young man from my congressional district. Steven Fierimonte, an eighth grade student from my native city of Malden, Mass., prepared this essay as part of a nationwide contest sponsored by the Italian American War Veterans Organization. I am proud to say that Steven's entry was selected as the national winner in this contest.

I would like to salute Steven for his excellent work and urge my colleagues to reflect on his views and insights. However, one need not agree with Steven on the issue. Instead, I ask that you consider Steven's essay as a reflection of an awareness shared by a great many young Americans. Granted, few can present these feelings as eloquently as Steven has done, but I am certain that young men and women throughout our Nation are equally concerned by the disturbing national problem, unemployment.

For this reason, I take pride in presenting Steven's prize-winning essay for your consideration.

STEVEN FIERIMONTE'S WINNING ESSAY

(By Steven Fierimonte)

In order to determine whether unemployment helps lower inflation or not, we must first understand what is the real meaning of inflation. Inflation is the term used in economics to describe, respectively, general rises and falls in prices from a norm based on a previous year or, more usually, a span of years. For an example, a one dollar bill in 1980 had the purchasing power of 30 cubic inches of food. Today, the dollar bill has the purchasing power of only five cubic inches of food. This fact indicates that the dollar has decreased in value.

Recently, America's inflation rate has decelerated to around five percent, but no one should confuse this characteristic with a cure. There was never any mystery as to how inflation could be stopped. Every previous administration, Republican or Democrat, knew that it could stop inflation if it were willing to recreate the Great Depression.

The real mysteries were: (1) how could inflation be stopped without a recurring depression, and (2) if the depression remedy were used, how could the economy be returned to full employment without restarting inflation?

President Reagan's policy promised a solution to the first mystery. The simultaneous application of supply-side tax cuts designed to speed up the production of goods and services and a slow rate of growth of the nation's money supply designed to slow down inflation would lead to both full employment and price stability. Unfortunately, having been put to the test, this policy proved not to have been the answer to the first mystery.

After reducing inflation by conventional means, a severe recession, or mini-depressions, America is now faced with the second mystery of how to return to full employment, with price stability.

Accordingly, unemployment, in a way, does help to lower inflation, but unemployment doesn't help people.

Rather than seek a solution to this problem, the Reagan administration is proposing to redefine full employment as that rate of unemployment which is consistent with price stability such as about 7 percent. Given the political storm caused when this idea was first suggested by President Reagan's new chairman of the Council of Economic Advisers, Martin Feldstein, the administration does not now want to call 7 percent full employment, but that it is merely a play on words and of no significance. If 7 percent unemployment does not contain inflation, the administration will undoubtedly be back at some later date maintaining that an even higher rate of unemployment is actually full employment.

Full employment may exist when most people without jobs are voluntary job changers who are unemployed for relatively brief periods of time. This condition exists when unemployment is somewhere between 3 and 4 percent. To achieve price stability at this level of unemployment would require some fundamental restructuring of our institutions for setting wages and prices. A wide variety of changes would be needed, but let us view some important ones.

Price stability isn't possible in a system where the prices of materials, wages and industrial components have a direct relationship to the cost of living. With indexing, any adverse price shock such as bad corporations automatically gets converted into a permanent domestic inflation.

Material, wage and industrial component prices rise 6 percent one year because the cost of living rose 6 percent the previous year. Indexing protects the individual or firm from the effects of inflation, but it makes it impossible for the community to stop inflation. If inflation is to be stopped, indexing must be abolished.

If we want price stability, we must also create an economy where incomes can fall if the situation demands it. The 1979 oil price hike took an extra 2.5 percent of America's real gross national product. In the context of zero economic growth, higher oil prices meant a lower American standard of living. There was simply less GNP left to be divided among Americans. There were two ways to deliver the bad news. Prices could go up faster than personal incomes, or prices could remain stable while incomes fell. If we want price stability, we must build a economy where the latter happens, rather than the former.

The answer is to tie all incomes, wages, salaries and dividends to some index, such as value added per hour of work that automatically falls when these circumstances arise.●

EMIGRATION POLICIES OF THE U.S.S.R.

HON. NICHOLAS MAVROULES

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 29, 1983

● Mr. MAVROULES. Mr. Speaker, today I wish to express my deep concern over the emigration policies of the Soviet Union regarding prospective Jewish emigrants.

Recently, a new government agency was formed in the Soviet Union, the Anti-Zionist Committee. Both the chairperson, Gen. David A. Dragunsky, and the official spokesperson, Samuil I. Zivs, have made statements concerning the small number of Jewish emigrations from the Soviet Union during the past several years. Jewish emigration has dropped from a high of 51,320 in 1979, to only 2,600 last year.

Both Mr. Zivs and General Dragunsky attribute this reduction to the lack of desire for emigration among the Soviet Union's 1.8 million Jews. The Anti-Zionist Committee maintains this is due to the fact that all Jews who wish to leave the Soviet Union, have already done so. The family reunification which has slowly been taking place since the Second World War is effectively concluded, according to the Soviets.

This is simply not the case. As late as 1979, 300,000 Jews in the Soviet Union applied for emigration to the West and Israel, even though such applications frequently result in harassment and further persecution. The great majority of these hopeful emigrants are still within the Soviet Union. The ostensible reason given by the Soviets for the refusal of these many emigration pleas is the lack of sponsors for the prospective emigrants. Yet there are literally thousands of sponsorship letters sent to the Soviet Union on behalf of hopeful sponsors each year. Consequently, any lack of sponsors for Soviet Jews desirous of emigration, is directly the result of the Soviet Government policy which withholds the mail of Jews who are possible emigrants. Such a catch 22 is what we have come to expect

from the Soviet Union regarding Jewish emigration.

This withholding of mail, particularly invitations to immigrate to the United States and Israel, is one more example of the denial of human rights experienced by Soviet Jews and other minorities within the Soviet Union. This continued violation of human rights cannot be ignored. Every conceivable effort should be made on behalf of the Jews and other Soviet individuals who wish to emigrate. The leadership of the Soviet Union must be brought to realize that there are rights and freedoms which exist for all citizens of this Earth, and that these rights and freedoms may not be denied to any man, woman, or child.

I implore the Soviet Union to allow its citizens to receive all their mail. Further, I hope and pray that the Soviet leadership will permit those who wish to emigrate the basic human right to choose the nation in which they wish to dwell.●

HOGAR CREA

HON. DON RITTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 29, 1983

● Mr. RITTER. Mr. Speaker, I rise to recognize and to pay tribute to the founders, administrators, and residents of the Hogar CREA drug rehabilitation program, which is celebrating the 15th anniversary of its founding in San Juan, P.R. One of the Hogar CREA facilities, I am proud to say, is in the city of Bethlehem, in the district I represent. I have personally visited the center and I have been very impressed by what I have seen there. Those of us in the 15th district are honored by its existence in Bethlehem; it is the only Hogar CREA facility in the United States, out of 73 centers in all.

Besides being an acronym for Casa de Re-education de Adictos (Center for the Re-education of Addicts), CREA is a play on two words in Spanish—"creer," to believe, and "crear," to create. Thus it is a reflection of Hogar CREA's noble belief that the program can help addicts recreate themselves as new individuals—contributing, creative and responsible. Hogar CREA is not like other drug rehabilitation programs. It is not sterile, institutionalized or authoritarian; it provides no other drugs in the treatment of its residents. The concepts according to which it operates are therapy, responsibility, self-confrontation, reeducation, and commitment from its residents and from the community. It is totally administered by addicts who have been reeducated in the Hogar CREA program. Hogar CREA's program creates a highly structured environment in which the residents help each other to give up their addictions and are helped to learn skills that are valued in the job market. The program is not a short one. It takes from 2 to 2½ years of residence in the Hogar, together with 5 years to "seguimiento" or followup.

And it does not depend on government funding. The program is maintained by fund-raising activities of the center's residents, steering committee and family committee.

The best thing about the program is that it works. Studies conducted by the University of Puerto Rico have shown that after 5 years away from the residence, 92 percent of those who completed the program were free of drug use. That is a record of almost unbelievable excellence. And so, on the occasion of Hogar CREA's 15th anniversary, I extend my congratulations to Hogar CREA's founder, Juan Jose Garcia Rios, and to Puerto Rico's Governor, Carlos Romero Barcelo, along with my sincere gratitude and my best wishes for the program's continued excellent work in the future.●

PUBLIC SAFETY OFFICERS' IRA LEGISLATION

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 29, 1983

● Mr. STARK. Mr. Speaker, today I am introducing legislation that will permit law enforcement officers and firefighters to rollover accumulated sick pay and vacation pay into an IRA tax free upon separation from service.

It is fairly common among law enforcement and firefighting officials to leave these highly demanding and tense professions after many years of service for a second career or to transfer to other jurisdictions. When they leave these jobs, these public servants are given a lump-sum payment for vacation or sick days that they earned but did not use. This income, which can sometimes be substantial, is currently taxable.

My bill would allow these sums to be transferred, without payment of income taxes, into the individual retirement accounts—IRA's—of those individuals. This separation benefit would be limited to an additional $10,000, but not more than $1,000, for each full year of service, whichever is less. These payments would, of course, not escape taxation; but, as with all funds in IRA's, taxation would be postponed until retirement.

Mr. Speaker, my bill affects a small percentage of the population, but the importance of these men and women far outweigh their numbers. The roles of police and fire officials in fighting and assuring the safety of America's citizens is of course well known. The small benefit contained in this bill is well deserved by those public servants who are in the profession of protecting life and property in this country.

This legislation is a small, but important, change in the tax code to show this appreciation. I hope that my colleagues will join me in working for swift approval of this legislation.●

DEFENSE AUTHORIZATION BILL

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 29, 1983

● Mr. YATRON. Mr. Speaker, I want to take this opportunity to say a few words about defense burden-sharing among our allies. I was very encouraged by the adoption of an amendment to the fiscal 1984 Department of Defense authorization bill calling on our Japanese, Canadian, and European allies to assume a greater responsibility for their own, and the common, defense.

The American taxpayer cannot be expected to shoulder a disproportionate share of the allied defense effort, particularly in these times of high deficits. Many of our allies have not lived up to their defense commitments and to the pledges that they have given us. It is particularly distressing that many of these nations, while defending on the American defense umbrella for protection, engage in illegal and unfair trade practices which rob our workers of jobs and hurt our economy.

I think on this issue we must take a stronger stand. All democratic societies must work together, with each nation doing its fair share, to preserve the freedoms and liberties we hold so dear. I urge our President and the Secretary of Defense to stress the importance of defense burden-sharing to our Canadian, Japanese, and European allies. They can make essential contributions to the defense effort, while providing a fair and equitable way to lower American defense costs.●

CONFERENCE REPORT ON H.R. 3069

HON. PAT WILLIAMS

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 29, 1983

● Mr. WILLIAMS of Montana. Mr. Speaker, on the matter of the legislation, H.R. 3069, I would like to thank Chairman YATES and my colleague from Colorado, Mr. KOGOVSEK, for their work in clarifying the intent of Congress regarding retaining the methodology of direct allocation of

PILT funds to counties. Since I read the conference report (H. Rept. 98-308) on H.R. 3069, Mr. KOGOVSEK and I have had the opportunity to discuss the intent of the language inserted by Senator JAMES MCCLURE, which was originally proposed by Mr. KOGOVSEK when he introduced H.R. 2071, and the subsequent amendment introduced by Senator DURENBERGER. Senator DURENBERGER'S amendment authorizes States, if their State legislatures enact a law, to distribute PILT payments to smaller units of local government than counties. The conference language clearly prohibits the State from using any of the funds for administrative costs to pay for the necessary data retrieval and ancillary costs to redistribute these funds. Mr. KOGOVSEK agreed that I am correct in understanding that the intent was also to prohibit the Interior Department from using PILT administrative cost dollars to perform the calculations necessary to achieve a further intrastate distribution based on action by a State legislature. Thus, once the State receives its payment from the Bureau of Land Management (BLM), then BLM has no further responsibility. Mr. KOGOVSEK futher agreed that I am correct in understanding that a State's payment would not be reduced in any way by virtue of the cost necessary to implement the action of another State's legislature.●

A NEW LOCK AT BONNEVILLE DAM

HON. RON WYDEN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Friday, July 29, 1983

● Mr. WYDEN. Mr. Speaker, I rise to commend our colleague Congressman BOB ROE, chairman of the Public Works Subcommittee on Water Resources, for his extraordinary hard work and leadership role in putting together the most comprehensive water resources development legislation this House has seen in many years.

I was pleased to join Chairman ROE as an original cosponsor of the Water Resources, Conservation, Development, and Infrastructure Improvement and Rehabilitation Act (H.R. 3678), the product of a massive 6 months' effort on the part of the Water Resources Subcommittee that was introduced in the House earlier this week.

Congressman ROE shares my view that our ports, harbors, and inland waterway systems have been the unfortunate victims of neglect in recent years and that this neglect cannot be allowed to continue. With the introduction of this landmark omnibus legislation, we now have a real shot at breaking the 7-year logjam during which no major waterway projects have been authorized by Congress.

Equally important, BOB ROE recognizes that our national waterway transportation system is a national treasure and a vital part of this country's ecnomic infrastructure. He has, accordingly, refused to jump on the waterway user fees bandwagon and join the forces that would place an inequitable share of the cost of improving and maintaining the navigable rivers and harbors of this Nation on our ports and on a deeply depressed inland waterways industry.

I am particularly heartened by the fact that my top legislative priority in the 98th Congress, as it was in the 97th Congress—a bill to authorize construction of a new navigation lock at Bonneville Dam on the Columbia River—has been incorporated into H.R. 3678 and included in a priority nationwide list of seven critically important inland waterway projects. Under the provisions of H.R. 3678, a new lock will be built at Bonneville without placing any new financial burdens on the backs of the commercial navigation interests or the ports of the Columbia-Snake River system.

In my view, a new lock at Bonneville Dam will do more to create jobs in Oregon and the Northwest than any other piece of legislation. Put simply, to tap our potential as a major international trading and transportation hub for goods and commodities flowing in and out of the entire Western United States, we simply must break the congestion bottleneck at Bonneville Dam by building a modern new lock.

This cost-effective project will pay huge dividends to Oregon and the Northwest in the years ahead. It is estimated that construction of a new lock at Bonneville will leverage more than $500 million in private investment along the Columbia-Snake River waterway system and will create thousands of new jobs for Oregon residents. This project will literally create jobs all across our State, from the docks of north Portland to the wheat fields of eastern Oregon.

Authorization of funds to build a new lock at Bonneville in this Congress is imperative. The Corps of Engineers estimates that the capacity of the existing lock at Bonneville—through which more than a fourth of all U.S. wheat exports now pass—will reach a point of total saturation by 1990.

A new lock will save shippers an estimated $2.50 for each ton of commodities moving on the Columbia River, costs that can now be attributed to the congestion and the increasingly expensive delays in locking through Bonneville. Such savings will significantly boost the competitive position—in both the domestic marketplace and in the export marketplace—of the Pacific Northwest's inland waterway transportation network.

The critical need for new jobs, Mr. Speaker, is the main reason why a new lock at Bonneville Dam is my top priority in the 98th Congress. It is also the main reason my Northwest colleagues, TOM FOLEY, LES AUCOIN, BOB SMITH, DON BONKER, NORM DICKS, SID MORRISON, LARRY CRAIG, and DENNY SMITH joined me as original cosponsors of the Bonneville Lock bill when I introduced it on the first day of the 98th Congress.

Mr. Speaker, the Columbia-Snake River system is one of the world's great waterways and a true national—not just regional—treasure. Construction of a new lock at Bonneville Dam is critical if this magnificent system is to mature and realize its full potential, and thus help create desperately needed jobs in an area of the country that has been particularly hard hit by recent slumps in the economy.

Again, I extend my sincere congratulations to Chairman ROE for his extraordinary efforts in putting together this landmark waterways bill. I intend to do everything I can to help him in his efforts to enact this legislation. We simply must not continue to ignore the capital improvement and maintenance needs of our ports, rivers, and harbors. Chairman ROE has taken a giant step in the direction of reversing the unwarranted neglect of our waterway transportation infrastructure we have witnessed in recent years. I urge all of my colleagues to assist him in taking the additional steps necessary to see this bill enacted into law.●

OUR POLICY TOWARD NICARAGUA

HON. NICHOLAS MAVROULES

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 29, 1983

● Mr. MAVROULES. Mr. Speaker, oftentimes an important issue gets so overwhelmed with rhetoric that we lose prespective of the real picture. I fear that this is exactly what is happening with our policy toward Nicaragua.

I rise today in support of the Boland amendment. I speak not to add to that jargled rhetoric that has confused so many of us, but rather to address the real issues that we must all now face.

Nicaragua is a country with a long-standing history of oppression and revolution. The citizens of this battered nation have been left homeless, jobless, and helpless. There are few families in Nicaragua today that have not been affected by the violence. Many of these individuals have not lived a single day of their lives in peace. Violence has become a way of life.

I sometimes get the feeling that the Reagan administration's policymakers are locked in a room with two doors. As they view it, behind one of those doors lies peace, prosperity, justice, and freedom in Central America. Behind the other door lies hostility and hatred, sacrifice, suffering, and sorrow. Although these policymakers claim to be slowly moving through the first door, it is an awful paradox that their key seems only to fit the second. I have come to realize that there must be a third alternative.

A more realistic alternative that strives for peace, but realizes sacrifice, that wants freedom, but is patient, and that wants supportive southern neighbors, but will not tolerate more violence.

We cannot succumb to the delusion that our action against a government will not affect its people. Just as we offered our assistance to the Samoza regime, blindly believing that it would be funneled down to the people; so too are we opposing the Sandinistas, again disregarding the peoples reaction.

We must realize that any action, whether covert or overt * * * whether economic or military * * * will be judged not only by the Sandinista Government, but also by the people that Government represents. If we consider for a moment the opinion that the Nicaraguan people must have of our country, I think we all will realize the necessity to stop covert operations.

In addition to the military advisers that our President plans to send to the region * * * In addition to the fleet of warships that are now on their way to both coasts of Nicaragua * * * and in addition to the amount of money being taken from our economy to aid guerrillas trying to overthrow a government * * * we still have neglected to address the primary economic and social concerns of the Nicaraguan people.

We cannot continue a policy of alienation. Covert military operations offer only more violence, human suffering, and at best a perverse reputation of our country throughout the world. I urge you all to support my distinguished colleagues from Massachusetts and Wisconsin so we can pass this amendment which will send a long awaited message to the administration. This covert aid must now be stopped, so we can better face the more crucial economic problems of this whole region.●

THE AMERICAN DEFENSE EDUCATION ACT

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 29, 1983

● Mr. DYMALLY. Mr. Speaker, it is my custom to hold town meetings periodically in different parts of my district in order to be in touch with the issues which are uppermost in the minds of my constituents. At such a meeting held on July 23, Mrs. Jean Curtis, president of the Compton Education Association (CTA, NEA), made an eloquent statement in support of the American Defense Education Act, introduced by Mr. PERKINS in the House and by Mr. HART in the Senate. Those present at the townhall meeting joined Mrs. Curtis in support of the bill. For the benefit of my fellow Members of Congress, I would like to share the remarks of Mrs. Jean Curtis in support of the American Defense Education Act:

A Gallup Poll last September asked the American people what they believe will be the most important factors "determining America's strength in the future?" Eighty-four percent named "developing the best educational system in the world" the most important factor.

A strong and sound Public Education underlies all the needs of our society. Without strong public schools, we have no way to maintain our industrial strength. Without strong public schools, we have no way to maintain our national defense. Without strong public schools, we have no way to maintain a system that seeks to provide justice and equity for all Americans.

The challenges that confront us today are great. Yet, our situation bears a striking resemblance to a situation that existed in the 1950's. We had allowed our support of public schools to lapse. We had fallen behind in many key areas of instruction. We lacked the mathematicians, technicians and scientists our nation needed to keep up in a world of rapidly advancing technological achievement.

It took the launching of Sputnik by the Soviet Union to awaken our leaders. Congress responded with—among other things—the National Defense Education Act. It worked. It helped improve our educational system. On July 20, 1969, Neil Armstrong walked on the moon.

Unfortunately, since that time, we—as a nation—have become complacent. We stopped emphasizing support for public schools. We allowed ourselves, as a nation, to fall backward again!

Economic success today is based on high technology and efficiency in industry. We are being challenged—and challenged effectively—in these areas. A clear-eyed view of our national circumstances shows that our difficulties in harnessing new technologies are directly connected with our failure to adequately support our public schools. Education makes America work. We have repeated our past mistakes. What must be done now to correct them—not for a brief period, but for the long haul?

Education makes America work. But in order to do so, there must be a commitment to public education on a national level. The American Defense Education Act, introduced by Senator Gary Hart and Representative Carl Perkins, provides incentives and resources for local schools to improve their own education programs in critical areas that relate to the nation's two top priorities: stimulating economic growth and providing for a strong defense. ADEA recognizes a nation-wide program and provides national funding to insure a local solution under local control.

A strong America needs strong public schools. ADEA will be a great help! ADEA authorizes a national program to improve the quality of instruction in the fields of mathematics, the sciences, the communication skills, foreign languages, technology, and guidance and counseling in addition to reaffirming equality of access to education for all. ADEA establishes participation requirements for the local school districts—which participate voluntarily in the program. ADEA provides for an evaluation of the progress of programs developed with ADEA assistance. ADEA provides for incentive payments for school districts working with the ADEA program of a basic payment of 2 percent of the average per-pupil expenditure in that state. ADEA provides that administration of the ADEA will be under the Department of Education with assistance from the Secretary of Defense. ADEA provides for grant programs at institutions of higher learning to facilitate the improvement of teacher training in mathematics and science education. ADEA provides for evaluation of grant program proposals by practitioners from the elementary, secondary and post-secondary communities. ADEA provides for establishment of educational research programs on teaching and learning in mathematics, science, foreign language, the instructional uses of information technologies and the appropriate application of such research.

A strong America needs strong public schools! What can we do? We can write or speak to our congressman, our U.S. senator, our president. Enlist others to do the same thing.

A strong America needs strong public schools! Only the commitment of all of us to excellence can insure strong public schools and a strong America!●

JACK BRICKHOUSE: IN THE BASEBALL HALL OF FAME

HON. DAN ROSTENKOWSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 29, 1983

● Mr. ROSTENKOWSKI. Mr. Speaker, an outstanding member of the Chicago community, Jack Brickhouse, has been elected to receive the Ford C. Frick award for baseball broadcasting. Jack will receive this award Sunday at the Baseball Hall of Fame.

This marks only the seventh time that such an award has been given, and Jack certainly deserves it. From 1948 to 1980, Jack was the voice of our beloved Chicago Cubs on channel 9. He provided me and thousands of other baseball fans with an honest and enthusiastic description of Cub games. His "Hey, Hey" cheer for infrequent

Chicago Cub home runs was a Chicago tradition. His skills were also on display for the 25 years he announced games for the Chicago Bears.

This lengthy career was probably the furthest thing from Jack's mind when he began broadcasting at the age of 18 in Peoria.

By 1979, he had announced a record 5,000 baseball games. In addition, Jack was called upon to announce several World Series, many All Star games, and many football events.

He has been recognized by his peers in Illinois, and in 1981 was awarded the Outstanding Broadcaster Award.

On Sunday, he will receive the Ford C. Frick Award. I, together with so many fans, can only conclude that it is well deserved.

Congratulations, Jack, on a job well done.●

H.R. 2760

HON. BOB LIVINGSTON

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 29, 1983

● Mr. LIVINGSTON. Mr. Speaker, I rise in response to a comment made by one of our Members following my speech on H.R. 2760 yesterday.

I had pointed out the declared intention of the Nicaraguan Sandinista government to foment revolution and instill Communist governments throughout Central America, and ultimately, North America, as well.

I had gone through a litany of offenses that the Sandinistas had committed against their own people, and, indeed, against humanity, in the name of their misbegotten cause.

I pleaded with the membership of this body not to become beguiled with the efforts of those who would compromise away President Reagan's efforts to assist those forlorn Nicaraguan Nationals who are fighting for their own freedom, and, yes, in the process, assisting us in the "interdiction of arms to El Salvador."

I called H.R. 2760 an abomination for that is what it truly is.

But the gentleman who followed me said that I should have been giving my speech in support of an effort to repeal the Boland amendment—since that is the vehicle that seems to be tying our hands in Nicaragua.

I agree with him. I do not believe that through covert operations in Nicaragua, we are in violation of the Boland amendment, because I firmly believe that by assisting the Nicuaraguan contras, we are definitely deterring the ability of the Sandinistas to assist the flow of arms to the Salvadoran guerrillas. And as the gentleman from Illinois (Mr. HYDE), pointed out yesterday, deterrence is not an easily definable commodity.

But, I believe that House passage of the Boland amendment, in an effort to sidetrack the far more onerous Harkin amendment, was never intended by the Members to gain the notoriety it has attained. Yes, 411 Members voted for it, I among them, but we were persuaded at the time that it was meaningless verbiage which would not interfere in the ability of the President to conduct foreign policy.

In that, we were wrong. And its impact has been devastating, regardless whether we are in violation of it today, which I insist we are not.

Accordingly, I am today introducing a bill to repeal the Boland amendment—and I encourage my colleagues to join me in cosponsoring it. And I will also enlist the support of my colleagues in my efforts within the Appropriations Committee to see that the Boland prohibition is not again included in the 1984 defense appropriations bill or continuing resolution. We must repeal this very harmful piece of legislation—the future of Central America—and the security of our own people depend on it. ●

RON PACKARD'S QUESTIONNAIRE

HON. RON PACKARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 29, 1983

● Mr. PACKARD. Mr. Speaker, during April of this year, I sent a questionnaire to my constitutents in California's 43d District. Ten questions, addressing various issues of national concern, were presented for their consideration. I would like to take this opportunity to inform my colleagues of the results of this poll.

First, let me explain the method by which I arrived at these results. All registered voters in my district were mailed a copy of the questionnaire. From the 11,000 opinion ballots returned, 1,000 were randomly selected, and from those random samples the percentage figures listed below were derived. As anyone versed in the science of statistics can explain, such a large random sample more than adequately estimates the actual percentage results of all the respondents.

Here are the results:

1. Do you favor removing Federal controls on the price of natural gas? Yes, 48.1%; no, 51.9%.

2. Do you think the Equal Rights Amendment (ERA) should be made part of the United States Constitution? Yes, 46.4%; no, 53.6%.

3. Do you support President Reagan's efforts to rebuild America's defenses? Yes, 52.6%; no 47.4%.

4. Do you favor banning the sale of land for future offshore oil leasing? Yes, 53.6%; no, 46.4%.

5. Should able-bodied welfare recipients be required to work for their benefits? Yes, 75.3%; no, 24.7%.

6. Should there be less Federal involvement in the education of our children? Yes, 75.7%; no, 24.3%.

7. Would you support imposing sanctions against employers who knowingly hire illegal aliens? Yes, 62.3%; no, 37.7%.

8. Would you support the bullet train proposal as a means of alleviating traffic congestion problems? Yes, 58.4%; no, 41.6%.

9. Do you support continued United States aid to El Salvador and Central America? Yes, 49.4%; no, 50.6%.

10. Should Congress repeal the "indexing" provision which would annually adjust income tax brackets to offset inflation? Yes, 29.9%; no, 70.1%.

This high level of response demonstrates the level of interest that my constituents have continued to demonstrate throughout the 98th Congress. These ever-watchful citizens have never hesitated to call to my attention those matters which they find to be of both local and national importance. I am deeply honored to be their voice in Congress.●

SOUTH CAROLINA HAS BEST REHABILITATION RATE

HON. CARROLL A. CAMPBELL, JR.

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 29, 1983

● Mr. CAMPBELL. Mr. Speaker, I would like to bring to the attention of my colleagues the outstanding work and achievement of the South Carolina Department of Vocational Rehabilitation. Once again, South Carolina has the best rehabilitation rate in the entire Nation. In fiscal year 1982, South Carolina had a rehabilitation rate of 265 per 100,000 population, the highest in the Nation. This is much better than the national rehabilitation rate of 97.

I believe much of the credit for the successful vocational rehabilitation program in South Carolina belongs to Mr. Joe Dusenbury, commissioner of the vocational rehabilitation department, and his staff. Joe Dusenbury has instituted a vocational rehabilitation program that has been used as a model for other States due to its rehabilitation rate, efficiency, and innovation.

Vocational rehabilitation is a cost-effective program that I believe deserves the support of all Members of this body. Last year, 226,924 people were rehabilitated and are now working in productive jobs. I am hopeful that this number can be increased in the future, which would result in more handicapped people being integrated into the work force as productive employees and employers.●

THE UNITED STATES DOES NEED MORE SOVIET EXPERTS

HON. TIMOTHY E. WIRTH
OF COLORADO
IN THE HOUSE OF REPRESENTATIVES

Friday, July 29, 1983

● Mr. WIRTH. Mr. Speaker, earlier this month I was privileged to be a member of the House delegation headed by the distinguished majority whip, Mr. Foley, in the first U.S. Congress-Supreme Soviet parliamentary exchange since 1979. During 4 days of talks in Moscow, many of us renewed old acquaintances with our counterparts in the Soviet Union and through intensive discussion learned an enormous amount about the evolution of their views of our Nation over the past 4 years of troubled relations between our two countries.

I returned more than ever convinced that continuing broad contacts with Soviet leaders, on all levels, is absolutely essential to both protecting world peace and beginning to make progress on the issues that divide us as peoples. Today, however, the United States is poorly prepared to engage in such broad contacts—poorly prepared to truly understand the cultural and political pressures which largely define the actions of the Soviets. In our universities and our diplomatic structure, we have lost much of the expertise that made us effective in dealing with the Soviet Union. I commend to my colleagues the following article by Jack Perry, former U.S. Ambassador to Bulgaria, which clearly outlines one of the most serious weaknesses our Nation faces in its relationship with the Soviet Union.

The article follows:

THE U.S. DOES NEED MORE SOVIET EXPERTS

(By Jack Perry)

Charles Bohlen, the dean of US Foreign Service specialists in Soviet affairs, used to say that there were "no experts on the Soviet Union, only varying degrees of ignorance." But Chip Bohlen would have been the first to argue: the less ignorance, the better.

Today some voices suggest that the United States has enough Soviet experts, in government and out. But we need to take a broader view of the utility of Soviet training.

True, jobs strictly for "Soviet types" are now limited in number. But the need is very great for Americans with firsthand knowledge of Soviet affairs who do not necessarily make "Sovietology" their sole or even principal endeavor. In an era when peace, even survival, depends upon relations between the two superpower rivals, it is essential that we have more Americans who can see the USSR through Soviet eyes.

Frankly, it is not of major concern whether the Soviet Union has surpassed the US in the number of "experts" employed full-time *as* experts. The Soviet system is so different from ours that comparisons of such numbers mean little. What is important, and vitally so, is how much each country knows about the other, *and* how that knowledge is folded into the policymaking and decisionmaking system of each country. In that respect, the Soviets have indeed overtaken and surpassed the US, creating not an "export gap" but rather a gap in *utilized knowledge.*

When I began studying Soviet affairs in 1951, the Soviets' knowledge of the US system, mired as they were in Stalinist fears and superstitions, was abysmally poor. Their governmental decisionmaking was based in large part on preconceptions and mistaken assumptions when it came to American policy. But they soon became aware of their ignorance. They moved to correct it. They built up an embassy in Washington that learned the intimate inside lessons of how U.S. society and government operates. They created academic institutions dedicated to learning American affairs inside out. And—what is remarkable—they elevated men with knowledge of American affairs to positions of responsibility, while their policymaking increasingly reflected real knowledge, not false assumptions, about our system. The effect of their efforts is written in the record.

What were we Americans doing in the meantime? To a considerable extent, going backward.

After World War II we had a strong cadre of Soviet specialists in the foreign service, men like Bohlen and George Kennan and Llewellyn Thompson. We had academics like Geroid Robinson and Phillip Mosely launching the Russian Institute at Columbia University, and others like them elsewhere. When I studied Soviet affairs at the Russian Institute in the '50s, American academia had a strong grasp of Soviet affairs; and when I entered the foreign service in 1959, I found the "Moscow Club" of Soviet specialists strong and influential.

That changed. Our system gradually ceased to incorporate those with practical and academic knowledge of the USSR into our policymaking structure. (Those who had preconceptions became more acceptable.) Inside the foreign service, the "Moscow Club" was largely disbanded as an influential group, owing in good part to appointments of outsiders without Soviet experience in place of career Soviet specialists who spoke Russian and had lived in Moscow. Increasingly, U.S. political leaders came to rely on those with an acceptable ideological view of the Soviet Union, rather than with practical experience of that country. Again, the record will show the result.

Meanwhile many American organizations and industries took the position that rather than employ those with Soviet experience they would take their own people and give them a crash course in Russian and in Soviet affairs—a triumph of the narrow over the broad view of what kind of Soviet knowledge is needed. Good students began to turn away from the Soviet field because the rewards did not seem commensurate with the hard work involved. We seemed to enter an era when those who knew the Soviet Union as a real country with real problems and ambitions were shunted aside, while those involved in Soviet affairs were those who looked on the USSR in abstract, preconceived ways. Yet wise policy is usually based on real things, not abstractions.

It was this situation which Averell Harriman sought to help turn around with his important gift to the Russian Institute, now the Harriman Institute, while Harvard and other centers of Soviet studies are also making major efforts to increase their reach and effectiveness. Marshall Shulman, the widely respected head of all Harriman Institute, has made clear his dedication to the ideal of broadening Soviet studies, so that more Americans in many fields will have the kind of knowledge of Soviet reality that can equip them to deal with a world dominated by this rivalry. The aim, which all men of goodwill ought to share, is to create a large, influential group of men and women who know the soviets well, from experience, and who will incorporate that knowledge into their regular activities in whatever area—in journalism, in academia, in business, and certainly in government.

Basing ourselves on Bohlen's saying, we should not worry too much about job limitations for Soviet "experts" do not exist anyway—and we can certainly hope that job opportunities will widen. What concerns us most is the great need for more people with knowledge of Soviet affairs in positions of authority, so that decisions taken throughout our society and government are based not on ignorance but on real knowledge of this all-too-real country.

The challenge from the Soviet Union will endure for a long time. We are obliged to know our rival. In this light, we need not fewer people with Soviet training, but many more.●

IN TRIBUTE TO JOHN DALY, RETIRING MANAGER OF THE HOLYOKE SOCIAL SECURITY OFFICE

HON. SILVIO O. CONTE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES

Friday, July 29, 1983

● Mr. CONTE. Mr. Speaker, next Friday night, August 5, the manager of the Holyoke, Mass., Social Security District Office, John Daly, will be honored at a retirement dinner. I want to call to the attention of my colleagues the work of this dedicated Government employee.

John first joined Government service by working in the Meriden, Conn., Post Office during Christmas vacations. In June of 1939, he received his B.A. degree from Wesleyan University in Middletown, Conn. On October 20 of that year, he was appointed field assistant in the Waterbury, Conn., Social Security Office. In June of 1940, John received his M.A. in economics from Wesleyan.

On July 29, 1942, Mr. Daly left his work at the Social Security Administration to join the Army. He was discharged in April of 1945 with the rank of sergeant, and was awarded the Good Conduct Medal and the European-African Middle Eastern Theater Medal. After leaving the Army, he returned to his former position in the Waterbury social security office. Throughout the remainder of the 1940's, 1950's and early 1960's, John worked in Connecticut Social Security Offices, and in 1965 became district manager in the Holyoke, Mass., Social Security Office.

Mr. Speaker, John's record is very clear: 44 years as an employee of the Social Security Administration, and 49 years of working for the Government in some way. As a district manager for this Nation's most important social welfare/income maintenance program, John has direct contact with those elderly Americans who we try to help through the legislative process. But while we in the Congress deal with generalizations to a certain degree, people like John have more direct contact with the public every day. It takes a remarkable person to be able to do this day after day—but to do it for 44 years is nothing short of amazing.

John has been of tremendous assistance to my office more times than I can count. A good deal of a Congressman's work is casework—constituent service—and a large part of my casework deals with social security in general and social security disability particularly. Those persons on disability or applying for disability in John's service area know that they will be treated with compassion and concern. As well, I know—as does my office—that John's office will be of the most assistance they can in answering constituent questions and concerns.

Mr. Speaker, the remarkable, distinguished and dedicated career of John Daly, the district manager of the Holyoke, Mass., Social Security Office deserves recognition. This is why I have called this man's service to the attention of my colleagues—and why I say thank you to John for a job well done.●

CUT IN DISABILITY BENEFITS CAUSING ANGUISH

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, July 29, 1983

● Mr. FORD of Michigan. Mr. Speaker, the matter of social security disability benefits becomes more serious by the day. The General Accounting Office has said that the Social Security Administration is arbitrarily terminating about 44 percent of all those whose paperwork they review. Hardly a day goes by when I do not receive a call or letter from one of my constituents complaining about the cold and aloof manner in which his or her disability entitlement was summarily terminated.

Now comes this article from the July 26 edition of the Ann Arbor News describing some of the actions being taken by State workers in Michigan who assist the Social Security Administration with this overload of disability cases. It is a sad state of affairs, Mr. Speaker, when workers are forced to hide or sit behind bulletproof glass and it is a sad state of affairs when the disability recipient feels so frustrated that he or she threatens a State employee.

This article causes me great concern and I call it to your attention at this time.

[From the Ann Arbor News, July 26, 1983]

INCREASED THREATS FORCE BENEFITS WORKERS INTO HIDING

(By Michael Lewis)

LANSING.—Besieged by threats from persons whose disability benefits have been cut off, some state workers are going into hiding for protection.

Plans for opening a state office building in downtown Kalamazoo include measures to keep its location secret from the public, even though 145 employees will be working there. The planning also involves—at the advice of state police—bulletproof glass, electronic doors, security guards and an absence of identifying signs.

"We've had a steady increase in complaints and threats. We had a dud bomb mailed to our Southfield office. It's uniform in all the offices," said Ivan Cotman, associate superintendent of Michigan Department of Education.

The Social Security Administration pays the state education department to handle disability cases in Michigan. New laws which went into effect last year require more frequent case reviews, often resulting in loss of benefits. That has increased the number of threats to workers dealing with disabled clients.

Security measures do not disrupt work because the regional offices conduct most of their duties by phone and mail, rather than walk-in service, officials said.

Stress among employees became so great that an expert from Michigan State University was brought in to help them cope with the problem, said Cotman.

Cotman said 158 threats were made at the state's three offices—Lansing, Southfield and Traverse City—between May 1982 and last month. The threats are almost evenly divided between suicide and violence against others.

One man who was denied disability benefits two years ago took a gun to a Social Security office in Lansing. The man, who had reportedly threatened workers at the office, committeed suicide outside of the building.

"It's an anxiety producer," Cotman said of the benefits reviews. "Some of them go bananas. I was threatened myself a few years ago by a guy with a cane."

Protective glass and security doors for the offices have cost the state $9,000, Cotman said. That figure does not include the cost of hiring security guards, which he estimated at $35,000 annually for two guards.

Disability payments are awarded through the Social Security Administration when it is determined that a physical or mental impairment prevents a person from working for at least a year. Cotman said the average payment to an individual with spouse and children is about $700 a month.

Security is also a problem for the Department of Social Services, which pays more than $1.6 million a year for unarmed secutiry guards at offices in several large counties, including Wayne, Washtenaw, Saginaw, Muskegon, Kent, Kalamazoo, Jackson and Genesee.

"We have had some clients get disruptive. There have been threats and there have been knifings," said John Smith, director of administrative services.

Tom Farrell, spokesman for the education department, said disability offices around the country are taking similar security precautions. Officials at the Social Security Administration headquarters in Baltimore were unavailable for comment.

"You can't be too careful," Farrell explained. "Security is big business these days. It's a growth industry."●

RCRA FUNDING FOR SOLID WASTE MANAGEMENT

HON. GUY V. MOLINARI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, July 29, 1983

● Mr. MOLINARI. Mr. Speaker, our colleague from Michigan, DAVID BONIOR, will offer an amendment this week to H.R. 2867, the Hazardous Waste and Control Act of 1983, to restore the initial authorization levels in the Resource Conservation and Recovery Act (RCRA) for solid waste management. I urge my colleagues to support that amendment.

As Congress considers the reauthorization of RCRA, it must not overlook that one of the fundamental objectives of RCRA is just what it says, "resource conservation and recovery". Over the past few years, "cradle-to-grave" management of hazardous wastes has dominated national attention. As a result, funds initially intended for conventional solid waste management have been diverted to regulating hazardous material. While this is indeed an essential function of RCRA, effective regulation and management of nonhazardous wastes is equally important. The act, as passed in 1976, clearly stated its intent to provide a comprehensive approach toward waste disposal—for both hazardous and nonhazardous wastes. Federal responsibility to provide financial and technical assistance to the States for improving their solid waste management programs is expressly outlined under section 4008 of RCRA. Yet today there are no Federal funds authorized for that purpose.

RCRA, as passed in 1976, provided funding for fiscal years 1978-82. However, over the past 3 years Federal assistance for the solid waste program has been phased out completely. Moreover, States have diverted their limited resources into their hazardous waste activities which, unlike nonhazardous waste programs, receive Federal matching funds.

The Environmental Protection Agency has estimated that the United States generates enough solid waste every day to fill New Orlean's Superdome from floor to ceiling—twice—and the amounts will continue to grow as American urbanization accelerates. The magnitude of the solid waste problem is painfully clear when we consider that land for its disposal is a

fixed, limited resource. With approximately 90 percent of American waste disposed of on land, new dumping sites are becoming increasingly diffucult to find. Some estimates predict that as early as 1990, America will run out of space for all the garbage it generates.

The city of New York, for example, is on the brink of a crisis as all its landfills have reached their capacity. The city plans to close all its landfills except one, the Fresh Kills landfill on Staten Island. Yet, this remaining landfill, which already receives 50 percent of the city's waste, has already grown to uncontrollable proportions—3,000 acres in area or five times the size of Central Park. If New York City executes its plan, residents of Staten Island will be forced to live with mountains of garbage up to 500 feet in height.

Bold new initiatives to recover reusable material are key to solving our current and projected solid waste management problems. Resource recovery, that is, recovery of material or energy from solid wastes, can achieve significant volume reduction. In addition, rising disposal costs, dwindling domestic energy resources, and rising energy and materials costs make resource recovery increasingly attractive. In fact, the energy recovery potential from municipal solid waste equals 400,000 barrels of oil per day or one third of the Alaskan pipeline flow.

Congress mandated that the States come up with effective solid waste management and resource recovery plans when it passed RCRA in 1976. Yet, the States have not met that challenge.

Following the enactment of RCRA, States set in motion new ideas and improved methods for disposing of their wastes and upgrading their existing facilities to insure that they met health and safety standards. This required skilled personnel and adequate resources. Once those resources were dried up, the rising momentum came to a screeching halt. New York, for example, was able to survey only one-third of its landfill facilities before all its funds were expended. There is no guarantee that the remaining two-thirds are in compliance. Our past experience with illegal dumping of hazardous material at nonhazardous waste sites raises no question of the need for effective oversight. What we neglect to control today could turn up on the Superfund priority list tomorrow.

In closing, Congress has given the States their mandate to implement effective solid waste management programs. RCRA expressly recognized the Federal Government's role in providing financial and technical assistance to help them fulfill that responsibility.●

DRUG CONTROL EFFORT MUST BE COORDINATED

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 29, 1983

● Mr. FASCELL. Mr. Speaker, I can think of almost no other effort by the Federal Government, with the exception of conducting a war, that requires coordination and direction at the very highest level in order to succeed than that of illegal narcotics interdiction. In fact, this right can truly be considered a war because the enemy is highly organized, highly financed, and highly armed with the actual weapons of war.

For many years I have been pleading with several administrations to apply the task force approach to the problem. It was attempted by the Carter administration but was short lived and did not commit the resources necessary to do the job. To its credit, the Reagan administration, under the able leadership of Vice President BUSH, has undertaken this effort and we, in south Florida, have been the fortunate beneficiaries. The south Florida task force has been extremely successful in letting those who reap enormous profits from illegal narcotics know that we mean to put them out of business. Perhaps even more important, it has restored the confidence of the community that Government does care and can act to prevent it from being run over by those who have no respect for law or order.

The result of the south Florida effort has been to force narcotics traffickers to move elsewhere, to other parts of the country. This has led, in turn, to the establishment of 12 additional task forces around the Nation. At the time this decision was made, it was also announced that the leadership of the entire task force operation would be transferred from the Vice President's Office to the Attorney General.

Along with many of my colleagues from Florida, I strongly protested this move. The entire success of the South Florida task force can be laid directly, in my opinion, to the fact that it was headed by someone of the Vice President's authority and level of office. Only an official with the ability to direct all agencies of the Federal Government involved in the task force—and this includes the FBI, DEA, Customs, Coast Guard, Justice Department, the State Department and the military—can be successful. I firmly believe that to transfer this authority to one agency, such as the Justice Department—no matter how competent and able those leading that Department may be—can only result in a resumption of the bureaucratic squabbling and ineffectiveness that we have all seen before.

All of what I have said so far relates to the coordination or the interdiction of narcotics traffickers who are physically transporting the contraband. Related to this is the tracking of the money which is made by the top levels of those involved in the trade. It is fine to go after the mules and we should continue to do so. But we must also have a strong and committed program to go after those who make the enormous profits from this business. If we can find and convict them, we will have made a major step toward eliminating this problem from our society. This requires the coordination and cooperation of the IRS and the Department of Justice, along with State and local authorities. It is my belief that this aspect of the problem also requires high level direction and authority and should be included under the same overall director of the interdiction effort as well.

What this all boils down to is that the director of the task force effort must be someone with a direct line of authority to the President. Let us face it. The task force approach is extremely expensive. We, as a society, have made the commitment that the expense is worth it. But if we are going to maintain this commitment, then let us do it right.●

CONFERENCE REPORT ON H.R. 2973, INTEREST AND DIVIDENDS TAX WITHHOLDING REPEAL

HON. JOE KOLTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 28, 1983

● Mr. KOLTER. Mr. Speaker, I would like to take this opportunity to clarify my vote on the conference report on H.R. 2973, Repeal of Income Tax Withholding on Interest and Dividends and the Caribbean Basin Economic Recovery Act.

I am disturbed and disappointed that this conference report contains both of the above mentioned bills. I feel that these two issues should have been taken up separately so that Members could have cast their vote on the true merits of each. I have been a very strong supporter of the repeal of tax withholding on interest and dividends. I feel that repeal was a result of the people of this country making their voices heard in Washington. It was a great victory for the American taxpayer. I am glad to have played a part in defeating the uncalled for and unnecessary income tax.

However, while I strongly supported repeal of the withholding tax, I just as strongly opposed the Carribean Basin Initiative bill. So the fact that these

two issues were combined in the conference report posed a dilemma for me and many other Members who voted against the CBI bill. Obviously, had I been able to, and in order to be consistent with my previous votes on these issues I would have voted "aye" on the repeal of withholding and "nay" on the Caribbean Basin Initiative. I regret not having the opportunity to do so.

I oppose the CBI legislation because it is a one way trade bill that will export thousands of American jobs in industries that have already been devastated by foreign imports.

This bill will permit unlimited quantities of import-sensitive products such as steel to be shipped duty free into the United States through the Caribbean. We already and obviously have had tremendous job losses in this country in key industries due to this kind of foreign trade abuse. I fail to understand why we are willing to deliver another blow to these import sensitive industries. I cannot support a bill that will allow multinational corporations to partake of a bonanza of cheap wages, nonexistent health and safety conditions and duty free access to the United States.

Finally, Mr. Speaker, since the repeal of the Withholding Tax and the Caribbean Recovery Act are two very distinct and separate issues I believe we should have had the opportunity to vote on them separately.●

SENATE—*Monday, August 1, 1983*

The Senate met at 11 a.m., and was called to order by Hon. SLADE GORTON, a Senator from the State of Washington.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

Blessed be the name of God for ever and ever: for widsom and might are His. He changeth the times and the seasons. He removeth kings, and setteth up kings. He giveth wisdom unto the wise, and knowledge to them that know understanding.—Daniel 2:20, 21.

Lord of history, we thank Thee for the belief which our forebears considered self-evident: That the people are sovereign—that government receives its just powers from the consent of the governed—that government is instituted to secure human rights which are inalienable, because they were endowed by God, who created all men equal.

Grant O God, in these critical days which challenge our political system, that we remember this foundation upon which our founders built—that if we remove faith in the God who gives us life and liberty, we jeopardize the whole structure. In Jesus' name. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. THURMOND).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., August 1, 1983.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable SLADE GORTON, a Senator from the State of Washington, to perform the duties of the Chair.

STROM THURMOND,
President pro tempore.

Mr. GORTON thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. Under the previous order, the majority leader is recognized.

Mr. BAKER. I thank the Chair.

SENATE SCHEDULE

Mr. BAKER. Mr. President, the Senate has reconvened just now pursuant to a unanimous-consent order which provides that notwithstanding our adjournment the reading of the Journal will be dispensed with, no resolution will come over under the rule, the call of the calendar has been dispensed with, and the morning hour has been deemed to have expired.

Mr. President, it might be at this time, appropriate for me to outline the schedule, as I see it, for this week, the final week before our scheduled and statutory recess period beginning on August 5, and extending until September 12. It will be a full week. I anticipate that today a motion will be made once more to proceed to the consideration of the agriculture target price bill and I expect opposition to that.

In addition to the agriculture target price bill, I wish to take up one of several things today that may become available. For instance, there is a possibility, I understand, that a time agreement might be reached on the revenue sharing reauthorization bill. That is an important bill, and I wish to do that this week and certainly to do it today if it can be cleared.

We also have a Department of Transportation appropriation conference report which I am advised will probably reach us from the House of Representatives tomorrow by midafternoon. I propose to take up that privileged matter as soon as we receive it and to try to complete action on it as promptly as possible.

On Wednesday at 2 p.m. in the afternoon a live quorum under the provisions of rule XXII will commence and, after the quorum is established, a vote on cloture will occur filed against further debate on the motion to proceed to the consideration of the Radio Marti bill, which I believe is S. 602.

If cloture is invoked at that time, the Senate, pursuant to the rule, will continue to debate and deal with the Radio Marti bill until its final disposition.

It is possible that another cloture motion will be filed if cloture is not invoked on the first try. I do not rule out the possibility, however, that cloture will be invoked.

The Department of Defense authorization conference report almost surely will reach us during this week. I spoke with the chairman of the Armed Services Committee today and he expressed the hope that they might finish on Wednesday but more likely on Thursday. That measure must be dealt with before we leave, in my judgment, and that probably means then that the Senate will be in session on Friday of this week.

I expect to ask the Senate to turn to the consideration of the Department of Defense authorization bill when we receive it this week. So I anticipate that that will be either late on Thursday or during the day on Friday.

I have announced earlier that we will go out on August 5, which is Friday, absent a national emergency or grave legislative matter that I do not now foresee. Plans have been made and I do intend to ask the Senate to adjourn pursuant to the resolution at the close of business of Friday, August 5, and no later.

There are a number of other matters that can be brought up and I wish to see dealt with. I may have mentioned a railroad retirement bill. When it reaches us, we will take that up if we can.

I will confer from time to time with the minority leader on these measures during the week, and we will try to arrange the remaining schedule of the Senate for this week to suit the convenience of as many Senators as possible.

But Senators should know as indeed they do know that as we come down the home stretch, so to speak, in this final week before the August recess, convenience sometimes will have to give way to necessity and we will do what we must do. So Members who intend to contest the particular measures should check daily with their respective Cloakrooms, certainly with my cloakroom on this side for Members on this side of the aisle, to make sure that they keep apprised of the agenda for this week, since there are a large number of items that may be taken up and a fairly indefinite schedule on when they will be taken up or how long they will be before the Senate and how long they will take to dispose of.

That rather rambling report is as good as I can do, I am afraid, for Monday morning. So I believe that is all I have to say at this moment.

Mr. President, if I have any time remaining, I ask unanimous consent that I may reserve 1 minute of my time under the standing order.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I yield the floor.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

RECOGNITION OF THE MINORITY LEADER

The ACTING PRESIDENT pro tempore. Under the previous order, the minority leader is recognized.

WHAT THE NATIONAL ACADEMY OF SCIENCES REPORT SAID ABOUT ACID RAIN

Mr. BYRD. Mr. President, a few weeks ago the National Academy of Sciences issued their long-awaited report on acid rain. The report was hailed as a major event in the debate over acid rain. However, the meaning of that report with respect to the various legislative proposals to control acid deposition has been the subject of some dispute. For example, one group, which supports the imposition of stringent emissions controls on Midwest and Appalachian coal-fired powerplants, claimed that the NAS report concludes the scientific debate over what to do about acid rain.

Recently I made a statement on the floor of the Senate which raised questions about that interpretation of the NAS report's findings. I pointed out that legislative proposals to control acid deposition in the Northeast by requiring coal-fired powerplants in the Midwest and Appalachia to significantly reduce their emissions of SO_2 are not based upon the conclusions of the National Academy of Sciences.

I find that my reading of the report is consistent with the views of Dr. Volker Mohnen, one of the members of the scientific committee that prepared the NAS report, and an internationally renowned atmospheric scientist. In the July 29 edition of the New York Times, there is a letter to the editor by Dr. Mohnen which expresses his concern that the findings of the NAS report not be misinterpreted as being supportive of acid rain legislation pending in Congress, such as the bill reported by the Senate Environment Committee.

The NAS report said that there is a link between acidic deposition and emissions of sulfur dioxide. It also said that if there was a uniform reduction in emissions over the entire Eastern United States, there would be a similar reduction in deposition over the entire area. However, Dr. Mohnen points out, the report also said that such a reduction would occur "only if emissions are reduced by an equal percentage throughout eastern North America and only if all other pollutants and factors are unchanged."

The Environmental Committee's bill does not call for such uniform reductions. For example, the bill places the heaviest burden on the Midwest and Appalachian States and very little burden on the Northeast. Indeed, Dr. Mohnen points out that the "Academy's report specifically warns that the effect of such a control strategy on the sensitive areas of the Northeast cannot now be predicted since the contribution of Midwestern sources to acid rain in those areas remains basically unknown."

As Dr. Mohnen's letter clearly indicates, those who claim that the NAS report concludes the scientific debate about how to address the acid rain problem simply go beyond the actual findings of the report. In fact, Dr. Mohnen points out that "it is important not to confuse the Academy's findings. It has concluded that sulfur dioxide emissions are related to acid deposition; it has not concluded that the control strategy adopted in the pending legislation will solve the problem, and it has specifically cautioned against assuming that the strategy will be effective."

Mr. President, I ask that a copy of Dr. Mohnen's letter be inserted in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEFECTS IN LEGISLATION ON ACID RAIN

TO THE EDITOR: Recent news stories on the National Academy of Sciences' report on acid rain (June 30 and July 5) suggest that it supports the bills pending in Congress to control acid rain by requiring major reductions in sulfur dioxide emissions from coal-burning power plants and factories. As a member of the Academy's committee that prepared the report, I am concerned that it not be misinterpreted.

The report does conclude that there is a link between sulfur dioxide emissions and acidic deposition ("acid rain"). It also concludes that a uniform reduction in such emissions over the eastern U.S. could be expected to result in a similar reduction in acid rain averaged over the same region, but only if emissions are reduced by an equal percentage throughout eastern North America and only if all other pollutants and factors are unchanged.

The bills do not provide for that. They impose the largest percentage share of the emission reductions on sources in the Midwest, and relatively little on those in the Northeast, which contains most of the areas where acidic deposition has effects; and they make no serious effort to address other pollutants, such as oxides of nitrogen.

The Academy's report specifically warns that the effect of such a control strategy on the sensitive areas of the Northeast cannot now be predicted since the contribution of Midwestern sources to acid rain in those areas remains basically unknown.

In considering the best legislative response to the acid rain problem, it is important not to confuse the Academy's findings. It has concluded that sulfur dioxide emissions are related to acidic deposition; it has *not* concluded that the control strategy adopted in the pending legislation will solve the problem, and it has specifically cautioned against assuming that that strategy will be effective.

The report states: "Because we cannot rely on current models or analyses of airmass trajectories, we cannot objectively predict the consequences for deposition in ecologically sensitive areas of changing the spatial pattern of emissions in eastern North America, such as by reducing emissions in one area by a larger percentage than in other areas."

VOLKER A. MOHNEN.

Mr. President, I ask unanimous consent that I may reserve my time.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BYRD. I thank the Chair.

Mr. BAKER. Mr. President, there is an order for a period for the transaction of routine morning business of 1 hour in length in which Senators may speak for not more than 10 minutes each.

Mr. President, I yield back the remainder of my time, if any, and I ask the Chair to comply with the provisions of that order.

ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of routine morning business for not to exceed 1 hour with statements therein limited to 10 minutes each.

Mr. BAKER. Mr. President, I see no Senator at this moment seeking recognition, and I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The Assistant Secretary of the Senate proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EXTENSION OF TIME FOR PERIOD FOR TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. BAKER. Mr. President, from time to time over a period now of 3 years, actually more than 3 years, the minority leader, formerly in his role as majority leader, has given us the benefit of his extensive and scholarly research on the history of the Senate in speeches delivered from time to time.

The minority leader has indicated to me he is prepared to make one of those speeches today, perhaps.

Therefore, I ask unanimous consent that the time for the transaction of routine morning business be extended to not past the hour of 1 p.m. and that the limitation on the length of speeches not apply to the distinguished minority leader.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BAKER. I thank the Chair.

Mr. BYRD. Mr. President, I thank the distinguished majority leader. I have assured him that I will not today, as I have never before, trespass on the time of any Senator who wishes to speak. I am always happy to yield.

Any time the majority leader has any business to transact, of course, I

will abdicate my time, with that understanding.

Mr. BAKER. I thank the minority leader.

Mr. President, I once again suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The Assistant Secretary of the Senate proceeded to call the roll.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

WHO FEARS ARMS CONTROL AND WHY

Mr. PROXMIRE. Mr. President, for anyone truly concerned with what this country is up against in achieving arms control, a recent paper by Robert Foelber, a policy analyst for the Heritage Foundation, makes chilling reading. Mr. Foelber writes as a friend and supporter of the Reagan administration's arms control posture. More than anything I have read lately, it explains why we have reason to be pessimistic about any genuine arms control agreement developing from negotiations conducted by this administration. To the extent the Foelber analysis reflects the administration's position, we are in trouble, deep trouble.

Mr. Foelber starts from the position that the Reagan administration is right—all right—100 percent right in its negotiating posture. And the Russians are wrong—all wrong—100 percent wrong. Anyone who has ever negotiated anything with anybody will tell you that anyone who enters negotiations with this attitude is simply wasting his time. Anyone who views negotiations this way is looking for confrontation, not agreement, and confrontation he will get.

From this point on, we are absolutely right and the other side absolutely wrong. The going for arms control goes steadily downhill in the Foelber analysis. Mr. Foelber devotes most of his paper to denunciation of SALT, selecting SALT as the arms control prototype and contending that it constituted the basis for a Soviet buildup in nuclear numbers, in warhead expansion, in modernization, in surprise-attack advantage, in leaving the United States undefended, in curtailing U.S. weapons development, in permitting Soviet violations, in obstructing verification, and in increasing superpower tensions. All of this, according to Mr. Foelber, is the fault of SALT.

Now, Orwell would have found much to agree with Foelber. To Foelber arms control leads to arms buildup. Forget about any other of the myriad of factors that fed the Soviet nuclear buildup. It is all SALT's fault.

Foelber argues that the reason for this is that the Soviets have no interest in superpower balance—they want superiority, not balance. Foelber sees all our arms control efforts to date as helping the Soviets move to that superiority.

He then concludes with his formulation of the shape our arms control efforts should take in the future. And he offers a formula that is an absolute 18-carat guarantee for arms control failure. Here is what he asks:

First, he wants verification. Now, that is fair enough. We all want verification. But Foelber attaches a special definition of verification. Adequate verification is not enough. He wants strict verification. We must be able to detect Soviet cheating fully and at once. It is not enough for us to be able to know the Soviets are cheating in time for us to take remedial action before the strategic balance is altered.

Then Foelber argues that limits should be equal for both sides. Mr. Foelber does not define equality. Certainly, the Soviet and U.S. nuclear arsenals sharply differ, with far more Russian land-based missiles and far more U.S. sea- and air-based missiles, with greater megatonnage for the Soviets and greater survivability for our more mobile and less vulnerable deterrent. Could negotiators work out a balance of deterrent force on both sides, given these sharp differences? Certainly, but not if they insist, as does Mr. Foelber, on a precise—and not a simply adequate—balance. The Foelber attitude will always be that the Soviet power is superior. A Soviet equivalent of Foelber will always see it precisely the other way.

But now comes the Foelber ace in the hole. Even if verification is more than adequate and is precise and complete, even if the limits on both sides are accepted as equal, Foelber would toss this ace of a veto on the table. On top of all this, Foelber would insist that the agreement "should not prevent the United States from deploying those forces necessary to support its military strategy."

To see how outrageous this last demand really is, just turn it around. Suppose, after we worked out an agreement with the Soviet Union that provided full verification to everyone's satisfaction and equal nuclear arms limitations that both sides accepted, the Soviet should say to this country: "We agree; but, on top of all of this, the agreement will not prevent us from deploying those additional nuclear forces we consider necessary to support our military strategy." Can you imagine the howls that would go up right here on the floor of the Senate? And I can tell you that the senior Senator from Wisconsin would be right out there howling with the rest of them.

There is no way we in this country could accept such a Soviet formulation. And there is no way they would accept such a proposition from us. We would be saying, in effect, that we will cap the arms race except where we consider it necessary to uncap it.

Mr. President, this analysis for the Heritage Foundation convinces me that, even among the most thoughtful, intelligent, and best-informed supporters of the administration—and Mr. Foelber is all of those things—there is a determined desire to stop arms control, a desire to continue an untrammeled arms race.

On Saturday night, I released a statement based on hearings I conducted a few weeks ago that pointed out that the Soviet Union seems to be getting into serious economic trouble. Its economy is certainly slowing down. It may now be necessary for the Soviets to put not the 6 or 7 percent of their gross national product into their military effort that we invest in our military security, but as much as 15 or even 20 percent to continue the race with us.

But can anyone really doubt that they will do it? Why not? For 65 years they have had an iron grip on their people. They can continue to squeeze down on the Russian standard of living—and they will, if they have to do so. But they are under real pressure now to reach an arms control agreement that would permit them to ease up a little. Let us take advantage of this opportunity. Yes, indeed, let us be firm and careful in our negotiations. We should insist on adequate verifiability and overall equality, but we should take advantage of the overwhelming interest of both countries in stopping the arms race.

POLAND AND HUMAN RIGHTS

Mr. PROXMIRE. Mr. President, I once again rise to speak on the Genocide Convention. As you may know, it designates the premeditated destruction of a national, racial, ethnic or religious group as a crime against humanity.

It disheartens me to realize that in so many nations across the world that although genocide is not occurring, there is a genuine lack of regard for human rights that makes genocide only too possible. Poland is one such nation.

It has been over a month now since the Pope visited Poland. Reflecting on this, we are once again reminded of the tenuous situation there. We feel deeply for the people of Poland and their plight. We commend the Polish Government for the lifting of martial law, although we must never forget the treatment the Polish people suffered under martial law and to an extent still suffer.

Daily we would learn of the Polish martial law Government's continuous effort to clamp down violently on dissent. The special police continued to interrogate and incarcerate members of the outlawed union, Solidarity. They continued to harass the church, which steadfastly stood up for human rights. The Pope again and again in his speeches harked back to the theme that man-made governments have no prerogative to deny citizens their natural rights.

Lech Walesa, leader of Solidarity, in a speech delivered for him at the Harvard commencement, lauded the great concern and help that was manifested in the United States toward Poland. He related how difficult the situation still is in Poland and the need for continual action to achieve fundamental rights.

We must respond to his acclaim of us and to his plea for unfailing help. Poland is just one gross example of many places in the world where human rights violations are commonplace. These human rights violations in Poland, although far short of genocide, reflect man's inhumanity to man which makes possible genocidal exterminations.

Other oppressed countries look to us for relief and leadership in this matter. These people need moral as well as physical support. The least we can do to help courageous people such as these is to give them the moral support necessary for them to continue their valiant struggle for human rights. We, the United States, must continue to be a stalwart of democracy and freedom against those violations.

By ratifying the Genocide Convention, the United States can once again reaffirm its support for these people and the quest for human rights. I strongly urge that we ratify.

WASHINGTON PUBLIC POWER SUPPLY SYSTEM BAILOUT

Mr. PROXMIRE. Mr. President, there is a provision in H.R. 3363, the Interior appropriations bill, that I am seriously concerned about and would like to call to the attention of my colleagues. In subcommittee markup, a far-reaching amendment was made to this bill which makes major changes in the financial structure of the Washington Public Power Supply System (WPPSS) and grants broad new powers to the Bonneville Power Administration to finance the completion of WPPSS nuclear powerplants 1, 2, and 3.

This is the same WPPSS that last week defaulted on $2.25 billion in obligations to finance two other nuclear powerplants, units 4 and 5. WPPSS is a system in chaos that has plunged the security markets into disarray and is involved in massive litigation between bondholders, investor-owned utilities, publicly owned utilities, and ratepayers.

Yet, in the midst of an extremely volatile and complicated situation, we have been handed a complex, last-minute WPPSS bailout plan by the Interior Appropriations Subcommittee. It is a piece of legislation drafted by its major beneficiary, the Bonneville Power Administration (BPA) and it is designed to protect and expand BPA's interest in WPPSS.

This provision, we are told, is needed in order to complete construction on WPPSS units 2 and 3. Because of the defaults on the bonds for plants 4 and 5, we are told that it will be impossible for WPPSS to raise the more than $1 billion needed to complete units 2 and 3 on the publicly traded bond market. The cure, we are told, is to create some new entity that supposedly will be able to raise the money to finish units 2 and 3, in spite of all the financial chaos and litigation surrounding the entire WPPSS project.

The Interior Appropriations Subcommittee bailout plan gives the Bonneville Power Administration—a Federal agency that is the primary WPPSS customer—authority to make direct payments to the new financial entity this amendment would establish. This new entity would have responsibility for WPPSS units 1, 2, and 3. Creation of this new entitity, of course, is a clear effort to legally separate the nearly finished units from the defaulted units 4 and 5 for the purposes of litigation. That is the kind of jockeying that itself is almost certain to become an issue in the courts and simply add to the current deluge of WPPSS litigation.

What has been lost in this rush for a quick fix to the WPPSS crisis is a careful examination of the new risks involved in giving Bonneville Power sweeping new powers and responsibilities for the WPPSS plants. Plants 1, 2, and 3 will no longer be financed by the WPPSS consortium of 23 Northwestern utilities.

They will survive or go bankrupt based solely on the ability of Bonneville ratepayers, who have already suffered fivefold, and in some cases, twelvefold, rate increases since 1979, to pay the rates needed to cover the entire costs of operation and debt service for WPPSS 1, 2, and 3. The bonds to be issued by the new entity that replaces WPPSS would be secured by a contract with Bonneville Power that commits BPA to pay the principal, interest, and related costs on the new borrowings to the new entity or its debtholders.

In other words, this bailout plan depends on Bonneville's ability to carry the full weight and respond to any future financial crisis at the WPPSS plants. That would be a heavy burden even for a healthy agency, but recent examinations of BPA and its financing by committees of the Congress reveal that Bonneville is itself in trouble and is increasingly unable to pay back its own debts to the Treasury.

BPA now represents a $7 billion Federal investment that is supposed to be paid back to the Treasury. Since its creation in 1939, Bonneville has paid back a total of $638 million to the Treasury. But in the last 10 years, it has managed to pay back only $43 million. As a percentage of Federal investment, Bonneville's paybacks have steadily dropped from 15 percent in 1975, to 10 percent in 1980, and to just 8 percent in 1983. Because BPA now estimates that its fiscal year 1983 revenues from power sales will lag behind its forecasts by as much as $350 million, Bonneville will fall even further behind in its repayment schedule this year, adding another $120 million to its unpaid bill.

The General Accounting Office has condemned BPA for this practice and called it an unsanctioned burden on Federal taxpayers. The Federal Energy Regulatory Commission now says that BPA's pattern of increasingly delayed repayments to the Treasury has cost the taxpayers between $780 million and $1.4 billion.

What about BPA's financial condition after such a WPPSS or Super-WPPSS bailout? Let me quote from a recent statement by Congressman JAMES WEAVER, who chairs the House Interior Subcommittee responsible for oversight on Bonneville. He states:

> Despite skyrocketing rates, BPA has been unable to keep up with the required debt service payments to WPPSS bondholders without shorting the U.S. Treasury during each of the past 7 consecutive years, even under a repayment method that pushes large costs continually into the future. More cost to BPA for paying debt service on Super-WPPSS bonds or on high-interest bank loans secured by Super-WPPSS would simply mean that BPA will pay the Treasury less and shift a larger "un-sanctioned burden" onto Federal taxpayers. Make no mistake. This is a federal bail-out for WPPSS funded by all Federal taxpayers.

Mr. President, the question here is how in the world can we reasonably assign the responsibility of saving, of bailing out the WPPSS system to an agency like Bonneville that is already financially ailing itself, and one that depends on the Federal Treasury and hidden costs to the taxpayers to keep its own head above water?

The Interior Appropriations Subcommittee insists that this bailout plan requires no Federal expenditures. If all goes perfectly, that may turn out to be true. But this plan is like a blank check for Bonneville Power. If it needs more money for WPPSS, it can first raise rates to consumers until they will pay no more. Then, it can simply decline to repay the Treasury and reschedule its debts until BPA itself goes completely out of control.

The Interior Subcommittee's plan is no more than a gamble that BPA will suddenly learn how to keep WPPSS's house in order when it cannot even control its own finances. And if this plan is adopted, and BPA fails, all this will come falling down on—guess whom—the Federal Treasury and the taxpayers. Then we will be asked to bail out Bonneville Power, WPPSS, and the entire house of cards that the Interior Appropriations Subcommittee has constructed.

Mr. President, I ask that a letter I have received on this subject from a number of concerned groups, including the National Taxpayers' Union, Environmental Act, and the Natural Resources Defense Fund, be printed in the RECORD at this point. I also request that an article on Bonneville's role in the WPPSS crisis from the Wall Street Journal of February 16, 1983 be included in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

DEAR SENATOR: H.R. 3363, the "Department of the Interior and Related Agencies Appropriation Bill, 1984", is scheduled for floor consideration this week. We are deeply concerned that just last week a provision was added to this bill in Interior Appropriations Subcommittee which proposes fundamental changes in the financial structure of the Washington Public Power Supply System (WPPSS) and which obligates Bonneville Power Administration (BPA) revenues to secure financing for WPPSS 1, 2 and 3. No hearings have been held to examine this bail-out proposal.

Given the complexity of the financial arrangements surrounding these nuclear units and the potentially large impacts on bondholders, ratepayers, and taxpayers, we think it is extremely important that the implications of this proposal be thoroughly examined in hearings, before the proposal is brought to the floor for a vote. This is especially important because BPA's current debt obligations to the federal government are not being met. The potential cost to taxpayers and the U.S. Treasury should be thoroughly understood in advance.

As we understand it, the WPPSS provision makes the following changes:

1. Financing of WPPSS 1-3 is separated from WPPSS 4 and 5. Bonneville is given the authority to make direct payments to a new financial entity to be established under state law. The 23 utilities in the Northwest which constitute the WPPSS consortium will no longer be directly involved in financing WPPSS 1-3.

What are the implications of this change for ratepayers in the Northwest? Who will benefit and who will lose? Since 1979, Bonneville rates have increased 5-fold for utility customers and 12-fold for industrial customers. A substantial portion of BPA's current rates reflect the cost of debt service on WPPSS 1, 2 and 3. The impact of further increases in BPA rates on the economy of the Northwest should be carefully examined.

2. BPA is given authority to contract directly with the new financing entity. The new financing entity would issue bonds to complete WPPSS 2 and 3 and possibly WPPSS 1. These bonds would be secured by a contract between the new entity and BPA, which would "commit BPA to pay the principal, interest, and related costs on the new borrowings directly to the new entity, its obligees or their trustees" (Senate Report No. 98-184, p. 115).

What is the extent of the risk which is being assumed by BPA? How great are the potential financial obligations? In answering these questions, the financial condition of BPA must be considered. Bonneville has projected a revenue shortfall of $350 million for fiscal year 1983, and has been unable to meet its obligations to the U.S. Treasury for the last seven years. Further, when BPA issued its May report which justified mothballing WPPSS 3, it stated:

"Given these circumstances, BPA must husband its fiscal resources and critically review any increase in financial exposure. BPA's only choice is to reduce financial risk and not further encumber the revenue-generating capability of the Federal System in the current circumstances." ("Analysis of Resource Alternatives: Summary and Conclusions," Bonneville Power Administration, May 26, 1983, page 6.)

What changes have occurred in BPA's financial status since May to justify their incurring this new financial obligation?

What impact will this contract have on the Federal Treasury? In its report of May 26, 1983, Bonneville admitted that it was $180 million behind in its repayment to the U.S. Treasury for investment in the Northwest hydropower generation and transmission system. The Federal Energy Regulatory Commission has concluded that the Federal Treasury has already lost between $780 million and $1.4 billion because BPA has delayed its repayment of federal loans. The General Accounting Office has called this an "unsanctioned burden on Federal taxpayers." What is the potential for additional federal tax burdens arising from the WPPSS bail-out proposal?

3. Further remedy may be required to protect Federal investment in WPPSS. The report mentions that "this directive should not be interpreted to be the only clarification of authority or remedy needed to protect the Federal investment in the Federal base system resources" (Ibid. p. 116).

What other remedies are being referred to and why?

4. BPA is to consider "the need for and the marketability of the power."

How will future electricity sales affect the contract and the risk which BPA would assume in guaranteeing the bonds? In considering this question, it should be noted that the region currently has a substantial power surplus. Further, the Northwest Power Planning Council, in implementing the Northwest Power Act, has identified an additional 32 billion kwh's which can be made available annually at an average cost of less than 2.2 cents per kwh. We understand that EPA has recently cut back on its conservation programs because of the surplus power in the region. Energy conservation does not produce revenues which can be used to pay for expensive investments in nuclear plants. The financial obligation which EPA would incur under the Interior Appropriation provision may be incompatible with the requirements of the Northwest Power Act. This needs to be examined thoroughly.

The Interior Appropriations provision has not been subject to hearings where these potential problems can be aired. The implications of these financial arrangements for ratepayers in the Northwest and for federal taxpayers needs to be thoroughly understood and found to be acceptable before this provision is included as part of the Interior Appropriations bill.

Sincerely,

Ruth Caplan, Environmental Action; Alan Miller, Natural Resources Defense Fund; Brooks Yeager, Sierra Club; Jill Lancelot, National Taxpayers' Union; Michael Totten, Public Citizen's Critical Mass Energy Project; Fred Smith, Council for a Competitive Economy; Robert Percival, Environmental Defense Fund; Michael Faden, Union of Concerned Scientists; Elizabeth Raisbeck, Friends of the Earth; Keike Kehoe, Environmental Policy Center.

BONNEVILLE POWER IS CRITICIZED FOR ITS ROLE IN PLANNING NUCLEAR PLANTS FOR NORTHWEST

(By Norman Thorpe)

PORTLAND, ORE.—Bonneville Power Administration's efforts to promote five nuclear power plants have left the federal agency with rising electric rates and falling popularity.

In 1937, Bonneville was created to market electricity from federal dams being built on the Columbia River. For four decades it did so, selling cheap hydroelectric power at wholesale prices to public and private utilities and industry in the region.

In 1969, however, it plunged into much bigger stuff. Anticipating rapid growth in its Northwest market, Bonneville began promoting the construction of first three, and then five, nuclear power plants at a projected cost of $4.1 billion. The projects were to be financed and managed by Washington Public Power Supply System (WPPSS), a municipal corporation.

The first three plants were approved in 1969 by more than 100 of Bonneville's utility clients, and the final two in 1974 by 88 participating utilities. But as construction progressed in the 1970s, so did the difficulties: regulatory delays, construction snags, management problems, soaring inflation. Soon the projects were years behind schedule and costs had increased five-fold to about $23 billion.

BLAMING BONNEVILLE

Now critics say Bonneville created much of the snarl. They say the agency unwisely pushed the region's utilities into building the plants. They charge that Bonneville failed to oversee construction properly, causing costs to rise, and that it developed faulty energy-use forecasts by which construction of the plants was justified.

Construction of the last two plants, already under way, has been canceled, leaving thousands of construction workers laid off and participating utilities with nothing to show for $2.25 billion in bonds outstanding (some of the utilities say they can't pay on the bonds; others say they won't pay, spurring fears of default). Construction of a third plant, which was two-thirds completed, has been deferred. A fourth plant, also two-thirds completed, may also be suspended.

Over the last three years, Bonneville has raised its wholesale electric rates three times for a compounded 478 percent increase. Although retail rates locally are still below national averages, the sudden increase has spawned angry consumer groups and stunned local industries, particularly aluminum producers that have relied on the region's cheap hydroelectric power in the past. Alumax Inc., a joint venture of Amax Inc. and two Japanese companies, cited Bon-

neville's rate hikes last month when it shelved plans for a $660 million aluminum reduction plant it had hoped to build in Oregon.

Recently, 13 utilities filed two suits in the U.S. Court of Claims, charging that Bonneville coerced them into investing in the plants. The lawsuits, seeking hundreds of millions of dollars in damages, charge that Bonneville repeatedly threatened the utilities with a power shortfall if they didn't participate in the projects.

Bonneville officials "weren't satisfied with just being a marketing agency," contends Marc Sullivan, state coordinator for "Don't Bankrupt Washington," a group demanding voter approval for future public utility investment. They began "naked empire-building to control an ever-increasing amount of power," he says.

Rep. James Weaver, (D., Ore.), recently-named chairman of a House interior subcommittee overseeing Bonneville, says he believes the Columbia River region's utilities were "bamboozled—conned into going along" with Bonneville's grand plans.

It was in 1968 that Bonneville first warned of a future shortfall of hydroelectric capacity, and began promoting the first three nuclear plants. "We were out trying to convince each utility to sign up," recalls Raymond Foleen, former Bonneville deputy administrator, and since 1981 a consultant to some of the utilities.

MAKING CONSTRUCTION ATTRACTIVE

Bonneville made constructing the first three plants as attractive as possible. Although prohibited from building or owning plants itself, it arranged to own most of the electricity generated by the nuclear plants. The reason for doing so was clear: By mixing the expensive nuclear power with cheap hydroelectric power, Bonneville could pass a blended rate on to all its customers, much to the benefit of utilities participating in the nuclear project.

In addition, the agency pledged revenue from its electric power sales for repayment of the plants' construction debts, regardless of whether those plants ever were completed. The pledge made bond financing of the project more creditworthy, and it reduced interest rates. Although the arrangement went beyond Bonneville's original mandate, Congress approved it.

Still, construction of the three plants lagged. Costs increased to $12.5 billion from $3.1 billion. Bonneville blames most of the recent rate hikes on the projects, and critics blame the cost overruns on poor oversight by Bonneville. Even an outside study commissioned by Bonneville in 1978 concluded that the agency needed a stronger presence on the construction site.

GAO CONCLUSIONS

After the first three plants were begun, two more were proposed. Bonneville couldn't underwrite the construction of these (because of internal revenue code changes) but 88 local utilities did.

Last year, after construction on the last two plants was suspended, leaving $2.25 billion in debts, the General Accounting Office began looking into charges that Bonneville coerced the 88 utilities into participating in the debacle. The GAO concluded that Bonneville "supported" its customers' participation in the last two plants and "endorsed the need for additional generating units." The report noted that in 1974 Bonneville's administrator at the time, Donald Paul Hodel, wrote the regional utilities that "any utility which needs additional power resources in the mid-1980s will need to enter the participants' agreements with WPPSS at this time."

A spokesman for Mr. Hodel, who is now energy secretary, says he declines to comment on the Bonneville matter. Mr. Hodel previously has denied that Bonneville acted improperly or overstepped its authority.

FORECASTS QUESTIONED

Bonneville's current administrator, Peter T. Johnson, rejects charges of coercion, saying, "Bonneville was a player, but not the player that is being alleged." An indication that there wasn't coercion, he says, is that the projects were 30% oversubscribed.

A major question is whether the forecasts of energy demand that prompted the construction were grossly inaccurate. Bonneville says it isn't to blame for the estimates, noting it simply used forecasts of a utility association, which in turn collected forecasts from individual utilities.

However, the GAO notes that Bonneville helped many utilities prepare their individuals forecasts, and adds that Bonneville's input represented "about 40% of the demand projections." The GAO also states that Bonneville endorsed the forecast, reprinted it in Bonneville publications, and "publicly defended it against critics" who questioned the building spree.

Bonneville, says the GAO, even expressed concern that the forecast of future demand might be too low.

(During the following remarks by Mr. BYRD, Mr. SIMPSON assumed the chair.)

THE U.S. SENATE

SENATE COMMITTEES, 1845-1900

Mr. BYRD. Mr. President, those who love this magnificent Capitol Building and who are fascinated by its history—architectural and artistic as well as political—would find great pleasure and edification in reading Glenn Brown's two-volume *History of the United States Capitol.*[1] Published in 1900 and 1902 as Senate documents, these handsome portfolio volumes present the creation and evolution of the Capitol, with lavish use of architectural drawings and photographs. Volume 2 contains four remarkable photographs of the interiors of Senate committee rooms at the turn of the century. Although taken over eighty years ago, these pictures will be instantly familiar to those of us who frequent the same rooms today. Yet while the Brumidi frescoes and Minton tiles remain the same, a second look at these committee room photographs reveals many differences.

Take, for example, the photograph of the Naval and Philippine Committees room.[2] The very titles of these committees, which shared the same room, date the picture. Philippine affairs became a subject worthy of a standing committee's attention after the War of 1898, the Spanish-American War, when the United States acquired the Philippine Islands. In 1945 the Philippines received their independence, and shortly after that, the Naval Affairs Committee also ceased to exist as a separate entity, being merged into what is now the Armed Services Committee. In 1900, at the time this photograph was made, the Naval and Philippine Committees occupied what is now numbered room S-127 on the ground floor of the Capitol. Countless visitors to the Capitol in recent years have stopped to marvel at this beautiful room, which is made visible to the public via a glass paneled doorway.

In S-127 we find Constantino Brumidi's earliest ceiling and wall designs on the Senate side of the Capitol. Brumidi was hired in 1855 by General Montgomery C. Meigs, superintendent of construction for the Capitol extensions, who encouraged him to produce classical themes appropriate for a naval affairs committee room. When the room was opened in 1858, a sign informed visitors that: "The decorative paintings of this room are a specimen of the manner in which ancient Greeks and Romans ornamented their splendid buildings, some of which are still extant in the precious monuments of Pompeii." Indeed, looking around this room, which has been beautifully restored by the State Appropriations Committee, its most recent occupant, we can find Neptune, Lord and Ruler of the Sea; Nereus, known as the Old Man of the Sea whose fifty beautiful daughters became sea nymphs, and assorted other gods and goddesses identified with the sea.[3] These frescoes are even more visible today than they were eighty years ago, since in those days the committee room was crowded with bookcases, screens, and other room dividers. The old gas chandeliers pictured in the turn-of-the-century photograph were replaced during the early twentieth century by the large crystal chandeliers, modeled after those which hung in the White House. The Minton tiles have been carpeted over, to reduce the noise level. The committee table, which seated about nine, has been replaced with one large enough to seat the twenty-nine members of the Appropriations Committee.

Wandering about a nineteenth century committee room one would also find a roll-top, pigeon-hole desk, overstuffed leather chairs, a chaise lounge, and carved sideboards. The walls would be covered with bookcases, and the tables crowded with papers. These rooms had the appearance of a men's club, and looking at these photographs one can almost smell the cigar smoke that must have hung in the air. Writing in 1898, in his study of congressional committees, Lauros McConachie imagined how one of the Founding Fathers might have reacted to a committee room of that era: "He

[1] Footnotes at end of article.

would wonder at the silk gloves, the cork-screws, the quinine pills; he would shake his head over the Turkish rockers, the Smyrna and Axminister rugs, the antique oak French bevel mirrors. But the American of twentieth century aspirations, though to-day his pockets be empty as he treads Washington's beautiful halls, though he sees reflected in their golden domes the stintings of his coffee and sugar, rather condones and forgives it all in the proud sense that anything less were not worthy of a nation so rich and so grand—his own nation."

The committee rooms were the domain of their chairmen. Indeed, they were little fiefdoms. Committees functioned differently in the late nineteenth century than they do today. There were few formal meetings or hearings. The chairman would often informally poll members of the committee rather than call them together. That is done to a considerable extent today by some committees. The committee staff consisted of one clerk, and the committee room served as the office, the only office, of the chairman. It was well known among the Senators at the turn of the century that Senator Nelson Aldrich, chairman of the Finance Committee, would use the Finance Committee room for his afternoon nap, and woe be to the person who disturbed this powerful senator during his repose. Indeed, some committees apparently existed solely to give their chairmen a room in the Capitol and the use of space. For many years the Senate kept alive the Committee on Revolutionary Claims—long after there were any Revolutionary War claims to process—only to provide meeting space for the Senate minority (and for the most part this meant the Democratic senators). This was a relatively large and conveniently located room next to the first floor entrance in the Senate wing, a room currently known as the Family Dining Room.[4]

A great proliferation of Senate committees occurred during the late nineteenth century. In 1845 there were twenty-three committees of the Senate; by 1900 there were 55 standing committees, 8 select committees, and three joint committees. Among those committees established between 1845 and 1900 are such familiar names as Appropriations, Education and Labor (now Labor and Human Resources), and Rules, and many others that have faded into history, such as Cuban Relations, Epidemic Diseases, Expenditures of Public Money, Geological Survey, Pacific Railroad, Philippines, Transportation Routes to the Seaboard, and University of the United States.[5]

Because the work of the Senate committees became so integral to the legislative process and so important to the functioning of the federal government during the period, I am interrupting my chronological narrative of the history of the United States Senate to once again focus on the development of the committees. In a previous address, I spoke about the early history of Senate committees,[6] taking them from the first ad hoc committees through the creating of standing committees in 1816, and finally to the system adopted in 1845 by which the party caucuses would name their party members to the standing committees.

The preeminence of the party organizations in deciding committee assignments—a practice which continues today—ended years of debate over the subject. At first the Senate as a whole had voted for the members of each committee, then the vice president appointed senators to committees. Senator John Sevier, a Democrat from Arkansas, was floor leader for the difficult birth of this new system in December 1845. Senator Sidney Breese of Illinois had first moved that the president of the Senate make committee assignments, but this motion lost by one vote on December 4. Beginning on September 9, the Senate began voting on the membership of each committee. This was a tedious, troublesome process that continued through December 17. In some cases positions on committees went to minority members by a plurality rather than a majority vote. Motions were made to change these positions, and the names of committee members were listed in "a special arrangement," that is, distinguishing majority from minority members, which was adopted without dissent. It was at this point that leaders of the two parties agreed to present a common list, arranged in an acceptable manner to both the majority and minority.[7]

This system worked well so long as there were just two parties, the Whigs and the Democrats. But as I discussed in my addresses concerning the aftermath of the Mexican War, the two-party system had been placed in jeopardy due to growing dissatisfaction over the slavery issue. In 1847, Senator John P. Hale, a Free Soiler from New Hampshire, refused to associate himself with either party caucus and would not accept the insignificant committee assignments they offered him. A disgruntled lone member is hard to ignore in the Senate, and Hale made his protest known by objecting to the unanimous consent requests to suspend the rules and elect committee members in a group. Hale argued that he and Ohio Senator Salmon P. Chase had met in caucus and now constituted a third party, which should be consulted in making committee assignments. As a result of Hale's protest, Democratic and Whig leaders had to return to the tedious process of electing committee members individually by ballot. By December 1853, however, the parties had made a temporary peace with the independents, finding places for them on several committees.

By the mid-1850s, the Whig party was crumbling, and the ranks of the New Republican and American ("Know Nothing") parties were swelling. *The New York Times* reported that "the committee appointed by the Democratic caucus of the Senate to report a list of Senate committees to be voted for by the body have concluded that the Republicans and Know Nothings are "healthy organizations," sufficient at least to justify their sharing in the labors of the committee room."[8]

When the Republican party superseded the Whig party, its sectional nature posed some new problems for committee selection. Unlike the Democrats and Whigs, which spanned both North and South, the Republicans at first represented only Northern states. Thus, with committee assignments favoring the majority party, a disproportionate number of appointments and chairmanships went to southern senators.

At the opening of the 35th Congress, in December 1857, Senator Hannibal Hamlin objected to this arrangement. Hamlin, a Maine Democrat turned Republican, had studied the resolution assigning committee seats for that Congress and found it "unequal, unjust, and sectional." At that time, there were 62 members of the Senate, 30 from slave-holding states, and 32 from non-slave-holding states. There were 126 committee seats available for distribution on 22 committees. Senator Hamlin argued that "as representatives of equal states, we are entitled to an equal representation in the organization of this body." In fact, the slave-holding states had been assigned 67 seats to 59 for the free states. Sixteen of the 22 committee chairmen came from slave-holding states. The South held a majority on 13 of the committees. The nine committees on which free-state senators constituted the majority included such relatively unimportant committees as Enrolled Bills, Audit and Control, and Contingent Expenses of the Senate.

"Here we have the Committee on Foreign Relations, that shapes and directs the foreign policy of the Government," said Hamlin. "We have the Committee on Military Affairs, that looks to the Army; we have the Committee on Naval Affairs, that has charge of the Navy; we have a Committee on the Judiciary, which gives constructions to laws and shapes the policy (so far as the legislature may) of the Government; we find them all constituted of a majority of men who represent the slave-holding states." The Committee on Commerce, Hamlin pointed out, had a majority of southern members and no representation at

all from the Northwest, from the Great Lakes region. The industrial Northeast was in the minority on the Patents Committee, even though that section produced by far the greater number of patent applications.

"The majority of the Senate," Hamlin contended, "are entitled to a control in the organization of the committees. But it is this sectional manner of which we have the right to complain."

Other Republicans, in 1857, protested that the *Congressional Globe* had inaccurately claimed that "the caucus of all parties in the Senate" had agreed to the list of committee memberships. In fact, there had been no Republican caucus. The Democratic caucus had met, chosen its own members, and left blanks on the list for the Republicans to fill in.

Democratic Senator James Bayard of Delaware rose to respond to Hamlin's accusations. "What is the first principle that enters into the organization of committees, and always must, in every political body?" Bayard asked. He then provided the answer to his own question: "The political party having the majority will necessarily control all the committees of the body, because they are responsible, as a party, for the business of the body."

There was no deliberate discrimination against any section, Bayard insisted. The disproportions emerged only because the Republicans were a sectional party and because two-thirds of the Democratic senators came from the South. The Democratic majority had continued the practice of not displacing incumbent members of committees, to ensure experience and continuity. The Democrats had sought the best qualified members of the majority to fill new vacancies. Other than that, Bayard saw no way for the majority party to proceed.

Other Democrats pointed out that the Republicans followed the same practices when they controlled the House of Representatives during the 34th Congress. Thus, Hamlin's objections were overruled when the Senate voted 30 to 19 to accept the committee memberships as presented by the Democratic caucus.[9]

Within four years, the political situation had reversed itself completely. Following Lincoln's election, the southern states had seceded, taking with them the greater part of the Democratic majority in the Senate. For the first time, the Republicans controlled this body. As I discussed in my statements on the Civil War Senate, Republicans selected committee members who were just as disproportionately sectional, although now the Northeast and Northwest dominated the committees. We can be sure that Hannibal Hamlin watched these developments with pleasure from his new vantage point as vice president under Lincoln and president of the Senate.

Now it was time for the Democrats to complain. This place will always be the same, in many ways. Democratic Senator Willard Saulsbury of Delaware insisted that it was "nothing but justice that the minority should be consulted and have the privilege of selecting their members upon the committee."[10] Senator Lazarus Powell, a Democrat from Kentucky, recalled that the custom had been for the majority caucus to make a list assigning their members to committees and to leave blanks for the minority to fill in their own members. In the face of these protests, Senator John P. Hale, now a member of the Republican majority and chairman of the Committee on Naval Affairs, rose to respond.

"I think if there be a member here who has a right to speak of the experience of being in a minority on this floor, I am that man."

Hale recalled how he had been omitted altogether from the committee lists at first, and how he was at last placed "at the tail end" of the Committee on Private Land Claims. "I could not render much service" on that committee, Hale reported. "A good many of those claims were found to rest in old Spanish grants; and, not being entirely conversant with the language, I had to trust to other agencies to find out what was intended. But I want to say, sir, that a claim to anything of this sort comes with an ill grace from a party who thus ruled the Senate when they had the power."[11] In a sense, Hale was reminding senators to beware what precedents they set while in the majority, for they surely would reap them when they became the minority. How reminiscent of current events!

Thus, at the war's end, as the southern senators returned and the Democratic ranks grew, the Republicans saw the wisdom of reestablishing the old practice of allowing each party to choose its own committee members.

The late nineteenth century was also a period when party discipline became an issue that involved the Senate committees. Once a member was assigned to a committee, he remained on the committee unless he voluntarily withdrew, rising through its ranks according to seniority.

By the way, it has taken me 25 years to become the second in rank in the minority on the Appropriations Committee. So it takes time. Others have risen more quickly on other committees.

But, as the parties developed and attempted to enforce their collective will on individual members, there were some dramatic exceptions to the seniority rule. In a previous address, I mentioned that Senator Stephen A. Douglas of Illinois was removed as chairman of the Senate Committee on Territories in 1859. Douglas had broken with President James Buchanan over the organization of the Kansas territory. As the break between the senator and the president widened, Douglas found himself losing control of his committee. Although he was reelected chairman in December of 1857, the majority of the committee was stacked with Buchanan supporters. After Douglas' reelection in 1858, following his much publicized debates with Abraham Lincoln, he was seen as an even greater threat to the administration, and a concerted effort was begun to remove him from the chairmanship, his power base in the Senate.

When the Democratic caucus met on December 9, 1858, it was an open secret in Washington that Douglas would be dumped. As a result, many Democratic members boycotted the caucus rather than engage in the controversy. Thirty-one of the 44 Democratic senators attended the caucus. Only seven of those who attended supported Douglas. After the caucus voted to remove the Territories chairman, Senator Robert Toombs of Georgia stormed out of the meeting calling the action vindictive and unworthy of the caucus. But the demotion of Douglas did not have its desired effect. Instead, it made him a political martyr. When Douglas returned to the Senate chamber on January 10, 1859, he was greeted by applause from the gallery and studied coolness from his colleagues on the floor. And in 1860, Douglas received the Democratic nomination for president (although the decision of Southern Democrats to nominate their own candidate, John C. Breckenridge, split the party and ensured Lincoln's election).[12]

Douglas was one of only two senators ever to be removed against their will as committee chairmen. The other was Charles Sumner, who in 1871 lost his chairmanship of the Foreign Relations Committee. Like Douglas, Sumner has been a prominent subject of my speeches on Senate history. Entering the Senate as a Free Soil Democrat, he switched allegiance to the new Republican party and became perhaps the best known Senate advocate of emancipation and civil rights for the freedman. When the Republicans became the majority party in the Senate in 1861, Sumner assumed the chairmanship of the Foreign Relations Committee, a post he held for the next decade, exerting tremendous influence over the nation's foreign affairs. Sumner's relations with the Grant administration were poor from the start, perhaps because the imperious senator felt that he, rather than Ulysses Grant, should have been his party's candidate for president, and most certainly because Sumner believed he understood foreign affairs

better than did the president, as do some Senators today.

The president and the Foreign Relations Committee chairman struggled over many issues, but none so passionately as Grant's proposal to annex Santo Domingo. Sumner succeeded in defeating the president's plans, but Grant retaliated by marshalling his forces in the Senate against Sumner. At the start of the 42nd Congress in March 1871, the Republican Committee on Committees met to make committee appointments. According to Sumner's biographer, Professor David Donald, "The five-man Republican group consisted of two friends of Sumner's, Sherman of Ohio and Morrill of Vermont, and of two enemies, Pool of North Carolina, a scalawag who was under Grant's thumb, and Nye of Nevada, for whose vulgarity and coarse anecdotes Sumner had showed marked distaste. Howe of Wisconsin, once an admirer of Summer but more recently an intimate of /Secretary of State Hamilton/ Fish, had the casting vote." The committee voted 3 to 2 to remove Sumner altogether from the Foreign Relations Committee and place him instead as chairman of the new Committee on Privileges and Elections. Twice the Republican caucus voted on the recommendation; and each time Sumner was defeated. On the Senate floor, the anti-Sumner forces held firm. "For the first time in ten years," wrote Professor Donald, "Sumner had no control over foreign policy." [13]

The removal of Douglas and Sumner did not shake the seniority system, which grew even stronger over the following decades. But while there were no other cases of chairmen being deposed, the party caucus occasionally exercised its prerogatives in making committee assignments. For example, let me cite the rather bizarre story of the Appropriations Committee chairmanship in the post-Civil War era. In 1867 the appropriations functions of the Senate Finance Committee were split off to form a separate standing committee. Senator Lot Morrill of Maine became the first chairman of the Appropriations Committee. When Morrill left the Senate in 1869, Senator William Fessenden, also of Maine, succeeded to the chairmanship, but Fessenden died suddenly a few months later. Next in line among the majority members of the committee was Senator Henry Wilson of Massachusetts. The Republican caucus, however, skipped over Wilson and other ranking Republicans and awarded the chairmanship back to Senator Morrill, who had been appointed to fill Fessenden's seat. Apparently the caucus felt that the state of Maine had been unfairly deprived of the chairmanship, and that Morrill, although then technically a freshman, deserved to head the committee again.

When illness forced Senator Morrill to relinquish the chairmanship of the Appropriations Committee, the next in seniority, Cornelius—what a name. It was my name. That is a separate story, however. I would have never made it to the Senate with that name. Of course, they would have nicknamed me "Corny." And secondly, my name being Sale, they would have said I was a "Senator for sale," so I do not think I would have made it. That is a whole separate story. I will talk about that some other day—Cole of California, moved up. Two years later, Cole was defeated for reelection. At that point Senator William Sprague of Rhode Island stood next in line according to seniority. Senator Sprague was a man with a seemingly unlimited political future. A handsome and wealthy textile manufacturer, he was married to one of the most beautiful women in Washington, Kate Chase Sprague, the daughter of Chief Justice Salmon P. Chase. Unfortunately, Sprague's private life was crashing down upon him. His mills teetered on the brink of bankruptcy. And his wife was—now, get this—making little effort to hide her affair with Senator Roscoe Conkling. During March and April 1869 these pressures apparently became too much for Sprague and he lost control of himself, baring his soul to the world in a strange series of speeches on the Senate floor. They began mildly enough but grew increasingly frenzied. Sprague attacked other senators, banker—echoes of yesterday—lawyers, judges, women in the gallery, and the social elite in his home state. His shocked party considered him a traitor in the ranks, perhaps deranged, and certainly unfit to head the important Appropriations Committee. Thus, once again, Senator Lot Morrill was selected to head the committee, which he did from 1873 to 1876, when he resigned from the Senate to become Secretary of the Treasury.[14]

In the 1870s, Senate Republicans had to contend with a splinter group of "Liberal Republicans" who broke with the administration of President Ulysses S. Grant. In December 1870 the "regular" Republicans denied the Liberal Republican Senator Carl Schurz of Missouri the chairmanship of the Committee on Retrenchment, which he was due by seniority. Then came the presidential election of 1872, when Liberal Republicans deserted Grant's candidacy in favor of the fusion ticket headed by Horace Greeley.

I am trying to remember an interesting quotation by Greeley. He said:

> Fame is a vapor, popularity an accident, Riches take wings. Those who cheer today may curse tomorrow. Only one thing endures—character.

Clark Clifford taught me that quotation several years ago.

Following the election, the Republican caucus refused to give any committee assignments to eight Liberal Republican senators.

Can you imagine that? I say to the Senator from Wyoming (Mr. Simpson).

Carl Schurz, Charles Sumner, Lyman Trumbull, Thomas Tipton, Reuben Fenton, Joseph West, and Morgan Hamilton. "The Democrats," wrote Prof. Clarence Berdahl, "did the unusually generous thing of offering most of these men committee places from their own meager allotment as the minority party, even at the cost of sacrificing some regular Democrats." Thus, Schurz received the only Democratic place on the Foreign Relations Committee, Trumbull on the Privileges and Elections Committee, and so on. "This was done," Professor Berdahl noted, "in spite of emphatic declarations by these Liberal Republican senators that they would not consider themselves Democrats and would not be bound by the caucus of either party, but would act independently and in accordance with their own best judgment on every question."[15]

Mr. President, I have been speaking about the organizational problems of the committees during this era, but I do not wish to minimize the work of these committees. Indeed, it was during the late nineteenth century that the truism developed that the real work of the Senate was done in committee. In my speeches on the Civil War, I talked of the burst of significant domestic legislation enacted by those wartime Congresses. With the Lincoln administration preoccupied by military matters, this legislation was the product of the hard-working committees of the Senate and House. Similarly, Reconstruction legislation first emerged from committee.

Although any senator could introduce legislation, and the Senate could debate such legislation without referring it to committee, committee referrals had in fact become a matter of course. Professor Michael Les Benedict has noted that twenty-three of the twenty-four major Reconstruction bills and resolutions that the Senate enacted between 1863 and 1869 were first reported from Senate or Joint Committees. In fact, Professor Benedict was able to trace the decline in influence of Radical senators by examining the shift in committee jurisdiction over Reconstruction matters. During the 38th Congress, Senator Ben Wade's Committee on Territories held jurisdiction over Reconstruction, and it was from this committee that the Wade-Davis Bill was reported. At the same time, Senator Charles Sumner chaired the Select Committee on Slavery and Freedmen, which reported out the Freedman's Bureau legislation. After 1865, however, the conservative

Judiciary Committee took over Reconstruction matters, sharing jurisdiction not with the Committee on Territories but with a new Joint Committee on Reconstruction. Members of the Committee on Territories and the Select Committee on Slavery and Freedmen were passed over by the Republican caucus when appointments to the new Joint Committee were made. Conservative Republicans were now firmly in control of Reconstruction matters, by dint of their majority on the committees to which such legislation was referred.[16]

Jurisdiction remained critical to determining power in the Senate, particularly when it related to money matters. Without question, the two most powerful committees of the late nineteenth century were the committees on Finance and Appropriations. The former handled all tariff legislation, at a time when most government revenues were raised from tariff duties, and when tariff rates influenced the entire American economy. The latter decided the level of funding of all legislation. The chairmen of these two committees were generally their party's leaders in caucus and on the Senate floor.

Power is rarely acquired or held without struggle. From time to time, members of the other committees sought to curtail the powers of the Appropriations Committee. In 1884 there was a major effort to remove from Appropriations' jurisdiction all appropriations for rivers and harbors, post-roads, and the District of Columbia, and to refer them instead to the Committees on Internal Improvements, Post-Offices and Post-Roads, and District of Columbia, respectively. Other motions were made to refer agricultural appropriations to the Agriculture Committee, and military and naval appropriations to the Committee on Military Affairs and Naval Affairs.

"This is the beginning of a raid on the Appropriations Committee that if allowed to proceed cannot be resisted," warned Senator James Beck of Kentucky, an Appropriations Committee member, "because each committee will claim that it has special knowledge and special information that the Committee on Appropriations does not have and cannot have, because of the intimate relations of the various committees with the different Departments; and it will end in abolishing the Committee on Appropriations substantially. Perhaps that may be a good thing to do. It is a good way to get money out of the Treasury; there is no doubt about that." [17]

Such arguments appealed to the frugality of the late nineteenth century senators, and the raid on the Appropriations Committee was defeated. The House, in 1885, followed a different course, stripping its Appropriations Committee of jurisdiction over all but six of the fourteen general bills, referring the others to the appropriate legislative committees. Proponents argued that the new arrangement would further efforts to economize the government and would reduce the practice of grafting legislation onto appropriations bills. They were also responding to complaints from the executive departments, who objected to the detailed itemization of appropriations, restrictions on their power to transfer funds, requirements for returning unexpended funds to the Treasury, forbidding of contract obligations in excess of appropriations, and other requirements set by the congressional appropriations committees. Although this movement was derailed in 1884, the Senate eventually followed the House's action. In 1899, the Senate removed rivers and harbors, military, Indian affairs, and Post Office appropriations from the Senate Appropriations Committee, which continued to handle appropriations on Deficiency, Diplomatic, and Consular, District of Columbia, Fortifications, Legislative, and Sundry Civil, as its six subcommittees were named. This time, the Senate adopted the changes by unanimous consent, without debate.[18] Not until 1922 was the Appropriations Committee's full jurisdiction restored.

Mr. President, I have concentrated on the Appropriations Committee in part because it is impossible to cover the activities of every Senate committee during this long period, and also because the debate in 1884 provides us with some revealing insights into how the Senate committee system operated in the late nineteenth century. Take, for example, the remarks of Senator George Vest of Missouri. Senator Vest talked of the special relationships that developed between members of committees and the departments whose areas they oversaw and for which they considered legislation, "I assert," said Senator Vest, "what the experience of every Senator will confirm to be the truth, that just so soon as a committee is appointed, for instance in regard to the Navy, in regard to military affairs, or upon fiscal questions, that very instant the most intimate and, I must admit, proper relations begin between that particular department and the senators on that committee . . . If one of my brother Senators today wanted a favor from the Navy Department of the Government, to whom would he naturally apply? It would be the head of the Committee on Naval Affairs." The result, Vest argued, was a rivalry between the committees to secure the biggest appropriations for their own areas of specialization. Things here do not change very much.

Senator Vest also spoke of the trend toward creating new committees to meet new situations, rather than relying upon the regular standing committees, in this case to remove rivers and harbors legislation from the Senate Commerce Committee and to assign it to a new committee on Internal Improvements. Vest recalled that "years ago, under the pressure of public opinion and the exigencies of the time, this Senate created a Committee on the Mississippi River and its Tributaries, and the argument was made that the Commerce Committee could not consider this great question on account of the river and harbor bill absorbing all its functions, and that a special committee should be created. It was created, and what has been the result? . . . The record shows that nothing has been done . . . Not one dollar has come from this special committee, not one single measure which has given relief to the people of the West upon this great question." Public business would not be facilitated by the creation of new committees, said Senator Vest, but by the diligent attention on the part of the committees already created.

Here Senator Vest offered an argument that has been at the root of many Senate reforms over the years, the most recent being in 1977, that a number of Senate committees had grown too large and needed to be reduced. In 1884 there were six standing committees of the Senate that had never considered a bill, resolution, or any other type of business. "They are all sinecure committees," Vest pointed out. "They were created simply to give secretaries to members of the Senate and a committee room."[19]

Senator Vest was echoed by Senator Richard Coke of Texas, who also objected to removing river and harbor legislation from the Commerce Committee. The problem was not that the Commerce Committee was inefficient, Coke asserted, but that the river and harbor bills never reached the Committee on Commerce from the House, where they originated, until the last eight or ten days of the session. To create a new Senate committee would not expedite matters at all. "It is well known, Mr. President," said Senator Coke, "that bills are passed much more rapidly and with much more facility through the Senate than through the House on account of the difference in the constitution of the two bodies, the one small and compact and the other large and unwieldy. It is also well known that with the expiration of every Congress large numbers of bills which have passed the Senate die on the Calendar of the House from non-action. I cannot see the good to be accomplished by increasing the number of committees, with the additional attendant expense, in order to increase the number of Senate bills to be ignored and permitted to expire without action in the House." [20]

As usual, in Senate debates, there was another side to be heard, and Sen-

ator William Frye of Maine responded to Senators Vest and Coke. The Committee on Commerce should not spend its time waiting for the House to act, said Frye, but should begin studying river and harbor matters from the very moment the session began. "The Senator from Texas says the committee has ample time—," Frye noted, "the Committee on Commerce meets once a week, I believe on Thursday at 10:00 o'clock—ample time; only a week per session for the river and harbor bill! Show me, Mr. President, where the Committee on Commerce has undertaken in that ample time to relieve American commerce, to restore our commerce to the ocean, to do those things that ought to be done in the interest of the whole country." [21]

As the debate continued, Senator John R. McPherson of New Jersey rose to report this interesting memoir of his committee service: "There are many committees in this body that have little or nothing to do. Committee-rooms are provided them, clerks of committee. The same machinery, the same necessary expense is attendant upon a committee doing no service as is required for a committee doing a large amount of service. During three years of my service to this body I had the honor to be assigned to duty upon the Committee on Manufactures. During that period of three years we never met but once. We were hastily called together one morning by the chairman of the committee to consider a bill which by some accident had been referred to us. No sooner had the consideration commenced than a messenger from the Committee on Finance appeared at the door and demanded that the bill be sent to the Committee on Finance, it being a revenue bill and properly belonging to that committee, and his authority showed the fact that the previous day the bill had been taken from the Committee on Manufactures and assigned to the Committee on Finance by order of the Senate. During these entire three years, with the exception of this one bill to which I have alluded, the Committee on Manufactures had no bill, no resolution, no legislative matter of any character referred to it." [22]

Mr. President, in these days when United States senators must contend with conflicting committee and subcommittee schedules and demands upon their time, we may look back nostalgically upon the days when a senator could be assigned to a committee that conducted no business at all; although I seriously doubt that any currently serving senator would ever tolerate such a situation as Senator McPherson described. It is not at all surprising, however, to find that the Committee on Manufactures' only bill was wisked away by the clerk of the Committee on Finance. By comparison to the Committee on Manufactures, which did not meet and which did not consider legislation, the Finance Committee was an exceedingly powerful and busy committee, with jurisdiction over the national debt, currency, banking, and revenue. It was an amalgamation of today's committees on the Budget, Banking, Housing and Urban Affairs, and Finance. It handled the two most controversial areas of legislation in the late nineteenth century: currency and tariffs. It was not for nothing that the most powerful men gravitated toward the Finance Committee, and that Finance Committee members became the most influential senators. Henry Clay, Daniel Webster, and John C. Calhoun all chaired the committee before the Civil War. After the war the chairmen of the Finance Committee generally served as their party's leaders on the Senate floor, in the days before officially designated majority and minority leaders. From 1865 to 1900 the list of Finance chairmen included Republicans William Fessenden, John Sherman, Justin Morrill, and Nelson Aldrich, and Democrats Thomas Bayard and Daniel Voorhees.

Senator McPherson mentioned the clerk of the Finance Committee, which brings up another measure of the Finance Committee's stature. Beginning in the 1840s, the Senate authorized the Finance Committee to employ a clerk. When, in 1857, the Senate decided to extend this privilege to all standing committees, clerks were employed at a salary of $6.00 a day for every day the Senate remained in session. The clerk of the Finance Committee, however, was retained on an annual salary of $1,850. This was a reflection of the scope of its work, work which increased dramatically during the Civil War when the first national paper currency was issued, and when revenue needed to be raised to support the war effort. In the years after the war, the committee handled the tariff legislation which played such an important role in the industrialization of America. Although the Constitution provides that revenue bills should originate in the House, it does not limit the Senate's ability to add amendments, which the Finance Committee did on a regularly expanding basis. In 1872, for example, the House sent over a bill repealing the tariff on tea and coffee. The bill was four lines long. The Senate then added twenty pages of amendments. I shall not go into further detail on the work of the Finance Committee, but I do refer my colleagues to the excellent committee history it published in 1981, which is very much a model history of a Senate committee, rich in detail and handsomely illustrated.[23]

Mr. President, in discussing the committees of the Senate, I think I should say a few words about the party committees as well as the standing committees. In the years following the Civil War we find party steering committees developing as a means of building party regularity and ensuring efficient handling of business in the Senate. The Republicans in 1874 and the Democrats in 1878 appointed ad hoc committees to recommend schedules of business for their respective party caucuses. During the 1880s, these committees were formalized as the Republican and Democratic Committees on the Order of Business, generally known as Steering Committees. Because the committees were strictly party creations, they filed no formal Senate reports nor did they maintain records, so their exact dates of creation and early membership remain obscure.

The Steering Committees' control of the schedule required party members to consult with them before attempting to raise any matter on the Senate floor. The Steering Committees also requested committee chairmen to submit lists of bills which warranted immediate attention, and then notified the caucuses of the nature and the order of bills to be considered, frequently making recommendations on party policy concerning those measures. During the 1890s such strong party leaders as Republican William Allison and Democrat Arthur Pue Gorman used the Steering Committees as instruments of party power, to keep their members unified behind the party's legislative program.[24]

In many ways, however the strength of the Senate committees during these years militated against party unity, and frustrated legislative/executive relations. Here let me refer once again to Woodrow Wilson's classic study, *Congressional Government*, published in 1885. Wilson, as we know, was an astute historian and political scientist who left academia for politics and was eventually elected President of the United States. This study was his doctoral thesis, at Johns Hopkins University. Although there is no record that he ever made the thirty-mile train ride from Baltimore to Washington to observe Congress in action while writing this study, this does not diminish the value of his word.

Quoting Lord Rosebery, Wilson called the Senate "the most powerful and efficient second chamber that exists." But at the same time, Wilson found that its committee organization denied leadership and disintegrated the Senate. Each committee was an independent barony, with powers of "overlordship" of the executive departments. "The Committees are not recognized constitutional superiors of Secretary A. or Comptroller B.," wrote Wilson, "but these officials cannot move a finger or plan more than a paltry detail without looking to it that they render strict obedience to the

wishes of these outside, uncommissioned, and irresponsible, but none the less authoritative and imperative masters."[25]

To summarize, Mr. President, during the period from 1845 to 1900 the work of the Senate expanded greatly, and so did its committees to handle that work load. New standing and special committees were appointed, more clerks were hired, more rooms were acquired. More bills and resolutions were considered, more amendments written and debated. The business of the Senate grew to match a geographically, economically, industrially expanding nation. But as many of these committees grew in power and influence, they created new problems of their own. They became magnets for lobbyists and special interests seeking to influence legislation, whether by legitimate or illegitimate means. They also became stumbling blocks for reform legislation. By the end of the nineteenth century the Senate was recognized as the most powerful arm of the Federal Government. Yet it was also seen as a "Millionaire's Club" that blocked legislation and frustrated the will of the people. By 1900 a dynamic new reform movement was getting underway which would bring great changes to the government as a whole and the Senate in particular. Committee reform became a major issue of twentieth century political debate. But this is another story, deserving attention in detail, and I shall save it for another chapter in the history of the United States Senate.

Thus ends my 61st statement on the United States Senate.

Mr. President, I ask unanimous consent that the footnotes to "Senate Committees, 1845-1900," be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

NOTES TO "SENATE COMMITTEES, 1845-1900"

[1] Glen Brown, *History of the United States Capitol*, 66th Congress, 1st sess., S. Doc. 60 (Washington, DC, 1900, 1902).

[2] Ibid., Plate 237.

[3] Senate Commission on Art and Antiquities, "The Senate Appropriations Committee Capitol Suite," 2-4.

[4] Lauros G. McConachie, *Congressional Committees: A Study of the Origins and Development of Our National and Local Legislative Methods* (New York, 1898), 294 296.

[5] Jerrold Zwirn, *Congressional Publications: A Research Guide to Legislation, Budgets, and Treaties* (Littleton, CO, 1983), 169-175.

[6] *Congressional Record*, 97th Congress, 2nd sess., S8915-S8920.

[7] *History of Senate Committees, 1789-1863*, 38th Congress, Special Session, 15.

[8] McConachie, *Congressional Committees*, 284-286.

[9] *Congressional Globe*, 35th Congress, 1st sess., 39-42.

[10] Ibid., 38th Congress, Special Session, 1554.

[11] Ibid., 38th Congress, 1st sess., 15-16.

[12] Robert W. Johannsen, *Stephen A. Douglas* (New York, 1973), 685-688.

[13] David Donald, *Charles Sumner and the Rights of Man* (New York, 1970), 444-497.

[14] David Rothman, *Politics and Power, the United States Senate, 1869-1901* (Cambridge, 1966), 20-21; Thomas G. Belden and Marva R. Belden, *So Fell the Angels* (Boston, 1965), 250.

[15] Clarence Berdahl, "American Government and Politics: Some Notes on Party Membership in Congress," *American Political Science Review*, (April 1949), 313-314.

[16] Michael Les Benedict, *Compromise of Principle: Congressional Republicans and Reconstruction, 1863-1865* (New York, 1974), 36-37.

[17] *Congressional Record*, 48th Congress, 1st sess., 266-269.

[18] U.S. Senate, Committee on Appropriations, *Committee on Appropriations, 100th Anniversary, 1867-1967*, 90th Congress, 1st sess., S. Doc. 21 (Washington, 1967), 7-8.

[19] *Congressional Record*, 48th Congress, 1st sess., 308.

[20] Ibid., 309.

[21] Ibid., 312.

[22] Ibid., 334.

[23] U.S. Senate, Commmittee on Finance, *History of the Committee on Finance*, 97th Congress, 1st sess., S. Doc. 97-5 (Washington, 1981), 32-44.

[24] Rothman, *Politics and Power*, 58-74.

[25] Woodrow Wilson, *Congressional Government: A Study in American Politics* (New York, 1956, 1885), 155-157.

UNEMPLOYMENT INSURANCE SYSTEM

Mr. DIXON. Mr. President, today a subcommittee of the Senate Finance Committee conducted hearings on our unemployment insurance system, which is, of course, of great importance to the millions of Americans without jobs.

I submitted a statement to the subcommittee for its record, and now submit that same statement for inclusion in the CONGRESSIONAL RECORD.

The statement is as follows:

STATEMENT OF SENATOR ALAN J. DIXON BEFORE SENATE FINANCE SUBCOMMITTEE ON SOCIAL SECURITY AND INCOME MAINTENANCE—S. 1589

I would like to take this opportunity to thank the distinguished Chairman of the Subcommittee, Senator Armstrong, for holding hearings on S. 1589, a bill to provide alternative state unemployment triggers, which is a matter of deep concern to many of us.

The broader issue is our unemployment insurance system. To call it a system is somewhat of a misnomer, because it does not function smoothly and effortlessly. We have to keep tinkering with it. Many of us have been involved in the band-aids which have been applied to this "system." But our ultimate goal, I believe, is to serve people who need our help. I know that you all are aware of the situation in which we find ourselves today. That is why we are participating in this hearing. However, for the record, I would like to give the perspective of my State of Illinois, and others in similar circumstances: states with high total unemployment rates or TUR, and ever decreasing insured unemployment rates, or IUR.

As you know, Illinois, Michigan, Ohio and many other states have triggered off extended benefits or EB. In fact, only five states remain eligible to pay these benefits.

We have attempted to address this issue many times in the past year. Several members of the Finance Committee have joined in such efforts.

My State of Illinois is no longer eligible to pay EB under the existing formula, because we have dropped to an IUR of 5.22%, which is 114% of the prior two years. As you know, the requirement is 6% or 5% if the rate is 120% of the prior two years.

What this means in real terms, is that during the third week of June, an unemployed worker who qualified for the maximum benefits available could be assured of protection under the formula for a total of 53 weeks of benefits, including 26 weeks of regular benefits, 13 weeks of EB and 14 weeks of federal supplemental compensation or FSC.

With the drop in the IUR during the fourth week in June, that same unemployed worker would be eligible for only 38 weeks of coverage.

I think it is worth reviewing the circumstances leading up to the implementation of the FSC program last September. Then, as now, states with the highest total unemployment rates in the country were triggering off EB.

The FSC program was adopted to cope with this problem, since the trigger increases implemented by the Reconciliation Act of 1981 were becoming effective at that time, and repeal, although attempted, of that and the change in calculating the IUR was not possible.

The FSC answer was meant to assure that unemployed workers in those states which had triggered off would still receive the same number of weeks of benefits to which they were entitled before the state became ineligible to make payments. You will recall the "grandfathered" states and major attempts made to accommodate everyone who had an interest in the matter.

In the present situation in which we find ourselves, however, unemployed workers in Illinois, as well as others who were at one time eligible for EB will receive one week less of FSC than they used to under EB, and will shortly slip to three weeks less.

The FSC program, as it is currently structured, allows the maximum benefits to be paid to unemployed workers in states with an insured rate of over 6%. Therefore, we experience a double penalty: no EB and two weeks less of FSC.

What do we tell our unemployed workers who depend on these benefits when they ask why they are only eligible for 38 weeks of benefits? Statistics don't provide an answer in situations like this. These people are looking for a way to keep a roof over their heads. They are looking for a way to continue to meet their basic needs for survival. Yet we are forced to tell them that the law is the law, and we're sorry, but that's the way it is.

It doesn't have to be that way. It wasn't that way. In 1971, under President Richard Nixon, there was a temporary extension of the EB program to 52 weeks in states with insured unemployment rates in excess of 6.5%. That was at a time when the national unemployment rate was only 6%!

In 1974, under President Ford, there was a 26-week FSC program, offering a total of 52 weeks of coverage, at a time when the national unemployment rate was only 7.1%!

In 1975, there was a total of 65 weeks available, when the national unemployment rate rose to 8.8%.

Those past levels of single digit unemployment look pretty good when faced with 10% as of June of this year. But when you consider the states with unemployment rates in excess of 11%, it becomes apparent that we are not addressing the matter in the compassionate way that our colleagues did in the past.

The Administration has estimated that only four states will be eligible to pay EB by the end of the year. I wish we could say this is because only four states out of 50 would

be experiencing serious levels of unemployment. Unfortunately, that will not be the case.

Our bill offers a new approach to this dilemma. It doesn't repeal existing law. It merely allows an opportunity for states to qualify for the EB program and the maximum weeks of FSC based on total unemployment rather than insured unemployment.

If a state has had over 11% unemployment, surely that is a sign of distress. Our bill would alleviate that distress by allowing a state the option of using a different method of qualifying for EB, if a state cannot meet the current triggers, and 14 weeks of FSC. Estimates indicate that eight states have or soon will trigger off EB, while at the same time suffering an unemployment rate in excess of 11%. That doesn't make sense!

By addressing the problem as S. 1589 does, we are assuring that states with the greatest need are able to pay the total allowable number of weeks of benefits. That does make sense!

It is truly unfortunate that we must continue to deal with this system in a piecemeal fashion. The Federal-State Unemployment Insurance programs are patched up whenever an emergency presents itself. I am grateful to have this opportunity to express the sentiments of many who would like to see this unwieldy situation changed. The system should truly be a system which responds in critical times. It does not do that now.

We look forward to working with this Committee to find a solution to this recurring problem, so that at long last we can provide some real answers. It is time to tell the millions of unemployed in this country that our laws can respond to them, that the system works and that we understand.

ARTHUR M. WIRTZ

Mr. DIXON. Mr. President, last week in Chicago, Mr. Arthur M. Wirtz, a very wise, very honorable man, passed away.

Mr. Wirtz contributed greatly in many different ways to the city of Chicago, the State of Illinois and to this Nation.

He excelled in diverse worlds: business, sports, entertainment. In all those worlds, he was known as a man of integrity and exceptional ability.

He excelled in his private life, as well. His devotion to his wife, Virginia, was such that he never recovered from her death last New Year's Eve. His children—sons Bill and Mike and daughters Cynthia and Elizabeth—felt his very special love and knew that for Arthur Wirtz, family was the most important thing in the world.

He will be greatly missed by the community of which he was such a significant part.

I am proud, Mr. President, that I was able to call Arthur Wirtz my friend.

MESSAGES FROM THE HOUSE

At 12:16 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its clerks, announced that the House insists upon its amendment to the bill (S. 675) "to authorize appropriations for fiscal year 1984 for the Armed Forces for procurement, for research, development, test, and evaluation, and for operation and maintenance, to prescribe personnel strengths for such fiscal year for the Armed Forces and for civilian employees of the Department of Defense, to authorize appropriations for such fiscal year for civil defense, to authorize certain construction at military installations for fiscal year, to authorize appropriations for the Department of Energy for national security programs for such fiscal year, and for other purposes," and ask a conference with the Senate on the disagreeing votes of the two Houses thereon.

Ordered, That Mr. PRICE, Mr. BENNETT, Mr. STRATTON, Mr. NICHOLS, Mr. DANIEL, Mr. MONTGOMERY, Mr. ASPIN, Mr. DELLUMS, Mr. DICKINSON, Mr. WHITEHURST, Mr. SPENCE, Mrs. HOLT, Mr. HILLIS, and Mr. BADHAM; from the Permanent Select Committee on Intelligence, only when differences regarding intelligence-related activities are under consideration: Mr. BOLAND, Mr. MINETA, Mr. MCCURDY, Mr. ROBINSON, and Mr. STUMP; as additional conferees for consideration of section 1030C and 1030D of the Senate bill, and modifications thereof committed to conference: Mr. PERKINS, Mr. HAWKINS, Mr. FORD of Michigan, Mr. BIAGGI, Mr. ERLENBORN, and Mr. GOODLING, be the managers of the conference on the part of the House.

MILITARY PROCUREMENT AUTHORIZATION, 1984

Mr. BAKER. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on S. 675.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the House insist upon its amendment to the bill (S. 675) entitled "An Act to authorize appropriations for fiscal year 1984 for the Armed Forces for procurement, for research, development, test, and evaluation, and for operation and maintenance, to prescribe personnel strengths for such fiscal year for the Armed Forces and for civilian employees of the Department of Defense, to authorize appropriations for such fiscal year for civil defense, to authorize certain construction at military installations for fiscal year, to authorize appropriations for the Department of Energy for national security programs for such fiscal year, and for other purposes", and ask a conference with the Senate on the disagreeing votes of the two Houses thereon.

Ordered, That Mr. Price, Mr. Bennett, Mr. Stratton, Mr. Nichols, Mr. Daniel, Mr. Montgomery, Mr. Aspin, Mr. Dellums, Mr. Dickinson, Mr. Whitehurst, Mr. Spence, Mrs. Holt, Mr. Hillis, and Mr. Badham; from the Permanent Select Committee on Intelligence, only when differences regarding intelligence-related activities are under consideration: Mr. Boland, Mr. Mineta, Mr. McCurdy, Mr. Robinson, and Mr. Stump; as additional conferees for consideration of section 1030C and 1030D of the Senate bill, and modifications thereof committeed to conference: Mr. Perkins, Mr. Hawkins, Mr. Ford of Michigan, Mr. Biaggi, Mr. Erlenborn, and Mr. Goodling, be the managers of the conference on the part of the House.

Mr. BAKER. Mr. President, I move that the Senate disagree to the amendments of the House on S. 675, agree to the request of the House for a conference on the disagreeing votes of the two Houses, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to, and the Presiding Officer (Mr. SIMPSON) appointed Mr. TOWER, Mr. THURMOND, Mr. GOLDWATER, Mr. WARNER, Mr. HUMPHREY, Mr. COHEN, Mr. JEPSEN, Mr. QUAYLE, Mr. EAST, Mr. WILSON, Mr. JACKSON, Mr. STENNIS, Mr. NUNN, Mr. HART, Mr. EXON, Mr. LEVIN, Mr. KENNEDY, Mr. BINGAMAN, and solely for the consideration of section 1030(c) Mr. STAFFORD and Mr. PELL, conferees on the part of the Senate.

IN TRIBUTE TO FORMER SENATOR LEN B. JORDAN OF IDAHO

Mr. STENNIS. Mr. President, I rise to recall to the memory of this Chamber a dear friend of mine, the late Senator Len B. Jordan of Idaho. Senator Jordan devoted his life to the service of his country. He served with highest distinction as a member of the Armed Forces, as a State legislator, as Governor of his State of Idaho, and as a Member of this body for 12 years.

I recall his memory not in praise for he needs none. I speak to express my deep appreciation for his service, which I bear witness to, and to express to his dear wife Grace how much Len's friendship meant to me, and how I will miss his association.

Senator Jordan was a man of highest character. His honor and integrity were the bedrock of a great public service career. A man with great capacity, a man of commitment and purpose, he by example represented the values of this great country.

One quality of Senator Jordan which I particularly admired was his very practical approach to the problems of our Nation, to his region, and to his State. I knew Senator Jordan when he was Governor of Idaho. As a new Senator and as a member of the Public Works Committee, I visited there on business concerning his State, and was impressed at that first meeting with his unusually fine understanding of his people, their economy, and the related problems that went with the problems of that time. Later, when Senator Jordan joined the Senate, he carried out his legislative duties with the same practical approach.

Senator Jordan was a great American of uncommon character and courage. Grace, his wonderful wife, gave some insight into the development of the character of each of them in one of the books she wrote about their life during the Depression years out in a very rugged part of the West. Living in total isolation, rearing and schooling their children, undergoing great hardships, during a very difficult economic period they worked eight back-breaking years to build a thriving ranch. This book, entitled "Home Below Hills Canyon," is the story of the building of a great family—building the qualities that made America great.

The Jordans were an inspiration to me. They brought the finest qualities to the service of their neighbors, their community, their State, their Nation. Most of all, they offered a friendship to treasure. I will always hold their friendship dear.

To Grace Jordan and the other members of her family, I extend my heartfelt sympathy in their earthly loss. At a time of great physical stress and strain in my own life, Grace Jordan sent me a message of strength and encouragement when she wrote me a two-word paragraph which said, "Hold on." Her words sustained me then and now, and in admiration I return the same greeting to her, "Hold On, and may God continue to bless and sustain you along the way."

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR EXTENSION OF ROUTINE MORNING BUSINESS

Mr. BAKER. Mr. President, I ask unanimous consent that the time for the transaction of routine morning business be extended to 1:35 p.m. under the same terms and conditions.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. BAKER. Mr. President, I wish to say to those who may be listening in their offices and elsewhere that at about 1:35 p.m. or as soon as we can get the principal Senators who are involved in the controversy in the Chamber and available I intend once more to make a motion to proceed to the consideration of the agriculture target price bill.

I had hoped that as a result of circumstances that occurred since last Friday it might be easier to get this bill up and dispose of it, but I have to confess that I am by no means sure that will happen.

But in any event, Senators should be on notice that I will attempt to reach that bill as soon as the principals involved are here and available and that should be about 1:35 p.m.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

H.R. 2760—TO AMEND THE INTELLIGENCE AUTHORIZATION ACT FOR FISCAL YEAR 1983

Mr. BYRD. Mr. President, at the request of a Senator on this side I ask for the first reading, in accordance with rule 14, of a message from the House on H.R. 2760.

The PRESIDING OFFICER. The clerk will state the bill by title.

The legislative clerk read as follows:

A bill (H.R. 2760), to amend the Intelligence Authorization Act for Fiscal Year 1983 to prohibit United States support for military or paramilitary operations in Nicaragua and to authorize assistance, to be openly provided to governments of countries in Central America, to interdict the supply of military equipment from Nicaragua and Cuba to individuals, groups, organizations, or movements seeking to overthrow governments of countries in Central America.

Mr. BYRD. Now, Mr. President, I ask for the second reading of the bill.

Mr. BAKER. Mr. President, I object to further proceedings.

The PRESIDING OFFICER. Objection having been heard, the second reading will occur on the next legislative day.

Mr. BYRD. I thank the majority leader.

Mr. BAKER. I thank the minority leader and I thank the Chair.

Mr. President, as I indicated earlier, at about this moment I would try to get to the agriculture bill, and as soon as we can get the chairman of the Committee on Agriculture on the floor—I understand he may be in the cloakroom—I will proceed with that.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

Mr. BAKER. Mr. President, I believe the time for morning business has expired, has it not?

The PRESIDING OFFICER. Time for morning business has expired.

Mr. BAKER. Morning business is closed?

The PRESIDING OFFICER. Morning business is now closed.

Mr. BAKER. I thank the Chair.

CRITICAL AGRICULTURAL MATERIALS ACT

Mr. BAKER. Mr. President, as I have announced earlier, it is my intention to try to reach the agriculture target price bill, H.R. 2733 at this time. I was apprised of the fact that I would have objection if I ask unanimous consent to proceed at this time. In a moment I will make a motion to that effect.

The distinguished chairman of the Committee on Agriculture is within earshot and has sent word he is prepared for us to proceed.

Therefore, Mr. President, I move that the Senate turn to the consideration of H.R. 2733, the agriculture target price bill.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Tennessee.

Mr. MELCHER addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana.

Mr. MELCHER. Mr. President, this House bill before us, despite what the first 11 pages deal with, is an effort to get at some present law under the Farm Act of 1981.

The first 11 pages of H.R. 2733 deal with the research, development, and demonstration in the production and manufacture of guayule rubber, and to broaden such program to include other critical agricultural materials.

So the bill itself does not on its face seem to have anything to do with the Farm Act of 1981. It is not until you get to the bottom of page 11 that you see that suddenly the bill shifts gears completely and starts dealing with agricultural matters covered under that last comprehensive Farm Act we passed in 1981.

These are not sound reasons for attaching the amendments to the 1981 Farm Act, which most of the Senate Committee on Agriculture, voted to do. I did not happen to be one of them who favored it, and several of us opposed it but, nevertheless, the majority vote prevailed and this was kicked out to the floor dealing with target prices in agriculture, and some further authorization for export money, CCC money, Commodity Credit Corporation money, to enhance agricultural exports.

Why use this particular bill? Well, the idea was it would be easy to pass a House-passed bill with this rider dealing with target prices attached. Pass it in the Senate rather quickly, their game plan called for, and send it over to the House, hoping they will do something in the next couple of days, and then the Secretary of Agriculture would be given some authority he now lacks under present law and some authority he seeks to lower target prices for grains, that is, wheat and corn and other feed grains and for upland cotton and rice.

I do not believe that ought to happen, Mr. President. There are a substantial number of us who have been in direct communication with agricultural people in our States, and there are a substantial number of us who do not believe it should happen. The bill should be put aside, and if there is merit to the argument advanced by the Secretary of Agriculture, it can be considered in September after thorough perusal and thorough consideration by the principals who are involved, and those principals are the farmers themselves who grow the grains and produce those grains, and those cotton people who produce cotton, and the rice producers. Those are the principals who ought to have a thorough input into what is being proposed, and advise us here in the Senate on how they feel before we consent to the types of changes the administration is asking for.

Now, specifically, the administration, in the case of wheat, would like to have repealed two sections dealing with target prices on wheat. One covers the 1984 crop and the other covers a 1985 crop.

Now we put that into specific language in the 1981 Farm Act because we did not want to leave it to the discretion of the Secretary of Agriculture. We were plotting out what should be a farm program for several years. And, on the theory that the producers ought to know what they could expect in some aspects of a wheat program or corn program or upland cotton program or rice, we determined it wise to put it into the law itself. We were specific on what the target prices would be year by year.

Let me turn to the payment-in-kind (PIK) program.

The administration has approved the PIK program on their own authority based on statutes that give discretion and authority to the Secretary of Agriculture. And the PIK program has been much more costly than they anticipated and probably has not done as much as they anticipated to bring down supplies.

Let me say very clearly that I sympathize with the Secretary of Agriculture on his sincerity and his diligence and his efforts to handle the farm program as best he could. But I did discourage the Secretary of Agriculture instigating the PIK program until he was sure—until he was sure—that it would do more than just put money into farm producers' pockets and could relate it as a sound program on a supply side, sound agricultural policy improving agricultural producers' income, not just by giving them a check, or the commodities which they turn into a check, to enhance their bank accounts and to help them meet their debts, but that in the long run it would work out to be sound agricultural policy for the entire country.

I personally am dedicated to the idea and to the principle that, because we are such a strong country in producing agricultural products, we should continue to do so and to use those agricultural products, the abundance that we have, for foreign trade, for Food for Peace, and for help to our friends and allies around the world.

I would rather see more food used in Central America and less armaments. I would rather see more of the dairy surpluses that are in Federal warehouses right now going to the hungry in America and the hungry in friendly countries. And we would not have to look any farther than across the Rio Grande into Mexico.

A few weeks ago, we had an immigration bill right out here on this Senate floor. And we commiserated with the fact that so many people out of Mexico come into our country because they are desperate, economically desperate, trying to find a job, trying to find any means of earning a little bit of money which they either take back to Mexico or send back to help their families to survive.

Now I would rather see some of our abundance of food supplies going right down to Mexico right now. The President, to his credit, a few weeks ago did send some relief in food products to Mexico. But let me tell you, those many millions of hungry people who reside in that country can use much more.

That is my philosophy. I believe we ought to use this abundance to help people that are hungry around the globe, to satisfy the needs of those countries who would like to trade with us. I commend the President for starting up the new agreement with the Soviet Union on the sale of wheat, corn, and soybeans. I think that is fine. I encourage the Department of Agriculture and the President and the entire administration to do much more along those lines in selling agriculture products to other countries that can use our product.

Mr. President, I ask unanimous consent that I may yield to the distinguished chairman of the Finance Committee and the senior member of the majority on the Senate Agriculture Committee without losing my right to the floor.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The Senator from Kansas.

Mr. DOLE. Mr. President, I appreciate my colleague from Montana yielding. I would like to comment in general on the current situation facing us. If we do not do something in the next couple of days, we probably are not going to pass any farm legislation before the recess.

I certainly understand the deep feelings that some have with reference to certain provisions. We have a dairy program that is being held hostage to the outcome of this debate. Most farmers support the dairy compromise hammered out by a number of our colleagues. But I think it has been appropriate to tie these issues together up to this point.

I guess what we need to find out sooner than later is whether or not we are going to pass any legislation at all. It is fairly obvious the House will be leaving, if not on Wednesday, on Thursday. If we intend to pass legislation, it will have to come tomorrow or sometime early on Wednesday if we intend to go to conference.

Those of us from farm States have a particularly heavy responsibility. We have seen the cost of farm programs go from $4 billion in 1981 to $21 billion in 1983, plus another $12 billion for the PIK program. And now some are saying that we cannot tighten up the cost of those farm programs.

The proposed freeze on target prices would affect primarily wheat, and Kansas is the No. 1 wheat State. But I believe that most farmers in my State are more concerned about towering interest rates and keeping inflation down than they are with the specific levels set forth in the PIK program, in target prices, and in other Federal programs.

We have to make a choice. Last December, when we tried to pass legislation to authorize the PIK program, we were not able to bring it up. Now some who prevented it consideration are faulting the PIK program.

The PIK program certainly has not been perfect. It has cost billions of dollars. We are seeing a number of stories now, that I think are not particularly accurate, criticizing the fact that bigger farms are getting bigger payments. Well, that is the nature of farm programs and has been over the years. If you have a lot of acreage, whether you are an individual or corporation or partnership, and you set aside a large part of that acreage, you are going to get a bigger payment than someone with smaller acreage. So it is not a very fair argument, but it is a criticism of incentive-based farm program, particularly one like PIK.

I might add, Mr. President, that the growing attractiveness of farm pro-

grams is resulting in a major increase in wheat production in nontraditional regions. As the incentives to participate have become expanded, so has the wheat acreage base in many States in the Southeast and in California. Much of this additional base has resulted from double-cropping or irrigation. Its impact on the competitiveness and price of wheat produced in the traditional Wheat Belt—from the Dakotas to Texas and in the Northwest—has been to shut small one-crop farmers out. Before we agree to spread farm program incentives out to all qualified producers, we must take into account who benefits from them and who really isn't helped that much.

Mr. President, I would like to comment briefly on where we stand in the effort to allow the Senate to consider and vote on the proposed target price freeze. I have listened carefully to many of my colleagues in the Senate argue that freezing target prices would take up to $4 billion out of the farm income safety net. However, it would seem to me that if we do not get a target price vote this week, then we are going to be responsible, directly or indirectly, for the future—or lack of future—of farm programs.

I think it might be well to review the record during the 1981 farm bill debate. Target prices were retained in the Senate Agriculture Committee by one vote. They were retained on the Senate floor by two votes. The entire farm bill passed the House of Representatives by just two votes. It would seem to me that if those of us from farm States are not willing to tighten the cost of farm programs a little bit, we may endanger approval of another farm bill in 1985. If, in fact, we are concerned about the budget deficits as we proclaim daily in speeches, if we are concerned about increasing interest rates, and they are going up right now, if we are concerned about inflation, and if we are truly concerned about the wheat or corn or dairy producers in our States, then we have a responsibility to get a handle on some of the spending and it must be across the board.

I would emphasize that the target price concept went squeaking by in the Senate Agriculture Committee by a vote of 8 to 7 in April 1981. The Senator from Kansas voted for target prices. The Senator from Montana voted against target prices. It makes it very difficult for those of us who are trying to be responsible and to support reasonable farm programs to be prevailed from taking up this provision.

At an appropriate time, the Senator from Kansas will put into the RECORD a number of articles and editorial comments from newspapers across the country. Some are not particularly well written. Some are based on inaccurate information. But being accurate is not a requirement when you write editorials.

Whether it is a piece in the Washington Post called "Our Unaffordable Farm Programs"; in Newsweek, "A Bumper Crop of Subsidies"; in the New York Times, "What PIK Spells"; in Financial World, "PIK Sending the Wrong Signal"—or other articles such as "PIK and Choose Among the Farm Stock," or "Farmers Are Getting Soft,"—there are a host of articles that do not properly characterize farmers, farm families or even the debate on this particular legislation. However, if those of us from farm States are truly concerned about the farm program in the next few years, we must pay attention to these written comments.

We can argue all day long that a major share of commodity loans are repaid, and they are. There are still other outlays. We still must borrow money to make the loans as well as the payments.

This Senator is convinced that most farmers are not looking for payments from the Federal Government.

What the Kansas wheat producer prefers, and I think the preference is shared by producers of other commodities—whether feed grains, corn, or dairy—in other States, are markets and exports. Just 4 days ago, we had an announcement that indicates that we are going to finally end the nightmare of the Carter grain embargo of 1980. We have a new long-term grain agreement, a 5-year agreement effective October 1, with the Soviet Union on wheat and feed grains. We were told this morning that the package will be worth $8 billion in exports—$8 billion.

Also over the weekend, on Saturday, it was announced that agreement has been reached on textile import quotas with the People's Republic of China. Once signed, I believe we will see the Chinese coming to the U.S. wheat and corn markets and renewing purchases of our commodities. These are the areas where we really should be focusing—on trade and on exports.

There are a number of things in the past 2½ years that have been done by this administration to benefit the American farmer. First of all, the President kept his promise and lifted the grain embargo imposed by President Carter in January of 1980. Second, just this past week, as I mentioned, we concluded a new long-term grain agreement with the Soviet Union. We have also passed a number of laws that deal with estate taxes and other tax provisions that help the American farmer.

The PIK program, though it is widely criticized by those off the farm, has literally been a lifeline and a life preserver for many American farmers and their families.

We must be responsible. It cannot be politics as usual. These programs are going to self-destruct unless those of us from the farm States are willing to make some of the corrections ourselves.

Last Friday evening, the Secretary announced what he would do for wheat farmers in a PIK program if there is a freeze and if there is no freeze on target prices.

I am not certain that the Secretary's figures on cost and participation are accurate. One thing you learn is that such projections—by other Congress or by the administration—are often not accurate.

According to the Secretary's comparison of the two program options, if the wheat target price increases to $4.45 per bushel—in other words, no freeze for the 1984 program—then total program costs for fiscal year 1983 to fiscal year 1985 are going to run about $9.3 billion.

If we freeze the target price at $4.30, the level for 1983, then the program costs is projected to be slightly higher, at $9.6 billion.

In both cases, the wheat program is going to cost a lot of money. Much of it will be in the form of loans, as the Senator from Montana may point out, and many of the loans are paid back.

It would seem to me that the best deal for the American farmer would be to freeze the target price and take the high option proposed by Secretary Block last Friday.

I ask unanimous consent to make a part of the RECORD the Secretary's announcement, the announcement on the long-term grain agreement, and also a number of the articles and editorials I have referred to. I will select only a representative sample of these articles on farm program costs because it would cost a lot of money to reprint them all.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

USDA ANNOUNCES PROVISIONAL DETAILS FOR 1984 WHEAT PROGRAM

Washington, July 29—Secretary of Agriculture John R. Block today announced options for the 1984 wheat program, pending program legislation presently under consideration by the Congress.

Block listed general guidelines for next year's program on July 1 which permitted farmers to make preliminary planting decisions and financial commitments for their crop, while the Congress continued deliberations on target price freeze proposals.

"Since legislative action on the proposed target price freeze is now before the U.S. Senate, it is up to the Congress to decide which option they want to choose," Block said. "It is important to get this issue resolved in order to assist farmers in making their management decisions."

He listed the following 1984 wheat program options:

If new legislation freezes the target price at $4.30 per bushel, the acreage reduction requirement will be 25 percent and there

will be a payment-in-kind program of 10 to 25 percent for farmers who divert additional land. The payment-in-kind compensation will be 80 percent of the program yield.

If Congress does not freeze target prices and the target price automatically escalates to $4.45 per bushel, the acreage reduction requirement will be 30 percent and there will be a payment-in-kind program of 10 to 20 percent for farmers who divert additional land. The payment-in-kind compensation will be 75 percent of the program yield.

Producers participating in the payment-in-kind program and having both reserve and regular loan grain would be required to make their reserve grain available for PIK. Those farmers who have neither will be eligible for participation in the payment-in-kind program by volunteering to harvest for payment-in-kind.

In addition:

Land taken out of production must be devoted to a conservation use. This land must be acreage that would have been devoted to small grains or row crops in 1984.

The national average loan and purchase rate will be $3.30 per bushel. The Food and Agriculture Act of 1981 permits the loan rate to be set at this level since the season's average price for the 1983 crop is expected to be less than 105 percent of current loan rate.

Block said the current loan rate is above market clearing levels and places U.S. producers at a competitive disadvantage in world markets. "This reduction will begin to restore competitiveness in world markets and send a signal to our export competitors that we will no longer maintain a 'high price umbrella' which allows them to undercut us in the world market," Block said.

1984 WHEAT PROGRAM—CROSS COMPARISON OF PROGRAM OPTIONS

	Estimated 1983/84	1984/85 [1]	1984/85 [2]
Participation [3]	75	72	53
Acreage Harvested [4]	61.0	69.5	72.0
Production [5]	2,437	2,580	2,635
Ending stocks [5]	1,601	1,664	1,704
FOR [5]	575	786	855
CCC [5]	165	320	336
Farm price [6]	$3.60	$3.35	$3.30
Net producer returns [7]	$6.8	$5.5	$4.9
Program costs:			
Fiscal year 1983 [7]		$4.0	$4.0
Fiscal year 1984 [7]		$2.7	$2.5
Fiscal year 1985 [7]		$3.0	$2.9
Fiscal year 1983–85 [7 8]		$9.6	$9.3

[1] 25 percent ARP; 10–25 percent PIK; 80 percent comparison; $3.30 loan; $4.30 target.
[2] 30 percent ARP; 10–20 percent PIK; 75 percent comparison; $3.30 loan; $4.45 target.
[3] Percent.
[4] Acres in millions.
[5] Bushels in millions.
[6] Dollars per bushel.
[7] Dollars in billions.
[8] May not add due to rounding.

Ambassador William E. Brock, U.S. Trade Representative, and Secretary of Agriculture, John R. Block announced today that the United States and the USSR have concluded a new Long-Term Grain Agreement (LTA). The Agreement will commence October 1, 1983, and will cover five years.

Under its terms, the USSR will purchase from the United States 9 million metric tons of grain annually in approximately equal quantities of wheat and corn. Up to 1 million metric tons of the minimum could be satisfied by Soviet purchases of 500,000 metric tons of soybean and/or soybean meal. If this soybean/soybean meal option is exercised in any year, the minimum of wheat and corn for that year will be 8 million metric tons. During any year of the Agreement, the Soviet Union may purchase 3 million metric tons of wheat and corn in addition to the minimum of 9 million metric tons without prior consultation.

The general framework of the new Agreement follows that of the original LTA that was signed in 1975.

The Agreement was reached on July 28 in Vienna during the third round of negotiations regarding a new LTA. The U.S. negotiating team was lead by Ambassador Robert E. Lighthizer, Deputy U.S. Trade Representative. Daniel G. Amstutz, Undersecretary of the Department of Agriculture was the senior official for the USDA on the team. Formal signing of the Agreement will take place in late August.

The current Agreement that expires on September 30, 1983, called for a minimum annual purchase of 6 million metric tons of wheat and corn by the USSR, and provided an option for the Soviet Union to purchase an additional 2 million metric tons per year. The original Agreement covered a 5-year period beginning in 1975. It was extended for a 1-year period on two occasions.

LEMON-AID—THE NEED TO FIX FARM POLICY

(By David Pelzer)

In Washington and the hinterlands alike, word is spreading that the government's farm program may be a lemon. The prospect of farm price supports of $21 billion and overall agricultural subsidies of $38 billion (including PIK outlays and farm credit funding) is souring government officials on what some consider welfare for farmers. The secretary of agriculture, for example, has called the present program "unworkable."

The consumer-oriented press is starting to question why the public must pay farmers more for food in the grocery store because of supply restrictions and then pay them again to restrict planting.

The steep budget figures are receiving ardent attention from both the adminstration and Congress this summer. Secretary Block has called together 60 top farm and food industry leaders for an agricultural summit meeting in mid-July to discuss the long-term future of federal farm policy. The discussions there and in other forums are expected to bring proposals for widespread change into the 1985 farm bill debate.

Among the heavy hitters brought into the fray is David Stockman, federal budget director, known as the man with the hatchet when it comes to escalating budgets.

This fiscal year, Stockman said in testimony before the Joint Economic Committee, "we are spending more for farm subsidies than we are for welfare for the entire poverty population of this country. . . . (The $38 billion) is more than what was spent during the entire previous administration. . . . We are giving away more money to the farmers of this country than anyone ever conceived of giving away before. And it's one of the reasons why we have the deficit that we have."

Stockman, who himself grew up on a Michigan fruit farm, was immediately reminded by Senator James Abdnor (R., S.D.) that current net farm income, when adjusted for inflation, is lower than it was in 1933, in the midst of the Depression.

Few in the administration would argue that times are tough on the farm. Their point is that the government should no longer be in the business of supporting farmers or other industries through guaranteed prices or other subsidies.

"Current farm programs have been out of touch with market reality, (and) have encouraged production completely out of line with market demand," charged Robert Delano, president of the American Farm Bureau Federation. Delano holds that today's farm programs are "geared to the expectation of ever-higher inflation and a weak dollar," conditions that no longer exist.

Edward Schuh, economist at the University of Minnesota, holds that our current commodity programs were designed in the 1930s "when trade was relatively unimportant to U.S. agriculture" and when the international economy operated under fixed exchange rates which made the value of the dollar constant. In the 1980s, with large budget deficits and a tight Federal Reserve fiscal policy, the dollar is likely to remain strong, Schuh said. The commodity programs are counterproductive, he added, for they encourage excess production and price floors that are too high for the world market. Hence, other countries can undersell us, and the problem perpetuates itself.

Delano and Schuh, along with other agricultural leaders, appeared in May before the Joint Economic Committee of Congress to offer recommendations on what course farm policy should take in the "post-PIK era."

Secretary Block and others in the Reagan Administration view the Payment-In-Kind program as a bridge to lead farmers from government coffers to the market as their primary income source. Block, with support from the Office of Management and Budget, would like to start by lowering loan rates and freezing target prices in order to reduce direct payments in 1984. The USDA estimates that such a freeze would save $4 billion through the next two fiscal years.

Congress, however, holds the power on deciding the target price issue, which is legislated as part of the farm bill. Congress is still divided on the issue, and will be holding hearings this summer to decide whether price levels will indeed be frozen.

EVEN FARMERS POLES APART

One reason for Congress' hesitation in cutting price supports is due to pressure coming from farm groups that support current policy. Their analysis of the problem and solutions for it are poles apart from those who favor the "no government involvement" approach. In congressional testimony, these groups blamed the worldwide recession, international credit problems, foreign protectionist measures and the U.S. embargoes as the cause of high carryover stocks and low farm prices.

"Our analysis shows that nearly one-half of the problem has occurred because of a decline in exports," testified Wayne Boutwell, President of the National Council of Farmer Cooperatives. "You cannot blame the current surpluses on our existing farm program," he held.

Instead of freezing target prices or lowering loan rates, representatives of the National Farm Coalition and the National Farmers Union proposed an "aggressive" supply-management system that would offer "more price stability," or a safety net, to farmers. This would include a guaranteed minimum income per-bushel "in order to make planting decisions for markets which may not materialize," said Wayne Nelson of the National Farm Coalition.

In a recent survey conducted through AGRI-STAR, AgriData Resources' business

and marketing electronic information service, large-scale producers disagreed as to what role government should play in assuring adequate farm income. Although farmers with gross sales of $100,000 or more receive nearly half of the government's direct payments to farmers, many respondents expressed opposition to future government assistance. Yet others opted for increased or expanded PIK benefits, payments for farmers with highly erodable soil, or other entitlement programs.

FOUR POLICY OPTIONS

Washington will be faced with a major battle over these conflicting interests in the months to come. Federal policymakers have four possible paths to choose from:

1. Stay the course of current policies, using set-asides and currently legislated levels of increasing price supports and target prices. .

2. Use the stick approach to control supply by using mandatory production control programs.

3. Lower loan rates and target prices are below current levels, and phase out the Farmer-Owned Reserve.

4. Explore alternative ways for the government to support farm income, such as revenue insurance or greater use of tax credits.

If agricultural policy stays on the same course, the farm price support budget may well stay above $10 billion per year, a level that could fuel the taxpayer revolt. And, given a strong dollar abroad, price support levels above the world price would make our exports less competitive than ever.

Supply management advocates hold that mandatory controls would make supply more predictable, and thus prices less volatile. Given the basic philosophy of the current administration, however, this approach smacks of too much government control, and should be considered at best a last-resort option.

The administration, of course, is pushing hard for the third option, which it says is needed to bring an outdated agricultural policy into the 1980s. If the price support system is readjusted with a market-oriented bent, the loan may work as strictly a last-resort safety net, inches from the ground. Such a support program operates currently in soybeans, where, advocates say, the market and not the government has the most say in determining prices. The practice of growing crops especially for the loan rate would disappear.

Block's summit meeting—and next month's Farm Futures—will be exploring the fourth avenue of other ways the government might help support farm incomes.

GOVERNMENT "HELP" INEVITABLE?

Resistant farm groups may swing a big enough stick in Congress, however, to at least force a compromise, whereby current support levels may eventually be frozen rather than phased out altogether. Given the vast power of the farm lobby and the government's farm policy over the last 50 years, this possibility should not be counted out.

"I wish that there were some way the government could say out of agriculture," said one producer in response to the electronic survey. "However, with the past history of government in agriculture, that is not really possible."

Still, a fundamental change toward government involvement in farmers' income appears unavoidable. Regardless of how farmers themselves feel, enough clout is building in Washington to view the farm program as a brokendown vehicle in need of a permanent fix.

A BUMPER CROP OF SUBSIDIES

The statistics are boggling: government subsidies to farmers will explode to $21 billion this year. Even more amazing is that those subsidies will just about equal the total earnings of American farmers this year. There is clearly something terribly wrong down on the farm—and in Washington. So last week Agriculture Secretary John Block called together 75 leaders of agribusiness, labor and politics to discuss the mess. After two days of closed-door sessions, Block emerged to announce that everyone agreed the United States needed a new farm policy—but no one had any bright ideas how to stop the hemorrhage of federal money, improve the lot of farmers and start whittling down enormous surpluses of food products.

INDEFENSIBLE

The budget-busting agriculture subsidies are becoming a very sore point to the Reagan administration and a juicy political issue for Democrats. The subsidies totaled only $3.5 billion when Jimmy Carter left office (chart), and even Block calls the current outlays "indefensible." The Senate might vote as early as this week on a compromise farm bill that would allow the administration to freeze grain and cotton subsidies for the next two years. In a surprising about-face, even farmers support the bill, although they admit it's only a half step. "We're in a deep hole on agriculture and agriculture policy," says Washington agriculture consultant John Schnittker, a former Johnson administration official. "We're there half because of bad luck and about half because of incompetence on the part of the administration."

The administration admits that it never dreamed of a $21 billion farm-subsidy price tag. But it got into trouble by not believing its own rhetoric about controlling inflation. The four-year farm bill passed in 1981, which forecast spending only $3 billion a year on subsidies, was based on an assumption that farm prices would continue to rise. But farm prices didn't go up—because of soft export demand, higher yields and lower inflation—and the farmers asked the federal government to buy their crops at the artificially high prices. As a result, the federal government was committed to buy megatons of grain, cotton and dairy products for billions of dollars.

The administration created the Payment-in-Kind (PIK) program to help reduce the surpluses and curb overproduction. Under the program, farmers who agreed to take some of their land out of production were paid by the government out of surplus stocks. The administration says the program was a great success: 80 million acres were idled, stockpilers got some breathing room, prices rose a bit and farmers got some extra money in their pockets. Dick Bishop, a farmer in Iowa, agrees. He idled 280 of his 500 crop acres and now feels confident enough about his future to buy a $60,000 tractor and hoe. "I can make as much money in the PIK program as I could farming," he says.

Critics say PIK has been the administration's biggest agricultural disaster, a $12 billion boondoggle. Most farmers took only their poorest land out of production, so harvests have not dropped dramatically. Even supporters of PIK say the program would have to continue for at least another year to make a serious dent in the surpluses—and with such a high price, no one is betting on an extension.

POLITICS, POLITICS

In the short run, administration officials and farmers agree that the United States must reduce surpluses and raise prices by revitalizing exports. The compromise Senate bill includes $600 million for export promotion. But the American Farm Bureau Federation and almost every farmer interviewed by Newsweek also favor the freeze on "target price" subsidies and a 10 percent reduction in loan price-support levels for wheat, a position that most would have considered heresy a short time ago. They point out that the high-price guarantees have encouraged overproduction, which they fear will ultimately depress prices. And they have a political reason as well. "We feel that either we take the initiative to get our house in order or someone will come along and wipe out these programs altogether," says Ross Korves, a Farm Bureau Federation economist. A freeze would save only $3 billion to $4 billion, but agriculture officials say it is an important psychological step toward a more sensible farm policy.

A sensible new farm policy will be a difficult task, because it will have to be developed in the heat of Campaign '84. Last week, on the same day Block opened his summit, the Democratic National Committee announced the formation of an agricultural council to expose what it considers Reagan's "farm policy flimflam." Government involvement in agriculture has become so deep—and so expensive—that the pendulum may finally be swinging back toward a more open market. But for now the Democrats have one thing in common with the Republicans: no new ideas.

[From the New York Times, July 25, 1983]

WHAT P-I-K SPELLS

"Payment-in-Kind"; when it was first proposed last year, it sounded like a painless way to reduce farm subsidies and at the same time unload old surpluses. But the program has yielded only marginal economic benefits, and, as politics, PIK, as it is called, has proved to be an f-l-o-p.

Such failures are almost inevitable as long as we try to make farm programs all things for all people. Only when Government clearly defines its role as the stabilizer rather than supporter of farm income, and only when farmers are reconciled to living with free markets, are we likely to manage a successful farm policy.

Last year, farm policymakers seemed trapped. With agricultural prices badly depressed, farm interests were pressing for more Government help. But the traditional way of aiding farmers, crop supports, would have added billions to the deficit and millions of tons of food and fiber to the bulging national stockpile.

Enter the Agriculture Department's "payment-in-kind" scheme. Under PIK, farmers would be paid for reducing their crop acreage, thus eliminating surplus production. But instead of money, the payment would be in wheat, corn and cotton from Government stockpiles.

Consumers, too, would benefit because prices would not be affected: The grain and cotton release to the market would compensate for reduced production. the net gain to farmers would come from savings on fertilizer, seed, pesticide and labor.

Unfortunately, PIK worked better on the drawing board than on the back forty. Far

more acreage than anticipate has been idled, forcing the Government to foreclose on farmer-held surpluses for payment and raising the cost of the program. But because of good weather and superintensive cultivation, production will be greater than anticipated.

The results: farmers are anxious that surpluses dumped on the market will depress prices; budget-cutters worry that farm supports will cost at least $21 billion this year, and liberals are angry that some farmers will each receive more than a million dollars this year not to work their land.

A smaller PIK program might have quieted unrest in the farm belt without arousing opposition in Congress. But PIK could never have been more than a political solution to a political problem. No matter how carefully fine-tuned, this gimmick could not long reconcile the demands of farmers for larger incomes with the demand of taxpayers for smaller farm subsidies and the demands of consumers for lower food prices.

Must the farmer's gain be either the taxpayer's or consumer's loss? One could imagine an alternative: an agricultural policy with the goal of efficiency. Such a policy would use crop supports and acreage restrictions only to slow swings in prices.

Over the long run, farmers who couldn't make it in the free market would cease to be farmers. True subsidies would be paid only to poor farmers, and only in ways that would discourage small, inefficient farms.

Such a policy prescription grates in a society that still thinks of farming as a way of life rather than an industry. But it might grate less than spending $21 billion a year in a vain attempt to satisfy 6 percent of the population.

OUR UNAFFORDABLE FARM PROGRAMS

(By Fred H. Sanderson)

Once again, American taxpayers find themselves in the familiar position of paying farmers to restrict production so as to raise prices to consumers. Only this time the bill is a staggering $22 billion in fiscal year 1983 alone, up from less than $4 billion in the Carter years.

The steps taken so far to stem the mounting tide of surpluses have proved inadequate. Dairy products are being bought up by the government at the rate of $2.5 billion a year despite the freezing of support prices. This year's massive "payment in kind" program will reduce grain and cotton production by one-fourth, but there will be no lasting effect in redressing the balance between demand and supply.

All agree that U.S. farm policy is at a crossroads, but there is no agreement on the route to take. The more hard-nosed farm groups call for continued price supports buttressed by tighter production controls. But mandatory controls, which would avoid heavy budget costs, have been rejected time and again. Twenty years of experience with voluntary supply control have shown this approach to be ineffective or exorbitantly expensive or both. Furthermore, any kind of unilateral supply management by the United States makes it that much easier for our foreign competitors to undercut our prices and to steal our markets.

An alternative approach billed as "self-financing" of surplus disposal by the farmers-would introduce a dual price system that restricts supplies and raises prices to domestic consumers while surpluses are dumped abroad at whatever price they will bring. Experience with sugar in the European Community and tobacco in the United States has shown that this approach does not solve the problem of surplus production: it merely shifts the costs of surplus disposal from the budget to the domestic consumer. It continues to protect inefficient producers and to delay structural change. And it is no more compatible with GATT than are export subsides financed by the tax payer

Export subsidies, no matter how financed, are no solution because they will be matched by our competitors. And while a case can be made for subsidizing exports to poor countries and to developing countries in temporary financial difficulties, the principal beneficiaries of any generalized export subsidy contest will be the communist countries and already affluent countries in the Middle and Far East.

Since the United States has a competitive advantage in most farm products, its organizations accept this proposition in the abstract, but that has not prevented most commodity groups from seeking to preserve various forms of protection, subsidization and cartelization. It has taken a major explosion of farm support costs to put these vested interests on the defensive.

The Reagan administration, with the support of at least one major farm organization, favors the phasing out of those aspects of the existing commodity programs that support producers' returns above long-term market-clearing levels. This includes not only loan rates (price guarantees) but also the target prices that are the basis for deficiency payments as well as other incentives that are proving excessive in the less buoyant markets of the 1980s.

An opportunity for basic reform will present itself when the comprehensive farm legislation comes up for renewal in 1985. The new legislation should recognize that massive income transfers to the farm sector—which in any event benefit mainly the large farmers who need them least—are no longer justified.

We should retain only those elements of our farm programs that protect farmers against extreme short-term instability. This includes federal crop insurance and the Farmers' Home Administration as a lender of last resort. Loan rates should serve as a safety net, but at levels no higher than the variable costs of production. Because of the difficulty of getting agreement on relevant costs, it would probably be best to link the loan rates to a moving average of market prices.

The farmer-owned grain reserve should be managed to serve stabilization purposes only. It could be made more cost-effective than the present program, which gives farmers the benefit of any rise in prices while the government bears virtually all the storage and interest costs. To avoid being placed in the position of the residual supplier in periods of worldwide glut, the United States should resume negotiations to get its fellow exporters, including the European Community, to share with it the burden of market stabilization, by means of a coordinated reserve policy.

Legislation along these lines would serve the public interest and still provide adequately for the economic security of the American farmer.

Mr. DOLE. My final point is that we also have a dairy package which some of us would like to move ahead. Our dairy farmers are satisfied that we have a good compromise. It does not save as much money as some would like.

Mr. MELCHER. Will the Senator yield?

Mr. DOLE. Yes.

Mr. MELCHER. Would the Senator be willing to back this Senator, the Senator from Montana, in a motion to proceed immediately to the dairy bill before proceeding to the one we are on, Calendar No. 261, S. 1529, and set debate on this motion aside until after we have passed the dairy bill?

Mr. DOLE. That is certainly an option.

Mr. MELCHER. If the Senator will join with me, I will meet with the majority leader and make that suggestion as soon as he can return to the floor. I think we ought to move the dairy bill. It is a separate bill. It has been setting on that calendar ahead of this one. It is ready to roll. Let us move it. I do not think we would have to worry about getting its passage in between now and 4:30. Let us move the dairy bill.

Mr. DOLE. I think that is an option we might consider. Why does not the Senator from Montana join with us and put the package together? Why should we wait?

Mr. MELCHER. I will respond to the Senator from Kansas by saying that I am consistent with what the Senate Agriculture Committee did, and what the Senator from Kansas and the distinguished chairman of the Senate Agriculture Committee did. We all agreed that we would put the dairy bill out pronto. Let us get it out on the Senate floor. Let us get it passed. Now we are taking up this bill on target prices, which came out of committee by an 8-to-7 vote. We knew it would be controversial. We knew it had to be debated extensively. We are taking it up before we take up the dairy bill. I am willing to set this bill aside, not the bill but the motion to proceed to consider the bill, and move directly on to the dairy bill. I do not think the dairy bill has any enemies here. We can pass it this afternoon.

Mr. DOLE. Would we have to amend the dairy bill?

Mr. MELCHER. We would not amend the dairy bill, as the Senator knows, without continuing this discussion. I am not trying to put the two together. If Secretary Block likes the dairy bill, and I think he does, a little bit——

Mr. DOLE. Not much.

Mr. MELCHER [continuing]. We will pass it. We will have the administration backing us on something.

If they want to tangle it up with reopening up the farm bill of 1981, all they have to do is proceed as we are going. If we are going to go into this bill, the one we are on right now on target prices, we are going to reopen the 1981 Farm Act and we are going to talk about a lot of things that could be improved in that act that would be helpful. But it is silly for us to stand

on the Senate floor and say we are going to do all that this week. If we are going to send it over to the House and they are going to act on it it seems unlikely we are going to lay a bill on the President's desk within a matter of days after both the House and the Senate have recessed. We know that is not going to happen.

Mr. DOLE. Mr. President, I think the important thing is that we know where the responsibility is if the target price freeze does not happen. The Secretary has announced at least to the wheat farmers what the program is going to be if we freeze target prices and what it is going to be if we do not freeze target prices. The Senator from Montana is saying that we are not going to finish the bill this week. I assume he is therefore accepting responsibility for choosing the second acreage reduction and PIK option by saying we are going to have a target price freeze.

Maybe that is the best deal for the American wheat producer. It is a close call in some areas.

Mr. MELCHER. If the Senator will yield again, we are talking about pretty heavy stuff. Reference was made to PIK. The record shows the Secretary of Agriculture trotted up here in the latter days of December and said he wanted a PIK program, he wanted us to pass a bill that they had pieced together over the last several days between Thanksgiving and the middle of December, and they wanted it passed right now. I said, "Well, you are running a chance, Mr. Secretary, of telling us to buy a PIK in a poke. Why not open the poke so we can see what is in there and let the farmers of this country look at it? If it is so good, we will pass it in January."

I remind the Senator that, during the course of that discussion with the Secretary of Agriculture in December, the question was raised in a pertinent way on whether the $50,000 payment limitation would apply to PIK commodity payments. At that time, the Secretary thought it probably would; it might need a portion in the PIK bill to absolve the $50,000 payment limitations from PIK payments.

When the Secretary chose, in January, to implement the PIK program, he did so on the basis that the $50,000 payment limitation in law would not apply to the PIK payments. We asked him what the Solicitor's opinion on that was and the rationale that advised him of that. We were told we would get that. We have not gotten it yet. We have not gotten the Solicitor's opinion on why the $50,000 payment limitation would not apply to PIK payments.

Mr. DOLE. As I understand it, the Senator from Montana has written the Attorney General on that.

Mr. MELCHER. I have written the Attorney General and I would like an answer. I do not know why we have all these solicitors, all these lawyers working in the Department of Justice and every department we have and we cannot get their legal argument on interpreting the law. If they have violated the law or if they have placed those PIK payments in jeopardy, who is going to be hurt? Is it the United States that is going to be hurt or is it the producers that receive those PIK payments? We are entitled to know that.

We cannot get the answers out of the Department after months and they come up here and ask us to pass a bill, which is, after all, a major part of that 1981 Farm Act, affecting corn and wheat, upland cotton and rice producers; they come in, in the waning days prior to a recess and say, "Well, if you pass it here, we have it iced in the House, we have it greased over in the House." I can hardly believe that.

I would like to address the issues of American agricultural policy and have them debated here and in the House and come up with the best solutions we can. I believe the Senator from Kansas, and I know the chairman of the Committee on Agriculture, who is present on the floor, and other members of the Senate Agriculture Committee feel the same way I do about doing that. It is a question now of whether we should be stampeded into a major a revision of that 1981 Farm Act without some other matters being considered. I do not believe that is possible just on short notice, with this short time. I doubt if it is possible for the House to act on something on that short notice.

I am willing to debate all of this in September. I think we can take the time and should take the time. American agricultural policy is very fundamental to what the rest of this country is doing. Frankly, if they want somebody to blame on not doing it in a slap-dash, haphazard way, blame me. I take pride in that kind of blame. I want to do it very deliberately and I want to do it with thorough consideration by the principals that are involved, that is, with agricultural producers and see whether or not we can have a stronger policy for agriculture.

I thank the Senator for yielding and being disrupted from this thoughts.

Mr. DOLE. Mr. President, I appreciate the Senator's remarks and he is right. Last year, when the PIK program came up, the Senator from Montana—for reasons that are certainly well known to him and probably sound as far as he is concerned—prevented the Senate from legislating on PIK. The Secretary then took it upon himself to announce the PIK program on his own authority. Some of the provisions are being questioned and no one quarrels with that. Now here we are, 8 months later, trying to bring a little sanity into the costs of farm programs. The Senator from Montana, who certainly has every right, says we are not going to do that; that we are not going to do anything.

Up until recently, there was a lot of talk that if we could just get the Secretary to announce both programs, option A and option B, then we could move the bill in the Senate because we would know what the production program would be. The Secretary hesitated in doing that because he was afraid it would look as if he was trying to intimidate the farmers by saying, if you do this, you get A; if you do this, you get B. Now he had made that announcement. I think we have to make a choice.

The Secretary is required by law to announce the wheat program by August 15. It seems to me that, since everything is out in the open now, we should proceed to choose. Farmers certainly have a right to make their own choices.

Farmers are never all going to agree on one farm program. Some want high loan rates, some want quotas, some want referenda, others do not like the Government involved at all, some do not like target prices. It is pretty hard to get agreement on farm legislation.

This seems like a pretty good bill to this Senator. When we got to conference on the 1981 farm bill and tried to figure out the target price levels, there was not a single Senator in either party who thought the inflation rate was going to come down as rapidly as it did. So we put the target price levels up because of the inflation rate. I frankly believe the target prices were set too high. Inflation rates are down, interest rates are down. Why not make an adjustment in the law to reflect current conditions?

The conditions are not as they were in 1981. If, as a result, the program is too generous, and we have a chance to save $3.6 billion without doing violence to the farmers of this country, then it ought to be done.

Some equate helping farmers with how much money you can spend. Target prices, loan rates, diversion payments—there is a lot of money in the farm program and some of it is justified. We must restore and maintain a sound farm economy. But I do not believe that Government can or should become obligated to the point of saying that farmers—or any other businessmen—are not allowed to fail.

I understand there are 15 to 20 amendments pending in the event that a bill comes up—whether it is the dairy bill, the target price freeze, or whatever it might be. It may be that we are not able to accomplish anything this week at all. But the farmers should know that there was an effort to accomplish something. Farm legislation has now been on the Senate floor for a week and nothing has been

accomplished. Maybe we cannot accomplish anything today or tomorrow or Wednesday or Thursday. Certainly, we can do nothing after the House and the Senate recess until sometime in September. That would disadvantage many in the farm community—particularly winter wheat producers.

The dairy industry would like us to move on their legislation. At this point, however, it is hard to say if we will make any progress. We took care of those programs which had to be taken care of first and there is no leverage left to correct the one program where we are trying to reduce the cost of the program a little bit.

I must say that with the announcement of the production restraints in the 1984 program, the wheat target price level, whether it is $4.30 or $4.45, is not all that important.

I was discussing the target price concept earlier today with one of my colleagues who does not have much agriculture in his State. He was a little nonplussed to think that we may be paying wheat farmers 65 cents a bushel in a deficiency payment because of the target price. Some would say, "Well, if the PIK program had worked as expected, we wouldn't have to make deficiency payments."

The problem is that we have had very good weather in wheat areas. We had some of the highest yields in history in the State of Kansas. Notwithstanding the PIK acreage that has been taken out of production in our State, we produced nearly the same amount of wheat this year as we did a year ago.

The PIK program has not had the same impact on wheat prices that it has had on corn prices. Farmers in corn areas are not so concerned about the target price freeze because their market price has gone up. It is the hope of those of us from wheat States that with the long-term Soviet grain agreement and, hopefully, renewed purchases by the People's Republic of China, we may see a big move in the market price for wheat and other grains.

But even if that should happen, we have a responsibility for farm programs. We have in effect a nonpartisan approach in our committee. It has been that way as long as this Senator has served on the committee. Whether it was Senator Talmadge or Senator HELMS, we have generally tried to operate on a consensus basis, not according to whether we are Republicans or Democrats or whether we represent wheat or rice or cotton or peanuts.

It would seem to me, as one Senator from a wheat State and an area that might be affected, that we ought to be willing to support the administration. We should take into account the number of other administration initiatives which will help to offset a freeze on target prices by strengthening market prices through exports, and not through larger Government payments.

Mr. President, I ask unanimous consent that information be printed in the RECORD that reviews the importance of the PIK program, PIK costs by commodity, and the distribution of PIK commodities by States.

Just to cite my own State, for example—and these are preliminary figures—PIK commodities to be distributed in 1983 amount to about $385 million. The largest State was Iowa with $988 million, followed by Illinois with $838 million, and Texas with $831 million. The document also contains other information that I think might be helpful to some who are reading the RECORD or who are involved in the debate.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

DOLE HAILS NEW U.S.-SOVIET GRAIN ACCORD

WASHINGTON.—Senator Bob Dole (R-Kan.) today hailed the conclusion of a new long-term grain agreement with the Soviet Union as "the end of a long quest to restore the unquestioned reliability of the United States as a supplier of agricultural exports to the world market."

"The appreciable increase from six to nine million tons of wheat and corn in guranteed annual sales reflects recognition by the Soviet Union that the U.S. is and will remain a principal source for meeting its agricultural import needs," said Dole, who has played a key role in reestablishing a grain trade dialogue between the two superpowers.

The new five-year agreement was announced by Deputy Trade Representative Bob Lighthizer, the chief of the U.S. delegation, following three days of negotiations in Vienna, Austria. Both sides agreed to raise the minimum for Soviet annual grain purchases from 6 to 9 million tons, and the maximum from 8 to 12 million tons. The Soviets will have the option to substitute 500,000 tons of soybean or soybean meal purchases for one million tons of grain required under the minimum. Purchases are to be roughly divided equally between wheat and corn. Additional sales beyond the 12 million ton maximum would require consultation by both sides, as under the existing agreement negotiated in 1975. The new agreement will take effect upon expiration of the 1975 accord on October 1, 1983.

"I want to congratulate Secretary Block, Ambassador Brock, and their deputies in Vienna, Bob Lighthizer and Undersecretary Dan Amstutz, on the successful conclusion of these negotiations," Dole continued. "U.S. farmers could have received no better news than the announcement of a new and improved grain agreement with the Russians."

"Some of us have worked long and hard for over three years to reverse the negative trend in U.S.-Soviet trade relations since the 1980 grain embargo," Dole stated. "I am glad to have played a part in getting both sides together. In my three meetings with Soviet Ambassador Dobrynin and during my visit to Moscow last November, I became convinced that the Soviets were prepared to be a reliable customer if we were ready to return to our role as a reliable supplier," Dole added. "It it clear that both sides have kept this commitment and followed their own economic best interests in reaching this important accord."

LTA ANNOUNCEMENT DENOTES END OF CARTER EMBARGO, SAYS DOLE

WASHINGTON.—Kansas Senator Bob Dole said today that yesterday's announced long-term grain agreement (LTA) with the Soviet Union represents "the end of a long nightmare of government interference in grain exports started by President Jimmy Carter's embargo of 1980."

"There are those, including some of my friends in Kansas, who found ways to justify the Carter embargo on foreign policy or national security grounds," said Dole. "But President Reagan has kept his word to the American farmer—he ended the grain embargo and he has finally closed the Pandora's box of government intervention and threats of intervention in agricultural trade which Jimmy Carter opened three years ago."

"Those of us who have consistently supported renewed grain trade with Russia have done our best during the past three years to rebuild the tattered reputation of the United States as a reliable supplier," said Dole, the ranking Republican on the Senate Agriculture Committee.

"The Carter embargo was a devastating blow to our farmers," said Dole. "But we can now see light at the end of the tunnel."

DOLE COMMENDS LONG-TERM AGREEMENT NEGOTIATORS—"DISASTROUS CARTER EMBARGO IS OVER"

WASHINGTON.—Following a special briefing today, Kansas Senator Bob Dole joined other members of the Senate Agriculture Committee in commending the U.S. negotiators who concluded talks last week on a new five-year grain agreement with the Soviet Union.

"Obtaining a 50 percent increase in guaranteed Russian purchases of U.S. wheat and corn was a significant accomplishment—particularly when both countries have big crops this year," said Dole.

Senator Dole's comments followed a Senate Agriculture Committee briefing by Deputy U.S. Trade Representative Bob Lighthizer and Under Secretary Daniel Amstutz, to top U.S. Department of Agriculture (USDA) official on the negotiating team, on the details on last week's three-day session in Vienna, Austria.

The new agreement, which takes effect October 1, raises minimum annual Soviet purchases from 6 to 9 million tons and allows the maximum level of exports without prior consultation to increase from 8 to 12 million tons. The guaranteed sale of wheat and corn were negotiated up from 3 to 4 million tons each, with Soviet discretion to substitute 500,000 tons of soybeans or soybean meal for the balance of 1 million tons.

"With this agreement, farmers can look forward to another avenue for selling their produce, something they haven't had for a few years. We are all glad the disastrous Carter grain embargo is now over—President Reagan should be commended for fulfilling his promise to end the embargo and to repair the tarnished image of the United States as a reliable trading partner," Dole added. "The American farmer is still picking up the pieces of Jimmy Carter's mistaken policy but at least now there is the stability—and the hope—this new LTA brings."

IMPORTANCE OF PIK

PIK is an Administration initiative that is pumping *$8.7 billion* into the farm economy on top of regular programs. Its impact in reducing stocks of corn, cotton and rice has been essential to current improved prices. In the absence of PIK, scheduled target price increases would be insignificant in supporting farm income.

PIK COST BY COMMODITY

If only a wheat PIK is implemented in 1984, the total cost will be close to $10 billion. The book value of PIK commodities in 1983 is $8.7 billion, divided as follows:

	Millions
Corn and sorghum	$5,300
Wheat	2,050
Cotton	1,000
Rice	350

PIK DISTRIBUTION BY STATE

Comparison of the value of 1983 PIK commodities with total ASCS payments in 1982 (the previous year):

[In millions of dollars]

	1983 PIK value	1982 ASCS payments
State:		
Iowa	988	216
Illinois	838	118
Texas	831	640
Nebraska	601	276
Minnesota	554	102
Indiana	419	58
Kansas	385	279
California	371	135
North Dakota	329	200
Oklahoma	286	127
Arkansas	211	119
Mississippi	190	104
Montana	121	116
North Carolina	116	16
Kentucky	108	13
Total (all States)	8,747	3,749

INCREASES IN REGULAR PROGRAM COSTS

Following are increases in CCC outlays by Fiscal Year:

[In billions of dollars]

	1980	1981	1982	1983 [1]
Nonrecoverable outlays:				
Deficiency payments	0.1	.....	1.2	2.6
Diversion payments	.1	.....	.....	1.3
Disaster payments	.3	1.0	.3	.1
Storage payments	.3	.....	.7	1.0
Total	.7	1.1	2.2	5.0
Recoverable loans (commodity and storage facility):				
Loans made	4.2	5.8	11.5	13.6
Loans repaid	6.0	5.7	4.6	4.7
Total (net)	(1.8)	.1	6.8	8.9
Dairy program	1.0	1.9	2.2	2.1
All other	2.9	.9	.4	5.1
Total CCC outlays	2.7	4.0	11.6	21.1

[1] Estimate.

Mr. DOLE. Mr. President, I certainly have no criticism of the Senator from Montana; he is within his right as is any other Member of the Senate to have a totally different view on what we should do in agriculture. We are seeking only to make one modest change. Only yesterday, we were advised that interest rates are starting to inch back up, primarily because Congress is not willing to face up to reducing spending. Here is an opportunity to reduce spending by about $3.6 billion over the next 3 years. I believe that the announcement of the long-term Soviet grain agreement, the resolution of the textile dispute, and some other administration initiatives will offset most of the impact which the target price freeze might have. But primarily, it would be an indication that Congress has the will to cut spending. If Federal spending is too high in any program, whether it is in defense or in agriculture, we ought to take a look at it. We ought to restrain the growth of spending. It is pretty hard to argue that we are not spending a great deal of money in farm programs. It can even be argued that the cost of farm programs under conservative Ronald Reagan have more than quadrupled since President Carter left office.

We can argue all we want that higher costs do not reflect renewed prosperity on the farm. PIK and other programs probably have done a great deal for the American farmer. They may have been necessary. But if we are not willing to put our foot on the brake when agriculture programs are out of hand, then it is pretty hard for us to say with a straight face that we ought to reduce some other program that does not benefit our State.

It is the opinion of this Senator that there is still enough of a willingness on the part of Democrats and Republicans in the farm area to reach a compromise. I would hope we could do it late today or tomorrow morning so that the House could have a chance to work its will and maybe have a conference report before the Congress adjourns for the August recess sometime later this week.

I thank the distinguished Senator from Montana for yielding me time without losing his right to the floor.

The PRESIDING OFFICER. The Senator from Montana is recognized.

Mr. MELCHER. I thank the distinguished Senator from Kansas for his remarks. I think it throws a lot of light on the subject matter we are discussing. He has been a veteran of the Agriculture Committees in the House and the Senate for a rather important and critical time over the past 20 years.

I surely would love to save some money for the taxpayers in the cost of the farm program, and since the PIK program is a major part of the costs for the farm program now we ought to look at it. I said in December, when the Secretary of Agriculture pressured immediate passage of a bill, in outlining the PIK program I said that maybe he had a PIK in the poke and why did he want to rush it so fast. In just cost, it is very clear that PIK is the most costly of all farm programs any Secretary ever envisioned.

When he refused to act in this Senate in December, it is fair to say, on behalf of the Secretary, that he was very dubious, if he waited until January when the House and Senate came back into session, whether Congress would very quickly get a piece of legislation enacted into law dealing directly with PIK. So he used his own authority under existing statutes. Over the course of 30 years Congress has given to the Secretary of Agriculture very broad authority. So he used his own authority to put PIK in motion.

The Secretary sent out regulations in the Federal Register, and, having those in there for the sufficient comment period, he immediately, even prior to the end of the comment period, began to institute a PIK program through the county ASCS offices throughout the country. If costs were the only criteria, it has been a raging failure. But costs are not the only criteria on farm programs. It is a question really of whether or not it is espousing agriculture policy that in the long run enhances the U.S. position.

Without having read them all, I well understand the editorials the Senator from Kansas has described which are critical of agricultural problems right now. They are wondering whether we are not paying a lot of money out of the Treasury that is not accomplishing very much. I have to say that I agree that PIK is not accomplishing a great deal.

The Secretary of Agriculture met with us the other evening at 6 o'clock, right over there, off this Senate floor, in the Vice President's room, and outlined what he called plan A and plan B—they are like Tweedledee and Tweedledum—for a wheat program: Plan A if we pass the bill freezing target prices, or plan B if we do not pass the bill freezing target prices. There is not much difference in the cost of either.

The Secretary was very candid and frank. He said, "I'm not suggesting that there is much difference in the cost of either one." It is inconsequential, and he could not say for sure which one cost more and which one cost less.

As to PIK, he said that under plan A for the wheat farmer, they could put from 10 to 25 percent of their acreage into PIK; under plan B, from 10 to 20 percent into PIK. It is a difference of 5 percent—and neither one for sure. So there is not much difference between those two proposals.

The real question is, What about the cost? Concern is expressed by the Senator from Kansas that we might witness attack on all farm programs which the public finds to be so much in disarray and in such ill-repute that none would be available for American agriculture. Is that truly a valid concern? I would say that, yes, it is a con-

cern, and I share that concern. But I think we had better start back on what is the real concern, as being enunciated by those editorials to which he is referring.

They are referring to costs for farm programs that do not produce much of anything, neither farm income for the producers—that is, for more than 1 year—nor do they seem to lead this country in the right direction for sound agricultural policy.

There is a great deal of concern on my part that we are jeopardizing just that. PIK was highly successful in one aspect. It put a lot of money into the pockets of agricultural producers of those commodities it covers—wheat, corn, upland cotton, and rice. It put a lot of money into their pockets immediately, and they certainly could use it.

However, in doing so without the payment limitations applying, we are reaping a harvest of bad comment, that in the public's judgment, serious questions on whether it is sound agricultural policy to be sending commodities, payment-in-kind, worth a quarter of a million dollars, a half-million dollars, a million dollars, or more, to individual farm operators. That is No. 1.

That does create a very unfavorable attitude on the part of many in the public who resent it and believe it is an unwarranted handout. Many of the public ponder that if large PIK payments are not a handout, why was it not held to a limitation so that the PIK payments could help a great number of family farms—that is, small operators, farms and ranches operated by families—rather than one big operation to the tune of a million dollars?

Let me rephrase that. The public has a great deal of concern over what they view as an overpayment to some large operations many of which are owned by corporations or conglomerates. They wonder why the American agricultural policy, as set in Congress, does not go directly at the problem of helping family farmers. If so, how many more family farmers could PIK payments help if the Department of Agriculture would limit the payments, rather than huge payments going to some farms that are owned by big outfits or corporations or conglomerates, where the payments to one operation of this type may be a quarter-of-a-million dollars, a half-million dollars, a million dollars, or more, for PIK?

It behooves all of us not just to criticize. We are given the privilege of being on the Senate floor, representing our States, with the idea that we will act constructively and, if possible, in a very positive way for sound agricultural policy.

First of all, the cost: PIK will cost $12 billion for the current year. The Secretary of Agriculture speaks about a group of costs for farm programs that totals $21 billion. He says that does not include PIK. That $12 billion for PIK will be in addition to the $21 billion.

You have to look at what the Secretary is saying, then, to determine whether you agree with the types of expenditures that add up to $21 billion.

Of that amount the Secretary describes the first item is $5 billion for payments farmers receive, and that includes so-called target prices, which translate into what is called deficiency payments, which is the makeup of the market price and the actual sale price of the commodities covering a portion of the crop—not all the crop, but a portion of it.

This $5 billion in direct payments also calls for diversion payments and additional payments and for producer storage payments. This covers the first $5 billion.

The next item, which is the largest item of this $21 billion, is $8.9 billion—for all practical purposes, I will round it off and say it is $9 billion—of net lending. That money is not lost, but is recovered. That money is repaid. These are loans that are guaranteed by the Commodity Credit Corporation—that is the Government—on commodities on which the producer wishes to get a loan, rather than sell the commodity during the time of low price. Those loans are repaid. As short a time ago as 1980, the CCC—that is, the Government—actually made a profit from the small fee it charges for guaranteeing those loans. But that item of $9 billion to guarantee those loans which are repaid in less than a year is a big item of the $21 billion.

Another item of the $21 billion is $2.1 billion for dairy—that is, for the dairy surplus, buying up the milk and converting it into powdered milk, cheese, or butter, which goes into Federal storage. That is what that program is costing.

Then they list all others of the $21 billion as $5.1 billion. Well, "all others" covers a whole variety of things. A lot of it is credit. A lot of it is payments on storage. A lot of it deals with other aspects of the broad array of agricultural products this country producers, and which from time to time over the past 30 years have been reviewed in Congress; and we have resoundingly said that we are going to keep those programs because they work or because they enhance the availability of supplies for consumers and are in the public interest.

What is unanswered right now is simply this: Has PIK cost us too much money? And the answer to that is yes, it has. Has the PIK program produced much as sound agricultural policy for this country? The answer to that is no, it has produced very little.

The third natural question is can we use PIK in such a way that it will enhance as a national policy American agriculture over the course of time? And the answer to that is, "Probably yes" but with some constraints and with some innovative ideas on how PIK is handled and used by the Department of Agriculture.

Let me give you a couple examples of that. Right from the outset probably all of us on the Agriculture Committee, said, "Well, could we not use PIK payments, payment in kind, for conservation work?" And the answer to that is yes, but we have not done it yet.

I dare say that over the course of time, that is probably one of the best opportunities this country has in order to catch up on lapsed but very vitally needed conservation work on American farms and ranches.

The second example of how we could better use PIK, is could not PIK be used, with a surplus commodity, to enhance or subsidize the sale of a surplus agricultural product from this country to a foreign country?

The answer to that is, "Absolutely yes." PIK for this purpose has only been used once, to my knowledge, so far, and that was with the Egyptian wheat sale where bonus amounts of wheat were actually given from Federal warehouses by the Credit Commodity Corporation, to the millers who milled the wheat and sold the flour to Egypt to subsidize the sale in order to match subsidized sales of flour from European countries.

So there are ways of using PIK that are very advantageous as long-term policy for this country.

The type of policy that we need for agriculture in the United States I think is really very easily understood.

First of all, we should do what comes natural here in the United States. What comes natural here in the United States is what we have done all throughout the life of this Republic.

Jefferson often spoke of it, prior to the time we had the Government in place and prior to the time he was President of the United States. He spoke of it prior to that time, he spoke of it during his administration, and he spoke of it afterward.

That is the capability of the United States to grow an abundance of agricultural products which would be more than the need for domestic consumption and would be the bulwark of our capability for foreign trade.

To do what comes natural means that we grow the food products and if we have an abundance of supply for American consumers, after all the necessary food here, then after that we sell the surplus commodities abroad.

We have added another concept during our lifetime. That is of sharing the abundance of food here in America over and above what was needed for domestic consumption, over and above what was actually sold abroad

to other countries. We have added the concept of "food for peace." The concept that even preceded that was enunciated by Herbert Hoover shortly after World War I. Hoover proposed sending food products to the starving people wherever they may be in the world and he administered the program.

Herbert Hoover's concept of using food products to help people abroad was accepted, developed, and used. Food for Peace came on later, a little more specific in certain areas, but it did not disturb the concept that Herbert Hoover developed shortly after World War I, and it still fits today. It fits this year and it will fit next year, and I dare say it will fit throughout all of our lifetime, the lifetimes of our children and grandchildren. When people are hungry and we have an abundance we supply them with some food. If they can pay for it in a currency that is not worth very much we accept that and then on occasion, sometimes where the starving have no money we still supply the food. That is good, sound agricultural policy.

There is a basic flaw in PIK when it is used as broadly as it has been used this year, and that flaw is this:

It attempts to curtail production too much. There are none of us who are going to argue that we should spend $12 billion to get a 200-million-bushelless wheat crop than we would have had otherwise. There are none of us who are going to argue that a reduction of 200 million bushels of wheat, that cuts down only slightly on supply, out of a crop of 2.6 billion bushels, that even if you get a reduction in corn and feedgrains, in order to bring down these surpluses a little bit, we want to spend as much money as we spent to get that very slight reduction in surplus grain supplies.

Returning to what the Secretary of Agriculture was telling us on Friday last over there in the Vice President's room, I asked the Secretary if the stronger corn price was principally due to the use of PIK for the reduction of corn production in the Cornbelt. The Secretary as usual was very candid and very frank and he said:

> No, I would not describe it that way. I think that the use of PIK did curtail some planting of corn and that that had some bearing on improving the price of corn, strengthening the price of corn, but that the main reason that the price of corn is higher now is because of the threat of drought, of diminished supply in most of Illinois, eastern Iowa and other parts of the Cornbelt.

So I do not think in the longrun PIK as it was used this year would be a very sound policy because we do not get very much out of it for what we pay.

But that kind of large expenditure, $12 billion is not what PIK is proposed for next year. We all understood, I believe, that PIK as it was used this year was just a one-shot deal for that amount of money. PIK can be a lot more successful than it has been if it is used in a more limited way and I would hope it would be more successful if we used PIK as a means of enhancing conservation and enhancing foreign sales of American agricultural products.

We are not kidding anyone or at least I am not kidding anyone. The big cost of the farm programs that is being talked about, whether it is in the Department of Agriculture or here in Congress or the public at large, is principally, this year, due to the huge amounts of PIK payments.

(Mr. COCHRAN assumed the chair.)

Mr. MELCHER. It has to be modified.

If we are going to freeze target prices, as is recommended by the administration, it is true that those people who are involved, whether it is wheat, corn, or Upland cotton or rice, want to know what their crop program is going to be for the next year's crop. For wheat the Secretary has well laid that out in two options. There is option A if we freeze target prices or option B if we do not freeze target prices.

For wheat producers I dare say it really is not going to make much difference, but if I accurately assess what I view to be the consensus of opinion of the wheat producers in my State, most of them are going to feel that we had better hold off and see what else happens during the next coming weeks, and perhaps even after that, and not freeze target prices.

I mentioned that corn prices are much better. Actually if corn prices would hold where they are right now, there would not be any deficiency payments. In that case the target price for corn would not be of much consequence to corn producers because the target price which triggers a deficiency payment occurs only in those instances where the producers receive less for corn they sell than what the target price is. So if this corn price holds up anywhere near to where it is at right now, a deficiency payment or target price has no bearing on the next coming corn crop.

Wheat is a different situation. Wheat is now selling at about $1 bushel lower than what the target price is for this current crop year. It is too early to ascertain yet whether the announcement of the long-term agreement with the Soviet Union on their purchases of wheat and corn and soybeans over the next several years will stimulate and strengthen the wheat market. But it is absolutely true that wheat producers are in a pretty tight financial situation. That is true.

Imagine producing your major crop on your farm where, even if you have a very good yield, you are still faced with a market where you sell it at at least a dollar below what it is costing you to produce each of those bushels. So if you are an operator who has 10,000 bushels of production you can just write it down if the market does not improve you would have a net loss of that wheat production of at least $10,000. That is not even breaking even on these farms. Naturally these farmers are trying to do more than just break even, so that they can pay bills and send their children to college or help them go to college, whatever their expenses are, to take care of them. That is what they are trying to do and if you were in their shoes you would be doing the same as they are attempting to do.

I think wheat producers are very, very cautious this time in sending word to their Senators saying, "Whatever you do, I want you to be careful in any action to lower that safety net you have got in the law." That is what we call these target prices, safety nets. They are not going to tell us to lower target prices when they are really concerned about whether or not they are going to have a market situation next year on next year's crop that begins to put them in the black again, so instead of knowing they are having to pencil out how much further they are going into debt they can actually pencil out how much they are coming out of debt and how much their operation actually netted in the block. That is what they are hoping for next year—that their operation is going to be such that they not only will produce a crop but will have a market that will allow them to get a price for their wheat that actually shows they are not losing ground but gaining ground on their debts.

Much is always said about farmers that they do not want a handout. You can write that down and carve that out in granite, "They do not want a handout." They do not want to get their livelihood out of the U.S. Treasury. They want to get it out of the marketplace. They want to be producing for the market and getting their pay that way. A lot of farmers are not very happy about the fact that they have to rely on a target price to trigger a deficiency payment in order to hold their operation together. They resent it. I personally do not advocate that as good, long-term policy. I advocate that the marketplace be such that we know that is going to be sufficient that given a usual crop the farmers are going to get their cost of production out of the market by marketing and selling their commodities in the marketplace plus a profit without the need of Government program payments. That is what they really want.

For American agriculture, it is the only long-term sound policy. But we seem to have an extreme difficulty in getting there.

Of late, when we talk about wheat in particular, farm producers look at it this way, and there is a lot of merit and truth to the way they see it: First of all, going back to the Carter embargo, they feel that was wrong, and I agree, it was wrong. It did not work out, and the producers of wheat really lost a lot in market sales and therefore lower prices. The same can be said of corn producers, too, and also soybean producers.

Second, the way the wheat producers look at it President Reagan was a little bit slow in ending the Russian wheat embargo.

Third, although they did not anticipate it, that is farmers did not anticipate it, they now view the action of the President in blocking a sale of the parts of the pipeline for natural gas being built from the Soviet Union to Europe as further compounding their problems in selling to the Soviet Union and the Iron Curtain countries that the Soviet Union frequently buys for. They view, that embargo on the parts for that pipeline as, interfering with the opportunity to create the circumstances where the Soviet Union and Iron Curtain countries would be better buyers for American grains and I think they are correct on that also.

Fourth, wheat producers, as I know them, at least in Montana, view PIK for wheat producers as being somewhat of a bailout, combination bailout for them, so those who participated in the program could have additional income but really view it as such a short-term policy as to ignore the more critical long-term policy of how we are going to develop more foreign sales of American grain.

I can add another point along the same line: Wheat producers in Montana, and I suspect throughout the country, have been greatly alarmed by the argument that developed over the sale of Chinese textiles to this country which we are told amounted to about $22 million, which was blocked, and caused China to retaliate by ceasing to buy American grain. Now to the credit of the administration it is my understanding that the discussions in Geneva have resolved that difficulty and that we may be able to look forward, as the Senator from Kansas has earlier mentioned on the Senate floor this afternoon, to a renewal of great interest on the part of mainland China in buying American grain.

So what wheat producers would like is emphasis on developing these foreign sales, and that certainly points in the right direction, as far as I am concerned.

If the administration would spend a little more time on these problems of advancing American sales of agricultural products abroad, I feel, and I would guess that America agricultural producers feel, that we would be a lot better off.

Now, on our balance of payments, agricultural commodities account for over one-third of our foreign sales. And if you want to just look at the tail end of it, that means if it were not for American agricultural products being sold from this country, our balance of payments would be almost twice as bad as they are right now. We have a negative balance of payments.

There are two things to remember about that. These American agricultural products of wheat, corn, and soybeans are being sold for rather low prices. In the case of wheat, it is substantially below the cost of production. And so if the market were strengthened then the foreign sales abroad, when you figure how much wheat was sold, because you always figure it in dollars would be much greater with the same volume. That is item No. 1.

Item No. 2 is that we have a strong dollar. So, in relationship to how much foreign currency or foreign money will buy from us, we are in a weaker position. And that is part of enhancing these sales abroad of American grain, and part of what the administration should be doing, getting some adjustments in the relative value of the yen, speaking of Japan, as compared to the American dollar, and looking at the relative values of other countries' money, their currency, in relationship to the dollar; and getting some modification in that relationship so that our sales from the United States would be more attractive in terms of Japanese yen, West Germany's deutsche marks, or the currency of the Italians, or the Egyptians, or any of the rest of the countries that we trade with and hence sell American agricultural products to them.

Now, at this time, is it any wonder that farmers, who are, after all, in a position of not really doing very well economically, are saying to us:

All right, those of us who have participated in PIK this year, we really got sort of a windfall. But what about next year? We still have to be in business. You better be careful about what you do about changing any of the rules, changing the law, as it affects the agricultural policy and agricultural program for wheat, corn, upland cotton, and rice next year and the year after.

So, I really do not think what we are doing here on this Senate floor in saying let us not proceed to this bill is much of a mystery. As far as the dairy part of it is concerned, the dairy bill, which is on the calendar—it is the calendar number before this bill—anytime the majority leader would like to go to that dairy bill he just has to ask this Senator, and I suspect all of us who are debating this particular target price freeze question, to ask whether we will not yield and gladly support him in bringing up the dairy bill and promptly passing it. I would not hesitate to predict that there would not be any opposition to that at all.

Mr. HEFLIN. Will the Senator yield?

Mr. MELCHER. Yes, I am delighted to yield to my friend from Alabama.

Mr. HEFLIN. I wonder if the distinguished Senator from Montana, who has been a leader in the agricultural movement for a long time, would explain the primary reasons that we have had an escalation in each of the years, in 1982 to 1983 and 1983 to 1984 and then 1984 to 1985, of target prices.

At one time, if I remember correctly, there was the issue of tying it to some type of index relative to the cost of production, but that the Department of Agriculture did not like the idea of tying it to an index. And so they are the ones that came out and suggested that there be a flat figure each year. Was that for the purpose of realizing that the cost of production would go up? I wonder if the Senator might explain that a little bit.

Mr. MELCHER. Mr. President, when the 1981 Farm Act was adopted, many members of the House Agriculture Committee felt that there should be some adjustment in target prices to attempt to recognize the impact that the cost of production increases would mean for the several years that the target prices were being set in that bill.

I think it would have been the preference, not only with the members of the House Agriculture Committee but also with a substantial number of the members of the Senate Agriculture Committee, to tie those figures directly to what has been cataloged and documented year by year in the Department of Agriculture's data and information gathering facilities that they have called the cost of production index.

The Department of Agruculture did not seem to find favor with that, so we just arbitrarily used a figure of about somewhere between 3 and 4 percent increase in target prices for those commodities year by year, thinking that that would be some way of having a slight adjustment on what the producers were having to pay for additional costs.

I suppose it is not very easily understood by the public at large that target prices, if the crop is selling below that price, triggers a deficiency payment to make up the difference between the actual price received in the marketplace and the target price. I suppose it is hard for the public to realize that that only applies to a portion of any producer's crop.

For the wheat program that the Secretary says he is willing to announce for this coming year, 1984 crop for wheat, he would require that 25 to 30 percent of the base acres of any farm that produces wheat be diverted. That means it would not produce any wheat. It could only produce conserving crops; that is, crops that would en-

hance the value of the land in terms of conservation. It does not mean that they are going to sell anything off of that acreage. It means, to the contrary, that they will not sell anything off of that acreage. They might graze them or have something on there that would be of feed value for livestock in certain periods of time. But clearly speaking, for a wheat producer the diverted acreage is restricted to such an extent that it is just a conservation practice with no cash income from it.

Well, there is where 25 or 30 percent of your farm acreage is. It is in nonproduction. The theory behind this is that somehow we will get production down to about a balance of what is needed for domestic consumption and for foreign sales on food for peace and we will not have an overhanging surplus that depresses the market.

Then the wheat producer who is in the program has a normal yield of the rest of the farm find that he has to sell that below the average price, the farmer will get a deficiency payment. It does not cover the entire crop that could be produced if all the acres were planted.

You might think that is a little complicated, perhaps going a little backward. Why not produce it and, as I said earlier, have all the food needed for this country or available to foreign governments that wish to purchase from us, using the remainder for food for peace or those countries that have had droughts and where there is a lack of food.

Well, it seems that over the course of time, for over 25 years, we found ourselves quite often in the situation where the surplus is so great that it exceeds much of what we can use in any 1 year. That is why we have gone to programs of restraint, trying to get farmers to agree to produce less and to bring the supply more into balance with demand. That is the basic reason for it. That is the way deficiency payments work.

Mr. HEFLIN. Will the Senator yield to me for a few remarks?

Mr. MELCHER. Yes, I will yield the floor.

Mr. HEFLIN. I was interested in the minority views of Senator BOREN and Senator PRYOR published in the report on Target Prices, Export Initiatives, and Critical Agricultural Materials Act of 1983, which was ordered to be printed on June 23.

They start their views by saying:

We are deeply disappointed that the Senate Agriculture Committee has approved the administration's proposal to freeze the target prices for wheat, feedgrains, cotton, and rice at the 1983 levels, without first requiring the Secretary to announce the specifics of the 1984 program.

On Friday, about 3 o'clock, I believe, the Secretary announced optional programs for the 1984 wheat program, but he has not announced any program yet for feedgrains, cotton, or rice.

In the Secretary's announcement dated July 29, considerably after Senators BOREN and PRYOR expressed their disappointment, the Secretary of Agriculture announced provisional details for the wheat program.

WASHINGTON, July 29.—Secretary of Agriculture John R. Block today announced options for the 1984 wheat program, pending program legislation presently under consideration by the Congress.

Block listed general guidelines for next year's program on July 1 which permitted farmers to make preliminary planting decisions and financial commitments for their crop, while the Congress continued deliberations on target price freeze proposals.

"Since legislative action on the proposed target price freeze is now before the U.S. Senate, it is up to the Congress to decide which option they want to choose," Block said. "It is important to get this issue resolved in order to assist farmers in making their management decisions."

The Secretary's announcement covers only wheat. Still I have not heard anything about cotton, feedgrains, and rice.

He listed the following 1984 wheat program options: If new legislation freezes the target price at $4.30 per bushel, the acreage reduction requirement will be 25 percent and there will be a payment-in-kind program of 10 to 25 percent for farmers who divert additional land. The payment-in-kind compensation will be 80 percent of the program yield.

Then the news release says:

If Congress does not freeze target prices and the target price automatically escalates to $4.45 per bushel, the acreage reduction requirement will be 30 percent and there will be payment-in-kind program of 10 to 20 percent for farmers who divert additional land. The payment-in-kind compensation will be 75 percent of the program yield.

Producers participating in the payment-in-kind program and having both reserve and regular loan grain would be required to make their reserve grain available for PIK. Those farmers who have neither will be eligible for participation in the payment-in-kind program by volunteering to harvest for payment-in-kind.

In addition: Land taken out of production must be devoted to conservation use. This land must be acreage that would have been devoted to small grains or row crops in 1984.

The national average loan and purchase rate will be $3.30 per bushel. The Food and Agriculture Act of 1981 permits the loan rate to be set at this level since the season's average price for the 1983 crop is expected to be less than 105 percent of current loan rate.

Block said the current loan rate is above market clearing levels and places U.S. producers at a competitive disadvantage in world markets. "This reduction will begin to restore competitiveness in world markets and send a signals to our export competitors that we will no longer maintain a 'high price umbrella' which allows them to undercut us in the world market," Block said.

The purpose of a target price was originally established to tie into a diversion or an acreage reduction for planting and, therefore, the price that would be received for the crop would, in effect, be set at a certain level.

(Mr. HECHT assumed the chair).

Mr. HEFLIN. The PIK program comes along and, in effect, is a much more expensive program than the target price program or the target price increases that would take place.

As you would see here, in order to qualify under the base requirements for the target price program, the acreage reduction would be required to be 25 percent. That makes you eligible, if you go into the acreage reduction requirement of 25 percent and if the target prices are frozen.

The payment-in-kind program will be from 10 to 25 percent for farmers, who would divert additional lands. The payment in kind on that will be 80 percent.

In order to bring about less production, you are going into a much more expensive program under the PIK program than you are under the target price program. When you, in effect, give 80 percent of the program yield, the farmer can turn around and sell it on the market; as compared to the difference between market price and the target price, it is a lot more expensive relative to those additional acres.

Some people will say that the PIK program does not come out of the annual appropriation, but it does come out of assets of the Government or the CCC stocks, either current supplies or that they will purchase in the future to meet requirements under the PIK program. So, in reviewing the cost to the Government as to a target price program versus a PIK program, the PIK program is vastly more expensive.

Mr. President, the purpose of the PIK program is twofold. One of the prongs of this twofold program is to reduce production by the reduced acreage that is tilled. The other prong is to reduce surpluses that have accumulated in the Commodity Credit Corporation.

The PIK program is a much more expensive program than the target price program because you can see that to obtain either 10 percent diversion of land where it is not planted, or 25 percent, you would give the farmer 80 percent of the program yield from his historical basis yield.

The escalation in regard to target prices was based on the idea that if you would take out of production a certain number of acres, then the remaining crops that you grew would receive a certain price. If there is a difference between the market price and the target price, then, up to a certain amount, there could be compensation paid.

The increases were first thought to be tied to some type of index, an index that would truly reflect the additional cost of production, and the cost of production has been going up each year

and will continue to go up. While inflation is down over what is was, we are still going through inflationary periods. In wheat, it is very minor and certainly does not exceed the inflationary rate that is measured and reflected by the various indicators we have that we hear reports of on a monthly basis and on an annual basis.

The Secretary, in his news release last Friday, says that if Congress does not freeze target prices, the next step will be for it to go up a little bit in keeping with the inflationary rate of the cost of production, then acreage reduction would be 30 percent instead of 25 percent. Well, Mr. President, that takes out additional acreage of land; 5 percent additional acreage would be required to come out of production. That would be a less expensive 5 percent coming out than the 5 percent that would come out under a PIK program.

I do not understand here, where you have a PIK program, you have target price, the difference between market price and an established target price. On the other hand, under the PIK program, you either furnish 80 percent or 75 percent of the yield and you do not have to do anything other than grow grass, a little conservation practice. The difference between the target price of wheat and the market price, we shall say, will amount to 10 or 15 or even 20 cents a bushel.

On the other hand, under the PIK program, if you give a farmer, without his having to do any planting, 75 percent of his program yield, and if the price of wheat is $3 or $3.50, 80 percent of that figure, or 75 percent of that figure, is substantially more, a lot more money, and it will cost more.

The idea is, here we are trying to save money, but it seems to me that what we are really doing is substituting a much more expensive program in the long run for one that we have. Let us say someone grows 100 bushels of wheat on 2 acres of land and you give him 80 percent of that, which is 80 bushels, or you give him 75 percent of 100 bushels, which would be 75 bushels—put pencil to paper and then multiply that by the price per bushel. We will just say it is $3. Then, really, for those two acres at 80 percent at $3, you are giving him—the way it looks to me—at least $240.

But, on the other hand, if the target price on the 100 bushels is 10 cents a bushel or 20 cents or 30 cents, and you multiply it by 100 bushels, you are giving him $30.

The whole thrust is to take land out of production. You are giving him a tremendous amount of money under the PIK program. On the other hand, under the target price concept, the cost is very little. It looks to me like the target price approach is eight times as cheap as the PIK program.

I would like to see some sort of situation worked out with both PIK and taget prices, but we cannot be led to believe that we are really talking about saving money. What we have under this proposal is that it is going to end up in the long run costing more money.

As you make comparisons of figures, on the one hand you have the savings with conservation practices—they are hopefully good conservation practices—under the PIK program, and I am not saying the PIK program is bad because I think it has a lot of merit to it, but at the same time the cost is a lot more for the PIK program to the Government. And you cannot fool yourself; an asset is an asset.

The Commodity Credit Corporation is going to have to do some replenishing if it exhausts its supply.

We have heard the argument that we are trying to save money for the Treasury. I am a fiscal conservative, and I think we ought to try to save, but I believe that we are looking at a program on a comparison basis. When we weigh them in the balance, the PIK program will be eight times more expensive than the target price program. The proposal that is being made is that if you agree not to accept one penny, I am going to give you eight more pennies out of another pocket. That is about what we have on this program.

Now, to continue with the views of Senator BOREN and Senator PRYOR, they say:

> Despite the evidence that has been around for a year, it took this Administration until January of 1983 to recognize the need to implement a decent acreage reduction program. And, when they did recognize it, they implemented the most costly program that has ever existed. We still maintain that a paid diversion program would have been more cost-effective in the short-term as well as in the long run. And, we remind our colleagues that it is the long run situation that creates our budget deficits.
>
> In our opinion, it is extremely unfair to ask Congress to freeze target prices without knowing what the 1984 programs will be, particularly the 1984 wheat program.

As I read the press release from the Department of Agriculture, there is now a wheat program which says if target prices are frozen, it will increase the PIK program. That type of program, as I believe we can show on paper, is about eight times more expensive than the target price program.

> This becomes extremely important when one considers the fact that this Administration intends to lower the loan rates of these commodities to some extent. Indeed, if the proponents of this legislation were really serious about balancing our budget, they, too, would insist upon knowing what these loans are going to be. The fact of the matter is the only thing that adds to the deficit is the deficiency payment. The maximum deficiency payment is the difference between the loan rates and the target prices for the particular commodities.

I might divert from these views of Senators BOREN and PRYOR to mention the fact that if the PIK program works to reduce surplus, the price of commodities will go up. The target prices are set, so every time that surplus is reduced or production is reduced, it narrows the gap between the market price and the target price, meaning less exposure and less payment that would have to be made. This idea of growing for PIK seems to me to defeat one of the twofold purposes of the PIK program; that is, to reduce surplus. If you grow for it, then you are not reducing the surpluses that have accumulated in the past. Therefore, it seems that if you are going to reduce the supply, it is necessary that surpluses be reduced along with the production.

Therefore, if you grow for PIK, this would be a much more expensive method. You have already purchased in the past, either in the form of loan reserves or in the CCC, various crops, and that is where the surplus is. But if you are forced to grow for PIK, then, in effect, it is a program that fails to carry out one of the purposes of the PIK program.

Do not misunderstand me. I think the PIK program has been widely accepted. I think there are a lot of safeguards, and there are a lot of things about it that need to be corrected. The PIK program is basically a program that did not come from legislative authorization but came from the administration looking over past language and saying, "We can construe this broadly, and we have the authority to carry out a PIK program."

It may be that they are on shaky legal grounds in the elasticity that has been given to certain existing language which was not intended to apply to a PIK program, but the PIK program comes along and they use it.

There are certain other provisions of law USDA felt it should have which was brought before Congress, and did not pass. I supported the PIK legislation, but I thought it needed some additional safeguards.

PIK is on some shaky legal grounds relative to the interpretation it has been given. I hope we can add an amendment to an agricultural bill which will give legislative authorization to a PIK program and provide some safeguards. Safeguards are needed to prevent the disruption of a number of segments of our agricultural economy.

The price of corn has gone up rather remarkably in the last few months. It is playing havoc with the poultry industry, the cattle industry, and the hog industry. You have to buy feed grains to feed the poultry, to feed the hogs, to feed the cows. Also, there is the farm supply business. It needs some safeguards relative to this.

In Alabama, the restriction that you are limited to, a history of a base of 1981, means that a great number of farmers have not come under the PIK program because they did not grow wheat in Alabama until 1982. We nearly doubled the amount of acreage that was devoted to wheat from 1981 to 1982 and had close to a million acres in wheat in Alabama. Today, there is more acreage in wheat than in cotton, which is unusual, since Alabama always has been known as a cotton State. Next to soybeans, I reckon there is more acreage in wheat than any other crop.

We have an unusual situation of double cropping where protection is needed. Double cropping is where the Lord has blessed us with a long growing season, and we can plant one of wheat in the spring and then plant another crop, following it with a crop of soybeans. In some sections of Alabama they have followed a crop of wheat with other crops, such as cotton, and had remarkable success with it. Sorghum and millet are also used as second crops. In some places, they have planted one of wheat and followed it with a crop of peanuts. There is no allowance in the PIK program for this type of double cropping, and I think safeguards should be put in PIK legislation to take care of these unusual situations.

Back to what Senator BOREN and Senator PRYOR said:

The fact of the matter is the only thing that adds to the deficit is the deficiency payment. The maximum deficiency payment is the difference between the loan rates and the target prices for the particular commodities. If the Administration lowers the loan rates, it could, in effect, negate any and all savings of this legislation.

During the Committee debate, one of the proponents of this compromise legislation, which includes the funding for exports, argued that the increased exports would make up for the income lost as a result of this legislation. Under this legislation, $300 million would go to exports each year. According to a Chase Econometrics Study conducted for the National Association of Wheat Growers, wheat exports alone would have to increase a minimum of 44 percent, or 622 million bushels, above the current estimate for 1983 through 1984 to generate a season average price which would make up the difference in income lost by this legislation. There is no way that we will sell 622 million bushels for $300 million in exports, much less make up the differences for the income lost in other commodities.

Let us consider the export cost. The Commodity Credit Corporation will take the moneys that are supposedly saved from the freeze of the target prices and devote the first $300 million to the next program.

I am told that past export programs basically have worked to some degree but that, at present, the Department of Agriculture does not use all its funds that are available for export promotion. Therefore, you are adding to something that has not been fully used in the past and are expecting the same group who operate the Department of Agriculture to spend it.

In addition, it says that funds repaid under other export programs, and repaid to the Commodity Credit Corporation, are then to be used in the export promotion program. That means that all the moneys are not being saved.

I do not recall the exact figures, but it seems to me that in 1984, about 60 percent of the savings that would occur on the freeze in the target price was being taken up by this export concept.

As I understand it, the Department of Agriculture and the Secretary do not want this additional money for export promotion because they say that they already have an adequate amount. If that is true, I do not see why you are forcing this on them. If it can be used, and can be used to help increase export markets, that is one thing. But the Department of Agriculture does not seem to feel that they can make use of this money.

According to a Chase Econometrics study, in order to make up for the loss of money, you would have to sell 622 million bushels in exports, and they doubt seriously that this can be done.

So, it appears to me that this legislation is faulty in a lot of ways. It has its faults on a comparative basis with the PIK program, and it has faults within itself, in its language and in its directions, and if it cannot be used by the Department then that is cosmetic with the idea that you are giving something to the farmers in saying you are going to bring about increased markets.

Of course, if we can have a long-term grain agreement with countries that gives stability, and we do not go to using the embargoes again, that would do more than any one thing to help reclaim some of the markets that we have lost in the past.

Continuing with the views of the distinguished Senator from Oklahoma and the distinguished Senator from Arkansas:

It is also doubtful, considering the performance of this Administration in regard to exports, that the money allocated in this legislation will ever be spent. The Agriculture Department, according to the Wheat Outlook and Situation Report, is currently sitting on $750 million provided by Congress to use in the vital blended-credit program. Additionally, credit programs are being reviewed by OMB and it now appears that the blended-credit program will not be used to develop markets, but solely to respond to competition from the European Community. The track record of this Administration certainly does not illustrate a real interest in maintaining or increasing agricultural exports. For example, concessional agricultural exports under U.S. government financed programs totaled $1.27 billion in calendar year 1982, 9 percent less than those in 1981. Exports under P.L. 480 in 1982 were 11 percent below those of a year earlier. Partially as a result of this track record, U.S. agricultural exports fell to $18.1 billion during the first six months of fiscal year 1983, 17 percent below those of the same period a year earlier. Wheat shipments alone are 17 percent below a year ago, and cotton exports are a third below those of one year ago.

Proponents of this legislation have also argued that when the 1981 Farm Bill was enacted, inflation was at a much greater level and therefore the increases scheduled are inappropriate considering the current inflation rate. However, if we examine the wheat program alone, we find that the 1984 target price of $4.45 that is in current law represents only 60 percent of the June 1983 parity level for wheat, not the 1984 parity level. Further, $4.45 represents 59 per cent of the total cost of production, including land at the current value, assuming a meager inflation rate of 3 percent.

Now is obviously not the time to reduce the net income of our agricultural producers. Clearly, the American farmer, without knowing what the 1984 programs are going to be, is being asked by this legislation to pay for the administrative mishandling of our commodity programs by this Administration. We would urge our colleagues in the Senate to oppose this legislation.

These remarks are signed by DAVID L. BOREN and DAVID PRYOR.

The interesting views of Senator EDWARD ZORINSKY concerning this appear on page 37 of the report in which he says.

Accepting a freeze on target prices in exchange for only a vague export promotion scheme financed with funds cut from farm price support payments is not my idea of how to help the Nation's farmers.

Famers are tired of hearing about grandiose schemes to promote exports, especially when the Administration has failed to take other steps that could boost exports without sacrificing price support payments.

In the 1981 Farm Bill Congress authorized "such sums as are necessary" for carrying out an export expansion program. Not only are we going in circles—rubber-stamping something we authorized two years ago—but we are doing it at the expense of the farmer. We are proposing to take millions out of the pocket of the farmer to fund a program that is already authorized in the interest of expanding agricultural exports—the Export Credit Revolving Fund.

It is an insult to farmers' intelligence to ask them to give up income assured under the 1981 Farm Bill in favor of an export trade promotion program.

The Administration's proposed freeze would eliminate the minimal increases in target prices approved when Congress enacted the four-year farm bill in 1981.

For example, under the existing program, the corn target price would increase 17 cents 1984, to $3.03 per bushel, and 15 cents more in 1985. For wheat, the increase would be 15 cents in 1984, to $4.45 per bushel, and 20 cents in 1985.

Congress acted correctly two years ago when it voted to provide farmers this protection from inflation. To break faith with them now, in midstream, is grossly unfair.

He lists 19 organizations that are on record in opposition to the target price freeze:

The National Farmers Organization, the National Association of Wheat Growers, National Grange, National Milk Producers Federation, Grain Sor-

ghum Producers Association, National Peanut Growers Association, National Association of Farmer-Elected Committeemen, Cooperative League of the United States, National Rural Electric Cooperative Association, Women Involved in Farm Economics, known as WIFE. And while I am on that, I wish to talk a little bit about what a fine program that is.

The WIFE program is a program which involves women in agriculture to become more active in helping the farm operation.

Small farms remain the backbone of our farm economy.

The commune type of farming that exists in the Soviet Union has never proven itself to be successful. The commune type, where there is no profit motive and there are no family farm organizations or units involved, has proven itself to be ineffective, and the Soviet Union every year has to buy millions and millions of tons of grain in order to feed its multitude.

But in America we have the family farm, and we have the profit motive that has proven itself successful. It has been also one of our great sources of exports, and if we did not have farm products we would have tremendous deficits in our balance of payments with foreign countries and trade.

The WIFE organization met up here back a few weeks ago, and they had some outstanding leaders who were taking part in the farm program, and they are studying every aspect of it.

We have had wives interested in home economics, in cooking and canning in the past but now we have the ladies at home who are keeping the books and looking at every aspect of agriculture. In my judgment, a vast improvement in the individual farm, or individual farm operation, will occur because they are looking at the way dollars are spent. They are going to look at the cost of inflation, they are going to look at what the cost to the farmer may be under new tax laws.

I would like to say that we had this new tax law increasing user fees on trucks by 900 percent. Well, we got in the language after a long hard fight to limit it to trucks that were used less than 5,000 miles. A lot of farmers do not use it for 5,000 miles but there are a lot of farmers who do. This, of course, is going to mean an expense to farmers that they did not anticipate when the 1981 farm bill was written. They have got a 900-percent increase in user fees on trucks they bought, just to mention one aspect of this.

Well, the wives are certainly going to be looking forward and watching all phases of farm economics, and this is a great organization. It needs our support and I hope we all support women involved in farm economics.

I submit that deficiency payments are a more direct way to put money into farmers' pockets.

Quoting from Senator ZORINSKY:

We are saying we are going to increase exports. I think the farmers have had it up to their ears when they hear about we are going to increase exports.

Again quoting Senator ZORINSKY:

We have created agricultural sectors within the embassies. We have appointed special agricultural officers. We have a blended credit program, and now we are going to take more money away from the farmer and give him an even better export program.

What the farmer does not need is the kind of export programs we have been giving him thus far. And I think they would rather have the deficiency payments than to finance an export program by taking the money out of their pockets, creating a bigger export market for them so they can earn money based on how they have earned money up to now on the promises of increased exports.

You know, in our rural sections in Alabama there are a lot of things going on with regard to recreation. I was reminded about this by the George Brett incident. When we had rural baseball a good while back, sandlot baseball is what they call it in the city but we used to call it cow pasture baseball in the rural areas.

We had some small communities that would get together and they would play baseball. Over the years it was the function of the home team to supply an umpire. Well, that did not work out very well and we had to have an independent corps of umpires because they would always side with the home team.

In Alabama, up in the hill country, two communities, one known as Red Bay and the other as Vina wanted to play a baseball game. This was a number of years back, when we had cow pasture baseball, and Red Bay was reluctant to go because Vina had an umpire who would always call the close ones in favor of Vina against the visiting team.

But one day they went over there and played and the score was 2 to 2, and this notorious umpire had not ruled unfairly all day. In the ninth inning the score was tied 2 to 2 and Red Bay was at bat, and a batter came up and hit a home run. But in doing so he got turned around. Instead of running from first base to second base, to third base and then into home, he ran from homeplate to third base, to second base, to first base and then into home, and as he crossed homeplate and put his foot down on the plate the umpire called out "You are out. Vina wins the game 1 to 2, you untied the score." So every now and then we have a little humor about our various types of rural activities that go on.

But I think that really when you get into comparison here of this export program that it is a meaningless program relative to what good it is going to do with the farmer. You have existing programs and those existing programs need to be effectively operated, efficiently managed in order that we might see a better program in that regard.

I think there is merit in an export PIK program and the Senate Agriculture Committee designed one which is largely an incentive or a bonus to increase exports but I believe this program here—I do not agree altogether with Senator ZORINSKY about it but I believe we have got to make the existing program work, and to say that we are going to take money from the target price and transfer it to the export program, in my judgment has some real questions for the year 1984 and the year 1985.

Now to continue:

I also objected to the committee being forced to act on the administration's proposal without any detailed knowledge of the wheat and feedgrain programs for 1984.

Well now we have got those for 1984 for the wheat but we do not have them for feedgrains yet, so I think we need to know what the feedgrain, cotton, and rice programs are going to be.

Without these program details we would be unable to even guess what effect the committee decisions will have on farmers. In particular, I am troubled by the suggestion that the Agriculture Department may substantially reduce price support loan levels for 1984.

When this report was written the Secretary did not know it but he is aware now, USDA has already announced that it is going to reduce the loan levels for 1984.

This means the market price floor will sink, and I strongly believe that the impact of such a policy change should have been measured before the committee action to cut farm income by freezing target prices.

The compromise adopted by the committee would direct that $600 million of the savings from the $3.9 billion target price freeze would be placed into export credit revolving fund.

At this time, I yield the floor to the distinguished Senator from the State of Oklahoma, Hon. DAVID BOREN.

Mr. BOREN. Mr. President, I thank my colleague from Alabama. I commend him for the remarks which he has just made on the floor of the Senate. Every Member of this body is already well aware that the Senator from Alabama has been one of the most forceful spokesmen for the agricultural producers of this country of all the Members of the Senate. He has been an effective voice for all sectors of agriculture. He has been particularly influential in maintaining the peanut program for the farmers of his State. But he has never hesitated to speak out for all of agriculture and to call to our attention the desperate plight which the farmers of our

Nation now face. I wish to commend him once again for speaking out for the farmers of our country at a time when they are most in need of his help.

Mr. President, last week, I spoke in this Chamber about the necessity for knowing what the 1984 wheat program will be before the Senate considers legislation which would freeze target prices. At that time, I asked the Secretary of Agriculture to at least let us know what the options were, what the wheat program would be without a target price freeze and what the wheat program would be with the target price freeze.

On Thursday, the Secretary indicated his willingness to give us the options. The briefing was set up on the next day at 2:30 p.m. The briefing was later canceled and the briefing with some Members of the Senate did not occur until late Friday afternoon.

Mr. President, the options the Secretary presented at that time are certainly interesting. I have heard some comment that the choice was between a disastrous program and a totally disastrous program. After reviewing the options, I would have to say that there is not much difference between the two. They are both a blueprint for economic disaster for agriculture.

I will be sharing with our colleagues further comments on those options which are before us later on in our discussion of the pending motion to proceed. I had an opportunity over the weekend to discuss them with agricultural leaders in my home State and to also discuss the economic situation which the farmers in our State are facing.

I can only say that the proposals which have been made by the Secretary are viewed with grave concern in my State, a State where last year the farmers, all of the farmers in the State, had a total net income of approximately $1 million while they owe some $15 billion in debt just in my State alone.

Certainly, they all agree that the proposals which have been made will not address the critical economic situation that American agriculture finds itself in at the current time.

I ask unanimous consent that my remarks not be counted as a speech under rule XIX, Mr. President.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BOREN. Mr. President, I see the distinguished senior Senator from Nebraska, Senator ZORINSKY, who is also one of the most effective spokesmen for agriculture in the U.S. Senate. He is one of the Members of the Senate who understands most clearly the subject of agricultural economics and certainly is as well qualified as any Member of this body to comment on the proposals which are before us. I am happy to yield at this time to my friend, the Senator from Nebraska.

(Mr. ABDNOR assumed the chair.)

Mr. ZORINSKY. I thank my colleague from Oklahoma, Senator BOREN. Certainly, with all respect to him and my colleague, Senator HEFLIN from Alabama, both of whom I serve on the Agriculture Committee with, these gentleman are knowledgeable. They have made a great many contributions to agriculture through their service on the Agriculture Committee and I think command a high degree of respect throughout the agricultural community for their vocal opposition to the current proceedings under the target price freeze proposal by the USDA.

Mr. President, accepting a freeze on target prices in exchange for only a vague export promotion scheme, financed with funds cut from farm price support payments, is not my idea of how to help the Nation's farmers.

Farmers are tired of hearing about grandiose schemes to promote exports, especially, and the administration has failed to take other steps that could boost exports without sacrificing price support payments. In the 1981 farm bill, Congress authorized such sums as are necessary for carrying out an export expansion program. Not only are we going in circles, rubber stamping something we authorized 2 years ago, but we are doing it at the expense of the American farmer today. We are proposing to take millions out of the pocket of the farmer to fund a program that is already authorized in the interest of expanding agricultural exports—the export credit revolving fund.

It is an insult to farmers' intelligence to ask them to give up income assured under the 1981 farm bill in favor of an export trade promotion program. The administration's proposed freeze would eliminate minimal increases in target prices approved when Congress enacted the 4-year farm bill in 1981.

Just let me briefly touch on the 1981 farm bill.

I sat with my colleagues, many of them who have spoken on the floor today, both in support and in opposition to the legislation we are considering today on the floor of the Senate. This goes back in my mind and my memory to thinking about a discussion we had here on the floor of the U.S. Senate with regard to social security, commitments to the elderly, commitments to the American people, and commitments to the credibility of the American Government itself.

Now, in 1981, sitting through many, many weeks of hearings and testimony from farmers, many of whom, out of their own pockets, contributed their annual savings or monthly savings to getting an airline ticket so they could, through the process of our democracy in this Nation, come to Washington, D.C. They looked for that bargain in the air fare. Currently it is around somewhere in the vicinity of $210 round trip, if you ask for the bargain price. But many of these people drove here because they could not afford an airline ticket. And once getting here, having the honor, the privilege, the ability as an American farmer to come and do what everybody else does in this wonderful land of ours, and that is to freely express their views as to the needs of American agriculture. I think we call it in our vocabulary a hearing. And they had that hearing. And they provided their input.

At the conclusion of the markup of the 1981 farm bill, we had a higher cost to our farm bill in the U.S. Senate than did the House of Representatives.

I, with many of my colleagues, voted to accept the higher priced version, which was the House of Representatives version.

Let me point out that the differential between the House bill and the Senate bill in 1981 on a 4-year farm bill was a differential of $400 million per annum. It was at that point, through the Office of Management and Budget, that this administration was convinced that they should threaten the acceptance of the House version of the agricultural bill with a veto if, in effect, the conference, conferees and Members of Congress decided to accept that version, the $400 million per year differential.

Let me cite an item that came right after that decision being a request to be made on the floor of the Senate. Just following that item came something called the Tennessee-Tombigbee Canal, which was $1.2 billion in expenditure, and the administration threatened no veto, threatened no language which would in any way offset its acceptance of the passage of that piece of legislation, in addition to the fact that shortly thereafter it was discovered in building a wind tunnel facility for the Department of Defense that after the facility was completed the compressors and the piping did not fit in the building. They had to tear it all out. That cost the taxpayers $335 million. And that was only for a mistake.

Let it be brought to the attention of the American people that annually we lose $1 billion in aircraft, military aircraft, and approximately 420 American airmen's lives through accidents. This country is not at war. I do not know how we could afford to go to war if we lose 1 billion dollars' worth of aircraft through accidents annually every year practicing those things that we need to become proficient in in the event of a military emergency.

I bring these numbers out, the long debate, the anguish we had, and the

fact that the administration appointed a blue-ribbon panel commission to evaluate the needs and the resolution of the social security problem because the administration obviously felt we had made a commitment to the elderly people of this country. I certainly agreed with that view and that philosophy.

Proposals were made. Very little was done to disturb the benefits that are received by the elderly of our Nation inasmuch as it was a covenant, a commitment, a vow made to the elderly people of this country that helped build this country.

Now let us get back to the 1981 farm bill and have that as a basis. Let us look at priorities. Where should agriculture fit in priorities?

I am not a great reader, but I have been in libraries and read the histories of nations. I find one thing in common as a common denominator for the erosion of nationalism, country, empire, domain, call it what you will. Any cohesion of society as we know it today vanishes when that entity, nation, country, or empire can no longer feed its own people.

I make this point in order to justify what I am about to say for agriculture as a priority.

I think many of us know, although many of us in this Chamber get up and speak as if we have never had to eat during the course of our life, and I think I would have a great deal of support in saying, that if this Nation could not feed itself we would not have to worry about problems being exerted upon the United States of America in foreign diplomacy from the outside. We would have our own internal problems to such a magnitude and extent that we would probably be spending more money rectifying the internal situation than we are with all the dollars that we are currently debating on the defense budget and the defense authorization bill, which we just concluded recently.

We made a promise to the farmers of America; we made a commitment to the farmers of America. I come from a family where, in the olden days—and I do not feel I am tremendously old, but I have seen enough of life to know the value of respect and to know the value of commitment—you knew the value of knowing that your handshake was your bond and your honor.

There is something that all the amount of money in this world cannot buy nor all the amount of money that this Government can appropriate, and now, as some of the speakers on this floor have said it is money that we do not have, it is money that the Bureau of Printing and Engraving will have to print for us, over and above money that we have to spend.

To me, your word is your bond and commitment. As a former businessman, if I went out and made a bad deal, I could not go back to the customer and say, "I have made a bad deal. I am going to change the parameters of what I told you I was going to be able to do." I felt that maybe tomorrow there would be another day and maybe I would be able to make that up or rectify it some day with another sale so that at the end of the year, if I was a good businessman and a good manager, I would be able to stay in business because my profit and loss sheet at the end of the year would be such that I would be on the profit side of the ledger, rather than on the deficit side of the ledger.

But even more important than staying in business, whether I stayed in business or did not stay in business, when it was all over everybody would be able to say, "He honored his commitment. He did not go back on his word."

I would like to say to my colleagues today that I think more is at stake with honoring these kinds of situations with the farm bill. I think we tamper with the lives of the American people daily. Is it any wonder they lose faith and confidence in a government that has made promises to its people?

I guess the point I am attempting to make is we begin work on another farm bill next year. The 1981 farm bill was a 4-year farm bill. It was not a great farm bill. It obviously did not accomplish all it sought to do because of the fact that the PIK program was needed last year. When were we told to pass the PIK program, as my colleague Senator MELCHER from Montana so vividly pointed out? During a lameduck session of Congress.

Many people in this country termed it a lamebrained session of Congress inasmuch as we squeezed in some mighty important legislation which now we are trying to change and attempting to change to a great degree.

At the meeting last Friday with the Secretary of Agriculture, Secretary Block, whom I respect and admire, and who certainly has a vast knowledge of agriculture, being a farmer himself, everybody in that room from the administration seemed to be appalled as to the cost of the PIK program.

Of course, they should be appalled as to the cost of the PIK program because when we asked them last year during the debate on the PIK program how much it would cost, they could not answer that question.

Any businessman who embarks on a program for a customer, for a constituent, for whoever, and does not have the answer to how much it costs should not be surprised in any way as to the cost of that program when that cost comes up. There is no such thing as that free lunch that many of us talk about here. It is quite obvious.

Mr. President, people say the agriculture program is costing $21 billion. That is a lot of money. At the last committee meeting that I was in, I brought that point up: "Does it really cost $21 billion, the expenditure of the U.S. agriculture budget?" Others said, "Well, no, not quite."

I said, "What do you mean by not quite?"

The answer was it so happens that about $9 billion of that is repaid by the loan support price system back to the U.S. Treasury.

I said, "Why don't we say $9 billion from $21 billion and use the net figure, rather than tell the people of America the outlay of this budget is $21 billion?"

Well, of course, both philosophies are right. The outlay is $21 billion and $9 billion does come back into the Federal Treasury. But because it does not come back into the Department of Agriculture, it is figured as a total outlay rather than any money being paid back into the budget of the USDA. But the last time I looked, those people in the Department of the Treasury that get paychecks and those people in the USDA who get paychecks; both those paychecks, I believe, are green-colored and both say "United States of America" on top of that Federal public, to the consumers of this country, to be able to be used in that manner.

I said, "You know, it is really unfortunate that the news media always print the total amount of outlay and never mention anything about any money being paid back." Of course, a license to do that resides in the fact that the money is not paid back directly from the loan into the Department of Agriculture so that they can deduct it from their outlay. It comes back to that strange country called the United States of America which seems to have no bookkeeping correlation with the farmers of America.

Going beyond that, Mr. President, I do not want to lay the blame for misinformation at the doorstep of the news media, because I hear during the debate on this piece of legislation—as a matter of fact, today—some of my colleagues referred to the fact that the cost of the USDA program was $21 billion. Some of them were in the room when I made that point.

Mr. President, the administration's proposed freeze would eliminate the minimal increases in target prices approved when Congress enacted the 4-year farm bill in 1981. For example, under the existing program, the corn target price would increase 17 cents in 1984 to $3.03 per bushel and 15 cents more in 1985. For wheat, the increase would be 15 cents in 1984 to $4.45 per bushel and 20 cents in 1985.

I should like to bring some clearer form of understanding to the consumers of America as to what increasing prices to a farmer does to their costs.

Today on the retail market a loaf of bread probably costs 80 to 85 cents per loaf. I suppose closeouts for day-old bread or adjustments for a more well-known bread can cost more or less depending on which supermarket, grocery store, or convenience food store you may stop at. But using the 80- to 85-cent range for a loaf of bread, what a farmer gets in cost out of that loaf of bread in the product that he raises, called wheat, is 2.5 pennies, which means if he were to double what he gets as a farmer for raising a bushel of wheat, the content of a loaf of bread would then accrue to the farmer the value of 5 cents or maybe 6 cents. And that loaf of bread should, but as you and I as consumers know better, would not then rise about 3 cents. In other words, today's 80-cent loaf of bread, if a farmer were to double the price of a bushel of wheat, should go to 83 cents.

Now, I would rather have an 83-cent loaf of bread and know it is a reliable loaf of bread and an ongoing loaf of bread than I would having that farmer not have the ability to continue in the business of raising that wheat for the bread of the Nation and then one day huge conglomerates and people we would be importing our wheat from and other nations wake up one day, as OPEC did, and decide that the American Government is no longer capable of providing its own food, let us get together and establish prices.

Then and only then would the housewives of this country understand what has happended to the farmers of America, because it would be conglomerates and other nations that would then set the prices for that loaf of bread on the shelves of our grocery stores in this country.

If we should have learned anything from the OPEC countries, it would be to make other nations dependent upon you to sell them your product as a reliable supplier, as a creditable supplier; the more dependent they become upon you, the more control you have over the price of that commodity, on which in effect you can establish a world cartel.

Now, Mr. President, the Congress acted correctly 2 years ago when it voted to provide farmers this protection from inflation. To break faith with them in midstream is grossly unfair.

Many farmers have gone out and borrowed money. I do not think this is unique to farming small business people. Families themselves have been known to borrow money from the banks that they deal with.

How do you borrow money and how do you sit down with a banker and explain how you are going to repay that money if it is not for known factors and also many unknown factors that enter into the equation or your ability to repay a loan?

Part of the factor equated into the borrowing capability of a farmer is promises that have been made in a 4-year farm program. The bankers read that program. They know what the farmer is expecting out of that program. That is why I say for the Federal Government to come along one day—and here it is 3 days before an August recess—and say all of a sudden we are going to change the rules or the parameters of that ball game I think would bring havoc into the credibility of the lending institutions of our country.

Mr. President, I ask unanimous consent to yield the floor to the distinguished majority leader without losing my right to the floor.

Mr. BAKER. Mr. President, I thank the Senator.

What I was prepared to do was to put us in a brief period for the transaction of routine morning business, which will take us off this motion. But instead of that, Mr. President, I am prepared to withdraw the motion. I think it is clear that we are not going to get very far with it at this point.

Mr. President, I do withdraw my motion to proceed.

The PRESIDING OFFICER. Without objection, the motion is withdrawn.

ORDER OF PROCEDURE

Mr. BAKER. Mr. President, in a moment, after the minority leader has a chance to arrive on the floor and other Senators who are principally involved, it is my intention to try to reach the Department of the Interior appropriations bill, but I will not do that for the moment.

ROUTINE MORNING BUSINESS

Mr. BAKER. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business until 4:45 p.m. in which Senators may speak for not more than 2 minutes each.

Mr. METZENBAUM. Mr. President, I wonder if the majority leader would be good enough to hold that so the Senator from Ohio may gain the floor for the purpose of introducing a bill having nothing to do with the pending matter.

Mr. BAKER. The Senator can do that in morning business.

Mr. President, if the Chair grants the request, I would urge the Chair to recognize the Senator from Ohio for that purpose.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The remarks of Mr. METZENBAUM in connection with the introduction of legislation are printed under Statements on Introduced Bills and Joint Resolutions.)

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. The time for morning business has expired.

DEPARTMENT OF THE INTERIOR APPROPRIATIONS, 1984

Mr. BAKER. Mr. President, as I indicated earlier, and as I have advised the minority leader, the chairman of the Appropriations Committee, the ranking minority member, and others who are principally interested in this matter, I ask unanimous consent that the Senate proceed to the consideration of the Department of the Interior appropriations bill, H.R. 3363.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (H.R. 3363) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1984, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Appropriations with amendments.

The PRESIDING OFFICER. The question is on agreeing to the first committee amendment.

Mr. BAKER. Mr. President, I believe we are not prepared to go forward at this moment. We will be prepared to do so in a matter of seconds.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The acting assistant legislative clerk proceeded to call the roll.

Mr. McCLURE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCLURE. Mr. President, the fiscal year 1984 Interior and Related Agencies appropriations bill as reported by the Appropriations Committee proposes new budget authority totaling $7,639,488,000. This is a decrease of some $442 million below the House-passed level, but an increase of nearly $930 million above the budget request.

As in the past, Mr. President, this bill impacts every State in the Union, whether through acquisition of lands for public purposes; continuation of energy, geologic, hydrologic, or wildlife-related research; operation of various programs created for American Indians; or maintaining Federal support for arts, humanities, and museums. Every Member of Congress has a stake in the passage of this bill, and I am hopeful we can complete this bill quickly on the floor, conference with the House, and bring back a confer-

ence report before the beginning of fiscal year 1984 which both the Congress and the President can support.

This latter point is extremely important to note, because the bill at $7.6 billion is nearly $1 billion over the President's request and thus stands precariously close to the maximum dollar level I believe the President will support. Perhaps more important is the fact that the Interior bill as passed by the House contained provisions which prohibited both coal leasing and the leasing of Outer Continental Shelf lands through fiscal year 1984. Should these provisions be included in the bill the conferees send to the President, we very possibly will see it returned with a veto. It is therefore extremely important that the Senate go to conference without such prohibitions in its bill.

As I indicated a moment ago, this bill does indeed have something for everyone, and I would like to take just a moment to outline what the committee has recommended for some of the more popular programs:

For Land and Water Conservation Fund, the committee has recommended $211,415,000 an increase of $146,544,000 over the budget request. This includes $75,000,000 for State grants under LWCF.

For Fish and Wildlife Service, the committee has recommended an increase of $15,998,000 over the budget, including full funding for the cooperative unit program, an additional $2,000,000 for FWS law enforcement and protection, and an additional $5,440,000 for hatcheries operations and maintenance.

For Historic Preservation, the committee has recommended a funding level of $26,000,000 while the administration had requested no funds.

For Geological Survey, Bureau of Mines and Surface Mining, the committee has recommended additional funds totaling nearly $40,000,000 including increased funds for earthquake and volcano hazard reduction research, energy hydrology studies, mapping, and full funding for the Mineral Institute program.

For Fossil Energy Research and Development, the committee has recommended $248,714,000, an increase of $154,714,000 over the budget request. This level includes $39,300,000 for continued work on fuel cells and $30,000,000 for ongoing magnetohydrodynamics research.

For Energy Conservation, the committee has recommended $333,481,000. This represents an increase of $259,104,000 and includes additional funding for building systems, waste energy reduction, industrial process efficiency, industrial cogeneration, vehicle propulsion R&D, electric and hybrid vehicle research, EPCA, schools and hospitals and weatherization grants, and the energy related inventors program.

For Indian Education, the committee has recommended $67,248,000, an increase of $66,005,000 over the budget request.

For Indian Health, more than $112,000,000 above the budget request has been recommended, bringing the total funding level to $734,151,000.

For the National Endowments for the Arts and Humanities, a total funding level of $273,000,000 has been recommended by the committee. This level is essentially the same as that provided in fiscal year 1983 and represents an increase of $35,800,000 above the budget request.

At this point Mr. President, I ask unanimous consent to have printed in the RECORD a table comparing the committee reported bill with the budget request and the House-passed bill for fiscal year 1984, and with the appropriated levels for fiscal years 1980 through 1983.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1983 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1984

[In thousands of dollars]

Item	1980 Appropriation	1981 Appropriation	1982 Appropriation	1983 Appropriation	Budget estimate	House allowance	Committee recommendation	Senate committee recommendation compared with (+ or -) Budget estimate	Senate committee recommendation compared with (+ or -) House allowance
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
TITLE I - DEPARTMENT OF THE INTERIOR									
BUREAU OF LAND MANAGEMENT									
Management of Lands and Resources									
Onshore Energy and Minerals Management									
Energy Resources									
Coal Leasing	17,400	24,414	17,947	15,789	18,248	18,248	18,248	---	---
Oil & Gas Leasing	7,475	14,444	17,859	19,745	37,267	37,267	37,617	+350	+350
Geothermal leasing	1,480	2,091	2,305	2,272	3,197	3,197	3,197	---	---
Oil Shale and Tar Sands leasing	420	4,452	3,675	3,641	2,666	2,148	2,666	---	+518
Subtotal, Energy onshore	26,775	45,401	41,786	41,447	61,378	60,860	61,728	+350	+868
Energy offshore									
Leasing	9,141	9,253	10,771	---	---	---	---	---	---
Environmental studies	37,000	36,534	29,056	---	---	---	---	---	---
Subtotal, Energy offshore	46,141	45,787	39,827	---	---	---	---	---	---
Non-Energy Minerals									
Mineral Material Sales	1,585	1,884	1,818	2,072	2,353	2,353	2,353	---	---
Mining Law Administration	3,274	4,244	4,565	6,559	8,802	7,302	8,302	-500	+1,000
Mineral Leasing	1,366	1,497	1,588	1,548	3,838	3,838	3,838	---	---
Uranium operations	---	---	---	---	622	622	622	---	---
Subtotal, Non-Energy Minerals	6,225	7,625	7,971	10,179	15,615	14,115	15,115	-500	+1,000
Subtotal, Energy and Minerals Management	79,141	98,813	89,584	51,626	76,993	74,975	76,843	-150	+1,868
Lands and Realty Management									
Realty Operations									
Energy Realty	8,771	5,894	5,712	7,316	4,178	4,178	6,678	+2,500	+2,500
Non-Energy Realty	13,819	19,617	23,104	12,714	21,030	15,744	19,030	-2,000	+3,286
Alaska Lands program	---	---	---	11,860	12,183	12,183	12,183	---	---
Subtotal, Realty operations	22,590	25,511	28,816	31,890	37,391	32,105	37,891	+500	+5,786
Withdrawal Processing and Review	1,993	2,731	4,088	3,748	3,529	3,529	3,529	---	---
Subtotal, Lands and Realty Management	24,583	28,242	32,904	35,638	40,920	35,634	41,420	+500	+5,786
Renewable Resources Management									
Forest Management									
Public Domain	5,672	6,601	6,100	4,612	5,173	5,173	5,173	---	---
Western Oregon	1,141	792	2,163	939	939	939	939	---	---
Subtotal, Forest Management	6,813	7,393	8,263	5,551	6,112	6,112	6,112	---	---
Range Management									
Wild Horse & Burro Management	4,582	5,704	5,418	4,812	4,474	4,974	4,974	+500	---
Grazing Management	28,663	36,110	36,138	34,169	27,660	27,660	35,060	+7,400	+7,400
Subtotal, Range Management	33,245	41,814	41,556	38,981	32,134	32,634	40,034	+7,900	+7,400
Soil, Water, & Air Management	13,816	18,037	17,042	16,772	11,595	16,595	11,595	---	-5,000
Wildlife Habitat Management	12,554	16,017	14,918	14,942	10,515	11,515	13,515	+3,000	+2,000

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1983 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1984—Continued

[In thousands of dollars]

Item	1980 Appropriation	1981 Appropriation	1982 Appropriation	1983 Appropriation	Budget estimate	House allowance	Committee recommendation	Senate committee recommendation compared with (+ or -) Budget estimate	Senate committee recommendation compared with (+ or -) House allowance
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Recreation Management									
Cultural Resources Management	2,192	3,402	4,516	4,498	4,905	4,905	4,405	-500	-500
Wilderness Management	7,677	10,317	13,970	12,097	7,239	7,239	7,239	---	---
Recreation Resources Management	6,101	6,011	5,688	6,380	5,266	6,516	5,266	---	-1,250
Subtotal, Recreation Management	15,970	19,730	24,168	22,975	17,410	18,660	16,910	-500	-1,750
Fire Management	6,797	7,519	7,231	9,234	7,446	7,446	7,446	---	---
Subtotal, Renewable Resources Management	89,195	110,510	113,178	108,455	85,212	92,962	95,612	+10,400	+2,650
Planning and Data Management									
Planning	9,665	12,289	8,661	8,568	11,991	11,991	9,491	-2,500	-2,500
Data Management	12,103	15,767	12,012	12,791	13,914	13,914	12,791	-1,123	-1,123
Subtotal, Planning and Data Management	21,768	28,056	20,673	21,359	25,905	25,905	22,282	-3,623	-3,623
Cadastral Survey									
Alaska	9,135	9,291	9,606	9,897	10,140	10,140	12,140	+2,000	+2,000
Other States	9,319	9,902	10,031	11,384	10,707	11,407	10,707	---	-700
Subtotal, Cadastral Survey	18,454	19,193	19,637	21,281	20,847	21,547	22,847	+2,000	+1,300
Fire control									
Firefighting & Presuppression	49,150	49,150	57,437	4,150	4,150	4,150	4,150	---	---
Rehabilitation	600	600	2,123	600	600	600	600	---	---
Subtotal, Firefighting and Rehabilitation	49,750	49,750	59,560	4,750	4,750	4,750	4,750	---	---
Technical Services									
Resource Protection	695	1,033	1,553	2,004	2,036	2,036	2,036	---	---
Maintenance and engineering service									
Buildings	2,596	2,631	2,782	3,265	2,848	2,848	2,848	---	---
Recreation	3,345	3,599	3,298	3,613	3,547	3,547	3,547	---	---
Transportation	2,337	2,550	2,568	2,990	2,223	2,223	3,223	+1,000	+1,000
Engineering services	---	---	936	936	1,123	1,123	936	-187	-187
Subtotal, Maintenance and engineering services	8,278	8,780	9,584	10,804	9,741	9,741	10,554	+813	+813
Subtotal, Technical Services	8,973	9,813	11,137	12,808	11,777	11,777	12,590	+813	+813
General Administration									
Executive and managerial direction	8,879	8,800	5,210	5,482	5,781	5,781	5,781	---	---
Equal employment opportunity	2,714	---	2,100	2,000	2,040	2,040	2,040	---	---
Administrative services support	26,446	25,404	35,889	32,711	36,766	33,266	34,266	-2,500	+1,000
Bureauwide fixed costs	31,830	36,820	33,981	34,116	41,572	40,215	40,583	-989	+368
Pay supplemental	---	---	---	---	---	---	---	---	---
Subtotal, General Administration	69,869	71,024	77,180	74,309	86,159	81,302	82,670	-3,489	+1,368
Total, Management of Lands and Resources	361,733	415,401	423,853	330,226	352,563	348,852	359,014	+6,451	+10,162
Construction and Access									
Construction									
Building construction	2,438	1,461	392	258	---	---	---	---	---
Recreation construction	1,321	684	502	460	---	---	---	---	---
Transportation	2,075	2,041	---	---	---	---	1,000	+1,000	+1,000
Access	---	---	1,733	1,525	1,200	1,200	1,200	---	---
Total, Construction and Access	5,834	4,186	2,627	2,243	1,200	1,200	2,200	+1,000	+1,000

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1983 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1984—Continued

[In thousands of dollars]

Item	1980 Appropriation	1981 Appropriation	1982 Appropriation	1983 Appropriation	Budget estimate	House allowance	Committee recommendation	Senate committee recommendation compared with (+ or -) Budget estimate	Senate committee recommendation compared with (+ or -) House allowance
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Payments in Lieu of Taxes									
Payments to Local Governments	108,000	103,000	95,520	96,320	96,320	96,320	105,000	+8,680	+8,680
Land Acquisition									
Bureau of Land Management:									
Acquisitions	---	1,495	3,417	161	35	2,039	130	+95	-1,909
Acquisition Management	---	307	295	150	95	150	635	+540	+485
Total	---	1,802	3,712	311	130	2,189	765	+635	-1,424
Oregon & California Grant Lands									
Construction and Acquisition	2,011	7,736	3,921	1,091	1,011	1,011	1,011	---	---
Maintenance	5,753	4,831	6,221	5,000	4,203	4,203	4,203	---	---
Renewable Resource Management	39,700	34,989	42,090	50,420	43,611	46,011	46,011	+2,400	---
Planning and Data Management	1,340	922	556	452	311	311	311	---	---
Pay supplemental	---	---	---	---	---	---	---	---	---
Total, Oregon & California Grant Lands	48,804	48,478	52,788	56,963	49,136	51,536	51,536	+2,400	---
Range Improvement Fund									
Improvement to Public Lands	9,620	11,107	11,601	9,690	8,550	7,280	8,550	---	+1,270
Fare Tenant Act Lands	1,000	1,335	950	909	850	724	850	---	+126
Administrative expenses	---	675	675	600	600	600	600	---	---
Total, Range Improvements	10,620	13,117	13,226	11,199	10,000	8,604	10,000	---	+1,396
Service Charges, Deposits, and Forfeitures									
Rights-of-way Processing	5,518	7,135	4,807	8,000	11,000	11,000	8,000	-3,000	-3,000
Adopt-a-horse program	444	414	320	1,150	1,150	1,150	1,150	---	---
Repair of Damaged Lands	140	747	1,200	820	820	820	820	---	---
Cost recoverable realty cases	---	---	14	30	30	30	30	---	---
Total, Service Charges, Deposits, and Forfeitures	6,102	8,296	6,341	10,000	13,000	13,000	10,000	-3,000	-3,000
Miscellaneous Trust Funds									
Base Program	100	100	-19	100	100	100	100	---	---
Total, Bureau of Land Management	541,193	594,380	598,048	507,362	522,449	521,801	538,615	+16,166	+16,814
U.S. FISH AND WILDLIFE SERVICE									
Resource Management									
Habitat Resources									
Field Operations	17,742	20,827	17,714	17,043	16,473	17,606	17,306	+833	-300
National Wetlands Inventory	2,120	2,425	2,487	3,638	3,691	3,691	3,691	---	---
Research and Development	16,009	16,265	13,550	13,045	11,873	13,259	13,259	+1,386	---
Cooperative units	4,216	4,249	4,616	4,609	---	4,609	4,609	+4,609	---
Subtotal	40,087	43,766	38,367	38,335	32,037	39,165	38,865	+6,828	-300
Wildlife Resources									
Refuge operations and maintenance	52,488	56,990	64,793	73,754	88,798	88,944	88,798	---	-146

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1983 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1984—Continued

[In thousands of dollars]

Item	1980 Appropriation	1981 Appropriation	1982 Appropriation	1983 Appropriation	Budget estimate	House allowance	Committee recommendation	Senate committee recommendation compared with (+ or -) Budget estimate	Senate committee recommendation compared with (+ or -) House allowance
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Law enforcement and protection	8,164	8,674	9,150	9,253	9,419	9,959	11,419	+2,000	+1,460
Population management	18,608	19,860	10,896	18,052	17,009	18,559	18,559	+1,550	---
Research and Development	11,666	13,114	17,752	12,038	10,914	11,694	11,771	+857	+77
Youth Conservation Corps	---	---	---	2,145	---	---	---	---	---
Subtotal	90,926	98,638	102,591	115,242	126,140	129,156	130,547	+4,407	+1,391
Fishery Resources									
Hatcheries operations and maintenance 1/	18,222	20,348	22,983	25,512	20,302	22,880	25,742	+5,440	+2,862
Refuge operations and maintenance	300	850	1,151	1,590	2,162	2,162	2,162	---	---
Law enforcement and protection	149	157	225	225	227	227	327	+100	+100
Population management	3,326	4,461	2,399	1,567	1,663	1,663	1,663	---	---
Research and Development	10,391	10,558	10,504	9,906	9,671	11,971	9,671	---	-2,300
Youth Conservation Corps	---	---	---	1,155	--	---	---	---	---
Subtotal	32,388	36,374	37,262	39,955	34,025	38,903	39,565	+5,540	+662
Endangered Species									
Listing	2,486	4,101	1,987	2,012	2,047	3,047	2,047	---	-1,000
Law enforcement and protection	4,757	5,470	5,672	5,707	4,913	6,100	6,100	+1,187	---
Consultation	2,561	2,578	2,459	2,466	2,513	2,513	2,513	---	---
Recovery	4,091	4,629	5,217	4,962	4,214	4,430	4,214	---	-216
Research and Development	1,292	2,084	2,434	2,942	3,674	3,974	3,974	+300	---
Cooperation with states	4,900	3,920	---	2,000	---	4,000	---	---	-4,000
Subtotal	20,087	22,782	17,769	20,089	17,361	24,064	18,848	+1,487	-5,216
Administrative Services									
Executive Direction	6,497	6,697	6,656	6,636	35,748	34,513	34,513	-1,235	---
Administrative services	11,486	12,835	12,025	10,689	---	---	---	---	---
Related support services	9,878	12,338	12,052	11,041	---	---	---	---	---
1982 Pay annualization	---	---	---	---	---	2,700	---	---	-2,700
Lower Snake River Compensation	---	---	---	---	1,029	1,029	---	-1,029	-1,029
Subtotal	27,861	31,870	30,733	28,366	36,777	38,242	34,513	-2,264	-3,729
Jobs Bill	---	---	---	20,000	---	---	---	---	---
Total, Resource Management 2/3/	211,349	233,430	226,722	261,987	246,340	269,530	262,338	+15,998	-7,192
Construction and Anadromous Fish									
Construction and rehabilitation									
Refuges	43,024	25,498	8,903	7,982	7,605	7,605	7,605	---	---
Hatcheries	5,303	2,939	503	3,498	1,797	4,297	1,797	---	-2,500
Fishery research facilities	5,718	3,460	655	1,049	1,585	4,351	1,585	---	-2,766
Dam safety	---	---	622	636	1,510	160	1,160	-350	+1,000
Wildlife research facility	---	---	---	---	---	---	---	---	---
Anadromous fish grants	4,712	3,500	---	3,500	---	3,500	---	---	-3,500
Capital development & maintenance management	---	---	---	---	1,903	1,903	1,903	---	---
Total, Construction and Anadromous Fish	58,757	35,397	10,683	16,665	14,400	21,816	14,050	-350	-7,766

1/ FY83 Enacted amount includes $94,000, funded in PL 97-377.

2/ FY83 includes $3,300,000 for YCC.

3/ FY83 includes $20,000,000 from Jobs Bill.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1983 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1984—Continued

[In thousands of dollars]

Item	1980 Appropriation	1981 Appropriation	1982 Appropriation	1983 Appropriation	Budget estimate	House allowance	Committee recommendation	Senate committee recommendation compared with (+ or -) Budget estimate	Senate committee recommendation compared with (+ or -) House allowance
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Migratory Bird Conservation Account									
Advance Appropriation	15,000	1,250	1,200	2,000	---	7,000	2,000	+2,000	-5,000
Land Acquisition									
Fish and Wildlife Service:									
Acquisitions	---	8,164	15,494	26,200	---	40,816	27,600	+27,600	-13,216
Acquisition Management	---	1,139	997	1,000	---	1,500	1,000	+1,000	-500
Total	---	9,303	16,491	27,200	---	42,316	28,600	+28,600	-13,716
National Wildlife Refuge Fund									
Payments in Lieu of Taxes	1,950	8,500	5,760	5,760	5,760	5,760	5,760	---	---
Total, Fish and Wildlife Service	287,056	287,880	260,856	313,612	266,500	346,422	312,748	+46,248	-33,674
NATIONAL PARK SERVICE									
Operation of the National Park System									
Park Management									
Management of park areas	61,019	70,615	62,173	57,054	61,630	61,630	61,953	+323	+323
Concessions management	2,093	2,619	2,459	2,894	2,984	2,984	3,484	+500	+500
Interpretation and Visitor Services	44,334	58,142	58,428	62,344	61,233	67,168	67,868	+6,635	+700
Visitor protection and safety	56,189	61,338	59,839	65,259	70,343	70,393	70,343	---	-50
Maintenance	159,166	192,078	211,827	243,134	230,798	233,847	231,398	+600	-2,449
Resources management	48,538	52,729	75,460	96,897	92,237	92,987	92,237	---	-750
Information publications	2,950	3,155	2,832	2,957	2,925	2,925	2,925	---	---
International Park Affairs	---	563	477	384	395	395	395	---	---
Volunteers-in-parks	240	240	250	500	500	500	500	---	---
Youth Conservation Corps (transfer)	---	---	---	3,300	---	---	---	---	---
Subtotal	374,529	441,479	473,745	534,723	523,045	532,829	531,103	+8,058	-1,726
National Recreation and Preservation	---	---	---	---	9,226	---	8,978	-248	+8,978
Forest Fire Suppression and Rehabilitation	2,288	2,000	3,352	1,200	1,200	1,200	1,200	---	---
Park Recreation and Wilderness Planning									
Water resources	624	992	1,451	1,518	1,686	1,936	1,686	---	-250
Rivers and trails	821	981	967	---	---	---	---	---	---
General management plans	2,877	3,782	2,213	2,246	2,283	2,883	2,283	---	-600
New area studies	10	43	---	---	---	---	---	---	---
Land cost studies	9	---	---	---	---	---	---	---	---
Subtotal	4,341	5,798	4,631	3,764	3,969	4,819	3,969	---	-850
Cooperative activities	1,418	---	---	---	---	---	---	---	---
Statutory or Contractual Aid for Other Activities									
Roosevelt Campobello International Park Commission	319	341	357	394	418	418	418	---	---
Ice Age National Scientific Reserve	405	440	564	588	588	588	588	---	---
Lowell Historic Preservation Canal Commission	399	405	384	407	425	525	425	---	-100
Folger Theater	300	300	288	300	---	350	300	+300	-50
Corcoran Gallery	300	300	288	300	---	350	300	+300	-50
Mary McLeod Bethune NHS	---	---	---	---	---	200	---	---	-200
Falls of Clyde	---	100	48	---	---	---	---	---	---
Ozette Village Archeological Site	---	20	19	---	---	---	---	---	---
Garfield gravesite - Lakeview cemetery	---	---	---	---	---	---	---	---	---

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1983 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1984—Continued

[In thousands of dollars]

Item	1980 Appropriation	1981 Appropriation	1982 Appropriation	1983 Appropriation	Budget estimate	House allowance	Committee recommendation	Senate committee recommendation compared with (+ or -) Budget estimate	Senate committee recommendation compared with (+ or -) House allowance
	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Washington Opera - Matching grants	---	---	---	---	---	---	---	---	---
Hampton NHS	100	---	---	---	---	---	---	---	---
Grand Canyon school dist	250	---	---	---	---	---	---	---	---
National Symphony	---	1,000	---	---	---	---	---	---	---
Subtotal	2,073	2,906	1,948	1,989	1,431	2,431	2,031	+600	-400
General administration:									
Central office	---	---	4,710	6,398	6,638	6,503	6,638	---	+135
Regional office	---	---	13,333	15,801	16,632	16,632	16,632	---	---
Automatic data processing	---	---	3,296	4,128	4,218	4,218	4,218	---	---
Employee compensation payment	---	---	---	3,083	3,435	3,435	3,435	---	---
Service wide administrative support	---	---	4,072	5,530	7,780	7,780	7,780	---	---
GSA space rental	---	---	---	9,733	10,833	10,833	10,833	---	---
Executive direction	6,195	6,245	5,995	6,411	6,691	6,691	6,691	---	---
Unemployment compensation for federal employees	---	---	---	---	3,000	3,000	3,000	---	---
Public Affairs	---	---	---	---	1,694	1,694	1,694	---	---
Subtotal, General Administration	6,195	6,245	31,406	51,084	60,921	60,786	60,921	---	+135
Pay supplemental	---	---	6,446	---	---	---	---	---	---
Total, Operation of the National Park System 1/	390,844	458,428	521,528	592,760	599,792	602,065	608,202	+8,410	+6,137
NATIONAL RECREATION AND PRESERVATION									
Recreation Programs	---	6,462	2,552	1,409	---	1,432	---	---	-1,432
Natural Programs	---	2,756	1,110	1,673	---	1,694	---	---	-1,694
Cultural Programs	---	---	---	4,425	---	5,476	---	---	-5,476
Maintenance of the National Register	---	---	1,833	1,186	---	---	---	---	---
Technical Preservation Services	---	---	1,102	1,366	---	---	---	---	---
National Architectural and Engineering Record	---	---	925	598	---	---	---	---	---
Interagency Archeological Services	---	---	1,968	1,275	---	---	---	---	---
Undistributed	6,523	---	---	---	---	---	---	---	---
Environmental and Compliance Review	---	624	578	380	---	390	---	---	-390
Grant administration	---	---	2,304	2,000	---	2,333	---	---	-2,333
(By transfer)	---	---	---	---	---	---	---	---	---
Pay supplemental	---	---	235	---	---	---	---	---	---
Total, National Recreation and Preservation	6,523	9,842	12,607	14,312	---	11,325	---	---	-11,325
Urban Park and Recreation Fund									
Grants to Cities 2/	---	700	7,680	40,000	---	10,000	---	---	-10,000
Administrative expenses	---	300	---	---	---	---	---	---	---
Historic Preservation Fund									
Grants-in-aid	---	24,460	21,024	46,500	---	21,500	21,500	+21,500	---
National Trust for Historic Preservation	---	---	4,416	4,500	---	5,000	4,500	+4,500	-500

1/ FY83 includes $3,300,000 for YCC and from PL 98-8, $18,738,000 in Maintenance and $6,262,000 in Resource Management.

2/ FY83 includes $40 million from PL 98-8.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1983 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1984—Continued

[In thousands of dollars]

Item	1980 Appropriation	1981 Appropriation	1982 Appropriation	1983 Appropriation	Budget estimate	House allowance	Committee recommendation	Senate committee recommendation compared with (+ or -) Budget estimate	Senate committee recommendation compared with (+ or -) House allowance
	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Administrative expenses	---	1,540	---	---	---	---	---	---	---
Total, Historic Preservation Fund 1/	---	26,000	25,440	51,000	---	26,500	26,000	+26,000	-500
Planning, Development and Operation									
Recreation facilities	16,217	---	---	---	---	---	---	---	---
Construction									
Buildings and Utilities									
Advance Planning	---	5,000	4,800	5,000	5,500	5,500	7,100	+1,600	+1,600
Lump Sum Projects	---	3,000	2,880	3,000	3,000	3,000	3,000	---	---
Project Planning	---	6,937	8,666	8,214	8,162	8,162	8,112	-50	-50
Line Item Construction Projects 2/	74,304	28,430	79,506	142,882	61,613	89,575	72,743	+11,130	-16,832
Use of deferred funds	---	---	---	---	---	-63,600	-63,600	-63,600	---
Total, Construction	74,304	43,367	95,852	159,096	78,275	42,637	27,355	-50,920	-15,282
Land Acquisition and State Assistance									
Assistance to States									
Matching grants	---	173,745	---	110,619	---	72,919	72,919	+72,919	---
Administrative expenses	---	6,566	4,381	4,381	---	2,081	2,081	+2,081	---
National Park Service									
Acquisitions	---	107,282	115,040	55,005	50,100	72,500	60,700	+10,600	-11,800
Acquisition management	---	1,000	8,160	7,500	4,571	7,821	7,800	+3,229	-21
Pinelands National Reserve	---	---	5,881	5,000	---	6,150	6,150	+6,150	---
Total, Land acquisition and state assistance 3/	---	288,593	133,462	182,505	54,671	161,471	149,650	+94,979	-11,821
John F. Kennedy Center for the Performing Arts									
Base program	4,333	4,752	4,212	4,247	4,342	4,542	4,542	+200	---
Pay supplemental	---	---	---	---	---	---	---	---	---
Total, JFK Center for Performing Arts	4,333	4,752	4,212	4,247	4,342	4,542	4,542	+200	---
Total, National Park Service	492,221	831,982	800,781	1,043,920	737,080	858,540	815,749	+78,669	-42,791
GEOLOGICAL SURVEY									
Surveys, Investigations, and Research									
National Mapping, Geography and Surveys									
Primary quadrangle mapping	32,312	34,378	33,512	34,611	28,977	28,977	28,977	---	---
Modernization of mapping technology	6,029	6,010	3,976	3,854	3,854	3,854	3,854	---	---
Digital mapping	2,027	2,010	3,873	3,873	---	8,028	6,028	+6,028	-2,000
Revision	9,542	10,107	9,841	10,657	8,116	8,116	11,116	+3,000	+3,000
Orthophotoquads	4,746	5,992	6,189	6,104	4,301	4,301	4,301	---	---
Printing and distribution of maps	---	---	---	---	8,500	8,500	8,500	---	---
Small intermediate and special mapping	15,053	15,596	15,200	14,216	11,114	14,664	13,614	+2,500	-1,050
Earth resources observation system	11,775	12,295	11,904	9,490	9,041	9,628	9,628	+587	--

1/ FY83 includes $25 million from PL 98-8.
2/ FY83 Enacted amount includes $3,000,000, funded in PL 97-377.
3/ FY83 includes $40,000,000 in Matching Grants from PL 98-8.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1983 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1984—Continued

[In thousands of dollars]

Item	1980 Appropriation	1981 Appropriation	1982 Appropriation	1983 Appropriation	Budget estimate	House allowance	Committee recommendation	Senate committee recommendation compared with (+ or -) Budget estimate	Senate committee recommendation compared with (+ or -) House allowance
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Cartographic and geographic information	3,058	3,356	3,756	3,806	3,985	3,985	3,985	---	---
Synthetic Aperture Radar	---	---	---	3,000	---	3,000	---	---	-3,000
Subtotal	84,542	89,744	88,251	89,611	77,888	93,053	90,003	+12,115	-3,050
Geologic and Mineral Resource Surveys and Mapping									
Earthquake hazards reduction	32,042	32,934	32,652	34,843	29,524	35,524	32,524	+3,000	-3,000
Volcano Hazards	4,387	12,656	9,578	10,830	7,392	10,892	10,892	+3,500	---
Ground failure & construction hazards	2,044	1,833	2,741	2,718	2,074	2,792	2,074	---	-718
Reactor hazards research	3,590	3,122	3,037	3,064	1,722	3,222	3,222	+1,500	---
Geologic framework	11,690	12,482	13,086	13,639	14,240	14,240	14,240	---	---
Geomagnetism	2,109	2,183	2,114	2,104	1,943	2,183	1,943	---	-240
Climate change	1,010	1,037	1,004	992	522	1,014	522	---	-492
Land resource data applications	2,460	2,550	833	635	---	626	---	---	-626
Mineral resource surveys	34,347	37,704	38,749	40,860	45,312	45,312	45,312	---	---
Energy geologic surveys	35,689	37,188	37,582	33,982	25,455	33,994	29,455	+4,000	-4,539
Offshore geologic surveys	20,159	21,617	20,953	13,143	13,722	16,222	18,722	+5,000	+2,500
Subtotal	149,527	165,306	162,329	156,810	141,906	166,021	158,906	+17,000	-7,115
Water Resources Investigations									
Federal Program	53,186	54,054	48,795	54,561	55,399	62,999	56,661	+1,262	-6,338
Federal-State program	40,604	42,756	44,220	44,164	47,113	49,613	47,613	+500	-2,000
Energy hydrology	19,658	22,652	15,341	15,145	9,637	12,637	12,137	+2,500	-500
Subtotal	113,448	119,462	108,356	113,870	112,149	125,249	116,411	+4,262	-8,838
Conservation of Lands and Minerals									
Outer Continental Shelf lands	64,527	68,958	65,159	---	---	---	---	---	---
Federal and Indian lands	35,255	42,511	41,603	---	---	---	---	---	---
Royalty management	6,460	14,270	21,723	---	---	---	---	---	---
Subtotal	106,242	125,739	128,485	---	---	---	---	---	---
General Administration	3,776	3,896	3,309	14,527	14,242	15,494	15,620	+1,378	+126
Facilities	12,327	11,909	10,074	12,686	13,243	13,243	13,243	---	---
Transfer from NPRA	---	---	---	-16,200	---	---	---	---	---
Pay supplemental	---	---	7,042	---	---	---	---	---	---
SLUC Reduction	---	---	---	-7,915	---	-5,609	-5,609	-5,609	---
Map sales receipts	---	---	---	---	-8,500	-8,500	-8,500	---	---
(Effect of fiscal year 1983 deferral)	---	---	---	---	---	-24,000	-24,000	-24,000	---
Total, Surveys, Investigations & Research	469,862	516,056	507,846	363,389	350,928	374,951	356,074	+5,146	-18,877
Exploration of National Petroleum Reserve in Alaska									
Exploratory drilling	129,500	94,000	---	---	---	---	---	---	---
Geophysical exploration	9,000	10,500	---	---	---	---	---	---	---
Geologic investigations and evaluation	3,000	1,000	---	---	---	---	---	---	---
Barrow Area Gas Operation, Exploration and Development									
Operation and maintenance	1,427	1,501	2,196	---	---	---	---	---	---
Explorations and development	29,700	---	---	---	---	---	---	---	---
Environmental restoration	3,000	---	---	---	---	---	---	---	---
Total, Reserve in Alaska	175,627	107,001	2,196	---	---	---	---	---	---

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1983 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1984—Continued

[In thousands of dollars]

Item	1980 Appropriation	1981 Appropriation	1982 Appropriation	1983 Appropriation	Budget estimate	House allowance	Committee recommendation	Senate committee recommendation compared with (+ or -) Budget estimate	Senate committee recommendation compared with (+ or -) House allowance
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Barrow Area Gas Operations, Exploration and Operation									
Operations, exploration and development	---	---	---	6,400	---	---	---	---	---
Digital Cartography									
Digital cartography	---	---	---	---	6,028	---	---	-6,028	---
Total, Geological Survey	645,489	623,057	510,042	369,789	356,956	374,951	356,074	-882	-18,877
MINERALS MANAGEMENT SERVICE									
Minerals and Royalty Management									
Leasing Outer Continental Shelf Lands and environmental program	---	---	---	45,055	42,004	42,004	42,004	---	---
Resource evaluation	---	---	---	34,801	32,014	32,014	32,014	---	---
Regulatory program	---	---	---	36,913	34,106	34,106	34,106	---	---
Subtotal, Minerals and Royalty Management	---	---	---	118,769	108,124	108,124	108,124	---	---
Federal and Indian program:									
Oil and gas	---	---	---	23,594	---	---	---	---	---
Coal	---	---	---	9,579	---	---	---	---	---
Other energy	---	---	---	3,798	---	---	---	---	---
Non-energy	---	---	---	2,273	---	---	---	---	---
Water power	---	---	---	680	---	---	---	---	---
Subtotal	---	---	---	39,924	---	---	---	---	---
General administration	---	---	---	---	---	---	---	---	---
Subtotal, leasing management	---	---	---	158,693	108,124	108,124	108,124	---	---
Onshore royalty management (royalty collection)	---	---	---	13,841	19,699	17,899	19,699	---	+1,800
Offshore royalty management (royalty compliance)	---	---	---	6,499	5,381	5,081	5,381	---	+300
Systems development and maintenance	---	---	---	10,354	10,031	3,431	10,031	---	+6,600
General administration	---	---	---	---	---	---	---	---	---
Pay supplemental	---	---	---	---	---	---	---	---	---
Subtotal, royalty management	---	---	---	30,694	35,111	26,411	35,111	---	+8,700
General Administration	---	---	---	7,119	20,983	20,568	20,568	-415	---
Total, leasing and royalty management	---	---	---	196,506	164,218	155,103	163,803	-415	+8,700
Transfer to General Fund									
Transfer to general fund	---	---	---	---	(-126,550)	(-126,550)	---	(+126,550)	(+126,550)
BUREAU OF MINES									
Mines and Minerals									
Minerals Research:									
Health and Safety Technology	51,929	50,564	46,014	38,466	31,670	40,370	31,670	---	-8,700

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1983 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1984—Continued

[In thousands of dollars]

Item	1980 Appropriation	1981 Appropriation	1982 Appropriation	1983 Appropriation	Budget estimate	House allowance	Committee recommendation	Senate committee recommendation compared with (+ or -) Budget estimate	Senate committee recommendation compared with (+ or -) House allowance
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Conservation and Development:									
Mining Technology	20,471	21,392	10,418	9,380	4,195	12,195	8,195	+4,000	-4,000
Resource Conservation Technology	--	---	---	6,162	1,610	1,610	3,470	+1,860	+1,860
Subtotal, Conservation and Development	20,471	21,392	10,418	15,542	5,805	13,805	11,665	+5,860	-2,140
Minerals and Materials Research	20,165	22,217	31,261	32,354	30,430	30,430	30,430	---	---
Subtotal, Minerals Research	92,565	94,173	87,693	86,362	67,905	84,605	73,765	+5,860	-10,840
Minerals Information and Analysis:									
Minerals Information	5,378	9,362	19,597	10,399	10,890	10,890	10,890	---	---
Mineral Data Analysis	20,173	20,528	9,412	15,996	17,953	17,953	17,953	---	---
Subtotal	25,551	29,890	29,009	26,395	28,843	28,843	28,843	---	---
Mining research and development	---	---	---	5,000	---	---	---	---	---
Mineral Institutes	---	---	9,244	9,600	---	---	10,350	+10,350	+10,350
General Administration	15,917	18,256	20,247	20,801	20,835	20,785	20,835	---	+50
Construction and rehabilitation	---	---	336	---	---	---	---	---	---
Bruceton facility	---	---	4,073	---	---	-5,064	-5,064	-5,064	---
(By transfer)	---	---	(991)	---	---	---	---	---	---
Pay supplemental	--	---	---	---	---	---	---	---	---
Transfer	--	---	---	-105	---	---	---	---	---
Standard level user charges	---	---	---	---	---	-1,304	-1,304	-1,304	---
Total, Bureau of Mines	134,033	142,319	150,602	148,053	117,583	127,865	127,425	+9,842	-440
OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT									
Regulation and Technology									
State Regulatory Program Grants	21,680	35,000	24,432	32,150	37,600	38,100	38,100	+500	---
(Effect of fiscal year 1981 deferral)	---	---	(5,800)	---	---	---	---	---	---
Federal Regulatory Programs									
Program operations and inspections	16,305	16,943	20,658	10,393	10,691	11,741	11,791	+1,100	+50
Technical services and research	13,978	17,843	4,919	10,903	9,311	10,311	9,311	---	-1,000
Subtotal	30,283	34,786	25,577	21,296	20,002	22,052	21,102	+1,100	-950
Mineral Institutes	9,904	9,545	---	---	---	---	---	---	---
Small Operator Assistance	15,000	---	---	---	---	---	---	---	---
General Administration	7,820	10,348	8,506	6,910	5,895	5,795	5,895	---	+100
Pay supplemental	---	---	---	---	---	---	---	---	---
Transfer	---	---	---	105	---	---	---	---	---
Standard Level User Charges	---	---	---	---	---	-47	-47	-47	---
Total, Regulation and Technology	84,687	89,679	58,515	60,461	63,497	65,900	65,050	+1,553	-850
Abandoned Mine Reclamation Fund									
State Reclamation Program Grants	25,000	29,000	59,136	132,500	193,900	193,900	193,900	---	---
Federal Reclamation Programs									
Fund management	7,768	3,951	4,724	4,901	6,048	6,298	6,048	---	-250
Interior reclamation projects	35,574	28,770	28,040	14,977	10,452	25,452	10,452	---	-15,000

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1983 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1984—Continued

[In thousands of dollars]

Item (1)	1980 Appropriation (2)	1981 Appropriation (3)	1982 Appropriation (4)	1983 Appropriation (5)	Budget estimate (6)	House allowance (7)	Committee recommendation (8)	Senate committee recommendation compared with (+ or -) Budget estimate (9)	Senate committee recommendation compared with (+ or -) House allowanc (10
Rural lands reclamation program	10,106	10,280	18,339	3,650	3,082	18,082	3,082	---	-15,000
Technical support	988	1,247	1,134	1,221	1,221	3,221	1,221	---	-2,000
Subtotal	54,436	44,248	52,237	24,749	20,803	53,053	20,803	---	-32,250
Small Operator Assistance	10,000	5,000	---	---	---	---	---	---	---
General Administration	5,480	4,237	3,960	3,960	4,099	4,099	4,099	---	---
Standard Level User Charges	---	---	---	---	---	-24	-23	-23	+1
Total, Abandoned Mine Reclamation Fund	94,916	82,485	115,333	161,209	218,802	251,028	218,779	-23	-32,249
Total, Office of Surface Mining Reclamation and Enforcement	179,603	172,164	173,848	221,670	282,299	316,928	283,829	+1,530	-33,099
BUREAU OF INDIAN AFFAIRS									
Operation of Indian Programs									
Education									
School Operations	193,598	189,660	176,106	177,075	174,947	175,575	175,443	+496	-132
Johnson O'Malley Educational Assistance	29,388	29,469	25,954	26,229	26,000	26,580	26,000	---	-580
Continuing Education	47,074	51,054	52,446	51,451	48,121	51,587	52,315	+4,194	+728
Alaska schools	---	---	11,100	9,350	---	---	---	---	---
Subtotal, Education	270,060	270,183	265,606	264,105	249,068	253,742	253,758	+4,690	+16
Indian Services									
Tribal Government Services	16,903	22,067	23,789	25,473	23,534	23,694	23,694	+160	---
Social Services	87,264	93,951	90,351	100,002	98,609	101,109	98,609	---	-2,500
Law Enforcement	27,577	30,824	32,515	35,697	34,521	34,944	34,944	+423	---
Housing	19,380	22,693	29,810	53,233	22,068	22,117	---	-22,068	-22,117
Self-Determination Services	44,460	52,203	49,222	52,822	60,198	58,779	60,279	+81	+1,500
Navajo-Hopi Settlement Program	5,544	5,498	4,178	3,899	3,951	3,951	3,951	---	---
Subtotal, Indian Services	201,128	227,236	229,865	271,126	242,881	244,594	221,477	-21,404	-23,117
Economic Development and Employment Programs									
Employment Development	51,638	45,436	27,120	27,429	27,641	26,341	26,341	-1,300	---
Business Enterprise Development	8,647	8,456	8,136	10,854	15,543	10,521	10,521	-5,022	---
Road Maintenance	17,686	19,485	17,628	21,037	22,351	22,081	22,081	-270	---
Subtotal, Economic Development and Employment Programs	77,971	73,377	52,884	59,320	65,535	58,943	58,943	-6,592	---
Natural Resources Development									
Natural Resources, General	770	883	891	981	787	787	787	---	---
Agriculture	22,648	22,170	21,143	35,029	23,262	22,881	22,881	-381	---
Forestry	23,418	24,687	21,805	30,119	26,290	26,292	27,092	+802	+800
Water Resources	3,304	5,100	6,663	6,978	6,722	7,222	6,722	---	-500
Wildlife & Parks	3,512	11,667	12,895	15,453	15,754	17,854	16,077	+323	-1,777
Fire Suppression	7,800	7,800	7,768	800	600	600	600	---	---
Minerals and Mining	7,972	8,093	7,570	8,233	6,872	7,972	6,872	---	-1,100
Irrigation and Power	4,813	5,312	6,008	6,748	9,009	8,934	7,634	-1,375	-1,300
Budget Amendment	---	---	---	---	-5,000	---	---	+5,000	---
Subtotal, Natural Resources Development	74,237	85,712	84,743	104,341	84,296	92,542	88,665	+4,369	-3,877

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1983 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1984—Continued

[In thousands of dollars]

Item	1980 Appropriation	1981 Appropriation	1982 Appropriation	1983 Appropriation	Budget estimate	House allowance	Committee recommendation	Senate committee recommendation compared with (+ or -) Budget estimate	Senate committee recommendation compared with (+ or -) House allowance
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Trust Responsibilities									
Environmental Quality Services	412	1,242	1,189	1,143	--	---	---	---	---
Rights Protection	25,466	16,037	17,327	16,491	16,323	18,323	16,323	---	-2,000
Real Estate and Financial Trust Services	24,920	26,162	27,350	28,405	27,719	27,531	27,719	---	+188
Subtotal, Trust Responsibilities	50,798	43,441	45,866	46,039	44,042	45,854	44,042	---	-1,812
General Management and Facilities Operation									
Management and Administration	50,274	50,248	49,465	47,854	49,434	46,274	49,434	---	+3,160
Program management	---	---	4,350	7,241	5,520	5,970	5,520	---	-450
Employee compensation payments	2,940	3,434	4,161	4,582	6,829	6,829	6,829	---	---
Facilities Management	77,076	84,509	83,380	88,900	88,910	89,713	90,592	+1,682	+879
Subtotal, General Management and Facilities Operation	130,290	138,191	141,356	148,577	150,693	148,786	152,375	+1,682	+3,589
Pay supplemental	---	---	8,252	---	---	---	---	---	---
ADP user charges	---	---	---	---	---	(-8,243)	---	---	(+8,243)
Restore overhead reduction	---	--	---	---	---	(8,243)	---	---	(-8,243)
Total, Operation of Indian Programs 1/	804,484	838,140	828,572	893,508	836,515	844,461	819,260	-17,255	-25,201
Construction									
Buildings and Utilities	44,725	73,117	48,436	82,800	36,000	50,620	46,725	+10,725	-3,895
Irrigation Systems	43,449	27,065	46,192	48,900	5,325	5,700	5,700	+375	---
Land acquisition	1,200	---	---	---	---	---	---	---	---
Salt River Pima-Maricopa Settlement	3,917	---	---	--	---	---	---	---	---
Housing	(19,380)	(22,693)	(29,810)	(53,233)	(22,068)	(22,117)	23,000	+23,000	+23,000
Total, Construction 2/	93,291	100,182	94,628	131,700	41,325	56,320	75,425	+34,100	+19,105
Road Construction									
Base Program	66,479	48,625	47,160	43,585	4,000	4,000	4,000	---	---
Alaska Native Claims	30,000	30,000	---	---	---	---	---	---	---
Eastern Indian Land Claims Fund									
Maine Indian Claims Settlement funds	---	81,500	---	---	---	---	---	---	---
Mashantucket Pequot Claims Settlement fund	---	---	---	---	---	---	900	+900	+900
Trust Funds									
Base Program	28,000	28,000	53,000	63,000	63,000	63,000	63,000	---	---
Revolving Fund for Loans									
Limitation on direct loans	---	(12,680)	(14,770)	(19,970)	(13,075)	(13,075)	(13,075)	---	---

1/ FY83 includes $30,000,000 in Indian Services Housing, $12,500,000 in Agriculture, $5,000,000 in Forestry and $2,500,000 in Wildlife and Parks from PL 98-8.

2/ FY83 includes $34,450,000 in Buildings and Utilities and $30,000,000 in Irrigation Systems.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1983 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1984—Continued

[In thousands of dollars]

Item (1)	1980 Appropriation (2)	1981 Appropriation (3)	1982 Appropriation (4)	1983 Appropriation (5)	Budget estimate (6)	House allowance (7)	Committee recommendation (8)	Senate committee recommendation compared with (+ or -) Budget estimate (9)	Senate committee recommendation compared with (+ or -) House allowance (10)
Indian Loan Guaranty and Insurance Fund									
Limitation on guaranteed loans	---	(2,250)	(27,630)	(15,800)	(19,000)	(19,000)	(19,000)	---	---
Total, Bureau of Indian Affairs	1,022,254	1,126,447	1,023,360	1,131,793	944,840	967,781	962,585	+17,745	-5,196
TERRITORIAL AFFAIRS									
Administration of Territories									
Guam									
Economic Development Fund	500	---	240	500	---	---	---	---	---
Construction grants	9,675	11,970	11,246	8,028	4,038	11,350	13,350	+9,312	+2,000
Subtotal, Guam	10,175	11,970	11,486	8,528	4,038	11,350	13,350	+9,312	+2,000
American Samoa									
Operations grants	17,308	17,600	17,664	21,563	18,900	18,900	22,902	+4,002	+4,002
Construction grants	---	9,150	7,099	1,777	2,000	3,500	5,000	+3,000	+1,500
Economic Development Fund	---	500	240	500	---	---	500	+500	+500
Special program grants	---	---	144	---	---	---	---	---	---
Subtotal, American Samoa	17,308	27,250	25,147	23,840	20,900	22,400	28,402	+7,502	+6,002
Northern Marianas									
Covenant grants	18,806	20,465	22,442	24,143	25,742	25,742	25,742	---	---
Covenant inflation adjustment	3,318	3,954	3,402	---	---	---	---	---	---
Construction grants, other	---	---	1,296	10,750	5,000	10,000	10,000	+5,000	---
Subtotal, Northern Marianas	22,124	24,419	27,140	34,893	30,742	35,742	35,742	+5,000	---
Northern Mariana Federal Laws Commission	310	15	192	---	---	---	---	---	---
Federal Comptrollers									
Virgin Islands	1,157	830	836	---	---	---	---	---	---
Trust Territory and Northern Marianas	653	918	898	---	---	---	---	---	---
American Samoa	454	576	546	---	---	---	---	---	---
Guam	788	810	807	---	---	---	---	---	---
Subtotal, Federal Comptrollers	3,052	3,134	3,087	---	---	---	---	---	---
Transfer to Inspector General	---	---	---	---	---	---	---	---	---
Virgin Islands deficit grant	10,000	---	---	---	---	---	---	---	---
Virgin Islands construction grant	21,000	9,800	21,505	2,500	1,500	1,500	4,500	+3,000	+3,000
Territorial Administration									
Office of Territorial Affairs	1,110	1,077	1,835	1,911	2,070	2,070	2,070	---	---
SLWC Reduction	---	---	---	-30	---	---	---	---	---
Technical Assistance	---	250	2,500	2,250	900	2,200	2,500	+1,600	+300
Subtotal, Territorial Administration	1,110	1,327	4,335	4,131	2,970	4,270	4,570	+1,600	+300
Insular Development Bank	---	---	---	---	2,000	---	---	-2,000	---
Pay supplemental	---	---	---	---	---	---	---	---	---
Total, Administration of Territories	85,079	77,915	92,892	73,892	62,150	75,262	86,564	+24,414	+11,302
(Limitation on guaranteed loans)	---	---	(30,000)	---	---	---	---	---	---
Trust Territory of the Pacific Islands									
Trust Territory operations	28,299	18,651	15,131	18,630	10,669	12,669	15,669	+5,000	+3,000

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1983 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1984—Continued

[In thousands of dollars]

Item	1980 Appropriation	1981 Appropriation	1982 Appropriation	1983 Appropriation	Budget estimate	House allowance	Committee recommendation	Senate committee recommendation compared with (+ or -)	
								Budget estimate	House allowance
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Federated States of Micronesia	24,015	30,415	34,075	37,842	36,900	40,400	42,192	+5,292	+1,792
Republic of the Marshall Islands	7,021	8,994	9,707	10,484	10,900	10,900	11,135	+235	+235
Republic of Palau Operations	7,377	8,053	8,939	9,654	10,100	10,100	10,453	+353	+353
Subtotal, Operations	66,712	66,113	67,852	76,610	68,569	74,069	79,449	+10,880	+5,380
Construction									
Capital Improvements	51,840	27,764	5,684	18,400	9,020	25,840	31,518	+22,498	+5,678
Capitol Relocations	---	---	2,880	---	9,600	---	---	-9,600	---
Subtotal, Construction	51,840	27,764	8,544	18,400	18,620	25,840	31,518	+12,898	+5,678
Four atoll health care plan	---	---	---	---	---	4,000	---	---	-4,000
Enewetak support	1,450	645	818	809	800	800	800	---	---
Bikini support	---	---	21,400	---	---	264	---	---	-264
Pay supplemental	---	---	---	---	---	---	---	---	---
Total, Trust Territory of the Pacific Islands	120,002	94,522	98,614	95,810	87,989	104,973	111,767	+23,778	+6,794
Total, Territorial Affairs	205,081	172,437	191,506	169,702	150,139	180,235	198,331	+48,192	+18,096
DEPARTMENTAL OFFICES									
OFFICE OF THE SECRETARY									
Departmental Direction									
Secretary's Immediate Office	1,786	1,897	1,142	1,601	1,809	1,609	1,809	---	+200
Executive Secretariat	209	226	166	180	189	150	189	---	+39
Cong. & Legis. Affairs	969	1,054	966	981	1,040	990	1,040	---	+50
Equal Opportunity	1,800	1,700	1,193	1,294	1,443	1,443	1,443	---	---
Field Coordination	---	---	120	100	---	---	---	---	---
Public Affairs	838	898	624	700	746	596	746	---	+150
Small & Disadvantaged Business Utilization	375	437	427	374	392	392	392	---	---
Subtotal, Departmental Direction	5,977	6,212	4,638	5,230	5,619	5,180	5,619	---	+439
Program Direction and Coordination									
A/S Energy and Minerals	892	892	726	725	775	775	775	---	---
A/S Land and Water Resources	1,008	1,234	759	750	805	805	805	---	---
A/S Fish and Wildlife and Parks	805	852	715	744	791	791	791	---	---
A/S Indian Affairs	1,642	911	697	710	753	753	753	---	---
A/S Territorial and International Affairs	---	---	384	400	429	429	429	---	---
A/S Policy, Budget & Administration	724	788	---	755	812	812	812	---	---
Annualization of 1982 pay increase	---	---	---	---	---	-200	---	---	+200
Subtotal, Program Direction and Coordination	5,071	4,677	3,281	4,084	4,365	4,165	4,365	---	+200
Administration									
A/S Policy, Budget & Administration	---	---	691	---	---	---	---	---	---
Environmental Project Review	1,083	960	945	1,242	1,519	1,519	1,319	-200	-200
Acquisition & Property Management	754	891	1,158	1,300	1,391	1,391	1,391	---	---
Office of personnel	1,217	1,478	1,360	1,490	1,636	1,636	1,636	---	---
Administrative Services	2,561	2,563	2,856	2,956	3,269	3,192	3,269	---	+77
Information Resources Management	3,336	3,912	4,110	4,424	4,863	4,364	4,863	---	+499
Policy Analysis	1,855	1,594	1,440	1,609	1,782	1,537	1,782	---	+245
Budget Office	1,465	1,525	1,192	1,344	1,520	1,477	1,520	---	+43

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1983 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1984—Continued

[In thousands of dollars]

Item	1980 Appropriation	1981 Appropriation	1982 Appropriation	1983 Appropriation	Budget estimate	House allowance	Committee recommendation	Senate committee recommendation compared with (+ or -) Budget estimate	Senate committee recommendation compared with (+ or -) House allowance
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Outer Continental Shelf Program	493	495	483	---	---	---	---	---	---
Financial management	---	---	703	782	919	919	919	---	---
Subtotal, Administration	12,764	13,418	14,938	15,147	16,899	16,035	16,699	-200	+664
Office of Water Policy	---	---	1,768	---	---	---	---	---	---
Hearings and Appeals	5,129	5,504	5,659	6,146	6,478	6,478	6,478	---	---
Minerals Policy and Research Analysis	1,413	1,111	---	---	---	---	---	---	---
Aircraft Services	1,324	1,421	---	---	---	---	---	---	---
Central Services	5,000	6,812	8,969	9,982	9,645	9,024	9,645	---	+621
Alaska Subsistence Grant	---	---	960	1,000	1,000	1,000	1,000	---	---
Pay supplemental	---	---	775	---	---	---	---	---	---
Advisory Committee on D.C.	---	---	---	---	---	---	---	---	---
Total, Office of the Secretary	36,678	39,155	40,988	41,589	44,006	41,882	43,806	-200	+1,924
Construction Management									
Salaries and expenses	9,014	8,789	3,840	896	896	1,275	800	-96	-475
Special Foreign Currency Program									
Salaries and Expenses	1,000	---	---	---	420	420	420	---	---
Office of Water Policy									
Office of Water Policy									
Department policy	---	---	---	1,768	1,532	---	1,532	---	+1,532
Water research	---	---	---	5,000	---	---	---	---	---
Project administration	---	---	---	1,000	---	---	---	---	---
State water resource research institutes	---	---	---	6,350	---	---	6,350	+6,350	+6,350
Transfer	---	---	---	-6,000	---	---	---	---	---
Total, Office of Water Policy	---	---	---	8,118	1,532	---	7,882	+6,350	+7,882
Youth Conservation Corps									
Youth Conservation Corps	---	26,000	285	---	---	---	---	---	---
Rural Water Treatment and Distribution System									
Planning and Construction (WEB Pipeline)	---	1,900	---	---	---	---	---	---	---
Office of the Solicitor									
Legal Services	13,550	14,420	14,762	15,510	15,885	16,685	16,985	+1,100	+300
General Administration	2,416	2,636	2,838	2,894	2,762	2,578	2,678	-84	+100
Pay supplemental	500	1,032	150	---	---	---	---	---	---
Total, Office of the Solicitor	16,466	18,088	17,750	18,404	18,647	19,263	19,663	+1,016	+400
Office of the Inspector General									
Office of Inspector General	5,063	9,172	13,369	21,500	17,185	17,100	16,899	-286	-201

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1983 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1984—Continued

[In thousands of dollars]

Item	1980 Appropriation	1981 Appropriation	1982 Appropriation	1983 Appropriation	Budget estimate	House allowance	Committee recommendation	Senate committee recommendation compared with (+ or -) Budget estimate	Senate committee recommendation compared with (+ or -) House allowance
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Pay supplemental	---	---	---	---	---	---	---	---	---
Total, Office of the Inspector General	5,063	9,172	13,369	21,500	17,185	17,100	16,899	-286	-201
Total, Secretarial Offices	68,221	103,104	76,232	90,507	82,686	79,940	89,470	+6,784	+9,530
Grand Total, Department of the Interior	3,575,151	4,053,770	3,785,275	4,192,914	3,624,750	3,929,566	3,848,629	+223,879	-80,937
TITLE II - RELATED AGENCIES									
DEPARTMENT OF AGRICULTURE									
FOREST SERVICE									
Forest Research									
Resource Protection Research									
Fire and atmospheric science	9,764	10,343	8,869	8,317	7,418	7,811	7,418	---	-393
Forest insect and disease	21,780	24,480	20,572	21,247	20,125	23,283	20,678	+553	-2,605
Renewable resource evaluation	13,933	15,547	13,208	12,710	11,271	12,681	11,355	+84	-1,326
Renewable resource economics	5,167	6,004	4,735	4,895				---	---
Surface environment and mining	1,659	2,218	1,836	1,681	1,369	1,628	1,369	---	-259
Subtotal	52,303	58,592	49,220	48,350	44,654	50,339	45,291	+637	-5,048
Resource Management Research									
Trees and timber management	20,620	24,537	20,201	19,920	19,711	21,951	21,951	+2,240	---
Forest watershed management	9,952	10,461	9,437	9,028	8,408	9,520	9,520	+1,112	---
Wildlife, range and fish habitat	8,735	9,905	9,214	8,510	8,180	9,093	8,533	+353	-560
Forest recreation	2,179	2,556	2,121	2,083	1,968	2,128	1,968	---	-160
Forest products	15,342	18,575	17,288	14,813	15,130	15,130	15,130	---	---
Forest Engineering	2,408	3,186	2,911	2,652	2,715	2,715	2,715	---	---
Subtotal	59,228	69,220	61,172	57,006	56,112	60,537	59,817	+3,705	-720
SLUC reduction	---	---	---	-335	---	---	---	---	---
FLIPS reduction	---	---	---	---	---	-560	---	---	+560
Pay supplemental	---	---	1,753	---	-	---	---	---	---
Total, Forest Research	111,531	127,812	112,145	105,021	100,766	110,316	105,108	+4,342	-5,208
State and Private Forestry									
Cooperative Resource Protection									
Forest Pest Management	20,778	22,702	22,169	27,640	17,324	31,292	26,663	+9,339	-4,629
Rural fire control	22,464	19,984	14,076	14,380	3,007	14,425	14,000	+10,993	-425
Subtotal	43,242	42,686	36,245	42,020	20,331	45,717	40,663	+20,332	-5,054
Cooperative Resource Management									
Rural forestry assistance 1/	13,500	17,773	16,204	12,675	3,737	8,087	3,737	---	-4,350
Urban forestry assistance	3,621	1,800	1,682	1,500	---	1,600	---	---	-1,600

1/ Includes new titles Forest Resource Management/ Wood Utilization/ Seedlings, Nursery and Tree Improvement.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1983 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1984—Continued

[In thousands of dollars]

Item	1980 Appropriation	1981 Appropriation	1982 Appropriation	1983 Appropriation	Budget estimate	House allowance	Committee recommendation	Senate committee recommendation compared with (+ or -) Budget estimate	Senate committee recommendation compared with (+ or -) House allowance
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Assistance in management and technology	3,768	4,930	4,451	2,683	990	1,990	990	---	-1,000
Subtotal	20,889	24,503	22,337	16,858	4,727	11,677	4,727	---	-6,950
General Forestry Assistance									
Gifford Pinchot Institute	578	580	470	500	---	500	---	---	-500
FIRESCOPE	2,429	2,000	922	---	---	---	---	---	---
Special projects	6,416	4,415	3,688	3,000	---	6,340	6,340	+6,340	---
Subtotal	9,423	6,995	5,080	3,500	---	6,840	6,340	+6,340	-500
SLUC reduction	---	---	---	-50	---	---	---	---	---
FLIPS reduction	---	---	---	---	---	-65	---	---	+65
Pay supplemental	---	---	486	---	---	---	---	---	---
Total, State and Private Forestry	73,554	74,184	64,148	62,328	25,058	64,169	51,730	+26,672	-12,439
National Forest System									
Minerals and General Land Activities									
Minerals	15,892	19,561	18,481	22,076	27,740	25,070	28,740	+1,000	+3,670
Land Management Activities	23,515	24,536	20,401	18,903	16,524	18,119	16,524	---	-1,595
Land Line Location	22,069	31,129	24,735	24,680	27,593	29,148	28,593	+1,000	-555
Maintenance of Facilities	13,001	14,867	11,717	21,663	13,982	13,798	13,982	- -	+184
Subtotal	74,477	90,093	75,334	87,322	85,839	86,135	87,839	+2,000	+1,704
Resource Protection and Maintenance									
Fire protection	160,719	174,321	204,398	150,083	154,738	153,408	154,938	+200	+1,530
Fire Control	92,275	104,275	4,104	1,000	1,000	1,000	1,000	---	---
Cooperative law enforcement	4,604	5,184	3,697	5,150	---	---	---	---	---
(By transfer)	---	---	---	---	(5,171)	(5,171)	(5,171)	---	---
Road maintenance	72,705	77,729	63,167	72,540	---	---	---	---	---
(By transfer)	---	---	---	---	(64,164)	(64,164)	(64,164)	---	---
Trail maintenance	11,733	14,452	10,719	13,785	---	1,000	---	---	-1,000
(By transfer)	---	---	---	---	(8,162)	(8,162)	(8,162)	---	---
Subtotal	342,038	375,961	286,085	242,558	155,738	155,408	155,938	+200	+530
Timber Sales									
Timber resource planning	10,375	11,075	8,870	10,489	10,146	10,146	10,146	---	---
Silvicultural examination	22,909	25,171	20,160	22,995	21,635	21,635	21,635	---	---
Sales preparation and harvest administration	145,544	161,591	129,422	125,148	161,108	152,473	167,108	+6,000	+14,635
Subtotal	178,828	197,837	158,452	158,632	192,889	184,254	198,889	+6,000	+14,635
Reforestation and Stand improvement									
Reforestation	54,831	58,585	57,730	76,894	---	---	6,000	+6,000	+6,000
(By transfer)	---	---	---	---	(38,275)	(38,275)	(38,275)	- -	---
Stand improvement	37,005	32,735	22,334	51,075	---	---	4,000	+4,000	+4,000
(By transfer)	---	---	---	---	(22,062)	(22,062)	(22,062)	---	---
Nurseries	9,686	13,538	14,273	15,156	---	---	---	- -	---
(By transfer)	---	---	---	---	(15,110)	(15,110)	(15,110)	---	---
Subtotal	101,522	104,858	94,337	143,125	---	---	10,000	+10,000	+10,000
Recreation management									
Recreation use	95,387	101,714	76,310	83,418	77,798	83,798	78,298	+500	-5,500
Wilderness	5,526	7,170	5,900	6,509	6,722	6,722	6,722	---	---

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1983 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1984—Continued

[In thousands of dollars]

Item	1980 Appropriation	1981 Appropriation	1982 Appropriation	1983 Appropriation	Budget estimate	House allowance	Committee recommendation	Senate committee recommendation compared with (+ or -) Budget estimate	Senate committee recommendation compared with (+ or -) House allowance
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Cultural resources	5,511	7,747	6,084	6,958	9,269	9,269	9,269	---	---
Subtotal	106,424	116,631	88,294	96,885	93,789	99,789	94,289	+500	-5,500
Wildlife and fish habitat management									
Wildlife and fisheries support	19,302	19,703	17,852	18,027	21,635	22,635	22,135	+500	-500
Habitat improvement	20,471	21,998	14,550	14,493	11,873	12,133	11,873	---	-260
Subtotal	39,773	41,701	32,402	32,520	33,508	34,768	34,008	+500	-760
Range activities									
Range management	32,159	30,232	22,823	23,266	23,987	23,633	23,987	---	+354
Range improvements	3,528	3,690	2,715	2,200	800	800	2,300	+1,500	+1,500
Wild horse and burro management	510	400	310	572	290	590	290	---	-300
Noxious Farm Weed Control	(1,625)	1,703	740	400	415	415	415	---	---
Subtotal	36,227	36,025	26,588	26,438	25,492	25,438	26,992	+1,500	+1,554
Soil, water and air management									
Soil, water and air administration	19,264	19,682	19,278	18,333	20,486	20,481	20,986	+500	+505
Soil and water resource improvements	10,783	6,372	1,775	2,305	1,886	2,386	1,886	---	-500
Soil and water resource inventories	18,388	12,736	10,517	7,560	5,604	6,604	5,604	---	-1,000
Subtotal	48,435	38,790	31,570	28,138	27,976	29,471	28,476	+500	-995
General Administration	---	---	238,629	256,678	257,610	254,610	257,610	---	+3,000
SLUC reduction	---	---	---	-1,860	---	---	---	---	---
Pay supplemental	---	---	18,813	---	---	---	---	---	---
Youth Conservation Corps	---	---	---	3,400	---	---		---	---
Total, National Forest System 1/	927,724	1,001,896	1,050,504	1,073,836	892,841	869,873	894,041	+21,200	+24,168
Construction									
Facilities	33,765	22,030	17,645	51,322	15,267	15,137	24,787	+9,520	+9,650
Roads and trails									
Direct road construction	163,342	183,441	232,917	241,375	218,650	221,285	227,650	+9,000	+6,365
Trail construction	8,269	4,068	3,935	4,864	5,182	5,182	5,182	---	---
SLUC reduction	---	---	---	-130	---	---	---	---	---
Chugach payment	---	---	3,000	9,000	---	---	---	---	---
Pay supplemental	---	---	3,598	---	---	---	---	---	---
Total, Construction 2/	205,376	209,539	261,095	306,431	239,099	241,604	257,619	+18,520	+16,015
Land Acquisition									
Forest Service:									
Acquisitions	---	30,509	22,433	52,877	10,070	32,352	28,400	+18,330	-3,952
Acquisition Management	---	3,989	3,829	4,000	---	4,000	4,000	+4,000	---
Total	---	34,498	26,262	56,877	10,070	36,352	32,400	+22,330	-3,952

1/ FY83 includes $8,000,000 for Maintenance of Facilities, $13,000,000 for Road maintenance, $4,000,000 for Trail Maintenance, $15,000,000 for Reforestation & $20,000,000 for TSI in PL 98-8.

2/ FY83 includes $25,000,000 in Facilities from PL 98-8.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1983 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1984—Continued

[In thousands of dollars]

Item	1980 Appropriation	1981 Appropriation	1982 Appropriation	1983 Appropriation	Budget estimate	House allowance	Committee recommendation	Senate committee recommendation compared with (+ or -) Budget estimate	Senate committee recommendation compared with (+ or -) House allowance
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Timber Receipts Transfer									
Transfer to General Fund, 1982	---	---	(-78,700)	---	---	---	---	---	---
Transfer to General Fund	---	---	---	(-29,399)	(-64,516)	(-64,516)	(-64,516)	---	---
Timber Purchaser Credits									
Timber Purchaser Credits	---	---	(242,542)	(240,000)	(291,300)	(240,000)	(291,300)	---	(+51,300)
Youth Conservation Corps									
Base Program	---	---	---	10,000	---	---	---	---	---
Weeks Act acquisition	---	---	---	---	---	---	---	---	---
Acquisition of Lands for National Forests, Special Acts									
Base Program	325	754	724	753	780	780	780	---	---
Acquisition of Lands to Complete Land Exchanges									
Base Program	284	446	314	147	20	20	20	---	---
Range Betterment									
Base program	5,633	6,940	6,580	5,800	5,200	5,200	5,200	---	---
Miscellaneous Trust Funds									
Miscellaneous trust fund	---	---	84	90	90	90	90	---	---
Total, Forest Service	1,324,427	1,456,069	1,521,856	1,621,283	1,253,924	1,328,404	1,346,988	+93,064	+18,584
DEPARTMENT OF ENERGY									
Fossil Energy Research and Development									
Coal									
Control technology and coal preparation									
Coal preparation and analysis	10,890	7,000	2,880	8,000	5,000	8,000	8,000	+3,000	---
Flue gas cleanup	20,050	15,000	6,240	7,000	7,600	8,350	8,100	+500	-250
Gas stream cleanup	10,040	11,500	9,984	10,000	4,450	7,000	7,000	+2,550	---
Technology support	7,000	6,087	5,280	2,900	---	3,200	2,000	+2,000	-1,200
Subtotal	47,980	39,587	24,384	27,900	17,050	26,550	25,100	+8,050	-1,450
Mines R&D									
Underground coal mining	35,709	28,169	10,512	---	---	---	---	---	---
Advanced Research & Technology Development	42,500	46,483	46,752	31,650	24,000	46,450	37,750	+13,750	-8,700
Coal Liquefaction									
Demonstration plants	36,000	57,000	11,808	---	---	---	---	---	---
Direct hydrogenation	64,500	57,000	22,000	---	---	---	---	---	---
Solvent extraction	30,000	32,000	28,800	---	---	---	---	---	---
Advanced process development	24,300	17,200	27,456	18,000	9,000	16,100	15,500	+6,500	-600
Indirect liquefaction	---	12,000	11,520	12,600	4,000	7,900	7,900	+3,900	---
Support studies and engineering evaluations	13,806	9,297	8,256	5,000	4,000	7,000	4,000	---	-3,000
Feasibility study	---	---	---	2,000	---	---	---	---	---
Subtotal	168,606	184,497	109,920	37,600	17,000	31,000	27,400	+10,400	-3,600

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1983 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1984—Continued

[In thousands of dollars]

Item	1980 Appropriation	1981 Appropriation	1982 Appropriation	1983 Appropriation	Budget estimate	House allowance	Committee recommendation	Senate committee recommendation compared with (+ or -) Budget estimate	Senate committee recommendation compared with (+ or -) House allowance
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Combustion systems									
Atmospheric fluidized beds	25,900	11,418	11,904	4,200	1,000	1,000	1,400	+400	+400
Pressurized fluidized beds	15,000	21,400	24,960	13,000	3,400	8,000	6,000	+2,600	-2,000
Advanced combustion technology	4,950	---	1,056	3,000	---	1,700	1,700	+1,700	---
Alternate fuel utilization	2,500	4,550	4,224	4,000	4,000	7,600	4,000	---	-3,600
Demonstration plants	2,500	---	---	---	---	---	---	---	---
Subtotal	50,850	37,368	42,144	24,200	8,400	18,300	13,100	+4,700	-5,200
Fuel cells	26,000	32,012	34,464	30,050	9,500	46,200	39,300	+29,800	-6,900
Heat engines & heat recovery									
Central power systems	24,800	22,268	8,736	3,750	---	4,000	4,000	+4,000	---
Dispersed power systems	13,000	6,900	6,240	1,250	1,000	2,000	1,250	+250	-750
Heat recovery component technology	12,500	2,300	---	---	---	---	---	---	---
Subtotal	50,300	31,468	14,976	5,000	1,000	6,000	5,250	+4,250	-750
Underground coal gasification	9,900	9,960	7,968	6,000	2,000	6,000	7,000	+5,000	+1,000
Magnetohydrodynamics	79,000	66,533	27,840	29,000	---	30,000	30,000	+30,000	---
Surface Coal Gasification									
High Btu gasification	13,500	10,000	8,640	---	---	---	---	---	---
Low Btu gasification	14,900	19,000	14,592	---	---	---	---	---	---
Gasification demonstration plants	37,000	1,000	---	---	---	---	---	---	---
Technical support	8,350	14,814	9,600	---	---	---	---	---	---
Peat Gasification	3,000	13,000	3,840	---	---	---	---	---	---
Third generation processes	20,000	11,804	15,888	---	---	---	---	---	---
Special projects and support studies	1,000	---	---	---	---	---	---	---	---
Advanced Process Development	---	---	---	4,250	4,000	4,950	6,950	+2,950	+2,000
Systems engineering concepts	---	---	---	27,250	6,900	17,400	13,900	+7,000	-3,500
Environmental and engineering analyses	---	---	---	7,500	3,000	4,400	4,400	+1,400	---
Great Plains gasification project	---	---	---	---	3,000	---	---	-3,000	---
Subtotal	97,750	69,618	52,560	39,000	16,900	26,750	25,250	+8,350	-1,500
Equipment not related to construction	3,000	4,600	3,648	1,500	1,500	1,500	1,500	---	---
University coal research	5,000	5,000	5,184	---	---	---	---	---	---
Subtotal: Coal	616,595	535,295	383,352	231,900	97,350	238,750	211,650	+114,300	-27,100
Petroleum									
Advanced process technology	5,500	3,528	3,552	5,000	2,900	5,000	3,650	+750	-1,350
Enhanced oil recovery	22,600	16,158	15,456	6,500	11,250	9,150	11,250	---	+2,100
Oil shale	27,000	32,151	18,192	12,250	8,600	10,800	15,950	+7,350	+5,150
Drilling & offshore technology	3,000	2,009	---	---	---	---	---	---	---
Equipment not related to construction	2,200	2,470	2,160	---	---	---	---	---	---
Subtotal: Petroleum	60,300	56,316	39,360	23,750	22,750	24,950	30,850	+8,100	+5,900
Gas									
Unconventional gas recovery	29,910	30,098	11,520	13,900	5,000	15,500	19,500	+14,500	+4,000
Equipment not related to construction	400	500	192	---	---	---	---	---	---
Subtotal: Gas	30,310	30,598	11,712	13,900	5,000	15,500	19,500	+14,500	+4,000

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1983 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1984—Continued

[In thousands of dollars]

Item	1980 Appropriation	1981 Appropriation	1982 Appropriation	1983 Appropriation	Budget estimate	House allowance	Committee recommendation	Senate committee recommendation compared with (+ or -) Budget estimate	Senate committee recommendation compared with (+ or -) House allowance
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Fossil Energy Construction									
Wastewater treatment facility, Morgantown, W. Va.	---	---	---	800	2,000	2,000	2,000	---	---
Surface water containment facility, Pittsburgh ETC	---	---	960	1,000	1,040	1,040	1,040	---	---
General plant projects	4,800	3,000	2,880	1,000	2,000	2,000	2,000	---	---
Subtotal, Fossil Energy Construction	4,800	3,000	3,840	2,800	5,040	5,040	5,040	---	---
Headquarters program direction	124,444	12,708	14,016	9,000	7,860	9,000	9,000	+1,140	---
Energy Technology Center program direction	---	---	---	30,000	---	34,000	34,000	+34,000	---
Use of prior year deferrals - DE	---	---	-19,500	-93,836	-5,000	-5,000	-5,000	---	---
General reduction	---	---	---	-20,136	---	-17,326	-17,326	-17,326	---
By transfer	---	---	---	---	-39,000	-39,000	-39,000	---	---
Total, Fossil Energy Research and Development 1/	836,449	657,917	429,780	197,378	94,000	265,914	248,714	+154,714	-17,200
(Effect of fiscal year 1981 deferral)	---	---	---	---	---	---	---	---	---
Fossil Energy Construction									
Solvent refined coal I demo plant (79-2-d)	40,000	157,500	129,600	---	---	---	---	---	---
PFB-Combined Cycle Pilot Plant (80-FE-11)	---	---	---	---	---	---	---	---	---
ETC (80-FE-3)	---	2,200	---	---	---	---	---	---	---
Effect of FY 1981 deferral	---	---	-129,600	---	---	---	---	---	---
Total, Fossil Energy construction	40,000	159,700	---	---	---	---	---	---	---
(Effect of fiscal year 1981 deferral)	---	---	---	---	---	---	---	---	---
Naval Petroleum and Oil Shale Reserves									
Naval petroleum reserves Nos. 1 & 2	55,251	183,940	187,773	196,917	214,946	212,946	212,946	-2,000	---
Naval petroleum reserve No. 3	16,518	13,413	21,954	19,855	45,633	37,633	37,633	-8,000	---
Headquarters	741	893	957	5,138	5,421	5,421	5,921	+500	+500
Subtotal	72,510	198,246	210,684	221,910	266,000	256,000	256,500	-9,500	+500
Shale oil development program									
Shale reserves development	4,000	3,900	2,458	90	100	100	100	---	---
Oil shale commercialization	3,000	2,076	---	---	---	---	---	---	---
Oil & Gas development projects	9,305	5,467	---	---	---	---	---	---	---
Federal building solar program	11,750	1,800	---	---	---	---	---	---	---
Market Analysis	6,000	500	---	---	---	---	---	---	---
Program Direction	736	795	---	---	---	---	---	---	---
Federal leasing	2,150	2,775	---	---	---	---	---	---	---
Total, Naval Petroleum and Oil Shale Reserves	109,451	215,539	213,142	222,000	266,100	256,100	256,600	-9,500	+500
Energy Conservation									
Buildings & community systems									
Buildings systems	17,350	22,475	18,622	13,400	6,600	14,200	11,600	+5,000	-2,600
Community systems	16,550	13,625	3,840	3,700	---	3,550	3,300	+3,300	-250
Urban waste	13,000	5,590	4,800	3,000	---	2,000	---	---	-2,000
Technology and consumer products	700	20,100	---	10,600	5,250	10,000	10,750	+5,500	+750
(Effect of fiscal year 1981 deferral/transfer)	---	---	(10,560)	-	---	---	---	---	---
Analysis & technology transfer	5,400	3,800	960	1,000	200	200	200	---	---
Appliance standards	6,000	6,000	1,632	1,000	1,700	1,700	1,700	---	---

1/ FY83 Enacted amount includes $2,000,000, funded in PL 97-377.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1983 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1984—Continued

[In thousands of dollars]

Item	1980 Appropriation	1981 Appropriation	1982 Appropriation	1983 Appropriation	Budget estimate	House allowance	Committee recommendation	Senate committee recommendation compared with (+ or -) Budget estimate	Senate committee recommendation compared with (+ or -) House allowance
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Small business	---	100	---	---	---	---	---	---	---
Federal energy management program	400	530	480	500	1,000	1,000	1,000	---	---
Residential conservation service	4,600	11,200	---	3,400	---	1,500	---	---	-1,500
(Effect of fiscal year 1981 deferral/transfer)	---	---	(3,360)	---	---	---	---	---	---
Emergency building temperature restrictions	3,675	500	---	---	---	---	---	---	---
Capital equipment	1,000	1,275	435	---	---	1,500	---	---	-1,500
Policy analysis	---	---	---	---	---	250	---	---	-250
Program direction	5,137	6,778	2,976	2,500	1,635	2,635	2,908	+1,273	+273
Subtotal, Buildings & community systems	73,812	91,973	33,745	39,100	16,385	38,535	31,458	+15,073	-7,077
(Effect of fiscal year 1981 deferral/transfer)	---	---	(13,920)	---	---	---	---	---	---
Industrial									
Waste energy reduction	16,450	24,800	1,904	12,000	7,300	12,800	12,300	+5,000	+300
(Effect of fiscal year 1981 deferral/transfer)	---	---	(10,000)	---	---	---	---	---	---
Industrial process efficiency	20,675	20,750	2,580	7,700	2,400	7,400	12,050	+9,650	+4,650
(Effect of fiscal year 1981 deferral/transfer)	---	---	(5,100)	---	---	---	---	---	---
Industrial cogeneration	10,750	16,500	---	5,000	---	4,000	5,000	+5,000	+1,000
(Effect of fiscal year 1981 deferral/transfer)	---	---	(4,800)	---	---	---	---	---	---
Implementation & commercialization	9,800	7,500	2,304	1,700	200	1,700	500	+300	-1,200
Policy analysis	---	---	---	---	---	250	---	---	-250
Capital equipment	500	232	---	---	---	---	---	---	---
Program direction	2,067	2,600	2,160	1,500	733	1,583	1,612	+879	+29
Subtotal	60,242	72,382	8,948	27,900	10,633	26,933	31,462	+20,829	+4,529
(Effect of fiscal year 1981 deferral/transfer)	---	---	(19,900)	---	---	---	---	---	---
Transportation									
Vehicle Propulsion R1D	60,500	55,400	12,504	35,000	16,100	42,100	38,100	+22,000	-4,000
(Effect of fiscal year 1981 deferral/transfer)	---	---	(21,000)	---	---	---	---	---	---
Alternative fuels utilization	5,200	3,875	3,984	1,500	4,000	1,200	4,000	---	+2,800
Electric/hybrid vehicle program	37,000	36,820	18,816	13,900	9,500	9,500	13,500	+4,000	+4,000
Transportation utilization programs	6,700	4,900	960	---	500	500	500	---	---
Advanced materials development	---	---	---	2,000	1,500	1,500	1,500	---	---
High temperature materials lab	---	---	---	---	9,000	9,000	9,000	---	---
Capital equipment	1,100	1,125	240	---	---	---	---	---	---
Program direction	2,923	2,930	1,440	1,500	357	1,557	1,638	+1,281	+81
Policy analysis	---	---	---	---	---	250	---	---	-250
Subtotal	113,423	105,050	37,944	53,900	40,957	65,607	68,238	+27,281	+2,631
(Effect of fiscal year 1981 deferral/transfer)	---	---	(21,000)	---	---	---	---	---	---
State/Local programs									
Emergency energy conservation program	1,500	2,000	1,920	---	---	---	---	---	---
Energy policy and conservation grants (EPCA)	37,800	37,800	15,000	24,000	---	24,000	15,000	+15,000	-9,000
(Effect of fiscal year 1981 deferral/transfer)	---	---	(9,000)	---	---	---	---	---	---
Energy conservation and production grants (ECPA)	10,000	10,000	---	---	---	---	---	---	---
(Effect of fiscal year 1981 deferral/transfer)	---	---	---	---	---	---	---	---	---
Energy extension service	25,000	20,000	---	10,000	---	10,000	---	---	-10,000
Energy extension service (Effect of fiscal year 1981 deferral/transfer)	---	---	(9,600)	---	---	---	---	---	---
Schools & hospitals	161,450	150,000	---	98,000	---	98,000	25,000	+25,000	-73,000
(Effect of fiscal year 1981 deferral/transfer)	---	---	(48,000)	---	---	---	---	---	---
Weatherization	198,950	175,000	32,893	245,000	---	243,500	145,000	+145,000	-98,500
(Effect of fiscal year 1981 deferral/transfer)	---	---	(111,107)	---	---	---	---	---	---
Program Direction	6,836	9,862	6,720	6,660	3,300	7,000	8,166	+4,866	+1,166
Subtotal	441,536	404,662	56,533	383,660	3,300	382,500	193,166	+189,866	-189,334
(Effect of fiscal year 1981 deferral/transfer)	---	---	(177,707)	---	---	---	---	---	---

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1983 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1984—Continued

[In thousands of dollars]

Item	1980 Appropriation	1981 Appropriation	1982 Appropriation	1983 Appropriation	Budget estimate	House allowance	Committee recommendation	Senate committee recommendation compared with (+ or -) Budget estimate	Senate committee recommendation compared with (+ or -) House allowance
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Multi Sector									
General research	---	---	---	---	---	---	---	---	---
Energy Conversion Technology	---	8,000	---	9,000	3,000	9,000	6,000	+3,000	-3,000
(Effect of fiscal year 1981 deferral/transfer)	---	---	(7,843)	---	---	---	---	---	---
Inventors program	6,420	5,800	4,784	2,000	---	3,000	1,560	+1,500	-1,500
(Effect of fiscal year 1981 deferral/transfer)	---	---	(400)	---	---	---	---	---	---
Energy impact assistance	43,000	10,000	---	---	---	---	---	---	---
Appropriate technology	12,000	12,000	2,880	---	---	---	---	---	---
Capital equipment	---	---	384	---	---	---	---	---	---
Program direction	635	700	182	230	102	250	277	+175	+27
National Appropriate Technology Assistance Service	---	---	---	1,500	---	1,000	100	+100	-900
Subtotal, Multi Sector	62,055	36,500	8,230	12,730	3,102	13,250	7,877	+4,775	-5,373
(Effect of fiscal year 1981 deferral/transfer)	---	---	(8,243)	---	---	---	---	---	---
Policy and Management	---	---	---	---	---	1,220	1,280	+1,280	+60
(Use of prior year deferrals)	---	---	---	-64,000	---	---	---	---	---
(Transfer of prior year deferrals)	---	---	---	---	---	---	---	---	---
Feasibility studies	---	4,590	---	---	---	---	---	---	---
(General Reduction)	---	---	---	-24,000	---	---	---	---	---
Total, Energy Conservation	751,068	715,157	145,400	429,290	74,377	528,045	333,481	+259,104	-194,564
(Effect of fiscal year 1981 deferrals)	---	---	(67,762)	---	---	---	---	---	---
(Effect of transfer and redirection)	---	---	(173,008)	---	---	---	---	---	---
Economic Regulation									
Utility Programs & Regulatory Intervention									
Utility regulatory assistance	29,129	17,844	---	---	---	---	---	---	---
Power supply & reliability	---	---	4,800	---	---	---	---	---	---
Compliance	70,340	70,919	5,200	19,500	7,133	14,800	14,800	+7,667	---
Fuels Conversion	25,938	24,383	---	2,000	---	1,650	1,650	+1,650	---
(Effect of fiscal year 1981 deferral)	---	---	(4,800)	---	---	---	---	---	---
Petroleum operations	13,063	14,017	3,456	2,518	1,145	2,100	2,100	+955	---
Emergency preparedness	3,910	1,159	1,920	5,190	5,230	5,230	---	-5,230	-5,230
Program administration	2,633	3,623	1,240	2,148	3,583	1,300	1,300	-2,283	---
Gasoline rationing	---	25,500	---	---	---	---	---	---	---
Office of Hearings and Appeals	5,942	8,267	4,800	5,250	5,500	5,250	5,275	-225	+25
(Effect of FY 1981 deferral in 1982)	---	---	(5,000)	(1,500)	---	---	---	---	---
(Reappropriation)	---	---	---	---	---	---	---	---	---
Total Economic Regulation	150,955	165,712	21,416	36,606	22,591	30,330	25,125	+2,534	-5,205
(Effect of fiscal year 1981 deferral)	---	---	---	---	---	---	---	---	---
Strategic Petroleum Reserve & Emergency Preparedness 1/									
Petroleum acquisition & transportation	---	2,688,282	---	---	---	---	---	---	---
Planning	---	8,000	8,640	8,000	6,250	6,250	6,250	---	---
(Effect of 1983 continuing resolution)	---	---	(8,000)	---	---	---	---	---	---
Storage facilities development	---	82,834	171,356	222,528	199,757	142,357	142,357	-57,400	---
Program Administration	190	11,391	11,436	11,590	10,163	10,163	10,163	---	---
(Proposed deferral)	---	---	---	---	-57,400	---	---	+57,400	---
Subtotal, Strategic Petroleum Reserve	190	2,790,507	191,432	242,118	158,770	158,770	158,770	---	---
Emergency preparedness	---	---	---	---	---	---	5,230	+5,230	+5,230
Total, Strategic Petroleum Reserve and Emergency Preparedness	190	2,790,507	199,432	242,118	158,770	158,770	164,000	+5,230	+5,230

1/ Includes amounts which were funded in PL 97-276.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1983 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1984—Continued

[In thousands of dollars]

Item	1980 Appropriation	1981 Appropriation	1982 Appropriation	1983 Appropriation	Budget estimate	House allowance	Committee recommendation	Senate committee recommendation compared with (+ or -) Budget estimate	Senate committee recommendation compared with (+ or -) House allowance
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
SPR Petroleum Account									
Petroleum acquisition and transportation	---	---	(3,684,000)	(2,074,060)	(583,100)	(1,686,000)	(328,000)	(-255,100)	(-1,358,000)
Energy Information Administration									
Energy applied analysis	10,328	9,456	7,680	---	---	---	---	---	---
Collection, production & dissemination	38,346	40,618	38,969	36,633	32,400	36,100	35,580	+3,100	-520
Data validation	13,915	-55	2,880	---	---	---	---	---	---
Data information services	28,184	40,198	29,390	---	---	---	---	---	---
Program services	---	---	---	13,524	11,655	13,805	11,805	+150	-2,000
Policy and management	---	---	---	6,243	6,665	7,065	7,065	+400	---
Travel	---	---	---	---	---	-100	-100	-100	---
Total, Energy Information Administration 2/	90,773	90,417	78,919	56,400	50,800	56,870	54,350	+3,550	-2,520
Total, Department of Energy	1,978,886	4,794,969	1,880,809	1,183,792	666,638	1,296,029	1,082,270	+415,632	-213,759
DEPARTMENT OF HEALTH AND HUMAN SERVICES									
HEALTH SERVICES ADMINISTRATION									
Indian Health Services									
Clinical services									
IHS and tribal health delivery									
Hospital and health clinic programs	323,475	302,568	305,339	325,428	364,267	411,554	386,392	+22,125	-25,162
Dental health program	15,364	16,563	17,884	19,491	21,496	21,767	23,190	+1,694	+1,423
Mental health program	7,598	7,080	7,488	7,964	8,764	11,194	9,391	+627	-1,803
Alcoholism program	11,934	15,237	16,290	20,388	21,318	20,182	23,469	+2,151	+3,287
Maintenance and repair	8,732	8,611	8,267	8,267	8,267	8,267	18,267	+10,000	+10,000
Contract care	95,418	107,465	110,427	130,547	139,223	165,427	150,000	+10,777	-15,427
Subtotal, Clinical services	462,521	457,524	465,695	512,085	563,335	638,391	610,709	+47,374	-27,682
Preventive health									
Sanitation	14,416	14,340	14,090	15,117	15,860	20,978	16,502	+642	-4,476
Public health nursing	7,441	7,592	7,969	8,052	8,915	10,861	10,002	+1,087	-859
Health education	1,938	2,009	2,194	2,222	2,406	3,616	2,680	+274	-936
Community health representative program	33,452	36,295	28,800	25,000	---	27,500	25,000	[illegible]000	-2,500
Immunization	---	---	---	500	500	500	1,000	(-)	+500
Subtotal, Preventative health	57,247	60,236	53,053	50,891	27,681	63,455	55,184	+27,503	-8,271
Urban health projects	8,000	8,900	8,160	6,000	---	9,000	---	---	-9,000
Indian health manpower	6,688	5,688	5,760	5,760	4,232	5,832	6,000	+1,768	+168
Tribal management	2,968	3,029	2,634	2,634	2,634	3,134	2,634	---	-500
Program management	51,274	50,886	48,851	50,721	54,624	59,624	59,624	+5,000	---
Equity health care fund	---	7,856	15,492	22,492	(22,492)	27,362	---	---	-27,362
Reduction offset by collections	---	---	-4,800	-5,000	---	-5,000	---	---	+5,000
Medicare/Medicaid Reimbursements									
Hospital and clinic accreditation	(20,000)	---	(25,000)	(25,000)	(30,000)	(35,000)	(40,000)	(+10,000)	(+5,000)

2/ FY83 includes $6,000,000 comparative transfer to FERC.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1983 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1984—Continued

[In thousands of dollars]

Item (1)	1980 Appropriation (2)	1981 Appropriation (3)	1982 Appropriation (4)	1983 Appropriation (5)	Budget estimate (6)	House allowance (7)	Committee recommendation (8)	Senate committee recommendation compared with (+ or -) Budget estimate (9)	Senate committee recommendation compared with (+ or -) House allowance (10)
Indian health services	- -	---	(5,000)	(5,000)	(10,000)	(5,000)	---	(-10,000)	(-5,000)
Subtotal	(20,000)	---	(30,000)	(30,000)	(40,000)	(40,000)	(40,000)	---	---
Pay supplemental	---	12,556	18,160	---	---	---	- -	---	---
Total, Indian Health Services	588,698	606,675	613,005	645,583	652,506	801,798	734,151	+81,645	-67,647
Indian Health Facilities									
Hospitals									
New and Replacement	8,000	25,693	9,531	6,700	---	37,855	25,004	+25,004	-12,851
Modernization and repair	1,600	3,300	192	3,000	200	200	200	---	---
Subtotal, Hospitals	9,600	28,993	9,723	9,700	200	38,055	25,204	+25,004	-12,851
Outpatient Care Facilities	7,595	4,456	9,613	---	---	960	---	---	-960
Sanitation Facilities	50,240	50,240	38,680	50,000	---	30,000	3,715	+3,715	-26,285
Personnel Quarters	6,867	---							
Total, Indian Health Facilities 1/	74,302	84,469	58,352	73,700	200	69,015	31,389	+31,189	-37,626
Total, Indian Health	663,000	691,144	671,357	719,283	652,706	870,813	765,540	+112,834	-105,273
DEPARTMENT OF EDUCATION									
Indian Education									
Part A-Payments to School Districts	52,000	58,250	54,960	48,465	---	51,000	56,500	+56,500	+5,500
Part B-Special Projects for Indian Students	15,600	14,560	14,880	12,600	- -	14,000	7,300	+7,300	-6,700
Part C-Special Projects for Indian Adults	5,830	5,438	5,213	3,593	--	4,000	878	+878	-3,122
Administration	2,470	3,500	2,799	2,589	1,243	2,243	2,570	+1,327	+327
Total, Indian Education	75,900	81,680	77,852	67,247	1,243	71,243	67,248	+66,005	-3,995
OTHER RELATED AGENCIES									
NAVAJO/HOPI INDIAN RELOCATION COMMISSION									
Salaries and Expenses									
Operation of the Commission	985	2,737	10,062	7,665	16,896	13,783	18,783	+1,887	+5,000
SMITHSONIAN INSTITUTION									
Salaries and Expenses									
Science									
Assistant Secretary for Science	304	328	326	357	390	390	390	- -	---

1/ FY83 includes $3,000,000 in modernization and repair and $36,000,000 in Sanitation Facilities from PL 98-8.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1983 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1984—Continued

[In thousands of dollars]

Item	1980 Appropriation	1981 Appropriation	1982 Appropriation	1983 Appropriation	Budget estimate	House allowance	Committee recommendation	Senate committee recommendation compared with (+ or -) Budget estimate	Senate committee recommendation compared with (+ or -) House allowance
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
National Museum of Natural History	14,462	15,677	15,738	16,962	18,797	18,797	18,697	-100	-100
Astrophysical Observatory	5,028	5,370	5,563	6,467	6,892	8,192	7,552	+660	-640
Tropical Research Institute	2,257	2,773	2,733	3,012	3,319	3,319	3,319	-	---
Radiation Biology Laboratory	1,837	1,999	1,938	2,090	2,222	2,222	2,222	---	---
National Air and Space Museum	5,597	6,152	6,514	7,098	7,678	7,628	7,678	---	+50
Chesapeake Bay Center	744	869	906	969	1,017	1,017	1,017	---	---
National Zoological Park	8,521	9,221	9,158	9,809	10,577	10,577	10,577	---	---
Center for the Study of Man	575	603	713	462	---	---	---	---	---
Subtotal, Science	39,322	42,992	43,589	47,226	50,892	52,142	51,452	+560	-690
History and Art									
Assistant Secretary for History and Art	317	351	346	369	406	406	406	---	---
National Museum of American History	7,177	8,072	7,977	8,568	9,200	9,200	9,679	+479	+479
National Museum of American Art	3,371	3,557	3,805	4,122	4,395	4,395	4,395	---	---
National Portrait Gallery	2,442	2,613	2,712	2,965	3,180	3,180	3,180	---	---
Hirshhorn Museum and Sculpture Garden	2,200	2,431	2,421	2,653	3,035	2,960	2,905	-130	-55
Freer Gallery of Art	656	727	826	897	1,081	1,081	1,081	---	---
Archives of American Art	521	542	632	675	729	729	729	---	---
Cooper-Hewitt Museum	629	702	738	814	843	843	843	---	---
Museum of African Art	543	621	768	846	975	975	975	---	---
Anacostia Neighborhood Museum	567	529	726	773	820	820	820	---	---
Division of Performing Arts	331	387	444	478	514	514	---	-514	-514
Subtotal, History and Art	18,754	20,532	21,395	23,160	25,178	25,103	25,013	-165	-90
Public Service									
Assistant Secretary for Public Service	262	259	317	341	564	564	484	-80	-80
International Exchange Service	373	346	230	245	---	---	---	-	---
Smithsonian Institution Press	819	847	913	968	1,032	1,032	1,032	-	---
Subtotal, Public Service	1,404	1,452	1,460	1,554	1,596	1,596	1,516	-80	-80
Museum Programs									
Assistant Secretary for Museum Programs	2,716	747	714	765	858	858	858	---	---
Office of the Registrar	115	126	132	140	93	93	93	-	---
Conservation-Analytical Laboratory	654	788	826	893	951	951	951	-	---
Smithsonian Institution Libraries	2,730	2,976	3,130	3,664	3,633	3,768	3,633	-	-135
Office of Exhibits Central	1,259	1,312	1,350	1,448	1,467	1,467	1,467	- -	---
Traveling Exhibition Service	161	192	250	271	292	292	292	-	---
Smithsonian Archives	367	430	407	464	495	495	495	- -	---
National Museum Act	794	795	779	782	786	936	786	---	-150
Subtotal, Museum Programs	8,396	7,366	7,588	8,427	8,575	8,860	8,575	---	-285
Special Programs									
American and Folklife Studies	447	534	567	608	650	650	650	- -	---
International Environmental Science Program	408	468	601	643	678	678	678	- -	---
Academic and Educational Programs	478	562	599	637	717	717	717	---	
Major Exhibition Program	---	729	840	840	885	1,085	885	---	-200
Collections Management Inventory	543	587	760	785	827	1,077	827	- -	-250
Museum Support Center	195	2,767	4,496	6,707	8,456	8,456	7,456	-1,000	-1,000
JFK Center Trustee Grant	- -	---	---	1,000	---	700	---		-700
Subtotal, Special Programs	2,071	5,657	7,863	11,220	12,213	13,363	11,213	-1,000	-2,150
Administration	7,781	8,718	9,123	10,242	11,629	11,629	11,479	-150	-150

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1983 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1984—Continued

[In thousands of dollars]

Item	1980 Appropriation	1981 Appropriation	1982 Appropriation	1983 Appropriation	Budget estimate	House allowance	Committee recommendation	Senate committee recommendation compared with (+ or -)	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	Budget estimate (9)	House allowance (10)
Support Activities									
Office of Facilities Planning & Engineering Services	948	1,096	1,427	1,537	1,778	1,778	1,778	---	---
Office of Protection Services	10,471	11,603	11,610	14,742	14,211	15,631	14,631	+420	-1,000
Office of Plant Services	18,315	22,813	24,415	26,898	28,282	26,431	27,451	-831	+1,020
Subtotal, Support Activities	29,734	35,512	37,452	42,677	44,271	43,840	43,860	-411	+20
SLUC Reduction	---	---	---	-140	---	---	---	---	---
Pay supplemental	---	---	2,700	---	---	---	---	---	---
Total, Salaries and Expenses	107,462	122,229	131,170	144,366	154,354	156,533	153,108	-1,246	-3,425
Museum Programs and Related Research (SFCP)									
Grant Program	4,200	3,650	4,320	2,000	9,040	5,040	7,040	-2,000	+2,000
Construction and Improvements National Zoological Park									
Base Program	6,250	3,290	1,104	1,550	3,500	3,500	3,500	---	---
Restoration and Renovation of Buildings									
Base Program	5,250	7,539	7,680	8,450	9,000	9,100	9,000	---	-100
Construction									
Museum support center	20,600	5,000	---	---	---	---	---	---	---
South Quadrangle Development 1/	---	---	960	(36,500)	---	---	-8,000	-8,000	-8,000
Total, Construction and Improvements	32,100	15,829	9,744	10,000	12,500	12,600	4,500	-8,000	-8,100
Total, Smithsonian	143,762	141,700	145,234	156,366	175,894	174,173	164,648	-11,246	-9,525
NATIONAL GALLERY OF ART									
Salaries and Expenses									
Care and Utilization of Art Collections	6,847	7,683	8,42[illegible]	8,523	10,038	10,088	10,025	-13	-63
Operation and Maintenance of Buildings and Grounds	8,420	9,825	14,207	1[illegible],850	15,895	15,295	15,895	---	+600
Protection of Buildings, Grounds, and Contents	4,168	4,522	4,539	5,658	5,928	5,772	5,829	-99	+57
General Administration	2,156	2,284	2,641	2,847	3,054	3,054	3,041	-13	-13
Total, National Gallery of Art	21,591	24,314	29,815	32,878	34,915	34,209	34,790	-125	+581
Woodrow Wilson International Center for Scholars									
Salaries and Expenses									
Fellowship Program	875	962	968	1,176	1,176	1,176	1,176	---	---
Scholar Support	150	155	171	217	224	224	224	---	---
Public Services	192	192	218	367	562	562	562	---	---
General Administration	374	396	467	511	531	531	531	---	---
Building Requirements	30	90	48	50	75	75	75	---	---
Pay supplemental	---	35	25	---	---	---	---	---	---
Total, Woodrow Wilson Center	1,621	1,830	1,897	2,321	2,568	2,568	2,568	---	---
Memorial to Hale Boggs	---	7	---	---	---	---	---	---	---

1/ Includes amounts which were funded in PL 97-276.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1983 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1984—Continued

[In thousands of dollars]

Item	1980 Appropriation	1981 Appropriation	1982 Appropriation	1983 Appropriation	Budget estimate	House allowance	Committee recommendation	Senate committee recommendation compared with (+ or -): Budget estimate	Senate committee recommendation compared with (+ or -): House allowance
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
NATIONAL FOUNDATION ON THE ARTS AND HUMANITIES									
National Endowment for the Arts									
Salaries and Expenses									
Artists-in-Schools	5,220	5,382	4,872	4,800	3,900	5,500	4,800	+900	-700
Dance	7,338	8,309	7,652	8,739	6,300	8,750	7,400	+1,100	-1,350
Design Arts	3,594	5,147	4,595	4,200	3,500	4,600	4,200	+700	-400
Expansion Arts	7,921	8,297	7,063	8,000	5,400	7,200	6,500	+1,100	-700
Fellows	134	175	97	100	--	---	---	---	---
Folk Arts	2,260	3,005	2,716	2,800	2,400	3,400	2,600	+200	-800
Inter Arts	3,334	4,781	4,757	3,700	2,600	4,040	3,100	+500	-940
International	272	214	121	50	---	---	---	---	---
Literature	4,727	4,837	4,317	4,300	3,800	4,600	4,200	+400	-400
Media Arts	7,207	10,564	9,339	8,300	7,000	9,550	8,300	+1,300	-1,250
Museums	9,844	11,522	10,371	9,339	7,700	12,300	9,400	+1,700	-2,900
Music	6,572	9,125	9,404	9,439	8,700	12,700	10,700	+2,000	-2,000
Opera / Musical Theatre	2,097	2,545	2,101	2,940	2,900	4,400	3,500	+600	-900
Special Constituencies	219	176	242	50	---	---	---	---	---
State Programs	22,970	23,721	21,286	21,039	17,900	24,260	20,900	+3,000	-3,360
Locals Test	---	---	---	---	2,000	2,000	2,000	---	---
Theatre	5,264	7,829	6,651	7,139	5,500	8,900	6,800	+1,300	-2,100
Visual Arts	7,143	7,262	6,561	6,000	5,300	6,600	6,000	+700	-600
Policy Planning & Research	884	1,049	425	740	800	1,000	900	+100	-100
Regional Representatives	---	---	- -	---	600	700	600	---	-100
Advancement	---	---	- -	---	500	800	500	---	-300
Total, Regular Programs	97,000	113,860	103,330	101,675	86,800	121,300	102,400	+15,600	-18,900
Administration	12,210	12,135	11,326	12,600	13,100	13,100	12,600	-500	-500
Total, Salaries and Expenses	109,210	125,995	114,656	114,275	99,900	134,400	115,000	+15,100	-19,400
Matching Grants									
Matching Grants	18,500	19,250	14,400	11,200	8,000	9,100	8,000	---	-1,100
Challenge Grants	26,900	13,450	14,400	18,400	17,100	21,500	20,000	+2,900	-1,500
Total, Matching Grants	45,400	32,700	28,800	29,600	25,100	30,600	28,000	+2,900	-2,600
Total, Arts	154,610	158,695	143,456	143,875	125,000	165,000	143,000	+18,000	-22,000
National Endowment for the Humanities									
Salaries and Expenses									
State Programs	22,500	23,947	20,329	20,329	15,990	21,300	17,700	+1,710	-3,600
Public Programs									
Media Grants	9,832	9,500	8,447	8,447	7,100	10,100	---	-7,100	-10,100
Museums and Historical Organizations	8,025	8,500	6,912	6,912	5,000	10,000	---	-5,000	-10,000
Public Libraries 1/	3,443	3,450	2,650	2,650	---	3,000	---	---	-3,000
Subtotal	21,300	21,450	18,009	18,009	12,100	23,100		-12,100	-23,100
Education Programs									
Education Programs	---	---	---	- -	---	---	20,000	+20,000	+20,000

1/ Included in Program Development in FY 1984.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1983 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1984—Continued

[In thousands of dollars]

Item	1980 Appropriation	1981 Appropriation	1982 Appropriation	1983 Appropriation	Budget estimate	House allowance	Committee recommendation	Senate committee recommendation compared with (+ or -) Budget estimate	Senate committee recommendation compared with (+ or -) House allowance
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Institutional Grants 2/	6,759	7,170	5,795	5,795	4,290	7,100	---	-4,290	-7,100
Higher Education / Regional and National 3/	5,225	5,100	3,802	3,802	4,355	5,500	---	-4,355	-5,500
Elementary and Secondary	4,499	4,500	4,704	4,704	4,355	8,400	---	-4,355	-8,400
Subtotal	16,483	16,770	14,301	14,301	13,000	21,000	20,000	+7,000	-1,000
Fellowships									
Fellowships and Seminars	---	---	---	---	---	---	14,000	+14,000	+14,000
Endowment Fellowships	6,997	7,200	6,279	6,279	5,880	5,980	---	-5,880	-5,980
Other Study Programs	7,803	8,605	7,126	7,126	7,120	8,520	---	-7,120	-8,520
National Humanities Fellowships	---	---	---	---	---	4,950	---	---	-4,950
Subtotal	14,800	15,805	13,405	13,405	13,000	19,450	14,000	+1,000	-5,450
Research Grants	14,717	18,000	15,705	16,555	14,800	19,500	18,000	+3,200	-1,500
Special Programs									
Special Projects	10,025	9,700	7,953	7,103	3,250	2,700	---	-3,250	-2,700
Planning and Analysis	475	850	730	---	---	---	---	---	-
Subtotal	10,500	10,550	8,683	7,103	3,250	2,700	---	-3,250	-2,700
General programs	---	---	---	---	---	---	18,000	+18,000	+18,000
Planning and assessment	---	---	---	730	700	700	800	+100	+100
Subtotal, Program funds	100,300	106,522	90,432	90,432	72,840	107,750	88,500	+15,660	-19,250
Administration	11,400	11,277	11,328	11,700	12,290	12,750	12,500	+210	-250
Total, Salaries and Expenses	111,700	117,799	101,760	102,132	85,130	120,500	101,000	+15,870	-19,500
Matching Grants									
Matching Grants	11,400	9,500	8,064	11,064	10,570	11,500	11,500	+930	---
Challenge Grants	27,000	24,000	20,736	16,864	16,500	18,000	17,500	+1,000	-500
Total, Matching Grants	38,400	33,500	28,800	27,928	27,070	29,500	29,000	+1,930	-500
Total, Humanities	150,100	151,299	130,560	130,060	112,200	150,000	130,000	+17,800	-20,000
Institute of Museum Services									
Grants to Museums:									
Operating Support Grants	9,500	11,300	10,157	10,154	10,790	17,770	11,700	+910	-6,070
Conservation Grants	---	---	---	---	---	3,000	---	---	-3,000
Special Project Grants	900	96	720	669	---	---	1,720	+1,720	+1,720
Museum Services Board	16	70	67	70	79	79	79	---	---
Subtotal	10,416	12,337	10,944	10,893	10,869	20,849	13,499	+2,630	-7,350

2/ Now titled "Central disciplines in undergraduate education."

3/ Now titled "Exemplary projects, nontraditional program and teaching materials."

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1983 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1984—Continued

[In thousands of dollars]

Item	1980 Appropriation	1981 Appropriation	1982 Appropriation	1983 Appropriation	Budget estimate	House allowance	Committee recommendation	Senate committee recommendation compared with (+ or -) Budget estimate	Senate committee recommendation compared with (+ or -) House allowance
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Program Administration	440	520	576	677	651	651	651	---	---
Use of prior year deferral	---	---	---	-720	---	---	---	---	---
Total, Institute of Museum Services	10,856	12,857	11,520	10,800	11,320	21,500	14,150	+2,630	-7,350
COMMISSION OF FINE ARTS									
Salaries and Expenses									
Base Program	268	298	303	319	365	340	340	-25	---
ADVISORY COUNCIL ON HISTORIC PRESERVATION									
Salaries and Expenses									
Advisory Services	---	1,590	1,567	1,500	1,051	1,546	1,546	+495	---
NATIONAL CAPITAL PLANNING COMMISSION									
Salaries and Expenses									
Base Program	2,150	2,400	2,267	2,309	2,595	2,452	2,447	-148	-5
FRANKLIN DELANO ROOSEVELT MEMORIAL COMMISSION									
Salaries and Expenses									
Base Program	40	30	29	---	20	20	20	---	---
PENNSYLVANIA AVENUE DEVELOPMENT CORPORATION									
Salaries and Expenses									
Salaries and Expenses	1,906	2,443	2,294	2,350	2,275	2,275	2,275	---	-
Land Acquisition and Development (Borrowing Authority)									
Property Acquisition	8,470	15,000	2,400	---	4,000	---	---	-4,000	---
Public Development									
Relocation assistance	703	800	---	---	---	---	---	---	---
Public Improvements	11,214	7,900	12,282	6,700	10,000	9,600	9,600	-400	---
Historic Preservation	7	2,048	---	---	---	---	---	---	---
Program Support Costs	6,686	3,421	1,350	1,950	---	---	---	---	---
Total, Public Development	18,610	14,169	13,632	8,750	10,000	9,600	9,600	-400	---
Total, Pennsylvania Avenue Development Corporation	28,986	31,612	18,326	11,100	16,275	11,875	11,875	-4,400	
FEDERAL INSPECTOR FOR ALASKA GAS PIPELINE									
Permitting and Enforcement									
Base program	7,900	21,483	19,425	6,125	9,115	6,500	2,963	-6,152	-3,537
UNITED STATES HOLOCAUST MEMORIAL COUNCIL									
Holocaust Memorial Council	---	722	785	820	1,953	1,953	1,683	-270	-270

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1983 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1984—Continued

[In thousands of dollars]

Item	1980 Appropriation	1981 Appropriation	1982 Appropriation	1983 Appropriation	Budget estimate	House allowance	Committee recommendation	Senate committee recommendation compared with (+ or -) Budget estimate	Senate committee recommendation compared with (+ or -) House allowance
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
NATIVE HAWAIIAN STUDY COMMISSION									
Salaries and expenses 1/	---	---	---	(190)	---	---	---	---	---
Total, Title II, Related Agencies	4,565,082	7,575,444	3,866,400	4,097,713	3,084,878	4,152,408	3,790,859	+705,981	-361,549
Grand total	8,140,233	11,629,214	7,651,675	8,290,627	6,709,628	8,081,974	7,639,488	+929,860	-442,486
TITLE I - DEPARTMENT OF THE INTERIOR									
Bureau of Land Management	541,193	594,380	598,048	507,362	522,449	521,801	538,615	+16,166	+16,814
Fish and Wildlife Service	287,056	287,880	260,856	313,612	266,500	346,422	312,748	+46,248	-33,674
National Park Service	492,221	831,982	800,781	1,043,920	737,080	858,540	815,749	+78,669	-42,791
Geological Survey	645,489	623,057	510,042	369,789	356,956	374,951	356,074	-882	-18,877
Minerals Management Service	---	---	---	196,506	164,218	155,103	163,803	-415	+8,700
Bureau of Mines	134,033	142,319	150,602	148,053	117,583	127,865	127,425	+9,842	-440
Office of Surface Mining Reclamation and Enforcement	179,603	172,164	173,848	221,670	282,299	316,928	283,829	+1,530	-33,099
Bureau of Indian Affairs	1,022,254	1,126,447	1,023,360	1,131,793	944,840	967,781	962,585	+17,745	-5,196
Territorial Affairs	205,081	172,437	191,506	169,702	150,139	180,235	198,331	+48,192	+18,096
Secretarial Offices	68,221	103,104	76,232	90,507	82,686	79,940	89,470	+6,784	+9,530
Total, Title I - Department of the Interior	3,575,151	4,053,770	3,785,275	4,192,914	3,624,750	3,929,566	3,848,629	+223,879	-80,937
TITLE II - RELATED AGENCIES									
Forest Service	1,324,427	1,456,069	1,521,856	1,621,283	1,253,924	1,328,404	1,346,988	+93,064	+18,584
Department of Energy	(1,978,886)	(4,794,969)	(1,080,089)	(1,183,792)	(666,638)	(1,296,029)	(1,082,270)	(+415,632)	(-213,759)
Fossil Energy	836,449	657,917	429,780	197,378	94,000	265,914	248,714	+154,714	-17,200
Naval Petroleum and Oil Shale Reserves	109,451	215,559	213,142	222,000	266,100	256,100	256,600	-9,500	+500
Energy Conservation	751,068	715,157	145,400	429,290	74,377	528,045	333,481	+259,104	-194,564
Economic Regulatory Administration	150,955	165,712	21,416	36,606	22,591	30,330	25,125	+2,534	-5,205
Strategic Petroleum Reserve and Emergency Preparedness	190	2,790,507	199,432	242,118	158,770	158,770	164,000	+5,230	+5,230
SPR Petroleum Account	---	---	(3,684,000)	(2,074,060)	(583,100)	(1,686,000)	(328,000)	(-255,100)	(-1,358,000)
Energy Information Administration	90,773	90,417	78,919	56,400	50,800	56,870	54,350	+3,550	-2,520
Indian Health	663,000	691,144	671,357	719,283	652,706	870,813	765,540	+112,834	-105,273
Indian Education	75,900	81,680	77,852	67,247	1,243	71,243	67,248	+66,005	-3,995
Navajo and Hopi Indian Relocation Commission	985	2,737	10,062	7,665	16,896	13,783	18,783	+1,887	+5,000
Smithsonian	143,762	141,708	145,234	156,366	175,894	174,173	164,648	-11,246	-9,525
National Gallery of Art	21,591	24,314	29,815	32,878	34,915	34,209	34,790	-125	+581
Woodrow Wilson International Center for Scholars	1,621	1,830	1,897	2,321	2,568	2,568	2,568	---	---
National Endowment for the Arts	154,610	158,695	143,456	143,875	125,000	145,000	143,000	+18,000	-22,000
National Endowment for the Humanities	150,100	151,299	130,560	130,060	112,200	150,000	130,000	+17,800	-20,000
Institute of Museum Services	10,856	12,857	11,520	10,800	11,520	21,500	14,150	+2,630	-7,350
Commission of Fine Arts	268	298	303	319	365	340	340	-25	---
Advisory Council on Historic Preservation	---	1,590	1,567	1,500	1,051	1,546	1,546	+495	---
National Capital Planning Commission	2,150	2,400	2,267	2,279	2,595	2,452	2,447	-148	-5
Franklin Delano Roosevelt Memorial Commission	40	30	29	---	20	20	20	---	---
Pennsylvania Avenue Development Corporation	28,986	31,612	18,326	11,100	16,275	11,875	11,875	-4,400	---
Federal Inspector for the Alaska Pipeline	7,900	21,483	19,425	6,125	9,115	6,500	2,963	-6,152	-3,537
Holocaust Memorial Council	---	722	785	820	1,953	1,953	1,683	-270	-270
Native Hawaiian Study Commission	---	---	---	190	---	---	---	---	---
Total, Title II - Related Agencies	4,565,082	7,575,444	3,866,400	4,097,713	3,084,878	4,152,408	3,790,859	+705,981	-361,549
Grand total	8,140,233	11,629,214	7,651,675	8,290,627	6,709,628	8,081,974	7,639,488	+929,860	-442,486

1/ Includes amounts which were funded in PL 97-276.

Mr. McCLURE. Mr. President, I emphasize once again the extreme importance of approving this bill without increasing the funding levels to the point where we have no hope of getting a signed bill. I emphasize once again the extreme importance of approving this bill without adding restrictions or prohibitions on coal or OCS leasing, both of which will also make it nearly impossible to get a signed bill. Please keep in mind we all have something to gain or lose in this bill.

Mr. President, I would be happy to yield to the distinguished Senator from Louisana, the floor manager for the minority, to make whatever statement he may wish to make at this time.

Mr. JOHNSTON. Mr. President, I thank the distinguished chairman. I also thank him for his leadership in this measure.

Mr. President, the fiscal year 1984 Department of the Interior and related agencies appropriation bill as reported from the committee provides a total of approximately $7.6 billion in budget authority and $8.9 billion in budget outlays for Department of the Interior programs excluding the Bureau of Reclamation, for the U.S. Forest Service, many programs in the Department of Energy and for other agencies including the Indian Health Service, the Smithsonian Institution, and the Endowments for the Arts and Humanities. This Interior bill is under the ceiling established in conformance with section 302(b) of the Budget Act. This bill is necessarily $442 million under the House-passed measure which has been identified as a veto candidate because it totals $1.4 billion over the President's request and because of certain legislative provisions in the bill.

Mr. President, I would like to highlight a few of the items in this bill which are of special interest to the Members on this side of the aisle. The bill provides $136,415,000 for Federal land acquisition from the land and water conservation fund. Also from this fund, the bill provides $75,000,000 for assistance to State recreation programs. State grants for abandoned mine land reclamation are funded at $218 million and low income weatherization grants are included at $145 million, $105 million in the Bureau of Land Management, and nearly $6 million in the Fish and Wildlife Service for payments to local governments in lieu of taxes are also recommended by the committee.

The largest area of disagreement with the House is the off-budget funding of oil for the strategic petroleum reserve. The reserve currently has 340 million barrels stored in underground caverns. The House has included nearly $1.7 billion to permit a fill rate of 220,000 barrels per day. This rate is consistent with the minimum level established less than 1 year ago in the Energy Emergency Preparedness Act of 1982. In contrast, the Senate committee-reported bill would provide only $328 million in new budget authority to sustain an oil fill rate of 145,000 barrels per day. The Senate funding for oil is substantially lower than the House in part because of the smaller fill rate assumed and in part because the Senate version would make use of prior year unobligated balances in the off-budget oil acquisition account. The effect of the Senate committee recommendation would be to delay completion of the 750-million-barrel reserve by 2 years to 1991.

The House bill contains a number of prohibitions and legislative items which are not recommended by the Senate Committee on Appropriations. These items which have been stuck in the Senate version include: A prohibition on coal leasing; a prohibition on leasing several areas on the Outer Continental Shelf, including areas off the coasts of California, Massachusetts, and the gulf coast of Florida.

The Senate bill does include the House prohibition on leasing in wilderness and wilderness study areas. The Senate bill also includes a new provision which would permit the Bonneville Power Administration to enter into a financing agreement with some body other than the Washington Public Power Supply System for the completion of WPPSS units 2 and 3.

With that as a preface, Mr. President, I hope that we can proceed to consider this Interior appropriation bill in an expeditious manner, and I urge my colleagues to come to the floor as quickly as possible to offer any amendments which they may have.

Mr. President, let me highlight a few of the items in the bill which are of special interest to the Members of this side of the aisle.

First, the bill contains $136 million for Federal land acquisition from the Land and Water Conservation Fund. Also from this fund, the bill provides $75 million for assistance to State recreation programs. State grants for abandoned mine land reclamation are funded at $218 million, and low income weatherization grants are included at $145 million. $105 million in the Bureau of Land Management, and nearly $6 million in the Fish and Wildlife Service for payments to local governments in lieu of taxes are also recommended by the committee.

The largest area of disagreement, Mr. President, with the House is the off-budget funding of oil for the strategic petroleum reserve. The reserve currently has 340 million barrels stored in underground caverns. The House has included nearly $1.7 billion which would sustain 220,000 barrels a day. The Senate, on the other hand, would fund only 145,000 barrels a day. The Senate version would make use of prior year unobligated balances in the off-budget oil acquisition account, which accounts for the difference of the Senate-reported bill providing only $328 million while the House includes $1.7 billion.

The effect of the committee recommendation would be to delay completion of the 750-million-barrel reserve by 2 years to 1991.

The House bill contains a number of prohibitions and legislative items which are not recommended by the Senate Committee on Appropriations. These items, which have been struck in the Senate version, include a prohibition on coal leasing; a prohibition on leasing several areas in the Outer Continental Shelf, including areas off the coasts of California, Massachusetts, and the gulf coast of Florida.

The Senate bill does include the House prohibition on leasing in wilderness and wilderness study areas.

The Senate bill also includes a new provision which would permit the Bonneville Power Administration to enter into a financing agreement with some body other than the Washington Public Power Supply System for the completion of WPPSS units 2 and 3.

With that preface, Mr. President, I hope we can proceed to consider this appropriations bill in an expeditious manner.

I urge my colleagues to come to the floor as quickly as possible to offer any amendments which they may have to the bill.

Mr. McCLURE. Mr. President, I ask unanimous consent that the committee amendments be agreed to en bloc with the exception of section 317 dealing with the Bonneville Power Administration, and section 112 dealing with the coal leasing program, and the bill as thus amended be regarded for the purpose of amendment as original text, and providing that no point of order shall be considered to have been waived by agreeing to this request.

The PRESIDING OFFICER. Is there objection?

Mr. METZENBAUM. Mr. President, reserving the right to object—and I do not intend to object—is it the intent of the managers of the bill to offer section 317 as a committee amendment?

Mr. McCLURE. Yes, it would be.

Mr. METZENBAUM. I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

The committee amendments agreed to en bloc follow:

On page 2, line 11, strike "$348,852,000", and insert "$359,014,000";

On page 2, line 16, strike "$1,200,000", and insert "$2,200,000";

On page 2, line 20, strike "$96,320,000", and insert "$105,000,000";

On page 2, line 22, after "expenses", insert the following: *Provided*, That this appro-

priation may be used to correct underpayments in the previous fiscal year to achieve equity among all qualified recipients.

On page 3, line 5, strike "$2,189,000", and insert "$765,000";

On page 4, line 21, strike the semicolon", through and including line 25;

On page 5, line 11, strike ": *Provided*", through and including line 13 on page 6;

On page 7, line 23, strike ": *Provided*", through and including "productivity" on page 8, line 7;

On page 9, line 16, strike ", and", through and including the sum on line 20, and insert "$262,338,000";

On page 9, line 20, strike "of which", through and including "and" on line 22;

On page 9, line 23, strike "$1,029,000", and insert "$3,729,000";

On page 10, line 16, strike "; and", through and including the sum on line 17, and insert "$14,050,000";

On page 10, line 22, strike "$7,000,000", and insert "$2,000,000";

On page 11, line 7, strike "$42,316,000", and insert "$28,600,000";

On page 11, line 16, strike "103", and insert "144";

On page 11, line 16, strike "91", and insert "132";

On page 11, line 17, strike "29", and insert "70";

On page 12, line 20, strike ", and", through and including the sum on line 24, and insert "$608,202,000";

On page 13, after line 10, insert the following: *Provided further,* That $85,000 shall be available for the National Park Service to assist the town of Harpers Ferry, West Virginia, for police force use: *Provided further,* That $350,000 shall be available for assistance to the National Symphony Orchestra of Washington, District of Columbia: *Provided further,* That $650,000 shall be available for assistance to the Washington Opera Society of Washington, District of Columbia.

On page 13, strike line 20, through and including line 23, and insert the following: "Unexpended balances of funds appropriated to the National Park Service under this appropriation shall be merged with the 'Operation of the National Park Service' appropriation."

On page 14, strike line 3, through and including line 7;

On page 14, line 11, strike "$26,500,000", and insert "26,000,000";

On page 14, line 18, strike "$42,637,000", and insert "27,355,000";

On page 14, line 19, strike "of which", through and including "per centum" on page 15, line 10, and insert the following: of which not to exceed $600,000 shall be available for engineering and planning the Burr Trail Highway and access roads in and adjacent to the Capitol Reef National Park and the Glen Canyon National Recreation Area, and not to exceed $1,500,000 for engineering and construction of the Halls Crossing-Bullfrog Ferry access roads and ramps in Glen Canyon National Recreation Area, such funds to be transferred to the State of Utah for accomplishment of these activities in accordance with provisions of a cooperative agreement between the National Park Service and the State of Utah: *Provided,* That for payment of obligations incurred for engineering services, roadway and bridge access and tunnel bore work for the Cumberland Gap Tunnel, as authorized by section 160 of Public Law 93-87, $19,000,000 to be derived from the Highway Trust Fund and to remain available until expended to liquidate contract authority provided under section 104(a)(8) of Public Law 95-599.

On page 16, line 9, strike "$161,471,000", and insert "$149,650,000";

On page 17, line 25, after "owner:", insert the following: *"Provided further,* That the National Park Service may use helicopters and motorized equipment at Death Valley National Monument for the removal of feral burros and horses.";

On page 18, line 17, strike "$374,951,000", and insert "$356,074,000";

On page 18, line 18, strike "$49,613,000", and insert "$47,613,000";

On page 20, line 10, strike "$155,103,000", and insert "$163,803,000";

On page 20, line 11, strike "$26,411,000", and insert "$35,111,000";

On page 20, strike line 14, through and including line 19;

On page 21, line 7, strike "$127,856,000", and insert "$127,425,000";

On page 21, line 7, strike "$84,605,000", and insert "$73,765,000";

On page 22, line 6, strike "$65,900,000", and insert "$65,050,000";

On page 22, line 15, strike "$251,028,000", and insert "$218,779,000";

On page 23, line 23, strike "$844,461,000", and insert "$819,260,000";

On page 23, line 24, strike "$54,715,000", and insert "$53,735,000";

On page 24, line 16, strike "by the Act of July 3, 1977 (Public Law 95-40)";

On page 24, line 17, strike "notwithstanding", through and including "districts;" on page 25, line 2;

On page 25, line 8, after "law", insert the following: *Provided further,* That any cost of providing lunches to nonboarding students in public schools from funds appropriated herein shall be paid from the amount of such funds otherwise allocated for the schools involved without regard to the cost of providing lunches for such students: *Provided further,* That $200,000 shall be transferred to the city of Brigham City, Utah, for the purpose of conducting a study to: (1) assess the socioeconomic impact on the local community due to the closure of the Intermountain Inter-tribal School, (2) identify and analyze possible uses for the facilities and property now occupied by the Intermountain Inter-tribal School, and (3) meet other appropriate objectives, as identified by the major of Brigham City to minimize any negative impact on the city resulting from the school's closure: *Provided further,* That the first section of the Act of June 24, 1938 (52 Stat. 1037; 25 U.S.C. 162a), is amended by inserting "(a)" immediately after the enacting clause and by adding at the end thereof the following new subsection:

"(b) The Secretary of the Interior is authorized to invest any operation and maintenance collections from Indian irrigation projects and revenue collections from power operations on Indian irrigation projects in—

"(1) any public-debt obligations of the United States;

"(2) any bonds, notes, or other obligations which are unconditionally guaranteed as to both principal and interest by the United States; or

"(3) any obligations which are lawful investments for trust funds under the authority or control of the United States.

The Secretary of the Interior is authorized to use earnings from investments under this subsection to pay operation and maintenance expenses of the project involved.".

On page 26, line 23, strike "and", through and including "contract" on line 24, and insert "and construction, repair, and improvement of Indian housing";

On page 26, line 25, strike "$56,320,000", and insert "$75,425,000";

On page 27, after line 9, insert the following:

EASTERN INDIAN LAND CLAIMS FUND

For settlement of the Mashantucket Pequot land claim in Ledyard, Connecticut, $900,000, to remain available until expended: *Provided,* That such funds shall become available for obligation only upon enactment into law of authorizing legislation.

On page 27, line 24, after "land", insert "and";

On page 28, line 9, strike "without", through and including the end of line 10:

On page 28, line 19, after "loans", insert "pursuant to the Indian Financing Act of 1974 (88 Stat. 77; 25 U.S.C. 1451 et seq.);

On page 28, line 24, after "loans", insert "pursuant to the Indian Financing Act of 1974 (88 Stat. 77; 25 U.S.C. 1451 et seq.);

On page 29, line 6, after "loans", insert "and the Indian loan guarantee and insurance fund";

On page 29, line 13, after "1936", insert "(48 Stat. 569), as amended";

On page 29, line 14, after "452", insert "et seq.";

On page 29, line 14, after "1956", insert "(70 Stat. 896), as amended";

On page 29, line 15, after "309", insert "et seq.";

On page 30, line 1, after "1983,", insert "or at the Intermountain boarding school in Utah after June 30, 1984";

On page 30, line 11, strike "$75,262,000", and insert "$86,564,000";

On page 30, line 12, strike "$73,192,000", and insert "$84,494,000";

On page 30, line 22, strike "$11,350,000", and insert "$13,350,000";

On page 32, line 19, strike "$104,973,000", and insert "$111,767,000";

On page 32, line 19, strike "$79,133,000", and insert "$80,249,000";

On page 32, line 20, strike "$25,840,000", and insert "$31,518,000";

On page 32, beginning on line 21, strike *"Provided",* through and including "amended" on line 24;

On page 33, beginning on line 2, strike "the High Commissioner of the Trust Territory";

On page 33, line 24, strike "$41,882,000", and insert "$43,806,000";

On page 34, line 5, strike "$19,263,000", and insert "$19,663,000";

On page 34, line 8, strike "$17,100,000", and insert "$16,899,000";

On page 34, after line 21, insert the following:

OFFICE OF WATER POLICY

For necessary expenses of the Office of Water Policy to develop and administer a water policy for the Department of the Interior pertinent to lands and resources managed thereby, $1,532,000, and $6,350,000 for grants to State water resource research institutes as described in title I (except Section 105) of Public Law 95-467.

On page 35, line 6, strike "$1,275,000", and insert "$800,000";

On page 37, beginning on line 21, strike "the Act of June 30, 1932 (31 U.S.C. 686)"; and insert "sections 1535 and 1536 of title 31, U.S.C.";

On page 42, line 8, strike "111" and insert "107";

On page 43, strike line 1, through and including line 17 on page 44, and insert the following:

SEC. 108. Notwithstanding the matching grant requirements of the provisions of section 6(f) of the Land and Water Conservation Fund Act, 16 U.S.C. 4601-8(f), funds appropriated to or expended by the Teton Disaster Relief Organization, are available for projects funded and authorized under the Land and Water Conservation Fund grant program.

On page 45, line 6, strike "$110,316,000", and insert "$105,108,000";

On page 45, line 11, strike "$64,169,000", and insert "$51,730,000";

On page 45, beginning on line 25, strike "and not", through and including the sum on line 4, and insert "$894,041,000";

On page 46, line 8, strike "$241,604,000", and insert "$257,619,000";

On page 46, line 10, strike "$15,137,000", and insert "$24,787,000";

On page 46, line 11, strike "$226,467,000", and insert $232,832,000";

On page 46, line 18, strike "$240,000,000", and insert "$291,300,000";

On page 47, line 2, strike "$36,352,000", and insert "$32,400,000";

On page 49, after line 10, insert the following:

None of the funds made available under this Act shall be obligated or expended to adjust annual recreational residence fees to an amount greater than that annual fee in effect at the time of the next to last fee adjustment, plus 50 per centum. In those cases where the currently applicable annual recreational residence fee exceeds that adjusted amount, the Forest Service shall credit to the permittee that excess amount, times the number of years that that fee has been in effect, to offset future fees owed to the Forest Service.

On page 51, after line 3, insert the following:

ALTERNATIVE FUELS PRODUCTION

The Secretary of Energy shall, utilizing the funds remaining for project feasibility development studies appropriated under this head in Public Law 96-126 (93 Stat. 970 (1979)), conduct a feasibility study of an alternative fuels wood pellet gasifier facility located near Sandpoint, Idaho: *Provided*, That the Secretary of Energy shall, utilizing $33,027.79 of the funds remaining for Project Development Feasibility Studies appropriated under this head in Public Law 96-126 (93 Stat. 970 (1979)), reimburse consultants who provided services reviewing grant applications to the Office of Alcohol Fuels within the Department of Energy in 1980.

On page 51, line 24, strike "$265,914,000", and insert "$248,714,000";

On page 52, line 16, after "activities", insert the following: *Provided further*, That out of any money in the Treasury not otherwise appropriated, an additional $15,000,000 is to be made available on October 1, 1984, and an additional $15,000,000 is to be made available on October 1, 1985, such sums to remain available until expended, for a project to be carried out under the administrative and technical direction of the Tennessee Valley Authority, in cooperation with the Commonwealth of Kentucky and other entities, involving the planning, designing, constructing, operating, and testing of a demonstration facility near Paducah, Kentucky, for the generation of electricity from coal using an atmospheric fluidized bed combustion process.

On page 53, line 7, strike "$236,100,000", and insert "$256,600,000";

On page 53, line 11, strike "$528,045,000", and insert "$333,481,000";

On page 53, line 19, strike "$37,000,000", and insert "$38,100,000";

On page 54, line 2, after "production", insert the following: *Provided further*, That $7,000,000 of the sum provided under this head shall be made available for research, development, and demonstration of a process to produce steel by direct strip casting, with the provision that the United States Treasury will be repaid up to double the total Federal expenditure for such process from proceeds to the participant from the commercial sale, lease, manufacture, or use of such process.

On page 54, line 14, strike "and emergency", through and including the sum on line 15, and insert "$25,125,000";

On page 54, line 21, after "expended,", insert "and for necessary expenses in carrying out emergency preparedness activities, $5,230,000";

On page 55, line 7, strike "$1,686,000,000", and insert "$328,000,000";

On page 55, line 12, strike "$56,870,000", and insert "$54,350,000";

On page 58, line 21, strike "$801,798,000", and insert "$734,151,000";

On page 59, line 5, strike "$5,000,000 of";

On page 59, line 7, strike "shall", through and including "collections" on line 9;

On page 60, line 4, strike "$69,015,000", and insert "$31,389,000";

On page 60, line 22, strike "the Talihana", through and including "Mexico" on line 24, and insert "all Indian Health Service facilities";

On page 61, line 11, after "That", insert "with the exception of service units which currently have a billing policy";

On page 61, line 17, after "policy", insert the following: *Provided further*, That with the exception of services for which payment may not be made under title XVIII of the Social Security Act, the Secretary of Health and Human Services, under any contract entered into after June 30, 1984, for health services to be furnished to beneficiaries of the Indian Health Service by any hospital, may agree to pay only at or below the rates at which payment would be made under title XVIII of the Social Security Act of those services for individuals entitled to benefits under that title (but may include any deductibles or coinsurance under that title and payment for hospital days beyond those covered under that title).

On page 62, line 18, strike "$51,000,000", and insert "$56,500,000";

On page 62, line 19, strike "$18,000,000", and insert "$8,178,000";

On page 62, line 20, strike "$71,243,000", and insert "$67,248,000";

On page 63, line 6, strike "$13,783,000", and insert "$18,783,000";

On page 63, line 22, strike "$156,533,000", and insert "$153,108,000";

On page 63, line 22, strike "including", through and including "Center" on page 64, line 4;

On page 64, line 17, strike "$5,040,000", and insert "$7,040,000";

On page 65, line 13, strike "$9,100,000", and insert "$9,000,000";

On page 65, strike line 14, through and including "museum" on line 18;

On page 65, after line 23, insert the following:

CONSTRUCTION

(Rescission)

Of the funds appropriated pursuant to section 119 of Public Law 97-276, $8,000,000 is hereby rescinded.

On page 67, line 1, strike "$34,209,000", and insert "$34,790,000";

On page 67, line 4, after "expended", insert "and of which not to exceed $1,810,000 for the special exhibition program shall remain available until expended";

On page 67, line 24, strike "$134,400,000", and insert "$115,000,000";

On page 67, line 24, strike "$121,300,000", and insert "$102,400,000";

On page 68, line 6, strike "$13,100,000", and insert "$12,600,000";

On page 68, line 11, strike "$30,600,000", and insert "$28,000,000";

On page 68, line 13, strike "$21,500,000", and insert "$20,000,000";

On page 69, line 1, strike "$120,500,000", and insert "$101,000,000";

On page 69, line 2, strike "$107,750,000", and insert "$88,500,000";

On page 69, line 6, strike "$12,750,000", and insert "$12,500,000";

On page 69, line 12, strike "$29,500,000", and insert "$29,000,000";

On page 69, line 13, strike "$18,000,000", and insert "$17,500,000";

On page 69, line 25, strike "$21,500,000", and insert "$14,500,000";

On page 70, line 3, strike ": *Provided*", through and including line 13;

On page 71, line 18, strike "$2,452,000", and insert "$2,447,000";

On page 72, line 14, strike "$6,500,000", and insert "$2,963,000";

On page 72, line 20, strike "$1,953,000", and insert "$1,683,000";

On page 80, after line 11, insert the following:

SEC. 316. The Senate finds that the Forest Service's proposal of March 15, 1983, to consider six million acres of the national forest for possible sale has met with considerable opposition; and the national forests are an important part of the national heritage of the United States; and the national forests provide and protect important resources; and the national forests provide and protect opportunities for recreation; and it is inconsistent with past unique opportunities for recreation; and it is inconsistent with past management practices to dispose of large portions of our national forests. It is, therefore, the sense of the Senate that it is not in the national interest to grant the authority to sell significant acreage of the national forest until such time as the Forest Service specifically identifies the tracts which are no longer needed by the Federal Government; inventories the tracts as to their public benefit values; provides opportunities for public review and discussion of the tracts; and completes all necessary environmental assessments of such sales.

SEC. 318. Notwithstanding any other provisions of law, the Secretary of the Interior is authorized and shall seek to acquire the private lands described in section 505(a) of the Act of November 10, 1978 (92 Stat. 3467), by crediting a surplus property account, to be established in the name of each landowner, in the amount of the acquisition price for such landowner's lands. The National Park Service shall update the existing appraisals for the parcels and, based on the approved appraised values, shall negotiate with the landowners for acquisition prices. Each owner may, using such credits in his surplus property account, bid, as any other bidder for surplus property, wherever located, in accordance with the Federal Property and Administrative Services Act of 1949. The Administrator of the General Services Administration shall establish each landowner's surplus property account and shall adjust the credits in such accounts to reflect

successful bids under this section. Title to the lands described in this section shall pass to the Government at the time of establishment of the surplus property accounts. The credits in any of the surplus property accounts may be transferred or sold in whole or in part at any time by the landowner to any other property, thereby vesting such property with all the rights of the landowner, and after such transfer, the landowner shall notify the Administrator of the transfer. At any time the Secretary may purchase the balance of any surplus property account subject to the availability of appropriated funds.

COMMITTEE AMENDMENT WITH RESPECT TO SECTION 317

Mr. McCLURE. Mr. President, I call up the committee amendment with respect to section 317 and I ask for its immediate consideration.

The PRESIDING OFFICER (Mrs. KASSEBAUM). The question is on agreeing to the committee amendment.

Mr. METZENBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. METZENBAUM. Madam President, this amendment can very appropriately be called "son of WPPSS." WPPSS, as we all know, is the Washington Public Power Supply System situation which has just resulted in a $2.250 billion default, the largest default of its kind in the history of the Nation.

Now, what we find in section 317 is an effort to have the U.S. Congress deal with this matter in a manner to bail out rather indirectly the WPPSS situation.

Supporters of this will claim the obligations incurred by the son of WPPSS would not cost the Treasury a penny. While it is true when you look at the provisions the provisions would not result in any direct outlays in the near term, it is misleading to say it has no budgetary impact.

In order that we may understand what we are talking about, let me point out that this amendment is rather unusually drawn in the first instance because it provides that, in the manner described in the Senate committee report, the administrator of the Bonneville Power Administration may enter into certain contractual agreements, and it goes on to spell that out.

I must confess that I have not been in this body as long as some other Members, but I have been here long enough to know that never before have I seen legislation drafted to provide that the legislation really will tell you what it means by reading the Senate committee report, and I doubt very much whether or not it has ever before been proposed.

But suffice it to say when you read the language of the legislation, section 317, and the committee report you arrive at the conclusion that under this so-called authorizing legislation the Bonneville Power Authority is required to recover "the cost of producing and transmitting such electric energy, including the amortization of the capital investment allocated to power, over a reasonable period of years."

In other words, this new entity they are going to be creating is going to be having to look to Bonneville Power Authority for the necessary funding.

To date we should, therefore, take a look and see what the Bonneville Power Authority is all about and whether indeed it will be the responsibility of the BPA or whether it will be the responsibility of the taxpayers of this country.

I want to point out to my colleagues that to date the Federal investment in generating and transmission facilities in the BPA region, in the Bonneville Power Authority region, totals $7.8 billion. How much of that has been repaid? It goes back to something like—I do not know the number of years, 40 or 50 years, maybe a little less than that—Bonneville Power Authority has repaid only $638 million of that $7.8 billion figure.

In the past 10 years it has repaid only $43 million, and the agency has made no payments at all in the last 2 years nor is it likely to make any payments this year.

Under section 317, we would be creating a new entity that would obligate BPA for another $1 billion. BPA would again pay off those obligations before meeting its responsibility to pay back the Federal Government on previous BPA debts. BPA already owes the Federal Government about $1.8 billion, on which BPA is paying an average of 7.5 percent, and the BPA is paying something in the area of 3.5 percent on another $3.9 billion.

So the longer BPA owes the Federal Government the greater is the Federal subsidy for this facility, and you do not have to be a mathematical genius to figure out that if about $7 billion is still owed, and it is owed at lower rates than the Federal Government is paying, you find that the Federal subsidy is substantial.

Under this new proposal it would appear as if BPA is going to charge the ratepayers in order to pay back the Federal Government in connection with this WPPSS deal. But do not believe it because, as a matter of fact, they are not paying back that which they owe at the present time. So that is almost like some of our foreign debts at the moment, where the banks are not getting paid back; we give them more money on the theory that some day maybe it will be paid back.

The chief reason for BPA's inadequate repayments to the Federal Government is a 1965 decision by the Bonneville Power Authority to use a new method for repaying its obligations to the U.S. Treasury. According to a June 1983, decision by the Federal Energy Regulatory Commission, this new repayment method has shorted the Treasury from $740 million to $1.4 billion. And section 317 would exacerbate and aggravate that situation.

Said FERC, in arriving at this conclusion:

Given the substantial failure of Bonneville to reschedule its deferred principal and interest payments on a reasonable basis, it appears that this problem, if not correct, would result in a failure of Bonneville to meet its statutory obligations (to repay the Federal investment).

In short, FERC concluded, as has the General Accounting Office in a draft report, that there is increasing possibility that the Bonneville Power Authority will default on its present obligations to the U.S. Treasury.

Under a Department of Energy rule, BPA is allowed to meet its obligations to the Federal Government after it puts WPPSS payments at the top of the list. And at the bottom of the list is repayment of the interest and principal on the Federal investment.

Under the new proposal, the bonds would provide that BPA would be providing security for the new bonds to be issued by the new entity and they would do so by raising rates sufficiently to cover those rates, and assumedly that which is still owed. But Bonneville continues to roll over its obligations and not to meet their obligations to the Federal Government. Any debtor would like to have the arrangement that the BPA has, but only the BPA has this favored treatment. And the rest of the people in this country are, as a consequence, subsidizing the energy cost of the people in the Northwest.

Now, I do not yield to anyone in this body as far as my support for public power is concerned. But the fact is that although BPA has increased rates to their users 700 percent since 1979, the users of Bonneville Power Authority energy are still paying only 55 percent of the national average. One reason for that is that the repayment priority schedule allows BPA to meet WPPSS related obligations prior to its Federal obligations; and another reason is that irresponsible payment policy.

The proposed legislation would impose something close to an additional $1 billion in additional obligations on BPA, and that which BPA is not already paying would be added to by another billion dollars. And the American taxpayers would be the ones who are carrying the load because BPA would continue to owe the Federal Treasury the $7 billion at less than the interest rates that the Federal Treasury pays when it borrows money.

Now quite probably this new obligation of WPPSS in connection with BPA would receive a higher repayment priority than repaying the Federal investment. Otherwise, it is unlikely that the new entity that would

be created under this arrangement could possibly be put together, because they could not otherwise be able to sell the bonds.

Thus, the effect of creating son of WPPSS is to add further delay to Bonneville Power Authority's repayment of the Federal investment, a delay which has already cost taxpayers $740 million to $1.4 billion, according to FERC.

But there is more. Supporters say there is no Federal budget impact. That is only true for the immediate short term. But what happens if BPA defaults on its obligations to the new entity? We have already seen that, despite a 700-percent rate hike, the agency lacks the revenue to meet existing obligations. It is quite possible that, despite the intent of the bill to pay back new bondholders through rates, the agency will simply be unable to raise enough revenue to do so.

In that event, who is left holding the bag? Who is always left holding the bag? The American taxpayer.

Newspaper stories suggest that the most likely financing package is some sort of short-term line of credit, convertible to 5-year notes. Thus, Bonneville Power Authority would be required to pay the entire $1 billion face amount in 8 years. Knowing what we do about its current revenue picture, the prospect of a default seems entirely likely. In that scenario, the taxpayers of the United States become the obvious underwriters.

Madam President, it is interesting to find that not only are some of us here in the U.S. Senate concerned about this matter. I find that 23 State representatives and State senators from the State of Oregon have sent a telegram to the Speaker of the House, which reads as follows:

> We ask for your total opposition to the McClure amendment to the Department of Interior's appropriation bill. This plan gives a blank check to WPPSS payable by ratepayers of the Northwest. No hearings have been held and we have many unanswered questions and concerns. This new financing mechanism would permit the BPA to give bankrupt WPPSS a minimum of an additional $1 billion of ratepayers' money to pursue completion of unneeded and uneconomical nuclear plants. The magnitude of this issue demands full and open examination via the normal route of legislation through Congress. Your strongest efforts to delete the McClure amendment in conference committee would be a great service to the ratepayers of your district and of the entire Northwest.

That mailgram is signed by Grattan Kerans, speaker of the Oregon House, 17 State representatives, and six State senators.

Madam President, I ask unanimous consent that the entire Mailgram be printed in the RECORD.

There being no objection, the mailgram was ordered to be printed in the RECORD, as follows:

SPEAKER OF THE HOUSE,
STATE CAPITOL,
Salem, Oreg.

Representative JIM WEAVER,
Washington, D.C.

To: Speaker TIP O'NEILL, Representatives SYDNEY YATES, JOHN DINGELL, RICHARD OTTINGER, LES AUCOIN, RON WHITE, DENNY SMITH, BOB SMITH, DON BONKER, ROD CHANDLER, NORMAN DICKS, THOMAS FOLEY, MIKE LOWRY, JOEL PRITCHARD, SID MORRISON, AL SWIFT.

We ask for your total opposition to the McClure amendment to the Department of the Interior's appropriation bill. This plan gives a blank check to WPPSS payable by rate payers of the Northwest. No hearings have been held and we have many unanswered questions and concerns. This new financing mechanism would permit the BPA to give bankrupt WPPSS a minimum of an additional $1 billion of rate payers money to pursue completion of unneeded and uneconomical nuclear plants. The magnitude of this issue demands full and open examination via the normal route of legislation through Congress. Your strongest efforts to delete the McClure amendment in conference committee would be a great service to the rate payers of your district and of the entire Northwest.

Grattan Kerans, Speaker of the Oregon House; State Representatives: Rick Bauman, Chuck Bennett, Annette Farmer, Wayne Fawbush, Tom Hanlon, Jim Hill, Larry Hill, Carl Hosticka, Bruce Hugo, Ed Leak, Robin Lindquist, Mike McCracken, Barbara Roberts, Lonnie Roberts, Jim Scavera, Dick Springer, Tom Throop; State Senators: Bill Frye, Charles Hanlon, Margie Hendriksen, Ron Monroe, Frank Roberts, Jan Wyers.

Mr. METZENBAUM. Madam President, that is not the only group that has found fault with this method of legislating on an Interior appropriations bill—legislating, I might say, without a hearing.

The resolution of the Public Power Council which includes many of the utilities with an interest in WPPSS Unit 1-2-3, indicates the following:

> Further resolve that the Public Power Council opposes section 317 of the appropriations bill for the Department of the Interior and related agencies as a piecemeal solution. The Public Power Council opposes any congressional action until the ratepaying public has had sufficient input into the process and until the Public Power Council's Executive Committee has sufficient information to determine the legislative course of action that is in the best interest of the ratepayers of the region's consumer-owned utilities.

We find that the Grace Commission was also addressing itself to the subject of BPA's repayment practices when it stated as follows:

> High interest rate investments are repaid first and balloon payments on loan rate obligations are indicated in the final year after long periods of minimal repayment.

I might say that is right on target as far as the BPA situation is concerned.

Going on in the Grace report:

> A rolling 50-year period is assumed for repayment of outstanding obligations, always moving forward from the latest addition or replacement. On some projects this last pension technique has already increased the effective repayment period to 89 years. Interest payments by BPA are omitted if revenues for any given year fail to govern.

I might say, that is right on target with respect to this particular issue.

Going on the report states:

> These practices produce results which cannot be reconciled with traditional financial statements and which prevent any current measure of accountability. As an example, the certified public accountant statement included in the annual report of one BMA states matter of factly that it was not prepared in accord with generally accepted accounting principles.

Madam President, those are not the only groups who are opposed to this proposal. As a matter of fact, a letter sent on July 26, 1983, to every Senator, was signed by the Environmental Action Group, the Environmental Defense Fund, the Natural Resources Defense Fund, the Union of Concerned Scientists, the Friends of the Earth, the Sierra Club, the Environmental Policy Center, the Public Citizens Critical Mass Energy Project, as well as the Council for a Competitive Economy.

As if it were not enough to have all of those environmental groups involved, the National Taxpayers Union also signed the letter.

They pointed out:

> We think it is extremely important that the implications of this proposal be thoroughly examined in hearings before the proposal is brought to the floor for a vote. This is especially important because BPA's current debt obligations to the Federal Government are not being met. The potential cost to the taxpayers and the U.S. Treasury should be thoroughly understood in advance.

Madam President, when all of those environmental groups and the National Taxpayer Union get together to raise this kind of point, it certainly has merit and substance.

Now I want to address myself to one other point before I conclude. That is that there are some who would suggest that this would help WPPSS bondholders. I am frank to say that I think that is the intent, but I am not sure that it would work that way. To those who are bondholders, whose bonds are now in default or may soon go into default, this legislation may put you at even greater risk. Unit 4 and 5 bondholders would lose the right to get at unit 1-2-3 assets to get repayment. And current 1-2-3 bondholders may also be disadvantaged.

Under the circumstances, by reason of the fact that there have not been hearings, in view of the fact that this is legislation on an appropriations bill, and because I believe that there is an appropriate manner in which to proceed, and that is by a hearing on proper authorizing legislation which is to be held on Wednesday afternoon of this week, Madam President, I raise the point of order——

Mr. McCLURE. Madam President, would the Senator yield?

Mr. METZENBAUM. Of course.

Mr. McCLURE. Would the Senator withhold his point of order so that we can debate the issue before the point of order is lodged?

Mr. METZENBAUM. Certainly.

Mr. McCLURE. I thank the Senator.

Madam President, I understand how the Senator from Ohio is concerned about the Bonneville Power Administration and its financial plight. I can understand him being concerned about the impact that this or any other amendment might have upon the taxpayers of this country.

Madam President, the Senator from Ohio has that concern misplaced with respect to this amendment. The unfortunate fact is that power projects in the Northwest, which have become famous or infamous across the Nation, are in trouble for a variety of reasons. The Bonneville Power Administration many years ago entered into net billing contracts with the participants in the Washington Public Power Supply System on three of the five powerplants which WPPSS undertook to construct.

Let me sketch very briefly the historical background.

First of all, the Bonneville Power Administration owns no generating facilities. They own transmission facilities. They are obligated under precedent and current law for the repayment of the power features in Federal projects in the Columbia basin. Those projects, generally speaking, have been multipurpose projects with flood control and irrigation benefits, as well as power production.

The acts that authorized the construction of those projects included a provision for the repayment of a portion of the construction cost which was attributed to the production of power.

The Bonneville Power Administration was created as the marketing agent for the power produced from those projects, constructed by both the Corps of Engineers and the Bureau of Reclamation.

In order to market that power effectively, they were involved in the construction of transmission lines from those power projects to the points of consumption. Bonneville Power is responsible for the repayment of the cost of those construction lines.

So there is a repayment obligation by Bonneville Power to the Treasury of the United States, both for the power features in these projects and for the transmission lines.

I might add as a footnote to the argument with respect to the point of order, that the Transmission Act of 1974 provided that the Bonneville Power Administration would receive its instructions in annual appropriations acts.

As the various entities in the Northwest were created subsequent to the construction of these power facilities, they became the ultimate marketing agents for the federally generated power, or, to put it more properly, perhaps, the power generated by Federal facilities. The State of Washington enacted a statute authorizing the formation of public utility districts and they became the major but not the sole marketing mechanism to the ultimate consumers. In addition, there are municipal entities and rural electric cooperatives throughout Oregon, Washington, Idaho, and in the areas within the Columbia River basin that are in Montana which market power.

So we have a network of entities that are supplied power from the projects in the Northwest by the facilities which are under the administrative control of the Bonneville Power Administration, but the BPA does not, itself, own any generating facilities.

When it became apparent that there was not going to be sufficient power in the Northwest to meet all of the needs of these so-called preference agencies, those public bodies granted a preference to the receipt of power from Federal projects, met to determine whether the Federal Government would authorize Bonneville Power to get into the business of building, owning and operating generating facilities.

The Northwest rather uniformly decided and asked Congress not to move into that direction. But the Bonneville Power Administration and the public power entities in the Northwest came to agreement on what was known as the hydropower accord. Additional generating power would have to be thermal rather than hydro. Since the Federal system was almost totally hydro, all of the thermal features would be built by non-Federal entities to provide the power that would be required to meet the demands of all customers, both those that are preference customers and those that are not.

After that was done, the State of Washington created the Washington Public Power Supply System, WPPSS. Bonneville, looking forward to the necessity of supplying its customers with an adequate supply of power for the demands projected at the time, contracted with WPPSS that they would, in effect, cooperate with WPPSS, their member entities, and contracting entities, for the construction of three powerplants.

That arrangement is a rather unique one, because the Washington Public Power Supply System, WPPSS, contracts with individual entities to take power from WPPSS, from these plants, once they are completed. Those entities, in turn, in effect assign the power to which they are entitled to Bonneville to be distributed. Bonneville then deducts from charges otherwise applicable to these entities an amount equal to their share of construction costs under net-billing contracts. The entities then use the money credited to pay obligations on bonds which have been issued by WPPSS for construction.

WPPSS, in addition to deciding to build these plants, also contracted with 88 other entities, 88 public entities, throughout the Northwestern States for building two other plants.

I might note that on the first three, there are contracts with a number of public entities and four investor-owned utilities on plant No. 3, but investor-owned utilities are involved only in plant No. 3.

At plants 4 and 5, there are 88 entities throughout the Northwestern United States that contracted with WPPSS to build 4 and 5. But Bonneville is not involved with 4 and 5, because they entered into contracts with WPPSS only with respect to the output on 1, 2, and 3.

WPPSS became overextended for a variety of reasons. First, the power projections were more optimistic than consumption actually proved to be. The delays that were occasioned by Government regulation and, frankly, some very poor construction management have caused the cost of those plants to increase enormously from the estimates made when all of this was undertaken. There is now no need for the power in a reasonable timeframe with respect to the fourth and fifth plants. WPPSS was unable, because of that, to go to the market to raise the money that was necessary to finance them through to completion. Just in the very recent past, WPPSS has become in default on the $2.5 billion worth of bonds that have been issued with respect to the construction of 4 and 5. That default and those bonds with respect to 4 and 5 have no direct connection to the first three plants with which Bonneville Power is involved.

Madam President, this amendment adds nothing to Bonneville's liabilities. The only way you can suggest at all that Bonneville has any liability under this amendment that they do not have without it, would be to recognize that WPPSS is unable to go to the bond market to finance anything. Therefore, plant No. 3, in addition to 4 and 5, would go down in addition to No. 1, which has been, in effect, mothballed or at least delayed indefinitely in its construction.

As a result, WPPSS would have then only one of the five plants that it started out to build still under construction. The other four would be stopped by one means or another.

This amendment seeks to give an alternative for financing WPPSS 1, 2, and 3 rather than having WPPSS go to the market, which it cannot do while it is under default on 4 and 5.

This would give Bonneville the authority to contract with a substitute entity, in effect, a different entity than WPPSS, to undertake exactly the same responsibility that they have in their relationship with WPPSS—no more and no less. So there is no additional liability under this amendment than there would be had WPPSS performed as they were supposed to perform in the construction of plants No. 2 and 3.

As I said earlier, plant No. 1 has been indefinitely delayed. Plant No. 2 is about 98 percent complete. It should go to fuel loading this fall and go into operation late next winter or early in the spring.

Plant No. 3, the one which is most in question under this amendment, is about 75 percent complete. This would allow an entity or entities other than WPPSS to go to the financial markets, either the bond markets or financial banks, to raise the $960 million that is necessary to complete plant No. 3, in addition to the modest amounts that are necessary for the completion of plant No. 2.

Plant No. 3 happens to be the one in which there are four investor-owned utilities involved, as well as the public entities. The four investor-owned utilities have a 30-percent interest and WPPSS has a 70-percent interest in plant No. 3. So it has an indirect effect upon the financial capacity of the four investor-owned utilities to finance their own ongoing construction program aside from their involvement in WPPSS No. 3. This begins to complicate the question with respect to the building of coal-fired plants in the Northwest, including in Montana, to produce power that will flow into the grid in the Northwest.

I go through this brief history as a way of illustrating, I hope, that Bonneville Power has no legal liability under this amendment that it does not have under the existing contractual arrangements with WPPSS—none.

The Senator from Ohio raises the issue of nonrepayment of obligations to the U.S. Treasury.

As I outlined a moment ago, their indebtedness, their schedule of repayments to the Federal Treasury, comes from two sources. The first was the power features of multipurpose Federal projects, both by the Corps of Engineers and Bureau of Reclamation. The second is the construction of transmission facilities to get that power to market, which was financed by direct appropriation and borrowings from the Treasury.

Bonneville does have a responsibility to pay that back out of the revenues generated from the sale of the electricity that is produced and distributed from those facilities and through that transmission network. Several years ago, about 20 years ago if my memory serves me correctly, they started the issue of rolling maturities, the practice of rolling maturities. What it amounts to is that every time they add a new dam, they refinance the entire structure and reschedule the entire debt. Whether that is good policy or bad policy is something that is entirely unrelated to this question before us today.

Mr. METZENBAUM. Will the Senator from Idaho yield for a question?

Mr. McCLURE. I shall be happy to yield for a question without losing my right to the floor.

Mr. METZENBAUM. Certainly.

Madam President, is it not a fact that when they roll over the maturities, when they roll over at the old interest rates and no payment on principal, it just adds further to the Federal responsibility? Because there is a difference between old rate and the rate the Federal Government is presently paying just means that if you do not collect anything on the principal, Federal taxpayers are picking up the difference.

Mr. McCLURE. Let me respond to the Senator this way. I have not gone back and tried to reconstruct my own memory on this. I am responding strictly from memory. What happens when they refinance the old debt is they pay the principal that is currently due at that time but they restructure over the new repayment period. That has the effect of stretching it out over a longer period; therefore, lowering the annual payments. Each portion of the debt has so extended the interest rate in effect on that portion of the indebtedness.

Mr. METZENBAUM. But is it not the bottom line that it winds up that the extension of that debt becomes subsidized since the Federal Government is paying obviously a considerably higher rate than the rate which it is paid back?

Mr. McCLURE. The Senator from Ohio and I have had this discussion a number of times in the past, and I suspect we will have it a number of times in the future. What he refers to as subsidy is a fixed rate of interest that was entered into at the time of the construction of a project, much as I am sure is done by people who build parking lots, parking garages, and others. When they start out, they know what the interest rate is and during the life of that contract it remains the same interest rate.

Mr. METZENBAUM. Not when it is extended. Not when it is extended, I say to my good friend. If you extend it, you pay at the current rate or a little bit higher rate because you are not meeting your debt.

Mr. McCLURE. That may well be. As I say, I have not gone back to look at the repayment schedule, because that really is not germane to the question that we have before us with respect to whether or not Bonneville can contract with a substitute entity instead of WPPSS so that they can complete plant No. 2 and plant No. 3.

Mr. METZENBAUM. Is it not the fact that there has been no repayment on principal or interest the last 2 years; that there has only been $43 million repaid on principal and interest in the last 10 years; that there has only been $638 million paid on a total of $7.8 billion, and that under this proposal, if it should become the law and the new entity is created, the additional obligation in connection with which BPA will be involved will come pretty close to another additional billion dollars? Is that not the fact?

Mr. McCLURE. Let me respond to the Senator in this way. Again, I have not gone back to verify the payment schedule or the amount that has been paid because in the view of the Senator from Idaho it really is not germane to this discussion today. I cannot dispute what the Senator says. He may have, indeed, checked the payment schedule. I have not.

Mr. METZENBAUM. I have.

Mr. McCLURE. I have not because this does not add 1 penny of additional liability that was not covered under the net billing contracts with WPPSS in the first instance.

Now, the Senator is correct that it will take almost $1 billion to complete plant Nos. 2 and 3, but that was an obligation that Bonneville Power had with WPPSS under the net billing contracts that were entered into slightly more than 10 or 11 years ago. So it does not change that. It substitutes an entity that has the capacity to borrow that money to complete the plants for one that has lost the capacity to borrow the money to complete the plants.

Mr. METZENBAUM. In order that we may zero in on the question, I will ask my friend another question. I know he is a man of integrity and I know he understands the law. Does he not recognize that this is a legislative proposal on an appropriations bill?

Mr. McCLURE. We will get to the issue of the point of order in a moment—maybe a few minutes rather than a moment—but as I indicated earlier, the Transmission Act provided the approval of Bonneville's operations, and the instructions to them on their operations was to come in appropriation language.

That is provided for in the law under which they operate and under which they have operated for many years. There has been one exception to that that I am aware of. When the Northwest Power Act was passed, we legislated instructions in addition to those instructions that have been given to Bonneville in Appropriations Acts over the last dozen or more years.

But the question the Senator raises primarily with respect to Bonneville's

repayment schedule and Bonneville's ability to repay is, it seems to me, extraneous to the question of whether or not we are going to force a further collapse in the Northwest power system. We already have seen the impact upon the bond markets and upon thousands of people across this country as WPPSS has defaulted on the bonds that were issued on Nos. 4 and 5. A lot of people that were depending upon WPPSS to continue their construction program are now looking at a total loss of $2½ billion worth of bonds. What we seek to do in an atmosphere of emergency is to give them the structure under which it is possible for them to complete the two plants that show promise of being able to be completed, one to go on line in 1984 and another one in 1985 or 1986, so that they have some power to sell to help generate revenue to repay the investors who have bought those bonds.

If we make that impossible, then we have not only the potential for a collapse on their repayment capacity with respect to the bonds on 4 and 5, as bad as that has been, but you face the possibility of a collapse on the construction of unit 3 at least, and you begin to cloud No. 2. Therefore, there is an emergency to which we are trying to respond.

Mr. JOHNSTON. Will the Senator yield?

Mr. McCLURE. I think there is adequate precedent for what we are trying to do and more than enough reason to attempt to do it this way. I would be happy to yield to the Senator from Louisiana.

Mr. JOHNSTON. Madam President, as the Senator from Idaho knows, I am most anxious to help him complete units 2 and 3 in as expeditious a manner as possible, and it was in that spirit that we approved this legislation in the committee and in the subcommittee.

I say to the Senator, Madam President, that the idea at the time we approved the legislation was that it would be, first of all, consensus legislation which would involve the Senators from the States involved all supporting it, and, second, legislation that would be legally impregnable because if you have the legislation subject to legal doubt you may not help or expedite the completion of units 2 and 3——

Mr. McCLURE. Will the Senator yield on those points?

Mr. JOHNSTON. Yes; if I may just complete the sentence—but, rather, might simply subject the whole system to further litigation. Now, if I may just say one more thing.

As I understand it, hearings are set for Wednesday at 2 p.m. on the matter, and I ask the distinguished Senator from Idaho, would it not be better, recognizing the emergency nature of this matter, which I fully support and fully want to help in the matter in whatever manner we can, to not put this matter on this bill but, rather, delay it until after the hearings, particularly considering the fact that Chemical Bank, which has underwritten these bonds, would not comment on the legislation?

Mr. McCLURE. Will the Senator yield on those two points?

Mr. JOHNSTON. Yes.

Mr. McCLURE. First of all, with respect to consensus, as the Senator knows, the distinguished senior Senator from Oregon is the chairman of the Appropriations Committee and obviously this had his support when we marked up the bill or it would not be here. The junior Senator from Oregon also supported the inclusion of this language as did both the Senators from Washington, Senator JACKSON and Senator GORTON. Senator BAUCUS of Montana as well as Senator SYMMS from Idaho have joined in supporting this language because of the necessity of finding some way of dealing with the problem.

Mr. JOHNSTON. How many coauthors of the legislation do we have?

Mr. McCLURE. When I originally offered this provision on this appropriation bill, seven of the eight Senators from the Columbia Basin States supported it. With respect to the separate legislation I have offered and which has been placed in the RECORD, and upon which we are going to have the hearings, five of the eight Senators have supported it.

In response to the other question of the Senator from Louisiana, I do not believe that it is desirable or wise for us to delay this until we have had an opportunity to run it through the authorizing process. There is no legal impairment. There is no legal question to doing it this way, if Congress will do it. But there is question concerning the ability of Congress to act expeditiously in order to be able to alleviate this problem that haunts not just the Northwest now but the entire country as well.

Mr. JOHNSTON. I have one question with regard to the legality.

As I understand it, this would authorize State law to set up a separate entity which could then issue new bonds to complete 2 and 3. My question is this: Would the ability of this new entity to receive revenues be senior to the demands of the bondholders on WPPSS 2 and 3?

Mr. McCLURE. The demands of the bondholders?

Mr. JOHNSTON. In other words, as it now stands, you have some bondholders who have the ability to receive revenues from WPPSS on units 2 and 3. Does this allow the new entity to be senior to that claim of revenue?

Mr. McCLURE. I do not really believe that it is a question of seniority with respect to the obligations that a new entity might issue, whether it would be by bonds or by other financial arrangements, because under the net billing agreement that Bonneville has already signed, Bonneville is responsible for repayment of those debts.

Mr. JOHNSTON. Which debts—the existing debts?

Mr. McCLURE. The existing debts on 1, 2, and 3. They would be equally responsible for paying the debts on the new entity that provided the additional money to complete 2 and 3.

Mr. JOHNSTON. But the reason you create the new entity is that WPPSS has no capacity to borrow money. Their credit is no good.

Mr. McCLURE. That is not because of 1, 2, and 3. That is because of the collapse on 4 and 5.

Mr. JOHNSTON. I understand. But they cannot borrow that money.

Mr. McCLURE. That is correct.

Mr. JOHNSTON. So you create a new entity, and the only reason they would be able to borrow money is that they would be senior to these other claims.

Mr. McCLURE. No; that is not correct. The reason they would be able to borrow money is that there is a cloud over the WPPSS operations on 1, 2, and 3, because of the default of 4 and 5. The new entity would not have any responsibilities with respect to Nos. 4 and 5.

Mr. JOHNSTON. But what would they be able to pledge to the bondholders or to the——

Mr. McCLURE. The net billing contracts, which have been in effect for 12 years between Bonneville and the participants in WPPSS 1, 2, and 3 and the contract with the entity on 2 and 3.

Mr. JOHNSTON. The net billing contract is already pledged, is it not?

Mr. McCLURE. Yes.

Mr. JOHNSTON. Would you put that net billing contract junior to the new billing contract?

Mr. McCLURE. It does not make any difference, because Bonneville has the responsibility to repay all the obligations with respect to 1, 2, and 3, whether it be the old entity or the new, through rates that are charged to the consumers in the Northwest.

The Federal Treasury is not at risk; the bondholders are not at risk. As a matter of fact, the bondholders are better off, because there is more revenue coming in to help Bonneville repay.

Mr. JOHNSTON. I say to my distinguished colleague that I do not purport to be an expert on this matter. I support the ends he espouses. But as I understand it, there are serious questions, very serious legal questions, involving this whole matter. Indeed, there are some bond counsel who have a lot of egg on their faces, who have already put their reputation and their

firm name on the line, in saying that the existing obligations were OK.

Mr. McCLURE. The real question comes with respect to those who have claims against WPPSS because of the obligations on 4 and 5, whether or not bonds were issued. Therefore, the only security is a Bonneville powerplant. The problem, thus, is whether the people who have claims against WPPSS because of the 4 and 5 bonds have a right to look at the assets in 1, 2, and 3. That is a legal question for the courts. This amendment does not involve that.

Mr. GORTON. Mr. President, will the Senator from Idaho yield?

Mr. JOHNSTON. If I may make one comment: The Senator from Idaho may be entirely correct, but a matter of this kind, by necessity, must be passed pretty well by consensus—in other words, the legal experts on both sides of the aisle and the bond experts. This kind of matter, which you are going to pass without hearing and without deep consideration, has to be passed, it seems to me, by consensus.

I say to my distinguished colleagues that at this point there seems to be no consensus, and it is not that there is opposition. There certainly is not opposition from me. There may be opposition from the distinguished Senator from Ohio.

I wonder, in order to get that consensus, if we might temporarily excise this amendment from this particular bill, recognizing that we are going to have hearings on Wednesday, and seek thereafter the soonest vehicle we can to pass the legislation.

Mr. McCLURE. This is the most timely vehicle.

As a matter of fact, I would be less than completely candid if I did not confess that the real difficulty does not lie in this body. The real difficulty lies in the other body.

This is not just a vehicle. It is in fact an appropriate place for us to direct what Bonneville Power should do as provided in the Transmission statute.

The reason I introduced the legislation is that some of my friends were distressed about offering legislation on an appropriation bill. I believe we can give them the opportunity for hearings with respect to the merits, and not with respect to the procedure, by introducing separate legislation.

I say to my friend that while some slowdown in the construction of No. 3 is not very damaging if the slowdown is a planned one, if everybody knows what it is, and if there is certainty about the process at the end.

We expect to recess at the end of this week for 1 month or 5 weeks. We will be back in mid-September. We will have no other opportunity to legislate on this subject until then. If we wait, there will be great uncertainty about No. 3 and its construction schedule and its viability, and this will begin to affect not just Bonneville or WPPSS but also those investor-owned utilities that are coventurers in No. 3.

There is some urgency to try to give some certainty to this situation by positive legislative expression in the Congress of the United States at the earliest possible time. This is the earliest possible time, in my judgment, and I therefore hope we can leave this in the current bill and pass it as is.

Mr. JOHNSTON. I yield to the distinguished Senator from Washington.

Mr. GORTON. I thank my friend from Louisiana.

I should like to add to and reinforce the statements of the Senator from Idaho.

I point out the urgency of this proposal not only to my friend from Louisiana, whom I know greatly sympathizes with what we are attempting to accomplish here, but to my friend from Ohio as well. A delay in this process, even if it turns out his proposal is passed in the form of authorizing legislation 6 weeks or 10 weeks, or 6 months from now, will be extremely costly to the people of the region represented both by myself and by the distinguished Senator from Idaho. We have an emergency. We have a problem facing us which seems to be without parallel in our fiscal and construction history in this country.

A construction program which was far too ambitious and a construction program which was badly mismanaged over a period of years, so badly that two nuclear power sites were simply abandoned, now threatens to include at least one additional site, the so-called WPPSS 3. This plant is clearly needed by the Pacific Northwest as indicated by its inclusion in our regional power plan. WPPSS 3 has been constructed during the course of the last 2 or 3 years in a manner which makes it a model of construction efficiency in the nuclear power field.

In fact, until 2 or 3 months ago, the progress on WPPSS 3 was not only ahead of schedule but was under budget.

If it is abandoned at this point, if it is mothballed without any indication as to the date of its completion, it is inevitable that the almost $1 billion completion figure to which the Senator from Ohio referred earlier will, in just a few months, be a much larger figure than that, perhaps another quarter of a billion dollars. This is an additional investment which will get us no additional power, which will provide for no additional efficiency and which simply will be the cost of delay, the cost of our being bothered by procedural irregularities or by the fact that this is a rather ambitious project.

The Senator from Ohio began his set of objections to this proposal on the basis of the slowness with which the debts to the Federal Government of the Bonneville Power Administration are being paid off. This proposal has nothing to do with that subject. The rejection of this amendment by the Senator from Idaho is not going to increase the speed with which BPA pays its obligations to the United States. As a matter of fact, to the extent that it hurts and debilitates the economy of the Northwest, it will, if anything, slow down that process rather than to speed it up.

The sole question before us is how much the people of the Northwest are going to have to pay in addition to the grave losses which they and bondholders all across the country will have suffered, as a result of the insolvency of the four and five projects.

I am informed that the cost of a 1-year delay in this proposal will be $195 million, $195 million which will gain us nothing. It assumes that after that 1-year delay we will be able to go back on board with the proposal which is very much like this and in all probability is identical to this.

We would not be here debating this amendment today were WPPSS able to sell bonds in the marketplace at the present time. WPPSS has full legal authority to complete this project. It lacks the financial ability to complete the project because, for totally understandable reasons, no one will lend it any more money because of its insolvency with respect to WPPSS 4 and WPPSS 5.

So the consequences are increased costs and a threat to the solvency of investor-owned utilities which own 30 percent of the output of WPPSS 3. This is all over a concern which, at least at this point, is stated largely on a procedural basis, legislating on an appropriations bill, something which the Senate does all the time.

The Senator from Ohio raised the question that this might be intended as a bailout for bondholders but that it would not work as such. The Senator from Louisiana, paradoxically, raises the question as to whether or not this threatens bondholders in connection with WPPSS 3 by becoming a prior obligation to that which is owed to them.

I submit that neither of those is the case. At this point, the present bondholders on WPPSS 5 are not threatened. They are being paid the obligations which are owed them at the present time out of charges which the Bonneville Power Administration makes under the net billing agreements against those who purchase their power through Bonneville. That will continue if this amendment passes and if the project is a success.

What will be the difference? The specific project or the specific methodology which is now proposed does not involve the issuance of future bonds. It involves loans in the terms of 8 to 10 percent which are financially feasi-

ble. We would not be here if that had not already been determined to be a method by which the money for the completion of this project can be made.

When WPPSS 3 is completed it will, of course, produce power which will, in turn, produce income and will, therefore, increase rather than decrease the security of the bondholders in WPPSS 3.

This is not a proposed bailout for the bondholders in WPPSS 4 and 5. That is not only not the intention of the Senator from Idaho, it is not the proposal of anyone else who is involved in this matter. It is the fact that the bonds for WPPSS 4 and 5 have been repudiated. That means that we need this legislation in order to complete 3.

The Senator from Ohio has also raised the question of opposition, or at least questions, by certain public utility districts and other public power advocates in the Pacific Northwest about the nature of this proposal.

Reading one point which spoke of it as a "piecemeal solution," I think it only fair to say to the Senator from Ohio as well as to the Senator from Louisiana that much of that comes from the fact that at least certain representatives of those PUD's want legislation to include a bailout by Congress of the bondholders in projects 4 and 5, something which I know the Senator from Ohio would oppose from beginning to end and something which is not being proposed here by the Senators from the Pacific Northwest.

We are not asking for a bailout of those bondholders. We do not intend to do so. Some people in our region who now are unwilling to support this proposal do want Congress to do exactly that. They do not oppose the completion of the construction of powerplant No. 3, but they want a Federal solution to the disaster which has overtaken 4 and 5 at the present time.

We have a situation here which is a true emergency. We sincerely request not only the Senator from Louisiana but the Senator from Ohio as well not to block this, but to help us see to it that by far the best solution for our people, for our constituents, a solution which is not going to cost the taxpayers and the rest of this Nation 1 cent, is in fact implemented.

It is very important that this be implemented and, moreover, even these conditional objections can be met. The Senator from Idaho, as much as I, recognizes the fact that we cannot pass this bill and get the President's signature on it between now and the time which we leave. This bill is not going to go through the House of Representatives in the course of the next 2 or 3 days. The questions raised by all of those who question this proposal, whether they have to do with the bonds or the borrowing, whether they have to do with congressional procedure, whether they have to do with opinions of the GAO, whether they have to do with the responsibility of certain utilities in Oregon and rural electric cooperatives, are almost certain to be solved during the course of the month of August and early September.

A hearing is set in this body for Wednesday on an identical piece of legislation. A hearing is set in the House of Representatives for mid-September. It is far better that we pass this amendment at the present time, recognizing that it will not become law unless all of those questions are answered, and allowing it to become law if the House of Representatives and if the members of the conference committee in this Senate find they are solved, than to allow this vehicle to go by, to wait for something which, for all practical purposes, cannot pass in the course of the next 4 or 5 months.

That, I say to the Senator from Louisiana, is the real question. This is the important trend. It is not going to pass a conference committee, it is not going to pass the House of Representatives, unless these questions are answered. But we are not going to get the opportunity to answer those questions on time unless we include this provision in this bill at this time. On behalf of our constituents, I ask that the Senate facilitate help to our people rather than putting them in jeopardy.

Mr. McCLURE. Mr. President, will the Senator yield?

Mr. GORTON. I yield

Mr. McCLURE. I think it is obvious we will not be able to complete action on this amendment this evening. I think the majority leader is about to ask us to temporarily set it aside. Before doing that, however, I want to put the Senate on notice of two things: One is that I will propose an amendment to the amendment at the appropriate time which states as follows: On page 81, line 14, before the period insert the following:

: Provided, That all of the restrictions and limitations set forth in 16 U.S.C. 839d(j)(1) shall apply to any contracts or obligations entered into by the administrator pursuant to this provision

That language will be added because the Treasury Department wants to make certain what I believe is certain under the existing statute, that the full faith and credit of the United States is in no way pledged to the repayment here, and that it is the intent of the legislation to make the ratepayers bear all costs associated with the project. As I mentioned I believe this is the current law and the effect of this amendment.

Also, Mr. President, I ask unanimous consent that a letter addressed to me dated August 1, 1983, from the Deputy Secretary of the Treasury, Mr. R. T. McNamar, in support of this amendment be printed in the RECORD.

The PRESIDING OFFICER (Mr. WILSON). Is there objection?

Mr. METZENBAUM. Mr. President, reserving the right to object, I do want to say to my friend from Idaho that I indicated I was prepared to raise a point of order in order that he might be heard, and I did not yield to him with the thought in mind that he was going to propose an amendment to the amendment. I think under the circumstances that is somewhat irregular.

Mr. McCLURE. Mr. President, will the Senator yield further? Let me say that I seek no advantage in doing this. I just want people to understand what this language says, and the purpose of the amendment is simply to make abundantly clear what I think is a redundant explanation of what the law is already. I do not think it adds to or subtracts from either the Senator's position or mine.

Mr. METZENBAUM. We can discuss it further tomorrow. I think the majority leader is seeking recognition.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE DEPUTY SECRETARY
OF THE TREASURY,
Washington, D.C., August 1, 1983.

Hon. JAMES A. McCLURE,
Chairman, Senate Subcommittee on Interior and Related Agencies, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: The situation at Washington Public Power Supply System is complicated and its resolution is important to the long-term power needs of the Pacific Northwest. Treasury is anxious to work with the Congress to provide clarifying legislation to facilitate the completion of WPPSS Units 2 and 3. We share your sense of urgency in developing a solution that meets the needs of all parties, avoids a bailout of the creditors and equity holders, and minimizes Federal Government outlays.

Treasury has reviewed Section 317 of H.R. 3363 as reported by the Senate and S. 1701, which contemplates that ratepayers in the region that receive the power generated by WPPSS Units 2 and 3, and not the federal government, would be responsible for paying all costs associated with these two plants. This legislation would permit the Bonneville Power Administration ("BPA") to contract with a newly created entity to pay the principal and interest due on securities issued in the public credit markets by that new entity. This new authority would be used to enable completion of the two nuclear power plants (WPPSS Units 2 and 3). Treasury believes that it is important to assure investors and all those concerned with this matter that the intent of the legislation is not to extend federal involvement. Clarity here will help to avoid creating confusion about the intent of this provision. In our view, this purpose can best be secured if the modifications recommended below are adopted. Subject to these modifications, Treasury does not object to the proposed legislation.

First, since Treasury understands that the intent of the legislation is to make the ratepayers bear all costs associated with this project. Treasury believes an amendment

that clarifies that intent is highly desirable. Such a clarifying amendment is enclosed herewith. The intent of this additional language, and of the legislative history language described below, is to ensure that no federal funds, in the form either of borrowings from Treasury or of appropriations, be used to complete the two nuclear power plants.

Second, to clarify this position, the following language should be added either in the Conference Report discussing this provision or in clarifying statements during consideration of this legislation:

The Congress specifically intends that all of BPA's costs associated with the new financing for WPPSS No. 2 and No. 3 be recovered in BPA's rates by both BPA and FERC. Thus all funds needed to pay all costs associated with completion of these plants will be borne solely by the ratepayers, and the Administrator may not use funds from appropriations or from the issuance of securities to the Secretary of the Treasury pursuant to 16 U.S.C. 838k(a) to pay for any of the costs associated with completing WPPSS No. 2 and No. 3. Further, by incorporating by reference the limitations and restrictions set forth in 16 U.S.C. 839d(j)(1), Congress intends that any contract entered into by BPA shall be secured solely by revenues received by the Administrator from the sale of electric power and other services and that any such contracts or obligations are not, and shall not be construed to be, secured by the full faith and credit of the United States.

If these two conditions are met, the Office of Management and Budget has advised that there is no objection to Section 317 of H.R. 3363 as reported by the Senate and S. 1701 from the standpoint of the Administration's program.

Sincerely,

R. T. McNAMAR,
Deputy Secretary.

Mr. McCLURE. The Senator from Texas had an amendment which he wished to offer. We could temporarily set this amendment aside and adopt this amendment by voice vote without any time at all, if it is all right.

Mr. METZENBAUM. I am prepared, if the majority leader wishes to put us in recess, but other than that I think we ought to stay on this issue.

Mr. BAKER. Mr. President, I gather from the visual colloquy and the eloquent gestures I saw made by both participants that it may be in order for the distinguished Senator from Texas to ask unanimous consent to temporarily lay aside the pending committee amendment so that he may offer an amendment; is that correct?

The PRESIDING OFFICER. The Senator from Texas is recognized for that purpose.

Mr. McCLURE. Mr. President, reserving the right to object—and I shall not—under this parliamentary procedure the pending amendment would be the pending business on resumption of consideration of this bill?

Mr. BAKER. Yes, Mr. President, it would be.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Amendment No. 2108

(Purpose: To change the name of the Institute for Museum Services to the Endowment for Museums)

Mr. TOWER. Mr. President, I send to the desk an amendment and ask the clerk to report.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Texas (Mr. TOWER) proposes an amendment numbered 2108.

Mr. TOWER. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 82, after line 15, add the following:

SEC. . Any reference in any law, order, or regulation, including this Act, to the—

(1) Institute of Museum Services shall be deemed to refer to the National Endowment for Museums;

(2) the National Museum Services Board or the Museum Services Board shall be deemed to refer to the National Endowment for Museums Board; and

(3) the Director of the Institute when such references refers to the Director of the Institute of Museum Services shall be deemed to refer to the Director of the National Endowment for Museums.

Mr. TOWER. Mr. President, the simple purpose of this amendment is to change the name of the Institute of Museum Services to the National Endowment for Museums.

The Institute for Museum Services was at one time a part of the Department of Education. It has now been separated by congressional action from the Department of Education and made a companion agency of the Endowment for the Arts and Endowment for the Humanities.

It is appropriate, therefore, that the name be changed. The amendment I would propose would only change the name. It would not change the funding profiles, it would not change anything except the name, and it has no budgetary impact.

I have discussed it with the distinguished Senator from Idaho (Mr. McCLURE), the Senator from Louisiana (Mr. JOHNSTON), I have discussed it with Senator PELL, and I think he would deliver himself of his own sentiments on the issue.

May I say that the matter will be in conference, and if there is any problem with that amendment, obviously the conferees can act appropriately when they reach the conference.

It seems to me that since the Institute for Museum Services does perform services for both the arts and the humanities, it is an appropriate name change which has been requested by the board of directors of the Institute and by the outgoing director of the Institute who, very coincidentally, happens to be my wife.

May I yield to the Senator from Rhode Island?

Mr. PELL. Mr. President, I appreciate the words of the Senator from Texas very much indeed and also the thought here of elevating the Institute for Museum Services.

However, while the board of the institute supports this concept, there is some doubt, I believe, in the museum community as to the effect of this amendment because it might well dry up support for museums from the Endowment of the Arts and the Endowment of the Humanities, and for that reason, having been the author of the original bill, I have some reservations about this amendment.

However, out of respect and friendship for my colleague from Texas and for his wife, who has been the director of the institute, I will not object at this time, but I would hope that before it is decided upon in conference ample time is allowed so that the museum community itself can make their views known as well.

Mr. TOWER. May I say I agree with the Senator from Rhode Island that if any serious objections are raised from the museum community itself—and I do not think it will be, and if it did I would not offer this—but if it is I think, of course, the conferees will take that into consideration before it is disposed of.

Mr. JOHNSTON. Mr. President given the sentiments of my distinguished friend for Rhode Island as well as my colleague from Texas, we have no objection.

Mr. McCLURE. Mr. President, I have no objection, subject to the limitations which have been expressed. I am ready to accept the amendment.

The PRESIDING OFFICER (Mr. MURKOWSKI). The question is on agreeing to the amendment of the Senator from Texas.

The amendment (No. 2108) was agreed to.

Mr. TOWER. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. McCLURE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

EXTENSION OF PERIOD FOR ROUTINE MORNING BUSINESS

Mr. BAKER. Mr. President, with my usual lack of success in estimating time, I estimated that we would be out by 6 p.m.

Mr. President, I ask unanimous consent that there now be one more period for the transaction of routine morning business to go not beyond the hour of 6:30 with Senators permitted to speak therein.

THE TEXTILE AGREEMENT WITH RED CHINA—ANOTHER EXERCISE OF FOLLY?

Mr. HELMS. Mr. President, this past weekend officials of the United States and the so-called People's Republic of China reached agreement on a new bilateral treaty setting limits on Red Chinese textile and apparel imports into the United States. This new agreement is crucial to the economy of North Carolina, where roughly 300,000 workers earn their livelihoods from textiles and apparel.

Mr. President, I have not seen all the details of the agreement. But based on what I have been able to find out since it was initialed in Peking Saturday night, I have reservations about it.

I was disappointed, for example, that the agreement was reached in the absence of U.S. industry advisers to the talks, who walked out to demonstrate their concern that the U.S. Government position should have been tougher.

Mr. President, these are critical times for the U.S. textile and apparel industries. Their very survival—and the economic future of the countless American workers they employ—could well depend on what happens in the next few months.

It is imperative, then, the every act of this administration with regard to textile and apparel imports be consistent with President Reagan's commitment to seek to limit the growth of textile imports to the growth of the domestic market. I cannot say whether or not this agreement will provide a framework for meeting this commitment. I do not know enough about it yet.

The question right now is whether U.S. officials charged with the duty of implementing our textile agreements will seek to carry out the President's commitment within the framework of this agreement. Every one of them should be aware of this commitment. They should also be aware that they are under close scrutiny to see that their actions are consistent with it. What is at stake, Mr. President, are thousands of jobs all over America. We have already exported too many U.S. textile and apparel jobs to the Far East. This trend must be reversed.

In the event this agreement is not tough enough, I will call upon the administration to renegotiate it. Whether it is deemed tough enough will depend in large measure on how it is enforced. If enforcement is adequate, maybe the textile industry will be able to live with it.

I have seen reports that the new agreement would allow imports of Communist Chinese textiles and apparel in 35 of 106 specific categories to grow at a rate of from 2 to 4 percent each year. What this will mean in practice remains to be seen. Unfortunately, under our previous bilateral agreement with Red China—which purported to limit textile and apparel growth to 4 percent a year—the volume of imports from Red China surged 40 percent in 1980, 73 percent in 1981, and 25 percent in 1982. This year to date imports from Red China are up 16 percent despite unilateral quotas. These figures indicate how important enforcement is.

The Communist Chinese need hard currency, and one of the few ways they have to get it is by exporting textiles and apparel for sale in our markets. Naturally, the more textiles and apparel they can sell us, the more hard currency they will have. In 1982, Red China shipped 800 million dollars' worth of textiles and apparel to the United States—11 percent of all U.S. imports. You can bet the Red Chinese will aggressively seek to increase their exports to the United States, and to acquire an even greater share of our market.

I have never been an advocate of trade with Communist China, Mr. President. My position on that is well-known, as is my record. I vigorously fought President Carter's proposal to extend most-favored-nation trading status to Communist China. I was apprehensive when our wheat farmers sought new markets in Red China following President Carter's grain embargo with the Soviet Union. And I will continue to caution against trying to build our economic stability on trade with Communist nations.

I will continue to monitor carefully developments in textile and apparel trade. And I also intend to promote vigorously the interests of American textile and apparel workers and manufacturers with this administration.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed in the end of the Senate proceedings.)

PRESIDENTIAL APPROVAL

A message from the President of the United States announced that on August 1, 1983, he had approved and signed the following enrolled bill:

S. 459. An act to authorize and direct the Secretary of the Interior to convey, by quitclaim deed, all right, title, and interest of the United States in and to certain lands that were withdrawn or acquired for the purpose of relocating a portion of the city of American Falls out of the area flooded by the American Falls Reservoir.

MESSAGE FROM THE HOUSE RECEIVED DURING THE ADJOURNMENT

ENROLLED BILL SIGNED

On July 29, 1983, during the adjournment of the Senate the Secretary of the Senate received a message from the House of Representatives announcing that the Speaker pro tempore had signed the following enrolled bill:

H.R. 3069. An act making supplemental appropriations for the fiscal year ending September 30, 1983, and for other purposes.

Under the authority of the order of July 29, 1983, the enrolled bill was signed by the majority leader (Mr. BAKER).

MESSAGES FROM THE HOUSE

At 12:16 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its clerks, announced that the House insists upon its amendment to the bill (S. 675) to authorize appropriations for fiscal year 1984 for the Armed Forces for procurement, for research, development, test, and evaluation, and for operation and maintenance, to prescribe personnel strengths for such fiscal year for the Armed Forces and for civilian employees of the Department of Defense, "to authorize appropriations for such fiscal year for civil defense, to authorize certain construction at military installations for fiscal year, to authorize appropriations for the Department of Energy for national security programs for such fiscal year, and for other purposes," and ask a conference with the Senate on the disagreeing votes of the two Houses thereon.

Ordered, That Mr. PRICE, Mr. BENNETT, Mr. STRATTON, Mr. NICHOLS, Mr. DANIEL, Mr. MONTGOMERY, Mr. ASPIN, Mr. DELLUMS, Mr. DICKINSON, Mr. WHITEHURST, Mr. SPENCE, Mrs. HOLT, Mr. HILLIS, and Mr. BADHAM; from the Permanent Select Committee on Intelligence, only when differences regarding intelligence-related activities are under consideration: Mr. BOLAND, Mr. MINETA, Mr. MCCURDY, Mr. ROBINSON, and Mr. STUMP; as additional conferees for consideration of section 1030C and 1030D of the Senate bill, and modifications thereof committed to conference: Mr. PERKINS, Mr. HAWKINS, Mr. FORD of Michigan, Mr. BIAGGI, Mr. ERLENBORN, and Mr. GOODLING, be the managers of the conference on the part of the House.

At 1:25 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 622. An act to amend title 5 of the United States Code to provide health benefits to survivors of Federal law enforcement officers and firefighters, and for other purposes; and

H.R. 2760. An act to amend the Intelligence Authorization Act for fiscal year 1983 to prohibit U.S. support for military or paramilitary operations in Nicaragua and to authorize assistance, to be openly provided to governments of countries in Central America, to interdict the supply of military equipment from Nicaragua and Cuba to individuals, groups organizations, or movements seeking to overthrow governments of countries in Central America.

ENROLLED JOINT RESOLUTION SIGNED

The message also announced that the Speaker has signed the following enrolled joint resolution:

H.J. Res. 321. Joint resolution to proclaim a day of national celebration of the 200th anniversary of the signing of the Treaty of Paris.

The enrolled joint resolution was subsequently signed by the President pro tempore (Mr. THURMOND).

At 5:25 p.m. a message from the House of Representatives, delivered by Mr. Berry, one of its clerks, announced that the House had passed the following bills, without amendment:

S. 727. An act to authorize the Secretary of the Interior to set aside certain judgment funds of the Three Affiliated Tribes of Fort Berthold Reservation in North Dakota, and for other purposes.

S. 930. An act to authorize the Smithsonian Institution to purchase land in Santa Cruz County, Ariz.

The message further announced that the House had agreed to the following concurrent resolutions, without amendment:

S. Con. Res. 7. A concurrent resolution to authorize and provide for a bust of Carl Hayden to be placed in the Capitol.

S. Con. Res. 58. A concurrent resolution correcting the enrollment of S. 272.

The message further announced that the House has passed the following bills each with an amendment in which it requests the concurrence of the Senate.

S. 46. An act to revise, consolidate, and enact certain laws related to vessels and seamen as subtitle II of title 46, United States Code, "Shipping'."

S. 1098. An act to consolidate and authorize certain ocean and coastal programs and functions of the National Oceanic and Atmospheric Administration under the Department of Commerce.

The message further announced that the House agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (S. 272) to improve small business access to Federal procurement information.

The message also announced that the House has passed the following bills and joint resolutions, in which it requests the concurrence of the Senate:

H.R. 1256. An act to amend title 14, United States Code, to provide for selective preappointment travel to the Coast Guard Academy for cadet applicants, and for other purposes;

H.R. 1372. An act to provide for the operation of certain foreign-built vessels in the coastwise trade of Alaska;

H.R. 2590. An act to amend the Agricultural Adjustment Act to authorize marketing research and promotion projects, including paid advertising for filberts and to amend the Potato Research and Promotion Act;

H.R. 2727. An act to codify without substantive change recent laws relating to money and finance and transportation and to improve the United States Code;

H.R. 3232. An act to amend title 28 of the United States Code to authorize payment of travel and transportation expenses of newly appointed special agents of the Department of Justice;

H.R. 3677. An act to amend title XVIII of the Social Security Act to increase the cap amount allowable for reimbursement of hospices under the medicare program;

H.J. Res. 297. Joint resolution providing for appointment of Jeannine Smith Clark as a citizen regent of the Board of Regents of the Smithsonian Institution; and

H.J. Res. 338. Joint resolution to correct Public Law 98-63 due to an error in the enrollment of H.R. 3069.

HOUSE MEASURES REFERRED

The following bills and joint resolution were read the first and second times by unanimous consent, and referred as indicated:

H.R. 622. An act to amend title 5 of the United States Code to provide death benefits to survivors of Federal law enforcement officers and firefighters, and for other purposes; to the Committee on Labor and Human Resources.

H.R. 1256. An act to amend title 14, United States Code, to provide for selective preappointment travel to the Coast Guard Academy for cadet applicants, and for other purposes; to the Committee on Commerce, Science, and Transportation.

H.R. 1372. An act to provide for the operation of certain foreign-built vessels in the coastwise trade of Alaska; to the Committee on Commerce, Science, and Transportation.

H.R. 2590. An act to amend the Agricultural Adjustment Act to authorize marketing research and promotion projects, including paid advertising for filberts and to amend the Potato Research and Promotion Act; to the Committee on Agriculture, Nutrition, and Forestry.

H.R. 2727. An act to codify without substantive change recent laws related to money and finance and transportation and to improve the United States Code; to the Committee on the Judiciary.

HOUSE MEASURE READ THE FIRST TIME

The following bill was read the first time:

H.R. 2760. An act to amend the Intelligence Authorization Act for fiscal year 1983 to prohibit U.S. support for military or paramilitary operations in Nicaragua and to authorize assistance, to be openly provided to governments of countries in Central America, to interdict the supply of military equipment from Nicaragua and Cuba to individuals, groups, organizations, or movements seeking to overthrow governments of countries in Central America.

MEASURE PLACED ON THE CALENDAR

The following joint resolution was read twice and placed on the calendar:

H.J. Res. 297. A joint resolution providing for appointment of Jeannine Smith Clark as a citizen regent of the board of Regents of the Smithsonian Institution.

ENROLLED JOINT RESOLUTION PRESENTED

The Secretary reported that on today, August 1, 1983, he had presented to the President of the United States the following enrolled joint resolution:

S.J. Res. 67. Joint resolution to designate the week of September 25, 1983 through October 1, 1983, as "National Respiratory Therapy Week."

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-1536. A communication from the Commissioner of the Bureau of Reclamation, Department of the Interior, transmitting, pursuant to law, a report on modifications to Island Park Dam, Minidoka project, Idaho-Wyo.; to the Committee on Energy and Natural Resources.

EC-1537. A communication from the Federal Inspector, Alaska Natural Gas Transportation System, transmitting, pursuant to law, a report on the status of the Alaska Natural Gas Transportation System for April through June 1983; to the Committee on Energy and Natural Resources.

EC-1538. A communication from the president of the American Trucking Associations, Inc. and the executive director of the Regular Common Carrier Conference, transmitting, for the information of the Senate, a report on highway damage by causes other than large trucks; to the Committe on Finance.

EC-1539. A communication from the Chairman of the Board of Trustees of the Public Defender Service of the District of Columbia, transmitting, pursuant to law, the annual report of the Service for fiscal year 1980; to the Committee on Governmental Affairs.

EC-1540. A communication from the Chief of the Army and Air Force Exchange Service, transmitting, pursuant to law, the annual report on the financial condition of the pension plan of the Service for calendar year 1982; to the Committee on Governmental Affairs.

EC-1541. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a list of the

reports issued by the General Accounting Office for the month of June 1983; to the Committee on Governmental Affairs.

EC-1542. A communication from the Deputy Chief of Staff for Installations and Logistics, Department of the Navy, transmitting, pursuant to law, the annual report of the retirement plan for civilian employees of the U.S. Marine Corps exchanges, recreation funds, clubs, messes, and the Marine Corps Exchange Service for calendar year 1982; to the Committee on Governmental Affairs.

EC-1543. A communication from the Deputy Assistant Secretary of the Air Force (Logistics and Communications), transmitting, pursuant to law, a report on the conversion of the mess attendant function at Loring Air Force Base to performance by contractor; to the Committee on Armed Services.

EC-1544. A communication from the Principal Deputy Assistant Secretary of the Navy (Shipbuilding and Logistics), transmitting, pursuant to law, a report on the conversion of the food services function at the Naval Regional Medical Center, Charleston, S.C., to performance by contractor; to the Committee on Armed Services.

EC-1545. A communication from the Director of the Congressional Budget Office, transmitting, pursuant to law, a report entitled "Current Cost-Sharing and Financing Policies for Federal and State Water Resources Development"; to the Committee on Environment and Public Works.

EC-1546. A communication from the Secretary of Education, transmitting, pursuant to law, final regulations for the Indian fellowship program; to the Committee on Labor and Human Resources.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. COHEN, from the Committee on Governmental Affairs, without amendment:

S. Res. 192. An original resolution waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 1001. Referred to the Committee on the Budget.

By Mr. COHEN, from the Committee on Governmental Affairs, with an amendment in the nature of a substitute and an amendment to the title:

S. 1001. A bill to authorize appropriations for the Office of Federal Procurement Policy for an additional 5 fiscal years.

COMMITTEE DISCHARGED

The Committee on Energy and Natural Resources discharged the following bill, which was placed on the calendar:

S. 724. A bill to authorize the U.S. Army Corps of Engineers to undertake activities to provide new public works investment, grants to the several States to encourage and foster the construction of necessary public capital investment projects, to assist in creating new and productive jobs, and for other purposes.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. ROTH, from the Committee on Governmental Affairs:

Judith W. Rogers, of the District of Columbia, to be an associate judge of the District of Columbia Court of Appeals for the term of 15 years;

A. Franklin Burgess, of the District of Columbia, to be associate judge of the Superior Court of the District of Columbia for the term of 15 years.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. GRASSLEY (for himself, Mr. JEPSEN, Mr. GORTON, and Mr. COCHRAN):

S. 1716. A bill to clarify the personal injury and death provisions of section 844 of title 18, United States Code, relating to arson; to the Committee on the Judiciary.

By Mr. SPECTER (for himself, Mr. DIXON and Mr. SASSER):

S. 1717. A bill to amend the Railroad Unemployment Insurance Act to extend the supplemental benefits provision for 1 year; to the Committee on Labor and Human Resources.

By Mr. DANFORTH (by request):

S. 1718. A bill to amend the Trade Act of 1974 to renew the authority for the operation of the Generalized System of Preferences, and for other purposes; to the Committee on Finance.

By Mr. METZENBAUM:

S. 1719. A bill to amend the Internal Revenue Code of 1954 to eliminate capital gain treatment of timber income; to the Committee on Finance.

By Mr. PELL:

S. 1720. A bill to amend the Federal Reserve Act to provide for increased representation of small business interests on the Board of Governors of the Federal Reserve; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. BINGAMAN:

S.J. Res. 141. A joint resolution to designate the week of September 25, 1983, through October 1, 1983, as "Carrier Alert Week"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. LEAHY (for himself, Mr. LAUTENBERG and Mr. SASSER):

S. Res. 191. A resolution relating to justice in the case of the slain American churchwomen in El Salvador; to the Committee on Foreign Relations.

By Mr. COHEN:

S. Res. 192. An original resolution waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 1001; from the Committee on Governmental Affairs; to the Committee on the Budget.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. GRASSLEY (for himself, Mr. JEPSEN, Mr. GORTON, and Mr. COCHRAN):

S. 1716. A bill to clarify the personal injury and death provisions of section 844 of title 18, United States Code, relating to arson; to the Committee on the Judicary.

PUBLIC SAFETY OFFICERS PROTECTION ACT

● Mr. GRASSLEY. Mr. President, I rise today to introduce legislation that would clarify the enhanced penalty provisions of Federal laws relating to the use of explosive materials in arson fires.

These enhanced penalty provisions were made part of the law in recognition that a person who intentionally sets a fire to a building or other structure, sets in motion a destructive force that may take the life of others. It was a recognition that arson is a crime of violence, not merely a crime against property.

It was a recognition that a natural and foreseeable consequence of an arsonist's acts are that firefighters may be injured, or even die, fighting the fire. It was a recognition on the part of Congress, that the arsonists must be held accountable for this highest of crimes, the taking of human life.

Because of the ambiguity in the law that this legislation addresses, at least one Federal court has held that the enhanced penalty provisions do not apply to injuries to firefighters. This, in fact, happened recently in Sioux City, Iowa.

There, two firefighters, Mr. Michael L. Johnson and Mr. Kirk M. Wicker died fighting a fire set by an arsonist because his business was failing. Six other firefighters were injured.

As tragic as that was, insult was added to injury when a Federal court ruled, in the criminal prosecution of the arsonists, that the enhanced penalty provisions of 18 U.S.C. 844 did not apply to the death and injury of firefighters. Instead, the arsonists were treated as though all they had done was set fire to a building. They were not punished for the murder of the firemen.

Now imagine if you will, Mr. President and my colleagues. Imagine that you are the close relative or friend of a person that has chosen to risk his life and safety, protecting the lives and property of your community. And then some night, or in the early morning hours as happened in Sioux City, your friend or loved one loses his life while fighting a fire set by an arsonist.

Imagine that just as you are coming to grips with that tragedy, consoling yourself with the knowledge that public service was what your loved one wanted to do, something that they felt was important. And then some Federal court rules that this courageous person who has given his life is not included in the protection of the statute. And then the arsonist is sentenced by the court as though no one had been hurt. As though no one had died. As

though only a building had been destroyed.

The Public Safety Officers Protection Act would clearly express the intent of Congress that injuries, or deaths, of public safety officers performing their duties fighting an arson fire are covered by the enhanced penalty statute. The law currently provides that the maximum penalty for an arson fire resulting in injury is doubled, and if death results, any penalty, including the death penalty, may be imposed.

Now I want to make clear for the benefit of some of my colleagues that this legislation would not create a death penalty provision nor impose a more severe penalty than Congress has already authorized. Nor would it, in my view, bring under the protection of the statute any person that is not already, intended to be, under its protection. Rather, it would make crystal clear that public safety officers, including police and firemen, are under its protection.

Mr. President, and my colleagues, between 1978 and 1982, 67 firefighters in the United States lost their lives fighting fires set by arsonists. Many times that number were injured, some permanently disabled.

It is common knowledge that many such arson fires are set by people acting for monetary gain. I believe that if a man whose business is failing is considering having a fire set to his business to collect the insurance, the knowledge that he may spend 20 years in prison if a firefighter is injured, and may receive the death penalty if one is killed, may just prevent that crime from taking place.

Mr. President, I ask unanimous consent that the text of this bill be printed following my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1716

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Public Safety Officers Protection Act".

SEC. 2. (a) Subsection (d) of section 844 of title 18, United States Code, is amended by—

(1) striking out "personal injury results" and inserting in lieu thereof "personal injury results to any person, including any public safety officer performing duties as a direct or proximate result of conduct prohibited by this subsection,"; and

(2) striking out "deaths results," and inserting in lieu thereof "death results to any person, including any public safety officer performing duties as a direct or proximate result of conduct prohibited by this subsection,".

(b) Subsection (f) of section 844 of such title is amended by—

(1) striking out "personal injury results" and inserting in lieu thereof "personal injury results to any person, including any public safety officer performing duties as a direct or proximate result of conduct prohibited by this subsection,"; and

(2) striking out "deaths results" and inserting in lieu thereof "death results to any person, including any public safety officer performing duties as a direct or proximate result of conduct prohibited by this subsection,".

(c) Subsection (i) of section 844 of such title is amended by—

(1) striking out "personal injury results" and inserting in lieu thereof "personal injury results to any person, including any public safety officer performing duties as a direct or proximate result of conduct prohibited by this subsection"; and

(2) striking out "deaths results" and inserting in lieu thereof "death results to any person, including any public safety officer performing duties as a direct or proximate result of conduct prohibited by this subsection,".●

By Mr. SPECTER (for himself, Mr. DIXON, and Mr. SASSER):

S. 1717. A bill to amend the Railroad Retirement Unemployment Insurance Act to extend the supplemental benefits provison for 1 year; to the Committee on Labor and Human Resources.

UNEMPLOYED RAILROAD WORKERS SUPPLEMENTAL BENEFITS EXTENSION ACT OF 1983

Mr. SPECTER. Mr. President, today I am introducing, along with Senators DIXON and SASSER, legislation that will reinstate the program of supplemental unemployment benefits for railroad workers that was authorized in the emergency jobs bill and expired on June 30, 1983.

In the jobs bill we appropriated $125 million to finance an additional 10 weeks of unemployment compensation for those railroad workers who had exhausted the 26 weeks to which they were entitled. Congress inadvertently eliminated the original extended benefits program with enactment of the Omnibus Budget Reconciliation Act of 1981.

Fortunately, this program has cost much less than expected. As of July 21, 1983, the Railroad Retirement Board had only paid out $41 million.

When the supplemental benefits program expired, many railroaders had not exhausted their supplemental benefits. And despite our seeming recovery, many workers continue to be laid off or will remain jobless for many weeks. It is imperative that we commit the unused resources included in the jobs bill to give needed relief to unemployed railroad workers and their families.

The seasonally adjusted unemployment rate in the railroad industry during May 1983 was a staggering 16.9 percent. Prior to reconciliation of 1981, a rate of approximately 8 percent would trigger additional weeks of benefits. Originally, extended benefits would also be awarded if the insured unemployment rate reached 4.5 percent. The Congressional Budget Office, for the purposes of fiscal year 1984 budget, has until now contended that the IUR would remain above this level for at least the first three quarters of the next fiscal year.

Mr. President, the Congress has acted responsibly in providing as many as 63 weeks of unemployment benefits to workers in the general economy who have involuntarily lost their jobs and have exhausted their basic benefits component. Railroad workers and their families should be treated with no lesser standard of compassion. They, too, know the hardships of long-term unemployment; they are the individuals who bore the brunt of our prolonged economic slump. It is our duty to act without delay to provide a modicum of support until they return to the comfort and security they once knew well.

In May, the number of railroad workers collecting unemployment checks hit a high of 30,000, and has since decreased steadily. In mid-July, only 8,500 workers filed for benefits, reflecting both increased employment in the railroad industry and the end of the supplemental benefits program. In any case, sufficient funds remain to finance a supplemental program during the 1983-84 benefit year, which began July 1.

The bill I place before the Senate today, the Unemployed Railroad Workers Supplemental Benefits Extension Act, will afford those railroaders with less than 10 years of service who have already received their initial 26 weeks of benefits an additional 10 weeks of support.

Furthermore, those unemployed who had not received the full 10 weeks of supplemental compensation as of June 30 when the program ended will not receive their remaining benefits.

My State of Pennsylvania counts among its residents more unemployed railroad workers than any other State. They, and the more than 70,000 railroad workers who have been laid off since the recession began look to us now for guidance and support. I urge my colleagues to join me in pursuing rapid enactment of this important legislation.

● Mr. SASSER. Mr. President, I rise today to join my distinguished friend and colleague from Pennsylvania, Mr. SPECTER, in offering legislation which is aimed at lessening the dreaded consequences of unemployment for thousands of railroad workers in this country.

The economic recession we have experienced over the past 2½ years has exacted a heavy burden on millions of working Americans. Unemployment has climbed to levels not seen since the Great Depression. And although there are encouraging economic signs on the horizon, the latest statistics provided by the Bureau of Labor Statistics indicate that civilian unemployment stands at 10 percent. In other

words, there are still over 11 million Americans who cannot find work.

In the recently passed budget resolution, it was assumed that unemployment for the next fiscal year would continue to remain above 9 percent and would be 8.5 percent for fiscal year 1985, despite significant fiscal restraints and an improving economy. The administration, in its mid-session review of the fiscal year 1984 budget released last week, concedes 8.9 percent unemployment for the coming fiscal year. Thus, it is painfully obvious that even so much as a glimmer of economic prosperity will elude a significant portion of the population.

The railroad industry has been particularly hard hit by the recession. In May, unemployment in the rail industry stood at 16.9 percent. Since 1981, rail employment has dropped from 503,000 to 380,000 in March of this year. Although unemployment has steadily declined since March, today there are nearly 100,000 more unemployed railroad workers than 2 years ago.

The purpose of this legislation is to provide relief in the form of supplemental unemployment benefits to those rail workers with less than 10 years of service. Earlier this year, Congress passed legislation similiar to this as part of the emergency jobs bill. Unfortunately, payment of these benefits expired on June 30. For many thousands of rail workers, the 10 week extension enacted in the jobs bill was little more than a cruel aberration. What we are attempting to do is merely live up to the spirit of the legislation that passed Congress a few short months ago. Our bill would allow those workers afflicted with unemployment to take full advantage of the 10 week extension of supplemental benefits. The Railroad Retirement Board estimates that anywhere from 30,000 to 50,000 workers would benefit from this legislation.

There is absolutely no reason why railroaders should be treated differently than other workers. In the general economy, it is possible for workers to receive as much as 63 weeks of unemployment benefits. Yet, to these rail workers with less than 10 years service, there is the reality of only receiving in some instances no more than 26 weeks. The despair, frustration, and need for hope is every bit as real to these individuals as it is to all others.

Furthermore, it is estimated that the cost of this legislation will be negligible. In the jobs bill, we appropriated $125 million for this program. To date, only $41 million has been spent. It is estimated that the program called for in this bill will cost approximately $40 to $50 million. Thus, it is possible to pay for these benefits from moneys already appropriated and still realize savings.

Mr. President, I urge my colleagues to give this matter their full attention, and sincerely hope that they will join us in attempting to remedy this serious problem.●

By Mr. DANFORTH (by request):

S. 1718. A bill to amend the Trade Act of 1974 to renew the authority for the operation of the Generalized System of Preferences, and for other purposes; to the Committee on Finance.

GENERALIZED SYSTEM OF PREFERENCES RENEWAL ACT OF 1983

● Mr. DANFORTH. Mr. President, today I am introducing legislation on behalf of the administration to reauthorize the Generalized System of Preferences (GSP) which is to expire January 3, 1985. When the GSP was first implemented in 1976, its purpose was to help developing countries diversify their economies. By encouraging development through trade, the GSP program was designed to lessen a developing country's need for external assistance and make that country a participant in the international trading system.

All developed countries that participate in the General Agreement on Tariffs and Trade (GATT) now have GSP schemes. The U.S. GSP program was authorized by Congress in title V of the 1974 Trade Act. Under the program, the President designates both countries and products eligible for duty-free treatment. Articles are first designated based on their import-sensitivity. Certain products are statutorily exempt, such as textiles, footwear, and steel. Articles entitled to import relief for safeguards or national security reasons cannot benefit for the period that relief is afforded. A 35 percent direct cost, value-added rule of origin protects against passthrough operations.

Approximately 3,000 products from 100 lesser developed countries (LDC's) now receive duty-free treatment. The total value of 1982 GSP imports was $8.4 billion, or about 8 percent of total U.S. imports, and was predominantly in nonagricultural products. Of the total GSP imports, 64 percent came from 5 countries, and 88 percent from 15 countries. The United States enjoys a merchandise trade surplus with most of the GSP beneficiaries.

Prior to the Tokyo round multilateral trade negotiations tariff concessions, the weighted average tariff level waived under GSP was 9 percent. By 1987, after the multilateral trade negotiations tariffs are phased in, the level will be 4.5 percent. Although this level would not appear to be of significant competitive value, the lesser developed countries regard the GSP program as retaining great symbolic value.

A report on the growth of GSP imports and their import penetration in the U.S. market was published in May by the U.S. International Trade Commission. The principal findings of the study included:

First, GSP imports, rising from $5.2 billion to $8.4 billion over the 1978–81 period, accounted for only 4.1 percent of total imports in 1978 and rose modestly to 4.9 percent in 1981.

Second, GSP imports have not resulted in significant increases in the overall import share of the total U.S. market or of the markets of any of the seven major industrial sectors examined. GSP imports averaged 0.5 percent or less of total U.S. consumption over the entire period.

Third, in only 12 of the roughly 650 smaller commodity/industry groups examined in the study have GSP imports resulted in significant increases in import penetration.

Fourth, a variety of factors were found to limit the degree of market penetration by GSP imports including the various statutory checks built into the program, the limited product coverage of the program, the modest rates of duty on GSP eligible items, and the manufacturing limitations in many of the beneficiary countries.

From this study, it would appear that benefits from the GSP program have accrued to developing nations, but not in such a magnitude as to damage American industry and employment.

U.S. TRADE WITH DEVELOPING NATIONS

The GSP program has contributed to the emerging role of the Third World as an important factor in U.S. trade. This growing partnership fosters economic prosperity both in the United States and the Third World. As Secretary of State George Shultz has indicated, "There will be no enduring economic prosperity for our country without economic growth in the Third World." The economic well-being of citizens in the United States is in fact directly related to the well-being of citizens in the Third World. Moreover, in the absence of economic stability in most developing nations, prospects for enduring political stability are remote.

World trade has become an integral part of the economy of the United States. Every $1 billion in increased exports results in an additional 25,000 jobs. Every $1 billion in decreased exports may result in a decrease of 60,000 to 70,000 U.S. jobs, after multiplier effects are taken into account. Between 1977 and 1980, four out of five all new manufacturing jobs created in the United States were related to exports. One out of six U.S. jobs are dependent upon exports. As regards U.S. trade with the Third World, approximately 1 out of every 20 workers in our manufacturing plants and one our of every 5 acres of our farmland produce for Third World markets.

This trade with developing nations has increased at a remarkable rate since the inception of the GSP program in 1976. In the late seventies and early eighties, U.S. exports to Third World countries increased at more than 30 percent per year before the current recession took its toll. The developing countries have been the fastest growing market for U.S. exports. In the first 3 months of 1983, the developing countries bought 36 percent of all our exports. This means that developing countries purchased more U.S. exports than Western Europe, Eastern Europe, the Soviet Union, and China combined.

Trade with the Third World, while providing jobs to U.S. workers, yields two additional benefits. First, the Third World countries provide many strategic minerals to the United States that are vital to our strategic industrial base.

Second, healthy trading relations may prove to be the most effective way of providing financial assistance to the Third World. In 1980, the developing countries export earnings of $580 billion amounted to 17 times what they received in foreign aid. Putting an emphasis on trade rather than aid is in the best interest of both the United States and the Third World countries.

In this regard, the United States at the recent Williamsburg summit pledged, along with our allies, to stimulate the economies of the developing countries through increased international trade. Granting reasonable duty-free import privileges to developing countries is an effective way to strengthen the economies of the Third World. By strengthening these economies, we are in turn strengthening the export markets of the United States. Creating a strong market for U.S. exports is essential to enduring economic prosperity and employment for our country.

GSP RENEWAL

Mr. President, the administration's legislation would extend the GSP program for a period of 10 years. It goes beyond a simple extension of current law, however, in a number of significant ways, as described in the following letter of transmittal from U.S. Trade Representative William Brock.

It is my intention to hold the initial hearing on this legislation in the Subcommittee on International Trade on August 4.

Mr. President, I ask unanimous consent that Ambassador Brock's letter be printed in the RECORD, along with the "Generalized System of Preferences Renewal Act." And an analysis of the bill.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1718

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; STATEMENT OF PURPOSES.

(a) SHORT TITLE.—This Act may be cited as the "Generalized System of Preferences Renewal Act of 1983".

(b) PURPOSES.—The purposes of this Act are to—

(1) promote the development of developing countries, which often need temporary preferential advantages to compete effectively with industrialized countries;

(2) promote the notion that trade, rather than aid, is a more effective and cost-efficient way of promoting broad-based sustained economic development;

(3) take advantage of the fact that developing countries provide the fastest growing markets for United States exports and that foreign exchange earnings from trade with such countries through the Generalized System of Preferences can further stimulate United States exports;

(4) allow for the consideration of the fact that there are significant differences among developing countries with respect to their general development and international competitiveness;

(5) encourage the providing of increased trade liberalization measures, thereby setting an example to be emulated by other industrialized countries;

(6) recognize that a large number of developing countries must generate sufficient foreign exchange earnings to meet international debt obligations;

(7) promote the creation of additional opportunities for trade among the developing countries;

(8) integrate developing countries into the international trading system with its attendant responsibilities in a manner commensurate with their development;

(9) encourage developing countries to eliminate or reduce significant barriers to trade in goods and services and to investment, and

(10) address the concerns listed in the preceding paragraphs in a manner that—

(A) does not adversely affect United States producers and works, and

(B) conforms to our international obligations under the General Agreement on Tariffs and Trade.

SEC. 2. 10-YEAR EXTENSION OF THE GENERALIZED SYSTEM OF PREFERENCES.

Section 505 of the Trade Act of 1974 (19 U.S.C. 2465) is amended by striking out all after the heading and inserting in lieu thereof the following:

"No duty-free treatment under this title shall remain in effect after January 3, 1995.".

SEC. 3. CONSIDERATION OF A BENEFICIARY DEVELOPING COUNTRY'S COMPETITIVENESS IN EXTENDING PREFERENCES.

Section 501 of the Trade Act of 1974 (19 U.S.C. 2461) is amended—

(1) by striking out "and" at the end of paragraph (2),

(2) by striking out the period at the end of paragraph (3) and inserting in lieu thereof "; and", and

(3) by adding at the end thereof the following new paragraph:

"(4) the extent of the beneficiary developing country's competitiveness with respect to eligible articles.".

SEC. 4. AMENDMENTS RELATING TO THE COMPETITIVE NEED LIMIT.

Subsections (c) and (d) of section 504 of the Trade Act of 1974 (19 U.S.C 2464 (c) and (d)) are amended to read as follows:

"(c)(1) Whenever the President determines that any country—

"(A) has exported (directly or indirectly) to the United States during a calendar year a quantity of an eligible article having an appraised value in excess of an amount which bears the same ratio to $25,000,000 as the gross national product of the United States for the preceding calendar year, as determined by the Department of Commerce, bears to the gross national product of the United States for calendar year 1974, or

"(B) except as provided in subsection (d)(2), has exported (either directly or indirectly) to the United States a quantity of any eligible article equal to or exceeding 50 percent of the appraised value of the total imports of such article into the United States during any calendar year.

then, not later than 90 days after the close of such calendar year, such country shall not be treated as a beneficiary developing country with respect to such article.

"(2)(A) Not later than 2 years after the date of the enactment of the Generalized System of Preferences Renewal Act of 1983, and periodically therafter, the President shall conduct a general review of eligible articles based on a consideration of the factors set forth in sections 501 and 502(c).

"(B) If, after any review under subparagraph (A), the President determines that this subparagraph should apply because a beneficiary developing country has demonstrated a sufficient degree of competitiveness (relative to other beneficiary developing countries) with respect to any eligible article, then paragraph (1) shall be applied to such country with respect to such article by substituting—

"(i) '1983' for '1974' in subparagraph (A), and

"(ii) '25 percent' for '50 percent' in subparagraph (B).

"(3)(A) Not earlier than 2 years after the date of the enactment of the Generalized System of Preferences Renewal Act of 1983, the President may waive the application of this subsection with respect to any eligible article of any beneficiary developing country if, before the 90th day after the close of the calendar year for which a determination was made, the President—

"(i) determines, based on the factors set forth in sections 501 and 502(c), that such waiver is in the national economic interest of the United States, and

"(ii) publishes such determination in the Federal Register.

"(B) In making any determination under subparagraph (A), the President shall give great weight to the extent to which the beneficiary developing country has assured the United States that such country will provide equitable and reasonable access to its markets.

"(C) Any waiver granted pursuant to this paragraph shall remain in effect until the President determines that such waiver is no longer warranted due to changed circumstances.

"(4) Except in any case to which paragraph (2) applies, the President may waive the application of this subsection if, before the 90th day after the close of the calendar year for which a determination was made, the President determines and publishes in

the Federal Register that, with respect to such country—

"(A) There has been a historical preferential trade relationship between the United States and such country,

"(B) There is a treaty or treaty or trade agreement in force covering economic relations between such country and the United States, and

"(C) such country does not discriminate against, or impose unjustifiable or nureasonable barriers to, United States commerce.

"(5) A country which is no longer treated as a beneficiary developing country with respect to an eligible article by reason of this subsection may be redesignated, subject to the provisions of sections 501 and 502, a beneficiary developing country with respect to such article if imports of such article from such country did not exceed the limitations in paragraph (1) (after application of paragraph (2)) during the preceding calendar year.

"(d)(1)(A) Subsection (c) shall not apply to any beneficiary developing country which the President determines, based on the factors set forth in sections 501 and 502(c), to be a least developed beneficiary developing country.

"(B) The President shall—

"(i) make such determination with respect to each beneficary developing country within 6 months after the date of the enactment of the Generalized System of Preferences Renewal Act of 1983, and periodically thereafter, and

"(ii) notify the Congress at least 60 days before any such determination becomes final.

"(2) (c)(1)(B) (after application of subsection (c)(2)) shall not apply with respect to any eligible article if a like or directly competitive article was not produced in the United States on the earlier of—

"(A) January 3, 1985, or

"(B) January 1 of the calendar year for which the determination is being made under subsection (c)(1)(B).".

U.S. TRADE REPRESENTATIVE,
Washington, July 22, 1983.

Hon. JOHN C. DANFORTH,
U.S. Senate,
Washington, D.C.

DEAR JACK: As promised in my correspondence to Chairman Robert Dole of July 12, 1983, I am pleased to transmit to you for introduction in the Senate the Administration's legislative proposal for the renewal of the Generalized System of Preferences (GSP) program.

As you are aware, this Administration is firmly committed to the renewal of Congressional authority for the GSP program, which is due to expire on January 3, 1985.

For the past year, the Office of the United States Trade Representative has reviewed the operation of the GSP program. All of our private sector advisory committees and subcommittees discussed the issue of renewal and many recommendations for change were suggested. Further, USTR sponsored three public hearings over a period of eight days in New York, San Francisco, and Washington, D.C. More than eighty witnesses presented testimony concerning the extension of GSP and over one hundred other interested parties supplied written comments. In sum, my Office, in conjunction with the staff of your Trade Subcommittee, solicited and compiled the views of all interested U.S. producers, workers, importers and exporters, and foreign governments.

The proposal for GSP renewal which I submit to you today for consideration was drafted after taking into account these many recommendations and views, and in particular, it incorporates specific suggestions made by your subcommittee staff. This compilation of information represents the most comprehensive evaluation of the GSP program undertaken since the program's inception. I invite your subcommittee to review this material, together with the Five Year Report of GSP and the recently completed International Trade Commission (ITC) report entitled "An Evaluation of U.S. Imports Under the GSP".

The Administration's proposal for renewal accomplishes four critical objectives: (1) limiting GSP treatment for highly competitive products; (2) creating the possibility for the least developed countries to expand their trade with the U.S.; (3) providing leverage to further liberalize barriers to U.S. exports; and (4) adding a new dimension of predictability, protection and tangible benefits to U.S. interests.

Under this renewed GSP plan, the United States will have greater ability to seek expanded market access for U.S. goods and services in beneficiary countries. We will take a long, hard look at the potentially trade-distorting practices of these GSP countries before we continue to provide preferential treatment on a product-by-product basis. In short, the Administration's renewal proposal will allow us to use our GSP program and the benefits it bestows to create opportunities for our importing and exporting community here at home, while at the same time providing a chance for the developing world to make responsible decisions about their own economic growth.

The importance of the GSP program to the economic well-being of both the United States and developing countries has grown considerably over the past decade. For developing countries, GSP encouraged trade provides an essential stimulus to efficient production and rapid economic growth. This in turn results in greater markets for U.S. exports and more jobs for Americans. Currently, developing countries purchase nearly 40 percent of all U.S. exports, which is considerably greater than U.S. exports to the EC and Japan combined, and exports to the developing countries are growing considerably faster than exports to these traditional developed country markets.

I thank you for your consideration and introduction of this vitally important piece of legislation.

Very truly yours,

WILLIAM E. BROCK.

Enclosures.

ADMINISTRATION PROPOSAL TO RENEW THE GENERALIZED SYSTEM OF PREFERENCES

Statutory authority for the U.S. Generalized System of Preferences (GSP) will expire on January 3, 1985. Now in its eighth year of operation, the GSP has become an integral part of U.S. trade and foreign policy. It has made a contribution to the long-term economic development of many developing countries and has stimulated two-way trade between the United States and these countries. The GSP has become a significant component of U.S. bilateral relations with many beneficiary countries. It is in the interest of the United States to extend the GSP program beyond 1985 in such a way as to strengthen these developments further.

The GSP is a program of tariff preferences granted by the United States to developing countries to assist their economic development by encouraging greater diversification and expansion of their production and exports. At present, the GSP grants duty-free treatment to approximately 3,000 products imported from 140 developing countries and territories. The value of U.S. imports receiving GSP duty-free treatment grew from $3.0 billion in 1976, the program's first year of operation, to $8.4 billion in 1982. GSP imports represent only 3 percent of total U.S. imports.

IMPORTANCE OF THE GSP TO U.S. TRADE

The importance of trade to the economic well-being of both the United States and developing countries has grown considerably over the past decade. Currently, developing countries purchase nearly 40 percent of U.S. exports, which is considerably greater than U.S. exports to the EC and Japan combined, and exports to the developing countries are growing considerably faster than exports to these traditional developed country markets.

For developing countries, trade provides an essential stimulus to efficient production and rapid economic growth. Exporting to world markets enables developing countries to achieve scales of production that could not be reached on the basis of their domestic demand alone. This permits developing countries to employ their human, natural and capital resources in their most productive uses, thereby maximizing output and income from the available resources. Exports also generate the foreign exchange necessary to pay for fuel, intermediate inputs and capital goods imports that are required for their development efforts.

Export growth is essential for developing countries to meet their debt services requirements. The durability of financial support programs for high-debt developing countries arranged by the International Monetary Fund, central banks in developed countries, and commercial banks depends upon these countries' export expansion. A strong export performance also helps to attract additional foreign private investment, which increases a developing country's ability to expand its production capacity as well as its social and physical infrastructure.

On the other hand, competition from imports heightens the incentives for local producers in developing countries to improve their productivity and encourages them to adopt product and production innovations that raise the country's overall level of technology. All of these benefits from trade increase a developing country's ability to employ its people and to provide a higher standard of living for them.

It is in our mutual interest to increase further the bilateral trade flows between the United States and developing countries. The Administration believes the GSP has made an important contribution in this regard since 1976. The GSP has become an integral part of our overall effort to encourage economic development through trade, not aid. The GSP beneficiary countries, many of which have longstanding and close ties to the United States, look on the program as an important indication of the seriousness with which the United States views its stated policy of encouraging self-sufficient economic development. They attach great importance to this concrete incentive the United States provides for increased domestic production and export of their manufactured, semi-manufactured, and agricultural products. The increased export earnings generated by the GSP program permit ben-

eficiary countries to pay for priority imports supporting further economic development. They also help create conditions for the beneficiary countries to expand their purchases of American capital goods and agricultural products.

The 19 other OECD developed donor countries are committed to a balanced continuation of the GSP. Most have already extended their GSP programs for a second decade. The Administration believes a renewal of the GSP based on the considerations outlined above will reinforce the development goals of the GSP and further support the economic and foreign policy interests of the United States.

DESCRIPTION OF ADMINISTRATION PROPOSAL

In addressing the importance of continuing the U.S. GSP program beyond its scheduled expiration in January 1985, several considerations must be kept in mind:

The recognition that developing countries provide the fastest growing markets for U.S. exports and that foreign exchange earned by these countries through the GSP can further stimulate U.S. exports.

The desire to provide further opportunities for increased trade liberalization, thereby setting an example for other industrialized countries to follow.

The recognition that many developing countries maintain significant barriers to trade in goods and services and to investment which, if liberalized, would spur the U.S. exports.

The desire to integrate developing countries into the international trading system with its attendant responsibilities in a manner commensurate with their development.

The recognition that there are significant differences among developing countries with respect to their general development and international competitiveness.

The desire to create additional opportunities for trade among the developing countries.

The recognition that trade, rather than aid, is a more effective and cost-effective way of promoting broadbased sustained economic development.

The recognition that a large number of developing countries must generate sufficient foreign exchange earnings to meet international debt obligations.

The desire to promote the development of Third World countries, which often need temporary preferential advantages to compete effectively with industrialized countries;

The desire to address these concerns in a manner that does not adversely affect U.S. producers and workers.

Taking into account these considerations and taking note of the recent actions by other industrialized countries to extend their GSP programs, the Administration proposes a ten-year extension of the U.S. GSP. The Administration further proposes that the program be modified so as to better serve the interests outlined above.

The renewed GSP program would be structured so as to further the goals of: (1) limiting GSP treatment for highly competitive products; (2) assuring U.S. exports greater market access in beneficiary countries; (3) reallocating benefits to the less developed beneficiary countries to the degree possible; and (4) conforming to U.S. international obligations under the GATT and related agreements.

Under the renewed program, the President should continue to be guided in his GSP eligibility decisions by the following factors set forth under the existing statute and administrative procedures:

(1) the development level of individual beneficiaries;

(2) the beneficiary country's competitiveness in a particular product;

(3) the overall interests of the United States;

(4) the effect such action will have on furthering the economic development of developing countries;

(5) whether or not the other major developed countries are extending generalized preferential tariff treatment to such product or products;

(6) the anticipated impact of such action on United States producers of like or competitive products; and

(7) the extent to which the beneficiary country has assured the United States it will provide equitable and reasonable access to the markets and basic commodity resources of such country.

However, the Administration intends to depart from current practice by giving increased weight to two of these factors: the level of economic development of a beneficiary and whether that country provides adequate market access to U.S. exports. In its market access considerations, the Administration will examine not only beneficiary country tariff and non-tariff barriers to trade in goods and services, but also other trade-distorting practices such as performance requirements and inadequate protection of intellectual property rights.

The considerations noted above would be employed with respect to the limitation of GSP treatment for highly competitive products from the more advanced beneficiaries and with respect to the liberalization of GSP treatment as a means to induce beneficiary countries to provide significant market access. Given the authority to liberalize GSP treatment beyond present statutory restraints, the Administration would also attempt to ensure that the least developed beneficiary countries receive the greatest amount of benefits possible under the system.●

By MR. METZENBAUM:

S. 1719. A bill to amend the Internal Revenue Code of 1954 to eliminate capital gain treatment of timber income; to the Committee on Finance.

ELIMINATION OF CAPITAL GAIN TREATMENT ON TIMBER INCOME

Mr. METZENBAUM. Mr. President, in 1943, the timber interests of this country came to Washington and left with a special tax provision that treats the sale of timber as a capital gain. This means that instead of paying a tax rate as high as 46 percent, they need only pay 28 percent.

The farmers of my State of Ohio, when they make a profit growing corn, wheat, or soybeans, pay their taxes at ordinary tax rates. But those who cut timber, which is planted in the same manner as other crops, are allowed to treat their profits as a capital gain.

Today I am introducing legislation to repeal the special capital gains treatment accorded timber income.

Mr. President, the timber industry is one of the lowest taxed sectors of our economy. According to a recent study of corporate tax rates, the paper, fiber, and wood industry paid a 4 percent effective tax rate on U.S. income in 1981. A similar study conducted by the Joint Tax committee reported that the paper industry paid a negative 14.2-percent rate. The industry, in other words, received so many tax writeoffs that companies either received a refund on prior taxes paid or a credit to reduce future tax bills.

I am not alone in my belief that the timber industry is not paying its fair share.

In testimony before the Senate Finance Committee, Assistant Secretary of the Treasury John Chapoton characterized timber as "one of the most tax favored of domestic industries." He pointed to the capital gains treatment of timber, observing that profits received by manufacturers and producers of every other product are taxed at ordinary rates. And he pointed out that the timber industry receives a 10-percent tax credit and rapid depreciation for reforestation expenses.

Who can qualify for the preferential capital gains treatment?

Prior to 1944, only timber that was not used for a business purpose, which was sold on an occasional basis, and in which the seller retained no economic benefit qualified for capital gains treatment. These requirements excluded timber cut on public-or industry-owned acreage from capital gains treatment. In effect, only farmers and nontimber industry owners of timber could benefit.

But in 1943, the timber industry pushed through the Congress an amendment that expanded the capital gains treatment. And since 1944, the timber industry has not only been allowed to pay capital gains rates on timber it cuts from its own lands, but from private lands and even timber cut on public lands. In 1954, the law was expanded to include Christmas trees.

Today, we have a tax law that bestows capital gains treatment to taxpayers who hold timber for 1 year. The taxpayer need not have planted or nurtured the trees.

And, the land itself does not have to be subject to taxation—it can be Federal land.

And, what if, by chance, the timber company owns the land upon which the timber is cut?

In that case, the timber qualifies not only for capital gains treatment on the profits earned on the timber; the company also gets special tax breaks for reforestation expenses.

Since 1980, timber companies have been eligible to take a 10-percent investment tax credit and to write off their reforestation expenses over a 7-year period for reforestation expenses up to $10,000 per year.

No other taxpayer can take an investment tax credit for improvements

to property, nor can any other taxpayer, except for oil companies which can immediately write off intangible drilling costs, write off improvements to land in so rapid a fashion. Other taxpayers must write off improvements to real property over the same period that the property itself is written off.

There are no standards to qualify for this preferential treatment. A site does not have to be economically feasible. There are no requirements that the planting be done properly. There is no requirement that the landowner tend the plants at all. The tax benefits exist even if the planting fails.

Reforestation is a laudable goal, but we have Federal programs now in place to directly accomplish it.

Landowners can receive free or subsidized seedlings, and technical assistance; and, they can receive subsidies for reforestation, fire prevention, and insect, and disease control. In fact these direct subsidies cost the Federal Government some $100 million per year.

Mr. President, my bill would eliminate only the special capital gains treatment accorded timber. It would not disturb the subsidies provided through direct programs and the special tax credit and depreciation provisions. It would have no effect whatever on reforestation.

But this bill would raise some $3.1 billion through fiscal year 1988.

I believe that the capital gains treatment accorded timber income should be eliminated as part of the effort to raise $73 billion mandated under the budget resolution.

Mr. President, let me add just one more word.

I cannot think of any more timely period when Congress should be indicating its attitude with respect to timber in this country.

Just last week, the White House had the audacity—and I say it was audacious—to make it possible for contracts that timber companies have entered into with the U.S. Government to be extended for a period of 5 years, without any interest whatsoever. I submit to the Members of Congress that I doubt very much that that action on the part of the White House was legal; but whether it was legal or illegal, it was highly inappropriate. It was wrong. It was the giving away of something approaching $500 million a year by the White House.

This administration, which has talked so much about balancing the budget, has flaunted in the face of the American people this giveaway of hundreds of millions of dollars to the timber industry.

I believe that this bill would move in the right direction. But I believe that the White House should be called to account for their action, which I consider to be highly illegal. When the appropriate time comes, I will offer an amendment to see whether or not we can take action to reverse the action of the White House in giving away hundreds of millions of dollars to the timber industry.

Mr. HATFIELD. Mr. President, I should like to take this occasion to invite the Senator from Ohio to make a visit to Oregon—I really mean this; I think it would be very enlightening—to have an opportunity to visit the greatest timber production State in the Union.

I think that when the Senator from Ohio has had an opportunity to see timber growing, he might wish to revise his remarks when he compares growing corn with growing trees, as he has just done on the floor of the Senate. I believe it would be helpful and enlightening for all of us to able to delineate between growing corn in Ohio and growing trees in Oregon.

Mr. METZENBAUM. Mr. President, I will not take issue with the Senator from Oregon that there is a difference between growing corn and growing trees, but I will take issue with the Senator from Oregon when he says in his press release that the partial victory for the timber contractors' relief bill, which was the White House action—and I have great respect for the Senator from Oregon—but that does not justify whether corn is similar to timber or whether timber is similar to soybeans. It does not justify giving away hundreds of millions of dollars to the timber industry.

As the Senator from Oregon knows, I had indicated to him publicly as well as privately last year, and again this year, that I was prepared to join him in providing relief for those portions of the timber industry that needed relief and otherwise might be forced into bankruptcy, but that I did not believe we should provide relief as was provided by the White House when they saw they could not get the legislation through Congress. I did not think it was all right to give that kind of relief to some of the largest corporations in America who certainly do not need the relief, but that I was willing, in the instance of those companies that might otherwise go bankrupt, whether small or large, to write into the legislation an appropriate means of providing them with relief from those contracts.

I think the action of the White House was so egregiously wrong that it should embarrass all of us in Congress that we did nothing to keep them from taking this action. I consider the action to be totally illegal.

Mr. President, I ask unanimous consent that the text of the bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1719

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ELIMINATE THE CAPITAL GAIN TREATMENT OF TIMBER HELD FOR INVESTMENT

(a) IN GENERAL.—Section 631 of the Internal Revenue Code of 1954 (relating to gain or loss in the case of timber, coal, or domestic iron ore) is amended to read as follows:

"SEC. 631. GAIN OR LOSS IN THE CASE OF COAL OR DOMESTIC IRON ORE.

"In the case of the disposal of coal (including lignite), or iron ore mined in the United States, held for more than 1 year before such disposal, by the owner thereof under any form of contract by virtue of which such owner retains an economic interest in such coal or iron ore, the difference between the amount realized from the disposal of such coal or iron ore and the adjusted depletion basis thereof plus the deductions disallowed for the taxable year under section 272 shall be considered as though it were a gain or loss, as the case may be, on the sale of such coal or iron ore. Such owner shall not be entitled to the allowance for percentage depletion provided in section 613 with respect to such coal or iron ore. This subsection shall not apply to income realized by any owner as a co-adventurer, partner, or principal in the mining of such coal or iron ore, and the word "owner" means any person who owns an economic interest in coal or iron ore in place, including a sublessor. The date of disposal of such coal or iron ore shall be deemed to be the date such coal or iron ore is mined. In determining the gross income, the adjusted gross income, or the taxable income of the lessee, the deductions allowable with respect to rents and royalties shall be determined without regard to the provisions of this subsection. This subsection shall have no application, for purposes of applying subchapter G, relating to corporations used to avoid income tax on shareholders (including the determinations of the amount of the deductions under section 535 (b)(6) or section 545(b)(5)). This subsection shall not apply to any disposal of iron ore—

"(1) to a person whose relationship to the person disposing of such iron ore would result in the disallowance of losses under section 267 or 707(b), or

"(2) to a person owned or controlled directly or indirectly by the same interests which own or control the person disposing of such iron ore.".

(b) CONFORMING AMENDMENTS.—

(1) Subsection (e) of section 57 of such Code (defining timber preference income) is amended by striking out paragraph (1) and redesignating paragraphs (2) and (3) as paragraphs (1) and (2), respectively.

(2) Paragraph (5) of section 512(b) of such Code (relating to unrelated business taxable income) is amended by striking out the last sentence.

(3) Paragraph (3) of section 617(f) of such Code (relating to deduction and recapture of certain mining exploration expenditures) is amended by striking out "section 631 (c)" each place it appears and inserting in lieu thereof "section 631".

"(4) Section 871(a)(1)(B), 871(d)(1)(A), 881(a)(2), and 882(d)(1)(A) of such Code are amended by striking out "section 631(b) or (c)" each place it appears and inserting in lieu thereof "section 631".

(5) Paragraph (2) of section 1231(b) of such Code (defining property used in the

trade or business) is amended to read as follows:

"(2) COAL OR DOMESTIC IRON ORE.—Such term includes coal and iron ore with respect to which section 631 applies.".

(6) Subparagraph (B) of section 1402(a)(3) of such Code (defining net earnings from self-employment) is amended to read as follows:

"(B) from the disposal of coal or iron ore, if section 631 applies to such gain or loss, or".

(7) Subsections (b) and (c)(5) of section 1441 of such Code (relating to withholding of tax on nonresident aliens) are amended by striking out "631 (b) or (c)" and inserting in lieu thereof "631".

SEC. 2. EFFECTIVE DATE.

The amendments made by this section shall apply to taxable years beginning after December 31, 1983.

By Mr. PELL:

S. 1720. A bill to amend the Federal Reserve Act to provide for increased representation of small business interests on the Board of Governors of the Federal Reserve System; to the Committee on Banking, Housing, and Urban Affairs.

FEDERAL RESERVE BOARD OF GOVERNORS

Mr. PELL. Mr. President, I introduce for appropriate reference a bill to permanently reserve one of the seven seats on the Board of Governors of the Federal Reserve System for a representative of small business.

I would like to note especially that my bill is very similar to one introduced in the last Congress by the distinguised minority leader. He is the one who has pioneered in this area and I am very proud to follow in his steps.

My bill permanently reserves one seat on the seven-person Board of Governors as the small business seat, and directs the President to make his next appointment to that seat.

With the return of 14-percent mortgages and the recent escalation of interest rates for the acknowledged purpose of cooling down a recovery, the Nation has once again been reminded that monetary policy of far-reaching consequence is the product of many pressures and interests which come to bear on the few people who serve on the Federal Reserve's Board of Governors and on its Open Market Committee.

The background and perspective of the people who establish monetary policy thus can be of considerable significance to the various elements of the economy that are especially sensitive to credit availablity. It was for this reason that Congress mandated, in establishing the Federal Reserve Board, that its membership should reflect the principal sectors of the economy and different geographic regions of the country. The statute specifies that:

In selecting the members of the Board, not more than one of whom shall be selected from any one Federal Reserve District, the President shall have due regard to a fair representation of the financial, agricultural, industrial, and commercial interests, and geographical divisions of the country.

Over the years, the original congressional mandate for pluralism in the membership of the Board seems to have been honored more in the breach than in practice. The Board in recent years has tended to be populated by bankers and former civil servants who are specialists in monetary regulation. Their view tends to be macroeconomic in scope and to the extent that they represent interests or viewpoints, I believe they naturally tend to reflect the viewpoint of large corporate interests.

This, I believe, is a significant departure from the intent of the original congressional mandate. For in the matter of credit availability, quantitative size has a lot to do with qualitative results. Small ventures simply do not enjoy the same easy access to capital as do big established concerns. Small businesses and especially new ventures simply may not have the necessary collateral or be able to promise an early return on their capital. Thus credit restraints that may appear to make sense for large components of the economy my be disastrously restrictive to new ventures and small concerns that do not have the resources to weather the storm.

And the smaller components of our economy do need to be heard. Small businesses account for nearly 50 percent of the entire U.S. work force and small businesses contributed 60 percent of the increase in total employment during 1979–81. Despite our much publicized trend to corporate bigness through merger and conglomeration, we still are very much a nation of shopkeepers, family businesses and family farms. Especially in the current era of new high technology ventures, we continue to be a nation of opportunity for individual entrepreneurs with credit worthy ideas.

Yet our monetary policy is set by a small group whose principal focus often seems to be on the interests of big business and on the threshold of endurance of the strongest and most established elements of the economy. It may be for this reason that a record 25,000 small businesses failed last year.

The legislation I am introducing today seeks to remedy the situation by requiring that at least one of the seven members of the Federal Reserve Board of Governors be charged by law with representing the special interests of small business. Hopefully, such an appointee will effectively argue for the special needs of this vulnerable, credit-sensitive sector of the economy. Hopefully such an appointee would be especially cognizant of the credit thresholds above which small businesses may be adversely effected more swiftly than large corporate entities. And hopefully such an appointee may cause his or her colleagues on the Board to moderate their policies to reflect a broader sensitivity to the Nation's monetary requirements.

Mr. President, this issue is not a new one to the Senate and I might note that the Senate is already on record as supporting the basic objectives of my bill, although only in a permissive sense. On December 8, 1981, the Senate approved by a vote of 87 to 3 an amendment by the distinguished majority leader to the Small Business Innovation Research Act of 1981 expressing the sense of the Senate that the next occurring vacancy on the Federal Reserve Board be filled by an individual with substantial small business experience.

It should be clearly noted, however, that the measure which was approved on that occasion was a substitute for an amendment offered by the distinguished minority leader which would have directed and required the President to nominate such an individual.

In other words, the Senate approved a permissive, nonbinding request for a small business presence on the Board, in lieu of the mandatory requirement envisioned by the minority leader. The nonbinding resolution being an expression of the sense of the Senate, was deleted in conference and disappeared from the context of the Small Business Innovation Research Act, which became law in July 1932 without reference to the composition of the Board.

An interesting postscript to the Senate action occurred in January 1982 when the President nominated a new member of the Board who did appear to fulfill the Senate prescription. The nominee was Preston Martin who now sits on the Federal Reserve Board of Governors as its vice chairman. Mr. Martin has been involved in a number of small business ventures in the 1950's and 1960's, particularly in the housing and mortgage finance field, and he served as the chairman of the Federal Home Loan Bank Board from 1969 to 1972. His nomination to the Federal Reserve Board was endorsed by the president of the National Small Business Association who stated that "he fits the requirements of the resolution passed by the Senate."

There is another side to Mr. Martin's story, however, which suggests the insufficiency of the Senate resolution, and that is simply that Mr. Martin's days as a small business entrepreneur are far behind him. Since then he has enjoyed the kind of success which every small businessman dreams of but few are fortunate enough to attain.

One of Mr. Martin's small firms, PMI Mortgage Insurance Co., grew into three large companies with na-

tionwide business. They were acquired by Sears, Roebuck, and Mr. Martin became a director of Sears and of seven of its subsidiaries, one of which he served as chief executive officer. When he left Sears last November he received severance pay of $446,438. Hardly the usual lot of the average small businessman.

Mr. Martin does have many superior qualifications to serve on the Federal Reserve Board of Governors and I wish him well. However, he can hardly be considered representative of small business interests and it hardly seems fair to expect that he could accept as his first priority the advocacy of the small business viewpoint. Yet that viewpoint needs to be asserted.

My bill would assure that it would be by mandating not only the appointment of a person of appropriate background but by requiring that person specifically to represent small business interests. Identical legislation has been introduced in the House by Congressman MAVROULES. I urge its favorable consideration by both bodies.

By Mr. BINGAMAN:

S.J. Res. 141. Joint resolution to designate the week of September 25, 1983, through October 1, 1983, as "Carrier Alert Week"; to the Committee on the Judiciary.

CARRIER ALERT PROGRAM

● Mr. BINGAMAN. Mr. President, I am introducing a joint resolution to declare September 25 as "Carrier Alert Week." The carrier alert program was established by joint agreement between the U.S. Postal Service and the National Association of Letter Carriers (NALC). The carrier alert program is designed to provide public assistance to the elderly, handicapped, and homebound postal customers.

Under carrier alert, a local sponsoring social service agency notifies the post office of customers who wish to participate in the program. It envisions that a letter carrier performing his or her daily rounds will be alert to an accumulation of mail which might signify a sudden illness or accident. Through locally developed procedures, the accumulation of mail is reported to the local social service agency which assumes administrative functions, arranges for emergency attention if necessary and notifies relatives of the customer's condition. This service is by no means new. I am certain we all have heard stories of letter carriers risking their lives to save the lives of others—to save a child in a blazing building, to rescue a drowning swimmer, to provide first aid to a victim of an automobile accident. Over the years thousands of letter carriers have performed such tasks. This program will be a joint effort of management and labor of the U.S. Postal Service to maximize the positive effects of such Good Samaritan acts.

The positive results of this voluntary program have been tremendous. Hundreds of cities throughout the country have started or are developing carrier alert programs. I am pleased to report that Albuquerque, Farmington, and Roswell, N. Mex., are included in the list of cities with a carrier alert program.

Carrier alert activities also could not take place without the sponsorship at the local level of social service organizations like the Administration on Aging, the American Red Cross, and the United Way of America.

Due to the success of the program, recent talks to extend the voluntary carrier alert program have been held among the U.S. Postal Service, the National Association of Letter Carriers, and the participating social service organizations.

The objectives of the meeting were to discuss ways to inform elderly and invalids not yet participating in established carrier alert programs how they can register and to encourage establishment of carrier alert programs in communities that do not yet have the program.

To further these two objectives, the United Way, in cooperation with the NALC, has produced a public service television announcement about carrier alert and the reassurance it can give to elderly or disabled postal customers. These television spots are being distributed to 210 major television markets across the country; some will appear in communities where carrier alert has not yet been established. The announcements advise viewers to call their local post office for information on carrier alert program.

Mr. President, I am very proud of carrier alert as a national program supported by both postal labor and management. The participation of letter carriers in community service activities has a long and proud history which certainly predates the development of this program. I believe it is important at this time to give recognition to this unique public assistance program and to letter carriers for their contribution in making it work. I offer this joint resolution in recognition of these efforts.●

ADDITIONAL COSPONSORS

S. 337

At the request of Mr. PACKWOOD, the name of the Senator from Alabama (Mr. DENTON) was added as a cosponsor of S. 337, a bill to amend the Internal Revenue Code of 1954 to make permanent the deduction for charitable contributions by nonitemizers.

S. 422

At the request of Mr. JEPSEN, the name of the Senator from Oklahoma (Mr. NICKLES) was added as a cosponsor of S. 422, a bill to amend title 18 of the United States Code to provide a criminal penalty for robbery of a controlled substance.

S. 618

At the request of Mr. PERCY, the names of the Senator from New York (Mr. D'AMATO), the Senator from Hawaii (Mr. INOUYE), the Senator from Florida (Mrs. HAWKINS), the Senator from Michigan (Mr. LEVIN), and the Senator from Ohio (Mr. GLENN) were added as cosponsors of S. 618, a bill to revise certain Federal training and economic development programs to create jobs and develop skills in renewable energy and energy conservation industries, and for other purposes.

S. 719

At the request of Mr. THURMOND, the name of the Senator from Alaska (Mr. STEVENS) was added as a cosponsor of S. 719, a bill to amend subchapter II of chapter 73 of title 10, United States Code, to eliminate the social security offset against annuities provided for under such subchapter to the extent that the social security benefits of the annuitant are based on the annuitant's own employment.

S. 752

At the request of Mr. ARMSTRONG, the name of the Senator from Iowa (Mr. JEPSEN) was added as a cosponsor of S. 752, a bill to authorize certain additional measures to assure accomplishment of the objectives of title II of the Colorado River Basin Salinity Control Act, and for other purposes.

S. 865

At the request of Mr. HATFIELD, the name of the Senator from Wyoming (Mr. SIMPSON) was added as a cosponsor of S. 865, a bill to establish a nationally uniform deep-draft vessel tax for the purpose of financing operations and maintenance of deep-draft commercial channels and harbors; to fund a percentage of new channel improvements; and to provide an expedited procedure for the authorization and permitting of navigation improvement projects and related landside facilities in deep-draft ports, and for other purposes.

S. 1006

At the request of Mr. SPECTER, the names of the Senator from Pennsylvania (Mr. HEINZ), and the Senator from Illinois (Mr. PERCY) were added as cosponsors of S. 1006, a bill to amend the Internal Revenue Code of 1954 to repeal the 15-percent reduction in percentage depletion for iron ore and coal.

S. 1195

At the request of Mr. BENTSEN, the name of the Senator from Georgia (Mr. MATTINGLY) was added as a cosponsor of S. 1195, a bill to amend the Internal Revenue Code of 1954 to promote the contribution of scientific equipment to elementary and secondary schools and universities and to

foster university research and scientific training.

S. 1388

At the request of Mr. SIMPSON, the names of the Senator from Alabama (Mr. DENTON), the Senator from California (Mr. CRANSTON), the Senator from Alaska (Mr. MURKOWSKI), the Senator from South Carolina (Mr. THURMOND), the Senator from Vermont (Mr. STAFFORD), the Senator from Minnesota (Mr. BOSCHWITZ), and the Senator from Maine (Mr. MITCHELL) were added as cosponsors of S. 1388, a bill to amend title 38, United States Code, to increase the rates of disability compensation for disabled veterans and to increase the rates of dependency and indemnity compensation for surviving spouses and children of veterans.

S. 1511

At the request of Mr. JEPSEN, the names of the Senator from Wisconsin (Mr. KASTEN), the Senator from Iowa (Mr. GRASSLEY), and the Senator from North Dakota (Mr. ANDREWS) were added as cosponsors of S. 1511, a bill to amend title XVIII of the Social Security Act to provide that certain hospice programs may provide nursing care through arrangements with certified medicare providers.

S. 1592

At the request of Mr. DOLE, the name of the Senator from Rhode Island (Mr. PELL) was added as a cosponsor of S. 1592, a bill to amend title XVIII of the Social Security Act to correct provisions relating to the cap for hospice care.

S. 1613

At the request of Mr. TRIBLE, the name of the Senator from Nevada (Mr. HECHT) was added as a cosponsor of S. 1613, a bill to amend title 10, United States Code, with respect to the provision of medical benefits and post and base exchange and commissary store privileges to certain former spouses of certain members or former members of the Armed Forces.

S. 1687

At the request of Mr. JEPSEN, the name of the Senator from Illinois (Mr. DIXON) was added as a cosponsor of S. 1687, a bill to amend the Agricultural Act of 1949 to require the Secretary of Agriculture to make an earlier announcement than is required under current law of any acreage limitation or set-aside program established for the 1984 or 1985 crop of feed grains or the 1985 crop of wheat.

S. 1699

At the request of Mr. DOLE, the name of the Senator from Texas (Mr. BENTSEN) was added as a cosponsor of S. 1699, a bill to amend title XVIII of the Social Security Act to provide medicare coverage of hepatitis B vaccine for vaccine for end-stage renal disease patients.

SENATE JOINT RESOLUTION 54

At the request of Mr. NICKLES, the name of the Senator from North Dakota (Mr. BURDICK) was added as a cosponsor of Senate Joint Resolution 54, a joint resolution to authorize and request the President to designate the month of January 1984 as "National Eye Health Care Month."

SENATE JOINT RESOLUTION 93

At the request of Mr. EAST, the name of the Senator from Tennessee (Mr. SASSER), and the Senator from Arizona (Mr. GOLDWATER) were added as cosponsors of Senate Joint Resolution 93, a joint resolution to designate the month of September each year as "National Sewing Month."

SENATE JOINT RESOLUTION 128

At the request of Mr. MOYNIHAN, the names of the Senator from Minnesota (Mr. BOSCHWITZ), the Senator from Oregon (Mr. HATFIELD), the Senator from Indiana (Mr. LUGAR), the Senator from Georgia (Mr. NUNN), and the Senator from South Carolina (Mr. THURMOND) were added as cosponsors of Senate Joint Resolution 128, a joint resolution to designate the day of October 22, 1983, as "Metropolitan Opera Day."

SENATE JOINT RESOLUTIOIN 131

At the request of Mr. DOLE, the name of the Senator from Oklahoma (Mr. NICKLES) was added as a cosponsor of Senate Joint Resolution 131, a joint resolution designating "National Cystic Fibrosis Week."

SENATE RESOLUTION 182

At the request of Mr. DOLE, the names of the Senator from Arkansas (Mr. BUMPERS), the Senator from Utah (Mr. GARN), the Senator from Colorado (Mr. HART), and the Senator from Texas (Mr. TOWER) were added as cosponsors of Senate Resolution 182, a resolution expressing the sense of the Senate with respect to travel by Members of the Senate to the Soviet Union.

SENATE RESOLUTION 191—RELATING TO JUSTICE REGARDING THE SLAIN AMERICAN CHURCHWOMEN IN EL SALVADOR

Mr. LEAHY (for himself, Mr. LAUTENBERG, and Mr. SASSER) submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 191

Whereas on December 2, 1980, four United States citizen churchwomen were murdered in El Salvador;

Whereas the certification law (public law 97-113) requires that the Government of El Salvador make "good faith efforts both to investigate the murders . . . and to bring to justice those responsible for those murders" before aid to El Salvador can continue;

Whereas the Administration's current certification report admits to "disappointing progress" in the case and concedes a "virtual breakdown in criminal justice" in El Salvador;

Whereas the prosecution of those accused of the murders of the four American churchwomen has been plagued by consistent neglect, professional incompetence, and a steadfast unwillingness to enforce Salvador law; and

Whereas, the vigorous prosecution and effective trial of those accused of murdering the four churchwomen will promote criminal justice throughout El Salvador and encourage similar efforts to pursue the murderers of other American citizens, Salvadoran Archbishop Oscar Romero, and tens of thousands of Salvadoran civilians: Now therefore, be it

Resolved, That it is the sense of the Senate that the United States Government shall call upon the Government of El Salvador,

(1) To appoint a special prosecuting attorney to oversee the comprehensive investigation of those responsible for murdering the four American churchwomen and to prepare a thorough and effective prosecution against them, and

(2) To assure the United States Government that those accused will be brought before a jury trial by December 2, 1983.

SPECIAL PROSECUTOR FOR MURDER CASE OF FOUR AMERICAN CHURCHWOMEN

Mr. LEAHY. Mr. President, a most unfortunate set of circumstances compels me to rise today to introduce this resolution calling on the Government of El Salvador to appoint a special prosecutor to thoroughly and vigorously prepare and actively pursue the case against those responsible for the murders of the four American churchwomen who were killed in El Salvador on December 2, 1980.

Almost 3 years ago, four U.S. citizens, three Catholic nuns, and one Catholic layworker, were brutally murdered and their bodies hastily buried in shallow graves near a road in El Salvador. In the time since their deaths, the investigation and prosecution of those responsible for their murders has been plagued by consistent neglect, professional incompetence, and a steadfast unwillingness to enforce El Salvador's own laws.

Critical evidence presented by the FBI to the Salvadoran prosecutors almost 2 years ago has never been introduced into the official court record. Important leads have never been pursued and key witnesses never questioned by Salvadoran authorities. Other evidence has been lost or destroyed due to the incompetence or indifference of the prosecutors.

Mr. President, I know the case that the FBI and the American authorities helped put together on this matter. I speak as one who has spent nearly a third of his adult life as a prosecutor. Any prosecutor in the country can handle that case standing on his head and get a conviction. Yet the case goes on and on like Tennyson's brook and never seems to stop.

Perhaps the most recent development is also the most disturbing. On a

recent trip of El Salvador, the lawyers representing the families of the slain churchwomen were informed that the person named coordinator of the prosecution in the case has been removed from a previous position for accepting a bribe from an opposing counsel in a criminal case. When the lawyers inquired why the man had not been disbarred for his behavior, they were told that such a punishment was impossible since he had not yet passed the bar.

These delays and incompetence on the part of the Salvadoran prosecutors occur against a backdrop of reassuring and optimistic pronouncements by both the Government of El Salvador and our own State Department.

Each few months, we certify that there are improvements in human rights in El Salvador.

We have been told that the nuns' trial will take place "shortly." We were told that in my Subcommittee on Appropriations 6 months ago, 6 months before that, and 6 months before that. It is important that these words of reassurance be followed by positive steps to bring those responsible to justice.

This resolution would be one such step. The appointment of a special prosecutor by the Government of El Salvador would demonstrate its dedication and commitment to a system of impartial justice. It would tell us that they are taking this case seriously. Such a special prosecutor would be a respected Salvadoran lawyer with the experience and standing to handle the case. This special prosecutor would have the support and protection of the Government of El Salvador.

In calling for a special prosecutor in this case, I also hope to focus attention on the tens of thousands of civilian deaths, including that of Archbishop Romero, that have also not received justice. This is an effort to focus attention on the sad state of law and order in El Salvador. Any attempt to achieve a diplomatic settlement, to work toward political development in El Salvador, must take into account the problems facing the judicial system.

There must be a system of law and respect for the law. There must be an independent judiciary. In this particular case, it might be useful for the Government of El Salvador, in addition to naming a special prosecutor, to establish some guarantee of independence for the prosecutor.

Although we do not presume to interfere in the internal mechanisms of Salvadoran political life, we do feel the need to see justice done. Working for improvements in this case is a good starting point.

As the administration becomes increasingly enmeshed in talk of "regional stability" and "military shields," it must not quietly tolerate what has become, in the most bitter sense of the phrase, a travesty of justice. This administration must not forget that it has to protect people as much as it has to protect policies. To look at one without the other does little to enhance our prestige as a nation and can, in fact, render us guilty by our continued association with such injustice.

I think, quite frankly, that the administration itself should embrace the resolution I have calling for a special prosecutor in El Salvador. I do not think there is anybody in the Government or out of the Government who would condone such a brutal murder of innocent civilians. I think the Reagan administration ought to embrace this resolution. I think it ought to pass unanimously by the U.S. Senate, that we ought to have it as the statement of this country.

Mr. SASSER. Mr. President, a legal justice system in El Salvador is practically nonexistent. In the last 4 years there have been as many as 40,000 civilian deaths, yet only a few hundred cases have resulted in defendants being brought to trial. Last March a report by the New York Bar Association stated that the Salvadorans judicial system is marked by "corruption, intimidation, and inadequate training."

The Government of El Salvador, in the past few months, has established a program aimed at judicial system reform. But it will take a long time to reverse decades of judicial neglect and abuse and the process will be substantially more difficult in an environment of civil war.

On July 20, 1983, the administration submitted the fourth certification required by Public Law 97-113. That report discusses a number of areas identified by the Congress for certification that the Government of El Salvador is acting in good faith to achieve specific progress in human rights activities.

Earlier this month, the Congress approved an amendment to the certification process which requires that the Salvadoran Government has made good-faith efforts both to investigate the murders of U.S. citizens in El Salvador and to bring to justice all those responsible for those murders. Today, I want to discuss one of those cases—the murders of the four U.S. churchwomen 2½ years ago.

As my colleagues will recall, on the evening of December 2, 1980, three American nuns, Ita Ford, Maura Clark, and Dorothy Kazel and one lay worker, Jean Donovan, were forced from their car on a highway a few miles from the capital, San Salvador. The next morning these four U.S. churchwomen were found raped and murdered.

Following the murders, President Carter suspended military and economic assistance to El Salvador and sent a special team to San Salvador to investigate. The U.S. investigators revealed at that time that Salvadoran security forces attempted to cover up the murders once the bodies were found.

In the last 31 months the Government of El Salvador has failed to complete prosecution of this case despite the fact that substantial evidence has been made available and suspects identified and detained.

When the bodies were found the Government of El Salvador initially attempted to place the blame for the murders on right-wing death-squad activity. But 3 months later Salvadoran investigators located the murder site and found fingerprints of 20 National Guardsmen and treasury policemen.

On April 29, 1981, six members of the National Guard were arrested for the murders. Ten months later the defendants were finally arraigned. Once the suspects were brought before the court for arraignment, then Salvadoran President Jose Napoleon Duarte told a national television audience that the evidence indicated that the National Guardsmen arrested were "the only and the true guilty ones."

Last November 15, the case was ordered to trial and defense counsel for the five National Guardsmen who were finally charged was appointed. On January 11 of this year the investigating judge elevated the case to the final stage of trial, but in March defense attorneys appealed and succeeded in delaying the case on technical grounds. The case was then returned to lower court, according to Secretary of State George Shultz, "for investigation and clarification of evidence."

Last month, Salvadoran President Alvaro Magana stated that the trial would reopen in July. But 10 days ago, the trial judge again delayed this case stating that new evidence would prevent a trial for at least 6 more months.

Mr. President, I wanted to bring these aspects of the history of the case to the attention of the Senate. Investigation and prosecution has been impeded for 31 months. The question must be asked: Why has this case not been brought to trial in face of a substantial body of evidence against the defendants?

Our own Federal Bureau of Investigation has developed what is reported to be irrefutable evidence against the National Guardsmen. I have not reviewed that evidence, but those who have confirm that this is an open-and-shut case. But in 31 months this case has not been tried and is still delayed.

Mr. President, I am pleased to cosponsor this resolution with Senator LEAHY calling on the Government of El Salvador to appoint a special prosecutor in this case and to set a date certain for the trial before December 2

of this year—3 years after the murders.

Further delays must not be permitted. This case must be brought to trial. The violence and corruption associated with these murders must be exposed in open court. Justice is being denied by the duplicity of the Government of El Salvador in allowing these unreasonable and inexcusable delays.

Mr. President, the civilian violence in El Salvador is epidemic. The number of reported deaths by the right wing death squads and the government security forces did decline last year but according to the U.S. Embassy in San Salvador and other observers, civilian deaths have increased at least 12 percent in the first 6 months of 1983 compared to the last 6 months of 1982.

By offering this resolution, we hope not only to encourage that justice be done in the case involving the U.S. churchwomen but it is also our hope that bringing the churchwomen's murderers to trial will stimulate the active prosecution of the tens of thousands of other murders which remain unsolved in El Salvador.

Mr. LAUTENBERG. Mr. President, I join with Senator LEAHY today in introducing Senate Resolution 191, a resolution relating to justice in the case of four American churchwomen murdered in El Salvador on December 2, 1980. This resolution expresses the sense of the Senate that the U.S. Government call upon the Salvadoran Government to appoint a special prosecutor in this case and commence the trial of those being held in custody by December 2, 1983.

December 2, 1983, will be 3 years since the murders of Maryknoll Sisters Ita Ford and Maura Clark, Ursuline Sister Dorothy Kazel, and lay volunteer Jean Donovan. By any stretch of the imagination, this is a long enough period of time for the Salvadoran Government to have completed its investigation of the crime and have begun the final stages of its prosecution of those who have already been held for 2 years for the killings. Yet, as the world knows, neither the investigation nor the prosecution has been completed.

The appointment of a special prosecutor by the Salvadoran Government is not without precedent. Most recently a special prosecutor has been named to handle the cases of certain government soliders charged with the massacre of 18 peasant farmers at the Las Hojas farm cooperative in El Salvador. This is a necessary step to cut through what the Department of State calls a justice system in the state of virtual collapse due to intimidation and corruption.

I join my colleagues in introducing this resolution because the broader questions of peace and war in Central America can distract our attention from cases such as this one. It is imperative that the full influence of the U.S. Government be used to demand justice in this case, in which four American citizens, devout Christians, were murdered by the troops of a government we are supporting with hundreds of millions of dollars in aid.

This is all the more important, Mr. President, because the congressional requirement for certifications by the administration on human rights progress in El Salvador may no longer be imposed. Since these certification requirements are complete with the submission of the administration's July 20, 1983, report, the Senate must insure that it receives complete and timely reports on future developments in this case.

Mr. President, I know that dozens of my colleagues have expressed their concern about the murders of these Americans by Salvadoran troops in the 2½ years since this tragedy. My own sense of dismay has grown steadily since I came to represent the State of New Jersey here. Earlier this year, the body of journalist John J. Sullivan was returned to Bergen, N.J., from El Salvador. Sullivan, too, was murdered in El Salvador in December 1980 and no progress has been made in determining or prosecuting those responsible.

In March I first met with Bill Ford, the brother of one of the four churchwomen, Ita Ford, to discuss in detail the legal delays and distractions that had kept the Salvadoran Government from completing its investigation and prosecuting vigorously five national guardsmen already in custody for the crimes. Bill Ford is from Upper Montclair, N.J. As a lawyer he brings considerable expertise to the case along with the anguish of a family member.

I was immediately troubled to hear Bill Ford document his conclusions that the Salvadoran Government was purposely delaying the investigation and trial, was holding back on evidence that pointed to a wider conspiracy, and was not able to contribute to justice being done. And I was disturbed by his charge that our own State Department had been less than fully responsive to the families of the churchwomen. Despite numerous meetings in Washington and in El Salvador, the families and their legal representatives felt compelled to file suit in Federal court to obtain relevant information about the case.

After studying testimony given on these points by Secretary of State George Shultz and others to the Senate Appropriations Foreign Operations Subcommittee, I felt compelled to write Secretary Shultz on April 20. I questioned whether the unresponsiveness of the Salvadoran and American Governments was not indicative of a policy that needed change. Though responding with terms such as "reprehensible crime, concern, and forthcoming," Assistant Secretary Powell Moore gave no new information or encouragement that a policy change would allow new or renewed pressure for justice.

Mr. President, I ask that my letter to the Secretary of State and the reply of the Assistant Secretary of State appear at the end of my statement.

While I awaited the State Department reply, the Lawyers Committee for International Human Rights, headquartered in New York City and involved heavily in the case of the churchwomen, sent a detailed 18-page memorandum to the Department with specific suggestions and recommendations for full investigation in El Salvador. The Lawyers Committee noted the severe shortcomings of the Salvadoran effort to develop evidence and a motive for the crimes. The committee noted the failure of the Salvadoran Government to explore all the questions of a possible coverup and of the involvement of higher level officers in the crime.

The Lawyers Committee's detailed effort and further conversations with Bill Ford prompted me to join other Senators in pressing Salvadoran President Alvaro Magana on June 17 for specific information about the Salvadoran commitment to progress in this case. On the one hand, President Magana predicted the setting of a trial date within 4 to 6 weeks. On the other hand, he noted his own lack of influence with what he termed "the independent judiciary."

When President Reagan announced his intention to nominate a new Assistant Secretary for Inter-American Affairs and a new ambassador to El Salvador, the Senate gained another opportunity to impress upon the administration its concern for conclusive action. I urged the Foreign Relations Committee chairman and ranking minority member to press nominees Langhorne Motley and Thomas Pickering to place justice in this case, and satisfaction for the families of the victims, high on their list of priorities.

In part I wrote the chairman on June 23:

> There are many other serious questions associated with American involvement in El Salvador and Central America, to be sure. But progress toward democracy and development is measured precisely in steps taken in cases such as this. Can we reasonably expect our purposes in Central America to be served in the longer term if we cannot see them served here?

I also submitted questions for Ambassador Motley for the hearing record. But the new Assistant Secretary responded, again, that cooperation with the families was good and that the evidence did not suggest the involvement of others in the crime.

Mr. President, I ask that the text of my letter to the chairman of the For-

eign Relations Committee and the questions to and responses of Ambassador Motley appear at the end of my statement.

I believe the question we face today is still the same. Can we reasonably expect our purposes in Central America to be served in the longer term if we cannot see them served here?

Mr. President, since December 1980 there have been 2½ years of dodge and delay by the Government of El Salvador in seeing justice done in this case. These 2½ years coincide almost exactly with the Reagan administration's policy of hundreds of millions of dollars of U.S. military and economic aid to that same Salvadoran Government.

The responsibilities for investigation and prosecution are clear to both the United States and Salvadoran Governments. The concern of the Congress has been clearly and consistently stated. There is enduring support among the American people for justice and respect for human rights in our foreign policy, particularly where American citizens are murdered by foreign soldiers.

Yet, Mr. President, the investigation has never been completed. The prosecution has never gone to trial. The questions raised by Bill Ford and the Lawyers Committee have never been answered. And the administration has never laid it on the line and used the dollars that Bill Ford pays in taxes, that the Clarks, the Kazels, the Donovans, and the Sullivans pay in taxes, as a lever to get justice done.

President Magana promised Senators a trial date 6 weeks ago, but that deadline has passed and the only announcement we have had in the interim is that the trial must be postponed for another 6 months. Assistant Secretary Powell Moore and Assistant Secretary Motley have written that evidence in the case does not suggest the involvement of others in the murders. But Presiding Judge Bernardo Rauda suddenly announced last week that new evidence involving six new suspects now must be investigated.

The Department of State certified July 20, 1983, that the prosecution of the five National Guardsmen accused of murdering the four American churchwomen is continuing. But the Lawyers Committee, after another visit to El Salvador a month ago, concluded the opposite in a letter to Assistant Secretary Motley on July 14, 1983. The committee wrote:

On the basis of our visit, we continue to be deeply concerned that no one will ever be successfully prosecuted for these crimes. More than 2½ years after the murders, the Salvadoran prosecutors still have not completed a number of basic investigative steps that are critical to a successful prosecution in this case. Moreover, in the 6 months since we last visited El Salvador, the prosecutors have done almost nothing to advance the case properly to trial. It is now unlikely that a trial will occur before 1984.

Mr. President, the Lawyers Committee laid out for Assistant Secretary Motley 6 pages of specific steps still needed in this case. I ask that their letter and recommendations appear at the end of my statement.

We cannot allow this case to drag on forever, Mr. President. We cannot continue to pursue a policy that ignores the pain suffered by the families of these churchwomen, the expressed will of the Congress and the American people, and the larger place that justice and human rights should have in our foreign policy.

The resolution Senator LEAHY, myself, and others are introducing today recommends the appointment of a special prosecutor to carry this case vigorously forward. It recommends the convening of a trial for those already accused in the case before the end of 1983. El Salvador's response to these recommendations will be an important sign as to whether the goal of justice and rule of law in El Salvador is taken seriously.

Mr. President, I ask that the complete text of Senate Resolution 191 be printed at the end of this statement and that a letter to Secretary of State George Shultz, a letter from Assistant Secretary Powell Moore, a letter to the chairman of the Foreign Relations Committee, questions submitted to Ambassador Langhorne Motley by Senators PELL and DODD at my request, and a letter from the Lawyers Committee to Ambassador Motley be printed in the RECORD in that order immediately following the text of the resolution.

The resolution and letters follow:

S. RES. 191

Whereas, on December 2, 1980, four United States citizen churchwomen were murdered in El Salvador;

Whereas, the certification law (Public Law 97-113) requires that the Government of El Salvador make "good faith efforts both to investigate the murders . . . and to bring to justice those responsible for those murders" before aid to El Salvador can continue;

Whereas, the Administration's current certification report admits to "disappointing progress" in the case and concedes a "virtual breakdown in criminal justice" in El Salvador;

Whereas, the prosecution of those accused of the murders of the four American churchwomen has been plagued by consistent neglect, professional incompetence, and a steadfast unwillingness to enforce Salvador law; and

Whereas, the vigorous prosecution and effective trial of those accused of murdering the four churchwomen will promote criminal justice throughout El Salvador and encourage similar efforts to pursue the murderers of other American citizens, Salvadoran Archbishop Oscar Romero, and tens of thousands of Salvadoran civilians; Now therefore, be it

Resolved, That it is the sense of the Senate that the United States Government shall call upon the Government of El Salvador,

(1) To appoint a special prosecuting attorney to oversee the comprehensive investigation of those responsible for murdering the four American churchwomen and to prepare a thorough and effective prosecution against them, and

(2) To assure the United States Government that those accused will be brought before a jury trial by December 2, 1983.

U.S. SENATE,
Washington, D.C., April 20, 1983.

Hon. GEORGE P. SHULTZ,
Secretary of State, Department of State, Washington, D.C.

DEAR MR. SECRETARY: I am deeply concerned about the failure of the government of El Salvador to conduct a proper and complete investigation of the murders of four American churchwomen in December 1980 and to prosecute vigorously the five ex-national guardsmen arrested for these murders two years ago.

I have noted with interest your statements on this case, particularly your assessment given the Senate Subcommittee on Foreign Operations on March 22. You stated then that the Salvadoran criminal justice system is ineffective and that the United States wants to be of assistance in making it more effective. But I am troubled that this message is not getting through to either the Salvadorans or to other Administration officials.

In an UPI dispatch that appeared in the Washington Post on March 23, Salvadoran President Alvaro Magana is quoted as saying, "In all these cases, as in any other, it is of special interest that justice be handed down without taking into consideration interests or pressure." I would welcome any explanation you might be able to provide as to the prospects for bringing more graphically to President Magana's attention the expressly stated concern of the Congress.

Also disappointing to me, Mr. Secretary, is the low priority the Justice Department appears to accord to this case as well as to other murders of American citizens in El Salvador. As quoted in the Post of April 17, Attorney General William French Smith could only say, after meetings in El Salvador, that he "hoped" the Salvadorans were pursuing the case of the churchwomen, but that, "it's a little hard for me to say, because I was not there for the purpose of investigating or following specific cases."

These statements by the Attorney General certainly clash with Administration attempts to reassure the Congress over the last two years that progress is being made and that American pressure will continue until justice is done.

I am disturbed, too, Mr. Secretary, by the claims of some family members of the four churchwomen that the Department of State, the U.S. Embassy in San Salvador and the FBI have not been forthcoming in providing information relevant to the investigation and prosecution of those responsible for the murders of their relatives. Any information that bears materially on the larger human rights questions involved in the murders, such as unjustifiable or intentional delay of the investigation and prosecution, or questions about involvement of high ranking Salvadoran government officials in these murders, should be a matter to be addressed independently.

I would call upon you, Mr. Secretary, to press for the most complete disclosure of information to the families of the four churchwomen and to agree to an independent assessment of the evidence and investi-

gation done by the Department of State and other U.S. agencies, including the FBI. Indeed, if the cases have been properly pursued by the Salvadoran government, it would be most serious and deleterious to current U.S. policy. But a cover-up of relevant facts would be infinitely worse in compromising our own standards of justice and our responsibility to be forthright with our own citizens.

I regret, Mr. Secretary, that I am close to concluding that despite your certifications of progress in El Salvador, we are rapidly approaching the point where further military assistance cannot be justified. The lack of progress in the cases involving the murders of American citizens is but one example of how human rights are suffering in that country.

Our responsibility under the Foreign Assistance Act are clear, "to promote and encourage increased respect for fundamental human rights and freedoms." More to the point, Section 301 of the Arms Export Control Act of 1976 prohibits security assistance to any country "engaged in consistent patterns of gross violations of internationally recognized human rights."

I know you have spoken of the military shield our assistance provides for the growth of democracy, reform and justice in El Salvador. A better shield in El Salvador may be a negotiated end to the fighting that will guarantee all groups an equal and secure opportunity to participate again in the political process. Vigorous efforts by the United States in this direction would directly contribute to the end of the fighting in El Salvador and improve the climate in which human rights and justice can thrive.

Thank you for your prompt consideration of these requests I anticipate your earliest possible reply.

Sincerely,

FRANK R. LAUTENBERG.

U.S. DEPARTMENT OF STATE,
Washington, D.C., May 17, 1983.

Hon. FRANK R. LAUTENBERG,
U.S. Senate.

DEAR SENATOR LAUTENBERG: Thank you for your letter of April 20 concerning the murder of four American churchwomen in El Salvador.

The Department of State shares your regret and concern about these tragic deaths. We remain committed to a full investigation into the murders and to seeing that those responsible are brought to justice. To this end, the Department of State, the U.S. Embassy, and the FBI, have spent countless hours working on this case. As requested by the families, we have specifically pursued their concerns that persons other than the accused might have been involved in the crime. The weight of the evidence does not suggest higher-level involvement in the murders. You may be assured that we will continue to pursue any leads, no matter where they may take us, and to press for a fair and thorough administration of justice.

With regard to President Magana's statement, President Magana was referring to the importance of a fair and complete administration of justice in the further improvement in the human rights situation in El Salvador. The breakdown of the criminal justice system in El Salvador is partially the result of attorneys, juries and judges who have been subject to bribery, corruption, and intimidation. It is not in the interest of justice in this case, or in the many others, that these reprehensible practices continue. The U.S. Government and the Government of El Salvador want to see a fair and thorough administration of justice in this case, and the reestablishment of the criminal justice system necessary to the furthering of democracy in El Salvador. President Magana is well aware of the Congress and the Administration's concerns regarding the murders of U.S. citizens. President Reagan has personally relayed this concern for a fair and thorough investigation and prosecution to President Magana. In addition, Ambassador Hinton, Attorney General Smith, and members of Congress have expressed this same concern to President Magana and other members of the government. I believe that all these individuals would agree that an impartial and honest judicial system should be created in El Salvador. We have offered the Government of El Salvador any assistance it may deem useful in this effort. A U.S. team of legal experts has provided Salvadoran President Magana with a lengthy analysis and recommendations to improve the judicial system. We are hopeful that the effect will bear fruit.

With regard to Attorney General Smith's statements, it is true that he was not in El Salvador to investigate specific cases of murdered Americans. The Attorney General's visit to El Salvador was an expression of the Administration's commitment to see justice done in these cases, and to offer assistance in revitalizing the judicial system. It is not the FBI's mandate to investigate crimes committed abroad. Rather, the FBI assisted in the investigation of the murdered U.S. citizens at the request of the Salvadoran Government.

The Department of State and the U.S. Embassy have been forthcoming in providing information relevant to the investigation and prosecution of those responsible for the murders. The Department of State has provided the families and their legal representatives with several hundred documents relating to the case. We have met with the families and their legal representatives several times, both in Washington and El Salvador. The Government of El Salvador has provided the legal representatives with a copy of the entire court record, and it has authorized the FBI to release results of certain evidence it took. In addition, the Secretary of State has ordered an independent and high level review of all the evidence available to our government pertaining to this case. We will provide the Salvadoran judiciary with any evidence we may find that could be of use to them in prosecuting this case and report to the Congress when this review is complete.

Again, thank you very much for your concern. You may be assured that the Department shares your commitment to assist the families in any way possible and for ensuring that those responsible for this reprehensible crime are brought to justice. We hope that by pursuing a fair and thorough administration of justice in this particular case that a precedent will be started for the revitalization of the judicial system in other cases. We believe that ultimately a viable judicial system is essential if further improvements in human rights and democracy in El Salvador are to come about.

Sincerely,

POWELL A. MOORE,
Assistant Secretary
for Congressional Relations.

U.S. SENATE
Washington, D.C., June 23, 1983.

Hon. CHARLES H. PERCY,
Chairman, Committee on Foreign Relations,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: I am deeply concerned about the failure of the Government of El Salvador to investigate fully and prosecute effectively those responsible for the murders of four American churchwomen in December 1980. One of these women, Ita Ford, was a resident of New Jersey.

Since her brutal and untimely death, the family of Ita Ford has actively sought justice in El Salvador and full disclosure from our own government of the circumstances surrounding the murders. I have contacted the Department of State on behalf of the family, but without satisfaction. The freedom of information suit filed on behalf of the families now pending in New York is clear evidence that cooperation in this regard has been less than satisfactory.

Seeing justice done in El Salvador in this case is of deep and personal concern to me. That you and other members of the Committee share these concerns is reflected in past recommendations of the Committee. Therefore I know we all welcomed the comments of President Magana when he met with Senators on July 17 that in four to six weeks a definite date would be set for the trial of those already charged in the case. While timetables in the past have slipped regularly, it is my hope that El Salvador is now impressed with our concern and appreciative of the relationship between progress in this case and continued U.S. military assistance.

The nominations of Ambassador Langhorne A. Motley to be Assistant Secretary of State for Inter-American Affairs and Ambassador Thomas R. Pickering to the Ambassador to El Salvador soon will be before your Committee. At these hearings I hope you will be able to place the strongest possible emphasis on the need for greater U.S. and Salvadoran efforts to see justice done. I would urge you to encourage both Ambassador Motley and Ambassador Pickering to take stronger action toward meeting the concerns of the families of the churchwomen in their effort to learn the truth and see justice done.

There are many other serious questions associated with American involvement in El Salvador and Central America, to be sure. But progress toward democracy and development is measured precisely in steps taken in cases such as this. Can we reasonably expect our purposes in Central America to be served in the longer term if we cannot see them served here? Continuing to press forward with military assistance without a strong committment to justice and human rights will surely undermine efforts to assist the people of Central America.

I appreciate your consideration of my views and suggestions. Should I be in a position to be of service to you in the future, please do not hesitate to call on me.

Sincerely,

FRANK R. LAUTENBERG.

THE LAWYERS COMMITTEE
FOR INTERNATIONAL HUMAN RIGHTS,
New York, N.Y., July 14, 1983.

Hon. LANGHORNE MOTLEY,
Assistant Secretary of State, Department of State, Washington, D.C.

DEAR AMBASSADOR MOTLEY: As counsel for the families of the four American churchwomen who were assaulted and murdered in El Salvador on December 2, 1980, we write

to express our present concerns about the status of the investigation of the murders. During the week of July 4, we visited El Salvador, as we have on two previous occasions since August 1982, to inquire into steps being taken by Salvadoran authorities to investigate this crime and prosecute those who are responsible for it. As you know, five former National Guard enlisted men were arrested in May of 1981, but have yet to be tried.

During our latest visit, we met and discussed developments in the case with the Fiscal General, Dr. Mario Adalberto Rivera, and members of his staff; with the presiding judge, Dr. Bernardo Rauda Murcia; with Kenneth Blakely and James Mack at the U.S. Embassy in San Salvador; with private Salvadoran lawyers; and with others knowledgeable about the case.

On the basis of our visit, we continue to be deeply concerned that no one will ever be successfully prosecuted for these crimes. More than two and one-half years after the murders, the Salvadoran prosecutors still have not completed a number of basic investigative steps that are critical to a successful prosecution in this case. Moreover, in the six months since we last visited El Salvador, the prosecutors have done almost nothing to advance the case properly to trial. It is now unlikely that a trial will occur before 1984.

While in El Salvador we suggested, as we have in the past, that appropriate steps be taken to gather the following essential evidence:

(i) *The statement of Dagoberto Martinez Martinez.* Martinez was the superior officer of Subsergeant Colindres Aleman, the reputed ringleader of the guardsmen who have been accused of carrying out the crime. According to a sworn statement by Martinez, given to the F.B.I. in Los Angeles, California on February 9, 1982, Colindres Aleman confessed to him in December, 1980, shortly following the crime. We have been informed by the Fiscal General and other Salvadoran lawyers that the testimony of Martinez will not be admissible as evidence in the trial unless he is examined in El Salvador before the presiding judge. The importance of this confession as evidence is underscored by the fact that the case against Colindres Aleman is at this time only circumstantial. The judicial record contains no admissible evidence directly linking Colindres Aleman to the murders of the four women. We understand that Martinez' whereabouts in California are currently known to the F.B.I., and that he has applied for political asylum in the United States. We believe that the United States government is in a position to arrange for his examination in El Salvador by Salvadoran authorities and that this is essential to a successful prosecution. Despite this, when we met with him, the Fiscal General of El Salvador displayed no interest in obtaining this key evidence.

(ii) *Colindres' thumbprint on the burned-out van.* A second piece of evidence that would directly link Colindres to the murders is his thumbprint, which was located by the F.B.I. on the burned-out van in which the four women were riding. According to the Fiscal General, this and other technical evidence developed by the F.B.I. cannot be admitted as evidence in the Salvadoran proceedings unless the tests are successfully duplicated by Salvadoran authorities. The Fiscal General told us that the van has been exposed to the wind and weather since the crime, and that the thumbprint is presumed to have been washed off and lost. Immediate steps should be taken to inspect the van to determine whether in fact the thumbprint has been lost. If this is the case, the Fiscal General should make a further effort to persuade the court to admit the F.B.I. fingerprint test as evidence against Colindres. In our meeting with him, the Fiscal General declined our requests to take either of these steps.

(iii) *The testimony of Guardsman Cesar Valle Espinoza and others concerning the existence of higher orders.* Valle Espinoza has testified that on the evening of December 2, 1980, Colindres Aleman stated to him that he was acting under "superior orders" to apprehend the four women. Valle's testimony names two other Guardsmen who were with him and should have heard Colindres' statement. Virtually every Salvadoran lawyer with whom we have spoken has told us that the most likely defense of the five accused would be that they were acting under the higher orders of others who have not been charged. It thus becomes essential to fully investigate this issue, in order to refute the defense or, if it is established that others were involved, to bring appropriate charges. To date, the Fiscal General has refused to investigate this issue or make any effort to prepare for this likely defense. As we have suggested to him repeatedly, he could begin by examining the two guardsmen who were with Valle and should have heard the statement by Colindres, and by re-examining Valle concerning the details of what he heard.

(iv) *Testimony of Guardsman Perez Nieto.* The prosecutors should also re-examine Margarito Perez Nieto, a member of the Salvadoran National Guard who was also stationed at the airport on December 2, 1980. In his testimony last year, Perez Nieto stated that he had seen two suspicious-looking women at the airport on the afternoon of December 2. (The two women were apparently Jean Donovan and Dorothy Kazel.) He says that he reported this observation to Subsergeant Colindres Aleman. Perez Nieto was never fully questioned as to why the women seemed suspicious to him, what resulted from his conversation with Colindres Aleman, or who else he spoke with about these suspicious-looking foreigners. Nevertheless, the Fiscal General told us he has no intention of re-examining Perez Nieto.

(v) *Written death threats and related evidence in the hands of the F.B.I.* While in El Salvador, we learned for the first time that the F.B.I. has in its possession a written death threat that was delivered to the church in Chalatenango, where Ita Ford and Maura Clarke were working. We also learned that the F.B.I. found eight distinct sets of fingerprints on this threat, which have never been given either to the judge or to the prosecutors.

When we spoke to the Fiscal General and his staff during our recent visit they told us that they had no knowledge of the letter. One of the prosecutors told us, "If we had known about this evidence earlier, this could be a very different case." The prosecutors should be given access to this evidence at once.

This evidence may shed light on the unresolved issue of higher orders; there are reports that members of the church in Chalatenango were threatened and severely criticized during the fall of 1980 by the commander of the army in that area, Ricardo Pena Arbaiza.

The death threat may yield important evidentiary leads pertaining to Col. Pena Arbaiza's potential involvement in the killing, an issue that should be fully investigated. When we asked the Fiscal General about evidence suggesting higher orders, he told us that the has done nothing to pursue this aspect of the case and has no intention of doing so.

(vi) *Inquiry into the origins and authenticity of the confidential document given to the Salvadoran prosecutors.* At our meeting with the Fiscal General and his staff, we furnished him a copy of a document that may be pertinent to this case which was recently sent to the Maryknoll Order in New York by an anonymous source. A copy of the document has also been given to the U.S. Embassy.

Because of the nature of this document, and questions we have about its authenticity, we believe that its contents should remain confidential at this time. However, we feel that the document—whether or not it is authentic—could have a profound impact on the outcome of this trial, and that its authenticity and origins should be investigated immediately on a priority basis. Although the Fiscal General shared our view of the importance of this document, his office has so far failed to take any action.

We feel very strongly that each of the foregoing steps is essential to a successful prosecution, and that each should be completed before the sumario, or investigative stage, of the judicial proceedings is completed. Once this case is elevated from the sumario to the plenario, or trial stage, of the proceedings, it will be, for all practical purposes, impossible to introduce into the trial record new evidence that may be produced.

Considering the serious problem still facing us, we are encouraged by and welcome the appointment of former Federal Judge Harold Tyler to review the case. As we understand it, Judge Tyler's mission is to examine all evidence and information in the possession of the U.S. government and to identify any evidence or evidentiary leads that should be shared with the Salvadoran prosecutors. We believe his efforts could lead to the discovery of important evidence and substantially improve the prospects of successfully prosecuting what is at present a circumstantial case.

Yet despite Judge Tyler's involvement, we continue to be disturbed by the apparent unwillingness and inability of those in the Salvadoran Fiscal General's office to successfully prosecute all those responsible for the murders. Virtually all those working on the case are law students. Indeed, we have been reliably informed that one of these law students, Bachiller Leonel Romero Cordero, has been named the coordinator of the case despite the fact that he was once removed from office for taking a bribe from a defense lawyer in a robbery trial in Zacatecoluca. In our view, the appropriateness of this individual's involvement in the case should be re-examined immediately.

In view of these continuing problems, we believe it is essential that the U.S. government take all appropriate steps to ensure that evidence critical to a successful prosecution is developed and presented in an admissible form.

We remain anxious to cooperate with and assist the Department of State in seeing that all those who are responsible for the murders of the four churchwomen are finally brought to justice.

Sincerely, yours,

R. SCOTT GREATHEAD.
MICHAEL H. POSNER.

QUESTIONS SUBMITTED BY SENATORS PELL AND DODD AT THE REQUEST OF SENATOR LAUTENBERG

EL SALVADOR: MURDER OF THE CHURCHWOMEN

Q. What is being done to investigate and follow up on allegations that higher ranking military and government officials may have been involved in the murders? What would Ambassador Motley do to press for more conclusive findings?

A. During the investigation done by the Salvadoran Investigative Working Group before the case went to court, the Working Group pursued the possibility of higher level involvement. Every such lead was pursued. To the extent they could be checked out, none proved to be of any substance. As in the past, should a lead develop, we are prepared to insist that the Government of El Salvador pursue it. At present the weight of the evidence does not suggest the involvement of others besides that of five ex-National Guardsmen.

EL SALVADOR: TRIAL DATE OF MURDERERS

Q. What is Ambassador Motley's interpretation of President Magana's pledge to Senators on June 17 that a new trial date would be set in four to six weeks? Is this a firm date based on new developments or just the latest in a series of sliding timetables?

A. President Magana was referring to the judicial investigation now being carried out by Judge Bernardo Rauda. When the Court of Appeals returned the case to him March 11 for further investigation, it asked him to clear up several questions. Judge Rauda has now completed all these additional investigations. Ballistics tests on the weapons used to murder the churchwomen have been performed by the National Police and are about ready for presentation to the Judge. (The tests previously conducted by the FBI were not admissible because they were not conducted in El Salvador. The FBI has now provided additional technical assistance to the National Police to permit them to conduct the tests.) Once Judge Rauda has these tests formally in the judicial investigation record, he intends to elevate the case once more to "plenary," or for jury trial. It was President Magana's judgement that this elevation should take place within the next few weeks.

EL SALVADOR: SUIT IN U.S. COURTS

Q. Why has it been necessary for families of the murder victims to file suit in U.S. District Court in New York against the Department of State seeking information about the murders and the investigation and trial? What would Ambassador Motley be prepared to do to allow full disclosure of information to the families of the murder victims?

A. It has been and will continue to be the intention and desire of the Department of State to ensure maximum disclosure possible of information to the families of the murder victims. The Department of State has been in continuing contact with the families of the murder victims and has provided them with information, both in written and oral form. In addition to this informal channel, the Department processed a Freedom of Information Act (FOIA) request, dated June 29, 1981, concerning the murders, in which the Department retrieved a total of 236 responsive documents. Of this total, 125 documents were released in full and 60 were released in part, 30 were withheld in their entirety, and 21 documents which had originated in other agencies were referred to those agencies for their review and direct response to the requester. Although the major part, by far, of the information was therefore released, some information had to be withheld because it fell within categories of information exempted from disclosure under the following FOIA exemptions: (1) it was currently and properly classified, in that it consists of foreign government information, information which concerns foreign relations or foreign activities of the United States, or information which would disclose the identity of a confidential source, the disclosure of which reasonably could be expected to cause damage to the national security (exemption (b)(1), 69 documents or portions thereof); (2) it consisted of pre-decisional, deliberative information (exemption (b)(5), 8 documents, or portions thereof); (3) it constituted a clearly unwarranted invasion of personal privacy (exemption (b)(6), 2 documents, or portions thereof); (4) it is contained in investigatory records compiled for law enforcement purposes (exemption (b)(7), 64 documents, or portions thereof). The requesters filed suit in U.S. District Court to contest the withholding of this information.

The Department is currently processing another request from the families to update their previous request. As soon as the documents responsive to this request have been reviewed, all of the information will be released, unless it is subject to a Freedom of Information Act exemption. As the Department has explained in great detail in affidavits filed in the New York case, it remains necessary for the Department to protect classified information, pre-decisional deliberative material, privacy information (about persons other than the slain churchwomen) and investigatory records. The Department is particularly concerned that the premature public release of investigatory material might impede the trial of the alleged perpetrators. It has to be kept in mind, also, that any information, including classified information, which is released to the families would have to be released to any other FOIA requester. Meanwhile, the Department will stay in contact with legal representatives of the families in order to ensure that they are fully apprised of the legal proceedings in El Salvador concerning these heinous murders.

EL SALVADOR: PROSECUTION OF MURDERERS

Q. Can the United States reasonably expect any progress in development and democracy in Central America in the longer term if we cannot see justice done in this case.

A. The prosecution of the five ex-National Guardsmen for the murder of the American Churchwomen by the Government of El Salvador is a landmark case in that country. Previously, "everybody" knew that members of the Armed Forces were not prosecuted for their acts, regardless of the crime. Therefore, this case does represent an important change in Salvadoran judicial practise. Unless all members of a society are responsible before the law, the rule of law is impossible. Without the government's commitment to establish the rule of law, democracy cannot begin, much less flourish. On the other hand the five ex-National Guardsmen are entitled to a defense. Judge Rauda has appointed defense lawyers for them. These attorneys are acting in good faith in the defense of their clients. While we cannot predict the outcome of the jury trial, we would agree that the cause of democracy would suffer a great reverse in El Salvador were the jury trial to result in a travesty of justice.

SENATE RESOLUTION 192—BUDGET RESOLUTION RELATING TO CONSIDERATION OF S. 1001

Mr. COHEN, from the Committee on Governmental Affairs, reported the following original resolution; which was referred to the Committee on the Budget.

S. RES. 192

Resolved, That pursuant to section 402(c) of the Congressional Budget Act of 1974, the provisions of section 402(a) of such Act are waived with respect to the consideration of S. 1001. Such waiver is necessary because S. 1001 authorizes the enactment of new budget authority which would first become available in fiscal year 1984, and such bill was not reported on or before the appropriate date required under section 402(a) of the Congressional Budget Act of 1974 for such authorizations.

The waiver of section 402(a) is necessary to permit congressional consideration of statutory authority for the Office of Federal Procurement Policy.

S. 1001 provides an authorization for fiscal year 1984 of $5,000,000.

AMENDMENTS SUBMITTED

DEPARTMENT OF THE INTERIOR APPROPRIATIONS, 1984

TOWER AMENDMENT NO. 2108

Mr. TOWER proposed an amendment to the bill (H.R. 3363) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1984, and for other purposes, as follows:

On page 82, after line 15, add the following:

SEC. . Any reference in any law, order, or regulation, including this Act, to the—

(1) Institute of Museum Services shall be deemed to refer to the National Endowment for Museums;

(2) the National Museum Services Board or the Museum Services Board shall be deemed to refer to the National Endowment for Museums Board; and

(3) the Director of the Institute when such references refers to the Director of the Institute of Museum Services shall be deemed to refer to the Director of the National Endowment for Museums.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. BAKER. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Wednesday, August 3, to hold a hearing on S. 1701, a bill to impose specific directives on the Bonneville Power Administration.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ARMED SERVICES

Mr. BAKER. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on Tuesday, August 2, at 9:30 a.m., to hold a closed hearing to receive testimony on the U.S. military action in Central America.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. BAKER. Mr. President, I ask unanimous consent that the Committee on foreign Relations be authorized to meet during the session of the Senate on Tuesday, August 2, to consider the following nominations:

Millicent Fenwick for the rank of Ambassador during the tour of her service as U.S. Representative to the Food and Agriculture Organization in Rome;

Thomas Enders to be Ambassador to Spain;

Patsy Blackshear, Chester A. Crocker, William F. Pickard, Francis S. Ruddy, and Charles G. Wells to be Members of the African Development Foundation;

Clair W. Burgener, Malcolm Forbes, Jr., Joseph Lane Kirkland, Arch L. Madsen, Jane L. Michener, and Michael Novak for Membership in the Board for International Broadcasting;

Peter Jon de Vos to be Ambassador to the People's Republic of Mozambique; and

Foreign Service List dated July 25, 1983.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. BAKER. Mr. President, I ask unanimous consent that the Committee on Governmental Affairs be authorized to meet during the session of the Senate on Tuesday, August 2, to mark up the budget reconciliation package.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. BAKER. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Tuesday, August 2, 1983, in order to consider and act on pending nominations, commemorative resolutions, and the following legislation:

TITLE XIII OF S. 829—FEDERAL TORT CLAIMS ACT AMENDMENTS

S. 645—Court Improvements Act of 1983.

S. 381—Federal Courts Study Act.

S. 384—State Justice Institute Act of 1983.

S. 385—A bill to provide greater discretion to the Supreme Court in selection of the cases it will review.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

COCAINE—ITS IMPACT ON HEALTH

● Mrs. HAWKINS. Mr. President, there is widespread misinformation about the physiological and psychological problems associated with cocaine use.

Coca leaf-chewing was, and remains, a widespread practice among the Andean Indians who must work in a 2-mile high atmosphere without proper nourishment. A cud of leaves is chewed along with some alkali, and this gives relief from fatigue, hunger, and the low oxygen content of the air. Chewing coca leaves is not a very efficient way to extract the cocaine, and the Andean workers do not report a "high"—but they are capable of working more effectively for an hour or two after chewing the leaves.

The extraction and purification of cocaine more than a century ago changed the story completely. It was put into patent medicines, prescribed for all sorts of physical and mental ailments, and appeared to be a "miracle drug" because, at first, it made people feel better. Cocaine was recommended for nervous exhaustion, depression, alcoholism, morphine addiction, and many other conditions.

Unfortunately, as time went on, people became seriously dependent on the drug, cases of overdoses and psychoses appeared, and enthusiasm gave way to bitter disappointment. Sigmund Freud, the founder of psychoanalysis, wrote glowing articles about the safety and effectiveness of cocaine, but later had to retract them, admitting the shortcomings and dangers of the drug.

We are now in a period when people have forgotten the dismal 19th-century experience with cocaine, and claims of its harmlessness and exhilarating effects are again being heard. Cocaine's present popularity proves the adage that "those who forget history are condemned to repeat it."

Pupillary dilation, increased heart rate, elevated blood pressure, loss of appetite with substantial weight loss, and sleeplessness commonly occur with cocaine use. The intravenous route may be accompanied by hepatitis or bloodstream infections. Freebasing has been reported to interfere with the exchange of lung gases.

Deaths due to cocaine toxicity are increasing. The mechanism involved may be a heart rhythm disruption, failure of the respiratory center, or repeated convulsions. A few people are hypersensitive even to low doses of cocaine, possibly because of a deficiency of enzyme.

Because many people are now using enormous quantities of cocaine—stopping only when the user or the cocaine supply is exhausted—we know that tolerance and a withdrawal syndrome can develop. Eventually, more and more cocaine produces less and less euphoria. A variety of aches and pains, physical depletion, and profound psychological depression are some of the withdrawal symptoms.

The psychological complications of cocaine dependence are the primary cause for concern. A paranoid mode of thinking can result in violence to the user or those around him. Psychotic episodes have been seen in persistent cocaine users. Hallucinations are classically described—but auditory, visual, or gustatory misperceptions also occur.

With access to large amounts of cocaine, the user, especially the mainliner and freebaser, can arrive at a point where cocaine use becomes a career. For such individuals, nothing else is of any significance—nothing provides any pleasure except cocaine.

There are several reasons why some drug abusers return incessantly to cocaine. First, the memory of a high is exceedingly attractive; second, the discomfort after stopping is cured by taking more cocaine; and, third, the depression following a cocaine run is temporarily relieved by cocaine. Finally, the ordinary pleasures of living are no longer pleasurable, because the abuser's reward centers have been overstimulated.

The cocaine career—which began as a search for a high—ends in a dismal effort by the abuser to extricate himself from unhappiness, depression, and the inability to enjoy the many facets of life.

I ask that an April 11, 1983, Time magazine cover story "Fighting Cocaine's Grip—At First I Was Scared" by Kurt Anderson be printed in the RECORD.

The article follows:

AT FIRST I WAS SCARED

Caroline Coleman grew up in the privileged world of trust funds, Virginia boarding schools and Swiss finishing schools. It is a world, she claims, where using drugs is as common as clipping coupons. "Most of the people I knew snorted coke and took pills. You just couldn't make a move without ammunition." Coleman, now 28, says she began sampling marijuana, hash, amphetamines and barbiturates when she was a freshman at an exclusive girls' school in Virginia horse country. The status drug among the teen-age girls, however, was clearly cocaine. "If you had a little thing of coke you felt cool," Coleman recalls. She snorted coke occasionally but preferred the more mellow high of heroin, which a classmate gave her during her senior year. Soon she was hooked.

After two years of college in New York and two more years abroad, Coleman settled in Manhattan. She tried to kick her heroin habit, enrolling in a methadone program. But soon she discovered an irresistible thrill: speedballs, injections of coke and heroin mixed together. She thus acquired a craving for the drug she had once dismissed. "The intense flash from the cocaine was so wonderful that if I only had $20 I'd buy coke." She initially bought her drugs from friends, but as her speedballing grew to a $300-a-day-habit, she had to buy on the street. "At first I was scared," she says. "But then it became a part of it that I really liked, going into a really bad neighborhood."

Although her income from a trust fund supported her comfortably, Coleman kept busy with odd jobs as a substitute teacher or an extra on a TV soap opera. But her interest waned as she became more obsessed with coke. "There was no room to think about anything else. When I was working, I'd be thinking, 'I'll cop [buy] in four hours,' 'I'll cop in three hours.' Sometimes I'd just leave early and go cop." Before long, the interest she received in her trust fund was not enough to pay her drug bills. "The coke made me absolutely insane. I'd steal silver and gold jewelry from my family and friends. That would be my motivation for going to people's houses." She also began to dip into her capital. Bank officials, alarmed at her shrinking account, contacted her parents in Greenwich, Conn. Her mother hired a detective to follow Caroline. The detective tapped her phone and secretly photographed her buying drugs. When he presented the evidence to her parents, they persuaded her to go to Phoenix House, a drug rehabilitation center in New York. Coleman finally stopped taking drugs. Now a counselor at Phoenix House working with teen-agers, she considers cocaine far more addictive than heroin. She sums up: "I was like a vampire needing blood."●

BIGBEE RANCH CELEBRATES DIAMOND JUBILEE

● Mr. DOMENICI. Mr. President, we in the Southwest take great pride in the beauty of our land and the way in which so many use it, work on it, and make their livelihood from it. I rise today to recognize a family who know better than most how rich those rewards are and just how hard one must work to attain them.

In 1908, when the State of New Mexico was still a territory, David Bigbee and his son, Dade came from Missouri to stake their claim on the acres entitled all Americans under the Homestead Act. The family settled there and began work on what would become the family business for the following generations. David's sons, Frank and Dade, became the two principal managers of the property, ever expanding and improving the initial claim their father had acquired.

On August 20, the Bigbee family ranch will celebrate its diamond jubilee. Run today by Frank Bigbee's son John, a former State representative, and his wife Povy, the ranch now consists of 150 sections in New Mexico, and a separate enterprise in Colorado. The work and dedication which allowed the ranch to thrive and prosper as it has would make David Bigbee very proud of his family—as we all are. For while he took the initial risk, his children and grandchildren built on that faith and today 75 years later have preserved the idea of the ranch as a family enterprise. John's father Frank is, at 92, president of the company, and Mrs. Dade Bigbee, who will be celebrating her 96th birthday during the week of the jubilee, is chairman of the board. Clearly, without this unity and multigenerational commitment, the ranch would not have prospered as it has. But as the Bigbees well-know, succeeding in the ranching business takes much more than commitment and dedications—it takes long, hard days, and lots of work under conditions that are often less than optimum. And I think it is in this knowledge that they derive the great sense of pride and accomplishment that I know will characterize the festivities surrounding the ranch's diamond jubilee.●

EIGHT YEARS: FROM HELSINKI TO MADRID

● Mr. DOLE. Mr. President, today marks the eighth anniversary of the signing of the Helsinki Final Act. On August 1, 1975, the heads of state of 33 European nations, the United States, and Canada, committed their governments to improved relations, through a series of provisions designed to enhance European security and cooperation. One of these recognized human rights as an essential factor in insuring the development of friendly relations and cooperation.

After almost 3 years of tough negotiations at the Madrid meeting to review implementation of the Final Act, 34 signatories have reached provisional agreement on a concluding document. Malta is the only country which has withheld consensus in an effort to force the other 34 to agree to a conference on Mediterranean security.

Assuming that the Malta problem will be resolved, the concluding document will make significant additions to the CSCE process. The document has provisions which deal with the rights of workers to organize, religious rights, human contacts and family reunification, access to diplomatic and consular missions, free flow of information, rights of journalists, and measures against terrorism. Significantly, the Madrid meeting also has provided a forum for the vigorous review of compliance by all signatories with the provisions of the Helsinki Final Act. This thorough and continuing review highlighted the failure of the Soviet Union and other East European states to adhere to many of their Helsinki commitments. The United States and other delegations were forthright in calling attention to and condemning flagrant Soviet and Eastern violations of the Final Act. There is hope that eventually this will have a beneficial effect.

Mr. President, the goals of the Helsinki Final Act, cannot be totally realized as long as Soviet troops occupy Afghanistan; as long as members of the Moscow, Ukrainian, Lithuanian, Georgian, and Armenian Helsinki monitoring groups languish in prisons, labor camps, and psychiatric hospitals; as long as the workers of Poland are denied the right to form free trade unions; and as long as so many in the East are denied the right to reunite with their families in the West. Nevertheless, it is vitally important for us to keep the Helsinki process alive—to continue to set standards for international behavior and to communicate to the Soviet Union our deep concerns on issues of implementation. Indeed, the Madrid agreement provides for additional forums to further these ends, including experts meeting on human rights, human contacts and on the peaceful settlement of disputes, as well as a cultural forum, and the next followup meeting in Vienna in 1986.

Mr. President, the Senator from Kansas would like to conclude by inserting into the RECORD a valuable appreciation of the basic CSCE policy concerns which my fellow commissioner, Senator ORRIN HATCH, has written. Although the CSCE impasse has now—with the exception of the Malta filibuster—been resolved, many of Senator HATCH's underlying concerns remain as valid today as when they were written a few months ago. In particular, the experts meeting on ways to facilitate human contacts and family reunification, and the Conference in Disarmament in Europe (CDE), are provided for in the Madrid documents, largely as Senator HATCH foresaw. Like him, the Senator from Kansas would prefer that the larger freedoms that he enumerates could also become reality.

As cochairman of the Helsinki Commission, I remain deeply disturbed about the continuing violations of the Helsinki accords and I regret that we have not yet witnessed any significant manifestations of the Soviet Government's intent to live up to its human rights commitments. Nevertheless, I remain committed to the noble ideals found in the final act and in the Madrid concluding document, and fervently hope that the Soviet Government will begin to show that it intends to treat these ideals with respect. Only in the full implementation by all signatories of the Helsinki Final Act can the goal of true security and cooperation in Europe be realized.

The material follows:

THE CSCE IMPASSE

(By Senator Orrin G. Hatch)

The Conference on Security and Cooperation in Europe has been meeting in Madrid for three years, but is still dead-locked over signing a final document. The impasse centers on the key issue of human rights. While the Madrid meeting has been in session, the Soviets and their Warsaw Pact allies have continued to violate the human rights provisions of the 1975 Helsinki Final Act, thereby jeopardizing the credibility of the entire Helsinki process.

Our ambassador to the CSCE, Max Kampelman, has done a superb job convincing our allies that we must see some "performance" from the Soviets before we sign a concluding document—some indication that they intend to take their Madrid commitment seriously. Our allies support us on

this; in turn, they want our support for convening a Conference on Disarmament in Europe (CDE) with the Soviets to reduce the risk of military confrontation in Europe. When I visited Madrid a few months ago as a CSCE commissioner, I decided that a CDE in 1983 would be useful, provided the Soviets agree to our four conditions for confidence-building measures (CBMs): that they be militarily significant, politically binding, verifiable, and cover the entire continent of Europe.

When I met with Chancellor Helmut Kohl of West Germany this past April prior to his meeting with President Reagan, I encouraged him to raise the issue of a CDE with the President, since he and I agree on the importance of a CDE in 1983. According to *The New York Times*, Mr. Kohl told President Reagan that he wants to go ahead and convene a CDE while at the same time continuing to encourage the Soviets to make progress in the area of human rights. However, President Reagan believes the Soviets and their Warsaw Pact allies need to demonstrate progress in human rights *before* we can sign a Madrid document which contains provisions for a CDE.

The President is 100 percent correct in holding to this position. In addition to "linking' Soviet performance with signing a final document, our allies need to understand that, if they want a CDE, they must continue to stand firm and wait for a significant gesture from the Soviets and their Warsaw Pact allies.

Of course, we need to be flexible in defining "performance." Some possibilities are: Soviet workers should be allowed to form independent labor unions; emigration restrictions should be eased; individuals should be allowed to practice their religion without fear of persecution; imprisoned human rights activists Anatoly Shcharansky and Andrei Sakharov should be released.

Other examples of "performance" would be the withdrawal of some Soviet troops from Afghanistan or improvements in Poland. Last September the Senate Steering Committee, of which I am vice-chairman for foreign policy, sent a letter to President Reagan supporting his policy of insisting on real progress in Poland before reaching any new agreements.

It is absolutely essential that the West continue to remain united in its priorities. The NATO alliance is demonstrating its cohesiveness by seeking important changes in the draft language put forth by the neutral and nonaligned nations. One very important addition we are seeking is a provision for a meeting of experts to explore ways to facilitate human contacts and family reunification.

This one issue demonstrates the importance of the CSCE. It was not meant to be a battleground where one side tries to overpower the other. Rather, the purpose of the CSCE is to improve East-West relations. As my colleague, Senator Bob Dole, stated before the CSCE last November, "East-West harmony is a fundamental objective of American foreign policy. The oportunities to achieve that harmony can be enlarged by what we do here in Madrid, within the framework of the CSCE. Yet, how can we make progress without abiding by the Final Act's provisions?"●

EIGHT YEARS OF HELSINKI IN THE U.S.S.R.

● Mr. D'AMATO. Mr. President, amid the hoopla over the seeming end of the Madrid Conference, we must ask ourselves what has happened to the people whom the Helsinki Final Act was supposed to benefit: the citizens of the U.S.S.R. and Eastern Europe. As a member of the Commission on Security and Cooperation in Europe, I am dismayed over the lack of improvement of human rights within the Communist regimes of the East bloc. During the past year, we have seen the flickering flame of Polish freedom extinguished by the repressive military leadership of that nation. Eight years after the signing of the Helsinki Final Act, we continue to witness the blatant suppression of even the most basic of human rights. Of particular note, is the attempt by the atheistic governments of Eastern Europe to eliminate every last vestige of religion.

Thus, on this occasion, the eighth anniversary of the signing of the Helsinki Final Act, I wish to draw the attention of my colleagues to the situation of religious communities in the Soviet Union. While we all rejoice in the recent happy resolution of the 23-year emigration struggle of two Pentecostal families, the Vashchenkos and Chymkhalovs, there are at least 30,000 other Soviet Evangelical Protestants who want to emigrate as the only way to escape generations of religious persecution in the U.S.S.R. There are also about 300,000 Soviet Jews who want to escape anti-Semitism. So, for those of us who are committed to bettering the situation of religious believers—Jews, Christians, Moslems—in the U.S.S.R., there is a lot of work left to be done.

What is the status of religious groups in the Soviet Union? Despite official Soviet assurances, religious life in the U.S.S.R. is actually under rigid Government control. In fact, Soviet laws on religion attempt to regulate every aspect of organized religion: No one under the age of 18 is supposed to attend church; church sermons and literature are censored by the Government; and entry to seminaries is subject to state control. This list of restrictions could be extended many times. If groups of Soviet believers feel that it is against the dictates of their consciences to abide by these official restrictions, the community is forced into an illegal status and participants are liable for criminal prosecution.

Probably half of the Prisoners of Conscience in the Soviet Union today are religious believers: Hundreds of Baptists, Adventists, and Pentecostals, including dozens of pastors, have been imprisoned in the past few years. For the first time since 1972, two Lithuanian Catholic priests, Father Sigitas Tamkevicius and Alfonsas Svarinskas, are imprisoned; Russian Orthodox priest, Father Gleb Yakunin, has been put in solitary confinement for daring to ask for a Bible in camp; Georgian Orthodox activist, Valentina Pailodze, was recently given an 11-year term of imprisonment; and numerous Muslims have been imprisoned for seeking religious and cultural rights. This tragic list of victims of Soviet repression of religion could also be extended hundreds of times.

In closing, I would like to draw my colleagues' attention to the particular plight of several other religious groups in the U.S.S.R. Not only does the Soviet state arrogate to itself the right to decide what types of religious activities are permissible, but it also has the supreme arrogance of outlawing entire creeds, including the Eastern or Greek Rite Catholic Church of Ukraine, one Uniate activist, Josif Terelya, has spent most of his adult life in camps and psychiatric hospitals; Jehovah's Witnesses, who are considered members of an international conspiracy emanating from Brooklyn, N.Y.; and the True Orthodox, there is a group of True Orthodox women which has spent 25 years in the camps. In violation of its Helsinki pledges, the Soviet state continues to practice discrimination and repression against religious believers in the U.S.S.R.

In light of the continued repression in the Soviet Union, the results of the long diplomatic deliberations at Madrid may seem meager. But we must persevere in our painstaking efforts to insure that the Soviet Union will eventually live up to its solemn international commitments. To do otherwise would forsake our solemn commitment or preserve, foster, and support religious freedom throughout the world.●

NOTICE OF DETERMINATION BY THE SELECT COMMITTEE ON ETHICS

● Mr. STEVENS. Mr. President, it is required by paragraph 4 of rule 35 that I place in the CONGRESSIONAL RECORD this notice of a Senate employee who proposes to participate in a program, the principal objective of which is educational, sponsored by a foreign government or a foreign educational or charitable organization involving travel to a foreign country paid for by that foreign government or organization.

The select committee has received a request for a determination under rule 35 which would permit Mr. Robert H. Dockery of the staff of Senator CHRISTOPHER J. DODD, to participate in a program sponsored by the Konrad Adenauer Stiftung, in the Federal Republic of Germany, from October 8-15, 1983.

The committee has determined that participation by Mr. Dockery in the program in the Federal Republic of Germany, at the expense of the Konrad Adenauer Stiftung, to discuss United States-German relations, is in

the interest of the Senate and the United States.●

FINANCIAL AID TO POLAND

● Mr. MOYNIHAN. Mr. President, martial law having nominally been ended by the Soviet Union's proconsul in Warsaw, General Jaruzelski, Western creditor governments have in recent days moved quickly to formally reschedule Poland's unpaid debts to Western banks. Simultaneously, the world learned last Thursday that negotiations for a long-term grain sale agreement between the United States and the Soviet Union, suspended 2 years ago by the United States in protest of the Soviet-sponsored repression of the free trade union, Solidarity, have quickly yielded a new agreement.

Before Solidarity is forgotten to history altogether, I urge my colleagues to take note of two statements regarding status of civil liberties and human rights in Poland.

One is the expression of Lech Walensa, who said, on the day following the transformation of the military regime in Poland to a civilian one:

If I were to choose between the new (civilian) and martial law, I would choose martial law.

This from a man who spent more than 1 year as a prisoner of the state for holding views at odds with those of the state. He knows about civil liberties what we, in the West, can only imagine. Clearly, the end of martial law has not meant the restoration of human rights in Poland.

The second statement I commend to Members of the Senate, and to the many readers of the CONGRESSIONAL RECORD, comes from our distinguished colleague, the junior Senator from Wisconsin, Mr. KASTEN, who has summarized his view of this situation in a studied and persuasive essay in the Wall Street Journal of July 28, 1983.

I ask that the complete text of Senator KASTEN's article be printed at this point in the RECORD.

The article follows:

[From the Wall Street Journal, July 28, 1983]

HOLD OFF RESCHEDULING THE POLISH LOANS

(By Robert W. Kasten Jr.)

What do the latest actions by the Polish government really mean for the people of Poland, and how should the U.S. react? We have conditioned normal relations with Poland upon the lifting of martial law, release of political prisoners and discussions with independent labor unions. Are conditions in Poland sufficiently changed for us to normalize relations?

In many cases the new "civil" laws are harsher than the martial laws they replace. For instance, it now will be impossible to strike legally, independent unions will be banned completely, press censorship and restrictions on movement will be tightened severely, and the regime will be able to declare an emergency whenever it decides there is a threat from "internal factors." As Gen. Jaruzelski told the Polish Parliament a week ago: "Any attempt at anti-state activity will be curbed no less unswervingly than during martial law." No wonder that Lech Walesa declared: "If I were to choose between the new (laws) and martial law, I would choose martial law." In addition, it seems that the "release of political prisoners" by Polish authorities may not include any real political prisoners.

ARGUMENTS OF THE MODERATES

Thus, despite the apparent changes, there hasn't been any change in substance. Yet the banking community has begun to clamor for a return to the state of affairs before martial law. Poland has requested that its foreign debt be rescheduled drastically, including an incredible eight-year moratorium on interest payments and a demand for $3 billion more in export credits. American and European leaders seem ready to discuss this. Clearly, the West has yet to learn anything about economic relations between communist and capitalist nations.

Those who advocate a rescheduling make the same arguments as the "moderates" who opposed a declaration of Polish default one year ago. Then, despite the fact that Poland had stopped making payments on its debts, they argued against facing the financial realities and declaring default.

The "moderates" asserted that if we refrained from declaring default, the West would gain in two ways: There would be an incentive for the Polish authorities to "liberalize" more quickly, to lift martial law and to treat the Polish people less harshly. And Poland would speed up its repayment of loans to the West.

But what actually happened? It has taken 1½ years to "lift" martial law, and this action itself is meaningless. The evidence doesn't support the claim that Western restraint leads to improved behavior on the part of communist governments. History indicates that in dealing with such regimes the welfare of the people depends far more on the dynamics of internal politics than on Western actions.

What about the financial situation? During hearings before my Foreign Operations Subcommittee last year representatives of the administration claimed that if we didn't declare default, things would be better for Western creditors. Robert Hormats, former assistant secretary of state, in testimony on Feb. 9, 1982, opposed declaring Poland in default and asserted that "the best chance of putting maximum pressure to obtain a reflow of currency from Poland to the East is by continuing to press them to pay their debts. Now they don't pay as we would like, clearly, but there is a net outflow. There is a net outflow, and it is a high cost for an economy as weak as the Polish economy."

But the past year hasn't fulfilled the predictions of those who confidently assured us that the Polish government would make every effort to repay its debt. True, Poland paid half of the interest due in 1982, but only on the condition that the other half be "recycled" back to Poland by banks as short-term credits. The net effect was to increase the debt's magnitude by one half the interest due to Western creditors. These short-term credits enabled Poland to "purchase" Western goods, leading to a further transfer to resources from West to East. And now comes the latest outrageous request from the Polish debtors. The "outflow" described by Mr. Hormats continues to be in the opposite direction.

This is perhaps the most important point to be made, for the Polish debt is but a small part of the greater issue of financing and extending credit to the Soviet Union and its satellites. Trade with the Soviet Union once was seen as an aspect of "detente." By trading with and lending to the communists, it was argued, we would bridge the gap between East and West, bringing prosperity and hope to oppressed people. And by making tyrannical states more dependent on Western goods and technology, we would convert them into more moderate and freer nations, eventually eliminating the danger of war. Western trade would "liberalize" the communist countries.

But things didn't work out that way. The oppressed people remain oppressed, the communist nations are no less tyrannical, and the danger of war hasn't been reduced. Why hasn't the theory of "liberalization by trade" worked, as we once believed it would?

Part of the answer lies in the underlying philosophy of the Soviet bloc countries themselves.

According to Lenin's theory of imperialism, the capitalist West is driven by historical necessity to export its surplus first to the underdeveloped world, and then to communist countries. In other words, when capitalists extend credit to communist nations, they are behaving as Marxist-Leninist theory predicts they will. As Lenin wrote:

". . . the capitalists of the world and their governments, in their rush to conquer the Soviet market, will close their eyes [to various Soviet diplomatic subterfuges] and will thereby be turned into blind deaf mutes. They will furnish credits which will serve us for the support of the Communist Party in their countries and, by supplying us material and technical equipment which we lack, will restore our military industry necessary for our future attacks against our suppliers. To put it in other words, they will work on the preparation of their own suicide."

The implication is that the accumulation of debt has been a conscious act of policy by the communist states and that they have no intention of paying it back. It is likely that communist borrowing is part of "the economic strategy of an empire." In a brilliant essay by this title in Grand Strategy: Countercurrents, Larry Arnn observed that:

". . . until the Poles actually repay the loans, the food they have consumed and the capital they have imported is not expensive to them at all. It is incredibly cheap. The spanking new Polish steel mill may not be an efficient and wise investment by our standards, but it is a large and modern steel mill, and so far someone else has paid for it."

The problem's magnitude becomes apparent when we consider that Poland's government is $25 billion richer and the West is $25 billion poorer, and that even though Poland has paid only a minute part of what it owes, its line of credit is far from exhausted. Furthermore, as Mr. Arnn noted, the logic that has allowed Poland to "borrow" $25 billion will enable the Soviet Union and the rest of its satellites to "borrow" billions and billions more, unless we recognize this policy for what it is: the economic exploitation of the West by the East, which can occur only because of the shortsightedness of capitalist nations.

SHOULD DELAY ARRANGEMENT

We must recognize these things and be guided in our relations with communist countries by reason and prudence—not by our hopes alone. These hopes have been

dashed too many times. I believe we have reached a point where we must draw the line. A year ago I called for the U.S. to declare Poland in default. Now I believe that the U.S. should delay any agreements on rescheduling Poland's debt until such time as that country meets objective standards of human freedom. In addition, if by the end of the year Poland hasn't made substantive changes in its policy toward its people, we should state unequivocally that we will declare Poland in default of the $1.7 billion it owes to the Commodity Credit Corporation. The U.S. thereby would accomplish three important goals. First, we would make clear to our allies and to Western business interests that trade between West and East is a risky undertaking that we will no longer subsidize. Second, we would begin to undermine the economic strategy of the Soviet empire. And finally, we would make it clear that our commitment to liberty and human rights is more than just words.●

HUMAN RIGHTS AND SECURITY: 8 YEARS OF THE HELSINKI PROCESS

● Mr. HATCH. Mr. President, 8 years ago on August 1, 1975, the heads of state from 33 European nations, the United States and Canada, signed the Helsinki Final Act, initiating a diplomatic phenomenon known as the Helsinki process. This process, unique in international relations, covers a wide range of East-West activity with special focus on human rights and security issues. Essential to the Helsinki process are the periodic review conferences held to consider member state's records in implementing the Final Act and to encourage improved compliance with its provisions. The most recent conference of this kind, the Madrid meeting, has nearly completed its work, with only a few details relating to Maltese demands in the Mediterranean security area still to be resolved.

The Madrid meeting, which began in September 1980, has been the scene of sharp East-West clashes over such issues as the continuing Soviet occupation of Afghanistan, the imposition of martial law in Poland and human rights violations in the Warsaw Pact countries. Several months ago, I visited Madrid as a CSCE commissioner and became convinced that convening a Conference on Disarmament in Europe, CDE with the Soviets in 1983 would be useful, provided the Soviets show their intent to view their Helsinki human rights obligations seriously and agree to our four conditions for confidence-building measures, CBM's: that they be militarily significant, politically binding, verifiable, and cover the entire continent of Europe.

When I met with West German Chancellor Helmut Kohl last April, prior to his visit with President Reagan, I encouraged him to raise the issue of the CDE with the President. According to the New York Times account of their meeting, Mr. Kohl did tell President Reagan that he wanted to convene a CDE while continuing to encourage Soviet progress in the area of human rights. President Reagan reportedly responded that the Warsaw Pact needed to demonstrate progress in human rights before we signed a Madrid document containing provisions for a CDE.

President Reagan was right, and has shown that Madrid has been more than just the setting for bloc-to-bloc acrimony. Several agreements have been forged during the deliberations which mark a significant advance over the original final act in both the military security and human rights areas.

Of particular importance is the agreement to hold a conference on confidence and security building measures and disarmament in Europe, beginning in January 1984, in Stockholm, Sweden. This will be a large-scale forum devoted to improving military confidence-building measures, or CBM's, already in the final act and extending their scope of applicability to include military activities in the entire European part of Soviet territory. These CMB's are early warning provisions such as the advance notification of military maneuvers and movements, designed to reduce the threat of surprise attack. The extension of the area of applicability of these CMB's to all of the Soviet Union west of the Ural Mountains is a significant new step which could provide a valuable precedent for the West in future arms control and disarmament discussions with the Soviets. The Stockholm meeting will take its place alongside the two sets of talks going on in Geneva and Vienna involving nuclear weapons and the MBFR sessions in Vienna, as a major arms control forum. A distinguishing feature of the Stockholm talks will be the participation of a much wider spectrum of states, including all 35 nations in the Helsinki process. If this first stage of the Stockholm meeting is successful, a second stage on disarmament questions may be held sometime after 1986.

Progress on military security issues at Madrid has been balanced by the adoption of important new measures in human rights, including two experts-level meetings, one devoted to human rights and the other to human contacts and family reunification problems. Unfortunately, the progress made at Madrid in negotiating new provisions concerning human rights has not yet encouraged the Soviet Union to improve its performance in this vital field.

Even before Solidarity sprang to life in Poland in August 1980, a small group of Soviet citizens banded together to form fledgling independent labor unions in the U.S.S.R. The first such effort in late 1977 was crushed and its leader, Ukrainian coal miner Vladimir Klebanov, today languishes in a psychiatric hospital. The second effort, which began in 1978, is an organization called The Free Interprofessional Association of Workers, SMOT, which has been the object of a particularly brutal campaign of repression: 14 members of SMOT are now in prison, 3 of whom—Vladimir Gershuni, Aleksandr Skovov, and Mikhail Zotov—are in psychiatric hospitals. Other SMOT activists, such as Vladimir Skvirsky and Lev Volokhonsky, have been subjected to repeated terms of imprisonment for their labor union activism.

This suppression of free trade unionism violates the Soviet's international obligations arising from their ratification of conventions of the International Labor Organization, ILO, and also violates the spirit of the Helsinki Final Act of 1975. In a major advance of the Helsinki process, the Madrid final document requires member states to "insure the right of workers freely to establish and join trade unions, the right of trade unions freely to exercise activities and their rights as laid down in relative international instruments," a clear reference to ILO conventions. As chairman of the Senate Committee on Labor and Human Resources as well as a CSCE Commissioner, I will follow reports of Soviet compliance to these provisions with intense interest.

In another area, emigration, the Soviet record has been abysmal. Only members of three ethnic minorities—Jews, Germans, and Armenians—have been permitted to leave the Soviet Union. During the past year, the emigration of these three groups has been reduced to a trickle. In 1982, only 2,688 Soviet Jews were allowed to emigrate as opposed to 51,320 in 1979. Even more ominous for the prospects of Soviet Jewry is the recent formation of an official anti-Zionist committee which announced in June of this year that the process of family reunification for Soviet Jews was "essentially completed." Yet, Western organizations claim that at least 300,000 Jews would still like to leave the U.S.S.R.

At the time when the Soviet Union and the United States are engaged in negotiations in several important arms control areas, Soviet failure to fulfill its human rights commitments under the Helsinki Accords is a nagging reminder of the limitations of agreements whose provisions are unenforceable. The Soviets must be shown that good intentions and pious pronouncements must be reinforced by deeds and actions, if mutual agreements are to have any meaning and substance.●

HELSINKI HUMAN RIGHTS DAY

● Mr. DECONCINI. Mr. President, since the time that the pilgrims first landed on Plymouth Rock, the people of this land have been concerned about human rights and the basic freedoms to which every human being

is entitled. The structure of our Government embodies the pilgrims' ideals of freedom of religion, thought, and expression. Throughout our history, Americans have given their lives to insure that basic human rights would prevail in this all too small world.

With the sacrifices of these people in mind and with this country's commitment to the basic rights of humanity in my heart, I would like to express my pride in our Government's recognition of this day, August 1, 1983, as Helsinki Human Rights Day.

It was on this day 8 years ago that 35 nations, including the United States and the Soviet Union, vowed to take at least a step toward improving human rights the world over. Our Nation's record in this area, though not perfect, is of considerably higher caliber than that of the Soviet Union's. It is for this reason, that although I take pride in the actions of our country, I am still dismayed by the fact that far too many people in this world are subject to great amounts of suffering because their human rights are being denied.

In the Soviet Union, on this day there are people of all nationalities, races, and creeds who are imprisoned for attempting to express their beliefs, celebrate their national heritage, or practice their religion. I am reminded of a story of one of my constituents, a woman who had immigrated to this country, who felt compelled to smuggle religious articles into the Soviet Union so that her sister and her sister's family could secretly practice their religion. This woman sewed a prayer book and a prayer shawl into the lining of her handbag so that her sister who had been denied exit from the Soviet Union could enjoy some of the religious practices she had come to freely experience in the United States.

This story represents just a portion of the oppression to which the Government of the Union of Soviet Socialists Republics and its satellites have subjected their people.

In recognizing this day as Helsinki Human Rights Day, we also recognize the unfulfilled commitment of the Soviet Union to the doctrine of the Helsinki accords. The Soviet Union has failed to recognize its peoples rights to religion, freedom of thought, and emigration. In fact, the Soviet Government has actually regressed in its policy of enabling families to reunite. For instance, in 1979, 51,320 Jews were allowed to emigrate from the Soviet Union, while in 1982, only 2,688 Jews were allowed to join their families outside of Soviet controlled territory. This denial of the basic right to freedom of movement represents a harmful blow to the ideals embodied in the Helsinki accords. As a further example of this contempt for basic human concerns, the Soviet Union has arrested, held in confinement, and repeatedly refused an exit visa to Andrei Sakharov, a man of great esteem and honor, for daring to condemn his Government for its actions in Afghanistan.

The institutionalized totalitarianism of the Soviet Union is a dangerous impediment to establishing the foundation of a peaceful and stable international system of human rights. Hopefully, by recognizing this day with such occasion, we can demonstrate to the Soviet Government our solidarity in the fight for basic human freedom the world over. I believe that every person here knows the paramount importance of such basic freedoms as free speech, religion, and unimpeded movement. It was the denial of these freedoms which drove the pilgrims to this land, and it is the inspiration of these freedoms which has allowed this Nation to endure its hardships. It will be the recognition of these freedoms that will finally liberate the people of the world.

Mr. President, I am grateful to my colleagues in Congress and to the President of the United States for their overwhelming support of my resolution which proclaims this day as Helsinki Human Rights Day.●

SUPPLEMENTAL APPROPRIATIONS—CONFERENCE REPORT

● Mr. LEVIN. Mr. President, last Friday night I voted to support the conference report on the fiscal year 1983 supplemental appropriation bill, not because passing it was good, but because not to pass it would have been a tragedy.

It was clear that if this legislation had not passed, then the food stamp program would have been almost $2 billion short for the remainder of fiscal year 1983. That would have necessitated drastically cutting benefits for August and eliminating them for September. Clearly, we could not allow this to happen.

But to do what was humane and necessary, the Senate was asked to swallow a lot of bad with the good. The conference report deleted funds that had been proposed by both the House and Senate for the strategic petroleum reserve, and deleted the Senate's disapproval of the administration's proposal to defer spending $800 million for the purchase of oil for the reserve. As Senator BRADLEY so eloquently said on Friday night, it makes no sense to send troops to Central America on grounds that we have to safeguard our commerce by protecting the sealanes there, and at the same time not do what is necessary to safeguard our commerce by making sure we have an adequate supply of oil in the event of a foreign cutoff.

Furthermore, the supplemental appropriations bill, while properly capping the amount of money which Senators can earn for making speeches, also increased the salaries of the Members of the Senate. During the debate on the supplemental appropriation bill when it was before the Senate originally, I voted time and time again against a salary increase. Unfortunately, other views prevailed. It can do nothing good for the image of the Senate to have it hide its salary increase behind the poor and dispossessed recipients of food stamps.●

DAIRY ADJUSTMENT AND STABILIZATION ACT OF 1983

● Mr. MOYNIHAN. Mr. President, last Friday, I introduced S. 1712, a bill to authorize the Secretary of Agriculture to lower the dairy price support level from $13.10 per hundredweight to $11.60 per hundredweight, and to repeal the Secretary's authority to collect two 50-cent assessments from the proceeds of the sale of every hundredweight of milk marketed commercially. I ask for the full text of my bill to be printed in the RECORD.

The bill follows:

S. 1712

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Dairy Adjustment and Stabilization Act of 1983".

SEC. 2. Effective on the sixtieth day following the date of the enactment of this Act, section 201 of the Agricultural Act of 1949 (7 U.S.C. 1446), as amended by the Omnibus Budget Reconciliation Act of 1982 and the Dairy Production Stabilization Act of 1983, is amended—

(1) by striking cut subsection (d);

(2) by striking out subsection (c) and inserting in lieu thereof the following:

"(c) The price of milk shall be supported, through purchases of milk and the products of milk, at such level, not less than $11.60 per hundredweight for milk containing 3.67 per centum milkfat, as the Secretary determines necessary in order to assure an adequate supply of milk to meet current needs, taking into consideration the net price-support purchases of milk or the products of milk by the Commodity Credit Corporation during the preceeding fiscal year. Such level shall be established by the Secretary at the beginning of each fiscal year.".

SEC. 3. (a) Within ninety days after the date of the enactment of this Act, the Secretary of Agriculture shall conduct a referendum of dairy producers who, during a representative period (as determined by the Secretary), have been engaged in the production of milk for commercial use in order to determine whether such producers favor the implementation of a nationwide dairy promotion program.

(b) If at least 50 per centum of the producers eligible to vote in the referendum vote in such referendum and two-thirds or more of the producers voting in such referendum vote in favor of the implementation of a nationwide dairy promotion program as proposed in the referendum, the Secretary shall implement such dairy promotion program. If less than 50 per centum of the producers eligible to vote fail to vote in the referendum or less than two-thirds of the producers voting in such refendum do not favor the implementation of a nationwide dairy

promotion program as proposed in the referendum, then the Secretary may not implement such a program.

(c)(1) If the Secretary implements a nationwide dairy promotion program under this Act, he shall periodically review the program and conduct referenda to determine whether producers favor continuation of the program. Such referenda shall be conducted not less often than once every five years or at any time upon petition made to the Secretary by 10 per centum or more of the producers participating in the program.

(2) The Secretary shall terminate a dairy promotion program implemented under this Act if in a referenum conducted under paragraph (1), in which at least 50 per centum of the producers participating in such program vote, two-thirds or more of the producers voting in the referendum vote to terminate the program.

(d)(1) The rate of assessment under any nationwide dairy promotion program implemented under this Act shall be 15 cents per hundredweight of milk for commercial use or equivalent thereof.

(2) Assessments may be used only for dairy promotion, research, and market development as directed by dairy producers.

(3) In any area in which a dairy promotion program is in effect (other than one implemented under this Act) producrs shall be credited for contributions made to such program, as provided in regulations issued by the Secretary, but not in excess of 15 cents per hundredweight.

(e) Only individuals who participate in a dairy promotion program implemented under this Act shall be eligible to serve on the body responsible for administering the program.

(f) The Secretary shall take such action as may be necessary to ensure that all producers eligible to vote in referenda conducted under this Act are permitted to do so.●

ORDER FOR RECESS UNTIL 9 A.M. TOMORROW

Mr. BAKER. Mr. President, first let me say that I have a request for six special orders in the morning. This is our last week in session before tne August recess and there is a great deal to be done.

Therefore, I ask unanimous consent that when the Senate completes its business today it stand in recess until the hour of 9 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR CONVENING AT 9:30 A.M., WEDNESDAY THROUGH FRIDAY

Mr. BAKER. Mr. President, I ask unanimous consent that on Tuesday, Wednesday, and Thursday, the Senate, after it completes its business, stand in recess until the hour of 9:30 a.m. on the next day.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, my friend from Washington has pointed out that I made another in my growing list of inconsistent statements when I said every day this week we would come in at 9:30, including Tuesday, Wednesday, Thursday, and Friday—with the exception of tomorrow, when we will come in at 9 a.m.

I thank the Senator for correcting me.

ORDER FOR RECOGNITION OF CERTAIN SENATORS ON TOMORROW

Mr. BAKER. Mr. President, on tomorrow, after the recognition of the two leaders under the standing order, I ask unanimous consent that six Senators be recognized on special orders of not to exceed 15 minutes each as follows and in this order: Senators GOLDWATER, MATTINGLY, SYMMS, BAKER, STEVENS, and TOWER.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. I ask unanimous consent, Mr. President, that the time allocated to the last four Senators—that is to say, Senators SYMMS, BAKER, STEVENS, and TOWER—be assigned to the control of the distinguished Senator from Idaho (Mr. SYMMS).

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, with respect to House Joint Resolution 338, there is apparently an enrollment error. If the minority leader is agreeable, I will make a unanimous-consent request at this time to correct that.

Mr. BYRD. Mr. President, that action is cleared on this side.

Mr. BAKER. I thank the minority leader.

CORRECTING PUBLIC LAW 98-63 DUE TO AN ERROR IN THE ENROLLMENT OF H.R. 3069

Mr. BAKER. Mr. President, I ask unanimous consent that the Senate turn to the consideration of House Joint Resolution 338, to correct Public Law 98-63 due to an error in the enrollment of H.R. 3069.

The PRESIDING OFFICER. The joint resolution will be stated by titles.

The assistant legislative clerk read as follows:

H.J. Res. 338, to correct Public Law 98-63 due to an error in the enrollment of H.R. 3069.

The PRESIDING OFFICER. Without objection, the joint resolution will be considered as having been read the second time by title.

Is there objection to the present consideration of the joint resolution?

There being no objection, the joint resolution (H.J. Res. 338) was considered, ordered to a third reading, read the third time, and passed.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. BYRD. I move to lay that motion on the table.

THE EXECUTIVE CALENDAR

Mr. BAKER. Mr. President, there is one nomination on today's Executive Calendar that I would propose to take up this evening, if the minority leader will agree. That is the last item, Calendar No. 249, under the Department of Commerce, the nomination of David John Markey, of the District of Columbia, to be Assistant Secretary of Commerce for Communications and Information.

Mr. BYRD. Mr. President, if the distinguished majority leader will yield, there is no objection on this side.

Mr. BAKER. I thank the minority leader.

EXECUTIVE SESSION

Mr. BAKER. Mr. President, I ask unanimous consent that the Senate now go into executive session for the purpose of considering the nomination of David John Markey, of the District of Columbia, to be Assistant Secretary of Commerce for Communications and Information.

The PRESIDING OFFICER. Without objection, it is so ordered.

DEPARTMENT OF COMMERCE

The PRESIDING OFFICER. The nomination will be stated.

The assistant legislative clerk read the nomination of David John Markey, of the District of Columbia, to be Assistant Secretary of Commerce for Communications and Information.

Mr. STEVENS. Mr. President, today the Senate will consider the nomination of David John Markey to be Assistant Secretary of Commerce for Communications and Information. I urge the Senate to swiftly confirm him for this position.

Mr. Markey will be an asset to the Department of Commerce. I know him personally from this experience as chief of staff to my friend and colleague from Alaska, Senator MURKOWSKI. During his tenure on Capitol Hill, he demonstrated a clear understanding of the legislative process. I believe that tool will serve him well in his new capacity at the Department of Commerce.

Prior to joining Senator MURKOWSKI, Mr. Markey was with the National Association of Broadcasters. There he developed a respected reputation for his knowledge in the field of communications issues. After serving with Senator MURKOWSKI, Mr. Markey worked at the Federal Communications Commission on a host of communications issues.

We are fortunate to have a person of Mr. Markey's ability in this important position. I urge the Senate to approve his nomination.

Mr. BAKER. Mr. President, on behalf of the distinguished occupant

of the chair, the distinguished junior Senator from Alaska, I send to the desk a statement in respect to this nomination and ask that it appear in the RECORD as if read.

The PRESIDING OFFICER (Mr. MURKOWSKI). Without objection, it is so ordered.

Mr. MURKOWSKI. Mr. President, I rise in support of the confirmation of David Markey to be Assistant Secretary of Commerce for Communications and Information and the Administrator of the National Telecommunications and Information Administration.

Mr. Markey served as my chief of staff from January 1981 to January 1983, when President Reagan nominated him for the position for which we are considering him today.

Dave was an exceptional administrator and ran my office with intelligence and integrity. He is highly qualified to be Assistant Administrator of Commerce not only by virtue of these qualities, but also by experience. As vice president for congressional relations for the National Association of Broadcasters for 7 years, he acquired a special knowledge of the world of telecommunications.

I urge my colleagues to support his confirmation.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the nominee was confirmed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BAKER. Mr. President, I ask that the President be immediately notified that the Senate has given its consent to this nomination.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. BAKER. Mr. President, I ask unanimous consent that the Senate now return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR STAR PRINT—S. 410

Mr. BYRD. Mr. President, on behalf of the Senator from Hawaii (Mr. INOUYE), I ask that a star print of S. 410 be printed. I send a corrected copy and an explanation of the changes to the desk. I ask unanimous consent that they be included in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

● Mr. INOUYE. Mr. President. I request that a star print to S. 410 be printed.

Last February, Senator PACKWOOD and I introduced S. 410, a bill to authorize establishment of Community Nursing Centers.

This bill, drafted with the extensive advice and assistance of the American Nurses' Association, is designed to utilize the skills and scope of professional nurses in moderating and reducing the soaring costs of health care—particularly in medicare and medicaid.

Community Nursing Centers would be established primarily through building upon the existing Visiting Nurses' Associations and local nursing component of public health departments. A prime focus and effort of the CNC's would be to keep people, who would otherwise be institutionalized, out of hospitals and nursing homes by means of professional nursing and related services provided through an independent ambulatory setting.

A detailed description of the CNC proposal and its workings may be found in my introductory statement of February 3.

My purpose today is to make a few important modifications to the CNC bill on behalf of Senator PACKWOOD and myself. This is being done for two reasons: first, to incorporate a technical omission in S. 410; namely, a "lock-in" provision to avoid duplication of payment; second, and most important, to make basic changes in eligibility for CNC long-term care in order to deal with a nightmarish catch-22 scenario that plagues all who try to develop reasonable alternatives to keeping people in hospitals and nursing homes.

The problem involves the assumption by the cost estimators of increased utilization of services by people eligible for institutional care but who are not actually in institutions.

Without, as yet, having seen a CBO estimate as to the costs of S. 410—the CNC proposal—we can anticipate an inflated figure because of what they will term "induced costs."

Induced costs are the result of increased utilization attributable to the existence and availability of the benefit and without regard to the fact that no new eligibility is established in terms of individuals. All eligibles must have diagnoses of a type and severity ordinarily requiring institutionalization. Notwithstanding that fact, the increased utilization is believed to occur on the assumption that many of those who would be eligible for institutional care are not in fact in institutions—that they are otherwise cared for by family, friends, other providers, or even go without any support or care. Thus, minimal costs are presently incurred for these "eligible but not using" people. The argument is then made that the existence of the CNC's and its function of providing care to those who are otherwise institutionalized would result in the present "eligible but not utilizing population" taking advantage of CNC services with resultant increased costs.

This is the catch-22 of any effort to develop or offer bonafide ambulatory care alternatives to institutionalization; namely, that it will be additive and not substitutive.

It seems to me that this view paralyzes legitimate efforts and perpetuates the status quo of handwringing and lamentation concerning the need to keep people out of institutions. I do not want to see those who would legitimately benefit from CNC's victimized by the induced costs logic. What is needed is a reasonable opportunity for America's nurses to demonstrate their capacity to solve an enormous and growing problem at significantly lower cost.

Therefore, recognizing the impossibility of overcoming the induced costs argument absent actual experience, we have developed a "stepback" position in the interest of getting CNC's going and doing. It is a position which should negate any arguments or estimates associated with induced costs.

Those changes are as follows:

During the first 3 years of the program, CNC services, under the section authorizing care to "those who would otherwise be institutionalized," that care would be limited to:

First, those otherwise eligible persons—including requirements as to diagnoses and severity—who are, in fact, in institutions as of the effective date of the legislation; or

Second, those otherwise eligible persons who had been institutionalized for at least 30 days during the 2-year period prior to the effective date and who are determined to currently meet the requirements as to types and severity of condition; or

Third, those otherwise eligible individuals meeting all applicable health status requirements who do not meet the chronological tests under one and two above but are determined, in accordance with criteria established by the Secretary, to have no reasonable and feasible alternatives to institutionalization absent the care and service of a CNC.

Mr. President, I now submit these important revisions to S. 410 on behalf of Senator PACKWOOD and myself, and ask that it be reprinted as a star print.

I also ask that a copy of a memorandum describing the cost-containing features of the CNC legislation appear at the conclusion of my remarks. The memorandum was prepared, at the request of my office, by Ms. Patricia Jones, R.N., director of the Washington office of the American Nurses' Association.

The memorandum follows:

AMERICAN NURSES' ASSOCIATION,
Washington Office, July 20, 1983.

To: Pat DeLeon, Office of Senator Inouye; Peg Walker, Office of Senator Packwood.

From: Patricia Jones, Director, Washington Office.
Re: Costs Moderating Provisions of S. 410 (CNC bill).

It might be helpful to understanding and discussion of costs comparisons and costs estimating to describe some of the built-in costs moderating elements of the Community Nursing Centers (CNC) proposal:

1. The bill would not generate development of a whole new group of providers. It essentially builds upon the existing VNA's and public health nursing departments virtually all of whom are now Medicare providers.

2. Each CNC would have a defined service area. Thus, you would not have a multiplicity of new providers (a la hospices) competing for patients within the same service area.

3. The VNA's and the public health nursing departments have a proven track record under Medicare, as low-cost providers on any index used—whether per visit or per case. That is borne out by the attached HCFA data comparing types of Medicare home health providers and their relative unit and per case costs. The data makes it quite apparent that the agencies which would predominate as CNCs are not disposed to load up on costs or to stimulate unnecessary or avoidable utilization. They have, over the years, demonstrated service as responsible low-cost providers of care.

4. There is also a more subtle but nonetheless significant costs moderating factor in the CNC approach. Unquestionably, there will be a substitution of lower cost nursing and related service for more costly medical care. That is, the enrollment of a patient in a CNC—with the availability of nursing service and counseling—should result in avoidance of those many marginal visits to physicians and outpatient departments which occur because the patient has not alternative health care resource—such as a CNC—where they can consult on their problems.

5. An independent review group is required to evaluate and approve each proposed patient plan-of-care and to re-review at appropriate periodic intervals. This avoids giving CNCs a "blank check" in terms of determining the need for and duration of care and service. Parenthetically, the costs of review would be minimal on a per patient basis because the coverage would be available only to those otherwise eligible people who needed care for three-months or longer. Thus, the costs of a patient's review would be spread out over an extended period of months.

6. Another costs moderating effect of the CNC effort should result from a decrease in the frequency of acute episodes requiring hospitalization as well as a reduction in the lengths-of-stay for unavoidable hospital admissions. The continuum of patient care and observation provided by a CNC would result, in many cases, in early detection of changes in a patient's condition affording an opportunity for timely intervention and/or referral short of what ordinarily ultimately result in admission to a hospital. In the case of those patients whose admissions were unavoidable, the fact that they were coming out of a known CNC regimen of care and service would facilitate a willingness, understanding, and capacity to leave the hospital following a shorter stay than the norm precisely because of the availability of that known quantity—the CNC.

7. In order to qualify as a CNC, the agency must provide its services at "substantially lower costs" than other Medicare providers in the same area who offer the same type of service(s). In fact, because most of the VNA's and public health agencies are presently Medicare providers, this means they must come in at costs lower than the amounts at which Medicare was currently recognizing and reimbursing them! They can do so because of: (1) capitation as opposed to the present costly itemized billing; (2) monthly capitation in advance enhances cash flow, thereby minimizing costly borrowing; (3) serving a defined area and population permits more effective and economic staffing and budgeting; and, (4) the range of populations and needs which a CNC is required or authorized to serve permit greater spreading and sharing of overhead expenses rather than disproportionate allocation to a single program.

8. The bill requires the Comptroller-General to monitor the operations of the CNCs to assure that: services are provided in proper fashion to eligible individuals only; to assure the validity of the capitation payments in terms of amounts; and to assure that any proportion of the capitation payments retained by CNCs as incentive payments are reasonably related to efficiency and productivity in the provision of care and service and not the result of "windfall" or failure to provide necessary care.

9. As to the illogical argument that getting people out of long-term care beds (through usage of effective ambulatory care alternatives) would simply result in those beds being filled with patients awaiting placement:

(a) Many of those awaiting SNF or ICF placement in hospitals and elsewhere may, because of CNC availability as an alternative, avoid admission. In the case of Medicare reimbursement to a CNC eligibility does not include institutionalization in an ICF. This has the effect of significantly reducing the pool of patients awaiting placement in long-term care beds—at least in terms of any Medicare impact. Insofar as Medicaid is concerned, the question of CNC as an alternative to ICF care is one which each state determines voluntarily. Obviously, states would not utilize CNCs where they were not a significant cost-saving alternative to institutionalization.

(b) Many of those people in (a) above are now receiving reimbursable care and thereby incurring program cost. While Medicare may often limit payment to hospitals for bed patients awaiting transfer to long-term facilities to the Statewide average nursing home rate, this, by itself, does not take into account the additional Medicare costs which are often incurred. Among these are the physician visit costs stimulated by the ease of access to patients in hospitals.

10. Finally, as to the point that eligible individuals not presently utilizing services would be encouraged to do so because of CNC availability, one response is that if CNCs average 20% below current cost levels for servicing of eligible patients, then an increase of 20% in utilization by qualified individuals no presently in (but eligible for) institutional care could be accommodated with no increase in current aggregate costs!

TABLE 6.—NUMBER OF PERSONS SERVED, NUMBER OF VISITS, AND AMOUNT OF CHARGES, BY TYPE OF VISIT AND TYPE OF AGENCY, 1979

[Numbers and amounts in thousands]

Utilization and type of visit	All agencies	Visiting nurse association	Combined government and voluntary	Government	Hospital based	Proprietary	Private nonprofit	Other [1]
Persons served: [2]								
Total (in thousands)	836.7	332.5	15.4	155.9	95.1	47.9	177.8	12.2
Nursing care	796.4	321.2	15.0	149.9	90.9	43.7	164.2	11.6
Home health aide	291.8	106.4	4.1	44.8	26.8	23.9	82.7	3.1
Physical therapy	204.0	77.5	2.9	27.7	26.2	14.7	52.6	2.3
Other [3]	111.0	42.7	.9	9.2	15.2	9.7	32.2	1.2
Visits:								
Total (in thousands)	19,159	7,223	279	3,110	2,013	1,221	5,023	290
Nursing care	10,486	4,141	169	1,810	1,168	560	2,438	200
Home health aide	5,905	2,147	71	978	504	433	1,712	61
Physical therapy	2,038	675	28	251	250	177	638	19
Other	730	260	12	71	91	51	235	10
Visit charges:								
Total (in thousands)	$572,263	$188,579	$7,834	$74,840	$68,862	$42,369	$181,218	$8,562
Nursing care	328,594	115,147	5,230	28,163	40,923	20,807	92,005	6,319
Home health aide	149,671	46,168	1,478	18,074	15,096	12,557	54,890	1,408
Physical therapy	68,037	18,845	764	6,556	9,240	6,857	25,220	556
Other	25,961	8,419	362	2,047	3,603	2,148	9,103	279
Average number of visits per person served:								
Total	22.9	21.7	18.1	20.0	21.2	25.5	28.3	23.8
Nursing care	13.2	12.9	11.3	12.1	12.8	12.8	14.8	17.3
Home health aide	20.2	20.2	17.2	21.8	18.8	18.1	20.7	19.6
Physical therapy	10.0	8.7	9.8	9.0	9.5	12.0	12.1	8.3
Other	6.6	6.1	13.3	7.7	6.1	5.3	7.3	8.3
Average visit charges per person served:								
Total	$684	$567	$509	$480	$724	$385	$1,019	$704
Nursing care	413	359	348	321	450	476	560	547
Home health aide	513	434	360	404	563	524	664	454

TABLE 6.—NUMBER OF PERSONS SERVED, NUMBER OF VISITS, AND AMOUNT OF CHARGES, BY TYPE OF VISIT AND TYPE OF AGENCY, 1979—Continued

[Numbers and amounts in thousands]

Utilization and type of visit	All agencies	Visiting nurse association	Combined government and voluntary	Government	Hospital based	Proprietary	Private nonprofit	Other [1]
Physical therapy	334	243	266	237	352	466	480	243
Other	234	197	408	222	237	221	283	239
Average charge per visit:								
Total	$30	$26	$28	$24	$34	$35	$36	$30
Nursing care	31	28	31	27	35	37	38	32
Home health aide	25	22	21	18	30	29	32	23
Physical therapy	33	29	27	26	37	39	40	29
Other	35	32	30	29	39	42	39	28

[1] Includes rehabilitation and skilled nursing facility-based agencies.
[2] Detail does not add to total since persons may receive more than 1 type of service.
[3] Includes speech or occupational therapy, medical social services and other health disciplines.

TABLE 1.—TOTAL MEDICARE REIMBURSEMENT, REIMBURSEMENTS FOR HOME HEALTH SERVICES, AND NUMBER OF HOME HEALTH VISITS UNDER MEDICARE, CALENDAR YEARS 1969–79

[Numbers and amounts in millions]

Year	Total medicare reimbursement [1]		Home health agency reimbursement [1]			Home health visits	
	Amount	Percent change	Amount	Percent change	As percent of total medicare reimbursement	Number	Percent change
1969 [2]	6,284.0		80.0		1.24	8.5	
1970	6,772.4	7.8	62.7	−21.6	.91	6.0	−29.9
1971	7,486.9	10.6	57.2	8.8	.76	4.8	−20.5
1972	8,216.5	9.7	66.2	15.7	.80	5.2	9.2
1973	9,639.2	17.3	93.3	40.9	.96	6.4	22.4
1974	11,920.1	23.7	144.6	55.0	1.21	8.2	29.3
1975	14,749.3	23.7	217.8	50.6	1.47	10.8	32.3
1976	17,938.7	21.6	297.0	36.4	1.65	13.6	25.9
1977	21,081.5	17.5	369.3	24.3	1.75	15.7	15.4
1978	24,359.1	15.5	440.4	19.3	1.81	17.5	11.5
1979	28,090.1	15.3	518.3	17.7	1.85	19.2	9.7

[1] The amounts reimbursed are based on interim rates which are adjusted after the end of each provider's accounting year on the basis of reasonable costs of operations. Retroactive reimbursements are excluded from the data in these tables.
[2] Comparative data for years prior to 1969 are not available.

Source: Health Care Financing Administration, unpublished utilization statistics. Amounts are for year in which expenses were incurred, based on bills processed through December 1980. Thus, data for most recent years are less complete than data for earlier years. Division of Information Analysis/OSDM/ORDS/HCFA.●

PROGRAM

Mr. BAKER. Mr. President, on tomorrow the Senate will convene at 9 a.m. pursuant to the motion to recess, which will be made shortly, in accordance with the order previously entered.

After the recognition of the two leaders under the standing order, six Senators will be recognized on special orders of not to exceed 15 minutes each. It is anticipated that after the execution of the special orders, the time for the transaction of routine morning business will be provided for.

ORDER FOR RECESS FROM 12 NOON UNTIL 2 P.M. ON TOMORROW

Mr. President, I ask unanimous consent that on Tuesday, tomorrow, as is usually our case because of caucuses by Senators from both parties which occur off the floor of the Senate, that between the hours of 12 noon and 2 p.m. the Senate stand in recess.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER TO RESUME CONSIDERATION OF H.R. 3363 ON TOMORROW

Mr. BAKER. Mr. President, after the execution of the special orders and after the expiration of the time for the transaction of routine morning business, if so provided, the Senate will resume consideration of the Interior Department appropriations bill, at which time the committee amendment dealing with the Bonneville Power Administration will be the pending question. It is anticipated that votes will occur during the course of the day tomorrow. It is hoped we can finish the Interior appropriations bill tomorrow.

Mr. President, other matters will reach the Senate in due course from the House of Representatives which will be dealt with as and when they are available and it is appropriate to do so.

On Wednesday, Mr. President, at 2 p.m., after a quorum is first established under the rule, a cloture vote will occur on the motion to proceed to the consideration of Radio Marti.

The schedule for the remainder of the week will be announced as it becomes clearer. It is the intention of the leadership to finish this week on Friday, Mr. President. It is hoped that we can dispose of all of the matters that need to be done before the recess commences.

RECESS UNTIL TOMORROW AT 9 A.M.

Mr. BAKER. Mr. President, I see no other Senator seeking recognition. I move, in accordance with the order previously entered, that the Senate now stand in recess until the hour of 9 a.m. tomorrow.

The motion was agreed to and, at 6:29 p.m., the Senate recessed until tomorrow, Tuesday, August 2, 1983, at 9 a.m.

NOMINATIONS

Executive nominations received by the Senate August 1, 1983:

DEPARTMENT OF STATE

Charles Franklin Dunbar, of Maine, a career member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the State of Qatar.

DEPARTMENT OF ENERGY

Danny J. Boggs, of Virginia, to be Deputy Secretary of Energy, vice W. Kenneth Davis, resigned.

DEPARTMENT OF THE TREASURY

Thomas J. Healey, of New Jersey, to be an Assistant Secretary of the Treasury, vice Roger William Mehle, Jr., resigned.

DEPARTMENT OF COMMERCE

Richard L. McElheny, of Arizona, to be an Assistant Secretary of Commerce, vice William H. Morris, Jr., resigned.

NATIONAL INSTITUTE OF BUILDING SCIENCES

MacDonald G. Becket, of California, to be a member of the Board of Directors of the National Institute of Building Sciences for a term expiring September 7, 1984, vice Warner Howe, term expired.

Kyle Clayton Boone, of North Carolina, to be a member of the Board of Directors of the National Institute of Building Sciences for a term expiring September 7, 1984, vice Blanca G. Cedeño, term expired.

IN THE COAST GUARD

The following regular officers of the U.S. Coast Guard for promotion to the grade of lieutenant (junior grade):

Mark A. Johnson	James N. Blythe
Richard A. Currier	Joseph J. Livecchi
Michael R. Murray	Bradley A. Shefka

John R. Ochs
Timothy J. Dellot
Charles E. Booth
Ronald K. Sample
John E. Hautala
Kenneth D. Forslund
Thomas D. Zapata
Dennis M. Sens
Robert O. MacMillan
Stephen G. Kinner, Jr.
Scott C. Schleiffer
Rickey W. George
Elmo L. Alexander, II
Scot H. Evans
John J. Cook
Mark A. Rose
John F. Kaplan
Timothy M. Close
Pamela A. Leistensnider
William T. Devereaux
Steven A. Munson
Matthew J. Glomb
David C. Ely
Steven A. Billian
Mark A. Butt
Peter S. Simons
Thaddeus G. Sliwinski
Gregory W. Buie
Steven P. Corporon
Kristin P. Wahlner
William J. Reicks
James L. Homich
Daniel P. Lynch
Stephen E. Flynn
Michael J. Fasew
Jonathan C. Russell
Raymond C. Engel
Patricia A. Csorba
James Y. Poyer
David C. Watkins
Vince S. Sedwick
Michael A. Alfultis
Peter S. Marsh
James P. Counihan
Kurt E. Hinrichs
Eugene F. Cunningham
James F. Brown
David G. Sella
Joseph E. Mihelic
John S. Welch
Louise A. Cvelbar
John S. Hurlburt
Steven E. Carlson
Paul H. Tingley
Samuel R. Watkins
Michael C. Cosenza
Kenneth J. Bradley
Raymond J. Petow
Daniel J. McClellan
Arthur C. Walsh
Michael R. Kelley
John A. Watson
David A. Durham
Leonard Radziwanowicz
Michael N. Parks
Craig A. Bennett
Douglas G. Russell
Gary P. Beam
Curtis F. Seymour
Steven D. Tarantino
Katrina D. Trexler
Matthew L. Thomas
Thomas R. Hale
William S. Ransom
George P. Hannifin
James L. McDonald
Kevin M. O'Day
William J. Diehl
Bruce R. Gaudette
William N. Finley
Terry A. Bickham
Morris B. Stewart
Edmund H. Tupay
Brian D. Kelley
Thomas F. Atkin
Michael F. Flanagan
Joseph A. Servidio
Joseph P. Seebald
Lyman D. Smith
Edward W. Greiner
Frank L. McNiff
Marc L. Deacon
John S. Early
Jeffrey S. Hammond
John M. Weber
Charley L. Diaz
David A. Culver
Jeffrey A. McCarthy
Fred M. Midgette
Kathleen French
Gregory S. Galvan
Ross E. Bryant
George R. Feid
Ciaran M. Schoenauer
Robert S. Campbell
Mark J. Dandrea
Robert S. Holzman
Jeffrey C. Good
Maureen S. Meyer
Christopher A. Mebane
Drew A. Rambo
Jeffrey S. Griffin
William M. Randall
Charles A. Mathieu
Michael E. Lehocky
Steven A. Saepoff
Norman S. Selley
Mark A. Williams
Evan Q. Kahler
John D. Delaune
Karl L. Frey
Robert J. McLaughlin
Sandra L. Stosz
Mark A. Vazquez
Leroy W. Collins
Richard L. Arnold
George P. Cummings
John M. Mahoney
Fred T. White
Hal R. Thompson
Andrew J. Berghorn
Kimberly J. Daisher
Stephen P. Metruck
Vincent B. Atkins
Thomas S. Morrison
William C. Maxwell
Thomas A. Abbate
Benny S. Devito
Kurt V. Snider
Orlando N. Cavallo
Jeanien V. Yee
David M. Kilder
Edward Sinclair
Anthony N. Upshaw
Steven R. Lebischak
Mark A. Torres
Thomas S. Kuhaneck
Douglas A. Blakemore
David R. Callahan
James E. Meador
Phillip O. Miller
Martin J. Langlois
Mike J. Schmidt
William F. McMeekin
Michael E. Sullivan
Michael A. Plotycia
Karl R. Baldessari
Lance O. Benton
Robert G. Mueller
Michael J. Sikora
Kevin B. Asbury
Kenneth J. Morrison
Scott J. Labak
Mitchell S. Russell
David H. Boyd

CONFIRMATION

Executive nomination confirmed by the Senate August 1, 1983:

DEPARTMENT OF COMMERCE

David John Markey, of the District of Columbia, to be Assistant Secretary of Commerce for Communications and Information.

The above nomination was approved subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

HOUSE OF REPRESENTATIVES—*Monday, August 1, 1983*

The House met at 12 o'clock noon.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

At the start of this new week we pray for renewal of our spirits and enthusiasm in our tasks. Grant that we will see in what we do opportunities for speaking the truth and acting with courage. Help us to undergird our efforts with the knowledge that You are always with us, correcting us when we miss the mark, and giving Your blessing to that which is noble and righteous. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Sparrow, one of its clerks, announced that the Senate had passed without amendment a joint resolution and concurrent resolution of the House of the following titles:

H.J. Res. 321. Joint resolution to proclaim a day of national celebration of the two hundredth anniversary of the signing of the Treaty of Paris;

H. Con. Res. 126. Concurrent resolution providing for the commemoration of the one hundredth anniversary of the birth of Harry S. Truman; and

H. Con. Res. 153. Concurrent resolution providing for a conditional adjournment of the House from August 4 or 5 until September 12, 1983, and a conditional adjournment of the Senate from August 3, 4, or 5 until September 12, 1983.

CONSENT CALENDAR

The SPEAKER. This is Consent Calendar day. The Clerk will call the first bill on the Consent Calendar.

AUTHORIZING SECRETARY OF INTERIOR TO CONVEY CERTAIN LANDS IN LANE COUNTY, OREG.

The Clerk called the bill (H.R. 1062) to authorize the Secretary of the Interior to convey, without consideration, cetain lands in Lane County, Oreg.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. LUNGREN. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

AUTHORIZING SECRETARY OF INTERIOR TO SET ASIDE CERTAIN JUDGMENT FUNDS OF THE THREE AFFILIATED TRIBES OF FORT BERTHOLD RESERVATION IN NORTH DAKOTA

The Clerk called the Senate bill (S. 727) to authorize the Secretary of the Interior to set aside certain judgment funds of the Three Affiliated Tribes of Fort Berthold Reservation in North Dakota, and for other purposes.

There being no objection, the Clerk read the Senate bill, as follows:

S. 727

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the provisions of this Act shall apply notwithstanding any provision of the Act of October 19, 1973 (87 Stat. 466; 25 U.S.C. 1401 et seq.), or any other law, regulation, or plan promulgated pursuant thereto.

SEC. 2. (a) Contingent upon availability of funds, the Secretary of the Interior (hereinafter in this Act referred to as the "Secretary") shall deposit into a separate account—

(1) $113,777.10 of the funds appropriated in satisfaction of the judgments awarded the Three Affiliated Tribes of Fort Berthold Reservation in dockets numbered 350-G and 54-81 L of the United States Court of Claims, plus

(2) all interest and investment income accrued on the funds described in clause (1) from the date on which the transcript of such judgment was filed with the Comptroller General of the United States to the date of deposit described in clause (1).

The initial payment of $113,777.10 shall be deposited when funds equal to this amount are released from the new member per capita escrow account. Thereafter, as any new membership application is denied, the funds thereby released shall be deposited in the account until such time as the sum described in clause (2) is fully satisified or there are no further membership applications to be processed. Any funds so deposited shall be distributed and used only as provided in this Act.

(b) Any funds deposited by the Secretary in a separate account under subsection (a) shall be held and invested by the Secretary in accordance with the first section of the Act of June 24, 1938 (52 Stat. 1037).

(c) Any funds deposited by the Secretary in a separate account under subsection (a), including any interest or investment income accrued thereon, may be distributed, with the approval of the Secretary, to the governing body of the Three Affiliated Tribes of Fort Berthold Reservation for use in the planning and development of a hospital or a health care facility to serve the needs of such tribes.

(d) Any funds deposited by the Secretary in a separate account under subsection (a), including any interest or investment income accrued thereon, which have not been distributed by the Secretary under subsection (c) prior to the date which is five years after the date of enactment of this Act may be distributed to the governing body of the Three Affiliated Tribes of Fort Berthold Reservation for use in any tribal program which is authorized by such governing body and approved by the Secretary.

SEC. 3. (a) The Secretary shall distribute to each eligible individual out of funds appropriated in satisfaction of the judgments awarded the Three Affiliated Tribes of Fort Berthold Reservation in dockets numbered 350-G and 54-81 L of the United States Court of Claims the sum of—

(1) $4,000, and all interest and investment income accrued thereon since August 5, 1982, plus

(2) $45.16, and all interest and investment income accrued thereon since December 13, 1982.

(b) For purposes of this section, the term "eligible individual" means any individual—

(1) who filed an application for membership with the Three Affiliated Tribes of Fort Berthold Reservation before July 10, 1982,

(2) whom the Secretary determines to be eligible to share in such judgment awards, and

(3) who has not received any distribution from the Secretary with respect to such judgment awards at any time prior to the date of enactment of this Act.

SEC. 4. Any funds appropriated in satisfaction of the judgments described in sections 3(a) which remain uncommitted after the deposit described in section 2 and the distribution described in section 3 are made by the Secretary shall be distributed and used in accordance with the programing aspect of the plan for the use and distribution of the funds appropriated in satisfaction of such judgments which became effective on May 26, 1982, pursuant to section 5 of the Act of October 19, 1973 (87 Stat. 468; 25 U.S.C. 1405).

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER. This concludes the call of the Consent Calendar.

DISAPPROVING THE PRESIDENT'S RECOMMENDATION TO EXTEND CERTAIN WAIVER AUTHORITY WITH RESPECT TO ROMANIA

Mr. GIBBONS. Mr. Speaker, pursuant to section 152(d)(1) of the Trade Act of 1974, I move that the House re-

solve itself into the Committee of the Whole House on the State of the Union for the immediate consideration of the resolution (H. Res. 256) disapproving the President's recommendation to extend certain waiver authority under the Trade Act of 1974 with respect to Romania.

The Clerk read the title of the resolution.

The SPEAKER. The Chair recognizes the gentleman from Minnesota (Mr. FRENZEL).

Mr. FRENZEL. Mr. Speaker, I ask unanimous consent that the motion I am about to make to defer indefinitely consideration of House Resolution 256 be debatable for 30 minutes, with the time to be equally divided and controlled by the gentleman from Florida (Mr. GIBBONS) and myself.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

Mr. STRATTON. Mr. Speaker, I object.

The SPEAKER. Objection is heard.

Mr. STRATTON. Mr. Speaker, I withdraw my objection.

The SPEAKER. The gentleman from New York (Mr. STRATTON) withdraws his objection.

The Chair recognizes the gentleman from Minnesota (Mr. FRENZEL).

PREFERENTIAL MOTION OFFERED BY MR. FRENZEL

Mr. FRENZEL. Mr. Speaker, pursuant to section 152(d)(3) of the Trade Act of 1974, I move that consideration of the motion that the House resolve itself into the Committee of the Whole House on the State of the Union for immediate consideration of House Resolution 256 be postponed indefinitely.

The SPEAKER. The gentleman from Minnesota (Mr. FRENZEL) will be recognized for 15 minutes, and the gentleman from Florida (Mr. GIBBONS) will be recognized for 15 minutes.

The Chair recognizes the gentleman from Minnesota (Mr. FRENZEL).

Mr. FRENZEL. Mr. Speaker, I yield my 15 minutes to the distinguished gentleman from Pennsylvania (Mr. SCHULZE).

Mr. SCHULZE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, every year about this time, the Congress has the opportunity to consider disapproval of "most favored nation" status for Romania and other Communist countries.

Shortly, the House will have before it a motion to defer indefinitely, consideration of a resolution of disapproval of the Presidential waiver with respect to "MFN" for Romania. I strongly urge all of my colleagues to reject this motion.

"Most favored nation" status is the highest level of economic participation our Government can grant to a trading partner. We give this privilege only to our closest friends and allies as a valuable trading tool to assist them in marketing their products in the American marketplace. Communist countries are subject to the higher "column two" tariff rates. To do otherwise with the Communist nations of the world is to cheapen the meaning of friend and ally and bring both free and oppressed nations up to the same level.

Section 402 of the Trade Act of 1974, the Jackson-Vanik amendment, prohibits the guaranteeing of "MFN" treatment, Government or investment guarantees, or the negotiation of a commercial agreement with any Communist country that does not allow its citizens the freedom to emigrate. This section also permits the President to waive this prohibition, for a period of 1 year, if he determines that doing so will further promote the freedom of emigration.

When "MFN" status was first granted to Romania, it was perceived to be a reward for a marginal improvement in its emigration policies toward Jews and other minorities. Each year the executive branch has elected to waive the requirements of section 402, generally with only limited review of Romanian human rights policies.

However, the current administration put Romania on notice in 1982 that continued "MFN" status was very much in doubt. Earlier this year, the White House announced that it would not waive section 402 in response to an educational payment decree instituted by the Romanian Government. This law is a selectively applied education tax which extorted money from Romanians who had applied for exit visas.

To underscore the importance which Communist nations place on having "MFN" status with the United States, the Romanian President, Nicolai Ceausescu, upon learning of the potential cancellation of this status by President Reagan, immediately gave assurances to the White House that Romania would not require reimbursement to the state of education costs as a precondition to emigration. He also assured us that Romania would not create economic or procedural barriers to emigration. Unfortunately, the White House has relented and agreed to waive section 402 restrictions again this year.

I am appalled that we are so gullible as to believe that this government in Romania will keep its promises when in the past they have responded with only short-term improvements in their policies on emigration. This history of our relations with this nation are rife with examples of the perfidy and insincerity on the issue of human rights. Just a quick glance at their record should more than convince us to reconsider extending this trading privilege.

Several years ago, in response to increased applications to emigrate, the Romanian Government instituted a preclearance procedure which meant that potential emigrants had to have local police clearance before they could even apply for a formal application from the central government. Needless to say, this complicated the process to the degree that emigration was slowed to a trickle. However, as soon as pressure was applied from the Congress and the White House the preclearance procedure was dropped for fear of jeopardizing their "MFN" status with the United States. We relented and granted "MFN" to them and they responded in good faith with the previously mentioned education tax. When are we ever going to learn that they will do whatever is convenient for them to get what they want. When are we going to realize that we carry the most potent weapon in our arsenal, favored trade status, and we are afraid to use it to help the oppressed peoples behind the Iron and Bamboo Curtains. If we grant them what they want again this year I wonder what new impediment they will institute next year.

How can we think of granting a government such as this the same preferred status as our most trusted allies when for example, in 1983, they issued a decree prohibiting the possession or use of typewriters or duplication machines by Romanians who pose a "danger to public order or security." Private citizens are now required to register all typewriters with the police and also provide samples of the typeface for police files. Is this nation deserving of equal status with, say, Great Britain, West Germany, France? I think not.

Are we seriously going to grant "MFN" status to a country which monitors all international telephone calls of its citizens, and confiscates, reads, and sometimes destroys mail leaving Romania for Western European and other free nations. I hope not.

What I suggest today, is that this House should not be a party to the continued injustice visited upon the Romanian people by its government. We should not grant favorable trade status to a government which punishes a worker in a weapons factory with 15 years in prison for writing on a factory wall, "We want bread! We want milk." Or a government that sentences a Greek Orthodox priest and professor, Father Georghe Calciu, to 10 years in prison for "Fascist activities." Father Calciu's only crime was that he was popular with the orthodox young people and helped draft the original document of the "Free Trade Union of Romanian Workers."

Certainly such punishment for a crime denominated as "Fascist activities" should offend any civilized

person concerned with due process. Father Calciu has never admitted guilt, and has chosen to remain in prison rather than confess to crimes he did not commit. Despite repeated efforts to gain his freedom by myself and others, Father Calciu remains in prison and I fear he will soon succumb to illness and never see the light of freedom. Are we going to be a part of the crime that continues to reward a government that practices such injustices? I pray not.

If the humanitarian issues are not enough to convince you that we should deny "MFN" status to Romania, then let us look for a moment at the economic realities. We are still suffering from high unemployment in many of our major industries. Romania exports steel, footwear, textiles, furniture, tractors, railway cars, and foodstuffs to this country. Can you face the unemployed in these areas and tell them why you support a government such as Romania at the expense of their jobs? Can you look at the workers in the idle plants which formerly made these products and give them a logical reason why we should reward this nation with "MFN" status. I fear not.

The record of the Romanian Government is clear for everyone to see and I ask my colleagues to send a message to the Communist regime in Bucharest that their system is wrong. Let us tell them that the American people see it as evil and we will grant no economic favors.

I urge all my colleagues to vote "no" on the motion to defer consideration indefinitely of Congressman CRANE's resolution.

Mr. ROTH. Mr. Speaker, will the gentleman yield?

Mr. SCHULZE. I yield to the gentleman from Wisconsin.

Mr. ROTH. I thank the gentleman for yielding, and I want to compliment him on his very good statement.

Mr. Speaker, in my opinion the gentleman is correct. We have a trade deficit this year of between $65 billion and $70 billion. Why import more from an Eastern bloc country that has not been especially friendly to us? The KGB and the Eastern bloc have been stealing Western technology as reported by the New York Times today. There are billions and billions of dollars' worth of technical know-how being stolen from this country and sent to the Eastern bloc. I think that we have to send a message that, yes, we are interested in trade, that we realize that 11 percent of our gross national product depends on trade, that we want to trade whenever and wherever possible but we will not stand idly by as the KGB lifts technology from the West. We have to have a proper perspective. Research and development on high technology costs us billion of dollars, and we have to protect this investment.

□ 1215

Mr. SCHULZE. The gentleman is exactly right. In fact, last year one of my constitutents was offered illicit trade with Romania if he would work to pressure me to back off the pressure to get Father Calciu out of jail, and some of the other things that we have been trying to do. They will stop at nothing.

Mr. Speaker, I reserve the balance of my time.

May I inquire of the Chair how much time I have remaining?

The SPEAKER pro tempore (Mr. REID). The gentleman has 4 minutes remaining.

Mr. GIBBONS. Mr. Speaker, I do not plan to use any time, but if I do, it will be right at the end.

Mr. SCHULZE. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois (Mr. PHILIP M. CRANE).

The SPEAKER pro tempore. Without objection, the gentleman from Illinois (Mr. PHILIP M. CRANE) is recognized for 2 minutes.

There was no objection.

Mr. PHILIP M. CRANE. I thank my distinguished colleague for yielding this time to me.

Mr. Speaker, I want to thank the gentleman for being in the vanguard of this battle to cut off most-favored-nation status for Communist countries. I think the country in question on this resolution, Romania, may in some respects, have a marginally better track record as far as observance of human rights, then many other Communist nations. And that is one of the arguments that is perennially used in favor of MFN—that somehow we are leveraging these countries to act more civilized and more humane.

For that reason supporters of MFN justify the use of U.S. taxpayer money to subsidize indirectly and directly their economic development, especially their exports This, in turn, gives them a competitive advantage over free-market countries. I think this is an outrage. One of the most outrageous things that every one of us experiences on the eve of these debates, is to be lobbied in our own offices by representatives of Communist bloc countries. We are lobbied, but who are the people who are lobbying in the offices in Bucharest or in Budapest, or Peking? Who are the lobbyists fighting in behalf of those people who are still suffering from the oppression of the totalitarian regimes among the Communist bloc countries?

If my colleagues want a breakdown to see what it is costing us with regard to Romania, their exports in millions to the United States, for example, in 1979, were $329.6 million. They granted 1,552 visas that year. That worked out to a ransom per person of $212,371. In 1981, they granted 2,352 visas, exports to the United States were $560.1 million, and the cost in ransom per person through the extension of these kinds of credit was $238,095 per person.

The fact is, we are dealing with totalitarian countries that in no way observe the normal rules of civilized nations.

I urge my colleagues to support this resolution that would terminate this extension of U.S. credits and subsidies to totalitarian regimes by voting down the motion to table.

The SPEAKER pro tempore. There is no time remaining.

PARLIAMENTARY INQUIRY

Mr. SCHULZE. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. SCHULZE. Mr. Speaker, I yielded 2 minutes to the gentleman from Illinois.

The SPEAKER pro tempore. That time has expired.

Mr. SCHULZE. We had 4 minutes, Mr. Speaker.

The SPEAKER pro tempore. The gentleman has 2 minutes remaining.

Mr. SCHULZE. Mr. Speaker, I yield 1 minute to the gentleman from New York (Mr. SOLOMON).

The SPEAKER pro tempore. Without objection, the gentleman from New York (Mr. SOLOMON) is recognized for 1 minute.

There was no objection.

Mr. SOLOMON. That is all I need, and I thank the gentleman from Pennsylvania for yielding.

Mr. Speaker, the gentleman from Illinois (Mr. CRANE) said that people on this floor were being lobbied by the Romanian Government. Let me tell the gentleman, that is bad enough, but when you are also lobbied by your own State Department, I think that is outrageous.

As a matter of fact, I think that we ought to support the resolution of the gentleman from Illinois, and I think that under no circumstances should we defer action on this resolution.

I have here a list of human rights violations by the Government of Romania which includes arbitrary arrest, arbitrary imprisonment on fake charges, confiscation of ration cards, confiscation of ID cards, without which purchases cannot be made, harassment of family members, harassment on the job, loss of jobs, forced relocation to other countries. Let me tell Members, if that is not grounds to pass this resolution, I do not know what is, and I would certainly urge immediate passage of the resolution. I am going to demand a vote on it.

Mr. SCHULZE. Mr. Speaker, I reserve the balance of my time.

Mr. GIBBONS. Mr. Speaker, I yield myself such time as I may consume.

I had not planned to take any time. I think all of my colleagues know that since 1974 we have faced this problem of the Jackson-Vanik amendment. It is a difficult problem that we have to face.

Mr. Speaker, I see the gentleman from Georgia here. I will yield 4 minutes to the gentleman from Georgia (Mr. McDONALD) before I claim the balance of my time.

Mr. McDONALD. I thank the chairman of the subcommittee, the gentleman from Florida, for yielding this time to me.

Mr. Speaker, I rise in support of House Resolution 256, which would disapprove the President's recommendation to extend certain waiver authority under the Trade Act of 1974 with respect to Romania. My testimony has been consistently against granting a waiver to Romania since coming to the Congress.

The waiver is supposed to be granted after the President has received assurances that the emigration practices of the country involved will lead substantially to the achievement of the objectives of section 402(c) of the act previously cited. The objective is free emigration. Does anyone know of a Communist country that has free emigration? I do not know of one. Yet year after year, since coming to the Congress, I have been witness to this charade as Romania twiddles with its emigration pipeline to learn how many people it has to let loose in order to gain another extension of its most-favored-nation status.

Any scholar in the field of Communist affairs will tell you that the internal affairs of Romania are stricter and meaner than most any Communist nation in the world. Where else is there a law to register typewriters, together with a sample of its type? What other nation in the world would attempt to enforce a law that required you to pay back the entire cost of your education in convertible currency prior to emigrating? And remember that it is against the law to have any convertible currency in your possession in Romania.

Romania is no slouch either when it comes to repression of religion. While waiting to testify on this subject before the Trade Subcommittee of the House Ways and Means Subcommittee, I heard a Kentucky legislator testify that he visited Romania recently. He was shown a church that was bulldozed down by the authorities in order to try and stop services there. These persecuted Christians are holding services in what is left of the basement there. We know from people with contacts among the Romanians that many people are in prison simply because they are Christians. Many priests have undergone torture and died for Christ in Romania's prisons. Catholics and Protestants have no publishing houses in Romania. Teaching in, or participating in, a Sunday school is not permitted in Romania.

Let us therefore, realize what it is we are discussing. Passage of House Resolution 256 might give the United States some real leverage to use to set some people free. Continued looking the other way on Romania is tacit approval of that government and I do not like what I see.

Mr. GIBBONS. Mr. Speaker, I want to answer some of the reckless charges that have been made here today. As far as the number of people in Romania who are eligible to emigrate to the United States, they have a backlog of 1,500 who are sitting in Romania waiting to come to the United States. That is the truth of the matter. They are not holding people over there. They are turning them loose. They are turning them loose faster than we will accept them or absorb them. That is the problem we have today.

We are not dealing with an easy problem. I have listened to the complaints about Romania for a long time, and for a long time I must say I took them extremely seriously, and I still do take them extremely seriously, but there are charges and counter-charges on every side. Some people will tell you there is as much freedom of religion in Romania as there is in the United States. I do not believe that, but there is freedom of religion in Romania for some people, if they have a state-approved religion. If you do not, you do not get freedom of religion.

This is not the United States. They do not have the first amendment to their constitution.

Mr. McDONALD. Mr. Speaker, will the gentleman yield?

Mr. GIBBONS. No, you have had your time, and you have made your statement before my committee. Taking up the time of the House on this matter, let me get the facts laid out here.

We are dealing with countries that have had 2,000 years of tyrannical history behind them. They have been run and overrun. They graduated from tribes to nation states and back down to tribes again, and it is a tough, rough world over there. But 200 million people live there, and over the 40 years since World War II, we have closely investigated this problem. We have looked at it for 9 years here in the House of Representatives. We need to get this problem behind us. Fortunately, the Supreme Court decision the other day gets this problem behind us. This is probably the last Jackson-Vanik act we will have to put on up here.

It has not done any good in the countries where it has been applied. Poland does not get MFN, Russia does not get MFN, Albania does not get MFN, and they do not have any emigration quotas pending right now. Romania has an education tax, but like every law that is made in Romania, it is made by declaration, President Ceausescu undeclared the tax. The 1,500 people who are waiting there in Romania for emigration to the United States are not paying any education tax, and our Government has the word of that Government that there will not be an education tax levied upon our emigrants or anybody else's emigrants.

So we are getting these problems behind us. We have got to settle these things, though, and get them behind us. Any Member of Congress is free to travel to Romania any time he wants to. He can get a visa from our State Department and go there and see for himself. Many Americans do go there, religious leaders, business leaders, and they come back with varying reports.

Based upon all these reports, the President decided that nondiscriminatory tariff treatment should be extended for 1 more year to Romania. Based upon all of the evidence that we took in our committee hearings, we decided again that nondiscriminatory tariff treatment should be extended to Romania for 1 year.

Now, before I yield back all the balance of my time, Mr. Speaker, I want to explain the two other resolutions. One deals with Hungary. I understand there is no contest at all over Hungary. One deals with the People's Republic of China, of Communist China, as it will be called. I understand there is no problem over Communist China.

I was with Mr. VANIK when we talked with Deng Xiaoping, and I think all Members ought to know what Mr. Deng Xiaoping said to Mr. VANIK about the Jackson-Vanik amendment. He shook hands with Mr. VANIK cordially. He said, "Mr.Vanik, I know about your amendment. I am in full agreement with you on it. How many Chinese will you take?"

□ 1230

Mr. McDONALD. Mr. Speaker, will the gentleman yield on that point?

Mr. GIBBONS. He has got a billion of them he will turn loose if we will take them, but we are not going to take them. That is what this is all about.

Mr. McDONALD. Mr. Speaker, will the gentleman yield on that point?

Mr. GIBBONS. But the cold war still goes on in some minds and some places, but we have got to make progress and we have got to make progress in humane ways.

If the amendment of the gentleman from Illinois, (Mr. PHILIP M. CRANE) is adopted, we know what will happen to the visas of those 1,500 poor Romanians who want to emigrate to the United States which have been cleared

by the Romanian Government. Those visas will go right through the window, they will be no good. There will be nobody emigrating from Romania; there will be nobody emigrating from any of those countries.

Mr. Speaker, we have got to pass these resolutions for humanity's sake.

Mr. FRENZEL. Mr. Speaker, will the gentleman yield?

Mr. GIBBONS. I yield to the gentleman from Minnesota.

Mr. FRENZEL. Mr. Speaker, the gentleman from Florida (Mr. GIBBONS) is absolutely correct. The President and this administration sent these resolutions to us because they believed it was in the best interests of the United States and in the interests of the people of Romania who wish to emigrate that we continue our MFN agreement with Romania for 1 more year. The people who watch that most likely in the United States, the B'nai B'rith representing the Council on Jewish Organizations, have also determined that it is in the best interests of those who wish to emigrate and in the best interests of those who are striving for full human rights in Romania that we do extend MFN for another year. As far as I know, the Chinese and Hungarian resolutions are less controversial. All three of these resolutions should be laid on the table.

Mr. Speaker, I thank the gentleman for yielding.

Mr. GIBBONS. Mr. Speaker, before I yield back the balance of my time, I want to announce that I am attempting to cooperate with the gentleman from Illinois (Mr. PHILIP M. CRANE). He is going to seek a vote on this resolution, and since the Speaker has announced that all votes today would be postponed until the end of the day, in order not to embarrass or hurt any of our colleagues who relied upon the Speaker's announcement, when the appropriate time arrives, Mr. Speaker, I am going to ask unanimous consent that this vote be postponed until after the vote on H.R. 1646 later on today. I do that as a matter of trying to cooperate with the Members who want a record vote on this.

Mr. PORTER. Mr. Speaker, last summer, we reauthorized most-favored nation status for Romania. We did so only after receiving assurance by the Romanian Government that they would permit free emigration and that harassment of religious and ethnic minorities would cease.

Immediately prior to our consideration of Romania's trade status, the situation appeared to improve. And, disappointingly, during the months immediately after the reauthorization, the situation grew alarmingly worse.

For example, look at the "education tax" the Romanian Government implemented 3 months after our reauthorizing MFN for their country. The tax made emigration practically impossible by requiring that anyone desiring to emigrate repay the government for all secondary and postsecondary education received. This tax has to be paid in Western currency. Yet no Romanian is permitted to possess such currency. This obviously was not a legitimate attempt by the government to win just compensation for education costs, since Romanians are already taxed once to cover education costs. This tax was a means of harassment, pure and simple.

Although this tax has now been removed, further restrictions continue. The government recently imposed a ban on all typewriters, a vital tool from human rights and religious activities since handwritten documents can be easily traced.

I wonder if the Romanian Government truly believes that we will ignore these restrictive actions. Let me assure them we will not.

One of the reasons for the formation of the Congressional Human Rights Caucus earlier this year was to investigate instances of human rights violations and recommend appropriate action by the Congress.

While I believe that, with the demise of the "education tax," we should reauthorize MFN status for Romania for the next year, let me assure my colleages that the Congressional Human Rights Caucus will carefully monitor human rights in Romania during this period and prior to the next vote on this matter, will recommend to the Congress appropriate action on future MFN status.

Mr. GIBBONS. Mr. Speaker, I move the previous question on the motion.

The previous question was ordered.

Mr. McDONALD. Mr. Speaker, will the gentleman yield for a question?

Mr. GIBBONS. No, sir.

The SPEAKER pro tempore. The question is on the preferential motion offered by the gentleman from Minnesota (Mr. FRENZEL) to postpone indefinitely.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. PHILIP M. CRANE. Mr. Speaker, on that, I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Without objection, further proceedings on this motion to postpone indefinitely will be postponed until the end of legislative business today.

There was no objection.

DISAPPROVING THE PRESIDENT'S RECOMMENDATION TO EXTEND CERTAIN WAIVER AUTHORITY WITH RESPECT TO HUNGARY

Mr. GIBBONS. Mr. Speaker, pursuant to section 152(d)(1) of the Trade Act of 1974, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the immediate consideration of the resolution (H. Res. 257)disapproving the President's recommendation to extend certain waiver authority under the Trade Act of 1974 with respect to Hungary.

The Clerk read the title of the resolution.

PREFERENTIAL MOTION OFFERED BY MR. FRENZEL

Mr. FRENZEL. Mr. Speaker, pursuant to section 152(d)(3) of the Trade Act of 1974, I move that consideration of the motion that the House resolve itself into the Committee of the Whole House on the State of the Union for immediate consideration of House Resolution 257 be postponed indefinitely.

The SPEAKER pro tempore. The question is on the preferential motion offered by the gentleman from Minnesota (Mr. FRENZEL) to postpone indefinitely.

The preferential motion was agreed to.

DISAPPROVING THE PRESIDENT'S RECOMMENDATION TO EXTEND CERTAIN WAIVER AUTHORITY WITH RESPECT TO THE PEOPLE'S REPUBLIC OF CHINA

Mr. GIBBONS. Mr. Speaker, pursuant to section 152(d)(1) of the Trade Act of 1974, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the immediate consideration of the resolution (H. Res. 258) disapproving the President's recommendation to extend certain waiver authority under the Trade Act of 1974 with respect to the People's Republic of China.

The Clerk read the title of the resolution.

PREFERENTIAL MOTION OFFERED BY MR. FRENZEL

Mr. FRENZEL. Mr. Speaker, pursuant to section 152(d)(3) of the Trade Act of 1974, I move that consideration of the motion that the House resolve itself into the Committee of the Whole House on the State of the Union for immediate consideration of House Resolution 258 be postponed indefinitely.

The SPEAKER pro tempore. The question is on the preferential motion offered by the gentleman from Minnesota (Mr. FRENZEL) to postpone indefinitely.

The preferential motion was agreed to.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following com-

munication from the Clerk of the House of Representatives:

WASHINGTON, D.C.,
August 1, 1983.

Hon. THOMAS P. O'NEILL, Jr.,
The Speaker, House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 5, Rule III of the Rules of the U.S. House of Representatives, the Clerk received at 8:22 p.m. on Friday, July 29, 1983, the following message from the Secretary of the Senate: That the Senate agree to the Conference Report to H.R. 3069.

With kind regards, I am,
Sincerely,

BENJAMIN J. GUTHRIE,
Clerk, House of Representatives.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair desires to announce that pursuant to clause 4 of rule I, the Speaker pro tempore signed the following enrolled bill on Friday, July 29, 1983:

H.R. 3069. An act making supplemental appropriations for the fiscal year ending September 30, 1983, and for other purposes.

"AGENDA FOR OPPORTUNITY"—A RHETORICAL COVERUP

(Mr. GRAY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GRAY. Mr. Speaker the President spoke today in an attempt to try and close the gender gap and the minority gulf with his call for an "agenda for opportunity."

But in actuality, what Mr. Reagan calls an agenda for opportunity is a rhetorical coverup of a nearly 3-year-old record of injustice and insensitivity to the needs of women and minorities.

The President today assured us that much is being done to insure that every American has an equal opportunity to achieve the American dream.

Well, Mr. President, I want to thank you for your outstanding record on behalf of minorities.

We want to thank you for your economic recovery program under which black adult unemployment has risen from 13 to 21 percent and where black teenage unemployment has risen from 37 percent to 51 percent.

We want to thank you for being the first President to fire sitting members of the U.S. Civil Rights Commission who had the courage to disagree with your record of injustice.

We want to thank you for having your lawyers argue on behalf of providing tax-exempt status to private schools that discriminate on the basis of race.

We want to thank you for the 60-percent drop on minority appointments by your administration to policy-making positions and the nearly 80-percent drop in black judicial appointments compared to the past administration.

Finally, we want to thank you for the 50-percent cut in black ambassadors since the last administration.

Mr. President, the rhetoric of a legal and moral commitment must be supported by concrete action.

Until you provide some real action, black America can have only one response to your agenda, and please forgive me, but that response is as you said today, "hogwash."

CONGRESSMAN STRATTON PRAISES NAVY SECRETARY JOHN LEHMAN FOR HIS DECISION TO HOMEPORT THE NAVY'S NEW NORTH ATLANTIC SURFACE ACTION GROUP IN NEW YORK

(Mr. STRATTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STRATTON. Mr. Speaker, I want to join in expressing the warm appreciation of the New York State congressional delegation to the Secretary of the Navy, John Lehman, for his decision to award homeporting of the Navy's newest Atlantic Surface Action Group to the city of New York.

The decision was a wise one, to renew the close ties that New York City has long had with the U.S. Navy, interrupted only by Defense Secretary McNamara in 1963 when he shut down the historic Brooklyn Navy Yard.

The homeporting of this seven-warship group, comprising the battleship *Iowa*, now being refurbished in Pascagoula, Miss., one cruiser, three destroyers, and two Naval Reserve frigates, was the result of a combined effort by the entire bipartisan delegation of New York and New Jersey, the New York metropolitan business and political community and the tri-State New York Port Authority.

The actual homeporting is scheduled to become operational in 1985, and the local leaders have estimated it will bring 9,000 new jobs to the Nation's greatest city, hard hit today by unemployment.

Let me point out to my colleagues from New York, however, as we express our exultation over this victory, that we are still not entirely home free. The Chief of Naval Operations has indicated that the Navy's selection of New York—officially dubbed as their "preferred selection"—must first undergo an elaborate environmental impact statement, which is expected to take a whole year. Let me also remind my New York colleagues that, in the light of the experience at Three Mile Island, environmental impact statements now go beyond just an assessment of the State and the local water, air, and fauna. They also can explore psychological states, and the matter of community acceptance.

Morever, it appears that our nearest rival for this great honor, the State of Massachusetts, has not yet issued its concession statement. So we can anticipate a busy year ahead to nail down our certificate of title with the Navy and with the Department of Defense.

Let me make one friendly suggestion to my colleagues from New York, some of whom may not be quite as enthusiastic supporters of our armed services as this Member is, that it might be helpful in the months ahead that we go out of our way, when the roll is called in this Chamber, to lean just a little bit more toward the Navy and the Department of Defense, while these bureaucratic procedures are being carried through. After all, there is no better way of expressing our appreciation to Secretary Lehman.

As the Romans used to say: Verbum sat sapientia, a word to the wise is sufficient.

NASA GOES SILVER

(Mr. VOLKMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VOLKMER. Mr. Speaker, on October 11, 1983, the National Aeronautics and Space Administration will celebrate its silver anniversary—25 years of remarkable accomplishments. You might remember—

October 11, 1958, NASA launched into Earth orbit its first automated satellite, *Pioneer 1.*

On February 20, 1962, the first U.S. citizen was launched into Earth orbit aboard the *Friendship 7* Mercury capsule.

On July 20, 1969, the Apollo 11 lunar module, *Eagle,* carried the first manned expedition to the surface of the Moon.

On April 12, 1981, the world's first reusable space shuttle, the *Columbia,* was launched, giving birth to the first reusable space transportation system.

Hundreds of unmanned satellites have carried out the scientific exploration of near-Earth space, mapped our planet's resources, charted its weather, and provided a technical base from which commercial exploitation of space has become a reality. Dozens of astronauts have been launched into Earth's orbit to perform useful research.

Mr. Speaker, NASA's 25th anniversary provides all of us with an opportunity to recognize its enormous achievements in aeronautics and space research and development, and in related fields of science and technology.

I ask that the Members of the House join me in consponsoring the resolution introduced by Mr. FUQUA, House

Joint Resolution 284, which designates October 1, 1983, as the "25th anniversary of the National Aeronautics and Space Administration."

HIGHER STANDARD OF ACCOUNTABILITY FOR SAUDI ARABIA NEEDED

(Mr. LEVINE of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEVINE of California. Mr. Speaker, yesterday's Washington Post reported that—

> Saudi Arabia * * * is now expressing its "worry" that Lebanon has gone too far toward normalizing relations with Israel.

It is time for this Congress to look more closely at Saudi Arabia's repeated rejection of American policy in the Middle East and its apparent determination never to allow Israel to be accepted into the family of nations.

When Saudi Arabia wanted to purchase F-15's in the Carter administration and AWACS in the Reagan administration, the Congress received assurances that Saudi Arabia would work for peace in the region. Instead, Saudi Arabia repeatedly refuses to do so.

Saudi agents work in this country to undermine support for Israel and the Saudi Government works in the Middle East to undermine American sponsored peace initiatives.

It is time for us to pay more attention to what the Saudis do and hold them to a higher standard of accountability than we have in the past.

BUDGET DISCIPLINE AN ONGOING TASK FOR THE HOUSE

(Mr. JONES of Oklahoma asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. JONES of Oklahoma. Mr. Speaker, so far the House has supported our efforts to enforce budget discipline. Last week the supplemental appropriations exceeded the budget ceilings, but we amended it to conform. The week before, an amendment to eliminate the savings on Federal pension programs was soundly defeated.

Mr. Speaker, tomorrow the House takes up the general revenue sharing bill, and it will be another test of our resolve to enforce budget discipline. This legislation is nearly $300 million over the budget resolution limits. I will offer an amendment to cut off that amount so that it conforms to the budget.

Budget discipline is an ongoing task. To succeed, Members must do in Washington what they say back home. Tomorrow we will have another chance to prove our commitment to fiscal discipline by voting for my amendment to bring general revenue sharing under the budget ceilings.

THE PRESIDENT'S ACTIONS ON CIVIL RIGHTS

(Mr. MITCHELL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MITCHELL. Mr. Speaker, it is a sad day when a President of the United States must go before the Bar Association to say that he is supportive of minorities and women. We have not had that situation for years in this country.

Something is terribly wrong when the President has to go before the Bar Association to defend his so-called record on civil rights. I think one of the problems is that he is—by the way, I have never seen such animosity in my community directed toward any one President as toward this one. My community did not have that animus toward Nixon or Ford, and it is sad. I think a part of the problem is the perception of this administration, and that perception must be placed against a backdrop in which the slowdown of blacks moving into middle class has occurred under this administration.

We have a 20-percent black unemployment rate, and 3 to 5 percent of blacks have gone back into poverty since this administration took over. Above and beyond that, is it a matter of the President really not knowing what is going on with reference to minorities in this country? In December he made a speech saying that he was setting forth goals for minority businesses.

Last month he had signed an Executive order saying, "Here are the goals." He did not have to do that. There is a law on the books. Public Law 95-507. All he has got to do is to get his agencies in compliance with the law.

Mr. Speaker, I hope this can be straightened out. I do not want the President to be thought of as a racist.

□ 1245

NO TRUTH TO RUMOR THAT BILBO EASTLAND AWARD FOR CIVIL RIGHTS ACCOMPLISHMENTS TO BE ISSUED TODAY

(Mr. JACOBS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. JACOBS. Mr. Speaker, I have investigated and determined that there is no truth to the rumor that the Bilbo Eastland Award for Civil Rights Accomplishments will be issued today by the American Bar Association.

COLORADO RIVER

(Mr. REID asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. REID. Mr. Speaker, it is difficult talk to capsulize in just 1 minute, the influence of the Colorado River on the development of the great Southwest.

The 1,140-mile winding path of the river touches the territory of seven States and two countries. No other river has cut such a remarkable number of very deep trenches—the most spectacular being the Grand Canyon.

The river drains the largest, most arid sector of North America, which earns it the name, the "Lifeline of the Southwest."

The Colorado River system has been involved in many geological firsts. It was the first drainage basin to develop multiple uses of water: Power development, irrigation, recreation, flood control, and navigation.

The first major development toward this multiuse was the Boulder Canyon project in 1928, creating Boulder, now Hoover Dam. This was a significant engineering feat of its times and now functions as a substantial multipurpose water-storage project as well as a major tourist attraction.

Other water projects have written their own history. Parker Dam, for example, takes 1 billion gallons of water, daily—250 miles across California to supply Los Angeles and San Diego.

In another project, water has been diverted, by tunnel, beneath the Continental Divide to irrigate 700,000 acres of Colorado cropland.

Still another tributary provides water to more than 1 million people in the Denver Basin.

The tasks of the river are endless, the impact is immeasurable. It is for these reasons that the Oversight and Investigations Subcommittee of the Committee on Science and Technology will be investigating ways to work with the river in the future.

THE END TO BIPARTISANISM

(Mr. MICHEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MICHEL. Mr. Speaker, I am sorry to have to stand here this morning and say that foreign policy bipartisanism is under serious attack from the majority.

Chairman BOLAND of the Intelligence Committee has written a letter to Chairman PEPPER of the Rules Committee asking for a rule for the immediate consideration of H.R. 2968, the Intelligence Authorization Act.

I do not have time to go into the details of that requested rule. But I can tell you that it is an obvious attempt

to deny the American public any chance of reaching some middle ground with respect to Central American policy.

Chairman BOLAND states:

The leadership has indicated that the bill will be considered as soon as possible.

If that is what the Democratic leadership has indicated, then it seems there ought to at least be some consultation with the minority.

The little understood complexities of Central America need time and study by all of us. If the Democratic leadership persists in this effort H.R. 2760—just passed last week—will be presented to us once again for ratification with no real chance to amend or seek some middle ground.

This is a disgraceful and unacceptable abuse of power and we on our side have to fight it in the name of fair play and true bipartisanship.

THE INAPPROPRIATENESS OF PUBLIC DEBATE ON COVERT AID

(Mr. PETRI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PETRI. Mr. Speaker, last week's debate on covert aid was a case of the inmates taking over the insane asylum. It might be appropriate for the House to discuss whether or not we should engage in covert activity in general. But it is crazy for us to publicly debate funding for specific covert activities now in progress.

Covert is supposed to be covert.

We need new procedures, and new ways of deciding sensitive issues through a truly bipartisan and restructured Intelligence Committee.

When the dust stirred up by this most unfortunate episode has settled, I ask the leaders of both parties in both Houses to recommend a reorganization of the way we oversee intelligence activities to insure that last week's very sorry spectacle does not recur.

TELEPHONE RATE INCREASES EXPECTED BEGINNING JANUARY 1, 1984; AND HOUSE CONCURRENT RESOLUTION 150

(Mrs. SMITH of Nebraska asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SMITH of Nebraska. Mr. Speaker, I have with me today several copies of House Concurrent Resolution 150, offering Members an opportunity to express themselves about the growing confusion surrounding the telephone rate situation.

All of us concerned about people with fixed-incomes and with low incomes are worrying about the impact of the court-ordered divestiture of the American Telephone & Telegraph Co. and a potentially destructive ruling by the Federal Communications Commission reallocation telephone costs—both scheduled to go into effect on January 1, 1984.

My resolution expresses the sense of Congress that the Commission's ruling should not go into effect on that date but instead be deferred for at least 1 year until Congress has time to sort this out.

The truth is that not even the most knowledgeable experts agree about the results of these two important governmental actions—except to conclude that local telephone bills are going to rise significantly, perhaps eventually as much as double or triple present bills.

The trouble is, nobody is sure about the consequences of divestiture or about the premature Commission ruling. Legislative days remaining before the deadline may be as few as 14 if, as rumor has it, Congress may adjourn on October 1.

Comprehensive, extremely complex legislation is now before the Congress. But new proposals are being introduced daily. Conflicting testimony is filling up our hearing records. Local telephone companies are madly rushing preparations to adjust to the impending changes.

Congress cannot legislate wisely in such an atmosphere. We need more time to assess the divestiture before accepting a Commission ruling with such far-reaching consequences.

Please join me in demonstrating your concern by signing on House Concurrent Resolution 150. I will be happy to provide you with a copy and will try to answer your questions. Please get in touch with me personally or my staff assistant, Terri Carver, at 5-6435.

BALANCING THE ECONOMIC ARGUMENT AGAINST THE PRESIDENT

(Mr. GEKAS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEKAS. Mr. Speaker, it is only fair that when this podium in the well is taken for the purpose of criticizing the President for alleged economic ills, that equal time should be granted for noting some of the gains that have been made in what we all seek, economic recovery.

Inflation at this very moment as we speak today is at the lowest level it has been in 15 years. That is good news for the American public. It should be stated loudly and boldly.

The gross national product is up significantly, which means a reduction in deficits and a good sign for all the American public who seek economic recovery.

Just as unemployment, although very high, is showing signs of steady reduction and employment is getting better every day, it is good for us to balance the record from this podium when attacks are made on the President's program for economic recovery.

APPOINTMENT AS MEMBER OF HOUSE COMMISSION ON CONGRESSIONAL MAILING STANDARDS

The SPEAKER. Pursuant to section 5(b) of Public Law 93-191, the Chair appoints the gentleman from Minnesota (Mr. FRENZEL) as a member of the House Commission on Congressional Mailing Standards to fill the existing vacancy thereon.

RESIGNATION AS MEMBER OF BOARD OF CONGRESSIONAL AWARDS

The SPEAKER laid before the House the following resignation as a member of the Board of the Congressional Awards:

DECEMBER 7, 1982.

Hon. THOMAS P. O'NEILL, Jr.,
Speaker of the House, Capitol Building, Washington, D.C.

DEAR MR. SPEAKER: It is with sincere regret that I must resign from the Board of the Congressional Awards as I find my many commitments, both professional and on a volunteer basis, preclude my devoting enough time and effort to the wonderful goals toward which this organization strives. I cannot, in all good conscience, serve on the Board without being a working and contributing member.

I am proud to have been a part of the launching of this idealistic organization and to have helped get it off the ground because I know the first few years are the most difficult and important. I am certain with this fine beginning the Board will continue to make it thrive and grow. I will always be a part of the Congressional Awards in spirit.

With sincere regret and warmest affection.

Always,

DINAH SHORE.

The SPEAKER. Without objection, the resignation is accepted.

There was no objection.

APPOINTMENT AS ADDITIONAL MEMBERS OF CONGRESSIONAL AWARD BOARD

The SPEAKER. Pursuant to section 4(a) of Public Law 96-114, as amended by Public Law 98-33, the Chair appoints as additional members of the Congressional Award Board Mr. A. J. F. O'Reilly of Pittsburgh, Pa.; Dr. Juanita Kreps of Durham, N.C.; Mr. Christopher F. Edley of New York, N.Y.; and Dr. Henry Viscardi, Jr., of Albertson, N.Y.; and Mr. Douglas A. Fraser of Northville, Mich., for the remainder of the term of Ms. Dinah Shore.

Mr. MICHEL. Mr. Speaker, pursuant to section 4(a) of Public Law 96-114, as amended by Public Law 98-33, I have today appointed as additional members of the Congressional Award Board the Honorable Gerald R. Ford of Rancho Mirage, Calif.; Mr. Curtis L. Carlson of Minneapolis, Minn.; Mr. Allen H. Neuharth of Rochester, N.Y.; and Mr. C. William Verity, Jr., of Middletown, Ohio.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. Pursuant to the provisions of clause 5 of rule I, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

Such rollcall votes, if postponed, will be taken on Tuesday, August 2, 1983.

FEDERAL SUPPLEMENTAL COMPENSATION ACT AMENDMENTS

Mr. ROSTENKOWSKI. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3409) to amend the Federal Supplemental Compensation Act of 1982 with respect to the number of weeks of benefits paid in any State, as amended.

The Clerk read as follows:

H.R. 3409

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subparagraph (B) of section 602(e)(2) of the Federal Supplemental Compensation Act of 1982 is amended to read as follows:

"(B) The applicable limit for any State determined under clause (ii) of subparagraph (A) shall in no event be less than the number of weeks applicable to such State for the week beginning March 27, 1983, under this paragraph (as in effect for such week) reduced by 4.".

(b) The amendment made by subsection (a) shall apply to weeks beginning after March 31, 1983.

(c) In the case of any eligible individual who (without regard to the amendment made by subsection (a)) exhausted his rights to Federal supplemental compensation (by reason of the payment of all of the amount in his Federal supplemental compensation account) before the first week beginning after the date of the enactment of this Act, such individual's eligibility for additional compensation by reason of the amendment made by subsection (a) for any week of unemployment shall not be limited or terminated by reason of any event, or failure to meet any requirement of law relating to eligibility for unemployment compensation, occurring after the date of such exhaustion of rights and before the beginning of the first week beginning after the date of the enactment of this Act.

The SPEAKER. Is a second demanded?

Mr. CONABLE. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER. The gentleman from Illinois (Mr. ROSTENKOWSKI) will be recognized for 20 minutes, and the gentleman from New York (Mr. CONABLE) will be recognized for 20 minutes.

The Chair recognizes the gentleman from Illinois (Mr. ROSTENKOWSKI).

GENERAL LEAVE

Mr. ROSTENKOWSKI. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill, H.R. 3409, presently under consideration.

The SPEAKER pro tempore (Mr. KILDEE). Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this legislation would amend the Federal Supplemental Compensation Act of 1982. This program provides additional weeks of unemployment compensation to individuals who have exhausted their regular State benefits and any extended benefits to which they were entitled. The program was originally due to expire on March 31, 1983. As part of that extension the program was amended, and as a result, in many States the maximum number of weeks of benefits payable has dropped substantially.

H.R. 3409 would limit the loss of FSC benefits to no more than 4 weeks, when comparing the number of weeks payable for the last week of the original program.

At this time, Mr. Speaker, I will yield to the gentleman from Tennessee, chairman of the Subcommittee on Public Assistance and Unemployment Compensation, Mr. FORD, for a more detailed explanation of the bill.

Mr. FORD of Tennessee. Mr. Speaker, I thank my distinguished chairman for yielding.

Mr. Speaker, I would like to outline for the Members those provisions of the bill effecting the railroad unemployment insurance system. Initially, I would like to remind Members that the primary concern of both committees was to avoid an automatic decrease in rail pensions, and to assure the long-range solvency of the rail pension system.

Rail workers are covered by the Railroad Unemployment Insurance Act, they are not covered by regular State unemployment insurance laws. Under this act, whenever the rail UI program has insufficient funds to pay unemployment benefits, it can borrow from the rail pension fund. Because of a rapid drop in rail employment over the last 2 years, this borrowing has increased dramatically. By October 1, 1983, the rail UI program will owe the rail pension fund $650 million. Without any changes in the rail UI program, it would have to borrow an additional $1.2 billion over the next 5 years. Therefore, within the context of assuring a sound pension fund, something had to be done to reduce this drain on the pension fund.

The bill as reported by the Committee on Energy and commerce would have transferred this borrowing authority to the Federal Unemployment Account. This is the account from which States borrow when they have insufficient funds to pay benefits. There were no provisions in the bill, however, for a specific repayment procedure for such loans to the rail UI fund. In addition, we were concerned that by simply transferring the borrowing authority to the Federal Unemployment Account we would be giving up any chance of substantive changes being made in the rail UI program that would reduce and ulitmately eliminate its borrowing needs.

The committee struck the provisions of the bill that would have allowed borrowing from the Federal Unemployment Account. Rather than allow such borrowing, we adopted a number of provisions designed to improve the solvency of the railroad unemployment insurance program. these provisions will reduce the drain on the pension fund and begin the repayment of outstanding loans to the pension fund.

Specifically, the unemployment provisions would—

First, increase employer-paid unemployment taxes by 50 percent, effective January 1, 1984.

Second, increase the amount of wages a rail employee must earn in order to qualify for unemployment benefits from $1,000 to $1,500, effective Jaunary 1, 1984.

Third, increase the waiting period for unemployment benefits in the case of a strike from 7 to 14 days.

Fourth, make sick pay benefits, which are paid out of the railroad unemployment insurance fund, subject to Federal income tax.

Fifth, establish, effective July 1, 1986 to September 30, 1990, a railroad unemployment repayment tax which will be used solely to repay outstanding loans from the unemployment insurance program to the pension fund.

Sixth, repeal, effective September 30, 1985, the authority for the railroad unemployment system to borrow from rail pension funds.

Seventh, establish a Railroad Unemployment Compensation Committee, to be comprised of two labor representatives, two management representatives, and one public member. The committee will report to the Congress, no later than April 1, 1984, recommendations addressing all aspects of the railroad unemployment insurance system, including the possibility of covering rail workers under the Federal-State unemployment system. In ad-

dition, the committee is specifically mandated to recommend adjustments in employer contributions to the system and benefit reductions which will enable the rail unemployment system to repay all loans from pension fund by the year 2000.

I know that some Members wanted us to go further in the rail UI area, particularly by extending the repayment tax beyond 1990. I want to point out, however, that the Railroad Unemployment Committee must report to the Congress no later than April 1, 1984, a specific plan for the repayment of all loans by the year 2000. We have started the repayment tax. If we had made it permanent or extended it much beyond 1990, the committee we have established would simply have no incentive to examine all aspects of the rail UI system, including tax increases, benefit reductions, and the possibility of covering rail workers under the regular State programs.

We have cut off the borrowing authority from the pension fund after September 30, 1985. This will provide another incentive for rail management and labor to bargain seriously and in good faith about the future of the rail UI system.

As I indicated at the outset, our concern is the long range solvency of the pension fund. Frankly, the industry, management, and labor alike, did not focus on the UI program when this legislation was first being considered. They were bargaining over pension changes. We have taken substantial steps in improving the solvency of the UI program, but we have also allowed the industry a framework for addressing the remaining problems.

I believe that these provisions are fiscally responsible; by assuring that the Federal Government does not pay what the industry should be paying. And they are fair, by allowing the industry time to consider further changes in the rail UI system and making recommendations to the Congress by a date certain. I urge my colleagues to approve the legislation.

□ 1300

Mr. Speaker, I yield such time as he may consume to the gentleman from Massachusetts (Mr. SHANNON), one of the sponsors and authors of the bill.

Mr. SHANNON. Mr. Speaker, I rise in support of H.R. 3409.

This legislation is urgently needed to restore Federal supplemental compensation (FSC) benefits to thousands of long-term unemployed workers who have lost benefits weeks earlier than originally promised—many without any notice.

FOUR STATES WERE IMMEDIATELY HIT

On June 19, 5,000 long-term unemployed workers in Massachusetts, and thousands more in Arizona, Kansas, and North Carolina, were surprised and dismayed to learn that instead of being entitled to 10 weeks of FSC benefits—as promised by the Department of Labor—the law had been reinterpreted so that they would only be paid 8 weeks of benefits. Those who had already received 8 weeks lost benefits immediately.

DOL HAD MISREAD THE LAW

These unexpected cutoffs occurred because the Department of Labor originally misinterpretated a provision in the bill extending the FSC program. The legislation approved by Congress said that no State under the new FSC program could receive more than 4 weeks less than it was entitled to in the last week of the old program. However, this 4-week floor only covered States in the first week of the new program.

The Department of Labor applied the 4-week floor to all States throughout the life of the current FSC program. For nearly 2½ months, the States were told that they could not drop more than 4 weeks compared to the number of weeks they were entitled to in the last week of the old program.

Benefits were paid out under this policy. And an expectation was created on the part of FSC claimants that they were eligible for a certain number of weeks of benefits.

DOL REINTERPRETS THE LAW

On June 10, the DOL announced that it had reinterpreted the law and that the 4-week floor only applied in the first week of the new program—and that all States except one (Delaware) could experience a loss of more than 4 weeks compared to the old program, if the insured unemployment rate dropped.

Arizona, Kansas, Massachusetts, and North Carolina were immediately hit. Thousands of workers were suddenly cut off the rolls 2 weeks earlier than expected.

Since June 10, the insured unemployment rate has dropped in another 21 States resulting in a loss of 2 weeks of benefits in each of these States, a loss that was unanticipated prior to June 10.

HURTS THE LONG-TERM UNEMPLOYED

The people we are talking about here are the long-term unemployed who have exhausted their regular State benefits and any extended benefits they were entitled to.

While there has been some reduction in the total unemployment rate, the job prospects for this group continue to look bleak. Even if the economy recovers, they will be the last to be rehired.

In light of the continuing hardships faced by this group, it is imprudent and harsh not to continue the original DOL interpretation. These people were brought onto the rolls under a certain interpretation of the law. It is unfair to kick them off the rolls weeks earlier than expected just because the Department of Labor discovered 2½ months after the fact that they had misread the law.

EXTENDED BENEFITS HAVE EXPIRED IN MANY STATES

In addition, 14 of the States which have lost benefits under the new Department of Labor interpretation have also gone off the extended benefits program since April 1983.

The combination of the loss of extended benefits and the loss of more than 4 weeks of FSC has had a particularly harsh impact on unemployed workers in these States.

H.R. 3409

This bill would simply require the DOL to run the program as it was originally interpreted—providing that no State could receive more than 4 weeks less than it was entitled to in the last week of the old program.

Adoption of this bill is simply a matter of equity.

By approving this bill, the Congress will be saying that the Federal Government will not promise the most vulnerable of our citizens one thing, and then do another.

Mr. GRADISON. Mr. Speaker, will the gentleman yield?

Mr. SHANNON. I am happy to yield to the gentleman from Ohio.

Mr. GRADISON. Mr. Speaker, Ohio is one of the States affected by this legislation which would assure that benefits will be paid as the Department of Labor said they were going to be paid. This is the very least we can do to assure fair treatment of the unemployed. I congratulate the gentleman from Massachusetts (Mr. SHANNON) for his leadership on this issue and urge my colleagues to support H.R. 3409.

Mr. SHANNON. I want to thank the gentleman from Ohio.

Mr. Speaker, I yield back the balance of my time.

Mr. FORD of Tennessee. Mr. Speaker, we reserve the balance of our time.

Mr. CONABLE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this measure would cost about $200 million. To enact it would be to follow, I think, a most unfortunate path. I therefore oppose the suspension of the rules to pass H.R. 3409 containing amendments to the Federal Supplemental Compensation Act of 1982.

H.R. 3409 can be traced to the action taken earlier this year when we extended the FSC, or the Federal supplemental compensation program, which had been scheduled to end on March 30.

The schedule of benefits was cut back slightly in an extended program. The purpose behind the cutback was to provide the budgetary leeway necessary to provide additional FSC benefits to persons who had exhausted

their benefits under the regular FSC program.

The transitional rule implementing the scaled-back FSC program was designed to insure that no State would experience an immediate drop of more than 4 benefit weeks from its benefit level in late March. This feature applied only to an immediate drop in benefits. It did not protect the State from losing more than 4 benefit weeks if its dropoff occurred after the first week of the extended FSC program.

The Department of Labor initially misinterpreted the language in the transitional rule and instructed the States that in no case could a State drop more than 4 benefit weeks from its level in late March. The Department corrected its instructions in early June but in the meantime four States had made erroneous payments based on the Department's erroneous instructions.

Why the Department interpreted this incorrectly is beyond me, Mr. Speaker. But now to feel that we must change the law because of this error is also very strange.

In fact, if the principle were estoppel, a long-standing legal principle, it would have to be based on the assumption that people relied on the error made by the Government to their detriment.

In fact, what we did was we created a windfall for some people who were not entitled under the clear instructions of the law as passed by this body and now we are saying we must make it up to them and to all of the others who might have relied on this if the Department of Labor had been correct.

H.R. 3409 would extend those original FSC transition rules to protect all States from dropping more than 4 benefit weeks from their levels in late March.

Proponents argue that the need for this cushion is reinforced by our rebounding economy and falling unemployment rate.

The compensation of the scaled back FSC benefit schedule and falling unemployment rates means about 25 States have dropped more than 4 benefit weeks. H.R. 3409 would limit the drop to 4 weeks.

Lost in all of this verbiage is a central fact that the Congress devised an extension of FSC benefits in March, and the Labor Department mistakenly broadened congressional action when it implemented the new law.

The aim of H.R. 3409 is to codify the departmental mistake and legalize the additional weeks of benefits which would go to affected States as a result of the mistake.

This is a terrible procedure, Mr. Speaker, If we were to codify executive branch mistakes routinely we would find ourselves in impossible situations, politically and economically as well as legally.

Passing this bill would set a bad precedent. It would help some States financially but it would represent an unwise legislative move and one which I would hope my colleagues in this body would reject.

Certainly it is not the kind of precedent we would want to extend.

Mr. Speaker, I now yield such time as he may consume to the gentleman from Minnesota (Mr. FRENZEL).

Mr. FRENZEL. Mr. Speaker, I rise in opposition to H.R. 3409, a bill which would sanction officially a bureaucratic mixup by the Department of Labor and will have the result of increasing spending for the Federal supplemental unemployment compensation program by a quarter of a billion dollar above the amount agreed to by Congress earlier this year.

As described by the gentleman from Tennessee, the subcommittee chairman, and the distinguished gentleman from New York who has just spoken, that FSC extension bill was passed in March. It was designed to provide additional federally funded unemployment compensation benefits to long-term unemployed individuals.

□ 1315

The benefits provided under the renewed FSC program were structured so that those individual in the highest unemployment States where it is theoretically much harder to find work would receive benefits for a longer time.

Since the amounts of weeks an individual would be eligible for could rapidly drop if unemployment started declining, which it did, a provision was added in the bill which limited the immediate drop in weeks to no more than 4 weeks below the level a State was receiving the last week in March. But this provision was carefully designed within the conference committee to affect only one State, Delaware; and it was well understood at the time.

Unfortunately the Department of Labor misinterpreted the statutory language of the bill. It instructed the States that in no case should a State drop more than 4 weeks below the level it was receiving during the last week in March. By the time DOL discovered its own mistake and notified the States of how they really should act, four States had begun to make payments based on those erroneous instructions. Those four States paid out about $2.5 million. The Department of Labor has indicated that it will pay the bill for the $25 million and will make no charge for them.

Mr. Speaker, it may be par for the course for the Department of Labor to make mistakes. It ought not to be the House's responsibility to affirm the mistakes that the Department of Labor makes by changing the law, especially when it costs the taxpayers one-quarter of a billion dollars.

All the States now know what the correct provision is. They have been paying out the benefits accordingly.

In my judgment, the damage has been done, the situation has been done, the situation has been corrected by the Department of Labor, and there is absolutely no reason for Congress to legitimatize a bureaucratic error and spend a couple of hundred million dollars providing these extra benefits to which no one is entitled under the law.

What we have here is legislation by aspiration or by anticipation. The sponsors and proponents of this bill tell us, "Well, somebody expected to get more and therefore Congress must legislate to give more."

Unemployment compensation, Mr. Speaker, is designed to provide the current necessities of life to unemployed individuals. Yet under this bill unemployment compensation benefits would be provided retroactively to individuals who were never entitled to them.

In addition, under H.R. 3409, an individual could currently be working, have not fulfilled the work-search requirements that are the basic requirement of receiving unemployment compensation and still be entitled to a windfall benefit of 2 weeks of additional unemployment compensation.

I think it is important to note that the worksearch requirement which has followed each one of our unemployment compensation laws has been omitted from this bill and so there is no requirement that a recipient under this bill of the extra weeks be searching for work at all.

Now, I am not opposed to the general FSC program. I fact it was my amendment in the Committee on Ways and Means which provided the basic structure of the benefits under the program. I do not feel we can afford to spend the additional money beyond that agreed by Congress simply because some bureaucrat at DOL cannot read legislative language. It has already been noted that 25 States will be able to give more unemployment compensation to States. It should also be noted that taxpayers in all 50 States will have to pay for these benefits. It should be noted further and more emphatically that the taxpayers in 25 States will pay for benefits that will never come to their States.

A mistake was made, the mistake has been corrected. No one who has received erroneous payments will be required to pay them back. The program is not working the way Congress intended, the way the law states, and we should not change the rules now retroactively to provide windfall benefits that were never intended.

I think, Mr. Speaker, we can anticipate that Members from those 25 States who believe their areas will be benefited will support this legislation by anticipation.

It is my fervent hope that those whose only anticipation is to pay the bill, that is those who represent the other 25 States, will oppose this bill and we will defeat it under suspension.

Ms. SNOWE. Mr. Speaker, will the gentleman yield?

Mr. FRENZEL. I yield such time as she may consume to the gentlewoman from Maine (Ms. SNOWE).

Ms. SNOWE. Mr. Speaker, I rise in support of H.R. 3409, the Federal supplemental compensation amendments, legislation which clarifies the intent of Congress regarding the current extension of long-term unemployment benefits.

I firmly believe that the Federal supplemental compensation program must be extended in order to assist those long-term unemployed workers eliminated from the rolls weeks earlier than expected and, in most cases, with little or no warning. For example, in my home State of Maine, unemployed workers have had 13 weeks lopped off their potential eligibility for unemployment insurance benefits. In accordance with the ruling made by the U.S. Department of Labor, the extended benefits program that began March 27 with 50-percent Federal funding, was abruptly shut off at the beginning of July. When asked to explain its actions, the Department simply stated that Maine's program was cut because the average statewide unemployment rate for a 13-week period ending June 4, was less than 20 percent, higher than the average during the corresponding period in the preceding 2 years. In other words, the program was terminated because the unemployment rate did not increase enough from previous levels—although the unemployment picture in Maine has not improved.

The loss of benefits has created disruption and hardship for thousands of unemployed workers. I strongly believe that now is not the time to interrupt these benefits. Therefore, I urge my colleagues to support this legislation which requires the Federal Government to provide the maximum number of weeks of FSC benefits. This small change will greatly benefit the millions of jobless individuals across the Nation.

Mr. FRENZEL. Mr. Speaker, I yield such time as he may consume to the gentleman from Ohio (Mr. WILLIAMS).

Mr. WILLIAMS of Ohio. Mr. Speaker, some 91,000 Ohioans exhausted all of their unemployment benefits during June alone. In Mahoning and Trumbull Counties, which I represent, more than 2,800 persons lost their benefits. The unemployment rate in those two counties still hovers around 17 percent.

The bill now before the House will help thousands of Ohioans who are without work and without other forms of income. If we can afford to spend even one dime on foreign aid and other programs designed to help persons overseas, we cannot afford to forsake our fellow countrymen.

H.R. 3409 will provide a little help to Americans in need, help, not in accumulating wealth, but in just keeping the wolf away from the door. Those of this body who are prone to accuse others of a lack of compassion or a lack of concern for those in need now have a chance to show them they do not share those shortcomings. H.R. 3409 will give assistance to thousands of Ohioans and to many, many more persons across America. It will also show them that we, in Washington, are aware of their predicament and are trying to do something to help them.

I urge all of my colleagues to support this very worthwhile bill and I commend the gentleman from Massachusetts for offering it.

Mr. FRENZEL. Mr. Speaker, I yield 3 minutes to the gentleman from North Carolina (Mr. MARTIN).

Mr. MARTIN of North Carolina. I thank the gentleman.

Mr. Speaker, I rise in support of H.R. 3409, legislation to preserve the level of unemployment benefits for this fiscal year at the level that the States and the people and we, their Representatives, were led to believe last March would be the level of benefits.

The Department of Labor has now admitted to us that it was in error in misinterpreting the provisions of that law which was enacted earlier.

They have admitted their error. The Congress may now decide whether to repair that error or whether simply to acknowledge it and pass by on the other side.

The issue is not whether the Congress is going to rescue the Department of Labor which has made the error in the first place; the issue is whether we are going to decide now to treat the people of these affected States as they were told they would be treated in March.

North Carolina is one of those States. While we, in North Carolina, are delighted at the strengthening economic recovery and the pickup in the rate of progress toward a stronger economy with lower and lower unemployment, we look forward to the date when extended supplemental benefits are no longer going to be needed.

Yet we share with other States the view that our people who are still unemployed should be treated just as was promised to them and to their State when we passed the bill to phase out the supplemental benefits. That was sound legislation in March. We have no quarrel with the legislation to phase out those benefits in anticipation of quickening recovery.

Yet, it is not just a question of what was intended, as the gentleman from Minnesota has pointed out; but it is also a question of what people were told was intended at the time that the legislation was passed.

The misinterpretation by the Department of Labor led the States and the people to believe that the bill would be less severe than it is in fact. Had they been told the truth originally, there might be some question as to whether there would have been the full measure of support which passed the legislation at that time.

There is one other comment that I would leave with you, and that is, there will be many who will point out that this legislation is supported, after all, by those whose States are affected. Anyone in this House of Representatives, anyone who has followed the history of legislative issues in this Congress, will note that it is not at all unusual for Representatives of affected States to raise the issues by which their States are affected.

It would be my hope that that would not be necessary if Representatives from all other States would recognize that not only was there an error in interpretation but there is a genuine need to treat people as they were told at that time and then it would not be necessary for those of us just from the affected States to take to the battlements.

I thank the gentleman for yielding the time and I thank the Chair.

Mr. FRENZEL. Mr. Speaker, I yield 2 minutes to the gentleman from Vermont.

Mr. JEFFORDS. Mr. Speaker, I rise in support of H.R. 3409, legislation which will restore Federal supplemental compensation benefits to long-term unemployed workers who are being denied benefits due to a reinterpretation of law by the Department of Labor. These workers are being cut off, in many cases with little or no warning. In the State of Vermont, workers have already lost 2 weeks of benefits and soon may lose 2 more.

I think it is important to point out that as to the people that are affected generally in this bill, it is no different whether you are living in Vermont or Michigan or some other State with high unemployment. If the individual lives in an area of high unemployment, the plight is the same.

In my State, for instance, we have a serious recession in the machine tool industry with unemployment in those communities in excess of 12 percent. Individuals in these areas are the ones that will primarily receive these additional benefits. There are other areas with chronic high unemployment such

as the northeastern section of my State. Those individuals are just as seriously affected and just as seriously unemployed as those in areas where the general State unemployment rate is high.

The administration made a promise to these workers this spring. It is one I think we should keep.

I urge my colleagues to give their full support for this legislation and applaud my Massachusetts colleagues for bringing it before us today.

Mr. FRENZEL. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, we are being asked to ratify a bureaucratic mistake by law.

We have made no promises. The law that we passed did not convey the promise that is to be realized in this particular bill.

It is not my business to predict what happens to a bill after it leaves this particular House.

I do think it is fair to state that the administration strongly opposes this bill and it may be passing to an uncertain future when it leaves this House, if indeed it does.

I suggest that the Members vote against it and give it a certain future immediately.

I reserve the balance of my time.

Mr. FORD of Tennessee. Mr. Speaker, I yield 3 minutes to the gentleman from Ohio (Mr. PEASE).

Mr. PEASE. Mr. Speaker, I urge my colleagues to support H.R. 3409, the Federal Supplemental Compensation Act amendment. The bill corrects a major inequity that arose from extension of the FSC program that expired March 30.

In an effort to limit the shock of States losing important FSC benefits weeks, the Social Security Amendments Act provided that no State could immediately lose more than 4 weeks of FSC as of enactment of the bill. Unemployment has since declined, allowing more States less benefit-weeks for unemployed workers. While lower unemployment would seem to indicate an improved labor situation, declining unemployment rates are largely due to the method they are computed, not additional workers.

Unemployment, as computed for the insured unemployment rate (IUR) figure used to determinine benefit eligibility, includes only those workers receiving regular State benefits—the first 26 weeks. Any unemployed worker receiving either State EB—extended benefits—or FSC has effectively been counted as an employed person since changes in the Reagan Reconciliation Act of 1981. States with basic industries such as automobile manufacturing and steel have obviously suffered from long-term unemployment—with frequent examples of workers who have not had employment for 8 or 10 or 12 months or more. Not including these men and women in unemployment statistics that determine benefits is terribly unfair, to say the least.

Mr. Speaker, I urge my colleagues to support this bill as one step in putting equity and fairness into unemployment compensation. It is not a cure-all. Unemployment benefits are not what people in our districts want—they want jobs, but it will help long-term unemployed workers that were arbitrarily cut off FSC in the March extention. I urge Members from all States to support this legislation.

Mr. Speaker, I would like to point out in closing that while the economic recovery is moving along and we all ought to be grateful for that, some States, especially in the industrial Northeast and Midwest, are still suffering a great deal. In my home county, unemployment rates last month came down, all the way down to 16 percent.

In the county adjacent to mine, unemployment rates also came down last month—all the way down to 18.5 percent. So, while the economy is improving, there are still people in our Nation, in many, many States who are hurting badly and who very badly need the extra 2 weeks of compensation benefits which this bill would provide. This bill to some people may be a budget figure; to the people of the 13th District of Ohio and the many other areas in similar circumstances, this bill means food on the table, it means utility bills paid, and it means rent paid for at least another 2 weeks.

And I think we owe that to the 10 or 11 million people in this country who are still unemployed, despite our recovery.

Mr. LEVIN of Michigan. Mr. Speaker, I rise today in support of H.R. 3409, the Federal Supplemental Compensation Act amendment. This bill will take an important first step in correcting a general inequity in the way Federal unemployment compensation programs operate.

Since we last addressed the FSC program last March, the national unemployment rate has shown only marginal improvement; 21 States have now lost more than 4 weeks of FSC benefits and would benefit under this legislation. In State after State, it has become increasingly clear that the IUR triggers, which determine the number of benefit weeks in a particular State, do not reflect the serious unemployment conditions which exist across this land. The Department of Labor may have erred technically when it determined that no State could lose more than 4 weeks of benefits under earlier legislation, but in doing so it recognized an important reality. High unemployment is still with us no matter what the IUR numbers may tell us.

While I strongly support this legislation, I believe the problem addressed by this bill is only one aspect of a larger problem. The falling IUR's have caused many States to lose FSC weeks, but the 13-week extended benefit program has simply vanished. The problem is the same. The IUR is not a good measure of the labor market conditions in a particular State. Until we address this fundamental problem, we will have to continue to patch up existing laws with arbitrary caps. I call on my colleagues to take a hard look at the way the Federal unemployment compensation benefits are determined. I think they will agree with me that something must be quickly done to correct the current situation which cuts off benefits in some of the economically hardest hit areas in the country for tens and tens of thousands who are unemployed through no fault of their own.

● Mr. BOUCHER. Mr. Speaker, I rise in support of H.R. 3409, a bill to extend the Federal supplemental compensation (FSC) program which provides additional benefits to jobless individuals who have exhausted their basic unemployment compensation benefits.

In my congressional district in southwest Virginia, the unemployment rate averages 13 percent. In the coal-producing counties of my district, the average unemployment rate is 18.8 percent. In one county, the jobless rate is 27.2 percent. The recession remains very real for the 19,000 residents of Virginia's Ninth Congressional District who are out of work, and the passage of H.R. 3409 is essential to these individuals who are most in need.

In States such as Virginia where the long-term unemployed are ineligible for benefits under the extended benefit (EB) program, extension of the FSC program is vital to people seeking to provide for their families, to make medical payments and to pay the rent or the mortgage. The additional weeks of benefits provided by H.R. 3409 are essential to the maintenance of a basic standard of living for the long-term unemployed and their families.

Between February and May of this year, 5,019 individuals in my congressional district exhausted their basic unemployment compensation benefits and, due to the unavailability of extended benefits in Virginia, were forced directly into the FSC program. During the same February to May period, 5,202 individuals in my congressional district exhausted their additional weeks of FSC benefits and were still out of work. The fact that more individuals exhausted FSC benefits than exhausted basic benefits indicates the severity of unemployment in my district and dramatizes that the long-term unemployed need additional assistance.

I have introduced legislation which is now pending before the Ways and Means Committee to amend the extended benefit program to provide up to 13 weeks in extended benefits on a substate basis. This legislation would relieve the serious inequity which arises through the use of statewide unemployment levels to trigger the payment of extended benefits.

Pending reform of the extended benefit program, the long-term unemployed in my State and in the 44 other States that do not now qualify for extended benefits depend on the FSC program for additional benefits after basic benefits have been exhausted. I commend Chairman ROSTENKOWSKI of the Ways and Means Committee for moving promptly with this vital legislation, and I urge my colleagues to support H.R. 3409.●

● Mr. WILLIAMS of Montana. Mr. Speaker, I rise in support of H.R. 3409. This legislation is urgently needed to restore Federal supplemental compensation (FSC) benefit payments of long-term unemployed workers were cut off the rolls weeks earlier than expected and in many cases with little or no warning—and to prevent additional cutoffs from occurring earlier than promised in the future.

The DOL, in implementing the new FSC program, misinterpreted the law in my judgment and found that the 4-week floor applied to all States throughout the life of the program—through September 1983. Those States which had already dropped 4 weeks compared to what they were entitled to in the last week of the old program were told that they would experience no further reduction in benefits, even if their insured unemployed rate (IUR) dropped.

On June 10, the DOL reinterpreted the law to say that the 4-week floor only protected States which would have otherwise experienced a drop of more than 4 weeks during the first week of the new program. All other States were informed during the first week of the new program. All other States were informed that, beginning June 19, they were not covered by the 4-week floor—if their IUR dropped, they would lose additional weeks of benefits.

Since June 10, the IUR has dropped in 25 States resulting in a loss of 2 weeks of benefits in each of the States—a loss of benefits that was unanticipated prior to June 10. Other States could be affected, depending on whether the IUR drops.

States which have already lost 2 weeks of FSC benefits under the new Department of Labor interpretation: Alabama, Arizona, Arkansas, Idaho, Indiana, Iowa, Kansas, Kentucky, Maine, Maryland, Massachusetts, Michigan, Minnesota, Missouri, Montana, Nevada, New Jersey, North Carolina, Ohio, Rhode Island, South Carolina, Tennessee, Utah, Vermont, and Wisconsin.

This legislation would simply require DOL to run the current FSC program as it was originally interpreted guaranteeing that no State would receive more than 4 weeks less than it was intitled to in the last week of the old program. Benefits would be paid as DOL said they were going to be paid until the new interpretation was announced on June 10.

In addition, I would like to alert my colleagues in the House of Representatives regarding another problem with the FSC program identified in the letter below from Mr. Harold V. Kansier, administrator, State of Montana Unemployment Insurance Division:

STATE OF MONTANA DEPARTMENT OF LABOR AND INDUSTRY, EMPLOYMENT SECURITY DIVISION,
Helena, Mont., June 24, 1983.

Re Federal supplemental compensation.

Representative PAT WILLIAMS,
Longworth House Office Building,
Washington, D.C.

DEAR PAT: Last week when we discussed the procedures used in Federal Supplemental Compensation you indicated that you might be interested in important changes for this legislation which would be beneficial to the states administration of the program and to the claimants.

At the present time we must change the claimant's duration every time the insured unemployment rate triggers a change in duration. We have also had to change the length of entitlement because of recent legislative amendments. I do not have an argument with the need for changing the entitlement when the unemployment insurance rate changes in the state, but I feel the change should apply to new applicants only and once an individual has established a duration, the duration should remain until exhausted.

This is the first program I can recall which required change in entitlement once it has been established. Making these changes which have to be made in a very short time frame results in administrative nightmare and considerable anguish and disappointment on the part of the claimant who is depending upon unemployment benefits for a specific time of which he has already been notified.

These changes require considerable computer programming overtime for such purposes and cost of computer services. The last change amounted to $1,500 for this purpose only. This may seem a small amount, but then of course Montana has a small population. It must be a tremendous cost in some of the larger states.

This actually is a small cost compared with the staff time we must divert from other important programs in order to make the adjustment. It is estimated it takes at least five minutes on each claimant to make the redetermination. This does not include the additional time needed and cost to notify the claimant of his change in duration or notification that he has exhausted his claim. Actually, the cost becomes even greater when you consider that overpayments of benefits have to occur when you are involved in frequent changes as described above.

I would hope that you would be able to do something about this program making it more manageable and equitable to the claimant.

Sincerely,

HAROLD V. KANSIER,
Administrator, Unemployment Insurance Division.●

Mr. FORD of Tennessee. Mr. Speaker, we have no further requests for time on this side.

I would just like to state prior to yielding back my time, that the Shannon bill, and I will state it once again for the record, does two things. One is that it will provide 2 additional weeks of unemployment compensation benefits for some 450,000 long-term unemployed individuals in this country.

And according to CBO, the cost for 1983 is $166 million and $14 million for fiscal 1984, and, therefore, I would urge my colleagues to vote favorably for H.R. 3409.

Mr. Speaker, I yield back the remainder of my time.

Mr. FRENZEL. Mr. Speaker, I yield back the remainder of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Illinois (Mr. ROSTENKOWSKI) that the House suspend the rules and pass the bill H.R. 3409, as amended.

The question was taken.

Mr. FRENZEL. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to the provisions of clauses 5, rule I, the Chair's prior announcement, further proceedings on this motion will be postponed.

MEDICARE HOSPICE REIMBURSEMENT AMENDMENT

Mr. ROSTENKOWSKI. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3677) to amend title XVIII of the Social Security Act to increase the cap amount allowable for reimbursement of hospices under the medicare program.

The Clerk read as follows:

H.R. 3677

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1814(i)(2) of the Social Security Act is amended—

(1) by striking out "located in a region (as defined by the Secretary)" and "for the region" in subparagraph (A), and

(2) by amending subparagraph (B) to read as follows:

"(B) For purposes of subparagraph (A), the 'cap amount' for a year is $6,500, increased or decreased, for accounting years that end after October 1, 1984, by the same percentage as the percentage increase or decrease, respectively, in the medical care expenditure category of the Consumer Price Index for All Urban Consumers (United States city average), published by the Bureau of Labor Statistics, from March 1984 to the fifth month of the accounting year.".

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Illinois (Mr. ROSTENKOWSKI) will be recognized for 20 minutes and the gentleman from Ohio (Mr. GRADISON) will be recognized for 20 minutes.

The Chair recognizes the gentleman from Illinois (Mr. ROSTENKOWSKI).

GENERAL LEAVE

Mr. ROSTENKOWSKI. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill, H.R. 3677, presently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 3677 provides for a technical correction to the medicare hospice benefit included in the Tax Equity and Fiscal Responsibility Act of 1982.

The hospice benefit included in Public Law 98-248 provides for reimbursement of a comprehensive set of hospice benefits, in lieu of regular medicare benefits, for terminally ill medicare beneficiaries. Hospice care emphasizes pain control and the relief of stress and focuses care largely in the home setting rather than in an inpatient acute care setting.

The Department of Health and Human Services is in the process of writing regulations to implement the hospice legislation. In writing these regulations, it has been determined that there is a technical problem with the original legislation. If uncorrected, this would result in inadequate reimbursement for hospice care.

H.R. 3677 provides a technical correction to establish the hospice cap on reimbursement at $6,500, indexed by the medical care component of the Consumer Price Index. This represents an amount which should adequately compensate hospices for the provision of hospice care.

When this legislation was originally considered, there were 248 cosponsors in the House and 68 cosponsors in the Senate. I urge my colleagues to show their continued support for hospice care as a humane and cost effective alternative to traditional medical care by voting for H.R. 3677.

I now yield such time as he may consume to the gentleman from Indiana, the chairman of the Subcommittee on Health, Mr. JACOBS, for a more detailed explanation of this legislation.

Mr. JACOBS. Mr. Speaker, actually a more detailed explanation for the legislation is not really needed. it is a classic case, Mr. Speaker, of the desirability of saying something in plain English rather than by complicated formula. It has been a series of errors and readjustments of what the actual cost of effectuating this hospice program, which I think about 99 percent of the American people either favor or would favor if it were explained. It is an opportunity to save the trust fund money, both theoretically and in actual fact.

The assumption of the Congressional Budget Office is that each case would cost about $7,600. In fact, this legislation will make that limit $6,500. Not out of harshness, but out of more realistic estimates about how much the program will actually cost.

And with that, I yield 2 minutes to the gentleman from Connecticut (Mr. RATCHFORD).

Mr. RATCHFORD. Mr. Speaker, for a 2-year period of time I served as cabinet-level commissioner on aging in the State of Connecticut and during that period one of the most significant developments was the whole hospice movement.

I saw far too many cases where families saw not only an individual die without dignity, but wipe out assets that he or she had worked for for a lifetime hoping to pass them on to future generations.

The hospice movement is a move in the direction of changing all of that. It allows one death with dignity because that is the emphasis. Two, it holds the family unit together. Three, as the sponsor of the legislation indicated, it does, I think, provide a more economical setting because instead of requiring that that person live out his or her days in a hospital or nursing home, the emphasis is on care in the home.

Now the whole question for the future development of this very logical and very humane program is the question of reimbursement. In the last session, under the direction of the gentleman from California (Mr. PANETTA), and with the full cooperation and advancement of the cause by the Ways and Means Committee, a reimbursement formula was developed. That formula provided a reasonable rate of reimbursement. And then we found through administration interpretation that there was an attempt to cap this reimbursement and to come up with a rate, frankly, that simply would not do it.

The net effect, I think, would be to thwart the hospice movement. First, it would stop many facilities from taking in this type of patient. Second, in my judgment, it would force that patient back into the hospital unnecessarily, break up the family unit, cause that family to incur excessive expense and I think create a situation that both lacked dignity and contributed cost to the taxpayer.

This legislation today is designed to correct that inequity. I think it is a step in the right direction both for dignity and for a cost-efficent approach to the taxpayer. We ought to approve this legislation and approve it now.

Mr. JACOBS. Mr. Speaker, I yield 5 minutes to the gentleman from California (Mr. PANETTA), one of the two principal architects, the other being the gentleman from Ohio (Mr. GRADISON).

Mr. PANETTA. Mr. Speaker, I rise in strong support of H.R. 3677. It was introduced by myself and my colleague from Ohio (Mr. GRADISON) to try to establish a reasonable cap for the hospice care reimbursement program. And more importantly, to try to deal with a technical problem that arose in the development of the regulations implementing this legislation.

This legislation is in truth a technical correction and has no budgetary impact. That fact is substantiated by the Congressional Budget Office.

As many know, and as has been stated here, the Department of Health and Human Services is in the process of developing regulations now to implement medicare hospice benefits, which were included in the Tax Equity and Fiscal Responsibility Act of 1982.

At that time, the legislation was overwhelmingly supported on both the House side and the Senate side. There were something like 242 cosponsors of that legislation in the House and 68 cosponsors in the Senate. It was broadly supported.

The purpose of that care is to provide a humanitarian and compassionate form of care to be made available to terminally ill patients and their family members.

With the election of hospice care, coverage is provided for the patient for home care, for counseling, for pain relieving drugs, for medical supplies.

□ 1340

It is an alternate form of care that many people have chosen over the last few years. Respite care is made available under this program to reduce the stress imposed on family members during this period of ordeal. Moreover, the substitution of hospice care in lieu of acute care treatment can provide measureable cost savings to the medicare program. This kind of program makes a great deal of sense from the health point of view, from the humanitarian point of view and from a cost point of view.

In the hospice legislation as introduced, a formula was developed at that time to provide for a set amount that would be distributed based on a per capita medicare cost for the last 6 months of life for cancer patients. Relying on data from the Congressional Budget Office, it was projected that this cost would be near $19,000 and, therefore, the formula in the original legislation provided for 75 percent of that per capita cost which would have

provided about $14,600 in 1983. Additional information at the time showed that the per patient cost for hospice care was somewhere between $6,000 and $7,000. Therefore, in lieu of that, changes were made to provide a cap figure that would be more in keeping with the actual costs, and so the formula was developed on the basis of 40 percent of the base amount, leaving a reimbursement amount of $7,600.

Unfortunately, since the passage of TEFRA last year, it was recognized that errors were made in the calculations by CBO. The primary error was the fact that the per capita cost was not $19,000. The result was that using the formula in the bill, the reimbursement would have been $4,200 instead of $7,600, which would have made the program almost inaccessible for those that sought coverage by medicare.

This legislation, then, today is based on the most recent information we have relating to per patient costs. It establishes a cap of $6,500 and uses, as I said, the most current data we have in establishing that fixed amount.

The hospice program, if these regulations are published, is due to begin operating on November 1 of this year. Unfortunately, regulations have yet to be published by HHS. By resolving this cap issue, there is really no reason why the regulations should not come forward very soon. There are other concerns involving the proposed regulations. It is important for participants to have a reasonable opportunity to review these regulations and to comment on them so that the program can go into effect by November 1. This legislation is an important step in that direction.

Mr. Speaker, I want to express my thanks to my colleague, the gentleman from Ohio (Mr. GRADISON) for his help in this legislation and the chairman of the committee and the members of the full Ways and Means Committee for their help in expediting this legislation to the floor. I urge Members to support it.

Mr. JACOBS. Mr. Speaker, I yield such time as he may consume to the astonishingly and superlatively intelligent gentleman from California (Mr. MATSUI).

Mr. MATSUI. I thank the gentleman from Indiana for yielding me this time.

Mr. Speaker, I rise in support of H.R. 3677. Without the timely enactment of legislation, the national hospice program in general, and the Sacramento hospice community specifically, will be unable to render care to this country's terminally ill medicare patients. The Congress must move expeditiously to cure a technical problem which may deny the provision of humane and cost-effective hospice services to such patients commencing November 1, 1983.

When the Ways and Means Committee approved legislation last year authorizing medicare reimbursement for hospice services, it intended the cap on reimbursement to equal approximately $7,600. The Congressional Budget Office, in an unfortunate miscalculation, supplied the committee with erroneous figures which resulted in a statutory formula that produced a reimbursement limit of $4,322. I fear that this lower rate will discourage medicare patients from choosing to participate in a hospice program and cause them to elect more traditional types of treatment.

With respect to the hospice community in Sacramento, I believe that without a revision of the present cap on hospice reimbursement, the Sutter Hospitals' model homemaker assistance program's participation in medicare may well be jeopardized. This innovative project allows cancer patients to remain in their homes, as homemakers perform vital personal care, meal preparation, light housework, shopping, child care, and companionship tasks. Without the availability of these services, many cancer patients are forced to seek costly inpatient hospital care.

To demonstrate the cost savings of hospice treatment as opposed to inpatient hospital care, I would like to share some estimates prepared by Sacramento's Sutter Hospitals. Hospice services for a 7-day period, including homemaker services, cost about $600 a week. A comparable stay in a hospital would cost nearly $1,600, and that figure does not include costs for acute treatment. Given that a terminally ill patient receives hospice treatment from between 55 and 75 days, a $6,500 cap would cover adequately the majority of expenses a patient would incur. H.R. 3677 specifies such a cap.

In conclusion, I urge my colleagues to address this problem as expeditiously as possible by passing today H.R. 3677. This curative legislation will raise the present reimbursement level to the $6,500 level. It is proper that we do such.

Mr. Speaker, I would also like to commend both the gentleman from California (Mr. PANETTA) and the gentleman from Ohio (Mr. GRADISON) for their fine work in originating this legislation and also in moving expeditiously to raise the cap.

Mr. JACOBS. Mr. Speaker, this bill can be properly classified as a technical correction to legislation already overwhelmingly passed by both Houses of Congress and signed by the President.

Mr. Speaker, we have no further requests for time on this side.

Mr. GRADISON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, first I want to pay tribute to the gentleman from California (Mr. PANETTA) for his leadership and his persistence on this important issue.

I would like to restate emphatically my own commitment to the timely and equitable implementation of the medicare hospice benefit enacted last year as section 122 of the Tax Equity and Fiscal Responsibility Act.

H.R. 3677, the bill now before us, would make an important technical correction in the hospice statute by establishing the cap amount allowable for reimbursement of hospices under the medicare program.

Mr. Speaker, a few weeks ago I learned that the statutory formula for calculating the cap amount for the hospice benefit would produce an unanticipated payment limit of about $4,200. This was an error made by the Congress itself and had the effect of setting a cap approximately $3,000 below the level envisioned at the time of enactment. The $4,200 cap amount is simply not adequate to provide the necessary quality of care to terminally ill medicare hospice patients.

H.R. 3677 sets the cap amount at $6,500. While this amount is somewhat below the amount originally intended, I have been advised that it is adequate to allow hospice programs to deliver the high standard of care we envisioned.

In view of the rapidly approaching date for implementation of the hospice reimbursement benefit under medicare, it is imperative that Congress expedite this necessary corrective measure. Although the statute is to be implemented on November 1, no regulations have yet been issued. Correction of the cap problem should remove the last barrier to prompt issuance of the regulations.

Terminally ill medicare patients deserve no less than to have the option of selecting this innovative, comprehensive, compassionate alternative to traditional care.

I urge my colleagues to support H.R. 3677.

Mr. Speaker, I yield such time as he may consume to the gentleman from Vermont (Mr. JEFFORDS).

Mr. JEFFORDS. Mr. Speaker, I rise in strong support of H.R. 3677, a bill to amend the Social Security Act to increase the cap amount allowable for reimbursement of hospices under the medicare program.

The hospice movement is a relatively new one in this country. But it has not taken long for it to demonstrate to us that it is a humane and less costly alternative to traditional care for the terminally ill.

It was with this in mind that Congress enacted within the Tax Equity and Fiscal Responsibility Act of last year a provision authorizing reimbursement for hospice care provided

to terminally ill patients covered by medicare.

As I have stated, the hospice movement is relatively young in this country. The administration correctly pointed out that we did not have a great deal of data on the subject.

Recognizing this, reimbursements for hospice care were capped at 40 percent of the average amount medicare pays in the last 6 months of life for a terminally ill cancer patient. In setting this figure, the Congress and the Ways and Means Committee relied on Congressional Budget Office estimates. These estimates resulted in a cap in excess of $7,000 per beneficiary.

The Health Care Financing Administration, in drawing up its regulations and reimbursement levels, arrived at a much lower reimbursement level, just over $4,000. Clearly, this level is inadequate to adequately reimburse hospices for their expenses and undermines congressional intent in the passage of this legislation.

The bill before us would set the reimbursement level at $6,500, indexed to the medical care component of the Consumer Price Index. This figure is far closer to the level intended than that arrived at by HCFA. As such, it will do far more to promote hospice care as an ethically and economically sound alternative.

I urge my colleagues to carry out the intent of the hospice provision of TEFRA, and to give their full support to H.R. 3677.

Mr. DAUB. Mr. Speaker, I commend the gentleman from California (Mr. PANETTA) for his leadership on the issue of hospice care. I cosponsored his legislation last year to provide coverage under the medicare program for hospice care which was included in the Tax Equity and Fiscal Responsibility Act of 1982. I rise today in support of this measure, H.R. 3677, to raise the cap on medicare reimbursement for hospice care from $4,200 to $6,500.

It was the intent of Congress upon enactment of the hospice provision to reimburse 40 percent of the estimate of current medicare costs in the last 6 months of life according to the Congressional Budget Office estimate of this cost. However, in drafting the regulations, the Department of Health and Human Services used a figure well below the figure Congress anticipated.

The purpose of hospice care is to allow the terminally ill the care needed to make their last days of life as comfortable as possible. Not only is home health care for the terminally ill less expensive than institutional care, but I believe that it is more humane. As I have stated before, health care in the home should not be seen as an alternative to nursing home or other institutional care, but rather institutional care should be seen as the last alternative to home health care.

I urge my colleagues to support H.R. 3677. We must show our support for hospice care, including this measure for adequate medicare reimbursement for this care. Without this adequate reimbursement, the future of the hospice program is in jeopardy.

● Mr. BIAGGI. Mr. Speaker, I am pleased to rise in support of H.R. 3677 legislation to reestablish the intent of Congress relative to the rate of reimbursement under medicare for hospice care services.

Last year about this time we enacted the landmark TEFRA law. Included as one of its many provisions was a first time reimbursement under medicare for services provided to the terminally ill in hospice centers. As an original member of the House Select Committee on Aging and a cosponsor of legislation to provide for such medicare coverage, I was pleased at the passage of this new law.

When Congress adopted this provision, it was determined that the reimbursement rate would be developed under a formula which would be based on the average medicare expenditures for the care of cancer patients in their last 6 months of life. It was clearly the intent of Congress that the cap on this reimbursement would be in the vicinity of $7,000.

Earlier this year, the administration during their preliminary regulatory work on the hospice provision made a determination that the reimbursement rate would be closer to $4,200. This represented a basic betrayal of the commitment of Congress to the hospice program and immediately the House Select Committee on Aging conducted a hearing in protest over this cruel and arbitrarily low level of reimbursement.

The legislation before us would specify that the cap on medicare reimbursement for hospice care be set at $6,500 per patient and indexed to rise along with the medicare care component of the consumer price index. This legislation recognizes fault both in the original intent of Congress as being too high—but also in the administrations levels which were far too low. It provides a realistic and compassionate level of reimbursement which will allow for hospice care services to continue.

As the New York State Hospice Association pointed out in a recent letter to me.

> Without adequate reimbursement one of two things will happen. Either patients will remain in the acute care system thus producing no savings for the Medicare system and continuing in appropriate care for patients—or hospices will be bankrupt.

For anyone who knows the value of hospices not only to the patient but to their families and friends the issue should be clear and the logic for support of this legislation compelling. It would allow us to act before the administration takes steps to further weaken the medicare program. The inclusion of the hospice language in TEFRA was one of Congress' most compassionate and enlightened moments. Passage of this bill is vital for us to honor or commitment to those of our fellow Americans who need and deserve hospice care.●

● Mr. ROYBAL. Mr. Speaker, I strongly support H.R. 3677, a bill introduced by my distinguished colleagues Mr. PANETTA and Mr. GRADISON to revise the cap amount on medicare reimbursement for hospice care.

Hospice care is a vital and humane service designed to ease the pain and suffering for terminally ill patients and their families. When Congress enacted legislation to allow medicare reimbursement for hospice care, however, it sought not only to provide assistance to the dying but also established reasonable limits on such reimbursements to insure that they do not jeopardize the future solvency of the medicare trust funds. Thus, a cap amount was established on the average hospice reimbursement.

Unfortunately, the data provided to Congress were faulty so that when the administration developed draft regulations to implement the new hospice provision it derived a cap amount far too low to cover the reasonable costs of hospice care. H.R. 3677 corrects that problem by establishing a cap of $6,500 to be indexed annually according to increases in the medicare expenditure category of the Consumer Price Index.

As chairman of the Select Committee on Aging, I commend Mr. PANETTA, Mr. GRADISON, and the members of the Ways and Means Committee for their prompt attention to this important subject. The medicare hospice provision is scheduled to go into effect on November 1, 1983. With this important change in the cap amount, hospices will be able to provide the high quality care intended by Congress.

Revising the cap is a necessary step, but it does not alter other proposed regulations now under consideration by HHS Secretary Heckler. Testimony presented to the Aging Committee repeatedly demonstrated that portions of these proposed regulations would seriously hinder hospice care. For example, the administration had considered a daily reimbursement rate for inpatient hospice care that was far too low. Similarly, the administration's preliminary interpretation of the 80/20 requirement established by Congress—80 percent of hospice care is expected to be in the home with no more than 20 percent inpatient care—was considered to be punitive to the point of being detrimental to well intentioned and well run hospices.

I am hopeful that these problems will be corrected before the regula-

tions are published to avoid the need for corrective legislation. In the meantime, I urge all of my colleagues in the House to vote for H.R. 3677.●

● Mr. VANDERGRIFF. Mr. Speaker, earlier this year, I was very disturbed to learn that the draft regulations by the Health Care Financing Administration set the cap on medicare reimbursement for hospice care at $4,332—almost 45 percent less than Congress had intended when it enacted TEFRA. My awareness was heightened in June when I chaired an Aging Committee field hearing in my district. I listened to individuals who have had personal experience with hospices—whose loved ones had spent their last days attended by caring professionals, and who, themselves, had been counseled and consoled after their loss. I also heard from those committed professionals; I visited one of the hospices in my district. Most importantly, I talked with hospice patients themselves and was inspired by their praise of the concept which was meaning so much to them in their days.

It was due to my steadfast commitment to the kind of quality care provided by hospices that I felt compelled to introduce legislation to raise the medicare cap, and did so on June 20. My bill and Mr. PANETTA's bill, H.R. 3677, should pass today by the House, are identifical. Mr. PANETTA's original plan was to include a provision for hospice reimbursement in another health care bill. I commend him for concluding that our thought of hospice legislation standing on its own merits was best.

I should like to reiterate that hospices are both good medicine and good economics. It is essential to the cost saving potential, however, that hospice care be regarded as a comprehensive alternative to conventional care for the terminally ill patient. This can only be accomplished if the medicare reimbursement is reasonable. I believe that a cap of $6,500 is both reasonable and absolutely necessary if we are to give medicare recipients the option of choosing hospice care.

I applaud the passage of this measure, and I salute my colleagues who saw merit in this vital proposal.●

● Mr. HOYER. Mr. Speaker, I would like to take this opportunity to support H.R. 3677, a bill which increases the amount allowable for reimbursement for hospice care under the medicare program. This bill raises the current ceiling from $4,332 to $6,500, an amount much closer to the one originally intended by the 97th Congress when it overwhelmingly approved extending medicare coverage to hospice care.

Hospice care provides an alternative to traditional care for terminally ill patients. Designed to deal with the special needs of the terminally ill and their families, hospices employ a team of professionals and nonprofessionals, volunteers and paid staff. These staff members attempt to develop a plan of care to provide for the physical, psychological, and spiritual needs of both the patient and family.

In order to ease the physical needs of the patients, for example, hospices emphasize palliative care: The hospice provides medical relief for pain, and attempts to treat the symptoms instead of trying to control the disease. Hospices also encourage the patient to receive treatment in the home, fostering patient interaction with the family, an important component of hospice care.

Last February, while attending a lecture entitled "Hospice Care: Present Challenges and Opportunities," given by Dr. Daniel C. Hadlock, medical director of Hospice, Inc., I learned of the numerous benefits for receiving treatment in a hospice, not only for the patient but for the attending personnel as well. Hospice care requires interdisciplinary teamwork from the physicians, nurses, social workers, volunteers, and clergy which, in turn, inspires an exchange of professional skills and personal ideas in order to provide the most appropriate care for the patient and the family. The extensive use of volunteers allows the hospices to provide services that would otherwise be too costly. As a result, hospices have higher staff ratios than nursing homes. All of these features of hospice care are certainly responsible for the tenfold increase in the number of hospices from 1978 to 1981.

Aside from the question of reducing health care costs, hospice care is an increasingly viable and humane alternative for the terminally ill. I believe that by raising the level of funding allowed under the medicare program, we will make this option available to more Americans. I urge my colleagues to support this bill.●

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Illinois (Mr. ROSTENKOWSKI) that the House suspend the rules and pass the bill, H.R. 3677.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

□ 1350

GENERAL LEAVE

Mr. JACOBS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks with respect to the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

GENERAL LEAVE

Mr. FRENZEL. Mr. Speaker, I ask unanimous consent that all Members may have leave to revise and extend their remarks on House Resolutions 256, 257, and 258 which were brought up for consideration earlier today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

□ 1350

AUTHORIZING THE SMITHSONIAN INSTITUTION TO PURCHASE LAND IN SANTA CRUZ COUNTY, ARIZ.

Mr. HAWKINS. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 930) to authorize the Smithsonian Institution to purchase land in Santa Cruz County, Ariz.

The Clerk read the Senate bill, as follows:

S. 930

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Smithsonian Institution is authorized to purchase land in Santa Cruz County, Arizona, for the permanent headquarters of the Fred Lawrence Whipple Observatory.

SEC. 2. Effective October 1, 1984, there is authorized to be appropriated $150,000 to carry out the purposes of this Act.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from California (Mr. HAWKINS) will be recognized for 20 minutes, and the gentleman from Minnesota (Mr. FRENZEL) will be recognized for 20 minutes.

The Chair recognizes the gentleman from California (Mr. HAWKINS).

GENERAL LEAVE

Mr. HAWKINS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the Senate bill now under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HAWKINS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, Senate 930 provides for the authorization of the Smithsonian Institution to purchase land in Santa Cruz County, Ariz.

Senate 930 passed the Senate on May 25, 1983, and was referred to the Committee on House Administration. In a meeting on July 26, 1983, the committee favorably reported S. 930 by unanimous voice vote. House Report 98-330 was filed to accompany the bill S. 930.

The purpose of the bill is to authorize the Smithsonian Institution to purchase 4 acres of land which it has been

leasing and using as a base camp so that permanent headquarter facilities can be constructed for the Whipple Observatory which is maintained and operated by the Smithsonian on Mount Hopkins, near Amado, Ariz., in Santa Cruz County. The bill authorizes the appropriation of $150,000 for the purchase of land.

The Whipple Observatory, an astronomy research site, occupies 4,744 acres leased from the U.S. Forest Service. For the past 13 years the Smithsonian has leased 4 acres of land at the foot of Mount Hopkins as a base camp and staging area for research activities on the mountain. On the property is a one-level school building and residence which have been converted to office use; a small, informal visitors' center; and various automotive service, repair, and storage buildings.

Increased interest and use of the Observatory has resulted in a growing demand for access to the Observatory and expanded facilities to serve the public. Current and projected needs of the Observatory necessitate a larger headquarters facility and leasehold improvement is not economical. Ownership of the land would allow for the planned and coordinated development of permanent facilities that would be cost-efficient. Acquisition of the acreage is estimated to be $150,000, which is authorized to be appropriated in S. 930. If approved, the funding for the acquisition of land will be sought in the Smithsonian's fiscal year 1985 budget request. The actual plans and construction of the permanent headquarters, estimated to cost $3 million, would be referred to the House Committee on Public Works and Transportation in fiscal year 1986.

This is a reasonable request. I urge favorable consideration of S. 930.

Mr. FRENZEL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the subject bill is as described by the chairman. It was passed unanimously by the committee. It is favored by the administration. It is only an authorization, not an appropriation.

I urge immediate acceptance of the bill, and I yield back the balance of my time.

● Mr. BOLAND. Mr. Speaker, I support S. 930 and urge its adoption by the House.

S. 930 would authorize the Smithsonian Institution to purchase land in Arizona for the construction of a permanent headquarters for the Fred L. Whipple Observatory. The research activities of the Whipple Observatory are conducted on property leased from the U.S. Forest Service. The headquarters of the Observatory, however, is located on land which is leased from the Tubac, Ariz., school district. While the lease arrangement has been generally satisfactory, it does not provide sufficient flexibility to allow the Observatory's headquarters to expand to meet its current and projected needs. Purchase of the property by the Smithsonian will allow an orderly expansion of the headquarters facility and other improvements necessary to accommodate the demands of an increasing number of visitors.

Mr. Speaker, S. 930 is sound legislation from both a management and budgetary standpoint. It deserves the support of the House.●

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. HAWKINS) that the House suspend the rules and pass the Senate bill, S. 930.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended, and the Senate bill was passed.

A motion to reconsider was laid on the table.

AUTHORIZING A BUST OF CARL HAYDEN TO BE PLACED IN THE CAPITOL

Mr. HAWKINS. Mr. Speaker, I move to suspend the rules and concur in the Senate concurrent resolution (S. Con. Res. 7) to authorize and provide for a bust of Carl Hayden to be placed in the Capitol.

The Clerk read as follows:

S. CON. RES. 7

Resolved by the Senate (the House of Representatives concurring), That in honor of Carl Hayden, who served in the United States Congress longer than any other man in history, the Joint Committee on the Library (hereinafter referred to as the "Joint Committee") is authorized and directed to provide for the design and sculpture of a bronze or marble bust of Carl Hayden. The Joint Committee is further authorized and directed to accept such bust on behalf of the Senate and to cause such bust to be placed in an appropriate location within the Senate wing of the Capitol or any of the Senate Office Buildings, or any room, space, or corridor thereof.

SEC. 2. (a) The Joint Committee is authorized to solicit and accept gifts of property, real or personal, or services to carry out the provisions of this resolution. After January 3, 1985 the Joint Committee shall not solicit or accept any such gifts, and shall expend or use all such gifts before expending any moneys provided for in subsection (b).

(b) Expenses incurred by the Joint Committee in carrying out the provisions of this resolution, which shall not exceed $10,000, shall be paid out of the contingent fund of the Senate on vouchers approved by the Chairman of the Joint Committee.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from California (Mr. HAWKINS) will be recognized for 20 minutes, and the gentleman from Minnesota (Mr. FRENZEL) will be recognized for 20 minutes.

The Chair recognizes the gentleman from California (Mr. HAWKINS).

GENERAL LEAVE

Mr. HAWKINS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the Senate concurrent resolution now under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HAWKINS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, Senate Concurrent Resolution 7 authorizes a bust of the late Carl Hayden to be placed in the U.S. Capitol.

Senate Concurrent Resolution 7 passed the Senate on May 25, 1983, and was referred to the Committee on House Administration. In a meeting of July 26, 1983, the committee favorably reported Senate Concurrent Resolution 7 by unanimous voice vote. House Report 98-331 has been filed to accompany Senate Concurrent Resolution 7.

The purpose of the concurrent resolution is to authorize and direct the Joint Committee on the Library to provide for a bust of Carl Hayden and to cause such bust to be placed in an appropriate location within the Senate wing of the Capitol or any of the Senate Office Buildings. The expenses incurred by the Joint Committee shall not exceed $10,000 and shall be paid out of the contingent fund of the Senate. The Joint Committee is authorized to solicit and accept gifts of property or services to carry out the provisions of the resolution, which are to be expended before expending any moneys provided for through the Senate contingent fund.

Those of us who had the opportunity to work with or observe the late Carl Hayden experienced a truly historic figure. Senator Hayden was a remarkable public servant who served the people of Arizona and the Nation for 57 consecutive years, longer than any other man in the history of the U.S. Congress. His legislative career began in 1912 when then-Representative Hayden came to Washington in the 62d Congress as the first Representative from the new State of Arizona. After serving in the House for 15 years Hayden was elected to the Senate where he served for 42 years.

Senator Hayden was a quiet, diligent, hard-working public servant who never lost touch with the common man. With the passing of Carl Hayden in January 1972 passed a chapter of our rich national history.

The Committee on House Administration concurs with our Senate colleagues that it is fitting to honor and recognize the accomplishment and contributions of this great man.

I urge passage of this concurrent resolution.

Mr. FRENZEL. Mr. Speaker, I yield such time as he may consume to the distinguished gentleman from Arizona (Mr. STUMP).

Mr. STUMP. Mr. Speaker, as the prime sponsor of the House resolution to honor the late U.S. Senator Carl Hayden by authorizing the placement of his bust in the U.S. Capitol, it is my privilege to support this resolution sponsored by Senators GOLDWATER, DECONCINI, and MATHIAS.

Senator Hayden's history of service to his community, his State and our country as an elected official began in 1902 as a member of the Tempe town council, and continued without interruption until he retired from the U.S. Senate on January 3, 1969. In 1912, when Arizona became a State, Carl Hayden was elected our first Congressman, and in 1926 he was elected to the U.S. Senate. His 57 consecutive years in this Congress is a record unlikely to be challenged.

During that service, which spans the growth of our country from horse drawn wagon to man landing on the moon, his legislative accomplishments literally changed the face of this country and his native Arizona with highways, airports, reclamation projects, and parks.

Among his greatest triumphs were the central Arizona project, which will insure water for Arizona's future, the GI bill, which brought a college education and homeownership to millions of American service men and women, and the establishment of the Interstate Highway System.

Senator Hayden had an incredible capacity for hard work, most often done behind the scenes. This was much to the consternation of his political advisers, who told him that he ought to seek more publicity. His reply is a classic. He told those advisers, "There are two types of Members of Congress—show horses and work horses. I endeavor to be a work horse."

Carl Hayden's kindness and consideration are legendary. He found some good in everyone. His word was his bond. He was a man of great personal courage dedicated to the truth. These characteristics were totally employed for the people he was elected to serve.

He was fond of telling that when he was first elected to Congress he personally knew every registered voter in the State and one of his regrets at his retirement was that that was no longer possible. He treasured those contacts with his constituents.

Men like Carl Hayden, who quietly, honestly, and with strength offer service to their country and fellow man, are models for each of us and future generations to follow. It is with pride as an Arizonan and an American that I ask this Congress to honor him.

Mr. FRENZEL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this bill is as described by the distinguished chairman. It was passed by the committee unanimously. It is not objected to by the administration.

Although it is a Senate resolution, Mr. Speaker, the House can take some comfort in the fact that Representative and Senator Hayden began his career in this body.

I urge the immediate passage of the resolution.

● Mr. UDALL. Mr. Chairman, I rise today to pay a brief tribute to a man who proudly and diligently served his Nation and home State of Arizona longer than any other man in our history—Senator Carl Hayden.

I am sure many of you will agree with me that his service in Congress, which spanned more than half a century, was legendary. Carl Hayden lived under 19 Presidents and was able to service under 10. I myself had the distinct pleasure of working with Mr. Hayden for 8 years. During that time, I was able to observe his keen dedication to the central Arizona water project, a task he undertook earnestly and ardently. Due in large part to his efforts, the central Arizona project is today a reality, a tribute to the man who initiated a project of great importance to Arizona's future.

This man, who in 1912 began his record term in Congress 10 years before I was born, served as a distinguished public servant. Working as a committee member, chairman, and President pro tempore, he exemplified the true Arizona spirit of pioneer dedication.

For these reasons, and many others, I find it most appropriate we authorize a marble bust sculpture of Carl Hayden to be placed in the Capitol.

This bill, will do credit to Congress and Arizona by placing a likeness of Carl Hayden in the Capitol with equally famous and prominent Americans.

Mr. Speaker, Carl Hayden in serve to remind us of virtues such as integrity and honesty. He was a modest man, not much given to making speeches or grabbing headlines. However, he remained a hard worker all his life.

On behalf of Arizona, I thank you for considering this tribute to an outstanding man—Carl Hayden. And I urge the adoption of Senate Concurrent Resolution 7.●

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. HAWKINS) that the House suspend the rules and concur in the Senate concurrent resolution, Senate Concurrent Resolution 7.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

APPOINTMENT OF CITIZEN REGENT OF THE SMITHSONIAN INSTITUTION

Mr. HAWKINS. Mr. Speaker, I move to suspend the rules and pass the joint resolution (H.J. Res. 297) providing for appointment of Jeannine Smith Clark as a citizen regent of the Board of Regents of the Smithsonian Institution.

The Clerk read as follows:

H.J. RES. 297

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the vacancy in the Board of Regents of the Smithsonian Institution, of the class other than Members of Congress, caused by the death of Nancy Hanks of the District of Columbia on January 7, 1983, is filled by appointment of Jeannine Smith Clark of the District of Columbia for the statutory term of six years.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from California, Mr. HAWKINS, will be recognized for 20 minutes, and the gentleman from Minnesota, Mr. FRENZEL, will be recognized for 20 minutes.

The Chair recognizes the gentleman from California (Mr. HAWKINS).

GENERAL LEAVE

Mr. HAWKINS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the joint resolution now under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HAWKINS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Concurrent Resolution 297 provides for the appointment of Mrs. Jeannine Smith Clark as a citizen regent of the Board of Regents of the Smithsonian Institution.

House Joint Resolution 297 was introduced on June 15, 1983, and was referred to the Committee on House Administration. In a meeting of July 26, 1983, the committee favorably reported House Joint Resolution 297 by unanimous voice vote. House Report 98-329 has been filed to accompany House Joint Resolution 297.

The purpose of the resolution is to fill the vacancy created on the Smithsonian's Board of Regents by the death of Nancy Hanks of the District of Columbia on January 7, 1983.

The Smithsonian Board of Regents is made up of 17 members, 9 of whom are so-called citizen regents. The citizen regents are noncongressional persons who have been nominated by the regents and are elected to the Board of Regents by passage of a joint resolution of Congress. Of the nine, two regents are designated to be residents of the District of Columbia. The citizen regents serve statutory 6-year

terms and their service is gratuitous except for necessary traveling and other expenses in attending meetings of the board.

The Smithsonian Board of Regents has unanimously nominated Mrs. Jeannine Smith Clark as citizen regent from the District of Columbia. Mrs. Clark, who was born and raised in the District of Columbia, is a graduate of Dunbar High School and received her undergraduate and master of arts degrees from Howard University. Mrs. Clark, the mother of three, is married to Dr. Charles H. Clark, associate professor of surgery at Howard University.

Mrs. Clark has had a rich and varied career in education and public service as a teacher, a full-time volunteer worker, a member of the D.C. Board of Elections and Ethics, and a consultant to the D.C. government and others on a variety of social and civic issues. This nomination to the Board of Regents is of particular interest because Mrs. Clark has been active at the Smithsonian for the last 15 years in a variety of volunteer roles, most notably as a docent in the Africa Hall at the Museum of Natural History, vice chairman of the Docent Advisory Council, and Chair of the Smithsonian Women's Committee.

The Smithsonian Board of Regents oversees a great national treasure whose activities reach into the life and pulse of the local community, which also happens to be the Nation's Capital. Mrs. Clark's active involvement in the community, her years of volunteer activity at the Smithsonian and elsewhere, and her background in education and civic affairs should provide an added dimension to the policy and planning arm of the Smithsonian Institution.

I urge favorable consideration of this nomination.

Mr. FRENZEL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I agree with the description of House Joint Resolution 297 just given by the distinguished chairman of the committee.

I urge the appointment of Jeannine Smith Clark to the Smithsonian Board of Regents.

Mrs. Clark appeared before our full committee and impressed our committee. The vote was unanimous. Unfortunately, I was not able to be present, but I am told by our other committee members that she will be a splendid representative on the Board of Regents of the Smithsonian.

I urge speedy passage of this bill.

● Mr. BOLAND. Mr. Speaker, I strongly support House Joint Resolution 297 and urge my colleagues to give it their endorsement.

House Joint Resolution 297 would provide for the appointment of Jeannine Smith Clark as a citizen regent of the Smithsonian Institution. Mrs. Clark is a person of considerable accomplishment and ability. She has had a distinguished career as an educator in the District of Columbia and has been involved in a number of important civic, cultural, and charitable activities in the Washington area. Her service on the Board of the Smithsonian Institution National Associates has acquainted her with the work of the Smithsonian and has given her an opportunity to become familiar with the manner in which the Smithsonian operates.

Mr. Speaker, I am privileged to serve as one of the congressional members of the Smithsonian's Board of Regents. I believe that Mrs. Clark will be a valuable addition to the Board, and I look forward to working with her.●

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. HAWKINS) that the House suspend the rules and pass the joint resolution, House Joint Resolution 297.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended, and the joint resolution was passed.

A motion to reconsider was laid on the table.

□ 1400

CODIFYING RECENT LAWS RELATED TO MONEY AND FINANCE

Mr. EDWARDS of California. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2727), to codify without substantive change recent laws related to money and finance and transportation and to improve the United States Code, as amended.

The Clerk read as follows:

H.R. 2727

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

AMENDMENTS TO TITLE 31

SECTION 1. Title 31, United States Code, is amended as follows:

(1) The first sentence of section 755 is amended to read as follows: "A final decision under section 753(a)(1)-(3), (6), or (7) of this title may be reviewed by the United States Court of Appeals for the District of Columbia Circuit or by the court of appeals of the United States for the circuit in which the petitioner resides.".

(2) Section 1535 is amended by—

(A) inserting in subsection (a)(3) "or get by contract" after "provide";

(B) inserting in subsection (a)(4) "by contract" after "provided";

(C) striking out subsection (b);

(D) redesignating subsection (c) as subsection (b); and

(E) inserting after subsection (b) (as redesignated) the following:

"(c) A condition or limitation applicable to amounts for procurement of an agency or unit placing an order or making a contract under this section applies to the placing of the order or the making of the contract.".

(3) Section 3322 is amended by—

(A) redesignating subsection (b) as subsection (c); and

(B) striking out subsection (a) and substituting the following:

"(a) The Secretary of the Treasury shall transfer public money to a disbursing official only by draft or warrant written on the Treasury. Except as provided in subsection (b) of this section, a disbursing official shall—

"(1) deposit public money as required by section 3302 of this title; and

"(2) draw public money from the Treasury or a depositary only—

"(A) as necessary to make payments; and

"(B) payable to persons to whom payment is to be made.

"(b) In a place without a depositary, the Secretary, on deciding it is essential to the public interest, may authorize specifically in writing that public money be—

"(1) deposited in any other public depositary; or

"(2) kept in another manner under regulations the Secretary decides are the safest and most effective in making a payment to a public creditor easier.".

(4) Section 3528(b) is amended by—

(A) inserting "(1)" after "(b)";

(B) striking out "(1)" before "the certification" and substituting "(A)";

(C) striking out "(2)(A)" and substituting "(B)(i)";

(D) striking out "(B)" before "no law" and substituting "(ii)";

(E) striking out "(C)" and substituting "(iii)"; and

(F) adding at the end the following:

"(2) The Comptroller General may deny relief when the Comptroller General decides the head of the agency did not carry out diligently collection action under procedures prescribed by the Comptroller General.".

(5) In section 3711(c)(2), strike out "(49 U.S.C. 26(h))" and substitute "(49 App. U.S.C. 26(h))".

(6) Section 3902(b) is amended—

(A) in clause (1), by striking out "3903(2)(A)" and substituting "3903(2)"; and

(B) in clause (2), by striking out "3903(2)(B)" and substituting "3903(3)".

(7) Section 5132(a)(1) is amended by striking out the last sentence.

(8) Section 6716(c)(1) is amended by striking out "Subsection" and substituting "Subsections".

AMENDMENTS TO TITLE 49

SEC. 2. Title 49, United States Code, is amended as follows:

(1)(A) Section 308 is amended—

(i) in the catchline, by striking out "Annual reports" and substituting "Reports";

(ii) in subsection (a), by striking out the last sentence; and

(iii) by adding at the end the following:

"(d) By the 90th day after the end of fiscal year, the Secretary shall submit to Congress a report listing the specific assistance provided by the United States Government to the railroad industry during that fiscal year. The report shall include—

"(1) the reasons for each Government loan or grant and explain the way in which the loan or grant contributed to the overall goal of providing a safe and efficient transportation system;

"(2) information on the financial condition of each railroad having a loan guaranteed under the Emergency Rail Services Act of 1970 (45 U.S.C. 661 et seq.) throughout the duration of the loan; and

"(3) information on the past and anticipated financial condition and operations during the fiscal year of the Railroad Rehabilitation and Improvement Fund established under section 502(a) of the Railroad Revitalization and Regulatory Reform Act of 1976 (45 U.S.C. 822(a)) and of the Obligation Guarantee Fund established under section 511(b) of that Act (45 U.S.C. 831(b)).

"(e)(1) The Secretary shall submit a report to Congress in January of each even-numbered year of estimates by the Secretary on the current performance and condition of public mass transportation systems with recommendations for necessary administrative or legislative changes.

"(2) In reporting to Congress under this subsection, the Secretary shall prepare a complete assessment of public transportation facilities in the United States. The Secretary also shall assess future needs for those facilities and estimate future capital requirements and operation and maintenance requirements for one-year, 5-year, and 10-year periods at specified levels of service.".

(B) Item 308 in the analysis of chapter 3 is amended to read as follows:

"308. Reports.".

(2) In sections 103(c)(1), 106 (g)(1) and (h), 302(b), 321, 329 (b)(1) and (d), 334, and 501(b)(2), strike out "49 U.S.C." wherever it appears and substitute "49 App. U.S.C.".

(3) In section 306(b), strike out "332" and "49 U.S.C." and substitute "332 or 333" and "49 App. U.S.C.", respectively.

(4) In sections 10904 (d)(2) and (e)(3) and 11344(d), strike out "section 5(a)-(d) of the Department of Transportation Act (49 U.S.C. 1654(a)-(d))" and substitute "section 333(a)-(d) of this title".

(5) In section 10362(a)(1), strike out "section 744 of title 45" and substitute "section 304 of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 744)".

(6) In section 10362(b)(5)(A), strike out "section 562(a) of title 45" and substitute "section 402(a) of the Rail Passenger Service Act (45 U.S.C. 562(a))".

(7) In section 10362(b)(5)(B), strike out "section 1613 of this title" and substitute "section 17 of the Urban Mass Transportation Act of 1964 (49 App. U.S.C. 1613)".

(8) In section 10526(a)(5), strike out "section 1141j(a) of title 12" and substitute "section 15(a) of the Agricultural Marketing Act (12 U.S.C. 1141j(a))".

(9) In section 10542(a)(2), strike out "chapter 23A of title 46" and substitute "the Intercoastal Shipping Act, 1933 (46 U.S.C. 843 et seq.)".

(10) In section 10542(c)(2), strike out "section 391a of title 46" and substitute "section 4417a of the Revised Statutes (46 U.S.C. 391a)".

(11) In sections 10544(d)(1)(B) and 10703(a)(4)(D)(ii), strike out "(46 U.S.C. 843-848)" and substitute "(46 U.S.C. 843 et seq.)".

(12) In section 10706(c), strike out "section 12 of title 15" and substitute "the first section of the Clayton Act (15 U.S.C. 12)".

(13) In section 10749(b)(2), strike out "chapter 20 of this title" and substitute "the Federal Aviation Act of 1958 (49 App. U.S.C. 1301 et seq.)".

(14) In section 10903(b)(2), strike out "section 565(b) of title 45" and substitute "section 405(b) of the Rail Passenger Service Act (45 U.S.C. 565(b))".

(15) In section 11125(b)(2)(A), strike out "section 421 of title 45" and substitute "the Federal Railroad Safety Act of 1970 (45 U.S.C. 431 et seq.)".

(16) In section 11347, strike out "section 565 of title 45" and substitute "section 405 of the Rail Passenger Service Act (45 U.S.C. 565)".

(17) Section 11361(b), is amended by striking out "subchapter IV" and substituting "subchapter IV of chapter 11".

(18) In section 11367(a), strike out "Section 78n(a) of title 15" and substitute "Section 14(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78n(a))".

(19) In section 11367(b), strike out—

(A) "section 77c(a)(6) of title 15" the first time it appears and substitute "section 3(a)(6) of the Securities Act of 1933 (15 U.S.C. 77c(a)(6))";

(B) "section 77c(a)(6) of title 15" the 2d time it appears and substitute "section 3(a)(6)";

(C) "Section 77e of that title" and substitute "Section 5 of that Act (15 U.S.C. 77e)"; and

(D) "subchapter I of chapter 2A of title 15" and substitute "that Act (15 U.S.C. 77a et seq.)".

(20) In sections 11909(b) and 11914(b), strike out "prior to enactment of the Department of Transportation Act" and substitute "before October 15, 1966".

CONFORMING AMENDMENTS TO OTHER TITLES

SEC. 3. (a) Title 5, United States Code, is amended as follows:

(1) In section 5313, strike out "Director of the Bureau of the Budget" and substitute "Director of the Office of Management and Budget".

(2) In section 5314, strike out "Deputy Director of the Bureau of the Budget" and substitute "Deputy Director of the Office of Management and Budget".

(3) In section 5315, strike out "Assistant Directors of the Bureau of the Budget (3)" and substitute "Assistant Directors of the Office of Management and Budget (3)".

(4) In section 5514(c), strike out "section 581d" and substitute "section 3530(d)".

(5) In section 8348(d), strike out "the Second Liberty Bond Act as amended," and substitute "chapter 31 of title 31".

(b) Title 18, United States Code, is amended as follows:

(1) In section 490, strike out "minor coins coined" and substitute "one-cent and 5-cent coins minted".

(2) In section 4124, strike out "Director of the Bureau of the Budget" and substitute "President".

(c) The Internal Revenue Code of 1954 (26 U.S.C. 1 et seq.) is amended as follows:

(1) In section 7448(p), strike out "Bureau of the Budget" and substitute "President".

(2) In section 7701(a)(33)(G), strike out "part I of the Interstate Commerce Act" and substitute "subchapter I of chapter 105 of title 49".

(d) Chapter 11 of title 44, United States Code, is amended as follows:

(1) Amend item 1108 in the analysis of chapter 11 to read as follows:

"1108. Presidential approval required for printing of periodicals; number printed; sale to public."

(2) In the catchline of section 1108, strike out "Bureau of Budget" and substitute "Presidential".

(3) In the text of section 1108, strike out "Director of the Bureau of the Budget" and substitute "President".

TECHNICAL PROVISIONS

SEC. 4(a)(1) Except as provided in paragraph (2) of this subsection, the amendment made by section 1(9) of the Act of January 12, 1983 (Public Law 97-452, 96 Stat. 2468), applies to an obligation issued under section 3102(a) of title 31, United States Code, after September 3, 1982.

(2) The amendment made by section 1(9) of the Act of January 12, 1983 (Public Law 97-452, 96 Stat. 2468), applies to an obligation issued after June 30, 1983, if—

(A) interest on the obligation is exempt from tax (decided without regard to the amendments made by section 310 of the Tax Equity and Fiscal Responsibility Act of 1982 (Public Law 97-248, 96 Stat. 595)) under law (without regard to the identity of the holder); and

(B) the obligation was not required to be in registered form under the Internal Revenue Code of 1954 (26 U.S.C. 1 et seq.) as in effect on September 2, 1982.

(b) The amendment made by section 1(9) of the Act of January 12, 1983 (Public Law 97-452, 96 Stat. 2468), applies to an obligation issued under section 3103(a) of title 31, United States Code, after December 31, 1982.

(c) The amendments made by sections 1 (3), (4), and (7) and 3(b)(1) of this Act are effective as of September 13, 1982.

LEGISLATIVE PURPOSE AND CONSTRUCTION

SEC. 5. (a) Sections 1-4 of this Act restate, without substantive change, laws enacted before April 1, 1983, that were replaced by those sections. Sections 1-4 may not be construed as making a substantive change in the laws replaced. Laws enacted after March 31, 1983, that are inconsistent with this Act supersede this Act to the extent of the inconsistency.

(b) A reference to a law replaced by sections 1-4 of this Act, including a reference in a regulation, order, or other law, is deemed to refer to the corresponding provision enacted by this Act.

(c) An order, rule, or regulation in effect under a law replaced by sections 1-4 of this Act continues in effect under the corresponding provision enacted by this Act until repealed, amended, or superseded.

(d) An action taken or an offense committed under a law replaced by sections 1-4 of this Act is deemed to have been taken or committed under the corresponding provision enacted by this Act.

(e) An inference of a legislative construction is not to be drawn by reason of the location in the United State Code of a provision enacted by this Act or by reason of the caption or catchline of the provision.

(f) If a provision enacted by this Act is held invalid, all valid provisions that are severable from the invalid provision remain in effect. If a provision of this Act is held invalid in any of its applications, the provision remains valid for all valid applications that are severable from any of the invalid applications.

REPEALS

SEC. 6. (a) The repeal of a law enacted by this Act may not be construed as a legislative inference that the provision was or not in effect before its appeal.

(b) The laws specified in the following schedule are repealed, except for rights and duties that matured, penalties that were incurred, and proceedings that were begun before the date of enactment of this Act:

SCHEDULE OF LAWS REPEALED

Statutes at Large

Date	Chapter or Public Law	Section	Statutes at Large Volume	Page
1920				
May 21	194	7(a)	94	613
1980				
Oct. 14	96-448	409	94	1948
1982				
July 12	97-214	10(b)(5)	96	176
Sept. 3	97-248	310(d)(2)	96	600
		310(d)(4)		
Oct. 25	97-332		96	1622
Dec. 21	97-375	111(b)	96	1821
		210(a)	96	1825
1983				
Jan. 6	97-424	310	96	2151
Jan. 12	97-448	306(b)(2)	96	2405

The SPEAKER pro tempore. Is a second demanded?

Mr. MOORHEAD. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from California (Mr. EDWARDS) will be recognized for 20 minutes, and the gentleman from California (Mr. MOORHEAD) will be recognized for 20 minutes.

The Chair recognizes the gentleman from California (Mr. EDWARDS).

Mr. EDWARDS of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 2727, as amended, amends titles 31 and 49 of the United States Code to reflect changes in those titles by laws that did not specifically amend those titles. Because titles 31 and 49 are now law—rather than merely prima facie evidence of the law—they can be changed only by direct amendment. The bill, as amended, also restates certain sections to more accurately reflect current law and makes necessary technical and conforming amendments to certain titles of the Code that have been enacted into positive law and to the Internal Revenue Code of 1954. The amendments, purely technical in nature, are offered to clarify the intent of certain provisions or to correct cross-references.

The bill was prepared for the House Judiciary Committee by the Office of the Law Revision Counsel under its authority under section 285b of title 2, United States Code, to prepare revisions in titles of the Code that have been enacted into positive law.

Mr. MOORHEAD. Mr. Speaker, I yield myself such time as I may consume. Mr. Speaker, this is genuinely noncontroversial legislation. H.R. 2727 is the product of the Office of the Law Revision Counsel. Principally, it makes clarifications, and not substantive changes, in title 31 and title 49 of the United States Code.

Last fall, Congress codified title 31 for the first time (Public Law 97-258). However, subsequent to that action, Congress passed other legislation amending title 31 that needs to be brought into conformity with that overall codification. The clarifications made by H.R. 2727 in title 31 were requested by, and are supported by, the Department of the Treasury and the General Accounting Office. The changes being made in title 49 deal with transportation reporting requirements, and I am advised that the Department of Transportation has no objection to their enactment.

On June 17, 1983, the Office of Management and Budget wrote to Judiciary Committee Chairman Peter Rodino expressing no objection to the enactment of H.R. 2727.

Again, Mr. Speaker, we have no objection on the Republican side of the aisle to the enactment of this housekeeping legislation.

Mr. EDWARDS of California. I yield myself such time as I may consume in order that I may include at this point a detailed explanation of H.R. 2727, as amended, which reads as follows:

DETAILED EXPLANATION OF H.R. 2727—REVISION OF TITLE 31, UNITED STATES CODE, "MONEY AND FINANCE," AND SECTION 308 OF TITLE 49, UNITED STATES CODE, "TRANSPORTATION"

PURPOSE OF THE AMENDED BILL

The general purpose of the bill is as stated in its title.

Specifically, the bill will amend titles 31 and 49, United States Code, which have been enacted into positive law, to reflect changes in those titles by laws that did not specificially amend those titles. Also, the bill amends section 755 of title 31 to have it conform more closely to the source provision of the section, establishes an effective date for obligations issued under section 3102(a) or 3103(a) of title 31, amends sections 10904(d)(2) and (e)(3) and 11344(d) of title 49 to amend cross-references affected by the codification of subtitle I of title 49 by the Act of January 12, 1983 (Pub. L. 97-449, 96 Stat. 2413), and makes conforming amendments to certain titles of the United States Code that have been enacted into positive law and to the Internal Revenue Code of 1954 (26 U.S.C. 1 et seq.).

The bill makes no change in the substance of existing law.

STATEMENT

As stated in the purpose of the bill, this legislation is to reflect changes in the text of titles 31 and 49 because of laws that did not specifically amend those titles. The bill also makes technical and conforming changes in title 49, other titles of the United States Code that have been enacted into positive law, and the Internal Revenue Code of 1954 (26 U.S.C. 1 et seq.). The amendments, purely technical in nature, are offered to clarify the intent of certain provisions or to correct cross-references.

The detailed section-by-section analysis explains the changes made by the bill.

AGENCY COMMENTS

In an effort to achieve the greatest degree of accuracy possible, the Committee submitted the bill to the Department of Transportation, the Department of the Treasury, the Comptroller General of the United States, and the Office of Management and Budget. The Committee received the following letters:

OFFICE OF THE SECRETARY OF THE TREASURY,
Washington, D.C.

Attn: Mr. Lawrence Monaco.

Mr. EDWARD F. WILLETT, Jr.,
Law Revision Counsel,
HOUSE OFFICE BUILDING,
Washington, D.C.

DEAR MR. WILLETT: We are in receipt of a letter dated May 5, 1983 from Chairman Rodino to Secretary Regan requesting Treasury Department comments on H.R. 2727, a bill to codify certain provisions relating to Title 31 of the United States Code. The Office of Tax Policy has reviewed section 4(a) of the bill, and we have one comment.

Section 4(a) is intended to clarify the effective date of the requirement that long term United States debt obligations be issued in registered form. Section 4(a)(1) correctly states that "bonds" issued under 31 U.S.C. § 3102(a) are to be issued in registered form after September 3, 1982. However, section 4(a) does not make clear the effective date of registration for "notes" issued under 31 U.S.C. § 3103(a). The effective date for "notes" is obligations issued after December 31, 1982. See P.L. 97-248, § 310(d)(1), 96 Stat. 599 (Tax Equity and Fiscal Responsibility Act of 1982). Accordingly, we would suggest that section 4 be amended to clarify the effective date of registration for "notes".

Please feel free to call Andrew Furer of my staff (566-2927) if you have any questions regarding this matter.

Sincerely,
ROBERT G. WOODWARD,
Acting Tax Legislative Counsel.

COMPTROLLER GENERAL OF THE UNITED STATES,
Washington, D.C., May 31, 1983.

Hon. PETER W. RODINO, Jr.,
Chairman, Committee on the Judiciary,
House of Representatives,

DEAR MR. CHAIRMAN: This is in response to your letter dated May 5, 1983, requesting our comments on H.R. 2727, 98th Congress, which would, among other things, amend title 31, United States Code to codify without substantive change recently enacted laws relating to money and finance.

The bill incorporates the substance of a number of changes we have previously informally discussed with the Office of the Law Revision Counsel (Office). Additionally, the Office has assured us that the bill would include an amendment to 31 U.S.C. § 755 which would make this section conform more closely to the language of its source provision.[1] Consequently, we fully support the enactment of H.R. 2727 into law.

Sincerely yours, ——— ———,
(for Comptroller General of the United States).

---

[1] The first sentence of 31 U.S.C. § 755 would be revised to read as follows:

"Any final decision of the Board under section 753(a)(1)-(3), (6), or (7) of this title may be appealed to the United States Court of Appeals for the circuit in which the petitioner resides or to the United States Court of Appeals for the District of Columbia Circuit."

This language is based upon section 4(1)(1) of Pub. L. No. 96-191, February 15, 1980, 94 Stat. 29.

OFFICE OF MANAGEMENT AND BUDGET,
Washington, D.C.

Hon. PETER W. RODINO, Jr.,
Chairman, Committee on the Judiciary, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: This is in response to your request for the views of the Office of Management and Budget on H.R. 2727, a bill "To codify without substantive change recent laws related to money and finance and transportation and to improve the United States Code."

Section 1535.

Revised section	Source (United States Code)	Source (statutes at large)
1535(a)	31 App.: 686(a) (1st sentence words before 15th comma, previso)	May 21, 1920, ch. 194, § 7(a) (1st 2c sentences) 41 Stat. 613; June 30, 1932, ch 314, § 601, 47 Stat. 417; restated July 20, 1942, ch. 507, 56 Stat. 661; Aug. 23, 1958, Pub. L. 85-726, § 1407, 72 Stat. 808; Aug. 6, 1981, Pub. L. 97-136, § 11, 95 Stat. 1707; Oct. 15, 1982, Pub. L. 97-332- § 1(1)-(3), 96 Stat. 1622.
1535(b)	31 App.: 686(a) (1st sentence words between 15th comma and proviso, 2d sentence)	
1535(c)	31 App.: 686(a) (last sentence)	May 21, 1920, ch. 194, 41 Stat. 607, § 7(a) (last sentence; added Oct. 15, 1982, Pub. L. 97-332, § 1(4), 96 Stat. 1622.

The Office of Management and Budget has no objection to enactment of H.R. 2727.

Sincerely,

JAMES M. FREY,
Assistant Director for Legislative Reference.

SECTION-BY-SECTION SUMMARY

SECTION 1—AMENDMENTS TO TITLE 31

Section 1 of the bill amends various sections of title 31, United States Code. A revision note for each paragraph of section 1 of the bill has been prepared to explain the amendments made by that paragraph.

SECTION 1(1)

This clarifies section 755 by conforming it more closely to the language of the source provision of the section

SECTION 1(2)

This is necessary because section 3620(a)(last sentence) of the Revised Statures inadvertently was omitted from the codification of title 31 by section 1 of the Act of September 13, 1982 (Pub. L. 97-258, 96 Stat. 877).

In subsection (a), before clause (1), the words "Except as provided in subsection (b) of this section" are added because of the restatement.

In subsection (b), before clause (1), the word "however" is omitted as surplus. The words "treasurer or" are omitted as obsolete because of the 1st-4th pars. under the heading "Independent Treasury" in the Act of May 29, 1920 (ch. 214, 41 Stat. 654). In clause (2), the words "rules and" are omitted as surplus.

SECTION 1(4)

This clarifies section 3528(b) by restoring the authority of the Comptroller General to deny relief to certifying officials in the same way relief may be denied to disbursing officials.

SECTION 1(5)

This is necessary to reflect the transfer of the non-positive law provisions of title 49 to title 49 appendix.

SECTION 1(6)

This is necessary to correct cross-references in section 3902(b)

SECTION 1(7)

This is necessary because the language was restated by section 382(b)(1) of the Omnibus Budget Reconciliation Act of 1981 (Pub. L. 97-35, 95 Stat. 432) but inadvertently codified as 31:5132(a)(1)(last sentence) by section 1 of the Act of September 13, 1982 (Pub. L. 97-258, 96 Stat. 939).

SECTION 1(8)

This is necessary to correct a mistake in section 6716(c)(1) as codified by section 1 of the Act of September 13, 1982 (Pub. L. 97-258, 96 Stat. 1025).

SECTION 3302 OF TITLE 31

Section 3618 (1st sentence related to non-military deposits) of the Revised Statutes inadvertently was omitted as a source credit for 31:3302. Table 2A of H. Rep. 97-651 (p. 298) states that the sentence was omitted as superseded by various sections of title 10. Title 10 supersedes the sentence only as it applies to military deposits. However, the language of section 3618 (1st sentence related to non-military deposits) is subsumed in the broader language of section 3617 of the Revised Statutes, the source credit for 31:3302(b). Therefore, while section 3618 (1st sentence related to non-military deposits) should be a source credit for 31:3302(b), it is not necessary that the language of the sentence be restated.

SECTION 2—AMENDMENTS TO TITLE 49

Section 2 of the bill amends title 49, United States Code. A revision note for each paragraph of section 2 of the bill has been prepared to explain the amendments made by that paragraph.

SECTION 2(1)(A)(I), (III), (B)

Revised section	Source (U.S. Code)	Source (Statutes at large)
308(d)	49 App.: 1654a	Oct. 14, 1980, Pub. L. 96-448, § 409, 94 Stat. 1948; Dec. 21, 1982, Pub. L. 97-375, § 210(a), 96 Stat. 1825.
308(e)	49 App.: 1601c	Jan. 6, 1983, Pub L. 97-424, § 310, 96 Stat. 2151.

In subsection (a)(1), the words "January of each even-numbered year" are substituted for "January of 1984 and in January of every second year thereafter" to eliminate unnecessary words.

SECTION 2(1)(a)(ii)

This is necessary because section 111(b) of the Congressional, Reports Elimination Act of 1982 (Pub. L. 97-375, 96 Stat. 1821) repealed section 602 of the Regional Rail Reorganization Act of 1973 (Pub. L. 93-236, 87 Stat. 1022), which was restated as section 308(a) (last sentence) of title 49 by section 1 of the Act of January 12, 1983 (Pub. L. 449, 96 Stat. 2413).

SECTION 2(2)

This is necessary to reflect the transfer of the non-positive law previsions of title 49 to title 49 appendix.

SECTION 2(3)

This is necessary to correct a cross-reference in section 306(b) and to reflect the transfer of the non-positive law provisions of title 49 to title 49 appendix.

SECTION 2(4)

This amends cross-references in sections 10904(d)(2) and (e)(3) and 11344(d) of title 49 affected by the codification of subtitle I of title 49 by section 1 of the Act of January 12, 1983 (Pub. L. 97-449, 96 Stat. 2413).

SECTION 2(5)-(10)

These are necessary to conform the style used for cross-references in subtitle IV of title 49 to that used in other positive law titles.

SECTION 2(11)

This is necessary to conform an amendment made by section 5(g)(2) and (5) of the Act of January 12, 1983 (Pub. L. 97-449, 96 Stat. 2443).

SECTION 2(12)-(16)

These are necessary to conform the style used for cross-references in subtitle IV of title 49 to that used in other positive law titles.

SECTION 2(17)

This is necessary to correct an amendment made by section 5(g)(9) of the Act of January 12, 1983 (Pub. L. 97-449, 96 Stat. 2443).

SECTION 2(18), (19)

These are; necessary to conform the style used for cross-references in subtitle IV of title 49 to that used in other positive law titles.

SECTION 2(20)

This is necessary for clarity.

SECTION 3—CONFORMING AMENDMENTS TO OTHER TITLES

Section 3 of the bill makes conforming amendments to certain titles of the United States Code that have been enacted into positive law and to the Internal Revenue Code of 1954 (26 U.S.C. 1 et seq.).

SECTION 3(a)(1)-(3)

These are necessary because of the redesignation of the Bureau of the Budget as the Office of Management and Budget by section 102(a) of Reorganization Plan No. 2 of 1970 (eff. July 1, 1970, 84 Stat. 2085).

SECTION 3(a)(4)

This is necessary to correct the cross-reference in 5:5514(c) to reflect the codification of former 31:581d as 31:3530(d) by section 1 of the Act of September 13, 1982 (Pub. L. 97-452, 96 Stat. 967).

SECTION 3(a)(5)

This is necessary to correct the cross-reference in 5:8348(d) to reflect the codification of the Second Liberty Bond Act as chapter 31 of title 31 by section 1 of the Act of September 13, 1982 (Pub. L. 97-452, 96 Stat. 937).

SECTION 3(b)(1)

This is necessary to clarify that the minor coins of the United States, as defined in former 31:317, as the one-cent and 5-cent coins. Section 317 was restated in section 5112 of title 31 by section 1 of the Act of September 13, 1982 (Pub. L. 97-452, 96 Stat. 981).

SECTION 3(b)(2), (c)(1), (d)

These are necessary to reflect the transfer of functions from the Bureau of the Budget and the Director of the Bureau of the Budget to the President under section 101 of Reorganization Plan No. 2 of 1970 (eff. July 1, 1970, 84 Stat. 2085).

SECTION 3(c)(2)

This is necessary to reflect the codification of the jurisdictional provisions of part I of the Interstate Commerce Act (ch. 104, 24 Stat. 370) in subchapter I of chapter 105 of title 49.

SECTION 4—TECHNICAL AMENDMENTS

Section 4 of the bill establishes effective dates for obligations issued under section 3102(a) of title 31, United States Code, and certain amendments made by this bill.

SECTION 4(a)(1)

This is necessary because of section 310(d)(2) of the Tax Equity and Fiscal Responsiblity Act of 1982 (Pub. L. 97-248, 96 Stat. 600). The words "Except as provided in paragraph (2) of this subsection" are added because of the restatement.

SECTION 4(a)(2)

This is necessary because of section 310(d)(4) of the Tax Equity and Fiscal responsiblity Act of 1982 (Pub. L. 97-248, 96 Stat. 324), as added by section 306(b)(2) of the Technical Corrections Act of 1982 (Pub. L. 97-448, 96 Stat. 2405). The words "under law" are substituted for "(A) under section 103 of the Internal Revenue Code of 1954, or (B) under any other provision of law" to eliminate unnecessary words.

SECTION 4(b)

This clarifies that the effective date of the requirement that long term United States debt obligations be issued in registered form applies to notes as well as bonds as provided by section 310(d)(1) of the Tax Equity and Fiscal Responsibilty Act of 1982 (Pub. L. 97-248, 96 Stat. 599).

SECTION 4(c)

Section 4(c) of the bill provides an effective date of September 13, 1982 (the date of enactment of the codification of title 31, United States Code), for provisions that make technical and clerical corrections to that codification and to title 18 to reflect that codification.

SECTION 5—LEGISLATIVE PURPOSE AND CONSTRUCTION

Section 5 of the bill contains a statement of the legislative effect on enacting sections 1-4, savings provisions, and provisions to assist in interpreting and applying the provisions of law enacted by the bill.

SECTION 6—REPEALS

Section 6 of the bill relates to the repeal of those statutes that are modified and reenacted by the bill.

Subsection (a) provides that a repeal of a law may not be construed as a legislative inference that the provision was or was not in effect before its repeal.

Subsection (b) contains the schedule of laws to be repealed. It also preserves rights, duties, and penalties incurred, and proceedings begun before the date of enactment of the bill.

MASTER DISPOSITION TABLE

This table shows the disposition of all laws affecting the restatement of title 31, United States Code, and section 308 of title 49, United States Code, that are repealed by this bill and reenacted as part of title 31 or section 308 of title 49. The table is in 2 parts. Table 1A shows the disposition according to United States Code citation. Table 1B shows the disposition according to Statutes at Large citation. When a law is restated in sections 1-4 of the bill, the citation to the provision of the restatement is shown. When a law listed in the table is not restated in sections 1-4, the table contains a reference to table 2. Table 2 explains the reason why the law is omitted from the restatement in sections 1-4.

TABLE 1A.—UNITED STATES CODE

United States Code		United States Code revised	
Title	Section	Title	Section
31 App.	686(a)	31	1535
49 App.	1601c	49	308
Do.	1654a	49	308

TABLE 1B.—STATUTES AT LARGE

Date	Chapter or Public Law	Section	Statutes at large		United States Code		Table
			Volume	Page	Title	Section	
1920							
May 21	194	7(a)			31	1535	
1960							
Oct. 14	96-448	409	94	1948	49	308	
1982							
July 12	97-214	10(b)(5)	96	176			2B.
Sept. 3	97-248	310(d)(2)	96	600		(See § 4(a) of bill.)	
		310(d)(4)				(See § 4(a) of bill.)	
Oct. 15	97-332		96	1622	31	1535	
Dec. 21	97-375	111(b)	96	1821			2B.
		210	96	1825	49	308	
1983							
Jan. 6	97-424	310	96	2152	49	308	
Jan. 12	97-448	306(b)(2)	96	2405		(See § 4(a) of bill.)	

TABLE 2—LAWS OMITTED AND REPEALED

This table shows the laws omitted because of the restatement of title 31, United States Code, and section 308 of title 49, United States Code, and repealed by the bill. The table is in 2 parts, with table 2A listing repealed laws according to Statutes at Large citation and table 2B listing repealed laws according to Revised Statutes citation.

TABLE 2A.—STATUTES AT LARGE

Date	Chapter or Public Law	Section	Statutes at large		Explanation
			Volume	Page	
1982					
July 12	97-214	10(b)(5)	96	176	Executed. Repealed section 40 of the Act of Aug. 10, 1956 (ch. 1041, 70A Stat. 636), that was repealed by section 5(b) of the Act of Sept. 13, 1982 (Pub. L. 97-258, 96 Stat. 1079).
Dec. 21	97-375	111(b)	96	1821	Executed. Repealed section 602 of the Regional Rail Reorganization Act of 1973 (Pub. L. 93-236, 87 Stat. 1022), that was repealed by section 7(b) of the Act of Jan. 12, 1983 (Pub. L. 97-449, 96 Stat. 2445).

TABLE 2B.—REVISED STATUTES

Revised statutes (section)	Explanation
266	Superseded. Provided that the Secretary of the Treasury publish 30 days after the end of each quarter a statement of receipts and expenditures of the quarter. Superseded by section 3513 of the revised title.
267	Superseded. Provided that the Secretary of the Treasury publish on the first day of each month the last preceding weekly statement of the Treasurer of the United States. Superseded by section 3513 of the revised title.

GENERAL LEAVE

Mr. EDWARDS of California. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 2727, the bill under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. EDWARDS) that the House suspend the rules and pass the bill, H.R. 2727, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate disagrees to the amendment of the House to the bill (S. 675) entitled "An act to authorize appropriations for fiscal year 1984 for the Armed Forces for procurement, for research, development, test, and evaluation, and for operation and maintenance, to prescribe personnel strengths for such fiscal year for the Armed Forces and for civilian employees of the Department of Defense, to authorize appropriations for such fiscal year for civil defense, to authorize certain construction at military installations for fiscal year, to authorize appropriations for the Department of Energy for national security programs for such fiscal year, and for other purposes," agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. TOWER, Mr. THURMOND, Mr. GOLDWATER, Mr. WARNER, Mr. HUMPHREY, Mr. COHEN, Mr. JEPSEN, Mr. QUAYLE, Mr. EAST, Mr. WILSON, Mr. JACKSON, Mr. STENNIS, Mr. NUNN, Mr. HART, Mr. EXON, Mr. LEVIN, Mr. KENNEDY, Mr. BINGAMAN, and solely for the consideration of section 1030C, Mr. STAFFORD and Mr. PELL to be the conferees on the part of the Senate.

AUTHORIZING PAYMENT OF EXPENSES OF NEWLY APPOINTED SPECIAL AGENTS

Mr. EDWARDS of California. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3232), to amend title 28 of the United States Code to authorize payment of travel and transportation expenses of newly appointed special agents of the Department of Justice.

The Clerk read as follows:

H.R. 3232

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That chapter 31 of title 28 of the United States Code is amended by adding at the end the following new section:

"§ 530. Payment of travel and transportation expenses of newly appointed special agents

"The Attorney General or the Attorney General's designee is authorized to pay the travel expenses of newly appointed special agents and the transportation expenses of their families and household goods and personal effects from place of residence at time of selection to the first duty station, to the extent such payments are authorized by section 5723 of title 5 for new appointees who may receive payments under that section.".

SEC. 2. The table of sections at the beginning of chapter 31 of title 28 of the United Stated Code is amended by adding at the end thereof the following new item:

"530. Payment of travel and transportation expenses of newly appointed special agents.".

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from California (Mr. EDWARDS) will be recognized for 20 minutes, and the gentleman from Wisconsin (Mr. SENSENBRENNER) will be recognized for 20 minutes.

The Chair recognizes the gentleman from California (Mr. EDWARDS).

Mr. EDWARDS of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the bill now under consideration, H.R. 3232 is very simple and very sensible. It would authorize the Department of Justice to pay for the travel and transportation expenses incurred by newly appointed special agents of that agency to their first permanent duty station.

The general rule for Federal employees is that these expenses are not reimbursable. However, several exceptions previously have been enacted, including one for the special agents of the Fish and Wildlife Service of the Department of the Interior. Like those employees, and unlike most other Federal employees, DEA and FBI special agents are both recruited nationally and assigned nationally. For example, although a prospective special agent may submit his or her application in the San Francisco field office, headquarters will assign the agent where the need is, and usually, in an area other than the area from which he or she was recruited.

In the past, the FBI has tried to alleviate the financial burden on the new agent by assigning that employee initially to the area from which he or she was recruited, and then, 6 months later, reassigning that agent to a station where the need existed. That second move was reimbursable.

So long as the number of new agents remained relatively small, this system worked fairly well. However, the drug enforcement initiative now being pursued jointly at DEA and the FBI means that approximately 300 new agents will be hired in the next fiscal year. It no longer makes sense to assign these agents first to their home area—they must go directly to the area where they are needed. Therefore, the choice for the Department of Justice was either to continue their present practice (which will now be wasteful), burden these new agents with these expenses, or seek the authority which is contained in this bill.

The Subcommittee on Civil and Constitutional Rights, which I chair, held a hearing on this subject on June 16, 1983, and was convinced that the fair and economical thing to do was to enact this authority. Compared to the Department's present policy, this authority will permit a savings of over $459,000 per year. The subcommittee unanimously reported this bill on June 29, and we now seek your support in the House.

Mr. SENSENBRENNER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 3232 allows the FBI to reimburse special agents for the transfer of their families and household goods from Quantico, Va., their training facility, to their first permanent duty station, a practice not currently allowed by the Comptroller General of the United States. The FBI currently assigns these agents to the office closest to the location of their household goods and families at the time of appointment, for a period of 6 months, in order to establish the permanent duty station status required by the Comptroller General. This 6-month assignment is made without regard to the needs of the FBI and has proven to be counterproductive to their mission. It is agreed that the change would be more cost effective than the current practice of the FBI and would streamline the process of

assigning agents to various field offices based on the needs of the FBI. In fact, had H.R. 3232 been in place in fiscal year 1982, almost one-half a million dollars would have been saved.

The FBI argues that this is a matter of critical importance in view of the staffing requirements of the drug task forces. Experienced FBI agents are being assigned to those task forces, and office requirements in other areas will be satisfied through the assignment of new agents. These assignments would be effectively postponed for 6 months, during which time they would be assigned to the office from which they were appointed.

I urge my colleagues to vote to suspend the rules and pass H.R. 3232.

Mr. Speaker, I have no requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. EDWARDS) that the House suspend the rules and pass the bill, H.R. 3232.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

PROVIDING FOR ADOPTION OF CONFERENCE REPORT ON S. 272 AND FOR ADOPTION OF SENATE CONFERENCE RESOLUTION 58

Mr. MICHELL. Mr. Speaker, I move to suspend the rules and agree to the resolution (H. Res. 293) providing that the House shall be considered to have adopted the conference report on the bill (S. 272) to improve small business access to Federal procurement information, to have receded from its amendment to the title of said bill, and to have adopted the concurrent resolution (S. Con. Res. 58) correcting the enrollment of S. 272.

The Clerk read as follows:

H. RES. 293

Resolved, That upon the adoption of this resolution the House shall be considered to have adopted the conference report on the bill (S. 272) to improve small business access to Federal procurement information, to have receded from its amendment to the title of said bill, and to have adopted the concurrent resolution (S. Con. Res. 58) correcting the enrollment of S. 272.

The SPEAKER pro tempore. Is a second demanded?

Mr. PRITCHARD. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Maryland (Mr. MITCHELL) will be recognized for 20 minutes, and the gentleman from Washington (Mr. PRITCHARD) will be recognized for 20 minutes.

The Chair recognizes the gentleman from Maryland (Mr. MITCHELL).

□ 1410

Mr. MITCHELL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of the resolution. Before explaining the substantive law involved, I want to clarify for the Members the procedure which is involved.

The resolution simply does three things:

First, it provides that upon its adoption, the conference report on a bill to improve small business access to Federal procurement information (S. 272) is approved.

Second, it directs the Secretary of the Senate when he enrolls this conference report to make several minor changes.

Third, it agrees to the Senate's title of the bill.

The reason that this conference report is being handled on the suspension calendar is to avoid any possible point or order for exceeding the scope of conference. The provision which is in question is the effective date of the bill. The original House bill, which subsequently became a House amendment to the Senate bill, would have been effective upon enactment. The Senate bill, S. 272, was a more extensive bill and among other things imposes restrictions upon the authority of a contracting officer to enter negotiations for a sole source contract. The Senate bill also changes some of the provisions regarding publication of notice of procurement in the Commerce Business Daily rather than simply imposing timely notice requirements. Presumably, for these reasons the Senate felt a 45-day lead time was in order. Although the House conferees agreed with many of the provisions in the Senate bill, we felt that Federal departments should receive additional time to begin their compliance. As a result, the conferees delayed the effective date of the bill beyond the date specified in the Senate bill and thus may have exceeded the scope of conference. Consideration of the conference report on the suspension calendar avoids the possible raising of this technical violation.

In addition, after the conference report had been filed and after the Senate had approved the conference report, we received a letter from the Department of Defense expressing its concern over some of the provisions of the conference report. We had earlier considered some of the concerns expressed and addressed those which we believed had merit. The new letter, however, raised concerns for the first time. Although I do not necessarily agree with the Defense Department's views or the conclusions as to the impact of the conference report, nonetheless I agreed with my ranking minority member and the principal Senate conferees that it was advisable to adopt minor changes so as to preclude the possibility of erroneous interpretations and unintended results. As my colleagues know, conference reports cannot be amended on the floor as can a bill. The procedure needed to accomplish the changes is for the House and Senate to adopt a resolution for the Secretary of the Senate to make the changes. Such a change was introduced as Senate Concurrent Resolution 58 which basically includes the following:

Reinstatement of an exemption under existing law from publication of notice of procurements from another Government department or a mandatory source of supply; establishing an exemption from such publication requirements of procurements for research resulting from unsolicited proposals if publication would disclose originality of thought; and establishment of an exemption in emergencies from the requirement that a contracting officer obtain approval from the head of the procuring activity before commencing negotiations for large sole source contracts.

The Senate agreed to this resolution last Thursday.

Thus, under the motion I have made all we are doing is agreeing to the conference report with minor changes.

The conference report, as modified by the Senate resolution, would do the following:

First, Federal departments and agencies would be required to public notice of upcoming Federal contracts of $10,000 or more in the Commerce Business Daily. They would be required to allow the lapse of at least 15 days between the publication of notice and the issuance of a contract solicitation—30 days for R&D solicitations—and then to allow at least an additional 30 days for receipt of bids or proposals. There would be exemptions for those procurements: (1) which for security reasons are of a classified nature; (2) which are for goods or services for which the Department has an unusual and compelling urgency; (3) in which a foreign government is reimbursing the United States for the cost of the procurement and only one source is available or if the terms of an international agreement or treaty authorize or require that the procurement be from specified sources; (4) which are made from another Government department or a mandatory source of supply; (5) which are for utility services if only one source is available; (6) which are made against an order placed under a requirements contract; (7) which are for research resulting from unsolicited proposals

which are unique if publication would disclose originality of thought or innovativeness; and (8) for which SBA and the Department agree that advance notice is not appropriate or reasonable.

Second, it would impose a prohibition against Federal departments commencing negotiations for a sole source contract (except under the 8(a) and Small Business Innovation Research programs and in emergency situations) above a threshold amount unless the head of the procuring activity or his deputy has approved the authority to enter into such contract and the contracting officer has considered the responses to the notice of procurement action. There would be a 3-year phase in of the dollar threshold amount of procurement contracts to which these provisions will apply: $1 million in fiscal year 1984, $500,000 in fiscal year 1985, and $300,000 in fiscal year 1986 and each year thereafter.

Third, it also would require that in all procurement actions in excess of $25,000 in which the award of subcontracts is likely, the Federal department entering the contract must submit for publication in the Commerce Business Daily a notice announcing the award of the prime contract.

Fourth and last, the provisions of the conference report would be applicable to procurement actions initiated 90 days after the date of enactment except the restriction on sole source contracts which would be effective October 1, 1983.

I believe this is an excellent bill and will assist small business in Government contracts. I also want to compliment all of the members of the committee who worked and contributed to the formation of this legislation. I particularly want to single out for congratulations Mr. ADDABBO Mr. MCDADE, my ranking minority member, and my colleague from Nebraska, Mr. DAUB.

Mr. RAY. Mr. Speaker, will the gentleman yield?

Mr. MITCHELL. Mr. Speaker, at this juncture I yield briefly to my colleague, the gentleman from Georgia.

Mr. RAY. Mr. Speaker, I rise in support of the conference report on S. 272 and urge its adoption by the House. However, I share some of the same concerns expressed by my colleague from Nebraska.

Let me commend my colleague and my chairman, Mr. MITCHELL, for pursuing legislation that will mandate a period of 15 days' notice in the Commerce Business Daily before issuance of a solicitation, and 30 days before completion will be foreclosed. I supported the House bill, H.R. 1043, because I believe that small businesses need this extended period in order to compete effectively.

However, it recently came to my attention that in conference the exemption for perishable foods, such as fresh fruit, vegetables, meat, and seafood, has been deleted. This exemption is in present law and is important to preserve the ability of the Department of Defense as well as other agencies to buy perishable food in the marketplace. It is extremely difficult to forecast the need for these types of items 45 days in advance. Crop failures are difficult to predict. The food spoils rapidly and cannot be stored. The only way to insure that the best quality produce is purchased at the best price is to buy in the marketplace from whomever is offering the most favorable quality for the price.

There has been no indication that the present method of buying perishable food has resulted in a lack of competition, or an exclusion of small businesses. In fact, 97 percent of the Department of Defense purchases of subsistence food are from small businesses.

Therefore, I hope that the Department of Defense as well as other agencies will take advantage of the provision in S. 272 to go to the SBA for an exemption when the reasonableness of current purchasing practices can be demonstrated.

Mr. Speaker, I urge that the House adopt the conference report on S. 272.

Mr. MITCHELL. Mr. Speaker, I reserve the balance of my time.

Mr. PRITCHARD. Mr. Speaker, I yield my 20 minutes to the gentleman from Nebraska (Mr. DAUB).

Mr. DAUB. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I am delighted on behalf of the minority on the Small Business Committee to participate in support of this resolution and of the conference report.

I believe that this bill will bring much needed changes to our procurement system.

Recent articles in newspapers throughout our Nation have illustrated what happens when there is overreliance on a single source of supply.

With this bill, we intend to help bring an end to abusive overpricing, such as $435 for a claw hammer, $436 for a sledge hammer, $437 for a 12-foot measuring tape, $110 for a 4 cent electronic part, and $44 for a 17-cent lamp. We cannot and we will not tolerate this kind of procurement abuse, even in a fiscally sound budget period; but with an almost $200 billion yearly deficit, and cutbacks in all programs to reduce Government costs, this waste of taxpayer funds is outrageous.

Competition is our aim. We want agencies to know that there are other sources for the goods and services that they need, as opposed to single source contracting. By reducing sole source contracts, by increasing notice of prime and subcontracting opportunities and by ultimately increasing competition, Federal costs will be reduced and more businesses will have the opportunity to do business with the Federal Government.

I urge a vote in favor of this conference report.

Mr. Speaker, I would like to engage the chairman of the Small Business Committee, if I might, in a colloquy.

Mr. MITCHELL. I would be delighted.

Mr. DAUB. Will the gentleman from Maryland, the distinguished chairman of the committee, respond to some questions?

Mr. MITCHELL. I would be pleased to respond to my good friend.

Mr. DAUB. Mr. Speaker, I would like to engage the distinguished chairman of this committee in a colloquy concerning perishable commodities. Am I correct in understanding that under the conference report, if a department can demonstrate the reasonableness of current purchasing practices and that advance notice is not appropriate or reasonable, it can receive an exemption from the advertisement requirements of this bill for the procurement of certain kinds of perishable commodities?

Mr. MITCHELL. Mr. Speaker, the gentleman from Nebraska is absolutely correct. The bill has been crafted to allow a nonlegislative resolution of special problems that may arise. The Administrator of the Small Business Administration and the head of the Federal Department are empowered to agree to commodity class exemptions where appropriate. Certainly, it is not the intent of this committee to cause a disruption of established procurement methods where ample competition and existing market methods combine to create an efficient procurement system that results in lower costs.

Mr. Speaker, let me add a little bit more to my colloquy. I would be most reluctant to preclude our Armed Forces from having access to those delicious Maryland crabs. That is a perishable commodity and certainly it would be cruel and almost inhuman to deny our armed services personnel access to that delectable morsel from Maryland.

Mr. DAUB. Might I say to my distinguished chairman and, indeed, good friend, that we would not want to deny the Armed Forces personnel at, for example, my Air Force base, the Strategic Air Command in Omaha, those delightful and delectable morsels, a commodity which may be deemed perishable, that comes from the Maryland shore.

I appreciate the gentleman's response very much and it is, indeed, a clear explanation. I think it serves as useful legislative intent in the record.

Mr. Speaker, let me conclude for my part, since I do not observe that any from my side wish any further part of the time granted to me, that the staff

deserves a great deal of commendation for the work that they have done; that we indeed on both sides of the aisle and the committee have cooperated with the Department of Defense in attempting to work out any problems. I think that this close cooperation is notable.

I believe that we are together on a very good piece of legislation that will, indeed, be good for the efficiency of our Government and for the opportunities of those who on the outside of our Government institutions can have some say in efficiency and economy, which ought to be the hallmark of anything we do in this Congress.

So I do again urge my colleagues to support the resolution and the conference report.

Mr. Speaker, I yield back the balance of my time.

Mr. MITCHELL. Mr. Speaker, I have no further requests for time.

I simply urge the immediate approval of the conference report. I know of no controversy surrounding this conference report.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Maryland (Mr. MITCHELL) that the House suspend the rules and agree to the resolution, House Resolution 293.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the resolution was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MITCHELL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the resolution just agreed to.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Maryland?

There was no objection.

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION OCEAN AND COASTAL PROGRAM AUTHORIZATION ACT

Mr. JONES of North Carolina. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 1098) to consolidate and authorize certain ocean and coastal programs and functions of the National Oceanic and Atmospheric Administration under the Department of Commerce.

The Clerk read as follows:

S. 1098

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Oceanic and Atmospheric Administration Ocean and Coastal Program Authorization Act."

TITLE I—NONLIVING MARINE RESOURCES

AUTHORIZATION

SEC. 101. There are authorized to be appropriated to the Department of Commerce to enable the National Oceanic and Atmospheric Administration to carry out its nonliving marine resource duties under law, $800,000 for fiscal year 1984. Moneys appropriated pursuant to this authorization shall be used to fund those duties relating to nonliving marine resources specified by the Act entitled "An Act to define the functions and duties of the Coast and Geodetic Survey, and for other purposes", approved August 6, 1947, as amended (33 U.S.C. 883a), and any other law involving such duties. Such duties include, but are not limited to, polymetallic sulfide analyses and research.

TITLE II—NATIONAL SEA GRANT COLLEGE PROGRAM

AUTHORIZATION

SEC. 201. (a) Section 212 of the National Sea Grant Program Act (33 U.S.C. 1131) is amended by inserting immediately after paragraph (3) the following new paragraph:

"(4) Not to exceed $42,000,000 for fiscal year 1984 and not to exceed $46,000,000 for fiscal year 1985.".

(b) Section 3(c) of the Sea Grant Program Improvement Act of 1976 (33 U.S.C. 1124a(c)) is amended by inserting immediately after paragraph (3) the following new paragraph:

"(4) For fiscal years 1984 and 1985, not to exceed $1,000,000 in each fiscal year appropriated pursuant to section 212 of the National Sea Grant Program Act may be available to carry out this section.".

TITLE III—OCEAN THERMAL ENERGY CONVERSION ACT

AUTHORIZATION

SEC. 301. Section 406 of the Ocean Thermal Energy Conversion Act of 1980 (Public Law 96-320) is amended—

(1) by striking out "and"; and

(2) by striking out "1983." and inserting in lieu thereof "1983, not to exceed $620,000 for the fiscal year ending September 30, 1984, and not to exceed $800,000 for the fiscal year ending September 30, 1985.

MISCELLANEOUS

SEC. 302. (a) The Ocean Thermal Energy Conversion Act of 1980 (Public Law 96-320) is amended—

(1) in section 2(a)(1) by striking out "located in the territorial sea" and inserting in lieu thereof "located in whole or in part between the highwater mark and the seaward boundary of the territorial sea";

(2) in section 3(11) by striking out "standing or moored in or beyond the territorial sea of the United States" and inserting in lieu thereof "standing, fixed or moored in whole or in part seaward of the highwater mark";

(3) in the first sentence of section 101(a) by striking out "located in the territorial sea" and inserting in lieu thereof "located in whole or in part between the highwater mark and the seaward boundary of the territorial sea";

(4) in section 101(b)(2) by striking out "located in the territorial sea" and inserting in lieu thereof "located in whole or in part between the highwater mark and the seaward boundary of the territorial sea";

(5) in section 101(c)(7) by striking out "will not be documented under the laws of the United States;" and inserting in lieu thereof "will be documented under the laws of a foreign nation;";

(6) in section 108(e)(2)(C)(ii) by striking out "moored or standing" and inserting in lieu thereof "moored, fixed or standing";

(7) in section 108(e) by adding a new paragraph (4) to read as follows:

"(4) For the purposes of this subsection the term 'ocean thermal energy conversion facility' refers only to an ocean thermal energy conversion facility which has major components other than water intake or discharge pipes located seaward of the highwater mark.";

(8) in section 110(1) by striking out "aboard" and inserting in lieu thereof "in or aboard";

(9) in section 301 by striking out "on board" and inserting in lieu thereof "in or on board", by striking out "or other" and inserting in lieu thereof "or on board any", and by striking out in paragraph (2) thereof "to board" and inserting in lieu thereof "to enter or board";

(10) In section 303(b) by striking out "on board" and inserting in lieu thereof "in or on board", by striking out "or other" and inserting in lieu thereof "or any", and by striking out in paragraph (1) thereof "board and inspect" and inserting in lieu thereof "enter or board, and inspect, any ocean thermal energy conversion facility or plantship or";

(11) in the first sentence of section 403(a)(1) by inserting "and all of which is located seaward of the highwater mark," immediately after "licensed under this Act"; and

(12) In the first sentence of the section 403(c)(2) by inserting "documented under the laws of the United States and" immediately after "ocean thermal energy conversion facility or plantship".

(b) Such Act is further amended—

(1) in section 101(c)(1) by striking out "cannot and will not" and inserting in lieu thereof "cannot or will not";

(2) in section 101(c)(5) by striking out "has expired;" and inserting in lieu thereof "has not expired;";

(3) in section 101(c)(10) by striking out "each" and inserting in lieu thereof "any";

(4) in section 101(c)(13) by striking out "and" after the semicolon and inserting in lieu thereof "or"; and

(5) in section 101(c)(10) by striking out "(33 U.S.C. 1451 et seq.)" and inserting in lieu thereof "(16 U.S.C. 1451 et seq.)".

(c) Section 405 of such Act is amended by striking out "3" and inserting in lieu thereof "five."

(d) Such Act is further amended by adding the following new section:

"SEC. 408. Within 18 months after the date of enactment of this provision, the Administrator shall submit to the President of the Senate and the Speaker of the House of Representatives a report detailing what steps the United States Government is taking and plans to take to promote and enhance the export potential of ocean thermal energy conversion components, facilities, and plantships manufactured by United States industry. Such report shall include—

"(1) the relevant views of the National Oceanic and Atmospheric Administration, International Trade Administration, Maritime Administration, Department of Energy, Small Business Administration, United States International Development Cooperative Agency, the Office of the Special Trade Representative, and other relevant United States Government agencies;

"(2) the findings of studies conducted by the Administrator to fulfill the intent of this section;

"(3) a summary of activities, including consultations held with representatives of both the ocean thermal energy conversion and financial industries conducted by the Administrator to fulfill the intent of this section; and

"(4) such recommendations as the Administrator deems appropriate for amending the Ocean Thermal Energy Conversion Act of 1980 (Public Law 96-320) or other relevant Acts to better promote and enhance the export potential of ocean thermal energy conversion components, facilities and plantships manufactured by United States industry".

(e) Such Act is further amended—

(1) in the first sentence of section 108(d)(1) by striking out "reorganizational safety" and inserting in lieu thereof "navigational safety";

(2) in section 109(b)(2) by striking out "natural" and inserting in lieu thereof "national";

(3) in section 112(b) by striking out "confidential commercial and financial information)" and inserting in lieu thereof "commercial or financial information which is privileged or confidential)";

(4) in section 116(a) by striking out "facility or platform" and inserting in lieu thereof "facility or plantship";

(5) in section 302(b)(1) by inserting "to halt" immediately after "injunction,";

(6) in the first sentence of section 403(c)(2) by striking out "Treasury" and inserting in lieu thereof "Treasury, including the provisions of the Tariff Act of 1930, as amended (19 U.S.C. 1202), and other laws codified in title 19, United States Code,";

(7) in section 3(11) by striking out "freshwater," and inserting in lieu thereof "fresh water,";

(8) in section 101(c)(4) by striking out "enforcement" and inserting in lieu thereof "regulatory";

(9) in section 101(c)(6) by striking out "for license" and inserting in lieu thereof "for a license";

(10) in section 101(c)(14) by striking out "when" and inserting in lieu thereof "if";

(11) in section 101(d)(2) by striking out "licensee" and inserting in lieu thereof "applicant, licensee";

(12) in the first sentence of section 105(a)(2) by striking out "that (A)" and inserting in lieu thereof "(A) that";

(13) in the first sentence of section 105(b)(1) by striking out "of adjacent" and inserting in lieu thereof "of an adjacent";

(14) in the third sentence of section 105(b)(1) by striking out "is" and inserting in lieu thereof "are";

(15) by inserting the text of section 109(b)(3) as a new paragraph (3) immediately after the end of paragraph (2) of section 108(d), and by repealing section 109(b)(3);

(16) in section 109(c) by striking out "such of" and inserting in lieu thereof "of such", and by striking out "impingment" and inserting in lieu thereof "impingement";

(17) in section 111(b) by striking out "environment established by any treaty or convention," and inserting in lieu thereof "environment,"; and

(18) in section 112(b)(2)(B) by striking out "administrator" and inserting in lieu thereof "Administrator".

(f) Section 102(h) of such Act is amended to read as follows:

"(h) The Administrator shall not take final action on any application unless the applicant has paid to the Administrator a reasonable administrative fee, which shall be deposited into miscellaneous receipts of the Treasury. The amount of the fee imposed by the Administrator on any applicant shall reflect the reasonable administrative costs incurred by the National Oceanic and Atmospheric Administration in reviewing and processing the application.".

TITLE IV—NATIONAL ADVISORY COMMITTEE ON OCEANS AND ATMOSPHERE ACT OF 1977

AUTHORIZATION

SEC. 401. Section 8 of the National Advisory Committee on Oceans and Atmosphere Act of 1977 (33 U.S.C. 857-18) is amended—

(1) by striking out "and" immediately after "1981,"; and

(2) by striking out the period after "1982" and inserting in lieu thereof ", $630,000 for the fiscal year ending September 30, 1984, and $630,000 for the fiscal year ending September 30, 1985.".

TITLE V—PAY INCREASE AUTHORIZATION

MISCELLANEOUS

SEC. 501. There are authorized to be appropriated to the Department of Commerce, to enable the National Oceanic and Atmospheric Administration to carry out its duties indicated under this Act, such additional sums as may be necessary for increases in salary, pay, and other employee benefits authorized by law.

The SPEAKER pro tempore. Is a second demanded?

Mr. PRITCHARD. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from North Carolina (Mr. JONES) will be recognized for 20 minutes, and the gentleman from Washington (Mr. PRITCHARD) will be recognized for 20 minutes.

The Chair recognizes the gentleman from North Carolina (Mr. JONES).

Mr. JONES of North Carolina. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, S. 1098, consolidates three authorization bills unanimously reported by the Committee on Merchant Marine and Fisheries and includes another important marine program administered by the National Oceanic and Atmospheric Administration (NOAA).

First, the bill reauthorizes the National Sea Grant Program Act at $42 million for fiscal year 1984 and $46 million for fiscal year 1985. The purpose of the sea grant program is to foster research, education, and advisory services relating to the conservation, management, and use of marine resources through our Nation's colleges and universities. Currently, there are 29 sea grant colleges and universities that participate in the matching grant program. Throughout the history of the program, State and private sector matching funds have exceeded the one-third required minimum, and presently support over 40 percent of the program. The economic benefits derived from the program are significant. For example, a 1981 survey indicated that $277 million in annual gross revenues and savings to marine and coastal industries resulted from sea grant research projects. That figure nearly equals the Federal Government's total appropriations over the first 13 years of the program and is only one indication of the economic importance of the program.

Second, the bill reauthorizes the Ocean Thermal Energy Conversion Act of 1980 at $620,000 for fiscal year 1984 and $800,000 for fiscal year 1985. Under that act, NOAA is carrying out a streamlined licensing program to facilitate a commercial ocean thermal energy conversion (OTEC) industry. The increase of $150,000 for fiscal year 1984 over the administration's request would authorize continued funding for OTEC-related environmental research, particularly with respect to impacts on fisheries; and $200,000 would be provided in fiscal year 1985 for such research, in addition to $600,000 for regulatory activities. Further, the bill would require NOAA to report on efforts to promote the exporting of OTEC technology and make a number of administration-recommended changes in the OTEC Act.

Third, the bill would reauthorize the National Advisory Committee on Oceans and Atmosphere Act at $630,000 annually for fiscal years 1984 and 1985. As an advisory body to the Department of Commerce and the Congress, the National Advisory Committee on Oceans and Atmosphere (NACOA) continually reviews national ocean policy, coastal zone management, and the status of marine atmospheric science and service programs. NACOA has been at the forefront of a number of important issues, offering an independent viewpoint which is vital, given the recent budgetary constraints concerning ocean and atmospheric programs.

In addition, the bill provides $800,000 for NOAA's non-living marine resources program for fiscal year 1984. NOAA's polymetallic sulfide research, supported by redirected in-house funds prior to fiscal year 1983, is aimed at evaluating recently discovered mineral-rich deposits off the U.S. west coast. These deposits may be of significant commercial value and I believe a modest amount of Federal funding is warranted to continue this research.

The programs contained in the bill have received strong support from the Congress in the past and continue to merit our support today.

Finally, I would point out, Mr. Speaker, that our amendment contains an authorization level for fiscal year 1984 that is $500,000 under that contained in the bill from the other body. At this point in the RECORD I include the following:

SECTION-BY-SECTION EXPLANATION OF THE COMMITTEE AMENDMENT TO S. 1098

(A bill to consolidate and authorize certain ocean and coastal programs and functions of the National Oceanic and Atmospheric Administration (NOAA))

SHORT TITLE—NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION OCEAN AND COASTAL PROGRAM AUTHORIZATION ACT

Title I—Nonliving Marine Resources

Sec. 101 authorizes the appropriation of $800,000 for fiscal year 1984 for NOAA's nonliving marine resources duties, including research and other activities pertaining to polymetallic sulfides. This budget subactivity has in the past been partially carried out pursuant to standing authorization under "An Act to define the functions and duties of the Coast and Geodetic Survey, and for other purposes" (35 U.S.C. 883a). It is the intent of the Committee that funds appropriated pursuant to this authorization be used for polymetallic sulfide analyses and research; however, the provision does allow NOAA some budgetary flexibility.

Title II—National Sea Grant College Program

Sec. 201(a) amends section 212 of the National Sea Grant Program Act by authorizing the appropriation of an amount not to exceed $42,000,000 for fiscal year 1984 and $46,000,000 for fiscal year 1985.

Sec. 201(b) contains a technical amendment to correct the reference to that part of section 3 of the Sea Grant Program Improvement Act of 1976 which is to be amended, and allows up to $1 million of the authorized appropriation to be available in each of fiscal years 1984 and 1985 to carry out Sea Grant's international program.

Title III—Ocean Thermal Energy Conversion Act

Sec. 301 amends section 406 of the Ocean Thermal Energy Conversion Act of 1980 (the OTEC Act) by authorizing the appropriation of an amount not to exceed $620,000 for fiscal year 1984 and not to exceed $800,000 for fiscal year 1985. Of the above amounts, it is the intent of the Committee that $150,000 and $200,000, be authorized, respectively, for OTEC-related environmental research.

Sec. 302(a) contains a series of twelve technical amendments.

Sec. 302(b) contains a series of five technical amendments.

Sec. 302(c) extends for two years the requirement for NOAA to submit an annual report on the OTEC program.

Sec. 302(d) requires the Administrator of NOAA to report to Congress within 18 months after the enactment of this Act on what steps the U.S. Government is taking and plans to take to promote and enhance the export potential of OTEC components, facilities and plantships.

Sec. 302(e) contains a series of eighteen technical amendments.

Sec. 302(f) amends section 102(h) of the OTEC Act to allow the Secretary to charge a fee that reflects the actual expenses incurred by NOAA in reviewing and approving an application for an OTEC facility or plantship, similar to the fee mechanism now employed under the provisions of the Deep Seabed Hard Mineral Resources Act.

Title IV—National Advisory Committee on Oceans and Atmosphere Act of 1977

Sec. 401 amends Section 8 of the National Advisory Committee on Oceans and Atmosphere Act by authorizing the appropriation of an amount not to exceed $630,000 for each of the fiscal years 1984 and 1985.

Title V—Pay Increase Authorization

This section permits appropriations to accommodate legislated pay increases and other employee benefits to carry out the NOAA duties covered in this bill.

□ 1420

Mr. PRITCHARD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of the committee amendment to S. 1098, which reauthorizes and brings together four important oceans programs of the National Oceanic and Atmospheric Administration (NOAA) under the Department of Commerce.

Title I of this bill reauthorizes the polymetallic sulfide research and evaluation program of NOAA. Funds authorized under this program ($800,000) will be used to evaluate the polymetallic sulfide deposits recently discovered off the coasts of Washington, Oregon, and California. Information obtained via this program will help add to the U.S. data base from which we can determine the commercial viability of these mineral deposits. The research knowledge gained from studies focused upon the ocean floor polymetallic sulfides and hydrothermal vents is also used to search for fossil ocean mineral bodies on land. Continued support of this effort will also maintain the U.S. leading role on the international front.

Title II of the bill will reauthorize the national sea grant college program at $42 million for fiscal year 1984 and $46 million for fiscal year 1985. The sea grant program has successfully carried out its role as the basic national university marine resource program. It is one of the most efficient and cost-effective programs of the Federal Government and it should be continued without fundamental change. I would like to point out that the University of Washington sea grant program has been instrumental in the birth of a new domestic industry. The sea grant program provided the impetus for technology development of high-precision acoustic instrumentation for fisheries management and research. This is just one of many contributions the national sea grant college program has made in the marine sector of our economy.

Title III of this bill reauthorizes the Ocean Thermal Energy Conversion Act (OTEC) at $620,000 for fiscal year 1984 and $800,000 for fiscal year 1985. OTEC is the process where electricity is generated by utilizing the temperature differential between warm surface water and the colder deep water. This technology has several advantages: First, it could assist the United States in its drive toward energy independence; second, it has the potential to improve our balance-of-trade payments; and third, NOAA estimates that the total export potential of OTEC technology could be greater than $170 billion in 1980 dollars.

Title IV of this bill reauthorizes the National Advisory Committee on Oceans and Atmosphere (NACOA) at $630,000 for fiscal years 1984–85. I support the reauthorization of NACOA in order to maintain its role as an independent oceans advisory committee to the President and to Congress. NACOA also provides a useful role via its published reports to the President and to Congress on current U.S. oceans and atmospheric policies and the administration of those policies.

In conclusion, the House Appropriations Committee has supported this committee's recommendations on the necessary funding levels for these vital oceans programs for fiscal year 1984. I urge my colleagues to support passage of this important legislation.

Mr. Speaker, I yield 1 minute to the gentleman from New Jersey (Mr. FORSYTHE).

Mr. FORSYTHE. Mr. Speaker, I rise in support of the committee amendment to S. 1098, which consolidates and authorizes several important NOAA ocean and coastal programs.

S. 1098—a similar version of which was adopted by the Senate earlier this summer—incorporates the provisions of three bills reported by the Merchant Marine and Fisheries Committee earlier this year. These are: H.R. 1381, which reauthorizes the Ocean Thermal Energy Conversion Act of 1980; H.R. 1643, which reauthorizes the National Sea Grant College Program Act; and H.R. 2722, which reauthorizes the National Advisory Committee on Oceans and Atmosphere Act of 1977.

S. 1098 also sets an $800,000 authorization level in fiscal year 1984 for certain NOAA nonliving marine resource activities. It is the intent of the committee that this money be primarily applied to polymetallic sulfide analyses and research. NOAA's at-sea research capability and scientific staff have provided a major focal point for polymetallic research that the committee believes should be continued and enhanced.

NOAA's polymetallic sulfide work for 1984 will entail evaluating the deposits recently discovered off the west coast of the United States. The program is also aimed at developing a predictive capability for finding these mineral deposits in other areas of the deep seabed as well as on land. This capability will allow the United States to determine the potential for commercial development of the resource.

Finally, I want to highlight title II of S. 1098. It authorizes funds for

fiscal years 1984-85 for the national sea grant college program. The authorization levels contained in S. 1098 are identical to those passed by the Senate and are more than $20 million below those for the past 4 years. Sea grant is a merit-based, highly competitive, matching-grant program. The return on the Federal investment in sea grant to the marine industry and to the people of this Nation has been significant. In my State of New Jersey, sea grant fisheries, shore processes, and pollution projects have resulted in millions of dollars in savings to New Jersey and east coast ocean and coastal industries. Further, the value of sea grant goes beyond the local, State, and regional work. It is also a national network of people, ideas, and technology providing a critical scientific base to the Nation's marine program. The Federal role in the program insures that the benefits of the State programs are available for application nationwide.

Mr. Speaker, S. 1098 contains responsible reauthorization levels for critical NOAA oceans and coastal programs. The House Appropriations Committee has recommended fiscal year 1984 funding for all of the programs contained in S. 1098. I support S. 1098 and urge the support of my colleages.

Mr. PRITCHARD. Mr. Speaker, I have no more requests for time.

Mr. JONES of North Carolina. Mr. Speaker, I yield such time as he may consume to the gentleman from New Hampshire (Mr. D'AMOURS), chairman of the subcommittee.

Mr. D'AMOURS. Mr. Speaker, I rise in strong support of S. 1098, as amended.

This bill represents an important investment in the wise management of our marine resources. The fact that the Merchant Marine and Fisheries Committee unanimously reported out H.R. 1381, H.R. 1643 and H.R. 2722, whose provisions have all been incorporated into this bill, clearly demonstrates the bipartisan support S. 1998 enjoys. Administration efforts to cut the programs reauthorized by this bill have been pennywise and pound-foolish. That is why it is crucial for the Congress to act decisively to reauthorize.

There is hardly a more cost-effective program in Government today than the national sea grant college program. In one single year—1980—revenues and cost savings to marine industries generated by the program totaled $227 million. That was six times the amount the Federal Government appropriated to the program in that year and only slightly less than the total amount appropriated to the program over its-then-13-year history.

Such results have caused the Heritage Foundation to conclude that, "sea grant has an impressive record of success * * *. Sea grant funding should be increased by 10 percent per year in real terms for the next 5 years." Unfortunately, due to political realities, we have not been able to provide those increases. This reauthorization merely authorizes a return to the program's 1981 spending level. For the last 2 years, this program has had to operate on barebones funding levels provided in continued spending resolutions. A modest increase is provided for fiscal year 1985.

The OTEC program, which is also reauthorized in S. 1098, is another example of the importance of investing in our future. A study commissioned by the Department of Energy has determined that OTEC technology could provide a potential export market worth $200 billion to $300 billion. Yet some people tend to take a very shortsighted view about nurturing the export potential, while other industrial nations—in particular, Japan—forge ahead of us. This bill, in addition to reauthorizing the OTEC program, requires the Federal Government to report to Congress on steps it could and should be taking to eventually achieve our potential in the world market.

This bill also provides authorization for continued analysis and research of polymetallic sulfide deposits recently discovered in deep ocean vents off our Pacific coast. These discoveries may eventually become an enormous financial and strategic resource and it is important that NOAA's work be continued.

The bill provides continued support for the National Advisory Committee on Oceans and Atmosphere, a board which has played an important role in advising Congress and the President on oceans policy. If we value sound and thoughtful management of our ocean and coastal resources, this board's life should be extended.

As I said before, this bill enjoys broad, bipartisan support within the Committee on Merchant Marine and Fisheries. It is a good bill, it is an important bill, and I urge you to support it.

Mr. DYSON. Mr. Speaker, I rise today to support S. 1098, legislation which includes three bills passed unanimously by the House Merchant Marine Committee, including H.R. 1643, the authorization bill for the national sea grant program.

S. 1098 authorizes $42 million in fiscal year 1984 funds for this vital program. This program provides matching funds to colleges and universities to foster research and education on the use and conservation of marine resources.

The sea grant program is a working partnership that maintains a consistent and continuing relationship between the Federal Government, State governments, universities throughout the States, and some of the major marine industries. On the State level, it is a statewide effort, drawing not just from one university, but from all the major research institutions in the State. Each State is part of a regional network, that includes other sea grant efforts in nearby States. The goal is a coordinated effort. The sea grant program provides an opportunity for scientists and scholars to work together, to benefit from each other's work and experience, to get the job done more effectively and quickly.

The sea grant program is problem-oriented in its scope and method. Maryland is fortunate to have an exceptional sea grant program at the University of Maryland, and they bring together some of the most knowledgeable people in the State to work as advisers. The program encourages them to help define the problem issues, and focus on those where it is possible—with limited resources—to make a difference. The program is, of course, university based, recognizing that most of the best scientific talent is in our universities.

The biggest advantage to be gained from this project is the outreach knowledge which is gained from this research, knowledge that others will apply. Sea grant provides the scientific information to people who are interested in communicating its implications in the formation of sound public policy.

A good deal of the research begun in Maryland is already paying off. The University of Maryland's blue crab studies have produced a new and radically different understanding of the fluctuations in the bay's blue crab harvests. The oyster research program by the university under the sea grant program has developed a better understanding about the specific chemical attractant isolated by Maryland researchers that cues oyster larvae to settle and metamorphose into spat. Both of these examples, and there are many more, produced information which will lead to better predictions of harvests, something we know now only because of the sea grant program in Maryland.

And in the end, this increased knowledge pays for itself. According to one estimate, a portion of the program has generated more than $227 million in annual revenues by stimulating growth in fish harvesting, marine construction, seafood processing, and a number of other areas. That $227 million almost equals the Federal Government's total investment in the sea grant program between 1968 and 1981.

The Reagan administration has twice attempted to thwart funding for two important programs contained in S. 1098, the national sea grant program and the National Advisory Committee on Oceans and Atmosphere,

but each time has been unable to do so. It seems unreasonable to me to cut funding for this program which aids in obtaining and applying information on important aquatic issues at a time when its research is beginning to pay off for the Chesapeake Bay and other areas dependent on a healthy marine life.

Congress has recognized the substantial importance of these programs in the past. The Senate passed S. 1098 by voice vote on June 15. I urge my colleagues, now, to continue to support these worthwhile endeavors by passing this legislation.

● Mr. CORRADA. Mr. Speaker, I rise in support of S. 1098, the National Oceanic and Atmospheric Administration Ocean and Coastal Program Authorization Act, which would consolidate and authorize appropriations for various programs under NOAA.

I am particularly supportive of titles II and III of the bill. Title II would authorize $42 million in fiscal year 1984 and $46 million in fiscal year 1985 for the national sea grant program and title III would authorize $620,000 in fiscal year 1984 and $800,000 in fiscal year 1985 for the Ocean Thermal Energy Conversion Act, among other things.

Puerto Rico has greatly benefited from the sea grant program which started on the island in January 1977 with the granting of marine advisory services project to the Humacao University College. It has grown rapidly ever since and, in 1980, the program was granted a coherent status. This achievement ratified the importance, usefulness, and potentialities of the sea grant program to the island's community, university administrators, educators, and government agencies. This program establishes the university-agency-industry cooperation that needs to be promoted on the island and it is the first of its kind working with and for fishermen in Puerto Rico. Approximately 150,000 Puerto Ricans are benefiting from this program which also has been highly successful as well as cost-effective throughout the Nation.

In addition, I want to restate my strong support for OTEC. The reauthorization of Public Law 96-320, the Ocean Thermal Energy Act of 1980 is essential to reaffirm our commitment to the development of OTEC. The environmental studies and licensing procedures must continue to be divulged in an orderly manner to allow this technology to achieve its full potential. The export market is estimated to be between $200 to $300 billion.

Puerto Rico has been at the forefront of this technology for the past 7 years and we look forward to the day when its role in our energy picture is firmly entrenched.

I urge my colleagues to vote for the passage of this legislation which authorizes appropriations for highly important ocean and atmospheric programs.●

Mr. JONES of North Carolina. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from North Carolina (Mr. JONES) that the House suspend the rules and pass the Senate bill, S. 1098, as amended.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. PRITCHARD. Mr. Speaker, on that, I demand the yeas and nays.

The yeas and nays were refused.

So (two-thirds having voted in favor thereof) the rules were suspended and the Senate bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on S. 1098, the Senate bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

ALASKAN HOVERCRAFT

Mr. JONES of North Carolina. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1372) to provide for the operation of certain foreign-built vessels in the coastwise trade of Alaska until November 6, 1988, as amended.

The Clerk read as follows:

H.R. 1372

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding section 27 of the Merchant Marine Act, 1920, or any other law restricting the coastwise trade to vessels of the United States, the vessels Yukon Princess I and ACT-100 may operate within the State of Alaska until November 6, 1985. The repair or reconstruction of either vessel is subject to the same requirements as a vessel qualified to engage in the coastwise trade.

SEC. 2. A vessel named in section 1 may continue to operate until November 6, 1990, if the owner of that vessel, before November 6, 1985, contracts to build or purchase a new comparable hovercraft vessel built in the United States.

The SPEAKER pro tempore. Is a second demanded?

Mr. SNYDER. Mr. Speaker, I demand a second.

The SPEAKER. pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

□ 1430

The SPEAKER pro tempore. The gentleman from North Carolina (Mr. JONES) will be recognized for 20 minutes and the gentleman from Kentucky (Mr. SNYDER) will be recognized for 20 minutes.

The Chair recognizes the gentleman from North Carolina (Mr. JONES).

Mr. JONES of North Carolina. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 1372, as amended, a bill granting a limited extension of a very narrow exception to the Jones Act for hovercraft operating in Alaska.

As originally introduced, the bill would have extended for 5 years the authority of a single hovercraft built overseas to operate in the otherwise restricted coastwise commerce of the United States. The restriction is in section 27 of the Merchant Marine Act of 1920, the so-called Jones Act. That law requires any vessel transporting cargo between points in the United States to be built in the United States and to be continuously owned and operated by U.S. citizens.

In 1978, a 5-year exception from the Jones Act was provided for hovercraft, still in the developmental stage, to be experimented with in and above the frozen coastline of Alaska, where the attributes of hovercraft appeared to be most useful. The experimental work is yet to be completed, and the need for a modest extension is necessary. During consideration of this measure, the committee was made aware of a similar vessel operating under a different exception to the Jones Act (the Yukon River exception). It was determined that it would be in the public interest as well as the interest of the interested parties to fold both vessels into the provisions of H.R. 1372.

At the same time, the committee reexamined the reasons for the Jones Act restructions, and determined that it would be in furtherance of that measure's original purpose if some incentive could be provided, in this bill, to encourage construction of new vessel types in U.S. shipyards. Consequently, the committee approved the subcommittee amendment to shorten the continued exception for the foreign-built hovercraft to 2 years, provided that each may continue to operate in the domestic trade for an additional 5 years if the owner contracts to build a comparable vessel in the United States prior to November 6, 1985.

Mr. Speaker, this is a well-balanced bill deserving the support of all Members. I hope you will all join me in approving H.R. 1372, as amended.

Mr. Speaker, I reserve the balance of my time.

Mr. SNYDER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, today the House is considering H.R. 1372. This bill provides a Jones Act waiver that will permit two hovercraft vessels currently operating, to continue to operate, in the Alaska region. The Merchant Marine Subcommittee held a hearing on this bill on June 9 and received testimony from all interested parties. On July 29, the full committee met and reported out H.R. 1372 as ordered by the subcommittee, to extend the waiver until November 6, 1985, and to further permit the vessels to operate until November 6, 1990, if the operators contract to build or purchase a new U.S.-built hovercraft by November 6, 1985.

The Merchant Marine and Fisheries Committee has traditionally been very reluctant to act favorably on legislation to waive the requirements of the Jones Act. This reluctance is premised on the recognition that the Jones Act doctrine forms the cornerstone of our maritime policy. It serves to promote and preserve our U.S. shipbuilding and ship operating industries.

Although the Jones Act is an important maritime law, it is not sacrosanct. In those specific instances in which the committee has found a waiver to the Jones Act to be justified, the legislation has been acted upon favorably—as well it should be. It makes little sense to resist amendments to the Jones Act just for the sake of preserving a doctrine. On the other hand, the burden of proof lies with the proponents of a waiver to show that such legislation will not violate the integrity of the Jones Act.

In the instance of H.R. 1372, the proponents of the legislation did satisfy that burden of proof. These vessels are indeed unique and will serve as a means to demonstrate the usefulness of hovercraft as a form of transportation. In addition, the bill will encourage hovercraft construction in the United States.

The administration has no objection to the bill and I am not aware of any opposition to the bill on this side of the aisle.

Mr. Speaker, I yield such time as he may consume to the illustrious gentleman from California (Mr. BADHAM).

Mr. BADHAM. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, this legislation which I introduced to allow beyond November 1983 the operation of certain hovercraft off the Alaskan coast is noncontroversial, and, thus, is being considered under a suspension of the rules. However, it is nonetheless important to the security and economic well being of our country.

Thus, I want to thank the distinguished chairman of the Merchant Marine and Fisheries Committee, Mr. JONES, for sponsoring this bill with me and for the expeditious handling of this matter by the committee.

In addition, I am deeply grateful to Mr. BIAGGI, chairman of the Merchant Marine Subcommittee, for the time and effort he has taken to develop language to refine H.R. 1372 in such a way that the purpose of the bill can be achieved without impairing the effectiveness of the Jones Act.

Enactment of this bill will enable research, development, and testing to proceed on the use of air cushion vehicles to service and resupply offshore oil rigs year round in the Arctic environment as well as to respond in the event of an emergency despite often impassable terrain.

The ACT 100, an air cushion vehicle owned by Global Marine Development, Inc., of Newport Beach, Calif., has since 1980 been used to demonstrate the ability of hovercraft to operate over water, land, ice, and tundra in all types of weather and with different types of propulsion. GMDI's work with the ACT 100 has contributed significantly to the advancement of air cushion vehicle technology and its utilization for energy exploration and recovery in the Arctic.

However, further development of hovercraft technology is necessary before it can be successfully commercialized. Given the importance of the air cushion vehicle to domestic oil production and the fact that the Global Marine Development, Inc., ACT 100 is the only craft of this type currently operating on the North Slope, it is essential that additional time be granted in which demonstration and testing of the capabilities of this vessel can be completed.

Thus, I urge my colleagues to favorably consider H.R. 1372 to extend the time for certain foreign-built hovercraft to operate in Alaska. By so doing, you will be protecting and enhancing the economy and security of our country.

Mr. SNYDER. Mr. Speaker, I yield such time as he may consume to the distinguished ranking member of the full committee (Mr. FORSYTHE).

Mr. FORSYTHE. Mr. Speaker, I rise in support of H.R. 1372, the bill that would allow the continued use of two foreign-built hovercraft in Alaska.

I think that this legislation is important and timely. The companies that are involved with this issue have been in the forefront of the research and development of hovercraft and their commercial application. It seems appropriate that we allow them to continue.

There is a genuine need for these types of craft in Alaska. They are able to operate in the fragile Arctic environment over water, ice, and land without damaging the tundra.

While I continue to support the application of our Jones Act to vessels operating in our waters, these craft are unique. They are basically designed and built as much like airplanes as they are ships. I hope that, based on the demonstrated success of these hovercraft, U.S. companies will begin building these types of craft in the United States. There certainly seems to be a demand for more hovercraft to be used in many different types of commercial enterprises.

In this regard, I am pleased with this legislation as it was reported by the Merchant Marine and Fisheries Committee. The bill will allow the two U.S. companies involved to continue to operate their foreign-built hovercraft in Alasaka for 2 more years, and, if they contract to build or buy U.S.-built hovercraft within that 2-year period, then they can continue operating the foreign craft for another 5 years.

Mr. Speaker, in our committee we looked at all sides of this issue to balance the competing interests in this situation. This bill represents a good solution. I urge my colleagues to approve this bill.

● Mr. BIAGGI. Mr. Speaker, I rise in support of H.R. 1372, legislation to permit two foreign-built vessels to operate within the waters adjacent to Alaska.

The Jones Act requires that the only U.S.-built vessels transport goods between points in the United States. The vessels within the scope of H.R. 1372 are two foreign-built hovercraft.

A hovercraft is a vessel which travels over land and water on a cushion of air—created by large fans attached to the base of the vessel. These vessels—since they do not come in contact with land—do not damage the fragile Alaskan tundra. They are thus crucial to the environmentally safe development of offshore natural resources in Alaska.

This legislation grants an exemption to the Jones Act for these two vessels for a 2-year period—which could be extended for an additional 5 years if the owner of either vessel agrees to build a comparable hovercraft in the United States.

The extension provision is aimed at generating work for our shipyards and developing a domestic hovercraft construction capacity. This legislation will contribute to the growth of a new industry where the United States could effectively compete in the world market.

I urge my colleagues to join in supporting this legislation.●

Mr. JONES of North Carolina. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question in on the motion offered by the gentleman from North Carolina (Mr. JONES) that the House suspend

the rules and pass the bill (H.R. 1372), as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended the bill, as amended, was passed.

The SPEAKER pro tempore. Without objection, the amendment to the title is agreed to.

There was no objection.

The title of the bill was amended so as to read: "A bill to provide for the operation of certain foreign-built vessels in the coastwise trade of Alaska."

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislation days in which to revise and extend their remarks on H.R. 1372, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

CONSOLIDATING AND REENACTING CERTAIN MARINE SAFETY AND SEAMAN'S WELFARE LAWS OF THE UNITED STATES

Mr. JONES of North Carolina. Mr. Speaker, I move to suspend the rules and pass the bill (S. 46) to revise, consolidate, and enact certain laws related to vessels and seamen as subtitle II of title 46, United States Code, "Shipping," as amended.

The Clerk read as follows:

S. 46

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SUBTITLE II OF TITLE 46, UNITED STATES CODE

SECTION 1. Certain general and permanent laws of the United States, related to vessels and seamen, are revised, consolidated, and enacted as title 46, United States Code, "Shipping", as follows:

TITLE 46—SHIPPING

SUBTITLE	Sec.
I. [Reserved—general]	101
II. Vessels and seamen	2101

[BALANCE OF TITLE RESERVED]

SUBTITLE II—VESSELS AND SEAMEN

PART A—GENERAL PROVISIONS

Chapter	Sec.
21. General	2101
23. Operation of vessels generally	2301

PART B—INSPECTION AND REGULATION OF VESSELS

31. General	3101
33. Inspection generally	3301
35. Carriage of passengers	3501
37. Carriage of liquid bulk dangerous cargoes	3701
39. Carriage of animals	3901
41. Uninspected vessels	4101
43. Recreational vessels	4301

[PART C—RESERVED FOR LOAD LINES OF VESSELS]

PART D—MARINE CASUALTIES

61. Reporting marine casualties	6101
63. Investigating marine casualties	6301

PART E—LICENSES, CERTIFICATES, AND MERCHANT MARINERS' DOCUMENTS

71. Licenses and certificates of registry	7101
73. Merchant mariners' documents	7301
75. General procedures for licensing, certification, and documentation	7501
77. Suspension and revocation	7701

PART F—MANNING OF VESSELS

81. General	8101
83. Masters and officers	8301
85. Pilots	8501
87. Unlicensed personnel	8701
89. Small vessel manning	8901
91. Tank vessel manning standards	9101
93. Great Lakes pilotage	9301

PART G—MERCHANT SEAMEN PROTECTION AND RELIEF

101. General	10101
103. Foreign and intercoastal voyages	10301
105. Coastwise voyages	10501
107. Effects of deceased seamen	10701
109. Proceedings on unseaworthiness	10901
111. Protection and relief	11101
113. Official logbooks	11301
115. Offenses and Penalties	11501

PART H—IDENTIFICATION OF VESSELS

121. Documentation of vessels	12101
123. Numbering undocumented vessels	12301

PART I—STATE BOATING SAFETY PROGRAMS

131. Recreational boating safety	13101

[PART J—RESERVED FOR MEASUREMENT OF VESSELS]

PART A—GENERAL PROVISIONS

CHAPTER 21—GENERAL

Sec.
2101. General definitions.
2102. Limited definitions.
2103. Superintendence of the merchant marine.
2104. Delegation.
2105. Report.
2106. Liability in rem.
2107. Civil penalty procedures.
2108. Refund of penalties.
2109. Public vessels.
2110. Fees prohibited.
2111. Pay for overtime services.
2112. Authority to change working hours.
2113. Authority to exempt certain vessels.

§ 2101. General definitions

In this subtitle—

(1) "associated equipment"—

(A) means—

(i) a system, accessory, component, or appurtenance of a recreational vessel; or

(ii) a marine safety article intended for use on board a recreational vessel; but

(B) does not include radio equipment.

(2) "barge" means a nonself-propelled vessel.

(3) "Boundary Line" means a line established under section 2(b) of the Act of February 19, 1895 (33 U.S.C. 151).

(4) "Coast Guard" means the organization established and continued under section 1 of title 14.

(5) "commercial service" includes any type of trade or business involving the transportation of goods or individuals, except service performed by a combatant vessel.

(6) "consular officer" means an officer or employee of the United States Government designated under regulations to grant visas.

(7) "crude oil" means a liquid hydrocarbon mixture occurring naturally in the earth, whether or not treated to render it suitable for transportation, and includes crude oil from which certain distillate fractions may have been removed, and crude oil to which certain distillate fractions may have been added.

(8) "crude oil tanker" means a tanker engaged in the trade of carrying crude oil.

(9) "discharge", when referring to a substance discharged from a vessel, includes spilling, leaking, pumping, pouring, emitting, emptying, or dumping, however caused.

(10) "documented vessel" means a vessel for which a certificate of documentation has been issued under chapter 121 of this title.

(11) "fisheries" includes planting, cultivating, catching, taking, or harvesting fish, shellfish, marine animals, pearls, shells, or marine vegetation at a place in the fishery conservation zone established by section 101 of the Magnuson Fishery Conservation and Management Act of 1976 (16 U.S.C. 1811).

(12) "foreign vessel" means a vessel of foreign registry or operated under the authority of a country except the United States.

(13) "freight vessel" means a motor vessel of more than 15 gross tons that carries freight for hire, except an oceanographic research vessel or an offshore supply vessel.

(14) "hazardous material" means a liquid material or substance that is—

(A) flammable or combustible;

(B) designated a hazardous substance under section 311(b) of the Federal Water Pollution Control Act (33 U.S.C. 1321); or

(C) designated a hazardous material under section 104 of the Hazardous Material Transportation Act (49 U.S.C. 1803);

(15) "marine environment" means—

(A) the navigable waters of the United States and the land and resources in and under those waters;

(B) the waters and fishery resources of an area over which the United States asserts exclusive fishery management authority;

(C) the seabed and subsoil of the outer Continental Shelf of the United States, the resources of the Shelf, and the waters superjacent to the Shelf; and

(D) the recreational, economic, and scenic values of the waters and resources referred to in subclauses (A)-(C) of this clause.

(16) "motor vessel" means a vessel propelled by machinery other than steam.

(17) "nautical school vessel" means a vessel operated by or in connection with a nautical school.

(18) "oceanographic research vessel" means a vessel that the Secretary finds is being employed only in instruction in oceanography or limnology, or both, or only in oceanographic or limnological research, including those studies about the sea such as seismic, gravity meter, and magnetic exploration and other marine geophysical or geological surveys, atmospheric research, and biological research.

(19) "offshore supply vessel" means a motor vessel of more than 15 gross tons but less than 500 gross tons that regularly carries goods, supplies, or equipment in support of exploration, exploitation, or production of offshore mineral or energy resources and is not a small passenger vessel.

(20) "oil" includes oil of any type or in any form, including petroleum, fuel oil, sludge, oil refuse, and oil mixed with wastes except dredged spoil.

(21) "passenger"—

(A) on a passenger vessel, means an individual carried on the vessel except—

(i) the master; or

(ii) a crewmember.

(B) on a small passenger vessel, means an individual carried on the vessel except—

(i) the owner or representative of the owner;

(ii) the master or a crewmember engaged in the business of the vessel who has not contributed consideration for carriage and who is paid for services;

(iii) an employee of the owner of the vessel engaged in the business of the owner, except when the vessel is operating under a demise charter;

(iv) an employee of the demise charterer of the vessel engaged in the business of the demise charterer;

(v) a guest on board a vessel that is being operated only for pleasure, or a guest on board a sailing school vessel, who has not contributed consideration for carriage on board;

(vi) an individual on board a towing vessel of at least 50 gross tons who has not contributed consideration for carriage on board; or

(vii) a sailing school instructor or sailing school student.

(C) on an offshore supply vessel, means an individual carried on the vessel except—

(i) the owner;

(ii) a representative of the owner;

(iii) the master;

(iv) a crewmember engaged in the business of the vessel who has not contributed consideration for carriage on board and who is paid for services on board;

(v) an employee of the owner, or of a subcontractor to the owner, engaged in the business of the owner;

(vi) a charterer of the vessel;

(vii) a person with the same relationship to a charterer as a person in subclause (ii) or (v) of this subclause has to an owner;

(viii) a person employed in a phase of exploration, exploitation, or production of offshore mineral or energy resources served by the vessel; or

(ix) a guest who has not contributed consideration for carriage on board.

(D) on an uninspected passenger vessel, means an individual carried on the vessel except—

(i) the owner or representative of the owner;

(ii) the managing operator;

(iii) a crewmember engaged in the business of the vessel who has not contributed consideration for carriage on board and who is paid for services on board; or

(iv) a guest on board a vessel that is being operated only for pleasure who has not contributed consideration for carriage on board.

(22) "passenger vessel" means a vessel of at least 100 gross tons carrying at least one passenger for hire.

(23) "product carrier" means a tanker engaged in the trade of carrying oil except crude oil.

(24) "public vessel" means a vessel that—

(A) is owned, or demise chartered, and operated by the United States Government or a government of a foreign country; and

(B) is not engaged in commercial service.

(25) "recreational vessel" means a vessel—

(A) being manufactured or operated primarily for pleasure; or

(B) leased, rented, or chartered to another for the latter's pleasure.

(26) "recreational vessel manufacturer" means a person engaged in the manufacturing, construction, assembly, or importation of recreational vessels, components, or associated equipment.

(27) "sailing instruction" means teaching, research, and practical experience in operating vessels propelled primarily by sail and may include any subject related to that operation and to the sea, including seamanship, navigation, oceanography, other nautical and marine sciences, and maritime history and literature.

(28) "sailing school instructor" means an individual who is on board a sailing school vessel to provide sailing instruction, but does not include an operator or crewmember who is among those required to be on board the vessel to meet a requirement established under part F of this subtitle.

(29) "sailing school student" means an individual who is on board a sailing school vessel to receive sailing instruction.

(30) "sailing school vessel" means a vessel—

(A) that is less than 500 gross tons;

(B) carrying at least 6 individuals who are sailing school instructors or sailing school students;

(C) principally equipped for propulsion by sail, even if the vessel has an auxiliary means of propulsion; and

(D) owned or demise chartered, and operated by an organization described in section 501(c)(3) of the Internal Revenue Code of 1954 (26 U.S.C. 501(c)(3)) and exempt from tax under section 501(a) of that Code, or by a State or political subdivision of a State, during times that the vessel is operated by the organization, State, or political subdivision only for sailing instruction.

(31) "scientific personnel" means individuals on board an oceanographic research vessel only to engage in scientific research, or to instruct or receive instruction in oceanography or limnology.

(32) "seagoing barge" means a non-self-propelled vessel of at least 100 gross tons making voyages beyond the Boundary Line.

(33) "seagoing motor vessel" means a motor vessel of at least 300 gross tons making voyages beyond the Boundary Line.

(34) "Secretary" means the head of the department in which the Coast Guard is operating.

(35) "small passenger vessel" means a vessel of less than 100 gross tons carrying more than 6 passengers (as defined in clause (21)(B) and (C) of this section).

(36) "State" means a State of the United States, Guam, Puerto Rico, the Virgin Islands, American Samoa, the District of Columbia, the Northern Mariana Islands, and any other territory or possession of the United States.

(37) "steam vessel" means a vessel propelled in whole or in part by steam, except a recreational vessel of not more than 40 feet in length.

(38) "tanker" means a self-propelled tank vessel constructed or adapted primarily to carry oil or hazardous material in bulk in the cargo spaces.

(39) "tank vessel" means a vessel that is constructed or adapted to carry, or that carries, oil or hazardous material in bulk as cargo or cargo residue, and that—

(A) is a vessel of the United States;

(B) operates on the navigable waters of the United States; or

(C) transfers oil or hazardous material in a port or place subject to the jurisdiction of the United States.

(40) "towing vessel" means a commercial vessel engaged in or intending to engage in the service of pulling, pushing, or hauling along side, or any combination of pulling, pushing, or hauling along side.

(41) "undocumented" means not having and not required to have a document issued under chapter 121 of this title.

(42) "uninspected passenger vessel" means an uninspected vessel carrying not more than 6 passengers.

(43) "uninspected vessel" means a vessel not subject to inspection under section 3301 of this title that is not a recreational vessel.

(44) "United States", when used in a geographic sense, means the States of the United States, Guam, Puerto Rico, the Virgin Islands, American Samoa, the District of Columbia, the Northern Mariana Islands, and any other territory or possession of the United States.

(45) "vessel" has the same meaning given that term in section 3 of title 1.

(46) "vessel of the United States" means a vessel documented or numbered under the laws of the United States.

§ 2102. Limited definitions

In chapters 43 and 123 of this title and part I of this subtitle—

(1) "eligible State" means a State that has a State recreational boating safety and facilities improvement program accepted by the Secretary.

(2) "State" and "United States", in addition to their meanings under section 2101 (36) and (44) of this title, include the Trust Territory of the Pacific Islands.

(3) "State recreational boating facilities improvement program"—

(A) means a program to develop or improve public facilities that establish or add to public access to the waters of the United States to improve their suitability for recreational boating, including ancillary facilities necessary to ensure the safe use of those facilities; and

(B) includes acquiring title or an interest in riparian or submerged land, and the capital improvement of riparian or submerged land, to increase public access to the waters of the United States.

(4) "State recreational boating safety and facilities improvement program" means a State recreational boating safety program, or a State recreational boating facilities improvement program, or both.

(5) "State recreational boating safety program" means education, assistance, and enforcement activities conducted for marine casualty prevention, reduction, and reporting for recreational boating.

§ 2103. Superintendence of the merchant marine

The Secretary has general superintendence over the merchant marine of the United States and of merchant marine personnel insofar as the enforcement of this subtitle is concerned and insofar as those vessels and personnel are not subject, under other law, to the supervision of another official of the United States Government. In the interests of marine safety and seamen's welfare, the Secretary shall enforce this subtitle and shall carry out correctly and uniformly administer this subtitle and regulations prescribed under this subtitle.

§ 2104. Delegation

(a) The Secretary may delegate the duties and powers conferred by this subtitle to any officer, employee, or member of the Coast Guard, and may provide for the subdelegation of those duties and powers.

(b) When this subtitle authorizes an officer or employee of the Customs Service to act in place of a Coast Guard official, the Secretary may designate that officer or employee subject to the approval of the Secretary of the Treasury.

§ 2105. Report

The Secretary shall provide for the investigation of the operation of this subtitle and of all laws related to marine safety, and shall require that a report be made to the Secretary annually about those matters that may require improvement or amendment.

§ 2106. Liability in rem

When a vessel is made liable in rem under this subtitle, the vessel may be libeled and proceeded against in a district court of the United States in which the vessel is found.

§ 2107. Civil penalty procedures

(a) After notice and an opportunity for a hearing, a person found by the Secretary to have violated this subtitle or a regulation prescribed under this subtitle for which a civil penalty is provided, is liable to the United States Government for the civil penalty provided. The amount of the civil penalty shall be assessed by the Secretary by written notice. In determining the amount of the penalty, the Secretary shall consider the nature, circumstances, extent, and gravity of the prohibited acts committed and, with respect to the violator, the degree of culpability, any history of prior offenses, ability to pay, and other matters that justice requires.

(b) The Secretary may compromise, modify, or remit, with or without consideration, a civil penalty under this subtitle until the assessment is referred to the Attorney General.

(c) If a person fails to pay an assessment of a civil penalty after it has become final, the Secretary may refer the matter to the Attorney General for collection in an appropriate district court of the United States.

§ 2108. Refund of penalties

The Secretary may refund or remit a civil penalty collected under this subtitle if—

(1) application has been made for refund or remission of the penalty within one year from the date of payment; and

(2) the Secretary finds that the penalty was unlawfully, improperly, or excessively imposed.

§ 2109. Public vessels

This subtitle does not apply to a public vessel of the United States. However, this subtitle does apply to a vessel (except a Coast Guard or a Saint Lawrence Seaway Development Corporation vessel) owned or operated by the Department of Transportation or by any corporation organized or controlled by the Department.

§ 2110. Fees prohibited

Fees may not be charged or collected by the Secretary for services provided for in this subtitle related to the engagement and discharge of seamen, the inspection and examination of vessels, the licensing of masters, mates, pilots, and engineers, and the measurement or documentation of vessels, except when specifically provided for in this subtitle.

§ 2111. Pay for overtime services

(a) The Secretary may prescribe a reasonable rate of extra pay for overtime services of civilian officers and employees of the Coast Guard required to remain on duty between 5 p.m. and 8 a.m., or on Sundays or holidays, to perform services related to—

(1) the inspection of vessels or their equipment;

(2) the engagement and discharge of crews of vessels;

(3) the measurement of vessels; and

(4) the documentation of vessels.

(b) Except for Sundays and holidays, the overtime rate provided under subsection (a) of this section is one-half day's additional pay for each 2 hours of overtime (or part of 2 hours of at least one hour). The total extra pay may be not more than 2 and one-half days' pay for any one period from 5 p.m. to 8 a.m.

(c) The overtime rate provided under subsection (a) of this section for Sundays and holidays is 2 additional days' pay.

(d) The owner, charterer, managing operator, agent, master, or individual in charge of the vessel shall pay the amount of the overtime pay provided under this section to the official designated by regulation. The official shall deposit the amount paid to the Treasury as miscellaneous receipts. Payment to the officer or employee entitled to the pay shall be made from the annual appropriations for salaries and expenses of the Coast Guard.

(e) The overtime pay provided under this section shall be paid if the authorized officers and employees have been ordered to report for duty and have reported, even if services requested were not performed.

§ 2112. Authority to change working hours

In a port at which the customary working hours begin before 8 a.m. or end after 5 p.m., the Secretary may regulate the working hours of the officers and employees referred to in section 2111 of this title so that those hours conform to the prevailing working hours of the port. However—

(1) the total period for which overtime pay may be required under section 2111 of this title may not be more than 15 hours between any 2 periods of ordinary working hours on other than Sundays and holidays;

(2) the length of the working day for the officers and employees involved may not be changed; and

(3) the rate of overtime pay may not be changed.

§ 2113. Authority to exempt certain vessels

If the Secretary decides that the application of a provision of part B or F of this subtitle is not necessary in performing the mission of a vessel engaged in excursions or an oceanographic research vessel, the Secretary by regulation may—

(1) for an excursion vessel, issue a special permit specifying the conditions of operation and equipment; and

(2) exempt the oceanographic research vessel from that provision under conditions the Secretary may specify.

CHAPTER 23—OPERATION OF VESSELS GENERALLY

Sec.
2301. Application.
2302. Penalties for negligent operations.
2303. Duties related to marine casualty assistance.
2304. Duty to provide assistance at sea.
2305. Injunctions.

§ 2301. Application

This chapter applies to a vessel operated on waters subject to the jurisdiction of the United States and, for a vessel owned in the United States, on the high seas.

§ 2302. Penalties for negligent operations

(a) A person operating a vessel in a negligent manner that endangers the life, limb, or property of a person is liable to the United States Government for a civil penalty of not more than $1,000.

(b) A person operating a vessel in a grossly negligent manner that endangers the life, limb, or property of a person shall be fined not more than $5,000, imprisoned for not more than one year, or both.

(c) For a penalty imposed under this section, the vessel also is liable in rem unless the vessel is—

(1) owned by a State or a political subdivision of a State;

(2) operated principally for governmental purposes; and

(3) identified clearly as a vessel of that State or subdivision.

§ 2303. Duties related to marine casualty assistance and information

(a) The master or individual in charge of a vessel involved in a marine casualty shall—

(1) render necessary assistance to each individual affected to save that affected individual from danger caused by the marine casualty, so far as the master or individual in charge can do so without serious danger to the master's or individual's vessel or to individuals on board; and

(2) give the master's or individual's name and address and identification of the vessel to the master or individual in charge of any other vessel involved in the casualty, to any individual injured, and to the owner of any property damaged.

(b) An individual violating this section or a regulation prescribed under this section shall be fined not more than $1,000 or imprisoned for not more than 2 years. The vessel also is liable in rem to the United States Government for the fine.

(c) An individual complying with subsection (a) of this section or gratuitously and in good faith rendering assistance at the scene of a marine casualty without objection by an individual assisted, is not liable for damages as a result of rendering assistance or for an act or omission in providing or arranging salvage, towage, medical treatment, or other assistance when the individual acts as an ordinary, reasonable, and prudent individual would have acted under the circumstances.

§ 2304. Duty to provide assistance at sea

(a) A master or individual in charge of a vessel shall render assistance to any individual found at sea in danger of being lost, so far as the master or individual in charge can do so without serious danger to the master's or individual's vessel or individuals on board.

(b) A master or individual violating this section shall be fined not more than $1,000, imprisoned for not more than 2 years, or both.

§ 2305. Injunctions

(a) The district courts of the United States have jurisdiction to enjoin the negligent operation of vessels prohibited by this chapter on the petition of the Attorney General for the United States Government.

(b) When practicable, the Secretary shall—

(1) give notice to any person against whom an action for injunctive relief is considered under this section an opportunity to present that person's views; and

(2) except for a knowing and willful violation, give the person a reasonable opportunity to achieve compliance.

(c) The failure to give notice and opportunity to present views under subsection (b) of this section does not preclude the court from granting appropriate relief.

PART B—INSPECTION AND REGULATION OF VESSELS

CHAPTER 31—GENERAL

Sec.
3101. Authority to suspend inspection.

§ 3101. Authority to suspend inspection

When the President decides that the needs of foreign commerce require, the President may suspend a provision of this part for a foreign-built vessel registered as a vessel of the United States on conditions the President may specify.

CHAPTER 33—INSPECTION GENERALLY

Sec.
3301. Vessels subject to inspection.
3302. Exemptions.
3303. Reciprocity for foreign vessels.
3304. Carrying individuals in addition to crew.
3305. Scope and standards of inspection.
3306. Regulations.
3307. Frequency of inspection.
3308. Examinations.
3309. Certificate of inspection.
3310. Records of certification.
3311. Certificate of inspection required.
3312. Display of certificate of inspection.
3313. Compliance with certificate of inspection.
3314. Expiration of certificate of inspection.
3315. Disclosure of defects and protection of informants.
3316. United States classification societies.
3317. Fees.
3318. Penalties.

§ 3301. Vessels subject to inspection

The following categories of vessels are subject to inspection under this part:

(1) freight vessels.
(2) nautical school vessels.
(3) offshore supply vessels.
(4) passenger vessels.
(5) sailing school vessels.
(6) seagoing barges.
(7) seagoing motor vessels.
(8) small passenger vessels.
(9) steam vessels.
(10) tank vessels.

§ 3302. Exemptions

(a) A vessel is not excluded from one category only because the vessel is—

(1) included in another category of section 3301 of this title; or

(2) excluded by this section from another category of section 3301 of this title.

(b) A motor vessel engaged in fishing as a regular business, including oystering, clamming, crabbing, or the kelp or sponge industry, is exempt from section 3301 (1), (4), and (7) of this title.

(c)(1) Before January 1, 1988, a motor vessel is exempt from section 3301 (1), (4), and (7) of this title if the vessel is not more than 500 gross tons and—

(A) is a cannery tender or a fishing tender in the salmon or crab fisheries of Alaska, Oregon, and Washington; and

(B) only carries cargo to or from vessels in those fisheries or a facility used in processing or assembling fishery products, or transports cannery or fishing personnel to or from operating locations.

(2) Before January 1, 1988, a vessel is exempt from section 3301 (1), (4), (6), and (7) of this title if the vessel is not more than 5,000 gross tons and is used only in processing and assembling fishery products in the fisheries of Alaska, Oregon, and Washington.

(d)(1) A motor vessel of less than 150 gross tons, constructed before August 23, 1958, is not subject to inspection under section 3301(1) of this title if the vessel is owned or demise chartered to a cooperative or association that only transports cargo owned by at least one of its members on a nonprofit basis between places within the waters of—

(A) southeastern Alaska shoreward of the Boundary Line; or

(B) southeastern Alaska shoreward of the Boundary Line and—

(i) Prince Rupert, British Columbia; or

(ii) waters of Washington shoreward of the Boundary Line, via sheltered waters, as defined in article I of the treaty dated December 9, 1933, between the United States and Canada defining certain waters as sheltered waters.

(2) The transportation authorized under this subsection is limited to and from places not receiving annual weekly transportation service from any part of the United States by an established water common carrier. However, the limitation does not apply to transporting cargo of a character not accepted for transportation by that carrier.

(e) A vessel laid up, dismantled, or out of commission is exempt from inspection.

(f) Section 3301 (4) and (8) of this title does not apply to an oceanographic research vessel because it is carrying scientific personnel.

(g)(1) Except when compliance with major structural or major equipment requirements is necessary to remove an especially hazardous condition, an offshore supply vessel is not subject to regulations or standards for those requirements if the vessel—

(A) was operating as an offshore supply vessel before January 2, 1979; or

(B) was contracted for before January 2, 1979, and entered into service as an offshore supply vessel before October 6, 1980.

(2) After December 31, 1988, this subsection does not apply to an offshore supply vessel that is at least 20 years of age.

(h) An offshore supply vessel operating on January 1, 1979, under a certificate of inspection issued by the Secretary, is subject to an inspection standard or requirement only if the standard or requirement could have been prescribed for the vessel under authority existing under law on October 5, 1980.

(i)(1) The Secretary may issue a permit exempting a vessel from any part of the requirements of this part for vessels transporting cargo, including bulk fuel, from one place in Alaska to another place in Alaska only if the vessel—

(A) is not more than 300 gross tons;

(B) is in a condition that does not present an immediate threat to the safety of life or the environment; and

(C) was operating in the waters off Alaska as of June 1, 1976, or the vessel is a replacement for a vessel that was operating in the waters off Alaska as of June 1, 1976, if the vessel being replaced is no longer in service.

(2) Except in a situation declared to be an emergency by the Secretary, a vessel operating under a permit may not transport cargo to or from a place if the cargo could be transported by another commercial vessel that is reasonably available and that does not require exemptions to operate legally or if the cargo could be readily transported by overland routes.

(3) A permit may be issued for a specific voyage or for not more than one year. The permit may impose specific requirements about the amount or type of cargo to be carried, manning, the areas or specific routes over which the vessel may operate, or other similar matters. The duration of the permit and restrictions contained in the permit shall be at the sole discretion of the Secretary.

(4) A designated Coast Guard official who has reason to believe that a vessel issued a permit is in a condition or is operated in a manner that creates an immediate threat to the safety of life or the environment or is operated in a manner that is inconsistent with the terms of the permit, may direct the master or individual in charge to take immediate and reasonable steps to safeguard life and the environment, including directing the vessel to a port or other refuge.

(5) If a vessel issued a permit creates an immediate threat to the safety of life or the environment, or is operated in a manner inconsistent with the terms of the permit or the requirements of paragraph (2) of this subsection, the permit may be revoked. The owner, charter, managing operator, agent, master, or individual in charge of a vessel issued a permit, that willfully permits the vessel to be operated, or operates, the vessel in a manner inconsistent with the terms of the permit, is liable to the United States Government for a civil penalty of not more than $1,000.

(j) Notwithstanding another provision of this chapter, the Secretary is not required to inspect or prescribe regulations for a nautical school vessel of not more than 15 gross tons—

(1) when used in connection with a course of instruction dealing with any aspect of maritime education or study; and

(2) operated by—

(A) the United States Merchant Marine Academy; or

(B) a State maritime academy assisted under section 1304 of the Merchant Marine Act, 1936 (46 App. U.S.C. 1295(c)).

§ 3303. Reciprocity for foreign vessels

(a) Except as provided in chapter 37 of this title, a foreign vessel of a country having inspection laws and standards similar to those of the United States and that has an unexpired certificate of inspection issued by proper authority of its respective country, is subject only to an inspection to ensure that the condition of the vessel's propulsion equipment and lifesaving equipment are as stated in its current certificate of inspection. A foreign country is considered to have inspection laws and standards similar to those of the United States when it is a party to an International Convention for Safety of Life at Sea to which the United States Government is currently a party. A foreign certificate of inspection may be accepted as evidence of lawful inspection only when presented by a vessel of a country that has by its laws accorded to vessels of the United States visiting that country the same privileges accorded to vessels of that country visiting the United States.

(b) The Secretary shall collect and pay to the Treasury the same fees for the inspection of foreign vessels carrying passengers from the United States that a foreign country charges vessels of the United States trading to the ports of that country. The Secretary may waive at any time the collection of the fees on notice of the proper authorities of any country concerned that the collection of fees for the inspection of vessels of the United States has been discontinued.

§ 3304. Carrying individuals in addition to crew

(a) A documented vessel carrying cargo that carries not more than 12 individuals in addition to the crew on international voyages, or not more than 16 individuals in addition to the crew on other voyages, is not subject to inspection as a passenger vessel or a small passenger vessel.

(b) Before an individual in addition to the crew is carried on a vessel as permitted by this section, the owner, charterer, managing operator, agent, master, or individual in charge of the vessel first shall notify the individual of the presence on board of dangerous articles as defined by law, and of other conditions or circumstances that would constitute a risk of safety to the individual on board.

(c) The privilege authorized by this section applies to a vessel of a foreign country that affords a similar privilege to vessels of the United States in trades not restricted to vessels under its own flag.

§ 3305. Scope and standards of inspection

(a) The inspection process shall ensure that a vessel subject to inspection—

(1) is of a structure suitable for the service in which it is to be employed;

(2) is equipped with proper appliances for lifesaving, fire prevention, and firefighting;

(3) has suitable accommodations for the crew, sailing school instructors, and sailing school students, and for passengers on the vessel if authorized to carry passengers;

(4) is in a condition to be operated with safety to life and property; and

(5) complies with applicable marine safety laws and regulations.

(b) If an inspection, or examination under section 3308 of this title, reveals that a life preserver, life-saving device, or firehose is defective and incapable of being repaired, the owner or master shall destroy the life preserver or firehose in the presence of the official conducting the inspection or examination.

(c) A nautical school vessel operated by a civilian nautical school shall be inspected like a small passenger vessel or a passenger vessel, depending on its tonnage.

§ 3306. Regulations

(a) To carry out this part and to secure the safety of individuals and property on board vessels subject to inspection, the Secretary shall prescribe necessary regulations to ensure the proper execution of, and to carry out, this part in the most effective manner for—

(1) the design, construction, alteration, repair, and operation of those vessels, including superstructures, hulls, fittings, equipment, appliances, propulsion machinery, auxiliary machinery, boilers, unfired pressure vessels, piping, electric installations, and accommodations for passengers and crew, sailing school instructors, and sailing school students;

(2) lifesaving equipment and its use;

(3) firefighting equipment, its use, and precautionary measures to guard against fire;

(4) inspections and tests related to clauses (1)–(3) of this subsection; and

(5) the use of vessel stores and other supplies of a dangerous nature.

(b) Equipment subject to regulation under this section may not be used on any vessel without prior approval as prescribed by regulation.

(c) In prescribing regulations for sailing school vessels, the Secretary shall consult with representatives of the private sector having experience in the operation of vessels likely to be certificated as sailing school vessels. The regulations shall—

(1) reflect the specialized nature of sailing school vessel operations, and the character, design, and construction of vessels operating as sailing school vessels; and

(2) include requirements for notice to sailing school instructors and sailing school students about the specialized nature of sailing school vessels and applicable safety regulations.

(d) In prescribing regulations for nautical school vessels operated by the United States Merchant Marine Academy or by a State maritime academy (as defined in section 1302(3) of the Merchant Marine Act, 1936 (46 App. U.S.C. 1295a(3))), the Secretary shall consider the function, purpose, and operation of the vessels, their routes, and the number of individuals who may be carried on the vessels.

(e) When the Secretary finds it in the public interest, the Secretary may suspend or grant exemptions from the requirements of a regulation prescribed under this section related to lifesaving and firefighting equipment, muster lists, ground tackle and hawsers, and bilge systems.

(f) In prescribing regulations for offshore supply vessels, the Secretary shall consider the characteristics, methods of operation, and the nature of the service of offshore supply vessels.

§ 3307. Frequency of inspection

Each vessel subject to inspection under this part shall undergo an initial inspection for certification before being put into service. After being put into service—

(1) each passenger vessel and nautical school vessel shall be inspected at least once a year;

(2) each small passenger vessel, freight vessel or offshore supply vessel of less than 100 gross tons, and sailing school vessel shall be inspected at least once every 3 years; and

(3) any other vessel shall be inspected at least once every 2 years.

§ 3308. Examinations

In addition to inspections required by section 3307 of this title, the Secretary shall examine—

(1) each vessel subject to inspection at proper times to ensure compliance with law and regulations; and

(2) crewmember accommodations on each vessel subject to inspection at least once a month or when the vessel enters United States ports to ensure that the accommodations are—

(A) of the size required by law and regulations;

(B) properly ventilated and in a clean and sanitary condition; and

(C) equipped with proper plumbing and mechanical appliances required by law and regulations, and the appliances are in good working condition.

§ 3309. Certificate of inspection

(a) When an inspection under section 3307 of this title has been made and a vessel has been found to be in compliance with the requirements of law and regulations, a certificate of inspection, in a form prescribed by the Secretary, shall be issued to the vessel.

(b) The Secretary may issue a temporary certificate of inspection in place of a regular certificate of inspection issued under subsection (a) of this section.

§ 3310. Records of certification

The Secretary shall keep records of certificates of inspection of vessels and of all acts in the examination and inspection of vessels, whether of approval or disapproval.

§ 3311. Certificate of inspection required

A vessel subject to inspection under this part may not be operated without having on board a valid certificate of inspection issued under section 3309 of this title.

§ 3312. Display of certificate of inspection

The certificate of inspection issued to a vessel under section 3309 of this title shall be displayed, suitably framed, in a conspicuous place on the vessel. When it is not practicable to so display the certificate, it shall be carried in the manner prescribed by regulation.

§ 3313. Compliance with certificate of inspection

(a) During the term of a vessel's certificate of inspection, the vessel must be in compliance with its conditions, unless relieved by a suspension or an exemption granted under section 3306(e) of this title.

(b) When a vessel is not in compliance with its certificate or fails to meet a standard prescribed by this part or a regulation prescribed under this part—

(1) the owner, charterer, managing operator, agent, master, or individual in charge shall be ordered in writing to correct the noted deficiencies promptly;

(2) the Secretary may permit any repairs to be made at a place most convenient to the owner, charterer, or managing operator when the Secretary decides the repairs can be made with safety to those on board and the vessel;

(3) the vessel may be required to cease operating at once; and

(4) if necessary, the certificate shall be suspended or revoked.

(c) The vessel's certificate of inspection shall be revoked if a condition unsafe to life that is ordered to be corrected under this section is not corrected at once.

(d) The owner, charterer, managing operator, agent, master, or individual in charge of a vessel whose certificate has been suspended or revoked shall be given written notice immediately of the suspension or revocation. The owner or master may appeal to the Secretary the suspension or revocation within 30 days of receiving the notice, as provided by regulations prescribed by the Secretary.

§ 3314. Expiration of certificate of inspection

(a) If the certificate of inspection of a vessel expires when the vessel is on a foreign voyage, the vessel may complete the voyage to a port of the United States within 30 days of the expiration of the certificate without incurring the penalties for operating without a certificate of inspection.

(b) If the certificate of inspection would expire within 15 days of sailing on a foreign voyage from a United States port, the vessel shall secure a new certificate of inspection before sailing, unless the voyage is scheduled to be completed prior to the expiration date of the certificate. If a voyage scheduled to be completed in that time is not so completed, the applicable penalties may be enforced unless the failure to meet the schedule was beyond the control of the owner, charterer, managing operator, agent, master, or individual in charge of the vessel.

(c) When the certificate of inspection of a foreign vessel carrying passengers, operated on a regularly established line, expires at sea after leaving the country to which it belongs or when the vessel is in the United States, the Secretary may permit the vessel to sail on its regular route without further inspection than would have been required had the certificate not expired. This permission applies only when the vessel will be regularly inspected and issued a certificate before the vessel's next return to the United States.

§ 3315. Disclosure of defects and protection of informants

(a) Each individual licensed under part E of this subtitle shall assist in the inspection or examination under this part of the vessel on which the individual is serving, and shall point out defects and imperfections known to the individual in matters subject to regulations and inspection. The individual also shall make known to officials designated to enforce this part, at the earliest opportunity, any marine casualty producing serious injury to the vessel, its equipment, or individuals on the vessel.

(b) An official may not disclose the name of an individual providing information under this section, or the source of the information, to a person except a person authorized by the Secretary. An official violating this subsection is liable to disciplinary action under applicable law.

§ 3316. United States classification societies

(a) In carrying out this part, the Secretary may rely on reports, documents, and certificates issued by the American Bureau of Shipping or a similar United States classification society, or an agent of the Bureau or society.

(b) Each department, agency, and instrumentality of the United States Government shall recognize the Bureau as its agent in classifying vessels owned by the Government and in matters related to classification, as long as the Bureau is maintained as an organization having no capital stock and paying no dividends. The Secretary and the Secretary of Transportation each shall appoint one representative (except when the Secretary is the Secretary of Transportation, in which case the Secretary shall appoint both representatives) who shall represent the Government on the executive committee of the Bureau. The Bureau shall agree that the representatives shall be accepted by it as active members of the committee. The representatives shall serve without compensation, except for necessary traveling expenses.

(c)(1) To the maximum extent practicable, the Secretary may delegate to the Bureau or a similar United States classification society, or an agent of the Bureau or society, the inspection or examination, in the United States or in a foreign country, of a vessel documented or to be documented as a vessel of the United States. The Bureau, society, or agent may issue the certificate of inspection required by this part and other certificates essential to documentation.

(2) When an inspection or examination has been delegated under this subsection, the Secretary's delegate—

(A) shall maintain in the United States complete files of all information derived from or necessarily connected with the inspection or examination for at least 2 years after the vessel ceases to be certified; and

(B) shall permit access to those files at all reasonable times to any officer, employee, or member of the Coast Guard designated—

(i) as a marine inspector and serving in a position as a marine inspector; or

(ii) in writing by the Secretary to have access to those files.

(d) The Secretary also may make an agreement with or use the Bureau or a similar United States classification society, or an agent of the Bureau or society, for reviewing and approving plans required for issuing a certificate of inspection.

§ 3317. Fees

(a) The Secretary may prescribe by regulation fees for inspecting or examining a small passenger vessel or a sailing school vessel.

(b) When an inspection or examination under this chapter of a documented vessel is conducted at a foreign port or place at the request of the owner or managing operator of the vessel, the owner or operator shall reimburse the Secretary for the travel and subsistence expenses incurred by the personnel assigned to perform the inspection or examination. Amounts received as reimbursement for these expenses shall be credited to the appropriation for operating expenses of the Coast Guard.

§ 3318. Penalties

(a) The owner, charterer, managing operator, agent, master, or individual in charge of a vessel operated in violation of this part or a regulation prescribed under this part, and a person violating a regulation that applies to a small passenger vessel, freight vessel of less than 100 gross tons, or sailing school vessel, are liable to the United States Government for a civil penalty of $1,000, except that when the violation involves operation of a barge, the penalty is $500. The vessel also is liable in rem for the penalty.

(b) A person that knowingly manufactures, sells, offers for sale, or possesses with intent to sell, any equipment subject to this part, and the equipment is so defective as to be insufficient to accomplish the purpose for which it is intended, shall be fined not more than $10,000, imprisoned for not more than 5 years, or both.

(c) A person that employs a means or device whereby a boiler may be subjected to a pressure greater than allowed by the terms of the vessel's certificate of inspection shall be fined not more than $2,000, imprisoned for not more than 5 years, or both.

(d) A person that deranges or hinders the operation of any machinery or device employed on a vessel to denote the state of steam or water in any boiler or to give warning of approaching danger, or permits the water level of any boiler when in operation of a vessel to fall below its prescribed low-water line, shall be fined not more than $2,000, imprisoned for not more than 5 years, or both.

(e) A person that alters, defaces, obliterates, removes, or destroys any plans or specifications required by and approved under a regulation prescribed under section 3306 of this title, with intent to deceive or impede any official of the United States in carrying out that official's duties, shall be fined not more than $2,000, imprisoned for not more than 2 years, or both.

(f) A person shall be fined not less than $1,000 but not more then $5,000, and imprisoned for not less than 2 years but not more then 5 years, if the person—

(1) forges or counterfeits with intent to make it appear genuine any mark or stamp prescribed for material to be tested and approved under section 3306 of this title or a regulation prescribed under section 3306;

(2) knowingly uses, affixes, or causes to be used or affixed, any such forged or counterfeited mark or stamp to or on material of any description;

(3) with fraudulent intent, possesses any such mark, stamp, or other device knowing it to be forged or counterfeited; or

(4) with fraudulent intent, marks or causes to be marked with the trademark or name of another, material required to be tested and approved under section 3306 of this title or a regulation prescribed under section 3306.

(g) A person shall be fined not more than $10,000, imprisoned for not more than one year, or both, if the person—

(1) interferes with the inspection of a nautical school vessel;

(2) violates a regulation prescribed for a nautical school vessel;

(3) is an owner of a nautical school vessel operated in violation of this part; or

(4) is an officer or member of the board of directors of a school, organization, association, partnership, or corporation owning a nautical school vessel operated in violation of a regulation prescribed for a nautical school vessel.

(h) An owner, charterer, managing operator, agent, master, or individual in charge of a vessel that fails to give the notice required by section 3304(b) of this title is liable to the United States Government for a civil penalty of not more than $500. The vessel also is liable in rem for the penalty.

CHAPTER 35—CARRIAGE OF PASSENGERS

Sec.
3501. Number of passengers.
3502. List or count of passengers.
3503. Fire-retardant materials.
3504. Notification to passengers.
3505. Prevention of departure.
3506. Copies of laws.

§ 3501. Number of passengers

(a) Each certificate of inspection issued to a vessel carrying passengers (except a ferry), shall include a statement on the number of passengers that the vessel is permitted to carry.

(b) The owner, charterer, managing operator, agent, master, or individual in charge of a vessel is liable to a person suing them for carrying more passengers than the number of passengers permitted by the certificate of inspection in an amount equal to—

(1) passage money; and

(2) $100 for each passenger in excess of the number of passengers permitted.

(c) An owner, charterer, managing operator, agent, master, or individual in charge of a vessel that knowingly violates subsection (b) of this section also shall be fined not more than $100, imprisoned for not more than 30 days, or both.

(d) The vessel also is liable in rem for a penalty under this section.

(e) An offshore supply vessel may not carry passengers except in an emergency.

§ 3502. List or count of passengers

(a) The owner, charterer, managing operator, master, or individual in charge of the following categories of vessels carrying passengers shall keep a correct list of passengers received and delivered from day to day:

(1) vessels arriving from foreign ports (except at United States Great Lakes ports from Canadian Great Lakes ports).

(2) seagoing vessels in the coastwise trade.

(3) passenger vessels making voyages of more than 300 miles on the Great Lakes except from a Canadian to a United States port.

(b) The master of a vessel carrying passengers (except a vessel listed in subsection (a) of this section) shall keep a correct count of all passengers received and delivered.

(c) Lists and counts required under this section shall be open to the inspection of designated officials of the Coast Guard and the Customs Service at all times. The total number of passengers shall be provided to the Coast Guard when requested.

(d) This section applies to a foreign vessel arriving at a United States port.

(e) The owner, charterer, managing operator, master, or individual in charge of a passenger vessel failing to make a list or count of passengers as required by this section is liable to the United States Government for a civil penalty of $100. The vessel also is liable in rem for the penalty.

§ 3503. Fire-retardant materials

A passenger vessel of the United States having berth or stateroom accommodations for at least 50 passengers shall be granted a certificate of inspection only if the vessel is constructed of fire-retardant materials. Before November 1, 1988, this section does not apply to a vessel operating only on the inland rivers.

§ 3504. Notification to passengers

(a) A person selling passage on a foreign or domestic passenger vessel having berth or stateroom accommodations for at least 50 passengers and embarking passengers at United States ports for a coastwise or an international voyage shall notify each prospective passenger of the safety standards applicable to the vessel in a manner prescribed by regulation.

(b) All promotional literature or advertising through any medium of communication in the United States offering passage or soliciting passengers for ocean voyages anywhere in the world shall include information similar to the information described in subsection (a) of this section, and shall specify the registry of each vessel named, as a part of the advertisement or description of the voyage. Except for the inclusion of the country of registry of the vessel, this subsection does not apply to voyages by vessels meeting the safety standards described in section 3505 of this title.

(c) A person violating this section or a regulation prescribed under this section is liable to the United States Government for a civil penalty of not more than $10,000. If the violation involves the sale of tickets for passage, the owner, charterer, managing operator, agent, master, individual in charge, or any other person involved in each violation also is liable to the Government for a civil penalty of $500 for each ticket sold. The vessel on which passage is sold also is liable in rem for a violation of this section or a regulation prescribed under this section.

§ 3505. Prevention of departure

Notwithstanding section 3303(a) of this title, a foreign or domestic vessel of more than 100 gross tons having berth or stateroom accommodations for at least 50 passengers may not depart from a United States port with passengers who are embarked at that port, if the Secretary finds that the vessel does not comply with the standards stated in the International Convention for the Safety of Life at Sea to which the United States Government is currently a party.

§ 3506. Copies of laws

A master of a passenger vessel shall keep on board a copy of this subtitle, to be provided by the Secretary at reasonable cost. If the master fails to do so, the master is liable to the United States Government for a civil penalty of $200.

CHAPTER 37—CARRIAGE OF LIQUID BULK DANGEROUS CARGOES

Sec.
3701. Definitions.
3702. Application.
3703. Regulations.
3704. Coastwise trade vessels.
3705. Crude oil tanker minimum standards.
3706. Product carrier minimum standards.
3707. Tanker minimum standards.
3708. Self-propelled tank vessel minimum standards.
3709. Exemptions.
3710. Evidence of compliance by vessels of the United States.
3711. Evidence of compliance by foreign vessels.
3712. Notification of noncompliance.
3713. Prohibited acts.
3714. Inspection and examination.
3715. Lightering.
3716. Tank washings.
3717. Marine safety information system.
3718. Penalties.

§ 3701. Definitions

In this chapter—

(1) "existing", when referring to a type of vessel to which this chapter applies, means a vessel that is not a new vessel.

(2) "major conversion" means a conversion of an existing vessel that substantially changes the dimensions or carrying capacity of the vessel or changes the type of vessel or substantially prolongs its life or that otherwise so changes the vessel that it is essentially a new vessel, as decided by the Secretary.

(3) "new", when referring to a type of vessel to which this chapter applies, means a vessel—

(A) for which the building contract is placed after June 1, 1979;

(B) in the absence of a building contract, the keel of which is laid, or which is at a similar stage of construction, after January 1, 1980;

(C) the delivery of which is after June 1, 1982; or

(D) that has undergone a major conversion under a contract made after June 1, 1979, or construction work that began after January 1, 1980, or was completed after June 1, 1982.

(4) "person" means an individual (even if not a citizen or national of the United States), a corporation, partnership, association, or other entity (even if not organized or existing under the laws of a State), the United States Government, a State or local government, a government of a foreign country, or an entity of one of those governments.

(5) "State", in addition to its meaning under section 2101(36) of this title, includes the Trust Territory of the Pacific Islands.

(6) "United States", in addition to its meaning under section 2101(44) of this title, includes the Trust Territory of the Pacific Islands.

§ 3702. Application

(a) Subject to subsections (b)-(e) of this section, this chapter applies to a tank vessel.

(b) This chapter does not apply to a documented vessel that would be subject to this chapter only because of the transfer of fuel from the fuel supply tanks of the vessel to offshore drilling or production facilities in the oil industry if the vessel is—

(1) not more than 500 gross tons;

(2) not a tanker; and

(3) in the service of oil exploitation.

(c) This chapter does not apply to a cannery tender, fishing tender, or fishing vessel of not more than 500 gross tons, used in the salmon or crab fisheries of Alaska, Oregon, or Washington, when engaged only in the fishing industry.

(d) This chapter does not apply to a vessel of not more than 5,000 gross tons used in processing and assembling fishery products of the fisheries of Alaska, Oregon, and Washington. However, the vessel is subject to regulation by the Secretary when carrying flammable or combustible liquid cargo in bulk.

(e) This chapter does not apply to a foreign vessel on innocent passage on the navigable waters of the United States.

§ 3703. Regulations

(a) The Secretary shall prescribe regulations for the design, construction, alteration, repair, maintenance, operation, equipping, personnel qualification, and manning of vessels to which this chapter applies, that may be necessary for increased protection against hazards to life and property, for navigation and vessel safety, and for enhanced protection of the marine environment. The Secretary may prescribe different regulations applicable to vessels engaged in the domestic trade, and also may prescribe regulations that exceed standards set internationally. Regulations prescribed by the Secretary under this subsection are in addition to regulations prescribed under other laws that may apply to any of those vessels. Regulations prescribed under this subsection shall include requirements about—

(1) superstructures, hulls, cargo holds or tanks, fittings, equipment, appliances, propulsion machinery, auxiliary machinery, and boilers;

(2) the handling or stowage of cargo, the manner of handling or stowage of cargo, and the machinery and appliances used in the handling or stowage;

(3) equipment and appliances for lifesaving, fire protection, and prevention and mitigation of damage to the marine environment;

(4) the manning of vessels and the duties, qualifications, and training of the officers and crew;

(5) improvements in vessel maneuvering and stopping ability and other features that reduce the possibility of marine casualties;

(6) the reduction of cargo loss if a marine casualty occurs; and

(7) the reduction or elimination of discharges during ballasting, deballasting, tank cleaning, cargo handling, or other such activity.

(b) In prescribing regulations under subsection (a) of this section, the Secretary shall consider the types and grades of cargo permitted to be on board a tank vessel.

(c) In prescribing regulations under subsection (a) of this section, the Secretary shall establish procedures for consulting with, and receiving and considering the views of—

(1) interested departments, agencies, and instrumentalities of the United States Government;

(2) officials of State and local governments;

(3) representatives of port and harbor authorities and associations;

(4) representatives of environmental groups; and

(5) other interested parties knowledgeable or experienced in dealing with problems involving vessel safety, port and waterways safety, and protection of the marine environment.

§ 3704. Coastwise trade vessels

A segregated ballast tank, a crude oil washing system, or an inert gas system, required by this chapter or a regulation prescribed under this chapter, on a vessel entitled to engage in the coastwise trade under section 27 of the Merchant Marine Act, 1920 (46 App. U.S.C. 883), shall be installed in

the United States (except the trust territories). A vessel failing to comply with this section may not engage in the coastwise trade.

§ 3705. Crude oil tanker minimum standards

(a) A new crude oil tanker of at least 20,000 deadweight tons shall be equipped with—

(1) protectively located segregated ballast tanks;

(2) a crude oil washing system; and

(3) a cargo tank protection system consisting of a fixed deck froth system and a fixed inert gas system.

(b)(1) An existing crude oil tanker of at least 40,000 deadweight tons shall be equipped with—

(A) segregated ballast tanks; or

(B) a crude oil washing system.

(2) Compliance with paragraph (1) of this subsection may be delayed until June 1, 1985, for any tanker of less than 70,000 deadweight tons that has dedicated clean ballast tanks.

(c) An existing crude oil tanker of at least 20,000 deadweight tons but less than 40,000 deadweight tons, and at least 15 years of age, shall be equipped with segregated ballast tanks or a crude oil washing system before January 2, 1986, or the date on which the tanker reaches 15 years of age, whichever is later.

(d) An existing crude oil tanker of at least 20,000 deadweight tons shall be equipped with an inert gas system. However, for a crude oil tanker of less than 40,000 deadweight tons not fitted with high capacity tank washing machines, the Secretary may grant an exemption if the vessel's owner can show clearly that compliance would be unreasonable and impracticable due to the vessel's design characteristics.

(e) A crude oil tanker engaged in transferring oil from an offshore oil exploitation or production facility on the Outer Continental Shelf of the United States shall be equipped with segregated ballast tanks, or may operate with dedicated clean ballast tanks or special ballast arrangements. However, the tanker shall comply with other applicable minimum standards of this section.

§ 3706. Product carrier minimum standards

(a) A new product carrier of at least 30,000 deadweight tons shall be equipped with protectively located segregated ballast tanks.

(b) A new product carrier of at least 20,000 deadweight tons shall be equipped with a cargo tank protection system consisting of a fixed deck froth system and a fixed inert gas system or, if the product carrier carries dedicated products incompatible with the cargo tank protection system, an alternate protection system authorized by the Secretary.

(c) An existing product carrier of at least 40,000 deadweight tons shall be equipped with segregated ballast tanks or may operate with dedicated clean ballast tanks.

(d) An existing product carrier of at least 20,000 deadweight tons but less than 40,000 deadweight tons, and at least 15 years of age, shall be equipped with segregated ballast tanks or may operate with dedicated clean ballast tanks before January 2, 1986, or the date on which it reaches 15 years of age, whichever is later.

(e) An existing product carrier of at least 40,000 deadweight tons, or an existing product carrier of at least 20,000 deadweight tons but less than 40,000 deadweight tons that is fitted with high-capacity tank washing machines, shall be equipped with an inert gas system.

§ 3707. Tanker minimum standards

(a) A new tanker of at least 10,000 gross tons shall be equipped with—

(1) 2 remote steering gear control systems operable separately from the navigating bridge;

(2) the main steering gear control in the steering gear compartment;

(3) means of communications and rudder angle indicators on the navigating bridge, a remote steering gear control station, and the steering gear compartment;

(4) at least 2 identical and adequate power units for the main steering gear;

(5) an alternative and adequate power supply, either from an emergency source of electrical power or from another independent source of power located in the steering gear compartment; and

(6) means of automatic starting and stopping of power units with attendant alarms at all steering stations.

(b) An existing tanker of at least 10,000 gross tons shall be equipped with—

(1) 2 remote steering gear control systems operable separately from the navigating bridge;

(2) the main steering gear control in the steering gear compartment; and

(3) means of communications and rudder angle indicators on the navigating bridge, a remote steering gear control station, and the steering gear compartment.

§ 3708. Self-propelled tank vessel minimum standards

A self-propelled tank vessel of at least 10,000 gross tons shall be equipped with—

(1) a dual radar system with short-range and long-range capabilities, each with true-north features;

(2) an electronic relative motion analyzer that is at least functionally equivalent to equipment complying with specifications established by the Secretary of Transportation;

(3) an electronic position-fixing device;

(4) adequate communications equipment;

(5) a sonic depth finder;

(6) a gyrocompass; and

(7) up-to-date charts.

§ 3709. Exemptions

The Secretary may exempt a vessel from the minimum requirements established by sections 3704-3706 of this title for segregated ballast, crude oil washing, and dedicated clean ballast if the Secretary decides that shore-based reception facilities are a preferred method of handling ballast and that adequate facilities are readily available.

§ 3710. Evidence of compliance by vessels of the United States

(a) A vessel of the United States to which this chapter applies that has on board oil or hazardous material in bulk as cargo or cargo residue must have a certificate of inspection issued under this part, endorsed to indicate that the vessel complies with regulations prescribed under this chapter.

(b) Each certificate endorsed under this section is valid for not more than 24 months and may be renewed as specified by the Secretary. In appropriate circumstances, the Secretary may issue a temporary certificate valid for not more than 30 days. A certificate shall be suspended or revoked if the Secretary finds that the vessel does not comply with the conditions under which the certificate was issued.

§ 3711. Evidence of compliance by foreign vessels

(a) A foreign vessel to which this chapter applies may operate on the navigable waters of the United States, or transfer oil or hazardous material in a port or place under the jurisdiction of the United States, only if the vessel has been issued a certificate of compliance by the Secretary. The Secretary may issue the certificate only after the vessel has been examined and found to be in compliance with this chapter and regulations prescribed under this chapter. The Secretary may accept any part of a certificate, endorsement, or document, issued by the government of a foreign country under a treaty, convention, or other international agreement to which the United States is a party, as a basis for issuing a certificate of compliance.

(b) A certificate issued under this section is valid for not more than 24 months and may be renewed as specified by the Secretary. In appropriate circumstances, the Secretary may issue a temporary certificate valid for not more than 30 days.

(c) A certificate shall be suspended or revoked if the Secretary finds that the vessel does not comply with the conditions under which the certificate was issued.

§ 3712. Notification of noncompliance

The Secretary shall notify the owner, charterer, managing operator, agent, master, or individual in charge of a vessel found not to be in compliance with a regulation prescribed under this part and state how compliance may be achieved.

§ 3713. Prohibited acts

(a) A person may not—

(1) violate this chapter or a regulation prescribed under this chapter;

(2) refuse to permit any official, authorized by the Secretary to enforce this chapter, to board a vessel or to enter a shore area, place, or premises, under a person's control to make an inspection under this chapter; or

(3) refuse to obey a lawful directive issued under this chapter.

(b) A vessel to which this chapter applies may not—

(1) operate on the navigable waters of the United States or use a port or place subject to the jurisdiction of the United States when not in compliance with this chapter or a regulation prescribed under this chapter;

(2) fail to comply with a lawful directive issued under this chapter; or

(3) carry a type or grade of oil or hazardous material in bulk as cargo or cargo residue unless its certificate is endorsed to allow that carriage.

§ 3714. Inspection and examination

(a)(1) The Secretary shall have each vessel to which this chapter applies inspected or examined at least once each year.

(2) Each of those vessels that is more than 10 years of age shall undergo a special and detailed inspection of structural strength and hull integrity as specified by the Secretary.

(3) The Secretary may make contracts for conducting inspections or examinations in the United States and in foreign countries. An inspector conducting an inspection or examination under contract may not issue a certificate of inspection or a certificate of compliance, but the inspector may issue a temporary certificate.

(4) The Secretary shall prescribe by regulation reasonable fees for an inspection or examination conducted under this section outside the United States, or which, when involving a foreign vessel, is conducted under a contract authorized by paragraph (3) of this subsection. The owner, charter,

or managing operator of a vessel inspected or examined by the Secretary is liable for the fees. Amounts received as fees shall be deposited in the Treasury.

(5) The Secretary may allow provisional entry of a vessel to conduct an inspection or examination under this chapter.

(b) Each vessel to which this chapter applies shall have on board those documents the Secretary considers necessary for inspection and enforcement, including documents listing—

(1) the type, grade, and approximate quantities of cargo on board;

(2) the shipper and consignee of the cargo;

(3) the places of origin and destination of the vessel; and

(4) the name of an agent in the United States authorized to accept service of legal process.

(c) Each vessel to which this chapter applies that operates in the United States shall have a person designated as authorized to accept service of legal process for the vessel.

§ 3715. Lightering

(a) A vessel may transfer oil or hazardous material in a port or place subject to the jurisdiction of the United States, when the cargo has been transferred from another vessel on the navigable waters of the United States or in the marine environment, only if—

(1) the transfer was conducted consistent with regulations prescribed by the Secretary; and

(2) both the delivering and receiving vessels had on board, at the time of transfer, a certificate of inspection or a certificate of compliance, as would have been required under section 3710 or 3711 of this title, had the transfer taken place in a port or place subject to the jurisdiction of the United States.

(b) The Secretary shall prescribe regulations to carry out subsection (a) of this section. The regulations shall include provisions on—

(1) minimum safe operating conditions, including sea state, wave height, weather, proximity to channels or shipping lanes, and other similar factors;

(2) the prevention of spills;

(3) equipment for responding to a spill;

(4) the prevention of any unreasonable interference with navigation or other reasonable uses of the high seas, as those uses are defined by treaty, convention, or customary international law;

(5) the establishment of lightering zones; and

(6) requirements for communication and prearrival messages.

§ 3716. Tank washings

(a) A vessel may not transfer cargo in a port or place subject to the jurisdiction of the United States if, before arriving, the vessel has discharged tank washings containing oil or hazardous material in preparation for loading at that port or place in violation of the laws of the United States or in a manner or quantities inconsistent with a treaty to which the United States is a party.

(b) The Secretary shall establish effective control and supervisory measures to carry out this section.

§ 3717. Marine safety information system

(a) The Secretary shall establish a marine safety information system that shall contain information about each vessel to which this chapter applies that operates on the navigable waters of the United States, or that transfers oil or hazardous material in a port or place under the jurisdiction of the United States. In acquiring this information, the Secretary shall make full use of publicly available information. The Secretary may by regulation require the vessel to provide information that the Secretary considers necessary to carry out this subsection, including—

(1) the name of each person with an ownership interest in the vessel;

(2) details of compliance with the financial responsibility requirements of applicable laws or regulations;

(3) registration information, including all changes in the name of the vessel;

(4) the history of marine casualties and serious repair problems of the vessel; and

(5) a record of all inspections and examinations of a vessel conducted under section 3714 of this title.

(b) On written request from the Secretary, the head of each department, agency, or instrumentality of the United States Government shall provide available information that the Secretary considers necessary to confirm the information received under subsection (a) of this section.

§ 3718. Penalties

(a)(1) A person violating this chapter or a regulation prescribed under this chapter is liable to the United States Government for a civil penalty of not more than $25,000. Each day of a continuing violation is a separate violation.

(2) Each vessel to which this chapter applies that is operated in violation of this chapter or a regulation prescribed under this chapter is liable in rem for a civil penalty under this subsection.

(b) A person willfully and knowingly violating this chapter or a regulation prescribed under this chapter shall be fined not more than $50,000, imprisoned for not more than 5 years, or both.

(c) Instead of the penalties provided by subsection (b) of this section, a person willfully and knowingly violating this chapter or a regulation prescribed under this chapter, and using a dangerous weapon, or engaging in conduct that causes bodily injury or fear of imminent bodily injury to an official authorized to enforce this chapter or a regulation prescribed under this chapter, shall be fined not more than $100,000, imprisoned for not more than 10 years, or both.

(d) The district courts of the United States have jurisdiction to restrain a violation of this chapter or a regulation prescribed under this chapter.

(e) At the request of the Secretary, the Secretary of the Treasury shall withhold or revoke the clearance required by section 4197 of the Revised Statutes (46 App. U.S.C. 91) of a vessel the owner or operator of which is subject to a penalty under this section. Clearance may be granted on filing a bond or other surety satisfactory to the Secretary.

CHAPTER 39—CARRIAGE OF ANIMALS

Sec.
3901. Regulations for accommodations for export animals.
3902. Penalties.

§ 3901. Regulations for accommodations for export animals

The Secretary of Agriculture may prescribe regulations governing the accommodations on board vessels for cattle, horses, mules, asses, sheep, goats, and swine to be carried from the United States to a foreign country. The regulations shall prescribe standards for space, ventilation, fittings, food and water supply, and other requirements the Secretary of Agriculture considers necessary for the safe and proper transportation and humane treatment of those animals. The Secretary of Agriculture may examine any vessel the Secretary of Agriculture considers necessary to carry out this chapter.

§ 3902. Penalties

When the owner, charterer, managing operator, agent, master, or individual in charge of a vessel carrying animals referred to in section 3901 of this title willfully violates, or causes or permits to be violated, a regulation prescribed under this chapter, the vessel may be prohibited from carrying any such animals from the United States for a period, of not more than one year, that the Secretary of Agriculture directs. The vessel may not be cleared from a port of the United States during that period.

CHAPTER 41—UNINSPECTED VESSELS

Sec.
4101. Application.
4102. Safety equipment.
4103. Exemptions.
4104. Regulations.
4105. Uninspected passenger vessels.
4106. Penalties.

§ 4101. Application

This chapter applies to an uninspected vessel—

(1) on the navigable waters of the United States; or

(2) owned in the United States and operating on the high seas.

§ 4102. Safety equipment

(a) Each uninspected vessel propelled by machinery shall be provided with the number, type, and size of fire extinguishers, capable of promptly and effectively extinguishing burning liquid fuel, that may be prescribed by regulation. The fire extinguishers shall be kept in condition for immediate and effective use and so placed as to be readily accessible.

(b) Each uninspected vessel propelled by machinery shall carry at least one readily accessible life preserver or other lifesaving device, of the type prescribed by regulation, for each individual on board.

(c) Each uninspected vessel shall have the carburetors of each engine of the vessel (except an outboard motor) using gasoline as fuel, equipped with an efficient flame arrestor, backfire trap, or other similar device prescribed by regulation.

(d) Each uninspected vessel using a volatile liquid as fuel shall be provided with the means prescribed by regulation for properly and efficiently ventilating the bilges of the engine and fuel tank compartments, so as to remove any explosive or flammable gases.

§ 4103. Exemptions

Section 4102(a) of this title does not apply to a vessel propelled by outboard motors when competing in a race previously arranged and announced or, if the vessel is designed and intended only for racing, when operated incidental to tuning up the vessel and its engines for the race.

§ 4104. Regulations

The Secretary shall prescribe regulations to carry out this chapter.

§ 4105. Uninspected passenger vessels

Chapter 43 of this title applies to an uninspected passenger vessel.

§ 4106. Penalties

If a vessel to which this chapter applies is operated in violation of this chapter or a

regulation prescribed under this chapter, the owner, charterer, managing operator, agent, master, and individual in charge are each liable to the United States Government for a civil penalty of $100. The vessel also is liable in rem for the penalty.

CHAPTER 43—RECREATIONAL VESSELS

Sec.
4301. Application.
4302. Regulations.
4303. Inspection and testing.
4304. Importation of nonconforming vessels and equipment.
4305. Exemptions.
4306. Federal preemption.
4307. Prohibited acts.
4308. Termination of unsafe operation.
4309. Investigation and reporting.
4310. Repair and replacement of defects.
4311. Penalties and injunctions.

§ 4301. Application

(a) This chapter applies to a recreational vessel and associated equipment carried in the vessel on waters subject to the jurisdiction of the United States and, for a vessel owned in the United States, on the high seas.

(b) Except when expressly otherwise provided, this chapter does not apply to a foreign vessel temporarily operating on waters subject to the jurisdiction of the United States.

(c) Until there is a final judicial decision that they are navigable waters of the United States, the following waters lying entirely in New Hampshire are declared not to be waters subject to the jurisdiction of the United States within the meaning of this section: Lake Winnisquam, Lake Winnipesaukee, parts of the Merrimack River, and their tributary and connecting waters.

§ 4302. Regulations

(a) The Secretary may prescribe regulations—

(1) establishing minimum safety standards for recreational vessels and associated equipment, and establishing procedures and tests required to measure conformance with those standards, with each standard—

(A) meeting the need for recreational vessel safety; and

(B) being stated, insofar as practicable, in terms of performance;

(2) requiring the installation, carrying, or use of associated equipment (including fuel systems, ventilation systems, electrical systems, sound-producing devices, firefighting equipment, lifesaving devices, signaling devices, ground tackle, life- and grab-rails, and navigational equipment) on recreational vessels and classes of recreational vessels subject to this chapter, and prohibiting the installation, carrying, or use of associated equipment that does not conform with safety standards established under this section; and

(3) requiring or permitting the display of seals, labels, plates, insignia, or other devices for certifying or evidencing compliance with safety regulations and standards of the United States Government for recreational vessels and associated equipment.

(b) Each regulation prescribed under this section shall specify an effective date that is not earlier than 180 days from the date the regulation was published, unless the Secretary finds that there exists a recreational vessel safety hazard so critical as to require an earlier effective date. However, this period may not be more than 24 months for cases involving, in the discretion of the Secretary, major product design, retooling, or major changes in the manufacturing process.

(c) In prescribing regulations under this section, the Secretary shall, among other things—

(1) consider the need for and the extent to which the regulations will contribute to recreational vessel safety;

(2) consider relevant available recreational vessel safety standards, statistics, and data, including public and private research, development, testing, and evaluation;

(3) not compel substantial alteration of a recreational vessel or item of associated equipment that is in existence, or the construction or manufacture of which is begun before the effective date of the regulation, but subject to that limitation may require compliance or performance, to avoid a substantial risk of personal injury to the public, that the Secretary considers appropriate in relation to the degree of hazard that the compliance will correct; and

(4) consult with the National Boating Safety Advisory Council established under section 13110 of this title about the considerations referred to in clauses (1)-(3) of this subsection.

(d) Section 8903 of this title does not apply to a vessel being operated for bona fide dealer demonstrations provided without fee to business invitees. However, if on the basis of substantial evidence, the Secretary decides under this section that requiring vessels so operated to be under the control of licensed individuals is necessary for boating safety, then the Secretary may prescribe regulations requiring the licensing of individuals controlling these vessels in the same manner as provided in chapter 89 of this title for individuals in control of vessels carrying passengers for hire.

§ 4303. Inspection and testing

(a) Subject to regulations, supervision, and reviews that the Secretary may prescribe, the Secretary may delegate to a person, private or public agency, or organization, or to an officer or employee under the supervision of that person or agency, any work, business, or function related to the testing, inspection, and examination necessary for compliance enforcement and for the development of data to enable the Secretary to prescribe regulations under section 4302 of this title.

(b) The Secretary may—

(1) conduct research, testing, and development necessary to carry out this chapter, including the procurement by negotiation or otherwise of experimental and other recreational vessels or associated equipment for research and testing purposes; and

(2) subsequently sell those vessels.

§ 4304. Importation of nonconforming vessels and equipment

The Secretary and the Secretary of the Treasury may authorize by joint regulations the importation of any nonconforming recreational vessel or associated equipment on conditions, including providing a bond, that will ensure that the recreational vessel or associated equipment will be brought into conformity with applicable safety regulations and standards of the Government before the vessel or equipment is operated on waters subject to the jurisdiction of the United States.

§ 4305. Exemptions

If the Secretary considers that recreational vessel safety will not be adversely affected, the Secretary may issue an exemption from this chapter or a regulation prescribed under this chapter.

§ 4306. Federal preemption

Unless permitted by the Secretary under section 4305 of this title, a State or political subdivision of a State may not establish, continue in effect, or enforce a law or regulation establishing a recreational vessel or associated equipment performance or other safety standard or imposing a requirement for associated equipment (except insofar as the State or political subdivision may, in the absence of the Secretary's disapproval, regulate the carrying or use of marine safety articles to meet uniquely hazardous conditions or circumstances within the State) that is not identical to a regulation prescribed under section 4302 of this title.

§ 4307. Prohibited acts

(a) A person may not—

(1) manufacture, construct, assemble, sell or offer for sale, introduce or deliver for introduction into interstate commerce, or import into the United States, a recreational vessel, associated equipment, or component of the vessel or equipment unless—

(A) it conforms with this chapter or a regulation prescribed under this chapter; or

(B) it is intended only for export and is so labeled, tagged, or marked on the recreational vessel or equipment, including any markings on the outside of the container in which it is to be exported;

(2) affix, attach, or display a seal, document, label, plate, insignia, or other device indicating or suggesting compliance with standards of the United States Government on, in, or in connection with, a recreational vessel or item of associated equipment that is false or misleading; or

(3) fail to provide a notification as required by this chapter or fail to exercise reasonable diligence in carrying out the notification and reporting requirements of this chapter.

(b) A person may not operate a vessel in violation of this chapter or a regulation prescribed under this chapter.

§ 4308. Termination of unsafe operation

If an official charged with the enforcement of this chapter observes a recreational vessel being operated without sufficient lifesaving or firefighting devices or in an overloaded or other unsafe condition (as defined in regulations prescribed under this chapter) and, in the judgment of the official, the operation creates an especially hazardous condition, the official may direct the operator of the recreational vessel to take immediate and reasonable steps necessary for the safety of individuals on board the vessel, including directing the operator to return to a mooring and to remain there until the situation creating the hazard is corrected or ended.

§ 4309. Investigation and reporting

(a) A recreational vessel manufacturer to whom this chapter applies shall establish and maintain records and reports and provide information the Secretary may require to enable the Secretary to decide whether the manufacturer has acted or is acting in compliance with this chapter and regulations prescribed under this chapter. On request of an officer, employee, or agent authorized by the Secretary, a recreational vessel manufacturer shall permit the officer, employee, or agent to inspect, at reasonable times, factories or other facilities, and records related to deciding whether the manufacturer has acted or is acting in compliance with this chapter and regulations prescribed under this chapter.

(b) Information reported to or otherwise obtained by the Secretary or the representative of the Secretary under this section containing or related to a trade secret or other matter referred to in section 1905 of title 18, or authorized to be exempt from public disclosure by section 552(b) of title 5, is confidential under section 1905. However, on approval of the Secretary, the information may be disclosed to other officers, employees, or agents concerned with carrying out this chapter or when it is relevant in a proceeding under this chapter.

§ 4310. Repair and replacement of defects

(a) In this section, "associated equipment" includes only items or classes of associated equipment that the Secretary shall prescribe by regulation after deciding that the application of the requirements of this section to those items or classes of associated equipment is reasonable and in furtherance of this chapter.

(b) If a recreational vessel or associated equipment has left the place of manufacture and the recreational vessel manufacturer discovers or acquires information that the manufacturer decides, in the exercise of reasonable and prudent judgment, indicates that a recreational vessel or associated equipment subject to an applicable regulation prescribed under section 4302 of this title either fails to comply with the regulation, or contains a defect that creates a substantial risk of personal injury to the public, the manufacturer shall provide notification of the defect or failure of compliance as provided by subsections (c) and (d) of this section within a reasonable time after the manufacturer has discovered the defect.

(c)(1) The notification required by subsection (b) of this section shall be given to the following persons in the following manner:

(A) by certified mail to the first purchaser for other than resale, except that the requirement for notification of the first purchaser shall be satisfied if the recreational vessel manufacturer exercises reasonable diligence in establishing and maintaining a list of those purchasers and their current addresses, and sends the required notice to each person on that list at the address appearing on the list.

(B) by certified mail to subsequent purchasers if known to the manufacturer.

(C) by certified mail or other more expeditious means to the dealers and distributors of the recreational vessels or associated equipment.

(2) The notification required by subsection (b) of this section is required to be given only for a defect or failure of compliance discovered by the recreational vessel manufacturer within a reasonable time after the manufacturer has discovered the defect or failure, except that the manufacturer's duty of notification under paragraph (1) (A) and (B) of this subsection applies only to a defect or failure of compliance discovered by the manufacturer within one of the following appropriate periods:

(A) if a recreational vessel or associated equipment required by regulation to have a date of certification affixed, 5 years from the date of certification.

(B) if a recreational vessel or associated equipment not required by regulation to have a date of certification affixed, 5 years from the date of manufacture.

(d) The notification required by subsection (b) of this section shall contain a clear description of the defect or failure to comply, an evaluation of the hazard reasonably related to the defect or failure, a statement of the measures to correct the defect or failure, and an undertaking by the recreational vessel manufacturer to take those measures only at the manufacturer's cost and expense.

(e) Each recreational vessel manufacturer shall provide the Secretary with a copy of all notices, bulletins, and other communications to dealers and distributors of that manufacturer, and to purchasers of recreational vessels or associated equipment of that manufacturer, about a defect related to safety in the recreational vessels or associated equipment, and any failure to comply with the regulation or order applicable to the recreational vessels or associated equipment. The Secretary may publish or otherwise disclose to the public information in the notices or other information the Secretary has that the Secretary considers will assist in carrying out this chapter. However, the Secretary may disclose any information that contains or relates to a trade secret only if the Secretary decides that the information is necessary to carry out this chapter.

(f) If, through testing, inspection, investigation, or examination of reports, the Secretary decides that a recreational vessel or associated equipment to which this chapter applies contains a defect related to safety or fails to comply with an applicable regulation prescribed under this chapter and notification under this chapter is appropriate, the Secretary shall notify the recreational vessel manufacturer of the defect or failure. The notice shall contain the findings of the Secretary and shall include a synopsis of the information on which they are based. The manufacturer may then provide the notification required by this chapter to the persons designated in this chapter or dispute the Secretary's decision. If disputed, the Secretary shall provide the manufacturer with an opportunity to present views and establish that there is no such defect or failure. When the Secretary considers it to be in the public interest, the Secretary may publish notice of the proceeding in the Federal Register and provide interested persons, including the National Boating Safety Advisory Council, with an opportunity to comment. If, after presentation by the manufacturer, the Secretary decides that the recreational vessel or associated equipment contains a defect related to safety or fails to comply with an applicable regulation, the Secretary may direct the manufacturer to provide the notifications specified in this chapter.

(g) The Secretary may prescribe regulations to carry out this section, including the establishment of procedures that require dealers and distributors to assist manufacturers in obtaining information required by this section. A regulation prescribed under this subsection does not relieve a manufacturer of any obligation imposed by this section.

§ 4311. Penalties and injunctions

(a) A person willfully operating a recreational vessel in violation of this chapter or a regulation prescribed under this chapter shall be fined not more than $5,000, imprisoned for not more than one year, or both.

(b) A person violating section 4307(a)(1) of this title is liable to the United States Government for a civil penalty of not more than $2,000, except that the maximum civil penalty may be not more than $100,000 for a related series of violations. When a corporation violates section 4307(a)(1), any director, officer, or executive employee of the corporation who knowingly and willfully ordered, or knowingly and willfully authorized, a violation is individually liable to the Government for the penalty, in addition to the corporation. However, the director, officer, or executive employee is not liable individually under this subsection if the director, officer, or executive employee can demonstrate by a preponderance of the evidence that—

(1) the order or authorization was issued on the basis of a decision, in exercising reasonable and prudent judgment, that the nonconformity with standards and regulations constituting the violation would not cause or constitute a substantial risk of personal injury to the public; and

(2) at the time of the order or authorization, the director, officer, or executive employee advised the Secretary in writing of acting under this clause and clause (1) of this subsection.

(c) A person violatng any other provision of this chapter or other regulation prescribed under this chapter is liable to the Government for a civil penalty of not more than $1,000. If the violation involves the operation of a vessel, the vessel also is liable in rem for the penalty.

(d) When a civil penalty of not more than $200 has been assessed under this chapter, the Secretary may refer the matter of collection of the penalty directly to the United States magistrate of the jurisdiction in which the person liable may be found for collection procedures under supervision of the district court and under an order issued by the court delegating this authority under section 636(b) of title 28.

(e) The district courts of the United States have jurisdiction to restrain a violation of this chapter, or to restrain the sale, offer for sale, introduction or delivery for introduction into interstate commerce, or importation into the United States, of a recreational vessel or associated equipment that the court decides does not conform to safety standards of the Government. A civil action under this subsection shall be brought by filing a petition by the Attorney General for the Government. When practicable, the Secretary shall give notice to a person against whom an action for injunctive relief is contemplated and provide the person with an opportunity to present views and, except for a knowing and willful violation, shall provide the person with a reasonable opportunity to achieve compliance. The failure to give notice and provide the opportunity does not preclude the granting of appropriate relief by the district court.

(f) A person is not subject to a penalty under this chapter if the person—

(1) establishes that the person did not have reason to know, in exercising reasonable care, that a recreational vessel or associated equipment does not conform with the applicable safety standards of the Government; or

(2) holds a certificate issued by the manufacturer of that recreational vessel or associated equipment to the effect that the recreational vessel or associated equipment conforms to all applicable recreational vessel safety standards of the Government, unless the person knows or reasonably should have known that the recreational vessel or associated equipment does not so conform.

(g) Compliance with this chapter or standards, regulations, or orders prescribed under this chapter does not relieve a person from liability at common law or under State law.

[PART C—RESERVED FOR LOAD LINES OF VESSELS]

PART D—MARINE CASUALTIES

CHAPTER 61—REPORTING MARINE CASUALTIES

Sec.
6101. Marine casualties and reporting.
6102. State marine casualty reporting system.
6103. Penalty.

§ 6101. Marine casualties and reporting

(a) The Secretary shall prescribe regulations on the marine casualties and incidents to be reported and the manner of reporting. The regulations shall require reporting the following marine casualties:

(1) death of an individual.

(2) serious injury to an individual.

(3) material loss of property.

(4) material damage affecting the seaworthiness or efficiency of the vessel.

(b) A marine casualty shall be reported within 5 days as provided in this part and regulations prescribed under this part.

(c) When the owner, charterer, managing operator, or agent of a vessel of the United States has reason to believe (because of lack of communication with or nonappearance of a vessel or any other incident) that the vessel may have been lost or imperiled, the owner, charterer, managing operator, or agent immediately shall attempt to determine the status of the vessel. If the owner, charterer, managing operator, or agent cannot determine the status of the vessel, the owner, charterer, managing operator, or agent immediately shall notify the Coast Guard and provide the name and identification number of the vessel, the names of individuals on board, and any other information that may be requested by the Coast Guard.

(d) This part applies to a foreign vessel when involved in a marine casualty on the navigable waters of the United States.

(e) A marine casualty not resulting in the death of an individual shall be classified according to the gravity of the casualty, as prescribed by regulation, giving consideration to the extent of injuries to individuals, the extent of property damage, the dangers that the casualty creates, and the size, occupation, and means of propulsion of each vessel involved.

§ 6102. State marine casualty reporting system

(a) The Secretary shall prescribe regulations for a uniform State marine casualty reporting system for vessels. Regulations shall prescribe the casualties to be reported and the manner of reporting. A State shall compile and submit to the Secretary reports, information, and statistics on casualties reported to the State.

(b) The Secretary shall collect, analyze, and publish reports, information, and statistics on marine casualties together with findings and recommendations the Secretary considers appropriate. If a State marine casualty reporting system provides that information derived from casualty reports (except statistical information) may not be publicly disclosed, or otherwise prohibits use by the State or any person in any action or proceeding against a person, the Secretary may use the information provided by the State only in the same way that the State may use the information.

§ 6103. Penalty

An owner, charterer, managing operator, agent, master, or individual in charge of a vessel failing to report a casualty or incident as required under section 6101 of this title or a regulation prescribed under section 6101 is liable to the United States Government for a civil penalty of $1,000.

CHAPTER 63—INVESTIGATING MARINE CASUALTIES

Sec.
6301. Investigation of marine casualties.
6302. Public investigations.
6303. Rights of parties in interest.
6304. Subpena authority.
6305. Reports of investigations.
6306. Penalty.
6307. Notifications to Congress.

§ 6301. Investigation of marine casualties

The Secretary shall prescribe regulations for the immediate investigation of marine casualties under this part to decide, as closely as possible—

(1) the cause of the casualty, including the cause of any death;

(2) whether an act of misconduct, incompetence, negligence, unskillfulness, or willful violation of law committed by any individual licensed, certificated, or documented under part E of this subtitle has contributed to the cause of the casualty, or to a death involved in the casualty, so that appropriate remedial action under chapter 77 of this title may be taken;

(3) whether an act of misconduct, incompetence, negligence unskillfulness, or willful violation of law committed by any person, including an officer, employee, or member of the Coast Guard, contributed to the cause of the casualty, or to a death involved in the casualty;

(4) whether there is evidence that an act subjecting the offender to a civil penalty under the laws of the United States has been committed, so that appropriate action may be undertaken to collect the penalty;

(5) whether there is evidence that a criminal act under the laws of the United States has been committed, so that the matter may be referred to appropriate authorities for prosecution; and

(6) whether there is need for new laws or regulations, or amendment or repeal of existing laws or regulations, to prevent the recurrence of the casualty.

§ 6302. Public investigations

Each investigation conducted under this chapter and regulations prescribed under this chapter shall be open to the public, except when evidence affecting the national security is to be received.

§ 6303. Rights of parties in interest

In an investigation conducted under this chapter, the following shall be allowed to be represented by counsel, to cross-examine witnesses, and to call witnesses:

(1) an owner,

(2) any holder of a license or certificate of registry,

(3) any holder of a merchant mariner's document,

(4) any other person whose conduct is under investigation, and

(5) any other party in interest.

§ 6304. Subpena authority

(a) In an investigation under this chapter, the attendance and testimony of witnesses, including parties in interest, and the production of any evidence may be compelled by subpena. The subpena authority granted by this section is coextensive with that of a district court of the United States, in civil matters, for the district in which the investigation is conducted.

(b) When a person fails to obey a subpena issued under this section, the district court of the United States for the district in which the investigation is conducted or in which the person failing to obey is found, shall on proper application issue an order directing that person to comply with the subpena. The court may punish as contempt any disobedience of its order.

(c) A witness complying with a subpena issued under this section may be paid for actual travel and attendance at the rate provided for witnesses in the district courts of the United States.

(d) An official designated to conduct an investigation under this part may issue subpenas as provided in this section and administer oaths to witnesses.

§ 6305. Reports of investigations

(a) The Secretary shall prescribe regulations about the form and manner of reports of investigations conducted under this part.

(b) Reports of investigations conducted under this part shall be made available to the public, except to the extent that they contain information related to the national security.

§ 6306. Penalty

A person attempting to coerce a witness, or to induce a witness, to testify falsely in connection with a marine casualty, or to induce a witness to leave the jurisdiction of the United States, shall be fined $5,000, imprisoned for one year, or both.

§ 6307. Notifications to Congress

(a) The Secretary shall notify the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Merchant Marine and Fisheries of the House of Representatives of any hearing, before the hearing occurs, investigating a major marine casualty involving a death under section 6301 of this title.

(b) The Secretary shall submit to a committee referred to in subsection (a) of this section information on a major marine casualty that is requested by that committee or the chairman of the committee if the submission of that information is not prohibited by a law of the United States.

(c) The Secretary shall submit annually to Congress a summary of the marine casualties reported during the prior fiscal year, together with a brief statement of action taken concerning those casualties.

PART E—LICENSES, CERTIFICATES, AND MERCHANT MARINERS' DOCUMENTS

CHAPTER 71—LICENSES AND CERTIFICATES OF REGISTRY

Sec.
7101. Issuing and classifying licenses and certificates of registry.
7102. Citizenship.
7103. Licenses for radio officers.
7104. Certificates for medical doctors and nurses.
7105. Oaths.
7106. Duration of licenses.
7107. Duration of certificates of registry.
7108. Termination of licenses and certificates of registry.
7109. Renewal of licenses.
7110. Exhibiting licenses.
7111. Licenses for fishing vessels not subject to inspection.
7112. Licenses of masters or mates as pilots.
7113. Exemption from draft.
7114. Fees.

§ 7101. Issuing and classifying licenses and certificates of registry

(a) Licenses and certificates of registry are established for individuals who are required

to hold licenses or certificates under this subtitle.

(b) Under regulations prescribed by the Secretary, the Secretary—

(1) issues the licenses and certificates of registry; and

(2) may classify the licenses and certificates of registry as provided in subsections (c) and (f) of this section, based on—

(A) the tonnage, means of propulsion, and horsepower of machine-propelled vessels;

(B) the waters on which vessels are to be operated; or

(C) other reasonable standards.

(c) The Secretary may issue licenses in the following classes to applicants found qualified as to age, character, habits of life, experience, professional qualifications, and physical fitness:

(1) masters, mates, and engineers.

(2) pilots.

(3) operators.

(4) radio officers.

(d) In classifying individuals under subsection (c)(1) of this section, the Secretary shall establish, when possible, suitable career patterns and service and other qualifying requirements appropriate to the particular service or industry in which the individuals are engaged.

(e) An individual may be issued a license under subsection (c)(2) of this section only if the applicant—

(1) is at least 21 years of age;

(2) is of sound health and has no physical limitations that would hinder or prevent the performance of a pilot's duties;

(3) agrees to have a thorough physical examination each year while holding the license;

(4) demonstrates, to the satisfaction of the Secretary, that the applicant has the requisite general knowledge and skill to hold the license;

(5) demonstrates proficiency in the use of electronic aids to navigation;

(6) maintains adequate knowledge of the waters to be navigated and knowledge of regulations for the prevention of collisions in those waters;

(7) has sufficient experience, as decided by the Secretary, to evidence ability to handle any vessel of the type and size which the applicant may be authorized to pilot; and

(8) meets any other requirement the Secretary considers reasonable and necessary.

(f) The Secretary may issue certificates of registry in the following classes to applicants found qualified as to character, knowledge, skill, and experience:

(1) pursers.

(2) medical doctors.

(3) professional nurses.

§ 7102. Citizenship

Licenses and certificates of registry for individuals on documented vessels may be issued only to citizens of the United States.

§ 7103. Licenses for radio officers

(a) A license as radio officer may be issued only to an applicant who has a first-class or second-class radiotelegraph operator license issued by the Federal Communications Commission.

(b) Except as provided in section 7318 of this title, this part does not affect the status of radiotelegraph operators serving on board vessels operating only on the Great Lakes.

§ 7104. Certificates for medical doctors and nurses

A certificate of registry as a medical doctor or professional nurse may be issued only to an applicant who has a license as a medical doctor or registered nurse, respectively, issued by a State.

§ 7105. Oaths

An applicant for a license or certificate of registry shall take, before the issuance of the license or certificate, an oath before a designated official, without concealment or reservation, that the applicant will perform faithfully and honestly, according to the best skill and judgment of the applicant, all the duties required by law.

§ 7106. Duration of licenses

A license issued under this part is valid for 5 years. However, the validity of a license issued to a radio officer is conditioned on the continuous possession by the holder of a first-class or second-class radiotelegraph operator license issued by the Federal Communications Commission.

§ 7107. Duration of certificates of registry

A certificate of registry issued under this part is not limited in duration. However, the validity of a certificate issued to a medical doctor or professional nurse is conditioned on the continuous possession by the holder of a license as a medical doctor or registered nurse, respectively, issued by a State.

§ 7108. Termination of licenses and certificates of registry

When the holder of a license or certificate of registry, the duration of which is conditioned under section 7106 or 7107 of this title, fails to hold the license required as a condition, the license or certificate of registry issued under this part is terminated.

§ 7109. Renewal of licenses

A license issued under this part may be renewed for additional 5-year periods.

§ 7110. Exhibiting licenses

Each holder of a license issued under this part shall display, within 48 hours after employment on a vessel for which that license is required, the license in a conspicuous place on the vessel.

§ 7111. Licenses for fishing vessels not subject to inspection

Examinations for licensing individuals on fishing vessels not required to be inspected under part B of this subtitle shall be oral.

§ 7112. Licenses of masters or mates as pilots

A master or mate licensed under this part who also qualifies as a pilot is not required to hold 2 licenses. Instead, the qualification of the master or mate as pilot shall be endorsed on the master's or mate's license.

§ 7113. Exemption from draft

A licensed master, mate, pilot, or engineer of a vessel inspected under part B of this subtitle, propelled by machinery or carrying hazardous liquid cargoes in bulk, is not liable to draft in time of war, except for performing duties authorized by the license. When performing those duties in the service of the United States Government, the master, mate, pilot, or engineer is entitled to the highest rate of wages paid in the merchant marine of the United States for similar services. If killed or wounded when performing those duties, the master, mate, pilot, or engineer, or the heirs or legal representatives of the master, mate, pilot, or engineer, are entitled to all the privileges under the pension laws of the United States provided to members of the Armed Forces.

§ 7114. Fees

The Secretary may prescribe by regulation reasonable fees for the inspection of and the issuance of a certificate, license, or permit related to small passenger vessels and sailing school vessels.

CHAPTER 73—MERCHANT MARINERS' DOCUMENTS

Sec.
7301. General.
7302. Issuing merchant mariners' documents and continuous discharge books.
7303. Possession and description of merchant mariners' documents.
7304. Citizenship notation on for merchant mariners' documents.
7305. Oaths for holders of merchant mariners' documents.
7306. General requirements and classifications for able seamen.
7307. Able seamen—unlimited.
7308. Able seamen—limited.
7309. Able seamen—special.
7310. Able seamen—offshore supply vessels.
7311. Able seamen—sail.
7312. Scale of employment.
7313. General requirements for members of engine departments.
7314. Service requirements for qualified members of engine departments.
7315. Training.
7316. Lifeboatmen.
7317. Tankermen.
7318. Radiotelegraph operators on Great Lakes.
7319. Records of merchant mariners' documents.

§ 7301. General

(a) In this chapter—

(1) "service on deck" means service in the deck department in work related to the work usually performed on board vessels by able seamen and may include service on decked fishing vessels and on public vessels of the United States;

(2) 360 days is equal to one year's service; and

(3) a day is equal to 8 hours of labor or duty.

(b) The Secretary may prescribe regulations to carry out this chapter.

§ 7302. Issuing merchant mariners' documents and continuous discharge books

(a) The Secretary shall issue a merchant mariner's document to an individual required to have that document under part F of this subtitle if the individual satisfies the requirements of this part. The document serves as a certificate of identification and as a certificate of service, specifying each rating in which the holder is qualified to serve on board vessels on which that document is required under part F.

(b) The Secretary also may issue a continuous discharge book to an individual issued a merchant mariner's document if the individual requests.

§ 7303. Possession and description of merchant mariners' documents

A merchant mariner's document shall be retained by the seaman to whom issued. The document shall contain the signature, notations of nationality, age, and physical description, the photograph, the thumbprint, and the home address of the seaman. In addition, the document shall specify the rate or ratings in which the seaman is qualified to serve.

§ 7304. Citizenship of notation on merchant mariners' documents

An individual applying for a merchant mariner's document shall provide satisfactory proof that the individual is a citizen of

the United States before that notation is made on the document.

§ 7305. Oaths for holders of merchant mariners' documents

An applicant for a merchant mariner's document shall take, before issuance of the document, an oath that the applicant will perform faithfully and honestly all the duties required by law, and will carry out the lawful orders of superior officers.

§ 7306. General requirements and classifications for able seamen

(a) To qualify for an endorsement as able seaman authorized by this section, an applicant must provide satisfactory proof that the applicant—

(1) is at least 18 years of age;

(2) has the service required by the applicable section of this part;

(3) is qualified professionally as demonstrated by an applicable examination or educational requirements; and

(4) is qualified as to sight, hearing, and physical condition to perform the seaman's duties.

(b) The classifications authorized for endorsement as able seaman are the following:

(1) able seaman—unlimited.

(2) able seaman—limited.

(3) able seaman—special.

(4) able seaman—offshore supply vessels.

(5) able seaman—sail.

§ 7307. Able seamen—unlimited

The required service for the endorsement of able seaman—unlimited, qualified for unlimited service on a vessel on any waters, is at least 3 years' service on deck on board vessels operating at sea or on the Great Lakes.

§ 7308. Able seamen—limited

The required service for the endorsement of able seaman—limited, qualified for limited service on a vessel on any waters, is at least 18 months' service on deck on board vessels of at least 100 gross tons operating on the oceans or navigable waters of the United States (including the Great Lakes).

§ 7309. Able seamen—special

The required service for the endorsement of able seaman—special, qualified for special service on a vessel on any waters, is at least 12 months' service on deck on board vessels operating on the oceans or the navigable waters of the United States (including the Great Lakes).

§ 7310. Able seamen—offshore supply vessels

For service on a vessel of less than 500 gross tons engaged in support of exploration, exploitation, or production of offshore mineral or energy resources, an individual may be rated as able seaman—offshore supply vessels if the individual has at least 6 months' service on deck on board vessels operating on the oceans or the navigable waters of the United States (including the Great Lakes).

§ 7311. Able seamen—sail

For service on a sailing school vessel on any waters, an individual may be rated as able seaman—sail if the individual has at least 6 months' service on deck on sailing school vessels, oceanographic research vessels powered primarily by sail, or equivalent sailing vessels operating on the oceans or navigable waters of the United States (including the Great Lakes).

§ 7312. Scale of employment

(a) Individuals qualified as able seamen—unlimited under section 7307 of this title may constitute all of the able seamen required on a vessel.

(b) Individuals qualified as able seamen—limited under section 7308 of this title may constitute all of the able seamen required on a vessel of less than 1,600 gross tons or on a vessel operating on the Great Lakes and the Saint Lawrence River as far east as Sept Iles. Individuals qualified as able seamen—limited may constitute not more than 50 percent of the number of able seamen required on board other vessels.

(c) Individuals qualified as able seamen—special under section 7309 of this title may constitute—

(1) all of the able seamen required on a vessel of not more than 500 gross tons or on a seagoing barge or towing vessel; and

(2) not more than 50 percent of the number of able seamen required on board other vessels.

(d) Individuals qualified as able seamen—offshore supply vessels under section 7310 of this title may constitute all of the able seamen required on board a vessel of less than 500 gross tons engaged in support of exploration, exploitation, or production of offshore mineral or energy resources.

(e) When the service of able seaman—limited or able seamen—special is authorized for only a part of the required number of able seamen on board a vessel, the combined percentage of those individuals so qualified may not be greater than 50 percent of the required number.

§ 7313. General requirements for members of engine departments

(a) Classes of endorsement as qualified members of the engine department on vessels of at least 100 gross tons (except vessels operating on rivers or lakes (except the Great Lakes)) may be prescribed by regulation.

(b) The ratings of wiper and coal passer are entry ratings and are not ratings as qualified members of the engine department.

(c) An applicant for an endorsement as qualified member of the engine department must provide satisfactory proof that the applicant—

(1) has the service required by section 7314 of this title;

(2) is qualified professionally as demonstrated by an applicable examination; and

(3) is qualified as to sight, hearing, and physical condition to perform the member's duties.

§ 7314. Service requirements for qualified members of engine departments

To qualify for an endorsement as qualified member of the engine department, an applicant must provide proof that the applicant has 6 months' service in the related entry rating as described in section 7313(b) of this title.

§ 7315. Training

(a) Graduation from a nautical school vessel approved under law and regulation may be substituted for the service requirements under section 7307 or 7314 of this title.

(b) The satisfactory completion of other courses of instruction approved by the Secretary may be substituted for not more than one-third of the required service on deck at sea under sections 7307-7311 of this title.

(c) The satisfactory completion of other courses of instruction approved by the Secretary may be substituted for not more than one-half of the required service at sea under section 7314 of this title.

§ 7316. Lifeboatmen

To qualify for an endorsement as lifeboatman, an applicant must provide satisfactory proof that the applicant—

(1) has the service or training required by regulation;

(2) is qualified professionally as demonstrated by examination; and

(3) is qualified professionally by actual demonstration.

§ 7317. Tankermen

(a) The Secretary shall prescribe procedures, standards, and qualifications for the issuance of certificates or endorsements as tankerman, stating the types of oil or hazardous material that can be handled with safety to the vessel and the marine environment.

(b) An endorsement as tankerman shall indicate the grades or types of cargo the holder is qualified and authorized to handle with safety on board vessels.

§ 7318. Radiotelegraph operators on Great Lakes

(a) A radiotelegraph operator on the Great Lakes only shall have a first-class or second-class radiotelegraph operator's license issued by the Federal Communications Commission.

(b) An endorsement as radiotelegraph operator on the Great Lakes only ends if the holder ceases to hold the license issued by the Commission.

§ 7319. Records of merchant mariners' documents

The Secretary shall maintain records on each merchant mariner's document issued, including the name and address of the seaman to whom issued and the next of kin of the seaman. The records are not open to general or public inspection.

CHAPTER 75—GENERAL PROCEDURES FOR LICENSING, CERTIFICATION, AND DOCUMENTATION

Sec.

7501. Duplicates.

7502. Records.

7503. Dangerous drugs as grounds for denial.

§ 7501. Duplicates

(a) If a license, certificate, or document issued under this part is lost as a result of a marine casualty, the holder shall be supplied with a duplicate without cost.

(b) For any other loss, the seaman may obtain a duplicate on payment of reasonable costs prescribed by regulation by the Secretary.

§ 7502. Records

The Secretary shall maintain records on the issuances, denials, suspensions, and revocations of licenses, certificates of registry, merchant mariners' documents, and endorsements on those licenses, certificates, and documents.

§ 7503. Dangerous drugs as grounds for denial

(a) In this section, "dangerous drug" means a narcotic drug, controlled substance, and marihuana (as defined in section 102 of the Comprehensive Drug Abuse Prevention and Control Act of 1970 (21 U.S.C. 802)).

(b) A license, certificate, or document authorized to be issued under this part may be denied to an individual who—

(1) within 10 years before applying for the license, certificate, or document, has been convicted of violating a dangerous drug law of the United States or of a State; or

(2) when applying, has ever been a user of, or addicted to, a dangerous drug unless the individual provides satisfactory proof that the individual is cured.

CHAPTER 77—SUSPENSION AND REVOCATION

Sec.
7701. General.
7702. Administrative procedure.
7703. Bases for suspension or revocation.
7704. Dangerous drugs as grounds for revocation.
7705. Subpenas and oaths.

§ 7701. General

(a) The purpose of suspension and revocation proceedings is to promote safety at sea.

(b) Licenses, certificates of registry, and merchant mariners' documents may be suspended or revoked for acts described in section 7703 of this title.

(c) When a license, certificate of registry, or merchant mariner's document has been revoked under this chapter, the former holder may be issued a new license, certificate, or document only after it has been decided, under regulations prescribed by the Secretary, that the issuance is compatible with the requirements of good discipline and safety at sea.

(d) The Secretary may prescribe regulations to carry out this chapter.

§ 7702. Administrative procedure

(a) Sections 551-559 of title 5 apply to each hearing under this chapter about suspending or revoking a license, certificate of registry, or merchant mariners' document.

(b) The individual whose license, certificate of registry, or merchant mariner's document has been suspended or revoked under this chapter may appeal, within 30 days, the suspension or revocation to the Secretary.

§ 7703. Bases for suspension or revocation

A license, certificate, or merchant mariner's document issued by the Secretary may be suspended or revoked if, when acting under the authority of that license, certificate, or document, the holder—

(1) has violated or failed to comply with this subtitle, a regulation prescribed under this subtitle, or any other law or regulation intended to promote marine safety or to protect navigable waters.

(2) has committed an act of incompetence, misconduct, or negligence.

§ 7704. Dangerous drugs as grounds for revocation

(a) In this section, "dangerous drug" means a narcotic drug, controlled substance, and marihuana (as defined in section 102 of the Comprehensive Drug Abuse Prevention and Control Act of 1970 (21 U.S.C. 802)).

(b) If it is shown at a hearing under this chapter that a holder of a license, certificate of registry, or document issued under this part, within 10 years before the beginning of the proceedings, has been convicted of violating a dangerous drug law of the United States or of a State, the license, certificate, or document shall be revoked.

(c) If it is shown that a holder has been a user of, or addicted to, a dangerous drug, the license, certificate, or document shall be revoked unless the holder provides satisfactory proof that the holder is cured.

§ 7705. Subpenas and oaths

(a) An official designated to investigate or preside at a hearing on matters that are grounds for suspension or revocation of licenses, certificates, and documents may administer oaths and issue subpenas to compel the attendance and testimony of witnesses and the production of records or other evidence during investigations and at hearings.

(b) The jurisdictional limits of a subpena issued under this section are the same as, and are enforceable in the same manner as, subpenas issued under chapter 63 of this title.

PART F—MANNING OF VESSELS

CHAPTER 81—GENERAL

Sec.
8101. Complement of inspected vessels.
8102. Watchmen.
8103. Citizenship and Naval Reserve requirements.
8104. Watches.
8105. Regulations.

§ 8101. Complement of inspected vessels

(a) The certificate of inspection issued to a vessel under part B of this subtitle shall state the complement of licensed individuals and crew (including lifeboatmen) considered by the Secretary to be necessary for safe operation. A manning requirement imposed on a sailing school vessel shall consider the participation of sailing school instructors and sailing school students in the operation of that vessel.

(b) The Secretary may modify the complement, by endorsement on the certificate, for reasons of changed conditions or employment.

(c) A requirement made under this section by an authorized official may be appealed to the Secretary under prescribed regulations.

(d) A vessel to which this section applies may not be operated without having in its service the complement required in the certificate of inspection.

(e) When a vessel is deprived of the service of a member of its complement without the consent, fault, or collusion of the owner, charterer, managing operator, agent, master, or individual in charge of the vessel, the master shall engage, if obtainable, a number of members equal to the number of those of whose services the master has been deprived. The replacements must be of the same or a higher grade or rating than those whose places they fill. If the master finds the vessel is sufficiently manned for the voyage, and replacements are not available to fill all the vacancies, the vessel may proceed on its voyage. Within 12 hours after the vessel arrives at its destination, the master shall report in writing to the Secretary the cause of each deficiency in the complement. A master failing to make the report is liable to the United States Government for a civil penalty of $50 for each deficiency.

(f) The owner, charterer, or managing operator of a vessel not manned as required by this section is liable to the Government for a civil penalty of $100, or, for a deficiency of a licensed individual, a penalty of $500.

(g) A person may not employ an individual as, and an individual may not serve as, a master, mate, engineer, radio officer, or pilot of a vessel to which this part or part B of this subtitle applies if the individual is not licensed by the Secretary. A person (including an individual) violating this subsection is liable to the Government for a civil penalty of not more than $500. Each day of a continuing violation is a separate offense.

(h) The owner, charterer, or managing operator of a freight vessel of less than 100 gross tons, a small passenger vessel, or a sailing school vessel not manned as required by this section is liable to the Government for a civil penalty of $1,000. The vessel also is liable in rem for the penalty.

§ 8102. Watchmen

The owner, charterer, or managing operator of a vessel carrying passengers during the nighttime shall keep a suitable number of watchmen in the vicinity of the cabins or staterooms and on each deck to guard against and give alarm in case of a fire or other danger. An owner, charterer, or managing operator failing to provide watchmen required by this section is liable to the United States Government for a civil penalty of $1,000.

§ 8103. Citizenship and Naval Reserve requirements

(a) Only a citizen of the United States may serve as master, chief engineer, or officer in charge of a deck watch or engineering watch on a documented vessel.

(b) On each departure of a documented vessel (except a fishing or whaling vessel or yacht) from a port of the United States, 75 percent of the seamen (excluding licensed individuals) must be citizens of the United States. If the Secretary decides, on investigation, that qualified citizen seamen are not available, the Secretary may reduce the percentage.

(c) On each departure from the United States of a vessel (except a passenger vessel) for which a construction or operating differential subsidy has been granted, all of the seamen of the vessel must be citizens of the United States.

(d)(1) On each departure from the United States of a passenger vessel for which a construction or operating differential subsidy has been granted, at least 90 percent of the entire complement (including licensed individuals) must be citizens of the United States.

(2) An individual not required by this subsection to be a citizen of the United States may be engaged only if the individual has a declaration of intention to become a citizen of the United States or other evidence of admission to the United States for permanent residence. An alien may be employed only in the steward's department of the passenger vessel.

(e) If a documented vessel is deprived for any reason of the services of an individual (except the master) when on a foreign voyage and a vacancy consequently occurs, until the vessel's first return to a United States port at which a replacement who is a citizen of the United States can be obtained, an individual not a citizen of the United States may serve in—

(1) the vacancy; or

(2) a vacancy resulting from the promotion of another individual to fill the original vacancy.

(f) A person employing an individual in violation of this section or a regulation prescribed under this section is liable to the United States Government for a civil penalty of $500 for each individual so employed.

(g) A deck or engineer officer employed on a vessel on which an operating differential subsidy is paid, or employed on a vessel (except a vessel of the Coast Guard or Saint Lawrence Seaway Development Corporation) owned or operated by the Department of Transportation or by a corporation organized or controlled by the Department, if eligible, shall be a member of the Naval Reserve.

(h) The President may—

(1) suspend any part of this section during a proclaimed national emergency; and

(2) when the needs of commerce require, suspend as far and for a period the President considers desirable, subsection (a) of

this section for crews of vessels of the United States documented for foreign trade.

§ 8104. Watches

(a) An owner, charterer, managing operator, master, individual in charge, or other person having authority may permit an officer to take charge of the deck watch on a vessel when leaving or immediately after leaving port only if the officer has been off duty for at least 6 hours within the 12 hours immediately before the time of leaving.

(b) On an oceangoing or coastwise vessel of not more than 100 gross tons, a licensed individual may not be required to work more than 9 of 24 hours when in port, including the date of arrival, or more than 12 of 24 hours at sea, except in an emergency when life or property are endangered.

(c) On a towing vessel (except a towing vessel operated only for fishing or engaged in salvage operations) operating on the Great Lakes, harbors of the Great Lakes, and connecting or tributary waters between Gary, Indiana, Duluth, Minnesota, Niagara Falls, New York, and Ogdensburg, New York, a licensed individual or seaman in the deck or engine department may not be required or permitted to work more than 8 hours in one day, except in an emergency when life or property are endangered.

(d) On a merchant vessel of more than 100 gross tons (except a vessel only operating on rivers, harbors, lakes (except the Great Lakes), bays, sounds, bayous, and canals, a fishing or whaling vessel, yacht, or vessel engaged in salvage operations), the licensed individuals, sailors, coal passers, firemen, oilers, and water tenders shall be divided, when at sea, into at least 3 watches, and shall be kept on duty successively to perform ordinary work incident to the operation and management of the vessel. The requirement of this subsection applies to radio officers only when at least 3 radio officers are employed. A licensed individual or seaman in the deck or engine department may not be required to work more than 8 hours in one day.

(e) On a vessel designated by subsections (c) and (d) of this section—

(1) a seaman may not be—

(A) engaged to work alternately in the deck and engine departments; or

(B) required to work in the engine department if engaged for deck department duty or required to work in the deck department if engaged for engine department duty;

(2) a seaman may not be required to do unnecessary work on Sundays, New Year's Day, July 4th, Labor Day, Thanksgiving Day, or Christmas Day, when the vessel is in a safe harbor, but this clause does not prevent dispatch of a vessel on a voyage; and

(3) when the vessel is in a safe harbor, 8 hours (including anchor watch) is a day's work.

(f) Subsections (d) and (e) of this section do not limit the authority of the master or other officer or the obedience of the seamen when, in the judgment of the master or other officer, any part of the crew is needed for—

(1) maneuvering, shifting the berth of, mooring, or unmooring, the vessel;

(2) performing work necessary for the safety of the vessel, or the vessel's passengers, crew, or cargo;

(3) saving life on board another vessel in jeopardy; or

(4) performing fire, lifeboat, or other drills in port or at sea.

(g) On a towing vessel (except a vessel to which subsection (c) of this section applies), an offshore supply vessel, or a barge to which this section applies, that is engaged on a voyage of less than 600 miles, the licensed individuals and crewmembers (except the coal passers, firemen, oilers, and water tenders) may be divided, when at sea, into at least 2 watches.

(h) On a vessel to which section 8904 of this title applies, an individual licensed to operate a towing vessel may not work for more than 12 hours in a consecutive 24-hour period except in an emergency.

(i) A person violating subsection (a) or (b) of this section is liable to the United States Government for a civil penalty of $100.

(j) The owner, charterer, or managing operator of a vessel on which a violation of subsection (c), (d), (e), of (h) of this section occurs is liable to the Government for a civil penalty of $500. The seaman is entitled to discharge from the vessel and receipt of wages earned.

§ 8105. Regulations

The Secretary may prescribe regulations to carry out this part.

CHAPTER 83—MASTERS AND OFFICERS

Sec.
8301. Minimum number of licensed individuals.
8302. Staff department.
8303. Service under licenses issued without examination.
8304. Implementing the Officers' Competency Certificates Convention, 1936.

§ 8301. Minimum number of licensed individuals

(a) Except as provided in chapter 89 of this title and except for a vessel operating only on rivers, harbors, lakes, bays, sounds, bayous, and canals, a vessel to which part B of this subtitle applies shall engage a minimum of licensed individuals as follows:

(1) Each of those vessels shall have a licensed master.

(2) A vessel of at least 1,000 gross tons and propelled by machinery shall have 3 licensed mates. However, if the vessel is on a voyage of less than 400 miles from port of departure to port of final destination, it shall have 2 licensed mates.

(3) A vessel of at least 200 gross tons but less than 1,000 gross tons and propelled by machinery shall have 2 licensed mates.

(4) A vessel of at least 100 gross tons but less than 200 gross tons and propelled by machinery shall have one licensed mate. However, if the vessel is on a voyage of more than 24 hours, it shall have 2 licensed mates.

(5) A freight vessel or a passenger vessel of at least 300 gross tons and propelled by machinery shall have a licensed engineer.

(b) An offshore supply vessel on a voyage of less than 600 miles shall have a licensed mate. However, if the vessel is on a voyage of at least 600 miles, the vessel shall have 2 licensed mates. An offshore supply vessel of more than 200 gross tons may not be operated without a licensed engineer.

(c) Subsection (a) of this section does not apply to a fishing or whaling vessel or a yacht.

(d) The Secretary may—

(1) suspend any part of this chapter during a national emergency proclaimed by the President; *and*

(2) increase the number of licensed individuals on a vessel to which this chapter applies if, in the Secretary's judgment, the vessel is not sufficiently manned for safe operation.

§ 8302. Staff department

(a) This section applies to a vessel of the United States except—

(1) a fishing or whaling vessel or a yacht;

(2) a vessel operated only on bays, sounds, inland waters, and lakes (except the Great Lakes); and

(3) a vessel ferrying passengers and cars on the Great Lakes.

(b) The staff department on a vessel is a separate and independent department. It consists of individuals registered under section 7101 of this title, clerks and individuals assigned to the senior registered medical doctor.

(c) The staff department is composed of a medical division and a purser's division. The officer in charge of each division is responsible only to the master. The senior registered medical doctor is in charge of the medical division. The senior registered purser is in charge of the purser's division.

(d) The officer in charge of the purser's division of the staff department on an oceangoing passenger vessel licensed to carry more than 100 passengers shall be a registered chief purser. When more than 3 persons are employed in the purser's division of that vessel, there also shall be at least one registered senior assistant purser and one registered junior assistant purser.

(e) A person may not employ an individual to serve in, and an individual may not serve in, a grade of staff officer on a vessel, when that staff officer is required by this section to be registered, if the individual does not have a certificate of registry as staff officer in that grade. A person (including an individual) violating this subsection is liable to the United States Government for a civil penalty of $100. However, if a registered staff officer is not available at the time of sailing, the vessel may sail with an unregistered staff officer or without a staff officer.

(f) A staff officer may not be included in a vessel's certificate of inspection.

(g) A registered staff officer serving under this section who is a member of the Naval Reserve may wear on the officer's uniform special distinguishing insignia prescribed by the Secretary of the Navy.

(h) The uniform stripes, decoration, or other insignia worn by a staff officer shall be of gold braid or woven gold or silver material. A crewmember (except a staff officer) may not wear any uniform with a staff officer's identifying insignia.

§ 8303. Service under licenses issued without examination

An individual issued a license without examination before October 29, 1941, to serve as master, mate, or engineer on a vessel not subject to inspection under part B of this subtitle, may not serve under authority of that license on a vessel that is subject to inspection under part B.

§ 8304. Implementing the Officers' Competency Certificates Convention, 1936

(a) In this section, "high seas" means waters seaward of the Boundary Line.

(b) The Officers' Competency Certificates Convention, 1936 (International Labor Organization Draft Convention Numbered 53, on the minimum requirement of professional capacity for masters and officers on board merchant vessels), as ratified by the President on September 1, 1938, with understandings appended, and this section apply to a documented vessel operating on the high seas except—

(1) a public vessel;

(2) a wooden vessel of primitive build, such as a dhow or junk;
(3) a barge; and
(4) a vessel of less than 200 gross tons.

(c) A person may not engage or employ an individual to serve as, and an individual may not serve as, a master, mate, or engineer on a vessel to which this section applies, if the individual does not have a license issued under section 7101 of this title authorizing service in the capacity in which the individual is to be engaged or employed.

(d) A person (including an individual) violating this section is liable to the United States Government for a civil penalty of $100.

(e) A license issued to an individual to whom this section applies is a certificate of competency.

(f) A designated official may detain a vessel to which this section applies (by written order served on the owner, charterer, managing operator, agent, master, or individual in charge of the vessel) when there is reason to believe that the vessel is about to proceed from a port of the United States to the high seas in violation of this section or a provision of the convention described in subsection (b) of this section. The vessel may be detained until the vessel complies with this section. Clearance may not be granted to a vessel ordered detained under this section.

(g) A foreign vessel to which the convention described in subsection (b) of this section applies, on the navigable waters of the United States, is subject to detention under subsection (f) of this section, and to an examination that may be necessary to decide if there is compliance with the convention.

(h) The owner, charterer, managing operator, agent, master, or individual in charge of a vessel detained under subsection (f) or (g) of this section may appeal the order within 5 days as provided by regulation.

(i) An officer or employee of the Customs Service may be designated to enforce this section.

CHAPTER 85—PILOTS

Sec.
8501. State regulation of pilots.
8502. Federal pilots required.

§ 8501. State regulation of pilots

(a) Except as otherwise provided in this part, pilots in the bays, rivers, harbors, and ports of the United States shall be regulated only in conformity with the laws of the States.

(b) The master of a vessel entering or leaving a port on waters that are a boundary between 2 States, and that is required to have a pilot under this section, may employ a pilot licensed or authorized by the laws of either of the 2 States.

(c) A State may not adopt a regulation or provision that discriminates in the rate of pilotage or half-pilotage between vessels sailing between the ports of one State and vessels sailing between the ports of different States, or against vessels because of their means of propulsion, or against public vessels of the United States.

(d) A State may not adopt a regulation or provision that requires a coastwise vessel to take a pilot licensed or authorized by the laws of a State if the vessel—

(1) is propelled by machinery and subject to inspection under part B of this subtitle; or

(2) is subject to inspection under chapter 37 of this title.

(e) Any regulation or provision violating this section is void.

§ 8502. Federal pilots required

(a) A coastwise seagoing vessel, when not sailing on register and when underway (except on the high seas), shall be under the direction and control of a pilot licensed under section 7101 of this title if the vessel is—

(1) propelled by machinery and subject to inspection under part B of this subtitle; or

(2) subject to inspection under chapter 37 of this title.

(b) The fees charged for pilotage by pilots required under this section may not be more than the customary or legally established rates in the States in which the pilotage is performed.

(c) A State or political subdivision of a State may not impose on a pilot licensed under this subtitle an obligation to procure a State or other license, or adopt any other regulation that will impede the pilot in the performance of the pilot's duties under the laws of the United States.

(d) A State or political subdivision of a State may not levy pilot charges on a vessel lawfully piloted by a pilot required under this section.

(e) The owner, charterer, managing operator, agent, master, or individual in charge of a vessel operated in violation of this section or a regulation prescribed under this section is liable to the United States Government for a civil penalty of $500. The vessel also is liable in rem for the penalty.

(f) An individual serving as a pilot without having a license required by this section or a regulation prescribed under this section is liable to the Government for a civil penalty of $500.

CHAPTER 87—UNLICENSED PERSONNEL

Sec.
8701. Merchant mariners' documents required.
8702. Certain crew requirements.
8703. Tankermen on tank vessels.

§ 8701. Merchant mariners' documents required

(a) This section applies to a merchant vessel of at least 100 gross tons except—

(1) a vessel operating only on rivers and lakes (except the Great Lakes);

(2) a barge (except a seagoing barge or a barge to which chapter 37 of this title applies);

(3) a fishing or whaling vessel or a yacht;

(4) a sailing school vessel with respect to sailing school instructors and sailing school students; and

(5) an oceanographic research vessel with respect to scientific personnel.

(b) A person may not engage or employ an individual, and an individual may not serve, on board a vessel to which this section applies if the individual does not have a merchant mariner's document issued to the individual under section 7302 of this title. Except for an individual required to be licensed or registered under this part, the document must authorize service in the capacity for which the holder of the document is engaged or employed.

(c) On a vessel to which section 10306 or 10503 of this title does not apply, an individual required by this section to hold a merchant mariner's document must exhibit it to the master of the vessel before the individual may be employed.

(d) A person (including an individual) violating this section is liable to the United States Government for a civil penalty of $500.

§ 8702. Certain crew requirements

(a) This section applies to a vessel of at least 100 gross tons except—

(1) a vessel operating only on rivers and lakes (except the Great Lakes);

(2) a barge (except a seagoing barge or a barge to which chapter 37 of this title applies);

(3) a fishing or whaling vessel or a yacht;

(4) a sailing school vessel with respect to sailing school instructors and sailing school students; and

(5) an oceanographic research vessel with respect to scientific personnel.

(b) A vessel may depart from a port of the United States only if at least—

(1) 75 percent of the crew in each department on board is able to understand any order spoken by the officers, and

(2) 65 percent of the deck crew (excluding licensed individuals) have merchant mariners' documents endorsed for a rating of at least able seaman, except that this percentage may be reduced to 50 percent on a vessel permitted under section 8104 of this title to maintain a 2-watch system.

(c) An able seaman is not required on a towing vessel operating on bays and sounds connected directly with the seas.

(d) An individual having a rating of less than able seaman may not be permitted at the wheel in ports, harbors, and other waters subject to congested vessel traffic, or under conditions of reduced visibility, adverse weather, or other hazardous circumstances.

(e) The owner, charterer, managing operator, agent, master, or individual in charge of a vessel operated in violation of this section or a regulation prescribed under this section is liable to the United States Government for a civil penalty of $500.

§ 8703. Tankermen on tank vessels

(a) A vessel of the United States to which chapter 37 of this title applies, that has on board oil or hazardous material in bulk as cargo or cargo residue, shall have a specified number of the crew certified as tankermen as required by the Secretary. This requirement shall be noted on the certificate of inspection issued to the vessel.

(b) The Secretary shall prescribe procedures, standards, and qualifications for the issuance of certificates as tankermen, stating the types of oil or hazardous material that can be handled with safety to the vessel and the marine environment.

(c) A vessel to which section 3702(b) of this title applies shall have on board as a crewmember in charge of the transfer operation an individual certified as a tankerman (qualified for the grade of fuel transferred), unless a master, mate, pilot, engineer, or operator licensed under section 7101 of this title is present in charge of the transfer. If the vessel does not have that individual on board, chapter 37 of this title applies to the vessel.

CHAPTER 89—SMALL VESSEL MANNING

Sec.
8901. Freight vessels.
8902. Small passenger vessels.
8903. Uninspected passenger vessels.
8904. Towing vessels.
8905. Exemptions.
8906. Penalty.

§ 8901. Freight vessels

A freight vessel of less than 100 gross tons shall be operated by an individual licensed by the Secretary to operate that type of

vessel in the particular geographic area, under prescribed regulations.

§ 8902. Small passenger vessels

A small passenger vessel shall be operated by an individual licensed by the Secretary to operate that type of vessel in the particular geographic area, under prescribed regulations.

§ 8903. Uninspected passenger vessels

An uninspected passenger vessel shall be operated by an individual licensed by the Secretary to operate that type of vessel, under prescribed regulations.

§ 8904. Towing vessels

A towing vessel that is at least 26 feet in length measured from end to end over the deck (exluding sheer), shall be operated by an individual licensed by the Secretary to operate that type of vessel in the particular geographic area, under prescribed regulations.

§ 8905. Exemptions

(a) Section 8903 of this title applies to a recreational vessel operated in dealer demonstrations only if the Secretary decides that the application of section 8903 is necessary for recreational vessel safety under section 4302(d) of this title.

(b) Section 8904 of this title does not apply to a vessel of less than 200 gross tons engaged in the offshore mineral and oil industry if the vessel has offshore mineral and oil industry sites or equipment as its ultimate destination or place of departure.

§ 8906. Penalty

An owner, charterer, managing operator, agent, master, or individual in charge of a vessel operated in violation of this chapter or a regulation prescribed under this chapter is liable to the United States Government for a civil penalty of $1,000. The vessel also is liable in rem for the penalty.

CHAPTER 91—TANK VESSEL MANNING STANDARDS

Sec.
9101. Standards for foreign tank vessels.
9102. Standards for tank vessels of the United States.

§ 9101. Standards for foreign tank vessels

(a) The Secretary shall—

(1) periodically evaluate the manning, training, qualification, and watchkeeping standards prescribed by the certificating country of a foreign vessel to which chapter 37 of this title applies, that operates on the navigable waters of the United States and transfers oil or hazardous material in a port or place under the jurisdiction of the United States; and

(2) after each evaluation made under clause (1) of this subsection, decide whether the foreign country, whose system for licensing and certification of seamen was evaluated, has standards that are equivalent to or more stringent than United States standards or international standards accepted by the United States.

(b) A foreign vessel to which chapter 37 of this title applies that has on board oil or hazardous material in bulk as cargo or cargo residue shall have a specified number of personnel certified as tankerman or equivalent, as required by the Secretary, when the vessel transfers oil or hazardous material in a port or place subject to the jurisdiction of the United States. The requirement of this subsection shall be noted in applicable terminal operating procedures. A transfer operation may take place only if the crewmember in charge is capable of clearly understanding instructions in English.

§ 9102. Standards for tank vessels of the United States

(a) The Secretary shall prescribe standards for the manning of each vessel of the United States to which chapter 37 of this title applies, related to the duties, qualifications, and training of the officers and crew of the vessel, including standards related to—

(1) instruction in vessel and cargo handling and vessel navigation under normal operating conditions in coastal and confined waters and on the high seas;

(2) instruction in vessel and cargo handling and vessel navigation in emergency situations and under marine casualty or potential casualty conditions;

(3) qualifications for licenses by specific type and size of vessels;

(4) qualifications for licenses by use of simulators for the practice or demonstration of marine-oriented skills;

(5) minimum health and physical fitness criteria for various grades of licenses and certificates;

(6) periodic retraining and special training for upgrading positions, changing vessel type or size, or assuming new responsibilities; and

(7) decisions about licenses and certificates, conditions of licensing or certification, and periods of licensing or certification by reference to experience, amount of training completed, and regular performance testing.

(b) The Secretary shall waive the application of criteria required by subsection (a)(5) of this section for an individual having a license or certificate (including a renewal of the license or certificate) in effect on October 17, 1978. When the waiver is granted, the Secretary may prescribe conditions for the license or certificate and its renewal, as the Secretary decides are reasonable and necessary for the safety of a vessel on which the individual may be employed.

CHAPTER 93—GREAT LAKES PILOTAGE

Sec.
9301. Definitions.
9302. Great Lakes pilots required.
9303. United States registered pilot service.
9304. Pilotage pools.
9305. Agreements with Canada.
9306. State regulation prohibited.
9307. Great Lakes Pilotage Advisory Committee.
9308. Penalties.

§ 9301. Definitions

In this chapter—

(1) "Canadian registered pilot" means an individual (except a regular crewmember of a vessel) who is registered by Canada on the same basis as an individual registered under section 9303 of this title.

(2) "Great Lakes" means Lakes Superior, Michigan, Huron, Erie, and Ontario, their connecting and tributary waters, the Saint Lawrence River as far east as Saint Regis, and adjacent port areas.

(3) "United States registered pilot" means an individual (except a regular crewmember of a vessel) who is registered under section 9303 of this title.

§ 9302. Great Lakes pilots required

(a)(1) Except as provided in subsections (d) and (e) of this section, each vessel of the United States operating on register and each foreign vessel shall engage a United States or Canadian registered pilot for the route being navigated who shall—

(A) in waters of the Great Lakes designated by the President, direct the navigation of the vessel subject to the customary authority of the master; and

(B) in waters of the Great Lakes not designated by the President, be on board and available to direct the navigation of the vessel at the discretion of and subject to the customary authority of the master.

(2) The President shall make water designations under this subsection with regard to the public interest, the effective use of navigable waters, marine safety, and the foreign relations of the United States.

(b) An individual of a vessel licensed for navigation on the Great Lakes under section 7101 of this title, or equivalent provisions of Canadian law, and qualified for the route being navigated, may serve as the pilot required on waters not designated by the President.

(c) The authority extended under subsections (a) and (b) of this section to a Canadian registered pilot or other Canadian licensed officer to serve on certain vessels in United States waters of the Great Lakes shall continue as long as Canada extends reciprocity to United States registered pilots and other individuals licensed by the United States for pilotage service in Canadian waters of the Great Lakes.

(d) A vessel may be operated on the United States waters of the Great Lakes without a United States or Canadian registered pilot when—

(1) the Secretary notifies the master that a registered pilot is not available; or

(2) the vessel or its cargo is in distress or jeopardy.

(e) A Canadian vessel regularly operating on the Great Lakes or between ports on the Great Lakes and the Saint Lawrence River, with only an occasional voyage to ports in the maritime provinces of Canada in the Canadian coastal trade, is exempt from subsections (a) and (b) of this section as long as Canada permits enrolled vessels of the United States to be operated on Canadian waters of the Great Lakes under the direction of individuals licensed under section 7101 of this title.

§ 9303. United States registered pilot service

(a) The Secretary shall prescribe by regulation standards of competency to be met by each applicant for registration under this chapter. An applicant must—

(1) have a license as master, mate, or pilot issued under section 7101 of this title;

(2) have acquired at least 24 months licensed service or equivalent experience on vessels or integrated towing vessels and tows of at least 4,000 gross tons, operating on the Great Lakes or oceans, with a minimum of 6 months of that service or experience having been on the Great Lakes; and

(3) agree that, if appointed as a United States registered pilot, the applicant will be available for service when required.

(b) The Secretary shall issue to each registered pilot under this chapter a certificate of registration describing the areas within which the pilot may serve. The pilot shall carry the certificate when in the service of a vessel.

(c) The Secretary shall prescribe by regulation the duration of validity of registration.

(d) The Secretary may prescribe by regulation the conditions for service by United States registered pilots, including availability for service.

(e) Subject to sections 551-559 of title 5, the Secretary may suspend or revoke a certificate of registration issued under this section if the holder fails to comply with a reg-

ulation prescribed under this chapter. Suspension or revocation of the holder's license under chapter 77 of this title includes the holder's certificate of registration.

(f) The Secretary shall prescribe by regulation rates and charges for pilotage services, giving consideration to the public interest and the costs of providing the services.

§ 9304. Pilotage pools

(a) The Secretary may authorize the formation of a pool by a voluntary association of United States registered pilots to provide for efficient dispatching of vessels and rendering of pilotage services.

(b) For pilotage pools, the Secretary may—

(1) limit the number of the pools;

(2) prescribe regulations for their operation and administration;

(3) prescribe a uniform system of accounts;

(4) perform audits and inspections; and

(5) require coordination on a reciprocal basis with similar pool arrangements authorized by the appropriate agency of Canada.

§ 9305. Agreements with Canada

To provide for a coordinated system of pilotage service on the Great Lakes, the Secretary, subject to the concurrence of the Secretary of State, may make agreements with the appropriate agency of Canada to—

(1) fix the number of pilots to be registered in each country;

(2) provide for participation on an equitable basis;

(3) prescribe joint or identical rates and charges;

(4) coordinate pool operations; and

(5) establish conditions for services by registered pilots.

§ 9306. State regulation prohibited

A State or political subdivision of a State may not regulate or impose any requirement on pilotage on the Great Lakes.

§ 9307. Great Lakes Pilotage Advisory Committee

(a) The Secretary may establish a Great Lakes Pilotage Advisory Committee. The Committee—

(1) may review proposed Great Lakes pilotage regulations and policies and make recommendations to the Secretary that the Committee considers appropriate;

(2) may make available to Congress recommendations that the Committee makes to the Secretary; and

(3) shall meet at the call of the Secretary.

(b) The Committee shall consist of 3 members appointed by the Secretary each of whom has at least 5 years practical experience in maritime operations. The term of each member is for a period of not more than 5 years, specified by the Secretary. Before filling a position on the Committee, the Secretary shall publish a notice in the Federal Register soliciting nominations for membership on the Committee.

(c) When attending meetings or otherwise serving at the request of the Secretary, a member of the Committee (except a member regularly employed by the United States Government) may be paid at a rate of not more than $75 a day. When serving away from home or regular place of business, the member may be allowed travel expenses, including per diem in lieu of subsistence as authorized by section 5703 of title 5 for individuals employed intermittently in the Government service.

§ 9308. Penalties

(a) An owner, charterer, managing operator, agent, master, or individual in charge of a vessel knowingly allowing the vessel to be operated in violation of section 9302 of this title is liable to the United States Government for a civil penalty of $500 for each day during which the vessel is in violation. The vessel also is liable in rem for the penalty.

(b) An individual who directs the navigation of a vessel in violation of section 9302 of this title is liable to the Government for a civil penalty of $500 for each day during which the violation occurs.

(c) A person violating a regulation prescribed under section 9303 of this title is liable to the Government for a civil penalty of $500.

PART G—MERCHANT SEAMEN PROTECTION AND RELIEF

CHAPTER 101—GENERAL

Sec.
10101. Definitions.
10102. Designations and duties of shipping commissioners.
10103. Reports.
10104. Regulations.

§ 10101. Definitions

In this part—

(1) "master" means the individual having command of a vessel owned by a citizen of the United States.

(2) "owner" means the person to whom the vessel belongs.

(3) "seaman" means an individual (except scientific personnel, a sailing school instructor, or a sailing school student) engaged or employed in any capacity on board a vessel owned by a citizen of the United States.

§ 10102. Designations and duties of shipping commissioners

(a) The Secretary shall designate officers, employees, and members of the Coast Guard to act as shipping commissioners under this part. The Secretary may designate officers and employees of the Customs Service as shipping commissioners.

(b) The general duties of shipping commissioners are to supervise the engagement and discharge of seamen.

(c) The owner, charterer, managing operator, agent, or master of the vessel shall perform the duties of shipping commissioner when a shipping commissioner is not available.

§ 10103. Reports

(a) A master of a vessel to which section 8701(a) of this title applies, who engages or discharges a seaman without a shipping commissioner being present, shall submit reports in the form, content, and manner of filing as prescribed by regulation, to ensure compliance with laws related to manning and the engagement and discharge of seamen.

(b) This section does not apply to a ferry or towing vessel operated in connection with a ferry operation, employed only in trades other than with foreign ports, lakes, bays, sounds, bayous, canals, or harbors.

§ 10104. Regulations

The Secretary may prescribe regulations to carry out this part.

CHAPTER 103—FOREIGN AND INTERCOASTAL VOYAGES

Sec.
10301. Application.
10302. Shipping articles agreements.
10303. Provisions.
10304. Form of agreement.
10305. Manner of signing agreement.
10306. Exhibiting merchant mariners' documents.
10307. Posting agreements.
10308. Foreign engagements.
10309. Engaging seamen to replace those lost by desertion or casualty.
10310. Discharge.
10311. Certificates of discharge.
10312. Settlements on discharge.
10313. Wages.
10314. Advances.
10315. Allotments.
10316. Trusts.
10317. Loss of lien and right to wages.
10318. Wages on discharge in foreign ports.
10319. Costs of a criminal conviction.
10320. Records of seamen.
10321. General penalty.

§ 10301. Application

(a) Except as otherwise specifically provided, this chapter applies to a vessel of the United States—

(1) on a voyage between a port in the United States and a port in a foreign country (except a port in Canada, Mexico, or the West Indies); or

(2) of at least 75 gross tons on a voyage between a port of the United States on the Atlantic Ocean and a port of the United States on the Pacific Ocean.

(b) This chapter does not apply to a vessel on which the seamen are entitled by custom or agreement to share in the profit or result of a voyage.

(c) Unless otherwise provided, this chapter does not apply to a foreign vessel.

§ 10302. Shipping articles agreements

(a) Before proceeding on a voyage, the master of a vessel to which this chapter applies shall make a shipping articles agreement in writing with each seaman in the crew.

(b) The agreement shall contain the following:

(1) the nature, and, as far as practicable, the duration of the intended voyage, and the port or country in which the voyage is to end.

(2) the number and description of the crew and the capacity in which each seaman is to be engaged.

(3) the time at which each seaman is to be on board to begin work.

(4) the amount of wages each seaman is to receive.

(5) regulations about conduct on board, and information on fines, short allowance of provisions, and other punishment for misconduct provided by law.

(6) a scale of the provisions that are to be provided each seaman.

(7) any stipulation in reference to advances and allotments of wages.

(8) other matters not contrary to law.

§ 10303. Provisions

(a) A seaman shall be served at least 3 meals a day that total at least 3,100 calories, including adequate water and adequate protein, vitamins, and minerals in accordance with the United States Recommended Daily Allowances.

(b) The text of subsection (a) of this section shall be included in the agreement required by section 10302 of this title. A copy of the text also shall be posted in a conspicuous place in the galley and forecastle of each vessel.

(c) This section does not apply to a fishing or whaling vessel or a yacht.

§ 10304. Form of agreement

The form of the agreement required by section 10302 of this title shall be in substance as follows:

UNITED STATES OF AMERICA

(Date and place of first signature of agreement):

It is agreed between the master and seamen of the , of which is at present master, or whoever shall go for master, now bound from the port of to ' (here the voyage is to be described, and the places named at which the vessel is to touch, or if that cannot be done, the general nature and probable length of the voyage is to be stated).

The seamen agree to conduct themselves in an orderly, faithful, honest, and sober manner, and to be at all times diligent in their respective duties, and to be obedient to the lawful commands of the master, or of an individual who lawfully succeeds the master, and of their superior officers in everything related to the vessel, and the stores and cargo of the vessel, whether on board, in boats, or on shore. In consideration of this service by the seamen to be performed, the master agrees to pay the crew, as wages, the amounts beside their names respectively expressed, and to supply them with provisions according to the annexed scale.

It is agreed that any embezzlement, or willful or negligent destruction of any part of the vessel's cargo or stores, shall be made good to the owner out of the wages of the person guilty of the embezzlement or destruction.

If an individual holds himself or herself out as qualified for a duty which the individual proves incompetent to perform, the individual's wages shall be reduced in proportion to the incompetency.

It also is agreed that if a seaman considers himself or herself to be aggrieved by any breach of this agreement or otherwise, the seaman shall present the complaint to the master or officer in charge of the vessel, in a quiet and orderly manner, who shall take steps that the case requires.

It also is agreed that (here any other stipulations may be inserted to which the parties agree, and that are not contrary to law).

In witness whereof, the parties have subscribed their names to this agreement, on the dates beside their respective signatures.

Signed by , master, on the day of , nineteen hundred and .

Signature of seaman	Time of service:
Birthplace	Months
Age	Days
Height:	Hospital money
Feet	Whole wages
Inches	Wages due
Description:	Place and time of entry
Complexion	Time at which seaman is to be on board
Hair	In what capacity
Wages each month	Shipping commissioner's signature or initials
Wages each voyage	Allotment payable to
Advance wages	Conduct qualifications
Amount of monthly allotment	

NOTE.—In the place for signature and descriptions of individuals engaged after the first departure of the vessel, the entries are to be made as above, except that the signature of the consul or vice consul, customs officer, or witness before whom the individual is engaged, is to be entered.

§ 10305. Manner of signing agreement

(a) The agreement required by section 10302 of this title shall be signed—

(1) first by the master and dated at that time, after which each seaman shall sign; and

(2) in the presence of a shipping commissioner.

(b) When the crew is first engaged, the agreement shall be signed in duplicate. One of the copies shall be retained by the shipping commissioner. The other copy shall contain space for the description and signatures of seamen engaged subsequent to the first making of the agreement, and shall be delivered to the master.

(c) An agreement signed before a shipping commissioner shall be acknowledged and signed by the commissioner on the agreement in the manner and form prescribed by regulation. The acknowledgment and certification shall include a statement by the commissioner that the seaman—

(1) has read the agreement;

(2) is acquainted with and understands its conditions; and

(3) has signed it freely and voluntarily when sober.

§ 10306. Exhibiting merchant mariners' documents

Before signing the agreement required by section 10302 of this title, each individual required by section 8701 of this title to have a merchant mariner's document shall exhibit to the shipping commissioner a document issued to the individual, appropriately endorsed for the capacity in which the individual is to serve.

§ 10307. Posting agreements

At the beginning of a voyage, the master shall have a legible copy of the agreement required by section 10302 of this title, omitting signatures, exhibited in a part of the vessel accessible to the crew. A master violating this section is liable to the United States Government for a civil penalty of $100.

§ 10308. Foreign engagements

(a) When a seaman is engaged outside the United States, the agreement required by section 10302 of this title shall be signed in the presence of a consular officer. If a consular officer is not available at the port of engagement, the seaman may be engaged, and the agreement shall be signed at the next port at which a consular officer is available.

(b) A master engaging a seaman in violation of this section is liable to the United States Government for a civil penalty of $100. The vessel also is liable in rem for the penalty.

§ 10309. Engaging seamen to replace those lost by desertion or casualty

(a) If a desertion or casualty results in the loss of at least one seaman, the master shall engage, if obtainable, a number equal to the number of seamen of whose services the master has been deprived. The new seaman must have at least the same grade or rating as the seaman whose place the new seaman fills. The master shall report the loss and replacement to a consular officer at the first port at which the master arrives.

(b) The master is liable to the United States Government for a civil penalty of $200 for each report not made. The vessel also is liable in rem for the penalty.

(c) This section does not apply to a fishing or whaling vessel or a yacht.

§ 10310. Discharge

A master shall deliver to a seaman or a shipping commissioner a full and true account of the seaman's wages and all deductions at least 48 hours before paying off or discharging the seaman. A master failing to deliver the account is liable to the United States Government for a civil penalty of $50.

§ 10311. Certificates of discharge

(a) On discharging a seaman and paying the seaman's wages, the shipping commissioner shall provide the seaman with a certificate of discharge. The form of the certificate shall be prescribed by regulation. It shall contain—

(1) the name of the seaman;

(2) the citizenship or nationality of the seaman;

(3) the number of the seaman's merchant mariner's document;

(4) the name and official number of the vessel;

(5) the nature of the voyage (foreign, intercoastal, or coastwise);

(6) the propulsion class of the vessel;

(7) the date and place of engagement;

(8) the date and place of discharge; and

(9) the seaman's capacity on the voyage.

(b) The certificate of discharge may not contain a reference about the character or ability of the seaman. The certificate shall be signed by the master, the seaman, and the shipping commissioner as witness.

(c) A certificate of discharge may not be issued if the seaman holds a continuous discharge book. The entries shall be made in the discharge book in the same manner as the entries required by subsection (a) of this section.

(d)(1) A record of each discharge shall be maintained by the Secretary in the manner and location prescribed by regulation. The records may not be open for general or public use or inspection.

(2) A duplicate of a record of discharge shall be issued to a seaman at a cost prescribed by regulation.

(e) This section does not apply to a fishing or whaling vessel or a yacht.

§ 10312. Settlements on discharge

(a) When discharge and settlement are completed, the master or owner and each seaman shall sign the agreement required by section 10302 of this title in the presence of a shipping commissioner. The commissioner shall sign the agreement and retain a copy. When signed, it shall serve as a mutual release of all claims for wages for the voyage.

(b) In a dispute about wages or deductions, if the parties agree in writing to submit the dispute to a shipping commissioner, the award made by the commissioner is conclusive in any subsequent legal proceeding. A document signed and sealed by a shipping commissioner purporting to be the award is prima facie evidence of the award.

(c) In a proceeding before a shipping commissioner related to the wages, claims, or discharge of a seaman, the shipping commissioner may call on the owner, charterer, managing operator, agent, master, or a

seaman to produce logbooks or other documents about a matter in question, and may summon before the commissioner and examine any person on the matter. An owner, charterer, managing operator, agent, master, or seaman failing on summons to produce a document in the possession or control of the owner, charterer, managing operator, agent, master, or seaman, or to give evidence, without reasonable cause, is liable to the United States Government for a civil penalty of $100. On application of the shipping commissioner, the owner, charterer, managing operator, agent, master, or seaman may be punished by a district court of the United States as in other cases of contempt of court.

(d) On request, a certified copy of an agreement may be provided to a party to the agreement and is admissible in evidence with the effect of the original in any subsequent proceeding.

(e) When a seaman has been discharged before a shipping commissioner, only the agreement is evidence of the release or satisfaction of any claim.

(f) If a discharge is made under this section, the shipping commissioner, at the request of the master, shall provide the master with a signed statement of the total amount of wages paid. Between the master and the employer, the statement shall be received as evidence that the master has made the payments as stated.

§ 10313. Wages

(a) A seaman's entitlement to wages and provisions begins when the seaman begins work or when specified in the agreement required by section 10302 of this title for the seaman to begin work or be present on board, whichever is earlier.

(b) Wages are not dependent on the earning of freight by the vessel. When the loss or wreck of the vessel ends the service of a seaman before the end of the period contemplated in the agreement, the seaman is entitled to wages for the period of time actually served. The seaman shall be deemed a destitute seaman under section 11104 of this title. This subsection applies to a fishing or whaling vessel but not a yacht.

(c) When a seaman who has signed an agreement is discharged improperly before the beginning of the voyage or before one month's wages are earned, without the seaman's consent and without the seaman's fault justifying discharge, the seaman is entitled to receive from the master or owner, in addition to wages earned, one month's wages as compensation.

(d) A seaman is not entitled to wages for a period during which the seaman—

(1) unlawfully failed to work when required, after the time fixed by the agreement for the seaman to begin work; or

(2) lawfully was imprisoned for an offense, unless a court hearing the case otherwise directs.

(e) After the beginning of the voyage, a seaman is entitled to receive from the master, on demand, one-half of the balance of wages earned and unpaid at each port at which the vessel loads or delivers cargo during the voyage. A demand may not be made before the expiration of 5 days from the beginning of the voyage, not more than once in 5 days, and not more than once in the same port on the same entry. If a master does not comply with this subsection, the seaman is released from the agreement and is entitled to payment of all wages earned. Notwithstanding a release signed by a seaman under section 10312 of this title, a court having jurisdiction may set aside, for good cause shown, the release and take action that justice requires. This subsection does not apply to a fishing or whaling vessel or a yacht. However, this subsection applies to a vessel taking oysters.

(f) At the end of a voyage, the master shall pay each seaman the balance of wages due the seaman within 24 hours after the cargo has been discharged or within 4 days after the seaman is discharged, whichever is earlier. When a seaman is discharged and final payment of wages is delayed for the period permitted by this subsection, the seaman is entitled at the time of discharge to one-third of the wages due the seaman.

(g) When payment is not made as provided under subsection (f) of this section without sufficient cause, the master or owner shall pay to the seaman 2 days' wages for each day payment is delayed.

(h) Subsections (f) and (g) of this section do not apply to a fishing or whaling vessel or a yacht. However, subsections (f) and (g) apply to a vessel taking oysters.

(i) This section applies to a seaman on a foreign vessel when in a harbor of the United States. The courts are available to the seaman for the enforcement of this section.

§ 10314. Advances

(a)(1) A person may not—

(A) pay a seaman wages in advance of the time when the seaman has earned the wages;

(B) pay advance wages of the seaman to another person; or

(C) make to another person an order, note, or other evidence of indebtedness of the wages, or pay another person, for the engagement of seamen when payment is deducted or to be deducted from the seaman's wage.

(2) A person violating this subsection is liable to the United States Government for a civil penalty of not more than $500. A payment made in violation of this subsection does not relieve the vessel or the master from the duty to pay all wages after they have been earned.

(b) A person demanding or receiving from a seaman or an individual seeking employment as a seaman, remuneration for providing the seaman or individual with employment, is liable to the Government for a civil penalty of not more than $500.

(c) This section applies to a foreign vessel when in waters of the United States. An owner, charterer, managing operator, agent, or master of a foreign vessel violating this section is liable to the Government for the same penalty as an owner, charterer, managing operator, agent, or master of a vessel of the United States for the same violation.

(d) The owner, charterer, managing operator, agent, or master of a vessel seeking clearance from a port of the United States shall present the agreement required by section 10302 of this title at the office of clearance. Clearance may be granted to a vessel only if this section has been complied with.

(e) This section does not apply to a fishing or whaling vessel or a yacht. However, this section applies to a vessel taking oysters.

§ 10315. Allotments

(a) Under prescribed regulations, a seaman may stipulate as follows in the agreement required by section 10302 of this title for an allotment of any part of the wages the seaman may earn:

(1) to the seaman's grandparents, parents, spouse, sister, brother, or children;

(2) to an agency designated by the Secretary of the Treasury to handle applications for United States savings bonds, to purchase bonds for the seaman; and

(3) for deposits to be made in an account for savings or investment opened by the seaman and maintained in the seaman's name at a savings bank or a savings institution in which the accounts are insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation.

(b) An allotment is valid only if made in writing and signed by and approved by a shipping commissioner. The shipping commissioner shall examine allotments and the parties to them to enforce compliance with the law. Stipulations for allotments made at the beginning of a voyage shall be included in the agreement and shall state the amounts and times of payment and the person to whom payments are to be made.

(c) Only an allotment complying with this section is lawful. A person falsely claiming qualification as an allottee under this section is liable to the United States Government for a civil penalty of not more than $500.

(d) The owner, charterer, managing operator, agent, or master of a vessel seeking clearance from a port of the United States shall present the agreement at the office of clearance. Clearance may be granted to a vessel only if this section has been complied with.

(e) This section applies to a foreign vessel when in waters of the United States. An owner, charterer, managing operator, agent, or master of a foreign vessel violating this section is liable to the Government for the same penalty as an owner, charterer, managing operator, agent, or master of a vessel of the United States for the same violation.

§ 10316. Trusts

Sections 10314 and 10315 of this title do not prevent an employer from making deductions from the wages of a seaman, with the written consent of the seaman, if—

(1) the deductions are paid into a trust fund established only for the benefit of seamen employed by that employer, and the families and dependents of those seamen (or of those seamen, families, and dependents jointly with other seamen employed by other employers, and the families and dependents of the other seamen); and

(2) the payments are held in trust to provide, from principal or interest, or both, any of the following benefits for those seamen and their families and dependents:

(A) medical or hospital care, or both.

(B) pensions on retirement or death of the seaman.

(C) life insurance.

(D) unemployment benefits.

(E) compensation for illness or injuries resulting from occupational activity.

(F) sickness, accident, and disability compensation.

(G) purchasing insurance to provide any of the benefits specified in this section.

§ 10317. Loss of lien and right to wages

A master or seaman by any agreement other than one provided for in this chapter may not forfeit the master's or seaman's lien on the vessel or be deprived of a remedy to which the master or seaman otherwise would be entitled for the recovery of wages. A stipulation in an agreement inconsistent with this chapter, or a stipulation by which a seaman consents to abandon a right to wages if the vessel is lost, or to abandon a right the seaman may have or obtain in the nature of salvage, is void.

§ 10318. Wages on discharge in foreign ports

(a) When a master or seaman applies to a consular officer for the discharge of the seaman, the consular officer shall require the master to pay the seaman's wages if it appears that the seaman has carried out the agreement required by section 10302 of this title or otherwise is entitled to be discharged. Then the consular officer shall discharge the seaman. A consular officer shall require the payment of extra wages only as provided in this section or in chapter 109 of this title.

(b) When discharging a seaman, a consular officer who fails to require the payment of the wages due a seaman at the time, and of the extra wages due under subsection (a) of this section, is accountable to the United States Government for the total amount.

(c) A seaman discharged under this section with the consent of the seaman is entitled to wages up to the time of discharge, but not for any additional period.

(d) If the seaman is discharged involuntarily, and it appears that the discharge was not because of neglect of duty, incompetency, or injury incurred on the vessel, the master shall provide the seaman with employment on a vessel agreed to by the seaman or shall provide the seaman with one month's extra wages.

(e) Expenses for the maintenance and return of an ill or injured seaman to the United States shall be paid by the Secretary of State. If a seaman is incapacitated by illness or injury and prompt discharge is necessary, but a personal appearance of the master before a consular officer is impracticable, the master may provide transportation to the seaman to the nearest consular officer for discharge.

(f) A deduction from wages of the seaman is permitted only if the deduction appears in the account of the seaman required to be delivered under section 10310 of this title, except for matters arising after delivery of the account, in which case a supplementary account is required. During a voyage, the master shall record in the official logbook the matters about which deductions are to be made with the amounts of the deductions. The entries shall be made as the matters occur. The master shall produce the official logbook at the time of payment of wages, and also before a competent authority on the hearing of any complaint or question about the payment of wages.

§ 10319. Costs of a criminal conviction

In a proceeding about a seaman's wages, if it is shown that the seaman was convicted during the voyage of an offense by a competent tribunal and sentenced by the tribunal, the court hearing the case may direct that a part of the wages due the seaman, but not more than $15, be applied to reimburse the master for costs properly incurred in procuring the conviction and sentence.

§ 10320. Records of seamen

The Secretary may prescribe regulations for reporting by a master of matters about the engagement, discharge, or service of seamen that may be needed in keeping central records of seamen.

§ 10321. General penalty

The owner, charterer, managing operator, agent, or master of a vessel on which a seaman is carried in violation of this chapter or a regulation prescribed under this chapter is liable to the United States Government for a civil penalty of $200 for each seaman carried in violation. The vessel also is liable in rem for the penalty.

CHAPTER 105—COASTWISE VOYAGES

Sec.
10501. Application.
10502. Shipping articles agreements.
10503. Exhibiting merchant mariners' documents.
10504. Wages.
10505. Advances.
10506. Trusts.
10507. Duties of shipping commissioners.
10508. General penalties.
10509. Penalty for failing to begin voyage.

§ 10501. Application

(a) Except for a vessel to which chapter 103 of this title applies, this chapter applies to a vessel of at least 50 gross tons on a voyage between a port in one State and a port in another State (except an adjoining State).

(b) This chapter does not apply to a vessel on which the seamen are entitled by custom or agreement to share in the profit or result of a voyage.

(c) Unless otherwise provided, this chapter does not apply to a foreign vessel.

§ 10502. Shipping articles agreements

(a) Before proceeding on a voyage, the master of a vessel to which this chapter applies shall make a shipping articles agreement in writing with each seaman on board, declaring the nature of the voyage or the period of time for which the seaman is engaged.

(b) The agreement shall include the date and hour on which the seaman must be on board to begin the voyage.

(c) The agreement may not contain a provision on the allotment of wages or a scale of provisions.

§ 10503. Exhibiting merchant mariners' documents

Before signing the agreement required by section 10502 of this title, a seaman required by section 8701 of this title to have a merchant mariner's document shall exhibit to the master a document issued to the seaman and appropriately endorsed for the capacity in which the seaman is to serve.

§ 10504. Wages

(a) After the beginning of a voyage, a seaman is entitled to receive from the master, on demand, one-half of the balance of wages earned and unpaid at each port at which the vessel loads or delivers cargo during the voyage. A demand may not be made before the expiration of 5 days from the beginning of the voyage, not more than once in 5 days, and not more than once in the same port on the same entry. If a master does not comply with this subsection, the seaman is released from the agreement required by section 10502 of this title and is entitled to payment of all wages earned. Notwithstanding a release signed by a seaman under section 10312 of this title, a court having jurisdiction may set aside, for good cause shown, the release and take action that justice requires. This subsection does not apply to a fishing or whaling vessel or a yacht. However, this subsection applies to a vessel taking oysters.

(b) The master shall pay a seaman the balance of wages due the seaman within 2 days after the termination of the agreement required by section 10502 of this title or when the seaman is discharged, whichever is earlier.

(c) When payment is not made as provided under subsection (b) of this section without sufficient cause, the master or owner shall pay to the seaman 2 days' wages for each day payment is delayed.

(d) Subsections (b) and (c) of this section do not apply to a fishing or whaling vessel or a yacht. However, subsections (b) and (c) apply to a vessel taking oysters.

(e) This section applies to a seaman on a foreign vessel when a in harbor of the United States. The courts are available to the seaman for the enforcement of this section.

§ 10505. Advances

(a)(1) A person may not—

(A) pay a seaman wages in advance of the time when the seaman has earned the wages;

(B) pay advance wages of the seaman to another person; or

(C) make to another person an order, note, or other evidence of indebtedness of the wages, or pay another person, for the engagement of seamen when payment is deducted or to be deducted from the seaman's wage.

(2) A person violating this subsection is liable to the United States Government for a civil penalty of not more than $100. A payment made in violation of this subsection does not relieve the vessel or the master from the duty to pay all wages after they have been earned.

(b) A person demanding or receiving from a seaman or an individual seeking employment as a seaman, remuneration for providing the seaman or individual with employment, is liable to the Government for a civil penalty of not more than $500.

(c) The owner, charterer, managing operator, agent, or master of a vessel seeking clearance from a port of the United States shall present the agreement required by section 10502 of this title at the office of clearance. Clearance may be granted to a vessel only if this section has been complied with.

(d) This section does not apply to a fishing or whaling vessel or a yacht. However, this section applies to a vessel taking oysters.

§ 10506. Trusts

Section 10505 of this title does not prevent an employer from making deductions from the wages of a seaman, with the written consent of the seaman, if—

(1) the deductions are paid into a trust fund established only for the benefit of seamen employed by that employer, and the families and dependents of those seamen (or of those seamen, families, and dependents jointly with other seamen employed by other employers, and the families and dependents of the other seamen); and

(2) the payments are held in trust to provide, from principal or interest, or both, any of the following benefits for those seamen and their families and dependents:

(A) medical or hospital care, or both.

(B) pensions on retirement or death of the seaman.

(C) life insurance.

(D) unemployment benefits.

(E) compensation for illness or injuries resulting from occupational activity.

(F) sickness, accident, and disability compensation.

(G) purchasing insurance to provide any of the benefits specified in this section.

§ 10507. Duties of shipping commissioners

(a) At the option of the owner or master of a vessel to which this chapter applies, a shipping commissioner may engage and discharge the crew.

(b) When a crew is engaged under this section, sections 10302, 10303, 10305, 10307,

10311, 10312, 10313(b)-(f), and 10321, and chapter 107 of this title apply.

§ 10508. General penalties

(a) A master who carries a seaman on a voyage without first making the agreement required by section 10502 of this title shall pay to the seaman the highest wage that was paid for a similar voyage within the 3 months before the time of engagement at the port or place at which the seaman was engaged. A seaman who has not signed an agreement is not bound by the applicable regulations, penalties, or forfeitures.

(b) A master engaging a seaman in violation of this chapter or a regulation prescribed under this chapter is liable to the United States Government for a civil penalty of $20. The vessel also is liable in rem for the penalty.

§ 10509. Penalty for failing to begin voyage

(a) A seaman who fails to be on board at the time contained in the agreement required by section 10502 of this title, without having given 24 hours' notice of inability to do so, shall forfeit, for each hour's lateness, one-half of one day's pay to be deducted from the seaman's wages if the lateness is recorded in the official logbook on the date of the violation.

(b) A seaman who does not report at all or subsequently deserts forfeits all wages.

(c) This section does not apply to a fishing or whaling vessel or a yacht.

CHAPTER 107—EFFECTS OF DECEASED SEAMEN

Sec.
10701. Application.
10702. Duties of masters.
10703. Procedures of masters.
10704. Duties of consular officers.
10705. Disposition of money, property, and wages by consular officers.
10706. Seamen dying in the United States.
10707. Delivery to district court.
10708. Sale of property.
10709. Distribution.
10710. Unclaimed money, property, and wages.
10711. Penalties.

§ 10701. Application

(a) Except as otherwise specifically provided, this chapter applies to a vessel on a voyage between—

(1) a port of the United States and a port in a foreign country (except a port in Canada, Mexico, and the West Indies); and

(2) a port of the United States on the Atlantic Ocean and a port of the United States on the Pacific Ocean.

(b) This chapter does not apply to a vessel on which a seaman by custom or agreement is entitled to share in the profit or result of a voyage.

(c) This chapter does not apply to a foreign vessel.

§ 10702. Duties of masters

(a) When a seaman dies during a voyage, the master shall take charge of the seaman's money and property. An entry shall be made in the official logbook, signed by the master, the chief mate, and an unlicensed crewmember containing an inventory of the money and property and a statement of the wages due the seaman, with the total of the deductions to be made.

(b) On compliance with this chapter, the master shall obtain a written certificate of compliance from a shipping commissioner. Clearance may be granted to a foreign-bound vessel only when the certificate is received at the office of customs.

§ 10703. Procedures of masters

(a) If the vessel is proceeding to the United States when a seaman dies, the master shall deliver the seaman's money, property, and wages when the agreement required by this part is ended, as provided by regulations prescribed by the Secretary.

(b) If the vessel touches at a foreign port after the death of the seaman, the master shall report to the first available consular officer. The consular officer may require the master to deliver to the officer the money, property, and wages of the seaman. The consular officer shall give the master a receipt for the matters delivered and certify on the agreement the particulars of the delivery. When the agreement ends, the master shall deliver the receipt as prescribed by regulations.

(c) If the consular officer does not require the master to deliver the seaman's money, property, and wages, the officer shall so certify on the agreement, and the master shall dispose of the money, property, and wages as provided under subsection (a) of this section.

(d) A deduction from the account of a deceased seaman is valid only if certified by a proper entry in the official logbook.

§ 10704. Duties of consular officers

When a seaman dies outside the United States leaving money or property not on board a vessel, the consular officer nearest the place at which the money and property is located shall claim and take charge of it.

§ 10705. Disposition of money, property, and wages by consular officers

When money, property, or wages of a deceased seaman comes into possession of a consular officer, the officer may—

(1) sell the property and remit the proceeds and other money or wages of the seaman the officer has received, to the district court of the United States for the district in which the voyage begins or ends; or

(2) deliver the money, property, and wages to the district court.

§ 10706. Seamen dying in the United States

When a seaman dies in the United States and is entitled at death to claim money, property, or wages from the master or owner of a vessel on which the seaman served, the master or owner shall deliver the money, property, and wages as provided by regulations prescribed by the Secretary.

§ 10707. Delivery to district court

The Secretary shall provide for the delivery to a district court of the United States of the money, property, and wages of a deceased seaman within one week from the date of receipt.

§ 10708. Sale of property

A district court of the United States may direct the sale of any part of the property of a deceased seaman. Proceeds of the sale shall be held as wages of the seaman are held.

§ 10709. Distribution

(a)(1) If the money, property, and wages of a seaman, including proceeds from the sale of property, are not more then $1,500 in value, and subject to deductions it allows for expenses and at least 60 days after receiving the money, property, and wages, the court may deliver the money, property, and wages to a claimant proving to be—

(A) the seaman's surviving spouse or child;

(B) entitled to the money, property, and wages under the seaman's will or under a law or at common law; or

(C) entitled to secure probate, or take out letters of administration, although no probate or letters of administration have been issued.

(2) The court is released from further liability for the money, property, and wages distributed under paragraph (1) of this subsection.

(3) Instead of acting under paragraphs (1) and (2) of this subsection, the court may require probate or letters of administration to be taken out, and then deliver the money, property, and wages to the legal representative of the seaman.

(b) If the money, property, and wages are more than $1,500 in value, the court, subject to deductions for expenses, shall deliver the money, property, and wages to the legal representative of the seaman.

§ 10710. Unclaimed money, property, and wages

(a) When a claim for the money, property, or wages of a deceased seaman held by a district court of the United States has not been substantiated within 6 years after their receipt by the court, the court, if a subsequent claim is made, may allow or refuse the claim.

(b) If, after money, property, and wages have been held by the court for 6 years, it appears to the court that no claim will have to be satisfied, the property shall be sold. The money and wages and the proceeds from the sale shall be deposited in the Treasury trust fund receipt account "Unclaimed Moneys of Individuals Whose Whereabouts are Unknown".

§ 10711. Penalties

An owner or master violating this chapter are each liable to the United States Government for a civil penalty of 3 times the value of the seaman's money, property, and wages involved or, if the value is not determined, of $200.

CHAPTER 109—PROCEEDINGS ON UNSEAWORTHINESS

Sec.
10901. Application.
10902. Complaints of unfitness.
10903. Proceedings on examination of vessel.
10904. Refusal to proceed.
10905. Complaints in foreign ports.
10906. Discharge of crew for unsuitability.
10907. Permission to make complaint.
10908. Penalty for sending unseaworthy vessel to sea.

§ 10901. Application

This chapter applies to a vessel of the United States except a fishing or whaling vessel or a yacht.

§ 10902. Complaints of unfitness

(a)(1) If the chief and second mates or a majority of the crew of a vessel ready to begin a voyage discover, before the vessel leaves harbor, that the vessel is unfit as to crew, hull, equipment, tackle, machinery, apparel, furniture, provisions of food or water, or stores to proceed on the intended voyage and require the unfitness to be inquired into, the master immediately shall apply to the district court of the United States at the place at which the vessel is located, or, if no court is being held at the place at which the vessel is located, to a judge or justice of the peace, for the appointment of surveyors. At least 2 complaining seamen shall accompany the master to the judge or justice of the peace.

(2) A master failing to comply with this subsection is liable to the United States Government for a civil penalty of $500.

(b)(1) Any 3 seamen of a vessel may complain that the provisions of food or water for the crew are, at any time, of bad quality, unfit for use, or deficient in quantity. The complaint may be made to the commanding officer of a United States naval vessel, consular officer, Coast Guard shipping commissioner, or chief official of the Customs Service.

(2) The officer, commissioner, or official shall examine, or have examined, the provisions of food or water. If the provisions are found to be of bad quality, unfit for use, or deficient in quantity, the person making the findings shall certify to the master of the vessel which provisions are of bad quality, unfit for use, or deficient.

(3) The officer, commissioner, or official to whom the complaint was made shall—

(A) make an entry in the official logbook of the vessel on the results of the examination; and

(B) submit a report on the examination to the district court of the United States at which the vessel is to arrive, with the report being admissible into evidence in any legal proceeding.

(4) The master is liable to the Government for a civil penalty of not more than $100 each time the master, on receiving the certification referred to in paragraph (2) of this subsection—

(A) does not provide other proper provisions of food or water, when available, in place of the provisions certified as of bad quality or unfit for use;

(B) does not obtain sufficient provisions when the certification includes a finding of a deficiency in quantity; or

(C) uses provisions certified to be of bad quality or unfit for use.

§ 10903. Proceedings on examination of vessel

(a) On application made under section 10902(a) of this title, the judge or justice of the peace shall appoint 3 experienced and skilled marine surveyors to examine the vessel for the defects or insufficiencies complained of. The surveyors have the authority to receive and consider evidence necessary to evaluate the complaint. When the complaint involves provisions of food or water, one of the surveyors shall be a medical officer of the Public Health Service, if available. The surveyors shall make a report in writing, signed by at least 2 of them, stating whether the vessel is fit to proceed to sea or, if not, in what respect it is unfit, making appropriate recommendations about additional seamen, provisions, or stores, or about physical repairs, alterations, or additions necessary to make the vessel fit.

(b) On receiving the report, the judge or justice of the peace shall endorse on the report the judgment of the judge or justice on whether the vessel is fit to proceed on the voyage, and, if not, whether the vessel may proceed to another port at which the deficiencies can be corrected. The master and the crew shall comply with the judgment.

(c) The master shall pay all costs of the survey, report, and judgment. However, if the complaint of the crew appears in the report and judgment to have been without foundation, or if the complaint involved provisions of food or water, without reasonable grounds, the master or owner may deduct the amount of the costs and reasonable damages for the detention of the vessel, as determined by the judge or justice of the peace, from the wages of the complaining seamen.

(d) A master of a vessel violating this section who refuses to pay the costs and wages is liable to the United States Government for a civil penalty of $100 and is liable in damages to each person injured by the refusal.

§ 10904. Refusal to proceed

After a judgment under section 10903 of this title that a vessel is fit to proceed on the intended voyage, or after the order of a judgment to make up deficiencies is complied with, if a seaman does not proceed on the voyage, the unpaid wages of the seaman are forfeited.

§ 10905. Complaints in foreign ports

(a) When a complaint under section 10902(a) of this title is made in a foreign port, the procedures of this chapter shall be followed, with a consular officer performing the duties of the judge or justice of the peace.

(b) On review of the marine surveyors' report, the consular officer may approve and must certify any part of the report with which the officer agrees. If the consular officer dissents from any part of the report, the officer shall certify reasons for dissenting from that part.

§ 10906. Discharge of crew for unsuitability

When a survey is made at a foreign port, the surveyors shall state in the report whether, in their opinion, the vessel had been sent to sea unsuitably provided in any important particular, by neglect or design or through mistake or accident. If by neglect or design, and the consular officer approves the finding, the officer shall discharge a seaman requesting discharge and shall require the master to pay one month's wages to that seaman in addition to wages then due, or sufficient money for the return of the seaman to the nearest and most convenient port of the United States, whichever is the greater amount.

§ 10907. Permission to make complaint

(a) A master may not refuse to permit, deny the opportunity to, or hinder a seaman who wishes to make a complaint authorized by this chapter.

(b) A master violating this section is liable to the United States Government for civil penalty of $500.

§ 10908. Penalty for sending unseaworthy vessel to sea

A person that knowingly sends or attempts to send, or that is a party to sending or attempting to send, a vessel of the United States to sea, in an unseaworthy state that is likely to endanger the life of an individual, shall be fined not more than $1,000, imprisoned for not more than 5 years, or both.

CHAPTER 111—PROTECTION AND RELIEF

Sec.
11101. Accommodations for seamen.
11102. Medicine chests.
11103. Slop chests.
11104. Destitute seamen.
11105. Wages on discharge when vessel sold.
11106. Wages on justifiable complaint of seamen.
11107. Unlawful engagements void.
11108. Taxes.
11109. Attachment of wages.
11110. Seamen's clothing.
11111. Limit on amount recoverable on voyage.

§ 11101. Accommodations for seamen

(a) On a merchant vessel of the United States the construction of which began after March 4, 1915 (except a yacht, pilot vessel, or vessel of less than 100 gross tons)—

(1) each place appropriated to the crew of the vessel shall have a space of at least 120 cubic feet and at least 16 square feet, measured on the floor or deck of that place, for each seaman or apprentice lodged in the vessel;

(2) each seaman shall have a separate berth and not more than one berth shall be placed one above another;

(3) the place or berth shall be securely constructed, properly lighted, drained, heated, and ventilated, properly protected from weather and sea, and, as far as practicable, properly shut off and protected from the effluvium of cargo or bilge water; and

(4) crew space shall be kept free from goods or stores that are not the personal property of the crew occupying the place in use during the voyage.

(b) In addition to the requirements of subsection (a) of this section, a merchant vessel of the United States that in the ordinary course of trade makes a voyage of more than 3 days' duration between ports and carries a crew of at least 12 seamen shall have a hospital compartment, suitably separated from other spaces. The compartment shall have at least one bunk for each 12 seamen constituting the crew (but not more than 6 bunks may be required).

(c) A steam vessel of the United States operating on the Mississippi River or its tributaries shall provide, under the direction and approval of the Secretary, an appropriate place for the crew that shall conform to the requirements of this section, as far as they apply to the steam vessel, by providing a properly heated sleeping room in the engineroom of the steam vessel properly protected from the cold, wind, and rain by means of suitable awnings or screens on either side of the guards or sides and forward, reaching from the boiler deck to the lower or main deck.

(d) A merchant vessel of the United States, the construction of which began after March 4, 1915, having more than 10 seamen on deck, shall have at least one light, clean, and properly heated and ventilated washing place. There shall be provided at least one washing outfit for each 2 seamen of the watch. A separate washing place shall be provided for the fireroom and engineroom seamen, if their number is more than 10, that shall be large enough to accommodate at least one-sixth of them at the same time, and have a hot and cold water supply and a sufficient number of washbasins, sinks, and shower baths.

(e) Forecastles shall be fumigated at intervals provided by regulations prescribed by the Secretary of Health and Human Services, with the approval of the Secretary, and shall have at least 2 exits, one of which may be used in emergencies.

(f) The owner, charterer, managing operator, agent, master, or licensed individual of a vessel not complying with this section is liable to the United States Government for a civil penalty of at least $50 but not more than $500.

§ 11102. Medicine chests

(a) A vessel of the United States on a voyage from a port in the United States to a foreign port (except to a Canadian port), and a vessel of the United States of at least 75 gross tons on a voyage between a port of the United States on the Atlantic Ocean and Pacific Ocean, shall be provided with a medicine chest.

(b) The owner and master of a vessel not equipped as required by subsection (a) of this section or a regulation prescribed under subsection (a) are liable to the United States Government for a civil penalty of $500. If the offense was due to the fault of the owner, a master penalized under this section has the right to recover the penalty and costs from the owner.

§ 11103. Slop chests

(a) A vessel to which section 11102 of this title applies shall be provided with a slop chest containing sufficient clothing for the intended voyage for each seaman, including—

(1) boots or shoes;
(2) hats or caps;
(3) underclothing;
(4) outer clothing;
(5) foul weather clothing;
(6) everything necessary for the wear of a seaman; and
(7) a complete supply of tobacco and blankets.

(b) Merchandise in the slop chest shall be sold to a seaman desiring it, for the use of the seaman, at a profit of not more than 10 percent of the reasonable wholesale value of the merchandise at the port at which the voyage began.

(c) This section does not apply to a vessel on a voyage to Canada, Bermuda, the West Indies, Mexico, or Central America, or a fishing or whaling vessel.

§ 11104. Destitute seamen

(a) A consular officer shall provide, for a destitute seaman of the United States, subsistence and passage to a port of the United States in the most reasonable manner, at the expense of the United States Government and subject to regulations prescribed by the Secretary of State. A seaman, if able, shall be required to perform duties on the vessel giving the seaman passage, in accordance with the seaman's rating.

(b) A master of a vessel of the United States bound to a port of the United States shall take a destitute seaman on board at the request of a consular officer and transport the seaman to the United States. A master refusing to transport a destitute seaman when requested is liable to the United States Government for a civil penalty of $100. The certificate signed and sealed by a consular officer is prima facie evidence of refusal. A master is not required to carry a destitute seaman if the seaman's presence would cause the number of individuals on board to exceed the number permitted in the certificate of inspection or if the seaman has a contagious disease.

(c) Compensation for the transportation of destitute seamen to the United States who are unable to work shall be agreed on by the master and the consular officer, under regulations prescribed by the Secretary of State. However, the compensation may be not more than the lowest passenger rate of the vessel, or 2 cents a mile, whichever is less.

(d) When a master of a vessel of the United States takes on board a destitute seaman unable to work, from a port or place not having a consular officer, for transportation to the United States or to a port at which there is a consular officer, the master or owner of the vessel shall be compensated reasonably under regulations prescribed by the Secretary of State.

§ 11105. Wages on discharge when vessel sold

(a) When a vessel of the United States is sold in a foreign country, the master shall deliver to the consular officer a certified crew list and the agreement required by this part. The master shall pay each seaman the wages due the seaman and provide the seaman with employment on board another vessel of the United States bound for the port of original engagement of the seaman or to another port agreed on. If employment cannot be provided, the master shall—

(1) provide the seaman with the means to return to the port of original engagement;
(2) provide the seaman passage to the port of original engagement; or
(3) deposit with the consular officer an amount of money considered sufficient by the officer to provide the seaman with maintenance and passage home.

(b) The consular officer shall endorse on the agreement the particulars of the payment, provision, or deposit made under this section.

(c) An owner of a vessel is liable to the United States Government for a civil penalty of $500 if the master does not comply with this section.

§ 11106. Wages on justifiable complaint of seamen

(a) Before a seaman on a vessel of the United States is discharged in a foreign country by a consular officer on the seaman's complaint that the agreement required by this part has been breached because the vessel is badly provisioned or unseaworthy, or against the officers for cruel treatment, the officer shall inquire about the complaint. If satisfied of the justice of the complaint, the consular officer shall require the master to pay the wages due the seaman plus one month's additional wages and shall discharge the seaman. The master shall provide the seaman with employment on another vessel or provide the seaman with passage on another vessel to the port of original engagement, to the most convenient port of the United States, or to some port agreeable to the seaman.

(b) When a vessel does not have sufficient provisions for the intended voyage, and the seaman has been forced to accept a reduced ration or provisions that are bad in quality or unfit for use, the seaman is entitled to recover from the master or owner an allowance, as additional wages, that the court hearing the case considers reasonable.

(c) Subsection (b) of this section does not apply when the reduction in rations was for a period during which the seaman willfully and without sufficient cause failed to perform duties or was lawfully under confinement on board or on shore for misconduct, unless that reduction can be shown to have been unreasonable.

(d) Subsection (b) of this section does not apply to a fishing or whaling vessel or a yacht.

§ 11107. Unlawful engagements void

An engagement of a seaman contrary to a law of the United States is void. A seaman so engaged may leave the service of the vessel at any time and is entitled to recover the highest rate of wages at the port from which the seaman was engaged or the amount agreed to be given the seaman at the time of engagement, whichever is higher.

§ 11108. Taxes

Wages due or accruing to a master or seaman on a vessel in the foreign, coastwise, intercoastal, interstate, or noncontiguous trade or a fisherman employed on a fishing vessel may not be withheld under the tax laws of a State or a political subdivision of a State. However, this section does not prohibit withholding wages of a seaman on a vessel in the coastwise trade between ports in the same State if the withholding is under a voluntary agreement between the seaman and the employer of the seaman.

§ 11109. Attachment of wages

(a) Wages due or accruing to a master or seaman are not subject to attachment or arrestment from any court, except for an order of a court about the payment by a master or seaman of any part of the master's or seaman's wages for the support and maintenance of the spouse or minor children of the master or seaman, or both. A payment of wages to a master or seaman is valid, notwithstanding any prior sale or assignment of wages or any attachment, encumbrance, or arrestment of the wages.

(b) An assignment or sale of wages or salvage made before the payment of wages does not bind the party making it, except allotments authorized by section 10315 of this title.

(c) This section applies to a fisherman on a fishing vessel.

§ 11110. Seamen's clothing

The clothing of a seaman is exempt from attachments and liens. A person detaining a seaman's clothing shall be fined not more than $500, imprisoned for not more than 6 months, or both.

§ 11111. Limit on amount recoverable on voyage

When a seaman is on a voyage on which a written agreement is required under this part, not more than $1 is recoverable from the seaman by a person for a debt incurred by the seaman during the voyage for which the seaman is signed on until the voyage is ended.

CHAPTER 113—OFFICIAL LOGBOOKS

Sec.
11301. Logbook and entry requirements.
11302. Manner of making entries.
11303. Penalties.

§ 11301. Logbook and entry requirements

(a) A vessel of the United States on a voyage between a port in the United States and a port in a foreign country, and a vessel of the United States of at least 75 gross tons on a voyage between a port of the United States on the Atlantic Ocean and a port of the United States on the Pacific Ocean, shall have an official logbook.

(b) The master of the vessel shall make or have made in the official logbook the following entries:

(1) each legal conviction of a seaman of the vessel and the punishment inflicted.
(2) each offense committed by a seaman of the vessel for which it is intended to prosecute or to enforce under a forfeiture, together with statements about reading the entry and the reply made to the charge as required by section 11502 of this title.
(3) each offense for which punishment is inflicted on board and the punishment inflicted.
(4) a statement of the conduct, character, and qualifications of each seaman of the vessel or a statement that the master declines to give an opinion about that conduct, character, and qualifications.
(5) each illness of or injury to a seaman of the vessel, the nature of the illness or injury, and the medical treatment.
(6) each death on board, with the cause of death, and if a seaman, the information required by section 10702 of this title.
(7) each birth on board, with the sex of the infant and name of the parents.

(8) each marriage on board, with the names and ages of the parties.

(9) the name of each seaman who ceases to be a crewmember (except by death), with the place, time, manner, and the cause why the seaman ceased to be a crewmember.

(10) the wages due to a seaman who dies during the voyage and the gross amount of all deductions to be made from the wages.

(11) the sale of the property of a seaman who dies during the voyage, including a statement of each article sold and the amount received for the property.

(12) when a marine casualty occurs, a statement about the casualty and the circumstances under which it occurred, made immediately after the casualty when practicable to do so.

§ 11302. Manner of making entries

Each entry made in the official logbook—

(1) shall be made as soon as possible after the occurrence;

(2) if not made on the day of the occurrence, shall be dated and state the date of the occurrence;

(3) if the entry is about an occurrence happening before the vessel's arrival at the final port of discharge, shall be made not later than 24 hours after the arrival;

(4) shall be signed by the master; and

(5) shall be signed by the chief mate or another seaman.

§ 11303. Penalties

(a) A master failing to maintain an official logbook as required by this part is liable to the United States Government for a civil penalty of $200.

(b) A master failing to make an entry in the vessel's official logbook as required by this part is liable to the Government for a civil penalty of $200.

(c) A person is liable to the Government for a civil penalty of $150 when the person makes, procures to be made, or assists in making, an entry in the vessel's official logbook—

(1) later than 24 hours after the vessel's arrival at the final port of discharge; and

(2) that is about an occurrence that happened before that arrival.

CHAPTER 115—OFFENSES AND PENALTIES

Sec.
11501. Penalties for specified offenses.
11502. Entry of offenses in logbook.
11503. Duties of consular officers related to insubordination.
11504. Enforcement of forfeitures.
11505. Disposal of forfeitures.
11506. Carrying sheath knives.
11507. Surrender of offending officers.

§ 11501. Penalties for specified offenses

When a seaman lawfully engaged commits any of the following offenses, the seaman shall be punished as specified:

(1) For desertion, the seaman forfeits any part of the money or property the seaman leaves on board and any part of earned wages.

(2) For neglecting or refusing without reasonable cause to join the seaman's vessel or to proceed to sea in the vessel, for absence without leave within 24 hours of the vessel's sailing from a port (at the begi..ing or during the voyage), or for absence without leave from duties and without sufficient reason, the seaman forfeits from the seaman's wages not more than 2 days' pay or a sufficient amount to defray expenses incurred in hiring a substitute.

(3) For quitting the vessel without leave after the vessel's arrival at the port of delivery and before the vessel is placed in security, the seaman forfeits from the seaman's wages not more than one month's pay.

(4) For willful disobedience to a lawful command at sea, the seaman, at the discretion of the master, may be confined until the disobedience ends, and on arrival in port forfeits from the seaman's wages not more than 4 days' pay or, at the discretion of the court, may be imprisoned for not more than one month.

(5) For continued willful disobedience to lawful command or continued willful neglect of duty at sea, the seaman, at the discretion of the master, may be confined, on water and 1,000 calories, with full rations every 5th day, until the disobedience ends, and on arrival in port forfeits, for each 24 hours' continuance of the disobedience or neglect, not more than 12 days' pay or, at the discretion of the court, may be imprisoned for not more than 3 months.

(6) For assaulting a master, mate, pilot, engineer, or staff officer, the seaman shall be imprisoned for not more than 2 years.

(7) For willfully damaging the vessel, or embezzling or willfully damaging any of the stores or cargo, the seaman forfeits from the seaman's wages the amount of the loss sustained and, at the discretion of the court, may be imprisoned for not more than 12 months.

(8) For smuggling for which a seaman is convicted causing loss or damage to the owner or master, the seaman is liable to the owner or master for the loss or damage, and any part of the seaman's wages may be retained to satisfy the liability. The seaman also may be imprisoned for not more than 12 months.

§ 11502. Entry of offenses in logbook

(a) When an offense listed in section 11501 of this title is committed, an entry shall be made in the vessel's official logbook—

(1) on the day of the offense;

(2) stating the details;

(3) signed by the master; and

(4) signed by the chief mate or another seaman.

(b) Before arrival in port if the offense was committed at sea, or before departure if the offense was committed in port and the offender is still on the vessel—

(1) the entry shall be read to the offender;

(2) the offender shall be given a copy; and

(3) the offender shall be given the opportunity to reply.

(c) After subsection (b) of this section has been complied with, an entry shall be made in the official logbook—

(1) stating that the entry about the offense was read and a copy provided to the offender;

(2) stating the offender's reply;

(3) signed by the master; and

(4) signed by the chief mate or another seaman.

(d) In a subsequent legal proceeding, if the entries required by this section are not produced or proved, the court may refuse to receive evidence of the offense.

§ 11503. Duties of consular officers related to insubordination

(a) A consular officer shall use every means to discountenance insubordination on vessels of the United States, including employing the aid of local authorities.

(b) When a seaman is accused of insubordination, a consular officer shall inquire into the facts and proceed as provided in section 11106 of this title. If the consular officer discharges the seaman, the officer shall endorse the agreement required by this part and enter in the vessel's official logbook the cause and particulars of the discharge.

§ 11504. Enforcement of forfeitures

When an offense by a seaman also is a criminal violation, it is not necessary that a criminal proceeding be brought to enforce a forfeiture.

§ 11505. Disposal of forfeitures

(a) Money, property, and wages forfeited under this chapter for desertion may be applied to compensate the owner of master of the vessel for expenses caused by the desertion. The balance shall be transferred to the Secretary when the voyage is completed, as prescribed by the Secretary.

(b) Within one month of receiving the balance under subsection (a) of this section, the Secretary shall transfer the balance to the appropriate district court of the United States. If it appears to the district court that the forfeiture was imposed properly, the property transferred may be sold in the same manner prescribed for the disposition of the property of deceased seamen. The court shall deposit in the Treasury as miscellaneous receipts the proceeds of the sale and any money and wages transferred to the court.

(c) When an owner or master fails to transfer the balance as required under subsection (a) of this section, the owner or master is liable to the United States Government for a civil penalty of 2 times the amount of the balance, recoverable by the Secretary in the same manner that seaman's wages are recovered.

(d) In all other cases of forfeiture of wages, the forfeiture shall be for the benefit of the owner of the vessel.

§ 11506. Carrying sheath knives

A seaman in the merchant marine may not wear a sheath knife on board a vessel without the consent of the master. The master of a vessel of the United States shall inform each seaman of this prohibition before engagement. A master failing to advise a seaman is liable to the United States Government for a civil penalty of $50.

§ 11507. Surrender of offending officers

When an officer of a vessel of the United States (except the master) has violated section 2191 of title 18, and the master has actual knowledge of the offense or if complaint is made within 3 days after reaching port, the master shall surrender the offending officer to the proper authorities. If the master fails *to use diligence* to comply with this section and the offender escapes, the owner, the master, and the vessel are liable for damages to the individual unlawfully punished.

PART H—IDENTIFICATION OF VESSELS

CHAPTER 121—DOCUMENTATION OF VESSELS

Sec.
12101. Related terms in other laws.
12102. Vessels eligible for documentation.
12103. Certificates of documentation.
12104. Effect of documentation.
12105. Registry.
12106. Coastwise licenses and registry.
12107. Great Lakes licenses and registry.
12108. Fishery licenses and registry.
12109. Pleasure vessel licenses.
12110. Limitations on operations authorized by certificates.
12111. Invalidation of certificates of documentation.

12112. Vessels procured outside the United States.
12113. Ports of documentation.
12114. Home ports.
12115. Names of vessels.
12116. Numbers, signal letters, and identification markings.
12117. Recording of United States built vessels.
12118. Registration of funnel marks and house flags.
12119. List of documented vessels.
12120. Reports.
12121. Regulations.
12122. Penalties.

§ 12101. Related terms in other laws

When used in a law, regulation, document ruling, or other offical act referring to the documentation of a vessel—

(1) "certificate of registry", "register", and "registry" mean a registry as provided in section 12105 of this title.

(2) "license", "enrollment and license", "license for the coastwise (or coasting) trade", and "enrollment and license for the coastwise (or coasting) trade" mean a coastwise license as provided in section 12106 of this title.

(3) "enrollment and license to engage in the foreign and coastwise (or coasting) trade on the northern, northeastern, and northwestern frontiers, otherwise than by sea" means a Great Lakes license as provided in section 12107 of this title.

(4) "license for the fisheries" and "enrollment and license for the fisheries" mean a fishery license as provided in section 12108 of this title.

(5) "yacht" means a pleasure vessel even if not documented.

§ 12102. Vessels eligible for documentation

A vessel of at least 5 net tons not registered under the laws of a foreign country is eligible for documentation if the vessel is owned by—

(1) an individual who is a citizen of the United States;

(2) an association, trust, joint venture, or other entity—

(A) all of whose members are citizens of the United States; and

(B) that is capable of holding title to a vessel under the laws of the United States or of a State;

(3) a partnership whose general partners are citizens of the United States, and the controlling interest in the partnership is owned by citizens of the United States;

(4) a corporation established under the laws of the United States or of a State, whose president or other chief executive officer and chairman of its board of directors are citizens of the United States and no more of its directors are noncitizens than a minority of the number necessary to constitute a quorum;

(5) the United States Government; or

(6) the government of a State.

§ 12103. Certificates of documentation

(a) On application by the owner of a vessel eligible for documentation, the Secretary shall issue a certificate of documentation of one of the types specified in sections 12105–12109 of this title.

(b) The Secretary may prescribe the form of, the manner of filing, and the information to be contained in, applications for certificates of documentation.

(c) Each certificate of documentation shall—

(1) contain the name, the home port, and a description of the vessel;

(2) identify the owner of the vessel; and

(3) contain additional information prescribed by the Secretary.

(d) The Secretary shall prescribe procedures to ensure the integrity of, and the accuracy of information contained in, certificates of documentation.

(e) The owner and master of a documented vessel shall make the vessel's certificate of documentation available for examination as the law or Secretary may require.

§ 12104. Effect of documentation

A certificate of documentation is—

(1) conclusive evidence of nationality for international purposes, but not in a proceeding conducted under the laws of the United States;

(2) except for a pleasure vessel license, conclusive evidence of qualification to be employed in a specified trade; and

(3) not conclusive evidence of ownership in a proceeding in which ownership is in issue.

§ 12105. Registry

(a) A registry may be issued for a vessel eligible for documentation.

(b) A vessel for which a registry is issued may be employed in foreign trade or trade with Guam, American Samoa, Wake, Midway, or Kingman Reef.

(c) On application of the owner of a vessel that qualifies for a coastwise license under section 12106 of this title, a Great Lakes license under section 12107 of this title, or a fishery license under section 12108 of this title, the Secretary may issue a registry appropriately endorsed authorizing the vessel to be employed in the coastwise trade, the Great Lakes trade, or the fisheries, as the case may be.

(d) Except as provided in sections 12106–12108 of this title, a foreign built vessel registered under this section may not engage in the coastwise trade, the Great Lakes trade, or the fisheries.

§ 12106. Coastwise licenses and registry

(a) A coastwise license or, as provided in section 12105(c) of this title, an appropriately endorsed registry, may be issued for a vessel that—

(1) is eligible for documentation;

(2)(A) was built in the United States; or

(B) if not built in the United States, was captured in war by citizens of the United States and lawfully condemned as prize, was adjudged to be forfeited for a breach of the laws of the United States, or qualified for documentation under section 4136 of the Revised Statutes (46 App. U.S.C. 14); and

(3) otherwise qualifies under laws of the United States to be employed in the coastwise trade.

(b) Subject to the laws of the United States regulating the coastwise trade and the fisheries, only a vessel for which a coastwise license or an appropriately endorsed registry is issued may be employed in—

(1) the coastwise trade; and

(2) the fisheries.

§ 12107. Great Lakes licenses and registry

(a) A Great Lakes license or, as provided in section 12105(c) of this title, an appropriately endorsed registry, may be issued for a vessel that—

(1) is eligible for documentation;

(2)(A) was built in the United States; or

(B) if not built in the United States, was captured in war by citizens of the United States and lawfully condemned as prize, was adjudged to be forfeited for a breach of the laws of the United States, or qualified for documentation under section 4136 of the Revised Statutes (46 App. U.S.C. 14); and

(3) otherwise qualifies under the laws of the United States to be employed in the coastwise trade.

(b) Subject to the laws of the United States regulating the coastwise trade, trade with Canada, and the fisheries, only a vessel for which a Great Lakes license or an appropriately endorsed registry is issued may be employed on the Great Lakes and their tributary and connecting waters in—

(1) the coastwise trade;

(2) trade with Canada; and

(3) the fisheries.

§ 12108. Fishery licenses and registry

(a) A fishery license or, as provided in section 12105(c) of this title, an appropriately endorsed registry, may be issued for a vessel that—

(1) is eligible for documentation; and

(2)(A) was built in the United States; or

(B) if not built in the United States, was captured in war by citizens of the United States and lawfully condemned as prize, was adjudged to be forfeited for a breach of the laws of the United States, or qualified for documentation under section 4136 of the Revised Statutes (46 App. U.S.C. 14); and

(3) otherwise qualifies under the laws of the United States to be employed in the fisheries.

(b) Subject to the laws of the United States regulating the fisheries, only a vessel for which a fishery license or an appropriately endorsed registry is issued may be employed in the fisheries.

§ 12109. Pleasure vessel licenses

(a) A pleasure vessel license may be issued for a vessel that is—

(1) eligible for documentation; and

(2) to be operated only for pleasure.

(b) A licensed pleasure vessel may proceed between a port of the United States and a port of a foreign country without entering or clearing with the Customs Service.

(c) The Secretary may prescribe by regulation reasonable fees for issuing, renewing, or replacing a pleasure vessel license, or for providing any other service related to a pleasure vessel license. The fees shall be based on the costs of the service provided.

§ 12110. Limitations on operations authorized by certificates

(a) A vessel may not be employed in a trade except a trade covered by the certificate of documentation issued for that vessel. A documented pleasure vessel may be operated only for pleasure. However, a certificate of documentation may be exchanged, under regulations prescribed by the Secretary, for another type of certificate of documentation or endorsed appropriately for a trade for which the vessel qualifies.

(b) A barge qualified to be employed in the coastwise trade may be employed, without being documented, in that trade on rivers, harbors, lakes (except the Great Lakes), canals, and inland waters.

(c) When a vessel is employed in a trade not covered by the certificate of documentation issued for that vessel, or a documented pleasure vessel is operated except for pleasure, the vessel and its equipment are liable to seizure by and forfeiture to the United States Government.

(d) A documented vessel may be placed under the command only of a citizen of the United States.

§ 12111. Invalidation of certificates of documentation

(a) A certificate of documentation is invalid if the vessel for which it is issued—

(1) no longer meets the requirements of this chapter and regulations prescribed under this chapter applicable to that certificate of documentation; or

(2) is placed under the command of a person not a citizen of the United States.

(b) Except as provided by section 30(O) of the Merchant Marine Act, 1920 (46 App. U.S.C. 961(a)), an invalid certificate of documentation shall be surrendered as provided by regulations prescribed by the Secretary.

§ 12112. Vessels procured outside the United States

(a) The Secretary and the Secretary of State, acting jointly, may provide for the issuance of an appropriate document for a vessel procured outside the United States meeting the ownership requirements of section 12102 of this title.

(b) Subject to limitations the Secretary may prescribe, a vessel for which an appropriate document is issued under this section may proceed to the United States and engage en route in the foreign trade or trade with Guam, American Samoa, Wake, Midway, or Kingman Reef. On the vessel's arrival in the United States, the document shall be surrendered as provided by regulations prescribed by the Secretary.

(c) A vessel for which a document is issued under this section is subject to the jurisdiction and laws of the United States. However, the Secretary may suspend for a period of not more than 6 months, the application of a vessel inspection law carried out by the Secretary or regulations prescribed under that law if the Secretary considers the suspension to be in the public interest.

§ 12113. Ports of documentation

The Secretary shall designate ports of documentation in the United States at which vessels may be documented and instruments affecting title to, or interest in, documented vessels may be recorded. The Secretary—

(1) shall specify the geographic area to be served by each designated port; and

(2) may discontinue, relocate, or designate additional ports of documentation.

§ 12114. Home ports

(a) The port of documentation selected by an owner of a vessel and approved by the Secretary for the documentation of the vessel is the vessel's home port.

(b) Once a vessel's home port is established, it may not be changed without the approval of the Secretary.

§ 12115. Names of vessels

(a) The name of the vessel selected by the owner and approved by the Secretary for the documentation of the vessel is the vessel's name of record.

(b) Once a vessel's name of record is established, it may not be changed without the approval of the Secretary.

(c) The Secretary may prescribe by regulation a reasonable fee for changing a documented vessel's name of record.

§ 12116. Numbers, signal letters, and identification markings

(a) The Secretary shall maintain a numbering system for the identification of a documented vessel and shall assign a number to each documented vessel.

(b) The Secretary may maintain a system of signal letters for a documented vessel.

(c) The owner of a documented vessel shall affix to the vessel and maintain in the manner prescribed by the Secretary the number assigned and any other identification markings the Secretary may require.

§ 12117. Recording of United States built vessels

The Secretary may provide for the recording and certifying of information about vessels built in the United States that the Secretary considers to be in the public interest.

§ 12118. Registration of funnel marks and house flags

The Secretary shall provide for the registration of funnel marks and house flags by owners of vessels.

§ 12119. List of documented vessels

The Secretary shall publish periodically a list of all documented vessels and information about those vessels that the Secretary considers pertinent or useful. The list shall contain a notation clearly indicating all vessels classed by the American Bureau of Shipping.

§ 12120. Reports

To ensure compliance with this chapter and laws governing the qualifications of vessels to engage in the coastwise trade and the fisheries, the Secretary may require owners and masters of documented vessels to submit reports in any reasonable form and manner the Secretary may prescribe.

§ 12121. Regulations

The Secretary may prescribe regulations to carry out this chapter.

§ 12122. Penalties

(a) A person that violates this chapter or a regulation prescribed under this chapter is liable to the United States Government for a civil penalty of not more than $500.

(b) When the owner of a vessel knowingly falsifies or conceals a material fact, or makes a false statement or representation about the documentation of the vessel, that vessel and its equipment are liable to seizure by and forfeiture to the United States Government.

(c) When a certificate of documentation is knowingly and fraudulently used for a vessel, that vessel and its equipment are liable to seizure by and forfeiture to the Government.

CHAPTER 123—NUMBERING UNDOCUMENTED VESSELS

Sec.
12301. Numbering vessels.
12302. Standard numbering system.
12303. Exemption from numbering requirements.
12304. Certificates of numbers.
12305. Displaying numbers.
12306. Safety certificates.
12307. Regulations on numbering and fees.
12308. Providing vessel numbering and registration information.
12309. Penalties.

§ 12301. Numbering vessels

An undocumented vessel equipped with propulsion machinery of any kind shall have a number issued by the proper issuing authority in the State in which the vessel principally is operated.

§ 12302. Standard numbering system

(a) The Secretary shall prescribe by regulation a standard numbering system for vessels to which this chapter applies. On application by a State, the Secretary shall approve a State numbering system that is consistent with the standard numbering system. In carrying out its numbering system, a State shall adopt any definitions of relevant terms prescribed by regulations of the Secretary.

(b) A State with an approved numbering system is the issuing authority within the meaning of this chapter. The Secretary is the issuing authority in a State in which a State numbering system has not been approved.

(c) When a vessel is numbered in a State, it is deemed in compliance with the numbering system of a State in which it temporarily is operated.

(d) When a vessel is removed to a new State of principal operation, the issuing authority of that State shall recognize the validity of the number issued by the original State for 60 days.

(e) If a State has a numbering system approved after the Secretary issues a number, the State shall recognize the validity of the number issued by the Secretary for one year.

(f) When the Secretary decides that a State numbering system is not being carried out consistent with the standard numbering system or the State has changed the system without the Secretary's approval, the Secretary may withdraw approval after giving notice to the State, in writing, stating the reasons for the withdrawal.

§ 12303. Exemption from numbering requirements

(a) When the Secretary is the authority issuing a number under this chapter, the Secretary may exempt a vessel or class of vessels from the numbering requirements of this chapter under conditions the Secretary may prescribe.

(b) When a State is the issuing authority, it may exempt from the numbering requirements of this chapter a vessel or class of vessels exempted under subsection (a) of this section or otherwise as permitted by the Secretary.

§ 12304. Certificates of numbers

(a) A certificate of number is granted for a number issued under this chapter. The certificate shall be pocket-sized, shall be at all times available for inspection on the vessel for which issued when the vessel is in operation, and may be valid for not more than 3 years. The certificate of number for a vessel less than 26 feet in length and leased or rented to another for the latter's noncommercial operation of less than 7 days may be retained on shore by the vessel's owner or representative at the place from which the vessel departs or returns to the possession of the owner or the owner's representative. A vessel that does not have the certificate of number on board shall be identified when in operation, and comply with requirements, as the issuing authority prescribes.

(b) The owner of a vessel numbered under this chapter shall provide—

(1) the issuing authority notice of the transfer of any part of the owner's interest in the vessel or of the destruction or abandonment of the vessel, within a reasonable time after the transfer, destruction, or abandonment; and

(2) notice of a change of address within a reasonable time of the change, as prescribed by regulation.

§ 12305. Displaying numbers

A number required by this chapter shall be painted on, or attached to, each side of the forward half of the vessel for which it was issued, and shall be the size, color, and type as may be prescribed by the Secretary. No other number may be carried on the forward half of the vessel.

§ 12306. Safety certificates

When a State is the authority issuing a number under this chapter, it may require that the individual in charge of a numbered

vessel have a valid safety certificate issued under conditions set by the issuing authority, except when the vessel is subject to manning requirements under part F of this subtitle.

§ 12307. Regulations on numbering and fees

The authority issuing a number under this chapter may prescribe regulations and establish fees to carry out the intent of this chapter. The fees shall apply equally to residents and nonresidents of the State. A State issuing authority may impose only conditions for vessel numbering that are—

(1) prescribed by this chapter or regulations of the Secretary about the standard numbering system; or

(2) related to proof of payment of State or local taxes.

§ 12308. Providing vessel numbering and registration information

A person may request from an authority issuing a number under this chapter the numbering and registration information of a vessel that is retrievable from vessel numbering system records of the issuing authority. When the issuing authority is satisfied that the request is reasonable and related to a boating safety purpose, the information shall be provided on paying the cost of retrieving and providing the information requested.

§ 12309. Penalties

(a) A person willfully violating this chapter or a regulation prescribed under this chapter shall be fined not more than $5,000, imprisoned for not more than one year, or both.

(b) A person violating this chapter or a regulation prescribed under this chapter is liable to the United States Government for a civil penalty of not more than $1,000. If the violation involves the operation of a vessel, the vessel also is liable in rem for the penalty.

(c) When a civil penalty of not more than $200 has been assessed under this chapter, the Secretary may refer the matter of collection of the penalty directly to the United States magistrate of the jurisdiction in which the person liable may be found for collection procedures under supervision of the district court and under an order issued by the court delegating this authority under section 636(b) of title 28.

PART I—STATE BOATING SAFETY PROGRAMS

CHAPTER 131—RECREATIONAL BOATING SAFETY

Sec.
13101. State recreational boating safety programs.
13102. Program acceptance.
13103. Allocations.
13104. Availability of allocations.
13105. Computation decisions about State amounts expended.
13106. Authorization of contract spending.
13107. National Recreational Boating Safety and Facilities Improvement Fund.
13108. Computing amounts allocated to States and State records requirements.
13109. Consultation, cooperation, and regulation.
13110. National Boating Safety Advisory Council.

§ 13101. State recreational boating safety programs

(a) To encourage greater State participation and uniformity in boating safety and facility improvement efforts, and particularly to permit the States to assume the greater share of boating safety education, assistance, and enforcement activities, the Secretary shall carry out a national recreational boating safety and facilities improvement program. Under this program, the Secretary may make contracts with, and allocate and distribute amounts to, eligible States to assist them in developing, carrying out, and financing State recreational boating safety and facilities improvement programs.

(b) The Secretary shall establish guidelines and standards for the program. In doing so, the Secretary—

(1) shall consider, among other things, factors affecting recreational boating safety by contributing to overcrowding and congestion of waterways, such as the increasing number of recreational vessels operating on those waterways and their geographic distribution, the availability and geographic distribution of recreational boating facilities in and among applying States, and State marine casualty and fatality statistics for recreational vessels;

(2) shall consult with the Secretary of the Interior to minimize duplication with the purposes and expenditures of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460l-4—460l-11) and with the guidelines developed under that Act; and

(3) shall maintain environmental standards consistent with the Coastal Zone Management Act of 1972 (16 U.S.C. 1451-1464) and other laws and policies of the United States intended to safeguard the ecological and esthetic quality of the waters and wetlands of the United States.

(c) A State whose recreational boating safety and facilities improvement program has been approved by the Secretary is eligible for allocation and distribution of amounts under this chapter to assist that State in developing, carrying out, and financing its program. Matching amounts shall be allocated and distributed among eligible States by the Secretary as provided by section 13103 of this title.

§ 13102. Program acceptance

(a) The Secretary may make a contract with, and allocate and distribute amounts from the Fund established under section 13107 of this title to, a State that has an approved State recreational boating safety and facilities improvement program, if the State demonstrates to the Secretary's satisfaction that—

(1) the program submitted by that State is consistent with this chapter and chapters 61 and 123 of this title;

(2) amounts distributed will be used to develop and carry out a State recreational boating safety and facilities improvement program containing the minimum requirements of subsection (c), (d), or (f) of this section;

(3) sufficient State matching amounts are available from general revenue, undocumented vessel numbering and license fees, State marine fuels taxes, or from a fund constituted from the proceeds of those taxes and established to finance a State recreational boating safety and facilities improvement program; and

(4) the program submitted by that State designates a State lead authority or agency that will carry out or coordinate carrying the State recreational boating safety and facilities improvement program supported by financial assistance of the United States Government in that State, including the requirement that the designated State authority or agency submit required reports that are necessary and reasonable to carry out properly and efficiently the program and that are in the form prescribed by the Secretary.

(b) Amounts of the Government from sources (except sources referred to in subsection (a)(3) of this section) may not be used to provide a State's share of the costs of the program described under this section. State matching amounts committed to a program under this chapter may not be used to constitute the State's share of matching amounts required by another program of the Government.

(c) The Secretary shall approve a State recreational boating safety program, and the program is eligible to receive amounts authorized to be expended under section 13106 of this title, if the program includes—

(1) a vessel numbering system approved or carried out by the Secretary under chapter 123 of this title;

(2) a cooperative boating safety assistance program with the Coast Guard in that State;

(3) sufficient patrol and other activity to ensure adequate enforcement of applicable State boating safety laws and regulations;

(4) an adequate State boating safety education program; and

(5) a system, approved by the Secretary, for reporting marine casualties required under section 6102 of this title.

(d) The Secretary shall approve a State recreational boating facilities improvement program, and the program is eligible to receive amounts authorized to be expended under section 13106 of this title, if the program includes—

(1) a complete description of recreational boating facility improvement projects to be undertaken by the State; and

(2) consultation with State officials responsible for the statewide comprehensive outdoor recreation plan required by the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460l-4—460l-11) and for any program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. 1451-1464).

(e) The Secretary's approval under this section is a contractual obligation of the Government for the payment of the proportional share of the cost of carrying out the program.

(f)(1) A State may submit a combined program to the Secretary for the improvement of recreational boating safety and the improvement of recreational boating facilities in that State. The Secretary shall approve the program if it contains the minimum requirements set forth in subsections (c) and (d) of this section.

(2) Those parts of the combined program of a State that are designed to improve recreational boating safety are eligible to receive amounts authorized to be expended for State recreational boating safety programs under section 13106 of this title. The Secretary's approval of those parts is a contractual obligation of the Government for the payment of the proportional share of the cost of carrying out the State's recreational boating safety program under this chapter.

(3) Those parts of the combined program of a State that are designed to improve recreational boating facilities are eligible to receive amounts authorized to be expended for State recreational boating facilities improvement programs under section 13106 of this title. The Secretary's approval of those parts is a contractual obligation of the Government for the payment of the proportional share of the cost of carrying out the

State's recreational boating facilities program under this chapter.

§ 13103. Allocations

(a) The Secretary shall allocate amounts available for allocation and distribution under this chapter for State recreational boating safety programs as follows:

(1) One-third shall be allocated equally each fiscal year among eligible States.

(2) One-third shall be allocated among eligible States that maintain a State vessel numbering system approved under chapter 123 of this title and a marine casualty reporting system approved under this chapter so that the amount allocated each fiscal year to each eligible State will be in the same ratio as the number of vessels numbered in that State bears to the number of vessels numbered in all eligible States.

(3) One-third shall be allocated so that the amount allocated each fiscal year to each eligible State will be in the same ratio as the amount of State amounts expended or obligated by the State for the State recreational boating safety program during the prior fiscal year bears to the total State amounts expended or obligated during that fiscal year by all eligible States for State recreational boating safety programs.

(b) The Secretary shall allocate the amounts available for allocation and distribution under this chapter for State recreational boating facilities improvement programs as follows:

(1) One-third shall be allocated equally each fiscal year among eligible States.

(2) One-third shall be allocated so that the amount allocated each fiscal year to each eligible State will be in the same ratio as the number of vessels numbered in that State bears to the number of vessels numbered in all eligible States.

(3) One-third shall be allocated so that the amount allocated each fiscal year to each eligible State shall be in the same ratio as the State amounts expended or obligated by the State for a recreational boating facilities improvement program approved under this chapter during the prior fiscal year bears to the total State amounts expended or obligated during that fiscal year by all eligible States for recreational boating facilities improvement programs.

(c) The amount received by a State under this section in a fiscal year may be not more than one-half of the total cost incurred by that State in developing, carrying out, and financing that State's recreational boating safety and facilities improvement program in that fiscal year.

(d) An allocation or distribution of amounts under this section may not be made to a State to maintain boating facilities under that State's approved recreational boating safety and facilities improvement program.

(e) The Secretary may allocate not more than 5 percent of the amounts available for allocation and distribution in a fiscal year for national boating safety activities of national nonprofit public service organizations.

(f) The Secretary may expend from the amounts available for allocation and distribution in a fiscal year those amounts necessary to carry out this chapter. However, the amounts expended in a fiscal year to carry out this chapter may be not more than $250,000 or 2 percent of the amounts available for allocation and distribution in that fiscal year, whichever is greater.

§ 13104. Availability of allocations

(a) Amounts allocated to a State shall be available for obligation by that State for a period of 3 years after the date of allocation. Amounts unobligated by the State at the end of the 3 years shall be withdrawn by the Secretary and shall be available with other amounts to be allocated by the Secretary during that fiscal year.

(b) Amounts available to the Secretary that have not been allocated at the end of a fiscal year shall be carried forward as part of the total allocation of amounts for the next fiscal year that may be expended under this chapter.

§ 13105. Computation decisions about State amounts expended

(a) Consistent with regulations prescribed by the Secretary, the computation by a State of amounts expended or obligated for the State recreational boating safety and facilities improvement program shall include—

(1) the acquisition, maintenance, and operating costs of land, facilities, equipment, and supplies;

(2) personnel salaries and reimbursable expenses;

(3) the costs of training personnel;

(4) public boat safety education;

(5) the costs of carrying out the program; and

(6) other expenses that the Secretary considers appropriate.

(b) The Secretary shall decide an issue arising out of the computation made under subsection (a) of this section.

§ 13106. Authorization of contract spending

(a) To provide financial assistance for State recreational boating safety and facilities improvement programs, the Secretary may expend, subject to amounts provided in appropriations laws for liquidating contract authority, an amount equal to the revenues accruing each fiscal year from the taxes under section 4041(b) of the Internal Revenue Code of 1954 (26 U.S.C. 4041(b)) from special motor fuels used as fuel in motor boats and under section 4081 of that Code (26 U.S.C. 4081) from gasoline used as fuel in motor boats.

(b) Of the amounts available for allocation and distribution for recreational boating safety and facilities improvement programs, one-third shall be allocated for recreational boating safety programs and two-thirds shall be allocated for recreational boating facilities improvement programs.

(c) Amounts authorized to be expended for State recreational boating safety and facilities improvement programs remain available until expended and are deemed to have been expended only if an amount equal to the total amounts authorized to be expended under this section for the fiscal year in question and all prior fiscal years have been obligated. Amounts previously obligated but released by payment of a final voucher or modification of a program acceptance shall be credited to the balance of unobligated funds and shall be immediately available for expenditure.

§ 13107. National Recreational Boating Safety and Facilities Improvement Fund

There is established in the Treasury a separate fund known as the National Recreational Boating Safety and Facilities Improvement Fund consisting of amounts paid into it as provided in section 209(f)(5) of the Highway Revenue Act of 1956. Amounts in the Fund are available for making expenditures as provided in section 13106 of this title.

§ 13108. Computing amounts allocated to States and State records requirements

(a) Amounts allocated and distributed under section 13103 of this title shall be computed and paid to the States as follows:

(1) During the last quarter of a fiscal year and on the basis of computations made under section 13105 of this title and submitted by the States, the Secretary shall determine the percentage of the amounts available for the next fiscal year to which each eligible State is entitled.

(2) Notice of the percentage and of the dollar amount, if it can be determined, for each State shall be provided to the States at the earliest practicable time.

(3) If the Secretary determines that an amount made available to a State for a prior fiscal year is greater or less than the amount that should have been made available to the State for the prior fiscal year, because of later or more accurate State expenditure information, the amount for the current fiscal year may be increased or decreased by the appropriate amount.

(b) The Secretary shall schedule the payment of amounts, consistent with the program purposes and applicable regulations prescribed by the Secretary of the Treasury, to minimize the time elapsing between the transfer of amounts from the Treasury and the subsequent disbursement of the amounts by a State.

(c) The Secretary shall notify a State authority or agency that further payments will be made to the State only when the program complies with the prescribed standards or a failure to comply substantially with standards is corrected if the Secretary, after reasonable notice to the designated State authority or agency, finds that—

(1) the State recreational boating safety and facilities improvement program submitted by the State and accepted by the Secretary has been so changed that it no longer complies with this chapter or standards prescribed by regulations; or

(2) in carrying out the State recreational boating safety and facilities improvement program, there has been a failure to comply substantially with the standards prescribed by regulations.

(d) The Secretary shall provide for the accounting, budgeting, and other fiscal procedures that are necessary and reasonable to carry out this section properly and efficiently. Records related to amounts allocated under this chapter shall be made available to the Secretary and the Comptroller General to conduct audits.

§ 13109. Consultation, cooperation, and regulation

(a) In carrying out responsibilities under this chapter, the Secretary may consult with State and local governments, public and private agencies, organizations and committees, private industry, and other persons having an interest in boating safety and facilities improvement.

(b) The Secretary may advise, assist, and cooperate with the States and other interested public and private agencies in planning, developing, and carrying out boating safety and facilities improvement programs. Acting under section 141 of title 14, the Secretary shall ensure the fullest cooperation between the State and United States Government authorities in promoting boating safety by making agreements and other arrangements with States when possible. Subject to chapter 23 of title 14, the Secretary may make available, on request of a State, the services of members of the Coast Guard

Auxiliary to assist the State in promoting boating safety on State waters.

(c) The Secretary may prescribe regulations to carry out this chapter.

§ 13110. National Boating Safety Advisory Council

(a) The Secretary shall establish a National Boating Safety Advisory Council. The Council shall consist of not more than 21 members appointed by the Secretary, whom the Secretary considers to have a particular expertise, knowledge, and experience in boating safety.

(b)(1) Insofar as practical and to ensure balanced representation, the Secretary shall appoint members equally from—

(A) State officials responsible for State boating safety programs;

(B) recreational vessel manufacturers; and

(C) boating organizations and members of the general public.

(2) Additional individuals from the sources referred to in paragraph (1) of this subsection may be appointed to panels of the Council to assist the Council in performing its duties.

(3) At least once a year, the Secretary shall publish a notice in the Federal Register soliciting nominations for membership on the Council.

(c) In addition to the consultation required by section 4302 of this title, the Secretary shall consult with the Council on other major boating safety matters related to this chapter. The Council may make available to Congress information, advice, and recommendations that the Council is authorized to give to the Secretary.

(d) When attending meetings of the Council, a member of the Council or a panel may be paid at a rate not more than the rate for GS-18. When serving away from home or regular place of business, the member may be allowed travel expenses, including per diem in lieu of subsistence as authorized by section 5703 of title 5 for individuals employed intermittently in the Government service. A payment under this section does not make a member of the Council an officer or employee of the United States Government for any purpose.

[PART J—RESERVED FOR MEASUREMENT OF VESSELS]

MISCELLANEOUS PROVISIONS

SEC. 2. (a) Laws effective after December 31, 1982, that are inconsistent with this Act supersede this Act to the extent of the inconsistency.

(b) A reference to a law replaced by this Act, including a reference in a regulation, order, or other law, is deemed to refer to the corresponding provision of this Act.

(c) An order, rule, or regulation in effect under a law replaced by this Act continues in effect under the corresponding provision of this Act until repealed, amended, or superseded.

(d) An action taken or an offense committed under a law replaced by this Act is deemed to have been taken or committed under the corresponding provision of this Act.

(e) An inference of legislative construction is not to be drawn by reason of the caption or catch line of a provision enacted by this Act.

(f) If a provision enacted by this Act is held invalid, all valid provisions that are severable from the invalid provision remain in effect. If a provision of this Act is held invalid in one or more of its applications, the provision remains in effect in all valid applications that are severable from the invalid application or applications.

(g)(1) Part B of subtitle II and sections 7306 (related to able seaman sail) and 7311 of title 46 (as enacted by section 1 of this Act) take effect April 15, 1984, or when regulations for sailing school vessels under part B are effective, whichever is earlier.

(2) Section 3715(a) of title 46 (as enacted by section 1 of this Act) is effective on the day after the effective date of the regulations prescribed by the Secretary under section 3715(b) of title 46.

(h) Chapter 63 of title 46 (as enacted by section 1 of this Act) does not supersede section 304(a)(1)(E) of the Independent Safety Board Act of 1974 (49 App. U.S.C. 1903(a)(1)(E)).

(i) Each offshore supply vessel described in section 3302(g) of title 46 (as enacted by section 1 of this Act), that was registered with the Secretary of Transportation under section 4426a(7) of the Revised Statutes but that has not been inspected by the Secretary shall be held to be in compliance with all applicable vessel inspection laws pending verification by actual inspection or until one year after the date of enactment of this Act, whichever is earlier.

(j) Within 2 years after the date of enactment of this Act, the Federal Maritime Commission and the Secretary of Transportation each shall submit to Congress a proposed codification of the laws within their respective jurisdictions related to shipping and maritime matters.

CONFORMING CROSS-REFERENCES

SEC. 3. (a) Section 5549(4) of title 5, United States Code is amended to read as follows:

"(4) sections 2111 and 2112 of title 46; and".

(b) Section 10542(c) of title 49, United States Code, is amended—

(1) in the matter before clause (1), by striking "tank vessels" and substituting "a tank vessel"; and

(2) by striking clause (2) and substituting:

"(2) having a certificate of inspection issued under part B of subtitle II of title 46 endorsed to show that the vessel complies with chapter 37 of title 46.".

REPEALS

SEC. 4. (a) The repeal of a law by this Act may not be construed as a legislative implication that the provision was or was not in effect before its repeal.

(b) The laws specified in the following schedule are repealed, except for rights and duties that matured, penalties that were incurred, and proceedings that were begun, before the date of enactment of this Act and except as provided by section 2 of this Act:

SCHEDULE OF LAWS REPEALED

Revised Statutes, section	Revised Statutes, section	Revised Statutes, section	Revised Statutes, section	Revised Statutes, section
4131	4431	4474	4520	4560
4235	4432	4477	4521	4561
4236	4433	4478	4522	4562
4237	4434	4480	4523	4563
4250	4437	4484	4524	4564
4251	4438	4485	4525	4565
4290	4438a	4486	4526	4566
4291	4439	4487	4527	4567
4292	4440	4488	4528	4568
4399	4441	4490	4529	4569
4400	4442	4491	4530	4570
4401	4443	4494	4535	4571
4403	4444	4496	4537	4572
4405	4445	4497	4538	4577
4406	4446	4499	4539	4578
4407	4447	4500	4540	4580

SCHEDULE OF LAWS REPEALED—Continued

Revised Statutes, section	Revised Statutes, section	Revised Statutes, section	Revised Statutes, section	Revised Statutes, section
4408	4448	4501	4541	4581
4409	4449	4502	4542	4582
4410	4450	4503	4543	4583
4411	4451	4504	4544	4595
4417	4453	4505	4545	4596
4417a	4454	4506	4546	4597
4418	4455	4507	4547	4600
4419	4456	4508	4548	4603
4420	4457	4509	4549	4604
4421	4460	4510	4550	4605
4423	4462	4511	4551	4607
4424	4463	4512	4552	4608
4425	4464	4513	4553	4610
4426	4465	4514	4554	4611
4426a	4466	4515	4555	4612
4427	4467	4516	4556	5294
4428	4468	4517	4557	
4429	4469	4518	4558	
4430	4472	4519	4559	

STATUTES AT LARGE

Date	Chapter or Public Law	Section	Statutes at Large Volume	Page
1874				
June 9	260		18	64
June 20	344	10, 11, 12, 13	18	128
1875				
Feb. 18	80	1 (only the part amending R.S. 4250).	18	320
877				
Feb. 27	69	1 (only the part amending R.S. 4290, 4409, 4415, 4420, 4421, 4440, 4441, 4467, 4472, 4490, 4513, 4522, 4605)	19	251, 252
882				
Aug. 2	374		22	186
Aug. 7	433	1 (only the paragraph amending R.S. 4429).	22	310
Do	441	1, 2	22	346
1884				
June 26	121	1–11, 19, 20, 26	23	53, 58, 59
July 5	221	2, 8 (a), (b), (d)	23	118
1885				
Feb. 11	55		23	298
1886				
June 19	421	1, 2, 3, 13, 14, 18	24	79, 82, 83
July 9	755		24	129
888				
Apr. 4	61	2	25	80
Oct. 18	1197		25	564
1889				
Mar. 2	418		25	1012
1890				
June 25	616		26	180
Aug. 19	801		26	320
Sept. 4	875		26	425
Dec. 22	26		26	692
1891				
Feb. 21	250		26	765
Mar. 3	521		26	833
1892				
Apr. 11	41		27	16
1894				
Jan. 22	16		28	28
1895				
Feb. 18	97		28	667
Feb. 28	139		28	690
Mar. 2	186	(only the last paragraph of this chapter).	28	843
1896				
May 28	255		29	188
1897				
Mar. 3	389	1, 2, 4, 6–8, 14, 19	29	687, 689, 690, 691
1898				
Mar. 23	86		30	340
Dec. 21	28		30	755
Do	29		30	764

STATUTES AT LARGE—Continued

Date	Chapter or Public Law	Section	Statutes at Large Volume	Page
1900				
Feb. 14	19		31	29
Mar. 23	90		31	50
1901				
Feb. 20	386		31	799
Feb. 23	465		31	800
1902				
Feb. 15	23		32	34
1904				
Apr. 11	1140		33	168
Apr. 13	1252		33	174
Apr. 26	1603		33	308
1905				
Feb. 18	586		33	720
Mar. 3	1453		33	1022
Do	1454	1–4	33	1023
Do	1456	1, 2	33	1027
Do	1457	2–8	33	1029
1906				
Mar. 17	955		34	68
Apr. 26	1875		34	137
May 16	2460		34	193
May 28	2565		34	204
June 11	3071		34	230
June 28	3583	4	34	551
1907				
Jan. 25	398		34	864
Feb. 8	892		34	881
Feb. 19	991		34	897
Mar. 4	2929		34	1411
1908				
Apr. 2	123		35	55
May 28	212	2, 3, 4, 10, 12, 13	35	425, 428
1909				
Mar. 2	244		35	686
Mar. 4	321	254–267	35	1140
1910				
June 25	402		36	831
1911				
Mar. 4	237	1 (in part)	36	1229 (only the first complete paragraph on this page)
1912				
May 22	130		37	116
July 23	250		37	199
Aug. 1	268	2	37	242
1913				
Jan. 24	10		37	650
Mar. 3	118	1	37	732
Mar. 4	142	1 (in part)	37	785 (only the proviso in the fourth paragraph on this page)
1914				
July 17	146		38	511
Aug. 18	256		38	698
Oct. 22	334		38	765
Do	336		38	766
1915				
Mar. 3	79		38	893
Mar. 4	153	1–15, 19	38	1164, 1185
Do	184		38	1216
1916				
June 12	141		39	224
1917				
Feb. 14	63		39	918
1918				
Mar. 29	30		40	499
May 11	72		40	548
June 10	95		40	602
1919				
Oct. 25	82		41	305
1920				
June 5	250	25, 26, 31, 32	41	998, 1006

STATUTES AT LARGE—Continued

Date	Chapter or Public Law	Section	Statutes at Large Volume	Page
1922				
June 1	204	T.I. (in part)	42	603 (only the words after the semicolon in the second paragraph on this page)
1923				
Jan. 3	21	T.I. (in part)	42	1072 (only the proviso in the first paragraph on this page)
1925				
Mar. 2	387		43	1093
1928				
May 28	824		45	789
1930				
May 7	227	(only clause (2), amending R.S. 4578).	46	261
1932				
June 30	314	501, 502(b)	47	415
1933				
June 13	61		48	125
1934				
Mar. 5	40		48	395
1936				
May 27	463		49	1380
June 20	628		49	1544
June 23	729		49	1889
June 25	816		49	1930
June 29	858	302, 1307(c), (d)(2), (3), 1308(e).	49	1992
1937				
Mar. 24	49		50	49
May 22	237		50	199
July 29	536		50	544
1938				
May 9	189		52	343
May 11	194		52	345
June 23	597		52	944
June 25	679	19(a)	52	1087
1939				
Mar. 29	26		53	554
May 31	158		53	794
July 17	316		53	1049
Aug. 1	409		53	1145
Aug. 7	558		53	1257
Aug. 10	643		53	1343
1940				
Apr. 25	155		54	163
Oct. 9	777		54	1023
Oct. 17	896		54	1200
1941				
Sept. 24	416		55	729
Do	417		55	730
1946				
Aug. 7	783		60	883
1948				
May 12	286		62	232
1950				
Sept. 23	1002		64	980
Sept. 29	1109		64	1081
1951				
Jan. 10	1222		64	1239
1952				
July 16	887		66	730
1954				
July 15	512		68	484
Aug. 30	1076	1(29)	68	968
Aug. 31	1171		68	1047
1955				
June 8	133		69	86

STATUTES AT LARGE—Continued

Date	Chapter or Public Law	Section	Statutes at Large Volume	Page
1956				
May 10	258		70	151
June 4	350		70	223
1958				
Aug. 23	85–739		72	833
Sept. 2	85–911		72	1754
1959				
Sept. 9	86–244		73	475
Sept. 14	86–263		73	551
Sept. 22	86–364		73	646
1960				
June 30	86–555		74	259
Sept. 2	86–688		74	735
1961				
Aug. 30	87–177		75	410
1963				
Sept. 23	88–128		77	164
1965				
July 30	89–99	2, 5	79	424
1966				
Oct. 15	89–670	6(e)(4)	80	939
Nov. 6	89–777	1, 4	80	1356, 1358
1968				
Apr. 25	90–293		82	107
July 11	90–397	1, 3, 4	82	341
July 27	90–435		82	449
1969				
Dec. 24	91–154		83	427
1970				
Oct. 27	91–513	1102(q)	84	1293
Dec. 31	91–612	3	84	1835
1971				
Aug. 10	92–75		85	213
1972				
July 7	92–339	1	86	423
July 10	92–340	201	86	427
1973				
July 9	93–65	6	87	151
Aug. 16	93–106		87	350
Nov. 16	93–153	401	87	589
1974				
Aug. 10	93–370		88	423
Oct. 1	93–430	6(2)–(4)	88	1182
1975				
Jan. 3	93–633	113(a), (f)	88	2161, 2163
Aug. 9	94–85		89	426
1976				
Sept. 10	94–406	8(a)(1)–(3)	90	1236
Oct. 17	94–535		90	2496
Oct. 18	94–550	8, 9	90	2535
1977				
July 1	95–61	7(b)	91	260
1978				
June 30	95–308	7	92	359
1980				
Oct. 6	96–378		94	1513
Oct. 14	96–451	202	94	1987
Dec. 12	96–594	101–125	94	3453
1982				
Oct. 15	97–322	208(a)	96	1590

The SPEAKER pro tempore. Is a second demanded?

Mr. FORSYTHE. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from North Carolina (Mr. JONES) will be recognized for 20 minutes and the gentleman from New Jersey (Mr. FORSYTHE) will be recognized for 20 minutes.

The Chair recognizes the gentleman from North Carolina (Mr. JONES).

Mr. JONES of North Carolina. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, today I have the pleasure to bring before the House S. 46, a bill to revise, consolidate, and enact certain laws related to vessels and seamen as subtitle II of title 46, United States Code, "Shipping".

This bill rewrites the laws related to—

Vessel inspections;

Marine casualties;

Licenses and documents issued to seamen;

Manning of vessels;

Seamen protection and relief;

Identification of vessels; and

State boating safety programs.

Mr. Speaker, the maritime laws were some of the earliest laws passed by the Congress in the 1700's. In many cases they were in direct response to marine casualties—on everything from old steam vessels to modern tankers. As a result they have evolved into an unorganized group of statutes which are very difficult for the individuals affected to understand and for the Coast Guard to administer.

In 1946 the Coast Guard began writing this bill. Unfortunately, for one reason or another, it never made it into law. Today we have before us a very refined piece of legislation which represents a major step forward in maritime law.

In making changes to current law the committee has attempted to limit these changes to those of a noncontroversial nature. After hearings on this legislation, the staff has had numerous meetings with the affected industry groups in order to address their concerns. Our general rule was when in doubt, go back to the existing law.

With the cooperation of the Coast Guard and the maritime industry we have reached a bill which I feel everyone can support.

I would like to take a moment to clarify a provision of concern to a section of the maritime industry.

Tank vessel is a term in corporating the provisions of current law (46 U.S.C. 391(a)(3)) which sets forth the kind of vessel to which section 5 of the Port and Tanker Safety Act of 1978 applies. Instead of repeating the lengthy provisions of current law to describe such a vessel, the committee decided to incorporate the provision in the term "tank vessel" in order to make chapter 37 more concise. This concise term is currently used in the Coast Guard's regulations implementing the 1978 act (see 46 CFR 3001 et seq.). Thus the use of the term tank vessel does not amend, expand, or alter current law, or current Coast Guard authority to prescribe inspection procedures or standards.

For example, it is the committee's intent that the use of the term tank vessle will not result in more vessels being inspected as if they were tankers. The two terms tank vessel and tanker are not interchangeable for purposes of chapter 37 because a tank vessel may be a vessel which is not a tanker.

Mr. Speaker, I would like to take a moment to give special thanks to the sponsors of this bill, Mr. STUDDS, Mr. BIAGGI, Mr. FORSYTHE, and Mr. YOUNG, as well as the committee staff, for the many hours they have put in on this project.

I would also like to thank the Judiciary Committee and the Office of the Law Revision Counsel for the cooperation they provided, and for writing this bill in the readable United States Code style. I only hope that all of the bills reported by our committee will be this readable to nonattorneys.

Mr. Speaker, I give my strong support to this bill, and urge its approval by the House.

□ 1440

Mr. Speaker, I yield such time as he may consume to the gentleman from Massachusetts (Mr. STUDDS).

Mr. STUDDS. Mr. Speaker, this legislation is the product of a three-year long effort to rewrite our maritime safety laws in a coherent fashion. There has long been recognized the need for this legislation, as evidenced by the four separate attempts to accomplish the same goal over the past 60 years—one in 1929, one in the 1940's, one in the 1960's, and one in the early 1970's. Each of these efforts failed, and as a result, the existing body of maritime law is a confusing collection of individual statutes that are poorly organized, duplicative, often obsolete, occasionally bizarre, and difficult even for professional lawyers, let alone the public or Members of Congress to understand.

The initial impetus for this latest attempt to revise these laws came from the Coast Guard, the agency that administers them. In 1980, the Coast Guard began meeting with representatives of the maritime industries to solicit their views on a revision of the laws that governed them. Last Congress, I introduced a bill very similar to S. 46 (H.R. 7103), which was based on the Coast Guard's work. At the time, the industry expressed strong support for the general aim of the legislation, and conveyed a willingness to work with the Merchant Marine and Fisheries Committee to iron out specific problems. During two hearings and countless meetings with the public and with the Coast Guard over the past year, the bill before us has evolved. Its present text reflects literally thousands of mostly minor adjustments made for stylistic, conforming clarifying, and substantive but noncontroversial reasons.

S. 46 is, for the most part, a simple restatement of existing maritime safety law, organized in a more understanding and usable fashion. For example, all the inspection laws are now located in one chapter whereas they were formerly found in 13 separate sections scattered throughout title 46 of the United States Code. We have also deleted laws that have become obsolete. For instance, there is no longer the requirement that seamen be served one-fourth pint of pickles and one-half pound of biscuits on Wednesdays, or that they be confined in chains with bread and water for food whenever shipboard rules are violated.

This legislation will make our maritime safety laws easier for the Coast Guard to administer, less cumbersome for the maritime industries to use, and easier for anyone needing to refer to them to understand.

I know it is not generally the role of the Congress to make the law more clear, but S. 46 is the exception to the rule. I cannot promise, but I do want to share with the House my hope that this bill may actually reduce employment opportunities for lawyers both in this town and throughout the Nation. For this reason alone, the public interest requires that it be approved.

Mr. JONES of North Carolina. Mr. Speaker, I yield such time as he may consume to the gentleman from New York (Mr. BIAGGI), the distinguished chairman of the subcommittee.

Mr. BIAGGI. Mr. Speaker, I want to commend the chairman of the full committee, Mr. JONES, the chairman of the Coast Guard Subcommittee, Mr. STUDDS, and the ranking minority member, Mr. FORSYTHE.

Mr. Speaker, S. 46—as amended by the Committee on Merchant Marine and Fisheries—has my strong support. Its enactment will conclude efforts—stretching over at least 40 years—to improve the maritime safety laws.

The bill will bring clarity out of ambiguity—simplicity out of complexity—and order out of chaos. It repeals over 300 statutes—many well over 100-years old. In their place is put a coherent, clear, and organized statement of the laws that have been developed to insure safety at sea and the welfare of seamen.

Everyone concerned with maritime safety has long agreed that the present state of the maritime safety laws is unsatisfactory. At the same time, many of those impacted by those laws have been hesistant to change them.

Especially in the case of the maritime labor unions; they have been fearful that a codification of these laws might result in a loss of some of the hard-won protections for merchant seamen. For that reason, they

worked closely with the committee to insure that the bill did not remove any rights, benefits, or protections for merchant seamen that are in the law today.

They did agree, however, with the committee as to the desirability of updating those protections and rights to make them more relevant to today's conditions. The cooperative and responsible attitude of the maritime labor unions in working on this bill made an important contribution to its development.

Since there has been a fair amount of concern over the scope and effect of this bill, I would like to take a few minutes to describe its evolution.

The initial concept of the project to codify and improve the marine safety laws was that it would be done without making any substantive changes in those laws. A pure codification was envisioned in which those laws would only be reorganized and restated in simpler and clearer language.

As the project proceeded, however, it became increasingly clear that this initial concept could not be realized. It became obvious that it was not possible to codify these laws without making substantive changes.

Substantive changes must inevitably result:

First, when conflicts are eliminated between statutes;

Second, when statutes are made consistent internally and with other statutes;

Third, when statutes are modernized to reflect changing conditions;

Fourth, when ambiguities in the laws are eliminated; and

Fifth, when inequalities in the law applicable to different persons or vessels in similar circumstances are removed.

As it became apparent that substantive changes were an inevitable result of the process, a modified guiding precept evolved—namely, that the bill would make no substantive changes of a controversial nature.

This was a shorthand way of saying that the bill would make no changes in the present law:

First, that would harm or adversely affect anyone;

Second, that would impose new duties or responsibilities on anyone;

Third, that would make any significant changes in Federal maritime policy; or

Fourth, that would grant significant new authority to the Government officials charged with enforcement of our maritime safety laws.

This policy statement, however, left room for the committee to recommend some limited substantive changes that it had reason to believe would be acceptable to both the enforcing agency and all aspects of the industry—and that would be consistent with improved maritime safety.

To implement the policy of making no substantive changes of a controversial nature, the committee held extensive hearings on the proposed bill. At those hearings—and at markup sessions before the two subcommittees having jurisdiction and before the full committee, interested parties were asked to work closely with committee staff and bring to their attention instances were they objected to provisions of the bill.

A great many groups and individuals did as the committee asked. Many of them submitted detailed written comments. Many of them met with committee staff to present their concerns with the bill—to make recommendations for changes—and to discuss the provisions of the bill.

All comments, objections, or recommendations were carefully analyzed. In almost every case where an objection was made that the language of the bill resulted in a substantive change from existing law, the committee revised the language so that no change resulted. In many cases, no objection was made to those provisions of the bill that result in substantive changes. In other cases, there was general agreement by all interested reviewers to provisions that result in substantive changes.

It should be understood that practically all of these substantive changes—and they are relatively few in number—are minor. They do not substantially alter the rights, duties, or obligations of persons affected by these laws. They can be characterized more as filling in gaps or interstices in the law—or eliminating overlapping provisions.

I would also like to make it clear that the substantive changes the bill makes all grew out of the codification process itself. The committee did not use this bill as a vehicle for making new policy or imposing new requirements.

In its continuing review of maritime safety and the efficacy of the laws to insure it, the committee will, in the near future, be considering substantive proposals to increase the effectiveness of those laws. Enactment of S. 46 will facilitate the incorporation of new proposals into the law.

The net result of the committee's work is a bill that carries out the stated policy—to reorganize, modernize, clarify, and codify the maritime safety laws without making controversial substantive changes. We now have, I believe, a bill that is satisfactory to all elements of the maritime industry—and to the various Government agencies involved.

The job of rewriting the maritime safety and seamen's welfare laws has been a difficult one. But it is one that is well worth doing. This bill will—in my opinion—make it easier for the Coast Guard to do its job of insuring safety at sea. And it will make available to both operators of vessels and their crews a clearer, more coherent statement of the laws affecting them. It will also, I hope, make a contribution to safety at sea.

The bill deserves the strong support of all Members.

Mr. JONES of North Carolina. Mr. Speaker, I reserve the balance of my time.

Mr. FORSYTHE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am pleased to see that the massive effort to revise, clarify, and reorganize a large part of title 46 of the United States Code is moving toward completion. This effort was begun literally decades ago. The collection of laws in title 46, dealing with marine safety, personnel qualifications, and seamen's welfare, had long ago become very difficult to understand and administer.

I want to commend the Coast Guard staff, the staff of the Merchant Marine and Fisheries Committee, and the staff of the Law Revision Counsel, for their dedication to producing this revision. The staffs have spent uncounted hours meeting with all affected groups—labor unions, shipping companies, trade associations, and others. There has been full opportunity for participation by all concerned groups, and I am pleased that the bill before us has virtually unanimous bipartisan support. I also am pleased that the administration strongly supports the prompt enactment of this bill.

I also want to commend our Senate colleagues for their fine work on, and early passage of, S. 46. The bill before us today is essentially the same as that passed by the Senate, with a number of specific, minor technical changes. We look forward to prompt Senate concurrence in the passage of this House's version of S. 46.

The premise of this revision of title 46 is that no substantive changes of a controversial nature have been made. Special efforts have been made to preserve the meaning of current law. After this revision of title 46 is enacted, we will be in a much better position to judge the potential impacts and policy considerations relating to any substantive changes which may be proposed in the future.

Mr. Speaker, S. 46 represents a major investment of time, effort, and legal and technical skill by many, many people. I think the investment is about to pay off, and I compliment all those who worked on this bill for their successful efforts.

I urge my colleagues here in the House to vote in favor of S. 46.

● Mr. YOUNG of Alaska. Mr. Speaker, I rise in support of S. 46, legislation to revise, simplify, and enact certain of

the marine safety and seamen's welfare laws of the United States. The bill before us covers the complex maze of marine safety laws in title 46 of the United States Code administered by the Coast Guard.

The purpose of this legislation is to codify the laws which relate to:

The safe operation of vessels generally;

The inspection, regulation, and documentation of vessels;

The procedures relating to marine casualties;

The licensing, certification, and documentation of merchant marine personnel;

The manning of vessels; and

The protection and relief of merchant seamen.

As one can see from this list of topics, this body of law is very important to the maritime industry of the United States and therefore has received careful attention from the Merchant Marine and Fisheries Committee so that undesirable changes were not made by mistake. To do this, we were careful to consult representatives in each part of the maritime community. Further, the law has been rewritten so that the average person can understand it and not just the handful of maritime lawyers and experts who currently know these laws.

A revision of this size requires that some substantive change in the law be made. However, I understand no changes were made that would be of any controversy. Thus, the existing law so important to the shipping and fishing industries, as well as maritime labor and recreational boating, will be preserved. After we finish this job, we can then go on and use this clear statement of the law to address and correct any problem areas that may arise in this part of title 46. Therefore, it is my hope that this revision will be used without ever looking back to the confusing mass of laws this bill repeals and replaces.

Mr. Speaker, these laws have been enacted in bits and pieces over the last 200 years. This revision effort, therefore, is long overdue. I am confident that we have produced a bill that is a well organized and understandable body of marine safety laws for the United States. Further, the administration fully supports this legislation.

I strongly urge my colleagues to approve this legislation today.●

● Mr. SNYDER. Mr. Speaker, I want to commend you for bringing this bill to the floor today. There has long been an effort by the maritime community to revise and modify certain outdated, obsolete sections of title 46 of the United States Code. Certainly there are parts of our maritime laws that have outlived their usefulness and should be either repealed or modified. The bill before the House today, S. 46, represents the Coast Guard and Merchant Marine Subcommittees' cooperative effort to produce a bill which attempts to clarify and better organize much of our maritime law.

I know that there has been some concern in the maritime industry that the committee might be considering substantive changes of a controversial nature in this bill. However, this bill does not contain any such changes. Instead, the guiding principle in developing S. 46 has been to preserve as closely as possible the precise meaning of current law.

I, again, want to commend both the chairman and ranking members of the subcommittee and full committee for their leadership on this issue.●

Mr. JONES of North Carolina. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from North Carolina (Mr. JONES) that the House suspend the rules and pass the Senate bill, S. 46, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the Senate bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

SELECTIVE PREAPPOINTMENT TRAVEL TO COAST GUARD ACADEMY FOR CADET APPLICANTS

Mr. JONES of North Carolina. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1256) to amend title 14, United States Code, to provide for selective preappointment travel to the Coast Guard Academy for cadet applicants, as amended.

The Clerk read as follows:

H.R. 1256

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a)(1) chapter 9 of title 14, United States Code, is amended by inserting after section 181 the following new section:

"§ 181a. Cadet applicants; selective preappointment travel to Academy

"The Secretary is authorized to expend appropriated funds for selective preappointment travel to the Academy for orientation visits of cadet applicants.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 181 the following new item:

"181a. Cadet applicants; selective preappointment travel to Academy.".

(b) Section 181a of title 14, United States Code, as added by subsection (a), shall take effect on October 1, 1983.

SEC. 2. (a)(1) Section 42(b) of title 14, United States Code, is amended by striking out ".375" both places it appears and inserting in lieu thereof "0.375".

(2) Section 290 of such title is amended by striking out "Board" in the fourth sentence and inserting in lieu thereof "Boards".

(3) The table of sections at the beginning of chapter 13 of such title is amended by striking out the item relating to section 462a.

(4) Section 724 of such title is amended—

(A) by inserting "(1)" after "(b)";

(B) by striking out the last sentence; and

(C) by adding at the end thereof the following new paragraph:

"(2) The authorized number of Reserve officers in an active status not on active duty in the grades of commodore and rear admiral is a total of two. However, the Secretary may authorize an additional number of Reserve officers not on active duty in the grades of commodore and rear admiral as necessary in order to meet planned mobilization requirements.".

(b)(1) The matter in the table in section 201(a) of title 37, United States Code, under the heading "Navy, Coast Guard, and National Oceanic and Atmospheric Administration" and in the columns for 0-8 and 0-7 is amended to read as follows:

"Rear admiral (Navy and Coast Guard) and Rear admiral (upper half) (National Oceanic and Atmospheric administration)	
"Commodore (Navy and Coast Guard) and Rear admiral (lower half) and commodore (National Oceanic and Atmospheric Administration)".	

(2)(A) the heading of section 202 of such title is amended to read as follows:

"§ 202. Pay grade: retired Coast Guard commodores".

(B) The item relating to section 202 in the table of sections at the beginning of chapter 3 of such title is amended to read as follows:

"202. Pay grade: retired Coast Guard commodores.".

(c) The matter in the table in section 741(a) of title 10, United States Code, under the heading "Navy and Coast Guard" is amended—

(1) by striking out "Rear admiral (Navy) and Rear admiral (upper half) (Coast Guard)" and inserting in lieu thereof "Rear admiral"; and

(2) by striking out "Commodore (Navy) and Rear admiral (lower half) (Coast Guard)" and inserting in lieu thereof "Commodore".

SEC. 3. (a) Chapter 55 of title 10, United States Code, is amended as follows:

(1) Section 1072 is amended—

(A) by striking out "the Secretary of Defense" and all that follows through "may be," in paragraph (2)(D)(iii) and inserting in lieu thereof "the administering Secretary"; and

(B) by adding at the end thereof the following new paragraph:

"(3) 'Administering Secretaries' means the Secretaries of executive departments specified in section 1073 of this title as having responsibility for administering this chapter.".

(2) Section 1073 is amended by striking out "and the Secretary" and all that follows through "Navy, and" ar.d inserting in lieu thereof "the Secretary of Transportation shall administer this chapter for the Coast Guard when the Coast Guard is not operating as a service in the Navy, and the Secretary of Health and Human Services shall administer this chapter".

(3) Section 1074 is amended by striking out "Secretary of Defense and the Secretary of Health and Human Services" each place it appears and inserting in lieu thereof "administering Secretaries".

(4) Section 1076 is amended by striking out "the Secretary of Defense and the Secretary of Health and Human services" in subsections (b) and (d) and inserting in lieu thereof "the administering secretaries".

(5) Section 1078 of title 10, United States Code, is amended by striking out "the Secretary of Health and Human Services" in subsections (a) and (b) and inserting in lieu thereof "the other administering Secretaries".

(6) Section 1079 is amended—

(A) by striking out "the Secretary of Defense and the Secretary of Health and Human Services" each place it appears and inserting in lieu thereof "the administering Secretaries"; and

(B) by striking out "with the Secretary of Health and Human Services" in subsection (a) and (h)(2) and inserting in lieu thereof "with the other administering Secretaries".

(7) Section 1080 is amended by striking out "the Secretary of Health and Human Services" in the second sentence and inserting in lieu thereof "the other adminstering Secretaries".

(8) Section 1081 is amended by striking out "the Secretary of Defense or the Secretary of Health and Human Services" and inserting in lieu thereof "one of the administering Secretaries".

(9) Section 1083 is amended by striking out "the Secretary of Health and Human Services" in the second sentence and inserting in lieu thereof "the other administering Secretaries".

(10) Section 1084 is amended—

(A) by striking out "the Secretary of Defense or the Secretary of Health and Human Services" in the first sentence and inserting in lieu thereof "an administering Secretary"; and

(B) by striking out "he" in the second sentence and inserting in lieu thereof "the administering Secretary".

(11) The text of section 1085 of title 10, United States Code, is amended to read as follows:

"If a member of former member of a uniformed service under the jurisdiction of one executive department) or a dependent of such a member or former member) receives inpatient medical or dental care in a facility under the jurisdiction of another executive department, the appropriation for maintaining and operating the facility furnishing the care shall be reimbursed at rates established by the President to reflect the average cost of providing the care.".

(12) Section 1086 is amended—

(A) by striking out "the Secretary of Health and Human Services" in subsection (a) and inserting in lieu thereof "the other administering Secretaries"; and

(B) by striking out "the Secretary of Defense and the Secretary of Health and Human Services" in the second sentence of subsection (e) and inserting in lieu thereof "the administering Secretaries".

The SPEAKER pro tempore. Is a second demanded?

Mr. FORSYTHE. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from North Carolina (Mr. JONES) will be recognized for 20 minutes and the gentleman from New Jersey (Mr. FORSYTHE) will be recognized for 20 minutes.

The Chair recognizes the gentleman from North Carolina (Mr. JONES).

□ 1450

Mr. JONES of North Carolina. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 1256 is a simple but unusual bill. It is unusual because it is noncontroversial and it costs very little money. This bill will permit the Coast Guard to use appropriated funds for preappointment travel by cadet applicants to the Coast Guard Academy.

Based on the success of two privately funded programs, statistics show that the acceptance rate and the retention rate at the Coast Guard Academy increases when applicants visit the Academy beforehand. It is an opportunity for the applicants to view first-hand what life at the Academy is like. For instance, project AIM—Academy introductory mission—sponsored by the Coast Guard Auxiliary, provides an orientation program at the Academy for 1 week each summer. Of the AIM participants who later accept tendered appointments, 75 percent remain in the Academy compared to an overall retention rate of 55 percent. This program has been sharply reduced, however, due to a shortage of private funds.

There is currently another privately funded Academy program which provides funds for preappointment visits to the Academy by minority applicant finalists. Out of a total of 91 minority applicants who participated in the foundation-sponsored program, 65 individuals accepted their offered appointment to the Academy. The acceptance rate of 71.4 percent compares quite favorably to the 42.6 percent acceptance rate for those minority finalists who did not participate in the program. Unfortunately, because the Coast Guard foundation has less funds now, its sponsorship of this program has been severely reduced.

Another potential benefit of providing travel funds to students interested in the Coast Guard is the opportunity to broaden the geographical representation of cadets at the Academy. Obviously it is a greater financial burden on those students who must travel to the Academy from afar, and in fact, the cost may be prohibitive to many. Because statistics show that acceptance and retention rates increase when applicants visit the Academy, financial assistance to those students living a long distance from the Academy will increase the likelihood that a cross section of students throughout the country will attend the Academy and become commissioned officers.

The cost of H.R. 1256 is quite low. Out of funds already appropriated, and within the authorization levels, no more than $20,000 a year will be spent.

The opportunity to increase minority participation in the Academy, obtain better retention rates, and broaden the geographical representation of cadets at the Academy is provided by H.R. 1256, which grants the necessary authority to the Coast Guard to accomplish these aims.

Two amendments were added to H.R. 1256 at the subcommittee and full committee markups. The first amendment, section 2 of the bill, merely makes a technical change to Public Law 97-417, which created the rank of commodore in the Coast Guard. The second amendment, section 3 of H.R. 1256, authorizes the Secretary of Transportation to administer medical and dental care programs for the Coast Guard. Both amendments were unanimously accepted by the Merchant Marine and Fisheries Committee.

I urge support of H.R. 1256, a simple, but worthy bill.

Mr. Speaker, I yield such time as he may consume to the gentleman from Massachusetts (Mr. STUDDS).

Mr. STUDDS. I thank the gentleman for yielding.

Mr. Speaker, not only is there nothing more to say, but the bill itself is considerably shorter than the gentleman's remarks. It speaks for itself, and I join the gentleman in support of this legislation.

Mr. FORSYTHE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 1256, a bill:

First, to authorize the Coast Guard to pay selective preappointment travel costs by cadet applicants to the Coast Guard Academy,

Second, to make technical changes in Public Law 97-417, which re-created the rank of commodore in the Coast Guard, and

Third, to make technical changes in title 10 of the United States Code, to authorize the Secretary of Transportation to administer medical and dental programs for the Coast Guard, when the Coast Guard is not operating in the Navy.

This bill addresses three topics, each of which should be completely non-

controversial. The Department of Transportation prepared the initial draft of the provisions of this bill which deal with preappointment cadet travel and the health and dental care provisions, and the entire bill has the support of the administration.

The cadet travel provision of this bill merely authorizes the Coast Guard to pay travel costs by cadet applicants to the Coast Guard Academy, so that they may obtain an orientation visit to the Academy before deciding whether or not to accept appointment to the Academy. Two existing private programs which provide money for preappointment visits to the Academy have demonstrated that such orientation visits result in a higher acceptance rate, and a higher retention rate once the cadet has enrolled. However, the private funding sources are not sufficient, and do not provide a stable funding source for the future of this program. The bill before us today would authorize the Coast Guard to spend money for this purpose, provided that the money is already available in their budget. The visitation program is estimated to involve approximately $20,000 for each of the first 5 fiscal years. This is not expected to result in any additional appropriations.

The amendments to Public Law 97-417, which recreated the rank of commodore within the Coast Guard, are essentially technical in nature. The Merchant Marine and Fisheries Committee is not aware of any objection to these corrections.

The provision in H.R. 1256 dealing with health and dental care was requested by the Department of Transportation. This legislative change would simply authorize the Secretary of Transportation to administer medical and dental care programs for the Coast Guard, programs for which the Coast Guard already has statutory responsibility so far as funding and actually providing health care are concerned. The amendments transfer administrative responsibilities from the Secretary of Health and Human Services to the Coast Guard for health care programs of Coast Guard personnel, dependents, former Coast Guard personnel. No new funds of personnel will be needed as a result of this amendment.

Mr. Speaker, this health care provision is basically a housekeeping matter. It confirms the Coast Guard's authority to administer health care programs for which the Coast Guard is already legally responsible. The amendments merely place the Secretary of Transportation on an equal par with the Secretaries of the other uniform services in matters relating to provision of medical and dental care for members of the service, dependents, and former members.

It is clear to me that each of the three parts of H.R. 1256 serves a very useful purpose, including correcting minor deficiencies in existing law. I urge the adoption of H.R. 1256 by the Members of the House.

● Mr. GEJDENSON. Mr. Speaker, I rise in strong support of H.R. 1256, a bill which would allow the Coast Guard to pay travel costs for orientation visits of applicants to the Coast Guard Academy.

Mr. Speaker, the availability of these funds is imperative if the Coast Guard Academy is to be able to attract and retain highly qualified minority and underprivileged students. There is a great deal of bipartisan support for this bill, for it would produce tangible results at relatively little cost.

I am extremely proud of the Coast Guard Academy which, as you know, is located within my congressional district. The Coast Guard campus in New London does much to enhance and lend diversity to that city's cultural resources. It is to our benefit if the Academy itself is as culturally diverse as possible. And it will be to the benefit of many young people if, through passage of this bill, they are given access to the resources of one of the finest universities in the nation.

I commend the authors of this bill on the admirable job they have done, and I hope that all of my colleagues will support this bipartisan effort to increase attendance at the U.S. Coast Guard Academy of minority and underprivileged students.●

● Mr. YOUNG of Alaska. Mr. Speaker, I rise in support of H.R. 1256, a bill to authorize the Coast Guard to pay selective preappointment travel costs by candidates for the Coast Guard Academy and to make other improvements in the laws governing the Coast Guard.

Section 1 permits the Coast Guard to pay for selective preappointment travel by Coast Guard cadet applicants so that they will have an opportunity for an orientation visit prior to accepting an appointment. Currently two privately funded programs provide for orientation visits but are inadequately funded. These visitation programs have both increased the acceptance rate of appointments and reduced the dropout rate of cadets. This legislation will permit the Coast Guard to continue this program in an effective manner.

I have had the opportunity to review the geographical representation at the Academy. I am quite concerned that States such as my own State of Alaska and other States with considerable maritime interests were underrepresented in the student body of the Academy. Many of these underrepresented States are great distances from New London, Conn., the home of the Coast Guard Academy. This program will permit the Coast Guard to aid students residing in distant States to take advantage of this unique educational opportunity. we often forget that the Coast Guard Academy is just like the Academies of the other military services. It is my hope that his program will encourage young men and women in Alaska and throughout America to take advantage of this great benefit and opportunity.

Section 2 makes certain technical changes in the law that created the rank of commodore for the Coast Guard. These changes give the Secretary of Transportation the authority to adjust the number of Reserve flag officers as needed for planned mobilization purposes, include the proper references throughout the United States Code, and make other technical improvements in the law.

Section 3 contains technical amendments to title 10 of the United States Code allowing the Secretary of Transportation to administer medical and dental care programs for the Coast Guard. These duties are now performed by the Secretary of Health and Human Services for the Coast Guard. Although the Coast Guard has statutory responsibility to budget for and provide health care for its members, it is stopped from actually administering the programs because of the restrictions of current law. This section corrects this situation and places the responsibility with the Secretary of Transportation where it belongs. It in no way changes the law as it affects the Department of Defense.

Mr. Speaker, no new funds or personnel will be needed as a result of this legislation. Further, the administration supports these legislative measures. Therefore, I urge my colleagues to approve this bill.●

Mr. FORSYTHE. Mr. Speaker, I yield back the balance of my time.

Mr. JONES of North Carolina. Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from North Carolina (Mr. JONES) that the House suspend the rules and pass the bill, H.R. 1256, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The title was amended so as to read: "A bill to amend title 14, United States Code, to provide for selective preappointment travel to the Coast Guard Academy for cadet applicants, and for other purposes."

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent that

all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

ANNOUNCEMENT OF ACREAGE LIMITATION AND SET-ASIDE PROGRAMS

Mr. DE LA GARZA. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3564) to require the Secretary of Agriculture to make an earlier announcement of the 1984 crop feed grain program, as amended.

The Clerk read as follows:

H.R. 3564

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

ANNOUNCEMENT OF ACREAGE LIMITATION AND SET-ASIDE PROGRAMS

SECTION 1. (a) Effective for the 1984 and 1985 crops of feed grains, the second sentence of section 105B(e)(1)(A) of the Agricultural Act of 1949, as amended by section 124(1) of the Omnibus Budget Reconciliation Act of 1982, is amended to read as follows: "The Secretary shall announce any such feed grain acreage limitation program or set-aside program for the 1984 crop not later than September 30, 1983, and for the 1985 crop not later than September 30, 1984.".

(b) Effective for the 1985 crop of wheat, the second sentence of section 107B(e)(1)(A) of the Agricultural Act of 1949, as amended by section 122(1) of the Omnibus Budget Reconciliation Act of 1982, is amended to read as follows: "The Secretary shall announce any such wheat acreage limitation program or set-aside program for the 1985 crop not later than July 1, 1984.".

The SPEAKER pro tempore. Is a second demanded?

Mr. JEFFORDS. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Texas (Mr. DE LA GARZA) will be recognized for 20 minutes, and the gentleman from Vermont (Mr. JEFFORDS) will be recognized for 20 minutes.

The Chair recognizes the gentleman from Texas (Mr. DE LA GARZA).

Mr. DE LA GARZA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 3564, as reported by the House Agriculture Committee.

The bill simply requires the Secretary to make an earlier announcement of any acreage limitation or set-aside program that he may provide for the 1984 and 1985 crops of feed grains and for the 1985 crop of wheat. The bill changes the final date for such announcements, in the case of feed grains, from November 15 until September 30 of the year preceding the year in which the crop is harvested and, in the case of wheat, from August 15, 1984, to July 1, 1984.

H.R. 3564 advances the date of announcement of these programs so as to give farmers adequate notice of program requirements before they make their planting decisions. The date specified in current law results in a delay in the announcement until after farmers have invested money in their new crop. The expense and inconvenience of having to adjust their plans to conform to program requirements discourages many farmers from participating.

Earlier announcement is also important to suppliers of the inputs necessary to produce a crop—the suppliers of fertilizer, seed, pesticides, and farm machinery. It gives them adequate opportunity to adjust their inventories and avoid costly investments in items for which there is no ready market.

Finally, the announcement data specified in H.R. 3564 will still allow Department officials sufficient time to reach an informed judgment on program requirements for the next year's crop. On these dates the Department would have had approximately two weeks to react to the latest information on the size of the crop then being harvested and the expected demand therefor. The Department officials would thus be in a position to decide, given the estimated season end carryover stocks, whether a program would be needed in the next crop year and if so design and announce the details of a program by the specified dates.

H.R. 3564 does not in any way affect Government costs. In fact, it reduces costs to farmers who wish to participate in the program, thereby encouraging participation and making the program more effective.

I urge the Members to join in support of this legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. JEFFORDS. Mr. Speaker, I yield such time as he may consume to the gentleman from Kansas (Mr. ROBERTS).

Mr. ROBERTS. Mr. Speaker, it would appear as if the national media has rediscovered agriculture once again, something that seems to happen only if the farmer is going through a crisis or, more to the point, if urban, consumer or labor interests think there may be an issue that affects their food supply. Given that equation, we are hearing a lot about farm program costs, the payment-in-kind program, and the U.S.-Soviet long-term grain agreement. The comments not only fall into the 20/20 hindsight category, but also from folks who fit into the no homework, garden variety gadflies category.

Be that as it may, the No. 1 issue in farm country today is not PIK, the LTA, or farm costs. They are of real concern, of course, but the immediate issue is the one addressed in H.R. 3564. For the third year in a row, farmers are in the midst of cropping plans without a farm program in place. For the third year in a row, politics and budget considerations are denying producers program decisions so they can make intelligent planning decisions.

Mr. Speaker, this legislation would provide the farmer with what he needs most—consistency and predictability and a better planning horizon so that he can make more rational business decisions on his cropping plans. As one producer told me recently, "Pat, I don't care what the USDA and the Congress do to me, just let me know."

This bill, as it was originally introduced, only pertained to the feed grains program. However, during hearings, I introduced an amendment to move the announcement date of the 1985 wheat program from August 15, 1984, to July 1, 1984. This so-called "early announcement date" is really only 2 months before wheat farmers start planting in Kansas and the High Plains—the area where most U.S. production is harvested. For the summer-fallow wheat producer in Kansas, a May 15 announcement would be more timely; however, the USDA objects to this date and the July 1 date is a compromise.

Mr. Speaker, it is important to realize the USDA had committed to announcing the 1984 wheat program by July of this year. However, due to the target price freeze debate and a great number of folks playing politics with the program, we still do not know what the wheat program for this year will be. This bill is a simple matter of equity for the farmer. The road to a sound farm policy is always paved with good intentions, but these intentions do not help the farmer if the USDA and the Congress do not follow through.

I urge the House to adopt this bill.

Mr. JEFFORDS. Mr. Speaker, I yield such time as he may consume to the gentleman from Illinois (Mr. MADIGAN).

Mr. MADIGAN. Mr. Speaker, the gentleman from Kansas (Mr. ROBERTS) has talked about the importance of these announcements being made earlier. Let me say that, at the outset, when this bill was first introduced, I was a cosponsor of this bill. It was at that point a 1-year bill. It is now a 2-year bill.

Let me also say that as the ranking minority Member of the Committee on Agriculture, I was never consulted about this bill being placed on the Suspension Calendar. I object to this bill being on the Suspension Calendar because I would like to have the oppor-

tunity to try to work out some compromise or a resolution of the differences that exist between the administration and this body with regard to this bill.

But I am being denied that opportunity by the placing of this bill on the Suspension Calendar. It is the same as if the bill had a closed rule.

As I said in debate on the floor of the House Friday, all the bills being reported by the Committee on Agriculture are being placed on the Suspension Calendar, which denies to me or to any other Member of the House any opportunity to be a legislator, any opportunity to try to make suggestions with regard to potential changes in the bill that might make it a better bill or a bill where there would be some possibility that it would ultimately become law because we would have had opportunity to resolve the differences between our Chamber and the administration.

□ 1500

Now, the administration is opposing this bill. They are opposing the bill and they intend to work very hard to see that the bill is defeated. As the ranking minority member of the committee, I have no opportunity to try to work out the differences between the administration and this body because we are on the Suspension Calendar and therefore unable to make changes in the bill.

We are asking for an announcement date in September on feed grains. We have, as I said, changed it to a 2-year bill, different than the bill that I originally cosponsored. I thought perhaps we ought to take a look at when these announcements have been made in the past.

In 1978, in November; in 1979, in November; in 1980, in October; in 1981, in November; in 1982, in January. We are trying to move the timetable up from January, from December, from November, up to September.

What is the result of doing that next year? The result, in a Presidential election year, will be to insure that the administration, to avoid the political fallout, will probably announce a program more generous than that which might be absolutely necessary if the administration had waited for the kind of information needed to make intelligent decisions. We have an opportunity to try to work out some accommodation between the administration and this body, but we are denied that opportunity because the bill is on the Suspension Calendar.

Apparently, somewhere it has been written in the rules in the past few weeks that all bills that come from the Committee on Agriculture must be on the Suspension Calendar so that no one can possibly amend them. It seems to me that what we are doing is jeopardizing the long-term constructive involvement of this body in the future of American agriculture policy.

In 1981 the Federal Government spent $4 billion on support prices for agriculture commodities. In 1983 we are going to spend in the neighborhood of $21 billion. The estimates for 1984 are that agricultural expenditures could be in excess of $30 billion, and maybe as high as $40 billion, perhaps 10 times the amount spent in 1981, just 2 years ago. What we are insuring, of course, if we get into that kind of situation, is that it will be nearly impossible to pass a farm bill in 1985. I might remind you ladies and gentlemen in the House that we passed the farm bill in 1981 by only a one- or two-vote margin when we were considering spending only $4 billion through the Commodity Credit Corporation.

Mr. VOLKMER. Mr. Speaker, will the gentleman yield?

Mr. MADIGAN. I yield to the gentleman from Missouri.

Mr. VOLKMER. I thank the gentleman for yielding.

Mr. Speaker, the gentleman brings up these points at this time, but I am just wondering why these points or why the gentleman did not offer amendments if he wishes to do so, while we were in the Committee on Agriculture.

Mr. MADIGAN. If the gentleman would allow me to reclaim my time, I discussed with the gentleman from Iowa, who is the principal sponsor of the bill, the possibility of one amendment, and indicated to him that I wanted to work on that possibility. Nobody at that point had said anything to me about this bill being on the Suspension Calendar.

I have been trying to work on that amendment and another potential amendment that might have put this bill in the position that it would not be opposed by the administration, and not be vetoed by the President, and perhaps be much more acceptable to the other body. I have been working on these things, only to discover that this bill, like all the rest, is being put on the Suspension Calendar, so the efforts that I have been making have been for naught. I could have a compromise worked out with the Senate where they would pass this bill this afternoon. I could have a compromise worked out with the President where he would sign this bill as quickly as it could get down there, but I have no opportunity to do that because this bill has been put on the Suspension Calendar and no one showed me the courtesy, as the ranking member of the committee, to even tell me the bill was going to be put on the Suspension Calendar.

I talked to the gentleman in the committee on the record about the potential of changing some of the things in this bill, and asked him what his reaction to that would be and got his reaction. I talked to him about the fact that I would like to go to the Senate and see how they would react to some potential changes in this bill. My understanding is that as far as he was concerned, I was free to go do that.

So I went and did those things, but here we are on the Suspension Calendar. So what do I do with all these things that I have worked out, or have attempted to work out?

Mr. VOLKMER. If the gentleman will yield further, the gentleman can still take them to the Senate and the Senate could make any changes they wish, and they could be worked out in the conference committee.

Mr. MADIGAN. No, the gentleman from Illinois, as a Member of this House, just like the gentleman from Missouri, ought to have the opportunity to be a legislator. He ought not be denied that opportunity by always bringing these bills from the Committee on Agriculture to the floor under the Suspension Calendar. I am beginning to believe, and I say this with some trepidation, that the Committee on Agriculture people do not want these bills signed. I am beginning to believe that they are just passing these bills with some other goal in mind, some other ambition, because by doing this repeatedly on these bills, what they are doing, it seems to me, is insuring that no accommodation can be reached and that an attempt has to be made to show that there is support here for a veto, and then we go wherever we go from that point.

Mr. VOLKMER. If the gentleman would yield further, he would agree there was overwhelming support in the House Committee on Agriculture for the bill as it came out.

Mr. MADIGAN. As a matter of fact, in the committee, I voted for the bill, as the gentleman well knows, but I certainly did not vote for it with the understanding that it was going to be on the Suspension Calendar and that we were not going to have the opportunity to amend it.

Mr. BEDELL. Mr. Speaker, will the gentleman yield?

Mr. MADIGAN. I would be glad to yield to the gentleman from Iowa.

Mr. BEDELL. I thank the gentleman for yielding.

Mr. Speaker, I think we should clarify what the record would show as to the colloquy between the gentleman from Illinois and the gentleman from Iowa in the committee.

The gentleman, as I recall it, in the committee, asked the gentleman from Iowa if he would object to seeing this made a permanent change rather than a 2-year change.

Mr. MADIGAN. Yes, and if the gentleman would allow me to reclaim my time. I said to the gentleman from Missouri two changes in the bill, and

that is the other one that I wes referring to. I would be happy to make this permanent. I think it should be made permanent, but I think the legislative processs which involves 3 units of government, this body, the other body, and the administrative, recognizes at the outset the need for some kind of compromise.

The gentleman has not indicated any willingness to make any compromise at all by demanding that this bill come on the Suspension Calendar.

Mr. BEDELL. If the gentleman would yield further, did the gentleman say there were two things he brought up in committee? Did he bring up something else in addition to wanting to make this a permanent change in the law?

Mr. MADIGAN. I think the other thing that we would have to deal with would be to see if we could arrive at some date that would be acceptable to the administration with regard to feed grain announcements.

Mr. BEDELL. If the gentleman would yield further, there is nothing in the record to indicate that the gentleman asked for that or indicated that in the committee, is there?

Mr. MADIGAN. The gentleman and I talked before the full committee session started, and the gentleman told me that he was going to accept an amendment by another member. I was at that point intending to talk to the gentleman about the date. The gentleman advised me that he was going to accept an amendment from the other gentleman from Iowa and that that was going to be the conclusion of that effort.

I understood that that amendment, coming from the other gentleman from Iowa, was the administration's date, or the date they desired. I understand now that that is not the case. But that discussion, the gentleman is correct, would not be on the committee record because it occurred between the two of us just before the committee session.

Mr. BEDELL. If the gentleman would yield further, was that not the same date that the gentleman from Illinois had planned to offer, which is now in the bill?

Mr. MADIGAN. No. I was going to make an attempt to find out what the administration's date, or desired date by the administration would be, and then the representation was made to me that that was their date, and I did not pursue the matter further. But that, in fact, was not the case.

So if I may conclude, Mr. Speaker, and ladies and gentlemen of the House, I think the result of insisting that this bill be placed on the Suspension Calendar, the result of amending the bill and changing it to a 2-year bill in committee, is to insure that this bill in the present form is going to be vetoed by the President of the United States. I think that is regrettable because I think we ought to have as an early announcement date as is possible and practicable. It ought to be a manageable date, and it ought to be in permanent law. It ought to be something that would occur every year, year after year, and something that we could all look forward to. I would think that it would help the Department, it would help the agriculture producers, it would help all the suppliers of those agriculture producers to know what the date is going to be and to know that it is going to be there year after year after year.

But the result of doing this, the way it is being done, is to insure that the bill is going to be vetoed, and I think that is regrettable.

Mr. JEFFORDS. I would just like to inform the gentleman that we do have other requests for time, and we are running out, so I would ask the gentleman to be brief so we can yield to the gentleman from Montana.

Mr. ROBERTS. Mr. Speaker, will the gentleman yield?

Mr. MADIGAN. Let me yield to the gentleman from Kansas and then I will conclude.

Mr. ROBERTS. I thank the gentleman for yielding.

Mr. Speaker, I would just like to summarize on a point of clarification.

The gentleman is not so much concerned with the legislative package here, with the substance of the legislation, as he is so much with the schedule of the legislation?

□ 1510

Mr. MADIGAN. Mr. Speaker, if the gentleman will allow me to reclaim my time, I am concerned that, without having been advised that we were going to have this on the Suspension Calendar, with my being sent off to work on this thing to see if it could be improve and then finding out on Friday that it was going to be on the Suspension Calendar so it could not be amended, I just think that I am being denied the opportunity to be a legislator.

Mr. ROBERTS. Mr. Speaker, I thank the gentleman.

Mr. MADIGAN. Mr. Speaker, if the gentleman from Montana (Mr. MARLENEE) wishes me to yield, I would be happy to yield to him.

Mr. MARLENEE. I would like to have my own time, Mr. Speaker.

Mr. JEFFORDS. Mr. Speaker, I yield 3 minutes to the gentleman from Montana (Mr. MARLENEE).

Mr. MARLENEE. Mr. Speaker, as ranking minority member of the Wheat, Soybeans, and Feed Grains Subcommittee from which this bill originated, I rise in support of H.R. 3564. I am acutely aware of the need, particularly on the part of wheat farmers, to know as early as possible what Government programs are available so that they can begin their cropping plans.

Past announcements to date have been a disaster. Winter wheat farmers must begin planting as early as August 1, and late August is one of the most common dates. The current statutory program announcement date is August 15. As an example of the problem, today is August 1, and wheat farmers still do not know for sure what the 1984 wheat program will be. That is so despite the Secretary's earlier stated intention to announce that program by this past July 1.

In the past, grain producers have not only not had the opportunity for some stability in long-range planning, but they have also been denied the ability to formulate short-term cropping plans. A late announcement on grain programs is like forcing producers to maneuver an automobile at night without lights. They cannot see where they have been and do not know where they are going or what kind of trouble lies ahead. This bill would help turn those lights on for the grain producers and should facilitate short-term managerial planning.

The administration opposed this bill in an earlier version when it contained an earlier date than the present 1984 feed grain date.

The change in date is one in and toward the administration's direction. We asked the administration for a date. They gave us no date. We have moved in their direction toward a later date, and I think if they want to play ball with us, they should come down here and communicate with the members of this committee and tell us what date they want. They have not done that to this time.

Mr. Speaker, they are going to have to try to play ball with the members of the Agriculture Committee if we are in fact going to come up with legislation like this that is beneficial to the American producer.

I urge my colleagues to support this needed and timely measure.

Mr. DE LA GARZA. Mr. Speaker, I yield 5 minutes to the gentleman from Iowa (Mr. BEDELL), the main author of the legislation.

Mr. BEDELL. Mr. Speaker, I must tell the Members that it comes as quite a great surprise that there would be opposition to this legislation. As is well known, it passed without a dissenting vote in the full committee. The original bill had a September 16 date in it for the date of announcement of the feed grains program.

In the testimony of the Department, they indicated that this earlier date gave them some trouble. Let me read from their testimony:

Barring some unforeseen developments, we intend to announce the 1984 feed grain program by September 30. This would be a full month and a half before the statutory deadline. Moreover, an announcement by

the end of September will allow most farmers and input suppliers ample time to make their planting decisions for the coming season.

Based upon that, the bill was amended by the gentleman from Iowa (Mr. EVANS). The gentleman from Iowa (Mr. BEDELL) accepted the amendment, trying to reach agreement, and indeed we felt that we had pretty well met their requirements.

I would say quite clearly that people should understand that this was amended in subcommittee in the following manner: It originally started as simply a feed grains bill calling for an announcement of the 1984 feed grain program by September 16, 1983. The wheat people said, "we need an early announcement on wheat as well," and the only way that could be done would be for the next season's requirement, so we put in July of next year for the announcement for the wheat program, and it was agreed that if we were going to do that, we should also include feed grains for next year as well.

That was in the bill that passed the subcommittee. It was in the bill all the way through the full committee, with no member offering any effort to amend it to a 1-year bill.

The committee has tried, I think, very, very hard to meet the requirements or the wishes of the Department by putting it back 2 weeks in order to do that and putting it on the date that their testimony indicated was the date they planned to make such an announcement.

Mr. Speaker, I am very sorry for this disturbance we have here, and I am sorry that apparently there is some disagreement on it. I would only call attention to the fact that it passed without dissenting votes in the full committee.

Mr. Speaker, I support H.R. 3564, and urge its prompt adoption by the House.

This measure, which would require the Secretary of Agriculture to make an earlier announcement of the 1984 and 1985 feed grains program and the 1985 wheat program, was introduced on July 14 by myself and 40 of my colleagues.

I particularly want to thank the chairman of the Committee on Agriculture, Mr. DE LA GARZA, and the chairman of the Subcommittee on Wheat, Soybeans, and Feed Grains, Mr. FOLEY, for their cooperation in assuring the expeditious approval of this legislation. Thanks to their interest and support, this measure has been brought to the floor less than 2 weeks since its introduction.

The timely announcement of the 1984 feed grains program, and the 1985 wheat and feed grains program, is essential if farmers are to have sufficient time to weigh various program options, make a decision with respect to program participation, and plan accordingly. Similarly, the farm supply businesses which serve producers must know program details well in advance so that they can estimate farmers' needs and prudently determine their required inventory.

The early announcement of our farm programs is particularly important in view of the hardships created for producers and farm suppliers alike by the late implementaion of this year's rather drastic payment-in-kind (PIK) program.

The PIK program was not announced until January 11 of this year, and it took several days for the details of the program to reach farmers and rural businesses. Because farmers had to make a final decision on program participation by March 11, many had a difficult time establishing their eligibility for program benefits, and those that had applied fertilizer the previous fall or otherwise made planting decisions found the program less attractive. In 1983, as in some previous years, the late announcement of the farm program led to lower program participation than what might have been expected with early announcement.

The delayed PIK announcement also put agribusinesses in a severe bind. Although these rural businesses generally recognized that the PIK program was necessary to lay the groundwork for recovery in the agricultural economy, most nevertheless suddenly found themselves burdened by costly inventories of fertilizer, farm chemicals, machinery, and other supplies. Many of these businesses were forced to curtail their operations and reduce their number of employees just as businesses elsewhere were beginning to feel the impact of an improving economy.

Mr. Speaker, the disappointment of a late farm program announcement is not an infrequent experience for farmers. Despite promises to the contrary, farmers over recent years regularly have been forced to accept an announcement issued just before the statutory deadline for such announcements.

In 1980, I authored legislation to move up the announcement date on the feed grains program from November 15 to October 15. Unfortunately, even that modest legislation, as approved by the Committee on Agriculture with an amendment setting the date at November 1, did not become a part of permanent law.

I would also like to point out, Mr. Speaker, that in fashioning the details of H.R. 3564, I and the other members of the Committee on Agriculture made every effort to work with the Department of Agriculture in the hopes of finding a date, or dates, that would be acceptable to all.

When H.R. 3564 was first introduced, it called for the Secretary to announce the 1984 feed grains program on September 16 of this year. I thought that this date would have provided the Department with sufficent time to analyze its September 12 crop estimate before deciding on the details of next year's program. As the following information indicates, USDA's early crop estimates have been rather remarkably reliable in predicting the final size of the feed grains crop.

Average error in USDA forecasts of annual feed grain crop over the past 20 years

[In percent]

August estimate	6.7
September estimate	5.1
October estimate	3.8

However, in testimony before the Subcommittee on Wheat, Soybeans, and Feed Grains on July 21, Assistant Secretary William G. Lesher stated that, although a mandatory September 16 announcement was unacceptable to the Department:

> Barring some unforseen developments, we intend to announce the 1984 feed grains program by September 30 . . . we believe that a 1984 feed grains program announcement by September 30 would also be helpful to farmers and to the total agricultural sector.

In the spirit of accommodation, the full Committee on Agriculture approved an amendment changing the required announcement date from the September 16 date originally called for in the bill to September 30.

Unfortunately, Mr. Speaker, even this change apparently was not successful in securing the administration's endorsement of the bill.

Mr. Speaker, we are quite certain, even at this early date, and despite recent dry weather, that an acreage reduction program will be needed for feed grains next year. We believe that our surplus of feed grains after this year's harvest will, despite the PIK program, be excessive, and the administration has already outlined the parameters of the program it is likely to announce for 1984. The current controversy over the administration's request for a freeze on target prices—which had led to an unfortunate and frustrating delay in the announcement of the specifics of the 1984 wheat program—is likely to be resolved one way or another by the Congress in the very near future, leaving no legitimate reason for a delay in announcing the 1984 feed grains program in a timely manner.

Mr. Speaker, I urge the prompt consideration and timely enactment of this needed legislation.

Mr. SMITH of Iowa. Mr. Speaker, will the gentleman yield?

Mr. BEDELL. I yield to the gentleman from Iowa.

Mr. SMITH of Iowa. Mr. Speaker, I want to point out that there are no statistical reports and there is no basis

or no evidence upon which the Department could make a different decision after September 30 until some time in November, so there is no need to delay after September 30 unless we are going to delay until November. November is just too late.

For 6 or 8 years we have been talking about getting earlier announcements so that farmers, before they commit themselves on fertilizer, can make their plans and sign their contracts and know what they are going to do the following year.

So the only reason for delaying an announcement later than September 30 would be to delay until some time in November, and that is just too late.

I want to commend the administration for having made the announcement last week on the wheat program. If they can make an announcement last week on the wheat program, they can certainly make one on feed grains by September 30.

I do not believe there is as much opposition in the Agriculture Department as indicated anyway. I have been informed, and I think fairly reliably, that the Senate may not send this bill to committee. I think it may be all worked out over there so they can readily pass this bill. They know the importance of this bill.

I think that this is the time to get a date set no later than provided in the bill and especially with all of these PIK acres out there. Farmers are already out there starting to till some of the PIK acres—they are getting ready for wheat, and they needed that announcement last week. They need this feed grains announcement certainly by September 30 this year, and there is no need to delay it after that.

Mr. BEDELL. Mr. Speaker, I thank the gentleman from Iowa (Mr. SMITH) for his remarks.

An issue has been made as to whether or not this should have been brought up under suspension. I would call the attention of the body to two things. First of all, we are planning to adjourn at the end of this week, and we have a tremendous amount of legislation ahead of us. This is a bill that passed the committee without a single dissenting vote.

Mr. MADIGAN. Mr. Speaker, will the gentleman yield?

Mr. BEDELL. If I might finish, Mr. Speaker, I doubt if there is a committee in the House, facing those problems, that would not have felt that the bill should be brought up under suspension. Certainly, that would be the opinion of this gentleman, and particularly when we felt that we had met all the requirements of the administration and when we had done what they indicated in their testimony was what they intended to do anyway.

So I cannot understand it. If there is a problem, it has to be a communications problem, it would appear to me.

Mr. Speaker, now I will be pleased to yield to the gentleman from Illinois.

Mr. MADIGAN. Mr. Speaker, does the gentleman recall the two of us having a conversation in the full committee about making a change in the bill?

Mr. BEDELL. Mr. Speaker, I recall very clearly in the full committee that the gentleman asked the gentleman from Iowa how he would feel about an amendment to make a change in the bill to make a change in the law; so that rather than a 2-year bill, it would be a permanent change in the law.

The gentleman from Iowa replied that he would be supportive of such efforts, but that we needed to get this passed within the next 2 weeks if it was going to have any effect, and said that he would plead with the gentleman not to offer an amendment at this time, but that if he wanted to at a later date, the gentleman from Iowa would be interested in supporting him.

□ 1520

But we should understand quite clearly that that really would not be particularly different from what we have done, because what we have done is changed the date for the balance of the current farm bill.

The SPEAKER pro tempore. The time of the gentleman from Iowa has expired.

Mr. DE LA GARZA. Mr. Speaker, I yield 2 additional minutes to the gentleman.

Mr. BEDELL. Mr. Speaker, it is very difficult for the gentleman from Iowa to understand why the gentleman from Illinois could object to making it a 2-year bill instead of a 1-year bill; but in committee the gentleman indicated what he would like to do is make it a permanent change in the law.

Mr. MADIGAN. If the gentleman will yield, I would remind the gentleman that when I had the time and I was in the well I yielded to the gentleman.

Mr. BEDELL. Surely. I am yielding.

Mr. MADIGAN. I appreciate the gentleman yielding to me.

I am objecting at the outset to the fact that the gentleman and I talked about making that change, but nobody told the gentleman from Illinois that we were going to bring this to the floor on the Suspension Calendar.

Now, we do not have to do that, we do not have to do that. There are bills that are passed out of committee that get a rule and get to the floor the following week and are considered the following week without going on the Suspension Calendar. No one told the gentleman from Illinois that we were going on the Suspension Calendar, No. 1.

No. 2, the representations were made to me in the committee that the amendment changing the date being offered by the other gentleman from Iowa was an amendment which made the bill then acceptable to the administration, then acceptable to the Department of Agriculture. That is not true.

Are we interested here at all in dealing with the truth? The change made in the committee that was supposed to make the bill acceptable to the administration did not make it acceptable to the administration; so we are not talking about a bill that was represented in the committee as then having administration support; in fact, having administration support as we consider it here under the Suspension Calendar. So the fact it passed out of the committee on a voice vote with no dissent is of no consequence to this debate, because the debate there was not a factual debate. There was a misrepresentation made.

I would think that we would as honorable men and women want the truth to be known as we consider the bill here, and I thank the gentleman for yielding.

Mr. BEDELL. If this gentleman can reclaim his time, I do not think there was any misrepresentation at all. If the gentleman was there for the hearing, let me again read the testimony that was submitted.

The SPEAKER pro tempore. The time of the gentleman from Iowa has again expired.

Mr. DE LA GARZA. Mr. Speaker, I yield 1 additional minute to the gentleman.

Mr. BEDELL. This is the testimony——

Mr. MADIGAN. If the gentleman will yield to me, the gentleman represents me as having voted for the bill in the subcommittee, and I did not. I am not even a member of the subcommittee. I was present for the hearing, but I certainly did not vote.

Mr. BEDELL. If this gentleman may reclaim his time, this is the testimony of William Lesher, Assistant Secretary for Economics, before our Subcommittee on Wheat, Soybeans and Feed Grains, of the Committee on Agriculture. I read it already once. I will read it again:

> Barring some unforeseen developments, we intend to announce the 1984 feedgrains program by September 30. This would be a full month and a half before the statutory deadline. Moreover, an announcement by the end of September would allow most farmers and input suppliers ample time to make their planning decisions for the coming season.

Most of us would assume that that would mean that the Department felt that that was the date at which it should be, rather than the 16th.

Mr. MARLENEE. Mr. Speaker, will the gentleman yield?

Mr. BEDELL. I yield to the gentleman from Montana.

Mr. MARLENEE. Mr. Speaker, I thank the gentleman for yielding.

There have been a lot of points made about the bill being acceptable to the administration; but they would not tell us a date. They would not give us a date that they would accept in this particular piece of legislation.

I find that objectionable.

Second, if the gentleman will yield further, the perception that it is a 2-year program, if we were to go back and make this a 1-year bill, it would nullify completely the good work that my colleague, the gentleman from Kansas (Mr. ROBERTS) did in including wheat in the wheat announcement date on this particular program. Wheat is for 1 year and 1 year only. It is not for this coming crop year.

Mr. JEFFORDS. Mr. Speaker, I yield 2 minutes to the gentleman from Kansas (Mr. ROBERTS).

Mr. ROBERTS. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, while I respect the position of my ranking Republican member on the committee and I understand that he is concerned about the legislative process and what is acceptable to the administration, let me point out that the gentleman from Illinois has already stated that it is not particularly the substance of the legislation that he is objecting to, it is the legislative process. For the gentleman, in fact, in the colloquy with the gentleman from Iowa, did indicate that this was a matter of equity and that perhaps we ought to end this practice of delaying farm programs endlessly for years and years and make them permanent.

Now, I do not know what is acceptable to the administration and what is not. As my colleague, the gentleman from Montana, has already pointed out, this has been delayed again due to budget considerations and a fight over a target price freeze.

How much more time are we going to have to wait with these farm programs? The producer does not know what is going on at the very time he is in the field trying to make some cropping plans and incurring costs as to whether or not he is going to enter the farm program.

We are talking about a 45-day-earlier announcement. For 3 years in a row we have delayed these farm programs through budget considerations and policies.

Now, I know that doubtless there are some economists in the USDA that would like to have the program announcement delayed as long as possible. They say, well, on the one hand we are going to consider this computer model and then say perhaps on another hand we are going to consider some sort of weather pattern.

Why do we not make a farm program announcement pertaining to the producer? It is his program. As you can tell, I get a little blood pressure worked up about this where for the third year in a row we are delaying this.

The administration said they would announce the feed grain program on exactly the date that the gentleman from Iowa moved in his legislation and exactly the date, July 1, for the wheat producer as my amendment called for.

There is nothing wrong with the substance of this bill. If anything is wrong, it is the politics being played on both sides with the consideration of this program at the expense of the farmer.

Mr. JEFFORDS. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois (Mr. MADIGAN).

Mr. MADIGAN. Mr. Speaker, I thank the gentleman for yielding.

I just want to respond to the gentleman from Kansas by saying that I do object to the procedure and I did object to the procedure in my initial remarks on the floor; but to quote me as saying that I do not object to the substance of the bill is not correct, because I did in my remarks on the floor object to the second year having been added here, making it different from the bill originally sponsored by the gentleman from Kansas and the gentleman from Illinois and all of the other sponsors of the bill and did also object to the substance of the bill in the sense that we do not have the opportunity to try to work out some accommodation here that would put this bill in a form in which it could be signed.

I would say to the people serving in this Chamber who are interested in the budgetary problem that this Government has and in the inability of some of our crops to be competitive in the world market that to continue to do the kinds of things that we are doing is to continue to insure that American agriculture is going to become less competitive in the world market, that food prices in this country are going to be higher than they have been as the result of the Government inflated support prices that are put under these products, and to force an administration in an election year to make an announcement before they have all the facts in, before they know what the September and October freeze situation is going to be, is to force them to make an announcement that is probably going to be too generous to avoid their having political problems as the result of that announcement, to avoid those political problems, a program that is too generous, that artificially pushes prices even further, that has a terrible impact not only upon our budget, but upon food prices in the country for the consumer, and finally upon American agriculture, because we tend by doing those things to make it less and less competitive in the world market, if we do not make some changes in this Congress, we are just headed for trouble.

The CHAIRMAN. All time has expired on the minority side.

Mr. DE LA GARZA. Mr. Speaker, I yield myself such time as I may consume.

I do this only, Mr. Speaker, to say that the floor of the House is not the place to discuss the internal administrative workings of the Agriculture Committee. Apparently there has been some breakdown in communication on the minority side. We work through the staff and the staff informs the minority staff what we intend to do. It is no secret.

The minority whip's notice on Thursday had notice that this was being asked.

I, as chairman, asked for suspension of the rules treatment of this bill when asked by the subcommittee chairman and the ranking member of the subcommittee. I did not take it upon myself.

Usually we make mention of this at the committee meeting, but this time we did not.

No one is hiding anything. It was known to everyone.

The norm is that if there is a unanimous vote and there seems to be apparent agreement, that a good legislator works to bring this quickly before the House.

□ 1530

This is the responsibility of a chairman; that as expeditiously as possible you move legislation which is reported from your committee.

I did not know, except what was on the record, that the administration was interested in any compromises. We have a constant communication not only with the Department of Agriculture but with the White House. I do not know whether it will impress anyone, but I had about six or eight calls last week from the administration, from the White House, from all of the departments, urging me to vote for this legislation or that legislation.

The same phone number is available to the Department of Agriculture, which they use from time to time. But I will say that I think that my distinguished colleague and friend from Illinois and I need to sit down together so that we might have personal communication, because apparently it has broken down at the staff level.

But we should be willing, of course, to do everything possible to facilitate the timely and expeditious handling of legislation reported by the committee. That is my responsibility.

Mr. MARLENEE. Mr. Chairman, will the gentleman yield?

Mr. DE LA GARZA. I yield to the gentleman from Montana.

Mr. MARLENEE. Mr. Speaker, the chairman is correct. He did communi-

cate to us that suspension would be asked on this bill. Had I known that the ranking member had great objection to this bill I certainly would have asked him about the particular objections he had.

I think communication could be improved in this whole area. I can see the problem the ranking member has if protocol and communication was not in place.

But I think we all need to communicate a little bit further and I do not think that that should impede the passage of this bill.

I thank the gentleman for yielding.

Mr. DE LA GARZA. I thank the gentleman for this contribution.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas (Mr. DE LA GARZA) that the House suspend the rules and pass the bill, H.R. 3564, as amended.

The question was taken.

Mr. MADIGAN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to the provisions of clause 5, rule I, and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mr. DE LA GARZA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 3564, the bill just under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

AMENDMENT TO THE MARKETING ORDER PROGRAMS FOR FILBERTS AND POTATOES

Mr. DE LA GARZA. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2590) to amend the Agricultural Adjustment Act to authorize marketing research and promotion projects, including paid advertising, for filberts, as amended.

The Clerk read as follows:

H.R. 2590

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 8c(6)(I) of the Agricultural Marketing Agreement Act, as reenacted with amendments by the Agricultural Marketing Agreement Act of 1937 (7 U.S.C. 608c(6)(I)) is amended by inserting "filberts (otherwise known as hazelnuts)," after "almonds," each place such term appears.

SEC. 2. (a) Section 308 of the Potato Research and Promotion Act (7 U.S.C. 2617) is amended by—

(1) amending paragraph (b) to add at the end thereof the following: "The requirement for inclusion of public representatives on the board shall not be subject to producer approval in a referendum.";

(2) amending paragraph (e) to read as follows:

"(e) Providing that the board shall recommend to the Secretary and the Secretary shall fix the assessment rate at not more than one cent per one hundred pounds of potatoes handled; except that if approved by producers pursuant to section 314, the rate of assessment shall not exceed one-half of 1 per centum of the immediate past ten-calendar-year United States average price received for potatoes by growers as reported by the Department of Agriculture."; and

(3) amending paragraph (f)(1) by adding immediately before the semicolon at the end thereof the following: ": *Provided,* That the provision for payment to the Department of Agriculture for any referendum and administrative costs so incurred shall not be subject to producer approval in a referendum".

(b) The failure of potato producers in December 1982 to approve amendments to the plan issued under this title shall not be deemed to invalidate the plan.

The SPEAKER pro tempore. Is a second demanded?

Mr. JEFFORDS. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Texas (Mr. DE LA GARZA) will be recognized for 20 minutes, and the gentleman from Vermont (Mr. JEFFORDS) will be recognized for 20 minutes.

The Chair recognizes the gentleman from Texas (Mr. DE LA GARZA).

Mr. DE LA GARZA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 2590. The bill would amend the Agricultural Adjustment Act, as amended by the Agricultural Marketing Agreement Act of 1937, to add filberts (otherwise known as hazelnuts) to the list of 22 commodities for which research and marketing promotion, including paid advertising, may be undertaken through a Federal marketing order.

In the United States, filberts are produced commercially essentially only in Oregon and in Washington with the greatest production in Oregon. The handling of these filberts is currently conducted under a Federal marketing order which has been in effect since 1949. This order, however, only provides for regulation of the volume of in-shell filberts that may be marketed domestically and of the quality of shelled filberts that may be marketed domestically and for export.

U.S. production has increased substantially in the past decade. In 1982 there was a record crop about 50 percent higher than the recent 5-year average. Domestic filbert production has grown from 7,170 tons in 1976 to 18,400 tons in 1982, and it appears to be continuing on an upward trend.

The major domestic market for domestic filberts is in the inshell variety. The in-shell filberts are sold for winter holidays, and sales have remained at an average of 5,000 tons per year. Exports have also remained at a low level.

The domestic filbert industry believes that market growth, required by recent and continued increased production, can only come about by expanding the demand for their product. This legislation would give them this tool. It would permit them to advertise with funds collected under the marketing order, and it would also authorize handlers to offset at least a part of their direct advertising costs against program assessments.

Currently, promotion of filberts is governed by an Oregon State regulation permitting assessment of growers only. Under this program approximately $61,000 is spent on market promotion which amount is entirely inadequate to do an effective job. This legislation would amend the current Federal marketing order program to authorize raising the much needed funds for market promotion through expanding consumer demand, both in the United States and abroad, for this nutritious food. It would also allow the domestic filbert industry to compete more effectively with foreign production, which currently accounts for 97 percent of the world market.

The general consensus of the industry is that the Federal filbert marketing board which represents both handlers and growers is the only industry-wide body with the authority to collect and manage the amount of money needed to properly promote filberts nationwide.

Implementation of the authority contained in section 1 of H.R. 2590 would only occur through a formal rulemaking process to amend the current filbert marketing order. It would require a public hearing and approval in a referendum of producers.

Mr. Speaker, the provisions of section 2 of this bill require a short explanation. Last year, the Congress passed the Potato Research and Promotion Act Amendments of 1982 (Public Law 97-244). The Secretary of Agriculture ordered a referendum held on amendments to the potato plan in order to conform with the 1982 act. This referendum failed to pass. An opinion was subsequently issued by the General Counsel's Office of USDA that the rejection of the amendments in the 1982 referendum had the effect of terminating the then existing plan. The committee does not agree with this opinion.

To resolve the controversy and avoid possible litigation, section 2 of H.R. 2590 would amend the Potato Re-

search and Promotion Act to make clear that the failure of potato producers in December 1982 to approve certain amendments to the plan issued under the act did not invalidate the then existing plan. Furthermore, this section would also exempt from producer approval in a referendum the requirement for public representation on the board and the provision requiring the USDA to be reimbursed for any referendum and administrative costs incurred by it under the act.

Section 2, Mr. Speaker, is simply a curative legislative provision.

I ask all Members to join me in supporting enactment of H.R. 2590.

Mr. Speaker, I yield 5 minutes to the gentleman from California (Mr. PANETTA).

Mr. PANETTA. Mr. Speaker, I rise in support of H.R. 2590 which was unanimously voted out of the Subcommittee on Domestic Marketing, Consumer Relations, and Nutrition which I chair. I recognize the vitally important role that marketing research and promotion activities play in educating consumers about the versatility and nutritional quality of our farm commodities.

Section 1 of H.R. 2590 amends the Agricultural Marketing Agreement Act of 1937 to add filberts to the list of 22 other marketing order commodities authorizing handlers to raise self-assessed funds for marketing research and promotional activities, including paid advertising. Authority is also provided to permit filbert handlers to continue to promote their private brands of filberts and offset at least part of their direct promotional expenditures against their assessments.

The marketing and handling of filberts has operated under a Federal marketing order since 1949. However, this order has not included authority to voluntarily assess handlers or to conduct paid advertising and other promotional activities.

Currently, promotion of filberts, otherwise known as hazelnuts, is governed by a State regulation which permits the Oregon Filbert Commission to assess only growers at a maximum rate of 1½ percent of the average grower price. Under this program, growers are assessed $10 per ton for a total of $60,600 in 1982. When compared to the promotional funds allocated for other commodities, the average of less than 0.4 cents a pound of kernel weight spent to promote U.S. grown filberts is quite small.

With a significant increase in production of 29 percent over the past 4 years and 56 percent over the past 6 years, and a stable consumer demand, the filbert industry needs to expand its domestic and foreign markets. Both growers and handlers also need additional revenues to increase promotional activities, including paid advertising. The filbert industry strongly supports H.R. 2590 which gives them the tools required to secure their position in the market and to begin to build new markets at home and abroad.

Section 2 of H.R. 2590 amends the Potato Research and Promotion Act to clarify that the failure of potato producers in December 1982 to approve amendments to a marketing plan issued under the act did not invalidate the plan. This section also exempts from producer approval in a referendum the requirement for public representation on the board and the provision for reimbursement of USDA for administrative costs associated with the referendum.

It is my belief that the original 1982 amendments, enacted in Public Law 97-244 are still valid. These amendments authorized an increase in rate of assessment and provided for both public representation on the board and reimbursement of USDA expenses for administering referendums under this act. I understand that it is the Department's official position that failure of producers to approve a second referendum has resulted in a situation where provisions in the plan are no longer authorized by the act. I also understand that the Office of the General Counsel at USDA has concluded that the existing potato research and promotion plan is no longer valid.

As the original sponsor of the 1982 amendment, I strongly object to the Department's position. This legal opinion runs completely contrary to the express language and spirit of the law which required that the plan not be terminated in the event of a second grower referendum rejecting the amendment. Because I want to protect the potato growers and the National Potato Research and Promotion Board from any unfair treatment, I offered an amendment to H.R. 2590 to include provisions which will correct any potential problem in the future arising from USDA's current position in regard to the validity of the existing plan of the board.

I urge my colleagues to offer their support for H.R. 2590.

Mr. JEFFORDS. Mr. Speaker, I yield such time as he may consume to the gentleman from Missouri (Mr. EMERSON).

Mr. EMERSON. Mr. Speaker, I rise in support of H.R. 2590. This bill adds filberts to the list of 22 commodities for which paid advertising is authorized, using funds collected by assessments on the handlers of this commodity. Additionally, H.R. 2590 clarifies the 1982 amendments to the Potato Research and Promotion Act.

The domestic filbert industry reports that filbert acreage has increased over the past years and continued market growth can come about by increasing the demand for filberts, both here and abroad. Promoting the consumption of filberts can accomplish this goal. In the hearings before the Subcommittee on Domestic Marketing, Consumer Relations and Nutrition, both handlers and growers testified in support of H.R. 2590. All felt that since production has increased and demand has remained fairly stable—promotion is needed for the filbert industry.

As with other commodities authorized to conduct market research, including paid advertising, the Secretary of Agriculture is responsible for administering the referendum—in which the filbert producers will vote on the increased assessment for paid advertising—insuring that the law is followed, and protecting the public interest.

H.R. 2590 also clarifies the 1982 amendments to the Potato Research and Promotion Act relating to public representation of the Potato Board, reimbursement to the Department of Agriculture for administration of the potato program and referendum costs, and the assessment provisions of the act. The potato producers failed to approve the amendments to their plan corresponding to the 1982 amendments. This has created some uncertainty with regard to the status of the plan. These amendments, incorporated into H.R. 2590, clarify the plan and protect its validity.

The Secretary of Agriculture supports H.R. 2590 and I know of no opposition to this bill.

I urge my colleagues to support this bill.

Mr. DE LA GARZA. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Oregon (Mr. AUCOIN) the author of the legislation.

Mr. AUCOIN. Mr. Speaker, as the sponsor of H.R. 2590, I thank my colleague, Congressman LEON PANETTA, for moving it through the Agriculture Committee and bringing it to the House floor for timely consideration. I also thank the chairman of the full committee, the gentleman from Texas (Mr. DE LA GARZA).

I urge the House to act favorably on my legislation because it allows the U.S. filbert industry to expand its advertising efforts. This bill will not require a single dollar to be appropriated from the Treasury. In fact it will generate revenue for the Treasury through increased sales of filberts. I call that a good deal for the industry, and for the economy.

H.R. 2590 amends the Agricultural Adjustment Act of 1957 to authorize marketing research and promotion projects, including paid advertising, for filberts.

My colleagues should understand that filberts are an important part of the Northwest's agricultural economy. Last year, sales in Oregon amounted to $11.3 million.

The major area of U.S. production of filberts is in Oregon's Willamette

Valley. Some are also grown in the State of Washington. Oregon and Washington combined, filberts occupy 22,000 acres in the Northwest.

Northwest filbert farmers grow, on the average, about 15,000 tons of filberts annually. This is not enough to meet consumer demand. Production is increasing and the industry will soon be capable of producing all the filberts needed for domestic consumption. The industry has doubled its production ability in the last decade and will probably double it again in the next 10 years.

With increased production, the industry must increase its advertising efforts.

Under State regulation, the Oregon Filbert Commission now assesses growers a certain amount of money which, in part is used for promotion and advertising projects. However, the industry needs additional revenues to augment its current promotional activities.

The Filbert/Hazelnut Marketing Board wants the authority, under the filbert marketing order, to collect an assessment from handlers for paid advertising.

H.R. 2590 gives them that authority.

I assure my colleagues that the marketing board will work with the commission to put this additional revenue to good use. It will develop sound advertising and promotional projects.

Many people stand to benefit from a good advertising program. The filbert growers will produce more filberts and increase their income. Bakers, candymakers, and others will be able to learn more about the product and buy it. Consumers will be better informed. Promotion programs will educate them in terms of nutrition.

Keeping these needs in mind, I urge my colleagues to approve H.R. 2590.

□ 1540

Mr. JEFFORDS. Mr. Speaker, I yield back the balance of my time.

Mr. DE LA GARZA. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas (Mr. DE LA GARZA) that the House suspend the rules and pass the bill, H.R. 2590, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The title was amended so as to read: "A bill to amend the Agricultural Adjustment Act to authorize marketing research and promotion projects, including paid advertising, for filberts, and to amend the Potato Research and Promotion Act."

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. DE LA GARZA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

MAINTAINING CURRENT EFFORTS IN FEDERAL NUTRITION PROGRAMS TO PREVENT INCREASES IN DOMESTIC HUNGER

Mr. DE LA GARZA. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 40) expressing the sense of the Congress that the Federal Government should maintain current efforts in Federal nutrition programs to prevent increases in domestic hunger, as amended.

The Clerk read as follows:

H. CON. RES. 40

Whereas Federal nutrition programs, including school lunch, school breakfast, child care food, summer food, special supplemental food program for women, infants, and children (WIC), nutrition education and training, special milk, elderly nutrition, food stamps, and commodity supplemental food programs have been effective in reducing hunger and malnutrition in the United States;

Whereas legislation enacted in the Ninety-seventh Congress reduced funding for child nutrition and food stamps by 30 per centum and 20 per centum respectively, resulting in significant reductions in participation and benefits for the needy;

Whereas current high levels of unemployed, underemployed, and discouraged workers have greatly increased the number of low-income families dependent on some kind of Federal food assistance;

Whereas the valiant efforts of churches and other volunteer organizations in the United States are unable to meet fully the growing need for food created by reductions in nutrition programs and by poor economic conditions;

Whereas nutrition assistance to mothers and children at critical periods of growth represents a cost-effective way to reduce infant mortality and promote long-term health;

Whereas nutrition benefits through the school lunch program and other child nutrition programs significantly contribute to the health maintenance and learning potential for our Nation's children;

Whereas nutrition programs for elderly people, including the food stamp program, can prolong health, allow for independent living, and preserve the dignity of our Nation's senior citizens;

Whereas the food stamp program has provided emergency nutrition benefits to those without the means to obtain a nutritionally adequate diet and is often the only form of Federal assistance available to many unemployed workers;

Whereas over the last six years, six food stamp laws have been enacted involving substantial limitations and modifications of the program that have created confusion and instability among both State administrators and recipients;

Whereas a Federal role in meeting the nutritional needs of low-income Americans is appropriate since the costs of obtaining an adequate diet do not vary significantly throughout the country; and

Whereas further reductions in the Federal Government's responsibility to provide adequate nutrition to the needy would cause increasing hardship and hunger to those least able to survive in our society: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that—

(1) Funding for Federal nutrition programs including all child nutrition programs, elderly nutrition programs, and food stamps should be protected from further budget cuts and should continue to respond effectively to the urgencies of unemployment and food prices.

(2) The supplemental food program for women, infants, and children (WIC) should be funded at a level that would at least maintain the fiscal year 1983 year-end case load.

(3) The Federal Government should maintain current efforts and responsibility in Federal nutrition programs to prevent increases in domestic hunger.

The SPEAKER pro tempore. Is a second demanded?

Mr. JEFFORDS. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Texas (Mr. DE LA GARZA) will be recognized for 20 minutes, and the gentleman from Vermont (Mr. JEFFORDS) will be recognized for 20 minutes.

The Chair recognizes the gentleman from Texas (Mr. DE LA GARZA).

Mr. DE LA GARZA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of House Concurrent Resolution 40, expressing the sense of the Congress that the Federal Government should maintain current efforts in Federal nutrition programs to prevent increases in domestic hunger.

The basic thrust of the resolution, which has over 200 cosponsors, is that in the 98th Congress there should be no further cutbacks in benefits for eligible recipients under the Federal nutrition programs. A brief review of actions by the 97th Congress in this field, along with the current situation regarding hunger in the United States, will put the resolution in the proper perspective.

With respect to the food stamp program, which falls within the jurisdiction of the Committee on Agriculture, legislation enacted in 1981 and 1982 under the duress of reconciliation and other constraints resulted in savings estimated by the Congressional Budget Office to total in excess of $8

billion. While this legislation addressed many aspects of the program, including a series of provisions designed to combat fraud and abuse, the savings largely reflected reductions in benefits for the needy.

Similar consequences were felt in nutrition programs under the jurisdiction of the Committee on Education and Labor. For example, child nutrition legislation enacted in the 97th Congress resulted in a drop in school lunch participation of about 3 million children a day, with about 35 percent of the decline occurring among children receiving free and reduced price meals. Of the half-million children dropped from the school breakfast program due to budget cuts, more than two-thirds were from poor and near-poor households. Cutbacks in the summer food service program resulted in 500,000 fewer children from low-income areas—26 percent of program participants—receiving free lunches in the summer of 1982.

The impact of these measures was compounded by substantial reductions in other programs such as unemployment insurance and aid to families with dependent children.

Hearings held this year by the Subcommittee on Domestic Marketing, Consumer Relations, and Nutrition in Washington and various locations throughout the country disclosed serious conditions of hunger among the needy and unemployed. A report issued in June by the U.S. Conference of Mayors corroborated these findings. The House has voted this year in a responsible fashion to address an aspect of this problem. By a vote of 389 to 18, it passed H.R. 1590, the Emergency Food Assistance and Commodity Distribution Act of 1983. The bill would continue and improve the surplus commodity distribution program now being carried out under the 1983 Jobs bill (P.L. 98-8) and other legislation.

However, the distribution of surplus commodities can relieve only a small segment of the problem of hunger in America. The main line of defense against hunger in the Nation is the ongoing Federal programs that have proved to be so effective in the past—the food stamp program; the child nutrition programs; the special supplemental food program for women, infants and children—commonly known as the WIC program—and various feeding programs for the elderly. These programs, as I have indicated, have already been cut to the bone, and then some. Any further cuts in the benefits for those who are eligible under these programs will have devastating effects among those of us who are least able to sustain this burden.

I have summarized what the resolution would do; I would likewise summarize what it would not do. It would not preclude reductions in the current funding level for the food stamp program in all circumstances—for example, if employment rises and the number of persons on the rolls thus declines; it would in no way foreclose support for legislation that truly addresses the areas of fraud, abuse, and improved accountability; it would not be an obstacle to changes in legislation giving the States additional administrative flexibility, so long as benefits are not reduced for eligible participants; and it would not prevent legislation to improve administration of the school lunch program, so long as the objective is not the reduction of benefits properly available to children. The report of the Committee on Agriculture on the resolution makes these points abundantly clear.

The resolution sums up the various actions taken by the 97th Congress to cut back Federal nutrition programs, laregly at the expense of the benefits available to eligible participants. It recognizes the continuing prevalence of hunger in various segments of our society. It acknowledges the enormous contribution of the Federal nutrition programs to the general welfare of the Nation. Finally, to put it in plain terms, the resolution expresses the sense of Congress, with respect to any further reductions in benefits under Federal food programs "enough is enough."

Mr. Speaker, before I conclude, I want to recognize the great contribution which has been made in this matter by Chairman PERKINS and his Committee on Education and Labor. They have worked shoulder to shoulder with us earlier this year on hunger legislation which was the responsibility of both of our committees, and they have done it again in this matter. I thank Chairman PERKINS and the members of his committee for their cooperation and contribution as we have together fashioned legislation to assist the less fortunate among us.

Mr. Speaker, I hope that my colleagues will join in overwhelming support for House Concurrent Resolution 40 as they did in the case of the Emergency Food Assistance and Commodity Distribution Act of 1983 earlier this year.

Mr. Speaker, I yield 7 minutes to the gentleman from California (Mr. PANETTA).

Mr. PANETTA. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, House Concurrent Resolution 40, the preventing hunger at home resolution, was introduced by myself, Mr. JEFFORDS, and many others on January 27, 1983. Since that time the number of cosponsors has increased to 201. On July 19, this resolution was approved by unanimous voice vote by the Subcommittee on Domestic Marketing, Consumer Relations, and Nutrition, where I serve as chairman. On July 26, the full Agriculture Committee approved it and it now comes to the floor with the consent of the Education and Labor Committee, to which it has been jointly referred.

Mr. Speaker, I want to express my thanks to the chairman of the full Committee on Agriculture, Mr. DE LA GARZA, and also the chairman of the Committee on Education and Labor, Mr. PERKINS, for their help in bringing the resolution here, as well as the ranking minority members on both of those committees.

Mr. Speaker, before proceeding to describe House Concurrent Resolution 40 any further, I would like to extend my thanks and appreciation to BILL EMERSON, the ranking minority member of the Subcommittee on Domestic Marketing, Consumer Relations, and Nutrition, for his support for the resolution and for his diligent work on the issue of hunger. Not only has he travelled throughout the country to observe the problem firsthand, but his thoughtful work here in Washington has not only helped clarify the intent of House Concurent Resolution 40, but has added immeasurably to the content of H.R. 1590, the Emergency Food Assistance and Commodity Distribution Act of 1983. It has been an honor and pleasure to work with him.

Basically, House Concurrent Resolution 40 states that there should be no nutrition program benefit cutbacks for the duration of the 98th Congress and that the Federal Government should maintain its current responsibilities in nutrition assistance. It calls for a maintenance of the WIC program at the fiscal year 1983 year-end case load of about 2.8 million persons, consistent with the fiscal year 1984 budget resolution and fiscal year 1984 agriculture appropriations bills passed by both the House and Senate.

Reports of widespread increases in hunger in this country prompted Mr. JEFFORDS and me to introduce this resolution back in January of this year. Since that time, the subcommittee has conducted hearings on hunger throughout the country. The subcommittee received testimony showing without question that the incidence of poverty-related hunger has risen significantly, and in some instances dramatically, in many areas of the United States. Testimony received by the subcommittee indicates that there is a clear pattern of increased need throughout the country.

On June 6, 1983, I entered a summary of these hearings into the RECORD. While I will not now reiterate all that we heard and saw, I would again like to provide a sampling of the testimony. I would add that despite signs of economic recovery, I understand that the conditions described below are just as bad now, if not worse, than when we visited several months ago.

Never has hunger been more acute in Northern Ohio than right now. We are serving more meals by far than in the past. You are probably talking about a 50 percent increase when compared with 1981 and 1980.

We opened a meal site several months ago in a middle class neighborhood with a lot of media attention as to why in the world would you open a hunger site amongst middle class people. But when the doors opened and the people came in there was understanding that people down the street we didn't know were hungry were hungry, and I think this is happening all over Northern Ohio, and indeed all over our country.

I am sorry to say I think that if we doubled our feeding programs tomorrow, I don't think we would meet the need.—Major Paul Kelly, Divisional Commander, Salvation Army, Cleveland, Ohio, February 28, 1983.

Now for the last two years, I have seen an emergence of increased hunger in Alabama. We have food pantries which have been developed all across the State in nearly every county. We have soup kitchens which have developed in Huntsville, in Birmingham, in Bessemer, and in Montgomery. All of these efforts are not meeting the need of hunger in 1983 . . .

Now the case is that across this State food stamp recipients run out of food stamps approximately one week to ten days before they get their food stamps for the next month. That has been a problem. That problem has been growing in the last two years as we have had cutbacks in the food stamp program, or as food stamp increases have failed to keep pace with inflation.—Bill Edwards, Alabama Council on Human Relations, Birmingham, Alabama, March 25, 1983.

Statistically, we began to notice increased needs for food in November, 1981. The first effects of the Administration's policies began to be felt, and our already full case load was almost doubled. These numbers have increased steadily from providing food for 947 people during October, 1981, to last month's (March 1983) number of 5,588. To give you a comparison of March numbers for the last three years: we provided food for 623 people in March of 1981, 2,458 in March of 1982, and 5,588 in March of 1983. The crisis has come from welfare cuts, unemployment, and from cutbacks in government funded agencies—all of which cause people to seek aid from private agencies.—Sister Marilyn Rudy, C.S.J., Founder and Director, St. Joseph Center, Venice, California. Los Angeles, California, April 30, 1983.

I've compiled a directory of Los Angeles area pantries . . . I've been able to locate 90 pantries, but from conversations I've had with church people, I estimate that there are around 150 . . .

Most pantries have seen an increase of at least 3 times the numbers of people that they were serving, or trying to serve, at this time last year. Not one program has been a decrease in the demand for food assistance since last year—Dianne Wright, Southern California Interfaith Hunger Coalition, Los Angeles, California. April 30, 1983

I would also note that a report issued in June 1983, by the U.S. Conference of Mayors entitled "Hunger in American Cities" confirms our findings. The report provides information on the status of hunger in eight American cities around the country. Included in the report was the following statement made by Detroit Mayor Coleman A. Young, president, U.S. Conference of Mayors, at Michigan State University on March 29, 1983:

Hunger is perhaps the most prevalent and detrimental problem facing American cities today. The face of hunger has changed as the economy has worsened, and for the first time we are seeing families who have always had a breadwinner forced into a situation with nowhere to turn.

I am pleased that in response to these conditions and the existence of surplus commodities, the House last month approved H.R. 1590, the Emergency Food Assistance and Commodity Distribution Act of 1983, by a vote of 389 to 18. The bill would greatly improve the current surplus commodity distribution program so that more people in need could receive commodities. I would hope the administration would withdraw its objections to the bill and that prompt Senate approval will occur.

However, it is my view that the distribution of surplus commodities cannot alone eliminate the problem of hunger in America. The primary line of defense against hunger in this country lies in the ongoing Federal programs that have proved to be so effective in the past—the food stamp program, child nutrition programs, the special supplemental food program for women, infants, and children (WIC), and various feeding programs for the elderly. If these programs were to be cut back any further, it would undermine whatever success the distribution of surplus commodities has had in alleviating hunger in the country.

The primary thrust of House Concurrent Resolution 40 is that there should be no nutrition program benefit cutbacks in the 98th Congress. The potential costs, both in human terms and long-term health and education costs, of additional benefit cutbacks far outweigh the value that any short-term budgetary savings might have. There is too much at stake for those in need to put their nutritional well-being in any further jeopardy. And this is especially true given the major reductions in these programs that were enacted in the 97th Congress. These cutbacks amounted to about $2 billion a year, or 15 percent, in food stamps, and almost $1.5 billion a year, or nearly 30 percent, in child nutrition programs.

In light of the seriousness of the current hunger problem I believe House Concurrent Resolution 40 expresses what our starting point should be in addressing this problem. It simply calls for a maintenance of Federal nutritional assistance efforts. It does not call for any additional program expenditures. And adoption of the resolution would not be inconsistent with any effort to simplify administration or enhance accountability in these programs so long as program benefit levels are protected.

Passage of this resolution should be seen as a signal to all concerned that nutrition program cutbacks should not be sought or adopted in 1983 or 1984. Unless and until there is clear-cut evidence that additional cutbacks can occur without placing more Americans at nutritional risk, current Federal efforts and responsibilities to provide nutritional assistance should be maintained.

I have often stated in the past few months that for anyone to be hungry in this land of plenty is a national shame. That hunger should be so widespread in times of agricultural surplus makes the situation all the more shameful. I urge my colleagues to support House Concurrent Resolution 40 and join in this statement of compassion and concern for those in need.

Following is an updated list of House Concurrent Resolution 40 cosponsors:

LIST OF COSPONSORS

Mr. Panetta, Mr. Jeffords, Mr. Wright, Mr. Perkins, Mr. Miller of California, Mrs. Schneider, Mr. de la Garza, Mr. Mazzoli, Mr. Kolter, Mr. Oberstar, Mr. Fauntroy, Mr. Wirth, Mr. Bonior of Michigan, Mr. Murphy, Mr. Feighan, Mr. Moakley, Mr. Weiss, Mr. Sabo, Mr. Markey, Mr. Crockett, Mr. Stokes, Mr. Boland, Ms. Kaptur, Mr. Coyne, Mr. McHugh, Mr. McNulty, Mr. Rodino, Mr. Fazio, Mr. Wolpe, Mr. Wise, Mr. Edwards of California, Mr. Walgren, Mr. Wortley, Mr. Dixon of California, Mr. Williams of Montana, Mr. Foglietta, Mrs. Kennelly, Mr. Frank, Mr. Murtha, Mr. Durbin, Mr. Gephardt, Mr. Olin, Mr. Dellums, Mr. Stark, Mr. Morrison of Connecticut, Mr. Hertel of Michigan, Mrs. Schroeder, Mr. Burton of California, Mr. Traxler, Mr. Brown of California, Mr. Lowry of Washington, Mr. Gejdenson, Mr. Wyden, Mr. Harrison, Mr. Ratchford, Mr. Washington, Mr. Lantos, Mr. Zablocki, Mr. Horton, Mr. Matsui, Mr. Guarini, Mr. Ottinger, Mr. Minish, Mr. Lehman of Florida, Mrs. Hall of Indiana, Mr. Alexander, Mr. Mavroules, Mr. Vento, Mr. Hall of Ohio, Mr. Gillis W. Long, Mr. Glickman, Mr. Owens, Mr. Kildee, Mr. Rahall, Mr. Nowak, Mr. Shannon, Mr. Stratton, Mr. Levine of California, Mr. de Lugo, Mr. Smith of New Jersey, Mr. Borski, Mr. Kastenmeier, Mr. Dorgan of North Dakota, Mr. Sikorski, Mr. Aspin, Mr. Mitchell of Maryland, Mr. Gore, Mr. Daschle, Mr. Mollohan, Mr. Corrada, Ms. Snowe, Mr. Rangel, Mr. Lundine, Mr. Downey, Mr. Conyers, Mrs. Holt, Mr. Barnes, Mr. Derrick, Mr. Sunia, Ms. Oakar, Mr. Huckaby, Mr. Carr, Mr. Ford of Michigan, Mr. Hughes, Mr. Hamilton, Mr. Waxman, Mr. Schumer, Mrs. Boggs, Mr. Kazen, Mr. Eckart, Mr. Edgar, Mr. Studds, Mr. Leland, Mr. Seiberling, Mr. Towns, Mr. Donnelly, Mr. Ford of Tennessee, Mr. Mrazek, Mr. Wylie, Mr. Mineta, Mr. Synar, Mr. Garcia, Mr. Savage, Mr. Weaver, Mr. Moody, Mr. Scheuer, Mr. Anderson, Mr. Fascell, Mr. Berman, Mr. Dwyer of New Jersey, Mr. Levin of Michigan, Mr. Fish, Mr. Fowler, Mr. Rose, Mr. Swift, Mr. Boner of Tennessee, Mr. Dymally, Mr. Gray, Mr. Kostmayer, Mr. Torres, Mr. Pease, Mr. Richardson, Mr. Jacobs, Mr. Bates, Mr. Albosta, Mr. Solarz, Ms. Mikulski, Mr. Hoyer, Mr. Torricelli, Mr. McKinney, Mr. Udall, Mr. Boucher, Mr. Penny, Mr. Hawkins of California, Mr. Wheat, Ms. Ferraro, Mr.

Biaggi, Mr. Akaka, Mr. Sisisky, Mr. Simon, Mr. D'Amours, Mr. Leach of Iowa, Mr. Dingell, Mr. Yates Mr. Andrews of North Carolina, Mr. Clay, Mr. Howard, Mr. Evans of Illinois, Mr. Zschau, Mr. McGrath, Mr. Obey, Mr. Goodling, Mr. Slattery, Mr. Tallon, Mr. Patterson, Mr. Luken, Mr. Martinez, Mr. Hatcher, Mr. McKernan, Mr. Dicks, Mr. Neal, Mr. Lehman of California, Mr. Smith of Florida, Mr. AuCoin, Mr. McDade, Mr. Harkin, Mr. Pepper, Mr. Carper, Mr. Gilman, Mr. Roybal, Mr. Dyson, Mr. Heftel of Hawaii, Mr. Clarke, Mr. Bonker, Mr. Gaydos, Mr. Ackerman, Mr. Conte, Mr. McCloskey, Mr. Early, Mr. Bedell, Mr. Kogovsek, Mr. Jones of Tennessee.

□ 1550

Mr. JEFFORDS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of House Concurrent Resolution 40, the preventing hunger at home resolution. I commend Mr. PANETTA for his work on this bill, and thank the more than 200 Members of Congress who have joined Mr. PANETTA and myself as sponsors of this legislation.

Just over 6 months ago, when we introduced this bill, the news was full of stories of hardship across our land. We read of food banks and soup kitchens unable to keep up with the demands placed upon them. We saw television reports of people living on the streets in the dead of winter.

The sheer volume and frequency of these reports made them compelling. Added to them was the testimony of constituents across my home State, who left me with no doubt but that hunger was on the increase, and that the needs of Vermonters were going unmet.

This is telling, for my State has traditionally done its utmost to see that the needs of its citizens for basic necessities are met. Vermont was among the first States to participate in the food stamp program, as its participation in the women, infants, and children program is the highest in the country. Its people are not rich, but they are generous.

My impressions of the problem have been confirmed by the findings of Chairman PANETTA and the Subcommittee on Domestic Marketing, Consumer Relations, and Nutrition. Its hearings across the country have documented what each of us saw in the news stories on January.

These stories seem to have been crowded out by fresher topics. Apparently our appetite for despair is limited, for the reality is still there. People are still going hungry in our land. As encouraging as the signs of economic recovery may be, we must be careful not to confuse health signs with healthy times.

The fact that the sun shines more in July than January has very little to do with whether or not a person has enough to eat. We may not be seeing people sleeping on heat grates these days, but hunger, largely unseen, continues.

This legislation will by no means eliminate hunger. But it will express the sense of Congress that the Federal role in combating hunger should not be diminished. This is a moderate and reasonable statement of purpose, one that I hope every single Member of Congress can support. If there is indeed to be a social safety net, then there can be no more important component than the Federal nutrition programs.

The ability of these programs to fulfill their purpose has been severely strained over the past few years. The food stamp program has been cut sharply, as have other nutrition programs. Some of these cuts have been justifiable improvements in the targeting and delivery of benefits. Others have been unjustifiable decreases in benefits to deserving individuals.

It is the latter which this resolution is aimed at preventing. With this resolution we are not signing a blank check. We are not claiming that these programs are free from error or above improvement. I have long supported efforts to insure that benefits be directed to the truly needy. I will continue to do so. This legislation in no way bars us from enacting legitimate reforms in Federal nutrition programs designed to eliminate fraud and waste.

This resolution does, however, put the Congress on record in opposition to further cuts in benefits. Legitimate needs will continue to be met. At a time of severe recession, and at a time when we are faced with enormous surpluses in certain commodities, it is criminal that Americans should go hungry.

Finally, I want to make it clear that this resolution expresses opposition to further benefit cuts masquerading as administrative improvements. The burden of proof lies on those who would seek once again to change these nutrition programs to show that their changes will not adversely affect eligible recipients. We should cast a careful eye on any reforms that purport to save a great deal of money without affecting needy individuals. The food stamp program has undergone change after change over the past 6 years. We have whittled away at it to the point where I am not sure that there is much fat left. The error rate is still too high, to be sure. But let us not mistake efforts to correct this problem with efforts to reduce benefits to individuals.

Again, I want to commend all those Members involved in this legislation, and I want to urge each of my colleagues to give this resolution their full and continuing support.

Mr. Speaker, I yield such time as he may consume to the gentleman from Missouri (Mr. EMERSON).

Mr. EMERSON. Mr. Speaker, I rise in support of House Concurrent Resolution 40, a resolution that expresses the sense of Congress that the Federal Government should maintain current efforts in Federal nutrition programs.

First of all I would like to commend the chairman of the Subcommittee on Domestic Marketing, Consumer Relations and Nutrition on the positive steps he has taken to hold hearings, both around the country and here in Washington, to receive testimony on existing and proposed programs to help feed needy Americans. He has been thorough and fair in all hearings of the subcommittee.

I especially appreciate his cooperativeness during consideration of House Concurrent Resolution 40. I support this resolution, I did have several questions concerning the intent of this resolution and the chairman of the subcommittee responded in a clear and forthright manner to my questions.

I do not support budget cuts in individual benefits in the food stamp program this year. I believe that the actions taken by Congress in the past 2 years have served to tighten the administration of the food stamp program and have redirected program benefits to those people most in need. Further changes may be needed in the food stamp program—for example, I would like to see a significant reduction in the $1 billion spent in error each year. However, whatever changes take place in the future should be carefully crafted to make sure abuses are corrected and those administering the food stamp program can insure benefits go to only those in need.

The gentleman from California (Mr. PANETTA) and I, during the subcommittee consideration of this resolution engaged in a colloquy to clarify the intent of the resolution. The gentleman indicated that the resolution is intended to remain in force for the duration of the 98th Congress and that the resolution is not intended to require that food stamp expenditures must remain at current levels under all circumstances. He indicated that a reduction in food stamp spending due to an improvement in the economy and lower food stamp participation would be consistent with the resolution.

Additionally, it was clarified that adoption of legislation to address error, fraud, and abuse in the food stamp program would be consistent with the resolution, as long as program benefits are not reduced. Legislation to enhance State flexibility in program administration would be consistent with the resolution if benefits are fully protected.

Finally, approval of the resolution would not prevent efforts to improve the accuracy of income reporting by households in the national school

lunch and other child nutrition programs.

This discussion clarified the intent of House Concurrent Resolution 40 for me. I could not support any legislation that could be viewed as tying the hands of the Congress or preventing improvement in programs over which this committee has jurisdiction.

Based on the dialog between the chairman of the subcommittee and me, I am reassured that passage of this resolution in no way restricts any action aimed at improving the Federal nutrition programs, while protecting benefits to individuals and families in need.

I urge my colleagues to support this resolution.

Mr. JEFFORDS. Mr. Speaker, in conclusion, I also think that we should recognize the efforts of Secretary John Block in this area. The distribution of food far exceeded what I had anticipated when I was able to get an amendment on the 1981 farm bill to increase the distribution of dairy products.

I would say that the enthusiasm that the administration has shown for making surplus products available to our poor should not go unnoticed.

Finally, I would say again I commend the gentleman from California for his efforts in this area.

I yield back the balance of my time.

Mr. DE LA GARZA. Mr. Speaker, I yield 3 minutes to the gentleman from Kentucky (Mr. PERKINS), the distinguished chairman of the Committee on Education and Labor.

Mr. PERKINS. Mr. Speaker, I rise in support of House Concurrent Resolution 40. This resolution was introduced earlier this year by Congressman PANETTA and myself with the support of dozens of our colleagues.

I support this resolution because its message is one which needs to be sent across the country; there should be no further cutbacks in Federal nutrition programs, including those programs for children and the elderly.

The Agriculture Committee and the Education and Labor Committee shared joint jurisdiction over this resolution. The Agriculture Committee reported it on July 29. The Committee on Education and Labor did not report the resolution because of the press of other business, but our members have agreed to proceed to immediate floor consideration of the resolution. Last year, the Committee on Education and Labor reported out a similar resolution pertaining only to child nutrition programs, and the House approved that resolution on September 29, 1982.

I would like to explain for the Members why this resolution is needed and why its message needs to be stated loudly and clearly.

Over the course of the last 2 years severe budget cuts have occurred in Federal child nutrition programs.

In 1981 $1½ billion was cut from those programs—a 35-percent cutback.

In 1982 3½ million children dropped out of the national school lunch program due to this cutback; 1½ million of these children were poor children.

One-half million children were forced out of the school breakfast program, also as a result of these budget cuts. Three-fourths of these children leaving the breakfast program were from poor families.

The other cutbacks were made in the child care program, the summer feeding program and the nutrition education program.

As if those cutbacks were not traumatic enough, the administration is now proposing further cutbacks in its fiscal 1984 budget. An additional $250 million will be cut from these programs if the administration has its way.

The cutbacks which occurred and the new proposed cutbacks have caused great uncertainty at the local level. School boards are unclear about the Federal commitment to these programs. This resolution is essential if that commitment is to be made known across the land.

But I must point out that this resolution is merely a first step. The Congress must act on additional legislation this year which will help to reverse some of those worst cutbacks. The congressional budget resolution provides for a restoration of approximately $150 million in child nutrition funding and an increase of approximately $300 million in the funding for the women, infants, and children program. When the House considers H.R. 3520 after the August recess, it will have an opportunity to implement the recommended increase for the WIC program. Later in the year, the Committee on Education and Labor will send to the floor a bill providing the other $150 million increase in funding.

These increases will add back less than 10 percent of the amount cut out of these programs in 1981. But just as this resolution is important in giving a signal of Federal commitment, so these bills restoring some funding, however inadequate, are important also as a signal that the Federal Government will remain committed to providing adequate nutrition for children and others in need.

Mr. Speaker, I urge the adoption of the resolution.

● Mr. BIAGGI. Mr. Speaker, I rise to join with my colleagues to lend my strong support for this resolution to "prevent hunger at home." Clearly, at no time in modern American history since the Great Depression have we encountered such a severe challenge to the basic hunger needs of Americans. This resolution (H. Con. Res. 40) places Congress firmly on record that we cannot afford to reduce our domestic feeding programs beyond existing levels. More importantly, it reaffirms the Federal role in protecting the nutritional needs of those less fortunate who cannot afford an adequate diet for themselves or their families.

Congress has already acted in a timely fashion to pass legislation that would authorize the commodity donation programs beyond this fiscal year. As the author of one of the approaches taken prior to the passage of H.R. 1590, I am firmly committed to working to insure that our agricultural abundance can continue to be shared with hungry Americans. This is, however, a first-step approach to attacking domestic hunger and should not be construed as a replacement for any of our other Federal nutrition programs. Instead, this should be considered a new component to an overall Federal strategy to protect the nutritional needs of the poorest of our citizenry.

This resolution is consistent with the need to build a Federal strategy by calling for maintained service levels in these nutrition programs. It also calls for current service levels for the women, infants, and children—WIC—programs in order to maintain services to the 2.8 million persons now supported by the program in this year.

Nutrition programs have been disproportionate victims of budget cuts over the past several years—child nutrition programs have been almost halved—and food stamps have been reduced to dangerously low levels so that the very people now needing food stamps the most are some of the very same people who are getting food stamp cuts. It is my own intent to work to reverse many of these cuts which have impacted the lives of children, the working poor as well as the elderly—in great numbers.

I also wish to commend the sponsors of this resolution—Mr. PANETTA, chairman of the Agriculture Subcommittee which considered this legislation and who has spent many days of hearings around the country working to address this issue, as well as JIM JEFFORDS, who serves with me on the House Education and Labor Committee which has authored our child and elderly feeding programs.

Mr. Speaker, I urge my colleagues to join us in the worthwhile effort to reaffirm our support for domestic feeding programs by voting for House Concurrent Resolution 40.●

● Mr. GILMAN. Mr. Speaker, I rise in support of the aims of House Concurrent Resolution 40, which expresses congressional support for the various Federal food programs. This preventing hunger at home resolution comes at a time when it has become increasingly evident that many people in this country do not eat adequately. For a nation acknowledged to be the leader of food production, these sad facts

only underscore the problems we have at home.

New York State ranks fourth in the production of food. I know that many Members in this body do not think of New York as an agricultural State; however, in my own district are many dairy farmers, vegetable growers, and egg producers. These fine men and women contribute to the breadbasket of New York and the Nation, and are keenly aware when their product is in demand.

All too often, many of us feel that the Federal food programs are an enigma, programs we hear about but do not feel. These vital programs include the school breakfast and lunch programs, the child care and summer feeding programs, special supplements for women with young children and infants, and the food stamp program. By far the best known of all of these is the latter. Yet I am certain, Mr. Chairman, that there are many people who take advantage of these other programs I mentioned, without their neighbors being aware that they are in need of foodstuffs.

The dilemma many parents have faced of late has been unemployment. They try desperately to maintain an aura of continuity for their children, and this is reflected in the food prepared for the family. Should families and individuals be in need of food, it should be there for them. No one in this country should go hungry, for any reason. The overriding need to alleviate hunger both here and abroad is the primary reason for my having introduced House Resolution 15, which would establish a Select Committee on Hunger. There is a compelling need to investigate the causes of hunger in this country, to fully understand the "whys" and "hows." In other countries, it is an easier problem to understand, but in our own—it is an impossibility for most to even comprehend. With much bipartisan support, House Resolution 15 has now garnered the attention of many, and I am hopeful that the House will soon act on that proposal.

Mr. Chairman, House Concurrent Resolution 40 recognizes the importance of the aforementioned Federal programs. If we are to maintain the moral fiber of this Nation as a humane and caring one, we must insure that the most vital aspect of our lives—food—is available to those in need. Accordingly, I urge the adoption of this measure by my colleagues.●

● Ms. KAPTUR. Mr. Speaker, I rise in support of House Concurrent Resolution 40, the preventing hunger at home resolution. As one of the cosponsors of House Concurrent Resolution 40, I congratulate Mr. PANETTA and Mr. JEFFORDS for their leadership in introducing this legislation and helping to move it expeditiously. Hunger is on the rise in our Nation. Passage of House Concurrent Resolution 40 will be viewed as a significant statement of concern and compassion for those Americans going without adequate nutrition.

At its heart, this resolution calls for the maintenance of present Federal nutritional assistance programs. It states that Federal nutrition programs, including all child nutrition programs, elderly nutrition programs, and food stamps should be protected from further budget cuts. Further, it states that these programs need to continue to respond effectively to the urgencies of rising unemployment and food prices. Second, it calls for the protection of the supplemental food program for women, infants and children (WIC) at the full level of funding authorized by law. Finally, it urges the Federal Government to maintain current efforts and responsibility in Federal nutrition programs.

It is inexplicable that in a land so richly endowed with bountiful food resources that dire poverty and hunger should exist in American society. According to the U.S. Conference of Mayors, hunger is now the most prevalent and the most insidious challenge facing U.S. cities. This rising level of hunger has resulted in the establishment of thousands of food distribution centers, soup kitchens, and private relief centers across the country. Still, the growing demand for help is not being met by these voluntary efforts. Given this situation, it hardly seems appropriate for the U.S. Government to be cutting back on its programs to feed those in need.

The allegedly "robust recovery" will undoubtedly alleviate some cases of hunger. But even Reagan administration economists concede that unemployment will remain historically high throughout 1983 and 1984. Therefore, it is necessary for Congress to affirm that needy and hungry Americans will not continue to bear further reductions in nutrition benefits.

My district, the Toledo, Ohio area, is not experiencing much of a recovery. The unemployment rate remains around 13 percent. The demand for food assistance is very high and growing each day. Last week, a woman who runs a feeding center informed me of the large numbers of unemployed people who walked across town in 90° heat to receive a meal. Why, I ask, in a land as blessed as the United States, should any person be forced into such circumstances?

I urge my colleagues to vote for House Concurrent Resolution 40, and send a clear message to the Nation, especially to those dependent on Government food programs for their subsistence, that we will not allow further cuts in Federal nutrition programs.●

● Mr. CORRADA. Mr. Speaker, I rise in support of House Concurrent Resolution 40, brought to the House floor today by our distinguished colleague, Congressman LEON PANETTA, chairman of the House Agriculture Subcommittee on Domestic Marketing, Consumer Relations and Nutrition.

As a cosponsor of this resolution, I want to commend Congressman PANETTA and both majority and minority members of the House Agriculture Committee for bringing this resolution to the floor.

In expressing the sense of Congress that the Federal Government should maintain current efforts in Federal nutrition programs, we are reaffirming a congressional commitment that this Nation should never retreat from the admirable goal of keeping tried and tested nutrition programs in place, and operating at a reasonable level.

While the economic recovery we see in evidence hopefully increases, there are and will still be many Americans confronted with the stark reality of feeding their families and their children, and of schoolchildren who need a lunch to enable them to attain academic goals. Commonsense tells us that a hungry child is a child who finds it difficult to learn; a hungry family cannot be a happy family.

I believe all of us should remember, as this resolution reminds us, that the mothers participating in the women, infant and children, WIC, program and many other Americans who receive the benefits of commodity food distribution and either the food stamp program or, in the case of Puerto Rico, participate in our island's nutritional assistance plan which was implemented when the Omnibus Reconciliation Act of 1981 took us out of the food stamp program, have a right to a sound and adequate diet.

This resolution simply states that no further cutbacks should take place, cutbacks which would deepen the growing problem of hunger in the United States.

Child nutrition programs fall within the jurisdiction of the Education and Labor Committee, on which I serve, and I want to take special note in commending the members of the Agriculture Committee for bringing this issue before the full House of Representatives with our concurrence and approval.

Mr. Speaker, House Concurrent Resolution 40 is a commonsense resolution and a commendable effort to remind this country of a congressional commitment we have made to those in need in the Nation and in Puerto Rico and it merits our support.

I urge its speedy passage.●

● Mr. ALBOSTA. Mr. Speaker, today, I rise in support of House Concurrent Resolution 40, which expresses the sense of the Congress that essential Federal food programs, especially those directed to children—including school lunch, child care food,

supplemental food program for women, infants, and children (WIC) and food stamps—be protected from further budget cuts. In addition, it urges the Federal Government to continue to respond to the urgencies of increasing unemployment and rising food prices through the administration of the surplus food distribution program.

My fellow colleagues, my constituents, the residents of Michigan know all too well that the problems of hunger in this Nation have not disappeared, and indeed are growing. While the rest of the country celebrated a slight decline in the unemployment rate, my home State of Michigan continued to show an increase in unemployment. For many of those who are unemployed, hunger is a tragic reality.

Under the direction of the Governor of Michigan, Jim Blanchard, a report on "The Nutritional Status of Michiganians" was submitted by the Michigan Statewide Nutrition Commission in March of this year. The findings are startling. I request at this time that a section of this report subtitled," Diagnosing Hunger and Malnutrition" be inserted into the RECORD along with the commission's conclusions and recommendations. I welcome any of my colleagues who are interested in reviewing this report to contact my office for a copy.

DIAGNOSING HUNGER AND MALNUTRITION

Population groups known to be at high risk regardless of socio-economic status are women of child-bearing age, children and adolescents, and the elderly. There is no single test to quickly determine malnutrition. One cannot go out on the street in our society and see a starving child. People in the twenty to fifty-five year age range can withstand food withdrawal of the 10% to 20% level for long periods of time. Nothing will show up except that they will be hungry, irritable, less effective at their work, and short tempered. This can lead to spouse and child abuse, depression, substance abuse and suicide.

There are other groups with greater risks. A 10% to 20% food intake reduction for the elderly, will not only make them hungry, but will make them more susceptible to disease. They will die a little earlier.

Then there are the very young trying to grow, learn and socialize. Intake reduction slows their growth rate and their ability to learn. They sit in school and they are hungry. They have assignments to do and instead they are thinking about eating. Learning falls off tremendously. Every year we get three, five and seven year old grade level scores on math, reading, etc. We talk about the schools getting better or worse, when in fact it is sometimes simply that the kids are eating better or worse. It would often be more beneficial to look at the kids nutritional status when looking for reasons why a school district's test scores went down. Hungry kids do have school problems.

The young adolescent girl needs a sufficient diet or she will end up with smaller babies, whether pregnant as an adolescent, or later in life.

In summary, the first to go when there is hunger is learning; the second is socialization—the ability to interact and interrelate; the third is the ability to perform on the job; and the fourth is the increase in disease and illness.

CONCLUSION

A study is currently being conducted by the University of Michigan, School of Social Work and others in New York, Georgia, and Michigan. It is a study of people who have been cut off or dropped from the basic public assistance programs since the cutbacks in 1981. In Michigan, the preliminary findings include a sharp increase in anxiety. People run out of food the last week of the month, they have no dental or health care. There is an increase in hypertension, diabetes, and ulcers. There is a low self-esteem. Some are sending their kids to the shopping centers to "pick-up" whatever they can. There is lower food intake. People give up psychologically. Young kids are deprived of food. The army with such a large pool of people available to it, is screening potential enlistees and reenlistees for their levels of body fat and will not let them enlist or reenlist if they are too fat. What we are doing is guaranteeing through the cuts that have already been made, let alone those proposed, severe and chronic malnutrition. We are reducing the employability of the next generation.

RECOMMENDATIONS

The Michigan Statewide Nutrition Commission believes that food necessary to a healthful nutritious diet should be a right. The moral and economic consequences of not doing so are astronomical. Therefore, The Michigan Statewide Nutrition Commission recommends the following:

1. Restoration of the federal food programs to the 1980 levels. Commodities should never replace or substitute for these basic programs.
2. Continuation of emergency food drives, coordinated at the local level, so people can be immediately referred to other sources, as well as help to get onto federal programs if eligible.
3. Emergency food should be available without the complicated eligibility requirements now in place for food stamps.
4. Need to develop food banks throughout the state, such as the one in Lansing.
5. Campaign to inform the private sector of the Michigan Gleaner's law.
6. Support of federal legislation to spend more money for emergency food, including paying for shipping and transportation, solely for emergency purposes. More money should be spent on this, instead of further reducing the commodities available to nonprofit institutions including soup kitchens.
7. Seek print and electronic media cooperation in producing and showing nutrition education spots and programs.
8. More and continuous campaigns for donations.

As the report states, "The first to go when there is hunger is learning." What a legacy we are leaving to our children. Clearly, the time is now to act accordingly by reemphasizing our commitment to maintaining Federal funding for these important nutrition programs. The health and education of our children depend on it.●

□ 1600

Mr. DE LA GARZA. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas (Mr. DE LA GARZA) that the House suspend the rules and agree to the concurrent resolution, House Concurrent Resolution 40, as amended.

The question was taken.

Mr. PANETTA. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to the provisions of clause 5, rule I, and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mr. DE LA GARZA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the concurrent resolution just considered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

STUDENT LOAN CONSOLIDATION AND TECHNICAL AMENDMENTS ACT OF 1983

Mr. SIMON. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3394) to provide additional authority for the consolidation of student loans and to make certain other changes in Federal student financial assistance, as amended.

The Clerk read as follows:

H.R. 3394

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Student Loan Consolidation and Technical Amendments Act of 1983".

EXTENSION OF EXISTING STUDENT LOAN CONSOLIDATION AUTHORITY

SEC. 2. Section 439(o) of the Higher Education Act of 1965 (hereafter in this Act referred to as "the Act") is amended by striking out "on August 1, 1983" in paragraph (5) and inserting in lieu thereof "on November 1, 1983".

DISCLOSURE OF INFORMATION TO STUDENT BORROWERS

SEC. 3. (a) Section 433A of the Act is amended to read as follows:

"STUDENT LOAN INFORMATION BY ELIGIBLE LENDERS

"SEC. 433A. (a) Each eligible lender shall, at or prior to the time such lender disburses a loan to a borrower which is insured or guaranteed under this part, provide thorough and accurate loan information on such loan to the borrower. Any disclosure required by this subsection may be made by an eligible lender as part of the written application material provided to the borrower, or as part of the promissory note evidencing the loan, or on a separate written form provided to the borrower. The disclosures shall include—

"(1) the name of the eligible lender, and the address to which communications and payments should be sent;

"(2) the principal amount of the loan;

"(3) the amount of any charges, such as the origination fee and insurance premium, collected by the lender at or prior to the disbursal of the loan and whether such charges are deducted from the proceeds of the loan or paid separately by the borrower;

"(4) the state interest rate on the loan;

"(5) the yearly and cumulative maximum amounts that may be borrowed;

"(6) an explanation of when repayment of the loan will be required and when the borrower will be obligated to pay interest that accrues on the loan;

"(7) a statement as to the minimum and maximum repayment term which the lender may impose, and the minimum annual payment required by law;

"(8) an explanation of any special options the borrower may have for loan consolidation or other refinancing of the loan;

"(9) a statement that the borrower has the right to prepay all or part of the loan, at any time, without penalty, a statement summarizing circumstances in which repayment of the loan or interest that accrues on the loan may be deferred, and a brief notice of the program for repayment of loans, on the basis of military service, pursuant to section 902 of the Department of Defense Authorization Act, 1981 (10 U.S.C. 2141, note);

"(10) a definition of default and the consequences to the borrower if the borrower defaults, including a statement that the default may be reported to a credit bureau or credit reporting agency;

"(11) to the extent practicable, the effect of accepting the loan on the eligibility of the borrower for other forms of student assistance; and

"(12) an explanation of any cost the borrower may incur in the making or collection of the loan.

"(b) Each eligible lender shall, at or prior to the start of the repayment period of the student borrower on loans made, insured, or guaranteed under this part, disclose to the borrower the information required under this subsection. Any disclosure required by this subsection may be made by an eligible lender either in a promissory note evidencing the loan or loans or in a written statement provided to the borrower. The disclosures shall include:

"(1) the name of the eligible lender, and the address to which communications and payments should be sent;

"(2) the scheduled date upon which the repayment period is to begin;

"(3) the estimated balance owed by the borrower on the loan or loans covered by the disclosure as of the scheduled date on which the repayment period is to begin (including, if applicable, the estimated amount of interest to be capitalized);

"(4) the stated interest rate on the loan or loans, or the combined interest rate of loans with different stated interest rates;

"(5) the nature of any fees which may accrue or be charged to the borrower during the repayment period;

"(6) the repayment schedule for all loans covered by the disclosure including the date the first installment is due, and the number, amount, and frequency of required payments;

"(7) an explanation of any special options the borrower may have for loan consolidation or other refinancing of the loan;

"(8) the projected total of interest charges which the borrower will pay on the loan or loans, assuming that the borrower makes payments exactly in accordance with the repayment schedule; and

"(9) a statement that the borrower has the right to prepay all or part of the loan or loans covered by the disclosure at any time without penalty.

"(c) Such information shall be available without cost to the borrower. The failure of an eligible lender to provide information as required by this section shall not (1) relieve a borrower of the obligation to repay a loan in accordance with its terms, (2) provide a basis for a claim for civil damages, or (3) be deemed to abrogate the obligation of the Secretary under a contract of insurance or reinsurance, or the obligation of a State or nonprofit private agency or organization which has an agreement with the Secretary under section 428(b) under a contract of guaranty. The Secretary may limit, suspend, or terminate the continued participation of an eligible lender in making loans under this part for failure by that lender to comply with this section.".

(b) Section 463A of the Act is amended to read as follows:

"STUDENT LOAN INFORMATION BY ELIGIBLE INSTITUTIONS

"SEC. 463A. (a) Each institution of higher education, in order to carry out the provisions of section 463(a)(8), shall, at or prior to the time such institutions makes a loan to a student borrower which is made under this part, provide thorough and adequate loan information on such loan to the student borrower. Any disclosure required by this subsection may be made by an institution of higher education as part of the written application material provided to the borrower, or as part of the promissory note evidencing the loan, or on a separate written form provided to the borrower. The disclosures shall include:

"(1) the name of the institution of higher education, and the address to which communications and payments should be sent;

"(2) the principal amount of the loan;

"(3) the amount of any charges collected by the institution at or prior to the disbursal of the loan and whether such charges are deducted from the proceeds of the loan or paid separately by the borrower;

"(4) the stated interest rate on the loan;

"(5) the yearly and cumulative maximum amounts that may be borrowed;

"(6) an explanation of when repayment of the loan will be required and when the borrower will be obligated to pay interest that accrues on the loan;

"(7) a statement as to the minimum and maximum repayment term which the institution may impose, and the minimum monthly payment required by law;

"(8) an explanation of any special options the borrower may have for loan consolidation or other refinancing of the loan;

"(9) a statement that the borrower has the right to prepay all or part of the loan, at any time, without penalty, a statement summarizing circumstances in which repayment of the loan or interest that accrues on the loan may be deferred, and a brief notice of the program for repayment of loans, on the basis of military service, pursuant to section 902 of the Department of Defense Authorization Act, 1981 (10 U.S.C. 2141, note);

"(10) a definition of default and the consequences to the borrower if the borrower defaults, including a statement that the default may be reported to a credit bureau or credit reporting agency;

"(11) to the extent practicable, in effect of accepting the loan on the eligibility of the borrower for other forms of student assistance; and

"(12) an explanation of any cost the borrower may incur in the making or collection of the loan.

"(b) Each institution of higher education shall enter into an agreement with the Secretary under which the institution will, prior to the start of the repayment period of the student borrower on loans made under this part, disclose to the student borrower the information required under this subsection. Any disclosures required by this subsection may be made by an institution of higher education either in a promissory note evidencing the loan or loans or in a written statement provided to the borrower. The disclosures shall include—

"(1) the name of the institution of higher education, and the address to which communications and payments should be sent;

"(2) the scheduled date upon which the repayment period is to begin;

"(3) the estimated balance owned by the borrower on the loan or loans covered by the disclousre as of the scheduled date on which the repayment period is to begin (including, if applicable, the estimated amount of interest to be capitalized);

"(4) the stated interest rate on the loan or loans, or the combined interest rate of loans with different stated interest rates;

"(5) the nature of any fees which may accrue or be charged to the borrower during the repayment period;

"(6) the repayment schedule for all loans covered by the disclosure including the date the first installment is due, and the number, amount, and frequency of required payments;

"(7) an explanation of any special options the borrower may have for loan consolidation or other refinancing of the loan;

"(8) the projected total of interest charges which the borrower will pay on the loan or loans, assuming that the borrower makes payments exactly in accordance with the repayment schedule; and

"(9) a statement that the borrower has the right to prepay all or part of the loan or loans covered by the disclosure at any time without penalty.

"(c) Such information shall be available without cost to the borrower. The failure of an eligible institution to provide information as required by this section shall not (1) relieve a borrower of the obligation to repay a loan in accordance with its terms, (2) provide a basis for a claim for civil damages, or (3) be deemed to abrogate the obligation of the Secretary to make payments with respect to such loan.".

STUDENT FINANCIAL ASSISTANCE TECHNICAL AMENDMENT ACT OF 1982 REVISIONS

SEC. 4. (a) The Student Financial Assistance Technical Amendments of 1982 is amended by striking out sections 3 through 6 and inserting in lieu thereof the following:

"COST OF ATTENDANCE

"SEC. 3. (a) Except as provided in subsection (b), but notwithstanding any other provision of law, the cost of attendance criteria used for calculating eligibility for and the amount of Pell Grants for academic years 1983-1984, 1984-1985, and 1985-1986 shall be the same as those criteria in effect for academic year 1982-1983.

"(b) The cost of attendance allowance for room and board for students not residing at home or in institutionally owned or operated housing for the academic year 1984-1985

shall be a standard amount determined by the institution of higher education based on the expenses reasonably incurred by such student for room and board, which shall be at least $1,100 but not more than $1,600.

"(c) The cost of attendance allowance for room and board for students not residing at home or in institutionally owned or operated housing for the academic year 1985-1986 shall be a standard amount determined by the institution of higher education based on the expenses reasonably incurred by such student for room and board, which shall be at least $1,100 but not more than $2,100.

"SEPARATION OF PELL GRANT FAMILY CONTRIBUTION SCHEDULE FROM CAMPUS-BASED PROGRAMS

"SEC. 4. The Secretary of Education shall establish or approve separate systems of need analysis for the academic years 1983-1984, 1984-1985, and 1985-1986 for the programs authorized under subpart 2 of part A, part C, and part E of title IV of the Higher Education Act of 1965.

"PELL GRANT FAMILY CONTRIBUTION SCHEDULES FOR ACADEMIC YEARS 1984-1985 AND 1985-1986

"SEC. 5. (a) Except as provided in subsections (b) and (c), the family contribution schedule for academic year 1983-1984 for Pell Grants under subpart 1 of part A of title IV of the Higher Education Act of 1965 shall be the family contribution schedule for such grants for each of the academic years 1984-1985 and 1985-1986.

"(b)(1) Each of the amounts allowed as an offset for family size for dependent and independent students in the family contribution schedule for each of the academic years 1984-1985 and 1985-1986 shall be computed by increasing (or decreasing) the comparable amount (for the same family size) in the family contribution schedule for the preceding academic year (as set by this section) by a percentage equal to the percentage increase (or decrease) in the Consumer Price Index for Wage Earners and Clerical Workers published by the Department of Labor, and rounding the result to the nearest $100.

"(2) For purposes of paragraph (1) of this subsection, the percentage increases (or decrease) in the Consumer Price Index for Wage Earners and Clerical Workers is the change, expressed as a per centum, between the arithmetic mean of such index—

"(A) for the period from October 1, 1981, through September 30, 1982, and the arithmetic mean of such index for the period from October 1, 1982, through September 30, 1983, in the case of the academic year 1984-1985; and

"(B) for the period from October 1, 1982, through September 30, 1983, and the arithmetic mean of such index for the period from October 1, 1983, through September 30, 1984, in the case of the academic year 1985-1986.

"(3) The Secretary of Education shall publish in the Federal Register the changes in amounts allowed as an offset for family size as a consequence of the requirements of this subsection immediately after publication by the Secretary of Labor of the Consumer Price Index for September 1983 (with respect to academic year 1984-1985) and immediately after such publication for September 1984 (with respect to academic year 1985-1986).

"(c) For purpose of subsection (a), the family contribution schedule for academic year 1983-1984 shall be modified by the Secretary of Education for use for each of academic years 1984-1985 and 1985-1986—

"(1) to reflect the most recent and relevant data, and

"(2) to comply with section 482(b)(3) of the Higher Education Act of 1965 with respect to the treatment of payments under title 38 of the United States Code.

"(d) The modified family contribution schedule under this section shall be published in the Federal Register—

"(1) not later than fifteen days after the date of enactment of the Student Loan Consolidation and Technical Amendments Act of 1983 for academic year 1984-1985; and

"(2) not later than April 1, 1984, for academic year 1985-1986.

"INDEPENDENT STUDENT DETERMINATION

SEC. 6. Notwithstanding any rule or regulation, the criteria for the determination of independent student status, prescribed under section 482(c)(2) of the Higher Education Act of 1965, in effect for academic year 1982-1983 shall be the criteria for such determinations for each of the academic years 1983-1984, 1984-1985, and 1985-1986.".

"(b) Section 9 of such Act is amended—

(1) by inserting "from July 1, 1984, through June 30, 1985, and from July 1, 1985, through June 30, 1986," after "June 30, 1984," in subsection (a);

(2) by striking out "the period of instruction from July 1, 1983, through June 30, 1984," in subsection (b) and inserting in lieu thereof "each of the periods of instruction (beginning after June 30, 1983) described in subsection (a)"; and

(3) by striking out "subsection (c) and inserting in lieu thereof the following:

"(c) The modified family contribution schedule under this section shall be submitted not later than—

"(1) April 1, 1983, for the period of instruction from July 1, 1983, through June 30, 1984;

"(2) April 1, 1984, for the period of instruction from July 1, 1984, through June 30, 1985; and

"(3) April 1, 1985, for the period of instruction from July 1, 1985, through June 30, 1986,

and shall otherwise be subject to the provisions of section 482(a) of the Higher Education Act of 1965.".

CLARIFICATION OF APPLICABILITY OF 8 PER CENTUM RATE

SEC. 5. (a) Section 427A(a) of the Act is amended—

(1) by striking out "other than" and all that follows through "this subsection" in paragraph (1) and inserting in lieu thereof "for which the interest rate does not exceed 7 per centum";

(2) by striking out "any loan made, insured" and all that follows through "this paragraph" in paragraph (2) and inserting in lieu thereof "any loan described in paragraph (1) or any loan for which the interest rate is determined under paragraph (1)"; and

(3) by striking out paragraph (3) and inserting in lieu thereof the following:

"(3) be 8 per centum per annum on the unpaid principal balance of the loan for a loan to cover the cost of education for any period of enrollment beginning on or after a date which is three months after a determination made under subsection (b) in the case of any borrower who, on the date of entering into the note or other written evidence of the loan, has no outstanding balance of principal or interest on any loan for which the interest rate is determined under paragraph (1) or (2) of this subsection.".

(b)(1) Section 427A of the Act is further amended by adding at the end thereof the following new subsection:

"(e) For the purposes of subsection (a) of this section—

"(1) the term 'period of instruction' shall, at the discretion of the lender, be any academic year, semester, trimester, quarter, or other academic period; or shall be the period for which the loan is made as determined by the institution of higher education; and

"(2) the term 'period of enrollment' shall be the period for which the loan is made as determined by the institution of higher education and shall coincide with academic terms such as academic year, semester, trimester, quarter, or other academic period as defined by such institution.".

(2) The amendment made by this subsection shall be effective as if enacted as part of the amendment made by section 415(a)(1) of the Education Amendments of 1980.

NONDISCRIMINATION

SEC. 6. Section 421 of the Act is amended—

(1) by inserting "; nondiscrimination;" after "statement of purpose" in the heading of such section;

(2) by inserting "(1)" after "SEC. 41. (a)"; and

(3) by inserting before subsection (b) the following new paragraph:

"(2) No institution, bank, credit union, corporation, or other lender who regularly extends, renews, or continues credit or provides insurance under this part shall exclude from receipt or deny the benefits of, or discriminate against any borrower or applicant in obtaining, such credit or insurance on the basis of race, national origin, religion, sex or marital status, age, or handicapped status.".

RESTRICTION ON SPECIAL ALLOWANCES

SEC. 7. (a) Section 438 of the Act is amended by redesignating subsection (d) as subsection (e) and inserting before such subsection the following:

"(d)(1) In order for the holders of loans which were made or purchased with funds obtained by the holder from an Authority issuing obligations, the income from which is exempt from taxation under the Internal Revenue Code of 1954, to be eligible to receive a special allowance under subsection (b)(2) of this section, the Authority shall submit to the Secretary a plan for doing business. The Secretary shall approve or disapprove such plan within thirty days after the date of its submission. Each such plan shall contain provisions designed to assure that—

"(A) no eligible lender in the area served by the Authority will be excluded from participation in the program of the Authority and all eligible lenders may participate in the program on the same terms and conditions if eligible lenders are going to participate in the program;

"(B) no director staff member of the Authority who receives compensation from the Authority may own stock in, or receive compensation from, any agency that would contract to service and collect the loans of the Authority;

"(C) student loans will not be purchased from participating lenders at a premium or discount amounting to more than 1 per centum of the unpaid principal amount borrowed plus accrued interest to the date of acquisition, but a reasonable loan transfer fee may be paid by the purchaser;

"(D) the Authority will within the limit of funds available and subject to the applicable State and Federal law, make loans, to or purchase loans incurred by, all eligible students who are residents of, or who attend an

eligible institution within, the area served by the Authority;

"(E) the Authority has a plan under which the Authority will pursue the development of new lender participation in a continuing program of benefits to students together with assurances of existing lender commitments to the program;

"(F) there will be an annual audit of the Authority by a certified public accounting firm which will include review of compliance by the Authority with the provisions of the plan; and

"(G) the Authority will not issue obligations for amounts in excess of the reasonable needs for student loan credit within the area served by the Authority, after taking into account existing sources of student loan credit in that area.

"(2) In order for the holders of loans which were made or purchased with funds obtained by the holder from an Authority issuing obligations, the income from which is exempt from taxation under the Internal Revenue Code of 1954, to be eligible to receive a special allowance under subsection (b)(2) of this section on any such loans, the Authority shall not engage in any pattern or practice which results in a denial of a borrower's access to loans under this part because of the borrower's race, sex, color, religion, national origin, age, handicapped status, income, attendance at a particular eligible institution within the area served by the Authority, length of the borrower's educational program, or the borrower's academic year in school.".

(b) Section 420(b) of the Education Amendments of 1980 is repealed.

(c) Section 438(b)(2)(B)(iii) of the Act is amended by striking out "section 420(b) of the Education Amendments of 1980" and inserting in lieu thereof "subsection (d) of this section".

(d) Until two years after the date of enactment of this Act, section 438(d)(2) of the Act (as added by subsection (a) of this section) shall not operate to prevent the payment of special allowances on loans described in such section 438(d)(2) because an Authority described in such section denies access to loans under part B of title IV of the Act to students in attendance at particular institutions with specified high default rates on such loans, if such denial is pursuant to a rule of such Authority adopted prior to August 1, 1983.

STUDENT LOAN MARKETING ASSOCIATION

SEC. 8. Section 439(l) of the Act is amended by striking out "issued or incurred on or before September 30, 1984".

ADMINISTRATIVE COSTS

SEC. 9. The amendments made by section 417(c) of the Education Amendments of 1980 shall be effective as if enacted as part of the amendment made by section 127(a) of the Education Amendments of 1976.

REPAYMENTS STATUS

SEC. 10. Section 427(a)(2)(B) of the Act is amended by striking out "six months after the date on which" and inserting in lieu thereof "six months after the month in which".

(b) Section 428(b)(1)(E) of the Act is amended—

(1) by inserting "the month in which" after "ten years beginning six months after"; and

(2) in clause (i), by inserting "the month in which" after "not earlier than six months after".

(c) The amendments made by this section shall be effective with respect to any loan under part B of title IV of the Act on which repayment has not commenced prior to the date of enactment of this Act.

NATIONAL COMMISSION ON STUDENT FINANCIAL ASSISTANCE

SEC. 11. Section 491(d)(3) of the Act is amended by striking out "90 days following the submission of its final report." and inserting in lieu thereof "on November 1, 1983".

DEFERMENTS OF AUXILIARY LOANS

SEC. 12. Section 428B(a)(1) of the Act is amended by inserting before the period at the end of the second sentence the following: ", but such a parent borrower shall not be eligible for any deferment pursuant to section 427(a)(2)(C) or 428(b)(1)(M)".

The SPEAKER pro tempore. Is a second demanded?

Mr. COLEMAN of Missouri. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Illinois (Mr. SIMON) will be recognized for 20 minutes, and the gentleman from Missouri (Mr. COLEMAN) will be recognized for 20 minutes.

The Chair recognizes the gentleman from Illinois (Mr. SIMON).

Mr. SIMON. Mr. Speaker, I yield myself 4 minutes.

Mr. Speaker, first of all, we had a committee amendment today that was put on at the last minute because, all of a sudden, while we thought we were going along with the administration and had this thing in good shape, all of a sudden we get word from OMB that the loan consolidation provision is not in order.

I understand that OMB has some time constraints, but so does Congress. I hope that they get their house in order and can notify us a little earlier about these kinds of changes.

What we have done in order to comply with OMB and so that we do not have a veto on this important legislation, we have pulled it back from a 2-year extension to a 3-month extension so that we can get this thing worked out.

There are several other provisions in the law in addition to the 3-month extension. One is, it sets up the contribution schedules for the Pell grants. We have had a problem with regulations coming in on time. This is part of a tradition now, at least it is not unprecedented, that we do this.

We increase the commuter allowance. And that is more than just commuting; it is a total living expense for those not living in dormitories and those not living in their homes from $1,100 to $1,600, and that can go up in the 1985-86 academic year to $2,100, certainly not an excessive amount. In fact, it is unrealistically low.

We make the Sallie Mae equal access provision in the event of involuntary bankruptcy or liquidation, and we make that permanent.

We extend the life of the National Commission on Student Financial Assistance through November 1, 1983, so they can follow through on their work.

We clarify the application of the new 8 percent guaranteed loan interest rate as applicable to new borrowers only, and we provide new nondiscrimination provisions for lenders who make guaranteed student loans. That is simply because of the new classification on the loans.

Mr. Speaker, I yield such time as he may consume to the chairman of the full committee, the gentleman from Kentucky (Mr. PERKINS).

Mr. PERKINS. Mr. Speaker, I rise in support of H.R. 3394. This bill has as its principal purpose bringing stability to the Pell grant and guaranteed student loan programs by prescribing the eligibility for those grants and loans for school years 1984-85 and 1985-86.

H.R. 3394 was introduced by Congressman PAUL SIMON with Congressman TOM COLEMAN and myself as cosponsors. Mr. SIMON and Mr. COLEMAN deserve a great deal of the credit for achieving the passage of this legislation.

I would also like to commend the efforts of the other members of the Subcommittee on Postsecondary Education: WILLIAM D. FORD, IKE ANDREWS, RAY KOGOVSEK, FRANK HARRISON, TIMOTHY PENNY, MAJOR R. OWENS, GARY ACKERMAN, STEVE GUNDERSON, JAMES JEFFORDS, WILLIAM GOODLING, THOMAS PETRI, and RON PACKARD.

As I mentioned, the principal purpose of this bill is to bring stability to the Pell grant and guaranteed student loan programs. The Pell grant program currently benefits over 2,250,000 students and involves an appropriation of $2.4 billion. Since the inception of the student loan program, more than 18 million students have benefited under this program. The current appropriation is $3 billion. These two programs are the largest Federal programs providing student assistance for postsecondary education.

For the last 2 years these programs have suffered from a great deal of instability because of the administration's attempt to cut their funding. As a consequence, the Congress has had to enact statutes rejecting the administration's attempts to limit eligibility and thereby reduce funding.

For the third year in a row now, we are faced with the same threat from the administration to limit eligibility for these programs, and, we must respond by assuring students that they will not lose their grants and loans through these efforts. That is the reason that the bill before us pre-

scribes an exact family contribution schedule to be used for the Pell grant program and for the guaranteed student loan program for school years 1984-85 and 1985-86.

Earlier this year on May 13, 1983, the administration published family contribution schedules which would have eliminated thousands of students from these programs. This bill rejects those schedules and instead requires that the currently used family contribution schedules will be updated for inflation and used for those school years.

By passing this bill today we will help to make it possible for the printing of the applications and other information concerning eligibility for these programs so that families and students can use them this fall in helping to make their decisions about which schools to enroll in for the next school year.

H.R. 3394 also clarifies the rules for these two programs by prescribing the use of the current definition for "independent student" for the 1984-85 and 1985-86 school years and by clarifying the types of information which will have to be made available to students under the current truth-in-lending provisions of the law.

The bill also contains long overdue increases in the commuter allowance for determining Pell grant eligibility. Students residing at home have been limited to an $1,100 commuter allowance since the inception of the program in 1972. The bill would increase the commuter allowance from the current $1,100 to $1,600 for school year 1984-85 and then to $2,100 for school year 1985—86.

Another purpose of the bill is to extend for 3 months the loan consolidation opportunities of students holding guaranteed and direct loans. Under current law the Student Loan Marketing Association, Sallie Mae, has the authority to help students with consolidated loans. This authority expires today, August 1, 1983. The bill before us extends Sallie Mae's authority to make these loans to November 1, 1983. Originally our bill would also have permitted State guarantee agencies to make consolidated loans on the condition that no individual State's consolidated loans can exceed 15 percent of the outstanding principal on loans held by that State agency. However, David Stockman this morning objected to this provision. So we deleted it, and will consider it again in committee within the next 3 months.

Mr. Speaker, this bill is important to millions of students throughout the country. It will bring stability to the Federal Government's largest student loan and student grant programs by prescribing the exact rules for these programs for 2 full school years. This bill will also help to discourage student default on loans by encouraging loan consolidation. I urge its passage.

Mr. COLEMAN of Missouri. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the gentleman from Illinois (Mr. SIMON) I think has stated the proposition correctly.

Mr. Speaker, I would like to rise and echo the words of the gentleman from Illinois about the lateness of the suggestion by OMB that the bill is unacceptable. We all put things off, but I would hope that OMB would not put things off so late, to the 11th hour and 59th minute, before we come to the floor with a bill.

In order to save the good parts of this bill that are not objectionable, we are going forward today. But I certainly hope my friends over at OMB will take notice that nobody is extremely happy with the lateness of their objection to this particular bill.

There are several portions of the bill which remain which are positive, and that is why the gentleman from Illinois (Mr. SIMON) wants to go forward with them, and he has laid those out.

First of all, the disclosure requirements on GSL and NDSL programs are rewritten and, second, the Family Contribution Act schedules for 1984-85 and 1985-86 are continued in the present assessment rates.

This gives people the indication as to what their contribution will be for their youngsters going into college in the next several years, and clarifies any questions along that line.

We will have to come back with some legislation in September and October in order to meet some reauthorization requirements for Sallie Mae, and I hope that OMB will come forward and let us know what their problems are before then.

I was going to congratulate the subcommittee chairman, the gentleman from Illinois (Mr. SIMON) on bringing forward the bill which he had involved the minority in substantially, and I know that because of that section being taken out, I hope we can go forward together in working along these lines in a bipartisan effort on future legislation. I thank him for his courtesies in the past and on this particular bill.

Mr. Speaker, I yield 5 minutes to the gentleman from Illinois (Mr. ERLENBORN).

Mr. ERLENBORN. Mr. Speaker, I rise in support of H.R. 3394.

Let me first, Mr. Speaker, thank the gentleman from Illinois (Mr. SIMON), and our chairman, the gentleman from Kentucky (Mr. PERKINS), for their cooperation in responding to the objections raised by the Office of Management and Budget.

Mr. Speaker, this bill was developed over the last 2 months, and I am unhappy, as well as the other Members who have expressed themselves here today, that we did not have this information from OMB before.

I must say, Mr. Speaker, however, that concerns along the line raised by OMB but not backed up by the mathematics that they were able to perform were raised by me during consideration of the bill in full committee. The Office of Management and Budget has done a complete analysis of this beyond the 5 years which was the limit of the analysis done by the Congressional Budget Office.

I mentioned in committee, Mr. Speaker, that the first 5 years of this bill would be the least expensive of the 15- to 20-year impact and beyond that this legislation would have, and that I was unhappy at the time we acted on the bill in full committee that no one had made an analysis of the cost 10 years, 15 years from now, and that is what OMB has done since the full committee has acted.

Mr. Speaker, the question of consolidation of student loans is important and is yet to be resolved as a result of the amendment that is being offered by the committee, and I do hope that we will be able to meet again together in bipartisan cooperation to resolve that issue.

An important provision in H.R. 3394 relates to the disclosure of information to student borrowers under both the guaranteed student loan and the national direct student loan programs. It addresses concerns raised by the lending community regarding student loan disclosure provisions enacted in the Student Financial Assistance Technical Amendments of 1982 concerning the technical feasibility of some of the disclosure items required. Foremost among the concerns raised was the required redisclosure information relating to the GSL loan origination fee and insurance premium. Lenders doubted whether this information relating to these items would be readily available in that student loan accounts are often maintained on computerized systems with minimal amounts of information on each account. Lenders felt that the mandatory disclosure of these items would necessitate searches for the notes originally signed at the time student loans are disbursed. These notes are often stored in warehouses where they are largely inaccessible.

The loan disclosure provisions included in H.R. 3394 were developed in close cooperation with both the lending community and student organizations. They will assure that students are provided with the basic information they need regarding their student loan obligation. They are also designed to be administratively workable and will help hold down administrative costs associated with lender participation in the GSL program.

Another major provision in H.R. 3394 relates to the Pell grant and GSL programs. The legislation establishes the family contribution schedules for the 1984-85 and 1985-86 academic years. As you know, Mr. Speaker, the family contribution schedule determines what amount of a family's discretionary income the family is expected to contribute to their son's or daughter's postsecondary education. By establishing the schedule for the next 2 years in the Higher Education Act, we will be taking a big step toward assuring stability in both of these important student aid programs. Under this provision families will be able to improve their planning for meeting postsecondary education costs.

The legislation also raises the Pell grant cost-of-attendance allowance for students not residing at home or in institutionally owned or operating housing for the 1984-85 and 1985-86 academic years. The increases included in the bill for this allowance represent modest additions to a maximum allowance that has not been altered for 10 years. By making this adjustment, the Pell grants of some of our Nation's poorest postsecondary students will be increased.

I urge my colleagues to support H.R. 3394.

□ 1610

Mr. SIMON. Mr. Speaker, I yield 4 minutes to the gentleman from New York (Mr. BIAGGI).

Mr. BIAGGI. I thank the gentleman for yielding this time to me.

Mr. Speaker, I rise to lend my support to the legislation now before us, H.R. 3394. Passage of this bill today is essential if we are to maintain the availability of student loans in the coming fiscal years.

As one of the original authors of the 1978 Middle Income Student Assistance Act as well as the 1980 higher education amendments, I believe that this legislation is an essential step in carrying out the 1980 law which sought to provide financial assistance to each needy student in both the public and the private sectors. This balance of interest must be maintained if we are to continue to support and nurture choice and access in higher education.

I am pleased that this legislation reflects an long-overdue increase in the commuter allowance for students at public schools. Under this bill, the allowance will be raised to $1,600 for the 1984-85 school year and $2,100 in the 1985-86 school year. For students at public schools, especially the 40,000 students who attend the City University of New York—who do not live with their parents or on campus—this increase will correct a long standing inequity.

At the same time, I wish to underscore my concern that this increase does not disproportionately impact upon students who are equally needy who attend high-priced schools. The ideal answer to this situation is that we work to insure that the Pell grant program remain funded at a level of $2.8 billion in order to fund a $2,000 award. If we are faced with insufficient funding in the Pell grant program, I would hope that we can actively work to insure that inequities do not occur.

I also wish to point out that I supported efforts in full committee to allow State agencies to guarantee student loans—something that is now provided only to the student loan marketing association. It is clearly unfair to allow one single agency to operate in a monopolistic fashion and I would hope that the committee will make some adjustments in this area in the future with relation to the 3-month Sallie Mae extension.

I strongly support the provisions in the bill, specifically the provisions which lock in the Pell grant and GSL contribution schedules so that students and the schools they attend will not be unnecessarily burdened by the continued bureaucratic foot-dragging by the Department of Education as has been the case in the past.

I am disappointed that the committee did not agree to extend authority to guarantee loans to State agencies despite the fact that we have given them authority to consolidate loans. I supported efforts to extend this authority and break the monopolistic situation I feel that we will be creating. I intend to work in committee to rectify this matter so that the final product will be more equitable to those lenders that want to take advantage of the same options that we have given to Sallie Mae.

Finally, I wish to commend the chairman of the subcommittee PAUL SIMON, for his steering of this bill through our committee in a bipartisan fashion as well as our distinguished chairman CARL PERKINS, who remains a champion for all educational interests in this Nation. As New York's senior member of the Education and Labor Committee, I share the concerns of my colleagues in passing this bill in a timely manner so that Sallie Mae can continue its activities, but more importantly, so that students in all segments of the higher education community can be assured that their awards will be distributed in a timely fashion.

Mr. COLEMAN of Missouri. Mr. Speaker, I yield 4 minutes to the gentleman from Vermont (Mr. JEFFORDS).

Mr. JEFFORDS. I thank the gentleman for yielding this time to me.

Mr. Speaker, I wonder if I could engage the chairman of the subcommittee in a colloquy.

Mr. SIMON. I would be pleased to.

Mr. JEFFORDS. Mr. Speaker, as the gentleman knows, the provisions which I fought for in committee have been whisked away by this little amendment. I was happy to get these provisions, and thought, due to their de minimis revenue impact, that they were acceptable to everyone.

This committee amendment amendment obviously concerns me. It looks to me like we are giving OMB everything they want. But we are taking away much which would be of assistance and benefit to the student.

I would just urge the gentleman, and I can understand the reaction to the threat of the administration pounding down on us tomorrow when we need a two-thirds vote, but I would hope that when the remnants go to the other body, that he urge the other body to put back in some of these useful things. Then we can get back to a more normal way of negotiating with OMB in conference. I would ask the gentleman, first of all, as to whether or not, as I understand it, you have just a short elongation of the time for which Sallie Mae can consolidate, which is going to force us to face this issue again. Is that correct?

Mr. SIMON. If the gentleman will yield, that is correct.

Mr. JEFFORDS. At that time, assuming the States are not granted the ability to consolidate loans in conference, we can take up the issue?

Mr. SIMON. If the gentleman will yield further, that is correct.

Let me just add, if the gentleman, who probably has some influence with the senior Senator from his State, it seems to me if something is worked out on the other side and we get OMB approval in the next few days, we may be able to do more than what we have in this House bill. I cannot guarantee that, obviously, but if we are not able to do anything more than what we have here, then within the next 3 months we will certainly reconsider the suggestion of my colleague from Vermont.

Mr. JEFFORDS. I can assure the gentleman I am going to take his advice on that matter, and I do hope that more can be put back in this bill, which was so enthusiastically agreed to by our committee, than we apparently can get through at this time due to the exigencies of time.

But I do want to commend the gentleman for his work on this bill, and also for his willingness to work with us who wanted to try to give the States the right to consolidate. It kind of intrigues me that OMB, would disagree with the State consolidation amendment. Is this not what they have been trying to get done, that is to ask the States to take more of the burden in these matters and to relieve the Federal Government of its obligations in

student financing and all. I am amazed that this would be one of the matters which they complain about. This amendment seems to be totally consistent with the policy that this administration has been trying to drum into us. I find it somehow ironic that they would pick upon that particular amendment to use as one of the reasons for discouraging us from proceeding as we had planned.

Mr. SIMON. If the gentleman would yield further, I want to apologize for not discussing this amendment with the gentleman from Vermont. I found out about it about 45 minutes or an hour before this bill came up, that we had the problem with OMB, so we had to move quickly and I did consult with my colleague from Illinois and my colleague from Missouri.

Mr. JEFFORDS. I suppose my real complaint is that my eloquent statement in support of your bill and my amendment now becomes somewhat irrelevant and I will have to engage in some corrective surgery on it. But other than that, I understand the plight and will do all I can hopefully to resurrect the provisions of the bill.

Mr. SIMON. If the gentleman would yield further, he can save his eloquence. We need all of it we can get in the House.

Mr. ERLENBORN. Mr. Speaker, will the gentleman yield?

Mr. JEFFORDS. I yield to the gentleman from Illinois.

Mr. ERLENBORN. I thank the gentleman for yielding.

Mr. Speaker, let me say that the gentleman's comment a moment ago about the States taking over part of this obligation of consolidation fits right in with the administration's philosophy.

I would question that since the States do that with tax-free bonds.

□ 1620

The SPEAKER pro tempore. The time of the gentleman from Vermont (Mr. JEFFORDS) has expired.

Mr. COLEMAN of Missouri. Mr. Speaker, I yield 1 additional minute to the gentleman from Vermont (Mr. JEFFORDS).

Mr. ERLENBORN. Mr. Speaker, will the gentleman yield further?

Mr. JEFFORDS. I yield to the gentleman from Illinois.

Mr. ERLENBORN. Mr. Speaker, I thank the gentleman for yielding.

They do that with tax-free bonds, and there actually is a profit within this for the State agencies. That is one of the things that concerns the Office of Management and Budget. As we know, that is one of the reasons why in committee we reduce the ability of the States to consolidate to no more than 15 percent——

Mr. JEFFORDS. I understand, and I was willing to restrict use to 15 percent under the pressure of OMB, to make the revenue impact de minimis. But I would also like to point out that the experience has been that the States have had a much better record on student loan default and other matters than the Federal loans have. So in that respect, the States have been more effective in saving money than has the Federal Government. In fact allowing the States to consolidate may very well end up a net saving.

Mr. ERLENBORN. Mr. Speaker, if the gentleman will yield further, let me say that the States have had a good record, and if we allow them to consolidate those loans that would have been repaid with that good record and stretch them out for 15 to 20 years instead of the 10 years now allowed under the guaranteed student loan program, it means an additional 5 to 10 years' subsidy for the interest.

Mr. JEFFORDS. And a substantial decrease in the number of defaults. I thank the gentleman for his comment.

Mr. ERLENBORN. Well, Mr. Speaker, I doubt that. I think they have a good record already.

Mr. COLEMAN of Missouri. Mr. Speaker, if the gentleman will yield, just so there is no question, since there has been a lot of dialog on some things that are not even before the House, this side of the aisle supports H.R. 3394 and hopes that it will pass under suspension.

● Mr. FORD of Michigan. Mr. Speaker, I rise in support of H.R. 3394, the Student Loan Consolidation and Technical Amendments Act of 1983. This bill makes a number of largely technical but very important modifications in the student financial aid programs. These amendments will insure that the student aid programs serve students with as much equity as is possible under the circumstances and without the delays that have often been synonymous with a denial of opportunity in recent years. With the adoption of these amendments the student financial aid system will be able to effectively serve students for the 1984–85 and the 1985–86 academic years by which time the next reauthorization of the Higher Education Act will have taken place.

Mr. Speaker, I would like to commend the chairman of the Subcommittee on Postsecondary Education, the gentleman from Illinois (Mr. SIMON), and the ranking minority member of the subcommittee, the gentleman from Missouri (Mr. COLEMAN), for their efforts and their leadership in bringing this legislation before the House in a timely manner.

Perhaps the most significant provisions of this bill are those which keep in place the current family contribution schedule for the Pell grant program and the guaranteed student loan program with adjustments for inflation. The family contribution schedule is the basic mechanism for determining the financial strength of a student and his or her family in order to determine their eligibility for a Pell grant or a guaranteed student loan. By continuing the current family contribution schedule, the bill precludes the implementation of a revised family contribution schedule proposed by the administration which would have resulted in severe decreases in awards to students from moderate income families only slightly above the poverty line as well as the elimination of several hundred thousand middle-income students from the programs.

The bill also maintains the current definition of an independent student. This provision will prevent the administration from implementing a new complex and arbitrary definition of independent students. Forestalling this proposed new definition of independent students will enable these students, who are generally older students returning to school, to continue to benefit from the programs.

The legislation will extend for 3 months the loan consolidation program of the Student Loan Marketing Association which expires today. This program provides to students with large outstanding loan balances or student loans from multiple lenders the opportunity to negotiate extended and variable repayments. This program has proved effective in aiding students to manage the repayment of their student loans and to prevent loan defaults. I hope that agreement can be reached expeditiously to extend this valuable program beyond 3 months.

In addition, this bill clarifies the disclosure requirements that require lenders to fully inform student borrowers of their responsibilities and the terms of their student loans. Since student loans were removed from the requirements of the Truth in Lending Act in the last Congress, the Student Financial Assistance Technical Amendments Act of 1982 provided for new disclosure requirements for lenders. Implementation of these new disclosure requirements without the modifications contained in this bill would have worked a severe hardship on lenders in terms of administrative burdens and cost without any gain in relevant information for students. The adoption of this bill will enable students to be fully informed about their loan obligations without needless burdens on lenders.

Finally, this legislation extends permanently the provision of current law which provides that in the event of the bankruptcy of the Student Loan Marketing Association, all of its creditors, including the Federal Government, will have equal standing in their claims against Sallie Mae's assets. This provision will insure that Sallie Mae will not be unfairly hampered in its efforts to raise funds in the private mar-

kets and that it can therefore continue to serve the needs of the guaranteed student loan program as well as comply with the intent of Congress with respect to obtaining its financing in the private markets.

I take particular pride in several provisions of this legislation to which I devoted a great deal of personal attention. First, the bill provides that the living allowance for students who do not live on campus and who do not commute from their parents home—those who commute from their own apartment or home—will be increased by $500 for the 1984-85 academic year and by another $500 for the academic year 1985-86. This allowance along with tuition charges are key elements in determining the cost of attendance at a postsecondary institution which in turn establishes the limit on a student's eligibility for student aid. This living allowance for commuting students has not been modified since the creation of the Pell grant program in 1972, and this has resulted in artificially and arbitrarily lowering the Pell grant awards particularly of low-income students attending low-cost schools such as community colleges and State colleges. I am very pleased that this bill begins to redress this longstanding inequity.

This bill also preserves and clarifies the change in the interest rate under the guaranteed student loan program for students who begin borrowing this fall. For new borrowers the interest rate will decrease from 9 to 8 percent this fall. This will enable students to share in some of the benefits of the decline in interest rates.

The bill also requires that State direct lenders or State secondary markets who raise their capital through the sale of tax-exempt bonds must justify to the Secretary of Education in their plan of doing business that the amount of bonds issued are not in excess of the reasonable needs for student loan credit. I expect that the Secretary will begin to police the amounts of capital raised through tax-exempt bonds to insure that excessive amounts beyond the reasonable needs of student credit are not being sold. The Federal revenue foregone because of the tax-exempt status of these bonds increases the Federal deficit. This Federal cost should not be incurred beyond the level necessary to serve the legitimate educational credit needs of students.

Finally, the bill provides that these State authorities who raise capital through the sale of tax-exempt securities may not engage in any pattern or practice which denies access to loans to students which results in discrimination against student borrowers on the basis of race, sex, color, religion, national origin, age, handicapped status, income, attendance at a particular institution, length of the borrower's educational program, or the borrower's year in school. The provision begins to address the need to insure that eligible students are not denied access to student loans for arbitrary and unfair reasons which frustrate the program's intent of helping to provide equal educational opportunity.

This is a modest and noncontroversial bill. It appropriately leaves to the reauthorization process important issues such as repeal of the loan origination fee, establishment of a single needs analysis system for the Federal student financial aid programs, establishment of more certainty in the delivery of student aid and improvements in the basic equity of the programs. However, this bill will provide for a period of order and stability during which the reauthorization efforts can proceed free from unnecessary distractions.

Mr. Speaker, I urge my colleagues to support this bill.●

Mr. SIMON. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Illinois (Mr. SIMON) that the House suspend the rules and pass the bill H.R. 3394, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

IRISH WILDERNESS ACT OF 1983

Mr. SEIBERLING. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 64) to establish the Irish Wilderness in Mark Twain National Forest, Mo., as amended.

The Clerk read as follows:

S. 64

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Irish Wilderness Act of 1983".

SEC. 2. (a) In furtherance of the purposes of the Wilderness Act (16 U.S.C. 1131-1136), certain lands in the Mark Twain National Forest, Missouri, which comprise approximately fifteen thousand five hundred acres, as generally depicted on a map entitled "Irish Wilderness Proposed", dated July 1983, are hereby designated as wilderness and shall be known as the Irish Wilderness.

(b) Subject to valid existing rights, the wilderness area designated under subsection (a) shall be administered by the Secretary of Agriculture (hereinafter in this Act referred to as the "Secretary") in accordance with the provisions of the Wilderness Act of 1964 16 U.S.C. 1131-1136) governing areas designated by that Act as wilderness except that any reference in such provisions to the effective date of the Wilderness Act shall be deemed to be a reference to the effective date of this Act.

(c) As soon as practicable after the date of the enactment of this Act, the Secretary shall submit a map and legal description of the wilderness area designated by subsection (a) to the Committee on Energy and Natural Resources of the Senate and the Committees on Agriculture and Interior and Insular Affairs of the House of Representatives. Such map and legal description shall have the same force and effect as if included in this Act, except that any clerical or typographical error in such map or legal description may be corrected. The Secretary shall place such map and legal description on file, and make them available for public inspection in the office of the Chief of the Forest Service, Department of Agriculture.

The SPEAKER pro tempore. Is a second demanded?

Mr. LUJAN. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Ohio (Mr. SEIBERLING) will be recognized for 20 minutes, and the gentleman from New Mexico (Mr. LUJAN) will be recognized for 20 minutes.

The Chair recognizes the gentleman from Ohio (Mr. SEIBERLING).

Mr. SEIBERLING. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of S. 64. This bill would end a decades-long effort by many Missourians to designate the so-called Irish Wilderness as a component of the National Wilderness Preservation System.

The Irish area was first recognized by Aldo Leopold as an outstanding natural area in 1929 and was first proposed for wilderness in 1949. In 1973, a bill to designate the area a wilderness passed the Senate, and similar legislation has been introduced by both Missouri Senators in every Congress since that date. S. 64 passed the Senate unanimously earlier this year.

The 15,500 acres of proposed wilderness is the largest remaining roadless and undeveloped area in Missouri and, therefore, contains unique opportunities for primitive recreation and the preservation of outstanding watershed, wildlife, and other natural values. The area is also directly adjacent to the Eleven Point National Scenic River and offers a multifaceted terrain containing numerous caves, sinkholes, springs, and pools.

Having visited it myself this spring, I can personally testify to the outstanding character of this area in terms of both interesting terrain and interesting flora and fauna. I visited one area where there were blue herons nesting in a tall grove of trees, and you could hear the young herons in their nests giving a strange clucking sound and the adult herons flying overhead in a rather wonderful and mysterious pattern.

I visited some of the springs and pools and took pictures of the beauti-

ful wildflowers and splendid forest cover.

Designation of this wilderness appears to have very strong statewide support in the State of Missouri. Virtually every major newspaper in the State has run editorials in favor of the wilderness designation. In fact, major newspapers in Kansas City and St. Louis have run repeated editorials supporting wilderness designation.

Further discussion of the wilderness attributes of the area can be found in the committee report on S. 64, so, given our crowded schedule today, I will not elaborate further. I urge my colleagues to support this bill.

Mr. Speaker, I also wish to commend our colleagues on the Committee on Agriculture for the expeditious treatment they have given in order that we might take this up on the Suspension Calendar today, and I want to thank my colleagues on the Committee on Interior and Insular Affairs for their help in working out a bill that meets with the support of the Members sufficiently to take it up on the Suspension Calendar.

Mr. Speaker, I yield to the gentleman from Texas (Mr. DE LA GARZA), the distinguished chairman of the Committee on Agriculture.

Mr. DE LA GARZA. Mr. Speaker, as you are aware, under House rule X, clause 1(a), the Committee on Agriculture has jurisdiction over forestry in general and forest reserves other than those created from the public domain. Speaking as chairman of the Agriculture Committee, I can say that we feel very strongly about protecting the jurisdictional interests of the committee.

The Missouri wilderness bill was reported by the Committee on Interior and Insular Affairs at the beginning of today's session and referred to the Committee on Agriculture for a period of 2 hours. I have personally followed the development of this legislation and have been assured that all concerned parties are satisified with the compromise that has been struck in the Committee on Interior and Insular Affairs. Thus, because the Congress will soon enter its summer recess, the Committee on Agriculture has been asked to expedite its review and allow this bill to be presented on today's Suspension Calendar. I have no objection to the House considering the bill today and support its passage as a compromise that meets the needs of all the concerned parties.

Mr. Speaker, the expedited consideration of this bill is done in light of the severe time restrictions which are now present. However, if any of the provisions of this bill relating to matters within the jurisdiction of the Committee on Agriculture should become an issue with the Senate, I intend to request that the Agriculture Committee be represented in any conference which may be held.

Mr. SEIBERLING. Mr. Speaker, I reserve the balance of my time.

Mr. LUJAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in qualified support of this legislation.

This legislation, as originally introduced, was to set aside 17,000 acres in the Irish Wilderness as the Irish Wilderness. In a true bipartisan way, in the Committee on Interior and Insular Affairs, the gentleman from Louisiana (Mr. HUCKABY) offered an amendment that would have reduced that to 13,000 acres. The gentleman from Arizona (Mr. MCNULTY) then put 2,000 acres back in, so it results now in a wilderness area of about 15,000 acres.

Mr. Speaker, there is one concern that I have in how we handle wilderness legislation, and this is probably a prime example. The Irish Wilderness or, rather, this particular area has a lead production capacity equal to about 90 percent of all the lead production in the United States. I have heard it said that as a matter of fact it is 15 percent of the entire world production of lead. Yet we find ourselves, in designating wilderness areas, disregarding that completely. We disregard the natural resources that exist, the richness that exists in resources in various areas, and there is always an attempt to make it a wilderness area whether it has any mineral value or whether it does not.

In this particular case, with bipartisan support, we were able to pinpoint certain areas that are truly rich in mineral potential. There is a lot of lead mining going on in the area. The maps that we saw indicated that there is a good likelihood that with regard to those 2,000 acres that were set aside to see if there is any potential there, the indications are that there is some there. Only time will tell, only exploration will tell whether there is or there is not.

So, Mr. Speaker, I do rise in support of this legislation and urge my colleagues to support it also.

Mr. EMERSON. Mr. Speaker, will the gentleman yield?

Mr. LUJAN. I yield to the gentleman from Missouri.

Mr. EMERSON. Mr. Speaker, the area in question here, the Irish Wilderness, lies entirely within the Eighth Congressional District of Missouri, which I have the honor and the privilege to represent, and I want the record to show, and show quite clearly, that it is not I who am sponsoring this legislation. I certainly would prefer to leave the entire Irish Wilderness in its current multiple use status and under the exemplary management of the Forest Service. That has always been my position, and it remains my preference.

However, if I have to give up something in the neighborhood of 15,000 acres in order to preserve the economic hopes of thousands of my constituents, I will do so. That is what compromise is all about, and I am anxious to be a part of an acceptable compromise on this issue. We have been talking throughout the debate on this matter, and this is not the first time it has been up for consideration in this House. We had the rule up last year, and it was defeated. We have had lengthy field inspection trips, and we have had hearings in the subcommittee and the full committee this year.

We have largely been talking about 17,500 acres, and in a bipartisan compromise in the Committee on Interior and Insular Affairs last week we took 15,000 plus acres out and said, "OK, this will be wilderness. Let us save somewhere in the neighborhood of 2,000 acres, that which has been designated or determined to have the highest mineral potential. Let us save that for exploration and potential development."

Now, the action of the committee last week was certainly not a total victory for me, nor was it a total victory for the wilderness proponents. It was, however, in my view, a partial victory for all interests, and I hope as such it was a victory for the public interests.

□ 1630

We have through the action taken by the full Interior Committee, I believe, preserved the economic hopes of the people of Oregon County and the surrounding areas, because what we are saving out from the wilderness is that part of the proposed wilderness which appears to have the greatest mineral potential.

So I am hoping that all sides of this issue will let the matter rest where we have now arrived at and that there will not be further attempts in conference to cut back further on that which is going to be reserved for potential economic development.

Mr. Speaker, I am not going to take a lengthy amount of time here this afternoon to go into all the issues related to the Irish Wilderness. It may well be that we will have another opportunity when this bill comes back from conference to talk further about that, depending on how the conference comes out; but I would also like the record to show and to alert my colleagues in the House that through the deliberations of the subcommittee and the full committee, we have arrived at what I think is a very, very generous compromise.

I hope that we may back away from the all or nothing attitude that the proponents of wilderness designation have been putting forth.

Now, I just want to take a minute or two here to make a couple points. Under the Wilderness Act of 1964, this area, this potential wilderness area, does not by any standard of definition

meet the wilderness criteria. It is not roadless. It is not pristine. It is not untrammeled by man. Much has been made of the point that most of the newspapers in Missouri and, quite frankly, I am never quite sure who newspapers represent, other than the opinion of the editorial writer, which is, you know, maybe we have a hundred dailies in Missouri. I am not sure of the number, but if so, that would represent the opinions of a hundred people who write the editorials. I do not think that editorials necessarily connote subscription by all the readers of the newspapers; but we have had it bandied about that virtually all the newspapers in Missouri support the wilderness designation. I suppose the total readership of all the newspapers in Missouri would be several million people; but I think really these editorials in favor of the wilderness designation only represent the opinions of the editorial writers.

But let us get more specific. A lot has been said about the fact that the Missouri Wilderness Coalition represents 43 different wilderness environmentalists organizations in Missouri, with a total combined membership of something in the neighborhood of 40,000 people. Now, that is significant and I acknowledge the fact that those people deserve representation.

My dear friend, the gentleman from Missouri, my colleague (Mr. VOLKMER) is giving voice to those people, as are the cosponsors of the bill, the gentlemen from Missouri (Mr. CLAY and Mr. WHEAT), and the two Senators from Missouri; so there are five people fighting on behalf of the Missouri Wilderness Coalition; but I happen to represent the Eighth District of Missouri. There is no one else to give voice to the concerns, the economic considerations of the people in the four-county area of Oregon, Carter, Shannon, and Shipley, which have a combined population of about 40,000 people themselves.

So I find a bit spurious the reasoning that here we have got this wilderness coalition of 40,000 people and that they deserve the premier consideration for them to have this set aside as wilderness, for them to go down and have their annual hikes; but that very little attention should be given to the 40,000 people who live in the region surrounding the Irish, who are desperately in need of jobs and who want to see if indeed there are minerals beneath the Irish and, if so, if they could not be extracted.

Back on the newspaper point, virtually all the newspapers in Missouri do not support the designation. The newspaper of largest circulation within the Eighth Congressional District, the Southeastern Missourian, has said that there are interests to be balanced here and they thought in their editorial judgment last week that the compromise struck by the Interior Committee was a good one.

Also, the St. Louis Globe Democrat said that there are interests to be balanced and that one side or the other here should not necessary prevail.

So I would come back to my point. I do not think we have had in the Interior Committee a victory for all one side or all the other side. I think in giving up something in excess of 15,000 acres to the wilderness and preserving something a little less than 2,000 acres for potential mineral exploration and development is necessarily equitable and fair; but I think that my people and I can live with that. I just hope that this all-or-nothing attitude does not persist and that we may proceed to have a reasonable conference with the Senate, which has taken the all-or-nothing position in their passage of their bill (S. 64).

So I hope that as we go to conference with the Senate, assuming that this bill passes today, and it will pass, I trust, and I will support it in the spirit of compromise. I just hope and trust that when we go to the Senate, we may stand up for the House position, because I believe that the people of Oregon County and the surrounding areas have already paid their dues vis-a-vis this issue.

Mr. ROBERTS. Mr. Speaker, will the gentleman yield?

Mr. EMERSON. I am glad to yield to my friend, the gentleman from Kansas.

Mr. ROBERTS. Mr. Speaker, I am not a member of the committee, but it would be my observation that many times when we get to a position like this in the House, why this all or nothing attitude that the gentleman refers to is usually taken by editorial writers or perhaps Members of this body who do not reside in that congressional district.

I know from a personal friendship with the gentleman how long and how hard he has fought for a reasonable compromise. He has mentioned the number of acres here, 15,000 acres which are going to be committed to wilderness, only 2,000 acres would be then available for some mineral rights in that regard.

I would just hope that the conferees would back the House position. It is a reasonable compromise for the folks in that district and I think certainly a reasonable compromise for the environmentalists in Missouri as well.

I compliment the gentleman for his efforts.

Mr. EMERSON. Mr. Speaker, I thank the gentleman for his comments.

Mr. SEIBERLING. Mr. Speaker, I yield 7 minutes to the gentleman from Missouri (Mr. VOLKMER).

Before I do, I would like to commend the gentleman for the leadership that he has shown in attempting to get this bill in final form. We would not have the progress that we have had if it had not been for his efforts, along with that of several others in the Missouri delegation.

Mr. VOLKMER. Mr. Speaker, I first wish to commend the gentleman from Ohio for the diligent work that he has done with the Irish Wilderness, not only this year, but last year and in previous times in attempts to designate the approximately 17,000 acres in Oregon County in the State of Missouri, presently a part of the Mark Twain National Forest, as the Irish Wilderness in Missouri.

I know that many Members other than the freshmen Members have heard the discussion last year as to how the Irish Wilderness came about; but I think a short brief summary should be noted, that back in the early 1800's a group of Irishmen, led by an Irish priest, looking to find an area outside the St. Louis metropolitan area to farm, since they were basically mostly multifamily settlements in this area; but it was during the Civil War. At that time when marauders from other parts made it uninhabitable for them to stay there, they had to leave.

As a result of their locating there, though, we got the name of the Irish. The wilderness formed up around it and then in the 1930's the National Forest Service started acquiring the land.

It is not new, it may be new to some Members, that this land was to be designated or wished to be designated as wilderness; but it goes back in Missouri again to the 1930's when people were starting to talk about setting it aside because of its beauty to be made a wilderness area.

It was in the 1940's that the first articles were written in Missouri, articles in Missouri periodicals about the Irish Wilderness and how it should be preserved.

I am just one of many in Missouri who have worked for the protection of this preeminent wilderness area in the State. In the 1930's conservationists began suggesting that the area should be spared from development.

In 1937, the area was designated as a wilderness refuge.

Then strong concerns were expressed for the protection of the Irish by the Forest Service in 1971. They proposed special management.

Nearly 20,000 acres in 1974 were recommended for the designation of the Irish as an Eastern wilderness.

During the roadless area review and evaluation of RARE II, the Irish received the highest wilderness quality rating of any area in the State of Missouri. Throughout the struggle to achieve wilderness designation for the Irish, we have encountered stiff opposition.

Because of the possibility, and I say possibility, for lead mining in some of the area, as well as a great deal of the Mark Twain National Park in southern Missouri generally, the proposed wilderness has been reduced from time to time. The 20,000-acre special management area of 1971 was reduced to 19,000 acres when the Forest Service recommended designation in 1974.

□ 1640

The bill was reported by the Committee on Interior and Insular Affairs last year and passed by the other body last year and again this year but covered a smaller area, about 17,500 acres. This modest area has been further reduced by the amendment of the Committee on Interior and Insular affairs this year by another 2,000 acres.

I am going to support the bill. I am disappointed in the Interior and Insular Affairs Committee amendment because, as I said before, it has been constantly reduced in size. I take the position that the land, if it does not contain lead, will remain there. The lead mining company primarily interested in it has reserves in its present operations to last at least until the year 2000 and maybe beyond, depending on the amount of demand for lead.

We also have 45 miles between this area and where they are and a lot of the area in the Mark Twain National Forest and right outside of it and along the Viburnum Belt has been applied for licenses by that company.

The probability is there will be lead found outside to the wilderness that would be exploited long before we need this, and we may be 30 or 40 years before they will ever get to lead mining in this area.

The idea of a raised potential for a great amount of employment, et cetera, as a result of setting aside this additional 2,000 acres I think is wrong. I would much rather preserve it as wilderness and then if they needed the lead in the future generations the Congress could come back then and say this is the only possibility of lead in the United States and let us open it up.

Yes, I would agree to open it up if I was still here. I would not disagree with that.

But the idea of possibly tearing it up, you can never replace a wilderness and make a wilderness out of it.

But I would like to read a little letter that I just received. I am sorry the gentleman from Kansas has left because it is from the State of Kansas, from Prairie Village, Kans. It says,

Dear Sir, this spring my father and me went backpacking in Irish Wilderness. I am 9 years old. Please save the Irish Wilderness because it is such a beautiful place. When I grow up I hope I can take my children there, too. Sincerely, Heather Houston.

I think that tells the story of most of the people in the State of Missouri.

Mr. EMERSON. Will the gentleman yield?

Mr. VOLKMER. I yield to the gentleman from Missouri.

Mr. EMERSON. Has the gentleman received any letters from his district on this?

Mr. VOLKMER. I would say to the gentleman, I was out in my District yesterday and I went to two meetings in my district. I had a number of people—because it has got quite a bit of publicity in my district—I had a number of people come up and ask me how the bill was going because they felt we should preserve the Irish Wilderness.

I have received only one letter from my district in opposition to my position. Many more the other way.

Mr. EMERSON. If the gentleman would yield further, I have received petitions bearing the signatures of thousands of my constituents and many hundreds of letters in addition in opposition to this wilderness designation.

But I want to take this opportunity to thank the gentleman from Missouri for his profound interest in southeast Missouri. I hope he will give us his help on the occasions when we would like to have it as well as those in which we would really like to resist.

But, in addition, if I may, and I will get the gentleman additional time if he wants, just to rebut a couple of points, back to my point about this not meeting the criteria of wilderness under the 1964 Wilderness Act except as Congress on individual wilderness acts changes the criterion from time to time. The gentleman says we should not have a mine in there because it would permanently damage the land.

Not so. There was an iron mine in the area.

The SPEAKER pro tempore. The time of the gentleman from Missouri (Mr. VOLKMER) has expired.

Mr. LUJAN. Mr. Chairman, I yield such time as he may consume to the gentleman from Missouri, (Mr. EMERSON).

Mr. EMERSON. There was an iron mine there in the early 1900's and in 1980 they cannot even find it, the area so lends itself to be reclaimed by nature.

The gentleman makes a point about how beautiful it is. It is beautiful. It was once burned off and used for grazing. It is beautiful because it has been managed back to good health by the excellent management of the Forest Service.

I would maintain that we would be better off leaving it in its current multiple use status, well managed, so at least we could fight forest fires and take out timber that gets knocked down occasionally, as it does, such as we had a tornado in there last winter and about $30,000 worth of good timber is lying on the ground there now.

I offered an amendment in the subcommittee to try to get that removed in accordance with the established practices of the Forest Service but the gentleman from Ohio prevailed in his argument on the committee on the ground that the humus for the insects was more important than any economic good that can come from extraction of $30,000 worth of timber lying there rotting.

So that this is a pristine area and you are counting it as such, it is not. There are railroad beds in there. There are seven ponds in there that were man-made to provide water for steam for the engines that used to haul the logs out of there.

Now that activity does not go on anymore. It is a beautiful area. No one denies that. I have said that all along.

The local people are anxious to protect this area but they also want some opportunity for economic development.

So I think we have arrived at a reasonable compromise here. We have given up 15,000, a little better than 15,000 acres. We have about 2,000 left for mineral exploration and potential development and I think really that the House ought to stick to its guns when we go to conference with the other body.

Mr. VOLKMER. If the gentleman would yield, I only want to close and say in passing that it is my understanding that if we did have a vote on this that both the gentleman from the Eighth District of Missouri and I would both support the bill as it presently stands on the floor; is that correct?

Mr. EMERSON. As it presently stands, I intend to vote for the bill.

Mr. TAYLOR. Mr. Speaker, will the gentleman yield?

Mr. EMERSON. I yield to my colleague from Missouri.

Mr. TAYLOR. I thank the gentleman for yielding.

I would just like to say that first of all I want to express my appreciation to the chairman of the subcommittee for going to Missouri and holding hearings. To respond to my colleague from Missouri relative to his letter from Prairie Village, Kans., the little girl that said she appreciated the wilderness area of the Irish that she was in, actually she was not in the Irish, she was in the national forest, because it is still not a wilderness area.

And it is beautiful in its present condition as a national forest.

But I certainly think that our colleague from Missouri, the Representative of that district, has made a very reasonable overture in his willingness to accept what came out the committee with the 2,000 set aside out of the 17,000 acres.

I just hope that in the spirit of compromise, and our chairman of the subcommittee did say in St. Louis, and is quoted as saying he thought a compromise could be reached, and I think the exact quotation was that he hoped we could have our cake and eat it too, and I think the way it came out of the committee is an opportunity to fulfill that, to have our cake and eat it, too, with 15,000 being set aside for wilderness designation and 2,000 set aside which would still be available for exploration for the people who live in that area and who have a concern for this.

So I am hopeful that this will pass the House in its present form. I will support it.

I hope our conferees will support the House position in conference so that we may be able to support it when the conference report comes back.

If it comes back in this form I am sure we will support it. Otherwise I think we may have no alternative than to oppose the conference report and I thank the gentleman for yielding.

Mr. SEIBERLING. Mr. Speaker, I yield 2 minutes to the gentleman from Arkansas (Mr. ALEXANDER), the distinguished deputy whip on the Democratic side.

Mr. ALEXANDER. I thank the gentleman for yielding

Mr. Speaker, I am proud to be a cosponsor in the House of S. 64, the Irish Wilderness bill. The gentleman from Missouri (Mr. EMERSON) has laid claim to the affected area as belonging to his district, and I would presume to claim a relationship to it, too—both through the fact that Eleven Point Scenic River weaves its course—and its spell—through my district, and because the Irish Wilderness Area was the scene of an unforgettable boyhood experience of mine.

I can recall exploring the Mark Twain Cave in the wilderness area, and, locked there among the stalagmites and stalactites, I relived "Tom Sawyer" through the mind, I thought, of Tom himself and Becky Thatcher. No child in America should be deprived of the opportunity for such an adventure, and, surely, Twain's masterpiece, with the gripping scene of Tom and Becky lost in the cave foremost, is still one of the books that every American boy and girl reads.

I remember, too, listening to the lore and legends of the Irish Wilderness and tracing the springs back to their headwaters. One of the legends is that one of the rivers disappears into a cave, and is thought to be the source of Mammoth Spring, the largest such natural wonder in the world.

Twain had it right, and the truth that he based his novel on was both stranger and more exciting than any fiction, even his own.

Our Nation is caught these days in a dilemma. We must continue to explore natural resources for our society's exploitation and development. But we have learned that our human needs are equally dependent on a preservation of the natural heritage, and it is imperative that we safeguard as much of our God-given legacy as possible. The Irish Wilderness is preeminently worth preserving. After all, every kid needs a place to dream.

I commend the Interior and Insular Affairs Subcommittee for a Solomonlike decision, which makes this bill satisfactory to both the environmental minded and those who see illegitimate and needed possibilities for development in the area.

All in all, I think Mark Twain would be pleased. As someone who stood in for Tom Sawyer on a memorable day once, I certainly am.

□ 1650

Mr. SEIBERLING. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. LUJAN. Mr. Speaker, I yield such time as he may consume to the gentleman from Missouri (Mr. EMERSON).

Mr. EMERSON. Mr. Speaker, I want to thank the gentleman for his expression of interest here. Our districts do adjoin. He is close to that part of the district. Oregon County borders on Arkansas, Mr. ALEXANDER's district there. Let me say to my friend from Arkansas, we are not talking about destroying anything here; we are not talking about something not being preserved for generations to come. The Eleven Point River, the caves, the caves are well protected in the bill that is before this House.

As a matter of fact, in the full Interior Committee we took a great deal of territory out that had been proposed to be left in for exploration and development; White Creek Cave, which I believe is the most prominent cave, at least it was the one that the subcommittee chose to visit, is well preserved as wilderness.

So, I can agree with an awful lot of what the gentleman from Arkansas had to say. I also want to reiterate the point that I think in the compromise the full Interior Committee has struck, we have given up a lot for wilderness, we have preserved that which offers up the best potential for mineral exploration and development.

This is a compromise everyone ought to be able to live with.

So, I thank the gentleman for his support of this bill. I intend to support it myself and just hope that the Senate does not try to wear us down further.

Mr. LUJAN. I yield back the balance of my time.

● Mr. BIAGGI. Mr. Speaker, as chairman of the Ad Hoc Congressional Committee for Irish Affairs I am pleased to lend my support to S. 64 to designate more than 15,000 acres within the Mark Twain National Forest in Missouri as the Irish Wilderness Area.

While I have never had the pleasure of visiting this particular area, accounts I have heard indicate that this is truly one of the most beautiful and unspoiled of all forest areas in the United States of America. It therefore comes as no surprise that the Irish American community seeks to have this area designed as the Irish Wilderness Area.

I wish to acknowledge the active support and work done by the Ancient Order of Hibernians the oldest and largest of all Irish American organizations on behalf of this legislation. I have enjoyed a long and fruitful relationship with the AOH in the almost 6 years that I have served as chairman of the Ad Hoc Congressional Committee for Irish Affairs.

I am especially pleased to acknowledge the activities of former national president of the AOH, Jack Keane from the great State of Missouri. It was during Jack Keane's term as president that the ad hoc committee was established—and it was at his urging that I became chairman. Jack Keane has worked tirelessly on this legislation and I hope his efforts will be rewarded with the passage of this legislation.

Ireland is a land of great and natural beauty. The Irish Wilderness Area would be in that same tradition and let us honor the Irish American community of this Nation with the passage of S. 64.●

● Mr. WHEAT. Mr. Speaker, I rise in support of S. 64. I want to express my appreciation to my distinguished colleague from Missouri on this side of the aisle (Mr. VOLKMER) and the distinguished chairman of the Public Lands Subcommittee (Mr. SEIBERLING) for bringing this legislation to the floor.

Mr. Speaker, the Irish Wilderness is properly referred to as the "crown jewel" of Missouri's wilderness. It is without question the clearest and strongest expression of Ozark landscape, geology, and natural beauty. The Missouri Wilderness coalition says of the area: "The Irish is the best of its kind and the last of its kind."

It seems to me that the last point is extremely important. The Ozarks have already been severely scarred by roads, dams, mines, and fields. Passage of this legislation would restrict commercial exploitation of the area and preserve for future generations a small fragment of this treasured land.

Currently, thousands of Missourians and out-of-State visitors enjoy hiking, camping, fishing, canoeing, and other outdoor recreational pursuits in the Irish Wilderness. It would be irresponsible of us if we did not insure that

future generations have the same opportunity to walk in and enjoy the pristine beauty of the Irish.

Legislation to preserve the Irish Wilderness has already been approved in the other Chamber. Passage by this body would end a 10-year effort to place the Irish under the National Wilderness Preservation System. All Missourians have waited a long time for this legislation. I urge my colleagues to support the legislation. We need the Irish Wilderness because our children and grandchildren must have a place to see nature in its undisturbed glory, a place where man visits but does not stay.●

● Mr. WHITLEY. Mr. Speaker, I would like to concur with the fine statement just given by my chairman. As chairman of the Subcommittee on Forests, Family Farms, and Energy, I share Chairman DE LA GARZA's concern that the Agriculture Committee maintain its jurisdiction as described in the House rules. However, in the interest of time, and with the assurance that the individual Members who are affected by this legislation are in full support of its passage, I have no objection to the House considering it today.

Further, Mr. Speaker, I would like to report that this bill does indeed represent a workable compromise to the wilderness needs of Missouri, and I urge its passage.●

● Mr. GEJDENSON. Mr. Speaker, I rise in support of S. 64, the Irish Wilderness Act of 1983. People who have had the opportunity to experience the pristine beauty of the Irish Wilderness invariably return, again and again, to this unique and spectacular region. In this Ozark Mountain preserve, one finds a vast array of foliage and wildlife which is unparalleled in the United States. Irish Wilderness is a botanist's paradise, as it is abundant in rich soils, timber, and flowers. Wildlife is varied and plentiful, and the many rivers and streams are ideal for canoeing, hunting, fishing, and camping. In eastern Connecticut, we are especially sensitive to the need to preserve such pristine lands, and approach natural resources with a sense of ecological responsibility. We recognize the significance of the "only chance for preservation of wilderness in southern Missouri."

At the turn of the century, large timber companies exploited the Irish Wilderness, leaving a barren wasteland in their wake. However, due to the foresight of the National Forest Service in the thirties, a forest has been regenerated. Unfortunately, the St. Joe Mining Corp., along with other private companies, has applied for a permit to explore the area for mineral resources; namely lead. Such a permit would mean degradation and destruction of the Irish Wilderness, and threaten the natural environment therein.

The area which S. 64 seeks to protect is a mere 18,000 acres, and constitutes only 18 percent of the total for which St. Joe Mining Co. has sought a permit to explore. In fact, there is an abundance of unexplored, potential mining land outside of the region. Furthermore, the mines which are presently being utilized by the St. Joe Mining Co. have a lead supply which is estimated to last until the year 2020.

Although it has been argued that new mineral exploration might lead to jobs for Oregon County residents, Senator EAGLETON points out that the existence of lead in the Irish Wilderness is a speculative proposition. There may not be any lead at all. Since lead is not a scarce mineral, it is imperative that we restrain exploitation of the region until such time as we do face such scarcity. Congress could then reassess the "wilderness" status of the "Irish" based on investigations and inventory taken while the land was a wilderness preserve. Furthermore, extensive drilling in adjacent lands will prove quite informative as to the probability of finding lead in the Irish Wilderness, should the need for additional lead arise in the future.

As for the economy of Oregon County, and the region in general, it is unlikely that there will be an increase in employment due to lead mining. There is already a steady downward trend in the demand for lead. On the other hand it has been postulated that a wilderness preserve would attract visitors to the region, who would, in turn, contribute to the economy of Oregon County.

The Irish Wilderness is an "area with unique natural and historic value," which far exceeds that of short-term mining interests. In the last 10 years, the Senate has thrice passed legislation to protect the region by unanimous consent. The House of Representatives should join this recent effort to support future environmental needs, and long-term ecological concerns.●

● Mr. CLAY. Mr. Speaker, I rise in strong support of S. 64, the legislation designating Missouri's Irish Wilderness as part of the National Wilderness Preservation System. The Irish Wilderness is the largest, undisturbed, near pristine ecosystem left in the State of Missouri; and Missourians have fought for more than a decade to see this land preserved as part of our Nation's wilderness system.

The 15,500 acres of proposed wilderness designation is located in the 11 point river country of southern Missouri. The region offers an abundance of attractions that no institution of modern society can ever hope to replicate. The diversity of biological communities, both terrestrial and aquatic, results from the coordination of geology, topgraphy, soils, plants, and animal life. The interesting flora and fauna and impressive geological features, like the Whites Creek Cave and Fiddler Spring, have long been appreciated by Missouri campers, hunters, and bikers. In recent years, the Irish has become better known and appreciated by the residents of our State and statistics show a 100-percent increase in recreational visitors since 1975. The beauty of the area is beyond dispute.

In addition, the Irish Wilderness plays an important role in our State's heritage and the culture of Irish-Americans. The region's name derives from its earliest settlers, a band of Irish immigrants who came to settle in Missouri's countryside and escape the famine that plagued their homeland in the mid-19th century.

Earlier this year, the Senate gave overwhelming approval to S. 64. Most of Missouri's major newspapers have endorsed this legislation. I believe it is of the utmost importance that we act to protect and preserve this invaluable piece of natural history from the pressures of modern-day civilization. The Irish Wilderness is an invaluable piece of land that we cannot ever afford to lose. As a society, we are only beginning to understand the high price we pay for narrow future vision. Congress has a responsibility to protect the environment—upon which every individual is equally dependent. There is no reason to deny this legislation, but there is every reason to designate the Irish Wilderness a component of the National Wilderness Preservation System. I encourage my colleagues to support this bill.●

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Ohio (Mr. SEIBERLING) that the House suspend the rules and pass to the Senate bill, S. 64, as amended.

The question was taken.

Mr. EMERSON. Mr. Speaker, on that, I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to the provisions of clause 5, rule I, and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mr. SEIBERLING. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the Senate bill just considered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

CORRECTING PUBLIC LAW 98-63 DUE TO ERROR IN ENROLLMENT OF H.R. 3069

Mr. YATES. Mr. Speaker, I ask unanimous consent for the immediate consideration in the House of the joint resolution (H.J. Res. 338) to correct Public Law 98-63 due to an error in the enrollment of H.R. 3069.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Clerk read the joint resolution as follows:

H.J. RES. 338

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That in order to correct an error in the enrollment of H.R. 3069, the following paragraph is inserted after the first paragraph under the heading, "Department of Education, Student financial assistance" on page 32 of Public Law 98-63:

"EMERGENCY SCHOOL ASSISTANCE

To enable the Secretary of Education to comply with the order issued in U.S. District Court in the Case of the United States of America v. the Board of Education for the City of Chicago (80 C 5124) there is hereby appropriated $20,000,000 to be derived by transfer from available balances in the current appropriation for 'Guaranteed student loans'."

Mr. YATES. Mr. Speaker, on Friday I offered a motion to the student financial assistance portion of the Labor, Health and Human Services and Education chapter of the 1983 Supplemental Appropriation Act.

The amendment which I offered to an amendment which was in disagreement was approved by the House. But, unfortunately, it was not included in the enrolled bill that was sent to another body. The bill that I offer today seeks to correct that error by making the amendment a part of the bill that became Public Law 98-63. It has been cleared by the minority, Mr. Speaker.

Mr. O'BRIEN. Mr. Speaker, will the gentleman yield?

Mr. YATES. I yield to the gentleman.

Mr. O'BRIEN. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, this has been cleared on this side. We have no objection.

Mr. YATES. Mr. Speaker, I thank the gentleman from Illinois for his courtesy and graciousness and for having come over here.

I really appreciate it. Mr. Speaker, I ask for adoption of the resolution.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and motion to reconsider was laid on the table.

RAILROAD RETIREMENT SOLVENCY ACT OF 1983

Mr. BONIOR of Michigan. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 286 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 286

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1646) to amend the Railroad Retirement Act of 1974, and the Railroad Retirement Tax Act to assure sufficient resources to pay current and future benefits under the Railroad Retirement Act of 1974, to make technical changes, and for other purposes, and the first reading of the bill shall be dispensed with. After general debate, which shall be confined to the bill and shall continue not to exceed two hours, one hour to be equally divided and controlled by the chairman and ranking minority member of the Committee on Energy and Commerce and one hour to be equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means, the bill shall be considered for amendment under the five-minute rule. In lieu of the amendments recommended by the Committee on Energy and Commerce and Ways and Means now printed in the bill, it shall be in order to consider an amendment in the nature of a substitute consisting of the text of the bill H.R. 3619, said substitute shall be considered as having been read for amendment, and all points of order against said substitute for failure to comply with the provisions of clause 5(a), rule XXI are hereby waived. No amendment to the bill or to said substitute shall be in order except the following amendments, which shall not be subject to amendment except as herein specified: (1) Amendments recommended by the Committee on Energy and Commerce and Ways and Means: (2) the amendment printed in the Congressional Record of July 25, 1983, by, and if offered by, Representative Florio of New Jersey or Representative Schroeder of Colorado inserting a new section 419 in said substitute, and said amendment shall be debatable for not to exceed thirty minutes, to be equally divided and controlled by Representative Florio and a Member opposed thereto; (3) the amendment printed in the Congressional Record of July 25, 1983, by and if offered by, Representative Pickle of Texas to said substitute, said amendment shall be debatable for not to exceed thirty minutes, to be equally divided and controlled by Representative Pickle and a Member opposed thereto, and said amendment shall be subject to the amendment printed in the Congressional Record of July 25, 1983, by, and if offered by, Representative Florio of New Jersey, said amendment shall be debatable for not to exceed thirty minutes, to be equally divided and controlled by Representative Florio and a Member opposed thereto, and all points of order against said amendment are hereby waived; and (4) amendments printed in the Congressional Record of July 26, 1983, by Representative Ridge of Pennsylvania and if offered by Representative Florio of New Jersey or Representative Rostenkowski of Illinois and each said amendment shall be debatable for not to exceed fifteen minutes, to be equally divided and controlled by Representative Florio and a Member opposed thereto. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

□ 1700

The SPEAKER pro tempore. The gentleman from Michigan (Mr. BONIOR) is recognized for 1 hour.

Mr. BONIOR of Michigan. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to the gentleman from Tennessee (Mr. QUILLEN), pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 286 provides for the consideration of H.R. 1646, the Railroad Retirement Solvency Act which amends the Railroad Retirement Act of 1974 and the Railroad Retirement Tax Act to assure sufficient resources to pay current and future benefits under the Railroad Retirement Act of 1974. In order to bring this very important legislation to the floor of the House of Representatives for expeditious consideration, House Resolution 286 provides for a modified closed rule allowing 2 hours of general debate. One hour of debate shall be divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means and the other hour shall be equally divided and controlled by the chairman and ranking minority member of the Committee on Energy and Commerce.

In lieu of amendments offered by the Committees on Ways and Means and Energy and Commerce printed in the bill (H. Res. 286) provides for the consideration of H.R. 3619 as an amendment in the nature of a substitute. In order to consider H.R. 3619 as an amendment in the nature of a substitute, it was necessary for the Committee on Rules to waive points of order against the substitute pursuant to clause 5(a) of House rule XXI which prohibits appropriations in a legislative bill. This waiver is necessary because the substitute in several sections contains language which technically would be classified as an appropriation.

House Resolution 286 also makes in order the consideration of amendments to H.R. 3619 offered by the Committee on Ways and Means and the Committee on Energy and Commerce. These amendments shall not be subject to amendment and shall be debated under the 5-minute rule.

House Resolution 286 further provides for the consideration of an amendment printed in the CONGRESSIONAL RECORD of July 25 by Repre-

sentative PICKLE. Representative PICKLE's amendment is debatable for not to exceed 30 minutes to be equally divided and controlled by Representative PICKLE and a Member opposed to the amendment. Representative PICKLE's amendment shall not be open to amendment except by an amendment offered by Representative FLORIO which shall also be printed in the CONGRESSIONAL RECORD of July 25. Representative FLORIO's amendment shall be debatable for up to 30 minutes to be equally divided and controlled by Representative FLORIO and a Member opposed to the amendment. Representative FLORIO's amendment is not amendable. House Resolution 286 also waives all points of order against the Florio amendment to the Pickle amendment.

House Resolution 286 also allows for the consideration of an amendment printed in the CONGRESSIONAL RECORD of July 25 by Representative FLORIO. This amendment may be offered by Representative FLORIO or Representative SCHROEDER. It adds a new section 419 to the substitute. This amendment is not amendable but is debatable for 30 minutes to be equally divided between Represenative FLORIO and a Member opposed thereto.

House Resolution 286 further allows for the consideration of two amendments printed in the CONGRESSIONAL RECORD of July 26 by Representative RIDGE if offered on the floor by Represenative FLORIO or Representative ROSTENKOWSKI. The amendments shall be debatable for no longer than 15 minutes each with the time equally divided and controlled by Representative FLORIO and a Member opposed to the amendments. The amendments shall not be open to further amendments.

Finally, House Resolution 286 provides for one motion to recommit with or without instructions.

Mr. Speaker, on February 18, 1983, the Railroad Retirement Board announced that, without congressional action, it would have to reduce tier II benefits to railroad retirees by 40 percent on October 1, 1983, and by an estimated 80 percent on October 1, 1989. This action would decimate the financial stability of 1 million railroad retirees. The legislation we have before us today provides a reasonable method of averting this catastrophe by providing sufficient financial resources to pay current and future benefits.

H.R. 1649 was sequentially referred to the Committee on Ways and Means and the Committee on Energy and Commerce. The two committees' version of the bill have been combined in H.R. 3619 which will be offered as an amendment in the nature of a substitute. House Resolution 286 provides for the consideration of amendments to the substitute from the two committees as well as four additional amendments.

Mr. Speaker, House Resolution 286 is a fair rule which will facilitate adequate and orderly debate on legislation of utmost importance to many of this Nation's retired people who are depending on the wisdom of this body to maintain their financial stability and permit individual dignity. Without further comment, I move the adoption of House Resolution 286.

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, our railroad retirement system is facing a great crisis. Unless we take action on this measure and pass the bill on the floor of the House as speedily as possible, more than 1 million retirees will suffer.

By October 1, tier 2 benefits will be cut by 40 percent. By October 1, 1984, the reduction will double to 80 percent.

So I would urge the House to support this rule which is crafted to get the job done. Even though it is a modified closed rule, I support it. I urge the adoption of the resolution and adoption of the bill when it comes to the floor of the House.

Mr. GEKAS. Mr. Speaker, will the gentleman yield?

Mr. QUILLEN. I am happy to yield to the gentleman from Pennsylvania.

Mr. GEKAS. Would the gentleman explain and perhaps the gentleman from Michigan would care to answer.

The gentleman from Michigan indicated that in the sequential referral to Ways and Means that a substitute bill was the outcome and that is going to be presented.

Am I to take from that that the gentleman's committee—not the Rules Committee—but the original committee—where did this go originally, may I ask?

Mr. BONIOR of Michigan. If the gentleman will yield, with the Energy and Commerce first.

Mr. GEKAS. Before it came to Rules? And then in sequential motion it went to Ways and Means; is that correct?

Mr. BONIOR of Michigan. It went to Energy and Commerce, then to Ways and Means, and then to the Rules Committee.

Mr. GEKAS. But the substitute one that we are going to be considering later is the product of the Ways and Means Committee; is that correct?

Mr. BONIOR of Michigan. It is a compilation. It is a product of both committees.

Mr. GEKAS. Both committees. Then the question is answered. Then I am to take it that the substitute rule is a product of an agreement between the Ways and Means Committee and the committee that had the original jurisdiction.

Mr. BONIOR of Michigan. The gentleman is correct.

Mr. GEKAS. All right. That is what I wanted to know.

I thank the gentleman.

Mr. QUILLEN. Mr. Speaker, I have a number of retirees in my district. I think this legislation is most important. Nationwide a million retirees will suffer unless we do something.

I commend this to the membership. I have no requests for time and I yield back the balance of my time.

Mr. BONIOR of Michigan. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. Pursuant to House Resolution 286 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 1646.

□ 1710

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1646) to amend the Railroad Retirement Act of 1974 and the Railroad Retirement Tax Act to assure sufficient resources to pay current and future benefits under the Railroad Retirement Act of 1974, to make technical changes, and for other purposes, with Mr. BONIOR of Michigan in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the first reading of the bill is dispensed with.

Under the rule, the gentleman from New Jersey (Mr. FLORIO) will be recognized for 30 minutes; the gentleman from North Carolina (Mr. BROYHILL) will be recognized for 30 minutes; the gentleman from Illinois (Mr. ROSTENKOWSKI) will be recognized for 30 minutes; and the gentleman from New York (Mr. CONABLE) will be recognized for 30 minutes.

The Chair recognizes the gentleman from New Jersey (Mr. FLORIO).

Mr. FLORIO. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the House today is considering H.R. 1646, the Railroad Retirement Solvency Act of 1983.

As we all know, passage of this bill is absolutely crucial to insuring the continued solvency of the Railroad Retirement System. One million retirees depend upon this system for their livelihood. If corrective action is not taken, these 1 million retirees will see their tier II benefits reduced by 40 percent on October 1. This reduction would grow to 80 percent on October 1, 1984. We just cannot let this happen.

In response to this serious crisis, rail labor and management negotiated an agreement in February on changes in the system to assure its solvency. Shortly thereafter, I introduced H.R. 1646, to provide for the solvency of this system, which also incorporated most of the changes suggested by labor and management. This legislation was reported out of the Energy and Commerce Committee in early March.

The legislation had also been referred to the Ways and Means Committee. That committee made certain changes in the legislation, primarily involving taxes and the railroad unemployment insurance system, and reported out the bill on July 1.

Since then, the two committees have agreed on a joint substitute, which was introduced by myself, Mr. PICKLE and Mr. FORD last Thursday as H.R. 3619. The rule makes the text of this substitute in order as an amendment in the nature of a substitute for H.R. 1646, to be considered as original text for purposes of amendment.

This bill is a difficult compromise. Labor and management have made concessions neither is happy with. Labor has sacrificed much in benefits. They are not happy that their members who retire in the future will receive reduced benefits.

Under this bill management will pay billions of dollars in new taxes. This is a difficult burden for an industry which is fighting to maintain its position in the transportation industry and faces strong competition. Management is not happy with these taxes and would prefer that they not be imposed. It is only because of the imminent disaster we face and the need to provide fiscal stability to the fund that we must impose this burden.

I will be offering an amendment later dealing with the change in the early retirement or 60/30 benefit proposed by labor and management. My amendment would phase this change in over several years to protect those close to retirement.

This is an important bill, and I urge the House's support.

I ask to include a summary of the substitute, as follows:

SUMMARY OF JOINT ENERGY AND COMMERCE AND WAYS AND MEANS SUBSTITUTE TO H.R. 1646

(H.R. 3619, introduced Thursday, July 21 by Congressmen Florio, Pickle, and Ford of Tennessee)

I. BENEFIT CHANGES (AS PER LABOR MANAGEMENT AGREEMENT) (ENERGY AND COMMERCE JURISDICTION)

A. 60-30 change

Under current law, individuals can retire at age 60 with 30 years service and receive full benefits. Under proposed change, individuals retiring before age 62 would receive a reduced Tier I benefit. (Mr. Florio will offer an amendment to phase this change in over several years to protect those close to retirement).

B. Tier II COLA delay

Tier II COLA scheduled for July 1, 1984 will be deferred to January 1, 1985, to be consistent with timing on Social Security COLA's.

C. Tier I COLA offset against tier II benefit

The Tier I COLA, up to one-time cumulative total of five percent, will be offset against the Tier II benefit. For example, the Tier I COLA in January will be 3.5 percent. The dollar amount of the increase in Tier I will be offset against the Tier II benefit. The same will occur with the first 1.5 percent of the Tier I COLA in January of 1985. In no event would this provision operate to reduce a Tier II benefit below ten dollars.

D. Conforming of annuity beginning dates

The beginning dates of annuities would be conformed to Social Security. For example, there would be a five month waiting period for disability annuities.

E. Conforming of student benefits

Student benefits under Railroad Retirement would be conformed to changes made in Social Security.

F. Conforming of retirement age

The Retirement age would be conformed to the long term changes made in Social Security.

G. Annualization of benefits

Benefit computations would be annualized to conform to the annualization of the taxable wage base in Title II.

II. TAX CHANGES (WAYS AND MEANS JURISDICTION)

A. Employee tier II taxes

Employee tier II taxes would increase as follows: Current, 2.00 percent; July 1, 1984, 2.75 percent; January 1, 1985, 3.50 percent; January 1, 1986, 4.25 percent.

B. Employer tier II taxes

Employer tier II taxes would increase as follows: Current, 11.75 percent; July 1, 1984, 12.75 percent; January 1, 1985, 13.75 percent; January 1, 1986, 14.75 percent.

C. Annualization of tax base

The tier I and tier II tax bases would be converted from a monthly to an annual base on January 1, 1985.

D. Taxation of tier II benefits

Tier II benefits would be subject to income tax like a private pension. Thus, benefits in excess of employee contributions would be includible in gross income. Revenue from this tax would be returned to the Railroad Retirement Account until the earlier of fiscal year 1989 or the amount of revenue transferred equals $877 million.

E. Taxation of dual benefits

Dual benefits would be subject to income tax like a private pension. Revenue would be returned to the Railroad Retirement Account until fiscal year 1989. After that, revenue would be returned to the Dual Benefits Payments Account.

F. Conforming of deposit schedules

The schedules for deposit of railraod retirement taxes would be conformed to Social Security on January 1, 1986.

G. Temporary repayment tax

A temporary repayment tax would be imposed on railroads between July 1, 1986 and September 30, 1990 to help repay the debt owed by the Railroad Unemployment Insurance Account to the Railroad Retirement Account. The tax will start at 2 percent of the first $7,000 in annual wages and will go up 0.3 percent each January 1.

H. Taxation of sick pay

Sick pay received under the Railroad Unemployment Insurance Act would be subject to income tax starting January 1, 1984, under the same conditions as other sick pay.

III. BORROWING AUTHORITY ADJUSTMENTS (ENERGY AND COMMERCE JURISDICTION)

A. Current borrowing against financial interchange

The Railroad Retirement system would be able to borrow on a current basis from the general treasury against the financial interchange payment owed by Social Security.

B. Borrowing of unemployment system from retirement system limited

The ability of the Railroad Unemployment Insurance Account to borrow from the Railroad Retirement Account would stop on September 30, 1985.

IV. OTHER BENEFIT-RELATED AMENDMENTS (ENERGY & COMMERCE JURISDICTION)

A Repayment of debt owed to system

The Railroad Retirement System would be repaid the debt owed it by the Treasury as a result of past underfunding of the dual benefit. This repayment would be made in three installments, on July 1, 1984, January 1, 1985, and January 1, 1986. Interest will accrue until date of payment.

B. Increase in waiting period for unemployment benefits during strike

The waiting period for receipt of railroad unemployment benefits during a strike would be increased from 7 to 14 days, effective January 1, 1984.

C. Surviving parents benefits conformed to social security

Surviving parents would be assured the same benefit they would receive under social security.

D. Deduction for military compensation eliminated

The deduction or offset for the receipt of compensation received for service connected disabilities would be eliminated.

E. Board transmits budget directly to Congress

The Railroad Retirement Board would be required to transmit its budget request and testimony directly to Congress.

F. Return revenue from uncashed retirement checks to system

The revenue from uncashed Railroad Retirement checks would be returned to the system.

G. Inspector general

An independent inspector general would be established for the Railroad Retirement Board.

V. OTHER AMENDMENTS (JOINT ENERGY AND COMMERCE/WAYS AND MEANS JURISDICTION)

A. Separate social security equivalent benefit account

A separate account would be established for the payment of social security equivalent benefits.

B. Annual report by board

The Railroad Retirement Board would be required to submit an annual report to Congress on the actuarial status of the retirement system.

C. Increase in monthly wage base for railroad unemployment insurance

The monthly wage base for the Railroad Unemployment Insurance System would be increased from $400 to $600 effective January 1, 1984.

D. Railroad unemployment compensation committee

A five member Railroad Unemployment Compensation Committee would be established for the purpose of reviewing all aspects of the railroad unemployment program and submitting a report to Congress no later than April 1, 1984 containing recommendations based on its review of the program and recommended adjustments in contributions and benefits which will enable the program to repay all loans from the Railroad Retirement Account by the end of the year 2000. There would be two labor representatives, two management representatives, and one neutral member.

Mr. BROYHILL. Mr. Chairman, I yield myself 7 minutes.

Mr. Chairman, I rise in support of this bill, the railroad retirement legislation. It is important that we pass this legislation as soon as we can. It is necessary in order to assure the continued financial integrity of the railroad retirement and unemployment systems.

It has already been pointed out in earlier debate that these two systems provide for the retirement benefits and the unemployment coverage of some 1 million retirees and 400,000 active workers, and these two systems at the present time are unable to meet their obligations, that is, the promises of benefits that have been made in the past.

Now, the railroad retirement system was originally supposed to be a pay-as-you-go pension system. But at the present time the system has a 3 to 1 ratio of retirees to active employees, that is, there are three people retired for every one person working. And unless this legislation is passed, it will be necessary for the Railroad Retirement Board which administers this program to cut back or reduce the private pension portion of each retiree's annuity by some 40 percent sometime this fall. As has been stated—we will not get into the parliamentary situation; I think Members understand that—a substitute bill has been agreed on, and that will be the bill that we will be using for purposes of amendment.

I would point out that, notwithstanding my support for this bill, I do feel constrained to voice to the Members of the committee and of the House my concern about some of the things that this bill lacks. This substitute is still not a perfect product even though it is, in my judgment, a vast improvement over the bill as it came out of the Energy and Commerce Committee.

It seems to me that we should be concerned about the unemployment part of the program. I had proposed during the deliberations and discussions on this bill, to try to come up with solutions for the problems with this system, that we try to resolve the problems that are facing the unemployment system. I was hopeful that railroad labor and management would take a more serious look at the suggestion that I brought forward.

Under the present system, railway workers are covered under a separate unemployment system. I had suggested that we work out ways to transfer the railway workers' coverage under the State unemployment system as opposed to their present coverage under the existing separate system administered by the Railroad Retirement Board. I believe that this would have enured to the benefit of railway workers and also railroad management.

In this regard, I would note that daily unemployment benefits are higher in 42 of the 50 States than under the separate railroad employment system. Now, beyond that, I think that some kind of transfer mechanism could have been worked out, could have been provided, that would have met any of the legitimate concerns not only of railroad labor and management but also the States.

Now, hopefully, the study committee that is provided in section 504, which has my support, will carefully review the merits of this proposal that I put forward and see if we cannot come back with modernizing the railroad unemployment system so that we will not have to be coming back here time after time to try to shore up the financial stability of that program.

Another suggestion that I put forward that is not incorporated in this bill that I think has merit and will continue to press for would have been provided greater freedom to railroad labor and management to collectively bargain over the type of private pension benefits that would be available to them in the future.

Now, our presence here today demonstrates that existing procedures show that Congress does play a very active and leading role in determining the level of benefits and the amount of revenue that are necessary to pay for these benefits.

I believe that we should be getting the Congress out of this system and permitting the railroad labor and management to collectively bargain over the benefits of their retirement system. I believe that with proper safeguards, the removal of the Federal Government as the third party to negotiations in what is a private pension plan is both a healthy and a desirable result that is achievable.

So, Mr. Chairman, I regret that these two reforms that I advocated are not in this bill but will continue working for them. But having said that, I support this bill, and I would urge that it be passed as quickly as possible so that we can have it signed into law to insure that those who are receiving benefits from this program are not going to be losing those benefits, which could happen if we do not act expeditiously.

□ 1720

Mr. FLORIO. Mr. Chairman, I yield 3 minutes to the gentlewoman from Maryland (Ms. MIKULSKI) a member of the subcommittee.

Ms. MIKULSKI. I thank the gentleman for yielding this time to me.

Mr. Chairman, one of the most important concerns of any employee is the knowledge that their retirement program is sound and secure. That is why the current threat to the solvency of the railroad retirement system demands our urgent attention. One million railroad retirement beneficiaries face immediate and permanent loss of railroad retirement benefits.

Congress must take immediate action. The railroad retirement system must be maintained to fulfill the needs of the railroad retiree. I believe that it would be a basic inequity to deprive people of the benefits that they worked for and contributed to. In this regard, let me make it clear that I am working to assure railroad retirees of a sound and viable railroad retirement program.

To avert this crisis, and achieve a sound railroad retirement system, certain sacrifices must be made (much like our experience with the social security system). We are asking the retirees and their spouses to bite the bullet. I know this leaves a bitter taste, but it is imperative that we rescue the railroad retirement system.

Rail labor and rail management have agreed upon a method to avoid this disaster. Their compromise is included in pending legislation, and consists of three major items: savings, taxes, and payment of Federal obligations. This legislation can return the railroad retirement system to solvency, and I will continue my efforts to work in that direction. Any plan will require all participants, the retirees, the employees, and management, to sacrifice in order to insure a sound retirement system. They have indicated their desire to work toward a solvent railroad retirement system, and now it is up to Congress to do its part.

I think railroad retirees and their families deserve a better deal than this—but given our tough economic times, this is the best deal we can get. I will vote for this legislation and will continue to work for a just and stable railroad retirement system.

Mr. BROYHILL. Mr. Chairman, I yield 5 minutes to the gentleman from New York (Mr. LENT) who is the ranking minority member of the subcommittee who played a very key role in the development of this legislation.

Mr. LENT. I thank the gentleman for yielding this time to me.

Mr. Chairman, I rise in support of H.R. 1646, the Railroad Retirement Solvency Act of 1983 and want to commend the gentleman from New Jersey (Mr. FLORIO) and the gentleman from

North Carolina (Mr. BROYHILL) for their leadership.

As most of us know, the railroad retirement system is again in serious financial difficulty. Employment assumptions used in 1981 have, as many of us believed at the time, proven to have been overly optimistic.

Although I have several reservations about H.R. 1646, enactment of this legislation is essential to assure the continued payment of full benefits to the 1 million railroad retirees.

Under the rule adopted for consideration of this bill today, the text of H.R. 3619 will be before the Members as a substitute for H.R. 1646, as reported by the Committees on Energy and Commerce and Ways and Means. This substitute combines features from both committee versions of H.R. 1646. In addition, several new provisions are incorporated in the substitute.

One positive addition contained in the substitute will provide for the appointment by the President of an independent inspector general for the Railroad Retirement Board. The Retirement Board pays out approximately $6 billion a year in benefits. Given evidence on the record of irregularities in the payment of certain disability benefits, I believe this provision has great merit.

Taken as a whole, the substitute is much improved from the version of H.R. 1646, as reported by the Committee on Energy and Commerce. The minority views filed with the Energy and Commerce Committee report on H.R. 1646 noted four fundamental shortcomings with the bill as reported by the Committee. Specifically, these shortcomings were that H.R. 1646 as reported: First, placed an unwarranted burden on Federal taxpayers; second, failed to address the railroad unemployment system's problems; third, failed to guarantee social security equivalent benefits to railroad workers; and fourth, subsidized certain commuter railroads. The substitute before us today seeks to address all of these shortcomings.

A great deal of credit for improving this bill must be given to the Members on both sides of the aisle of the Ways and Means Committee. I would particularly like to commend the chairman of the Social Security Subcommittee for his leadership, the gentleman from Texas (Mr. PICKLE).

Although the version of the bill that will be considered shortly for amendment is a much improved product, I believe further improvements could be made had we not been faced with a deadline of October 1. For example, as the distinguished ranking minority member of the Energy and Commerce Committee has noted, I believe the two structural changes that would have covered railroad workers under the State unemployment systems and given greater freedom to rail labor and management to structure the industry pension program through the collective bargaining process would have markedly improved this product. Unfortunately, these structural changes were not pursued by the parties, and therefore, are not reflected in the bill before us today. I would hope that in the near future rail labor and management will carefully explore these modest reforms.

On balance, Mr. Chairman, I intend to vote for H.R. 1646 as amended by the substitute. Despite my reservations about the bill, I believe its enactment is essential to assure that those covered by the retirement system will continue to receive their industry pension benefits.

Mr. FLORIO. Mr. Chairman, I yield 3 minutes to the gentleman from New Mexico (Mr. RICHARDSON) a member of the subcommittee.

Mr. RICHARDSON. I thank the gentleman for yielding this time to me.

Mr. Chairman, the Railroad Retirement Solvency Act is based on an agreement between rail labor and management. I think we should applaud the courage and diligence they displayed in arriving at this compromise agreement. It is a fragile compromise however, many like the social security legislation which was recently approved by the Congress. But the railroad retirement system is in even worse shape than the social security system was and if we do not take swift action, retirees will have their benefits cut by 40 percent as early as October 1. We must not let this happen. Too many railroad retirees in my district in New Mexico and throughout the Nation rely on these payments.

Like any compromise, this legislation will require concessions from all affected groups. Taxes will be increased for both labor and management while benefits will be slightly reduced for some beneficiaries. I was disappointed the Ways and Means Committee altered two important provisions of the bill as reported by the Energy and Commerce Committee.

First, the Ways and Means Committee decided to allow the railroad unemployment insurance account to continue to borrow from the railroad retirement account instead of borrowing from the general revenues as provided by the Energy and Commerce Committee. One of the major reasons the retirement system is in such dire financial shape is the unemployment the railroad industry has suffered the past few years. Since 1981, employment in the rail industry has dropped by 31 percent. This has had a devastating effect on the retirement system due to lost tax revenues and borrowing from the system to pay for unemployment benefits. Allowing this borrowing to continue is not in the best interest of the railroad retirement system.

In addition, I was not pleased with another change made in the bill by Ways and Means which provides that revenues raised by the new tax on tier II benefits will be contributed in the General Treasury as opposed to going back into the railroad retirement fund. It is unfortunate that we had to impose any tax on benefits at all. But it is even worse that these funds will not be used to help support the retirement system.

I am pleased this bill calls on the Federal Government to reimburse the railroad retirement system $1.7 billion for dual-benefit payments. Between 1975 and 1981 the Government neglected its legal duty to reimburse the railroad retirement system for these dual benefits as required by law. It was this Federal irresponsibility combined with the drastic increase in rail unemployment that helped bring on the problems the retirement system is now facing.

Mr. Chairman, it took courage and a lot of hard work to develop a compromise on social security. We saved that system from collapse. Let us show the Nation that was not a one time act of bipartisanship and cooperation. Let us act now to save the ailing railroad retirement system from the fate it surely awaits if we do not pass this legislation.

□ 1730

Mr. BROYHILL. Mr. Chairman, I yield 2 minutes to the gentleman from Utah (Mr. NIELSON).

Mr. NIELSON of Utah. Mr. Chairman, I rise in support of this bill.

When the bill first came before the Energy and Commerce Committee, I wondered how we could possibly afford to contribute the $4 billion necessary from the Treasury to save the system at that time. I realized at that time we had in fact promised the rail workers that their retirement would be assured and that we had a commitment that was a moral commitment.

I would like to give special credit to the gentleman from New York (Mr. LENT), the gentleman from North Carolina (Mr. BROYHILL), the gentleman from New York (Mr. FLORIO), and also to the gentleman from Illinois (Mr. ROSTENKOWSKI), and the gentleman from New York (Mr. CONABLE), and the Ways and Means Committee, because they have come up with a solution to the problem which requires less than half of that amount of money, part of which would be financed by increased contributions by the employer and the employee.

It is a sensible solution to a problem that is very acute. I do support the bill in its amended form.

I would like to recommend that we support the Pickle amendment, which

I think will do as it did for social security, make it financially solvent and make it feasible so that the system will in fact stay fiscally sound.

I would like to mention from a personal experience that I realize how important the railroads are. During the recent mudslide in the State of Utah, the railroad, of course, was cut off. About 3 miles of track were submerged under an artificial lake and the Carbon County and Emory County which produce a lot of coal were completely cut off from their chance to ship their products to Geneva Steel and other of their customers.

The NRG Railroad and the employees thereof built the railroad in 65 days which would normally take 6 months to complete, right through a solid mountain. They have shown great skill and great innovation in getting that accomplished.

So, I just salute the railroad industry in general, and the D&RG and the railworkers of Utah in particular.

I do rise in support of this bill.

Mr. FLORIO. Mr. Chairman, I yield 2 minutes to the gentleman from Minnesota (Mr. VENTO).

Mr. VENTO. Mr. Chairman, I am very happy to come to the floor today and support this bill and commend the good work that has been done by the chairman of the subcommittee, the gentleman from New Jersey (Mr. FLORIO). Indeed, his work was predicated on the agreement between rail labor and rail management. I know that he was thrust into a very tough position, as was the entire Energy and Commerce Committee, because it was an imperfect compromise, one that was not agreed to by the administration and all the major groups; so he has done a great job in terms of keeping his eye on the ball and coming to the floor today with this bill in a very timely manner. I want to especially commend the gentleman. I think he has done an outstanding job.

Mr. Chairman, during the past several months I, like many of my colleagues in this Chamber, have received hundreds of letters, cards, and phone calls from constituents pleading to do what is necessary to insure the future solvency of the railroad retirement system. In my home State of Minnesota, we have over 22,000 railroad retirees and over 21,000 railroad workers with more than 10 years of service, thereby making them potentially eligible for railroad retirement benefits. These Minnesotans, along with several hundred thousand retirees, employees, and their families across this country will be affected by what we do with regard to this issue. By acting to pass this bill or by failing to act, we will decide the future of the railroad retirement system. If we do what is needed and what is right and pass legislation, we will demonstrate constructive action concerning railroad retirement and the future well-being of the people who depend upon it. If we fail to enact new legislation we could well insure that there will be a 40-percent cut in tier II benefits on October 1, 1983. The Railroad Retirement Board has already printed its notices to advise railroad retirees that unless Congress acts, their benefits will be cut. The notices are ready and will be sent in the absence of timely action and agreement by the Congress and the administration.

I want to highly commend the chairman of the subcommittee, Mr. FLORIO, who has worked diligently to bring this matter before the House. This was especially difficult because as the chairman, Mr. FLORIO, well knows there was not always acceptance and compromise to back him up.

The current financial problems facing the railroad retirement trust fund did not develop overnight. They have developed over a period of years during which time the railroad industry in this country has gone into a steep decline. This decline has resulted in thousands of workers being laid off from their jobs or being forced into early retirement. Because of this situation, the number of workers supporting the railroad retirement system has sharply dropped. In 1981, the railroads employed 510,000 people. Today, in 1983, this number has fallen to 338,000.

This unprecedented drop in railroad employment means that fewer revenues are supporting a retirement system whose ranks are increasing. Fortunately, the railroad retirement system has been able to borrow funds from its retirement account to support its unemployment fund. The railroad unemployment fund, unlike its private sector counterpart, does not have the ability to borrow from the National Government. Rather it has borrowed about $400 million from the retirement system and is further seriously jeopardizing the solvency of the retirement system.

Mr. Chairman, railroad workers, retirees and their families are realistic. They know and understand that their retirement system is in trouble and they are looking to us for leadership in solving this problem. They know they may not get everything that they would like in this bill. Indeed, there are several provisions in the bill which would delay or reduce some benefits. I am hopeful that we can reduce the impact of some of these changes by adopting several of the amendments which will be proposed to the bill during this debate. This legislation, which is the result of a compromise agreement reached between railroad labor and management, is a declaration of concern for the future of the railroad retirement system. But perhaps most importantly, it calls for compromise and sacrifice from all three principal partners in the railroad retirement system: labor, management, and the Federal Government. Most of labor, made up of both workers and retirees, is willing to accept an increase in the payroll taxes which they must pay to support this system. They are also willing to accept a delay in the payment of cost-of-living adjustments on their pensions so that the railroad retirement system's benefit structure will be brought more into conformity with the social security law which we passed earlier this spring. Some have also indicated that they can reluctantly accept a delay in retirement with full benefits if that is what is necessary to guarantee that there will be a retirement system for them in the future. I can think of no stronger example of why we should act to support this bill than to look at the sacrifices which these railroad workers and retirees have made in the past and are still willing to make in the future to insure the survival of their retirement system. This is indeed an outstanding example of sacrifice and a good faith effort to resolve the crisis in the railroad retirement program.

The railroad carriers themselves are also being called upon to sacrifice something to assure the future success of railroad retirement. The increase in the employer-paid portion of payroll will be expensive for many carriers, but these carriers recognize that they owe a considerable debt of gratitude to these retirees who have given the best years of their working lives to their companies and the railroad industry.

Finally, the Federal Government is being called upon to repay the railroad retirement trust fund for the cost of "dual benefits." It is estimated that a total of about $1.7 billion is owed by the Federal Government to the railroad retirement trust fund to cover the costs of these dual benefits. Earlier legislation in the midseventies bound the National Government to make such payments.

Mr. Chairman, earlier this year this Congress was able to pass legislation which guaranteed the future solvency of our social security system. There were many provisions in that bill which were unpleasant and the problem was significantly different from the railroad retirement problem that is before us today. Indeed, there was something in the social security bill similar perhaps to this measure which displeased just about everyone affected. However, the point is that we were able to overcome our differences and do what had to be done with social security. We passed a social security bill which will raise an estimated $167 billion in additional revenues over the next 7 years. We guaranteed that the 36 million persons who relied on their Government's promise to save social

security would continue to receive their benefits and would not be disappointed. We certainly owe our Nation's railroad retirees and railroad workers and their families no less. Their railroad retirement system, like social security, is backed by the commitment of the Federal Government. Let us fulfill our commitment both to them and to ourselves by supporting this compromise bill.

Moving forward, we must today face the reality of the economic shortfall and the drastic reduction in the railroad labor force numbers which has shaken the very foundation of the railroad retirement program. The solution to the current difficulties is within our grasp; railroad labor and management have made their commitment. Hopefully, Congress and the administration will follow suit and those affected by the programs will be safeguarded from default.

Mr. BROYHILL. Mr. Chairman, I yield 2 minutes to the gentleman from Virginia (Mr. BLILEY), a member of the committee.

Mr. BLILEY. Mr. Chairman, I thank the gentleman from North Carolina for yielding me the time.

Mr. Chairman, I certainly want to commend the gentleman from North Carolina and particularly the gentleman from New Jersey (Mr. FLORIO) and the gentleman from New York (Mr. LENT) for their outstanding work on this legislation, as well as the Ways and Means Committee for bringing to us a bipartisan approach to this very complicated and very difficult problem that will prevent a very severe hardship and a great injustice being done to over a million of our retired railway employees.

This is a good example for all of us to consider as we consider other legislation dealing with other problems.

I hope that we will pass it overwhelmingly and that it will soon be on the President's desk so that come October the recipients will not have any adverse effect on their pension checks.

Mr. BROYHILL. Mr. Speaker, I yield such time as he may consume to the gentleman from Pennsylvania (Mr. CLINGER).

Mr. CLINGER. Mr. Chairman, I rise in support of H.R. 1646, the Railroad Retirement Solvency Act of 1983. Although not perfect in nature, this legislation will protect the welfare of those retired workers who have served our Nation's rail industry during a lifetime of service. The bill is the result of lengthy negotiations between representatives of railroad labor and industry in order to prevent a 40-percent cut in benefits which is looming in the wings should Congress fail to act. To prevent such drastic cutbacks, H.R. 1646 provides for increases in net railroad retirement revenues by approximately $4 billion from fiscal year 1984 through fiscal year 1988.

The increases in revenues to the railroad retirement system will be achieved in a balanced and equitable manner under the provisions of H.R. 1646. In addition to phased-in increases in both employee and employer contributions to retirement funds, this legislative solution provides for a series of three payments, estimated at a total of $2 billion, to be made by the General Treasury of the United States to the railroad retirement system. These Federal moneys are designed to cover unfunded dual benefits paid between January 1, 1975, and October 1, 1981. Once these benefits are covered by these funds, the other provisions of this bill will operate to place the retirement system on firm financial footing. A one-time deferral of cost-of-living increases and restricting the ability of the railroad unemployment compensation account to borrow funds from either the Federal unemployment compensation accounts or railroad pension funds will help to make the retirement fund more responsible and avert the kinds of financial crises which face the retirement system now.

Mr. Chairman, there are thousands of retired railroad workers across the country as well as in the 23d Congressional District of Pennsylvania which I have the privilege of representing in Congress. These men and women have labored long and hard to move our Nation's people and cargo. I urge my colleagues to support this legislation as a means of insuring that these retired workers are provided for in their golden years and to prevent the slashing of benefits which railroad workers have duly bought and paid for over their years of service.

Mr. BROYHILL. Mr. Chairman, I yield 2 minutes to the gentleman from Nebraska (Mr. DAUB).

Mr. DAUB. Mr. Chairman, as Representative of a district in Nebraska which includes a large number of railroad retirees and their families, I am pleased to have the opportunity to discuss this Railroad Retirement Solvency Act.

The railroad retirement system faces severe financial difficulties. Employment in the railroad industry has declined sharply from 510,000 in August 1981 to 388,000 at present. The payroll tax revenues from these employees must support the annuities of the approximately 1 million beneficiaries.

Because a cash shortfall is projected for fiscal year 1984 and beyond, the Railroad Retirement Board has announced that it will not be able to fund full benefits after fiscal year 1983, which ends on September 30. Therefore, the Board will have to reduce the tier II portion of monthly rail industry pensions by 40 percent beginning October 1, 1984, barring corrective action.

I commend rail labor and management for presenting to the Congress an agreement to alleviate the financial difficulties of the railroad retirement system, and therefore avoid any reduction in benefits. In addition, I commend the Committees on Energy and Commerce and Ways and Means for their efforts on this legislation.

I support this legislation as the most fair and equitable solution to the financial difficulties of the railroad retirement system. The bill provides for some form of contribution to the system by all those connected with the railroad retirement system, including employers, employees, retirees, and the Federal Government.

I support the amendment to provide for a more lengthy phase-in of the changes in the 60/30 benefit. It is unfair to allow a change in such a retirement benefit without allowing those who would be affected by the provision in the near future the opportunity to adjust their plans.

This bill is important to the retirees, to assure them that their current benefits are safe, and that they will not be subject to the huge reductions in tier II benefits that could occur. In addition, the current employees must be assured that the system will be solvent and provide them the benefits they have worked for and been promised when they retire. They must not be penalized by the railroad retirement system for the difficulties that have occurred as a result of economic circumstances over which they had no control.

Mr. FLORIO. Mr. Chairman, I yield 2 minutes to the gentleman from Illinois (Mr. RUSSO).

Mr. RUSSO. Mr. Chairman, I would like to engage in a colloquy with the distinguished gentleman from New Jersey. As the gentleman knows, I am concerned with a number of Rock Island employees in my district who will soon lose their jobs as a result of the liquidation of the Rock Island. I am particularly concerned about the effect of the change in the early retirement benefit upon these employees, who do not have the choice to continue working.

Mr. FLORIO. Mr. Chairman, if the gentleman will yield, that is a very legitimate concern. I share the gentleman's concern about Rock Island employees and their fate. Last year, Congress passed the Rail Safety and Service Improvement Act of 1982 which authorized $35 million in labor protection benefits for Rock Island employees. I understand the conference report on the fiscal year 1984 Department of Transportation appropriation bill includes this $35 million, as authorized.

Mr. RUSSO. That is my understanding and I commend the gentleman's past efforts to help Rock Island employees. However, under the law, the Secretary of Transportation issued a

benefit schedule on April 28, 1983, to implement the Rock Island labor protection. Unfortunately, under the benefit schedule, employees who accepted jobs with the trustee of the Rock Island and who remained employed through June 30, 1982, are not protected, even though they will soon lose their jobs. Some of the employees in my district are so affected.

Mr. FLORIO. The gentleman has raised a very valid concern. I agree with the gentleman. I believe it is incumbent upon the Secretary of Transportation to review the benefit schedule to try to accommodate the needs of these employees. Certainly these individuals are adversely affected as a result of the reduction in service by the Rock Island.

Mr. RUSSO. I agree with the gentleman's point and I thank the gentleman for his efforts.

□ 1740

Mr. FLORIO. I yield 2 minutes to the gentlewoman from Ohio (Ms. KAPTUR).

Ms. KAPTUR. Mr. Chairman, I rise in support of H.R. 1646, the Railroad Retirement Solvency Act, because it secures the compact of trust between the generations of American railroad workers. Passage of this legislation will send the same clear and positive message to our railroaders, both active and retired, as was sent to their counterparts covered by social security last spring.

I applaud the committees and Chairmen ROSTENKOWSKI and FLORIO that crafted this critical compromise legislation. As was the case with social security, a compromise was required and a compromise was reached—one that calls for an equal sharing of the burden. Most importantly, railroad retirees throughout this Nation, including 53,300 in Ohio will continue to receive their checks, on time, and without a reduction in benefits.

Mr. Chairman, in the letters I have received and people with whom I have spoken, I have felt a sense of great urgency and concern on this issue. Unlike social security, this issue has not received a great deal of media attention. The lack of information and the complexity of the issue have created much fear and anguish.

A wife of one railroad retiree in my district wrote, "Please, Ms. KAPTUR, I urge you and all the other Congressmen and Senators not to let the system die. It is too important to too many families." One railroader put it this way, "Approximately 10,000 recipients of railroad retirement in our district depend on the continued good health of the system for a share of the better life as promised in the American way." And finally, one widow wrote, "I am entirely dependent on my widow's railroad retirement check and if any part of it was taken away from me, I do not know what I would do. I am 78 years old and just getting by now."

Mr. Chairman, we are at the 11th hour. By passing H.R. 1646, today, we will avoid a calamity. We can leave for the recess knowing that we have saved the system that provides dignity and decurity to so many. I look forward to returning home, a rail center in northwest Ohio and being able to let the railroaders there know that we have kept the faith with them and their families.

Mr. BROYHILL. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania (Mr. RIDGE).

Mr. RIDGE. Mr. Chairman, I rise to commend my colleagues on both committees that reported this legislation, for their efforts to restore fiscal integrity to the troubled railroad retirement system.

They have worked long and hard to negotiate a compromise that successfully balances the interests of rail labor, rail management, railroad retirees, and the Federal Government.

And, as a Member who represents quite a few railroaders—both working and retired—let me say that I fully intend to vote for this bill on final passage. But I do so with more than a little regret, Mr. Chairman, not because of what this bill does, but because of what it fails to do.

One million retired rail workers are now drawing railroad retirement benefits, and in this bill we reach out to them, we have taken into account their special needs.

Roughly 400,000 railroaders are now working, and in this bill we have reached out to them, too, we have taken into account their special needs.

But what of the roughly 100,000 unemployed railworkers now drawing railroad unemployment benefits?

Yes, we have kept the system afloat, and surely that will benefit them as it will the others who depend upon it in one way or another. And surely I would be the last Member to underestimate the importance of keeping those unemployment benefits coming.

But I am concerned, Mr. Chairman, very concerned, that this House will not have an opportunity here today to consider two modest amendments which would have made a real difference in the lives of thousands of unemployed railroaders and their families—at little or no cost to the system itself.

To those of my colleagues who are unfamiliar with all of the details of compensation to unemployed rail workers, let me say: Their system is separate from ordinary unemployment compensation; their benefits total just $25 per day; and they are permitted to earn no more than $10 additional per day before forfeiting their benefits. What is more, under current law, none of an unemployed worker's $10 per day in outside earnings may be earned in a regularly scheduled job. Take a job driving a schoolbus for just an hour or two each morning, and you lose your unemployment benefits.

My colleagues, I had hoped we could vote here today to lift the prohibition on regularly schedule part-time employment—because I feel strongly that anytime we in the House can remove in a responsible fashion any obstacle to an unemployed worker feeding his family, we should lift it.

And I had hoped we could also vote here today to raise from $10 to $15 per day the amount we will permit an unemployed railroader to earn on his own to meet the needs of his family—because if this legislation will not raise their benefits, then the least we can do, in my view, is to permit every unemployed rail worker the chance to earn an extra $5 per day for his family.

Mr. Chairman, it now appears we will not be voting on either of those amendments today, and I think that is unfortunate. The Railroad Retirement Board itself estimates that one of those amendments would increase costs to the unemployment portion of the system by no more than 1 percent. The Board predicted the other amendment would cost the system nothing.

I had hoped to return to my district this weekend—in the particularly hard hit northwestern corner of Pennsylvania—with good news for my unemployed rail workers. Does "studying" the problem over the next year or two qualify as good news? Yes, I suppose it does, if you have the good fortune not to lose your job with the railroad before then.

But I would have to say to those rail workers unfortunate enough to be without work today: We have not done enough; we could have done more to help you help yourselves.

As I said before, Mr. Chairman, I will be voting for this bill on final passage. I think Chairman ROSTENKOWSKI, Chairman PICKLE, Congressmen BROYHILL and FLORIO, and their colleagues on their respective committees should be commended for weaving their way through a treacherous minefield of controversy and competing claims. It was, in many ways, a thankless job. Dividing up a shrinking pie always is.

But I could not cast my vote in favor of this bill without making sure that those 100,000 unemployed rail workers out there were aware that their plight has not gone unnoticed, and that our lack of action on these two amendments reflects not our lack of concern but a lack of political consensus about how best to insure the passage of the other very vital changes proposed in this bill.

Before yielding back my time. I would just like to express my apprecia-

tion to Chairman PEPPER, Congressmen LONG and QUILLEN, and their fellow members of the Rules Committee. I was honored by their willingness to receive this freshman Member at the 11th hour, and their willingness to make in order two amendments I believe merited consideration by the House.

Mr. FLORIO. Mr. Chairman, I yield 1 minute to the gentleman from Pennsylvania (Mr. GAYDOS).

Mr. GAYDOS. Mr. Chairman, I thank my colleague for yielding.

The area I represent, the city of Pittsburgh and the seven-county area has a special interest in railroads and their problems. It has been the hub of the railroad activities in the last century.

I want to commend the chairman of the committee, the gentleman from New Jersey, Mr. FLORIO, and the ranking minority member from North Carolina, Mr. BROYHILL, and all of the members of the committee for taking this legislation to task at an unreasonable time and in an emergency.

Although I am not in complete concert with the legislation, I think the major portion of the legislation is directed to the highlights, and I would urge the committee to continue their studies and possibly in the future there would be supplemental legislation.

I have received to date literally thousands, and I repeat, thousands of letters from railroaders, retirees, those about to retire, all voicing their opinion one way or another as to the legislation, its implications and its essence, and in some instances its deficiencies.

So in closing I wish to say that this bill in my opinion, based upon the many observations of my colleagues, deserves the support of our colleagues and I urge my colleagues to support the bill.

□ 1750

Mr. BROYHILL. Mr. Chairman, I have no other requests for time.

Mr. FLORIO. I reserve the balance of our time if that is appropriate, Mr. Chairman.

The CHAIRMAN. Does the gentleman from North Carolina yield back his remaining time?

Mr. BROYHILL. If the gentleman does, Mr. Chairman, I will yield back my time and let the Ways and Means Committee go ahead.

Mr. FLORIO. Mr. Chairman, I yield back the balance of my time.

Mr. BROYHILL. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The gentleman from Illinois (Mr. ROSTENKOWSKI) will be recognized for 30 minutes, and the gentleman from New York (Mr. CONABLE) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Illinois (Mr. ROSTENKOWSKI).

Mr. ROSTENKOWSKI. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the Congress was recently notified by the railroad retirement board that on September 1, 1983 a million railroad retirement beneficiaries may be sent a notice that their tier 2 benefits may be cut by as much as $235 per month effective with their October 1 check. The legislation which we have before us today insures that railroad retirement benefits will not be cut on October 1 and that under reasonable economic assumptions the railroad retirement system will be able to meet all of its obligations for the foreseeable future.

The Railroad Retirement Solvency Act of 1983 will improve the financial status of the railroad retirement system through numerous adjustments to both the income and outgo of the system. Like the social security amendments which were passed earlier this year, this package does not rely exclusively on any one solution to the problem. Everyone associated with the system is asked to bear some of the burden. Management, labor, and retirees all will contribute to the final solution, a solution which all hope will be a lasting one.

This bill was originally intended to address only the financial problems of the railroad retirement system. However, it quickly became obvious to the Committee on Ways and Means, that in addition to being a significant financial drain on the retirement system, the railroad unemployment compensation program has its own severe financial problems which must also be addressed immediately.

Faced with these two sets of problems the Committee on Ways and Means reported provisions which increase payroll tax revenue to both the railroad retirement and unemployment compensation systems thereby restoring the railroad retirement system to solvency and improving the financial status of the railroad unemployment compensation system. The committee also set up a framework in which the issues concerning the railroad unemployment compensation system's future solvency and structure can be resolved.

In addition, the Committee on Ways and Means also believes that it is desirable to make certain changes concerning the railroad retirement wage bases and financial operation of the railroad retirement system in order to more closely conform the operation of the railroad retirement system with the social security system.

With regard to the railroad retirement system, the committee approved provisions would increase income to the railroad retirement system by approximately $3.5 billion over the next 5 years. This is done through a variety of different mechanisms, including tax rate increases and the taxation of railroad retirement benefits.

The committee also adopted a number of provisions to improve the solvency of the railroad unemployment insurance program. Currently, that program is borrowing from the railroad pension fund in order to pay unemployment benefits. The provisions we have adopted will increase income to this system by $500 million through fiscal 1988, reduce the drain on the pension funds, and allow the unemployment program to begin repaying its outstanding loans from the pension fund.

It should be noted that while we are today considering the text of H.R. 3619 as an original text for purposes of amendment, this clean substitute makes no changes with respect to the provisions which were reported by the Committee on Ways and Means. Although a few provisions have been reallocated among the bill's titles to better distinguish the jurisdictional interests of the two committees which reported this bill.

Those provisions which were reported by the Committee on Ways and Means are contained in either title II or V. Title II contains those items which are clearly within the jurisdiction of the Committee on Ways and Means. Those provisions contained in title V which were reported by the Committee on Ways and Means concern matters which the committee feels are properly within its jurisdiction. The Committee on Energy and Commerce has asserted, however, that it has at least coequal jurisdiction on these matters. In order to insure timely passage of this legislation, the Committee on Ways and Means has not pressed for a resolution of this jurisdiction issues and has consented to the procedure of not placing these jurisdictionally disputed items within the revenue title of this bill which is the procedure that had been followed when the committee reported the bill. The committee notes that its agreement not to press at this for a resolution of the jurisdictional questions raised by this legislation does not in any way indicate its acquiesence to the Committee on Energy and Commerce's assertion of jurisdiction.

The most significant disputed provision is section 503 which increases the railroad retirement unemployment compensation monthly wage base. The committee notes that, while prior to this legislation it has traditionally not enacted legislation affecting railroad unemployment compensation revenues, House rule X(1)(h)(11) describes the jurisdiction of the Committee on Energy and Commerce in this area as "railroads, including railroad labor, railroad retirement and unemployment, except revenue measures related thereto." While income to the railroad

unemployment system is often described as contributions, the committee notes that House rules provide that jurisdiction in this area lies with the Committee on Ways and Means which has jurisdiction over "revenue measures generally" (rule X(1)(V)(3)).

The Committee on Ways and Means also disagrees with the assertion of the Committee on Energy and Commerce that section 501 establishing a social security equivalent benefit account is a matter within the jurisdiction of that committee. Under this provision, certain earmarked tax revenues which are equivalent to social security taxes will be deposited in the new account in order to finance the payment of specific railroad retirement benefits which are equivalent to those payable under title II of the Social Security Act.

Since House rules provide that the jurisdiction of the Committee on Ways and Means includes the deposit of public moneys (rule X(1)(V)(6)), the committee feels that the establishment of such an account is clearly within its jurisdiction and is inextricably linked with the concept of earmarked taxes such as those raised by the Railroad Retirement Tax Act.

A summary of the major revenue provisions in this bill which were approved by the Committee on Ways and Means follows:

I. RAILROAD RETIREMENT SYSTEM

A. INCREASED RETIREMENT TAX RATES

Tier 2 tax rates would be increased by a total of 2.25 percentage points for employees and by 3 percentage points for employer and employee representatives. These increases would be provided in three equal steps—.75 percentage points for employees and 1 percentage point for employers—and would become effective on July 1, 1984, January 1, 1985 and January 1, 1986.

B. TAXATION OF RETIREMENT BENEFITS

Effective for benefits received after January 1, 1984, tier 2 benefits and dual benefit payments—windfall—would be treated for income tax purposes as benefits received under a tax qualified pension plan. The revenues derived from the taxation of these benefits would be deposited in the railroad retirement account until fiscal year 1989 and be available for the payment of benefits. Beginning in fiscal year 1989 or, if earlier, when the revenues attributable to the taxation of tier 2 benefits reaches $877 million, the proceeds derived from the taxation of tier 2 benefits would be deposited in the general fund of the Treasury. After this point the revenue derived from the taxation of windfall benefits would be deposited in the dual benefits payments account.

C. ANNUALIZATION OF RETIREMENT WAGE BASES

The current monthly tier 1 wage base which is equal to one-twelfth of the annual social security wage base—estimated to be $3,125 per month in 1984—would be changed to an annual amount equal to the social security wage base—estimated to be $37,500 in 1984. The current monthly tier 2 base would also be changed to an annual amount equal to 12 times the monthly amount. The estimates for the monthly and annual bases in 1984 are $2,350 and $28,200, respectively. Both changes are effective January 1, 1985 and, both wage bases would be increased at a rate equal to average wage growth in the economy.

D. SOCIAL SECURITY EQUIVALENT BENEFIT ACCOUNT

Effective October 1, 1984, there would be created a "Social Security Equivalent Benefit Account" and all social security equivalent revenues—including tier 1 taxes, the revenues derived from the taxation of social security equivalent benefits, and amounts transferred to the railroad reitrement system through or borrowed against the financial interchange—would be deposited in the account, rather than into the retirement account. In addition, all social security equivalent benefits would be paid out of the account. If the operation of the financial interchange results in a transfer from the social security equivalent account to the social security trust funds such transfers are also authorized under this provision.

The transfers and credits to the social security equivalent benefit account would be made at the same time and in the same manner as transfers and credits are now made to the railroad retirement account. The social security equivalent benefit account also would be invested in the same manner as the railroad retirement account.

The creation of this account would not significantly affect the financial condition of either account. Nor would the creation of this account affect, in any way, benefits currently payable under the Railroad Retirement Act.

E. DEPOSITS OF RAILROAD RETIREMENT EMPLOYMENT TAXES

Effective on and after January 1, 1986, the schedule under which railroad employers would be required to deposit railroad retirement employment taxes would be the same as the schedule which applies to nonrailroad employers for purposes of depositing social security and income taxes.

II. RAILROAD RETIREMENT UNEMPLOYMENT AND COMPENSATION SYSTEM

A. DELETION OF AUTHORITY FOR UNEMPLOYMENT COMPENSATION PROGRAM TO BORROW FEDERAL FUNDS

Repeal, effective September 30, 1985, the current authority for the railroad unemployment system to borrow from rail pension funds.

B. INCREASED UNEMPLOYMENT TAX BASE

Effective January 1, 1984 railroad retirement unemployment compensation employer taxes would be increased by 50 percent, by increasing the amount of monthly wages subject to the tax from $400 to $600.

C. UNEMPLOYMENT COMPENSATION REPAYMENT TAX

Effective July 1, 1986 through September 30, 1990, a Federal repayment tax would be imposed on railroad companies. The tax would be equal to 2 percent on the first $7,000 in annual wages paid to each employee. This tax will increase by 0.3 percent on each subsequent January 1, up to a maximum of 5 percent. Revenue raised by this repayment tax would be used only to repay loans the railroad retirement account has made to the railroad retirement unemployment compensation program.

D. TAXATION OF SICKNESS BENEFITS

Sick pay benefits provided under the railroad retirement unemployment compensation program, except for sick pay resulting from on-the-job injuries, would be subject to the Federal income tax the same limitations and conditions that apply to the taxation of such pay received by workers in other industries. This would be effective for sick pay benefits received after December 31, 1983.

E. RAILROAD UNEMPLOYMENT COMPENSATION COMMITTEE

A railroad unemployment compensation committee would be established for the purpose of reviewing all aspects of the railroad unemployment program and submitting a report to Congress no later than April 1, 1984 containing: First, recommendations based on its review of the program and second, recommended adjustments in contributions and benefits which will enable the railroad retirement unemployment compensation program to repay all loans from the railroad retirement account by the end of the year 2000.

Mr. Chairman, the bill before us embodies many recommendations jointly made earlier this year by rail management and labor. The most significant deviation from their proposals is the deletion of the suggestion that the railroad unemployment compensation system be authorized to borrow from the Federal unemployment insurance trust fund in the same manner—except for repayment requirements—in which States borrow from this fund. This borrowing authority would have allowed the unemployment compensation system to repay its debt to the railroad retirement system—estimated to be $650 million by fiscal year 1984. Under this proposal, future borrowing from the railroad retirement system would have been prohibited.

The committee questioned the appropriateness of allowing the railroad unemployment compensation system to borrow Federal funds with no requirement to repay borrowed amounts and no demonstrable ability to repay

these amounts in the foreseeable future. Questions of equity vis-a-vis the various States, who are required to repay such loans, also arose. In light of these concerns, the committee passed an amendment which deleted that provision of the bill which authorized borrowing from the Federal unemployment insurance trust fund.

Since this action reduced the reserve levels which had been provided under the labor-management agreement and which they had judged to be reasonable and prudent, this action, while necessary, only heightened the committee's concern with the reserve levels in the retirement program, especially under adverse employment and economic assumptions.

As a result of these concerns, the committee was forced to go beyond the labor-management agreement and to increase revenue raised through employment taxes paid by the sector itself. Even with these increases, the reserve levels provided in the bill are lower than those provided under the labor-management agreement. While the committee would have preferred those larger reserve levels, since they would provide more confidence that the system could meet all benefit obligations even under adverse economic conditions, the committee recognized that it is possible that the industry, relying solely on employment taxes, could not sustain at this time the tax increase which would be necessary to provide these reserve levels.

However, the committee is confident that as a result of this legislation the railroad retirement system will be able to pay benefits for the foreseeable future. This statement is based on actuarial projections done by the Railroad Retirement Board under what it considers to be both intermediate and pessimistic assumptions. I have attached to my statement the analysis of this legislation prepared by the chief actuary of the Railroad Retirement Board for the interest of my colleagues.

Mr. Chairman, I believe that the joint product of the Committees on Ways and Means and Energy and Commerce is a sound response to the railroad retirement and unemployment compensation systems' financial problems. I urge its adoption.

RAILROAD RETIREMENT BOARD,
May 26, 1983.

To: Board Members.
From: Chief Actuary.
Subject: Progress of Railroad Retirement Account under revised labor-management agreement.

Labor and management have revised their original agreement, which was embodied in H.R. 1646. The most important change, from the point of view of the railroad retirement account, is that the retirement account would receive no relief from the cash-flow problems caused by lending money to the Railroad Unemployment Insurance account. The attached table shows my estimate of the progress of the retirement account under two employment assumptions taking into consideration all the revisions. This information was prepared at the request of the staff of the Social Security Subcommittee and has been transmitted to them.

The "best-guess" employment assumption is that which has been referred to as assumption A. The "pessimistic" assumption has been used in material prepared previously for the Social Security Subcommittee. It now seems too pessimistic to be regarded as plausible, at least for the 1983 employment level. The two assumptions are shown below.

Calendar year	Employment assumption (thousands)	
	"Best-guess"	"Pessimistic"
1983	385	365
1984	370	350
1985	360	335
1986	355	320
1987	350	305
1988	345	290
1989–92	340	290

The attached table indicates that the agreement would still resolve the system's financial problems through 1992, even under the "pessimistic" employment assumption. The loss of the RUIA debt relief, however, has made the procurement of dual benefit shortfall appropriations much more important. The agreement would fail under the "pessimistic" assumption without them in 1985 or 1986. In addition, I estimate that the amount available for benefit payments immediately before the first dual benefit installment on July 1, 1984 will be between $700 million and $900 million. This in substantial and makes the possibility of a cash-flow problem at that time remote, but does not eliminate it completely.

NORMAN SOLOMON.

AMOUNT AVAILABLE FOR BENEFIT PAYMENTS UNDER REVISED LABOR-MANAGEMENT AGREEMENT

(In millions of dollars)

Calendar year	Projected income [1]	Projected outgo [2]	Change in amount available on Dec. 31	Amount available on Dec. 31 [3]	Previous column as percentage of next year's benefits
"BEST-GUESS" EMPLOYMENT LEVELS					
1983	$5,046	$5,397	—$533	[4] $1,386	26
1984	7,725	5,351	39	1,425	26
1985	8,260	7,623	437	1,862	33
1986	8,870	7,922	804	2,666	45
1987	8,588	8,220	261	2,927	47
1988	8,996	8,558	362	3,289	51
1989	9,248	8,825	351	3,640	55
1990	9,655	9,142	442	4,082	59
1991	10,018	9,427	513	4,595	65
1992	10,413	9,714	616	5,211	NA
"PESSIMISTIC" EMPLOYMENT LEVELS					
1983	4,906	5,397	—720	[4] 1,199	23
1984	7,701	5,351	—94	1,105	20
1985	8,226	7,714	281	1,386	24
1986	8,769	8,037	559	1,945	33
1987	8,440	8,387	—62	1,883	30
1988	8,792	8,788	—83	1,800	28
1989	9,138	9,135	—67	1,733	26
1990	9,504	9,463	—23	1,710	25
1991	9,832	9,760	2	1,712	24
1992	10,192	10,065	53	1,765	NA

NA—Not available.

[1] Excludes tax income to Railroad Unemployment Insurance Account. Includes appropriations for windfall shortfall in 1984, 1985 and 1986, and financial interchange advances in all years.

[2] Excludes money lent to Railroad Unemployment Insurance Account. Includes repayment of financial interchange advances in 1985 and later.

[3] Recognizes that money lent to Railroad Unemployment Insurance Account and not repaid is not available for benefit payments.

[4] Includes unused borrowing authority.

I reserve the balance of my time.

Mr. CONABLE. Mr. Chairman, I yield myself such time as I may consume.

I have no requests for time other than the few remarks I would like to make.

Somebody may show up but as of now, I think this is not being considered a controversial piece of legislation.

Mr. Chairman, I support this measure and urge my colleagues to vote for it today. The sooner it becomes law, the better off the railroad retirement and unemployment compensation programs will be.

That is not to say that every part of the bill is good. Some aspects leave much to be desired, and I wish that they had been improved. But this bill represents the best package we are going to get on the subject in this Congress.

I strongly favor the provisions of the bill which represent action by the Committee on Ways and Means. Our committee I believe substantially enhanced the legislation which was referred to us. Among the improvements: An end to authority for the railroad unemployment system to borrow from the railroad retirement system; a mechanism designed to move the unemployment program toward solvency and a capacity to repay loans from the pension fund; and the establishment of a special committee to study all aspects of this program, including the possibility of bringing railroad workers under the regular Federal-State unemployment compensation system.

In many respects, Mr. Chairman, the retirement and unemployment compensation programs covered in H.R. 3619 are anachronistic. They were established in an era in which the railroad industry occupied a truly unique position in this country. Today, the rationale for these programs appears unrealistic in some respects. For example, it would seem logical now to treat railroad retirees the same way we treat retirees under other corporate pension plans, and to treat unemployed railroad workers the same way we treat the unemployed in other sectors of commerce and industry. But it is obvious we cannot make these major adjustments immediately. I hope we can make more progress in those general directions as time permits.

Today, we have a compromise measure which includes a number of progressive provisions. It is far from perfect, but it deserves our approval. I hope the other body also will act expeditiously on it, and that the President will be able to sign it into law very soon.

Time is of the essence.

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. CONABLE. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio (Mr. REGULA).

Mr. REGULA. Mr. Chairman, I simply want to add my voice to the many we have heard this afternoon in support of this legislation.

I particularly want to commend the members of the two committees that crafted this solution to a very difficult problem.

I know that many of the railroad retirees and potential retirees have been very uneasy about the future of the system. With the passage of this legislation it will give a measure of confidence to them in terms of their future and the security of the railroad retirement system. It certainly is a tough problem and the committee members deserve a lot of credit for their efforts. I yield back the balance of my time.

Mr. CONABLE. Mr. Chairman, I reserve the balance of my time.

Mr. ROSTENKOWSKI. Mr. Chairman, I yield 5 minutes to the gentleman from Texas (Mr. PICKLE).

Mr. PICKLE. I thank the chairman for yielding.

Mr. Chairman, the bill before us is a consensus bill. It has been agreed to by all the parties, that is labor, management, Democrats, and Republicans; it has been agreed to by the two committees which have jurisdiction over the benefit and tax areas. Therefore, it is not a controversial matter, and we should have no difficulty in moving this bill forward today.

But I think it is time for us to pause again to realize that our railroad employment system has been in a mess, if we want to be just plain about it. It has been brought about by overly optimistic employment projections which have just not materialized.

Now, we face heavy unemployment expenses brought about because of these projections, and it has taken a terrible drain on our trust funds.

So, we are having to make some changes and face up to some changes we should have done 5, 10 years ago.

I look back on my service here, I was on the Committee on Commerce some 8 or 9 years ago when we reorganized the railroad retirement system and we thought we had solved the problems of the railroad retirees.

We did not. We have postponed and rolled with it; although in 1981 we passed another law.

But we did say then that by this year, October 1, 1983, if the funds ran short then there would be a reduction in benefits. That has caused us to bring this legislation forward because we, of course, do not want and cannot accept the fact that employees would have their benefits reduced 40 percent. The legislation we have today is a very valid means of keeping that from happening.

□ 1800

Let me summarize just four or five things that this bill does.

First, in general the ways and means portion of the bill raises about $1 billion more than the original package. And that is about evenly divided between the employees and employer retirement system and the unemployment system.

Second, it precludes open ending borrowing from the general treasury. And, of course, we could not allow that type of practice.

Third, it curtails future borrowing from the railroad retirement program by limiting the borrowing to between now and September 30, 1985.

Fourth, it provides sufficient reserves to pay retirement benefits under continuing unfavorable economic conditions; and

Fifth, it provides the mechanism, which the gentleman from Tennessee (Mr. FORD) will explain in more detail, to insure a more solvent unemployment program in the future.

And it provides for repayment of loans which have been made to the unemployment fund by the retirement fund.

These are important changes necessary to point this system in a direction of solvency.

Now when the general debate has concluded, Mr. Chairman, under the rule I will offer an amendment to raise some additional funds and the purpose of offering that amendment, in addition to the bill that we have agreed to by all the parties here, will be to provide for sufficient funds to make changes in the 60/30 retirement provisions. That is, early retirement at 60 years of age and 30 years of service.

When my amendment is offered, the gentleman from New Jersey (Mr. FLORIO), under the rule, will offer an amendment that will make those changes. Together we hope to move that amendment forward.

So, though we are making changes that are a little bit more liberal in the early retirement aspects, we are also paying for those changes as we move this bill along.

I think we are all in general agreement that that is the procedure. And everyone has agreed that that is the way to proceed.

The fact is that there are about three railroad retirees for every railroad worker.

Any way you slice it, that is going to cause problems—severe problems. In the past there has not been a full effort to face up to those problems. In the 1981 amendments we said that we would cut benefits if the fund again ran out of money.

Well, this is 1983, and we know that we are not going to cut benefits. We are acting today to avert a 40-percent reduction in the tier II benefits now scheduled for October 1.

Nevertheless, I do think that there is cause for some optimism. This bill, while it does not solve all the problems we face, takes a little different direction than we have had in the past. We have done a better job this time, I think, of facing up to the fact that the railroad industry will suffer from a high retiree worker ratio for some time to come. The impending fact of a benefit cut has produced changes—both higher contributions to the fund and future reductions in retirement benefits—that show a greater willingness to face this problem head on. My colleague from Tennessee has made it clear that we will be looking for more lasting solutions to the problems with the unemployment fund, too.

In sum, Mr. Chairman, we do not propose to bring before this House a final solution to this problem. We do bring before this body a serious attempt by all parties involved to come to grips with the problems in this area. Certain areas, such as the unemployment area, will require further action later on, and we know that. But we are moving together, without blinders and with a firm conviction that the Congress and those in charge of the railroad funds will not settle for less than open and balanced solutions which do not impose burdens on the American taxpayer. By next April the Railroad Unemployment Compensation Committee must make its recommendation. It must be a responsible recommendation. The Congress will be watching. I serve notice to employers and employees that I will be watching.

Most Members of the House are well aware of the need for legislation in the railroad retirement area. That need also carries with it a timetable we are striving to meet here today.

Specifically, current law stipulates that if the retirement fund does not have sufficient expected revenue to pay benefits throughout the entire fiscal year, then the money available will be prorated through smaller benefit checks throughout the year. Because the railroad fund will not have sufficient money to pay benefits throughout fiscal 1984, under current law railroad retirement beneficiaries will begin receiving reduced retirement checks on October 1, 1983. This will be a cut in the tier II benefit averaging $100 a month per beneficiary, but with a possible cut of up to $235 a month. These reduced checks would be followed by further cuts next October 1984, unless legislation is enacted shoring up this system.

Labor and management have come together at least twice this year to produce agreements to avert these benefit cutbacks. The burden of their agreements is shared by railroad em-

ployers and employees as well as, to some degree, by the retirees. There is also assistance provided from the Federal Government, but chiefly this will be in the area of the so-called windfall benefits, an area we assumed responsibility for when we reorganized railroad retirement in 1974. The Ways and Means and the Commerce Committees have passed legislation which is based upon these agreements and which will both avert the impending benefit cuts and—just as critically—provide a better foundation for the railroad retirement and unemployment benefit systems in the future. We bring that legislation before you today and I urge its passage.

This legislation is a strong improvement over the initial bill. The Members may recall that we passed railroad legislation in 1981 which was supposed to secure the retirement system for sometime in the future. Since that date, however, employment in the railroad industry has dropped dramatically and far below projections used in the 1981 legislation. In 1981 the railroad industry employed 510,000 persons, and that number dropped to 388,000 by the beginning of this year. Also since that date, the railroad unemployment fund has borrowed extensively from the retirement fund. By this October, the unemployment fund will owe the retirement fund some $650 million, and over the next 4 fiscal years it could borrow an additional $1.2 billion. The unemployment fund will have no ability to pay this loan for the foreseeable future.

The combination of the worsening unemployment and borrowing from the retirement fund by the unemployment fund has precipitated the benefit cut railroad retirees currently face.

The first response contained in a labor management agreement was to raise approximately $3 billion for the retirement fund in fiscal years 1984–88 but allow the railroad unemployment fund to borrow from the Federal unemployment fund. That amounted to an open-ended tap on the General Treasury. Since there was no prospect for repayment the Ways and Means Committee asked the industry to come up with a better solution.

Through discussions with the industry and committee action we now have the combined package which is before you today.

In addition, to the changes I outlined earlier, the ways and means bill contains important amendments which bring the tier I railroad retirement benefits in closer conformity to the social security program which they are set up to equate. These amendments both will provide greater uniformity between the two parallel systems but also will provide greater protection for the tier I benefits in the future in order to insure that whatever else happens railroad retirees will have the protection of their benefit which is a social security equivalent.

I think therefore, Mr. Chairman that we have proceeded responsibly and have set this program on a more sound footing for the future.

To be more specific, in the railroad retirement provisions acted upon by Ways and Means, the bill before us would:

First, provide for three equal tax rate increases for both employers (1 percent) and employees (.75 percent), effective July 1, 1984, January 1, 1985 and January 1, 1986, according to the following chart:

	Employee		Employer	
	Current law	H.R. 3619	Current law	H.R. 3619
1984	2	2.75	11.75	12.75
1985	2	3.50	11.75	13.75
1986 and after	2	4.25	11.75	14.25

Second, place the railroad retirement wage bases on an annual amount. In tier I, this would be identical to the social security annual wage base, and in tier II, this would be 12 times the monthly amount. This would be effective January 1, 1985, according to the following chart:

	Tier I		Tier II	
	Monthly base	Annual base	Monthly base	Annual base
1983	$2,975	$35,700	$2,225	$26,700
1984 estimate	3,125	37,500	2,350	28,200

Under current law a railroad employee who worked for 9 months of 1983 at $3,500 a month ($31,500 a year) would pay tier I taxes on only $26,775 (9 times $2,975) and tier II taxes on only $20,025 (9 times $2,225) of his total annual wages—and upon retirement would receive benefits based on these lower wage amounts.

Under this change, the railroad employee would pay taxes on his full annual earnings up to the annual wage amounts listed above. He would also receive benefits based on these higher amounts.

Third, the bill would include windfall benefits and tier II benefits received after January 1, 1984 in taxable income as a private pension. In the case of revenue raised through the inclusion of windfall benefits in taxable income, the estimated revenue amounts would be deposited in the railroad retirement account until fiscal year 1989 and in the windfall benefits account after that. In the case of revenue raised through the inclusion of tier II benefits in taxable income, the estimated revenue amounts would be deposited in the railroad retirement account until the earlier of fiscal year 1989 or the amount of revenue transferred reaches $877 million. After that, these proceeds will remain in the General Treasury.

Fourth, the bill places the employer payroll tax deposit schedule on the same basis as the FICA deposit schedule, beginning January 1, 1986.

Fifth, the bill creates a social security equivalent benefit account as of October 1, 1984, to which will be deposited all social security equivalent revenues, including tier I taxes, revenue from the inclusion of these benefits in taxable income, and transfers under the financial interchange with the social security trust funds. This will provide an important safeguard for these benefits which are equivalent to social security benefits for railroad retirees.

Sixth, the bill provides that on July 1, 1985 and each subsequent July 1 the Railroad Retirement Board will submit to the Congress a full report on the railroad retirement system. Currently this is done only about every 3 years, but it will be important for the Congress to have a more up to date view of the system in the next few years along with any recommendations the board may want to make.

Finally, although Mr. FORD will explain in more detail the provisions affecting railroad unemployment, I want to say that I think those provisions take significant steps toward a solution of problems in that area and toward protecting the retirement fund in the future.

Among other things, these provisions put a time limit on how long the unemployment fund can borrow from the retirement fund, include a report due next April on a better approach in this area, and impose, effective July 1, 1986, a repayment tax to repay loans to the retirement fund. We know that we will have to address this issue again, when the report comes back, but this is a significant improvement in this area and meets the objections raised against an open-ended borrowing situation which we faced earlier.

Following are estimates from CBO on the specific effects of these provisions:

TABLE 2. ESTIMATED REVENUE CHANGES TO THE UNIFIED FEDERAL BUDGET RESULTING FROM PROVISIONS IN H.R. 1646, THE RAILROAD RETIREMENT SOLVENCY ACT OF 1983, AS AMENDED BY THE COMMITTEE ON WAYS AND MEANS

[By fiscal year, in millions of dollars]

	1983	1984	1985	1986	1987	1988
Revenue increases						
Annualization of tier I wage base	0	0	72	26	24	26
Tax on employees [1]	0	16	127	218	251	261
Tax on employers [1]	0	17	140	313	359	371
Tax railroad retirement benefits	0	50	171	180	188	196

TABLE 2. ESTIMATED REVENUE CHANGES TO THE UNIFIED FEDERAL BUDGET RESULTING FROM PROVISIONS IN H.R. 1646, THE RAILROAD RETIREMENT SOLVENCY ACT OF 1983, AS AMENDED BY THE COMMITTEE ON WAYS AND MEANS—Continued

[By fiscal year, in millions of dollars]

	1983	1984	1985	1986	1987	1988
Tax windfall benefits	0	13	42	40	38	37
Tax railroad sick pay	0	8	11	11	11	11
Accelerate employer tier I and II deposit schedule	0	0	0	133	41	15
Increase unemployment tax base	0	36	73	72	70	69
Impose a railroad unemployment insurance prepayment tax	0	0	0	14	62	70
Total revenue changes	0	140	636	1,007	1,044	1,056

[1] Includes effect of annualization of tier II wage base.

In sum, we need to act quickly. If we do not benefits will be cut October 1. Notice of the potential cut will go out to beneficiaries September 1, and the deadline for the Railroad Board on a decision for sending out a reduced check is September 23, approximately 2 weeks after Congress comes back in from the August recess. The other body needs time to act on this measure before the date, and we have reason to believe they will act expeditiously.

Finally, this is a solid bill, dividing out the burdens and responsibilities and responding sensibly to the very real problems facing this industry and the retirement and unemployment funds.

I urge its immediate adoption and yield back the balance of my time.

Mr. ROSTENKOWSKI. Mr. Chairman, I yield 5 minutes to the gentleman from Tennessee (Mr. FORD).

Mr. FORD of Tennessee. Mr. Chairman, I would like to outline for the Members those provisions of the bill effecting the railroad unemployment insurance system. Initially, I would like to remind Members that the primary concern of both committees was to avoid an automatic decrease in rail pensions, and to assure the long range solvency of the rail pension system.

Rail workers are covered by the Railroad Unemployment Insurance Act, they are not covered by regular State unemployment laws. Under this act, whenever the rail UI program has insufficient funds to pay unemployment benefits, it can borrow from the rail pension fund. Because of a rapid drop in rail employment over the last 2 years, this borrowing has increased dramatically. By October 1, 1983, the rail UI program will owe the rail pension fund $650 million. Without any changes in the rail UI program, it would have to borrow an additional $1.2 billion over the next 5 years. Therefore, within the context of assuring a sound pension fund, something had to be done to reduce this drain on the pension fund.

The bill as reported by the Committee on Energy and Commerce would have transferred this borrowing authority to the Federal unemployment account. This is the account from which States borrow when they have insufficient funds to pay benefits. There were no provisions in the bill, however, for a specific repayment procedure for such loans to the rail UI fund. In addition, we were concerned that by simply transferring the borrowing authority to the Federal unemployment account we would be giving up any chance of substantive changes being made in the rail UI program that would reduce and ultimately eliminate its borrowing needs.

The committee struck the provisions of the bill that would have allowed borrowing from the Federal unemployment account. Rather than allow such borrowing, we adopted a number of provisions designed to improve the solvency of the railroad unemployment insurance program. These provisions will reduce the drain on the pension fund and begin the repayment of outstanding loans to the pension fund.

Specifically, the unemployment provisions would—

First, increase employer-paid unemployment taxes by 50 percent, effective January 1, 1984.

Second, increase the amount of wages a rail employee must earn in order to qualify for unemployment benefits from $1,000 to $1,500, effective January 1, 1984.

Third, increase the waiting period for unemployment benefits in the case of a strike from 7 days to 14 days.

Fourth, make sick pay benefits, which are paid out of the railroad unemployment insurance fund, subject to Federal income tax.

Fifth, establish, effective July 1, 1986, to September 30, 1990, a railroad unemployment repayment tax which will be used solely to repay outstanding loans from the unemployment insurance program to the pension fund.

Sixth, repeal, effective September 30, 1985, the authority for the railroad unemployment system to borrow from rail pension funds.

Seventh, establish a Railroad Unemployment Compensation Committee, to be comprised of two labor representatives, two management representatives, and one public member. The committee will report to the Congress, no later than April 1, 1984, recommendations addressing all aspects of the railroad unemployment insurance system, including the possibility of covering rail workers under the Federal-State unemployment system. In addition, the committee is specifically mandated to recommend adjustments in employer contributions to the system and benefit reductions which will enable the rail unemployment system to repay all loans from pension fund by the year 2000.

I know that some Members wanted us to go further in the rail UI area, particularly by extending the repayment tax beyond 1990. I want to point out, however, that the Railroad Unemployment Committee must report to the Congress no later than April 1, 1984, a specific plan for the repayment of all loans by the year 2000. We have started the repayment tax. If we had made it permanent or extended it much beyond 1990, the committee we have established would simply have no incentive to examine all aspects of the rail UI system, including tax increases, benefit reductions, and the possibility of covering rail workers under the regular State programs.

We have cut off the borrowing authority from the pension fund after September 30, 1985. This will provide another incentive for rail management and labor to bargain seriously and in good faith about the future of the rail UI system.

As I indicated at the outset, our concern is the long-range solvency of the pension fund. Frankly, the industry, management and labor alike, did not focus on the UI program when this legislation was first being considered. They were bargaining over pension changes. We have taken substantial steps in improving the solvency of the UI program, but we have also allowed the industry a framework for addressing the remaining problems.

I believe that these provisions are fiscally responsible; by assuring that the Federal Government does not pay what the industry should be paying. And they are fair, by allowing the industry time to consider further changes in the rail UI system and making recommendations to the Congress by a date certain. I urge my colleagues to approve the legislation.

Mr. ROSTENKOWSKI. Mr. Chairman, I yield such time as he may consume to the gentleman from Iowa (Mr. BEDELL).

Mr. BEDELL. Mr. Chairman, I rise in support of H.R. 1646, the Railroad Solvency Act of 1983. This legislation is based upon an agreement reached by railroad labor and management which was finalized on February 22, 1983.

The railroad retirement system currently faces severe financial problems. During the past few years there has been a precipitous decline in railroad employment—a reported decrease from 510,000 in August of 1981 to 388,000 in January of this year. This large, unexpected drop in rail employment has reduced the payroll tax revenues flowing into the retirement system.

On February 18 the Railroad Retirement Board issued a report to Congress confirming the serious cash shortfalls the system is facing. The Board indicated that, if corrective action is not taken, as a result of these shortfalls, tier II retirement benefits

will have to be reduced by 40 percent as of October 1, 1983, and by 80 percent as of October 1, 1984. We cannot allow this to happen.

The bill before us today seeks to improve the solvency of the railroad pension system and the railroad unemployment compensation program. The primary goal of H.R. 1646 is to assure a sound pension system for both present and future retirees of the railroad industry. This goal will be accomplished by this comprehensive plan containing benefit modifications, tax increases, improvements in borrowing authority, and repayment of money owed to the railroad retirement account.

H.R. 1646 is not an ideal solution; not every element of the package is absolutely perfect. But it will move us toward the goal of restoring railroad retirement to a firm financial footing. The people of northern Iowa, through hundreds of letters and phone calls to me, have made it quite clear that they support this action. The present and future railroad retirees in my district deserve to be assured that the railroad retirement checks they have earned by their hard work continue to come—now and in the future.

I certainly share my constituents' support for long overdue action to build a strong financial foundation for the retirement system. Thousands of men and women have spent their working lives in the railroad industry, an industry which has helped—and continues to help—build a strong America. Their future retirement is at stake, and we must not fail them.

Finally, I want to comment on the concern some have raised about the Federal Government shouldering the financing of a pension and unemployment system of a single industry. I believe this is a legitimate concern, and I am pleased to see that the actions taken by the Ways and Means and Energy and Commerce Committees address these concerns in a responsible manner.

Again, by taking sensible and fair action today, we will help bring the railroad retirement system back to financial health, not only to ensure that benefits continue to be paid to those who are presently retired, but so that the men and women working in the railroad industry regain confidence in the system and are assured that retirement benefits will be available to them when they retire in coming years.

I commend the commitment expressed by the committees in the House with jurisdiction over H.R. 1646 for their prompt action and urge my colleagues to support this much needed legislation.

Mr. ROSTENKOWSKI. Mr. Chairman, I yield 1 minute to the gentleman from Ohio (Mr. PEASE).

Mr. PEASE. Mr. Chairman, I rise briefly to commend the members of the Energy and Commerce Committee and the members of the Ways and Means Committee, on which I serve, for the work on this bill.

It seems to me that this is a good example of cooperation at its best which hopefully will alleviate, with its passage and signature by the President, the concerns of many, many railroad retirees that I have heard about imminent reductions in their pensions.

I think we owe these people some reassurance that their pensions will not be cut.

Again, I commend our committee and the Energy and Commerce Committee for its good work on the bill.

Mr. ROSTENKOWSKI. Mr. Chairman, I reserve the balance of my time.

Mr. CONABLE. Mr. Chairman, I yield 1 minute to the gentleman from Nebraska (Mr. BEREUTER).

Mr. BEREUTER. Mr. Chairman, I rise in support of this legislation.

I would like to commend the leadership and the members of the two committees for bringing us H.R. 1646. The parties involved are diverse, the issue is complex, but I think that at least in the short term we have a product that seems to be satisfactory to most reasonable parties.

I particularly want to associate myself with the remarks of the gentleman from Pennsylvania (Mr. RIDGE) with respect to his comments on unemployment compensation.

□ 1810

Again, I congratulate the parties involved, and I ask the Members to support this legislation.

Mr. CONABLE. Mr. Chairman, I yield 1 minute to the gentleman from Texas (Mr. FIELDS).

Mr. FIELDS. Mr. Chairman, I rise in support of H.R. 1646, the Railroad Retirement Solvency Act of 1983. I am pleased the House is finally considering this important legislation so that the hard-earned benefits of our Nation's railroad retirees will be protected from the threat of a 40-percent reduction beginning October 1 of this year. The October 1 deadline for some legislative action is in fact drawing very near and for many of us who are most concerned about protecting railworkers and retirees, I am satisfied with the work of both the Energy and Commerce Committee and the Ways and Means Committee. As a member of the Energy and Commerce Committee I know of the long, hard hours of work which went into this delicately balanced legislative package.

Since early this year when the Railroad Retirement Board reported to Congress pursuant to section 22 of the Railroad Retirement Act that tier II benefits would be reduced by 40 percent beginning in fiscal year 1984, many of us have been working diligently and expeditiously to come up with an acceptable legislative package to address this situation. I believe H.R. 1646 resolves the short-term threat of a tier II benefit reduction as early as October while at the same time this legislation restructures the railroad retirement system to assure long-term financial security for this program. In light of the demographic changes in the railroad industry of late, I believe the structural changes incorporated into H.R. 1646 go a long way toward guaranteeing economic solvency for this program.

Mr. Chairman, I am particularly pleased with the amendment to be offered on the so-called 60/30 provision and plan to support this amendment. One of the original provisions of the initial rail labor and management agreement was an immediate reduction in tier I benefits of those individuals who have at least 30 years service in the railroad industry but who have not yet reached the age of 62. Current law provides that an individual with 30 years of service could retire at age 60 with full benefits. This 60/30 provision most directly and adversely affects those who are close to retirement age and is undoubtedly one of the most emotionally charged topics of this entire debate. We all know the long years of planning and calculation which goes into an individual's decision to retire. Plans must be made for not only everyday living expenses but unanticipated expenses must also be taken into account. And so it is with the thousands of railroad workers who are planning to retire in the near future.

The amendment to be offered will provide for a longer and smoother transition for the scheduled change in 60/30. Instead of taking effect immediately, this change will be phased in over 18 months beginning July 1, 1984, and will not take full effect until January 1986. I am pleased with this amendment and believe it goes a long way toward buffering those railroad workers planning to retire in the next couple of years. Although I would have preferred no change at all in the 60/30 provision, I feel the approach taken in this amendment is the most fair of all those considered. Further, this new 60/30 provision will provide younger railworkers with more time to adequately plan for their own retirement, thus minimizing the overall economic impact of this legislation.

Mr. Chairman, in summary I commend everyone involved in the development of this legislation and hope that the Senate will act quickly on their version of this legislation so we in Congress can assure the thousands of railworkers and retirees that we are committed to protecting their retirement system.

Mr. CONABLE. Mr. Chairman, I yield 1 minute to the gentleman from California (Mr. LEWIS).

Mr. LEWIS of California. I thank my colleague for yielding.

Mr. Chairman, I rise in strong support of this measure.

I want to first congratulate the chairman and the ranking minority Member for dealing with one of the toughest areas of legislation that there is. The pension field, to say the least, is a complex one. My district in southern California involves communities such as Needles, Barstow, and San Bernardino, where railroad workers are among the most important of our constituency. If the social security issue was significant, indeed this issue is just as significant to those people who are depending upon the promises made in these programs for their futures. Indeed, it is clear that government has played a role in some of the problems here. Interfund borrowing, the way we use those moneys, the lack of rules that apply to private sector pensions are only pieces of the very complex puzzle.

I want to commend the committee for a very, very fine job in attempting to really bail out a very difficult circumstance.

Mr. RITTER. Mr. Chairman, I rise in support of H.R. 1646, the Railroad Retirement Solvency Act of 1983. This bill is of great importance to nearly 1 million railroad retirees throughout this country who are heavily dependent on the railroad retirement pension system and the benefits they receive from the system.

In my own district, Pennsylvania's Lehigh Valley, there are several hundred rail retirees who are extremely concerned about the impact on the system should Congress not enact legislation to make the system a financially healthy one. We need to enact H.R. 1646 today to insure that these retirees who have contributed to the system all their lives are not forced to accept a 40-percent reduction in their pensions this year and an 80-percent reduction in their pensions in 1984.

This bill is by no means perfect. It calls for higher taxes on employers, employees, and retirees. It also calls for the Federal Government to contribute about $2 billion to the system over the next 4 years to keep the system afloat. It is not the ideal bill for either rail labor, management, or the administration. However, it appears to be a bill which we can all live with. It is a consensus bill. It addresses my greatest concern, the financial integrity of the railroad retirement system which protects rail retirees within my district and across the country.

It is my hope that in the future, Congress will try to improve the financial integrity of the system for future retirees by examining ways which will ease some of the Federal restrictions that were placed on the railroad retirement system since the 1930's. Earlier this year in a hearing before the Subcommittee on Commerce, Transportation, and Tourism, on which I serve, Mr. Fred Hardin, president of the UTU, told me that if the Federal Government had not taken such an active role in regulating the retirement system it could have purchased income property and made other investments to insure the system's financial integrity over the years. It may be wise for us in the future to loosen some of these restrictions which we have put on the railroad retirement system so that it can invest in the private sector, and see a greater return on its investment. It is possible that if the Government had not placed such prohibitive restrictions on the system, and allowed the railroad retirement system to invest like other pension funds, the action we are taking today which raises taxes on employees and retirees would not have been necessary.

Again, I urge my colleagues to support H.R. 1646. It is a bill that keeps the retirement system for railroad retirees solvent. That is good for the country.

Mr. HUBBARD. Mr. Chairman, I rise today in support of the Railroad Retirement Solvency Act of 1983. Passage of this legislation is urgently needed. As we know, if enacted this legislation will rescue the railroad retirement system in the same way that the social security system had to be rescued, and it will also prevent a 40-percent cut in pension benefits scheduled to begin in October 1983.

Mr. Chairman, I have many constituents who are railroad employees and railroad retirees. This legislation is extremely important to them and to their families. It is for this reason that I cosponsored H.R. 1646, the original bill.

Both H.R. 1646 and the substitute amendment, H.R. 3619, have been carefully reviewed and endorsed by both railroad labor and management as the best means to resolve the critical problems with which the railroad retirement fund is faced.

In addition, both the Committee on Energy and Commerce and the Committee on Ways and Means have carefully considered this legislation. They have brought before the House the compromise bill, H.R. 3619, which is acceptable to railroad labor and management.

Therefore, for the benefit of railroad employees and retirees throughout the Nation, I urge my colleagues to vote "Yes" to the Railroad Retirement Solvency Act of 1983.

Mr. GILMAN. Mr. Chairman, I rise in support of H.R. 1646, the Railroad Retirement Solvency Act of 1983. This measure is a complex one that required much deliberation and discussion in order to insure its solvency. The legislation averts the cuts in benefits slated to take effect on October 1, 1983, because of lack of funds. H.R. 1646 is designed to raise revenues by several billion dollars over the next 5 fiscal years, primarily from increases in payroll taxes paid by both the employee and employer.

There are many complicated provisions of this legislation; provisions which will insure the solvency of the system brought about by hard work and compromise on the part of all the participants in fashioning this bill.

The tier II benefit COLA will be deferred for 6 months, as was the case with the COLA under the Social Security Act Amendments, and will take effect on January 1984. H.R. 1646 repeals the authority for the railroad unemployment program to borrow funds from either the retirement account or from the Federal unemployment insurance trust fund, and modifies the 60/30 benefit provision.

The Congressional Budget Office estimates that this measure will result in increases in unified budget revenues of $140 million in fiscal year 1984, $636 million in fiscal year 1985, and over $1 billion per year in fiscal years 1986 to 1988. Having been considered by both the Committee on Energy and Commerce as well as the Committee on Ways and Means, I am confident that H.R. 1646 is a viable means for seeking the solvency of a retirement system that is so vital to many of my constituents. Accordingly, Mr. Chairman, I urge prompt passage of this legislation by my colleagues.

Mr. MORRISON of Connecticut. Mr. Chairman, I rise in support of the Railroad Retirement Solvency Act of 1983. This legislation is needed if we are to avoid a drastic reduction in benefits on October 1 of this year.

H.R. 1646 will not please everyone. It is, however, a fair compromise of the interests at stake. The bill would require each of the major participants—retirees, management, current workers and the Federal Government—either to give up some benefits or pay a little more in order to maintain the financial soundness of the system. I believe that this is a reasonable response since each of these groups benefits substantially from the existence of a reliable pension system and no one group can afford to bear the burden of the funding shortfall which will occur without some change.

I want to commend the chairman of the subcommittee, Mr. FLORIO, for putting together a bill that has the support of railroad management and the majority of labor unions representing the workers. The retirees of my district have made it clear to me that they also support this legislation.

I also want to thank the chairman for moving to protect the immediate interests of railroad workers who were about to retire under the 60/30 benefit

rules. As originally proposed, the bill would have required a 20-percent reduction in the 60/30 benefit, effective July 1, 1983. The Florio amendment protects workers who are about to retire by keeping the present 60/30 benefit for persons eligible to retire on or before June 30, 1984. As amended, the bill provides for a 10-percent reduction in early retirement benefits for persons eligible to retire from July 1, 1984, through December 31, 1985. The full 20-percent reduction will not take effect until January 1, 1985. This is a substantial improvement over the original bill.

I urge my colleagues to support this important legislation.

● Mr. MONTGOMERY. Mr. Chairman, I rise in support of the Railroad Retirement Solvency Act and would like to commend the Ways and Means Committee and Energy and Commerce Committee for the very hard work they have put into the legislation and for the compromise they have brought to us for consideration.

While I feel sure that the parties affected by this legislation will not be totally pleased with every single provision of the measure, I do feel the bill represents an important step forward in assuring the financial stability of the railroad retirement fund.

The bill will require some sacrifices, not unlike the sacrifices required in the social security legislation earlier this year, but it will also assure our railroad retirees of earned benefits during their retirement years.

Mr. Chairman, I hope my colleagues will support this legislation and that it will be passed by the House.●

● Mr. MATSUI. Mr. Chairman, I am most pleased to rise in support of H.R. 1646, the Railroad Retirement Solvency Act of 1983. Without this legislation, railroad retirees would face a 40-percent reduction in their tier 2 benefits on October 1, 1983. This measure contains other important provisions, which make needed changes in the railroad unemployment compensation system.

I am supporting this bill for the fundamental reason that it ends the yearly guessing game that railroad retirees have faced about the level of their pension benefits since the enactment of the Reagan administration's budget in 1981. H.R. 1646 reaffirms that railroad employees and retirees are entitled to pension certainty.

H.R. 1646 represents a compromise worked out between rail labor and management, and the Reagan administration. The legislation imposes new taxes on rail employers and employees, accelerates employer payroll tax deposits to conform with recent modifications in social security laws, and taxes windfall and tier 2 benefits as a private pension depositing the proceeds into the railroad retirement account. In addition, H.R. 1646 requires the Railroad Retirement Board to submit an annual report on the financial status of the railroad retirement system along with any recommended financing changes to the Ways and Means Committee.

As a member of the Ways and Means Committee, I worked aggressively to insure that a fair and equitable solution was reached to avert this pension crisis. The final recommendations of the Ways and Means Committee, as endorsed by rail labor and management, are responsible and deserve the support of the House.●

● Mr. ROGERS. Mr. Chairman, I rise today in support of the Railroad Retirement Solvency Act. And I would like to begin by commending my colleagues on the Energy and Commerce Committee and the Ways and Means Committee, and especially the leadership of these committees for their prompt action on this vitally important legislation.

Mr. Chairman, over the past half year, scarcely a day has gone by when I have not found several letters on my desk sent by railroad retirees in my district. The handwriting on these letters varied, the postmarks on the envelopes varied—but there was one message that came through every last one of these letters.

In letter after letter, they made their plea. These railroad retirees told me how hard it already was for them to make ends meet. They told me how important their annuities were—how they and their families were counting on these annuity checks to pay the bills, buy the groceries, and keep a roof over their heads. They asked me to do everything in my power to help keep their benefits safe and to prevent these crippling cuts in their benefits.

And Mr. Chairman, for every last one of these railroad retirees who listens for the news each day, waiting to find out whether his benefits will be cut, for every last one of these retirees who has such a reasonable demand to make, I would like to present their message to the U.S. Congress.

Mr. Chairman, there are parts of this legislation which some of my colleagues might like better than others. I know some of my colleagues are concerned about the dual benefits and other long-term problems in the system. And there are many of us who would have preferred to have avoided tax increases on these benefits or raising the retirement age to qualify for full benefits. But Mr. Speaker, on behalf of my constituents, constituents who probably would not be able to keep body and soul together if they were to suffer a 40-percent cut in their annuities, I urge you to bury your differences and to adopt the legislation we have before us today. The committees have done a good job in working with labor and management to develop a compromise solution. And it is the only way we have to prevent a devastating cut in retirement benefits. And across our land, there are 1 million, yes, that is 1 million railroad retirees who are waiting for us to do the responsible and right thing and save their benefits.

I would also like to point out to my colleagues that railroad retirement benefits are not gifts—they are benefits which have been earned by our retirees by hard work over the course of many years. And if they were to suffer that 40 percent cut, it would be through no fault of their own.

The primary cause of the financial problems facing the railroad retirement system stems from the recession—which has led to a drop in railroad employment from 510,000 in August of 1981 to 388,000 as of last January. This drop in employment has meant that fewer workers were paying into the fund, so tax revenues flowing into the retirement system have been dropping. Making the problem worse, with the hard times, more workers have decided to retire early, so we have been paying more out from the fund for benefits. And for all these reasons, along with the depletion of the fund for unemployment benefits, the retirement fund has been drawn down to dangerous levels, until we have reached the point where there would not be enough money to pay for the benefits in fiscal year 1984 unless we take strong legislative action.

And Mr. Chairman, the bill before us today is the strong action we need to save railroad retirement benefits.

Mr. Chairman, from McCreary County to Pulaski County, from Harlan County to Whitley County, railroad retirees in my district have sent me a message which I would like to repeat to my colleagues here today: Railroad retirement benefits have been earned by our retirees, railroad retirement benefits are needed by our retirees, and railroad retirement benefits should be protected by our Congress. I urge my colleagues to join with me today in taking the fair and responsible action we need to take, and vote in favor of the Railroad Retirement Solvency Act.●

● Mr. MARLENEE. Mr. Chairman, I rise today in support of the railroad retirement system. For railworkers this is an emotional issue akin to that of social security. We in Congress must take steps to insure a solvent railroad retirement system. This is not the time to debate the higher question of whether or not there should be such a system. No, this is a bread and butter issue, and without immediate action, we will cause railroad retirement tier 2 benefits to be cut 40 percent in October. If we do not act now to solve the financial problems of the system we will throw 991,000 retirees, of which 81 percent are 65 or older,

into confusion and undeserved financial despair.

Granted, this bill is not perfect: I specifically would have preferred to see a greater phase-in of a change in the 60/30 (full retirement benefits after reaching 60 years of age with 30 years of service). I have 7,265 railworkers in my State between 50 and 60 who have made retirement plans based on the promise of full retirement benefits. It is unfortunate we have to pull the rug out from under these workers in our effort to save the whole system.

This bill asks sacrifices from workers, retirees, industry, and the taxpayer. It gives us time to reexamine the railroad retirement system without a crisis hanging over us. I urge my colleagues on both sides of the aisle to take this opportunity to monitor the system to avoid these crisis situations in the future. It is inexcusable for retirees, their survivors and dependents to fear a loss of income and to experience reductions in income in the future.

I support this bill, and I hope it will be the beginning of a new relationship between Congress and railroad retirees. We owe them this dignity.●

● Mr. BROWN of California. Mr. Chairman, we all know that the railroad retirement system is in trouble. Declining employment levels have reduced revenues to the system and exacerbated its deficit. According to legislation passed in 1981, benefits for retirees will have to be reduced by 40 percent in order to bring disbursements in line with available funds. The agreement we are considering today—which includes benefit cuts, tax increases, and the taxation of industry pensions—is a commendable effort by the rail industry to achieve a bittersweet solution to save its retirement system.

No one likes benefit cuts or cost-of-living delays and no one likes tax increases. But the nature of the problem is such that without these corrective measures, we face a much worse dilemma. I believe we owe the hundreds of thousands of railworkers the peace of mind that comes from knowing that drastic benefit cuts are not on the horizon; the peace of mind that comes from seeing that their years of long, hard work will result in promised retirement benefits.

This legislation is a good example of a cooperative approach to solving a complex and difficult problem. Between rail labor, management, industry, and the respective committees in the House, a solution which addressed immediate and long-term solvency of the railroad retirement system has been achieved. I would hope that if the rail industry is willing to take this bitter pill as a cure to its retirement ills, the House will do the same.●

● Mr. SEIBERLING. Mr. Speaker, I rise in support of the amendment offered by Mr. FLORIO. I want to commend him and the gentlewoman from Colorado for their efforts to rid the statute books of laws which unjustly deprive women of their pension rights. Many women in this country owe them both a deep debt of gratitude for their persistence.

Mr. Chairman, this amendment was made necessary by a 1979 Supreme Court decision which overturned a unanimous California Supreme Court ruling in the case of Hisquierdo against Hisquierdo. Jess Hisquierdo sued his wife Angela for divorce in 1975, after 14 years of marriage, during which she was a homemaker and he a worker for the Atchison, Topeka & Santa Fe Railway. The California Supreme Court ruled unanimously that Mrs. Hisquierdo was entitled as a matter of ownership under California's community property laws to half his pension benefits attributable to his labor during their marriage. The U.S. Supreme Court revised that decision, holding that section 14 of the Railroad Retirement Act protects railroad retirement benefits from legal process "notwithstanding any other law * * * of any State."

I have introduced legislation since 1979 to overturn the Hisquierdo decision. It seems outrageous to me to argue that Congress intended to deprive a former spouse of the pension benefits she contributed to by her labors in the home. Marriage is an economic partnership, and I frankly think Congress should recognize that fact by establishing joint worker-spouse ownership of Federal pensions. At the very least, we should not frustrate the laws of those eight States which have already established a community property interest in pension benefits.

Mr. Chairman, this amendment will not mean any additional expense for either the Federal Government or the railroad retirement system. In fact, it will probably mean a savings of tax dollars, since some women who lost pension benefits by laws such as this have had to turn to welfare for subsistence. In addition, the amendment has been carefully crafted to affect only the tier II portion of railroad retirement benefits, leaving unaffected the social security portion of these benefits. Finally, the amendment does not itself order the division of pension benefits; it simply says that the Railroad Retirement Board must comply with court-approved separation agreements, divorce decrees, and property settlement agreements. In so doing, the amendment takes the Federal Government out of the area of domestic relations, where it has never been and does not belong.

Mr. Chairman, I urge the adoption of this amendment.●

● Mr. BOUCHER. Mr. Chairman, I rise in support of H.R. 1646, legislation to reform the railroad retirement system and to prevent the massive reduction in benefits to current retirees that will be required without immediate passage of reform legislation.

Since 1981, railroad employment has decreased 34 percent. This massive drop in employment has drained the railroad retirement system of revenues required to finance benefits for existing retirees. Under current law, the system will be forced into balance through benefit cuts as high as 40 percent absent comprehensive reform of the tax and benefit structure.

In response to this threat, rail labor and rail management joined together to construct a reform package which protects benefits to the greatest extent possible and which would be financially acceptable to the railroads themselves. The result of these negotiations was legislation reported by both the House Energy and Commerce Committee and the Ways and the Means Committee.

The basic provisions of the reform package include increases in payroll taxes for both employers and employees, a 6-month delay in the cost-of-living adjustment for retirees, and an increase in the age at which railroad employees may retire with full benefits after 30 years of service.

During House consideration of the Social Security Act amendments earlier this year, I strongly opposed both the delay in COLA for retirees and the increase in the retirement age mandated by the amendment offered by Mr. PICKLE of Texas; I voted against final passage of the social security bill largely because of these two provisions.

Absent the support of both railroad employees and railroad retirees for the provisions of H.R. 1646, I would have severe reservations concerning its provisions which delay the COLA for retirees and which increase the retirement age for workers. Because of the impending 40 percent reduction in benefits that would occur without the passage of this legislation, however, and because railroad employees and retirees are united in their support of H.R. 1646, including these provisions, I intend to vote for final passage of this legislation.

Protecting the retirement benefits of all Americans, whether they receive social security, Federal retirement, railroad retirement, military retirement, or benefits from a private pension plan is one of the most important responsibilities of Congress. Where commitments have been made, commitments must be honored. Where changes must be made, as is the case in the railroad retirement system, every effort must be made to protect the benefits of retirees and to secure the support of those retirees for the changes in benefits.

Contrary to the constructive efforts of the labor-management committee to agree on a retirement-reform package, President Reagan has proposed massive changes in the retirement system that would be particularly harmful to retirees. In his budget proposal for fiscal year 1984, the President reaffirmed his 1983 position but indicated that he would accept a straight 17-percent reduction in tier 2 benefits affecting more than 1 million railroad retirees.

In contrast to the President's proposal, H.R. 1646 is a carefully balanced package designed to protect the benefits of current retirees, to assure benefits to future retirees, and to work within the financial constraints these difficult times have imposed on the railroads themselves.

I commend Chairman DINGELL of the Energy and Commerce Committee, Chairman ROSTENKOWSKI of the Ways and Means Committee, and those members of rail labor and rail management negotiating teams who contributed to this delicate compromise.●

● Mr. PURSELL. Mr. Chairman, as the House considers this legislation, I would like to share several comments offered by rail employees in my congressional district. These individuals have called to my attention concerns with proposed changes in the so-called 60/30 benefit schedule. Under current law, rail employees with 30 years of service are eligible to retire with full retirement benefits at the age of 60. In many instances, retirement plans often precede by several months actual retirement from employment. This means, for example, that a rail employee approaching the age of 60 may begin planning his or her retirement at age 59.

I fully realize the serious condition of the current railroad retirement system. Without corrective action, hundreds of thousands of current rail retirees will experience drastic benefit reductions. The legislation before the Congress corrects the deficiencies of both the railroad unemployment compensation account and the railroad retirement system. One such correction comes in the 60/30 benefit structure. Under H.R. 1646, provides that employees who retire before age 62, and after age 60, will receive a monthly tier I flat rate of $550. This amount will be indexed for wage increases for those who begin receiving annuities under the 60/30 requirement in subsequent years. Railroad employees retiring after the age of 62 are unaffected by this provision. I am concerned by this change because it allows no time for those very close to retirement age to adjust their retirement plans. It would have been far more to my liking to have changes in the 60/30 system phased in 6 months at a time. Under this type of procedure, employees close to retirement would be able to better adjust to the changes proposed here today.●

● Mr. BLILEY. Mr. Chairman, I rise in support of the Railroad Retirement Solvency Act on behalf of the many Richmond-area residents who are railroad retirees and employees. For them, this legislation, which guarantees a retirement system they have paid for and been promised, is every bit as important as the social security rescue plan we passed this spring.

Without this legislation, thousands of railroad retirees in the Richmond area would face a 40-percent reduction in their benefits in only 2 months. Such a reduction in the retirement benefits they worked so hard for would be through no fault of their own, but due to poor planning by actuaries and a generally poor economy. Such a reduction is, quite simply, unacceptable.

This legislation was worked out through a remarkable process of cooperation between rail labor, management, and the administration. The bill provides for very modest adjustments in benefits, similar to those enacted in the social security rescue plan. It provides for reasonable tax increases so that the railroads themselves and their employees will bear most of the burden of this plan. And, the bill does this without placing unreasonable burdens on other taxpayers and the General Treasury.

With this legislation, the railroad retirement system should remain solvent, and benefits continue being paid, for the foreseeable future. But even in the event that we are wrong, this bill makes an important change. Never again will we hold retirees hostage to funding problems they did not create, for this bill will eliminate the unfair automatic benefit reduction which today threatens the security of retirees who depend on these benefits as their only income. Instead, the Railroad Retirement Board will be charged with the responsibility of preparing annually 5-year projections for income and expenses. If those projections are unbalanced, the board will have to report to Congress with suggestions to solve the problems. Thus retirees will never again be faced with a threat of a 40-percent or greater benefit cut, and Congress will not have to legislate in a crisis atmosphere.

Finally, this plan will guarantee those still working for America's railroads that their retirement will be comfortable and secure.

I believe the railroad employees and management should be commended for coming forward with this very fair and reasonable plan, and I urge my colleagues to support its passage.●

● Mrs. COLLINS. Mr. Speaker, I rise in support of H.R. 1646, the Railroad Retirement Solvency Act.

In the past few years, as Chairwoman of the House Government Operations Committee on Manpower and Housing, I have chaired numerous hearings on the operations of the Railroad Retirement Board.

I am deeply aware of the kinds of aggravations the annuitants and dependents of the RRB constantly face. The legislation which we are addressing today will go a long way toward increasing the financial security of RRB dependents. Unfortunately, this bill is not the final step. Until the RRB begins offering the same level of service as is offered by Social Security, true parity will not exist. RRB beneficiaries will still be shortchanged.

In 1981, hearings held by my subcommittee demonstrated that the RRB field-office stucture is outmoded. RRB field offices are not equipped to handle many beneficiary services. RRB field personnel are not adequately trained. Communication between offices and the main office in Chicago are antiquated, causing beneficiaries to wait for weeks for answers to questions of critical importance.

In fact, Mr. Chairman, the Board still clings to the outmoded idea of "intinerant" offices, where beneficiaries have to meet RRB personnel at their local post office, for example, for service. While almost all insurance companies have "800" telephone numbers for toll-free calls to assist beneficiaries, the Board had yet to install toll-free customer service. Rather beneficiaries are given schedules of traveling RRB personnel in their area. The Board representative might be at the local Federal office building one day every 2 weeks, or he might stop at the post office to answer questions or deliver forms. The RRB would rather their annuitants did not call the local RRB office. Rather, they want to provide face-to-face contact.

Likewise when the local RRB office needs to transfer or receive records to or from central office, the material might travel by mail. The records themselves might be compiled by hand.

The Railroad Retirement Board has dragged its feet on the issue of modernization of equipment and procedure. Computerization and automation have been slow. The Board has ignored technological advancements which would have made the Board's operation more efficient and thorough.

I suggest that part of the reason for the short-sightedness of the agency has been the financial turmoil it has faced for the past 20 years. I know from conversations I have had with Board personnel that planning in the Board has been minimal and that upheavals in the funding and benefits structure have cost the Board dearly. For example, the process the RRB needs to follow when adjustments are made to beneficiary qualifications can

immobilize the Board's computers for months.

This is simply not the way to run as important an agency as the Railroad Retirement Board, which is the financial lifeline for hundreds of thousands of people. We have to rescue the Board once and for all.

We have got to demand that the Board be professionally run, with state-of-the-art procedures, and with permament identity.●

Mr. CONABLE. Mr. Chairman, I yield back the balance of my time.

Mr. ROSTENKOWSKI. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. All time has expired.

Pursuant to the rule, the bill is considered as having been read for amendment under the 5-minute rule.

It shall be in order to consider an amendment in the nature of a substitute consisting of the text of H.R. 3619, which shall be considered as having been read for amendment, in lieu of the amendments recommended by the Committees on Energy and Commerce and Ways and Means, now printed in the bill.

No amendments are in order to the bill or the said substitute except the following, which shall not be subject to amendment except as herein specified:

First, amendments recommended by the Committees on Energy and Commerce and Ways and Means; second, the amendment printed in the CONGRESSIONAL RECORD of July 25, 1983, by, and if offered by, Representative FLORIO or Representative SCHROEDER inserting a new section 419 in said substitute; third, the amendment printed in the CONGRESSIONAL RECORD of July 25, 1983, by, and if offered by, Representative PICKLE to said substitute, which shall be subject to the amendment printed in the CONGRESSIONAL RECORD of July 25, 1983, by and if offered by, Representative FLORIO; and fourth, amendments printed in the CONGRESSIONAL RECORD of July 26, 1983, by Representative RIDGE and if offered by Representative FLORIO or Representative ROSTENKOWSKI.

The Clerk will designate the amendment in the nature of a substitute.

The text of the amendment in the nature of a substitute is as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

H.R. 3619

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Railroad Retirement Solvency Act of 1983".

TITLE I—BENEFIT ADJUSTMENTS

SEC. 101. (a) Section 3(a) of the Railroad Retirement Act of 1974 is amended—

(1) by amending subdivision (2) to read as follows:

"(2) For purposes of this subsection, individuals entitled to an annuity under paragraph (iv) or (v) of section 2(a)(1) of this Act shall be deemed to be entitled to a disability insurance benefit under section 223 of the Social Security Act."; and

(2) by adding at the end thereof the following new subdivision:

"(3) In lieu of an annuity amount provided under subdivision (1), the annuity of an individual entitled to an annuity under paragraph (ii) of section 2(a)(1) of this Act which begins to accrue before the individual attains age 62 shall be in an amount equal to—

"(i) for each month prior to the first month throughout which the individual is age 62, a monthly rate of $550 in the case of an individual whose annuity begins to accrue before January 1, 1984, or, in the case of an individual whose annuity begins to accrue on or after January 1, 1984, the monthly rate applicable in the calendar year before the calendar year in which the individual's annuity begins to accrue multiplied by the ratio of (A) the average of the total wages (as defined in regulations of the Secretary of the Treasury and computed without regard to the limitations specified in section 209(a) of the Social Security Act or section 3(j) of this Act) reported to the Secretary of the Treasury or such Secretary's delegate for the calendar year two years before the calendar year in which the individual's annuity begins to accrue to (B) the average of the total wages (as so defined and computed) reported to the Secretary of the Treasury or such Secretary's delegate for the calendar year three years before the calendar year in which the individual's annuity begins to accrue, with such product, if not a multiple of $1, being reduced to the next lower multiple of $1; and

"(ii) for months beginning with the first month throughout which the individual is age 62, the amount (after any reduction on account of age but before any deductions on account of work) of the old-age insurance benefit to which such individual would have been entitled under the Social Security Act if all of such individual's service as an employee after December 31, 1936, had been included in the term 'employment' as defined in that Act.".

(b) Section 4(a) of the Railroad Retirement Act of 1974 is amended—

(1) by striking out "spouses" in subdivision (2) and inserting in lieu thereof "if an individual is entitled to an annuity under paragraph (ii) of section 2(a)(1) of this Act which did not begin to accrue before such individual attained age 62, the spouse of such individual"; and

(2) by adding at the end thereof the following new subdivisions:

"(3) In the case of an individual entitled to an annuity under section 2(a)(1)(ii) of this Act which began to accrue before such individual attained age 62, the annuity of the spouse of such individual under section 2(c) of this Act shall, in lieu of an annuity amount provided under subdivision (1), be in an amount equal to—

"(i) for each month prior to the first month throughout which both the individual and the spouse are age 62, 50 per centum of that portion of the individual's annuity as is, or was prior to such individual's attaining age 62, computed under section 3(a)(3)(i) of this Act, reduced to the same extent such amount would be reduced under section 202(b)(4) of the Social Security Act (in the case of a wife) or under section 202(c)(2) of the Social Security Act (in the case of a husband) as if such amount were a wife's insurance benefit or a husband's insurance benefit, respectively, under such Act; and

"(ii) for months beginning with the first month throughout which both the individual and the spouse are age 62, the amount (after any reduction on account of age based on the spouse's age at the time the amount under this paragraph first becomes payable but before any deductions on account of work) of the wife's insurance benefit or the husband's insurance benefit to which such spouse would have been entitled under the Social Security Act if the individual's service as an employee after December 31, 1936, had been included in the term 'employment' as defined in that Act.

"(4) In the case of an individual entitled to an annuity under paragraph (iv) or (v) of section 2(a)(1) of this Act, the annuity of the spouse of such individual entitled to an annuity under section 2(c)(1)(ii)(B) of this Act shall, in lieu of an annuity amount provided under subdivision (1), be in an amount equal to the amount (after any reduction on account of age but before any deductions on account of work) of the wife's insurance benefit or the husband's insurance benefit to which such spouse would have been entitled under the Social Security Act if the individual's service as an employee after December 31, 1936, had been included in the term 'employment' as defined in that Act. For purposes of this subdivision, spouses who have not attained age 62 shall be deemed to have attained age 62.".

(c) The amendments made by this section shall become effective on July 1, 1983, and shall apply only with respect to awards in cases where the individual's application was filed on or after that date or where the individual's annuity under section 2(a)(1) of the Railroad Retirement Act of 1974 began to accrue on or after that date.

SEC. 102. (a) Section 3(g) of the Railroad Retirement Act of 1974 is amended to read as follows:

"(g)(1) Effective with the date of any increase after January 31, 1984, in monthly insurance benefits under the Social Security Act which occurs, or which would have occurred had there not been a general benefit increase under that Act, pursuant to the automatic cost-of-living provisions of section 215(i) of that Act, that portion of the annuity of an individual which is computed under subsection (b) of this section shall, if such individual's annuity under section 2(a)(1) of this Act began to accrue on or before the effective date of a particular increase under this subdivision, be increased by 32.5 per centum of the percentage increase in the index which is used, or which would have been used had there not been a general benefit increase under the Social Security Act, in increasing benefits under the Social Security Act pursuant to the automatic cost-of-living provisions of section 215(i) of that Act. Any increase under this subsection shall not be deferred and shall be reflected in all payments made to annuitants after such increase under this subsection becomes effective.

"(2) The first and, if necessary, the following time or times after January 1, 1983, that monthly insurance benefits under section 202 of the Social Security Act are increased, that portion of the annuity of an individual which is computed under subsection (b) of this section as increased under subdivision (1) of this subsection shall, if such individual's annuity under section 2(a)(1) of this Act began to accrue in or before the year in

which such first increase under the Social Security Act became effective, be reduced by the dollar amount by which that portion of the annuity provided such individual under subsection (a) of this section was increased, after any reduction under subsection (m) of this section, as a result of such increase or increases under the Social Security Act until the total dollar amount of such reduction or reductions equals 5 per centum of the annuity amount provided such individual under subsection (a), as reduced under subsection (m), prior to such first increase. In no case shall the reduction by reason of this paragraph operate to reduce such portion to an amount less than $10.".

(b) Section 4(d) of the Railroad Retirement Act of 1974 is amended—

(1) by inserting "(1)" after "(d)";

(2) by striking out "3(g)" and inserting "3(g)(1)" in lieu thereof; and

(3) by adding at the end thereof the following new subdivisions:

"(2) That portion of the annuity of the spouse of an individual as is determined under subsection (b) of this section prior to any determination under subsection (c) of this subsection shall, if the annuity of such spouse is not subject to reduction under subdivision (3) of this subsection, be reduced by an amount equal to 50 per centum of the dollar amount by which the annuity of the individual was reduced under section 3(g)(2) of this Act. In no case shall the reduction by reason of this paragraph operate to reduce such portion to an amount less than $10.

"(3) The first and, if necessary, the following time or times after January 1, 1983, that monthly insurance benefits under section 202 of the Social Security Act are increased, that portion of the annuity of the spouse of an individual as is determined under subsections (b), (c), and (d)(1) of this section shall, if such spouse's annuity under section 2(c) of this Act began to accrue in or before the year in which such first increase under the Social Security Act became effective, be reduced by the dollar amount by which that portion of the annuity provided such spouse under subsection (a) of this section was increased, after any reduction under subsection (i) of this section, as a result of such increase or increases under the Social Security Act until the total dollar amount of such reduction or reductions equals 5 per centum of the annuity amount provided such spouse under subsection (a), as reduced under subsection (i), prior to such first increase. In no case shall the reduction by reason of this paragraph operate to reduce such portion to an amount less than $10.".

(c) Section 4(g) of the Railroad Retirement Act of 1974 is amended—

(1) in subdivision (1), by inserting "and without regard to any reduction under section 3(g)(2) of this Act" after "before any reduction on account of age";

(2) in subdivision (6), by striking out "3(g)" and inserting "3(g)(1)" in lieu thereof; and

(3) by adding at the end the following new subdivisions:

"(7) The first and, if necessary, the following time or times after January 1, 1983, that monthly insurance benefits under section 202 of the Social Security Act are increased, that portion of the annuity of a survivor of a deceased individual as is determined under subdivisions (1) and (2) of this subsection, or under section 4(g) of this Act as in effect before amendment by section 1119(g) of Public Law 97-35, shall, if such survivor's annuity under section 2(d) of this Act began to accrue before the effective date of such first increase under the Social Security Act, be reduced by the dollar amount by which that portion of the annuity provided such survivor under subsection (f) of this section was increased, after any reduction under subsection (i) of this section, as a result of such increase or increases under the Social Security Act until the total dollar amount of such reduction or reductions equals 5 per centum of the annuity amount provided such survivor under subsection (f), as reduced under subsection (i), prior to such first increase. In no case shall the reduction by reason of this paragraph operate to reduce such portion to an amount less than $10.

"(8) That portion of the annuity of a survivor of a deceased individual as is determined under subdivisions (1) and (2) of this subsection shall, if the annuity of such survivor is not subject to reduction under subdivision (7) of this subsection, be reduced by an amount equal to the dollar amount by which the annuity of the deceased individual was reduced under section 3(g)(2) of this Act or would have been reduced under such section 3(g)(2) if such deceased individual had been living at the time such survivor's annuity under section 2(d) of this Act began to accrue (deeming for this purpose, if such individual died before becoming entitled to an annuity under section 2(a)(1) of this Act, that such individual became entitled to an annuity under paragraph (i) of such section 2(a)(1) in the month in which such individual died). In a case where the survivor of a deceased individual is not entitled to a monthly insurance benefit under the Social Security Act, the reduction provided by the preceding sentence of this subdivision shall be equal to the dollar amount by which the annuity of the deceased individual would have been reduced under section 3(g)(2) of this Act if the annuity of such deceased individual had not been subject to reduction under section 3(m) of this Act. In no case shall the reduction by reason of this paragraph operate to reduce such portion to an amount less than $10.

"(9) That portion of the annuity of a survivor of a deceased individual as is determined under section 4(g) of this Act as in effect before amendment by section 1119(g) of Public Law 97-35 shall, if the annuity of such survivor is not subject to reduction under subdivision (7) of this subsection, be reduced by an amount equal to the dollar amount by which the annuity of the deceased individual was reduced under section 3(g)(2) of this Act or, if such survivor is not entitled to a monthly insurance benefit under the Social Security Act, would have been reduced under such section 3(g)(2) if the annuity of such deceased individual had not been subject to reduction under section 3(m) of this Act. In no case shall the reduction by reason of this paragraph operate to reduce such portion to an amount less than $10.".

(d) The amendments made by this section shall be effective on the date of the enactment of this Act. For purposes of the amendments made by subsection (a) of this section, annuity portions computed under subsections (b) and (d) of section 3 of the Railroad Retirement Act of 1974 as in effect before October 1, 1981, shall be treated as having been computed under subsection (b) of such section as in effect after that date.

SEC. 103. (a) Section 5(a) of the Railroad Retirement Act of 1974 is amended—

(1) by striking out "An annuity" at the beginning and inserting in lieu thereof "Subject to the limitations set forth below, an annuity";

(2) by amending paragraphs (ii) and (iii) to read as follows:

"(ii) in the case of an applicant otherwise entitled to an annuity under paragraph (iv) or (v) of section 2(a)(1) or under section 2(d)(1)(i) on the basis of disability, not earlier than the later of (A) the first day of the sixth month following the onset date of the disability for which such annuity is awarded or (B) the first day of the twelfth month before the month in which the application therefor was filed;

"(iii) in the case of an applicant otherwise entitled to an annuity under section 2(a)(1), 2(c), or 2(d) where paragraph (ii) does not apply, not earlier than the latest of (A) the first day of the sixth month before the month in which the application therefor was filed, (B) the first day of the month in which the application therefor was filed if the effect of beginning such annuity in an earlier month would result in a greater age reduction in the annuity, unless beginning the annuity in the earlier month would enable an annuity under section 2(c) which is not subject to an age reduction to be payable in such earlier month, (C) in the case of an applicant otherwise entitled to an annuity under section 2(a)(1) or 2(c), the date following the last day of compensated service of the applicant, or (D) in the case of an applicant otherwise entitled to an annuity under section 2(a)(1) or 2(c), the first day of the first month throughout which the applicant meets the age requirement for the annuity applied for;" and

(3) by adding at the end thereof the following new sentence: "For the purpose of determining annuity amounts provided under sections 3(a), 4(a), and 4(f) of this Act, the provisions with respect to the beginning dates of annuities set forth in this subsection shall be deemed to govern the beginning dates of monthly benefits provided under the Social Security Act.".

(b) The amendments made by this section shall become effective on July 1, 1983, and shall apply only with respect to annuities awarded on the basis of applications filed on or after that date.

SEC. 104. (a) Clause (B) of section 2(d)(1)(iii) of the Railroad Retirement Act of 1974 is amended to read as follows: "(B) will be less than nineteen years of age and a full-time elementary or secondary school student,".

(b) Section 2(d)(4) of the Railroad Retirement Act of 1974 is amended—

(1) by striking out "full-time student" each place it appears and inserting in lieu thereof "full-time elementary or secondary school student";

(2) by striking out "educational institution" each place it appears and inserting in lieu thereof "elementary or secondary school";

(3) by striking out "twenty-two" in the fourth sentence and inserting in lieu thereof "nineteen"; and

(4) by striking out "degree from a four-year college or university" and inserting in lieu thereof "diploma or equivalent certificate from a secondary school (as defined in section 202(d)(7)(c)(i) of the Social Security Act)".

(c) Section 5(c)(7) of the Railroad Retirement Act of 1974 is amended—

(1) by striking out "full-time student" and inserting in lieu thereof "full-time elementary or secondary school student"; and

(2) by striking out "22" and inserting in lieu thereof "19".

(d) The amendments made by this section shall be effective with respect to annuities accruing for months after the month in which this Act is enacted except in the case of a child who has attained the age of eighteen in or before the month in which this Act is enacted and is entitled to an annuity under section 2(d) of the Railroad Retirement Act of 1974 for the month in which this Act is enacted or, if earlier, for the month of April 1983.

SEC. 105. (a) Section 22 of the Railroad Retirement Act of 1974 is amended—

(1) so that the heading of such section reads as follows:

"REPORTING REQUIREMENT";

(2) by striking out "(a)" and all that follows through the end of subsection (a) of such section and inserting in lieu thereof the following: "(a) On or before February 1 of each year beginning in 1984, the Railroad Retirement Board shall prepare a five-year projection of anticipated revenues to and payments from the Railroad Retirement Account to determine the ability of such Account to pay benefits in each of the next succeeding five calendar years. No later than April 1 of each year, the Board shall submit a written report to the President, the Speaker of the House, and the President of the Senate setting forth the results of the projection prepared pursuant to the preceding sentence. If the projection indicates that the funds in the Railroad Retirement Account will be insufficient to pay the full amount of the benefits under this Act which are payable from that Account at any time during the five-year period, the Board's report shall include recommendations as to the increases in the rates of tax which, if imposed under sections 3201(a), 3211(a), and 3221(a) of the Internal Revenue Code of 1954, would assure that such Account would have sufficient funds to pay full benefits under this Act in each month of the five-year period. Not less than 20 nor more than 30 days after the submission of a written report under this subsection which indicates that, in the absence of any adjustments, the Railroad Retirement Account will contain insufficient funds to pay the full amount of the benefits under this Act which are payable from that Account at some time during the five-year period covered by the report, the Board shall publish such report in the Federal Register."; and

(3) in subsection (b)(2) by striking out ", including a specific proposal" and all that follows through "payable under this Act".

SEC. 106. (a) Section 2(a)(1) of the Railroad Retirement Act of 1974 is amended—

(1) by striking out "the age of sixty-five" from paragraph (i) and inserting in lieu thereof "retirement age (as defined in section 216(l) of the Social Security Act)"; and

(2) by striking out "reduced by 1/180 for each calendar month that he or she is under age sixty-five when the annuity begins to accrue" from paragraph (iii) and inserting in lieu thereof "reduced by 1/180 for each of the first 36 months that he or she is under retirement age (as defined in section 216(l) of the Social Security Act) when the annuity begins to accrue and by 1/240 for each additional month that he or she is under retirement age (as defined in section 216(l) of the Social Security Act) when the annuity begins to accrue".

(b) Section 2(a)(3) of the Railroad Retirement Act of 1974 is amended by striking out "the age of 65" and "the age of sixty-five years" and inserting in lieu thereof in each instance "retirement age (as defined in section 216(l) of the Social Security Act)".

(c) Section 2(c)(1) of the Railroad Retirement Act of 1974 is amended by striking out "the age of 65" from paragraph (ii) and inserting in lieu thereof "retirement age (as defined in section 216(l) of the Social Security Act)".

(d) Section 2(c)(2) of the Railroad Retirement Act of 1974 is amended—

(1) by striking out "the age of 65" and inserting in lieu thereof "retirement age (as defined in section 216(l) of the Social Security Act)"; and

(2) by striking out "reduced by 1/144 for each calendar month that the spouse or divorced wife is under age 65 when the annuity begins to accrue" and inserting in lieu thereof "reduced by 1/144 for each of the first 36 months that the spouse or divorced wife is under retirement age (as defined in section 216(l) of the Social Security Act) when the annuity begins to accrue and by 1/240 for each additional month that the spouse or divorced wife is under retirement age (as defined in section 216(l) of the Social Security Act) when the annuity begins to accrue".

(e) Section 2(c)(4) of the Railroad Retirement Act of 1974 is amended by striking out "the age of 65" and inserting in lieu thereof "retirement age (as defined in section 216(l) of the Social Security Act".

(f) Section 2(e)(2) of the Railroad Retirement Act of 1974 is amended by striking out "age sixty-five" and inserting in lieu thereof "retirement age (as defined in section 216(l) of the Social Security Act)".

(g) Section 2(e)(4) of the Railroad Retirement Act of 1974 is amended by striking out "age sixty-five" and "age of sixty-five" and inserting in lieu thereof in each instance "retirement age (as defined in section 216(l) of the Social Security Act)".

(h) Section 4(a)(2) of the Railroad Retirement Act of 1974 (as amended by section 101(b) of this Act) is amended by striking out "age 65" and inserting in lieu thereof "retirement age (as defined in section 216(l) of the Social Security Act".

(i) Section 5(b) of the Railroad Retirement Act of 1974 is amended by striking out "the age of 65" and "age 65" and inserting in lieu thereof in each instance "retirement age (as defined in section 216(l) of the Social Security Act)".

(j) Section 5(c)(2) of the Railroad Retirement Act of 1974 is amended by striking out "age 65" and inserting in lieu thereof "retirement age (as defined in section 216(l) of the Social Security Act)".

(k) The amendments made by this section shall be effective on the date of the enactment of this Act, except that such amendment shall not apply to annuity amounts provided under sections 3(b) and 4(b) of the Railroad Retirement Act of 1974 or to increases in such annuity amounts provided under sections 3(g) and 4(d) of such Act if the individual upon whose earning record such annuity amounts are based rendered service as an employee to an employer, or as an employee representative, before the date of the enactment of this Act.

SEC. 107. (a) Section 3(i) of the Railroad Retirement Act of 1974 is amended by adding at the end thereof the following new subdivision:

"(4) Where for any calendar year after 1984 an individual has performed service for compensation in less than twelve months of the calendar year but has received compensation in excess of an amount determined by multiplying the number of months in the year in which such individual performed service for compensation by an amount equal to one-twelfth of the current maximum annual taxable 'wages' as defined in section 3121 of the Internal Revenue Code of 1954, the individual shall be deemed to have rendered service for compensation in that number of months in the calendar year, but not to exceed twelve, which is equal to the quotient of the amount of such individual's compensation for the calendar year divided by an amount equal to one-twelfth of the current maximum annual taxable 'wages' as defined in section 3121 of the Internal Revenue Code of 1954, with any remainder produced by this computation increasing the quotient by one, but an individual shall not be deemed under this subdivision to have rendered service for compensation in any month in which such individual was neither in an employment relation to one or more employers nor an employee representative.

"(b) Section 3(j) of the Railroad Retirement Act of 1974 is amended by inserting after the second sentence thereof the following new sentence: 'If for any calendar year after 1984 an employee has received compensation of less than one-twelfth of the current maximum annual taxable 'wages' as defined in section 3121 of the Internal Revenue Code of 1954 in one or more months of the calendar year, the total compensation paid such employee in the calendar year (without regard to the limitation on the amount of compensation provided in the preceding sentence) shall be deemed to have been paid in equal proportions with respect to all months in the year in which the employee will have been in the service of one or more employers for compensation or will have performed service for compensation as an employee representative, but this sentence shall not operate to increase the employee's compensation for any month above an amount equal to one-twelfth of the current maximum annual taxable 'wages' as defined in section 3121 of the Internal Revenue Code of 1954.

"(c) The amendments made by this section shall become effective on January 1, 1985.".

TITLE II—REVENUE PROVISIONS

SEC. 201. SHORT TITLE.

This title may be cited as the "Railroad Retirement Revenue Act of 1983".

SUBTITLE A—RAILROAD RETIREMENT TAXES

PART I—INCREASE IN TIER 2 TAXES FOR PERIOD BEGINNING JULY 1, 1984, AND ENDING DECEMBER 31, 1984

SEC. 211. INCREASE IN TIER 2 TAXES.

(a) EMPLOYEE TAX.—Subsection (a) of section 3201 of the Internal Revenue Code of 1954 (relating to tax on employees) is amended by striking out "2.0 percent" and inserting in lieu thereof "2.75 percent".

(b) EMPLOYER TAX.—Subsection (a) of section 3221 of such Code (relating to tax on employers) is amended by striking out "11.75 percent" and inserting in lieu thereof "12.75 percent".

(c) EMPLOYEE REPRESENTATIVE TAX.—Subsection (a) of section 3211 of such Code (relating to tax on employee representatives) is amended by striking out "11.75 percent" and inserting in lieu thereof "12.75 percent".

(d) TECHNICAL AMENDMENT.—The last sentence of section 230(c) of the Social Security Act is amended by striking out "11.75 percent" and inserting in lieu thereof "12.75 percent".

SEC. 212. EFFECTIVE DATE.

The amendments made by this part shall apply to compensation paid for services rendered after June 30, 1984, and before January 1, 1985.

PART II—OTHER CHANGES AFFECTING TIER 2 TAXES

SEC. 221. INCREASES IN TIER 2 EMPLOYEE TAX; ANNUALIZATION OF TAX BASE.

Section 3201 of the Internal Revenue Code of 1954 (relating to rate of tax on employees) is amended to read as follows:

"SEC. 3201. RATE OF TAX.

"(a) TIER 1 TAX.—In addition to other taxes, there is hereby imposed on the income of each employee a tax equal to the following percentage of the compensation received during any calendar year by such employee for services rendered by such employee:

"In the case of compensation received during:	The rate shall be:
1985	7.05
1986 or 1987	7.15
1988 or 1989	7.51
1990 or thereafter	7.65.

"(b) TIER 2 TAX.—In addition to other taxes, there is hereby imposed on the income of each employee a tax equal to the following percentage of the compensation received during any calendar year by such employee for services rendered by such employee:

"In the case of compensation received during:	The rate shall be:
1985	3.50
1986 or thereafter	4.25.

"(c) CROSS REFERENCE.—

"For application of different contribution bases with respect to the taxes imposed by subsections (a) and (b), see section 3231(e)(2)."

SEC. 222. INCREASES IN TIER 2 EMPLOYER TAX; ANNUALIZATION OF TAX BASE.

(a) IN GENERAL.—Subsections (a) and (b) of section 3221 of the Internal Revenue Code of 1954 (relating to rate of tax on employers) are amended to read as follows:

"(a) TIER 1 TAX.—In addition to other taxes, there is hereby imposed on every employer an excise tax, with respect to having individuals in his employ, equal to the following percentage of compensation paid during any calendar year by such employer for services rendered to such employer:

"In the case of compensation paid during:	The rate shall be:
1985	7.05
1986 or 1987	7.15
1988 or 1989	7.51
1990 or thereafter	7.65.

"(b) TIER 2 TAX.—In addition to other taxes, there is hereby imposed on every employer an excise tax, with respect to having individuals in his employ, equal to the following percentage of compensation paid during any calendar year by such employer for services rendered to such employer:

"In the case of compensation paid during:	The rate shall be:
1985	13.75
1986 or thereafter	14.75".

(b) CROSS REFERENCE.—Section 3221 of such Code is amended by adding at the end thereof the following new subsection:

"(e) CROSS REFERENCE.—

"For application of different contribution bases with respect to the taxes imposed by subsections (a) and (b), see section 3231(e)(2)."

SEC. 223. INCREASES IN TIER 2 EMPLOYEE REPRESENTATIVE TAX; ANNUALIZATION OF TAX BASE.

Subsection (a) of section 3211 of the Internal Revenue Code of 1954 (relating to tax on employee representatives) is amended to read as follows:

"(a) IMPOSITION OF TAXES.—

"(1) TIER 1 TAX.—In addition to other taxes, there is hereby imposed on the income of each employee representative a tax equal to the following percentage of the compensation received during any calendar year by such employee representative for services rendered by such employee representative:

"In the case of compensation received during:	The rate shall be:
1985	14.10
1986 or 1987	14.30
1988 or 1989	15.02
1990 or thereafter	15.30.

"(2) TIER 2 TAX.—In addition to other taxes, there is hereby imposed on the income of each employee representative a tax equal to the following percentage of the compensation received during any calendar year by such employee representatives for services rendered by such employee representative:

"In the case of compensation received during:	The rate shall be:
1985	13.75
1986 or thereafter	14.75.

"(3) CROSS REFERENCE.—

"For application of different contribution bases with respect to the taxes imposed by paragraphs (1) and (2), see section 3231(e)(2)."

SEC. 224. TAXATION OF RAILROAD RETIREMENT BENEFITS OTHER THAN TIER 1 BENEFITS.

(a) PENSION BENEFITS (OTHER THAN TIER 1 BENEFITS) TAXED AS BENEFITS RECEIVED UNDER EMPLOYER PLANS.—Section 72 of the Internal Revenue Code of 1954 (relating to annuities; certain proceeds of endowment and life insurance contracts) is amended by redesignating subsection (r) as subsection (s) and by inserting after subsection (q) the following new subsection:

"(r) CERTAIN RAILROAD RETIREMENT BENEFITS TREATED AS RECEIVED UNDER EMPLOYER PLANS.—

"(1) IN GENERAL.—Notwithstanding any other provision of law, any benefit provided under the Railroad Retirement Act of 1974 (other than a tier 1 railroad retirement benefit) shall be treated for purposes of this title as a benefit provided under an employer plan which meets the requirements of section 401(a).

"(2) TIER 2 TAXES TREATED AS CONTRIBUTIONS.—

"(A) IN GENERAL.—For purposes of paragraph (1)—

"(i) the tier 2 portion of the tax imposed by section 3201 (relating to tax on employees) shall be treated as an employee contribution,

"(ii) the tier 2 portion of the tax imposed by section 3211 (relating to tax on employee representatives) shall be treated as an employee contribution, and

"(iii) the tier 2 portion of the tax imposed by section 3221 (relating to tax on employers) shall be treated as an employer contribution.

"(B) TIER 2 PORTION.—For purposes of subparagraph (A)—

"(i) AFTER 1984.—With respect to compensation paid after 1984, the tier 2 portion shall be the taxes imposed by sections 3201(b), 3211(a)(2), and 3221(b).

"(ii) AFTER SEPTEMBER 30, 1981, AND BEFORE 1985.—With respect to compensation paid before 1985 for services rendered after September 30, 1981, the tier 2 portion shall be—

"(I) so much of the tax imposed by section 3201 as is determined at the 2 percent rate, and

"(II) so much of the taxes imposed by sections 3211 and 3221 as is determined at the 11.75 percent rate.

With respect to compensation paid for services rendered after June 30, 1984, and before 1985, subclause (I) shall be applied by substituting '2.75 percent' for '2 percent', and subclause (II) shall be applied by substituting '12.75 percent' for '11.75 percent'.

"(iii) BEFORE OCTOBER 1, 1981.—With respect to compensation paid for services rendered during any period before October 1, 1981, the tier 2 portion shall be the excess (if any) of—

"(I) the tax imposed for such period by section 3201, 3211, or 3221, as the case may be (other than any tax imposed with respect to man-hours), over

"(II) the tax which would have been imposed by such section for such period had the rates of the comparable taxes imposed by chapter 21 for such period applied under such section.

"(C) CONTRIBUTIONS NOT ALLOCABLE TO SUPPLEMENTAL ANNUITY OR WINDFALL BENEFITS.—For purposes of paragraph (1), no amount treated as an employee contribution under this paragraph shall be allocated to—

"(i) any supplemental annuity paid under section 2(b) of the Railroad Retirement Act of 1974, or

"(ii) any benefit paid under section 3(h), 4(e), or 4(h) of such Act.

"(3) TIER 1 RAILROAD RETIREMENT BENEFIT.—For purposes of paragraph (1), the term 'tier 1 railroad retirement benefit' has the meaning given such term by section 86(d)(4)."

(b) INFORMATION REPORTING.—

(1) IN GENERAL.—Subpart B of part III of subchapter A of chapter 61 of such Code (relating to information concerning transactions with other persons) is amended by adding at the end thereof the following new section:

"SEC. 6050G. RETURNS RELATING TO CERTAIN RAILROAD RETIREMENT BENEFITS.

"(a) IN GENERAL.—The Railroad Retirement Board shall make a return, according to the forms and regulations prescribed by the Secretary, setting forth—

"(1) the aggregate amount of benefits paid under the Railroad Retirement Act of 1974 (other than tier 1 railroad retirement benefits, as defined in section 86(d)(4)) to any individual during any calendar year,

"(2) the employee contributions (to the extent not previously taken into account under section 72(d)(1)) which are treated as having been paid for purposes of section 72(r),

"(3) the name and address of such individual, and

"(4) such other information as the Secretary may require.

"(b) STATEMENTS TO BE FURNISHED TO INDIVIDUALS WITH RESPECT TO WHOM INFORMATION IS FURNISHED.—The Railroad Retirement Board shall furnish to each individual

whose name is set forth in the return under subsection (a) a written statement showing—

"(1) the aggregate amount of payments to such individual, and of employee contributions with respect thereto, as shown on such return, and

"(2) such other information as the Secretary may require.

The written statement required under the preceding sentence shall be furnished to the individual on or before January 31 of the year following the calendar year for which the return under subsection (a) was made."

(2) CLERICAL AMENDMENT.—The table of sections for such subpart B is amended by adding at the end thereof the following new item:

"Sec. 6050G. Returns relating to certain railroad retirement benefits."

(c) SECTION 72(r) REVENUE INCREASE TRANSFERRED TO CERTAIN RAILROAD ACCOUNTS.—

(1) IN GENERAL.—

(A) TRANSFERS TO RAILROAD RETIREMENT ACCOUNT.—There are hereby appropriated to the Railroad Retirement Account amounts equivalent to the aggregate increase in tax liabilities under chapter 1 of the Internal Revenue Code of 1954 which is attributable to the application of section 72(r) of the Internal Revenue Code of 1954 (as added by this Act) with respect to benefits received before October 1, 1988. The aggregate amount appropriated under the preceding sentence to the extent attributable to benefits other than windfall benefits shall not exceed $877,000,000.

(B) REVENUE INCREASES ATTRIBUTABLE TO WINDFALL BENEFITS RECEIVED AFTER SEPTEMBER 30, 1988, TRANSFERRED TO DUAL BENEFITS PAYMENTS ACCOUNT.—There are hereby appropriated to the Dual Benefits Payments Account amounts equivalent to the aggregate increase in tax liabilities under chapter 1 of such Code which is attributable to the application of section 72(r) of such Code (as added by this Act) with respect to windfall benefits received after September 30, 1988.

(C) WINDFALL BENEFITS DEFINED.—For purposes of this paragraph, the term "windfall benefits" means any benefit paid under section 3(h), 4(e), or 4(h) of the Railroad Retirement Act of 1974.

(2) TRANSFERS.—The amounts appropriated by paragraph (1) shall be transferred from time to time (but not less frequently than quarterly) from the general fund of the Treasury on the basis of estimates made by the Secretary of the Treasury of the amounts referred to in paragraph (1). Any such quarterly payment shall be made on the first day of such quarter and shall take into account benefits estimated to be received during such quarter. Proper adjustments shall be made in the amounts subsequently transferred to the extent prior estimates were in excess of or less than the amounts required to be transferred.

(3) REVENUE INCREASES FROM TAX ON SUPPLEMENTAL ANNUITIES NOT INCLUDED.—Paragraph (1) shall not apply to tax liabilities attributable to supplemental annuities paid under section 2(b) of the Railroad Retirement Act of 1974.

(d) OVERALL MINIMUM BENEFIT TREATED AS TIER 1 BENEFIT.—Paragraph (4) of section 86(d) of such Code (defining tier 1 railroad retirement benefit) is amended by inserting "3(f)(3)," after "3(a),".

SEC. 225. TECHNICAL AMENDMENTS.

(a) AMENDMENTS RELATING TO APPLICATION OF CONTRIBUTION BASE ON AN ANNUAL BASIS.—

(1) Paragraph (2) of section 3231(e) of the Internal Revenue Code of 1954 (defining compensation) is amended to read as follows:

"(2) APPLICATION OF CONTRIBUTION BASES.—

"(A) COMPENSATION IN EXCESS OF APPLICABLE BASE EXCLUDED.—

"(i) IN GENERAL.—The term 'compensation' does not include that part of remuneration paid during any calendar year to an individual by an employer after remuneration equal to the applicable base has been paid during such calendar year to such individual by such employer for services rendered as an employee to such employer.

"(ii) REMUNERATION NOT TREATED AS COMPENSATION EXCLUDED.—There shall not be taken into account under clause (i) remuneration which (without regard to clause (i)) is not treated as compensation under this subsection.

"(B) APPLICABLE BASE.—

"(i) TIER 1 TAXES.—Except as provided in clause (ii), the term 'applicable base' means for any calendar year the contribution and benefit base determined under section 230 of the Social Security Act for such calendar year.

"(ii) TIER 2 TAXES, ETC.—For purposes of—

"(I) the taxes imposed by sections 3201(b), 3211(a)(2), and 3221(b), and

"(II) computing average monthly compensation under section 3(j) of the Railroad Retirement Act of 1974 (except with respect to annuity amounts determined under subsection (a) or (f)(3) of section 3 of such Act),

clause (2) of the first sentence, and the second sentence, of subsection (c) of section 230 of the Social Security Act shall be disregarded.

"(C) SUCCESSOR EMPLOYERS.—For purposes of this paragraph, the second sentence of section 3121(a)(1) (relating to successor employers) shall apply, except that—

"(i) the term 'services' shall be substituted for 'employment' each place it appears,

"(ii) the term 'compensation' shall be substituted for 'remuneration (other than remuneration referred to in the succeeding paragraphs of this subsection)' each place it appears, and

"(iii) the terms 'employer', 'services', and 'compensation' shall have the meanings given such terms by this section."

(2) Subsection (a) of section 3202 of such Code is amended by striking out the second sentence.

(3) Paragraph (1) of section 3231(e) of such Code is amended by striking out the fourth and fifth sentences.

(4) The last sentence of section 230(c) of the Social Security Act is hereby repealed.

(b) CONCURRENT EMPLOYMENT BY 2 OR MORE EMPLOYERS.—Section 3231 of such Code is amended by adding at the end thereof the following new subsection:

"(i) CONCURRENT EMPLOYMENT BY 2 OR MORE EMPLOYERS.—For purposes of this chapter, if 2 or more related corporations which are employers concurrently employ the same individual and compensate such individual through a common paymaster which is 1 of such corporations, each such corporation shall be considered to have paid as remuneration to such individual only the amounts actually disbursed by it to such individual and shall not be considered to have paid as remuneration to such individual amounts actually disbursed to such individual by another of such corporations."

(c) OTHER TECHNICAL AMENDMENTS.—

(1) The following provisions of the Internal Revenue Code of 1954 are each amended by striking out "tax imposed by section 3201" and inserting in lieu thereof "taxes imposed by section 3201":

(A) Section 3202(a),

(B) Paragraphs (2) and (4) of section 3202(c), and

(C) Paragraph (3) of section 3231(e).

(2) Subsection (a) of section 3202 of such Code is amended by striking out "the amount of the tax" in the first sentence and inserting in lieu thereof "the amount of the taxes", and by striking out "such tax" in the last sentence and inserting in lieu thereof "such taxes".

(3) Paragraph (2) of section 3202(c) of such Code is amended by striking out "the tax under paragraph (1)" and inserting in lieu thereof "the taxes under paragraph (1)".

(4) Paragraph (4) of section 3202(c) of such Code is amended by striking out "such tax" and inserting in lieu thereof "such taxes".

(5) Paragraphs (2) and (4) of section 3202(c) of such Code are each amended by striking out "exceeds" and inserting in lieu thereof "exceed".

(6) Paragraph (3) of section 3231(e) of such Code is amended by striking out "such tax" and inserting in lieu thereof "such taxes".

(7) Subparagraph (A) of section 3231(e)(4) of such Code is amended by striking out "3201(b) and 3221(b) (and so much of section 3211(a) as relates to the rates of the taxes imposed by sections 3101 and 3111)" and inserting in lieu thereof "3201(a), 3211(a)(1), and 3221(a)".

(8) Subsection (h) of section 3231 of such Code is amended—

(A) by striking out "tax imposed under section 3201" and inserting in lieu thereof "taxes imposed by section 3201", and

(B) by striking out all that follows "received" and inserting in lieu thereof a period.

SEC. 226. DEPOSITARY SCHEDULES.

Effective on and after January 1, 1986, the times for making payments prescribed under section 6302 of the Internal Revenue Code of 1954 with respect to the taxes imposed by chapter 22 of such Code shall be the same as the times prescribed under such section which apply to the taxes imposed by chapters 21 and 24 of such Code.

SEC. 227. EFFECTIVE DATES.

(a) SECTIONS 221, 222, 223, AND 225.—The amendments made by sections 221, 222, 223, and 225 shall apply to remuneration paid after December 31, 1984.

(b) SECTION 224.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by section 224 shall apply to benefits received after December 31, 1983, in taxable years ending after such date.

(2) TREATMENT OF CERTAIN LUMP-SUM PAYMENTS RECEIVED AFTER DECEMBER 31, 1983.—The amendments made by section 224 shall not apply to any portion of a lump-sum payment received after December 31, 1983, if the generally applicable payment date for such portion was before January 1, 1984.

(3) NO FRESH START.—For purposes of determining whether any benefit received after December 31, 1983, is includible in gross income by reason of section 72(r) of the Internal Revenue Code of 1954, as added by this Act, the amendments made by

section 224 be treated as having been in effect during all periods before 1984.

(c) SECTION 226.—Section 226 shall take effect on January 1, 1986.

SUBTITLE B—RAILROAD UNEMPLOYMENT INSURANCE PROVISIONS

PART I—RAILROAD UNEMPLOYMENT REPAYMENT TAX

SEC. 231. IMPOSITION OF TAX ON RAIL WAGES TO REPAY LOANS TO RAILROAD UNEMPLOYMENT INSURANCE SYSTEM.

(a) GENERAL RULE.—Subtitle C of the Internal Revenue Code of 1954 (relating to employment taxes) is amended by inserting after chapter 23 the following new chapter:

"CHAPTER 23A—RAILROAD UNEMPLOYMENT REPAYMENT TAX

"Sec. 3321. Imposition of tax.

"Sec. 3322. Taxable period.

"Sec. 3323. Other definitions.

"SEC. 3321. IMPOSITION OF TAX.

"(a) GENERAL RULE.—There is hereby imposed on every rail employer for each taxable period an excise tax, with respect to having individuals in his employ, equal to the applicable percentage of the total rail wages paid by him during the taxable period.

"(b) TAX ON EMPLOYEE REPRESENTATIVES.—

"(1) IN GENERAL.—There is hereby imposed on the income of each employee representative a tax equal to the applicable percentage of the rail wages paid to him during the taxable period.

"(2) DETERMINATION OF WAGES.—The rail wages of an employee representative for purposes of paragraph (1) shall be determined in the same manner and with the same effect as if the employee organization by which such employee representative is employed were a rail employer.

"(c) RATE OF TAX.—For purposes of this section—

"(1) FOR TAXABLE PERIOD JULY 1 THROUGH DECEMBER 31, 1986.—The applicable percentage for the taxable period beginning on July 1, 1986, and ending on December 31, 1986, shall be 2 percent.

"(2) SUBSEQUENT TAXABLE PERIODS.—The applicable percentage for any taxable period beginning after 1986 shall be the sum of—

"(A) 2 percent, plus

"(B) 0.3 percent for each preceding taxable period.

In no event shall the applicable percentage exceed 5 percent.

"SEC. 3322. TAXABLE PERIOD.

"(a) GENERAL RULE.—For purposes of this chapter, except as provided in subsection (b), the term 'taxable period' means—

"(1) the period beginning on July 1, 1986, and ending on December 31, 1986,

"(2) each calendar year after 1986 and before 1990, and

"(3) the period beginning on January 1, 1990, and ending on September 30, 1990.

"(b) EARLIER TERMINATION IF LOANS TO RAIL UNEMPLOYMENT FUND REPAID.—The tax imposed by this chapter shall not apply to any rail wages paid on or after the first January 1 after 1986 as of which there is—

"(1) no balance of transfers to the railroad unemployment insurance account under section 10(d) of the Railroad Unemployment Insurance Act, and

"(2) no unpaid interest on such transfers.

"SEC. 3323. OTHER DEFINITIONS.

"(a) RAIL EMPLOYER.—For purposes of this chapter, the term 'rail employer' means any person who is an employer as defined in section 1 of the Railroad Unemployment Insurance Act.

"(b) RAIL WAGES.—

"(1) IN GENERAL.—For purposes of this chapter, the term 'rail wages' means wages as defined in section 3306(b) with the modifications specified in paragraph (2).

"(2) MODIFICATIONS.—In applying subsection (b) of section 3306 for purposes of paragraph (1)—

"(A) ONLY RAILROAD EMPLOYMENT TAKEN INTO ACCOUNT.—Such subsection (b) shall be applied—

"(i) by substituting 'rail employment' for 'employment' each place it appears, and

"(ii) by substituting 'rail employer' for 'employer' each place it appears.

"(B) WAGE BASE FOR FIRST TAXABLE PERIOD.—In the case of the taxable period beginning on July 1, 1986, and ending on December 31, 1986, such subsection (b) shall be applied by substituting '$3,500' for '$7,000' each place it appears in paragraph (1) thereof.

"(C) WAGE BASE FOR LAST TAXABLE PERIOD.—In the case of the taxable period beginning on January 1, 1990, and ending on September 30, 1990, such subsection (b) shall be applied by substituting '$5,250' for '$7,000' each place it appears in paragraph (1) thereof.

"(c) RAIL EMPLOYMENT.—For purposes of this chapter, the term 'rail employment' means services performed by an individual as a rail employee or employee representative.

"(d) RAIL EMPLOYEE AND EMPLOYEE REPRESENTATIVE.—For purposes of this chapter—

"(1) RAIL EMPLOYEE.—The term 'rail employee' means any person who is an employee as defined in section 1 of the Railroad Unemployment Insurance Act.

"(2) EMPLOYEE REPRESENTATIVE.—The term 'employee representative' has the meaning given such term by section 1 of the Railroad Unemployment Insurance Act.

"(e) CONCURRENT EMPLOYMENT BY 2 OR MORE RAIL EMPLOYERS.—For purposes of this chapter, if 2 or more related corporations which are rail employers concurrently employ the same individual and compensate such individual through a common paymaster which is 1 of such corporations, each such corporation shall be considered to have paid as remuneration to such individual only the amounts actually disbursed by it to such individual and shall not be considered to have paid as remuneration to such individual amounts actually disbursed to such individual by another of such corporations.

"(f) CERTAIN RULES MADE APPLICABLE.—For purposes of this chapter, rules similar to the rules of sections 3307 and 3308 shall apply."

(b) QUARTERLY PAYMENT OF TAX.—

(1) IN GENERAL.—Section 6157 of such Code (relating to payment of Federal unemployment tax on quarterly or other time period basis) is amended by adding at the end thereof the following new subsection:

"(d) QUARTERLY PAYMENT OF RAILROAD UNEMPLOYMENT REPAYMENT TAX.—

"(1) IN GENERAL.—Every rail employer shall compute the tax imposed by section 3321 for each calendar quarter in any taxable period in the manner provided in paragraph (2). The tax so computed shall, except as otherwise provided in paragraph (3), be paid in such manner and at such time as may be provided in regulations prescribed by the Secretary.

"(2) COMPUTATION OF TAX.—The tax for any calendar quarter shall be computed by multiplying the aggregate amount of rail wages paid in such calendar quarter by the applicable percentage determined under section 3321(c).

"(3) EXCEPTIONS.—No payment shall be required under this subsection—

"(A) for the last calendar quarter in any taxable period, and

"(B) for any calendar quarter if the tax under section 3321 for such quarter, plus any unpaid amounts for prior calendar quarters in the taxable period, does not exceed $100.

"(4) DEFINITIONS.—For purposes of this subsection, the terms 'taxable period', 'rail employer', and 'rail wages' have the same respective meanings as when used in chapter 23A."

(2) TECHNICAL AMENDMENTS.—

(A) Paragraph (2) of section 6201(b) of such Code (relating to amount not to be assessed) is amended by striking out "Federal unemployment tax" and inserting in lieu thereof "Federal unemployment tax or tax imposed by section 3321".

(B) Section 6317 of such Code (relating to payments of Federal unemployment tax for calendar quarter) is amended—

(i) by striking out "Federal unemployment tax" and inserting in lieu thereof "Federal unemployment tax or tax imposed by section 3321", and

(ii) by striking out "chapter 23" and inserting in lieu thereof "chapter 23 and 23A, as the case may be,".

(C) Subsection (e) of section 6513 of such Code (relating to payments of Federal unemployment tax) is amended by adding at the end thereof the following new sentence: "Notwithstanding subsection (a), for purposes of section 6511, any payment of tax imposed by chapter 23A which, pursuant to section 6157, is made for a calendar quarter within a taxable period shall, if made before the last day prescribed for filing the return for the taxable period (determined without regard to any extension of time for filing), be considered made on such last day."

(D) Subsection (i) of section 6601 of such Code is amended by striking out "3301" and inserting in lieu thereof "3301 or 3321".

(c) CLERICAL AMENDMENT.—The table of chapters for subtitle C of such Code is amended by inserting after the item relating to chapter 23 the following new item:

"CHAPTER 23A. Railroad Unemployment Repayment Tax."

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to remuneration paid after June 30, 1986.

SEC. 232. TAX USED TO REPAY LOANS MADE TO RAILROAD UNEMPLOYMENT INSURANCE ACCOUNT.

(a) TRANSFER TO RAILROAD RETIREMENT ACCOUNT.—

(1) IN GENERAL.—The Secretary of the Treasury shall transfer from the general fund of the Treasury to the Railroad Retirement Account an amount equal to the additional railroad unemployment taxes received in the Treasury.

(2) TAXES CREDITED AGAINST LOANS TO RAILROAD UNEMPLOYMENT INSURANCE ACCOUNT.—Any amount transferred under paragraph (1) shall be credited against, and operate to reduce, the outstanding balance of railroad unemployment loans.

(b) TRANSFERS MADE MONTHLY.—Transfers under subsection (a) shall be made at least monthly on the basis of estimates made by the Secretary of the Treasury of the amount of the additional railroad unemployment taxes received in the Treasury. Proper adjustments shall be made in the

amount subsequently transferred to the extent prior estimates were in excess of or were less than the amounts required to be transferred.

(c) TRANSFERS TO RAILROAD UNEMPLOYMENT FUND AFTER LOANS REPAID.—If—

(1) the amount which (but for this subsection) would be transferred to the Railroad Retirement Account under subsection (a), exceeds—

(2) the outstanding balance of railroad unemployment loans (as of the time of such transfer),

such transfer (to the extent it exceeds such outstanding balance) shall be made to the Railroad Unemployment Account.

(d) DEFINITIONS.—For purposes of this section—

(1) ADDITIONAL RAILROAD UNEMPLOYMENT TAXES.—The term "additional railroad unemployment taxes" means the taxes imposed by chapter 23A of the Internal Revenue Code of 1954.

(2) RAILROAD UNEMPLOYMENT ACCOUNT.—The term "Railroad Unemployment Account" means the railroad unemployment insurance account in the unemployment trust fund established pursuant to section 904 of the Social Security Act.

(3) RAILROAD UNEMPLOYMENT LOANS.—The term "railroad unemployment loans" means transfers under section 10(d) of the Railroad Unemployment Insurance Act from the Railroad Retirement Account to the Railroad Unemployment Account. The outstanding balance of such loans shall include any interest required to be paid under such section 10(d).

PART II—TAXATION OF SICK PAY PAID UNDER RAILROAD UNEMPLOYMENT INSURANCE ACT

SEC. 241. TAXATION OF SICK PAY PAID UNDER RAILROAD UNEMPLOYMENT INSURANCE ACT.

(a) GENERAL RULE.—Section 105 of the Internal Revenue Code of 1954 (relating to amounts received under accident and health plans) is amended by adding at the end thereof the following new subsection:

"(i) SICK PAY UNDER RAILROAD UNEMPLOYMENT INSURANCE ACT.—Notwithstanding any other provision of law, gross income includes benefits paid under section 2(a) of the Railroad Unemployment Insurance Act for days of sickness; except to the extent such sickness (as determined in accordance with standards prescribed by the Railroad Retirement Board) is the result of on-the-job injury."

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to amounts received after December 31, 1983, in taxable years ending after such date.

TITLE III—BORROWING AUTHORITY ADJUSTMENTS

SEC. 301. (a) Section 7(c) of the Railroad Retirement Act of 1974 is amended by adding at the end thereof the following new subdivision:

"(4) After the end of each month beginning with the month of October 1983, the Board shall determine the net amount, if any, which if added to or subtracted from the Federal Old-Age and Survivors Insurance Trust Fund, the Federal Disability Insurance Trust Fund, and the Federal Hospital Insurance Trust Fund would, with respect to such month, place those Trust Funds, taken as a whole, in the same position in which they would have been if (A) service as an employee after December 31, 1936, had been included in the term 'employment' as defined in the Social Security Act and in the Federal Insurance Contributions Act, and (B) this Act had not been enacted. If for any month the net amount so determined would be subtracted from those Trust Funds, the Board shall, within ten days after the end of such month, report such amount to the Secretary of the Treasury for transfer from the general fund to the Railroad Retirement Account. Any amount so reported shall further include interest (at an annual rate equal to the rate of interest borne by a special obligation issued to the Railroad Retirement Account in the month in which the transfer is made to the Account) payable from the close of the month for which the transfer is made until the date of transfer. The Secretary of the Treasury is authorized and directed to transfer to the Railroad Retirement Account from the general fund such amounts as, from time to time, may be determined by the Board pursuant to the provisions of this subdivision and reported by the Board for transfer. For such purpose the Secretary of the Treasury is authorized to use as a public debt transaction the proceeds of the sale of any securities issued after the date of the enactment of this Act under section 3102 of title 31 of the United States Code, and the purpose for which securities may be issued under section 3102 of title 31 of the United States Code are extended to include such purpose. Each such transfer shall be made by the Secretary of the Treasury within five days after a report of the amount to be transferred is received. Not later than December 31 following the close of each fiscal year beginning with the fiscal year ending September 30, 1984, the Board shall certify to the Secretary of the Treasury the total of all amounts transferred pursuant to the provisions of this subdivision for months in such fiscal year. Within ten days after a transfer, or transfers, pursuant to subdivision (2) for a particular fiscal year, the Board shall request the Secretary of the Treasury to retransfer from the Railroad Retirement Account to the general fund an amount equal to (A) the total of all amounts, exclusive of interest, transferred to such Account pursuant to the provisions of this subdivision for months in such fiscal year, plus (B) interest (at the rate determined in subdivision (3) for such fiscal year) payable with respect to each amount transferred for a month during such fiscal year from the close of the month for which the transfer of the amount was made until the date of retransfer of such amount. The Secretary of the Treasury is authorized and directed to retransfer from the Railroad Retirement Account to the general fund such amounts as, from time to time, may be determined by the Board pursuant to the provisions of the preceding sentence of this subdivision and reported by the Board for retransfer.".

(b) Subsection (b) of section 15 of the Railroad Retirement Act of 1974 is amended to read as follows:

"(b) In addition to the amount appropriated in subsection (a) of this section, there is hereby authorized to be appropriated to the Railroad Retirement Account for each fiscal year, beginning with the fiscal year ending June 30, 1975, such amount as the Board determines to be necessary to meet (A) the additional costs, resulting from the crediting of military service under this Act, of benefits payable under section 2 of this Act, but only to the extent that such Account is not reimbursed for such costs under section 7(c)(2), (B) the additional administrative expenses resulting from the crediting of military service under this Act, and (C) any loss in interest to such Account resulting from the payment of additional benefits based on military service credited under this Act: *Provided, however,* That, in determining the amount to be appropriated to the Railroad Retirement Account for any fiscal year pursuant to the provisions of this subsection, there shall not be considered any costs resulting from the crediting of military service under this Act for which appropriations to such Account have already been made pursuant to section 4(l) of the Railroad Retirement Act of 1937. Any determination as to loss in interest to the Railroad Retirement Account pursuant to clause (C) of the first sentence of this subsection shall take into account interest from the date each annuity based, in part, on military service began to accrue or was increased to the date or dates on which the amount appropriated is credited to the Account. The cost resulting from the payment of additional benefits under this Act based on military service determined pursuant to the preceding provisions of this subsection shall be adjusted by applying thereto the ratio of the total net level cost of all benefits under this Act to the portion of such net level cost remaining after the exclusion of administrative expenses and interest charges on the unfunded accrued liability as determined under the last completed actuarial valuation pursuant to the provisions of subsection (g) of this section. At the close of the fiscal year ending June 30, 1975, and each fiscal year thereafter, the Board shall, as promptly as practicable, determine the amount to be appropriated to the Account pursuant to the provisions of this subsection, and shall certify such amount to the Secretary of the Treasury for transfer from the general fund in the Treasury to the Railroad Retirement Account. When authorized by an appropriation Act, the Secretary of the Treasury shall transfer to the Railroad Retirement Account from the general fund in the Treasury such amounts as, from time to time, may be determined by the Board pursuant to the provisions of this subsection and certified by the Board for transfer to such Account. In any determination made pursuant to section 7(c)(2) of this Act, no further charges shall be made against the Trust Funds established by title II of the Social Security Act for military service rendered before January 1, 1957, and with respect to which appropriations authorized by clause (2) of the first sentence of section 4(l) of the Railroad Retirement Act of 1937 shall have been credited to the Railroad Retirement Account, but the additional benefit payments incurred by such Trust Funds by reason of such military service shall be taken in account in making any such determination.".

(c)(1) The amendment made by subsection (a) of this section shall be effective on October 1, 1983.

(2) The amendments made by subsection (b) of this section shall be effective on the date immediately following the day in June 1984 when the total amount of money outstanding to the Railroad Retirement Account under section 15(b)(2) of the Railroad Retirement Act of 1974 is retransferred to the general fund under that section.

SEC. 302. Subsection (d) of section 10 of the Railroad Unemployment Insurance Act is amended by adding at the end thereof the following new sentence: "No transfer shall be made under this subsection from the Railroad Retirement Account after September 30, 1985, and no such transfer shall be

made on or before September 30, 1985, for purposes of paying benefits and refunds due after such date.".

TITLE IV—OTHER BENEFIT-RELATED AMENDMENTS

SEC. 401. (a) Section 15(d) of the Railroad Retirement Act of 1974 is amended—

(1) by inserting "(1)" after "(d)";

(2) by striking out "one-twelfth of the amount which the Board has determined will be the amount of the appropriation to be made to the Dual Benefits Payments Account under the applicable public law making such appropriation for such fiscal year, and the Secretary of the Treasury shall make such transfer." from the third sentence and inserting in lieu thereof the following: "the amount that the Board estimates will be necessary to pay on the first day of the next succeeding month the annuity amounts under sections 3(h), 4(e), and 4(h) of this Act and under sections 204(a)(3), 204(a)(4), 206(3), and 207(3) of Public Law 93-445, taking into account any reduction in such annuity amounts as determined under section 7(c)(1) of this Act, and the Secretary of the Treasury shall make such transfer, but at no time shall the total amount of money outstanding to the Dual Benefits Payments Account from the Railroad Retirement Account exceed the amount necessary to pay the annuity amounts under sections 3(h), 4(e), and 4(h) of this Act and sections 204(a)(3), 204(a)(4), 206(3), and 207(3) of Public Law 93-445 for one month.";

(3) in the fourth sentence, by inserting "or during" after "prior to"; and

(4) by adding at the end the following new subdivisions:

"(2) The Secretary of the Treasury—

"(i) shall transfer from the general fund as a loan to the Board on July 1, 1984, one-third of the special amount described in subdivision (3) of this subsection;

"(ii) shall transfer from the general fund as a loan to the Board on January 1, 1985, one-third of the special amount described in subdivision (3) of this subsection, plus an amount equal to the interest that one-third would have earned had it been in the Railroad Retirement Account since July 1, 1984; and

"(iii) shall transfer from the general fund as a loan to the Board on January 1, 1986, the final one-third of the special amount described in subdivision (3) of this subsection, plus an amount equal to the interest that one-third would have earned had it been in the Railroad Retirement Account since July 1, 1984.

"(3) The special amount referred to in subdivision (2) of this subsection is the amount which, as of July 1, 1984, would place the Railroad Retirement Account in the same position it would have been on that date if no annuity amounts had been paid during the period beginning January 1, 1975 and ending September 30, 1981, under sections 3(h), 4(e), and 4(h) of this Act and under sections 204(a)(3), 204(a)(4), 206(3), and 207(3) of Public Law 93-445, and no sums had been appropriated as authorized in section 15(d) of this Act.

"(4) For the purposes of subdivision (2) of this subsection, the Secretary of the Treasury is authorized to use as a public debt transaction the proceeds of the sale of any securities issued after the date of the enactment of the Railroad Retirement Solvency Act of 1983 under section 3102 of title 31 of the United States Code and the purposes for which securities may be so issued are extended to include such purposes.

"(5) The amounts transferred to the Board as loans under subdivision (2) of this subsection shall be deposited in the Railroad Retirement Account.

"(6) The amounts transferred as loans under subdivision (2) of this subsection shall be repaid to the general fund to the extent sums are appropriated for that purpose, and there are hereby authorized to be appropriated, in addition to any other sums authorized to be appropriated for the purposes of this Act and from any sums in the Treasury not otherwise appropriated, such sums as may be necessary to make such repayments.".

(b) The amendments made by this section shall be effective upon enactment.

SEC. 402. (a) Section 1(h)(6) of the Railroad Retirement Act of 1974 is amended—

(1) by striking out paragraph (ii); and

(2) by redesignating paragraphs (iii), (iv), (v), (vi), and (vii) thereof as (ii), (iii), (iv), (v), and (vi), respectively.

(b) Section 1(j) of the Railroad Unemployment Insurance Act is amended by striking out "(i)" and all that follows through "(ii)".

(c) The amendments made by this section shall apply to compensation paid for services rendered after June 30, 1983.

SEC. 403. (a) Section 1(h) of the Railroad Retirement Act of 1974 is amended by adding at the end thereof the following new subdivision:

"(7) The term 'compensation' includes any separation allowance or subsistence allowance paid under any benefit schedule provided under section 701 of title VII of the Regional Rail Reorganization Act of 1973 and any termination allowance paid under section 702 of that Act, but does not include any other benefits payable under that title. The total amount of any subsistence allowance paid under a benefit schedule provided pursuant to section 701 of the Regional Rail Reorganization Act of 1973 shall be considered as having been earned in the month in which the employee first timely filed a claim for such an allowance.".

(b) Section 1(i) of the Railroad Unemployment Insurance Act is amended by inserting after the first sentence thereof the following new sentence: "Solely for the purpose of determining the compensation received by an employee in a base year, the term 'compensation' shall include any separation allowance or subsistence allowance paid under any benefit schedule provided under section 701 of title VII of the Regional Rail Reorganization Act of 1973 and any termination allowance paid under section 702 of that Act, but does not include any other benefits payable under that title. The total amount of any subsistence allowance payable under a benefit schedule provided pursuant to section 701 of the Regional Rail Reorganization Act of 1973 shall be considered as being compensation in the month in which the employee first timely filed a claim for such an allowance.".

(c) The amendments made by this section shall be effective August 13, 1981.

SEC. 404. Section 3(f)(1) of the Railroad Retirement Act of 1974 is amended—

(1) by inserting after "of an individual shall" in the second sentence the following "except as provided in the following sentence"; and

(2) by inserting after the second sentence the following: "If the individual's 'average monthly compensation' is determined under subdivision (2) of subsection (b) of this section, the 'final average monthly compensation' for such individual shall be the average of the compensation for the 24 months in which the compensation determined for the purpose of subdivision (2) of subsection (b) of this section is the highest.".

(c) The amendments made by this section shall be effective October 1, 1983, and shall apply with respect to annuities awarded on or after that date.

SEC. 405. (a) Section 3(f)(3) of the Railroad Retirement Act of 1974 is amended—

(1) by inserting "and divorced wife" after "spouse" the first place it appears in the first sentence thereof; and

(2) by striking out "such annuity or annuities" in the first sentence and inserting in lieu thereof "the annuities of the individual and spouse".

(b) The amendments made by this section shall be effective October 1, 1981.

SEC. 406. (a) Section 4(g)(4) of the Railroad Retirement Act of 1974 is amended by striking out "(e)(3)" in the second sentence and inserting in lieu thereof "(e)".

(b) The amendments made by this section shall be effective October 1, 1981.

SEC. 407. (a) Section 4(i) of the Railroad Retirement Act of 1974 is amended by adding at the end thereof the following new subdivision:

"(3) The annuity of any survivor under subsection (f) of this section shall be reduced, but not below zero, by the amount of any insurance benefit (before any deduction on account of work) payable to such survivor under title II of the Social Security Act, unless in computing the amount under subsection (f) a reduction was made for such insurance benefit pursuant to section 202(k) of the Social Security Act.".

(b) The amendment made by this section shall be effective with respect to annuities awarded on and after the date of enactment.

SEC. 408. (a) Section 6(b)(1) of the Railroad Retirement Act of 1974 is amended by adding at the end thereof the following new sentence: "No lump sum shall be payable under this subdivision if the employee died leaving a surviving divorced wife who would on proper application therefore be entitled to receive an annuity under section 2(d) of this Act for the month in which the employee's death occurred.".

(b) The amendment made by this section shall be effective October 1, 1981.

SEC. 409. (a) Section 2(c)(2) of the Railroad Retirement Act of 1974 is amended by striking the period and inserting in lieu thereof the following: ", except that the annuity of a divorced wife who was previously entitled to a spouse annuity which was reduced under this subdivision shall be reduced by the same percentage as was applicable to the spouse annuity.".

(b) The amendment made by this section shall be effective with respect to divorced wife annuities awarded on and after the date of enactment.

SEC. 410. (a) Section 1(h) (as amended by section 403 of this Act) of the Railroad Retirement Act of 1974 is amended by adding at the end the following:

"(8) Notwithstanding any other provision of this Act, for the purposes of sections 3(a)(1), 4(a)(1), and 4(f)(1), the term 'compensation' includes any payment from any source to an employee or employee representative if such payment is subject to tax under section 3201 or 3211 of the Internal Revenue Code of 1954.".

(b) The amendment made by this section shall apply with respect to payments made on or after January 1, 1982.

SEC. 411. (a)(1) The first proviso of subsection (k) of section 1 of the Railroad Unem-

ployment Insurance Act is amended by striking out "$1,000" and inserting in lieu thereof "$1,500".

(2) Section 3 of such Act is amended by striking out "$1,000" and inserting in lieu thereof "$1,500".

(3) Section 4(a-2)(i)(A) of such Act is amended by striking out "$1,000" and inserting in lieu thereof "$1,500".

(b) The amendments made by this section shall apply to compensation paid for services rendered after December 31, 1983.

SEC. 412. (a) Subsection (a) of section 2 of the Railroad Unemployment Insurance Act is amended by striking out "*Provided, however*" and all that follows down through the end of the first sentence and inserting in lieu thereof: "*Provided, however,* That in any case in which the Board finds that his unemployment was due to a stoppage of work because of a strike in the establishment, premises, or enterprise at which he was last employed, no benefits shall be payable for the first fourteen days of unemployment due to such stoppage of work.".

(b) The amendment made by this section shall apply with respect to days of unemployment in registration periods beginning after December 31, 1983.

SEC. 413. (a) Section 2(d)(1)(iv) of the Railroad Retirement Act of 1974 is amended by inserting before the period the following: ", but neither this proviso nor clause (B) or (C) of this paragraph shall operate to deny any parent an annuity to the extent and in the amount of the benefit that such parent would have received under the Social Security Act if the service as an employee of the individual, with respect to which such parent would be eligible to receive an annuity under this Act except for this proviso and those clauses, were included in 'employment' as defined in the Social Security Act".

(b) The amendment made by this section shall apply with respect to annuities that first begin to accrue with respect to any month beginning after the date of the enactment of this Act.

SEC. 414. (a) Section 2(h) of the Railroad Retirement Act of 1974 is amended—

(1) by striking out "(h)(1) In" and all that follows through the end of paragraph (1); and

(2) by inserting "(h)" immediately before "(2)".

(b) The amendments made by this section shall apply with respect to months beginning after the date of the enactment of this Act.

SEC. 415. Section 2(c)(3) of the Railroad Retirement Act of 1974 is amended by striking out ", if, as of the day on which the application" and all that follows through "support of such wife or husband".

SEC. 416. Section 7 of the Railroad Retirement Act of 1974 is amended by adding at the end the following:

"(f) Whenever the Board submits or transmits any budget estimate, budget request, supplemental budget estimate, or other budget information, legislative recommendation, prepared testimony for congressional hearings, or comment on legislation to the President or to the Office of Management and Budget, it shall concurrently transmit a copy thereof to the Congress. No officer or agency of the United States shall have any authority to require the Board to submit its budget requests or estimates, legislative recommendations, prepared testimony for congressional hearings, or comments on legislation to any officer or agency of the United States for approval, comments, or review, prior to the submission of such recommendations, testimony, or comments to the Congress.".

SEC. 417. (a) Section 15 of the Railroad Retirement Act of 1974 is amended by adding at the end thereof the following new subsection:

"(i)(1) The Secretary of the Treasury shall implement procedures to permit the identification of each check issued for benefits under this Act that has not been presented for payment by the close of the sixth month following the month of its issuance.

"(2) The Secretary of the Treasury shall, on a monthly basis, credit each account established in the Treasury for the payment of benefits under this Act for the proportionate amount of benefit checks (including interest thereon) drawn on each such Account more than six months previously but not presented for payment and not previously credited to such Account, to the extent provided in advance in appropriation Acts.

"(3) If a benefit check is presented for payment to the Treasury and the amount of the appropriate portion thereof has been previously credited pursuant to paragraph (2) to an Account or Accounts, the Secretary of the Treasury shall nevertheless pay such check, if otherwise proper, recharge such Account or Accounts for the amount of such check attributable to such Account or Accounts and notify the Board.

"(4) A benefit check bearing a current date may be issued to an individual who did not negotiate the original benefit check and who surrenders such check for cancellation if the Secretary of the Treasury determines it is necessary to effect proper payment of benefits.

"(b) The amendment made by subsection (a) shall apply with respect to all checks for benefits under this Act which are issued on or after May 1, 1985.

"(c)(1) The Secretary of the Treasury shall transfer from the general fund of the Treasury to each account established in the Treasury for the payment of benefits under this Act in the month following the month in which this Act is enacted and in each of the next succeeding months until May 1, 1985, such sums as may be necessary to reimburse such Accounts in the proportionate amount of all checks (including interest thereon) attributable to such Accounts which the Secretary and the Board jointly determine to be unnegotiated benefit checks, to the extent provided in advance in appropriation Acts. After any amounts authorized by this subsection have been transferred to an Account or Accounts with respect to any benefit check, the provisions of paragraphs (3) and (4) of section 15(i) of the Railroad Retirement Act of 1974 (as added by subsection (a) of this section) shall be applicable to such check.

"(2) As used in paragraph (1) of this subsection, the term 'unnegotiated benefit checks' means checks for benefits under the Railroad Retirement Act of 1974 or under the Railroad Retirement Act of 1937 which are issued prior to May 1, 1985, which remain unnegotiated after the sixth month following the date on which they were issued, and with respect to which no transfers have previously been made in accordance with the first sentence of such paragraph."

SEC. 418. The Railroad Retirement Act of 1974 is amended by adding at the end the following new section:

"INSPECTOR GENERAL

"SEC. 23. For the purposes of the Inspector General Act of 1978 (5 U.S.C. App.) the Railroad Retirement Board is an 'establishment' and the Chairman of the Railroad Retirement Board is the 'head of the establishment' with respect to such Board. For the purpose of section 2 of such Act, the Railroad Retirement Board is one of 'such establishments'."

TITLE V—OTHER AMENDMENTS

ESTABLISHMENT OF SOCIAL SECURITY EQUIVALENT BENEFIT ACCOUNT

SEC. 501. (a) The Railroad Retirement Act of 1974 is amended by inserting after section 15 the following new section:

"SOCIAL SECURITY EQUIVALENT BENEFIT ACCOUNT

"SEC. 15A. (a) There is hereby created an account in the Treasury of the United States to be known as the 'Social Security Equivalent Benefit Account'.

"(b) TRANSFERS, ETC., TO SOCIAL SECURITY EQUIVALENT BENEFIT ACCOUNT.—

"(1) NET TIER 1 TAXES, ETC.—There is hereby appropriated to the Social Security Equivalent Benefit Account for each fiscal year, beginning with the fiscal year beginning October 1, 1984, an amount equal to the sum of the following amounts:

"(A) NET TIER 1 TAXES.—Amounts covered into the Treasury (minus refunds) during such fiscal year under sections 3201(a), 3211(a)(1), and 3221(a) of the Railroad Retirement Tax Act.

"(B) INCOME TAX LIABILITIES ATTRIBUTABLE TO TAXATION OF SOCIAL SECURITY EQUIVALENT BENEFITS.—The amount which (but for this section) would have been transferred to the Railroad Retirement Account under section 121(e) of the Social Security Amendments of 1983 to the extent that the amount which would have been so transferred is attributable to taxation of social security equivalent benefits.

Amounts appropriated to the Railroad Retirement Account shall be appropriately reduced to take into account the amounts appropriated under this paragraph to the Social Security Equivalent Benefit Account.

"(2) FINANCIAL INTERCHANGE AMOUNTS.—On and after October 1, 1984, any amount which (but for this section) would have been transferred to the Railroad Retirement Account pursuant to paragraph (2) or (4) of section 7(c) of this Act shall be transferred to the Social Security Equivalent Benefit Account. On and after October 1, 1984, no transfer shall be made to the Railroad Retirement Account pursuant to paragraph (2) or (4) of section 7(c) of this Act.

"(3) CERTAIN CREDITED MILITARY SERVICE AMOUNTS.—To the extent that the authorization for appropriation contained in section 15(b) is attributable to the cost of social security equivalent benefits, on and after October 1, 1984, any reference in such section to the Railroad Retirement Account shall be treated as a reference to the Social Security Equivalent Benefit Account.

"(4) TIME AND MANNER OF CREDITS AND TRANSFERS.—Amounts appropriated or transferred to the Social Security Equivalent Benefit Account under this section shall be credited or transferred to such Account at the same time and in the same manner as such amounts would have been credited or transferred to the Railroad Retirement Account but for this section.

"(c)(1) Except as otherwise provided in this section, amounts in the Social Security Equivalent Benefit Account shall be available only for purposes of paying social security equivalent benefits under this Act and to provide for the administrative expenses

of the Board allocable to social security equivalent benefits.

"(2) On and after October 1, 1984, any transfer which (but for this paragraph) would be required to be made from the Railroad Retirement Account under paragraph (2) or (4) of section 7(c) shall be made from the Social Security Equivalent Benefit Account.

"(d)(1) Whenever the Board finds that the balance in the Social Security Equivalent Benefit Account will be insufficient to pay social security equivalent benefits which it estimates are due in any month, it shall request the Secretary of the Treasury to transfer from the Railroad Retirement Account to the credit of the Social Security Equivalent Benefit Account such moneys as the Board estimates will be necessary for the payment of such benefits, and the Secretary shall make such transfer. Whenever later in such month there is a transfer to the Social Security Equivalent Benefit Account under paragraph (2) or (4) of section 7(c) of this Act, the amount so transferred shall be immediately retransferred to the Railroad Retirement Account. The amount retransferred under the preceding sentence shall not exceed the amount of any outstanding transfers under this paragraph from the Railroad Retirement Account plus such additional amounts determined by the Board to be equal to the loss of interest to the Railroad Retirement Account resulting from such outstanding transfers.

"(2) Whenever the Board determines that—

"(A) amounts in the Railroad Retirement Account will not be sufficient to pay the annuities which it estimates are due, or will become due, from such Account, and

"(B) the transfer under this paragraph will not jeopardize the present or future payment of social security equivalent benefits,

the Board shall request the Secretary of the Treasury to transfer from the Social Security Equivalent Benefit Account to the Railroad Retirement Account such moneys as the Board estimates will be necessary for the payment of such annuities, and the Secretary shall make such transfer. No transfer under this paragraph shall be required to be repaid.

"(e) The provisions of subsections (e), (f), and (g) of section 15 are hereby made applicable to the Social Security Equivalent Benefit Account.

"(f)(1) For purposes of making payments of social security equivalent benefits, references in the Act to the Railroad Retirement Account shall be treated as references to the Social Security Equivalent Benefit Account.

"(2) For purposes of this section, the term 'social security equivalent benefits' means benefits payable under this Act which are of a kind taken into account in determining the amount of transfers made under section 7(c)(2) of this Act.".

(b)(1) The amendment made by this section shall take effect on October 1, 1984.

(2)(A) The tier 1 portion of the tax imposed by section 3201, 3211, or 3221 of the Internal Revenue Code of 1954, as the case may be, with respect to compensation paid before 1985 shall be treated as described in subparagraph (A) of section 15A(b)(1) of the Railroad Retirement Act of 1974.

(B) For purposes of subparagraph (A), the tier 1 portion of any tax is so much of such tax as is determined by reference to the rates of taxes imposed by chapter 21 of the Internal Revenue Code of 1954.

STUDY

SEC. 502. On or before July 1 of 1985, and of each calendar year thereafter, the Railroad Retirement Board shall submit to the Congress a report on the actuarial status of the railroad retirement system under various economic and employment assumptions. Such report shall include any recommendation for financing changes which might be advisable, including—

(1) any adjustment the Railroad Retirement Board recommends regarding the rates of taxes imposed of sections 3201(b), 3211(a)(2), and 3221(b) of the Internal Revenue Code of 1954, and

(2) if there are sufficient reserves in the Railroad Retirement Account, whether—

(A) the rates of such taxes should be reduced, or

(B) any part of the tax imposed by section 3221(b) of such Code should be diverted to the Railroad Unemployment Insurance Account to aid in the repayment of its debt to the Railroad Retirement Account.

INCREASE IN MONTHLY WAGE BASE

SEC. 503. (a)(1) Subsection (a) of section 8 of the Railroad Unemployment Insurance Act is amended by striking out so much of such subsection as precedes the table contained therein and inserting in lieu thereof the following:

"SEC. 8. (a) Every employer shall pay a contribution, with respect to having employees in his service, equal to the percentage determined as set forth below of so much of the compensation as is not in excess of $600 for any calendar month paid by him to any employee for any services rendered to him. If compensation is paid to an employee by more than one employer with respect to any such calendar month, the contributions required by this subsection shall not apply to more than $600 of the aggregate compensation paid to such employee by all such employers with respect to such calendar month, and each employer (other than a subordinate unit of a national railway-labor-organization employer) shall be liable for that portion of the contribution with respect to such compensation paid by all such employers which the compensation paid by him to such employee for services rendered during such month bears to the total compensation paid by all such employers to such employee for services rendered during such month. In the event that the compensation so paid by such employers to the employee for services rendered during such month is less than $600, each subordinate unit of a national railway-labor-organization employer shall be liable for such portion of any additional contribution as the compensation paid by such employer to such employee for services rendered during such month bears to the total compensation paid by all such employers to such employee for services rendered during such month:".

(2) Subsection (b) of section 8 of such Act is amended—

(A) by striking out "after December 1975", and

(B) by striking out "$400," and inserting in lieu thereof "$600,".

(b) The first sentence of subsection (i) of section 1 of such Act is amended by striking out "or in excess of $400 for any month after the month in which this Act was so amended" and inserting in lieu thereof "or in excess of $400 for any month after the month in which this Act was so amended and before January 1984, or in excess of $600 for any month after 1983".

(c) The amendments made by this section shall apply to compensation paid for services rendered after December 31, 1983.

RAILROAD UNEMPLOYMENT COMPENSATION COMMITTEE

SEC. 504. (a) Representatives of railroad labor and railroad management shall jointly establish (and jointly appoint the members of) a committee to be known as the "Railroad Unemployment Compensation Committee" (hereinafter in this section referred to as the "Committee").

(b) The Committee shall consist of five members—

(1) two of whom shall be representatives of railroad labor,

(2) two of whom shall be representatives of railroad management, and

(3) one of whom shall be an individual who shall not be in the employment of or pecuniarily or otherwise interested in any employer (as defined in section 1 of the Railroad Retirement Act of 1974) or any organization of employees (as defined in section 1 of such Act).

(c) The Committee shall review all aspects of the unemployment and sickness insurance systems provided by the Railroad Unemployment Insurance Act including (but not limited to) a review of—

(1) benefit levels,

(2) experience rating,

(3) debt repayment and interest on debt,

(4) waiting period for unemployment benefits and qualifying requirements, and

(5) alternatives to the railroad unemployment insurance system such as covering railroad employees under the Federal-State unemployment compensation system.

(d) Not later than April 1, 1984, the Committee shall submit a report to the Congress containing recommendations—

(1) with respect to the review conducted under subsection (c), and

(2) with respect to the repayment of funds which the railroad unemployment insurance system has borrowed from the Railroad Retirement Account.

Any recommendation submitted under paragraph (2) shall contain adjustments in contributions and benefits which will enable the railroad unemployment compensation system to repay all loans from the Railroad Retirement Account before December 31, 2000.

(e) The Railroad Retirement Board (and any other department, agency, or instrumentality of the Federal Government) is authorized to cooperate with, and assist, the Committee (at its request) in carrying out its duties by furnishing services, information, data, or other material which the Committee determines will be helpful in carrying out its duties.

ENERGY AND COMMERCE COMMITTEE AMENDMENTS

The CHAIRMAN. The Clerk will report the Energy and Commerce Committee amendments.

The Clerk read as follows:

Energy and Commerce Committee amendments: Page 14, line 2, strike out "on July 1, 1983" and insert in lieu thereof "on the first day of the first month beginning after the date of the enactment of this Act".

Page 14, line 4, strike out "date" and insert "day" in lieu thereof.

Page 14, line 8, after the comma insert "or".

Page 15, strike out line 14 and all that follows through line 3 on page 17, and insert in lieu thereof the following:

Sec. 105. Section 22 of the Railroad Retirement Act of 1974 is amended by striking out "(a)" and all that follows through the end of subsection (a) of such section and inserting in lieu thereof the following: "(a)(1) On or before February 1 of each year beginning in 1984, the Railroad Retirement Board shall prepare a five-year projection of anticipated revenues to and payments from the Railroad Retirement Account to determine the ability of such Account to pay benefits in each of the next succeeding five calendar years. No later than April 1 of each year, the Board shall submit a written report to the President, the Speaker of the House, and the President of the Senate setting forth the results of the projection prepared pursuant to the preceding sentence. If the projection indicates that the funds in the Railroad Retirement Account will be insufficient to pay the full amount of the benefits under this Act which are payable from that Account at any time during the five-year period, the Board's report shall include—

"(A) the first fiscal year during which benefits under this Act must be reduced, in the absence of any adjustments, because insufficient funds (including any general revenue borrowing authority under this Act) would preclude payment of full benefits (other than benefits payable from the Dual Benefits Payments Account) for every month in such fiscal year;

"(B) the first fiscal year during which the Board would recommend suspension of the authority to borrow contained in section 10(d) of the Railroad Unemployment Insurance Act, in order to prevent depletion of the Railroad Retirement Account; and

"(C) the amount, if any, of adustments (stated in terms of percentage of taxable payroll), and any other changes such cash flow adjustments, necessary to preserve the financial solvency of the Railroad Retirement Account, if such adjustments were effective at the beginning of the next succeeding fiscal year.

"(2) Not less than 20 nor more than 30 days after the submission of a written report under this subsection which indicates that, in the absence of any adjustments, the Railroad Retirement Account will contain insufficient funds to pay the full amount of the benefits under this Act which are payable from that Account at some time during the five-year period convered by the report, the Board shall publish such report in the Federal Register.".

Page 21, line 7, strike out the quotation mark.

Page 21, line 9, strike out the single quotation mark and insert a double quotation mark in lieu thereof.

Page 21, line 25, after the period insert a close quotation mark.

Page 22, line 1, strike out the quotation mark.

Page 22, line 2, strike out the quotation mark and the period which follows.

Page 62, line 9, strike out "a".

Page 62, strike out line 16 and line 17.

Page 64, line 15, strike out "Period" and insert "semicolon" in lieu thereof.

Page 67, line 10, after the period insert a close quotation mark.

Page 67, line 11, strike out the quotation mark.

Page 67, line 14, strike out the quotation mark.

Page 67, beginning in line 16 and ending in line 17, strike out "this Act" and insert "the Railroad Retirement Act of 1974" in lieu thereof.

Page 67, line 17, Strike out "Act is" and insert "section is" in lieu thereof.

Page 67, line 19, after "May" insert a comma.

Page 68, line 5, strike out the quotation mark.

Page 68, line 12, strike out the quotation mark.

Mr. FLORIO (during the reading). Mr. Chairman, I ask unanimous consent that the Energy and Commerce Committee amendments be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The CHAIRMAN. The gentleman from New Jersey (Mr. FLORIO) is recognized for 5 minutes.

Mr. FLORIO. Mr. Chairman, these are technical amendments that have been concurred in by the minority.

Mr. Chairman, I yield to the gentleman from North Carolina (Mr. BROYHILL).

Mr. BROYHILL. Mr. Chairman, we have worked these amendments out. They are technical amendments, and we would urge that they be accepted.

The CHAIRMAN. The question is on the Energy and Commerce Committee amendments.

The Energy and Commerce Committee amendments were agreed to.

AMENDMENT OFFERED BY MR. PICKLE

Mr. PICKLE. Mr. Chairman, I offer an amendment made in order under the rule, which is at the desk and which has been printed in the RECORD.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. PICKLE: Page 22, line 10, strike out "JULY 1, 1984" and insert in lieu thereof "JANUARY 1, 1984".

Page 23, line 7, strike out "JUNE 30, 1984" and insert in lieu thereof "DECEMBER 31, 1983".

Page 28, line 17, strike out "JUNE 30, 1984" and insert in lieu thereof "DECEMBER 31, 1983".

(Change in Depositary Schedules To Take Effect on January 1, 1984.)

Page 38, line 18, strike out "JANUARY 1, 1986" and insert in lieu thereof "JANUARY 1, 1984".

Page 39, line 24, strike out "JANUARY 1, 1986" and insert in lieu thereof "JANUARY 1, 1984".

Mr. PICKLE (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The CHAIRMAN. For purposes of determining whether or not there is a Member opposed to control the 15 minutes, the Chair will inquire, is there a Member opposed to said amendment?

The Chair recognizes the gentleman from Texas (Mr. PICKLE) for 15 minutes.

Mr. PICKLE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the amendment I am offering today would raise approximately $100 million over the next 5 years by accelerating the effective dates of certain tax provisions in the bill.

Specifically, I am seeking to move up the date by which railroad employers will be required to follow the same deposit schedule for depositing employment taxes as all social security private employers from January 1, 1986 to January 1, 1984. In addition, I am seeking to move the effective date for the first tier 2 tax rate increase provided in the bill from July 1, 1984 to January 1, 1984.

The fact that I am seeking to raise additional revenues beyond what has been reported by the Committee on Ways and Means does not mean that I am dissatisfied with the product of the Committee on Ways and Means. On the contrary, the changes made by the committee have vastly improved the bill and have significantly reduced the potential liability of the Federal taxpayer.

Last week, Congressman FLORIO notified me that he would seek to amend the provisions of the bill dealing with early retirement, the so-called 60/30 provision. I presumed at that time that the amendment would be made in order.

This amendment raised concerns in the Committee on Ways and Means that the solvency goals which we had achieved through our tax amendments would not be achieved because outlays would be higher under the Florio amendment. However, given the division of jurisdictional responsibilities in the House between the Committee on Ways and Means and the Committee on Energy and Commerce, this is a matter over which I have no legislative authority.

The only course of action left open to me as chairman of the subcommittee with jurisdiction over railroad retirement employment taxes was to seek to provide that if the Florio amendment was passed by the House, the House would also approve a revenue increase at the same time which would be sufficient to finance the slower phase-in of the 60/30 benefit change provided under the Florio amendment.

The parliamentary procedure which has been worked out with the Rules Committee and the gentleman from New Jersey provides that the benefit liberalization amendment must be offered as an amendment to my revenue amendment. As a result, the benefit change cannot be approved without

the revenues necessary to finance the change.

I would point out again to my colleagues that my sole purpose in offering this amendment is to finance the spending which is envisioned in the amendment to my amendment which Mr. FLORIO will soon offer. If that amendment is not approved by the House, I will immediately withdraw my amendment since the balance which was between revenue and outgo was struck by the Committee on Ways and Means will not be in jeopardy.

Mr. CONABLE. Mr. Chairman, if the gentleman will yield, we have no objection to the gentleman's amendment on this side. We think it is a constructive amendment.

Mr. PICKLE. Mr. Chairman, I appreciate the gentleman's cooperation, but I will finish my sentence, since I have a head of steam worked up and I hate to be derailed this early.

Let me just say specifically that the amendment raises the money that is necessary for the changes that the gentleman from New Jersey (Mr. FLORIO) will offer in just a few minutes. That is the long and the short of it.

We felt that if we give these benefits, we ought to make the provision to pay for it, and we do it by moving up the effective date of the deposit and by moving up the date of the rates.

Mr. CONABLE. Mr. Chairman, if the gentleman will yield further to me, I would like to congratulate him on having expended his head of steam so promptly.

Mr. PICKLE. Mr. Chairman, I reserve the balance of my time.

AMENDMENT OFFERED BY MR. FLORIO TO THE AMENDMENT OFFERED BY MR. PICKLE

Mr. FLORIO. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. FLORIO to the amendment offered by Mr. PICKLE:

Add at the end of the Pickle amendment the following:

Page 2, strike out line 17 and all that follows through line 13 on page 3 and insert in lieu thereof the following:

"(i) for each month prior to the first month throughout which the individual is age 62, the amount (after any reduction on account of age but before any deductions on account of work) of the old-age insurance benefit to which such individual would have been entitled under the Social Security Act as of the date on which such individual's annuity begins to accrue if such individual had attained age 62 on the first day of the month in which his or her annuity begins to accrue and if all of such individual's service as an employee after December 31, 1936, had been included in the term 'employment' as defined in that Act, using for purposes of this computation the number of benefit computation years applicable to a person born in the year in which such individual was born; and".

Page 6, strike out line 3 and all that follows through line 8 and insert in lieu thereof the following:

(c) The amendments made by this section shall become effective on July 1, 1984, and shall apply only with respect to awards in cases where the indivudal's annuity under section 2(a)(1) of the Railroad Retirement Act of 1974 began to accrue on or after that date and the individual had not completed thirty years of service and attained age 60 prior to that date. In the case of an individual who has completed thirty years of service and has attained age 60 before January 1, 1986, the amount of the reduction on account of age in the annuity amount provided to such individual under section 3(a)(3) of the Railroad Retirement Act of 1974 and the amount of the reduction on account of age in the annuity amount provided to the spouse of such individual under subdivision (3) of section 4(a) of the Railroad Retirement Act of 1974 shall be only one-half of the amount by which such annuity would be reduced on account of age except for the provisions of this sentence.

Page 57, line 2, strike out "July 1, 1984" and insert "January 1, 1984" in lieu thereof.

Page 57, line 9, strike out "July 1, 1984" and insert "January 1, 1984" in lieu thereof.

Page 57, line 15, strike out "July 1, 1984" and insert "January 1, 1984" in lieu thereof.

Page 57, line 17, strike out "July 1, 1984" and insert "January 1, 1984" in lieu thereof.

Mr. FLORIO (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The CHAIRMAN. Under the rule, the gentleman from New Jersey (Mr. FLORIO) will be recognized for 15 minutes.

Mr. FLORIO. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this amendment I am offering to the Pickle amendment is very important. It will provide protection to those railroad employees close to retirement, by phasing in the change in the early retirement, or so-called 60/30, benefit.

Under current law, railroad employees can retire at age 60 with 30 years service with full benefits. Labor and management agreed to change this provision so that individuals could still retire at age 60, but with a reduction in the tier 1, or social security type, benefit. The tier 2 benefit would not be affected by this change. Individuals who retire at 62 with 30 years service would continue to get full benefits.

Much concern has been expressed because the original labor-management agreement proposed this change to take effect for those retiring on or after July 1, 1983. Obviously, we are past that date, and, in any event, that was too soon to make such a change. I have been contacted by many railroad employees close to retirement about this problem, and I am sure my colleagues have been too.

My amendment would protect those close to retirement. Individuals who reached 60 with 30 years service by June 30, 1984 could retire at any time with no reduction. Individuals who reached 60 with 30 years service after June 30, 1984 but on or before December 31, 1985 would receive a 10-percent reduction in tier 1 benefits for retirement before 62—half the full reduction. Finally, individuals who turned 60 on or after January 1, 1986 would receive a 20-percent reduction in tier 1 for retirement before 62—the same reduction as currently occurs for those retiring at age 62 under social security.

I want to emphasize that the revenue to be raised by Mr. PICKLE's amendment will pay for the added cost to the system of my amendment. Thus, the two amendments together would be revenue neutral.

This amendment also does two other things. First, it replaces the formula for reduced benefits for early retirement that is currently in the bill with a more equitable formula, agreed on by labor and management. The formula in the bill provides for a flat rate tier I benefit for early retirement. This flat rate would be the same regardless of an individual's creditable compensation or wage record. The alternative formula in the amendment would provide a proportional reduction based on an individual's wage record. This more equitable formula is the same one used by social security to compute reduced benefits for retirement at age 62.

Finally, this amendment conforms certain dates as a result of Mr. PICKLE's amendment. The bill provides for the repayment of the money owed the railroad retirement system as a result of the past underfunding of the dual benefit. The bill provides that this payment occur in three installments, at the same time an increase in tier II tax rate takes place. Because Mr. PICKLE's amendment accelerates the first tier II tax increase from July 1, 1984, to January 1, 1984, my amendment would similarly move up the first repayment installment from July 1, 1984, to January 1, 1984.

This is an important amendment, and if you want to provide equity to railroad employees close to retirement, I urge your support, both of my amendment and of Mr. PICKLE's amendment.

Mr. BROYHILL. Mr. Chairman, will the gentleman yield?

Mr. FLORIO. I yield to the gentleman from North Carolina.

Mr. BROYHILL. Mr. Chairman, we will be glad to accept this amendment on this side. The gentleman's amendment would phase in the change in the so-called 60/30 retirement formula. We have examined the amendment and we accept it. It does end up exactly where the bill is written at the present time.

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. FLORIO. I yield to the gentleman from Ohio.

Mr. REGULA. I thank the gentleman for yielding.

Mr. Chairman, I would like to direct a question to the gentleman. Will this protect those who are on the threshold of retirement at this time? Will there be a sufficient transition period under the gentleman's amendment?

Mr. FLORIO. Yes; that is exactly what this amendment is designed to do.

Mr. REGULA. I thank the gentleman.

The CHAIRMAN. If there is no opposition to said amendments, the question is on the amendment offered by the gentleman from New Jersey (Mr. FLORIO) to the amendment offered by the gentleman from Texas (Mr. PICKLE).

The amendment to the amendment was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas (Mr. PICKLE), as amended.

The amendment, as amended, was agreed to.

AMENDMENT OFFERED BY MRS. SCHROEDER

Mrs. SCHROEDER. Mr. Chairman, I offer an amendment which is made in order under the rule.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mrs. SCHROEDER: Page 68, after line 21, insert the following new section:

SEC. 419. (a) Section 14 of the Railroad Retirement Act of 1974 is amended—

(1) by striking out "Notwithstanding" and inserting in lieu thereof "(a) Except as provided in subsection (b) of this section and the Internal Revenue Code of 1954, notwithstanding";

(2) by striking out ": *Provided, however,* That the provisions of this" and inserting in lieu thereof the following:

"(b)(1) This"; and

(3) by adding at the end the following:

"(2) This section shall not operate to prohibit the characterization or treatment of that portion of an annuity under this Act which is not computed under section 3(a), 4(a), or 4(f) of this Act, or any portion of a supplemental annuity under this Act, as community property for the purposes of, or property subject to, distribution in accordance with a court decree of divorce, annulment, or legal separation or the terms of any court-approved property settlement incident to any such court decree. The Board shall make payments of such portions in accordance with any such characterization or treatment or any such decree or settlement.".

(b) The amendments made by this section shall apply with respect to annuity amounts payable for months beginning after the date of the enactment of this Act.

Mrs. SCHROEDER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentlewoman from Colorado?

There was no objection.

The CHAIRMAN. Under the rule, the gentlewoman from Colorado (Mrs. SCHROEDER) will be recognized for 15 minutes, and a Member opposed to the amendment will be recognized for 15 minutes.

The Chair recognizes the gentlewoman from Colorado (Mrs. SCHROEDER).

Mrs. SCHROEDER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, if I may address this amendment, it is an amendment that we have done in all of the other retirement areas that have come before this body. I think it is terribly important. What it does is, it allows Federal pensions to be subject to State court orders and obviously brings Federal pensions in line with where we have been for a long time and private pensions, and I think that is only fair.

□ 1820

For a very long time it really seems that we did not recognize the economic value of what a spouse did at home, and this says that if the court determines that during a divorce settlement, then this will allow that. We have done this for the CIA, for the military, for civil service, and now we are doing it for railroad retirement, if it passes today. I think this is a very important package.

Mr. FLORIO. Mr. Chairman, will the gentlewoman yield?

Mrs. SCHROEDER. I am delighted to yield to the coauthor, the gentleman from New Jersey.

Mr. FLORIO. I thank the gentlewoman for yielding.

Mr. Chairman, I would like to identify with this amendment, say that it is my pleasure to support it. It has been a pleasure working with the gentlewoman from Colorado in perfecting it and being able to offer it.

Mrs. SCHROEDER. I thank the gentleman from New Jersey for all he has done, and everyone who has worked so hard on it.

This amendment would eliminate a provision in the Railroad Retirement Act which discriminates against divorced spouses. Under current law, a divorce court cannot even consider an individual's railroad retirement benefit in dividing property in a divorce. This amendment would allow a divorce court to take a railroad retirement benefit into account. However, tier I benefits, which are like social security, would continue to be immune from court action, as are social security benefits. This would treat railroad retirement benefits like other pension benefits.

My distinguished colleague from Colorado has been most successful in eliminating similar discrimination in other Federal pension systems. This amendment would do likewise for the railroad retirement system. Passage of this amendment will be another step in improving pension equity for women. I urge its support.

Mr. CONABLE. Mr. Chairman, will the gentlewoman yield?

Mrs. SCHROEDER. I yield to the gentleman from New York.

Mr. CONABLE. I thank the gentlewoman for yielding.

Mr. Chairman, I would also like to commend the gentlewoman's amendment to the attention of all Members and urge its support.

Mr. BROYHILL. Mr. Chairman, will the gentlewoman yield?

Mrs. SCHROEDER. I yield to the gentleman from North Carolina.

Mr. BROYHILL. I thank the gentlewoman for yielding.

Mr. Chairman, I rise in support of this amendment. The amendment does not require a court to consider these benefits in a property settlement; is that correct? It only enables the court to do so depending on the attending circumstances?

Mrs. SCHROEDER. That is exactly correct, and then to go along with the court order, and it really says to the Supreme Court they were wrong in not saying that State law did not apply.

Mr. BROYHILL. So in effect, what it would do is to give the spouse at least a fighting chance to receive a portion of these benefits for her support.

Mrs. SCHROEDER. That is exactly correct. It treats it as property, which almost every State in the Union does. If the State court says this is property, then the Federal Government cannot say, "No, we have a different idea." I think we have always felt family law belonged at the State level and the Federal Government should not be able to duck it.

Mr. BROYHILL. I thank the gentlewoman for yielding, and I would urge that we pass this so we can get on to completion of the legislation.

Mrs. SCHROEDER. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. Does any Member wish to speak in opposition to the amendment?

If not, the question is on the amendment offered by the gentlewoman from Colorado (Mrs. SCHROEDER).

The amendment was agreed to.

The CHAIRMAN. If there are no further amendments, the question is on the amendment in the nature of a substitute, as amended.

The amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr.

WRIGHT) having assumed the chair, Mr. BONIOR of Michigan, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 1646) to amend the Railroad Retirement Act of 1974 and the Railroad Retirement Tax Act to assure sufficient resources to pay current and future benefits under the Railroad Retirement Act of 1974, to make technical changes, and for other purposes, pursuant to House Resolution 286, he reported the bill back to the House with an amendment adopted in the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. BROYHILL. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 398, nays 5, not voting 30, as follows:

[Roll No. 297]

YEAS—398

Ackerman	Boucher	Craig
Addabbo	Boxer	D'Amours
Akaka	Britt	Daniel
Alexander	Brooks	Daub
Anderson	Broomfield	Davis
Andrews (NC)	Brown (CA)	de la Garza
Andrews (TX)	Brown (CO)	Derrick
Annunzio	Broyhill	DeWine
Anthony	Bryant	Dickinson
Applegate	Burton (CA)	Dicks
Archer	Burton (IN)	Dingell
Aspin	Byron	Dixon
AuCoin	Campbell	Donnelly
Badham	Carney	Dorgan
Barnard	Carper	Downey
Barnes	Carr	Dreier
Bartlett	Chandler	Duncan
Bateman	Chappell	Durbin
Bates	Cheney	Dwyer
Bedell	Clarke	Dymally
Beilenson	Clay	Dyson
Bennett	Clinger	Early
Bereuter	Coats	Eckart
Bethune	Coelho	Edwards (CA)
Biaggi	Coleman (MO)	Edwards (OK)
Bilirakis	Coleman (TX)	Emerson
Bliley	Collins	English
Boehlert	Conable	Erdreich
Boggs	Conte	Erlenborn
Boner	Cooper	Evans (IA)
Bonior	Corcoran	Evans (IL)
Bonker	Coughlin	Fascell
Borski	Courter	Fazio
Bosco	Coyne	Feighan
Ferraro	Long (LA)	Roemer
Fiedler	Long (MD)	Rogers
Fields	Lott	Rostenkowski
Fish	Lowery (CA)	Roth
Flippo	Lowry (WA)	Roukema
Florio	Lujan	Rowland
Foglietta	Lundine	Roybal
Foley	Lungren	Rudd
Ford (MI)	Mack	Russo
Ford (TN)	MacKay	Sabo
Forsythe	Madigan	Savage
Frank	Markey	Sawyer
Franklin	Marlenee	Schaefer
Frenzel	Marriott	Scheuer
Frost	Martin (IL)	Schneider
Fuqua	Martin (NC)	Schroeder
Garcia	Martin (NY)	Schulze
Gaydos	Martinez	Schumer
Gejdenson	Matsui	Seiberling
Gekas	Mavroules	Sensenbrenner
Gephardt	Mazzoli	Shannon
Gibbons	McCain	Sharp
Gilman	McCandless	Shaw
Gingrich	McCloskey	Shelby
Glickman	McCollum	Shumway
Gonzalez	McCurdy	Shuster
Goodling	McDade	Sikorski
Gradison	McEwen	Simon
Gramm	McGrath	Sisisky
Gray	McHugh	Skeen
Gregg	McKernan	Skelton
Guarini	McKinney	Slattery
Gunderson	McNulty	Smith (FL)
Hall (IN)	Mica	Smith (IA)
Hall (OH)	Michel	Smith (NE)
Hall, Ralph	Mikulski	Smith (NJ)
Hall, Sam	Miller (CA)	Smith, Denny
Hamilton	Miller (OH)	Smith, Robert
Hammerschmidt	Mineta	Snowe
Hansen (ID)	Minish	Snyder
Hansen (UT)	Mitchell	Solarz
Harrison	Moakley	Solomon
Hartnett	Molinari	Spence
Hatcher	Mollohan	Spratt
Hawkins	Montgomery	Staggers
Hefner	Moody	Stangeland
Hertel	Moore	Stark
Hightower	Moorhead	Stenholm
Hiler	Morrison (CT)	Stokes
Hillis	Morrison (WA)	Stratton
Holt	Mrazek	Studds
Hopkins	Murphy	Stump
Horton	Murtha	Sundquist
Howard	Myers	Swift
Hoyer	Natcher	Synar
Hubbard	Nelson	Tallon
Huckaby	Nichols	Tauke
Hughes	Nielson	Taylor
Hunter	Nowak	Thomas (CA)
Hutto	O'Brien	Thomas (GA)
Hyde	Oakar	Torres
Ireland	Oberstar	Torricelli
Jacobs	Obey	Traxler
Jeffords	Olin	Udall
Jenkins	Ortiz	Valentine
Johnson	Ottinger	Vander Jagt
Jones (NC)	Owens	Vandergriff
Jones (OK)	Oxley	Vento
Jones (TN)	Packard	Volkmer
Kaptur	Panetta	Vucanovich
Kasich	Parris	Walgren
Kastenmeier	Pashayan	Walker
Kazen	Patman	Watkins
Kemp	Patterson	Waxman
Kennelly	Pease	Weber
Kildee	Penny	Weiss
Kindness	Pepper	Wheat
Kogovsek	Perkins	Whitehurst
Kolter	Petri	Whitley
Kostmayer	Pickle	Whittaker
Kramer	Porter	Williams (MT)
LaFalce	Price	Williams (OH)
Lagomarsino	Pritchard	Wilson
Lantos	Pursell	Winn
Latta	Quillen	Wirth
Leach	Rahall	Wise
Leath	Rangel	Wolf
Lehman (CA)	Ratchford	Wolpe
Lehman (FL)	Ray	Wortley
Leland	Regula	Wright
Lent	Reid	Wyden
Levin	Richardson	Wylie
Levine	Ridge	Yates
Levitas	Rinaldo	Yatron
Lewis (CA)	Ritter	Young (AK)
Lewis (FL)	Roberts	Young (MO)
Lipinski	Robinson	Zablocki
Livingston	Rodino	Zschau
Lloyd	Roe	

NAYS—5

Crane, Daniel	Dannemeyer	Paul
Crane, Philip	McDonald	

NOT VOTING—30

Albosta	Dowdy	Luken
Berman	Edgar	Neal
Bevill	Edwards (AL)	Rose
Boland	Fowler	Siljander
Breaux	Gore	St Germain
Chappie	Green	Tauzin
Conyers	Hance	Towns
Crockett	Harkin	Weaver
Daschle	Heftel	Whitten
Dellums	Loeffler	Young (FL)

□ 1840

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

AUTHORIZING CLERK OF THE HOUSE TO MAKE CORRECTIONS IN ENGROSSMENT OF H.R. 1646

Mr. FLORIO. I ask unanimous consent that in the engrossment of the bill, H.R. 1646, the Clerk be authorized to correct section numbers, punctuation, and cross references, and to make such other technical and conforming changes as may be necessary to reflect the actions of the House in amending that bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

GENERAL LEAVE

Mr. FLORIO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and to include extraneous matter on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey.

There was no objection.

REDUCING TO 5 MINUTES TIME FOR VOTE ON MOTION TO CLOSE PORTIONS OF CONFERENCE ON S. 675

Mr. ALEXANDER. Mr. Speaker, I ask unanimous consent that the yea and nay vote required by clause 6, rule XXVIII, on the motion to be offered by the chairman of the Armed Services Committee to close portions of the conference on the bill, S. 675, be a 5-minute vote. That motion will immediately follow the yea and nay vote on the motion to postpone House Resolution 256 indefinitely.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

DISAPPROVING THE PRESIDENT'S RECOMMENDATION TO EXTEND CERTAIN WAIVER AUTHORITY WITH RESPECT TO ROMANIA

The SPEAKER pro tempore. The pending business is the vote on the preferential motion offered by gentleman from Minnesota (Mr. FRENZEL) to postpone indefinitely the motion to consider House Resolution 256.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on the preferential motion offered by the gentleman from Minnesota (Mr. FRENZEL) to postpone indefinitely the motion to consider House Resolution 256, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 279, nays 126, not voting 28, as follows:

[Roll No. 298]

YEAS—279

Ackerman	Dyson	Kaptur
Addabbo	Eckart	Kastenmeier
Akaka	Edwards (AL)	Kazen
Anderson	Edwards (CA)	Kennelly
Andrews (TX)	Emerson	Kildee
Annunzio	Erdreich	Kogovsek
Anthony	Evans (IA)	Kolter
Archer	Evans (IL)	Kostmayer
Aspin	Fascell	LaFalce
AuCoin	Fazio	Lantos
Barnes	Feighan	Leach
Bateman	Ferraro	Lehman (CA)
Bates	Fiedler	Lehman (FL)
Bedell	Fish	Leland
Beilenson	Flippo	Lent
Bennett	Florio	Levin
Bereuter	Foglietta	Levine
Berman	Foley	Levitas
Boehlert	Ford (MI)	Lipinski
Boggs	Ford (TN)	Long (LA)
Bonior	Forsythe	Long (MD)
Bonker	Fowler	Lowery (CA)
Borski	Frank	Lowry (WA)
Bosco	Frenzel	Lundine
Boucher	Frost	MacKay
Boxer	Fuqua	Madigan
Breaux	Garcia	Markey
Brooks	Gejdenson	Marlenee
Broomfield	Gekas	Martin (IL)
Brown (CA)	Gephardt	Martin (NC)
Bryant	Gibbons	Martinez
Burton (CA)	Gilman	Matsui
Byron	Glickman	Mavroules
Carper	Gonzalez	Mazzoli
Carr	Goodling	McCain
Chandler	Gradison	McCandless
Chappell	Gray	McCloskey
Cheney	Guarini	McDade
Clay	Gunderson	McHugh
Clinger	Hall (IN)	McKernan
Coelho	Hall (OH)	McKinney
Coleman (MO)	Hamilton	McNulty
Coleman (TX)	Hammerschmidt	Mica
Collins	Harrison	Michel
Conable	Hatcher	Mikulski
Conte	Hawkins	Miller (CA)
Cooper	Hertel	Mineta
Coughlin	Hightower	Minish
Coyne	Hillis	Mitchell
D'Amours	Horton	Moakley
Davis	Howard	Molinari
de la Garza	Hoyer	Moody
Derrick	Hubbard	Moore
Dicks	Hughes	Morrison (CT)
Dingell	Hutto	Murtha
Dixon	Hyde	Natcher
Donnelly	Ireland	Nelson
Dorgan	Jacobs	Nowak
Downey	Jenkins	O'Brien
Durbin	Johnson	Oakar
Dwyer	Jones (NC)	Oberstar
Dymally	Jones (OK)	Obey
Olin	Russo	Swift
Ortiz	Sabo	Synar
Ottinger	Savage	Tauke
Owens	Sawyer	Taylor
Panetta	Scheuer	Thomas (GA)
Patterson	Schneider	Torres
Pease	Schroeder	Torricelli
Penny	Schumer	Traxler
Pepper	Seiberling	Udall
Perkins	Sensenbrenner	Vander Jagt
Petri	Shannon	Vento
Pickle	Sharp	Walgren
Porter	Shaw	Waxman
Price	Sikorski	Weber
Pritchard	Simon	Weiss
Pursell	Sisisky	Wheat
Rangel	Skeen	Whittaker
Ratchford	Skelton	Williams (MT)
Ray	Slattery	Williams (OH)
Regula	Smith (FL)	Wilson
Reid	Smith (IA)	Winn
Richardson	Smith (NE)	Wirth
Ridge	Smith (NJ)	Wolpe
Rinaldo	Snowe	Wright
Roberts	Solarz	Wyden
Rodino	Spratt	Wylie
Roe	Stangeland	Yates
Rostenkowski	Stark	Yatron
Roukema	Stokes	Young (MO)
Rowland	Stratton	Zablocki
Roybal	Studds	Zschau

NAYS—126

Andrews (NC)	Hansen (ID)	Nielson
Applegate	Hansen (UT)	Oxley
Badham	Hartnett	Packard
Barnard	Hefner	Parris
Bartlett	Hiler	Pashayan
Bethune	Holt	Patman
Biaggi	Hopkins	Paul
Bilirakis	Huckaby	Quillen
Bliley	Hunter	Rahall
Boner	Jeffords	Ritter
Britt	Jones (TN)	Robinson
Brown (CO)	Kasich	Roemer
Broyhill	Kemp	Rogers
Burton (IN)	Kindness	Roth
Campbell	Kramer	Rudd
Carney	Lagomarsino	Schaefer
Clarke	Latta	Schulze
Coats	Leath	Shelby
Corcoran	Lewis (CA)	Shumway
Courter	Lewis (FL)	Shuster
Craig	Livingston	Smith, Denny
Crane, Daniel	Lloyd	Smith, Robert
Crane, Philip	Lott	Snyder
Daniel	Lujan	Solomon
Dannemeyer	Lungren	Staggers
Daub	Mack	Stenholm
DeWine	Marriott	Stump
Dickinson	Martin (NY)	Sundquist
Dreier	McCollum	Tallon
Duncan	McCurdy	Thomas (CA)
Early	McDonald	Valentine
Edwards (OK)	McEwen	Vandergriff
English	McGrath	Volkmer
Fields	Miller (OH)	Vucanovich
Franklin	Mollohan	Walker
Gaydos	Montgomery	Watkins
Gingrich	Moorhead	Whitehurst
Gramm	Morrison (WA)	Whitley
Green	Mrazek	Wise
Gregg	Murphy	Wolf
Hall, Ralph	Myers	Wortley
Hall, Sam	Nichols	Young (AK)

NOT VOTING—28

Albosta	Edgar	Siljander
Alexander	Erlenborn	Spence
Bevill	Gore	St Germain
Boland	Hance	Tauzin
Chappie	Harkin	Towns
Conyers	Heftel	Weaver
Crockett	Loeffler	Whitten
Daschle	Luken	Young (FL)
Dellums	Neal	
Dowdy	Rose	

□ 1900

Messrs. WISE, BIAGGI, STAGGERS, and CLARKE changed their votes from "yea" to "nay."

Mr. HAMMERSCHMIDT changed his vote from "nay" to "yea."

So the preferential motion was agreed to.

The result of the vote was announced as above recorded.

PERMISSION FOR COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION TO SIT WEDNESDAY, AUGUST 3, AND THURSDAY, AUGUST 4, 1983, DURING 5-MINUTE RULE

Mr. ROE. Mr. Speaker, I ask unanimous consent that the Committee on Public Works and Transportation be permitted to sit for purposes of markup while the House is operating under the 5-minute rule on Wednesday, August 3, and Thursday, August 4, 1983.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

MOTION TO CLOSE CONFERENCE COMMITTEE MEETINGS ON S. 675, DEPARTMENT OF DEFENSE AUTHORIZATION BILL WHEN CLASSIFIED NATIONAL SECURITY INFORMATION IS UNDER CONSIDERATION

Mr. PRICE. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

Mr. PRICE moves that, pursuant to rule XXVIII 6(a) of the House rules, the conference committee meetings between the House and the Senate on S. 675, the fiscal year 1984 Department of Defense authorization, be closed to the public at such times as classified national security information is under consideration: *Provided, however,* That any sitting Member of Congress shall have the right to attend any closed or open meeting.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Illinois (Mr. PRICE).

On the gentleman's motion to close the conference, a rollcall vote is required. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 396, nays 10, not voting 27, as follows:

[Roll No. 299]

YEAS—396

Ackerman	Bartlett	Bonior
Addabbo	Bateman	Bonker
Akaka	Bates	Borski
Alexander	Bedell	Bosco
Anderson	Beilenson	Boucher
Andrews (NC)	Bennett	Boxer
Andrews (TX)	Bereuter	Breaux
Annunzio	Berman	Britt
Anthony	Bethune	Brooks
Applegate	Bevill	Broomfield
Archer	Biaggi	Brown (CA)
Aspin	Bilirakis	Brown (CO)
AuCoin	Bliley	Broyhill
Badham	Boehlert	Bryant
Barnard	Boggs	Burton (CA)
Barnes	Boner	Burton (IN)

Byron	Hall, Sam	Miller (CA)
Campbell	Hamilton	Miller (OH)
Carney	Hammerschmidt	Mineta
Carper	Hansen (ID)	Minish
Carr	Hansen (UT)	Moakley
Chandler	Harrison	Molinari
Chappell	Hartnett	Mollohan
Cheney	Hatcher	Montgomery
Clarke	Hawkins	Moody
Clay	Hefner	Moore
Clinger	Hertel	Moorhead
Coats	Hightower	Morrison (CT)
Coelho	Hiler	Morrison (WA)
Coleman (MO)	Hillis	Mrazek
Coleman (TX)	Holt	Murphy
Collins	Hopkins	Murtha
Conable	Horton	Myers
Conte	Howard	Natcher
Cooper	Hoyer	Nelson
Corcoran	Hubbard	Nichols
Coughlin	Huckaby	Nielson
Courter	Hughes	Nowak
Coyne	Hunter	O'Brien
Craig	Hutto	Oakar
Crane, Daniel	Hyde	Oberstar
Crane, Philip	Ireland	Obey
D'Amours	Jacobs	Olin
Daniel	Jeffords	Ortiz
Dannemeyer	Jenkins	Owens
Daub	Johnson	Oxley
Davis	Jones (NC)	Packard
de la Garza	Jones (OK)	Panetta
Derrick	Jones (TN)	Parris
DeWine	Kaptur	Pashayan
Dickinson	Kasich	Patman
Dicks	Kazen	Paul
Dingell	Kemp	Pease
Dixon	Kennelly	Penny
Donnelly	Kildee	Pepper
Dorgan	Kindness	Perkins
Downey	Kogovsek	Petri
Dreier	Kolter	Pickle
Duncan	Kostmayer	Porter
Durbin	Kramer	Price
Dwyer	LaFalce	Pritchard
Dymally	Lagomarsino	Pursell
Dyson	Lantos	Quillen
Early	Latta	Rahall
Eckart	Leach	Rangel
Edwards (AL)	Leath	Ratchford
Edwards (CA)	Lehman (CA)	Ray
Edwards (OK)	Lehman (FL)	Regula
Emerson	Leland	Reid
English	Lent	Richardson
Erdreich	Levin	Ridge
Evans (IA)	Levine	Rinaldo
Evans (IL)	Levitas	Ritter
Fascell	Lewis (CA)	Roberts
Fazio	Lewis (FL)	Robinson
Feighan	Lipinski	Rodino
Ferraro	Livingston	Roe
Fiedler	Lloyd	Roemer
Fields	Long (LA)	Rogers
Fish	Long (MD)	Rostenkowski
Flippo	Lott	Roth
Florio	Lowery (CA)	Roukema
Foglietta	Lujan	Rowland
Foley	Lungren	Roybal
Ford (MI)	Mack	Rudd
Ford (TN)	MacKay	Russo
Forsythe	Madigan	Sabo
Fowler	Markey	Savage
Frank	Marlenee	Sawyer
Franklin	Marriott	Schaefer
Frenzel	Martin (IL)	Scheuer
Frost	Martin (NC)	Schneider
Fuqua	Martin (NY)	Schulze
Gaydos	Martinez	Seiberling
Gejdenson	Matsui	Sensenbrenner
Gekas	Mavroules	Shannon
Gephardt	Mazzoli	Sharp
Gibbons	McCain	Shaw
Gingrich	McCandless	Shelby
Glickman	McCloskey	Shumway
Gonzalez	McCollum	Shuster
Goodling	McCurdy	Sikorski
Gradison	McDade	Simon
Gramm	McDonald	Sisisky
Gray	McEwen	Skeen
Green	McGrath	Skelton
Gregg	McHugh	Slattery
Guarini	McKernan	Smith (FL)
Gunderson	McKinney	Smith (IA)
Hall (IN)	Mica	Smith (NE)
Hall (OH)	Michel	Smith (NJ)
Hall, Ralph	Mikulski	Smith, Denny
Smith, Robert	Taylor	Whitehurst
Snowe	Thomas (CA)	Whitley
Snyder	Thomas (GA)	Whittaker
Solarz	Torres	Williams (MT)
Solomon	Torricelli	Williams (OH)
Spence	Traxler	Wilson
Spratt	Udall	Winn
Staggers	Valentine	Wise
Stangeland	Vander Jagt	Wolf
Stark	Vandergriff	Wolpe
Stenholm	Vento	Wortley
Stokes	Volkmer	Wright
Stratton	Vucanovich	Wyden
Studds	Walgren	Wylie
Stump	Walker	Yates
Sundquist	Watkins	Yatron
Swift	Waxman	Young (AK)
Synar	Weber	Young (MO)
Tallon	Weiss	Zablocki
Tauke	Wheat	Zschau

NAYS—10

Garcia	McNulty	Schroeder
Kastenmeier	Mitchell	Schumer
Lowry (WA)	Ottinger	
Lundine	Patterson	

NOT VOTING—27

Albosta	Erlenborn	Rose
Boland	Gilman	Siljander
Chappie	Gore	St Germain
Conyers	Hance	Tauzin
Crockett	Harkin	Towns
Daschle	Heftel	Weaver
Dellums	Loeffler	Whitten
Dowdy	Luken	Wirth
Edgar	Neal	Young (FL)

□ 1910

So the motion was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. FOWLER. Mr. Speaker, during rollcall No. 297, the vote on H.R. 1646, the Railroad Retirement Solvency Act of 1983, I was unavailable due to other business in the Capitol. Had I been able to be here, I would have voted in the affirmative.

FOUR AMERICANS INDUCTED INTO BASEBALL HALL OF FAME

(Mr. ALEXANDER asked and was given permission to address the House for 1 minute, and to revise and extend his remarks, and include extraneous matter.).

Mr. ALEXANDER. Mr. Speaker, it is fair to say that while many of us who took part in the annual congressional baseball game last week may have made lasting contributions to this Congress history, that contribution did not extend to the history of excellence in American baseball, our national pastime.

Yesterday, however, four great Americans who have made substantial contributions to this national game were inducted into the baseball Hall of Fame of Cooperstown, N.Y. I am proud to say, Mr. Speaker, that two of them—George Kell and Brooks Robinson—are Arkansans, and Mr. Kell, of Swifton, Ark., is my consitutent and my friend.

Both George and Brooks achieved greatness at third base—the "hot corner" of baseball as it is called and, truly in their long and productive careers, they did more than merely entertain us. Both at bat and in the field, they demonstrated continuing excellence along with that quality Ernest Hemingway called "grace under pressure."

Baseball is our national game because within its apparently desultory time frame, it demands quick and instantaneous reaction to moments of crisis. Because of this, our baseball heroes are national heroes as well. The symbolism of the sport is the symbolism of our national life.

Mr. Speaker, I include an article from the New York Times of Monday, August 1, 1983, by Joseph Durso, as follows:

[From the New York Times, Aug. 1, 1983]

FOUR ENTER BASEBALL HALL AMID CHEERS AND TRIBUTE

(By Joseph Durso)

COOPERSTOWN, N.Y., July 31.—Brooks Robinson and Juan Marichal were inducted into baseball's Hall of Fame today in a rare kind of international fiesta that included speeches in Spanish, the singing of the Dominican Republic anthem and hundreds of Baltimore Oriole balloons, caps and banners.

They entered the Hall of Fame along with Geroge Kell and Walter Alston while a crowd of 10,000 jammed the hillsides around Cooper Park in the Leatherstocking country of upstate New York. It was the largest throng here since the Hall of Fame was opened 45 years ago, and it was a cheering, chanting crowd that roared for the old Oriole third baseman and the pitching master from Latin America.

There was so much fanfare in the two-hour ceremony, in fact, that it even subdued the impending crisis over the future of Bowie Kuhn, the commissioner, who said simply: "This is baseball's finest hour. Only 184 people have reached the Hall of Fame, and these are four of the most popular in our time."

Kuhn, whose term as commissioner ends Aug. 12, gave no hint of his future or even his mood as he presided over the induction. He spoke of the urgent need to maintain "the integrity" of baseball, one of his favorite themes in reviewing his 14 years in office. But, otherwise, he offered no clues to what might happen when the 26 club owners meet this week in Boston to decide his fate.

Instead, he stuck to the agenda and the stars of the cast, pausing frequently while the massed Baltimore fans rose for numerous standing ovations. He spoke in Spanish at one point while introducing Marichal, and Marichal in return spoke for several minutes in Spanish in an unusual departure from past procedure. In his only allusion to the sport's problems, Kuhn said:

"Whatever our failures, the game survives and bounds ahead. The public knows the greatest thing it has is its integrity. The greatest danger is from those who do not know."

ALSTON UNABLE TO APPEAR

But no serious message could diminish the holiday mood of the crowd as it cheered the

four new members of the Hall of Fame and the 25 previously enshrined members who were grouped on the platform.

The old heroes included Joe DiMaggio, Sandy Koufax, Johnny Mize, Ralph Kiner, Bob Feller, Cool Papa Bell, Judy Johnson, Al Kaline, Joe Cronin and more than a dozen others who already occupy niches in the gallery. And they seemed dazzled, too by the constant cheerleading from the audience.

The only principal missing was Alston, who suffered a heart attack in March and who was watching the ceremonies on television at his home in Darrtown, Ohio. But he was lionized with the others for his 23-year career as manager of the Dodgers in Brooklyn and Los Angeles, a career that included seven National League pennants and four World Series victories.

His grandson, Bob Ogle of San Francisco, recalled that Alston and gone to bat only one time in the major leagues and had struck out. But he added that Alston relished his years as a manager in the minor leagues and the majors, and said:

"He always said that his greatest thrill was winning the 1955 Series, the first championship for the Dodgers in Brooklyn."

Next came Kell, a third baseman and .306 hitter for 15 years with the Philadelphia A's, Detroit Tigers, Boston Red Sox, Chicago White Sox and the Orioles.

Kell, now a television broadcaster with the Tigers, said he found it unbelievable that he and Robinson had come from Arkansas and "Traveled the same path to this place." He and Robinson became only the sixth and seventh third basemen to enter the Hall of Fame.

RELAYED TO THE CARIBBEAN

When Marichal followed Kell to the microphone, Kuhn said:

"I doubt that any country in the world has produced as many ballplayers per capita as your homeland."

Speaking first in English, the husky pitcher replied:

"I accept this honor on behalf of my family, my country and all who assisted in making my baseball career a reality."

Then he repeated the acknowledgement in Spanish, and his remarks were relayed by two satellites to the Caribbean. He became the first player from Latin America to be elected to the Hall of Fame in a regular election. Roberto Clemente of Puerto Rico was inducted in 1973 after a special election that followed his death in an airplane crash. Martin Dihigo of Cuba was elected in 1977 as a star of the old Negro Leagues.

Marichal was extolled as a stylist who pitched 16 seasons in the big leagues, 13 of them for the San Francisco Giants, starting in 1960. He won 243 games, lost only 142, completed 244 and finished with a winning percentage of .621, the 11th best in baseball history.

Then it was Robinson's turn, and the Baltimore delegation had its best and loudest moments.

"I never saw a man," Kuhn said, "who so dominated a baseball event as Brooks Robinson dominated the 1970 World Series. A truly great Cincinnati team, the Big Red Machine, drove into a concrete wall at third base.

"No one owns more Gold Gloves than the 16 he earned in consecutive seasons, starting in 1960. He owns nearly every fielding record for a third baseman, including the best fielding percentage of .971 for his career."

Robinson played in 2,870 games in 23 years, all for the Orioles, and also played in 18 straight All-Star Games. Like Kell, he now works as a television broadcaster for his old team. When he rose to speak, his partisans launched dozens of orange balloons into the summer sky, then cheered while the "good guy" of Baltimore replied in an emotional speech.

"I keep asking myself," he said, "how any one man could be so fortunate. One thing I am grateful for, and it may not happen much in the future because of the changing nature of baseball, and that is I played in one city: Baltimore, my adopted hometown. They cheered me on my good days, and on my bad days."

The cheers erupted again and, from the back of the thronged lawns, one voice called out: "There were no bad days, Brooks."

MESSRS. ALSTON, KELL, MARICHAL, AND ROBINSON: WELCOME TO COOPERSTOWN

(Mr. BOEHLERT asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. BOEHLERT. Mr. Speaker, for the past 3 days, the eyes of the sports world have been focused on Cooperstown, N.Y., home of the National Baseball Hall of Fame.

And, while everyone was not as fortunate as I was, to be there personally, in the center or the congressional district it is my privilege to represent, the hearts and minds of kids of all ages were present. Not just American kids, but kids the world over—from the Dominican Republic to distant Japan—wherever that great game of baseball is known and loved. To know it is to love it.

The subjects of attention in Cooperstown—Walter Alston, George Kell, Juan Marichal, and Brooks Robinson—help explain that love of baseball.

These men, all of whom were formally inducted into the National Baseball Hall of Fame, are genuine heroes to literally hundreds of millions of people, young and old and in between, at a time when we need all the heroes we can get. They brought a degree of excellence to their profession that marked them among the best of the best, right up there with such immortals as Connie Mack, Ty Cobb, Babe Ruth, Joe DiMaggio, Stan Musial, and Ted Williams.

In the history of baseball, only 184 exceptionally talented individuals have earned a coveted position on the Cooperstown team.

Now on that team we have four rookies—Alston, Kell, Marichal, and Robinson. And their credential are indeed impressive. Just look at the records:

WALTER ALSTON

[Born December 1, 1911, at Butler County, Ohio—Height, 6.02. Weight, 210. Threw and batted righthanded]

Year and club	League	Pos	G	AB	R	H	2B	3B	HR	RBI	B.A.	PO	A	E	F.A.
1935—Greenwood	E. Dixie	3B	82	319	46	104	25	11	1	46	326	94	172	27	.908
1936—Huntington	Mid. Atl.	1B–OF–2B	120	482	89	157	16	8	[1]35	114	.326	900	91	22	.978
1936—St. Louis	Nat.	1B	1	1	0	0	0	0	0	0	.000	1	0	1	.500
1937—Rochester	Int.	1B	66	203	20	50	6	3	6	36	.246	472	43	6	.988
1937—Houston	Texas	1B	65	208	20	44	9	1	0	16	.212	592	46	1	.998
1938—Portsmouth	Mid. Atl.	1B	122	444	76	138	22	3	28	106	.311	1,084	56	9	[2].992
1939—Portsmouth	Mid. Atl.	1B	2	6	1	2	0	0	0	0	.333	21	0	1	.955
1939—Columbus	Sally	1B	105	399	69	129	26	8	11	82	.323	982	51	6	[2].994
1940—Portsmouth	Mid. Atl.	1B	127	446	79	122	18	3	[1]28	112	.274	1,015	77	14	.987
1941—Springfield	Mid. Atl.	[1]1B–P	125	456	[1]88	131	26	4	[1]25	[1]102	.287	1,135	[1]86	13	[1].989
1942—Springfield	Mid. Atl.	[1][2]1B–P	129	462	54	143	16	3	[1]12	[1]90	.310	[1]1,117	[1]106	12	[2].990
1943—Rochester	Int.	1B–3B	115	313	37	75	12	2	5	40	.240	551	75	13	.980
1944—Rochester	Int.	1B–2B	13	19	2	3	0	0	0	2	.158	29	2	1	.969
1944—Trenton	Int.–St.	1B–P	52	180	46	63	10	2	9	48	.350	428	37	8	.983
1945—Trenton	Int.–St.	[1]1B–P	126	447	91	140	30	4	14	93	.313	947	[1]74	12	[1].988
1946—Nashua	N. Eng.	1B	50	165	21	43	5	6	2	30	.261	327	26	3	.992
1947—Pueblo	West PH	2	1	0	0	0	0	0	0	000	0	0	0	000	
Major league totals			1	0	0	0	0	0	0	0	.000	1	2	1	.500

[1] Led league. [2]Tied for league lead.

PITCHING RECORD

Year and club	League	G.	IP.	W.	L.	Pct.	H.	R.	ER.	SO.	BB.	ERA.
1941—Springfield	Mid. Atl	3	9	0	0	.000						
1942—Springfield	Mid. Atl	7	21	1	0	1.000						
1944—Trenton	Int.-St	1	2	0	0	.000						
1945—Trenton	Int.-St	1	2	0	0	.000						

RECORD AS MANAGER

Year and club	League	Position	W.	L.
1940—Portsmouth	Mid Atl	Sixth	59	68
1941—Springfield	Mid Atl	Fourth	69	57
1942—Springfield	Mid Atl	Fifth	59	71
1944—Trenton [1]	Int.-St	Sixth	31	18
1945—Trenton	Int.-St	Third	70	69
1946—Nashua	N. Eng.	Second [2]	80	41
1947—Pueblo	West.	Third [3]	70	58
1948—St. Paul	A. A.	Third [4]	86	68
1949—St. Paul	A. A.	First [5]	93	60
1950—Montreal	Int.	Second	86	67
1951—Montreal	Int.	First [6]	95	59
1952—Montreal	Int.	First [7]	95	56
1953—Montreal	Int.	Second [8]	89	63
1954—Brooklyn	Nat.	Second	92	62
1955—Brooklyn	Nat.	First	98	55
1956—Brooklyn	Nat.	First	93	61
1957—Brooklyn	Nat.	Third	84	70
1958—Los Angeles	Nat.	Seventh	71	83
1959—Los Angeles	Nat.	First [9]	88	68
1960—Los Angeles	Nat.	Fourth	82	72
1961—Los Angeles	Nat.	Second	89	65
1962—Los Angeles	Nat.	Second [10]	102	63
1963—Los Angeles	Nat.	First	99	63
1964—Los Angeles	Nat.	Sixth [11]	80	82
1965—Los Angeles	Nat.	First	97	65
1966—Los Angeles	Nat.	First	95	67
1967—Los Angeles	Nat.	Eighth	73	89
1968—Los Angeles	Nat.	Seventh [11]	76	86
1969—Los Angeles	Nat.	Fourth (W)	85	77
1970—Los Angeles	Nat.	Second (W)	87	74
1971—Los Angeles	Nat.	Second (W)	89	73
1972—Los Angeles	Nat.	Third (W)	85	70
1973—Los Angeles	Nat.	Second (W)	95	66
1974—Los Angeles	Nat.	First (W)	102	60
1975—Los Angeles	Nat.	Second (W)	88	74
1976—Los Angeles	Nat.	Second (W) [12]	90	68
Major League totals			2040	1613

[1] Replaced Joe Bird with club in sixth place, July 28, 1944.
[2] Won playoffs by defeating Pawtucket, three games to none and Lynn, four games to two.
[3] Won playoffs by defeating Des Moines, three games to one and Sioux City, four games to one.
[4] Won playoffs by defeating Indianapolis, four games to two and Columbus, four games to three; lost Junior World Series against Montreal (International League), four games to one.
[5] Lost playoff semifinal series to Milwaukee, four games to three.
[6] Won playoffs by defeating Buffalo, four games to none and Syracuse, four games to one; lost Junior World Series against Milwaukee (American Association), four games to two.
[7] Lost playoff finals to Rochester, four games to two after defeating Totonto in semifinals, four games to three.
[8] Won playoffs by defeating Buffalo, four games to two and Rochester, four games to none; won Junior World Series against Kansas City (American Association), four games to one.
[9] Defeated Milwaukee Braves, two games to none in playoff for championship.
[10] Lost to San Francisco Giants, two games to one in playoff for championship.
[11] Tied for position.
[12] Retired, September 29, 1976.

CHAMPIONSHIP SERIES RECORD

Year and club	League	W	L
1974—Los Angeles	National	3	1

WORLD SERIES RECORD

Year and club	League	W	L
1955—Brooklyn	National	4	3
1956—Brooklyn	National	3	4
1959—Los Angeles	National	4	2
1963—Los Angeles	National	4	0
1965—Los Angeles	National	4	3
1966—Los Angeles	National	0	4
1974—Los Angeles	National	1	4

GEORGE KELL

[Born August 23, 1922, at Swifton, Ark.—Height, 5'10". Weight, 170. Threw and batted righthanded]

Year and club	League	Pos.	G.	AB.	R.	H.	2B.	3B.	HR.	RBI.	B.A.	PO.	A.	E.	F.A.
1940—Newport	NE. Ark.	3B	48	169	14	27	2	3	0	14	.160	59	80	3	.979
1941—Newport	NE. Ark.	[6] 3B-SS	118	462	71	[6] 143	26	5	1	75	.310	148	[6] 285	37	[6] .921
1942—Lancaster	Int.-St.	INF	127	465	56	139	18	2	0	30	.299	360	236	21	.966
1943—Lancaster	Int.-St.	3B	138	555	[6] 120	[6] 220	33	[6] 23	5	79	[6] .396	[6] 190	[6] 362	23	[6] .960
1943—Philadelphia	Amer.	3B	1	5	1	1	0	1	0	1	.200	1	3	0	1.000
1944—Philadelphia	Amer.	3B	139	514	51	138	15	3	0	44	.268	167	289	20	.958
1945—Philadelphia	Amer.	3B	147	567	50	154	30	3	4	56	.272	[6] 186	[6] 345	20	[6] .964
1946—Phila [1]—Detroit	Amer.	[6] 3B-1B	131	521	70	168	25	10	4	52	.322	[6] 143	[6] 267	7	[6] .983

GEORGE KELL—Continued

[Born August 23, 1922, at Swifton, Ark.—Height, 5'10". Weight, 170. Threw and batted righthanded]

Year and club	League	Pos.	G.	AB.	R.	H.	2B.	3B.	HR.	RBI.	B.A.	PO.	A.	E.	F.A.
1947–Detroit	Amer.	3B	152	588	75	188	29	5	5	93	.320	167	[6] 333	[6] 20	.962
1948–Detroit [2]	Amer.	3B	92	368	47	112	24	3	2	44	.304	108	146	8	.969
1949–Detroit	Amer.	3B	134	522	97	179	38	9	3	59	[6] .343	154	271	11	.975
1950–Detroit	Amer.	3B	[7] 157	[6] 641	114	[6] 218	[6] 56	6	8	101	.340	186	315	9	[6] .982
1951–Detroit	Amer.	3B	147	598	92	[6] 191	[7] 36	3	2	59	.319	175	[6] 310	20	.960
1952–Detroit [3]–Boston	Amer.	3B	114	428	52	133	23	2	7	57	.311	113	216	14	.959
1953–Boston	Amer.	[5] 3B-OF	134	460	68	141	41	2	12	73	.307	118	231	10	[6] .972
1954–Boston [4]–Chicago	Amer.	INF-OF	97	326	40	90	13	0	5	58	.276	306	105	11	.974
1955–Chicago	Amer.	[6] 3–1–OF	128	429	44	134	24	1	8	81	.312	216	170	7	[6] .982
1956–Chicago [5]–Balt	Amer.	[6] 3B-1B	123	425	52	115	22	2	9	48	.271	138	198	7	[6] .980
1957–Baltimore	Amer.	3B-1B	99	310	28	92	9	0	9	44	.297	212	127	4	.988
Major league totals			1,795	6,702	881	2,054	385	50	78	870	.306	2,390	3,326	168	.971

[1] Traded to Detroit Tigers for Outfielder Barney McCosky, May 18, 1946.
[2] Suffered fractured wrist when struck by ball pitched by Vic Raschi of New York Yankees, May 8, 1948, and was out of game until May 31; fractured lower jaw when struck by line drive off bat of Joe DiMaggio of New York Yankees, August 29, 1948; out for rest of season.
[3] Traded to Boston Red Sox with Pitcher Paul (Dizzy) Trout, Shortstop Johnny Lipon and Outfielder Walter (Hoot) Evers for Pitcher Bill Wight, First Baseman Walter Dropo, Third Baseman Fred Hatfield, Shortstop Johnny Pesky and Outfielder Don Lenhardt, June 3, 1952.
[4] Traded to Chicago White Sox for Third Baseman Grady Hatton and $100,000, May 23, 1954.
[5] Traded to Baltimore Orioles with Pitchers Mike Fornieles and Connie Johnson and Outfielder Bob Nieman for Pitcher Jim Wilson and Outfielder Dave Philley. All players but Johnson were transferred May 21, 1956, Connie being added to trade May 24, 1956.
[6] Led league.
[7] Tied for league lead.

Note.—Led all Organized Ball in batting, 1943. Tied major league record for most times facing pitcher, inning (3), seventh inning, June 18, 1943; hit for cycle, June 2, 1950, tied major league record by playing 157 games at third base, 1950; led American League third basemen in double plays, 1946–51.

Scout, Detroit Tigers, 1971 through 1977.

JUAN MARICHAL

[Born October 20, 1938, at Laguna Verde, Montecristi, Dominican Republic—Height, 5'11". Weight, 190. Threw and batted righthanded]

Year and club	League	G.	IP.	W.	L.	Pct.	H.	R.	ER.	SO.	BB.	ERA.
1958—Michigan City	Midwest	35	5245	521	8	.724	5200	69	51	246	50	51.87
1959—Springfield	Eastern	37	5271	518	13	.581	238	85	72	5208	47	52.39
1960—Tacoma	P Coast	18	139	11	5	.688	116	52	48	121	34	3.11
1960—San Francisco	National	11	81	6	2	.750	59	29	24	58	28	2.67
1961—San Francisco	National	29	185	13	10	.565	183	88	80	124	48	3.89
1962—San Francisco	National	37	263	18	11	.621	233	112	98	153	90	3.35
1963—San Francisco	National	41	5321	625	8	.758	259	102	86	248	61	2.41
1964—San Francisco	National	33	269	21	8	.724	241	89	74	206	52	2.48
1965—San Francisco	National	39	295	22	13	.629	224	78	70	240	46	2.14
1966—San Francisco	National	37	307	25	6	.806	228	88	76	222	36	2.23
1967—San Francisco	National	26	202	14	10	.583	195	79	62	166	42	2.76
1968—San Francisco	National	38	5326	526	9	.743	5295	106	88	218	46	2.43
1969—San Francisco	National	37	300	21	11	.656	244	90	70	205	54	52.10
1970—San Francisco	National	34	243	12	10	.545	269	128	111	123	48	4.11
1971—San Francisco	National	37	279	13	11	.621	244	113	91	159	56	2.94
1972—San Francisco	National	25	165	6	16	.273	176	82	68	72	46	3.71
1973—San Francisco 1	National	34	207	11	15	.423	231	104	88	87	37	3.83
1974—Boston 2 3	American	11	57	5	1	.833	61	32	31	21	14	4.89
1975—Los Angeles 4	National	2	6	0	1	.000	11	9	9	1	5	13.50
National League Totals		460	3,449	238	141	.628	3,092	1,297	1,095	2,282	695	2.86
American League Totals		11	57	5	1	.833	61	32	31	21	14	4.89
Major League Totals		471	3,506	243	142	.631	3,153	1,329	1,126	2,303	709	2.89
CHAMPIONSHIP SERIES RECORD												
1971—San Francisco	National	1	8	0	1	.000	4	2	2	6	0	2.25
WORLD SERIES RECORD												
1962—San Francisco	National	1	4	0	0	.000	2	0	0	4	2	0.00

1 Sold to Boston Red Sox for an estimated $100,000, December 7, 1973.
2 On disabled list, June 5 to August 2, 1974.
3 Released, October 24, 1974, signed as free agent by Los Angeles Dodgers, March 11, 1975.
4 On voluntarily retired list, April 17, 1975.
5 Led league.
6 Tied for league lead.

Note.—Signed as free agent by New York Giants' organization, October 20, 1957. Established National League record for most season opening games won (6), 1962, 1964, 1966 and 1971 through 1973.

BROOKS ROBINSON

[Born May 18, 1937, at Little Rock, Ark.—Height, 6.01. Weight, 190. Threw and batted righthanded]

Year and club	League	Pos.	G.	AB.	R.	H.	2B.	3B.	HR.	RBI.	B.A.	PO.	A.	E.	F.A.
1955—York	Pied.	2B-3B	95	354	72	117	17	3	11	67	.331	184	226	14	.967
1955—Baltimore	Amer.	3B	6	22	0	2	0	0	0	1	.091	2	8	2	.833
1956—San Antonio	Texas	[1] 3B-2B	154	577	72	157	28	6	9	74	.272	[1] 213	396	26	[1] .959
1956—Baltimore	Amer.	3B-2B	15	44	5	10	4	0	1	1	.227	9	25	2	.944
1957—San Antonio	Texas	3B-2B	33	124	10	33	5	1	1	9	.266	34	59	4	.959
1957—Baltimore [3]	Amer.	3B	50	117	13	28	6	1	2	14	.239	34	66	3	.971
1958—Baltimore	Amer.	[1] 3B-2B	145	463	31	110	16	3	3	32	.238	[1] 157	238	22	.952
1959—Vancouver [4]	P.C.	3B	42	163	20	54	9	2	6	30	.331	54	93	8	.948
1959—Baltimore	Amer.	3B-2B	88	313	29	89	15	2	4	24	.284	92	187	13	.955
1960—Baltimore	Amer.	[1] 3B-2B	152	595	74	175	27	9	14	88	.294	[1] 174	[1] 330	12	[1] .977
1961—Baltimore	Amer.	[1]3B-2B-SS	[2] 163	[1] 668	89	192	38	7	7	61	.287	155	334	14	[1] .972
1962—Baltimore	Amer.	[1]3B-SS-2B	[2] 162	634	77	192	29	9	23	86	.303	165	340	11	[1] .979
1963—Baltimore	Amer.	[1]3B-SS	[1] 161	589	67	148	26	4	11	67	.251	153	[1] 331	12	[1] .976
1964—Baltimore	Amer.	3B	[2] 163	612	82	194	35	3	28	[1] 118	.317	[1] 153	[1] 327	14	[1] .972
1965—Baltimore	Amer.	3B	144	559	81	166	25	2	18	80	.297	144	296	15	.967
1966—Baltimore	Amer.	3B	157	620	91	167	35	2	23	100	.269	174	[1] 313	12	[1] .976
1967—Baltimore	Amer.	3B	158	610	88	164	25	5	22	77	.269	147	[1] 405	11	[1] .980
1968—Baltimore	Amer.	3B	[2] 162	608	65	154	36	6	17	75	.253	168	[1] 353	16	[1] .970
1969—Baltimore	Amer.	3B	156	598	73	140	21	3	23	84	.234	163	[1] 370	13	[1] .976
1970—Baltimore	Amer.	3B	158	608	84	168	31	4	18	94	.276	157	321	17	.966

BROOKS ROBINSON—Continued

[Born May 18, 1937, at Little Rock, Ark.—Height, 6.01. Weight, 190. Threw and batted righthanded]

Year and club	League	Pos.	G.	AB.	R.	H.	2B.	3B.	HR.	RBI.	B.A.	PO.	A.	E.	F.A.
1971—Baltimore	Amer.	3B	156	589	67	160	21	1	20	92	.272	131	354	16	.968
1972—Baltimore	Amer.	3B	153	556	48	139	23	2	8	64	.250	129	333	11	[1].977
1973—Baltimore	Amer.	3B	155	549	53	141	17	2	9	72	.257	129	354	15	.970
1974—Baltimore	Amer.	3B	153	553	46	159	27	0	7	59	.288	115	[1] 410	18	.967
1975—Baltimore	Amer.	3B	144	482	50	97	15	1	6	53	.201	95	326	9	[1] .979
1976—Baltimore	Amer.	3B	71	218	16	46	8	2	3	11	.211	59	126	6	.969
1977—Baltimore [5] [6]	Amer.	3B	24	47	3	7	2	0	1	4	.149	6	28	0	1.000
Major league totals			2,896	10,654	1,232	2,848	482	68	268	1,357	.267	2,712	6,220	264	.971
CHAMPIONSHIP SERIES RECORD															
1969—Baltimore	Amer.	3B	3	14	1	7	1	0	0	0	.500	6	10	0	1.000
1970—Baltimore	Amer.	3B	3	12	3	7	2	0	0	1	.583	3	5	0	1.000
1971—Baltimore	Amer.	3B	3	11	2	4	1	0	1	3	.364	4	7	0	1.000
1973—Baltimore	Amer.	3B	5	20	1	5	2	0	0	2	.260	2	14	1	.941
1974—Baltimore	Amer.	3B	4	12	1	1	0	0	1	1	.083	4	13	0	1.000
Championship series totals			18	69	8	24	6	0	2	7	.348	19	49	1	.986
WORLD SERIES RECORD															
1966—Baltimore	Amer.	3B	4	14	2	3	0	0	1	1	.214	4	6	0	1.000
1969—Baltimore	Amer.	3B	5	19	0	1	0	0	0	2	.053	1	16	0	1.000
1970—Baltimore	Amer.	3B	5	21	5	9	2	0	2	6	.429	9	14	1	.958
1971—Baltimore	Amer.	3B	7	22	2	7	0	0	0	5	.318	6	17	2	.920
World series total			21	76	9	20	2	0	3	14	.263	20	53	3	.960

[1] Led league. [2] Tied for league lead.

Note.—Established following major league records: most years leading league in games, third baseman (8) most double plays, third baseman, lifetime (618); most games, third baseman, lifetime (2,870); most putouts, third baseman, lifetime (2,697); most assists, third baseman, lifetime (6,205); most chances accepted, third baseman, lifetime (8,903); highest fielding average, third baseman, lifetime, (.971); most seasons leading league, assists, third baseman (8); most seasons, third baseman (23); most seasons, one club (23); most consecutive seasons, one club (23); most seasons leading league, fielding, third baseman (11).

Tied following major league records: most home runs with bases filled, two consecutive games (2), May 6 and 9, 1962.

Established American League records for most games played, third baseman, 162-game schedule (162), 1961 and 1964; most years, 150 or more games, league (14).

Tied American League record for most seasons leading league, chances accepted, third baseman (8).

Signed as free agent by Baltimore Orioles' organization, June 1, 1955.

[3] On disabled list, April 28 to June 25, 1957.

[4] On disabled list, May 18 to June 8, 1959.

[5] Player-coach.

[6] On voluntarily retired list, August 21, 1977.

Mr. Speaker, I extend a warm welcome to everyone to come visit Cooperstown, one of the most charming, delightful communities on the face of this Earth, to experience firsthand the thrill of an exciting walk down memory lane in the National Baseball Hall of Fame.

And I ask all my colleagues to join me in extending well-deserved congratulations to Walter Alston, George Kell, Juan Marichal, and Brooks Robinson. They have given us so much.

TRIBUTE TO RAYMOND ROEBUCK

The SPEAKER pro tempore (Mr. APPLEGATE). Under a previous order of the House, the gentleman from California (Mr. COEHLO), is recognized for 60 minutes.

Mr. COEHLO. Mr. Speaker, there are many, many people who day in and day out labor unceremoniously in service to the House of Representatives. Yet, despite the fact that they may rarely receive attention and thanks for the good work they do, they are nonetheless appreciated as well as being indispensable to the efficient and effective functioning of the House. I rise today to publicly thank and pay tribute to a special person, Ray Roebuck, who is today celebrating 20 years to this House.

Raymond Harrison Roebuck, known to most of us simply as Ray, is manager of the Democratic cloakroom snackbar. Ray's culinary talents are without equal in a town known for its fine food. While others may argue about the quality of their menus, Ray is the only chef in Washington who can honestly state that more Members of Congress regularly dine at his establishment than at any other restaurant in town!

In addition to providing nourishment to our bodies with his own special brand of cuisine, Ray also helps nourish the soul with his humor and good cheer. No matter what the hour nor the press of business, Ray can always be counted on for a kind comment and warm smile.

Ray Roebuck's friendly manner, dedication, and loyalty exemplify the spirit of service, and I am proud to call him my friend.

Many of my colleagues may not be aware of the fact that the words of our own Ray Roebuck have been immortalized in Jimmy Breslin's book, "How the Good Guys Finally Won." In this book about Watergate, there is a passage describing the cloakroom and of Raymond Roebuck "presiding over a stainless steel snackbar." In response to questions about his particular duties and his easy access to Members of Congress, Ray's articulate and modest reply was: "I don't know nothing, I don't hear nothing, I don't see nothing."

Mr. BROOKS. Mr. Speaker, will the gentleman yield?

Mr. COEHLO. I yield to the gentleman from Texas.

Mr. BROOKS. Mr. Speaker, I am pleased today to pay tribute to Raymond Roebuck, the manager of the Democratic cloakroom snackbar, on the 20th anniversary of his employment.

Raymond's job is certainly no easy one; his working environment is one of high pressure and many demands. Yet in spite of the hectic pace, Raymond performs his duties efficiently and with a sense of humor which brightens the day of those who have the pleasure to work with him, and of those who enjoy his fine concoctions. No matter how late the hour, nor how frantic the schedule, Raymond may be counted on for a delicious snack or meal, provided with a warm smile at the "Chez Raman."

Over the years, he has been more than gracious and understanding with the hundreds of pages who work in and out of that office and to whom Raymond has always been a mentor, friend, and fine provider of nourishment.

The hard work and loyalty which Raymond brings to his work are indicative of his dedication to the House of Representatives and to its Members. We are indeed fortunate to have him, and I trust we will continue to enjoy his exceptional service for many years to come.

Mr. COELHO. Mr. Speaker, I thank the gentleman.

□ 1920

Mr. MITCHELL. Mr. Speaker, will the gentleman yield?

Mr. COELHO. I yield to the gentleman from Maryland.

Mr. MITCHELL. I thank the gentleman for yielding.

Mr. Speaker, "Ray, what time will we adjourn tonight?" "Now I can't tell you exactly but I think you should

plan on keeping your 6:30 evening engagement." "Ray, what is the time for tonight?" "I can't tell you exactly but I've stocked up enough for us to last until 3 a.m."

For 20 years, Ray has been answering our queries, providing us with the fuel to keep us going; and sustaining our morale and good humor with his ever pleasant, sometimes jovial personality. He listens to our sometimes unfunny jokes, and manages to pull us a hearty laugh even when the joke does not even deserve a half smile. He has a unique way of reminding us that we have not paid for the food we consumed. After finishing off one of his gastronomical delights, as we leave the counter (without paying) Ray will call out "Congressman, you forgot your umbrella."

Do we really know Raymond Roebuck? No, the vast majority of us do not really know him. We do not know Ray. We do not know of his service to his church, Caanan Baptist. We do not know of the love and devotion and care he gave his parents, Lillian and John Roebuck. We are not aware of the counsel, discipline, and guidance he continues to give the young pages. Is it any wonder that those pages come back year after year to see Raymond?

As we pay tribute to him, let us set the record straight. First, he actually bakes those pies himself. Second, the fried chicken, and/or crab cakes hidden from public views are for junior members, not senior members. Third, his prices are not competitive, they are below market dictated prices.

Ray, thanks for putting up with our idiosyncrasies; our incessant demands; our bad tempers; our lack of consideration, and a host of other human frailties. Most of all, thanks for being the wonderful human being you are.

Mr. MAZZOLI. Mr. Speaker, will the gentleman yield?

Mr. COELHO. I yield to the gentleman from Kentucky.

Mr. MAZZOLI. I thank the gentleman for yielding.

Mr. Speaker, I thank the gentleman for having asked for this special order so we can pay tribute in our own way to our friend Raymond Roebuck.

The gentleman from Kentucky, who is at the microphone now, has had the honor of serving in the House now for 13 years, and about the first person I think the gentleman met when he came to Congress was the gentleman who is with us tonight, Mr. Raymond Roebuck, who runs the snack bar.

Two things I would say: One is that even the very juniorest of junior Members who could walk into this House without the knowledge of the parliamentary procedure and without the background and the experience, could always go to Raymond, as I did, and as the gentleman from Kentucky did 13 years ago, and get good advice and get a certain amount of sympathy, too, when things were really going bad.

Second, and not an inconsiderable advantage, given the late hours of the sessions sometimes, Raymond Roebuck is probably the only person in the history of culinary arts who can make a hamburger or make a hot dog taste like a piece of chateaubriand.

So I would just like to salute my friend Raymond for having made my 13 years around here a lot less burdensome than they could have otherwise been, and wish him 20 more years of good luck.

Mr. JACOBS. Mr. Speaker, will the gentleman yield?

Mr. COELHO. I yield to the gentleman from Indiana.

Mr. JACOBS. I thank the gentleman for yielding.

Mr. Speaker, as our colleague, Mr. MOAKLEY, has just said, there is no more appropriate time than special orders to talk about Ray Roebuck because he never gave anything but a special order to anybody. It had his individual touch.

I might add that for someone who does not say nothing, he has been a ray of enlightenment to almost anyone who has stood at the counter, and much of the wisdom that Congress gets credit for—I do not know how much that is—but much of the wisdom that Congress gets credit for it owes to its wise counselor out in the cloakroom, Ray Roebuck.

Mr. TRAXLER. Mr. Speaker, will the gentleman yeild?

Mr. COELHO. I yield to the gentleman from Michigan.

Mr. TRAXLER. I appreciate the distinguished gentleman from California yielding, and for taking this special order this evening.

Raymond certainly is a friend of every Member of this House. To show his generosity, he has even prepared sandwiches, et cetera, for the Republican side of the aisle.

Mr. COELHO. Really?

Mr. TRAXLER. Yes. Of course, he never extends them credit, because he has several of us.

What is really important is that we can speak of his culinary abilities with the full knowledge that none of the hostesses in Washington would dare steal him away from the Democratic cloakroom. He is an exceptional chef, and he has earned all of our gratitude for that.

He does all of this marvelous cooking in a space of 4 feet by 4 feet, and his stove is a microwave, and his sink is a one-holer. He has two knives, and I think a fork. With all of that, he manages to feed some 200-plus Democrats and the Speaker, and that is no mean task. We are all proud of him and we love him very much.

Mr. COELHO. Mr. Speaker, I thank the gentleman very much, and I know that Raymond appreciates it also.

I yield to the Speaker of the House.

Mr. O'NEILL. Everybody just knows Raymond is a beautiful individual. He is one of my closest and dearest friends.

It is hard for someone who does not serve here to know that the fellow who runs the snack bar is a confidante and often a consultant to the Speaker but that is exactly what he is. When Ray tells me, "The vote looks pretty close today, Mr. Speaker," I know that he knows what he is talking about. Oftentimes he does a better job than the whip organization.

Raymond is extremely knowledgeable in other areas. There is nobody who knows more about sports—whether it is football, baseball, or basketball.

Ray is terrific. He can tell you who was the third baseman for the Chicago White Sox so many years ago. He can reminisce on the Washington Senators and who hit a home run on such-and-such a day, and, of course, he can tell you anything about his beloved Redskins. He is a true sports buff.

Between talking about legislation and sports, Raymond can find time to make you up a sandwich, to be perfectly truthful, Ray is just a beautiful, honorable decent guy. Everybody who knows him loves him. To know Ray is to love him. It is as simple as that. I am honored, Tony, that you have set aside this time for Raymond. I would like to point out that this is one of the biggest delegations I have seen honoring an individual, any individual, on the floor of the House. That tells you something about the man we honor. The man has friends.

Mr. FOLEY. Mr. Speaker, if the gentleman will yield, I want to join in the Speaker's remarks about Raymond to say that even the Speaker's statement that Raymond knows more about the schedule than the whip organization happens to be, in many cases, true. Much as I would like to defend the whip organization against that comparison, I have to admit it is true, and the reason it is true is that over the years the Speaker and the majority leader and other ranking Members of our party leadership have been customers of Ray's, and when the question has come about what we are going to do in the evening or when we are going to adjourn, Raymond has been told the unvarnished truth; whereas, not all the whip organization is always kept totally in the picture.

With that one comment, Mr. Speaker, may I say that I think the fact that there are many of us on the floor tonight recognizes 20 years of devoted services to the House.

Mr. O'NEILL. We are happy to see the whip of the majority party back in the House. He has been suffering from a food poisoning he caught overseas. In 20 years, I have never heard of any-

body getting anything like that from Ray.

Mr. FOLEY. I absolve Raymond totally.

Mr. MOAKLEY. Mr. Speaker, will the gentleman yield?

Mr. COELHO. I yield to the gentleman from Massachusetts.

Mr. MOAKLEY. Mr. Speaker, I thank the gentleman from California (Mr. COELHO) for yielding and commend him for providing this opportunity to Members to pay tribute to Raymond Harrison Roebuck, as he completes 20 years of service as manager of culinary and related services in the Democratic cloakroom.

I am sure that many Members are participating in this special order because of the genuine affection in which Raymond is held by us all. But others are participating in this special order for fear of the special menu that may be served to those special Members who did not think Raymond was so special.

Certainly everyone has heard of Oscar of the Ritz, but it is a source of concern that so few people outside the U.S. Capitol know of the achievements of our own "Ramon of the snack bar."

Some years ago, Raymond Roebuck considered following the lead of his famous cousin from Chicago by publishing a catalog of the culinary selections available at the snack bar. However, since each day's menu is determined by what is on sale that morning on Safeway's "day-old" shelf, it was never possible to operate the cloakroom facility from a prearranged book.

Although Raymond continues to offer a wise selection of entrees, Alka Seltzer continues to be his biggest seller.

As I am sure most Members are aware, the defense appropriation authorized the U.S. Navy to undertake a research and development project with regard to Raymond's coffee. Always one willing to explore new technologies, Raymond has agreed to take under advisement many of the Navy recommendations, even the one about washing the coffee machine, occasionally.

Likewise, Raymond has always made a special effort to keep abreast of all the latest trends in cuisine, and his new "lite fare menu" has been a big success. Those who have tried it agree that no restaurant in this city offers anything exactly like his bologna and cheddar quiche.

Mr. Speaker, I am sure that I hardly need to tell any Member how accommodating Raymond can be. Under his liberal credit policies, a Member racing to the floor for a vote who forgets his wallet can still count on being about to get a bite to eat, provided, of course, that he pays up by the end of the day and does not run his tab over a dollar and a half.

But his trusting nature has never prevented Raymond from being a shrewd businessman. Members who have found themselves on the "honor system" when Raymond makes one of his rare departures from the cloakroom and leaves the snack bar on self-service, should be aware that the videocameras in the gallery are not the only ones tracking the Members.

Mr. Speaker, if a sudden change of pace can be forgiven, I would close on a serious note by thanking Raymond for his many years of service to the House, and for his friendship and many kindnesses to all its Members.

As I suspect has been the case for most Members of the House, Raymond was probably the first person I met when I came to Congress and he has been a true friend ever since. His friendly greeting and warm smile welcomes everyone he meets.

The thing I think that has impressed me most about Raymond is his interest in looking out for the young pages who work in the cloakroom. Pages who graduated a decade ago still drop him a note now and then to let him know how they are doing. And, when former pages visit Washington, Raymond is one of the first people they look up. When new pages arrive in this new city far from their family, Raymond provides them with the trust, stability, and commonsense advice that they need. Its a job we do not pay him to do but he does it well and he deserves credit for it.

Mr. Speaker, Congress is a lot more than Congressmen. And the gentleman from California is to be commended for giving the House an opportunity to pay tribute to someone whose contribution to this body is at least as important and long lasting as our own.

□ 1930

Mr. COELHO. Mr. Speaker, I yield to the gentleman from Georgia (Mr. FOWLER).

Mr. FOWLER. Mr. Speaker, it is always difficult to speak after the leadership and after the very generous remarks of the gentleman from Massachusetts, both gentlemen from Massachusetts; but I must say that many of us in this party that if we had to nominate as candidates for a renaissance man it would probably be our Raymond Roebuck.

You have heard from the Speaker about Ray's knowledge of sports. You have heard from many of our colleagues about his lack of knowledge of cuisine. He is the only man I know that believes that a hot dog is the only dog that feeds the hand that bites it, and if you reach too fast for it, he will bite your hand on the way to his dog.

He is also a man of music. He knows not only his sports, he knows not only his cuisine, he knows his music.

Raymond is eternal. I do not know how old he is. He will not tell how old he is. I know he knows when Clyde McFadden was with the Drifters. He remembers when the Howling Wolf was singing those blues in the Walla Heights.

He remembers, yea, when the Platters first strolled out of the Royal Peacock.

He remembers when Laverne Baker was out there facing Chuck Berry singing, "Jim Dandy to the Rescue."

His knowledge even goes back to Fats Domino singing, "Yes, it's me and I'm in love," 26 times before they hauled him off the stage.

He knows every song in the Broaden Hymnal. He knows "Brighten the Corner Where You Are," "Bringing in the Sheaves," "Just as I Am Without One Plea," and all of that, his knowledge of the excellence embodied in sports, the dimension that music brings to our lives, the pleasure of a meal well served, even if it is a special and hasty meal, has all been wrapped up in one whale of a fellow that is never too busy to stop what he is doing for the great or the small.

We love you, Brother Roebuck. We are thankful that they still make something of your essence, and "Though you ain't perfect, you're all we got, and we are so grateful for it."

Mr. COELHO. Mr. Speaker, I yield to the gentleman from New Jersey (Mr. HUGHES).

Mr. HUGHES. Mr. Speaker, I thank the gentleman.

I first want to commend our colleague, the gentleman from California, for taking out this special order and that, like the other acts, are tough acts to follow. They have already touched upon Raymond's music, his excellent cuisine, his sports ability.

I would just like to speak briefly about his clandestine operations in the bank. I do not know if a fellow can hide tomatoes any better than Raymond. Raymond is good at hiding that chicken. In fact, I only see chicken about once a month. It is either gone or he has hidden it well when I get back to the snack bar.

In all seriousness, Raymond is a great guy. We all love him. He has a tremendous sense of humor, always has a smile for you, a good word. He is just a delight to be around.

Raymond, it has just been great having you aboard. We just wish you 25 to 50 more years of continued success in that job.

Mr. COELHO. Mr. Speaker, I thank the gentleman from New Jersey.

I yield to the gentleman from Ohio (Mr. STOKES.)

Mr. STOKES. Mr. Speaker, I want to commend my colleague, the gentleman from California (Mr. COELHO) for taking out this special order for my friend, Raymond Roebuck.

All of us who patronize Ray are proud to pay honor to him today for 20 years of outstanding service to the House. Although he is located in the Democratic cloakroom of the House, I have often seen many of our colleagues from the other side of the aisle avail themselves of his services.

Mr. Speaker, many of us who patronized Ray over the years refer to his operation as Chez Raymond's. Not only is it a great restaurant but it is a favorite meeting place where Members can get a bite to eat and at the same time, get to know other Members a little better. It is a place to discuss legislation and reminisce as well as to hear the latest joke or humorous story circulating the Halls of Congress. It is also a place to learn of the strangest sandwiches you have ever heard of. Whatever the concoction—Raymond can prepare it. Sometimes, if the Member desires, Raymond will come up with some new and delicious concoction. But Ray is equally nice to those who, like myself, are less daring who just take the old standby meals, like tuna or chicken soup.

It is always interesting at the beginning of each new session of Congress to stand close to Ray's operation and see him greet each new Member of the House by name. That is one of Ray's great assets which is that he knows every Member of the House and greets them by referring to them by name. This uncanny ability to remember names is just not reserved for Members of Congress but includes former Members of Congress, and current and former pages.

Along with this uncanny ability to remember names is Raymond's computerized mental ability to juggle figures in calculating the cost of each Member's meal. This also includes the ability to store each person's account in his head when we forget to pay or as some of us tell him, "pay you Saturday".

Those of us who have patronized Raymond over the years have come to know that he has had certain favorites who get a little special treatment. Congressman BILL CLAY and I discovered one day that no matter how many Members were told he was out of tuna salad that somehow whenever former Member Yvonne Brathwaite Burke came up and asked for tuna, that Ray just happened to find a dish of tuna salad for her. Considering her beauty, however, none of us ever blamed Ray for this. The fact is that we had to praise his astuteness. I also learned a long time ago that on those days when Ray is not in the best of moods, that it helps you to know his best friend, Charlie Melody. Fortunately, Charlie is always around and has put in a good word for me on more than one occasion.

Another thing Congressman BILL CLAY and I used to tease Ray about is the missing pot. Back a few years ago whenever the House was not in session late, Ray would frequently cook a special dish and bring in a pot of it the following day. On one occasion, he told both of us not to eat anything until the pot arrived that he had coming and that he expected the pot any moment. That was around 12 noon. Each hour when we checked with him, he would not let us eat anything, reminding us that his friend was bringing the pot and would be there in a few minutes. Somewhere around 6 that evening, Raymond finally acknowledged that he did not know what had happened to either the friend or the pot because neither one ever showed up.

Those were the good old days and it is not very often that Ray brings in a pot anymore. In many respects, Raymond is much like a good bartender. In the course of a day's session of Congress at his snack stand, Raymond sees all, hears all and knows all, but says nothing.

What he will talk about, however, is basketball and I learned the hard way not to bet him, especially if you are betting on the Cleveland Cavaliers.

Well, Mr. Speaker, we could go on and on reciting anecdotes about Raymond. I take pride in paying tribute to Raymond for his valued and talented service to all of us and I look forward to many more years of helping Raymond locate that lost pot.

□ 1940

Mr. COELHO. Mr. Speaker, I thank the gentleman for his great remarks.

I now yield to the gentleman from California (Mr. DYMALLY).

Mr. DYMALLY. Mr. Speaker, I take pride today in joining with my colleagues in commending Raymond Roebuck on the celebration of his 20th year of service to the House of Representatives.

For many years, Ray Roebuck has been the provider of nourishment for most Members of this distinguished body as part of his responsibilities as manager of the Democratic cloakroom snackbar. Always affable, Ray has not only furnished fine food for us, but has provided a warm atmosphere and a warm sense of humor as well. His undying spirit, optimism, and zeal are refreshing examples of dedication and service of the highest order to our country.

I applaud Raymond Roebuck for his loyalty, professionalism, and character and look forward to his continued service for many years to come.

Mr. Speaker, I want to take exception to labeling Ray as an expert on baseball. Ray was humbled in 1981 when he had the audacity to take a bet against the Los Angeles Dodgers for the New York Yankees and I want to tell you that he is still paying very dearly for that experience.

Ray is a dear friend and we love him, we all love him.

Mr. COELHO. Mr. Speaker, I now yield to the gentleman from Maryland (Mr. DYSON).

Mr. DYSON. I thank the gentleman from California for taking the time today, and I, too, would like to salute Ray. I would like to thank him for the job he has done for all of us.

The chairman of the Ethics Committee I think hit upon a very important point. He knew me before I knew him. I remember my first day as a Member of the Congress coming into the Chamber and walking into the cloakroom and Ray pointing me out and asking me how the blues and the blue crabs were running in the Chesapeake Bay.

He is a tremendous individual and I again want to thank the gentleman from California for taking the time out to recognize, I think, a very special individual.

I salute you, Ray. Thank you.

Mr. COELHO. Mr. Speaker, I now yield to the gentleman from Ohio (Mr. SEIBERLING).

Mr. SEIBERLING. I thank the gentleman from California. I think this is most appropriate.

When I first came to the House I was expected to recognize seniority and I quickly recognized that Ray had seniority over me and still does.

I also recognized that when I really wanted to know what I ought to be doing, all I had to do was ask Ray because I did not know my way around here.

I also began to learn that he made some darn good sandwiches.

But I learned a couple of other things. Raymond was in an odd position. He had all of the Members of the House and the staff as customers but they were also in a sense his boss. So he at one point in one way had to be polite and courteous and friendly and warm, as he is by nature, but also he had to sort of keep them at arms' length to keep them from pushing him around. And he is an absolute genius at putting things in a way so that you know that he has put you in your proper place and, at the same time, has done it in a way that you cannot possibly take offense at.

Raymond has some other nice traits, one of which is he really is genuinely accommodating. I have been hooked for years on a little confection called Kitkats. I put Raymond up to stocking the 1 day. It took a little time and I urged him, but he finally did. About all I can say is that I think he got a lot of other people hooked on Kitkats around here as a result.

And I finally pursuaded Raymond that there was another confection that he ought to stock, and that is a little thing called Dannies. It is a kind of a frozen yogurt bar on a stick. Ray-

mond, I will say one thing, I may be one of your better customers for Dannies, but you have been selling Dannies like a house afire. I guess that is inappropriate because it is a frozen thing. I will say like a baked Alaska. Ever since.

Raymond is also a trusting person. If you do not have the money to pay, why, Raymond not only trusts you to pay him later but he trusts you to remember how much you owe him, although I have never been quite sure that he does not remember pretty well himself.

In any event, all this points to the fact and all of the things that have been said today to the fact that Raymond is a real, genuine article. He has no stuffiness. He knows how to deal with all of the prima donnas, and that includes all 435 of us, and at the same time he does it in such a way that we all go away loving him.

Raymond, we love you. Thank you so much.

Mr. COELHO. Mr. Speaker, I thank the gentleman from Ohio.

I now yield to the gentlewoman from Louisiana (Mrs. BOGGS).

Mrs. BOGGS. Mr. Speaker, it is with deep affection and much gratitude that I rise to pay tribute to Raymond Roebuck. I am so grateful to the gentleman from California for giving me this privilege.

Raymond Roebuck is a kind, astute, loving, serviceable, generous man. As a matter of fact, he is one of the most sustaining members of this institution.

Of course we all have our favorite Ray stories. I must say that this fine gourment allowed me to influence him into purchasing a microwave oven and thereby he doubled the specialties to Chez Raymond by being able to accommodate those of us who like a little hot food every once in a while more easily.

And speaking of hot food, I knew he was an excellent cook when he asked me to bring him a chef sized bottle of tabasco sauce.

But I suppose what we all love Ray the most for is his genuine interest in each of us, in our families, and in everything that we hold dear, and especially his interest in the pages.

All of us who love the pages, who worry considerably about the fact that they have so little direction, oftentimes, and we are concerned that they are not eating properly, they are not sleeping properly, they are not studying properly, they are not exercising properly, we know that when they get into a really difficult bind they can repair to Raymond Roebuck and he will help to straighten them out. He is their father confessor and their loving mother sometimes, and we in the Congress should give Raymond a special thanks for this very special way he has with the pages.

Ray, I really do appreciate you and love you and thank you, and I hope that you will remember this day for a very long time to come. Put it in that special calculator of yours that happens to be the best computer brain in the House.

Mr. COELHO. Mr. Speaker, I thank the gentlewoman from Louisiana.

I now yield to the gentleman from Oregon (Mr. AUCOIN).

Mr. AUCOIN. I thank the gentleman for yielding to me. I appreciate the gentleman arranging this special order so that those of us in the House who have learned to know Raymond as well as we have through the years can pay tribute to him.

Raymond is with us this evening and I want to join those frineds who are tipping their hat to him.

I join my colleagues in saluting this gentleman because he is a very true gentleman. Someone, I guess several people have referred to Chez Raymond a number of times. I want to say that in all of the time that I have been in politics or in government, wherever I have worked I have never known a man to know the succulent qualities of a bologna and cheese sandwich as much or as well as Raymond Roebuck.

Raymond has perfected a bologna and cheese sandwich to a high art form.

Whenever I go into the Cloak Room and I order a whopper, Raymond knows exactly what I have in mind, and he has never once disappointed me. Today, in fact, I told him I wanted one a little extra special because I was going to be taking some time on this special order and it better be good or otherwise I might revise and extend my remarks and say some things that would be on the negative side.

He knew I was kidding because I could think of very few things that I could say that would be negative.

I am glad that our colleague from Louisiana, LINDY BOGGS, mentioned the thing that she did on a serious note because one of the things that I have noticed through the years about Raymond is that as a part of this family, he is a part of this family, and an integral part. He cares more about the well-being of the Members, but particularly the young people who serve as pages.

□ 1950

He really does care. He takes the time to know when they are not feeling well, he takes the time to care about their education, he cares about their lives and I guess for those of us who are saluting Raymond tonight, we are saying we care about his as well.

Those bologna and cheese sandwiches are great. I can tell any colleague who listens tonight that if anyone thinks Raymond forgets who has not paid, I can guarantee them that that is wrong. Raymond does remember. More than that there is one other thing I want to say about Raymond. Raymond probably is the best man I have met in Congress in laying down a bet with. For 9 years I have made a couple of small wagers with Raymond on sports events of one kind or another. I seldom win. I am not a person who wins bets. I have gone through all my life and hardly ever won a bet on a sports event. When I came back here to Washington, joined this House, this caucus, I found that I met a man who I could lay a bet down with and frequently, if not inevitably, walk off with a sizable reward, not sizable but a small reward.

In 9 years I have lost one wager with Raymond. Raymond, I love you, wherever you are, I love you. I want you to know that. But really in all seriousness, for all that you give to all of us, every one of us is saying tonight, you are family, my friend, you are real family, we love you and we want you to stay with us for years to come.

Mr. COEHLO. The gentleman from Massachusetts, Mr. DONNELLY.

Mr. DONNELLY. I thank my good friend from California for yielding. I congratulate him for taking time this evening to commemorate 20 years of service by our good friend Raymond Roebuck.

Raymond to me represents all of the best things that career Government employees do. He is a member of this family of the House of Representatives and whether you are going through the course of your day, a good day or a bad day, it is always a pleasure to be able to walk into the cloakroom and to have a cheery word with Raymond Roebuck. There are very few people that I have met, not just in this institution, but in my 10 years in public life that have that unique quality, that unique quality to put people at ease immediately and secondarily to go about your day-to-day work in an efficient, effective, and very gratifying way.

Ray has another unique quality: He never forgets individuals who have served in this institution, nor do those individuals forget Raymond and the dear way that he carries his life and the quality of life under which he lives. In the 5 years I have served in this institution, traveling across the breadth of this Nation I have met many former Members. And one of the first things they say is, "Say hello to Ray for me."

I have met very few people that have not had a dear deep respect for this man and the way he has carried himself.

Raymond, on the other hand, never forgets Members of this institution. Constantly he will ask me about certain Members, former Members of the Massachusetts delegation no longer with us, back in private life, how are

they feeling personally, how are their families, what are they doing now for a living?

He is without a doubt a dear member of this family. In many ways those of us who are here today and those that serve on both sides of the aisle as individuals we are honoring ourselves and this institution by honoring this fine, dear man, Raymond Roebuck, who I will always consider to have been a great asset to my service in this institution and who I will always hold closely with the word friend.

Mr. COELHO. I thank the gentleman.

Mr. Speaker, I yield to the gentleman from West Virginia (Mr. RAHALL).

Mr. RAHALL. I thank the distinguished gentleman from California for yielding to me under this special order.

I am very honored, very happy to join this evening in paying special recognition to Raymond Roebuck upon his 20 years of service to the House of Representatives and to this institution of our Government.

I have been here 6 years and there is very few individuals who I have seen around this town that really know how to put Congressmen in line. Let me say that Raymond Roebuck knows how to do that. He knows how to do it in a very polite manner but yet a very forceful manner. During a rollcall, at the height of the noon rush, we are all back there trying to obtain a hot dog or sandwich, some of Raymond's delicious tuna or egg salad, and what will he tell us? "There are two or three ahead of you, Mr. RAHALL. Write your order down, get in line."

Believe me, I do. So Ray knows how to put us in line.

I have just come from a reception in Ray's honor. He was not there, but I can certainly understand his wanting to be elsewhere at this particular hour.

I must say there were more Members of Congress at that reception than I have seen at any one reception since I have been a Member of Congress.

I think that outpouring of Members who wish to stop by and say thank you to Raymond for his 20 years of service is certainly indicative of the high respect in which Members hold Raymond.

Certainly as has been mentioned earlier today we have our troubled times in this body. Each of us have our ups and downs. Each of us have our long evenings sometimes in which we are in session late or in a particular committee meeting to all hours of the night, we are here early the next morning and we do not particularly want to hear or want to talk funny items or talk about items that we may not attach the most importance to at that moment, but Raymond knows who to soothe over those feelings, get us to talking about the brighter aspects of the day coming before us. It is indeed a delight to have that type of person to talk to in the mornings following our long hours in this Chamber and in this institution. So, to Raymond Roebuck upon his 20 years of service and to his family, to his friends that are with us here this evening, I say thank you for the service you have given. I might add one further note. In all 6 years I have been here, as I have said Raymond has made a lot of them happier moments than what they would otherwise be. I can recall one especially sad one that I noticed Raymond, it has been the only sad moment in which I witnessed him during my 6 years here; that was the time he came out of the phone booth in the cloakroom with tears in his eyes upon the death of a beloved one in his family. That is the only moment I can recall in which there were genuine tears in his eyes and it was a genuine moment of sorrow, a pause, and one of deep thinking.

I recall that very well, Raymond, I know that sticks out and shall always stick out in my memory as one of the few moments in which Raymond Roebuck expressed a sense of sorrow.

Other than that, he has brought great cheer to many Members of this body and to this institution which he has served to the highest degree of respect, esteem and integrity. I thank you for it, Raymond.

Mr. COELHO. The gentleman from Texas (Mr. PICKLE).

Mr. PICKLE. I thank the gentleman from California.

Mr. Speaker, I am privileged to pay my respects to my friend, Raymond Roebuck. Raymond is my colleague and my contemporary. We are both, more or less, celebrating 20 years of service here in this body. As long as I remember he is the only one who has taken care of us in the cloakroom, I know of no other. I met a couple who worked in the cloakroom before Raymond. There were two of them, husband and wife. So, Raymond is taking care of two jobs; one of him, two of the other. It might have been three for one; whatever the job he could do it and he has done it with such grace and pleasantness that he has endeared himself to all of us.

In my own case, I maintain my own special set of priorities about a person I would serve my secret formulas to.

When I serve chili here once a year, I get my venison chili and I would trust that secret to no one else hardly except Raymond Roebuck. But I do.

Each year for the last 20 years we have served venison chili to a group of people here who know that that is the quintessence, that is the elixir of all foods, venison chili with a little added touch of Roebuck, to say nothing of pickle and peppers at the same time.

□ 2000

I am impressed by the fact that no matter how busy you are and how fast you rush into the cloakroom to demand a sandwich or something to eat, Raymond says, without ever looking up, "Get in the back of the line. You are about tenth."

I tell you, it takes a man with a little nerve to say that to a group of prima donnas who are elected to Congress. But Raymond says it and gets away with it because we know when he says that he is just simply saying "Everybody is the same. You wait your turn. I am going to take care of these people." And I have seen him tell the Speaker that and hold my breath. He held onto his vow and the Speaker got in line. And he is a pretty good size fellow to be noticing at the end of the line, but that was Raymond's rule, treat everybody alike.

He did it with kindness. He did it with friendship, with understanding.

A lot of people come in a bar, to a neighborhood bar, and they want to have a drink and before it is over with they will philosophize and they will want somebody to listen to them. The same is true in the cloakroom. You go in to Raymond and if you do not watch it, he will get your order in, and he will listen. And the next thing you know you will get a little conversation, a little appreciation, and if you do not watch it, you will get a little advice. He has plenty of it. He will give it freely He knows what to say because he understands people. If he had not, he would not have been here and loved by so many people.

So all of us in the House salute a public servant who has given of himself and made us all feel happy that we serve here and that we are comrades working together in the public good.

Mr. COELHO. I thank the gentleman from Texas.

Mr. Speaker, I yield to the gentleman from Washington (Mr. LOWRY).

Mr. LOWRY of Washington. I thank my colleague for yielding.

I frankly cannot add an awful lot to what the gentleman from Texas just said. He really summed it up well. Except to say that Raymond Roebuck is truly an unusual person and a very, very valued member of this team that works so hard around here. And I would actually say that even if I was not afraid I would not get my tuna fish sandwich had I not said it.

The only thing that surprised me—and I am trying to say this to be funny—is I did not realize that Raymond had only been here 20 years. I thought he had been here a lot longer than that. I thought he had been here as long as the institution.

I hope he is here many more years. He is a very valuable member. And I

want to thank my friend from California for having this special order.

Mr. COELHO. I thank the gentleman from Washington.

Mr. Speaker, I yield to the gentleman from Pennsylvania (Mr. GAYDOS).

Mr. GAYDOS. I want to thank my colleague from California.

I want to say this and I think I am now in a proper position to say it. I have listened to everybody, everything that has been said has been true, accurate and I think to the point, and I verify what has been said.

But I probably have developed an affinity for Raymond over the years because he takes regular, frequent trips up to the Pennsylvania Dutch country. And up there he learns and is exposed to all the great cuisine that is prevalent in that area there for hundreds of years. So Raymond brings to us from the Pennsylvania Dutch country good recipes, good wholesome food.

And one of the Members preceding me had said that he thought that Raymond knew everything, heard everything. I just want to enlarge upon that along the lines that if I were Evans and Novak or if I were Jack Anderson, my entry into the secrecy of this House would be back in that cloakroom. And we owe a debt and I mean an unqualified, unprecedented debt to Raymond for the security that he has established back there. As long as I have been here—that is some 16 years now—nothing and I emphasize, but nothing, has leaked out of the cloakroom detrimental to this House. So Raymond does know how to keep a confidence.

Mr. COELHO. If the gentleman will yield, the gentleman may not have been here when I read Raymond's famous quote that is published. He says, "I don't know nothing. I don't hear nothing and I don't see nothing." That is his quote to the press. And the gentleman is articulating that.

Mr. GAYDOS. That is appropriate. It is apropos. And I would say if anybody would have made that statement, I would say Raymond when he makes it, is really sincere and I think the facts fit him.

Let me conclude by saying this. Most men and in particular Raymond's job, along with all the activity here in the House, most men, throughout life, are content to very seldom see their name in print. They do things in a sincere manner, but the recognition might be wanting in substantial form. And it is good, I think, basically fundamentally good and right and proper to honor a man while he is working with you. And he is going to continue to work.

So that is why I congratulate my good friend from California for taking the time at this time in Raymond's career and his services to this House and saying good things about a man while he can hear them and hopefully enjoy them and while the record is good and fresh.

In final conclusion, I want to add my congratulations to a fine man, who I have grown to respect, admire, and love throughout the years, Raymond Roebuck.

Mr. COELHO. I thank the gentleman from Pennsylvania.

Mr. Speaker, I yield to the gentleman from Michigan (Mr. CARR).

Mr. CARR. I thank the gentleman for yielding.

I just wanted to add my thank you to my good friend, Raymond Roebuck. And I say the word "friend" in the deepest sense of that term because he is a steadying force in an institution of change and he is a friend to us all.

I heard the remarks of the gentleman from West Virginia (Mr. RAHALL) and I would like to associate myself with his remarks.

I have been standing over at that reception now for almost an hour waiting to make Raymond a sandwich. Since he did not show up, I guess I have to come over here and thank him for his service to the Congress and more than that, the country, because the country will probably never realize the role that Raymond has played around here to make us all feel so well, be healthy, and be happy.

I rue the day that something happens to Raymond Roebuck and a Member of Congress has to become the real Speaker of the House.

Mr. COELHO. Mr. Speaker, I thank the gentleman from Michigan, and I thank all my colleagues for joining me tonight in this special order to a very special person, a very special character, Ray Roebuck.

All of us in the House and on the Democratic side in particular thank him for his dedication to his service here, but Ray, we are not going to let you get away with only 20 years. We are looking to celebrate that 40th year and to do more talking about some of your good deeds. And hopefully next time we will talk about some of your bad deeds. There are a lot of those, too.

● Mr. ZABLOCKI. Mr. Speaker, it is a real pleasure, as well as a privilege, to join my colleagues in honoring the 20th year of service to this House provided by Mr. Raymond Roebuck, the dedicated and indefatigable manager of the Democratic cloakroom snackbar.

Raymond has a quality, which I fear this body, in its greatness, too often lacks: namely consistency. He is not only always there when we need him, but he is invariably in good humor, at any hour of the day or night. When the rest of us grow weary and when tempers sometimes run short, it is Raymond who "turns away wrath" with his wit and restores a sense of long-range perspective to our proceedings. In fact, I am convinced that he possesses two Biblical characteristics which are absolutely indispensable for someone in his position: That is, the wisdom of Solomon and the patience of Job.

I doubt that there is any other employee of the House who has a higher sense of dedication than Raymond Roebuck. He has, I am told, an almost flawless attendance record and is generous to a fault—and he is good to everyone in equal measure, whether they be first-term pages, exalted leaders of this body, or even members of the minority party who have become, over the years, among his faithful friends and admirers. Any chairman of a standing committee must wish from time to time—as I do—that he had such compelling and pervasive influence on that side of the aisle.

In all seriousness, Mr. Speaker, we are paying tribute today to a great American who embodies all of those qualities which the House has, since its inception, come to depend upon from its most loyal and selfless employees. We owe them collectively, and Ray Roebuck in particular, our deepest gratitude.●

● Mrs. BOXER. Mr. Speaker, there is never a time that I have needed sustenance that Raymond has turned me away.

Many a bowl of chicken soup has aided in the weighty decisions made in this great House of Representatives.

Thank you Raymond.●

● Mr. HIGHTOWER. Mr. Speaker, wise people have known for a long time that the way to have friends is to be one. That explains the reason why Raymond Roebuck has so many friends. Ray is a friend.

As the "Major domo" of the cloakroom he comes into daily contact with the Democratic Members of the House. Through the long days he patiently provides opportunities for a "pause that refreshes" to Democratic lawmakers that enter his domain behind the House Chamber. There for a few minutes they can shed some of the tension that seems to be in constant attendance on the House floor.

Ray is special to us because he treats us all alike. There do not seem to be any "special" Members of the House when it comes to service in the cloakroom.

Ray is still a young man; 20 years here should be just the beginning. I am sure this House will want to take note of many anniversaries before Ray tires of the place and looks for a successor. We want to use this occasion to say, "Thanks, Ray, for the first 20 years. We hope that you will add many, many more."●

● Mr. BOLAND. Mr. Speaker, I want to join with my colleagues in commemorating Mr. Raymond Roebuck's 20 years of service to the House of Representatives as manager of the

Democratic cloakroom snackbar. Regardless of the hour, one can count on Ray to liven any day with his dry wit and tasty cuisine. Ray's dedicated service makes him an instant friend to those who meet him. "Service with a smile" is not only a motto but a lifestyle for this hard-working and loyal man.●

● Mr. ECKART. Mr. Speaker, it is a privilege for me to join my colleagues in a tribute to Raymond Roebuck who is celebrating 20 years of service to this institution.

I have not been here that long, but in the time I have served, Ray as manager of the Democratic cloakroom snackbar has provided me with more than snacks between hectic sessions. His warm smile, personality, and consistent sense of humor can make the dreariest of days more sunny.

I have often thought how is it possible for Ray to always be such a jovial fellow. The answer to my question is really rather simple: Ray Roebuck simply does not know how to be anyone else except Ray Roebuck, a friendly and enthusiastic person. For me personally, the attributes of Ray are contagious. He personifies everything that is good about serving in this institution. I truly admire his dedication to his job and his service to the House of Representatives. Thanks, Ray, for everything.●

● Mr. GUARINI. Mr. Speaker, it is with pleasure that I join with my Democratic colleagues in commemorating the 20th anniversary of Raymond Roebuck's service to the House of Representatives.

As manager of the Democratic cloakroom snackbar, Ray has always had a ready smile, a deft hand, and an understanding manner. With his quick wit and culinary art, Ray has a way of making service feel personal, even in a crowded and pressured room.

I want to thank my colleague TONY COELHO for calling this special order. But even more, I would like to thank Ray for the thousands of special orders he has served to many past and present Members over these 20 years.

I am certain he has developed a sense of politics and a knowledge of government by being present at thousands of side-door conferences.

To Ray, we are grateful for your friendship, your warm personality and your dedication to the House you have chosen for your life's work. Good luck—now and always.●

● Mr. ROWLAND. Mr. Speaker, on the occasion of Mr. Raymond Roebuck's 20th anniversary of service to the U.S. House of Representatives, I want to add my personal thanks for the many services he has provided me in the short 7 months I have been a Member of Congress.

As manager of the Democratic cloakroom snackbar, Ray is one of the "behind the scenes" persons who makes the long hours and days of debate on the House floor more endurable. He not only helps feed us, but he provides nourishment for our spirits with his friendly manner and great sense of humor.

I believe it very appropriate that we take this opportunity to commend Ray for his 20 years of dedication and loyalty of service to the House and its Members.●

● Mr. LONG of Maryland. Mr. Speaker, I would like to join my colleagues in celebrating Raymond Roebuck's 20th year of service to the House.

We are very lucky to have him. He provides us with high quality food. He maintains impeccable sanitary standards. He sustains us not only with his food but also with his unfailing good humor. His snackbar is a good place to get pepped up as well as filled up.

What would we ever do without him?●

● Mr. BEVILL. Mr. Speaker, during the many long hours of debate on the issues before this body, the Members of the House have been well served by the employees of the House. All are capable and efficient public servants. But one who has distinguished himself as a special friend and most cordial worker is our good friend, Ray Roebuck.

Ray's management of the Democratic cloakroom snackbar has brought happiness and a welcome bit of relief to us all. His service is always efficient and the food refreshing. But more than that, Ray's friendly and relaxing attitude is contagious.

More than once I have seen Ray spread his smile to the faces of our tired colleagues. His special brand of humor has always brightened the early morning hours of debate when we most needed him.

For 20 years Ray Roebuck has served the House and its Members. And for 20 years we have enjoyed his friendship. It is a pleasure to join with my colleagues in publicly acknowledging Ray Roebuck's outstanding service on this his 20th anniversary of service to the House.●

● Mr. GIBBONS. Mr. Speaker, I remember when Ray Roebuck came to work in the Democratic cloakroom snackbar, and I have counted him as a friend for these 20 years. A part of my well-padded waistline and sweet disposition are directly attributable to his culinary art.

Ray, we look forward to another 20—at least.●

● Mr. CLAY. Mr. Speaker, it is a great pleasure to join my colleagues in tribute to Mr. Raymond Roebuck, the distinguished manager of the Democratic cloakroom snackbar. Today, we celebrate the 20th anniversary of Raymond Roebuck's unrelenting service to the U.S. House of Representatives.

For the past two decades, Raymond Roebuck has provided unsurpassed attention to the real needs of this body. Giving nourishment and inspiration to Members of Congress, Ray has demonstrated a deep and abiding faith in the democratic process. Raymond Roebuck is known for his unmatched loyalty and irrepressible humor. He is praised worldwide by my friend from California, Representative ED ROYBAL, for having the foresight and ingenuity to put tuna in his tunafish sandwiches.

I am honored to be a friend of Ray's and to join in celebrating his 20th anniversary. I deeply appreciate all the help Ray has given me, and I look forward to our continued association for many years to come. I wish Ray my warmest congratulations on this momentous occasion.●

● Mr. MARTINEZ. Mr. Speaker, it is with great pleasure that I join in with my fellow colleagues in Congress today to recognize Raymond Roebuck, manager of the Democratic cloakroom snackbar.

This gentleman's outstanding record of 20 years service and his delightful personality are a fine tribute and an eloquent statement to the loyalty and dedication to the House and its Members.

I am proud to take part in this celebration and I wish Raymond a continued success in the future.●

● Mr. HANCE. Mr. Speaker, today I rise to join my colleagues in celebrating the 20 years of service of Raymond Roebuck.

Ray's friendly manner and quick smile have made him a legend in his own time as manager of the Democratic cloakroom snackbar. Of course, as you know Mr. Speaker, Ray has to have a good sense of humor. Anyone who serves up his kind of cuisine has to be able to make his customers laugh.

Like all good comedians, Ray knows the key is in the delivery and the matieral. And like Will Rogers once said, "There's no trick to being a humorist when you have the whole Government working for you."

As a young Congressman newly arrived in Washington, D.C., Ray took me under his wing and explained the power structure, the voting procedures, and the items in his snackbar you can eat and live to tell about. I heeded his advice and have enjoyed his friendship and admired his ability to apply humor to even the most touchy subjects.

I asked him recently if the Democrats should share Ray's unique insight and personality with our Republican friends. Ray thought for a moment and replied, "No, it would not be right to mix bad food with bad politics."

Ray, congratulations on 20 years, and I hope you keep us laughing for 20 more.●

● Mr. DASCHLE. Mr. Speaker, I want to join my colleagues today in celebrating Ray Roebuck's 20th anniversary of service to the House. Without question, he deserves our most sincere thanks and appreciation for a job extremely well done.

Not only has Ray provided for the care and feeding of more Members of Congress than anyone in recent history, he has taken our abuse, listened to our criticisms, and kept one of the best and most authoritative lines of the upcoming schedules in the House than nearly anyone around.

To Ray, I join all of those grateful people, who over the past 20 years have benefited in a myriad of ways from his service, in exclaiming my thanks.●

● Mr. SMITH of Florida. Mr. Speaker, I want to join my colleagues in paying tribute to Ray Roebuck, manager of the Democratic cloakroom snackbar.

Although I have only been a Member of Congress for a short time, I have come to recognize the important role that Ray plays in our hectic lives. Even in the worst of times, he is convivial, charming, and totally dedicated. Without him we could not function. He always has good nourishment for the body and the spirit.

I congratulate him on his 20 years of service to the House and hope that he will grace us with his presence for many more years to come.●

● Mr. BOUCHER. Mr. Speaker, I rise today to join in the acknowledgment in the outstanding work of Raymond Roebuck, who for the past 20 years has served as manager of the Democratic cloakroom snackbar.

Since my arrival in the House in January of this year, I have continually been impressed with the courtesy and efficiency of Raymond Roebuck, even on days when the House is in session for more than 12 hours.

Raymond always has a kind word for the Members and employees of the House who use the snackbar, and his presence contributes greatly to the cordiality of the Democratic cloakroom.

Mr. Speaker, it is my pleasure to join in this commemoration of the 20th anniversary of Raymond's service, and I sincerely hope that we will be privileged to have the benefit of Raymond's assistance for many years to come.●

● Mr. RICHARDSON. Mr. Speaker, I rise today to pay tribute to Ray Roebuck, the Democratic cloakroom's man of the hour.

With his unfailing cheerfulness, unique sense of humor, and disarming manner, Ray Roebuck has brightened many a long, arduous voting day for House Democrats. His food ranks with the very best—Washington's best restaurants cannot compete with Ray Roebuck's liverwurst sandwiches. In addition to his great personality, Ray Roebuck has one of the world's finest memories—especially if you have forgotten to pay for your chicken soup because of a pending rollcall.

Mr. Speaker, I join my colleagues in wishing Ray the very best.●

● Mr. YATRON. Mr. Speaker, I rise to join with my colleagues to pay tribute to Raymond Roebuck on this very special day.

August 1, marks the 20th year of service to the House for Raymond Roebuck. During his tenure, Raymond has, unquestionably, served with distinction. He has been a dedicated, loyal, affable, and effective manager of the Democratic cloakroom snackbar. His particular culinary talents and special brand of humor have provided Members with many pleasant moments and much-needed sustenance during some tense and difficult periods.

We all owe Raymond a sincere thank you for the fine job he is doing. That is why it is most fitting to have this opportunity to express our appreciation and to honor an individual who contributes, in a very special way, to the operation of this Chamber.●

● Mr. LEHMAN of Florida. Mr. Speaker, I am pleased to join in this special order celebrating the 20th anniversary of Ray Roebuck's service as manager of the Democratic cloakroom snackbar.

We can always count on Ray to keep up our spirits, even during the long hours that inevitably come at the end of a session when floor activity lingers into the early morning hours.

He is a great source of information as well. He seems to have a special intuition about the progress of legislation on the floor.

I personally very much appreciate all the help Ray has given over the years in a variety of ways. "Chez Raymonde" makes the cloakroom a much happier place, and I congratulate Ray on his fine service.●

● Mr. FUQUA. Mr. Speaker, I am delighted to join today in paying tribute to Ray Roebuck. I arrived on January 3, 1963, and Ray arrived on August 1 of that year and so we have the same memories of the changes in this body in the last 20 years. I also remember with great fondness the many meals he has provided to me over the years.

Through Monday sessions that lasted 2 hours to Wednesday sessions that lasted past midnight, Ray has been steady, reliable, and enduring as he has gone about his work with a smile.

Many of his multitude of concoctions are deserving of praise in song and poem but I think his pepper hotdogs are the epicurean delight I relish the most, if you will forgive the pun.

Ray has catered to the palates of many different Members over the years and as he celebrates his 20th year of service, I am pleased to say "Thank you, Ray" for a job well done.●

● Mr. MONTGOMERY. Mr. Speaker, I am happy to join with my colleagues in paying tribute to a very dedicated and sincere man, Raymond Roebuck. He has served this House well over the past 20 years.

He and I have been friends for many years and I can say that he has kept things running smoothly and efficiently as manager of the Democratic cloakroom snackbar. He always has a kind word for everyone and we all have enjoyed his marvelous sense of humor over the years.

I am glad we can take this time to pay tribute to Raymond today. It is our way of paying back the loyalty, dedication, and service he has given to the House of Representatives over the past 20 years.●

GENERAL LEAVE

Mr. COELHO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order tonight.

The SPEAKER pro tempore (Mr. HARRISON). Is there objection to the request of the gentleman from California?

There was no objection.

HONORING DR. NICK MATHEWS

The SPEAKER pro tempore (Mr. HARRISON). Under a previous order of the House, the gentleman from Virginia (Mr. BATEMAN) is recognized for 60 minutes.

Mr. BATEMAN. Mr. Speaker, on April 14, 1983, our Nation lost one of its most dedicated patriots, the late Dr. Nick Mathews of Yorktown, Va. Dr. Nick, as I so fondly addressed him, passed away en route to Pascagoula, Miss., while accompanying his wife, Dr. Mary Mathews. They were together as we shall always remember them, as she traveled to carry out her mission as the sponsor of the Aegis-class cruiser, U.S.S. *Yorktown*.

Dr. Nick was a remarkable man. He was not a sophisticate. He was not a great intellectual, though he had a very keen intellect. He never held or aspired to public office and never sought the limelight. What then makes him remarkable? In an era of cynicism and too widespread focus on what is wrong with America, his life, his energy, and so much of his resources were a celebration of what is good about America.

Born on the Grecian Isle of Karpathos near the turn of the century, Nick Mathews came to America at age 17 and as so many immigrants who came here seeking opportunity, he did not find it easily. He earned it by hard work and determination to succeed. He

worked in the coalfields of West Virginia, as a bus boy, dishwasher, steelworker, and later a chef. If the expression "work ethic" has special meaning for you, the life of Nick Mathews has special meaning, even if you were not privileged to know him. By his unstinting efforts, Dr. Nick came to enjoy great success as a restaurateur.

In 1942, Nick Mathews married Mary Mathews, and the love they shared for each other was an example that was both heart warming and inspiring. They were partners in every aspect of their lives. I have never known a husband and wife more totally devoted than this couple.

Nick and Mary came to Virginia in the early 1940's, opened restaurants in Richmond and Williamsburg and in 1944 founded Nick's Seafood Pavilion in Yorktown, Va. They could have settled and begun their successful enterprise elsewhere with greater likelihood of success, but they chose Yorktown and a site overlooking this historic "commons" of the town of Yorktown where Washington and Rochambeau and the young Lafayette laid siege to the forces of Lord Cornwallis and forced him to surrender his army, thereby winning America's war for independence.

Nick's Seafood Pavilion was built into a great success and has attracted a loyal patronage that is international in scope for the excellence of its cuisine.

As they built their success on a solid foundation of hard work and determination to earn and deserve it, Drs. Nick and Mary have shared the fruits of that success with countless individuals in need and by quiet acts of philanthropy. Their generosity was not motivated by any desire for recognition and surely not for notoriety, but the dimension of their philanthropy could not remain undetected.

Dr. Nick had a special concern for Yorktown—not as the place they chose to start a business but as the place where the blessing of liberty for the American people was won on the battlefield. How natural, even predictable, that as Virginia and the Nation began preparation for our Bicentennial of American independence, Drs. Nick and Mary Mathews donated land on a bluff overlooking the York River, valued at more than one-quarter of $1 million as the site for the Virginia Bicentennial Center. On the site of this outstanding exhibit center devoted to the commemoration of our freedom as a people and independence as a nation, Dr. Nick is now at rest.

In 1980 a young, thriving and already distinguished Christopher-Newport College in my hometown of Newport News, Va., appropriately recognized the value and meaning of Nick and Mary Mathews and what they stood for, when it conferred upon each of them an honorary degree of Doctor of Humanities. I was privileged to be present when the degrees were conferred, and what a warm and happy occasion it was.

In 1981 when we celebrated the bicentennial of the victory at Yorktown, Nick and Mary were prepared to see it was fully and properly commemorated. At their expense, they caused to be erected at a site on the York River a lovely granite monument, which bears a plaque which says:

Honoring the victory of Yorktown is offered as a lasting symbol of patriotism and gratitude by Drs. Nicholas and Mary Mathews. "To you from failing hands, we pass the torch. Be it yours and hold it high."

It is, of course, predictable that when our Navy decided to name a new cruiser U.S.S. *Yorktown*, Mary Mathews was selected as the sponsor who would christen the ship. It was to discharge that function that took Drs. Nick and Mary to Pascagoula on his last earthly journey. Equally predictable is that Mary Mathews, despite her grief at the loss of her beloved husband, went forward with all her duties as sponsor of the great ship, U.S.S. *Yorktown*. Though I have attended scores of christening ceremonies for ships, I remember none as being so meaningful as that of the U.S.S. *Yorktown*. This sentiment was shared by a shipbuilder who said:

I've seen 41 christenings in 14 years, and this is by far the greatest. And Mary Mathews made it happen. I guess we ought to say Nick too, because he was part of it.

Before concluding these remarks, I want to read for you the remarks prepared by Mary Mathews at this memorable christening ceremony:

I wish to thank all that made this great day of my life possible. I also wish to thank you, Senator Warner, John Dalton, former Governor of Virginia; and Marshall Coleman, former Attorney General of Virginia, for placing my name in nomination with the Navy for sponsorship of this great ship, *Yorktown*. And I wish to thank the Secretary of the Navy, John Lehman, for selecting me among a group of distinguished American women to sponsor this beautiful ship.

Today is one of the great days in U.S. history. As this ship is christened in the Mississippi's waters, it reminds me of the Jordan River, where Jesus was christened 2,000 years ago.

The name she gets is not just another name: it has other values and meaning: The spirit of freedom, liberty, justice, peace—the name of the birthplace of our great Nation. The name stands for authenticity of the individual and the goodness of humanity in the blessed Nation that feeds the hungry and dresses the naked.

We christen many ships, we give many names, but the name Yorktown sounds in the minds, souls and hearts of the people all over the world.

I pray to God to be with her, and protect her, and give her the spirit to be the good Samaritan, her "mission impossible" always to be possible, with pride of victory to stand on the name of her ancestors, "the Fighting Lady."

The name Yorktown means the American dream. To be free in your mind and body. To enjoy freedom, liberty, justice, peace, and happiness. Because without freedom your life is worthless. The Lady Liberty stands with pride and dignity on the top of the Victory Monument in Yorktown with her arms open, signifying the most precious gift of all, freedom, and welcomes all nationalities to enjoy this blessed land of freedom.

Today, April 16, 1983, the people of the United States of America and the free people the world over wish to this great ship the God to guide and protect her always. When she sails in the open seas with her flag flying high, she will be waving liberty, freedom, justice, and peace to the free world, and to those small nations that depend for their lives and happiness on the American flag that signifies freedom. Let the freedom ring, across the oceans and through the four corners of the Earth. God bless America, the guiding light and mother of the world. God bless Yorktown, the birthplace or our great and merciful Nation, the United States of America; and Pascagoula, where this great ship is being built, and from where her first journey will begin.

And now if it is permissible, the band will play, in behalf of my husband and me, "America the Beautiful," the song we treasure dearly.

Thank you, each and every one of you, from the bottom of my heart, and God bless you all.

Mr. Speaker. I will insert in the RECORD following these remarks selected editorials and other articles commenting on the contributions of this outstanding citizen of "America's First Congressional District" which I am privileged to represent.

In conclusion, Mr. Speaker, I salute the memory of my friend, Dr. Nick Mathews, but I cannot think of Dr. Nick apart from Dr. Mary so I salute them jointly as two Virginians and Americans of Greek ancestry whose unselfish devotion, patriotism, and love for their adopted country so beautifully exemplify the meaning of "duty, honor, country," to which sentiment they have been so completely dedicated.

Is it any wonder that Secretary of the Navy John Lehman observed:

Not so long ago one of Virginia's most distinguished citizens, Nick Mathews, said, and I quote, "Our forefathers struggled and built for us a nation which is now the light of freedom and justice for the entire world. God made Yorktown to be a place of history—of sacred soil. We must never forget the heritage of this place and this name."

Today, we add a major, new page in that heritage—in that history—as we christen the fifth ship of that name. And part of that tradition is the contribution of Nick and Mary Mathews themselves. to an understanding of what it means to be an American, an understanding of the real values, not the flag waving, surface manifestations of patriotism, of what the place and the ships and their distinguished records of the past and the men who fought there and on those ships means for the future of all mankind. The future of this ship is assured as one of the most distinguished in all of mankind. I am sure because of the spirit and the

courage that will be infused in this now cold steel by her great sponsor, Mary Mathews.

Thank you, Mr. Speaker.

EULOGY FOR DR. NICHOLAS M. MATHEWS, APRIL 20, 1983

(Delivered April 20, 1983, by John E. Anderson, Ph. D., President, Christopher Newport College, Newport News, Va.)

Miss Mary, dignitaries of the church, Father Makris, Governor Robb, former Governor Dalton, base commanders, civil leaders, loved ones and friends of Dr. Nicholas Mathews, it is with great humility that we come to pay our respects to one whose life has made such an impact on so many.

All of his friends who loved him will miss him very, very much. He will leave a great void in their lives. And it is in the nature of things that this is so, for his countless acts of giving, especially of himself, have been recognized nationally, as well as within our larger community. One cannot pass—having made so many contributions—without being missed greatly.

Among those acts—and these are just illustrations of the countless many—close to his beloved home of Yorktown were: the donation of land for the Yorktown Victory Center, the donation of property on which the Yorktown Historical Shipwreck Museum rests, the support for the U.S. Transportation Museum Foundation at Fort Eustis, and the erection of the Yorktown Bicentennial Rotunda, which is such a beautiful and visual memorialization of his patriotism.

But his acts of giving were not confined to this geographical area of his adopted land. They were further seen in his creation of a hospital, a chapel, and a church on his native Island of Karpathos. These acts of giving were the more well-known ones, and have been publicized. But those friends who knew him best can recount the more numerous, but less known—and even unknown—acts of giving that were even more a hallmark of his spirit. These acts changed the lives of individuals who had given up hope, and who had despaired for their future. These acts gave jobs, security and hope to people.

And it is in these acts of humanity that the essence of the man can be seen. That essence consisted in a giving which did not enslave, nor foster dependency, but rather engendered in the recipients the rejuvenation of spirit which comes with the opportunity to earn and return more than they had received; for he believed in the work ethic, and knew that the dignity of other humans is preserved and enhanced by that same work ethic. He thus gave opportunity and felt fortunate enough, through the freedoms of this country, to be able to pass on the benefits of those freedoms to others.

This giving reflected a generosity of spirit that was contagious, and established a tone of respect in all who were touched by his acts, and who knew him. And in these acts he revealed, not just generosity, but his true nature as a deeply religious man, whose faith in his country and in mankind, was not just parochial, but ecumenical in its outreach.

But coupled with his generosity of spirit, was his intensity of belief. His dedication to the ideals and principles of freedom were unsurpassed. He often confined in friends his fervent wish to have been with Gen. George Washington at Yorktown, to have been in the heat of battle, to have been one of those who stood up for freedom by signing the Declaration of Independence, to have been in the forefront with those who valued and protected the young American Nation, as it threw off the shackles of tyranny. For first, last, and always, Nick Mathews was a patriot, a doer, and a believer in the American dream. His patriotism was founded in fact and personal experience, because he lived it, and in so doing, he became witness to his own beliefs. He came to this land of opportunity with little but the willingness to work and a belief in the abilities God had given him. He became what he was—a great man, generous in spirit, intense in belief, and a living example of the American dream.

For his generosity and his patriotism, and his many qualities that enriched the lives of so many, he received many honors, recognition, and awards.

President Dwight Eisenhower cited him for service to the American Red Cross. President Gerald Ford named him "Director of the Bicentennial Commission, 1976–1981," the Republic of France honored him for his support in the recognition of French-American contributions during the Revolutionary War, and he was made an honorary citizen of many States, among them the Commonwealth of Virginia, of which he was proudest.

In May of 1980, Nick—along with his devoted wife Mary, was awarded an honorary doctorate by the unanimous and enthusiastic vote of the Board of Visitors of Christopher Newport College. And the word, "doctorate" is significant here. It is significant because it means teacher, from the Latin Doceo, to teach. The conferral of this degree meant for all the world to understand that Dr. Nick Mathews was, in fact, a teacher, a teacher of values and principles for all to see, cherish, and respect. It was a fitting degree for him who had taught others so much about what it meant to be an American.

In that recognition was embedded also the role of the student. He was a student of the human condition, of his country, of its customs, and of its values. As he learned more, his role as a teacher gradually evolved and he then became a preserver of those values which he so cherished. In the history of the college, Dr. Nick was only the second recipient of such an award. A fitting tribute, indeed, was the title, "Dr. Nick Mathews," to him who had earned the respect of his fellow man.

As a continuance of the increasing recognition accorded him for his life of patriotic giving, the Freedom Foundation of Valley Forge notified him in January of 1983, that he had been selected to receive the coveted George Washington Award in the category of individual achievement. It will be awarded posthumously in June 1983. This award is a true monument of a grateful society, which expects patriotism form its own native born, but which rejoices fulsomely in the patriotism of its adopted sons.

But as he took great pride in these honors bestowed upon him by governments, by the college, and the Freedom Foundation, he took even greater pride that his wife, Mary, was also deserving of honor, and in April 1983, that pride took on a larger dimension as he planned for the trip to Pascagoula, Miss., for Mary to be sponsor to, and christener of, the guided missile cruiser, *Yorktown*, the namesake of his beloved, hallowed, homeground. It was the mark of the man, knowing that he was not well, that he wanted for Ms. Mary the honor of that ceremony, and its symbolic meaning, to insist on completing—what proved to be this—his final mission in his expression of love for his country, and it is, further, a mark of the effectiveness of his impact on others, that Mary, in a manner that would have swelled Nick's chest with pride, carried out the christening amid the admiration of all assembled, thus bringing fulfillment to Nick's final plan.

If you will permit me to say so, I don't believe that any of us who were present that day, will ever forget the courage of Ms. Mary Mathews, on April 16, 1983, under the rays of the late morning Mississippi Sun, surrounded by both dignitaries and workers, listening to the patriotic songs sung by the sea chanters of the U.S. Naval Academy, as she gave her remarks in tribute to Nick, and then proceeded—with one successful blow of the christening bottle—to christen the ship, U.S.S. *Yorktown*. It was an unforgettable moment because it was such a great and fitting tribute to the man who had given so much to his country, and who will be remembered in the pages of history because of it.

In closing these brief but heartfelt remarks, I would like to pass on an observation made at the christening that fateful day, April 16, 1983. That observation is this:

It is said that the fighting spirit of a ship is implanted by the spirit of the person who christens it. If that is so—and I believe it to be true—then the great tradition of American freedom certainly will live on in the U.S.S. *Yorktown* as it carries the indomitable spirit of the Lord's servant, that American patriot known as Dr. Nick Mathews.

[Editorial from the Daily Press, Apr. 17, 1983]

NICK MATHEWS

Nick Mathews was 17 when he came to America from the island of Karpathos in Greece. It was 1920 and the only work he could find was as a coal miner in West Virginia. He later collected rent in Brooklyn and after that, became a chef. He met his beloved Mary when she was a member of a church choir. They married in 1942 and in 1944, remembering a visit to Yorktown, decided to open a restaurant near the beach. It seated 24 customers.

That began a great love story, which his death Thursday will not end. Nick Maphens—who became Nick Mathews—all his life said in gifts large and small, through acts of unsolicited kindness, that he loved America.

But he and his wife gave more than love to this land. They are remembered most, perhaps, for larger acts of charity: donating 21 acres for Yorktown's Victory Center; giving the site for a church in Gloucester; paying the electric bill so Yorktown's streets would not go dark; distributing countless flags, pins, drums, prints, and other near-necessities for Yorktown's needs; and even helping build a hospital in their native Greece.

Because of the magnitude of their sharing, it is almost too easy to overlook the small—and for them, routine—generosities. Three Boy Scouts from Seattle certainly will remember. They were winding up a cross-country bike tour several years ago with 37 others. As all 40 were eating—for free—at Nick's Seafood Pavilion, three of the bikes were stolen. Before the night was out, new bikes had been readied and all the scouts had been lodged and fed at Nick Mathews' expense.

Nick Mathews was not a splendid man just because he won awards for patriotic service,

community contributions, and good citizenship. The large-hearted immigrant exemplified for many native-born Americans the meaning of that old-fashioned word "patriotism," and in so doing made life richer and more joyous for us all.

[From the Times Herald, April 12, 1983]

NICK MATHEWS

It is difficult to think of Nick and Mary Mathews as independent individuals, so much have they been a team in all they have done—and, most especially, in their unstinting devotion to their adopted home.

The Greek couple's love affair with the United States is legendary. The generosity of Mr. Nick and Miss Mary in sharing of the manifold blessings they received from this country has been no less boundless and genuine.

Nick Mathews died Friday en route to Mississippi for the christening of the newest Navy ship bearing the Yorktown name. That his widow chose to go through with her role was expected, and proper. Their sponsorship of the vessel is an added tribute to the Mathews beneficence.

We mourn the passing of Nick Mathews for his blatant patriotism. His was a love of country that too many native-born Americans take for granted or, perhaps, consider passe. Those who come of immigrant parents possibly best can understand the force that drove Mr. Nick.

Only complete strangers, or utter recluses, can be ignorant of the contributions of Nick Mathews, in property, in money, in selfless time and energy that showed his gratitude for this nation's opportunities and freedoms.

Beyond those public deeds, though, there are the countless acts of spontaneous kindness. They are legion, the local residents, tourists, foreign visitors, persons down on their luck, caught up in emergencies or unexpectedly stranded or distressed, who have been helped or honored.

Anybody who has not known firsthand the generosity of Mr. and Mrs. Mathews undoubtedly can name a relative, a friend or a neighbor who has.

The Peninsula has many reminders of Nick Mathews, but today's Yorktown, which he helped make possible, may be in itself his greatest memorial—the heightened stature of the site of the deciding battle in this country's War of Independence, and the deeper national understanding of its meaning.

It is fitting legacy.

[From the Virginia Gazette, Apr. 20, 1983]

NICK MATHEWS

(By Carolyn Click)

It was perhaps most fitting that, if Nick Mathews had to die, he would leave this Earth enroute to one of those great patriotic events he loved so well.

If he had completed the trip to Pascagoula, Miss., no doubt he would have looked on proudly as his wife Mary participated in christening ceremonies of the USS Yorktown. One could almost picture him, standing ramrod straight, his great heart bursting with patriotism as the flag of his adopted country was hoisted high and the strains of the national anthem filled the air.

No one need recount the kind of love and respect Nick Mathews held for America and his adopted countrymen. Arriving on these shores from his native Greece, he worked and struggled at a host of jobs because he believed that the American system would work if one were diligent and earnest and enterprising enough.

His efforts paid off, probably beyond his wildest imaginings, as he saw a small lunch counter business flourish into one of the most profitable and energetic enterprises on the East Coast. His was a true American success story, the stuff of which dreams are made.

Others would look on the Greek immigrant as a self-made man, but he was not content with that title because he believed the United States had contributed as much to his prosperity as his own hard work. Always looking to the future, Nick, along with Mary, tried to return a portion of their good fortune to the people they believed had helped them the most.

The Yorktown Victory Center, situated on one of the most scenic and valuable pieces of land in Yorktown, is perhaps the most visible symbol of the spirit of Nick Mathews. In its integrity, it represents the kind of feeling both he and Mary held for their country and their state. It would be hard to imagine a Yorktown without Nick Mathews, still harder to picture a Bicentennial celebration without his ebullient and inspiring presence.

But friends and acquaintances will also remember the small gestures of friendship, the warmth expressed in gifts of baklava, of silver coins, of complimentary meals. His was a spontaneous heart-stirring kind of giving, the kind not to be refused because of its sincerity.

President Kennedy once said, "We dare not forget that we are the heirs of that first revolution." Nick Mathews never forgot, and because of his unyielding faith in the ideals perpetuated 200 years ago and won on a bloody battlefield at Yorktown, others will be able to remember.

Nick's familiar, gentle presence will be missed, but he has ensured that his legacy lives on.

[From the Ledger-Star, Apr. 19, 1983]

YORKTOWN BENEFACTOR—MR. NICK'S GRATITUDE

Nick Mathews died last week as he for so long had lived, devoting his time, energy and wealth to the honor of Yorktown.

He was flying with his wife, Mary from Virginia to Mississippi to take part in the launching of the guided-missile cruiser USS *Yorktown*, when his heart gave out. It is a testament to the Mathewses' commitment to Yorktown that Mrs. Mathews insisted on going ahead with the christening of the ship in honor of her husband even in that hour of sorrow.

And this was not surprising to those who knew them.

It is easy to describe Nick Mathews and his wife and their dream as a classic American success story, of immigrants landing on these shores who by sheer grit and hard work acquired material wealth and, yet, never forgot that this was possible because of the opportunities available to them which would not be found in other lands.

Their itinerary as immigrant restaurateurs took the couple to Chicago, Brooklyn, Richmond and Williamsburg over a 24-year period before they arrived in Yorktown in September of 1944. What they found on the shores of the York River was a quaint, rundown village crouched below the Yorktown Battlefield, as unprepossessing as the scattered ruins of a minor temple in their native Greek islands.

But in Yorktown, with their seafood restaurant as a base of operations, "Mr. Nick" and his wife and their many relatives did more than attract customers from all over Virginia and the East Coast. They became the unofficial conscience of Yorktown, hectoring all of those who would listen to the need to restore, safeguard and protect the Town of York as a symbol of American liberty.

Mr. Mathews did more than talk: Impatient with the endless mumbling of county bureaucrats, he often shelled out his own money for the Yorktown cause: When the county threatened to turn off the town's streetlights, Mr. Nick wrote a check to Vepco for the unpaid light bill; Mary Mathews came up with $700 for a surveyor's fee when county and town disputed whether there was enough land in the town for a courthouse expansion; when the Mathewses learned that neighboring Newport News had offered public land for the Yorktown Victory Center, they offered the state at no cost a site they owned, valued at $500,000, keeping the facility where it belonged—in Yorktown.

One night in 1973 when the county administrator was threatening to cut off the Yorktown streetlights, Mr. Nick sat at a table in his restaurant, denouncing the affair as an affront not only to the villagers themselves, but to the American people as well. He turned to a reporter and apologized for his heavily accented English, then sighed. "I wish so bad that I could speak better."

In Yorktown, where the street lights never went out, where the Victory Center stands as a living memorial to history's turn on the fields above the river, where the seafood is always plentiful, Mr. Nick will always be remembered as an American who spoke with a clarity few can rival.

[From the Hellenic Chronicle, May 12, 1983]

FULL MILITARY HONORS FOR NICK MATHEWS

NEWPORT NEWS, VA.—Thousands attended the funeral of Nick Mathews, 82, restaurateur, who died enroute to Pascagoula, Miss., where his wife was to christen the Cruiser *Yorktown*.

Mrs. Mathews, the former Maria Papamihalopoulou, native of Sparta, went through with the scheduled christening despite her sadness, feeling that this was what her husband would have wanted.

The couple had been instrumental in the development of historic areas of Yorktown, Va., where they had settled in 1944 following their marriage and where they had established their successful Nick's Famous Seafood Pavilion.

A number of priests, led by Bishop Athenagoras of Dorylaion, assistant to Archbishop Iakovos, officiated at the services in Sts. Constantine and Helen Church. Attending were Gov. Charles Robb, who had declared the day one of mourning with flags at half staff; former Governors John N. Dalton and Mills E. Goodwin Jr., Attorney General Balilies and former Attorney General Marshall Coleman as well as Sen. Hunter B. Andrews of the Jamestown-Yorktown foundation, as well as military leaders of each branch of the service.

Governor Robb had ordered a state funeral for Mr. Mathews and eulogized him for his outstanding patriotic and civil contribitions to the state of Virginia. The Department of Defense authorized a military funeral for Mr. Mathews. Capt. John F. Fox, USN, Naval Weapons Station, Yorktown, was officer in charge of the military ar-

rangements for the funeral. AF Major Duncan was the protocol officer. A. Jack Georgalis coordinated the church services and the program, including seating arrangements, and James Krikales represented Mrs. Mathews.

Trustees of the church were ushers, and there were 10 pall bearers and 40 honorary pall bearers.

Assisting Bishop Athenagoras were the Rev. Theodore Chelpon of St. Katherine's, Falls Church; the Rev. Charles Goumenis, Lowell native, and the Rev. Savas Constantinou of Annunciation, Norfolk; the Rev. George Paulson, former naval chaplain, of St. Nicholas, Virginia Beach; the Rev. Constantine N. Dombalis, Sts. Constantine and Helen, Richmond; the Rev. Spiro Kehayes of St. Elpis, Hopewell, and the Rev. Peter Markris of Sts. Constantine and Helen, Newport News.

Eulogies were given by Governor Dalton, John Anderson, president of Christopher Newport College; Bishop Athenagoras and Father Makris. The Marine Guard presented the flag to Mrs. Mathews, the same banner hoisted and flown on the USS *Yorktown* the day that Mrs. Mathews had christened the ship.

The body was escorted by Captain Fox and Father Makris on a plane provided by the Navy in Pascagoula.

It was noteworthy that Mr. Mathews, who never served in any branch of the service, received full military honors, and his body is lying in the historical grounds of Yorktown Victory Center, at the order of Governor Robb.

Besides the York Town Crier, papers honoring him with editorials including the Newport News Daily Presss, the Times Herald. Stories of his unexpected death were carried by the Richmond Times-Dispatch, the York Daily Press, the Times-Herald, the Daily Press, the Virginia Pilot, the Mississippi Press and the Washington Post.

[From the Daily Press, Apr. 16, 1983]

"MR. NICK" KNOWN FOR PATRIOTISM, GIVING

YORK.—Nick Mathews, who loved his adopted country so much that he pledged more support to community projects than many American natives, died Thursday just two days before participating in yet another project dear to his heart: the christening of the USS *Yorktown* in Pascagoula, Miss.

His wife, Mary, had been designated sponsor of the vessel.

The civic work of Mathews included involvement in everything from Little League to the Bicentennial celebration at Yorktown in 1981.

"I am very much bereaved at the passing of a dear friend," said Sen. John Warner, R-Va., on learning of Mathews' death.

Warner first met Mathews in 1969 when he came to Yorktown as undersecretary of the Navy.

"I've stood beside Nick during dozens of ceremonies and he must have listened to at least 20 of my speeches," Warner recalled.

"The thing I remember best were the long talks we used to have about the meaning of freedom and particularly about what this country means to people who immigrate from countries that have had occasional lapses in personal freedom.

"Nick was a true American and his actions and service to the community will be missed," Warner said.

"The contributions of Nick and Mary Mathews to the Bicentennial were well known," said York County Administrator John M. Richardson, referring to the couple's donation of land for construction of the Yorktown Victory Center.

"Nick's civic work, however, went far beyond what was done during the Bicentennial," Richardson said.

Jim Rollings, director of the Yorktown Victory Center, said the death of Mathews would be a great personal loss.

"The contributions to the Victory Center by Nick by no means stopped with the giving of the 23 acres," Rollings said. "We at the center always knew that we could count on Nick."

Jack Georgalas, president of Tri-City Beverage in Newport News and a close friend of Mathews, described him as a patriot.

"Nick was certainly one of a kind, and there were so many things that man did that will never be known to the public.

"If Nick Mathews were alive during the Revolution, he would have probably been among the people to have signed the Declaration of Independence," Georgalas said. "He will be sadly missed by all of us who loved him."

Mathews came to the United States at the age of 17 in 1920 and settled in Yorktown in 1935.

In 1944, he and his wife founded Nick's Seafood Pavilion overlooking the Yorktown beach.

The couple are known as the people who kept Yorktown lighted. When the street lights in Yorktown were cut off some years ago over an electricity bill dispute, it was the Mathewses who stepped in and paid the bill.

The couple also gave property for the Yorktown Historical Shipwreck Museum, actively supported the Waterfront Historical Restoration and helped to make possible the Fort Eustis Transportation Museum.

The couple built a hospital in their native Greece.

Three presidents have cited the couple for their national service and work in historical organizations. In 1980, Mathews and his wife were bestowed honorary degrees by Christopher Newport College.

Mathews was born at Arcasa on the island of Karpathos in Greece. He migrated to this country in 1920, working at a number of jobs: coal miner in West Virginia, a rent collector in Brooklyn and a chef in Milwaukee.

He settled in Yorktown in 1935 and married Mary Papamilhalopoulou in 1942.

Mathews, who was born Nick Mapheos, was always proud that he had "entertained kings, queens, generals, ambassadors and secretaries of state."

The last time he visited Greece was in 1957 when his mother was still alive.

"So much of Europe has got to have dictatorships to keep the communists under control," he said a few years ago. "I don't like to talk about it. I like to talk about things I can control—my business, people, friends."

President Dwight Eisenhower cited him for service to the American Red Cross, and President Gerald Ford named him director of Bicentennial Commission, Yorktown, 1976-1981. The Republic of France sent letters of appreciation for his work in recognizing French-American historical contributions during the Revolutionary War.

York Supervisor Tabb H. Smith said Mathews was "one of the true patriots of York County."

"What I remember most, though was not his giving, but his giving smile," Smith said. "It was the way he gave. He always had a smile for you."

Supervisor Rodgers A. Smith said Mathews was one of the most patriotic and generous people he ever met.

"He'll be sorely missed," he said. "He just loved all people, big and small. He loved to talk to the little people and the greats. He had compassion for the common people and felt at ease with the famous. He could relate to all."

Supervisor Benjamin M. Rush, Jr. said the wheels have been set into motion toward honoring Mathews.

"I went to Mr. (John M.) Richardson's office this morning to see what we could do. We're contemplating several things, but would not want to go into detail until we get the consensus of the whole board. This does require something more than the ordinary resolution," he said.

"Personally, I feel like we will never be able to do as much for him as he did for us," Rush said.

He visited Nick's Seafood Pavilion Friday morning.

"Nick's death has really hit them hard. His employees felt very close to him and Mary.

"You know, some of them were former army officers in Southeast Asia. The Mathews sponsored them and gave them jobs—saved them from sure death," Rush said.

The maitre d', Doug Van Khuyen, is a former three-star general and chief of staff of the Army of the Republic of Vietnam. He was given a job by the Mathews' in 1975 after fleeing Saigon in one of the last American helicopters to leave that beleaguered city before it fell to the communists.

Paul Crockett, a manager of the Duke of York Motel not far from the restaurant, said Mathews often stayed in the background while his wife Mary promoted the American ideals of freedom and patriotism.

"He was always ready to step in and help," said Crockett, who also serves as chairman of the Yorktown Trustees.

Board of Supervisors Chairman E. S. "Buck" Bingley, Jr. and Supervisor Jake Zalumas had traveled to New Orleans en route to the christening.

After hearing of Mathews' death, Bingley visited Mrs. Mathews.

"She's holding up very, very well—unbelievably well," he said.

Bingley, who hunted with Mathews, said, "You certainly have to have a great deal of respect for someone who has been able to accomplish what he has done," he said.

Zalumas siad, "I will always remember his smile and great sense of patriotism."

[From the Daily Press, May 18, 1983]

NICK MATHEWS LEFT BELOVED YORKTOWN WITH CITIZENS' LOVE

(By Parke S. Rouse)

WILLIAMSBURG.—A lot of people have written about Nick Mathews since he died in April on his way with his wife to christen the USS Yorktown at Pascagoula, Miss. I was away at that time, so I'd like to say a few words about that remarkable man.

I met Nick Mathews in the 1950s in Richmond, and I soon learned he was the most generous man I'd ever met. When I met him I was eating a solitary lunch at the old William Byrd Hotel coffee shop, on my way to the state capitol. When I asked for my bill, the waiter said, "It's already paid." and pointed to Nick Mathews across the room.

I'd seen Nick once or twice in the Yorktown restaurant he and his wife had started in 1944, but I'd never met him. I thanked him for my lunch, but he just laughed and brushed my thanks aside.

I knew him better by the 1970s, when he and Miss Mary, his wife came to a meeting

of the Bicentennial Commission at the capitol to talk about a site for the Yorktown Victory Center. The commission was considering building a bicentennial center a mile or so inland from Yorktown, on land to be given by Newport News from its waterworks tract.

Nick and Mary had already protested that possibility. When she rose to speak, her eyes were flashing indignation. I expected an outburst that would make embarrassing newspaper headlines.

Instead, Miss Mary (as Nick called her) offered the state a 21-acre tract at Yorktown, close to the York, for a permanent museum site. Nick beamed happily. He liked for his wife to do the talking.

All that is history. The Bicentennial Commission accepted the gift and built the Victory Center. It remains today as a museum. Nick and Mary could have sold that land for $500,000 or more, but they preferred to show their love for Yorktown and especially for their adopted nation. That love was their consuming motive in their latter years.

I got to know Nick and Mary well in the 1970s, and they helped me and Yorktown in many ways. They entertained many official guests at their Seafood Pavilion, always refusing payment. They sent box lunches to work crews, befriended countless bicentennial bicyclists and hikers, paid to keep street lights going on Yorktown's waterfront, and sent bunches of red roses to every bicentennial event in Yorktown from 1976 through 1981.

Red roses became their insignia. Whenever I saw a bunch on a Yorktown stage, I knew Nick and Mary had struck again.

As well as I knew Nick, I could never persuade him to let me interview him for the Daily Press. Over the years, he told me many stories about his youth in Karpathos, Greece, and his career. But not for publication. He and his wife preferred that part of their lives to be private. Recently they built a modern house on Yorktown's heights, above their restaurant, but they asked few guests there. They needed a place to relax.

I know that Nick was born about 1901, left Greece for New York in 1920 and worked as a coal miner and chef before coming to Yorktown in 1944. "I want to be American citizen," he said then, "so what better place to live than here, where independence was won".

He and his wife, the former Maria Pappamihalopoulou of Sparta, opened a lunch counter in 1944 near what was then the Yorktown-Gloucester ferry dock. It became famous for Greek salad, pastries, and seafood. Today it's a 450-seat restaurant that serves over 1,000 meals daily from 11 a.m. till 10 p.m. After closing each night, Nick and Mary would sit down and relax with their hard-working staff. They love the human race.

The couple bought property in and around Yorktown, giving much of it away for civic purposes. After all, they had no children. They gave also to the Greek Orthodox church, to civic and charitable causes, and to friends and hard-up acquaintances. In 1981 they created a $180,000 granite and marble monument on Yorktown's Water Street to honor Washington, Rochambeau, and other Yorktown victors.

Mister Nick had a great sense of humor but avoided public speaking because of his accent. He loved to tell stories of his early years. He remembered his father's indignation when a Greek returned to Karpathos with little to show for his years in America. "When he opened his trunk there was nothing," Nick recalled. "If a rat had fallen in that trunk, he'd have broken his nose." Then Nick recalled his father's words, "If you can't come home rich, don't come home at all."

And now Nick has gone home—rich in the best sense of the word. He is rich in the love of his fellow men and in the memory of those of us who come after him. What better does life offer?

[From the Richmond Times-Dispatch, Apr. 16, 1983]

NICHOLAS MATHEWS, RESTAURATEUR, DIES

YORKTOWN.—Nicholas Minas Mathews, a Greek immigrant who loved Virginia and the United States and was noted for his patriotic philanthropy, died Thursday near Mobile, Ala. He was about 82.

Gov. Charles S. Robb yesterday ordered flags at the Yorktown Victory Center flown at half-staff in honor of Mr. Mathews, a prominent Peninsula restaurateur.

Mr. Mathews and his wife, Mary, were en route to Pascagoula, Miss., where she was scheduled to christen the Navy cruiser Yorktown today. He apparently suffered a heart attack on board a Navy A-3 plane and died shortly after the plane landed at a Coast Guard training center at Bates Field near Mobile.

According to a spokesman for Ingalls Shipbuilding in Pascagoula, the christening program will continue as scheduled, and Mrs. Mathews has indicated she intends to christen the vessel.

Using borrowed money, Mr. Mathews and his wife opened a lunch counter in Yorktown across from the ferry landing in 1944. The business grew from 35 seats in a 450-seat restaurant—Nick's Seafood Pavilion—and built a national reputation on good food, good service and good prices. His seafood platter was the restaurant's most famous dish.

Mr. Mathews' years of philanthropy and patriotism became known throughout Virginia in 1972 when he donated to the state 23 acres outside Yorktown. It became the site of the Yorktown Victory Center, a state shrine to the Revolutionary War battle.

Mr. Mathews became concerned that the facility designed to explain to the nation the role of Yorktown was going to be constructed in Newport News, rather than at the battlefield. So he made the property available with only one condition—that the center always pertain to history.

A bronze plaque in the Victory Center reads: "This bicentennial memorial honoring the victory at Yorktown is offered as a lasting symbol of patriotism and gratitude [by] Drs. Nicholas and Mary Mathews. To You from failing hands we pass the torch. Be it yours and hold it high."

He was cited by three U.S. presidents—Dwight D. Eisenhower, Gerald R. Ford and Ronald Reagan—for patriotic work, and by a half-dozen governors of Virginia for his service to the state.

His financial gifts helped make possible many activities throughout the Peninsula. He paid Yorktown's electric bill several years ago when the town did not have the money. and his civic work ranged from helping Little League baseball to the national bicentennial in 1981.

The Mathewses gave property for the Yorktown Historical Shipwreck Museum, actively supported the Yorktown Waterfront Restoration and financially supported drives to establish the Fort Eustis Transportation Museum. They also built their own bicentennial monument across the street from their restaurant.

In 1980, Nick and Mary Mathews received honorary doctorates from Christopher Newport College in recognition of their service to community, state and nation. Mr. Mathews also built a hospital in his native Greece.

Born at Arcasa on the island of Karpathos, Mr. Mathews immigrated to the United States in 1920 and worked in a number of jobs—as a chef in Milwaukee, a rent collector in Brooklyn and a coal miner in West Virginia. He also opened restaurants in Chicago and New York City, before settling in Yorktown in 1935.

He married Mary Papamilhalopoulou in 1942 in New York and opened the Yorktown restaurant two years later.

Mr. Mathews was a member of Sts. Constantine and Helen Greek Orthodox Church in Newport News.

Father C.N. Dombalis, dean of the Greek Orthodox Cathedral of Virginia in Richmond, said that "with the passing of Nick Mathews, his wife, the church and America morn, for in Nick we found the noblest and truest expressions of ancient Greece practiced in his adopted land, America.

"We salute this Virginian of Greek ancestry. His thousands of friends will miss his warmth and compassionate heart. May his good deeds and memory be eternal."

His body is expected to be flown back to Virginia late today. Funeral arrangements were incomplete last night.

[From the Washington Post, Apr. 16, 1983]

NICK MATHEWS DIES; DONATED YORKTOWN LAND

(By Ken Ringle)

Nick Mathews, an ebullient Greek-born restaurateur whose love for America led him to prosperity in Yorktown, Va., and a major role in the nation's Bicentennial Celebration there two years ago, died April 14 of a heart attack. He was 82.

A native of the isle of Karpathos, Dr. Mathews immigrated to New York in 1920 and spent his first years after arrival working as a coal miner and chef before settling in the sleepy historic town of Yorktown in 1944.

"I want to be American citizen," he told an interviewer later, "so what better place to live than here where independence is won?"

With borrowed money, he and his wife, the former Maria Pappamihalopoulou of Sparta, opened a lunch counter across from a ferry landing on the York River.

As nearby Williamsburg blossomed in the postwar years under the impact of Rockefeller-funded restoration, the lunch counter evolved into Nick's Famous Seafood Pavillion, now a 450-seat dining mecca festooned with fountains, Nubian statues and such specialties as lobster Dien Bien Phu.

Tourists lined up by the hundreds to get in, and Dr. Mathews, who often appeared embarrassed by his success, showered them with apologies, complimentary dishes and sometimes entire free meals.

As the restaurant grew, Dr. Mathews used its profits to buy property within the crowded limits of Yorktown and in the rural surrounding counties. One 25-acre parcel adjoined the battlefield where Cornwallis surrendered, and Dr. Mathews looked forward with anticipation to the American bicentennial.

"In 1981," he used to say repeatedly, "Yorktown going to be the eye ball of the world."

What he and his wife had in mind, however, was not cashing in on the bicentennial but helping to pay for it, in gratitude for what America had given them.

When he found that politicians and developers in adjoining Newport News were talking of engineering the occasion for profit, he went before the General Assembly in Richmond, pleading near tears with dumbfounded legislators to be allowed to donate his 25 acres—worth an estimated $500,000—for the Yorktown Victory Center.

But there would be a string attached, he said. The center to be built there could have no souvenir shops or other commercial features: it was to be a shrine to the American Revolution.

When the gift was finally accepted, officials of nearby Christopher Newport College awarded the couple honorary doctorates. Dr. Mathews, who never finished high school, was so proud he used the title Doctor whenever he could.

Today a bronze plaque at the victory center reads: "This bicentennial memorial honoring the victory at Yorktown is offered as a lasting symbol of patriotism and gratitude by Drs. Nicholas and Mary Mathews. To you from failing hands we pass the torch. Be it yours and hold it high."

In addition to the land for the victory center, Dr. Mathews had earlier donated $180,000 for a victory monument on the Yorktown waterfront, and when Dr. Mathews died, he was still at it; en route by plane to Pascagoula, Miss., where his wife had been chosen by the Navy to christen a new cruiser—the USS Yorktown.

[From the Times-Herald, Apr. 15, 1983]

MEMORIES OF SERVICE SURVIVE NICK MATHEWS

YORK.—Nick Mathews of Yorktown—a man who loved his adopted country so much that he pledged more support to community projects than did many American natives—died Thursday just two days before participating in yet another project dear to his heart—the christening of the USS Yorktown in Pascagoula, Miss.

His wife, Mary, had been designated sponsor of the vessel.

The civic work of Mathews included involvement in everything from Little League to the Bicentennial celebration at Yorktown in 1981.

"The contributions of Nick and Mary Mathews to the Bicentennial were well known," said York County Administrator John M. Richardson, referring to the couple's donation of land for construction of the Yorktown Victory Center.

"Nick's civic work, however, went far beyond what was done during the Bicentennial," Richardson said.

Jim Rawlings, director of the Yorktown Victory Center, said the death of Mathews would be a great personal loss.

"The contributions to the Victory Center by Nick by no means stopped with the giving of the 23 acres," Rawlings said.

"We at the center always knew that we could count on Nick."

Jack Georgalas, president of Tri-City Beverage in Newport News and a close friend of Mathews, described him as a true patriot who loved this country.

"Nick was certainly one of a kind, and there were so many things that man did that will never be known to the public," Georgalas said.

"If Nick Mathews were alive during the Revolution, he would have probably been among the people to have signed the Declaration of Independence," Georgalas said. "He will be sadly missed by all of us who loved him."

Mathews came to the United States at the age of 17 in 1920 and settled in Yorktown in 1935.

In 1944, he and his wife founded Nick's Seafood Pavilion overlooking the Yorktown beach.

The couple are known as the people who kept Yorktown lighted. When the street lights in Yorktown got cut off some years ago over an electric bill dispute, it was the Mathews who stepped in and paid the bill.

The couple also gave property for the Yorktown Historical Shipwreck Museum, actively supported the Waterfront Historical Restoration and helped to make possible the Fort Eustis Transportation Museum.

The couple also built a hospital in their native Greece.

Three presidents have cited the couple for their national service and work in historical organizations. In 1980, Mathews and his wife were bestowed honorary degrees by Christopher Newport College.

Mathews was born at Arcasa on the island of Karpathos in Greece. He migrated to this country in 1920, working at a number of jobs—coal miner in West Virginia, a rent collector in Brooklyn and a chef in Milwaukee.

He settled in Yorktown in 1935 and married Mary Papamilhalopoulou in 1942.

Mathews, who was born Nick Matheos, was always proud that he had "entertained kings, queens, generals, ambassadors and secretaries of state."

The last time he visited Greece was in 1957 when his mother was still alive.

"So much of Europe has got to have dictatorships to keep the communists under control," he said a few years ago. "I don't like to talk about it. I like to talk about things I can control—my business, people, friends."

President Dwight Eisenhower cited him for service to the American Red Cross, and President Gerald Ford named him director of Bicentennial Commission, Yorktown, 1976-1981. The Republic of France sent letters of appreciation for his work in recognizing French-American historical contributions during the Revolutionary War.

[From the York Town Crier, Apr. 21, 1983]

MODERN-DAY ST. NICHOLAS DIED AT THE SUMMIT OF A REMARKABLE LIFE

(By William Tangney)

"If you give me the pills and I feel all right or not," Nick Mathews told his doctor last week as Mary remembers, "I am going to Pascagoula. Make me all right if you can."

Nothing was going to stop him from boarding that special Navy jet, from starting his wife on the way to christen history's fifth U.S. warship bearing the gallant name Yorktown. They had been a partnership since their wedding day, and Nick knew Miss Mary wouldn't leave him.

For the sake of his own name-saint, St. Nicholas—patron of the seafarer in Greek tradition—he had to get his own "Fighting Lady" to the shipyard in Mississippi. There, waiting for its blessing from Miss Mary, was the guided-missile cruiser designed to protect a whole fleet into the 21st century against hundreds of simultaneous attacks.

He never considered postponing the trip. He and Mary were the ship's sponsors, and they would get there.

I didn't know Nick Mathews until the '70's, but he must have modeled his life after his namesake from the beginning.

In Greece, St. Nicholas is protector of children and sailors. When English colonists in America heard the Dutch say Sint Nikolaas, the English tongue produced "Santa Claus," and the saint added the principles of giving and of helping the poor to his repertoire.

Nick concentrated on those four things. With no children of his own, he made the need of all children for a heritage his special plea. He had a comradeship with all servicemen, but sailors were foremost, and he wore an officer's cap from the World War II aircraft carrier USS *Yorktown* (CV-10) on golfing outings. He and Mary sent their restaurant manager all over town in formal attire every Christmas Eve with an actual Santa's load of fine wines and Swiss chocolates. And they quietly helped any number of people without means.

Nick listed his birth date as Dec. 6, but that was actually his "name day," the birth date of St. Nicholas. That saint is modeled on the fourth century bishop of a place called Myra (now called Kale) in Turkey—but on the water's edge and facing the Greek island of Karpathos.

Karpathos is where Nick Mathews grew up, not 160 miles from St. Nicholas' town in Turkey. And through Mr. Nick's childhood the Turks were occupying his island. Nick must have heard a lot about St. Nicholas.

At noon Thursday doctors examined Mr. Nick, and they compared old and new cardiographs. The monitors didn't show that his life was in the balance. He and Miss Mary went on to Patrick Henry Airport and boarded the special seven-seat Navy VIP plane bound for the christening of Yorktown (CG-48).

Fifteen minutes before the landing near Mobile, Ala., Nick stood up, and the husband and wife reached for each other's hand. When Nick's hand didn't reach Mary's, she glanced up and saw that he was gone.

He died at the summit of his life, in action, without pain.

Miss Mary bravely christened the Yorktown. The Navy made an exception and flew an American flag at Yorktown's stern 15 months before she earns the USS in front of her name when commissioned, at Yorktown on July 4, 1984. She will fly the flag on behalf of Nick each year. The ship's "stern bar," the foremost blade of metal from the tip of her bow, is in Nick's casket.

In his right hand Mary has placed a 2x3-inch image that she bought at a dime store 40 years ago after they met. It's St. Nicholas.

FOR BETTER, FOR WORSE: A LOVE STORY ENDURES

(By Margaret Cubberly)

Nick Matheos' love for his adopted country, an outpouring of feeling that spilled over into his many acts of generosity, was documented in the news stories and obituaries that followed his death last week.

But there was another great love in "Mr. Nick's" life, one that could not be reported matter-of-factly. Anyone who had seen Nick and Mary together felt the strong bond of love, companionship and trust that existed between husband and wife.

Nick and Mary worked together 40 years, sharing the good times and the bad, joined in their patriotic and civic activities, enter-

taining with equal grace people from all walks of life.

The love story of Nick Matheos and Mary Papamilhalopoulou is not the kind that you'll find in the movies, where "love" has been distorted beyond recognition. It is a true love story.

When Nick was last hospitalized here with breathing problems, Mary stayed with him around the clock for two weeks, sleeping beside his bed in an armchair. Visitors to the hospital a few days before Nick's release saw Mary, her face lined with exhaustion, her clothes rumpled, watching anxiously over her husband.

When nurses came with a wheelchair to take him away for another in the endless series of tests he was undergoing, Mary eased him gently out of bed. She carefully combed his hair and helped him on with his robe, speaking softly in Greek. Nick's smile warmed the room.

Watching this man and woman—her tenderness, his courtliness—was a reminder that love is not just for the young. It transcends age. And, if you're lucky, like Nick and Mary, it can last forever.

● Mr. WHITEHURST. Mr. Speaker, I am pleased to join my colleague HERB BATEMAN in paying tribute to the memory of Nick Mathews. In all of my life I have never known a greater patriot.

When Nick Mathews planted his feet on our shores, he gave us his heart as well. As believers in the American dream of self-fulfillment, he and his wife Mary were the embodiment of the American success story. The restaurant that they established at Yorktown, Va., enjoys a reputation for excellence that extends beyond eastern Virginia. Countless travelers go out of their way in order to be able to dine at Nick's Seafood Pavilion.

What many of them do not realize, however, if they visit the Battlefield Park nearby, is that the land for the Victory Center there was donated by Nick and Mary Mathews. Thousands of visitors each year tour the Yorktown Battlefield site and the Victory Center, and their enjoyment and appreciation for what transpired two centuries ago is enhanced by the Mathews' gift.

Yet in so many other ways, too, Nick and Mary Mathews have been exemplary citizens. Some years ago, the town of Yorktown could not meet its public lighting obligation. Nick and Mary Mathews came to the rescue. If there is another example of private citizens paying a public utility bill, I am not aware of it, but it was typical of Nick and Mary.

As one who was privileged to be their friend, I constantly marveled at their concern and love for their adopted country. Nothing could have been more fitting than for Mary Mathews to be chosen as the sponsor of the new Navy vessel U.S.S. *Yorktown*. Appropriately, the Mathews were present for the Yorktown Bicentennial on October 19, 1981, when the great victory which led to our independence was commemorated. On that occasion, Mary Mathews and the President of the United States joined in authenticating the laying of the keel of the *Yorktown*.

Those of us in Virginia who came to know and love Nick and Mary Mathews recall the circumstances of Nick's death. He and Mary were on their way in a Navy plane to Mississippi for the launching of the *Yorktown*. While they were aloft, Nick's heart failed him, but true to her indomitable spirit, Mary Mathews fulfilled her mission, dedicating the *Yorktown* to the service of this country and to the memory of Nick Mathews.

Mr. Speaker, although Nick Mathews the man is gone, his spirit lives. His life should serve as an example to every American, whether native born or adopted. We in Virginia who have been blessed with so many illustrious native sons proudly include the name of Nick Mathews on the roll of great Virginians—and great Americans.●

□ 2010

GENERAL LEAVE

Mr. BATEMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and to include extraneous material, on the subject of my special order today on Dr. Nick Mathews.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

□ 2020

FAIR TRADE IN STEEL ACT OF 1983

The SPEAKER pro tempore (Mr. HARRISON). Under a previous order of the House, the gentleman from Pennsylvania (Mr. GAYDOS) is recognized for 60 minutes.

Mr. GAYDOS. Mr. Speaker, I want the record to show that for a better purpose there could not be that we were somewhat delayed this evening. We had presumed we would start special orders around 6 o'clock, but our good friend, Ray Roebuck, I believe, was a good reason why the delay did occur and I have no qualms that it did occur and I have no regrets.

I just want to, for the record, again to emphasize that this special order was authorized by the executive committee of the Congressional Steel Caucus to talk specifically and clearly on the record as to what is occuring in the steel industry, and also to explain somewhat in detail for the record what the Fair Trade in Steel Act of 1983 is or is intended to be.

GENERAL LEAVE

Mr. Speaker, I will ask at this time that all Members may have 5 legislative days to insert their remarks and introduce extraneous matter into the RECORD on this subject matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. GAYDOS. Mr. Speaker, before I proceed any further, I want to yield to a member of the executive committee of the Steel Caucus, Mr. NICK RAHALL, the gentleman from West Virginia.

Mr. RAHALL. I thank the distinguished chairman of the Steel Caucus for yielding, and I want to commend him for taking this special order this evening, and the executive committee of the Steel Caucus for authorizing such special order.

Mr. Speaker, I am honored to join with my colleagues of the Steel Caucus in discussing the steel industry this evening, and this country's trade policy, and addressing the problems that face this industry. My district has several steel plants and a great deal of metallurgical coal, which is used in the steelmaking process. When the steel industry faces hard times, so does the metallurgical coal industry in southern West Virginia.

For the last several months we have heard the administration trumpet its prophecy that recovery is at hand. I say it is time for this administraton to visit the heartland of America and see first hand the so-called recovery. When I look around I find that 107,000 steelworkers still do not have a job and over 79,000 coal miners are still unemployed—a full 30 percent of the coal industry work force. How long will this administration hide behind the banner of free trade while thousands of hard working Americans are unemployed?

In my district there are four particular counties—Mercer, Wyoming, Raleigh, and McDowell—which produce the bulk of metallurgical coal. Unemployment figures in these counties at the current time is reminiscent of the Great Depression, are as follows: Mercer—13.8 percent, Wyoming—23.7 percent, Raleigh—14.3 percent, and McDowell—30.9 percent. In all of these counties, coal and its related industries are the source of income for a major portion the wage earners.

Unless there is a resurgence in our steelmaking capacity a great number of these unemployed coal miners, and others in West Virginia, will never be called back to work. I believe it to be encumbent upon our Government to review its trade policies and establish some priorities in order to alleviate these distressful situations.

I have several areas, Mr. Speaker, that I think should be addressed. I shall not go into detail at this moment, but just touch very lightly upon those areas.

First, our Government must address the problem of subsidization. For too

many years our Government, under the leadership of both parties, has moved very slowly to protect our steel industry from unfair competition. Our steel market is the only open market in the world. Yet those who preach the religion of free trade fail to mention that foreign markets are not open to American steel products. We must enact a trade law that prohibits in my opinion the importation of any product that receives a direct foreign government subsidy. Also, there should be a provision in our trade policy that prohibits a country from selling its steel products in the United States if its borders are closed to American products. Failure to take this action will further encourage foreign countries to export their unemployment to our shores and deprive our companies and reciprocal opportunity of competing overseas.

Along the same line, swift action must be taken against those U.S. firms which arrange business deals with foreign companies that receive a direct Government payment to keep the price of their commodities artificially low. The American worker can compete with anyone on an equal basis. However, when that worker must also compete against a coordinated effort by another country to take his job, the American often loses. We owe our workers the opportunity to compete on a fair and equal basis.

Just this past weekend I spoke to the Glass Protective League in Huntington, W. Va., and said to them that it is time that we get tough with our trading partners. They have gotten tough with us in the past, they are not afraid to take actions that protect their domestic economy, and I submit if what is needed in order to alleviate our current high unemployment situation in America, if it is called toughness with our trading partners, then it is time that we get tough and play hardball.

We must develop policies to further encourage investment in research and development in this country. This can be done through changes in our tax code and through the targeting of Federal research and development dollars. Congress can assist steel and many of our other basic industries by passing H.R. 3434, the Work Opportunities and Renewed Competition Act of 1983. This legislation allows unprofitable manufacturing companies to obtain a loan from the Government against their unused investment tax credits. Such a provision will enable the steel and coal industries, among others, to invest in new plant and equipment. This type of investment will enable our industries to update their facilities and compete more effectively with those foreign companies that receive direct government subsidies to lower the cost of their products.

Our lending policies to foreign governments must be reviewed. We now find that we have helped finance a worldwide overcapacity of steel production. In the future Congress must make sure that the assistance we lend overseas does not have the potential of putting Americans out of work.

I am very disturbed by the willingness of some of our Government agencies to purchase foreign commodities. Why does our Government have to spend American tax dollars on goods made overseas when they are available in the United States? Our Government must be the leader in buying American made products. How much money do we save if our workers lose their jobs as a result of such misguided policies?

Mr. Speaker and Chairman GAYDOS of the Steel Caucus, I think that the ultimate solution, despite what our recommendations may be here this evening and have been in this Congress, that the ultimate solution is going to depend upon the cooperative actions of labor, management and the Government to address the problem of subsidized imports. Working together we can devise a viable solution to this problem. We have the best workers in the world and we can make the best products in the world. We have the potential, we have the capability, we have the wherewithal and we have the desire as a nation to solve this problem and to meet it head-on.

Just as other nations have developed a coordinated government effort to penetrate our markets and displace American workers, all Americans must now work together for the survival of our basic industries.

I again commend Chairman GAYDOS and the Steel Caucus for this special order and lend my efforts in whatever way possible to meet the problem. I look forward to working with the Congressional Steel Caucus to revive our steel industry, because when the steel industry prospers, so does the metallurgical coal industry.

Mr. GAYDOS. I thank the gentleman from West Virginia (Mr. RAHALL) for his remarks, and I do want to say this for a matter of record, and I think it is proper to state for the record that he is one of the most active members on the executive committee.

I want the record to further show that we would have had and did have Members ready and willing to enter into a colloquy on the floor of the House in detail. I have all the statements of our colleagues which I will put in at the termination of the special order, but because of the schedule we are going to follow the formality and we will try to shorten it as much as we can.

Mr. Speaker, a turning point in the war in Vietnam came when an American officer was seen in the United States on a television program wherein a report was given explaining a military action. He said, "We had to destroy the village to save it." The reaction was immediate, the controversy was long, and the residue was bitter. Everybody knows what I am speaking of. It did not make sense to the people of this country.

Today we have a trade war, and unemployment is around 10 percent nationally. It still is somewhere around 15 and 20 percent in many of the industrialized areas that could be considered as Ground Zero. In steel, 107,000—and I want to emphasize that—107,000 breadwinners still are laid off. Capacity and utilization for the steel industry has been around 53.6 percent for the year to date. Last year was one of the worst on record. Capacity utilization a year ago was a little less than 53 percent.

We are led by men who say by deed we have to let this economy be destroyed before we save it. Family people know whereof I speak. We have to destroy this economy at the base to save the global economy and the world market, they say, and that is what they tell us.

But many manufactured goods in the world market amounts to little more than unrestrained access to the U.S. market for dumped and subsidized goods. Those who export here maintain barriers against imports from here, from our country to their country. This is true in steel today.

Among steel-producing nations, there is no open market save the United States, and there is nearly twice as much government ownership and coziness and intervention in all of the other countries of the world as there is here in this country under the free enterprise system.

"World Steel in 1980," and that is a book, a publication, is an excellent, far-seeing new book by our Father William T. Hogan from Fordham University, a respected steel economist and one who on many occasion has taken part intimately and completely in discussions on steel and what it means to the breadwinners in this country. Father Hogan has a renowned reputation.

Father Hogan compiles in his book the recent history of world steel and makes note of several things peculiar to this United States.

□ 2030

First he says in that publication:

> The United States is the only nation that cannot meet its domestic need for steel with domestic production ability. We have undercapacity in this country in a world where there is overcapacity for steel.

Second, he makes note in his book that it is the only market, this market of ours, in the world in which foreign producers are granted sufficient standing to refer to their definite "share" of the American market. It is a thing

taken internationally for granted by them and by our Government too many times.

And last in the book, Father Hogan says:

This country is the objective of virtually every steel producing country in the world. It is open where others are not. They design their steel capacity with exports to this country in mind. This is the largest and most lucrative market in the world.

Another of Father Hogan's findings is that approximately 60 percent of the world's steel industry today is government owned or heavily subsidized. This percentage will increase in the years immediately ahead to at least 70 percent, if not more, he goes on to say:

There can only be one result when policy pits private companies against the deep pockets of foreign governments, as it does in steel and in goods made by steel in the world today. The result is destruction of the unsubsidized which must surely profit, as in this country, or die. By their policies, our leaders have said for years we have to destroy this economy and the lives of our industrial workers to preserve this state of cutthroat international competition. Steel production generally involves only the United States, Europe, and certain limited developing nations.

Now, there are recent findings about the United States that are worthy at this time to note. For example, the American steel industry in 1981 got the same production out of 129 furnaces that it got from 263 furnaces in 1960. This is according to a recent study of the Congressional Research Service. This is a dramatic increase in efficiency for an industry that critics worldwide score for being backward, being behind the times, and lack of capitalization.

Yes, that might have been true, but things are changing here; that to again refer to the Congressional Research Service, they found the industry has been replacing old technology and has tried and has been successful to meet the challenges of foreign competition.

By the way, this improvement came in years when viscous price discounting all but prohibited the kind of profit that would have tracked domestic investment here in this country. Subsidies internationally of up to 40 percent and dumping margins of more than 30 percent were found in foreign steel during this period of time.

In addition, Father Hogan goes on and has determined in his publication that 70 to 75 percent of America's equipment for basic production and finishing is modern and is fully competitive internationally. This is on a plant-by-plant basis and comparison.

So this is not in this country, as so often has been said, a steel industry that has not been trying and not been modernizing and not been capitalizing.

It continues and we are continuing to try. Individual companies are going to extraordinary lengths to gather capital. Even if you do not like some of these deals that are trying to be made, you have to admit that the American businessman is again showing some Yankee ingenuity.

Strange things are happening in the current continuing fight against the latest binge of foreign subsidies and foreign dumping here in our country and in our markets.

For example, Bethlehem Steel last quarter sold more steel than in the corresponding quarter of a year ago. It also made 16 percent less money on that steel.

This illustrates the kind of cutthroat pricing that unrestrained foreign subsidy and dumping bring to the market. Overseas Business Doctrine calls it "excessive international competition" and roundly condemns it.

Bethlehem Steel lost almost $93 million last quarter. It plans to close about 20 percent—I repeat, 20 percent of its production capacity; yet this company is still hopefully striving to modernize.

Meanwhile, what some see as a quickening of the pulse in the economic recovery in this country is nothing more than a heart murmur in the basic industries and particularly in steel. Imports continue to take around 20 percent of the market in steel in this country. The figure is down from around 25 percent last year, but it still is at a rate that provides no stability and that provides nothing but chaos internationally and cannibalism.

Things are a little different in Europe. In preparing these special orders, I scanned with my staff my file of clippings from the Wall Street Journal on matters relating to steel where the following developments were news items in the first 6 months of the year.

Flash: British Steel which had combined operating losses of $111 billion in the last 2 years expected to receive additional Government subsidies at home of $497 million this year.

Flash: The Government of Spain decided to put $4 billion into three of its six steel operations.

Another flash: A study recommended that the Government of Belgium put another $2 billion into the operations of the Cockerill-Sambre Steel Co.

Again, the Socialist Government of France unveiled a massive investment strategy for industry which includes $935 million, almost a billion dollars more for steel.

There is an overcapacity existing today of making steel in foreign countries throughout the world.

Father Hogan, in his publication goes on and he sums up the trends in the history these things represent. He says:

Between 1975 and 1983, less than a 10-year period, the governments of Europe have put $30 billion in subsidies into their steel industries.

That is his estimate.

Mr. Speaker, $30 billion is more than a ton of money if you weigh it. A ton of money, for those of us here and throughout the Nation that are not familiar with these large amounts and sums of money. That is the equivalent of 30.6 tons of money.

If I have accurately worked out the conversion scale recommended to me by our Bureau of Engraving, mind you, 30.6 tons of money. Furthermore, it is 30.6 tons of $1,000 dollar bills, which even this country does not print anymore. That gives you a concept of the enormity, the enormous amount of money. It is about half of what our 75 percent modern industry needs to invest in our own country in the next 10 years in order to compete internationally.

The experts say that $60 billion is needed to best and to compete with the waves of dumped and subsidized goods coming into this country.

Father Hogan noted that most countries of the European Community have built steelmaking capacity well beyond their own domestic needs and they must export.

For the rest of the 1980's, he continued, the European communities will continue to export significant tonnages with the United States as its principal objective or market.

World Steel in the 1980's contains a telling line on European exports. It says, "The chairman of one of the large European steel companies, when asked why he was so adamant about shipping steel to the United States at a loss of $50 to $70 a ton said his prime worry was unemployment at home in Europe, which was in effect being exported to the United States."

Now, European governments have fallen because of unpopular domestic steel policies. That is admitted; so it looks like it will save the European portion of the world and their market, but they are going to destroy our economy and be allowed to dump and subsidize goods into our country and into our markets.

At present, the European steel trade with the United States is under an existing agreement. They sought it after their producers were found to be in massive violation of the trade laws last year, and that is a matter of record. This might indicate the situation is under control, this so-called agreement, but history indicates this kind of control is at best temporary.

□ 2040

In fact, it may be holding up only because worldwide demand is low throughout the world today.

American industry executives tell me that there is some demand in one segment of the market. It is the category

of oil country and tubular goods. They said European products will reach or exceed the agreed upon limits in that agreement this fall, if not sooner. That is at current rates of their export of these types of equipment and items into this country.

The way they treat this one category may say more about their attitude toward the overall existing agreement than anything they may say in person or in the news or in conferences. And what they are saying is not all that encouraging to those that are sensitive to this important area.

The specialty steel trade just went under administrative quotas after a proceeding under our trade law and in accordance with international agreements. The quotas were less than they should have been, as thought of in some circles, and of shorter duration than allowable under the existing trade law.

It was a lukewarm effort to offset the effects of international subsidies and dumping that is occurring in our international trade.

It recently drew the following denunciation by Sir Roy Denman, the European Community's headman here in our country. He said, "Subsidies in general are not forbidden in GATT, nor is dumping."

GATT is the General Agreement on Tariffs and Trades, the international agreement, and he wrote this in a publication in a letter from Europe and he said, "Serious injury was not shown," and he blamed the surges of exports or imports into this country and subsidized goods, and blamed that on the strong American dollar.

He did not note, however, that there is a surge in goods every time Europe's economy slows down. It is called countercyclical export. It lets them keep their mills running and their unemployment down, but not ours, and it can happen whatever the state of the dollar internationally.

Meanwhile in Europe where subsidies can run up to 40 percent they are more respectful of the world market as such, per se; faced with imports they do not want, they simply slap on quotas and they do not allow our products to enter.

According to Father Hogan in his book, he says the European economic community restrictions placed on imports involve quotas controlling the amount of steel that each country can export to the EEC as well as what prices must be charged. These are negotiated individually with each country. That is how the European communities do it. They are not like us where we try to adhere to international agreements. They do what they want to do and what is best and what is most expedient for them.

They export unemployment to this country. My colleagues on this floor do not want and have no desire, or maybe they do not have the understanding to get behind legislation and force a change if the executive does not want to make the change, and the executive in this country—when I talk about the executive I am talking about the President and the Secretary, all Secretaries directly and indirectly involved—they have the power under existing trade laws to keep these unfair imports out of this country and preserve that American job.

Let me emphasize the European practice has been to control quantities and price of imports, and this is historical, and this is a matter of fact. This is not me speaking. Controlling the price keeps their subsidies domestically from going higher, but they keep subsidizing.

The Europeans and the Japanese have operated for a number of years under mutual, formal understandings internationally in trade. They agreed, and this is a matter of record, to respect one another's markets in steel throughout the whole world, and they split up the rest of the world market. They said, "Here, Japan, you go here, you have those markets, and we are not going to compete with you." And the European communities, the Japanese said, "Here, those are yours. Here is the line of demarcation. You ship over there and we are not going to bother you."

This is intrigue. This is wrong. It is fundamentally wrong. It is wrong on international agreements and it is wrong under GATT, the General Agreement on Tariffs and Trade. It is wrong fundamentally to do that.

This is a matter of record and they did not deny it. All of this was called into question under U.S. trade law last year as a matter of record, and the Special Trade Representative to the United States—there was an adequate demonstration of the existence of a bilateral, international agreement to restrain steel exports, and that was made between the Government of Japan and the European communities, which as the Government publication went on, the agency said it is inconsistent with the General Agreement on Tariffs and Trade.

Secret agreements. I remember secret agreements made in this country when we had an ambassador of ambassador status in Washington while the Japanese fleet was on its way to Pearl Harbor. Are we going to have a repeat of the same thing?

We have the same philosophy involved. Will we say anything?

Do you think the Japanese as a nation have smarter people than we have?

What about the case recently where they were fined and they paid $10 million to cover the case up and we discovered them stealing, stealing American secrets? What kind of people are they? What kind of government would sanction that?

There were international recriminations, international statements made by the Premier of Japan all the way up from the top to the bottom. That is wrong. But they covered it up and they paid $10 million in fines.

And I remember the television case, $500 million was assessed against the Japanese because they were doing improper things on international trade agreements as far as dumping television sets in this country. This is a matter of fact, and the fine was levied against the Japanese because of international trade agreement negotiations and junk like that, for want of a better descriptive term, junk like that, and they agreed to take some paltry $10 million settlement of some sort.

It stinks. It stinks as a matter of record. And that is exactly what has been happening.

I can give you illustration after illustration of what is happening internationally. I would want the whole Nation to see it because there is no basic and fundamental insincerity with our trading partners. We practice fair trade and free trade.

But every other country under the Sun, including the Japanese and the European communities, always have excuses, formal excuses in international negotiations of why they are excluding products made in this country from their country. They have the 100 list which says you do not bring into this country meat in certain quantities from the United States, or fruits into Japan. And they answer you in international programs, in international discussions, the Japanese and the European communities, and they all say, "Well, we buy from you this and we buy from you that." But it is always in the agricultural field where it is not labor intense or where one man driving a picker or a tractor can produce enough to feed thousands of people in our modern farming methods.

No, they send to this country items as big as this pair of glasses, which are labor intensive. That is what they send.

It takes 8 people, 20 people involved in making that specialized item. That is how you beat the clock on international trade, import raw materials like timber and strip a country, take their lumber, take their material, take their farm products, because they are not labor intense, import them and compare it with what they are sending to this country, goods that are highly labor intensive, labor intensive products, and they just flood that country.

There is no magic. The Japanese, or the European communities, whether it is Belgium, Luxembourg, West Germany, Italy, Portugal, Brazil, you name them, they are doing a very simple

thing. It takes no mastermind to figure it out.

Dump on your trading partners and protect your home markets. That is what it is all about and you do not have to be an Einstein to figure it out.

□ 2050

It looks like we have—the complaint I mentioned and referred to before was that the agreement between the parties, the Japanese and the European Communities had the parties diverting a lot of their excess capacity to the United States. That is where we came in. When they said, "We will stay out of this sphere worldwide and you stay out of our market sphere or area." Then when they had excess production, both of them, no less, got together and they said, "We will dump into the United States. We will give then all the excess. Keep our employment, let them be unemployed. We will ship our unemployment to their country."

Unfortunately for some reason, it is a horse of another color and I will take it up at another time in detail, relief was denied on that problem. It looks like another case of destroying the U.S. market in this country here again to save the world market for foreign countries. Japanese industry grew in little more than 30 years from just over 1 million tons of capacity, steel capacity, to about 140 million tons this year. You consider those apples, understand the significance of that.

They built an industry far beyond their domestic needs. They now export about half of production, steel and steel products. And they must keep exporting or decline, like this Nation is declining. They are able to grow because of a system that let them finance up to 85 percent of their industry by government loans, including loans from the government Postal Service Savings System which exists in Japan. This represents a saving of the people. Its assets are larger than the largest commercial bank in the entire world. Mind you, assets larger than any lending institution in the whole world, Postal Savings over in Japan.

A Japanese banker explained in Father Hogan's book, "The lenders recognize" talking about Japan internally, "that the steel industry was basic to the Japanese Nation's economy and to the strong confidence they placed in the growth potential and safety of the steel industry as an investment."

That is a matter of formal record. Thus, he goes on, "The nation's private financial institutions continuously mete out the huge investment fund requirements of the steel industry in Japan whose equity ratio was at a low level and whose earning power could hardly be rated as sufficient, yet they rallied around the flag.

In the mouth of the banker, Mr. Speaker, the industry could not make enough to get the investments in Japan, so, the government got into the money act. That is where MITI came from. The whole system of high finance; they financed it.

Our Japanese partners are efficient and aggressive. They had good teachers and they learned. You got to give them credit for that. Any view of this efficiency should properly be tempered by the record and this is the record.

Big Japanese corporations were found to be selling here in the late 1970's with dumping margins of over 30 percent. That is not me speaking, or the Steel Caucus, that is a matter of record.

The only criminal dumping charges returned with regard to steel were returned in 1882. I mentioned that before, I mentioned $10 million, but the record shows $11 million was paid in fines to close that case so there would not be international embarrassment as to the Japanese stealing our trade secrets, improperly and contrary to international trade law.

Dumping findings routinely were returned against Japanese producers in small cases in this country in record numbers of filings last year. That is a matter of record, not me speaking. In one product line the margin was over 20 percent.

This indicates to me and to our Government and to the world that the Japanese will dump whenever they feel it is necessary to keep their own factories going and to keep employment going in their country.

Year in, year out, Japan exports directly about 30 percent of its production. We are always the best or the second best customer of theirs. Remember, they built for export in the first place. So, in a way we are asking today to destroy a large portion of our own domestic economy in order to preserve the lifetime employment ideal in Japan.

They have a record of dumping, a formal record of dumping and of insidious activity. Yet this country through our international policies actually pays the lion's share of the defense of Japan.

Every time we ask the Japanese formally or informally to increase their defensive posture, to take in some more exports, to balance the $16 billion trade imbalance between us and them, their answer is, "We will try."

And they have been trying, for 35 years they have been trying. You know how they have been trying.

Maybe their bitterness still persists today. Maybe they did not like that defeat which happened 35 or 40 years ago. But, remember, the moving party in that last war was the Japanese and not this country. And that too, is a matter of fact, a matter of history. That is what the Japanese Government tried to change here last year, if you remember the international hullabaloo that occurred particularly from the Filipinos, South Koreans, and the Chinese, when the Japanese educational department wanted to change the history books. Do you know what they wanted to say? They wanted to say that Japan was not the moving force or the invaders. That is what they wanted to say. And they did say it. They changed their textbooks until the pressure got so great they made them change it back.

Again, you count those apples. If you have common sense, you do not have to be a Houdini or Einstein to figure out who is doing what to whom internationally. Just read the facts and read the record.

If I had it my way that would not be occurring, but unfortunately I am just a small Member of Congress. I know what I would do. People in this country might hate President Nixon, that is their prerogative and they have to analyze the record as they see fit. But let me tell you something I want the record to show here and now: It was President Nixon who had the courage many years ago when the Japanese started flooding this market with automobiles and he put on a 10-percent surtax. Under a law that still exists today, he had the courage to do it and effectively blocked them there. If it was not for President Nixon at that time doing that we would have had unemployment a lot earlier than we have now and to a greater degree. Love him or hate him, you have to give him his rightful due; that is that he understood international politics and international law and he had the courage of his convictions and he represented this country. He did not care who said what. He looked at the law, the power it gave him and he acted accordingly.

He was the President who put the first multifiber agreement together limiting textile flooding in this country from producers like Romania, places like that, Hong Kong, all that junk. Again, I say for matter of emphasis, junk, because I do not want to go into the repeated explanations I have over the years on this very floor, trying to alert the American people and our Government as to the dastardly results that we are encouraging and we are going to suffer.

Father Hogan in his publication notes that because of their dependence on exports the Japanese are very interested in ending the chaos, getting down to the idea of stability and orderly marketing today in the whole world. This takes me to the Third World. I have taken care of the Japanese and complained bitterly about the European Community nations,

and now let us take a look at that Third World, that we call it.

□ 2100

Places like Brazil, Korea. They are emerging, they say, emerging at our expense, I say. The Japanese historically have taken over more than 200,000 tons of imports, according to Father Hogan. And steel from Korea and Taiwan pushed imports above a million tons recently in Japan. It was called a dramatic increase by the Government of Japan. Mind you, dramatic increase. Chaos in the streets in Japan. They are going to kill our industries. Why? Because they have got a stinking 1 million ton import from those countries which I just mentioned, Korea and Taiwan.

There were grumblings in Japan about subsidies over there in Taiwan and Korea. There were complaints about the defects in the material and international trade violations and all that. One million tons which the Japanese complain about so bitterly equals about seven-tenths of 1 percent—seven-tenths of 1 percent of Japan's total capacity. That is their yearly steelmaking capacity. That is what it amounts to. I have got to give those figures again. I have to. Seven-tenths of 1 percent of what the Japanese manufacture. That is what they were grumbling about. And getting all hyper because they were being flooded by steel from Korea and Taiwan.

On the other hand, look at this comparison. We imported more than 1 million tons in the month of May, this last month, alone. Who is crying crocodile tears? You answer that.

Father Hogan in his book concluded, "It is doubtful Japan will ever import more steel than it does now." Is that not nice? 145 million tons of capacity, half of which goes all over the world, and from all things that this expert concludes is that they are not going to import any more over there.

So if the world is going to be safe for democracy and in the Caribbean, and in South America, and in South Korea, and in Taiwan, go over and jump across the river, if any of those places are going to earn enough in international currency it is going to be from exporting steel to this country, not to Japan. Japan cannot get it. They only had a surplus in their trade with us this last year on $16 billion. I understand it is heading for close to $30 billion this year. Close to $30 billion excess, surplus of trade.

Again, you check those potatoes. You analyze. You draw your own conclusions.

If the Europeans will not take their developing world capacity—they are making steel, down in Brazil, over in Korea as I mentioned, Taiwan, Spain, South Africa, Luxembourg, which is not developing, it is an old place, that if meanwhile in this world if the Europeans are not going to take these imports, if the Japanese are not going to take these imports, where are they going to go? They are going to come right here. Right in this country. They will be in. In fact, the developing nations have become the leading source of imported steel in recent months in this country. Imported steel took 19 percent of the U.S. market in May of this year. As in Brazil, as in Taiwan, as in South Korea, the hand of government direct virtually all of the steel coming from the Third World countries. Despite any advantage in labor costs, it is subsidized by those nations. And when developing nations have been investigated on formal complaints, subsidies generally have been found. And this is a matter of record.

The trend is toward more foreign subsidies in the world, not less. There is over capacity for making steel in the world. And more is being built ironically. Every steel producer is growing or seeking stability in some foreign country.

Meanwhile the United States lost 12.5 million tons capacity, steelmaking capacity in this country between 1977 and 1981 and may wind up losing at least that much again between 1981 and the end of the present binge.

Mind you, all that capacity down the drain. World steel looks to the future and made some predictions. That is what Father Hogan did in his book.

No. 1. Here is what he said. "The Third World countries will cut imports and offer increasing export competition to our country." He made another observation: "Japan must continue to export or watch its industry decline." And they have publicly stated they are not going to stand for unemployment in Japan. They are going to export. They have said this repeatedly.

"The Europeans will continue to export," Father Hogan goes on to say. And he bases that upon fact.

Most countries will continue to protect their steel markets unless a worldwide shortage develops. The U.S. steel market will continue to be the target of exports from Europe, Japan, and all Third World countries.

Again in this lineup, the United States is the only country incapable of meeting its domestic needs with domestic production.

Mind you, the greatest country in the world has been—now cannot even supply steel because of what has happened to our antiquated and our eroding productability. We are not even going to be self-dependent. Yet every nation in the whole world looks to this country. Example, for their defense. Example, Israel. And the war which she had with Egypt some years ago, when her tanks were destroyed, you know what we did in this country? We stripped all of our National Guard units of all the available tanks and put them in C-5A's and sent them to Israel because they were complaining bitterly that they were about to fall, that Israel would fall. And the whole balance of power in the Mideast would be disrupted.

Mind you what is going to happen when we cannot even meet our own steel production needs. Who is Israel going to turn to if and when she should need tanks again? Is she going to turn to Russia? Sure, France will not hear her.

Another thing you should think about. So U.S. customers will be cracked viciously when there is a worldwide shortage. What little production we have left. And there will be one, according to Father Hogan.

One analyst this year predicted a $600 a ton rise in the spot export price when the shortage does come.

Several years ago when we had an international shortage of steel the Japanese, as a matter of record and I have a document in my file, and the Europeans, and all exporters were putting $200 and $300 premiums on a ton of steel because there was a shortage. And before they would ship it to you, the Japanese in particular, would make you pay that premium over and above, as a bonus, and second, they would make you enter into a long-term agreement, like 5 years. They would say to you, "We have steel now and if you want this steel now you are going to enter into an agreement for 5 years to buy from us." And they did that and I have it verified as a matter of record. And that is illegal according to GATT. We do not do that in this country. I am not saying this country is perfect, but we do not do some of those obvious things that are being done.

You can see how obvious it is when it becomes a worldwide shortage all the subsidies which all these countries gave and when they sold their steel by dumping it, meaning selling it below production costs and all that loss which they carried over those years, they make up when the big world shortage comes. And they charge their premium. And they get that money back. And they gouge. And they do not care whom they gouge. They gouge the American businessman. He is complaining now that he cannot compete. What is he going to do when he gets gouged? In making refrigerators and washers and dryers, all utilities, let alone big steel planking and all forms of steel and bridge material and I-beams. He will not compete, he will be less of a competitor. He will be paying that premium. They will gouge his eyes out. They have done it in the past and they will do it to a greater degree in the future.

Where 1982 saw a $7 billion trade deficit in steel alone, a world shortage could double that, maybe triple it.

Once capacity is destroyed and particularly in the high cost intensive steel area, because all steel investment production facilities are brutal, they are very expensive, very massive in form, as you well know.

□ 2110

Once you lose your capacity, it is gone forever. It is too difficult to get back. Why, the estimates on Conneaut, the first integrated steel plant in this country, fully integrated, up at Conneaut—that is on the borderline between Pennsylvania and Ohio—it is now estimated it costs $8 billion to $9 billion to put that into effect. How can an industry which has not made any money, no more than 6 percent in the last 20 years, take from their shareholders $9 billion and invest it at Conneaut? And you have to have it. It is a fully integrated concept in Conneaut. Unless you have one, you cannot compete in the steel arena internationally. Japan has their integrated steel works—and, yes, much of which has been paid for by this country, the technology and everything.

The longer the U.S. modernization is held off by the cutthroat price-cutting possibility under subsidy, the more capacity will be forced to close and the greater the gouge when the shortage occurs.

Father Hogan sees the solution to this chaos in some kind of tonnage limitation in trade, stability, and price. Past attempts at voluntary restraints were failures. Restraints were abandoned. We all know the history. The trigger price mechanism was simply ignored and circumvented, and there was no wheel by the administration to enforce it.

On the other hand, the Government is seeking to stabilize the sugar industry with quotas and price supports, and there is consideration of quotas on red meat coming into the country. And, going further, the Europeans certainly must understand and appreciate quotas because they have made wide use of quotas themselves.

The Japanese want stability. They use quotas on other things. So they understand them, too.

In addition, the United States Steelworkers of America have endorsed quotas.

Quotas also have the endorsement of United States Steel, Bethlehem Steel, and Jones & Laughlin Steel. And leading producers that rank below these big three also like the idea of quotas in this country.

For these reasons, the leadership of the Congressional Steel Caucus today introduced the quota bill limiting imports to 11 percent of this market for steel imports. We introduced that bill today.

The quota system is preferable to anything else, because almost everything else has been tried and has, unfortunately, failed to date. In the past, all depended upon international cooperation and good will. And you know what happens there. An administration in power at any given time lacked the will to enforce whatever system was then being tried, whether it was a limitation, a voluntary agreement of limitation, whether it was the multifiber agreement or whether it was steel for specialty or carbon steel or whether it was trigger price mechanism, what have you. There was never a wheel to enforce it.

This bill which the Steel Caucus introduced today would reestablish a steel tripartite advisory commission to advise the President. Its membership would be drawn from labor, management, and government. It would be balanced and it is needed.

In addition, quotas on steel coming into the United States would give our trading partners some international stability. They would have a basis upon which to plan in the coming worldwide rationalization of steel prices. They could do things. They will not have to be cut short. This is necessary because right now the United States is about the only producer that is using good reason and rationalizing. Others are merely talking about it. Many are still continuing to build steel capacity, such as South Korea, which last month—and this is a matter of record—added half a million production tons capacity. What is going to happen to that?

Furthermore, quotas would not come close to closing our market, even though no one else worries about keeping an open home market. Quota could not be offset or circumvented by currency differences, whether they stem from natural causes of international manipulation of currency. This ought to satisfy Sir Roy, whom I mentioned earlier. In fact, quotas are not easily circumvented in any fashion. This is part of their attraction and effectiveness. They will ease or avoid the price gouge that is certain to accompany a world shortage as our capacity falls gravely below domestic demand.

And above all, and in conclusion, quotas mean—and I say this on behalf of all of us in this House who support it—quotas mean and say that it is not necessary to destroy the foundation of the economy in this country in order to save the world. All we want to do is have our fair share and participate in an orderly and equal fashion.

Mr. Speaker, I now defer to the gentleman from Ohio (Mr. REGULA) who is the vice chairman of the full caucus, who has given yeoman service for the last 6 years of the Steel Caucus, a dedicated caucus member and one who has brought much wisdom and much patience to our deliberations on the executive committee, and as a matter of record I want to thank him for his patience in my long dissertation.

Mr. REGULA. Mr. Speaker, I thank the gentleman for yielding, and I want to commend the gentleman from Pennsylvania (Mr. GAYDOS) for reserving this time to discuss the problems affecting the domestic steel industry.

For some time now the industry has been plagued by unfair import competition such as dumping, subsidies, and targeting. These practices have led to declining productivity in the U.S. steel industry, plant closings, and increased unemployment, not to mention their effect on the Nation's overall economic health.

These problems affecting the domestic steel industry are merely symptoms of a much greater, potentially more onerous and pervasive problem. They are symptoms of escalating global trade tensions.

Trade is no longer relegated to the back pages, but increasingly has become a page 1 story.

In a recent article in Foreign Affairs entitled "Double or Nothing: Open Trade and Competitive Industry" it was put this way:

> In the narrowest sense it is a question of which countries will create substantial commercial advantage in growth industries of the future, which countries will be able to defend employment in today's mainline industries during that transition, and which countries will move up to substantial roles in traditional sectors. More broadly, the very international rules determining the appropriate roles for government in national and international economic life are being challenged and the premises of multilateral trade arrangements are being questioned by a series of state-centered industrial development and trade strategies.

Trade conflicts are generating global tension. America's open trade system has been a hallmark of our national leadership, but it has necessitated that our economy be able to absorb imports as other countries pursued industrial development strategies.

America's open market has come to be expected, but in recent years we have begun to pay a steep price for our generosity. Increasingly, pressure is being brought to bear for us to respond to the competitive threats to our basic industries which are hurting many sectors of the economy, as well as hindering economic recovery. To respond threatens the stability of free trade. To not act we risk substantial damage to many sectors of our economy, particularly to our basic "smokestack" industries such as steel.

The practice of U.S. policymakers has been to respond to trade problems in an ad hoc manner, imposing restrictions or negotiating deals on a case-by-case basis. When domestic sugar growers were threatened, a quota was slapped on imported sugar. When the American automobile industry was severely depressed, voluntary import restraints were negotiated with Japan.

With no single, strong voice pushing our trade objectives above all else, whenever a question arises that pits trade against other policy goals, trade comes up short. For example, the trade weapon was used as an instrument of foreign policy in imposing a grain embargo on the Soviet Union to retaliate against that country's invasion of Afghanistan, leaving U.S. farmers devastated by the long-term loss of foreign market share. This is only one example of how trade is sacrificed on the altar of foreign policy.

At least eight different departments and agencies have some hand in U.S. trade policy. This trade policymaking apparatus is a holdover from the days when the United States could take its commercial competitiveness at home and abroad for granted. This strategy of "free trade, but" will no longer work.

First, the problems have gone so far that the demand for protection is unprecedented. Second, the recession and structural shifts are causing dislocation in basic U.S. manufacturing and are threatening the development of new U.S. industries.

In short the trade scene is shifting. More players are entering the game, the rules, as well as the stakes are changing.

We too must change our posture to meet the new challenges of world trade. The United States must clarify its international trade objectives and priorities and improve its trade policy making. To do this we must consolidate trade functions.

In a recent article in Foreign Affairs, Tom Graham, a former deputy counsel with the Office of U.S. Trade Representative put it well: "At present, America acts like a blind, lurching elephant on the field of international competition."

I could not agree more. Despite several reorganizations undertaken during previous administrations, bits and pieces of our foreign trade apparatus are scattered throughout a variety of Federal departments and agencies. No one, least of all our trading partners, knows who is responsible for trade. The most devastating consequence of this disorganization is it allows our foreign competitors to successfully shop around the various agencies involved until they find the one most sympathetic to their views.

Trade policy formulation, negotiation, regulation, and promotion are closely intertwined. They cannot efficiently or effectively be artificially separated in different agencies.

The importance of trade to the welfare of our Nation cannot be overstated. It is not just a steel issue, it is not even just an industry issue. Declining exports accounted for 40 percent of the U.S. rise in unemployment between 1980 and 1982. With total trade in goods and services now standing at over 22 percent of GNP and every $1 billion worth of trade producing approximately 25,000 jobs, trade means jobs.

Trade is crucial to an accelerated national recovery. Between 1977-80, four out of every five new jobs in manufacturing were export related. In 1982 alone, 5 million jobs in the United States were supported by our exports. This rapid growth of trade in our domestic economy necessitates the creation of a Department of Trade. Only by consolidating the dispersed trade functions under one strong head can the United States begin to effectively address such problems as the decline of basic industries and the competitive impact of industrial policies.

I have introduced legislation, and the administration has endorsed the concept of a Department of International Trade and Industry which would consolidate the principal executive branch trade functions, incorporating related economic affairs and business elements of the present Department of Commerce.

This reorganization would enable us to fully develop our international trade opportunities and defend our international trading rights. For the first time, a single Cabinet Department would be responsible for both policymaking and policy implementation. It would enable development of a policy that emphasizes anticipation and coordinated action, rather than reaction and ad hoc trade restrictions.

Such a reorganization would recognize the important link between international trade and domestic industry activities as American businesses compete more in world marketplaces. It would also send a signal to our trading partners that we are serious about trade, serious about stopping unfair trading practices, and serious about increasing our export market.

The challenges we face today in international trade are not unique. However, the prospects for slow economic growth and stresses on the world financing system are placing greater strains on the world trading system than at any time since World War II. An estimated 30 million workers are unemployed in the industrial nations. There is growing sentiment, worldwide, for protectionist measures.

The United States must be prepared to meet these challenges. To do so we need the most effective Federal organization possible for trade. Today no such organization exists, but a new Cabinet-level Department of International Trade and Industry would fill that need and establish international trade as a permanent, national priority. It will bring accountability for trade policymaking and implementation under one roof. This is the case for all other critical policy areas in the Federal structure and is also the case for virtually all of our important international competitors.

Increasingly participants in world trade are employing State strategies to shape markets and these strategies are having a growing impact on the future shape of the international economic order.

Japan is one of the most successful. There, systematic government policies have moved the economy away from production of labor-intensive goods such as textiles, into the field of consumer durables, such as televisions and automobiles, and increasingly into high-tech.

This was accomplished primarily by the Ministry of International Trade and Industry (MITI). Although government bureaucrats do not strictly dictate to an administered market, they have consciously contributed to the development of particular sectors. Government policies helped provide cash for investment, tax breaks to sustain liquidity, research and development support, and aid to promote exports.

The Japanese Government also exerted influence on the economy during its boom years of the 1950's and 1960's by controlling imports and exports.

While I do not advocate the Japanese approach, there can be no denying its success. Much of our own recent problems stem from the Japanese success. This success, however, would not have been possible without a coordinated policy, promoted and promulgated by MITI.

We too must be better prepared to make the strategic choices about the primary needs of our economy. Opening foreign markets is more than a question of quantities, it is a question of strategies, and a strategy is something we sadly lack.

Moreover, without an independent ability to analyze the dynamics of the world marketplace, we are entirely dependent upon the views of firms and sectors seeking assistance, forcing a continuation of the present ad hoc approach.

Expansion and international competitiveness must be made principal national goals. Our ability to compete in international trade is central to our future economic growth, our domestic welfare and our national security. If we are to meet the challenges of foreign competition we must take the institutional steps necessary to meet those challenges by consolidating trade responsibilities and elevating trade to its proper place at the top of our national agenda.

Mr. KOSTMAYER. Mr. Speaker, I take pleasure in joining my colleagues from the Congressional Steel Caucus in this special order today, and commend my colleague from Pennsylvania (Mr. GAYDOS) in his continuing effort to keep the House informed of the

crisis which threatens our domestic steel industry.

In my district, Mr. Speaker, the steel industry is of vital importance. The Fairless Works in Fairless Hills, Bucks County is a major employer, and its health is of tremendous importance to the whole region.

We in Bucks County are concerned, therefore, about the proposed agreement between the United States Steel Corp., the owner of the Fairless Works, and the British Steel Corp. to import unfinished slabs from Britain and terminate steelmaking activities at Fairless. The imported slabs under the plan would merely be finished at Fairless, United States Steel's only major plant on the east coast.

When this proposal was announced several months ago, Mr. Speaker, I went to England and Scotland at the behest of the chairman of the Foreign Affairs Committee to investigate the implications of the proposal on our steel industry and to report back to the committee. I would like to share that report with the full House, Mr. Speaker, and ask that it be inserted at this point in the RECORD.

HOUSE OF REPRESENTATIVES,
Washington, D.C., April 21, 1983.

Hon. CLEMENT J. ZABLOCKI,
Chairman, Committee on Foreign Affairs
Washington, D.C.

DEAR MR. CHAIRMAN: There is transmitted herewith a report of my study mission to Glasgow, Scotland and London, England during the period April 3-5, 1983. At your request, I undertook this mission to explore the implications of a proposed supply and financing arrangement by the U.S. Steel Corporation and the British Steel Corporation.

During the course of my visit I met with U.S. diplomatic officials, British steel and government officials, and labor leaders in Scotland. I also held discussions with U.S. labor leaders and U.S. Steel officials, both in Pittsburgh and Washington, D.C. I would like to express my appreciation for the assistance and cooperation I received from all of these officials.

The subject of my investigation has serious implications for U.S. steelworkers and for the foreign policy and national security of the United States. I therefore hope that this report will be helpful to the members of the Foreign Affairs Committee and the Congress in their deliberations on steel imports.

Sincerely,

PETER H. KOSTMAYER.

KOSTMAYER STUDY MISSION REPORT

OVERVIEW OF THE U.S. STEEL INDUSTRY

In the past two years, the U.S. steel industry has suffered its worst slump since World War II. While this is partially attributable to the recent recession and the resulting weak domestic demand for steel products, it is also a reflection of structural problems in the steel industry. Many U.S. steelmakers have failed to modernize their mills, and thus rely on inefficient and outdated production methods such as open hearth furnaces. The combination of obsolete production methods and higher labor costs than those abroad have made it difficult for U.S. steelmakers to compete effectively with foreign steel producers. As a result, U.S. steel exports have declined and U.S. steel imports have increased.

U.S. steelmakers have fought fiercely against foreign imports. Foreign producers have the advantage not only of more modern plants, but also in many cases substantial government subsidies which make their products even more competitive in world markets. American steel producers maintain that it is impossible for them to compete against subsidized steel, and have used a variety of mechanisms available under U.S. law to curb such imports. In 1982, several American steel companies, led by U.S. Steel, filed for import relief from steel imports in one of the most comprehensive claims for protection ever made by a domestic industry. The resulting investigations by the Department of Commerce and the U.S. International Trade Commission produced a final determination that many of the eleven countries cited in the petitions for relief were subsidizing certain steel products, and a preliminary determination that some countries were guilty of "dumping" as well (selling products at less than market value). The petitions were ultimately withdrawn in exchange for an agreement between the United States and the European Economic Community which limits most steel exports (though not semifinished, or "slab" steel) from the E.E.C. to the United States through 1985. (During this "breathing spell", the EEC governments are committed to phasing out subsidies to their steel producers.) However, the import relief cases clearly established the desire of the American steel producers to demand protection from imports. The cases also demonstrated conclusively that EEC countries were subsidizing their steel companies, and that the United Kingdom was one of the worst offenders in providing subsidies.

While U.S. Steel and other companies have been fighting imports (the most recent example being a petition filed against Japanese steel imports), U.S. steelworkers have made strenuous efforts to accommodate the steel companies during the industry's slump. On March 1, 1983, the United Steelworkers of America (U.S.W.A.) agreed to give up an estimated $2.9 billion worth of compensation over the next 41 months on the understanding that the savings would be utilized by the steel companies, for plant modernization. For many individual steelworkers, this concession amounted to several thousand dollars per year in pay cuts.

OVERVIEW OF BRITISH STEEL INDUSTRY

The British Steel Corporation (BSC), a government-owned company formed in 1967 from nationalized steel companies, has made dramatic strides in modernizing the British steel industry with the help of direct financial assistance from the British government. All five of its big steel plants are integrated, and utilize basic oxygen furnaces and continuous casting to produce steel (the last open hearth furnace was closed in the mid 1970's). The decision by BSC to nationalize its steel production based on the Japanese approach has been achieved only through massive government subsidies: more than $6 billion since 1975, according to some estimates.

The current chairman of BSC was hired to turn BSC into a profit-making enterprise. While BSC's losses have been cut over the past few years, they still amounted to more than 500 million pounds ($750 million) in the past year, all of which were covered by the government. In addition, the BSC receives a wide range of benefits which the U.S. Department of Commerce has determined to constitute subsidies. These include National Loans Fund loans and loan conversions, industrial investment loans from the European Coal and Steel Company, loans from the European Investment Bank, regional development grants, interest relief grants, Iron and Steel Industry Training Board grants, Export Credit Guarantee Department loans, Industrial and Commerical Finance Corporation loans, and preferential rail rates.

The Current plan of the EEC calls for member governments to eliminate operating subsidies for steel by December 31, 1984. Although BSC claims it will meet this goal, it will be difficult to achieve without further layoffs and plant closings. In fact, in an effort to stem its losses, BSC attempted last year to close its Ravenscraig integrated steel mill in Glasgow, Scotland. The resulting outcry from Scottish organizations and Members of Parliament made the closure politically impossible, and forced the BSC to seek other means to cut its losses: namely negotiations with U.S. Steel for a supply and financing arrangement.

BRITISH STEEL CORPORATION-U.S. STEEL NEGOTIATIONS

In late March 1983, reports began to appear in the U.S. media that BSC and U.S. Steel were conducting negotiations which would result in BSC shipping slab steel from its Ravenscraig plant in Scotland to U.S. Steel's Fairless Works plant in Southeastern Pennsylvania. Given the potential domestic and foreign policy implications of such an arrangement, the Chairman of the House Foreign Affairs Committee requested the study mission to investigate the proposed arrangement. The study mission therefore visited the Fairless Works and the Ravenscraig plants, and held discussions with the Chairman of U.S. Steel and BSC, and with U.S. and Scottish labor representatives, as well as other appropriate officials from both governments. Although some of the participants in the negotiations were reluctant to explain all of the details of the arrangement, the study mission obtained important information on the negotiations which raises serious questions about its propriety.

The basic elements of the arrangement would include a three year contract (with a three year renewal option) for BSC to supply Fairless Works with slab steel at the rate of 3 to 3.5 million tons per year. The majority of the slab would be supplied from the Ravenscraig plant, with lesser amounts supplied by other BSC mills. The slab would be transported in U.S. ships. In addition, BSC would invest an unspecified amount of money in the finishing operations at Fairless Works. If the negotiations are successful, they would permit U.S. Steel to close down the "hot" end of its Fairless Works plant, while BSC would close the finishing end of its Ravenscraig plant. Some 2,000-3,000 jobs would be lost at each plant from the closings.

BSC officials made it clear that the proposed venture was being legally structured to avoid U.S. penalties on subsidized steel products. It would be virtually impossible for BSC itself to participate in such an arrangement without being subject to import relief actions in the United States. Therefore, BSC proposes to form a private corporation financed from $400 million to be raised through a private stock offering. The company would gain ownership of the Ravenscraig plant, which would be "spun off" from BSC. None of the funds would be pro-

vided by the British government, although government approval of the plan is required. BSC officials expressed confidence that government approval would be granted.

BSC and U.S. Steel officials argue that such an arrangement makes good economic sense, at least in the long run. Ravenscraig, it is claimed, can produce slab steel economically, but the finishing end of the mill is too costly to operate due to low demand. Fairless Works, on the other hand, cannot produce slab steel as efficiently because of its outdated production methods, but it is an efficient producer of finished steel. BSC officials also stated that even though the slab steel would be provided on a "full cost" basis with no subsidy, it would still be cheaper than that produced by Fairless Works. Both companies argue that shutting down the less productive parts of their plants will ultimately save more jobs than are immediately lost as a result of the arrangement, on the premise that if they are not permitted to cut their losses on their less productive operations they may be forced to completely close the plants.

Both Scottish and U.S. labor unions are opposed to the proposed venture. Labor leaders at Ravenscraig stated that the most recent statistics on their mill show that it is now operating at a profit. They also pointed out that there is a high demand for slab steel in Great Britain, which might have to be supplied from imports if Ravenscraig's slab production were devoted to exports for the U.S. market. Furthermore, employment in the U.K. steel industry has already been cut more than in half, and Glasgow's unemployment rate stands at 18 percent. Given these factors, and the political importance of retaining a steel mill in Scotland, labor leaders are confident they can prevent the proposed arrangement. U.S. steelworkers have condemned the plan for the loss of jobs it would produce in an already depressed industry. They also point out U.S. Steel's hypocrisy in lobbying against steel imports while arranging a deal which would make Fairless Works dependent on steel imports, and its deceitfulness in forcing wage concessions from U.S. steelworkers while negotiating behind their backs to eliminate more jobs. They have vowed to use every possible means to oppose the arrangement.

IMPLICATIONS FOR U.S. FOREIGN POLICY AND NATIONAL SECURITY

U.S. Steel's leading role in demanding protection from steel imports had been seriously undercut by the announcement of the current negotiations with BSC. Its crass "flip-flop" on steel imports could well lead the current Administration to regard further requests for import relief much less sympathetically, thereby loosening the restrictions on even more imports. Any such development could provoke protectionist efforts in the U.S. Congress, with unfortunate consequences for U.S. trading partners.

The proposed arrangement poses even more serious long-term consequences for U.S. national security, however. Other steel companies have already shut down their raw steelmaking facilities and are relying on imported slab steel. Should this trend continue, the United States may find itself eventually dependent on foreign producers for steel. This prospect raises serious questions not only in regard to lost jobs but to the very security of the United States, particularly in the construction and transportation sectors.

CONCLUSIONS AND RECOMMENDATIONS

(1) The proposed arrangement between U.S. Steel and BSC is an attempt by BSC to circumvent U.S. restrictions on subsidized imports. BSC officials admitted freely that the venture is being structured to avoid U.S. penalties on subsidized steel. Even if a "dummy" corporation with a new name takes ownership of Ravenscraig, however, the fact remains that the British government has subsidized the construction and operations of the Ravenscraig plant. The capital which Fairless Works needs to modernize its slab production has been provided to Ravenscraig by the British taxpayer.

(2) BSC is trying to solve its own domestic problems at the expense of the American industry. BSC was prevented from closing the Ravenscraig plant for domestic political reasons. Because that closure was prevented, it has targeted an American plant to absorb its excess production capacity.

(3) U.S. Steel is backing away from its promises to U.S. Steel workers to modernize its plants and fight imports. U.S. Steel has failed to take the necessary steps to modernize its plants. It is now asking the steelworkers to pay for its mistakes.

(4) The loss of jobs which would result from the arrangement negates the limited economic benefits which would accrue to the two companies.

(5) The proposed arrangement poses serious questions about U.S. dependence on imports of foreign unfinished steel.

(6) Given the factors outlined above, the study mission recommends that the Foreign Affairs Committee and the U.S. Congress enact legislation which would prevent a successful conclusion of the negotiations. Specifically, the mission recommends legislation which would restrict foreign investment of the type contemplated in vital industries such as steel. The Committee should also request the Committee on Foreign Investment in the United States to review the proposed arrangement.

The study mission further recommends enactment of legislation to tighten the Trade Act of 1974 to ensure that subsidized steel such as that produced at Ravenscraig cannot be brought into the United States under a loophole which would not cover the situation created if the British Steel Corporation spins off the Revenscraig plant to a new entity.

Since that time, Mr. Speaker, as I am sure my colleagues are aware, a second major negotiation is underway, this between the Wheeling-Pittsburgh Steel Corp. and the subsidized company, known as Steelmaker Brazil Corp. It is clear that a pattern is being set, and that such arrangements pose a serious threat to America's steelmaking capacity. Foreign steel is subsidized in contravention of our trade laws, and its importation into our country means that American steelworkers will lose their jobs so that foreign workers can keep theirs. It is as simple as that.

At this point in the RECORD, Mr. Speaker, I would like to share with my colleagues an editorial that appeared July 31, 1983 in the Bucks County (Pa.) Courier Times on the implications of the Wheeling-Pittsburgh move, coming as it does on the heels of the U.S. Steel/British Steel negotiations.

[From the Bucks County Courier Times, July 31, 1983]

IMPORT CHAIN REACTION

Quote of the week belongs to an unnamed business associate of Dennis J. Carney, chairman of the board of Wheeling-Pittsburgh Steel Corp.

Carney was in Brazil last week trying to negotiate an import deal with the state-owned Brazilian steel company similar to the one U.S. Steel is working on with British Steel Corp.

Wheeling-Pittsburgh wants to buy 300,000 tons a year of semifinished steel from the Brazilians for finishing at its plant in Stuebenville, Ohio. In exchange, Wheeling-Pittsburgh would receive $40 million for capital improvements.

The funny thing about all of this is that Carney has been one of the most outspoken critics of subsidized steel imports.

All of which brings us to the memorable quote of the business associate who was asked to explain the rationale for Carney's actions. "Dennis isn't going to be taken down on principle," he told a Wall Street Journal reporter.

It may be funny if the consequences weren't so serious. Steel industry officials who consider principles dispensable have jeopardized the jobs of thousands of steelworkers here in Lower Bucks County and across the nation.

The critics who feared U.S. Steel's Import deal would set off a chain reaction in the industry are being proven right.

There's a message there for the Reagan administration, which purports to be vitally concerned about matters of national defense. An industry chain reaction which diminishes U.S. capacity to manufacture basic steel will open this nation's "window of vulnerability" far wider than any gap in missile throw-weight.

In response to massive steel industry layoffs in the late 1970s, the Carter administration created a special commission of steel management, union and government representatives to analyze industry problems and recommend solutions. The Steel Tripartite Advisory Committee was disbanded by President Reagan.

A U.S. Steel executive told a House subcommittee last week that his company could support reactivating the tripartite committee. The United Steelworkers union already has called for its re-establishment.

Putting the committee back to work could be the first step toward development of a much-needed national steel policy. The Wheeling-Pittsburgh deal reinforces the conviction that something must be done to ensure that this nation does not become dangerously dependent on foreign sources of supply.

As the Courier Times correctly notes, "there's a message there for the Reagan administration." Unless these proposals are stopped, the Reagan administration will have to answer not just to thousands of steelworkers who lose their jobs, but to all those who believe, as I am sure all my colleagues do, that it is important for our country to have a steelmaking capability to meet all our needs, especially in the area of national defense.

In September the Subcommittee on International Policy and Trade under the chairmanship of Representative DON BONKER will hold hearings on the

proposal between United States and British Steel. Foreign investment in our steel industry demands the attention of the Congress because of its potential impact. I urge my colleagues in the Steel Caucus, as well as all others, to help insure our trade laws are enforced, and to support efforts to end the displacement of American workers, and to strengthen our domestic steel industry.

● Mr. BEVILL. Mr. Speaker, America's steel industry still suffers from a combination of problems which have been sapping its vitality for the past several years.

Among the most serious challenges are subsidized imports, aging physical plants and unnecessarily complex and costly federally imposed regulatory burdens. These and other forces have nearly finished off this country's steel industry.

Steelworkers with 20 and 30 years of seniority find themselves on unemployment for the first time in their working careers. These people are the solid bedrock of America. They are the ones who have paid their way all of their lives. They have produced quality products for this country and the world. And they have been strong supporters of America. And now, they are unemployed.

The steel industry itself has been one of the pillars of our economy. And while it has suffered, our economy has suffered.

As a member of the executive committee of the Congressional Steel Caucus, I have been searching for legislative methods of helping our steel industry regain its strength so that it can put America's steelworkers back on the job.

I am strongly supporting the Fair Trade in Steel Act of 1983 because it contains several provisions which I feel are needed to get steel back on its feet.

The key ingredients in this act, which I feel would contribute to steel's recovery, are the creation of a steel tripartite advisory council and establishing and enforcing quantitative restrictions on steel imports and iron ore imports.

This act directs the President to establish a Steel Tripartite Advisory Council composed of management, labor, and members of the steel service center segments, in the basic steel industry. This Council would advise the President and the Congress on the problems facing the steel industry. And this advice is sorely needed.

Placing restrictions on the amount of imports of carbon and specialty steel is needed to prevent domestic steel production jobs from being stolen away from us by unfair foreign competition.

And the restrictions for the last half of 1983 of limiting iron ore imports to 7 million tons is necessary.

I believe the method of imposing these limitations contained in the act is a fair one to this country and to its steelworkers.

Our steel industry is one of America's most essential economic contributors. It has accomplished a great deal toward building this Nation and it can still make a significant contribution to maintaining the United States as the strongest country in the world. But only if we do not sacrifice it to unfair foreign competition.●

● Mr. NOWAK. Mr. Speaker, I would like to commend the leaders of the executive committee of the Congressional Steel Caucus for scheduling this discussion to again focus our continuing concerns on the deteriorated condition of America's steel industry.

Just last week, United States Steel reported a $112 million loss in the quarter ending June 30, 1983. Republic Steel, whose plant in my district in Buffalo has been indefinitely closed since May 1982 with no reopening imminent, reported a $45 million loss. Bethlehem Steel, which is proceeding with plans to sharply curtail its production at its Lackawanna facility by the end of this year, reported a $93 million loss. Unemployment among American steelworkers, as of July 16, 1983, remained beyond the 100,000 level, and production capacity was at 53.6 percent. Yet, foreign imports continue to capture 18.3 percent of the U.S. market.

Unfortunately, despite the repeated efforts of the Executive Committee of the Steel Caucus to meet with President Reagan to discuss the critical problems facing this vital industry, no such appointment has been scheduled. Therefore, we have requested this special order to dramatize our concerns about the needs of the steel industry and to suggest appropriate remedial actions.

In order to solve the crisis facing the domestic steel industry, our Government must formulate and implement a comprehensive steel policy. First and foremost, we must increase the demand for domestic steel. This involves the strict governmental enforcement of the "Buy American" clause. Those who oppose "Buy American" argue that this measure would raise the cost of projects using American-made materials. I believe that, despite possible increased costs of these projects, this is a worthwhile investment because it is maintaining jobs and providing essential services, and is far cheaper than paying unemployment benefits to laidoff and displaced steelworkers.

Over the past year, a number of antidumping and countervailing duty suits have been filed with the International Trade Commission exhibiting the violations of foreign steel producers. However, small industries, including some of our smaller steel companies, cannot afford the expensive and lengthy procedures necessary to fight the unfair trade practices of their foreign counterparts. Therefore, our Government must not only aggressively enforce existing trade laws, but streamline new legislation toward assisting these smaller industries. The trade remedy legislation to be introduced by the House Ways and Means Committee later this year should address the concerns of these small industries as well as supporting our larger steel companies. The reestablishment of a Tripartite Advisory Council would provide continuous communication and monitoring of the entire steel industry, thus avoiding crisis management and decisionmaking. Import quotas will allow domestic steel the opportunity to recapture a competitive position in the international market, as well as providing sufficient time to modernize plant and equipment. All of these steps would reemphasize to our foreign competitors that violations of existing trade procedures will not be tolerated.

Import quotas would help provide an essential period to implement our domestic industry's modernization process, but upfront capital is also needed to purchase new equipment and update present steel facilities. I advocate tax laws which allow companies to reinvest unused tax credits in plant and equipment. I have cosponsored the Work Opportunities and Renewed Competition Act of 1983 (H.R. 3434) introduced in June by my colleagues from New York and Oklahoma (Mr. CONABLE and Mr. JONES), which targets capital investment from tax credits to plant and equipment modernization. Without this upfront capital investment in steel facilities, the modernization process cannot be completed.

The present steel crisis has forced numerous plant closings. The formerly productive steel worker, thus, faces great discouragement and distress. Today's displaced worker is envisioning the prospect of losing home and property, as well as being unable to support his family. I have continuously supported and encouraged job training assistance from the Federal Government, and provided provisions for the retraining of the displaced worker in legislation I recently introduced, the Enterprise Development and Industrial Revitalization Act of 1983 (H.R. 2375). If our country is going to solve the present unemployment situation, particularly among former steelworkers, the Federal Government will have to implement and expand such targeted job training programs.

Our domestic steel industry desperately needs help from our Federal Government if it is to remain a viable competitor in the international economy. The U.S. steel industry is encountering fierce competition from govern-

ment-assisted members of the European Economic Community, as well as from Japan. In the years ahead, our steel industry will face the newly developed industries of such Third World countries as South Korea, Brazil, and Mexico. America's steel industry, although it will never return to its production capacity of the 1950's and 1960's, must modernize and be protected if it is to be a viable part of our Nation's future economy.●

● Mr. APPLEGATE. Mr. Speaker, I am pleased to join my colleagues from the Steel Caucus in support of the Fair Trade Steel Act of 1983.

The domestic steel industry suffers from the depressed state of the economy and is unable to make a profit in steelmaking operations because of the flood of imported steel at prices below the cost of production. The loss of business by domestic producers from unfairly imported steel products has added to the number of unemployed and indefinitely delayed multibillion-dollar and modernization plans which are vital to the long-term future of the steel industry. U.S. steel plants are now operating at 53.7 percent of capacity. Yet, despite these figures, our trading partners are maximizing their steel exports to the United States.

Meanwhile, the administration drags its feet in protecting U.S. jobs from unfair foreign subsidization. This failure to act expeditiously on requests by the steel industry for relief from low prices, subsidized steel imports adds further insult to the injury already incurred.

The only hope is to introduce stability into the marketplace by establishing orderly import restraints on steel and iron ore. This bill, the Fair Trade in Steel Act of 1983, would reestablish the Steel Tripartite Advisory Council to develop information and advice on matters concerning the domestic steel industry. Further, it would allow expansion or contraction on the basis of inflation, shortages, and steel unemployment of quantitative restrictions of imports for 5 years. I believe this strong quota system is the only way to stem the tide of cheap steel imports into this country. While the steel mills of our foreign trading partners are running at full strength, plants here at home are closing and this pattern is threatening the very fabric of our industrial base and national security.

I am confident that the domestic steel industry can experience a full recovery, but our Government must do its part to guarantee that American producers will operate in a trade environment that is both competitive and fair. I ask all Members of this body to join me in achieving that objective by supporting this legislation.

But even with this legislation no sustained and real trade balance can be achieved unless the administration's economic policies are brought under control. The continuing huge deficits brought on by excessive spending and revenue loss through tax cuts to big business and high income earners is the primary cause, though not usually mentioned, of the large trade, deficit we suffer because the budget deficit keeps the value of the dollar too strong against foreign currency thereby inviting imports of foreign goods.

We have much work to do but the Fair Trade in Steel Act of 1983 is an important step.●

● Mr. MURTHA. Mr. Speaker, economists advise us that the recession ended late last year. Such news is premature if you have observed the condition of the domestic steel industry in the past few months. The current operating rate of the industry is 53.6 percent.

Earlier this year, my colleagues and I presented testimony before committees of the House regarding the need for trade reform and the development of an industrial policy. In my testimony, I referred to Mr. Eliot Janeway a well-known political economist, who expressed concern about the prospects for a full economic recovery in our country. I would like to bring several of these quotes to the attention of my colleagues now, because I believe they were a fairly accurate description of what is occurring today.

According to an American Metal Market article in which Mr. Janeway was interviewed:

> The administration is unwilling to develop a "national industrial policy" to maintain the economic viability of basic industries in the United States.

> Congress will have to take the lead in supporting the restructuring and revitalization of basic industries.

> If there is a strong recovery without the effort to restructure and revitalize domestic industries, "the foreigners will rip off chunks of the U.S. market with low import prices like you've never seen to get their people working and their plants running at full capacity."

I can report to you that in at least two respects, Mr. Janeway's assertions are accurate—now that a recovery is gathering momentum, steel imports are beginning to rise dramatically and second, the Congress is taking the lead to help revitalize basic industries.

In this special order today, I would like to trace the recent history of the domestic steel industry's efforts to obtain relief under our trade laws. Then, before exploring the elements of the legislation which we are proposing, I would like to touch on certain aspects of one of our trading partners industrial/trade policy which should provide insight on the issues we are discussing today. I will concentrate on Japanese industrial policy since it has been the most successful—approximately $20 billion of our $40 billion trade deficit last year existed with Japan.

Last year, the domestic steel industry had one of its worst years in history. The industry produced only 61.5 million tons of steel at an average operating rate of 48.4 percent. In 1982, steel imports accounted for an unprecedented share of the U.S. market. Although total import tonnage declined from 19.9 million net tons in 1981 to 16.7 million net tons last year, import penetration accounted for nearly 22 percent of the domestic market last year compared to almost 19 percent in 1981. This penetration occurred at a time when the U.S. economy was being wracked by a deep economic recession and the steel industry was operating at the lowest rates and employment levels since the Great Depression.

At the peak of the 1982 steel depression, approximately 166,000 workers were laid off with some 30,000 on short work week—approximately a 35 percent unemployment rate for domestic steel workers.

For the first 5 months of this year, imports have increased each month—today imports have captured 18.3 percent of the domestic market. So far this year, the industry has operated at an average operating rate of 54 percent of capacity—70 percent is the breakeven point for steelmaking.

As we have learned over the past several years, steel imports are not necessarily fairly traded in our market. In the aftermath of the 132 trade cases filed by the steel industry last year, we have become abundantly aware of the various unfair trade practices that our trading partners have implemented to keep their people working and their plants running at full capacity, while our workers are laid off and our plants closed down. We learned of government subsidy in the range of 20 to 40 percent, dumping margins ranging from 20 to 30 percent as well as techniques such as targeting and abuse of exchange rates.

Last October as a result of the steel trade cases, an arrangement was concluded with our European trading partners in which they were guaranteed about 5.1 percent of the domestic market in certain steel product categories. In addition, they are entitled to export no more than a 5.9-percent share of the domestic market in pipe and tube products before a consultation procedure can be initiated. Most recently, the specialty steel producers together with the help of the steelworkers and the members of the caucus were able to obtain partial relief from unfair imports with a modest 4-year import restriction program on rod, bar, and alloy specialty steel and a tariff arrangement on stainless sheet, strip, and plate products.

This effort has not been painless for the industry and its workers. These proceedings have taken time and considerable expense—an average dumping case costs approximately $125,000 while an average subsidy case costs about $100,000.

In my judgment, this industry should have been allowed to focus its efforts on production, modernization, and investment instead of filing trade cases. Rather, at a time of deep recession with unemployment as high as 50 percent in some plants, specialty steel producers spent over a year and a half in court and hundreds of thousands of dollars seeking remedy from unfair trade practices.

To aggravate the situation, I hear that our European trading partners are extremely upset over the level of relief which the industry achieved fair and square and intend to appeal the matter to GATT. Let us be blunt. To date, the pursuit of relief under our trade laws together with the various negotiated settlements have proven largely inadequate and ineffective in responding to the trade problems of the domestic industry. Experience indicates that even when our trade laws are enforced, our trading partners with their respective industrial policies find ways to continue the abuse through every means available—from Government subsidization, dumping, and coordinated industry targeting to abuses of the exchange rates.

If some of our trading partners had been serious about living up to the various international trade agreements to which they are signatories, we might not have had a problem. Unfortunately, they have not. Therefore, I believe that members of the Steel Caucus are taking a critically important step in offering legislation to deal with the issue comprehensively.

It is an appropriate time to announce that we will no longer tolerate the plundering of our domestic steel market. Through this legislation, we intend to temporarily restrict access to the last free open market in the world in order to give the domestic industry time to recover and modernize their facilities. This bill will require our trading partners to deal with their excess capacities and inefficiencies. Clearly, further systematic liquidation of our industry must be prevented and the jobs of its workers preserved if we are to maintain a viable steelmaking capability.

In certain respects this legislation could be a first step toward an industrial policy for steel. Before examining this proposition and explaining the basic provisions of the bill, I would like to direct my colleagues attention for a moment to a brief analysis of Japanese industrial policy for purposes of comparison.

Since World War II, the Japanese Government has played a major role in assisting its basic steel industry. It has been inextricably involved in promoting, protecting and sustaining its industry. The cornerstones of Japan's industrial policy for steel are the use of protection to generally neutralize the adverse effects of competition and the development of international competitive advantage through a range of assistance programs.

The concept of a free market economy where risks are a natural part of the system tends to be distorted when one examines the nature of Japanese steelmaking. Specifically, in Japan the government intervenes when it is apparent that the natural consequences of risk in steelmaking appear imminent.

For example, when demand is falling, the Japanese Government allows the formation of cartels to limit steel production. (A matter which would quickly alarm our antitrust lawyers at the Department of Justice.) Further, due to a practically closed distribution system, imports have been virtually eliminated from the domestic market—analysts attribute this phenomena more to the large trading company control over the distribution channels than to direct government intervention. Nevertheless, this type of protection has given the Japanese space to expand their production, and thereby, unload their excess capacity on the world market, particularly the United States.

It is important to note that the consistently undervalued yen has aggravated this problem and has put U.S. steel products at a disadvantage in terms of price. Beyond import protection, Japan has adopted a number of policies to enhance the competitive advantage of its steel industry. MITI has promoted mergers and joint ventures to improve the efficiency of its large-scale producers; it has provided direct and indirect financial assistance for investment in equipment and funded major construction projects to accelerate domestic demand; it has fostered the development and adoption of advanced technologies in steelmaking and subsidized the acquisition and allocation of raw materials.

In concluding my comments about Japanese industrial policy, I would like to quote a recent report entitled "Japanese Government Promotion of the Steel Industy." At present the Government buys surplus steel from Japanese makers and gives it away to least-developed nations; makes virtually unlimited low-interest loans to steelmakers through the Export-Import Bank of Japan for overseas raw materials purchases; subsidizes steelmaking research and development projects; and is currently contemplating a massive new aid program to help Japanese steelmakers undertake a "wholesale renovation of equipment * * * with the object of maintaining international competitiveness."

As you can see, the Japanese have a formidable and comprehensive approach to steel industrial policy. I am not suggesting that we emulate the Japanese in our search for an American industrial policy, but we should at least consider their experience.

The passage of the "Fair Trade in Steel Act" would certainly signal a positive step in the effort to develop a coordinated approach to steel problems and possibly help chart a course where industrial policy can become a guiding force in the renewed growth of our economy.

Title I of the legislation would direct the President to establish a Steel Tripartite Advisory Council, similar to the Steel Tripartite Advisory Committee under the Solomon report. This council would include representatives of labor, management, and the Government. The council would be charged with the responsibility of advising the President and Congress regarding steel problems and conducting research on trade, tax, environmental, health, safety, and readjustment issues.

Title II establishes quantitative restrictions on all imports of carbon and specialty steel products. Imports could take no more than 11 percent of the domestic market based on apparent consumption projections set twice a year. The implementation of quantative restrictions will be subject to an official finding by the Secretary of Commerce that the domestic steel producers are engaging in, and have, verifiable investment plans to modernize the domestic industry. In addition, each year the Secretary will conduct an annual review to insure that a satisfactory level of progress toward steel industry modernization is being achieved. If the Secretary makes a negative finding, he may terminate the quantitative limitations.

Title III sets quantitative limitations on iron ore imports to 14 million tons per year. All import restrictions would be in place for 5 years.

I believe this legislation is critical to the continued health of our domestic steel industry. It may seem harsh but it is necessary, as necessary as the policies which our trading partners have adopted in the past. I urge my colleagues to support and cosponsor the "Fair Trade in Steel Act of 1983."●

● Mr. SHUSTER. Mr. Speaker, I rise today to join with my colleagues who are concerned by the problems facing our Nation's steel industry. I would particularly like to bring to the attention of the Members of this House the situation of the railroad wheel and axle industry. One manufacturer of railroad wheels and axles, Standard Steel of Burnham, Pa., is located in the district that I represent. I have

had the opportunity to see the great difficulties experienced by this company in recent years.

Domestic manufacturers of railroad wheels and axles have been plagued by rapidly growing imports from Japan, France, Brazil, and others. This rapid growth in imports has taken place in a period of depressed activity in the railroad industry in general, resulting in only very modest growth projections for the domestic market for the next several years.

The United States imposes no import duty on wheels or completed wheel and axle assemblies, and only a small duty on axles. The duty of approximately 20 percent which was formerly imposed on railroad wheels was phased out during multilateral trade negotiations in 1966; a time when vertually no wheels and axles were being imported into this country. In the early seventies, imports began to grow at an alarming rate. In the year 1974 alone, the quantity of wheels and axles imported increased by 117 percent. Rapid growth continued through the decade, with a 400-percent increase in wheel imports and a 1,600-percent increase in axles for the period 1976 through 1981.

While there are virtually no barriers to imports entering our country, our manufacturers have found it impossible to export to other countries. For instance, while we place no duty on these products entering our country from Canada, our producers are faced with a 17-percent Canadian duty if they wish to market their products in Canada. Although our producers feel that they could sell products profitably at domestic prices in Japan, officials of Standard Steel were advised by the Japanese national railway that in Japan, all railroad wheels are Japanese wheels.

I feel that we can only be as fair with our trading partners as they are with us. We cannot afford to follow a one-sided policy of free trade that redounds to the detriment of our Nation's industries. Standard Steel has already felt the sting of this policy. From an employment level of approximately 2,000 in June 1981, they have declined to under 900 today.

Railroad wheels and axles are a basic industrial product necessary for our transportation system. They would be sorely missed in time of war if they were unavailable domestically. This is true of many steel products as well as basic carbon steel. I urge my colleagues to take a hard look at the problems in this industry and to support congressional action to identify and enact a solution. We must let our trading partners know that we will not allow American industry to be unfairly compromised.●

● Mrs. HALL of Indiana. Mr. Speaker, I join with my colleagues of the Congressional Steel Caucus tonight in speaking on behalf of our Nation's steel industry, an industry that is at the heart of our American way of life. It is an industry which produces a material used in our private and public lives as well as a material critical to U.S. economic and military security. Steel is also a necessity for the construction industry which is now faced with the staggering task of rebuilding our Nation's crumbling infrastructure.

Steel is also a way of life for the five Midwestern States—Pennsylvania, Ohio, Indiana, Illinois, and Michigan—where the majority of American steel is produced. My home State of Indiana was recently ranked as the Nation's top steel producer although it is now producing one-third less than it did 5 years ago.

Northwest Indiana saw its reliance on the metal industries result in the loss of one of every six jobs by the end of the last year. Many of these layoffs in turn affected service industries dependent on steelworkers' and automobile workers' paychecks. Overall, approximately 30,000 steelworkers in northwest Indiana and south Chicago lost their jobs. Even worse for the Midwest is the knowledge that its industrial sector will never return to its former strength and will share much less in any eventual economic recovery.

In 1982, the steel industry endured its worst year since the postwar period, with losses totaling $3.2 billion. Shipments of finished steel products were the lowest in several decades. Last month production capacity, although slightly improved from this time last year, was still only 55.7 percent of total capacity, and unemployment in the industry was 107,000.

Although some of the problems faced in the industry in 1982 were due to the severe economic recession and resulting reduced inventories by steel purchasers, there was another major cause—an unprecedented level of market penetration by imports. Nearly 22 percent of the U.S. market—(or 16.7 million tons of steel)—went to imports as compared to 2.3 percent in the 1950's, 9.9 percent in the 1960's and 15 percent in the 1970's. Most of these imports were either dumped or subsidized and hurt the U.S. steel producer by, first reducing sales volume: second, artificially depressing revenues; and third, raising average unit costs of production. The result was that, in 1982, more than 150 unfair trade petitions were filed. In the words of a colleague, "Free trade? Only in the U.S.A."

There is yet another controversy which theatens the future of the steel industry and establishes a dangerous precedent. I am speaking of the proposed United States Steel-British Steel joint venture for the purchase of semifinished steel slabs from Britain to be finished in the United States.

This venture, although purported to save otherwise soon-to-be-lost jobs at the United States Steel Fairless facility, would violate the recently signed labor agreement with the United Steelworkers and would also violate the agreement between the United States and the European Economic Community (EEC). In addition, I am convinced that the imported slabs would in fact be subsidized and that in some instances the matter could threaten existing "Buy American" provisions. The venture is also a serious concern to national security.

The real danger lies in the establishment of a precedent spreading to other companies and countries, encouraging imports and allowing those countries to get yet another share of the domestic steel market. And, it appears that this internationalism is already beginning, as I read with dismay in last Thursday's Washington Post that Wheeling-Pittsburgh Steel Corp. is evidently negotiating with Steelmaker Brazil to import steel slabs for domestic finishing.

What we see here is that United States Steel and other companies are abandoning their long-standing position regarding imports and trade policy. In the words of Lloyd McBride of the United Steelworkers, the companies would have us believe "that the remedy to the cash flow crisis caused by import penetration is to join hands with the importers." Mr. McBride rightly believes that this is not the solution to the problem but the abdication of a responsibility.

It is clear that the current trade laws on the books are difficult and time-consuming to enforce, if in fact they are even enforced. They do not provide adequate relief. Consequently, there are several different alternatives which I and my colleagues of the Steel Caucus urge the Congress to consider and support.

The Steel Caucus introduced today the Fair Trade in Steel Act of 1983. Title I of the legislation would establish a Steel Tripartite Advisory Council to advise the President and Congress regarding steel problems and to develop information on trade, tax, environmental, health, safety, and readjustment issues.

The Steel Tripartite Advisory Council would be similar to its earlier counterpart of the latter 1970's, the Steel Tripartite Advisory Committee, which produced the Solomon report in 1977 and was later abolished by the Reagan administration.

Title II establishes quantitative restrictions on all imports of carbon and specialty steel to be calculated by taking no more than 11 percent of total expected apparent domestic consumption for each year. The limitations will be implemented subject to an official finding by the Secretary of

Commerce that the beneficiaries of import relief are engaging in, and have, verifiable investment plans to modernize the domestic steel industry.

Thereafter, prior to the announcement of quantitative limitations on the first day of April each year, the Secretary shall conduct an annual review and insure that a satisfactory level of progress toward steel industry modernization is being made. If the Secretary makes a negative finding, he may terminate the quantitative limitations.

Title III establishes quantitative restrictions on iron ore imports which shall not exceed 7 million tons for the last half of 1983 and for each year thereafter may not exceed 14 million per annum. The Secretary may permit exceptions if he determines there is insufficient quantity and quality to allow production at an individual plant.

The Ways and Means Subcommittee on Trade is also in the process of designing legislation to, first, improve access to trade remedies for all domestic industries potentially affected by unfair trade; second, to provide an easier-to-administer, less costly procedure for all groups, domestic and foreign; and third, to deter the spread of unfair trading practices by our trading partners, particularly such measures as industrial targeting and subsidy schemes.

Another group of organizations have joined together to form the Trade Reform Action Coalition (TRAC), an alliance of U.S. companies and workers in the chemicals, footwear, leather goods, metalworking, nonferrous metals, steel, television, and textile and apparel industries. TRAC was formed because of a common interest and concern in these industries about how our trade laws are working and how they can most effectively be changed. TRAC members believe that the Trade Act of 1974 and the Trade Agreements Act of 1979 provided needed improvements to our trade remedy laws but that domestic industries are prey to predatory targeting of the U.S. market by foreign producers and their governments and are also victims of unfair trade practices. TRAC proposals to resolve these practices include:

First, reduce costs and data requirements for trade case petitioners in countervailing duty and antidumping investigations;

Second, shorten the length of time to obtain relief in antidumping and countervailing duty cases;

Third, deal with the problem of "downstream dumping";

Fourth, reduce administrative discretion in antidumping and countervailing duty proceedings to make them less arbitrary and more fair;

Fifth, modify section 301 to enable the United States to take action against foreign governments that engage in "industrial targeting";

Sixth, depoliticize section 301 proceedings by placing such investigations and decisions in an administrative agency and subjecting them to judicial review;

Seventh, reduce the injury causation test under section 201, the "escape clause," so that this test is no more severe than the standard required under GATT.

All of these proposals would help to resolve some of the steel industry's problem. If the flood of imported steel continues, the industry will not be able to recover quickly and continue to lose overall capacity as additional plants close. And, we must stop joint ventures which threaten the future of the domestic steel industry. If we do not develop some kind of strengthened policy immediately, there will be little left to save. If our trade laws cannot be adequately enforced, then we must pass such laws as the quota bill introduced today to remedy the problems and overcome inequities.

I lend my complete support to the passage of proposals that will result in a healthy, viable steel industry which produces American-made steel for America.●

● Mr. O'BRIEN. Mr. Speaker, I rise to speak today in support of reestablishing a committee similar to that which was once known as the Steel Tripartite Committee.

The Steel Tripartite Committee was the brainchild of the Solomon report and was established by President Carter on July 26, 1978. In the report, the committee was given a clear mission—to insure cooperation in the face of the myriad problems associated with developing a viable steel industry.

After formally mandated by President Carter's Executive order, the Steel Tripartite Committee was to advise the Secretary of Commerce and Secretary of Labor on international and domestic issues such as trade and trade adjustment questions, taxes, environmental protection and controls, occupational safety and health regulations, and structural readjustments with respect to plants and labor. It was also to review data relating to these issues, propose solutions, and examine other proposals for their impact on the steel industry.

Representatives on the committee were appointed by the President and included the following: eight representatives from industry; eight representatives from labor; one representative from the U.S. Trade Representative's office; one representative from the Treasury Department; one representative from the Commerce Department; one representative from the Labor Department, and one representative from the Environmental Protection Agency.

The committee's report was submitted on September 25, 1980. Since that time a number of their recommendations have been enacted into law, including accelerated capital recovery and delaying the deadline for compliance with Clean Air Act pollution control requirements.

The committee was disbanded following its report. However, the need persists for a continuing cooperative dialog.

The committee provided an excellent, unmatched forum for all interested parties—Government, steel management, and labor—to work together in resolving the steel industry's long-term problems. The committee is now gone, but the cooperation and healthy working relationship it provided is still needed, perhaps now more than before.

Indeed, there are many additional factors to be considered today that were not as conspicuous in 1978 when the commission was formed. One of these is the importance of education—retraining, relocating, and retooling—in the blueprint for the steel industry's future. I would urge that if such a committee is created again, that there be a representative from the educational community.

The committee was successful in its mission. No one disputes this fact. So why not continue with a good thing, instead of letting it die off for no reason? This time we need a permanent committee so that we can work toward maintaining a healthy steel industry—permanently. The committee will go a long way toward helping plan for both the short and long term, with all interests at heart.

It seems like everybody today talks about the need for Government, industry, and labor to work together. If we are really serious about this—which we should be—a new Steel Tripartite or Quadpartite Committee is the answer.●

● Mr. KOLTER. Mr. Speaker, before I begin, it is a great pleasure to participate in this special order. I want to thank my colleagues from Pennsylvania, Mr. GAYDOS and Mr. MURTHA, for giving me the opportunity to speak. Serving with such fine gentleman is a privilege of the highest degree.

Steel imports have been an increasingly serious problem for the last two decades. All one has to do is read the business and economics section of any major newspaper, and the story becomes quite apparent. We have companies going bankrupt, plants being closed, workers being laid off, families being disrupted, and communities suffering devastation. Despite reading about these problems and seeing the results in my district and elsewhere in western Pennsylvania, I have never actually seen imported steel. To me, it

was like an invisible enemy that only moved with the cover of darkness.

Well, Mr. Speaker, now I know what the enemy looks like. Let me explain. Last Friday evening, while driving home on Interstate 70, I passed five or six flatbed trucks, carrying rolls of what appeared to be galvanized steel. Usually one sees two or three rolls of steel on a flat bed trailer. In this instance, each trailer was carrying six rolls. My legislative assistant pointed out a disturbing fact. Lettered prominently on each roll were the words "Made in Japan." From a distance, those steel laden trucks were reminiscent of a military convoy, steadily advancing toward its target. Besides hauling steel, those vehicles were carrying unemployment and the tragedy that accompanies it. For me, the cycle is complete, albeit in a reverse fashion. First, I viewed what unfair imports have done. Now, I have actually seen a substantial part of the cause.

My primary reason for mentioning that string of steel haulers is to continue directing attention to a very alarming situation. Quite frankly, if our trade laws continue being ignored and walked on with muddy shoes, I am confident that many more flatbed trucks and railroad cars will be delivering unemployment to our mill communities.

In fact, Mr. Speaker, ominous signals have already been sounded. I refer you to reports that Wheeling-Pittsburgh Steel; plans to import approximately 300,000 tons of steel slabs annually from Brazil for finishing at the firm's Steubenville, Ohio, facility. First, United States Steel set the industry trend by attempting to negotiate for semifinished steel from Ravenscraig, Scotland, to be finished at the Fairless Hills, Pa., works. Now, the eighth largest steel producer is trying to make a similar arrangement only on a smaller scale. The question is, "who will be next?" or better yet, "who won't eventually seek such an arrangement in order to survive?"

Is it not rather ironic that we have been considering legislation that would increase the U.S. quota to the International Monetary Fund, while at the same time, Wheeling-Pittsburgh Steel is negotiating with Brazil? This fact leads me to highlight a very interesting parallel. Wheeling-Pittsburgh is facing tremendous financial problems. The company lost some $18.9 million in the second quarter of 1983. Last year, the firm suffered a $75 million pretax loss. In human terms, about half of Wheeling-Pittsburgh's employees are laid off. That translates into about 10,000 individuals. Brazil, a centerpiece in the massive world debt crisis, owes some $90 billion to banks. That is more than any other developing nation in the world. Both entities have exhausted already tenuous lines of credit. It seems that the only difference is that when discussing Brazil's financial woes, one talks on terms of billions. When we mention Wheeling-Pittsburgh and the industry in general, we use millions.

My question from all of this is, Why are we not debating a bill that would help our industries and workers? I acknowledge the necessity of international liquidity, a structured balance-of-payments system, world trade and the jobs it creates, but could it be that an IMF quota increase just might contribute to the demise of our own industrial base? After all, money is a fungible item. Can we be assured that our tax dollars would not finance Brazil's new steel capacity, and perhaps even the exporting of semifinished slabs to the United States? I think not.

Mr. Speaker, I would like to conclude on a somewhat brighter note. On July 5, 1983, the President granted limited relief to the embattled specialty steel industry. The imposition of tariffs and quotas on foreign produced specialty steel has been criticized by the industry, the steelworkers, our trading partners, and Members of Congress, including this Member. However, in reviewing the President's free trade philosophy, and the fact that several key members of the Trade Policy Committee favored granting no relief at all, I think the industry was fortunate.

I am firmly convinced that relief was granted because of the tremendous effort made by the industry, the union, the communities, and the Congressional Steel Caucus. The President could not ignore us.

I would like to extend my congratulations to everyone who helped make me aware of the industry's desperate need for relief. Also, I want to thank my colleagues who signed a letter I wrote to each Member of the Cabinet-level Trade Policy Committee in support of the industry's plea for relief.

Now that tariffs and quotas are in place, we must continue our vigilance against imports of unfairly subsidized foreign steel for many years. This acknowledgement represents a first step. We must not grow complacent because of this symbolic victory. I, for one, pledge to continue doing everything possible to promote the health of the specialty steel industry and its talented employees.

Also, I want to make it clear that I am prepared to try everything legally possible to prevent the importation of semifinished steel into the United States. We must signal our intentions to the world that regardless of the dark cloud hanging over our steel industry, we will not give in without a fight.●

● Ms. KAPTUR. Mr. Speaker, I would first like to commend the executive committee of the Steel Caucus for organizing this special order. Although it has not been a secret that the U.S. steel industry is in grave trouble, Government policies to address this problem still need to be formulated. This special order will hopefully provide some needed impetus for change in the steel industry.

In particular, I hope this special order will help move the industrial policy debate forward. Our country's lack of a systematic industrial policy is especially apparent with respect to the steel industry. A number of Government actions have been taken in the past 20 years to aid the steel industry. These actions, however, have not been coordinated and they have not been tied to any long range view of what the role of the steel industry should be in the American economy.

The result of the happenstance industrial policies of the past, coupled with some poor management decisions, slaps us in the face. Unemployment rages at intolerable levels in the steel industry. A great proportion of production occurs at hopelessly outmoded plants and imports continue to plague us. Communities across the Nation remain in shambles because of plant shutdowns.

I believe a systematic industrial policy with positive adjustment strategies would enable the steel industry and other troubled basic industries in our Nation cope with their economic difficulties in a more effective manner. Necessary quid pro quos, involving both labor and managment, should have accompanied actions such as the institution of trigger prices. Measures designed to protect the steel industry should not merely delay necessary management and production changes but, instead, they should be tied to guarantees by steel companies to modernize their facilities.

In addition, if plants must close down, steps should be taken to help affected workers and communities to absorb the brutal shocks. Workers should be forewarned and thus able to plan ahead. Retraining and other job assistance programs can then be provided. Communities would be better prepared to aid the newly unemployed, with the Federal Government also lending a necessary helping hand. Such actions should not occur on an ad hoc basis. They should be a matter of course.

I recently had the opportunity to hear John Sheehan, legislative director of the United Steelworkers of America, testify before the Subcommittee on Economic Stabilization. Mr. Sheehan outlined quite effectively the need for an industrial policy in general, and a steel policy in particular. I urge my colleagues to read the following reprint of Mr. Sheehan's remarks. I have also included the testimony of F. Kenneth Iverson, CEO of Nucor Corp. (a mini-mill). Mr. Iverson de-

scribes why a different approach to steep production can succeed:

TESTIMONY OF JOHN J. SHEEHAN, LEGISLATIVE DIRECTOR, UNITED STEELWORKERS OF AMERICA

At the outset let me say that while our union welcomes these hearings on industrial policy, the time is soon approaching when definitive legislative decisions must be made.

Workers in such basic industries such as steel, along with their communities, can ill afford to wait much longer for effective relief in the form of effective industrial policies.

For almost five years now, our union has been raising the industrial policy issue and the need for an industrial steel policy. In testimony before the Senate Select Committee on Small Business on February 5, 1980, for example, we stated:

The United Steelworkers of America believes that we are approaching a critical stage in the future of the American steel industry. Over the next several years major decisions will be made with respect to this most basic of all our industries . . . The decisions will impact greatly on the American public and, therefore, should be subject to public policy considerations . . . Given the dimensions of the steel problems facing us, the time has come for a national steel sector industrial policy . . .

Unfortunately, many of the critical decisions that we foresaw in 1980 have been made with little or no public input. Steel plants have been closed, steelworkers have been laid off, and steel communities have been devastated.

The worker and community adjustment assistance programs we called for in 1980 were not forthcoming. On the contrary, unemployment and community assistance programs have been cut drastically under the Reagan economic programs. As a result, the industry, its workers and their communities are far worse off today than in 1980.

Mr. Chairman, I would like to focus the remainder of this testimony on four specific areas:

(1) the current status of the American steel industry;

(2) the debate over the proposed U.S. Steel-British steel deal for the importation of raw steel;

(3) what we believe are the essential components of an adequate industrial policy; and

(4) some specific recommendations for an effective steel policy.

STATUS OF THE AMERICAN STEEL INDUSTRY

Since 1974, some 200 steel or steel-related facilities in the United States have been permanently shutdown (see attachment). While most of these closings involved facilities within existing steel plants, in at least 24 cases entire steel mills have been closed.

Over the next year, the large integrated Bethlehem steel mill at Lackawanna, New York, will be closed resulting in a direct job loss for 7,000 steelworkers. Unfortunately, we expect even further such shutdowns over the next several years.

Production employment in basic steel has dropped from over 400,000 in 1974, to about 200,000 today. Nearly all of this decline represents permanent job loss. Many of the 150,000 steelworkers currently on layoff may never go back to their former jobs.

Capacity utilization in the steel industry declined from 93.7 percent in 1974 to 47.3 percent in 1982. At one point, it fell as low as 34 percent. For the first five months of 1983, the utilization rate averaged 52.9 percent. In order to approach the "breakeven" point, the industry estimates that a 65 percent capacity utilization rate is required.

Domestic steel shipments in 1982 were 61.5 million tons, the lowest level since the 1930s, and there has been little improvement thus far this year.

Steel imports in 1982 accounted for 21.8 percent of the American market, the highest level on record. So far this year, imports have averaged 18.6 percent of the market and there appears to be some further moderation on the part of both the Japanese and Europeans. Indeed, imports for the first five months of 1983 are 22.6 percent lower than the comparable period in 1982.

In March of this year, our union signed a new 3-year contract with the basic steel industry which, among other things, included a wage cut amounting to some $3 billion, which, in effect, is our contribution toward a steel recovery.

Last month, our union announced an across the board 20 percent staff layoff.

Depending upon whose numbers are used, steel capacity in the United States has been reduced by 7 to 10 million tons over the last several years, and this does not include the shutdown of the Bethlehem Lackawanna plant.

From our perspective, the situation in the steel industry is not going to improve much in the very near future. Indeed, in spite of Reagan's widely touted "economic recovery," it appears that the industry will be lucky to approach the break-even point later this year. Moreover, steel-related unemployment is expected to remain very high for some time to come.

U.S. STEEL-BRITISH STEEL PROPOSAL

A great deal of what happens to the American steel industry depends upon the outcome of the current controversy involving the U.S. Steel Corporation and its proposed plans to import some 3.5 million tons of subsidized steel slabs from the British Steel Corporation.

If U.S. Steel is permitted to proceed with this plan—which we vigorously oppose—it will not only mean the closing of the hot metal operations of the Fairless Works outside Philadelphia, and the direct loss of 1,800 jobs, but it could threaten the future of this Country's entire raw steelmaking capacity.

Indeed, if U.S. Steel can import cheap subsidized steel for refinishing and sale in this market, it will interject a new unfair competitive element into the domestic steel market. Other American steel companies, because of the competitive disadvantage, may be compelled to do the same, thereby further reducing national steel-making capacity.

This issue raises serious policy questions concerning public protection from narrow corporate decisions that could have far reaching consequences on our industrial future. It also raises questions concerning the need for industrial policies that are based upon public as well as corporate interests.

Our union intends to resist the proposed U.S. Steel-British Steel plan with all the legal resources at our disposal.

INDUSTRIAL POLICY COMPONENTS

Every industrialized country (except perhaps for the U.S.), and many Third World nations, have coherent and articulated national industrial policies.

While each of these industrial policies differ in terms of approach and character, common to all of them is the active role of government as a central force in directing and regulating the national economy. Although the degree of government intervention varies from country to country, it is an accepted fact of economic life that government serves as a primary economic planner and decision maker.

In its simplest form, industrial policy is the development and implementation of a strategy to revitalize, improve and/or develop an industry or industrial base. Industry needs to be revitalized in order to be competitive and remain viable in a market contest which is increasingly international. Revitalization, while it means a renewed and accelerated modernization program for many of our existing industrial facilities, also encompasses the factor of restructuring and retrenchement. Decisions relating to modernization and restructuring because of their enormity inevitably have noneconomic conseqences. They impact upon communities and the workforce. There will result drastic shifts in manpower policies—shifts which in the short run immediately affect the lives and livelihood of individual workers. Hence, an industrial policy must entail employment considerations and comprehensive worker-community readaptation program. We realize, however, that, on the bottom line, the more productive job is the more secure job. The labor movement views, therefore, an industrial policy as one which assures a continual manpower base providing job opportunities at a high standard of living and, most importantly, one which can make more secure the current job base in our industrial sector which has delivered high wages and a decent living opportunity.

Usually, it is a strategy developed collectively by government, business and labor through some sort of tripartite consultation process. It is based upon the recognition that industrial decisions affecting the nation as a whole are far too important to be left to a few private individuals or corporate managers alone.

Most industrial policies have at least six common policy components, including:

(1) a public mechanism for defining industrial goals;

(2) an investment policy for targeting and allocating capital resources to selected industries;

(3) a labor and employment policy that seeks adjustments in the workforce to better accommodate industrial restructuring while at the same time providing unemployment assistance and retraining;

(4) a technological research and development policy which may be publicly financed and directed, and jointly conducted on an industry-wide basis;

(5) a trade policy that seeks to shelter selected domestic industries from international competition, at least while such industries are developing or restructuring. Many such trade policies also include aggressive export promotions;

(6) a public policy management system designed to coordinate industrial policy with other social and economic policies so that the policies reinforce, or at least do not conflict with one another.

We believe that these six policy components are essential to any coherent industrial policy. While the details and specific policy tools may vary, and while some policies may be more successful than others, the industrial policies of other nations have had a profound impact on the world economy.

In this respect, nearly every industrial nation has made some level of public commitment to its basic industries such as steel, chemicals, autos, transportation, communications and other important manufacturing sectors.

Given the fact that some 70 percent of U.S. industrial output is subject to international competition, we believe that the time has come to make similar commitments to American industries.

A NATIONAL STEEL POLICY

Steel, of course, is a primary example of a basic industry subject to national industrial policy considerations. Again, except for the United States, every steel producing nation has a coherent sectoral policy governing steel.

The various steel policies use a combination of trade, investment, employment, research and development and other policy tools to protect, modernize and/or restructure their steel industries on the one hand, and to export surplus steel production on the other.

The availability of large amounts of surplus steel production capacity is, of course, the single greatest problem confronting the international steel community. Indeed, the socially painful steel restructuring process now occurring within the traditional steel producing nations is the direct result of global overcapacity. This whole question of excess capacity, restructuring and its social and economic consequences has been under intensive study by the OECD Steel Committee for some time.

However, even as the traditional steel producers undergo this restructuring and the elimination of capacity, the developing nations are exacerbating the problem by adding new production capacity far beyond what they need for domestic consumption. The result is surplus steel sent into the international steel markets, often at depressed prices. The primary goal of these producers is to maintain production for a whole host of noneconomic social and political reasons.

Much the same can be said for the more traditional steel makers, particularly in times of world recession when levels of steel production are maintained for other than purely economic reasons. Thus, during periods of economic downturn, the Europeans, Japanese, and others will continue steel production often at a loss or at marginal profit levels, while American steel companies reduce production, close facilities, and layoff workers. It should be noted, however, that in recent years the Europeans and, to some extent, the Japanese, have begun to experience the same problems as Americans.

In any discussion of industrial policy, the question naturally arises: should the U.S. have such a policy and, if so, what should it include?

Our union has long believed that the problems facing the nation, the steel industry, its workers and their communities, cannot be solved without a sectoral steel policy. Thus, we have called for a steel policy which includes:

(1) The reestablishment of the Steel Tripartite Committee to:

Define the industrial objectives of the steel industry;

Identify the specific problem areas confronting the industry, workers, and communities;

Develop a rational modernization program for the industry;

Provide a continuing policy forum to address steel issues.

(2) A steelworker and steel community adjustment assistance policy to:

Provide assistance to deal with the economic consequences of restructuring and plant shutdown; and

Develop creative economic alternatives for reemployment, retraining, and community revitalization.

(3) An industrial investment and capital formation policy that:

Uses either the tax system and/or a public investment agency such as the Depression-era National Reconstruction Finance Corporation to generate and target the capital necessary to modernize and stabilize the steel industry;

Ties any tax or public financial loan assistance to the development and implementation of an acceptable modernization plan; and

Forces steel companies that receive such assistance to re-invest the funds back into basic steel and, where possible, in traditional steel communities.

(4) A steel industry research and development program aimed at both basic and applied research into new steel technologies which may be public funded and carrried out on an industry-wide basis.

(5) A reasonable and effective trade policy that is designed to:

Vigorously enforce U.S. trade laws and strict adherence to international trade agreements;

Provide trade relief during periods of world economic recession; and

Provide some level of market insulation from steel imports during limited periods of steel industry modernization and restructuring;

Respect the integrity of domestic as well as international steel markets.

CONCLUSION

Mr. Chairman, the time is rapidly approaching when fundamental public policy decisions must be made with respect to the future of America's basic industries. For the steel industry, labor, management and government simply must confront the question of whether and when a public policy commitment will be made to protect and preserve this most basic of all our industries.

For our part, we do not believe that the public and political structure of this country will permit the extinction of basic American industries and that being the case, we should stop all the posturing on this issue and get on with the task of developing sound, workable, and publicly responsible industrial policies.

TESTIMONY OF F. KENNETH IVERSON, PRESIDENT AND CHIEF EXECUTIVE OFFICER, NUCOR CORP.

BASIS OF COMMENTS

Nucor Corporation is a manufacturer of steel and steel products. Over the last 13 years we have constructed seven steel minimills on four sites. In 1982 we produced 1,100,000 tons of steel. We are the 10th largest steel company in the U.S. and have an annual capacity close to 2,000,000 tons. We obviously are a medium-size producer. What does set us apart from the rest of the steel industry?

1. All of our mills use the latest steel technology. 100 percent of our steel is continuously cast.

2. For more than 10 years, the price of the steel products we produce, FOB our mills, has been equal to or less than the dockside price of these products from foreign suppliers.

3. We have continually maintained our work force. We have not closed a single operation nor laid off a single employee for lack of work.

4. We operate profitably. Since constructing our first steel mill in 1970 the company has never had a loss quarter. In 1982 we had a 10 percent return on stockholders' equity. For the last five years our return on stockholders' equity has average more than 20 percent.

If we can meet foreign steel competition and operate profitably, then what is wrong with the major portion of our steel industry?

PROBLEMS OF THE U.S. STEEL INDUSTRY

There are two reasons why our primary steel industry has lost advantages it once had in the marketplace. One is that many of our steel plants are old and inefficient. About 8 percent of our steelmaking capacity is still so outdated and so inefficient it should be shutdown—the cost of modernizing or making it environmentally acceptable is prohibitve.

In this country, for many generations, a continuing stream of new invention and new manufacturing techniques allowed us to far outpace the rest of the world in both volume and efficiency of production. In a number of industries this is no longer true—and particularly in the steel industry. In the last three decades, almost all of the major developments in steelmaking were made outside of the United States.

Many of our larger steel companies have not quickly accepted technological advances and in some cases have adopted new techniques only when the economic evidence was overwhelming.

Continuous casting is a method of producing a billet which can be rolled directly into a finished product. It eliminates ingot pouring, soaking pits, reheating furnaces and break-down mills. The yield from molten metal to finished product is significantly improved. It reduces energy costs.

Last year the U.S. produced about 25 percent of its steel by the continuous casting process. In Japan more than 80 percent of the steel was continuously cast. Italy, Austria, West Germany, Sweden, France, Canada, Belgium and the United Kingdom all had a higher percentage of continuously cast steel than we did in the U.S.

About 10 percent of the steel in the U.S. is still produced using old open hearth furnaces. The Japanese shutdown their last open hearth furnace more than five years ago.

I would be negligent if I did not recognize the contribution that the government has made toward the technological deterioration of the steel industry. Unrealistic depreciation schedules, high corporate taxes, excessive regulation and jawboning for lower steel prices have in the past made it difficult for the steel industry to borrow or generate the huge quantities of capital required for modernization.

The second problem of our major steel producers is in the area of labor costs and productivity.

Total hourly compensation for production workers in the U.S. is still about 80 percent higher than the average manufacturing wage. This has been cited as one of the major reasons U.S. mills are not competitive. Steel mill work is hard, hot, skilled, dirty and dangerous. In every industrialized country steel workers earn more than the average manufacturing worker. In Japan the premium is close to 50 percent. Obvious-

ly, higher wage rates are a factor in the competitive picture, but they are not as significant as productivity. Newer Japanese mills report productivity in the range of 700 to 1,000 tons per employee per year. The productivity in older integrated mills in the U.S. is half of that. The U.S. steel industry's problems in productivity stem from the outdated plants mentioned earlier and is aggravated by restrictive union work rules and an excessive number of people—and here I include clerical, administrative and management as well as production workers.

FUTURE OF THE STEEL INDUSTRY

I am not pessimistic about the future of the steel industry. We have enough comparative economic advantages to have a steel industry that can compete in the international marketplace. We have an ample supply of iron ore and an ample supply of coke. Our electric costs are considerably lower than those in most industrialized countries; we have low cost steel scrap, plus the advantage of lower freight costs in most areas of the U.S.●

● Mr. WALGREN. Mr. Speaker, a recent headline last week in one of our newspapers in Pittsburgh began, "Skid in Steel Productivity." Perhaps the headline would have better read, "Steel Industry on the Skids."

Losses in the steel industry in 1982 were some $4 billion—the most disastrous loss in the history of our steel industry. Some 200 American steel facilities have been closed permanently in recent years, and five steel companies in existence in 1978 have either closed down or ended in bankruptcy.

In 3 years, employment in the steel industry has been cut nearly in half. More than 150,000 steelworkers are laid off, tens of thousands have been given early retirement, and more than a half million employees in supporting industries like coal mining, railroads, and river transport are suffering the jobless consequences of an unhealthy American steel industry.

The numbers are bleak, and the pain is very real.

How can we wake up this administration and this Congress to a tragedy occurring within our own borders before our very eyes?

Last week I voted against further funding for the International Monetary Fund. The administration has urged the Congress to give an additional $8.4 billion to IMF to assist certain Third World countries pay the interest of their high-interest loans from American banks. The American banking industry, which made high-interest loans to risky nations, is the principal beneficiary of this legislation.

But the same administration which pushes for $8.4 billion to bail out foreign debtor nations and their American lenders refuses a single penny for health insurance for the families of unemployed American steelworkers and has blocked efforts to save the homes of American steelworkers from mortgage foreclosure.

The same administration which urges billions for countries abroad—many dollars of which have been used to build foreign steel mills—refuses to give the American steel industry any kind of meaningful protection from unfair, illegal foreign trading practices.

I believe that America's trade policy is in total disarray. While food banks and soup kitchens have overflow business in the Mon Valley and other parts of western Pennsylvania, this administration with the support of many in the Congress insists on spending billions of dollars on bailouts for banks and military adventures overseas and virtually nothing on an industry critical to the economic health and security of this country.

I think it is time for balance and fairness in our relations with the world. I have no objection to helping Third World nations develop their resources, and I am fully behind reciprocal trading agreements with our Western allies in Europe and Japan. We live in an interdependent world, and a return to the isolationist "America first and only" policies of another generation would not be helpful. But balance and fairness surely require some willingness to help Americans damaged by the recession.

I applaud my colleagues for their leadership in scheduling this time to make us all focus on the problems of our steel industry. But, frankly, the talk falls on deaf ears. Maybe it is time for us to use our votes in a coordinated, effective way to send a message that this administration will not mistake. With so much suffering here at home, with an industry vital to our national interest clearly on the skids, I cannot vote to keep sending our resources abroad—at least not without some measure of concern for the hard-working, taxpaying American in our steel valleys. When we begin to take care of our families here at home, this Member of Congress will be more willing to extend understanding to economic problems abroad.●

● Mr. OBERSTAR. Mr. Speaker, I rise today not to detail the devastation of the American steel industry in the past decade. We in Congress are well aware of the flooding of our domestic market by subsidized imports. The unemployment statistics are too painfully familiar. Over two-thirds of the miners in my native northeastern Minnesota are unemployed and another mine in Eveleth, Minn., shut down again last week. These steelworkers are running out of unemployment benefits and are applying in record numbers for food stamps and local assistance. They want to go back to work but there is none.

Here, in Congress, the Steel Caucus has worked vigorously for a strong steel industry. We have supported tariffs and quotas to protect our domestic market from unfair foreign competition. We have worked to pass responsible buy American legislation. We have supported petitions to the International Trade Commission. Both enforcement and reform of our existing trade laws are vital to our steel industry.

Since the 1950's, the Federal Government has provided basic industries, such as steel, with a myriad of special tax provisions, depreciation allowances, subsidized loans and loan guarantees. For all industries, this special treatment represented $66 billion in 1980, 3.1 percent of the GNP.

Favorable tax treatment of American steel has been vigorous, consistent—and misguided.

Misguided because it has allowed the steel industry to abandon their outdated plants and their workers. Misguided because, while offering financial incentives to industry, it has allowed the steel industry to diversify and divest itself of steel operations. Misguided because Congress, in extending tax relief, has not tied that relief and import relief to requirements that the steel industry use the benefits to reinvest in new, or upgraded steelmaking capacity.

Today, about 8 percent of our steelmaking capacity is so outdated that industry experts have recommended it be shut down. Modernization for this portion of our steel mills would not be cost efficient. Industry has resisted innovative technologies such as continuous casting and direct reduction. Today, we produce only one quarter of our steel by continuous casting; Japan, produces 80 percent by continuous cast methods. Ten percent of our steel is still produced with open hearth furnaces; Japan no longer operates open hearth furnaces. Direct reduction, a technology developed and commercialized by American companies, accounts for two-thirds of the world's steelmaking grade DRI. Only 9 percent of this output is produced in the United States.

Our steel industry in its present condition cannot compete with foreign imports. Many blame high wages for our competitive disadvantage. Yet, the United Steelworkers signed a 3-year pact in March which offered management $3 billion in wage cuts.

In addition, the difference between labor rates in the United States has been deeply affected by the strength of the dollar abroad. The high exchange rates have lowered foreign wages in comparison to American ones. For example, at actual exchange rates, wages in the United Kingdom rose only 6 cents per hour between 1980 and 1982, from $8.21 to $8.27. If the value of the dollar had not increased relative to the British pound, the increase in hourly compensation in Great Britain would be greater than the increase in American wages, a $2.79 increase or 34 percent. In Belgium, steelworker wages are today ap-

proximately half of American wages, whereas in 1980, the wages were approximately equivalent. We cannot continue to place the blame on labor for our depressed steel industry.

Rather than modernizing, American industry is moving rapidly from its old plants to new pursuits. In late 1979, United States Steel closed its Youngstown, Ohio, works and 12 other steelmaking facilities. In the same year, it opened a joint venture shopping center in Pittsburgh, and invested in a world-scale chemical facility in Houston. Between 1975 and 1979, 37 percent of investment by United States Steel was in expansion and growth of non-steel sectors. One year after lobbying heavily for the accelerated depreciation allowances, United States Steel devoted its resources not to modernization, but to the acquisition—for $6 billion—of Marathon Oil Co. This year, after advocating quotas and import relief, United States Steel proposes to import 3.5 million tons per year of unfinished steel slabs from the subsidized British Steel plant in Ravenscraig, Scotland. The corporation claims it cannot afford the $1 billion needed to modernize the steelmaking end of its Fairless works plant near Philadelphia, Pa.

United States Steel is not the only steel company interested in diversification. National Steel has acquired three large savings and loan companies worth $6.9 billion. Republic Steel has expanded into the insurance business.

Congress cannot continue to provide tax breaks for an industry seemingly uninterested in modernization and competition. We must ask the steel companies to respond to import relief, to tax credits, to subsidized loans, with an active modernization program. Our role in doing so will be a positive one: a constructive effort at rebuilding our most basic industry.

Today, I am happy to join the gentleman from Pennsylvania (Mr. GAYDOS), chairman of the Steel Caucus in introducing the "Fair Trade in Steel Act of 1983." This bill reestablishes a Steel Tripartite Advisory Council composed of representatives of management and labor, the Secretaries of Commerce and Labor, the EPA Administrator and Members of Congress. It would also limit imports of carbon and specialty steel to 11 percent of domestic consumption and would limit iron ore imports to 14 million tons per year. Finally, the "Fair Trade in Steel Act of 1983" would provide needed import relief for the steel industry—but this relief would be contingent upon proof that the beneficiaries of this relief are engaged in verifiable modernization of the domestic steel industry. This legislation will reactivate the Steel Tripartite Committee, which worked quite effectively during the Carter administration.

Congress must enact tax credits which are strictly targeted to reinvestment in basic plant and equipment. Likewise any Federal loans must be predicated on commitments to retool.

Finally, the Congress can and must actively discourage steelmakers from abandoning plants and workers. Behind the unemployment figures are families whose lives are disrupted and communities whose tax bases are eroded by plant and mine closings. Studies of workers in automobile, steel and other industries showed that 6 years after a plant closing, these workers earned an average of 12- to 18-percent less than before the shutdown. This represents a lifetime loss of $40,000 per worker.

Communities suffer too. The closing of the Campbell Works, in Youngstown, Ohio, caused more unemployment than just the 4,100 steelworkers terminated. Another 3,600 jobs were lost in retail and other businesses. Wages lost by Campbell Works employees totaled $60 to $70 million and wages in other businesses in the same period were $63.5 million. The total cost to State, local and Federal Governments was $35 million in lost tax revenues and $35 million in benefits paid to the unemployed.

Modernization of old plants, rather than construction of new plants in new locations, is, in fact, more economically feasible for steel makers. While a new plant has a somewhat lower operating cost, expansion and modernization of existing plants has a lower capital cost—$60 cheaper per ton of finished steel. It is clearly in the best interest of our domestic steelmakers to cooperate with our efforts in Congress to revitalize the industry and will help revitalize our industrial heartland.

The National Employment Priorities Act of 1983, which I have cosponsored would encourage industries to stay in their plants and modernize them. H.R. 2847 would provide Federal assistance for businesses communities or workers to prevent plant closings by allowing access to loan capital. Business would be required to provide enough notice of closing to allow local governments, employees and small businesses to plan for and adjust to potential tax losses. In order to discourage unnecessary plant closings, businesses would be required to make severance payments, pay for health and welfare benefits and provide transfer rights to other facilities for laid off workers. Finally, this legislation would make Federal retraining available to all dislocated workers and authorize emergency assistance to local governments.

I believe that Congress must actively support the steel industry and its steel workers. However, as Congress works to renew our investment in the steel industry, we will—we must—ask for a reciprocal commitment by industry to retool and modernize. If Congress acts, and the steel industry responds, the Nation will benefit from a strong basic industry for our national security, jobless steelworkers will be reemployed and the domestic steel industry will be better able to compete fairly with foreign trade.●

● Mrs. MARTIN of Illinois. Mr. Speaker, first let me commend the gentleman from Pennsylvania, the chairman of the Steel Caucus and the other gentleman from Pennsylvania, the chairman of the executive committee for arranging this opportunity to talk about steel and trade. It is important that we discuss openly and fully the situation being faced by this vital industry.

In my district, Mr. Speaker, is one of the most efficient and up-to-date steel producing facilities in the country: Northwestern Steel & Wire. This company under the leadership of the Dillon family has for years been a very profitable corporation employing approximately 4,000 persons. It has the three largest electric furnaces in the world with a total capacity annually of about 2,400,000 net tons. In July 1982, the company began operating the largest continuous Bloom & Billet Caster in North America. They have undertaken in the past year modernization of their 12-inch mill. Other modernization projects are underway or are on hold pending a recovery in the steel industry. In fact, Northwestern Steel has spent $163.6 million on capital improvements during the past 5 fiscal years, all generated through the use of internal funds.

As is evident from the above information, Northwestern Steel is not an old, outdated, inefficient plant that cannot compete effectively. It has competed successfully, and its management continues to look to the future.

That future, however, has become, at best, uncertain. In fiscal year 1982, the company's net sales fell by 31 percent and shipments by 33 percent. The recession obviously accounted for a good portion of this decline, but even as we recover from that recession, the outlook continues to be bleak. The cause of this bleak outlook is due to the increase in unfairly traded foreign steel imports. These dumped or subsidized imports rob U.S. mills of much needed production volume, tend to suppress prices, and force domestic mills to produce at much lower, less efficient operating rates. We have many trade laws on the books to deal with dumping and subsidies, but the length of time that it takes to go through the procedures mean that relief can come too late, if indeed relief comes at all.

I wish now to read a letter received recently from President Peter Dillon of Northwestern Steel which makes a rather persuasive case for timely enforcement of current trade laws. I

think he and his management group which had input into his letter make a very valid point, and one on which both the Congress and the administration should take action.

NORTHWESTERN STEEL & WIRE CO.,
Sterling, Ill., April 15, 1983.

Hon. LYNN MARTIN,
Member of Congress, Longworth House Office Building, Washington, D.C.

DEAR REPRESENTATIVE MARTIN: The following rather extensive comments in my letter are in response to your correspondence of March 28, 1983 requesting an opinion of Congressman Murphy's reintroduction of the Fair Trade Act:

We are in a trade war, and all areas of our government are attempting to restructure agencies in an endeavor to consolidate and improve on administration trade policies and activities. Certainly Representative Murphy's Fair Trade Act attempts to honestly focus in on the problem and deserves support. However, it appears that his three-tiered quota on steel imports and a newly established Commission would address only one phase of the problem.

Let us explain. Last year U.S. steel companies filed more than 150 unfair trade cases. In the more than 90 dumping and subsidy cases filed against the European Community in January 1982 the cost of legal fees alone will run into millions of dollars. The money was spent with the hope that increased duties might cause exporters who are subsidized or who dump products to eliminate these practices. This has not happened. Even where cases were won and duties imposed, duties were not usually collected. For example, our government entered into a Suspension Agreement with Brazil allowing it to collect export taxes equal to the subsidies it provided to its industry. This Agreement allows the government of Brazil to switch monies from one pocket to another while the injury to the U.S. domestic industry continues. The effect is that additional subsidization is encouraged. Moreover, month after month of injury occurred before the U.S.-E.C. Arrangement, which settled the cases, was signed in October 1982. The settlement permitted the E.C. to avoid duties payment for past subsidies and the domestic industry received no recompense for injury suffered because of these practices. We came out of this experience realizing that our trade laws need substantial amendments to make them less costly, less cumbersome, less arbitrary, more expeditious, more effective, and fair to all.

The point of all this is that there are many areas to address, but the bottom line always comes up indicating the main problem with trade regulations is not in the laws themselves but in the lack of political will on the part of successive government officials charged with enforcing those laws. This administration won't do it, it won't even develop a coordinated government program to allow industry to regroup to efficient levels of operating. It won't develop a coherent package of programs that will tie-in domestic investment needs, national defense, strong industrial base, and trade policies that will benefit all American industry. Congress will have to do it. And, Representative Murphy is right, that GATT isn't capable of enforcing "free" trade.

What is needed is full and prompt law enforcement and firm political will on government's part. We personally believe that Senator Roth's Trade Reorganization Act of 1983 (S-121) that creates the Department of Trade to be headed by a Secretary and two deputies all holding the rank of Ambassador is the kind of legislation and clout we need, not only for steel, but for American industry to allow fair trade protection for the U.S. consumer, not protection for the importing countries.

I trust that the above comments by members of our management group will provide some valuable insight to this vexing problem which faces our industry. Your support of this legislation would be appreciated.

Appreciatively,

PETER W. DILLON, *President.*●

● Mr. COYNE. Mr. Speaker, those of us who are members of the Congressional Steel Caucus are aware of the concerns some Members of this House have about stricter enforcement of our trade laws so that American steel can prosper and grow.

Each of us wishes we lived in a more perfect world, one in which competition between nations was fair and subsidies, hidden or otherwise, did not skew the marketplace for steel.

All of us have heard the calls for a return to what some see as the halcyon days of a "free trade" America, a nation in which action on imports was unneeded.

Those calls have been made before, always with an allusion to the ideal of free trade, often without sufficient attention to the practice of the marketplace.

In another time, during a similar debate, Henry Clay made note of familiar arguments. He observed:

> The call for free trade is as unavailing as the cry of a spoiled child. It has never existed; it never will exist.

Reasonable men and women may differ as to whether free trade has ever existed. I would suggest that it would be difficult for a reasonable observer of the world economy to expect free trade to exist anytime soon when it comes to the steel industry. The widespread use of subsidies is well documented.

Proposing workable legislative measures to deal with the admittedly complex imported steel situation has been a primary purpose of the Congressional Steel Caucus. Monitoring enforcement of existing laws has been another.

Making sure that existing laws are enforced prompted the caucus to hold hearings with the Federal Highway Administration in March 1983 on the administration's temporary waiver of the "Buy America" provision of the Surface Transportation Act of 1982. The opposition to this waiver expressed by the caucus helped cause the administration to drop a $450,000 project threshold in May, thereby reducing the prospect for job loss due to waivers.

The use of steel in highway construction should not be underestimated as a source of jobs. According to a recent report by the General Accounting Office, compiled at the request of the Steel Caucus, steel accounts for $1.7 billion, or 8.1 percent, of the total project costs for Federal-aid highway projects from January 1979 through December 1981.

According to the report, "Foreign Source Procurement Funded Through Federal Programs by States and Organizations," foreign steel purchases by States for highway projects during that period totaled $63.2 million. Of that amount, $28.8 million was spent on foreign structural steel, 82 percent of which went for two projects, the Arkansas River Bridge and the Wisconsin Arrowhead Bridge, both of which used Japanese steel. These projects were able to meet the "Buy America" provisions of the law by proving that project costs would be reduced by 10 percent or more through a foreign steel purchase.

In several other instances, however, GAO investigators found apparent violations of the "Buy America" requirements. At this point, I would like to include in the CONGRESSIONAL RECORD the GAO findings on six highway projects in which contractors appear to have purchased foreign structural steel without meeting the conditions of the law:

State	Project cost	Foreign structural steel cost
North Dakota	$2,304,485	$465,700
North Dakota	485,741	244,658
North Dakota	696,861	185,620
Washington	4,499,273	25,344
Washington	1,029,563	2,226
Washington	670,847	900
Total		924,448

Source: GAO.

This report examined foreign source procurement by the Federal and State Governments in such programs as highway, municipal waste-water treatment, airports, urban mass transportation, rural electrification and local public works. Another report on the subject, due out this week, will include an update on the procurement policies of the Department of Defense. Recent reports indicate that Department, through the Defense Industrial Supply Center in Philadelphia, is considering awarding two contracts for the purchase of 7,100 tons of plate steel to a European producer. With this prospect in the offing, the upcoming GAO report should be interesting reading.

Mr. Speaker, steel employment in our Nation was 453,000 in 1979. The number employed in the industry dropped sharply to 289,000 by 1982. Pennsylvania, once the country's top steel producer, now ranks behind Indiana and Ohio. In the Pittsburgh area, where 90,000 worked in steel in July 1979, only 40,700 were employed in November of last year.

These harsh statistics are among the many reasons Congress must act to preserve a vital manufacturing industry. As economist Lester Thurow has noted:

The idea that America can give up on manufacturing (let the Japanese make the computers) and rescue ourselves with services (we will do the programing) is simply nonsense. In the long run, the people who build the hardware are going to dominate the software.

We have the capacity to have a healthy steel industry, one that exercises a dominant role in the world economy. I am pleased to support a measure introduced today by Mr. GAYDOS which recognizes this fact.

The Fair Trade in Steel Act of 1983 authorizes the President to establish a tripartite advisory council for the industry, composed of management, labor, and Government representatives. This council would advise the President and the Congress on pending steel problems. In addition, it would conduct research on trade, environmental, health, safety, tax, and readjustment issues.

The act would also impose, for a period of 5 years, quantitative restrictions on the import of carbon and specialty steel. No more than 11 percent of the total expected domestic consumption in these products could be imported in a given year. In order for the restriction to become effective, the Secretary of Commerce must find that those who benefit from the relief, namely American producers, are engaged in steel industry modernization. There would be no free lunch for companies seeking relief while failing to make efforts to become competitive.

I urge my colleagues to join me in sponsoring this important measure.●

● Mr. JONES of Oklahoma. Mr. Speaker, I want to thank the gentleman from Pennsylvania (Mr. GAYDOS) for taking this special order to discuss the need to modernize our industrial sector and the lack of capital formation in the steel industry.

During the last few years, the hue and cry that our Nation is losing the industrial battle for the future has become increasingly shrill. Economists have pointed out that, while many of our trading partners have benefited from American largesse in the past—like the Marshall plan—and built modern plants with advanced equipment, our basic industries have lost their competitive edge. Mr. Speaker, we can continue to worry about this problem, studying essays and analyses of the situation, while contemplating the niche the moribund American industrial base will have in future history books, or we can fight back. I believe that the time to study is over—the time to fight back is now. On June 28, 1983, I introduced legislation, H.R. 3434, the Work Opportunities and Renewed Competition Act of 1983, WORC, aimed at revitalizing our Nation's industrial base, where the need for capital is greatest and unemployment is highest. WORC is our first shot in the battle for the industrial future, a kind of domestic Marshall plan.

Many experts suggest that the future greatness of the American economy lies in the sole pursuit of high-tech industries. I have always shared the view that advanced technology will be an integral part of our industrial output for the foreseeable future. High-tech, however, is not a panacea. Millions of Americans work in our basic industries such as steel, automobiles, mining, transportation, and chemicals. Writing off basic industries will mean writing off millions of jobs, and the high technology sector cannot absorb most of those workers.

Furthermore, Mr. Speaker, this legislation is vital to all industries in our effort to regain a competitive edge vis-a-vis our foreign counterparts. Years of anemic productivity, sagging profits, protractedly high interest rates, and Government subsidies to foreign competitors have led to a decline in our ability to compete abroad. The call for trade restrictions to protect American industry from foreign competitors will make our industry less competitive, not more. Moreover, protectionism may also dissipate the fragile recovery we are experiencing globally. WORC will allow us to meet our competitors head-on with better products and technology.

WORC is also important to our national defense capabilities and will insure we are capable of quick expansion. We cannot rely on our trading partners to supply our needs in times of national emergency. We must turn around the decline in our aging basic industrial sector, to gain a beachhead in the industrial battle for the future.

Mr. Speaker, we are facing a crisis in the steel and industrial sector of our economy. Millions of Americans want to work and they are frustrated because our industries do not have the new tools to give them jobs. We can show the world a productive America again by putting those tools in their hands with the WORC bill.●

● Mr. BROWN of California. Mr. Speaker, today I would like to join the Steel Caucus in discussing its work and the problems surrounding our steel industry. The Steel Caucus is a congressional organization created as a forum to study and review the plight of our domestic steel companies, and I am proud to have been a member of the caucus and on the executive committee during its years of work in behalf of our domestic steel industry. It has again been a difficult year for this industry as the depressed world economy and high levels of steel imports have taken their toll on us.

To keep their workers employed, many foreign countries have subsidized their industries, offering their products at deflated prices in the international marketplace. This pricing, in conjunction with other advantages of lower wages and in some instances modernized plants, has played havoc with our domestic industry, both in the domestic market and internationally.

In order to combat this intense competition, the U.S. plants have carefully reviewed their own productivity and efficiency. Many have begun extensive upgrading and modernization programs. Some have found the financing of this type of effort prohibitive and have instead been forced to lay off workers in hopes of a future revival of the market. Others have opted to close down their plants entirely.

The Steel Caucus has been following these developments closely. In the area of specialty steel, it has repeatedly urged the administration to institute a limited, short-term restraint on subsidized products which have been flooding the U.S. market.

The many plant shutdowns, however, have not been problems so easily solved. The Steel Caucus has been looking into this area extensively, reviewing possible programs and alternatives which could be implemented to ease the burden caused to the many unemployed steelworkers.

Instead of completely closing down plants, there have been some creative compromises suggested. In my district, the Kaiser Steel Corp., located in Fontana, Calif., is an example of a company exploring an alternative solution, to keep at least part of its production lines open.

To show the extent the import problem has affected our markets, I would like to follow, chronologically, the factors leading to the reduction in Kaiser Steel's production, and the steps we have taken in Congress to assist them in their struggle to remain open.

BACKGROUND ON KAISER STEEL

In order to put the Kaiser Steel problem into perspective, it is necessary to review the different situations that have existed in the western steel market and the national steel market.

From January 1, 1969, through December 31, 1972, world steel trade was handled under a voluntary restraining order, VRO. This VRO set up an orderly marketing situation so that all countries could have a share of the market; national import penetration was 18.3 percent in 1971. The VRO was dropped owing to the threat of a lawsuit from the National Consumers Union claiming the VRO was inflating steel prices. However, this was a time of expansion and initially the market was not seriously affected.

By 1973 the national import figures were approximately 16 percent. How-

ever, on the west coast, imports were close to 38 percent. Because of this damaging increase, the late Congressman Pettis and I formed an early version of the Congressional Steel Caucus. In the beginning, the caucus was comprised of Western representatives concerned about the increase of imports in the West. Efforts by the caucus resulted in the inclusion of a provision in the 1974 Trade Act for determination of injury to an industry on a regional basis. This was the first time that subnational determinations in trade were made.

By 1974, the recession was resulting in decreased demand for steel. With a smaller world market, imports competition increased; more dumping of steel in this country occurred. The industry limped along and Kaiser Steel went ahead with its $250 million modernization program in an effort to remain competitive.

In 1977, national imports were 17.8 percent, yet west coast imports were 38 percent. The first antidumping case against the Japanese was upheld and the administration encouraged more cases to be filed, giving our negotiators a firmer hand. The importers responded with the plan, devised by French Minister Davigon, for the Organization for Economic and Cooperation and Development, OECD, countries to phase out their old production.

In 1978, the trigger price mechanism, TPM, went into effect. President Carter also announced a program with $500 million in loan guarantees for steel plant modernization. Steel imports reached a record high, with imports during February 1978, reaching 50 percent on the west coast.

Since the TPM was calculated on Japanese production and freight costs were a variable of the TPM levels, the west coast enjoyed the lowest TPM levels. In response, the Japanese imports soon dropped off, yet European imports increased drastically. During the first quarter of 1977, Japan comprised 84 percent of total imports while Europe held 5.3 percent. By the next year, Japan's portion of total imports had dropped to 56 percent while Europe's contribution rose to 24 percent.

In mid-1978, the California Legislature passed Joint Resolution 91, calling upon the Government to: First, strictly enforce the trade laws; Second, adjust the TPM to reflect the west coast's problem; and third, set up a State "Buy American" program.

Following this action by the California Legislature, I sponsored a meeting with the Congressional Steel Caucus to give Kaiser management and the steelworkers the opportunity to present their problems with the TPM to Congress. I submitted an article in the CONGRESSIONAL RECORD which reprinted the State joint resolution and called upon the Treasury Department to make the needed adjustments. I then sent a letter to the Special Trade Representative, Bob Strauss, asking him for restrictions on west coast imports of steel. Next, a letter was sent, signed by 20 other Congressmen, to the Treasury Department asking for TPM changes.

In early 1980, the TPM was suspended as frustrated steel companies filed antidumping petitions against steel importers. Shortly thereafter, to cut costs, Kaiser Steel laid off hundreds of steelworkers. I sent letters to the Secretaries of the Commerce and Labor Departments requesting their assistance in helping the dislocated steelworkers. The Commerce Department had earlier declared Fontana and the surrounding areas as a special impact area due to Kaiser's increasing layoffs. As a result, the area was eligible for special programs. The Labor Department had the trade adjustment assistance programs which included supplemental unemployment benefits and retraining funds for workers who lose their jobs as a result of imports. Unfortunately, only a fraction of the Kaiser workers were eligible for TRA benefits. Most of the money went to the depressed auto industry workers.

With the TPM eliminated, I sent a letter to the President asking him to establish a steel import monitoring system.

Finally, the antidumping charges against the European producers were upheld by Commerce and additional cases against Asian producers were filed. However, after all of this effort, the hard times for the U.S. steel industry persisted and the west coast, as always, bore the brunt of the problem. At present, imports enjoy approximately 22 percent of the national steel market and close to 50 percent of the west coast market.

After facing repeated losses, Kaiser Steel is currently phasing out its primary steel making operations. By the end of the year, its coke ovens and furnaces will be cold and most of the 8,000 workers employed by Kaiser during better times will be out of jobs. These people had expectations which I shared, expectations of a solid career with Kaiser Steel. In Congress, we worked to keep those jobs, but circumstance played against us. Even now, when there is such a need for retraining programs for these workers, we must fight to maintain the meager funding levels.

The remaining hope for Kaiser Steel is to find an alternative source of slabs to replace the production which used to come from its primary operations. Kaiser is engaged in negotiations concerning ownership of the plant and is looking for a source of slab steel for the mill. Unfortunately, this situation is similar to the one at the United States Steel Fairless plant and our people are getting caught in the attempts to block the arrangement there. Once again, those of us representing the west coast are faced with a unique situation.

However, the Steel Caucus is an effective forum for solving these problems and I have every confidence that we will come to an equitable solution. Kaiser Steel was closing its primary end out of necessity well before the decision was made to find another slab source, unlike the Fairless plant situation. The finding of a source of slabs for the mill at Fontana is essential in order to keep the remaining workers employed and I will work to that end.

These are not good times for our domestic steel industry. But at least there is a group in Congress working on behalf of America's steelworkers and the U.S. steel industry. The Steel Caucus has served to focus attention on the plight of the domestic steel industry and has worked toward solutions to their problems. I am confident that this work will pay off in a renewed steel manufacturing base in the United States.●

● Mr. RITTER. Mr. Speaker, I commend my colleagues from Pennsylvania, Mr. MURTHA, chairman of the House Steel Caucus, and Mr. GAYDOS, executive committee chairman of the House Steel Caucus, for their fine leadership and for requesting this special order to bring to light many of the concerns of the U.S. steel industry.

In the past weeks the House of Representatives has been debating the International Monetary Fund quota increase. Considerable concern has been expressed regarding foreign subsidization of commodities, particularly steel, and its impact on our domestic industry. If we wish to survive in the world steel market, we must address the problem of foreign subsidization of steel. A healthy domestic steel industry is not only critical in maintaining U.S. jobs, it is vital to a strong U.S. manufacturing economy and our national defense. However, little information is available for our Government to make appropriate assessment of loans to countries where steel is being subsidized.

On August 3, I offered an amendment to title III, the International Monetary Fund quota increases of H.R. 2957, the International Recovery and Financial Stability Act of 1983. This amendment was adopted by the House of Representatives and directed the National Advisory Council on International Monetary and Financial Policies to conduct a 12-month study on the impact on the U.S. steel industry of steel subsidies by nations who are borrowers from the International Monetary Fund. The Council must report to the President and both Houses of Congress its findings and make recommendations on appropriate action.

The National Advisory Council is responsible for U.S. participation in the international financial institutions. It coordinates the policies and practices of all agencies of the U.S. Government which make, or participate in making, foreign loans, or, which engage in foreign financial exchange or monetary transactions. The Council is made up of the Secretaries of the Treasury, State, and Commerce; the Chairman of the Board of Governors of the Federal Reserve System; and the President of the Export and Import Bank.

Smokestack industries can flourish if they modernize and labor and management work together. These industries provide high paying jobs and a market for high technology products. However, they will need an economic climate which does not contribute to the tendency of industrializing nations to treat steel as a showcase industry to be subsidized.

My amendment to H.R. 2957 calls attention to a thorny problem which impacts powerfully on present and future modernization of our American steel industry and will provide the administration, Congress, and the International Monetary Fund with appropriate decisionmaking data.

Addressing foreign subsidization of steel is one way to help make the steel industry competitive again; increasing opportunities to modernize the industry is another. I would like to take this opportunity in this special order to highlight an important piece of legislation that will go a long way to help the steel industry meet the challenge of modernization. As an original cosponsor of H.R. 3434, the Work Opportunities and Renewed Competition Act of 1983, I believe this legislation could provide significant investment toward modernization of our basic manufacturing industries. As the representative of this country's second largest steel company, I am aware of the kind of capital investment needed to revitalize our basic industries and make them competitive again.

Basic industries such as steel, autos, and railroads have not been able to take advantage of investment tax credits they have earned because they have not realized sufficient profit to use the credits to offset their tax liability. The Work Opportunities and Renewed Competition Act of 1983 unlocks these tax benefits by allowing companies with unused investment tax credits to obtain 85 percent of the value of their credits when reinvested in new plants and equipment. The restrictions on the types of investment are clear and the full value of the reinvestment tax credit must be paid back by 1990.

This bill offers new hope for the steel industry as well as other basic industries. And most important, it provides a means to make those industries more competitive and help put America back to work.

The steel industry is vital to our jobs, our manufacturing economy and our national defense. I believe the steel industry can meet the challenge of modernization and world competition with the proper economic climate. It is our job in Congress to help provide that proper economic climate.●

● Mr. ERDREICH. Mr. Speaker, I am pleased to join with many of my colleagues from the Steel Caucus to discuss the problems facing the steel industry and to examine ways in which Congress can perhaps respond to these pressing needs.

The problems facing the industry, I believe are clear. since 1974 approximately 200 steel facilities in the United States have been permanently shut down. Nationwide, 150,000 steelworkers are without jobs—over 10,000 in the Sixth District of Alabama which I represent.

Net losses for major integrated steel producers in this country surpased $3 billion last year and are expected to continue throughout this year. Over 60 percent of our production capacity remains idle, and imports have claimed 22 percent of our domestic market.

The industry further suffers from a lack of investment modernizaiton. The American Iron & Steel Institute estimates the industry would have to spend $60 bilion over the next decade to bring its facilities to world-class levels. In 1982, U.S. steelmakers spend $2.2 billion on modernization, while suffering a net loss of $3 billion.

Clearly, the industry is suffering decline, in part, from its own maturity, but is being heavily penetrated by imports as well. Doubling this problem is the fact that our industry's foreign competitors are subsidized. Their modern, efficient plants have been subsidized and their product hits the market at a lower price because it is subsidized. No doubt, government-aided competition has placed the U.S. industry at a considerable disadvantage not only on the world market, but in its own domestic market as well.

For this reason, in March of this year, I introduced H.R. 1384, the Unfair Foreign Competition Act of 1983 to allow American firms to seek damages in Federal court against foreign competitors who illegally sell their products in U.S. markets. Current remedies only allow our companies to file charges with the International Trade Commission, a time consuming and often unrewarding process.

Another measure which would provide some assistance to the industry is the establishment of a U.S. Department of Trade and Industry. Creation of such a department would provide needed organizational improvements and increase the consideration given to trade matters in U.S. foreign and domestic policymaking decisions.

Certainly, there are other forms of assistance that should and could be provided and I believe that it is imperative and these proposals be reviewed. Today, I was greatly encouraged to learn that the President agreed to meet with the officers of the executive committee of the Steel Caucus. I hope that this meeting will be the first of a series with the goal of revitalizing our industrial base. The strength of our basic industries is critical not only to the performance of our domestic economy, but is important to providing for our national security needs as well. The United States must have a strong steel industry and I am encouraged by the increased focus upon the industry and strongly urge that it continue.●

□ 2120

SOVIET INVASION OF CZECHOSLOVAKIA—A DAY OF SHAME

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. ANNUNZIO) is recognized for 5 minutes.

● Mr. ANNUNZIO. Mr. Speaker, August 21 marks the 15th anniversary of the 1968 invasion of Czechoslovakia by the Soviet Union—an outrageous act of totalitarian oppression which again reminded the world that ideals of freedom and human dignity simply do not exist for the brutally cruel masters of the Kremlin.

The people of Czechoslovakia will again commemorate August 21 as a day of Soviet shame as will Americans who trace their ancestry to this captive nation. None of us as Americans must ever forget that a system of monstrous barbarity still rules in the captive nations and that all of us must continue our support for the Czechoslovak people in their just aspirations for self-determination and human dignity.

Mr. Speaker, at this point in the RECORD I wish to include a statement from the Czechoslovak National Council of America issued in commemoration of this sad day in the history of freedom-loving peoples everywhere.

The statement follows:

FREEDOM IS INDIVISIBLE

On this sad occasion of the fifteenth anniversary of the brutal Soviet-led invasion and occupation of peaceful and freedom-loving Czechoslovakia, we American citizens of Czech, Slovak and Subcarpatho-Ruthenian descent, again remind the entire world of this Soviet violation of key principles of international law incorporated into the Charter of the United Nations:

The brutal Soviet aggression and occupation:

(1) violated the sovereignty of a member state of the United Nations (Article 2, Section 1);

(2) was carried out in violation of Article 2, Section 4, which prohibits the use of mili-

tary force in the relations between individual members of the United Nations;

(3) violated the principle of self-determination of peoples (Article 1, Section 2);

(4) was in conflict with Article 2, Section 7, which prohibits outside intervention in matters essentially within the domestic jurisdiction of any state;

(5) was in conflict with a number of resolutions of the General Assembly of the United Nations, particularly with Resolution 2131 (XXI) adopted at the meeting of December 21, 1965, upon the Soviet Union's own motion, prohibiting any intervention in the domestic affairs of any state and guaranteeing its independence and sovereignty.

The continued Soviet occupation of Czechoslovakia is another crime against the right of a small country to determine its own destiny and aspirations. The invasion was an intervention by the forces of reactionary communism to prevent the Czechs and Slovaks from establishing their own social order that did not endanger anyone and sought to contribute to the building of bridges across the discords of a divided world and to lend aid to a better understanding and cooperation among all nations on the basis of true progress and humanity.

The people of Czechoslovakia have not resigned themselves to these aggressive plans of Moscow. The day of August 21, is being commemorated in Czechoslovakia as a Day of Soviet Shame in a mighty and disciplined resistance against Soviet pressure. We are joining our friends in Czechoslovakia in asking the entire civilized world to support the people of Czechoslovakia in their effort to achieve "the withdrawal of Soviet troops from Czechoslovakia."●

THE FORFEITED CONVEYANCE DISPOSAL IMPROVEMENTS ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. BROOKS) is recognized for 5 minutes.

● Mr. BROOKS. Mr. Speaker, the number of conveyances seized by Federal agencies because of their use in illegal activities has nearly tripled in recent years, from 3,526 in 1979 to 9,035 in 1981. This increase is the result of stepped up efforts to halt drug trafficking, illegal immigration, and the transporting of other forms of contraband. The cost of processing these seized conveyances has increased as their numbers have increased, and too often, because of limited resources, vitally needed law enforcement officers must be assigned to the purely administrative tasks associated with inventorying, storing and selling cars, boats, and airplanes forfeited to the Government.

A General Accounting Office report prepared for the Government Operations Committee, which I am releasing today, documents monetary losses due to serious problems with current Federal procedures for storing, forfeiting, and selling seized conveyances. GAO has determined that as of April 1982, Federal law enforcement agencies were holding over 4,518 seized conveyances—3,665 cars, 692 boats, and 161 airplanes—worth $82 million when seized. GAO's evaluation reveals, however, that due to lengthy forfeiture proceedings, inadequate security and a lack of maintenance, seized conveyances—plagued by deterioration, vandalism, and theft—frequently sell for only a fraction of their value at the time they were taken.

Mr. Speaker, today I am introducing the Forfeited Conveyance Disposal Improvements Act. This bill is designed to help avoid economic loss caused by the deterioration and theft of conveyances taken by the Government during law enforcement operations and to provide needed resources to Federal law enforcement agencies to pay for services involving these conveyances, such as their storage, maintenance, and sale.

Mr. Speaker, my bill will allow increased use of administrative forfeiture by raising the limitation on these proceedings to $100,000. Administrative proceedings now take an average of 8 months; judicial forfeitures, on the other hand, take an average of a year and a half. Greater use of the shorter, more efficient process will result in less economic loss due to depreciation and theft of this property. Increased use of administrative forfeitures will also help relieve our already overburdened Federal court system.

To assure that the rights of owners are protected, my bill includes provisions to require notice and full disclosure of the owner's rights, the nature of the procedures and alternative actions available at the owner's request. My bill also requires waiver of bond posting requirements if anyone who claims an interest is financially unable to pay the minimal $500 bond.

Further, my bill assures that adequate resources will be available to pay for storage, protection, maintenance and sale of seized conveyances by requiring that proceeds from their sale be deposited in two funds, established for use by the agencies responsible for the vast majority of seizures. One fund would be established for the Customs Service and one for agencies in the Department of Justice (the Immigration and Naturalization Service, the Drug Enforcement Administration, the Federal Bureau of Investigation, and the U.S. Marshals Service). Each fund would be available, subject to congressional appropriations, at a level not to exceed $10 million in any fiscal year.

Mr. Speaker, problems created because of the increased numbers of seized conveyances have been under study in the Congress for some time. We sought to deal with these and other issues last year in the Omnibus Crime legislation. That bill was approved by the 97th Congress, but vetoed by the President for reasons unrelated to this issue. Congressman Hughes, Chairman of the Judiciary Committee's Subcommittee on Crime has ongoing hearings dealing with these and other critical matters.

I am hopeful that the GAO study and my bill will be useful to the Crime Subcommittee as they seek to determine the best possible solution to these problems.●

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. LELAND) is recognized for 5 minutes.

● Mr. LELAND. Mr. Speaker, I ask that the record reflect how I would have voted on the following rollcall votes;

Rollcall 233, H.R. 1, Housing and Urban-Rural Recovery Act, July 13, the Bartlett amendment to allow the interest rates on Federal Home Administration insured mortgage loans to be negotiated between the lender and the buyer. I would have voted "no."

Rollcall 234, H.R. 1, Housing and Urban-Rural Recovery Act, July 13, the Wylie motion to recommit the bill to Banking, Finance, and Urban Affairs Committee with instructions to bar communities that place rent control on projects built after enactment from receiving Federal funds from a new $900 million multifamily rental housing production program. I would have voted "no."

Rollcall 235, H.R. 1, Housing and Urban-Rural Recovery Act, July 13, Passage of the bill to authorize $15.64 billion in fiscal 1984 for Federal housing programs and to establish a new $900 million multifamily rental housing production program. I would have voted "yes."

Rollcall 236, H.R. 2769, Caribbean Basin Initiative. Adoption of the rule (H. Res. 246) providing for House floor consideration of the bill to provide trade and tax preferences to the nations of the Caribbean region. I would have voted "no."

Rollcall 237, H.R. 2769, Caribbean Basin Initiative. Passage of the bill. I would have voted "no."

Rollcall 238, H.R. 2350, Health Research Extension Act. Adoption of the rule (H. Res. 208) providing for House floor consideration of the bill to authorize programs at the National Cancer Institute, National Heart, Lung and Blood Institute and other agencies through fiscal year 1986. I would have voted "yes."

Rollcall 239. H.R. 1398, daylight saving time. Coats amendment to allow States to exempt themselves from the additional 2 months of day-

light saving time. I would have voted "no."

Rollcall 240. H.R. 1398, daylight saving time. Passage of the bill to extend daylight-saving time by beginning it on the first Sunday in March rather than the last Sunday in April. I would have voted "no."

Mr. Speaker, I was out of town on official business, and was unable to vote. I thank the Chair for this opportunity to set the record straight.●

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Colorado (Mrs. SCHROEDER) is recognized for 5 minutes.

● Mrs. SCHROEDER. Mr. Speaker, I was absent on Friday, July 29. Had I been present I would have voted as follows:

Rollcall No. 289, "nay."
Rollcall No. 290, "nay."
Rollcall No. 291, "yea."
Rollcall No. 292, "yea."
Rollcall No. 293, "nay."
Rollcall No. 294, "nay."
Rollcall No. 295, "nay."
Rollcall No. 296, "yea."

EXPLANATION OF VOTES MISSED ON JULY 29 DUE TO DISTRICT BUSINESS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Alabama (Mr. ERDREICH) is recognized for 5 minutes.

● Mr. ERDREICH. Mr. Speaker, on Friday, July 29, business in district caused me to miss three votes. Rollcall No. 294, the Conte amendment to recede from disagreement with the Senate amendment No. 65 and concur therein, was defeated by the House by a vote of 165 to 213. The RECORD reflects my pair against the amendment and I would have voted against the amendment had I been able to remain in Washington. On rollcall No. 295, a motion by Chairman WHITTEN to recede from its disagreement to the amendment of the Senate numbered 158, and concur therein, I would have voted "nay" as well. Finally, I would have voted "yea" on rollcall No. 296, approving House Concurrent Resolution 153.

Thank you, Mr. Speaker, and I regret that district commitments called me away from the business of the House.●

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman fron Florida (Mr. NELSON) is recognized for 5 minutes.

● Mr. NELSON of Florida. Mr. Speaker, due to official business on Friday, July 29, 1983, I missed three votes. If I had been present to vote, I would have voted "no" on rollcall vote 294; "no" on permitting Senators to increase their salaries and receiving honoraria income, rollcall vote 295, and "yes" on rollcall vote 296, House Concurrent Resolution 153, providing for August adjournment of the House and Senate.●

FROM HELSINKI TO MADRID

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. FASCELL) is recognized for 5 minutes.

● Mr. FASCELL. Mr. Speaker, 8 years ago today, the heads of state of 32 European nations, the Soviet Union, the United States, and Canada met in Helsinki, Finland, and affixed their signatures to the Final Act of the Conference on Security and Cooperation in Europe (CSCE). The Helsinki accord was the capstone of détente, a 40,000-word document covering nearly every aspect of East-West relations from military security to trade to cooperation in the humanitarian field. Most importantly, perhaps, the Helsinki Final Act elevated the issue of human rights to one of legitimate international concern. A government's treatment of its own citizens was acknowledged to have a bearing on that government's relations with other countries.

In early September, the foreign ministers of the same 35 nations, including Secretary of State Shultz, plan to convene in Madrid, Spain, to give their approval to a 36-page document which builds upon the foundations laid in Helsinki. The concluding document of the Madrid meeting, the result of nearly 3 years of deliberations, calls for new initiatives in the military security area, expanded economic cooperation, and renewed efforts to guarantee respect for human rights. Madrid also goes beyond the original Helsinki Pact by calling for cooperative ventures in some new areas such as the combat of international terrorism. At Madrid, as at Helsinki, the unanimous consent of all 35 states was required to adopt each and every word in the document.

The Madrid accord inches forward—ever so slowly and in small increments—the human rights commitments undertaken in Helsinki. After protracted negotiations, agreement was reached on new language in the area of religious freedom, minority rights, emigration, trade union rights, the dissemination of information, and improved working conditions for journalists. If these provisions are fully implemented, a significant improvement in the lives of countless men and women will occur. Yet, without faithful adherence to these new provisions, they will remain only hollow words, devoid of any relevance in a world of harsh reality. Unfortunately, the reality of life in the Soviet Union and other East European countries shows that there is a long way to go. Yet, the new commitments undertaken at Madrid give hope that some actual improvements may follow if for no other reason than the desire of Moscow to keep European détente alive.

The test of the Madrid meeting, in a very real sense, will be how these new agreements are honored in practice. Many of the provisions negotiated with great opposition from the Soviet Union, were designed to address the most difficult problems.

Surpassing the commitment in the Helsinki Final Act to respect the freedom of persons to "profess and practice" their religion, the Madrid document pledges the 35 nations to take the action necessary "to effectively ensure this right." Yet, repression of religious believers in the Soviet Union has increased in the last few years. Over 250 religious activists have been arrested since the Madrid meeting began in 1980. While the 20-year-old saga of the Vashchenko and Chmykhalov families has ended happily with their resettlement in the West, at least 30,000 of their coreligionists—members of unofficial Pentecostal and Baptist communities—continue their struggle to emigrate from the Soviet Union.

The Helsinki Final Act committed its signatories to "facilitate" freer movement of people and to deal with emigration requests in "a positive and humanitarian spirit." Western negotiators at Madrid succeeded in expanding those commitments. Requests to emigrate for the purpose of family reunification will be decided "favorably" and within 6 months according to the draft Madrid concluding document. Information on the procedures and regulations governing emigration will be readily available, and the fees charged in connection with emigration will be at a "moderate level in relation to the average monthly income." Applicants whose requests were not granted shall "be informed of their right to renew applications." Yet, during the Madrid meeting, the rates of Jewish, German, and Armenian emigration from the U.S.S.R. have plummetted to their lowest levels in this decade. Thousands of families are divided including at least a dozen Americans married to Soviet citizens. And many Jewish "refuseniks"—those who have been refused exit visas—have been given permanent refusals and told that they are forbidden to submit new applications.

Breaking new ground not covered at Helsinki, the Madrid accord recognizes the "right of workers freely to establish and join trade unions" and "the right of trade unions freely to exercise their activities and other rights." The participating states pledged to insure these rights as well. Yet, in Poland, the free trade union Solidarity remains outlawed with many of the union's top leadership and advisers imprisoned. In the Soviet Union, workers' rights advocates Aleksei Nikitin, Vladimir Gershuni, and Aleksandr Skobov are forcibly incarcerated in psychiatric hospitals for their efforts to establish independent trade unions. At least another 20 labor activists are in prison or in psychiatric institutions.

The recognition in the Helsinki Final Act of the right of everyone "to know and act upon his rights" spawned the formation of Helsinki monitoring groups throughout the Soviet Union. In the Madrid document, the legitimacy of such groups is acknowledged, albeit indirectly. The 35 nations "reaffirm that * * * organizations and persons have a relevant and positive role to play" in implementing the Helsinki and Madrid accords and they expressed their determination "to encourage genuine efforts to implement the final act." More importantly, the Madrid delegates committed their governments to "take the necessary action in their respective countries to effectively ensure" the right of the individual to know and act upon his rights. Yet, 52 members of the Helsinki monitoring groups in Moscow, Ukraine, Lithuania, Georgia, and Armenia, as well as members of the specialized affiliate groups on psychiatric abuse, invalids' rights, and the rights of religious believers are in Soviet prisons, labor camps or internal exile.

The father of the Helsinki monitors and founder of the Moscow group, Yuri Orlov, has already spent over 6 years in labor camp, half of his 12-year sentence. He suffers from tuberculosis and has been told repeatedly by his captors that he will never leave the camp alive. On July 10, in connection with the upcoming conclusion of the Madrid meeting, he began a hunger strike to protest the imprisonment of his fellow monitors and demand an amnesty for them.

Western delegations at Madrid frequently protested the treatment of Professor Orlov and his colleagues. Indeed, the Madrid meeting proved to be a valuable forum for the West to direct the glare of public opinion on Soviet misdeeds and to bring pressure to redress them. The invasion and occupation of Afghanistan, Soviet complicity in the military crackdown in Poland, and increased repression in the U.S.S.R. and Eastern Europe were forcefully and roundly condemned by Western delegations including the traditionally neutral countries. The whole catalog of Soviet human rights violations was thoroughly documented and deplored. In fact, CSCE is the only international body in which the U.S.S.R. has been subjected to such frank and frequent criticism of its human rights record. The next follow-up session, to be held in Vienna in 1986, will provide an additional opportunity to review the record and to see how well the words agreed on at Madrid were implemented.

Although it often seems futile, in light of blatant disregard for prior commitments, to agree to new undertakings, in the long and arduous struggle to promote universal respect for human rights, there is no alternative. The words of Madrid—coupled with the pledges of Helsinki—set standards by which to judge the behavior of the 35 countries. Words are the yardstick by which deeds are measured. The 35 nations could breathe new life into the Helsinki and Madrid provisions by practicing fidelity to those words instead of merely professing it. In the Madrid document, the participants "reaffirmed their commitment to the process of the CSCE and emphasized the importance of the implementation of all the provisions," including those on human rights. Let us commemorate the anniversary of the Helsinki Final Act today by reaffirming our commitment to hold the 35 signatory nations to their words.●

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. ACKERMAN) is recognized for 5 minutes.

● Mr. ACKERMAN. Mr. Speaker, due to official business in my district I was unable to be present during the consideration of House Concurrent Resolution 153 on Friday, July 29. Had I been here I would have voted "aye" on rollcall No. 296.●

A TRIBUTE TO REV. THEODORE GIBSON

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. PEPPER) is recognized for 5 minutes.

● Mr. PEPPER. Mr. Speaker, there comes along, every now and then one man or one woman who makes a difference in the life around them. Such individuals are blessed with a devine kind of eye that gives them the power to see beyond the reach of the vision of the many and the sensitivity to feel deeply the wrongs inflicted upon others. Such a person like the martyr who gives his life for his cause, seems to rise above his own self-interest, above pain and punishment and anguish, in his or her dedication to the service of interests much larger than his or her own. Such a man was the Rev. Theodore R. Gibson. Almost alone, Father Gibson lifted up black people to walk and work and eat and drink on a level with white people.

Almost alone Father Gibson defeated the McCarthy-like inquisition of the Florida Legislature aimed at breaking the strength of those who fought, like Father Gibson, for a better life for countless numbers of people. In doing so, Father Gibson had to bear the scorn and the denunciation of those who did not understand the meaning of liberty and freedom and human dignity and consitutional rights of others. He even subjected himself to the payment of a heavy fine and to incarceration in prison to halt this assault. He was saved from that fine and from imprisonment only by the decision of the U.S. Supreme Court. He had the courage to fight on in those dark days sustained only by his faith in God and his confidence that our judicial system would protect him as he fought to protect the constitutional rights of his fellow citizens.

When a black family chose, as allowed by law, to live in a white neighborhood and the family, daring to do this, was picketed and denounced, it was Father Gibson who invoked the law against such deprivation of the rights of citizens and had the disturbers arrested. This was another Father Gibson first. Slum clearance leading to the installation of sewage disposal, running water, and the removal of old houses for all citizens were other accomplishments in Coconut Grove brought about by Father Gibson. It was Father Gibson who led the fight for the integration of buses in Miami. It was Father Gibson who brought the black children into the white schools, who opened the city golf course, the beaches, parks, and hospitals in Dade County. It was Father Gibson whose wise and tactful initiative induced Walgreens, Woolworth, Kress, McCrory, W. T. Grant, Richards, and Sears to open their lunch counters to all races without incident.

Father Gibson stood strong, determined and brave, for those causes he believed to be right. He had the genius of moving oratory, the rare gift of a beautiful spirit; his vision reached into the tomorrows and into the highest echelons of life. He was a man with a purpose, with a cause, and with a tender conscience. This man who came up through the ministry and became, not only an heroic spiritual but political leader as well, has left an indelible mark of things being better for so

many of his fellow citizens where he lived and walked. In the memories of all who were privileged to know him will ever live the stalwart image of this good and great man. Truly does he merit the accolade which Anthony paid to the fallen Brutus upon the battlefield at Philippi when he said, "His life was gentle and the elements so mixed in him that nature might stand up and say to all the world, this was a man."●

GEORGE BRAND—OUTSTANDING JOURNALIST AND CITIZEN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. PANETTA) is recognized for 5 minutes.

● Mr. PANETTA. Mr. Speaker, I would like to bring to the attention of my colleagues the retirement of one of the finest citizens of my State of California, and one of the finest men I have ever known—George L. Brand, the editor of the Telegram-Tribune in San Luis Obispo.

After serving as editor for 20 years, George is planning on a life of teaching and continued activity within the community. He leaves behind a newspaper of high professionalism, integrity, and journalistic excellence, attributes for which he holds a great deal of responsibility.

George was born in Santa Rosa, Calif., and served in the Marines during both World War II and the Korean war. He earned a political science degree from Occidental College while working as a reporter in Los Angeles. He joined Scripps newspapers in 1952, served as managing editor of the Redding Record-Searchlight for nearly a decade, and, in 1963, became editor of the Telegram-Tribune.

I became well acquainted with George when, in 1969, he took a 6-month leave of absence to serve as Director of Information for the Department of Health, Education, and Welfare. I also served at HEW during this period, and it was truly an honor and a pleasure not only to work with George but also to have him as a friend. That friendship persists to this day.

During his tenure as editor, George has been a leader in efforts to protect the environment of the beautiful area in which his newspaper is published. He has editorialized unceasingly on behalf of a ban on offshore oil and gas drilling in sensitive areas, he was successful in creating a sanctuary for egrets, herons, and other waterfowl in Morro Bay, he supported the expansion of the wilderness area of our Nation, and he continues to warn against the opening of the Diablo Canyon Nuclear Power Plant unless safety and waste dumping problems are dealt with.

In addition to his editorial responsibilities, George has been an active participant in efforts to protect the first amendment rights of the press, particularly regarding the need for the press to be able to obtain information to relay to the public. In addition, he has been active in various local and statewide newspaper organizations.

Mr. Speaker, I am proud to know George Brand, and I have been proud to have him as my friend. The people of the San Luis Obispo area are losing the journalistic services of a man who has informed them as well as anyone could have, who has challenged their ideas and helped to shape their views as well as anyone could have, and who has dedicated himself to their welfare. He is still a young man, and he still has a great deal to offer. I know my colleagues join me in wishing George Brand the best of luck in the future.●

PLIGHT OF THE DOMESTIC STEEL INDUSTRY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from West Virginia (Mr. MOLLOHAN) is recognized for 60 minutes.

Mr. MOLLOHAN. Mr. Speaker, I yield at this time to the gentleman from Pennsylvania (Mr. YATRON).

Mr. YATRON. I thank the gentleman for yielding.

Mr. Speaker, I want to commend my distinguished colleague, the gentleman from Pennsylvania (Mr. GAYDOS) for all of efforts and leadership in focusing the Nation's attention on this very compelling issue.

Mr. Speaker, I rise today to join with my colleagues to discuss an issue of such importance that it commands continued national attention. A vibrant domestic steel industry is essential to our industrial base and national security. A healthy steel industry is and will continue to be vital to a strong and prosperous America. Yet, despite this industry's crucial role, it continues to be subject to policies that threaten its very existence.

While economic recovery has finally begun to take hold in many sectors of our economy, recovery continues to elude the U.S. steel industry.

We have been working through the Steel Caucus and congressional committees to promote a legislative environment that will enable the steel industry to prosper and that will insure that competition with other producers is on a fair and equitable basis.

We must take these steps to maintain our capacity for steel production that is critical to the security of our Nation.

The continuing illegal and unfair trade practices of other nations still threaten the accomplishments of these efforts. The steel industry and its workers have taken important steps to improve the competitiveness of their industry.

I believe that all those who have made the courageous and difficult decisions necessary to enhance the productivity of the steel industry should be highly commended.

Still, the problem of imports, however, remains as insidious and compelling as ever.

How often have we come together to discuss this problem and how often has the response been incomplete and unsatisfactory. The time for discussion has long since passed, it is action and action now which is needed to insure that our steel industry can recover.

While the specialty steel industry recently received some import relief, the administration's decision was short of what is required to stem the flow of unfair inports.

Actions on imports threatening the carbon steel industry have also been inadequate to date.

We need to more vigorously explore reciprocity proposals as well as pursue effective quotas and address the concerns established by important trade cases.

The plans by United States Steel and Pittsburgh-Wheeling to import steel slabs and have them finished in this country is an alarming precedent. This type of negative solution points to the immediacy of our import problems and the need for more capital investment to make our plants competitive.

We must, therefore, explore ways to insure that the cost of capital for the steel industry is equal to that of those industries which can presently take advantage of the investment tax credit.

Clearly, increased capital investment and productivity is essential to the survival of this industry. Government policies should encourage recovery, not hamper it.

Many of us here today, have seen firsthand the damage which has occurred in the steel industry. In my district, my continued work with a major steel producer, Carpenter Technology Corp., has enabled me to become all too familiar with the hardships facing the industry and its workers.

I am hopeful that this special order will help to focus increased attention from this body, the administration, and the Nation, on the critical problems facing this industry.

Mr. MOLLOHAN. I thank the gentleman from Pennsylvania for his excellent statement.

Mr. Speaker, I want first of all to thank my good friends and colleagues from Pennsylvania, Mr. GAYDOS, Mr. MURTHA, and Mr. MURPHY, for arrang-

ing this opportunity to discuss the plight of the domestic steel industry, particularly in the context of today's international trade difficulties.

International trade has always involved high stakes and everyone who participates wants to come out a winner. Unfortunately, however, in the last few years the players have changed dramatically: instead of involving predominately private business enterprises, we increasingly see governments and government-subsidized companies participating in the international marketplace. But we in this country seem to have forgottern that rules change over time, and that our foreign trade policies must themselves change to accommodate new realities. We are now the only country in the world that affords open access to the high stakes international trade table and we even pay the ante for those who cannot afford it.

It is difficult for me to return to my home State of West Virginia, which has the highest unemployment of any State in the Nation, and which is heavily dependent upon the production of steel for its economic well-being and explain why we are providing loans to countries that subsidize industries that compete with our own.

My constituents ask me what have we done to protect American jobs from countries like Japan, Brazil, and South Korea that sell their products on the U.S. market at below-cost prices? Why, they want to know, are steel imports devouring over 20 percent of the U.S. steel market while our steel plants operate at 54 percent capacity and over 100,000 steelworkers are unemployed?

Frankly, I don't have much good news to tell them. In spite of the efforts of the Congressional Steel Caucus and individual Members of Congress, there is no concerted effort on the part of the administration to address the critical and growing problem of the decline of our basic industries.

Evidence of the continuing nature of the problem abounds. In spite of the much-heralded "recovery," just last week Wheeling-Pittsburgh Steel announced that it is negotiating an arrangement with Brazil to purchase semifinished slab. Brazil, under the terms of the proposal, will inject $40 million into Wheeling-Pittsburgh.

Brazil is a country that has been in the news a lot lately, and not for producing outstanding steel; for Brazil is one of those nations that is carrying an extensive debt. In fact, Brazil currently is steeped in a $90 billion debt. Most of that debt is owed to commercial banks—often American ones—and to the IMF—which has just requested that the United States increase its quota by 50 percent to over $8 billion. Brazil also subsidizes its steel industry. Thus American money is going to Brazil to pay for that country's steel production facilities, which compete with our own troubled industry. In other words, we are paying another country to drive us out of the steel industry.

Wheeling-Pittsburgh Steel is, unfortunately, not unique among steel companies for negotiating the purchase of semifinished slab from abroad. The steel industry in this country, as we all know, is in serious trouble and it is not surprising that it is turning to the best options it has available under current law. However offensive this may be to you and me, it is time for us to recognize that as elected Federal officials, we are in part responsible for the framework that drives companies like Wheeling-Pittsburgh to this alternative. Last year the industry lost $3.2 billion at a time when it desperately needs to modernize if it is to continue to compete in the international market.

I am a Congressman and not the president of a U.S. steel company, so I cannot presume to know whether purchasing slab from another country that subsidizes its steel industry is the best decision for the company. As a legislator, however, I do know that something is seriously wrong with our trade laws or the enforcement of those laws when one American steel company after another decides that it must purchase steel from abroad, thus jeopardizing more American jobs. I also know that we have a crisis on our hands if we continue to permit this to occur.

Perhaps part of the reason there is only a muted objection to these events is that steel and other basic industries are not as popular as they once were. There is a new kid in town and he is called high technology—our latest economic messiah. While this industry may promise solid earnings, they are not long-term earnings. Already, one computer company announced it was moving part of its production facilities overseas where costs are lower.

Do we have such a poor memory that we forget the essential role steel has played in American history? For over a century, steel plants have been supplying us with materials to construct railroads, bridges, ships, buildings, and later, cars and airplanes. When this country was dragged into war, steel played an integral part in preparing us for the task. Do we expect now in the 1980's that we have no further need of railroads, cars, planes, buildings, and roads? As we watch our infrastructure crumble, do we expect to rebuild without a domestic steel supply?

During the oil crisis in the 1970's, we quickly realized how much we depended upon foreign oil and how vulnerable we were to countries that sold us the oil. I we fail to take corrective action, soon we may relive that type of experience.

My concern is not bluff; there are currently 300 companies in 299 communities producing some type of steel product in this country today. Since 1974, however, over 200 facilities have been permanently shut down. Steel capacity, as I mentioned earlier, is just over 50 percent. Some aspects of the steel industry desperately need more modern equipment and techniques in order to remain competitive, yet since 1980 steel companies have been able to afford only half of the capital investments they anticipated.

Clearly we have a problem. Either we get up from the trade table and quit or we must modify our strategy so we succeed. The former choice is not a realistic alternative; we cannot sacrifice our basic industries when so much of our defense capabilities and fundamental domestic needs depend upon U.S. steel.

To protect our own interests, we must continue to manufacture steel—and every phase of the steel production process. We must stay in the game and we must win.

The challenge is a serious one, the stakes are high, but a country such as ours does not accept defeat.

What, then, should we do? As a first step, we should impose quotas on imported steel, thus giving our steel companies an opportunity to modernize. Today, I join other Members of the Steel Caucus in introducing legislation that imposes an 11 percent import limitation on total expected apparent domestic steel consumption per year for a period of 5 years. This legislation does not permit the steel companies to use this import protection as a means of earning more capital to invest in other industries. This quota will be imposed subject to the finding by the Secretary of Commerce that the quota's beneficiaries are in fact modernizing their plants.

Those of us who are concerned over the health of our basic industries should not be intimidated by the free trade rhetoric that is currently epidemic. Unfair foreign trade practices do exist—even the Reagan administration has agreed to impose quotas on specialty steel products in response to unfair foreign trade practices exercised on that industry. As we move from a domestic to an international economy, we must address the problem of foreign governments' subsidies of their industries. It is essential we not lose sight of the fact that subsidized trade is not free trade.

Due to the size of the American market and U.S. trade laws that encourage targeting by other nations, it

is not surprising that other countries are willing to subsidize their industries and sell their products here at a loss to capture a share of our market.

Quota legislation is an appropriate response to this problem because it leaves a share of the market open to foreign competition without further threatening American jobs. Without measures such as this legislation, domestic companies will continue to have to prove subsidy and injury in order to receive any remedial assistance from our Government, such as the imposition of quotas or countervailing duties. Unfortunately, as too many American companies have discovered, most of the facts necessary to prove subsidy and injury are in the hands of the foreign competitors. Thus quota legislation such as the bill introduced today is a necessary and positive step toward the revitalization of our basic industries.

Second, Congressman JONES has introduced legislation, which I have supported, to permit ailing industries, such as steel, to take advantage of their accumulated investment tax credits. With the massive losses of the steel industry over the last few years, the investment tax credits have been useless. Representative JONES' plan is to permit companies with unused tax credits to use the credits as a loan now, rather than waiting until they are again profitable to benefit from the credits.

Third, I propose we develop a rational and consistent national industrial policy.

As part of this policy, the Federal Government should provide research and development funds for basic industry to the same extent that we are currently providing research moneys for our new high tech industries. If we are going to succeed, we must be the best manufacturer of the product with the most modern technology available. It is too late for our steel companies to merely play "catchup"—we must leapfrog over our competitors to a better way of producing fine steel products.

We were once known as the best source of steel in the world, and we can be again if the Federal Government acknowledges its role to provide research assistance to an essential industry that will never fully recuperate without it.

In addition, there are broader issues we must address. The current exchange rates for some currencies, including our own dollar and the Japanese yen, place our products at a disadvantage. Overvaluation of the dollar makes our products comparatively expensive, while, for example, undervaluation of the yen makes Japanese products relatively less expensive and therefore more attractive.

Interest rates also remain unacceptably high, and are continuing to climb. We desperately need to synchronize our monetary and fiscal policies to permit a recovery at all ends of the economic scale.

We are today faced with a crisis in our basic industries. While we have focused on the steel industry today, it is but one of a host of industries that are similarly situated. We must act now or fold our hands and retreat into greater dependence upon the other nations. We must recognize there are new international trade rules and we must learn to play by those rules while continuing to compete fairly and in a manner consistent with our great heritage. We can succeed but we must act now.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. WORTLEY) to revise and extend their remarks and include extraneous material:)

Mr. DANNEMEYER, for 30 minutes, today.

Mr. DANNEMEYER, for 30 minutes, on August 2.

(The following Members (at the request of Mr. DYSON) to revise and extend their remarks and include extraneous material:)

Mr. ANNUNZIO, for 5 minutes, today.
Mr. GONZALEZ, for 30 minutes, today.
Mr. NICHOLS,
Mr. BROOKS, for 5 minutes, today.
Mr. WISE, for 60 minutes, today.
Mr. LELAND, for 5 minutes, today.
Mrs. SCHROEDER, for 5 minutes, today.
Ms. FERRARO, for 5 minutes, today.
Mr. ERDREICH, for 5 minutes, today.
Mr. NELSON, for 5 minutes, today.
Mr. FASCELL, for 5 minutes, today.
Mr. ACKERMAN, for 5 minutes, today.
Mr. PEPPER, for 5 minutes, today.
Mr. ALEXANDER, for 30 minutes, on August 2, 3 and 4.
Mr. PANETTA, for 5 minutes, today.
Mr. FRANK, for 60 minutes, on August 3.
Mr. PEASE, for 30 minutes, on September 13.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. MOLLOHAN, for 60 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. DAUB, prior to passage of H.R. 3677.

Mr. MORRISON of Connecticut and Mr. GILMAN, to revise and extend prior to the vote on H.R. 1646.

Mr. HUBBARD, during general debate on H.R. 1646 in the Committee of the Whole today.

Mr. PORTER, in opposition to House Resolution 256 during debate on that resolution today.

Mr. LEVIN of Michigan, during consideration of H.R. 3409.

Mr. DYSON, during consideration of H.R. 1643 today.

Mr. KOSTMAYER, during the special order of Mr. GAYDOS today.

(The following Members (at the request of Mr. WORTLEY) and to include extraneous matter:)

Mr. FIELDS.
Mr. MICHEL.
Mr. FRANKLIN.
Mr. MCGRATH.
Mr. CORCORAN.
Mr. HYDE.
Mr. GEKAS in two instances.
Mr. SMITH of New Jersey in two instances.
Mr. GREEN.
Mr. GRADISON.
Mr. ROTH.

(The following Members (at the request of Mr. DYSON) and to include extraneous matter:)

Mr. ANDERSON in 10 instances.
Mr. GONZALEZ in 10 instances.
Mr. BROWN of California in 10 instances.
Mr. ANNUNZIO in six instances.
Mr. JONES of Tennessee in 10 instances.
Mr. BONER of Tennessee in five instances.
Mr. LLOYD in five instances.
Mr. HAMILTON in 10 instances.
Mr. LIPINSKI.
Mr. BATES.
Mr. MARKEY in four instances.
Mr. RICHARDSON.
Mr. BOLAND in two instances.
Mr. ZABLOCKI.
Mr. VANDERGRIFF.
Mr. COYNE.
Mr. HUTTO.
Mr. DE LA GARZA.
Mr. TORRICELLI.
Mr. FORD of Michigan in two instances.
Mr. RANGEL.
Mr. ROWLAND.
Mr. GIBBONS.
Mr. DOWNEY of New York.
Mr. LEHMAN of California.
Mr. ERDREICH.
Mr. AKAKA.

ENROLLED BILL SIGNED

Mr. HAWKINS, from the Committee on House Administration, reported that that committee had examined

and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker pro tempore:

H.R. 3069. An act making supplemental appropriations for the fiscal year ending September 30, 1983, and for other purposes.

ENROLLED JOINT RESOLUTION SIGNED

Mr. HAWKINS, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a joint resolution of the House of the following title, which was thereupon signed by the Speaker:

H.J. Res. 321. Joint resolution to proclaim a day of national celebration of the two hundredth anniversary of the signing of the Treaty of Paris.

BILL AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. HAWKINS, from the Committee on House Administration, reported that that committee did on July 29, 1983, present to the President, for his approval, a bill and a joint resolution of the House of the following titles:

H.R. 3069. An act making supplemental appropriations for the fiscal year ending September 30, 1983, and for other purposes.

H.J. Res. 139. An act to designate the week beginning June 24, 1984, as "Federal Credit Union Week."

□ 2140

ADJOURNMENT

Mr. MOLLOHAN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 9 o'clock and 42 minutes p.m.), the House adjourned until tomorrow, Tuesday, August 2, 1983, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1642. A letter from the Director, Defense Security Assistance Agency, transmitting a report on the impact on U.S. readiness of the Army's proposed sale of certain defense articles to Saudi Arabia (Transmittal No. 83-48), pursuant to 10 U.S.C. 133b; to the Committee on Armed Services.

1643. A letter from the Chairman, Council of the District of Columbia, District of Columbia Act 5-60, "Cable Television Communications Act of 1981 Clarification Amendment Act of 1983," pursuant to section 602(c) of Public Law 93-198; to the Committee on the District of Columbia.

1644. A letter from the Secretary of Education, transmitting proposed final regulations for the Indian fellowship program, pursuant to section 431(d) of the General Education Provisions Act, as amended; to the Committee on Education and Labor.

1645. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the Army's intention to offer to sell certain defense articles and services to Saudi Arabia (Transmittal No. 83-48), pursuant to section 36(b) of the Arms Export Control Act; to the Committee on Foreign Affairs.

1646. A letter from the Executive Secretary, Federal Reserve Employee Benefits System, transmitting the annual report for the plan for the year ending December 31, 1982, pursuant to 31 U.S.C. 9503(a)(B); to the Committee on Government Operations.

1647. A letter from the Clerk of the U.S. House of Representatives, transmitting his report pursuant to House Resolution 289 (H. Doc. No. 98-90); to the Committee on House Administration and ordered to be printed.

1648. A letter from the Clerk, U.S. Court of Claims, transmitting copies of the hearing officers' opinions and the opinion and report of the review panel concerning congressional reference cases nos. 5-74 and 2-75, pursuant to 28 U.S.C. 2509; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

[Omitted from the Record of July 29, 1983]

Mr. DINGELL: Committee on Energy and Commerce. H.R. 2453. A bill to amend the Board for International Broadcasting Act of 1973 to provide for radio broadcasting to Cuba; with amendments (Rept. No. 98-284, Pt. II). Referred to the Committee of the Whole House on the State of the Union.

[Submitted August 1, 1983]

Mr. HOWARD: Committee on Public Works and Transportation. H.R. 1761. A bill to amend title I of the Marine Protection, Research, and Sanctuaries Act of (Rept. No. 98-200 Pt. II). Referred to the Committee of the Whole House on the State of the Union.

Mr. JONES of North Carolina: Committee on Merchant Marine and Fisheries. S. 46. A bill to revise, consolidate, and enact certain laws related to vessels and seamen as subtitle II of title 46, United States Code, "Shipping"; with an amendment (Rept. No. 98-338). Referred to the Committee of the Whole House on the State of the Union.

Mr. JONES of North Carolina: Committee on Merchant Marine and Fisheries. H.R. 2853. A bill to establish a National Oceans Policy Commission to make recommendations to Congress and the President on comprehensive national oceans policy; with an amendment (Rept, No. 89-339, Pt. I). Ordered to be printed.

REPORTED BILLS SEQUENTIALLY REFERRED

Under clause 5 of rule X, bills and reports were delivered to the Clerk for printing, and bills referred as follows:

Mr. UDALL: Committee on Interior and Insular Affairs. S. 64. A bill to establish the Irish Wilderness in Mark Twain National Forest, Mo., with an amendment; referred to the Committee on Agriculture for a period ending not later than 2 p.m., Monday, August 1, 1983 for consideration of such provisions of the bill and amendment as fall within the jurisdiction of that committee pursuant to clause 1(a), rule X (Rept. No 98-337, pt. I). Ordered to be printed.

SUBSEQUENT ACTION ON A REPORTED BILL SEQUENTIALLY REFERRED

Under clause 5 of rule X, the following action was taken by the Speaker:

Referral of S. 64 to the Committee on Agriculture discharged, referred to the Committee of the Whole House on the State of the Union, and ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BEREUTER:

H.R. 3724. A bill to amend the Internal Revenue Code of 1954 to extend for 1 year the provisions under which tax-exempt bonds may be issued for housing purposes; to the Committee on Ways and Means.

By Mr. BROOKS:

H.R. 3725. A bill to amend title 28, United States Code, the Controlled Substances Act, the Tariff Act of 1930, and the Immigration and Nationality Act to establish special funds for vessels, vehicles, and aircraft seized by certain Federal law enforcement agencies, and for other purposes; jointly, to the Committees on the Judiciary, Ways and Means, and Energy and Commerce.

By Mr. BROOKS (by request):

H.R. 3726. A bill to amend the act of May 27, 1955, to increase the effectiveness of domestic firefighting forces and to insure prompt and effective control of wildfires on Federal lands by permitting the use of firefighting forces of foreign nations and the reimbursement of such forces for costs incurred in fighting wildfires throughout the United States, and for other purposes; jointly, to the Committees on Government Operations and Foreign Affairs.

By Mr. DOWNEY of New York (for himself and Mr. GRADISON):

H.R. 3727. A bill to eliminate import quotas on sugar; to the Committee on Ways and Means.

By Mr. GAYDOS (for himself, Mr. MURTHA, Mr. REGULA, Mr. HILLIS, Mr. APPLEGATE, Mr. OBERSTAR, Mr. MOLLOHAN, Mrs. HALL of Indiana, Mr. BEVILL, Mr. COYNE, Mr. KOLTER, Mr. RAHALL, Ms. KAPTUR, Mr. MURPHY, Mr. WALGREN, Mr. YATRON, Mr. NOWAK, Mr. WILLIAMS of Ohio, and Mr. HARRISON):

H.R. 3728. A bill to provide for orderly trade in certain carbon and alloy steel and stainless steel products, to reduce unemployment, and for other purposes; to the Committee on Ways and Means.

By Mr. MAZZOLI (for himself, Mr. SAM B. HALL, JR., Mr. FRANK, Mr. CROCKETT, Mr. SMITH of Florida, Mr. LUNGREN, Mr. MCCOLLUM, and Mr. FISH):

H.R. 3729. A bill to amend the Immigration and Nationality Act to extend for 2 years the authorization of appropriations for refugee assistance, and for other purposes; to the Committee on the Judiciary.

By Mr. MONTGOMERY (by request):

H.R. 3730. A bill to transfer custodianship and operating responsibility for Pershing Hall in Paris, France, and provide for its administration as a memorial; to the Committee on Veterans' Affairs.

By Mr. VANDER JAGT:

H.R. 3731. A bill to extend temporary suspension of duties on certain clock radios until September 30, 1987; to the Committee on Ways and Means.

By Mr. WOLPE (for himself and Mr. VANDER JAGT):

H.R. 3732. A bill to amend the Tax Reform Act of 1969 with respect to the application of the excess business holding provisions to private foundations; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

PRIVATE RESOLUTIONS

Mr. HYDE introduced a private resolution (H. Res. 294) to refer H.R. 3685 to the Chief Commissioner of the U.S. Claims Court, which was referred to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 765: Mr. BARTLETT, Mr. GRAMM, and Mr. BATEMAN.

H.R. 891: Mr. JONES of North Carolina and Mr. RAHALL.

H.R. 965: Mr. MCCANDLESS.

H.R. 1092: Mr. SCHAEFER.

H.R. 1315: Mr. KASTENMEIER, Mr. KEMP, Mr. LANTOS, Mr. MCEWEN, Mr. O'BRIEN, Ms. OAKAR, Mr. SCHAEFER, Mr. SLATTERY, Mr. TALLON, and Mr. WOLPE.

H.R. 1415: Mr. AKAKA.

H.R. 1417: Mr. NEAL, Mr. WEISS, Mr. WEAVER, and Mr. WISE.

H.R. 1543: Mr. TOWNS and Mr. STOKES.

H.R. 2225: Mr. NATCHER and Mr. BARTLETT.

H.R. 2490: Mr. CARPER.

H.R. 2564: Mr. BARNARD, Mr. CHANDLER, Mr. CHAPPELL, Mr. COATS, Mr. DANIEL, Mr. DANNEMEYER, Mr. DREIER of California, Mr. FAZIO, Mr. FORSYTHE, Mr. GINGRICH, Mr. GREGG, Mr. SAM B. HALL, JR., Mr. HAMMERSCHMIDT, Mr. HILER, Mr. HORTON, Mr. JENKINS, Mr. JONES of North Carolina, Mr. KEMP, Mr. KOGOVSEK, Mr. LEATH of Texas, Mr. LIVINGSTON, Mr. LUJAN, Mr. LUNGREN, Mr. MCCANDLESS, Mr. MARTIN of New York, Mr. MINISH, Mr. NIELSON of Utah, Mr. NEAL, Mr. PANETTA, Mr. PARRIS, Mr. PASHAYAN, Mr. RUDD, Mr. ROBERTS, Mr. SHELBY, Mr. SHUMWAY, Mr. STANGELAND, Mr. STENHOLM, Mr. WHITLEY, Mr. WON PAT, and Mr. VANDERGRIFF.

H.R. 2567: Mr. COELHO and Mr. BEREUTER.

H.R. 2817: Mr. MURTHA.

H.R. 2837: Mr. TALLON, Mr. D'AMOURS, Mr. AKAKA, Mr. CORRADA, Mr. CRAIG, Mr. HEFTEL of Hawaii, and Mr. HAMMERSCHMIDT.

H.R. 3081: Mr. RUDD and Mr. CHENEY.

H.R. 3112: Mr. LEVIN of Michigan.

H.R. 3292: Mr. BRITT.

H.R. 3362: Mr. BEREUTER.

H.R. 3387: Mr. EDWARDS of California, Mr. LEHMAN of California, Mr. JEFFORDS, and Mr. TORRICELLI.

H.R. 3408: Mr. FORSYTHE.

H.R. 3563: Mr. WON PAT, Mr. GINGRICH, Mr. KEMP, and Mr. STANGELAND.

H.R. 3586: Mr. ECKART, Mr. SEIBERLING, Mr. APPLEGATE, Mr. REGULA, Mr. LUKEN, Mr. DEWINE, Mr. WILLIAMS of Ohio, Ms. OAKAR, and Mr. STOKES.

H.R. 3591: Mr. GAYDOS and Mr. FRANK.

H.R. 3642: Mr. GRADISON, Mr. ROE, Mr. ACKERMAN, Mr. GREEN, Mr. FLIPPO, Mr. SAM B. HALL, JR., Mr. BEILENSON, Mr. D'AMOURS, Mr. MOLLOHAN, Mr. RUSSO, Mr. LAFALCE, Mrs. KENNELLY, Mr. LELAND, Mrs. BOXER, Mr. MATSUI, Mr. RICHARDSON, Mr. WYDEN, Mr. LENT, Mr. EMERSON, Mr. TALLON, Mr. CLARKE, and Mr. PEPPER.

H.R. 3643: Mr. CORRADA, Mr. BRITT, Mr. SPRATT, and Mr. BOEHLERT.

H.R. 3678: Mr. MOLINARI and Mr. AUCOIN.

H.J. Res. 3: Mr. WHEAT, Mr. BOSCO, Mr. LUNDINE, Mr. LEVINE of California, Mr. HOWARD, Mr. ECKART, Mr. SHANNON, Mr. MILLER of California, Mr. SMITH of Iowa, Mrs. BURTON of California, Mr. HOYER, Mr. FAZIO, Mr. SAVAGE, and Mr. ROYBAL.

H.J. Res. 179: Mr. JEFFORDS, Mr. CAMPBELL, and Mr. WIRTH.

H.J. Res. 205: Mr. GOODLING and Mr. WAXMAN.

H.J. Res. 243: Mr. CORCORAN and Mr. PAUL.

H.J. Res. 295: Mr. ANDREWS of Texas, Mr. AUCOIN, Mr. BARNARD, Mr. BARNES, Mr. BATES, Mr. BENNETT, Mr. BOUCHER, Mr. BROOKS, Mr. BRYANT, Mr. CARPER, Mr. CONYERS, Mr. DANIEL B. CRANE, Mr. DAVIS, Mr. DICKINSON, Mr. DICKS, Mr. DOWDY of Mississippi, Mr. DYSON, Mr. EMERSON, Mr. ENGLISH, Mr. FASCELL, Mr. GIBBONS, Mr. HANCE, Mr. HARKIN, Mr. HATCHER, Mr. HEFTEL of Hawaii, Mr. HIGHTOWER, Mrs. HOLT, Mr. JONES of North Carolina, Mr. KASTENMEIER, Mr. KAZEN, Mr. LEATH of Texas, Mr. LEHMAN of Florida, Mr. LEVINE of California, Mr. LONG of Maryland, Mr. MARTIN of New York, Mr. MARTINEZ, Mr. MATSUI, Mr. MCCOLLUM, Mr. MCDONALD, Mr. MCHUGH, Mr. MINETA, Mr. NATCHER, Mr. NICHOLS, Mr. NIELSON of Utah, Mr. PASHAYAN, Mr. RAHALL, Mr. ROBERTS, Mr. ROWLAND, Mrs. SCHNEIDER, Mr. SHAW, Mr. SNYDER, Mr. SPENCE, Mr. STANGELAND, Mr. STOKES, Mr. STUMP, Mr. TAUKE, Mr. THOMAS of Georgia, Mr. WHEAT, Mr. WILSON, and Mr. YOUNG of Alaska.

H. Res. 192: Mr. BOUCHER.

H. Res. 278: Mr. MCKINNEY, Mr. SUNIA, Mr. HANSEN of Idaho, Mr. CORRADA, Mr. PATMAN, Mr. FORSYTHE, Mr. MADIGAN, Mr. KEMP, Mr. ANNUNZIO, and Mr. NIELSON of Utah.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

179. By the SPEAKER: Petition of the Association of Pacific Island Legislatures (APIL), Agana, Guam, relative to continuing legal services in Micronesia upon termination of the trusteeship; to the Committee on the Judiciary.

180. Also, petition of the Association of Pacific Island Legislatures (APIL), Agana, Guam, relative to pursuing war claims for the people of Guam with the U.S. Government; to the Committee on the Judiciary.

181. Also, petition of Association of the Pacific Island Legislatures (APIL), Agana, Guam, relative to a comprehensive economic policy; jointly, to the Committees on Interior and Insular Affairs, Foreign Affairs, Banking, Finance and Urban Affairs, and Ways and Means.

182. Also, petition of the Board of Aldermen, Somerville, Mass., relative to the removal of contaminated fill; to the Committee on Public Works and Transportation.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 2230

(Amendment in the nature of a substitute)

By Mr. SENSENBRENNER:

—Strike out all after the enacting clause and insert in lieu thereof the following:

That this Act may be cited as the "Civil Rights Commission Reauthorization Act of 1983".

ESTABLISHMENT OF TERMS FOR MEMBERS OF THE COMMISSION

SEC. 2. Section 101 of the Civil Rights Act of 1957 (42 U.S.C. 1975) is amended by adding at the end thereof the following:

"(f)(1) Upon vacancies in the Commission after the date of the enactment of this subsection, members of the Commission shall be appointed for a term of six years except that, of the members first appointed to such vacancies—

"(A) two, not affiliated with the same political party, shall be appointed for a term of two years;

"(B) two, not affiliated with the same political party, shall be appointed for a term of four years; and

"(C) two, not affiliated with the same political party, shall be appointed for a term of six years.

"(2) After the date of the enactment of this subsection, an individual appointed to fill a vacancy occurring other than by the expiration of a term of office shall be appointed to the unexpired term of the member such individual succeeds.

"(g) A commissioner may be removed by the President only for inefficiency, neglect of duty, or malfeasance in office.".

EXTENDING THE LIFE OF THE COMMISSION

SEC. 3. Section 104(c) of the Civil Rights Act of 1957 (42 U.S.C. 1975c(c)) is amended by striking out "1983" and inserting "2003" in lieu thereof.

AUTHORIZATION OF APPROPRIATIONS

SEC. 4. Section 106 of the Civil Rights Act of 1957 (42 U.S.C. 1975e) is amended to read as follows:

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 106. There are authorized to be appropriated to carry out this Act $13,000,000 for the fiscal year ending September 30, 1984, and such sums as may be necessary for each of the following nineteen fiscal years.".

H.R. 2867

By Mr. BREAUX:

—Page 11, strike out line 18 and all that follows down through line 5 on page 12 and substitute the following:

"(b) LAND DISPOSAL OF CERTAIN HAZARDOUS WASTE.—(1)(A) Not later than February 1, 1984, the placement of containerized liquid hazardous waste in landfills or salt dome formations is prohibited.

"(B) Not later than February 1, 1984, the placement of bulk or noncontainerized liquid hazardous waste in landfills which do not meet the requirements of 40 CFR 265.314 as in effect on July 27, 1983, salt dome formations, underground mines, or caves is prohibited.

"(C) Effective six months after the date of enactment of this subsection, the placement of bulk or noncontainerized liquid hazardous waste in any landfill is prohibited.

"(D) Effective one year after the date of enactment of this subsection, the placement of any liquid which is not a hazardous waste in a landfill for which a permit is required under subsections 3005(c) or (e) is prohibited.

"(E) Beginning two years after the date of enactment of this subsection, no hazardous waste listed or identified under Section 3001 as of the date of enactment may be placed or maintained in a surface impoundment which does not meet the requirements of subsection (k) (as established in Section 21 of these amendments) for new surface impoundments. For any hazardous wastes identified or listed under Section 3001 after the date of enactment, the placement or maintenance of such wastes into a surface impoundment which does not meet the requirements of subsection (k) (as established in Section 21 of these amendments) within two years after such listing or identification is also prohibited.

"(2) Effective on the date of enactment, for hazardous waste listed or identified under Section 3001, other than those covered by the prohibitions in paragraph (1), there shall be no placement of such waste into salt dome formations, underground mines, or caves until such time as the Administrator has issued permit standards under this subtitle for such facilities and a permit has been issued pursuant to Section 3005(c).

"(3) Prior to February 1, 1984, the Administrator shall maintain the requirements (as in effect on April 30, 1983) in regulations under Section 3004 respecting the disposal in landfills of liquid hazardous wastes and free liquids contained in hazardous wastes.".

On page 14, line 18, insert after the period the following sentence:

"In making the determinations contained in this paragraph, the Administrator may not modify the prohibitions set forth in subsection (b) of this Section.".

On page 17, line 10, insert after the period the following sentence:

"In the case of agencies or instrumentalities of the federal government, no other effective date established by the Administrator shall be later than 18 months after the effective date specified in subparagraph (A).".

On page 18, strike the closing quotation marks on line 2, and insert the following subsections:

"(g) DEFINITIONS.—As used in this Section, the terms

"(1) 'Land disposal' means—

"(A) the placement of hazardous waste on or into the land, including but not limited to the placement of such wastes in a salt dome formation, landfill, surface impoundment, waste pile, injection well, land spreading method, coburial with solid wastes, or storage in drums, tanks or other vessels, except:

"(i) where storage in drums, tanks or other vessels is performed to allow the accumulation of such quantities as to facilitate proper treatment, recovery, or disposal; or

"(ii) if the hazardous waste is placed in a surface impoundment for treatment, such impoundment meets the design standards for new impoundments; and,

"(iii) where treatment residues which are hazardous wastes are removed for subsequent processing or disposal within one year of such placement.

"(2) 'liquid hazardous waste' means those hazardous wastes which are identified or listed by the Administrator pursuant to section 3001 which the Administrator determines to be in liquid form or to contain free liquids, including those liquid hazardous waste to which absorbents have been added.

"(h) AIR EMISSIONS FROM LAND DISPOSAL FACILITIES.—Not later than two years after the date of enactment of this subsection, the Administrator shall promulgate regulations for the monitoring and control of air emissions at hazardous waste storage treatment and land disposal facilities, including but not limited to open tanks, surface impoundments, and landfills, as may be necessary to protect human health and the environment.".

On page 58, line 14, after the period insert the following:

"(c) FEDERAL FACILITY INSPECTIONS.—Beginning one year after the date of enactment of this subsection, the Administrator shall, or in the case of a State with an authorized hazardous waste program the State shall, undertake no less often than every year a thorough inspection of each facility for the treatment, storage, or disposal of hazardous waste which is operated by a Federal agency as to its compliance with this subtitle and the regulations promulgated thereunder. The records of such inspections shall be available, consistent with section 1006, to the public as provided in Section 3007(c).

"(d) FEDERAL AGENCY HAZARDOUS WASTE FACILITY INVENTORY.—Each Federal agency shall, within one year after the date of enactment of this subsection, undertake a continuing program to compile, publish, and submit to the Administrator, and the State in the case of States having an authorized hazardous waste program, an inventory describing the location of each site which the Federal agency owns or operates or has owned or operated where hazardous waste is being stored or has been or is being disposed of. The initial report shall be submitted within two years of the date of enactment of these amendments and shall be updated no less frequently than every two years thereafter. Such inventory shall contain—

"(1) a description of the location of the sites at which any such storage or disposal has taken place before or after the date on which permits are required under Section 3005 for such storage or disposal;

"(2) such information relating to the amount, nature, and toxicity of the hazardous waste at each such site as may be practicable to obtain and as may be necessary to determine the extent of any health hazard which may be associated with such site'

"(3) the name and address and responsible agency for each such site, determined as of the date of preparation of the inventory;

"(4) an identification of the types of techniques of waste treatment or disposal which have been used at each site; and

"(5) information concerning the current status of the site, including information respecting whether or not hazardous waste is currently being treated or disposed of at such site (and if not, the date on which such activity ceased) and information respecting the nature of any other activity currently carried out at such site.".

—Page 11, strike out line 18 and all that follows down through line 5 on page 12 and substitute the following:

"(b) LAND DISPOSAL OF CERTAIN HAZARDOUS WASTE.—(1)(A) Not later than February 1, 1984, the placement of containerized liquid hazardous waste in landfills or salt dome formations is prohibited.

"(B) Not later than February 1, 1984, the placement of bulk or noncontainerized liquid hazardous waste in landfills which do not meet the requirements of 40 CFR 265.314 as in effect on July 27, 1983, salt dome formations, underground mines, or caves is prohibited.

"(C) Effective six months after the date of enactment of this subsection, the placement of bulk or noncontainerized liquid hazardous waste in any landfill is prohibited.

"(D) Effective one year after the date of enactment of this subsection, the placement of any liquid which is not a hazardous waste in a landfill for which a permit is required under subsections 3005 (c) or (e) is prohibited.

"(2) Effective on the date of enactment, for hazardous waste listed or identified under Section 3001, other than those covered by the prohibitions in paragraph (1), there shall be no placement of such waste into salt dome formations, underground mines, or caves until such time as the Administrator has issued permit standards under this subtitle for such facilities and a permit has been issued pursuant to Section 3005(c).

"(3) Prior to February 1, 1984, the Administrator shall maintain the requirements (as in effect on April 30, 1983) in regulations under Section 3004 respecting the disposal in landfills of liquid hazardous wastes and free liquids contained in hazardous wastes.".

On page 14, line 18, insert after the period the following sentence:

"In making the determinations contained in this paragraph, the Administrator may not modify the prohibitions set forth in subsection (b) of this section.".

On page 17, line 10, insert after the period the following sentence:

"In the case of agencies or instrumentalities of the federal government, no other effective date established by the Administrator shall be later than 18 months after the effective date specified in subparagraph (A).".

On page 18, strike the closing quotation marks on line 2, and insert the following subsections:

"(g) DEFINITIONS.—As used in this Section, the terms

"(1) 'Land disposal' means—

"(A) the placement of hazardous waste on or into the land, including but not limited to the placement of such wastes in a salt dome formation, landfill, surface impoundment, waste pile, injection well, land spreading method, coburial with solid wastes, or storage in drums, tanks or other vessels, except:

"(i) where storage in drums, tanks or other vessels is performed to allow the accumulation of such quantities as to facilitate proper treatment, recovery, or disposal; or

"(ii) if the hazardous waste is placed in a surface impoundment for treatment, such impoundment meets the design standards for new impoundments; and,

"(iii) where treatment residues which are hazardous wastes are removed for subsequent processing or disposal within one year of such placement.

"(2) 'liquid hazardous waste' means those hazardous wastes which are identified or listed by the Administrator pursuant to section 3001 which the Administrator determines to be in liquid form or to contain free liquids, including those liquid hazardous waste to which absorbents have been added.

"(h) AIR EMISSIONS FROM LAND DISPOSAL FACILITIES.—Not later than two years after the date of enactment of this subsection, the Administrator shall promulgate regulations for the monitoring and control of air emissions at hazardous waste storage treatment and land disposal facilities, including but not limited to open tanks, surface impoundments, and landfills, as may be necessary to protect human health and the environment.".

On page 58, line 14, after the period insert the following:

"(c) FEDERAL FACILITY INSPECTIONS.—Beginning one year after the date of enactment of this subsection, the Administrator shall, or in the case of a State with an authorized hazardous waste program the State shall, undertake no less often than every year a thorough inspection of each facility for the treatment, storage, or disposal of hazardous waste which is operated by a Federal agency as to its compliance with this subtitle and the regulations promulgated thereunder. The records of such inspections shall be available, consistent with Section 1006, to the public as provided in Section 3007(c).

"(d) FEDERAL AGENCY HAZARDOUS WASTE FACILITY INVENTORY.—Each Federal agency shall, within one year after the date of enactment of this subsection, undertake a continuing program to compile, publish, and submit to the Administrator, and the State in the case of States having an authorized hazardous waste program, an inventory describing the location of each site which the Federal agency owns or operates or has owned or operated where hazardous waste is being stored or has been or is being disposed of. The initial report shall be submitted within two years of the date of enactment of these amendments and shall be updated no less frequently than every two years thereafter. Such inventory shall contain—

"(1) a description of the location of the sites at which any such storage or disposal has taken place before or after the date on which permits are required under Section 3005 for such storage or disposal;

"(2) such information relating to the amount, nature, and toxicity of the hazardous waste at each such site as may be practicable to obtain and as may be necessary to determine the extent of any health hazard which may be associated with such site;

"(3) the name and address and responsible agency for each such site, determined as of the date of preparation of the inventory;

"(4) an identification of the types of techniques of waste treatment or disposal which have been used at each site; and

"(5) information concerning the current status of the site, including information respecting whether or not hazardous waste is currently being treated or disposed of at such site (and if not, the date on which such activity ceased) and information respecting the nature of any other activity currently carried out at such site.".

By Mr. TAUZIN:

—Sec. 21. Section 3004 is amended by inserting the following at the end thereof:

(k) MINIMUM REQUIREMENTS FOR CERTAIN FACILITIES.—

(1)(A) Except as provided in Subparagraph (B), each landfill or surface impoundment for which an application for a permit under Section 3005 (c) is received by the Administrator after the date of the enactment of the Act of 1983, shall be required (as a condition of receiving such permit) to be double lined and to monitor ground water.

(B) With respect to each landfill or surface impoundment containing those solid wastes subject to the study required under section 8002 (f) or (p) and which landfill or surface impoundment becomes subject to regulation under this subchapter, standards promulgated under subsection (a) for such facility shall require the monitoring of groundwater and such other standards as the Administrator may determine are necessary to assure the protection of human health and the environment; and

---

H.R. 2780

By Mr. LEVIN of Michigan:

—Page 2, after line 22, insert the following new section (and redesignate the succeeding sections and references thereto accordingly):

COMPUTATIONS OF ENTITLEMENT USING REPRESENTATIVE TAX SYSTEM

SEC. 5. Section 6707 of title 31, United States Code, is amended—

(1) by striking out subparagraph (B) of subsection (b)(2) and inserting in lieu thereof the following:

"(B) the fiscal capacity of the State and of all units of general local government located in such State, as determined by the Secretary by means of the representative tax system developed pursuant to subsection (f).";

(2) by striking out subparagraphs (A) and (B) of subsection (b)(3) and inserting in lieu thereof the following:

"(A) the numerator is the per capita fiscal capacity of the United States, as determined by the Secretary by means of the representative tax system developed pursuant to subsection (f); and

"(B) the denominator is the per capita fiscal capacity of the State, as determined by the Secretary by such means.";

(3) by striking out clauses (i) and (ii) of subsection (c)(2)(A) and inserting in lieu thereof the following:

"(i) the numerator is the per capita fiscal capacity of the United States, as determined by the Secretary by means of the representative tax system developed pursuant to subsection (f); and

"(ii) the denominator is the per capita fiscal capacity of the State, as determined by the Secretary by such means, bears to"; and

(4) by adding at the end thereof the following new subsections:

"(e) The amount allocated to any State under this subsection (b) or (c) of this section as a consequence of the amendments made by section 5 of the State and Local Fiscal Assistance Amendments of 1983 shall not exceed by more than 10 percent the amount which would be allocated to such State if such amendments had not been enacted.

"(f)(1) The term 'representative tax system' means a method of determining the fiscal capacity of a government by estimating the amount of revenue that such government would raise if it applied a national uniform set of tax rates to a specified set of tax bases.

"(2) The Secretary, in consultation with the Secretary of Commerce, the Secretary of the Interior, the Comptroller General of the United States, and the Advisory Commission on Intergovernmental Relations, shall develop a representative tax system similar to the representative tax system described in the March 1982 report of such Commission entitled 'Tax Capacity of the Fifty States: Methodology and Estimates'. The Secretary of Commerce shall collect whatever data and statistical estimates are necessary to develop and implement such a system.

"(3) When the Secretary has developed a representative tax system under subparagraph (2), or proposes to amend such system, the Secretary shall, in accordance with the provision of section 553 of title 5, United States Code, provide public notice of such system or amendment and an opportunity to interested persons to comment on such system or amendment. A report on such system or amendment shall be submitted to the Committee on Finance of the Senate and the Committee on Government Operations of the House of Representatives as soon as practicable after the period for receiving comments from interested persons has ended.

"(4) After compliance with the requirements of subparagraph (3), a representative tax system developed under subparagraph (2), and any amendment made to such system, shall take effect not sooner than 45 days after publication in final form in the Federal Register and concurrent transmittal to each House of the Congress.

"(5) Until the Secretary has developed a representative tax system under subparagraph (2), the Secretary shall use the representative tax system and data provided in the most recently revised version of the March 1982 report described in subparagraph (2).".

Page 8, beginning on line 5, strike out all of section 9 through line 14 on page 10 and redesignate the succeeding section accordingly.

—Page 9, strike out lines 10 through 12, and on lines 13 and 18, redesignate paragraphs (2) and (3) as paragraphs (1) and (2), respectively.

Page 9, strike out lines 21 through 23, and on line 24, redesignate subsection (c) as subsection (b).

Page 10, line 1, strike out "subsection (a)(3)" and insert in lieu thereof "subsection (a)(1)"; on line 7, strike out "subsections (a)(1) and (2)" and insert in lieu thereof "subsection (a)(1)"; and on line 12, strike out "subsection (a)(3)" and insert in lieu thereof "subsection (a)(2)".

H.R. 2957

By Mr. BETHUNE:

—On page 19 on line 20, after the word "Acts", insert the following: "except that no such amounts are authorized until the Secretary certifies and reports to Congress that the Fund could not otherwise have access to such resources.".

—Page 28, after line 8, insert the following:

SEC. 308. The Bretton Woods Agreements Act (22 U.S.C. 286 et seq.) is amended by adding at the end thereof the following:

"SEC. 46. The Secretary of the Treasury shall instruct the United States Executive Director of the Fund to oppose and vote against any fund drawing by a member country unless the Secretary has determined, and reported to Congress, the amount of profits made by individual depository institutions on all outstanding loans to such member country.".

—Page 28, after line 8, insert the following:

SEC. 308. The Bretton Woods Agreements Act (22 U.S.C. 286 et seq.) is amended by adding at the end thereof the following:

"SEC. 46. The Secretary of the Treasury shall instruct the United States Executive Director of the Fund to oppose and vote against any fund drawing by a member country unless the Secretary, after consultation with the Secretary of Agriculture, has determined and reported to Congress that the drawing, or any condition associated with such drawing, would not tend to disrupt the agricultural export of the United States.".

—Page 28, after line 8, insert the following:

SEC. 308. The Bretton Woods Agreements Act (22 U.S.C. 286 et seq.) is amended by adding at the end thereof the following:

"SEC. 46. The Secretary of the Treasury shall instruct the United States Executive Director of the Fund to oppose and vote against any fund drawing by a member country if that country owes the United States Government any debt that is due and unpaid 90 days or more or owes any debt that is due and unpaid 90 days or more for which the United States has contingent liability.".

—Page 28, after line 8, insert the following:

SEC. 308. The Bretton Woods Agreements Act (22 U.S.C. 286 et seq.) is amended by adding at the end thereof the following:

"SEC. 46. The Secretary of the Treasury shall instruct the United States Executive Director of the Fund to oppose and vote against any fund drawing by a member country unless the Fund requires, as a condition of such drawing, that all debts of the member country owed to the United States Government or for which the United States Government has contingent liability should be no more than 90 days part due and unpaid so long as such drawing remains outstanding.".

—Page 28, after line 8, insert the following:

SEC. 308. The Bretton Woods Agreements Act (22 U.S.C. 286 et seq.) is amended by adding at the end thereof the following:

"SEC. 46. The Secretary of the Treasury shall instruct the United States Executive Director of the Fund to oppose and vote against any fund drawing by a member country unless the Secretary, after consultation with the Secretary of Housing and Urban Development, has determined and reported to Congress that such drawing would not tend to adversely affect the housing industry in the United States.".

—Page 28, after line 8, insert the following:

SEC. 308. The Bretton Woods Agreements Act (22 U.S.C. 286 et seq.) is amended by adding at the end thereof the following:

"SEC. 46. The Secretary of the Treasury shall instruct the United States Executive Director of the Fund to oppose and vote against any fund drawing by a member country unless the Secretary, after consultation with the United States Trade Representative, has determined and reported to Congress that such drawing or any conditions associated with such drawing would not tend to depress demand for goods exported from the United States.".

—Page 28, after line 8, insert the following:

SEC. 308. The Bretton Woods Agreements Act (22 U.S.C. 286 et seq.) is amended by adding at the end thereof the following:

"SEC. 46. The Secretary of the Treasury shall instruct the United States Executive Director of the Fund to oppose and vote against any fund drawing by a member country unless the Secretary, after consultation with the United States Trade Representative, has determined and reported to Congress that such drawing or any conditions associated with such drawing would not tend to depress demand for services provided by United States persons.".

—Page 28, after line 8, insert the following:

SEC. 308. The Bretton Woods Agreements Act (22 U.S.C. 286 et seq.) is amended by adding at the end thereof the following:

"SEC. 46. The Secretary of the Treasury shall instruct the United States Executive Director of the Fund to oppose and vote against any fund drawing by a member country unless the Secretary, after consultation with the United States Trade Representative and the Secretary of Commerce, has determined and reported to Congress that the member country does not provide financial assistance for the export of goods and services that compete in world markets with goods produced or services provided by United States persons.".

—Page 28, after line 8, insert the following:

SEC. 308. The Bretton Woods Agreements Act (22 U.S.C. 286 et seq.) is amended by adding at the end thereof the following:

"SEC. 46. The Secretary of the Treasury shall instruct the United States Executive Director of the Fund to oppose and vote against any fund drawing by a member country if the member country participates in or any way assists any effort to establish prices of commodities imported into the United States.".

—Page 28, after line 8, insert the following:

SEC. 308. The Bretton Woods Agreements Act (22 U.S.C. 286 et seq.) is amended by adding at the end thereof the following:

"SEC. 46. The Secretary of the Treasury shall instruct the United States Executive Director of the Fund to oppose and vote against any fund drawing by a member country unless the Secretary determines and reports to Congress that such drawing or any conditions associated with such drawing would not permit depository institutions to charge fees for making loans to such member country.".

—Page 28, after line 8, insert the following:

SEC. 308. The Bretton Woods Agreements Act (22 U.S.C. 286 et seq.) is amended by adding at the end thereof the following:

"SEC. 46. The Secretary of the Treasury shall instruct the United States Executive Director of the Fund to oppose and vote against any fund drawing by a member country unless that country is a State Party to the Treaty Banning Nuclear Weapons Tests in the Atmosphere, in Outer Space, and Under Water and a State Party to the Treaty on Non-Proliferation of Nuclear Weapons.".

—Page 28, after line 8, insert the following:

SEC. 308. The Bretton Woods Agreements Act (22 U.S.C. 286 et seq.) is amended by adding at the end thereof the following:

"SEC. 46. The Secretary of the Treasury shall instruct the United States Executive Director of the Fund to oppose and vote against any fund drawing by a member country unless the Secretary has determined that the outlays of the United States Government did not exceed receipts of the United States Government for the fiscal year through the end of the previous month.".

By Mr. PHILIP M. CRANE:

—Page 28, between lines 8 and 9, insert the following:

SEC. 308. Section 38 of the Bretton Woods Agreement Act is amended by striking out "Nicaragua".

—Page 28, after line 8, insert the following:

SEC. 308. The Bretton Woods Agreement Act (22 U.S.C. 286 et. seq.) is amended by adding at the end thereof the following:

"SEC. 46. The Secretary of the Treasury shall instruct the United States Executive Director to the Fund to actively oppose and vote against any credit drawing on the Fund or any of its facilities by any country which, according to information provided by the Secretary, is in arrears by 90 days or more on repayment of foreign loans or credits from the United States Government, or on repayment of any private loans or credits which have been guaranteed by the United States Government".

—Page 28, after line 8, insert the following:

PAYMENT OF QUOTA INCREASE

SEC. 308. The Bretton Woods Agreement Act (22 U.S.C. 286 et seq.) is amended by adding at the end thereof the following:

"PAYMENT OF QUOTA INCREASE

"SEC 46. The Secretary of the Treasury shall instruct the United States Executive Director of the Fund to propose and work for the adoption of an amendment to Article III of the Articles of Agreement of the Fund to provide that the balance of any quota increase shall be paid by member countries in United States dollars, German marks, French francs, British pounds, or Japanese yen.".

—Page 28, after line 8, insert the following:

REPAYMENT OF LOANS IN DEFAULT

SEC. 308. The Bretton Woods Agreement Act (22 U.S.C. 286 et seq.) is amended by adding at the end thereof the following:

"REPAYMENT OF LOANS IN DEFAULT

"SEC. 46. All funds contributed to the Fund by the United States pursuant to section 40 shall be used immediately and exclusively to repay loans which are in default to depository institutions chartered in the United States.".

H.R. 3021

By Mr. DANNEMEYER:

(Amendment to the amendment in the nature of a Substitute (text of H.R. 3521).

—Page 18, after line 25, insert the following new paragraph:

"(4) None of the funds provided to a State under this part shall be used to provide abortion counseling or referral.".

—Page 2, line 11, insert "obtained from existing revenue sources and shall be" before "used".

Page 3, after line 21, insert the following new subsection:

"(c)(1) Within 90 days after the date of the enactment of this part, the President, the Speaker of the House of Representatives, and the President pro tempore of the Senate shall each appoint five members to a commission which shall make specific recommendations to the Congress, within 90 days of the date of the commission's convening and consistent with paragraph (2), for the financing of this part.

"(2) Such commission, in its recommendations—

"(A) may not recommend that any of the financing of this part be derived from any Trust Fund under this Act or from funds otherwise to be used to pay interest on the national debt;

"(B) may not recommend that such financing be effected in a manner that results in a reduction in the funding of unemployment compensation or national defense functions below the levels in effect for fiscal year 1983; and

"(C) shall recommend such other specific reductions in the funding of other programs and functions, in approximate proportion to the increase in the funding in such programs and functions since fiscal year 1973, as may be necessary to finance this part.

"(3) Notwithstanding any other provision of this part, no State shall be entitled to receive payments under this part until the first calendar quarter beginning after the date the commission makes its recommendations to the Congress under this subsection.".

—Page 18, beginning on line 11, strike out "without limitations of amount, duration, or scope except as to medical necessity".

EXTENSIONS OF REMARKS

U.S. SUGAR PROGRAM

HON. THOMAS J. DOWNEY
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1983

● Mr. DOWNEY of New York. Mr. Speaker, today Congressman GRADISON and I are introducing a bill which addresses the U.S. sugar program. We believe that the sugar program, in the way it is written and in the way it is administered, is one of the worst programs in existence. This program is inconsistent with all we have been trying to accomplish in international trade policy; it distorts agricultural markets for the benefit of a very few producers; and it is adding approximately $3 billion a year to the bill American consumers pay for sweeteners.

Let me take a moment, Mr. Speaker, and explain how the sugar program works.

Under the 1981 farm bill, the Government provides nonrecourse, low-interest loans to sugar producers with sugar as collateral. These loans are made by the Commodity Credit Corporation of the Department of Agriculture and are extended to sugar processors who use their sugar as collateral for the loans. If the domestic price for sugar exceeds the loan rate, plus shipping, handling and storage costs, the processors will sell the sugar on the market and pay off the loan. If, however, the market price is below the price guaranteed by the Government program, the producers simply default on the loan. Since the collateral for the loan is the sugar itself, the Government ends up owning the sugar and the processor keeps the money from the loan at whatever price was set by the Government. From 1982 through 1985 the legislation requires the Secretary to establish loan provisions which set a floor for sugar prices at 17 cents per pound for the 1982 crop year; 17.5 cents for 1983; 17.75 cents for 1984 and finally 18 cents a pound for the 1985 crop.

The problems arise because of the difference between world market prices and the loan levels set in the law. Currently raw sugar is selling at 10 to 11 cents per pound on the world market. Obviously, an American producer who has received a nonrecourse loan of 17 cents per pound will choose to forfeit on his loan and allow his sugar to pass to the Government rather than sell at the existing market price. Such forfeiture would in turn result in tremendous losses to the Government.

In order to avoid the forfeiture of sugar to the Government, the President is authorized to impose duties and fees on imported sugar. However, even the authorized duties and fees were not high enough to bridge the gap between market prices for sugar and the loan levels. Thus, in May 1982, President Reagan signed a proclamation exercising authority Congress granted him to impose quotas on imports of sugar. These quotas restrict the supply of sugar in the United States and create an American market price high enough to avoid defaults on loans to producers.

When the loan program was enacted by Congress, it was anticipated that the Government would protect the domestic market price at about 2 cents above the loan rate. Thus it was expected that a 17-cent-loan program would result in a protected market stabilization price of about 19 cents. However, in order to make absolutely certain that there would be no defaults in loans which result in Federal budget obligation, the administration has set the market stabilization price at nearly 4 cents above the loan levels provided in the law.

This is quite a complex program, Mr. Speaker, but I will try to describe its impact with just a few sentences. In order to subsidize American sugar producers, Congress established a loan program to insure the producers a return far above that offered by the world market. Then, the Department of Agriculture, in administering that program, has raised the price of sugar even higher than the sugar producers could have dreamed.

I have been speaking a lot in terms of pennies, Mr. Speaker. The current world market price of raw sugar is 10 to 11 cents. The loan rate is 17 cents. The market stabilization price is about 21 cents. It may appear that these differences are insignificant, but let me assure you they are not. A 1-cent rise or fall in the price of raw sugar has an impact of $300 million on American consumers. Thus our sugar program which provides a subsidy of 11 to 12 cents per pound, is costing our citizens over $1 billion each year.

While this program is not technically a tax, Mr. Speaker, it surely has the impact of one—and a most regressive one at that. Sugar is an essential ingredient in hundreds of our food products, and taxes on food always fall most heavily on the poor.

On the other hand, Mr. Speaker, it is not poor, struggling farmers who receive the benefits of the sugar subsidy. According to the Department of Agriculture, the American sugar industry is dominated by a few big companies. All told there are fewer than 14,000 sugar producers in the United States, a mere handful compared to 870,000 wheat producers or 324,000 dairy farmers. The cost of this billion dollar program for the benefit of these very few, amounts to an incredible average of $71,500 per producer per year. These are not little family farms. They are some of the Nation's largest corporations.

Further, as I mentioned above, the sugar program has required the imposition of strict, country-by-country quotas on sugar brought into the United States. This is in the most extreme and the most disruptive form of market protection and in direct contradiction to U.S. trade policy.

Sugar import quotas legitimize every other country's attempt to restrict its imports of U.S. products. They undermine our efforts to remove trade restrictions imposed by the European Community, Japan, and other trading nations. Moreover, they have noticeably increased the risk of new restrictions being added to American wheat, corn, and other agricultural products which we must be able to export.

Clearly, Mr. Speaker, Congress should address and reconsider the sugar program. The bill we introduce does so. It will eliminate sugar quotas, which in my opinion have no place in our trade policy and have been so restrictively utilized to drive prices far above what they should be. Further, the bill assures that the elimination of the authority to impose quotas will not affect the President's existing flexibility in modifying duties.

Surely, there are additional steps which Congress should take in reforming that program, and I am certain that I will have further recommendations to make in the future. In the meantime, I hope my colleagues will study the sugar program and our bill. We feel that the merits are clear and look forward to the support of a majority. An explanation of our bill follows here:

Section 1 of the bill removes the President's authority to impose import quotas on sugar and repeals the quotas currently in effect.

Section 2 assures that the elimination of the quota authority will not affect the President's flexibility to

---

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

modify duties on sugar. The standard for modification is the one currently set forth in headnote 2, subpart A, part 10 of the tariff schedules.●

HELSINKI AND GDANSK: GRIM AUGUST ANNIVERSARIES

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1983

● Mr. MARKEY. Mr. Speaker, this month begins and ends with the anniversaries of two historic and related events: The August 1 signing of the Helsinki accords in 1975 and the August 31 signing of the Gdansk agreements in 1980.

Today, the eighth Helsinki anniversary, is not a happy occasion. It reminds us of the men and women who are victimized by Soviet bloc governments because they have the courage to claim the human rights set forth in the Helsinki accords. One could expect the words of the Helsinki agreement to sound hollow to these long-suffering people. Instead, the language of the Helsinki Final Act continues to inspire them because its words carry the force of principle.

The spirit of Helsinki was present amongst the strikers in Gdansk, Poland, during that fateful August 1980, when Solidarity was born. It is no coincidence that one of the demands secured from the Polish Government by the workers of Szczecin that August, was the agreement to republish and disseminate the text of the Helsinki accords. The Solidarity Union had its own Helsinki monitoring committee under the auspices of its information and consultation center and matters of repression. Zbigniew Romaszewksi, who chaired this committee, had earlier served on a monitoring group established by the Workers' Defense Committee (KOR) and had prepared an extensive report on human rights in Poland for presentation to the Madrid Review Meeting of Helsinki signatory states in the fall of 1980.

The Madrid meeting was in session that grim December 1981 when the dark night of martial law descended on Poland. This unique East-West forum became a major platform from which NATO and neutral nonalined states could condemn martial law, ensuring that the massive abuse of human and civil rights occurring in Poland remained a prominent issue before the press and public. Because of the tragic events in Poland, negotiation was suspended in Madrid until the following fall. When the meeting resumed, the NATO returned with a package of tough proposals geared to reinforce the human rights and freedoms under siege in Poland and in the other Soviet bloc states. Subsequent debate at the meeting centered on the NATO proposals, thus keeping these important humanitarian issues alive.

The most significant testament to the continuing importance Solidarity attaches to the Helsinki process, and to the talks in Madrid, is a meticulously researched 600-page report written under perilous circumstances by a newly-formed monitoring group in Poland which was commissioned by the Temporary Coordinating Committee (TKK or Underground) of Solidarity. Presented to delegates at the Madrid meeting in March 1983, it provides a penetrating analysis of "Human and Civil Rights in Poland During the State of War." In the cover letter introducing the report, the authors wrote:

> We send this report with the conviction that it will serve the cause of peace and security in Europe, for there can be no peace without social justice.

Mr. Chairman, that is the very essence of the Helsinki Final Act as well as the Gdansk agreements. Recently the Jaruzelski regime has orchestrated an artificial lifting of martial law in Poland which has been accompanied by thinly veiled attempts to tighten internal controls while appearing to relax them, and to institutionalize repression while pretending to legalize it. Jaruzelski's refusal to release the original Helsinki monitors, imprisoned KOR members, is stark evidence of the lack of real change in Poland.

The Madrid meeting will come to a close in early September with all participating countries approving a concluding document that endorses free trade unions and strengthens the rights of Helsinki monitors. Poland has agreed to document, yet it declares Solidarity to be an outlawed organization and holds its top leadership prisoner.

But I see reason for hope. The Helsinki monitors in Poland perservere in their work, for these courageous people realize that the Helsinki process continues to make sense as a reasonable international program for the development of lasting trust and peace in Europe, just as the Gdansk agreements continue to hold out hope for social peace and social justice.●

EXPLANATION OF MISSED VOTE

HON. GERALDINE A. FERRARO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1983

● Ms. FERRARO. Mr. Speaker, on Friday, July 29, I was unavoidably absent from the House Chamber when the vote occurred on House Concurrent Resolution 153, providing for the adjournment of the House and Senate. Had I been present, I would have voted "yea."●

THE LONG, HARD ROAD FROM HELSINKI TO MADRID

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1983

● Mr. SMITH of New Jersey. Mr. Speaker, 8 years ago today, on August 1, 1975, in Helsinki, Finland, the leaders of 33 nations of Western and Eastern Europe, Canada, and the United States signed accords which were to guide their states toward international trust and cooperation. These long-term goals were to be met through the good faith observance by signatory states of agreed standards for responsible and humane international conduct.

Since the signing 8 years ago, concerned citizens in both East and West have sought to give the fine words contained in the Helsinki Final Act more than symbolic meaning. In the West, citizens who have taken an active part in the Helsinki process have complemented and furthered the work of their governments. In contrast, citizens of East bloc countries who similarly have attempted to "know and act upon their rights" and play a legitimate and genuine role in the Helsinki process consistently have met with repression at the hands of their governments.

This pattern of Eastern bloc human rights abuse in contempt of the Helsinki accords, became particularly evident in the Soviet Union and Czechoslovakia by the time of the first Helsinki Review Meeting in Belgrade in 1977-78. That review meeting ended in disappointment with a terse "agreement to disagree" that accurately mirrored the wide gulf separating word and deed.

The period between the Belgrade Review Meeting and the opening of the Madrid Review Meeting in the fall of 1980 witnessed intensified repression on an even wider scale in the Soviet Union, where the KGB declared open season on dissident activity and Helsinki Monitoring Groups came under heavy siege. The Soviet Union invaded Afghanistan, brutally violating Helsinki principles regarding the nonuse of force, inviolability of frontiers, and respect for the sovereignty of states as well as those concerning respect for fundamental human rights and freedoms.

During the course of the Madrid Meeting itself, 500 Soviet citizens are known to have been sent to prison, labor, camp, or internal exile for exercising rights protected under the Helsinki accords. Fifty-two members of the Moscow, Ukrainian, Lithuanian, Georgian, and Armenian Helsinki Monitoring Groups currently are prisoners of conscience. The founder of

the first such citizens' group, physicist Yuri Orlov, has been on a hunger strike since July 10 in an effort to secure amnesty for Helsinki prisoners.

Anatoly Shcharansky, Moscow Helsinki Monitor and leader of the Jewish emigration movement in the U.S.S.R., has withstood repeated health-shattering incarcerations in prison punishment cells. Virtually all Ukrainian Helsinki Monitors have been imprisoned or exiled. Repression in the forcibly annexed Baltic States has been severe, largely taking place far from Western view and therefore with greater impunity. Dr. Sakharov, exhausted and ill, remains in bitter internal exile in Gorki. His wife, former Helsinki Group member, Elena Bonner, fears for his health as well as her own.

Meanwhile, in Poland, one of the few places in the East bloc where progress steadily had been made since the Helsinki accords were signed, the brief renaissance of human rights under Solidarity was abruptly stilled by the imposition of martial law in December 1981. Since then, Poland has suffered social upheaval, human catastrophe and is now undergoing a period of entrenched dictatorship. Five former members of the Workers' Defense Committee (KOR)—Adam Michnik, Jacek Kuron, Jan Litynski, Henryk Wujec, and Jan Joseph Lipski—who served as Poland's earliest Helsinki monitors, face subversion charges and remain in pretrial detention. The 5, as well as approximately 60 other major Solidarity leaders and advisers, are not included in the recently announced amnesty. Thousands of others remain in confinement and their fate is uncertain.

Thus, the history of the Madrid meeting in a sense has been a chronicle of grim developments. For 3 long years at the meeting, Western countries have succeeded in focusing world attention on these tragedies, which otherwise would have gone unremarked and largely unnoticed. For the West, that in itself was both a moral obligation and an important accomplishment.

The concluding document of the meeting reflects this concerned preoccupation with humanitarian questions including terrorism, monitors, religious liberty, trade unions and human contacts, and other humanitarian matters. The concluding document also provides for a series of meetings before the next review conference in 1986 which provide valuable opportunities to keep human rights issues alive and preserve the lifeline to the persecuted in the East whose only hope is sustained expressions of Western support.

Mr. Speaker, for many the path from Helsinki has been all too rocky. For some, a tortuous route of exodus. For others, a seemingly endless diplomatic maze. In the final analysis, though, it remains the one long road that can ultimately lead us to lasting peace and cooperation in Europe.●

HELSINKI HUMAN RIGHTS DAY

HON. RAYMOND J. McGRATH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1983

● Mr. McGRATH. Mr. Speaker, today commemorates the eighth anniversary of the signing of the Helsinki accords. Eight years ago, we looked at this historic occasion as a giant step forward for human rights. Finally, an agreement was reached among nations of diverse economic, religions, and philosophical backgrounds which recognized basic human rights for all people.

Or so we thought.

Today we are forced to look back at the time that has elapsed since that August 1, with a great degree of sadness. The progress in the area of human rights has been dwarfed by a growing violation. The hopes expressed at that time, have turned to cynicism. That document has been used by maLny countries as a bargaining tool in achieving their economic and political goals. In these nations, a facade of human rights compliance is promoted when it is politically beneficial, but at any time the rights can be quickly revoked at the whim of the government.

The Eastern European nations that signed the Helsinki accords have shown an alarming disregard for the rights they pledged to recognize and uphold. Led by the Soviet Union, political and labor unions such as Solidarity have been supressed monitors of the accords in Eastern bloc nations have been harassed, and the expression of religion has resulted in persecution and imprisonment for many, such as the Soviet Jews.

Today's anniversary is an important day for all of us who believe in the ideal of human freedom. It should be a day of celebration.

This year, as one response to the continuing crackdown in human rights, we should make it a day of action. I urge my colleagues to join with me in challenging the Soviet Union and its Eastern allies to fulfill their commitment. The accords were signed 8 years ago in a spirit of cooperation and progress. We must call on all who participated to allow those principles to operate so that all people might enjoy the rights and freedom for which every soul thirsts.●

MINUTEMAN HOME CARE CORP.

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1983

● Mr. MARKEY. Mr. Speaker, I would like to take this opportunity to commend the Minuteman Home Care Corp., of Lexington, Mass., an organization which recently embarked on a most worthwhile project aimed at improving services for older Americans.

Minuteman Home Care Corp., long ago established itself as a leader in elderly care, helping to meet the special needs of senior citizens in 16 Massachusetts cities and towns, including five communities which I represent—Burlington, Lexington, Wilmington, Winchester, and Woburn. This organization has provided valuable community services such as home care, visiting homemakers, volunteer and employment opportunities, transportation, and meals on wheels.

Minuteman Home Care Corp., has now joined with local businesses and industries in an innovative and ambitious program designed to further improve services for seniors. This project—planned partnership in aging—encourages businesses and corporations to participate in a cooperative community effort to address the needs of older Americans and those who care for them. I would like to recognize the concerned businesses that have agreed to take an active role in shaping the system of care for the elderly of their communities. These organizations are: AVCO Systems Division; Digital Equipment Corp.; W. R. Grace & Co.; Polaroid Corp.; Honeywell Information Systems; Gen Rad; GTE Laboratories, Inc.; Leader Federal Savings & Loan Association; Raytheon Co.; Washington Business Group on Health; and Boston University School of Management.

Planning partnership in aging has already established some important goals, citing the need for better preretirement planning, for more information about older employees and their families, for continued involvement in cost containment, for the redesigning of benefit packages to encourage efficient community care, and for a greater focus on corporate contributions to the elderly. I am certain my colleagues would agree that these are most worthwhile goals. But I believe that the efforts of planning partnership in aging are especially important in light of the disturbing cutbacks in services for the elderly brought about by the present administration. Indeed, it is my hope that this joint endeavor by Minuteman Home Care Corp., and those concerned businesses and corporations will set an example for other groups throughout the Nation.

I wholeheartedly support planning partnership in aging, and I take great pride in commending their fine work.●

SUGAR PROGRAM

HON. WILLIS D. GRADISON, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1983

● Mr. GRADISON. Mr. Speaker, I am pleased to join with Congressman DOWNEY in introducing a bill which addresses the sugar program established by the 1981 farm bill. The quotas which have been imposed under that legislation to protect sugar prices are proving to be extremely costly to consumers and are undermining our Government's efforts to liberalize world trade.

The administration reluctantly imposed quotas in May 1982, after a drop in the world sugar price made it impossible to continue to protect the sugar loan program with import duties and fees. In order to avoid the Government's acquisition of sugar through the forfeiture of loans, the Department of Agriculture determined that the market price should be maintained at 20.73 cents per pound. Many experts believe that this price was higher than it needed to be, and when quotas were used as a measure of achieving it, sugar prices went even higher.

Quotas are not an effective tool for setting prices. It is difficult, if not impossible, to fine tune the market relying upon them. As a result, USDA felt it should be safe and err on the high side. Thus, USDA set very restrictive country by country quotas which have caused prices to rise above 22 cents per pound.

All of this is extremely costly to our constituents, Mr. Speaker. It is estimated that the cost to Americans for each 1-cent increase in the price of sugar is at least $300 million a year. Thus, just the error factor in using the quotas is costing consumers over $600 million in 1983. And this is on top of what I believe is a grossly over-generous subsidy of $2.4 billion provided sugar producers under the basic loan program.

Mr. Speaker, I have worked very hard in my years in Congress toward deregulation of the economy and to eliminate restrictions, protections and subsidies from special segments of our economy. I believe that through tough, healthy and unrestricted competition, with protections only when they are clearly needed, the American economy will regain its vigor and retain its place as the most creative and efficient economic force in the world.

I also believe that our trade policy should reflect these goals. I have encouraged every effort our President has made to force foreign nations, who wish to export their goods to the United States, to open their own markets to products made in America. There is no question in my mind that we can compete with any nation if we are permitted to do so.

I am grateful, Mr. Speaker, that many of my colleagues share these views, and I hope they will join me in giving careful scrutiny to the sugar program. Quotas are the most restrictive and damaging of trade barriers. As U.S. Trade Representative Brock has stated, their imposition under the sugar program has made our efforts to remove barriers to American goods in Europe and Japan an even more difficult task. Our bargaining position will be seriously jeopardized as long as quotas remain in force.

Our bill will eliminate the hypocrisy of quotas from the sugar program and our trade policy, Mr. Speaker. It will also preserve the President's flexibility in imposing tariffs on imported sugar.

The bill will have an impact on the subsidy to American sugar producers, and I believe this is equally as appropriate. The sugar program provides a much higher degree of support in relation to world prices than nearly any other commodity. American prices are at 22 cents per pound for sugar while the world price currently ranges from 10 to 11 cents per pound. Such a subsidy sends exactly the wrong signal, that is to expand production rather than contract it—and as a result, perpetuates the surplus in supply.

Further, according to figures provided by the Department of Agriculture, the sugar support prices are much higher relative to production costs than virtually all other agricultural commodities. The comparison looks like this:

Percent target price is of cost of production

	Percent
Sugar	80
Wheat	56
Corn	65
Cotton	74

Congress is reexamining nearly all of its agricultural programs, Mr. Speaker. Surely, we must also look again at the most generous farm program of them all—sugar. This program is costing our constitutents $3 billion each year. It is disrupting our trade policy and moving us away from the free market we have been working so hard to restore.

I hope my colleagues will carefully consider this legislation and support our efforts to provide rationality in this extremely costly program.●

CENTRAL AMERICA AND OUR FUTURE

HON. JACK FIELDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1983

● Mr. FIELDS. Mr. Speaker, I present for our colleagues two articles from the commentary page of today's Washington Times concerning the current crisis in Central America. The decisions made over this issue by the President and the Congress in the coming months will, one way or another, have permanent effects on American citizens and the peoples in all nations. These articles by Philip Gold and Patrick Buchanan offer considerable insight into the decision process and its meaning.

REAGAN HAS A HISTORIC OPPORTUNITY—IF HE'S WILLING TO PAY THE PRICE

(By Patrick Buchanan)

With the dispatch of the U.S. battle fleets to the Pacific and Caribbean coasts of Central America, the president has issued a statement to the world: A Soviet satellite state and military base in Central America is unacceptable to the United States.

That the Sandinistas and their American sympathizers have gotten the message is unmistakable. Suddenly, the Ortega Brothers are anxious to negotiate treaties of noninterference in the affairs of their neighbors. The American left—politicians and press auxiliaries—is alternately berating Reagan's "gunboat diplomacy," and imploring him to talk to the Sandinistas, to listen to the Contadora Group, to wait upon the Kissinger Commission. Something approaching a general panic has broken out in this city now that Ronald Reagan means to rid the hemisphere of the Sandinistas.

By dispatching the fleet, however, the president has himself publicly climbed up the high dive. If six months hence, USS Ranger and New Jersey come steaming home, and the Sandinista regime is firmly and permanently entrenched, the president will be perceived as having run an American bluff. The Soviet military base in Central America will be accepted by the world as a permanent feature of the Cold War with which the United States has, once again, come to terms. Castro and Andropov's tremendous gamble will have paid off.

All the talk about poverty and human rights, democracy and land reform aside, Central America is the latest battlefield in the war between the United States and the Soviet Union.

The Soviets, the Cubans, the Sandinistas have shoved their stack of chips in. They have accepted the risks inherent in establishing a communist beachhead deep inside the hemispheric defense perimeter of the United States. They have in four years built an indigenous army of 75,000 troops and militia, poured in advisers, technicians and material, and sought to expand the beachhead to El Salvador.

The Ortega Brothers are not going to be negotiated out of power by Richard Stone or Henry Kissinger. They are not going to be frightened out of power by the battleship New Jersey with its impressive array of cruise missiles. They are not going to commit suicide by inviting back anti-com-

munist Nicaraguans and committing their fate to free elections. Nor will they be abandoned by Yuri Andropov simply because Sen. Moynihan warns that if he doesn't, we will cut off his wheat supply and foreclose on his Polish subsidiary.

The presence of the battle fleet can persuade Managua, temporarily, to cool its revolutionary ardor, to play the peace-loving socialist state, the hemispheric good neighbor.

But, as soon as the gun-boats go home, the Sandinistas will return to the business of waging war against Western interests in Central America, just as Hanoi went back to its war of conquest of South Vietnam, the day the B-52s departed.

Having seized and consolidated power at the barrel of a gun, the Sandinistas will not be removed—except at the barrel of a gun. Given the military build-up in Nicaragua, unprecedented in Central American history, it is unlikely that any coalition of 10,000 "Contras" can drive them from power, without the military assistance of the United States. Which means American wounded and American dead.

If the United States is unprepared to pay that price, then we should reconcile ourselves to a Central America of 20 million people allied with and attached to the Soviet Empire. It is as simple as that.

Conversely, Central America offers a historic opportunity to the United States.

In Nicaragua, the Cubans and Soviets are taking an immense gamble. They are overextended, overexposed. If the president is willing to put up with hysteria in the United States, to pay the price to overthrow the Sandinista regime he would be the first American president to have inflicted a decisive military defeat upon the Soviet Empire.

If, through American action, the Sandinista regime is thrown upon the trash heap of history, the communist war in El Salvador—isolated, demoralized guerrillas with no base of supply—will gutter out. An American-backed push to dump the Sandinistas, coupled with U.S. recapture of the island of Grenada and Suriname from the grisly Castroite gangs who seized them, could, in six months, put the Western Hemisphere—excepting only Cuba—off-limits to the Soviet Empire.

This would expose as bogus the myth that communist revolutions are irreversible, and would send a message to the world that, under Mr. Reagan, the post-Vietnam paralysis of the United States is over. The political and psychological shock to Castro, of seeing the Soviet's Western Hemisphere bases rolled up with impunity, would be jolting; and the effect upon free men and anti-communists from Eastern Europe to southern Angola would be electric.

By sending the fleet, Mr. Reagan has come close to putting his place in history on the line. If the Sandinistas survive, and lead the comminist takeover of Central America, no amount of plea-bargaining on the part of the president's cohorts—i.e. he had no "consensus"; he lacked public support—is likely to persuade.

NICARAGUA AND THE MOMENT AT HAND

(By Philip Gold)

The ancient Greeks had two words for time. One, chronos, refers to time in its ordinary mien: the undifferentiated passage of the seasons and the years. The English word, chronological, derives from it.

The second word, kairos, can mean, variously, the critical time, the right time the unrepeatable time. Historically, it signifies those happenings which change, not only what is to come, but also our understanding of what has gone before. Moses on Mount Sinai, Christ on the Cross, Enola Gay above Hiroshima, Auschwitz, Tet—kairotic bits of time.

But there is also a kind of negative kairos: a sort of historical anti-matter composed of roads not taken, premises and promises left unfulfilled, hopes and opportunities stillborn. Of these tragic nonevents, our century has known more than its share.

And is living—may be living—through another now.

Since first it cursed the earth, communism has come to power largely via a two-stage process: initial alliance with non-communist forces against domestic oppression (or foreign occupation), followed by the gradual destruction of those allies after victory. From the 1917 Bolshevik power grab to the Czech coup of 1948 to the current global array of tragedies, the pattern has been much the same: first ally, then co-opt, betray, and massacre.

For a generation, now, it has been part of the American purpose to oppose—to contain—the spread of communism. This policy of containment worked well enough in post-war Western Europe, where strong democratic traditions (bolstered by American aid and troops) helped preclude communist takeover.

But simple anti-communism has proven peculiarly inefficacious in the developing world, where democratic traditions rarely exist, and where American influence (and Marines) have been used more often to prop up existing oppressions than to work for positive change.

In part, this has often been unavoidable; given an either/or between totalitarian communism and more "traditional" dictatorship, the latter has usually proven preferable. Not only are "traditional" tyrannies somewhat milder, but they also leave open at least a prospect for change; violent or otherwise. And, so runs the logic, history has also proven that when communism descends upon a country, the loss is final and irreversible.

But what if this logic of history could be changed? What if the classic two-stage pattern could be extended: revolution to rid a country of its indigenous tyranny, the standard communist bid for total control, followed by the armed refusal of those who did not run out one set of tyrants in order to submit to another far worse?

What if such armed refusals could avail themselves of the tactics which have proved so successful in disrupting governments across the planet? And what if those armed refusals could enjoy the international sanctuaries and support which communist movements have hitherto found so essential for success?

And what if the United States could ally itself with such armed refusals? What if the United States could shed its developing world image—and actual role—as the godfather of sundry petty despotisms in order to support genuine popular movements? Would not both anti-communism and the advancement of positive freedom be served?

This is, of course, the current situation in Nicaragua. But the nascent civil war transcends the question of whether that county can exist without either the communists or the Somocista. And it transcends the question of whether, as one American adviser in El Salvador aptly put it: "in order to save one country, we may have to take another back."

The real question is whether or not "taking back" can establish a global precedent: whether, in fact, the communist tide is reversible: whether, in fact, it may on occasion be more effective to "take back" a country than to "save" its local oligarchs.

Or perhaps the real question is whether or not the American people can be brought to understand the present kairos: whether they will authorize the activities which can make the reversal possible: or whether they will succumb to that orgy of self-pity and pseudorighteousness which goes by the name, "Vietnam Syndrome."

There is no guarantee that the Nicaraguan crisiss—or the Angolan, or the Afghan, or wherever men and women resist communist tyranny—will become the kairotic episode in the struggle against communist expansion. Nothing is ever guaranteed. But, among the many meanings of kairos is: "opportunity."●

SANCTITY OF LIFE ON QUALITY OF LIFE

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1983

● Mr. SMITH of New Jersey. Mr. Speaker, more than a decade ago the Supreme Court launched our Nation on a most brutal course. In Roe against Wade, the Court denied legal protection to the most defenseless and vulnerable members of the human family: unborn children.

In formulating this decision, the Court relied in part on a new ethic, one that placed only relative rather than absolute value on each human life. Since unborn children, in the Court's estimation, were incapable of "meaningful" life, their destruction was a matter of legal and constitutional indifference.

Those of us who oppose this decision predicted that the destruction would not stop with the unborn, but would spread inexorably to other classes of human beings.

Mr. Speaker, events of the intervening decade, sadly, have proved us right. Today it is not only the unborn, but newly born defective infants as well, who are being killed in our Nation's medical facilities. Such infants are considered not to have meaningful lives and are left to die through malign neglect.

It is significant that this link between abortion and infanticide is acknowledged even by abortion proponents. Austrailian bioethicist Peter Singer, writing in the July 1983 issue of Pediatrics, the official journal of the American Academy of Pediatrics, notes that, "The first major blow to the sanctity of life view was the spreading acceptance of abortion throughout the Western world."

Singer applauds this assault on the sancity of life ethic and a second assault on it as well—infanticide.

If we compare a severely defective human infant with a nonhuman animal, a dog or a pig, for example, we will often find the nonhuman to have superior capacities, both actual and potential, for rationality, self-conciousness, communication, and anything else that can plausibly be considered morally significant. Only the fact that the defective infant is a member of the species Homo sapiens leads it to be treated differently from the dog or pig. Species membership alone, however, is not morally relevant • • •

If we can put aside the obsolete and erroneous notion of the sanctity of all human life, we may start to look at human life as it really is: at the quality of life that each human being has or can achieve.

Mr. Speaker, this Congress must call a halt to this erosion of the sanctity of life ethic. My esteemed colleague from Illinois, HENRY HYDE, has introduced the Respect Human Life Act (H.R. 618), and has filed discharge petition No. 3 so that it may come before this body.

I call on all my colleagues who believe human life to be valuable and who oppose abortion and infanticide to sign Discharge Petition No. 3. And I call on every Member of this body to read Mr. Singer's article so that they might make an informed choice between two competing ethics: the ethic of elitism and death embodied in the quality of life ethic, and the sanctity of life ethic.

[From Pediatrics, Vol. 72, No. 1, 1983]

COMMENTARIES: SANCTITY OF LIFE OR QUALITY OF LIFE?

(Copyright © 1983 by the American Academy of Pediatrics)

The ethical outlook that holds human life to be sacrosanct—I shall call it the "sanctity-of-life view"—is under attack. The first major blow to the sanctity of life view was the spreading acceptance of abortion throughout the Western world. Supporters of the sanctity-of-life view have pointed out that some premature babies are less developed than some of the fetuses that are killed in late abortions. They add, very plausibly, that the location of the fetus/infant—inside or outside the womb—cannot make a crucial difference to its moral status. Allowing abortions, especially these late abortions, therefore does seem to breach our defense of the allegedly universal sanctity of innocent human life.

A second blow to the sanctity-of-life view has been the revelation that it is standard practice in many major public hospitals to refrain from providing necessary life-saving treatment to certain patients. Although this practice applies to geriatric patients and those suffering from terminal illness, the most publicized and also the potentially most significant cases have been severely defective newborns. In Britain, Dr. John Lorber [1] has quite candidly described his method of selecting which babies suffering from spina bifida should be given active treatment, and he has indicated, with equal candor, that in his view the best possible outcome for those not selected is an early death.

The decision not to treat an infant with Down's syndrome has also been publicized. In April 1982, in Bloomington, Indiana, the parents of an infant with Down's syndrome and in need of corrective surgery refused permission for the surgery to be performed. Few details are available because the court ordered the records sealed, but the court refused to intervene or to take the child out of his parents' custody.[2]

Although many doctors would sharply distinguish the active termination of life from a decision not to treat a patient for whom the foreseen outcome of this decision is the death of the patient, the distinction is a tenuous one, and the claim that it carries moral weight has been rejected by several academic philosophers. Hence, the acceptance of nontreatment in these situations is rightly perceived as a further threat to the sanctity-of-life view.

Some respond to this situation with a sense of alarm at the erosion of our traditional ethical standards. We already have, these people tell us, one foot on the slippery slope that will lead to active euthanasia, then to the elimination of the mentally feeble and of the socially undesirable, and finally to all the atrocities of the Nazi era. To pull back from this abyss, we must renew our commitment to the most scrupulous respect for all human life, irrespective of its quality.

It is in keeping with this response that shortly after the verdict was handed down in the Bloomington case, the Reagan administration issued, through the Department of Health and Human Services, a "Notice to Health Care Providers" stating that it is unlawful for a recipient of federal financial assistance to withhold from a handicapped infant any medical treatment required to correct a life-threatening condition, when the treatment is not medically contraindicated and would be given to an infant who was not handicapped.

Seen from a distance, this notice appears to put doctors in the absurd situation of having to keep alive the most grossly defective infants, for whom life is either quite valueless—because the infant is forever incapable of any conscious experience whatsoever—or else a positive burden, because it is a life of pain and discomfort without the redeeming value of a rational awareness of self or others. Even Lord Justice Templeman, who in a recent English case concerning an infant with Down's syndrome ordered that surgery be performed, did not wish to go so far. He allowed that in a case in which the life of the infant would be "demonstrably awful" there would have been grounds for allowing a child to die. The Reagan administration, it would seem, wishes infants to be kept alive even when their life will be "demonstrably awful." [3]

Is the erosion of the sanctity-of-life view really so alarming? Change is often, in itself, alarming, especially change in something that for centuries has been spoken of in such hushed tones that to question it is automatically to commit sacrilege. There is little evidence, however, to support the application of the slippery slope argument in this context. Cultures that have practiced forms of infanticide or euthanasia—Ancient Greece, the Eskimos—have been able to hold the line around those categories of beings that could be killed, so that the lives of other members of these societies were at least as well protected as the lives of citizens of the United States, where the culture officially accepts no limits to the sanctity of human life.

Whatever the future holds, it is likely to prove impossible to restore in full the sanctity-of-life view. The philosophical foundations of this view have been knocked asunder. We can no longer base our ethics on the idea that human beings are a special form of creation, made in the image of God, singled out from all other animals, and alone possessing an immortal soul. Our better understanding of our own nature has bridged that gulf that was once thought to lie between ourselves and other species, so why should we believe that the mere fact that a being is a member of the species *Homo sapiens* endows its life with some unique, almost infinite, value?

Once the religious mumbo-jumbo surrounding the term "human" has been stripped away, we may continue to see normal members of our species as possessing greater capacities of rationality, self-consciousness, communication, and so on, than members of any other species; but we will not regard as sacrosanct the life of each and every member of our species, no matter how limited its capacity for intelligent or even conscious life may be. If we compare a severely defective human infant with a nonhuman animal, a dog or a pig, for example, we will often find the nonhuman to have superior capacities, both actual and potential, for rationality, self-consciousness, communication, and anything else that can plausibly be considered morally significant. Only the fact that the defective infant is a member of the species *Homo sapiens* leads it to be treated differently from the dog or pig. Species membership alone, however, is not morally relevant. Humans who bestow superior value on the lives of all human beings, solely because they are members of our own species, are judging along lines strikingly similar to those used by white racists who bestow superior value on the lives of other whites, merely because they are members of their own race.

Ironically, the sanctity with which we endow all human life often works to the detriment of those unfortunate humans whose lives hold no prospect except suffering. A dog or a pig, dying slowly and painfully, will be mercifully released from its misery. A human being with inferior mental capacities in similarly painful circumstances will have to endure its hopeless condition until the end—and may even have that end postponed by the latest advances in medicine.

One difference between humans and other animals that is relevant irrespective of any defect is that humans have families who can intelligently take part in decision about their offspring. This does not affect the intrinsic value of human life, but it often should affect our treatment of humans who are incapable of expressing their own wishes about their future. Any such effect will not, however, always be in the direction of prolonging life—as the wishes of the parents in the Bloomington case, and in several other recent court cases, illustrate.

If we can put aside the obsolete and erroneous notion of the sancity of all human life, we may start to look at human life as it really is: at the quality of life that each human being has or can achieve. Then it will be possible to approach these difficult questions of life and death with the ethical

[1] Lorber J: Ethical problems in the management of myelomeningocele and hydrocephalus. *J R Coll Physicians Lond* 1975;10:1

[2] *Deciding About Foregoing Life-Sustaining Therapy*, discussion paper prepared by staff of President's Commission for the Study of Ethical Problems in Medicine and Biomedical and Behavioral Research. Washington, DC, August 1982, Chap 7

[3] See Re B, (a Minor). *Times Law Report*, Aug. 8, 1981, p. 15.

sensitivity that each case demands, rather than with the blindness to individual differences that is embodied in the Department of Health and Human Services' rigid instruction to disregard all handicaps when deciding whether to keep a child above—Peter Singer, MA, BPhil, FAHA, Centre for Human Bioethics, Monash University, Clayton, Victoria, Australia.●

AMERICA'S UNSUNG HEROES

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1983

● Mr. RICHARDSON. Mr. Speaker, there are many unsung heroes in our Nation's history—soldiers whose outstanding record of bravery and heroism in battle has not been properly recognized. I want to draw my colleagues attention to a group of fighting men who fall into that category.

Mr. Speaker, 41 years ago the U.S. Marine Corps Navajo Code Talker program was established at a Marine base in California. Two hundred young Navajo men left their families, homes, and friends to enlist in the military service for one of the most important missions of World War II. The Navajos participated in a training program that prepared them to serve in diverse units as communicators—code talkers and radiomen at communication centers throughout the war.

Mr. Speaker, Navajo was an unwritten language at that time and completely unintelligible to anyone except another Navajo. Therefore, it was a perfect language for devising code words into specialized military terms. Secret coded messages could be translated into Navajo and transmitted and translated back into English quicker than messages using conventional code writing techniques.

Mr. Speaker, the Navajo Code Talkers were one of the U.S. Government's secret weapons in the Pacific during World War II. Navajo Code talkers achieved many important accomplishments.

They also provided the key to a 413-word code the Japanese were never able to break. This proved to be a significant factor in the United States winning the war in the Pacific.

The activities of the code talkers was so secret that knowledge of what they contributed was not made public until 30 years after war's end. Many of the code talkers were unable to explain to their families their secret role in the war effort.

Mr. Speaker, It is somewhat ironic the Navajo Code Talkers who risked their lives for the United States during World War II were discouraged and even forbidden to speak their native tongue. There is an effort underway today to change all of that by promoting the importance of the Navajo language.

Tribal officials on the Navajo reservation are taking steps to preserve what many Navajos believe is the most precious part of their heritage: the Navajo language. Tribal leaders are working to establish a policy that would bring the Navajo language back into the classroom in reservation schools. Other Navajos are working on writing a dictionary for elementary school children.

These activities are beginning to bear fruit. I noticed the reservation newspaper, the Navajo Times, printed an article in the Navajo language. I commend these efforts and hope the importance of the Navajo language is never lost. I know the Navajo Code Talkers share in that desire.

Mr. Speaker, the Navajo Code Talkers of World War II served their country well. They deserve to receive the same benefits from the Federal Government as do non-Indian veterans. In many cases, Mr. Speaker, that has not happened. Members of the Navajo Code Talkers Association are now beginning to express their dissatisfaction with the Veterans' Administration. They have requested Federal funds through the VA to start up a medical facility for Navajo veterans at the Gallup Indian Medical Center. Under existing arrangements Navajo Veterans must now drive over 3 hours to Albuquerque to receive medical treatment. Many Navajo veterans live on Federal trust lands and have no collateral. Therefore, they cannot secure a loan to build a home. they have requested Federal money for housing on the reservation as well as guaranteed loans for the many veterans living off the reservation. The Navajo Code Talkers Association is also working to establish an Office of Veterans Affairs' on the Navajo Reservation.

Mr. Speaker, the Navajo Code Talkers are asking only for parity. They are asking only that they receive the same treatment as other veterans groups.

Mr. Speaker, although the U.S. Marines have always acknowleged the significant contribution the code talkers made to the war effort, it took 40 years for the U.S. Government to make any kind of official recognition. On Agust 14, 1982, a special Presidental Commission dedicated that day in recognition of these unsung warriors of the Navajo Nation who gave of their time and commitment and shared the special heritage of their language so that others might live. A special ceremony is planned for this year on August 12 in Gallup, N. Mex. I plan to attend, Mr. Speaker, to honor the special fighting men who left their hogans on the vast and sprawling Navajo reservation to make one of the most important contributions toward our victory in the Pacific during World War II. I hope my colleagues will join with me in sharing our appreciation to the Navajo Code Talkers.●

EXCESS FEDERAL PROPERTY IN LEHIGH ACRES, FLA.

HON. E de la GARZA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1983

● Mr. DE LA GARZA. Mr. Speaker, pursuant to Public Law 97-394, the Forest Service of the Department of Agriculture has informed the Committee on Agriculture that it is formally proposing to declare as excess Federal property the Southeastern Forest Station Forest Resources Laboratory located in Lehigh Acres, Fla.

A final decision on this proposed disposal will be made after 30 days. The Committee on Agriculture will welcome comments from interested Members and I ask relevant documents detailing this proposal and furnished to me as chairman of the committee be included in the RECORD at this point:

U.S. DEPARTMENT OF AGRICULTURE,
FOREST SERVICE,
Washington, D.C., July 22, 1983.

Hon. E. (KIKA) DE LA GARZA,
Chairman, Committee on Agriculture, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: Section 316 of the 1983 Interior and Related Agencies Appropriations Act (PL 97-394) requires funded Agencies to take the following actions before disposing of any lands, except by exchange or under certain specified authorities:

1. Determine that the tract is no longer needed by the Federal Government and inventory the tract as to its public value.

2. Provide opportunity for public review and comment.

3. Provide 30 days advance notice to the congressional delegation of the State or States in which the tract proposed for sale is located and the plan for carrying out such disposal.

4. Notify the appropriate congressional committees for immediate publication in the Congressional Record.

We are proposing to declare excess the Southeastern Forest Experiment Station Forest Resources Laboratory, Lehigh Acres, Florida. It is an improved 10.02 acre parcel located in the Lehigh Industrial Park, Lee Boulevard Highway 884, Lehigh Acres, Lee County, Florida.

Notice was given to the Florida Congressional Delegation on June 1, 1983. (See enclosed copy of letter.)

Information on the proposed disposal was published in the local newspaper to provide the opportunity for public review and comment. (See enclosed copy of notes.) We have received no comments from the general public nor from local Government officials. We have received comments from the Division of Forestry, Florida Department of Agriculture and Consumer Services, and from the School of Forest Resources and Conservation of the University of Florida, copies of which are enclosed.

The final decision on the proposed disposal will be made after 30 days. Our Report of

Excess Real Property will include the interest indicated by the State of Florida agencies.

Sincerely,

J. LAMAR BEASLEY,
(For R. Max Peterson, Chief).

Enclosure.

FLORIDA DEPARTMENT OF AGRICULTURE AND CONSUMER SERVICES
Tallahassee, Fla., June 9, 1983.

Dr. ELDON ROSS,
Director, Southeastern Forest Experiment Station, Asheville, N.C.

DEAR ELDON: We understand that due to budget cutbacks it is necessary that you close out the Lehigh Acres Laboratory and Related Facilities, and phase down your research in eucalyptus forest plantation studies. This will result in the Lab being declared excess.

The Florida Division of Forestry would like to continue the collaboration and participation in the research and assist to the extent possible with continuing the efforts made to date. Because of this and the need for us to eventually move our district office and fire control facilities to a more desirable location, it is requested that the Lab and Related Facilities be transferred to the Florida Department of Agriculture and Consumer Services, Division of Forestry.

If this is done, such personnel and related resources that you are able to continue in this program can be housed and supported by the facility and personnel of the Division.

We would appreciate your favorable consideration and support of this request.

Sincerely,

JOHN M. BETHEA,
Director.

UNIVERSITY OF FLORIDA, SCHOOL OF FOREST RESOURCES AND CONSERVATION,
Gainesville, Fla., June 9, 1983.

Dr. ELDON ROSS,
Director, Southeastern Forest Experiment Station, USDA, Forest Service, Asheville, N.C.

DEAR ELDON: For several years, the School of Forest Resources and Conservation has collaborated with the Station's scientists at Lehigh Acres on eucalyptus studies. We have several joint projects there now.

Last fall, it became evident that budget problems were forcing reductions in your eucalyptus research. Now, I understand the Lehigh Acres Laboratory is being declared excess and that the Florida Department of Agriculture and Consumer Services is proposing that the facility be turned over to them, principally for use by its Division of Forestry.

If the Station must dispose of the laboratory, I hope that it will be transferred to the Department of Agriculture and Consumer Services. The School plans further eucalyptus studies and needs continued access to the clone bank seed orchards and data at Lehigh Acres. We have excellent relations with the Division of Forestry and thus could expect their agreement for such access.

Sincerely.

ARNETT C. MACE, JR.,
Director.

[Fort Myers News-Press, Published every morning—Daily and Sunday, Fort Myers, Florida]

AFFIDAVIT OF PUBLICATION

State of Florida, County of Lee.

Before the undersigned authority, personally appeared Brenda J. Yarger, who on oath says that she is the Accts OperSupr of the Fort Myers News-Press, a daily newspaper published at Fort Myers, in Lee County, Florida; that the attached copy of advertisement, being a Notice of Proposed Disposition in the matter of Land and Improvements, June 8, 15, 1983.

Affiant further says that the said Fort Myers News-Press is a paper of general circulation daily in Lee, Charlotte, Collier and Hendry Counties and published at Fort Myers, in said Lee County, Florida and that said newspaper has heretofore been continuously published in said Lee County, Florida, each day, and has been entered as a second class mail matter at the post office in Fort Myers in said Lee County, Florida, for a period of one year next preceding the first publication of the attached copy of the advertisement; and affiant further says that he has neither paid nor promised any person, firm or corporation any discount, rebate, commission or refund for the purpose of securing this advertisement for publication in the said newspaper.

BRENDA J. YARGER

Sworn to and subscribed before me this 15th day of June, A.D. 1983.

U.S. DEPARTMENT OF AGRICULTURE,
SOUTHEASTERN FOREST EXPERIMENT STATION,
Asheville, N.C., June 1, 1983.

Hon. LAWTON M. CHILES,
U.S. Senate,
Washington, D.C.

DEAR SENATOR CHILES: For the past 15 years, the Forest Service has conducted research at Lehigh Acres, Florida. Most of our studies dealt with eucalyptus for forest plantations. As a result of budget reductions during 1981-1983, our staff there has been reduced to one scientist with several part-time employees. Maintenance costs for our Lehigh Acres laboratory are too high for the size of our staff. Therefore, we have determined that the facility is excess to our needs.

We will not report the property as excess until you have had 30 days for review as specified in Section 316 of the 1983 Interior and Related Agencies Appropriation Act.

Site Name: Southeastern Forest Experiment Station, Forest Resources Laboratory, Lehigh Acres, Florida.

Description and size: Laboratory and office space, 10,716 Sq. Ft.

All properties are located in Lee County near Lehigh Acres, Florida, commencing at the southwest corner of the northwest quarter of Section 29, Township 44, Range 26 east, 10.02 Acres.

We have notified Senator Hawkins and Congressman Mack of plans to declare this property excess. Also, we are publishing the enclosed notice in the Fort Myers News Press and the Suburban Reporter (Lehigh Acres) on June 6 and 13, 1983. This is necessary to fulfill the requirements of the 1983 Interior and Related Agencies Appropriations Act.

Dr. Thomas Ellis, Assistant Station Director, called your Lakeland office last week to inform you of our plans. As he explained, we intend to have our scientist continue eucalyptus research through a cooperative agreement with the Florida Division of Forestry. We are indicating on our report to GSA the Division's interest in acquiring the Lehigh Acres property.

If you wish additional information, please write to us or call our office at FTS 672-0758 or 704-258-2850, extension 758.

Sincerely,

ELDON W. ROSS,
Station Director.●

GAO CHEMICAL WARFARE REPORT IS NOT FLAWED

HON. CLEMENT J. ZABLOCKI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1983

● Mr. ZABLOCKI. Mr. Speaker, a month ago during the House debate on the binary chemical weapons program, a number of charges were leveled against a new report by the General Accounting Office entitled "Chemical Warfare: Many Unanswered Questions." It appears as if the primary source of those criticisms was a lobbying document prepared and distributed to Members of the House by the Department of Defense.

Upon hearing of this lobbying document, Mr. Charles A. Bowsher, the Comptroller General of the General Accounting Office, wrote to assure me of the objectivity and independence of GAO's report. In his letter of June 15, 1983, Mr. Bowsher, in addition, offered to provide the House Committee on Foreign Affairs with an indepth response to the charges contained in the DOD lobbying document. Because of the importance of GAO's findings to the congressional debate on the proposed binary chemical weapons program, I asked Mr. Bowsher to proceed with his response.

Mr. Speaker, it has come to my attention that key Defense Department officials are continuing to denigrate this report in briefings and meetings with both Members of Congress and the press. I believe that the time has come to put an end to these unsubstantiated and false accusations. Accordingly, I commend to my colleagues Mr. Bowsher's 15-page July 6 letter to me which can be obtained from the Committee on Foreign Affairs or its Subcommittee on International Security and Scientific Affairs. What follows are a few highlights of GAO's responses to DOD claims which reaffirm the need for the House conferees to preserve the House's decisive and bipartisan majority vote on June 15 against binary production in the upcoming conference with the Senate on the fiscal year 1984 Defense authorization legislation. These highlights are:

DEAR CHAIRMAN ZABLOCKI: As requested by our office, we respond in this letter in detail to the charges made against our chemical warfare report ("Chemical Warfare: Many Unanswered Questions," April 29, 1983) in a 12-page anonymous and untitled document that has been circulating among congressional members. Typically, the General Accounting Office does not respond to such documents. While we usually respond imme-

diately to critiques by organizations (or even individuals representing their own views), we hesitate to give credence to an anonymous document by treating it seriously. In this case, however, the document has been given such wide distribution that it seems prudent to respond formally so as to set the record straight.

As we indicated in our letter to you on June 15, 1983, our chemical warfare report was prepared with the same objectivity and independence that GAO applies to all its products. Additionally, we find that most of the comments made in the anonymous document were made by DOD in our exit conference with Dr. Gold, the Deputy Assistant to the Secretary of Defense for Chemical Matters, and as is our customary practice, we responded to those comments in our report (see pages 103–06 and 119–22). . . .

One charge that the document makes is that GAO did not hold substantive discussions on the issues with DOD officials. This charge was made by DOD in our exit conference with Dr. Gold on January 24, 1983. Specifically, he raised the concern that we had not worked with his office.

We pointed out at the exit conference that we had conducted the interview and data collection phase of our work before he arrived at DOD and that we would make this clearer in the report. We also presented him with a list of individuals in DOD and the services whom we made contact with during our audit. The list includes Major General Niles Fulwyler and members of his staff (his office served as the Army's focal point [the only active DOD focal point at the time of our review] for chemical warfare matters during the period of our review), Colonel John Tengler of the Joint Chiefs of Staff, Victor Utgoff and Colonel Horace Russell of the National Security Council, Robert Mikulak of the Arms Control and Disarmament Agency, and Professor John Deutch of the Massachusetts Institute of Technology and Chairman of the Defense Science Board Summer Study of Chemical Warfare (during a briefing on chemical warfare that he presented at the MITRE Corporation). We added that we had attended and obtained testimony presented to the Senate Appropriations Committee in May 1982 by Dr. Richard L. Wagner, the Assistant to the Secretary of Defense for Atomic Energy, by Dr. Theodore Gold, the Deputy Assistant to the Secretary of Defense for Chemical Matters, and by the Honorable James F. Leonard, former Ambassador and senior official in the Arms Control and Disarmament Agency on chemical and biological warfare issues.

We also talked with other non-DOD experts such as Dr. Matthew Meselson of Harvard University. We are not sure who on the above list is meant in the document's emotion-laden charge that GAO's sources include "anti-chemical activists." We do not believe, however, that an information synthesis can omit serious, well-qualified critics of Administration policies or proposals. Such an omission would be true grounds for methodological criticism.

GAO Claims: "The GAO report alleges that the DOD lacks knowledge about the size, condition and composition of its own chemical stockpile."

DOD Response: "This allegation is false and, not only is it unsupported by the facts, it is not even supported by the documentation cited in the GAO report . . . Moreover, GAO did not request stockpile information from DOD nor even avail themselves of the primary source document on stockpile status."

GAO Comments: "In summary, our report builds upon previous audit work conducted by GAO and a follow-up study indicating the continued presence of several critical problems. After an extended period for agency review, DOD officials did not provide or give the titles of any additional sources that would clarify the status of the stockpile. Repeated requests for such documentation were made during the exit conference with DOD in response to concerns raised by Dr. Gold. As noted in our report (p. 104), no additional sources or titles were provided. The claim that GAO did not request stockpile information is, therefore, false."

GAO Claim: "The present GAO report quotes from the 1977 GAO report which 'found that little had been done to maintain the stockpile as serviceable or to restore its unserviceable portions.' The present report concludes that 'we have found no new evidence from the present review that suggests that the situation has changed.' "

DOD Response: "The GAO did not request from DOD any information on our restoration activities but instead chose to rely on outdated reports to make a judgment. The evidence is available if the team had bothered to look. From December 1980 to December 1982 the DOD increased the percentage of 155mm and 8-inch nerve agent projectiles ready for issue from less than 15% to almost 65%. In the same period the percentage of bombs ready for issue increased from 75% to over 95%. This information is documented, and was reported to Congress."

GAO Comments: "As we stated previously to this reply, and noted on page 104 of our report, we responded to this criticism at the exit conference held with DOD officials on January 24, 1983. We repeatedly asked for recent information on DOD efforts to assess the stockpile size and condition. No additional information or sources were provided at that time. Given the important achievement that would be represented by an increased percentage of ready-for-issue 155-mm and 8-inch nerve agent projectiles (from less than 15 percent to approximately 65 percent) it is surprising that we were not advised of it. But such an achievement would also have obvious implications for the current rationale supporting projected binary requirements."

5. GAO Claim: "As opposed to an emphasis on arms control, U.S. chemical policy reflects either an emphasis on weapons or an emphasis on defense with a limited retaliatory capability for deterrence of chemical warfare."

DOD Response: "The overriding U.S. chemical warfare objective since 1969 has been to achieve a complete, verifiable ban on chemical weapons. This objective has been clearly stated in both words and deeds by four successive administrations, including the present one."

GAO Comments: "The anonymous document implies that GAO chooses not to mention that the overriding U.S. chemical warfare objective has been to achieve a complete, verifiable ban on chemical weapons. By presenting the GAO statement out of context, the document in fact misleads the reader. Page 17 of our report does present DOD's statement that "the ultimate U.S. goal is a complete and verifiable ban on developing, producing, and stockpiling chemical weapons.' "

GAO Claim: "Little is known about the size or composition of the Soviet stockpile."

DOD Response: "The GAO authors did not evaluate any primary source intelligence data and therefore are unqualified to make such judgments."

GAO Comments: "A misconception is reflected in the anonymous document regarding the meaning of 'primary source intelligence data' and the manner in which GAO treated these data. We did indeed obtain intelligence data, including:

(1) " 'Chemical and Biological Warfare Capabilities—U.S.S.R.,' DIA, February 1981, Secret.

(2) " 'Chemical and Biological Warfare Capabilities—U.S.S.C.,' DIA, February 1983, Secret.

(3) " 'Chemical and Biological Wafare Capabilities—European Communist Countries (Less U.S.S.R.),' DIA, June 8, 1982, Secret.

(4) "Report of the Defense Science Board 1980 Summer Study Panel on Chemical Warfare," OUSD for R&E, January 1981, Secret.

(5) "DOD Report to the Congress on Chemical Warfare," March 1982, Secret."

These are the primary documents in which the Soviet threat in terms of stockpile, production facilities, test sites, depots, and types of agents is presented. We treated the documents as primary source data and accepted the data as fact. We did not attempt to evaluate the methods by which the data were obtained. We also received briefings on the Soviet threat from DIA and JCS. And our final draft was reviewed by the CIA, specifically to examine our treatment of intelligence data.

Thus, it is not the case that we failed to obtain and review classified data up to and including secret documents . . .

GAO Claim: "The available data do not sustain the argument that binaries offer substantial technical operational advantages over existing weapons; binaries place greater space requirements on storage, transportation, and deployment; the mixing requirements of binaries may deminish [sic] their operational effectiveness; peacetime advantages (of binaries) may have related wartime costs (such as mixing time and more complex logistics)."

DOD Response: "The GAO auditors did not investigate the technical characteristics of either binary or unitary chemical weapons; nor did they compare them against each other or against some type of objective criteria."

GAO Comments: "Any investigation into the technical and operational characteristics of the binary weapons quickly identifies the lack of field-test data. One is left with only simulation data generated by using simulants rather than actual agents. As a result, and as is pointed out in the GAO report, conclusions about many of the technical characteristics of binaries and comparisons with unitary weapons are open to question. Some of the comparisons made by the services and DOD suffer from the same lack of information and, as a result, GAO simply points out that they are not supported by empirical data. GAO does, in fact, discuss alternatives to binaries (pp. 61–67). GAO agrees that the services and DOD have "concluded that binary weapons are clearly preferred to present or new unitary weapons." Our position is simply that this conclusion is not sustained by available data."

GAO Claims: "Binary production might complicate arms control verification procedures."

DOD Response: "The difficult problem of verifying nonproduction of key precursors

remains unchanged whether or not the U.S. proceeds with binary production."

GAO Comments: "The GAO report in fact once again attempts to present a balanced picture of the implications that modernization through binaries might have for disarmament. In this case, the literature is not conclusive, hence the summary statement that binaries might complicate disarmament negotiations. . . . We indicate that while it seems that binaries might present new verification problems, little is known about what the specific verification problems are or what their solutions will be."

GAO Claim: "The United States unlike the Soviet Union, has not built a strong ability to defend against chemical warfare."

DOD Response: "The United States is not yet where we need to be in chemical protective capabilities, but we have made significant improvement over the past several years. For example, all overseas Army and Air Force units have chemical protective equipment, training and exercises are now routinely conducted, and there are major research and development programs to improve equipment. Our program is still underway and will continue to evolve to counter the threat."

GAO Comments: "The precise statement made in the GAO report is that 'the United States, unlike the Soviets, does not have a strong ability to defend against chemical warfare' (p. 57). The statement that 'GAO falsely implied that the U.S. has ignored chemical defenses while seeking new chemical weapons' is a contradiction of our statement, on page 57 of our report, in a discussion about past and present efforts, that 'We found manifest progress, but we also noted some continuing problems and limitations.' We made a similarly balanced statement on the issue of funding in the same section of our report."

Mr. Speaker, in a related development since the June 15 decisive House vote against binary production, the GAO issued on July 1, 1983 another report on our chemical program in which the GAO concluded that "the U.S. Army's program to assure the security and safety of the U.S. chemical munition stockpile is comprehensive and effective."

I know many of our colleagues will be relieved to know that our country's currently large stockpile of chemical munitions and bulk chemical agents was found by GAO to be comprehensive and working effectively. The GAO report states:

Army efforts have been successful. For at least the last five years (1978-82), the extent of chemical accidents and incidents has been minimal. GAO visited four storage sites which, together, store the vast majority of the stockpile and found that three had experienced a total of only five minor chemical accidents or incidents for the five-year period. The other site had experienced none. All the accidents or incidents were immediately and thoroughly investigated, and none led to serious personal injury. All chemical agent contamination was restricted, with no release to the outside atmosphere. Moreover, four of these cases were associated with demilitarization or disposal operations rather than normal storage and maintenance.

These findings make it clear that safety interests and requirements do not justify embarking on an unproven and untested binary production program.●

HOW PITTSBURGHERS VIEW THE ISSUES

HON. WILLIAM J. COYNE
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1983

● Mr. COYNE. Mr. Speaker, I would like to share with my colleagues the results of a newsletter survey I recently conducted for the 14th District of Pennsylvania. The nearly 4,000 residents of the Pittsburgh area who completed questionnaires responded decisively to seven questions on general issues of the day. Often their opinions opposed the policies which the administration sets forth as mandated by the American people. In several areas, the people of Pittsburgh seem to have a different view.

A consensus among these respondents is apparent on the subject of America's Armed Forces. Pittsburghers want to cut back sharply the defense budget. Specifically regarding the pressing issue of U.S. involvement is Central America, Pittsburghers overwhelmingly oppose providing American military assistance to countries such as El Salvador. A majority responded that they believe the U.S. policy toward Central America should be to support negotiations among conflicting factions and to provide only economic assistance, not military assistance of any kind, to Central American nations.

To find their positions on defense spending, I asked my constituents to choose from four levels of proposed defense budgets. Fewer than one in eight said they support the President's proposed defense spending plan of $244.7 billion. More than half responded that they would prefer even less defense spending than the $235.4 billion approved by the House budget resolution—indicating that even a reduction as massive as $10 billion is not enough.

This strong statement about the level of Pentagon spending, coupled with the preference of Pittsburghers not to become involved militarily in Central America, tells me that we should start to focus on fighting the domestic problems individuals in America face every day—inflation, unemployment, and lack of basic human services.

I asked my constituents what they thought about domestic spending and what they thought we should do to reduce the Federal deficit. Not surprisingly, out of the four measures suggested to reduce the deficit, 66 percent of the voters chose to cut defense spending as a means of getting the Federal budget in the black. Nearly two-thirds chose to initiate an economic stimulus program, and suggested public works or jobs programs. Further, more than half said they would not want to reduce human services spending or to increase taxes in order to reduce the Federal deficit. As one constituent commented, "We need to invest in the future, to support higher education and basic human services."

Given the chance to suggest other means of reducing the Federal deficit, three themes recurred: First, constituents wanted to eliminate waste in the Government bureaucracy; second, many wanted a reduction in foreign aid as a means of bringing the American economy back to its feet; and last, more often than any other suggestion, constitutents demanded reforms in the tax structure. A tax system with no deductions or loopholes was popular with these Pennsylvanians.

On the subject of taxes, I asked my constituents to indicate their views on seven tax strategies currently considered as plausible means of reducing the Federal deficit. I included Congressional Budget Office estimated savings for each measure.

All told, the respondents agreed to measures that would save the Government an estimate $232 billion over 5 years. By a 3 to 1 margin, the voters agreed to limit tax deduction for business entertainment, a savings of about $5.7 billion; 61 percent thought that the period for depreciating new buildings should be extended by 5 years, a savings of $19.3 billion. Repeal of the oil and gas depletion allowance to save $8.7 billion and stopping income averaging for tax purposes to save $20.9 billion were also high priorities.

The respondents were divided on the option with the biggest savings of all, repeal of the third year of the Reagan tax cut for an estimated $177 billion savings; 49 percent favored the repeal, 43 percent opposed it, and 8 percent were not sure. A $10,000 limit on deductions from consumer borrowing, including home mortgages and car loans, for $9 billion, was narrowly rejected. Constituents wanted to keep sales tax deductions, a potential $27.9 billion in revenues.

Control of health care costs, particularly hospitalization, is one issue on which most everyone agrees action is necessary. Yet the constituents who filled out the questionnaire were split on a particular method of providing affordable and adequate health care. While about half opposed both a comprehensive national health insurance program or national health insurance for catastrophic illness, nearly two-thirds preferred a Federal program for controlling rising hospital costs.

Rising costs are also a concern in the area of natural gas prices. The current administration favors a 3-year period for removing all price controls on nat-

ural gas, which opponents fear would lead to higher gas prices. I asked my constituents if they favored the administration plan or a second plan which would maintain price controls for natural gas while increasing controls on newly discovered gas in the future; 62 percent of the respondents objected to decontrol, and nearly three-fourths said they favored stricter controls on newly discovered gas through 1987.

My constituents also strongly agreed on the need for campaign finance reform. Four out of five favor limiting the amount of money a candidate for Congress can spend. Nearly the same number agreed to limiting the amount of money Political Action Committees (PAC's) can contribute to congressional campaigns.

It is clear to me that the residents of the 14th Congressional District of Pennsylvania have deeply held opinions on which course this Nation should take. They want to trim the fat off the Federal budget without cutting too far into the programs that help the average family. They particularly want to keep the massive military budget from absorbing funds needed for more immediate domestic human services programs. They want to keep the United States out of military involvement in Central America.

As their elected Representative in Congress, I accept the mandate given by Pittsburgh voters.

At this point, Mr. Speaker, I would like to include in the record the exact response to the questionnaire, as tabulated by the House Information Service.

BILL COYNE SURVEY

1. Health costs: Costs for hospital care are rising faster than inflation. To make sure that the average family can afford adequate health care, which do you prefer?

(a) A comprehensive national health insurance system—Result: Yes—40 percent; no—56 percent; not sure—4 percent.

(b) National health insurance for catastrophic illness—Result: Yes—39 percent; no—56 percent; not sure—6 percent.

(c) A federal program aimed at controlling rising hospital costs.—Result: Yes—60 percent; no—35 percent; not sure—5 percent.

2. Natural gas prices: The Administration says the market place should determine the price of natural gas. It proposes to remove price controls for all natural gas, including gas already discovered, over a three year period.

Opponents argue that decontrol means eventual higher gas prices. They propose maintaining controls on "old gas, rolling back the allowable ceiling prices to January 1, 1982 levels, while placing stricter controls on new gas through 1987.

Do you favor decontrolling the price of gas over the next three years? Result: Yes—27 percent; no—62 percent; not sure—11 percent.

Do you favor maintaining price controls on gas already discovered, rolling back ceiling prices to January 1, 1982, while putting stricter controls on new gas through 1987? Result: Yes—72 percent; no—20 percent; not sure—8 percent.

3. Taxes: Unprecedented federal deficits of over $200 billion a year are considered to be a serious restraint against economic recovery. Following are some of the tax strategies being considered to reduce the deficit (with the figure in parenthesis showing the Congressional Budget Office estimate of the revenue gain for the federal government for the next five years). Indicate your views on each:

(a) Eliminate sales tax deduction ($27.9 billion)—Result: Yes—38 percent; no—51 percent; not sure—11 percent.

(b) Eliminate "income averaging for people with rapidly rising income who enjoy lower rates based on incomes in previous years ($20.9 billion)—Result: Yes—53 percent; no—39 percent; not sure—8 percent.

(c) Limit tax deductions for business entertainment and meals to 50% of the amount spent ($5.7 billion)—Result: Yes—69 percent; no—24 percent; not sure—7 percent.

(d) Lengthen the period for depreciating new and newly-purchased buildings from 15 to 20 years ($19.3 billion)—Result: Yes—61 percent; no—30 percent; not sure—9 percent.

(e) Put a $10,000 ceiling on deductions from all consumer borrowing such as home mortgages, auto loans and other nonbusiness loans ($9 billion)—Result: Yes—43 percent; no—46 percent; not sure—11 percent.

(f) Repeal the oil and gas depletion allowance ($8.7 billion)—Result: Yes—58 percent; no—27 percent; not sure—15 percent.

(g) Repeal the third year, 10 percent income tax deduction enacted in 1981 ($177 billion)—Result: Yes—49 percent; no—43 percent; not sure—8 percent.

4. Central America: The Congress has been asked by the Administration to increase military aid to countries such as El Salvador. What do you think the United States policy should be toward Central American countries which face political and military challenges:

(a) Provide military assistance—Result: Yes—14 percent; no—81 percent; not sure—5 percent.

(b) Provide military assistance, while supporting negotiations among factions—Result: Yes—23 percent; no—71 percent; not sure—6 percent.

(c) Provide economic assistance only, while supporting negotiations—Results: Yes—56 percent; no—38 percent; not sure—6 percent.

5. Defense spending: This year the Administration proposed a defense budget of $244.7 billion. The House approved $235.4 billion for defense—less than the Administration requested, but more than last year.

What level of defense spending do you favor? (check one) not sure: 3 percent.

(a) The $244.7 billion Administration request—Result: 13 percent.

(b) More money than the Administration requested—Result: 3 percent.

(c) The $235.4 billion approved by the House—Result: 25 percent.

(d) Less than either the Administration requested or the House approved—Result: 56 percent.

6. Campaign spending: To lessen the influence of money on the electoral process, would you favor a revision of the election law limiting the amount a candidate can spend on a campaign for Congress? Result: Yes—83 percent; no—12 percent; not sure—5 percent.

As to Political Action Committees (PACs), do you favor placing more stringent limits on the amount of money congressional candidates can receive from these sources? Result: Yes—81 percent; no—12 percent; not sure—7 percent.

7. Federal deficit: The federal deficit for this year is projected to be four times greater than it was during the last year of the Carter Administration. How would you reduce the deficit?

(a) Reduce defense spending—Result: Yes—66 percent; no—20 percent; not sure—14 percent.

(b) Reduce human services spending—Result: Yes—24 percent; no—57 percent; not sure—19 percent.

(c) Increase taxes—Result: Yes—24 percent; no—55 percent; not sure—21 percent.

(d) Initiate an economic stimulus program—Result: Yes—62 percent; no 18 percent; not sure—20 percent.

(e) Other (please indicate)—Result: Answered—47 percent; did not answer—53 percent.●

DR. MARTIN LUTHER KING, JR. DAY

HON. PETER H. KOSTMAYER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1983

● Mr. KOSTMAYER. Mr. Speaker, tomorrow the House of Representatives has the opportunity to designate the third Monday in January each year as a legal public holiday to commemorate the birthday of Dr. Martin Luther King, Jr.

Designating new public holidays in honor of someone is not an action that the Congress should treat lightly or without careful scrutiny. However, I believe that commemorating Doctor King's birthday is an appropriate tribute to a man who devoted his whole life to the pursuit of those ideals on which the United States was founded. His commitment to a peaceful social revolution moved us closer to meeting these national goals and his short life served as a sign of hope for millions of Americans, both black and white. He proved that violence and lawlessness were not necessary to achieve compassion and justice for this country.

Mr. Speaker, this month is the 20th anniversary of Doctor King's "I Have A Dream" speech at the Lincoln Memorial on August 28, 1963. His dream has not faded or dimmed in the 20 intervening years. There is important unfinished business. We as a nation must use his birthday each year to rededicate ourselves to the principles and goals for which he died.

In 1979, I voted in favor of commemorating Doctor King's birthday on the third Monday in January and I do so again this year. It is my hope that my distinguished colleagues will recognize the importance of this bill and by doing so rededicate ourselves to Doctor King's commitment to equality and justice.

Doctor King's speech from 1963 follows:

I HAVE A DREAM

MARTIN LUTHER KING, JR.

I am happy to join with you today in what will go down in history as the greatest demonstration for freedom in the history of our nation.

Five score years ago, a great American, in whose symbolic shadow we stand today, signed the Emancipation Proclamation. This momentous decree came as the great beacon light of hope for millions of Negro slaves who had been seared in the flames of withering injustice. It came as the joyous daybreak to end the long night of their captivity.

But one hundred years later the Negro still is not free. One hundred years later, the life of the Negro is still badly crippled by the manacles of segregation and the chains of discrimination. One hundred years later, the Negro lives on a lonely island of poverty in the midst of a vast ocean of material prosperity. One hundred years later, the Negro is still languished in the corners of American society and finds himself an exile in his own land. So we have come here today to dramatize the shameful condition.

In a sense we've come to our Nation's Capital to cash a check. When the architects of our republic wrote the magnificent words of the Constitution and the Declaration of Independence, they were signing a promissory note to which every American was to fall heir. This note was a promise that all men, yes, black men as well as white men, should be guaranteed the unalienable rights of life, liberty and the pursuit of happiness.

It is obvious today that America has defaulted on this promissory note insofar as her citizens of color are concerned. Instead of honoring this sacred obligation, America has given the Negro people a bad check, a check which has come back marked "Insufficient Funds." But we refuse to believe the bank of justice is bankrupt. We refuse to believe that there are insufficient funds in the great vaults of opportunity of this nation. So we have come to cash this check, a check that will give us upon demand, the riches of freedom and the security of justice. We have also come to this hallowed spot to remind America of the fierce urgency of now.

This is no time to engage in the luxury of cooling off or to take the tranquilizing drug of gradualism. Now is the time to make real the promises of democracy. Now is the time to rise from the dark and desolate valley of segregation to the sunlit path of racial justice. Now is the time to lift our nation from the quicksands of racial injustice to the solid rock of brotherhood. Now is the time to make justice a reality for all of God's children.

It would be fatal for the nation to overlook the urgency of the moment. This sweltering summer of the Negro's legitimate discontent will not pass until there is an invigorating autumn of freedom and equality. Nineteen sixty-three is not an end but a beginning. Those who hoped that the Negro needed to blow off steam and will now be content will have a rude awakening if the nation returns to business as usual. There will be neither rest not tranquility in America until the Negro is guaranteed his citizenship rights. The whirlwinds of revolt will continue to shake the foundations of our nation until the bright day of justice emerges.

But there is something I must say to my people who stand on the warm threshold which leads them to the palace of justice. In the process of gaining our rightful place we must not be guilty of wrongful deeds. Let us not seek to satisfy our thirst for freedom by drinking from the cup of bitterness and hatred. We must forever conduct our struggle on the high plane of dignity and discipline. We must not allow our creative protest to degenerate into physical violence. Again and again we must rise to the majestic heights of meeting physical force with soul force.

The marvelous new militancy which has engulfed the Negro community must not lead us to a distrust of all white people, for many of our white brothers, as evidenced by their presence here today, have come to realize that their destiny is tied up with our destiny. They have come to realize that their freedom is inextricably bound to our freedom. We cannot walk alone.

And as we walk we must make the pledge that we shall always march ahead. We cannot turn back. There are those who are asking the devotees of civil rights: "When will you be satisfied?" We can never be satisfied as long as our bodies, heavy with the fatigue of travel, cannot gain lodging in the motels of the highways and the hotels of the cities. We cannot be satisfied as long as the Negro's basic mobility is from a smaller ghetto to a larger one. We can never be satisfied as long as our children are stripped of their selfhood and robbed of their dignity by signs stating: "For Whites Only." We cannot be satisfied as long as the Negro in Mississippi cannot vote and the Negro in New York believes he has nothing for which to vote. No, no, we are not satisfied and we will not be satisfied until justice rolls down like the waters and righteousness like a mighty stream.

I am not unmindful that some of you have come here out of great trials and tribulations, some of you have come fresh from narrow jail cells, some of you have come from areas where your quest for freedom left you battered by the storms of persecution and staggered by the winds of police brutality. You have been the veterans of creative suffering. Continue to work with the faith that unearned suffering is redemptive.

Go back to Mississippi, go back to Alabama go back to South Carolina, go back to Georgia, go back to Louisiana, go back to the slums and ghettos of our northern cities, knowing that somehow this situation can and will be changed. Let us not wallow in the valley of despair.

I say to you today, my friends, even though we face the difficulties of today and tomorrow, I still have a dream. It is a dream deeply rooted in the American dream. I have a dream that one day this nation will rise up and live out the true meaning of its creed: "We hold these truths to be self-evident that all men are created equal."

I have a dream that one day on the red hills of Georgia the sons of former slaves and the sons of former slaveowners will be able to sit down together at the table of brotherhood.

I have a dream that one day even the State of Mississippi, a state sweltering with the heat of injustice, sweltering with the heat of oppression, will be transformed into an oasis of freedom and justice. I have a dream that my four little children will one day live in a nation where they will not be judged by the color of their skin but by the content of their character. I have a dream today.

I have a dream that one day down in Alabama with its vicious racists, with its Governor having his lips dripping with the words of interposition and nullification—one day right there in Alabama, little black boys and black girls will be able to join hands with little white boys and white girls as sisters and brothers.

I have a dream today.

I have a dream that one day every valley shall be exalted, every hill and mountain shall be made low, the rough places will be made plain and the crooked places will be made straight, and the glory of the Lord shall be revealed, and all flesh shall see it together.

This is our hope. This is the faith that I go back to the South with. With this faith we will be able to hew out of the mountain of despair a stone of hope. With this faith we will be able to transform the jangling discords of our nation into a beautiful symphony of brotherhood. With this faith we will be able to work together, to pray together, to struggle together, to go to jail together, to stand up for freedom together, knowing that we will be free one day.

This will be the day when all God's children will be able to sing with new meaning:

My country 'tis of thee,
Sweet land of liberty,
Of thee I sing:
Land where my fathers died,
Land of the pilgrims' pride,
From every mountain-side
Let Freedom ring.

And if America is to be a great nation, this must become true. So, let freedom ring from the prodigious hill tops of New Hampshire. Let freedom ring from the mighty mountains of New York. Let freedom ring from the heightening Alleghenies of Pennsylvania. Let freedom ring from the snowcapped Rockies of Colorado. Let freedom ring from the curvaceous slopes of California. But not only that, let freedom ring from Stone Mountain of Georgia.

Let freedom ring from Lookout Mountain of Tennessee.

Let freedom ring from every hill and molehill of Mississippi. From every mountainside, let freedom ring. And when we allow freedom to ring, when we let it ring from every village, from every hamlet, from every state and every city, we will be able to speed up that day when all of God's children, black men and white men, Jews and Gentiles, Protestants and Catholics, will be able to join hands and sing in the words of the Old Negro spiritual: "Free at last! Free at last! Thank God almighty, we are free at last!"●

THE KGB: THE REAL ENEMY—PART I

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1983

● Mr. MICHEL. Mr. Speaker, the New York Times recently published a three-part study of the Soviet intelligence and security agency, the KGB. One of the findings of that report states:

During the first half of this year every North Atlantic Treaty Organization member in Europe with the exception of Luxembourg and Portugal, expelled or arrested men described as Soviet agents.

This series is all but incredible in its documentation of KGB espionage, ex-

ploitation of "peace groups" and attempts to gain Western technology through various means.

I found this series so informative that I want to bring it to the attention of you and our colleagues. Too often we simply take KGB activities for granted and yawn when we are told what the KGB is doing. We say, in effect: "That, after all, is the way they are." But it is time we took a new, clear look at KGB activity and remember what that organization is: An integral part of a militant ideology dedicated to the eradication of Western values and rights.

At this point, I wish to insert in the RECORD, part I of "Tracking the KGB." This part is titled, "The KGB Goes on the Offensive and the West Begins To Strike Back" by John Vinocur in the New York Times, Sunday, July 14, 1983.

THE K.G.B. GOES ON THE OFFENSIVE AND THE WEST BEGINS STRIKING BACK

(By John Vinocur)

BONN, July 23.—The Soviet intelligence and security agency, the K.G.B., has entered a phase of aggressiveness in its activities in the West, according to allied officials. The upsurge is cited as the principal cause of a series of expulsions of Soviet agents from countries around the world since the start of 1983.

The number of Russians expelled for illegal intelligence-gathering so far this year has reached 90, according to the United States State Department. Six others, identified as spies, left on their own. The total for all of 1982, according to United States Government records was 49; in 1981, it was 27.

TECHNOLOGY AND MISSILES

The increased number of expulsions, including the French decision to order the departure of 47 Russians in April, is widely described as a function of the stepped-up K.G.B. effort, but not a result of a coordinated Western campaign.

Although there were varying views on the degree of increase in the K.G.B.'s activities, intelligence analysts, government officials, and active and former counterespionage officers interviewed in six European countries and the United States agreed that the areas of Soviet concentration were the acquisition of advanced Western technology, and an attempt to block, through political-influence operations, NATO's deployment at the end of the year of new nuclear missiles in Western Europe.

During the first half of this year every North Atlantic Treaty Organization member in Europe with the exception of Luxembourg and Portugal expelled or arrested men described as Soviet agents.

The latest of the Russians to be expelled was Vladislav Istomin, a Vice Consul in Geneva, who was told to leave Switzerland early this month after he was described as a spy specializing in the collection of technological and economic information.

Switzerland, a neutral, also closed the Bern bureau of the Novosti press agency, citing its attempts to influence disarmament groups calling themselves the peace movement, and threw out a Soviet journalist and a diplomat described as his K.G.B. superior.

Denmark expelled Yevgeny Motorov, head of Line X for the K.G.B. in Copenhagen. Line X is the field section for science and technology.

Danish counterespionage sources said he tried not only to obtain microelectronic equipment on NATO's embargoed lists, but also to interest a Dane, a potential agent, in joining the country's Fulbright Scholarship Committee.

A PRIZED TARGET

In Belgium, Yevgeny Mikhailov, director general of a Soviet-Belgian company interested in computers, was thrown out, just as his predecessor was seven years ago.

These expulsions have counterparts in Thailand, Australia and Japan, a particularly prized target for its technological innovations. Even the Iran of Ayatollah Ruhollah Khomeini sent home 18 Russians described as K.G.B. agents, denouncing their "treachery."

If Soviet efforts to acquire technology in Japan are regarded by United States officials as particularly intense, it is in Western Europe that counterintelligence officials have been most forthcoming in discussing K.G.B. activities.

"We see a multiplication and an intensification in the technology sector that must reflect unusual pressure to perform," a West German counterespionage official said. "It just wasn't there before in the same degree. They've become very aggressive."

Another West German expert spoke of a coordinated, intense campaign to mobilize Western opinion against the new NATO missiles.

ABUSIVE AND OUTRAGEOUS

In Paris, aides to President Francois Mitterrand used the words "abusive" and "outrageous" in describing the K.G.B. activities that led to the expulsions there.

An American who surveys Soviet espionage activities dated the buildup back two and a half to three years.

The onset of détente in the late 60's led to a general upswing in efforts by the K.G.B., he said, "but their plans appear to have been pushed forward. If you look at the behavior, you cannot reach another conclusion."

"The people who were on the streets work overtime, and the other guys who were usually in the house went into the streets," the American said.

He found a symbol for the expansion in a Soviet general, a man normally leaving his office only rarely, who was "hustling on the street"—seeking to make an illegal contact in an allied capital.

The start of the buildup preceded the coming to power of Yuri V. Andropov, the Communist Party chief who headed the K.G.B. and its half-million or more agents for 15 years.

But it developed under him—and with it the K.G.B.'s reputation as a highly skilled, professional organization, hampered by bureaucracy, corruption and internal rivalries, yet unquestionably respected, or reviled, as a leading international instrument of Soviet power.

A DIVISION OF LABOR

In addition to the K.G.B.'s assertiveness, there are reports of its increased use of Eastern European intelligence services in coordinated operations.

A West German expert, one of those in Western Europe who see relatively limited changes in the tempo of Soviet espionage, insisted that its overall effectiveness had grown because of better division of labor—giving tasks formerly accomplished by K.G.B. officers to the so-called "satellite agencies."

Documents turned over to the Swiss authorities after the occupation of the Polish Embassy in Bern by dissidents showed unusual coordination between the East bloc embassies there in amassing information on military matters.

Some evidence exists that East Germany, after having achieved remarkable penetration in West Germany, is increasing its espionage effort in Scandinavia, notably in Denmark.

The Czechoslovaks are strongly present in Austria—the West European country widely described as the least resistant to Soviet-led espionage—and the Bulgarians in Italy, Greece, and Turkey.

A United States Government document, assessing a decade of Western technology collection by the Soviet intelligence agencies and their East European counterparts, found last year that it had saved the Warsaw Pact "hundreds of millions of dollars" and "years in development time."

The acquisitions, the report said, have permitted the modernization of the pact's weapons industry, greater weapons performance, and the ability to build in countermeasures "to Western weapons early in the development of their own weapons programs."

General notions of the extent of the K.G.B.'s activities have been reinforced as well.

TRAINING OF TERRORISTS

Pro and con discussions among Western intelligence agencies, current six or seven years ago, over the possibility of Soviet involvement in the training of terrorists have largely subsided, replaced by a general acceptance that as many as 2,000 or 3,000 members of the Palestine Liberation Organization received specialized training in the Soviet Union. The P.L.O., in turn, furnished instruction to Western European terrorists.

Varying presumptions and theories still exclude any single line among the Western agencies about the role Mehmet Ali Agca says the K.G.B. played in aiding his attempt on the life of Pope John Paul II in 1981.

The French and Italian intelligence services are among those tending to accept the premise that the Russians were a party to the shooting. But, with the exception of the Italians, none of the European counterespionage agencies seem to have made a priority of investigating the case.

Rather, the attention of these agencies is mainly focused on trying to keep track of the K.G.B. officers in so-called "legal" positions—embassies, trade missions, international organizations—running agent networks made up of target-country nationals and "illegals," or Russians with false identities who have been submerged over periods of 10 to 15 years in the West.

The job is enormous. In most Western countries, the percentage of officers of the K.G.B., and the G.R.U., the Soviet military intelligence organization, among Soviet "legals" is estimated at about 30 to 40 percent of the entire Soviet representation.

A PRIME TARGET

In a country like France, this would mean about 400 officers. According to Nikolai Polyansky, a Russian who defected while working for Unesco in Paris in 1981, the percentage of Soviet intelligence officers in a country like Switzerland, a prime target because of its international organizations and financial community, runs to about two-thirds the entire staff.

In France, officials consider that the number of Soviet agents has increased significantly, and date the buildup from the last four years.

In West Germany, where the mass of Warsaw Pact intelligence operations are carried out by East Germans, the 408 Russians in official delegations have been described as including 109 confirmed intelligence officers, and 77 who are suspected of serving intelligence functions.

Since full, 24-hour surveillance of a single Soviet officer by a counterespionage service, including relays and replacements, can involve as many as 20 men over a week, pressures on counterespionage services have grown.

FATIGUE AND ANGER

"To understand what the French did when they threw out the 47," an expert explained, "you can assume that the decision was weighed politically, and bolstered by very good evidence obtained by the very best technical means. But plain fatigue and real anger played a part."

The French expulsions, which clearly strengthened the determination of other governments to move against K.G.B. operations, were essentially aimed at Line X in Paris. President Mitterrand actually received 127 names for possible expulsion, and the final list was drawn from them.

The Government's vague explanation at the time of the expulsions in April mentioned intolerable interference in several areas of French life.

The cases, in fact, involved rather classic military espionage, with considerable, but not dominant, interest in France's development of a neutron weapon.

Soviet officers bribed and blackmailed French citizens. The lack of arrests of the K.G.B.'s French agents has been explained privately as an attempt to keep the Russians in the dark about the extent of French knowledge of their operations.

A K.G.B. DEFECTOR

The French have described as "interesting in a general sense without direct bearing on the expulsions" a series of disclosures about K.G.B. operations by Vladimir Kuzichkin, a K.G.B. major in charge of illegal operations in Iran who defected to Britain in June 1982.

One report, attributed to a Western diplomat in Moscow, told of France's breaking a Soviet Embassy code through an unusual technological advance. There was no confirmation, but highly perfected listening and surveillance devices are believed to be an important factor in the West's evaluation of K.G.B. activities.

Mr. Polyansky said in an interview that all Western intelligence agencies had enough detailed information on Soviet intelligence officers and their activities in Western countries to proceed with scores of expulsions, and that this had been the case in France for years.

"All that was needed is the political will," he said. "Mr. Mitterrand had it. His predecessor did not. The evidence is there. Take West Germany. The evidence is there. The political will is missing."

Intelligence officials repeatedly state that expulsions and attitudes of individual countries toward Soviet intelligence activities go far beyond the activities themselves and relate to domestic politics.

If a Socialist Government can expel 47 Russians without difficulty or severe reprisal, an official said, then similar decisions become less problematical elsewhere.

There is a strong assumption among intelligence and political officials outside France that, regardless of the Soviet Union's "abusive" and "outrageous" behavior, Mr. Mitterrand would not have made his decision unless he had some clear political points to make.

The officials assume that he sought to weaken the French Communist Party as a source of potential trouble within his coalition Government of Socialists and Communists; to strengthen his anti-Soviet credentials at a time when France hoped for maximum understanding of its economic problems among its Western allies, notably the United States, and to cut the ground away from any domestic opposition that would push for French acceptance of the Soviet demand that French missiles be counted in calculating a possible agreement on intermediate-range nuclear missiles in Europe.

For a former British specialist in Soviet intelligence operations, the most significant aspects of the series of expulsions are whether the Russians are allowed to substitute new personnel, and if there are signs, however small, of the explusions' effect on K.G.B. operations.

So far, in France, none of the K.G.B. officers have been replaced. The Soviet Union has proposed three or four names to fill the corresponding positions at Unesco from which its men were expelled, but they have not been approved by the French Government.

VIRTUALLY NO RETALIATION

For some experts, the fact that there has been virtually no retaliation by the Soviet Union for most of the expulsions is a clear sign that it seeks to limit damage by avoiding a cycle of countermeasures and new reprisals.

In the case of France, the Russians are understood to have been informed that dozens of new expulsions could take place if the French Embassy staff in Moscow were diminished.

Expulsions in themselves are believed to create substantial problems within the K.G.B.

As a result, numbers of experienced officers cannot be used easily in the West again, and extreme caution must be employed in running operations and developing or maintaining contacts with agents who may be under surveillance.

Because foreign postings are considered substantial career rewards, there are psychological and bureaucratic problems in reintegrating men into service at home, often in dismal internal security jobs in the Soviet provinces.

WE'VE JUST PINGED THEM

"If you P.N.G. a guy, you're creating interesting waves of nervousness," an American expert said of declaring somebody persona non grata. "But have these expulsions seriously broken the stride of agent activity? No. We've just pinged them. They're flesh wounds."

The British specialist argued that, with Mr. Andropov in power in the Soviet Union, the likelihood was that the K.G.B.'s role would continue to expand.

"His presence at the top can only be beneficial to the K.G.B.," he said. "He knows its resources better than anyone else and logic says he would use them."

The K.G.B. now sends more people to the Central Committee, and its own organization includes more deputy chairmen, a sign of a larger staff and an upgraded status, he said.

It has turned into an organization that many skilled young Russians seek to join. It offers travel, money, and power to a degree that few other Soviet institutions can provide.

"They have operated with a very great deal of success," the British specialist said. "From what we've seen this year, the conclusion I draw is a pretty narrow one, though—not much more than a sense that this success seems to be gradually seeping into the heads of the Western authorities."●

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Tuesday, August 2, 1983, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

AUGUST 3

8:30 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

9:00 a.m.
Select on Intelligence
Closed briefing on intelligence matters.
S-407, Capitol

9:30 a.m.
Commerce, Science, and Transportation
Surface Transportation Subcommittee
To hold hearings to review the economic state of the inland waterway industry.
SR-253

Finance
Taxation and Debt Management Subcommittee
To hold hearings on H.R. 2163, to authorize funds for fiscal years 1984 through 1988 to assist States in administering and enforcing recreational boating safety programs, S. 927, to extend the time for payment of the manufacturer's excise tax on sport fishing equipment and S. 1183, to exempt from the tax on unrelated business income certain debt-financed income of educational institutions.
SD-215

Labor and Human Resources
Business meeting, to resume markup of S. 1133, to authorize funds for fiscal years 1984, 1985, and 1986 for the Legal Services Corporation.
SD-430

10:00 a.m.
Environment and Public Works
Business meeting, to mark up pending calendar business.
SD-406

Governmental Affairs
Energy, Nuclear Proliferation and Government Processes Subcommittee
To hold oversight hearings on the collection of criminal fines.
SD-342

Conferees
Closed, on S. 675, authorizing funds for fiscal year 1984 for the Department of Defense.
H-405, Capitol

10:30 a.m.
Rules and Administration
Business meeting, to resume consideration of Senate Resolution 177, to establish procedures for the purpose of conducting an investigation into the allegations relating to members of President Reagan's campaign organization, an original resolution to authorize funds from the contingency fund of the Senate to establish a Senate day care center, and other pending legislative and administrative business.
SR-301

2:00 p.m.
Energy and Natural Resources
To hold hearings on S. 1701, to impose specific directives on the Bonneville Power Administration.
SD-366

Judiciary
To resume hearings on S. 1059, to provide equal access and opportunities to public school and public college students who wish to meet voluntarily for religious purposes.
SD-226

Conferees
Closed, on S. 675, authorizing funds for fiscal year 1984 for the Department of Defense.
S-407, Capitol

2:30 p.m.
Foreign Relations
To hold hearings on the nomination of Thomas R. Pickering, of New Jersey, to be Ambassador to El Salvador.
SD-419

AUGUST 4

8:30 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

9:30 a.m.
Finance
International Trade Subcommittee
To hold hearings on the administration's proposed renewal of the Generalized System of Preferences which permits duty-free entry of articles from developing countries, subject to certain conditions and limitations; to be followed by hearings on the substance of S. 979, to improve the enforcement of export administration laws (pending on Senate calendar).
SD-215

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings to review spare parts management and pricing policy of the Department of Defense.
SD-192

Conferees
Closed, on S. 675, authorizing funds for fiscal year 1984 for the Department of Defense.
S-407, Capitol

10:30 a.m.
Foreign Relations
Arms Control, Oceans, International Operations, and Environment Subcommittee
Near Eastern and South Asian Affairs Subcommittee
To hold joint hearings on U.S. nuclear assistance to India.
SD-419

2:00 p.m.
Foreign Relations
To hold hearings on the President's certification on conditions in El Salvador.
SD-419

Conferees
Closed, on S. 675, authorizing funds for fiscal year 1984 for the Department of Defense.
S-407, Capitol

AUGUST 5

9:30 a.m.
Joint Economic
To hold hearings on the employment/unemployment situation for the month of July.
SD-106

10:00 a.m.
Conferees
Closed, on S. 675, authorizing funds for fiscal year 1984 for the Department of Defense.
S-407, Capitol

2:00 p.m.
Conferees
Closed, on S. 675, authorizing funds for fiscal year 1984 for the Department of Defense.
S-407, Capitol

SEPTEMBER 8

10:00 a.m.
Labor and Human Resources
Family and Human Services Subcommittee
To resume oversight hearings on the breakdown of the traditional family unit, focusing on the historical perspective and societal implications.
SD-430

SEPTEMBER 15

10:00 a.m.
Energy and Natural Resources
Water and Power Subcommittee
To hold hearings on S. 752, to provide for certain measures to reduce the salinity of the Colorado River, S. 1027, to provide that any construction costs undertaken by the State of Washington on the Yakima River basin water enhancement project made prior to congressional authorization of the project, may be credited toward any future cost-sharing requirements that Congress may impose at the time of authorization, and S. 483, to authorize the Bureau of Reclamation to provide compensation to certain landowners who are deprived of winter stock water supply for their livestock along Willow Creek in Idaho.
SD-366

Labor and Human Resources
Family and Human Services Subcommittee
To resume oversight hearings on the breakdown of the traditional family unit, focusing on causes and remedies.
SD-430

SEPTEMBER 20

10:00 a.m.
Foreign Relations
Business meeting, to consider certain arms reduction proposals, including Senate Resolution 57, Senate Joint Resolution 2, Senate Joint Resolution 29, Senate Resolution 159, Senate Joint Resolution 74, Senate Concurrent Resolution 46, Senate Concurrent Resolution 107, and Senate Resolution 83.
SD-419

Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To resume hearings on a Presidential commission report on excellence in education.
SD-430

11:00 a.m.
Veterans' Affairs
To hold hearings to receive legislative recommendations for fiscal year 1984 from the American Legion.
SR-325

SEPTEMBER 21

10:00 a.m.
Governmental Affairs
Business meeting, to mark up S. 121, to establish a U.S. Department of Trade as an executive department of the Federal Government.
SD-342

SEPTEMBER 22

10:00 a.m.
Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To resume hearings on a Presidential commission report on excellence in education.
SD-430

SEPTEMBER 23

9:30 a.m.
Finance
Economic Growth, Employment and Revenue Sharing Subcommittee
To hold hearings on the future of U.S. basic industries.
SD-215

SEPTEMBER 27

9:30 a.m.
Labor and Human Resources
Labor Subcommittee
To hold hearings on S. 19 and S. 918, bills to revise current Federal pension law with respect to the rights and benefits of working and nonworking women, and the substance of S. 372, to promote interstate commerce by prohibiting discrimination in the writing and selling of insurance contracts.
SD-430

SEPTEMBER 29

10:00 a.m.
Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To resume hearings on a Presidential commission report on excellence in education.
SD-430

OCTOBER 3

9:30 a.m.
Finance
Economic Growth, Employment and Revenue Sharing Subcommittee
To resume hearings on the future of U.S. basic industries.
SD-215

OCTOBER 18

10:00 a.m.
Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To resume oversight hearings on vocational education programs administered by the Department of Education.
SD-430

OCTOBER 25

10:00 a.m.
Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To resume oversight hearings on vocational educational programs administered by the Department of Education.
SD-430

CANCELLATIONS

August 3

9:30 a.m.
Judiciary
Constitution Subcommittee
To hold hearings on proposed legislation authorizing funds for the Civil Rights Commission.
SD-226

SENATE—*Tuesday, August 2, 1983*

(Legislative day of Monday, August 1, 1983)

The Senate met at 9 a.m., on the expiration of the recess, and was called to order by the Honorable JOHN HEINZ, a Senator from the State of Pennsylvania.

Mr. HEINZ. Our prayer today will be offered by the son of our Senate Chaplain, the Reverend Richard Christian Halverson, Jr., pastor, Chesterbrook Presbyterian Church, Falls Church, Va.

PRAYER

The Reverend Richard Christian Halverson, Jr., offered the following prayer:

Let us pray.

Father in Heaven, in spite of the temptation we all face to show partiality to others depending on their economic, social, or vocational status, help everyone who works in the Senate to faithfully perform their role no matter how great or small it is.

Keep each one from coveting the gifts or position of another and create a spirit of harmony in this body born out of mutual submission and service.

If there are any who are unhappy or unfulfilled in what they do or who they are, grant them the wisdom to comprehend their inestimable value to You and to one another.

We ask this in the name of Jesus Christ, who, though He was in the form of God, did not count equality with God a thing to be grasped but emptied Himself, taking the form of a servant. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. THURMOND).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., August 2, 1983.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable JOHN HEINZ, a Senator from the State of Pennsylvania, to perform the duties of the Chair.

STROM THURMOND,
President pro tempore.

Mr. HEINZ thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE ACTING MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The acting majority leader is recognized.

ORDER OF PROCEDURE

Mr. STEVENS. Mr. President, it is my understanding that there is a series of special orders. I ask unanimous consent that the time requested for Senators GOLDWATER, BAKER, STEVENS, and TOWER be controlled by Senator SYMMS.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

ORDER FOR ROUTINE MORNING BUSINESS

Mr. STEVENS. Mr. President, I further ask unanimous consent that following the time for the special orders there be a period for the transaction of routine morning business for 15 minutes during which Senators may speak for not to exceed 3 minutes each.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

UNITARY TAXATION

Mr. STEVENS. Mr. President, over the past few years, President Reagan and the Congress have made a good start on efforts to ease the burden of Federal regulation from the backs of State and local governments. Congress must be wary of proposals for new Federal intrusions into the areas of governmental authority reserved to the State.

Examples are Federal legislative proposals designed to preempt the States' use of the unitary method of taxation. One such bill would cost 32 States almost $700 million in revenues by prohibiting them from using the unitary apportionment method for determining in-State profits and from taxing certain corporate dividends. In its June 29, 1983, decision in the Container Corp. case, the U.S. Supreme Court upheld the constitutionality of these State tax methods, calling them proper and fair.

Recently the Wall Street Journal ran an editorial which did not approve the Supreme Court's reasoning on the unitary method of taxation. However, the Journal points out that the unitary method keeps the States from being cheated by fancy accounting, but also cautions that there is the possibility of arbitrary applications of it.

The Journal concludes that the best protection against such arbitrary applications will come from the market, as States compete with each other for business investment. As defenders of States' sovereignty, the Journal opposes efforts to impose a new level of Federal regulation.

Mr. President, I ask unanimous consent that the Journal editorial be printed in the RECORD immediately following my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, July 5, 1983]

TAXING THE WORLD

Oh for the good old days of 19th century tax law. That's when the courts agreed with Adam Smith that levies should be uniform and proportional, meaning as simple and, often, as low as possible. We venture to suggest that this attitude had something to do with the country's phenomenal growth. As one can see from the U.S. Supreme Court's recent decision on the "unitary tax" in Container Corp. of America's suit against the California Franchise Tax Board, things are different now.

This increasingly popular tax, used in one form or another by 23 states, violates the old-fashioned notion that taxes should be predictable or at least not arbitrary. The Supreme Court has obviously been wrestling with the problem. It's taken six cases on the subject in five years. Now, in an opinion by Justice William Brennan, the court's best friend to freewheeling state finance, it's thrown up its hands and endorsed "flexibility" from Sacramento to Montpelier.

The states with this tax basically want to reach as much of a company's assets as they can in figuring its tax bill. Whether the firm spans many states or many nations, they argue that all its branches and subsidiaries constitute a single business unit. The states then apply a formula to determine how much of this business goes on inside their boundaries and proceed to make their levy on that portion of the whole. So far, the problem hasn't been the formula that determines each state's share; it generally has three parts, for total payroll, property and sales within the jurisdiction. The battles come in defining how much of a worldwide company's parts belongs to a single business unit. Should Mobil be taxed for Aramco in Vermont, to cite another famous case?

Fans of the unitary tax say that it keeps the states from being cheated by fancy accounting that switches profits from the division being taxed to another further up the line. In the Vermont case, Mobil was claiming losses for two years that reduced its total tax bill to an annual $25. By figuring in dividends from Mobil's overseas subsidiar-

ies, Vermont raised its tax take to more than $25,000 a year. The Supreme Court said OK.

So far, so good, but the problem that the latest case gave up on is how to say consistently what is part of a "unitary business" and what isn't. After noting the court's earlier attempts, Justice Brennan shrugged and said that hereafter "this Court will, if reasonably possible, defer to the judgment of state courts." The states are likely to choose the rules that give them the biggest take, and the multinational corporations are bound to be facing a welter of arbitrary standards.

States can choose, for instance, between taxing the dividends a foreign subsidiary pays to the parent company, as Vermont did, or taxing its income as part of the whole, as did California. Some eager taxmen will inevitably stretch the unitary idea as far as it will go. There's even bound to be abuse of the apportionment formula, to exaggerate the in-state share of business and hence the tax bill. The Supreme Court, after all, has already endorsed a fairly wide margin of error in an exercise that is arbitrary to begin with.

The court and Congress may be called back into the morass if double taxation gets out of hand and foreign tax treaties get stepped on. Britain's Margaret Thatcher is already muttering darkly about the case, and she tends to be listened to these days. But the most powerful discipline will probably come from the market, as disgruntled companies start to shop around for more favorable business climates. It's revealing that New York's Gov. Cuomo made a deal with major oil companies to repeal his state's unitary tax just a week before the Container Corp. decision. In return he did get their assent to another state tax on petroleum products, but he also seems to have squelched rumors that some of the majors were thinking of pulling their headquarters out of the state.

As defenders of states' sovereignty in the past, we should still stand by their right to make their taxes as complicated and as economically damaging as they want. But things were a lot simpler in the old days.

RECOGNITION OF THE MINORITY LEADER

The ACTING PRESIDENT pro tempore. The minority leader is recognized.

IT IS TIME TO GIVE NEGOTIATIONS A CHANCE

Mr. BYRD. Mr. President, I hope that we are perhaps witnessing early signs of a desire on the part of all parties to bring a regional peace to Central America. The administration appears to have taken on a new flexibility, in its rhetoric at least, and it ought to be commended for that.

I believe the administration is responding to a general lack of both American and international support for its overly militant attitude toward the region. But regardless of the motivation, the new flexibility, if there is such, is a positive sign, particularly as it relates to former Senator Richard Stone's meeting this past weekend with Ruben Zamora, one of the representatives of insurgents in El Salvador.

I am also hopeful regarding recent positions that have been voiced by Cuba and Nicaragua. They are positive developments because they are responsive to the efforts of the Contadora, a group comprised of four democratic allies of the United States. The President should welcome these proposals since they are in accord with what he himself outlined in his speech to the Congress on April 27.

As a reciprocal gesture on our part, perhaps this might be the time for the administration to pull back on its planned sea and land maneuvers, or at least reduce the scale of those sea and land maneuvers scheduled for the region. To do so would send a signal that our response to potentially fruitful proposals offered by Nicaragua and Cuba is one of conciliation, and a desire to explore the proposals, rather than escalation. Recent peace proposals for Central America offered by Cuba and Nicaragua are closely related to the efforts of the Contadora group comprised of Mexico, Venezuela, Panama, and Colombia.

On July 17, the President of the Contadora countries released a communique after their emergency summit meeting. It called for a greater reliance on negotiations and less on military means for settling disputes, a halt to the militarization of the region, withdrawal of all foreign military advisers, and opposition to the creation of foreign military bases in Central America.

Nicaragua, which offered its proposal on July 19, called for an end to all arms assistance to the opposing sides in El Salvador, an end to all forms of military assistance to opposing sides in El Salvador, an end to all forms of military assistance to opposing forces in the region as a whole, and a ban on foreign military bases and military exercises in the region. Moreover, Nicaragua made a concession by announcing its willingness to negotiate these issues in a multilateral rather than bilateral context, and these meet a number of requirements previously laid down by our own Government as conditions for negotiations.

The Cuban position was announced on July 29 by Fidel Castro. He stated Cuba's willingness to support, and abide by, regional accords banning arms shipments into Central America by all outside parties and prohibiting foreign military advisers in the region.

Certainly, Cuban behavior under Fidel Castro leads one to be somewhat cautious as to the sincerity with which this offer was made. And Nicaragua, under the Sandinistas, gives one the impression that it is moving in the direction of becoming a Soviet satellite. So there is reason to question the sincerity of the leaders of both of these countries; but now is the time to test the sincerity of both the Cubans and the Nicaraguans, particularly since the issues of war and peace are at stake.

In my estimation, the administration has not taken full advantage of the most valuable tool we have at our disposal—the Contadora group. We are talking about four Latin American nations that are our friends, and desperate to assist in bringing an end to the violence in the region.

Mr. President, the Contadora group is able to bring to bear only its powers of persuasion and consultation. It cannot do much if the United States, the dominant force in the region, does not work closely and effectively with it. The value of the Contadora group was aptly demonstrated this weekend when the meeting was arranged between Senator Stone and Mr. Zamora under the auspices of Colombian President Belisario Betancur.

The President should state more clearly his intention to vigorously pursue the proposals—certainly to explore them—offered by the Contadora group, Nicaragua and Cuba. This would demonstrate that the United States is second to none in its desire to find peaceful solutions to Central America's conflicts. A positive sign in that direction would be a willingness on the part of the administration to scale down—rather than scaling up, as today's news would indicate—the planned military exercises, both in size and duration.

Mr. President, I make this suggestion today, not in a partisan vein—for, above all, our foreign policy should be bipartisan. As I have previously stated, this issue should not be cast in terms of who might lose this or who might lose that, but in terms of the national security interests of the United States.

ACID PRECIPITATION

Mr. BYRD. Mr. President, the July 26 edition of the Wall Street Journal contains an editorial on the subject of acid precipitation. The editorial, entitled, "What Acid Rain?", makes the point that recent reports on that phenomenon reach conflicting conclusions and cast doubt on proposed control strategies.

The major study released on June 29 by the National Academy of Sciences points up the substantial lack of understanding as to the actual origins, causes, and effects of acid precipitation among America's best scientists.

The editorial also addresses the question of the costs of some control strategies. It sounds a cautionary note that very expensive controls should not be applied, given the level of scientific uncertainty over the effectiveness of controlling particular sources coupled with the certainty of economic damage to industrial America.

I ask unanimous consent that the editorial from the Wall Street Journal of July 26 be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, July 26, 1983]

WHAT ACID RAIN?

We seem to be experiencing a sudden shower of "acid-rain" studies. The White House has just published two, the National Academy of Sciences another and the Environmental Protection Agency is working on one. What's apparent so far isn't how much we know about acid rain, it's how little. But some members of the Reagan administration have been put in such fear of the environmental lobby that they want private industry—and its customers, of course—to throw billions of dollars at the problem while its causes still are clouded with doubt.

The point man of this effort is presidential science adviser George A. Keyworth II, better known as the man who tried to give us "dense-pack" basing for the MX missile. Mr. Keyworth's acid-rain study isn't due out until fall, but he has been in such a hurry to get on the record that he has issued a sketchy five-page summary. It recommends that "additional steps should be taken now" to make a "meaningful reduction" in the emissions of sulfur compounds into the atmosphere. Presumably those steps include adding more super-costly scrubbers to the Midwest power plants the acid-rain lobbyists claim are ruining lakes in the Northeast U.S. and Southeast Canada.

What's the scientific basis for recommending such huge expenditures? Not much. "The overall scientific understanding of the various aspects of acidic precipitation is quite incomplete at the present time and will continue to have major uncertainties well into the future," the Keyworth summary admits. It says getting at the truth will take "at least 10 or 20 years" of additional research. While recommending action now based on "imperfect data" runs the risk of error, the White House science types insist that inaction pending more research entails "even greater risk of damage." And after all, we might add, it's someone else's money.

The National Academy of Sciences report takes a different tack. Curbing sulfur dioxide emissions throughout eastern North America would reduce acid deposition in the region, it argues. But the NAS can't predict whether substantially reducing emissions from Midwest power plants would help the Northeast U.S. and Canada. Moreover, the academy's scientists say they really don't fully understand the meteorological processes that may (or may not) be making precipitation more acidic. Their modeling suffers from a limited data base. "There is, admittedly, much to be learned about the relationships between emissions and deposition," the study states.

Neither the Keyworth nor NAS studies pay much heed to that considerable number of scientists who believe that what's called acid rain probably is more the result of changing natural conditions than man-made pollution. The Western U.S. has been less dry, on the whole, in recent years, which means that less alkaline dust is being picked up to neutralize the natural acidity of rain clouds as they move eastward, one such theory holds.

In addition, changes in local farming and forestry practices near the affected lakes and streams may be increasing the amount of acidic runoff. Rising precipitation levels may also be overwhelming the natural buffering capacity of sensitive areas in the Northeast. Declining fish-stocking in Adirondack lakes, coupled with increased fishing, may be more responsible for declining fish populations than those suspected rain clouds from Ohio and West Virginia.

These and other nagging questions about the acid-rain hypothesis were given more consideration by the White House Council on Environmental Quality, which in its annual report noted that the air generally is getting cleaner (something that seems self-evident and makes us wonder why, if acid rain is a result of pollution, it is said to be getting worse). Emphasizing the need for more long-term acid-rain research, it says that the work over the past 10 years shows that "the causes and effects of acid rain are certainly more complicated than once believed."

As part of a joint U.S.-Canadian acid-rain study published earlier this year, the U.S. team concluded that "cause-and-effect relationships have often not been clearly established." It couldn't differentiate between manmade and natural causes, for example, and cited our lack of knowledge about key chemical and biological processes that may effect water acidity.

In the face of all this scientific uncertainty, the call for "immediate action" is strange indeed. Peabody Holding Co., admittedly with some bias as a result of its coal interests, estimates tighter emission rules would cost Midwestern and Southern residents $7 billion annually in higher electricity bills and would create a loss of $5 billion in annual mining wages. Edison Electric Institute calculates electricity bills in some parts of the U.S. would rise as much as 50 percent.

That seems to us like a lot of money to extract from ratepayers on the basis of so little understanding. Perhaps Mr. Keyworth should be promoted to a political post and let someone else take over the job of evaluating scientific inquiry.

ORDER OF PROCEDURE

Mr. BYRD. Mr. President, I yield now to my good friend Mr. PROXMIRE.

Mr. PROXMIRE. I thank my good friend the minority leader.

ALL OF US WANT TO NEGOTIATE NUCLEAR ARMS CONTROL WITH THE SOVIETS FROM STRENGTH

Mr. PROXMIRE. Mr. President, there is obviously a very big majority in the country that favors the negotiation of a mutual, verifiable nuclear arms freeze with the Soviet Union. State referenda as well as public opinion poll after public opinion poll consistently show a smashing 3-to-1 margin in favor of such a nuclear freeze. The House of Representatives earlier this year voted nearly 2 to 1 in favor of such a freeze. I believe the Senate will follow suit as soon as we have the chance to do so.

How, then, has the Senate approved authorization of the MX 10-warhead missile? How has the House of Representatives also approved the MX? How can we explain that, even if we can somehow derail the MX in the appropriations process or somewhere else along the line, we will go ahead with the testing, production, and deployment of thousands of cruise missiles, with the production of 20 or more additional Trident submarines to carry our missiles in oceans all over the world? If we favor a freeze, why did we vote to spend billions on the D-5, the hard-target-kill new missile expressly designed for our subs? Why will we probably build 100 or more B-1B bombers and certainly many more new technology or Stealth bombers?

The Office of Management and Budget has calculated that in the next 5 years this Congress that favors ending the nuclear arms race will appropriate at least $50 billion per year to increase the size and lethal punch of our nuclear arsenal—and get this—even if the present arms control talks are promptly and fully successful. Why?

Here is why? While some of us oppose the MX and the B-1 bomber, virtually no one I know in the Senate—and probably very few, if any, in the House—oppose the rest of the Defense Department's awesome nuclear weapons shopping list. These weapons will sharply increase our capacity to destroy the Soviet Union and undoubtedly provoke a determination from the Soviets to match or surpass our nuclear advances. How can this willingness to spend billions, vastly expanding our nuclear capacity, square with our expressed desire to stop the arms race? The answer is that those of us who favor a nuclear freeze do not—I stress do not—favor unilateral disarmament. The key words in the freeze are that it must be "mutual" and "verifiable." Unfortunately, we do not live in a Sunday school world. We cannot trust our powerful adversary. But we can recognize that the Russians have the same basic interest in avoiding the sure suicide of a nuclear war that we have.

Those of us who oppose the MX and the B-1B do believe that this country should negotiate from strength. We simply refuse to accept the argument that testing, building and deploying an MX for $20 billion or spending another $20 billion on a hundred B-1B bombers will neither strengthen our nuclear deterrent, nor enhance our bargaining position in negotiations with the Soviet Union. This Senator is convinced that both the MX and the B-1B will weaken, not strengthen, our nuclear deterrent.

I say all this, Mr. President, because I have become convinced that there is confusion in the country and in this body, too. We do not have Senators either thirsting for nuclear war or ready to disarm unilaterally. The difference between Senators on our nuclear weapons policy is really limited to judgment over what will constitute

an effective deterrent and will serve our interests in negotiating with the Soviet Union for an effective arms control.

How does this square with my professed estimate that a majority of the Senate will support a nuclear freeze? How could a majority of Senators support a nuclear freeze if they favor going ahead with the production of thousands of cruise missiles, the Stealth bomber, the midgetman missile, and a new weapon as devastating as the hard-target-kill, submarine-launched missile and 20 new Trident submarines to carry it? Should not those of us who favor a freeze oppose and vote against all these devastating nuclear weapons? Absolutely not! Why not? Because we do not believe in unilateral nuclear disarmament. We fully understand that without an agreement for both a mutual and a verified freeze, we must push ahead. If we stand still, our present deterrent could vanish as the Russians test and produce and deploy ever newer weapons.

Mr. President, this aspect of the views of those of us who opposed some nuclear weapons we consider either mischievously destabilizing—like the MX, or hopelessly obsolete like the B-1B—is not understood by many of our opponents in this body. It is not understood by some of the press and some of the public.

Consider that the defense authorization bill that passed the Senate 10 days ago not only carried the MX; it also carried a series of nuclear weapons and billions of dollars to fund their testing, their production, and their deployment. Most of the press attention concentrated on the MX. The other nuclear weapons that make our nuclear arsenal both more deadly and more survivable were never in controversy. They were either supported by virtually all Senators or the few who opposed them recognized the hopelessness of any attempt to take them out of the bill because such a heavy majority of the Senate favored their retention.

This does not mean that a majority of Senators do not favor moving promptly to truly effective arms control negotiations with the Soviets. I am convinced they do. It means that we recognize that we must negotiate with the Soviet Union from a position of military strength. A minority of us disagreed on the MX because we did not consider that the MX added strength to our military posture. I seen nothing inconsistent in the House vote for the MX and its nearly 2-to-1 vote for the nuclear freeze. There will be nothing inconsistent if the Senate, having approved the MX, now decides to pass a nuclear freeze resolution.

We should never forget that until the freeze is negotiated and accepted by both sides, we must continue—as the Soviets certainly will—to build our nuclear strength. The arms race can only stop when we reach a mutual, verifiable agreement.

INTRANSIGENCE ON HUMAN RIGHTS

Mr. PROXMIRE. Mr. President, frequently the intransigence of a single nation can stall a vitally needed international agreement. For the past 10 days, the small nation of Malta has filibustered at the European Security Conference, preventing the conclusion of the East-West conference on détente in Europe.

For almost 3 years, 35 nations have been meeting in Madrid to review and update the provisions of the Helsinki Final Act of 1975. Of great importance to the Western nations participating at the conference was a review of the human rights violations in the Soviet Union and Eastern Europe. Following the detailed review there was a general condemnation of the Soviet Union and her allies because of their failure to comply with their Helsinki commitments.

Max M. Kampleman, the chief U.S. delegate to the Madrid Conference, commented:

> The Madrid meeting has been, therefore, the appropriate forum at which to insert political and moral pressure into the process. The implementation review became the mechanism. . . . Madrid's implementation review afforded the opportunity for a large number of the participating states to communicate to the Soviet Union their deep concern about violations of the accords.

As Mr. Kampleman so clearly states, the Helsinki Final Act and the follow-up Madrid Conference have provided us with a forum to protest Soviet actions. Agreements to which both the United States and Soviet Union are signatories create the perfect opportunity to bring pressure to bear on the Soviets for their human rights violations.

But Malta is singlehandedly holding up the conclusion of the Madrid Conference. This intransigence rings familiar to me, because for the past 16 years I have addressed a similar intransigence—the Senate's failure to ratify the Genocide Convention. Malta may have a self-interest in stalling the Madrid accords, but no one's self-interest is served by our failure to ratify the Genocide Convention.

Too often in the past, our diplomatic protests have been easily rebuffed by the Soviets. Whenever we protest their violations of human rights—in Afghanistan, Poland, or the Soviet Union itself—their representatives have a simple but devastating response. They ask how we can protest violations when our own failure to ratify the Genocide Convention indicates our disregard of human rights.

I firmly believe that our human rights record is the finest in the world, but our failure to ratify the Genocide Convention is an ugly blotch upon it. We must provide our diplomats with free rein to protest human rights violations throughout the world. We must put an end to Soviet charges of hypocrisy.

I urge my colleagues to ratify this important human rights document.

POWELL MOORE LEAVES STATE DEPARTMENT

Mr. BYRD. Mr. President, this week will be Powell Moore's last as Assistant Secretary of State for Congressional Relations. Mr. Moore will be leaving public service to take a position as vice president for legislative affairs for the Lockheed Corp. The Government's loss will be Lockheed's gain, for I cannot think of anyone who has a more distinguished record of public service than has Powell Moore and who is as trusted and has the confidence of Members of Congress.

I first knew him when he served as Press Secretary for the late Senator Richard B. Russell of Georgia from 1966 to 1971. He then served as Deputy Director of Public Information for the Department of Justice from 1971 to 1972, and as Deputy Special Assistant to the President from 1973 until 1981.

With the election of Ronald Reagan as our 40th President, Powell assumed responsibilities as Deputy Assistant to the President for Legislative Affairs. On February 4, 1982, his nomination was confirmed by the Senate for his present position as Assistant Secretary of State for Congressional Relations.

It has been my good fortune to have known and watched Mr. Moore grow during his public career in Washington. He is a person of impeccable integrity and devotion to duty. He has been one of the most effective and dependable public servants I have ever known. In particular, Mr. Moore has been sensitive and appreciative of Congress as an institution. The President and the Secretary of State will be losing a particularly valuable asset.

Powell Moore is a friend. Although I regret his leaving Government service, I look forward to continuing this friendship as he embarks on a new career in the private sector, and I wish him well as he launches this career.

Mr. STEVENS. Mr. President, I commend the distinguished Democratic leader for his remarks concerning Powell Moore, and I am sure we all wish him well. I endorse the glowing comments made by the Senator from West Virginia.

ORDER OF PROCEDURE

Mr. STEVENS. Mr. President, I ask unanimous consent that the special order for Senator MATTINGLY occur

first. It is my understanding that because of the previous unanimous-consent request, already granted, the remainder of the five special orders will be under the control of Senator SYMMS.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

RECOGNITION OF SENATOR MATTINGLY

The ACTING PRESIDENT pro tempore. The Senator from Georgia.

Mr. MATTINGLY. Mr. President, I send a bill to the desk and ask that it be read the first and second times, by unanimous consent, and that it be referred to the proper committees for consideration.

Mr. BYRD. Mr. President, what is the request?

Mr. MATTINGLY. I am sending a bill to the desk and asking that it be read the first and second times, by unanimous consent.

Mr. BYRD. Does the Senator wish to do this under the provisions of rule XIV?

Mr. MATTINGLY. I just wanted it referred appropriately.

Mr. BYRD. So the Senator is not attempting to have the bill placed on the calendar?

Mr. MATTINGLY. No.

Mr. BYRD. I thank the Senator.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

S. 1723—ALTERNATIVE TRADE REORGANIZATION PLAN

Mr. MATTINGLY. Mr. President, I am pleased to have this opportunity not only to express my thoughts on the current debate over the plans to reorganize the trade functions of the Federal Government, but also to introduce legislation which is a workable alternative to the proposal already introduced. While I attempt to keep an open mind to suggestions intended to improve the process of formulating a coherent trade policy within the Government, I believe the administration's current trade reorganization plan is a step backward for the trade community in our country.

This position may come as a surprise to those who remember my cosponsoring Senate bill 121, introduced earlier this session. At first glance, the provisions of S. 121 looked appealing. To merge the policymaking and negotiating functions of the Office of the U.S. Trade Representative (USTR) with the analysis and implementation functions of the U.S. Department of Commerce into a "lean and mean" new Department of International Trade and Industry (DITI) had some degree of attractiveness. I signed on as an early cosponsor of S. 121 out of an awareness of the need for a stronger, more coherent approach on trade.

However, it is on account of my strong belief in the need for more consistency in U.S. trade policy that I have come to oppose the administration's reorganization plan. They say their reorganization plan will improve coordination among the various departments which have a hand in trade policy formation. I say that taking USTR out from under the umbrella of the White House and making it an equal among other departments will demote the importance of trade at a time when it should and must be a national priority.

They argue that the creation of a new Department of Trade will result in a "leaner and meaner" trade policymaking structure. I say that we do not need more government, more bureaucracy, and more cost.

However, while I oppose the administration's plan for trade reorganization, I do not support the existing trade structure either. The Office of the U.S. Trade Representative, the key agency for trade policy formulation, has itself taken on the bureaucratic characteristics of other Federal departments. I believe it has lost its ability to reconcile the disparate but valid interests of other departments which influence trade to the point where USTR, to quote Secretary Baldrige, is only able to reach the "lowest common denominator." Gradual changes in the makeup of USTR over the years, I believe, have resulted in its inability to implement any administration's authority to administer trade laws given them by Congress in the Trade Expansion Act of 1962, and to act as staff coordinator for trade policy on behalf of the President.

Let us face it—the two alternatives we face, the administration's reorganization plan and the existing trade structure, are inadequate. What the trade community needs is a compromise and that is just what I propose today—a plan that will work for Americans wanting to trade.

We already have existing laws enacted in 1962 that provide for the type of trade organization I am proposing. We do not need more government or elaborate new laws. Laying aside the legal technicalities, the compromise legislation I offer today will, first, restore the intent of the current, but distorted, trade laws by reducing the size of the Office of the U.S. Trade Representative to what was originally envisioned; second, keep the office directly under the umbrella of or within the White House; third, permit the trade policymaking process to be managed by the President's representative for trade, but be closely and immediately controlled by the President. That way, when the President's representative for trade speaks, it is just like hearing it from the President himself. Furthermore, fourth, the President will be designated Chairman of the Interagency Committee on Trade Policy provided for originally by the Trade Expansion Act of 1962 and subsequent acts. Finally, fifth, the U.S. Trade Representative will be redesignated as "the President's representative for trade negotiations" to emphasize and clarify his direct responsibility to the President.

Mr. President, I believe my proposal is a true compromise and creates a "leaner and meaner" workable trade structure. It shares similar objectives intended by the President's plan but with less government, with little or no cost, with better coordination between competing domestic and international policies, and with the best interest of the trade community in mind.

The objectives of my compromise include: first, streamlining the trade policymaking process; second, facilitating the formulation of a coherent and consistent trade policy; third, restoring an effective organization which can speak with one voice—the President's; fourth, synthesizing the interests of other agencies with responsibilities for trade; and finally, fifth, forming an organization which is able to improve our balance of trade and our competitiveness at home and abroad.

Reasons for restoring the authority of the President to oversee trade can be found in current law. Under the Trade Expansion Act of 1962, Congress delegated to the President the authority to enter into trade agreements and to administer the trade agreements program, an authority which was renewed under the Trade Acts of 1974 and 1979. Congress delegated this power to the President and not to any subordinate agency or department of the executive branch, because trade in goods and services with other countries is not the domain of any one agency, but rather involves: first, the State Department to formulate the foreign policy of the United States; second, the Defense Department to secure our national security; third, the Commerce Department to promote the domestic commerce of the United States; fourth, the Labor Department to insure the welfare of the American worker; fifth, the Agriculture Department to secure the prosperity of the American farmer; sixth, the Treasury Department to insure the financial and monetary stability of the country; and seventh, from time to time, the interests of other departments involved.

I firmly believe that only the President can coordinate and give appropriate weight to all the diverse considerations stated above. It is also his responsibility to reestablish fairness and equity in our trade relations with foreign countries.

Furthermore, under the Trade Expansion Act of 1962, a special representative for trade negotiations was designated to carry out the President's responsibility to administer international trade laws. This special representative was also designated Chairman of the Interagency Committee to advise the President with respect to trade matters. The need for additional staffing at the special trade representative's office was minimized because the purpose of the interagency trade process was to draw, to the maximum extent possible, the resources of the agencies represented in the Interagency Trade Committee.

In spite of the legislative mandate for such interagency trade organization, the Office of the President's Special Trade Representative—USTR—has, as I said before, lost its markings of a small office of the President. In the process, this Office has so broadly expanded its staff that it fails to implement the President's authority given him by Congress in 1962, to act as staff coordinator for trade policy on behalf of the President, and to enable Congress to exercise its oversight and express its concerns in international trade. In other words, the authority of the President to conduct and coordinate trade policy and make negotiations has become blurred and haphazard. Thus, Mr. President, I believe that the Office of the Trade Representative should be brought under the close and immediate control of the President.

However, there are more current reasons which support my position. Recently, the formulation of trade policy has increasingly taken on political overtones. This has been particularly true as Presidential elections approach. For instance, many candidates today are calling for a reexamination of our basic assumptions of trade and the premises upon which our trade relations are based. Some prescribe the adoption of "fashionable" imitations of other countries' models for trade.

While the attention given to trade is desirable, the direction of most proposals is not. Most proposals suggest heavy Government intervention and decisionmaking at heavy budget cost.

Thus, after the election is over, we will either be faced with cumbersome Government involvement in private business or, what is more likely, trade policy will return to the back burner to simmer and stew until another election campaign.

In other words, we cannot treat trade policy as if it were attached to a political roller coaster. Trade policy development must be given consistency. To secure its long-term importance, its rightful place and coordination with competing domestic and international interests, it must be embedded and united with the development of other kinds of policies such as fiscal and monetary policies. These policies certainly earn the attention of the President himself and so must trade policy.

Mr. President, I had the opportunity to relay my message and the elements of my compromise legislation to the President himself, during a return flight from Atlanta yesterday. I stressed the need for him to direct trade policymaking from the White House and not from a new department.

In conclusion, I believe the administration's plan would be a step backward for our trade interests. I believe that trade reorganization will result in deflecting attention from political sensitive trade issues. It is the responsibility of Congress to require the President, and no one but the President, to reconcile competing political objectives with the priorities of trade policy formulation.

To restore tough, effective, and efficient trade policy formulation and execution, the Office of the U.S. Trade Representative should be trimmed to the size originally contemplated by Congress and should be brought more closely into the White House staff under the direct control of the President.

The President should share the interagency Committee on Trade Policy provided for originally by the Trade Expansion Act of 1962 and subsequent acts.

Finally, the U.S. Trade Representative should be redesignated as a President's representative for trade negotiations to emphasize and clarify his direct responsibilities to the President.

Mr. President, my predecessors in Congress displayed a great understanding of trade matters. I urge my colleagues to demonstrate the same understanding and insight. I furthermore urge those active in the trade community in this country to take a closer look at the trade reorganization plan before accepting an idea which, I believe, is not in the best interest of our country.

Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The Assistant Secretary of the Senate proceeded to call the roll.

Mr. SYMMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. D'AMATO). Without objection, it is so ordered.

RECOGNITION OF SENATOR SYMMS

The PRESIDING OFFICER. The Senator from Idaho (Mr. SYMMS) is recognized for 75 minutes.

Mr. SYMMS. I thank the distinguished Presiding Officer.

A SOLUTION TO OUR CENTRAL AMERICAN PROBLEM

Mr. SYMMS. Mr. President, I wish to address this body this morning on a subject that I think is of grave importance to our national security. I think it has implications that go far past those that are so often viewed in the general sense of the words "international security," "Communist threat," and so forth. It has an impact that affects our trade policy. Of course, I am referring to the problem we have with our foreign policy in Central America, in El Salvador, Nicaragua, and Cuba, of course, being those bases which are providing a foothold for the Soviets in this hemisphere in violation of the Monroe Doctrine.

Mr. President, we are concerned about our trade policies. I heard my distinguished colleague from Georgia addressing the Senate earlier this morning about the problems of international trade and what we could do to improve it. Certainly we should be doing—and I support those efforts of my colleagues—things to help bring about a reduction in this drastic balance-of-payments situation.

As long as there is a perception in the world that the United States is no longer a reliable ally; that the United States is only bluffing; that the United States ultimately, due to our stalemate in Korea in the fifties, our loss in Southeast Asia in the seventies, allowed the Castro cancer to grow and stay in this hemisphere in violation of agreements that have been signed with the United States over a period of years; whether we will exert ourselves to our moral obligation to be the leader of the free world, and certainly in our own front yard in Central America, it causes a drain of capital out of countries where people foresee things to be less stable and a clamoring to get that money into the United States. That in fact has a big impact on employment in the United States, on jobs, and on exports, because, as we have a stronger and stronger dollar, we find ourselves in a situation where a good part of the psychological perception that people have is to liquidate their assets in countries where they foresee things less stable and try to get the money into the United States. It only makes it hard for our farmers to export corn, wheat, and soybeans, or our industrial manufacturers to export heavy equipment because of the value of the dollar and the differential between the dollar and currencies of other countries in the world.

There is a lot at stake. There is no question that our vital interests are on the line in the struggle for control of Central America. The bottom line is, will we have the courage to restore the Monroe Doctrine in Central America,

or will we allow the Brezhnev doctrine to be successful?

It is often overlooked, but there are some big stakes with respect to national security. I mentioned the general concept I have of what is happening with respect to international trade as people try to cash in their assets in those countries, turn them into hard American dollars, deposit them here, make the dollar stronger, and making it harder and harder for the United States to compete in trade.

But we should look at what happens to national security in Central America. Mr. President, El Salvador is the symptom of the main problem of American foreign policy. Soviet power in Nicaragua and Cuba is the cause. Restoring the Monroe Doctrine by prevailing over the Brezhnev doctrine is the solution. America's vital interests are on the line in the struggle for Central America.

First, the United States imports 40 percent of its energy and 93 of 95 strategic minerals.

Second, in peacetime, 44 percent of all foreign tonnage and 45 percent of crude oil shipped to the United States transits the Caribbean, and 75 percent of the energy imports tranship or transit the Caribbean.

The third example of what is at stake for the United States in Central America is that United States reinforcements and petroleum for our forces in Europe would embark from gulf ports and sail through the Florida straits. These are some often overlooked factors indicating how great the stakes are for American national security in Central America.

It is interesting that Harold Rood in his brilliant book "Kingdoms of the Blind" wrote:

> Following the Japanese attack on Pearl Harbor from January to August 1942, over 260 Allied merchant ships totaling 1½ million tons were sunk by German submarines in the region between Florida and the entrance to the Panama Canal. Forty-one merchant ships were sunk in the Gulf of Mexico in May alone. Almost half the ships lost were oil tankers. However, in all of those months, there were never more than 12, and usually around 8, U-boats operating in American waters to the west and south of Cuba. Those submarines were operating 4,000 miles away from their bases on the coast of France outside the range of the German air force and without support from the German surface fleet. There were no long-range aircraft to help direct the U-boats to fruitful targets or to defend them against attacks by Allied escort vessels and patrol planes. When the subs had fired all their torpedoes and were running short of fuel, they had to return to their bases in the Bay of Biscay.

That was in 1942. That is, when Cuba was an ally of the United States. If another confrontation of any kind came about with the submarine base being in Cuba, you can imagine the havoc that could be raised.

Fourth, according to Navy Secretary John Lehman, 85 percent of the Army's combat logistics come out of gulf ports. The Caribbean is 1 of the world's 14 major maritime choke points and one of only five inland seas. The Panama Canal is one of only two interoceanic canals in the world. Shifting forces and supplies through the Panama Canal, between our Atlantic and Pacific coasts, saves a 7,400-mile journey around Cape Horn. The petroleum fields of southern Mexico are also a ripe target for Marxist conquest.

A fifth factor is the fact that the U.S. economy is buttressed by imports of $30 billion annually from Central America in bauxite, petroleum, sugar, coffee, and meat. Job-producing exports of $31 billion include transport equipment, industrial machinery, chemicals, grain, and manufactured goods. Americans have privately invested more than $13 billion in the Caribbean Basin countries.

Finally, Mr. President, the Kennedy-Khrushchev agreement of 1962, if enforced, would preclude the introduction of any offensive weaponry to Cuba. Both the Monroe Doctrine and the missile crisis agreement also restrict Soviet missile, plane, and naval buildups elsewhere in the Western Hemisphere. In Nicaragua, Grenada, and Surinam as well as Cuba, the Brezhnev doctrine is being permitted to supersede the Monroe Doctrine.

The Soviet Union, since the 1962 Kennedy-Khrushchev agreement, has incrementally strengthened its offensive war-waging capabilities in America's "front yard," the Caribbean and Central America.

Here are some examples of Soviet power in the Americas:

First, five Caribbean nations are now part of the Soviet military axis—Cuba, Nicaragua, Grenada, Guyana, and Suriname. Each is preparing major airstrips capable of handling the big TU-95 Soviet Bear bombers. These strategic aircraft, with a range of 5,100 miles, are equipped to carry the 385-mile range Kangaroo nuclear missile—each one 40 times more devastating than the Hiroshima bomb.

Second, Russian Echo II nuclear submarines operating out of Cuba are also equipped to carry cruise missiles equipped with nuclear warheads. The Shaddock missile, even more powerful than the Kangaroo, has a 540-mile range.

Third, Cuba's Armed Forces total more than 225,000 personnel, including a 15,000-man Air Force and a 10,000-man Navy; 140 SAM-3 missiles were delivered to Havana in December 1982. Some SAM's are being transshipped to Nicaragua and are being installed there.

Fourth, this year, Cuba has completed building 190 concrete, bombproof shelters for its fleet of 225 Mig Soviet-built fighter bombers. At least 40 are capable of delivering nuclear warheads. The Mig-23's can carry Kitchen missiles with nuclear warheads equipped to travel 480 miles at 3,000 miles per hour. Counting fixed-wing combat aircraft and combat helicopters, Cuba deploys 555 planes. Communist Cuba has, among its numerous military bases, submarine and airbase facilities so "hardened" that they could only be knocked out by nuclear barrage.

Fifth, the Soviets have supplied Cuba with at least 650 tanks—3,000 according to Eden Pastora—and 90 helicopters.

Sixth, with Soviet aid, the Cubans have developed an amphibious attack capability based on six Foxtrot patrol submarines, with 20 torpedoes each, 26 fast attack craft armed with Styx surface-to-surface missiles, 10 large patrol craft, 40 Zhuk and Turya hydrofoil attack boats, fully armed with guns and torpedoes.

Seventh, more than 13,000 Soviet personnel are stationed in Cuba, including a combat brigade of soldiers under arms, reinforced by 1,700 men during June and equipped with tanks, armored personnel carriers, long-range artillery, and long-range air transport capabilities, plus civilian and military advisers. Perhaps this is to help offset the more than 40,000 Cuban troops assigned overseas to fight the U.S.S.R.'s battles in Angola, Ethiopia, Nicaragua, and elsewhere.

Eighth, with increasing regularity, Soviet nuclear submarines are being serviced out of Cuba's Cienfuegos Naval Base. Soviet Bear bombers, operating out of Cuba, regularly skirt the edges of U.S. airspace. There are reports that as many as 10 of the "Bears," possibly designed for antisubmarine warfare, possibly equipped with air-launched cruise missiles, have recently been stationed in Cuba. The Chief of Naval Operations has confirmed that at least two of these Soviet nuclear bombers are fully equipped with operable bomb bays. Nine Cuban airfields are set up to handle Soviet TU-95's and/or Backfire bombers.

Ninth, in 1967, the United States, plus all Latin American countries—except Cuba—signed the Treaty for the Prohibition of Nuclear Weapons in Latin America. Why not Cuba? Fifty-five important U.S. cities, with 74 million people, are in range of Soviet missiles, aircraft, and subs operating off our shores.

Tenth, the Soviet intelligence collection unit in Lourdes, Cuba, covers 28 square miles—the largest non-American center in the Western Hemisphere—to monitor, by electronic means, U.S. military and scientific activity in more than 20 States. It can

jam satellite transmissions as well as civilian and military communications.

Eleventh, 63,000 tons of Soviet military equipment was shipped to Cuba in 1981, plus another 68,000 tons in 1982. This is more than in 1962, the year of the missile crisis.

The Soviet Union is giving 20 times more military assistance to Cuba than the United States is providing all Latin America. There are reports of Soviet-Cuban biological and chemical warfare production, storage, and training assistance to PLO, SWAPO, and Central American Marxist forces in Cuba.

Twelfth, two prime targets for the Soviets are Norfolk, Va.—home of our Atlantic Fleet—and Charleston, S.C.—east coast base for the nuclear missile submarine leg of our strategic defense triad—America has no defense against a Soviet strategic offensive launched from Caribbean-based submarines, airfields, or missile emplacements.

Thirteenth, 36 military bases, including 2 ports and 3 big airstrips, have been created in Nicaragua, which has recently received 50 Soviet tanks, 1,000 East German trucks, 100 antiaircraft guns, three brigades of Soviet artillery, plus Soviet-built assault helicopters and transport aircraft. Nicaragua's military buildup is unprecedented in Central America—more than 75,000 troops already under arms—39 percent of all males over 18 in Nicaragua are in uniform—2,000 Cuban military advisers—plus 6,000 civilians—and it has been rumored that those numbers have been going up rapidly—36 new military bases and Soviet bloc weaponry—including 45 to 50 tanks, three brigades of artillery, 100 antiaircraft guns, armored personnel carriers, mobile rocket-launchers, transport aircraft, and assault helicopters—as well as an undetermined number of Mig fighter planes.

Fourteenth, as many as 50 Libyan and PLO advisers have been active in Nicaragua. PLO leader Yasser Arafat agreed to provide military equipment to Nicaragua, including arms and aircraft, when he was in Managua on July 22, 1980. Arafat affirmed to a group of Palestinian journalists in Beirut on January 11, 1982, that "there are Palestinian revolutionaries with the revolutionaries in El Salvador * * *" PLO personnel are, for example, providing pilot training and aircraft maintenance in Nicaragua.

Fifteenth, the Soviets have prepared a huge drydock in Spain which has been to the Nicaraguan Pacific port of San Juan del Sur, in connection with the Moscow-Managua agreement for a new trans-Isthmian canal. This could be used to justify long years of future Soviet presence required to turn over drydock functions and dig the new canal. Indeed, the Soviet brigade might be sent over from Cuba to the Central American mainland to guard canal construction. San Juan del Sur is a secure beachhead commanding the Pacific approaches to the Panama Canal. Soviet engineers, plus their families, are due to arrive soon. I ask unanimous consent that an article from Foreign Broadcast Information Service be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SOVIET UNION TO DONATE FLOATING DRYDOCK

SAN JUAN DEL SUR (ERAGU) [not further identified].—A floating drydock donated by the Soviet Union to Nicaragua under a policy of service and technic cooperation with our nation is scheduled to arrive at this port in June.

The drydock, currently undergoing repairs in Spain, will be brought by a large delegation of Soviet technicians who will train approximately 100 people to handle it after it is installed.

The port administration reported through Demetrio Munoz that due to the size of dock, small and oceangoing ships can be repaired in it simultaneously.

Munoz said that the drydock will be 3 miles off this port and is expected to service ships of fairly large draft.

The Soviets will provide free technical service for the dock for a period of 7 to 10 years, that is, long enough for Nicaraguans to learn to handle it.

The Soviet delegation, including 10 families, that will come here to cooperate with the revolution will stay at the Hotel Barlovento during its stay in Nicaragua.

For this purpose, the National Ports Enterprise will revamp the abandoned hotel at a cost of 5 million cordovas under an agreement with the Nicaraguan Tourism Institute, which administers these installations.

Mr. SYMMS. Mr. President, 16th, Nicaraguan pilots are currently being trained in Bulgaria. There are over 5,000 Cuban, Russian, East German, Bulgarian, PLO, and other East bloc advisers in Nicaragua.

These Communist advisers are now 100 times more numerous than all American military advisers in all of Central America.

Seventeenth, there are 10 airstrips in Guyana, 3 in Grenada. The new Russian airbase in Grenada expands the radius of operation of all Soviet and Cuban aircraft in the region allowing them to fly 1,000 miles into the heartland of South America. Cuban aircraft can refuel in Grenada on flights to and from Africa.

Eighteenth, Grenada provides several strategic aspects for the Russians: 56 percent of all the oil consumed on the eastern U.S. seaboard—over 6 million barrels per day—comes from the refineries and oilfields within 500 miles of Grenada—that is, the giant Amerada Hess refinery and oil storage complexes in St. Croix, U.S. Virgin Islands, and St. Lucia—could be knocked out by Mig-23/27 tactical aircraft in less than 20 minutes.

Nineteenth, the 75-kilowatt transmitter, given by Cuba to Radio Free Grenada, is about to start broadcasting "revolutionary" messages across the Caribbean and into Latin America. Meanwhile, Congress is holding up funds for Radio Marti—when this is going on under our nose.

Twentieth, Soviet airbases in Nicaragua and Grenada will soon enable the Russians to dominate the airspace over Mexico, all of Central America, northern South America, and the entire eastern Caribbean.

Twenty-first, with the Communist takeover of Surinam, the Soviet Migs will be able to reach into Central Brazil from the U.S.-built airfield in Surinam. With Surinam and Grenada as Soviet/Cuban bases in the region, it is feared that any or all of the tiny islands in the region could be easily captured overnight by 20 or 30 armed Cuban revolutionaries in a boat—just as Grenada was taken by the Communists in 1979.

Twenty-second, Soviet and Cuban trained and financed terrorists and guerrillas operate throughout the Western Hemisphere—not just in El Salvador and Guatemala, but in Colombia, Honduras, Peru, Haiti, Argentina, Chile, and Venezuela as well. Indeed, there is hardly a country among the island and continental nations of Latin America which lacks a disciplined Communist subversive entity loyal to Moscow and its objectives of global conquest.

Twenty-third, the Soviet/Cuban command have long since plotted Caribbean seabottom trench routes linking the four Sovietized countries—Grenada, Nigaragua, Guyana, Surinam—there. Along those trenches, Cuban or Russian submarines can shuttle nuclear-missile cargos undetected. So at any of the four surrogate base countries, TU-95's could be armed with sub-delivered Kangaroos at any time. Thus, with nuclear weapons probably already inside the U.S. early-warning arc, the Kremlin can engage in effective nuclear blackmail. The Kangaroo nuclear warheads are 40 times more devastating than the Hiroshima bomb. Loaded on TU-95 Soviet bombers with a range of 5,100 miles, these 385-mile range Kangaroo missiles can hit any target in the United States within 5 minutes of launchtime.

The Soviet Union has imposed the Brezhnev doctrine upon Fidel Castro's Communist regime in Cuba, and it probably has already been imposed on Communist Nicaragua. Under the Brezhnev doctrine, once any Communist regime seizes power, it will be maintained and supported in power by Soviet armed force as in Czechoslovakia in 1968.

Yet Soviet imperialist intrusion as a permanent source of conflict in the Western Hemisphere is contrary to a fundamental principle of American foreign policy—the Monroe Doctrine.

It is contrary to this. Yet it goes on as we stand here in Washington and watch the events of the day take place.

In April and May 1982, President Reagan and three other top officials of the Reagan administration explicitly stated that the Soviets had violated the 1962 Kennedy-Khrushchev Agreement which ended the Cuban missile crisis. Under this agreement, the Soviets were required to halt the further introduction of offensive weapons such as nuclear missiles, light bombers, and troops into Cuba.

In addition to the threat of nuclear blackmail, it does not take much imagination to project what would happen if Central America is dominated by Marxist regimes with the support of the Cubans and the Soviets. It would be only a matter of time before Mexico would become a Marxist state on our own southern border. Already the Communists are building subversive infrastructures along the Mexican border towns from San Diego in the west to Brownsville, Tex., in the east. If you think we have problems with illegal aliens now, think of the problems we would come to have if a Communist Mexico were intent on mounting the kind of terrorist war in southern California, Arizona, New Mexico, and Texas that we have seen in Central America.

That is why, Mr. President, I say we cannot afford a no-win war in El Salvador in which we tinker with the symptoms while ignoring the cause. Land reform, in the sense that it means expropriation of private property, is no more desirable when imposed by the U.S. Government than when enforced by Joseph Stalin.

It should not be the Reagan administration's objective to institute democratic socialism in the nations of Latin America, but rather to defend the vital interests of the United States.

When many people want to make the comparison of what is going on in Central America with what went on in Vietnam, I think there are some things we should look back at. If we cannot learn something from our experience there, then we will, of course, deserve all the problems that we will get in the future.

I mention, Mr. President, the fact that we have large numbers of undocumented illegal aliens in this country today. Many people are very concerned about it. But I might just mention, also, that most of the undocumented illegal aliens who are in the United States today are at a working age, they are working, they are producing, they are paying taxes, they are contributing to the U.S. social security trust fund which certainly needs the contributions, among other things, and are providing the service industry in this country with large numbers of the people for restaurants, hotels, some agricultural work, and other places, doing jobs in factories and industry. There are somewhere between 8 million to 15 million, and it is a little bit hard to tell how many there are, most of whom come from Mexico or from Central America or South America.

If we should see a Communist-type revolution start in Mexico, I think we could be sure that we would have at least 10 percent of the population from the Panama Canal come north to the United States, and those would not just be workers at that point. They will be families, old people, young people, and everyone coming with it. It will not just be people coming up to the United States to work, earn some money, and take it back in a direct form of foreign aid where they have earned their foreign aid and take it back to provide for their families, where there is no bureaucracy involved. In many ways it is probably our most effective foreign aid program, the guest worker program, that goes on illegally in the United States, where people come into this country, work for a period of time and take the money back to help their families.

If this happens, we will end up with millions of refugees in this country, and then we will have to pay for refugee camps, for how to assimilate these people into our society, English-speaking courses, and so forth, in order to help them become part of our society.

I said, Mr. President, that we can no longer afford a no-win war in Central America. I think we should look at what happened in Southeast Asia to see why it was we lost. Of course, I have said many times that the battle was lost here in Washington, it was lost by the opinion makers, it was lost by those people who make the news. It was lost by the political leaders of the time. It was not lost by the brave men and women of the U.S. Armed Forces on the battlefield. The war was lost here.

In Vietnam, four major factors contributed to America's defeat:

First, a policy of gradualism that started here in Washington which prevented decisive application of superior U.S. force and capability;

Second, a policy of permitting the enemy to retain privileged sanctuaries, where we said "We cannot shoot past this certain line." They can come in but when they go back across the line we gave them sanctuary. That was a decision that was made here in Washington;

Third, failure to enunciate a clear policy rationale, based on the defense of America's vital interest; and

Fourth, failure to rally the American people behind a policy of victory based on the defense of our vital interests.

I would say, Mr. President, that if we fall into the same trap that political leaders of the sixties fell into, we could end up with the same disastrous outcome. I think first we must define what our objectives are and why it is in our best interest, and that is what I am trying to do here today.

But we cannot achieve a victory in Central America covertly or with less than a total effort any more than we were able to in Vietnam.

I, therefore urge, that President Reagan adopt, articulate, and seek public support for the following policies, which, in my opinion, are essential to preventing Soviet conquest of the Western Hemisphere:

On that point it is probably worthy to look into the future as to why it would be that the Soviets would want to get involved in Central America when it is so far from the Soviet Union. Most likely, sometime down the road the Soviets would like to use their base and their foothold in Central America as a bargaining chip for their adventuristic attitudes toward warm water ports in the Persian Gulf, and it would be a way for them to deal with future American leaders and future American administrations, saying, "We will not do this in Central America if you will not do such and such in the Persian Gulf."

In order to bring this about, the first thing I will ask the President to do is to share with the American people the full and precise terms of the 1962 Kennedy-Khrushchev agreement, the diplomatic record on that agreement since 1962, and the full extent of the Soviet disregard of the same agreement.

Mr. President, it has always baffled me how the United States of America could have a confrontation with the same Communist enemy in Cuba in 1962 and fail to respond to it and yet turn right around and go 9,000 miles from home in the name of resisting communism and fight a war where we lost 55,000 of our finest young men, and then we found out that it was all for naught because we did not have the political will in Washington to allow the people who were sent to fight the war to carry it off to a victory.

Evidently, the decision was not made when we started into it of what our objectives were, and what I appeal to this administration to do is define what our objectives are. I think one way to start in this would be to explain to the American people what it was that was agreed to in the Kennedy-Khrushchev agreement which said in effect that they cannot put in offensive weapons in this hemisphere, but we would not allow Cuban nationals who had emigrated to the United States to form anti-Castro provisional

revolutionary forces to go back and liberate Cuba from the Communists.

So we have held up our end of the bargain but the Soviets and Cubans have not held up theirs, in the Kennedy-Khrushchev agreement of 1962.

Second, we should recognize and declare the present Government of Nicaragua and the present Government of Cuba, for that matter, are at war with the United States, and they are waging a battle against us to do everything they can.

Third, I think the President then should consider very carefully the idea of establishing diplomatic relations with an anti-Soviet alternative to the Government in Nicaragua and declare it is our policy to help install Nicaragua's recognized Government and allow them to have a free election, which the present Sandinista-Marxist government will not allow.

We have never heard that they had a free election of the Government we are supporting in El Salvador, but there has been no election except at the barrel of a gun in Nicaragua.

I also might mention that it is a great deal of concern to me—to find it being reported in the news media that Fidel Castro would now like to talk about the fate of Central America with the United States. I think we should remind ourselves and Fidel Castro that it is not the decision of the United States or Cuba to sit down and determine what the fate of Central America should be.

Our responsibility, I think, should be to allow those people in that country, in those countries, to have the opportunity to determine their own future and their own fate, and they never have been given that opportunity since the Sandinista revolution in Nicaragua. We have given the indigenous people that opportunity in El Salvador, and they support the government in power in El Salvador, and I think our moral obligation should be to help those people.

Fourth, I think we should consider also ending the restrictions on Cuban exiles and the harassment of their anti-Castro radio stations.

Fifth, we should seek popular support and congressional approval to assist those people who are trying to help freedom-loving Nicaraguans regain control of their territory which they have longed for for so many generations.

I think we should consider, Mr. President, the possibility of what will happen if the situation is not affected by what our fleet, which is now en route to Central America, is doing. I think it is fine for the United States to send the fleet down for exercises, but I think there is a problem that we should not do anything with respect to our military posture without looking through to the full extent of where we are going.

It is my opinion that our effort now should be to seek a victory of those people in Nicaragua who are striving to give the Nicaraguan people an opportunity for social justice, for economic justice, and for political freedom and political ideas and thought processes.

I would venture to say that the Sandinistas or the Communists now in Nicaragua would have a hard time at the polls winning a free election. They would not do well, and that is why they do not want to have any election at all in El Salvador, because they know they will not win. The only way they can win an election is through the political power that comes out of the barrel of a gun, and they know that, and that is the reason they are operating that way.

As Al Capone once said, "One can get along with a smile, but he can get along better with a smile and a gun." That is what is happening in Central America. We have terrorists and hoodlums blowing up bridges and powerlines, disrupting civil activities of people, disrupting their ability to farm, to raise food for their families, and this is happening in El Salvador and it is being financed and supported right out of Nicaragua. But I think now that the fleet has been moved down to Central America, we have to be very, very careful as to what we do and whether we carefully, judiciously exercise our power with that so that it is not perceived as just a bluff.

Sixth, we should provide for the defense of Florida and the Gulf States from attack by Soviet missiles and aircraft based in the Caribbean. We should provide AWAC aircraft for our southern air defense.

Seventh we should declare the intention to fully reassert the premise of the Monroe Doctrine, that the United States will not permit European imperialism to continue anywhere in the Western Hemisphere.

In closing, let me say at this time that we are confronted with the challenge that grows more serious each day, and our failure to act has already resulted in an unprecedented military threat to the United States, to America's independence and security. The question in the 1980's is the same as it was in the 1820's: the sovereign survival of our free society, of our hemisphere, or are we going to be subjected to submission to the installment plan. So our choice is very clear, between the Brezhnev doctrine or the Monroe Doctrine. I would ask that we enforce the Monroe Doctrine.

On Thursday, July 28, 1983, a very distinguished journalist in this city wrote a lead editorial in the Washington Times newspaper. That, of course, is Patrick Buchanan. Mr. Buchanan points out that President Reagan has historic opportunity if he is willing to pay the price.

Mr. President, I ask unanimous consent that the text of the Buchanan editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

(By Patrick Buchanan)

REAGAN HAS A HISTORIC OPPORTUNITY—IF HE'S WILLING TO PAY THE PRICE

With the dispatch of the U.S. battle fleets to the Pacific and Caribbean coasts of Central America, the president has issued a statement to the world: A Soviet satellite state and military base in Central America is unacceptable to the United States.

That the Sandinistas and their American sympathizers have gotten the message is unmistakable. Suddenly, the Ortega Brothers are anxious to negotiate treaties of noninterference in the affairs of their neighbors. The American left—politicians and press auxiliaries—is alternately berating Reagan's "gunboat diplomacy," and imploring him to talk to the Sandinistas, to listen to the Contadora Group, to wait upon the Kissinger Commisssion. Something approaching a general panic has broken out in this city now that Ronald Reagan means to rid the hemisphere of the Sandinistas.

By dispatching the fleet, however, the president has himself publicly climbed up the high dive. If six months hence, USS Ranger and New Jersey come steaming home, and the Sandinista regime is firmly and permanently entrenched, the president will be perceived as having run an American bluff. The Soviet military base in central America will be accepted by the world as a permanent feature of the Cold War with which the United States has, once again, come to terms. Castro and Andropov's tremendous gamble will have paid off.

All the talk about poverty and human rights, democracy and land reform aside, Central America is the latest battlefield in the war between the United States and the Soviet Union.

The Soviets, the Cubans, the Sandinistas have shoved their stack of chips in. They have accepted the risks inherent in establishing a communist beachhead deep inside the hemispheric defense perimeter of the United States. They have in four years built an indigenous army of 75,000 troops and militia, poured in advisers, technicians and material, and sought to expand the beachhead to El Salvador.

The Ortega Brothers are not going to be negotiated out of power by Richard Stone or Henry Kissinger. They are not going to be frightened out of power by the battleship New Jersey with its impressive array of cruise missiles. They are not going to commit suicide by inviting back anti-communist Nicaraguans and committing their fate to free elections. Nor will they be abandoned by Yuri Andropov simply because Sen. Moynihan warns that if he doesn't we will cut off his wheat supply and foreclose on his Polish subsidiary.

The presence of the battle fleet can persuade Managua, temporarily, to cool its revolutionary ardor, to play the peace-loving socialist state, the hemispheric good neighbor.

But, as soon as the gun-boats go home, the Sandinistas will return to the business of waging war against Western interests in Central America, just as Hanoi went back to its war of conquest of South Vietnam, the day the B-52 departed.

Having seized and consolidated power at the barrel of a gun, the Sandinistas will not be removed—except at the barrel of a gun. Given the military build-up in Nicaragua, unprecedented in Central American history, it is unlikely that any coalition of 10,000 "Contras" can drive them from power, without the military assistance of the United States. Which means American wounded and American dead.

If the United States is unprepared to pay that price, then we should reconcile ourselves to a Central America of 20 million people allied with and attached to the Soviet Empire. It is as simple as that.

Conversely, Central America offers a historic opportunity to the United States.

In Nicaragua, the Cubans and Soviets are taking an immense gamble. They are overextended, overexposed. If the president is willing to put up with hysteria in the United States, to pay the price to overthrow the Sandinista regime, he would be the first American president to have inflicted a decisive military defeat upon the Soviet Empire.

If, through American action, the Sandinista regime is thrown upon the trash heap of history, the communist war in El Salvador—isolated, demoralized guerrillas with no base of supply—will gutter out. An American-based push to dump the Sandinistas, coupled with U.S. recapture of the island of Grenada and Surinam from the grisly Castroite gangs who seized them, could, in six months, put the Western Hemisphere—excepting only Cuba—off-limits to the Soviet Empire.

This would expose as bogus the myth that communist revolutions are irreversible, and would send a message to the world that, under Mr. Reagan, the post-Vietnam paralysis of the United States is over. The political and psychological shock to Castro, of seeing the Soviet's Western Hemisphere bases rolled up with impunity, would be jolting; and the effect upon free men and anti-communists from Eastern Europe to southern Angola would be electric.

By sending the fleet, Mr. Reagan has come close to putting his place in history on the line. If the Sandinistas survive, and lead the communist takeover of Central America, no amount of plea-bargaining on the part of the president's cohorts—i.e. he had no "consensus"; he lacked public support—is likely to persuade.

Mr. SYMMS. Mr. President, I also ask unanimous consent to have printed in the RECORD at this time a Washington Times article by Mrs. Jeane Kirkpatrick, our distinguished Ambassador to the United Nations, dated Friday, July 15, entitled "Guerrilla Facade of Democracy Has Been Dropped."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Times, July 15, 1983]

GUERRILLA FACADE OF DEMOCRACY HAS BEEN DROPPED

(By Jeane Kirkpatrick)

The guerrilla movements in Central America today can be distinguished from those elsewhere, those in Vietnam, for example, in significant measure precisely because they dropped any reformist, nationalist, nonaligned, democratic, broad-based facade, which has until now been conceived as prerequisite of a successful strategy for so-called liberation wars.

As recently as 1979, when the Sandinistas undertook the last six months of the struggle against the Somoza regine and triumphed in that struggle, it was reasonable to anticipate that the result of a successful Sandinista struggle could be a broad-based nationalist, reformist, neutralist, democratic regime.

The liberation front which achieved its victory over Somoza comprised multiple groups. There were important representatives from the private sector. like Arturo Cruz and Alfonso Robelo and Jorge Salazar.

There were religious leaders like the Archbishop Obando y Bravo, who commanded the broadest support in the nation and had become veritable symbols of opposition to Somoza.

There were various armed factions within the FSLN, and the FSLN was itself a plausible, broad front, so that it could possibly bring to the OAS in July 1979 its request for formal official support from the Organization of American States.

At the time, in July 1979, in response to that request from the FSLN, the Organization of American States took an unprecedented step. It passed a resolution calling for a head of state, Somoza, to step down as a president, and his replacement by representatives of this new, broad, reformist, democratic front.

Certainly the political basis of the act made clear the expectations of the other governments of the Americas and of the United States.

Formal written commitments were made by the FSLN in their letter to the OAS. That letter is not often enough thought about today.

Since we are indeed approaching the fourth anniversary of the victory of the FSLN in Nicaragua, I would like to read just a few passages from the letter which led to the OAS' formal support and which played no insignificant role in the final arrival of the FSLN in power.

"Mr. Secretary General of the Organization of American States: We are pleased to make available to you and to the ministers of foreign affairs of the member states of the organization a document containing our plan to secure peace in our heroic, long-suffering country at the moment when the people of Nicaragua are consolidating its political and military victory over the dictatorship.

"First, we have developed this plan on the basis of the resolution of the 17th meeting of consultation on June 23, 1979, a resolution that was historic in every sense of the word. It demands the immediate replacement of the genocidal Somoza dictatorship, which is now nearing its end, and backs the installations of a broadly representative democratic government in our country, such as the one we have formed.

"While saying that the solution to this problem is exclusively within the jurisdiction of the people of Nicaragua, it appeals to a hemispheric solidarity to preserve our people's right to self-determination. We are presenting to the community of the hemisphere in connection with our plans to secure peace, the goals that here inspired our government ever since it was formed. They have been set forth in our documents and political declarations, and we wish to ratify them here today, that is, before the OAS.

"One, it is our firm intention to establish full observance of human rights in our country in accordance with the United Nations Universal Declaration of the Rights of Man and the Charter of Human Rights of the OAS. Our observance of human rights has already been made plain by the way the Sandinista National Liberation Front has treated hundreds of prisoners of war. Our government thus invites the Inter-American Commission on Human Rights to visit our country as soon as we are installed in our national territory.

"Two, our wish that our installation in Nicaragua come about through peaceful and orderly transition. The Government of National Reconstruction would take it as a gesture of solidarity if the foreign ministers of the hemisphere were to visit our country, and we do hereby extend to them a fraternal invitation to do so.

"Three, our intention to embrace civil justice in our country, and to try those incriminated of crimes according to the regular law. The people have won themselves the right to let justice prevail for the first time in half a century, and will do so within the framework of the law without a spirit of vengeance or indiscriminate reprisals.

"Four, those who wish to do so may leave the country.

"Five, the plan to call the first free elections our country has known in this century, so that Nicaraguans can elect their representatives to the city councils, to the Constituent Assembly, and later elect the country's highest authorities.

"Mr. Secretary General, it is now up to the governments of the hemisphere to speak so that the soldarity with the struggle of our people is carried forward to make democracy and justice possible, and Nicaragua can become fully effective. We ask that you transmit the text of this letter to the foreign ministers of the Organization of American States.

"Yours most respectfully, Junta of the Government of National Reconstruction, Violeto Chamoco, Sergio Ramirez Mercado, Alfonso Robelo, Anehas Daniel, Ortega Saavedra."

Those were the promises offered. Those were the statements of intentions, sincerely, presumably, entered. On the basis of the letter's promises and the expectation that those promises would be fulfilled, the OAS passed its resolution. The United States rushed some $24.6 million in emergency food, medical and reconstruction assistance to the FSLN, and provided some $118 million in direct financial assistance in the subsequent 18 months.

In addition, the United States firmly backed the application of the new government of Nicaragua in the multilateral lending institutions and assisted them in securing some $262 million in aid from those multilateral institutions, an amount doubled that the Somoza government had received in the preceding 20 years.

The United States was also helpful, as were other members of the Organization of American States, in securing support from other western and democratic countries. This was so successful that by the fall of 1982, the total amount of economic aid which the government of Nicaragua had received from western governments was estimated authoritatively to be $1.4 billion as compared to about $.6 billion from the Eastern bloc.

The government which resulted rather quickly shed some of its broad-based characteristics. It became more and more narrow in composition, and repressive in its behavior. Of the five members of the junta who made the application to the OAS, who signed the letter, two resigned within the

first year: Violeto Chamoco after it became clear that rigorous press censorship was the norm rather than the free press which had been anticipated; Alfonso Robelo after it became clear that the policies were not those of the pluralist democracy which he had expected.

Both of them were, of course, also very negatively impressed by the decision announced during the first year to postpone, and then to postpone again, elections until finally it was announced just in advance of the first anniversary of the revolution in July 1980 that there would be no elections before 1985, not even the municipal elections, which it was thought would take place during the first year, that it would, furthermore, be illegal for parties to organize, or to discuss candidacies of national elections before 1984.

It was further, of course, suggested, rather brutally, that those elections when they finally took place would not be the kind of elections that we bourgeois democrats talk about, but the kind of elections that would serve the purposes of the revolution.

The progressive private sector, COSEP, resigned in protest against the progressively severe restrictions on the political process and on economic freedom. Not too long thereafter, their leader, Jorge Salazar, was murdered in cold blood as he traveled from one city to another, gunned down. His widow serves today on the six-person directorate of the anti-Sandinista FDN. The details of this murder, by the way, are available today in Washington from that most interesting recent arrival from Managua, Miguel Bolanos who has a good deal of information as well as about the murder in cold blood of hundreds of former national guardsmen who were on one pretext or another simply shot and then buried in mass graves.

The opposition group that Alfonso Robelo had organized in his opposition party, the MDN, was set upon repeatedly. His house was attacked by the so-called divine mobs with which the Nicaraguan revolution attempts to protect itself, and demonstrate the seriousness and character of its purpose.

Very soon it became clear that this broad revolutionary front was a very narrow front indeed. That process of attrition continued as person after person who had been associated with the Sandinista front abandoned hope, gave up, went first into passivity and then frequently into exile.

Eden Pastora's departure was one landmark. The departure of two successive ambassadors to Washington were other landmarks. Virtually the entire group that negotiated the original economic assistance from the United States are now in exile.

It had become progressively clear that the broad front was very closely linked to the Soviet bloc. The landmark, the first landmark in this linkage, was a trip in May 1980 of Moises Hassan, Henry Ruiz and Carlos Colonel, among others, to Moscow to sign an agreement between the FSLN and the Communist Party of the Soviet Union.

At that meeting, among other things, the Sandinista front, the FSLN, committed itself to support for the Soviet invasion of Afghanistan, as well as to the peace-loving Vietnamese people's invasion and occupation of Kampuchea.

The government in Managua meanwhile devoted itself to the process of progressive consolidation of power. The church, which in Managua has been notoriously independent, has been progressively brought under control, and when it could not be brought under direct control it has, of course, been challenged by way of the development of a parallel so-called "popular church."

A kind of apex in this effort was achieved with the really incredible behavior of the Nicaraguan government during the visit of the Pope, during which the persons who wanted to meet the Pope were prevented from attending his appearances and his mass, and those who desired to insult him were instead allowed to claim the only seats.

The ushers who were assigned to maintain order were, of course, also cheerleaders who led the interruptions, systematic, repeated interruptions of the Pope's homily.

The independent unions of Nicaragua have been brought under control. Private enterprise has been brought under control. And of course, though it is hard to single out particular groups who have been maltreated among all those who have been maltreated, but the Miskito, the Suma, the Rama—their mistreatment has been singular for its brutality.

It either drove them into exile or into forced habitation in camps from which they are not permitted to depart—burning the villages, burning their churches, burning their fields, really brutalizing these people, who have asked only that they be left alone.

That is, of course, the ultimate sin from the point of view of the totalitarian—that people ask to be left alone to pursue their own goals and honor their own values and worship their own gods. The Miskitos were profoundly offensive to the Sandinistas, and they have suffered bitterly.

Meanwhile, the militarization in Nicaragua has gone on apace. Today Nicaragua has the largest military force of any country in Central America, any country in Central America ever dreamed of.

They have some 25,000 active duty forces and double that number in militia and the active forces. There are more foreigns in Nicaragua than we care to think about. Cubans are the largest group. There are several thousands of those. Sometimes we estimate 9,000. Is that our current estimate?—8,000, 9,000, give a thousand, take a thousand. By the time we look again, there may be more.

There are Soviet advisors, there are East Germans, there are 40 to 50 PLO "volunteers." There are arms, ammunitions from all the countries, virtually, in the Soviet bloc.

The Libyan connection was rather dramatically exposed in Brazil, rather unintentionally but very usefully, providentially, one might almost say, during a crucial congressional discussion.

Nicaragua's strength makes their neighbors very uncomfortable. That marvelous embodiment of democratic leadership, the president of Costa Rica, Carlos Alberto Montt, commented:

"At this point it is possible that the conditions for a consensus action within the OAS are present. But yes, there is sufficient reason so that all the countries should be alert. A country dominated by the policies and interests of the Soviet Union in our Caribbean area is a danger for other nations. Cuba has been, Nicaragua will be when they definitely decide openly to take the road to international Marxism."

The president of Panama, Ricardo de la Espriella, commented:

"When a country arms itself more than it needs to maintain internal order, its neighbors worry and can do the same. Nicaragua is arming itself and it is arming itself more than what is necessary to maintain order. This pushes other nations to do the same. This is not the solution. We see with concern the excess of the Nicaraguan government's armaments."

The decision to openly identify themselves with the Soviet Union in fact had almost been taken by the time that President Montt spoke, and that was something over a year ago.

It was at the first anniversary, of course, that Fidel Castro had come himself to say, now we are three, meaning, of course, Cuba, Granada, and Nicaragua, predicting that soon there would be more.

There is today, for anybody who is interested in stamp collecting, a marvelous new Karl Marx stamp issued in Managua, which not only has a picture of the founder, but it also quotes from the Communist Manifesto.

It is no longer possible, for anybody who is willing to know, to doubt the political-military character of the government of Nicaragua, or of its international alliances, or of their intentions.

As the character of the Nicaraguan regime became clearer, so did the character of the Salvadoran struggle. The Salvadoran struggle, too, began with a group, the FMLN, which appeared to be broad-based reformist, neutralist, pluralist. It, too, contained diverse elements, or appeared to.

They are no more ambiguous in their character than the government of Nicaragua. Their intentions are no more ambiguous, their plans for the hemisphere and for the rest of Central America are no more ambiguous.

The interesting doctrine of truth which they have introduced into our hemisphere is as important as the military forces. They have introduced into our hemisphere, I truly believe, a notion that truth is defined by power, that power can define what is good, what is true, what is fair, what is peace.

They are trying to teach us that what is true is what the so-called "progressive nations" say is true, that what is fair is what serves their interests, that what is legitimate is what expands their power. They are trying to teach us that it is legitimate for communist governments to train and arm guerrillas and make war on their non-communist neighbors, and that it is illegitimate for non-communists to defend themselves or for others to help them do so.

According to this logic, movements which expand communist power are by definition national liberation movements. Everything is permitted to achieve their ends; nothing is permitted to their targets, not even the right of self-defense.

The strategic importance of this conflict, morally, military, economically to the people of Central America, to the people of South America, and to the people of North America, can hardly be overestimated.

We should not ignore the fact that during the past year an active guerrilla movement, the Sindero Luminoso, has disrupted the life of the democratic republic of Peru; that another guerrilla movement, the M-19, has disrupted the life of another democratic republic, Colombia, in spite of a very generous offer of amnesty by the new president of Colombia; that guerrilla movements continue to disrupt the life of Guatemala, that they threaten Honduras, that they threaten and bully and menace Costa Rica.

The United States supports today the same principles which have inspired us for centuries. We support the notion of Americans free of interference from foreign extra-

hemispheric powers. We support the principles of national independence, of self-determination, the principles of freedom, equality, constitutionalism, rule of law, democracy.

The president of the United States has reiterated these in many occasions. He did so in his dramatic speech to Congress, when he said:

"The United States will support any agreement among the Central American countries for the withdrawal under fully verifiable and reciprocal conditions of all foreign military and security advisers and troops. We will support any verifiable, reciprocal agreement among Central American countries and the renunciation of support for insurgencies in neighbors' territories. We desire to help Central America to end its costly arms race and will support any verifiable, reciprocal agreement on the nonimportation of offensive weapons."

Every country in the world, specifically including the United States, has a stake in this struggle for the defense of the most basic principles of the Americas, of the United Nations Charter, of the United States Constitution, and indeed of the civilized world.

(The Hon. Jeane Kirkpatrick is the United States representative to the United Nations.)

Mr. SYMMS. I want to just comment briefly, Mr. President, on what Mr. Buchanan's point is. He makes the point here by saying:

With the dispatch of the U.S. battle fleets to the Pacific and Caribbean coasts of Central America, the president has issued a statement to the world: A Soviet satellite state and military base in Central America is unacceptable to the United States.

That the Sandinistas and their American sympathizers have gotten the message is unmistakable. Suddenly, the Ortega Brothers are anxious to negotiate treaties of noninterference in the affairs of their neighbors. The American left—politicians and press auxiliaries—is alternately berating Reagan's "gunboat diplomacy," and imploring him to talk to the Sandinistas, to listen to the Contadora Group, to wait upon the Kissinger Commission. Something approaching a general panic has broken out in this city now that Ronald Reagan means to rid the hemisphere of the Sandinistas.

That is Buchanan's opening statement. Then he goes on to say:

By dispatching the fleet, however, the president has himself publicly climbed up the high dive. If six months hence, USS *Ranger* and *New Jersey* come steaming home, and the Sandinista regime is firmly and permanently entrenched, the president will be perceived as having run an American bluff. The Soviet military base in Central America will be accepted by the world as a permanent feature of the Cold War with which the United States has, once again, come to terms. Castro and Andropov's tremendous gamble will have paid off.

All the talk about poverty and human rights, democracy and land reform aside, Central America is the latest battlefield in the war between the United States and the Soviet Union.

He points out in the article—and I urge my colleagues to read the article as it will appear in the RECORD—

In Nicaragua, the Cubans and Soviets are taking an immense gamble. They are overextended, overexposed. If the president is willing to put up with hysteria in the United States, to pay the price to overthrow the Sandinista regime, he would be the first American president to have inflicted a decisive military defeat upon the Soviet Empire.

It would appear to me, Mr. President, now that the fleet has been committed, that the President had better think long and hard, as the leader of our foreign policy. I think my big concern when a Central America policy commission was announced was that we do not need government by commission in the United States. We have a very, very ample system of checks and balances, of congressional cooperation with the administration. We really are certainly capable, I think, in our system of having cooperation between the leader, the President, the Commander in Chief, and the Congress which ultimately has to approve these appropriations that are necessary for any of the actions of the executive branch, whether it be military or otherwise.

At this point I hope the administration will not waste this opportunity. We have seen these opportunities for action wasted in 1962 when it was appropriate. I think if we are victorious in Central America, that most certainly we could put Castro on the defense instead of the offense. Fidel Castro would be in a position where instead of having 40,000 troops scattered around terrorizing other places in the world, such as Africa and Nicaragua, he would have to have them back home to defend the homeland, and we could make the world a much safer place if we exploit a unique opportunity in history that has been handed to us at this point in time.

If we fail to meet the challenge and help those freedom-loving people who are trying to democratize Nicaragua, if we fail in that task, then we are going to pay a much higher price in blood and treasure later on down the road.

It would be my wish that the President would heed, I think, the very clear insight Mr. Buchanan has set forth in his editorial of Thursday, July 28, and apply a great deal of American pressure and actually bring this about so that we are successful, so that we will not have to face the refugee problem that I assure my colleagues we will have to face in the very near future. Just a little bit of effort now and a little bit of exertion of American's strength here in our own front yard will pay us large dividends down the road.

Now, I would just like to close, Mr. President, by saying that when I started out my remarks I mentioned the problems we faced with international trade and the $70 billion trade deficit. American success in Central America would probably have a tremendous fringe benefit to our international trade problems. It would make people perceive that it is not necessary for a flight of capital all over the world into what they view as the last bastion of safety and freedom—America—that is going to last for a while longer while they keep spinning over little countries, throwing them to the alligators. Everyone with capital hopes of course, that the United States, will be eaten last by the alligators. If once we can reverse the tide to prove that it is not inevitable that the Communist advancement is going to continue, to have one place in the world where there was a repudiation, a reversal, if you will, of the Soviet expansionism and the application of the Brezhnev doctrine that has been applied so diligently by the Soviet empire since they have come into being, and that they have instituted in 1968, of course, in Czechoslovakia and forced, in their typical way, their definition of freedom—if you send in somebody with more AK-47's and bigger and better guns than they have, then you give them freedom at the point of a gun barrel and you have it freedom the Russian way. That is what they call peace.

I sometimes wonder why we have been so naive for so many years about what the Communists were up to.

Mr. President, I wish to thank the distinguished majority leader and minority leader for providing this time for me this morning. I know that we are very busy at this time and they are moving to get the legislative agenda on. I hope that my short 45 minutes will not be disruptive to the efforts of the distinguished majority leader and the distinguished minority leader have to accomplish today.

Mr. President, I yield the floor.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a 15-minute period for the transaction of routine morning business, during which Senators may speak for 3 minutes each.

POVERTY IS WINNING

Mr. SYMMS. Mr. President, I would like to submit for the RECORD an article recently published by Colin Welch in the summer issue of Chief Executive magazine.

Mr. Welch hit the nail right on the head in his article. We are losing the war on poverty because our lawmakers have lost faith in the compassion of capitalism. In order to reduce poverty we have to believe in the power of capitalism to deliver more freedom, more opportunity, more social mobility, and more abundance than any other system devised by man. Capitalism rewards the risktaker, and it is a system that believes in profit as an incentive

and in the widest distribution of justice, as well as wealth.

Franklin Roosevelt used to say that the inherent vice of capitalism was the unequal sharing of blessings—while the inherent virtue of socialism was the equal sharing of misery. Too many Americans believe that capitalism is not very noble, that somehow our economic system is something to apologize for. In the land of John Kenneth Galbraith and John Maynard Keynes, profit has not always been regarded as a positive thing, and capitalism has often been regarded as the handmaiden of greed.

But the American brand of capitalism has always demanded more than creature comfort. It demands a fair distribution of the profit—and a widespread assumption of responsibility. For there can be no real prosperity in a land where millions are denied a chance at success. Responsible capitalism fuels social progress and has an underlying morality which prevents the system from degenerating into mere acquisition on a grand scale.

As the last half century has been a constant narrowing of the old gulf between business and the humanities, so Government has come to assume an ever-greater role in economic affairs. For 50 years, we have turned to Washington to feed the hungry, house the homeless, provide work for the unemployed. And so Government swelled to meet those demands; and in the process it came to confuse responsibility with dictation. It promised to realize our dreams—but spent much of its time sleepwalking. It vowed to raise the floor beneath the poor—but lowered the ceiling on everyone else. It sought to divide existing wealth more evenly—rather than foster the creation of new wealth for millions of Americans.

Real compassion and capitalism of the American brand have always been comfortable partners. Our brand of capitalism has been successful because we have always combined it with a sense of moral obligation. It reaches its zenith in an atmosphere of democracy, equity, fairness and real compassion. It is based on the genius of individual men and women, and thrives wherever those individuals are protected and wherever their diversity is maintained.

Our economic system has not failed us; nor has it outlived its usefulness or too simple for today's complex world. Our economic system—capitalism—is not working very well because some of our leaders on Capitol Hill do not believe in the merits of the system and constantly try to undermine it.

One need only look around the globe for proof that increasing Government control, further punishing our producers and robbing everyone of incentive—in short socializing our economy—will not work.

Our system of democratic capitalism, based on the freedom and genius of the individual, with individual rights and responsibilities under representative Government is the system that does work. It will work better and for the benefit of everyone, if we all believed in the system.

Mr. President, I ask unanimous consent that the article by Colin Welch be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

POVERTY IS WINNING

(By Colin Welch)

President Johnson, a great and maligned man in many ways, waged two great wars at once. One was in Vietnam, and ended in defeat. The other was against poverty. You remember the sick joke of the time—"I've joined the war against poverty. This morning I shot a beggar." And how has this second war ended—in defeat or victory?

In one sense it has not ended, and never will till the poor are no longer with us. But certainly the results of the war so far, in terms of objectives achieved and costs incurred, are perverse and disappointing in the extreme.

Most people probably think, or till recently thought, that the prosperity of the Truman/Eisenhower-Kennedy epoch somehow left out the poor. The rich got richer, the middle classes prospered; but underneath there remained a great reservior of poverty and misery which was unalleviated and undiminished. Precious little trickled down into those dark depths.

I could never believe this myself. I was inoculated against this particular error by the Italian economist Pareto, who taught—roughly—that a rise in national income must normally lead to greater equality as well as prosperity, and that no class could be excluded from its benefits unless by arbitrary non-economic barriers, like apartheid in South Africa.

Yet even there, so great are the wealth-producing forces generated by South Africa's bounding economy, that nothing can prevent the blacks from prospering, less than the whites maybe, but more than they did before in South Africa or do anywhere else in Africa. For instance, South African blacks own more automobiles than Russians do in the whole Soviet Union!

I would therefore expect poverty to have diminished in Eisenhower's prosperous America. And so indeed we find that it did drop steadily between 1948 and 1968. By 1952 it had fallen from 33 to 28 percent of the population; under Eisenhower it fell to 22 percent; by 1964 it was only 18 percent, and under Johnson it fell again to 13 percent in 1968.

A 5 percent drop, then, under Johnson? No better than under his predecessors, to be sure, but no worse either. But wait: as a brilliant article by Charles A. Murray (in last fall's Public Interest) made clear, things were beginning to go badly wrong by 1968.

The war on poverty was declared in 1964. But the first great offensives were not launched till the budgets of 1967 and 1968. And since 1968 the steady fall in poverty first slowed and then went into reverse. More people are poor in America now than at any time since 1968.

This refers indeed only to cash incomes. Add in benefits in kind, like food stamps, subsidized housing and medical care, and you get a rosier picture. While 13 percent now live in cash poverty, only 6.1 percent live in absolute poverty—though of course in-kind benefits are not the same as, or as good or dignified as, cash in the pocket, which the poor would surely prefer.

For a less rosy picture, there is what Mr. Murray calls "latent poverty"; that is to say, the number of people "who would be poor if it were not for government help."

This figure dropped steadily and healthily through the properous '50s and '60s, from about 30 percent to 18 percent. Since then it has climbed to 22 percent, and is rising still. Yet the war on poverty was designed not to increase but to reduce the numbers dependent on government help. President Johnson offered not handouts but a hand, "opportunity and not doles." The days of the dole he thought numbered; yet more people are dependent on it now than ever.

What are the consequences? George Gilder has set them out, as also Blanche Bernstein in "The Politics of Welfare," her account of her heroic efforts to bring New York's welfare jungle under some sort of control. To name a few: the demoralization of America's poor; the destruction of work incentives by the fact that welfare pays better for idleness; the general impoverishment caused by the consequent withdrawal of labor; a growing welfare bureaucracy of "community" determined to extend its empire and to increase the numbers dependent on it; a consequent explosion of false claims and ineligible recipients; a vast proliferation of one-parent dependent families; the growth of a hereditary "underclass," in which children are reared to regard welfare (and crime) as the normal way of life; overheavy taxation, destroying the jobs even of those prepared to work and thus aggravating the problem; a sorry and worsening mess.

Capitalism has often been accused of perpetuating poverty, or even of creating it. The latter charge is manifestly absurb. Capitalism did not make us poor. It found us poor.

Poverty was our original and natural state. We do not have laboriously to explain it, or wonder why it still persists. What is really a matter for wonder is why it is not still as universal as it was.

The life of primitive man was filed with strife and labor: strife to protect his hunting grounds and cultivated patches, labor to extract from these last a miserable subsistence. Capitalism when it eventually arrived did not find him fat and idle. It did not set him to work. It found him already working. What it did was, by organizing his toil and dividing his labor, to make him infinitely more productive.

Thus was "surplus value" created. Marx regarded this as something stolen by the capitalist from the worker. It was rather in fact something created by the capitalist, and thus arguably his own property.

He was not so much "exploiting" the workers as rearranging his work for the common good. The result was an enormous increase of wealth, from which we have all, capitalists and workers alike, enormously benefited. Still, in Marxist and progressive thought, the capitalist is regarded as the father of the dragon poverty rather than the St. George who killed it.

Governments by contrast are credited with alleviating poverty. They normally deserve such credit only insofar as they create and maintain the order and stability without which capitalism cannot operate fruit-

fully. Beyond this point their efforts are often counter-productive.

Without conscious intent, free market capitalism waged war on poverty with notable success. With conscious intend, governments have waged war on poverty with little success, none or worse. There is a paradox here, and a moral.

The great Gladstone boasted that, as Chancellor of the Exchequer, he had left the rich richer and poor less poor than he found them. The sooner we remember that these two developments are not incompatible but harmonious, the better for the poor.

Meanwhile, in the war against poverty, poverty is winning.

ACCREDITATION OF THE VOICE OF AMERICA TO SENATE PRESS GALLERY

Mr. SYMMS. Mr. President, if I might have 1 more minute, I would like to refer to an article written by Lester Kinsolving, which appeared in the Washington Guide. This is a very interesting article. I urge my colleagues to read it. It is certainly something of historical significance, I think, to those of us who are new here. It concerns the rules and nuances of how this august body works, how the rules are set for the press gallery in the United States Senate.

I found the article very interesting and very fascinating, about the way that Capitol Hill for years has kept the congressional press gallery under the control of the press.

I want to compliment those in the Senate who were responsible for bringing about the fact that the "Voice of America" will now have accreditation in our press gallery and they will have the same privileges as others with accreditation.

It is my understanding that they do not have them today but they will have them in the very near future. They will have the same privileges that the Tass News Agency has and the same privileges that Pravda has in the press gallery. That is an improvement.

I ask unanimous consent that the article by Lester Kinsolving, the national editor of Washington Guide, be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

VOICE OF AMERICA

(By Lester Kinsolving)

Most Americans are not aware that a committee of reporters on Capitol Hill has, for years, kept the Voice of America out of the Congressional press galleries, while at the same time admitting the Tass News Agency.

This denial of accreditation to the Voice of America (VOA) is done by the Standing Committee of Correspondents, a reporters committee (actually three reporters committees, for print, for radio-TV, and for periodicials) to whom Congress has given the authority to issue, deny or even confiscate the Congresssional press credentials of other reporters. In the course of taking such action against reporters who are either competitors, or not properly respectful, this reporters committee cannot be taken to the civil courts, since they are given Congressional immunity. The only recourse to which a reporter can turn in such a case is either the Senate Committee on Rules and Administration or the Speaker of the House, either of whom can overrule the reporters committees. (Such overruling, by the Senate Rules Committee, has taken place only twice in this century.)

When the VOA appealed this exclusion to the Senate Rules Committee, the chairman, Charles Mathias, R-Md., conducted a hearing on May 10th. The hearing room was crowded, and there were no less than 48 U.S. Senators who wrote Mathias asking that this ban on the VOA be set aside. Despite this, and an extensive story on this hearing by UPI, all three daily newspapers published in Washington (The Post, the Washington Times, and USA Today) killed this UPI story.

IMMUNITY FROM OUTSIDE PRESSURES

During the hearing, the "chairperson" of the Standing Committee of Correspondents, Cheryl Arvidson of Cox Newspapers, told the Rules Committee:

"The VOA is a government agency, run with government money and overseen by political appointees" and "is also charged with articulating the foreign policy of the United States." Therefore: "We are not convinced that VOA is totally immune from outside pressures from higher sources who wish to influence its news and reporters."

Just how many newspapers are immune from all such "outside pressures" is an interesting question indeed, raised as it was by Miss Arvidson who is employed by the Cox Newspapers. Chairman of the Board of this corporation is Anne Cox Chambers of Atlanta, where the Cox Newspapers own both dailies, the Journal and the Constitution. Mrs. Chambers was so strong a supporter of Jimmy Carter's campaign for the Presidency that after the election, she became the U.S. Ambassador to Belgium. As for "outside pressures," the Atlanta Constitution fired its education editor, George Bowler, because he circulated a memo to fellow journalists asking whether it was ethical for a newspaper to avoid reporting anything negative about Atlanta's most prominent department store—and the leading advertiser in the Constitution.

(Bowler recalled, during an interview, that he was fired by Reg Murphy, who is now the publisher of the Baltimore Sun.)

RUSSIAN RETALIATION?

Since Tass News Agency is unquestionably a government agency, Miss Arvidson testified:

"The Standing Committee (of Correspondents) wrestled with this problem in 1950 and finally admitted Tass, under pressure from the State Department."

While the very idea of the elected representatives of the press corps on Capitol Hill being successfully "pressured" by the folks from Foggy Bottom is prima facie ludicrous, Miss Arvidson went on to reveal:

"A confidential State Department memo in our files recommends the accreditation (of Tass) in the interest of helping American correspondents obtain and retain visas from the Soviet Government. These days, newspapers are filled with reports of foreign governments seizing any opportunity to expel American correspondents from their countries, and there is no doubt in our minds that U.S. reporters would be retaliated against, to the detriment of the American public, if the Standing Committee sought to oust representatives of government-controlled news services from our gallery."

Any reporter who has ever covered the Department of State is familiar with the policy whereby the U.S. Government, whenever an American diplomat or newsman is expelled without due cause, expels a Soviet diplomat or newsman.

U.S. EDITORS OBJECTION

What Miss Arvidson failed to mention in her testimony is the fact that the Standing Committee's files also contain a very strongly-worded protest of the accreditation of any Tass representatives, given the large number of KGB agents who have been discovered to be Tass correspondents.

This protest came from a source of far greater "pressure" than the State Department: the ASNE (American Society of Newspaper Editors).

This reporters committee having accredited Tass and excluded VOA must surely provide some high comedy to the Kremlin—as well as a propaganda tool. For the Soviets can point out that the VOA is, by Congress itself, not regarded as being as legitimate as Tass, or the other government-controlled communist news agencies, who are accredited.

NATIONAL PUBLIC RADIO OBJECTS

By way of still further irony, one of those on the Radio-TV Gallery Standing Committee who testified against admission of VOA was Linda Wertheimer, of National Public Radio. NPR is heavily financed by the U.S. Government. Mrs. Wertheimer is accredited to cover Congress, where her husband, Fred, is head of one of the most controversial of all the lobbies, Common Cause. And speaking of lobbyists, Chairperson Arvidson told the Senate Rules Committee:

"The Standing Committee was created in 1877 to deal with just this sort of problem: Congress was under siege from lobbyists, claims agents and executive branch employees, who were using press privileges to gain access to the press galleries and other facilities."

TIME MAGAZINE OBJECTS

Also testifying in opposition to the accreditation of VOA was the Standing Committee of Correspondents of the Periodical Gallery. This committee includes Neil MacNeil, correspondent of Time magazine. Mr. MacNeil led the opposition to the accrediting of Consumer Reports, whose application for admission was turned down, among other reasons because its publisher, Consumers Union, is a non-profit, advocacy group which accepts no ads and which lobbys on behalf of consumers. Time, Incorporated, also has a lobbyist in Washington. But apparently this has been regarded as not so corrupting as the advocacy of Consumer's Union. Moreover, the many points of view which are advocated by Time magazine are perhaps more expressed, in what has been called the editorial content: no editorials per se; because Time is one great big never-ending editorial.

QUITE A PROUD HISTORY

Chairperson Arvidson also told the Senate Rules Committee:

"The Standing Committee has been in place since 1877, so we have quite a proud history." She did not explain how she had managed to reach such a conclusion on the basis of what is in the Standing Committee files. For apparently Miss Arvidson overlooked a good bit of the history of this committee; of which history very few people of

any ethical discernment would be proud—such as the Lautier case.

BECAUSE I AM COLORED

Louis Lautier was a reporter for the Atlanta Daily World, and 35 other newspapers, of the Negro Newspaper Publishers Association.

From his former associates at the Daily World in Atlanta, as well as the Afro-American in Baltimore, I learned that Louis Lautier died, not many years after this Standing Committee of Correspondents voted repeatedly to keep him out of the Senate Press Gallery. After this 14 month's exclusion, however, the Senate Rules Committee voted unanimously to overrule the Standing Committee of Correspondents, and to order that Louis be admitted.

The Standing Committee on Correspondents' minutes for March 19, 1947, contain some very notable reactions indeed to this action by the Senate Rules Committee. For these reporters termed this ruling by the Rules Committee an "arbitrary action of the Senators in ignoring the Standing Committee's recommendation for a one month study," and they added that there was: "obvious political motivation behind the Senatorial order," which constituted "a Rules Committee challenge of the correspondents' own authority in controlling the press galleries."

The effect of this (alleged) authority to "control the press galleries,"—control by reporters rather than Senators, that is—was apparent in Mr. Lautier's testimony. He noted that the Atlanta Daily World published 6 times a week, with a circulation of 28,190, according to Editor and Publisher Yearbook. (The Standing Committee of Correspondents issued a press release that reported: "The Committee understands that the circulation is between 2,000 and 3,000.")

Mr. Lautier also noted that since he was accredited to the White House and attended President Truman's press conferences; and considering the number of newspapers he represented, with a circulation of "around one and a half million," . . . "I can only conclude that the sole reason for the failure or refusal of the Standing Committee of Correspondents to approve my application to the Congressional Press Galleries is that I am colored."

Mr. Lautier was apparently not given to any exaggeration. He noted that Negro reporters were relegated to the visitors galleries—when there was room. But on such newsworthy occasions as the challenge to the credentials of Mississippi's Senator Theodore Bilbo, "Negro correspondents had to get the news the best way they could. . . . It was suggested that I could follow Congressional proceedings through the Congressional Record."

DOMINATION BY BIG RICH MEDIA

The record of who has served on this Standing Committee of Correspondents shows that this committee of reporters continues, year after year, to be dominated by reporters from the large and wealthy media. This is one of the privileges, if a publisher can afford to maintain large staffs on Capitol Hill; for they can also dominate the annual election of members of this Standing Committee of Correspondents.

Every one of the candidates in the 1983 election to this Standing Committee supported this system of domination by the Big Media, because, they claimed, they believe in the concept of "one man, one vote."

When asked if they also believe that this concept should be applied to the floor of the Senate, as well as the Senate press gallery, their answers were somewhat uncertain. For such a system would no longer provide the balance under which such comparatively small states as Rhode Island and Maryland sought 18th century protection against being dominated by such giants as Virginia, New York and Massachusetts.

No such protection is provided in the Senate Press Gallery. There is no such protection for reporters who represent media in many of those states with smaller populations; states that are represented in the Senate by members of the Senate Rules Committee.

If any of the reporters from such comparatively small media dare to be insufficiently respectful to the clusters of Big Media reporters who have always dominated the membership of the Standing Committee of Correspondents, such irreverent reporters, can, under the present system, have their press credentials taken away from them, or denied. This has been done . . . and it can still be done today; without due cause; without any semblance of due process. It can be done under the cloak of Congressional immunity. It can be done by the perpetrators without fear of any lawsuit for the damage they can do to people like Lautier, because of this extension of Congressional immunity, which surely ought to be taken away from them by the Senate Rules Committee.

NOWHERE ELSE DO REPORTERS ACCREDIT

At the State Department, a reporters' unofficial group called the State Department Correspondents Association is no longer allowed to accredit, or to take away credentials, of other reporters. Nowhere else in our nation's capital, are reporters allowed to control the accreditation of fellow reporters—who may be their close competitors, or for whom they may harbor personal animosity.

Such exceptional power is granted, however, to this handful of reporters on Capitol Hill. And White House press passes are today granted only after the applicant has first obtained a Congressional press pass.

FLOUTING THE FIRST AMENDMENT

How have these reporters' committees exercised this rather awesome power over the credentials of other reporters? Judge Gerhard Gesell of the U.S. District Court summarized the record quite accurately in the case of Consumers Union vs. Periodical Correspondents Gallery:

"Under a broad, generalized Congressional delegation, authority has been given to certain newsmen to prevent other newsmen from having access to news of vital consequence to the public. As a result, a group of established periodical correspondents has undertaken to implement arbitrary and unnecessary regulations, with a view to excluding from news sources representatives of those publications whose ownership or ideas they consider objectionable. The situation disclosed by this undisputed record flouts the First Amendment. It matters not that elements of the press, as well as Congress itself, appear to have been the instruments for denial of Constitutional rights in this instance; for those rights limit the actions of legislative agents and instrumentalities as surely as those of Congress itself."

WRIST SLAPPING THE POWERFUL

In addition to Judge Gesell's notation of this flouting of the First Amendment, there is also the 14th Amendment's guarantee of equal protection. Yet a comparison of the Standing Committee of Correspondents' treatment of Louis Lautier with this committee's treatment of offenders from large and wealthy newspapers in the committee's own files surely demonstrates an absence of equal protection. For example:

A reporter for the Washington Star was reprimanded for having accepted money from an agent of the Government of Nicaragua for writing a story. But he did not experience loss of his press credentials as Lautier did.

A reporter for the Detroit News committed a felony by impersonating a Congressman, and obtaining a good seat for the Begin-Sadat treaty-signing at the White House. Another (non-journalist) impersonator, of Senator Magnuson in Washington State, was convicted and sent to NcNeil Island Penitentiary. But this reporter was not even reprimanded by the Standing Committee of Correspondents. Instead, his bylined account of this felonious lying was published on page one by his newspaper. And he didn't experience loss of his credentials like Lautier did. (His proud report of having lied has now been, in effect, seconded by reporters of the Baltimore Sun and the Los Angeles Times, who have publicly declared their willingness to steal, or lie, in order to get a story. In the case of the Baltimore Sun reporter, he told me that this willingness to steal for publication would have extended even to such U.S. military secrets as the Manhattan Project, or the top secret timetable for our Normandy Invasion.)

A reporter for the Los Angeles Times enlisted an accomplice to impersonate a Congressman's staffer, in order to gain access to that Congressman's office after dark. Here, this reporter stole a news release from the desk of the Congressman and broke the embargo by three days. The reporter was caught and summoned to the office of the U.S. Attorney. But he was subsequently warned, released, and only reprimanded—by the Standing Committee of Correspondents. This burglar did not experience loss of his credentials like Lautier did.

A widely syndicated columnist for the Washington Post was discovered, in 1963, to be the officer of an airline, who presented a bill for $16,000 to Bobby Baker. This columnist was reprimanded by the Standing Committee. Thirteen years later, this same columnist was exposed by the Miami Herald as having become an officer of the Diplomat National Bank, as well as director of a chain of restaurants, and official of a chain of karate franchises. But not one member of the allegedly concerned Standing Committee of Correspondents was apparently willing to file a complaint against Jack Anderson. They took no action against this repeated violation of their rules. And he never experienced loss of his credential like Lautier did.

A reporter for the Louisville Times, not many years after the creation of the Standing Committee of Correspondents, entered the House of Representatives building and confronted retired Congressman William Taulbee of the 10th District of Kentucky. Taulbee, a Methodist clergyman, was not armed. But this reporter, Charles Kincaid, in front of eye witnesses including House Doorkeeper Sam Donaldson, drew a pistol and shot Congressman Taulbee in the head.

In having researched this case for some twelve hours, in the back issues of the Washington Post and the Washington Star, and having consulted with the House Press Gallery Superintendent, I learned from his 41 years experience that there is no known

evidence that the Standing Committee of Correspondents ever suspended the credentials of reporter Kincaid—even for killing a Congressman.

Instead, the Washington Star strongly supported this reporter who it noted, came from a good family in the Blue Grass—while Congressman Taulbee came from the hills. Kincaid was aquitted a year later, since it was reported that Taulbee had earlier in the day grasped Kincaid by the ear and expressed strong displeasure with some of the reporter's writings' in the Lousiville Times. For having murdered a Congressman, reporter Kincaid did not suffer loss of his credentials like Lautier did.

INTERNATIONALLY LUDICROUS

In addition to the Lautier case, the decision of this Standing Committee of Correspondents led the venerable columnist Richard Strout to resign from the press galleries, rather than adhere to their ridiculous ruling that he would no longer be able to accept $50 fees for doing broadcasts for the Voice of America.

This Standing Committee of Correspondents has also made itself internationally ludicrous by charging that both Drew Pearson and Marguerite Higgins had violated the rules because these renowned journalists had endorsed Crest toothpaste, the allegedly low nicotine content of a cigarette, Listerine, Adam Hats, Bromo Seltzer and a line of men's clothing at a local department store. Higgins laughed and dropped her membership. Pearson appeared before this Standing Committee and confessed that he had endorsed yet another product, an empty container of which he left in the permanent files. It is a good Maryland product: "Drew Pearson's No-Bull Cow Manure."

POSSIBLE REFORMS

If the Senate Rules Committee sees fit to continue the existence of the Standing Committee of Correspondents, the process of election ought to be restructured so that small media may be guaranteed representation, and thus protection, in the manner of sparsely populated states being represented in the United States Senate.

This could be done by a Senate Rules Committee rule that no one wire service, newspaper, network magazine, etc., will be given more than one vote in the election of members of the Standing Committee of Corresponsdents. This would mean that the wealthy and powerful media, who can afford to maintain large staffs on Capitol Hill, will no longer be able to have such power over the smaller media.

There is also a serious need that the rules of the press and other media galleries be rewritten by competent legal counsel, in order that they be clearly understood, rather than vague, and subject to a wide variety of interpretations.

The most serious need, however, is for the Senate Rules Committee to issue an insistence that all actions of this Standing Committee of Correspondents be done with proper regard for due process of law. And when violations of this standard are alleged to take place, there be immediate access to the Senate Rules Committee, or a subcommittee thereof. This is essential in order that never again will any person have to wait so long for remedial action as did Louis Lautier as a result of the indefensible actions of this Standing Committee of correspondents. For this Committee has so often violated what should have been a solemn obligation to uphold the First and Fourteenth Amendment rights to press freedom and equal protection, in the course of maintaining the good name of the United States Senate.

THE CRANSTON ENERGY PLAN

Mr. CRANSTON. Mr. President I am today, announcing a comprehensive long-range plan to meet the Nation's chronic energy problem.

My plan will eliminate our dangerous and costly dependence on foreign oil and get us into the 21st century with no energy crisis.

My national energy plan calls for:

Phasing out all nuclear fission powerplants and replacing them with renewable energy sources:

Increasing the use of renewable energy—such as solar, wind, geothermal, biomass and hydroelectric—to supply as much as 25 percent of the Nation's energy needs by the year 2000.

Doubling the current rate of energy conservation.

With consistent and intelligent planning, we can ultimately achieve an all-renewable, inexhaustible domestic energy supply.

We can meet our energy needs without threatening our environment.

This plan will make possible a reduction in total U.S. energy use and stimulate economic growth.

U.S. consumers and business will use 29.5 fewer quads of energy in the form of imported oil, domestic coal, and nuclear power than the Energy Information Administration has projected for the year 2000.

Instead, Americans will use 10.6 more quads of energy from environmentally-clean renewable sources.

And they will consume 18.9 quads less energy—at an estimated savings of $190 billion a year.

A quad is short for a quadrillion—a million billion—BTU's (British thermal units). It is the energy equivalent of 44 million tons of bituminous coal, 63 million tons of wood, 1 trillion cubic feet of natural gas, or 170 million barrels of crude oil.

Saving 18.9 quads of energy is equivalent to saving 151.2 billion gallons of gasoline—enough to keep 190 million cars running for a year.

What we are talking about essentially is making use of available energy.

We do not need to sacrifice our standard of living.

In fact, intelligent energy planning will enable us to raise our standard of living and the quality of American life.

I estimate that this plan will create 5 million new jobs by the year 2000 and deter new cycles of inflation.

Inefficient use of energy, like the inefficient use of any resource, adds to the cost of production and ultimately hurts business.

Renewable energy production is far more labor intensive than the expensive and potentially hazardous nuclear plants we now have.

For every position in a nuclear powerplant that is lost, four new jobs will be created in producing, selling, and installing renewable energy equipment—jobs for carpenters, cement masons, crane operators, electricians, plumbers, and salespersons.

Renewable energy production is also less capital intensive.

Instead of wasting capital on huge, evermore costly and overcentralized powerplants, we should invest that money to modernize and revitalize American industry.

Until 1980, Congress had thrashed out a number of bipartisan approaches to ease our energy problems by reducing importation of foreign oil, promoting alternate energy sources and encouraging conservation.

However, these efforts lacked the coherent goal and a well-coordinated plan essential to avoiding recurring energy crises.

The time called for strong, imaginative Presidential leadership on the energy front, but instead we elected Ronald Reagan—who turned the clock backward by undermining support for vital energy programs Republicans as well as Democrats had helped to create.

My national energy plan will depend for its success on strong Presidential leadership, an energy-sensitive Congress and farsighted consumer and corporate decisions.

The plan, by the year 2000, would:

First. Double energy conservation by reinstituting mandatory appliance efficiency standards for each of 13 major household appliances—which alone would save 5 to 15 quads of energy—implementing conservation measures in Federal buildings, and encouraging technically feasible, cost-effective energy efficiency improvements in buildings through well-designed, local, State, and Federal conservation programs.

Second. Limit oil use to the transportation sector of the economy, where liquid fuels continue to be needed for the foreseeable future—current law already bans the burning of oil in powerplants after 1990.

Third. Reduce foreign oil imports by more than a third, to 1 billion barrels a year—about 8 percent of our total energy use. That is how much we now buy from non-OPEC nations.

Fourth. Encourage the continued use of natural gas, the cleanest of the fossil fuels which is in ample domestic supply until it can be replaced by renewable fuels such as methane generated from waste.

Fifth. Stop licensing construction of new nuclear fission powerplants and decommission existing nuclear plants as alternative energy sources come on line.

Sixth. Slow the increase in coal use below the rate projected. The Energy

Information Administration sees coal satisfying nearly 32 percent of the Nation's energy needs by the year 2000; for environmental reasons, I would limit our coal use to just under 25 percent of our national energy use.

Seventh. More than double the role of renewable sources in meeting the Nation's energy needs through expanded use of: geothermal, solar, hydro, wind, and biomass.

Completion of the federally-supported Heber project in southern California by 1985 will have the effect of doubling available geothermal resources.

I propose extension until 1990 of renewable energy tax credits to promote residential and commercial use of solar energy, solarization of Federal buildings and encouraging use of photovoltaic cells in the developing world.

We can increase our hydroelectric capacity by negotiating with Canada to take advantage of expanding hydroelectric power across the border through gridlinking plus adding hydroelectric capacity to existing U.S. dams.

The Federal Government should encourage wind farming and the use of small and large wind turbines to generate electricity, and support feasibility demonstrations of urban solid waste conversion to energy.

This will not only provide fuel but decrease the need for new land fills and reduce air and water pollution.

My natural energy plan follows:

THE CRANSTON ENERGY PLAN

INTRODUCTION AND SUMMARY

The industrialized world, and particularly the United States, must plan its energy future or face ultimate disaster. The United States has faced recurring energy crises over the past decade. During the winter of 1972–73, shortages of fuel oil developed in some areas followed by gasoline shortages in the spring. From October 1973 to March 1974, crude oil supplies from Arab OPEC states were abruptly cut off and prices rose from $1.77 a barrel to $7.00. The price of Saudi crude increased every year from 1974 until 1982 and nearly doubled during the 1979–80 tight market caused by the abrupt shut-down of Iranian production. In 1982 the price was $34 a barrel. As a result, from 1975 through 1981 the United States paid $278 billion for imported oil compared to $27 billion in the preceding several years. The 1973–74 crisis and the recurrence in 1979 brought home the danger of our energy situation, perhaps the most severe threat to our security in our lifetimes.

Current softness in the world oil market results from worldwide recession, coupled with some conservation resulting from world reaction to the severe price increase of 1979–80. However, economic development within underdeveloped nations will soon raise world oil demand and almost surely produce a new world oil shortage and new and precipitous price increases. So long as our economy remains dependent on imported oil, we could again face huge increases in the outflow of capital each year to OPEC nations, with the situation steadily getting worse. Compared with this alternative, a very large scale investment in conservation and in clean and renewable domestic energy alternatives and other domestic energy sources, spread over 18 years and largely spent inside the United States, would be cheap.

The goal of the Cranston energy plan is to achieve an all-renewable domestic energy supply, if possible, during the 21st century. However, because projections into the next century are not particularly useful, the plan sets year 2000 targets. In the accompanying table proposed energy goals are listed. Our energy needs are to be supplied by roughly equal contributions of domestic oil, natural gas, coal, renewables, and conservation. Imported oil will be reduced to only 8.3 percent of our total energy use; it is hoped that nuclear power will be phased out by 2000. The total energy supplied, including increased conservation, matches Energy Information Agency [EIA] projections for the United States needs in the year 2000.

A careful analysis of renewable energy sources shows that a 25 percent contribution from these sources can reasonably be achieved by 2000.

The Cranston plan proposes roughly doubling the rate of conservation assumed in the EIA plan, reducing energy use by an additional 17.5 percent.

This plan assumes that no nuclear power plants not presently licensed for construction will be built, and that existing nuclear power plants can be phased out as they age and lose whatever viability they presently have and as less expensive, more desirable alternatives come on line. If renewables (or other projected fuel sources) come on less quickly than anticipated, or total demand exceeds assumptions, the phasing out of nuclear plants can occur more slowly, provided public health and safety are protected.

The Cranston plan assumes that relatively clean-burning natural gas is the most desirable of the fossil fuels. The amount assumed by EIA is also included here. It will supply 19.1 percent of the nation's energy in this plan.

In this plan all of the domestic and imported oil, as well as a small contribution from alcohol fuels, will be used for transportation. Oil accounts for 31.3 percent of the total energy budget.

The balance of our energy supply (24.6 percent) will come from domestic coal, used primarily to generate electric power with additional U.S. coal exported to other industrial nations.

The plan, including annual milestones, and the details of how they are to be accomplished, would be submitted to Congress for approval or modification after consultation with states, industry, utilities, and others. Every fourth year projections would be made extending final-year targets four years into the future, until the ultimate objective is achieved.

Under the Cranston plan, more than 5 million jobs for carpenters, cement masons, electricians, plumbers, air conditioners, heating and refrigerator technicians, glaziers, crane operators, solar engineers, architects, solar law specialists, real estate appraisers, salespersons, city planners, landscapers, and others would be created by the year 2000. When renewable energy is coupled with a strong conservation effort and the displacement of capital-intensive energy investment, the economy will grow at healthy, prosperous rates without creating inflation or new energy crises.

CHART 1.—YEAR 2000 CRANSTON ENERGY PLAN

[Total Demand = 89.1 Quads]

Supply	Quads	Percent
Oil	27.9	31.3
Domestic	20.5	23.0
Imported	7.4	8.3
Natural Gas	17.0	19.1
Coal	21.9	24.6
Nuclear	0	0
Renewables	22.3	25.0
Direct heat geothermal	0.1	0.1
Geothermal electric	2.2	2.5
Active and passive solar	4.7	5.3
Photovoltaics	1.8	2.0
Hydroelectric	4.5	5.0
Wind electric	3.0	3.4
Biomass	6.0	6.7
Wood and wood waste	4.4	4.9
Solid waste	0.6	0.7
Alcohol fuels	1.0	1.1
Total demand	89.1	100.0
Conservation	18.9	
Energy Information Administration projection, 1980	108.0	

CHART 2.—CRANSTON PLAN COMPARED WITH EIA PROJECTIONS FOR THE YEAR 2000 [1]

	Quads	Percent
Cranston plan:		
Oil	27.9	31.3
Domestic	20.5	
Imported	7.4	
Natural gas	17.0	19.1
Coal	21.9	24.6
Nuclear	0	0
Renewables	22.3	25.0
New total demand	89.1	100.0
Additional conservation	18.9	(17.5)
Old total demand	108.0	
EIA projections:		
Oil	33.6	31.1
Domestic	20.5	
Imported	13.1	
Natural gas	17 .0	15.7
Coal	34.4	31.9
Nuclear	11.3	10.5
Renewables	11.7	10.8
Total demand	108.0	100.0

[1] Based on Energy Information Administration projections for 1980, the most recent pre-recession year.

DETAILS OF THE CRANSTON ENERGY PLAN

The various elements of the Cranston energy plan for the year 2000 will be described in somewhat more detail to indicate both the opportunities and problems that we face. In addition several important peripheral considerations will be discussed.

A. Domestic oil

U.S. petroleum production peaked at 3.5 million barrels per day in 1970 and has been declining. Recent high prices and removal of controls has brought about 150 million extra barrels to market each year but that does not solve the problem of declining supplies. At 1981 production rates, the U.S. has about nine years of proved conventional oil reserves left. More will be found, but most of the very large continental U.S. fields have probably been discovered with the 2½ million oil and gas wells that have been drilled. The last big find was the Alaska North Slope field at Prudhoe Bay. It is not clear whether there are similar fields within the Naval Petroleum Reserve in Alaska (NPRA). The Reagan Administration attempted, as part of its controversial plans, to lease 2 million acres of the NPRA in 1982. The size of the offering, along with other massive oil lease sale offerings, will certainly reduce the U.S. returns on this promising, but unproven, resource.

Another major, largely untapped domestic crude oil source is "heavy oil", more than half of which is in California but which appears also in Kansas, Texas, Louisiana, Oklahoma, Mississippi, Wyoming, and Utah. The total reserve could be more than 20 billion barrels. Because of its high sulfur and metal content and its high viscosity, heavy oil is difficult and costly to produce, often requiring steam injection or other heating processes to extract the oil. As much as one-third of the produced crude may be used to make steam.

While there are problems in producing and refining this oil, there are also solutions, and 240,000 barrels a day are being produced in California. The rate at which heavy oil will be developed depends on the economics behind the huge investments necessary to take advantage of this large domestic source.

Oil shale in the Green River basin of Colorado, Utah, and Wyoming is another large deposit of oil. However, the economic risks of oil shale production are very great and the profitability of this technology is in serious doubt with world oil prices at about $30 per barrel. Many of the production techniques embody serious environmental risks.

All potential new sources of oil supplies will be increasingly difficult to produce or refine, and increasingly costly. The Strategic Petroleum Reserve is a national reserve to provide supplies during an emergency. When fully established, it could deter a political-embargo and during a supply interruption could help keep prices from exploding. A 90-day supply—about 750 million barrels—is planned for the U.S.; this goal is to be reached in 1989. A standby use plan, including withdrawal criteria, methods for pricing and allocating the oil during severe supply interruptions needs to be promptly developed.

B. Natural gas

U.S. natural gas production reached its peak in 1973 and has maintained a slightly lower level of output since then in spite of the significant changes in price structure resulting from the Natural Gas Production Act of 1978. Some gas is imported from Mexico and Canada and small amounts are brought in by special ships and port facilities as liquified natural gas. Our proved reserves of gas would disappear in 11 years, but recent discoveries and the potential for major new finds of domestic gas are far higher than that for oil.

With adoption of the NGPA, a surge in exploration for gas took place. There is no convincing evidence that total decontrol is needed to increase exploration further—since current prices now stimulate conventional exploration, and total decontrol would eliminate the advantage currently enjoyed by deep drillers—who have found most of the new gas. Decontrol of old gas would raise consumer prices and might curb some exploration for and production of new gas.

The environmental attractiveness of gas—because of low sulfur and nitrogen content—and the ease of converting natural gas-burning facilities to renewable fuels, suggest that it should displace less attractive fuels even as we work to reduce the overall U.S. energy consumption. Such an approach is reflected in the Cranston energy plan.

C. Coal

The U.S. has enormous amounts of coal, more than any other nation. It is found in 26 states. Since 1974 coal use has risen steadily, but coal's share of the expanding electric generation market has declined. The advisability of converting power plants from natural gas to coal, as the Fuel Use Act once required, has been reconsidered because coal brings with it a litany of problems.

One problem is human. In 1979, coal mine accidents killed 100 miners and injured thousands. Moveover, black lung disease kills at least 4,000 miners each year. Currently, 200,000 former mine workers are drawing compensation for disabilities caused by black lung disease.

Production of coal by underground mining is an increasingly capital intensive operation while uncertain markets, depending on vacillations in price and environmental policy, have reduced capital availability. Even strip-mining, which is less costly, still involves major costs for necessary land reclamation.

Most coal is transported by rail and expansion of coal use would inevitably lead to the need for expansion of some railroads, requiring major capital investment. But, in other areas, under some conditions, slurry pipelines would be less costly, and increase competition, benefitting consumers. However, slurry lines require right-of-way easements across lands owned by railroads which they are unwilling to give. Federal legislation to straighten out this problem was first proposed by President Kennedy in 1962. No administration had opposed this legislation until the Reagan Administration—which argues that it would compromise state's rights. Problems with water use can be avoided by using other fluids in the pipe.

A major problem with coal is its larger concentration of sulfur than most gas and oil and the problems with environmental pollution and acid rain that result. The use of scrubbers to remove most sulfur at the plant and new burning techniques such as fluoridized bed combustion and magnetohydrodynamic (MHD) generation may be helpful and necessary in containing this major problem.

Finally, all fossil fuels contribute to increasing the concentration of carbon dioxide (CO_2) in the atmosphere. Coal, because it is essentially all carbon, is much the worst of all. Scientists fear a "greenhouse effect" from a CO_2 build up that may cause massive long-term climatic changes including the melting of the polar ice caps and shift of prime agricultural zones.

Solving coal's environmental problems so that its tremendous energy potential may eventually be realized, if possible, is an area which could usefully be addressed by an ongoing multi-partite commission, consisting of industry, labor, academia, environmentalists, and appropriate government officials, working cooperatively to formulate consensus policies. So long as the environmental problems and miners' safety are unsolved, slow growth of the use of coal is appropriate. In the Cranston plan coal would supply 24.6 percent of our estimated needs in 2000.

D. Nuclear energy

In 1981 nuclear plants accounted for only 11.9 percent of the nation's electricity production. The E.I.A. projects that 33 percent of America's electricity will be fission-generated in 2000. This is neither likely nor desirable.

Fission reactors have become increasingly costly to build and operate. Between 1975 and 1979 twenty orders for new reactors were cancelled and 40 deferred. The present costs of nuclear energy are less than the true costs because the Price-Anderson Act limits the liability of nuclear plant operators for risks to the public health and safety. Furthermore, the costs of major accidents, such as that at Three Mile Island, and the costs of dismantling old plants and of disposing of nuclear waste—a task still not adequately handled—are seldom counted in the overall reactor costs.

Uranium is a finite resource, unless breeder reactor technology is used enabling the reactor to produce more fuel than it uses. But breeders convert uranium to plutonium, only a few pounds of which can create a devastating bomb. The risk that nuclear weaponry will proliferate to even more nations or to terrorist groups, destabilizing the world balance of terror, is great enough with conventional fission reactors, without increasing it via breeders.

When these problems are compounded by the risk of human error and mechanical failure, such as occurred at Three Mile Island, fission becomes an undesirable alternative, to be used only when necessary. By 2000 we could hope to eliminate this necessity completely with a sensibly steady energy policy. Continued research on fusion is desirable. Fusion poses 1/10 the radiation hazard, no proliferation problem and is a renewable energy source which uses hydrogen atoms as fuel. Technological feasibility may be established during this century, but the energy is not likely to be economic until well into the 21st century.

E. Renewables

Switching our imported oil dependence to any other limited and depletable resource, particularly a fossil fuel, merely delays the day when we or our children again will face energy crises. Our long-range energy policy goal should be to convert our economy to domestically available, environmentally safe, renewable energy supplies. But given the long lead times for total energy conversions, the institutional resistance to change, and the lack of present availability of any single totally satisfactory alternative, the total conversion will take many, many years. To reach 25 percent solar and renewable energy by 2000 will require adoption of a consistent and comprehensive energy policy and steady pursuit of its goals.

1. Geothermal Energy

The heat within the earth is one of the most plentiful of available renewable energy resources, yet one whose potential is often ignored in both short and long-term energy planning. Magma (molten rock) from the earth's core reaches temperatures of 1,200°C. Very recent experiments in Hawaii have, for the first time, penetrated magma, recovered a complete core, and maintained an open hole in the magma for future experiments. Scientists believe this establishes the feasibility of direct extraction of energy from magma located within 10 kilometers of the surface of the earth. U.S.G.S. estimates that in the continental U.S. alone, near-surface magma deposits contain 800 to 8000 times as much energy as the U.S. uses each year.

The geysers, a rare dry steam resource in northern California, currently produce 910 megawatts of electricity and this will more than double by 1990. The Cranston plan anticipates that 2.6% of the nation's energy will be supplied by geothermal sources in 2000, as the federally supported demonstration of the binary process makes use of moderate temperature resources commercially feasible.

2. Solar Energy

By heating the earth and its atmosphere, the sun generates wind, waves and tides, rainfall for rivers, ocean temperature differences, and growth in trees and plants. Thus, not only active and passive solar and photovoltaics, but wind generation, tide conversion, hydroelectric power, ocean thermal energy conversion, wood burning, biomass conversion and alcohol fuels are solar energy uses. These sources are, like geothermal energy, for practical purposes, inexhaustible or "renewable". Within reasonable constraints set by economics, technology and other considerations a national energy policy should prefer alternatives consistent with achieving national goals. The use of solar options is preferable because they are diffuse, abundant, environmentally attractive, renewable, more labor intensive and often less capital-intensive than other options.

The nation is already embracing renewables in many areas. Passive solar systems are producing more than half a building's heat needs in well designed and well insulated new homes. Federal tax imducements, with applicable state tax credits, make new installations of solar water heating and space heating economic in many parts of the country at existing oil prices. In California alone there are expected to be 1.5 million solar installations by 1985.

The current replacement cost of fossile fuel plants is over $825 per kilowatt and future fuel supplies are uncertain. The current replacement cost of nuclear plants is $1-2,000 per kilowatt. Photovoltaic units currently cost $4-6,000 per kilowatt and are expected to fall below $2-3,000 per kilowatt by 1985 and steadily downward thereafter while nuclear and fossil fuel plant costs are rising rapidly. With appropriate government support, by 1990 photovoltaic cells should generate electricity at $450-1,000 per kilowatt or less, well below the cost of all traditional alternatives. Merely redirecting amounts the Reagan Administration proposes to use to subsidize the nuclear industry—including Three Mile Island clean-up costs and development of the Clinch River Breeder Reactor—would more than pay the short-run federal investment cost in a solar preference, program. Before long the program would pay for itself and return budget savings to the federal government. Even a low level of photovoltaic conversion could produce 3.3 million jobs by 2000.

The other way to make electricity from sunlight is to use the sun to heat a fluid which drives a heat engine. Commercial feasibility demonstrations by the mid-1990s could bring on commercial solar thermal electric power generation before the end of the century. However, no significant solar thermal generation is included in the Cranston year 2000 plan. Ocean thermal energy conversion and similar techniques applied to solar ponds also seem unlikely to make significant contributions by the year 2000.

Hydroelectric power now supplies 12 percent of the nation's electric energy. Expansion in Canada with grid linking across the border, adding power generating equipment to existing dams, and increasing the electric capacity of hydroelectric dams would lead to a substantial increase in energy supply from this source.

After much experimentation and development, wind power is about ready to develop commercially. Beginning in 1981 a wind farm development was begun in California. The first phase is to be completed in 1983 and will consist of fifty 2.5 megawatt wind turbines. By 1984 there will be 145 turbines generating 350 megawatts of power. Some experts believe that as many as 60,000-90,000 large wind machines as well as many smaller ones could be in place by 2000. The Cranston plan sets a goal which is less than half that amount but still contributes 3.4 percent of the nation's energy needs in the year 2000.

After the 1973-74 crisis, the use of wood for cooking, heating, some industrial processes, and for generating electricity soared. In New England, 20 percent of all homes use wood as a primary heat source. The use of wood could be increased by a factor of 4 or 5 and renewed indefinitely, provided that a careful, sustained yield forestry management policy is pursued which avoids clear-cutting and concentrates on selective cutting, thinning, species variation and replanting. In order to permit other uses of wood, to guard against air pollution, and to maintain maximum retention of unspoiled wilderness and green space, this plan limits wood-energy use to half its potential.

Urban solid waste can be converted to energy, decreasing the need for new landfills and cutting air and water pollution. The technology is well developed in Europe where nearly 200 cities convert waste to energy. However, efforts to demonstrate feasibility of waste energy conversion in several municipalities have been abandoned by the Reagan Administration. The Cranston plan anticipates that .7 percent of our energy needs will come from this source.

Many plants grown in sunlight can be converted to ethanol (grain alcohol) or methanol (wood alcohol) by fermenting carbohydrate rich crops, then distilling the alcohol. It is mixed with gasoline to produce gasohol which can now be produced for about $1.10 per gallon, a marginally competitive price. It is reasonable to maintain the current federal tax incentive to permit this expanding renewable energy source to develop at its present pace. By 2000, that should produce 1.1% of our energy needs.

F. Conservation

From the traditional view that energy conservation meant sacrifice, deprivation and a declining standard of living. Except within the Reagan Administration, a recognition has emerged that conservation—increased energy efficiency—is the least costly, safest, cleanest and fastest way to meet our transitional energy needs. The opportunities for major improvements in conservation appear throughout our society.

Our industrial strength has decreased severely in recent years and we are faced with strong challenges from Europe and Japan. Aging plants and out-of-date procedures must be revitalized as part of a major reindustrialization of America that is needed to meet these challenges. Part of such an effort is to reduce costs and make our industry energy efficient by eliminating the profligate energy practices of our cheap energy days. Waste heat from plants can be used to heat offices or water or to pre-heat elements to be used in the plant process. Major heat users should investigate reducing costs by cogeneration, that is making electricity to be sold to the utility and using the remaining "waste" heat for their industrial needs.

Modern insulation, high efficiency burners, long lasting high efficiency lighting, fuel efficient trucks and transportation, and computer controlled energy processes are all paths to an efficient and competitive U.S. industry once again on the upswing. The energy savings that have been made by industries with strong management commitments to conservation and with technical staffs devoted to analyzing operations and implementing conservation methods have been remarkable. To regain our worldwide industrial leadership requires improvements in many areas: one of them is to place our industry at the cutting edge of modern technology and energy efficient practices.

Significant savings can come from extending federal auto efficiency standards to set goals through 1995. With an end-year corporate average auto efficiency requirement of 40 miles per gallon in 1995, we save a billion barrels of oil in 2000. Forty miles per gallon is already technologically feasible, but would require large front end capital investment by an ailing domestic auto industry. Tax incentives and some continued federal partnership on alternative fuel engine research and development is needed.

Thirty-one percent of the energy we use is for generation of electricity—almost always through centralized and increasingly expensive power plants run by utilities—regulated by state Public Utilities Commissions. Under the best of circumstances only 35% to 40% of the energy used in generators appears as electricity; the remainder is heat that is usually dispersed to rivers or the environment rather than being used to heat neighborhood buildings ("district heating") or to sell to nearby industries that need heat. The city of St. Paul, its residents, and a local electric utility are cooperating in the process of installing district heating from an electric generator as a major experiment in waste heat utilization. If successful, this approach should be adopted widely. It requires active leadership from cities and the acceptance by utilities of a role as suppliers of energy—both heat and electricity—rather than electricity alone.

Our buildings, both residential and commercial, are not well designed for energy conservation. As new buildings replace old ones it is essential that the most flagrant sources of energy waste be eliminated. This can be done by incorporating where practical high standards of insulation, passive solar heating in winter and solar shading in summer, high efficiency air conditioning, high efficiency gas and oil burners, efficient lighting, lighting controls to prevent over illumination, efficient appliances, and minicomputer energy management systems. To achieve these goals requires governmental leadership, standard state-wide building codes that are both flexible and easily understood by builders, and cooperation by builders and suppliers. A state building code with many of these features has been developed in California and is being implemented there. If successful, its use could be encouraged as a base for the upgrading of other states codes.

The opportunities for conservation are enormous. A reduction of energy use by 17.5% beyond that projected by the E.I.A. projections is proposed by the Cranston plan. To achieve such results requires steady leadership and support from the national government and from state and local governments and a readiness to fight waste by utilities, builders, manufacturers, offices, stores, homeowners, and apartment dwellers.

In conservation the Reagan Administration has been tragically wrong. It is attempting to dismantle all conservation programs lock, stock, and barrel. It would remove federal support that enables states and localities to operate effective programs. It fails to perceive the relationship between

energy modernization of urban buildings and the viability of our future housing stock, the long-term stability of regions, and U.S. economic productivity. Congress mandated national appliance efficiency standards for each of 13 major house appliances in the National Conservation Policy Act in 1978.

Instead, the Reagan Administration proposed standards so weak as to constitute no standard at all, while requiring states to petition to avoid preemption of state standards existing in California, New York, Florida, Kansas and other states. It refuses to implement mandated conservation measures in federal buildings. It has reduced or eliminated research and development programs. Its consistent policy in the field of energy is to reduce or destroy any programs that support conservation. The Reagan Administration believes that support for conservation is bad and that support for nuclear power is good. In both respects, it is wrong.

ENVIRONMENTAL CONCERNS

In the panic following the energy crises of 1973-74 and 1978-79, proposals to lessen U.S. oil vulnerability often viewed environmental concerns as mere obstacles in the path of national energy development. These niceties might be taken into account in less troubled times, the argument runs, but not in times of energy crisis when U.S security and economic interests are vulnerable to foreign pressure.

President Carter's proposals for an Energy Mobilization Board—which could override state and federal environmental laws seen as obstacles to approved energy projects—and for an $88 billion national commitment to synfuels development, were not fully approved by Congress. It was too large a commitment, too soon, and without adequate understanding of the economic and environmental variables. Another example is Reagan Administration Interior Secretary James Watt's 5-year Outer Continental Shelf oil and gas leasing plan. In a search for every possible barrel of oil and gas, it would disturb or threaten with oil spills virtually every unspoiled portion of the nation's coastline, regardless of the views of states or localities or any competing values or commercial interests which might exist. Onshore, Watt made similar unacceptable proposals for wilderness areas and other protected preserves.

Such proposals threaten more than "pretty" areas. They lack understanding of the fragile balance between energy, matter and the ecosystem supporting life on earth. The inevitable consequence of ignoring environmental concerns is, at best, temporary relief of a short-term crisis in exchange for a worse crisis later, when inevitable damage to the food chain, the public health or safety, the atmosphere which supports life, or other vital human interests forces reconsideration. Energy policy must weigh societal needs for security, health and safety, employment, and aesthetic values, not just the private profits of entrepreneurs.

Several environmental specifics have been previously set out in discussions of particular fuels and technologies. Two deserve reemphasis as the two most serious environmental problems associated with combustion of fossil fuels.

We are just beginning to understand the effects of acid rain. Under the current Clean Air Act, airborne concentrations within a region of pollutants like sulfur dioxide and nitrogen oxide, i.e., "SOX" and "NOX", are reduced by controlling sources within that region. But some "SOX" and "NOX" don't form gaseous air concentrations. Rather, they rise into the upper atmosphere, where they combine with water vapor to form sulfuric or nitric acids, which then fall to earth in another region, poisoning water systems, crops and forests. Since these toxics do not respect man-made boundaries, acid rain is almost always an international or interstate problem with which the 1970 Clean Air Act amendments are inadequate to deal.

The Canadian government has repeatedly expressed concern about damage to its lakes, forests, and ecosystems from U.S. and Canadian-generated acid rain. Clearly, the problem will need to be addressed internationally. Through joint efforts of science, industry and government, Canada has reduced some of its own emissions.

In the U.S. the main source of acid rain in 31 states of the East and Midwest apparently is the "tall stacks" of fossil fuel burning powerplants, built, ironically enough to disperse air emissions. The stacks may be in Ohio, but because of prevailing winds, the fall-out may occur in Canada or the New England states.

By 1978, acid rain cost an estimated $5 billion in the eastern U.S. including $1 billion in reduced agricultural revenues. In the next 20 years, unless abated, acid rain could cost $8.3 billion in crop damage in the Ohio Valley alone.

In addition, acid rain does damage to forests and destroys $13 billion worth of materials in the eastern U.S. annually, and does immeasurable damage to lakes, fresh water rivers and streams and to their marine populations.

The increased acidity of the water supply leaches metal like lead, copper, aluminum, mercury and cadmium from watershed soils, sediments and water pipes and, at very dangerous levels, introduces them to people in their drinking water.

While the problem in the East results from the prevalence of midwestern powerplants with tall stack burning high sulfur coal, the West, too, has its own acid rain problem, probably caused primarily by NOX from auto emissions.

Reduction of the SOX problem in the East is technologically feasible, by using "scrubbers" in the stacks, but that's expensive and debate rages over who should pay.

The answers concerning western acid rain are less clear, but may involve requiring automobile inspection and maintenance of auto emission equipment, and more sophisticated technology.

Certainly, international cooperation and prompt resolution is a must.

Scientists believe that the amount of carbon dioxide in the atmosphere could double within the next 50 years, if present trends continue, threatening a "greenhouse effect" that would melt polar icecaps, flood coastal areas, and wipe out food supplies.

The cause is combustion of fossil fuels in all forms. Only by ultimate total conversion to non-fossil fuels—particularly clean renewables—can this effect be avoided, since the build-up is cumulative. And, as more and more nations develop industrially, they too must convert to clean fuels to avoid the greenhouse effect.

ECONOMIC CONCERNS

The Reagan Administration argues that—except for nuclear fission for which the Administration has proposed major new subsidies—leaving the nation's future energy supply to the judgment of private companies responding to economic pressures of the marketplace is sufficient. The Administration is moving in exactly the wrong direction.

The marketplace is not free. It has been structured by previous and continuing government subsidies, by monetary and fiscal policies, by regulations (local, state and federal), by oligopoly and uneven competition between integrated major corporations and non-integrated independents. Now it is further unbalanced by uneven access to capital and to some energy resources, by cartel pricing, and by foreign government policies that adjust supply and demand for non-economic reasons.

Even were the market really "free", federal responsibility for national defense and general welfare requires the government to restrict some activity and to encourage benign activity, where economic stability, the national economy and security, public health or safety, or other vital public interests are at stake.

Market choice of some very capital-intensive alternatives—nuclear power, coal and synfuels development—could, to the extent that they use up available investment capital, prevent near-term investment in conservation and renewable energy technology, with regrettable long-term economic and environmental consequences.

Government policy on coal should aim at improving its social usefulness by supporting MHD and fluidized bed combustion research. A short-term increase in abundant U.S. coal is needed to provide energy during the transition to renewable energy and to increase exports to offset capital outflow from imported oil. But weakening environmental laws that govern use of coal is both unnecessary and unwise. And the government must encourage investment in the less capital-intensive and more socially desirable renewables which ultimately can provide all the energy we need. It may, therefore, be necessary to increase subsidies for renewable energy development.

Developing an energy plan for the future is vital, but it provides only part of the revitalization our economy needs. And economic recovery which merely restores energy-intensive industries to short run economic health will eventually result in new inflation, energy crises, and deeper future recessions.

Permanent economic health—insofar as energy policy is concerned—depends on decreasing our fossil fuel dependence before the next world-wide shortage of oil occurs. It requires creation of the numbers and kinds of jobs that our work force can fill, many from new energy industries. For the same investment dollars, conservation and the renewable technologies are far more labor-intensive than nuclear or fossil fuels. And nuclear power is ever more costly, while renewable technology is ever less expensive and the fuel is usually free.

The federal government must work with state and local government, with the utilities industry, with energy technology and fuel suppliers and with labor, to promote transition to a strong, energy-efficient economy which provides employment for our workers at energy costs that do not deprive low income people of the energy they need.

Perhaps $50 billion of private and public investment on average will be needed each year for energy until the year 2000, counting home-owner and business investment, public loans and loan guarantees, purchases, tax credits and other subsidies, even if heavy investment in capital intensive alternatives is avoided. By far, most of this in-

vestment will come from consumer and corporate decisions in the private sector.

But there is no choice. If we do not commit to and carry out a sensible energy policy over the next 17 years, we will spend even more on oil, and eventually face much more costly decisions.

REMARKS BY CONGRESSMAN WAXMAN ON HUMAN RIGHTS IN THE SOVIET UNION

Mr. CRANSTON. Mr. President, earlier this month a delegation of 18 Members of the House of Representatives, led by my counterpart in that body, Mr. FOLEY of Washington, the Democratic whip, met in Moscow with Soviet leaders to discuss a wide range of issues.

A major focus of these meetings was the issue of human rights. The discussion of this issue was led by my esteemed and respected colleague from California, Representative HENRY A. WAXMAN of Los Angeles, who chaired the task force on human rights of the House delegation.

Mr. WAXMAN's remarks to the opening plenary session of the meetings in the Kremlin received a good deal of attention by both his congressional colleagues and Soviet officials because he spoke with knowledge and passion from the perspective which all Americans bring to the fundamental issues of freedom of association, expression, and religious observance.

As one who has been so deeply involved in the struggle for human rights and has led past exchanges of a smiliar nature with Soviet officials, I appreciate the candor, lucidity, and eloquence of Mr. WAXMAN's remarks and the impossibility of Soviet officials misinterpreting his words. I also know that the concerns he so forcefully expressed accurately reflect the most deeply held beliefs of the American people.

Mr. WAXMAN called attention to the severe restrictions within which Christians, Muslims, and Jews live in the Soviet Union. He eschewed diplomatic euphemisms and evasion. The Los Angeles Congressman chose, rather, to summarize precisely the abuses in the field of human rights which have generated greatest concern in the West and referred to a number of individual cases and a wide range of religious and ethnic groups. The unifying principles were our agreement with the Soviets at Helsinki and our own moral heritage.

Since few of my colleagues in this body have had the opportunity to read Mr. WAXMAN's, remarks, I ask unanimous consent that they be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

REMARKS BY CONGRESSMAN HENRY A. WAXMAN ON HUMAN RIGHTS IN THE SOVIET UNION TO MEMBERS OF THE SUPREME SOVIET OF THE U.S.S.R. IN THE KREMLIN ON JULY 5, 1983

We meet here today to discuss various issues of concern to the people of our countries and, indeed, of the world. Arms control is a central concern to all of us here. Yet all of my colleagues share another concern: that governments live up to solemn international commitments, freely undertaken, to respect the human rights of their citizens.

We meet here today to discuss issues of mutual concern. Yet, we cannot gloss over those issues about which we disagree. Americans are convinced that the issue of how a government treats its citizens is a legitimate—indeed integral—part of the international agenda.

Modern technology has brought us the atomic bomb—and the danger of nuclear catastrophe. Modern technology has also brought us instant communication with the result that people everywhere are informed about people around the world. Indeed, this awareness is a central fact of modern life: we all inhabit a global village threatened with total destruction. No political leader can ignore either aspect of these fundamental facts.

Instant communication also makes people everywhere aware of contradictions between words and deeds. No society is perfect. No government or party can claim that all its citizens agree on every point of public policy. It is difficult for an informed public to have faith in negotiations with a country which flouts solemn agreements in one area, such as human rights, while professing the urgent need for new agreements in another area, such as arms control. In fact, I believe that governments which violate the internationally guaranteed rights of their citizens risk loss of international credibility.

This loss of international credibility has many ramifications: not only the loss of public confidence, but also difficulties, complications and delays in the diplomatic arena. In fact, such a loss of credibility extends to all areas of bilateral relations and begins to poison the very foundation of the relationship between our countries.

I want to turn to an examination of an international agreement which spans many vital issues. Indeed, it can be seen as a code of conduct for relations between states and between governments and governed: the 1975 Final Act of the Conference on Security and Cooperation in Europe. This international agreement does not have the status of a treaty; rather, it is a solemn statement of political intent. It is precisely in relation to this document that the question of credibility is so crucial, particularly since the Helsinki Final Act refers to the positive role to be played by private individuals as well as governmental institutions.

What events occurred which heightened public concern about human rights violations of the Helsinki Accords in your country? Since the start of the Madrid CSCE Meeting in September 1980, your government has arrested over 500 people in the USSR who peacefully advocated Helsinki-guaranteed rights. These arrests have burdened the work of the long-protracted Madrid Meeting and have exacerbated efforts to negotiate a balanced and substantive document.

All too often when representatives of my country speak of public concern for human rights issues in your country, we are told that we are merely concerned with the fates of a few misfits. To this I say if a government can easily take reprisals against its own citizens who speak critically, then no citizen is safe.

Furthermore, it is precisely vis a vis individuals that governments must and do prove themselves. Therefore, I will refer to some individuals in your country whose problems we consider to be representative of similar problems faced by thousands of other people.

ANDREI SAKHAROV

First, however, I would like to refer to a man who has been called the conscience of mankind: Andrei Sakharov. Although he was never formally accused of any offense, on January 22, 1980, Sakharov was summarily banished to the closed city of Gorky where he lives under virtual house arrest. Today, partly as a result of a hunger strike undertaken by him and his wife, Elena Bonner, to gain emigration rights for a relative, Sakharov and Bonner urgently need to be hospitalized in the Academy of Sciences hospital in Moscow. How can a government which ostracizes and ignores the basic human needs of a famous man such as Sakharov expect to gain international credibility for its treatment of ordinary men and women?

HELSINKI MONITORS

Another issue of particular concern to Americans who are committed to the noble humanitarian aims of the Helsinki Final Act is the systematic campaign of repression undertaken by your government against Soviet citizens who merely sought to call public attention to certain shortcomings in Soviet observance of the human rights provisions of the Helsinki Final Act. Today, 53 members of these citizens' groups are imprisoned in Soviet prisons, labor camps and psychiatric hospitals. None of these people ever advocated violence. Instead, they compiled reasonable documents about human rights problems in their own country. If your government found fault with these documents, why not dispute their facts? By locking up such people—and by abusing them further while imprisoned—your government showed the world it cannot tolerate individuals who publicly advocate the humanitarian aims of the Helsinki Final Act.

My country continues to be concerned with the fates of 53 imprisoned Helsinki Monitors, including Russian physicist Yuri Orlov and Jewish mathematician Anatoly Shcharansky of the Moscow Helsinki Group; poet Mykola Rudenko of the Ukrainian Helsinki Group: Viktoras Petkus of the Lithuanian Helsinki Group; physicist Robert Nazaryan of the Armenian Helsinki Group; and Merab Kostava of the Georgian Helsinki Group. Americans cannot understand why young Ukrainian Monitor, Olha Heyko, now faces a possible 12-year imprisonment term, nor why pregnant Irina Grivnina of the Psychiatric Working Group is under official pressure to perform manual labor in exile, or why aged Ukrainian Monitor Oksana Meshko is exiled to the rigors of remote Siberia.

EMIGRATION

Despite international legal commitments, your government does not permit free emigration from the Soviet Union. In fact, the only recognized legal basis for leaving the USSR is for the purposes of family reunification. The emigration process is lengthy, cumbersome, and fraught with uncertainty and potential penalties. In a distortion of the Helsinki spirit, since 1979 the Soviet

government now defines family for emigration purposes as only father, mother, son or daughter.

Tragically, in some cases, even reunification of nuclear families is not deemed sufficient cause to permit emigration from the USSR. I have in mind here, among all too many other examples, the issue of US-Soviet binational marriages. One U.S. husband, Professor Woodford McClellan, has not seen his Russian wife, Irina, since 1974. Last year, one group of Soviet citizens was driven to a series of life-threatening hunger strikes to protest prolonged Soviet-imposed separation from their husbands and wives in the West. While we are gratified that two of these Soviet spouses were allowed to join their families in the United States, two other Soviet husbands, Sergei Petrov and Yuri Balovlenko, are still being denied emigration permission. Unfortunately, this list of divided nuclear families could be extended. Another case comes to mind: a mother, Francesca Yanson, who is ill with cancer, has been trying in vain for three years to see her son in the United States. Recently, several members of this Delegation met a young man by the name of Igar Tufeld who has appealed to us to intervene with you for his parents, Mr. and Mrs. Valdimir Tufeld, who are both quite ill. How can the Soviet government ignore these basic human needs of its citizens and still hope to be trusted in the world?

Not only does your government restrict potential emigrants to divided nuclear families, but, in practice, only the members of three ethnic minorities in the Soviet Union—Jews, Germans and Armenians—have been permitted to leave the Soviet Union in significant numbers. Even here, however, recent statistics point to a sharp cutback in the numbers of Soviet Jews, Germans and Armenians being permitted to emigrate from the USSR. While 51,000 Jews left the Soviet Union in 1979, last year only 3,000 were allowed to leave. If the present trend continues, this year only 1,200 will emigrate. Even more ominous for the future emigration prospects of Soviet Jewry, your government recently formed an official Anti-Zionist Committee which announced on June 6, 1983 that the process of family reunification for Soviet Jews was "essentially completed."

American organizations estimate that 300,000 Soviet Jews would like to emigrate from the Soviet Union: one such man is Gregory Gimpelson of Leningrad who has applied for emigration since 1977. Denied permission to work as a scientist, nevertheless he is denied emigration for alleged access to secrets in a scientific job he left in 1973. Another family, the Michelson family of Florida and Moscow, have not seen each other in 28 years! Despite many appeals on behalf of this family, Galina Golsman Michelson of Moscow, and her daughter's family, continue to be denied emigration permission. The Essas family of Moscow has been trying to emigrate to Israel since 1973 to join their aged parents. And I raise with you on a personal level the case of a cousin of mine, David Gregoriovitch Vaksman in Kishinev, the city from which my grandparents fled Tzarist persecution and where this young man lives under Soviet oppression. Such needless human suffering flies in the face of your government's humanitarian pronouncements. We have a list of names of people that put a lie to your statement that there are few Jews who want to leave. We know of them because their relations in Israel and in the United States have appealed to us for help. Some of us will try to call or visit these refuseniks while we are here. Those that I have personally talked to tell me that they are desperate. And I tell them they are not forgotten by those who will stand with them in conscience.

In addition to these tragic stories, other Soviet families are adversely affected by Soviet emigration practices: the Jurgutis family of Lithuania has been separated from their father in Chicago since 1974; the Russian Evsyukov family, who live near Moscow, suffer numerous persecutions, including a term in labor camp, for their desire to emigrate.

RELIGIOUS BELIEVERS

Of course, Americans were heartened by the news that, after a 23-year effort, the Pentecostal Vashchenko family were allowed to leave the USSR on June 27—the fifth anniversary of their taking refuge in the U.S. Embassy in Moscow. I hope that their fellow Siberian Pentecostals, the Chmykhailov family, will soon follow.

But what impelled these two Pentecostal families—and an estimated 30,000 other Soviet Christians—to struggle so hard and so long to leave the Soviet Union? After all, the Soviet Constitution asserts the separation of church and state. Nevertheless, the Soviet government attempts to maintain total control over organized religion in the Soviet Union. All religious communities—Christian, Jewish or Moselm—must agree to onerous state control over all aspects of their activities. Any religious community which does not agree to such legal restrictions is relegated to outlaw status. Indeed, there are thousands of Soviet Christians, including, for example, 175 reform Baptists, who are imprisoned in the Soviet Union for refusing to obey such laws.

Yet here again contradictions in the policy of your government emerge: some religious communities, even if they agree to abide by Soviet laws, are refused legal status because their religious belief itself is deemed by your government to be illegal. Here I have in mind the tragic fate of the Ukrainian Catholic Church and of the Jehovah's Witnesses in the Soviet Union. Adherents to these religions are subjected to particular persecution. Ukrainian Catholic activist, Iosyp Terelya, founder of the Initiative Group for the Rights of Believers and the Church—who has already spent over a decade in prison—was rearrested in December 1982.

Other religious activists in the USSR have also suffered similar fates at the hands of your government: Russian Orthodox priest, Father Gleb Yakunin of the Christian Committee has been denied contact with his family after he was sentenced in August 1980 to a ten-year term; Lithuanian Catholic priest, father Alfonsas Svarinskas of the Catholic Committee, was also sentenced to a ten-year term.

ETHNIC AND CULTURAL RIGHTS

Americans, like Soviets, live in a country with a rich and varied cultural history. We understand that it is not always easy to accommodate the diverse aspirations of ethnic minorities. Although problems remain, in recent years my country has made great strides in improving the status of such American ethnic groups as Blacks and Native Americans.

In your country, however, there are disturbing signs of regression from Helsinki obligations in your treatment of legitimate rights of ethnic minorities: these are anti-Semitic articles in your official press; there is an escalation in pressures to Russify the languages and Sovietize the cultures of the non-Russian half of your population; and there is evidence of discrimination against religious believers and Jews in higher education. There are even cases of imprisoning of Soviet citizens who seek to improve the status of their ethnic groups: a Soviet Jew, Feliks Kochubievsky, who wanted to form a Soviet-Israeli Friendship Soviety, was given a prison term for "anti-Soviet slander." Mustafa Dzhemilev, a leader of the Muslim Crimean Tatar struggle from Central Asian exile to return to their historic homeland in Crimea, has spent most of his adult life in camps and exile. Russian writers, such as Georgy Vladimov, are forced into exile from refusing to submit to official pressures to increase Communist orthodoxy in Russian literature. Soviet scientists are denied permission to attend international scientific conferences—as happened last week with Professor Khatchaturyan and his wife who were supposed to address an international physics conference in Greece. Other Soviet scientists, such as Jewish mathematician Viktor Brailovsky, who organized an unofficial Moscow seminar for other scientist refused emigration permission, are imprisoned.

UNOFFICIAL PEACE GROUPS

Although your government encourages citizens' disarmament initiatives in the West, Soviet officials have imprisoned eight members of two unofficial peace groups: four signatories of an October 1981 appeal that the Baltic states of Lithuania, Estonia and Latvia be included in an official Soviet proposal to create a Baltic nuclear-free zone, and four members of the Group to Establish Trust between the United States and the U.S.S.R.

CONCLUSION

I hope that your government will take my comments in the spirit in which they are intended: if trust between our countries is to be established, we must be more attentive to all of the matters of concern to each other. As far as human rights are concerned, they are not only important to us, but are inextricably linked with the other items on the agenda between our two countries.

PATRICK WARREN'S TREK

Mr. SPECTER. Mr. President, I rise today to commend and to congratulate a courageous Pennsylvanian, Patrick Warren, who today entered Washington after walking across the United States from California.

Mr. Warren's 3,000-mile trek will conclude in Philadelphia, where he lives. His grueling odyssey across our Nation was undertaken to show that epileptics are capable of everything that their nonafflicted brethren can do.

Mr. Warren, a roofer by trade, suffered two tragic, almost fatal accidents before learning that he suffered with epilepsy. In 1974 and again in 1979 during epileptic seizures, Mr. Warren walked off rooftops while working. In the second fall, he fractured his skull.

After a number of failures at reaching a correct diagnosis of Warren's problem by various medical authorities, the Graduate Hospital's Compre-

hensive Epilepsy Center correctly diagnosed his ailment as epilepsy and placed him on a treatment program which has effectively controlled his seizures.

Determined to thank the CEC and bring attention to epilepsy and how it can be conquered, Mr. Warren set forth on his prodigious undertaking on May 2. With grit and courage, he has persevered.

Today, he is being received at the White House and congratulated by President Reagan.

And now as he enters the last lap of his journey on behalf of all epileptics, I believe he deserves the thanks and commendation of all of us for this noble effort on behalf of his fellow man.

WEINBERGER'S 10 COMMANDMENTS

Mr. GRASSLEY. Mr. President, last week, Secretary of Defense Weinberger issued 10 initiatives to get excessive cost increases of spare parts under control.

I am here today to commend Secretary Weinberger for his directive, but to also warn both the Secretary and the American public that the 10 initiatives will have little impact in-and-of themselves. I have some suggestions for Secretary Weinberger.

Secretary Weinberger has declared verbal war on the largest bureaucracy in the Western world. Yet he is fighting a war against a well-armed adversary, and with little more than high-minded and noble-sounding rhetoric.

As a result, the Secretary will continue to experience entrenched resistance to his new initiatives. And we will continue to have excessive cost increases of spare parts, unless concrete and specific steps are taken to change the system.

The Secretary's 10 commandments closely resemble other rhetoric we have heard from the Defense Department for years. The most recent example is the Carlucci initiatives.

The Carlucci initiatives were to be the be-all and end-all of positive change in the Pentagon. But they had little impact because they had no teeth.

There was no timetable, no accountability, and no clear indication that the initiatives were a serious undertaking.

Now, Mr. Weinberger has given us "Son of Carlucci," 10 new initiatives which are even more vague then the first 32. Yet he claims: "It is a program with teeth," and it will end cost abuses "once and for all."

Here is an indication of the teeth in these 10 commandments:

"Should offer incentives. * * *"

"Awards * * * should be continued. * * *"

"I expect you. * * *"

"To alert defense contractors. * * *"

"To accelerate reform. * * *"

"To take steps. * * *"

"To convey a strong belief. * * *"

The Secretary is giving us nothing concrete. No goals, no timetable, no accountability.

The real 10 commandments are straightforward: Thou shall not kill. Period. And there is no question as to who is accountable.

I would like to illustrate my point with the particular case of a man who has tried to follow these 10 commandments for over a year, now, and has been condemned because of it.

His name is George Spanton. He is the resident auditor for the Defense Contract Audit Agency in West Palm Beach, Fla. He had attempted a thorough audit of Pratt & Whitney because of improprieties. He has been harassed to the point of frustration. He nearly lost his job for attempting to save the taxpayer money. That was his reward for doing what is right. He was threatened with dismissal by his own superiors.

Even from the top he got little encouragement. In response to a request from me to keep Spanton on the case at West Palm Beach, Secretary Weinberger, on April 16, was quoted by a spokesman as saying it was "immaterial" to him whether Spanton stayed on the job.

I have put together a chronology of newspaper clippings which detail the Spanton case. It was not until his story erupted in the public domain that anything was done to correct the perversion.

One wonders, in light of all this, how big the Secretary's commitment is to these 10 initiatives. So far, we have just words. Now we need followup. Words are necessary, but even more desirable are actions, which are proof of intent.

There are many people like George Spanton in the defense community who have tried and have wanted to carry out the 10 commandments for a long time. Yet the system has stifled them. That is because the incentives encourage such stifling. And indifference at the top has enabled the system to prevail.

If the Secretary and others in the Defense Department were serious about managing the Pentagon effectively, they would listen to people like Spanton whose job it is to expose waste and inefficiency.

Earlier this afternoon, I had a letter hand-delivered to Secretary Weinberger, asking him to promote George Spanton for his diligence and perseverence, and urging him to exercise commandment No. 2 against those who tried to stifle Mr. Spanton.

The second commandment reads as follows:

I expect you to take stern disciplinary action—including reprimand, demotion and dismissal—of those employees who are negligent in implementing our procedures.

I also sent the Secretary a copy of this memo from George Spanton to the Atlanta regional director for the DCAA. It is Mr. Spanton's response to the recent DOD Inspector General's report on spare parts price increases.

In this memo, Mr. Spanton recommends that the Inspectionor General review be expanded to include a review of Pratt & Whitney's markup and profit determinations. It also critiques the current DCAA audit policy, and comments on the incentives for cost growth in spare parts.

I have recommended to the Secretary of Defense that he review Mr. Spanton's memo and that he heed its recommendations.

If the Defense Department is serious about bringing cost increases under control, it will listen to people like George Spanton, and then change the system so that the George Spantons are more easily heard.

The Secretary of Defense should heed such specific and concrete recommendations as those outlined in this memo by Spanton. That is what Spanton and others are there for.

The Secretary should construct a timetable with startup dates, goals, and progress checks. And he should make public the names of those who are accountable—those who are monitoring progress, evaluating results and establishing new goals.

This is the only way even the Secretary himself will ever know that his initiatives are working. And it is the only way the problem of excessive cost increases will ever be corrected. I encourage the Secretary to take these appropriate steps.

Mr. SYMMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. HECHT). The clerk will call the roll.

The acting assistant legislative clerk proceeded to call the roll.

Mr. McCLURE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

Mr. McCLURE. Mr. President, what is the pending business?

The PRESIDING OFFICER. Time for morning business has expired. Morning business is closed.

DEPARTMENT OF THE INTERIOR APPROPRIATIONS, 1984

The PRESIDING OFFICER. The clerk will report the pending business.

The legislative clerk read as follows:

A bill (H.R. 3363) making appropriations for the Department of the Interior and re-

lated agencies for the fiscal year ending September 30, 1984, and for other purposes.

SECOND EXCEPTED COMMITTEE AMENDMENT—RELATING TO SECTION 317

The PRESIDING OFFICER. The question is on agreeing to the second committee amendment.

Mr. McCLURE. Mr. President, I am happy to yield to the Senator from Pennsylvania for a series of questions which I hope I will be able to answer.

Mr. HEINZ. Mr. President, I thank my friend, the distinguished chairman of the Committee on Energy and Natural Resources, for yielding.

We are considering here a matter that touches not only on our committee but also on a number of concerns and maybe even reservations I have in a number of ways.

I do note and take cognizance of the fact that the Senator from Washington and the Senator from Idaho are making what I believe is a sincere and best effort to insure that there is an adequate flow of financing or noninterruption of employment, specifically involving, as I understand the purpose of this amendment, the WPPSS nuclear powerplant No. 3.

I note that I, too, come from an area which has had problems. Incidentially, I am not referring to Three-Mile Island. We still have that as a problem. But we have our economic problems, and we have our steel mills that have been hit by unemployment. We have had problems with a variety of economic hard times, and they continue.

A number of questions come to my mind, and I should like to make sure that I have all my facts straight first.

Mr. McCLURE. Mr. President, will the Senator yield at that point? That is a very unusual thought process here—to get your facts straight before saying something. I appreciate that.

Mr. HEINZ. I take that as the high compliment I think it is.

It is my understanding that the effect of the amendment is to create a separate entity through the Bonneville Power System which would allow that entity, using the full faith and credit of the Bonneville Power System, to underwrite the activities of——

Mr. McCLURE. May I rephrase that slightly? It does not use the faith and credit of Bonneville. It is to the extent that Bonneville has contractual authority and contractual liability under the net billing agreements.

Mr. HEINZ. I stand technically corrected.

Let me say to my friend that I am not trying to spell out the legalities here.

My understanding is, however, that the result is a very substantial obligation of the Bonneville Power System by virtue of the net revenue agreement and, for the purposes of that agreement, the commitments made by the Bonneville System are binding upon it to the extent of those agreements, which are considerable. Therefore, to the extent of those agreements Bonneville has pledged its full faith and credit to fulfill those agreements. Is that not correct?

Mr. McCLURE. To the extent of the liabilities incurred in the net billing contracts which were entered into in 1971 and approved by Congress in their budget submissions in 1971, that is correct. They are liable for the payments required under those contracts.

Mr. HEINZ. Yes.

It is my further understanding that the idea is that this new authority will be able to issue bonds and incur bonded indebtedness for the purpose of completing WPPSS No. 3; is that correct?

Mr. McCLURE. It is not necessarily contemplated that the entity would issue bonds. They would go to the financial markets to raise money by debt instruments.

Mr. HEINZ. I stand corrected. But they will seek financing from the public by debt instruments——

Mr. McCLURE. That is correct.

Mr. HEINZ [continuing]. Which will include bonded indebtedness.

Mr. McCLURE. It could.

Mr. HEINZ. Would those be solely for the purpose of No. 3 or would the uncompleted financing needed for No. 2, which I understand is in the neighborhood of $100 million, also be financed?

Mr. McCLURE. It could be.

Mr. HEINZ. It could be.

There is an existing number of creditors to WPPSS 1, 2, and 3 at the present time. What does the amendment provide for or alternatively what is contemplated in the way of subordination of existing creditors to any new financing that might be offered through this authority?

Mr. McCLURE. I think the subordination is a question that is not relevant because Bonneville is obligated to pay all of the commitments that are outstanding at the present time just as they would be with respect to the balance, and I do not think there is any contemplation on the part of anyone that Bonneville is going to default with respect to its obligations under the net billing contracts on 1, 2, and 3 which are already covered by those contracts. They will be fully paid by Bonneville.

Mr. HEINZ. I do not know that either the Senator from Idaho or I in the Chamber can dispose of the issue authoritatively because I do not claim to be an expert and I do not think he does either on the effect of a subsequent decision to subordinate existing debt to a preferred debt to be issued in the future. But it is my understanding that the debt originally issued was triple A rated by the bond services. Obviously, it is no longer receiving that high rating. But it would be this Senator's concern, if not judgment, that the act of subordinating existing debt will have some kind of an effect on that debt. But I do not know that he and I are the kind of municipal finance authorities that this Senator would like to hear from. Indeed, it seems to me that it is a question on a subject upon which reasonable people can disagree and suggest to me that if I may say so, Mr. President, that is properly a subject for hearings before our committee.

Mr. McCLURE. Mr. President, will the Senator yield?

Mr. HEINZ. I yield.

Mr. McCLURE. First of all, I do not believe there is any question in the mind of anyone of whom I am aware that the obligations that are incurred under the net billing contracts on 1, 2, and 3 are not to be fully paid. They will be fully paid from revenues that flow from the marketing of existing power in the projects that exist in the Northwest.

Second, I wish to make sure that the RECORD reflected accurately that the bonds that were issued on 1, 2, and 3 were triple A rated, were bonds issued by the Washington Public Power Supply System and, although they were guaranteed in effect by the net billing contracts, they were not directly issued nor were they direct obligations of Bonneville.

Mr. HEINZ. Yes. That is understood.

On the first point, however, the Senator raises an interesting question which is that the net billing contract, of course, with Bonneville is only as good as the ability under the Bonneville power system to find a buyer for the power at the rate that they want to charge. Is that not correct?

Mr. McCLURE. Of course, that is correct. But the Bonneville system has a tremendous number of customers who consume an awful lot of electricity while there is a surplus at the present time and it would be the surplus of power to which the Senator would be addressing his question. The rest of it throughout the Pacific Northwest is being sold today, and those revenues must be sufficient to pay the indebtedness.

There is a rate case and incidentally the Federal Energy Regulatory Commission has some responsibility for the supervision of rates, and that rate case before FERC must generate sufficient revenues to pay the obligations that Bonneville does have, and those revenues are sufficient.

Mr. HEINZ. Neither of us can stand here in the well of the Senate today and say particularly in the light of the existing surplus of power and in light of the recent experience that the utilities in this Northwest have had, where-upon increasing off a very low base the price for electric power in the

Northwest there have been cutbacks, conservation in electric power such that at least in one significant instance, when a substantial rate increase was put into effect, there was no net increase in revenues.

Mr. McCLURE. If as a matter of fact the revenues had not been sufficient and were not sufficient to pay the indebtedness to Bonneville, the rates would have to be increased again.

Mr. HEINZ. That is correct. What we do not know in this Chamber I suggest, though, is the extent to which further rate increases will lead to further reductions in demand. The Senator may say he knows and I may say I know, but that does not make either of us right.

Mr. McCLURE. The Senator is raising an issue that no one familiar with the Bonneville system has raised at all, and I submit it should not be raised now to cast further doubt in the minds of people who hold the bonds that were issued by WPPSS on 1, 2, and 3 as to whether or not they will be paid. They will be paid. Bonneville has the resources from which they can pay them. They will be paid upon their schedule. There is absolutely no doubt in the mind of anyone with respect to that.

Mr. HEINZ. Mr. President, if the Senator will permit me, I wish some reassurance on that for the reasons just hinted at plus some others.

Let me state so that there is no misunderstanding, the Senator from Idaho concedes that there is a surplus of power right now in the Northwest, and that is without the completion and without WPPSS 2 and WPPSS 3.

Mr. McCLURE. If I may interrupt the Senator at that point to make what I think is an essential point, I understand what he is saying, but the revenues for Bonneville are completely and perfectly adequate, but let us stop for just a moment. Apparently your concern is whether or not Bonneville will be able to pay the obligations that it has under the net billing contracts.

Mr. HEINZ. That is one of my concerns.

Mr. McCLURE. Senator, does it not stand to reason that to complete the plants and have some additional power to sell is going to enhance its ability to pay rather than decrease its ability to pay?

Mr. HEINZ. No; that is not immediately clear, because in order to generate revenue it is not enough to have a product to sell. One must have willing buyers.

Mr. McCLURE. Of course.

Mr. HEINZ. Not only to consume what is produced but to pay the price that must be charged.

We all know, at least as I understand this, there are going to be some further rate increases here. We all know at least within the last few years there have been some rate increases that have actually caused demand to go down.

Mr. McCLURE. If the Senator is in a horse race you want to have a horse that will run, otherwise you are going to have to pay for the horses that came out of the starting gate and are dead, lying there on the track dead. Do you want to have to pay for a dead horse or would you rather have one that runs?

Mr. HEINZ. How much will it cost to feed the horse if he lives?

Mr. McCLURE. If that horse lives and runs he has the opportunity to win something. If he is lying dead on the track he has no opportunity at all.

Mr. GORTON. Will the Senator yield?

Mr. HEINZ. I do not want to beat a dead horse.

Mr. GORTON. Will the Senator from Idaho yield?

Mr. McCLURE. The Senator from Pennsylvania has the floor but the Senator from Washington wants to make a comment.

Mr. HEINZ. I have the feeling I am outnumbered but please proceed.

Mr. GORTON. I think my friend from Pennsylvania raised good questions. I do not believe however that the questions are relevant to the amendment to the committee amendment which is before us at the present time, and I do not believe they are relevant for the following reasons: the amendment which is before us at the present time authorizes the Bonneville Power Administration to enter into certain agreements through a new third party to complete Washington Public Power System Project No. 3.

The Senator from Pennsylvania is also correct that this could be utilized for No. 2 as well, but No. 2 is now being completed by money coming directly from the Bonneville Power Administration and it will be complete—out of net revenues—and it will be complete in a matter of months. So that this legislation in all probability is not necessary for the completion of No. 2.

The various parties who are interested in the completion of No. 3 have found a source of revenue, source of construction money. They have found money which they can borrow if this authority is granted. That assumes that various financial institutions willing to lend almost $1 billion are convinced of the security of that investment. The security of that investment is based on the authority of the Bonneville Power Administration to charge those who purchase power from it enough money in order to repay that investment, along with the bonds which are already outstanding on WPPSS 1, WPPSS 2, and WPPSS 3.

Now the point is that while I suppose in theory it is possible that there could be power existing from No. 3 which can be completed in 6 or 7 years in any event which could not be marketed with anyone at all, it could be conceived that has already been discounted by the persons who are willing to lend money by the fact there will be a market for it or in the alternative the Bonneville Power Authority from its other revenues can pay off both the bonds which have been already issued and the $960 million which is necessary to complete No. 3.

Mr. HEINZ. Will the Senator yield?

Mr. GORTON. Certainly.

Mr. HEINZ. I think the Senator's argument raises a very interesting question. Let us assume that everything the Senator has said is correct. Let us assume there are willing buyers out there for this financing, and let us assume that everything that I am concerned about is correct, that is to say there is not much proof that there is a market for this power, that there is not much proof that the market can bear the price that is contemplated. The question then is why would willing buyers be willing to buy this financing?

I think that that should lead us to the next area of inquiry, which is what is the relationship of the Bonneville Public Power system and the subsidiary whose net billing contract it stands ready to guarantee to other sources of funds, namely that of the Federal Government.

I understand the Senator from Idaho. Senator McCLURE, has an amendment, I do not know whether it is pending or adopted, that says the full faith and credit of the Federal Government does not stand behind the Bonneville Power system.

Mr. McCLURE. I think it is abundantly clear in existing law the Federal Government's full faith and credit is not pledged and is not behind Bonneville Power on these issues and that is already a matter of law. In order to make it absolutely clear I suggested——

Mr. HEINZ. It was apparently not clear to the bond underwriters as recently as 1974 and 1976 but according to my information the reason there was a triple-A rating here is there was an assumption——

Mr. McCLURE. I do not think that is true at all.

Mr. HEINZ. I think you and I are not arguing the point.

Mr. McCLURE. Let me try to answer.

Mr. HEINZ. I am not contending that the full faith and credit of the Federal Government is involved here. All I was saying is you intended to make that doubly clear in your amendment.

Mr. McCLURE. That is right. I intended, and the purpose of the amendment was, to restate what the law already is.

Mr. HEINZ. The Senator from Pennsylvania understands that fully and did not think his comments were in any way at variance with what the Senator has just said. What I did want to say is that, I really did want to ask, is its not true that although the full faith and credit of the Federal Government is not contemplated to be and as you read existing law according to most people's, most authorities' interpretations, although some would argue it, was never backed by the full faith and credit of the Federal Government, what in fact is the nature of the relationship between Bonneville Public Power and the Federal Government.

It is this Senator's understanding that they have the ability to have the use of money from the Federal Government.

Mr. McCLURE. We have granted them borrowing authority which is limited by appropriations acts as to what that borrowing authority is from the U.S. Treasury. We have from time to time appropriated money to the Bonneville Power Administration for the purpose of constructing transmission lines. Those direct appropriations for a specific purpose. But there never has been an argument made with respect to the net billing contracts that the full faith and credit of the United States is pledged to the net billing contracts and that is not the case under the current law and has not been a representation made to the market and the issuance of the bonds by WPPSS. I think WPPSS in issuing the bonds stated they were backed by the Bonneville Power Administration through the net billing contracts, which is a fact.

Mr. HEINZ. That distinction is noted, and I accept it.

Where I am less willing to accept the argument is that that is a distinction that is a meaningful difference to those people who buy bonds.

Mr. METZENBAUM. Will the Senator yield?

Mr. HEINZ. Because having come to the Congress as they have in the past for between $7 billion and $8 billion in financing for transmission equipment——

Mr. McCLURE. That is not quite correct.

Mr. HEINZ. You do not know what I have said yet.

Mr. McCLURE. But I know what you have said so far, and it is incorrect.

Mr. HEINZ. What is incorrect?

Mr. McCLURE. They did not come to Congress for $7 billion or $8 billion to finance transmission lines. That includes the power facilities that are in Federal dams for which repayment is required under the authorization for those dams. The major part of that $7 billion to $8 billion comes from the repayment for the power facilities, the major—a minor part of it with respect——

Mr. METZENBAUM. Will the Senator yield?

Mr. McCLURE. The minor part is——

Mr. METZENBAUM. I am trying to find out when the Senator from Idaho wants me to raise my point of order, at what point. It is almost 12 o'clock. Do you want me to make it after we return at 2 o'clock?

Mr. McCLURE. I appreciate the Senator asking that question. I will consult with him. It is my understanding that under the previous order we were expected to recess at the hour of 12 until the hour of 2 o'clock and be back on the bill at 2.

Mr. HEINZ. Have the Senator from Idaho and the Senator from Ohio completed their business?

Mr. METZENBAUM. I completed it. I did not get an answer.

Mr. HEINZ. Let me put this in the form of a question. Is it the understanding of the Senator from Idaho that the $7.5 billion, roughly, is, as we were discussing a moment ago, an obligation of the Bonneville Power system to the Federal Government?

Mr. McCLURE. It is an obligation, yes.

Mr. HEINZ. Could the Senator from Idaho tell me what the history of the repayment of that obligation has been?

Mr. McCLURE. I have not personally checked that recently because it really is not directly relevant to the pending matter.

Mr. HEINZ. May I suggest to the Senator why it may be very relevant, indeed?

Mr. McCLURE. Surely.

The PRESIDING OFFICER. The hour of 12 noon has arrived.

RECESS UNTIL 2 P.M. TODAY

Mr. McCLURE. Mr. President, I now move that the Senate recess until the hour of 2 p.m.

The PRESIDING OFFICER. Under the previous order, the Senate will now stand in recess until 2 p.m. this afternoon.

Thereupon, at 12 noon, the Senate recessed until 2 p.m., whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. LUGAR).

DEPARTMENT OF THE INTERIOR APPROPRIATIONS, 1984

The Senate continued with the consideration of the bill.

ORDER OF PROCEDURE

Mr. BAKER. Mr. President, it is now 2 p.m. It may be that there is a message from the House on the railroad retirement bill. I may ask the Senate to turn to that, temporarily. I will not do that at this time. As I indicated earlier to the minority leader and, I think, to other Senators, if that message does arrive, there seems to be a general consensus that we ought to try to address it, if we can.

Could I inquire of the Chair, is the message here?

The PRESIDING OFFICER. The message has arrived.

Mr. BAKER. I will not ask the Chair to present it, but while I have a chance to confer with the principals, I suggest the absence of a quorum.

I withhold that request.

Mr. METZENBAUM. Mr. President, may I ask the majority leader if I might ask for the yeas and nays in connection with the pending amendment?

Mr. BAKER. Mr. President, I yield to the Senator so he may do that.

Mr. METZENBAUM. Mr. President, I ask for the yeas and nays with respect to the pending amendment.

The PRESIDING OFFICER. Is there a sufficient second, There is a sufficient second.

The yeas and nays were ordered.

Mr. BAKER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The majority leader is recognized.

UNANIMOUS-CONSENT AGREEMENT

Mr. BAKER. Mr. President, as I indicated earlier, on the floor and privately to the minority leader and to other Senators directly involved from the jurisdictional standpoint, as and when we received H.R. 1646, the railroad retirement bill, from the House of Representatives, it would be my hope that we could take it up on a relatively short time limitation and proceed to dispose of the bill this afternoon. I am about to propose such a unanimous-consent agreement. If that is granted, it will also be my intention to ask that the provisions of the Budget Act be waived so we can proceed with the consideration of that matter.

First, Mr. President, I ask unanimous consent that the pending measure be temporarily laid aside and that the Senate turn to the consideration of H.R. 1646, the railroad retirement bill; that no Senate amendments be in order; and that debate be limited to 30 minutes, to be equally divided between the majority leader and the minority leader or their designees.

Mr. LONG. Reserving the right to object, Mr. President, that has not been cleared on this side of the aisle. I cannot agree to that limitation. I

could agree to the bill being brought up for consideration.

Mr. BYRD. Mr. President, do I understand from the majority leader that there would be no amendments in order?

Mr. BAKER. Yes, Mr. President, the language of the request was that no Senate amendments be in order.

Mr. BYRD. So there could not possibly be any nongermane amendment.

Mr. BAKER. That is correct.

Mr. President, I wish to amend the request. I am advised now that perhaps the time limitation had not been fully cleared on both sides. I amend the unanimous-consent request by removing the time. I shall restate the request so it is clear.

I ask unanimous consent that the Senate temporarily lay aside the pending measure and turn to the consideration of H.R. 1646, the railroad retirement bill, and that no Senate amendments be in order.

Mr. BYRD. Reserving the right to object, would the majority leader add the provision that no call for the regular order would bring this measure down?

Mr. BAKER. Yes, Mr. President, I add that to the request.

Mr. METZENBAUM. Reserving the right to object, Mr. President, and I do not intend to object, I assume that when the majority leader says temporarily laying aside a measure that is on the calendar at the moment, he means that, immediately upon conclusion of the railroad retirement measure, we shall return to consideration of the Interior appropriations measure?

Mr. BAKER. Yes, Mr. President, that would happen automatically unless we take some other action to take up some other meausure. There are other measures, such as the Department of Transportation report, that may require action.

The answer to the question is that, on the disposition of the railroad retirement measure, the Interior bill would recur as the pending business and the second committee amendment would recur as the pending amendment.

Mr. METZENBAUM. I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

BUDGET ACT WAIVER—RAILROAD RETIREMENT SOLVENCY ACT

Mr. BAKER. I as unanimous consent that section 402 of the Budget Act be waived with respect to the consideration of H.R. 1646.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

RAILROAD RETIREMENT SOLVENCY ACT OF 1983

The PRESIDING OFFICER. The clerk will state the bill.

The assistant legislative clerk read as follows:

A bill (H.R. 1646) to amend the Railroad Retirement Act of 1974 and the Railroad Retirement Tax Act to assure sufficient resources to pay current and future benefits under the Railroad Retirement Act of 1974, to make technical changes, and for other purposes.

Mr. BAKER. Mr. President, I might say that it appears likely that there will be a request for a record vote on this measure. At the request of another Senator, I now ask for the yeas and nays on that question.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. BAKER. Mr. President, I now yield the floor.

The PRESIDING OFFICER. The Senator from Kansas.

Mr. DOLE. Mr. President, I know there are Senators who would like to be recognized before I make a statement to explain the bill. I wish first to yield to the distinguished Senator from Virginia (Mr. WARNER) who has been active in working out this program. I appreciate his assistance.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Mr. President, the legislation before us today, H.R. 1646, amends the Railroad Retirement Act of 1974 and the Railroad Retirement Tax Act of 1974 to assure sufficient funds to pay current and future benefits.

If the Congress does not act on these amendments, present railroad retirees will be forced to take a 40-percent reduction in their tier II benefits. This cut would reduce all retirement checks by approximately 15 percent. We cannot allow this to happen.

This $4 billion, 5-year package is designed to save the railroad retirement system from insolvency.

Under this legislation, employers and employees will increase their contributions to the retirement system by $500 million over the next 5 years. During that same period, the Federal Government will contribute about $2 billion to the system. These provisions will become effective October 1.

The railroad retirement system pays about $5.7 billion annually in benefits to about 1 million persons. Recent high unemployment in the railroad industry has threatened to make the system insolvent.

Without these changes, the railroad retirement system will face a deficit of $13 billion by 1992.

The legislation represents a compromise plan recommended by a railroad labor-management committee.

Mr. President, I urge my colleagues to support this compromise legislation.

Mr. DOLE. Mr. President, I yield to the distinguished senator from Iowa, who has the same committee obligation.

Mr. JEPSEN. Mr. President, I rise in support of the Railroad Retirement Solvency Act. I cannot emphasize enough the extreme importance of this legislation. Thousands of retired railroad employees are anxiously awaiting the adoption of this bill. Without exaggeration, many of these retirees would not be able to make ends meet if this bill is not passed.

For many months now, Mr. President, I have been assuring my constituents that Congress would act responsibly and complete action on this solvency bill prior to the September deadline. I am glad that I am able to report that we are, in fact, meeting that deadline.

I want to especially congratulate the representatives of railway labor and management who have worked so hard to come up with a compromise package. As anyone who has ever been involved in labor-management negotiations knows, this is a very time consuming and difficult task. The individuals involved deserve great praise for their hard work and dedication to a fair and equitable solution.

There are those, Mr. President, who have criticized this plan but those voices are definitely in the minority. There is no denying the fact that there is a special relationship between the railroad retirement fund and the Federal Government. If we were able to turn the clock back 50 years, we might not be in the position we are in today. But, turning the clock back is not possible. We must deal with the situation as it is presented to us. The facts are that if we do not act, significant reductions will have to be made in the benefits of thousands of retired railroad workers. I cannot accept that solution.

Railroad retirees worked hard for their pensions and they deserve to have a pension that is fair. It is not their fault that the fund is in trouble so we cannot expect to bear the burden of restoring the fund the financial solvency. But assessing blame will not resolve the problem. That is why it was so important for labor and management to work together to find a solution.

Just as the social security reform commission developed a bipartisan solution to the financing problems of social security, management, and labor have worked together with Government to find a solution to the railroad retirement fund problem.

I am proud to be able to support this package and I strongly urge my colleagues to join me in adopting this bill. We cannot turn our backs on those

people who are depending on us to come up with a solution. To vote against this package would be disastrous for so many people.

Mr. President, I urge my colleagues to vote in favor of this bill.

Mr. DOLE. Mr. President, let me state at the outset that there is another committee under the jurisdiction of labor union resources. I understand that Senator HATCH and the ranking member on that committee may want to share in this presentation. As soon as they arrive, I shall be happy to yield to the members of that committee.

Mr. METZENBAUM. Mr. President, will the Senator yield?

Mr. DOLE. I yield to the Senator from Ohio.

Mr. METZENBAUM. Mr. President, I speak as a member of that committee which developed this compromise, worked out over a long period of time.

I rise in support of this legislation to put the railroad retirement fund back on its feet. This legislation is urgently needed to prevent major benefit cuts—cuts that would reduce tier 2 benefits for retirees by 40 percent—from going into effect on October 1. I commend the chairman of the Finance Committee Senator DOLE and the chairman of the Labor Committee Senator HATCH for moving this legislation through so expeditiously, especially in light of the fact that it was only passed by the House late Monday.

I support this legislation as a true compromise plan, but I have many reservations about specific parts of the plan. This package of tax increases and benefit reductions has been endorsed by the administration, has been adopted by the full House on a vote of 398 to 5, and has been endorsed by most of the major rail unions.

Although this bill goes far to put the overall railroad retirement fund into solvency, I am especially concerned about the so-called 60-30 provisions in this package. Currently railroad employees can retire at age 60 with 30 years service and obtain full benefits. As I understand this compromise, persons wishing to retire at full benefits would have to wait until age 62. Under this bill a person can retire with full benefits at age 60 until July 1, 1984. After that a person between the ages of 60 and 62 will face a reduction of 10 percent in tier 1 (social security level) benefits. After January 1, 1986, persons retiring before age 62 would face a reduction in tier 1 benefits of 20 percent.

I am deeply distressd by this particular provision. This latest phase-in provision may help some individuals who were expecting to retire next year with full benefits. But it will still leave many retirees with the choice of working several years longer than planned or accepting reduced benefits. I believe other provisions could have been adopted that would have generated the same cost savings to the railroad retirement system, but I am reluctantly endorsing the whole package in order to insure the system's solvency. However, I shall follow implementation of this plan carefully, and if it is financially possible, I may offer an amendment in the future to restore the full 60-30 provision.

Mr. President, I must emphasize that the insolvency problem faced by the railroad retirement fund—as with the social security system—is not due to overspending by the fund to retirees. Those men and women have worked for years for those benefits. They earned them, and they deserve to be paid those benefits. The real problem lies in the economic policies that the Reagan administration has passed, which has caused tremendous unemployment throughout the economy, but especially in the rail industry. In 1956 there were 1.2 million workers paying into the railroad fund; nobody ever predicted a shortfall back then. But today, there are only 400,000 workers. That is a precipitous drop from 1980, when we had over 700,000 workers. That tremendous decline in unemployment during the Reagan recession has sent the fund into insolvency and has forced this package to be developed.

I am encouraged that this plan will be adopted in time to prevent the even more drastic cuts in tier II benefits scheduled to take place on October 1. But I believe the best way overall to put the railroad retirement fund back on its feet is to revive the economy, so railroad workers have their jobs and railroad retirees can keep their full benefits.

Mr. DOLE. Mr. President, I yield to the Senator from New Jersey.

Mr. BRADLEY. Mr. President, during today's Finance Committee hearing, the Senator from Kansas indicated his support for a study to examine the railroad retirement and the railroad unemployment insurance systems and their effect on the commuter railroad lines established under the Northeast Rail Service Act of 1981. During today's hearing, David Stockman indicated that the administration will conduct such a study and report back to Congress by early 1984.

Several Senators have expressed concerns about this issue, including the Senators from Connecticutt, New Jersey, New York, and Pennsylvania.

Mr. President, I recommend that the study be undertaken by the Department of Treasury, in conjunction with the affected commuter railroad agencies and labor, to review all aspects of the commuter agencies' participation in the railroad retirement system and the railroad unemployment system including:

First, the history of commuter agencies as providers of commuter rail service;

Second, a comparison of past and future employment trends in the rail freight and commuter service areas;

Third, an analysis of the extent to which the commuter rails are responsible for the railroad unemployment insurance system's debt and an assessment as to whether it is fair to impose the solvency tax on the commuter lines;

Fourth, an examination of whether the freight railroads and commuter agencies should be under the same tax rate structure of the retirement system and the unemployment system;

Fifth, recommendations for an equitable tax rate structure for the commuter lines under the railroad retirement and railroad unemployment insurance.

Mr. President, I want to ask the distinguished chairman of the Finance Committee if he agrees that this kind of study is a responsible course of action to take and whether we will expect that by early 1984 the study would be completed?

Mr. DOLE. Let me state to the distinguished Senator from New Jersey that I appreciate his willingness to do it in this fashion rather than to amend the legislation. I think this is a responsible way to address the very valid questions raised by the Senators from New Jersey, New York, Pennsylvania, and also other Senators who have that same concern. We will direct the Treasury to make this study and have the report back by April 1, 1984.

Mr. BRADLEY. I thank the Senator very much for his outstanding work on this issue.

Mr. DOLE. I thank the Senator from New Jersey for his support of this legislation.

Mr. President, we are trying to move as quickly as we can on this legislation. We had hearings this morning in the Senate Finance Committee. The other committee of jurisdiction, Labor and Human Resources, as I have indicated, has had hearings. There has been a lot of discussion in the past several months with representatives of the American railroads. William Dempsey, president of the Association of American Railroads; Charles Hopkins, Chairman of the National Railway Labor Conference, and also Mr. Ole Berge, president of the Brotherhood of Maintenance of Way employees and chairman of the Railway Labor Executives Association Committee on Railroad Retirement, and Mr. Fred Hardin, were before our committee this morning. And also Jim Snyder, chairman of the Railroad Labor Executive Association's Committee on Legislation in Washington, D.C., and Lloyd Duxbury, president of the Railroad Retirement Association.

Mr. David Stockman, Director of the Office of Mangement and Budget, was on the same panel. He arrived a bit late, and we made him a member of that distinguished panel. We had complete accord; without exception every member of the panel, including Mr. Stockman, representing the President and the administration, urged that we move on this legislation as quickly as possible.

We adjourned that hearing about 11 a.m., and we are on the floor now with the legislation. I think that would satisfy the concerns of those distinguished members of the panel.

Mr. President, this legislation does have that broad support. I believe the House has done an outstanding job. No doubt there will be some questions, and I assume, as Mr. Stockman indicated, there are probably a number of areas where we might provide technical amendments, but in the interest of preventing what I perceive as being a real problem by the end of this month—sending out a million notices to railroad retirees that their benefits were going to be reduced by 40 percent is not something that I think should happen—we must pass this legislation. I thank my colleagues on both sides of the aisle for their willingness to consider this bill today.

Today the Senate has the opportunity to approve, on an urgent basis, legislation to deal with the financial problem of the railroad retirement system and the railroad unemployment compensation system. The legislation proposed for dealing with those problems, H.R. 1646, is a matter of some urgency, because, unless Congress acts, the Railroad Retirement Board will implement a 40-percent reduction in so-called tier II benefits—the industry pension equivalent—on October 1, in order to insure that income to the system will not fall short of outgo in the next fiscal year. We owe it to the retirees, and to the railroad industry, to make sure that does not happen.

The Senate is not lacking experience with the problems of underfunded retirement benefit programs. Our major legislative achievements this year—some might say our only achievement—has been to secure passage of the social security rescue package based on the recommendations of the National Commission. That package was a balanced, bipartisan effort, requiring significant contributions from beneficiaries and workers paying into the system. It was a bill that no one was completely happy with—probably the sign of a perfect compromise.

There seems to be widespread agreement that the same approach is needed with railroad retirement. The system is in dire trouble, due to the steady decline in railroad employment while the number of retirees drawing benefits has remained high. To save the system requires firm action—to preserve basic benefits, and keep our promise to workers who have relied on the sytem, requires some adjustment of benefits as well as extra revenues to shore up the program. We need to do our best to approve a solvency package that will guarantee security for beneficiaries for many years ahead, not just provide a quick patch up that will bring us back to the issue 6 months, 1 year, 2 years from now. We made adjustments in the program in 1981 that proved no more than a stopgap before facing the real problem.

PROGRESS

Fortunately, all parties to this problem have shown a willingness to work together, negotiate in good faith, and resolve differences in order to put together a workable package. Their efforts resulted yesterday afternoon in House passage of the compromise package, based on the negotiated labor-management agreement and modified by the Ways and Means Committee, that should put railroad retirement on a much sounder financial footing and guarantee basic benefits. The legislation also addressed the severe problems of the railroad unemployment compensation system, which has also threatened to drain the retirement fund under its borrowing authority. While the bill passed by the House does not finally resolve the problems of railroad unemployment, it does deal with the problem of the potential drain on the retirement fund and set the stage for a more comprehensive solution for railroad unemployment compensation. This is real, substantial progress.

SENATE CONTRIBUTION

The Senate, like the House, is acutely sensitive to the needs to those who depend on Government entitlements, and of the difficulty of finding the proper financing arrangements to put Government retirement programs on a secure and sound basis. In the Finance Committee in particular, we are also keenly aware of the impact higher taxes can have on an industry that has long-term difficulties of its own. In the Senate the Committee on Labor and Human Resources is primarily responsible for the benefit structure of railroad retirement and for all unemployment compensation. The Finance Committee is entrusted with securing financing for the system, and for governing the relationship of railroad retirement with social security and of railroad unemployment benefits with regular unemployment compensation. Each of those responsibilities of ours is involved in the House-passed legislation, which has the strong support of rail labor and management. That fact has just been made clear in testimony before the Finance Committee, and in letters from labor and management which I ask unanimous consent to have included in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

AUGUST 1, 1983.

Hon. ROBERT DOLE,
Chairman, Committee on Finance,
U.S. Senate, Washington, D.C.

DEAR SENATOR DOLE: We are writing to express the view of the Association of American Railroads and the National Railway Labor Conference respecting H.R. 3619, the railroad retirement legislation that is to be considered by the House today and that is the subject of hearings in the Senate Finance Committee tomorrow.

The Association represents, in terms of mileage and revenues, almost all of the nation's railroads in a wide variety of matters, including legislative matters, that concern the railroad industry. The Conference represents, in terms of mileage and revenues, almost all of the nation's railroads in national collective bargaining with the unions representing their employees and in regard to other matters concerning labor-management relations in the railroad industry, including negotiations with the unions in regard to recommendations to the Congress upon proposed changes in the railroad retirement system.

Our respective Boards of Directors met last Thursday and Friday and considered this legislation. The financial burden that it will, if enacted, impose on the industry is very large indeed. That burden goes well beyond what we believe is necessary. Nevertheless, we recognize that, in view of the imminence of benefit reductions mandated by statute, it is imperative that Congress act promptly. Accordingly, we support the enactment of H.R. 3619, provided that enactment is swift and with no further changes that would further minimize the effects of the benefit modifications or further increase the costs of the rail industry.

Very truly yours,

———— ————,
Chairman, National Railway Labor Conference.

————— ————,
President, Association of American Railroads.

———

RAILWAY LABOR EXECUTIVES' ASSOCIATION,
Washington, D.C., August 1, 1983.

Hon. ROBERT J. DOLE,
Chairman, Senate Committee on Finance, Senate Hart Office Building, Washington, D.C.

Hon. ORRIN G. HATCH,
Chairman, Senate Committee on Labor and Human Resources, Senate Russell Office Building, Washington, D.C.

DEAR CHAIRMEN: As you know, the railroad retirement system is facing a serious financial crisis that will result in drastic cuts in the benefits of over one million beneficiaries on October 1, 1983, under Section 22 of the current law, unless action is taken by the Congress to enact remedial legislation promptly.

You are also aware that representatives of railroad labor and railroad management have been working diligently for the past several months on proposed changes in the current law to improve the financial condition of the system so that such reductions would not occur. Additionally, the labor-management proposal would place the railroad retirement trust fund in a solvent condition for at least the next decade.

As a result of numerous meetings with Senators, Congressmen, and their staff, the proposed labor-management legislation (H.R. 1646) has been amended by the parties as well as jurisdictional Committees of

the House. As a result, additional increased costs have been imposed on both employers and employees to further insure the financial solvency of the railroad retirement system for the next several years.

While H.R. 1646 as amended differs significantly from the original H.R. 1646, primarily because of the increased tax provisions, and while there is a difference of opinion among the parties of interest over the revenue provisions, the fact remains that the legislative package does represent a substantial compromise by all parties of interest, i.e., labor-management, federal government, and railroad retirement beneficiaries.

In our judgment, the legislation certainly reflects a bi-partisan effort similar to that displayed by the bi-partisan group responsible for the enactment of the recent Social Security legislation. While there may be certain objectionable features for each of the partisan groups, nevertheless the legislation (H.R. 1646) expected to be passed by the House of Representatives, adequately corrects the financial condition of the railroad retirement trust fund and removes the possibility of drastic annuity reductions on October 1, 1983, under Section 22 of the current law.

Accordingly, we urgently request that H.R. 1646 be passed intact immediately by the Senate to allay the fears of over one million beneficiaries of the railroad retirement system and our 400,000 active railroad employees who are deeply concerned about the future solvency of the railroad retirement trust fund.

Speaking in behalf of a large majority of the railroad labor unions, we respectfully request your support and prompt action.

Sincerely yours,

O. M. BERGE,

Chairman,

Railroad Retirement Committee, Railway Labor Executives' Association.

FRED A. HARDIN,

Chairman,

Railway Labor Executives' Association.

Mr. DOLE. Mr. President, everyone agrees as I do, that our colleagues in the House have done a good job in this bill. In the normal course of things the Finance and Labor Committees would take the time to give the proposal a fresh look, since there is almost always room for improvement, and our Members generally have particular concerns that warrant being addressed. In this case, however, the overwhelming desire on all sides appears to be to expedite passage of the House bill. It is a sound package; it is firmly supported by labor and management and it is endorsed by the administration, as David Stockman testified to the Finance Committee this morning. While there may be room for improvement here—and I know the administration sought, for a long time, to reduce the general taxpayer's contribution to this package even more—the looming date of October 1 seems, in this Senator's view, to justify our agreeing to facilitate swift Senate approval of the House bill without independent committee consideration. To do otherwise puts at risk not only the well-being of beneficiaries, but their confidence in the system and the ability of Congress to manage it properly. More crisis management is the last thing we need here. To that end, I hope Members of the Senate will agree to expedite the House railroad retirement bill. If they have special concerns, there will be other opportunities to address them in separate legislation if they can make their case. To proceed in this fashion does require, of course, that our Members understand the features of the package, the nature of the problems, and the ways in which the burden of solving those problems is shared under the House bill. That is why we are here today, and I hope all Members state whatever concerns they have for the record so they may be examined for future legislation, rather than addressed in H.R. 1646. The case is compelling for acting now to safeguard railroad retirement. The cost is not small, but to do less would be a breach of faith with the industry, its workers, and those who worked for so many years to earn a decent retirement.

Mr. President, I ask unanimous consent that the background and an explanation of the legislation itself be included as a part of the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

H.R. 1646—RAILROAD RETIREMENT SOLVENCY ACT—BACKGROUND AND DESCRIPTION

BACKGROUND

The railroad retirement system is established under Federal law to provide retirement benefits to employees of the railroad industry. The system is funded by special taxes on rail employees and employers. Similarly, unemployment benefits are provided to rail employees through a specially funded system administered by the Railroad Retirement Board. Rail employment is not covered by or taxed under either social security or the regular State systems of unemployment insurance.

There are two basic railroad retirement benefits and two additional types of benefits for which some retirees are eligible. The basic "Tier I" benefit is designed to provide retirees the equivalent of social security benefits. The "Tier II" benefit is the equivalent of industry pension benefits for railroad workers. In addition, a modest supplemental annuity benefit is available to career railroad employees who retire with at least 25 years service; and a so-called "windfall" or dual benefit is available to workers who earned both railroad retirement benefits under railroad employment and social security benefits under non-railroad employment.

Solvency problem. In the 1981 budget reconciliation and the Economic Recovery Tax Act Congress enacted benefit and tax adjustments in railroad retirement designed to ensure the solvency of the system. Under section 22(c) of the Railroad Retirement Act as amended at that time, the Railroad Retirement Board is required to report by April 1 if it projects there are insufficient funds, including borrowing, to fully finance benefits for the next fiscal year. The Board must set forth regulations providing a pro rata reduction in pensions, preserving full social security equivalent (Tier I) benefits and paying a constant benefit each month. Pursuant to this provision, on February 18, 1983, the Board indicated that it would be required to reduce Tier II benefits by 40% beginning October 1, 1983, due to the projected shortfall in funds for the retirement system.

The shortfall is, in essence, due to the decline in rail employment relative to the number of retired railroad employees. Currently there are about 3 railroad retirees for each railroad employee, employment in the industry having declining from 1.2 million in 1956 to 400,000. The "best guess" employment projection made by the chief actuary for the Railroad Retirement Board shows employment declining to about 340,000 by 1989 and stabilizing at that level (Table attached).

The following tables were prepared by the Office of the Actuary of the Railroad Retirement Board. These tables are self-explanatory and give some indication of the ability of the Railroad Retirement System to pay full benefits in a timely manner under two different employment assumption. Employment under the two assumption are shown below:

	Employment assumption (thousands)	
	Best guess	Pessimistic
Calendar year:		
1983	385	365
1984	370	350
1985	360	335
1986	355	320
1987	350	305
1988	345	290
1989–92	340	290

AMOUNT AVAILABLE FOR BENEFIT PAYMENTS UNDER H.R. 1646 AS MARKED UP BY THE HOUSE WAYS AND MEANS COMMITTEE (CONTAINS 30/60 PROVISION AS REVISED BY MAY 25, 1983, LABOR/MANAGEMENT AGREEMENT)

[Dollar amounts in millions]

Calendar year	Projected income	Projected outgo	Change in amount available for benefit payments as of Dec. 31	Amount available for benefit payments as of Dec. 31	Previous column as percentage of next year's benefits
"Best-guess" employment levels:					
1983	5,046	5,397	−533	1,386	26

AMOUNT AVAILABLE FOR BENEFIT PAYMENTS UNDER H.R. 1646 AS MARKED UP BY THE HOUSE WAYS AND MEANS COMMITTEE (CONTAINS 30/60 PROVISION AS REVISED BY MAY 25, 1983, LABOR/MANAGEMENT AGREEMENT)—Continued

[Dollar amounts in millions]

Calendar year	Projected income	Projected outgo	Change in amount available for benefit payments as of Dec. 31	Amount available for benefit payments as of Dec. 31	Previous column as percentage of next year's benefits
1984	7,818	5,444	80	1,466	26
1985	8,497	7,792	593	2,059	35
1986	9,120	8,027	1,016	3,075	51
1987	8,716	8,330	386	3,461	55
1988	9,102	8,674	444	3,905	60
1989	9,263	8,947	347	4,252	63
1990	9,663	9,268	406	4,658	66
1991	10,018	9,550	419	5,077	70
1992	10,404	9,852	509	5,586	NA
"Pessimistic" employment levels:					
1983	4,906	5,397	−720	1,199	22
1984	7,794	5,444	−56	1,143	20
1985	8,453	7,813	432	1,575	27
1986	9,004	8,142	768	2,343	39
1987	8,567	8,497	44	2,387	38
1988	8,896	8,904	−13	2,374	36
1989	9,151	9,257	−87	2,287	34
1990	9,510	9,589	−69	2,218	32
1991	9,830	9,893	−97	2,121	29

LABOR/MANAGEMENT AGREEMENT

Early this year rail labor and management reached agreement on a suggested financing package to ensure the solvency of the railroad retirement system and shore up the railroad unemployment compensation system. This proposal, involving both benefit adjustments, tax increases, and Federal contributions, was introduced in the House as H.R. 1646 and the Senate as S. 1074. The package was modified by agreement between rail labor and management on May 25, subsequent to the action by the House Committee on Energy and Commerce reporting H.R. 1646. H.R. 1646 was significantly modified by the Ways and Means Committee and reported on July 1, and further modified on the House floor August 1.

H.R. 1646 AS PASSED BY THE HOUSE

The basic provisions of the House-passed bill are:

60-30. Currently railroad employees can retire at age 60 with 30 years service and obtain full benefits. This rule would be changed so that those retiring between ages 60 and 62 between July 1, 1984 and December 31, 1985, with 30 years service, would receive a permanent 10 percent reduction in benefits. Beginning January 1, 1986, the benefit reduction for this group would be 20 percent.

Disability waiting period. The disability waiting period for railroad retirement would be conformed to the five-month waiting period for social security disability benefits.

Annuity beginning date. Railroad retirement would be conformed to the limits on retroactivity for beginning annuity payments that exist under social security (in most cases 6 months before the filing of an application).

COLA deferral. The Tier I and Tier II Cola's for this year would be delayed until January 1, 1984, to parallel changes made in social security.

COLA offset. Tier I COLA's would be offset in Tier II benefits on a one-time basis up to a total 5 percent COLA.

Tier I benefit taxation. Tier I benefits would be taxed under the same rules as social security benefits, with the revenues returned to the RR fund.

Tier II benefit taxation. Tier II would be taxed as normal retirement benefits (that part which exceeds the employee's contribution). Revenues from income taxation of Tier II benefits and windfall benefits would go to the RR fund only until FY 1989 or when revenues from taxing Tier II reach $877 million, whichever is sooner. After that they would go to the general fund, and in 1989 revenue from taxing windfall benefits would go to the windfall benefit account.

To conform to changes in social security, remaining benefits to post-secondary students would be phased out.

Tax increases. The Tier II taxes would be increased one percent for employers and .75 percent for employees for each of three years: on January 1, 1984, January 1, 1985, and January 1, 1986.

The financial interchange with social security, which transfers to the RR account the amount of social security equivalent benefits provided under railroad retirement, would be put on a current basis by allowing the railroad retirement fund to borrow against the financial interchange.

Windfall. Funds to cover full windfall benefits for the period 1974 to 1981 would be loaned from the Treasury to the RR fund over three years ($1.7 billion plus interest). The loans would be repaid only if Congress appropriates funds to the RR account for that purpose.

Annualized wage base. The wage base for Tier I and Tier II would be changed from a monthly determined amount to an annual amount, effective January 1, 1985, and would increase thereafter in line with average wage growth.

RR unemployment borrowing. The RR unemployment system would not be allowed to borrow from the general treasury, but RR unemployment borrowing from the railroad retirement fund could continue through September 30, 1985.

RR unemployment tax. On January 1, 1984, the RR unemployment tax would be increased by raising the monthly wages subject to the tax from $400 to $600.

RRUC Repayment Tax. To reimburse the railroad retirement fund for borrowing, a "repayment" tax would be imposed on railroad companies for the period July 1, 1986, through September 30, 1990. Tax would be 2 percent of the first $7,000 in annual wages for each employee and would increase by 0.3 percent each January 1.

Sick Benefits. Sick pay under railroad retirement would be subject to income tax the same as all other sick pay is taxed, for benefits received after December 31, 1983.

Unemployment Committee. A committee of two representatives of rail labor and two of rail management, plus one public member, would be established to review railroad unemployment and report to Congress by April 1, 1984 with recommendations that can ensure repayment of all loans from the railroad retirement fund no later than the year 2000.

Section 22 of the railroad retirement would be amended to include additional reporting requirements. Each year the Railroad Retirement Board would calculate the projected finances of the system over the next 5 years, and would be required to report to Congress if they see a threat of insolvency at any time during that 5-year period.

Deposit of taxes. As of January 1, 1984, the deposit of railroad retirement taxes would be conformed to the schedule for depositing social security and income taxes for nonrailroad employment ($500 or more undeposited at end of month must deposit in 15 days after end of month; $3,000 or more undeposited at end of eight-month period must deposit within three banking days).

Benefits in divorce. In community property states, benefits payable to divorced parties would be made divisible in audit settlements.

Mr. HEINZ addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

Mr. HEINZ. Mr. President, we are obviously faced with an emergency. The consideration of this legislation occurs on the threshold of what could be a catastrophe for nearly 1 million retirees nationwide, some 82,000 of them in my State of Pennsylvania. We have the largest number of retirees in the Nation. We are acting in the nick of time. This is the 11th hour. If we were not to pass this legislation, there would be extremely deep cuts in the tier 2 portion of the pensions for railroad retirees. They would go down by an estimated 40 percent on October 1. If we do not act between now and September 1, a notice will go out with all the checks explaining to people that

their next checks may be substantially reduced.

The parties to this legislation have worked long and hard. I want to associate myself with the remarks of the distinguished chairman of the Committee on Finance (Mr. DOLE). Labor and management people have, after 6 months of extremely intensive effort, emerged with a solution, a solution that is badly needed. I do not think it is a perfect solution. Indeed, I have some concerns that I went into, in part, at our Finance Committee hearing today. But I do intend to support this legislation. I am not going to attempt to amend it. I am going to attempt to improve upon it, as I will explain in a moment.

H.R. 1646 is now before the Senate; and the Senate is scheduled to adjourn at the end of this week for a 6-week recess. We in the Senate either have to pass a bill literally within a matter of hours—or we must decide to let the issue wait for the Senate to return. In my judgment, the Senate should not adjourn and let beneficiaries begin the countdown toward the October 1 deadline. It is imperative that the Senate pass this bill immediately so that the October cuts will not take place.

I regret that the Senate has been given so little time to consider the House-passed bill, which is an extremely complex piece of legislation that will have a heavy impact on beneficiaries, on rail workers, and on the railroad industry.

I know that the parties have been hard at work on this problem. I commend rail labor and management for spending more than 6 months of intensive effort, with numerous negotiations and renegotiations, to come up with a package that will avert the draconian benefit cuts that have been widely advertised. They have done their work well.

The good results of these efforts are embodied in some numbers: the typical retired worker on the rolls would end up losing $60 a month in October if no legislation were passed. Under this pending legislation, the monthly annunity will not be reduced at all. It will be frozen from now through December 1984, and on January 1, 1985, the monthly annuity for a typical employee will be about $7 a month more, instead of being sharply reduced.

The effect for people in various circumstances is summarized in the following table, which I ask unanimous consent to have printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

ANNUITY AMOUNTS UNDER SECTION 22 (PRESENT LAW) REDUCTION AND UNDER H.R. 1646

Type of annuity and amount in Sept. 1983	Oct. 1983		Oct. 1984		Jan. 1985	
	Sec. 22 (Present law)	H.R. 1646 (Proposed)	Sec. 22 (Present law)	H.R. 1646 (Proposed)	Sec. 22 (Present law)	H.R. 1646 (Proposed)
Typical employee on rolls—$650	$590	$650	$530	$650	$530	$657
Typical spouse on rolls—$350	$310	$350	$270	$350	$270	$353
Typical widow on rolls—$550	$510	$550	$470	$550	$470	$556
30–60 employee awarded in Sept. 1983—$1,250	$1,030	$1,250	$810	$1,250	$810	$1,261
30–60 employee awarded in Oct. 1984			$762	$1,267	$762	$1,276

Mr. HEINZ. Mr. President, I must also remind the parties that, regardless of one's position on this issue, the railroad retirement system is a Federal program, for which the Congress is accountable. And I, for one, have some concerns about the legislation that the House has sent over.

Because benefits are, in effect, frozen through 1984 and partially frozen in 1985, the real benefits of railroad retirees, adjusted for inflation, will of course decline. And when we consider that retire taxable, the real, aftertax income of the beneficiaries will be reduced. That may be the necessary, inevitable price to pay for restoring solvency to the system.

But, then again, the full benefit reductions may not be inevitable. Rail employment, after dipping to a low point of 388,000 in March 1983, has had a healthy rebound to 405,000 as of June 1983, which is well above the employment assumptions used by the Railroad Retirement Board under its so-called best guess estimate. Indeed, the low point for rail employment so far this year is above the average yearly employment level assumed under the best guess assumptions.

The assumptions also predict rail employment will decline again in 1984 and beyond. The legislation we are considering has a healthy margin of safety and should provide adequate funding for the next 10 years, even using the pessimistic assumptions developed by the Railroad Retirement Board. And I am relieved that the package has taken into account such a contingency as the pessimistic employment assumptions.

But what happens if we have erred in our assumptions—for once—by using too pessimistic an estimate? That could mean that some part of the benefit reductions imposed on beneficiaries may not, in fact, be necessary, and that some portion of the tax increases, the stiff tax increases, on rail labor and management, might prove not to be necessary. The bill before the Senate, H.R. 1646, does, in fact, contemplate such a possibility as far as taxes go. Section 502 of the bill calls for annual reports to Congress by the Railroad Retirement Board, on the actuarial status of the fund, including whether there are sufficient reserves in the account and whether the rates of such taxes should be reduced. So presumably, if the Congress legislates more tax increases than are necessary, there is a way for Congress to know about that and correct it.

But what about the 1 million railroad retirees? What happens to them if the economic recovery proves to be robust, and rail employment stabilizes or even increases in contrast to the declining forecasts of employment used in developing the bill? There is no provision in this package that protects beneficiaries from any potentially unnecessary benefit reductions.

I am concerned, in particular, with the provision in the bill that will save nearly $1 billion over 5 years by reducing retirees' tier 2 benefits, dollar for dollar, for any tier 1 social security equivalent cost-of-living increases, up to a cumulative 5-percent. On January 1, 1984, the social security cost-of-living increase of 3.5 percent will be deducted from the tier 2 benefit. But since the bill calls for a cumulative 5 percent adjustment, the remaining 1.5 percent will be taken from the social security cost-of-living increase paid on January 1, 1985.

Now, what happens if rail employment picks up? What happens if the reserves are above even the best guess estimate? Well, under the present bill, the second phase of the COLA offset will take place anyway. There is no provision for a contingency.

Now, the philosophical and the policy implications of this provision also trouble me deeply. We keep telling railroad retirees that their monthly check is really two pensions combined, a social security pension and a private industry pension. Well, this COLA offset uses the social security benefit increase to reduce the industry's obligation for the private pension. In my judgment, it is not good policy to allow social security benefit increases to be used to reduce a private pension obligation.

I am also troubled by the erratic distributional effects of this provision.

As Chairman of the Special Committee on Aging, I asked the GAO to give me some data on the distribution of this tier 2 cut. They advised me that 45 percent of beneficiaries would lose less than 10 percent of their tier 2 benefits; 37 percent will lose between 10 and 20 percent of their tier 2; an additional 11 percent will lose between 20 and 30 percent of their tier 2 benefits. And 7 percent would lose more than 30 percent of their tier 2 benefits.

Now, I realize that no one's monthly check will go down because of this offset. But since we have divided this pension into two parts, there seems to me to be serious equity problems

about using the social security benefit increase to cover up really wide-ranging, disparate reductions in the industry pension.

So while I certainly do support the legislation as a whole, it seems to me that this one provision warrants some closer scrutiny by the Senate. For example, the second phase of the COLA offset could be made contingent on reserve levels so that if rail employment does not fall to the levels predicted, then the COLA increase would not be offset in 1985.

In conclusion, Mr. President, I support rapid enactment of this bill to insure that the benefits are not cut in October. I commend rail labor and rail management for their efforts. But it may be necessary to take a look at some of these provisions again next year, if the economy and the condition of the railroad retirement fund improve.

Senator DOLE and I agreed at the Finance Committee hearing on railroad retirement to obtain a study of the effects of this COLA offset provision, and of the potential for rescinding the second phase of the offset. That study will be helpful.

In the meantime, I intend to introduce a bill, shortly, that will drop the second phase of the COLA offset, scheduled for January 1, 1985, if the reserves available to the railroad retirement system are sufficient to pay full benefits.

There are other things in this bill that I would have liked the Senate to consider more carefully, such as the way in which the dual or so-called windfall benefits are taxed as a private pension, rather than as a social security benefit. And I also question whether the tax on tier 2 benefits should not flow into the railroad retirement trust fund for a longer period of time than is provided in this bill.

But we are faced with an emergency. Benefits will go down, substantially, if the Senate does not pass this bill today. And railroad retirees should not be held hostage because of congressional inaction. I therefore support immediate passage of the bill.

Mr. President, I should like to beg the indulgence of Senator DOLE for the purpose of a discussion.

As the distinguished Chairman of the Finance Committee recalls at the hearing on railroad retirement financing earlier today, I expressed some concerns about the provision in the bill that calls for the next 5 percent of tier 1—social security—cost-of-living increases to be used to reduce the tier 2 benefit, dollar for dollar. I am concerned that the measure, as Mr. Duxbury stated at the hearing in behalf of railroad retirees, might unfairly—and unnecessarily—penalize those retirees who are least able to afford it. And it may be that the full 5-percent COLA offset will not be required, if the economy recovers strongly and rail employment increases, or even stabilizes at its current level of 405,000, instead of declining as predicted by the assumptions used to work out the financial effects of this package. As we agreed at the hearing, I would like to see a study that will evaluate the effects of the COLA offset provision on beneficiaries and the desirability of modifying the provision if the economy and rail employment permit.

Mr. DOLE. I share the concern of the Senator from Pennsylvania, and I am pleased that he raised this question in the hearing. It is a matter of record. There was an agreement at that time that we would figure out the best way to posture the study. I am not sure whether it is to be made by GAO or Treasury. I am sure we can arrange for a study of this issue without amending the bill before us, H.R. 3619. How would the Senator from Pennsylvania like this study to be conducted?

Mr. HEINZ. I should like to make a suggestion in that regard at this time.

Following up on our discussion at the hearings, I made a few inquires, and it is my best judgment that we should ask the Railroad Retirement Board to make a report to Congress by October 1, 1984, to address the following questions:

First, what is the dollar impact of the COLA offset provision in H.R. 1646 on beneficiaries in general, and on those, in particular, with annuities at or below the poverty level, or within 125 percent of the poverty level? The effects of inflation and the taxation of benefits should be taken into account.

Second, what would the effects on the railroad retirement trust fund be if the second phase of the COLA offset, that which is scheduled for January 1, 1985, were to be dropped?

Third, how could the offset cost-of-living increases eventually be restored to beneficiaries—if and when the condition of the fund returns to a sufficient level of reserves?

Does the Senator from Kansas see a problem with that kind of study?

Mr. DOLE. I see no problem with such a study, and I think the results will probably be useful and informative to the Congress. And I think it is preferable to have the Railroad Retirement Board conduct this study at our direction, rather than to amend the bill.

I think that would be a good way to handle it. We could make the request to the board in writing, and I am certain that they would be willing to accommodate that request.

Mr. HEINZ. I see no reason to amend the bill. Often we do that, but I think with the strong support of the Senator from Kansas, the chairman of the Finance Committee, we would get the study in good time. So long as the study is done by October 1, 1984, to give Congress time to reconsider the second phase of the COLA offset, it is fine with me.

Mr. DOLE. I thank the Senator from Pennsylvania. We will do that immediately. The date he suggests is October 1, 1984?

Mr. HEINZ. October 1, 1984.

I thank the Senator from Kansas.

Mr. President, I want to make one other remark to my colleagues.

It is my hope, if we can get the enormous procedures on both sides of the aisle worked out in time, to send to the desk a bill, for its immediate consideration by the Senate.

I ask unanimous consent to have the bill printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1(g)(2) of the Railroad Retirement Act of 1974 is amended by adding at the end thereof the following:

"For purposes of section 3(i)(2) of this Act, the period June 15, 1948, through December 15, 1950, shall be deemed to be a war service period with respect to any individual who without intervening employment not covered under this Act rendered service as an employee to an employer under this act in the year he was released from active military service or in the year immediately following such year.".

SEC. 2. The amendment made by this Act shall apply with respect to annuities accruing in months beginning after the date of enactment of this Act.

Mr. HEINZ. Mr. President, let me take this opportunity to explain to those listening that the purpose of this measure is to correct a serious inequity that results from an oversight in the bill before us. That oversight affects a small number of veterans of the Korean conflict who lose credit for all their military service under railroad retirement because they volunteered just prior to the official declaration of a war service period.

Frankly, I had intended to offer this bill—which I introduced on May 5, using identical language, as S. 1214—as an amendment to this bill. But inasmuch as we want to get this bill through as quickly as possible, and since I did not want to delay this important piece of legislation by requiring a conference with the House, I am asking my colleagues to cooperate by giving their unanimous consent for the consideration of this measure. They do not necessarily have to vote for it if they do not like it, but I would hope they would cooperate in allowing it to be considered immediately upon the disposition of this measure.

It is my understanding that the representatives of rail labor and management equally support this change in the Railroad Retirement Act. Indeed, they believed it was to be included in this bill, but it has not been included,

through the oversight I mentioned a moment ago; and we will have to pass a separate bill if the provision is to be adopted without delaying the railroad retirement bill.

I thank my colleagues for their attention. I hope my colleagues can help in allowing this measure to be considered immediately after the disposition of the bill.

Mr. LONG. Mr. President, reserving the right to object——

Mr. HEINZ. The Senator from Pennsylvania has not made a unanimous-consent request. I am simply saying that it would be my intention, upon the disposition of this measure, to make such a unanimous-consent request; and I am trying to put Senators on notice now that they might be able to take the matter under their best, carefully considered judgment. I do not mean to interrupt the Senator, but I did not want him to think I had put the unanimous-consent request at this time.

Mr. LONG. I thank the Senator. If he had made a unanimous-consent request, I would feel compelled to object, in order to reserve the rights of Senators long enough for those interested in the matter to be alerted and to act accordingly.

Mr. HEINZ. The Senator is correct. That was the whole purpose of my brief remarks.

Mr. LONG. Mr. President, the railroad retirement program has reached the point where benefit costs will soon exceed the funds available to pay those benefits. To deal with this situation, the House passed a bill on Monday (H.R. 1646) which makes several changes in the railroad retirement program and its financing.

The House bill, which is now before the Senate, is a major piece of legislation. It increases the railroad payroll tax rates on both railroads and rail workers. It repeals the previously tax-free status of the industry portion of railroad pensions. The portion that is equivalent to a social security benefit was already made taxable under the social security amendments. It provides for a reduction in benefits for those retiring before the full retirement age. The bill also modifies the cost-of-living provisions which apply to those now on the benefit rolls in a manner which will reduce their benefits compared with what they could expect under current provisions. In addition, a substantial part of meeting the railroad retirement problem over the next few years is achieved by transferring some $4 to $5 billion from the General Treasury to the retirement program.

In the ordinary course of events, a bill of this magnitude would be carefully studied by the Senate committees of jurisdiction—the Committee on Finance and the Committee on Labor and Public Welfare. However, the bill is being handled on an expedited basis. At a hearing this morning before the Finance Committee, both rail labor and management and Director Stockman of OMB urged that the House bill be accepted promptly and without amendment. According to their testimony, action this week is necessary to prevent the necessity of notifying some 1 million retirees that their benefit checks will be reduced starting in October.

I am concerned about some aspects of this legislation. With the massive budget deficits this country faces, I am hesitant to see us simply endorse without examination a House-passed bill which to a considerable extent solves the railroad retirement problem by financing it out of general Federal revenues, which is to say financing it out of the deficit. At the same time, however, I recognize the urgency of the situation as outlined by this morning's witnesses before the Finance Committee.

In view of the fact that we have no alternative available to us at this point, I will reluctantly vote for the bill. I would much prefer to be voting for a measure that would be increasing revenues and trimming future increases to the extent that so-called general revenues would not be necessary. I hope that we have an opportunity at a future occasion to find a better solution.

Mr. GRASSLEY. Mr. President, will the Senator from Kansas yield?

Mr. DOLE. I yield.

Mr. GRASSLEY. Mr. President, I rise in support of this compromise.

I am very glad that railroad labor and management, the administration, and congressional leaders have reached a compromise which will avert the need to notify railroad retirement recipients of a catastrophic cut in their benefits. I know the 2,000 Iowans who have written me on this issue will also be glad to know that they will not be on the receiving end of those notices.

Though this solution is not perfect—a compromise reached with the gales of crisis blowing down our doors rarely is—it does meet the three minimum requirements for remedial legislation in this area. First, the necessary sacrifices come in large measure from the parties involved: Railroad employees, retirees, and management. Second, the actual benefits of current recipients will not be reduced, although cost-of-living adjustments will be altered and some benefits will be taxed. Finally, all parties involved assure us that the Federal deficit will not be increased.

For these reasons, I find this benefit package acceptable and urge my colleagues to support the compromise so that action may be completed before we adjourn.

I want to close with a note of caution, similar to the one I sounded when we completed work on the social security package. And that is that like social security, railroad retirement seems to have a nasty habit of not remaining solvent despite our guarantees.

It will be incumbent upon Congress to keep a close eye on the system as railroad employment continues to fall and the pressures to mount, so that we may insure that the interests of retirees and the taxpayers are protected.

Thank you, Mr. President.

Mr. DOLE. Mr. President, I do not know of any other requests for time on this side. I understand the distinguished junior Senator from Pennsylvania (Mr. SPECTER) will want to make a statement. I am not sure whether he wants to make it or just have it made a part of the RECORD, but we can check on that.

I also indicate that I share the concern expressed by the distinguished Senator from Louisiana (Mr. LONG) with reference to transfer of general revenues. That is a matter of concern. It is certainly a matter of concern at all times, particularly in the time of unwieldy deficits, and it is a matter I assume we will continue to address, but I do believe that the urgency of the need for the legislation has been clearly demonstrated and as indicated by Mr. Stockman this morning it is not the kind of a package that he may have put together, not the kind that labor might have put together, nor the kind that management might have put together, but all parties working together came up with what I believe and I think most of us believe is a fair compromise under the circumstances.

Are there further requests for time?

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The acting assistant legislative clerk proceeded to call the roll.

Mr. SPECTER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SPECTER. Mr. President, today we are taking the necessary steps to avert the impending bankruptcy of the railroad retirement system. More than 80,000 residents of my State of Pennsylvania rely on the continued solvency of this system. The unfortunate and rapid decline in rail employment lies at the root of the system's instability. Four years ago, rail employment hovered at about 550,000; as recent as January 1983, the rail industry counted only 388,000 among its work force. Pennsylvania has not been spared of high rail unemployment. Yesterday, joined by Senators SASSER and DIXON, I introduced legislation to reinstate a program of supplemental benefits for these jobless workers.

On February 18, the Railroad Retirement Board informed the Congress that if it did not act promptly, railroad retirement benefits would be cut 40 percent on October 1, 1983, and an additional 40 percent a year later. The Committees on Labor and Human Resources and Finance should be commended for acting under pressure to inject a certain amount of financial stability and solvency to both the retirement system and the railroad unemployment insurance program. However, while the decisions made were difficult ones and sufficient for the short term, they were not necessarily the most equitable and correct for the long-term future of railroad workers.

My colleague, Senator HEINZ, has proposed an alternative measure to reform the railroad retirement system. Rather than threaten the administration of this retirement system or its beneficiaries by attempting to amend the pending bill and perhaps, delay its passage, he has chosen to support this bill and request immediate Senate scrutiny of his proposal. I support Senator HEINZ in this effort.

During the 97th Congress, I opposed changes in the structure of the railroad retirement system. I rejected the idea of merging railroad retirement tier I with social security, or converting the tier II component to a private pension plan. I also supported full funding of the dual benefit for railroad retirees. Although the bill we consider today retains this basic structure, I am concerned about how several of the changes proposed will impact the level of benefits that retirees—many of whom spent more than three decades working on the railroads—have come to expect and deserve.

Consequently, I look forward to rapid consideration of the Heinz proposal. Meanwhile, it is my view that we are acting in an appropriate and necessary manner to preserve the integrity of the railroad retirement system. I thank the Chair and yield the floor.

Mr. PERCY. Mr. President, I fully support H.R. 1646 which amends the Railroad Retirement Act of 1974 and the Railroad Retirement Tax Act to assure sufficient resources to fund current and future benefits of the railroad retirement system. H.R. 1646 is an equitable solution to the system's insolvency and will preserve the system without further benefit cuts or tax increases through this century and perhaps the next. It is a fair compromise by the administration, railroad labor, and rail management. We are all called upon to share the burden which includes an increase in taxes on employers and employees, and selective adjustments in benefits to produce the greatest savings to the trust fund while having the least effect upon beneficiaries. Nearly 1 million beneficiaries would receive reduced pension checks in October if the Congress fails to act on this measure.

The railroad retirement system was enacted by Congress in 1935—before the establishment of the social security system—to shore up the failing pension plans of railroad companies. It is the only pension system for private sector workers that is financed by the Federal Government. The system is financed through a combination of employee, employer, and Federal payments to a trust fund administered by the Railroad Retirement Board.

The Railroad Retirement Board announced earlier this year that unless action was taken to bolster the retirement system, certain benefits would have to be cut some 40 percent October 1 of this year and an additional 40 percent the next year. The first cut would amount to an estimated $53-a-month loss in the average monthly pension of $630. The principal reason for the financial strain on the trust fund is the unanticipated, sharp increase in railroad unemployment. Since August 1981, when the Congress last addressed the financing of the system, employment in the rail industry has dropped 24 percent, from 510,000 to 388,000 workers.

Mr. President, passage of the bill is particularly significant for Illinois. There are 66,200 railroad retirement beneficiaries in Illinois—the third greatest amount of any State. Illinois has more railroad workers—34,000—than any other State in the Nation. The Railroad Retirement Board is headquartered in Chicago where it employs 1,100. Excluding agencies of purely regional significance, the Board is the only Federal agency not located in the Washington metopolitan area.

Mr. President, I urge my colleagues to support this measure.

Mr. DOMENICI. Mr. President, I rise in support of H.R. 1646, the Railroad Retirement Solvency Act of 1983. This legislation is critical for insuring that railroad retirement benefits are paid on time and in full on October 1 of this year.

There is a funding gap of $2.7 billion in the railroad retirement system over the next 3 years. This gap threatens the benefits of a million railroad retirees across the Nation. Over 7,000 of them are in my own State of New Mexico.

Unless Congress acts promptly, railroad retirement benefits for the average retiree must be reduced by an average of $636 in fiscal year 1984. That reduction begins October 1.

Railroad retirees and their dependents are alarmed about the fate of their next benefit check. Rail workers are wondering whether the system will be around to pay benefits when they retire. We cannot risk allowing the railroad retirement system to default on its obligations to so many Americans.

This bill is the result of a series of compromises involving labor and management, Members of both parties in Congress, and the administration. As such it contains many elements which many of us, myself included, would not support if they were not part of the whole compromise.

Just this morning, Mr. Stockman, representing the administration, endorsed this bill at a Finance Committee hearing on the subject. Representatives of labor and management supported this package also. And the vote yesterday in the House showed broad bipartisan support when it was passed by a vote of 398 to 5. I think all of the parties who helped negotiate this package should be commended for their spirit of compromise.

The package before us resembles the bipartisan social security compromise in many ways. It produces solvency in the system and avoids drastic, across the board benefit reductions through a combination of revenue increases, slower benefit growth, and general fund transfers. This allows the burden of restoring solvency to the system to be spead fairly and equitably.

The major provisions of the legislation would:

Increase taxes for employers, employees, and retirees;

Delay scheduled COLA increases and several other benefit changes consistent with social security; and

Reimburse the railroad retirement trust fund for windfall payments that were not fully appropriated.

Despite my reservations about specific parts of the package, I have decided on balance it must be supported. It must be supported to insure that benefits are not reduced in October, and to insure solvency of the railroad retirement system over the longer term.

Mr. HATCH. Mr. President, as chairman of the Labor and Human Resources Committee, I join with my distinguished colleague Mr. DOLE in seeking prompt consideration of the railroad retirement bill H.R. 1646. This measure passed the other body just yesterday, and the administration is asking the Senate to pass the bill expeditiously, without amendment, thus clearing the measure for the President to sign.

The bill is the product of long, hard negotiations among representatives of the rail industry, the rail unions, and the administration. The relevant congressional committees have also played an active role in developing this compromise bill. My own committee held hearings on the matter back in April, and this morning the Finance Committee received testimony from the administration, the rail carriers, and the rail unions. All the witnesses supported the bill as passed by the other body, and they strongly pressed

for prompt Senate action, before the start of the August recess.

I ask unanimous consent at this point to insert in the RECORD letters which have been sent to both Mr. DOLE and me from the Railway Labor Executives' Association, representing rail labor, and the National Railway Labor Conference, and the Association of American Railroads, representing the railroads. In these letters, the parties set forth their support for the bill and urged speedy action.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

AUGUST 1, 1983.

HON. ORRIN G. HATCH,
Chairman, Committee on Labor and Human Resources, U.S. Senate, Washington, D.C.

DEAR SENATOR HATCH: We are writing to express the view of the Association of American Railroads and the National Railway Labor Conference respecting H.R. 1646, the railroad retirement legislation that is to be considered by the House today and that is the subject of hearings in the Senate Finance Committee tomorrow.

The Association represents, in terms of mileage and revenues, almost all of the nation's railroads in a wide variety of matters, including legislative matters, that concern the railroad industry. The Conference represents, in terms of mileage and revenues, almost all of the nation's railroads in national collective bargaining with the unions representing their employees and in regard to other matters concerning labor-management relations in the railroad industry, including negotiations with the unions in regard to recommendations to the Congress upon proposed changes in the railroad retirement system.

Our respective Boards of Directors met last Thursday and Friday and considered this legislation. The financial burden that it will, if enacted, impose on the industry is very large indeed. That burden goes well beyond what we believe is necessary. Nevertheless, we recognize that, in view of the imminence of benefit reductions mandated by statute, it is imperative that Congress act promptly. Accordingly, we support the enactment of H.R. 1646, provided that enactment is swift and with no further changes that would further minimize the effects of the benefit modifications or further increase the costs of the rail industry.

Very truly yours,

——— ———,
Chairman, National Railway Labor Conference.

——— ———,
President, Association of American Railroads.

———

RAILWAY LABOR EXECUTIVES' ASSOCIATION,
Washington, D.C., August 1, 1983.

HON. ROBERT J. DOLE,
Chairman, Senate Committee on Finance, Washington, D.C.

HON. ORRIN G. HATCH,
Chairman, Senate Committee on Labor and Human Resources, Washington, D.C.

DEAR CHAIRMAN: As you know, the railroad retirement system is facing a serious financial crisis that will result in drastic cuts in the benefits of over one million beneficiaries on October 1, 1983, under Section 22 of the current law, unless action is taken by the Congress to enact remedial legislation promptly.

You are also aware that representatives of railroad labor and railroad management have been working diligently for the past several months on proposed changes in the current law to improve the financial condition of the system so that such reductions would not occur. Additionally, the labor-management proposal would place the railroad retirement trust fund in a solvent condition for a least the next decade.

As a result of numerous meetings with Senators, Congressmen, and their staff, the proposed labor-management legislation (H.R. 1646) has been amended by the parties as well as jurisdictional Committees of the House. As a result, additional increased costs have been imposed on both employers and employees to further insure the financial solvency of the railroad retirement systems for the next several years.

While H.R. 1646 as amended differs significantly from the original H.R. 1646, primarily because of the increased tax provisions, and while there is a difference of opinion among the parties of interest over the revenue provisions, the fact remains that the legislative package does represent a substantial compromise by all parties of interest, i.e., labor-management, federal government, and railroad retirement beneficiaries.

In our judgment, the legislation certainly reflects a bi-partisan effort similar to that displayed by the bi-partisan group responsible for the enactment of the recent Social Security legislation. While there may be certain objectionable features for each of the partisan groups, nevertheless the legislation (H.R. 1646) expected to be passed by the House of Representatives, adequately corrects the financial condition of the railroad retirement trust fund and removes the possibility of drastic annuity reductions on October 1, 1983, under Section 22 of the current law.

Accordingly, we urgently request that H.R. 1646 be passed intact immediately by the Senate to allay the fears of over one million beneficiaries of the railroad retirement system and our 400,000 active railroad employees who are deeply concerned about the future solvency of the railroad retirement trust fund.

Speaking in behalf of a majority of the railroad labor unions, we respectfully request your support and prompt action.

Sincerely yours,

O. M. BERGE, *Chairman, Railroad Retirement Committee, Railway Labor Executives' Association,*
FRED A. HARDIN, *Chairman, Railway Labor Executives' Association.*

Mr. MITCHELL. Mr. President, I rise in support of H.R. 1646, legislation to resolve the financial crisis in the railroad retirement system.

Congress last acted on the railroad retirement system in 1981 when it enacted a compromise funding plan that called for benefit cuts in exchange for $1.7 billion in new rail employee and employer taxes during fiscal years 1982, 1983, and 1984. The changes were expected to keep the system solvent for 10 years.

However, the recession which occured since that time has casued a 25-percent reduction in rail employment. In the 18-month period from July 1981, to January 1983, the railroad industry suffered a net loss of 123,000 jobs. The increased unemployment in turn resulted in lost payroll taxes to the railroad retirement account and additional drains on that account for unemployment compensation claims.

The overall problem created by this sequence of events is of substantial dimension. On February 18, the Railroad Retirement Board advised Congress that there would be insufficient funds to pay full benefits to railroad retirees this fall. The crisis is so severe that tier II benefits will be cut by 40 percent on October 1, 1983, and by 80 percent on October 1, 1984, unless Congress takes action now. Feeling the brunt of this steep reduction would be 1 million retirees, retired spouses and survivors nationwide. In the State of Maine, there are nearly 5,000 rail annuitants—2,200 retirees, 1,100 retired spouses, and 1,600 survivors. For these individuals, a 40-percent reduction in benefits would have serious repercussions, reducing their income substantially and rendering them more vulnerable to today's high cost of living, particularly as winter approaches in the Northeast and heating costs mount.

In facing the task of helping the railroad retirement system avert bankruptcy, we in Congress are mindful of the efforts of rail labor and management in drafting a resolution to the problem. Earlier this year, they developed a memorandum of agreement, supporting legislation which would assist the system through a variety of methods, asking railroad retirees, employees, and management as well as the Federal Government to participate in a compromise solution. The result is a $9 billion package that should stabilize the system over a period of years.

Under that package, retirees are asked to forego a small portion of the benefits they can now receive under the early retirement provision of the Railroad Retirement Act. They would be subject to reductions in cost of living adjustments (COLA's) and would have pension benefits subjected to taxation.

Rail employees and management would have their payroll taxes increased substantially over the next 3 years to add to the revenues of the badly depleted railroad retirement account.

Under the original rail labor/management agreement, retirees, employees and management together would contribute 41 percent to the overall legislative solution and the Federal Government 59 percent.

However, the agreement has undergone modification during the course of deliberations in the committees and on the floor of the House. H.R. 1646, as passed by the House, reduced the Government's share by 15 percent and apportioned those savings among the

other parties affected by the legislation, but principally to rail management. As a result, the bill provides for a Government contribution of 44 percent with the balance to be made up by rail retirees, employees, and management.

The legislation before us also addresses in partial fashion the insolvency of the railroad unemployment compensation system. That system, which is administered by the Railroad Retirement Board, has for some time had insufficient income to pay benefits to those railroad workers who lose their jobs. Funds have therefore been borrowed from the railroad retirement account in order to insure the full and prompt payment of unemployment compensation benefits. While rail labor and management would have allowed the railroad unemployment compensation system to borrow from the Federal Treasury for funding shortfalls, the bill allows continued borrowing from the pension account until September 30, 1985, and permits rail labor and management to work on a long-term solution in the interim period. I will look forward to reviewing recommendations on that problem as information becomes available next year.

Mr. President, H.R. 1646 as passed by the House is not a perfect solution to the prospective insolvency of the railroad retirement system. Indeed, concern has been expressed about the burden it would impose in private industry, on employees and on retirees.

Representatives of the railroad companies have testified before Congress about the relative cost of the package, requiring a significant contribution on their part in new taxes on an annual basis for each employee. While all railroad systems must respond to the imposition of new revenue requirements, the burden will be more keenly felt by smaller, short line companies. Fortunately, the administration has agreed to report to Congress by next April 1 on the impact which the new taxes will have on commuter lines.

Fears have also been expressed about the costs to be imposed on retirees, who will no longer have as generous an option on early retirement and who must forego some of their benefits in order to contribute to the overall solution that has been worked out. In particular, it is felt that the offset which must be made by the tier I COLA on tier II benefits may be onerous to certain individuals and surviving spouses. Congress must take a closer look at this provision next year after experience has been gained with its implementation in order to avoid unduly steep reductions in railroad annuities.

Mr. President, the solution to the railroad retirement crisis is not ideal. However, it is a reasonable compromise that demands sacrifice from all parties affected. In that sense, it attempts to apportion fairly the $9 billion needed to rescue the system from bankruptcy. Representatives of the administration, rail labor and management have expressed their support for the package in its current form, and have urged its speedy passage in order to avert the 40 percent reduction in benefits which will otherwise occur on October 1.

I believe Congress has the right and the responsibility to shore up the ailing railroad retirement system. Many Americans depend upon it for their support and will suffer substantial hardship if we fail to respond in a prompt and positive manner.

Accordingly, I express my support for the legislation and urge that H.R. 1646, as passed by the House by a vote of 398 to 5, be adopted without change by my colleagues in the Senate.

Mr. MELCHER. Mr. President, I support this bill as essential to alleviating the anxiety of over 1 million railroad retirement beneficiaries. They have been told that unless we act now, their pensions will be cut by 40 percent on October 1. This is a totally unacceptable penalty on these senior citizens who have earned the right to a reasonable standard of living in their retirement years.

The retirees are not to blame for economic policies that have brought about the rapid demise of our railroads. They held up their end of the bargain through years of hard and dangerous labor. We can do no less.

Labor and management have agreed on the contents of this bill. They have agreed to share the burden of increased contributions to the retirement fund.

The Federal Government has a clear, moral responsibility to restore the funds owed the Railroad Retirement Board as this bill provides.

I urge my colleagues to vote for this bill today, despite some less than perfect features, so that this group of senior citizens can be assured that their pensions are safe.

Mr. BOSCHWITZ. Mr. President, today we are considering the rescue plan for the railroad retirement system. This legislation is necessary because railroad retirees and rail workers face yet another financial crisis in their retirement system.

Like social security, their system is about to pay out more in benefits than it is taking in in taxes. And because of this, retirees face a potential 40 percent cut in certain benefits on October 1, this year.

Today's funding crisis stems from four basic problems.

First, there are 25 percent fewer rail workers paying into the system than in 1981.

Second, many of these former workers are collecting unemployment—forcing the railroad unemployment fund to borrow from the railroad retirement account, RRA. This totals up to $500 million since 1981.

Third, the payment of windfall benefits for 20 years puts a continuous strain on the RRA.

And fourth, and perhaps the most important and startling reason, is the worker to retiree ratio. If you recall, Mr. President, during the social security debate, people were worried because there were only three workers for every retiree where there used to be a 14-to-1 ratio. This meant a smaller tax base and forced those of us developing a rescue plan to take a hard look at payroll tax rates. But the railroad retirement system has each worker supporting almost three retirees. How can reserves be built up under these circumstances? And how can a fair tax rate be set for employers or employees?

As a result of these four problems, the entire railroad retirement system is again teetering on the edge of collapse. Income in fiscal year 1982 was $5.6 billion, but expenditures were almost $6.3 billion. Thus, the RRB has projected the retirement fund will be $548 million short in fiscal year 1984 and $13 billion short by 1992. To further compound this problem, an additional $1.8 billion in borrowing is expected by the rail unemployment fund by 1988.

This is why today's legislation is so important. While I am concerned about some of the provisions—like my colleague from Pennsylvania, I am concerned about the tier II offset—I feel it is imperative that the package pass. If we fail to act this week, 1 million retirees will needlessly be frightened by official notices of impending 40-percent benefit cuts.

By passing this bill today, we can avoid creating that unnecessary fear.

In my travels around Minnesota, I have had many chances to talk with railroad retirees who are terribly confused and worried about potential cuts in their benefits. Many others—my staff and my colleagues—have heard the same fears.

That is why I am so firmly committed to preventing current retirees from losing 40 percent of their tier II benefits. My contact with the retirees has impressed on me the severity of the situation and has increased my dedication to resolving the funding shortfall. I urge my colleagues to join me in support of this rescue plan.

Mr. SASSER. Mr. President, I rise today to offer my support for the railroad retirement legislation pending before the Senate, H.R. 1646.

Mr. President, history records that it was the railroad industry which led the development of private company pensions in this country. By 1927, some 8 years before the passage of social security, almost 95 percent of

the employees of major rail lines, and five out of six employees in the railroad industry had some opportunity to receive a retirement pension.

In 1937, the railroad retirement system was established in response to a growing need for placing the wide variety of railroad retirement pension plans on a sound financial basis. In order to protect the pension credits earned prior to the establishment of the railroad retirement system, railroad employment was excluded from social security.

In 1974, the system was reorganized, with the agreement of both rail labor and management, to reflect three levels of benefits: Tier 1 benefits are paid to employees with at least 10 years of railroad experience and are based upon combined railroad industry and social security covered earnings. Tier 2 benefits approximate the structure of a private industry pension plan with benefits related to service in the railroad industry and financed by taxes on industry employees. Finally, a dual benefits program protects those individuals eligible for both railroad related benefits and social security benefits.

The legislation before us today represents a genuine compromise. It embodies the collective efforts of both rail labor and management to maintain a strong and enduring railroad retirement system.

This legislation represents an agreement on the part of very diverse participants, the administration included, on the absolute need for concrete action to avert crippling reductions in basic railroad retirement benefit levels.

Time, in this instance, is no ally. Absent a quick resolution to the financial problems confronting the railroad retirement system, it is estimated that average railroad retirement benefits will be slashed by some 40 percent come October 1 this year. And next year, benefit reductions of up to 80 percent could be in the offing.

Few among us would be able to adjust to an 80-percent reduction in fixed income, or even a 40-percent reduction. Well, that is exactly what will happen unless we pass this legislation now before us.

Without this legislation, the average railroad retiree will have his benefits reduced by $60 per month starting this October. The average retiree's spouse will consequently suffer a $40 reduction per month. The average retiree who has retired at 60 years of age with 30 years of railroad experience will be facing $220 reduction in monthly benefits.

Next year the problem will worsen. The average retiree will be facing a $120 monthly reduction, while the average retiree who has retired at 60 years of age with 30 years of service will be facing a $440 monthly reduction. Such benefit reductions are unconscionable, and cannot be rolerated.

But how, you may ask, has such a situation developed? There are basically four major factors which have contributed to the current financial difficulties of the railroad retirement system:

First, the recession has caused railroad employment to decline by nearly 25 percent over the past 2 years. Although rail employment has been increasing over the past few months, there are still more than 100,000 less rail employees than there were some 2 years ago.

Second, massive borrowing from the railroad retirement trust fund in order to fund the dual benefits program, which the Congress has underfunded since 1974, has left a shortfall of $1.8 billion in the railroad retirement fund.

Third, borrowing from the railroad retirement trust fund to meet the unemployment insurance payments made necessary by the huge layoffs in the rail industry over the past 2 years.

Fourth, the excessive delay in the transfer of funds owed by social security to the railroad retirement fund and the delays and limits imposed upon borrowing against those funds to keep the retirement trust fund from expiration.

In January of this year, Senator HEINZ and I offered a sense-of-the-Congress resolution which called on rail labor and management to discuss various alternatives for remedying these financial difficulties and reach an agreement prior to October 1, 1983. They have done so and it is now Congress turn to act.

This legislation has the support of the administration, and that in itself is a significant accomplishment. It is the result of intense negotiations involving management, labor, Congress, and the administration. H.R. 1646 has passed the House by an overwhelming vote of 398 to 5. This bill offers the best available solution for the solvency of the railroad retirement system.

It is a fair and equitable agreement in that it singles out no one group to absorb the burden of the remedies. Employees, employers, retirees, and the Federal Government all contribute and thus share responsibility for the retirement system. It should be noted here that the Federal Goverment's only contribution is that amount which Congress committed itself to pay under the dual benefits provision of the 1974 Railroad Retirement Act.

Mr. President, without passage of H.R. 1646, thousands of railroad retirees would suffer a severe financial burden. Instead of maintaining their current railroad retirement annuities, they would witness severe reductions in their basic benefits. Annual benefit reductions of nearly $1,000 per retiree would be common in 1984; benefit reductions of some $1,500 would occur in 1985.

With passage of this legislation, basic benefits are protected, and the integrity and solvency on the railroad retirement system is maintained.

I am a supporter of the strongest possible railroad retirement system. Twenty thousand retirees and their families and dependents in Tennessee depend on a sound railroad retirement system.

H.R. 1646 maintains a solvent railroad retirement program. I urge passage of this legislation.

Mr. BUMPERS. Mr. President, I want to express my strong support for the Railroad Retirement Solvency Act of 1983 which we are considering today. As other Members of this body have pointed out, this is by no means a perfect measure but we have an emergency on our hands and this bill will avoid the benefit cuts that otherwise would occur on October 1.

Mr. President, the 16,000 railroad retirees and dependents in Arkansas are deeply concerned about the financial integrity of the railroad retirement system. They feel like they are on a benefit rollercoaster. A federally administered railroad retirement program was set up in 1937 and has been amended several times. The current structure of the system originated from the Railroad Retirement Act of 1974, and I am sure that most Members of Congress who voted for that legislation thought that they were assuring the financial integrity of the system for years to come. But as every Member of this body is aware, it was necessary in 1981 again to amend this legislation because of the continuing decline in railroad industry employment which reduced revenue from payroll taxes. We did so in the hope that 1 million railroad retirees, their survivors, and dependents, would be assured of full benefits for at least 10 years and perhaps longer.

But our predictions were way off the mark, I think primarily because the President's program for economic recovery, which we also adopted in 1981, has been such an unmitigated economic disaster for the country. When we passed the Railroad Retirement Amendments, of 1981 we assumed that railroad employment would level off at about 500,000 workers, but instead the numbers declined from 510,000 in August 1981, to 388,000 in January of this year. The retirement system had an income of $5.6 billion in fiscal year 1982, but expended about $700 million more than that. Since the taxes of each worker support almost three retirees, the fund's reserves were meager. It became clear that the system would not have enough money to meet benefit payments in October of this year.

As a result, the Railroad Retirement Board on February 18 warned of massive benefit cuts, and the railroad retirees have been scared ever since. Happily, rail labor and management, with congressional help, worked out this emergency plan. Again, we hope that the projections that this measure will shore up the system for a decade are accurate, but all of us are aware that these projections are simply educated guesses and depend primarily upon the performance of the national economy, which no one has had any success in predicting accurately over the last few years.

The important thing for now is that we are adopting a plan that will avoid benefit cuts in October and we hope for a long time thereafter. It is a reasonable plan that has the support of both rail labor and management, and it is imperative that we send this measure to the President as quickly as possible. Our Nation's railroad retirees and their dependents have been dangling long enough. They want the assurance that they can make the house payment and buy food and clothing and the other necessities of life come October 1. I commend the members of the Finance Committee and Labor and Human Resources Committee for their work on this measure. I hope that this important bill will be adopted unanimously.

Mr. STEVENS. Mr. President, I am pleased to join my Senate colleagues in saluting the cooperative effort that went into the bill now before us, H.R. 1646. From personal experience, I know what thorny issues pay and benefits are, and I congratulate all those whose hard work made today's consideration of a railroad retirement package possible.

I am confident this bill is sufficient to meet the financial needs of railroad retirees without sacrificing the financial stability of the railroad retirement system as a whole. The compromises agreed to by all parties affected by the provisions of this bill sets an example that hopefully will be emulated in future negotiations on difficult legislation. But most importantly, with this bill we can now guarantee that receipt of much deserved retirement benefits for those who have contributed to this important piece of our Nation's history—the railroad.

Mr. PRYOR. Mr. President, as a cosponsor of S. 1074 I am pleased the Senate is today considering legislation which assures the availability of resources to pay current and future benefits under the Railroad Retirement Act of 1974.

I am especially pleased that we are meeting only hours after the House of Representatives has overwhelmingly approved H.R. 1646, a bill which was hammered out by rail management and labor. This is truly a crucial time for Senate action because this issue needs to be resolved before the August recess.

We have broad support for this legislation. The issue needs immediate attention. I hope we can get these changes enacted into law as soon as possible in order to head off the October 1 reductions.

This retirement system, which is now paying benefits to approximately 1 million annuitants, will undergo a 40-percent reduction in its tier II benefit payments unless Congress acts to improve the system's financial position.

The basic problem confronting the railroad retirement system is the same one which plagues the social security system: too few workers paying into the system in proportion to those drawing benefits. This problem has been exacerbated by the decreasing level of rail employment.

The financial stability of the railroad retirement system has caused great concern among railroad retirees who have contributed for many years toward their retirement only to be faced now with possible reductions.

It is my hope that H.R. 1646 will provide a long-term, comprehensive solution to the problems of adequately funding the railroad retirement system and I urge my colleagues to support its passage.

Mr. GLENN. Mr. President, I am pleased to support this urgently needed legislation to improve the financial condition of the railroad retirement system. This legislation is necessary to protect the benefits of 54,000 railroad retirees in the State of Ohio and over 1 million retirees nationwide. This refinancing package, which was worked out by railroad labor, management, and Congress, will prevent a drastic 40-percent cut in retirement benefits on October 1. I urge my colleagues to support this legislation.

The deep national recession has had a heavy impact on the railroad industry. In 1981, we negotiated a refinancing package for the railroad retirement system that was designed to put it on firm financial footing for many years. However, during the last 2 years railroad employment has dropped from 514,000 to 400,000 workers. Nearly 25 percent of railroad workers have lost their jobs. This high unemployment in the railroad industry has reduced contributions to the retirement fund. In addition, the railroad unemployment compensation program has borrowed money from the retirement fund, further reducing assets of the retirement program.

The bill we are considering today includes increased taxes for railroad employers and workers, adjustments in benefits and early retirement, transfers from the General Treasury to the railroad retirement fund for past underfunded obligations, and changes in the relationship between the unemployment compensation program and the retirement system. The bill has some tough medicine that will require sacrifices from workers, employers, and retirees. We must strike a balance that is fair to retirees who have paid large retirement contributions and are entitled to their benefits, and we must also be mindful of the needs of workers and employers who are struggling to survive during this very difficult economic period.

I urge my colleagues to support this legislation to restore financial stability and public confidence to the railroad retirement system.

Mr. NICKLES. Mr. President, as I examined this bill in comparison with the original labor-management request in February of this year, as embodied in H.R. 1646 and S. 1074 as originally introduced, I believe that there have been improvements. I commend the Office of Management and Budget, the House Ways and Means Committee, rail labor, and rail management for their sincere, hard-working efforts to reach a compromise on this difficult matter.

As much as I appreciate their efforts, I am not able to support their final product. This bill contemplates raising $9.26 billion during fiscal years 1984–88. The source of that funding is divided as follows:

	In millions	Percent of total
Federal Government	$4,070	44
Current and future retirees	2,200	24
Rail management	2,000	21
Rail labor	990	11
Total	9,260	100

My main reservations about the bill are as follows: Of the $4 billion Federal contribution, I believe $2.07 billion is an outright gift, the reimbursement for underfunded past windfalls benefits. I also have some doubts about the $2 billion worth of changes in the borrowing against the financial interchange.

Also there is a bad precedent in this bill of which I want my colleagues to be fully aware. Tier II benefits will be taxed for the first time, which is entirely fair since other private pensions are subject to income tax. However, unlike all other private pensions, the income taxes collected on tier II are deposited in the railroad retirement account, not the General Treasury, until fiscal year 1989 or until $877 million is collected, whichever is earlier.

Lastly, Mr. President, this bill does not resolve the problem of rail-UI insolvency. The railroad unemployment insurance program has operated in the red 18 years out of the past 23 years according to CRS. Currently, the UI fund is approximately $500 million in debt to the railroad retirement ac-

count. Although the increased employer UI taxes in this bill are a step in the right direction, not enough will be raised to preclude future borrowing or to repay the debt. In fact this bill now allows Rail-UI to borrow from the General Treasury instead of as in the past from the railroad retirement account. I would like the Senate Labor Committee to join Senate Finance next year in examining this rail-UI problem.

Mr. President, estimates upon which the parties, committees, and OMB relied indicate this package will keep the system solvent until 1990—that is only 6½ years. I place little faith in those estimate given the track record of such estimates in the past. I hope for the sake of railroad retirees that this package puts the account on sound footing.

I am genuinely concerned for the retirees and the taxpayers. If I honestly felt this package was to the benefit of both of them, I would have endorsed this wholeheartedly. I feel it unfortunate that once again this deliberate body has acted in haste without knowing the elements of this legislation.

Mr. RIEGLE. Mr. President, I am pleased to rise in support of H.R. 1646, the Railroad Retirement Solvency Act of 1983. This legislation is vital to insuring the solvency of the railroad retirement system and to preventing unfair benefit cuts to over 1 million railroad retirees that would otherwise occur on October 1, 1983.

The railroad retirement system currently faces its most severe financial crisis. This crisis is primarily due to the severe recession that we have faced over the last 2 years. As a result of this recession, railroad employment has decreased from 510,000 in August 1981—when the railroad retirement amendments were enacted as part of the Omnibus Budget Reconciliation Act of 1981, to 388,000 in January 1983. The railroad retirement system suffered a loss in its revenue base during this 18-month period of over 25 percent. The pension equivalent of the railroad retirees benefits is now facing a 40-percent cut in October of this year, rising to an 80-percent cut in October 1984.

This legislation will prevent this catastrophe from occurring. It will provide for selective adjustments in a variety of benefits which should result in the greatest savings to the trust fund with the least adverse affects on railroad retirees. It will provide for additional funding through the imposition of taxes upon both employees and carriers. Finally, it will provide for the recovery of certain depletions in the trust fund account caused by past underfunding.

Mr. President, this legislation calls for sacrifices from all parties involved. I understand that rail labor, rail management, as well as the administration are in agreement on the need for the immediate enactment of this legislation. While many of us have reservations about particular aspects of this proposal, it is clear that we have a package of mutually dependent compromises. Their prompt and swift enactment is essential to the avoidance of the economic catastrophe that would otherwise fall upon all railroad retirees and their beneficiaries.

I commend the leadership of both parties for their diligence in bringing this legislation before us, and urge its immediate adoption.

Mr. D'AMATO. Mr. President, the Railroad Retirement Solvency Act of 1983 is the product of tireless efforts of both management and labor to reach an agreement that returns the system to solvency. They should be commended on their efforts.

I have always been a strong supporter of the railroad retirement system, which now provides benefits to almost 1 million railroad beneficiaries, 60,000 of whom reside in New York State. By passing this legislation this afternoon, we will allay the fears of those beneficiaries who are facing a 40-percent reduction in their tier II benefits on October 1.

This bill requires sacrifices on the part of beneficiaries, current railroad workers, and the railroad industry. Under the circumstances, I think it is the best possible solution considering the time constraints under which we are working. However, as do some of my colleagues, I have some concerns with aspects of the bill.

I am bothered by the COLA deferral and offset provision. I was pleased to learn that a study will be undertaken with a report due on October 1, 1983 addressing the impact of this provision on railroad beneficiaries.

I am also concerned that the increased taxes on the railroad industry will place an additional burden on the already overburdened commuter railroad agencies. I was pleased to learn that Senator DOLE and David Stockman agreed to undertake a study to review all aspects of the commuter agencies' participation in the railroad retirement system and the railroad unemployment system and to report back to Congress by early 1984. I look forward to the study findings and anticipate that it will lead to further legislative action on our part.

Mr. President, I urge my colleagues to pass the Railroad Retirement Solvency Act of 1983.

Mr. DOLE. Mr. President, I do not have any request for time. The yeas and nays have been ordered.

Mr. LONG. Mr. President, I do not have any request for time and I suggest we go ahead and vote on it.

The PRESIDING OFFICER. The question is on the third reading of the bill.

The bill was ordered to be read a third time, and was read the third time.

The PRESIDING OFFICER. The question is, Shall the bill pass? The yeas and nays have been ordered, and the clerk will call the roll.

The acting assistant legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Arizona (Mr. GOLDWATER) and the Senator from Connecticut (Mr. WEICKER) are necessarily absent.

Mr. CRANSTON. I announce that the Senator from Mississippi (Mr. STENNIS) is necessarily absent.

The PRESIDING OFFICER (Mr. KASTEN). Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 95, nays 2, as follows:

[Rollcall Vote No. 240 Leg.]

YEAS—95

Abdnor	Garn	Metzenbaum
Andrews	Glenn	Mitchell
Armstrong	Gorton	Moynihan
Baker	Grassley	Murkowski
Baucus	Hart	Nunn
Bentsen	Hatch	Packwood
Biden	Hatfield	Pell
Bingaman	Hawkins	Percy
Boren	Hecht	Pressler
Boschwitz	Heflin	Proxmire
Bradley	Heinz	Pryor
Bumpers	Hollings	Quayle
Burdick	Huddleston	Randolph
Byrd	Humphrey	Riegle
Chafee	Inouye	Roth
Chiles	Jackson	Rudman
Cochran	Jepsen	Sarbanes
Cohen	Johnston	Sasser
Cranston	Kassebaum	Simpson
D'Amato	Kasten	Specter
Danforth	Kennedy	Stafford
DeConcini	Lautenberg	Stevens
Denton	Laxalt	Symms
Dixon	Leahy	Thurmond
Dodd	Levin	Tower
Dole	Long	Trible
Domenici	Lugar	Tsongas
Durenberger	Mathias	Wallop
Eagleton	Matsunaga	Warner
East	Mattingly	Wilson
Exon	McClure	Zorinsky
Ford	Melcher	

NAYS—2

Helms	Nickles

NOT VOTING—3

Goldwater	Stennis	Weicker

So the bill (H.R. 1646) was passed.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. LONG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDER OF BUSINESS

The PRESIDING OFFICER. The majority leader is recognized.

Mr. BAKER. Mr. President, I have been canvassing the list of available things to do. I must report to the Senate that I have a dreary report on all fronts.

It does not look as if we are going to get very far with the Department of the Interior appropriations bill—at least not today. I continue to hope that we can pass that bill, but it is clear to me that we are not going to get it done today.

I had hoped, as I announced earlier, to have the Department of Transportation conference report, but at last reading, the House had not yet passed it. The estimate was that it would probably be 4:30 p.m. before they act, which means it would be 5 to 5:30 p.m. before we could act.

There is one education bill that might be taken up this afternoon, but if there is any opposition to that, I am afraid that would be impossible.

Mr. STAFFORD. If the leader will yield, I believe that could be ready by not later than 4 p.m.

Mr. BAKER. Mr. President, what I propose to do is put us in morning business and give Members an opportunity—I notice, for instance, that the Senator from Vermont (Mr. STAFFORD) wishes to speak on a matter concerning the former chairman of the Public Works Committee. Other Senators may have things to do.

Then when we get a chance to clear the education bill to do or anything else, we clearly will do that. We already have an order for 9:30 in the morning. When we come back in the morning, we would be, once again, on the Interior appropriations bill.

I know the Senator from Ohio is greatly interested in that, and none of this is calculated to deprive him of any opportunity he would have to make whatever move he wishes, but for a variety of reasons I would sort of like to put that to bed right now and pick it up again in the morning after routine morning business is out of the way, about 10 a.m. or maybe 10:30 a.m.

Mr. METZENBAUM. Mr. President, will the majority leader yield for a moment?

Mr. BAKER. Yes; I yield.

Mr. METZENBAUM. It occurs to me that the Interior appropriations bill is a matter that a number of people put a lot of work into. I only have a special interest in the content of it as 1 of 100 Senators. We have been delayed in some respects with respect to one committee amendment. Yesterday I was prepared and did raise a point of order with respect to that committee amendment. I was asked to withhold that temporarily. I am prepared to raise that point of order immediately. I am prepared to, if the Senator from Idaho wishes to appeal the decision of the Chair in the event the Chair rules in my favor, move that along expeditiously.

The point of my being on my feet is to say to the majority leader that I for one do not want to be a party to any delay and am prepared to move forward.

As a matter of fact, it is my understanding we were indeed going to move immediately to the consideration of the Interior appropriations bill pursuant to the order that was entered prior to taking up the railroad retirement bill. I thought that was a clear understanding that we had. I would really like to go forward and raise my point of order.

Mr. BAKER. Mr. President, I thank the Senator, I understand how he feels. That is why I said what I said. The problem I have outlined would not jeopardize his rights. What it would do is postpone the confrontation on the point of order until this measure occurred as the pending business tomorrow morning.

Now, I hope the Senator will let us do that. It is true and I freely acknowledge that when he asked me I stated, and I stated accurately, I believe, that when railroad retirement was disposed of, the pending business would be once more the Interior appropriation bill, as indeed it is. It is before the Senate at this moment. But I hope the Senator would not insist on that.

For a variety of reasons, including some personal considerations—and I know every Senator in this Chamber at one time or the other, sometimes large numbers of Senators have had personal matters they had to attend to—I hope the Senator would consider giving me that much flexibility so that we could deal with this in the morning instead of today. I promise him that I am not trying to defeat his efforts to make the point of order, but I do urge the Senator to consider that it is a leadership judgment on this side at least that we would be better served to pick up this fray in the morning than we would be to continue it this afternoon.

Mr. METZENBAUM. When the majority leader puts it on that basis, I am hard put to say no, since, when I have gone to him on previous occasions on a personal matter, he has always been very accommodating. I would not insist upon the matter, but I do hope I will have my opportunity early in the morning so that every Member may have an opportunity to vote if the Senator from Idaho appeals the ruling of the Chair.

Mr. BAKER. I thank the Senator very much.

RADIO MARTI

Mr. BAKER. Mr. President, one other matter. As I indicated to the minority leader a moment ago, I planned to file a second cloture motion on the Radio Marti matter.

I ask unanimous consent that it be in order to submit a cloture motion on that matter at this time.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. BYRD. Mr. President, give time for objections, if I may say most respectfully to the Chair.

I will not object, but I do want to state for the record that the reason I am not objecting is that the majority leader can find various ways in which to get Radio Marti up if he wanted. So with all those weapons at his command, I see no need for his having to go through those motions, so I do not object.

Mr. BAKER. Mr. President, I thank the minority leader. He is absolutely correct. There is certainly more than one way to bring that matter back before the Senate for this purpose, but this is the quickest and cleanest way. I thank the minority leader for his statement.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

CLOTURE MOTION

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the motion to proceed to the consideration of S. 602, an act to provide for the broadcasting of accurate information to the people of Cuba, and for other purposes.

Senators, Paula Hawkins, Steven D. Symms, Mack Mattingly, Slade Gorton, Lawton Chiles, James A. McClure, Jesse Helms, Gordon Humphrey, Jeremiah Denton, Paul Trible, Orrin G. Hatch, John P. East, Don Nickles, Paul Laxalt, Strom Thurmond, and Barry Goldwater.

Mr. BAKER addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. BAKER. Mr. President, under rule XXII, this vote would occur after a quorum call had established the presence of a quorum of Senators, with that quorum call to begin at 10:30 on Thursday morning. If cloture is not invoked on Wednesday, tomorrow, on the previous motion, it would be my intention to confer with the minority leader and see if we could find a more convenient time for that vote, but I will not do so at this moment.

FEDERAL SUPPLEMENTAL COMPENSATION ACT OF 1982

Mr. BYRD. Mr. President, will the majority leader yield to me for the purpose, which I have discussed with him already, of initiating the process under rule XIV of getting a bill on the calendar.

Mr. BAKER. Yes, I yield. Mr. President, the minority leader did speak to

me about this. He is master of the rules, and he certainly has the full opportunity to do this, which I acknowledge and appreciate.

Mr. BYRD. I thank the majority leader.

Mr. President, there is a message at the desk, a House message, H.R. 3409, on Federal supplemental compensation. I have been asked by a Senator to ask for the first reading of that measure.

The PRESIDING OFFICER. The clerk will report the bill.

The legislative clerk read as follows:

A bill (H.R. 3409) to amend the Federal Supplemental Compensation Act of 1982 with respect to the number of weeks of benefits paid in any State.

Mr. BYRD. Mr. President, I ask for the second reading of the bill.

The PRESIDING OFFICER. Is there objection?

Mr. BAKER. Mr. President, I object to further proceeding on the bill at this time.

The PRESIDING OFFICER. Objection is heard to the second reading of the bill on this day. The bill will remain at the desk pending second reading on the next legislative day.

ORDER OF PROCEDURE

Mr. BAKER. Mr. President, I understand that the distinguished Senator from Vermont wishes to be recognized.

Mr. President, did I provide for a time in which Senators might speak in morning business?

The PRESIDING OFFICER. There is right now no order.

Mr. BAKER. Did I provide for a time for the transaction of routine morning business?

The PRESIDING OFFICER. There is currently no order for the transaction of routine morning business.

Mr. BAKER. I beg the Chair's pardon. I had a colloquy with the Senator from Ohio, who indicated he would not object. I then made the request that there be a period for the transaction of routine morning business.

ROUTINE MORNING BUSINESS

Mr. BAKER. Mr. President, in any event, I now ask unanimous consent that there be a period for the transaction of routine morning business to go no longer than 4:30 p.m. in which Senators may speak for not more than 10 minutes each.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

TRIBUTE TO SENATOR RANDOLPH

Mr. STAFFORD. Mr. President, the Senator from Vermont understands that we are now in morning business. I hope that my dear friend and colleague of many years, Senator RANDOLPH, is listening and while I am talking may be able to get to the floor, because I had hoped he would be here. I thought he was present. He was a few minutes ago.

Mr. President, my very good friend and colleague, the most able Senator from West Virginia, Senator JENNINGS RANDOLPH, has justly won the respect and admiration of his colleagues in this body and in the other body, back at home and throughout the Nation during his entire public life. He has consistently put the needs of the Nation above partisan politics in working with and serving eight Presidents. It has been my extreme pleasure to have worked closely with Senator RANDOLPH. We currently serve together on three committees: Environment and Public Works, of which I am currently honored to be the chairman, and which he served as chairman for many, many years. It was under his leadership that I learned the routine of running a committee.

We have also served together on the Committee on Labor and Human Resources, and there we have been since 1971, when I came to the Senate—he as chairman and I as ranking minority member of the Subcommittee on the Handicapped.

We have served together on the Veterans' Affairs Committee since its creation.

Throughout his career, Senator RANDOLPH has helped to champion the cause of the blind, the disabled, the aged, the poor, and others who need a strong voice in Washington.

His list of accomplishments is long and impressive. Among them, he has authored the 26th constitutional amendment, giving 18- to 20-year-olds the right to vote.

I know how zealously and jealously he has guarded the blind vendor program, which was created by the Randolph-Sheppard Act.

He has authored the Appalachian Development Act and the Economic Development Act to provide increased employment opportunities and services for depressed areas.

It was under his leadership in the Subcommittee on the Handicapped that he and I developed what became Public Law 94-142, providing for equal education opportunity for all handicapped children.

Senator RANDOLPH is the only Member of the 98th Congress to have voted for the landmark social security law. Over the years, he has worked to strengthen this program, which touches the lives of almost every American family.

Senator RANDOLPH, to our personal sorrow, recently announced that he will not seek reelection in 1984. He certainly will be acutely missed in the Senate. Everyone wishes him well, because he has been a friend and a gentleman in his relations with all his Senate colleagues, whether they be Republicans, Democrats, liberals, or conservatives.

Mr. President, the May edition of the American Association of Retired Persons news bulletin contained a most deserved special feature on Senator RANDOLPH which describes his long and illustrious career in Congress. I ask unanimous consent that this article be printed in the RECORD as a small token of the affection and esteem in which the people of this Nation, as well as his colleagues in this body, hold him.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SENATOR RANDOLPH RECALLS ROOSEVELT'S NEW DEAL

(By Bill Crawford)

Depression, Recession. Coal mines. Hard work. Long hours on West Virginia's roller-coaster roads. Climbing. Stumping in the back country. Setbacks. Politics. Winning and losing elections. FDR's New Deal.

Jennings Randolph knows all about the vicissitudes of life.

The United States Senator from the Mountain State has "*served* four U.S. Presidents and *worked with* nine Presidents," he said, since 1933 when he came to Washington as a freshman in the House of Representatives.

At 81, Randolph is the only current member of Congress who was serving when the original Social Security legislation passed in 1935. He was elected to the House with the 1932 Roosevelt landslide. Randolph lost an election in 1947 and later joined Capital Airlines, where he became assistant to the president and director of public relations. He was elected to the Senate in 1958 and has served continuously since. Now he is looking toward retirement.

Roosevelt was Randolph's favorite President, and he likes to reminisce about the days of the New Deal and FDR. "Roosevelt couldn't walk, but he placed America on its feet," the Senator said of FDR, who was confined to a wheelchair.

Randolph vividly recalls one of FDR's trips to West Virginia. "It was at the Mountain State Forest Festival, and I told the President that our Governor (Guy Kump) and Sen. Mansfield Neely were bitter enemies. 'Just wait 'til I get both of them togther,' the President responded. Roosevelt told them that any split in the Democratic party would not be condoned, and he had them shake hands," the Senator recalled.

He also remembers the day he sold his car in 1933 so he would have enough money to live with his wife Mary, whom he had married only a week earlier. It was his first year in Congress and "times were hard," he said. A few years later, he recounted, he went to a Washington bank and told an executive that he needed to borrow $1,000—"but I don't have any collateral," he said. "Yes, you do," the banker retorted, "you've been elected to two terms in Congress."

In his early years as a Congressman, he saw even more of the First Lady, Eleanor Roosevelt, than he did of FDR. She was interested in helping with homestead projects for miners and became popular with West Virginians, who later named a new town El-

eanor. Calling her a "remarkable woman," Sen. Randolph recalled "going down into coal mines with her and square-dancing with her later that night."

"I'll never forget the night when I was driving Mrs. Roosevelt and Doris Duke back to Washington from West Virginia and we decided to stop for supper. I reached into my pocket and had only pennies. Here I am, I thought, with the First Lady of the United States and the richest girl in America and I have only pennies."

He solved the dilemma by slipping away during the meal and explaining the problem to the owner, who was an old friend. He mailed a check for the dinner the next day.

Before coming to Washington, Sen. Randolph was a newspaper editor in Clarksburg and a professor at Davis and Elkins College in Elkins, W. Va., where he later served as athletic director. "We beat West Virginia U. (7-0), and Navy (2-0) in football in the late '20s," he said with a smile.

Some of the Senator's "best accomplishments," he said, include:

Author of the 26th Amendment to the Constitution, which guaranteed 18-to-20-year-olds the right to vote.

Author of the Randolph-Sheppard Act in 1936, which created the Blind Vendor Program and paved the way for major legislation for the handicapped.

Author of the Appalachian Regional Development Act and Economic Development Act, which were passed in 1965.

He also served as chairman of the Senate Environment and Public Works Committee in 1966-71, and has a general record of achievements far too long to list here.

He recently announced that he is retiring after his current term, which ends in 1985. "There is a season and time for every purpose," Sen. Randolph told friends gathered for an 81st birthday party.

Mr. MOYNIHAN. Mr. President, even as the senior Senator from Vermont is the chairman of our committee and, in that sense, the greatest of our number, I am one of the least; but I think we might claim to be equals in our affection and regard for the man to whom the chairman, with his characteristic graciousness, refers in our proceedings as the chairman emeritus.

Senator RANDOLPH is everything Senator STAFFORD has said. He is not just a person whose long career reminds us that someone exceptional is in our presence, but also someone whose personal manner and sense of his Nation and of this body remind us of some things which may have diminished in the interval and what we may have lost and what we still continue, at least in a measure, to possess by his continued and invaluable presence.

I thank my chairman for his characteristic graciousness in what he has just said.

Mr. STAFFORD. I thank the distinguished Senator.

Mr. President, I am delighted that our chairman emeritus has been able to come to the floor. I yield the floor.

Mr. RANDOLPH. Mr. President, I was on a long-distance telephone call, responding to a constituent on some problems that he and others have in the lovely land in the hills of West Virginia.

The Senators from Vermont and New York are most generous in their words which are spoken as I begin our final 17 months in this forum—God willing—on this historic Hill.

I thank you, my friend and able Chairman. I shall not refer to the measures on our efforts except in this one instance.

You are one of a few Members of the Congress who pilots his own plane. You fly back and forth to Vermont, said to be the most rural of our States. By some criteria, West Virginia is classified as second. You and I and Senator MOYNIHAN—who has been very gracious, as always, in his comments—know that the aviation history of the United States, as well as the world, is being celebrated this year: the bicentennial of air and space.

It was my dream that we have an Air and Space Museum. In 1946, I authored the legislation which created what is now that popular museum, said to be the most visited in the world.

It was 30 years before we were able to open it—the land, the buildings, the aircraft, the spacecraft, all the exhibits.

Since July 4, 1976, as of the last count a few days ago, approximately 62.5 million men, women, and children came to that museum, on Independence Avenue, to marvel at the "flying" machines and thrill at the movies. We compress time in moving individually and carrying the messages across the far reaches of the Earth and the sky and into space.

It was only a few weeks ago that, for the first time in the history of humankind, through the gift of television, ABC—my son Jay works for NBC, and he will forgive me—in cooperation with those of our Republic and Germany and Comsat, worked out a plan by which, initially, we saw on a television screen the intrepid climbers scaling the heights toward the peak of Mount Everest.

Never before had that happened. We realized again how dependent we are on one another and as units of Government, because Katmandu and Nepal are a long way from New York, Vermont, or West Virginia. A signal was dropped over the Indian Ocean and the completed cycle permitted us the enjoyment and excitement of watching the climbers. That signal needed an Earth station. And where is that station? In a quiet valley of West Virginia, in Preston County in the little community of Etam and nearby Lennox. The discs rise 12 stories high, a part of this circle which brings, we hope, humankind closer together in the understanding of the need for peace among the peoples of this planet.

Yes, there are faraway places with strange sounding names, but the world must come closer together not only in science but in our hearts.

In the Senate there is the preparation for possible war. Our Nation must be strong, but the questing for peace must go forward. Mr. President, our two friends are stalwarts in hopefully bringing to passage the National Academy for Peace.

We have 54 sponsoring Senators working to bring the bill to the floor. It has been reported from the committee on which the Senator from Vermont and I serve by a vote of 11 to 6. We hope the bill can pass before this Congress ends the present year.

Thanks, Senator STAFFORD, thanks, Senator MOYNIHAN.

We share—all of us—heavy responsibilities and also cherished opportunities in this body. Regardless of political labels, we work together with our cooperative and constructive chairman of the Environmental and Public Works Committee.

I recall Senator MOYNIHAN's helpful visits to our State. Next Tuesday evening I will be speaking up in New York State at Houghton College.

Mr. President, I am thankful I can be a Member of the Senate.

I shall leave, of course, on January 4, 1985 as our beloved majority leader, HOWARD BAKER, will leave. I shall remember most the kind, considerate, and cooperative spirit of my colleagues.

Mr. BUMPERS. Mr. President, first of all, I will not add my voice to those of Senator MOYNIHAN and Senator STAFFORD at this moment. When I get ready to deliver an encomium to my distinguished colleague from West Virginia I would want an hour or two of reserved time to say all the things I wish to say about him, for a host of reasons, not the least of which is that we roomed together on the same floor of the Dirksen Building for many years. He was a great supplier of an inexhaustible supply of popcorn to everyone on the floor, and I will always remember him for that as well as his legislative achievements. But at the proper time I certainly will add my voice to those that have already been heard here today.

COAL LEASING MORATORIUM AMENDMENT

Mr. BUMPERS. Mr. President, the majority leader has indicated that we are not going to get to the Interior appropriations bill and that this is probably going to have to be put over unless some disposition can be made of the provision in the bill dealing with the Washington Public Power issue.

If and when that issue is presented, Senator JACKSON and I intend to offer an amendment, as we have previously, declaring a moratorium on coal leasing on Federal lands. This amendment will

be slightly different from the one we offered previously and by which we lost by 3 votes. This amendment will be in keeping with a provision that is in the supplemental appropriations bill which requires Secretary Watt to appoint a commission. I must say I would be suspicious of any Commission Secretary Watt would appoint, but, nevertheless, he will be under mandate by law to appoint a commission that is charged with the responsibility of coming back with a set of guidelines for the coal leasing program, dealing, not only with determining which lands should be leased but also with determining how the Government can be sure it will get fair market value for the coal it does sell.

Senators all know that the General Accounting Office has said that the last lease sale of 1.6 billion tons of coal held by Secretary Watt cost the American taxpayers almost $100 million. That is, the lease sale failed by nearly $100 million to bring the fair market value.

So, all Senator JACKSON and I are proposing—and it does not seem like very much to me—is that the Commission report within 6 months after it is appointed, that the Commission report be forwarded to Congress, and that Congress be given 90 days in which to review the recommendations.

There is no mandate under expedited procedures for Congress to act in order for leasing to resume. The amendment simply provides the Congress with 90 days in which to review the report. If it is satisfactory, obviously the coal leasing can go forward. If it is not, Congress can do whatever it sees fit to do. I hope that at some point, maybe before we get out, if not shortly after we come back from our recess, we can get back to the Interior bill, and Senator JACKSON and I can be heard and the matter debated once again.

It is not the most exotic issue in the world, but it is one that is very important.

Mr. President, this morning's New York Times has an excellent editorial entitled "Cool the Fire Sales in Public Coal." The New York Times has taken Mr. Watt to task about his decision to lease at least another 10 billion tons of coal before he leaves office when we have a 172-year supply of coal under lease right now at current production rates from Federal leases.

Mr. President, I ask unanimous consent that that editorial and an editorial that appeared in Saturday morning's Hartford Courant entitled "Moratorium on Coal Leasing," be printed in the RECORD.

[From the New York Times, Aug. 2, 1983]

MISPLACED ENERGY—COOL THE FIRE SALES IN PUBLIC COAL

With coal in glut, and billions of tons of Federal coal still under lease to mining companies, there is no reason to rush the Interior Department's peddling of more leases to coal on Federal lands. Yet Interior Secretary James Watt proposes to auction off an additional 17 billion tons over the next 15 months.

Congress has sufficient doubts about Mr. Watt's program that it recently ordered him to appoint a commission to examine the coal-leasing program. The House has also ordered a suspension of coal leasing until the commission reports. The Senate ought to do the same.

The commission's first task is to weigh the General Accounting Office's finding—which Mr. Watt disputes—that last year's sale of coal leases in the Power River Basin netted roughly $100 million less than fair market value. If so, the bidding procedure needs to be seriously revised.

Mr. Watt contends that the bonus bids paid for leases are trivial compared with the royalty payments when coal is mined; thus the public's interest is to get as much coal into production as possible. There is something to this argument, but not a lot. The bonus bids are cash in hand, which makes them more important than distant royalties. They also represent the Government's only means of capturing the premium value of one tract over another.

The commission should also establish a clear procedure for selecting the tracts put up for lease. With so much coal to choose from, it is hard to see why Mr. Watt's department can only select land of high environmental value. The Utah sale planned for next February includes five tracts near the borders of the Bryce Canyon National Park and 10 in national forests. The next sale, in New Mexico's San Juan basin, will lead to the destruction of some 2,500 sites containing dinosaur fossils and 1,500 archeological sites of the Anasazi Indians.

The coal industry mined 100 million tons of Federal coal last year, and has 18 billion tons under lease. It can well afford to hold its breath for a few months while some order is imposed on Mr. Watt's furious fire sales.

[From the Hartford Courant, July 30, 1983]

MORATORIUM ON COAL LEASING

Interior Secretary James G. Watt remains characteristically unrepentant after charges he leased federal coal at bargin-basement prices to companies that might have had inside knowlege about the leasing program last year.

He plans four more sales, involving more than 10 billion tons of coal, during the coming fiscal year, despite the depressed coal market. The proposed sales raise many serious environmental questions, but even the economics argue againt rushing headlong into getting rid of more resources now.

If the sales take place, taxpayers will likely lose hundreds of millions—perhaps billions—of dollars that might otherwise go to the federal treasury if the coal were held until the market improves.

Congress should prevent Mr. Watt from dumping more of the coal resource, at least until a recently appointed blue-ribbon commission completes its review of this department's leasing procedures and makes its recommendations to Congress. The commission is supposed to present a report in six months.

The House, as part of the appropriations process, has already voted to defer further coal leasing to allow the commission to do its work. The Senate should do the same when it considers Interior's appropriations bill, probably within the next few days.

If the Interior secretary can't learn from his own mistakes, the least Congress can do is prevent Mr. Watt from repeating them.

JAPAN'S IMPORT STRATEGY

Mr. PERCY. Mr. President, one of the most frequently discussed foreign trade topics in Congress is the trade deficit we have with Japan. Certainly the $20 billion trade deficit expected for this year is cause for concern. American companies want to be able to sell more of their products and services in Japan, but have been met, in many instances, with nontariff barriers and a decided preference for products made in Japan.

As the free world's second largest economy, Japan has become an economic marvel around the world. Many countries, including our own, seek to borrow pages from Japan's book of economic growth.

In the past several years, we have been seeking to impress upon Japan the need to provide broader access for foreign companies to its domestic markets. A number of tariffs have fallen in the past several years which have encouraged us to believe that Japan is on the road to lowering barriers.

We recently had another confirmation of this when Japan's Ministry of International Trade and Industry (MITI) announced that it would begin emphasizing the importance of imports rather than exports.

On June 16, the Christian Science Monitor carried an article from Tokyo on this shift in policy at MITI. I applaud this change at MITI and think that it is a very strong signal to this country and other major exporters that Japan is serious about improving market access. This is a very positive report to hear from Tokyo and I wish to bring it to my colleagues' attention.

Mr. President, I ask unanimous consent that the article from the Monitor by Geoffrey Murray be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Christian Science Monitor, June 16, 1983]

JAPAN ADOPTS STRATEGY FOR IMPORTS

(By Geoffrey Murray)

TOKYO.—Japan's powerful Ministry of International Trade and Industry will stress imports rather than exports from now on to remove its "notorious" image overseas, the ministry's new head has promised.

"The main problem now is how to increase imports, and further market-opening measures may have to be considered," said Sosuke Uno, in his first interview since assuming the MITI post last Friday.

In the first ministerial change of the seven-month-old government of Prime Minister Yasuhiro Nakasone, Mr. Uno replaced Sadanori Yamanaka, who resigned reportedly because of health problems.

A prisoner of war in Siberia, Uno returned from Russian captivity to enter local poli-

tics. He stepped onto the national scene in 1960. Previous Cabinet appointments included a stint as MITI vice-minister from 1966 to 1968.

Would he become as controversial a figure at MITI as his predecessor? Smiling, Mr. Uno said firmly: "Yes. There are a lot of characters in the Nakasone faction [of the LDP, to which both men belong]. We had been on the sidelines a long time."

Nevertheless, Uno, in his first public utterances as MITI minister, has not repeated the charges made by Mr. Yamanaka that Japan's trading partners in the West are making Tokyo a "scapegoat" for their economic problems and lack of competitiveness in the world market. "Trade frictions have some psychological aspects," he said gently.

With a trade war still a possibility—especially with a record trade surplus in prospect this year—MITI would conduct thorough discussions with its counterparts abroad about thorny issues, Uno pledged.

He said Prime Minister Nakasone had asked him to pursue the goals of stimulating the domestic economy, developing harmonious trade with other countries and promoting Japan's international role in an era of global economic interdependence.

Uno promised that under his stewardship "notorious MITI" would do its best to maintain cooperative ties with Japan's trading partners for sustained economic growth without inflation.

A few days before Yamanaka's resignation, government sources said the emphasis at MITI would now be switched from traditional export promotion, including financial support, to creating opportunities for more imports of foreign manufactured goods.

As the longtime ally of Nakasone, Uno is seen by political analysts here as likely to play an important role in promoting the premier's program for revitalization of the Japanese economy to reverse the depressed demand that is harming the import market.

Other countries should be left in no doubt of Japan's determination to reflate the domestic economy and make a major contribution to beating global recession, Uno said.

MR. GENNADY KHASIN AND SOVIET JEWRY

Mr. HATCH. Mr. President, due to my deep concern for Soviet Jews, who are systematically discriminated against and severely persecuted in the Soviet Union, I am "adopting" Mr. Gennady Khasin, a professor of math, a Hebrew teacher, and long-term "refusenik." Mr. Khasin first applied to emigrate in 1976 but was refused for reasons of "state interest." Gennady and his wife Natasha have both lost their jobs as a result of applying to emigrate. Adding insult to injury, Mr. Khasin has been threatened with prosecution for "parasitism" because he is unemployed. The Khasins have been subject to severe harassment by the KGB, including repeated searches of their home and confiscation of Hebrew language books, personal letters, a tape recorder, and Natasha's emigration invitation from Israel as well as some of her daughter's personal belongings.

In spite of all of this, Gennady and Natasha have remained activists. Natasha maintains contact with a group called Prisoners of Conscience, filling in for Ida Nudel, who is currently living in exile. In December 1982, the Khasins were informed by Soviet officials that they need never apply to emigrate again, because their refusals were considered permanent and irrevocable. Even if this dire announcement had not been made, Gennady Khasin would have very little hope because his mother, Adela, who was his only relative living in Israel and therefore the only person able to send him the needed invitation to emigrate, died last month.

In April of this year, Gennady was summoned for reserve duty—even though he has never served in the army before and is now beyond the age of military service. Since reserve duty is usually served only by high-ranking officers, there is speculation that this represents a new form of harassment. Another Jewish activist, Lev Elbert, was recently sentenced to 1 year in a labor camp for refusal to serve.

Mr. President, I believe it is clear that the Khasins—like thousands of Soviet Jews who have applied to emigrate—are living under intolerable conditions. If there is any hope for Soviet Jews and others who are being persecuted by Soviet officials for their religious beliefs, it is that U.S. policymakers will not forget them. It is imperative that we raise the issue of Soviet Jewry with Soviet leaders every chance we get. We must convince them that we consider their treatment of Soviet Jews a fundamental stumbling block on the road to improved relations between our two countries.

For the benefit of my colleagues, I would like to insert an article in the RECORD from the New York Times about Soviet Jewish emigrés in Israel who deny the Soviets' claim that almost all Jews who wish to emigrate have done so.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, June 14, 1983]

EMIGRES IN ISRAEL DENY SOVIET CLAIM: THEY TELL OWN STORIES TO SHOW THAT RELATIVES LEFT BEHIND ARE STILL SEEKING TO GO.

(By David K. Shipler)

JERUSALEM, June 13.—A group of Jewish émigrés whose parents, children and friends have been blocked from leaving the Soviet Union gathered today in Jerusalem to rebut a recent Soviet contention that almost all Jews who wished to emigrate had done so.

The assertion, made in a Moscow news conference last week by a member of the officially backed Anti-Zionist Committee, has caused indignation in the émigré community. The Israel Public Council for Soviet Jewry lists 2,240 émigrés as having a total of 8,000 relatives who want to leave, according to Ruth Bar-On, council spokesman.

"We believe it is perhaps three times more," she said.

The Soviet Anti-Zionist Committee, made up of well-known Jews, was formed six weeks ago in apparent response to international criticism over the virtual cutoff of Jewish emigration. The number of Jews leaving the Soviet Union dropped to 2,688 in 1982, from a high of 51,320 in 1979. There are about 1.8 million Jews in the Soviet Union.

EMIGRATION GENERALLY RESTRICTED

The emigration of Soviet citizens in general is restricted, but permission has been granted to substantial numbers of Jews, ostensibly to reunify families separated by World War II.

At the Moscow new conference, one of the committee members, Samuil L. Zivs, a jurist, said those Jews "who wanted to leave have left the country."

The Israeli group that gathered today rebutted the assertion by telling their own stories. There were 10 of them, each with two or more people left behind, and they spoke somberly, often choking back tears. There was none of the wit and merriment that ran through gatherings of would-be émigrés in Moscow in the 1970's, none of the sardonic humor that used to keep them afloat.

"My letters don't get there, their phone is cut off," said one of the émigrés, Fanya Gorenshtein. "We can't do anything. It's very hard, very hard. We have no hope anymore."

Her daughter, Etalina Godyak, a piano teacher, has been refused an exit visa since 1979. The daughter's husband is a physicist. Their 10-year-old son, Anton, was killed at a Moscow school in November 1980, when an older boy hit him on the back of the neck with a karate blow, Mrs. Gorenshtein said.

SEPARATION PAINFUL FOR PARENTS

For aging parents, the separation has been painful. Asya Plashchanka, who came to Israel in 1977, left her daughter, Natalya Rozenshtein and her son-in-law, Grigory Rozenshtein, and her two grandsons. Mr. Rozenshtein, a computer specialist, has been repeatedly refused emigration since 1974 and has been placed under house arrest from time to time.

The older grandson, Mikhail, 21, has been threatened with prosecution for refusing army service, despite a deferment as a medical student, Mrs. Plashchanka said.

"It is the fourth generation of my family to suffer," she said. "In '37 my parents were arrested, my father was shot. I am the only daughter, and I was left alone at the age of 16. As a daughter of an 'enemy of the people,' I couldn't get a job, they threw me out everywhere. Now my daughter and her husband. Now my grandchildren. Perhaps their children as well. So Jewish history in the Soviet Union is not yet closed."

PLAGUED WITH DEEPENING DOUBT

Parents, many in their 60's, are plagued by the deepening doubt that they will ever see their children again.

Vinya Belkina's 34-year-old son, Yakov Rakhlenko, and his wife and daughter, have been waiting in Moscow since 1972 for permission to emigrate. He worked as a fitter.

Rika Kulbak's son, Emmanuil Lurye, a 44-year-old chemist, got his visa, but he was taken off the plane Feb. 15, 1980, and she and her husband came on without him. Appeals on his behalf have been made by American scientists, to no avail.

Vanda Osnis's only son, Marat, a computer engineer, has been waiting since 1972. He has a wife and a child. Having lost his job, he now gives physics and mathematics lessons privately to earn some money, she said.

"They don't receive my letters; I don't receive theirs," Mrs. Osnis said. "For more than six years, I haven't received a photograph."

They have occasional guarded conversations on the telephone.

CHILDREN LEFT PARENTS BEHIND

There are some cases of children who made it out, and parents who did not. Igor Tufeld, a student at Hebrew University, said that his mother and father, both with health problems, had been refused visas repeatedly since 1977. They have never seen his wife, whom he met in Israel, nor have they seen his son, their grandson. Mr. Tufeld speaks with them by phone.

"They told me they're really depressed," he said. "They are just two sick people."

Similarly, Bella Khomak's parents are living in Kishinev, in Soviet Moldavia. They all applied together in 1977, but her father, who used to work in an office that distributed electrical equipment, was refused a visa. Mrs. Khomak, who was divorced, came ahead to Israel with her daughter.

Freda Shkolnik's husband, Itskhak, has been released after seven years in prison for anti-Soviet agitation and espionage for the Israelis, but no prospect of his emigration is in sight. She and his daughter, now 16, came without him.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

ANNUAL REPORT OF THE NUCLEAR REGULATORY COMMISSION—MESSAGE FROM THE PRESIDENT—PM 71

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Environment and Public Works:

To the Congress of the United States:

I transmit herewith the Eighth Annual Report of the Nuclear Regulatory Commission as required by Section 307(c) of the Energy Reorganization Act of 1974 (42 U.S.C. 5877).

The report covers fiscal year 1982, with occasional treatment of events occurring after that period.

RONALD REAGAN.

THE WHITE HOUSE, *August 2, 1983.*

MESSAGES FROM THE HOUSE

At 9:56 a.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 1646. An act to amend the Railroad Retirement Act of 1974 and the Railroad Retirement Tax Act to assure sufficient resources to pay current and future benefits under the Railroad Retirement Act of 1974, to make technical changes, and for other purposes; and

H.R. 3394. An act to provide additional authority for the consolidation of student loans and to make certain other changes in Federal student financial assistance.

The message also announced that pursuant to section 4(a) of Public Law 96-114, as amended by Public Law 98-33, the Speaker appoints as additional members of the Congressional Award Board the following: Mr. A. J. F. O'Reilly of Pittsburgh, Pa; Dr. Juanita Kreps of Durham, N.C.; Mr. Christopher F. Edley of New York, N.Y., and Dr. Henry Viscardi, Jr., of Albertson, N.Y.; and Mr. Douglas A. Fraser of Northville, Mich., for the remainder of the term of Ms. Dinah Shore; and that pursuant to section 4(a) of Public Law 96-114, as amended by Public Law 98-33, the minority leader appoints as additional members of the Congressional Award Board the following: The Honorable Gerald R. Ford of Rancho Mirage, Calif.; Mr. Curtis L. Carlson of Minneapolis, Minn.; Mr. Allen H. Neuharth of Rochester, N.Y.; and Mr. C. William Verity, Jr., of Middletown, Ohio.

At 2:11 p.m., a message from the House of Representatives was delivered by Mr. Berry, one of its reading clerks, announced that the Speaker had signed the following enrolled bills and joint resolution:

S. 272. An act to improve small business access to Federal procurement information.

S. 930. An act to authorize the Smithsonian Institution to purchase land in Santa Cruz County, Ariz.

H.J. Res. 338. Joint resolution to correct Public Law 98-63 due to an error in the enrollment of H.R. 3069.

The bills and joint resolution were subsequently signed by the President pro tempore (Mr. THURMOND).

At 3:18 p.m., a message from the House of Representatives was delivered by Ms. Goetz, one of its reading clerks, announced that the House agrees to the amendments of the Senate to the bill (H.R. 2355) to establish an emergency program of job training assistance for disabled veterans and veterans of the Vietnam era, with amendments, in which it requests the concurrence of the Senate;

The message also announced that the House has passed the following bill, with an amendment, in which it requests the concurrence of the Senate:

S. 64. An act to establish the Irish Wilderness in Mark Twain National Forest, Mo.

The message further announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 1556. An act to authorize the conveyance of the Liberty ship *John W. Brown;* and

H.R. 3564. An act to require the Secretary of Agriculture to make an earlier announcement of the 1984 crop feed grain program and to the 1985 crop wheat and feed grain programs.

The message also announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 40. Concurrent resolution expressing the sense of the Congress that the Federal Government should maintain current efforts in Federal nutrition programs to prevent increases in domestic hunger.

The message further announced that pursuant to section 4(a) of Public Law 96-114, as amended by Public Law 98-33, the Speaker appoints as a member of the Congressional Award Board: Mr. Joseph J. Gouthro of Atlantic Highlands, N.J., vice Mr. A. J. F. O'Reilly of Pittsburgh, Pa.

HOUSE MEASURE REFERRED

The following bill was read the first and second times by unanimous consent, and referred as indicated:

H.R. 1556. An act to authorize the conveyance of the Liberty ship John W. Brown; to the Committee on Commerce, Science, and Transportation.

HOUSE CONCURRENT RESOLUTION REFERRED

The following concurrent resolution was read, and referred as indicated:

H. Con. Res. 40. Concurrent resolution expressing the sense of the Congress that the Federal Government should maintain current efforts in Federal nutrition programs to prevent increases in domestic hunger; to the Committee on Appropriations.

ENROLLED BILLS PRESENTED

The Secretary reported that on today, August 2, 1983, he had presented to the President of the United States the following enrolled bills:

S. 272. An act to improve small business access to Federal procurement information; and

S. 930. An act to authorize the Smithsonian Institution to purchase land in Santa Cruz County, Ariz.

REPORT OF COMMITTEES

The following reports of committees were submitted:

Mr. LAXALT, from the Committee on Appropriations, without amendment.

S. 1721. An original bill making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1984, and for other purposes (Rept. No. 98-206).

Mr. MATHIAS, from the Committee on Governmental Affairs, with amendments.

S. 1625. A bill to amend the District of Columbia Retirement Reform Act.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. ROTH, from the Committee on Governmental Affairs: James Brian Hyland, of Virginia, to be Inspector General, Department of Labor.

Mr. PACKWOOD. Mr. President, as in executive session, I report from the Committee on Commerce, Science, and Transportation, favorably a nomination list in the Coast Guard which appeared in its entirety in the CONGRESSIONAL RECORD of August 1, 1983; and, to save the expense of reprinting them on the Executive Calendar, I ask that they lie on the Secretary's desk for the information of Senators.

The PRESIDING OFFICER. Without objection, it is so ordered.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. LAXALT:

S. 1721. An original bill making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1984, and for other purposes; from the Committee on Appropriations; placed on the calendar.

By Mr. HATCH (by request):

S. 1722. A bill to repeal the Community Services Block Grant Act, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. MATTINGLY:

S. 1723. A bill to redesignate the United States Trade Representative as the President's Representative for Trade Negotiations, and for other purposes; to the Committee on Finance.

By Mr. DOMENICI:

S. 1724. A bill to designate the Federal Building in Las Cruces, New Mexico as the "Harold L. Runnels Federal Building."; to the Committee on Environment and Public Works.

By Mrs. HAWKINS:

S. 1725. A bill to amend the Immigration and Nationality Act respecting powers and procedures in immigration emergencies, and for other purposes; to the Committee on the Judiciary.

By Mr. EAGLETON (for himself, Mr. HUDDLESTON, Mr. ZORINSKY, Mr. BOREN, Mr. SARBANES, and Mr. BAUCUS):

S. 1726. A bill to authorize the Secretary of Agriculture to purchase stored commodities from producers under certain circumstances; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. McCLURE (for himself, Mr. GARN and Mr. ARMSTRONG):

S. 1727. A bill to amend the Food Stamp Act of 1977 to reform and reduce the cost of administering the food stamp program, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. KENNEDY (for himself, Mr. ANDREWS, Mr. HEINZ, Mr. SARBANES, Mr. HOLLINGS, Mr. RIEGLE, Mr. MATSUNAGA, Mr. CRANSTON, Mr. TSONGAS, Mr. GORTON, Mr. METZENBAUM, Mr. SPECTER, and Mr. INOUYE):

S. 1728. A bill to provide for the establishment of a National Task Force on Organ Procurement and Transplant Reimbursement; to the Committee on Labor and Human Resources.

By Mr. NUNN (for himself, Mr. MATTINGLY, Mr. BUMPERS, Mr. CHILES, Mr. DECONCINI, Mr. HEFLIN, Mr. HOLLINGS, Mr. HUDDLESTON, Mr. LEVIN, Mr. MOYNIHAN, Mr. RANDOLPH, Mr. ZORINSKY, Mr. D'AMATO, Mr. ABDNOR, Mr. DURENBERGER, Mr. EAST, Mr. GOLDWATER, Mr. HATFIELD, Mr. HELMS, Mr. KASTEN, Mr. LAXALT, Mr. PERCY, Mr. TOWER, Mr. THURMOND, Mr. BOREN, Mr. BENTSEN, and Mr. INOUYE):

S.J. Res. 142. Joint resolution designating the week of October 3 through October 9, 1983, as "National Productivity Improvement Week."; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HATCH (by request):

S. 1722. A bill to repeal the Community Services Block Grant Act, and for other purposes; to the Committee on Labor and Human Resources.

REPEAL OF THE COMMUNITY SERVICES BLOCK GRANT ACT

● Mr. HATCH. Mr. President, today by request of the administration I am introducing legislation to end the separate authorization of the community services block grant. Many of the functions of the community services block grant program are served by the social services block grant program, and therefore, it makes sense to consolidate these functions and the requisite funding under one program. The Department of Health and Human Services is proposing in separate legislation an enhancement of the social services block grant authorization to account for community services functions that are not now included in this block grant.

The community services block grant and the social services block grant were both passed as part of the Omnibus Reconciliation Act of 1981. These two programs were components of President Reagan's first New Federalism initiative. They were designed to replace highly restrictive categorical grant programs with broader block grant programs that would allow the States greater flexibility in meeting the needs for social and community services. States have varying populations with varying needs and varying concepts on how these needs should be met, and it is only reasonable to give the States the latitude to accommodate these differences. Also, over the past 20 years there has been a substantial improvement in both the administrative and technical capacities of the States to establish and coordinate social programs.

However, it is true that when the community services block grant was enacted in 1981, the States had no specific experience in operating the community services programs. These programs had heretofore been administered by a separate Federal agency that has since passed from the scene. Consequently, an array of restrictions were included in the community services block grant authorization to protect existing grant recipients and to insure that certain specific functions would be performed. This October, the States will have had 2 years of experience with the community services block grant and the community services programs. Therefore, it is time to ease the restrictions so that the States can use their experience to improve the services that are provided the elderly and the needy. This legislation that the administration is proposing and I am introducing today is designed to accomplish this end.●

By Mr. MATTINGLY:

S. 1723. A bill to redesignate the U.S. Trade Representative as the President's Representative for Trade Negotiations, and for other purposes; to the Committee on Finance.

(The remarks of Mr. MATTINGLY and the text of the legislation appear earlier in today's RECORD.)

By Mr. DOMENICI:

S. 1724. A bill to designate the Federal building in Las Cruces, N. Mex., as the "Harold L. Runnels Federal Building"; to the Committee on Environment and Public Works.

HAROLD L. RUNNELS FEDERAL BUILDING

● Mr. DOMENICI. Mr. President, I am rising today to introduce legislation to name the Federal building in Las Cruces, N. Mex., as the Harold L. Runnels Federal Building. Former Congressman Runnels served in the House of Representatives for 10 years and was a popular and respected Representative of the people of New Mexico.

Harold Runnels was elected to his first term in 1970. Over the 10 years of his service, he distinguished himself as a fiscal conservative who called for fiscal restraint long before others in the Congress were worried about budget deficits.

Harold Runnels served the people of New Mexico well. His basic philosophy was to work with all groups to arrive at a final understanding that would be supported by all involved. His unique ability to bring divergent interests together earned him the respect of New Mexicans.

Regrettably, Congressman Runnels died of a terminal illness almost 3 years ago, on August 5, 1980. The memory of his good work remains with the people of New Mexico, and it is a fitting tribute to name the Federal building in Las Cruces in his memory.

Mr. President, it is my hope that the Senate might act swiftly on this bill, and I request that the text of the legislation appear at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1724

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the building located at 200 Grigg Street, Las Cruces, New Mexico, known as the Federal Building, shall hereafter be known and designated as the "Harold L. Runnels Federal Building". Any reference in a law, map, regulation, document, record, or other paper of the United States to that building shall be deemed to be a reference to the "Harold L. Runnels Federal Building".●

By Mr. EAGLETON (for himself, Mr. HUDDLESTON, Mr. ZORINSKY, Mr. BOREN, Mr. SARBANES, and Mr. BAUCUS):

S. 1726. A bill to authorize the Secretary of Agriculture to purchase stored commodities from producers under certain circumstances; to the Committee on Agriculture, Nutrition, and Forestry.

MORE NEEDS TO BE DONE TO PROTECT FARMERS FROM WAREHOUSE BANKRUPTCIES

● Mr. EAGLETON. Mr. President, on a number of occasions, the Senate has considered and approved legislation to revise the bankruptcy laws to assist farmers who unfortunately find their grain tied up in a warehouse bankruptcy action.

Although changes in the bankruptcy laws are clearly necessary, in my opinion they do not go far enough. In situations where the assets of the warehouse are less then its indebtedness or where a shortage of grain exists, even if the proposed changes in the bankruptcy law are enacted, the farmers involved would still suffer unacceptable financial losses. No matter what change is made in the bankruptcy law, it would not protect farmers in such situations. I have been particularly interested in what is happening with federally licensed warehouses and those warehouses with uniform grain storage agreements with the Federal Government. When a farmer stores his grain in one of these warehouses which has an implicit stamp of approval of the Federal Government on it, he should feel confident that his grain is safe. Unfortunately, that is not necessarily so.

I would like to bring to the attention of my colleagues a report that has just been issued by the General Accounting Office on this very subject. Back in 1981, GAO made some very specific suggestions as to actions the Department of Agriculture should take to improve the inspection and financial review of grain warehouses. GAO believed that if their suggestions were implemented, the chances of detecting warehouses which were experiencing financial difficulties and which had the potential of going bankrupt would be improved. GAO was convinced USDA could better their preventive efforts and, therefore, reduce the incidence of warehouse bankruptcies.

The most recent GAO review, completed at my request, looked specifically at what USDA has done to improve its inspection program and implement the GAO recommendations. After a yearlong review, GAO has concluded that the grain warehouse industry's financial problems have not lessened, that the Department has reduced the number of warehouse examination hours expended and the frequency rate of warehouse examinations, and, finally, that the financial reporting requirements for federally examined warehouses are inadequate to insure a thorough review of a warehouse's financial condition.

Mr. President, what GAO has found is that the USDA is still doing far from the maximum it could to prevent warehouse bankruptcies. It is appalling to me that when it would be so easy to improve their reviews and improve their financial reporting requirements in order to help prevent bankruptcies before they happen, USDA has not done so.

Mr. President, it is high time that the Department of Agriculture take the issue of warehouse bankruptcies seriously. The GAO found that there were 23 bankruptcies amongst warehouses with USDA uniform grain storage agreements in 1982. In the first 2 months of 1983, seven more warehouses with agreements went bankrupt. Needless to say, this is not a sterling record.

I am today introducing legislation similar to what I proposed last year which would give the Secretary of Agriculture additional authority to assist farmers caught up in grain warehouse bankruptcies. Since the Secretary is apparently reluctant to take the steps necessary to help prevent bankruptcies in the warehouses USDA licenses and inspects, I believe it is incumbent upon him to assist farmers who are caught up in such bankruptcies.

Two major changes have been made to the bill compared with how it read last year. First, the Secretary would now be required to provide assistance to producers who wanted it rather than it being at his discretion to do so and, second, under this legislation the Secretary could make payment to farmers in either cash or commodities as opposed to just cash.

I ask unanimous consent that the digest of the General Accounting Office report and a copy of the bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

FOLLOWUP ON ACTIONS NEEDED TO PROTECT DEPOSITORS AT FEDERALLY EXAMINED GRAIN WAREHOUSES

DIGEST

The Department of Agriculture administers a voluntary licensing and examination program for warehouses storing agricultural commodities under the U.S. Warehouse Act. The Department's Agricultural Marketing Service (AMS) administers the program to ensure that producers and the Federal Government have safe storage facilities. It also sets requirements for and examines warehouses storing commodities owned by the Commodity Credit Corporation (CCC) or pledged to CCC as loan collateral.

On June 19, 1981, GAO issued a report entitled "More Can be Done To Protect Depositors at Federally Examined Grain Warehouses" (GAO/CED-81-112) which recommended that the Secretary of Agriculture make changes to the Department of Agriculture's warehouse examination and financial data review procedures to provide increased protection to depositors at grain warehouses. The report estimates that as many as 300 of the 6,400 warehouses then subject to Federal examination may have been financially unsound.

The Ranking Minority Member, Subcommittee on Agriculture, Rural Development, and Related Agencies, Senate Committee on Appropriations, asked GAO to provide updated information on (1) actions taken by Agriculture to implement GAO's recommendations, (2) the impact of the fiscal year 1983 budget on the Department's ability to improve its inspection activities, and (3) the extent of financial problems in the grain warehouse industry.

Actions taken on previous GAO recommendations

GAO's 1981 report found that the development and use of a reliable formula for predicting warehouses that may go bankrupt in the foreseeable future would make the Federal warehouse examination program more effective. Accordingly, GAO recommended to the Secretary of Agriculture that appropriate action be taken.

As a result, the Department is in the process of developing a predictive formula to help identify grain warehouses in danger of bankruptcy, as GAO recommended.

In response to GAO recommendations calling for stricter financial reporting requirements, AMS and CCC amended their regulations effective July 1, 1982. AMS regulations now require that financial statements be prepared in accordance with generally accepted accounting principles and that they be audited by an independent certified public accountant. AMS regulations also provide that financial statements may be audited or reviewed by independent public accountants but will be accepted with the understanding that the warehouse will be subject to an onsite examination and audit by the Secretary.

In contrast, CCC regulations provide that financial statements may be accompanied by either a report of audit or review conducted by an independent certified public accountant or by an independent public accountant or with a compilation report.[1] CCC procedures provide that financial statements not audited by a certified public accountant may be subject to an examination by the Secretary. (See p. 8.)

GAO believes that because review reports and compilation reports do not contain an accountant's opinion, the reports do not provide the Department with sufficiently reliable financial information on ware-

[1] A compilation report is management's representation of the financial statement. No auditing or reviewing has been done and, accordingly, no opinion or any other form of assurance is given.

houses. A review may bring to the accountant's attention significant matters affecting the financial statements, but it does not provide assurance that the accountant will become aware of all significant matters that would be disclosed in an audit. Further, in a compilation report, the accountant does not express any opinion on the financial statements. An audit, on the other hand, is a critical examination of the accounting records by a public accountant. Through an evaluation of the company's system of internal controls, inspection of documents, observation of assets, and other accounting procedures, the accountant will gather evidence necessary to express an opinion on the fairness of the company's financial statements.

Financial statements audited by independent certified public accountants or independent public accountants, although more costly, would provide the Department and depositors at federally examined grain warehouses with greater assurance that the warehouses' financial statements are reliable. The audited statements are reliable. The audited statements would provide depositors with a better indication as to the warehouses' financial condition. (See p. 9.)

Recommendation to the Secretary of Agriculture

Although the Department has amended its warehouse financial reporting regulations since the June 1981 report, GAO recommends that the Department revise its regulations to require that federally examined warehouses submit annual financial statements accompanied by an audit report prepared by an independent certified public accountant or independent public accountant. (See p. 10.)

Extent of financial problems at grain warehouses

GAO concluded that the industry's financial problems have not lessened. For example, the number of warehouses that have filed for bankruptcy or liquidated increased from 14 in 1980 to 23 in 1982. Further, of the 19 warehouses identified in GAO's June 1981 report that met GAO's criteria for being in financial trouble, only 8 were still in operation under the same owner. (See p. 13.)

Impact of fiscal year 1983 budget on inspection activities

The Department has reduced the number of examination hours expended and the frequency rate of warehouse examinations. However, Department officials stated that the funds available in the fiscal year 1983 budget was not a factor in its reduction decision because warehouses would be responsible for all or part of the examination cost. (See p. 18.)

Department officials also stated that the July 1, 1982, changes to the financial reporting requirements would provide them with additional financial information on warehouses. They believe that the additional information would make it possible to reduce the frequency of examinations needed to determine warehouses' financial condition.

GAO believes that the reduction in the frequency of warehouse examinations was premature considering the current financial condition of the grain warehouse industry and the lack of a predictive formula to be used for establishing priorities and frequencies of examinations. GAO also believes that any reductions in the frequency of warehouse examinations should not have been made until its recommendations regarding financial reporting requirements and the development of a predictive formula have been implemented and an improved financial condition demonstrated. Until then, the reduction in the frequency of examinations increases the possibliity that some warehouses which are short of grain or are in financial difficulty will go undetected, increasing the likelihood of bankruptcy or liquidation.

Agency comments and GAO evaluation

GAO obtained comments from the Department of Agriculture which generally agreed with the report's factual content. From an accounting viewpoint, the Department agreed with GAO's evaluation that financial statements accompanied by an audit report prepared by an independent certified public accountant or by an independent public accountant would provide the most reliable indication of a warehouse's financial condition. However, from an operations viewpoint, the Department believes that the financial information contained in compilation reports provides CCC with adequate assurance as to the solvency of warehouses.

GAO believes that compilation reports do not provide sufficiently reliable financial information because they do not contain an opinion by an accountant on the financial condition of the warehouse. GAO believes that annual financial statements, accompanied by an audit report prepared by an independent certified public accountant or independent public accountant, containing an accountant's opinion of the financial statements, provide a more reliable indication of a warehouse's financial condition.

S. 1726

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Agriculture and Food Act of 1981 is amended by inserting after section 1122 a new section as follows:

"AUTHORITY OF THE SECRETARY OF AGRICULTURE TO PURCHASE STORED COMMODITIES FROM PRODUCERS UNDER CERTAIN CIRCUMSTANCES

"SEC. 1123. (a) In any case in which a warehouse licensed under the United States Warehouse Act, or licensed under a State law comparable to such Act, as determined by the Secretary of Agriculture—

"(1) has filed a voluntary petition in bankruptcy,

"(2) has had an involuntary petition in bankruptcy filed against it, or

"(3) is unable to release commodities in the possession of such warehouse because such warehouse has instituted, or has had instituted against it, under a State law proceedings relating to financial insolvency,

the Secretary shall, at the request of a producer, purchase from such producer the quantity of any agricultural commodity stored by such producer in such warehouse if such producer has a warehouse receipt (or other valid document of title or ownership defined in regulations prescribed by the Secretary) for such commodity.

"(b) The price which the Secretary shall pay any producer under subsection (a) for any agricultural commodity shall be based upon the prevailing market price for the commodity on the day on which the petition in bankruptcy referred to in subsection (a) was filed or the day on which proceedings were instituted under State law, as the case may be, minus applicable storage charges, or in lieu of cash payment the Secretary may make payment in the form of an equivalent amount of agricultural commodity of equal quality to that stored by such producer in such warehouse.

"(c) If the Secretary purchases, under the authority of this section, any quantity of an agricultural commodity stored in a warehouse referred to in subsection (a) by a producer described in such subsection, the United States shall be subrogated to any right or claim that such producer or such producer's personal representative, successor, dependents, or survivors may have against such warehouse with respect to the commodity purchased by the Secretary.

"(d) The Secretary shall carry out the provisions of this section through the Commodity Credit Corporation.

"(e) The Secretary shall issue such regulations as the Secretary determines necessary to carry out this section not later than ninety days after the date of enactment of this section."●

By Mr. KENNEDY (for himself, Mr. ANDREWS, Mr. HEINZ, Mr. SARBANES, Mr. HOLLINGS, Mr. RIEGLE, Mr. MATSUNAGA, Mr. CRANSTON, Mr. TSONGAS, Mr. GORTON, Mr. METZENBAUM, Mr. SPECTER, and Mr. INOUYE):

S. 1728. A bill to provide for the esablishment of a National Task Force on Organ Procurement and Transplant Reimbursement; to the Committee on Labor and Human Resources.

NATIONAL TASK FORCE ON ORGAN PROCUREMENT AND TRANSPLANT REIMBURSEMENT

Mr. KENNEDY. Mr. President, today I am joining with Senators ANDREWS, HEINZ, SARBANES, HOLLINGS, RIEGLE, MATSUNAGA, CRANSTON, TSONGAS, GORTON, and METZENBAUM in introducing a bill to create a National Task Force on Organ Procurement and Transplant Reimbursement.

The tragic plight of a series of children in desperate need of liver transplants in order to live has filled our media over the last several months and awakened the compassion and concern of the American public. Anxious parents have sought out TV cameras and newspaper reporters in frantic efforts to locate suitable donors before their children die.

Some of these stories have had happy and others tragic endings.

The publicized cases are only the tip of the iceberg. Not only are there many children needing liver transplants whose cases never draw public attention, other organs are needed by American citizens but are not available. There are major concerns about the adequacy and effectiveness of the information directed to the medical community, the clergy, and the public safety community. There are deep concerns that the current system of organ identification and allocation is inadequate, poorly coordinated, and ineffective in meeting life and death needs.

As a result of these concerns and the obvious need for information by the American people, I am introducing legislation to create a National Task

Force on Organ Procurement and Transplant Reimbursement.

This bill directs the Secretary of Health and Human Services to convene a 12-member task force to:

Assess the current status and adequacy of organ procurement and dissemination mechanisms.

Develop a plan for creating a well-developed, coordinated system for a comprehensive organ donor and dissemination network.

Develop a plan for the education of the medical community, the general public, the clergy and public safety officers on the issues of organ transplantation and procurement.

Assess the appropriateness role of the Federal Government in the establishment and maintenance of an organ procurement system.

Develop a plan for a permanent body to make recommendations to public and private insurers on the appropriations of insurance reimbursement for particular transplant procedures.

American Academy of Pediatrics in New York City. As a result of major television network coverage of Mr. Fiske's appeal, a liver from a 10-month-old Salt Lake City auto accident victim was offered for transplantation.

One week ago, the President made a plea for a liver to save the life of a dying girl. Two days later a wire service story brought news of a Congressman's letter to the President informing him of another child dying of a rare liver disease.

Despite the humane ends served by these media appeals, it would clearly be in the best interest of patients, the families, and our society if such desperate measures were not necessary.

This turn to the media to identify and allocate organs for transplantation has been forced on Americans because of the shortage of organs and the difficulty of identifying appropriate potential donors. The shortage of organs is real.

The number of potential annual liver transplants is about 4,600 nationally; yet, only around 100 liver transplants will be performed this year. The number of recipients is expected to increase as improvements occur in transplantation techniques.

Some doctors estimate that at least 12,000 Americans are potential candidates for heart transplants. Yet, only 100 Americans are expected to receive a heart transplant this year.

Despite the fact more than 5,000 people will have kidney transplants this year, there are between 6,000 to 8,000 people currently awaiting donor kidneys. Furthermore, experts believe that 10,000 kidney transplants annually will be possible within 5 years if the necessary organs are available.

These numbers put the organ transplant issues in a perspective that is hard to ignore. It is easy to understand the desperation and fear felt by potential organ recipients and their families. And, apparently, the desperation and fear is not unfounded. Donald Denny, director of Organ Procurement for the University Health Center for Pittsburgh is quoted in an October 1982 issue of U.S. News & World Report as saying that his center lost a dozen patients over a 2-year period who were waiting for suitable livers; one patient waited almost 5 years for a suitable kidney.

The tragedy of the shortages is even more striking when we realize that only 2,500 kidney donors were found last year among the estimated 20,000 potential American donors.

Among the reasons given for the shortage of donors are physician reluctance to discuss organ donation with grieving families, lack of family awareness, lack of information on the part of the medical community, and complexity in obtaining the cooperation of a transplant team. Perhaps most important, there is not adequate national network to solicit, identify, and match donors and need.

Congressman ALBERT GORE, chairman of the House Science and Technology Subcommittee on Investigations and Oversight, held hearings in April of this year on the problems of organ procurement, distribution, and reimbursement. Mr. GORE found that the existing system for organ procurement is fragmented, with profound variation from locality to locality, and lacks a cohesive national or regional organizational strategy.

In the area of kidney transplants, Congressman GORE found that existing programs for organ transplantation were supported by Federal funds provided as reimbursement for costs to kidney acquisition. Despite the heavy investment in Federal dollars, the kidney procurement program also lacked a national or regional strategy.

Some have argued that the Federal Government should take positive steps to improve the availability of donor organs. It has been suggested that Federal funding would encourage the development of organ procurement agencies in uncovered geographical areas. A national computer network to improve matching between donors and recipients and to reduce the number of unused donor organs has been recommended by other experts. Still others suggest that the Federal Government should fund educational programs for the medical community and the public to encourage organ donation.

Mr. President, it seems clear to all that the media do not represent an appropriate nor efficient means of allocating scarce medical resources. It is also clear to all that something must be done. The role of the Federal Government in an organ procurement system should be clarified.

In addition to the issue of the availability of organs, there is the very major issue of how to finance these procedures. When Jamie Fiske left the University of Minnesota, it was estimated that the total cost for her care in Minneapolis, including hospitalization while awaiting the transplant, was as much as $175,000.

Many transplant recipients are forced to turn to bake sales and community collections to pay for their procedures. Reimbursement policy on transplants is inconsistent and inadequate. The decision as to who should live and who should die should not rest on either an arbitrary insurance policy or on personal wealth. This country cannot accept this approach to transplant reimbursement. The task force will address this issue, recommending a rational and fair transplant reimbursement policy.

The National Task Force on Organ Procurement and Transplant Reimbursement Act which Senator ANDREWS and I are proposing will enlist the advice and talent of experts from around the country to develop a rational response to this urgent and critical problem. The task force will address all of the issues including reimbursement and report back to the Congress with their plans. Senator ORRIN HATCH, chairman of the Committee on Labor and Human Resources, has assured me that the Labor Committee will hold expedited hearings on this legislation after the August recess.

I ask unanimous consent that the bill be printed in the RECORD, along with a copy of a letter to me from Charles and Marilyn Fiske in support of efforts to address the procurement problems. I also ask unanimous consent to print in the RECORD an article by John K. Iglehart, entitled "Transplantation: The Problem of Limited Resources," from the July 14, 1983 issue of the New England Journal of Medicine, and letters of support from the American Heart Association, the American Liver Foundation, and the National Kidney Foundation.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1728

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Task Force on Organ Procurement and Transplant Reimbursement Act".

FINDINGS

SEC. 2. The Congress finds and declares that—

(1) a major obstacle to all organ transplant programs is the lack of suitable donor organs for patients awaiting surgery;

(2) a number of patients waiting for donor organs face certain death within a predictable time period;

(3) the absence of fully effective national networks to solicit, identify, and match

organ donors with transplant patients has forced such patients and their families to resort to public appeals through the mass media in order to procure the organs needed for transplantation;

(4) a cooperative relationship between an informed public and a receptive medical community is necessary for the identification and procurement of organs for transplantation; and

(5) disagreements between the health insurance community and the medical community concerning the appropriateness of reimbursement for transplant procedures has led to inequitable treatment and potential denial of needed care.

ESTABLISHMENT

SEC. 3. Within 60 days after the date of enactment of this Act, the Secretary of Health and Human Services shall establish a National Task Force on Organ Procurement and Transplant Reimbursement.

DUTIES OF THE TASK FORCE

SEC. 4. (a) The Task Force shall assess the nature and extent of public and private efforts that are needed to create a highly visible, well defined, and effective program of organ procurement, and shall develop a plan for the establishment of a comprehensive organ donor network and organ procurement system.

(b) The plan developed under subsection (a) shall include—

(1) an analysis of the factors that affect and determine the availability of organs for transplantation;

(2) a specification of mechanisms to identify potential organ donors, provide for rapid matching of donors with appropriate organ recipients, and facilitate transportation of organs to such recipients;

(3) provisions for the education and training of members of the medical community, including physicians, nurses, hospitals, and emergency personnel;

(4) provisions for the education of the general public, the clergy, law enforcement officers, members of local fire departments, and other agencies and individuals that may be instrumental in effecting organ procurement;

(5) provisions for the development of a system for the collection, analysis, and dissemination of all data useful for the creation and maintenance of an effective organ procurement system;

(6) provisions for the conduct of continuing research concerning the transportation of organs from donors to recipients;

(7) recommendations for appropriate mechanisms to provide financial support for an organ procurement system, and for amounts necessary to support such a system;

(8) an assessment of the appropriate role for the Federal Government in the establishment and maintenance of an organ procurement system; and

(9) provisions for the establishment of an authoritative permanent entity to make recommendations to private and public insurers concerning the appropriateness of insurance reimbursement for particular transplant procedures.

MEMBERSHIP

SEC. 5. (a) The Task Force shall be composed of twelve members as follows:

(1) The Secretary of Health and Human Services (or the designee of the Secretary).

(2) The Surgeon General of the United States (or the designee of the Surgeon General).

(3) The Director of the National Institutes of Health (or the designee of the Director).

(4) Six individuals appointed by the Secretary who are not officers or employees of the United States and who represent the medical community, the religious community, the public safety community, and the health insurance community.

(5) Three individuals appointed by the Secretary who are not officers or employees of the United States and who have personal experience with respect to organ procurement.

(b) A vacancy in the Task Force shall be filled in the same manner as the original appointment was made. A vacancy in the Task Force shall not affect its powers.

(c)(1) Except as provided in paragraph (2), members shall be appointed for the life of the Task Force.

(2) If any member of the Task Force who was appointed to the Task Force under paragraph (1), (2), or (3) of subsection (a) leaves the office specified under such paragraph, or if any member of the Task Force who was appointed under paragraph (4) or (5) of such subsection becomes an officer or employee of the United States, such individual may continue as a member of the Task Force for a period not in excess of thirty days beginning on the date such individual leaves that office or becomes such an officer or employee, as the case may be.

(d) The members of the Task Force shall elect a Chairman from among the members of the Task Force.

(e) Seven members of the Task Force shall consititute a quorum, but a lesser number may hold hearings.

(f) The Task Force shall hold its first meeting on a date specified by the Secretary which is not later than thirty days after the date on which the Secretary establishes the Task Force under section 3. Thereafter, the Task Force shall meet at the call of the Chairman or a majority of its members but shall meet at least three times during the life of the Task Force.

(g)(1) Each member of the Task Force who is not an officer or employee of the United States shall be compensated at a rate equal to the daily equivalent of the annual rate of basic pay prescribed for grade GS-18 of the General Schedule under section 5332 of title 5, United States Code, for each day (including traveltime) during which such member is engaged in the actual performance of duties as a member of the Task Force. Each member of the Task Force who is an officer or employee of the United States shall receive no additional compensation.

(2) While away from their homes or regular places of business in the performance of duties for the Task Force, all members of the Task Force shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under sections 5702 and 5703 of title 5, United States Code.

DIRECTOR AND STAFF OF TASK FORCE

SEC. 6. (a) The Task Force shall appoint an Executive Director who shall be compensated at a rate not to exceed the rate of basic pay prescribed for level V of the Executive Schedule under section 5316 of title 5, United States Code.

(b) With the approval of the Task Force, the Executive Director may appoint and fix the compensation of such additional personnel as the Executive Director considers necessary to carry out the duties of the Task Force.

(c) The Executive Director and the additional personnel of the Task Force referred to in subsection (b) may be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

(d) Subject to such rules as may be prescribed by the Task Force, the Executive Director may procure temporary or intermittent services under section 3109(b) of title 5, United States Code, at rates for individuals not to exceed $200 per day.

(e) Upon request of the Task Force, the head of any Federal agency is authorized to detail, on a reimbursable basis, any of the personnel of such agency to the Task Force to assist the Task Force in carrying out its duties under this Act.

(f) The Administrator of General Services shall provide to the Task Force on a reimbursable basis such administrative and support services as the Task Force may request.

POWERS OF TASK FORCE

SEC. 7. (a) For the purpose of carrying out this Act, the Task Force may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence, as the Task Force considers appropriate. The Task Force may administer oaths or affirmation to witnesses appearing before the Task Force.

(b) Any member or employee of the Task Force may, if authorized by the Task Force, take any action which the Task Force is authorized to take by this section.

(c) The Task Force may secure directly from any Federal agency such information as may be necessary to enable the Task Force to carry out this Act. Upon request of the Chairman of the Task Force, the head of such agency shall furnish such information to the Task Force.

REPORT

SEC. 8. (a) The Task Force may transmit to the President and to each House of the Congress such interim reports as the Task Force considers appropriate.

(b) The Task Force shall transmit a final report to the President and to each House of the Congress not later than six months after the date on which the Task Force is established by the Secretary under section 3. The final report of the Task Force shall contain a detailed statement of the findings and conclusions of the Task Force and the recommendations of the Task Force for such legislation and administrative actions as the Task Force considers appropriate.

DEFINITIONS

SEC. 9. For purposes of this Act—

(1) the term "Federal agency" has the meaning given to the term "agency" in section 551(1) of title 5, United States Code;

(2) The term "Secretary" means the Secretary of Health and Human Services; and

(3) the term "Task Force" means the National Task Force on Organ Procurement and Transplant Reimbursement established under section 3.

AUTHORIZATION OF APPROPRIATIONS

SEC. 10. For fiscal years beginning after September 30, 1983, there are authorized to be appropriated such sums as may be necessary to carry out this Act.

TERMINATION

SEC. 11. The Task Force shall terminate three months after the date on which the

Task Force transmits the final report required under section 8 to the President and each House of Congress.

---

100 BAYBERRY CIRCLE,
Bridgewater, Mass., July 26, 1983.

Senator EDWARD KENNEDY,
U.S. Senate,
Washington, D.C.

DEAR SENATOR KENNEDY: We are encouraged by your effort to effectively address the problems that are associated with transplant surgery. Your willingness to introduce legislation for the establishment of a National Commission on Organ Procurement signals a plan of action that involves both public and private efforts. The identification of organs for transplantation is a cooperative effort between a well informed public and an integrated system that matches suitable donors with recipients. Until there is a better resolution potential transplant patients will find themselves in a race against time.

Last Fall we were faced with this problem as our daughter Jamie awaited transplant surgery at University Hospital in Minnesota. A willingness to address this problem offers hope to those patients facing this surgery. We feel that a National Commission to collect the necessary data to address the problems of organ procurement and education is an encouraging step. As we had mentioned to you when we met last April we support your effort in this critical health issue.

As Jamie continues to grow and take her first few steps we support your effort to bring hope to so many others.

Sincerely,

CHARLES AND MARILYN FISKE.

[From the New England Journal of Medicine, July 14, 1983]

HEALTH POLICY REPORT

(John K. Iglehart)

TRANSPLANTATION: THE PROBLEM OF LIMITED RESOURCES

A congressional inquiry, designed originally to evaluate current methods of securing human organs for transplantation, has helped alert federal policy makers to inadequacies in that system. But along the way, the inquiry also uncovered some other serious aspects of the profound dilemma that third parties will increasingly face in deciding whether to pay for costly new transplantation procedures and also involving the chaotic process by which emerging technologies are evaluated for their medical efficacy.

The interest of the legislators who were party to the inquiry, undertaken by the House Science and Technology Subcommittee on Investigations and Oversight, was provoked by recent media attention to the plight of families with children who have an incurable liver disease, biliary atresia, and need a liver transplantation. As they addressed the issue, the legislators found themselves confronted by an array of social, economic, medical, political, and ethical questions, such as "Who shall live?" "Who shall pay?" and "Who shall decide?" These are the kinds of questions that arise in a health-care system that is driven by an ever-expanding technology base and a seemingly insatiable consumer and provider demand to use medical care, yet faces a future of limited resources.

The congressional examination underscored the complex issues ahead for a society that is humanitarian in its instincts and supportive of a generous investment in social welfare but leaves to the vagaries of a media blitz the task of families searching for a human organ for transplantation; that believes in the decentralization of government and views the private sector as supreme but also supports a president who directs his staff to help families find livers and the means to finance their transplantation at the same time that the Defense Department refuses to pay for the same procedure.

The congressional inquiry was launched by Representative Albert Gore, Jr., an ambitious young politician who is chairman of the House Science and Technology Subcommittee on Investigations and Oversight. The issue was brought to Gore's attention initially when a Tennessee constituent sought his help in securing an organ. The broader issues concerning transplantation were raised by Dr. Myron Genel, a professor of pediatrics at the Yale University School of Medicine. Genel is spending a year in Gore's office as a Robert Wood Johnson Foundation health-policy fellow. An unannounced but nevertheless favored candidate to assume the seat that Senate Majority Leader Howard H. Baker, Jr., will vacate in 1984 when he retires, Gore has been active in a range of health issues, including the relation between sodium in food and high blood pressure, human genetic screening, and the National Cancer Institute's therapy program. Thus, one could not accuse him of simply grabbing the issue of organ transplantation because it is in the medical spotlight at the moment, though he did reap considerable publicity for his efforts.

On April 13, 1983, Gore opened the first of three days of hearings before the subcommittee with the following remarks:

"Each of us has been moved by the stories of families seeking life-saving organs for their critically ill loved ones. . . . I am sure that many of you have wondered, as I have, why there is not some system to help meet those compelling needs in a more rational way. . . . It was for this very reason, especially after I was personally contacted to assist in such a search, that I directed the subcommittee staff to conduct the investigation which has brought us here today."

This report will focus on the issues surrounding the availability and procurement of organs for transplantation that were examined by Gore's subcommittee and a recent workshop sponsored by Surgeon General C. Everett Koop, a pediatric surgeon with a keen interest in improving the procurement process. The report will also dwell on the inconsistencies in the performance and policies of third parties as they struggle with what Gore characterized as "the dawning of a new era in transplantation." A subsequent report will cover the mounting concern, expressed by members of Gore's panel, testified to by Dr. Edward N. Brandt, Jr., assistant secretary of health of the Department of Health and Human Services (DHHS), and also reflected in a range of other activities, over the absence of an adequate mechanism to evaluate emerging medical technologies and those already in common use.

As a consequence of two widely publicized cases of pediatric liver transplantation and the difficulty or failure of families of other patients to secure organs, a growing awareness of the problems of organ procurement has been created by the media and the expressed interest of politicians, including President Reagan. The need to develop better organ-procurement procedures was also underscored by nationally recognized physicians who testified to the growing demand of organs as improved surgical methods and a promising new drug, cyclosporine, make transplantation a more attractive medical alternative for an increasing number of patients.

Added to these concerns were the sentiments of legislators who serve on the Science and Technology Subcommittee on Investigations and Oversight. Democrats and Republicans alike, without exception, were decidedly in favor of transplantation. They dwelled on the personal plight of families in need of organs and the resources to transplant them. Little was said about the societal implications of the transplantation phenomenon. Koop's workshop (June 7 through 9) was attended by 40 people of similar mind.

Representative Joseph R. Skeen of New Mexico, the subcommittee's ranking Republican, recounted that he had lost a sister in 1962 to a kidney disorder and that a niece, who testified at the hearing, had recently received a transplanted kidney. "The future of this field of research [transplantation] is, in my opinion, without limit."

Representative James H. Scheuer another subcommittee member, said in his opening remarks:

"We in Congress must evaluate and analyze how the federal government can aid in organ procurement and how we can make sure that every patient who needs an organ for a transplant has one. We must also examine the adequacy of the Medicare coverage for transplants, both in terms of the procedures and the length of time that the benefits are available. In no way should the federal reimbursement mechanism act as a disincentive to transplants which are far more life-saving, far more life-enhancing and far more cost-effective than conventional therapies."

Representative Claudine Schneider, said in her opening comments;

"The thought of vital organs, such as livers, hearts and kidneys, being transplanted routinely at our nation's best medical centers is a tribute to how far transplant technology has evolved. . . . I think it would certainly be a tragedy if, after realizing that we have the technological breakthrough . . . we don't take full advantage of affording this remarkable therapy to all needing patients."

A shortage of organs for transplantation has persisted for years. It now appears that this shortage will be exacerbated by improvements in transplantation techniques, because the numbers of available organs that are actually transplanted has not changed appreciably. Ironically, the inadequacy of the liver supply has received far more attention than has the shortage of kidneys—a fact that Donald W. Denny, director of organ procurement for the Transplant Foundation at the University of Pittsburgh, testified to on April 13 before Gore's panel.

"The shortage of kidneys for transplantation has received relatively little attention, largely because renal transplantation is not a form of transplant therapy which is often an alternative to death. . . . The undeniable facts that a real kidney, a transplanted kidney, provides a better quality of life for ESRD [end-stage renal disease] patients and that renal transplantation is more cost-effective per patient life-year than the artificial kidney have not been sufficient to cause the national sense of urgency which underlies these hearing. Without intending to diminish the meaning and the impor-

tance of this subcommittee's purpose today, I must lament . . . the fact that recent publicity concerning the need for a liver transplant for a handful of patients at two or three transplant centers (including my own) has outweighed the silent suffering of many thousands of patients waiting for a kidney transplant at 150 transplant hospitals over the past decade in moving the conscience of this nation."

Among the witnesses before the House panel were three transplantation surgeons who discussed the status of organ procurement and transplantation generally. They were Dr. Norman Shumway, professor of surgery at the Stanford University School of Medicine; Dr. Thomas E. Starzl, professor of surgery at the University of Pittsburgh School of Medicine; and Dr. G. Melville Williams, professor of surgery at the Johns Hopkins Hospital. All three testified to the dramatic progress in organ transplantation, which is reflected in survival rates. They attributed this progress to the emergence of cyclosporine, to their belief that liver, heart, and heart-lung transplantations are no longer "experimental" procedures, and to the opinion that third-party payers were calling them experimental as an excuse not to finance such operations. All three agreed that greater discussion within families of the importance of making a commitment, before a tragedy occurs, to donate organs is "the single most important thing that could happen" to increase the supply of available organs.

Since 1967, more than 500 heart transplantations have been performed in the United States. Currently, there are 10 American medical centers with active heart-transplantation programs; they performed some 100 transplantations in 1982. Thirty were undertaken at Stanford. Roger W. Evans, a research scientist at Battelle Human Affairs Research Centers, Seattle, reported in a paper prepared for the Surgeon General's organ-procurement workshop that "with as many as nine hospitals either currently in the process of establishing new transplant programs, or seriously considering beginning to perform heart transplants, the number of such procedures performed in 1983 is expected to exceed 125."

Shumway has pioneered the development of heart transplatation in the United States. He described it as a "proven therapeutic intervention with a five-year survival rate of at least 50 per cent, and a one-year survival rate that approaches 80 per cent." These rates were similar to those cited by Dr. Peter Safar for Pittsburgh's heart-transplant program. Shumway reported that 106 of 260 patients who had received heart transplants at Stanford—representing work over a 15-year period—were still "alive and well. . . . Suffice it to say that transplantation of the heart is on the same therapeutic footing as kidney transplants."

Shumway also testified to the progress in heart-lung transplantations, noting that 8 of 11 patients who have undergone this procedure "are alive and well, out of the hospital and fully rehabilitated two months to two years after the transplant. . . . Irrespective of any conceivable advance in artifical organs, heart-lung transplantation is here to stay."

Liver transplantation began in 1963. Starzl has performed about 370 of the estimated 600 liver transplantations that have been undertaken throughout the world. Before the use of cyclosporine, beginning in 1980, the surgery resulted in only a 30 per cent survival rate after the first year. Starzl observed that with the use of the new drug, the one-year rates of graft and patient survival have more than doubled and are now 65 to 70 per cent. Starzl's surgical team carried out 82 liver transplantations in 1982 and expects to do 100 more this year.

Starzl predicted that once cyclosporine is approved for general use and liver transplantation is no longer considered an experimental procedure, many medical centers will create new liver-transplantation programs. "I am guessing 20 to 30 centers . . . there must be already around 12 that are ready to go." Starzl also predicted that the rate of kidney transplantation will increase sharply after cyclosporine is approved for general use—a step the Food and Drug Administration is expected to announce this summer. Attributing his estimate to Sandoz, the manufacturer of the drug, Starzl said that to maintain a patient with a liver transplant on cyclosporine would cost from $5,000 to $6,000 a year.

All the surgeons who testified discounted the adverse effects of the drug and did not mention its possible long-term consequences. (Dr. David Winter, cyclosporine project leader at Sandoz, told the FDA's Oncologic Drugs Advisory Committee on March 25: "Renal dysfunction, often called nephrotoxicity, is clearly of major concern to us. Roughly a quarter of the patients do exhibit this." Winter said that among 1800 patients throughout the world who have received cyclosporine, 15 cases of lymphoma have been reported—8 in patients with renal transplants, 6 in patients with cardiac transplants, and 1 in a patient with a bone-marrow transplant. The committee voted to recommend approval of cyclosporine for use in patients with kidney, liver, and heart transplants.)

Williams, who is former president of the American Association of Transplant Surgeons, agreed with Starzl that kidney transplantation will increase once cyclosporine is made available to medical centers other than the four that have used it as an investigational drug. Williams said that the number of kidney transplantations increased from 4,721 four years ago to 5,350 last year. According to recent estimates, 20,000 people who die in the United States each year would be suitable kidney donors (in terms of age and disease), but only 2,000 actually become donors. Williams asked: "Is the reason for our failure to obtain more organs the result of negative public attitudes or inefficient procurement systems? I think both."

Denny, Pittsburgh's transplant coordinator, described the recovery of organs as a three-tier process involving 110 organ-procurement programs that exist across the United States, physicians and nurses who work in acute-care hospitals, and the general public. In describing this process, Denny left no doubt that the task of the nation's 360 transplant coordinators is a never-ending struggle to educate medical practitioners and the public concerning the critical need for organs to transplant. "Because of the apparent holes in our educational system," Denny testified, this year the North American Transplant Coordinators Organization established a 24-hour national information-and-referral service for doctors and nurses, which can be reached by dialing 800-24-DONOR. "Our struggle now is to acquaint physicians and nurses throughout the country with the availability of this number. . . . Every organ procurement program has as one of its major goals the recovery of kidneys for transplantation for the nearly 6,000 people who are now waiting for renal transplantation in this country."

Denny described physicians and nurses as "the weak link" between the organ-procurement programs and the public, because they often "shirk" the task of explaining to families the meaning of brain death, the physical state patients must be in before they become potential organ donors, with the exception, of course, of healthy donors who offer one of their two kidneys for transplantation.

"In my experience, only one out of 10 families of a brain dead victim initiates the request to donate. . . . To try to explain to a family that this brain-dead victim who looks as though he is alive and merely comatose is really dead is a difficult task for physicians and sometimes they shirk it . . . because of their own grief, their own pain, their own assault on their integrity which they are experiencing because of death."

Denny said that "ignorance, apathy, [and] indifference" all play a part in forming the attitudes of practitioners who resist involvement in the organ procurement process,

". . . but perhaps the biggest problem is the medical-legal problem—physicians and nurses who fear that if they cooperate in the recovery of organs for transplantation, they will be vulnerable to litigation. We live in a litigious society, and physicians especially know how damaging nuisance lawsuits can be. As a result, they oftentimes practice defensively. Their patients are not waiting for transplants, and our requests that they help us sometimes fall on deaf ears because of their fear of medical-legal vulnerability."

From June 7 through 9, Benny and some 40 other people committed to improving the organ-procurement process, including the surgeon general, transplantation surgeons, transplant coordinators, critical-care nurses, and families who have lost children because of the inadequacies of the process, gathered at Project HOPE, Millwood, Virginia, to discuss how best to educate the physician and the public to the need for organ donation.

Koop, a pediatric surgeon for 35 years before he became surgeon general, said in his keynote address:

". . . whatever success has been achieved so far in organ procurement is only a modest beginning, a small toe-hold on what may be as difficult a climb as the north face of Everest. . . . I think it's important for us to accept the current system of organ procurement as voluntary, decentralized and imperfect, but nevertheless open to improvement. And, having accepted it, relay that information to the public in the most reassuring way possible."

Koop, who said that he had convened the workshop at the request of President and Mrs. Reagan, declared that the federal government should be a participant in efforts to improve the procurement process, but it should not assume a "leadership position." At the close of the workshop, Koop outlined the steps he would take to improve the procurement system: convening a work group to discuss the formation of a federation of the disparate interests now involved in procurement, urging private groups to submit proposals to DHHS "for the possible funding of a project to address the deficiencies in the data bases relating to organ procurement and transplantation," and forming a group at the National Institutes of Health "to address the problem of the maintenance of the body of a potential multiple organ donor."

Koop said that on the basis of the remarks of several participants and "my own instincts, I would like to keep away from regulatory suggestions and offer an educational alternative to the establishment of organ procurement plans and protocols within hospitals." The educational alternative would involve discussions with the American Hospital Association and the Federation of American Hospitals, requesting that their member hospitals institute policies that would lead to more effective procurement of organs from potential donors. Denny, among others, had suggested the use of state health departments and the Joint Commission on Accreditation of Hospitals as agencies that could incorporate in their certifying processes a requirement that hospitals have policies for the determination of brain death and for identifying potential donors and referring them to the nearest procurement program.

Koop's workshop was only a small reflection of the array of federal activities related to organ transplantation. These activities include funding biomedical research related to transplantation, regulating the approval of new drugs intended to increase the efficacy of transplantation, paying for kidney and cornea transplants under Medicare, and examining the need to finance heart and liver transplantations. In recent months even Reagan has become personally involved both by directing Koop to identify the steps that could be taken to close the gap between the demand for organs and their supply and by employing a White House aide whose responsibilities include working directly with families that are searching for organs and the means to finance their transplantation.

The involvement to finance of the aide, Michael Batten, has led to an unusual series of federal interventions on behalf of families, including pressuring private health insurers, state Medicaid directors, and the DHHS to pay for organ transplants; making arrangements with the Air Force to ferry organs and patients; and assisting in local fund-raising efforts to pay for the operation.

Batten said in an interview that he functions under a mandate from Reagan to "give life a chance, [to] err on that side," although the emphasized that he does not directly solicit funds for families. Stemming from that "unwritten policy," said Batten, who works in the White House Office of Public Liaison, "is a mandate to use the good offices of the President to help families find organs and the means to pay for them." Batten said his activities have included "twisting the arms of state Medicaid directors" to pay the state share for liver transplantations. One technique Batten said he uses is to "put in writing" the willingness of DHHS to pay the federal share. "That shifts the burden to the states."

Batten estimated that his activities have "forced" 20 states to pay for liver transplantations when they otherwise might have declined. "New York was a piece of cake, but other states came harder. Mississippi refused [to pay for the two liver transplants received by Brandon Hall]," he said. Batten also makes regular inquiries of private insurers that resist covering liver transplantations.

Nationally, the Blue Cross and Blue Shield Association still considers liver transplantation an "experimental" procedure and thus not one that insurance plans are compelled to finance, but individual plans have increasingly bowed to local pressures and paid for such procedures, though usually on an ad hoc basis. (Charles Fiske, father of Jamie Fiske, one of the celebrated pediatric liver-transplant recipients, testified before Gore that after pledging to pay for the procedure, Massachusetts Blue Cross reversed its decision but subsequently—after the case had generated considerable publicity and political pressure—helped pay for it, telling Fiske, "due to the extenuating circumstances in this particular case, we have made an exception.")

Batten said he points out this decision to other Blue Cross plans that resist paying for liver transplantations. "When the Blue Cross plans say we do not cover liver transplants because they are experimental, I ask, 'Why don't you cover them on the same ad hoc basis that Massachusetts Blue Cross did?'" Batten's activities have gone largely unnoticed in Washington, except for the Health Care Financing Administration (HCFA), which worries about the implications his actions may have for it. HCFA's regional offices recently were directed to learn what they could of Batten's activities. The information was consolidated and written as an "eyes only" memorandum that was held tightly within DHHS.

Batten's activities have generated many local newspaper stories. On May 12, for example, the Memphis Press Scimitar, in an article headlined, "Reagan Staff Aids Woman's Quest for UT [University of Tennessee] Transplant," recounted that Batten had intervened on behalf of an Arizona woman after her husband's health insurer, Insurance Company of North America, refused to pay for the operation, contending that a liver transplantation was still an experimental procedure.

On May 14, the New Haven Register, in an article headlined, "White House Intervenes to Get Mom a Transplant," reported:

"It took the intervention of the White House, but an unemployed penniless mother of four will get the $89,000 federal grant she needs for a possible life-saving transplant, the governor's office said Friday. . . . Michael Batten, an aide to President Reagan, said the commissioner of the federal Rehabilitative Services Administration reversed an earlier decision and approved the surgery after discussions with White House officials."

Batten's activities, as noble as they may appear at the local level, have created an ad hoc arrangement fraught with inequity, because for every person he can help, there are obviously many more people who slip through this makeshift process. Batten conceded that his activities amount to "events in search of a policy." Ironically, although he said he "raised hell with the Defense Department, Batten has thus far had no discernible success in reversing a policy of its Civilian Health and Medical Program of the Uniformed Services (CHAMPUS) not to pay for liver transplantations. CHAMPUS' reasoning was precisely the same as that of the Insurance Company of North America; the procedure is experimental and thus not covered by the program.

Dr. John F. Beary III, acting assistant secretary of defense for health affairs, testified to the department's policy in this regard on April 27 during an appearance before Gore's subcommittee. The question arose in connection with Captain John H. Broderick of Minden, Louisiana, an Army officer whose 31-month-old daughter, Adriane, has biliary atresia and needs a liver transplantation. Beary said: "Our Office of General Counsel has reviewed the legal situation pertaining to the case and has advised me that it is legally objectionable to pay for experimental medicines and surgery, until such time that medical researchers prove that a therapy is effective and that it is not more likely to harm the patient than to help.

Beary said that CHAMPUS determines its policy on whether a therapy is experimental or generally accepted treatment according to the findings of three bodies: the Blue Cross and Blue Shield Medical Policy Council, the Public Health Service, and the American Medical Association's Council on Scientific Affairs. The Blue Cross Council, Beary testified, concluded at its March meeting this year that liver transplantation was "still experimental." The Public Health Service is studying the question, the results of which Brandt testified, "should be available this summer." The American Medical Association's Council on Scientific Affairs has not considered the question and, according to its chairman, Dr. William Dolan, has no plans at present to do so.

However, the refusal of CHAMPUS to cover liver transplantations has not inhibited its involvement in the kind of activities in which the White House's Batten has engaged to assist families in need of organs. Beary testified: "With Captain Broderick, for example, the CHAMPUS has provided guidance on fund raising, community resources, running an appeal, and managing an appeal account."

Beary's testimony left Gore just short of outraged:

"I find your testimony extremely disappointing, extremely disappointing . . . What we have here is an absolutely absurd situation, and it is very frustrating. Most all the private insurance companies recognize that this is no longer an experimental procedure. Most of them are reimbursing for it. We have testimony showing that there is a 70 to 80 percent success rate with these procedures. We have testimony showing that it is cheaper to save their lives and go forward with a transplant than it is to pay for all the care needed during a lingering death, which you presently approve (finance). And yet the government bureaucracies represented here absolutely refuse to recognize what is obvious to the medical experts in the field. That is a slow, slow process that is cranking along toward the consensus conference (National Institutes of Health Consensus Conference on Liver Transplantation, June 20 through 23) and then there will be an evaluation. . . . And, in the meantime, these children need the money, and in its place we have the, I think, bizarre spectable of the Defense Department providing public relations guidance to mount public fundraising drives for the children of military personnel who need these procedures to save their lives."

One conclusive development that came out of Beary's testimony was a pledge to bring the assets of military medicine to bear on the organ-procurement problem. Beary said: "We have seven million beneficiaries in the military hospital system itself, 12,000 doctors and 161 hospitals. So I hope by approaching this systematically, we can come up with a very reasonable program to contribute to the shortage of organs."

Carolyne K. Davis, administrator of HCFA, discussed in her testimony the status of kidney transplantation as it applies to the End-Stage Renal Disease program, primarily a dialysis program, which HCFA operates. (On December 31, 1982, HCFA reported that 70,055 patients with end-stage renal disease were entitled to Medicare ben-

efits. On that date, HCFA said, a total of 65,763 Medicare and non-Medicare patients were receiving dialysis treatments.

Davis said that 38,650 kidney transplantations have been performed since the program began a decade ago. "We now have roughly 15,700 individuals who are currently still alive and living with a functioning transplanted kidney." In another such estimate, which pointed up the dismal state of data collection in the program, Prof. Richard A. Rettig, chairman of the Department of Social Sciences at the Illinois Institute of Technology and a respected student of end-stage renal disease, testified that there are 12,000 such patients alive with a functioning kidney transplant.

Davis brought to the committee's attention the recent findings of HCFA's research staff, which showed, she said, that "a group of transplant patients would cost the Medicare program less than a group of dialysis patients after a four-year period of time when one aggregates the costs for the four-year period and considers them." Davis also mentioned briefly a Battelle Institute study, financed by HCFA, that analyzed 11 renal-dialysis centers and about 900 patients. The study, she said, concludes that "the kidney transplant and the patients who are on home dialysis are more likely to be working and have a lower level of functional impairment." Another study she discussed, undertaken by the Brandeis University Health Policy Center and also funded by HCFA, is investigating methods to increase public participation in kidney donation. "We hope that we can correlate and analyze the state of the art in the organ procurement area and develop a model for a successful kidney procurement agency," Davis said.

If, as is widely believed in the transplantation community, a new era in organ transplantation is at hand, what steps should the federal government consider to facilitate this phenomenon? Rettig recommended that Congress examine the issue of reimbursing for the costs of immunosuppressive drugs used by transplant recipients as part of "outpatient services" and eliminate the three-year eligibility limit for benefits received by transplant recipients. (The absence of benefit coverage after three years was identified in testimony by the National Association of Patients on Hemodialysis and Transplantation as an impediment to transplantation.)

Rettig also suggested that the government examine the prospect that increased resources invested in organ procurement might well yield higher numbers of retrieved kidneys. Rettig was particularly critical of the administration of the End-State Renal Disease Program, characterizing it as "weak." Lastly, Rettig, too, called for improved mechanisms for the assessment of technology.

Since Gore's Subcommittee on Investigations and Oversight does not have any legislative authority, the primary product of its hearings on organ transplantation will be a report, the bulk of which will be framed and written by Genel. Another panel, the House Energy and Commerce Subcommittee on Health and Environment, to which Gore has close ties by virtue of his membership on the parent committee, plans hearings in late July on the same issues that Gore raised. Expressing his view on the subject, Representative Henry A. Waxman (D-Calif.), chairman of the Subcommittee on Health and the Environment, said:

"Over the past year, I have become increasingly concerned about the nation's policies toward organ transplantation. Too often now even the most prominent patients cannot get the organ that they need. Severe barriers to payment preclude millions without health insurance from admission to a transplant program. This situation will surely become worse as cyclosporine becomes widely available and transplants more viable."

Gore said in an interview that his subcommittee's report will recommend "a cohesive national program for improved organ procurement" that will include a strong federal role—a feature that puts Gore's vision in conflict with that of Koop. Gore's report is also likely to recommend the regionalization of transplantation facilities by geography or some measure of quality or both—a policy direction favored in both the NIH liver transplant consensus conference and a new report prepared by a task force on liver transplantation in Massachusetts. Gore's report is also likely to include a call for catastrophic health insurance. Whatever the report says, it will by no means be the last word on a set of issues that concerns organ transplantation today but inevitably will apply to other technologies tomorrow. In their many different forms, they all seem to boil down to making more effective use of limited resources.

AMERICAN HEART ASSOCIATION,
Washington, D.C., August 2, 1983.

Hon. EDWARD M. KENNEDY,
U.S. Senate,
Washington, D.C.

DEAR SENATOR KENNEDY: I understand that you will be shortly introducing the "National Task Force on Organ Procurement Act." The legislation as I understand it would establish a national Task Force to assess and evaluate the multitude of problems confronting organ transplantation in the United States and to develop a comprehensive organ donor network and organ procurement plan.

The American Heart Association is pleased to support your legislative effort and to offer our assistance in ensuring that this legislation is enacted expeditiously.

Sincerely,

MARY JANE JESSE, M.D.,
President.

AMERICAN LIVER FOUNDATION,
Cedar Grove, N.J., August 1, 1983.

Hon. EDWARD M. KENNEDY,
U.S. Senate,
Washington, D.C.

DEAR SENATOR KENNEDY: Please be advised that the American Liver Foundation is very supportive of your and Senator Mark Andrews plans to propose legislation soon to establish a National Commission and system for the procurement of desperately needed organs to save the lives of many in need of these organs.

It is becoming increasingly evident, in our opinion, that the medical procedure to transplant livers has emerged as a sound medical procedure. Yet, the major problem we see in the absence of a national system to match donor with recipient. The development of such a mechanism is imperative to the survival of many potential recipients of organs.

Again, we support your efforts and stand ready to provide any assistance whatsoever in developing such a program.

Sincerely,

THELMA K. THIEL,
President.

NATIONAL KIDNEY FOUNDATION, INC.,
New York, N.Y., August 1, 1983.

Hon. EDWARD KENNEDY,
U.S. Senate,
Washington, D.C.

DEAR SENATOR KENNEDY: It is a pleasure for me on behalf of the National Kidney Foundation to endorse the organ donation, research, and registry legislation you and Senator Mark Andrews will introduce tomorrow.

The National Kidney Foundation has been a leader in the field of research in transplant rejection, profusion and tissue typing. We were part of the group that successfully sponsored and gained approval of the Uniform Anatomical Gift Act in the various 50 states. More recently we have successfully sponsored organ donation designation on state driving permits in many states. We have been the prime mover in donor education programs having distributed more than 30 million organ donor cards. Early this year we commissioned the Gallup Organization to conduct the first national survey of public opinion on organ donation.

We stand ready to assist you and Senator Andrews, Congressmen Gore and Waxman, in developing a national program.

Sincerely,

DAVID ODGEN, M.D.,
President, National Kidney Foundation.

● Mr. ANDREWS. Mr. President, I am proud to join with my colleague, the senior Senator from Massachusetts, in introducing legislation calling on the Secretary of Health and Human Services to establish a National Task Force on Organ Procurement and Transplant Reimbursement Act.

In recent months, we have been made aware of the plight of men, women, and children who are desperately awaiting transplant surgery. We must immediately take action to find solutions to this tragic dilemma.

It is my hope that through the creation of a national task force, major obstacles surrounding organ donation will be closely examined. These will include:

First. Public awareness for the need of donors for organ transplants. A recent Science magazine article stated that last year in the United States, out of some 20,000 potential donors—young or middle-aged patients classified as brain dead—only 2,500 actually donated their organs.

Second. Better coordination of present organ procurement and distribution systems; and

Third. Reimbursement policies for the cost of organ transplantation.

Both the Congress and the administration have expressed concern over the problems with organ procurement. Recently, Congressman ALBERT GORE of Tennessee, chairman of the House Science and Technology Subcommittee on Investigations and Oversight, held a series of hearings on organ donation. I am pleased that Congressman GORE, as well as Congressman WAXMAN, chairman of the House Energy and Commerce Subcommittee on Health and Environment, and

myself will soon introduce legislation creating a comprehensive donor network.

The administration has also been involved in the study of organ procurement. In June, Surgeon General C. Everett Koop conducted a workshop to examine the present organ procurement process and a possible role for the Federal Government in that process. With the creation of a national task force, the problems and obstacles can be given a comprehensive overview.

I urge my colleagues to join in this effort to establish a National Task Force on Organ Procurement and Transplant Reimbursement Act, and to call for the immediate enactment of this legislation so that the precious gift of life can be offered to all Americans.●

By Mr. McCLURE (for himself, Mr. GARN, and Mr. ARMSTRONG):

S. 1727. A bill to amend the Food Stamp Act of 1977 to reform and reduce the cost of administering the food stamp program, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

FOOD STAMP REFORM ACT OF 1983

● Mr. McCLURE. Mr. President, today Senator GARN, Senator ARMSTRONG and I are introducing the Food Stamp Reform Act of 1983. This bill contains 16 changes in the food stamp program that are necessary to eliminate some of the waste and abuse of the system.

Every Member of this body knows that our budget problems will never be solved until Congress has the courage to address the growth in entitlement programs. It does not take a Ph. D. in economics to figure out where the problem lies when you have over 50 percent of the total Federal budget growing at 15 percent a year. We have allowed this situation to go on long enough, and I think Congress has an obligation to the American taxpayer to do something about it. If Congress thinks it can ignore the growth in all the entitlement programs then we are just not living in the real world. Between 1970 and fiscal 1981, the cost of living rose 138 percent, and during the same period Federal spending on entitlement programs more than quadrupled, from $70 billion to $295 billion. We could eliminate every discretionary program the Government operates, and it is not going to solve our budget problem. The only way to do that is to enact reforms in entitlements. The bill we are introducing today is a step in that direction.

I will not argue that the food stamp program was set up with the best of intentions and that it is a necessary program for many people in this country who find themselves in circumstances beyond their control. Certainly, we, as a society, have a human obligation to help people who are in need. But, Mr. President, I do not believe the American taxpayer is under any obligation to pay for food for people who are perfectly capable of working and who simply find it easier to live off the public dole.

In 1961, the Federal Government established a small antihunger program in eight U.S. counties, at a cost of $13 million. This experimental project blossomed in the current food stamp program that was enacted in 1964 at a cost of $56 million. By 1978, it cost exactly 100 times the original amount. This year, we are talking about a program that will exceed $12 billion. Currently, 1 out of 10 Americans are receiving food stamps—22 million people. We have 94 million taxpayers in this country. Every one of those taxpayers pays $127.66 a year to finance this program. The unbelievable growth of food stamps tells me that structural changes are needed in order to reduce the number of able-bodied people who are receiving benefits. Changes are also needed not only to eliminate abuse, but also to cut down on the fraud that is so widespread in the system. The Food Stamp Reform Act achieves these goals by doing the following:

First. Restores the food stamp purchase requirement eliminated in 1977, with an exemption for the elderly and disabled.

Second. Limits eligibility to those with gross incomes at or below 100 percent of poverty.

Third. Permits the States to use the same assets test as for aid to families with dependent children (AFDC), or in the case of the elderly or disabled, permits the use of the assets test for supplemental security income (SSI).

Fourth. Requires photo identification cards be issued and that food stamps be countersigned.

Fifth. Counts as income for eligibility determination such things as income tax rebates, Federal energy assistance.

Sixth. Reduces the standard deduction from $85 to $60.

Seventh. Reduces the age of a child which exempts an individual from work registration from 6 to 3, except where appropriate child care is not available.

Eighth. Freezes the indexing of benefit levels; that is, child care deduction, excess shelter deduction.

Ninth. Requires the States to pay for any excess in the error rate above 3 percent.

Tenth. Requires that purchases with food stamps be made in even dollar amounts. Any amount over an even amount must be paid by the recipient in cash.

Eleventh. Eliminates the $10 minimum benefit.

Twelfth. Permits the Secretary to require cross-matching with dividend and interest income information reported to the IRS to determine unreported income to the household.

Thirteenth. Permits the States to require repayment through unemployment compensation benefits if a participant has been receiving food stamps through fraudulent means.

Fourteenth. Permits the States to intercept Federal income tax refunds to pay for overissuance due to fraud.

Fifteenth. Simplifies definition of "household."

Sixteenth. Permits, rather than requires, the States to provide expedited service for certain households.

Back in November 1980, the investigations staff of the Senate Appropriations Committee reported that "we believe far too little is being done to detect and prosecute food stamp recipient fraud." Three years later, in its report of February 4, 1983, GAO determined that we lose about $1.2 billion every year from the food stamp program because of overissuance, errors, and fraud. Year after year passes, and we still have done relatively little to clean up the food stamp program. I think it is a national disgrace, and this bill is designed to do something about it. The provisions in this bill are roughly divided into three categories—tightening up on eligibility requirements, addressing fraud and abuse and cutting back on waste.

Mr. President, I have always thought it was ludicrous to establish a poverty level, and then make food stamps eligibility at something above that level. If the poverty level, as defined by the Office of Management and Budget, is too low, then it should be changed, but until that is determined to be the case, then eligibility for assistance programs should be set at 100 percent of the poverty level.

Likewise, I have never understood why we have allowed so many deductions for eligibility determination. If a person receives a low-income energy assistance check—that is income. There is no way you can get around that fact. Money is money, no matter what form it comes in, and all of that should be taken into account when determining eligibility.

According to the GAO report issued in February of this year, although Federal losses in the food stamp program can occur in any number of ways, the biggest problem lies in how a household's eligibility is determined. The Food Stamp Reform Act simplifies the definition of households eligible to participate in the food stamp program in such a way that, with the exception of elderly or disabled persons, all individuals living together would be defined as a household. States would be permitted to draw up

criteria to provide certain exceptions, if they so desire.

The bill contains several provisions relating to fraud and abuse that I believe are just plain commonsense. The requiring of photo-identification cards and countersigned stamps, much like travelers' checks, will help eliminate the black market in food stamps, plus help reduce the estimated $20 billion, according to GAO, that is lost each year due to reported losses and theft of food coupons mailed to participating households. Allowing the cross-checking of IRS records to verify interest and dividend income, and the reported level of assets, such as a savings account, is one of the recommendations that GAO makes in it's report. Additionally, if a person has received food stamps through fraudulent means, then we should be able to intercept unemployment benefits and income tax refunds.

One of the complaints I hear most often from Idahoans about food stamps is when a participant buys a small item and uses the change from the food stamp to purchase beer or cigarettes. By requiring even dollar purchases, this abuse will be eliminated, and the food stamp participant will only have to pay a maximum of 99 cents. Requiring an out of pocket expense of 1 to 99 cents is hardly an intolerable burden.

Responsible people who work in food stamp offices will tell you that the "expedited service" requirement is one of the most abused provisions of the current program. Currently a food stamp recipient can request expedited service and must receive the assistance within 5 days. All this provision does is permit the people to hop from food stamp office to food stamp office. The February GAO report indicates that this "multiple participation" is quite extensive. Inadequate time for verification precludes early detection of a fraudulent application. Our bill simply allows a State to provide expedited service, rather than requiring it.

Finally, this legislation will require that the States pay for any excess in the error rate above 3 percent. The food stamp program currently has an error rate of over 10 percent. That is totally unacceptable, but the States have no real reason to try to correct this problem since the program is 100 percent funded by the Federal Government. I believe it is entirely reasonable to require this lower rate, or to require reimbursement to the Federal Government.

The GAO report indicates that the four most prevalent abuses of the system include:

Failing to accurately report income and assets.

Opening multiple cases.

Filing false claims of lost or stolen coupons and authorization-to-participate cards.

Failing to report changes that could result in terminated eligibility or reduced benefit levels.

The bill Senator GARN, Senator ARMSTRONG, and I are offering addresses all of these areas and does so in manner that will not harm those people who are truly eligible for food assistance. The food stamp program is one of the most abused and wasteful programs the Federal Government operates, and I think that vast majority of the American people agree with me. Why Congress is always so hesitant to take a stand on this issue and clean up the program is beyond me. It is only reasonable to think that when we see abuse, we should act to do something about it. We have made some advances in food stamp reform—but it simply has not been enough. All of the things my bill deals with need to be done. They needed to be done years ago, but better late than never.

I ask unanimous consent that the text of the bill be inserted in the RECORD at this time.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1727

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE; TABLE OF CONTENTS

SECTION 1. (a) This Act may be cited as the "Food Stamp Reform Act of 1983".

(b) The table of contents for this Act is as follows:

TABLE OF CONTENTS

Sec. 1. Short title; table of contents.
Sec. 2. References to the Food Stamp Act of 1977.

TITLE I—DEFINITIONS

Sec. 101. Purchase requirement.
Sec. 102. Households.
Sec. 103. Adjustment of eligibility and benefit levels.

TITLE II—ELIGIBLE HOUSEHOLDS

Sec. 201. Income standards of eligibility.
Sec. 202. Nonrecurring lump-sum payments.
Sec. 203. Energy assistance payments.
Sec. 204. Standard deductions.
Sec. 205. Resource limitations.

TITLE III—ELIGIBILITY DISQUALIFICATIONS

Sec. 301. Parents and other caretakers of children.

TITLE IV—ISSUANCE AND USE OF COUPONS

Sec. 401. Cash change.

TITLE V—VALUE OF ALLOTMENT

Sec. 501. Minimum allotment.

TITLE VI—ADMINISTRATION

Sec. 601. Expedited coupon issuance.
Sec. 602. Photographic identification cards.
Sec. 603. Countersignature of coupons.
Sec. 604. Interest and dividend information.

TITLE VII—COLLECTION AND DISPOSITION OF CLAIMS

Sec. 701. Food stamp intercept of unemployment benefits.
Sec. 702. Food stamp intercept of Federal tax refunds.

TITLE VIII—ADMINISTRATIVE COST-SHARING AND QUALITY CONTROLS

Sec. 801. State agency liability for errors.

TITLE IX—EFFECTIVE DATE

Sec. 901. Effective date.

REFERENCES TO THE FOOD STAMP ACT OF 1977

SEC. 2. Except as otherwise specifically provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.).

TITLE I—DEFINITIONS

PURCHASE REQUIREMENT

SEC. 101. (a) Section 3(b) (7 U.S.C. 2012(b)) is amended by inserting "and any amount to be paid by the household for the allotment" before the period at the end thereof.

(b) The first sentence of section 4(a) (7 U.S.C. 2013(a)) is amended by inserting "which has a greater monetary value than the charge to be paid for the allotment by the households" before the period at the end thereof.

(c) Section 8 (7 U.S.C. 2017) is amended—

(1) by striking out the section heading and inserting in lieu thereof the following: "VALUE OF AND CHARGES FOR ALLOTMENT";

(2) by inserting "which is in excess of the amount charged the household for the allotment" after "household" in subsection (b); and

(3) by adding at the end thereof the following new subsections:

"(e) (1) A household shall be charged for the allotments issued to them, except that—

"(A) allotments shall be issued without charge to a household containing an elderly or disabled member; and

"(B) allotments may be issued without charge to a household with an income of less than $30 per month for a family of four under standards of eligibility prescribed by the Secretary.

"(2) The amount of the charge shall represent a reasonable investment on the part of the household, except that the charge may not exceed 30 per centum of the household's income.

"(f) Funds derived from the charges made for allotments shall be promptly deposited, in a manner prescribed in regulations issued pursuant to this Act, in a separate account maintained in the Treasury of the United States for such purpose. The deposits shall be available, without limitation to fiscal years, for the redemption of coupons.".

(d) Section 11 (7 U.S.C. 2020) is amended—

(1) in subsection (e)—

(A) by striking out "and" at the end of paragraph (20); and

(B) by adding at the end thereof the following new paragraph:

"(22) notwithstanding any other provision of law, for the institution of procedures under which a household participating in the food stamp program may have any charges for its allotment deducted from any payment the household receives under title IV of the Social Security Act (42 U.S.C. 601 et seq.) and have its allotment distributed to it with the payment;"; and

(2) In subsection (h), by striking out "Treasury" and all that follows through the period at the end thereof and inserting in lieu thereof "separate account established under section 8(f), a sum equal to the amount by which the value of any coupons

issued as a result of the negligence or fraud exceeds the amount that was charged for the coupons under section 8(e)(2)".

(e) Section 15(a)(7 U.S.C. 2024(a)) is amended by inserting "purchase," after "for the".

(f) Section 18 (7 U.S.C. 2027) is amended—

(1) by adding after the first sentence of subsection (a) the following new sentence: "Such portion of any such appropriation as may be required to pay for the value of the coupon allotments issued to eligible households which is in excess of the charges paid by the households for the allotments shall be transferred to and made a part of the separate account established under section 8(f).";

(2) by amending the first sentence of subsection (b) to read as follows: "In any fiscal year, the Secretary shall limit the value of coupons issued which is in excess of the value of coupons for which households are charged, to an amount which is not in excess of the portion of the appropriation for the fiscal year which is transferred to the separate account under subsection (a).";

and

(3) by adding at the end thereof the following new subsection:

"(f) If the Secretary determines that any of the funds in the separate account established under section 8(f) are no longer required to carry out this Act, the unneeded funds shall be paid into the miscellaneous receipts of the Treasury.".

HOUSEHOLDS

SEC. 102. Section 3(i) (7 U.S.C. 2012(i)) is amended—

(1) by striking out "or who, while living with others," in clause (1) of the first sentence and inserting in lieu thereof "and";

(2) by striking out "separate and apart from the others, or" in clause (1) of the first sentence and inserting in lieu thereof a comma;

(3) by striking out "together" the second time it appears in clause (2) of the first sentence;

(4) by inserting before the period at the end of the first sentence the following: ", or (3) at the option of the State agency, one or more individuals who while living with others, customarily purchase food and prepare meals for home consumption separate and apart from the others"; and

(5) by inserting after the second sentence the following new sentence: "Subject to the preceding sentence and the limitation of clause (2) of the first sentence of this subsection relating to parents and children, or siblings, who live together, a State agency may prescribe criteria to determine whether one or more individuals who while living with others, customarily purchase food and prepare meals for home consumption separate and apart from the others qualify as a household under clause (3) of the first sentence of this subsection.".

ADJUSTMENT OF ELIGIBILITY AND BENEFIT LEVELS

SEC. 103. (a) The second sentence of section 3(o) (7 U.S.C. 2012(o)) is amended—

(1) by inserting "and" after "September 30" at the end of clause (5); and

(2) by striking out ", (7)" and all that follows through "household size" at the end of clause (8).

(b) Section 5(e) (7 U.S.C. 2014(e)) is amended—

(1) by striking out the second sentence; and

(2) in clause (2) of the fourth sentence, by striking out "adjusted (i)" and all that follows through "twelve months ending the preceding June 30,".

(c) The amendments made by this section shall become effective on the date of the enactment of this Act.

TITLE II—ELIGIBLE HOUSEHOLDS

INCOME STANDARDS OF ELIGIBILITY

SEC. 201. Section 5(c)(2) (7 U.S.C. 2014(c)(2)) is amended by striking out "by more than 30 per centum".

NONRECURRING LUMP-SUM PAYMENTS

SEC. 202. (a) Section 5(d) (7 U.S.C. 2014(d)) is amended by striking out clause (8).

(b) Section 5(f)(1) (7 U.S.C. 2014(f)(1)) is amended—

(1) by inserting ", other than income of the type described in subparagraph (C)," after "one year" in subparagraph (A); and

(2) by adding at the end thereof the following new subparagraph:

(C) Household income for those households that receive income in the form of nonrecurring lump-sum payments, including, but not limited to, income tax refunds, rebates, or credits, retroactive lump-sum social security or railroad retirement pension payments, and retroactive lump-sum insurance settlements, shall be income of the household in the month received. The household shall be ineligible for participation in the food stamp program for the whole number of months that equals (i) the sum of such amount and all other income received in such month, not excluded under subsection (d), divided by (ii) the nonfarm income poverty guidelines applicable to such household. Any income remaining (which is less than the applicable monthly standard) shall be treated as household income received in the first month following the period of ineligibility determined under the preceding sentence.".

ENERGY ASSISTANCE PAYMENTS

SEC. 203. (a) Section 5(d) (7 U.S.C. 2014 (d)) (as amended by section 202(a) of this Act) is amended—

(1) by striking out clause (11);

(2) by inserting "and" at the end of clause (10); and

(3) by redesignating clause (9), (10), and (12) as clauses (8), (9), and (10), respectively.

(b) Section 2605(f) of the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8624 (f)) is amended—

(1) by striking out "food stamps,"; and

(2) by inserting ", other than the Food Stamp Act of 1977" before the period at the end thereof.

STANDARD DEDUCTIONS

SEC. 204. The first sentence of section 5(e) (7 U.S.C. 2014(e)) is amended by striking out "$85" and inserting in lieu thereof "$60".

RESOURCE LIMITATIONS

SEC. 205. Section 5(g) (7 U.S.C. 2014(g)) is amended—

(1) by striking out "The" in the first sentence and inserting in lieu thereof "(1) Subject to paragraph (2), the"; and

(2) by adding at the end thereof the following new paragraph:

"(2) (A) In lieu of the resource limitations provided for in paragraph (1), a State may, if it so elects, establish resource limitations provided for in subparagraph (B) only, subparagraph (C) only, or both such subparagraphs.

"(B)(i) As used in this subparagraph, the term 'resources' has the same meaning given the term for purposes of determining eligibility for benefits under title XVI of the Social Security Act (42 U.S.C. 1601 et seq.) (relating to the supplemental security income program).

"(ii) If a household includes an elderly or disabled member, the combined resources of all members of the household may not exceed—

"(I) in the case of a household consisting of only one member, the amount referred to in section 1611(a)(1)(B)(ii) of the Social Security Act (42 U.S.C. 1382(a)(1)(B)(ii)) (relating to an individual having no spouse with whom the individual is living); and

"(II) in the case of a household consisting of more than one member, the amount referred to in section 1611(a)(2)(B) of the Social Security Act (42 U.S.C. 1382(a)(2)(B)) (relating to an individual who has an eligible spouse).

"(D)(i) As used in this subparagraph, the term 'resouces' has the same meaning given the term for purposes of determining eligibility for aid under the State plan approved under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.).

"(ii) If a household does not include an elderly or disabled member, the combined resources of all members of the household may not exceed the resource limitation applicable to a household of the same size as the household under the State plan approved under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.).

"(E) The choice by a State to use resource limitations under this paragraph in lieu of the limitations under paragraph (1) shall be uniform throughout the State.".

TITLE III—ELIGIBILITY DISQUALIFICATIONS

PARENTS AND OTHER CARETAKERS OF CHILDREN

SEC. 301. Clause (B) of section 6(d)(2) (7 U.S.C. 2915(D)(2)(B)) is amended to read as follows: "(B) a parent or other member of a household with responsibility for the care of (i) a dependent child who is under three years of age, (ii) a dependent child who is three years of age or older but under six years of age, in any case in which adequate care is not otherwise available, or (iii) an incapacitated person;".

TITLE V—ISSUANCE AND USE OF COUPONS

CASH CHANGE

SEC. 401. Section 7(b) (7 U.S.C. 2016(b)) is amended—

(1) by striking out ": *Provided further,*" and all that follows through the period at the end thereof and inserting in lieu thereof a period; and

(2) by adding at the end thereof the following new sentences: "Change in any form, other than uncancelled or unmarked coupons which were previously accepted for eligible foods, may not be given to eligible households for food purchases. Eligible households using coupons to purchase food shall pay cash for the amount of such purchase which exceeds the value of the lowest coupon denomination issued.".

TITLE V—VALUE OF ALLOTMENT

MINIMUM ALLOTMENT

SEC. 501. Section 8(a) (7 U.S.C. 2017(a)) is amended by striking out the colon after "dollar" and all that follows through the period at the end thereof and inserting in lieu thereof a period.

TITLE VI—ADMINISTRATION

EXPEDITED COUPON ISSUANCE

SEC. 601. Paragraph (9) of section 11(e) (7 U.S.C. 2020(2)(9)) is amended to read as follows:

"(9) at the option of the State agency, for the provision of coupons on an expedited basis to categories of households designated by the State agency to be in immediate need because such households each have—

"(A) household income, as described in section 5(d), that is less than $85 per month; and

"(B) financial resources, as described in section 5(g), that do not exceed $100;".

PHOTOGRAPHIC IDENTIFICATION CARDS

SEC. 602. Section 11(e)(16) (7 U.S.C. 2020(e)(16)) is amended by striking out "in those" and all that follows through "integrity,".

COUNTERSIGNATURE OF COUPONS

SEC. 603. Section 11(e) (7 U.S.C. 2020(e)) (as amended by section 101(d)(1) of this Act) is amended by adding at the end thereof the following new paragraph:

"(23) that the State agency shall require a member of a household to sign a coupon at the time the coupon is issued to, and used by, the member;".

INTEREST AND DIVIDEND INCOME

SEC. 604. (a) Section 11 (7 U.S.C. 2020) is amended by adding at the end thereof the following new subsection:

"(o) The Secretary, in consultation with the Inspector General of the Department of Agriculture, may require a State agency, the Inspector General, or both, to request and utilize information available under section 6103(l)(9) of the Internal Revenue Code of 1954 pertaining to the interest and dividend income of the households in any State or area if the Secretary determines that such action would aid in protecting the integrity of the food stamp program in such State or area.".

(b)(1) Section 6103(1) of the Internal Revenue Code of 1954 (relating to disclosure of returns and return information for purposes other than tax administration) is amended by adding at the end thereof the following new paragraph:

"(9) Disclosure of certain return information to Federal, State, and local agencies administering federally funded needs-based programs.

"(A) Return information from Internal Revenue Service.—The Secretary shall, upon written request, disclose interest and dividend data from automated files containing return information from information returns made pursuant to section 6041, 6042, and 6049 to officers and employees of an appropriate Federal, State, or local agency administering a federally funded needs-based program.

"(B) Restriction on disclosure.—The Secretary shall disclose return information under subparagraph (A) only for purposes of, and to the extent necessary in, determining an individual's eligibility for benefits, or the amount of benefits, under a federally funded needs-based program,".

(2)(A) Paragraph (2) of section 6103(a) of such Code is amended by striking out "or of any local child support enforcement agency" and inserting in lieu thereof ", any local child support enforcement agency, or any local agency administering a federally funded needs-based program".

(B) Subparagraph (A) of section 6103(p)(3) of such Code (relating to records of inspection and disclosure) is amended by striking out "or (8)" and inserting in lieu thereof "(8), or (9)".

(C) Paragraph (4) of section 6103(p) of such Code (relating to safeguards) is amended by striking out "or (8)" in so much of such paragraph as precedes subparagraph (A) thereof and inserting in lieu thereof "(8), or (9)".

(D) Clause (i) of section 6103(p)(4)(F) of such Code is amended by striking out "or (8)" and inserting in lieu thereof "(8), or (9)".

(E) The first sentence of paragraph (2) of section 7213(a) of such Code is amended by striking out "or (8)" and inserting in lieu thereof "(8), or (9)".

TITLE VII—COLLECTION AND DISPOSITION OF CLAIMS FOOD STAMP INTERCEPT OF UNEMPLOYMENT BENEFITS

SEC. 701. (a) Section 13 (7 U.S.C. 2022) is amended by adding at the end thereof the following new subsection:

"(c)(1) A State agency may determine on a periodic basis, from information supplied pursuant to section 3(b) of the Wagner-Peyser Act (29 U.S.C. 49b(b)), whether an individual receiving compensation under the State's unemployment compensation law (including amounts payable pursuant to an agreement under a Federal unemployment compensation law) owes an uncollected overissuance.

"(2) A State agency may recover an uncollected overissuance—

"(A) by entering into an agreement with an individual described in paragraph (1) under which specified amounts will be withheld from unemployment compensation otherwise payable to the individual and furnishing a copy of the agreement to the State agency administering the unemployment compensation law, or

"(B) in the absence of an agreement, by obtaining a writ, order, summons, or other similar process in the nature of garnishment from a court of competent jurisdiction to require the withholding of amounts from the unemployment compensation.

"(3) As used in this subsection, the term 'uncollected overissuance' means the amount of an overissuance of coupons, as determined under subsection (b)(1), which has not been recovered pursuant to subsection (b)(1).".

(b)(1) Section 11(e) (7 U.S.C. 2020(e)) (as amended by section 603 of this Act) is amended by adding at the end thereof the following new paragraph:

"(24) at the option of the State, for procedures necessary to obtain payment of uncollected overissuance of coupons from unemployment compensation pursuant to section 13(c); and".

(2) Section 3(b) of the Wagner-Peyser Act (29 U.S.C. 49b(b)), as amended by sections 181(i) and 501 of the Job Training Partnership Act (96 Stat. 1356 and 1392), is amended—

(A) by striking out "or" the second place it appears and inserting in lieu thereof a comma; and

(B) by inserting after "such Act," the following: "or of a State agency charged with the administration of the food stamp program in a State under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.),".

(3) Section 303(d) of the Social Security Act (42 U.S.C. 503(d)) is amended—

(A) by redesignating pargraphs (2) and (3) as paragraphs (3) and (4), respectively; and

(B) inserting after paragraph (1) the following new paragraph:

"(2)(A) The State agency charged with the administration of the State law—

"(i) may require each new applicant for unemployment compensation to disclose whether the applicant owes an uncollected overissuance (as defined in section 13(c)(3) of the Food Stamp Act of 1977) of food stamp coupons,

"(ii) may notify the State food stamp agency to which the uncollected overissuance is owed that the applicant has been determined to be eligible for unemployment compensation if the applicant discloses under clause (i) that the applicant owes an uncollected overissuance and the applicant is determined to be so eligible,

"(iii) may deduct and withhold from any unemployment compensation otherwise payable to an individual—

"(I) the amount specified by the individual to the State agency to be deducted and withheld under this clause,

"(II) the amount (if any) determined pursuant to an agreement submitted to the State food stamp agency under section 13(c)(2)(A) of the Food Stamp Act of 1977, or

"(III) any amount otherwise required to be deducted and withheld from the unemployment compensation pursuant to section 13(c)(2)(B) of such Act, and

"(iv) shall pay any amount deducted and withheld under clause (iii) to the appropriate State food stamp agency.

"(B) Any amount deducted and withheld under subparagraph (A)(iii) shall for all purposes be treated as if it were paid to the individual as unemployment compensation and paid by the individual to the State food stamp agency to which the uncollected overissuance is owed as repayment of the individual's uncollected overissuance.

"(C) For purposes of this paragraph, the term 'unemployment compensation' means any compensation payable under the State law (including amounts payable pursuant to an agreement under a Federal unemployment compensation law).

"(D) A State food stamp agency to which an uncollected overissuance is owed shall reimburse the State agency charged with the administration of the State unemployment compensation law for the administrative costs incurred by the State agency under this paragraph which are attributable to repayment of uncollected overissuance to the State food stamp agency to which the uncollected overissuance is owed.".

FOOD STAMP INTERCEPT OF FEDERAL TAX REFUNDS

SEC. 702. (a) Section 13 (7 U.S.C. 2022) (as amended by section 701(a) of this Act) is amended by adding at the end thereof the following new subsection:

"(d)(1) Except as provided in paragraph (7), a State agency may inform the Secretary of the Treasury of the identity of an individual who owes an uncollected overissuance and the amount of the uncollected overissuance.

"(2) Upon receiving notice from a State agency pursuant to paragraph (1), the Secretary of the Treasury shall determine whether any amounts, as refunds of Federal taxes paid, are payable to the named individual (regardless of whether the individual filed a tax return as a married or unmarried individual). If the Secretary of the Treasury finds that an amount is payable, the Secretary of the Treasury shall withhold from the refunds an amount equal to the amount of the uncollected overissuance, and pay the amount to the State agency (together with notice of the individual's home address).

"(3) If the offset procedure is applied for the benefit of a State agency pursuant to paragraph (2), the State agency must pay a fee to the Secretary of the Treasury to reimburse the Secretary for the full cost of

applying such procedure. Such fees shall be credited to the appropriation accounts which bore all or part of the costs involved in making the collections.

"(4) The Secretary of the Treasury shall issue regulations, approved by the Secretary, which prescribe—

"(A) the time at which a State agency must submit notice of an uncollected overissuance;

"(B) the manner in which the notice must be submitted;

"(C) the necessary information which must be contained in or accompany the notice; and

"(D) the amount of the fee that a State agency must pay to reimburse the Secretary pursuant to paragraph (3).

"(5) The Secretary of the Treasury shall advise the Secretary, at least annually, of—

"(A) the State agencies which have furnished notices of uncollected overissuances under this subsection;

"(B) the number of cases in each State with respect to which the notices have been furnished under this subsection;

"(C) the amount of uncollected overissuances sought to be collected under this subsection by each State; and

"(D) the amount of the collections actually made under this subsection in the case of each State agency.

"(6) As used in this subsection, the term 'uncollected overissuance' means the amount of an overissuance of coupons, as determined under subsection (b)(1), which has not been collected pursuant to subsection (b)(1) or (c) within three months of the determination of the overissuance.

"(7) An uncollected overissuance shall be subject to the offset procedure described in this subsection if the amount of the uncollected overissuance in the current or previous taxable years and any other amounts owed to the State agency under similar provisions of Federal law equals $100 or more.".

(b)(1) Section 11(e) (7 U.S.C. 2020(e)) (as amended by section 701(b)(1) of this Act) is amended by adding at the end thereof the following new paragraph:

"(25) at the option of the State agency, for procedures necessary to obtain payment of uncollected overissuances of coupons from Federal tax refunds pursuant to section 13(d).".

(2) The proviso of the first sentence of section 16(a) (7 U.S.C. 2025(a)) is amended by striking out "section 13(b)(1) of this Act" and inserting in lieu thereof "subsections (b)(1), (c), and (d) of section 13".

(3) Section 6402(c) of the Internal Revenue Code of 1954 is amended—

(A) by striking out so much of such subsection as precedes "The amount of" and inserting in lieu thereof the following:

"(c) OFFSETS.—

"(1) OFFSET OF PAST DUE SUPPORT AGAINST OVERPAYMENTS.—";

(B) by striking out "subsection" in the third sentence of paragraph (1) and inserting in lieu thereof "paragraph"; and

(C) by adding at the end thereof the following new paragraph:

"(2) OFFSET OF FOOD STAMP OVERISSUANCES AGAINST OVERPAYMENTS.—The amount of any overpayment to be refunded to the person making the overpayment shall be reduced by the amount of any uncollected overissance (as defined in section 13(d)(6) of the Food Stamp Act of 1977) of food stamp coupons owed by that person and with respect to which the Secretary has been notified by a State agency in accordance with section 13(d) of the Food Stamp Act of 1977. The Secretary shall remit the amount by which the overpayment is so reduced to the State agency to which the uncollected overissuance is due and notify the person who made the overpayment that so much of the overpayment as was necessary to satisfy the person's obligation for an uncollected overissance has been paid to the State agency. This paragraph shall be applied to an overpayment after such overpayment has been reduced (pursuant to paragraph (1)) by the amount (if any) of past-due support owed by such person and prior to the crediting of such overpayment against such person's future liability for an internal revenue tax.".

(c) The amendments made by this section shall apply to taxable years ending after December 31, 1983.

TITLE VIII—ADMINISTRATIVE COST-SHARING AND QUALITY CONTROLS STATE AGENCY LIABILITY FOR ERRORS

SEC. 801. (a) Section 16 (7 U.S.C. 2025) is amended—

(1) by striking out subsections (c) and (d) and redesignating subsections (e), (f), and (g) as subsections (d), (e), and (f), respectively; and

(2) by inserting after subsection (b) the following new subsection:

"(c)(1) As used in this subsection—

"(A) the term 'dollar value equivalent' means the value of allotments determined by multiplying the payment error rate for a fiscal year by the dollar value of all allotments issued during that fiscal year by a State agency; and

"(B) the term 'payment error rate' means the percentage of all allotments issued in a fiscal year by a state agency which are—

"(i) issued to households which fail to meet the eligibility requirements established under section 5 or 6; and

"(ii) overissued to households which meet such requirements.

"(2) The Secretary shall institute an error rate reduction program under which each State agency shall, other than for good cause as determined by the Secretary, pay to the Secretary or have withheld by the Secretary as described in paragraph (4), the dollar value equivalent of the any payment error rate of the State agency which is over 3 per centum, as determined by the Secretary.

"(3) If the Secretary makes a claim against a State for payment under paragraph (2), the State may seek administrative and judicial review of such claim under the procedures set forth in section 14.

"(4) If a claim made against a State for payment under paragraph (2) is ultimately determined to be valid or is not contested by the State, the claim shall be collected by the Secretary through State payment, withholding amounts otherwise payable to the State agency under this Act, or other mechanisms authorized by subchapter II of chapter 37 of title 31, United States Code. Such a claim may be collected on a monthly, quarterly, semiannual, or annual basis, as determined by the Secretary.".

(b)(1) Section 11 (7 U.S.C. 2020) is amended—

(A) by striking out "section 16(e)" in subsection (e)(3) and inserting in lieu thereof "sections 16(d)"; and

(B) by striking out "sections 16(a) and 16(c)" in the second sentence of subsection (g) and inserting in lieu thereof "section 16(a)".

(2) Section 18(e) (7 U.S.C. 2027 (e)) is amended by striking out the second sentence.

(c)(1) Section 11 (7 U.S.C. 2020) (as amended by seciton 604(a) of this Act) is amended by striking out subsection (h) and redesignating subsections (i) through (o) as subsections (h) through (n), respectively.

(2) Section 11(e)(2) (7 U.S.C. 2020 (e)(2)) is amended by striking out "subsection (i)" and inserting in lieu thereof "subsection (h)".

(3) The first sentence of section 18(e) (7 U.S.C 2027(e)) is amended by striking out "11 (g) and (h)" and inserting in lieu thereof "11(g)".

TITLE IX—EFFECTIVE DATE

EFFECTIVE DATE

SEC. 901. Except as provided in sections 103(c) and 702(c) of this Act, the amendments made by this Act shall become effective on October 1, 1983.●

● Mr. ARMSTRONG. Mr. President, I am pleased to join my colleagues, Senators MCCLURE and GARN, introducing this major food stamp reform.

This program is out of control.

I hear from Coloradans all the time about various abuses they see every day in the grocery stores. In the last year, nearly 500 people have written to me to express their concern about this program, and I know other Senators hear the same fears from their constituents.

People were outraged to hear the case of the Texas housepainter (reported in the Washington Post of September 29, 1982) who had applied for food stamps 75 times in 23 different States, and had stolen $14,000 worth of stamps from the program. This went on for 2 years before he was finally caught.

Investigators in Chicago in September of 1982 arrested 42 persons for food stamp fraud, and found that 24 of them were Federal employees. All told, these people had stolen $500,000 worth of food stamps. A similar investigation in Indianapolis at the same time resulted in 21 arrests of store owners, not food stamp recipients, who had traded cash for food stamps and turned in the fraudulent stamps in violation of Federal laws.

An investigation in Virginia known as "Operation Sandcrab" turned up 40 arrests of food stamp cheaters who had illegally exchanged the coupons for stereos, cars, guns, drugs, clothes, and other luxuries.

Mr. President, it is impossible to know how many more people have been involved in food stamp fraud and abuse. But the General Accounting Office estimated in its February 1983 report that waste, abuse, and error result in losses approaching $2 billion per year. And it is important to note that those who are most hurt by these abuses are the people who really need food stamps. That is $2 billion that could have gone to families who needed it. For instance, the same GAO report estimates that $500 million

worth of food stamps are underissued; that is, that people were given inadequate amounts based on their entitlements. And the net losses from these errors could have provided food stamp benefits to 1.7 million needy people for 2 years.

The legislation we are introducing today is aimed at solving the real problems that caused these abuses. We must redouble our efforts to catch those who cheat the system, and cheat the poor, but at the same time, I think it is especially important that we solve the institutional problems that allow these abuses to occur.

For example, GAO reported that during 1981, 16,000 cases of recipient fraud were actually adjudicated, but suggests that fraud is much more prevalent than that. New York City in 1981 made almost no investigations of cases involving inaccurate reporting of income or recipient of multiple benefits, and none were ever referred for adjudication. In California the same year, 14,000 potential fraud cases were investigated but only 242 were ever referred for adjudication.

Part of the problem is that States have little incentive for cracking down on these abuses. The Federal Government pays all of the benefits and a substantial share of the administrative costs of the program, and States are not required to pay for errors, so long as the error rate is no more than 10 percent.

But the GAO report lists many other means whereby the States could do a better job of enforcing the food stamp laws. Cross-checking of computer files to determine multiple applications, and to check other income sources is one way States could be more sure that a person really needs food stamps. And the ability to check IRS records to see that a person reports all his income on a food stamp application is another method of reducing this fraud.

The legislation we are introducing will correct these problems. It addresses 16 particular changes in the system designed to give States the tools and the incentives needed to avoid this kind of waste in the future. And if we expect this program to accomplish its intended purpose, we must act on these matters now.

The food stamp program began as an experiment in eight counties in 1961. That experiment, which cost the taxpayers $13 million, served 150,000 people. It blossomed into the food stamp program in 1964 at a cost of $56 million. By 1978 the program had reached literally 100 times its original cost, and this year it is expected that the program will cost $12 billion to operate. And today more than 22 million Americans receive food stamps.

The rapid increases in the cost of this program are hard to justify in these severe economic times. But they are impossible to justify until we address the abuses. I encourage the Senate to act expeditiously on this bill and I commend Senator MCCLURE for his leadership on what I think is among the most important issues of our times.●

By Mr. NUNN (for himself, Mr. MATTINGLY, Mr. BUMPERS, Mr. CHILES, Mr. DECONCINI, Mr. HEFLIN, Mr. HOLLINGS, Mr. HUDDLESTON, Mr. LEVIN, Mr. MOYNIHAN, Mr. RANDOLPH, Mr. ZORINSKY, Mr. D'AMATO, Mr. ABDNOR, Mr. DURENBERGER, Mr. EAST, Mr. GOLDWATER, Mr. HATFIELD, Mr. HELMS, Mr. KASTEN, Mr. LAXALT, Mr. PERCY, Mr. TOWER, Mr. THURMOND, Mr. BOREN, Mr. BENTSEN, and Mr. INOUYE):

S.J. Res. 142. Joint resolution designating the week of October 3 through October 9, 1983, as "National Productivity Improvement Week"; to the Committee on the Judiciary.

NATIONAL PRODUCTIVITY IMPROVEMENT WEEK

● Mr. NUNN. Mr. President, for several years it has been my pleasure to introduce a Senate joint resolution designating a week in October as "National Productivity Improvement Week." Because one of the most important economic issues facing our Nation is the urgent need to gain a better understanding of the crippling effect of declining or stagnating productivity on the economic health of the United States, I am pleased once again to offer this joint resolution on behalf of the American Institute of Industrial Engineers. This resolution calls on the President of the United States to proclaim October 3 through October 9, 1983, as "National Productivity Improvement Week" for 1983.

As you may know, from 1948 to 1978 American productivity grew at a rather steady annual rate of 2.2 percent. However, since 1978, though there have been varying degrees of quarterly increases and decreases, productivity growth has stalled. This is a dangerous situation because the trend to increased wages and salaries without an accompanying increase in productivity leads to more dollars chasing fewer goods and services, which is one of the root causes of inflation. Therefore, it is extremely important that we recognize the need to continually increase productivity in order to help combat the continuing danger of inflation. Such increased productivity would also help remedy our balance of trade problem and increase our national standard of living.

According to the Congressional Research Service, there are at least five factors which contribute to a general slowdown in productivity growth. First, increases in the price of energy over the last decade have caused a shift away from the production of goods using large amounts of energy toward the production of goods using smaller amounts of energy. The type of industries which use smaller amounts of energy tend to have lower rates of productivity growth. Second, increases in the cost of capital over labor have led some industries to favor increases in the use of labor over the use of capital equipment which would have increased productivity. Third, increases in the cost of financing such productivity increasing equipment have discouraged its purchase. Fourth, the advent of less productive younger workers of the baby-boom generation into the work force has decreased productivity. Finally, throughout the decade of the 1970's, increased Government regulations concerning safety and pollution control caused the diversion of capital into equipment to deal with these problems which does not necessarily increase productivity.

We must remember that productivity growth can help to hold down inflation. Besides helping to break the wage-price spiral, it can help to improve the security of American jobs. At a time of such serious unemployment, the retention of American jobs is vitally important. Over the decade of the 1970's it has been estimated that declining U.S competitiveness cost $125 billion in lost production and 2 million lost jobs. This problem, which some refer to as structural unemployment, is directly related to the fact that our foreign competitors have consistently attained average productivity gains much higher than that of the United States.

There are numerous ways in which productivity growth may be encouraged, such as increased rates of capital investment, reduced energy costs, and improved research and development efforts. However, any successful solution to our productivity crisis will require a clearer appreciation of both the serious effects of declining productivity, as well as the potential that a reversal of this trend holds for reducing the threat of a revival of double-digit inflation.

Mr. President, I am therefore pleased to note that once again the American Institute of Industrial Engineers, whose members are actively engaged in management of plant design and engineering, systems engineering, production and quality control, energy conservation, performance and operations standards, and material flow system and operations research, has continued their public information campaign to promote a better understanding of the critical aspects of productivity improvement. Efforts such as these are to be commended and encouraged, and I am pleased to join in the cosponsorship of this joint resolution designating October 3 through 9, 1983 as "National Productivity Im-

provement Week." I am hopeful that the Senate will act expeditiously on this resolution.●

● Mr. D'AMATO. Mr. President, I rise today in support of the resolution introduced by my distinguished colleague from Georgia, Senator NUNN. It is only fitting that we commemorate the week of October 3, 1983, as National Productivity Week.

The Nation has recently endured the worst recession since the Great Depression of the 1930's. However, we are now entering a period of sustained economic growth without runaway inflation. With disinflation, profits can no longer be realized via price hikes. The marketplace will not tolerate higher prices or wages in an environment of declining inflation. Instead the only way to generate larger profits is through productivity savings. Stable prices force a reduction in costs which results in improved income levels.

For the corporation, both large and small, this means streamlining management, reducing labor costs, and purchasing more productive technology. The American worker plays a critical role in this process. If our Nation's industry is to regain its competitive position, improved productivity must occur. For labor, this does not represent only sacrifice. The best way I know to guarantee jobs is to insure that our products are superior from a price and quality viewpoint. Productivity is paramount to accomplishing this goal. Today, as economic activity burgeons, new strides in productivity are being attained. I applaud both management and labor for these gains. Controlling inflation is critical to the continuation of this process. National Productivity Week will highlight the importance efficiency plays in our Nation's economic well-being.●

ADDITIONAL COSPONSORS

S. 269

At the request of Mr. MCCLURE, the name of the Senator from Utah (Mr. HATCH) was added as a cosponsor of S. 269, a bill to provide for the disposal of silver from the national defense stockpile through the issuance of silver coins.

S. 914

At the request of Mr. MCCLURE, the names of the Senator from South Dakota (Mr. ABDNOR), the Senator from Texas (Mr. BENTSEN), the Senator from West Virginia (Mr. BYRD), the Senator from Minnesota (Mr. BOSCHWITZ), the Senator from Kansas (Mr. DOLE), the Senator from Missouri (Mr. EAGLETON), the Senator from Alaska (Mr. MURKOWSKI), and the Senator from Delaware (Mr. ROTH) were added as cosponsors of S. 914, a bill to protect firearms owners' constitutional rights, civil liberties, and rights to privacy.

S. 1256

At the request of Mr. EAGLETON, the name of the Senator from Massachusetts (Mr. KENNEDY) was added as a cosponsor of S. 1256, a bill to authorize special assistance for desegregation activities.

S. 1301

At the request of Mr. HEINZ, the name of the Senator from South Dakota (Mr. PRESSLER) was added as a cosponsor of S. 1301, a bill to amend the Internal Revenue Code of 1954 to allow a credit against tax for expenses incurred in the care of elderly family members.

S. 1302

At the request of Mr. HEINZ, the name of the Senator from Hawaii (Mr. MATSUNAGA) was added as a cosponsor of S. 1302, a bill to amend title XVIII of the Social Security Act with respect to purchase and rentals of durable medical equipment.

S. 1306

At the request of Mr. MATHIAS, the name of the Senator from Indiana (Mr. QUAYLE) was added as a cosponsor of S. 1306, a bill to amend the patent law to restore the term of the patent grant for the period of time that nonpatent regulatory requirements prevent the marketing of a patented product.

S. 1520

At the request of Mr. CRANSTON, the name of the Senator from Maryland (Mr. SARBANES) was added as a cosponsor of S. 1520, a bill to authorize redress payments to certain residents of the United States of Japanese-American, Aleut, or other ancestry who were interned, detained, or forcibly relocated by the United States during World War II, and for other purposes.

S. 1602

At the request of Mr. MCCLURE, the name of the Senator from Iowa (Mr. GRASSLEY) was added as a cosponsor of S. 1602, a bill to amend the Internal Revenue Code of 1954 to provide a partial exclusion for dividends and interest beginning in 1983.

S. 1634

At the request of Mr. WALLOP, the name of the Senator from Utah (Mr. GARN) was added as a cosponsor of S. 1634, a bill to amend the Mineral Lands Leasing Act of 1920 and for other purposes.

S. 1661

At the request of Mr. DOLE, the name of the Senator from Louisiana (Mr. JOHNSTON) was added as a cosponsor of S. 1661, a bill to amend the Internal Revenue Code of 1954 to make technical corrections with respect to the application after 1983 of the percentage depletion allowance to oil and natural gas resulting from secondary or tertiary processes.

S. 1666

At the request of Mr. CHAFEE, the name of the Senator from Wyoming (Mr. SIMPSON) was added as a cosponsor of S. 1666, a bill to amend the Internal Revenue Code of 1954 to reduce the capital gains tax rates for individuals who hold new issues of stock at least 5 years.

SENATE JOINT RESOLUTION 17

At the request of Mr. PRYOR, the name of the Senator from Kansas (Mr. DOLE) was added as a cosponsor of Senate Joint Resolution 17, a joint resolution proposing an amendment to the Constitution to provide for the direct popular election of the President and Vice President of the United States.

SENATE JOINT RESOLUTION 113

At the request of Mr. WILSON, the names of the Senator from Texas (Mr. BENTSEN) and the Senator from Texas (Mr. TOWER) were added as cosponsors of Senate Joint Resolution 113, a joint resolution to provide for the designation of the week beginning June 3 through June 9, 1984, as "National Theater Week."

SENATE JOINT RESOLUTION 121

At the request of Mr. ABDNOR, the name of the Senator from Kansas (Mrs. KASSEBAUM) was added as a cosponsor of Senate Joint Resolution 121, a joint resolution to designate November 1983 as "National Diabetes Month."

SENATE JOINT RESOLUTION 136

At the request of Mr. GLENN, the names of the Senator from Kansas (Mr. DOLE), the Senator from Kentucky (Mr. FORD), and the Senator from New Jersey (Mr. LAUTENBERG) were added as cosponsors of Senate Joint Resolution 136, a joint resolution to recognize "Volunteer Firefighters Recognition Day," as a tribute to the bravery and self-sacrifice of our volunteer firefighters.

SENATE RESOLUTION 130

At the request of Mr. GORTON, the names of the Senator from Arizona (Mr. DECONCINI) and the Senator from Nevada (Mr. LAXALT) were added as cosponsors of Senate Resolution 130, a resolution expressing the sense of the Senate that the President should award the Presidential Medal of Freedom to Barney Clark, to be presented to his family in his memory.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. McCLURE. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet during the session of the Senate on Tuesday, August 2, to meet in execu-

tive session to consider pending calendar business.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON ENERGY, NUCLEAR PROLIFERATION AND GOVERNMENT PROCESSES

Mr. BAKER. Mr. President, I ask unanimous consent that the Subcommittee on Energy, Nuclear Proliferation and Government Processes of the Committee on Governmental Affairs be authorized to meet during the session of the Senate on Wednesday, August 3, to hold an oversight hearing on the collection of criminal fines.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. BAKER. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet in closed session during the session of the Senate on Wednesday, August 3, to receive a briefing on intelligence matters.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

TRIBUTE TO MSGR. WILLIAM T. MURPHY

● Mr. MOYNIHAN. Mr. President, I rise today to pay tribute to a distinguished member of New York's clergy, Msgr. William T. Murphy, associate pastor of St. Catharine's Church. This past month Monsignor Murphy celebrated the 50th anniversary of his ordination. A splendid accomplishment indeed.

Recently, the Pelham Sun printed a front page article outlining Monsignor Murphy's distinguished career. I would like to share that article with my colleagues and ask that it be printed in the RECORD.

The article follows:

MONSIGNOR MURPHY IS 50 YEARS A PRIEST

Monsignor William T. Murphy, associate pastor of St. Catharine's Church, celebrated 50 years in the priesthood recently. His response to congratulations is "Incredible!"

He was ordained at St. Patrick's Cathederal on June 10, 1933, by Patrick Cardinal Hayes. Parishioners of St. Catharine's Church celebrated on June 19, due to earlier parchial and school concerns.

Born in Greenwich Village, Manhattan, Msgr. Murphy attended parochial schools and graduated from St. Joseph's Seminary in Yonkers. His first assignment was St. Joseph's Church in Middletown, New York, where he served for three years. He has a distinct memory of each succeeding assignment, seven in all, but insists that no special memories stand out. It has been just day by day parochial duties: Masses, preaching, administering sacraments, hearing confessions.

Within one exception: during World War II, a new church, "A different kind of church", Our Lady of Victory, ministering to business people in the Wall Street area of Manhattan, was built during Father Murphy's pastorate, which extended from 1944-47. It still stands, and is doing fine, he says, with just a hint of pride. Its founding and construction received wide coverage at the time, as any one who lived in New York City at the time well remembers.

Made a Monsignor in 1966, while pastor of St. Joseph's Church in New Windsor, N.Y., Father Murphy was assigned to St. Gabriel's in New Rochelle in 1969, where he remained until 1975. In 1976, he came to Pelham which he loves.

He says Pelham is beautiful the people wonderful, "very much like my first parish". St. Catharine's parish is "like a huge family. That's the influence of Msgr. Philip Murphy". He very much enjoys working with Msgr. Philip Murphy and the other priests, Father Butler, who has been at St. Catharine's for 23 years and Msgr. Darcy, the apostolate for deaf and speech disabled for this area, in residence in Pelham.

The necessity of closing St. Catharine's School is heartbreaking to Msgr. Murphy, but he is glad there are other parochial schools nearby.

Fifty years of "parochial duties" means fifty years of ministering to human needs. While he is required to retire this year upon reaching the age of 75, Msgr. Murphy says that he will be permitted to continue his duties so long as he wishes to do so and is able. And he finds that very fortunate.●

RESTORING MOST-FAVORED-NATION STATUS TO POLAND

● Mr. EAST. Mr. President, it is my understanding that there are continuing discussions within the Department of State and the Office of the U.S. Trade Representative of restoring most-favored-nation status to Poland. Dr. Magnus J. Krynski of Duke University, in a recent letter to Mr. Frederick Montgomery of the Trade Representative's Office, argues forcefully and knowledgeably against such restoration. I believe Dr. Krynski's arguments are compelling, and I recommend that my colleagues consider them seriously. I ask that Dr. Krynski's letter be printed in full in the CONGRESSIONAL RECORD.

The letter follows:

POMOST,
SOCIO-POLITICAL MOVEMENT,
Durham, N.C., May 30, 1983.

MR. FREDERICK MONTGOMERY,
Chairman, Trade Policy Staff Committee, Office of the U.S. Trade Representative, Washington, D.C.

DEAR MR. MONTGOMERY: Mr. Christopher Rac, Coordinator of the Executive Committee of POMOST, A Polish-American organization with headquarters in Chicago, Illinois, and branches in fifteen other states, asked me to write to you in connection with the memorandum addressed to your office some time ago by Mr. Mitchell Kobelinski. We know of Mr. Kobelinski's memorandum, in which he argued the case for the restoration of the Most Favored Nation status to Poland from *Kurier Polski i Polonijny* of March 1983 (No. 1), which printed a lengthy summary of his arguments.

Mr. Kobelinski's memorandum is intellectually unconvincing and his views run counter to the majority opinion of Polish Americans. Why then is it necessary to reply to his memorandum? Mr. Kobelinski is a former director of the U.S. Import-Export Bank and a former director of the U.S. Small Business Administration. His successful career in the past should not obscure the fact that his present argumentation is unsound and that his advocacy of economic collaboration with the unpalatable Jaruzelski regime is generally rejected by the Polish-American community as morally ambiguous.

Before dealing with the specifics of Mr. Kobelinski's memorandum, a brief comment on the major Polish-American organizations and their attitudes is necessary.

Virtually all the major Polish-American organizations strongly support all the sanctions in force at the present moment. In fact, many Polish Americans feel that the sanctions do not go far enough. POMOST, the largest and fastest-growing pro-Solidarity organization, is strongly in favor of sanctions. Other major pro-Solidarity organizations, such as the Committees in Support of Solidarity of New York and Philadelphia, Support of Solidarity of Boston, and Solidarity International of Connecticut and New York, also favor sanctions. I speak of these matters from firsthand knowledge as POMOST's liaison officer to our fraternal pro-Solidarity organizations in the Northeast. I can also say with authority, as a member of the Board of Directors of the Polish Institute of Arts and Sciences in New York (the prestigious organization of academicians, writers, and artists) that the Polish-American intellectual community also backs the sanctions. Finally, even the Polish American Congress, the organization which represents older generations of Polish Americans and is perhaps least responsive to issues of foreign policy, is also officially strongly on record as supporting sanctions. This is of utmost importance, since Mr. Kobelinski is a former chairman of the Illinois Division of the Polish American Congress, and a false impression might have been created that he represents the views of the PAC. The fact is that Mr. Kobelinski's views are not at all representative of any substantial segment of the Polish-American community. Mr. Kobelinski is the President of the Kore International Trade and Investment Company, which is interested in trade with Poland. His views are more likely than not a reflection of the economic interests of that company.

Let me respond now, point by point, to Mr. Kobelinski's arguments:

1. *Kobelinski:* The United States has in the past maintained economic relations with socialist countries the political systems of which it does not approve. By revoking the Most Favored Nation status from socialist Poland, the U.S. is guilty of a double standard.

Response: The MFN status is based on good behavior. East Germany, Czechoslovakia, and the Soviet Union were never granted MFN status; Romania recently lost it for a transgression that is relatively minor compared to all the violations of Polish and international laws perpetrated by the Jaruzelski junta. Here are some of these violations. The Jaruzelski regime violated the decision of the Polish Supreme Court, which legalized Solidarity; it proclaimed Martial Law in contravention of the Polish Constitution, and it also violated many international agreements, statutes, and conventions, in particular those of the Helsinki Final Accord, the International Labor Organization, and the United Nations. Since the onset of Martial Law more than fifty people have been killed or tortured to death in

street demonstrations, prisons, and police stations. Water cannon, concussion grenades, tear gas, and truncheons are regularly used against peaceful demonstrators. Some of the former Solidarity activists are abducted from the streets and factory floors and pressed into penal military battalions, while others are forced, through threats and physical violence, to leave Poland. All the major professional and artistic organizations have been dissolved or indefinitely suspended, and many of their members have lost their positions. A show trial resembling Moscow trials of the 1930s is being prepared against five intellectuals of the Committee for Workers' Defense and seven Solidarity Union leaders. The regime is poisoning the atmosphere of public life by adopting a policy of "divide and conquer." It tries to set farmers against workers, workers against intellectuals, Catholics against Jews, "radical" priests against "reasonable" bishops.

Can anyone in his right mind seriously suggest, as Mr. Kobelinski apparently does, that this grotesque regime, which combines in a bizarre manner many of the worst features of Stalinism, Nazism, and Prussian militarism, should deserve privileged treatment by the United States Government?

2. *Kobelinski:* The U.S., by applying sanctions and embargoes, is losing its credibility as a trading partner.

Response: Mr. Kobelinski defines credibility in a very narrow sense, in terms of trading credibility only. We believe that political credibility is more important, that there are larger interests than just the narrow economic ones. The case for trade with the East has always been argued on the basis of leverage; if we are not going to use this leverage, there is no longer any justification for trading. Besides, the U.S. should not be concerned about its reputation as a trading partner in the eyes of the regime that the President of the United States in an apt, if somewhat understated phrase, described as a "bunch of no good lousy bums."

3. *Kobelinski:* Poland was one country with which the U.S. had a favorable trade balance.

Response: This is not a serious consideration, since the amount of trade was rather insignificant. Besides, we do not believe that trade with the Soviet bloc should be used to solve the economic difficulties of the West, such as recession, unemployment, and balance of trade. Other ways need to be found to handle these problems. In this, I believe, Polish Americans are totally in agreement with the policies of the present Administration which is trying to persuade our NATO allies to adopt a similar stance.

4. *Kobelinski:* The Jaruzelski government is liberal, and this is exemplified by the fact that 85 percent of agriculture is in private hands and Jaruzelski is doing everything in his power to offer inducements to peasants to increase their production.

Response: Polish agriculture has been in private hands since 1956 and this fact has nothing to do with any liberalism on the part of the present government. In fact, the past two governments also courted the peasants, only to crack down on them later on. Jaruzelski seems to be repeating this pattern; he has recently levied a crippling new tax on farmers.

5. *Kobelinski:* The Jaruzelski government is sincerely engaged in reforms aimed at the decentralization of the economy, and it should be helped by the West to achieve this goal.

Response: The decentralization plans have already met with serious resistance at the local level by vested interests and are not likely to be implemented. The nation's leading economists are in internment camps and prisons now, but even Jaruzelski's economists agree that the economy is at present in a much worse state than it was before the introduction of Martial Law and they have ceased quoting statistics. The downward spiral of the Polish economy continues, and practically everyone agrees that its end is nowhere in sight. One Communist journalist recently stated that Poland would be well-advised to apply for the status of a Third World country, so that it would be able to receive more loans and credits.

6. *Kobelinski:* If the U.S. does not rescind sanctions Poland will not be able to pay its debt to the U.S.

Response: It is obvious to everyone that Poland is actually in default and will never be able to repay its debts. A recent article in *Forbes* magazine mentioned that the IMF is "giving nightly thanks" for the fact that Poland is not one of its members. Jaruzelski has unilaterally proclaimed Poland in default by suspending payments on the interest. Everyone realizes that the Commodity Credit Corporation is making payments to American bankers from taxpayers' money as part of a charade to help our imprudent bankers with their bookkeeping. Polish Americans believe that those payments should be stopped and Poland declared in default. The Polish Communists were not paying the debt when they had MFN status, and they are not paying it now. Furthermore, they were always cynical about their obligations and never intended to pay. In support of this argument, I refer you to the excellent piece by John Van Meer in *Commentary* (December 1982, pp. 18-19). Mr. Kobelinski uses the argument that the Poles may repay the debt simply to appeal to Western public opinion.

7. *Kobelinski:* Sanctions hurt the average Pole by limiting the quantity of goods on the market.

Response: The Polish people firmly support sanctions and are enthusiastic pro-Reaganites. The Poles are aware that even if they may be hurt economically, so will be the regime, and they take a long historical view that the present repressive regime should not be aided if one expects any reversal of policy.

Besides, it is highly debatable that the regime would put any goods on the market which would benefit the average citizen. The Government spokesman, Jerzy Urban, has cynically declared that the Government "will always have enough food for themselves." Polish consumer items, totally unavailable in Poland, are being sold in New York City, and consumer goods that come to Poland as gifts from the West are often used as an instrument of political control. There have been recorded cases of relief food from Germany going to the ZOMO police. Therefore, the argument that trade with Poland will improve the plight of the average Pole is specious.

Mr. Kobelinski is factually correct in only one section of this memorandum. It is true that the Polish regime has called upon Polish-American businessmen to establish private enterprises in Poland, and it is also true that some businessmen responded to the invitation. There is no question that for the next few months or years there will be oportunities in Poland for shortsighted petty entrepreneurs to profit from the collapse of the Polish economy. If, however, the previous pattern of treating private business in Poland is repeated, the entrepreneurs will eventually be forced out of business by heavy taxation and a full array of bureaucratic harassments. The final plight of those who choose to traffic with the Martial Law regime is of no concern to POMOST. POMOST's main concern, however, is to expose Mr. Kobelinski's elaborate structure of economic and political rationalizations for what it really is—a smoke screen to conceal the desire of a handful of businessmen for immediate financial profit.

To summarize: Sanctions, even though they do not go far enough, are effective, as evidenced by the savage anti-American and anti-Reagan campaign of vilification unleashed by the Jaruzelski regime. The people of Poland overwhelmingly support the retention of sanctions. Sanctions also have a psychological and symbolic dimension: they reassure the Polish people that their struggle is not forgotten and that the world's greatest democracy, the United States of America, is on their side.

The spirit of resistance in Poland remains strong. The influence of Solidarity's ideals continues unabated in Poland and beyond its borders—in Hungary and even in distant Cuba. The U.S. should support the great Polish rebellion against totalitarianism not only because of the obvious legitimacy of the Poles' struggle for democracy and human rights. It is in the national interest on the U.S. to support movements that will weaken and destabilize totalitarian Communist regimes world-wide. President Reagan, in his superb speech to the British Parliament, announced the formation of the American Political Foundation for the purpose of helping create pluralistic and democratic movements in the Third World and in the Communist bloc. In Poland the U.S. does not need to teach the people the rudiments of democracy and trade unionism; a highly sophisticated movement of pluralistic democracy is already in existence there. Supporting this movement will be in keeping with this Administration's avowed intention to assume the ideological offensive in our conflict with the U.S.S.R. We can think of no easier, more natural, and least costly way of implementing the President's policy of supporting the emergence of pluralistic democracies abroad than the retention of the present sanctions against Poland.

Such a policy will have the enthusiastic support of POMOST, of other pro-Solidarity groups, and of the vast majority of the Polish-American community. Polish Americans have been concerned with the "Carterization" of U.S. foreign policy, with its constant shifts and vacillations. We had high hopes of the Reagan Administration, and by and large we have not been disappointed. We continue to hope that in President Reagan's second term the firm and long-range policy of linking trade to the Communist block's behavior world-wide will be applied consistently. The premature removal of sanctions would be a bitter disappointment to Polish Americans; we would regard it as an abandonment, for no valid reason, of a superb movement which is shaking the foundations of the Soviet Empire.

The situation in Poland is highly unpredictable. Mieczyslaw Rakowski, the Deputy Premier, announced a few days ago that Martial Law may last several years. At about the same time two Soviet journals attacked him as "a dangerous liberal"—proof that Jaruzelski's superiors in Moscow are not quite satisfied with his performance of repression. The Jaruzelski junta may still be replaced by a regime that is even harsher, and the possibility of direct Soviet invasion

cannot be precluded. Under these volatile circumstances the question of lifting sanctions, even the discussion of the topic, POMOST firmly firmly believes should be taken off the agenda of U.S. foreign and trade policy for a good many years—pressures from our Western Allies and Mr. Kobelinski and his cohorts notwithstanding.

POMOST strongly believes that U.S. foreign and trade policies should be conducted on the basis of the national interest of the U.S., and not in response to pressures from a handful of businessmen who represent only their own interests.

Respectfully,

MAGNUS J. KRYNSKI,
Chairman, Department of Slavic Literatures, Duke University and POMOST's North Carolina Representative.●

TRIBUTE TO ATTORNEY JOHN DAY BRIGGS

● Mr. MOYNIHAN. Mr. President, I would like to pay tribute today to a distinguished citizen who has served his community diligently and well.

On Friday September 23, 1983, the Washington County Democratic Committee will be honoring John Day Briggs with a testimonial dinner-dance. I would like to add my appreciation to theirs and share with the Senate some of the outstanding positions Mr. Briggs has held.

John Day Briggs has served in many posts in his lifetime. He has served Washington County, N.Y., as a supervisor, tax attorney, county attorney, compensation attorney, district attorney, and county judge. And he has served in each of these positions with great distinction. Many consider him to be the senior statesman of the county.

But more than anything else, John Day Briggs is a dedicated public servant. The plethora of positions he has held testifies to his dedication to the well-being of the citizens of Washington County. And, in this era of public apathy and indifference, men such as John Day Briggs are rare indeed and deserving of our gratitude.●

POLISH NATIONAL DAY

● Mr. MURKOWSKI. Mr. President, hitherto when I have spoken in this Chamber on the subject of Poland, it has been with the aim of chastising the Polish Communist regime and its Russian overlords.

This day, of all days, should give me ample opportunity to complain most stridently. July 22—called Poland's National Day—commemorates the adoption of the Soviet Constitution which transformed the democratic republic of Poland into the socialist Polish People's Republic. Hardly an event any of us here, nor indeed the vast majority of the Polish people, would like to celebrate.

But of course the Polish Communist authorities will try to use the day to divert the attention of the people. They call this the National Day—a euphemism I suppose for Conquest Day—and try to amuse the Polish people with anecdotes of their subordination to their traditional Russian enemies.

Mr. President, it would perhaps have been preferable to ignore this day as an illegitimate holiday. But better that we take a moment to remember the good that is Poland—its people, its natural resources, its history of courage and fierce independence.

Poland, with 36 million people, is second in area and population only to the Soviet Union in Eastern Europe. It has huge coal and gas reserves, and is a source of copper and sulfur. But Poland also is in serious debt. It owes the United States about $3 billion, and has a total foreign debt of $26 billion.

Poland is therefore not just depressed politically; it is depressed economically.

Yet the people who poured into the streets by the thousands to celebrate Solidarity Day, and by the millions to greet the Pope, did not appear depressed. Angry, yes. Cautious, perhaps. But the fear of reprisals did not seem to deter them. They remember past freedom and fight on, no matter what the consequences. They are like George Bernard Shaw's prisoner, who, when he sees the door of his dungeon open, dashes for it without stopping to think where, or whether, he will get his dinner outside.

Mr. President, on this sad anniversary I congratulate the Polish people for their perseverence in remembering other, more authentic, national days.●

TRIBUTE TO DETECTIVES SALVATORE PASTORELLA AND ANTHONY SENFT AND TO POLICE OFFICER ROCCO PASCARELLA

● Mr. MOYNIHAN. Mr. President, I would like to call to the attention of my colleagues the valiant acts of three members of the New York City Police Department. On January 1, 1983, Detectives Salvatore Pastorella and Anthony Senft, and Police Officer Rocco Pascarella sacrificed personal security to serve the citizens of New York City. These three policemen performed beyond the call of duty. To say that their actions were heroic is to understate their selflessness.

On that night, these three officers were faced with a crime of the worst kind—indiscriminate terrorism. They were called upon to remove a bomb placed by terrorists of the FALN, and, while attempting to remove the device, it detonated, maiming them for life.

Terrorist actions of this kind represent the worst form of cowardice. They attempt to destroy the very fabric of Democratic society, jeopardizing innocent lives. The very weakness of the act is made painfully clear when compared to the strength and bravery of these three officers. They were willing to lay their own lives on the line for what they believed in, while the terrorists were only willing to risk the lives of others.

To Rocco Pascarella, Salvatore R. Pastorella, and Anthony S. Senft our hearts and prayers go out for a healthy recovery and a happy life. Take pride in the knowledge of your great importance to our society. You men will serve as an inspiration for all of us who know of your brave deeds. May we all be as dedicated in our public service as you three men were courageous in your duties on the police force. You have given the citizens of New York yet another reason to take pride in their New York City Police.●

VOLUNTEER FIREMAN RECOGNITION DAY

● Mr. LAUTENBERG. Mr. President, it is with pleasure that I join Senator GLENN as a cosponsor of his resolution designating August 20 as "Volunteer Fireman Recognition Day." Volunteer firemen across the Nation perform a dangerous and essential duty; a duty which deserves the honor of all Americans. As Senator GLENN has pointed out, in 1982, 68 volunteer firemen lost their lives and 337 have died over the last 5 years.

In New Jersey there are some 60,000 volunteer firefighters who work in 1,200 separate departments. These firemen, like their colleagues around the country, serve their communities and fellow citizens in a brave and unselfish manner. I am indeed honored to designate a day in their honor.●

TRIBUTE TO HENRY URBAN, THE PEOPLE'S PUBLISHER

● Mr. MOYNIHAN. Mr. President, I rise today to pay tribute to Henry Urban, the recently retired publisher and president of Buffalo News. Known to many as the "People's Publisher," Henry Urban built his reputation on his concern for the integrity of The Buffalo News and its readers. Never distancing himself from the day-to-day operations, he maintained a constant oversight, walking the floors and proofreading the copy, making sure that his readers would not be annoyed by typographical mistakes.

Mr. President, on June 20, 1983, The Buffalo News printed an article which described Henry Urban and his career quite well. I ask that it be included in the RECORD.

The article follows:

HENRY URBAN RETIRES; GUIDED THE NEWS AS "PEOPLE'S PUBLISHER"

Every worked day during three decades at The News, Henry Z. Urban's homeward trip has taken him through the intersection of Delaware Avenue and Ferry Street.

"Every time I have driven by, I looked up at the window, the one in the room where I was born," he says. Then he adds, "I didn't get very far in life."

The man who is retiring today as president and publisher of The News has come a long way, his self-deprecating remarks to the contrary. A large part of his waking hours for 30 years has been devoted to The News and it has been a period of change and transition.

Through it all, Mr. Urban, a man whose roots are deep in Buffalo, has helped keep up The News tradition of close identification with the community. He is confident it is a tradition that will continue.

Joining The News in 1953, Mr. Urban served from 1957 to 1962 as assistant business manager and from 1962 to 1971 as business manager and assistant treasurer.

In 1971 he became treasurer, business manager and corporate director. In 1974 the board of directors named him president and publisher.

He quickly earned the title of the "people's publisher," a man who listened carefully to the concerns of readers and did something about them. Knowing that readers are always annoyed at typographical errors, he daily carefully scoured the first edition for errors. When he spotted one, he was on the phone immediately to the production officer.

Rather than view operations from an "ivory tower" office, he became a familiar figure around The News plant. During the Blizzard of '77, he ate fench fries for breakfast along with other marooned employees. He also had to make painful decisions about a Friday press run that couldn't be delivered by trucks, blocked by snow drifts.

Ultimately, the trucks delivered both the Friday and Saturday News, Mr. Urban himself delivered some of them to the homes in his neighborhood.

The 30-year period was marked by the death in 1956 of Edward H. Butler Jr., son of The News founder and its second proprietor, and the move from the News building of nearly a century at Main and Seneca streets to a new headquarters at Scott and Washington streets.

After Mr. Butler's death, Mr. Urban worked closely with James H. Righter, publisher from 1955 to his retirement in 1971, and with the widow of Mr. Butler, Kate R. Butler, when she assumed the task of publisher from 1971 until her death in 1974.

Mr. Urban was editor and publisher when The News was purchased in 1977 by Warren E. Buffett of Omaha, Neb.

Mr. Urban comments, "The News is an institution of great integrity that identifies with the community and with its employees. Mr. Buffett has wanted that continued in the Butler tradition."

One of Mr. Buffett's early decisions was to return to the oldest of all News traditions, a Sunday morning paper.

It was typical of Mr. Urban's dedication that, with the start of the new Sunday paper in November 1977, he came to the plant about 11:30 every Saturday night and toured production facilities, checking on the progress of work and chatting with employees.

Mr. Urban and his wife, Ruth DeMoss Wickwire Urban or "Dolly," intend to stay in Buffalo.

"It's home to us and we like it," he explains. "The best is yet to come for this city."

The retiring publisher is planning ahead only six months. He wants to catch up on his reading and do some traveling. That will include an annual tradition of 25 years—a summer stay at Nantucket—and visits to Leesburg, Va., to visit daughter Ruth "Robbie" Smith; to Troy to see another daughter, Florence "Sony" Hunn, and New York City to see a son, Ward A., who is with the Bank of New York.

Another son, Henry Z. Jr., stayed in Buffalo where he is associated with the Manufacturers & Traders Trust Co.

The Urbans also are proud of two grandchildren.

"We're city people," Mr. Urban says about his wife and himself. "That's strange, too, because I'm a descendant of farmers."

He is the grandson of George P. Urban, who came to Western New York from Germany to found the Urban Milling Co. and play a role in the early use of electricity as head of the Cataract Power and Conduit Co.

His mother was Emma Winspear, whose family got here in 1836, six years ahead of the Urbans. The Winspear farm was at Doat Street and Pine Ridge Road where Villa Maria College now stands.

Henry Urban's father, George, had a stable of thoroughbred horses on his Cheektowaga farm. The son remembers taking them to a half-mile track along Harlem Road to exercise them.

The Urban trotting horses raced those from stables of Seymour H. Knor and Chauncy U. Hamlin. A few gentlemanly wagers were made along the rails of the Hamburg track. In the winter horses were hitched to cutters for races over the snow from Symphony Circle northward along Richmond Avenue.

Henry Urban was playing polo at the Knor home in East Aurora. ("I wasn't very good," he says.)

He can look out windows of The News building and see the destroyer, the USS *Sullivan*, in the Buffalo Naval Park. It was the ship that came to the rescue of the shot-up USS *Canberra*, the World War II cruiser on which Mr. Urban was a gunnery lieutenant. Mr. Urban entered naval service upon graduation from Yale University in 1943.

He's a trim 6 feet, one inch—testimony to an active life that included occasional golf, calisthenics and gardening.

Ahead of him is a self-imposed deadline.

"At the end of the year, I'll review things to see if I enjoy loafing. It could be that I'll get back into a few things after that."

Mr. Urban remarks in mock frustration. "Getting out of this office is more difficult than getting into it. I expect I'll be here July 1 cleaning out my desk."

But he is happy about his successor Stanford Lipsey, who is moving up from vice chairman to president and publisher.

"Working with Stan has been a pleasure," Mr. Urban says, "We have made a smooth transition."

After lifetime of community service, it's unlikely that either Mr. or Mrs. Urban will be idle. He has developed himself to many community fund-raising drives.

Mrs. Urban, whose family was in the forefront of the state's steel industry, has been chairman of the Board of Managers of Children's Hospital and will cap 19 years of service as an honorary member. She also was active on the Buffalo General Hospital Junior Board.

Mr. Urban doesn't want to drop out of his community activities, but he admits he'd like a little vacation from them.

He will continue as a director of The News.

The News Executive Committee today honored Mr. Urban at a luncheon in the Buffalo Club.●

COOPER INDUSTRIES DONATION

● Mr. MURKOWSKI. Mr. President, I shall insert in the RECORD a letter from President Reagan to the president of Cooper Industries, a Texas-based company.

The letter expresses the President's pleasure and pride in Cooper Industries' donation of 10,000 acres of beautiful wilderness to the Wrangell-St. Elias National Park and Preserve in Alaska.

The 10,000 acres constitute about 500 mining claims—nearly a third of all the mining claims in the park—which Cooper acquired in 1981. The claims lie in the Chitistone Canyon, an area particularly noted for its spectacular scenery.

Wrangell-St. Elias National Park, with its 12 million acres, is the largest park in the United States. It is famous for its glaciers, its wild rivers, its abundant wildlife and its great mountains. The Cooper donation is situated in the heart of the park. It will make a magnificent addition.

Since Cooper is primarily a manufacturing company and has not been involved in minerals development, it was decided to divest inself of the mining claims. But to the company's credit and to our lasting benefit, Cooper, decided not to sell, but to donate its land to the national park system. In celebration of its 50th anniversary, their donation is the single largest corporate gift of land to the Park Service.

I want to commend the leadership of Cooper Industries in making this unprecedented gift to the United States. The people of the United States are receiving a great gift.

This is an area that should be available for many activities, and the donation by Cooper Industries will insure that the lands will be available for generations to come. I should like to note in passing that by this action the development of a potentially world-class deposit of strategic minerals will go undeveloped. Unfortunately, the problems Cooper faced in developing the claims serves to illustrate how difficult it is to bring into production mineral finds in remote parts of Alaska.

As Secretary Watt noted so eloquently:

Cooper has provided an outstanding example of the kind of private initiatives that are needed to assure the protection of prime park resources without always drawing on the financial resources of the Federal Government.

The material follows:

THE WHITE HOUSE,
Washington, D.C., June 1, 1983.

MR. ROBERT CIZIK,
President,
Cooper Industries,
Houston, Tex.

DEAR MR. CIZIK: I am pleased to send you this personal note of thanks for Cooper Industries' fine gift of 10,000 acres of prime Alaska wilderness for inclusion in the National Park System.

This splendid addition to Wrangell-St. Elias National Park and Preserve greatly enriches the public estate and constitutes the single largest corporate gift of land to the National Park Service. By choosing to donate rather than develop this land, you have demonstrated how concerned corporations can make lasting contributions to this nation's environmental well-being.

Again, my personal thanks and praise for this wonderful gift to the American people.

Sincerely,

RONALD REAGAN.

[News release]

DEPARTMENT OF THE INTERIOR,
NATIONAL PARK SERVICE,
For Release June 1, 1983.

COOPER INDUSTRIES DONATION IN ALASKA IS LARGEST IN PARK SERVICE HISTORY

Cooper Industries, a Texas-based manufacturing company, today donated more than 500 mining claims in the Wrangell-St. Elias National Park and Preserve, Alaska, to the Federal government.

The claims, representing nearly ⅓ of the claims in the park and covering approximately 10,000 acres, constitute the largest donation ever made by a commercial concern to the National Park System.

Interior Secretary James Watt accepted the gift on behalf of the government and noted that "Cooper has provided an outstanding example of the kind of private initiatives that are needed to assure the protection of prime park resources without always drawing on the financial resources of the Federal government."

Secretary Watt added that "it is a great pleasure to recognize Cooper Industries' generosity which so clearly shows the public interests of the business community."

Wrangell-St. Elias National Park and Preserve is the largest in the United States and is renowned for its sweeping scenic vistas, mountain peaks of up to 18,000 feet, huge glaciers, remote valleys, wild rivers, and magnificent wildlife. The Cooper donation is located in the heart of this vast park on the border with Canada.

In making the donation, Alan E. Riedel, Senior Vice President of Cooper Industries, said, "Cooper is a manufacturing company, and not in minerals development. This area is very wild and has spectacular mountain and valley scenery. There is abundant wildlife—the famous Dahl sheep, wolves, moose and bear. We thought we might sell it; however, being our 150th anniversary, at the request of the National Park Service we decided to make a gift of the land to the American people."

The area donated is about 15 miles east of McCarthy in the park's Chitistone Canyon area, which is particularly noted for its rugged beauty. The claims are on both sides of the Chitistone River.

Cooper acquired the property in question when it acquired the Belden Corporation of Illinois in 1981. The company's headquarters is in Houston, Texas.●

THANK YOU TO SUMMER INTERNS

● Mr. MOYNIHAN. Mr. President, each summer my office and the office of my colleagues is filled with interns. Highly motivated and eager to learn, they come to Washington for a variety of reasons. Some are interested in a career in Government and use their internship to help themselves decide if they have made the correct career choice. For others, an internship is an opportunity to augment their studies at school. They are afforded time to study Washington in Washington, instead of from a classroom.

Whatever their reasons for coming to Washington, their presence is much appreciated. Whether performing tedious tasks or interesting research, they are essential to the smooth functioning of the office.

My office has 11 interns this summer, all of whom have proven invaluable in one way or another. I would like to thank Julio Batista, Ruth Bard, Harold Bordwin, Tharon Cooke, Brian McKeon, Mary Phillips, Daniel Paris, Richard Palmer, David Schanzer, Victoria Schwartz, and Christine Scott for the fine work they have all done. It has been my pleasure to have you working here in my office. I hope that you have all benefited from your summer here and would like to wish you the best of luck.●

PERSECUTION IN CENTRAL AMERICA

● Mr. GRASSLEY. Mr. President, since the Sandinista revolution in 1979, the entire fabric of Nicaraguan society has been altered. We know full well the economic and military changes, and have more recently become aware of the persecution of labor leaders, journalists and Miskito Indians. I should like to bring to the Senate's attention the situation of Nicaragua's Jewish community.

I should say "former Jewish community," as they have been forced into exile from Nicaragua since the revolution. Their story is important for a number of reasons. First, the harassment and expulsion of a religious minority from any country is a gross violation of human rights, which the United States must deplore. Furthermore, their plight is the result of longstanding ties between the Sandinistas and the Palestine Liberation Organization. Such ties exist also between the PLO and revolutionary groups in many other Central and Latin American countries. We are all aware that the PLO receives a great deal of its support from the Soviet Union. It should be noted here that the Soviets are currently conducting their own intensive campaign of anti-Semitism. Finally, those Central and Latin American countries all have politically vulnerable Jewish communities, who stand to receive similar treatment at the hands of leftwing revolutionaries in league with the PLO.

Without some expression of outrage over the expulsion of the Jews of Nicaragua, and some understanding of the conditions and forces leading to it, the Jews of El Salvador may well become the next case in point.

Yasser Arafat, himself, proclaimed:

It was disgraceful of Reagan to call us terrorists. We are a great revolution that can never be intimidated. We have connections with all revolutionary movements throughout the world, in Salvador, in Nicaragua—and I reiterate Salvador—and elsewhere in the world.

It has been said by some in this country that the situation in Nicaragua is the result simply of Sandinista anticapitalism, not including Sandinista anti-Semitism. This is a simplistic reading of recent history and shows ignorance of the Sandinista method of operation.

The Sandinistas claim their economic plan includes a mixture of capitalism and socialism, and they have, in fact, left some industries in the hands of their owners. Some of these owners are Catholic, some are Arab, some are of European extraction. There is evidence that the only Nicaraguan businessmen who have been put out of business as a group are the Jewish ones. They were not all involved in the same industry; they did not all have the same degree of wealth; they did not all employ the same number of people. There was no logical economic reason to confiscate all of the Jewish businesses. Their only common denominator was the religion of their owners. This is anti-Semitism in a pure form.

Where did it come from? The Jews of Nicaragua had lived there peacefully for nearly a century. Its roots are in the support given to Israel by the previous governments of Nicaragua, and reinforced by arms, training and money given to the revolutionaries of Nicaragua by the Cubans, the PLO and by radical Arab States.

This was confirmed recently by Sandinista defector Miguel Bolanos. Bolanos was commander of a guerrilla unit during the revolution, and an officer in Sandinista counterintelligence until his defection this year. He said:

There is no problem now; there are no Jews. They (the Sandinistas) ruined their churches and took their land and their stores. Then they told them to leave . . . Our solidarity with the PLO was more important then anything we had with Jews or Israel.

That solidarity goes back a long time. In 1968, the Sandinistas and the PLO met in Mexico City, resulting in 52 Nicaraguans going to Lebanon and Algeria for training.

In 1970, Sandinistas participated in the PLO uprising against King Hus-

sein of Jordan, and an attempted hijacking of an Israeli airliner.

In 1978, in a public statement, the Sandinistas and the Marxist Democratic Front for the Liberation of Palestine emphasized "the bonds of solidarity which exist between the two revolutionary organizations" and condemned U.S. support for Israel and Nicaragua.

Later that year, the Sandinistas firebombed the entrance of the Managua Synagogue during Sabbath services. It was, perhaps, the first incident in which the Nicaraguan Jews felt the direct effect of an alliance committed to the overthrow of Somoza and the destruction of Israel. It was certainly not the last.

Common graffitti in Managua read, "Israel, Jews and Somoza—the same thing."

After the revolution, the Sandinistas signed a government-to-government agreement with the PLO. The PLO opened an Embassy in Managua and loaned the Sandinistas 6 million British pounds.

On the first anniversary of the revolution, Yasser Arafat was hailed in Managua by Interior Minister Thomas Borge, who told him:

> We say to our brother Arafat that Nicaragua is his land and the PLO cause is the cause of the Sandinistas.

Later, the PLO supplied advisors, technicians, pilots and trainers to the Sandinistas. This followed tons of arms and ammunition supplied by the PLO through Lebanon during the revolution.

Following the revolution, the Sandinistas confiscated the Synagogue of Managua, claiming it was the personal property of a prominent Jewish citizen. This was despite the fact that the deed, properly recorded, showed the building to belong to the Nicaraguan Jewish community, and to no individual. The building is currently a Sandinista office building, covered with anti-Zionist posters. The Sandinistas now say they will consider reviewing the Jewish community's claim to the building and reestablishing it as a house of worship. However, in a country with no Jews, this is cynicism of the highest order.

Where did this unholy alliance come from? How do revolutionaries from the Middle East find those of Central America? Who is the mediator? Revolution today is not an isolated phenomenon. Terrorists from around the globe meet and coordinate their arms, training, activities and ideologies. Castro, Arafat and the Sandinistas are entirely public about their international commitment to assisting people in revolution. And the chief exporter of liberationist philosophy and the means to succeed is the Soviet Union.

Therein lies a grave danger to the United States and to our friends and allies around the world—specifically, in this case, a danger to Jewish communities in so many countries vulnerable to political upheaval.

Elliot Abrams, Assistant Secretary of State for Human Rights, recently addressed the subject of the slogan of leftist revolutionaries—"Imperialism, Zionism and Colonialism." He said:

> Imperialism, of course, refers to the US and its West European allies. Colonialism refers to our allies in the Third World, such as El Salvador. And Zionism refers to the State of Israel, and—let us be quite clear about this—to the Jewish people as well.

The Soviet Union has been making a case against Zionism since 1967 and was instrumental in the infamous 1975 "Zionism is Racism" resolution at the United Nations.

This year, they have gone further. In April, a new anti-Zionist committee was formed to combat Zionism, which is defined in part as a cult of political arbitrariness and impunity, demagogy and ideological sabotage, sordid maneuvers and perfidy and, finally, a cult of racism.

Leningrad Pravda followed that by denying the existence of Jewish culture and religion, saying that those things had been destroyed by the Diaspora 2,000 years ago. Practice of the Jewish religion today, accordingly, makes Jews agents of Zionism, as defined above.

By attempting to delegitimize the Jewish religion, the Soviets are making it acceptable for their surrogates and proxies to collaborate both for the destruction of Israel and the destruction of Jews.

It is done today in the Soviet Union, where Jews have gone to prison for teaching the Hebrew language.

It was done in Nicaragua, where the Jewish community was harrassed into exile.

It may be done tomorrow in the other countries of Central America, where the PLO is assisting the Soviet Union in the export of revolution and the export of anti-Semitism.●

THE COMPREHENSIVE CRIME CONTROL ACT

● Mr. D'AMATO. Mr. President, I rise today in support of the Comprehensive Crime Control Act, as amended by the Senate Committee on the Judiciary on July 21, 1983. It is expected that this historic legislation will be reported by the committee this week.

It has taken many years of statesmanlike, bipartisan cooperation among members of the Judiciary Committee, and between the executive and legislative branches, to fashion this "core package." The result is a reasonable, intelligent, and effective aproach to the crime problem that is uppermost in everyone's mind today.

The bill now excludes the "drug czar" provision opposed by the administration. In addition, this amended version of the Comprehensive Crime Control Act deletes other controversial items, among which are: the good faith exception to the exclusionary rule; limitations on habeas corpus; constitutional procedures for the death penalty; and the Federal Torts Claims Act amendments.

We, therefore, now have before us the essence of the omnibus crime package the Senate passed last year by a vote of 95 to 1: sentencing and bail reform and the criminal forfeiture provisions. These new rules will insure that organized crime figures, illegal drug traffickers, and violent criminals will serve full sentences commensurate with their crimes. These reforms will yield us more prisoners who, when faced with truly significant criminal sentences, will be more willing to cooperate with Federal prosecutors in developing stronger cases against the leaders of the organized crime and drug networks. We will also be better able to seize the proceeds and profits of criminal activity. By raising the criminal's cost of doing business, we will make criminal activity less attractive.

The drug enforcement provisions included in this legislation increase Federal penalties applicable to drug-related offenses. Fines and prison terms will increase for those dealing in large quantities of narcotics. They will be doubled for defendants with prior felony convictions. A special grant authority is also provided the Drug Enforcement Administration (DEA) to assist the States in their efforts to combat the illegal diversion of controlled substances.

The justice assistance section of this bill creates a beneficial program of financial assistance to State and local law enforcement agencies. I applaud particularly the DEA and justice assistance provisions. Crime is a national problem. The sophistication and financial resources of modern crime often exceed the resources of local law enforcement. These new provisions constitute an important recognition of the need for Federal assistance to localities in their anticrime efforts.

Similarly, provisions in this legislation to facilitate the donation of surplus Federal property to State and local governments for new prison space are welcome. The prison overcrowding crisis is national in scope and effect. It demands a Federal response. Other timely additions include reform of our laws with respect to the insanity defense, racketeering, and foreign currency transactions.

Mr. President, the need for this legislation has been demonstrated over the course of countless congressional hearings. I would like to conclude my remarks by referring to one such hearing. It was held by the Judiciary Committee in New York on July 11. I was

privileged to testify at that hearing before Senators THURMOND and BIDEN, who then graciously invited me to join them on the panel.

At that hearing, I heard extensive testimony from Federal, State, and local law enforcement officials. This testimony convinced me that we have it within our power to make truly historic inroads against organized crime and illegal drug trafficking.

To succeed against crime, we need to improve the cooperation between Federal and local law enforcement agencies. We also need to do more to protect the rights of society without violating the constitutional rights of the accused. The Comprehensive Crime Control Act accomplishes both goals; for that reason I urge my colleagues to give it their full support.●

SUPPORT FOR SILVER COINS

● Mr. McCLURE. Mr. President, It is time for the Treasury Department to start striking silver dollars again.

Silver is a noble, precious metal, much in demand both by coin collectors and also by the public at large. In the past, it has proven to be a responsible way to hedge against inflation, and when produced as coin, has been widely collected by serious numismatists.

With this in mind, I introduced earlier this year S. 269, a bill which would provide for the disposal of silver from the national defense stockpile through the issuance of silver coins.

The first part of the bill would reintroduce a silver dollar bearing the same design that George T. Morgan, Assistant Engraver of the U.S. mint, placed on the dollar in 1878, and which was circulated under the Bland-Allison Act until 1921. Over 500 million of these coins were produced by the U.S. mints at Philadelphia, San Francisco, New Orleans, Carson City, and Denver, and they are highly prized by collectors.

My bill would authorize up to 15 million ounces of silver—amounting to about 19 million coins)—to be produced with this historic design, but with a current date.

At a recent hearing before the Senate Banking Committee, Luis Vigdor, vice president of Manfra, Tordella & Brookes, and a member of the executive committee of the National Association of Coin and Precious Metals Dealers testified in favor of my bill and said that he believed that these coins would sell out within a very short period of time, thus giving the Government very substantial profits.

Additionally, my bill proposes that a silver "Krugerrand" be produced by the mint and sold in bulk, also at a profit.

This also was supported, at the same hearing, by the National Association of Coin and Precious Metals Dealers, as well as Gary Sturtridge, president of the Professional Numismatists Guild.

I believe that passage of this legislation is both in the national interest, and beneficial to the national economy, because of the substantial revenue that it will raise.

Mr. President, I would like to call your attention to an article which appears in the June 1983 issue of COINage magazine, by David L. Ganz, a contributing editor, and general counsel to both the Professional Numismatists Guild and the National Association of Coin and Precious Metals Dealers, which further discusses the proposal.

In conclusion, I heartily endorse prompt and speedy action on this proposal.

The article follows:

[From COINage, June 1983]

A 1984 MORGAN DOLLAR?—CONGRESS CONSIDERS SOME EXCITING NEW IDEAS

(By David L. Ganz)

The government issuance of a silver "krugerrand" and a new Morgan dollar, coupled with an American eagle bullion coin seems to hinge upon differences between the Senate and the House in regards to the bills in question.

Based upon legislation proposals of Senators James McClure, R-Idaho, and Jesse Helms, R-N.C., and set down for full discussion on the very day that federal income tax is due for filing, the bills under discussion would fundamentally alter the composition of coinage in a way that has been done only twice in our history since the original Mint Act of 1792.

Those two instances are 1933, when gold was removed from legal tender status, and 1965, when silver was withdrawn from circulating coinage. The practical effect of both bills would be to restore gold and silver coinage, in Helms' works, as the Constitution originally intended.

Reissuance of the Morgan silver dollar, utilizing the identical design that circulated from 1878 to 1921 (with intermittent periods of non-production) is one of the ideas of the McClure proposal which calls for 15 million troy ounces of silver to be utilized.

Helms in his bill calls for issuance of a one-ounce American eagle struck of .999 fine gold, and exempt from capital gains tax. It is similar to that proposed by the federal Gold Commission, whose report was issued last year favoring such a legal tender coin as a step toward revitalizing a gold standard.

Based on statistics contained in the legislative proposals, and since the standard silver dollars contained .7734 troy ounces of precious metal (in specifications shown in the accompanying chart), that means that a total of about 19.4 million pieces could be produced—as both proof and in uncirculated condition.

There is no practial limitation as to their total number of silver bullion coins of American eagle bullion coins that would be struck given the high amount of precious metal available under the bills for coining.

Under the McClure bill, the revived Morgan silver dollars would be primarily intended for collector sales, for each would sell at the spot price of bullion plus a premium, defined for the proof as at least 75 percent above cost, and for uncirculated, at least 50 percent above cost.

In the case of the other part of the Idaho Republican's plan to remonetize silver, it would authorize issuance of a .999 fine silver coin containing one troy ounce of silver—a virtual silver Krugerrand. (The South African government, for many years, has issued a gold coin, denominated the Krugerrand, which contains exactly one troy ounce of gold.)

PROPOSED NEW "MORGAN" SILVER DOLLARS

Size: 38.1 mm.
Weight: 26.73 grams.
Fineness: .900 fine.
Troy Oz.: .7734 fine troy ounces.
Edge: Reeded.
Proof Price: $18.95*.
Uncirculated Price: $16.25*.
Obverse: Liberty head.
Reverse: Eagle.

McClure's call for the reissue of the Morgan silver dollar for the first time in 61 years (and the first regular silver dollar issue since 1935) is more than a typical bill introduced by a member of Congress for home state constituency.

Idaho has been the home of King Silver for over a century, and McClure is not a freshman member of Congress. Since he came to Washington as a Congressman in 1967 (switching to the Senate after the 1972 election), he has gained seniority and is using it to promote a back-home industry where, after all, he will have to face the votes again in 1984.

Moreover, McClure is now a powerful man in the Senate's inner circle, a full committee chairman as well as active in the Senate Republican conference. And, perhaps most pure of all, he is apparently a true believer of silver and its coinage usage.

Back in 1971, Congressman James McClure introduced the first bill calling for a silver-clad bicentennial commemorative coin, a piece patterned after the then-issued proof-silver clad Ike dollars. He never wavered from that support, and now, it appears that there is a possibility his silver Krugerrand will become reality.

Likewise, Helms is a powerful conservative leader with a strong constituency outside the Senate, whose belief in the value of gold (and its power to help cure the economic malaise of the economy) is that of a true believer. He has backed a number of gold coin and medallion proposals over the past several years, and here has taken up the mantel left by the defeat at the polls of Sen. Harrison Schmidt, R-N.M, who first proposed these golden eagle coins in the last session of Congress.

Clearly, however, the influence of the Gold Commission's report of last year is felt, where influential Republicans including Treasury Secretary Regan, gubernatorial candidate Lewis Lehrman, and Rep. Ron Paul, R.-Tex., promoted issue of gold money.

In part, McClure's bill calling for the creation of a new Morgan dollar backs an approach also put forth by a government sponsored study, that prepared by the Comptroller General's Report on National Defense-Related Silver Needs, issued in January, 1982, which called for striking of commemorative coinage for collectors.

The second part, calling for bullion coins, was also in the GAO Report, which stated

* Note: Price calculated on $14 an ounce silver. Surcharge added to uncirculated (50%) and to proof (75%) may change. All figures approximate.

that "a bullion coinage program could also better assure that the disposal [of silver bullion in government possession] is made for domestic consumption by making the silver more attractive, affordable, and accessible" by having a coin for "Less than $20, instead of over $60,000 . . . required to participate in the sale" held then, and now, by the General Services Administration, the government's selling arm.

This, ultimately, is the impetus of the McClure program, for the government has been selling off silver from the national stockpile as a means of raising revenue, and also as a means of acquiring (through use of the proceeds) other more scarce or critical materials.

These sales, all by auction, have had a destabilizing effect on the marketplace, and McClure believes that if individuals can acquire silver at relatively modest cost, the market would stabilize and the price of silver start to go up again, benefiting the miners of Idaho and elsewhere.

To help sell the bullion pieces, the McClure proposal calls on the Treasury Department to set up a network of dealers and distributors, or, more aptly, to utilize existing, recognized dealers who would be able to buy the pieces at bulk discounts.

Bullion coins would have to be sold by Treasury at a price equal to bullion plus no more than 10 percent (and a bulk discount given from that sum). Thus, it would be possible to acquire relatively modest quantities of silver bullion "krugerrand" pieces at a modest advance over "spot" on a given day. (In fact, the prior day's price would be the fix.)

Legislation on the gold proposal was held last year by Rep. Frank Annunzio, D-Ill., chairman of the House Coinage Subcommittee, where Ron Paul is ranking minority member. To the surprise of everyone in attendance, the Treasury Department backed the gold coin—including the requirement that it be exempted from capital gain—but only on condition that the bill be unamended.

Charles Stahl, a long-time observer of the precious metals market and publisher of "Green's Commodity Market Comments," a respected industry review of gold and silver prices, believes that the Treasury's support was actually only lukewarm at best and more likely subterfuge.

Theory behind this is that Treasury staked out a position backing a bill (without any deviation) which it knew could not pass because of opposition from key leaders such as Rep. Henry S. Reuss, D-Wisc., then chairman of the Joint Economic Committee, and others.

But it may be difficult to leave that position now, especially when the Treasury Secretary headed up the Gold Commission. And, powerful opponents such as Reuss are not retired from Congress.

Treasury may now try to argue that with the revitalization of the gold medallion program (the five-year venture reluctantly embarked upon by Treasury in 1980), there is no need for the Helms bill.

This revitalization includes a reeding of the edge (like a coin), and an appellation of national origin, coupled with a more coin-like design which appears to be as much a marketing tool and anything else. (J. Aron & Co., a division of Goldman, Sachs, is handling the marketing under a contract with the Treasury.

However, this ignores the reality that the medallions are just that—they are not legal tender coins, cannot be used to settle contracts, or to pay wages, and (of course) while exempt from sales tax at initial point of sale through the government, are not exempt from capital gain—the way that money is supposed to be.

Witnesses at the hearing were to be called from all sectors of the economy and nation, ranging from Lehrman, who narrowly lost the governor's race in New York, to a representative of the National Association of Coin & Precious Metals Dealers and the Professional Numismatic Guild, Inc.

What remains to be seen is what type of hearing (and action) it will receive in the House—and when, if at all, a silver krugerrand, a new Morgan dollar, and a new gold coin will be issued for the American collector and people to acquire.●

CLAYTON LORD

● Mr. MATTINGLY. Mr. President, we have in our State a distinguished city councilman for Wrightsville, Ga., Mr. Clayton Lord. This fine gentleman has served his community in many posts, including 37 years as the justice of the peace.

What makes Mr. Lord unique is his age: He is 92 years young. I would like to enter into the RECORD an article on Mr. Lord from the Atlanta Constitution. I would like to especially call my colleagues' attention to Mr. Lord's platform: "Just honesty and truth, standing up for what I believe to be right, speaking out even if it's unpopular, and not making a bunch of promises that I can't keep."

That is a platform and a philosphy that we all should follow.

I submit for the RECORD an interesting newspaper article relating to Mr. Lord.

The article follows:

[From the Atlanta Constitution]

OLDEST COUNCILMAN IN U.S. MAY BE 92-YEAR-OLD SAGE IN WRIGHTSVILLE

(By Grace T. Crawford)

WRIGHTSVILLE, GA.—At an age when many people are turning to nursing homes, Clayton Lord, a 92-year-old retired storekeeper is busily completing a two-year term on the city council here.

His political staying power has made him one of the oldest—if not the oldest—active officeholders in the country, according to Cynthia Loftin of the Georgia Municipal Association and Frances Raiford of the National League of Cities.

Ms. Loftin says no specific age records are kept by her agency, but "as far as we can determine, there's no evidence to indicate an older city councilman anywhere."

At the age of 90, Lord had completed 37 years as the town's Justice of the Peace. He says he "never dreamt" of running again for public office, that he was "just too busy" with his books, garden, fishing, writing and working for Brown Memorial Baptist Church, where he is one of the oldest members.

But he was drafted, he says, by a group of townspeople who paid his entrance fee, had his political cards printed, then campaigned for him, "because they thought I was honest and the best man for the job."

With a soft chuckle, the wire-thin councilman says he "couldn't help but be tickled" when—after some folks said he was too old—he won the election. He defeated the man who had been named Wrightsville's Man of the Year by local civic organizations.

Refusing to call himself a politician, Lord says he's "just a servant of the people," and did most of his campaigning in the 1981 election by "chatting with folks" around the Johnson County Courthouse Square and by milling about among the Saturday shoppers.

His platform, he says, "was just honesty and truth, standing up for what I believe to be right, speaking out even if it's unpopular, and not making a bunch of promises that I can't keep."

And speak out he does, says Wrightsville Mayor Willis Wombles, smiling and shaking his head. "Yes sir, Mr. Clayton is very, very sharp. He keeps abreast of everything that's going on and doesn't rely on anyone else to inform him of the facts. He looks carefully at every situation, then he speaks his mind."

And he does not sugar-coat his opinions:

On racial problems in Wrightsville, staging ground for several demonstrations and racially motivated shootings in the past three years: "There are none and never have been. Any problems around here were caused by a bunch of outsiders."

On the discrimination suit filed by a group of blacks against the sheriff, city council and county commission: "The most stupid thing that ever happened in Johnson County. . . . The best blacks in town were against it."

Undecided as to whether he will seek another term, Lord says he's spent "a mighty lot of time" in public office, his first experience on council "as a young fellow in the 20s." He also served on the Johnson County School Board, the local tax board and says he was "a regular Marrying Sam" during his years as Justice of the Peace, presiding often over the court "where folks brought in every problem in the book and then some."

The councilman passes some of his time with the courthouse philosophers, a group of his retired friends who gather in good weather under the big oak trees just beyond the town square "and solve some mighty weighty problems."

He has strong ideas about food and excerise, sticking mostly to chicken and fish and fresh vegetables that he raises and tends in a half-acre garden plot behind his white frame home a few blocks from downtown Wrightsville. Cooking for himself since the death of his wife Irma several years ago, he proudly says his four children and 22 grandchildren "rave about my turnips."

In addition to his duties as a town councilman, he writes a weekly column, "Clayton Lord Sez," for the local paper.

The senior councilman is an avid reader and his shelves overflow with a variety of materials, plus a collection of newspapers from various cities. He just wants to keep informed, he says, noting that he's also quite a collector of joke books because he thinks laughter "is mighty good medicine " and he's always found a lot to laugh about."

Lord, who turns 93 in August, says "a bunch of folks have been talking to me about running for mayor, but I don't have time to fool with that."●

THE ST. PAUL COMPANIES

● Mr. DURENBERGER. Mr. President, Minnesota has a well-earned na-

tional reputation as the home of innovative ideas. More times than not, when you trace the roots of a successful social program you will find them firmly anchored in Minnesota soil.

One reason why innovation flourishes in Minnesota is that the people in my State have found that the delivery of public services does not always have to involve the public sector. Government is not the only choice in meeting the legitimate needs of people; in fact, in many cases it is far from the best choice.

Government, private for-profit and not-for-profit institutions, and individuals work side-by-side in Minnesota to improve the quality of life for all people in our State.

One outstanding example of this public-private cooperation is the involvement of The St. Paul Companies. The stated objective of The St. Paul Companies' community involvement could and should serve as a model for all businesses:

To contribute to the vitality of the communities where we do business in a way that encourages study, active debate and responsible action on issues critical to these communities for the purpose of increasing the flexibility, diversity of thought and innovation neccessary to meet challenges of a changing environment.

Mr. President, I ask that an article from the July 1983 issue of Response magazine be included in today's RECORD following my comments. I commend this article to my colleagues. It is typical of the kind of effort being made in Minnesota by outstanding companies like The St. Paul Companies and an example of how one concerned corporate citizen can make a difference.

Finally, Mr. President, I want to say a special word about Carl B. Drake, Jr., the chairman of The St. Paul Companies. Successful corporate involvement in the community demands leadership and commitment at the top. Carl Drake has provided that for The St. Paul Companies and it is one of the very important reasons why the Juvenile Crime Prevention Curriculum detailed in the article in Response has been so successful.

[From the Response, July 1983]

CONTRIBUTING TO THE VITALITY OF OUR COMMUNITY

(By Carl B. Drake, Jr.)

Like most major corporations, The St. Paul Companies have established a program of corporate involvement.

We, like other businesses, realize that we have obligations to a variety of stockeholders including our stockholders, consumers, employees and government, as well as the communities where we do business.

Community involvement—or better yet, community relations—describes the programs and activities to which the company will apply its corporate resources—money, skills and personnel—to assist in the solution of social problems in which the interest of the stockholder, employees, customers and the general public are fundamentally inseparable. These activities aim to make the community a better place to live and to assist groups of people to solve problems that do not respond to individual action.

Community relations activities of The St. Paul Companies have two goals: 1) to contribute to the solution of public problems for the purpose of reducing economic and social costs which drain the company and the community, and 2) to help create a stable, strong community environment which enhances the quality of life for employees and the public.

Both of those are high-sounding objectives, but I particularly want to draw attention to the fact that they stress cooperation. We state that we will "contribute to the solution of public problems" and that we will "help create a stable, strong community environment" rather than asserting the more traditional corporate verbs like: direct, control, lead, develop, implement, etc. This is not a case of semantic game-playing; those words were chosen carefully to reflect the style of our community affairs programs.

COMMUNITY VITALITY

This cooperative style stems from the direction and objective which senior management of The St. Paul Companies has set for its community involvement: "to contribute to the vitality of the communities where we do business in a way that encourages study, active debate and responsible action on issues critical to these communities for the purpose of increasing the flexibility, diversity of thought and innovation necessary to meet the challenges of a changing environment."

We translate those objectives into support for activities which will encourage self-reliance, stress preventative approaches to problem-solving, encourage innovation and creativity, address leadership development, involve management/technical assistance and, finally, encourage collaboration.

When all of these goals and objectives get distilled, their by-products should be programs and activities that are conceived and nurtured from within the communities and where our role is that of a partner in making these ideas a successful reality.

Based on what we hear from the neighborhood and community groups that have dealt with The St. Paul Companies, we have apparently been successful in fashioning a community affairs process which citizens feel is responsive to their needs and interests.

Let me try to describe in practical terms how all of this theory works in a real-life situation.

VANDALISM FIRES

Four years ago some concerned residents in the eastern part of St. Paul began looking around for solutions to a rash of vandalism fires that plagued their neighborhood. Increased police surveillance offered short-term help, but neighborhood leaders were looking for long-term solutions.

Aware of The St. Paul's reputation as a company that was interested in cooperating with community groups—and sensing our interest as an insurance company in fire prevention and arson awareness activities—representatives of the neighborhood asked the company to help them solve their problems.

In order to help determine the scope and size of the problem, The St. Paul staff hosted a meeting involving representatives from the police and fire departments, the schools, interested non-profit agencies and company experts in arson detection and prevention, as well as leaders of the community council in the affected neighborhood.

That first meeting identified the major problem area as juvenile arson—young children setting garage fires for the "thrill" of harassing and disturbing the neighborhood. The group decided that the most effective way to try and combat the problem, on a long-term basis, was to show the neighborhood youngsters the negative impact their actions had on their neighborhood. The school appeared to offer the most effective forum for getting this message to youngsters. So, when the county's Criminal Justice Coordinating Council came to The St. Paul for funds to develop a curriculum on juvenile crime in cooperation with the schools, we were enthusiastic. A junior high school teacher agreed to pilot the program in her class.

The 12-week program brings into the classroom police and fire department personnel to talk about juvenile crime and law enforcement; representatives from the juvenile justice system describe the court process for juvenile offenders; representatives from the county probation department tell about that aspect of juvenile justice; insurance company representatives explain how juvenile crime affects the insurance premiums that their parents pay for fire and other forms of property insurance.

The students go on field trips, including visits to neighborhood residents and businesses that have been victims of crime. These trips give them a chance to see firsthand, the real impact people experience from criminal activities—the fear, anger and frustration of the crime victims.

The unusual element of this classroom program requires the junior high school students to prepare lesson plans, including dramatizations, covering what they have learned about crime. The students then go into the fourth grade of neighboring elementary schools and put on classes, skits and small group discussions with those children. This peer teaching element strengthens the junior high school students' understanding of the effects of crime on their neighborhoods while also sensitizing younger students about crime.

A COOPERATIVE EFFORT

From its very beginning the Juvenile Crime Prevention Curriculum has been a cooperative effort. The neighborhood started it by raising the concerns; city and county governments and the local school district responsed by their willingness to work together with the community in solving a major local problem. The St. Paul Companies, the business element of this cooperative equation, provided not only the financial resources to get the project under way and keep it going but also served as the catalyst to bring all of the participants together.

Has the project been well received?

Since its pilot project phase, the program has grown in four years to be a part of the school curriculum throughout the St. Paul school system. But its influence is more than just local. Copies of the full curriculum have been made available free of charge by The St. Paul Companies. To date, nearly 4,000 copies have been distributed to education and law enforcement officials in all 50 states and, surprisingly, four foreign countries.

Did it work?

From the very beginning, police and school officials as well as neighborhood residents said they could sense a difference in what was happening in their community as the result of the Juvenile Crime Prevention

Curriculum. Vandalism and other juvenile related crimes declined.

A formal evaluation process is currently under way. Preliminary results of interviews with students who went through the pilot program four years ago show that they all have strong, positive recollections of the program. All of those interviewed said they had not committed a juvenile crime since the program. And more amazingly, many said they had talked others in their peer group out of committing juvenile crimes.

COMMUNITY AFFAIRS PRIORITIES

While the Juvenile Crime Prevention Curriculum is an important example of The St. Paul Companies' cooperative approach to community involvement, it is not the only example. We have established community affairs priorities which include education, health and community development—employment, housing and public safety. Based on these priorities, we are currently engaged in discussions with St. Paul/Minneapolis neighborhood groups on housing and economic development proposals that we expect to spring to life in the near future as major community programs. This cooperative approach is an integral part of our assessment of program and project proposals in all of these areas. We look for what the community or organization itself is bringing to the activity and how we can blend our resources to help it achieve its goals.●

WAINO HENDRICKSON

● Mr. MURKOWSKI. Mr. President, a few weeks ago I spoke in this Chamber on the occasion of the 100th birthday of one of Alaska's Territorial Governors, George A. Parks. I have a much less happy event to report. It concerns the death of Waino Hendrickson, who was Acting Governor of the Territory of Alaska twice, in 1957 and again in 1958.

Waino Hendrickson was a true Alaskan. Born in a log cabin in Juneau, he spent all but his World War II military service in Alaska. He worked in Alaska's mines, on its docks, and eventually on its lands for the Bureau of Land Management.

Mr. Hendrickson entered politics almost by accident, and only because he felt strongly enough about a town issue to run for mayor. From 1945 on he rose steadily in Alaskan government, until in 1953 when he was appointed secretary of the State, the second highest position in the State. At two points in his career, he served as Acting Governor.

He held the post at perhaps the most pivotal point in Alaska's history, filling the gap between the last Territorial Governor—Frank Heintzleman—and the first Governor of the new State—William Egan. Throughout this period of great flux, he provided the wisdom and stability that Alaska's citizens needed.

Mr. President, I would like to insert for the RECORD at this point three articles that appeared in the Anchorage Times and the Anchorage Daily News at the time of Mr. Hendrickson's death. They show more poetically than I can what this man meant to Alaskans.

The articles follow:

[From the Anchorage Daily News, June 22, 1983]

SERVICES SCHEDULED FOR FORMER TERRITORIAL GOVERNOR

(By John Lindback)

Services are scheduled this week in both Anchorage and Juneau for Waino Hendrickson, who was territorial governor of Alaska when it became a state in 1959.

Hendrickson died Sunday morning at Providence Hospital. He was 87.

Services in Anchorage will be held Thursday. Visitation is scheduled for 7 p.m. and a memorial service will be held at 8 p.m., both at Forest Lawn Mortuary, 11621 Old Seward Highway.

Services are scheduled for 2 p.m. Saturday in Juneau at the new Centennial Hall. Hendrickson was born in Juneau and served as the town's mayor from 1946 to 1953.

Hendrickson, a Republican, served as the federally appointed secretary of Alaska from 1953 to 1959. The position is considered the equivalent of the lieutenant governor today.

During his tenure as secretary, he filled in twice as acting territorial governor. The first time was January 3 to April 8, 1957, between the terms of Govs. Frank Hentzleman and Michael Stepovich.

Family members said he was also acting governor from Aug. 10, 1959 to Jan. 3, 1959, the day Alaska joined the union. Stepovich had resigned from the presidentially appointed post of territorial governor prior to statehood in order to enter Alaska's first campaign for governor.

Hendrickson's political history included a term, from 1950–52, in the territorial House of Representatives. That term was served concurrently with his position as mayor of Juneau.

Craig Forrest, one of Hendrickson's eight grandchildren, said one of his grandfather's most important accomplishments was guiding the transition of the territorial government into statehood.

Forrest said his grandfather was especially proud of an honor bestowed upon him in 1958 by the Tlingit tribe of southeastern Alaska. They inducted him as honorary member of the tribe.

After statehood, Hendrickson became the manager of the Juneau office of the federal Bureau of Land Management. He retired in 1966.

Hendrickson was born on June 18, 1896. He graduated from Juneau High School in 1916 and served in the U.S. Army from 1917-1919.

He worked for five years with the Alaska-Juneau Gold Mine Company From 1924 to 1927, he was assistant manager of the Juneau city dock.

In 1927, he became an employee and stockholder of the Alaska Laundry, where he worked until 1945. He was a salesman in Juneau for American Wholesale Grocery from 1945 to 1953.

He married Marion Kingsnorth Jones, a nurse, in 1924. They had one daughter, Dorothea Forrest of Anchorage.

Hendrickson was active in a number of civic organizations. He served as president of the Pioneers of Alaska and was a past commander of the state American Legion.

Hendrickson is survived by his daughter, seven grandchildren and eight great-grandchildren.

The family requests that friends who wish to donate memorials direct them to the charity of their choice or to the American Lung Association, 406 G. St., Anchorage, 99501.

[From the Anchorage Times, June 21, 1983]

WAINO EDWARD HENDRICKSON

Alaska pioneer Waino Edward Hendrickson, former mayor of Juneau and secretary of Alaska during territorial days, died Sunday at Providence Hospital. He was 87.

Mr. Hendrickson was born June 18, 1896 in a log cabin in Juneau where the Baranof Hotel now stands.

Mr. Hendrickson went to one-room schools in Juneau and graduated from high school in 1916 with a class of 14 students.

After high school, Mr. Hendrickson worked in the Alaska-Juneau and Alaska-Gastineau mines. In 1918 he and a small group of men from Juneau went to Fort William Henry Seward at Haines for military training and then on to the Presidio in San Francisco, Calif. It was his first outside trip.

When World War I ended, he returned to Juneau and the gold mines. He also met and married a Canadian nurse who had come to Juneau to work at St. Ann's Hospital. He and Marion Kingsnorth Jones married in 1924.

From the mines, Mr. Hendrickson went to work at the city dock. He left the dock to work at the Alaska Laundry and Cleaners, where he remained for the next 20 years.

In 1945 Mr. Hendrickson found himself in the middle of a heated small-town argument over the ownership of the local power utilities. He decided to run for mayor on a platform opposing municipally owned utilities. He won that election—and several more.

In 1951, he ran as a Republican for the territorial House of Representatives, a post he held again in 1953. When President Dwight D. Eisenhower appointed B. Frank Heintzleman governor in 1953, he appointed Mr. Hendrickson secretary of Alaska—today's equivalent to lieutenant governor.

When Heintzleman resigned Mr. Hendrickson became acting governor, a position he held until 1957 when Eisenhower appointed Mike Stepovich governor. Mr. Hendrickson was reappointed secretary.

He became acting governor when Stepovich resigned to run against Ernest Gruening for one of Alaska's two U.S. Senate seats. He remained in the position until William A. Egan was sworn as the state's first governor on Jan. 3, 1959.

Mr. Hendrickson was appointed by Eisenhower to head the Alaska Field Committee, the transitional office that was to oversee the change from territorial status to statehood. He remained there until 1961.

At that time he became director of the Southeast Alaska field Office of the Bureau of Land Management, a position he held until he retired and moved to Anchorage in 1965.

He served on the state Geographic Board and the Governor's Advisory Committee on Aging. He was past grand president of the Pioneers of Alaska and a past department commander of the American Legion.

He was king of the 1970 Fur Rendezvous.

He leaves one daughter, Dorothea Forrest of Anchorage.

Arrangements are pending at Kehl's Forest Lawn Memorial Chapel.

[From the Anchorage Times, June 22, 1983]

WAINO HENDRICKSON

Waino Hendrickson was a gentle, quiet man who served Alaska well in a period when the new state was being formed. He came close to being governor on several occasions, but fate never allowed him this honor.

He had other distinctions that will put his name near the top of the list of prominent citizens when the history of 20th Century Alaska is written. But it was his courtship with the governorship that came to mind when word of his death at Providence Hospital was reported Sunday.

A life-long Alaskan, born in Juneau, Mr. Hendrickson became active in hometown politics in 1945. By 1953, he had been appointed secretary of Alaska, which was the territory's No. 2 office and similar to the post of lieutenant governor today.

On two occasions during his seven-year tenure as secretary he became acting governor at the behest of President Dwight D. Eisenhower: for five months in 1956 after Gov. B. Frank Heintzleman resigned and again for ten months in 1958 after Gov. Mike Stepovich resigned to run for U.S. Senate.

During the weeks prior to the advent of statehood, Sen.-elect Ernest Gruening made entreaties to Washington to have the "acting" dropped from Hendrickson's title, but it was never done.

At one time in the early 1950s, he held three important posts at the same time. While he was mayor of Juneau he was elected to the legislature and was serving in both jobs when he was appointed secretary of Alaska.

Mr. Hendrickson's pursuits were not all political. He headed the official team named by the president to oversee the transition of Alaska from a territory to a state. He also served a term as grand president of the Pioneers of Alaska.

His soft voice and gentle presence was such that many Alaskans of today are unaware of his contributions a generation ago. But he earned a place of merit in the rich history of Alaska.●

FCC FINANCIAL INTEREST AND SYNDICATION RULES

● Mr. KASTEN. Mr. President, throughout my career in the Congress of the United States I have been interested in the relationship of Government to the natural operation of competitive marketplace forces in insuring that the interests and needs of the American people are well served. I believe that Government should intrude itself into the marketplace only when there are dysfunctions that jeopardize the public interest. As a member of the Senate Commerce Committee, I have had an opportunity to apply this philosophy to the domain of telecommunications and, in this regard, my special attention has been drawn to the FCC's financial interest and syndication rules.

These rules were adopted by the Commission in 1970. The financial interest rule prohibits the three major television networks from investing in programs which are broadcast on the networks in exchange for a profit-sharing interest. The syndication rule prohibits the three major networks from entering the business of selling individual programs—either those already broadcast on the networks or original programs—directly to local stations on a non-network basis. In the view of many economic and telecommunications scholars, these rules represent the high water mark of unjustified Government intrusion into a marketplace capable of functioning properly to serve the interests of the television viewing public. Rather than curing imbalances, the rules have apparently generated their own unacceptable distortions.

The rules have been the subject of study and debate virtually since they were adopted. This study and debate has been extensive, scholarly and bipartisan. In the mid-1970's the Brookings Institution published a report concluding that the rules were misguided. In the late 1970's Congress authorized a special FCC staff study of the rules which took 2 years to complete and which involved the compilation of thousands of pages of evidence. This special staff study concluded that the rules were unfounded, ill-conceived, and counterproductive and should be repealed. Recently, as a part of an ongoing FCC proceeding, the Departments of Commerce, Justice, and the Federal Trade Commission have reviewed the rules in detail and determined that they should be eliminated in their present form.

What I am troubled by are efforts in both Houses of Congress to bypass all of this study and expert opinion and impose a moratorium on the FCC's ability to complete its work of reviewing this outdated set of rules. It is the function of the Congress to establish the broad framework of communications policy. But we have delegated to the FCC, as the expert Government agency, the authority to implement that policy subject to congressional oversight. Pursuant to that delegation the FCC adopted the financial interest and syndication rules. Pursuant to that delegation they should be permitted to review them for their continued effectiveness and if the FCC determines that the rules are no longer warranted they should be permitted to act to repeal them.

We often hear the complaint that Government is incapable of acting expeditiously. We in Congress are often critical of the failure of the various departments and agencies of the Government to consider and act on matters of importance in a deliberate but timely manner. Here we face a Commission that has spent over 5 years and millions of taxpayers dollars examining these issues, yet some in Congress are suggesting that the FCC be prevented from completing its consideration of the subject for an additional 5 years. That is simply bad government. The FCC should act and act now.●

INLAND WATERWAY FINANCING

● Mr. STAFFORD. Mr. President, at my request, the Congressional Budget Office recently completed a study, "Inland Waterway Financing and the Potential Effects of User Charges." This issue, together with the question of inland waterway development, is now under review within the Subcommittee on Water Resources of our Committee on Environment and Public Works. It is my hope that we can report legislation to the Senate next month.

Because of the importance of this issue and the CBO review, I ask that a copy of this report be printed in the RECORD, together with a copy of Dr. Rivlin's transmittal letter.

The material follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, D.C., July 21, 1983.

HON. ROBERT T. STAFFORD,
Chairman, Committee on Environment and Public Works, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: In response to your request, the Congressional Budget Office has completed a brief analysis of issues relating to inland waterway development and user charge financing. The analysis takes up the questions of who should bear the costs of that development, what portion of federal costs should be recovered by user charges, what types of charges are available, and how should capital costs be treated.

The paper also reviews the "Section 205 Study" recently completed by the Departments of Transportation and Commerce. The CBO finds the study analytically sound and concurs in its overall conclusions. Particular points of agreement are that user charges designed to recover the full costs of the federal government's investment in inland waterways would be substantially above current levels, and that the effects of uniform system-wide fees would differ from those of segment-specific fees.

The sector that would be most adversely affected by imposition of fees set to recover waterway services costs would be agricultural shippers. Charges that covered operation and maintenance costs would be about 4 cents per bushel. Charges that also recovered initial investment costs in addition to operations and maintenance might range between 6 cents and 10 cents per bushel. The outcome would depend on which investment costs were to be recovered and how they were amortized.

Finally, the analysis points out that, to the extent foreign nations attempt to isolate their domestic markets from international price fluctuations, a significant portion of any U.S. user charge would likely be passed on to foreign governments, rather than being borne by U.S. agricultural shippers.

I hope your Committee finds this study useful. Please let us know if we can be of further assistance.

With best wishes.

Sincerely,

ALICE M. RIVLIN, *Director.*

Attachment.

INLAND WATERWAY FINANCING AND THE POTENTIAL EFFECTS OF USER CHARGES

PREFACE

This short study was undertaken at the request of Chairman Stafford of the Senate Committee on Environment and Public Works to provide information on issues relating to inland waterway development. Peyton L. Wynns of CBO's Natural Resources and Commerce Division prepared the analysis under the general supervision of David L. Bodde and Everett M. Ehrlich.

INTRODUCTION AND SUMMARY

The Congressional Budget Office has prepared this study to assist the Congress in considering adjustments to federal policy with respect to inland waterway development. The paper consists of three parts. The first briefly summarizes some of the major issues facing the Congress in the development of inland waterway policy. The discussion focuses on financing the costs of the inland water system. Four questions in particular are considered: Who should bear the costs of the system? How should a proper level of cost recovery be determined? What alternative types of charges are available? And how should capital costs be treated.

The second part reviews a major study of inland waterway user charges undertaken by the Administration to assess the economic impacts of user charges.* The study, which seems sound in its analytic method, arrives at several conclusions: That user charges designed to recover the system's full costs would be substantially above the levels of current fees; that barge operators and grain shippers are the two groups that stand to be adversely affected to any measurable extent by the institution of user fees set to recover the system's full costs; and that the consequences of uniform user fees levied systemwide would differ from those of fees set at different rates for different segments.

The third part of the paper deals directly with the impact on grain shippers of waterway user charges higher than the current level of less than 1 cent per bushel. (Levied as a tax on gasoline, the current user charge is in fact divided among shippers, consumers, and carriers.) It concludes that user charges designed to recover waterway operating and maintenance costs would result in charges of about 4 cents per bushel of grain delivered. Full recovery not only of operating and maintenance costs but also of all capital investments in the year expenditures were made would raise total charges to approximately 10 cents per bushel. Proposals that would limit capital recovery to new projects and spread recovery over a project's life would result in user charges averaging 6 cents per bushel. The level of user charges faced by individual shippers would vary markedly, depending on such factors as the type of user charge, the availability of other modes of transport, and the responses of competing carriers (primarily rail). Finally, to the extent that foreign grain-importing nations continued to use variable import levies in the attempt to isolate their domestic markets from international price fluctuations, a significant portion of any U.S. user charge would likely be passed on to foreign governments.

*See U.S. Department of Transportation and U.S. Department of Commerce, "Inland Waterway User Taxes and Charges" (February 1982).

PART I. MAJOR POLICY ISSUES

The issues the Congress faces in the development of a comprehensive inland waterway policy fall into two basic categories:

Which projects should the federal government undertake? and

How should those projects be paid for?

These questions are not new. In 1976, for example, the Congress requested from the U.S. Army Corps of Engineers a study to assist in considering questions dealing with the federal investment required and the projects needed.[1] That study identified potential investment needs arising from technological obsolescence and congestion. It concluded that $2.9 billion in 1982 dollars would be needed to complete navigation projects already under construction, and another $8.9 billion would be needed to rehabilitate and improve the inland waterway system over the coming 20 years. Another study, by the Departments of Transportation and Commerce, took up the questions of how such projects should be financed and paid for, and what likely impact should be anticipated from waterway user charges. Mandated by the Inland Waterway Revenue Act of 1978 (P.L. 95-502), the study is most commonly referred to as the "Section 205 Study" and is examined in Part II.

The link between the means of financing projects and the number and types of projects that should be undertaken warrants emphasis. The level of investment "needs" depends in part on how projects are paid for. Assessments of transportation needs reflect a desired quality and quantity of services to be provided at some understood level of prices. When the prices charged for use of a service or facility change, the level of "needs"—that is, demand for that service—may change dramatically as a result. One of the effects of not charging or underchanging users for services provided is that doing so usually leads to exaggerated assessments of demand. In other words, users request a far higher level of investment than they would if they themselves were faced with paying for the investment.

The second set of issues, then, is: Who should pay for the projects the federal government undertakes, and how should those projects be financed. These questions are considered from two perspectives—the general choice between user charges and funding from general revenues, and more specific issues related to user charges.

User charges versus funding from general revenues

From 1824, when the Army Corps of Engineers first began work on the nation's inland waterway system, most costs were paid from general revenues.[2] Early federal involvement in the development and operation of the inland waterways was undertaken to link the newly developing Midwest with the more developed eastern part of the country. Many later projects were also undertaken to promote regional economic growth. The direction of federal policy shifted in 1978, however, with the imposition of an excise tax on fuel under the Inland Waterway Revenue Act. The initial tax rate was set at 4 cents per gallon and is scheduled to increase in stages to a final level of 10 cents per gallon in 1985. Thus, today, commercial users of the inland waterway system are required to share directly in the costs of supporting the system.

When a federal subsidy is intended to promote regional development, few alternatives to funding such projects from general revenues are available. Attempts to finance projects by charging beneficiaries would largely negate the intent of a subsidy designed for that purpose. To the extent that the economy has now matured, however, and federal support of the inland waterway system has come to be viewed as support of one of a choice of freight modes, the Congress may wish to see that users bear an increasing share of the costs of the system.[3]

User charges have at least three major justifications. First, they promote an efficient use of resources. Transportation facilities provided without cost recovery make a mode that is subsidized cheaper to use than it otherwise would be. This can lead to a diversion of traffic from an economically more efficient mode to the subsidized mode. Second, simple fairness suggests that commercial enterprises, not the general taxpayer, shoulder the costs of the government services they use. And third, user charges can help determine the quality and quantity of services to be supplied by the government. Consensus is currently growing that federal subsidies give rise to demand for services that exceeds the level that would be requested if users had to pay for those services, and that many projects previously authorized would not have been undertaken if users had had to pay for them. Appropriate—that is, higher—user charges would tend to diminish the demand for projects that are not economically justified. If users are to pay a share of the costs of the inland waterway system, several subsidiary issues must be resolved.

Levels of cost recovery

User fees now in effect recover approximately 10 percent of the Corps of Engineers' costs of operating and maintaining the inland waterway system. Taxes at their present levels do not recover investment costs. Since other, competing modes of transport receive far less subsidy,[4] a move toward full cost recovery appears to offer potential for improving the efficiency of the nation's transportation system. Such a move would mean substantially higher fees on users, with hardship on some. Thus, the Congress might wish to phase in any changes in user charges or to seek less than full cost recovery. This latter approach would resemble that taken in 1978 under the Inland Waterway Revenue Act, which phases in the current set of fuel taxes at levels that recover less than full costs.

[1] See U.S. Army Corps of Engineers, *National Waterways Study—A Framework for Decision Making—A Summary*, Institute for Water Resources (January, 1983).

[2] In fact, user charges were levied on a few waterway segments until 1871.

[3] For an overview of the nation's public works infrastructure and an extensive analysis of user charges, see Congressional Budget Office, *Public Works Infrastructure: Policy Considerations for the 1980s* (April 1983). See also Congressional Budget Office, *Reducing the Deficit: Spending and Revenue Options* (February 1983), Chapter IX on "User Fees and Other Government Changes."

[4] The Congressional Budget Office has estimated that, in 1980, federal subsidies covered more than one-fourth of all inland waterway shipping costs. In contrast, trucks and railroads received far less (1 percent and 6 percent, respectively) and pipelines received no subsidies. Since 1980, the level of federal support for the rail freight industry has fallen as Conrail's financial performance has improved. See statement of Alice M. Rivlin, Director, Congressional Budget Office, before the Senate Committee on Environment and Public Works, Subcommittee on Water Resources, February 10, 1982.

Systemwide versus segment-specific charges

User fees for services provided to commercial navigation can be uniform for all users throughout the inland waterway system. For example, the current fuel tax and the Administration's recent proposal (S. 1554) that all carriers pay a tax of 1.1 mill per ton-mile represent fees of this type. Alternatively, different fees can be charged to different users, depending on the costs of the services provided to them. Under such a plan, users of high-cost waterway segments would pay fees reflecting the relative costs of those segments—for example, lockage charges or ton-mile fees, which differ by river segment.

Uniform systemwide charges tend to be easier and therefore less costly to administer. Since all users pay the same charge regardless of the costs of services provided to them, however, systemwide fees do not necessarily promote the selection of the most cost-effective projects. Segment-specific fees, on the other hand, tend to be administratively more complex, but they may lead to greater gains in efficiency; users more directly responsible for the costs must pay more of the costs incurred in their behalf. Some combination of systemwide and project-specific charges is also possible—for example, a systemwide fee to recover basic operating and maintenance costs, combined with a segment-specific fee for any water route on which heavy use requires exceptionally large investment costs.[5]

Treatment of capital costs

Because waterway projects are relatively few and of large scale involving sizable capital investment, the Congress may wish to consider initial federal financing of the projects, with subsequent cost recovery. Federal highway and airport programs are financed on a "pay-as-you-go" basis, with concurrent federal financing and cost recovery. That is, user fees are set at a level high enough so that user charge revenues offset current capital outlays. Such an approach is feasible with highways and airports, in which there are large numbers of capital projects and the administrative costs of treating each individually would be high.

With waterway projects, a somewhat modified approach might be effective. If major up-front costs were federally financed, they might subsequently be recovered over a projects' economic life with user charges tailored to specific projects. Doing so would strengthen the tie between investment costs and payments by users—thereby increasing economic efficiency.

PART II. THE SECTION 205 STUDY

In their "Section 205 Study," the Departments of Transportation and Commerce undertook to forecast the level of inland waterway traffic, first assuming no user charges.[6] Cost information provided by the Corps of Engineers was then used to estimate an initial level of user charges that, if levied on this traffic, would recover all inland waterway costs. Since user charges would increase the costs of barge transportation, some traffic would be diverted to other freight modes. The reduction in the expected level of traffic, in turn, would mean that the initial level of user charges would not result in full cost recovery. Hence, the simulation model was run through several iterations, each time with assumptions of lower traffic and higher user charges than in the previous round until the level of traffic appeared to stabilize.

Two key aspects of the Section 205 Study are particularly worth noting. First, the waterway use levels forecast prior to any diversion of traffic that might result from user charges reflected a continuation of the substantial growth experienced during the 1970s (averaging a little over 3 percent a year). In light of the slower growth experienced since 1979, continuation of such high growth rates is not now a clear prospect. Second, the study contemplated recovering only a relatively small amount of capital expenditures. It did not include any capital recovery of projects previously completed and concluded that traffic growth would not necessitate completion of any major new projects until the year 2000. Thus, the only capital expenditures to be recovered were projects still under construction.[7] In 1985, the costs to be recovered would include about $25 million in capital recovery, and by 1995, annual capital recovery would rise to about $150 million. (Converted into 1982 dollars, capital recovery would be about $31 million for 1985 and $190 million for 1995.) These amounts are relatively small compared with current Corps of Engineers construction levels, which have been running at about $400 million a year, and they are also small next to the Corps' estimates of approximately $12 billion worth of construction required over the next 20 years (or about $600 million a year in 1982 dollars).[8]

The combination of traffic levels that may be high and cost figures that are probably low means that any estimates of the tax levels needed to achieve full cost recovery are on the low side. Thus, the Section 205 Study's conclusion that a fuel tax of 34 cents a gallon (in 1979 dollars) would be required in 1985 to recover costs fully appears low.[9]

Taxes under present law will reach a maximum of 10 cents a gallon in 1985. This level is clearly far below the rate required for full cost recovery. The ultimate level of taxes that would be needed for full cost recovery would depend on a large number of uncertainties including future traffic growth, elasticity of demand for waterway transport, responses of competing freight modes to waterway charge increases, and the strength of foreign markets. Thus, the exact per-gallon level of fuel taxes that would fully recover waterway expenditures is uncertain. But calculation of an exact figure is unnecessary unless the Congress should desire to raise the tax level in one large increase. Much more important is the fact that the tax level for full cost recovery would be far above current levels.

The 205 Study is useful in pointing out differences between segment-specific versus systemwide user charges. When facilities are financed by charges that clearly reflect the costs of the services provided, users usually tailor their demand to their needs more carefully than they do when services are paid for either by a systemwide excise tax or out of general federal tax revenues. This observation holds as well for services provided by the private sector. For example, when electric power is metered and users are charged according to use, less power is consumed and conservation is encouraged.[10]

The 205 Study notes several high cost/low volume waterway segments that would carry no traffic at all if charges were set to cover the full costs of providing services. Some such segments have already cost the federal government substantial sums of money, and the projection of increased waterway traffic in general suggests that these segments may have adequate prospects for future use to warrant their continuation. In such instances, the structure and timing of user charges might be adapted to particular circumstances. Levies could be limited to less than full cost recovery, leaving responsibility for remaining costs still with the federal government—that is, still subsidized. Should traffic growth continue, this would retain the opportunity for the federal government to recover a greater proportion of costs in the future. To prevent such situations from recurring, however, the Congress might choose to impose segment-specific user charges designed to recover full costs on new projects not yet begun.

Several other conclusions of the 205 Study are also notable. One is that, with or without user charges, traffic growth on the inland waterway system is projected to continue. It also concludes that user charges would have minor or negligible impacts on regional economies, on energy consumption, and on the international balance of payments. On the other hand, two groups would sustain negative impacts, namely barge operators and grain interests. Though these effects are not analyzed in great detail, the diversion of some traffic to other freight modes (mainly rail) would cause the barge industry to experience slowed growth in traffic, revenues, and employment. Given the forecast of continued overall traffic growth, however, industry revenues and employment are nonetheless expected to rise over time, though less than might be achieved without increased user charges.

Thus, in light of all other changes occurring in a dynamic economy, the study concludes that user charges would probably not be a major influence on the well-being of the groups affected. It does, however, analyze in detail the impact of waterway user charges on grain shippers, discussed in the next section.

PART III. IMPACT OF USER CHARGES ON AGRICULTURAL SHIPPING

Various factors would determine the effects of waterway user charges on farmers. These include the level and type of charges and conditions in domestic and foreign markets. The effects would not be uniform among all farmers; not surprisingly, those closest to waterways and making the most extensive use of them would feel the most impact. In other words, farmers—or indeed, any other users of public works—who bene-

[5] This approach, a combination of systemwide and segment-specific fees, is reflected in S. 1554, which was introduced on June 28, 1983 and referred to the Senate Committee on Environment and Public Works.

[6] See U.S. Department of Transportation and U.S. Department of Commerce, *Inland Waterway User Taxes and Charges* (February 1982). Since only a small fraction of the $8 million authorized for the study was actually appropriated, the final report was not so comprehensive as the act describes. Reference to supporting analysis is provided in the Appendix.

[7] Those costs would be amortized over a 50-year period at a 3-percent rate of interest. Since all costs were expressed in 1979 dollars, the 3 percent represents a real rather than nominal interest rate.

[8] See U.S. Army Corps of Engineers, *National Waterways Study.*

[9] Converting the 34 cents to 1982 dollars would yield an estimate of 43 cents per gallon.

[10] For other instances of this effect in the private sector, see Congressional Budget Office, *Public Works Infrastructure.*

fit most directly from a subsidy stand to be the most directly affected by the withdrawal of that subsidy. And conversely, if the imposition of higher user charges should result in a higher delivered or market price for grain, farmers far from water transportation who make relatively little use of such services might actually benefit.

Cost effects for grain shipping—two analytic approaches

Recognizing the importance of grain transportation, the Section 205 Study presents the results of two different analytic methods to simulate effects of user charges. First, grain transportation was studied in the same manner as all other commodities by Data Resources, Inc. (DRI). Future traffic volumes without user charges were generated in DRI's macro-economical model. "Trigger points," or potential price increases at which shippers would begin to alter their shipping patterns, were then estimated. Then, DRI sought to estimate amounts of traffic diverted. Assuming that all costs were borne by farmers, the results suggested that the cost per bushel of moving grain by barge would increase by about 2 cents to 4 cents by 1990, and that a fuel tax of about 38 cents per gallon would be required to recover costs fully in that year.[11]

The results differed according to whether the means of cost recovery assumed was a systemwide fuel tax or a segment-specific mechanism. With the segment-specific user charge, barge transportation on serveral river systems emerged as no longer viable, because the waterway charges would result in costs higher than shippers would have to pay to use other transport modes. In such cases, only a systemwide charge would support these segments' costs. Shippers on high volume segments, in contrast, would bear lower shipping costs under a segment tax than under a systemwide tax.

The second approach, taken in a study by researchers at Iowa State University, uses production estimates from the U.S. Department of Agriculture for the years 1985 and 1990. The Iowa study identified the origin points for the grain shipments and the final destination points on the basis of consumption and export patterns. It then used a mathematical model to derive a least-cost distribution system. This provided a base case—an estimate on traffic flows in the absence of raised user charges. Transport costs were then increased to reflect user charges, and the program was rerun with a different set of commodity flows resulting.

The basic result of the Iowa analysis is that grain transport costs per bushel would be increased an average of between 2 cents and 3 cents, assuming a systemwide fuel tax of 32 cents a gallon in 1985. Because the Iowa study's method used more geographically specific input information, the results yielded more specific geographic information. The results were not uniform for all farmers. Typically, the price increases appeared lower on the Columbia/Snake River system (Washington/Oregon), ranging from less than 1 cent per bushel up to 2.5 cents per bushel, and higher on the Missouri River system, ranging from 4 cents per bushel to 7 cents per bushel.

[11] All estimates are expressed in constant 1979 dollars.

TABLE 1.—LEVEL OF WATERWAY USER CHARGES REQUIRED TO RECOVER OPERATION AND MAINTENANCE COSTS IN 1982

River	City where shipment originates	Miles to port [1]	In cents per bushel: Charges to recover full costs [2]	In cents per bushel: Charges to recover 70 percent of costs [3]
Mississippi	Minneapolis, Minn	1,811	7.8	5.8
	Clinton, Iowa	1,471	6.4	4.7
	St. Louis, Mo	1,128	4.9	3.6
	Cairo, Ill	954	4.1	3.0
	Helena, Ark	661	2.9	2.1
Illinois	Seneca, Ill	1,424	6.2	4.5
	Peoria, Ill	1,330	5.8	4.2
Ohio	Cincinnati, Ohio	1,456	6.3	4.6
	Louisville, Ky	1,332	5.8	4.2
Missouri	Sioux City, Iowa	1,880	8.2	6.0
	Omaha, Nebr	1,773	7.7	5.7
	Kansas City, Mo	1,517	6.6	4.8
Arkansas	Catoosa, Okla	1,040	4.5	3.3
Columbia-Snake	Lewiston, Wash	475	2.1	1.5
	Central Ferry, Wash	405	1.8	1.3
	Windust, Wash	350	1.5	1.1
	Biggs, Oreg	209	.9	.7

[1] From C. Phillip Baumel, Robert J. Hauser, and Jeffrey Beaulieu, "Impact of Inalnd Waterway User Charges on Corn, Wheat and Soybean Flows," Iowa State University (March 1982), p. 44.
[2] CBO estimate.
[3] Administration proposal. CBO estimate based on a user charge of 1.1 mills per ton mile, as specified in S. 1554.
Note.—In all cases, estimates assume systemwide user charges.

CBO estimates

The CBO estimates that the level of user charges that would have been required to recover all 1982 operation and maintenance costs would, on average, have been about 4 cents per bushel. These charges are shown in Table 1, along with the user charges that might result from the Administration's proposal to recover 70 percent of operation and maintenance costs. These estimates assume that user charges are related to ton miles carried. User charges would be substantially lower if calculated on the basis of tons shipped, because agricultural shipments tend to have trip lengths much longer than the average for the full spectrum of waterway users.

Long-term effects

Depending on market conditions, increased user fees might be borne in the short run by U.S. producers, by consumers, or by intermediaries. In the longer term, the burden would likely be divided somehow between producers and consumers only.

During the past year or so, increasing attention has been devoted to import levies and other attempts by foreign nations to insulate their domestic markets from international commodity price fluctuations.[12] In essence, such policies seek to maintain a fixed domestic price by raising tariffs in response to falling import prices and lowering tariffs in response to rising prices. To the extent that U.S. exports are bound for destinations that adhere to such practices (such as the European Community), and to the extent that user fees resulted in higher delivered prices, the nations importing the grain would absorb the user fees by reducing import levies to maintain constant domestic prices. On the basis of current export patterns, two analysts have estimated that approximately two-thirds of any U.S. user fees would ultimately be absorbed by foreign governments.[13]

In any event, the magnitude of the impact of user fees on farmers would be swamped by normal price fluctuations and other economic variables. For example, CBO estimated last year that a one-percentage-point increase in the interest rate would cost about $5,700 each year for a typical farm harvesting 400 acres of corn and soybeans.[14] By contrast, user fees resulting in a price change of 3 cents a bushel would result in a loss of gross annual farm income of about $900. In comparing any price changes resulting from user charges, one should note that changes in daily grain prices of 5 cents to 10 cents per bushel are not uncommon.

APPENDIX: ANALYSES SUPPORTING THE SECTION 205 STUDY

Detailed reports of the research undertaken for preparation of the Section 205 Study can be found in the following publications of Data Resources, Inc. (DRI) and Iowa State University (Iowa State). See Robert Schuessler and Allan Phillips, "The Economic Impact of Inland Waterway User Charges," DRI (March 1982), and Schuessler, "Analysis of Issues Relating to the Economic Impact of Inland Waterway User Taxes and Charges," DRI (March 1982). See also C. Phillip Baumel and Curtis D. Huyser, "Impact of Inland Waterway User Charges on Fertilizer Flows," Iowa State (March 1982), and Baumel, Robert J. Hauser, and Jeffrey Bealieu, "Impact of Inland Waterway User Charges on Corn, Wheat, and Soybean Flows," Iowa State (March 1982).●

[12] See, for example, Maury Bredahl, William Meyers, and Keith Collins. "The Elasticity of Foreign Demand for U.S. Agricultural Exports" in *American Journal of Agricultural Economics* (February 1979), and Gary P. Sampson and Richard H. Snape. "Effects of the EEC's Variable Import Levies" in *Journal of Political Economy* (1980). See also Congressional Budget Office, "Agricultural Export Markets and the Potential Effects of Export Subsidies," Unpublished Staff Working Paper (June 1983).

[13] See James K. Binkley and Jerry A. Sharples, "The Incidence of Inland Navigation User Charges on U.S. Grain Producers and Consumers Abroad: A Discussion and Some Preliminary Results" in *Waterway User Charges Conference Proceedings*, University of Illinois at Urbana-Champaign (June 23-24), 1982.

[14] See statement of Alice M. Rivlin, Director, Congressional Budget Office, before the Senate Committee on the Budget, March 10, 1982 and responses to subsequent questions.

SENATOR ERVIN ON EQUAL RIGHTS AMENDMENT: "ERA'S TIME IS GONE"

● Mr. HELMS. Mr. President, the distinguished former Senator from North Carolina, Sam J. Ervin, Jr., wrote an article for the New York Times on the equal rights amendment which appeared in yesterday's edition. Senator Ervin brings great wisdom and years of public service to bear when he shares his thinking on issues of the day. I therefore invite my colleagues' attention to the matter of the equal rights amendment and Senator Ervin's judgment on it.

Mr. President, I ask that "ERA's Time Is Gone" by Senator Ervin, appearing in the August 1 edition of the New York Times, be printed in the RECORD.

The article follows:

[From the New York Times, Aug. 1, 1983]

ERA's TIME IS GONE

(By Sam J. Ervin, Jr.)

MORGANTON, N.C.—After 49 years of wise forbearance, Congress in 1972 succumbed to temptation and submitted the Equal Rights Amendment to the states for their ratifications. In the next eight months, 22 states voted to ratify it without pausing to determine what it meant and would do.

Knowledgeable and patriotic Americans, chiefly women, became alarmed by the early trend and assumed the task of telling the truth about the amendment to state legislators who had not already voted to ratify it.

As the truth was exposed, ratifications slowed. The 35th and last ratification was in 1977, when President Carter's underlings and supporters of the amendment persuaded or coerced Indiana to ratify the amendment by a one-vote margin.

When it became obvious that the requisite number of states—three-fourths—would not ratify within the seven years originally designated for the purpose, Congress succumbed to temptation a second time and extended the deadline for ratification three more years. Again the amendment's supporters were disappointed. Not a single state ratified the amendment during the three-year extension, notwithstanding political pressures and economic threats previously unknown in the United States.

Blind to these illuminating events, unrelenting advocates of the amendment are now demanding that Congress submit to temptation for the third time and present the amendment to the states yet again. Congress should resist these siren calls.

One can understand what the Equal Rights Amendment means and will do by reading the beguiling and deceptive words of the amendment and by meditating on what its most knowledgeable champions have said on the subject.

The amendment says "equality of rights under the law shall not be denied or abridged by the United States or any state on account of sex." Prof. Thomas Emerson of the Yale Law School and the three lawyers who joined him in an article in the Yale Law Journal in April 1971 have told us exactly what that means. I quote their words:

"The basic principle of the Equal Rights Amendment is that sex is not a permissible factor in determining the legal rights of women or men. This means that the treatment of any person by the law may not be based upon the circumstances that such person is of one sex or the other. The principle of the amendment must be applied comprehensively and without exceptions. Prohibition against the use of sex as a basis for differential treatment applies to all areas of legal rights. From this analysis it follows that the constitutional mandate must be absolute. Equality of rights means that sex is not a factor."

This being true, the amendment, if ratified, would have a devastating effect on the realities of human life as they have always existed in America and on the structure of our Government. I enumerate a few of the inescapable consequences of its ratification. It would nullify all existing and future laws on these subjects:

Laws that exempt women from being drafted and sent into combat in wars with our armed enemies.

Laws that grant legal exemptions and economic protections to women in general and wives, mothers and widows in particular.

Laws that impose on husbands and fathers the primary obligations to support their wives and children.

Laws that insure privacy to men and women and boys and girls by requiring separate restrooms in schools and in public, commercial and industrial buildings.

Laws that permit or require segregation by sex in schools, hospitals, jails and prisons.

Laws that regulate marriage and make the legal right of one person to marry another depend on their being persons of different sexes.

Laws that defines as crimes sexual offenses, such as rape and carnal knowledge of innocent and virtuous girls under the age of consent, which can be committed only by men.

What has just been said cannot be rightly disputed. The Equal Rights Amendment applies absolutely and completely to all areas of legal rights and forbids Congress and the states to make any legal right of any person depend on the circumstance that he or she is of one sex or the other.

Besides, the amendment would transfer from the states to Congress the ultimate legislative power to enact all laws regulating the rights and responsibilities of men and women and the protection of little children, God's most helpless creatures. In addition, the amendment would rob state courts of much jurisdiction by vesting in the Supreme Court supreme power to determine all questions on these subjects.

If ratified, the Equal Rights Amendment would crucify American womanhood on the cross of a dubious, legal equality and a specious legal uniformity.●

FELLOWSHIP PROGRAM OF THE ENGINEERING SOCIETY OF DETROIT

● Mr. RIEGLE. Mr. President, I would like to call the Senate's attention to a valuable and enlightened program that was developed 2 years ago by the Engineering Society of Detroit. This program places two professional engineers on Capitol Hill for 1 year. During the past 11 months, Scott Wagner of Detroit has been working in my office and Bill Pollard of Ann Arbor has been a staff professional in the office of my colleague from Michigan, CARL LEVIN. They have provided technical expertise and ability to our staffs in a variety of areas.

For example, Scott Wagner has been involved in issues ranging from revisions of the Clean Air Act to funding for mass transit projects in Michigan. Scott's contributions have been most valuable because he has enhanced our own capability to analyze the difficult issues facing the Congress, and develop appropriate responses. In addition, Scott, and this program, bring to us engineers with a distinct Michigan perspective. This enables our offices to focus legislative efforts in areas with the greatest benefit to the State.

Congress faces thousands of issues that are technical in nature. The Engineering Society of Detroit's fellowship program has increased our ability to serve the people of Michigan in more professional and practical fashion.●

ORDER OF PROCEDURE

Mr. BAKER. Mr. President, I believe there is no great demand for morning business this afternoon. In a few moments I will ask the Chair to inquire if there is further morning business and if no other Senator seeks recognition, I will plan to ask that the Senate recess over under the order previously entered until 9:30 a.m. tomorrow.

UNANIMOUS-CONSENT AGREEMENT—CONFERENCE REPORT, H.R. 3329

Mr. BAKER. Mr. President, I have a unanimous-consent request in respect to the conference report that I would like to state now for the benefit of the minority leader.

Mr. President, I ask unanimous consent that when the Senate considers the conference report to accompany H.R. 3329, the Department of Transportation appropriations bill, that the only amendment to be in order to an amendment in disagreement be an amendment dealing with OPM, to be offered by the Senator from Maryland (Mr. MATHIAS), with debate to be limited to 30 minutes equally divided between the mover of the amendment and the ranking minority member of the Appropriations Subcommittee, or their designees.

I further ask unanimous consent that time on the conference report and all other amendments in disagreement be limited to a total time of 30 minutes, to be equally divided between the chairman of the Transportation Subcommittee of the Appropriations Committee and the ranking minority member of that subcommittee, or their designees.

The PRESIDING OFFICER (Mr. RUDMAN). Is there objection?

Mr. BYRD. Mr. President, no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. I thank the minority leader.

ORDER OF PROCEDURE

Mr. BAKER. Mr. President, I have three other brief requests and then I believe the distinguished Senator from Vermont has a matter he wishes to address. Mr. President, I believe all three of these requests have been cleared with the minority leader.

ORDER TO HOLD H.R. 3232 AT THE DESK

Mr. BAKER. Mr. President, I ask unanimous consent that H.R. 3232, an act to amend title 38 of the United States Code to authorize payment of travel and transportation expenses of newly appointed special agents of the Justice Department be held at the

desk until the close of business on Thursday, August 4.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

ORDER TO HOLD H.R. 3677 AT THE DESK

Mr. BAKER. Mr. President, I ask unanimous consent that H.R. 3677, an act to amend title XVIII of the Social Security Act to increase the cap amount allowable for reimbursement of hospices under the medicare program be held at the desk pending further disposition.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

EARLY ANNOUNCEMENTS OF AGRICULTURAL PROGRAMS

Mr. BAKER. Now, Mr. President, if the minority leader is agreeable, I would like to ask the Senate to turn to the consideration of H.R. 3564.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (H.R. 3564) to require the Secretary of Agriculture to make an earlier announcement of the 1984 crop feed grain program and of the 1985 crop wheat and feed grain programs.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

Mr. BYRD. No objection, Mr. President.

There being no objection, the Senate proceeded to consider the bill.

Mr. HUDDLESTON. Mr. President, H.R. 3564 will help farmers and industries that provide vital farm production supplies to make timely decisions for the 1984 and 1985 crop year. The provisions of H.R. 3564 are identical to those contained in S. 1687, a bill I introduced along with Senator JEPSEN.

I am pleased that Congress has acted rapidly in enacting this legislation. The bill will give wheat and feed grain farmers and farm suppliers a better opportunity to plan for adjustments in the 1984 and 1985 crop years than they have been afforded in the past.

The bill requires that the 1985 wheat program and the 1984 and 1985 feed grain programs be announced earlier than the dates specified in the 1981 farm bill. Under the bill, the Secretary of Agriculture would announce the 1985 wheat program by July 1, 1984. Further, he would announce the 1984 feed grain program by September 30, 1983, and the 1985 feed grain program by September 30, 1984.

Farmers and farm supply industries need to have adequate time to evaluate the commodity programs and to make planting and purchasing decisions based on that evaluation.

The late announcement of the 1983 payment-in-kind program gave farmers and farm suppliers little opportunity to plan adjustments for the 1983 crop year. Due to the late announcement of the program, agricultural suppliers, such as fertilizer producers and dealers, were caught with very large surpluses of supplies.

It seems clear that the timing of the program announcements can seriously and adversely affect the fertilizer industry. To alleviate the problems of that industry and other suppliers of production items, and the farm economy as a whole, the acreage reduction programs must be announced as early as possible.

This bill provides for more timely announcement and I am pleased the Congress has approved it.

The PRESIDING OFFICER. The bill is before the Senate and open to amendment. If there be no amendment to be offered, the question is on the third reading and passage of the bill.

The bill (H.R. 3564) was ordered to a third reading, was read the third time, and passed.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

RECORD OPEN UNTIL 6 P.M. TODAY

Mr. BAKER. Mr. President, it appears that the Senate will not be in session very much longer. I ask unanimous consent that the RECORD may be kept open today until 6 p.m. for the purpose of inserting statements.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Now, Mr. President, I believe the Senator from Vermont wishes to address the Chair. I yield to him.

The PRESIDING OFFICER. The Senator from Vermont.

CONSOLIDATION OF STUDENT LOANS AND CHANGES IN FEDERAL STUDENT FINANCIAL ASSISTANCE

Mr. STAFFORD. Mr. President, I call up H.R. 3394, which is at the desk, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 3394) to provide additional authority for the consolidation of student loans and to make certain other changes in Federal student financial assistance.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

amendment no. 2109

(Purpose: To strike a cost of attendance allowance for room and board provision, and to extend a priority provision with respect to Sallie Mae indebtedness, and for other purposes)

Mr. STAFFORD. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Vermont (Mr. STAFFORD) proposes an amendment numbered 2109.

Mr. STAFFORD. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 22, lines 14 and 15, in section 3(a) of the Student Financial Assistance Technical Amendments of 1982, as amended by section 4(a) of the House engrossed bill, strike out ", 1984-1985, and 1985-1986" and insert in lieu thereof "and 1984-1985".

On page 22, beginning on line 24, strike out subsection (c) of section 3 of the Student Financial Assistance Technical Amendments of 1982, as amended by section 4(a) of the House engrossed bill.

On page 32, line 16, section 8 of the House engrossed bill is amended by striking out all after "by" and inserting in lieu thereof the following: "striking out 'September 30, 1984' and inserting in lieu thereof 'September 30, 1988'.".

Mr. STAFFORD. Mr. President, I am extremely grateful to the distinguished majority leader, Senator BAKER, and the minority leader, Senator BYRD, for arranging for the pending bill H.R. 3394, to be brought up at this time.

Mr. President, it is essential that this bill be considered, passed, sent back to the House, and sent to the President before we go into recess. If we do not act now, there will be yet another delay in the processing and delivery of student aid for more than 6 million applicants who need this aid in order to be able to attend school. These perpetual delays, resulting from differences about the distribution of such aid between Congress and the administration, have caused massive confusion among students, parents, college administrators, and lenders about the availability of aid. They have wreaked havoc with the ability of students to plan the financing of their higher education.

The bill before us, Mr. President, would do the following:

First. Permanently extend the waiver of Federal debt priority under

bankruptcy statutes for the Student Loan Marketing Association (Sallie Mae);

Second. Maintain the current family contribution schedules for Pell grants and guaranteed student loans for the 1984–85 and 1985–86 academic years, updated for the most recent and relevant data;

Third. Maintain the existing definition of "financially independent student" for the 1984–85 and 1985–86 academic years;

Fourth. Clarify the student loan disclosure provisions of last year's higher education technical amendments, Public Law 97–301;

Fifth. Increase the "Cost of attendance" allowance, used in determining eligibility for Pell grants, for commuting students not living at home to $1,600 in 1984–85 and $2,100 in 1985–86; and

Sixth. Extend for 3 months the authority of Sallie Mae to consolidate student loans.

Our amendments would modify the House-passed bill in the following manner:

First. Extend the Federal debt priority waiver for Sallie Mae to September 30, 1988, rather than permanently. This is an extension of 4 years relative to current law, and will provide sufficient stability for Sallie Mae in the financial markets; and

Second. Allow the increase in the commuter student allowance to rise to $1,600 for the 1984–85 academic year.

On this latter item, Mr. President, we feel constrained by the action of the other body. Frankly, I would prefer to wait until the reauthorization of the Higher Education Act, scheduled to take place in the 99th Congress, to address this issue, which has the potential of shifting the distribution of Pell grants among students in the various sectors of higher education. This is certainly a substantive change in what we intended to be a technical amendments bill. I would like to make it clear as to the intent of this amendment. We do not intend that the increased ceiling for the commuter student allowance be achieved by reducing Pell grant awards for noncommuters. In other words, if funds are insufficient to assure payment of Pell grant awards to satisfy all entitlements at the current maximum of $1,800, the $1,600 ceiling on the commuter allowance should be reduced as necessary. This is not to imply that the Pell grant maximum award should remain at $1,800; quite the opposite, we hope that the maximum award will be increased, and the commuter allowance will be able to rise accordingly. It has not risen, I am informed, for almost 10 years. However, this is a matter which is within the province of the appropriations process, and must be finally addressed within that process.

Mr. President, this is the best bill we are likely to get, given the stringencies of our time constraints. It is far from a perfect bill; it is not what I would, as chairman of the Education Subcommittee, have desired. We intended to bring before the Senate a bill which would have allowed State loan guarantee agencies and other private lenders the opportunity to consolidate loans on behalf of students on the same terms as Sallie Mae. The bill which my good friend, Congressman PAUL SIMON, intended to bring before the House on Monday would have done just that. However, at the last minute, just hours before consideration of the bill under suspension of the House rules, the Director of the Office of Management and Budget informed the ranking member of the Education and Labor Committee, Congressman ERLENBORN, that OMB objected to the bill.

OMB has known of this bill for months, and had never raised objections to it. At the 11th hour, without accurate data, it now objects to student loan consolidation. the Congressional Budget Office estimates that loan consolidation by States would result in a revenue loss of some $2 million in fiscal year 1984, rising to $12 million in fiscal year 1986. This is indeed a minimal cost to bear if we are attempting, as the administration has suggested time and time again that we do, to shift the burden of government to the States. Needless to say, I am vexed about the dilatory response of OMB on this matter. To merely extend Sallie Mae's authority for 3 months means merely that we will shortly visit this issue again, with or without the help of OMB.

Mr. President, with respect to the extended 3-month authority of Sallie Mae to consolidate student loans, I am aware that the original August 1 shutdown date for loan consolidation has caused some questions in the minds of borrowers and within the administration of Sallie Mae as to whether the program would be able to continue. I would hope that we will be able to work out an agreement to allow the program to continue, extending consolidation authority to States and other private lenders as well. However, I would urge that Sallie Mae in the next 3 months, accept for consolidation only those applications actually made to it prior to August 1.

Finally, Mr. President, there is another issue which I would have hoped to address in this legislation. I am concerned that certain nonprofit guarantors of student loans which are not designated as the State loan guarantee agency have been entering States to guarantee loans without informing the designated State agency. Mr. President, I believe that in certain States, where access to student loans has been far from universal, the State agencies have been part of this problem of access. This is especially true for students in certain proprietary school programs of short duration. In these States, it may be necessary to have an outside lender and an outside guarantor.

However, I do not believe that outside guarantors should make a unilateral determination that service and access provided by a State agency has been inadequate, and then enter into business in that State without some determination by the Secretary of Education and the Governor that access has been, in fact, inadequate. It has never been the intent of Congress, since the inception of the State guarantee agency program, to have a nonprofit organization or institution which is not designated as the State guarantee agency compete with such a designated agency. If the Secretary finds that an outside guarantor can provide improved student access to capital, then he should allow a guarantee arrangement made by that guarantor to stand. I believe that the recent proliferation of these arrangements, without close scrutiny by Congress or by the Secretary as to whether such arrangements actually improve student access to loan capital, is troublesome, and does merit our prompt attention. Therefore, Mr. President, I will work to see that Congress addresses this important issue during its further consideration of the student loan consolidation issue, which must occur before the end of October.

I thank my colleagues, and urge the adoption of the amendment.

Mr. KENNEDY. I would like to make a brief statement regarding H.R. 3394, the Student Loan Consolidation and Technical Amendments Act of 1983. As Senator STAFFORD noted, this legislation addresses and resolves some very important and complex problems related to our student financial aid system.

Specifically, this bill:

Establishes the Guaranteed Student Loan and Pell Grant Family Contribution Schedule through the 1985–86 school year;

Freezes the criteria for determining independent student status through the 1985–86 school year;

Requires the disclosure of certain information to students regarding their loans; and

Extends the Student Loan Marketing Association loan consolidation authority through October 31 of this year.

If we hope to avoid a serious disruption in the student financial aid system, we must insure that these four provisions are enacted prior to the August recess. However, both the Senate and the House are operating under enormous time pressures. I fear that the House will simply not have

time to return to consideration of this bill, as amended.

Let me emphasize that I have no substantive objections to these amendments. I would simply prefer to accept this bill without these amendments. I believe our first priority should be in insuring that the financial aid system is not needlessly disrupted.

I will not object to the amendment by Senator STAFFORD nor will I oppose it. I urge my colleagues to also accept this amendment and this bill. More importantly, however, I urge my colleagues in the House to move to a speedy disposition of this bill as amended. Let us get this bill enacted and get the loan money out to the students.

Mr. STAFFORD. Mr. President, I move the adoption of the amendment.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment.

The amendment (No. 2109) was agreed to.

Mr. STAFFORD. Mr. President, I move passage of the bill as amended.

The PRESIDING OFFICER. Are there further amendments? Is there further debate? The question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

Mr. STAFFORD. I move to reconsider the vote by which the bill passed.

Mr. BAKER. I move to lay the motion to reconsider on the table.

The motion to lay on the table was agreed to.

Mr. BAKER. Mr. President, that is all I have in my folder. There may be at least one other Senator on the way to the floor. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HUDDLESTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

FARMERS AND FOREIGN SUBSIDIES

Mr. HUDDLESTON. Mr. President, we all know that our agriculture producers in this country are undergoing very difficult times—low prices, the weather, surplus production, foreign sales declining for the third time in over a decade. We know that, in this country, we have to be able to sell abroad over a third of the grain we produce in order to accommodate the production capacity of our producers and to assure some kind of reasonable return.

Our colleague, the distinguished Senator from Delaware (Mr. BIDEN), has written an excellent article, carried in the Daily Times of Salisbury, Md., relating to this problem as it affects his State of Delaware.

One of the problems that the Senator from Delaware points out and emphasizes in this article is the fact that our producers are having to compete with agriculture producers of other countries who enjoy large subsidies in their efforts to export their products. Consequently, we are not playing on an even field as far as competing for the export market.

I ask unanimous consent that this article by Senator BIDEN be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Salisbury (Md.) Daily Times, July 11, 1983]

FARMERS SHOULDN'T HAVE TO COMPETE WITH FOREIGN SUBSIDIES

(By Joseph Biden)

In the last 10 years the value of Delaware agricultural exports have skyrocketed 550 percent.

This is a clear example of how well our products can sell abroad if they are allowed to compete on even terms. But in 1981, for the first time in many years, the value of our farm exports dropped because of the unfair and restrictive practices of our trading partners.

Those of us who serve Delaware in the Congress have had to wrestle with the issue of how to get America's trading partners to trade fairly. This problem hits Delaware's agriculture hard, especially the poultry and soybean business which is so important on the Delmarva peninsula. Agriculture remains one of Delaware's largest and most important industries and these products are the major elements of that industry.

Our farmers and poultry producers, who are hard-working and productive managers, deserve better. They find themselves falling farther and farther behind. Not only do they have to contend with high interest rates—much too high in relation in the current rate of inflation—and continuing low prices for their products, but they also find themselves losing ground to foreign competitors—especially those in Europe—who are heavily subsidized by their governments.

In 1976, the U.S. exported $30 million worth of poultry to the Middle East. Last year, because of foreign subsidies, those exports fell to almost nothing. Delaware's poultry producers feel the aftershocks as they continue to lose money and markets. Unless something happens fast, the United States may no longer have an export industry for whole broilers.

At the end of June, the Commerce Department reported that for the month of May nationwide figures show overall exports falling 3.2 percent. Our trade deficit for 1983 could hit a record $70 billion mark if that trend continues.

Expansion of our exports for Delaware and the entire nation can be achieved—if we insist on fair competition. To that end, I have proposed both legislative and administrative remedies.

Recently I joined a number of my colleagues in pressing Ambassaador Bill Brock, our international trade representative, to negotiate more agressively with our European and Brazilian trading partners. What we need is to substantially reduce government subsidies so everyone can compete on a more nearly equal footing. Brock has been negotiating for the last year and a half. If those negotiations drag out much longer without achieving some substantial concessions, many poultry producers could be facing bankruptcy particularly in light of problems caused by the PIK program.

Two weeks ago, to indicate the urgency of this matter to the Administration, a bipartisan group of my colleagues in the Senate joined me in passing an amendment to the International Monetary Fund Bill. The IMF is responsible for loans to developing countries. The legislation calls for curtailment of aid to countries with predatory export subsidies.

Another step that should help our farmers is the ongoing negotiation with the Soviet Union for a long-term grain agreement. Again, I am urging Ambassador Brock to press the Soviets to include value-added products (soybean meal and oil and poultry parts) in the agreement. Including those products would be of immeasurable benefit to Delaware's producers. Soybeans and poultry accounted for 59 percent of Delaware's agricultural exports in 1981. If our products get a fair shake in these new markets, we can help our farmers without resorting to export subsidies.

BLACK AND HISPANIC VIEWS ON IMMIGRATION

Mr. HUDDLESTON. Mr. President, when experienced pollsters V. Lance Tarrance and Peter D. Hart join together to produce a nationwide poll, no reasonable person would dare question the results. Today, these well respected professionals released the results of a nationwide survey on Hispanic and black attitudes toward immigration policy.

Although their findings were not surprising to me, they do refute much of the misinformation that has been circulated about the need for immigration control. Some of the highlights of the survey were:

Both with regard to legal and illegal immigration, substantial portions of the Hispanic and black communities perceive a need for change in American immigration policies—with pluralities or majorities of respondents emphasizing the need to put greater controls on immigration.

Substantial majorities favor proposals to curb illegal immigration by having penalties and fines for employers who hire illegal immigrants.

Pluralities of Hispanics and majorities of blacks believe that the United States should admit fewer immigrants into the country legally than has been the case in recent years.

Substantial majorities of Hispanics and blacks believe that illegal immigration hurts the job situation for

American workers by taking away jobs that Americans might fill.

This is the most comprehensive national poll ever taken on the attitudes of Hispanic and black Americans on U.S. immigration issues, and I urge all of my colleagues to take the time to review it.

I ask unanimous consent that the summary of major findings be printed in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

HISPANIC AND BLACK ATTITUDES TOWARD IMMIGRATION POLICY—SUMMARY OF MAJOR FINDINGS

CONCERN WITH THE IMMIGRATION ISSUE

1. Among both Hispanics and blacks, there is a broad degree of concern with the issue of immigration. This is particularly true among Hispanics, 72% of whom rank immigration as having above average importance among the range of issues with which government deals—including 31% who say immigration is one of the most important issues facing government and 41% who rank it as very important. Among blacks, 57% assign above average priority to the issue of immigration.

2. There is a widespread perception that illegal immigrants hurt the job situation for American workers by taking away jobs that Americans might take. Fully 82% of all blacks say that illegal immigrants hurt the job situation for Americans. Sixty-nine percent of all blacks believe that this situation is a major problem. Blacks with incomes under $10,000 are particularly likely to feel that job losses caused by illegal immigration are a major problem (76%). Among Hispanics, a 58% majority believe that illegal immigrants take jobs away from Americans who might want them, and 46% of all Hispanics consider this to be a problem of major proportions. Fifty-one percent of Hispanics who are U.S. citizens consider the impact of illegal immigration of American employment to be a problem of major proportions, compared to 28% among non-citizen Hispanics.

3. The large majority of blacks (71%) believe that illegal immigrants cause general pay rates and wages in America to be lower than they otherwise would be, and six-out-of-ten blacks term the impact of illegal immigration on wage rates a major problem. Attitudes among Hispanics on this question are somewhat more divided—52% say that illegal immigrants undermine American wage rates, while 40% do not believe this is the case. Among Hispanics who are U.S. citizens, 55% say illegal immigrants undercut wage rates in the country, including 43% who deem this to be a major problem. Among non-citizen Hispanics, 42% say that illegal immigrants undercut wages and the issue is considered to be a major problem by 26%.

4. Attitudes among both Hispanics and blacks are divided with regard to the assertion that restricting illegal immigration would be harmful to the economy because low-wage jobs now done by illegal immigrants would not get done or employers would be forced to pay higher wages. Among Hispanics, 51% agree and 40% disagree. Among blacks, 48% agree and 44% disagree.

THE BASIC DIRECTION OF IMMIGRATION POLICY

Both with regard to legal and illegal immigration, substantial portions of the Hispanic and black communities perceive a need for change in American immigration policies—with pluralities or majorities of respondents emphasizing the need to put greater controls on immigration.

1. On the subject of legal immigration, 46 percent of Hispanics say that the U.S. should admit fewer immigrants legally than has been the case over the past decade (the question cited 450,000 as the annual average over the past decade), 27 percent feel the recent levels of immigration are about right, and only 15 percent say the U.S. should increase the number of legal immigrants admitted to the country. Among Hispanics who are U.S. citizens, 50 percent believe fewer legal immigrants should be admitted than has been the case in the recent past, 12 percent prefer higher quotas, and 26 percent are satisfied with current levels. Among non-citizen Hispanics, 30 percent would prefer less legal immigration, 25 percent say more legal immigration should be allowed, and 28 percent endorse the status quo. When asked specifically about legal immigration from Mexico in a question that cited the 1980 level of 56,000, Hispanics are somewhat less agreed on the need for reductions (14 percent allow more, 37 percent allow fewer, 40 percent about right). There is a broad consensus among blacks in support of reducing legal immigration generally: fully 65 percent say the U.S. should admit fewer legal immigrants than it has under recent practices, including 45 percent who say the number of legal immigrants should be a lot less.

2. On the subject of illegal immigration, a substantial plurality of Hispanics and a large majority of blacks say our current laws need to be changed to be tougher and more restrictive of illegal immigration and illegal aliens. Among blacks, fully 70 percent favor changing current laws to be tougher on illegal immigration, 16 percent say the current laws are about right, and just 8 percent feel the laws should be changed to be made less restrictive. Among Hispanics, 47 percent favor tougher laws, 22 percent support the status quo, and 15 percent favor moving toward less restrictions; 16 percent are unsure. Again, the difference in attitudes between Hispanics who are U.S. citizens and those who are non-citizens is substantial: 55 percent of Hispanic citizens favor tougher laws to deal with illegal immigration, compared to 23 percent among Hispanic non-citizens. Among both blacks and Hispanics, attitudes toward the basic direction of U.S. policy on illegal immigration hold relatively stable after respondents are given arguments both for (protecting American jobs and wages, put the needs of Americans first) and against ("nation of immigrants" tradition, difficulty of enforcement, potential for discrimination) tough restrictions on illegal immigration. After hearing the pro and con statements, Hispanics favor tough restrictions on illegal immigration by a margin of 57 percent to 32 percent; blacks favor tough restrictions by a 71 percent-to-19 percent margin. (See attached questionnaire for wording of statements.)

REACTION TO SPECIFIC POLICY PROPOSALS

Substantial majorities of both Hispanics and blacks favor proposals to curb illegal immigration by having penalties and fines for employers who hire illegal immigrants and making major increases in the amount of money the federal government spends on patrolling the borders to stop illegal immigrants from entering the country. At the same time, Hispanics tend to be strongly sympathetic to the idea of an amnesty program for illegal immigrants who have been in the country for a certain period of time; a majority of blacks also support this idea, but with less intensity. When respondents volunteer what they believe would be an appropriate amount of time an illegal immigrant should have been in the U.S. in order to qualify for amnesty, the median response among Hispanics is 4.7, while the median response among blacks is somewhat higher than five years.

1. By a margin of 60% to 33%, Hispanics support adopting legal sanctions against employers who hire illegal immigrants. Among Hispanic citizens, 66% favor these employer sanctions—including 53% who strongly support them. Hispanic non-citizens oppose employer sanctions by a margin of 55% to 38%. Blacks favor penalizing employers who hire illegal immigrants by a margin of 66% to 27%, with 56% strongly supporting employer sanctions.

2. Stepped-up spending on tougher border enforcement is supported by all Hispanics by a margin of 61% to 30%, with 47% saying they feel strongly about their support for greater efforts to patrol the borders. Among blacks, fully 69% favor major increases in funding for border patrols (including 55% who strongly favor this).

3. When asked how they feel about the idea of establishing "some sort of amnesty or legalization program that would allow illegal immigrants or undocumented workers who have been in the U.S. for a certain period of time to remain here legally," 74% of all Hispanics say they favor this idea, with 57% who say they favor it strongly; 19% oppose the plan. Blacks favor the concept of amnesty by a margin of 57% to 34%—including 38% who are strongly supportive; 29% are strongly opposed. When asked in a subsequent question to volunteer how long an illegal immigrant should have been in the country to qualify for amnesty, 28% of Hispanics mention a period of four years or less, 32% suggest five years, 29% volunteer a period of more than five years, and 5% stress their opposition to any sort of amnesty. Among blacks, 21% mention a residency requirement of four years or less, 27% specify five years, 34% mention a period of more than five years, and 10% say no illegal immigrant should be granted amnesty.

4. Finally, respondents were asked for their reaction to the provision of certain tax-funded services to illegal immigrants, with the following results:

Hispanics broadly support the idea of having the government provide free public education to the children of illegal immigrants (71 percent favor, 25 percent oppose); blacks are also favorable to this idea, but by a somewhat smaller margin (55 percent favor, 40 percent oppose).

Majorities of both Hispanics (57 percent oppose, 36 percent favor) and blacks (60 percent oppose, 36 percent favor) reject the idea of allowing illegal immigrants to receive welfare such as AFDC and Food Stamps. Among Hispanic citizens, 63 percent oppose permitting illegal immigrants to participate in these welfare programs, including 53 percent who are in strong opposition.

With regard to Medicaid, Hispanics favor allowing illegal immigrants to receive benefits by a margin of 52 percent to 41 percent, while opinions among blacks are slightly more divided (50 percent favor, 44 percent oppose).

Mr. HUDDLESTON. Mr. President, I yield to the majority leader.

Mr. BAKER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR THE RECOGNITION OF CERTAIN SENATORS ON TOMORROW

Mr. BAKER. Mr. President, I ask unanimous consent that on tomorrow, after the recognition of the two leaders under the standing order, two Senators be recognized on special orders for not to exceed 15 minutes each. That is to say, Senators RUDMAN and DIXON, in that order.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER TO RESUME CONSIDERATION OF H.R. 3363 ON TOMORROW

Mr. BAKER. Mr. President, after the execution of the special orders, it is anticipated that time may be provided for the transaction of routine morning business. After that, if it is so provided, the Senate will return to the consideration of the Interior appropriations bill.

In addition to the Interior appropriations bill, Mr. President, it is hoped that on tomorrow we can pick up the Department of Transportation appropriations conference report. On last inquiry, the House had not yet finished action on that measure, but they expect to do so today. We should have that matter available in the Senate tomorrow. It is privileged, of course, and at some point I will ask the Senate to turn to the consideration of that conference report.

RECESS UNTIL TOMORROW AT 9:30 A.M.

Mr. BAKER. Mr. President, I know of no other Senator seeking recognition. I find no dispute on that issue from the minority leader, who is a short distance from me on the other side of the aisle. Given those circumstances, I ask unanimous consent that the Senate stand in recess until the hour of 9:30 a.m. tomorrow morning, in accordance with the previous order.

There being no objection, the Senate recessed at 4:19 p.m. until tomorrow, Wednesday, August 3, 1983, at 9:30 a.m.

HOUSE OF REPRESENTATIVES—*Tuesday, August 2, 1983*

The House met at 12 o'clock noon.

The Rev. Dr. Duke Kimbrough McCall, president of the Baptist World Alliance, Louisville, Ky., offered the following prayer:

Our Father who art in heaven, we open our hearts and our hands to receive Thy good gifts this day. Give us a job worth doing and wisdom to do it well, for our own sake and the sake of all mankind.

We have worried and argued on the assumption that we are worth preserving from nuclear holocaust or just plain hunger. Alas, there is little supportive evidence of our importance outside our pride and our instinct for self-preservation.

Our best hope is that You, O God, thought we were worth saving because You loved us all. So be pleased to hear our prayer, in the name of Jesus Christ, our Saviour and Lord. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Saunders, one of his secretaries.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Sparrow, one of its clerks, announced that the Senate had passed without amendment a joint resolution of the House of the following title:

H.J. Res. 338. Joint resolution to correct Public Law 98-63 due to an error in the enrollment of H.R. 3069.

PRIVATE CALENDAR

The SPEAKER. This is the day for the call of the Private Calendar. The Clerk will call the bill on the Private Calendar.

CONVEYANCE OF THE LIBERTY SHIP "JOHN W. BROWN"

The Clerk called the bill (H.R. 1556) to authorize the conveyance of the Liberty ship *John W. Brown* to the John W. Brown preservation project.

There being no objection, the Clerk read the bill, as follows:

H.R. 1556

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding any other provision of law, the Secretary of Transportation (hereinafter in this Act referred to as the "Secretary") may convey, without reimbursement but subject to the conditions set forth in section 2, the right, title, and interest of the United States in the vessel John W. Brown to the John W. Brown Preservation Project (hereinafter in this Act referred to as the "Project"), a nonprofit corporation organized under the laws of the State of New York. If such a conveyance is made, the Secretary shall deliver the vessel to the Project at the place where the vessel is located on the date of the enactment of this Act, in its present condition, without cost to the United States.

SEC. 2. The conveyance of the vessel John W. Brown under the first section of this Act shall be subject to the following conditions:

(1) The Project shall use the vessel as a nonprofit merchant marine memorial museum and may not use it for commercial transportation purposes.

(2) If the United States has need for the vessel at a later date, the Project, at the request of the Secretary, shall make the vessel available to the United States without cost to the United States.

(3) In the event the Project no longer requires the vessel for use as a merchant marine memorial museum, the Project shall at the discretion of the Secretary reconvey the vessel to the United States in as good a condition as when it was received from the United States, except for ordinary wear and tear, and shall deliver it to the United States, without cost to the United States, at the place where the vessel was delivered to the Project.

With the following committee amendment:

Strike all after the enacting clause and insert in lieu thereof:

That, notwithstanding any other provision of law, the Secretary of Transportation (hereinafter in this Act referred to as the "Secretary") may convey, subject to such conditions he deems appropriate and subject to the conditions set forth in section 2, the right, title, and interest of the United States in the vessel John W. Brown to a nonprofit corporation (hereinafter in this Act referred to as the "recipient") for use as a merchant marine memorial. If such a conveyance is made, the Secretary shall deliver the vessel to the recipient at the place where the vessel is located on the date of the enactment of this Act, in its present condition, without cost to the United States.

SEC. 2. The conveyance of the vessel John W. Brown under the first section of this Act shall be subject to the following conditions:

(1) The recipient shall use the vessel as a non-profit merchant marine memorial museum and may not use it for commercial transportation purposes.

(2) If the United States has need for the vessel at a later date, the recipient, at the request of the Secretary, shall make the vessel available to the United States without cost to the United States.

(3) In the event the recipient no longer requires the vessel for use as a merchant marine memorial museum, the recipient shall, at the discretion of the Secretary, reconvey the vessel to the United States in as good a condition as when it was received from the United States, except for ordinary wear and tear, and shall deliver it to the United States at the place where the vessel was delivered to the recipient.

SEC. 3. Nothing in this Act shall require the Secretary to retain this vessel in the Reserve Fleet for a period longer than two years from the date of enactment.

Mr. SENSENBRENNER (during the reading). Mr. Speaker, I ask unanimous consent that the committee amendment be considered as read and printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

The committee amendment was agreed to.

● Mr. BIAGGI. Mr. Speaker, I rise in support of H.R. 1556—legislation to preserve one of the last Liberty ships—the *John W. Brown.* This bill authorizes the Maritime Administration to transfer the *John W. Brown* to an appropriate nonprofit organization, which would then establish a memorial honoring the men and women who built and crewed the merchant fleet that helped win World War II.

This museum will also serve as a vivid reminder of the need to maintain a fleet capable of transporting arms, supplies, and troops in the event of a national emergency. It is indeed unfortunate that many of our citizens are unaware of the crucial role played by our merchant marine during times of national crisis.

The risk undertaken by our merchant seamen is demonstrated by one grim statistic: During World War II, merchant seamen suffered a greater percentage of fatalities than any branch of the armed services, except for the Marines.

The role of the merchant fleet was so significant that General Eisenhower characterized the merchant marine as our fourth arm of defense.

H.R. 1556 will save the *John W. Brown,* which was one of 2,770 Liberty ships built in series construction. She was constructed in 41 days at the Bethlehem-Fairfield shipyard in Baltimore. She saw service in the Mediterranean as a troop transport, ferrying troops to the Anzio beachhead and transporting German POW's to North Africa.

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

After the war, Liberty ships served various functions: Some became naval auxiliary vessels; many were utilized as break-bulk transports by U.S. and foreign shipping lines; and a number were ultimately used in artificial reef projects.

In 1945, the *John W. Brown* became the Nation's first and—to my knowledge—only maritime high school. From then until last year she was used by the New York City Board of Education to teach young people the necessary skills to prepare for service at sea.

H.R. 1556 will facilitate the creation of a permanent living memorial to those valiant seamen who gave their lives so that others might live in freedom.

The establishment of this museum will also be a tribute to the workers who constructed the merchant fleet that helped us win the war. These workers—though they did not serve on the battlefield—worked long and hard to build the fleet.

Our merchant mariners and shipyard workers have long been neglected and ignored; this legislation, however, will create a suitable memorial to the valiant men and women who served with distinction, and I ask my colleagues to join me in supporting it.●

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill to authorize the conveyance of the Liberty ship *John W. Brown.*"

A motion to reconsider was laid on the table.

The SPEAKER. This concludes the call of the Private Calendar.

REV. DR. DUKE KIMBROUGH McCALL

(Mr. HUBBARD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUBBARD. Mr. Speaker, it is a pleasure and an honor to have Dr. Duke Kimbrough McCall, president of the Baptist World Alliance, to give our opening prayer and serve as our guest chaplain today.

Dr. McCall, now chancellor of the Southern Baptist Theological Seminary in Louisville, Ky., retired February 2, 1982, as president of the Southern Baptist Theological Seminary after three decades of leadership there. I am privileged to say that Dr. McCall and my late father, Dr. Carroll Hubbard, Sr., for 52 years a Baptist minister, were friends and closely associated with each other through the years.

It can be said that as president of the Baptist World Alliance that Dr. McCall is to Baptists internationally what Pope John Paul II is to Catholics around the world.

Ordained a Baptist minister in 1937, Dr. McCall was pastor of Broadway Baptist Church in Louisville for 3 years and president of New Orleans Baptist Theological Seminary from 1943 to 1946. Further, Duke McCall has held several national denominational posts over the years, including executive secretary-treasurer of the Southern Baptist Convention's Executive Committee.

He and his lovely, talented wife Marguerite, who died April 3 this year, raised four sons: twins Duke Kimbrough McCall, Jr., and Douglas Henry McCall, John Richard McCall, and Michael William McCall.

Dr. Duke McCall is admired by those who know him, including his colleagues in the Lord's work—Jewish rabbis, Catholic priests, and Protestant ministers.

I am pleased to have as my guests today Dr. Duke McCall and his grandson, Douglas McCall.

TELEPHONE RATE INCREASES

(Mr. WRIGHT asked and was given permission to address the House for 1 minute.)

Mr. WRIGHT. Mr. Speaker, the Federal Communications Commission recently has promulgated a ruling which threatens to reach out and touch every American right in the pocketbook.

That ruling in effect will reduce long distance charges and greatly increase the charges for local telephone service.

Bell operating companies throughout the country have announced their request for unprecedented telephone rate increases in the wake of that ruling. We are seeing requests that could double or triple the average consumer's basic telephone bill.

But Judge Harold Greene, who decided the AT&T case on which the Federal Communications ruling was based, says that the access charge decision runs directly counter to the purpose of the court.

So I commend to my colleagues serious consideration of a bill which has been introduced in the Commerce Committee which would repeal the Federal Communications access charge decision and require the FCC to establish a formula under which local telephone service will remain affordable throughout the country.

DR. MARTIN LUTHER KING, JR.

(Mr. ANDREWS of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ANDREWS of Texas. Mr. Speaker, today the House will vote on making the birthday of Dr. Martin Luther King, Jr., a national holiday. Martin Luther King, Jr., was a man of vision. He had a vision of America which we must continue to strive to reach. He was a man who asked that the person who delivered his eulogy not say that he had won a Nobel Peace Prize or that he had received 400 or 500 other awards. All he wanted said was that Martin Luther King, Jr., tried to love and care for others.

Those tangible awards had little meaning. He wanted us to remember him as a drum major; a drum major for justice, a drum major for peace, and a drum major for righteousness. That is what this bill and this debate are all about. Martin Luther King, Jr., was a man who, during a speech in Detroit, Mich., not long before he died, said that "Every man, from a bass black to a treble white, is significant on God's keyboard."

Reverend King was a leader in the tradition of the Apostle Paul and Mahatma Gandhi. He understood that passive resistance can be mightier than force. He once said that "It is a strong man who can stand up to violence without resorting to violence." He was a man who believed in America; his determination was fired by the ideals for which this country was founded. He was a man who believed that "Injustice anywhere is a threat to justice everywhere."

Let us unite here to right an injustice which we in Congress have allowed to be perpetuated by our inaction. This recognition of Dr. King's birthday is not just a celebration of one man's life; it is a celebration of every American's inalienable rights. It is a celebration of justice, a celebration of progress, a celebration of hope. Martin Luther King, Jr., had a dream. Let us help America realize that dream. Now is the time to make real the promise of democracy. I urge my colleagues to support this important and timely legislation.

A CALL FOR TEXTILE FAIR TRADE LEGISLATION

(Mr. DERRICK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DERRICK. Mr. Speaker, I rise on behalf of the 117,000 South Carolinians still employed in textiles and in behalf of those, who until 1982, had jobs in the 27 South Carolina mills that have been shut down. I ask the House Subcommittee on Trade to immediately develop legislation to combat foreign unfair trade practices.

Yes, the textile industry has had to update its equipment and refine its lines; it has done that and continues to do so, but the finest equipment in the world cannot compete against foreign governments subsidizing their textile companies in an all-out effort to

obtain a larger share of the U.S. market.

I am greatly disappointed with this weekend's trade agreement with China which strikes another blow to the U.S. textile industry. The President has promised repeatedly to limit textile imports to domestic market growth, but he has sold us out.

I do not ask for protectionism; I ask for fair trade.

Since the Reagan administration is not doing the job, I am asking the Congressman SAM GIBBONS' Subcommittee on Trade to bring about fair trade. The administration has talked it to death; I want to see the Congress give new life to textiles crafted in the United States

Prior to his election, President Reagan promised he would make sure that textile jobs remain in this country. He said that fibers, textiles, and apparel provide 2.3 million jobs, a high percentage of which are held by minorities. Under Mr. Reagan, the number of jobs has dropped by 200,000.

Certainly the recession has played a role, but a big part of the problem has been our trade practices. From January through May of this year textile imports are up 21 percent over the same period last year. During the same 5 months our textile trade deficit is up 34 percent. Korea has increased its manmade fiber dress imports to the United States by 164 percent over 1982; Hong Kong's increase is 113 percent. As an indication of how severe our trade practice problems are, there has been a significant increase in the number of cases of foreign unfair trade filed with the International Trade Commission. There have been five cases, such as the dumping of polyester cloth from Japan and China, filed already in 1983.

We cannot waste any more time. There are more than 2 million Americans looking to Congress to provide help they cannot find anywhere else. It is time for unfair trade to cease.

A POLICY OF DOUBLE STANDARDS AND SPECIAL PRIVILEGES IN TAXATION

(Mr. ALEXANDER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ALEXANDER. Mr. Speaker, we have heard much lately about debategate or brief-gate and about spies and moles around the Presidency. In all fairness, Mr. Speaker, it is my duty this morning to submit convincing evidence that there is right now, at this moment, a Democratic mole in Ronald Reagan's White House.

Mr. Reagan, in his address to the American Bar Association yesterday, said:

> The explicit promise in the Declaration of Independence that we are endowed by our Creator with certain inalienable rights was meant for all of us. It was not meant to be limited or perverted by special privilege, or by double standards that favor one group over another.

Mr. Speaker, every Member of Congress knows that this was the work of a speech writer. And this speech writer is attempting to undercut and to subvert the President's policy of double standards and special privileges in taxation.

The effect of President Reagan's Tax Act of 1981 was to increase the burden of taxes for middle America and for lower-income Americans by about 10 percent and to decrease taxes for upper-income Americans by the same 10 percent. So disguised as a tax cut, it was the largest tax shift in American history.

It reminds me of the old country lawyer's adage: "The large print giveth, and the small print taketh away."

CIVIL RIGHTS

(Mr. KILDEE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KILDEE. Mr. Speaker, the press has been full of reports lately of the administration's apparently new-found commitment to the cause of civil rights. Indeed, there has been a much publicized increase in the administration's civil rights posture during these last several weeks.

But it is by their deeds—not their words—that the Nation shall judge the Reagan administration's commitment to civil rights. And by every measure, this President's commitment has been found lacking.

From the shame of attempting to grant tax exempt status to schools which discriminate on the basis of race to the travesty of trickle-down economics, the Reagan administration has steadfastly impeded progress on civil rights issue. But more disturbing than the administration's drive to prevent the success of the civil rights movement, is their attempt to roll back many of the movement's past gains. There is no greater example of this retreat than the President's attempts to pack the U.S. Commission on Civil Rights.

The President has taken the unprecedented step of firing five of the six Commission members during his term. These firings are irresponsible and a clear effort to stack the Commission with members who will make the Commission ineffective as a civil rights monitoring organization.

The Civil Rights Commission was established as the conscience of our National Government. President Reagan is trying to remake the Commission into a mouthpiece for his administration and to stifle criticism of those administration policies which are unfair to many in our Nation. I urge the Senate to reject the President's nominations for replacements and I hope the courts will overturn the firings. It is essential for the Civil Rights Commission to be independent of the administration whose policies it is examining.

□ 1215

NEW YORK IS THE APPLE OF U.S. NAVY'S EYE

(Mr. BIAGGI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BIAGGI. Mr. Speaker, Diana Ross and the U.S. Navy have something in common—they both love New York. They each displayed their affection for the greatest city in the world last week. Diana Ross gave a free concert viewed by almost half a million people in Central Park—and did it as her way of thanking New York City for all it had done for her career.

Last Friday, the U.S. Navy and their distinguished Secretary John F. Lehman, Jr., announced that the city of New York had been awarded the battleship *Iowa* and six other support ships all of which would be stationed in the Port of New York. Estimates show that this project will produce as many as 9,000 new jobs and over $500 million a year to New York City's economy. It is said that nothing happens by itself. The *Iowa* contract came as the result of hard work and a special brand of bipartisan cooperation within our congressional delegation. Our colleague JOE ADDABBO and Senator AL D'AMATO were the guiding lights which helped steer the *Iowa* into New York City.

As a lifelong resident of New York City, I take special pride in her special week last week. The people of New York City do not always receive their fair share of the Federal pie—but at least in this one instance—New York City proved to be the apple of the U.S. Navy's eye.

THE TELEPHONE CRISIS

(Mr. BATES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BATES. Mr. Speaker, the House Committee on Energy and Commerce and the Senate Committee on Commerce, Science, and Transportation held a rare, joint hearing on telephone legislation pending before this Congress.

There are now 12 bills before both Houses that attempt to reduce for the American consumer the great impact of the AT&T divestiture decisions. As

the author of three of those bills, I would like to call your attention to what must be addressed to avert a crisis in our telephone system.

First, we must insure that future service not fall below the current level of service to telephone customers.

Second, States must retain the authority to regulate service to insure that all areas and customers are covered, even if not profitable. Their role in depreciation decisions should be preserved.

Third, access charges derived from the availability of the telephone system reflect the benefits from the system.

Fourth, a universal fund be established which does not exclude any State with overall cost-efficient service if there are areas within the State where service costs are more than the national average.

These issues must be addressed if this Nation is to continue to retain its complex web of telecommunications and to preserve effective competition in the industry.

THE TEFLON PRESIDENCY

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, after carefully watching Ronald Reagan he is attempting a great breakthrough in political technology—he has been perfecting the Teflon coated Presidency.

He sees to it that nothing sticks to him. He is responsible for nothing—civil rights, Central America, the Middle East, the economy, the environment—he is just the master of ceremonies at someone else's dinner.

"Oh, that naval exercise." "Oh, that Interior Secretary." "Oh, that Middle East." "Oh, that acid rain." "Oh, that unemployment."

Harry Truman had a sign on his desk emblazoned with his motto: "The buck stops here." It has obviously been removed and Reagan's desk has been Teflon coated, also I could be wrong. Maybe Reagan does know what he is doing. The Rocky Mountain News on July 29 carried a cartoonist's version of the last Presidential press conference. Reported: "Mr. President, isn't your claim that your administration has done more for women just another fabrication?" Reagan: "I'm glad you asked. I'm willing to put my record against anyone else's! Check it out. You'll see we've had more fabrications than any previous administration!"

UNSAFE AND INEFFECTIVE DIET PILLS

(Ms. OAKAR asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. OAKAR. Mr. Speaker, I noted last week that the FDA chief, Dr. Arthur Hull Hayes, resigned rather unexpectedly. Of course, we all know he was under internal investigation by his department, the Department of Health and Human Services.

Mr. Speaker, I think he mirrored the laxity of FDA. As we all know, more than 69 percent of the over-the-counter drugs that FDA has tested—and they have not gotten to most of them—are unsafe and ineffective. Our Aging Health Subcommittee had a hearing last week at which we went in depth into the ineffective and unsafe diet pills that are being popularized by a super-duper campaign in advertising, and we saw examples of people who have suffered strokes and hypertension and hypnotic reactions, and so forth.

In fact, the majority of people who take those awful pills are very susceptible to those kinds of occurrences. The tragedy is that FDA is not using its discretionary power to enforce the law. They are not protecting the American consumer. Therefore, I have introduced a bill which deals with FDA. If they are not going to protect the consumer, we must make them.

PARLIAMENTARY INQUIRY

Mr. SOLOMON. Mr. Speaker, I have a parliamentary inquiry on the discretionary powers of the Speaker.

The SPEAKER pro tempore (Mr. KILDEE). The gentleman will state it.

Mr. SOLOMON. Mr. Speaker, is it not the fair policy of the Speaker, when we are in the 1-minute speech period, that he first recognize the Democrats who were on the floor in the order that they arrived, and then the Republicans who have been sitting here for 45 minutes in the order in which they arrived, and then go back to those latecomers? Is that not the fair policy of the Speaker of this House?

The SPEAKER pro tempore. It is at the discretion of the Chair, and the Chair tries to be fair. The Chair is aware of no unfairness yet. The Chair now recognizes the gentleman from Arkansas.

Mr. SOLOMON. I thank the Speaker for being so fair.

NERVE GAS WEAPONS BACK IN THE NEWS AGAIN

(Mr. BETHUNE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BETHUNE. Mr. Speaker, the morning papers are full of the news that the armed services conference has caved in to the request of the moribund Chemical Corps to include the production of nerve gas weapons in the conference report.

Of course, that is no surprise, because the armed services conferences members ooze prejudice for this faulty system. This House has found 2 years in a row that those weapons are not needed, and that is no surprise. The Department of Defense itself has admitted that the artillery shells we have are perfectly good until the year 1990.

This House has found that the Big Eye Bomb is a mechanical nightmare. It blows up on us, not the enemy. That is why this House has, for 2 years in a row, rejected this idiotic weapons system. Not only have we saved $6 billion for the American taxpayer, but we have preserved a moratorium that has been in effect since 1969 which serves us well because we hold the high ground on this issue in the world when it comes to deciding who people can trust on the issue of arms control.

So I urge my colleagues to reject the conference report when it comes back if it includes this very ill-conceived weapons system.

A BANKER'S AND A CONGRESSMAN'S PERSPECTIVE ON IMF QUOTA INCREASE

(Mr. MACK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MACK. Mr. Speaker, in a few days, we will again discuss the IMF and its quota increase of $8.4 billion. It was said here that bankers are not Congressmen and Congressmen are not bankers. While that may be true, let me share a few thoughts after 16 years in the banking business.

First, you do not solve the problem of international finance by piling debt on top of debt.

Second, you do not solve the problem by committing to additional lending without knowing how much more money in future years will be needed.

Third, you do not solve the problem by working out a plan which does not have as its basis a full understanding of the specific losses that cold occur over a certain period with a specific financial impact.

The conclusion, to which I have come, places the responsibility directly on our international lenders. They should develop the plan; they should forge the agreements, they should restructure the debt but without taxpayer dollars.

That is a banker's and a Congressman's perspective.

COMMUNIST HUMAN RIGHTS VIOLATIONS IN EL SALVADOR

(Mr. SOLOMON asked and was given permission to address the House for 1 minute.)

Mr. SOLOMON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and I do not wish to revise and extend my remarks.

At 2 p.m. tomorrow, before the House Committee on Foreign Affairs Subcommittee on Human Rights, I will present, on behalf of the Central American Freedom Alliance and the Council for International American Security, a diary of public statements about specific incidents between October 1979 and June 1983 that documents for the first time the daily reality of terrorism used by Communist guerrillas in El Salvador.

Mr. Speaker, this is a compilation of broadcast, wire and press reports culled by the Foreign Broadcast Information Service of the Department of Commerce. More often than not, it shows what the guerrillas themselves report about their own terrorist activities through Radio Havana and their own propaganda organs. Based on this evidence, we can point to over 20,000 human rights violations, killings, maimings, kidnappings, hostage-taking, and terrorist assaults in public places by Communist insurgents in El Salvador.

This evidence is a matter of public record, and I invite the media to examine it closely.

REFORM OF EXPORT CONTROL LAWS ESSENTIAL—NOW!

(Mr. BEREUTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BEREUTER. Mr. Speaker, if anyone doubts the need for the export control law reforms proposed in H.R. 3231, they only need to speak with their constituents.

Yesterday, for example, I received a letter from a small business in my district which demonstrated in graphic terms the appalling state of affairs regarding our export control program. On February 22 of this year, my constituent company filed with the Department of Commerce an export license application for a microprocessor controlled fraction collector, a device used in chemical and biochemical applications which collects liquids which are subsequently deposited into test tubes. The company sought export approval for this product in order that it might be exhibited in the Soviet Union. According to company officials, several telephone calls to the Department failed to obtain any expediting of this application.

The export license was finally granted, more than 5 months later, on July 26. The exhibition for which the product was destined had been held May 25 through June 8, 7 weeks ago.

Company officials explain that their only competition internationally comes from a Swedish firm which can export its product free of licensing requirements.

Sadly, I must report that this excessive delay is not an unusual occurrence. No wonder, therefore, that U.S. exporters are losing ground daily in their battle to remain competitive internationally. Unless we act now to reform control laws which contribute nothing to our national security but which contribute to the economic well-being of our foreign competitors, our Nation's status as an economic superpower will be lost forever. That will be a truly fatal blow to our overall national security.

I urge my colleagues to join with me in giving overwhelming approval to H.R. 3231 when it reaches the House floor.

□ 1230

PROMOTE GRACE HOPPER TO COMMODORE

(Mr. PHILIP M. CRANE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PHILIP M. CRANE. Mr. Speaker, I would like to call to your attention the work and contributions of a very special woman, Capt. Grace M. Hopper, U.S. Navy, who is currently serving on active duty with the Naval Data Automation Command in Washington, D.C.

During her 40-year association with the Navy, "the grand old lady of software" has made numerous contributions through her expertise in the computer field. Captain Hopper worked with the first large-scale computer, Mark I. She pioneered much of today's most widely accepted computer programing language, COBOL, and she invented the first practical compiler to translate English into machine language. She has been honored with more than 30 awards and recognitions for her outstanding advances in the computer field. She retired from the Navy at the age of 60. However, the Navy was compelled to recall her to active duty just 8 months later when the Pentagon discovered it was in need of her expertise in the computer field.

At 76, Captain Hopper is currently the oldest naval officer on active duty. In a May 1983 interview with Newsweek, she was quoted as saying, "I've received the highest award anybody can give me, and that is the privilege and the honor of serving proudly in the U.S. Navy." It is time the Navy recognized the outstanding contributions made by this officer recalled from retirement over a decade and a half ago, and promote her to the rank of commodore.

I am today introducing legislation that authorizes and requests the President to promote Capt. Grace M. Hopper to commodore. I ask that you, too, show Captain Hopper that she is a valuable part of our Navy, that she has contributed "above and beyond the call of duty" and that she is entitled to flag rank.

TOBACCO SUBSIDY PROGRAM FOUND WANTING

(Mr. PETRI asked and was given permission to address the House for 1 minute.)

Mr. PETRI. Mr. Speaker, the tobacco lobby has asked us to support a procession of cure-alls under the guise of getting the tobacco subsidy program working. However, reality has voted to reject these so-called cures.

When the tobacco markets opened in Georgia and Florida last week, tobacco sold for an average of 12 cents a pound less than last year. The result was additional hardship on the tobacco farmers along with tremendous surpluses.

Last year, 14 percent of the tobacco sold during the first week of sale went into surplus. This year, the surplus for the first week was over 37 percent.

The tobacco lobby has held off major change by asking for studies in 1981, an assessment in 1982, and a price freeze in 1983. How long are we going to be fooled by these quack cures which only help absentee allotment holders and big corporations? Let us put the tobacco subsidy program out of its misery, now.

OPPOSITION TO CHEMICAL WEAPONS

(Mrs. ROUKEMA asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. ROUKEMA. Mr. Speaker, I was most distressed yesterday to learn that the conferees to H.R. 2969, the Defense Department authorization bill, have decided to end the moratorium we have had since 1969 on the production of chemical weapons. This is a terrifying decision which must be reversed. History will not forgive us if we agree to produce these lethal binary chemical munitions.

The case has not been made for production of these weapons. The proponents have not answered the questions of deterrence or adequately addressed the foreign policy implications, specifically with respect to our NATO allies. A new weapons program will be established with little understanding of the impact upon foreign policy, military security, or comprehensive arms control.

Very recently, this House voted decisively 256 to 161 against chemical

weapons production. Subsequently, the other body approved production, but only after the Vice President was called in to cast an extraordinary tie-breaking vote. This can hardly be construed by the conferees as a mandate for production.

I urge the conferees to reverse this decision or be prepared for a challenge to the conference report when it is brought to the House floor.

WITHDRAWAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 1797

Mr. WHITEHURST. Mr. Speaker, I ask unanimous consent that my name be withdrawn as a cosponsor of H.R. 1797.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

INTRODUCTION OF BILL TO AFFORD RELIEF TO SMALL HEALTH CLINICS

(Mr. RICHARDSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RICHARDSON. Mr. Speaker, recently the National Health Service Corps issued some guidelines on July 31, 1983, that would alter the payback system for rural health clinics all around this country. This has grave implications for many health clinics that are small and serve the poor and the elderly with adequate health care. Because of these new guidelines, these clinics will be placed in jeopardy. These new payback schemes are going to strangle them. Mr. Speaker, I say that a person's health should not be related to a person's wealth. Health care should be a basic human right for every American.

I have introduced a bill, H.R. 3649, which establishes new guidelines for payback schemes so that these rural health clinics, whether they are on an Indian reservation, in a Hispanic rural area, or in an inner city ghetto can survive.

I say, Mr. Speaker, that we cannot carry out these budget cuts to the point where those who can least afford to sustain them bear the brunt of this administration's excessive misguided priorities which produces inhumane regulations, which my bill will hopefully eliminate.

IN SUPPORT OF BILL MAKING A HOLIDAY OF MARTIN LUTHER KING, JR.'S BIRTHDAY

(Mr. ROEMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROEMER. Mr. Speaker, this Nation is built on a single, revolutionary principle that all men are created equal. No classes, no racial barriers, no regional divisions.

Dr. Martin Luther King, Jr., made that deeply American principle come alive for millions of our citizens. He reaffirmed the American dream, planted its deeds in ghetto deserts and reminded a Nation to honor and respect its most precious resource; its people, all of them.

Three historic events establish America as unique among all nations: Our Revolution to create equality of opportunity, our Civil War to preserve national unity and our civil rights struggle to confirm human dignity and rights. Dr. King was the founding father of the civil rights movement in this country. In that sense, not in the sense that he was perfect for he was very human, Dr. King is owed a debt of gratitude by every American, regardless of race, color, or creed.

For this reason, I cast my vote for the establishment of a national holiday in his name. This holiday will honor Martin Luther King. It also ought to be a day of reflection on why we, as a Nation, are different: Our freedom. And on why we, as a Nation are great: Our resolve to make that freedom real for us all.

ACTION ON RECONCILIATION BILL URGED

(Mr. PEASE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PEASE. Mr. Speaker, as the Members of the House know, we face from the budget resolution reconciliation instructions to cut down on spending by a given number of billions of dollars and to have a modest increase in revenue. The reporting date of that reconciliation bill is supposed to be near the end of September. I hope very much that the House will meet that deadline.

The National Governors Association met over the weekend. Gov. Scott Matheson, the association chairman, warned that without responsible budget actions to reduce Federal deficits, we will have a recovery that is just "a blip on the horizon." He said in particular, that if we are not willing to face up to more taxes and make the decisions soon, we can kiss the recovery goodbye.

Mr. Speaker, none of us wants to have this recovery die in its tracks. I hope very much that the House will act on the reconciliation bill by the end of September.

WHAT TO DO WITH PROCEEDS FROM THE CHRYSLER WARRANTS

(Mr. SCHUMER asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. SCHUMER. Mr. Speaker, the success of Chrysler and the Federal loan guarantee program has the Government in the anomalous position of holding 14.4 million very valuable Chrysler warrants. Two questions present themselves: How to dispose of the warrants and what to do with the revenues they bring.

The first question has been answered by the administration. Commendably, it plans to sell the warrants at fair market value, bringing in over $300 million to the Federal Government. To suggest that the Government should surrender the warrants or sell them at less than full market value, as Chrysler had, is like a patient cured of a fatal illness who later belittles the severity of his sickness in order to avoid paying the doctor.

The second question is what to do with these dollars. Today I will be circulating a letter among my colleagues urging the administration to use the profits of these proceeds to retrain unemployed workers in auto and auto-related industries. It is upon these people that the greatest burden has fallen. It is these people who will give up the most in the smaller and retrenched auto industry.

Mr. Speaker, the least the Government can do is use those profits to help find these unemployed auto workers new skills and new jobs.

OPPOSITION TO CHEMICAL WEAPONS PRODUCTION PROVISION IN DEFENSE AUTHORIZATION LEGISLATION

(Mr. PORTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PORTER. Mr. Speaker and ladies and gentlemen of the House, yesterday conferees on the Defense authorization bill agreed to include a provision in their conference report that would allow the production of chemical weapons. They did this despite the fact that the House voted against including such a provision, and the other body approved it only by a vote of 50 to 49, the 50th vote being that of the Vice President to break a deadlock—a vote of the administration, not a vote of a Member of that legislative body.

In my judgment, this country does not need chemical weapons and should not produce them but that is a question of public policy upon which reasonable minds might differ.

My objection today is that I believe it is an absolute outrage for any conference committee to insert a provision in a conference report that does not have the support of a majority of either House of the Congress. It seems

to me that we ought to change our rules so that conferees do not have authority to include such an unsupported provision.

But, Mr. Speaker, in any case, I, for one, do not intend to support the conference report on the Defense authorization bill if this provision is included.

CONTADORA'S ACHIEVEMENTS

(Mr. RUDD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RUDD. Mr. Speaker, for the past 8 months the so-called Contadora group, made up of Mexico, Colombia, Panama, and Venezuela, has been running around Central America telling the world how peace can be achieved in that region of our hemisphere.

So far, the only thing that the four countries that make up the Contadora—Colombia, Mexico, Panama, and Venezuela—have been able to achieve is the establishment of a forum for our enemies to take pot shots at our Government.

Pravda, in an article on June 13, 1983, claimed that the United States was "sabotaging" the proposals made by the Contadora by refusing to support direct talks between Nicaragua and Honduras.

The following day, the China Daily wrote that the U.S. Government's refusal to hold dialog with the leftwing forces has met with opposition from the Central American countries.

We do not need this type of comment circulated among our friends throughout the world.

And we do not need the Contadora group and its highly suspicious motives.

If a joint government effort is needed to halt Communist terrorism in Central America and bring peace to that region—and one may very well be needed—then it should come from the already established Organization of American States, whose primary goals are to preserve peace and security and to promote the integral development of the member states.

WASHINGTON PARTY HOSTED TO CALL ATTENTION TO PLIGHT OF THE AFGHAN PEOPLE

(Mr. RITTER asked and was given permission to address the House for 1 minute.)

Mr. RITTER. Mr. Speaker, this House has recently been exposed to some very pointed differences on our policy in Central America. I would like to call attention to an area of the world where those differences do not exist. That is the country of Afghanistan, suffering since 1979 under the weight of a brutal, Soviet invasion.

Last night in Washington, D.C., the Dawsons, Jane and Sam Dawson, two very gracious Washington hosts, held a gathering in their home to call attention to the plight of the Afghan people. Attending that party were Members from both sides of the aisle, including leadership Members of the House and the Senate. The Dawsons are part of a growing number of Americans who are sympathetic to the cause of the Afghan freedom fighters and who have decided to help.

Mr. Speaker, I think it is instructive to our friends in the Soviet Union who are listening to our debates on the floor of the House to recognize that the subject of Afghanistan is one which unifies both parties in the Congress. Members of this House can look forward to a sense-of-the-Congress resolution which I and others will be introducing shortly in bipartisan fashion to call attention to the plight of the Afghan people at the hands of the U.S.S.R. The resolution will also address the need for an appropriate response on behalf of the American people.

□ 1245

BINARY CHEMICAL WEAPONS

(Mr. ANTHONY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ANTHONY. Mr. Speaker, several of my colleagues have come before the House today to complain about the fact that the conferees on the defense authorization bill have included the binary project. They have used typically emotional arguments. We cannot win that argument on an emotional basis, but if you will just stop momentarily and listen to the facts. Chemical weapons are abhorrent to everybody. That is a given fact; but we have chemical weapons now. That is not the issue.

The issue is very simply this: Are we going to have the capability as a deterrent effect to be able to safely transport and protect our soldiers in the battlefield? If we do not in this particular area, we are not doing our armed services justice.

I encourage my colleagues to vote on the defense authorization bill on the facts and not on emotion.

BINARY CHEMICAL WEAPONS—A REPLY

(Mr. BONIOR of Michigan asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BONIOR of Michigan. Mr. Speaker, I would like to address the issue my colleague, the gentleman from Arkansas, has just raised.

I want to rise and express my strong objection to the agreement to end the moratorium on the production of chemical weapons, which was approved yesterday by the conferees on the defense authorization bill.

The language that was accepted by the conferees is no compromise at all. It is merely a new package for an old request, one that was defeated in the House and which passed only by a single vote margin in the Senate.

Binary chemical weapons are morally repugnant. They have not been adequately tested. They will not, I believe, provide the safety that the gentleman previous to me spoke of and they will not contribute to our national security.

To approve funding for them at this time is not only unwise, but runs contrary to the express wishes of a majority of this Congress and to the bipartisan relationship that this issue has gathered in the White House over the past three or four Presidents.

SUPPORT A NATIONAL HOLIDAY FOR MARTIN LUTHER KING

(Mr. LUNGREN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LUNGREN. Mr. Speaker, today I rise to encourage all in this body, but particularly those on the Republican side, to support H.R. 3706, establishing a national holiday commemorating the life of Dr. Martin Luther King, Jr.

I was one of those who voted against this on suspension the last time it was up; but I have looked at it again. I have reviewed my position on it and have had a change of heart and vision as it relates to this bill.

I hope others will similarly take a look at this. It seems to me, reflecting on this issue, that I have to concude that the importance of this occasion, the importance of the memory of Dr. Martin Luther King, Jr., and all he symbolizes with respect to the civil rights movement is such that if it takes a national holiday which happens to fall on a work day that we should go ahead and do that.

There is no doubt that Dr. Martin Luther King stands as a symbol to the black community; but it seems to me that he stands as a symbol to more than the black community, to all of us, black, white, red and brown, to suggest that we have a concensus of conscience in this country dedicated to the securing of civil rights for all. We may disagree from time to time as to how we achieve those goals, but it seems to me we ought to rally around his memory in support of this consensus.

PERMISSION FOR SUBCOMMITTEE ON MERCHANT MARINE OF COMMITTEE ON MERCHANT MARINE AND FISHERIES TO SIT DURING THE 5-MINUTE RULE ON WEDNESDAY, AUGUST 3, 1983

Mr. BIAGGI. Mr. Speaker, I ask unanimous consent that the Subcommittee on Merchant Marine of the Committee on Merchant Marine and Fisheries be permitted to sit at 10 a.m. on Wednesday, August 3, 1983, for the purpose of holding a hearing on H.R. 3156—a bill to amend the Merchant Marine Act of 1936 and for other purposes ("Merchant Marine Act of 1983").

The ranking minority member of the committee, the gentleman from New Jersey (Mr. FORSYTHE) and the ranking minority member of the subcommittee, the gentleman from Kentucky (Mr. SNYDER) have been apprised of the hearing date and time and are in accord with this request.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

EMERGENCY VIETNAM VETERANS' JOBS TRAINING ACT OF 1983

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 2355) to establish an emergency program of job training assistance for disabled veterans and veterans of the Vietnam era, with Senate amendments thereto, and concur in the Senate amendments with amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments and the House amendments to the Senate amendments, as follows:

Senate amendments: Strike out all after the enacting clause and insert:

That this Act may be cited as the "Veterans' Emergency Job Training Act".

TITLE I—VETERANS' EMERGENCY JOB TRAINING PROGRAM

SEC. 101. (a) Title 38, United States Code, is amended by inserting after chapter 43 the following new chapter:

"CHAPTER 44—VETERANS' EMERGENCY JOB TRAINING PROGRAM

"Sec.
"2101. Purpose.
"2102. Establishment of program; administration.
"2103. Eligibility; application; certification.
"2104. Employer job training programs.
"2105. Approval of programs.
"2106. Training establishments.
"2107. Nonqualifying programs of training.
"2108. Payments to employers.
"2109. Discontinuance of approval of employer programs; overpayments; penalties.
"2110. Coordination; information and outreach.
"2111. Inspection of records; investigations.
"2112. Termination of program.
"2113. Authorization of appropriations.

"§ 2101. Purpose

"The purpose of this chapter is to address the problem of severe and continuing unemployment among veterans by providing incentives to employers, in the form of payments to defray the costs of training or retraining, to hire wartime veterans who have been unemployed for long periods of time or have job skills that have been rendered obsolete by advances in technology or other industrial changes, for employment in stable, permanent positions that involve significant training or retraining.

"§ 2102. Establishment of program; administration

"(a) The Administrator and the Secretary of Labor (hereinafter in this chapter referred to as 'the Secretary') shall jointly carry out a program in accordance with the provisions of this chapter to assist eligible veterans in obtaining employment in stable, permanent positions that involve significant training or retraining. Assistance under the program shall be in the form of payments made to employers to assist them in defraying the costs of training or retraining eligible veterans employed in such positions.

"(b) Not later than sixty days after the date of the enactment of this chapter but in no event later than October 1, 1983, the Administrator and the Secretary shall enter into an agreement specifying their respective responsibilities for the administration of the provisions of this chapter. The agreement shall include specifications that the Administrator shall be responsible for the determination of whether a veteran meets the service requirements under section 2103 of this title and for payments to employers under section 2108 of this title, and that the Secretary shall be responsible for the determination of whether a veteran meets the unemployment requirements under section 2103 of this title and for job development activities under section 2110 of this title. The term 'administering agency' as used hereinafter in this chapter refers to the Veterans' Administration or the Department of Labor or both as specified in such agreement.

"(c) The Secretary shall carry out responsibilities under this chapter through the Assistant Secretary of Labor for Veterans' Employment established under section 2002A of this title.

"§ 2103. Eligibility; application; certification

"(a) For the purposes of this chapter, an eligible veteran is a veteran who—

"(1) acquired entitlement to educational assistance benefits from the Veterans' Administration under a program enacted by the Servicemen's Readjustment Act of 1944, the Veterans' Readjustment Assistance Act of 1952, or the Veterans' Readjustment Benefits Act of 1966 and who served during a period of war; and

"(2)(A) is unemployed and has been unemployed for at least fifteen of the twenty weeks immediately preceding the date of application for participation in a program under this chapter; or

"(B)(i) is unemployed and has been terminated or laid off from employment and is eligible for or has exhausted entitlement to unemployment compensation, and (ii) has no realistic opportunity to return to employment in the same or a similar occupation in the geographical area where the veteran previously held employment.

For the purposes of clause (2) of this subsection, a veteran shall be considered unemployed when the veteran is without a job and wants and is available for work.

"(b) A veteran who desires to undertake a program of job training under this chapter shall submit to the administering agency an application which shall specify the training objective to be pursued and shall be in such form and contain such information as the administering agency shall prescribe. The administering agency shall approve such application unless the administering agency finds that the veteran is (1) not eligible to participate in a program under this chapter, or (2) already qualified for the specified training objective.

"(c) A veteran who has been determined to be eligible under this section shall be certified as such by the administering agency, and the administering agency shall furnish such veteran with a copy of a certification of eligibility for presentation to an employer offering a program of job training under this chapter.

"§ 2104. Employer job training programs

"(a)(1) Except as provided in paragraph (2) of this subsection, in order to qualify as a program of job training under this chapter, a program of job training of an employer must provide training approved under this chapter for a period of not less than six months in an occupation in a growth industry, an occupation requiring the use of new technological skills, or an occupation for which demand exceeds supply.

"(2) A period of training of between three and six months may be approved where the administering agency determines, in accordance with standards which the administering agency shall prescribe, that the purpose of this chapter would be met.

"(b) The maximum period of training for which assistance may be paid on behalf of an eligible veteran under this chapter is twelve months, except that such period may be extended by the administering agency for a period of up to six additional months in the case of a veteran with a service-connected disability rated at (1) 30 percent or more, or (2) 10 or 20 percent if such veteran has been determined under section 1506 of this title to have a serious employment handicap.

"(c) Subject to the provisions of this chapter, an eligible veteran approved for participation in a program under this chapter may accept an approved program of job training offered to the veteran by any employer.

"§ 2105. Approval of programs

"(a) An employer may be paid assistance under section 2106 of this title on behalf of an eligible veteran employed by such employer and participating in a program of job training offered by such employer only if such program is approved in accordance with such procedures as the administering agency may by regulation prescribe and if the program meets the other requirements established under this chapter.

"(b) An employer offering a program of job training that the employer desires to have approved for the purposes of this chapter shall submit a written application for such approval. Such application shall be in such form and contain such information as the administering agency shall prescribe and shall contain a certification by the employer—

"(1) that the employer has planned for the employment of the eligible veteran in a position for which such veteran is to be trained and that the employer has no reason to expect that such position will not be available on a stable, permanent basis to such veteran at the end of the training period;

"(2) that the wages and benefits to be paid to an eligible veteran participating in the employer's program of job training will be not less than the wages and benefits normally paid to other employees participating in a comparable program of job training;

"(3) indicating the total number of hours of training to be offered for each eligible veteran, and describing the training content of the program and the objective of the training;

"(4) that the employment of an eligible veteran under this chapter—

"(A) will not result in the displacement of currently employed workers (including partial displacement such as a reduction in the hours of nonovertime work, wages, or employment benefits); and

"(B) will not be in a job (i) while any other individual is on layoff from the same or any substantially equivalent job, or (ii) the opening for which was created as a result of the employer having terminated the employment of any regular employee or otherwise having reduced its work force with the intention of hiring a veteran in such job under this chapter;

"(5) that the training content of the program is adequate, in light of the nature of the occupation for which training is to be provided and comparable training opportunities in such occupation, to accomplish the training objective certified under clause (3) of this subsection;

"(6) that the occupation or job for which training is to be provided customarily requires training of not less than an average of thirty hours per week for a period of not less than six months or such other period as may be approved under section 2104(a)(2) of this title;

"(7) that the length of the training period under the proposed program is not longer than the length of programs that employers in the community customarily require new employees to complete in order to become competent in the occupation or job for which training is to be provided;

"(8) that there is in the training establishment or place of employment such space, equipment, instructional material, and instructor personnel as are needed to accomplish the training objective certified under clause (3) of this subsection;

"(9) that the employer will keep records adequate to show the progress made by each veteran participating in the program, and otherwise to demonstrate compliance with the requirements of this chapter; and

"(10) that the program meets such other criteria as may be established by the administering agency.

"(c)(1) Except as provided in paragraph (2) of this subsection, the administering agency shall approve the proposed program of job training unless the administering agency finds that the application does not contain a certification and other information meeting the requirements of subsection (b) of this section.

"(2) The administering agency may withhold approval pending the outcome of an investigation of any matter under section 2111(c) of this title, and, based on such outcome, may disapprove such program, in accordance with regulations which the administering agency shall prescribe.

"(d) For the purposes of this section, approval of a program of apprenticeship or other on-job training for the purposes of section 1787 of this title shall be considered to meet all requirements for approval of a program of job training under this chapter.

"§ 2106. Training establishments

"Any employer may enter into an arrangement or agreement with an educational institution that has been approved for the enrollment of veterans under chapter 34 of this title in order that such institution may provide a program of job training (or a portion thereof) under this chapter. When such an arrangement or agreement has been entered into, the application of the employer shall so state and set forth a description of the training to be so provided.

"§ 2107. Nonqualifying programs of training

"No assistance under this chapter may be paid on behalf of an eligible veteran participating in a program of job training—

"(1) for employment in a seasonal, intermittent, or temporary job;

"(2) for employment under which commissions are the primary source of income;

"(3) for employment which involves political or religious activities;

"(4) for employment with any department, agency, instrumentality or branch of the Federal Government (including the United States Postal Service and Postal Rate Commission); or

"(5) if the training program will not be carried out in the United States.

"§ 2108. Payments to employers

"(a) Except as provided in subsections (b) and (c) of this section, the administering agency shall make quarterly payments to an employer of an eligible veteran participating in an approved program of job training under this chapter. The amount paid to an employer on behalf of an eligible veteran may not exceed the lesser of—

"(1) 50 percent of the wages paid to the veteran by the employer during the period for which payments are made; or

"(2) an amount for such period calculated on the basis of an annual rate of (A) $9,000 in the case of an eligible veteran with a service-connected disability rated at (i) 30 percent or more, or (ii) 10 or 20 percent if such veteran has been determined to have a serious employment handicap under section 1506 of this title, or (B) $6,000 in the case of any other eligible veteran.

"(b) If an employer to whom payments are made under this chapter is a private, for-profit enterprise employing five hundred or fewer employees, the administering agency may make such payments on a monthly basis.

"(c) Payment may not be made to an employer for a period of training under this chapter on behalf of a veteran until the administering agency has received—

"(1) from the veteran, a certification as to the veteran's actual employment and training with the employer during such period; and

"(2) from the employer, a certification—

"(A) that the veteran was employed, and that the veteran's performance and progress were satisfactory during such period; and

"(B) with respect to the first such certification, indicating the date on which the employment of such veteran began.

"(d) No assistance may be paid on behalf of an eligible veteran under this chapter—

"(1) and to such veteran under chapter 31, 34, or 36 of this title for the same period;

"(2) if the employer is receiving any other form of assistance on account of the training or employment of such veteran, including assistance under the Job Training Partnership Act (96 Stat. 1322; 29 U.S.C. 1501 et seq.); or

"(3) if such veteran has completed a program of job training under this chapter.

"§ 2109. Discontinuance of approval of employer programs; overpayments; penalties

"(a) If the administering agency finds at any time that a program of job training previously approved by the administering agency for the purposes of this chapter thereafter fails to meet any of the requirements established under this chapter, the administering agency may immediately disapprove further participation by eligible veterans under that program. The administering agency shall provide to an employer whose program is disapproved under this section, and to each eligible veteran participating in such program, a statement of the reasons for, and an opportunity for a hearing with respect to, such disapproval. Such employer and such veteran shall be notified of such disapproval, such reasons, and such opportunity by a certified or registered letter, and a return receipt shall be secured.

"(b)(1) Whenever the administering agency finds that an overpayment of assistance under this chapter has been made to an employer on behalf of an eligible veteran as a result of a certification or information contained in an application submitted by an employer which was false or clearly unsupportable in any material respect, the amount of such overpayment shall constitute a liability of the employer to the United States.

"(2) Whenever the administering agency finds that an overpayment of assistance under this chapter has been made to an employer on behalf of an eligible veteran as a result of a certification or information contained in an application submitted by a veteran which was false or clearly unsupportable in any material respect, the amount of such overpayment shall constitute a liability of the veteran to the United States.

"(3) Any overpayment referred to in paragraph (1) or (2) of this subsection may be recovered in the same manner as any other debt due the United States.

"(c) Whenever the administering agency finds that an employer, willfully or with reckless disregard of the facts, has made a false certification under section 2105 or 2108(c)(2) of this title, or any regulation issued thereunder, or has caused the administering agency to make a certification or give approval contrary to such sections, or such regulation, such employer shall be subject to a civil penalty, imposed by the administering agency after an adjudication determined on the record after opportunity for a hearing before such agency, of not to exceed $1,000 for each such violation. Such violation shall constitute a separate violation with respect to each individual employed by reason of such wrongful certification or approval. Actions by the administering agency to impose a civil penalty under this subsection shall be reviewable in the district courts of the United States.

"§ 2110. Coordination; information and outreach

"(a) The administering agencies shall provide for an outreach and public information program to inform private industry and business concerns (including small business concerns), educational institutions, trade associations, and labor unions of opportunities under this chapter, and to promote job development by encouraging employers and unions to make training programs available for eligible veterans. The administering agencies shall coordinate such program with those job counseling, placement, job development, and other services provided for under chapters 41 and 42 of this title and

with other similar services offered by other public agencies and organizations.

"(b) The administering agencies shall request and obtain from the Administrator of the Small Business Administration a listing of small business concerns, and, on a regular basis, update such listings. Such listings shall be used to identify and promote possible training and employment opportunities for eligible veterans.

"(c) The administering agencies, in consultation and cooperation with the Secretary of Education, shall take appropriate actions to advise educational institutions of the opportunities made available to veterans under this chapter and the opportunity for such institutions to enter into arrangements or agreements with employers pursuant to section 2106 of this title.

"(d) The administering agencies shall assist veterans and employers desiring to participate under this chapter in making application and completing necessary certifications.

"(e) In carrying out responsibilities under this chapter, the Secretary shall make maximum use of the services of State and Assistant State Directors for Veterans' Employment, disabled veterans' outreach program specialists, and employees of local offices appointed pursuant to sections 2003, 2003A, and 2004 of this title. The Secretary shall also use such resources as are available under title IV-C of the Job Training Partnership Act (96 Stat. 1322; 29 U.S.C. 1501 et seq.).

"(f) In carrying out the provisions of this section, the administering agencies shall endeavor to achieve an equitable regional distribution of training opportunities, based on a comparison of regional data concerning the rate of unemployment among veterans of a period of war, and taking into consideration the regional distribution of eligible veterans and approved programs of job training.

"§ 2111. Inspection of records; investigations

"(a) The records and accounts of employers pertaining to veterans on behalf of whom assistance has been paid under this chapter, as well as other records which the administering agencies determine are necessary to ascertain compliance with the requirements established under this chapter, shall be available at reasonable times for examination by authorized representatives of the Federal Government.

"(b) The administering agencies may monitor all participants under this chapter to determine whether they are complying with the requirements established under this chapter.

"(c) The administering agencies may investigate any matter they deem necessary to determine compliance with the requirements established under this chapter. The investigations authorized by this subsection may include examining records (including making certified copies thereof), questioning employees, and entering into any premises or onto any site where any part of a program of job training is conducted under this chapter, or where any of the records of the employer offering or providing such program are kept.

"§ 2112. Termination of program

"Assistance may not be paid to an employer under this chapter—

"(1) on behalf of a veteran who applies for a program of job training under this chapter after September 30, 1984; or

"(2) for any such program which commences after December 31, 1984.

"§ 2113. Authorization of appropriations

"There is authorized to be appropriated to the Administrator $150,000,000 for the purpose of making payments to employers under this chapter.".

(b) The table of chapters at the beginning of such title and at the beginning of part III of such title are each amended by inserting after the item relating to chapter 43 the following new item:

"44. Veterans' Emergency Job Training Program ..... 2101.".

(c)(1) Notwithstanding the provisions of section 2112 of title 38, United States Code (as added by subsection (a)), in the event that funds are not both appropriated under section 2113 of such title (as added by subsection (a)) and made available by the Director of the Office of Management and Budget to the Veterans' Administration on or before October 1, 1983, for the purpose of making payments to employers under chapter 44 of such title (as added by subsection (a)), assistance may be paid to an employer under such chapter on behalf of any eligible veteran if such veteran—

(A) applies for a program of job training under such chapter within one year after the date on which funds so appropriated are made available to the Veterans' Administration by the Director, and

(B) commences participation in such program within fifteen months after such date.

(2) For the purposes of this subsection, the term "eligible veteran" shall have the meaning provided in section 2103(a) of such title (as added by subsection (a)).

SEC. 102. The amendments made by this title shall take effect on October 1, 1983.

TITLE II—VETERANS' ADMINISTRATION REORGANIZATION

SEC. 201. The requirements of section 210(b)(2)(A) of title 38, United States Code, shall not apply to the planned administrative reorganization at the Veterans' Administration Rehabilitation Engineering Center (hereinafter in this section referred to as "VAREC") at 252 Seventh Avenue, New York, New York, involving—

(1) the transfer to the Veterans' Administration Medical Center, New York, of twenty-four full-time equivalent employees from the VAREC Special Clinic team, five full-time equivalent employees from the VAREC Restoration Laboratory, and four full-time equivalent employees from the VAREC Research and Development Service;

(2) the administrative reassignment from the VAREC of eight employees (in addition to those described in clause (1)) who are orthotists or prosthetists and whose work stations are at nearby Veterans' Administration medical centers to those medical centers; and

(3) the reorganization of elements of the VAREC not providing direct patient services so as to continue them at 252 Seventh Avenue as the "Veterans' Administration Prosthetic Technology and Information Center", under the direct supervision of the Director, Prosthetic and Sensory Aids Service, Department of Medicine and Surgery, Veterans' Administration Central Office.

Amend the title so as to read: "An Act to amend title 38, United States Code, to establish an emergency job training program for wartime veterans.".

House amendments to the Senate amendments:

In lieu of the matter proposed to be inserted by the Senate amendment to the text of the bill, insert the following:

SHORT TITLE; TABLE OF CONTENTS

SECTION 1. This Act may be cited as the "Emergency Veterans' Job Training Act of 1983".

TABLE OF CONTENTS

Sec. 1. Short title; table of contents.
Sec. 2. Purpose.
Sec. 3. Definitions.
Sec. 4. Establishment of program.
Sec. 5. Eligibility for program; duration of assistance.
Sec. 6. Employer job training programs.
Sec. 7. Approval of employer programs.
Sec. 8. Payments to employers; overpayments.
Sec. 9. Entry into program of job training.
Sec. 10. Provision of training through educational institutions.
Sec. 11. Discontinuance of approval of participation in certain employer programs.
Sec. 12. Inspection of records; investigations.
Sec. 13. Coordination with other programs.
Sec. 14. Counseling.
Sec. 15. Information and outreach; use of agency resources.
Sec. 16. Authorization of appropriations.
Sec. 17. Termination of program.
Sec. 18. Expansion of targeted delimiting date extension.
Sec. 19. Effective date.

PURPOSE

SEC. 2. The purpose of this Act is to address the problem of severe and continuing unemployment among veterans by providing, in the form of payments to defray the costs of training, incentives to employers to hire and train certain wartime veterans who have been unemployed for long periods of time for stable and permanent positions that involve significant training.

DEFINITIONS

SEC. 3. For the purposes of this Act:

(1) The term "Administrator" means the Administrator of Veterans' Affairs.

(2) The term "Secretary" means the Secretary of Labor.

(3) The terms "Veteran", "Korean conflict", "compensation", "service-connected", "active military, naval, or air service", "State", and "Vietnam era", have the meanings given such terms in paragraphs (2), (9), (13), (16), (20), (24), and (29), respectively, of section 101 of title 38, United States Code.

ESTABLISHMENT OF PROGRAM

SEC. 4. (a) The Administrator and, to the extent specifically provided by this Act, the Secretary shall carry out a program in accordance with this Act to assist eligible veterans in obtaining employment through training for employment in stable and permanent positions that involve significant training. The program shall be carried out through payments to employers who employ and train eligible veterans in such jobs in order to assist such employers in defraying the costs of necessary training.

(b) The Secretary shall carry out the Secretary's responsibilities under this Act through the Assistant Secretary of Labor for Veterans' Employment established under section 2002A of title 38, United States Code.

ELIGIBILITY FOR PROGRAM; DURATION OF ASSISTANCE

SEC. 5. (a)(1) To be eligible for participation in a job training program under this Act, a veteran must be a Korean conflict or Vietnam-era veteran who—

(A) is unemployed at the time of applying for participation in a program under this Act; and

(B) has been unemployed for at least 15 of the 20 weeks immediately preceding the date of such veteran's application for participation in a program under this Act.

(2) For purposes of paragraph (1), the term "Korean conflict or Vietnam-era veteran" means a veteran—

(A) who served in the active military, naval, or air service for a period of more than 180 days, any part of which was during the Korean conflict or the Vietnam era; or

(B) who served in the active military, naval, or air service during the Korean conflict or the Vietnam era and—

(i) was discharged or released therefrom for a service-connected disability; or

(ii) is entitled to compensation (or but for the receipt of retirement pay would be entitled to compensation).

(3) For purposes of paragraph (1), a veteran shall be considered to be unemployed during any period the veteran is without a job and wants and is available for work.

(b)(1) A veteran who desires to participate in a program of job training under this Act shall submit to the Administrator an application for participation in such a program. Such an application—

(A) shall include a certification by the veteran that the veteran is unemployed and meets the other criteria for eligibility prescribed by subsection (a); and

(B) shall be in such form and contain such additional information as the Administrator may prescribe.

(2)(A) Subject to subparagraph (B), the Administrator shall approve an application by a veteran for participation in a program of job training under this Act unless the Administrator finds that the veteran is not eligible to participate in a program of job training under this Act.

(B) The Administrator may withhold approval of an application of a veteran under this Act if the Administrator determines that, because of limited funds available for the purpose of making payments to employers under this Act, it is necessary to limit the number of participants in programs under this Act.

(3)(A) The Administrator shall certify as eligible for participation under this Act a veteran whose application is approved under this subsection and shall furnish the veteran with a certificate of that veteran's eligibility for presentation to an employer offering a program of job training under this Act. Any such certificate shall expire 60 days after it is furnished to the veteran. The date on which a certificate is furnished to a veteran under this paragraph shall be stated on the certificate.

(B) A certificate furnished under this paragraph may, upon the veteran's application, be renewed in accordance with the terms and conditions of subparagraph (A).

(c) The maximum period of training for which assistance may be provided on behalf of a veteran under this Act is—

(1) fifteen months in the case of—

(A) a veteran with a service-connected disability rated at 30 percent or more; or

(B) a veteran with a service-connected disability rated at 10 percent or 20 percent who has been determined under section 1506 of title 38, United States Code, to have a serious employment handicap; and

(2) nine months in the case of any other veteran.

EMPLOYER JOB TRAINING PROGRAMS

SEC. 6. (a)(1) Except as provided in paragraph (2), in order to be approved as a program of job training under this Act, a program of job training of an employer approved under section 7 must provide training for a period of not less than six months in an occupation in a growth industry, in an occupation requiring the use of new technological skills, or in an occupation for which demand for labor exceeds supply.

(2) A program of job training providing training for a period of at least three but less than six months may be approved if the Administrator determines (in accordance with standards which the Administrator shall prescribe) that the purpose of this Act would be met through that program.

(b) Subject to section 10 and the other provisions of this Act, a veteran who has been approved for participation in a program of job training under this Act and has a current certificate of eligibility for such participation may enter a program of job training that has been approved under section 7 and that is offered to the veteran by the employer.

APPROVAL OF EMPLOYER PROGRAMS

SEC. 7. (a)(1) An employer may be paid assistance under section 8a on behalf of an eligible veteran employed by such employer and participating in a program of job training offered by that employer only if the program is approved under this section and in accordance with such procedures as the Administrator may by regulation prescribe.

(2) Except as provided in subsection (b), the Administrator shall approve a proposed program of job training of an employer unless the Administrator determines that the application does not contain a certification and other information meeting the requirements established under this section or that withholding of approval is warranted under subsection (g).

(b) The Administrator may not approve a program of job training—

(1) for employment which consists of seasonal, intermittent, or temporary jobs;

(2) for employment under which commissions are the primary source of income;

(3) for employment which involves political or religious activities;

(4) for employment with any department, agency, instrumentality, or branch of the Federal Government (including the United States Postal Service and the Postal Rate Commission); or

(5) if the training will not be carried out in a State.

(c) An employer offering a program of job training that the employer desires to have approved for the purposes of this Act shall submit to the Administrator a written application for such approval. Such application shall be in such form as the Administrator shall prescribe.

(d) An application under subsection (c) shall include a certification by the employer of the following:

(1) That employer is planning that, upon a veteran's completion of the program of job training, the employer will employ the veteran in a position for which the veteran has been trained and that the employer expects that such a position will be available on a stable and permanent basis to the veteran at the end of the training period.

(2) That the wages and benefits to be paid to a veteran participating in the employer's program of job training will be not less than the wages and benefits normally paid to other employees participating in a comparable program of job training.

(3) That the employment of a veteran under the program—

(A) will not result in the displacement of currently employed workers (including partial displacement such as a reduction in the hours of nonovertime work, wages, or employment benefits); and

(B) will not be in a job (i) while any other individual is on layoff from the same or any substantially equivalent job, or (ii) the opening for which was created as a result of the employer having terminated the employment of any regular employee or otherwise having reduced its work force with the intention of hiring a veteran in such job under this Act.

(4) That the employer will not employ in the program of job training a veteran who is already qualified by training and experience for the job for which training is to be provided.

(5) That the job which is the objective of the training program is one that involves significant training.

(6) That the training content of the program is adequate, in light of the nature of the occupation for which training is to be provided and of comparable training opportunities in such occupation, to accomplish the training objective certified under clause (2) of subsection (e).

(7) That each participating veteran will be employed full time in the program of job training.

(8) That the training period under the proposed program is not longer than the training periods that employers in the community customarily require new employees to complete in order to become competent in the occupation or job for which training is to be provided.

(9) That there are in the training establishment or place of employment such space, equipment, instructional material, and instructor personnel as needed to accomplish the training objective certified under clause (2) of subsection (e).

(10) That the employer will keep records adequate to show the progress made by each veteran participating in the program and otherwise to demonstrate compliance with the requirements established under this Act.

(11) That the employer will furnish each participating veteran, before the veteran's entry into training, with a copy of the employer's certification under this subsection and will obtain and retain the veteran's signed acknowledgment of having received such certification.

(12) That the program meets such other criteria as the Administrator may determine are essential for the effective implementation of the program established by this Act.

(e) A certification under subsection (d) shall include—

(1) a statement indicating (A) the total number of hours of participation in the program of job training to be offered a veteran, (B) the length of the program of job training, and (C) the starting rate of wages to be paid to a participant in the program; and

(2) a description of the training content of the program (including any agreeement the employer has entered into with an educational institution under section 8) and of the objective of the training.

(f)(1) Except as specified in paragraph (2), each matter required to be certified to in paragraphs (1) through (11) of subsection (d) shall be considered to be a requirement established under this Act.

(2)(A) For the purposes of section 8(c), only matters required to be certified in

paragraphs (1) through (10) of subsection (D) shall be so considered.

(B) For the purposes of section 11, a matter required to be certified under paragraph (12) of subsection (d) shall also be so considered.

(g) In accordance with regulations which the Administrator shall prescribe, the Administrator may withhold approval of an employer's proposed program of job training pending the outcome of an investigation under section 12 and, based on the outcome of such an investigation, may disapprove such program.

(h) For the purposes of this section, approval of a program of apprenticeship or other on-job training for the purposes of section 1787 of title 38, United States Code, shall be considered to meet all requirements established under this Act for approval of a program of job training.

PAYMENTS TO EMPLOYERS; OVERPAYMENT

SEC. 8. (a)(1) Except as provided in paragraph (3) and subsection (b) and subject to the provisions of section 9, the Administrator shall make quarterly payments to an employer of a veteran participating in an approved program of job training under this Act. Subject to section 5(c) and paragraph (2), the amount paid to an employer on behalf of a veteran for any period of time shall be 50 percent of the product of (A) the starting hourly rate of wages paid to the veteran by the employer (without regard to overtime or premium pay), and (B) the number of hours worked by the veteran during that period.

(2) The total amount that may be paid to an employer on behalf a veteran participating in a program of job training under this Act is $10,000.

(3) In order to relieve financial burdens on business enterprises with relatively few numbers of employees, the Administrator may make payments under this Act on a monthly, rather than quarterly, basis to an employer with a number of employees less than number which shall be specified in regulations which the Administrator shall prescribe for the purposes of this paragraph.

(b) Payment may not be made to an employer for a period of training under this Act on behalf of a veteran until the Administrator has received—

(1) from the veteran, a certification that the veteran was employed full time by the employer in a program of job training during such period; and

(2) from the employer, a certification—

(A) that the veteran was employed by the employer during that period and that the veteran's performance and progress during such period were satisfactory; and

(B) of the number of hours worked by the veteran during that period.

with respect to the first such certification by an employer with respect to a veteran, the certification shall indicate the date on which the employment of the veteran began and the starting hourly rate of wages paid to the veteran (without regard to overtime or premium pay).

(c)(1)(A) Whenever the Administrator finds that an overpayment under this Act has been made to an employer on behalf of a veteran as a result of a certification, or information contained in a application, submitted by an employer which was false in any material respect, the amount of such overpayment shall constitute a liability of the employer to the United States.

(B) Whenever the Administrator finds that an employer has failed in any substantial respect to comply for a period of time with a requirement established under this Act (unless the employer's failure is the result of false or incomplete information provided by the veteran), each amount paid to the employer on behalf of a veteran for that period shall be considered to be an overpayment under this Act, and the amount of such overpayment shall constitute a liability of the employer to the United States.

(2) Whenever the Administrator finds that an overpayment under this Act has been made to an employer on behalf of a veteran as a result of a certification by the veteran, or as a result of information provided to an employer or contained in an application submitted by the veteran, which was willfully or negligently false in any material respect, the amount of such overpayment shall constitute a liability of the veteran to the United States.

(3) Any overpayment referred to in paragraph (1) or (2) may be recovered in the same manner as any other debt due the United States. Any overpayment recovered shall be credited to funds available to make payments under this Act. If there are no such funds, any overpayment recovered shall be deposited into the Treasury.

(4) Any overpayment referred to in paragraph (1) or (2) may be waived, in whole or in part, in accordance with the terms and conditions set forth in section 3102 of title 38, United States Code.

ENTRY INTO PROGRAM OF JOB TRAINING

SEC. 9. Notwithstanding any other provision of this Act, the Administrator may withhold or deny approval of a veteran's entry into an approved program of job training if the Administrator determines that funds are not available to make payments under this Act on behalf of the veteran to the employer offering that program. Before the entry of a veteran into an approved program of job training of an employer for purposes of assistance under this Act, the employer shall notify the Administrator of the employer's intention to employ that veteran. The veteran may begin such program of job training with the employer two weeks after the notice is transmitted to the Administrator unless within that time the employer has received notice from the Administrator that approval of the veteran's entry into that program of job training must be withheld or denied in accordance with this section.

PROVISION OF TRAINING THROUGH EDUCATIONAL INSTITUTIONS

SEC. 10. An employer may enter into an agreement with an educational institution that has been approved for the enrollment of veterans under chapter 34 of title 38, United States Code, in order that such institution may provide a program of job training (or a portion of such a program) under this Act. When such an agreement has been entered into, the application of the employer under section 7 shall so state and shall include a description of the training to be provided under the agreement.

DISCONTINUANCE OF APPROVAL OF PARTICIPATION IN CERTAIN EMPLOYER PROGRAMS

SEC. 11. If the Administrator finds at any time that a program of job training previously approved by the Administrator for the purposes of this Act thereafter fails to meet any of the requirements established under this Act, the Administrator may immediately disapprove further participation by veterans in that program. The Administrator shall provide to the employer concerned, and to each veteran participating in the employer's program, a statement of the reasons for, and an opportunity for a hearing with respect to, such disapproval. The employer and each such veteran shall be notified of such disapproval, the reasons for such disapproval, and the opportunity for a hearing. Notification shall be by a certified or registered letter, and a return receipt shall be secured.

INSPECTION OF RECORDS; INVESTIGATIONS

SEC. 12. (a) The records and accounts of employers pertaining to veterans on behalf of whom assistance has been paid under this Act, as well as other records that the Administrator determines to be necessary to ascertain compliance with the requirements established under this Act, shall be available at reasonable times for examination by authorized representatives of the Federal Government.

(b) The Administrator may monitor employers and veterans participating in programs of job training under this Act to determine compliance with the requirements established under this Act.

(c) The Administrator may investigate any matter the Administrator considers necessary to determine compliance with the requirements established under this Act. The investigations authorized by this subsection may include examining records (including making certified copies of records), questioning employees, and entering into any premises or onto any site where any part of a program of job training is conducted under this Act, or where any of the records of the employer offering or providing such program are kept.

(d) The Administrator may administer functions under subsections (b) and (c) in accordance with an agreement between the Administrator and the Secretary providing for the administration of such subsections (or any portion of such subsections) by the Department of Labor. Under such an agreement, any entity of the Department of Labor specified in the agreement may administer such subsections, notwithstanding section 4(b).

COORDINATION WITH OTHER PROGRAMS

SEC. 13. (a)(1) Assistance may not be paid under this Act to an employer on behalf of a veteran for any period of time described in paragraph (2) and to such veteran under chapter 31, 32, 34, 35, 36 of title 38, United States Code, for the same period of time.

(2) A period of time referred to in paragraph (1) is the period of time beginning on the date of which the veteran enters into an approved program of job training of an employer for purposes of assistance under this Act and ending on the last date for which such assistance is payable.

(b) Assistance may not be paid under this Act to an employer on behalf of an eligible veteran for any period if the employer received for that period any other form of assistance on account of the training or employment of the veteran, including assistance under the Job Training Partnership Act (29 U.S.C. 1501 et seq.) or a credit under section 44B of the Internal Revenue Code of 1954 (26 U.S.C. 44B) (relating to credit for employment of certain new employees).

(c) Assistance may not be paid under this Act on behalf of a veteran who has completed a program of job training under this Act.

COUNSELING

SEC. 14. The Administrator and the Secretary may, upon request, provide employment counseling services to any veteran eligible to participate under this Act in order

to assist such veteran in selecting a suitable program of job training under this Act.

INFORMATION AND OUTREACH; USE OF AGENCY RESOURCES

SEC. 15. (a)(1) The Administrator and the Secretary shall jointly provide for an outreach and public information program—

(A) to inform veterans about the employment and job training opportunities available under this Act, under chapters 31, 34, 36, 41, and 42 of title 38, United States Code, and under other provisions of law; and

(B) to inform private industry and business concerns (including small business concerns), public agencies and organizations, educational institutions, trade associations, and labor unions about the job training opportunities available under, and the advantages of participating in, the program established by this Act.

(2) The Secretary, in consultation with the Administrator, shall promote the development of employment and job training opportunities for veterans by encouraging potential employers to make programs of job training under this Act available for eligible veterans, by advising other appropriate Federal departments and agencies of the program established by this Act, and by advising employers of applicable responsibilities under chapters 41 and 42 of title 38, United States Code, with respect to veterans.

(b) The Administrator and the Secretary shall coordinate the outreach and public information program under subsection (a)(1), and job development activities under subsection (a)(2), with job counseling, placement, job development, and other services provided for under chapters 41 and 42 of title 38, United States Code, and with other similar services offered by other public agencies and organizations.

(c)(1) The Administrator and the Secretary shall make available in regional and local offices of the Veterans' Administration and the Department of Labor such personnel as are necessary to facilitate the effective implementation of this Act.

(2) In carrying out the responsibilities of the Secretary under this Act, the Secretary shall make maximum use of the services of State and Assistant State Directors for Veterans' Employment, disabled veterans' outreach program specialists, and employees of local offices appointed pursuant to sections 2003, 2003A, and 2004 of title 38, United States Code. The Secretary shall also use such resources as are available under part C of title IV of the Job Training Partnership Act (29 U.S.C. 1501 et seq.). To the extent that the Administrator withholds approval of veterans' applications under this Act pursuant to section 5(b)(2)(B), the Secretary shall take steps to assist such veterans in taking advantage of opportunities that may be available to them under title III of that Act or under any other program carried out with funds provided by the Secretary.

(d) The Secretary shall request and obtain from the Administrator of the Small Business Administration a list of small business concerns and shall, on a regular basis, update such list. Such list shall be used to identify and promote possible training and employment opportunities for veterans.

(e) The Administrator and the Secretary shall assist veterans and employers desiring to participate under this Act in making application and completing necessary certifications.

AUTHORIZATION OF APPROPRIATIONS

SEC. 16. There is authorized to be appropriated to the Veterans' Administration $150,000,000 for each of fiscal years 1984 and 1985 for the purpose of making payments to employer under this Act and for the purpose of section 18 of this Act. Amounts appropriated pursuant to this section shall remain available until September 30, 1986.

TERMINATION OF PROGRAM

SEC. 17. (a) Except as provided under subsection (b), assistance may not be paid to an employer under this Act—

(1) on behalf of a veteran who applies for a program of job training under this Act after September 30, 1984; or

(2) for any such program which begins after December 31, 1984.

(b) If funds are not both appropriated under section 16 and made available by the Director of the Office of Management and Budget to the Veterans' Administration on or before October 1, 1983, for the purpose of making payments to employers under this Act, assistance may be paid to an employer under this Act on behalf of an veteran if the veteran—

(1) applies for a program of job training under this Act within one year after the date on which funds so appropriated are made available to the Veterans' Administration by the Director; and

(2) begins participation in such program within 15 months after such date.

EXPANSION OF TARGETED DELIMITING DATE EXTENSION

SEC. 18. (a) Subject to the limitation on the availability of funds set forth in subsection (b), an associate degree program which is predominantly vocational in content may be considered by the Administrator, for the purposes of section 1662(a)(3) of title 38, United States Code, to be a course with an approved vocational objective if such degree program meets the requirements established in such title for approval of such program.

(b) Funds for the purpose of carrying out subsection (a) shall be derived only from amounts appropriated pursuant to the authorizations of appropriations in section 16. Not more than a total of $25,000,000 of amounts so appropriated for fiscal years 1984 and 1985 shall be available for that purpose.

EFFECTIVE DATE

SEC. 19. This Act shall take effect on October 1, 1983.

In lieu of the Senate amendment to the title of the bill, amend the title so as to read: "An Act to establish an emergency program of job training assistance for unemployed Korean conflict and Vietnam-era veterans, and for other purposes.".

Mr. MONTGOMERY (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendments and the proposed House amendments to the Senate amendments be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

Mr. HAMMERSCHMIDT. Reserving the right to object, Mr. Speaker, and I do not plan to object, but I would like to take this reservation to inquire of our distinguished chairman and to inform the Members of the House what we have conferred in with the Members of the other body.

I yield to the gentleman from Mississippi.

Mr. MONTGOMERY. Mr. Speaker, I thank the gentleman for yielding.

The distinguished chairman of our Subcommittee on Education, Training, and Employment, Mr. LEATH, is on the floor and will explain the differences between the bill as it originally passed the House and the proposed amendments in some detail; however, before he does that, if the gentleman will yield to me further, I would like to respond briefly. The committee is fortunate to have a leader as capable as the gentleman from Texas (Mr. LEATH). As chairman of the Subcommittee on Education, Training, and Employment, he made a decision early on that if Congress passed any jobs bill this year, he would make certain that Vietnam veterans were included. Various job proposals have surfaced in the Congress but this authorization for training for Vietnam and Korean veterans to qualify them for better jobs will be the first authorization to get to the President. The gentleman from Texas has delivered what he said he would earlier this year. We are all grateful for his dedication and hard work.

I want to thank the very able ranking minority member of the full committee, Mr. HAMMERSCHMIDT, for his splendid leadership and cooperation in helping to get this legislation enacted. We would not have been successful in getting a bill to the President without tremendous work on the part of the gentleman from Arkansas.

I also want to commend the gentleman from New York, the very able ranking minority member of the subcommittee, Mr. SOLOMON, for his leadership as well. He was totally committed to doing something to help reduce the high unemployment of Vietnam veterans; and this bill, which he has helped shape, will, to some degree, help bring that about. I am grateful to the gentleman.

Finally, I want to thank the very able and distinguished chairman of the Senate Committee on Veterans' Affairs, Mr. SIMPSON. The gentleman has been most understanding in helping us resolve differences between the bill passed by the House and the Senate amendments thereto. The distinguished gentleman from Wyoming has been most fair in his dealings with me and I am grateful for his cooperation. I also want to thank the distinguished ranking minority member of the committee, the gentleman from California (Mr. CRANSTON), for his willingness to work with us to get a bill to the President as quickly as possible. All members and staff of the Senate committee have been very helpful to those of us who have been working on this bill.

I appreciate the hard work of the members and staffs of both committees in developing this bill.

If the gentleman will yield further, the chairman of the subcommittee is on the floor and will briefly explain the major provisions of the proposed agreement.

Mr. HAMMERSCHMIDT. Mr. Speaker, I yield to the gentleman from Texas (Mr. LEATH).

Mr. LEATH of Texas. Mr. Speaker, as chairman of the Subcommittee on Education, Training and Employment, I am pleased to join with the distinguished chairman of the Veterans' Affairs Committee is urging the House to accept the amendments to H.R. 2355 we are considering today.

On June 7, the House overwhelmingly passed H.R. 2355 by a vote of 407 yeas to 10 nays. The Senate passed H.R. 2355, amended, by unanimous voice vote on June 15. Obviously, broad bipartisan support for this legislation has been clearly established in both Houses of Congress.

Veteran unemployment remains very high. In June, 365,000 Vietnam-era veterans between the ages of 25 and 44 had been unemployed 15 weeks or longer. In addition to this disturbing statistic, the rate of unemployment among Vietnam-era veterans was higher than that for nonveterans in all age groups. This situation has existed for many, many months. Although we are all greatly concerned by the high unemployment being experienced by so many segments of our population, we, as a nation, have made a particular commitment to provide special assistance to those who wore the uniform during time of war. Historically, too many Vietnam era and disabled veterans have experienced difficulty finding and maintaining suitable employment. Added to the chronically unemployed are veterans who, prior to the recent recession, were sucessfully employed but are currently out of work due to shifting industries and changing technology. Every effort must be made to assist all veterans who desperately need jobs. H.R. 2355 will go a long way toward assisting these long-term unemployed wartime and disabled veterans.

The amendments before us today blend the best features of H.R. 2355 as passed by the House and the Senate's amendments to this bill. Although a detailed discussion of the compromise will follow my statement, there are a few provisions I want to point out to my colleagues.

As passed by the House, H.R. 2355 would extend eligibility for job training to veterans of the Vietnam era and veterans disabled after August 4, 1964. The Senate amendment would extend eligibility for job training to all wartime veterans who have eligibility for GI bill benefits; that is, veterans of World War II, Korea, and Vietnam. The compromise agreement limits eligibility to Korean conflict and Vietnam-era veterans. I want to emphasize that the broadcasting of the pool of eligibles beyond those included in the House-passed bill will in no way increase the cost of the bill. While the House-passed H.R. 2355 limited eligibility to the younger Vietnam-era veteran, we feel that it is equally important to provide training to Korean veterans who also have been displaced from their jobs and must acquire new skills in order to achieve meaningful employment.

Another issue of particular concern is the funding level provided for this job training program. The House-passed bill would provide $25 million for fiscal year 1983, $150 million for fiscal year 1984 and an additional $150 million for fiscal year 1985. The Senate amendments would provide a total of $150 million for the program. The compromise agreement establishes a funding level of $150 million for fiscal year 1984 and $150 million for fiscal year 1985. We are very pleased with this funding level and believe it will effectively accomplish the purpose of the bill to assist a substantial number of long-term unemployed wartime veterans.

The first concurrent budget resolution (H. Con. Res. 91) specifically allows for the funding level we have agreed on with the Senate. It is imperative that funds for this legislation be appropriated as soon as practicable. We had expected the HUD-Independent Agencies Appropriations Act for 1984 (Public Law 98-45) to include a Senate approved $150 million for a veteran emergency job training program. We were deeply disappointed when the $150 million was dropped by the conferees on that legislation (H.R. 3133). My good friend ED BOLAND, chairman of the Subcommittee on HUD-Independent Agencies of the Appropriations Committee, however, stated very clearly on the floor that when the authorizing legislation is enacted, the Appropriations Committee will act swiftly to approve the authorized funds. I very much appreciate that assurance and feel confident that that commitment will be met.

I also want to emphasize our expectation that, following congressional approval of funding for the job training program contemplated by H.R. 2355, the Office of Management and Budget will expeditiously allocate the funds and the Veterans' Administration will implement this program without delay. During the consideration of this legislation, the administration demonstrated an incredible insensitivity to the needs of unemployed Vietnam veterans by opposing H.R. 2355. Administration representatives argued lamely that veterans needed no additional job training assistance, referring to the Jobs bill (Public Law 98-8) and Job Training Partnership Act (JTPA) (Public Law 97-301). Public Law 98-8 has no money earmarked for jobs for veterans. The $9.4 million provided for veterans under JTPA for fiscal year 1984 is woefully inadequate for this purpose and will not begin to address the needs of the hundreds of thousands of unemployed veterans. Make no mistake about it, it is the intention of the Congress that eligible veterans of Korea and Vietnam, who so badly need the job training assistance authorized in this legislation, will receive that assistance beginning October 1 of this year. There must be no delay.

Members should also note the compromise reached regarding the duration of assistance paid on behalf of each eligible veteran. The House bill would provide that training assistance would be paid for a period of up to 12 months for a veteran with a service-connected disability rated at 30 percent or more, or, for any other eligible veteran, 6 months with up to an additional 6 months of assistance available at the discretion of the Administrator. The Senate amendment on this provision would provide a maximum period of 12 months assisted training, except that an additional 6 months could be allowed for veterans with service-connected disabilities rated at 30 percent or more or at 10 or 20 percent if the veteran has been determined to have a serious employment handicap. The compromise agreement would provide 15 months of assistance in the case of a veteran with a service-connected disability rated at 30 percent or more and to a veteran with a service-connected disability rated at 10 or 20 percent who has been determined to have a serious employment handicap. Any other eligible veteran may receive up to 9 months of assistance.

As passed by the House, the payment made to an employer on behalf of a veteran participating in a program of job training would be limited to 50 percent of the veteran's starting wage. The Senate provision would limit the payment to 50 percent of the veteran's starting wage up to a maximum of $9,000 for service-connected disabled veterans and $6,000 for other eligible veterans. The compromise establishes a cap of $10,000 on the total amount that may be paid to an employer on behalf of a veteran.

Finally, regarding the administration of the program, the House bill would provide that the program be carried out by the Administrator of Veterans' Affairs in cooperation with the Secretary of Labor. The Senate provision would provide that the program be carried out jointly by the Secretary and the Administrator, and that the responsibilities of each would be specified in an interagency agreement. The compromise agreement

would provide that the program shall be carried out by the Administrator and, to the extent specifically provided in the act, the Secretary. It is the feeling of the House Committee that through the years the VA has gained invaluable experience in handling programs of the kind authorized by H.R. 2355 and has in place a nucleus of professional people who are cognizant and sensitive to the many problems of administering a training program for veterans. The Veterans' Administration knows the problems of the past and is in an excellent position to assure that the program will be administered with a minimum of abuses. This long experience with on-job training makes the VA the logical agency to have primary responsibility for the program. The compromise agreement, however, specifically assigns to the Secretary primary responsibility for promotion and development of employment and job training opportunities. It is expected that the Disabled Veterans Outreach Program (DVOP) will be fully utilized in the outreach aspect of this new program as will be the field personnel of the Veterans Employment and Training Service—that is, the Regional and State Directors for Veterans Employment.

Mr. Speaker, we believe the amendments before us today are good ones. This modest program is designed to get veterans working again and to narrow the gap between veterans and their civilian counterparts whose education and employment were not interrupted by military service—and to do so on a short-term emergency basis in order to ride out these tough economic times that have hit all Americans so hard.

In closing, I would like to thank the distinguished gentleman from Mississippi, (Mr. MONTGOMERY) the chairman of the Veterans' Affairs Committee, and the ranking minority member of the committee, JOHN PAUL HAMMERSCHMIDT, for their assistance and cooperation in the development of this legislation. I also want to express my appreciation to GERALD SOLOMON, the ranking minority member of the subcommittee, whose cooperation and hard work has been most helpful in considering and advancing this legislation. I congratulate all members of the Subcommittee on Education, Training and Employment for their contribution in helping bring this most important bill to a successful conclusion.

I urge my colleagues to support these amendments.

There follows an explanatory statement of the House-passed bill, the Senate amendment (S. 1033), and the compromise agreement on H.R. 2355:

EXPLANATORY STATEMENT OF HOUSE BILL, SENATE AMENDMENT (S. 1033), AND COMPROMISE AGREEMENT ON H.R. 2355, THE "EMERGENCY VETERANS' JOB TRAINING ACT OF 1983"

This explanatory statement explains the provisions of H.R. 2355 as passed by the House of Representatives, the provisions of the bill as passed by the Senate with an amendment incorporating the provisions of S. 1033 as reported, and the provisions of a compromise agreed to by the Committees. The differences between the House bill, the Senate amendment, and the compromise agreement are noted below, except for clerical corrections, conforming changes made necessary by agreements reached between the Committees, and minor drafting, technical, and clarifying changes.

This explanatory statement is being presented in lieu of a joint explanatory statement of a committee of conference.

GENERAL

Both the House bill and the Senate amendment would establish a new, emergency program of job training for certain veterans, providing a system of payments to employers who hire and train eligible veterans who have been unemployed 15 out of the 20 weeks immediately preceding their application for participation in the program. Both would provide some administrative role for both the Veterans' Administration and the Department of Labor. Finally, the program established by the House bill and the Senate amendment would generally be closed to new applicants at the end of fiscal year 1984.

STATUTORY FORMAT

The House bill is in the form of a free-standing law. The provisions of the Senate amendment establishing the new program would be set forth in a new chapter 44 proposed to be added to title 38, United States Code.

The compromise agreement adopts the format of the House bill.

Hereinafter, citations to provisions in the Senate amendment that would be set forth in the proposed new chapter 44 of title 38 are made by reference to the "new section" number in title 38. For example, the reference to proposed new section 2102 of title 38 is referred to as "new section 2102".

PURPOSE

The House bill (section 2(b)) states the purpose of the legislation in terms of promoting job training and employment of unemployed Vietnam-era and disabled veterans; the Senate amendment (new section 2101), in terms of addressing veterans' unemployment problems by providing employers with financial incentives to employ and train certain unemployed wartime veterans.

The House bill (section 2 (a) and (c)), but not the Senate amendment, also contains Congressional findings relating to the need for this legislation and would require the Administrator of Veterans' Affairs and the Secretary of Labor to administer the new program in a vigorous and expeditious manner.

The compromise agreement (section 2) follows the Senate amendment.

ADMINISTRATION OF PROGRAM

The House bill (section 4) would provide that the program shall be carried out by the Administrator in cooperation with the Secretary of Labor.

The Senate amendment (new section 2102) would provide that the program shall be carried out by the Administrator, jointly with the Secretary, and that the respective responsibilities of each must be specified in an interagency agreement (with certain responsibilities required to be assigned as specified in the legislation) entered into within 60 days after enactment but in no event later than October 1, 1983.

The compromise agreement (section 4(a)) would provide that the program established under this Act shall be carried out by the Administrator and, to the extent specifically provided in the Act, the Secretary.

As noted below under the heading "Inspection of Records; Investigations", the compromise agreement specifies (section 12(d)) that the Administrator may elect to enter into an agreement with the Secretary providing for Department of Labor entities specified in the agreement to carry out certain responsibilities of the Administrator relating to the monitoring of compliance (section 12(b)), and the conduct of any investigations necessary to determine compliance (section 12(c)). The compromise agreement also (section 15) assigns to the Secretary primary responsibility for promoting the development of employment and job training opportunities and joint responsibilities with the Administrator with respect to outreach and public information and assisting veterans and employers in applying to participate in the new program, and (section 14) authorizes the Secretary to provide certain employment counseling services.

An important goal of the Committees has been to minimize the administrative obstacles to swift implementation of the program, in order that veterans and employers might be brought into the program as expeditiously as possible, consistent with the emergency nature of this legislation.

The Senate amendment (new section 2102(c)), but not the House bill, would provide that the Secretary of Labor shall carry out the Secretary's responsibilities through the Assistant Secretary of Labor for Veterans' Employment established under section 2002A of title 38.

The compromise agreement (section 4(b)) contains this provision.

ELIGIBILITY FOR PROGRAM

The House bill (section 3(1)) would provide eligibility for veterans of the Vietnam era, as defined in section 101(29) of title 38 (the period beginning August 5, 1964, and ending on May 7, 1975), and for disabled veterans entitled to receive service-connected disability compensation from the VA for a disability incurred or aggravated any time after August 4, 1964.

The Senate amendment (new section 2103(a)) would provide eligibility for veterans of World War II (defined in section 101(8) of title 38 as the period beginning December 7, 1941, and ending December 31, 1946), the Korean conflict (defined in section 101(9) of title 38 as the period beginning June 27, 1950, and ending January 31, 1955), and the Vietnam era. Service during those periods would be specifically defined by reference to entitlement standards established under the GI Bills of those periods—generally, that the veteran was discharged under conditions other than dishonorable, and met certain minimum-service requirements: World War II—90 days; Korean conflict—90 days; and Vietnam era—180 days. These minimum service requirements would not be applicable to veterans discharged for service-connected disabilities.

Under both the House bill (section 5(a)) and the Senate amendment (new section 2103(a)), eligibility would further be condi-

tioned upon the veteran having been unemployed for not less than 15 of the last 20 weeks at the time of applying for participation in the program. A veteran would be considered "unemployed" when the veteran is without a job (to be determined, under the House bill, in accordance with the criteria used by the Bureau of Labor Statistics of the Department of Labor) and wants and is available for work. Under the Senate amendment, but not the House bill, eligibility would be further conditioned upon the veteran being unemployed when applying to participate. As an alternative to unemployment for 15 out of 20 weeks, the Senate amendment, but not the House bill, would provide eligibility to an unemployed veteran who has been terminated or laid off from employment, is eligible for or has exhausted entitlement to unemployment compensation, and has no realistic opportunity to return to employment in the same or a similar occupation in the geographical area where the veteran previously held employment.

The compromise agreement (section 5(a)) would provide eligibility for a Korean conflict or Vietnam-era veteran who is unemployed and has been unemployed for at least 15 of the 20 weeks immediately preceeding the date of application for participation in a program of job training. The term "Korean conflict or Vietnam-era veteran" would be defined to mean a veteran who served for one day or more during either of those periods and who (1) has served at least 181 days or (2) was discharged from service for a service-connected disability or is entitled to compensation for a service-connected disability. The term "unemployed" would apply to any period during which the veteran is without a job and wants and is available for work.

Although the compromise agreement does not contain the language from the House bill mandating the use of criteria from the Bureau of Labor Statistics in determining whether a veteran is without a job, it is the Committees' general contemplation that these criteria will be applied. However, the Committees wish to emphasize their intention that the fact that a veteran is or has been a "discouraged worker"—i.e., one who ceased looking for work because he or she believed none was available—should in no way preclude participation in the new program.

Veterans' applications

Both the House bill (section 5(b)) and the Senate amendment (new section 2103(b)) would require that veterans seeking to participate in a program of job training submit an application in such form and containing such information as is prescribed administratively. The Senate amendment, but not the House bill, would require the application to specify the training objective to be pursued.

The compromise agreement (section 5(b)(1)) follows the House bill with modifications that would clarify that a veteran's application is not for participation in a particular employer's program of job training and would require that an application contain the veteran's certification regarding unemployment status and military service requirements.

Approval of veterans' applications

The House bill (section 5(b)) would provide that an application of a veteran may not be approved if it is found that the veteran is already qualified for the job for which the training would be provided.

The Senate amendment (new section 2103(b)) would provide that a veteran's application must be approved unless it is found that the veteran either is not eligible or is already qualified for the specified training objective. In addition, under the Senate amendment, a veteran who has been determined to be eligible would be certified as such and would be furnished with a copy of a certificate of eligibility for presentation to an employer offering a program of job training.

The compromise agreement (section 5(b)(2)) follows the Senate amendment with three modifications:

First, the provision for disapproval of the veteran's application if the veteran is already qualified for the training objective is deleted. The Committees recognize that at this early stage of determining a veteran's basic eligibility, it would often be premature to require veterans to commit themselves to a particular training objective. The goal of precluding the payment of training assistance under this legislation on behalf of veterans who are already qualified in the proposed field of training should be adequately served by the requirement, derived from the House bill and contained in section 7(d)(4) of the compromise agreement (discussed below), that an employer certify that training will not be provided to veterans who are already qualified.

Second, approval of the veterans' application could be withheld if the Administrator determines that such withholding of approval is necessary in order to limit the number of veteran participants in a program of job training under this measure where it is determined that sufficient funds are not available to permit that veteran's participation. This change is designed to clarify the Administrator's authority to ensure that spending under the program does not exceed the funds appropriated. It corresponds to section 9 of the compromise agreement, which gives the Administrator authority to withhold or deny approval of an eligible veteran's entry into a program of job training on the basis of funding limitations. Thus, the Act contains two separate mechanisms for controlling obligations within the bounds of available funds: As an initial safeguard, the pool of veteran applicants having certificates may be limited, and, at a subsequent point in the pre-obligation process, the entry of veterans previously certified as eligible into VA-assisted training may be postponed or stopped in order to keep obligations within those bounds.

Third, the certificate of eligibility furnished to the veteran would be valid for only 60 days, would be required to specify the dates of issuance and expiration, and could be renewed upon application by the veteran. This provision is designed to provide both the Administrator and employers with a mechanism for ensuring that a veteran's eligibility is reasonably current and the Administrator with a further mechanism for estimating potential obligations of funds. Consistent with the provisions of section 10 of the compromise agreement, the Committees intend that the certificate also specify that it is subject to the availability of funds, that a veteran may not enter an approved program of job training under it until the employer has given the VA two weeks notice of intention to enter the veteran into such training, and any other matters that would be useful from the standpoint of the effective implementation of this legislation.

DURATION OF ASSISTANCE

The House bill (section 5(c)) would provide that training assistance could be paid for a period of up to twelve months in the case of a veteran with a service-connected disability rated at 30 percent or more, or, in the case of any other eligible veteran, for a period of six months with up to an additional six months of assistance available at the discretion of the Administrator.

Under the Senate amendment (new section 2104(b)), the maximum period of assisted training would be twelve months, except that an additional six months could be allowed for veterans with service-connected disabilities rated either at 30 percent or more or at 10 or 20 percent if the veteran has been determined to have a serious employment handicap under section 1506 of title 38, relating to vocational rehabilitation for certain veterans with service-connected disabilities.

The compromise agreement (in section 5(c)) contains the following maximum training-period provisions: fifteen months—across the board, without the need for individual extensions—in the case of certain veterans with service-connected disabilities rated either at 30 percent or more or at 10 or 20 percent if the veteran has been determined to have a serious employment handicap under section 1506 of title 38, and nine months in the cases of other veterans.

EMPLOYER JOB TRAINING PROGRAMS

The House bill (section 6(a)) would provide that, to qualify as a program for which assistance may be paid, a program of job training must provide training for a period of at least six months. Under the Senate amendment (new section 2104(a)), an assisted program must generally be for no less than six months, except that a program of between three and six months could be approved where the purposes of the program would otherwise be met.

The compromise agreement (section 6(a)) follows the Senate amendment.

The House bill (section 6(b)) would provide that an eligible veteran may select an approved program of job training with any employer. Under the Senate amendment (new section 2105(c)), an eligible veteran may accept an approved program offered to the veteran by any employer.

The compromise agreement (section 6(b)) provides that a veteran approved for participation and having a current certificate of eligibility may enter any approved program offered to the veteran by the employer.

The Senate amendment (new section 2104(a)), but not the House bill, would require that in order to qualify as a program of job training, an employer's program must offer training in an occupation in a growth industry, an occupation requiring the use of new technological skills, or an occupation for which demand for labor exceeds supply.

The compromise agreement (section 6(a)(1)) contains this provision. The Committees intend that the Administrator shall construe these terms liberally—that is, in the case of an occupation with respect to which there is some doubt as to whether it should be included in one of these three categories, that doubt should be resolved in favor of including it. In case of such doubt, it might be useful for the Administrator to consult with the Secretary of Labor or other appropriate entity in construing the statutory terms.

APPROVAL OF EMPLOYER PROGRAMS

Approval process

The House bill (section 8) would establish basically a two-step approval process for programs of job training. First, the employer would submit a written application containing a certification that certain criteria would be met; and, second, the Administrator would be required to conduct an investigation regarding the criteria for approval in order to determine whether the criteria are met.

The Senate amendment (new section 2105(c)) would require the employer to submit with the application a certification that all applicable criteria for job training programs would be met, and would essentially eliminate the requirement for the second step under the House bill, by mandating generally that a proposed program of job training with respect to which the application and certification comply on their face with the requirements of the legislation be approved without the need for any prior investigation. Investigation would be authorized, but not required, and approval of the proposed program being investigated could be withheld pending the outcome of the investigation, whereupon, depending on the outcome, the program could be disapproved.

The compromise agreement (section 7(a)(2) and (g)) follows the Senate amendment. The Committees believe that this approach will minimize administrative difficulties, enhance the attractiveness of the program to employers, and expedite implementation of the program. To the extent that such limited prior approval proves to be a less effective safeguard than mandatory prior investigation, the Committees believe that the post-approval safeguards in the compromise agreement—including the authorities regarding inspection of records, monitoring, investigation, discontinuance of approval, periodic certifications connected with each payment of assistance, and overpayment remedies with respect to both employers and veterans, as well as the availability of civil penalties under the Federal False Claims Act (31 U.S.C. § 3729-31) and criminal penalties under the Federal False Statements Act (18 U.S.C. § 1001)—should be sufficient to ensure that the requirements of this legislation will be able to be properly enforced so that limited resources will not be expended for nonqualified programs of training.

Criteria for approval of employer programs

Both the House bill (section 9) and the Senate amendment (new section 2107) would preclude assistance to programs of job training for employment in seasonal, intermittent, or temporary jobs (the House bill, but not the Senate amendment, providing an exception for seasonal jobs as determined to be appropriate), for employment under which commissions are the primary source of income, for employment involving political or religious activities, or where the training program would be carried out outside the United States. The House bill (section 6(b)), but not the Senate amendment, would exclude employers other than for-profit private employers. The Senate amendment (new section 2107(4)), but not the House bill, would exclude federal agencies.

The compromise agreement (section 7(b)) follows the Senate amendment.

The House bill (section 8(b)(3)) would require the employer to certify that there is a reasonable certainty that a position of the type for which the veteran is to be trained will be available to the veteran at the end of the training period.

The Senate amendment (new section 2105(b)(1)) would require the employer to certify that the employer has planned for the employment of the veteran in an appropriate position at the conclusion of the training period, and that the employer has no reason to expect that such a position will not then be available to the veteran on a stable, permanent basis.

The compromise agreement (section 7(d)(1)) follows the Senate amendment.

Both the House bill (section 8(b)(1)) and the Senate amendment (new section 2105(b)(2)) would require the employer to certify that veterans participating in its program of job training will be paid no less than other employees in such a program or, under the Senate amendment, a comparable program.

The compromise agreement (section 7(d)(2)) follows the Senate amendment.

The House bill, but not the Senate amendment, would require a pre-approval finding, upon investigation, that the program of job training will not be given to veterans who are already qualified for the job for which training is to be provided.

The compromise agreement (section 7(d)(4)) follows the House bill, with an amendment modifying this provision so as to require that the matter be included in the employer's certification (rather than necessarily be subject to pre-approval investigation). The Committees note that this provision is intended only to require the employer to conduct a reasonable, good-faith inquiry into a veteran's qualifications, and that section 8(c) of the compromise agreement would impose upon the veteran, and not upon the employer, liability for overpayments to the employer which result from false or incomplete information furnished to the employer by the veteran.

The House bill (section 8(c)(1)), but not the Senate amendment, would require a pre-approval finding, upon investigation, that the job for which training is to be provided is one in which progression and appointment to the next higher classification are based upon skills learned through organized and supervised training on the job rather than on factors such as length of service and normal turnover.

The compromise agreement (section 7(d)(5)) contains a provision requiring the employer to certify that the job in question is one that involves significant training.

The House bill (section 8(c)(10)), but not the Senate amendment, would require a pre-approval finding that the training program will be stated in a written agreement signed by the employer and the veteran, and that a copy of the signed agreement will be provided to both the veteran and the VA.

The compromise agreement (Section 7(d)(11)) follows the House bill with an amendment modifying this provision so as to require that the matter be included in the employer's certification (rather than necessarily be subject to pre-approval investigation) and to refer to a copy of the employer's certification under this subsection (subsection (d) of section 7 of the compromise agreement) rather than to a written agreement.

Six other approval criteria which were included in substantially similar form in both the House bill (section 8(c)), as matters requiring pre-approval findings but not certification, and the Senate amendment (new section 2105(b)), as matters subject to certification, are included in the compromise agreement. These criteria relate to the nondisplacement of current or laid-off workers (paragraph (3) of section 7(d)), the adequacy of training content (paragraph (6)), the full-time employment of participating veterans (paragraph (7)), the length of the period of training as compared to that customarily required by employers (paragraph (8)), the availability of adequate training facilities (paragraph (9)), and the maintenance of records adequate to show employer compliance (paragraph (10)).

The House bill (section 8(c)(11)) would authorize the imposition of additional criteria as to which pre-approval findings would be required. The Senate amendment (new section 2105(b)(10)) would similarly authorize additional criteria as to which certification, rather than pre-approval findings, would be required.

The compromise agreement (section 7(d)(12)) contains a provision authorizing additional criteria that the Administrator determines are essential for the effective implementation of the program established by the compromise agreement.

The Committees note their intention that this authority to impose additional criteria is intended to meet unforeseen problems clearly necessitating the imposition of additional requirements. The Committees stress that this provision is not intended to give the VA authority to impose undue restrictions as was done with respect to the targeted delimiting date extension program (enacted in section 201(a) of Public Law 97-72) and required Congressional action (section 201(a) of Public Law 97-306) undoing the restrictions and extending the program for a year.

The Senate amendment (new section 2105(b)(3)), but not the House bill, would require the employer's certification to indicate the number of hours of training and to describe the training content of the program and the training objective.

The compromise agreement (section 7(e)) contains this provision with amendments requiring that the cerification also specify the length of the program and the starting rate of wages and describe any agreement the employer has entered into under section 8 of the compromise agreement, relating to the provision of training through educational institutions.

The compromise agreement (section 7(f)) would also clarify that generally each of the matters specified in section 7 (d) (1) through (11) of the compromise agreement as requiring employer certification prior to approval of a program of job training (i.e., not including matters that may be administratively required to be certified under paragraph (12) of section 7(d)) shall be considered to be affirmative substantive requirements. However, for purposes of section 8(c) of the compromise agreement, relating to overpayments, only the matters covered by paragraphs (1) through (10) would be considered requirements. Thus, a failure to provide a participating veteran with a copy of the employer's certification would not be grounds for an overpayment. For the purposes of section 11 of the compromise agreement, relating to the discontinuance of approval of veterans' participation in employer programs that fall out of compliance with requirements established under this legislation, the matters covered by all twelve paragraphs of section 7(d) would be considered such requirements. Hence, failures to provide participating veterans with copies of the employer's certificate and to meet requirements established administratively

under the authority in paragraph (12) could, be virture of section 7(f)(2)(B), result in discontinuance of approval.

The Committees note, with repect to the requirement (under subsections (d)(1) and (f) of section 7 of the compromise agreement) that the employer plan for the permanent employment of the veteran after training, that it is not their intention that an employer's failure to continue a veteran's employment after the completion of training should, in and of itself, result in the creation of an overpayment. An overpayment on the basis of subsection (d)(1) would result only where there is an affirmative finding, based upon an investigation or other action under section 12, that the employer had in fact, at the time of making the certification under subsection (d), failed to make plans for the continuing employment of such veterans as may complete training under the employer's program, had made other plans inconsistent with such continuing employment, had no reasonable basis at that time for expecting that a position would be available to the veteran on a stable and permanent basis at the end of the training period, or did have some affirmative basis for expecting that such a position would not then be available. In the making of such an affirmative finding, the record of the employer in continuing or not continuing the employment of veterans would certainly be relevant.

PAYMENTS TO EMPLOYERS

Computation of amounts

The House bill (section 7(a)) would provide that the amount paid to an employer on behalf of a veteran for any period may not exceed 50 percent of the wages paid for that period, computed on the basis of the starting wage rate.

The Senate amendment (new section 2108(a)) would provide that the amount paid to an employer on behalf of a veteran may not exceed the lesser of 50 percent of the wages paid during the training period in question, or a specified annual dollar limit. That limit would be $9,000 in the cases of certain veterans with service-connected disabilities (including all veterans with disabilities rated at 30 percent or more, as well as those rated 10 to 20 percent disabled who have been determined to have a serious employment handicap under section 1506 of title 38), and $6,000 in the case of any other veteran.

The compromise agreement (section 8(a)) provides that the training assistance amount paid to an employer on behalf of a veteran for any period shall be 50 percent of the veteran's wages for that period—not counting any increase over the starting rate and without regard to overtime or premium pay—up to a total of $10,000 payable on behalf of any individual veteran.

The Committees stress that the rule relating to overtime and premium pay would apply regardless of the frequency or regularity with which such pay is paid for the job for which training is being provided.

Payment periods

Both the House bill (section 7(b)) and the Senate amendment (new section 2108(a)) would provide for payments to be made to employers on a quarterly basis. The Senate amendment (new section 2108(b)), but not the House bill, would authorize the making of payments on a monthly, rather than quarterly, basis to private, for-profit businesses with 500 of fewer employees.

The compromise agreement (section 8(a)(1) and (3)) follows the Senate amendment with an amendment deleting the requirement that businesses be private and for-profit and establishing a requirement that the Administrator set a numerical limit by regulation.

The Committees recognize that cash flow problems sufficiently significant to warrant monthly payments may vary from one type of business or industry to another. Thus, the Committees believe that the Administrator should have considerable latitude in setting such limits, with the goal of attracting employers with relatively few employees into the program established under this legislation.

Certifications

Both the House bill (section 7(b)) and the Senate amendment (new section 2108(c)) would provide that no payment for a period of training may be made until individual certifications have been received from both the employer and the veteran. The veteran would be required to submit a certification as to the veteran's actual employment and training with the employer during the training period for which payment is to be made; and the employer would be required to certify that the veteran was employed and progressing satisfactorily during that period. The Senate amendment (new section 2108(c)(2)(B)), but not the House bill, would require the employer to indicate, in the first of these periodic certifications, the date on which the employment of the veteran began.

The compromise agreement (section 8(b)) contains these provisions with two modifications. First, each periodic certification by an employer would be required to include an indication of the number of hours worked by the veteran during the period for which payment is to be made; and, second, the employer's initial certification would be required to indicate the starting rate of wages paid to the veteran.

The House bill (section 7(a)), but not the Senate amendment, would specify that payments to employers employing disabled veterans may be used for the purpose of defraying the costs of making structural changes to the employer's workplace to remove architectural barriers.

The compromise agreement does not contain this provision.

The Committees note that nothing in the language of the compromise agreement would preclude employers from using training assistance payments to make reasonable accommodations to the needs of disabled veterans, which in the cases of certain types of disabilities (for example, blindness and deafness would not necessarily be structural. The compromise agreement, in providing that the purpose of such payments is to assist employers in defraying the cost of necessary training, specifies no limitations on the uses to which payments may be put by employers.

OVERPAYMENTS

The House bill (section 7(c)) would provide that, if a willful or negligent false certification by either an employer or a veteran were to result in an overpayment of training assistance, the amount of the overpayment would be a liability to the United States of the party making the false certification, subject to collection in the same manner as any other debt due to the United States.

The Senate amendment (new section 2109(b)) would provide that, if a certification or application which was false or clearly unsupportable in any material respect were to result in an overpayment of assistance, the party submitting that certification or information would be liable for the overpayment. As in the House bill, the overpayment could be collected in the same manner as any other debt due to the United States.

The compromise agreement (section 8(c)(1)(A)) would provide that an employer would be liable for any overpayment of assistance resulting from a certification, or information contained in an application, submitted by an employer that was false in any material respect. Also (under section 8(c)(1)(B)), if the Administrator finds that the employer has failed in any substantial respect to achieve compliance with any requirement (including matters deemed to be requirements for this purpose by virtue of section 7(f)(2)(A) of the compromise agreement—clauses (1) through (10) of section 7(d)) established under the compromise agreement (unless the employer's failure is the result of false or incomplete information provided by the veteran), any payment for the period of noncompliance would be an overpayment for which the employer would be liable.

A veteran's liability (section 8(c)(2)) for an overpayment would depend upon a finding by the Administrator that the veteran submitted material which was willfully or negligently false in any material respect in a certification or application submitted by the veteran to the Administrator or in information provided to an employer.

The compromise agreement (section 8(c)(3)) would further provide that overpayments recovered would be credited to funds available for payments under the compromise agreement and that, if no such funds remain, the amount of the overpayment recovered would be deposited into the U.S. Treasury. Finally, the compromise agreement (section 8(c)(4)) would authorize the Administrator to waive, in whole or in part, any such overpayment, in accordance with the terms and conditions of section 3102 of title 38, which authorizes waiver of recovery of claims under laws administered by the VA whenever the Administrator determines that recovery would be against equity and good conscience, and where application for relief from recovery has been made within 180 days of the date of notification of the indebtedness to the debtor.

Civil penalty

The Senate amendment (new section 2109(c)), but not the House bill, would authorize the administrative imposition of a civil penalty (up to $1,000 for each individual wrongfully employed in a program of job training under the Senate amendment), after an adjudication determined on the record after opportunity for an agency hearing, on an employer who has, willfully or with reckless disregard of the facts, made a false certification or has caused the administering agency to give approval contrary to the requirements of the legislation. Actions to impose such a penalty would be reviewable in the Federal courts.

The compromise agreement does not contain this provision.

The Committees note the existence of general authority, under the False Claims Act (31 U.S.C. §§ 3729–31), regarding the assessment and collection of civil penalties, as well as criminal sanctions (18 U.S.C. § 1001), through judicial rather than administrative processes, in cases of knowingly false, fictitious, or fraudulent claims or statements made to representatives of the Federal Government. The Committees strongly urge the Administrator (and, where appropriate, the

Secretary of Labor) to ensure that, whenever in the implementation of the compromise agreement evidence of a violation of such a statute comes to light, the matter is vigorously pursued and, where appropriate, referred to the Department of Justice for action.

The Committees also note the existence of authority for the Department of Justice to provide, at the request of the agency involved, certain legal services in conducting investigations and examining witnesses, in connection with a claim before the agency (28 U.S.C. § 514), and believe that this authority may prove useful in determining whether any particular employer has acted knowingly and willfully in connection with the submission of a false claim, has submitted fraudulent materials, or has otherwise demonstrated conduct which would render that employer subject to the civil or criminal penalties noted above, or to any other applicable sanction established by law or regulation. In all such matters, the Committees urge prompt and full cooperation between the Administrator (and, where appropriate, between the Secretary) and the Attorney General, consistent with the terms and provisions of sections 514 and 516 (regarding representation by the Attorney General in any action in which the United States is a party) of title 28, and of applicable interagency agreements.

ENTRY INTO PROGRAM OF TRAINING

As noted above in the discussion of section 5(b) of the compromise agreement, under the subheading "Approval of Veterans' Applications", the compromise agreement (section 9) authorizes the Administrator to withhold or deny approval of a veteran's entry into an approved program of job training when necessary to avoid incurring obligations in excess of the funds available. The compromise agreement also requires that employers give the VA two weeks notice prior to a veteran's entry into VA-assisted training. That notice is intended to enable the Aministrator to withhold or deny approval for the purpose of ensuring that obligations are not incurred in excess of available funds.

PROVISION OF TRAINING THROUGH EDUCATIONAL INSTITUTIONS

The Senate amendment (new section 2106), but not the House bill, would permit an employer to enter into an arrangement or agreement with an educaitonal institution that has been approved for the enrollment of veterans under chapter 34 of title 38 for that institution to provide the program of training (or a portion thereof). When such an arrangement or agreement has been entered into, the application of the employer would be required to disclose that fact and describe the training to be provided by the institution.

The compromise agreement (section 10) contains this provision with amendments deleting any reference to "arrangements".

DISCONTINUANCE OF PAYMENTS FOR UNSATISFACTORY CONDUCT OR PROGRESS

The House bill (section 10), but not the Senate amendment, would authorize the Administrator to discontinue payments on behalf of a veteran based upon a finding by the Administrator that the conduct or progress of the veteran is unsatisfactory due to circumstances within the control of the employer.

The compromise agreement does not contain this provision. The Committees note that, under section 8(b)(2)(A) of the compromise agreement, quarterly payments may not be made until the Administrator has received from the employer a certification that the veteran was employed by the employer during the period for which payment is to be made and that the veteran's performance and progress during that period were satisfactory. The Committees also note that such a certification is subject to investigation under section 12(c) and overpayment collection under section 8(c).

DISCONTINUANCE OF APPROVAL OF PARTICIPATION IN CERTAIN EMPLOYER PROGRAMS

Both the House bill (section 11) and the Senate amendment (new section 2109(a)) would provide a mechanism for the disapproval of further participation by veterans in a program of job training which, subsequent to its approval has fallen out of compliance with any of the requirements established under the legislation. The Senate amendment would authorize such disapproval (while the House bill would mandate it), and would establish a notice and hearing process to govern the disapproval process.

The compromise agreement (section 11) follows the Senate amendment.

INSPECTION OF RECORDS; INVESTIGATIONS

Both the House bill (section 12) and the Senate amendment (new section 2111(a)) would authorize examinations of the records and accounts of participating employers. The Senate amendment (new section 2111(b)) would also authorize the monitoring of program participants in order to determine compliance with the program requirements and investigation of any matter deemed necessary to determine compliance.

The compromise agreement (section 12 (a), (b), and (c)) follows the Senate amendment with an amendment adding a provision (section 12(d)), derived from the Senate amendment (new section 2102(b)), authorizing, but not requiring, the Administrator to enter into an agreement with the Secretary of Labor to provide for the administration of the provisions regarding monitoring and investigations, or any portion of those provisions, by the Department of Labor. Duties undertaken by the Department of Labor pursuant to such an agreement would be authorized to be carried out by any appropriate branch of the Department of Labor, notwithstanding the general requirement, contained in section 4(b) of the compromise agreement, that the responsibilities of the Secretary of Labor under the compromise agreement be carried out by the Assistant Secretary of Labor for Veterans' Employment.

COORDINATION WITH OTHER PROGRAMS

The House bill (section 14) would provide that a veteran may not receive benefits both under the House bill and under chapters 31 (relating to training and rehabilitation for veterans with service connected disabilities), 32 (relating to post-Vietnam era veterans' educational assistance), 34 (relating to the so-called "Vietnam-era GI Bill"), or 35 (relating to survivors' and dependents' educational assistance) of title 38, or chapter 107 of title 10 (relating to educational assistance for current enlistees), for the same period.

The Senate amendment (new section 2108(d) (1) and (2)) would similarly preclude simultaneous payments of assistance under the Senate amendment and under chapter 31 or 34, under chapter 36 (which includes provisions for the payment of Vietnam-era GI Bill benefits for correspondence courses and for apprenticeship or other on-job training) of title 38, or where the employer is receiving any other form of assistance on account of the training or employment of the veteran. The Senate amendment (section 2108(d)(3)), but not the House bill, would prohibit the payment of assistance under the Senate amendment where the veteran on behalf of whom assistance is to be paid had already completed a program of job training under the program that would be established by the Senate amendment.

The compromise agreement (section 13) follows the Senate amendment with additional references, derived from the House bill, to chapters 32 and 35 of title 38.

COUNSELING

The House bill (section 16), but not the Senate amendment, would require the Administrator and the Secretary of Labor to provide counseling services, upon request, to eligible veterans in order to assist them in selecting a suitable program of job training.

The compromise agreement (section 14) contains this provision, with an amendment authorizing, rather than requiring, the provision of such counseling services.

INFORMATION AND OUTREACH; USE OF AGENCY RESOURCES

Both the House bill (section 15) and the Senate amendment (new section 2110) would provide that the responsibilities for information and outreach would be shared between the Veterans' Administration and the Department of Labor. Information and outreach activities would be targeted toward both veterans and employers; would be coordinated with services and opportunities provided for under chapters 41 (relating to job counseling, training, and placement services for veterans) and 42 (relating to employment and training of disabled and Vietnam-era veterans) of title 38, and with resources and programs available under the Job Training Partnership Act (Public Law 97-300) and would emphasize reliance on disabled veterans' outreach program specialists and other personnel appointed under relevant provisions of title 38. The Senate amendment, but not the House bill, would require coordination of such information and outreach efforts with the Small Business Administration and with the Department of Education, would require the administering agencies to assist veterans and employers in completing applications and certifications, and would require the administering agencies to endeavor to achieve an equitable regional distribution of the limited training funds available.

The compromise agreement (section 15) would require the Administrator and the Secretary of Labor to conduct jointly an outreach and public information program directed to both veterans and employers, as well as to educational institutions and labor unions, and would assign to the Secretary of Labor primary responsibility for promoting the development of employment and job training opportunities. It would require the Administrator and the Secretary to coordinate outreach and public information activities with other job counseling, placement, job development, and other services available through the VA and the Department of Labor, as well as with similar services offered by other public agencies and organizations (including Federal agencies). It would require the Administrator of Veterans' Affairs and the Secretary of Labor to make available sufficient personnel for facilitating effective implementation and to provide assistance to veterans and employers making applications and completing certifications. Further, it would require the Secretary to make maximum use of personnel currently available through the Office of

the Assistant Secretary for Veterans' Employment and Resources under the Job Training Partnership Act. Finally, the Secretary would be required to request and obtain certain information from the Small Business Administration in order to promote maximum training opportunities for veterans.

The Senate amendment (new section 2110(b)), but not the House bill, would require efforts to achieve an equitable regional distribution of training opportunities.

The compromise agreement does not contain this provision. However, the Committees note their belief that it would be useful for consideration to be given to developing a mechanism, if feasible, for equitable distribution.

AUTHORIZATION OF APPROPRIATIONS

The House bill (section 19) would authorize the appropriation to the VA of $25 million for fiscal year 1983, $150 million for fiscal year 1984, and $150 million for fiscal year 1985, to carry out the House bill.

The Senate amendment (section 102) would authorize the appropriation to the VA of a total of $150 million for the purpose of making payments to employers under the Senate amendment.

The compromise agreement (section 16) would authorize the appropriation of $150 million for each of fiscal years 1984 and 1985 for the purpose of making payments under the compromise agreement, to remain available until September 30, 1986. The Committees note that these amounts have been specifically approved by the Congress for this purpose, in H. Con. Res. 91, the First Concurrent Resolution on the Budget for Fiscal Year 1984, and that such amounts have been set apart in that resolution from other amounts provided for in Function 700 for veterans' benefits and services generally.

The Committees expect that, if additional personnel ceilings and funds are necessary for the effective implementation of the provisions of the compromise agreement, the VA will request such additional ceilings and funds.

TERMINATION OF PROGRAM

The House bill program would (under section 18) be open to new veteran applicants during the 15-month period beginning July 1, 1983, and ending September 30, 1984. No assistance would be authorized to be paid after September 30, 1985.

The Senate amendment program would (under new section 2112) be open to new veteran applicants during the 12-month period beginning October 1, 1983, and ending September 30, 1984. No assistance would be authorized to be paid for any program commencing after December 31, 1984. The Senate amendment (section 101(c)) would also provide that, in the event that funds are not both appropriated and made available by the Office of Management and Budget (OMB) on or before the effective date, October 1, 1983, the termination dates for the program would be extended by periods equal to the period beginning October 1, 1983, and ending on the date funds are made available by OMB.

The compromise agreement (section 17) follows the Senate amendment.

EXPANSION OF TARGETED DELIMITING DATE EXTENSION

The House bill (section 13), but not the Senate amendment, would permit veterans, in lieu of participating in a program of job training, to pursue at an educational institution approved under chapter 34 of title 38 a full-time program of training with a vocational objective or a full-time associate degree program with a vocational objective. Such programs would be required to be of at least six-months duration and in an employment field where it is found that there is a specified level of probability of long-term employment. Payments for periods of such training would be made monthly to reimburse the veteran for the cost of tuition, fees, books, supplies, and equipment, but could not exceed $500 a month. Not more than $25 million could be obligated for such a program in any fiscal year.

The compromise agreement (section 18) would authorize the VA to provide educational assistance, using up to $25 million of funds appropriated under the compromise agreement, for the pursuit of an associate degree program (meeting the applicable title 38 requirements for such degree programs) with a predominantly vocational content. This assistance would be in the same amounts and be available under the same terms and conditions as are applicable to the pursuit of vocational objective courses under the targeted delimiting date extension provisions (section 1662(a)(3) of title 38) that were enacted in Public Law 97-72 and amended by Public Law 97-306 to provide certain Vietnam-era veterans whose GI Bill eligibility periods have expired a further opportunity to use their GI Bill benefits for vocational training. Thus, such assistance could be made available, until not later than December 31, 1984, for all Vietnam-era veterans who ever established GI Bill eligibility under chapter 34 of title 38 except in those cases in which it is determined that the veteran is not in need of the course involved in order to obtain a reasonably stable employment situation consistent with the veteran's abilities, aptitudes, and interests.

A ceiling of $25 million of the total of the amounts appropriated under section 17 for both fiscal years 1984 and 1985 would be placed on expenditures for such assistance; no statutory minimum would be established for such expenditures.

This assistance—as in the case of GI Bill educational assistance and contrasted with training assistance in connection with veterans' participation in programs of job training under the compromise agreement (which is payable to veterans' employers)—would be payable to veterans.

EFFECTIVE DATE

The House bill would (under section 19) take effect on July 1, 1983. The amendments to title 38, United States Code, that the Senate amendment would make to add a new chapter 44 would (under section 102) take effect on October 1, 1983.

The compromise agreement (section 19) has an October 1, 1983, effective date.

The Committees intend that the VA and the Department of Labor develop now the necessary regulations and procedures for implementing this legislation and expect that the entire $150 million authorized for fiscal year 1984 will be appropriated in the continuing resolution for fiscal year 1984. If the VA and the Department thus make the necessary preparations and funds are so appropriated, the program could begin on or about October 1, 1983.

VAREC REORGANIZATION

The Senate amendment, but not the House bill, would exempt the planned administrative reorganization of the Veterans' Administration Rehabilitation Engineering Center (VAREC) from the requirement, established under section 210(b)(2)(A) of title 38, that such reorganizations be proposed in a detailed report submitted to the appropriate Committees of Congress not later than the date that the President's budget is transmitted and not commence until the following October 1.

The compromise agreement does not contain this provision.

Mr. HAMMERSCHMIDT. Mr. Speaker, further reserving the right to object, I want to thank the gentleman for his explanation.

I congratulate the chairman of the Veterans Affairs Subcommittee on Education, Training and Employment, the gentleman from Texas (Mr. LEATH), and the ranking member, the gentleman from New York (Mr. SOLOMON) for their efforts in introducing and working so hard on this important measure.

At this time, under my reservation, Mr. Speaker, I yield to the gentleman from New York (Mr. SOLOMON), the ranking member.

Mr. SOLOMON. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I rise in support of the bill before the House, H.R. 2355, the Emergency Veterans Job Training Act. I would also like to commend my distinguished subcommittee chairman, Mr. LEATH, the chairman of the full Veterans Affairs Committee, the distinguished gentleman from Mississippi, Mr. MONTGOMERY, and of course, the distinguished ranking member of the full committee, Mr. HAMMERSCHMIDT, for their leadership and diligence in helping to bring this important measure before the House today.

Mr. Speaker, H.R. 2355 is not just another "recession relief" bill, or which we have seen so many this year. To the contrary, H.R. 2355 is designed to address a serious problem of long standing and grave dimensions—the problem of high unemployment among our active duty and service connected disabled veterans. This is not a problem created by the recession which is now virtually ended, but rather a problem that has existed for many years.

As has been pointed out already today, this measure will not create added bureaucracies, and it will not increase Federal intervention in private businesses. Instead, H.R. 2355 is simple in approach and modest in cost. It simply authorizes an expansion of existing on-the-job training programs already administered by the Veterans' Administration. These VA employment training programs have already proved themselves to be highly successful in leading to worthwhile, permanent careers. The VA is prepared to move swiftly to fully implement the expansion of training programs authorized by this bill, with no major staff additions or administrative delays.

This is a carefully drafted approach to a problem that we have studied and

investigated in great depth during hearings earlier this year.

I strongly urge my colleagues to lend their wholehearted support to this legislation.

Mr. HAMMERSCHMIDT. Further reserving the right to object, Mr. Speaker, I commend the distinguished chairman of our full committee, the gentleman from Mississippi (Mr. MONTGOMERY) for his usual excellent leadership.

I yield to the gentleman if he has any further remarks to make at this time.

Mr. MONTGOMERY. Mr. Speaker, I would say there were only 10 Members who voted against this bill. Over 400 voted for it when it came up several months ago. This would be a great help to the Vietnam and Korean veterans and I certainly hope that we can get this unanimous request.

Mr. HAMMERSCHMIDT. Mr. Speaker, further reserving the right to object, as the distinguished chairman of the House Veterans' Affairs Committee and the subcommittee chairman has indicated, we have before us today a modest approach to addressing the problem of chronically high unemployment among some of our active duty and service-connected disabled veterans.

I congratulate the chairman of the Veterans' Affairs Subcommittee on Education, Training, and Employment, the gentleman from Texas (Mr. LEATH), and the ranking member, the gentleman from New York (Mr. SOLOMON), for their efforts in introducing and working so hard on this important measure. And of course, I commend the distinguished chairman of our full committee, the gentleman from Mississippi (Mr. MONTGOMERY), for his usual excellent leadership.

Mr. Speaker, the bill before us today is carefully designed to correct the unacceptable unemployment rates among our Nation's veterans. H.R. 2355 is a cautiously drafted, modest approach to providing useful on-the-job training. The term "on-the-job training" is chosen purposefully to underscore the point that by passing this bill today, we are not creating more public works jobs or make-work positions with Government entities.

Instead, this bill will expand existing VA on-the-job training programs, placing eligible veterans with private businesses across the United States.

I would also like to stress to my colleagues that the program expansion authorized under H.R. 2355 is ready to be fully implemented almost immediately. During hearings on this proposal, the Veterans' Administration testified that administrative costs will consume less than 3 percent of the total amount of funds authorized.

Mr. Speaker, I think we can all agree that this is a reasonable approach to a problem which has been fully studied by our Veterans' Affairs Committee. Favorable action on H.R. 2355 will mean substantive progress in helping our unemployed veterans train for jobs in growth industries.

I strongly urge passage of this legislation.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi that the amendments be considered as read and printed in the RECORD?

There was no objection.

The SPEAKER pro tempore. Is there objection to the initial request of the gentleman from Mississippi?

There was no objection.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include extraneous material on the legislation just considered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

EIGHTH ANNUAL REPORT OF NUCLEAR REGULATORY COMMISSION FOR FISCAL YEAR 1982—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read, and together with the accompanying papers, without objection, referred to the Committee on Interior and Insular Affairs and the Committee on Energy and Commerce.

(For message, see proceedings of the Senate of today, Tuesday, August 2, 1983.)

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 5 of rule I, the Chair will now put the question on each motion on which further proceedings were postponed on Monday, August 1, 1983, in the order in which that motion was entertained.

Votes will be taken in the following order:

H.R. 3409, by the yeas and nays;

H.R. 3564, by the yeas and nays;

H. Con. Res. 40, by the yeas and nays; and

S. 64, by the yeas and nays.

The Chair will reduce to 5 minutes the time for any electronic votes after the first such vote in this series.

FEDERAL SUPPLEMENTAL COMPENSATION ACT AMENDMENTS

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and passing the bill, H.R. 3409, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Illinois (Mr. ROSTENKOWSKI) that the House suspend the rules and pass the bill, H.R. 3409, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 338, nays 84, not voting 11, as follows:

[Roll No. 300]

YEAS—338

Ackerman	DeWine	Horton
Addabbo	Dickinson	Howard
Akaka	Dicks	Hoyer
Albosta	Dingell	Hubbard
Alexander	Dixon	Huckaby
Anderson	Donnelly	Hughes
Andrews (NC)	Dorgan	Hutto
Andrews (TX)	Downey	Ireland
Annunzio	Duncan	Jacobs
Anthony	Durbin	Jeffords
Applegate	Dwyer	Jenkins
Aspin	Dymally	Johnson
AuCoin	Dyson	Jones (NC)
Barnard	Early	Jones (OK)
Barnes	Eckart	Jones (TN)
Bates	Edgar	Kaptur
Bedell	Edwards (AL)	Kasich
Beilenson	Edwards (CA)	Kastenmeier
Bennett	Emerson	Kazen
Berman	English	Kemp
Bethune	Erdreich	Kennelly
Bevill	Erlenborn	Kildee
Biaggi	Evans (IA)	Kindness
Boehlert	Evans (IL)	Kogovsek
Boggs	Fascell	Kolter
Boland	Fazio	Kostmayer
Boner	Feighan	Kramer
Bonior	Ferraro	LaFalce
Bonker	Fiedler	Lantos
Borski	Fish	Latta
Bosco	Flippo	Leach
Boucher	Florio	Lehman (CA)
Boxer	Foglietta	Lehman (FL)
Breaux	Foley	Leland
Britt	Ford (MI)	Lent
Brooks	Ford (TN)	Levin
Broomfield	Fowler	Levine
Brown (CA)	Frank	Levitas
Broyhill	Frost	Lewis (CA)
Bryant	Fuqua	Lipinski
Burton (CA)	Garcia	Lloyd
Burton (IN)	Gaydos	Long (LA)
Byron	Gejdenson	Long (MD)
Campbell	Gephardt	Lowry (WA)
Carper	Gibbons	Luken
Carr	Gilman	MacKay
Chappell	Glickman	Madigan
Clarke	Gonzalez	Markey
Clay	Gore	Marlenee
Clinger	Gradison	Martin (IL)
Coats	Guarini	Martin (NC)
Coelho	Gunderson	Martinez
Coleman (MO)	Hall (IN)	Matsui
Coleman (TX)	Hall (OH)	Mavroules
Collins	Hall, Ralph	Mazzoli
Conte	Hall, Sam	McCain
Conyers	Hamilton	McCloskey
Cooper	Hammerschmidt	McCurdy
Corcoran	Hance	McEwen
Courter	Harkin	McGrath
Coyne	Harrison	McHugh
Craig	Hatcher	McKernan
Crockett	Hawkins	McKinney
D'Amours	Hefner	McNulty
Daschle	Hertel	Mica
Davis	Hightower	Michel
de la Garza	Hiler	Mikulski
Dellums	Hillis	Miller (CA)
Derrick	Hopkins	Miller (OH)

Mineta	Richardson	Sundquist
Minish	Ridge	Swift
Mitchell	Rinaldo	Synar
Moakley	Roberts	Tallon
Mollohan	Rodino	Tauke
Montgomery	Roe	Tauzin
Moody	Roemer	Taylor
Morrison (CT)	Rogers	Thomas (GA)
Mrazek	Rostenkowski	Torres
Murphy	Roth	Torricelli
Murtha	Roukema	Towns
Myers	Rowland	Traxler
Natcher	Roybal	Udall
Neal	Russo	Valentine
Nelson	Sabo	Vander Jagt
Nichols	Savage	Vandergriff
Nowak	Sawyer	Vento
O'Brien	Scheuer	Volkmer
Oakar	Schneider	Walgren
Oberstar	Schroeder	Watkins
Obey	Schumer	Waxman
Ortiz	Seiberling	Weiss
Ottinger	Sensenbrenner	Wheat
Owens	Shannon	Whitehurst
Oxley	Sharp	Whitley
Panetta	Shelby	Whittaker
Parris	Sikorski	Whitten
Pashayan	Simon	Williams (MT)
Patman	Sisisky	Williams (OH)
Patterson	Skelton	Wilson
Pease	Slattery	Wirth
Penny	Smith (FL)	Wise
Pepper	Smith (IA)	Wolf
Perkins	Smith (NJ)	Wolpe
Petri	Smith, Robert	Wright
Pickle	Snowe	Wyden
Porter	Snyder	Wylie
Price	Solarz	Yates
Pursell	Spratt	Yatron
Rahall	Staggers	Young (AK)
Rangel	Stangeland	Young (FL)
Ratchford	Stokes	Young (MO)
Regula	Stratton	Zablocki
Reid	Studds	

NAYS—84

Archer	Green	Olin
Badham	Gregg	Packard
Bartlett	Hansen (UT)	Paul
Bateman	Hartnett	Pritchard
Bereuter	Holt	Quillen
Bilirakis	Hunter	Ray
Bliley	Hyde	Ritter
Brown (CO)	Lagomarsino	Robinson
Carney	Leath	Rudd
Chandler	Lewis (FL)	Schaefer
Chappie	Livingston	Schulze
Cheney	Loeffler	Shaw
Conable	Lott	Shumway
Coughlin	Lowery (CA)	Shuster
Crane, Daniel	Lujan	Skeen
Crane, Philip	Lungren	Smith (NE)
Daniel	Mack	Smith, Denny
Dannemeyer	Marriott	Solomon
Daub	Martin (NY)	Spence
Dreier	McCandless	Stenholm
Edwards (OK)	McCollum	Stump
Fields	McDade	Thomas (CA)
Forsythe	McDonald	Vucanovich
Franklin	Molinari	Walker
Frenzel	Moore	Weber
Gekas	Moorhead	Winn
Gingrich	Morrison (WA)	Wortley
Gramm	Nielson	Zschau

NOT VOTING—11

Dowdy	Heftel	St Germain
Goodling	Lundine	Stark
Gray	Rose	Weaver
Hansen (ID)	Siljander	

□ 1300

Messrs. McDADE, BATEMAN, and LEWIS of Florida changed their votes from "yea" to "nay."

Messrs. BONKER, McGRATH, LENT, and CORCORAN changed their votes from "nay" to "yea."

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to the provisions of clause 5 of rule I, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device may be taken on all the additional motions to suspend the rules on which the Chair has postponed further proceedings.

ANNOUNCEMENT OF ACREAGE LIMITATION AND SET-ASIDE PROGRAMS

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and passing the bill, H.R. 3564, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas (Mr. DE LA GARZA) that the House suspend the rules and pass the bill, H.R. 3564, as amended, on which the yeas and nays are ordered.

The Chair will announce that this is a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 329, nays 93, not voting 11, as follows:

[Roll No. 301]

YEAS—329

Ackerman	Byron	Early
Addabbo	Campbell	Eckart
Akaka	Carper	Edgar
Albosta	Carr	Edwards (CA)
Alexander	Chandler	Edwards (OK)
Andrews (NC)	Chappell	Emerson
Andrews (TX)	Chappie	English
Annunzio	Cheney	Erdreich
Anthony	Clarke	Evans (IA)
Applegate	Clay	Evans (IL)
Aspin	Coats	Fascell
AuCoin	Coelho	Fazio
Barnard	Coleman (MO)	Feighan
Barnes	Coleman (TX)	Ferraro
Bartlett	Collins	Fiedler
Bates	Conyers	Fields
Bedell	Cooper	Flippo
Beilenson	Coughlin	Foglietta
Bennett	Coyne	Foley
Bereuter	Craig	Ford (MI)
Bethune	Crockett	Ford (TN)
Bevill	Daniel	Fowler
Biaggi	Daschle	Frank
Bilirakis	Daub	Franklin
Boggs	Davis	Frenzel
Boland	de la Garza	Frost
Boner	Dellums	Fuqua
Bonior	Derrick	Garcia
Bonker	DeWine	Gaydos
Borski	Dickinson	Gejdenson
Bosco	Dicks	Gekas
Boucher	Dingell	Gephardt
Boxer	Dixon	Gilman
Breaux	Donnelly	Gingrich
Britt	Dorgan	Glickman
Brooks	Dowdy	Gonzalez
Broomfield	Downey	Gore
Brown (CA)	Duncan	Gramm
Brown (CO)	Durbin	Gray
Broyhill	Dwyer	Gunderson
Bryant	Dymally	Hall (IN)
Burton (CA)	Dyson	Hall (OH)
Hall, Ralph	McNulty	Sensenbrenner
Hall, Sam	Mica	Shannon
Hamilton	Michel	Sharp
Hammerschmidt	Mikulski	Shelby
Hance	Miller (CA)	Sikorski
Hansen (UT)	Mineta	Simon
Harkin	Mitchell	Sisisky
Harrison	Moakley	Skeen
Hartnett	Molinari	Skelton
Hatcher	Mollohan	Slattery
Hawkins	Montgomery	Smith (FL)
Hefner	Moody	Smith (IA)
Hertel	Morrison (CT)	Smith (NE)
Hightower	Morrison (WA)	Smith (NJ)
Hiler	Mrazek	Smith, Denny
Hillis	Murphy	Smith, Robert
Hopkins	Murtha	Snowe
Howard	Myers	Solarz
Hoyer	Natcher	Solomon
Hubbard	Neal	Spence
Huckaby	Nelson	Spratt
Hunter	Nichols	Staggers
Hutto	Nowak	Stangeland
Ireland	Oakar	Stark
Jacobs	Oberstar	Stenholm
Jeffords	Obey	Stokes
Jenkins	Olin	Stratton
Johnson	Ortiz	Studds
Jones (NC)	Ottinger	Sundquist
Jones (OK)	Owens	Swift
Jones (TN)	Panetta	Synar
Kaptur	Patman	Tallon
Kastenmeier	Patterson	Tauke
Kazen	Paul	Tauzin
Kennelly	Pease	Taylor
Kildee	Penny	Thomas (GA)
Kogovsek	Pepper	Torres
Kolter	Perkins	Torricelli
Kostmayer	Petri	Towns
Kramer	Pickle	Traxler
LaFalce	Porter	Udall
Lantos	Price	Valentine
Leach	Pursell	Vandergriff
Leath	Rahall	Vento
Lehman (CA)	Rangel	Volkmer
Lehman (FL)	Ratchford	Walgren
Leland	Ray	Watkins
Levin	Reid	Weber
Levitas	Richardson	Weiss
Lipinski	Ridge	Wheat
Lloyd	Roberts	Whitley
Loeffler	Robinson	Whittaker
Long (LA)	Rodino	Whitten
Long (MD)	Roe	Williams (MT)
Lowry (WA)	Roemer	Wilson
MacKay	Rogers	Winn
Markey	Rostenkowski	Wirth
Marlenee	Roth	Wise
Martin (IL)	Rowland	Wolpe
Martin (NY)	Roybal	Wortley
Matsui	Russo	Wright
Mavroules	Sabo	Yates
Mazzoli	Savage	Yatron
McCandless	Sawyer	Young (AK)
McCloskey	Scheuer	Young (FL)
McCurdy	Schroeder	Young (MO)
McHugh	Schumer	Zablocki
McKernan	Seiberling	

NAYS—93

Anderson	Green	McCain
Archer	Gregg	McCollum
Badham	Holt	McDade
Bateman	Horton	McDonald
Berman	Hughes	McEwen
Boehlert	Hyde	McGrath
Burton (IN)	Kasich	McKinney
Carney	Kemp	Miller (OH)
Clinger	Kindness	Minish
Conable	Lagomarsino	Moore
Conte	Latta	Moorhead
Corcoran	Lent	Nielson
Courter	Levine	O'Brien
Crane, Daniel	Lewis (FL)	Oxley
Crane, Philip	Livingston	Packard
D'Amours	Lott	Parris
Dannemeyer	Lowery (CA)	Pashayan
Dreier	Lujan	Pritchard
Edwards (AL)	Luken	Quillen
Erlenborn	Lungren	Regula
Fish	Mack	Rinaldo
Florio	Madigan	Ritter
Forsythe	Marriott	Roukema
Gibbons	Martin (NC)	Rudd
Gradison	Martinez	Schaefer

Schneider	Stump	Whitehurst
Schulze	Thomas (CA)	Williams (OH)
Shaw	Vander Jagt	Wolf
Shumway	Vucanovich	Wyden
Shuster	Walker	Wylie
Snyder	Waxman	Zschau

NOT VOTING—11

Bliley	Heftel	Siljander
Goodling	Lewis (CA)	St Germain
Guarini	Lundine	Weaver
Hansen (ID)	Rose	

□ 1315

Messrs. HORTON, BURTON of Indiana, and WYDEN changed their votes from "yea" to "nay".

Mr. CAMPBELL and Mr. LEVITAS changed their votes from "nay" to "yea".

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

The title of the bill was amended so as to read: "A bill to require the Secretary of Agriculture to make an earlier announcement of the 1984 crop feed grain program and of the 1985 crop wheat and feed grain programs."

A motion to reconsider was laid on the table.

MAINTAINING CURRENT EFFORTS IN FEDERAL NUTRITION PROGRAMS TO PREVENT INCREASES IN DOMESTIC HUNGER

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and agreeing to the concurent resolution (H. Con Res. 40) as amended.

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas. (Mr. DE LA GARZA) that the House suspend the rules and agree to the concurrent resolution (H. Con. Res. 40) as amended, on which the yeas and nays are ordered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 407, nays 16, not voting 10, as follows:

[Roll No. 302]

YEAS—407

Ackerman	Bedell	Boxer
Addabbo	Beilenson	Breaux
Akaka	Bennett	Britt
Albosta	Bereuter	Brooks
Alexander	Berman	Broomfield
Anderson	Bethune	Brown (CA)
Andrews (NC)	Bevill	Brown (CO)
Andrews (TX)	Biaggi	Broyhill
Annunzio	Bilirakis	Bryant
Anthony	Bliley	Burton (CA)
Applegate	Boehlert	Burton (IN)
Archer	Boggs	Byron
Aspin	Boland	Campbell
AuCoin	Boner	Carney
Barnard	Bonior	Carper
Barnes	Bonker	Carr
Bartlett	Borski	Chandler
Bateman	Bosco	Chappell
Bates	Boucher	Chappie
Clarke	Hammerschmidt	Miller (OH)
Clay	Hance	Mineta
Clinger	Harkin	Minish
Coats	Harrison	Mitchell
Coelho	Hatcher	Moakley
Coleman (MO)	Hawkins	Molinari
Coleman (TX)	Hefner	Mollohan
Collins	Hertel	Montgomery
Conable	Hightower	Moody
Conte	Hiler	Moore
Conyers	Hillis	Moorhead
Cooper	Holt	Morrison (CT)
Corcoran	Hopkins	Morrison (WA)
Coughlin	Horton	Mrazek
Courter	Howard	Murphy
Coyne	Hoyer	Murtha
Craig	Hubbard	Myers
Crockett	Huckaby	Natcher
D'Amours	Hughes	Neal
Daniel	Hunter	Nelson
Dannemeyer	Hutto	Nichols
Daschle	Hyde	Nielson
Daub	Ireland	Nowak
Davis	Jacobs	O'Brien
de la Garza	Jeffords	Oakar
Dellums	Jenkins	Oberstar
Derrick	Johnson	Obey
DeWine	Jones (NC)	Olin
Dickinson	Jones (OK)	Ortiz
Dicks	Jones (TN)	Ottinger
Dingell	Kaptur	Owens
Dixon	Kasich	Oxley
Donnelly	Kastenmeier	Packard
Dorgan	Kazen	Panetta
Dowdy	Kemp	Parris
Downey	Kennelly	Pashayan
Dreier	Kildee	Patman
Duncan	Kogovsek	Patterson
Durbin	Kolter	Pease
Dwyer	Kostmayer	Penny
Dymally	Kramer	Pepper
Dyson	LaFalce	Perkins
Early	Lagomarsino	Petri
Eckart	Lantos	Pickle
Edgar	Latta	Porter
Edwards (AL)	Leach	Price
Edwards (CA)	Lehman (CA)	Pritchard
Edwards (OK)	Lehman (FL)	Pursell
Emerson	Leland	Quillen
English	Lent	Rahall
Erdreich	Levin	Rangel
Erlenborn	Levine	Ratchford
Evans (IA)	Levitas	Ray
Evans (IL)	Lewis (CA)	Regula
Fascell	Lewis (FL)	Reid
Fazio	Lipinski	Richardson
Feighan	Livingston	Ridge
Ferraro	Lloyd	Rinaldo
Fiedler	Loeffler	Ritter
Fields	Long (LA)	Roberts
Fish	Long (MD)	Robinson
Flippo	Lott	Rodino
Florio	Lowery (CA)	Roe
Foglietta	Lowry (WA)	Roemer
Foley	Lujan	Rogers
Ford (MI)	Luken	Rostenkowski
Ford (TN)	Lungren	Roth
Forsythe	Mack	Roukema
Fowler	MacKay	Rowland
Frank	Madigan	Roybal
Franklin	Markey	Russo
Frenzel	Marlenee	Sabo
Frost	Marriott	Sawyer
Fuqua	Martin (IL)	Schaefer
Garcia	Martin (NC)	Scheuer
Gaydos	Martin (NY)	Schneider
Gejdenson	Martinez	Schroeder
Gekas	Matsui	Schulze
Gephardt	Mavroules	Schumer
Gibbons	Mazzoli	Seiberling
Gilman	McCain	Sensenbrenner
Gingrich	McCandless	Shannon
Glickman	McCloskey	Sharp
Gonzalez	McCollum	Shaw
Gore	McCurdy	Shelby
Gradison	McDade	Sikorski
Gray	McEwen	Simon
Green	McGrath	Sisisky
Gregg	McHugh	Skeen
Guarini	McKernan	Skelton
Gunderson	McKinney	Slattery
Hall (IN)	McNulty	Smith (FL)
Hall (OH)	Mica	Smith (IA)
Hall, Ralph	Michel	Smith (NE)
Hall, Sam	Mikulski	Smith (NJ)
Hamilton	Miller (CA)	Smith, Robert
Snowe	Thomas (GA)	Whitten
Snyder	Torres	Williams (MT)
Solarz	Towns	Williams (OH)
Solomon	Traxler	Wilson
Spence	Udall	Winn
Spratt	Valentine	Wirth
Staggers	Vander Jagt	Wise
Stangeland	Vandergriff	Wolf
Stark	Vento	Wolpe
Stenholm	Volkmer	Wortley
Stokes	Vucanovich	Wright
Stratton	Walgren	Wyden
Studds	Walker	Wylie
Sundquist	Watkins	Yates
Swift	Waxman	Yatron
Synar	Weber	Young (AK)
Tallon	Weiss	Young (FL)
Tauke	Wheat	Young (MO)
Tauzin	Whitehurst	Zablocki
Taylor	Whitley	Zschau
Thomas (CA)	Whittaker	

NAYS—16

Badham	Hartnett	Shumway
Cheney	Kindness	Shuster
Crane, Daniel	Leath	Smith, Denny
Crane, Philip	McDonald	Stump
Gramm	Paul	
Hansen (UT)	Rudd	

NOT VOTING—10

Goodling	Rose	Torricelli
Hansen (ID)	Savage	Weaver
Heftel	Siljander	
Lundine	St Germain	

So (two-thirds having voted in favor thereof) the rules were suspended and the concurrent resolution, as amended, was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

□ 1330

IRISH WILDERNESS ACT OF 1983

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and passing the Senate bill, S. 64, as amended.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Ohio (Mr. SEIBERLING) that the House suspend the rules and pass the Senate bill, S. 64, as amended, on which the yeas and nays are ordered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 406, nays 18, not voting 9, as follows:

[Roll No. 303]

YEAS—406

Ackerman	Bateman	Borski
Addabbo	Bates	Bosco
Akaka	Bedell	Boucher
Albosta	Beilenson	Boxer
Alexander	Bennett	Breaux
Anderson	Bereuter	Britt
Andrews (NC)	Berman	Brooks
Andrews (TX)	Bethune	Broomfield
Annunzio	Bevill	Brown (CA)
Anthony	Biaggi	Brown (CO)
Applegate	Bilirakis	Broyhill
Archer	Bliley	Bryant
Aspin	Boehlert	Burton (CA)
AuCoin	Boggs	Burton (IN)
Badham	Boland	Byron
Barnard	Boner	Campbell
Barnes	Bonior	Carney
Bartlett	Bonker	Carper

Carr	Hall, Sam	Miller (CA)
Chandler	Hamilton	Miller (OH)
Chappell	Hammerschmidt	Mineta
Chappie	Hance	Minish
Cheney	Hansen (UT)	Mitchell
Clarke	Harkin	Moakley
Clay	Harrison	Molinari
Clinger	Hatcher	Mollohan
Coats	Hawkins	Montgomery
Coelho	Hefner	Moody
Coleman (MO)	Hertel	Moore
Coleman (TX)	Hightower	Moorhead
Collins	Hiler	Morrison (CT)
Conable	Hillis	Morrison (WA)
Conte	Holt	Mrazek
Conyers	Hopkins	Murphy
Cooper	Horton	Murtha
Corcoran	Howard	Myers
Coughlin	Hoyer	Natcher
Courter	Hubbard	Neal
Coyne	Huckaby	Nelson
Craig	Hughes	Nichols
Crockett	Hunter	Nielson
D'Amours	Hutto	Nowak
Daniel	Hyde	O'Brien
Daschle	Ireland	Oakar
Daub	Jeffords	Oberstar
Davis	Jenkins	Obey
de la Garza	Johnson	Olin
Dellums	Jones (NC)	Ortiz
Derrick	Jones (OK)	Ottinger
DeWine	Jones (TN)	Owens
Dickinson	Kaptur	Oxley
Dicks	Kasich	Packard
Dingell	Kastenmeier	Panetta
Dixon	Kazen	Parris
Donnelly	Kemp	Pashayan
Dorgan	Kennelly	Patterson
Dowdy	Kildee	Pease
Downey	Kindness	Penny
Dreier	Kogovsek	Pepper
Duncan	Kolter	Perkins
Durbin	Kostmayer	Petri
Dwyer	Kramer	Pickle
Dymally	LaFalce	Porter
Dyson	Lagomarsino	Price
Early	Lantos	Pritchard
Eckart	Leach	Pursell
Edgar	Lehman (CA)	Quillen
Edwards (AL)	Lehman (FL)	Rahall
Edwards (CA)	Leland	Rangel
Edwards (OK)	Lent	Ratchford
Emerson	Levin	Ray
English	Levine	Regula
Erdreich	Levitas	Reid
Erlenborn	Lewis (CA)	Richardson
Evans (IA)	Lewis (FL)	Ridge
Evans (IL)	Lipinski	Rinaldo
Fascell	Livingston	Ritter
Fazio	Lloyd	Roberts
Feighan	Long (LA)	Robinson
Ferraro	Long (MD)	Rodino
Fiedler	Lott	Roe
Fields	Lowery (CA)	Roemer
Fish	Lowry (WA)	Rogers
Flippo	Lujan	Rostenkowski
Florio	Luken	Roth
Foglietta	Lungren	Roukema
Foley	Mack	Rowland
Ford (MI)	MacKay	Roybal
Ford (TN)	Madigan	Rudd
Fowler	Markey	Russo
Frank	Marlenee	Sabo
Franklin	Marriott	Sawyer
Frenzel	Martin (IL)	Schaefer
Frost	Martin (NC)	Scheuer
Fuqua	Martin (NY)	Schneider
Garcia	Martinez	Schroeder
Gaydos	Matsui	Schulze
Gejdenson	Mavroules	Schumer
Gekas	Mazzoli	Seiberling
Gephardt	McCain	Sensenbrenner
Gibbons	McCandless	Shannon
Gilman	McCloskey	Sharp
Gingrich	McCollum	Shaw
Glickman	McCurdy	Shelby
Gonzalez	McDade	Shumway
Gore	McEwen	Shuster
Gradison	McGrath	Sikorski
Gray	McHugh	Simon
Green	McKernan	Sisisky
Gregg	McKinney	Skelton
Guarini	McNulty	Slattery
Gunderson	Mica	Smith (FL)
Hall (IN)	Michel	Smith (IA)
Hall (OH)	Mikulski	Smith (NE)
Smith (NJ)	Thomas (CA)	Whittaker
Smith, Robert	Thomas (GA)	Whitten
Snowe	Torres	Williams (MT)
Snyder	Torricelli	Williams (OH)
Solarz	Towns	Wilson
Solomon	Traxler	Winn
Spence	Udall	Wirth
Spratt	Valentine	Wise
Staggers	Vander Jagt	Wolf
Stangeland	Vandergriff	Wolpe
Stark	Vento	Wortley
Stenholm	Volkmer	Wright
Stokes	Vucanovich	Wyden
Stratton	Walgren	Wylie
Studds	Walker	Yates
Sundquist	Watkins	Yatron
Swift	Waxman	Young (FL)
Synar	Weber	Young (MO)
Tallon	Weiss	Zablocki
Tauke	Wheat	Zschau
Tauzin	Whitehurst	
Taylor	Whitley	

NAYS—18

Crane, Daniel	Hartnett	Patman
Crane, Philip	Jacobs	Paul
Dannemeyer	Latta	Skeen
Forsythe	Leath	Smith, Denny
Gramm	Loeffler	Stump
Hall, Ralph	McDonald	Young (AK)

NOT VOTING—9

Goodling	Lundine	Siljander
Hansen (ID)	Rose	St Germain
Heftel	Savage	Weaver

So the Senate bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 2250

Mr. DICKS. Mr. Speaker, I ask unanimous consent that my name be removed from the list of cosponsors of the bill, H.R. 2250.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

DESIGNATION OF THE BIRTHDAY OF MARTIN LUTHER KING, JR., AS A LEGAL PUBLIC HOLIDAY

Mrs. HALL of Indiana. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3706), to amend title 5, United States Code, to make the birthday of Martin Luther King, Jr., a legal public holiday.

The Clerk read as follows:

H.R. 3706

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 6103(a) of title 5, United States Code, is amended by inserting immediately below the item relating to New Year's Day the following:

"Birthday of Martin Luther King, Jr., the third Monday in January.".

SEC. 2. The amendment made by the first section of this Act shall take effect on the first January 1 that occurs after the two-year period following the date of the enactment of this Act.

The SPEAKER pro tempore. Does the gentlewoman from Indiana include an amendment in her motion?

Mrs. HALL of Indiana. Mr. Speaker, I do not.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentlewoman from Indiana (Mrs. HALL) will be recognized for 20 minutes, and the gentleman from California (Mr. DANNEMEYER) will be recognized for 20 minutes.

The Chair recognizes the gentlewoman from Indiana (Mrs. HALL).

□ 1340

Mrs. HALL of Indiana. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 3345 designates the third Monday in January of each year a legal public holiday to commemorate the birthday of Dr. Martin Luther King, Jr., to take effect on the first January that occurs 2 years after enactment.

Martin Luther King gave to this great Nation a new understanding of equality and justice for all. He taught us that our democratic principles could be seriously impaired if they were not applied equally, and that tailoring these principles through nonviolence would have a lasting effect.

Mr. Speaker, the legislation before us will act as a national commitment to Dr. King's vision and determination for an ideal America, which he spoke of the night before his death, where equality will always prevail.

Next year marks the 20th anniversary of Dr. Martin Luther King's Nobel Peace Prize Award, where he was recognized by all people of the world for bringing about a peaceful social revolution which changed the hearts and minds of men and women everywhere.

Mr. Speaker, the time is before us to show what we believe, that justice and equality must continue to prevail, not only as individuals, but as the greatest Nation in this world. It is America's turn to say thank you to Dr. Martin Luther King, Jr., and it is our duty as elected Representatives to nationalize this tribute.

H.R. 3345 has received overwhelming support from both the Committee on Post Office and Civil Service and the Subcommittee on the Census and Population, by reporting this bill to the House of Representatives with only one dissenting vote. I urge my colleagues to recognize the bipartisan support this legislation carries.

Mr. Speaker, let us all hold the memory of Dr. King and his vital contributions to this country in the highest esteem by supporting the Martin Luther King, Jr., public holiday.

Mr. Speaker, I urge the House to approve this legislation and I reserve the balance of my time.

Mr. DANNEMEYER. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, I rise in support of an amendment to this bill that would designate the third Sunday in January as the date on which we recognize and honor the contribution of Dr. Martin Luther King, Jr., to this country. Unfortunately, that amendment is not in order under the procedure under which we are proceeding; namely, the suspension procedure, and it is for this reason that reluctantly I must oppose this measure in the form that it is brought to us at this time.

It is interesting that the given name of Martin Luther King, Sr., the father of Martin Luther King, Jr., was Michael; Michael King decided to become a great preacher, so he looked back in history to select the name of a great preacher and theologian, and he choose Martin Luther. That is how Michael King become Martin Luther King, Sr.

And since the man that we are talking about today, Mr. Martin Luther King, Jr., is named after a great name in the history of Western civilization, Martin Luther, I thought it would be appropriate to draw an analogy between these two men.

For example, Martin Luther was a great preacher. So was Martin Luther King, Jr. Martin Luther was a reformer. In the 16th century he brought great reform to the church as it existed at the time. Martin Luther King, Jr., has also brought reform to this country in the form of raising the sights and attitudes of people to recognize that we Americans are committed to the enjoyment of civil rights for all people.

Martin Luther was a great political leader of his time. Out of the thoughts which he brought to Western civilization came the writings that ultimately found their way in the Declaration of Independence and the Constitution of this country. Martin Luther King, Jr., was also a great political leader of his time.

Martin Luther was a theologian and a hymn writer and the translater. I do not think it has ever been said of Martin Luther King, Jr., that he was involved in these activities.

And the reason that I made this analogy is quite simple. Our society has chosen to recognize the contributions that Martin Luther made to Western civilization. How? The fourth Sunday in October is historically recognized in Germany, the birthplace of Martin Luther, and in this country and throughout Christiandom as Reformation Sunday. And if our society can recognize the contributions of Martin Luther on a Sunday in October, it would seem appropriate and fitting that we recognize the contributions of Martin Luther King, Jr., on a similar day in our society.

We have nine holidays in this country. Three of them relate to recognition of persons—Washington's Birthday, Columbus Day and Christmas Day. These persons whom we recognize on these 3 days are, of course, noted in history. I question whether or not the contribution of Martin Luther King, Jr., is of equal stature to these three persons.

The House considered this matter 4 years ago. When it was brought up on suspension 4 years ago, it was defeated, and then subsequently came up under a rule, and we adopted an amendment. By a vote of 207 to 191, we adopted the third Sunday in January as the day on which we recognized Dr. Martin Luther King, Jr.

It has been estimated that the cost of this to the taxpayers, Federal taxpayers, is $225 million in lost productivity in our Federal work force, per year. The private sector loss has been estimated at three times this amount.

And my final point is that the administration is opposed to the bill in its present form, that is, being brought up under the Suspension Calendar. The administration prefers that the bill be brought up under the amendment process so that amendments can be offered and considered, and let the House work its will in that form rather than under the suspension process that we now have before us.

Mrs. HALL of Indiana. Mr. Speaker, I yield 1 minute to the gentleman from Maryland (Mr. MITCHELL).

Mr. MITCHELL. Mr. Speaker, I cannot really say what I want to say in 1 minute. It is impossible. I can just point out to you that when I was a young man I dreamed that the only way I could participate in this society was by being a revolutionist. I was absolutely convinced that the only way I would achieve equality in this Nation was by armed warfare. I was convinced of that because I was segregated in my schools, I had been segregated in the military, I had been segregated in my neighborhood.

When I was a young man I had absolute contempt for those older blacks who had been so brutalized and debased by this evil thing in this Nation that they were what we called Uncle Toms—stripped away of almost any sense of manhood, personhood, and womanhood.

And then came this man King, who somehow or another took that young militant and said to him: There is another way through nonviolence. He lifted a whole nation, a whole race of people. And more importantly than that, he took the tenets of the Judeo-Christian ethic and turned them into a weapon that changed the face of this Nation, and indeed the world.

What do you mean, "cost"? What was the cost of keeping us blacks where we were? All these extraneous things do not mean a thing to me. I am talking about what is the right and decent thing to do, and to urge a vote for this bill in the form that it is.

Mr. DANNEMEYER. Mr. Speaker, I yield 2 minutes to the gentleman from New Jersey (Mr. COURTER).

Mr. COURTER. Mr. Speaker, first, I would like to ask the gentlewoman from Indiana (Mrs. HALL) for 1 additional minute.

Mrs. HALL of Indiana. Mr. Speaker, I yield 1 minute to the gentleman from New Jersey (Mr. COURTER).

Mr. HOYER. Mr. Speaker, will the gentleman yield?

Mr. COURTER. I yield to the gentleman from Maryland.

Mr. HOYER. Mr. Speaker, I rise in support of passage of this bill.

Mr. Speaker, 20 years ago this month, Dr. Martin Luther King, Jr., led over half a million people to the Nation's Capital to sound a joint declaration of protest: That America had defaulted on a promissory note to which all Americans were to have been heirs. That note contained the promise that all men and women would enjoy the riches of freedom and the security of justice.

But as he spoke the words which have become as integral a part of American history as the Great Lincoln and Douglas debates, Dr. King reminded us that for far too long, the benefits of liberty and opportunity—the basis of our democratic state—had been routinely denied to impoverished Americans, the overwhelming majority of whom were black.

Twenty years ago this month, Dr. Martin Luther King was able to pierce the veil of withering injustice and visualize a nation, his nation, where man's inhumanity to man would not flourish. As he shared with us his vision, he challenged each of us to make ours a world where "we will be able to work together, to pray together, to struggle together, to go to jail together, to stand up for freedom together, knowing that we will be free one day."

In challenging us to work toward greatness, Dr. King planted the seed whose progeny will endure as long as the struggle against injustice endures.

Tragically, we find that 20 years later the disparity between the haves and the have nots is even greater. Within our borders, poverty is more and more a condition suffered by women and minorities and families are feeling the oppression of an economic crisis unparalleled since the Great Depression.

There is much work to be done, and while the dreamer has been silenced by an assassin's bullet, 20 years later his words live on with new applications to new oppression. The challenge is for us now to act in a responsible manner to insure that Dr. King and

his dream for his America—our America—are not forgotten.

Mr. Speaker, I am pleased to rise in support for the legislation making the third Monday in January a national holiday to celebrate the life and words of Dr. Martin Luther King, Jr. As a Federal holiday, each year we will be reminded of the higher goals and ideals which form the basis of this Nation. Each year we will be reminded of the path along which we have come and will see the new path to be forged ahead in our goal of freedom and justice for all people.

Mr. Speaker, Dr. King's contribution to our heritage was immeasurable. He forced us to see our faults, when we did not wish to see them. Yet he was able to address them in a manner in which we all came to see was a voice for opportunties that America needed to heed in order to continue to demonstrate her greatness.

Today, 20 years after the march on Washington, we have an opportunity to say to those for whom Dr. King's struggle meant the most—we have heard, and we will strive to make his America a reality. And if we continue to try, then his dream will live. For his contribution, a Federal holiday is only a small part in bringing that dream to reality. Such recognition, however, is the only fitting recognition for a man who has done so much for our Nation.

I urge my colleagues to support this legislation and to support our continued efforts to provide all Americans with the reality of liberty and the guarantee of justice.

Mr. COURTER. Mr. Speaker, I would like to make it clear that I am against bringing the legislation to the floor under suspension of the rule. My feeling on this point stems from my concern about the proliferation of the number of legal holidays we have in the United States.

In the past several months I have attempted to work out a compromise for this particular bill which would freeze the number of legal holidays to 9 rather than permitting their increase to 10 and then perhaps one day to 11 or 12.

A number of proposals were considered to this end. But all proved to be unworkable, for one reason or another. In addition, I was concerned that no optional holiday format should have the effect of giving lesser concern and stature to the day for Martin Luther King. This was also my concern with the proposal to establish a Martin Luther King Day on a Sunday, which seems to me similar to the argument that you can ride on the bus but you have to go to the back.

Nevertheless, I continue to believe that Congress must in the very future place a limit on the number of legal public holidays created in this country.

□ 1350

To this end, I have introduced legislation today to do just that, freezing the number of holidays not at the present 9, but permitting 1 more for Dr. King, but then freezing it at 10.

Mr. Speaker, Dr. King had a dream of equality, equality of rights and opportunities for all children. It was for this dream that Dr. King lived, and it was for this dream that he died. It has been 15 years since the assassination of Dr. King, and his memory has only grown in stature. The impact of his gospel has grown in historical perspective.

Martin Luther King taught us that the greatest power in human history is not the power of armies or generals, but the power of one individual with moral strength. Dr. King asked for a society which judged men and women not by the color of their skin, but by the content of their character.

A holiday honoring Dr. Martin Luther King would acknowledge our debt to this great man and our national acceptance of his dream, a dream of a society free from hatred, free from prejudice, and free from violence, where there is equal opportunity for all Americans.

The legislation before us, Mr. Speaker, calls for creating the third Monday in January as a day in honor of the memory of Dr. Martin Luther King not only because of the strength of his leadership and the courage of his commitment, but also because of the unique contribution he made to the fundamental principle that all people are created equal.

Mrs. HALL of Indiana. Mr. Speaker, I yield 1 minute to the gentleman from New York (Mr. GARCIA).

Mr. ADDABBO. Mr. Speaker, will the gentleman yield?

Mr. GARCIA. I yield to my colleague, the gentleman from New York.

Mr. ADDABBO. Mr. Speaker, once again we find ourselves considering a resolution honoring Dr. Martin Luther King, Jr. The obligation to pay tribute to Dr. King with a Federal holiday has been overdue for some time. Surely, Mr. Speaker, few Americans have ever done as much to heal this Nation in a time of lingering crisis.

When America showed signs of becoming a nation divided in hatred along racial, generational, and ideological lines, Dr. King fought that hatred. He reached across those barriers with a clear vision of a republic firmly grounded in equality, and justice. Without violence indeed, with a powerful gentleness that demanded attention, Dr. King forced an entire country to see, some for the first time, the many injustices lurking within our system.

Mr. Speaker, Dr. King sought truth as the means to end injustice. No higher example can be found of a man's dedication to his country.

A Federal holiday honoring Dr. King will keep his actions, his methods, his principles forever in the minds of Americans. It will insure the survival of those principles long after those of us with a vived memory of all he lived through, and died trying to solve, have made way for a new generation, molded by different experiences.

I have cosponsored resolutions honoring Dr. King in this way many times, and proudly do so again. I urge my fellow Members to give this resolution their full support, in the hope that we, in the spirit of Dr. King, can rekindle and maintain the commitment to equality so necessary in our struggle to build a truly just society.

Mr. STRATTON. Mr. Speaker, will the gentleman yield?

Mr. GARCIA. I yield to my colleague, the gentleman from new York.

Mr. STRATTON. Mr. Speaker, I rise in favor of the bill.

Mr. Speaker, as the original author of the Monday holiday legislation, I am delighted that the bill before us now proposes to honor the late Dr. King with a Monday holiday.

In fact, when the movement to create a national holiday on the birthdate of Dr. Martin Luther King, Jr., was first proposed, I recall a meeting of clergy and laymen that was convened in Albany, N.Y. in early January 1971, at the Sweet Pilgrim Baptist Church to generate support, for the proposal. When I was called on during the meeting to express my views, I expressed my strong support, as a longtime admirer of Dr. King, and then suggested that the most appropriated and acceptable procedure might be to make the King holiday a Monday holiday. This suggestion received the enthusiastic support of the assembled guests.

Shortly thereafter I introduced a bill to that effect, and over the years I have pressed for that solution.

I therefore want to commend the gentlelady from Indiana (Mrs. HALL) for her sponsorship of this legislation. And I would also point out that this arrangement places the commemoration of Dr. King on the very same place as we commemorate the discoverer of America, Christopher Columbus, the Father of his Country, George Washington, and the preserver of the Union, Abraham Lincoln.

Surely this is in my opinion, the finest possible tribute that a grateful Government can pay to Dr. King.

Mr. DOWNEY of New York. Mr. Speaker, will the gentleman yield?

Mr. GARCIA. I yield to the gentleman from New York.

Mr. DOWNEY of New York. Mr. Speaker, what an outrage. Can you imagine anything more preposterous than not recognizing one of the greatest men of all time. Peacemakers are God's children they allow all of us to

live and love. We have nothing without them. Who can we consider something or cross or cost compared to the limitless contributions of Dr. King.

Mr. GARCIA. Mr. Speaker, in the 1 minute that is allowed to me, I just want to make it very clear to my colleague from Indiana, having been down this road twice before as the floor manager of this bill, I want to congratulate her because of all the hard work that she has done.

Let me go a step further with my colleagues here. The question about whether Dr. Martin Luther King deserves a national holiday is one that, as far as I am concerned, means a resounding yes. To many of us, especially myself, I was elected to the New York State Legislature in 1965 as a result of the Voting Rights Act which passed in 1964. Had it not been for the work of Martin Luther King, walking the corridors of Congress to get that Voting Rights Act through, many of us in this Congress, especially those with brown faces and black faces, would not be sitting here today.

On behalf of this legislation, I believe that this holiday is long overdue.

Mr. Speaker, the issue today is clear cut: is Dr. Martin Luther King, Jr., deserving of a national holiday bearing his name and dedicated to his memory? The answer is a resounding "Yes."

Believe me, I have heard all the arguments against this bill; the costs are too great, the man is too controversial; the legacy is unsettled; and so forth. We have heard them before and they most asssuredly will be heard today. Yet we, who are the beneficiaries of Dr. King's long march for justice and equality, are unmoved and unsympathetic to such attacks which can only be described as weak attempts to discredit the memory and contributions of this great American.

King's greatness is measured not only in the causes and struggles he championed, but in the spirit he aroused and the response he evoked from the American people to his lifelong pilgrimage for justice and equality.

Dr. King's struggle on behalf of black Americans evolved into a crusade for all Americans who were unemployed, poorly housed, disenfranchised, uneducated or undernourished.

Dr. King forced the Nation to confront these problems, and devise fair and compassionate remedies at a time when it would have been far easier to look the other way. But Dr. King would not let us look away. He challenged us to join his march and bring America's underclass and underprivileged out from shadows of discrimination and into the Nation's mainstream.

He made us look into the faces of America's homeless, its poor and unfed and not turn away—and then he made us act because it was the only right thing to do.

That simply is the choice for us today: to do the right thing and pass this bill.

I am as convinced as even before that the spirit of Dr. King lives on, and the commitment to pursue his goals grows stronger with the passage of time. It is up to us, his beneficiaries, to see that his spirit lives on and his work progresses until the dimensions of Dr. King's dream are fully realized by all Americans.

I urge my colleagues to support this legislation.

Mr. DANNEMEYER. Mr. Speaker, I yield such time as he may consume to my colleague, the gentleman from South Carolina (Mr. CAMPBELL).

Mr. CAMPBELL. Mr. Speaker, it is with a great sense of regret that I cast my vote today against H.R. 3706, designating the third Monday of January as a Federal holiday commemorating Dr. Martin Luther King, Jr. The fact is, I believe that Dr. King made significant contributions to the cause of equal rights, and I believe as strongly as anyone that it is entirely appropriate that he be honored. I have proved this with my votes in favor of a Sunday holiday to recognize his accomplishments and to provide for a statue of Dr. King in the U.S. Capitol.

But I cannot in good conscience vote to create another paid holiday which will, according to the Library of Congress, cost this Nation's taxpayers $270 million for the pay and benefits and lost productivity of Federal workers alone, and up to another $796 million assuming State and local governments follow Washington's lead. That is a combined cost to the taxpayers of over $1 billion in direct costs and lost productivity. If one takes the gross national product, which last year was over $3 trillion, and divides it by the number of working days in a year (about 250), the potential cost to the whole of American society for another holiday is a staggering $12 billion. Now, I do not think the pricetag would reach that level, but the top dollar cost potential is a figure that must be considered.

I cannot in good conscience vote to create a paid holiday which would honor an individual, when no other American is so honored now that George Washington's Birthday has been redesignated President's Day.

And, I cannot in good conscience vote to send exactly the wrong signal when our economy is beginning to come around and productivity is finally on the rise.

Mr. Speaker, surely the great majority of us do want to honor Dr. King's memory and his contributions, but many of us also see the economic pitfall of creating another day of idleness for the American workforce. Very frankly, I resent those who would question our motivations. I resent the tactics of the leadership who have denied us the chance to vote for a Sunday day of commemoration which would be so appropriate for a man who was an ordained minister of the Gospel and which is equally as appropriate as the Monday holiday proposed which would not even fall on Dr. King's birthday. I have to question if there is not a political motivation here, one that is particularly ugly in that it calls into question what should be unquestioned—the nearly universal respect of the American people and the Congress for Dr. King's memory and accomplishments.

In fact, Mr. Speaker, that is not the issue. The issue is only whether the holiday should fall on a weekday with substantial costs to our national economy, or whether we should designate the holiday on a Sunday. To me, the answer is clear. Shutting down the productive machine of this country would hurt most those that Dr. King was concerned about. Indeed, I believe Dr. King himself would far rather see tax dollars going to programs with real and tangible benefits to the Nation's needy.

I do not agree with everything Dr. King did, but I do acknowledge his great contributions to the black community and to achieving equal rights and opportunity for all. I do agree that he should be honored, either by a Sunday holdiay or perhaps by changing one of our other holidays to Heroes' Day. Finally, however, I had to reject the spending priority embodied in H.R. 3706 which would have us allocate up to $12 billion in lost production for a symbolic gesture which will not provide food nor jobs or security for those in need.

Mr. DANNEMEYER. Mr. Speaker, how much time has the minority consumed so far?

The SPEAKER pro tempore. The Chair will state that the gentleman has 13 minutes remaining.

Mr. DANNEMEYER. And Mr. Speaker, how much time does the majority have remaining?

The SPEAKER pro tempore. The gentlewoman from Indiana (Mrs. HALL) has 16 minutes remaining.

Mr. DANNEMEYER. Then perhaps the gentlewoman from Indiana (Mrs. HALL) should take some time at this time. Would that be appropriate?

Mrs. HALL of Indiana. Mr. Speaker, I yield 1 minute to the gentlewoman from California (Mrs. BURTON).

Mr. FORD of Tennessee. Mr. Speaker, will the gentlewoman yield?

Mrs. BURTON of California. I yield to the gentleman from Tennessee.

Mr. FORD of Tennessee. Mr. Speaker, I rise in support of H.R. 3706, the Martin Luther King, Jr., holiday bill, and urge my colleagues to support this legislation. I wish to commend my col-

league Congresswoman KATIE HALL for her efforts in bringing this bill to the floor. However, I do wish to state for the record that this bill, which designates the third Monday of January of each year as a legal public holiday to commemorate the birthday of Martin Luther King, does not provide the full status of a national public holiday, and will not even conform to the 17 States, the District of Columbia, and the Virgin Islands, and the hundreds of cities, municipalities, and institutions across the Nation that have made his actual birth date a time of formal observance.

I will continue to support consistent efforts being made now and in prior Congresses to have Dr. King's actual birthday designated as a national holiday. The first bill to recognize the birthday of Dr. Martin Luther King, Jr., was introduced 15 years ago in 1968 by Congressman JOHN CONYERS. And, each year thereafter, Mr. CONYERS has introduced a bill to designate Dr. King's actual birthday a national holiday. In my 9 years of serving in the Congress, I have always supported legislation that would establish January 15 as a national public holiday in honor of Dr. King, and I wish to commend Mr. CONYERS for his unrelenting efforts and determination in introducing and pursuing the establishment of a King national holiday.

Fifteen years have passed since Dr. King's tragic assassination in my home city of Memphis. Dr. King devoted his entire life to the struggle for human rights and justice for all mankind. Arrested frequently, physically abused, and constantly threatened with the possibility of death, Dr. King never ceased his fight for our freedom. He perceived a dream and called on us to realize it, an American fitted to the specifications of its own constitution and ideals. Martin Luther King, a national figure dedicated to dependence on democratic processes, morality and nonviolence as a method of protest, epitomized the American political philosophy.

What remains is to make Dr. King's actual birthday a national holiday, to permit the Nation as a whole to commemorate his life and to reflect upon, and rededicate itself to, the ideals that he lived and gave his life for on the very date of his birth.

The mood of Congress and the country can only be called tragic if monetary or other concerns are placed above such ideals as justice and human rights. Anything less than a full legal holiday is an affront to the millions of Americans, black and white, who regard Dr. King as the individual who had the greatest positive impact on American life in this century. His supporters in the Congress will continue to push for a fitting memorial for him on the date of his birth.

Mr. PATTERSON. Mr. Speaker, will the gentlewoman yield?

Mrs. BURTON of California. I yield to the gentleman from California.

Mr. PATTERSON. Mr. Speaker, I rise in support of this legislation.

Mr. Speaker, as a sponsor of legislation to honor the achievements and the ideals of the late Dr. Martin Luther King, Jr., I am a proud American, ready to vote to designate his birthday as a national holiday.

It is fitting that we take this long overdue action as we approach the 20th anniversary, on August 27, of Dr. King's historic march on Washington—a march in which he proved himself to be a drum major for equality and for peace.

Dr. King's famous "I Have a Dream" speech, delivered on the steps of the Lincoln Memorial, has inspired many generations to continue the quest for equality and peace. Indeed, the speech had a profound effect on me and contributed to my embarking on a public service career to work toward these American ideals.

The history of mankind, it is said, records the course of human events, influenced and shaped by its leaders. Dr. King will surely be recorded for posterity as one who influenced and shaped the course of history in this century.

But I am not here so much to praise Dr. King, the man. His courage, dedication, and conviction have been well documented. Posthumously, he has earned the highest honors, including the Nobel Prize.

I am here to urge my colleagues to approve the legislation before us today to demonstrate our commitment to the ideals which inspired Dr. King—applied equality, nonviolence in the political and social processes, and human rights.

Dr. King supported the basic tenets of our Constitution, the right of equality and freedom for all. He was the spokesperson for minorities, the disenfranchised, and the poor. The Civil Rights Act is a living memorial to Dr. King's determination. Because of his work, many people have a better way of life.

Now, more than ever, we need to reflect and renew our commitment to Dr. King's goals. Over the last 30 months, the White House has tried to turn back the clock on gains we have made for civil rights. For example, the President supports a subsidy to private schools that discriminate racially, at the expense of public education. The administration has targeted tax cuts to the rich and budget cuts to the poor. Black unemployment has climbed to 20 percent. Working women earn only 59 cents on every dollar earned by their male counterparts. We must demand from our President, and other leaders, a renewed commitment to justice and equality for all.

Dr. King's commitment to peace in the struggle for freedom is even more poignant today. In 1983, we must approach our problems abroad through a determined program of conflict resolution. In a world where nuclear stockpiles threaten our very existence, the importance of peace is paramount.

Finally the lesson we should learn from Dr. King's life is that we cannot close our eyes to the plight of the poor and oppressed people in our Nation and throughout the world. When a nation loses its regard for human rights, it loses its standing in the global community, and with its own people. America must set an example that our less fortunate neighbors can follow. We must help the developing countries and insist on respect for human rights.

America must turn Dr. King's dreams, for equality, peace, and human rights, into reality for the benefit of all. Declaring this great man's birthday a national holiday is a positive step in the right direction. It shows our neighbors that we are a nation truly committed to the ideals of peace and equality—at home and abroad.

Mrs. BURTON of California. Mr. Speaker, I speak today for the first time in my brief career as a Member of the House in support of a bill of major symbolic importance to this Nation—establishing Martin Luther King, Jr's., birthday as a national holiday. Recognizing Dr. King in this way will affirm this country's commitment to the rights of all men and women and to the pursuit of world peace.

Dr. King was a man of enormous courage and wisdom. Like Ghandi, he was truly among the great men of peace. He was the first civil rights leader to speak out against the war in Vietnam—an action which was condemed by many, both black and white. But he had the courage to do what was right and the vision to see that war is always begun by those in power but is fought by the powerless. As we find ourselves on the verge of another ill-advised military adventure, it is especially important to remember Dr. King.

I fervently hope the House passes this legislation and gets on with the effort to realize Dr. King's dream of racial, social, and economic justice.

Mr. Speaker, I yield the balance of my time to the gentleman from Georgia (Mr. WYCHE FOWLER).

The SPEAKER pro tempore. Without objection, the gentleman from Georgia (Mr. FOWLER) is recognized for one-half minute.

There was no objection.

Mr. FOWLER. Mr. Speaker, I believe that history will attest that the greatness of a nation is not measured by the esteem in which it holds it politicians and its generals, but how it

treats its prophets and its poets. Martin Luther King, Jr., was a prophet and a poet and a patriot.

By honoring him, we honor all Americans of whatever color or faith who believe that the greatness of our country is living up to our patriotism by adhering to our principles.

Mr. RANGEL. Mr. Speaker, will the gentleman yield?

Mr. FOWLER. I yield to the gentleman from New York.

Mr. RANGEL. Mr. Speaker, I rise to express my great joy and satisfaction that the House of Representatives has finally voted to honor Dr. Martin Luther King's legacy. By declaring his birthday a national holiday, we have made certain that his day will be forever enshrined.

Dr. King was the greatest advocate for peace in U.S. history, an advocate for the equality of all men regardless of race, class, or nationality. The American dream was enriched by his philosophy of brotherhood. If his memory is to live on to nourish this dream, we must be reminded of him periodically. This is the essence of why we did the right thing today. His memory will remain long after this generation has passed away, and his dream will never die.

The course of history was changed by this great man's dedication to his cause. Who can say what would have happened had he not committed himself to lifting up his people? We must never forget that it was for their sake that he lived, and for their sake that he was struck down. I hope that we never forget this.

Mr. WOLPE. Mr. Speaker, will the gentleman yield?

Mr. FLOWER. I yield to the gentleman from Michigan.

Mr. WOLPE. Mr. Speaker, I rise in strong support of this legislation.

In establishing a Martin Luther King national holiday, we will not only be giving recognition to the life and accomplishments of a truly great American, but we will be providing a living memorial that can serve to inspire both present and future generations of Americans to a renewed dedication to the principle upon which this Nation was founded.

Surely no contemporary American better exemplified—in his words and in his actions—American values and traditions. For Americans everywhere—black and white, young and old, North and South—Dr. King symbolized the best in the Nation: the continuing struggle to achieve a truly open society, in which all Americans will have an equal opportunity to achieve their full human potential; the commitment to an ultimately integrated society in which racial and ethnic and religious prejudice and discrimination will not limit the ability of Americans to learn from and to enjoy one another; the advocacy of nonviolent social change; the historical affirmation by Americans of the value and importance of the individual citizen.

I want to give particular emphasis to this last point, because in this period of public cynicism about politics and government, there is heard throughout our land the constant refrain that the individual citizen no longer counts in our country, that there is no way an individual can have impact on the economic and political decisions that affect all of our lives, that events are effectively out of control. Dr. Martin Luther King recognized, as have few other contemporary Americans, the ways in which such feelings of powerlessness can become their own self-fulfilling prophecy. His life was a direct and eloquent refutation of the alleged impotence of the individual citizen. It was a statement, by actual deeds, of the tremendous power available to a single individual who refuses to acquiesce to the established power, who refuses to accept social injustice in any form, and who is prepared to assume the risks that are inevitably associated with efforts to change the status quo.

There is a tendency to endow Martin Luther King with superhuman characteristics, but I suspect that Dr. King would far prefer to be remembered not for his extraordinary qualities, but his ordinary qualities; not for his strength but for his vulnerability; not for his courage, but for his fears. Because what Dr. King recognized, as few others have, is the revolutionary potential of a single individual's action and commitment.

He recognized, and showed us by his own personal example, that a single individual can make a difference—and that perfectly ordinary people, possessed of little more than a belief in themselves and in the rightness of their cause, and a willingness to accept risk; can turn our country around.

The establishment of a national holiday to pay tribute to the life of Dr. Martin Luther King is the least that can be done to assure that this message of commitment and inspiration will be forever before the American people.

Mr. CLAY. Mr. Speaker, will the gentleman yield?

Mr. FOWLER. I yield to the gentleman from Missouri.

Mr. CLAY. Mr. Speaker, I rise in support of H.R. 3706. This legislation is very special for all who cannot forget America's commitment to social and economic justice. This legislation will bring the overdue recognition to a man who exemplifed what social justice is all about and who died as a result of that struggle.

This nonviolent apostle from Atlanta laid the foundation for the civil rights movement in our country and generated the drive for human rights around the world. He was a champion in the battles for equal treatment, in jobs, housing, and educational opportunities. He was a champion in the battles for peace and freedom.

I known, Mr. Speaker, and fellow Members of the House that it will come as no surprise to you to hear me say as a legislator who is uniquely affected by the possible outcome of this debate that I favor the passage of legislation which would declare a national holiday in Dr. King's honor. I do, however, want you to know that I see broader implications in our decision at this point in history pertaining to the very future, and destiny of, not only black and other similarly affected minorities, but of our Nation as a whole.

We as a nation are strong, but nonetheless divided by differing sociocultural, political, and economic backgrounds. Are we willing to continue our forward momentum in America's bold and noble attempt to achieve a free and just democratic society?

It is significant that a statement of his hope for the world was symbolized twenty years ago in this man's famous "I have a dream" speech right herein the Nation's Capitol. He proclaimed universal truth when he stated, "I hope that my 4 little children will not be judged by the color of their skin, but by the content of their character." Regrettably, 20 years later, Dr. King's four little children, now all young adults, are not judged by the content of their character, but by the color of their skin.

Dr. King's life has meaning for each of us today and we should all work diligently in order that a national holiday will be declared in his honor.

Mr. Speaker, I attended a national meeting the other day of individuals who are professionally involved in the cause of education, and to my surprise and amazement, one of the public school teachers, said, "Some of our young people who were born in the latter sixties and early seventies do not even know who Martin Luther King, Jr. is. This is both a shame and disgrace to all of America."

Mr. Speaker, we cannot allow this to happen. Dr. King was persistent in support of his dream and all of us are richer and stronger because of this nonviolent apostle from Atlanta.

Mr. Speaker, a national holiday declared in Dr. King's honor will not allow our young people to forget a man who laid the foundation for the civil rights movement in our country and generated the drive for human rights around the world. Mr Speaker, this would be a major failure on our part as legislators.

Dr. King's advocacy for "personhood" for all people is now dead. But he still lives. He lives in the hearts and minds of all people who treasure and support the sanctity of human life, human dignity, and social justice. If he were alive today, his voice would be

heard against the divisive and oppressive policies of the current administration. He would be in the forefront as a "drum major" for justice and for righteousness.

It is significant that Dr. King's remarkable contributions were fully in accord with and supportive of America's ideals and principles in our declaration of independence which declared more than 200 years ago that "all men are created equal, that they are endowed by their creator with certain inalienable rights, that among these are life, liberty, and the pursuit of happiness."

Dr. King's brilliant life gave meaning to this national declaration of liberty and justice. Further, he practiced nonviolence and initiated direct action reminding our country to live by the principles upon which it was founded. Dr. King awakened a nation that had for centuries deprived many Americans from participating in the social, economic, and political institutions of the society. His basic philosophy was that every man still does have his chance, his opportunity, his right to live, to work, to be himself and become whatever his manhood and courage combine to make him. This is the promise of America.

The dreamer is gone but the dream lives on. We can take hope in the fact that Dr. King, in the face of adversity and enormous oppression never quit, but he resolved to keep on serving human kind. He never allowed his dream to die as he worked from Montgomery to Memphis where he met his tragic end in 1968. His life, in the midst of manifold activities that confront poor Americans is a radiant example that love can conquer hate and unity can come from division. This should serve as a beacon for all of us in a period of travail.

Mr. Speaker, and esteemed fellow Members, I shall not use this occasion to castigate those who pretend not to hear the roar and demands for justice. I shall not reproach those who pretend that they cannot see a further need for honoring Dr. King and declaring a national holiday in his honor to insure that Americans do not forget the monumental contribution of this man.

I will not criticize those who do not see a need for such a holiday. Nor will I question the motives, wisdom, and patriotism of those who speak out in opposition to this legislation. Or worst yet, I do not begrudge those who dare not speak because of cowardice and trepidation. I can only hope that greater than any notions to the contrary, the principles of simple decency and fairness will ultimately prevail.

Let me say further, in paraphrasing a quote from William Lloyd Garrison, you can be certain that those Americans who support this legislation are in earnest on this issue—we will not equivocate, we will not excuse, we will not retreat a single inch.

Mr. Speaker, let the record show that I stand in favor of the declaration of a national legal public holiday in honor of Dr. Martin Luther King.

Let the record show, Mr. Speaker, that I stand shoulder to shoulder with all people of good conscience and firm convictions to work unceasingly for a better America.

Mrs. COLLINS. Mr. Speaker, will the gentleman yield?

Mr. FOWLER. I yield to the gentlewoman from Illinois.

Mrs. COLLINS of Illinois. Mr. Speaker, I rise in strong support of this measure to make the birthday of Dr. Martin Luther King, Jr., a national holiday because it is long, long overdue.

In the sixties, during the awful times when I saw flashed across my television screen firemen turning water hoses on black Americans who were peacefully marching for their God-given rights, and policemen beating and dragging into paddywagons black men, women, and children as we sought our human rights, and segregationsists standing in the doorways of schools to keep blacks from becoming educated, and ax wielding restauranteurs standing menacingly in front of restaurants threatening blacks who tried to eat there, and so forth.

But the scene I remember the most Mr. Speaker, is that of a big burly white policeman snatching the American flag out of the hands of a tiny little black boy, who was struggling mightily to keep it. That, Mr. Speaker, is a picture which will forever stay in my mind because it so clearly portrayed the visceral feeling embodied in this issue. On one side of the issue was the little black boy proudly waving the flag of his country and holding on to it tightly. On the other side was the big bad white policeman snatching away his hopes and his dreams—telling him in no uncertain terms that America, the land of his birth, didn't want to include him among her citizenry.

Mr. Speaker, I sincerely believe that if we fail to pass this measure in the House today, we will have again snatched the flag out of the hands of black Americans. We will have again indicated to those black kids sitting up there in the galleries, to their parents and grandparents, and to all folk the world over that this body of our democractic government does not live up to the preamble of the Declaration of Independence: "that all men are created equal." To my colleagues I say: Let us not live with the shame any longer. Let us—all of us—vote for this long, overdue measure to recognize the greatness of the accomplishments of Dr. Martin Luther King, Jr.

Mr. FAUNTROY. Mr. Speaker, will the gentleman yield?

Mr. FOWLER. I yield to the gentleman from the District of Columbia.

Mr. FAUNTROY. Mr. Speaker, it was Tchaikovsky who said of Marian Anderson: "A voice like this comes once in a hundred years." In the hearing room, where the Subcommittee on Census and Population marked up H.R. 3345 last month, there hang the pictures of two great Americans who were truly the men of their centuries. The first is that of George Washington, the founding father and first President of our great Republic. No one questions that he was indeed the man of the 18th century. The second is that of Abraham Lincoln. No one questions the fact that the valiant leadership of Abraham Lincoln as saving our Union made him the "Man of the 19th Century."

When the history of the 20th century is written, few will question the fact that Martin Luther King, Jr., was the singularly most important man, with the most important message for this, the most violent century in the history of mankind. That message was this: "We must either learn to live together as brothers or we are all going to perish together as fools."

That message and the life work of Dr. Martin Luther King, Jr., which shaped it, has made the name of Martin Luther King, Jr., a trigger to the deep longings of people in every corner of this globe, particularly those who have survived the savagery of war in Europe, in Asia, and on the continent of Africa. America honors herself when she honors this man of world renown with a legal holiday.

The New York Times captured his significance from his time when it wrote:

> It can be said of him as of few men in like positions, that he did not fear the weather and did not trim his sails, but instead challenged the wind itself to improve its direction and to cause it to blow more softly and more kindly over the world and its people.

There are those who say that nonviolence can never again be an effective tool for resolving human conflict; nevertheless, the vision of Martin Luther King, Jr., nags uncomfortably at the minds of statesmen and generals alike—a strange, brooding figure, standing somewhere in the distance with a beckoning truth, waiting for the world to catch up.

Favorable action of this measure today will assure that that truth will be forever etched in the mental skies of our everbroadening horizon as a nation.

It was Goethe who said:

> What we have inherited from our fathers, we must earn again for ourselves, else we lose it.

Let us pass this bill that generations unborn might be inspired as Martin Luther King, Jr., inspired us to

become answers to Josiah Holland's prayer:

GOD, GIVE US MEN!

God, give us men! A time like this demands
Strong minds, great hearts, true faith and ready hands;
Men whom the lust of office does not kill;
Men whom the spoils of office cannot buy;
Men who possess opinions and a will;
Men who have honor; men who will not lie;
Men who have can stand before a demagogue
And damn his treacherous flatteries without winking!
Tall men, sun-crowned, who live above the fog
In public duty and in private thinking;
For while the rabble, with their thumb-worn creeds,
Their large professions and their little deeds,
Mingle in selfish strife, lo! Freedom weeps,
Wrong rules the land and waiting justice sleeps.

Mr. CONTE. Mr. Speaker, will the gentleman yield?

Mr. FOWLER. I yield to the gentleman from Massachusetts.

Mr. CONTE. Mr. Speaker, I rise in support of H.R. 3706, designating the birthday of Martin Luther King as a legal, public holiday.

Let me take this opportunity to commend the leadership of the gentlelady from Indiana (Mrs. HALL) for bringing this legislation to the House floor.

The work of Martin Luther King, Jr., and his followers had a tremendous impact on the history of this country. As a religious leader, Dr. King preached to a national congregation about the human dignity of every man and woman. As a civil rights advocate, he spoke out against the inequality and injustice in American society. As a national political figure, Martin Luther King led the civil rights movement in an effective, but nonviolent way, despite the hatred and violence he faced. His memory, his work, and his words have become a permanent part of this country's memory and conscience.

Most Americans agree—whatever political philosophy—that this man deserves special recognition. I can think of no better way to honor this great man, to remember his works and words, or to reflect on the progress that must be made in the future, than a national, Federal holiday. Any other tribute—an observance or remembrance day—would fall short of our duty to focus on the message of Martin Luther King, Jr.

Twenty years ago this month, Dr. King published his "Letter from the Birmingham Jail." To me, one sentence in this letter capsulizes the message of this man. King wrote: "Injustice anywhere is a threat to justice everywhere."

Mr. Speaker, since 1971, Dr. King's birthday has been a legal holiday in my own State of Massachusetts. I urge the House today to take the first step, to nationally recognize the accomplishments and contributions of Dr. Martin Luther King, Jr. I urge my colleagues to support H.R. 3706.

Mr. HUBBARD. Mr. Speaker, will the gentleman yield?

Mr. FOWLER. I yield to the gentleman from Kentucky.

Mr. HUBBARD. Mr. Speaker, I rise today in support of this important legislation to designate the birthday of Dr. Martin Luther King, Jr., as a national holiday.

Through Dr. King's leadership and faith, the American people were made aware of the dangers of segregation and discrimination which had divided our country. Dr. King's ideals became real for millions in this Nation, and they sparked a nonviolent movement which sought peaceful change and the complete removal of barriers due to race, creed, or religion.

I support this legislation, Mr. Speaker. I believe we should establish this holiday in order to say to our fellow countrymen that Dr. King's ideals must still be pursued and that America will truly be a Nation undivided for one and all.

Mr. LEVIN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. FOWLER. I yield to the gentleman from Michigan.

Mr. LEVIN of Michigan. Mr. Speaker, I rise in strong support of this legislation.

Mrs. HALL of Indiana. Mr. Speaker, I yield 1 minute to the gentleman from New Jersey (Mr. RODINO).

Mr. CONYERS. Mr. Speaker, will the gentleman yield?

Mr. Speaker, I rise in strong support of the bill.

The House of Representatives in considering legislation that would designate the birth date of Dr. Martin Luther King, Jr., a national holiday is taking a significant step in the direction of giving proper national recognition to one of our great leaders.

As you know, I have for at last 15 years been introducing legislation that would designate the birth date of Dr. King a national holiday. In each session of Congress since the initial introduction, the legislation has gained in support and is now again being considered by the House. I trust that my colleagues will support the legislation and join the great majority of Americans who presently support a national holiday in honoring of Dr. King. We would be joining 16 States, the Virgin Islands, and the District of Columbia if we passed the legislation before us. It is time for us to move this legislation so that we can offer our support to those who are working to have the Senate pass a national holiday in honor Dr. King.

In introducing legislation that would designate the birthday of Dr. King a national holiday, I never viewed it as an isolated piece of legislation to honor one man. Rather, I have always viewed it as an indication of the commitment of the House and the Nation to the dream of Dr. King. When we pass this legislation it should signal our commitment to the realizaiton of full employment, world peace, and freedom for all.

The legislation we are considering today concerns a person who contributed much to American life. I do not think it is an exaggeration to say that Dr. King changed the face of America with the deeds and words. The sovereignty of the people is the central purpose of the American system of government. That purpose at various times in our history has manifested itself in public protests and petitioning of our government for the redress of grievances. Dr. King was the preeminent leader of popular political action in modern history. In practicing nonviolent direct action, he embodied a great tradition that originated with the Pilgrim settlement in the 17th century.

If we pass this legislation, we will be recognizing the heroic dimensions of Dr. King's life. We would also be expressing an appreciation of the fact that Dr. King's stature depended on many vaired qualities; a singular self-discipline and steadiness; an unshakable faith in the basic goodness of human beings, a single-handed dedication to raising up the lives of the disadvantaged; his inspiring and unforgettable speech; and his exceptional courage. In passing this legislation, we would also be saying that Dr. King was more than a spokesman for black people in America, rather that he was speaking to the aspirations and interests of our Nation. This reality is best summarized in the following statement by Dr. King:

The struggle for peace and the struggle for civil rights as we call it in America, happened to be tied together . . . I feel that the people who are wofking for civil rights are working for peace; I feel the people who are working for peace are working for civil rights and justice.

It is clear that Dr. King taught us much about life and death during this brief stay on this Earth. Lerone Bennett, the historian and Dr. King's biographer, wrote the following with respect to what Dr. King taught us about life and death:

His grace, like Ghandi's grows out of a complicated relation not to oppression, but to the ancient scourges of man, to pain, to suffering, to death. Men who conquer the fear of these things in themselves acquire extraordinary power over themselves and others. . . . Reverend Martin Luther King, Jr. has taught us not only how to die, but also, and more importantly, how to live.

I am very pleased to be a part of the bipartisan effort which is behind the movement of the legislation in the House. I will vote in favor of the legislation and I encourage my colleagues to do the same.

Mr. RODINO. Mr. Speaker, 20 years ago this month Dr. Martin Luther King, Jr., stirred the conscience of the Nation with his eloquent "Let Freedom Ring" address here in Washington. It has been 15 years since Dr. King—at the pinnacle of his leadership and in the prime of his life—was assassinated in Memphis. Yet, we still do not have a national holiday to honor this man, the greatest leader in history in the struggle for full equality for black citizens. We should no longer delay honoring this great American and all that he represents. We should act now and designate the third Monday in January as a national holiday to honor Dr. King.

I am an original sponsor of legislation to so honor this man and the principles that he preached and for which he lived and died. For more than a decade, I have espoused this cause so that we Americans can set aside one special day to rededicate ourselves to the principles of social, political, and economic justice for all.

I do not propose this national holiday lightly. It takes a rare person of an extraordinary event to justify a national holiday. Dr. King was more than a rare person; he was unique. And the changes that grew out of his leadership were so extraordinary that they continue to have a profound and historic effect on the American way of life.

It is time for us to honor this man and his inestimable contribution to this Nation and the world by setting aside a public holiday in his name.

In 1975, I told the Southern Christian Leadership Conference:

> They shot down the man—and they snuffed out his life—but they could not shoot down his dream. For his dream was stronger than life and more powerful than death. And the dream lives on.

Yes, the dream for which Dr. King gave his life lives on. But the dream—"That one day this Nation will live out the true meaning of its creed: 'We hold these truths to be self-evident, that all men are created equal' "—is still for too many a dream deferred. We have moved closer to the ideal of Dr. King's but the journey is far from complete.

As we continue the struggle to reach "the sunlit path of racial justice," let us set aside this day to honor Dr. King's life and his great works. Let this day stand forever as a shining symbol of our commitment to the brotherhood of man—as an enduring expression of our determination to make the dream of Dr. Martin Luther King, Jr., a dream fulfilled.

Mrs. HALL of Indiana. Mr. Speaker, I yield 1 minute to the gentlewoman from Ohio (Ms. OAKAR).

Ms. OAKAR. Mr. Speaker, it has been a privilege to cosponsor H.R. 3706, and I count it an honor to rise in support of this bill to designate a public holiday in honor of Dr. Martin Luther King, Jr.

Federal law currently recognizes nine public holidays. Two of these holidays specifically recognize individuals, Christopher Columbus and George Washington. Both individuals played major roles at crucial points in American history. Without their vision, leadership and contribution, America would not be the oasis of freedom and democracy it is today.

The issue before us now is whether we should recognize another great and historic period in the life of the United States and commemorate a man who made major contributions to that era by designating a national holiday to honor Dr. Martin Luther King, Jr.

Mr. Speaker, like Columbus and Washington, Martin Luther King, Jr., was a visionary leader who made lasting contributions to our country at a critical time in our history. He impacted all of us regardless of our race, religion, sex, or economic status. He touched our conscience in a spirit of nonviolence and peace, for which he received the Nobel Peace Prize. He made us question our policies, our practices, and our beliefs. More importantly, he taught us a good deal about ourselves and our national commitment to the principles of justice and equality. I urge my colleagues to compare the America of 1958 with the America of 1968 to see what Dr. King meant to this country.

We are a better country because Martin Luther King, Jr., was here. And I urge my fellow Members to vote the recognition Dr. King's principles deserve.

□ 1400

Mr. OWENS. Mr. Speaker, will the gentlewoman yield?

Ms. OAKAR. I yield to the gentleman from New York.

Mr. OWENS. Mr. Speaker, I rise in support of this bill.

Mr. Speaker, Martin Luther King is a great American who deserves to have a Federal holiday designated for him as a monument to his achievements. Such a holiday would also be a national endorsement of the principles of nonviolent activism as a means of accomplishing peaceful change.

All Americans can take pride in the fact that Martin Luther King's life exemplified the very best of American traditions and philosophy. Martin Luther King was a pragmatist in the best sense of the word. While he devoutly believed that there was a heaven after death, he worked tirelessly to make life on Earth more bearable for the least among us. Martin Luther King was a fervent exponent of the Judeo-Christian ethic which has guided this Nation since it was founded.

Above all, Martin Luther King was an apostle of nonviolence. In a world which is now threatened with extinction by violent nuclear war, the way of nonviolence must be promoted with new vigor. At this moment riots and wars are raging in several parts of the world. Those who worship the false gods of war and violence continue to create new bitterness and new cycles of revenge-seeking. This special recognition of Martin Luther King would send a message around the world that American stands for freedom and justice achieved through nonviolent and peaceful means.

The struggle for equality and justice in our society is ongoing. Despite major accomplishments of recent history, legislation such as the Voting Rights Act and the abolition of Jim Crow laws, there exists an undeniable imbalance between the races. Predjudices and misconceptions which are longstanding contribute to this imbalance and cause the problem to fester. These attitudes must change if America's inequities are to change. Passage of this legislation to make Martin Luther King's birthday a national holiday will make a significant contribution to that healing process. While we cannot legislate people's attitudes or perceptions, we can set aside a day for them to consider Dr. King's accomplishments. As an apostle of nonviolence, Dr. King led freedom marches, boycotts, and rallies in a successful effort to redirect the conscience of America, to resolve the problem of physical segregation and economic and social subjugation of people of color. He was a pragmatic leader, but he never lost sight of his ideals—freedom, equality, and justice.

Dr. King's life and struggle for mutual understanding and respect between the races is exemplary. It is my hope that consideration of his example will lead to acceptance of his example, and ultimately, a just society. So not only will this day allow us to look back upon Dr. King's great achievements, it will foster an understanding so vital if we are to realize Martin Luther King's dream.

Throughout the world the greatness of Martin Luther King is recognized and acknowledged. The Nobel Peace Prize was only symbolic of the millions of awards Martin Luther King won in the hearts of people everywhere. The vote for this holiday is a vote to enshrine an example of the very best that America has produced.

Mr. MOODY. Mr. Speaker, will the gentlewoman yield?

Ms. OAKAR. I yield to the gentleman from Wisconsin.

Mr. MOODY. Mr. Speaker, I rise in support of the bill.

Mr. Speaker, I am honored to be a cosponsor of H.R. 3706, a bill which would designate the third Monday in January as a Federal holiday to commemorate the life and work of Dr. Martin Luther King, Jr.

Dr. King was an extraordinary American, who sought to put an end to centuries of racial and social oppression through nonviolent action. He struggled, with other dedicated civil rights leaders, for the freedom and human dignity of all Americans.

Dr. King's work in civil rights was for the realization of the principles upon which this country was founded: liberty, justice, equality, and peace. He knew that if one person is denied freedom of opportunity, no one is truly free.

I was fortunate enough to be on the Lincoln Memorial 20 years ago this month when Dr. King delivered his inspiring "I have a dream" speech. His dream was that Americans would not be "judged by the color of their skin, but by the content of their character." All caring people share this goal for our Nation.

This country has come a long way in 20 years toward correcting the social and political injustices of the past. Yet, there is much left to be done if we are to realize fully Dr. King's dream. A day of recognition for the accomplishments and goals of Dr. King is a great tribute to a worthy American.

Ms. OAKAR. Mr. Speaker, I urge the adoption of this bill.

Mr. DANNEMEYER. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois (Mr. DANIEL B. CRANE).

Mr. DANIEL B. CRANE. Mr. Speaker, Martin Luther King, Jr., will be remembered in history as a very important man. He had a very definite impact on everyone of our lives, and was responsible for a change in the course of this great Nation. The civil rights movement was a period in our history that many have referred to as a second American revolution. A time when people of all races and creeds began to envision a dream of equal opportunity and social economic progress for all.

I feel that it is entirely proper and I support fully the concept of a commemorating birth date for this American. In recognizing this man and this period in history we would preserve for future generations the memory of a man who changed the lives of millions of Americans.

The question we are facing today is not whether we should recognize this man but rather in what manner. We are already facing a huge budget deficit, if not the largest in the 208 years of our history, and every effort we can make at holding the line on these types of expenditures should be exercised. The cost of a national holiday on a regular workday is estimated at $237 million including the premium pay for those individuals who would receive it. The spirit and intent of commemoration can be realized by the designation of another day, a nonwork day as a national day of recognition. In my estimation that would serve the purpose of recognizing the achievements of this man and this period of our history. I come from the great State of Illinois, the home of Abraham Lincoln. I am sure you will agree with me that history has shown he was a great man, one who also had an impact on the lives of millions of his fellow Americans. We do not commemorate his birthday with a separate national holiday.

It is for these reasons, I oppose this bill under suspension of the rules, I would rather support an amendment to this bill to recognize a Sunday in January as a national day of recognition. I would respectfully urge my colleagues to do the same.

Mr. MITCHELL. Mr. Speaker, will the gentleman yield?

Mr. DANIEL B. CRANE. I yield to the gentleman from Maryland.

Mr. MITCHELL. Mr. Speaker, the gentleman talks about cost. What about the cost to my race under that system of segregation that was so rigid in this Nation?

You talk about cost. What about the cost to my life when I had to endure what this Nation put on me as a black man?

Costs become irrelevant in this business, and I certainly hope that we do not hear any more of it.

Mr. Speaker, I thank the gentleman for yielding.

Mr. DANIEL B. CRANE. Mr. Speaker, I hope the gentleman will feel the same way about the Defense budget.

The SPEAKER pro tempore. The time of the gentleman from Illinois (Mr. DANIEL B. CRANE) has expired.

Mrs. HALL of Indiana. Mr. Speaker, I yield 1 minute to the gentleman from South Carolina (Mr. TALLON).

Mr. MORRISON of Connecticut. Mr. Speaker, will the gentleman yield?

Mr. TALLON. I yield to my colleague, the gentleman from Connecticut.

Mr. MORRISON of Connecticut. Mr. Speaker, I rise in strong support of this legislation.

Few people would deny that Martin Luther King, Jr., was a great man. This is not the issue. Rather, the issue is the absence of an appropriate formal occasion to call attention to Dr. King's life, his social commitment, his determination, and the values of justice and equality that he preached and lived.

We in this Chamber—on both sides of the aisle—witnessed the growth and development of the civil rights movement during the 1950's and 1960's, but children growing up today will never experience the power and leadership that Dr. King brought to our Nation. He preached a message of patriotism, brotherhood, and human dignity, cornerstones of a strong nation. A national holiday commemorating the birth of Dr. King will help to keep his dream alive by teaching our young people how much we value his memory and the principles he gave up his life advancing. It will also compel us, on an annual basis, to examine whether this Nation continues to make progress toward insuring that all of its citizens enjoy the benefits promised by our Constitution and laws.

The people of my district strongly support this legislation. Last January, 10 members of the Dixwell Community House Bikila Track Club of New Haven ran a 400-mile relay from Washington, D.C., to New Haven, Conn., to generate support for the movement to win this holiday. Later this month, hundreds of people from the New Haven area will travel to Washington to relive the historic march which took place here 20 years ago and which culminated in Dr. King's "I Have a Dream" speech, an address which electrified the Nation.

In his book "Why We Can't Wait," Dr. King made reference to a quotation which I would like to repeat, that "justice too long delayed is justice denied." Currently, 19 State governments—including my own State of Connecticut—have acted to memorialize his birthday. A bill to make January 15 a legal national holiday has been introduced in every Congress since Dr. King's death in 1968. The American people have waited long enough for this legislation. I am proud to be a cosponsor of this bill. I urge Members to reaffirm the principles Dr. King's life symbolized by voting in favor of establishing this national holiday.

Mr. TALLON. Mr. Speaker, today I rise in support of H.R. 3706, legislation to make the third Monday in January each year a national holiday in observance of the birthday of Martin Luther King, Jr.

The 1960's were volatile times that could have erupted in harsh, widespread violence at any time. Racial hostility and social injustice were to the point of irreparably tearing our country apart, and were a nation divided.

Lives were lost in this battle for principles that are founded in our Constitution. Yet, even more would have been lost had the man leading the movement for social justice and equal opportunity not been a man of nonviolence. A man who understood, like Ghandi, that long-lasting change

could best be accomplished through peaceful means.

That man was Dr. Martin Luther King, Jr.

Historically, since his death, his birthday has been a day to reflect on and rededicate the Nation to the purposes that he developed and gave his life for—achieving the American dream of freedom, equality, reconciliation and justice at home, as well as peace in the world.

Usually, as time goes by, the memory of our national leaders fades or tarnishes. Yet this is not the case with Dr. King. He stands among the small number of great leaders who gave their lives and for whom respect, honor, and admiration have grown with each passing year.

But most importantly, a national holiday in Dr. King's name would not be just a celebration of one man's life. It would be a time to memorialize the ideals he stood for and fought for—ideals that many in our Nation now take for granted.

We are fortunate to have lived in the same generation as this man. We remember his struggle. It is only fitting to recognize his birthday as a national holiday for future generations to learn from as well.

Mr. DANNEMEYER. Mr. Speaker, I yield 2 minutes to the gentleman from Georgia (Mr. McDONALD).

Mr. McDONALD. Mr. Speaker, I rise in strong opposition to H.R. 3706, a bill designating the third Monday in January of each year a legal public holiday to commemorate the birthday of Martin Luther King, Jr.

At best, Martin Luther King, Jr.'s, prior associations and activities are questionable. This fact is reflected in the action taken by Attorney General Robert F. Kennedy, certainly one of the most liberal men to hold that high post, when he authorized wiretaps and other forms of surveillance of Martin Luther King, Jr. after the FBI developed evidence that King was associated with and being manipulated by Communists and secret Communist agents.

Consider the effusion from Political Affairs, official theoretical journal of the Communist Party, U.S.A., for May 1968, a month after King's assassination:

> The Reverend Martin Luther King, Jr., the voice, inspiration and symbol of the Negro people's struggle for freedom and equality, is dead * * *. The man who, more than anyone else, personified the heroic determination of the black people to win their liberation now. One of humanity's great leaders has been silenced forever * * *. We must see that his memory not be desecrated. We must not fail to do all in our power to realize the dream for which he died.

I would like to emphasize that this is not a quote from the Washington Post or the Atlanta Constitution but from an official publication of the Communist Party, U.S.A.

Unfortunately, neither the Congress nor the American people have any idea what information was gathered by the FBI. Under court order in 1977, the FBI's surveillance records and tapes on Reverend King were sealed in the National Archives for 50 years or until the year 2027. Those who intend to vote for H.R. 3706 might well want to ask themselves why this action was taken? It would seem that those who support elevating Martin Luther King, Jr., to the status of a national hero by making his birthday a Federal holiday would wish to dispel those who have doubts and who question why King's record has been sealed in secrecy. Before acting prematurely, this House should either request that the records be made available or delay consideration until the information is released.

Recently, the tapes of Franklin D. Roosevelt and John F. Kennedy were made public. Similar review of Martin Luther King's tapes should also be permitted lest, after proclaiming his birthday a National holiday, any possible embarrassment to this Congress and the American people may occur when the tapes are eventually made public.

Let us take appropriate congressional action to have the records and tapes released. If there is nothing to hide, who would object?

This is not a measure to be taken lightly. In addition to the reasons cited, if King's birthday is made a national holiday, he will be the only American to be honored by name.

Mr. Speaker, so Members of this House can make a valued and informed judgment on the question before us, I strongly urge my colleagues to vote in opposition to legislation to designate the birthday of Martin Luther King, Jr., a legal public holiday until all the facts are before us.

At this point in the RECORD, I include the following:

[From the Congressional Record, Dec. 8, 1975]

MARTIN LUTHER KING, JR.'S RELATIONSHIP WITH THE COMMUNISTS

Mr. McDONALD of Georgia. Mr. Speaker, it is indeed interesting that Washington Post staff reporter Laurence Stern in a bylined story on December 8, 1975, has "revealed" that the identity of the "important secret member of the Communist Party" who was discovered by the Federal Bureau of Investigation to be a major "political influence" on Martin Luther King, Jr., was New York attorney Stanley Levison.

The article quotes an unnamed spokesman for the Senate Select Committee on Intelligence that the formal confirmation of Levison as the King associate who triggered the close FBI monitoring of King's activities was being kept secret for "national security" reasons.

In this context, "national security reasons" strongly imply the involvement of a foreigh power in the Levison/King contacts. Has there been an enemy foreign power or powers involved with King and his organization, the Southern Christian Leadership Conference? The answer is "Yes." Both the Russians and their East German subsidiaries have made every effort to court King, his successor, Ralph Abernathy, and the SCLC organization as a whole. If a person were acting as a Soviet KGB or East German intelligence agent, all of their contacts and all organizations and persons they influenced would be legitimate subjects for intensive investigation.

Stern's article cites the 1971 book, "Kennedy Justice," by Victor Navasky, for a detailed account of Levison's role in making the surveillance of King's activity as a high priority necessity. Navasky noted that Levison had been King's adviser on both legal and financial matters from the days of the Birmingham bus boycott. Mrs. Coretta Scott King's memoirs recount Levison's influence over a 12-year period, noting that he was always there "to offer assistance * * * always working in the background, his contribution has been indispensable."

Whatever the precise nature of Levisons contribution which caused the Justice Department to send an official to meet with King to entreat him to have no further contact with Levison—which King would not do—the public record of Communist and pro-Communist affiliations and activities of other close associates of Martin Luther King, Jr., are not being brought to the attention of the American people by the mass media.

The activities of these people are quite a different matter than the shadowy activities of Stanley Levison; and in the December 3, 1975, issue of Review of the News, Robert H. Reeder has done a public service by compiling the public records of a number of top King aides and associates. The article reads:

THE KING FILE

(By Robert H. Reeder)

Senator Frank Church (D-Idaho) has turned the Senate Intelligence Committee into a vehicle for smearing the late F.B.I. Director J. Edgar Hoover. Hoover's private files show that he had become convinced that Martin Luther King was a person of low moral character who had fallen under the control of the Communists. Church claims to find this absurd. Attorney General Robert Kennedy, however, did not find it absurd in the least and authorized F.B.I. surveillance of King—including wiretaps, which were maintained between 1963 and 1966.

Those wiretaps and other evidence proved that Martin Luther King was indeed a person of low moral character who had fallen under the control of the Communists. But Senator Church has, like Richard Nixon, ducked the issue by refusing to release the damning tapes. And the "Liberal" press has cooperated by laboring to create the myth that Martin Luther King was an innocent victim of Director Hoover's bad temper.

The F.B.I. has been accused of playing "dirty tricks" on Martin Luther King. It has been accused of threatening to release information in its files that would have been damaging to King's respectability. And almost nothing has been said about Martin Luther King's notorious immorality and Communist associates. The New York Times, on November 19, 1975, commented: "The committee staff members said they could find no justification for the bureau's attack on Dr. King." The Senate Intelligence Committee would like us to believe

that Martin Luther King was under surveillance because he criticized the F.B.I.

We do not know what information is in the substantial F.B.I. file on Dr. King but we do know that even the most cursory look at Martin Luther King's public record should convince the merest tyro that there was very good reason for Director Hoover to consider King "dangerous."

Martin Luther King was quoted in the New York World Telegram of July 23, 1964, as declaring: "[I am] sick and tired of people saying this movement has been infiltrated by Communists and Communist sympathizers. There are as many Communists in this freedom movement as there are Eskimos in Florida." One hardly has to look at the entire "freedom movement" to find evidence of Communist infiltration—though the level of infiltration was overwhelming when the whole movement is considered. Rather, to be scrupulously fair, let us look directly under Dr. King's nose—at those persons closest to him—and see what we find.

Hunter Pitts O'Dell came to work for the Southern Christian Leadership Conference (S.C.L.C.) late in 1960 as Dr. King's staff consultant. In the fall of 1962 he was promoted to acting staff director in charge of voter registration and integration workshops. During this period, O'Dell was a member of the National Committee of the Communist Party. The "Liberal" press ignored it. Finally, on October 26, 1961, the St. Louis Globe-Democrat revealed that in 1956 and 1958 Hunter Pitts O'Dell had been identified under oath as a Communist organizer.

What did Martin Luther King do? He announced that he had discharged Comrade O'Dell.

A few months later it was discovered that O'Dell had not been fired but promoted, and was now running King's large New York office! When the story hit, Dr. King claimed to have discharged O'Dell a second time. A subsequent check by U.P.I. determined that Hunter Pitts O'Dell of the National Committee of the Communist Party was still employed by Dr. Martin Luther King.

Bayard Rustin is the notorious homosexual King called "a brilliant, efficient and dedicated organizer and one of the best and most persuasive interpreters of nonviolence." He was secretary and advisor to King from 1956 to 1960, and went with him to Oslo to receive the Nobel Prize in 1964.

Rustin was an organizer, recruiter, and fund-raiser for the Young Communist League, served 28 months in prison during World War II for refusing to do work required of those who were conscientious objectors, was given 60 days in jail in California for lewd vagrancy in 1953, and while working for King was one of only five "impartial observers" at the Communist Party's closed-door 16th national convention in 1957. That is only part of the record.

Fred Shuttlesworth, longtime field secretary of King's S.C.L.C., was president of the Southern Conference Educational Fund (S.C.E.F.). This group was thoroughly investigated by Committees of both the House and Senate and repeatedly found to have been a major Communist operation. On November 26, 1963, Shuttlesworth was one of two honored guests at the 15th anniversary dinner of the National Guardian, described by a Congressional Committee as "a virtual official propaganda arm of Soviet Russia." A former bootlegger, Fred Shuttlesworth's Communist, Communist Front, and radical activities fill three typewritten pages. King said of Shuttlesworth: "Reverend Shuttlesworth is my principal aide. Why, he gave me my start and he advised me from the very first. I depend on him."

James Bevel was Martin Luther King's chief aide in Chicago. He has declared: "We must move to destroy Western Capitalism." At a Black Power rally at Berkeley, California, in 1966 Bevel announced: "One of the problems of not being able to burn down the slums of Chicago is at this point not having the proper discipline required for the problems of carrying out that kind of a mission. That is why we haven't burned it down. . . . We are going to be part of an international revolution to end slavery. . . . I guess I hate Western Civilization more than most people. . . ."

The "Reverend" Bevel continued to emphasize the destruction of capitalism, and then he told the crowd that, when John Kennedy was President, Bevel had told people: "If the Vietcong jumped Jackie in my back yard, I wouldn't pull them off her."

Wyatt T. Walker, staff aide to Martin Luther King, was editorial adviser to the Marxist-Leninist Progressive Labor Movement. He was a familiar supporter of Communist Fronts.

Myles Horton was director of the Highlander Center, an outgrowth of the Highlander Folk School, in Tennessee, where King was trained. Martin Luther King was in fact listed as a sponsor of the Highlander Center on its stationery. Horton conceived the Highlander Folk School, described by a Joint Committee of the Tennessee Legislature as "a meeting place for known Communists and fellow travelers." The Georgia Commission on Education termed it a "Communist Training School."

James Dombrowski was another member of the Communist Party who was a close friend and advisor to Martin Luther King. Law enforcement authorities obtained a cancelled check made out to King from the Communist Front S.C.E.F. which was signed by Dombrowski and Benjamin Smith. Smith, according to Senator James O. Eastland (D.-Mississippi), ". . . . is registered under the Foreign Agents Registration Act as an agent of Fidel Castro."

In a letter discovered by government investigators, King wrote to Comrade Dombrowski: "Dear Jim: This is just a note to acknowledge receipt of your letters of recent date. We, too, were more than happy to have you in our home, the fellowship was very very rewarding . . . . Very sincerely yours, Martin."

Carl and Anne Braden have both been longtime, notorious members of the Communist Party working in the Louisville area. The Bradens, officers of the S.C.E.F., were part of the "Louisville Seven"—a group responsible for purchasing a house in an all-white area of Louisville, selling it to a Negro family, *and then dynamiting it to stir up racial trouble.*

King wrote a letter to the Bradens in 1959 urging them to become permanently associated with his Southern Christian Leadership Conference.

A photograph taken at the 6th annual conference of the S.C.L.C. in 1962, and found in the files of James Dombrowski, shows Martin Luther King, Carl and Anne Braden, and James Dombrowski, and describes King on the back as "responding to Anne Braden's speech."

Aubrey Williams was president of S.C.E.F. until 1963. In 1945 the U.S. Senate rejected his appointment to a government post because of his affiliations with the Communist apparatus. In 1954, Williams was identified under oath as a member of the Communist Party by two witnesses.

Two years later, in 1957, King was photographed with Williams, Myles Horton, Abner Berry (a member of the Central Committee of the Communist Party), and other Comrades at a Communist training school in Tennessee. King referred to Williams as "one of the noble personalities of our times."

Ralph David Abernathy was Martin Luther King's top aide from the time of the Montgomery Bus Boycott. He succeeded King as head of the S.C.L.C. Abernathy accompanied Dr. King to that Communist training school in Tennessee in 1957. And they had more than their radical commitment in common. In the 1958 case of *Alabama v. Davis,* sworn testimony was introduced regarding sexual aberrations committed by Abernathy on a 15-year-old girl who sang in the choir of his church.

Not only is Abernathy an active supporter of such Communist causes as the effort to free Communist Angela Davis, but in 1972 he was an honored guest of the Soviet Union and of Communist East Germany (G.D.R.), where he declared: "As pastor and theologian, I am of the opinion that the G.D.R. embodies what we aspire to in the world." Two hours before his departure he told a Communist Party press conference: "What we are still fighting for in the U.S.A. is what has already been achieved in the G.D.R."

The East German Communists gave Abernathy a medal, and reported that agents of their leading religious Front had "for many years" been in correspondence with Martin Luther King. They presented the "Reverend" Abernathy with a German edition of Coretta King's My Life with Martin Luther King, and he declared: "President Kennedy once said in West Berlin that he was a Berliner. I want to change that and say: 'I am a Citizen of the [Communist] German Democratic Republic.'"

Little wonder that after lengthy investigation the Joint Legislative Committee on Un-American Activities for the State of Louisiana concluded in its three-part Report on the activities of S.C.E.F. that the Southern Christian Leadership Conference, headed by Martin Luther King, was "substantially under the control of the Communist Party through the influence of the Southern Conference Educational Fund [S.C.E.F.] and the Communists who manage it."

If Martin Luther King was "sick and tired of people saying this movement has been infiltrated by Communists and Communist sympathizers," it was because he knew it was true.

And so did J. Edgar Hoover and the F.B.I. Director Hoover spoke out many times to warn of Communist involvement in the "civil rights" movement. On one occasion, he said: "We do know that Communist influence does exist in the Negro movement and it is this influence which is vitally important." Hoover declared that the Communist Party "strives only to exploit what are often legitimate Negro complaints and grievances for the advancement of Communist objectives. . . . Racial incidents are magnified and dramatized by Communists in an effort to generate racial tensions."

Mrs. Julia Brown is a brave and gracious Negro lady who spent more than nine years as a member of the Communist Party in Cleveland, serving as an undercover operative for the Federal Bureau of Investigation. According to Mrs. Brown:

". . . Mr. King was one of the worst enemies my people every had.

"I know that it is considered poor taste to speak ill of the dead. But when someone served the enemies of our country while alive, and his name is still used by his comrades to promote anti-American activities, shouldn't people who know the truth speak out?

"I learned many surprising things while I served in the Communist Party for the FBI. Communist leaders told us about the demonstrations that would be started, the protest marches, the demands that would be made for massive federal intervention. Every Communist was ordered to help convince American Negroes that we are no better off than slaves. Wherever we went and whatever we did, we were to promote race consciousness and resentment, because the Communists know that the technique of divide and conquer really works.

"We were also told to promote Martin Luther King, to unite Negroes and whites behind him, and to turn him into some sort of national hero. We were to look to King as the leader in this struggle, the Communists said, because he was on our side!

"I know they were right, because while I was in the Communist Party I learned that Martin Luther King attended a Communist training school. I learned that several of his aides and assistants were Communists, that he received funds from Communists, and that he was taking directions from Communists.

"Most Americans never look at the Communist press in this country. If they did, they would learn that the Communists loved Martin Luther King. He was one of their biggest heroes. And I know for a fact the Communists would never have promoted him, financed him, and supported him if they couldn't trust him. He carried out their orders just as slavishly as Party members in Cleveland, Ohio."

Little wonder that F.B.I. Director J. Edgar Hoover called Martin Luther King "the most notorious liar in the country."

We do not know what additional information Mr. Hoover had on King, but after years of electronic surveillance he certainly knew much more than we have been able to present in this brief survey from the public record. Yet the Senate Intelligence Committee has refused to release the F.B.I. file on King. They chose instead to attack the F.B.I. for using "dirty tricks," and members of the Committee staff said "they could find no justification for the bureau's attack on Dr. King." Incredibly, a U.P.I. release on November 19, 1975, declared: "A top FBI official said Wednesday that the Bureau had no legal justification for its smear campaign against Dr. Martin Luther King, Jr. but suspected, without evidence, he might be under 'Communist influence.' "

"Suspected, without evidence. . . ." That is, as we have seen simply not true. And the distortion is intended to damage the reputation of both the F.B.I. and the late Director J. Edgar Hoover.

John J. McDermott, Assistant Director of the F.B.I., spoke on November 21, 1975, before a Connecticut group which aids families of policemen, firemen, and corrections officers killed in the line of duty. He said the F.B.I.'s six-year surveillance of Martin Luther King was justified because of concern that King was influenced by subversives. He put it this way: "We did what we felt we had to do for the welfare of the nation at the time. Don't forget they [radicals and Communists] were bombing the Pentagon. They said they were going to shut down the government." Another F.B.I. official reminded us that the King projects "were started at a time when cities were being burned. . . ."

We believe most Americans would agree that our law enforcement authorities should keep under surveillance any person or group about which there is substantial evidence of involvement in such crimes as revolutionary violence, Communist subversion, and conspiracy with agents of a foreign power to overthrow the U.S. Government by force and violence. To the extent the F.B.I. maintained such surveillance under J. Edgar Hoover, we heartily applaud its efforts.

[From the CONGRESSIONAL RECORD, Oct. 31, 1979]

LEST WE FORGET

Mr. McDONALD. Mr. Speaker, today we were supposed to consider H.R. 5461—a bill to make Martin Luther King's birthday a paid Federal holiday. There are many reasons to be opposed to another Federal holiday, but lest we forget some of King's prior associations and activities, I would like to place in the RECORD at this point an article from the Review of the News for April 24, 1968. I commend it to the attention of my colleagues:

LEST WE FORGET

Who killed Martin Luther King? And why?

Well, who stood to profit?

You will recall that King first came to notice in 1955, as head of the Montgomery Bus Boycott launched by Mrs. Rosa Parks. Mrs. Parks was a student at the Highlander Folk School, which was organized with the help of Don West, then district director of the Communist Party of North Carolina, and which was of course a Communist training school—cited as such by several government agencies. And King ran the boycott of the Montgomery Improvement Association, which had been formed by the Rev. Fred Shuttlesworth, who is a former convict, says the Joint Legislative Committee on Un-American Activities of the State of Louisiana, and "has been affiliated with several communist-front organizations."

Another former convict is Bayard Rustin, who in 1953 was arrested by the Pasadena Police Department for homosexual activities. The Allen-Scott Report for August 16, 1963, reports that in 1936, as a college student, Rustin joined the Youth Communist League, "and was active in its operation on the campus and elsewhere"; and that in World War II, he was arrested for making speeches opposing our war against Hitler, and served twenty-six months in federal prison.

And in 1955 he became Dr. King's "secretary."

In March, 1957, at a meeting in Atlanta, they formed the Southern Christian Leadership Conference. The meeting probably couldn't have been called in February, because Mr. Rustin, Dr. King's secretary, was then attending the sixteenth national convention of the Communist Party.

The president of SCLC was of course the Rev. Dr. King. The vice-president of SCLC was the Rev. Fred Shuttlesworth. And Shuttlesworth later became the new president of the Southern Conference Educational Fund—which has been described by three government agencies as a department of the Marxist Conspiracy. It was organized by Communists, is run by Communists and is the most important Communist organization in the South.

Mr. Carl Braden has served as field director and has been named under oath as a Communist Party member. His wife Anne, an SCEF official, has also been named under oath as a Communist.

Mr. Braden is a former convict, of course. You have to be to get anywhere in the Movement. While in Louisville, he was convicted of a felony—a little matter involving some dynamite.

Mr. Aubrey Williams was SCEF president until 1963. In April, 1954, he was named under oath as a Communist. It was Williams, a Communist, whom Shuttlesworth—King's vice president—replaced as president of SCEF, a Communist organization.

And there was James A. Dombrowski, executive director of SCEF, who has also been named under oath as a Communist Party member.

On October 7, 1958, Dr. King wrote a letter to Anne Braden, in which he urged her and her husband Carl—both already well known as Communists—to become permanently associated with his SCLC.

And on August 16, 1960, King wrote the following letter to Communist Dombrowski: "Dear Jim. This is just a note to acknowledge receipt of your letters of recent date. We, too, were more than happy to have you in our home, the fellowship was very rewarding. I will expect to hear from you when Bishop Love returns to the country. At that time we can set the date for an Atlanta meeting. Very sincerely yours, Martin."

In fact, King actually filed an affidavit in federal court in New Orleans, strongly supporting Dombrowski and SCEF—and refused to repudiate the affidavit even after being shown proof that he was actually a Communist.

Indeed, a photograph exists which shows Martin Luther King along with Anne Braden, Carl Braden and James Dombrowski (the last three all identified Reds), the back of which reads as follows in Dombrowski's handwriting: "The 6th Annual Conference of the Southern Christian Leadership Conference, Birmingham, Alabama, September 25 to 28, 1962."

And there is a check, issued by the Southern Conference Educational Fund, signed by James A. Dombrowski, and dated March 7, 1963, to the order of Martin Luther King, in the amount of $167.74, with a notation on it: "New York expenses"—and Dr. King's endorsement on the back.

The Louisiana Committee on Un-American Activities concludes that the Southern Christian Leadership Conference—founded by Dr. King—is "sustantially under the control of the Communist Party through the influence of the Southern Conference Educational Fund and the Communists who manage it."

There is also the fact that on the Labor Day weekend of the year 1957, in a speech at the Communist Highlander Folk School, King called Communist Aubrey Williams "one of the noble personalities of our times," and had his picture taken with Abner W. Berry, of the Central Committee of the Communist Party.

And there is Hunter Pitts O'Dell, who was exposed in 1956 as a southern district organizer for the Communist Party, in 1962 as a member of the National Committee of the Communist Party—and as late as the summer of 1963, was still employed by Dr. King to help run the SCLC.

In fact, we read in the *Boston Globe* of April 15, 1964: "Official warnings have again been given to King about another, even

more important associate who is known to be a key figure in the covert apparatus of the Communist Party. After the warnings, King broke off his open connection with this man, but a second-hand connection none the less continues. . ."

And last September, the nationally syndicated *Allen-Scott Report* revealed that "the FBI has unimpeachable evidence, including photographs, showing that King is now listening to a man who . . . has been one of the Communist party's biggest money raisers in this country." He it was apparently who wrote King's statement in April, 1967, at the UN, that Congress is "wild with racism"; and his statement later in the year, at his SCLC convention, that the U.S. is the "greatest purveyor of violence in the world today."

Dr. King of course was the inventor of "nonviolence." What actually was "nonviolence?" How did it work? Well, in *Saturday Review* for April 3, 1965, he tells us:

"1. Nonviolent demonstrators go into the streets to exercise their constitutional rights.

"2. Racists resist by unleashing violence against them.

"3. Americans of conscience in the name of decency demand federal intervention and legislation.

"4. The Administration, under mass pressure, initiates measures of immediate intervention and remedial legislation."

Now, remember, this isn't my idea. This is straight from King himself. And observe that according to Dr. King himself, the violence that usually occurred in one of his demonstrations wasn't unexpected, wasn't to be avoided, wasn't something to be sorry about. It was exactly what he wanted. It was the point to the whole Production.

It was in fact, said Dr. King, the *only reason* for a "non-violent" demonstration: to generate more pressure on the Congress to install more collectivism.

"For weeks," explains Newsweek of March 22, 1965, "Martin Luther King had been escalating his Selma voter-registration campaign toward the state he calls 'creative tension'—the setting for a paroxysm of segregationist violence that can shock the nation to action. . . ."

"The Negroes' rationale in holding night marches," explains the New York Times of February 24, 1964, "is to provoke the racist element in white communities to show its worst."

So King's "nonviolence," to repeat, not only wasn't in any way an attempt to avoid violence—according to King himself, violence was an inescapable, essential, desirable part of it. "Nonviolence" meant only that King himself did not use the violence—he caused it. He provoked it, finally forcing "racists"—everyone who doesn't own a pair of sandals and doesn't need a bath—either to lie down and die or to retaliate, so that King could play the innocent victim. "Nonviolence" in short was nothing else but a demonstration of dialectical materialism, the pseudoscience invented by Marx, according to which Marxists advance by controlling both sides of the conflict; by advancing a thesis, which provokes an antithesis—a reaction by reactionaries—a struggle which produces a synthesis, which becomes a new thesis, and continues until the complete victory of Socialism.

"In short," said King in Stride Toward Freedom (New York, Harper & Row, 1958, pp. 94-95), "I read Marx as I read all of the influential historical thinkers—from a dialectical point of view, combining a partial yea and a partial no. . . . The Kingdom of God is neither the thesis of individual enterprise nor the antithesis of collective enterprise, but a synthesis which reconciles the truths of both."

So the ironic truth is that King contributed to his own murder. For in Memphis he was once again applying his philosophy of "nonviolence," was he not? Once again, he was trying to provoke violence according to stage 2 of his tactics.

And he succeeded.

And what were the "immediate intervention and remedial legislation" King was after according to stage 4?

In the Selma March, for instance, in 1965, the violence he provoked according to stage 2, followed on schedule by the sympathy of stage 3, caused the lightning passage of the "voting rights" bill, under which the federal government grabbed from the state power to register voters—the point being, of course, that in any dictatorship, whether Communist or Nazi, all the power must be centralized.

And soon King's organization will launch his "Poor People's March" on Washington. The plan as you know envisions the actual interruption of Congress unless "poor people" are handed about $100 billion—which would be used as usual to recruit, train, finance and defend the Communist gangs which are destroying our country, through the "war on poverty." For such an amount of course you have to put on a good show. You need some really bloody "nonviolence."

And where is it all heading? What is the goal? Suppose the "Poor People's March" does manage to interrupt Congress. Suppose in fact that so many "poor people" physically occupy the government, that the government is paralyzed and cannot function. What would we have?

What we would have of course is the Russian Revolution. We would have a coup—the seizure of our government by "nonviolence": by force.

Now imagine once again that you are one of the small band of rich, educated and not at all oppressed conspirators secretly running the communization of America. And once again you are looking down from your skyscraper in New York. Your scheme to create a race war is going very well. You are sorry you had to wait so long, of course—you remember wishing years ago that you could immediately indulge your great love of killing—but you knew that Americans of both colors had to be properly prepared. So you began with something Americans could be sold: "nonviolent integration," and you used a clergyman named King to sell it—to capitalize on the fact that black Americans have sometimes been the victims of injustice—and to sell it so as deliberately to create the bitterness you need.

But now it's 1968, and your scheme is going very well. There's lots of beautiful killing and blood. "Watts was glorious," you said, if you happen to be Herbert Aptheker. Now you no longer need to bother with such nonsense as "integration." Yet at the same time, you have serious problems. Your use of King is being more and more exposed. His use of violence is becoming understood. Everybody says he is becoming unpopular. In fact, he is turning from an asset into a liability. "Reactionaries" are preventing the passage of important Communist legislation. King is doing his best, but you are having difficulty, for instance, getting that $100 billion.

Suppose King were violently removed? you ask yourself. You no longer need him—so suppose he were brutally murdered as part of his next demonstration of dialectical materialism. That would be the ultimate in "nonviolence." With one 30.06 bullet you could blame "white racism," as usual, restore King's reputation, further accustom Americans to martial law, pass your Communist legislation—and at the same time notify your troops around the country that "nonviolence" is dead, too, and should be replaced by guerrilla warfare.

So you call in your shooters and you order the hit.

Observe the first results of the murder. Riots and looting raged for a week making Americans of both races furious. Many feel great sympathy for the victim. And in New York, Nelson Rockefeller was able to ram through a $6 billion "urban renewal" program which lets the state intervene over the heads of the mayors.

Rockefeller participated by the way in a memorial march for King, arm linked with Charles Kenyatta, head of Harlem's Mau Mau Society—named for the Communist terrorists of Kenya. Whether or not Kenyatta is just another psycho, I don't know, but he specializes in appearing in public with a machete on which a Bible has been impaled.

In fact that's what he was carrying when Rockefeller took his arm.

And in Washington, Johnson's Communist housing bill was passed. When the Communists grabbed Russia, they naturally also grabbed housing, using the welfare of workers as the excuse. They didn't say they were doing it for black people, because no black people are there. They said that everyone had the "right" to a certain living space, and moved those who had less in with those who had more. Remember that no black people were involved—everybody who was, was as white as the Governor of Mississippi—so those who resisted weren't racists, were they? They resisted because the point as always was not to establish "racial justice," but to control the population. And Party members and sympathizers naturally got the best.

The same thing will now begin to happen here.

This is why we must continue telling the truth about Martin Luther King; not for revenge, or just to destroy a phony reputation, but because of the use to which his murder—like that of John F. Kennedy—is being put.

So who killed King?

The fact that Ramsey Clark heads the investigation is suspicious enough. Anybody who believes Clark has any interest in truth should be sent immediately to me. I'm trying to sell the Brooklyn Bridge. And observe that his investigation already smells like last week's mackerel.

If and when Clark ever presents a suspect, you can bet we will be told he is a "right-wing extremist."

So what should Americans do now?

1) Demand that we be told all the facts and that the investigation continue until King's killers are found. Then we might as well also find out who killed Medger Evers, blew up the four little black girls in that church in Birmingham in 1963, and helped Communist Oswald kill Kennedy.

2) Refuse to be intimidated. King was almost entirely a creation of public relations—of a bunch of crooked reporters, most of them white. Like the barrage of publicity after the Kennedy assassination, The current propaganda is designed not only to advance Communism but to demoralize the

opposition—to make Americans uncertain and guilty. In fact, on Long Island, for instance, hoodlums stoned automobiles whose drivers refused to turn on their headlights "for the King." Needless to say, the growing number of Americans of both colors aware of what King really was, and really was doing, will not be given coverage on CBS. You are not as alone as that lie net would have you think.

3) Continue exactly as we have been—telling the truth—explaining that "free handouts" are nothing but the bait of dictators: that the trouble in this country isn't caused by black people, but by the small band of criminals—most of them white—who have been framing them; and that the "civil rights movement," which now has taken the life of Martin Luther King, was designed from the beginning to enslave us all.

[From the Congressional Record, Nov. 9, 1979]

VIRGINIA TAXPAYERS ASSOCIATION OPPOSES MARTIN LUTHER KING HOLIDAY

Mr. MCDONALD. Mr. Speaker, in view of the fact that I am told we will again be considering next week, legislation to make Martin Luther King's birthday a paid Federal holiday, I believe it to be appropriate to include in the CONGRESSIONAL RECORD the testimony by the Virginia Taxpayers Association before the Senate Judiciary Committee in opposition to that measure on June 21, 1979. This is especially true, since, to the best of my knowledge, the Senate Judiciary Committee has never published their hearings. Therefore, I commend this statement to the attention of my colleagues:

TESTIMONY OF KENNETH WHITE, PRESIDENT, VIRGINIA TAXPAYERS ASSOCIATION

Mr. Chairman, my name is Kenneth White and I am President of the Virginia Taxpayers Association, a federation of local taxpayer organizations and individuals from all 10 congressional districts in Virginia. The Virginia Taxpayers Association was organized six years ago as a broad-based taxpayer organization working to reduce government taxes and spending at all levels of government—local, state and federal—and to preserve the freedom of the individual American citizen. The VTA has become widely known not only across Virginia but among followers of the taxpayer movement all over the United States, and reports of our activities have been carried in publications printed in many other states.

Immediately following the success of Proposition 13 in California a year ago, we called a state capitol press conference attended by the principal Virginia media in Richmond where we announced plans to obtain property tax reductions similar to those in California and where we made the statement: "Taxpayers are the boss", a slogan that was immediately carried as the lead item in a national Associated Press news story and was featured on network television. A Lynchburg, Va. News lead editorial specifically favoring our VTA position on the Panama Canal treaty was carried in the Congressional Record July 18, 1978. For the last six years we have represented taxpayers of our state at the annual legislative sessions of the Virginia General Assembly in Richmond on a wide variety of taxpayer matters, we have twice appeared in televised debates with the Virginia attorney general on the subject of state general obligation bonds, we have assisted in the continuing defeat of the so called Equal Rights Amendment in the Virginia legislature, and we are currently promoting vigorously a constitutional amendment that would give Virginia taxpayers the right of initiative and referendum as now enjoyed in some 22 other states and the District of Columbia.

Regarding the proposal now before the Senate Judiciary Committee to establish a federal holiday on January 15, Martin Luther King's birthday, we do not believe the present economic situation will permit the United States to afford any more federal holidays for any reason whatsoever. As a result of destructive policies tolerated and deliberately encouraged by Congress over many years, capital has been exported from the United States to foreign countries to a point where today many industries are more efficient and productive in advanced nations overseas than here at home, and the United States is no longer competitive in producing many kinds of goods. Intolerable ever-increasing minimum wage laws passed by Congress are only one of the reasons for this. Also Congress has by its beneficence with taxpayers' resources made federal employees a specially privileged class—as well as increasing beyond reason the number of such employees—and U.S. News & World Report revealed in its June 18, 1979 issue that each workday federal offices are closed costs taxpayers $194.5 million. (Of course this figure is in Federal Reserve Notes, or what the January, 1979 Reader's Digest admits is "phony money", but this really counterfeit currency, for which we have Congress to thank also, is the only thing made available for use in most statistics today.) So what is really the proposal now before this committee is the insane idea of declaring another federal paid holiday in a less and less productive nations which is already bankrupt, and where the country's national debt can never possibly be paid by the taxpayers. Frankly, for any congressional committee to seriously consider such a proposal is a farther reason why members of Congress as a class today rate so low in all the public opinion. polls. Do members of this committee really wonder why there is a national tax revolt today?

Of course, the cost of the holiday cannot be limited to federal pay alone, since state and local government employees also would be affected and a great many private employers would feel compelled to pay their employees for not working also. So the total economic consequences would be disastrous. Moreover, coming at a time so soon after Christmas and New Year's Day the January 15 date would be particularly unnecessary for an additional holiday.

There is now no federal legal holiday honoring any American except our first and greatest President, George Washington. In the light of all the other great American patriots who are not so honored, including Thomas Jefferson and Patrick Henry, it would be singularly inappropriate to devote a holiday to one who did as much to increase federal bureaucracy, federal regulation and federal encroachment on American life as Martin Luther King. Representative John Ashbrook of Ohio has placed massive documentation in the Congressional Record of King's unwavering service to Communist causes, and it would be impossible in this brief time to restate all of Ashbrook's unchallengable facts, but we would like to incorporate herewith by reference Congressman Ashbrook's lengthy and authoritative material. We should keep in mind that it was a very liberal Democrat attorney general, Robert Kennedy, who ordered government personnel to investigate thoroughly King's subversive connections and activities. All of this might perhaps be considered by some King adulators to be merely academic history of no account in today's world, except for its extreme importance in the area of ideals and symbolism. The honorable ranking minority member of this Judiciary Committee, Senator Thurmond, is certainly as well informed as any member of Congress on the overwhelming importance given by Communist forces to symbolism, for it was the honorable Senator from South Carolina who single-handedly gave to the American public some years ago his historic report in Muzzling American Military Forces in which many significant but sometimes hidden Communist devices and influential symbols were revealed. It was just a few days ago from this hearing date, June 11, 1979, that Communist interest in Martin Luther King was confirmed by a most unimpeachable source, Tass, the Soviet news agency. It was on that date that the Soviet propaganda machine declared, according to an Associated Press dispatch from Moscow that President Carter's decision to submit a bill to Congress making Martin Luther King's birthday a national holiday was "a serious success for the progressive forces in the U.S.A." (the Tass agency).

It needs to be asked publicly, and also answered publicly, why are the ruthless Communist butchers so interested in making Martin Luther King's birthday a holiday in a foreign country (that is, foreign to the Soviet Union), and why should the United States do anything of this kind and of such symbolic importance to bring special pleasure to such enemies of mankind?

We can only conclude by warning this committee that if the committee wishes by its actions to add further fuel to the fast-growing national tax revolt, an affirmative vote on the question now before us will certainly do it.

Thank you very much.

[From the Congressional Record, Nov. 13, 1979]

Mr. MCDONALD. Mr. Speaker, it has been suggested that the birthday of Martin Luther King, Jr., be declared a national holiday. I strongly oppose this plan. King practiced and preached confrontation politics. Nonviolence was the facade behind which hatred and violence were nurtured. The American Nazi Party in its obscene plan to march in the predominately Jewish town of Skokie, Ill., was merely emulating King's provocative confrontation tactics in white communities in the past.

Recently, the Washington Post contained a column by William Raspberry, a strong supporter of King, protesting the action of Hosea Williams, head of the Atlanta chapter of the Southern Christian Leadership Conference, in presenting the "Martin Luther King, Jr., Peace Medal" to the Libyan dictator, Qaddafi. According to Raspberry, while Williams heads a dissident faction in SCLC, other black leaders refuse to condemn his presentation of the medal. Corretta Scott King, widow of Martin Luther King, Jr., would only say that the medal was not an official medal of the SCLC.

In many ways, Qaddafi is an appropriate recipient. He, like King, collaborates with the Communists. You will remember that Attorney General Robert Kennedy authorized wiretaps of King's home and office to obtain evidence of his relationship with Communists. Qaddafi, also, mouths phrases

about peace while providing training to terrorists and support for other dictators such as Idi Amin in Uganda.

As I have pointed out in the past, terrorism is a violent attack on noncombatants for the purpose of intimidation to gain a military or political objective. Terrorists are not freedom fighters—neither were the young hoodlums set loose in our streets by the inflammatory rhetoric of Martin Luther King, Jr.

The recent embrace of Yasser Arafat by those who interited MLK's mantle makes it clear who will benefit from the suggested national holiday. Arafat, the Soviet cutting edge in the Middle East, heads the most vicious international terrorist organization currently functioning. A national holiday on MLK's birthday will bring aid and comfort to those who want Arafat to "overcome."

[From the Congressional Record, June 18, 1980]

AMERICANS, STOP THINKING LIKE COMMUNISTS

Mr. MCDONALD. Mr. Speaker, Julia Brown, who was for many years an undercover member of the Communist Party of the United States for the FBI addressed the council of the John Birch Society here in Washington on June 9, 1980. She felt it appropriate at that time to restate her testimony before the Senate Judiciary Committee of 1 year ago pertaining to the possible enactment of a Federal paid holiday in honor of the late Martin Luther King. Her testimony, then, as now, is deserving of wider attention. This lady has given a lot to her country and her views are not popular in some circles but they are valid in my view. I commend it to the attention fo my colleagues.

Her testimony follows:

MRS. JULIA BROWN—JUNE 9, 1980

Thank you, Mr. Welch.

Members of the council, ladies and gentlemen, it is an honor to attend a gathering such as this—even more of an honor to be asked to speak.

I have done a great deal of speaking throughout the United States, and I have come to Washington on many occasions to testify before various government agencies. I believe this is the first time that I have ever appeared before an audience in this city to deliver a speech, instead of to provide testimony.

My most recent visit to Washington occurred just about one year ago when I addressed the Senate Judiciary Committee. The matter under consideration was a bill to declare a national holiday in honor of Martin Luther King. As you know, the measure did not pass last year. Unfortunately, however, it is still being promoted by a large number of Senators and Congressmen. I am strongly opposed to such a proposal. If I may, I would like to repeat the short testimony I gave to the Senate Judiciary Committee last June.

Mr. Chairman, I, Julia Brown, joined the Communist Party in December, 1947, thinking I was joining a legitimate civil rights movement. Finding out that I was a true member of the Communist Party which advocated the overthrow of the U.S. Government, I decided to leave the organization, but I had to bide my time to avoid suspicion. Subsequently I went to the FBI to report what I had heard and seen. In 1951, I was asked by the FBI to go back into the Communist Party as an undercover agent to report on their subversive activities.

While at the Communist Party meetings, which only Party members attended, I frequently heard Martin Luther King discussed, and was told by Frieda Catz that he was in training for a civil rights movement. Frieda Catz was a Party member from Cleveland, Ohio, who had been assigned to my training and education within the Communist Party. On learning this, I reported it to my contact in the FBI. He told me that the Bureau knew that Martin Luther King had high level connections with the Communist Party, and I should report anything else that I heard about his activities. I continued to report until 1960, over ten long years.

In Martin Luther King's early years of agitation, he was the hero of America's communists. The cells that I was associated with in Cleveland were continually being asked to raise money for Martin Luther King's activities and to support his civil rights movement by writing letters to the press and influencing local clergymen, and especially black clergymen, that Martin Luther King was a good person, unselfishly working for the American Negro, and in no way connected with the Communist Party.

There are many great American Negroes such as George Washington Carver and Booker T. Washington who provide the youth of America with an example they can follow. Martin Luther King provides an example of agitation and manipulation for goals dictated by hatred and envy. The memory of Carver and Washington would be dishonored if your committee acts favorably in this matter.

Mr. Chairman, while I was in the Communist Party, as a loyal American Negro. I knew Martin Luther King to be closely connected with the Communist Party. If this measure is passed honoring Martin Luther King, we may as well take down the stars and stripes that fly over this building and replace it with a red flag.

And that was my message to the Senate Judiciary Committee on June 2, 1979.

I would like to believe that what I said would have been enough to stop the glorification of Martin Luther King. But we all know that, even if they never name a holiday after him, there are still too many Americans who hold that man to be like a god. What has happened, of course, is that there are too many of our fellow citizens who actually have been conditioned to think exactly the way Communists want them to think.

And not just about Martin Luther King! Right now, in America, huge numbers of our people have been convinced that they should rely on government to provide all the necessities of life, and even to provide the distinction between right and wrong. Government has become the source of everything for many Americans. Such attitudes never built this great country and made it such a wonderful land of plenty.

On the contrary, the attitude that holds that government is the provider is the one that dominates countries like Soviet Russia, China and Cuba. But Americans who think like the Communist do not appreciate the difference between a free country such as ours, and a slave country such as exists in Red Russia.

When I was working for the FBI as a member of the Communist Party, it became evident to me that the Party's open and announced intention regarding our country was quite different from its quiet and more important intention. The announced intention was to overthrow the United States government by force and violence.

But, while all Communists were told to build for the day when that overthrow could be accomplished, a great deal more of the Party's efforts were directed towards making the United States government larger and more of a dominant influence over the lives of the American people. Actually, Communists were seeking to strengthen the federal government all the time—through socialistic legislation and through increasing government control over the free enterprise system. Communists were seeking to destroy the U.S. government and to build it into an all-powerful force at the same time.

Except for the area of military defense, no American should want a powerful central government. This is what Communists want, yet, today, millions of Americans not only want a big, federal bureaucracy—they also want to cut back on needed military and defense programs. They have been led to think exactly like the Communists want them to think.

A good example of what is happening to America came to mind with the establishment of the new cabinet-level Department of Education. This is something that Communists have always wanted. And just a few weeks ago, this new Department came into existence.

William Z. Foster called for this Communist goal in a very explicit way in his famous book "Toward Soviet America". In that book, Foster, who was the National Chairman of the Communist Party of the United States actually stated that one of the steps toward the creation of a Communist America was the creation of a National Department of Education. And he wrote his book in 1932! His book was so important to the Communists that it was published simultaneously by two publishing houses, only one of which was openly Communist.

Only a short time after Foster wrote his book, however, American Communists received orders to suppress it. The book turned out to be too explicit. And so, from that time on American Communists did whatever they could to hide the publication of Foster's plans by destroying Toward Soviet America. Communists were allowed to read it, but no one else was to see it. Through the efforts of some patriotic anti-Communists, however, this book was re-published in 1961. It carried a Foreword by Congressman Francis Walter, who was at that time the Chairman of the House Committee on Un-American Activities.

On page 316 of Toward Soviet America, Communist Party Chairman William Z. Foster wrote as follows: "Among the elementary measures the American Soviet government will adopt to further the cultural revolution are the following; the schools, colleges and universities will be coordinated and grouped under a National Department of Education and its state and local branches." Then he said: "The studies will be revolutionized, being cleansed of religions, patriotic and other features of the bourgeois ideology. The students will be taught internationalism and the general ethics of the new Socialist society."

So, here we have the national Chairman of the Communist Party calling for the establishment of a National Department of Education. And he wanted it to remove religion and patriotism from the schools, and at the same time promote internationalism and Socialist ethics. Socialist ethics means that whatever is good for the state is right; whatever is not good for the state is wrong. That amounts to no real ethics at all.

In 1979, Congress passed the legislation which set up this Communist-desired Education Department. Then, President Carter selected as the nation's first Secretary of Education a Los Angeles Judge named Shirley Hufstedler who is a member of the Board of Trustees of the Aspen Institute for Humanistic Studies. In other words, the lady chosen to run the Department of Education, which Communists have wanted since 1932, is a Humanist.

What do Humanists believe in? Well, the Humanist Manifesto published in 1973 says that Humanists do not believe in God; reject any standard of ethics; and oppose national sovereignty. According to the same document, Humanists are for: world government, sexual freedom, abortion, and an end to parental control over children. Does any of that differ from William Z. Foster or any other Communist's design for America? No, it does not!

Am I saying that Mrs. Hufstedler is a Communist? No, I'm saying that she is a Humanist. And although not all Humanists are Communists, my experience tells me that all Communists are Humanists.

So, not only have Congress and the President followed Communist desires in creating a federal Education Department, but an ideal Communist choice to head it has been chosen by Mr. Carter.

You are not going to read or hear about this shocking information in the public news media. It takes a group like The John Birch Society to focus attention on these matters. And, without information such as this, most of the American people will end up thinking exactly as Communists want them to think—that a federal Department of Education is a good thing, and that the lady judge will be a good administrator.

Years ago, this Society produced a film about the civil rights movement called Anarchy USA. I was pleased to appear in a portion of that film. And I was even more pleased to know that the film did a great deal of good.

Many times, in Anarchy USA, Soviet dictator Lenin was quoted as saying: "Communism must be built with non-Communist hands." That lesson was drummed into all Party members when I was in the Party. The Communist strategy aimed at deceiving people into accepting and working for Communist programs, without ever letting it be shown that Communism was the result.

This strategy is still working very well today. If you need proof that it is, I ask you: How long has it been since you took a look at the Communist Manifesto? Or, have you ever looked at it? If you have, you know how many present federal programs have been called for by Karl Marx in his famous document. And you know how many other programs dreamed up by Marx are being proposed.

The heavy progressive income tax and the Federal Reserve System are planks in the Communist Manifesto. Federal takeover of land and land-use controls can be found in it. The Manifesto calls for an end to the rights of inheritance, which has largely been accomplished. Yet, all these Communist programs were sold to Americans as something else.

The Manifesto calls for federal control of communications and transportation—and the appropriate federal agencies are already in place to accomplish those tasks. Government ownership of business is called for, and we are well along this road. Establishment of industrial armies is proposed, and we have VISTA, CETA and other such agencies. Finally, the Communist Manifesto calls for free education for all in government schools. The Communists want no diversity in education. They want a government controlled by them to be everyone's teacher.

Maybe we should extend a great big thank you to all the people who in recent years, have started private schools. They may not know that they are refusing to go along with Karl Marx's program, but they know enough to know that something is terribly wrong in the government schools. I certainly hope that the private school movement grows stronger and stronger in America.

What I am telling you, of course, is that America is being converted into a Communist country. It is not hard to see this if you know what to look for. This conversion is certainly being accomplished by Communists. But they get tremendous help from Democrats and Republicans. The problem is that the American people do not know what the Communist program is. And they also do not know what the American system is supposed to be.

One of the greatest goals of Communism has always been to get people dependent on government. The American system has always meant that government should leave us alone and merely protect our rights.

The Communist way costs tremendous amounts of money. The taxes and controls that result from government taking care of huge numbers of people actually lead to a destruction of jobs and businesses. In turn, this leads to more people becoming dependent on government.

We all read recently about the horrible riot in Miami. It resulted in fifteen deaths, 370 injuries and millions of dollars in property damage. The riot was a chilling reminder of what happened twelve to fifteen years ago—in Watts, Detroit, Newark and so many other places.

One aspect of the Miami riot that has received little attention was its terrible savagery. One of the victims was killed after being dragged from his car and beaten. He died when a car was driven back and forth over his body—several times. A group standing by cheered! Another victim was so badly mutilated that he could not even be identified.

We like to think that, because there have been no large riots in over a decade, there has been a big improvement in race relations. I wish I could say that such was the case.

What has happened is that Communists and those who do their will have accomplished two major goals. First, they have convinced a great many Americans that government is supposed to be the provider. And, second, they have slowed down American industry—which means that there are fewer jobs, fewer opportunities to start a small business, and fewer Americans able to be independent of government.

When America's productivity slows down, who gets hurt first? The unskilled worker who lives in the inner city gets hurt first. And, because of what he has been told, he immediately looks to government to take care of him. What he doesn't know, and what leaders like Martin Luther King never told him is that too much government took away his job in the first place.

The government programs that are supposed to help him actually turn out to make him a slave—to government! Deep down, he knows this. He ends up hating the system, and hating the people who administer it. It is then very easy to make his hatred racial in nature.

As I see reports in the newspaper about steel mills closing, and automobile plants shutting down, and America not growing the way it always has grown, I become very concerned. It has been almost twenty years since I served the FBI in the Communist Party. The Party members that I know were all trained to use this type of economic disorder to further the cause of Communism and to further the destruction of America. And, even though the Communist Party receives little attention today, its people are still active and still able to turn many things to a Communist purpose.

Even worse, self-serving politicans of all races continue to push for the same goals as the Communists. They have no regard for the people they claim to be helping. And they have no regard for the country they are supposed to be serving.

It is more than foolish to make government larger and more powerful. Doing so is the certain road to a Communist America. And I, for one, think that the Carters, the Kennedys and lots more like them don't even care about what they are doing to America—as long as their own nests are feathered.

The task that remains for real Americans is to tell the truth about where this country is headed—and who is taking all of us down the road to a Communist America. What has to be done is to get more Americans to stop thinking like the Communists want them to think.

It has been obvious to me for a long time that this organization is doing the right thing. I have travelled all over the United States to speak for the John Birch Society's speakers bureau. The Society members that I met in cities and towns everywhere were fine people who were not taken in by Communist propaganda.

They helped to slow down the rush toward Soviet-style rule here in America. But there is still plenty left to be done. Only now, there is less time to do it.

So I urge all of you who are part of this wonderful group to keep working hard. You're on the right track. And, to those of you who are not members, or who are not hard-working members, I ask you to get busy. If you don't, the Communists will win with all the help that they're getting from those Democrats and Republicans. They will win because the American people did not know the difference between Americanism and Communism.

Julia Brown does not ever want a situation to develop where she has to say: "I told you so!"

Julia Brown would much rather be able, in a few years to say: "I was part of a great team that helped to save America."

Thank you very much.

[From the Congressional Record, Sept. 14, 1981]

Mr. McDONALD. I thank the chairman for yielding me this time.

Mr. Speaker, I rise in opposition to House Concurrent Resolution 153, a resolution authorizing a statue of Martin Luther King, Jr. to be placed in the U.S. Capitol. At best, Martin Luther King's prior associations and activities are questionable. Until all information is available, passage of this measure could prove an embarrassment to this Congress and the American people.

Under court order in 1977, the FBI's surveillance records and tapes on Reverend King were sealed in the National Archives for 50 years or until the year 2027. The sup-

porters of this resolution might want to ask themselves why this action was taken? Before acting prematurely, we should either request that the records be made available or delay consideration until the information is released. At this point in time we should not authorize putting a statue of Martin Luther King, Jr., in a place of honor in our Nation's Capitol until all the facts are before us.

Rev. Martin Luther King, Jr., who professed nonviolence, in fact was wedded to violence. He sought out violence; he courted and provoked violence against his followers and by his followers because he believed violence was necessary to the achievement of his ends. Reverend King said as much in an article he wrote for the Saturday Review of April 3, 1965.

In this article he wrote:

"The goal of the demonstrations in Selma, as elsewhere, is to dramatize the existence of injustice and to bring about the presence of justice by methods of nonviolence."

He continued by writing that that goal can be achieved when four things occur:

"1. Nonviolent demonstrators go into the streets to excercise their constitutional rights.

"2. Racists resist them by unleashing violence against them.

"3. Americans of conscience in the name of decency demand federal intervention and legislation.

"4. The Administration, under mass pressure, initiates measures of immediate intervention and remedial legislation."

In other words, the demonstrations were a staged media event, a dramatization to attract the newspaper reporters and television cameramen and make a local event into a national issue. But the second necessary ingredient for Reverend King's scenario was violence.

In communities where ad hoc gangs of thugs did not appear to attack demonstrators, night marchers were staged to lure out nightriders. And when all else failed to provoke violence, demonstrators led by Reverend King and his Southern Christian Leadership Conference deliberately violated the laws by holding marches and parades without permits, violating court injunction and provoking police officers. In some areas such as Birmingham and Selma, Reverend King was successful in provoking the violence he felt was necessary for him to win his goals.

During the Albany, Ga., protests in 1962, where the law enforcement authorities avoided confrontation despite provocations, King generated little publicity. When he was eventually arrested leading an illegal demonstration in July, Reverend King refused to pay the fine so that he could remain in jail as a so-called martyr. After a black man paid Reverend King's fine and he had to leave jail, he called the event having been "kicked out of jail."

In Birmingham, Reverend King welcomed truant students from high schools and even younger into the demonstrations although they were in great danger. Let us remember what he said after the murder of four young girls attending Sunday school in a bomb explosion and after two teenaged boys were shot to death during the riot that followed. In the Nation of March 9, 1964, Reverend King worte:

"The keys to victory in Birmingham were the refusal to be intimidated; the indomitable spirit of Negroes to endure; their willingness to fill the jails; their ability to love their children—and take them by the hand into battle; to leave on that battlefield six murdered Negro children, to suffer the grief, and resist demoralization and provocation to violence."

And so for Reverend King, "six murdered Negro children" were "keys to victory." In other words, martyrs helped him achieve his ends and he saw this, and he deliberately continued to court violence.

In his book, "Why We Can't Wait," Reverend King wrote:

"Looking back, it is clear that the introduction of Birmingham's children into the campaign was one of the wisest moves we made."

But the New York Times editorially disagreed, stating that—

"The presence of hundreds of children among the marchers made all these marches especially perilous adventures in brinksmanship."

It is also appropriate to question whether or not Rev. Martin L. King, Jr., really found racism repugnant in light of his support of discrimination in jobs and housing so long as the discrimination was in favor of blacks; in light of the formation in February 1966, in Chicago of what Reverend King called a common front with the violence-oriented, virulently racist Nation of Islam (NOI) or Black Muslims; and in light of the statements of some of Reverend King's closest aides such as Rev. James Bevel.

During the 1963 Birmingham disorders, Reverend Bevel told students:

"We need an army of captains and sergeants and privates to fight the white man this summer. I want captains to march whole schools to jail after graduation."

While Reverend King did not advocate race hatred, he did not bar alliances with racists and he did not keep them from his personal staff.

In 1966 during the Chicago housing campaign, the association of Reverend King and his Southern Christian Leadership Conference with violence was evern more open. With Reverend King's knowledge, his aide, Reverend Bevel, showed films of the violence during the Watts riots in Los Angeles to Chicago residents being recruited to participate in his equal housing campaign. Among those particularly singled out for contacts and for those film showings were the leaders and members of Chicago's notoriously violent criminal youth gangs.

Reverend King told newsmen that the film showings had been intended "to show the negative results of rioting" and to demonstrate that rioters who destroyed their own communities accomplished nothing. But that is not how the Chicago street gangs interpreted the films. Whenever the film showed a black rioter attacking a police officer, they cheered. And whenever law enforcement officers were shown, they hissed and booed. In fact, Reverend Bevel's film shows for youth gang members were nothing other than audiovisual seminars in mayhem.

One might have expected after the riot that Rev. Martin L. King, the noted advocate of nonviolence, would have broken all contact between SCLC and the gangs; but that is not what happened. Instead Reverend King and SCLC executive director Rev. Andrew J. Young met with the gang leaders for several hours. The gang leaders pledged a truce and said they would "try nonviolence." The truce did not last till the end of that day. Five young men were shot and violence increased to include 2 deaths and 13 wounded so that a State curfew was imposed 2 weeks after the truce.

As one of Rev. Martin L. King, Jr.'s, critics, Dr. Joseph Harrison Jackson, then president of the National Baptist Convention, noted at the time:

"There is a danger of using nonviolence in such a way that it will create violence."

One of these ways is to teach the young contempt for the law. Reverend King's "nonviolent civil disobedience" taught that any law an individual personally and subjectively disagrees with or feels is unjustly restrictive can be arbitrarily broken at will.

This is not the lesson we should teach young Americans, but it is the lesson we would teach them by making a hero of Rev. Martin L. King, Jr., and by placing a statue of him in our Nation's Capitol.

COMMUNIST MANIPULATION OF REVEREND KING AND HIS MOVEMENT

The Communist Party, U.S.A., has attempted to use virtually every real or imagined grievance of evey segment of American society—the young, the old, women, American Indians, blacks, Latinos and European ethnic groups—to develop and exacerbate divisions among us. The Communists made the most of the opportunity to stir up race hatred provided by the civil rights movement, and the man around whom the Moscow-line Communists collected was Rev. Martin L. King.

The whole range of Communist Party members, sympathizers, and front groups were mobilized to aid Reverend King's campaigns.

Some of the support was via the former Highlander Folk School, now the Highlander Research and Education Center. In sworn testimony before the Senate Internal Security Subcommittee in 1954, Paul Crouch, a former CPUSA official and organizer described Highlander as being run "ostensibly as an independent labor school, but actually working in close cooperation with the Communist Party," Prominent among Highlander's supporters was the old International Union of Mine, Mill & Smelter Workers, now merged with the United Steelworkers of America, Mine-Mill was found by the Subversive Activities Control Board to be Communist-infiltrated.

Reverend King, in a very famous photograph, is shown attending a 1957 Labor Day Weekend seminar at the Highlander Folk School. The man sitting next to Reverend King in the photograph, Abner W. Berry, a top official of the CPUSA, wrote in the Daily Worker that the seminar had enabled those attending to reestablish communications with each other "that had been disconnected during the past few years." The disconnection had taken place after the Civil Rights Congress disbanded rather than register as a Communist Party front.

Reverend King's support of Highlander goes beyond attendance at one seminar. In its 1958-59 27th Annual Report of the Highlander Folk School quoted Reverend King as saying:

"You have given the South some of its most responsible leaders in this great period of transition."

Two years later, Highlander and Reverend King's Southern Christian Leadership Conference ran joint training programs for civil rights activists.

One of Reverend King's closest SCLC aides was Jack H. O'Dell, now with Rev. Jesse Jackson's Operation PUSH. Under the name, Hunter Pitts O'Dell, Jack O'Dell had been one of the Communist Party's top organizers in the South. When his affiliation with this totalitarian party became known,

Reverend King, under pressure, fired O'Dell. The controversy was reopened when it was discovered that O'Dell had been rehired by Reverend King's New York SCLC chapter.

The important point is not that a Communist Party organizer had penetrated Reverend King's confidence, because a Communist could sneak into almost any organization. What is important is that when this man was exposed to Reverend King as a member of an organization that proposes to impose a systematic totalitarian regime on this country, that has been repeatedly demonstrated to be controlled by the Soviet Union, a dictatorship whose troops only a few years earlier in 1956 had slaughtered Hungarian freedom fighters; with all this, Rev. Martin L. King fired O'Dell only because his continued presence would give ammunition to segregationists and race-baiters.

But then, he had O'Dell rehired in New York. And their association continued. O'Dell, who is still an editor of Freedomways magazines, the Communist Party's propaganda arm directed at blacks, appeared with Reverend King at a Freedomways affair in Carnegie Hall in February 1968.

That Freedomways magazine affair was to celebrate the 100th anniversary of the birth of W. E. B. DuBois who in his senility married a young Communist and joined the CPUSA. In his prime, W. E. B. DuBois understood how the Marxist-Leninists wanted to use black people. He wrote in 1931:

"The Communists, seizing leadership of the poorest and most ignorant blacks head them toward inevitable slaughter and jail-slavery, while they hide safely in Chattanooga and Harlem.

"DuBois responded to the Communists' plan:

"American Negroes do not propose to be the shock troops of the Communist Revolution, driven out in front to death, cruelty and humiliation in order to win victories for white workers.

"DuBois pointed out further that the Communists only pretend to speak for white workers and actually serve to polarize tensions between black and white workers.

"DuBois denounced the American Communists for being the mouthpiece of Moscow, and went on to say:

"Unfortunately, American Communists are neither wise nor intelligent."

In his keynote speech that evening, Reverend King said:

"So many would like to ignore the fact that Dubois was a Communist in his last years."

And he went on to denounce anticommunism as "irrational" and "obsessive."

A key point of Reverend King's speech was to attack U.S. support for the South Vietnamese against Communist aggression. The struggle against the Vietcong he termed a "senseless, cruel unjust war." For the record, it should be noted that it is the Vietnamese Communists who have proved to be senseless and cruel. In May 1979, more than 80 persons, organized by entertainer Joan Baez, most of whom had once opposed U.S. participation in the Vietnamese war, published an advertisement charging that the Communist conquerors of Vietnam held 200,000 political prisoners, that they starved and tortured prisoners and that some were used as living mine detectors, clearing minefields with their hands and feet.

Reverend King had more Communist agents than merely Jack O'Dell in his entourage. King's long-term adviser was New York attorney Stanley Levison, who FBI investigations revealed to be a "Communist agent," Levison says he was not a party member, but that is not what the FBI found him to be. You do not have to be a party member to be an agent, and you do not have to be working for the Russians to be a Communist agent.

After the FBI produced for King the evidence that Levison was a Communist agent, acting for a foreign power, he declined to separate himself from this adviser.

Communists other than those in the CPUSA were involved with Reverend King's activities. His wife, for example, was active with Women Strike for Peace in the Early 1960's. In hearings before the House Committee on Un-American Activities, Women Strike for Peace was shown to be an affiliate of the Women's International Democratic Federation (WIDF), an internationally active Communist front controlled by the International Department of the Soviet Communist Party Central Committee. And starting with the marches in Selma in 1963, King had active support from a number of disarmament and ban-the-bomb groups who worked with the World Peace Council (WPC), like the WIDF which is virtually its women's auxiliary controlled by the KGB and the Soviet Communist Party Central Committee. A more detailed report on those international Soviet fronts by the Central Intelligence Agency was published in the House Intelligence Committee's hearing, "The CIA and the Media," in 1978.

It is not without significance that in 1971, when the East German regime welcomed Rev. Ralph D. Abernathy, whom they identified as Reverend King's successor, the GDR's propaganda brochure said:

"The GDR was on the side of Martin Luther King and Ralph Abernathy in the 1950's when they organized the historic boycott of the omnibuses of Birmingham * * *."

For these and other reasons in the public record, I urge rejection of this ill-conceived resolution.

[From the Congressional Record, Oct. 7, 1981]

"THE SPIKE" IN REALITY—AN EARLIER CHAPTER IN HOW THE SOVIETS FUNDED AMERICAN COMMUNISTS

Mr. McDONALD. Mr. Speaker, as was mentioned during the debate on the placing of a bust of Martin Luther King in the House or Representatives, there is a 50-year seal on the Martin Luther King file, but some facts are already before the public. These concern his connections with the Communist Party of the United States. These connections are firmly established and if there are those who still doubt it, please read the item I am today inserting by my colleague JOHN ASHBROOK. This statement appeared in Human Events for October 10, 1981. The statement follows:

[From Human Events, Oct. 10, 1981]

THE KING-U.S.S.R. CONNECTION—HOW THE SOVIETS FUNDED AMERICAN COMMUNISTS [1]

(By Representative JOHN M. ASHBROOK)

On Feb. 6, 1980, the House Intelligence Committee heard testimony from John McMahon, then the deputy director for operations for the Central Intelligence Agency. McMahon, one of the most experienced and highly regarded CIA officials, was describing to Committee how the Soviet Union carried out their covert action which they call "active measures" against the free world. These are the Soviet operations to influence events in the target countries. They include forgeries, media placement, agents of influence, and funding of Communist and subversive groups.

McMahon described how the Soviets channeled $50 million a year to the Communist parties of the free world. I asked him how much of that comes into the United States. He responded that the CIA does not trace Soviet operations in this country and that we should get the information from the FBI.

Actually, I already knew a great deal about this Soviet operation in our country. As the ranking minority member of the House Committee on Un-American Activities and later the Internal Security Committee, I was able to trace the Soviet subsidies for U.S. Communist party publications from the Soviet Bank for Foreign Trade through a Paris bank owned by the Soviet Union to the Chase Manhattan Bank and into the coffers of the Communist Party, U.S.A. The Paris bank, Banque Commerciale Pour L'Europe Du Nord, is often used to launder Soviet funds to Communist and terrorist groups in the free world.

I also knew something even more startling. Herb Romerstein, a House Intelligence Committee staffer who pays close attention to these matters, had briefed me on a top-secret FBI penetration of the Communist party apparatus that was smuggling in KGB cash for the use of the American Communists. I know much more, but unlike the liberals. I cannot reveal information that is still classified.

I am free to discuss this one aspect, however, because a recent book by David J. Garrow, the FBI and Martin Luther King, Jr., has now revealed the identities of the men who penetrated the supersecret Communist operations for the FBI.

For almost three decades two brothers, Morris and Jack Childs, had been FBI informants deep in the apparatus that transferred Soviet funds to the CPUSA for subversive activities in the United States. According to the book, they had revealed to the FBI that one of their co-workers in the apparatus was Stanley Levinson, a white lawyer who served as the chief, behind-the-scenes, adviser to Martin Luther King, Jr. Jack Childs died last year but his brother Morris continued to serve the FBI, undercover, until the publication of the Garrow book. In a rare example of FBI humor, the brothers were called by the code name "Solo."

The brothers had been Communist party members long before they agreed to cooperate with the FBI. Morris Childs was a member of the Communist party's National Committee. He had served as editor of the Daily Worker and as the state leader of the party in Illinois. But, even more important, he had close associations with the Soviet Communist party and intelligence agencies.

In 1931, he served as a Communist International official in Moscow directing the American Communist students at the Lenin School, the Soviet's international training school. He was a close associate of Soloman Lozovsky, a high Soviet official who ran the Communist-controlled Red International of

[1] Reproduced in the publication Human Events is a Chase Manhattan check for $20,000 made payable to the Communist party publication. The Worker. This check was drawn on the order of the Bank for Foreign Trade in Moscow through a Soviet-owned bank in Paris. It was one of many.

Labor Unions, which was closely linked to the Soviet intelligence service. Lozovsky was arrested by the Soviet secret police in 1949 or 50 and was murdered in 1952 during one of the periodic anti-Semitic purges. It may be that the brothers' break with communism was caused by their observations of the true nature of the Soviet regime.

The Garrow book is sympathetic to King and his adviser, Levison. Nevertheless, it confirms the information that many of us had concerning the Communist influence on King's activities. As the FBI files on the Martin Luther King case have been sealed for 50 years, to avoid embarrassment to King's family and supporters, the Garrow book becomes particularly significant.

According to the book, Levison dropped out of the Communist financial manipulations and established a relationship with King in the late 1950s. Members of Levison's family revealed to Garrow that Levison had been associated since 1965 with Victor Lessiovski, a top Soviet official at the United Nations. They told him that they suspected that Lessiovski was a KGB agent. Indeed, he is. Lessiovski, until recently the personal assistant to the secretary-general of the United Nations, is one of the highest-ranking KGB officers ever to serve in the United States. His relationship to Levison shows that the adviser to King remained under KGB control even after leaving the Communist party financial apparatus.

Garrow also reveals that it was Levison who recommended fellow Communist Hunter Pitts O'Dell, also known as Jack O'Dell, to be an employee of King's Southern Christian Leadership Conference. O'Dell, then a National Committee member of the Communist party, became a highly trusted King aide. He now works for Jesse Jackson in Operation PUSH.

It was the activities of these two Communists, Levison and O'Dell, that caused Atty. Gen. Robert Kennedy to authorize the famous wiretaps on King. According to Garrow, Kennedy tried on a number of occasions to convince King to get rid of his Communist advisers. King would promise to do so, but each time slipped Levison and O'Dell in through the back door.

The 50-year seal on the Martin Luther King file leaves many questions unanswered. One of these is: Did King get any of the Soviet Money? Another is: What role, if any, did the Soviets play in moving King from civil rights activities to anti-Vietnam War agitation?

Sooner or later skullduggery always gets revealed. Now we know some of the details of the Soviet financial support for Communist and subversive activities in the United States. Will we really have to wait 50 years before learning the whole truth about Martin Luther King?

TESTIMONY OF HON. LARRY P. MCDONALD OF GEORGIA BEFORE THE HOUSE RULES COMMITTEE ON THE CONSIDERATION OF THE RULE TO H.R. 5461, DECEMBER 4, 1979

Mr. Chairman, let me first thank you for the opportunity to address the subject of a national holiday for the late Dr. Martin Luther King, Jr. before your committee today, and for the openness in allowing public debate and testimony on the rules governing the final determination of this event. This is in fact what I am here to address, congressional openness and fairness.

It seems to me that the individuals who seek the institution of this holiday are at counter purposes with themselves by wanting to proceed under a closed or modified closed rule, in effect gagging public debate. Those who most openly advocate Dr. King's contribution claim it was based upon his support of the Democratic process, a process obviously steeped in the need for openness, candor, and accessibility to all the people. This is not a position which supports a limited public debate. If he was a man of the people and took his case directly to them, shouldn't we be willing to trust the outcome of this holiday to the full voice of the people; an open discussion and full amendment process in the House of Representatives? There is no question that clearly we should do so.

Parlimentary technicalities such as a modified open rule or a closed rule are the procedures used to expedite complicated legislation where amendments and debate become self defeating and bog down the congressional process. But to utilize them to cut down debate, generally, when it is unnecessary or, specifically in this case, when it is contrary to the need for a full national pronouncement of support; this is counter to reason and a violation of our congressional procedure. In my view it should be an embarrassment to the supporters of Dr. Martin Luther King to have him institutionalized in any other manner than a fully open rule.

If his fame and greatness are as genuinely accepted by this country that he deserves to be recorded in history as equal to George Washington in his contribution to society, let the voice of the people speak in his behalf through their representatives without restraint. An open rule is the only appropriate basis under which to consider this proposed holiday.

Thank you.

TESTIMONY OF HON. LARRY P. MCDONALD OF GEORGIA BEFORE THE HOUSE CENSUS AND POPULATION SUBCOMMITTEE ON REV. MARTIN LUTHER KING, JR. HOLIDAY LEGISLATION, FEBRUARY 23, 1982

Mr. Chairman, I wish to thank you for inviting me to testify on legislation to elevate Rev. Martin Luther King, Jr. to the status of a national hero by making his birthday a federal holiday. I strongly oppose such action.

There is ample documented evidence that Rev. Martin Luther King, Jr. was not the man of nonviolence he professed to be, but that he was in fact wedded to violence and willing to work with America's violent enemies to achieve his goals. Let's look at some facts.

Attorney General Robert F. Kennedy, certainly one of the most "Liberal" men to hold that high post, authorized wiretaps and other forms of surveillance of Rev. Martin Luther King, Jr. after the FBI developed evidence that Rev. King was collaborating with and being manipulated by Communists and secret Communist agents.

Martin Luther King's long-term advisor was New York attorney Stanley Levison, identified by the FBI as a "Communist agent." When the FBI produced for Rev. King the evidence that Levison was a Communist agent, acting for a foreign power, King declined to separate himself from this advisor and their collaboration continued until King died.

Supporters of Rev. Martin Luther King, Jr. obtained a court order in 1977 sealing the FBI's surveillance records and tapes on Rev. King in the National Archives for 50 years or until the year 2027. If the FBI files had not proved King's involvement with the Communists, we can rest assured that they would have been released as part of the attack on the FBI during the 1970's.

Stanley Levison was not the only Communist in Rev. King's entourage. One of King's closest aids in the Southern Christian Leadership Conference (SCLC) was Jack H. O'Dell, who now is an executive of Rev. Jesse Jackson's Operation PUSH. O'Dell was one of the Communist Party, U.S.A.'s top Southern organizers. When his Communist Party role became a public issue, King said O'Dell was fired. But a short time later, O'Dell was quietly rehired by King's New York City SCLC office and remained a King advisor until his death.

The point is not that a Communist could penetrate King's confidence, but that he refused to disassociate himself from those whose loyalty is to an aggressive, bloodstained enemy of the United States.

Rev. Martin Luther King was not a man of nonviolence. He sought out violence and provoked violence against his followers because he believed violence was necessary to achieve his ends. Rev. King wrote this in an article published in Saturday Review in April 1963, in which he said it was necessary to "Dramatize the existence of injustice and to bring about the presence of justice" in four steps. Rev. King wrote that these were: "1. Nonviolent demonstrators go into the streets to exercise their constitutional rights. 2. Racists resist them by unleashing their violence against them. 3. Americans of conscience in the name of decency demand federal intervention and legislation. 4. The Administration, under mass pressure, initiates measures of immediate intervention and remedial legislation."

Violence was a necessary ingredient in Rev. King's scenario. In communities where demonstrators were unable to provoke attacks, night marches were staged to lure out the nightrider element. When all else failed, Rev. King and his followers deliberately violated the laws by holding marches without parade permits, by violating court injunctions and provoking law enforcement officials—a tactic we saw repeated by the Nazi's in their provocations against the Jews of Skokie, Illinois.

A primary example of this tactic by King was in Albany, Georgia, in 1962. There law enforcement officials avoided confrontations with the result that Rev. King generated little publicity. When King eventually managed to be arrested while leading an illegal demonstration, he refused to pay his fine so he could stay jail as a so-called "martyr." After a black man paid the fine and he was freed, King called the event being "kicked out of jail."

I think it essential to keep in mind what Rev. King wrote in The Nation in March 1964, after the Birmingham campaign and bombing deaths of four young girls attending Sunday school followed by a riot in which two teenaged boys were killed. King wrote that the "keys to victory in Birmingham were the refusal to be intimidated; the indomitable spirit of Negroes to endure; their willingness to fill the jails; their ability to love their children—and take them by the hand into battle; to leave on that battlefield six murdered Negro children; . . . ." He was admitting that martyrs helped him achieve his ends and deliberately continued to court violence and create martyrs.

This is not the lesson we should teach young Americans, but it is the lesson we would teach them by designating Martin Luther King, Jr.'s birthday as a national holiday and, thus, making a hero of him.

If we wish to honor a black American, which I agree is long overdue, it would be certainly more appropriate to honor one

who has stood the test of time and proven without a doubt and without controversy that he is indeed a great American who deserves to be so honored. Two such individuals are Booker T. Washington and George Washington Carver. As you know, Booker T. Washington was a world-renowned and respected agricultural chemist and George Washington Carver was a respected black educational leader. They both literally rose "Up From Slavery" and epitomize the American spirit and determination to rise above poverty and adversity. By their statements, by their writings, by their actions, by their accomplishments, by their lives they represent achievement and ideals which black Americans, and all Americans for that matter, can be proud. These are the types of men we should consider honoring rather than Martin Luther King, Jr. whose prior associations and activities are questionable at best.

Until the FBI's records and tapes of Rev. King are heard by both the Congress and the American public, passage of legislation to designate a national holiday in his honor should not occur.

Recently, the tapes of Franklin D. Roosevelt and John F. Kennedy were made public. Similar review of Rev. King's tapes should also be permitted lest, after proclaiming his birthday a federal holiday, any possible embarrassment may occur when the tapes are eventually made public. Let's take one step at a time in the proper order.

It would seem that those who support this legislation would wish to dispel those who have doubts and who question why Rev. King's record has been sealed in secrecy.

Before acting prematurely, let us take appropriate Congressional action to have the records and tapes released. If there is nothing to hide, who could object?

Mrs. HALL of Indiana. Mr. Speaker, I yield 1 minute to the gentleman from Arkansas (Mr. BETHUNE).

Mr. BETHUNE. Mr. Speaker, as a Republican and as a former FBI agent, I rise in strong support of the Martin Luther King holiday bill.

In the 1960's we in Arkansas rallied around Winthrop Rockefeller. I was a Democrat at the time. I became a Republican because we wanted to break the stranglehold that Orville Faubus and machine politics had had on our State for a long time which had suppressed not just black citizens but all citizens in our State, and we Republicans, in the finest tradition of Abraham Lincoln, brought blacks in government, and we Republicans, in the finest tradition of Abraham Lincoln, made changes in the election laws and opened up the political process for blacks in Arkansas.

And do you know what we learned out of all that? The great changes are not made here in the legislative chambers or in the judical halls. The great changes in this world are made in the hearts and minds of men and women. Attitudes are so important.

I think that this holiday for Martin Luther King will give us an annual opportunity to recommit ourselves to the proposition that all men are created equal. It will nourish the spirit of reconciliation that we need so desperately in this country right now.

Mr. Speaker, I urge all Members and I urge particularly the Members on my side of the aisle to support this bill. Let us make this a bipartisan effort, as it should be.

Mr. Speaker, this legislation is a long overdue testimonial to Dr. King and the thousands of Americans, black or otherwise, who worked and fought for an America where equality prevails for all citizens regardless of race, color, creed, sex, or national origin.

This legislation poses a positive symbol of recognition for the dedicated efforts expended for fundamental rights that are guaranteed by our Constitution—the guarantee of life, liberty, and the pursuit of happiness for all citizens of these United States. Dr. King stood for and died for the principles upon which this Government was established, the very principles which brought our forefathers to these shores. The principles, cherished by all, yet denied to a segment of our population simply because of the color of their skin.

I also believe this legislation has importance because of the need to commemorate the contribution that black Americans have made to the greatness of this country. There are and have been extensive efforts to recognize the accomplishments of Americans of other ethnic groups, but few paying just tribute to the contributions of black Americans. In my home State alone, we have erected monuments and/or named public facilities on behalf of Count Pulaski—a Polish American—Lafayette—a French American—native American tribes, and so forth. There is a McArthur Park named after the great Army general, who happened to have been born there, and there is recognition of Robert E. Lee.

It is my belief that black children need heroes and positive role models, just as much as children of other racial groups. The opportunity to identify with a national hero of one's own race lends itself to a type of pride that engenders an emotional desire to succeed or to emulate. Recogizing the accomplishments of black American heroes can only have a positive effect on our society. Dr. King is indeed a hero to Americans of all races, but especially to black Americans. Recognizing his birth is a tribute to all people who contributed to the civil rights movement. His dream of a society where all men of all races could live as brothers is not a black dream, but an American dream.

Dr. King was a great American and a man of Christ. He fought for and died for a greater America, and for this reason, we owe this legislation to his memory.

□ 1410

Mr. DANNEMEYER. Mr. Speaker, I yield 2 minutes to the gentleman from Virginia (Mr. BATEMAN).

Mr. BATEMAN. Mr. Speaker, I rise in reluctant opposition to H.R. 3706, the bill to designate the birthday of Martin Luther King, Jr., as a legal public holiday.

The roster of Americans who could reasonably be considered for the honor of having their birthdays designated as national holidays is a long one. It is apparent, given that fact, that not all can be so honored. Were we to follow such a course, we could reach the point where there are more holidays than workdays in the year—a pleasant prospect, perhaps, but not a practical one.

Therefore it is essential that we be extremely selective as to those whose birthdays are singled out as holidays. The cost of a holiday is considerable.

The Congressional Budget Office, in a cost estimate incorporated into the committee report on this legislation, notes that Federal premium pay alone amounts to $24 million, offset in part by $7 million in fuel savings. And this says nothing about the costs of a shutdown in the private sector, to the degree that the holiday is observed by business and industry, and the cost to State and local government.

In view of the contributions of Martin Luther King, Jr., I would concur in the proposal of the gentleman from California (Mr. DANNEMEYER), that we designate the third Sunday of each January as a commemoration of Dr. King's birthday. I think that would be an appropriate step.

But if we are to add a 10th Federal holiday to the calendar in honor of a distinguished American, it strikes me that one of America's greatest leaders should next be so honored. That preeminently great American is Thomas Jefferson.

It is no slur upon Dr. King to state that Jefferson should be the next American to have his birthday declared a legal holiday. After all, Jefferson is the author of the Declaration of Independence, one of our greatest Presidents, and more than any other, the man who articulated the ideals which animated the American Revolution and shaped the Republic in which we live. Moreover, we inherited, and procured by peaceful means, our transcontinental boundaries by the acquisition of the Louisiana Territory, an expanse of land secured for us by the diligence and boldness of Thomas Jefferson as President.

We also should consider that occasions as well as persons can rightly be the subjects of a tribute in the form of a national holiday. I hope that I will not be accused of parochialism if I suggest that there could appropriately

be a Yorktown Day to commemorate the military victory on October 19, 1781, when American independence was secured. Yorktown is indeed in my congressional district, but its significance to every American is obvious.

For all of these reasons, I find it impossible to support H.R. 3706 as reported to the House by the Committee on Post Office and Civil Service. My lack of support is not evidence of a lack of respect for Dr. King, but rather a reflection of the priorities and practicalities which I have recited.

Mrs. HALL of Indiana. Mr. Speaker, I yield 30 seconds to the gentleman from New York (Mr. SCHUMER).

Mr. SCHUMER. Mr. Speaker, I rise in strong support of H.R. 3706.

Today and throughout the committee proceedings on this bill, we have heard proposals for a plebiscite, for a Sunday holiday, and for other types of half-holidays.

The struggle for civil rights, the struggle between the races in this country has been a struggle for one thing, for one simple ideal—equality. It would be the ultimate irony if Dr. King's memory were commemorated by an unequal holiday.

Mr. CROCKETT. Mr. Speaker, will the gentleman yield?

Mr. SCHUMER. I yield to the gentleman from Michigan.

Mr. CROCKETT. Mr. Speaker, today we have before us a bill to honor a man of peace, the late Dr. Martin Luther King, Jr. He was a man whose thirst for justice and whose strength of will exemplified the best qualities of the American spirit. He was a pioneer of American history—not of the inhospitable 18th century settlements along the east coast, nor of the later efforts to tame the rugged lands of the plains and West.

Instead, Dr. King was a pioneer of the spirit—he showed us the new frontiers of human justice and equality that lay just beyond our grasp in this century. He led us through the difficult struggle to overcome the obstacles of prejudice and apathy, and let us share in his dream of a nation unbound by racial or ethnic hatred.

I urge my colleagues to join with me today in voting to honor Dr. Martin Luther King, Jr., by designating a national holiday in his honor.

Mr. DANNEMEYER. Mr. Speaker, I yield 1 minute to my colleague, the gentleman from California (Mr. LUNGREN).

Mr. LUNGREN. Mr. Speaker, I rise as a Republican and as a fiscal conservative in support of this bill.

I also rise as someone who voted against this bill when it was on suspension the last time.

Ever since I cast that vote I have been thinking about it and wondering if I did the right thing. I have come to the conclusion that I did not; not that I now fail to realize there are costs involved here and certainly we ought not to minimize those costs, and not because there are no other great heroes that perhaps some think ought to be recognized in our galaxy of great Americans, but because I think we ought to recognize that this country is unique in a number of ways. One is exemplified by the founding of this Republic. The second is exemplified by the Civil War that decided that this country would remain unified because certain principles that originally brought this country together were worth preserving.

The third great unique movement in this country, in my judgment, is that of the civil rights movement.

What does Dr. Martin Luther King stand for? As a young person growing up in southern California, frankly, I was too young to be involved in the civil rights movement and probably would not have been involved in any way, either directly or indirectly, save for the example of Dr. Martin Luther King.

I reflected upon that after my vote several years ago.

The SPEAKER pro tempore. The time of the gentleman from California has expired.

Mrs. HALL of Indiana. Mr. Speaker, I yield 1 more minute to the gentleman from California (Mr. LUNGREN).

Mr. LUNGREN. Mr. Speaker, I appreciate the grant of additional time.

I reflected back on my experiences during my growing up years. I recall that Dr. Martin Luther King stood as an inspiration to me. He made me recognize that there were people in this country that were not accorded the same rights that I was given, that despite what our country's essential document said, not all men and women were created equal, at least as far as the implementation of our laws were concerned; that we had not fulfilled that obligation which we had so proudly promised in our beginning documents.

Dr. Martin Luther King stirred inside me a feeling that we had to walk together if we were going to work out the problems of this country.

So I suggest that this holiday is not just for the black Americans, but it is for all Americans—white Americans, red Americans, brown Americans, and black Americans.

The symbolism of this holiday is particularly important today because we have tremendous disagreements among all of us as to how we achieve those civil rights goals. Because we have these disagreements, it sometimes appears that the entire subject is divisive and we forget about the fact that we all are committed to a consensus of conscience on civil rights in this country. If this day does nothing else but give us 1 day to reflect, 1 day to pray, 1 day to think about and remember the commitment that we all have, then it will be worth it, no matter the cost.

Mrs. HALL of Indiana. Mr. Speaker, I yield 1 minute to the gentleman from New York (Mr. KEMP).

Mr. KEMP. Mr. Speaker, would the gentleman from California yield 1 more minute to me?

Mr. DANNEMEYER. Mr. Speaker, I yield 1 more minute to the gentleman from New York (Mr. KEMP).

The SPEAKER pro tempore. The gentleman from New York (Mr. KEMP) is recognized for 2 minutes.

Mr. KEMP. Mr. Speaker, I appreciate that.

You know, a number of years ago I watched a fascinating documentary, interviewing refugees from Vietnam in refugee camps in Thailand. The network interviewer went up to an old woman of almost 90 years of age and asked: "What keeps you going? What are you hoping to do with your life?"

She said: "I dream of living in the United States of America."

She did not know America from the newspapers. She did not know America from being able to speak very good English. She just knew America from the standpoint of what America means as an idea, as a dream. It was an idea and a dream that here was a place in which people were free to be all that God meant them to be. Here was a place in which all people were created equal and that the Government was instituted to help preserve those rights that were given to us, not by the Government, but by an inalienable source.

I just returned with my wife from the Soviet Union. They have beautiful documents about guaranteed rights in the Soviet Union, the right to emigrate, the right to join your family, the right to speak, the right to join a labor union; but, unfortunately, the rights which are given to them by the Government are denied by the Government because those rights do not come from that inalienable source. That which the Government gives, it can take away and thus the Russian Revolution was flawed from the beginning.

The Martin Luther King holiday is not just a holiday for a civil rights leader. It is more importantly, as the gentleman from California pointed out, a holiday to commemorate that idea, that dream that all people have all over this country and indeed the world, to live in freedom, justice, dignity, to be able to know that those rights are guaranteed by Government through our Constitution but are given to us by God, that inalienable source.

I have changed my position on this vote because I really think that the American Revolution will not be complete until we commemorate the civil rights revolution and guarantee those

basic declarations of human rights for all Americans and remove those barriers that stand in the way of people being what they were meant to be.

The gentleman from California suggested he changed his position and so did I because this is the time in which we must truly say that America is one nation, one people, one family, one country dedicated to rights not only for all Americans, but for all people everywhere. Ending racial segregation through constitutional means is as important a contribution to this country and our American Revolution as holding the Union together.

I want to see my party stand for that. If we lose sight of the fact that the Republican Party was founded by Mr. Lincoln as a party of civil rights, of freedom, and hope, and opportunity, and dreams, and a place where all people could be free. If we turn our backs we are not going to be the party of human dignity we want as Republicans to be known for.

I ask that we make this a unanimous vote today and vote for ourselves and for our country, and for the future of our children by showing the world this Nation is still the land of opportunity and freedom.

This is a vote to help make the American dream a reality.

Mrs. HALL of Indiana. Mr. Speaker, I yield 1 minute to the gentleman from Arkansas (Mr. ALEXANDER).

Mr. ALEXANDER. Mr. Speaker, I rise in support of H.R. 3706.

On April 4, 1968, I was visiting the nearby city of Memphis and was at a place only about 10 blocks away from the Lorraine Motel where Martin Luther King was slain.

The news of his death spread like an electric current throughout that city and throughout our Nation, and a pall of silence fell upon the people of Memphis and the people of America as well.

□ 1420

At the news of Dr. King's death, everyone realized that a great American leader had fallen.

Martin Luther King struggled so that all citizens could aspire to and share in the American dream. He gave his life for dignity, for equality, and for justice.

It is right; it is proper that we memoralize the life of Martin Luther King so that his vision of America can live forever.

"I don't care what happens to me now. I have been to the mountaintop," Dr. King said, a day before he was cut down by a sniper, in the prime of his life and mission.

Martin Luther King himself desired no glory. It is not for his sake that we should honor him with a national holiday, but for our own.

Let us prove, at long last, that this prophet of mankind does have honor in his own country.

Mrs. HALL of Indiana. Mr. Speaker, I yield 1 minute to the gentleman from Oklahoma (Mr. EDWARDS).

Mr. DANNEMEYER. Mr. Speaker, I yield 1 minute to the gentleman from Oklahoma (Mr. EDWARDS).

Mr. EDWARDS of Oklahoma. Mr. Speaker, I support this resolution and I do so not because Dr. King is more deserving of a tribute than, say, Andrew Jackson, or John Adams, or Dwight Eisenhower, but because what Martin Luther King did was to give real meaning to the promise that in this country every citizen is a first-class citizen.

Before Martin Luther King, before the marches, before the sit-ins, blacks in my district rode in separate seats in the back of the bus. They could not use the restaurants or the restrooms that the rest of us used. They could not go to the same schools we went to.

They stood outside the system, outside the professions, and outside the good jobs. The American dream, if you were black, was poverty and isolation.

Martin Luther King did not create violence and bloody revolution. He defused it by creating a new awareness, a disturbed conscience, and finally a new national cohesiveness.

It is less the man than the achievement that we celebrate with such a holiday.

Dr. King gave his life for the cause of freedom and equality. Let us have the courage to vote to celebrate that cause.

I agree with the gentleman from Maryland (Mr. MITCHELL) this issue transcends the cost of one holiday. This is an issue that goes to the heart of what America is all about.

What this resolution celebrates is what we as Republicans and conservatives believe in, and I ask all of my colleagues to vote for it.

Mrs. HALL of Indiana. Mr. Speaker, I yield 1 minute to the gentleman from Georgia (Mr. GINGRICH).

Mr. GINGRICH. Mr. Speaker, we should honor Dr. Martin Luther King, Jr.

Yesterday President Reagan was welcomed to Georgia by Mayor Andrew Young, a disciple of Dr. King, and the second black mayor of Atlanta.

Without Martin Luther King, Jr., the advances in ending segregation and establishing civil rights would almost certainly not have occurred.

While Dr. King was black and the fight to end segregation directly affected the black community, his birthday should be celebrated by all Americans as a demonstration of the virtues of freedom and a free society.

When America's conscience was challenged, Americans responded. Unlike the Soviet Union and South Africa, our Nation responded to a direct challenge by living up to our best ideals.

All Americans can be proud that our religious tradition was carried on by Reverend King, our intellectual tradition was extended by Dr. King, the great nonviolent protest theories of Henry Thoreau were put into practice by the man, Martin Luther King, Jr.

For all time, all lovers of freedom will look back to Dr. King's life and to America's response to his challenge as an inspiration; because he enriched freedom for all, we owe ourselves a day to remember and relearn the lessons he taught.

Mrs. HALL of Indiana. Mr. Speaker, I yield 1 minute to the gentleman from New York (Mr. GILMAN).

Mr. DELLUMS. Mr. Speaker, will the gentleman yield?

Mr. GILMAN. I yield to the gentleman from California.

Mr. DELLUMS. Mr. Speaker, I rise in support of the legislation.

Last November, as a birthday present from two members of my staff, I received a copy of "Let the Trumpet Sound," the excellent recent biography of Dr. Martin Luther King, Jr., by Stephen B. Oates. Reading this book was a painful personal pilgrimage, as well as an act of intellectual, spiritual, and political homage to an extraordinary person who has been such a major force in my own life's commitment to the cause of world peace, human rights, and equal justice for all.

More important, reading this book reinforced my determination to see to it that the 98th Congress passes legislation insuring a national holiday of remembrance and reverence in memory of the achievements of Dr. Martin Luther King, Jr. He was much more than a great American and the most noble of our Nobel Peace Laureates: He was a great human being whose life of commitment, action, and sacrifice has been a beacon of hope and inspiration for nonviolent social change to literally millions of people around the world.

In America, he was the living embodiment of the highest principles professed in the Declaration of Independence: That all are created equal and endowed by their Creator with certain inalienable rights, among which are life, liberty, and the pursuit of happiness. He challenged the conscience of America by confronting both church and state on the spiritual and political immorality of segregation in our society. It was Martin Luther King, Jr., standing in the shadow of the Lincoln Memorial on August 28, 1963, who had the courage to stand up to white America on behalf of nonwhite America and say:

When the architects of our Republic wrote the magnificent words of the Consti-

tution and the Declaration of Independence, they were signing a promissory note to which every American was to fall heir * * *. It is obvious today that America has defaulted on this promissory note, insofar as her citizens of color are concerned. Instead of honoring this sacred obligaiton, America has given the Negro people a bad check; a check which has come back marked insufficient funds. We refuse to believe that there are insufficient funds in the great vaults of opportunity of this nation. And so we've come to cash this check, a check that will give us upon demand the riches of freedom and the security of justice.

As a citizen of the world, Martin Luther King, Jr.. carried his message into the global arena: The message of human rights, true brotherhood and sisterhood through the justice of shared equality, and the reconciliation of nations through diplomatic negotiation, rather than the violence of war and destruction. In accepting the Nobel Peace Prize in Oslo, Norway, in December 1964, he spoke of "the need to overcome oppression and violence without resorting to violence and oppression." He then went on to say:

I refuse to accept the cynical notion that nation after nation must spiral down a militaristic stairway into the Hell of thermonuclear destruction. I believe that unarmed truth and unconditional love will have the final word in reality. That is why right temporarily defeated is stronger than evil triumphant.

It was Martin Luther King, Jr., using his eminence as a Nobel Peace Laureate, who chose to speak out on the insanity and immorality of the war in Indochina, despite the warnings and threats of other so-called leaders in the civil righs movement. Early on, he warned that the bombs being dropped in Indochina would explode in the ghettoes of America. In a speech in Los Angeles, he directly challenged Lyndon B. Johnson's false claim that America could have both guns and butter with these words:

The promises of the Great Society have been shot down on the battlefields of Vietnam. The pursuit of this widened war has narrowed domestic welfare programs, making the poor, White and Negro, bear the heaviest burden * * *.

On April 4, 1967, in the speech at Riverside Church in New York City, he made one of the most cogent critiques of American cold war interventionism and escalation ever uttered by a public figure. His peroration was a cry from the heart that is even more poignant when read in the light of the madness of the contemporary nuclear arms race:

Somehow this madness must cease. We must stop now. I speak as a child of God and brother to the suffering poor of Vietnam. . . . I speak for the poor in America who are paying the double price of smashed hopes at home and death and corruption in Vietnam. I speak as a citizen of the world, for the world as it stands aghast at the path we have taken. I speak as an American to the leaders of my own nation. The great initiative of the war is ours. The initiative to stop must be ours.

Were Martin Luther King, Jr., still alive today, he would be in the forefront of the movement to reverse the course of the nuclear arms race, and to prevent this Nation from continuing its overt and covert military intervention in Central America. And he would be in the forefront of the opposition to this administration's concerted effort to turn back the clock on the progress that has been made in the fields of civil and human rights in the past 20 years—progress that has been achieved through the bloody sacrifice of many brave, brave women and men in this society.

As we prepare to commemorate the 20th anniversary of the march on Washington, the legacy of Dr. Martin Luther King, Jr., is still, tragically, an unfulfilled dream. During a lifetime that was all too brief—only 39 years—Martin Luther King, Jr., was cursed, reviled, and spat upon, beaten, jailed, and stabbed, denounced as an extremist by the media, and as a nigger, and a traitor in the highest councils of Government. Finally, in an attempt to slay the dream, they slew the dreamer.

It is for us, the living, to make certain that his dream never dies. It is for us, the living, to insure that his life's work will be remembered beyond a statue inside the Nation's Capital. It is for us, the living, to insure that a national holiday, commemorating the legacy of his commitment, achievement, and sacrifice will be a constant reminder of what this Nation can be—and ought to be. It is for us, the living, to fulfill his dream, in the words of the civil rights anthem, that "we shall live in peace someday * * *."

Mr. FORD of Michigan. Mr. Speaker, will the gentleman yield?

Mr. GILMAN. I yield to the gentleman from Michigan.

Mr. FORD of Michigan. Mr. Speaker, I rise to support H.R. 3345, which designates the third Monday in January of each year as a legal, public holiday commemorating the birthday of Dr. Martin Luther King, Jr.

There is no doubt in my mind that this is a responsible course of action, both in terms of the past and the future. Dr. King and the cause he represented are indeed deserving of this kind of national recognition.

Dr. King was a nonviolent man who dedicated his life to the cause of equality. He exemplified our Nation's commitment to social justice.

He led a national campaign that pricked America's social conscience. And in the end he gave his life in that struggle.

Without question Dr. King and his work set the stage for the civil rights movement in this country. His eloquence, his passion, and his personal commitment captured the minds and hearts of millions upon millions of Americans and set them on a course of action—blacks and whites alike.

Dr. King was only 39 years old when his life was snuffed out by an assassin's bullet. By most ways of reckoning such things, his most creative years lay ahead of him. His untimely death was a tragedy for all America.

To be sure Dr. King's life was one of unselfish dedication. He worked tirelessly and without thought of personal reward for justice, equality, peace, and dignity.

What impressed me most about his vision and his cause was that it far transcended the narrow confines of a race struggle. His dream was for all Americans—blacks, whites, Jews, Protestants, and Catholics.

In large measure this proposed Federal holiday would go far beyond recognizing the birth of Dr. King. I fervently hope it will be an occasion to celebrate freedom and tolerance in America.

I especially want to commend my distinguished colleague from Indiana, KATIE HALL, for her skillful and dedicated stewardship of this bill.

Mr. GILMAN. Mr. Speaker, I rise to join in honoring a distinguished American, Dr. Martin Luther King. This measure, H.R. 3706, designating Dr. King's birthday as a national holiday, is a befitting commemoration of his life and his significant contributions to mankind. In a time of struggle, Dr. King's leadership provided our troubled Nation with a renewed sense of values and purpose. He reminded us that the principles upon which this Nation was founded are meaningless unless applied equally to all, regardless of race, color, creed, sex, or national origin.

In recognizing Martin Luther King's birthday, we do far more than honor this leader. A national remembrance in his honor serves as an appropriate reminder that many of his dreams and struggles for civil rights remain unfulfilled. Dr. King touched the conscience of America, preaching that love and understanding would prevail in the ultimate struggle between good and evil. He shared with us his dream that someday all God's children would be free and equal. And yet, his dreams and ambitions came to a tragic end because of the very hatred and bigotry that Dr. King sought to end.

If, as a Nation, we remember Dr. King's birthday each year, it will help instill a spirit of purpose and determination in all of us to fulfill the dreams of this inspiring leader. Such an annual reminder of that troubled era, a legal holiday in King's name, would appropriately honor the man, and his dreams and, at the same time, remind us all of our continuing responsibility to pursue equal justice for all. As I have done in the past, I renew my sup-

port for this worthy proposal and urge my colleagues to do the same.

Mr. DANNEMEYER. Mr. Speaker, I yield 3 minutes to the gentleman from Minnesota (Mr. FRENZEL).

Mr. FOGLIETTA. Mr. Speaker, will the gentleman yield?

Mr. FRENZEL. I yield to the gentleman from Pennsylvania.

Mr. FOGLIETTA. Mr. Speaker, I rise in support of the legislation.

Mr. Speaker, today we have the opportunity to recognize, finally, the unique contributions made to this Nation by the late Reverend Dr. Martin Luther King. I rise to urge every Member of the House to vote in favor of this resolution, which will make Dr. King's birthday a national holiday.

Dr. King was an extraordinary man, whose struggle was the ultimate American struggle. His cause was, and is, as basic to our history and to our future as the Declaration which founded this Republic: "We hold these truths to be self-evident, that all men are created equal." It is our loss as a nation that the truths which we have held to be self-evident have not been the truths to which we have dedicated ourselves. Dr. King lived those words, and fought to make them a reality, as few other men in our history have.

Martin Luther King was a voice for peace, a symbol of courage, and a light in the long struggle to equality. His determination gave people throughout this land who had no voice the courage to speak: his leadership as a man of nonviolence gave vent to 200 years of anger and frustration in a way which forced people to listen.

Without Dr. King there might never have been a Civil Rights Act. Without Dr. King there might never have been a march on Washington to bring to the legislature of this land a list, not of demands, but of rights which the Constitution guaranteed but which the Nation applied only selectively.

Mr. Speaker, Martin Luther King was a man of wisdom, of vision, of strength, and of courage. He helped shape the future we live today. His belief, his work, and his dreams should be a beacon as we set course for the future.

These are the characteristics which mark great men. These are the characteristics which made Washington, Lincoln, and Jefferson leaders, and examples to us, and to our children. Martin Luther King was such a leader, such an example.

We honor our Nation by marking the birth of this great man, even as we honor the man.

I urge the House to vote "aye."

Thank you.

Mr. SAVAGE. Mr. Speaker, will the gentleman yield?

Mr. FRENZEL. I yield to the gentleman from Illinois.

Mr. SAVAGE. Mr. Speaker, I rise in support of the measure.

Mr. BOEHLERT. Mr. Speaker, will the gentleman yield?

Mr. FRENZEL. I yield to the gentleman from New York.

Mr. BOEHLERT. Mr. Speaker, I rise in support of the legislation.

Mr. Speaker, on April 4, 1968, I sat in a church basement meeting in suburban Washington and was both shocked and appalled at what I heard. I was angry and I was upset.

No, it was not because of the tragic news yet to come from Memphis. My shock, my anger came because there was underway in that place of reverence—keep in mind this was a meeting in a church, a house of worship, a place of God—a heated debate among my then neighbors over a major issue of the day: open housing.

I was appalled because I heard people with whom I lived in a comfortable suburb in this so-called land of opportunity talking of denying housing access in "our" area to what they referred to as "those" people.

Regretfully, the "those" people were distinguished, and clearly so, only by the color of their skin. What was taking place in that meeting was a far from orderly attempt to deny equality of opportunity for fellow citizens. It made me sick.

I had my say, and the more I reflect upon what I said, the prouder I am.

Memories fade in terms of the letter of what I said, but not the spirit.

I doubt if there was any special eloquence, but I do know I quoted liberally from the news reports of the time and about the work of Dr. Martin Luther King, not just the work of Dr. King, but the necessity of it.

I talked about opportunity, and equality, and fairness, and things like that.

The presentation was not long because, you see, the meeting was interrupted by a report on the events in Memphis. The horror of it all was not so much that a fellow human being had been killed, tragic though such a thing always is, no matter what the circumstances, but rather the horror of it all was the reason Dr. King was gunned down.

Dr. King's life was taken because of who he was, what he was doing, what he stood for. His crusade, and it is fair to call it that, was not simply for those of his own race, but rather for all of his brothers and sisters who were Americans. His crusade was for me. For us.

What this remarkable man achieved in his lifetime cannot be accurately measured. But I know what I have told my children. We as a country and a people have traveled a long way toward the cherished dream of equality for all in my lifetime. Dr. King, more than any other individual, is responsible for that progress. It cost him dearly. It benefits us greatly.

I do not want just another holiday, we probably have too many of them already and most have lost their significance and are viewed as simply another day off. And I realize it is costly in terms of dollars and cents for the Federal Government to approve another holiday.

I know all the arguments that have been mentioned but I also know, in my heart of hearts, that this special day of recognition is warranted. It is warranted for Dr. King who gave so much for so many and it is warranted as long overdue recognition for the oh so many positive contributions made by other black Americans from the early days of our Republic, contributions that have more often than not been overlooked or ignored.

In short, Mr. Speaker, this is a salute and a symbol. Let us do it for all the right reasons.

Mr. FISH. Mr. Speaker, will the gentleman yield?

Mr. FRENZEL. I yield to the gentleman from New York.

Mr. FISH. Mr. Speaker, I take great pride in joining my colleagues today in support of H.R. 3706, legislation designating Dr. Martin Luther King, Jr.'s, birthday a national holiday. I have long been a supporter of this effort and I congratulate the gentleman from Michigan (Mr. CONYERS) for his 15-year pursuit of this worthwhile cause and the gentlewoman from Indiana (Mrs. HALL) for bringing this measure before us today.

By furthering the civil rights of American blacks, Dr. King contributed to the cause of freedom for all Americans, regardless of race or creed. By strengthening the cause of justice, he inspired millions throughout the world in mankind's common aspirations.

Last year, the Congress partly recognized Dr. King's contributions by approving a bill to place a bust of him in the U.S. Capitol. Dr. King is the first black man to receive such an honor. While this is an important achievement, it is not enough. That is why I have again lent my support to H.R. 3706, to make Dr. Martin Luther King, Jr.'s, birthday a legal public holiday. Our desire to achieve this goal should override consideration of cost or inconvenience.

Dr. King's message of redemption and reconciliation is no less meaningful today than during his lifetime. His life's work and unyielding adherence to achieving social change through nonviolence serves as a great example during these turbulent and troubled times.

Bestowing such an honor on Dr. King would transcend his status as a

black civil rights leader. Such an act would recognize that Dr. King spoke as an American about the spiritual liberation of all people. This year we have a chance to make our commemoration of his dream a permanent reality. He spoke of brotherhood, an end to poverty, of justice, of peace, for all mankind. We must continue to work together in furthering his vision of the future.

Mr. SKELTON. Mr. Speaker, will the gentleman yield?

Mr. FRENZEL. I yield to the gentleman from Missouri.

Mr. SKELTON. Mr. Speaker, I rise in support of the legislation.

Mr. GEKAS. Mr. Speaker, will the gentleman yield?

Mr. FRENZEL. I yield to the gentleman from Pennsylvania.

Mr. GEKAS. Mr. Speaker, I, too, support the legislation.

Mr. Speaker, to recognize the life of Dr. Martin Luther King, Jr., is to salute the themes on which our country was founded. The dream that he articulated was the same one that inspired our forefathers to give birth to the ideal we call America.

The opportunity for full realization of American citizenry is the goal for which we should continue to strive for all citizens. In our continuing efforts, the vision of Dr. Martin Luther King, Jr., will be a driving force.

Mr. FRENZEL. Mr. Speaker, the bill before us, H.R. 3345, is not a new bill. The idea of adding another, new Federal holiday, to honor the late Dr. Martin Luther King, Jr., was thoroughly debated and voted on in 1979.

As I have emphatically stated and strongly believe, Martin Luther King was a distinguished and prominent American citizen who helped teach many of us the true meaning of brotherhood and equality. He was a good man, an effective leader, and one who deserves to be honored and remembered by a fitting memorial.

One such memorial that I supported in 1981 was the creation of a bust or statue of Dr. King, to be placed in the Capitol. This resolution passed and a commission is currently in the process of choosing a sculptor. I wholeheartedly support and applaud this memorial that will be enjoyed and revered by Americans and foreign visitors alike. I know it is not the final memorial, but it demonstrates the House's willingness to honor Dr. King.

But what is this alleged tribute that is before us again today? It is not a fitting memorial to give certain priviledged workers a day off to salute the ideals of Dr. King. Dr. King deserves a day, but do Federal employees, including ourselves, rate another day off with pay.

Government employees, as far as I know, already have more holidays than any other class of employees. They are supposed to be here, to serve and assist the public. On too many occasions already they are on holiday when the rest of our constituents are working and want Federal services.

And what is the cost of another Federal holiday? It is $235 million, unbudgeted. To spend another quarter of a billion with our budget already plagued by deficits seems to me to be an unsuitable memorial. And that is only the annual cost. It will grow and grow each year.

When the Federal Government gives a holiday it puts great pressure on the private sector to do the same. As this proposed holiday spreads, it will have a marked effect on productivity. The potential cost is in billions of dollars.

I know that many of those supporting this Federal holiday have noble intentions. Yes, I agree that we should have a day to pay respect, honor, and to reflect on a man of such great achievements, beliefs, and hopes. We can do so without giving an extra day's pay to a certain specific class of Americans. A commemorative day is a good idea. In my judgment, that would be a suitable memorial.

Another paid Federal vacation day is certainly not needed or in order. It is another dip into the taxpayers pockets to pay a special class of Americans which already has plenty of holidays. We do not have to be foolish with the taxpayers' money to honor Dr. King.

I submit the following:

[From the Congressional Record, Nov. 13, 1979]

Mr. FRENZEL. Mr. Speaker, Martin Luther King, Jr., was a distinguished and prominent American citizen who helped teach many of us the true meaning of brotherhood and equality. He was a good man, an effective leader, and one who deserves to be honored and remembered by a fitting memorial.

Unfortunately, H.R. 5461 does not provide a suitable memorial. This bill simply provides another day off with pay for bureaucrats.

It also provides about $200 million worth of inflation through a nonnegotiated raise to an elite group of people who have just received a 7-percent pay raise, and who already receive more paid holidays than most American employees.

It has been alleged that there is little or no extra cost to the taxpayers in this bill. If Government employees have been working at full capacity, and I believe we should give them the benefit of the doubt, somebody is going to have to do the work that would have been done on the holiday. That seems to work out to a $200 million kick in the head to the taxpayers.

If we were to canvass our constituencies we would surely find little enthusiasm to pay for another paid holiday for bureaucrats. Many taxpayers did not get the 7-percent pay raise, nor do they get the splendid pension benefits that Government employee get.

In addition to the costs to the taxpayer, inflationary costs would soon reverberate through the private sector, too. Whenever Government employees are handed a benefit, private employees will claim it, too. Another paid holiday will soon be stimulating inflation in private industry, too, perhaps by as much as $3 billion.

Dr. Martin Luther King, Jr., was too good a person for us now to attempt to exacerbate inflation in his name. There are many suitable noninflationary memorials which could be voted by this House. I believe this bill does not provide a fitting tribute, and it should be voted down.

□ 1430

I yield back the balance of my time.

The SPEAKER pro tempore. The gentleman from California (Mr. DANNEMEYER) has 1 minute remaining.

Mr. DANNEMEYER. I reserve the balance of my time.

Ms. OAKAR. Mr. speaker, I make a point of order that a quorum is not present.

Mr. DANNEMEYER. I yield to the gentleman from Kansas such time as he may consume.

Ms. OAKAR. Regular order.

The SPEAKER pro tempore. The Chair will not entertain the point of order at this time.

The gentleman from California yielded to whom?

Mr. DANNEMEYER. Mr. Speaker, I yield such time as he may consume to the gentleman from Kansas (Mr. SLATTERY).

Mr. SLATTERY. I thank the gentleman for yielding this time to me.

Mr. Speaker, I rise in support of the resolution.

Mr. Speaker, "holiday" is defined as "a day on which custom or the law dictates a halting of general business activity to commemorate or celebrate a particular event." The birth of Dr. Martin Luther King, Jr., is an event worthy of commerating and, as such, is worthy of being designated a national holiday.

In my lifetime and in the lifetimes of many of my colleagues, few individuals have had as profound an effect on America and on the world, as did Dr. King. Few others before or since Dr. King have committed themselves so fully and so steadfastly to the principles of equality, justice and harmony among all people.

Today, as we debate making Dr. King's birthday a national holiday, we must keep in mind several issues. The principles upon which Dr. King based his philosophy and his actions are the same principles upon which much of recent legislation has been founded. In Congress, these principles have been translated into enactment of voting rights, civil rights, fair housing, and economic opportunity legislation. Furthermore, the movement toward arms reduction and peaceful coexistence of all nations is predicated upon those same principles.

While some with a myopic perspective choose to view Dr. King's beliefs and his actions narrowly, I choose to view his beliefs and his actions on a worldwide scale. Because he believed

in the dignity of all people and devoted his life to achieving that ideal, the significance of Dr. King's contributions transcends all nations and races. At the time of his tragic death, Dr. King truly had become an international leader.

I am proud to have had the opportunity to cosponsor legislation designating Dr. King's birthday a national holiday. I am not proud, however, that we find ourselves again debating an issue that has been introduced every year since 1968. I am proud that the Senate of my home State, Kansas, has had the wisdom and foresight to pass a resolution earlier this year memorializing Congress to declare Dr. King's birthday a national holiday. The members of the Kansas Senate are concerned, as I am, that passage of this legislation is long overdue.

We can pay no greater tribute to Dr. King in the 20th anniversary year of the historic March on Washington, than to reaffirm our commitment to equality and justice and to make his birthday a national holiday.

Mr. DANNEMEYER. Mr. Speaker, I yield such time as he may consume to the gentleman from the Virgin Islands (Mr. DE LUGO).

Mr. DE LUGO. Mr. Speaker, I rise in support of the legislation.

Mr. Speaker, I wish to add to the voices of many of my colleagues who rise in support of Mrs. HALL's bill designating Martin Luther King's birthday as a holiday. I find it hard to view my comments as part of a debate on the issue since it seems that the conclusion must be foregone: This country needs to celebrate Martin Luther King's birthday. We need to celebrate the individual who epitomized the struggles of many black leaders in this country and whose discipline and strength of purpose brought black Americans further into the mainstream of this country than any single person in our history.

Martin Luther King's achievement is important for all Americans, for the further we are from discrimination, the closer we are to the pride and dignity we all want to feel about these United States. Thus, apart from the recognition due to a man to whom we all owe an immense debt, Americans need this day as a reminder of the commitment we all must have to the values set forth in our Constitution. These are values which we personally hold as immutable and which we have an interest in protecting for each other.

I urge any Member who may have doubts on this matter to consider the importance that celebrating Martin Luther King's birthday holds for the very spirit of our Nation.

The SPEAKER pro tempore. The gentlewoman from Indiana.

Mrs. HALL of Indiana. Mr. Speaker, I ask that the gentleman from California yield back the balance of his time.

Mr. DANNEMEYER. The gentleman from California reserves the balance of his time.

The SPEAKER pro tempore. The gentlewoman from Indiana.

Ms. OAKAR. Will the gentlewoman yield to me?

Mrs. HALL of Indiana. I yield to the gentlewoman.

Ms. OAKAR. Mr. Speaker, I make a point of order that a quorum is not present.

The SPEAKER pro tempore. The Chair does not have to entertain a motion for a call of the House at this time and chooses not to.

Ms. OAKAR. I am sorry, I did not hear the Speaker.

The SPEAKER pro tempore. The point of order cannot be made when the Chair has not put the pending question, and the Chair has discretion whether to entertain a motion for a call of the House at this time and now recognizes the gentlewoman from Indiana.

Mrs. HALL of Indiana. Mr. Speaker, I yield 2 minutes to the distinguished majority leader of the U.S. House of Representatives, the gentleman from Texas (Mr. WRIGHT).

Mr. STOKES. Mr. Speaker, will the distinguished leader yield to me?

Mr. WRIGHT. Yes, I yield to my friend, the gentleman from Ohio.

Mr. STOKES. Mr. Speaker, I rise in support of this legislation.

Mr. Speaker, it has been 14 years since Dr. Martin Luther King, Jr., was assassinated in Memphis at age 39. The first bill proposing to establish a Federal holiday in honor of Dr. King was introduced by my esteemed colleague, Mr. JOHN CONYERS, JR., on April 8, 1968, less than 1 year after Dr. King's tragic assassination by James Earl Ray. Since then, over 50 bills have been introduced to establish Dr. King's national holiday.

Mr. Speaker, during hearings on many of these bills, there has been no lack of eloquence or evidence concerning the extraordinary achievements of the man who was the Nobel Peace Prize winner in 1964. During hearings that have been held there has been no lack of recognition of the man's indelible impact on the consciousness and consciences of people throughout the world. His name has been linked with those of George Washington, Abraham Lincoln, and—for his nonviolence—the name of Gandhi. I find it ironic that Americans saw fit to select "Gandhi" as the best picture of the year in 1982 and yet, their Representatives have refused to award a native Gandhi the recognition that typically accompanies superhuman contribution to society.

The arguments that have been advanced to prevent the establishment of a national holiday in Dr. King's honor have, in fact, centered upon his being human. Whenever Dr. King was an ordinary man—and all extraordinary people throughout history have had their ordinary moments—Dr. King was singularly held accountable for not being extraordinary. Any political statements, viewpoints, or opinions, any behaviors or actions that were not unequivocally exceptional, have been held against him.

Mr. Speaker, what other man has inspired millions and who gave his life in the cause of every principle of decency imaginable—freedom, justice, equality, compassion, faith in humanity, hope, love, and nonviolence—has been so mercilessly scrutinized. Who, among those who would excoriate this man, expects that his or her own mortality will leave a more illustrious aftermath than that of the late Dr. Martin Luther King, Jr.?

When superhuman people exhibit human imperfections, they are somehow deemed, thereafter, to be subhuman. I do not agree with this logic, nor do I see the presence of human imperfections in anyone as a sufficient justification for denying him a national holiday although his achievements have been outstanding. The requirement of perfection has not been a condition for the awarding of national holidays to other leaders, and it ought not to be a condition that should be met by the only black man for whom such serious annual consideration has been given to be so honored.

Mr. Speaker, it is beyond my comprehension, and therefore beyond my belief, that dollars and cents arguments have also been adduced to justify the prevention of the establishment of a national holiday to honor Dr. King and the universal principles for which he stood. And yet these arguments have been presented. Every year someone ticks off the dollars and cents that this Nation would lose by honoring Dr. Martin Luther King, Jr., with a public holiday.

Various substitutes, therefore, have been proposed to recognize Dr. King. These substitutes have included the placing of a statue or a bust of Dr. King in the Capitol, or designating some Sunday as his day of recognitation. But the life that Dr. King gave was not a substitute. It was not a facsimile thereof. It was the genuine thing: his own and his only life. I cannot accept, therefore, Mr. Speaker, a substitute tribute, an ersatz award, for this man who was true to humanity, true to the causes of freedom and justice, true to his commitment to nonviolence, true to his belief in the basic integrity of the American people, true to his dream.

Thank you, Mr. Speaker, for hearing my words in support of the passage of H.R. 3706 which has been introduced

this year by the gentlewoman from Indiana, Mrs. KATIE HALL, to designate the third Monday of January each year as a legal public holiday to commemorate the birthday of Dr. Martin Luther King, Jr.

Mr. ROEMER. Mr. Speaker, will the gentleman yield?

Mr. WRIGHT. Yes, I yield to the gentleman from Louisiana.

Mr. ROEMER. Mr. Speaker, I rise in support of the measure.

Mr. Speaker, much has been made here by the opponents of this resolution of the cost to the taxpayer of the Martin Luther King, Jr., national holiday.

I have a long established, hard-earned reputation in the House as a fiscal conservative. I am cautious and careful when it comes to spending the taxpayers' money.

With that background I reviewed and ask other Members to review the Congressional Budget Office's estimate of the annual cost of this holiday. CBO estimates a cost of $18 million annually. That works out to a cost of 7.6 cents per citizen per year.

For 7.6 cents per citizen we honor a man who led the civil rights revolution in our country—a revolution which ranks with the Civil War and the Revolutionary War of 1776, as one of the three most important events in our Nation's history.

For 7.6 cents per citizen we honor a man who reaffirmed the American dream that all men are created equal, who planted its seeds in ghetto deserts, and who reminded a nation to honor and respect its most precious resource: its people—all of them.

For 7.6 cents per citizen we not only honor an imperfect man who fought and died for the perfect dream, we also set aside a day of reflection on why we as a nation are different: our freedom. And on why we as a nation are great: our resolve to make the dream of freedom real for every American.

Is honor and the American dream worth 7.6 cents per citizen? I believe that at any price it is worth the cost, at 7.6 cents it is a steal.

Mr. GRAY. Mr. Speaker, will the gentleman yield?

Mr. WRIGHT. Yes, I yield to the gentleman from Pennsylvania.

Mr. GRAY. I thank the gentleman for yielding.

Mr. Speaker, I too want to join my colleagues in expressing my strong support for H.R. 3706, which designates the third Monday in January as a legal public holiday, commemorating the birthday of Dr. Martin Luther King, Jr.

Mr. Speaker, a few Members in this Chamber have expressed reservations about supporting H.R. 3706, due to its potential costs to the Government. Well, according to the CBO, there may be a potential budgetary impact of approximately $18 million to the Federal Government resulting from additional Federal holiday.

However, there is every reason to believe that these costs will be partially offset by additional tax revenues which might be generated from increased retail sales and consumer activity on such a holiday. In my mind the costs involved here are immaterial, however.

Second, their are those who say there are too many Federal holidays already, and we will do just as well by commemorating Dr. King's Birthday on the third Sunday in January instead of Monday.

In response, national holidays have heretofore been reserved for some of the greatest persons in our history.

Martin Luther King was one of the greatest men in our history, and in fact was a major force in reshaping the history of the United States in the 20th century.

For those who argue for a Sunday commemorative holiday I say, let us not confuse a national holiday with a holy day.

This legislation honors Dr. King not only for the strength of his leadership and the courage of his commitment to human rights, but also for his unique contribution to the fundamental principle that all men are created equal.

Finally, Mr. Speaker, in Dr. King's last speech, he said that he has been to the mountaintop, and had a vision that true equality for all people would become a reality.

By honoring Dr. King's birthday, we bring that vision a little closer.

By honoring, Dr. King's birthday, we honor a man not only because he changed American peacefully, but because he was a man who symbolizes the hopes and asperations of millions of Americans.

Martin Luther King's day must be a day for all America, because Martin Luther King's dream is the American dream.

Mr. WRIGHT. Mr. Speaker, I hope we will pass this bill and establish this annual holiday commemorating the birth of Martin Luther King, Jr. What could be more fitting than to have a time near the beginning of each year to pause and reflect upon the basic principle of the oneness of humanity so eloquently espoused by this remarkable nonviolent man who served as a hair shirt to the Nation's conscience and, for doing that, was slain.

From his unjust imprisonment Martin Luther King wrote that our generation shall have to repent not only for the hateful things said and done by the bad people but for the unthinking silence of the good people.

We need in this and in recurring generations recurring reminders of that solemn truth. And we can use a recurrent opportunity to renew our commitment to this Nation's fundamental goals of equality, fairness, and freedom and human dignity.

It was 20 years ago this month that Martin Luther King stood in the shadow of the Lincoln Memorial and proclaimed his now famous phrase, "I have a dream." Is it not the same dream to which this Nation proclaims its allegiance enshrined in the Jeffersonian words "All men are created equal"?

While the full implication of that dream is elusive and may never be wholly fulfulled, it must be pursued, and the distance narrowed between the promise of American principles and the reality of American life.

Passage of this bill today will not fulfill that dream, but it will fuel it and provide an annual time of renewal.

Just as Martin Luther King called upon people to stand up and be counted on the side of justice and dignity and self-respect, I call upon my colleagues today to stand up and be counted in behalf of this bill.

The SPEAKER pro tempore. The Chair will announce that the majority has the right to close, and the minority must use its time before that time or yield it back.

Mr. DANNEMEYER. How much time does the minority have, Mr. Speaker?

The SPEAKER pro tempore. The minority has 1 minute remaining.

Mr. DANNEMEYER. I thank the Speaker.

Why this matter came on the Suspension Calendar has not been made clear to me or to other Members of the Chamber. As the Members know, when it comes on the Suspension Calendar, no amendment is in order.

I believe that the amendment that should be in order is the opportunity for the House to express its will as to whether or not we recognize what Martin Luther King, Jr., has contributed to this country in the form of a holiday on a workday or on a Sunday. I happen to believe that this recognition day should be on a Sunday in order that we save the private work force the cost of another day off for employees and also the public sector employers of that same cost impact.

We should not overlook the words of a Washington, D.C., supermarket clerk who said as follows: "The man died trying to help black garbagemen keep their jobs. Let us have a 'King Day' but make people stay in school an extra hour and let people work overtime."

I think that gentleman's observation is entitled to respect, but unfortunately the way this procedure has been brought in the House, we cannot even give the Members of the House the opportunity to vote on giving life to what this gentleman recommended.

I ask for a "no" vote.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mrs. HALL of Indiana. Mr. Speaker, I yield the remainder of my time to the distinguished Speaker of the House of Representatives, the gentleman from Massachusetts (Mr. O'NEILL).

Mr. DIXON. Mr. Speaker, will the Speaker yield?

Mr. O'NEILL. I am happy to yield to the gentleman from California.

Mr. DIXON. Mr. Speaker, this month marks the 20th anniversary of Dr. King's historic march on Washington, and it is fitting that the House is voting today on legislation that gives much deserved recognition to the life and work of this truly great American.

Twenty years ago, Martin Luther King shared with us a dream. A dream which became a vision for millions of Americans. A dream that sparked a nonviolent movement that promoted a peaceful end to much of the inequality of treatment some Americans received because of their race, creed, or color.

Dr. King focused this country's attention on the democratic principals and ideals upon which it was founded, and made us live up to the fundamental tenets of the Declaration of Independence and the Constitution—the equality of man and our quest for a more perfect union.

Today, our House has the opportunity to take a step forward in developing a more perfect union.

In commemorating a holiday to honor Dr. King, we give ourselves the opportunity to reflect upon the growth of our country, and acknowledge the problems we have yet to overcome.

The resolution reported by the House Post Office and Civil Service Committee offers a thoughtful balance to holiday legislation that has been introduced in every Congress since Dr. King's untimely death in 1968.

In response to the concern that a floating holiday would cause difficulty for business and industry, it establishes the King observance on the third Monday of each January.

In recognition of the 16 States and many cities that have already enacted holidays in Dr. King's honor, the effective date of this observance is January 1985. This date provides State and local governments, as well as the private sector, the opportunity to bring their observances in line with the national holiday.

Conflicts persist, our Nation and the world face many problems which result from the separation of people because of ignorance and fear. In establishing this holiday, we can indicate our belief that the ideals Dr. King lived and died for must still be pursued.

I urge you to indicate this body's resolve to maintain a strong and visible posture in securing basic civil and human rights in all of this country's endeavors through peace, compassion, and understanding so purposefully advocated by Dr. King by voting in favor of H.R. 3706.

Mr. O'NEILL. Mr. Speaker, it was two decades ago that I had the privilege to hear Dr. Martin Luther King proclaim "I have a dream" in his magnificent oration at the Lincoln Memorial.

Probably 50 Members of Congress went down that day to join 250,000 people by the reflecting pool. I remember a few petty men in the Congress of the United States asked for unnecessary rollcalls and quorum calls in order to force us to leave that historic occasion and return to the floor.

Martin Luther King changed America—all of America. He changed it not by a force of arms but by moral force.

He asked us to become the country that we always claimed to be: a country of equal justice, of equal opportunity, a country where all men—all men—are created equal.

He asked America to be as good as its Declaration of Independence, to be as good as its Bill of Rights. He asked all of us to take the words of our Founding Fathers and make these words come alive for all people. He asked for an American society that judges men and women not by the color of their skin but by the content of their character.

Martin Luther King showed our country the way to achieve equal opportunity and equal justice through nonviolence, through the enforcement of civil rights.

Many of us still remember in 1955 when a tired black woman, in Montgomery entered a bus and sat up front, where blacks were not allowed to sit.

A white came aboard and she was supposed to move back. Tired, weary and proud, she accepted jail, rather than move to the back.

Martin Luther King started this movement. Because he protested, because he marched, he brought segregation to its knees. And justice prevailed in that southern city.

The great monument to Martin Luther King will not to be built by what we decide here today. That monument is the historic tide of black Americans into the American democratic system, as citizens, as teachers, as professionals, as politicians, as leaders.

This living monument will endure and flourish to remind future generations of what Martin Luther King did—and what he led the rest of us to do.

The decision we make in the House today is not on Martin Luther King's place in history. That place is already secure. It grows stronger each day.

What we must decide is whether to ratify the decision of history or to remain silent. I urge my colleagues not to remain silent but to give to this great man the official honor that history has already bestowed on him.

Greatness has been proven by this great Nobel Prize winner. Human rights and civil rights are his monument.

I urge my colleagues to give ourselves an annual memorial to a man who set the true standard of what our country stands for. I urge my colleagues: Give Martin Luther King his day.

● Mr. McGRATH. Mr. Speaker, I rise in strong support of this legislation, which would commemorate the birthday of Martin Luther King, Jr., as a national public holiday.

Mr. Speaker, this great Nation of ours has been built and sustained by great men and women. All of us can probably think of any number of individuals whose contributions to this Nation deserve to be remembered and commemorated in one manner or another.

Why, then, do we take this opportunity to single out one man among many, Dr. Martin Luther King?

I think the answer is simply that there have been few individuals in the history of this country—perhaps no others—who have been so deeply committed to the sacred principles on which this Nation was founded. There have been few individuals who have done more to stir the conscience of this Nation to extend the basic rights of our Constitution to so many people.

The American of today is different in many ways from the America of a generation ago. In some ways things have not improved for the better. But in some ways, at least, we are a significantly better society. We are better because we are more tolerant of each other. And we are better because the laws of this land now require fair housing, voting rights, equal employment opportunity, and more educational opportunity.

Would we have achieved this state of affairs had there never been a Dr. Martin Luther King? Probably.

Would we have achieved this state of affairs in the time we have without Dr. Martin Luther King? Absolutely not.

Martin Luther King was many things—a clergyman, a political leader, a statesman, and perhaps most important, a prophet. It is fitting and proper that we set aside a day in his honor, not only because of what he did in the short time God granted him on this earth, but because we need to rededicate ourselves at least 1 day a year, to the principles for which he stood and gave his life.

I urge all my colleagues, Republican and Democrat, black and white, to support this legislation.●

● Mr. BORSKI. Mr. Speaker, I rise to express my full support for passage of H.R. 3345, which would designate the birthday of Dr. Martin Luther King, Jr., as a national holiday.

We are long overdue in remembering the contribution of one of the greatest men in this Nation's history. Dr. King worked toward the achievement of equality and justice for all Americans. He courageously stood for the principles of equal rights, social justice, and political opportunity for all. His efforts awakened America to the fact that racial discrimination and inequality still exist, over a century after the Emancipation Proclamation and the passage of the 14th and 15th amendments to the Constitution. Efforts have been made ever since his tragic death in 1968 to establish this national holiday. It is time we formally recognize this great American by setting aside the third Monday in January to remember him.

Dr. King strove for social change through the use of nonviolence. He showed us those aspects of our society that required change, yet did so in a way that worked within the existing system. The period witnessed a dramatic upsurge in public support for the civil rights movement, with subsequent progress in equal housing, employment, and political participation. Dr. King's accomplishments are testament to the fact that an individual can make a difference in our society, and do so without violence.

The observance of Martin Luther King's birthday is more than the remembrance of a great man. It is a moment in which we can remember the principles on which this Nation was founded. This Nation was founded on the belief that every individual is equal under the law, and thus is afforded every opportunity for personal advancement. Our future depends on our continued dedication toward the goal of full equality for all our people. Dr. King once expressed his dream that people "not be judged by the color of their skin, but by the content of their character." The observance of this national holiday demonstrates our continued commitment to the ideals that Dr. King sought to teach us.

Mr. Speaker, I urge my colleagues to join me in supporting this legislation.●

● Mr. MOORE. Mr. Speaker, the House should be permitted to freely and openly construct the most meaningful way to annually observe and honor the contributions to our society left by Dr. Martin Luther King, Jr. Today a bill is brought to the House floor to declare the third Monday of each January a national legal holiday in honor of Dr. King. Others wish to set this observance on a Sunday or wish to establish a holiday in some manner without increasing the total number of holidays allowed Federal employees. These alternatives cannot be offered today as the procedure used to consider H.R. 3706 prevents consideration of any amendments.

The central question should be observance of a holiday with the Nation's attention drawn only to the message of Dr. Martin Luther King. Instead, we are presented with a bill and a procedure that violates the freedom of open debate and decision Dr. King held so precious. I cannot vote for H.R. 3706 under these terms. I cannot vote for a bill that places emphasis on Federal employees having another day leave in the same context as the genuine purpose of this holiday. I do support recognizing his birthday in an appropriate manner as determined through the full legislative process.

The last Congress with my support approved authorization for placement of a bust or statue of Dr. Martin Luther King, Jr., in the U.S. Capitol and I have urged the Joint Committee on the Library to act expeditiously in its selection of a sculptor for this purpose including consideration of a nationally recognized black sculptor from Louisiana. I trust time will not be lost in making sure this work is undertaken, completed, and the statue or bust placed in a prominent position in the Capitol for all to view and remember.●

● Mr. FIELDS. Mr. Speaker, I rise in opposition to this legislation, H.R. 3706, which would designate the third Monday in January as a legal public holiday to commemorate the birthday of Martin Luther King, Jr.

Mr. Speaker, I share my colleagues' respect and admiration for the late Dr. Martin Luther King. However, I cannot support the legislation before us here today for a number of reasons.

First of all, I oppose this legislation being brought before the House on the Suspension Calendar. I believe legislation dealing with Federal holidays should be brought up before the House on the regular Union Calendar so that other alternatives such as the one offered by Mr. DANNEMEYER would have the opportunity to be reviewed and debated by the whole House.

Additionally, I am most concerned about the cost of a new Federal holiday. The personnel cost of a holiday to the Federal Government alone is $221,000,000, according to the Office of Personnel Management. And although the Federal Government has no jurisdiction to propose national holidays for other Federal employees, individual States usually follow its lead. The added personnel costs of such action could result in 10 or 20 times the $221 million estimate for the Federal Government.

Mr. Speaker, I am also most concerned about the precedent we set here today if we were to pass this legislation. Presently, there are nine paid Federal holidays. The last time Congress enacted legislation designating a paid Federal holiday was in 1941. Mr. Speaker, I believe if we pass this legislation we will be opening the floodgates for future such actions. I feel as one of the earlier speakers that we in Congress should instead enact a Federal policy respecting Federal holidays and the procedures to be followed for such commemorative days.

Finally, Mr. Speaker, I find it quite interesting to note that of the nine current Federal holidays, none is dedicated to any of the great figures of American history, including George Washington, Abraham Lincoln, or Theodore Roosevelt. Instead of the legislation before us here today, I believe we should instead act on legislation which would recognize all great American historic figures including Dr. Martin Luther King, Jr.

Thank you, Mr. Speaker.●

● Mr. MINETA. Mr. Speaker, I rise to support this legislation.

Martin Luther King served all Americans by pursuing the promised land of equal opportunity peacefully and bravely. All public officials should recognize the force and importance of that example.

Martin Luther King was indeed an American hero. There can be no doubt about that. But he was and is much more than a hero. He lives on as a symbol—a symbol of freedom and compassion, of peace and equality.

And we should understand that by voting for this legislation, by voting to recognize this great man, we are voting to pay homage to our Nation's most basic and important principles.

I urge my colleagues to pay homage.

Thank you.●

● Mr. COYNE. Mr. Speaker, I rise in strong support of H.R. 3706, a bill to designate the third Monday of January as a holiday in honor of Dr. Martin Luther King.

If ever we needed to set aside a day of the year to reflect on the inspiration of a man of peace, now is the time. Dr. King's views on the arms race are as appropriate today as they were in 1964 when he accepted the Nobel Peace Prize. He then said:

> I refuse to accept the cynical notion that nation after nation must spiral down a militaristic stairway into the hell of nuclear destruction.

Dr. King, suggesting his own eulogy just 2 months before he died, remarked that if he were to be remembered he hoped it would be as a "drum major for justice and for peace." He said to his wife, Coretta Scott King:

> Yes, if you want to say that I was a drum major, say that I was a drum major for justice; say that I was a drum major for peace; I was a drum major for righteousness; and all the other shallow things will not matter . . .

What could be more fitting that a national holiday in honor of a man who devoted his life to peace and jus-

tice? I have heard the arguments against designating a day in January as Dr. Martin Luther King Day, arguments which suggest that it will somehow lessen worker productivity or increase Government costs. I do not find them convincing. The Commonwealth of Pennsylvania has had a State holiday in honor of Dr. King for a number of years. It continues to function as well as any other State. I hope this Congress will follow the example of Pennsylvania. Dr. King inspired not only our State, he inspired the Nation.

I urge my colleagues to vote yes on H.R. 3706.

At this point I would like to include in the CONGRESSIONAL RECORD the text of a 1981 Pittsburgh City Council resolution which calls on the Congress to declare a holiday in honor of Dr. Martin Luther King.

The resolution follows:

RESOLUTION No. 34

Whereas, the Reverend Martin Luther King, Jr. dedicated his life and endeavors to the achievement of a just and healthy society and the enhancement of respect and trust in our institutions and the insurance that all citizens are treated equally before the law; and

Whereas, his outstanding contributions included the Nobel Peace Prize and other forms of international recognition; and

Whereas, January 15 is the birthdate of this great American and is celebrated throughout the United States of America; and

Whereas, celebrations are held in schools, churches and community centers; and

Whereas the Commonwealth of Pennsylvania has designated January 15 as a State holiday; and

Whereas, the United States Congress has been petitioned to designate January 15 as a National legal holiday; Now, therefore, be it

Resolved, That the Mayor and the Members of Council of the City of Pittsburgh on behalf of the residents of the City of Pittsburgh do honor and recognize the birthdate of the Reverend Martin Luther King, Jr. and encourage the Congress of the United States to designate January 15 as a National legal holiday.●

● Mr. MARKEY. Mr. Speaker, today, we debate a bill that should pass the Congress 435 to 0. The need for Dr. King's birthday as a time of national rememberance should be self-evident. It would be a time to rekindle his call to us—black or white or brown or whatever—his call to us for justice and equality for all Americans.

After all, it was 20 years ago this summer that Dr. King came to Washington to bring the needs and demands of his people to our attention. Like so many high school students of the time, I heard Dr. King's message and was moved. It affected our generation, wherever we were, and changed our hearts and our minds.

But that was 20 years ago. Many American youths—and adults—have not heard Dr. King's message. Many lead lives which are still racially isolated, still insulated from the call of his words and his deeds and his accomplishments. A holiday to remind us of his work—1 day each year—would be more than an important means of honoring a slain national leader: It would be a needed national educational effort to keep us on track; on the road to freedom and justice for all people. It is our failure of the past few years, our failure to keep moving, keep rolling down this path which demonstrates how desparately this holiday is needed now. I urge my colleagues to vote for H.R. 3706.●

● Mr. LUKEN. Mr. Speaker, I urge the House of Representatives to pass H.R. 3706, legislation establishing a national holiday in honor of Dr. Martin Luther King, Jr.

I firmly believe that Dr. Martin Luther King made substantial contributions to the social, political, and spiritual foundations of this country. His courageous advocacy of peace, equal justice, and nonviolence establishes him as one of the truly great leaders in American history. His dream of an America with equal justice for all became a vision for millions of Americans and it sparked a movement which sought peaceful change and the removal of barriers due to race, creed, or religion. A national holiday commemorating the birth of Dr. King gives this great American leader the recognition which his life and work so richly deserve.

H.R. 3706 should be passed overwhelmingly by the House of Representatives, designating the third Monday of January of each year as a legal public holiday to commemorate the birthday of Martin Luther King, Jr. The effective date of this observance is January of 1985, which gives State and local governments, as well as the private sector, the opportunity to prepare for observance of this new national holiday. The Congress should recognize the important contributions of Dr. King and establish a national holiday which will allow all Americans to reflect upon the ideals for which he stood.●

● Mr. WIRTH. Mr. Speaker, our Nation has always celebrated its great leaders: People who, through foresight and wisdom have united our Nation in times of turmoil and apprehension and challenged us to be great. George Washington led us through a war and into our life as a new and uncertain nation. Abraham Lincoln held that nation together through its darkest and most painful crisis.

Mr. Speaker, in our time we have known such a man: Dr. Martin Luther King, Jr. Born without the advantage of skin color enjoyed by Washington and Lincoln, King brought to a confused and troubled nation a new understanding of its commitment to equality, justice, and human dignity.

To Dr. King, these were not simply words to be set in stone and then defended as one would a city or a strategic hill top. Rather, they were dynamic realities, born fresh every day of commitment and action. From his church in Atlanta, from the buses and highways and jails of the South, and from the streets of the North, King reminded this Nation of the human dignity and the equality which is everyone's "inalienable right."

From the steps of the Lincoln Memorial, Dr. King shared with us a dream which we must continually make our own. For it will only be through such vigilance that we will maintain not only those freedoms won by King and his nonviolent civil rights movement, but all those rights and liberties we have struggled for over 200 years to preserve.

Mr. Speaker, 1 day our Nation will realize "the true meaning of its creed." And when we do, we must remember Dr. Martin Luther King, Jr., the great American who pointed the way. That day will truly be his day. But we can start today by remembering King as we do all our heroes, and by dedicating a day each year to his memory, to his words and deeds, and to the work we have remaining to make his dream a beautiful reality.●

● Mr. DORGAN. Mr. Speaker, I was proud to vote today in favor of honoring Dr. Martin Luther King, Jr. Dr. King's vision of an America with true equality for all and his commitment to the pursuit of justice through nonviolent change should be recognized by this country.

It would be my preference, however, that we find a different way to memorialize this great man than by establishing another national holiday. That is costly to the Federal Government as well as to the private sector.

One specific suggestion is to establish a national day of remembrance on the third Sunday of January. Or, we could consider memorials or fitting tributes such as those memorials in Washington, D.C. which acknowledge the greatness of many for whom there is no formal holiday.

I would hope that the Senate might modify our bill so as to preserve the intent of the House action but not create a new Federal holiday. Dr. King was a truly extraordinary American. I believe his legacy must be appropriately honored, and that is why I voted for the concept embodied in this legislation.●

● Mr. TOWNS. Mr. Speaker, Dr. Martin Luther King, Jr. was undoubtedly one of the greatest men in the history of our country, who lived up to the highest ideals of humanity. He was instrumental in leading the search for freedom for all Americans, within an unbending framework of nonviolence.

Dr. King's ideals are as relevant today as they were in the 1960's, a decade which he influenced tremen-

dously. He is a man we must never forget, because the ideas and values which he so strongly and unselfishly believed in, were for the betterment of all mankind.

A national holiday in Dr. King's name would be a day in America for millions of citizens, of all races, to reflect on, and rededicate the Nation to, the purposes of his life's work. Time often diminishes the memory of great leaders. This is not the case with Dr. King. He is among a small number of great leaders for whom respect, honor, and admiration have grown increasingly with time.

Further, this holiday would not just be a celebration of one man's life, although extraordinary. Rather, it would be a day for the entire Nation to memorialize the ideas he represented and the moral purpose that we desperately need to recapture today.●

● Mr. PHILIP M. CRANE. Mr. Speaker, my vote in opposition to H.R. 3345, designating the birthday of Martin Luther King, Jr., a legal public holiday should not be interpreted as a statement that we should not honor the man and his vision. Rather it is the question of the effect of most legislation we pass—the cost to the taxpayer and to our Nation's business of removing another productive workday from the calendar year. It will cost $225 million in lost Federal work force productivity. The U.S. Chamber of Commerce estimates it will cost businesses $4.3 billion.

I also question the propriety of Dr. King's being so honored. Jesus Christ is the only individual whose birthday is now so recognized. We have discontinued honoring George Washington's birthday, instead we celebrate President's Day.

It should be noted that the States are at liberty to create whatever State holidays they choose; 17 States now honor Dr. King's birthday, two of them designate it a Sunday. In Illinois, we honor Lincoln, in Virginia they honor Robert E. Lee, and in Alabama they honor Jefferson Davis. Let the States take this action.

Finally, when the bill was considered in the House Committee on Post Office and Civil Service, an amendment was offered that would proclaim Sunday such a day. If it is the intent of the bill's proponents to provide a day commemorating Dr. King's efforts to gain equal justice for all, it seems to me the best way to do this is to designate a Sunday for such a day. It should be noted that this option was precluded by the procedure used to bring the bill to a vote. The Washington Post quoted a supermarket clerk who commented on the matter of establishing a Federal holiday for Dr. King:

The man died trying to help black garbagemen keep their jobs . . . Let's have a King Day, but make people stay in school an extra hour and let people work overtime.

Mr. Speaker, it is that sentiment which I am sure Martin Luther King would have endorsed.●

● Mr. GEJDENSON. Mr. Speaker, I rise to congratulate my colleagues in the House on the passage of H.R. 3706, a bill to make the third Monday in January a national holiday in commemoration of the birthday of Dr. Martin Luther King, Jr. It is particularly fitting that this bill has passed the House at this time while we are preparing to celebrate the 20th anniversary of Dr. King's historic 1963 march on Washington.

In my home State of Connecticut we have recognized Dr. King's birthday as a State holiday for several years, the time is long overdue for the Federal Government to officially honor this great man in the same way. I would hope that the Members of the Senate and the President will act swiftly to complete action on this very important measure.

Dr. King was one of our greatest leaders, in one of our most troubled times. By setting aside a day to honor his memory we can insure that future generations will learn of Dr. King's valiant struggle for civil rights and justice for all people. I can think of no man who would serve as a finer example for our young people, and with much of what Dr. King set out to accomplish still not achieved, we must do all we can to encourage others to follow in his footsteps. I was proud to vote with the majority of my colleagues in the House today to honor Dr. King and reiterate my hope that the Senate and the President will follow suit.●

● Mr. BIAGGI. Mr. Speaker, I not only rise in support of this legislation but also with a certain sense of indignation over how long it has taken us to achieve what this bill sets out to do. H.R. 3706 would designate the third Monday in January of each year as a legal public holiday to commemorate the birthday of Dr. Martin Luther King, Jr. We must pass this bill if we are to correct an injustice of history of tremendous magnitude.

The detractors from this legislation concentrate their efforts on raising arguments about the cost of establishing another legal Federal holiday. There are nine such holidays in existence today and I do not recall any of them being subjected to this degree of scrutiny if not outright delay.

A national holiday is perhaps the only real and fitting tribute this Nation could pay to the memory of Dr. Martin Luther King Jr. Dr. King was a man of enormous influence over this Natioan and remained so until he met a sudden death by assassination. Yet almost 14 years after the fact, we have failed to establish any appropriate national tribute to the memory of Dr. Martin Luther King.

I am not persuaded by the arguments of those who charge the cost of a new Federal holiday would be prohibitive and this serves as a justification for us not observing this holiday. It does seem to me that by having the day designated on a Monday would serve to minimize the extra costs.

The issue to me is basic—do we at long last pay an appropriate national tribute to the illustrious Dr. Martin Luther King, Jr., by designating his birthday as a national holiday—or do we continue to prolong this omission of history? I urge us to pass this bill in sufficient time for it to be the focal point at the upcoming 20th anniversary observance of Dr. King's famous march on Washington—an event which so acutely shaped the course of civil rights in this Nation. Let us not promote in this Congress the same type of injustice which Dr. King fought so hard to eliminate from our society. Therefore, I urge passage of H.R. 3706.●

● Mr. NICHOLS. Mr. Speaker, Dr. Martin Luther King, Jr., was a great leader of our generation, and, in the minds of many citizens, he is undoubtedly respected equally with President Abraham Lincoln, who brought about the end of slavery in this great Nation. We honor President Lincoln on the Sunday in February that falls nearest his birthday, and the House should at least be allowed this same choice when considering such an appropriate recognition of Dr. King.

By considering this bill under suspension of the rules, the Members' hands are tied, and the only choice is to accept another paid Federal holiday at the expense of the taxpayers, or not. This is not an appropriate way to consider honoring Dr. King. While the Congressional Budget Office has estimated the costs to be $24 million, I recall that when this was considered back in 1979, a figure of $212 million was noted in the RECORD.

As we are currently facing a budget deficit of $200 billion, and interest rates have started to climb again, another paid Federal holiday is simply the wrong signal for the House to send to the financial market. This will only serve to further increase prices and place additional burdens on our poor and elderly; another holiday for our postal workers will only serve to further increase the cost of postage for our citizens who cannot get about as easily, and who are more dependent on the mail.

Mr. Speaker, I would want to support some appropriate recognition of the work of Dr. King, but this legislation is too restrictive and offers no alternative. I do not believe that the taxpayers of our Nation can afford another Federal holiday at this time, and

the bill before us offers no other choice.●

● Mr. LEHMAN of California. Mr. Speaker, I rise today to express my support for H.R. 3345, designating the third Monday in January of each year a legal public holiday to commemorate the birthday of Dr. Martin Luther King, Jr.

Passage of a bill such as H.R. 3345 is long overdue. Dr. Martin Luther King, Jr., made monumental contributions to the Civil Rights Act and was responsible in large part for the U.S. greater national commitment to the achievement of equality.

Like many of the greatest men in history, Martin Luther King, Jr., proved that there is no limit to what can be accomplished by peaceful means. Today we are witnessing hostility in almost every corner of the world. Iran and Iraq have waged a senseless war for the last 32 months, religious turbulence continues in the Middle East, in Africa, Chad is struggling to counter the military dominance of Libya, and in Central America the United States is financing a covert war which most Americans know very little about.

Surely, today more than ever, we could benefit from a day which would serve as a constant reminder that peace can be a valuable tool in obtaining one's objectives.

Although Martin Luther King, Jr., is no longer with us, the perpetuation of his memory will serve as a reminder and a lesson for all of us that skin color and violence should play no role in our relations with the people around us.●

● Mr. RATCHFORD. Mr. Speaker, today I rise in remembrance of a dream, and of a dreamer, the late Dr. Martin Luther King, Jr. Dr. King, being the wise and sightful man that he was, had a vision that one day all men would rise up in recognition of the bond that we all share as human beings. King believed that man was capable of expressing a deeply rooted love and that his love could overshadow all of our differences, all of our hates and prejudices. I too believe in Dr. King's dream. Though he has been dead for many years now, I know that the dream is not dead. This is why I am here today asking my fellow Congressmen to join me in recognition of the important contributions Dr. King made to our Nation, by supporting his birthday as a national holiday.

Dr. King once said that,"The man who won't die for something is not fit to live." King did not simply die for the sake of blacks and the poor. He died for blacks and whites, for all of mankind. He believed as do I, that if we are to truly be a great world leader, we must caress all of our people, making everyone an equal part of our Nation. In his famous 1963 speech, Dr. King said:

We will be able to speed up that day when all of God's children, black men and white men, Jews and Gentiles, Protestants and Catholics, will be able to join hands and sing, Free at last! Free at last!

This is the caliber of man we had in Dr. King.

Everyone here today knows of Dr. King's heroic story and his quest for equality for all mankind. I, therefore, will not elaborate too much on his role in the civil rights movement and his use of nonviolent action. However, one campaign deserves particular praise. Dr. King's Birmingham campaign in 1962. Under Dr. King's leadership, the Gandhi method of nonviolent resistence was revised, tested, and proven to be an effective vehicle for bringing about social change in the United States. By attacking the economic power of Birmingham, King and his associates gave the civil rights movement life by bringing it to the attention of America. Protesters, trained in nonviolent resistance, were peaceful and turned the other cheek, even while being attacked by dogs. Hundreds at a time were jailed and beaten. Even more alarming to the millions of Americans, who viewed this movement on television, was the use of young children, also trained in nonviolent action. These children stood up to the fangs of police dogs and many were jailed. In the face of this revolution and bravery, the moral conscience of the Nation was deeply stirred. To all the country, Dr. King's fight became the fight of decent Americans of all races and creeds.

Priests and rabbis, young and old, black and white, followed King and were instrumental in his accomplishments. Members of every class, faith, and profession joined hands and marched alongside King. This army fought a long hard battle with their one weapon, love.

Progress toward the eradication of racial injustice was indeed one of Dr. King's accomplishments, yes. But there is a much larger story. Dr. King's movement enlarged the concept of brotherhood to a vision of total interrelatedness. Nonviolence, as practiced by Dr. King proved to not only be the answer to the needs of blacks, but to the most adequate needs of all humanity. Since Dr. King's heroic stand for human rights, we have seen the use of his tactics and philosophy by several groups seeking equality; womens groups, religious groups, war protestors, and students. Dr. King's struggle had a significant impact on the achievements made by these groups of all of America. We are all, therefore, deeply indebted to Dr. King for his guidance in the area of social change.

Dr. King and his dream inspired us to attempt to reach new heights, to reach beyond our wildest imagination, to a world of peace and love for mankind; a world where men are judged by their deeds instead of by the color of their skin, social status, or religion. He knew that the hate, so deeply embedded in our society, would destroy us; or at least prevent us from reaching our greatest potential. We must, therefore, preserve his legacy, and grasp this message, so that generations to come will know of this great man and his struggle for human rights. A day each year named in honor of this great American, is not simply a day of remembering his movement, but a day that we can stop and relish the dream he had for us, a day to explore the possibilities of his dream coming true. Dr. King's birthday, as a national holiday would symbolize our commitment to world peace and love of mankind.

Its been 5 years since legislation was introduced which would make King's birthday a national holiday. Those of us who believe in the dream have kept the faith and the dream alive. Many counties and cities already observe such a holiday. All arguments against the passage of this legislation have been fully considered and found without merit. The need for this holiday is indeed needed today more than ever.

Dr. King's contributions to our Nation, and certainly his sacrifice cannot possibly be measured. He was a man of love, who used love to obtain his objectives. King was jailed several times, beaten, stabbed, and had his house bombed. In the light of all of this, King continued to fight his enemy with love. "Hate is rooted in fear, and the only cure for fear is love," was a favorite saying of King's. With his undying love for mankind King helped to break still another chain which enslaved our country's black and poor. He forced America to take a look at itself and its hypocrisies. How many men in our lifetime, in this country, can you remember having such an impact on our Nation. We may never see such a man again. We must, therefore, not forget his courage or his sacrifice. He had but one message; that we must love one another. By doing so, Dr. King felt that we could overcome all of our barriers. We must remember King and his legacy, for as we strive to fulfill his dream, we are really striving for a better, more peaceful life for ourselves.●

● Mr. OTTINGER. Mr. Speaker, I urge the passage H.R. 3706, a bill which would establish a legal Federal holiday on the birthday of Martin Luther King, Jr.

Such a holiday would serve foremost as a tribute to and commemoration of Dr. King's lifetime of struggles on behalf of the cause of freedom and equality, a cause for which he gave his life. The extent of Dr. King's contributions to the movement for civil rights and social justice is beyond estimation.

As organizer, orator, lobbyist, leader, and as the great strategist of nonviolent protest, Dr. King gave every ounce of his energy to help build a more just society.

His accomplishments, however, cannot be measured merely in numbers of laws passed, numbers of institutions integrated, numbers of protest goals achieved as a result of his efforts. By all these measures, and many more, his accomplishments can only be described as superhuman. But perhaps even more important was Dr. King's accomplishment as the greatest moral leader of his generation, perhaps of this century. Dr. King inspired people of all backgrounds and faiths to defy a system which for so long had perpetuated discrimination and injustice; and he exhorted all Americans to live up to the vision of brotherhood embodied in our Bill of Rights. A member of one of the most alienated groups in American society, he became his generation's greatest expositor of the American dream.

A commemoration of Dr. King's birthday would also serve as a testament to all the thousands of individuals who gave their time, their strength, and in some cases their lives, in the cause which Dr. King so valiantly guided. His principal strategy was one of mass action, and it is fitting that a day of remembrance for Dr. King should be viewed equally as a day of remembrance for the anonymous thousands who shared his struggle. Those who fought, and those who continue to fight, the battles of the civil rights movement have, as Dr. King put it, "through tenacity and creative commitment, injected new meaning into the veins of American life."

Dr. King was also a vocal leader against our foolish participation in the Vietnam war. He was a great advocate of peace. Were he with us today I have no doubt he would be leading us in protest against our involvement in President Reagan's Central American war—as sadly no leader has arisen to do today.

The most important function of a holiday on Dr. King's birthday, then, would not be to look back in order to pay tribute, but to look forward, to dedicate ourselves to the causes for which Dr. King ceaselessly toiled. In his last book, "Where Do We Go From Here: Chaos or Community?" Dr. King observed that—

> Much has been done, but it has been accomplished by too few and on a scale too limited for the breadth of the goal. Freedom is not won by passive acceptance of suffering. Freedom is won by a struggle against suffering.

That observation remains equally accurate today.

A few weeks from today a coalition of groups from all across the country will hold a demonstration on the Mall to mark the 20th anniversary of the March on Washington. They will be calling on our Nation to take up Dr. King's unfinished agenda, to recommit ourselves to the fulfillment of the dream he expounded 20 years ago. The establishment of a Federal holiday on the birthday of Martin Luther King, Jr., would provide a national day of rededication to that dream, to the goal of a truly just national community.●

● Mr. IRELAND. Mr. Speaker, Dr. Martin Luther King's place in American history has been guaranteed by his commitment to equal justice for all and change through nonviolence.

Today, as that struggle to promote freer and more diverse access to this country's resources continues, the unrelenting growth of Government spending and deficits clearly stands as the greatest obstacle to full employment, equal access to opportunity and prosperity—matters of great concern to all Americans.

Given this reality, the creation of another Federal holiday—with its accompanying adverse fiscal implications—does not seem to be the proper vehicle to honor Dr. King. The cost to our government of a new Federal holiday would be a minimum of $235 million at the Federal level and an additional amount at the State level.

Dr. King's message was inspirational and spiritual. His day of recognition ought to reflect that fact.

I would support an alternative proposal to set aside a specified Sunday as the holiday, or declare a national day of prayer and meditation in his honor.

My feeling on this matter are very sincere and I would not be in favor of creating an additional holiday for any American.●

● Mr. MATSUI. Mr. Speaker, I rise in support of H.R. 3706 designating January 15 as a national holiday in honor of Dr. Martin Luther King.

A relentless campaigner for human rights, racial justice, and world peace, Dr. King's words remain insightful and much needed today. In fact, over the last 15 years the importance of Dr. King's efforts have become increasingly apparent.

In today's vote, the House can at long last provide the special recognition that this great American leader deserves. In designating this holiday, we not only recognize the contribution of black Americans to our Nation's progress; we as well underscore our society's awareness that greatness comes in many forms. As we rightly honor certain presidents and military achievements, we can also honor a man who did not hold elective office, but whose main achievement was to remold the conscience of an entire nation.

Mr. Speaker, I urge support today for this resolution in the interest of all Americans, for it is this vast constituency which Martin Luther King ultimately served so nobly.●

● Mrs. SCHROEDER. Mr. Speaker, I rise in support of this legislation to create a national holiday commemorating the birth of Dr. Martin Luther King, Jr. It is most appropriate, and long overdue, that we recognize Dr. King's great contribution to the struggle for civil rights and social justice in this country by creating a holiday in his honor.

Dr. King's actions have touched all our lives. He was able to focus the Nation's attention on the institutional barriers that prevented black Americans from voting, getting a quality education, and receiving just treatment from the courts. Numerous pieces of legislation, including the Civil Rights Act of 1964, and the Voting Rights Act, were enacted largely in response to Dr. King's persistence in demanding that all Americans, regardless of the color of their skin, receive the constitutional protection of equal protection under law.

The nine national holidays currently observed by Government agencies were created to remind us of something great in American history. We should create a national holiday honoring Dr. King because he personified the inexorable, irresistable yearning for social justice of the American people. He represents that part of the American soul which refuses to tolerate prejudice and injustice, surely one of our Nation's greatest strengths.

Creation of a national holiday to honor Dr. King's struggle for racial equality is particularly urgent now. Under the current administration, affirmative action in education and employment has fallen into disfavor as a national policy. The Assistant Attorney General for Civil Rights, William Bradford Reynolds, has repeatedly stated his opposition to any affirmative action programs. A King holiday will surely create renewed awareness of the cause to which Dr. King dedicated his life. It is my hope that renewed interest in the struggle for racial equality will prevent further erosion of the gains made by black Americans in recent years.

I urge my colleagues to vote in favor of this legislation.●

● Mrs. KENNELLY. Mr. Speaker, I rise in support of H.R. 3345, the bill to designate the birthday of Martin Luther King, Jr., as a national public holiday.

National recognition and commemoration of this great American and the ideals for which he stood is long overdue. In time of racial strife, he spoke eloquently for brotherhood, social justice, human dignity and peace in the world. He sought the achievement of these goals through nonviolent social protest—indeed his life epitomized the nonvolent struggle against injustice.

His visionary leadership enabled this country to move closer to the ideals of racial and social justice upon which it was founded than multitudes of armies ever could have done. Martin Luther King, Jr., laid the foundation for the civil rights movement in this country, and his legacy lives on in our lives today.

Not only was King a living embodiment of the ideals upon which America was founded, his message was a beacon of hope and inspiration to people of all races and creeds seeking nonviolent social change all over the world. Dr. King lived for his dream of America as a land of equal rights and equal opportunity for all. And he was killed for that dream. It is our responsibility to see that his dream lives on, and that it is visibly symbolized and honored by the creation of a national holiday. A national day of remembrance would accord King the prominent place he deserves in our Nation's history, and it would remind us each year that America still has a distance to go to realize Martin Luther King's dream. Each year on January 15, we must rededicate our lives to the struggle against bigotry and injustice.●

● Mr. BROWN of California. Mr. Speaker, the Reverend Dr. Martin Luther King, Jr. had a dream, a utopic vision in which humankind could coexist peacefully, productively, and harmoniously regardless of racial, religious, or ethnic differences. Dr. King did more and has come closer than anyone to allowing this dream to materialize. King was the catalyst for the dream of a world community in which all individuals would live together in humaneness and respect.

Dr. King devoted his life to eliminating racial prejudice and bigotry in all forms through nonviolent means. Dr. King's advocacy of passive resistance is modeled after that great sage and leader, Mahatma Gandhi. Dr. King is perhaps our country's foremost example of our national commitment to strive for equality without resorting to violence. To quote Dr. King:

> Nonviolence is the answer to the crucial political and moral questions of our time; the need for man to overcome oppression and violence without resorting to oppression and violence. Man must evolve for all human conflict a method which rejects revenge, aggression, and retaliation. The foundation of such a method is love.

Dr. King's life, education, and sacrifice stand as an inspiration to all of us. I believe that it is time to honor Dr. Martin Luther King, Jr. by establishing a Federal holiday to commemorate Dr. King's birthday. It is time not merely to recognize the contribution he has given to this country, but to dedicate a day each year to the everlasting imprint he has left on the world. As a long-time supporter of this effort, I urge the passage of this resolution.●

● Mr. SIMON. Mr. Speaker, I want to join my colleague, Mrs. HALL, the gentlelady from Indiana, my friends and colleagues in the Congressional Black colleagues in the Congressional Black Caucus—especially Mr. CONYERS—and other Members of the House in supporting passage of H.R. 3706.

I have a special purpose and personal reason for supporting enactment of legislation making Dr. King's birthday a national holiday. I joined Dr. King at the second anniversary celebration of the 1956 Montgomery bus boycott. As a freshman legislator in the Illinois House and the sponsor of major civil rights legislation in the Illinois legislator, Dr. King invited me to join him in a flight from southern Illinois to Atlanta and then to Montgomery to share in the celebration of one of the most significant civil rights achievements then on record. I had the opportunity during that time to better understand the man who was fast becoming a living legend in this Nation's civil rights history.

The self-styled "drum major for justice" was also a prophet of peace. He not only mobilized and lef the 382 day bus boycott in Montgomery, he also called on the Nation's leaders to reject nuclear war and human devastation in Southeast Asia, and fought for human dignity and living wage for sanitation workers in Memphis. During his all too brief lifetime, he became a national hero, a warrior for racial justice, a Nobel Prize winner, and a shepherd to the masses.

While enactment of this legislation has symphonic meaning for all American citizens, especially black Americans, it has substantive meaning as well. Today the House of Representatives should put behind it questions of cost an color, and lift up the character and achievements of Rev. Martin Luther King, Jr.

I urge my colleagues to join me in voting "aye" on H.R. 3706.●

● Mr. DONNELLY. Mr. Speaker, since 1968, the House has considered legislation to establish a national holiday in honor of Dr. Martin Luther King, Jr. This month marks the 20th anniversary of Dr. King's historical march on Washington, and I think it only fitting that today, we pass H.R. 3706, in order to once and for all give this great American the recognition he so deserves.

As a result of Dr. King's faith and leadership, the American people were awakened to the real damages of segregation and discrimination which had divided our Nation. Seventeen States, including my home State of Massachusetts have already enacted holidays in his honor. To approve legislation to designate 1 day in tribute to this great American leader is a small price for this bocy to pay in light of his many outstanding achievements.

The ideals that Dr. King lived and died for must continue to be pursued for the sake of world peaece. I sincerely hope that my colleagues will support passage of H.R. 3706.●

The SPEAKER pro tempore. All time has expired.

The question is on the motion offered by the gentlewoman from Indiana (Mrs. HALL) that the House suspend the rules and pass the bill, H.R. 3706.

The question was taken.

Mr. DANNEMEYER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were refused.

Mr. DANNEMEYER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 338, nays 90, not voting 5, as follows:

[Roll No. 304]

YEAS—338

Ackerman	Collins	Garcia
Addabbo	Conte	Gaydos
Akaka	Conyers	Gejdenson
Albosta	Cooper	Gekas
Alexander	Corcoran	Gephardt
Anderson	Coughlin	Gibbons
Andrews (NC)	Courter	Gilman
Andrews (TX)	Coyne	Gingrich
Annunzio	Crockett	Glickman
Anthony	D'Amours	Gonzalez
Aspin	Daschle	Gore
AuCoin	Daub	Gradison
Barnard	Davis	Gray
Barnes	de la Garza	Green
Bates	Dellums	Guarini
Bedell	Derrick	Gunderson
Beilenson	DeWine	Hall (IN)
Bennett	Dicks	Hall (OH)
Bereuter	Dingell	Hall, Ralph
Berman	Dixon	Hamilton
Bethune	Donnelly	Hance
Bevill	Dorgan	Harkin
Biaggi	Dowdy	Harrison
Bliley	Downey	Hartnett
Boehlert	Duncan	Hatcher
Boggs	Durbin	Hawkins
Boland	Dwyer	Hefner
Boner	Dymally	Hertel
Bonior	Dyson	Hightower
Bonker	Early	Hiler
Borski	Eckart	Hillis
Bosco	Edgar	Hopkins
Boucher	Edwards (AL)	Horton
Boxer	Edwards (CA)	Howard
Breaux	Edwards (OK)	Hoyer
Britt	Emerson	Hubbard
Brooks	English	Huckaby
Broomfield	Erdreich	Hughes
Brown (CA)	Evans (IA)	Hunter
Broyhill	Evans (IL)	Hyde
Bryant	Fascell	Jacobs
Burton (CA)	Fazio	Johnson
Burton (IN)	Feighan	Jones (NC)
Byron	Ferraro	Jones (OK)
Carper	Fish	Jones (TN)
Carr	Flippo	Kaptur
Chandler	Florio	Kasich
Chappell	Foglietta	Kastenmeier
Chappie	Foley	Kazen
Cheney	Ford (MI)	Kemp
Clarke	Ford (TN)	Kennelly
Clay	Forsythe	Kildee
Coats	Fowler	Kogovsek
Coelho	Frank	Kolter
Coleman (MO)	Frost	Kostmayer
Coleman (TX)	Fuqua	LaFalce

Lantos	Nowak	Skelton
Leach	O'Brien	Slattery
Lehman (CA)	Oakar	Smith (FL)
Lehman (FL)	Oberstar	Smith (IA)
Leland	Obey	Smith (NJ)
Lent	Olin	Snowe
Levin	Ortiz	Solarz
Levine	Ottinger	Spratt
Levitas	Owens	Staggers
Lewis (CA)	Oxley	Stark
Lewis (FL)	Panetta	Stokes
Lipinski	Parris	Stratton
Livingston	Patman	Studds
Lloyd	Patterson	Swift
Long (LA)	Pease	Synar
Long (MD)	Penny	Tallon
Lowery (CA)	Pepper	Tauzin
Lowry (WA)	Perkins	Thomas (CA)
Luken	Pickle	Thomas (GA)
Lundine	Porter	Torres
Lungren	Price	Torricelli
Mack	Pritchard	Towns
MacKay	Rahall	Traxler
Madigan	Rangel	Udall
Markey	Ratchford	Valentine
Martinez	Regula	Vander Jagt
Matsui	Reid	Vandergriff
Mavroules	Richardson	Vento
Mazzoli	Ridge	Volkmer
McCloskey	Rinaldo	Walgren
McCurdy	Ritter	Walker
McDade	Roberts	Watkins
McEwen	Rodino	Waxman
McGrath	Roe	Weber
McHugh	Roemer	Weiss
McKernan	Rose	Wheat
McKinney	Rostenkowski	Whitley
McNulty	Roukema	Whittaker
Mica	Rowland	Whitten
Michel	Roybal	Williams (MT)
Mikulski	Russo	Williams (OH)
Miller (CA)	Sabo	Wilson
Mineta	Savage	Wirth
Minish	Sawyer	Wise
Mitchell	Schneider	Wolf
Moakley	Schroeder	Wolpe
Mollohan	Schulze	Wortley
Moody	Schumer	Wright
Morrison (CT)	Seiberling	Wyden
Morrison (WA)	Shannon	Wylie
Mrazek	Sharp	Yates
Murphy	Shaw	Yatron
Murtha	Sikorski	Young (AK)
Myers	Siljander	Young (MO)
Natcher	Simon	Zablocki
Neal	Sisisky	Zschau
Nelson	Skeen	

NAYS—90

Applegate	Hutto	Paul
Archer	Ireland	Petri
Badham	Jeffords	Pursell
Bartlett	Jenkins	Quillen
Bateman	Kindness	Ray
Bilirakis	Kramer	Robinson
Brown (CO)	Lagomarsino	Rogers
Campbell	Latta	Roth
Carney	Leath	Rudd
Clinger	Loeffler	Schaefer
Conable	Lott	Sensenbrenner
Craig	Lujan	Shelby
Crane, Daniel	Marlenee	Shumway
Crane, Philip	Marriott	Shuster
Daniel	Martin (IL)	Smith (NE)
Dannemeyer	Martin (NC)	Smith, Denny
Dickinson	Martin (NY)	Smith, Robert
Dreier	McCain	Snyder
Erlenborn	McCandless	Solomon
Fiedler	McCollum	Spence
Fields	McDonald	Stangeland
Franklin	Miller (OH)	Stenholm
Frenzel	Molinari	Stump
Goodling	Montgomery	Sundquist
Gramm	Moore	Tauke
Gregg	Moorhead	Taylor
Hall, Sam	Nichols	Vucanovich
Hammerschmidt	Nielson	Whitehurst
Hansen (UT)	Packard	Winn
Holt	Pashayan	Young (FL)

NOT VOTING—5

Hansen (ID)	Scheuer	Weaver
Heftel	St Germain	

□ 1450

Mr. ROSE changed his vote from "nay" to "yea."

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

□ 1500

GENERAL LEAVE

Mrs. HALL of Indiana. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous matter on H.R. 3706, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Indiana?

Mr. EDWARDS of Oklahoma. Mr. Speaker, reserving the right to object, and I shall not object, I take the reservation only to notify the House that on this very historic occasion, a majority of both parties in the House voted for the bill just passed.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Indiana?

There was no objection.

CONFERENCE REPORT ON H.R. 3329, DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATIONS, 1984

Mr. LEHMAN of Florida. Mr. Speaker, I call up the conference report on the bill (H.R. 3329) making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1984, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Pursuant to the rule, the conference report is considered as having been read.

(For conference report and statement, see proceedings of the House of July 26, 1983.)

The SPEAKER pro tempore. The gentleman from Florida (Mr. LEHMAN) will be recognized for 30 minutes, and the gentleman from Pennsylvania (Mr. COUGHLIN) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Florida (Mr. LEHMAN).

Mr. LEHMAN of Florida. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the conferees on the fiscal year 1984 transportation appropriations bill had two basic objectives: First, to provide the resources necessary to meet our Nation's transportation program objectives for the coming year; and second, to produce a conference agreement which will become a public law.

We believe we have achieved both of these objectives. The conference agreement would provide $10,932,207,225 in new budget authority. That is $367.7 million less than the House bill and $78.25 million more than the Senate bill. We have strong indications from the administration that the conference agreement is acceptable to them and that the bill will be signed into law.

Mr. Speaker, some Members might question why this conference agreement is so far below the House-passed bill. The major reduction from the House bill occurs in the FAA account—which has been cut by about $200 million in line with the Senate bill.

In my view, the House conferees would not have agreed to the Senate aviation figures but for a July 13 letter sent to the chairman of the Senate Appropriations Committee by Secretary DOLE. That letter states that the lower Senate figures would allow the department, which includes the FAA, to operate effectively and goes on to say that the FAA Administrator believes that the Senate figures would not severely impact the implementation of the national airspace system plan.

The purpose of this letter is to convey my appreciation for the actions taken by the Senate Subcommitee on Transportation in marking up the fiscal year 1984 DOT Appropriations Bill. The excessive appropriation levels of the House passed bill were dramatically reduced and much of the objectionable bill and report language was deleted. Barring any unforeseen circumstances, the Department can operate effectively within the Subcommittee's levels. In particular, FAA Administrator Helms has indicated that the FAA levels, although reduced below those requested by the Administration for fiscal year 1984, will not severely impact the implementation of the NAS plan in 1984—the Administration remains committed to the outyear funding requirements associated with the NAS plan.

I would recommend that an enacted Appropriations Bill along the lines of that of the Subcommittee be signed by the President.

Mr. Speaker, in agreeing to the lower aviation funding levels, we are taking the Secretary and the FAA Administrator at their word.

I will add, however, that the administration will have a lot of explaining to do at next year's budget hearing. I will be particularly interested to hear the FAA explain why it testified that $1 billion in the facilities and equipment account was essential for the continued implementation of the NAS plan only to learn 3 months later that they believe that a $750 million level would have no severe impact on the implementation of that plan. I will also be interested to know why the

FAA can apparently operate with $145 million less than the amount they claimed they required at our April budget hearing. Mr. Speaker, the statements made in the Secretary's July 13 letter combined with the FAA's reaction, or lack thereof, to the aviation funding levels contained in the Senate bill raise serious questions in my mind about the FAA's entire budget formulation process.

The other significant reduction from the House bill contained in the conference agreement is a $100 million cut in the section 9 mass transit block grant. Frankly, this was the price exacted by the administration to get this bill signed. Although the House conferees were reluctant to make this reduction, I would point out that the conference level of $2.39 billion is still $415 million more than the President's budget request for section 9 and does not include the cap on operating assistance requested by the President.

Other major highlights of the conference agreement are as follows:

For the Coast Guard, the conferees have provided a total of $2.45 billion. This is $51 million more than last year's level. This amount includes $369 million for acquisition, construction and improvements which will continue the major procurements of 13 new 270-foot cutters, 41 new jet aircraft, and 90 short-range helicopters. We read the Secretary's July 13 letter as endorsing these figures even though they are $45 million below the budget request.

As I mentioned earlier, the conference agreement contains over $3.6 billion in new budget authority for the FAA, and limits obligations for airport grants to $800 million. According to the Secretary, this will provide a sufficient funding level for the FAA in fiscal year 1984.

In the highway area, the conference agreements limits obligations for the Federal-aid highway program to $12.52 billion. This is a reduction of $80 million, or 6 tenths of 1 percent, from the House level. According to our best information, over the first 9 months of fiscal year 1983, the States have obligated highway funds at a rate of $915 million per month. This works out to about $11 billion for the year. If the same spending pattern holds true for fiscal year 1984, the conference level of $12.52 billion would provide a cushion of $1.5 billion for discretionary projects, administrative costs, and special nonformula funds. We think this spending level will not do damage to the highway program. But I can assure my colleagues that, if state highway spending patterns change significantly, we will give full consideration to revising the highway obligation limitation.

The conference agreement also includes up to $21 million for emergency assistance connected with the Mianus Bridge disaster in Connecticut, and $15 million for railroad-highway crossing demonstration projects.

For highway safety, the conference agreement provides $78 million in new budget authority for operations and research of the National Highway Traffic Safety Administration. In addition, obligation limitations totaling $142.9 million are established for three other highway safety programs.

I want to take this opportunity to caution NHTSA about a small matter, but one which has significant symbolic value. Over the years, various congressional committees have expressed concern about the proliferation of so-called advisory committees throughout the Federal Government. We may take an in-depth look at DOT advisory committees in next year's hearings. But I want to warn NHTSA that one of those whose effectiveness we question is the National Highway Safety Advisory Committee. This advisory committee seems to have a penchant for holding national conferences at taxpayers' expense, which appear to produce little of real value. I especially would like NHTSA to take a close look at the need for this group's proposed national conference in may 1984 in light of similar conferences planned in the same month, and the need for this group to establish subcommittees which hold national meetings in order to plan national meetings. I expect NHTSA to be much tougher in approving funds for these and similar activities and will examine NHTSA's actions during the fiscal year 1985 budget hearing. If no improvements are forthcoming the committee will take appropriate action.

For the Federal Railroad Administration, the conference agreement provides about $950 million in new budget authority. This includes $716.4 million for Amtrak, $100 million for the Northeast corridor project, and $35 million for Rock Island labor protection payments.

For mass transit, the conference agreement provides a total of $4.243 billion which is comprised of $3.02 billion in new budget authority and a limitation of $1.225 billion on contract authority obligations. In total, the conference agreement provides $477 million more for transit than was requested by President Reagan.

In the general provisions section, there are three provisions which are of keen interest to many Members. The first is section 314 which concerns National Airport. That provision requires the Secretary to hold in abeyance for 60 days her proposed rulemaking to adjust the annual passenger ceiling at National. The purpose of this provision is to allow further dialog on this issue among all interested parties and to afford congress another opportunity to address this issue in the upcoming continuing resolution should there continue to be major problems.

Another general provision of note is section 315 concerning the repayment of maritime Administration construction differential subsidies. The provision in the conference agreement would prohibit enforcement of the secretary's proposed construction differential subsidy rule for 60 days following promulgation of that rule. Section 315 also requires that enforcement of the CDS rule be held in abeyance for at least 60 days from the date of enactment.

Section 319 of the conference agreement prohibits the FAA from closing any facilities prior to December 1, 1983. In addition that provision requires the FAA to submit to Congress a detailed, site-specific, and time-phased plan for all facility closures by October 1, 1983. This will enable us to evaluate more fully the adequacy of the FAA's facility consolidation plans.

Mr. Speaker, all the House conferees signed the conference report. I want to single out in particular one of those conferees, the gentleman from Pennsylvania, the ranking minority member (Mr. COUGHLIN) for his cooperation and leadership in helping to fashion this conference report. I greatly appreciate his assistance.

Mr. Speaker, this conference agreement is fiscally responsible and meets the transportation needs of our Nation. I urge adoption of the conference report.

I insert at this point in the RECORD a table listing the conference figures in detail:

	FY 1983 Enacted	FY 1984 Estimates	House	Senate	Conference	Conference compared with Estimates
TITLE I - DEPARTMENT OF TRANSPORTATION						
Office of the Secretary						
Salaries and expenses	40,400,000	42,537,000	41,275,000	41,275,000	41,275,000	-1,262,000
Transportation planning, research, and development	4,900,000	7,256,000	2,500,000	7,256,000	4,878,000	-2,378,000
(Limitation on working capital fund)	(70,909,000)	(68,198,000)	(67,750,000)	(68,198,000)	(67,974,000)	(-224,000)
Total, Office of the Secretary	45,300,000	49,793,000	43,775,000	48,531,000	46,153,000	-3,640,000
Coast Guard						
Operating expenses	1,577,403,000	1,687,806,000	1,675,289,000	1,648,256,000	1,656,256,000	-31,550,000
Appropriation for debt reduction	-254,650	-263,544	-263,544	-263,544	-263,544	---
(By transfer)	(26,650,000)	---	(12,550,000)	(12,550,000)	(12,550,000)	(+12,550,000)
Total, operating expenses	1,577,148,350	1,687,542,456	1,675,025,456	1,647,992,456	1,655,992,456	-31,550,000
Acquisition, construction, and improvements	400,000,000	378,600,000	369,000,000	370,900,000	369,000,000	-9,600,000
(By transfer)	(9,000,000)	---	---	---	---	---
Alteration of bridges	12,700,000	13,200,000	7,400,000	12,600,000	8,600,000	-4,600,000
Retired pay	336,000,000	341,300,000	341,300,000	341,300,000	341,300,000	---
Reserve training	50,000,000	54,805,000	54,805,000	54,805,000	54,805,000	---
(By transfer)	(4,000,000)	---	---	---	---	---
Research, development, test, and evaluation	20,000,000	22,000,000	23,500,000	22,000,000	22,500,000	+500,000
Offshore oil pollution compensation fund	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	---
(Limitation on obligations)	(60,000,000)	(60,000,000)	(60,000,000)	(60,000,000)	(60,000,000)	---
Deepwater port liability fund	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	---
(Limitation on obligations)	(50,000,000)	(50,000,000)	(50,000,000)	(50,000,000)	(50,000,000)	---
National recreational boating safety and facilities improvement fund	5,000,000	---	---	---	---	---
(Limitation on obligations)	---	(15,000,000)	(10,000,000)	(15,000,000)	(12,500,000)	(-2,500,000)
(Liquidation of contract authorization)	(7,500,000)	(15,000,000)	(10,000,000)	(15,000,000)	(12,500,000)	(-2,500,000)
Total, Coast Guard	2,402,848,350	2,499,447,456	2,473,030,456	2,451,597,456	2,454,197,456	-45,250,000
Federal Aviation Administration						
Headquarters administration	55,974,000	62,076,000	56,900,000	56,900,000	56,900,000	-5,176,000
Operations	2,522,483,000	2,639,522,000	2,593,300,000	2,500,000,000	2,500,000,000	-139,522,000
Subtotal, Operations and headquarters administration	2,578,457,000	2,701,598,000	2,650,200,000	2,556,900,000	2,556,900,000	-144,698,000
Facilities, engineering, and development	18,255,000	---	---	---	---	---
Facilities and equipment (Airport and Airway Trust Fund)	617,550,000	1,000,000,000	985,300,000	750,000,000	750,000,000	-250,000,000
(By transfer)	(7,450,000)	---	---	---	---	---
Research, engineering and development (Airport and Airway Trust Fund)	103,000,000	285,984,000	278,000,000	263,452,000	263,452,000	-22,532,000
Grants-in-aid for airports:						
Rescission	---	---	-143,500,000	---	---	---
(Limitation on obligations)	(750,000,000)	(700,000,000)	(900,000,000)	(800,000,000)	(800,000,000)	(+100,000,000)
(Liquidation of contract authorization) (Airport and Airway Trust Fund)	(234,000,000)	(745,000,000)	(745,000,000)	(745,000,000)	(745,000,000)	---
Operation and maintenance, Metropolitan Washington Airports	31,955,000	34,557,000	34,557,000	34,557,000	34,557,000	---
(By transfer)	(500,000)	---	---	---	---	---
Construction, Metropolitan Washington Airports	11,080,000	15,250,000	11,750,000	15,250,000	14,250,000	-1,000,000
Total, Federal Aviation Administration	3,360,297,000	4,037,389,000	3,816,507,000	3,620,159,000	3,619,159,000	-418,230,000

	FY 1983 Enacted	FY 1984 Estimates	House	Senate	Conference	Conference compared with Estimates
Federal Highway Administration						
(Limitation on general operating expenses)	(192,250,000)	(202,687,000)	(198,600,000)	(202,687,000)	(200,000,000)	(-2,687,000)
Motor carrier safety	11,800,000	13,020,000	13,020,000	13,020,000	13,020,000	---
(By transfer)	(1,000,000)	---	---	---	---	---
Motor carrier safety grants	---	10,000,000	8,000,000	10,000,000	8,000,000	-2,000,000
Highway safety research and development	7,700,000	8,600,000	8,500,000	8,500,000	8,500,000	-100,000
(By transfer)	(300,000)	---	---	---	---	---
Highway beautification	500,000	---	---	---	---	---
Highway-related safety grants:						
(Limitation on obligations)	(10,000,000)	(10,000,000)	(10,000,000)	(10,000,000)	(10,000,000)	---
(Liquidation of contract authorization) (Trust Fund)	(22,998,000)	(9,738,000)	(9,738,000)	(9,738,000)	(9,738,000)	---
Rescission of contract authority	-9,623,000	---	---	---	---	---
Territorial highways	3,000,000	---	---	---	---	---
Railroad-highway crossings demonstration projects	---	---	35,700,000	---	15,000,000	+15,000,000
Federal-aid highways						
(Limitation on obligations)	(12,375,000,000)	(12,600,000,000)	(12,600,000,000)	(12,600,000,000)	(12,600,000,000)	---
(Limitation on obligations -- general provision)	---	---	---	---	(-80,000,000)	(-80,000,000)
(Liquidation of contract authorization)(Trust Fund)	(8,500,000,000)	(11,600,000,000)	(11,600,000,000)	(11,600,000,000)	(11,600,000,000)	---
Highways crossing federal projects (reappropriation)	400,000	---	---	---	---	---
Emergency relief (contract authority)	---	---	---	---	20,000,000	+20,000,000
Maine bridge emergency assistance	---	---	---	---	1,000,000	+1,000,000
Interstate transfer grants-highways	518,000,000	---	---	---	---	---
Right-of-way Revolving Fund (limitation on direct loans) (Trust Fund)	---	(30,000,000)	(30,000,000)	(30,000,000)	(30,000,000)	---
Bridge replacement	23,200,000	---	---	---	---	---
Highway demonstration project	33,000,000	---	---	---	---	---
Access highways to public recreation areas on certain lakes	---	---	---	4,270,000	4,270,000	+4,270,000
Waste isolation pilot project roads	---	---	---	5,800,000	5,800,000	+5,800,000
Total, Federal Highway Administration	587,977,000	31,620,000	65,220,000	41,590,000	75,590,000	+43,970,000
National Highway Traffic Safety Administration						
Operations and research	74,000,000	77,998,000	78,000,000	78,000,000	78,000,000	+2,000
(By transfer)	(300,000)	---	---	---	---	---
Highway traffic safety grants:						
(Liquidation of contract authorization)	(103,552,000)	(118,000,000)	(118,000,000)	(118,000,000)	(118,000,000)	---
State and community highway safety (limitation on obligations)	(95,000,000)	(77,000,000)	(100,000,000)	(100,000,000)	(100,000,000)	(+23,000,000)
(Liquidation of contract authorization) (trust fund)	(2,000,000)	---	---	---	---	---
Alcohol safety incentive grants (limitation on obligations)	---	---	(37,950,000)	(37,950,000)	(37,950,000)	(+37,950,000)
Highway safety education and information (liquidation of contract authorization) (trust fund)	(1,000,000)	---	---	---	---	---
Total, National Highway Traffic Safety Administration	74,000,000	77,998,000	78,000,000	78,000,000	78,000,000	+2,000
Federal Railroad Administration						
Office of the Administrator	13,000,000	13,867,000	11,680,000	11,680,000	11,680,000	-2,187,000
(By transfer)	(225,000)	---	---	---	---	---
Railroad safety	28,000,000	26,514,000	26,500,000	28,900,000	28,900,000	+2,386,000
Railroad research and development	17,000,000	16,675,000	16,225,000	16,225,000	16,225,000	-450,000
Rail Service Assistance	31,675,000	9,340,000	14,240,000	24,240,000	24,240,000	+14,900,000
Authority to borrow	---	854,000	854,000	854,000	854,000	---
(By transfer)	---	---	(10,000,000)	---	---	---
Settlements of railroad litigation	18,499,000	---	---	---	---	---
Appropriation for debt reduction	-18,499,000	---	---	---	---	---
Conrail labor protection	10,000,000	20,000,000	16,000,000	16,000,000	16,000,000	-4,000,000
(By transfer)	(10,000,000)	---	(4,000,000)	(4,000,000)	(4,000,000)	(+4,000,000)
Rock Island labor protection	---	---	35,000,000	35,000,000	35,000,000	+35,000,000
Northeast corridor improvement program	115,000,000	100,000,000	100,000,000	100,000,000	100,000,000	---
Grants to the National Railroad Passenger Corporation	780,000,000	662,000,000	720,000,000	716,400,000	716,400,000	+54,400,000
Commuter rail service (by transfer)	(90,000,000)	---	---	---	---	---
Payments to the Alaska Railroad Revolving Fund	7,600,000	---	---	---	---	---
Railroad Rehabilitation and Improvement Financing Funds:						
Appropriation	7,100,000	---	---	---	---	---
Appropriation for debt reduction	-7,100,000	---	---	---	---	---
(Limitation on loan guarantees)	(600,000,000)	---	---	---	---	---
(Limitation on new loan guarantees)	(100,000,000)	---	(20,000,000)	(20,000,000)	(20,000,000)	(+20,000,000)
Redeemable preference shares:						
Appropriation (Authority to borrow)	5,000,000	---	---	---	---	---
Emergency rail facilities restoration (limitation on direct loans)	(2,301,000)	---	---	---	---	---
Illinois feeder line assistance (by transfer)	---	---	(3,000,000)	---	(3,000,000)	(+3,000,000)
Total, Federal Railroad Administration	1,007,275,000	849,250,000	940,499,000	949,299,000	949,299,000	+100,049,000

	FY 1983 Enacted	FY 1984 Estimates	House	Senate	Conference	Conference compared with Estimates
Urban Mass Transportation Administration						
Administrative expenses	28,406,602	29,666,000	29,200,000	29,666,000	29,200,000	-466,000
(By transfer)	(204,398)	---	---	---	---	---
Research, development, and demonstrations and university research and training	58,250,000	52,000,000	54,800,000	54,800,000	54,800,000	+2,800,000
Formula grants	1,268,500,000	1,973,500,000	2,488,592,200	2,388,592,200	2,388,592,200	+415,092,200
Discretionary grants	1,691,650,000	---	---	---	---	---
(Limitation on obligations)	---	(1,100,000,000)	(1,250,000,000)	(1,200,000,000)	(1,225,000,000)	(+125,000,000)
(Liquidation of contract authorization) (Trust Fund)	(55,000,000)	(242,000,000)	(242,000,000)	(242,000,000)	(242,000,000)	---
(Liquidation of contract authorization)	(681,135,000)	---	---	---	---	---
Interstate transfer grants-transit	412,000,000	380,000,000	335,000,000	270,000,000	295,400,000	-84,600,000
Washington Metro	240,000,000	230,000,000	275,000,000	230,000,000	250,000,000	+20,000,000
Total, Urban Mass Transportation Administration	3,698,806,602	2,665,166,000	3,182,592,200	2,973,058,200	3,017,992,200	+352,826,200
Saint Lawrence Seaway Development Corporation						
(Limitation on administrative expenses)	(1,740,000)	(1,825,000)	(1,800,000)	(1,800,000)	(1,800,000)	(-25,000)
Research and Special Programs Administration						
Research and special programs	20,022,000	20,287,000	20,200,000	20,200,000	20,200,000	-87,000
Office of the Inspector General						
Salaries and expenses	25,355,000	25,895,000	25,895,000	26,795,000	26,795,000	+900,000
Bid rigging investigative support	---	---	900,000	---	---	---
Total, Office of the Inspector General	25,355,000	25,895,000	26,795,000	26,795,000	26,795,000	+900,000
Total, title I, Department of Transportation:						
New budget (obligational) authority	11,221,880,952	10,256,845,456	10,646,618,656	10,209,229,656	10,287,385,656	+30,540,200
Appropriations	(11,251,957,602)	(10,256,255,000)	(10,789,528,200)	(10,208,639,200)	(10,266,795,200)	(+10,540,200)
Appropriations for debt reduction	(-25,853,650)	(-263,544)	(-263,544)	(-263,544)	(-263,544)	---
Authority to borrow	(5,000,000)	(854,000)	(854,000)	(854,000)	(854,000)	---
Rescission	(-9,623,000)	---	(-143,500,000)	---	---	---
(By transfer)	(149,629,398)	---	(29,550,000)	(16,550,000)	(19,550,000)	(+19,550,000)
(Limitations)	(193,990,000)	(204,512,000)	(200,400,000)	(204,487,000)	(201,800,000)	(-2,712,000)
(Limitations on direct loans)	(2,301,000)	(30,000,000)	(30,000,000)	(30,000,000)	(30,000,000)	---
(Limitations on loan guarantees)	(600,000,000)	---	---	---	---	---
(Limitations on new loan guarantees)	(100,000,000)	---	(20,000,000)	(20,000,000)	(20,000,000)	(+20,000,000)
(Limitation on working capital fund)	(70,909,000)	(68,198,000)	(67,750,000)	(68,198,000)	(67,974,000)	(-224,000)
(Liquidation of contract authorization)	(9,607,185,000)	(12,729,738,000)	(12,724,738,000)	(12,729,738,000)	(12,727,238,000)	(-2,500,000)
TITLE II - RELATED AGENCIES						
Architectural and Transportation Barriers Compliance Board						
Salaries and expenses	2,020,000	1,700,000	1,900,000	1,900,000	1,900,000	+200,000
National Transportation Safety Board						
Salaries and expenses	19,970,000	19,735,000	20,615,000	21,062,000	20,858,000	+1,123,000
Civil Aeronautics Board						
Salaries and expenses	23,825,000	20,890,000	18,400,000	16,100,000	18,400,000	-2,490,000
(By transfer)	---	---	(2,400,000)	---	---	---
Payments to air carriers	48,400,000	50,800,000	50,800,000	50,800,000	50,800,000	---
Total, Civil Aeronautics Board	72,225,000	71,690,000	69,200,000	66,900,000	69,200,000	-2,490,000
Interstate Commerce Commission						
Salaries and expenses	65,600,000	58,038,000	59,000,000	62,000,000	60,000,000	+1,962,000
Payments for directed rail service (limitation on obligations)	(10,000,000)	(10,000,000)	(5,000,000)	(10,000,000)	(5,000,000)	(-5,000,000)
Panama Canal Commission						
Operating expenses	405,378,635	424,362,000	418,962,000	409,662,000	409,662,000	-14,700,000
Capital outlay	29,024,000	29,438,000	29,438,000	29,438,000	29,438,000	---
Total, Panama Canal Commission	434,402,635	453,800,000	448,400,000	439,100,000	439,100,000	-14,700,000
Department of the Treasury						
Office of the Secretary: (Investment in Fund Anticipation Notes)	(5,000,000)	---	---	---	---	---

	FY 1983 Enacted	FY 1984 Estimates	House	Senate	Conference	Conference compared with Estimates
United States Railway Association						
Administrative expenses	2,950,000	---	2,500,000	2,100,000	2,100,000	+2,100,000
(By transfer)	---	---	(400,000)	(400,000)	(400,000)	(+400,000)
Airline Deregulation Study Commission						
Salaries and expenses (by transfer)	---	---	---	(500,000)	---	---
Washington Metropolitan Area Transit Authority						
Interest payments	51,663,569	51,663,569	51,663,569	51,663,569	51,663,569	---
Total, title II, related agencies:						
New budget (obligational) authority	648,831,204	656,626,569	653,278,569	644,725,569	644,821,569	-11,805,000
(By transfer)	---	---	(2,800,000)	(900,000)	(400,000)	(+400,000)
(Limitation on obligations)	(10,000,000)	(10,000,000)	(5,000,000)	(10,000,000)	(5,000,000)	(-5,000,000)
RECAPITULATION						
Grand total, titles I and II:						
New budget (obligational) authority	11,870,712,156	10,913,472,025	11,299,897,225	10,853,955,225	10,932,207,225	+18,735,200
Appropriations	(11,900,788,806)	(10,912,881,569)	(11,442,806,769)	(10,853,364,769)	(10,911,616,769)	(-1,264,800)
Appropriations for debt reduction	(-25,853,650)	(-263,544)	(-263,544)	(-263,544)	(-263,544)	---
Authority to borrow	(5,000,000)	(854,000)	(854,000)	(854,000)	(854,000)	---
Rescission	(-9,623,000)	---	(-143,500,000)	---	---	---
(By transfer)	(149,629,398)	---	(32,350,000)	(17,450,000)	(19,950,000)	(+19,950,000)
(Limitations)	(193,990,000)	(204,512,000)	(200,400,000)	(204,487,000)	(201,800,000)	(-2,712,000)
(Limitations on obligations)	(13,350,000,000)	(14,622,000,000)	(15,022,950,000)	(14,882,950,000)	(14,820,450,000)	(+198,450,000)
(Limitations on direct loans)	(2,301,000)	(30,000,000)	(30,000,000)	(30,000,000)	(30,000,000)	---
(Limitations on loan guarantees)	(600,000,000)	---	---	---	---	---
(Limitations on new loan guarantees)	(100,000,000)	---	(20,000,000)	(20,000,000)	(20,000,000)	(+20,000,000)
(Limitation on working capital fund)	(70,909,000)	(68,198,000)	(67,750,000)	(68,198,000)	(67,974,000)	(-224,000)
Memoranda:						
(Appropriations to liquidate contract authorizations)	(9,607,185,000)	(12,729,738,000)	(12,724,738,000)	(12,729,738,000)	(12,727,238,000)	(-2,500,000)
(Appropriation for debt reduction)	(25,853,650)	(263,544)	(263,544)	(263,544)	(263,544)	---
Total, appropriations including appropriations to liquidate contract authorization and appropriations for debt reduction	(21,503,750,806)	(23,643,473,569)	(24,024,898,769)	(23,583,956,769)	(23,659,708,769)	(+16,235,200)

□ 1510

Mr. COUGHLIN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the chairman of the subcommittee, the gentleman from Florida (Mr. LEHMAN), and the House conferees have, I think, brought home the bacon in an $11 billion transportation appropriations bill that can be signed by the President, and the Office of Management and Budget has so indicated.

I certainly rise in support of the bill. The subcommittee chairman did a superb job in representing the interests of the House in this bill which, as I said, contains some $10.9 billion in new obligational authority. It is $873 million less than fiscal year 1983, $367 million less than the House-passed bill, and $18 million over the budget estimates.

It is a compromise reached not only by the House and Senate, the majority and the minority, but also by the Department of Transportation and the Office of Management and Budget.

In order to get a bill that would be signable, the House and the Senate conferees often took the lower of the two figures, and let me just give some highlights of the bill.

For the Coast Guard, it contains $1,656 million for Coast Guard operations and $369 million for acquisition, construction, and improvements. Both of these levels, we are informed, are levels with which the Coast Guard can live.

With regard to aviation, the bill contains $2,500 million, with nothing from the trust fund, for Federal Aviation Administration operations. It contains $750 million for facilities and equipment, and it contains an $800 million limitations on obligations for airports grants in aid. The Federal Aviation Administration has signed off on all of these levels.

The bill contains $716,400,000 for Amtrak, which is $54 million above the administration's budget request.

It contains $2,388 million for Urban Mass Transportation Administration formula grants and $1,255 million for discretionary grants, including $195 million for bus, $545 million for rail modernization, and $339 million for new starts. In the statement of the managers, the conferees direct the Secretary to reprogram excess new starts into rail modernization.

The bill contains $18,400,000 for the CAB, the Civil Aeronautics Board, for a period of 10 months, and $60 million for the Interstate Commerce Commission, providing for 1,150 staff years.

With regard to National Airport, it holds the proposed rulemaking in abeyance for 60 days after enactment, and with regard to construction differential subsidy, it holds the enforcement of any rule in abeyance for 60 days after enactment.

It holds closures or consolidations of flight service stations in abeyance prior to December 1, 1983, and provides that that FAA shall report to Congress no later than October 1, 1983.

I certainly want to congratulate, particularly the subcommittee chairman, the staff, and the conferees on both the House and the Senate sides. It took a lot of bargaining, and it took a lot of work to get a bill that in its present form can be signed by the President.

Mr. Speaker, I urge adoption of the conference report.

Mr. GLICKMAN. Mr. Speaker, will the gentleman yield?

Mr. COUGHLIN. I am happy to yield to my colleague, the gentleman from Kansas.

Mr. GLICKMAN. Mr. Speaker, I know that we worked together on the issue of National Airport, and I know my colleague, the gentleman from Minnesota (Mr. SABO), was also involved. I think the conferees ended up with a good compromise on that issue, putting in abeyance for a couple of months a rules changes on the number of passengers at National Airport but still recognizing that there may need to be some limits.

It did not go as far as I wanted, but it did go far in recognizing that there must be reasonable changes in the way the entire airport structure in this area operates in order to protect the safety and convenience of passengers.

So, Mr. Speaker, I congratulate my colleague, the gentleman from Pennsylvania (Mr. COUGHLIN).

Mr. COUGHLIN. Mr. Speaker, I think it is important that the rulemaking be allowed to proceed to at least examine the passenger cap at national airport, to see if it is the appropriate passenger cap, and to see if some other more appropriate passenger cap might be desirable. That is what we were seeking to provide in the legislation.

Mr. WOLF. Mr. Speaker, will the gentleman yield?

Mr. COUGHLIN. I yield to the gentleman from Virginia.

Mr. WOLF. Mr. Speaker, I just want to follow that up and say that I appreciate the fact that the conference committee was able to work that out in a spirit of reconciliation with Mrs. Dole. I thank the gentleman, and I thank the members of the committee.

Mr. COUGHLIN. Mr. Speaker, I know that the gentleman from Virginia (Mr. WOLF) has worked very, very hard on this indeed. I appreciate his efforts, and I commend him for it.

Mr. Speaker, I reserve the balance of my time.

Mr. LEHMAN of Florida. Mr. Speaker, I yield 2 minutes to the gentleman from Connecticut (Mr. RATCHFORD), a member of the subcommittee.

Mr. RATCHFORD. Mr. Speaker, I think what we have here today is a good conference report and a conference report in the truest sense.

There was a lot of give and take in reaching the point at which we find ourselves today. The National Airport issue is a prime example. That just did not happen. There was the give-and-take back and forth, and finally a resolution. In addition to that, we now have a conference report that is defensible from the point of view of the budget. I think that is important, too. We are not just passing another appropriation bill; we are passing another appropriation bill which can be signed into law.

Third, it needs to be said that the emphasis now is on mass transit, and that is clearly where it needs to be. When we started out this February, this document containing the appropriation for transportation did not in my judgment clearly reflect the mass transit needs of this country. It did not reflect the difficult vote taken by Members of Congress last December in the form of a 5-cent increase in the gas tax, with 1 cent of that allocated to mass transit. That allocation, that difficult vote, that priority is now reflected in this bill.

From a State point of view, the Connecticut congressional delegation would like to thank both the members of the committee and the conferees for recognizing that we had a national problem that emerged after this bill left our Chamber. The Mianus River Bridge in Greenwich, Conn., which is truly the link between the Connecticut Thruway and the connecting point between the rest of the country and all of New England collapsed. We appealed to the committee, and the committee responded.

That particular bridge is in the district of the gentleman from Connecticut (Mr. MCKINNEY). Because of the emergency nature of the situation, we felt a response was needed by the Congress. The conferees on both sides of the aisle agreed. So the Connecticut delegation unanimously, Republicans and Democrats, come before you today to say, "Thank you."

Mr. Speaker, on balance this is a good report, a fair report, one that meets our mass transit needs and one that ought to be passed in a quick period of time this afternoon with limited debate.

Mr. COUGHLIN. Mr. Speaker, I yield 5 minutes to a distinguished member of the subcommittee, the gentleman from Michigan (Mr. PURSELL).

Mr. PURSELL. Mr. Speaker, I rise in support of the Transportation appropriations conference report for fiscal year 1984. The approval of this conference report will demonstrate that year after year Congress has met its responsibilities by approving a bill before the new fiscal year begins.

This is a tribute to Mr. LEHMAN, respected chairman of the subcommittee, Mr. COUGHLIN, ranking Republican of the subcommittee, Mr. WHITTEN, chairman of the full committee and their Senate counterparts. Most of all it is a tribute to this body. By avoiding unnecessary delays, by battling for a bill acceptable to the administration, and by addressing the critical transportation needs of America, we can be proud that by land, sea or air, America's transportation system is second to none.

I also want to make special reference to a small, but increasingly significant aspect of the Transportation appropriations bill. This is the St. Lawrence Seaway Development Corporation. The Corporation is much like the tip of an iceberg. It is visible to both the United States and Canadian shippers, but the great bulk of the corporation's work is visible only to those who depend daily on the St. Lawrence Seaway for their livelihood. From the grain farmers and merchants throughout the Midwest to the coal fields of Appalachia, the St. Lawrence Seaway opens the heartland of the United States to the world for navigation, trade and economic growth.

Just recently the Seaway Development Corporation witnessed the passage of the 1 billionth metric ton of cargo through its locks and channels. It is my belief that the potential of the seaway has not been fully realized. By modernizing the seaway, by increasing the annual tonnage passing through it, by providing greater access for the industries and shippers of the Midwest to the markets of the world, we can accelerate economic recovery. Based upon the actions taken during this session of Congress, it appears there is significant support for this effort.

This year, Congress has eliminated the seaway's construction debt. By so doing, we have saved shippers and consumers thousands of dollars. Congress has also continued to support the U.S. Army Corps of Engineers additional locks study by approving several hundred thousand dollars. The corps expects to complete this study and recommend to Congress several proposals to improve the operation of the locks and expand the seaway's usage.

Finally, Mr. Speaker, on a more personal note, I have prepared a slide presentation of the history and current status of the St. Lawrence Seaway. This 18½-minute presentation is intended to introduce and educate the public and potential seaway users, to the benefits and conveniences of the St. Lawrence Seaway system. During the August recess, I plan to travel throughout the Midwest and Canada showing this slide presentation. Included in my travels will be tours of the Soo Locks and the Welland Canal, as well as numerous conversations with Canadian seaway officials. I will also present this film to interested Members and staff this fall. In viewing the future of the St. Lawrence Seaway, I believe that we must make every attempt to coordinate the United States plans and actions with those of our Canadian counterparts.

The need for a strong partnership is paramount. Together we must move to recognize the seaway as a resource of unmatched opportunity. I urge the adoption of this report.

□ 1520

Mr. COUGHLIN. Mr. Speaker, I yield 5 minutes to the distinguished

gentleman from Kentucky (Mr. SNYDER).

Mr. SNYDER. Mr. Speaker, I thank the gentleman for yielding this time to me.

I have asked for this time, Mr. Speaker, to engage in a colloquy with the gentleman from Minnesota (Mr. SABO), who I understand authored the provisions with regard to the National Airport in the Appropriations Committee.

In that connection, Mr. Speaker, I want to compliment my colleague from Minnesota for his leadership and efforts to maintain the strong position the House has had for years with regard to preventing an undue reduction in service which would adversely impact scores of cities in the eastern half of the country in service to National Airport. While I regret that the House position did not prevail in conference, I recognize that if the method of calculating the passenger ceiling at the airport is revised satisfactorily, further reductions in the number of scheduled airline flights may be avoided. I would, however, appreciate a clarification of the conferees intent on this matter.

Mr. SABO. Mr. Speaker, if the gentleman will yield, I would be pleased to do so, and I might add, I appreciate the leadership my colleague from Kentucky has displayed throughout the years on this issue. It is my strong hope that the Secretary will adhere to the conferees' direction on this matter so that we will once and for all put this matter to rest.

The issue of National Airport was perhaps the most contentious of those dealt with in the transportation bill this year. Although there was concern of the conferees about lowering the passenger ceiling, we were all aware of Secretary Dole's strong desire to proceed with the proposed rulemaking. Therefore, in the interest of compromise, we decided not to prohibit the Secretary from proceeding with the rulemaking but to hold its effective date in abeyance for 60 days after enactment of this bill. During that time we expect the Secretary to establish a dialog among all of the interested parties in an effort to reach an accord on a final policy. This interval will give us the opportunity to review any changes in the policy, to insure that it reflects the wishes of the Congress and, to the greatest extent possible, that we are in agreement on a final policy.

Of primary importance is the desire of the conferees that the Secretary should reconsider the means by which the passenger level is calculated, especially whether certain connecting flight passengers or short runway and commuter operations—which may place a lesser burden on ground and/or air facilities—might be appropriately exempted, or calculated on less than a one-for-one basis. After extensive discussions on this matter, we believe that by recalculating the method of determining the level, the interests of the varying parties can more equitably be achieved. For example, passengers connecting from one flight to another do not burden the airport's crowded roadways, parking lots or curbs. In most instances they do not claim luggage. They simply move from one gate to another within the walls of the terminal buildings. It does not appear equitable that these connecting passengers should be included in the passenger count on a one-for-one basis. Additionally, the Secretary has proposed exempting 30 daily operations by 50 seat commuter airplanes from the commuter hourly limit. Perhaps those passengers carried on exempted flights should also be calculated on a different basis than is currently done.

The conferees have made it clear that we do not wish to draft the minute details of the regulations. This is properly within the jurisdiction of the Department. However, because of the historical involvement of the Congress in the development of National Airport policy, we fully retain the recourse to legislative remedies, if the regulations do not adhere to the wishes of the conferees with regard to changing the method by which the ceiling is calculated.

Mr. Speaker, I thank the gentleman for yielding to me, and I hope that explanation is satisfactory.

Mr. COUGHLIN. Mr. Speaker, I yield 2 minutes to the gentleman from Virginia (Mr. WOLF).

Mr. WOLF. Mr. Speaker, would the gentleman from Minnesota respond to a question?

I hope we are not doing something which is another way of exceeding the current cap there.

I think the gentleman is saying and I want to be sure that this is clear, that Mrs. Dole has the flexibility and the leeway to make a lot of different changes. The gentleman is not trying to have the people who then land and take off someplace else and not get out, not counted at all? The gentleman is not trying to change this totally, is he?

Mr. SABO. Mr. Speaker, if the gentleman will yield, in this bill we change nothing. We simply give some guidance to the Secretary, indicating that there well may be passengers who should be counted on a different basis than one on one.

We expect to review whatever regulations she may promulgate and make a judgment on whether they are fair. If they are not fair, the conference report indicates that the alternative of a legislative remedy remains for the future.

Mr. WOLF. I understand that, but the gentleman will have to acknowledge that Senator ANDREWS also has some opinions about this, too, and there are other people.

I think and I hope that we are doing this in a spirit of reconciliation. What we are doing has to be some sort of compromise. It cannot be all give or all take. I hope that is what the gentleman is trying to say.

I was a little concerned when the gentleman was talking about not counting these passengers, not counting this or not counting that, as to what kind of legislative history we were making. The gentleman is not suggesting that we go back up to where we are. There must be some give and take. Is that what the gentleman is saying?

Mr. SABO. That is a judgment we will have to make at a later date.

I would hope that the Secretary would seriously re-examine her suggested rules in light of the suggestions of the conferees, so that we might have a rational policy for the National Airport, one that can be agreed upon and one that also promotes the greatest efficiency within air transport.

Mr. WOLF. But the gentleman is again, if I may say, seeking a compromise. That is what the gentleman is interested in, is it not?

Mr. SABO. What we are seeking at this point is a serious review by the Secretary of her proposed rules.

Mr. WOLF. The Secretary has acknowledged that she is doing that; and I think she is doing that in a good faith effort. I think the gentleman is seeking, and I wanted the gentleman to say, hopefully, a compromise in a spirit of reconciliation, not binding the Secretary or binding anybody, asking to go back and look at this; but I think a compromise is what everyone is looking for. Is that what the gentleman's understanding is?

Mr. SABO. The gentleman from Minnesota is looking for sound policy. I do not intend to prejudge what the Secretary's decision might be at this point. I simply do not know what the result of the re-examination of National Airport policy by the Secretary will be.

The SPEAKER pro tempore. The time of the gentleman from Virginia has expired.

Mr. COUGHLIN. Mr. Speaker, I yield 2 additional minutes to the gentleman from Virginia.

Mr. WOLF. Mr. Speaker, I think there was a deficiency when we were speaking before, I think the gentleman should also acknowledge that it is important for the airlines to also work in a spirit of reconciliation with Mrs. Dole. Mrs. Dole attempted this process also and is not a single participant. It takes two to tango here. I would hope that the airlines also would participate.

Second, I hope Mrs. Dole is not taken advantage of here. The message

to Mrs. Dole is to approach this in a spirit of reconciliation, a compromise in the true sense of the word. I would hope that is what we are seeking here.

Mr. SABO. Mr. Speaker, if the gentleman will yield further, the conference report indicates that we would desire that the Secretary and the air carriers sit down together and work at achieving a goal that is rational and makes sense for the National Airport. That obviously will involve discussion by both the Secretary and the air carriers.

□ 1530

But it is also clear that the final people to make the policy judgment remains the Congress.

Mr. WOLF. I understand that and it has always been that way.

I thank the gentleman and I hope Mrs. Dole takes note of this and that the airlines take note that we are looking for a compromise.

I yield back the balance of my time.

Mr. COUGHLIN. Mr. Speaker, I yield such time as he may consume to the gentleman from Virginia (Mr. PARRIS).

Mr. PARRIS. Mr. Speaker, I rise in support of the conference report to the transportation appropriations for fiscal year 1984. As you know, within this legislation is language which will allow the Secretary of Transportation to set the cap at Washington National Airport at a level which is more conducive to air safety. Currently, the passenger level is set at 16 million. With the pending legislation in place, the passenger level may be set at a lower figure, thus allowing traffic to be carried over to Dulles and Baltimore-Washington Airports by the year 1985.

In addition to the flexibility allowed to the Secretary of Transportation on the setting of the cap after 60 days, I am also pleased that the conference language provides for a study of transportation to and from the airports. This would include analysis of bus transportation and Interstate 66 HOV lanes.

I have always said that National is an accident waiting to happen. Although there is room for improvement, I am glad that Congress is taking appropriate steps to make National Airport a safer, less congested facility.

In addition to that issue, I am particularly pleased that the conference committee has added an additional $20 million to the amount originally proposed by the Senate for the Washington metro system which will assist and permit that agency to continue their construction program without undue delay.

Mr. LEHMAN of Florida. Mr. Speaker, I yield 1 minute to the gentleman from Georgia (Mr. RAY).

Mr. RAY. Mr. Speaker, I want to thank the distinguished chairman of the committee and his committee for doing such a fine job in bringing this bill to the floor.

Mr. Speaker, I am a member of the Subcommittee on Procurement and Military Nuclear Systems of the House Armed Services Committee.

My subcommittee is very familiar with the waste isolation pilot project. This project will yield important and valuable information on the safe handling of nuclear wastes.

Mr. LEHMAN's motion is in support of some critical planning and design work to be done for roads associated with this project.

Both our subcommittee and the full committee strongly support this project, and I urge my colleagues to support Mr. LEHMAN's motion.

Mr. LEHMAN of Florida. Mr. Speaker, I yield 2 minutes to the gentleman from Kansas (Mr. GLICKMAN).

Mr. GLICKMAN. Mr. Speaker, I rise in support of the conference report.

But I want to indicate my concern about the funding levels in two FAA accounts. The conference report appropriates about $235 million less than what came out of this House in the area of facilities and equipment in the airport airways trust fund. It does, however, appropriate roughly what we put in the House bill in the research and development part of the fund.

My concern is that last year we passed dramatic increases in the airline ticket taxes and the aviation fuel taxes and that tax money was supposed to go into the development of a national air space system to modernize the movement of aircraft in this country so that we will have a continued efficient and safe airline and aviation system in America. Now it appears that those increased revenues are not being spent is promised.

My concern is that the numbers as recommended by the conference may in fact result in a restriction in the development of that plan. The letter that Secretary Dole wrote that the gentleman from Florida referred to indicates that these figures will "not severely restrict the operations of this new air space plan."

But the implication is that while it will not severely restrict the operation, it might restrict it in some degree.

So I guess I would ask the gentleman from Florida this question: If it appears through the normal oversight of this committee and other committees, as well as the Public Works Committee and my own Committee on Science and Technology that we are unduly pushing back and delaying the procurement and related items in the operation of the national air space plan, will the subcommittee of the Appropriations Committee recommend a supplemental appropriation in order to insure that the millions of dollars that people are paying in airline ticket taxes and fuel taxes from general aviation and other airplane operations will be used for the moneys they were intended to be used?

Mr. LEHMAN of Florida. Will the gentleman yield?

Mr. GLICKMAN. I yield to the gentleman from Florida.

Mr. LEHMAN of Florida. I would assure the gentleman that should such occasion occur, the subcommittee would certainly consider a recommendation from the administration for a supplemental appropriation.

Mr. GLICKMAN. I would close by saying I think this is an important bill. But I think airline safety is one of the key functions of the Government and I know that the committee feels that way as well. And improving and modernizing our system will determine if we have an efficient airway system, and I hope that the committee will monitor this closely.

I thank the gentleman.

Mr. COUGHLIN. Mr. Speaker, I yield 5 minutes to the gentleman from Nebraska (Mr. BEREUTER).

Mr. BEREUTER. Mr. Speaker, I rise to discuss one particular section of the Department of Transportation Appropriations Conference Report, specifically the railroad-highway crossing demonstration projects portion found on page 10 of the report.

It is my understanding that this section provides $15 million for railroad-highway crossings demonstration projects. It presents a compromise—a disapppointing compromise from the standpoint of this Member.

The initial House version of the bill provided $35 million for these projects. It included specific earmarking language for key projects now ready to fully utilize the appropriated funds. Because of the failure of the other body to include any funds for the program, the conferees agreed to a much lower figure, and stripped the bill of any earmarked language for specific projects.

I want to commend the chairman and ranking Republican member of the transportation appropriations subcommittee and the ranking Republican member of the full committee for their efforts in support of the higher figure that incuded earmarking for specific projects. They have been key supporters in the battle to win recognition of, and support for, a demonstration project in Lincoln, Nebr. I know they tried to retain the House language, but the "zero" option position taken by the Senate gave them little maneuvering room in which to work.

Mr. Speaker, this railroad-highway crossing demonstration project was first authorized over 10 years ago largely at the urging of my predecessors in the Nebraska congressional delegation. The program has been a legislative priority for this Member since I

came to Congress in 1979. The program is designed to implement grade separations and other safety features at points where highways and tracks intersect and present life-threatening situations for the nearby residents.

Although Nebraskans in Congress supported the program at its inception and have supported it in the 10 years since, very little of the benefits from the program have gone to Nebraska. This year, however, the House bill earmarked $6.5 million for Lincoln, Nebr., the home of the first State-authorized "railroad safety transportation district." The funds were to go for completion of work on the North 27th Street Viaduct.

Needless to say, our momentary victory was short lived. Since the Nebraska Legislature created a Railroad-Highway Transportation Safety District, the local officials in Nebraska have planned and executed their portion of the project.

Realizing the stringent financial restrictions existing within Federal programs, they scaled their request back by two-thirds, from over $20 million to $6.5 million. Furthermore, the city has brought the project to the point where the Federal funding would be used immediately for right-of-way acquisition and construction, upon completion of which the project would be fully usable by the traveling public.

Having visited just a few minutes ago with the chairman of the Appropriations Subcommittee and acknowledging his reservations and limitations upon discussion in the colloquy of any specific references to projects, I would like to engage in a colloquy with the chairman and the gentleman from Pennsylvania working around that reservation.

The conference report notes that the projects listed in the House report are worthy of meritorious consideration by the Federal Highway Administration obligating the funds. That is clear enough and I appreciate that statement.

Mr. Chairman and Mr. COUGHLIN, the conference report on page 10 also directs the Federal Highway Administration to follow the House committee's report instructions to insure the development of a construction financing plan prior to the funding that is found on page 43 of the House report.

The language makes reference to advice not to obligate until there is a viable financing plan for construction of the project.

I understand that because of the position of the conferees of the other body that the earmarking would be impossible on your part now or counterproductive.

Now to the question. Is it safe to assume that this means funding preferences should be given to segments or sections of projects that could really be used by the traveling public upon completion of this particular segment funded?

I would ask the chairman if he would care to respond to that question.

Mr. LEHMAN of Florida. Will the gentleman yield?

Mr. BEREUTER. I yield to the chairman of the subcommittee.

Mr. LEHMAN of Florida. I certainly understand the gentleman's concern with this particular rail-highway crossing demonstration project and as the gentleman says, we have many more projects than can be funded with the $15 million in the conference report.

I can only reiterate what is in the conference report. It says:

> The conferees note that the projects listed in the House report are, among others, projects worthy of meritorious consideration.
>
> The Department should note the instructions contained in the House report regarding obligations in this program.

The facts of life are that we have more programs than we have money. I wish the gentleman the best of luck in seeking funding for his project.

Mr. BEREUTER. I thank the chairman. All I am really trying to find out is why the subcommittee specifically requires a financing plan. I assume it is so that we do not end up buying right-of-way on which a project then is eventually not constructed. That was my only question.

Mr. LEHMAN of Florida. The gentleman is correct; yes.

Mr. BEREUTER. I thank the gentleman. I wanted to make that clear.

Mr. COUGHLIN. Mr. Speaker, will the gentleman yield?

Mr. BEREUTER. I would yield to the gentleman from Pennsylvania if he has anything to say on this matter.

Mr. COUGHLIN. I think the gentleman is entirely correct, that the reason we ask that we insure the development of a construction financing plan was so that we would have projects that would be usable and that would be completed and that projects which had that in place would obviously proceed first.

Mr. BEREUTER. And be useful to the traveling public.

Mr. COUGHLIN. The gentleman is correct.

Mr. BEREUTER. I thank the gentleman for his comments and I thank the chairman for his indulgence and I yield back the balance of my time.

Mr. LEHMAN of Florida. Mr. Speaker, I yield 1 minute to the gentleman from New York (Mr. MRAZEK).

Mr. MRAZEK. Mr. Chairman, it is my understanding that Congress intends that the section 305 language apply to section 5 of the urban mass transit formula grants, and not to nonurban grants. I would like to know if the chairman has the same understanding.

Mr. LEHMAN of Florida. Will the gentleman yield?

Mr. MRAZEK. I yield to the gentleman from Florida.

Mr. LEHMAN of Florida. The gentleman is absolutely correct.

Mr. MRAZEK. I thank the chairman and yield back the balance of my time.

Mr. COUGHLIN. Mr. Speaker, I yield 2 minutes to the gentleman from Indiana (Mr. MYERS).

Mr. MYERS. Mr. Speaker, I thank the gentleman from Pennsylvania for yielding this time. I do so for the purpose of clarification.

On amendment No. 27 dealing with railroad highway crossing demonstration projects, when this bill left the House the report identified a number of projects throughout the country that should receive these funds as high priority items.

However, as has often happened on a number of occasions, the other body struck the identification and the recommendations by the House as far as identifying projects and also reduced the dollars from $35,700,000 down to $15 million.

□ 1540

In the report now coming out of the conference, the conferees note that the projects listed in the House report are, among other projects, "Worthy of meritorious consideration. The Department should note instructions contained in the House report regarding obligation of this program."

However, also the House report spoke about viable funding, that no construction funds should start until a new viable funding program.

My question is, obviously since we reduce the dollars, $15 million is not going to fund all these projects; it would seem to be wise until viable funding has been worked out with the Department that the projects that would complete design or engineering should be high priority items.

Is there any consideration as far as the committee is concerned about the funding for the design and engineering to complete those before we go to construction? I yield to the chairman for clarification.

Mr. LEHMAN of Florida. Mr. Speaker, I understand the gentleman's concern. I can only reiterate the conference report language and I think you have already read most of that. I can only speak for the House conferees.

Mr. MYERS. Of course, conferees are the ones that really write this conference and the ones that will give the direction and I hope the Department through the conference report. It would seem that the priority should go, and that the Department should be encouraged to fund these design and engineering and complete them, rather than try to start something we do not know if we can finish or not.

Mr. LEHMAN of Florida. As the gentleman knows, the conferees were silent on this issue. I think I would be ill-advised to give the gentleman any false encouragement at this time, though I wish him good luck on this project.

Mr. MYERS. I am not sure what that means but I thank the gentleman for his comment.

Mr. LEHMAN of Florida. Mr. Speaker, I yield 3 minutes to the gentleman from Minnesota (Mr. SABO).

Mr. SABO. I thank the gentleman for yielding.

Mr. Speaker, I think we have a very good bill before us. I expect all of us can think of things we would like to do if we had more money available but I think the chairman of our subcommittee, BILL LEHMAN, and the ranking Republican, LARRY COUGHLIN, have done a remarkable job in dealing with the variety of demands that so many of us had and all the desires we had in arriving at, in my judgment, a very fair and good bill.

So, to Mr. LEHMAN and Mr. COUGHLIN I say "Thank you on behalf of all of us who serve with you on the committee and in the House for doing such an excellent job" and presenting to us today a bill that we can be proud to vote for.

I yield back the balance of my time.

Mr. COUGHLIN. Mr. Speaker, I yield so much of my remaining time as he may consume to the distinguished ranking member of the full committee, the gentleman from Massachusetts (Mr. CONTE).

Mr. CONTE. Mr. Speaker, I rise in support of this conference report on the transportation appropriations bill for fiscal year 1984. The conference agreement provides for new budget authority of $10.9 billion, which is $18.7 million above the budget request, $367.7 million below the House-passed bill, and $78.3 million above the Senate-passed bill. Frankly, I was disappointed by many of the cuts made from the House levels. But we were under strong pressure to bring back a bill that could be signed by the President, and this was the maximum that OMB would accept.

Mr. Speaker, I would like to briefly outline some of the key items in this bill. For the Coast Guard, we have provided $8 million more than was in the Senate bill for operating expenses. The Coast Guard is going to have significant demands placed on it in 1984 by the summer Olympic games and by continued efforts against drug smuggling, and the amount in this bill is going to be the bare minimum for satisfactory levels of operations. If there should be any unforeseen conditions that arise, I would expect that there will be a need for a supplemental appropriation.

For the Federal Aviation Administration, the conferees privided $750 million for facilities and equipment, instead of the $985.5 million proposed by the House. This will necessarily slow down progress on the national airspace system plan implementation, but according to the FAA will not prevent the ultimate completion of the plan on schedule.

The conference agreement provides $800 million for grants-in-aid to airports. This is $50 million more than was provided in fiscal year 1983, and although it is lower than the authorized level this was the maximum amount that could be provided given our overall spending ceiling.

I know that a number of my colleagues have been concerned about funding for rail-highway crossing demonstration projects, for which the House had provided $35.7 million. The conference agreement provides $15 million for these projects, which should at least get most of them underway.

For our friends in Connecticut, and indeed for all of us who have occasional need to travel on Route 95 up and down the Atlantic coast, we have provided up to $21 million for repairs and related expenses associated with the collapse of the Mianus Bridge.

In the area of rail service assistance, the conference agreement provides $15 million for local rail service assistance, of which $2.5 million is for discretionary grants. The House report provided that $500,000 of this amount should be made available for a project in Massachusetts, and it is my hope that this money will be used for a rail yard improvement project in Deerfield, Mass.

The conferees have provided $716.4 million for Amtrak, an amount that will permit the continued operation of all current routes.

For feeder line assistance, we have provided $3 million for the so-called Bloomer Line in Illinois, which should permit the continued operation of that important line.

Mr. Speaker, there were a number of general provisions in the bill that had generated some controversy. With regard to National Airport, the conferees agreed to a provision that would require the proposed rulemaking to adjust the passenger ceiling at the airport to be held in abeyance for at least 60 days from the date of enactment of this measure. That will provide time for the Department of Transportation and the various interested parties to try to resolve their difference over this issue, while leaving open the opportunity for further congressional action should those negotiations not be successful.

The conferees took a similar approach to the construction differential subsidy (CDS) issue, by requiring that the enforcement of any rule with respect to the repayment of such subsidies be held in abeyance for 60 days following the enactment of this measure, and also be held in abeyance for 60 days following the promulgation of such a rule.

Mr. Speaker, this is a bill that provides funds for our critical transportation needs, consistent with the need to exercise fiscal restraint in light of our tremendous deficit problem. It is a bill that the administration can accept, and I urge its adoption.

I am pleased to say I was down at the White House this morning at the Republican leadership meeting and the President said he was going to sign the bill.

Mr. Speaker, I want to take this opportunity to commend Chairman BILL LEHMAN for his leadership. The conference was weighted with many controversial issues. He masterfully handled our deliberations and brought us to an amicable conclusion. I also want to commend LARRY COUGHLIN, our ranking member of our subcommittee, for his leadership and masterful work.

Mr. LEHMAN of Florida. I thank my good friend from Massachusetts, Mr. CONTE, for his most generous remarks. He played a masterful part, himself, in creating this bill. I also want to thank Mr. SABO for his remarks in my behalf and in behalf of the subcommittee. Without his position as ranking majority member, we would have had a much more difficult time.

Mr. Speaker, at this time I would yield 5 minutes to the gentleman from California (Mr. MINETA).

Mr. MINETA. Mr. Speaker, this conference report contains a number of essential programs. It is important that they be allowed to proceed.

But I think the Members should also be fully aware of some of the serious concerns this conference report raises, especially in aviation. In aviation funding, this conference report is not a compromise, it is the Senate number in every program of any real size. The Senate took the House bill and cut nearly half a billion dollars out of the major aviation programs, and the conference report follows those Senate funding levels exactly. I fully recognize that our conferees were put in an impossible situation when the administration totally backed the Senate numbers, even where those numbers were in many instances lower than the administration request level and violated previous commitments made by this administration.

But these cuts are made only at very real cost, and the Members should know what some of these costs are.

This gentleman from California has the privilege of chairing the Aviation Subcommittee for the House Public Works and Transportation Committee. One of my concerns is the damage done to the aviation trust fund. Less than a year ago, this Congress raised aviation user taxes to fund higher authorization levels for badly needed

aviation programs. We did so at the urging of this administration. As part of that package, trust fund authorizations totaled $3.9 billion for fiscal year 1984, and tax levels were set accordingly. However, this conference report adopts Senate numbers, cuts that $3.9 billion in trust fund spending to only $1.8 billion, and does so at the urging of the administration. We are cutting the spending we had planned on, and are taxing for, and by more than half, by $2.1 billion, while leaving the tax levels unchanged.

What does that do to the trust fund surplus? By my calculations it will nearly double the trust fund surplus in only 1 year's time. The unobligated balance at the end of fiscal year 1983 will be slightly more than $2.1 billion. As a result of the underspending for trust fund programs in this conference report, I calculate that the unobligated balance will hit $3.6 billion by the end of fiscal year 1984. This is the same trust fund surplus that we were assured, when we passed the administration's taxes, would decline to about $1.3 billion by the end of fiscal year 1984.

So you will not need to wonder where this trust fund surplus came from: it came from this conference report. When we cannot persuade the administration or the Senate to honor the commitments made to these programs when the taxes were raised, skyrocketing surpluses are the result. With these kinds of surpluses looming, I see no valid argument against cutting aviation user taxes across the board. We do not need the higher revenues: we are awash in the money we have already collected and are not spending. With this conference report, we have come to the point where aviation taxes should be reduced.

The second major area of concern is the effect of this conference report on FAA operations, which is cut $140 million below the administration request level, but again at the urging of the administration. There are only two possible consequences of this funding level. One is that we will come back and restore much of the difference in a supplemental appropriation. The other is that it will be impossible to continue restoration of the air traffic control system; it will be impossible to bring on new controller work force as planned; and slot restrictions and GAR restrictions, which have been easing for months, will have to remain with us. If those restrictions return, you will not need to wonder there they came from: they came from this conference report.

We have to get past the idea that this is all just a numbers game and that the numbers have no consequences in the real world. In the real world of aviation, the cuts insisted on by the Senate and the administration are going to have some serious consequences.

Mr. COUGHLIN. Mr. Speaker, I have no further requests for time.

□ 1550

Mr. LEHMAN of Florida. Mr. Speaker, I yield 1 minute to the gentleman from Oregon (Mr. AuCoin).

Mr. AuCOIN. Mr. Speaker, as a former member of this subcommittee, I want to extend my appreciation to the chairman of the subcommittee, the gentleman from Florida (Mr. LEHMAN), who has handled this bill all the way through the House, through the Conference, and now on the floor again.

I think that the balanced bill he and the members of the committee bring before us warrants our support.

This is a good bill. This bill balances the transportation needs of every region of the country. It does so in the most thoughtful and fair way. I especially appreciate the committee's sensitive attention to the problems faced by the Portland metropolitan area in Oregon. And I would be remiss if I did not stand up and echo some of the remarks of the colleagues of mine who have taken the well before me in extending my compliments to the leadership of the new chairman of the subcommittee, the members on the Democratic side, and to the ranking Republican and the Republican members of the committee as well.

I think this is a very sound bill. It has been stated that the President will sign it. I think it warrants an overwhelming vote of confidence by the full membership of the House.

Mr. LEHMAN of Florida. Mr. Speaker, I thank the gentleman from Oregon (Mr. AuCoin) for his kind remarks. I wish that he were still on our subcommittee, but I certainly understand his change to the Defense Committee where he is making such a valuable contribution.

Mr. Speaker, I yield 2 minutes to the gentleman from Illinois (Mr. Simon).

Mr. SIMON. Mr. Speaker, I thank the chairman of the subcommittee. And I would like to ask him to yield to engage in a brief colloquy about the railroad-highway crossing demonstration program.

The House bill provided $9.7 million for the Carbondale project in my district in southern Illinois. This was the highest allocation among several receiving funds under the House bill.

The total allocation of the House bill for the program nationwide had been set at $35.7 million out of the $50 million authorized for the program.

Do the conferees have any instruction for the Department of Transportation in the allocation of funds to these projects?

Mr. LEHMAN of Florida. I would only reiterate to my friend from Illinois that the conference report states that the conferees note that the projects listed in the House report, such as his, are among projects worthy of meritorious consideration. The Department should note instructions contained in the House report regarding obligations in this program.

I certainly hope the gentleman is successful with his project, but I would be remiss if I at this time gave him any false encouragement. I wish him the best of luck with the project because I know it is a worthwhile project.

Mr. SIMON. I thank the gentleman. And I know that the wish of good luck from the chairman of the subcommittee is significant to the Department.

And let me just add inasmuch as the House bill gives such high priority to the Carbondale project providing it with the largest allotment of any other project, and because of the strong community support and the strong record of good management of the Carbondale project, it seems clear that the Department has many compelling reasons to direct a share of program funds sufficient to continue the important work underway there.

I thank the gentleman.

Mr. LEHMAN of Florida. Mr. Speaker, I am happy to yield 1 minute to the gentlewoman from Louisiana (Mrs. Boggs).

Mrs. BOGGS. Mr. Speaker, I rise in strong support of this conference report and I thank the chairman and the ranking member and all the members of the committee for their very hard and successful work in bringing forth such a balanced piece of legislation.

I would like to especially thank them for including within the conference report the continuance of the vessel traffic system in New Orleans and in San Francisco by an offset of the fuel savings of $3 million. When all of us are so concerned about the transport of hazardous materials and hazardous goods, it is especially fitting that the committee of the House kept in place this, very, very necessary system, until it can be taken over by either local or State authorities, as the case may be.

I would like also, Mr. Speaker, if I may, to ask the chairman, as our colleague from Illinois did, if the railroad allocation for Metairie, La., was considered in the conference report.

Mr. LEHMAN of Florida. If the gentlewoman would yield to me, as the gentlewoman heard me state to other members here, including the gentleman from Illinois, the conferees note that the projects listed in the House report are among other projects worthy of meritorious consideration. And at this time I can only say that I would hope the gentlewoman's project does receive due consideration, but I

would be remiss if I offered any false encouragement at this time.

Mrs. BOGGS. I thank the gentleman.

Mr. LEHMAN of Florida. Mr. Speaker, I yield 1 minute to the gentleman from California (Mr. FAZIO), the chairman of the Legislative Subcommittee of the Committee on Appropriations, and a former member of this subcommittee.

Mr. FAZIO. Mr. Speaker, I appreciate the gentleman yielding and I appreciate even more the kind consideration that he gave to the California projects that were before the subcommittee this year.

I see the gentleman from Minnesota (Mr. SABO), the gentleman from Connecticut (Mr. RATCHFORD), and the gentleman from Michigan (Mr. CARR) and other members of the subcommittee here and I would like to include all of them in my laudatory comments that I would like to direct to the committee.

California has been known as a freeway-oriented society for many years now, but we are seeing the emergence of a number of new modes of transportation, particularly light-rail systems in San Diego and San Jose and Sacremento and in the San Francisco Bay area, the augmentation of the MUNI and BART systems and, particularly important in Los Angeles, the beginning of a fixed rail transit system.

And this committee, although confronted with some very difficult fiscal realities brought about by growth in other areas of the Sunbelt, has been very helpful. California is coming late to the fiscal table in historic terms. But the committee has gone beyond the call of duty in coming to our aid. We sincerely appreciate the attention the committee has given us, the ability those of us on the committee have had to participate in the process.

Mr. LEWIS of California. Mr. Speaker, will the gentleman yield?

Mr. FAZIO. I am hapy to yield to the gentleman from California.

Mr. LEWIS of California. I thank the gentleman for yielding.

It is not precisely a transportation matter, but may affect the movement of the gentleman. I thought the gentleman would like to know that the Sabastini election was just set aside in the courts.

Mr. FAZIO. I say to the gentleman from California (Mr. LEWIS), you could not have made my day with any greater finality than with that news. I probably have lost my train of thought as it relates to transportation.

So I simply will conclude by telling the chairman one more time how much we appreciate the way in which the chairman let us participate with him in allocating the funds that are available. And I thank the committee very much.

● Mr. FRENZEL. Mr. Speaker, the conference report on the Transportation appropriation is under the House-passed version by $367.7 million or 3.3 percent, but it is still too expensive to win my approval.

According to the House Budget Committee factsheet for June 21, 1983, the conference report is $23 million in budget authority and $452 million in outlays over the President's most recent request. Funding levels above the request include $352 million for mass transit, $51 million for Amtrak, and a total $100 million in Federal Railroad Administration funding.

Bills which are almost a half million above the amount requested by the administration ought not be ignored by the deficit conscious American public.

The conference report gives the appearance of responsibility since its $10.9 billion appropriation falls within the 302(a) perimeters of the budget resolution for fiscal year 1984. The appropriation conferees would have to be commended for their restraint were it not that the budget resolution and its allocations are so high. The conference report is $295 million below the spending allocations of the budget. That is a good start, but the reductions are not enough to warrant a vote in favor.

The Transportation conference report is not the worst spending bill that the Appropriation Committee has produced. In fact, this bill is an improvement over last year's bill which relied heavily on supplementals. Nevertheless, the bill is excessive.

Because I believe that difficult decisions must be made to bring down the looming deficits, I intend to vote against this bill.●

● Mr. SKEEN. Mr. Speaker, waste isolation pilot program (WIPP) is a research and development facility designed to demonstrate the safe disposal of radioactive wastes resulting from defense activities of the Department of Energy.

Construction of the WIPP is set to begin in mid-September—ahead of schedule and below budget. Last month the Department of the Interior ordered administrative land withdrawal, and on July 5, the Army Corps of Engineers awarded the actual construction contract.

As part of the original authorizing legislation (Public Law 96-164), the Secretary of Energy was directed to enter into a written agreement with the State of New Mexico as to how the DOE was to resolve the concerns of the State. That agreement is being overseen by the U.S. district court.

As part of that stipulated agreement, the DOE pledged to support the New Mexico congressional delegation in seeking appropriations for the purpose of upgrading certain highways which would typically be used for transporting wastes to the facility. The stipulated agreement set a figure of $57.9 million for the upgrade.

Obviously, a full $58 million is not necessary at this time, however, a need of $5.8 million was identified by the State of New Mexico.

On January 14, 1983, my colleague Senator PETE DOMENICI met with then Transportation Secretary Drew Lewis. Secretary Lewis noted at the meeting that under the terms of the stipulated agreement, the $5.8 million could not be met through existing programs. Therefore he agreed that a special appropriation would have to be pursued.

Secretary Lewis assured Senator DOMENICI of the Department's full support for upgrading the roads associated with the WIPP. Since that time, we have also been assured verbally of newly appointed Transportation Secretary, Elizabeth Dole's support.

In lieu of the decision to begin construction of the site in mid-September, the action on the part of the Senate appropriating $5.8 million for planning and design work must be accomplished. Congress should continue its strong support of the WIPP, and I do not believe anything should impede the drilling and excavation work for the project.●

● Mr. MITCHELL. Mr. Speaker, it has come to my attention that the FAA plans to lump together numerous support-type contracts, into a single contract. Such consolidation into an umbrella program known as "Systems Engineering Integration". RFP No. DFTA 0183 R 17144, will undoubtedly be damaging to small business firms and probably contrary to forthcoming revisions in OMB Circular A-76. It is clearly contrary to the House Small Business Committee's efforts over the past decade to enable small businesses to bid for Government procurement contracts.

Earlier this year, the Office of Federal Procurement Policy issued proposed revisions to OMB Circular No. A-76, which governs performance of commercial activities by the Government in-house versus through contract. In the draft—which shortly will be finalized—special efforts were made to preserve contracting activities for small and disadvantaged small businesses.

Over the past decade, the House Small Business Committee has worked with contracting officers to break out portions of work so that small businesses could bid for it. This policy has been accepted—it has provided the Government new sources of supply, saved the taxpayer many millions of dollars by increasing competition, and been of invaluable assistance to small entrepreneurs. It is beyond my understanding why the Department of Transportation would consider permitting FAA to reverse this policy. I trust it will not do so.●

● Ms. OAKAR. Mr. Speaker, I rise in support of the conference report on the Department of Transportation authorization bill. In particular, I rise in support of the provision contained therein which bans the implementation of the revised regulations issued by the Office of Personnel Management on July 14.

By the overwhelming vote of 75 to 18, the Senate has already voted to prohibit the implementation of these regulations, and I firmly believe the House should do likewise.

The July 14 regulations are certainly an improvement over the first set of OPM regulations issued on March 30 in that they are not as punitive. However, they still would make major changes in the pay, promotion and RIF procedures in the Federal work force. In my opinion, such significant changes require congressional review and oversight. Given that these new regulations have been out for less than a month, that review and oversight by this House has not been possible.

I would urge my colleagues, therefore, to support this provision of the bill.●

Mr. LEHMAN of Florida. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the conference report.

There was no objection.

The conference report was agreed to.

AMENDMENTS IN DISAGREEMENT

The SPEAKER pro tempore. The Clerk will designate the first amendment in disagreement.

Senate amendment No. 1 reads as follows:

Senate amendment No. 1: Page 2, line 6, strike out "$35,000" and insert "$38,000".

MOTION OFFERED BY MR. LEHMAN OF FLORIDA

Mr. LEHMAN of Florida. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. LEHMAN of Florida moves that the House recede from its disagreement to the amendment of the Senate numbered 1 and concur therein with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert "$36,500".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

Mr. LEHMAN of Florida. Mr. Speaker, I ask unanimous consent that the Senate amendments numbered 10, 14, 47, 49, and 55 be considered en bloc and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

The Senate amendments referred to are as follows:

Senate amendment No. 10: Page 5, line 25, strike out "$1,000,000" and insert "such sums as may be necessary".

Senate amendments No. 14: Page 7, line 22, after "$56,900,000" insert ": *Provided*, That the Secretary of Transportation is authorized to transfer appropriated funds between this appropriation and the Federal Aviation Administration appropriation for Operations: *Provided further*, That this appropriation shall be neither increased nor decreased by more than 7.5 per centum by any such transfers: *Provided further*, That any such transfers shall be reported to the Committees on Appropriations.

Senate amendment No. 47: Page 29, line 5, after "basic" insert ", including not to exceed $3,000 for official entertainment expenses to be expended upon the approval or authority of the Secretary of Transportation".

Senate amendment No. 49: Page 30, line 5, strike out "$25,895,000" and insert "$26,795,000, of which $900,000 shall be available only for necessary expenses of the Office of the Inspector General to augment the bid rigging investigative efforts currently underway.".

Senate amendment No. 55: Page 32, line 12, strike out all after "program" down to and including "entity" in line 15 and insert "unless the Commission is precluded from meeting this requirement because of circumstances beyond its control".

MOTION OFFERED BY MR. LEHMAN OF FLORIDA

Mr. LEHMAN of Florida. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. LEHMAN moves that the House recede from its disagreement to the amendments of the Senate numbered 10, 14, 47, 49, and 55 and concur therein.

The motion was agreed to.

□ 1600

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

Senate amendment No. 21 reads as follows:

Senate amendment No. 21: Page 11, line 2, after "rescinded" insert ": *Provided further*, That, notwithstanding any other provision of law, of the foregoing limitation at least $80,000,000 shall first be made available to fund construction of all eligible portions of new air carrier runways, and related construction, at airports as to which joint Department of Transportation/Federal Aviation Administration Task Force Delay Studies have been prepared for issuance in 1983, or later, showing annual delay costs attibutable to inadequate runway capacity that will exceed the cost of construction, and as to which the sponsor's preapplication shall specify a 1984 project start date, whereafter the balance of the $80,000,000 shall revert to the discretionary funds".

MOTION OFFERED BY MR. LEHMAN OF FLORIDA

Mr. LEHMAN of Florida. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. LEHMAN of Florida moves that the House recede from its disagreement to the amendment of the Senate numbered 21 and concur therein with an amendment, as follows:

In lieu of the matter inserted by said amendment insert the following: ": *Provided further*, That, notwithstanding any other provision of law, of the foregoing limitation at least $25,000,000 shall first be made available to fund construction of all eligible portions of new air carrier runways, and related construction, at airports as to which joint Department of Transportation/Federal Aviation Administration Task Force Delay Studies have been prepared for issuance in 1983, or later, showing annual delay costs attributable to inadequate runway capacity that will exceed the cost of construction, and as to which the sponsor's preapplication shall specify a 1984 project start date, whereafter the balance of the $25,000,000 shall revert to the discretionary funds".

Mr. LEHMAN of Florida (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

The SPEAKER pro tempore. The gentleman from Florida (Mr. LEHMAN) is recognized for 30 minutes.

Mr. LEHMAN of Florida. Mr. Speaker, I yield to the gentleman from California (Mr. MINETA).

Mr. MINETA. Mr. Speaker, I rise in opposition to the gentleman's motion to recede to the Senate amendment with an amendment.

I do so because there are many airports in every single State of this Nation which are seeking discretionary grants from the airport program and their projects are valid and their needs are real. What the Senate did is it first reduced the amount of money available to all these airports by cutting the total airport grants program by $100 million, to the point where the so-called pure discretionary funds for which most of these airports are competing total only $100 million for the entire country.

Having cut back the amount of funds available to everybody, they then attempted to designate most of those limited funds for just one airport, leaving all the rest of the airports in the country to fight over the leftovers.

What is before us now is an amendment that would mark $25 million for one airport—Houston—while leaving all the rest of airports in the country seeking discretionary grants to compete for the remaining $75 million in pure discretionary money. This amendment has the effect of taking money away from airports in every State, including from other airports in Texas.

The effect of defeating this motion will be to insist on the House position and to continue to give all airports in the country an equal shot at discretionary airport grants.

Mr. Speaker, I want to emphasize that this is not in any way a vote

against Houston or against this project. I am familiar with the project and I think it is a valid and needed project and that in any fair competition it will get discretionary grant assistance. But it should not receive preferential treatment to all other airports in the country. It should not be able to avoid having the need for this project weighed against the need for all other projects.

I would have no objection to Houston getting $25 million, or any other amount, in discretionary money, if that amount were found to accurately reflect the need for this project relative to applications from other airports all over the country.

In short, Mr. Speaker, I object not to funding for Houston's project, but to the way the other body has attempted to give preferential treatment to one airport at the expense of airports all over the country. Everybody should have to play by the same rules.

A vote against the pending motion will be a vote to insist on equal treatment of all airport grant applications. I urge a "no" vote.

Mr. LEHMAN of Florida. Mr. Speaker, I yield to the gentleman from Texas (Mr. LELAND).

Mr. LELAND. Mr. Speaker, I want to thank my friend, the gentleman from California (Mr. MINETA), the chairman of the Subcommittee on Aviation, for his remarks regarding the conference report on the transportation appropriations as they affect the much-needed improvements at Houston Intercontinental Airport.

I appreciate his concerns about the precedental impact of mandating the allocation of funds for Houston or any other airport. In fact, as Chairman MINETA points out, such a practice could in the future very well work to Houston's detriment.

I am grateful that in the expression of his reservations concerning the motion to accede to the Senate he noted the strong need Houston has demonstrated for improvement funding and that a vote against the motion to accede was not a vote against Houston.

Those of us who are vitally concerned about tranportation improvements at Houston Intercontinental take comfort in the chairman's observation that he is confident that Houston will receive the funding it needs if given fair treatment in the review process.

I would take this opportunity, Mr. Speaker, to emphasize once again the need which has been demonstrated for the runway improvements at Houston Intercontinental. As the House conference report correctly notes, there are substantial costs associated with the delays resulting from the need for additional runway capacity in Houston. In addition, these delays affect our Nation's air transportation system, of which Houston is a vital part.

The conference report is clear in its emphasis on Houston's pressing need and I very much appreciate the remarks of the gentleman from California, which serve to underscore that emphasis. I want to thank Chairman MINETA for his attention and assistance.

I would like too, to commend the gentleman from Florida (Mr. LEHMAN) for his leadership as chairman of the Transportation Subcommittee of the Appropriations Committee especially for his sensitivity to the very critical problems of Houston Intercontinental Airport during consideration of this most important issue. His leadership was simply invaluable.

Mr. LEHMAN of Florida. Mr. Speaker, I yield to the gentleman from Texas (Mr. FIELDS).

Mr. FIELDS. Mr. Speaker, I rise to clarify for my fellow colleagues that the Houston delegation does not seek to insist on Senate language earmarkings funds for Houston, nor to demand a rollcall vote on this technical amendment in disagreement.

Rather, Mr. Speaker, I seek to explain the importance of this runway project at Houston Intercontinental Airport to the traveling public and the aviation community in Houston, the Southwest, and nationwide.

Mr. Speaker, although I have serious concerns regarding the direction of future proposed runways at intercontinental, I nonetheless, feel strongly that the Department of Transportation and the Federal Aviation Administration should not only give priority consideration for funding Intercontinental's aviation concerns, but should also, through the Secretary's discretionary funds, provide $25 million for vitally needed runway construction funds at Houston Intercontinental Airport.

Mr. Speaker, Houston Intercontinental has three runways currently operating in excess of airfield design capacity. A recent FAA/industry task force study concluded that if a new runway is not constructed by 1985, the delay cost, expressed in 1980 dollars, to the aviation community using Intercontinental, will be $116.1 million annually. Commercial air carriers will bear $83.2 million of these delay costs directly attributable to lack of adequate runway capacity at Intercontinental. Further, the study estimates that there will be over 95,000 hours of aircraft delay annually if a new runway is not constructed by 1985. By 1990, the lack of a new runway will produce annual delay costs of $276.9 million based on 1980 dollars.

Mr. Speaker, there are serious airfield capacity problems at Houston Intercontinental Airport. For this reason, I believe it is imperative that the Department of Transportation and the FAA funds use $25 million for the construction of a new runway at Houston Intercontinental.

Mr. Speaker, both Houses of Congress underscored the need for and importance of the Houston runway project and gave it No. 1 priority in their respective committee reports on the Department of Transportation appropriations for fiscal year 1984.

The economic justification of the runway construction project cannot be debated. The cost of construction represents a small fraction of the delay costs experienced by the airlines and consumers without the runway. The one-time cost of construction at $87 million, of which $65 million is eligible for funding under the AIP program, compares with projected annual cost of delay estimated in a DOT/FAA report to be in excess of $116 million per year. By 1990, these delay costs will total almost $300 million a year.

Moreover, the project is one that has national significance. Delays at Houston Intercontinental produce air traffic delays that ripple across the country. Houston is a leading air traffic hub for both domestic and international operations and yet does not have enough runway capacity to meet the needs of air commerce and the traveling public. As a result, the failure to fund this runway project will produce adverse consequences of enormous magnitude.

Houston travelers contribute over $150 million annually into the aviation trust fund. The cost of the runway requiring $25 million in fiscal year 1984 and the remainder in fiscal year 1985 represents a small return for this contribution and a small portion of the approximately $330 million available in the total pool of discretionary funds for the fiscal year.

In short, this project is economically justified, has important national merits, and, therefore, must be accorded the highest priority by the FAA in its discretionary fund grants.

Mr. LEHMAN of Florida. Mr. Speaker, I yield to the gentleman from Illinois (Mr. LIPINSKI).

Mr. LIPINSKI. Mr. Speaker, I rise in strong support of the gentlemen from California's efforts to oppose Mr. LEHMAN's motion to recede and concur with the Senate amendment No. 21 concerning grants-in-aid for airports.

This amendment which was adopted by the Senate and House conferees is an unprecedented attempt to insert legislation in an appropriations bill.

Language was inserted in the conference report that would earmark a specific amount of money—$25 million for Houston Intercontinental Airport. In both the House and Senate reports that accompany H.R. 3329, 48 airports

were listed to receive priority funding for airport improvement projects. No other airport received a specific earmarking in the legislation. I am sure all of these 48 plus airports are worthy of airport improvement funding. But I do not feel it is fair for one airport to be singled out to receive a specific amount that would total one quarter of the available funds.

I urge all of my colleagues to support the motion made by the chairman of the Aviation Subcommittee.

Mr. LEHMAN of Florida. Mr. Speaker, I yield to my colleague, the gentleman from Florida (Mr. SHAW).

Mr. SHAW. I thank the gentleman for yielding.

Mr. Speaker, I rise in support of the comments made by the gentleman from California (Mr. MINETA). In my home district of Broward County, Fla., we have under construction a large new airport the Fort Lauderdale-Hollywood Airport. In times of short funds it would be wrong to skim off the top large sums for one airport at the expense of the rest of the country.

Mr. LEHMAN of Florida. Mr. Speaker, I yield to the gentleman from Illinois (Mr. PORTER).

Mr. PORTER. I thank the gentleman for yielding.

Mr. Speaker, I think the points made by the gentleman from California are very important ones indeed. This priority earmarking for one airport project over all others would be, it seems to me, unprecedented. If we did it in this case, priority earmarking would be attempted again and again in the future. The Houston airports needs can stand on their own in competition with all others and without special treatment here. This proposal is simply not wise public policy, and I would support the gentleman from California and oppose the motion to concur by the gentleman from Florida.

● Mr. SNYDER. Mr. Speaker, I rise in opposition to the gentleman's motion and urge my colleagues to do the same.

As you have heard, if the gentleman's motion is adopted, $25 million in airport improvement discretionary funds would be specifically earmarked for the Houston Intercontinental Airport in fiscal year 1984. This would be in addition to the nearly $5 million in entitlement funds which the airport would receive in accordance with the provisions of the authorizing statute.

Mr. Speaker, I think it is very inappropriate to take a relatively small grant program, such as airport improvement program, and single out one airport for preferential treatment. Certainly, the airports in my district are not being guaranteed any of these discretionary funds and I do not see why Houston should be treated any differently.

In addition, I would like to emphasize to my colleagues that the entire amount of discretionary funds available for fiscal year 1984 will only be about $309 million, and two-thirds of this amount is required to be distributed to narrowly defined classes of airports and certain types of projects. Therefore, the total amount of pure discretionary funds which will be available for obligation will be about $100 million, of which 425 million or 25 percent would be guaranteed to the city of Houston if the gentleman's motion is adopted.

Mr. Speaker, the runway construction project at Houston Intercontinental may be one of the highest priority projects in the Nation, but it should be judged in the same way as other projects—on the merits. Accordingly, I would urge my colleagues to oppose the gentleman's motion and then to support a further motion that the House insist on its disagreement with the Senate amendment.●

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion.

There was objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Florida (Mr. LEHMAN).

The motion was rejected.

MOTION OFFERED BY MR. LEHMAN OF FLORIDA

Mr. LEHMAN of Florida. Mr. Speaker, I move that the House insist on its disagreement to the amendment of the Senate No. 21.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

Senate amendment No. 23 reads as follows:

Senate amendment No. 23: Page 12, line 14, after "made" insert ": *Provided*, That notwithstanding any other provision of law, the Secretary of Transportation may hereafter issue notes or other obligations to the Secretary of the Treasury, in such forms and denominations, bearing such maturities, and subject to such terms and conditions as the Secretary of the Treasury may prescribe. Such obligations may be issued to pay any necessary expenses required pursuant to the guarantee issued under the Act of September 7, 1957, Public Law 85-307, as amended (49 U.S.C. 1324 note). The number of such obligations when combined with the aggregate of all such obligations made during fiscal year 1983 shall not exceed $250,000,000 by September 30, 1984. Such obligations shall be redeemed by the Secretary from appropriations authorized by this section. The Secretary of the Treasury shall purchase any such obligations, and for such purpose he may use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as now or hereafter in force. The purpose for which securities may be issued under such Act are extended to include any purchase of notes or other obligations issued under the subsection. The Secretary of the Treasury may sell any such obligations at such times and price and upon such terms and conditions as he shall determine in his discretion. All purchase, redemptions, and sales of such obligations by such Secretary shall be treated as public debt transactions of the United States".

MOTION OFFERED BY MR. LEHMAN OF FLORIDA

Mr. LEHMAN of Florida. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. LEHMAN of Florida moves that the House recede from its disagreement to the amendment of the Senate numbered 23 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following: ": *Provided*, That notwithstanding any other provision of law, the Secretary of Transportation may hereafter issue notes or other obligations to the Secretary of the Treasury, in such forms and denominations, bearing such maturities, and subject to such terms and conditions as the Secretary of the Treasury may prescribe. Such obligations may be issued to pay any necessary expenses required pursuant to the guarantee issued under the Act of September 7, 1957, Public Law 85-307, as amended (49 U.S.C. 1324 note). The amount of such obligations when combined with the aggregate of all such obligations made during fiscal year 1983 shall not exceed $175,000,000 by September 30, 1984. Such obligations shall be redeemed by the Secretary from appropriations authorized by this section. The Secretary of the Treasury shall purchase any such obligations, and for such purpose he may use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as now or hereafter in force. The purpose for which securities may be issued under such Act are extended to include any purchase of notes or other obligations issued under the subsection. The Secretary of the Treasury may sell any such obligations at such times and price and upon such terms and conditions as he shall determine in his discretion. All purchase, redemptions, and sales of such obligations by such Secretary shall be treated as public debt transactions of the United States.".

Mr. LEHMAN of Florida (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Florida (Mr. LEHMAN).

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

Senate amendment No. 28 reads as follows:

Senate amendment No. 28: Page 17 after line 13, insert: Notwithstanding sections 125, 129, and 301 of title 23, United States Code, $21,000,000 from the Emergency Relief Fund authorized under section 125 of title 23, United States Code, shall be made available to repair or replace the Mianus Bridge on Interstate 95 in Greenwich, Connecticut, and for repair of local roads and for ancillary expenses incurred by the towns of Greenwich, Connecticut, and Port Chester,

New York as a result of the Mianus Bridge collapse. Of the funds made available under this section, not more than $1,000,000 is to be equally divided to the towns of Greenwich, Connecticut, and Port Chester, New York.

MOTION OFFERED BY MR. LEHMAN OF FLORIDA

Mr. LEHMAN of Florida. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. LEHMAN of Florida moves that the House recede from its disagreement to the amendment of the Senate numbered 28 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

EMERGENCY RELIEF

Notwithstanding sections 125, 129, and 301 of title 23, United States Code, an additional $20,000,000 shall be available from the Highway Trust Fund for the emergency fund authorized under section 125 of title 23, United States Code: *Provided,* That the Secretary shall give first priority to making funds available to repair or replace the Mianus Bridge on I-95 in Connecticut: *Provided further,* That the Federal funds provided herein shall not duplicate assistance provided by any other Federal emergency program, compensation received from Connecticut bridge insurance policies, or any other non-Federal source: *Provided further,* That regulations issued under section 125, title 23, United States Code, shall apply to the expenditure of such Federal funds: *Provided further,* That such funds shall not be available until the State of Connecticut enters into an agreement pursuant to section 105 of the Federal-Aid Highway Act of 1978 which covers the Mianus Bridge.

MIANUS BRIDGE EMERGENCY ASSISTANCE

For necessary expenses to help defray costs such as additional police and fire services and road repairs resulting from the Mianus Bridge collapse, $1,000,000: *Provided,* That such sum shall be equally divided between and allocated to the towns of Greenwich, Connecticut, and Port Chester, New York.

Mr. LEHMAN of Florida (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Florida (Mr. LEHMAN).

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

Senate amendment No. 30 reads as follows:

Senate amendment No. 30: Page 17, after line 18, insert:

WASTE ISOLATION PILOT PROJECT ROADS

For necessary expenses in connection with planning and design activities associated with the upgrading of certain highways for the transportation of nuclear waste generated during defense-related activities, not otherwise provided for, $5,800,000 to remain available until expended: *Provided, however,* That these funds become available when construction of the Waste Isolation Pilot Project commences.

MOTION OFFERED BY MR. LEHMAN OF FLORIDA

Mr. LEHMAN of Florida. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. LEHMAN of Florida moves that the House recede from its disagreement to the amendment of the Senate numbered 30, and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

Senate amendment No. 36 reads as follows:

Senate amendment No 36: Page 20, line 17, strike out all after "amended" down to and including "purposes" in line 25.

MOTION OFFERED BY MR. LEHMAN OF FLORIDA

Mr. LEHMAN of Florida. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. LEHMAN of Florida moves that the House recede from its disagreement to the amendment of the Senate numbered 36 and concur therein with an amendment, as follows: Restore the matter stricken by said amendment, amended to change: "fiscal year 1981" to "fiscal year 1979".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

Senate amendment No. 39 reads as follows:

Senate amendment No. 39: Page 25, line 11, after "1984" insert ": *Provided,* That the Secretary of Transportation is authorized to issue to the Secretary of the Treasury notes or other obligations pursuant to section 512 of the Railroad Revitalization and Regulatory Reform Act of 1976 (Public Law 94-210), as amended, in such amounts and at such times as may be necessary to pay any amounts required pursuant to the guarantee of the principal amount of obligations under section 511 through 513 of such Act, such authority to exist as long as any such guaranteed obligation is outstanding".

MOTION OFFERED BY MR. LEHMAN OF FLORIDA

Mr. LEHMAN of Florida. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. LEHMAN of Florida moves that the House recede from its disagreement to the amendment of the Senate numbered 39 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following: ": *Provided,* That the Secretary of Transportation is authorized to issue to the Secretary of the Treasury notes or other obligations pursuant to section 512 of the Railroad Revitalization and Regulatory Reform Act of 1976 (Public Law 94-210), as amended, in such amounts and at such times as may be necessary to pay any amounts required pursuant to the guarantee of the principal amount of obligations under sections 511 through 513 of such Act, such authority to exist as long as any such guaranteed obligation is outstanding: *Provided further,* That the amount of such notes or other obligations, when combined with the aggregate of all such notes or obligations issued during fiscal year 1983, shall not exceed $150,000,000 by September 30, 1984.".

Mr. LEHMAN of Florida (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Florida (Mr. LEHMAN).

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

Senate amendment No. 41 reads as follows:

Senate amendment No. 41: Page 26, strike out lines 1 to 7, inclusive.

MOTION OFFERED BY MR. LEHMAN OF FLORIDA

Mr. LEHMAN of Florida. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. LEHMAN of Florida moves that the House recede from its disagreement to the amendment of the Senate numbered 41 and concur therein with an amendment, as follows: Restore the matter stricken by said amendment, amended to read as follows:

ILLINOIS FEEDER LINE ASSISTANCE

(TRANSFER OF FUNDS)

For a grant related to the acquisition and rehabilitation of the railroad feeder line as authorized by section 511 of the Rail Safety and Service Improvement Act of 1982, $3,000,000, to be derived by transfer from the unobligated balances of "Redeemable preference shares": *Provided,* That such grant shall contain terms requiring (1) the repayment of the full amount of the grant to the United States in the event of the cessation of service on such line within five years after the first operation of such service after receipt of such grant, and (2) a liquidation priority for the United States in the event of bankruptcy within such five-year period.

Mr. LEHMAN of Florida (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Florida (Mr. LEHMAN).

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

Senate amendment No. 53 reads as follows:

Senate amendment No. 53: Page 31, line 11, strike out all after "expenses," down to and including "carriers" " in line 12 and insert "$16,100,000, for the period October 1, 1983 through June 30, 1984".

MOTION OFFERED BY MR. LEHMAN OF FLORIDA

Mr. LEHMAN of Florida. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. LEHMAN of Florida moves that the House recede from its disagreement to the amendment of the Senate numbered 53 and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment insert the following: "$18,400,000, for the period October 1, 1983 through August 1, 1984".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

Senate amendment No. 60 reads as follows:

Senate amendment No. 60: Page 41, strike out lines 16 to 24, inclusive.

MOTION OFFERED BY MR. LEHMAN OF FLORIDA

Mr. LEHMAN of Florida. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. LEHMAN of Florida moves that the House recede from its disagreement to the amendment of the Senate numbered 60 and concur therein with an amendment, as follows: Restore the matter stricken by said amendment amended to read as follows:

SEC. 314. The Congress intends and directs that the proposed rulemaking to adjust the annual passenger ceiling at Washington National Airport be held in abeyance for at least 60 days from the date of enactment of this Act.

Mr. LEHMAN of Florida (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Florida (Mr. LEHMAN).

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

Senate amendment No. 61 reads as follows:

Senate amendment No. 61: Page 42, strike out lines 1 to 6, inclusive.

MOTION OFFERED BY MR. LEHMAN OF FLORIDA

Mr. LEHMAN of Florida. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. LEHMAN of Florida moves that the House recede from its disagreement to the amendment of the Senate numbered 61 and concur therein with an amendment, as follows: Restore the matter stricken by said amendment amended to read as follows:

SEC. 315. None of the funds provided in this Act for the Department of Transportation shall be used for the enforcement of any rule with respect to the repayment of construction differential subsidy for the permanent release of vessels from the restrictions in section 506 of the Merchant Marine Act, 1936, until 60 days following the promulgation of any such rule.

Notwithstanding any other provision of law, the enforcement of any rule regarding the repayment of construction differential subsidy for the permanent release of vessels from the restrictions in section 506 of the Merchant Marine Act, 1936, shall be held in abeyance for at least 60 days from the date of enactment of this act.

Mr. LEHMAN of Florida (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Florida (Mr. LEHMAN).

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

Senate amendment No. 64 reads as follows:

Senate amendment No. 64: Page 42, after line 19, insert:

SEC. 315. No funds appropriated under this act shall be expended to pay for any travel by the Administrator of the Federal Aviation Administration as passenger or crew member aboard any Department of Transportation aircraft to any destination served by a regularly scheduled air carrier: *Provided,* That this limitation shall not apply if no regularly scheduled carriers' flight arrives at the destination of the Administrator within 6 hours local time of the desired time of arrival: *Provided further,* That this limitation shall not apply to costs incurred by any flight which is essentially for the purpose of inspecting, investigating, or testing the operations of any aspect of the Federal Aviation Administration system designed to aid and control air traffic, or to maintain or improve aviation safety: *Provided further,* That this limitation shall not apply to costs incurred by any flight in Department of Transportation aircraft which is necessary in times of emergency or disaster, or for security reasons, or to fulfill official diplomatic representation responsibilities in foreign countries: *Provided further,* That written certifications shall be issued quarterly on all flights initiated in the previous quarter subject to this limitation and shall be made readily available to Congress and the general public.

MOTION OFFERED BY MR. LEHMAN OF FLORIDA

Mr. LEHMAN of Florida. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. LEHMAN of Florida moves that the House recede from its disagreement to the amendment of the Senate numbered 64 and concur therein with an amendment, as follows: In lieu of the section number named in said amendment insert "317".

The motion was agreed to.

□ 1610

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

Senate amendment No. 65 reads as follows:

Senate amendment No. 65: Page 42, after line 19, insert:

SEC. 316. Section 120(j) of title 23, United States Code, is amended by inserting after the word "Representatives" the following: ", and for funds allocated under the provisions of section 155 of this title and obligated subsequent to January 6, 1983,".

MOTION OFFERED BY MR. LEHMAN OF FLORIDA

Mr. LEHMAN of Florida. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. LEHMAN of Florida moves that the House recede from its disagreement to the amendment of the Senate numbered and concur therein with an amendment, as follows: In lieu of section No. "316" named in said amendment insert "318".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

Senate amendment No. 66 reads as follows:

Senate amendment No. 66: Page 42, after line 19, insert:

SEC. 317. None of the funds in this or any other Act shall be used by the Federal Aviation Administration for any facilities closures or consolidations prior to December 1, 1983: *Provided,* That the Federal Aviation Administration shall, no later than October 1, 1983, submit to the appropriate committees of the Congress a detailed, site-specific, and time-phased plan, including cost-effectiveness and other relevant data, for all facilities closures or consolidations over the next three years: *Provided further,* That, in the instance of any proposed closure or consolidation questioned in writing by a committee of the Congress, no such proposed closure or consolidation shall be advanced prior to April 15, 1984, in order to allow for the timely conduct of any necessary congressional hearings.

MOTION OFFERED BY MR. LEHMAN OF FLORIDA

Mr. LEHMAN of Florida. Mr. Speaker, I offer a motion.

The clerk read as follows:

Mr. LEHMAN of Florida moves that the House recede from its disagreements to the amendment of the Senate numbered 66 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following:

SEC. 319. None of the funds in this or any other Act shall be used by the Federal Aviation Administration for any facility closures or consolidations prior to December 1, 1983: *Provided,* That the Federal Aviation Administration shall, no later than October 1, 1983, submit to the appropriate committees of the Congress a detailed, site-specific, and time-phased plan, including cost-effectiveness and other relevant data, for all facilities closures or consolidations over the next three years: *Provided further,* That, in the instance of any proposed closure or consolidation questioned in writing by a committee of the Congress, no such proposed closure or consolidation shall be advanced prior to April 15, 1984, in order to allow for the timely conduct of any necessary congressional hearings.

Mr. LEHMAN of Florida. Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by

the gentleman from Florida (Mr. LEHMAN).

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

Senate amendment No. 67 reads as follows:

Senate amendment No. 67: Page 42, after line 19, insert:

SEC. 318. Section 145 of Public Law 97-377, approved December 21, 1982, is amended (1) by designating the existing text thereof as subsection (a), and (2) by adding at the end thereof the following new subsection:

"(b) The amendment made by subsection (a) of this section shall be effective as of 5 o'clock ante meridian eastern daylight time, August 3, 1981.".

MOTION OFFERED BY MR LEHMAN OF FLORIDA

Mr. LEHMAN of Florida. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. LEHMAN of Florida moves that the House recede from its disagreement to the amendment of the Senate numbered 67 and concur therein with an amendment, as follows: In lieu of section No. "318" named in said amendment insert the following: "320".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

Senate amendment No. 69 reads as follows:

Senate amendment No. 69: Page 42 after line 19, insert:

SEC. 320. (a) The Congress finds that—

(1) in this Nation there exist millions of handicapped people with severe physical impairments including partial paralysis, limb amputation, chronic heart condition, emphysema, arthritis, rheumatism, and other debilitating conditions which greatly limit their personal mobility;

(2) these people reside in each of the several States and have need and reason to travel from one State to another for business and recreational purposes;

(3) each State maintains the right to establish and enforce its own code of regulations regarding the appropriate use of motor vehicles operating within its jurisdiction;

(4) within a given State handicapped individuals are oftentimes granted special parking privileges to help offset the limitations imposed by their physical impairment;

(5) these special parking privileges vary from State to State as do the methods and means of identifying vehicles used by disabled individuals, all of which serve to impede both the enforcement of special parking privileges and the handicapped individual's freedom to properly utilize such privileges;

(6) there are many efforts currently underway to help alleviate these problems through public awareness and administrative change as encouraged by concerned individuals and national associations directly involved in matters relating to the issue of special parking privileges for disabled individuals; and

(7) despite these efforts the fact remains that many States may need to give the matter legislative consideration to ensure a proper resolution of this issue, especially as it relates to law enforcement and placard responsibility.

(b) The Congress encourages each of the several States working through the National Governors Conference to—

(1) adopt the International Symbol of Access as the only recognized and adopted symbol to be used to identify vehicles carrying those citizens with acknowledged physical impairment;

(2) grant to vehicles displaying this symbol the special parking privileges which a State may provide; and

(3) permit the International Symbol of Access to appear either on a specialized license plate, or on a specialized placard placed in the vehicles so as to be clearly visible through the front windshield, or on both such places.

(c) It is the sense of the Congress that agreements of reciprocity relating to the special parking privileges granted handicapped individuals should be developed and entered into by and between the several States so as to—

(1) facilitate the free and unencumbered use between the several States, of the special parking privileges afforded those people with acknowledged handicapped conditions, without regard to the State of residence of the handicapped person utilizing such privilege;

(2) improve the ease of law enforcement in each State of its special parking privileges and to facilitate the handling of violators; and

(3) ensure that motor vehicles carrying individuals with acknowledged handicapped conditions be given fair and predictable treatment throughout the Nation.

(d) As used in this section the term "State" means the several States and the District of Columbia.

(e) The Secretary of Transportation shall provide a copy of this section to the Governor of each State and the Mayor of the District of Columbia.

MOTION OFFERED BY MR. LEHMAN OF FLORIDA

Mr. LEHMAN of Florida. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. LEHMAN of Florida moves that the House recede from its disagreement to the amendment of the Senate numbered 69 and concur therein with an amendment, as follows: In lieu of the section number named in said amendment insert "321".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the last amendment in disagreement.

Senate amendment No. 70 reads as follows:

Senate amendment No. 70: Page 42, after line 19, insert:

SEC. 321. The Senate intends that the Benjamin Franklin Bridge connecting Philadelphia, Pennsylvania and Camden, New Jersey, be given priority consideration by the Secretary of Transportation.

MOTION OFFERED BY MR. LEHMAN OF FLORIDA

Mr. LEHMAN of Florida. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. LEHMAN of Florida moves that the House recede from its disagreement to the amendment of the Senate numbered 70 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following:

SEC. 322. Notwithstanding any other provision of law, the limitation on total obligations for Federal-aid highways and highway safety construction programs for fiscal year 1984 contained in Title I of this Act shall be reduced by $80,000,000.

Mr. LEHMAN of Florida (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Florida (Mr. LEHMAN).

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the conference report and the several motions was laid on the table.

GENERAL LEAVE

Mr. LEHMAN of Florida. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the conference report and amendments in disagreement on the bill, H.R. 3329, and that I may insert tabular material.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

PROVIDING FOR CONSIDERATION OF H.R. 2780, STATE AND LOCAL FISCAL ASSISTANCE AMENDMENTS OF 1983

Mr. HALL of Ohio. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 285 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 285

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2780) to extend and amend the provisions of title 31, United States Code, relating to the general revenue sharing program, and the first reading of the bill shall be dispensed with. After general debate, which shall be confined to the bill and shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Government Operations, the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Government Operations now printed in the bill as an original bill for the purpose of amendment under the five-minute rule, and each section of said substitute shall be considered as having been read for amendment. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such

amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER. The gentleman from Ohio (Mr. HALL) is recognized for 1 hour.

Mr. HALL of Ohio. Mr. Speaker, I yield the customary 30 minutes to the gentleman from Missouri (Mr. TAYLOR) for purposes of debate only, and pending that, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 285 is an open rule providing for the consideration of H.R. 2780, the State and Local Fiscal Assistance Amendments of 1983.

The rule provides for 2 hours of general debate to be equally divided and controlled by the chairman and ranking minority member of the Committee on Government Operations.

It should be noted that the rule makes in order the Government Operations Committee amendment in the nature of a substitute as an original text for purposes of amendment. Each section of the substitute shall be considered as read.

House Resolution 285 further provides for one motion to recommit with or without instructions.

There are no waivers granted under this rule.

Mr. Speaker, H.R. 1780 extends the authorization for the general revenue sharing program for 5 years. This legislation is urgently needed because the authority for general revenue sharing will expire on September 30, 1983.

There is bipartisan support for extending revenue sharing, and I am not aware of any opposition to this open rule. I would urge my colleagues to adopt the rule.

Mr. TAYLOR. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 285 is an open rule under which the House will consider legislation authorizing a 5-year extension of the general revenue sharing program at a potential cost of as much as $38 billion.

The rule makes in order the committee amendments now printed in the bill, H.R. 2780, as original text for amendment under the 5-minute rule. Because of the nature of the controversy surrounding this reauthorization, two hours of general debate is provided.

Lastly, the rule provides for one motion to recommit, with or without instructions.

Mr. Speaker, this is a very simple rule, it does not contain any waivers and it was reported from the Committee on Rules by a voice vote.

The bill made in order by this rule, however, remains highly controversial. The administration strongly opposes the bill, unless it is amended to bring the funding levels in line with the President's request.

The distinguished chairman of the Committee on Government Operations, the gentleman from Texas (Mr. BROOKS) is also opposed to the bill. When he appeared before the Committee on Rules, he warned us that if the Members do not have the fiscal responsibility to limit this bill to the current levels—at a minimum—then we are not going to be able to cure our Federal deficit problems.

Mr. Speaker, I mention these two areas of opposition, from both the administration and the chairman of the Committee on Government Operations, so that our colleagues will be aware that amendments will be offered to reduce the funding levels.

Mr. Speaker, I have no other requests for time.

I think the rule is in order. It is an open rule and I support the adoption of the rule.

Mr. Speaker, I yield back the balance of my time.

Mr. HALL of Ohio. Mr. Speaker, I have no requests for time, and I move the previous question on this resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

APPOINTMENT AS MEMBER OF CONGRESSIONAL AWARD BOARD

The SPEAKER. Pursuant to section 4(a) of Public Law 96-114, as amended by Public Law 98-33, the Chair appoints as a member of the Congressional Award Board Mr. Joseph J. Gouthro, of Atlantic Highlands, N.J., in lieu of Mr. A. J. F. O'Reilly of Pittsburgh, Pa., without objection.

There was no objection.

STATE AND LOCAL FISCAL ASSISTANCE AMENDMENTS OF 1983

The SPEAKER pro tempore (Mr. KILDEE). Pursuant to House Resolution 285 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 2780.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2780) to extend and amend the provisons of title 31, United States Code, relating to the general revenue sharing program, with Mr. SWIFT in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the first reading of the bill is dispensed.

Under the rule, the gentleman from Texas (Mr. BROOKS) will be recognized for 1 hour, and the gentleman from New York (Mr. HORTON) will be recognized for 1 hour.

The Chair recognizes the gentleman from Texas (Mr. BROOKS).

□ 1620

Mr. BROOKS. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, regardless of its merits, or lack thereof, H.R. 2780 is a relatively uncomplicated piece of legislation. The bill calls for a 5-year extension of general revenue sharing. Local governments would be funded at a level of $5.3 billion per year on an entitlement basis. This figure represents a 16-percent increase from the current level of $4.6 billion per year. It also exceeds the funding level provided for in the first budget resolution by $280 million.

The bill includes an authorization of $2.3 billion per year for State governments, subject to the appropriations process. This is the same approach that has been used for the States for the past 2 years, though in neither year has a State share been appropriated. However, H.R. 2780 eliminates the State share "turn-back" provision adopted in 1980. Under that provision, if a State share had been appropriated, Each State would have been required to forego or turn back an equal amount of Federal categorical assistance as a condition of receiving its revenue sharing allocation.

H.R. 2780 improves the revenue sharing audit provisions by requiring governments receiving over $25,000 to obtain annual audits. However, an exception is provided for governments operating on a 2-year fiscal period. These governments may submit biennial audits so long as those audits cover both years. Under current law, an audit is required at least once every 3 years, though only 1 year of the 3-year period need be covered.

Finally, the bill discontinues the special allocation for sheriffs in Louisiana parishes and makes a number of technical amendments proposed by the administration.

Mr. Chairman, those Members who have been in the House for any length of time probably are aware of my views on the revenue sharing program. I opposed it in 1972, when the Nixon administration—in an election year—brought the program into existence. I opposed its reauthorization in 1976, another election year. I opposed it in the next Presidential election year, 1980, when it was reauthorized again, and I oppose it today. Revenue shar-

ing is a program that does not do what it purports to do and has serious and dangerous unintended side effects.

To understand why I have been opposed for so many years to this program, which has all the surface appeal of motherhood or cotton candy at the circus, it would be instructive to go back to the reasons that were originally advanced for revenue sharing to see whether it has done what its supporters originally said it would do. The Members will recall that revenue sharing was going to be a means of permitting State and local governments to share the benefits of the Federal taxing system. It was speculated that, in the post-Vietnam war years, the Federal Government would be faced with the problem of what to do with all the extra revenues rolling into its coffers. Turning these bothersome surpluses over to the State and local governments through revenue sharing was concocted as a means of solving the problem.

Well, of course the post-Vietnam war surpluses never materialized. Instead of a surplus, since 1972, we have been faced with an unbroken string of deficits. The stark truth is that the Federal Government has no revenue to share and it never had any revenue to share. From the outset, the program has been financed by piling billions of dollars on top of the basic deficit, requiring greater borrowing and greater cumulative interest payments on the national debt.

As I mentioned earlier, I opposed revenue sharing in 1972, 1976, and 1980. My opposition to the program is even stronger in 1983, because the defects of the program and its harmful effects are even more apparent in the current budget and economic situation we face. In 1972, the Federal Government ran a budget deficit of a mere $23 billion. In 1976, the deficit was a paltry $66 billion. In 1980, it was only $59.6 billion. But let me remind my colleagues that the Reagan administration itself, using its rosiest predictions and its most far-out wishes, projects a budget deficit for the next fiscal year of $180 billion. That is in 1 year, ladies and gentlemen. I want to remind you of the dangerous impact that a deficit of this size is going to have on the trade markets and on the Federal Government's borrowing requirements. The reality that we face is that deficits of this size pose the threat of strangling the economy just as it is beginning to recover from 3 years of recession, plunging us into even greater unemployment, stagnation, and misery.

The local governments cite the recession as a reason that they need revenue sharing reinstated. But if we do not attack the deficit for the coming year and the following years, and if the economy is plunged back into recession, local governments will be harmed far more than they can now imagine. The way we can help them in the long run is by eliminating this deficit enhancer of a program.

Instead, we are here today considering a bill to extend the program for 5 more years at an increased funding level and as an entitlement. At the same time, we are telling our constituents that we are determined to get control of Federal spending, we are being asked to put this program beyond our reach in the budget process for 5 years and pile another $26.5 billion on the national debt. Painful as it is for many of you, what we do here today may send the loudest signal yet as to our sincerity about fiscal responsibility.

Finally, Mr. Chairman, let me say that we are told we should renew revenue sharing because it is a success. Of course, it is a success to those who receive its funds. Christmas is a success, too, and birthday parties for 5-year-olds are a success, too, and for the same reason. Everybody likes getting gifts that they did not have to work for. But this success is a dangerous and costly expenditure that does not do what it was claimed it would do and that disburses Federal funds without any real accountability for their use at a time when the Federal Government can ill afford to disburse such funds.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. The gentleman from Texas (Mr. BROOKS) has consumed 8 minutes.

Mr. HORTON. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, I rise in strong support of the extension of the general revenue sharing program. I am pleased that the House is moving expeditiously to renew this important legislation prior to the August district work period. Reauthorization of the program at this time is essential if local Governments are to be able to prudently plan their own budgets with a minimum of disruption.

General revenue sharing was created in 1972 and began a new era in American intergovernmental relations. For the first time, Congress and the President created a large-scale program of general purpose fiscal assistance to both State and local governments. This aid was provided with very few conditions, permitting State and local elected officials the opportunity to spend assistance dollars where they felt needs were greatest.

Unlike categorical grant programs, a State or locality does not have to apply for revenue sharing funds. Instead, it receives its program money automatically based on a formula founded on a number of important data elements, including population, personal income, and tax effort. Under the original legislation, State governments received one-third and local governments two-thirds of all available funds. An important element of the program's funding was its entitlements status. This removed revenue sharing from the annual discretionary appropriations process and thereby encouraged better State and local long-term budgeting.

The program was renewed in 1976, with the States receiving $2.3 billion per year and local governments $4.6 billion a year. I should add at this point that the local share of the program has remained at this level of $4.6 billion since that time.

The program was again extended in 1980 for 3 years, with the local share and allocation formula remaining unchanged. Yet, significant allocations were made in the State government portion of the program. The State share was totally revoked for 1981, and made subject to discretionary annual appropriation in 1982 and 1983. States would also be required to forgo $1 of Federal categorical aid for each dollar of revenue sharing they received. Since that time, no appropriation has been either requested or approved for the State share.

Today, we are considering legislation that would continue the program, which is set to expire on September 30 of this year. By renewing this program, this House will reaffirm its faith not just in revenue sharing, but also in the American system of cooperative federalism. By renewing this program, we will also provide aid to local governments at a time when many of them are financially pressed by varied and difficult economic circumstances. This aid will, to the benefit of the Federal taxpayer, be fairly distributed in an extremely efficient manner, with less than one-tenth of 1 percent of the total program funds going to Federal administrative expenses.

As I have stated earlier, revenue sharing requires no lengthy application for receipt of aid. It does not force a locality to add huge numbers of people to campaign for Federal money. It also does not need huge numbers of Federal bureaucrats to operate it. What other multibillion-dollar Federal program can be run by less than 140 Federal employees and a computer?

As the former Chairman of the Federal Paperwork Commission, I am particularly sensitive to the administrative costs and the paperwork burdens implicit in Federal programs. Revenue sharing is a model program in that regard and is one of the most streamlined of all Federal programs. This fact has been borne out time and time again by various government reports and hearings held by the Intergovernmental Relations and Human Resources Subcommittee of the Government Operations Committee.

The bill we have before us today, H.R. 2780, is a product of a great deal of work by the Intergovernmental Relations and Human Resources Subcommittee under the leadership of its chairman, Mr. WEISS, and its ranking minority member, Mr. WALKER. This bill extends the program, something I strongly support. Yet there are two major changes I would like to see made in the bill.

First, the bill extends the program for a 5-year period. This would be longer than any period for which Congress has reauthorized the program. Such a long extension is, I believe, unwise. It effectively prevents the Congress from making any changes in the program for that entire 5-year period. We live in a fast-changing world. None of us knows now what the fiscal situation of State and local governments might be even 2 or 3 years from now. An extension for a lesser period of time would have the significant advantage of allowing the Congress the opportunity to review the program to make sure it is effectively achieving its goals. The administration has recommended the traditional 3-year reauthorization period. It is my intention at the appropriate time to offer an amendment to reduce H.R. 2780's reauthorization from 5 years to 3 years.

My second item of concern is that the bill before us is over the amount contained in the House budget resolution, as well as that requested by the administration. Presently, this bill increases the funding for the local government entitlement share by $731 million for each of the 5 years of its reauthorization for a total increase of $3.65 billion. This $731 million annual increase not only exceeds the level of funding requested by the administration, but more importantly, it is well over the $450 million increase permitted under the first concurrent resolution on the budget. This is because the committee reported the bill prior to the adoption of the first budget resolution in order to comply with the Budget Act deadline. At that time, the House-passed resolution allowed a $731 million increase. It is my intention to offer an amendment to bring H.R. 2780 into conformity with the budget resolution.

Reducing the length of the authorization from 5 to 3 years, as I suggested earlier, and bringing the funding level in line with the budget resolution as I suggest now, is the best way to balance the demands of the President that we control spending and the needs of local officials that we provide some increase in aid to their governments. The result of my amendment is that the increase in the funding of the program is reduced from $3.65 billion over 5 years to $1.36 billion over 3 years. A funding increase of this size is much more appropriate in light of the deficits we expect in the coming years and also appropriate in light of the fact that the program has not seen an increase since 1976.

In summary, the two amendments I intend to offer will make this a fiscally responsible bill and at the same time provide some important financial relief to local officials across the country. My amendments are important, for make no mistake about it, too much money is in this bill, and we are courting a possible Presidential veto.

The administration has said, in the strongest possible terms, that it prefers an extension at the present annual funding level of $4.6 billion. The warnings of administration officials on this point have recently intensified. I would like to enter into the record a letter I received from the Director of the Office of Management and Budget, David Stockman, on June 20 on this matter and quote the relevant sentence:

Unless H.R. 2780 is amended to conform to a funding level of $4.6 billion per year for 3 years, the President's other senior advisers and I will not be able to recommend approval of the bill, should it be presented for the President's action.

This letter, combined with telephone conversations I have had with administration officials, clearly indicates that if the President is presented with a bill that increases revenue sharing too greatly, a veto is a definite possibility.

Mr. Chairman, the letter which I received from Mr. Stockman is as follows:

OFFICE OF MANAGEMENT AND BUDGET,
Washington, D.C., June 20, 1983.

Hon. FRANK HORTON,
House of Representatives
Washington, D.C.

DEAR FRANK: I am writing to apprise you of the Administration's serious objection to certain features of H.R. 2780, legislation that would reauthorize the General Revenue Sharing program.

As you know, H.R. 2780 would extend General Revenue Sharing for five years and would increase the entitlement portion of the program for the current level of $4.6 billion annually to $5.3 billion for each of these five years. The Administration's proposal, by contrast, would extend the program for three years at its current funding level. We believe that our recommended proposal is fair, prudent, and fiscally responsible.

H.R. 2780 in its current form is a budget buster. This bill would in a single year increase spending for General Revenue Sharing by sixteen percent. If enacted, it would result in fiscal year 1984-86 outlays that would exceed the Administration's request by over $2.1 billion. Increases of this magnitude are totally inappropriate, especially in light of the serious financial problems facing the Federal Government.

The Administration also cannot support the five-year reauthorization of the program contained in H.R. 2780. This would financially commit the Federal Government for much too long a period of time. A three-year extension would permit the Congress and the Administration to review the funding level, allocation formula, and the program operation on a much more timely basis.

To be sure that there is no misunderstanding, one point should be clarified. The Administration does not oppose the extension of revenue sharing. On the contrary, the President is personally on the record as favoring the program's reauthorization. What the Administration does oppose is the unnecessarily long extension and the fiscally irresponsible funding increase contained in H.R. 2780.

Unless H.R. 2780 is amended to conform to a funding level of $4.6 billion per year for three years, the President's other senior advisers and I will not be able to recommend approval of the bill, should it be presented for the President's action.

I have taken the liberty of sending an identical letter to the Chairman of the Committee on Government Operations.

Sincerely,

DAVID A. STOCKMAN,
Director.

Mr. Chairman, I must warn this House about another issue related to revenue sharing. As we take up this bill, amendments will be presented for your consideration that would alter the present formula for allocating revenue sharing funds. To do so would be a serious mistake. The present formula is strongly supported by a most important constituency, the program's recipients. Local elected officials have time and time again pleaded with the Government Operations Committee not to change the formula. I would like to place into the RECORD letters from the most important groups of local elected officials, including the National League of Cities and the National Association of Counties, which call for no formula changes. To quote from the letter from the league and NACo, the presidents of these two organizations state:

Most formula change proposals, even those with "hold harmless" provisions, would effectively disadvantage certain types of jurisdictions relative to other types in terms of the overall percentage increase received. We believe that the immediate and long-term impacts of such non-proportional distribution of an increase in funding should be studied in depth before implementing formula changes.

The letter goes on to say:

The National Association of Counties and the National League of Cities oppose changes to the current general revenue sharing formula on grounds of the general need of local governments for an increase in general revenue sharing funding and the danger of implementing formula changes without careful study and analysis of impacts.

Mr. Chairman, the full text of the letter to which I just referred is as follows:

JULY 26, 1983.

Hon. FRANK HORTON,
Ranking Minority Member, House Committee on Government Operations, Rayburn House Office Building, Washington, D.C.

DEAR CONGRESSMAN HORTON: As House floor action on H.R. 2780, the bill to reau-

thorize the general revenue sharing program, approaches, the National Association of Counties and the National League of Cities wish to make you aware of our position with regard to amendments pertaining to formula changes that may be offered on the floor. We support retention of the current revenue sharing formula as provided in H.R. 2780, and adamantly oppose any alterations. We take this position for several reasons:

First, we believe that if there is an increase in the level of funding for the program, as proposed in H.R. 2780, all local governments should share proportionately in that increase. Virtually all local governments are experiencing some degree of fiscal stress as a result of the recession and cutbacks in federal aid. They rely heavily on general revenue sharing to assist them in dealing with revenue shortfalls. Funding for the program has not been increased since 1976. During that period, NACo and NLC estimate that fifty percent of the buying power of revenue sharing dollars has been eroded by inflation. All local governments need some increase in their revenue sharing allocations to at least partially offset the effects of inflation and aid them in resolving their fiscal problems.

Second, most formula change proposals, even those with "hold harmless" provisions, would effectively disadvantage certain types of jurisdictions relative to other types in terms of the overall percentage increase received. We believe that the immediate and long-term impacts of such non-proportional distribution of an increase in funding should be studied in depth before implementing formula changes.

Finally, no formula is perfect and any type of formula change is bound to result in some anomalous allocations. Under the formula changes contained in S. 1426, for example, some of the neediest jurisdictions in certain states would receive no additional revenue sharing funds, even if the funding level for the program were increased by $450 million. Such anomalous distributions also indicate the need for extensive study and deliberation prior to the implementation of formula changes.

To summarize, the National Association of Counties and the National League of Cities oppose changes to the current general revenue sharing formula on grounds of the general need of local govenments for an increase in general revenue sharing funding and the danger of implementing formula changes without careful study and analysis of impacts. We support the efforts of Rep. Ted Weiss to institute such studies and await his findings with interset.

In the meantime, however, our organizations urge all House members to support H.R. 2780 in its retention of the current formula for general revenue sharing allocations and to oppose any amendments to alter the formula that may be offered on the House floor.

Sincerely yours,

CHARLES ROYER,
President, National League of Cities.
SANDRA R. SMOLEY,
President, National Association of Counties.

Mr. Chairman, altering the formula could, quite simply, endanger the fragile coalition that supports the program and spell its demise.

In conclusion, I must reiterate my very strong support for the continuance of revenue sharing. It is a "cornerstone" of our Federal domestic aid system and helps assure the financial viability of our federal system of government. H.R. 2780, if amended along the lines I have suggested, is an effective vehicle for extension of this important program.

□ 1640

Mr. BROOKS. Mr. Chairman, I yield 7½ minutes to the gentleman from New York (Mr. WEISS).

Mr. WEISS. Mr. Chairman, I rise in support of H.R. 2780, the State and Local Fiscal Assistance Amendments of 1983. This bill, which was overwhelmingly approved—37 to 2—by the Government Operations Committee, amends and extends the present general revenue-sharing legislation that will expire on September 30 at the end of this fiscal year.

To summarize briefly, the committee bill makes the following changes in the existing program:

First. General revenue sharing for local governments is reauthorized as an entitlement program for 5 additional years. This increase over the current 3-year authorization was approved in order to enable local units of government to plan for the most efficient utilization of these funds. In the committee bill, the annual funding level is increased 16 percent—from $4.57 billion to approximately $5.3 billion—to adjust for the loss in purchasing power of revenue-sharing dollars only since the last reauthorization of the program in 1980.

It is important to bear in mind that, aside from a one-time increase of $200 million voted in 1976, this program has not been adjusted for inflation since its inception in 1972. During this 11-year period, the purchasing power of the dollar has been reduced by 135 percent. In this context, a 16-percent increase in local payments is a very modest and long overdue adjustment. It is especially needed and justified today because of the sizable reductions that have been made in Federal categorical grants at the very time that State and local governments have experienced severe revenue losses due to recession. This additional funding was provided for in the first budget resolution initially passed by the House, but the budget conference report assumes an increase in general revenue sharing of $450 million per year, to approximately $5.01 billion per year. Although we would like to see a more generous increase in the program, the budget compromise is a realistic level, and I intend to support an amendment to this lower level to conform with the first budget resolution.

Second, revenue sharing for State governments is continued as an authorization, subject to annual appropriations, at the present level of $2.3 billion. Also, the bill eliminates the so-called Levitas amendment, which would negate the very purpose of revenue sharing by requiring the States to forfeit an equal amount of other Federal assistance.

Third, the requirement for an independent financial audit of governments receiving $25,000 or more each year is changed from once in 3 years to an annual audit, which is the prevailing practice today. However, any government operating on a biennial fiscal period would be permitted to audit its financial statements once in 2 years covering both years. An annual audit requirement was recommended by the Comptroller General, and it was generally supported by the witnesses who appeared before the subcommittee.

Fourth. The special provision for allocations to Louisiana sheriffs is discontinued because this parish office is not a general purpose unit of government and other limited purpose governments are not eligible for revenue-sharing payments.

The bill also incorporates a number of technical amendments requested by the Treasury Department or by the Legislative Counsel's Office for the purpose of clarifying and perfecting certain language in the existing law. In addition, the committee approved a provision, affecting only local governments within Massachusetts, to permit the crediting of certain taxes for fiscal year 1982 that were not collected until 1983 due to a court ordered change in the method of valuating property.

Mr. Chairman, I believe the committee bill is a sound and realistic measure, given the present budget limitations confronting the Congress. Except for the committee amendments, which are primarily technical in nature, H.R. 2780 is essentially the clean bill approved as a compromise measure by the subcommittee that I am privileged to chair. H.R. 2780 was approved by the subcommittee after a thorough study of the general-revenue-sharing program, which included 3 days of public hearings in Washington and 4 days of field hearings held in various sections of the country.

H.R. 2780 was approved by the committee without any change in the method of allocating funds. However, there was interest, both in the subcommittee and the full committee, in a proposal to raise the present 145 percent upper limit on per capita allocations to local governments, and a proposal to use the representative tax system (RTS), together with or as a substitute for per capita income, in the measurement of each State's fiscal capacity. Also given serious consideration was a proposal to advance revenue-sharing payments to the beginning of each calendar quarter instead of after the end of the quarter. In the final analysis, these proposals were not included in the bill mainly because

they would have required additional money to prevent some jurisdictions from losing funds.

With respect to the representative tax system, the bill directs the Secretary of the Treasury, in consultation with the Secretary of Commerce, the Comptroller General, and the Advisory Commission on Intergovernmental Relations, to study and further develop the RTS for possible use in allocating revenue-sharing funds in the future.

Similarly, the current budget stringency made it impractical to resume entitlement payments to State governments, although I believe there is strong justification for doing so.

I am sure you are all aware of the radically changed financial circumstances of State governments since the last revenue-sharing reauthorization in 1980. In place of the budget surpluses many States enjoyed at that time, most States today are trying desperately to reduce expenditures, cut their work forces, and increase taxes in order to avoid budget deficits, which are legally prohibited in virtually all of the States.

It should be noted also that many States are in very poor financial condition as the result of three national recessions in the past decade. Even our most prosperous States are feeling the pinch of increasing unemployment and declining revenues. I believe it is clear that the States need and deserve continued revenue-sharing assistance, and I would urge this body to restore these payments at the earliest possible moment.

Mr. Chairman, while I would prefer to see this legislation provide more assistance to our local and State governments, I recognize that H.R. 2780 is probably the best we can do under present budget conditions. It is my hope that the Congress will act quickly to reauthorize this vital program so that local governments can plan for the most efficient and responsible use of these revenue-sharing funds.

Before yielding, I would be remiss if I failed to acknowledge several Members of the House who have been instrumental in bringing this legislation to the floor.

The chairman of the Government Operations Committee, the gentleman from Texas (Mr. BROOKS), although personally opposed to this legislation, has been continually fair and forthright in his handling of H.R. 2780, and supportive of the subcommittee activities during the reauthorization process.

The ranking minority member of the Subcommittee on Intergovernmental Relations and Human Resources, the gentleman from Pennsylvania (Mr. WALKER), is likewise to be commended for his diligent efforts and support of the subcommittee's work; as should my distinguished colleague, the gentleman from New York (Mr. SOLARZ), who did such outstanding work in the operations of the Budget Committee in the consideration of this legislation.

Mr. Chairman, I thank the gentleman, for yielding this time, and I yield back the balance of my time.

Mr. HORTON. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania (Mr. WALKER). I also take this occasion to commend him for his work on the subcommittee in the role of the ranking minority member. He has done an outstanding job, and we thank him for it.

Mr. WALKER. I thank the gentleman for his comments and for yielding me the time.

Mr. Chairman, I strongly support the reauthorization of the revenue-sharing program. Symbolically, and in reality, revenue sharing epitomizes the best aspects of our federal system at work.

Revenue sharing is simple and effective. Money is returned to local governments by the Federal Government with minimum requirements and almost no administrative costs. Local governments benefit from the increased resources and the flexibility to make decisions and to be more responsive to their constituents.

In the decade since its inception, more than 465 billion in Federal revenue sharing funds have been returned to State and local governments. There can be no disputing the fact that this money has helped insure the financial integrity of recipient governments and help restore decisionmaking power to the local level.

Local governments must be reponsive governments. Local officials are not somewhat isolated from their constituents like Members of Congress or State legislators. When programs or projects are demanded by constituents, local officials need the resources and flexibility to act promptly. Revenue sharing without so many of the burdens and restrictions that accompany other Federal programs, provides local officials with the steady support they need.

As local officials came before the Subcommittee on Intergovernmental Relations and Human Resources, chaired so ably by the gentleman from New York (Mr. WEISS), we continually heard how vital revenue sharing was to the fiscal integrity of our cities, counties, and townships.

□ 1650

We continually heard of police protection, fire equipment, recreational facilities, libraries, and other worthwhile projects purchased with revenue sharing funds. That is an aspect of this program that I think speaks to the concern legitimately raised by the gentleman from Texas, the distinguished chairman of the full committee.

He makes the point that we have no real revenue to share at the Federal level and that is true. But it is also true that the very kind of programs that the local governments are using revenue sharing funds to meet are programs that we would otherwise have to design categorical programs to meet. These categorical programs would be fantastically expensive for the Federal Government, they would cost far more than the revenue sharing program has cost or will cost in the future. It is that kind of concern that I bring to this discussion because I think that what we have got to have is this kind of program which allows local governments to act selectively, use Federal funds selectively and thereby save vast resources that otherwise might get spent at the Federal level.

It was those kinds of comments that we heard from local officials and they reflected the local decisions made by all levels of government which are closest to the taxpayers. I like the fact that the revenue sharing program makes a lot of that kind of thing possible. I must say, however, that I have some problems with the bill as it comes to the floor.

Certain aspects of it bother me and I will offer at least one amendment to make a change. The funding level, for example, is too high. I will vote to lower it. As a matter of fact, I think that it is extremely important that we adopt the amendment that will be offered by the gentleman from California (Mr. MCCANDLESS) that brings the funding level back down to current funding levels.

The threat of the administration to veto this bill, if it is not brought into that kind of funding level compliance, I think is a real threat, indeed. It jeopardizes this worthwhile program for the future and I hope that the gentleman from California will see his amendment adopted.

Other changes also may be needed. But the concept of revenue sharing is sound. The program should be reauthorized.

I thank the gentleman for yielding me the time and I yield back the balance of my time.

Mr. HORTON. Mr. Chairman, I yield 5 minutes to the gentleman from Florida (Mr. LEWIS).

Mr. LEWIS of Florida. Mr. Chairman, I thank the distinguished minority member from New York for allowing me this time.

Mr. Chairman, when we talk about revenue sharing we are talking about a no-string revenue sharing for each individual community, county, and State.

When you are talking about New Federalism the best form of assistance is revenue-sharing. And I rise in support of the Federal revenue-sharing

program and more specifically, H.R. 2780.

I served for four terms as mayor/councilman of the village of North Palm Beach, Fla., before the revenue-sharing program existed. Problems that the community faced then, were not unlike those it faces today.

Without the additional sources of revenue to support important municipal projects and purchase necessary capital equipment—the overall budget for the village had to be stretched as far as possible—and difficult choices had to be made due to limited funds.

Small cities with populations of less than 10,000 in particular benefit from this program. My district includes a number of these small cities.

The city managers advise me that this money allows them to purchase expensive capital equipment such as police cars, fire trucks, garbage trucks, bulldozers, and dumptrucks.

Some municipalities apply these funds to improve their water and sewer systems. Other cities will use a portion of their funds to purchase lawnmowers for the city parks and to build shuffleboards for elderly residents.

Thus revenue-sharing money is an important supplement to these local communities' budgets. Furthermore, I have always believed that there is a need to return some of the taxpayers' hard-earned money to their local communities. With no Federal strings attached, these dollars make it possible for localities to improve community life for their residents.

Mr. Chairman, I serve as cochair of the Local Government Caucus with my distinguished colleague from California, Congresswoman BOXER. We both have local government experience and can attest to the strong support local governments have voiced to us for continuing the Federal revenue-sharing program.

The caucus was formed this year to bring together those Members of Congress with experience and interest in local government issues and to promote those interests. Just as the caucus membership is bipartisan, the issue of revenue sharing cuts across party lines.

Therefore, I urge my colleagues on both sides of the aisle to vote to continue this program and to provide local governments with an important source of supplemental funding to carry out their municipal responsibilities.

I thank the chairman. I yield back the balance of my time.

● Mr. DASCHLE. Mr. Chairman, I rise in strong support of the passage of HR 2870, the reauthorization of the general revenue-sharing program. There is little doubt in my mind that, of all the programs of assistance to people in this country, the general revenue-sharing program is one which most effectively meets the criteria of what a good Federal program should be. I say that because of the particular strength of the revenue sharing program. This is one Federal program which delivers financial assistance to local governments throughout the country, and makes no pretense, as we do all too often here in Washington, that those local governments cannot be trusted to make a decision on how to best spend those funds. General revenue sharing makes the logical assumption that those closest to their own citizens can make the best determination as to how most effectively and efficiently make use of those funds, without Federal interference, guidelines, or onerous regulations.

There are several elements in the legislation today which make this reauthorization desirable. Although I would have preferred the extension of the authorization to a full 5 years instead of the 3 years which is now the case, it appears that the threat of an adminstration veto makes the 3-year extension the best possible that we can do at this time. This is regrettable, since the 5-year period would have enabled local units of government to better plan how to most effectively use these funds. It is, however, I suppose better to take the 3-year reauthorization than none at all. Frankly, I feel that this limitation is a foolish one, since there is no doubt that, whether it is in 3 years or 5 years, we certainly will reauthorize this program again. The administration's shortsightedness and false economies exhibited once again in this instance, continue to disturb me.

As amended to conform with the first budget resolution, this bill will also provide for a 9.9-percent increase in authorized funding for this program. While, frankly, I might have preferred the 16-percent increase reported out by the authorizing committee, budget concerns, as well as the threat of negative action from the President, have convinced me that this level of funding appears to be the best we can manage at this time, and I am in full support of it.

This 9.9-percent increase means that my State of South Dakota, whose local units of government were eligible for $15.9 million in general revenue sharing in 1983, will be eligible for a total of $17.5 million in 1984 and beyond. Given the depressed state of the farm economy, and the reduced tax base that this tends to cause in primarily agricultural States like South Dakota, this is an increase that is long overdue, and is certainly welcomed. The level of authorization for general revenue sharing has not been increased, with one small exception in 1976, since its inception in 1972. It has not even been adjusted for inflation, although the costs to local governments have certainly been drastically increased by this same economic scourge. The result of this lack of adjustment has been that the amount of the dollars purchasing power since 1972 has been reduced by 135 percent. The modest 9.9 percent increase in funding now by no means recaptures this inflation-lost purchasing power, but at least it is a small step in the right direction.

I know of no responsible legislator who will deny that revenue sharing is one program which, because of the direct control it affords to local governments, is one of our most efficient, effective programs designed to give assistance to the local governments which are closest to the people they represent. I urge my colleagues to join me in strong support of this legislation.●

● Mr. BIAGGI. Mr. Chairman, I rise in strong support of H.R. 2780 as reported by the Government Operations Committee. This legislation would give a new and vitally needed 5 year lease on life for the general revenue sharing program of such fundamental importance to local governments in this Nation.

My support of this bill is based on the fact that it seeks to remedy the effects which inflation has had on the revenue-sharing program since it received its last funding increase in 1980. While some would view with concern a 16-percent increase in funding, one should view it in the context of the timeframe since 1980.

What is the importance of general revenue sharing in this Nation. According to the National League of Cities—revenue sharing represents the only direct Federal assistance program in one-third of all cities. For cities with populations under 10,000, it is the only direct assistance for 62 percent. It is little wonder that the League writes, "Prompt reauthorization of revenue sharing is clearly the No. 1 priority of American cities this year."

When one looks at the particulars of this bill—the length of the reauthorization as well as the funding levels stand out as the most prominent issues for us to determine. With respect to the 5-year reauthorization, let us evaluate it from the context of the units of local government who receive these funds. For them it makes infinitely more sense to be able to plan for a 5-year time period than for a 3-year period. Most local governments have fiscal years commencing prior to October 1 so that budget and planning is disrupted each year reauthorization occurs after a city's fiscal year has already begun. A 5-year reauthorization would certainly relieve that problem.

A reauthorization of revenue sharing is especially vital in these times when States and localities are in the midst of their most severe fiscal crisis since the Great Depression. It is being felt in every conceivable way—from in-

creased hunger among people—to crumbling bridges and highways. These are growing problems which are being met with reduced resources especially at the Federal end. The American Federation of State-County and Municipal Employees estimates "The Reagan administration's spending reductions have come disproportionately out of State and local government aid—which will be down $24 billion in 1984 as a result of the cumulation of Federal cuts."

All in all the case for H.R. 2780 seems both clear and compelling. Revenue sharing is a program which has worked and continues to work and should be rewarded by getting reauthorized. Revenue sharing represents the very best in our governmental system—Federal aid directly to local governments for their use to meet their most critical needs. It is a program which has been largely free from scandal and waste and has much good to show for itself. It deserves support. I know my home city of New York has been greatly aided by general revenue sharing and any reduction in funds would cause great strain on a city which is clearly on the fiscal rebound.

We must not allow ourselves to become victims of misguided economics. If we cut revenue sharing today or reduce its life span, we are only hurting ourselves somewhere else. These funds serve as seed moneys for certain projects—they help to secure private sector funding. Conversely, if the resources are reduced, the strains and competition for other dollars becomes that much more intense and it is people who suffer. Cities, towns, and villages will have to start choosing between which vital services they can fund—will it be fire instead of energy assistance and the like.

I for one believe that revenue sharing over the years has insulated itself from the political process and has produced results across this Nation. It is not the right time to inject either politics or misguided economics into the program. Therefore, a vote for H.R. 2780 as reported is the only way to proceed for the good of the Nation.●

● Mr. BOUCHER. Mr. Chairman, I rise in support of H.R. 2780, the reauthorization of the general revenue-sharing program.

H.R. 2780 authorizes annual general revenue-sharing payments to local governments of $5.3 billion through fiscal year 1988, an increase of 16 percent over the program's last reauthorization in 1980. This increase is appropriate in view of the rate of inflation since 1980 and the hardships incurred by localities arising from the current recession.

In my district of southwest Virginia, funds obtained through the general revenue-sharing program have been applied toward the construction of schools, parks, sewage systems, and a whole host of other projects which have advanced economic development. The administrators of local governments in southwest Virginia believe that without general revenue sharing, they would have to compete with larger, wealthier units of government for limited Federal resources. The complex application requirements of the categorical grant programs force local governments to employ personnel who are highly specialized and technically proficient in limited policy areas. Revenue sharing addresses this problem by disbursing Federal funds in an equitable manner to all local governments, regardless of their size, grant seeking expertise, or economic resources.

I congratulate my colleagues on the Government Operations Committee for resisting administration attempts to limit the size of this reauthorization, and I hope that the House will defeat any weakening amendments to H.R. 2780. Annual payments to local governments through the general revenue-sharing program have not been increased since fiscal year 1978, and in view of the devastating effect which the recession has had upon local governments, I believe that the funding increase contained in this legislation is warranted.●

● Mr. UDALL. Mr. Chairman, I rise today in support of H.R. 2780, the reauthorization of the general revenue-sharing program. Revenue sharing is one aspect of federalism that has clearly worked. It is a flexible and efficient program. For one-third of all cities it is the only direct form of Federal assistance.

I support an increase in the funding of the general revenue sharing program. There has been no change in the funding level since 1976. Nearly half of the program has been lost to inflation since that last increase. An increase is clearly needed. All across the country, costs are increasing faster than revenues, forcing many communities to increase taxes, lay off workers, and cut vital services. Recent cutbacks in other Federal aid programs, combined with the effects of recession and high interest rates, have increased the need for this legislation.

Revenue-sharing moneys are providing critically needed support for such things as emergency shelter, food banks, and police and fire protection. Revenue sharing affords communities the flexibility they need in dealing with such problems.

Finally, let me say that I hope we move swiftly in approving this reauthorization. Time, in a matter such as this, is of the essence. The program's authority expires on September 30 of this year; let us act well in advance of that deadline.●

● Mr. ALBOSTA. Mr. Chairman, I rise in strong support of H.R. 2780, the State and local fiscal assistance amendments of 1983. This legislation reauthorizes the Federal revenue sharing program for 5 years and increases the amount of funds to $5.3 billion per year. This represents a 16-percent increase from the current appropriations level and will compensate for the effects of inflation since the program was last authorized in 1980. The bill will continue the current allocation formula and all units of general local government will continue to be eligible for revenue sharing payments.

As a former county commissioner, I have always supported the revenue sharing program. I strongly believe revenue sharing is effective because the program allows the local units of government to decide which programs and projects to fund in their community. Instead of bureaucrats sometimes located thousands of miles away deciding what a community needs, local officials make these decisions under the revenue-sharing program. As a result, funds are spent on a more cost-effective basis.

Too often people alienated from their Government because decisions are made without local input. The revenue sharing program has been unique in returning decisionmaking to the local level. As a former local official, I feel we must continue this program and make sure it is adequately funded. Numerous projects in my district have been funded with revenue-sharing moneys including parks, firehouses, community centers, roads, bridges, and police protection. I urge my colleagues to support H.R. 2780 so that this legislation can move forward quickly and the Federal revenue-sharing program can continue to benefit this country.●

● Mr. PATMAN. Mr. Chairman, I rise in strong support of H.R. 2780.

Over the past 11 years, revenue sharing has put tax dollars back into cities and counties in Texas. Officials of cities and counties throughout my district have emphasized to me the great help that this program has been to their communities. It has been a reliable and consistent source of funds to financially distressed areas, with no strings attached. These local units of government have been able to set their own priorities and fund the programs of greatest need to the people whose needs they are in the best position to know. These funds have paved streets in some communities; in others, they have helped to pay police or firefighters. In short, the program has provided flexibility in a broad range of community improvements.

Now, more than ever, this program is needed and it deserves our support. Cuts in other Federal grant programs have forced many communities to raise local taxes, to lay off workers, and to reduce important public services. Costs are going up faster than the revenues can be raised to pay

them. To deny these communities an increase in their Federal revenue shares under these circumstances would be dangerously shortsighted and counterproductive. I urge my colleagues to reauthorize this valuable assistance program, to increase its payment levels as proposed, and to do so promptly enough that there will be no danger of a lapse when September 30 arrives.●

● Mr. ROEMER. Mr. Chairman, I support revenue sharing. Unfortunately, this bill exceeds the freeze budget that is so essential if we are to limit Federal spending, reduce the deficit, lower interest rates, and put people back to work again.

Revenue sharing has been of great benefit to local governments in Louisiana and is a relative efficient use of tax dollars. We should continue the progream at current levels—no cuts, no increases.

Because of the increased funding in this bill I will vote no. That vote should not be construed as opposition to the concept of our level funding for revenue sharing.●

● Mr. WEISS. Mr. Chairman, I include the following information pertinent to this debate for the benefit of my colleagues.

U.S. CONFERENCE OF MAYORS,
Washington, D.C., July 18, 1983.

DEAR MEMBER OF CONGRESS: The House will soon consider H.R. 2780, legislation reauthorizing the general revenue sharing program for five years. The U.S. Conference of Mayors strongly urges you to support the bill as reported by the Government Operations Committee, and to oppose any weakening floor amendments.

The revenue sharing program is of vital importance to cities around the country, the vast majority of which have been forced to raise taxes, cut services, lay off employees, and defer important infrastructure investments. Cities have suffered through two years of crippling cuts in federal and state aid, extremely high urban unemployment, a declining property tax base in many areas, high interest rates, and unprecedented problems in the municipal bond market. The revenue sharing program is one of the few sources of federal assistance remaining to many of these jurisdictions. Without it, there would be massive property tax increases at the local level.

Moreover, timing is important. It is urgent that the Congress take quick action on revenue sharing, so as to allow local governments to plan their fiscal 1984 budgets. Many local governments cannot include revenue sharing funds in their budgets until the program is enacted, a fact which has unduly complicated their budget formulation so far.

H.R. 2780, reported overwhelmingly by the Government Operations Committee, would reauthorize the revenue sharing program for five years, with a one-time increase of 16 percent or $732 million. The Conference of Mayors supports this increase as reasonable and just. The revenue sharing program has not been increased since 1976, and has declined over 50 percent in purchasing power since that time. Thus, the 15 percent increase does not fully adjust for the inflation of the last eight years, but, it does show that Congress accepts revenue sharing for the valuable program that it is.

The Conference of Mayors hopes you will vote to support H.R. 2780, and will oppose any amendments to cut the level of funding or weaken the bill. The five-year extension and modest increase in funding proposed by the bill are vitally important for cities and other local governments across the country.

Sincerely,

RICHARD H. FULTON,
Mayor of Nashville, President.

NATIONAL ASSOCIATION OF COUNTIES
Washington, D.C., July 27, 1983.

DEAR REPRESENTATIVE: House floor action on H.R. 2780, the general revenue sharing reauthorization bill, is fast approaching. Reauthorization of the general revenue sharing program is the top legislative priority of the National Association of Counties. NACo wholeheartedly supports H.R. 2780 and urges you to vote in favor of it.

We believe that it is a good bill for local governments nationwide because:

It provides for a five-year reauthorization period for general revenue sharing;

It increases funding for the program by $733 million;

It makes no changes to the current allocation formula; and

It provides for state participation in the program on an authorized basis, subject to annual appropriations.

The bill's five-year reauthorization period will permit local governments to plan their budgets with greater confidence. The funding increase will partially compensate for the erosion of the buying power of revenue sharing dollars due to inflation that has occurred since the funding level for the program was last increased in 1976. Retention of the current formula will ensure that revenue sharing funds will continue to be distributed to local jurisdictions on an equitable basis. Inclusion of the states in the program will provide a potential for assisting the later in solving pressing fiscal problems.

We urge you to support this bill vigorously. Please vote against any amendments to reduce the reauthorization period, eliminate the increase, change the allocation formula, or exclude the states from the program.

We thank you for your consideration of our views.

Sincerely yours,

SANDRA R. SMOLEY,
President.

NACO RESOLUTION ON REAUTHORIZATION OF GENERAL REVENUE SHARING

Whereas, General Revenue Sharing is a vital program for county governments because it distributes funds to be spent on local priorities, according to the discretion of county officials; and

Whereas, General Revenue Sharing is among the most efficient of federal grant programs, with administrative costs of approximately one percent; and

Whereas, the current general revenue sharing program is scheduled to expire on September 30, 1983; and

Whereas, the National Association of Counties has designated renewal of revenue sharing as its first legislative priority in 1983; and

Whereas, Section 11.1.1 of the American County Platform states those principles according to which the general revenue sharing program should be structured;

Therefore, be it resolved, that the National Association of Counties support legislation for the renewal of revenue sharing that reflects these Platform principles and two additonal principles, namely that (1) general revenue sharing allocations be increased to reflect needed increases in local program costs due to inflation, and (2) the state share of general revenue sharing be restored to the program without a reduction in the local share; and

Be it further resolved, that the National Association of Counties urge that general revenue sharing be dealt with on its own program merits in an expeditious manner and not be delayed by the consideration of other proposals.

RESOLUTION ON LEGISLATION TO ACCELERATE GENERAL REVENUE SHARING PAYMENTS

Whereas, General Revenue Sharing is a vital program for county governments because it distributes funds to be spent on local priorities, according to the discretion of county officials; and

Whereas, many county governments are providing services under severe fiscal constraints because of the recession and cutbacks in intergovernmental aid; and

Whereas, all county governments allocate revenue sharing dollars to programs and services which can abate the impact of the recession; and

Whereas, county governments currently receive general revenue sharing payments five days after the end of quarter for which the funds have been allocated; and

Whereas, receipt of revenue sharing funds earlier in the quarter would facilitate more rapid deployment of these funds to assist the needy and for other urgent purposes; and

Whereas, legislation has been introduced in both the Senate and the House to accelerate revenue sharing payments to the fifth day after the beginning of a quarter;

Therefore, be it resolved, that the National Association of Counties support the immediate passage of such legislation, but only if such acceleration of payment will not be used as a reason for Congress to fail to approve an inflationary adjustment in general revenue sharing in the future.

AMERICAN FEDERATION OF STATE, COUNTY AND MUNICIPAL EMPLOYEES,
Washington, D.C., July 27, 1983.

DEAR REPRESENTATIVE: On behalf of the more than one million public employees who are represented by the American Federation of State, County and Municipal Employees, I urge you to support H.R. 2780, the bill which reauthorizes general revenue sharing and increases the funding level for the local share of the program.

Local revenue sharing has not been increased since 1976, even though the cost of living has risen by over sixty percent since then. To partially compensate for the erosion of the value of revenue sharing and to address the most severe fiscal crisis confronted by cities, counties and townships, the Government Operations Committee, consistent with the House Budget Resolution, included an increase of $732 million in the bill it reported in May. Since then, the House and Senate have agreed on a Budget Resolution which includes a $450 million increase in local revenue sharing. It is my understanding that an amendment will be offered to bring H.R. 2780 in line with the Budget Resolution. We support that amendment and vigorously oppose any other amendments to further reduce the increase in the program.

AFSCME has supported revenue sharing since its inception and we have made its reauthorization and an increase in the local share of our major priorities for the 98th Congress.

We have supported revenue sharing because we believe it is critical to the effective functioning of our Federal system. Under our form of Federalism the responsibility for providing the most crucial and vital services, ranging from water supply, to sewers, to sanitation, to police and fire protection, to education, has been rightfully assigned to state and local governments so that individual communities can best decide for themselves how to administer these functions.

However, under our structure of government, it is the Federal government with its broad and relatively progressive tax system that is best able to finance a decent level of public service. Revenue sharing is needed because it is the program which most efficiently facilitates the use of the Federal govenment's tax base to fund the critical services performed by state and local governments.

Without revenue sharing, many communities would not have the capacity to provide essential services, while others would have to fund these services through increased regressive taxes on user fees.

The modest increase in revenue sharing is especially needed now. As the fact sheet I am enclosing with this letter documents, state and local governments are experiencing the worst fiscal crisis since the Great Depression. The deep and prolonged recession has greatly diminished their revenue raising capacity, while the Administration budget cuts have reduced Federal grant-in-aid programs by forty percent in real terms. The result has been massive cuts in services, tax increases and continuing budget crisis.

While some expect the recovery will help solve this crisis, the fact is that the economic upturn has yet to be felt in the state and local sector. Furthermore, Data Resources Inc., the most respected economic forecasting firm, predicts that without additional Federal aid the local government sector will grow far less than the private economy and, as a result, will remain anemic. It is, therefore, likely that the recovery will be retarded, or aborted, by a crumbling and decaying infrastructure of state and municipal services on which business must inevitably rely. An increase in revenue sharing would help avoid such a crisis and promote a sustained and balanced recovery.

I believe the case for a $450 million increase in revenue sharing is overwhelming given the history of this valuable program and given the economic need. I, therefore, urge you to support H.R. 2780, with the one amendment to bring it in conformance with the Budget Resolution, and to oppose all other amendments.

Sincerely,

GERALD W. MCENTEE,
International President.

AMERICAN FEDERATION OF STATE, COUNTY AND MUNICIPAL EMPLOYEES,
Washington, D.C., July 22, 1983.

THE NEED FOR GENERAL REVENUE SHARING

SUMMARY

After having been among the hardest hit victims of the recent recession, state and local governments are now projected to lag behind other sectors of the economy in recovery. To promote economic growth and relieve the great fiscal pressure now weighing on America's cities and counties, Congress should reauthorize General Revenue Sharing at the $5.05 billion level agreed on in the Budget Resolution. That level represents a $450 million, or less than ten percent, increase in the program which has not been increased since 1976.

State and local government fiscal crisis

States and localities are in the midst of their most severe fiscal crisis since the Great Depression. A recession-induced fall in tax collections combined with steep reductions in federal aid has forced most states, counties and municipalities to implement major service cutbacks and tax increases.

Evidence of the fiscal crisis and its effects is widespread:

1. Human services:

A recent Conference of Mayors survey showed that Health, Employment and Senior Citizen Services are the human services most widely cutback because of reductions in federal aid. From fiscal year 1981 to fiscal year 1983 city expenditures for these programs fell by 52 percent, 68 percent and 12 percent respectively.

The Conference of Mayors also reports that its membership could only meet 43 percent of the demand for emergency services in fiscal year 1982.

2. Infrastructure:

Cities and counties have had to sharply reduce spending for construction and maintenance of infrastructure. This has accelerated an already serious deterioration of roads, schools, water systems and other public facilities. Each passing day of continued underinvestment increases the risk of another disaster like the recent collapse of I-95 in Connecticut.

Construction spending by state and local governments fell 9.4 percent in 1981 and 7.0 percent in 1982. A further decline is projected for this year.

A study by the Joint Economic Committee found that cities realized only 60 percent of the spending they had budgeted for capital purposes in 1981.

The needs for infrastructure investment are tremendous. Just to maintain their water systems, cities will have to spend up to $100 billion over the next two decades.

3. Employment:

At a time when demands for services are at record levels, states and localities are being forced to cut their workforces. Over 400,000 state and local government jobs have been lost in three years, according to the Bureau of Labor Statistics.

Previous economic downturns were usually moderated by increased state and local spending and employment. This time, however, the state and local public sector was hit even harder than the private sector. In large part, this accounts for why the current recession is so severe.

In 1982 state and local employment fell by 1.5 percent, while national employment was down by only 0.9 percent.

4. Losses of Federal and State aid:

The Reagan Administration's spending reductions have come disproportionately out of state and local government aid—which will be down $24 billion in 1984 as a result of the cumulation of federal cuts.

State aid to local governments is also being cutback as states attempt to balance their budgets. Eighty-eight percent of the cities contacted in a JEC survey expected decreases in state aid.

5. Tax increases:

A recent National League of Cities survey showed that 71 percent of the cities covered raised user fees. Thirty-two percent property tax rates (and many more would have but for tax limitation laws like Proposition 13).

Most state governments are also finding it necessary to sharply boost taxes while reducing services.

The Outlook for State and local governments

As evidenced by sharp employment and service cutbacks and record tax increases, state ald local governments are trying hard to cope with their financial problems. Unfortuately they just do not have the resources necessary to meet the increased responsibilities that they face in these times of high unemployment. Moreover, the economic recovery will not by itself provide the needed fiscal relief. In fact, state and local governments will be lagging even further behind the national economy in recovery than they did in recession.

Data Resources, Incorporated forecast that state and local employment will continue to decline this year and will show only very small gains from current depressed levels in 1984 and 1985:

[In percent]

	1982	1983	1984	1985	1981–85
Total U.S. employment	−0.9	+0.8	+3.3	+2.7	+6.0
State and local government employment	−1.5	−0.4	+0.6	+1.1	−0.2

Ten percent increase in both prudent and needed

Inflation has ended the benefits of GRS. Local revenue sharing has not been increased since FY 1977, even though the cost of living has increased by over sixty percent since then. In addition, H.R. 2780, which was reported by the Government Operations Committee, reauthorizes the program for five years, while S. 1426, which was reported by the Senate Finance Committee, extends the program for three years. In either case, the rise in the cost of living will surely increase by more than ten percent, causing a further decline in the real value of the program, despite the ten percent increase.

CONCLUSION

State and local budgets will continue to be under great strain over the next several years. Consequently, reauthorization of General Revenue Sharing, with the 10 percent increase in funding recommended by the House-Senate Conference Committee, is essential to prevent further cutbacks in state and local human services and infrastructure investment. In addition, the stimulus which GRS provides to state and local economies throughout the country will help ensure that the national recovery is balanced and sustained.

NATIONAL LEAGUE OF CITIES,
Washington, D.C., July 29, 1983.

DEAR REPRESENTATIVE: We are writing on behalf of the 15,000 nation's cities our organization represents to urge your support for the re-enactment of General Revenue Sharing as provided in H.R. 2780, the State and Local Fiscal Assistance Amendments of 1983.

Our organization strongly supports passage of the bill as reported, and we urge you to oppose any amendments.

Prompt reauthorization of revenue sharing is clearly the number one priority of

American cities this year. It is the most comprehensive of all federal aid programs to cities. Not only is it the most flexible and efficient of all federal aid programs, but for a third of all cities, it is their only direct federal assistance. For cities of under 10,000, it is the only direct assistance for 62 percent.

We urge you to support the modest increase in the bill—the first since 1976. Since that time, we estimate that at least half the value of the program has been lost to inflation. Our survey of fiscal conditions indicates that costs are increasing faster than revenues, forcing almost all cities to increase fees, lay off employees, and cut services. With the impact of the recession, high interest rates, and reductions in federal aid to cities since 1981 in programs such as community development block grants and wasterwater treatment grants, revenue sharing has become a more and more critical tool to meet life support services such as emergency shelter, food banks, fuel assistance, health, police and fire protection. Revenue sharing gives cities the opportunity to respond quickly to such problems in a manner suited to the circumstances of each situation.

The Government Operations Committee, after careful deliberation, rejected all efforts to amend the distribution formula. We urge you to support the committee's position and oppose any formula amendments. All local governments should receive an increase because of the fiscal stress they are experiencing. While the existing formula is not perfect, there is much to say for it.

The important role of the tax effort factor in relation to a community's wealth assures assistance on the basis of need and a community's efforts to help itself. Although any formula could be changed, the current GRS formual is widely considered to be fair and effective. We do not believe it ought to be changed without major and convincing reasons.

Finally, we urge you to support the 5 year reauthorization provided in the bill. Most local governments have fiscal years commencing prior to October 1, so that budget and planning is disrupted each year reauthorization occurs after a city's fiscal year has already begun. A longer reauthorization period would assist municipal officials in their budget processes by removing another uncertainty as we grapple with our efforts to raise revenue and cut services.

Thank you for your consideration of our views. We are grateful for the expeditious scheduling on the part of the House.

Sincerely,

CHARLES ROYER,
President, NLC, Mayor of Seattle.
WILLIAM H. HUDNUT,
Co-Chair, Revenue Sharing Task Force, Mayor of Indianapolis.
FERD L. HARRISON,
Immediate Past President, Mayor of Scotland Neck, NC.
DANIEL WHITEHURST,
Co-Chair, Revenue Sharing Task Force, Mayor of Fresno, Calif.

AMERICAN SOCIETY FOR PUBLIC ADMINISTRATION,
Washington, D.C., July 22, 1983.

Hon. TED S. WEISS,
Chairman, Subcommittee on Intergovernmental Relations and Human Resources, Washington, D.C.

DEAR CONGRESSMAN WEISS: The National Council of the American Society for Public Administration (ASPA) had adopted a resolution supporting the reauthorization of the general revenue sharing program. This resolution was adopted July 10, 1983 and a copy is enclosed for your consideration.

ASPA is a national professional organization dedicated to better government and improved public service. Organized in 1939, we are a broadly representative body of public administrators from the local, state, and federal levels of government and the academic community.

Our Society is concerned about the fiscal viability of state and local government as well as the condition of intergovernmental relations. We, therefore, request that you seek and support the reauthorization of the general revenue sharing program, essentially following the format of the program as initially established, with funding for both state and local governments. ASPA stands ready to assist you in any way it can to achieve this objective.

Sincerely,

PATRICIA S. FLORESTANO,
ASPA President.

Enclosure.

RESOLUTION

Whereas, the general revenue sharing program expires on September 30, 1983; and

Whereas, the general revenue sharing program distributes federal funds to state and local governments to be allocated according to their perceived needs; and

Whereas, state and local governments have had their revenues seriously depleted by the recent recession; and

Whereas, the American Society for Public Administration is the national professional organization dedicated to better government and excellence in the public service; and

Whereas, the American Society for Public Administration is concerned about the fiscal viability of state and local governments as well as the condition of intergovernmental fiscal relations;

Now therefore be it resolved, That, the American Society for Public Administration supports the reauthorization of the general revenue sharing program, essentially following the format of the program as initially established, with funding for both state and local governments.

CENTRAL NEW YORK REGIONAL PLANNING AND DEVELOPMENT BOARD,
Syracuse, N.Y., April 12, 1983.

Hon. TED WEISS,
Chairman, Subcommittee on Intergovernmental Relations and Human Resources, House Government Operations Committee, Washington, D.C.

DEAR CONGRESSMAN WEISS: On behalf of the Central New York Regional Planning and Development Board, representing the 130 communities of the Central Region in Upstate New York, I enclose for your attention the attached correspondence which was sent to each of our Congressional representatives, expressing our full support for the continuation of the General Revenue Sharing Program.

In your position as Chairman of the Subcommittee on Intergovernmental Relations, you have great responsibility in leading Congressional support for continuation of this program, which is vital to local communities in our Region. Given this leadership role, we ask that you work with your colleagues in the House to reauthorize the General Revenue Sharing program.

Sincerely,

NATALIE W. GUSTAFSON,
Chairwoman.

NEW YORK COMMISSION ON STATE-LOCAL RELATIONS,
Albany, New York, April 14, 1983.

Hon. TED WEISS,
U.S. House of Representatives, Washington, D.C.

DEAR CONGRESSMAN WEISS: As Chairman and Vice Chairman of New York's bi-partisan Legislative Commission on State-Local Relations, we want to strongly urge reauthorization of the federal General Revenue Sharing (GRS) Program. It is a topic of prime importance to State and local government officials in New York. The reasons are simple.

The program is conceptually correct. It is consistent with the doctrine of home rule, and recognizes the federal government's fiscal responsibilities as a partner in the intergovernmental system.

The program is fiscally important. Local governments in New York rely heavily on these monies, and even more so now with the retrenchments inherent in shifting to block grant funding.

The program can be an effective policy tool. Revenue sharing distribution formulas have attempted to target aid based on measures of fiscal need. This is but one of several laudable goals that are most easily addressed by such a general purpose program.

Several bills have been introduced in this session of Congress which would reauthorize the General Revenue Sharing (GRS) Program. They focus debate on three major issues: (1) the number of years the program should be reauthorized for, (2) the total level of funding authorized and whether the states should once again receive a share, and (3) whether any changes should be made in the way monies are allocated to the states and sub-state regions.

During the past year, our Commission has extensively analyzed New York State's Per Capita Revenue Sharing Program and we believe that our work can contribute to the debate. For example, our June 1982 survey of local government officials showed strong support for:

Providing a greater percentage of total aid in the form of "no strings attached" general purpose aid (especially revenue sharing);

Reviewing questions of equity, both interclass and intraclass, within the distribution formulas;

Adjusting the distribution formulas to reflect differing levels of poverty, aged population, services provided, and levels of tax effort; and

Providing a "permanance" to the distribution so local officials know how much they are going to receive and can budget that amount with confidence.

Based on these results, and after reviewing the major bills before the Congress and analyzing the issues they raise, we feel that inclusion of the following three components will encourage rational fiscal development in New York and should be included in any reauthorization bill eventually approved by the Congress.

1. LENGTHEN THE GRS AUTHORIZATION PERIOD

As in other states, New York's state and local governments are moving towards a more rational approach to capital budgeting, one that emphasizes planning capital expenditures five years in advance.

This becomes very important in light of the need to finance billions of dollars worth of infrastructure replacement at the State and local level. The New York State Legislature, for example, is presently considering a bill which would require the State to assemble a five-year plan for financing and scheduling capital construction projects. Consequently, the longer the authorization period of the revenue sharing program, the more local and state governments will be able to tie federal funds into their own investment plans and use those funds to leverage money from other sources.

Secondly, lengthening the authorization period will institutionalize a program which has served New York municipalities and, until 1980, the State well. Since the program grants general purpose aid, it allows governments the flexibility to spend monies where they see the most urgent need.

New York local government officials have welcomed the revenue sharing program because it has proven helpful in two major ways. The New York State Department of Audit and Control has found that federal GRS funds have alleviated, somewhat, local reliance on regressive real property and sales taxes. After the program was first initiated, local governments experienced a downward trend in their tax rates. For those municipalities that are "up against" their constitutional property tax limits, the additional revenue sharing funds forestall local cutbacks in services and other more expensive forms of financing local improvements.

This is particularly true for New York's cities. Over the last five years, New York's five largest cities (New York City, Buffalo, Rochester, Syracuse and Yonkers) have experienced problems with their tax limits. For the local fiscal years ending in 1982, all were above 90 percent of their property taxing power, except for Syracuse. New York City, in fact, was at 100 percent of its tax limit in 1982.

There is one more reason to lengthen the authorization period. New York State's own program of general purpose aid to its localities operates under a permanent authorization, as do most state categorical aid programs. A permanent or lengthier authorization period for federal revenue sharing would parallel the structure already established in New York State, and greatly facilitate the annual budget process.

2. INCREASE FISCAL RESOURCES DISTRIBUTED TO LOCAL GOVERNMENTS THROUGH GRS AND REINSTITUTE STATE PARTICIPATION IN THE PROGRAM

There are many arguments for once again allowing the states to participate in the revenue sharing program. First, the reason states were excluded in 1980 is no longer valid. At that time states were in a better fiscal condition relative to the federal government. This argued for increasing state financing of their own services and public improvements. Today, however, states find themselves in much worse financial shape than they were a few years ago. This is a result of not only a fall-off in total federal aid to the states, but also by decreases in anticipated own source revenues due to the current recession.

These forces caused New York State to experience a $579 million revenue shortfall in 1982-83, and to face a possible $1.8 billion deficit in the 1983-84 State fiscal year. Measures taken by the New York State Legislature to close this deficit included the authorization of $985 million in new State taxes, decreases in appropriations for State operations, State capital projects, certain local aid programs, and the elimination of about 3,400 state jobs.

Secondly, states are being called upon by the present administration to take a more active role in the intergovernmental system. The aggregating of over sixty categorical programs into nine block grants in 1981 placed new administrative burdens on the states. Although a streamlining of federal regulations, accompanying the passage of the block grants, has resulted in some savings to State administrators, New York officials felt that these savings were not significant enough to compensate for cuts in funding. The President's New Federalism Initiative envisions turning even more administrative and financial responsibilities over to states. If states were to again become full partners in the federal GRS program, they would be more amenable to accepting these additional responsibilities.

Thirdly, expenditures in areas of both State and local concern would increase. When New York's State government received funds under the GRS Program, approximately 30 percent of the entitlement went towards education expenditures and approximately 30 percent for health programs. Ten percent of the federal revenue sharing funds were used for the functions of highways and corrections each. Remaining funds were spent in numerous other functional areas.

Increasing GRS entitlements to local governments would compensate for losses and purchasing power New York's local governments have experienced due to inflation. The last time funding for general revenue sharing was increased was as part of the 1976 reauthorization. In 1978, the first full year that the increase took effect, New York municipalities received $515 million in revenue sharing dollars. This year, only $447 million will be distributed. Although this represents an actual decrease of $68 million, due primarily to a decrease in the state's population relative to other states, it represents a whopping "real" dollar decrease of $127 million, or 25 percent, over the 1978 level.

In addition to a decrease in GRS dollars flowing to local governments in New York State, total real federal aid to New York State has decreased over the past decade. Dr. Seymour Sacks of Syracuse University pointed out in a recent paper on the patterns of local government revenue, while federal aid to New York State increased at a rate greater than inflation between 1970 and 1975 (22.3 percent in actual terms and 15.6 percent in real dollars) between 1975 and 1980 actual federal aid to New York State increased at only 3.25 percent—a real decrease of 4.5 percent. And this figure does not account for decreases in aid due to federal cuts since 1980. Proposals designed to offset these real dollar decreases in revenue sharing and other federal aid would serve to help compensate local governments for some of the losses they have experienced in the last decade.

Basing future growth in program revenues to a federal revenue source tied to economic growth, such as the income tax, would additionally assure local governments that their revenue sharing payments would at least remain constant in real dollars.

Our Commission recently sent a survey to all local officials requesting their opinions on the effectiveness and mix of State aid they are presently receiving. One question asked was how they might use each additional revenue sharing dollar. Although the question was specific to New York's revenue sharing program, we believe the responses would be similar for the federal revenue sharing program. New York's local officials indicated about 19 cents would go for current expenditures, 25 cents for capital expenditures, 38 cents to reduce property taxes, 13 cents to reduce outstanding debt, and the remaining five cents would be used for "other" purposes.

Data compiled by the U.S. Treasury Department indicates, present revenue sharing funds have been targeted towards financing essential local functions in New York State. In our counties, approximately 20 percent of revenue sharing dollars are directed towards health and highway purposes each. New York's cities have used more than 50 percent of their funds for police expenses and around 25 percent for fire expenses. Towns use a large portion of their funds, around 25 percent, in the functional area of highways.

3. REEXAMINE THE GOALS OF THE GRS PROGRAM IN LIGHT OF THE PAST DECADE OF EXPERIENCE

When first authorized by Congress in 1972, the program's primary purpose was to allow local governments flexibility in how they spent federal dollars. Since then numerous studies and audits on the expenditure of revenue sharing dollars have been completed. Analysis of these data with other supporting data would indicate whether the GRS Program has met its goal, and determine what its role has been in the intergovernmental system. For example, low tax capacity governments may now depend on revenue sharing dollars to keep their local tax burdens in line with other localities.

Once the program's "mission" and role is reassesed, additional study and consideration should be given to distributing funds along more equitable lines, in which local governments' needs are taken into consideration. Such comprehensive analysis and subsequent debate would span several years and, thus, would not conflict with a call for extending the length of the authorization period of the program.

Components which we feel should be considered, when trying to improve the targeting of GRS aid to those states and localities with the most fiscal need, include the following: eliminating the tiering of revenue sharing funds at the county level so that municipalities of similar need receive similar grants; and, revising the estimates of fiscal resources on which aid is distributed among the states. For example, an income estimate which takes into account a state's capacity to tax different revenue sources as well as the effort the State is already making to finance its services would assist a State which is up against its fiscal limits. For example, according to existing work ACIR has already done in this area, New York State already taxes its corporate income, total property, and personal income bases approximately twice as much as the average state. Its total tax effort, given its resources, is 72 percent higher than the average state (the highest of all states) and 173 percent above the state showing the least tax effort given its resources, Alaska.

As this letter emphasizes, New York State would benefit from a number of short-term

and longer term changes presently being considered by the Congress. Revenue sharing funds have served useful purposes in the intergovernmental system. Its continuation is essential to the fiscal health of our State's local governments. Its revision along the lines we've mentioned can only serve to increase its usefulness as a tool to meet the service needs of New York State's citizens.

Your consideration of these views is greatly appreciated.

Sincerely,

JAMES W. MCCABE, Sr.,
Chairman.
JAMES H. DONOVAN,
Vice Chairman.

THE INTERNATIONAL INSTITUTE OF MUNICIPAL CLERKS,
Pasadena, Calif., June 13, 1983.

Hon. TED WEISS,
House of Representatives,
Washington, D.C.

DEAR MR. WEISS: The Membership of the International Institute of Municipal Clerks, on May 26, 1983, unanimously adopted a resolution urging Congress to extend the General Revenue Sharing Program.

Our membership, which consists of 6,500 city, village, town and borough clerks located in every state, feels that General Revenue Sharing is a crucial source of funding for thousands of small communities that use monies for a wide range of vital local projects.

I should add that 40 percent of our members are from communities below 5,000 population. They know that their cities and towns will suffer severe financial consequences if the General Revenue Sharing Program is allowed to expire on September 30, 1983.

IIMC, as an organization of concerned public officials, has gone on record in support of General Revenue Sharing in 1976 and 1980.

It respectfully urges that every effort be made to re-enact this program.

Sincerely,

JOHN J. HUNNEWELL.
Executive Director.

A RESOLUTION URGING THE MEMBERS OF CONGRESS OF THE UNITED STATES TO MAKE EVERY EFFORT TO REENACT THE GENERAL REVENUE SHARING PROGRAM

Whereas, General Revenue Sharing is a crucial source of funding for thousands of small communities that use monies for a wide range of vital local projects; and

Whereas, testimonies and studies by local government officials have shown that severe consequences to the nation's cities and towns will result if General Revenue Sharing is allowed to expire on September 30, 1983; and

Whereas, the International Institute of Municipal Clerks has gone on record in 1976 and in 1980 favoring this program when it was before Congress for renewal; and

Whereas, the IIMC Federal Legislation Committee, and the IIMC Board of Directors, have in October of 1982, supported the continuation of the General Revenue Sharing Program:

Now, therefore, be it resolved by the Members of the International Institute of Municipal Clerks at the 37th Annual Conference, held in Minneapolis, Minnesota, May 22-26, 1983; That the Congress of the United States be urged to make every effort to re-enact the General Revenue Sharing Program.

Be it further resolved, That a fully executed copy of this resolution be sent to key legislative leaders of Congress involved in the re-enactment of the General Revenue Sharing Program.

Unanimously adopted this 26th Day of May 1983, by the International Institute of Municipal Clerks.

AFL-CIO,
Washington, D.C., August 1, 1983.

DEAR REPRESENTATIVE: The AFL-CIO urges your support for H.R. 2780, the bill which reauthorizes general revenue sharing and increases the funding level for the local share of the program.

The need for revenue sharing has greatly increased in the past few years as costs of local services have increased with inflation, federal grants for services and other expenditures have substantially decreased, and state and local revenues have drastically diminished as a result of a poor economy and federally-tied state tax laws. The funding level for local revenue sharing has not been increased since 1976, even though the cost of living has risen by over sixty percent since then.

While the $732 million increase for revenue sharing reported by the Government Operations Committee was consistent with the House Budget Resolution, the budget resolution conference agreement reduced that increase to $450 million. The AFL-CIO would not oppose an amendment to bring the increase to $450 million but we do oppose any further reductions or any other amendments to the bill.

It is expected that Congressman Walker will offer to this bill the same amendment which he offered last month to the Public Works and Economic Development Act which would allow the Secretary of Labor to waive certain labor standards, including Davis-Bacon wage standards, in local areas. Congressman Walker's earlier attempt was defeated 148 to 270; we urge you to again vote against this spurious amendment.

We urge your support for H.R. 2780 with a funding increase of at least $450 million for local revenue sharing and rejection of all other amendments.

Sincerely,

RAY DENISON,
Director, Department of Legislation.●

● Mr. GEJDENSON. Mr. Chairman, I rise today to express my strong support for H.R. 2780, which reauthorizes the general revenue sharing program.

This bill reauthorizes the program for an additional 5 years—an increase over the current 3-year authorization that will enable local governments to plan for the most effective efficient utilization of these funds. Furthermore, this bill contains the first increase the general revenue sharing program has received since 1976.

State and Local governments have been among the hardest hit victims of the recent recession, and are now projected to lag behind other sectors of the economy in recovery. These fiscal problems have taken place at a time of drastic Federal aid reductions, and have forced most States, counties, and municipalities to implement major service cutbacks and tax increases.

State and local budgets will continue to be under great strain over the next several years. I believe that reauthorization of general revenue sharing for a 5-year period is essential to prevent further cutbacks in State and local services and to provide State and local economies with a needed stimulus. I urge my colleagues to support this important legislation.●

Mr. DYSON. Mr. Chairman, today we must decide whether or not to reauthorize the 1972 State and Local Fiscal Assistance Act, widely known as general revenue sharing. During the past 5 years this program has provided nearly 40,000 local governments with $23 billion. The legislation we are now considering proposes to increase this by 9.9 percent, so that over the next 5 years local governments will receive $25.1 billion. This is a significant sum, and I appreciate the grave reservations many of my colleagues have expressed as they consider their vote. I am therefore thankful for this opportunity to address my colleagues' concerns and to rise in support of H.R. 2780.

Perhaps the most common criticism of the bill focuses on the proposed funding increase. This objection points out that the Federal Treasury is currently borrowing to meet its yearly obligations. We do not have, in short, any spare revenue to "share" with localities. While opponents do not suggest that we let revenue sharing lapse altogether, they insist that increasing the program's authority, even by the proposed one-time boost of $450 million, will merely increase the Federal deficit. This in turn, it is suggested, will increase interest rates and stifle the Nation's fragile economic recovery. This objection assumes that since the fiscal health of local governments rightly depends on increasing the activity and prosperity of the private sector, and not on the largess of the Federal Government, the funding increase would be "fiscally irresponsible."

Against this objection I point out that economic growth occurs precisely in the counties, municipalities, suburbs, and cities which are this country's marketplaces. It is here that we are recovering from the worst recession in 40 years. Economic growth brings increases in personal income, property values, and ultimately, local tax revenues. But it also brings additional and immediate demands for local public services. Without these services, growth is impossible. And though the recovery is indeed fragile, protecting it is best done by making the immediate investment in bridge and road repair, sewer extensions, mass transit systems, schools and other public services necessary to accommodate increased economic activity.

Without the contribution of Federal revenues, localities will either have to forgo these critical improvements or

increase property taxes. These taxes are not only regressive and inefficient mechanisms for raising revenue, they are not conducive to stimulating the economic growth for which we all hope. In short, local governments will be forced to discourage the very growth which will bring them lasting fiscal security.

The current funding level for revenue sharing was established in 1978. Since that time inflation has worn thin the budgets of most, if not all, local jurisdictions. The recession has diverted resources to increase humanitarian aid and relief, and delayed many long needed capital improvements. The funding increase proposed in H.R. 2780 will not replace the purchasing power lost to localities by the ravages of inflation. But it will help restore the fiscal security necessary to local government for budgetary planning. Where the recession is still acute, localities can better provide for the human needs of their citizens. Where the recovery is burgeoning, localities can plan their public services and capital improvements in such a way as to insure the market's vibrant growth.

Our public transportation network of bridges, highways, and mass transit systems—our public infrastructure in general—is in no condition to meet the demands of a prolonged recovery. The simplest, most efficient mechanism for providing the resources necessary to upgrade public capital is through the locally controlled budgets of local government. All they need is the active support of the Federal Government. This was the rationale behind the original passage of the 1972 act, and it is as true today as it was 11 years ago.

In Maryland's First Congressional District, for example, general revenue sharing has contributed an average of 3.8 percent of local government revenues. A survey of the uses to which the counties have put their allocations illustrates the local control and flexibility of the program. Caroline County put its $450,000 mostly to its "general fund." Cecil County spent its $838,700 for transportation improvement. Harford and Wicomico Counties accelerated their debt retirement. Kent County spent $369,300 for improving its health and education facilities.

Opponents who object to reauthorization on the grounds of budgetary restraint and responsibility invoke an argument which I take very seriously. I am by nature a fiscal conservative, and have adamantly supported recent efforts to contain the Federal deficit. But though well intentioned, the argument, as I have tried to point out, is economically misapplied in this instance. Regarding the political question of budgetary responsibility, I can point to the remarks of several State and local officeholders to substantiate my claim that revenue sharing is the surest mechanism for promoting local fiscal responsibility.

Mayor Elmer E. Horsey, of Chestertown, Md., for instance, has written requesting my continued support for keeping community development bloc grants separate from revenue-sharing funds. Both programs are vitally important to Chestertown, and Mayor Horsey is convinced the merger of these programs is not in his city's interest. The city of Cecilton, Mayor Harold Miller informs me, has found general-revenue-sharing funds indispensable for its water system improvements. Fully 8 percent of Cecilton's budget comes from GRS funds, and without these moneys, its water tower and other improvements could not have been financed. Mr. Allen L. Dennis, council president of the city of Cambridge, has informed me that GRS funds equal 22 cents per $100 of assessed valuation on the local property tax rate. The program is vital to Cambridge, and, as Mr. Dennis has pointed out, it would be "fiscally irresponsible" of us to reduce Federal personal income taxes and simultaneously force local governments to increase their local property tax rates.

With these considerations in mind, it seems shortsighted to view this bill as simply an ill-conceived increase in the Federal deficit. The program emphasizes local control and flexibility. By preserving the active partnership between local and Federal Government, it helps stabilize the conditions for economic recovery while avoiding the redtape of an intrusive Federal bureaucracy. It is a sound, perhaps the soundest, public investment we can make in our cities and counties.

I sincerely hope my colleagues will, after considering these comments, vote to support the bill.

I would also invite my colleagues to read some of the many letters I have received from elected officials throughout Maryland.

The letters follow:

COUNTY COMMISSIONERS,
La Plata, Md., July 5, 1983.

Hon. ROY P. DYSON,
Longworth House Office Building,
Washington, D.C.

DEAR CONGRESSMAN DYSON: Thank you for your letter of June 14, 1983, with regard to General Revenue Sharing.

As you well know, General Revenue Sharing funds are critical to this county. We use the funds to support our Sheriff's Department operations. Obviously, since we can't function without our Sheriff's Department, the property taxpayer would realize the burden of the loss of General Revenue Sharing.

I greatly appreciate your constant efforts to secure these funds for our residents, without your support we would be in a most difficult situation.

Sincerely,

ELEANOR F. CARRICO.

SHERIFF'S DEPARTMENT,
Cecil County, Md., June 27, 1983.

Hon. Roy P. Dyson,
Longworth House Office Building,
Washington, D.C.

DEAR MR. DYSON: The General Revenue Sharing Program which is due to expire this September 30 is of great concern to those of us in local government. Here in Cecil County, the Sheriff's Department is engaged in starting up not only a new, modern correctional facility but also a model program which we hope will be an example for state and county governments nationwide. In order for us to continue such a standard of excellence, it is necessary for bills such as HR 2780 to be passed by our federal government. This bill would not only correct the fact that funding has not kept up with inflation but also allow states to receive categorical grants which are so badly needed by some segments of our population.

Our "New Federalism" administration will probably continue to approve restricted revenue sharing programs, but those of us who have seen the benefits of legislation such as that proposed by HR 2780 must continue to support it whenever we can.

Yours very truly,

JOHN F. DEWITT,
Sheriff.

CITY OF HAVRE DE GRACE,
Havre de Grace, Md., June 28, 1983.

Hon. ROY P. DYSON,
Congress of the United States, House of Representatives, Washington, D.C.

DEAR ROY: Thank you for your very informative letter of June 14, 1983 concerning the General Revenue Sharing Program.

Small municipalities, such as Havre de Grace, Maryland, would be hard-pressed to balance annual budgets were it not for revenue sharing and Community Block Grant funds. We could not tax the citizens sufficiently to pay for the needed improvements to maintain a certain quality of life for our citizens.

Ten years or so ago I was appointed Co-Chairman of our initial Community Block Grant Committee. I worked with many interested citizens for years in securing needed funds for many projects in Havre de Grace. So, I'm very familiar with the benefits of this particular program.

As an elected City official, it is my duty to improve the conditions of my City that ultimately leads to a better way of life for its citizens. Sharing in the above funds is matter of factly a necessity and I would not want to see this potential funding for worthwhile community projects be lessened or combined. Therefore, please express my concern to this threat to the citizens of Havre de Grace and convey my support of H.R. 2780 to your colleagues in the House of Representatives.

Best personal regards.

Very truly yours,

PHILIP J. BARKER,
City Councilman.

HOUSE OF DELEGATES,
Annapolis, Md., June 28, 1983.

Hon. ROY DYSON,
Congress of the United States,
Washington, D.C.

DEAR ROY: Thank you for your letter concerning the General Revenue Sharing program which is scheduled to expire this September 30.

As you know, the General Revenue Sharing program is important to the St. Mary's County government in that it provides

monies to fund many of its vital programs such as health, education, police and social services. To eliminate such funding would have an adverse effect on St. Mary's County and would necessitate the County's having to increase the real estate tax rate in order to obtain the necessary funds to maintain the present level of services. In my opinion, an over-all study of government funding and financing policies is needed at this time particularly in view of all of the proposed program changes.

I strongly support your efforts on H.R. 2780. Kindly keep me advised as to the progress of this matter.

Wishing you much success and happiness, I am

Sincerely,

JOHN F. SLADE III.

THE COMMISSIONERS OF ABERDEEN,
Aberdeen, Md., June 17, 1983.

Hon. ROY DYSON,
Congress of the United States, House of Representatives, Washington, D.C.

DEAR CONGRESSMAN DYSON: The Commissioners of Aberdeen appreciate the posting on the status of Revenue Sharing. From all reports we have received, every one from the President to Congress, agrees that Revenue Sharing should be continued. We hasten to add our support to the continuation of this program.

It is no secret that most municipalities are working with very tight budgets so revenue sharing becomes more important than ever in keeping Cities and Towns in a fiscally responsible position. We urge you and your fellow representatives to work toward a five year reauthorization of revenue sharing and to work toward an increased amount. If there is anything further we can do to assist in finalizing this program favorably, please advise. In the meantime, our thanks for your efforts on our behalf.

Very truly yours,

RONALD KUPFERMAN,
President.

Mr. HORTON. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. BROOKS. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. Pursuant to the rule, the substitute committee amendment recommended by the Committee on Government Operations shall be considered as an original bill for the purpose of amendment under the 5-minute rule, and each section shall be considered as having been read.

The Clerk will designate section 1.

The text of section 1 is as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "State and Local Fiscal Assistance Amendments of 1983".

The CHAIRMAN. Are there any amendments to section 1?

If not, the Clerk will designate section 2.

The text of section 2 is as follows:

EXTENSION OF PROGRAM

SEC. 2. (a) Section 6701(a)(1) of title 31, United States Code, is amended to read as follows:

"(1) 'entitlement period' means each one-year period beginning on October 1 of 1981, 1982, 1983, 1984, 1985, 1986, and 1987.".

(b) Section 6711(a)(3) of such title is amended by striking out "1983" and inserting in lieu thereof "1988".

AMENDMENT OFFERED BY MR. HORTON

Mr. HORTON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HORTON. Page 2, beginning on line 6, strike out all of section 2 through line 13 and insert in lieu thereof the following:

EXTENSION OF PROGRAM

SEC. 2. (a) Section 6701(a)(1) of title 31, United States Code, is amended to read as follows:

"(1) 'entitlement period' means each one-year period beginning on October 1 of 1981, 1982, 1983, 1984, and 1985.".

(b) Section 6711(a)(3) of such title is amended by striking out "1983" and inserting in lieu thereof "1986".

Mr. HORTON (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BROOKS. Mr. Chairman, will the gentleman yield?

Mr. HORTON. I yield to the gentleman from Texas.

Mr. BROOKS. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present.

The Chair announces that pursuant to clause 2, rule XXIII, he will vacate proceedings under the call when a quorum of the Committee appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

□ 1710

The CHAIRMAN. A quorum of the Committee of the Whole has not appeared.

The Chair announces that a regular quorum call will now commence.

Members who have not already responded under the noticed quorum call will have a minimum of 15 minutes to record their presence. The call will be taken by electronic device.

The call was taken by electronic device.

The following Members responded to their names:

[Roll No. 305]

ANSWERED "PRESENT"—376

Ackerman	AuCoin	Berman
Addabbo	Badham	Bethune
Akaka	Barnard	Bevill
Albosta	Bartlett	Biaggi
Anderson	Bateman	Bilirakis
Andrews (TX)	Bedell	Bliley
Annunzio	Bennett	Boehlert
Anthony	Bereuter	Boggs
Boland	Gradison	McCollum
Bonior	Gramm	McCurdy
Bonker	Gray	McEwen
Borski	Green	McKernan
Bosco	Gregg	McKinney
Boucher	Guarini	McNulty
Boxer	Gunderson	Mica
Breaux	Hall (IN)	Michel
Britt	Hall (OH)	Miller (CA)
Brooks	Hall, Ralph	Miller (OH)
Broomfield	Hall, Sam	Mineta
Brown (CA)	Hamilton	Minish
Brown (CO)	Hammerschmidt	Moakley
Broyhill	Hance	Mollohan
Bryant	Hansen (UT)	Montgomery
Burton (CA)	Harkin	Moody
Burton (IN)	Harrison	Moore
Byron	Hartnett	Moorhead
Campbell	Hatcher	Morrison (CT)
Carney	Hawkins	Morrison (WA)
Carper	Hefner	Mrazek
Carr	Hertel	Murtha
Chandler	Hightower	Myers
Chappell	Hiler	Natcher
Chappie	Hillis	Neal
Cheney	Holt	Nelson
Clarke	Hopkins	Nichols
Clinger	Horton	Nielson
Coats	Howard	Nowak
Coelho	Hoyer	O'Brien
Coleman (MO)	Hubbard	Oakar
Coleman (TX)	Huckaby	Oberstar
Conable	Hughes	Obey
Conte	Hunter	Olin
Cooper	Hutto	Ortiz
Corcoran	Hyde	Oxley
Courter	Ireland	Packard
Craig	Jacobs	Panetta
Crane, Philip	Jeffords	Parris
Daniel	Johnson	Pashayan
Dannemeyer	Jones (OK)	Patman
Daschle	Jones (TN)	Patterson
Daub	Kaptur	Paul
de la Garza	Kasich	Pease
Dellums	Kastenmeier	Penny
Derrick	Kazen	Perkins
DeWine	Kemp	Petri
Dicks	Kennelly	Pickle
Dixon	Kildee	Porter
Donnelly	Kindness	Price
Dorgan	Kogovsek	Pritchard
Dowdy	Kolter	Pursell
Dreier	Kostmayer	Quillen
Duncan	Kramer	Rahall
Durbin	LaFalce	Rangel
Dwyer	Lagomarsino	Ratchford
Dymally	Lantos	Ray
Dyson	Latta	Regula
Early	Leach	Reid
Eckart	Leath	Richardson
Edgar	Lehman (CA)	Ridge
Edwards (AL)	Lehman (FL)	Rinaldo
Edwards (OK)	Leland	Ritter
Emerson	Lent	Roberts
English	Levin	Robinson
Erdreich	Levine	Rodino
Erlenborn	Levitas	Roe
Evans (IA)	Lewis (CA)	Roemer
Evans (IL)	Lewis (FL)	Rogers
Fascell	Lipinski	Rose
Fazio	Livingston	Rostenkowski
Feighan	Lloyd	Roth
Ferraro	Loeffler	Roukema
Fiedler	Long (LA)	Rowland
Fields	Lott	Rudd
Fish	Lowery (CA)	Savage
Flippo	Lowry (WA)	Sawyer
Foglietta	Lujan	Schaefer
Ford (TN)	Luken	Schneider
Forsythe	Lundine	Schroeder
Fowler	Lungren	Schulze
Franklin	Mack	Seiberling
Frenzel	MacKay	Sensenbrenner
Fuqua	Madigan	Shannon
Garcia	Marlenee	Sharp
Gaydos	Marriott	Shaw
Gejdenson	Martin (IL)	Shelby
Gekas	Martin (NC)	Sikorski
Gephardt	Martin (NY)	Siljander
Gibbons	Martinez	Simon
Gilman	Matsui	Sisisky
Gingrich	Mavroules	Skeen
Glickman	Mazzoli	Skelton
Gonzalez	McCain	Slattery
Goodling	McCandless	Smith (FL)
Gore	McCloskey	Smith (IA)

Smith (NE)	Tauzin	Whitley
Smith (NJ)	Taylor	Whittaker
Smith, Denny	Thomas (CA)	Whitten
Smith, Robert	Thomas (GA)	Williams (OH)
Snowe	Torres	Wilson
Snyder	Torricelli	Winn
Solomon	Towns	Wirth
Spence	Traxler	Wise
Spratt	Udall	Wolf
St Germain	Valentine	Wolpe
Staggers	Vander Jagt	Wortley
Stangeland	Vandergriff	Wright
Stenholm	Vento	Wyden
Stokes	Volkmer	Wylie
Stratton	Vucanovich	Yates
Studds	Walgren	Yatron
Stump	Walker	Young (FL)
Sundquist	Watkins	Young (MO)
Swift	Weber	Zablocki
Synar	Weiss	Zschau
Tallon	Wheat	
Tauke	Whitehurst	

□ 1730

The CHAIRMAN. Three hundred seventy-six Members have answered to their names, a quorum is present, and the Committee will resume its business.

(By unanimous consent, Mr. HORTON was allowed to proceed for an additional 5 minutes.)

The CHAIRMAN. The gentleman from New York (Mr. HORTON) is recognized for 10 minutes.

Mr. KOSTMAYER. Mr. Chairman, will the gentleman yield?

Mr. HORTON. I yield to the gentleman from Pennsylvania.

Mr. KOSTMAYER. Mr. Chairman, I rise in support of H.R. 2780, the State and Local Fiscal Assistance Amendments Act of 1983. I want to commend my distinguished colleague from New York (Mr. WEISS) and the members of the Government Operations Committee for the fine work they did in bringing this important bill to the floor.

I have always been and continue to be a strong supporter of the Federal general revenue sharing program. As a former member of the Government Operations Committee, I know that revenue sharing is probably the single most direct Federal program to help our States and 39,000 local governments nationwide. In my State of Pennsylvania alone, over 2,600 local governments benefit from this important program.

Since the beginning of this year, local government officials from my district, which includes all of Bucks County and eastern Montgomery County, have voiced their strong support for the prompt reauthorization of general revenue sharing at adequate funding levels in order to avoid undue complications with the preparation of their municipal and township budgets.

Mr. Chairman, I would like to share with my colleagues excerpts from a recent letter that I received from the Pennsylvania Local Government Conference regarding the importance of revenue sharing. I am sure that the opinions of the Pennsylvania Conference are not unique and I urge my colleagues to reaffirm today our support of this program by voting for H.R. 2780.

PENNSYLVANIA LOCAL GOVERNMENT CONFERENCE,
Camp Hill, Pa., June 8, 1983.

Hon. PETER H. KOSTMAYER,
Pennsylvania Congressional Delegation, Cannon House Office Building, Washington, D.C.

DEAR CONGRESSMAN KOSTMAYER: In recent months the Pennsylvania Local Government Conference, consisting of the Pennsylvania State Association of Boroughs, the Pennsylvania League of Cities, the Pennsylvania State Association of County Commissioners, the Pennsylvania State Association of Township Commissioners, and the Pennsylvania State Association of Township Supervisors conducted a study of Revenue Sharing in Pennsylvania municipalities. The intent of the study was to assess the effects of the program in its current form and to determine what effect the termination or curtailment of the program would have on local taxes and services in the years ahead.

The booklet, "Revenue Sharing—Its Impact on Pennsylvania Local Government," documents the results of this study. The results indicate that General Revenue Sharing accounts for 16.7 percent of the average local budget; the average General Revenue Sharing payment to municipalities in Pennsylvania Congressional districts is $59,931, ranging from a low of $216 to a high of $14,011,523; if General Revenue Sharing funds were to be replaced by property taxes, these taxes would rise an average of 61.2 percent, and for 93.8 percent of the responding municipalities, Revenue Sharing funds are the only direct source of federal funds received.

The Pennsylvania Local Government Conference supports and endorses the renewal of the Revenue Sharing program, and would encourage that the results of this survey be used in the debate on renewal.

Sincerely,

JAY HIMES,
Chairman, Local Government Conference.

Mr. HORTON. Mr. Chairman, the amendment I am offering reduces the entitlement period from 5 to 3 years. While being quite straightforward, it is important to the financial integrity of this bill and to the ability of the Congress to effectively oversee the program. The committee bill reauthorizes the revenue-sharing program as an entitlement through September 1988, a period of 5 years. This is longer than any other previous reauthorization period adopted by the Congress and signed by the President.

My concern over this lengthy extension period is twofold. First, the intergovernmental system is ever changing, with its future well-being almost impossible to predict. None of us know now what the fiscal situation of State and local government might be even 2 or 3 years from now. This alone is reason enough not to go with a 5-year extension.

A case example of this occurred just 3 years ago, during the last reauthorization of this very program. At that time, State governments as a whole were running budget surpluses and in generally good financial condition. Because of this, the Congress removed their entitlement status, with the result that they have not been funded since. Yet, many State governments are now in extreme financial straits. The financial situation for State governments has, in 3 years, changed dramatically in ways that no one at that time could foresee. While the committee has chosen not to reactivate the States share as an entitlement, or on a countercyclical basis because of the severe budget constraints at the Federal level, the committee at least had the opportunity to consider doing so.

To lock up the formula and the funding level for 5 years effectively prevents Congress from using the vehicle of revenue sharing reauthorization to meet new problems and opportunities within the federal system. A 3-year reauthorization, on the other hand, would provide ample opportunity to review the program to be certain it is achieving its goals.

I am even more deeply concerned about another aspect of a 5-year entitlement. If it is allowed to stand, the Congress will be committing the Federal Treasury to the payment of some $26.5 billion. There would be nothing we could do about it. We would have to pay the money whether we wanted to or not. Now we all know why it is important for revenue sharing to be an entitlement, and I support its entitlement status. The least we should do is entitle these funds for as short a period of time as is reasonable. A 3-year extension is such a reasonable period and would commit the Federal Government to $10 billion less in entitlement spending than does a 5-year bill.

The recent midsession budget review projects Federal deficits in the $150 billion range for each of the upcoming 5 fiscal years. A large part of this problem is entitlement spending, to commit this and future Congresses to an additional $10 billion more in entitlement spending than is necessary would tie our hands in dealing with the problem of Federal spending which is a mistake.

The argument may well be made that a 5-year extension is needed to insure local governments of a certain level of revenue for a longer period of time. Unexpected interruptions in the level and flow of revenue-sharing dollars would, I agree, cause tremendous difficulty for local budgeting. Yet, that is why revenue sharing is an entitlement. The purpose of my amendment is to balance the need of local governments for an assured source of funds to the need of the Federal Government to balance its own budget. Limiting the entitlement status of revenue sharing to a 3-year period is an excellent way to do this.

Mr. Chairman, moving this program's reauthorization period back to the traditional 3-year period is fiscally

prudent, fair to future Congresses, and in no way wreaks havoc on local budgeting. I would add finally, that my amendment enjoys the whole-hearted support of the administration. I urge my colleagues to support the amendment.

□ 1740

I would like to point out that I received a letter from the Director of the Office of Management and Budget dated June 20 of this year in which he says "I am writing to advise you of the administration's serious objections to certain features."

Then he goes on to say that—

Under the extension of 5 years it would increase the entitlement portion from the current level of $4.6 billion annually to $5.3 billion for 5 years. The administration's proposal would extend it for 3 years.

In its present form it is a budget buster, says Mr. Stockman.

The bill would, in a single year, increase spending for general revenue sharing by 16 percent. It would result in fiscal years 1984–86 outlays that would exceed the administration's request by over $2.1 billion. Increases of this magnitude are totally inappropriate, especially in light of serious financial problems facing the Federal Government.

Then it goes on to point out that the Budget Director and other officials would recommend to the President a veto if it does have this 5-year period in it.

So I would urge that we reduce the period from 5 years to 3 years.

Mr. SKELTON. Mr. Chairman, will the gentleman yield?

Mr. HORTON. I will be happy to yield to the gentleman from Missouri.

Mr. SKELTON. Mr. Chairman, as we continually reassess the various ways in which our taxpayers' money is spent, eliminating waste wherever we can, we must not forget to reward the programs and projects that are worthwhile and have a positive impact on our Nation's cities and counties. Without question, the revenue-sharing program deserves to be reauthorized.

I recently conducted a survey, talking with city and county clerks and mayors and county judges throughout my district, and discovered the pattern is that there is no pattern, except that everyone strongly favors the revenue-sharing program. Responses such as "Essential," and "We're all for it!" were typical answers when the clerks were questioned about revenue sharing.

What makes revenue sharing an attractive program for local communities is that local officials decide where and how the money is spent. What makes revenue sharing attractive for us in Washington is that vital community repairs and improvements are completed, while at the same time local services continue to expand. A sample of the projects funded through revenue sharing in Missouri's Fourth Congressional District include: street maintenance, bridge construction, park improvements, library upkeep, and new computer systems. Improvements and investments such as these are truly important to the health and well-being of our cities and towns. This influx of funds provides a necessary economic stimulus. It is unfortunate, but, these improvements are the ones that no one notices until the potholes form or the paint peels. We must continue to work to keep these programs alive.

Who knows better than community leaders what specific projects a community needs? In 1982, Lafayette County exemplified how effective the revenue-sharing program can be. Of the $131,588 received, county officials apportioned this money into a wide variety of areas, specifically: repairs to county buildings, the Extension Council of the University of Missouri, the Western Medical Health Center, and the local 4–H clubs. These funds, and the ways in which they are spent, offer substantial evidence of the benefits of this type of local control to the community.

For these reasons, I strongly support the revenue-sharing program. Such a no-strings-attached revenue source allows us to look out for the economic health of the cities and counties throughout our nation. The revenue-sharing program has earned our support, and I urge the Congress to reauthorize these vital funds.

Mr. JONES of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. HORTON. I am happy to yield to the gentleman from Oklahoma.

Mr. JONES of Oklahoma. Mr. Chairman, I want to commend the gentleman for this amendment and rise in support of the amendment.

I recognize that the gentleman offers this amendment not as an enemy of revenue sharing but as a friend and supporter of revenue sharing. Around this body and back home in our speeches we rail against uncontrolled Federal spending and we rail against entitlement programs that are growing and creating a situation in which we cannot control the Federal budget.

The general revenue-sharing program is a capped entitlement program and we ought to show our willingness today to put some limitations on this entitlement program.

What we would be doing if we reject the gentleman's amendment is committing, by our vote today, to spend without any review over the next 5 years, to spend in excess of $26 billion. It makes sense to limit this commitment to a 3-year period.

General revenue sharing in each of its reauthorizations up to this point have been for periods of 3 years. Comparable programs such as the community development block grant, the UDAG program, the EDA program, are all authorized for 3-year periods. That gives the local communities the opportunity to plan ahead and yet it gives the Congress and the Federal fiscal policymakers an opportunity to review in a timely fashion how these programs are fitting into our overall economy.

Other programs, defense, education, food stamps, programs such as that, do not have this kind of 5-year authorization with a firm commitment to spend, and I do not believe we ought to be giving it to general revenue sharing.

We can talk about $200 billion deficits and we can rail against them but we have an opportunity today to put some controls on those so-called uncontrolled spendings.

I hope that the House will support the gentleman's amendment. I think it is a good amendment that improves the program.

Mr. HORTON. I thank the gentleman for his comments and I certainly appreciate his support for this amendment.

I would add to what the gentleman already said that I am a very strong supporter and have been a strong supporter for revenue sharing. I know that many of the public interest groups and many of the municipalities would like to have a 5-year program. But as the gentleman pointed out, and as I pointed out, for us to do that I think would be foolhardy.

It is an entitlement program and we are all familiar with what entitlement programs are. For us to put on the books 5-year entitlement programs now, at this level, I think would not be very prudent expecially in light of the fiscal restraint that we should be maintaining as far as this body in concerned.

I would also point out that the various municipalities have been able to live in the past under this 3-year authorization or entitlement program. So they are not unused to having the entitlement for a 3-year period of time.

So I think with all factors involved that it is more prudent for us to reduce the period from 5 years to 3 years.

I might say also, parenthetically, I will offer an amendment to bring the funding in line with the budget recommendations and the budget resolution that was adopted, which is approximately $450 million more than the $4.6 billion.

But it is important I think that we adopt this amendment and I urge my colleagues to adopt it.

The CHAIRMAN. The time of the gentleman from New York (Mr. HORTON) has expired.

(On request of Mr. LEVITAS and by unanimous consent Mr. HORTON was

allowed to proceed for 2 additional minutes.)

Mr. LEVITAS. Will the gentleman yield?

Mr. HORTON. I will be glad to yield to the gentleman from Georgia.

Mr. LEVITAS. I commend the gentleman on his amendment and on his statement.

I have been a very strong advocate of general revenue sharing. One of the most unpleasant experiences I have had in Congress was differing with my distinguished chairman on this subject by supporting revenue sharing in my first term as a Member here. But I do believe in it.

However, we have got to make the program sensible and reasonable and not just a greed bucket for local governments. I think for us to do anything other than adopt the gentleman's amendment would take this program from a reasonable, low-cost administration program into an uncontrollable giveaway program which would not be accountable to the Congress.

So I urge my colleagues, those of us who support revenue sharing, as well as those who do not support revenue sharing, to support the gentleman's amendment, and I would also hope that the gentleman will feel inclined to support my amendment which I will offer later on on the tit-for-tat provision with respect to State funding, if that should be authorized.

Mr. HORTON. I thank the gentleman.

Mr. BROOKS. Mr. Chairman, I move to strike the requisite number of words, and I rise in strong support of the amendment offered by my friend from New York, the distinguished ranking minority member of the Government Operations Committee, Mr. HORTON, which provides for a 3-year reauthorization of general revenue sharing rather than the 5-year extension included in the bill reported by the committee.

The committee's bill would reauthorize revenue sharing through fiscal year 1988. The Congressional Budget Office's baseline estimate of the aggregate Federal budget deficit over that 5-year period is $1.2 trillion, which is roughly equal to the current national debt that has taken nearly 200 years to accumulate. In light of these projections, it would be an act of fiscal irresponsibility for Congress to irrevocably commit the Federal Government to the expenditure of more than $26 billion for general revenue sharing over the next 5 years.

Just last week I received a "dear colleague" letter from the chairman, ranking minority member, and seven other members of the House Budget Committee asking my support for an amendment to the rehabilitation act amendments of 1983. While supporting this program, which provides rehabilitation assistance to handicapped individuals, the Budget Committee members were seriously concerned about expanding it as an entitlement program for the next 3 years. The letter said:

To put our concern in perspective, approximately three-quarters of Federal spending is uncontrollable by an annual budget and appropriations process. Entitlement and other mandatory programs constitute the bulk of that amount. The remaining one-quarter of Federal spending is the only portion which Congress controls through its annual appropriations process, and half of that amount is devoted to defense. As presently drafted, H.R. 3520 would increase the so-called uncontrollable portion of the budget by expanding an entitlement in the out-years.

Should we not be equally concerned about extending the entitlement in general revenue sharing for an additional 5 years? Do we not owe it to ourselves and our constitutents to take another look at this $5.3 billion per year expenditure before fiscal 1989?

Furthermore, if mayors and county commissioners are going to enjoy the luxury of spending revenue sharing funds, while Congress bears the responsibility for raising the money, local officials should be required to justify the continuation of this program more often than once every 5 years.

In conclusion, Mr. Chairman, Members should be aware that the administration adamantly opposes a 5-year extension of revenue sharing. Budget Director Stockman has advised the committee that he will recommend that the President veto any reauthorization of longer than 3 years.

I strongly urge my colleagues to support the gentleman's amendment.

□ 1750

Mr. WEISS. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from New York.

Three years, in my judgment, is too short an authorization for a program like revenue sharing which is intended to help local governments provide important public services. In the course of hearings, which the subcommittee held both here in Washington and across the country, the one concern expressed by the witnesses representing local governments was the need for stability and predictability in the revenue-sharing program.

Many State and local governments are moving toward a more rational approach to capital budgeting, one that emphasizes planning capital expenditures 5 years in advance.

This becomes very important in light of the need to finance billions of dollars worth of infrastructure replacement at the State and local level. The New York State Legislature, for example, is presently considering a bill which would require the State to assemble a 5-year plan for financing and scheduling capital construction projects. Consequently, the longer the authorization period of the revenue-sharing program, the more local and State governments will be able to tie Federal funds into their own investment plans and use those funds to leverage money from other sources.

Lengthening the authorization period will institutionalize a program which has served municipalities and, until 1981, the State as well. Since the program grants general purpose aid, it allows governments the flexibility to spend moneys where they see the most urgent need.

In fact, it is noteworthy that in submitting its New Federalism initiative to Congress, proposing that the entitlement portion of the community development block grant program be combined with revenue sharing, the administration itself recommended a 5-year extension of that program.

It seems to me that the 5-year reauthorization of revenue sharing is a practical and sensible timeframe, and I therefore urge defeat of the amendment offered by the gentleman from New York.

The CHAIRMAN. The time of the gentleman has expired.

(On request of Mr. HORTON and by unanimous consent, Mr. WEISS was allowed to proceed for 2 additional minutes.)

Mr. HORTON. Mr. Chairman, will the gentleman yield?

Mr. WEISS. I would be pleased to yield to the gentleman from New York.

Mr. HORTON. I thank the gentleman for yielding.

The letter the gentleman was referring to as to the administration position for extending the program for 5 years including merging revenue sharing and community development. It did not talk just to the question of just revenue sharing.

Mr. WEISS. Of course. And if the gentleman will allow me, the point that I am making is that simply because it is raised from 3 years to 5 years does not automatically make it wrong. As a matter of fact there is an advantage to having a 5-year program so that the communities can better plan ahead as to how they are going to be spending that money.

Mr. WALKER. Mr. Chairman, I move to strike the requisite number of words and I rise in opposition to the amendment.

Mr. Chairman, the gentleman from New York has just made the case that was made before our subcommittee by many of the local communities that came before us.

Let me talk for a moment why I think that the fiscally responsible vote is for us to vote against this amendment and for a 5-year extension. We heard the distinguished chairman of the Budget Committee mention a few moments ago the problem of uncontrolled Federal spending. I think we all recognize that that is in fact a major problem that we face.

What the advantage of the entitlement program that we have before us here is that we do cap that entitlement. We do make some decisions about holding a steady level.

The longer you can hold that cap in place, the better chance we have of managing the budget in those outyears. Now, I think you have to decide what perspective you are coming at here.

If you believe that after the 3-year period that we are going to come back and lower the spending levels of the program, then you might agree with the gentlemen from Oklahoma and some of the other gentleman who have spoken on this amendment. The tendency, however, is to come back and raise the spending levels of the program. For example, in 1980, these exact arguments were made. Here we are 3 years later coming back and the bill that we have before us substantially raises the entitlement level. Would we not have been better off in 1980 to have capped the program at the present $4.6 billion level and at least have the next 2 years being at a lower spending level than is likely to happen in this particular program?

I would also say that if we really want to do something about addressing the issues the gentleman from New York, the gentleman from Texas, and the gentleman from Oklahoma raise, let us support the McCandless amendment when it comes up and cap the program at its present spending. He will offer an amendment to cap the program at $4.6 billion in spending. You combine that with a 5-year authorization and you can substantially lower the cost of this program over a period of time.

So, it seems to me that if we really want to do something about controlling one of the uncontrollables, let us do it for a 5-year period, cap it at $4.6 billion and save some real money. If you go for the 3-year extension, I fear what we will be doing is simply giving us an opportunity to come back in 3 more years and raise the spending level again.

Mr. LEVITAS. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentleman.

Mr. LEVITAS. I thank my colleague.

Mr. Chairman, as the gentleman knows, I disagree with him on this particular amendment. I was the author of the amendment that made revenue sharing an entitlement program and I did it in order to provide for predictability and certainty, so that the communities could use the money wisely and would not have to wonder from year-to-year how much would be made available.

On the other hand, a 3-year period is a reasonable period that we utilize for budget purposes.

Why 5 years? Why not 10 years or 7 or 15 or 13? Or why not make it like social security or medicare, indefinite? I think that if we are going to limit this program so we can reevaluate it from time to time the 3-year period, which is a standard period, within a budgetary cycle, and would cover at least 2 fiscal years of each local government, would be a more sensible place to draw the line.

Mr. WALKER. The gentleman will admit, having provided distinguished leadership on this program, that the 3-year period is not sacrosanct. In the early days we did in fact authorize the program for longer than 3-year periods.

□ 1800

And in fact during those periods of time, the program did not rise in cost as fast as it has under the 3-year authorization.

So it seems to me that we can make a good case, that one way of keeping costs down in the program is to have the period of time go a little bit longer. And that is all that the gentleman from New York is suggesting. And that is all the gentleman from Pennsylvania is suggesting.

Mr. JONES of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from Oklahoma.

Mr. JONES of Oklahoma. I thank the gentleman for yielding.

I also disagree with the gentleman's argument and I do not see why general revenue sharing should be treated differently than community development block grant or UDAG or EDA, which have 3-year authorizations.

Just so that I understand the argument correctly, the gentleman from Pennsylvania is saying that he opposes the amendment so that you can do less for the cities if you support the Weiss position, is that it?

Mr. WALKER. The gentleman understands, I think, that the gentleman from New York has made the argument that the local governments have made, and, of course, they are interested in extending this out further. And I had said to the gentleman earlier that I thought that there was a conservative argument for it, too.

The gentleman from Pennsylvania is raising that more conservative argument which I thought spoke to the point raised by the gentleman earlier about uncontrolled Federal spending. I think this is a good way of controlling Federal spending a little bit. And if that happens to gel with the gentleman from New York's argument, well, that may be a happy coincidence.

Mr. JONES of Oklahoma. I just think this is an historic event here today.

Mr. LATTA. Mr. Chairman, I move to strike the requisite number of words and I rise in support of the amendment.

Mr. Chairman, I have been attempting to follow the argument of the gentleman from Pennsylvania. And I find it very difficult to do so. He seems to be arguing it is cheaper to fund this program for 5 years than it is 3 years. I cannot quite follow that.

I can recall when this program started. I recall the then Secretary of the Treasury, John Connally, who supported the program, coming up to the Hill and lobbying me as a member of the Rules Committee on three separate occasions before he finally convinced me to vote for this program. And it came out by one vote. It was not an overwhelming vote in the Rules Committee. As a matter of fact, it was not overwhelming in the beginning in the committee chaired by the gentleman from Texas (Mr. BROOKS).

They sold me on this program by saying they were going to cut out some of these categorical grant programs and in lieu thereof come up with a program of revenue sharing without any strings attached for local government and our cities to spend as they wish.

What happened? They kept all of the categorical grant programs and now had revenue sharing as well.

So I was sold on this program in the first place by an argument which never came to pass. But I have supported it because they do spend the money more wisely at the local level than they do here at the Federal level.

But it just seems to me to commit ourselves for 5 years on this program, rather than 3, is a little bit ridiculous, when every time you go out there and read the wire service you find where somebody is saying something about, "the fear of high interest rates." And these high interest rates will come because the Federal Government is being forced to be out there borrowing and borrowing and borrowing more every single day and every single week. This cannot go on.

Mr. BROOKS. Mr. Chairman, will the gentleman yield?

Mr. LATTA. I yield to the gentleman from Texas.

Mr. BROOKS. I thank the gentleman for yielding.

To my distinguished friend even the Members who are for this bill, most of them realize that 3 years is enough. How greedy can you get?

Mr. LATTA. Mr. Chairman, if I may reclaim my time, the gentleman said that, I did not.

Let me say that we have not had a 5-year period for revenue sharing at any time yet. We have had 3 years. And I think that we ought to continue it on a 3-year basis, rather than a 5-year basis.

Mr. BEVILL. Mr. Chairman, I rise in support of H.R. 2780, State and Local Fiscal Assistance Amendments of 1983, which would extend general revenue-sharing payments by the Federal Government for 5 more years.

I have seen first hand the benefits which general revenue sharing has brought to communities across our country. In the Fourth District of Alabama, which I represent, countless projects, which would have been impossible even to envision because of a lack of local funding, are today in place, benefiting residents because revenue-sharing funds were made available.

Improved fire protection, street repairs, water system extensions, additional police protection, and many other municipal services have received assistance through this program.

The concept behind revenue sharing is a valid one. The local government officials have more direct knowledge of the needs of their communities than do Washington agencies. These funds can be put to immediate use to solve pressing local problems without the nightmare of bureaucratic redtape.

I continue to trust that America's local government officials have the ability and the desire to see that their communities receive every possible benefit from the tax dollars they receive and revenue sharing is an important source of funds to them.

I have been a consistent supporter of this fine program to return Federal revenue to county, city, and town governments, as well as States, under certain conditions, since the program was established in 1972.

I favored the reauthorization of this program in 1976 and again in 1980. And I am strongly supporting this year's amendments, which would continue it through 1988.

Included in the provisions of this new extension is a 16-percent increase over the 1983 level. This would compensate for the effects of inflation since the program was last reauthorized in 1980.

Unlike revenue sharing for county, city, and town governments, the State allocation would not be an entitlement, but would be an authorization, subject to the annual appropriations process here in the Congress. I am confident that if the national debt is sizably reduced, we can see fit to make these payments, totaling $2.3 billion for fiscal years 1984 to 1988, available to the various State governments.

An improvement has been made in current law that requires State governments to forgo an equal amount of Federal categorical assistance, should the Congress decide to appropriate the $2.3 billion annually to the various States.

Although the current bill continues the existing allocation formulas, provision is made for a general study of this aspect of the general revenue-sharing program.

The Treasury Department is also directed to study alternatives to personal income tax, which is currently being used to calculate the taxing capacity and taxing efforts of the States and local governments.

While the other body has a bill which would only extend this program for 3 years, and not provide a sufficient increase to compensate for the inflationary effect on payments, I am confident this House measure is far superior and will pass.

At this time I would also like to encourage my colleagues in the House to pass this measure by a sufficient margin which will indicate to the other body the strong support here in the House for the provisions of H.R. 2780.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. HORTON).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. HORTON. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 226, noes 202, not voting 5, as follows:

[Roll No. 306]

AYES—226

Akaka	Coughlin	Gramm
Albosta	Courter	Gregg
Andrews (NC)	Craig	Hall, Sam
Andrews (TX)	Crane, Daniel	Hammerschmidt
Anthony	Crane, Philip	Hansen (UT)
Applegate	Crockett	Hartnett
Archer	D'Amours	Hatcher
Badham	Daniel	Hefner
Bateman	Dannemeyer	Hertel
Bates	Daub	Hightower
Bedell	DeWine	Hiler
Bennett	Dickinson	Hillis
Bethune	Dingell	Holt
Bilirakis	Donnelly	Hopkins
Billey	Dreier	Horton
Boehlert	Dwyer	Howard
Boland	Edwards (AL)	Huckaby
Boner	Edwards (OK)	Hughes
Brooks	Emerson	Hunter
Broomfield	English	Hutto
Brown (CO)	Erlenborn	Hyde
Broyhill	Fascell	Ireland
Burton (IN)	Fiedler	Jacobs
Byron	Fields	Jones (NC)
Campbell	Fish	Jones (OK)
Carper	Ford (MI)	Jones (TN)
Chandler	Forsythe	Kasich
Chappell	Franklin	Kemp
Chappie	Frenzel	Kindness
Cheney	Frost	Kramer
Clarke	Fuqua	LaFalce
Coats	Gekas	Lagomarsino
Coleman (MO)	Gibbons	Latta
Conable	Gingrich	Leath
Conte	Glickman	Lehman (FL)
Cooper	Goodling	Levitas
Corcoran	Gradison	Lewis (CA)
Lewis (FL)	Ortiz	Smith (NJ)
Livingston	Oxley	Smith, Denny
Loeffler	Packard	Smith, Robert
Long (MD)	Panetta	Snowe
Lowery (CA)	Parris	Snyder
Lujan	Paul	Solomon
Lungren	Pease	Spence
Mack	Petri	St Germain
Madigan	Pickle	Stangeland
Marriott	Porter	Stenholm
Martin (IL)	Price	Stratton
Martin (NY)	Pritchard	Stump
Mazzoli	Pursell	Synar
McCain	Quillen	Tallon
McCandless	Ray	Taylor
McCollum	Regula	Thomas (CA)
McCurdy	Ridge	Udall
McDade	Ritter	Valentine
McDonald	Roberts	Vander Jagt
McEwen	Robinson	Vento
McKernan	Roemer	Vucanovich
McKinney	Roth	Watkins
McNulty	Roukema	Weber
Mica	Rudd	Whitehurst
Michel	Sabo	Whitley
Miller (OH)	Schaefer	Whittaker
Minish	Schneider	Williams (OH)
Montgomery	Schulze	Wilson
Moody	Seiberling	Winn
Moorhead	Sensenbrenner	Wirth
Morrison (WA)	Shaw	Wolf
Murphy	Shumway	Wortley
Murtha	Shuster	Wright
Neal	Siljander	Wylie
Nelson	Sisisky	Young (AK)
Nielson	Skeen	Young (FL)
O'Brien	Skelton	Zschau
Obey	Slattery	
Olin	Smith (NE)	

NOES—202

Ackerman	Erdreich	Long (LA)
Addabbo	Evans (IA)	Lowry (WA)
Alexander	Evans (IL)	Luken
Anderson	Fazio	Lundine
Annunzio	Feighan	MacKay
Aspin	Ferraro	Markey
AuCoin	Flippo	Marlenee
Barnard	Florio	Martin (NC)
Barnes	Foglietta	Martinez
Bartlett	Foley	Matsui
Beilenson	Ford (TN)	Mavroules
Bereuter	Fowler	McCloskey
Berman	Frank	McGrath
Bevill	Garcia	McHugh
Biaggi	Gaydos	Mikulski
Boggs	Gejdenson	Mineta
Bonior	Gephardt	Mitchell
Bonker	Gilman	Moakley
Borski	Gonzalez	Molinari
Bosco	Gore	Mollohan
Boucher	Gray	Moore
Boxer	Green	Morrison (CT)
Breaux	Guarini	Mrazek
Britt	Gunderson	Myers
Brown (CA)	Hall (IN)	Natcher
Bryant	Hall (OH)	Nichols
Burton (CA)	Hall, Ralph	Nowak
Carney	Hamilton	Oakar
Carr	Hance	Oberstar
Clay	Harkin	Ottinger
Clinger	Harrison	Owens
Coelho	Hawkins	Pashayan
Coleman (TX)	Hoyer	Patman
Collins	Hubbard	Patterson
Conyers	Jeffords	Penny
Coyne	Jenkins	Pepper
Daschle	Johnson	Perkins
Davis	Kaptur	Rahall
de la Garza	Kastenmeier	Rangel
Dellums	Kazen	Ratchford
Derrick	Kennelly	Reid
Dicks	Kildee	Richardson
Dixon	Kogovsek	Rinaldo
Dorgan	Kolter	Rodino
Dowdy	Kostmayer	Roe
Downey	Lantos	Rogers
Duncan	Leach	Rose
Durbin	Lehman (CA)	Rostenkowski
Dymally	Leland	Rowland
Dyson	Lent	Roybal
Early	Levin	Russo
Eckart	Levine	Savage
Edgar	Lipinski	Sawyer
Edwards (CA)	Lloyd	Scheuer

Schroeder	Studds	Waxman
Schumer	Sundquist	Weiss
Shannon	Swift	Wheat
Sharp	Tauke	Whitten
Shelby	Tauzin	Williams (MT)
Sikorski	Thomas (GA)	Wise
Simon	Torres	Wolpe
Smith (FL)	Torricelli	Wyden
Smith (IA)	Towns	Yates
Solarz	Traxler	Yatron
Spratt	Vandergriff	Young (MO)
Staggers	Volkmer	Zablocki
Stark	Walgren	
Stokes	Walker	

NOT VOTING—5

Hansen (ID)	Lott	Weaver
Heftel	Miller (CA)	

□ 1820

Messrs. DORGAN, WALGREN, ROGERS, PENNY, SWIFT, MARTIN of North Carolina, and SAWYER changed their votes from "aye" to "no."

Mr. HERTEL of Michigan changed his vote from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN. Are there any additional amendments to section 2?

If not, the Clerk will designate section 3.

The text of section 3 is as follows:

AUTHORIZATION OF APPROPRIATIONS FOR ENTITLEMENTS

SEC. 3. Section 6703(b)(2) of title 31, United States Code, is amended by striking out "$4,566,700,000" and inserting in lieu thereof "$5,297,333,000."

AMENDMENT OFFERED BY MR. HORTON

Mr. HORTON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HORTON: Page 2, beginning on line 14, strike out all of section 3 through line 17 and insert in lieu thereof the following:

AUTHORIZATION OF APPROPRIATIONS FOR ENTITLEMENTS

SEC. 3. Section 6703(b)(2) of title 31, United States Code, is amended by striking out "$4,566,700,000" and inserting in lieu thereof "$5,016,700,000".

The CHAIRMAN. The gentleman from New York (Mr. HORTON) is recognized for 5 minutes in support of his amendment.

Mr. SOLARZ. Mr. Chairman, will the gentleman yield?

Mr. HORTON. I yield to the gentleman from New York.

Mr. SOLARZ. Mr. Chairman, during the budget debate this spring, I made, as one of my highest priorities, the adoption of an increase in funding for the revenue-sharing program, in my capacity both as a member of the House Budget Committee and as a member of the House-Senate conference on the fiscal year 1984 budget. As far as I am concerned, there are several compelling reasons for the continuation of this program which provides "no strings attached" dollars for the localities and, indirectly for State governments, as well.

Localities get money from three sources—local taxes, State aid, and Federal aid. Just as the recession and the Reagan tax cut have caused Federal revenues to decline, so have they adversely affected the fiscal condition of States and localities. Revenue sharing, in my judgment, represents the most effective and expedient approach by which we can provide a quick fiscal infusion for States and localities.

Periodically, groups such as the National Governor's Association or the National Conference of State Legislators provide Congress with a fiscal snapshot of State and city budgets. State budget balances, according to the National Governors Association, will reach an all-time low at the end of fiscal 1983. In fiscal 1983, the State balances are expected to total $345 million and, if Texas is excluded, the remaining 49 States would be in deficit. Almost every State in the Union has a constitutional requirement for a balanced budget; thus, unless States receive additional Federal aid, tax increases and further service cutbacks will be the order of the day. Already, NCSL reports, 24 States have enacted tax increases this year; 27 States have cut spending; 18 States have engaged in massive layoffs of State employees; and, many others have placed limits on personnel hiring.

In essence, State budgets are beyond the point of being snare tight—they are broken; cutbacks are occurring; services are being reduced, and the quality of our constituent's lives are being threatened. In my judgment, revenue sharing represents one of the most potent and appropriate forms of recession relief this Congress can produce.

There are enormous unmet needs in the land.

A recent Conference of Mayor's survey showed that health, employment, and senior citizen services are the human services most widely cut because of reductions in Federal aid. From fiscal year 1981 to fiscal year 1983, city expenditures for these programs fell by 52 percent, 68 percent, and 12 percent respectively. And the conference reports that its membership could only meet 43 percent of the demand for emergency services in fiscal year 1982. Cities and counties have had to reduce sharply spending for construction and maintenance of infrastructure, the economic life support systems of our Nation. In fact, construction spending by State and local governments fell 9.4 percent in 1981 and 7 percent in 1982. A further decline is projected this year. We cannot delay making the kinds of needed investments in our Nation's economic future which infrastructure spending represents. Once again, we find that general revenue sharing is one of the most efficacious means by which we can fund these kinds of projects.

Mr. Chairman, I congratulate again the chairman of the Government Operations Subcommittee on Intergovernmental Relations, the gentleman from New York (Mr. WEISS), who has proven himself to be a great friend of the urban areas of our Nation. This is an outstanding bill and I would urge my colleagues to give it their full support.

Mr. HORTON. Mr. Chairman, this is a very important amendment.

Mr. Chairman, the amendment I am offering is needed to bring this bill in line with the first concurrent resolution on the budget adopted by this Congress. I am offering this amendment on behalf of myself and Mr. JONES, chairman of the House Budget Committee. The Government Operations Committee reported out H.R. 2780 on May 11 of this year, in order to meet the Budget Act deadline on spending bills. At that time, only the House had completed action on the first budget resolution. In that House-passed budget resolution, there was with the proper budget function an allowance for an annual increase of $800 million. On this basis, the committee reported a bill under this budget ceiling and increased the program by $731 million per year for 5 years.

Since that time, action of the first budget resolution has been completed, and it allows for only a $450 million increase in the program. My amendment would reduce the increase in H.R. 2780 to that level in order to bring it in line with the budget resolution. In other words, my amendment would reduce the increase from $731 to $450 million, so there is an increase, but it is only the amount that is included in the budget resolution that was adopted.

The administration has stated in the strongest possible terms its opposition to any funding increase.

Following my amendment, the gentleman from California (Mr. MCCANDLESS) is going to offer an amendment to reduce my amendment to the present level of $4.6 billion.

A letter to myself from OMB Director Stockman, which I earlier entered into the RECORD, unequivocally stated that he and the President's other senior advisers would recommend the President not sign the bill with the funding increase.

Yet, local officials across the country are faced with a very difficult fiscal situation brought on by the combined effects of recession and inflation. They correctly note that the fuding level for the local share of revenue sharing has remained at $4.6 billion since 1976. Since that time, the real value of that 1976 dollar has declined nearly 50 percent.

The funding increase permitted in the first concurrent resolution on the

budget of $450 million per year in my judgment strikes a balance between these two positions. While not granting the increase that would be needed to fully compensate for the effects of inflation, it does provide for a very modest level of program growth.

I believe that my amendment meets, as best as possible, the competing interests of all interested parties and I urge Members to support my amendment.

Mr. JONES of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. HORTON. I will be glad to yield to the gentleman from Oklahoma (Mr. JONES), the coauthor of the amendment.

□ 1830

Mr. JONES of Oklahoma. Mr. Chairman, I thank the gentleman for yielding.

I strongly urge that this amendment be adopted.

Mr. Chairman, on some other amendments that will be offered to this legislation, I may be speaking on them, but it will be from a personal perspective or as a Representative of the First District of Oklahoma.

On this particular amendment, I speak from an institutional perspective as chairman of the House Budget Committee.

The general revenue-sharing program that is brought to the floor is over the limits set in the budget resolution which the House and the Senate adopted just a few weeks ago. It is over by nearly $300 million.

This amendment, offered by the gentleman from New York and myself and others, will conform this legislation to the limits of the budget resolution.

This bill is a test of our willingness not just to make budget plans, but to implement them.

The CHAIRMAN. The time of the gentleman from New York (Mr. HORTON) has expired.

(By unanimous consent, Mr. HORTON was allowed to proceed for 2 additional minutes.)

Mr. HORTON. Mr. Chairman, I yield further to the gentleman from Oklahoma.

Mr. JONES of Oklahoma. But to implement them in concrete individual spending decisions. I think the House can be proud of the record we have established so far this year in that every attempt to brech the budget ceilings has been defeated. We held the line on the amendment to eliminate the reform in Federal pension programs. That was defeated.

The excesses in the supplemental appropriations bill were defeated.

The housing authorization, which was over the limit, was brought back under the budget ceilings.

This is another opportunity for us to show not just rhetoric, but concrete action that we are willing to live by a budget plan, live within the restrictions of those budget ceilings.

Mr. Chairman, I strongly urge that this amendment be adopted.

Mr. WEISS. Mr. Chairman, will the gentleman yield to me?

Mr. HORTON. I am glad to yield to the gentleman from New York.

Mr. WEISS. Mr. Chairman, I thank the gentleman for yielding to me.

I want to commend the gentleman and express my support of his amendment. Of course, there was no attempt to breach any budget ceilings. What the subcommittee and the committee did was to adopt the legislation initially within the framework and parameters of the first budget resolution as adopted by the House.

Since then, the budget resolution that was reported out of conference and adopted by the House was reduced to a $450 million increase, where as originally it was $800 million.

The amendment of the gentleman seeks to conform the bill to that existing figure and I support the gentleman in that effort.

Mr. HORTON. Mr. Chairman, I thank the gentleman for his support.

Mr. DONNELLY. Mr. Chairman, will the gentleman yield?

Mr. HORTON. I yield to the gentleman from Massachusetts.

Mr. DONNELLY. Mr. Chairman, I thank the gentleman for yielding.

I would like to associate myself with the gentleman's remarks, the remarks of the chairman of the Budget Committee and the remarks of my good friend, the gentleman from New York, the chairman of the subcommittee.

I chair the Task Force on Entitlements, Indexing, and Uncontrollables on the House Budget Committee. In the 3 years that I have served on that committee, it does not take a lot of investigation to understand the enormity of the problem in the entitlement area.

The CHAIRMAN. The time of the gentleman from New York has again expired.

(At the request of Mr. DONNELLY, and by unanimous consent, Mr. HORTON was allowed to proceed for 2 additional minutes.)

Mr. DONNELLY. Mr. Chairman, will the gentleman yield further?

Mr. HORTON. I yield to the gentleman from Massachusetts.

Mr. DONNELLY. You need not serve on that committee very long to understand the enormity of the problem that we have in the entitlement area. In the decades of the seventies, from 1970 to 1980, entitlements have grown at a rate of over 450 percent.

From 1970 to 1982, the entitlement programs as a percentage of our total outlays have grown from about 30 to 50 percent.

Sooner or later this institution is going to have to deal with the enormity of that problem, the political reality of that problem.

Now, I understand very well the political reality of revenue sharing, but I think this is a test. It is a test of our willingness after all the speeches we give that it is so necessary for us to restrain Federal spending. This is one of the first tests that we have had since the passage of the budget resolution, whether this Congress has the will.

I congratulate my friend, the gentleman from New York, for presenting this amendment, and I congratulate my friend for supporting this amendment. I hope it is unanimously adopted.

AMENDMENT OFFERED BY MR. M'CANDLESS TO THE AMENDMENT OFFERED BY MR. HORTON

Mr. McCANDLESS. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. MCCANDLESS to the amendment offered by Mr. HORTON: On line 4 of the matter proposed to be inserted by the amendment of the gentleman from New York, strike out "'$5,016,700,000'" and insert in lieu thereof "'$4,566,700,001'".

Mr. McCANDLESS. Mr. Chairman, the amendment I am offering would basically eliminate the increase in the entitlement portion of revenue sharing contained in the bill before us. H.R. 2780 increases local revenue sharing by $731 million per year for each of the 3 years of its authorization. My amendment provides for only a $1 annual increase in the program. This $1 increase is to satisfy some technical, parliamentary requirements of the House.

I must oppose this increase, or for that matter, any increase for two basic reasons. First, all of us are keenly aware of the enormous deficits we are now facing. The recent midseason budget review, conducted by the Office of Management and Budget, showed projected annual budget deficits in excess of $150 billion for the foreseeable future. For this Congress to add to that deficit by increasing the entitlement spending in this bill by over $3.6 billion is financially irresponsible. If we cannot hold the line on spending and vote down this increase, we will be giving a dark signal to the financial markets that we are unwilling to take the tough actions to bring down the deficit. In this way, we will be voting to guarantee higher interest rates and possibly retard the economic recovery now underway.

There is another consideration to vote down this large spending increase. The President's senior advisers have said in the sternest possible terms that if this bill is presented for the President's signature and it contains any funding increase, they will recommend to veto it. If that happens, we will have turmoil on our hands,

with local governments unable to act on their own budgets. In the end, we may see the demise of revenue sharing.

The best thing this House can do, both in terms of fiscal prudence and to insure the continuance of this important program, is to support my amendment and pass a bill with the present $4.6 billion funding level.

Mr. NELSON of Florida. Mr. Chairman, will the gentleman yield?

Mr. HORTON. I yield to the gentleman from Florida.

Mr. NELSON of Florida. Mr. Chairman, I thank the gentleman for yielding.

I rise in support of the amendment of the gentleman from California. I do so full well realizing that a number of my mayors and city councilmen and county commissioners have called. The argument that I present to them is that the bill before us presents a 16-percent increase for general revenue sharing. Since the inception of this program over the last decade, we have seen a level of funding of $4.6 billion nationwide for this program.

I understand that local governments have less flexibility in raising revenue locally—the property taxes are relatively inelastic as a source of revenue. They have come to rely on revenue sharing as a source of revenue that is built into their budgets.

As a matter of fact, local governments are planning their budgets for next year and have counted on general revenue sharing of $4.6 billion, or the same amount that they received last year.

Now, it seems to me that we are at a question of setting financial priorities. We must draw the line. In the face of $200 billion deficits, and when the Federal budget is awash in red ink, we ought to draw that line.

In the alternative, were the amendment of the gentleman from California not to succeed, I would certainly support the amendment of the gentleman from New York and my chairman of the Budget Committee, the gentleman from Oklahoma, to keep it at the level of the budget resolution.

Mr. WEISS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I think we really ought to think a little bit about the basic concept of general revenue sharing as a program. It is not as if we in all of our largess as the Federal Government are giving people something that was the Federal Government's to begin with.

□ 1840

What we are doing is giving people back something which was theirs to begin with.

Need I remind this body that the revenues which we spend and expend come from people back in the localities? Since this program was adopted in 1972 and the localities were authorized to receive these entitlements there has been one single $200 million increase in 1976. The value of the program has eroded to the point where that $4.6 billion is in fact worth $1.9 billion in 1972 dollars.

There has been a 135-percent erosion in the value of that money.

What we attempted to do originally in the subcommittee and the committee was to provide for an increase to cover inflation since 1980 only, an amount of 16 percent, or $733 million.

The gentleman from New York (Mr. HORTON) in order to come within the framework of the budget resolution, is now moving to cut that back to $450 million, a 10-percent increase, almost reduced to half of the inflationary increase since 1980.

Since 1980 local governments have had their entitlements and their categorical programs cut back by estimates ranging from $13 to $40 billlion. Half of the cities in the United States had to cut their job forces in 1982. Nearly three-quarters of them had to raise taxes in 1982.

It is not as if you are talking about giving money to those who are living in luxury. What we are doing in this situation is not even keeping pace with inflation since 1980.

To adopt the amendment of the gentleman from California (Mr. MCCANDLESS) is in fact to demonstrate our total disregard of our people and our communities back home who are struggling to be able to provide basic services to their constituencies which are also our constituencies.

I would urge a defeat of the amendment offered by the gentleman from California.

Mr. WALKER. Mr. Chairman, I move to strike the requisite number of words and rise in favor of the McCandless amendment.

Mr. Chairman, we heard a lot of good arguments here a few minutes ago about why we need to do something about capping uncontrolled Federal spending. Here is a good place to place the cap.

We can place the cap right at the current funding level at $4.6 billion by adopting the McCandless amendment. It is the responsible route to go.

There is no doubt that the local governments that came in and appeared before our subcommittee made it quite clear that they would like the additional money. Sure they would. No doubt about it.

However, they also made it rather clear in most instances that they could survive on the present funding levels, that what they really wanted was reauthorization of this program and to continue the funding flow at something approximating present levels.

That is what we can do with the McCandless amendment. We can assure that we do not add on to the deficit, that we can assure that we continue this very worthwhile program, but we do it at a responsible funding level.

So I would hope that the Members would support the gentleman from California, Mr. MCCANDLESS, in his effort to limit the spending in the upcoming 3 fiscal years to $4.6 billion.

I yield back the balance of my time.

Mr. FRANK. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I understood the need for the amendment offered by the gentleman from New York, the ranking minority member of the committee, Mr. HORTON. I think it was a useful move and I hope the House will proceed to act on it.

But I think the additional amendment offered by the gentleman from California (Mr. MCCANDLESS) is a mistake. As the chairman of the subcommittee (Mr. WEISS) pointed out, the figure that we would be at, if the gentleman from New York's amendment were adopted unchanged, would be the budget figure. So it is a figure which we have been using in our estimates of the deficit.

The question then, it seems to me, is of the various and competing claims for Federal expenditure, how much do we think of those that are made by the people who live in our urban and rural government areas, because these are not funds which in my judgment go as gifts solely to the Government. They go I think to purchase services.

My own sense is, as I look at how money is spent by the various levels of government, that the local governments, the counties, the recipients of these revenue-sharing funds, spend them at least as well as we spend ours.

I know one is supposed to believe in the inherent superiority of whatever level of government one happens to be serving in at the moment, but I do not think objectively a case can be made that we spend the money so much more sensibly at the Federal Government level that it is somehow irresponsible to make this available to local government.

Indeed, at times like this I think local governments have done an important job, for instance, in trying to provide employment for a wide range of people and they provide a level of services. Local governments do not do the more interesting and controversial and exotic things. They do police service, they do fire service. They do sanitation. They do things about which there is a broad consensus.

Obviously we do not want to see money spent unnecessarily. But I think sometimes analogies are helpful.

Let us not think of this just as revenue-sharing programs. Let us think of it as something we would call the TIK program, or taxation in kind, in which

we would send back to local governments some revenues so that they would not engage in taxation at the local level.

Then I would simply propose that we let the TIK program grow at the same rate as the PIK program, or even that we let it grow at one-quarter of the rate of the PIK program.

My point is those who have been voting enormous amounts of money in a very short period of time to give people cotton so that they would not grow cotton, so that we can give them back the cotton that they did not grow in the first place, it seems a little bit hard on the cities and the people who are living in the cities, and the counties, and the people who live there to say that we are going to begrudge them the figure that was voted in the budget for police services, fire services, and other services.

I would agree with the gentleman from New York that we ought not to be exceeding the budget figure. But to say that there should be no increase at all in the amount of money that we provide out of the Federal taxation pot to help with the services that are provided locally seems to me unjustified.

The level of taxation is only one question. The other is the type of taxation.

As you look at the kind of taxes that are leveled in this society, I think the Federal income tax, with all of its problems, is still preferable from the standpoint of equity, efficiency, impact on the economy, to the kind of taxes that many local governments have to raise.

The question is: Are we prepared to be cooperative to the extent that the budget resolution proposed?

It is a relatively small increase that we are offering in the bill as voted out by the committee to the local governments. The amendment offered by the gentleman from California would say that the local governments do not get an extra penny, that other areas of the Federal Government will increase and increase and increase and increase, but we would not vote an extra penny of Federal taxes to help local communities with police services, fire services, education.

I will close with this. With all of the talk we have about helping education, and obviously money alone is not the answer, but neither is its absence, general revenue sharing, adequately funded with the minimal increase over the past years that this bill has, will in fact I think provide more money to help educate children than anything else that we are talking about doing this year.

So I hope the amendment of the gentleman from California will be defeated and the underlying amendment offered by the gentleman from New York will be before us.

Mr. SOLOMON. Mr. Chairman, I move to strike the requisite number of words and to speak for the amendment offered by the gentleman from California (Mr. MCCANDLESS).

The first thing I want to do is commend the gentleman from New York (Mr. HORTON) for the excellent job that he has done in bringing this bill to the floor, because the truth of the matter is revenue sharing is one of the finest Federal programs that we have ever had. It is truly a New Federalism program that President Reagan has been selling right from the very beginning of his administration when we talk about block grants with no strings attached. That is what it is.

I speak as a former town supervisor, as a former county legislator, a former State legislator, and the program is a good, working program.

Second, I want to commend the gentleman for offering his amendment to cut back on the increases to the level of the budget which passed this House.

But with all due respect to the gentleman from New York, we still are increasing spending by more than half a billion dollars over last year's level. Ladies and gentlemen, we just do not have that money.

When I was just a young boy I could recall reading about Everett Dirksen, the leader in the other body, saying that, "You know, we talk about a million here, a million there, and pretty soon we are talking about a lot of money." You know that we do not talk about millions here on this floor anymore. We talk in billions and billions and half billions, and this is another half billion increase.

I can recall back in 1980 when we debated at great length whether or not to continue State revenue sharing. At that time, I think there was one State that had a deficit and all of the rest of them, including New York State, where I come from, had surpluses of one kind or another.

At that time we decided because of the deficits that the Federal Government was running and because of the accrued deficit that we had built up over the years that we did not have any surplus to give to the States at that time, and we did away with it.

I do not think we ought to do away with local revenue sharing at the local levels because I think it is a valuable program. But the truth of the matter is we cannot afford to increase this by a half a billion dollars.

□ 1850

I hear people come in this well and they say well, you know you can blame these huge deficits on Ronald Reagan. Well, you know if it were up to Ronald Reagan we would cut spending and that would be the third leg of Reaganomics that we have not been able to cope with. Let us look at Reaganomics for a minute, because we do not hear about it anymore. We used to hear tirades on this side of the aisle every day until it started to work. Because all Reaganomics was just three things; it was cutting taxes and pumping money back into the private sector and into the pockets of the people so they could either spend it or save it and either way it was good, because if they spend it, it created demand for goods, which created jobs; if they saved it, it made investment capital available so that small businesses could thrive in this country and create jobs. You know cutting those taxes worked. Then cutting spending. We did, we did not cut back on any Federal programs; of all the 300 Federal programs all we did, back in 1981, was stem the growth of those programs and that worked. And the third leg of the Reaganomics was regulatory reform and we have lived up to that too, because whereas American business and industry used to be saddled with more than $100 billion in administrative redtape, we managed to reduce that Federal Register from a foot thick to about half of that and that means we have relieved business and industry of $25 billion of regulations that were unnecessary, duplicative, or that we just could not afford. So, the truth of the matter is if we want to see this recovery continue, we have to continue controlling the growth of spending. I represent a rural district in America, the district is 220 miles long, approximately 11,000 square miles, with hundreds of towns and villages and a lot of counties.

And I am willing to go back home and tell them, listen, I know you have a need for money but we cannot reduce the deficits as long as we keep adding a half billion dollars here and a billion dollars there to the uncontrollable deficits we already have and, ladies and gentlemen, that is what we have done with every single authorization and appropriation bill that has come before this House and will come before this House between now and September 30 regardless of that budget resolution which already calls for increases throughout the entire budget.

So, I appeal to you, stand up, you can talk to your people back home. Let us be fiscally responsible and let us make the third leg of Reaganomics work, controlling the growth of spending, then everybody in this country will prosper.

Ms. OAKAR. Mr. Chairman, I move to strike the requisite number of words.

Mr. Speaker, I was not going to speak on this amendment but in response to some of the other comments I would like to say a few words. I am a former city councilwoman and I know in my area and other areas around the

country the kinds of issues that people really relate to, issues that my friend from Massachusetts mentioned; that is the issue of safety. People were always asking for more police protection, for more fire protection in those areas.

These are the kinds of programs that relate to general revenue sharing. Our areas do not have enough of the resources to provide the necessities that our people need.

So no other program really provides as intimately and as specifically as the kinds of programs that evolve from revenue sharing.

And I think the American people want our tax dollars to be spent in those kinds of methods.

And I heard my friend, the previous speaker, just talk about where are we going to get half a billion dollars? Well, I can tell you where. Why do we not just go after some of the cost overruns in the Defense Department? I never hear too much about the cost overruns. One project that I recall mentioning on the floor last year was the helicopter project that had a cost overrun of $4.6 billion. Nine times more than the amendment of the gentleman from New York.

There are moneys available and there are areas where we can get the half billion dollars if we are reasonable. I honestly think, that the American people would rather have more police protection, more fire protection, than giving some lucrative defense contract to a large corporation or, indeed, a foreign country which is where 10 percent of the contracts for defense go to. This is something that relates to the average American. We ought to increase these funds. We ought to say, "Here are some funds that you can actually, visually, and specifically take advantage of" and this is why revenue sharing is so important to our local communities.

It seems to me, when one is here in Washington one loses sight of the immediate needs of the people back home. I hope we do not lose sight of what our American people's needs are. There is really a cry for more safety, more of the programs that our cities and our rural areas can give to their people. So, let us not cut them off, let us really try to give our people what they specifically want and that is what revenue sharing is all about.

And let us cut the budget, let us really get into balancing the budget. Let us cut down on the defense contracts that have cost overruns, let us say "you cannot spend more for weapons than they should cost" and let us cut down on giving all the tax breaks to the rich. That would really relieve our budgetary and deficit difficulties. We all know that.

So, let us not pretend that this revenue-sharing amendment, the original amendment is really responsible for the deficit that we have. The amendment by the gentleman from New York does not add to the budget resolution which we passed. It conforms to it.

Mr. MICHEL. Mr. Chairman, I move to strike the requisite number of words and I rise in support of the pending amendment.

Mr. Chairman, when revenue sharing was first initiated in this House there were proposals for both general revenue sharing and special revenue sharing. I supported the concept. I made the comment at the time, however, that we were building into the whole system an automatic lobbying effort from around the country, from State governments all the way down to the lowest level of government, on behalf of a perpetuation of the program. That is well and good. Now we are at the juncture, however, where we have to make a decision as to whether or not all these different levels of government are in better financial shape as a block than the Federal Government. And I submit today that the Federal Government is in a lot worse shape than every other level of government out there. And when township officials came to me earlier in the year asking whether or not revenue sharing would be extended, my judgment call was "Yes, it will be, but do not get too greedy and ask for too much because we have much more of a financial problem than you all do and we do not need to subject ourselves to a Presidential veto," or some other impediment to the program.

So, I urge support for the McCandless amendment, which would in essence continue the current level funding for the next 3 years.

We all know that many localities are having difficulties making ends meet. So are many States. But the one level of government having the most difficulty, by far in this regard is the Federal Government.

We are thus certainly in no position to be bailing out other levels of government. When we are facing deficits of upward of $200 billion ourselves. We are already seeing interest rates edging up again as a result of these deficits. If we continue to spend as if there is no end in sight, we will virtually guarantee continued high interest rates and an early end to economy recovery.

The States and localities are in the straits they are in today because of the recent recession. The best way to improve their financial condition is through continued economic recovery and lower interest rates.

We do the localities far more good by insuring continued economic recovery rather than by parceling out a few more goodies from the Federal gravy train.

The committee revenue sharing bill will increase Federal expenditures by $2.1 billion over the next 3 years. The congressional budget resolution level will result in increases of nearly $1.4 billion over that timeframe. Both increases are far too much.

When States and localities face a financial crunch, they find ways to cut spending, often to the bone. Why is it that we cannot do the same thing? We cannot even seem to limit spending to current levels.

It is time to get our house in order, just as the States and localities are getting their houses in order. The McCandless amendment would help us do that, and should be adopted. Failure to effectively restrain Federal spending and reduce these horrendous deficits will only lead to a repetition of our recent experience.

I trust that no one wants to go down that path again.

Mr. SLATTERY. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, since coming to this body several months ago, I have become convinced, that the No. 1 threat to the future of our country is the size of our national deficits. I would just point out that it seems as we progress in our deliberations that little is done to really approach the problem on the spending side. I know and I think the majority of the Members of this body know that if we are going to be serious in dealing with the deficit problem, at some point we are going to have to deal with not only the spending side but we are also going to have to deal with the revenue side. Tonight I think we have the opportunity to put about $450 million in the bank in our effort to deal with the spending side. I would also point out that as I traveled around my district the common comment that I received from locally elected officials was that they were not expecting more money, they were just asking how much less money they were going to receive.

□ 1900

I would submit to my colleagues that if we in fact are able to provide them with the same level of funding they received last year, they will be satisfied and understand that we all must contribute to the solution to our budget crisis.

Beyond that, I would say that the choices we have to make, if we are going to deal with the deficit problem, are not easy choices. They are indeed hard choices. And the choice this evening, I would submit, is not the choice between whether we increase revenue sharing, but rather, whether we are going to be able to take this $450 million and fund some of the desperately needed programs that we are going to have to deal with later on. Perhaps health insurance benefits for the unemployed. These are the kind of

tough choices we have to make. Where else can we cut to fund those programs we have to fund in this time of deep recession.

So, Mr. Chairman, I would strongly urge that my colleagues exercise this opportunity to put $450 million in the bank, so that it is available to meet our needs later on and at the same time reduce the desperate deficit situation that our country is facing.

Mr. BARTLETT. Mr. Chairman, I rise in support of the McCandless amendment.

Mr. LOWERY of California. Mr. Chairman, will the gentleman yield?

Mr. BARTLETT. I yield to the gentleman from California.

Mr. LOWERY of California. I thank my colleague from Texas for yielding.

I thank the gentleman from California for his amendment.

As a member of the committee and a former county supervisor from Riverside, California, I have just a couple of questions of clarification.

I understand that under current law local governments may spend funds for any purpose which is a permissible use of the government's own funds when its laws and the laws of its State as long as it corresponds to those requirements; is that correct?

Mr. McCANDLESS. Mr. Chairman, will the gentleman yield?

Mr. LOWERY of California. I yield to the gentleman from California.

Mr. McCANDLESS. I thank the gentleman for yielding.

In my 12 years in county government, that is correct.

Mr. LOWERY of California. So the funds are not required by law to be earmarked for any specific purpose.

Mr. McCANDLESS. That is correct.

Mr. LOWERY of California. Nor is there any predescribed or prescribed set percentage of funds received required to go for any specific purpose?

Mr. McCANDLESS. That is correct.

Mr. LOWERY of California. I thank the gentleman for this colloquy.

Mr. McCANDLESS. I thank the gentleman.

Mr. BARTLETT. Mr. Chairman, I rise in support of the McCandless amendment. I am not a member of the committee, but I am a former member of a city council. And I understand, as many do in this country, the effectiveness of general revenue sharing at the city and county levels. But I also understand the devastation of negative revenue sharing: The negative revenue sharing of double-digit inflation and interest rates that are so high that cities cannot sell their bonds in order to build their infrastructures.

I rise in support of the McCandless amendment, Mr. Chairman, because that would continue general revenue sharing at a level funding, at predictable funding. The fact is that the most generous revenue sharing this House could pass would be a stable Federal budget, and a Federal budget under control to eliminate the erosion that another Member spoke of, that erosion in spending power that is caused by inflation, and by interest rates, that during the late 1970's and early 1980's, were so high that cities could not operate and could not rebuild their infrastructures.

The point is, the most effective general revenue sharing we could pass is a balanced Federal budget. The further point, as the gentleman from California stated so eloquently, and I commend the gentleman, is that in fact an increase in revenue sharing is not likely to become law. And so for this House, for those of us who are for revenue sharing, we should vote for the McCandless amendment. And if we are against negative revenue sharing of inflation and interest rates that cripple cities far more than we can help them, we should vote for the McCandless amendment.

Mr. TOWNS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I think what we are really talking about here is not funding at the same level. Let us be honest. If we are talking about giving the same amount of money that they received in 1980, we are talking about a cut. We know that inflation has taken place. This committee had hearings across this country, the various county execs were saying that they were having a very difficult time. In 1980 the States did not have the problem that they have now. Almost every State in the United States has a deficit.

So it points out that they are struggling.

The money is being used to bring about more police, more firemen. We are talkng about safety. And to sit here in this room and act like we are not talking about people, we are talking about money that is going to be used to help people, I find that our priorities are upside down.

I am also concerned about budget cuts. I am also concerned about saving money. But I do not think this is the route to go. There are other things that we can do to cut the deficit.

As my colleague from Ohio mentioned earlier, talk about the Defense budget. That is an area you can go and get some of that money back. But we are not talking about that. We are talking about saving lives and helping people, then for some reason or another we talk very loosely about it. I would hope that you would give revenue sharing the same support that the Defense budget received.

I am hoping that we do not make the same mistake that we have made so many times in this House. We made a mistake early on and now we have a chance to correct it now, we have a chance to support the Horton amendment and I suggest that this is the route to go to make certain that municipal governments will be able to continue to function and the lives of people will not be put in jeopardy.

So I hope the Members in this House and everybody of good will will come forward and support the Horton amendment and not the McCandless amendment.

Mr. MAVROULES. Mr. Chairman, will the gentleman yield?

Mr. TOWNS. I yield to the gentleman from Massachusetts.

Mr. MAVROULES. I thank the gentleman for yielding.

I want to congratulate the gentleman on the statement he just made. I respect very much what the gentleman had to say on the other side of the aisle when one gentleman mentioned he had served in county government, the other member said he was a city counsellor. And I have the greatest respect for those who serve at that level of government. I also served as a mayor for six terms in a city of 50,000 people. And a known fact is that out of the 50 States, 42 States presently are now contemplating raising taxes to meet some of their problems on that level.

So I want to aline myself with the gentleman's statements that he has made and in support of the gentleman's statement.

Mr. TOWNS. I thank the gentleman.

Mr. WEISS. Mr. Chairman, will the gentleman yield?

Mr. TOWNS. I yield to the gentleman from New York.

Mr. WEISS. I thank the gentleman for yielding.

Mr. Chairman, I, too, want to commend the gentleman for an excellent statement. And in regard to his comments about the Department of Defense and its funding, it is fascinating to note that here we are trying to get only a portion of the inflationary increase since 1980 and the argument is made that that is increasing the funding for revenue sharing.

When we hear of increases in the Department of Defense funding, however, it is not keyed to keeping pace with inflation. Instead we are told "This is only a 6 or 8 percent increase above inflation."

It seems to me that we ought to have some concern about how we deal with the lives of the people in our communities back home. If my colleagues have not noticed lately, things are getting tough back there.

I thank the gentleman.

Mr. BROOKS. Mr. Chairman, I move to strike the requisite number of words and I rise in strong support of the amendment.

Mr. Chairman, I support the amendment of my friend, the gentleman from California [Mr. McCANDLESS]. The amendment would return funding

for local governments from general revenue sharing to its current level of $4.567 billion per year. Not just a penny or two, that is a pretty good sum. I certainly would prefer a funding level for revenue sharing a little bit lower than $4.567 billion. About $4.567 billion lower would just suit me fine.

But if we are going to reauthorize this program, it does not seem too much to ask the local governments to get by on the same amount of windfall that they have been receiving for the past 7 fat years.

Sacrifices are being demanded of all segments of our society as the Federal Government attempts to put its budgetary house in order. We are asking our elderly to forgo cost-of-living increases. We are cutting back on social and health programs for the neediest of our citizens.

In the light of these fiscal realities, it does seem to me that our local governments could do their part by receiving only the $4.567 billion that they currently receive instead of a larger, even more unjustified amount.

I urge my colleagues to support this amendment.

Mr. LEVIN of Michigan. Mr. Chairman, I move to strike the requisite number of words and I rise in opposition to the amendment.

Mr. Chairman, some serious points have been raised here and I would like to address them briefly.

First of all, there has been reference to the budget and to the budget deficit. As has been emphasized here, this increase is included within the budget resolution passed by this House.

□ 1910

And I think that should be taken into account by everyone who votes on this matter, whether they were for or against the budget resolution.

The budget resolution provided for a deficit lower than that presented through the administration's budget.

Second, I would ask: Why renew it at its present level? Why not, if you want to cut the budget, have the courage of your convictions, if you want to cut it this way, and move to reduce it to $3.6 or to $2.6 billion.

Mr. McCANDLESS. Mr. Chairman, will the gentleman yield?

Mr. LEVIN of Michigan. I yield to the gentleman from California.

Mr. McCANDLESS. Mr. Chairman, let me share with the gentleman a couple of thoughts, as a fellow who worked very hard in county government full time for 12 years.

All of the budgets have been put to bed in California currently, to the best of my knowledge—at least in my district they have—based upon the assumption that the Federal Government will fund the current program at the current level and that there would be no further cutbacks on that particular program.

There is no illusion of grandeur on the part of anyone in local government in the State of Califonria that the big brother on the Potomac is going to come up with another bag of gold over and above that that he already has.

So I leave that with you for whatever thought value it may have.

Mr. LEVIN of Michigan. Mr. Chairman, I appreciate the comment of the gentleman from California. As someone who was in county government for a few years, I understand that the budget process works that way. But then cut it not for this fiscal year, but the next, if this is not an important item. Say $4.6 billion this year and $3.6 next year.

I think the truth of the matter is that this is an important program. And all that this increased amount provides for is some reflection of inflation. All we will be doing is supporting local government in the next 3 years at the same level, in terms of real dollars, as in previous years—actually less, when you take into account inflation over the years.

The last point—and I think all of these have been raised seriously and deserve consideration—relates to the so-called negative revenue-sharing argument.

My colleague, the gentleman from Texas, has mentioned that, and I very much believe in his dedication to the importance of local government. But if you are going to compare deficits, it seems to me that it is only fair to take into account what has happended to State and local governments these last few years. We are not renewing revenue sharing in 1983 in the same circumstances as it was renewed several years ago. And that factor has been mentioned by several people earlier.

And let me just elaborate a bit: Of the 50 States, 47 are experiencing revenue shortfalls totaling $7.9 billion below their budget estimates. During 1982, 14 States raised the personal income taxes; 14 raised their sales taxes; 6 increased their corporate income taxes; 12 increased their motor fuel taxes, et cetera, et cetera.

So I would urge that we defeat this amendment. If we believe in the vibrancy and the importance of local government, we should put them at least next year and the 2 years thereafter in the same position, in terms of real dollars, as they have been the last few years, or at least something close to it. This is not a profligate sum we are suggesting, and I heartily urge all of my colleagues to vote in favor of this modest increase and in opposition to the amendment of the gentleman from California.

Mr. STAGGERS. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I rise in opposition to this reduction of funding revenue sharing payments to local governments to the current level.

In West Virginia we are facing unemployment at more than 17 percent, so the local governments can ill afford the reduction at this time.

Also, I would like to point out that what revenue sharing does—at least in West Virginia—is to help to supplement existing programs. It does not go just for Federal programs, but it does help to supplement these programs. Also, it does allow for discretion at the local level, which I think is an important function.

Mr. Chairman, there can be no doubt that over the past 11 years revenue sharing has provided the local governments with critically needed funding. But still, over the same period—I know it has been pointed out here earlier—the purchasing power of the grants has decreased by 135 percent as a result of inflation. The increase that we are now considering will help to restore the purchasing power which has been lost since 1980, and I think that is also important at the local level.

Across West Virginia's Second Congressional District, with which I am most familiar, revenue sharing has continued to provide local governments with the means of insuring essential community services. For instance, Mr. Chairman, the law enforcement agencies funded with revenue sharing insure that my citizens are safer, the local health services made a reality by revenue sharing insure health care for those who would be otherwise unable to care for themselves. Also, Mr. Chairman, revenue sharing grants invested in human resources insure the well-being of the elderly of West Virginia, who, in the wake of the worst recession, will be able to take care of themselves.

So, Mr. Chairman, I do speak in opposition. I think that we do need to cooperate with the local governments. As a former State official, I know that that cooperation from Washington is very important.

Ms. OAKAR. Mr. Chairman, will the gentleman yield?

Mr. STAGGERS. I yield to the gentlewoman from Ohio.

Ms. OAKAR. Mr. Chairman, I want to commend the gentleman for his remarks. I feel the gentleman has poignantly related the problems in West Virginia, which really mirror the problems in so many areas of the country. I would like to just reiterate one point that the gentleman from Michigan just made, which I think bears repeating, that the amendment offered by the gentleman from New York [Mr. HORTON] does not exceed the budget

resolution. It is within the budget that we passed. So all the rhetoric about this exceeding funds, and so forth, is really not quite true. The gentleman's amendment does not exceed the budget resolution. What it does specifically is come up to the budget resolution. That is the spirit of why we passed the budget resolution.

Mr. STAGGERS. I thank the gentlewoman for her comments. I do think that is an important point, because it does go back to the budget resolution. I think that the importance of revenue sharing to the local communities, the rural communities, is a very important element.

Mr. LOTT. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, I realize we are getting to the end of the debate on this amendment, and probably all that needs to be said has been said. But I would like to reiterate at least a couple of points.

First of all, as to myself, I was a reluctant supporter, in the beginning of revenue sharing. I was not sure it would work out. I thought there was some credibility to the argument that we did not have revenue to share from the Federal Government, and I just did not know how it would work when it got to the State and local level. But I have to confess that it has worked better than I thought it would. It is a good program, and I support it. I certainly like the idea that it is one of the few programs where whatever money we do send back home, it goes, basically, without strings, and the local people can have hearings and decide where this money is to go without direct instructions from the Federal Government.

However, I have heard a lot of gasps in this city, in the media and on both sides of the aisle about the deficit, the need to do something about it, but the only suggestion I hear in trying to really deal with the deficit is to cut it all out of defense. We cannot get it all out of defense. Nobody wants to cut any program. We do not want to cut education, we do not want to cut transportation, we do not want to cut water programs, we do not want to cut anything—we want to increase them.

In this instance, all this amendment says is: Let us just hold it at the level that it was funded last year.

As the gentleman from Texas, the chairman of the committee, so eloquently stated, we are talking about $4.567 billion here. It is not chickenfeed.

And I, too, have spoken to my elected officials, and they say, "Do not cut out revenue sharing." I respond, "It is not going to happen. But you may have it level funded." They say, "That is OK, we can live with that."

So here is an instance where the officials already recognize they may not get an increase. It is a minimal saving in a program that fundamentally is one we support. And I remind the Members that it was a Republican initiative that started this program. It is the type of program we like, but we cannot stand here and say we have got to cut other programs, we have got to deal with the deficits in these other areas and not be willing to do it minimally, just level funding, in a program that we like.

□ 1920

I urge my colleagues for a variety of reasons, not only because it is meritorious, but to avoid problems down the road, to support this level-funding amendment.

Mr. WALKER. Mr. Chairman, will the gentleman yield briefly?

Mr. LOTT. I yield to the gentleman from Pennsylvania.

Mr. WALKER. I thank the gentleman for yielding.

Mr. Chairman, I just want to make the point that the Horton amendment, while it does come very close to being at the budget level, is slightly above the budget level. It is, in fact, $4 million more than the specific budget level, so the statement that was made that it is within the budget level, it is about $4 million more.

Mr. WISE. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Harking back to the remarks of the previous speaker from West Virginia, who I think eloquently stated the problems both in our State and in the third district, I would just like to add something.

I have heard some remarks about fat years for the States. I have heard something about no tax effort, something about how the States and local governments and country governments have not really been doing the work themselves and are not cutting the mustard.

I would just like to continue a little bit with what has been happening in West Virginia. For instance, we now stand as one of the States with the highest personal income taxes per thousand dollars of income of any State in the Nation. We are at least up to and usually excelling any of the taxes that people traditionally pay. Our State legislature in the last session enacted $155 million worth of new taxes.

The public employees in our State, and teachers, have not gotten a pay raise in 2 years. It is questionable whether they will get one next year. We now have public employees' salaries for teachers 48th in the country, for public employees 50th in the Nation.

So I say to you that we have a high tax effort and diminishing resources. Somebody said, "Well, you are not making enough of an effort." Well, it has been a hard time. Oh, and I forgot also the highest unemployment in the Nation, and while it is running 17 or 18 percent statewide, in 7 of my 14 counties that I represent it is now over 30 percent.

So I say revenue sharing and the very modest increase that this amendment would strip us of is desperately needed. A 135-percent increase in cost-of-living expenses in the past few years, and yet no increase in revenue sharing. Therefore, I would urge rejection of the gentleman's amendment.

Mr. WILLIAMS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. WISE. I certainly yield to the gentleman from Ohio.

Mr. WILLIAMS of Ohio. I thank the gentleman for yielding.

Mr. Chairman, if the gentleman liked the proposed increase in revenue sharing, he is going to love the Williams amendment.

Mr. WISE. I really like that Williams amendment and am looking forward to speaking on that.

I would just like to finish one other part. I heard a while back someone say, "You do not hear much about Reaganomics on the other side of the aisle." I think I have just given you a nice recitation on Reaganomics. But I would just like to say I do not hear much about that balanced budget from the other side of the aisle.

So while we are talking about not hearing much about Reaganomics, I would like to hear why the budget is not balanced since you have gotten the spending cuts you needed, you have gotten the tax decreases that you desperately wanted, you held onto the third year of the tax cut. How come it ain't gravy, fellows?

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. WISE. I will be happy to yield to the gentleman from Pennsylvania.

Mr. WALKER. I thank the gentleman for yielding.

Mr. Chairman, I asked the gentleman to yield so a correction could be made here.

The figure that I cited earlier, evidently one figure was rounded off and the other figure was not. The Horton amendment does, in fact, come in right at the budget figure, and I did not want my previous statement to stand on the record.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. McCANDLESS) to the amendment offered by the gentleman from New York (Mr. HORTON).

The question was taken; and the Chairman announced that the ayes appeared to have.

RECORDED VOTE

Mr. WEISS. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 176, noes 248, not voting 9, as follows:

[Roll No. 307]

AYES—176

Andrews (TX)	Gramm	O'Brien
Anthony	Gregg	Obey
Archer	Gunderson	Olin
Badham	Hall, Sam	Oxley
Bartlett	Hansen (UT)	Packard
Beilenson	Hartnett	Panetta
Bennett	Hightower	Parris
Bereuter	Hiler	Patman
Bethune	Hillis	Paul
Bilirakis	Holt	Pepper
Bliley	Huckaby	Petri
Brooks	Hughes	Pickle
Broomfield	Hunter	Porter
Brown (CO)	Hutto	Pritchard
Broyhill	Hyde	Quillen
Burton (IN)	Ireland	Ray
Campbell	Jacobs	Regula
Chappell	Jenkins	Ritter
Chappie	Jones (OK)	Roberts
Cheney	Kasich	Robinson
Clarke	Kemp	Roemer
Coats	Kindness	Rostenkowski
Coleman (MO)	Kramer	Roth
Coleman (TX)	Lagomarsino	Rudd
Conable	Latta	Sawyer
Conte	Leach	Schaefer
Corcoran	Leath	Schroeder
Courter	Lehman (FL)	Schulze
Craig	Levitas	Sensenbrenner
Crane, Daniel	Lewis (CA)	Sharp
Crane, Philip	Lewis (FL)	Shaw
D'Amours	Livingston	Shumway
Daniel	Loeffler	Shuster
Dannemeyer	Long (MD)	Siljander
Daub	Lott	Skeen
DeWine	Lowery (CA)	Slattery
Dickinson	Lujan	Smith (NE)
Dingell	Lungren	Smith, Denny
Dreier	Mack	Smith, Robert
Duncan	Madigan	Snyder
Edwards (AL)	Marriott	Solomon
Edwards (OK)	Martin (IL)	Spence
Emerson	Martin (NC)	Stenholm
English	McCain	Stump
Evans (IA)	McCandless	Taylor
Fascell	McCollum	Thomas (CA)
Feighan	McCurdy	Valentine
Fields	McDade	Vander Jagt
Ford (MI)	McDonald	Vucanovich
Forsythe	McEwen	Walker
Franklin	Mica	Watkins
Frenzel	Michel	Weber
Fuqua	Molinari	Whitehurst
Gekas	Montgomery	Whittaker
Gibbons	Moorhead	Winn
Gingrich	Myers	Wirth
Glickman	Neal	Wolf
Goodling	Nelson	Young (FL)
Gradison	Nielson	

NOES—248

Ackerman	Boner	Coughlin
Addabbo	Bonior	Coyne
Akaka	Bonker	Crockett
Albosta	Borski	Daschle
Alexander	Boucher	Davis
Anderson	Boxer	de la Garza
Andrews (NC)	Breaux	Dellums
Annunzio	Britt	Derrick
Applegate	Brown (CA)	Dicks
Aspin	Bryant	Dixon
AuCoin	Burton (CA)	Donnelly
Barnard	Byron	Dorgan
Barnes	Carney	Dowdy
Bateman	Carper	Downey
Bates	Carr	Durbin
Bedell	Chandler	Dwyer
Berman	Clay	Dymally
Bevill	Clinger	Dyson
Biaggi	Coelho	Early
Boehlert	Collins	Eckart
Boggs	Conyers	Edgar
Boland	Cooper	Edwards (CA)
Erdreich	Lowry (WA)	Russo
Evans (IL)	Luken	Sabo
Fazio	Lundine	Savage
Ferraro	MacKay	Scheuer
Fiedler	Markey	Schneider
Fish	Marlenee	Schumer
Flippo	Martin (NY)	Seiberling
Florio	Martinez	Shannon
Foglietta	Matsui	Shelby
Foley	Mavroules	Sikorski
Ford (TN)	Mazzoli	Simon
Fowler	McCloskey	Sisisky
Frank	McGrath	Skelton
Frost	McHugh	Smith (FL)
Gaydos	McKernan	Smith (IA)
Gejdenson	McKinney	Smith (NJ)
Gephardt	McNulty	Snowe
Gilman	Mikulski	Solarz
Gonzalez	Miller (CA)	Spratt
Gore	Miller (OH)	St Germain
Gray	Mineta	Staggers
Green	Minish	Stangeland
Guarini	Mitchell	Stark
Hall (IN)	Moakley	Stokes
Hall (OH)	Mollohan	Stratton
Hall, Ralph	Moody	Studds
Hamilton	Moore	Sundquist
Hammerschmidt	Morrison (CT)	Swift
Hance	Morrison (WA)	Synar
Harkin	Mrazek	Tallon
Harrison	Murphy	Tauke
Hatcher	Murtha	Tauzin
Hawkins	Natcher	Thomas (GA)
Hefner	Nichols	Torres
Hertel	Nowak	Torricelli
Hopkins	Oakar	Towns
Horton	Oberstar	Traxler
Howard	Ortiz	Udall
Hoyer	Ottinger	Vandergriff
Hubbard	Owens	Vento
Johnson	Pashayan	Volkmer
Jones (NC)	Patterson	Walgren
Jones (TN)	Pease	Waxman
Kaptur	Penny	Weiss
Kastenmeier	Perkins	Wheat
Kazen	Price	Whitley
Kennelly	Pursell	Whitten
Kildee	Rahall	Williams (MT)
Kogovsek	Rangel	Williams (OH)
Kolter	Ratchford	Wise
Kostmayer	Reid	Wolpe
LaFalce	Richardson	Wortley
Lantos	Ridge	Wyden
Lehman (CA)	Rinaldo	Wylie
Leland	Rodino	Yates
Lent	Roe	Yatron
Levin	Rogers	Young (AK)
Levine	Rose	Young (MO)
Lipinski	Roukema	Zablocki
Lloyd	Rowland	Zschau
Long (LA)	Roybal	

NOT VOTING—9

Bosco	Hansen (ID)	Weaver
Erlenborn	Heftel	Wilson
Garcia	Jeffords	Wright

□ 1940

Messrs. SKELTON, BATEMAN, ROWLAND, WORTLEY, FOLEY, PRICE and HANCE changed their votes from "aye" to "no."

Mr. DANIEL, Mr. JENKINS, Mrs. SCHROEDER, Mr. WIRTH, and Mr. BEILENSON changed their votes from "no" to "aye."

So the amendment to the amendment was rejected.

The result of the vote was announced as above recorded.

Mr. BROOKS. Mr. Chairman, I rise in support of the amendment to lower the funding level for revenue sharing to the figure contained in the first concurrent resolution on the budget. It goes without saying that a funding level of $5.017 billion, in my opinion, is still too high. It is still a substantial, unwarranted, and indefensible increase over the current funding level. Any increase is just more deficit spending. But, the funding level in the Horton amendment will at least show some degree of restraint on our part and will also show that we are attempting to stay within the guidelines that we as a Congress set for ourselves in adopting the budget resolution.

I urge support for this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. HORTON).

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. DE LA GARZA. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 381, noes 43, not voting 9, as follows:

[Roll No. 308]

AYES—381

Ackerman	Coughlin	Gradison
Addabbo	Courter	Gramm
Akaka	Craig	Gregg
Albosta	Crane, Daniel	Guarini
Alexander	Crane, Philip	Gunderson
Andrews (NC)	Crockett	Hall (IN)
Andrews (TX)	D'Amours	Hall (OH)
Annunzio	Daniel	Hall, Ralph
Anthony	Dannemeyer	Hall, Sam
Archer	Daschle	Hamilton
Aspin	Daub	Hammerschmidt
AuCoin	de la Garza	Hance
Badham	Derrick	Hansen (UT)
Barnard	DeWine	Harkin
Barnes	Dickinson	Harrison
Bartlett	Dicks	Hartnett
Bateman	Dingell	Hatcher
Bates	Dixon	Hawkins
Bedell	Donnelly	Hefner
Beilenson	Dorgan	Hertel
Bennett	Dowdy	Hightower
Bereuter	Downey	Hiler
Bethune	Dreier	Hillis
Bevill	Duncan	Holt
Bilirakis	Durbin	Hopkins
Bliley	Dwyer	Horton
Boehlert	Dyson	Hoyer
Boggs	Eckart	Hubbard
Boland	Edwards (AL)	Huckaby
Boner	Edwards (OK)	Hughes
Bonior	Emerson	Hunter
Bonker	English	Hutto
Borski	Erdreich	Hyde
Boucher	Evans (IA)	Ireland
Breaux	Evans (IL)	Jacobs
Britt	Fascell	Jenkins
Brooks	Fazio	Jones (NC)
Broomfield	Feighan	Jones (OK)
Brown (CO)	Ferraro	Jones (TN)
Broyhill	Fiedler	Kaptur
Bryant	Fields	Kasich
Burton (IN)	Fish	Kastenmeier
Byron	Flippo	Kemp
Campbell	Foley	Kennelly
Carney	Ford (MI)	Kildee
Carper	Forsythe	Kindness
Carr	Fowler	Kogovsek
Chandler	Franklin	Kolter
Chappell	Frenzel	Kramer
Chappie	Frost	LaFalce
Cheney	Fuqua	Lagomarsino
Clarke	Garcia	Lantos
Clay	Gaydos	Latta
Clinger	Gekas	Leach
Coats	Gephardt	Leath
Coelho	Gibbons	Lehman (CA)
Coleman (MO)	Gilman	Lehman (FL)
Coleman (TX)	Gingrich	Lent
Conable	Glickman	Levin
Conte	Gonzalez	Levine
Cooper	Goodling	Levitas
Corcoran	Gore	Lewis (CA)

Lewis (FL)	Obey	Smith (IA)
Lipinski	Olin	Smith (NE)
Livingston	Ortiz	Smith (NJ)
Lloyd	Ottinger	Smith, Denny
Loeffler	Owens	Smith, Robert
Long (LA)	Oxley	Snowe
Long (MD)	Packard	Snyder
Lott	Panetta	Solarz
Lowery (CA)	Parris	Solomon
Lowry (WA)	Pashayan	Spence
Lujan	Patman	Spratt
Luken	Patterson	St Germain
Lundine	Paul	Staggers
Lungren	Pease	Stangeland
Mack	Penny	Stark
MacKay	Pepper	Stenholm
Madigan	Petri	Stokes
Marriott	Pickle	Stratton
Martin (IL)	Porter	Stump
Martin (NC)	Price	Sundquist
Martin (NY)	Pritchard	Swift
Martinez	Pursell	Synar
Matsui	Quillen	Tallon
Mavroules	Rangel	Tauke
Mazzoli	Ratchford	Tauzin
McCain	Ray	Taylor
McCandless	Regula	Thomas (CA)
McCloskey	Reid	Thomas (GA)
McCollum	Richardson	Torres
McCurdy	Ridge	Torricelli
McDade	Rinaldo	Towns
McDonald	Ritter	Traxler
McEwen	Roberts	Udall
McGrath	Robinson	Valentine
McHugh	Roemer	Vander Jagt
McKernan	Rogers	Vandergriff
McKinney	Rose	Vento
McNulty	Rostenkowski	Volkmer
Mica	Roth	Vucanovich
Michel	Roukema	Walgren
Mikulski	Rowland	Walker
Miller (CA)	Roybal	Watkins
Miller (OH)	Rudd	Waxman
Mineta	Sabo	Weber
Minish	Sawyer	Weiss
Moakley	Schaefer	Whitehurst
Molinari	Scheuer	Whitley
Montgomery	Schneider	Whittaker
Moody	Schroeder	Whitten
Moore	Schulze	Williams (MT)
Moorhead	Seiberling	Williams (OH)
Morrison (CT)	Sensenbrenner	Winn
Morrison (WA)	Sharp	Wirth
Mrazek	Shaw	Wise
Murphy	Shelby	Wolf
Murtha	Shumway	Wolpe
Myers	Shuster	Wortley
Natcher	Sikorski	Wyden
Neal	Siljander	Wylie
Nelson	Simon	Yates
Nichols	Sisisky	Yatron
Nielson	Skeen	Young (FL)
O'Brien	Skelton	Young (MO)
Oakar	Slattery	Zablocki
Oberstar	Smith (FL)	Zschau

NOES—43

Anderson	Edwards (CA)	Mitchell
Applegate	Florio	Mollohan
Berman	Foglietta	Nowak
Biaggi	Ford (TN)	Perkins
Boxer	Frank	Rahall
Brown (CA)	Gejdenson	Rodino
Burton (CA)	Gray	Roe
Collins	Green	Russo
Conyers	Howard	Savage
Coyne	Johnson	Schumer
Davis	Kazen	Shannon
Dellums	Kostmayer	Studds
Dymally	Leland	Wheat
Early	Markey	
Edgar	Marlenee	

NOT VOTING—9

Bosco	Heftel	Wilson
Erlenborn	Jeffords	Wright
Hansen (ID)	Weaver	Young (AK)

□ 2000

Messrs. GRAY, COYNE, DYMALLY, and DAVIS and Mrs. COLLINS changed their votes from "aye" to "no."

Messrs. TORRICELLI, RALPH M. HALL, GUARINI, and LEVINE of California changed their votes from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. WILLIAMS OF OHIO

Mr. WILLIAMS of Ohio. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WILLIAMS of Ohio: Page 2, after line 17 insert the following new section (and redesignate the succeeding sections and references thereto accordingly):

ALLOCATION OF ADDITIONAL FUNDS

SEC. 4. (a) Section 6703(b) of such title is further amended by adding at the end thereof the following: "Any amount appropriated pursuant to paragraph (2) for any entitlement period in excess of $4,566,700,000 shall be available to pay entitlement amounts allocated to units of general local government for that period under section 6709(d)."

(b) Section 6709 of such title is amended by adding at the end thereof the following new subsection:

"(d)(1) In addition to the amount allocated to each unit of general local government under subsections (a), (b), and (c) of this section for an entitlement period, the Secretary shall allocate to each unit of general local government which is located in a county area which meets the requirements of paragraph (2) an amount which bears the same ratio to the amount made available for this subsection (under the last sentence of section 6703(b)) as—

(A) the product of (i) the unemployment rate of such county area, divided by the national average rate of unemployment for the most recent 12-month period preceding the allocation for which satisfactory data are available, multiplied by (ii) the amount allocated under subsections (a), (b), and (c) to such unit for that entitlement period, bears to

(B) the sum of the products determined under subparagraph (A) for all the units of general local government located in county areas which meet the requirements of paragraph (2).

"(2) For purposes of paragraph (1), a county area meets the requirements of this paragraph for an entitlement period if, for the most recent 12 months preceding the allocation for which satisfactory data are available, such county area had an average rate of unemployment equal to or in excess of the national average rate of unemployment for such 12 months, as determined in accordance with criteria used by the Bureau of Labor Statistics of the Department of Labor in defining individuals as unemployed.

"(3)(A) Notwithstanding paragraph (1)—

"(i) no unit of general local government shall receive an allocation under this subsection which exceeds the amount allocated to such unit under subsections (a), (b), and (c) of this section;

"(ii) no unit of general local government shall receive an allocation of more than 10 percent of the amount allocated under this subsection; and

"(iii) no unit of general local government shall receive an allocation under this subsection if the per capita income of the geographic area of such unit exceeds the per capita income of the State within which such unit is located by more than 25 percent;

but the allocations under this subsection shall not be subject to the other constraints on allocations contained in section 6712.

"(B) Any amounts which remain unallocated by reason of the requirements of this paragraph shall be allocated among the units of general local government which do not receive an allocation under this subsection by ratably increasing the amount of their allocations under subsections (a), (b), and (c).".

Mr. WILLIAMS of Ohio (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. WILLIAMS of Ohio. Mr. Chairman, we all know that many areas of our country are suffering from terribly high levels of unemployment. We are all concerned about the human suffering going on in these locations and I feel sure all are interested in doing something to help them.

Today with this amendment that I am offering, we have a chance to help. We can help our ailing cities and our Johnny Lunch Buckets, the average guy who cannot find work, we can do this by targeting some extra funds to areas of high unemployment.

Before I go any further, I want to make it clear that I plan to leave alone the revenue-sharing formula. I know how precious it is to many Members. Also I will propose nothing that would reduce any community's revenue-sharing payment.

My amendment would simply take the increase in the revenue-sharing entitlement fund, an increase that we have just seen set at $450 million a year, and allocate that money to those communities suffering from high unemployment. The greater the unemployment, the larger the share of funds the community would receive.

The $4.6 billion that has been the annual revenue-sharing level for each of the last 5 years would remain the same.

So my amendment would not reduce revenue-sharing payments to any jurisdiction. My amendment deals only with the new money, the $450 million that we have just added to the bill.

Under the amendment communities eligible to receive part of that $450 million are those communities located in counties which over the past year have had unemployment rates, equal to, or higher than, the national unemployment rate for the same period.

The amendment I propose is straightforward and simple. It would not reduce revenue-sharing payments to any jurisdiction.

It would, however, direct money to where it is needed most. And please note, that many of the communities that would be eligible for funds under my amendment will have probably lost population because of plant closings and unemployment, and therefore, will receive smaller shares from the normal revenue-sharing pie.

My amendment may just keep them where they were this year with regard to revenue-sharing payments.

Mr. MITCHELL. Mr. Chairman, will the gentleman yield?

Mr. WILLIAMS of Ohio. I yield to the gentleman from Maryland.

Mr. MITCHELL. I thank the gentleman for yielding.

I think the amendment has a great deal of appeal, but I had a chance to read it. The gentleman stated again on the floor, it would be targeted to those counties that have the highest rates of unemployment.

There are one or two cities around this Nation that are independent cities. My city of Baltimore is not a part of any county. How would we fare under this?

Mr. WILLIAMS of Ohio. The reason the county data is being used is because that is what is most available. Where there is city data available, I am sure the Treasury Department would use that.

Mr. MITCHELL. I certainly think the gentleman's amendment is fair. It is not touching any of the old money. It is only touching new money, that amount of money that is obviously not sufficient to make any great dent in the unemployment problem areas, but at least it signifies to me a willingness to continue to attack the problem of unemployment where it is concentrated.

And quite frankly, with the gentleman's explanation on cities, I would urge support of the amendment.

Mr. WILLIAMS of Ohio. I thank the gentleman for his support.

Mr. Chairman, I would conclude my statement by simply saying, I have heard many of my colleagues say what the gentleman from Maryland has just said on several occasions here in the well, decrying the lack of compassion in the bureaucracy for the folks downtown.

Here is an opportunity to show some compassion for those out of work, for the communities devastated by plant closings and high unemployment rates, unable to provide the services that they deserve—the folks who live in those communities deserve, because in most cases their revenue-sharing payments are cut. Because people are leaving their communities, based upon the formulas that we currently have set forth, their revenue-sharing moneys would be cut.

I ask my colleagues not to turn their backs on our Nation's unemployed. I am sure none of the Members want to do that. I urge the Members to remember their plight. I urge the Members to keep in mind the needs of Johnny Lunch Bucket, the guy out there looking for a job, who in many cases is having his local taxes raised because revenue-sharing moneys are cut from his hard-hit community.

I urge the Members' support for this amendment, which is designed to send Federal assistance where it is most needed. It makes no sense to me to pass domestic aid legislation without directing at least some of it to the part of the country where it is so badly needed.

□ 2010

Mr. BROOKS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the amendment. While I have the highest regard for the gentleman from Ohio (Mr. WILLIAMS) in his interest in trying to assist those communities that are suffering the painful effects of high unemployment, I must oppose his amendment to allocate a portion of the revenue-sharing funds on the basis of unemployment rates.

The problem with this proposal is that unemployment data for units of government below the State level are notoriously unreliable. In fact, experts on unemployment statistics have characterized the data for smaller counties and local governments as simply "random numbers."

Mr. Chairman, allocating scarce Federal resources on the basis of random numbers would completely erode the already rather limited integrity of this ill-conceived program.

I would therefore urge my colleagues to oppose this amendment.

Mr. HORTON. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I certainly agree with the statements made by the chairman of the committee and agree with him that the gentleman from Ohio is trying to accomplish something to take care of a situation that exists in his State and in other States where there is high unemployment. This is also the case in my area. But the basic formula for revenue sharing is not designed to target funds toward a few areas where there are high economic and social needs. I would like to point out to the Members who just voted to provide for an additional $450 million over the $4.6 billion that that is the money that is being talked about here to be specifically targeted. So you would really have two programs—$450 million would be targeted toward the high unemployment areas, and those of you who voted expecting that your areas are going to be increased proportionately with the additional $450 million can just go back home and forget about it, because that money would be targeted for a purpose which is not designed to be in the revenue-sharing program.

Revenue sharing now is distributed on a formula basis. To do it with a special purpose would be different from what we have been doing, and you would be taking the new money that is allocated for revenue sharing and provide it for special targeted areas.

I might also say that there are other programs where this can now be done in community development block grants, UDAG, job assistance program. If there is a need for that, it ought to be done and especially targeted on that basis and not done through this particular bill.

Mr. WEISS. Mr. Chairman, will the gentleman yield?

Mr. HORTON. I yield to the gentleman from New York.

Mr. WEISS. I thank the gentleman for yielding to me, and I want to associate myself with his remarks.

Mr. Chairman, I think that there is a need for a specific program countercyclical in nature which is targeted exactly to the kinds of areas that the gentleman from Ohio speaks about. But to incorporate it into this revenue sharing legislation I think runs the risk of endangering this program while doing nothing at all for the countercyclical areas that need it.

When we were discussing this matter in committee, I told the gentleman and all my colleagues that we were in fact seeking to get information from the Commerce Department and the Treasury Department so that we could prepare a piece of countercyclical legislation. We are still in the process of doing that. We still have not gotten all of the data that we requested from Commerce. When we do, we will in fact introduce a specific piece of countercyclical legislation.

Mr. HORTON. I thank the gentleman. Mr. Chairman, the gentleman did inform me earlier, before we took up the bill in committee, that the subcommittee was going to look at countercyclical bills, and that they would handle them on a separate basis. But I think it would be a mistake on our part to adopt this amendment, and I urge that the Members oppose it.

Mr. WILLIAMS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. HORTON. I yield to the gentleman from Ohio.

Mr. WILLIAMS of Ohio. I think it is important to note once again that you are dealing with areas under the normal sharing factors that are used now. Those areas that have suffered plant closings are not going to get the money they got last year because of the exodus of people from those communities.

I, too, believe that everyone should get their fair share. I would love to

wait for countercyclical, and I will support the gentleman's bill; however, that will not correct the problems that are occurring with the loss of revenue sharing money. And that is what we are dealing with today.

All I want to do is keep them even. If they do not qualify with the high unemployment rates, then they will not get additional money. If they do, maybe we can keep them even.

Mr. HORTON. Just one point. There is now $450 million in the bill. If it is targeted differently, you are not going to get an increase for your communities.

I urge that the Members oppose the amendment.

Mr. KAZEN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I take the well to ask my distinguished colleague, the gentleman from Texas, a couple of questions.

This money, as I understand it, is distributed by formula. Is part of that formula the amount of taxes that are raised by any community or any State?

Mr. BROOKS. Tax effort is considered as one of the factors. That is correct.

Mr. KAZEN. Tax effort. Is unemployment one of those factors?

Mr. BROOKS. No.

Mr. KAZEN. You see, Mr. Chairman, I am caught in this dilemma, as was debated during the IMF bill: Those of us who represent areas along the Mexican border, from Brownsville to San Diego, are caught in a bind. Our tax collections have gone down tremendously; our unemployment has gone way up. The statistics that we offer you are compiled by the Commerce Department. The Laredo metropolitan area in our State of Texas is one of the highest areas of unemployment in the United States, and we are one of the lowest tax-gathering portions of the Nation, simply because we have lost most of our income and so many people are unemployed, we do not have any income with which to pay taxes.

Now, our share of revenue sharing is going to go way down this year unless we can come up with some type of help. As far as I have been able to see, the gentleman from Ohio has been the only one to come forward with a partial solution. I am not in a position to change the formula, since I am not on the Committee; I do not have the personal expertise to be able to devise a certain formula for these sections of the country for which I am speaking without doing damage to the entire bill. I do not want to do damage to the entire bill, but I certainly, Mr. Chairman, would recommend to you that some thought be given to these areas of which I am speaking.

I just do not know at this stage of the game what else I can do except to support the gentleman from Ohio, in his amendment because it at least gives my district a little bit more than I would get under the provisions of this bill.

Mr. LATTA. Mr. Chairman, will the gentleman yield?

Mr. KAZEN. I yield to the gentleman from Ohio.

Mr. LATTA. Mr. Chairman, I want to commend the gentleman for the statement he has been making because he hits the nail right on the head.

As the gentleman from Ohio pointed out in offering this amendment, the formula itself works against areas like yours because they consider tax effort. And when you lose you tax base in certain of these communities, you suffer through revenue sharing.

Now, what the gentleman from Ohio is proposing is not to touch the money that you have been getting. It is only the extra money that is being put in this bill that is going to be touched and targeted to these high unemployment areas.

So it seems to me that if we wanted to do something about these areas of high unemployment, we should support the gentleman's amendment. I think the formula itself for general revenue sharing, the part that he is not touching, other to be looked at, in view of the experience where you have people moving out because there is no employment in those areas and not penalize those people living in those areas because of the formula itself.

So I commend the gentleman for his statement, and I also want to commend the gentleman from Ohio for offering the amendment because I know of no one who works any harder to put people back to work in his district than does the gentleman from Youngstown.

Mr. KAZEN. I appreciate the gentleman's contribution.

In connection with what the gentleman has said, the formula seems to help those people who do not need the help.

Mr. LATTA. That is right.

Mr. KAZEN. And it penalizes those sections of the country that cannot help themselves.

Mr. KASICH. Mr. Chairman, will the gentleman yield?

Mr. KAZEN. I yield to the gentleman from Ohio.

Mr. KASICH. It has come to my attention that in Youngstown alone we had a loss of 30,000 people from the city of Youngstown. And I would be willing to bet that if we were to examine that population that left that city, we would find that those people who were more mobile, who could afford to travel to other areas of the country to seek employment, are the ones who left, and those who were left in those communities were those people who were the least mobile, and that means those people who really need the services that are provided for with tax collections. But if you have people there who are older, who have no income, you are depleting the city's revenues and resources. And all we do here is simply to say $450 million in new dollars, not touching the $4.6 billion, but taking the $450 million new dollars, let us do something for those areas where we have experienced severe structural unemployment, where those jobs may never come back. We need to do something for those areas, and this is only one effort to do it.

The CHAIRMAN. The time of the gentleman from Texas (Mr. KAZEN) has expired.

(On request of Mr. BROOKS and by unanimous consent, Mr. KAZEN was allowed to proceed for 2 additional minutes.)

□ 2020

Mr. KASICH. Mr. Chairman, will the gentleman yield so I can finish this?

Mr. KAZEN. I yield to the gentleman from Ohio to finish his statement.

Mr. KASICH. I appreciate the gentleman yielding.

Mr. Chairman, let me say that during the discussion on New Federalism there was discussion in many circles about the need to pinpoint Federal money in areas where you are having severe structural unemployment problems. This simply is another effort, just like the jobs bill, where we tried to target money to areas of high unemployment. This is right along that line. We are not talking about changing the basic structure of revenue sharing, just the $450 million extra, and I commend the gentleman from Youngstown for offering the amendment.

Mr. BROOKS. Mr. Chairman, will the gentleman yield?

Mr. KAZEN. I will be delighted to yield to my colleague, the gentleman from Texas.

(On request of Mr. BROOKS and by unanimous consent, Mr. KAZEN was allowed to proceed for 1 additional minute.)

Mr. BROOKS. I thank the gentleman for yielding.

Mr. Chairman, to my beloved friend from Laredo, the tax effort is the total tax revenue divided by the personal income. If, as you say, the personal income in your district is down substantially, and the tax revenues are down substantially, the answer, when you divide it, might be the same, and your tax effort might not be cut. That is the factor that is applied in the formula. That is why this formula that they now have is probably the best that we have for giving away money

and for making Christmas come here in August rather than in December.

Mr. KAZEN. I will tell the gentleman that I agree with him. My per capita income, and I represent 3 of the lowest 10 counties in per capita income in the country, and I represent 4 of the highest unemployment counties in the country, and those that do not have the tax effort and income, because they just do not have the income, these are the people, and this is the type of district that I represent and that I am arguing for standing here in the well.

I am not trying to destroy your formula, I will say to my colleague from Texas. But I do want to find some way to help people who cannot help themselves.

Mr. SMITH of Iowa. Mr. Chairman, will the gentleman yield?

Mr. KAZEN. Yes; I would be delighted to yield to the gentleman from Iowa.

Mr. SMITH of Iowa. I thank the gentleman for yielding.

Mr. Chairman, the argument we heard over here is one of the best arguments against the amendment. One of the reasons some communities have slightly less than the national average is because they had some mobile people who moved out. They abandoned the community. And now you are going to hold them to the same dollar level they got last year and not give them a cost-of-living increase.

That is an argument against this amendment. I want to tell you this, too: The statistics, as the gentleman from Texas said, that are being used are very inaccurate. Cities of large hard-core areas are not properly represented.

The CHAIRMAN. The time of the gentleman from Texas (Mr. PICKLE) has again expired.

(On request of Mr. SMITH of Iowa and by unanimous consent, Mr. KAZEN was allowed to proceed for 2 additional minutes.)

Mr. SMITH of Iowa. If the gentleman will yield further, cities that have large hardcore areas do not show up on the unemployment statistics as having high unemployment because there are so many people there who have never had a job. Largely, these statistics measure those who were lucky enough to have had jobs long enough to have accomplished getting on unemployment compensation when they were out of work. It discriminates against cities of large hardcore unemployment areas, and also against rural areas where we have so many people who have never had a job.

This would make this bill so discriminatory that it removes any excuse for a good many of us to support it from now on. It is no longer a national bill when you get into this kind of thing.

Mr. KAZEN. Let me just tell my colleague that I am speaking for my district. I have not had an outmigration from our cities. My people are not mobile, as they are in other parts of the country. They are still there. Their plight comes from the devaluation of the Mexican peso because close to 90 percent of our commerce was with Mexico.

Since IMF placed all those conditions on Mexico, and since the Mexican people cannot cross over to buy anything because of the devaluation of their money, we have had the largest number of bankruptcies that we have ever experienced in the history of south Texas. These are the people who are still living there. These are the people who must continue to have the services that every city must offer. We just do not have the tax base, we do not have the revenue. We have the high unemployment. We do not know how in the world to help ourselves, and I am here in the well pleading with my colleagues to please, give us just a little slice of this pie that we are slicing here today.

Mr. SMITH of Iowa. Mr. Chairman, will the gentleman yield?

Mr. KAZEN. I yield to the gentleman from Iowa.

Mr. SMITH of Iowa. I thank the gentleman for yielding.

Mr. Chairman, I just want to point out to the gentleman that it is for that reason that we put $315 million in EDA, even though the administration asked nothing. That comes out of the subcommittee I happen to chair. That is the reason we put money into SBA. You do not have to bollix up every other program. We have programs that are specially designed to reach that kind of purpose, and I am supporting them.

The CHAIRMAN. The time of the gentleman from Texas (Mr. KAZEN) has again expired.

(By unanimous consent, Mr. KAZEN was allowed to proceed for 1 additional minute.)

Mr. KAZEN. I appreciate what the gentleman has done in his committee, but who in my district, what small business, is going to borrow money when they are no longer in business?

Mr. SMITH of Iowa. EDA is not that kind of a program. EDA goes to the city. You have development program, you have all kinds of programs in EDA. That is not the kind of a program we are talking about at all. It will go where it will help, where this will do very little to help, as a matter of fact.

Mr. KAZEN. If it were so, I do not know why I have been getting calls all day from my cities asking me to please do something to help them direct came at the money in this bill to them.

Mr. WISE. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, I rise in favor of the amendment offered by the gentleman from Ohio. I think it is an important amendment. As he has well pointed out, it does not reduce the amount that is presently going to any area. We are talking about approximately $450 million.

What can it mean? It can mean the difference in one of my counties, for instance, of whether or not there is a policeman out on the county roads at night. That is right. We have six deputies in one of my counties, and one of the hard-hit counties, with 30 percent unemployment; six deputies. The difference is whether or not there is coverage on a night shift. It makes a difference as to whether the town of Clendenin, which has an antiquated jail and is the only holding facility for 25 miles in any direction, actually is able to hold prisoners anymore. It makes a difference as to whether there are some basic services being offered.

I think it is important to recognize what this does. It does not reduce the money that you are presently getting. Second, it deals with the basic problem that the gentleman from Texas discussed and which many of us face in our counties.

We have diminishing resources. We have a declining tax base. At a time in the communities when they need help the most, we have the least ability to respond.

This amendment by the gentleman from Ohio addresses that and says we will give you a little more help. That is what unemployment is all about. It makes you weak. It is a debilitating affliction. This simply says we will give those areas a special recognition; not much recognition, but we will give them enough and perhaps that will help some of them.

I know in the 14 counties I represent, spread over 200-some miles, it could help a lot. I urge adoption of the gentleman's amendment.

Mr. VOLKMER. Mr. Chairman, will the gentleman yield?

Mr. WISE. Certainly. I would be glad to yield to the gentleman from Missouri.

Mr. VOLKMER. I thank the gentleman for yielding.

If you cannot answer my problem, perhaps the gentleman who sponsored the amendment can.

Mr. Chairman, looking over the amendment, I am just curious as to how you allocate the funds, the $450 million, between those areas of local government who do qualify because of high unemployment.

Mr. WISE. I will yield to the gentleman from Ohio (Mr. WILLIAMS) for a response.

□ 2030

Mr. WILLIAMS of Ohio. It would be based upon unemployment data, county by county across the country, using county figures.

Mr. VOLKMER. On the percentage of unemployment?

Mr. WILLIAMS of Ohio. Yes, anybody equal to the national average or above. The factor that would be used would be a weighted factor. For example, if you are suffering a 15-percent unemployment, you would divide the national average, which is 10, into that and come up with a weighted factor of 1.5 If you are 17 percent, you would have a factor of 1.7.

You would take every county that is eligible that is equal or over the national average and determine who they are and set them aside to divide up the $450 million. Then you would use the weighted factor, which in essence says that if you are suffering large unemployment, you are going to get a larger portion of the $450 million.

Mr. VOLKMER. Well, I still do not understand one factor in it, and that factor is, where does the population factor come in?

Mr. WILLIAMS of Ohio. That formular is the orignial formula for the $4.6 billion population tax base.

Mr. VOLKMER. I know, but where does that come in the gentleman's formula?

Mr. WILLIAMS of Ohio. It does not.

Mr. VOLKMER. It is only allocated, then, on percentage of unemployment over and above the weighted national average?

Mr. WILLIAMS of Ohio. That is correct. But we are taking only the $450 million.

Mr. VOLKMER. If is have a unit of local govenment, one that has 15-percent unemployment and has a 10,000 population, and then I have another unit of local government that has 500,000 population with 15 percent, then I get the same amount of money for the 10,000 as I do for the 500,000?

Mr. WILLIAMS of Ohio. It is multiplied by the amount of revenue sharing that they are currently getting. They cannot get more than that.

I am sorry; I did not understand the gentleman, so that the population factor does figure.

Mr. VOLKMER. It is multiplied by the amount that you get under the existing formula?

Mr. WILLIAMS of Ohio. That is right, computed against the current share they are getting under the $4.6 billion.

Mr. VOLKMER. I still question then whether the gentleman's formula will actually work when we get down to the $450 million.

Mr. WILLIAMS of Ohio. It will work, because we are dealing strictly with unemployment and the other factor. I misunderstood the gentleman's question. I did not answer properly.

The population factor does apply in the current share that an eligible entity is receiving and it does apply.

Mr. VOLKMER. But if you multiply it against what they are presently receiving to add to, that does not necessarily arrive at $450 million. It could be more or less.

Mr. WILLIAMS of Ohio. If the gentleman wants, I will try to answer that with this statement.

You multiply the qualifying community's normal revenue sharing payment by the weighted factor of the county in which they are located, if you are talking about a city of 10,000 or 50,000. You total those products.

The CHAIRMAN. The time of the gentleman from West Virginia has expired.

(At the request of Mr. WILLIAMS of Ohio, and by unanimous consent, Mr. WISE was allowed to proceed for 1 additional minute.)

Mr. WILLIAMS of Ohio. Mr. Chairman, will the gentleman yield further?

Mr. WISE. I yield.

Mr. WILLIAMS of Ohio. You total those two products, compute each eligible community's percentage share of that total; then you give each qualifying community the same percentage share of the $450 million that they would get when you total those products.

Mr. DE LA GARZA. Mr. Chairman, I move to strike the requisite number of words. I rise in support of the Williams amendment.

Mr. Chairman, I do so to bring out a couple of factors.

First, one with which I am concerned and makes me feel that maybe the House would need to remind itself of the conception of this legislation. I did not support the first revenue sharing legislation for the same reason that now my distinguished colleague, the gentleman from Texas, the chairman, and the distinguished ranking minority member are opposing the amendment.

I said then that it was inequitable, that we were only going to help those that already had and did not need.

I remember the chairman then answering that question that, yes, it was geared to those that were efficient, to those that were productive, to those that got more taxes from their populace.

I think now the gentleman from Ohio is bringing some degree of equity and justice. Call it another program, OK. This is the vehicle we have before us and more studies or arguing that you are not going to get accurate figures, I think that argument we should not even discuss.

Let me tell you what the accurate figures could be. The members of the committee are concerned with what is going to happen to the $450 million. I will tell you what is going to happen if we do not adopt this amendment. It will be split between Montgomery County, Md., and Fairfax County, Va. That is where all the $450 million could go, because those are the two highest per capita income counties in the country. Those are the two highest tax collection counties in the country and that is where your $450 million is going, to the two highest income counties in the country.

Mr. WOLF. Mr. Chairman, will the gentleman yield?

Mr. DE LA GARZA. I yield very briefly.

Mr. WOLF. We will accept the money tonight. I thank the gentleman.

Mr. DE LA GARZA. The gentleman agrees with me.

The two highest areas of unemployment that need to be targeted are the inner cities, the large cities, and the rural areas, this is where you have the high unemployment.

I see nothing wrong with adding a little degree of equity to this legislation, to quote the chairman of the committee. I see nothing wrong to add legitimacy to this legislation and bring a little equity and a little justice.

Unless you want to split it with a very few rich counties, I think the best thing we could do at this point is to support the amendment of the gentleman from Ohio, because this added money could just go to two or three counties, really. Otherwise, we will not be helping those who need it at this time.

Ms. OAKAR. Mr. Chairman, I move to strike the requisite number of words. I support the amendment of the gentleman from Ohio.

I just want to point out two quick things. One is that I agree with the chairman of the committee, my good friend and one of the great leaders of this House, when he says that unemployment figures are often wrong. That is very true. They are often wrong and they are usually higher in high unemployment areas than the Department of Labor statistics.

Another point I would like to make is that a lot of times we hear from our colleagues who say, "You know, my State does not statistically show that we have high unemployment, but my specific area has high unemployment, and yet unemployment compensation and programs of that nature do not really trigger properly for my specific county."

The great thing about this amendment is that it is targeted very specifically and it does not use the kind of formulas, for example, that we use for unemployment compensation.

So for those of you who really feel strongly that while your State might not have the national unemployment

figures that your area does, this is the perfect amendment for you to support.

I want to commend my colleague, the gentleman from Ohio, and one of our minority leaders, the gentleman from Ohio (Mr. LATTA) for his statement and others. Their statements were excellent.

For those of you who may not be affected by this amendment, my appeal would be to think of the national interest and to think in terms of those people who are suffering and are in great pain. I hope we can get beyond the provincial as well. I urge support of this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. WILLIAMS).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. WILLIAMS of Ohio. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 154, noes 259, not voting 20, as follows:

[Roll No. 309]

AYES—154

Albosta	Gradison	Oberstar
Annunzio	Gray	Obey
Applegate	Guarini	Ortiz
AuCoin	Hall (IN)	Owens
Bates	Hall (OH)	Oxley
Berman	Hance	Paul
Bevill	Harrison	Pease
Bonior	Hawkins	Perkins
Bonker	Hertel	Petri
Borski	Hillis	Price
Boucher	Howard	Pursell
Broomfield	Hughes	Rahall
Brown (CA)	Jacobs	Rangel
Burton (IN)	Kaptur	Regula
Carr	Kasich	Reid
Clay	Kastenmeier	Richardson
Clinger	Kazen	Ridge
Coats	Kemp	Ritter
Coelho	Kildee	Rodino
Collins	Kindness	Roe
Conte	Kogovsek	Rogers
Conyers	Kolter	Rostenkowski
Corcoran	Kostmayer	Russo
Coughlin	LaFalce	Savage
Courter	Latta	Sawyer
Coyne	Lehman (CA)	Schroeder
Crane, Daniel	Leland	Schulze
Crockett	Levin	Seiberling
Davis	Livingston	Sensenbrenner
de la Garza	Long (LA)	Sharp
Dellums	Lowry (WA)	Shelby
DeWine	Luken	Shuster
Dicks	Madigan	Siljander
Dingell	Martin (IL)	Staggers
Dixon	Matsui	Stokes
Duncan	McDade	Sundquist
Durbin	McEwen	Swift
Dymally	McKinney	Tauke
Eckart	Michel	Torres
Erdreich	Mikulski	Towns
Evans (IL)	Miller (CA)	Traxler
Feighan	Miller (OH)	Vander Jagt
Fields	Minish	Williams (MT)
Florio	Mitchell	Williams (OH)
Foglietta	Mollohan	Wise
Foley	Moody	Wolpe
Ford (MI)	Murphy	Wyden
Ford (TN)	Murtha	Wylie
Gaydos	Nichols	Yatron
Gekas	Nowak	Zablocki
Gonzalez	O'Brien	
Goodling	Oakar	

NOES—259

Ackerman	Gilman	Packard
Addabbo	Gingrich	Panetta
Akaka	Glickman	Pashayan
Alexander	Gore	Patman
Anderson	Gramm	Patterson
Andrews (NC)	Green	Penny
Andrews (TX)	Gregg	Pepper
Anthony	Gunderson	Pickle
Archer	Hall, Ralph	Porter
Aspin	Hall, Sam	Quillen
Badham	Hamilton	Ratchford
Barnard	Hammerschmidt	Ray
Barnes	Hansen (UT)	Rinaldo
Bartlett	Harkin	Roberts
Bateman	Hartnett	Robinson
Bedell	Hatcher	Roemer
Beilenson	Hefner	Roth
Bennett	Hightower	Roukema
Bereuter	Hiler	Rowland
Bethune	Holt	Roybal
Bilirakis	Hopkins	Rudd
Bliley	Horton	Sabo
Boehlert	Hoyer	Schaefer
Boggs	Hubbard	Scheuer
Boland	Huckaby	Schneider
Boner	Hunter	Schumer
Boxer	Hutto	Shannon
Breaux	Hyde	Shaw
Britt	Ireland	Shumway
Brooks	Jenkins	Sikorski
Brown (CO)	Johnson	Sisisky
Broyhill	Jones (NC)	Skeen
Bryant	Jones (OK)	Skelton
Burton (CA)	Jones (TN)	Slattery
Byron	Kennelly	Smith (FL)
Campbell	Kramer	Smith (IA)
Carney	Lagomarsino	Smith (NE)
Carper	Lantos	Smith (NJ)
Chandler	Leach	Smith, Denny
Chappell	Leath	Smith, Robert
Chappie	Lehman (FL)	Snowe
Cheney	Lent	Snyder
Clarke	Levine	Solarz
Coleman (MO)	Levitas	Solomon
Coleman (TX)	Lewis (FL)	Spence
Conable	Lipinski	Spratt
Cooper	Lloyd	St Germain
Craig	Loeffler	Stangeland
Crane, Philip	Lott	Stenholm
D'Amours	Lowery (CA)	Stratton
Daniel	Lujan	Studds
Dannemeyer	Lungren	Stump
Daschle	Mack	Synar
Daub	MacKay	Tallon
Derrick	Markey	Tauzin
Dickinson	Marlenee	Taylor
Donnelly	Marriott	Thomas (CA)
Dorgan	Martin (NC)	Thomas (GA)
Dowdy	Martin (NY)	Torricelli
Downey	Martinez	Udall
Dreier	Mavroules	Valentine
Dwyer	Mazzoli	Vandergriff
Dyson	McCain	Vento
Early	McCandless	Volkmer
Edgar	McCloskey	Vucanovich
Edwards (AL)	McCollum	Walgren
Edwards (CA)	McCurdy	Walker
Edwards (OK)	McDonald	Watkins
Emerson	McGrath	Waxman
English	McHugh	Weber
Evans (IA)	McKernan	Weiss
Fascell	McNulty	Wheat
Fazio	Mica	Whitehurst
Ferraro	Moakley	Whitley
Fiedler	Molinari	Whittaker
Fish	Montgomery	Whitten
Flippo	Moore	Winn
Fowler	Morrison (CT)	Wirth
Frank	Morrison (WA)	Wolf
Franklin	Mrazek	Wortley
Frenzel	Myers	Yates
Frost	Natcher	Young (AK)
Fuqua	Neal	Young (FL)
Garcia	Nelson	Young (MO)
Gejdenson	Nielson	Zschau
Gephardt	Olin	
Gibbons	Ottinger	

NOT VOTING—20

Biaggi	Lewis (CA)	Rose
Bosco	Long (MD)	Simon
Erlenborn	Lundine	Stark
Forsythe	Mineta	Weaver
Hansen (ID)	Moorhead	Wilson
Heftel	Parris	Wright
Jeffords	Pritchard	

□ 2050

Messrs. NICHOLS, PERKINS, BEVILL, and AUCOIN changed their votes from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. Are there any additional amendments to section 3?

AMENDMENT OFFERED BY MR. WALKER

Mr. WALKER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WALKER: Page 2, after line 17, insert the following new section (and redesignate the succeeding sections and references thereto accordingly):

WAIVER OF WAGE RATE RESTRICTIONS TO INCREASE EMPLOYMENT

SEC. 4. Section 6704(a) of title 31, United States Code, is amended by adding at the end thereof the following: "The Secretary may waive the requirements of paragraph (4) or (5), or both, if a State government or unit of general local government demonstrates that such waiver will enable it to substantially increase the level of employment which it can support with funds made available under this chapter.".

PARLIAMENTARY INQUIRY

Mr. LEVITAS (during the reading). Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. LEVITAS. Would the Chairman explain whether the Clerk is reporting an amendment or is reading for amendment? I cannot hear.

The CHAIRMAN. The Clerk is reporting the amendment offered by the gentleman from Pennsylvania (Mr. WALKER).

The Clerk will read.

The Clerk continued the reading of the amendment.

Mr. WALKER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. WALKER. Mr. Chairman, the amendment I am offering will provide an opportunity for the revenue-sharing program to help put some people to work.

My amendment will accomplish this by establishing a waiver procedure for the Davis-Bacon provisions contained in the revenue-sharing statute. I am not trying to break any new legislative ground. I am not mounting any kind of an all-out attack on the Davis-Bacon provisions. I am trying to put people to work and I am trying to reduce the unemployment lines.

Briefly I want to explain my amendment and urge that it be passed. Under my proposal recipients of revenue-sharing funds could apply for a waiver of Davis-Bacon requirements

and related prevailing wage provisions of the revenue-sharing statute if the recipients can show that a waiver will substantially increase the level of employment generated by projects in which the funds are used. I want to stress that last part of my amendment first: A waiver of Davis-Bacon provisions could only be granted if the applicant effectively proves that doing so will result in substantially more people at work on a particular project.

In our subcommittee hearings we heard rather incredible testimony where the federally determined Davis-Bacon prevailing wage was $14 an hour for a skilled construction worker while the actual wage paid on a non-Federal project was half of that or $7 an hour.

□ 2100

We also heard testimony to the effect that local officials avoid using revenue-sharing funds for construction projects so that they will not have to deal with the expense of complying with Davis-Bacon.

The conclusion is obvious. Fewer workers are being hired as a result of those Davis-Bacon provisions that are contained in the Revenue Sharing Act. Frankly, in some communities, no construction workers are being hired because of those requirements and that disturbs me greatly.

In 1979, the GAO made the following recommendations to Congress. First:

The Congress should repeal the Davis-Bacon Act.

And Second:

Congress should repeal the provisions in 77 related statutes which involve federally assisted construction projects and which require that wages paid to contractor employees be not lower than those determined by the Secretary of Labor to prevail in the locality, in accordance with the Davis-Bacon Act.

I must emphasize that my amendment does not seek in any way, shape, or form, to repeal the Davis-Bacon provisions in the Revenue Sharing Act, despite the GAO's recommendation. I only want to provide for a waiver of the requirement. And the waiver would be optional and it would be approved only if significantly more jobs were available as a result of that waiver. Numerous local officials who came before our subcommittee testified that they thought this amendment was a good idea, that it would in fact bring about more use of revenue-sharing funds for construction related projects.

Recently, the Advisory Commission on Intergovernmental Relations circulated the final chapter of their study on regulatory federalism. ACIR recommends modification or elimination of crosscutting Federal requirements, including Davis-Bacon.

In conclusion, I want to reiterate the emphasis of my amendment.

The focus is on jobs. A Davis-Bacon waiver would only be sought and granted if it put more people to work.

I urge the House to adopt this amendment and go on record in favor of jobs instead of special interest power. We know that special interests are perfectly willing to deny Americans jobs in order to protect their own perks.

This committee should not be a party to that kind of callous, indefensive wielding of power. We should be willing to support more employment for the people of this country even in the face of the demands of the power brokers.

My amendment means more jobs, and more jobs should be our highest priority as we consider this legislation.

Mr. GEKAS. Mr. Chairman, would the gentleman yield?

Mr. WALKER. I yield to the gentleman from Pennsylvania.

Mr. GEKAS. I thank the gentleman for yielding.

One thing that the gentleman spoke about piques my interest and I would like to ask the gentleman. Suppose a community or a county commissioner's group decided, as a result of the gentleman's amendment, if it should pass, that it was going to enter into a construction type of project, rather than the kind that they had been considering in the past. Would that in itself alone be able to allow them to certify that more jobs would be created under the gentleman's criteria?

Mr. WALKER. They would have to demonstrate that by waiving Davis-Bacon in the course of that construction that they could in fact provide more work. And in making that kind of a statement to the Secretary, he could then grant them the waiver if they could show that substantially more jobs would be created. But just the idea of instituting a construction project would not be something that in and of itself would result in a grant of a waiver.

Mr. GEKAS. I thank the gentleman.

Mr. BROOKS. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I oppose this amendment. The Davis-Bacon Act and similar provisions of other laws represent a statement of Federal policy which is applicable across the board to the expenditure of Federal funds. As long as that policy stands, it is appropriate that it should be applicable to revenue sharing just as it is to other programs. If that policy is to be changed, it should be done on a comprehensive basis rather than piecemeal in legislation dealing with individual programs such as general revenue sharing. A similar amendment was offered in the committee markup where it was soundly rejected. I urge my colleagues to reject it now as well.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania (Mr. WALKER).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. WALKER. Mr. Chairman, I demand a recorded vote.

A recorded vote was refused.

So the amendment was rejected.

Mr. BROOKS. Mr. Chairman, it is getting late and we have been working on this wonderful, wonderful bill since 4:20. And the Speaker wants us to finish it tonight. I think we should finish it tonight. To implement and encourage that culmination of this great effort to bring Christmas early, I ask unanimous consent that the remainder of the bill be printed in the RECORD and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The text of the remainder of the bill is as follows:

ELIMINATION OF CATEGORICAL GRANT REFUND REQUIREMENT

SEC. 4. Section 6705 of title 31, United States Code, is amended by striking out everything after the first sentence thereof.

ELIMINATION OF SPECIAL PROVISIONS RELATING TO LOUISIANA SHERIFFS

SEC. 5. (a) Chapter 67 of title 31, United States Code, is amended by striking out section 6710.

(b)(1) The chapter analysis of chapter 67 of such title is amended by striking out the item pertaining to section 6710.

(2) Section 6701(a)(5) of such title is amended—

(A) by inserting "and" at the end of subparagraph (A);

(B) by striking out "; and" at the end of subparagraph (B) and inserting in lieu thereof a period; and

(C) by striking out subparagraph (C).

(3) Section 6703(b)(2) of such title is amended by striking out "6708-6710" and inserting in lieu thereof "6708 and 6709".

(4) Section 6707(a)(2) of such title is amended by striking out "6708-6710" and inserting in lieu thereof "6708 and 6709".

(5) Section 6712(b) of such title is amended by striking out paragraph (4) thereof.

ADJUSTING DEFINITION OF MASSACHUSETTS TAX EFFORT

SEC. 6. Section 6713 of title 31, United States Code, is amended by adding at the end thereof the following new subsection:

"(d)(1) For the purposes of allocating amounts under sections 6708 and 6709 among units of general local government within the Commonwealth of Massachusetts for the entitlement period beginning October 1, 1983, the adjusted taxes of those governments shall include property taxes levied for the Commonwealth's 1982 fiscal year and recognized as fiscal year 1982 receipts pursuant to Massachusetts General Laws, chapter 59, sections 21 and 23, and chapter 44, sections 35 through 46.

"(2) No tax collections credited to any unit of general local government under this

subsection for fiscal year 1982 shall be credited to that unit of general local government for any other fiscal year.".

REQUIREMENT FOR AUDITS FOR EACH FISCAL PERIOD

SEC. 7. (a) Section 6723(a) of title 31, United States Code, is amended—

(1) by striking out "expecting to receive" in the first sentence of paragraph (1) and inserting in lieu thereof "which receives";

(2) by striking out "at least once every 3 years in such sentence;

(3) by inserting after such sentence the following: "Such audit shall be made annually except that, if the government operates on a biennial fiscal period, such audit shall be made biennially but shall cover the financial statement or statements for, and compliance with the requirements of this chapter during, both years within such period.";

(4) by striking out "auditing standards" in the last sentence of such paragraph and inserting in lieu thereof "government auditing standards issued by the Comptroller General of the United States"; and

(5) by striking out the second sentence of paragraph (2).

(b) Section 6723(b) of such title is amended to read as follows:

"(b) Not later than thirty days following completion of the audit, the government shall submit a copy of the audit report to the Secretary and the audit report shall be made available for public inspection. This availability shall be publicized in such a manner as to encourage and facilitate such inspection.".

(c) Section 6723(c) of such title is amended to read as follows:

"(c) Under regulations of the Secretary of the Treasury, the Secretary may waive the requirement of subsection (a)(1) of this section for a State government or unit of general local government for a fiscal year if the Secretary decides that the financial statements of that government for such year cannot be audited, and the government shows substantial progress in making the statements auditable."

(d)(1) Section 6723 of such title is further amended by striking out subsection (d) and by redesignating subsections (e), (f), and (g) as subsections (d), (e), and (f), respectively.

(2) Section 6724(a)(2)(B) of such title is ameded by striking out "6723 (a)-(e) and (g)"; and inserting in lieu thereof "6723 (a)-(d) and (f)".

TECHNICAL AMENDMENTS

SEC. 8. (a)(1) Section 6701(c) of title 31, United States Code, is amended by striking out the last sentence and inserting in lieu thereof the following: "Except as provided in regulations prescribed by the Secretary of the Treasury, the Secretary shall make data computations based on the ratio of the estimated population of the part to the population of the entire unit of general local government.".

"(2) Section 6701(d) is amended by inserting "annexation," after "constitutional change,".

"(3) Section 6701(e)(2) is amended by striking out "having one unit of general local government" and inserting in lieu thereof "and the sole unit of general local government in the area".

"(b) Section 6704(a) of such title is amended—

(1) by inserting "under this chapter" before the semicolon at the end of paragraph (1);

(2) by striking out "received under" in paragraph (3) and inserting in lieu thereof "so received in accordance with";

(3) by striking out "consistent" in paragraph (5) and inserting in lieu thereof "in accordance";

(4) by striking out "section 6723(b)" in paragraph (7) and inserting in lieu thereof "section 6723(f)";

(5) by striking out "and" at the end of such paragraph (7);

(6) by striking out the period at the end of paragraph (8) and inserting in lieu thereof a semicolon; and

(7) by inserting after such paragraph the following new paragraphs:

"(9) the government will comply with section 6714 of this title; and

"(10) the government will comply with section 6723 of this title,".

(c) Section 6707 of such title is amended—

(1) by striking out the second sentence of subsection (c)(5); and

(2) by adding at the end of such section the following new subsection:

"(e) For purposes of this section, 'urbanized population' shall be determined on the basis used by the Bureau of the Census for general statistical purposes.".

"(d)(1) Section 6708(a)(2)(A) is amended by inserting "(as determined under section 6709(a)(2)(A))" after "adjusted taxes".

(2) Section 6712(a)(2)(A)) is amended by inserting "(as determined under section 6709(a)(2)(A))" after "adjusted taxes".

"(e) Section 6713(a) of such title is amended by inserting "before the beginning of the entitlement period" immediately after "Secretary of Commerce".

"(f) Section 6716 is amended by striking out "when" in subsections (a) and (b) and inserting in lieu thereof "if".

"(g) Section 6716(c)(1) is amended by inserting before the period at the end the following: "with respect to which the allegation of discrimination is made".

"(h) Section 6717 is amended—

"(1) by striking out "a part" in subsection (b)(3) and inserting in lieu thereof "any part";

"(2) by striking out "except when" in subsection (c) and inserting in lieu thereof "unless";

"(3) by striking out "When" in such subsection and inserting in lieu thereof "If"; and

(4) by inserting "of discrimination" after "The holding" in subsection (e).

(i) Section 6718(b) is amended by striking out "about" and inserting in lieu thereof "based on".

STUDY OF REPRESENTATIVE TAX SYSTEM

SEC. 9. (a) The Secretary of the Treasury, in consultation with the Secretary of Commerce, the Comptroller General of the United States, and the Advisory Commission on Intergovernmental Relations, shall—

(1) study and develop the use of the representative tax system for purposes of allocation under chapter 67 of title 31, United States Code;

(2) conduct a study of alternatives to the use of personal income as a measure of the fiscal capacity of State governments and units of general local government, for purpose of allocation under chapter 67 of title 31, United States Code; and

(3) conduct a study of existing formulas used to allocate Federal funds or to determine eligibility for receipt of Federal funds.

(b) The Secretary of Commerce shall determine, specify, and collect whatever data and statistical estimates are necessary to develop the system described in subsection (a)(1).

(c) The Secretary of the Treasury shall also consult with the Secretary of Labor with respect to the study required by subsection (a)(3) and such study shall include an analysis of the mathematical form of the formulas, the data and statistics used to implement the formulas, and the management of the formulas by Federal agencies.

(d)(1) The Secretary of the Treasury shall submit to Congress a report on the findings of the studies required under subsections (a)(1) and (2), including any recommendations for legislation, not later than two years after the date of enactment of this Act.

(2) Not later than two years after the date of enactment of this Act, the Secretary shall submit to Congress a report on the findings of the study required by subsection (a)(3), together with his recommendations for the improvement of the structure and the management of those formulas.

EFFECTIVE DATE

SEC. 10. (a) Except as provided in subsection (b), the amendments made by this Act shall apply to entitlement periods (as such term is defined in section 6701(a)(1) of title 31, United States Code) beginning on or after October 1, 1983.

(b) The amendments made by section 7 shall apply with respect to any fiscal year (or period) of any State government or unit of general local government beginning on or after October 1, 1983.

Mr. BROOKS. Mr. Chairman, we have about four major amendments. I have one that is not very major.

Mr. Chairman, I ask unanimous consent that consideration of the bill and all amendments thereto be concluded at 10 o'clock.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The CHAIRMAN. Are there amendments to section 3?

The Chair will inform the Committee that due to the unanimous-consent request just made by the gentleman from Texas (Mr. BROOKS), the bill is now open to amendment at any point, section 3 through the remainder of the bill.

AMENDMENT OFFERED BY MR. M'CANDLESS

Mr. McCANDLESS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. McCANDLESS: Page 2, beginning on line 18, strike out section 4 through line 22 and insert in lieu thereof the following:

ELIMINATION OF STATE SHARE

SEC. 4. Section 6703(b)(1) of title 31, United States Code, is amended by inserting after "each entitlement period" the following: "beginning before October 1, 1983".

□ 2110

Mr. McCANDLESS. Mr. Chairman, my amendment eliminates authorization in the bill for the States' share of revenue sharing. As written, H.R. 2780 continues States eligibility subject to appropriation.

Frankly, I see no need to continue the charade. Revenue-sharing funds for the States have not been appropriated since 1980, and I honestly doubt that our budget will allow appropriation in the next 3 years. Let us be honest with the Governors and State legislators and tell them there will be no State share by entitlement or through the appropriations process. It has been the will of Congress; let us recognize it by passing this amendment.

I would be remiss if I did not argue that my proposal is a "budget-sensitive" amendment. H.R. 2780 authorizes $2.3 billion for the States subject to appropriation. Suppose our colleagues call our bluff and the money is appropriated. Are we ready to share the responsibility?

It is our responsibility to establish priorities. We simply cannot afford to give money to everyone. If we are serious about reducing the deficit and containing inflation, we can ill afford spending money we do not have.

I suggest it is prudent to provide funding directly to local governments where it can be used most efficiently and with maximum participation by taxpayers. I urge my colleagues to reject State participation in any form.

Mr. BROOKS. Mr. Chairman, I rise in support of the gentleman's amendment.

Mr. Chairman, I rise in support of this amendment to eliminate the authorization for revenue sharing payments to State governments.

In reauthorizing general revenue sharing in 1980, Congress eliminated the state share entirely for fiscal year 1981, and made payments to State governments subject to the appropriations process for fiscal years 1982 and 1983. This judicious act of budgetary restraint was taken with the knowledge that while the Federal Government was facing a fiscal year 1981 budget deficit of nearly $60 billion, most States enjoyed the luxury of budget surpluses.

Supporters of retaining the State share authorization argue that while the States may have been in good fiscal shape in 1980, many have since fallen on hard times and are, therefore, desperately in need of revenue sharing funds. But we cannot ignore the even more serious deterioration of the Federal Government's financial condition.

Restricting State government participation in the General revenue-sharing program made good economic sense when the Federal budget deficit stood at $60 billion per year, and eliminating the State share authorization entirely makes even better sense as annual deficits spiral up to the $200 billion level.

Finally, in recent years the States have continually insisted that the Federal Government put its fiscal house in order. In fact, 35 State legislatures have adopted resolutions calling for a constitutional amendment to require a balanced Federal budget. Eliminating the State share of general revenue sharing represents a relatively small, but important, step toward achieving the goal of a balanced budget, and I urge an affirmative vote on this amendment.

Mr. WEISS. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, the reason that there were no moneys appropriated was because the amendment that was adopted in 1980, in addition to authorizing the State's portion of an authorized basis rather than entitlement, also included the provision of the gentleman from Georgia (Mr. LEVITAS), which said that even if money were appropriated by the Congress, the States, in order to take that money down, had to turn in dollar for dollar money from their categorical grant programs. Of course, no State, at a time when their programs were being cut to smithereens, would apply for revenue-sharing money under those conditions.

I should also point out that since the last new authorization in 1980, when you could say that the States were flush, at least they were running a mild surplus, have almost all of them reached crisis proportions. Twenty-one of them now are running a budget deficit. Eight States raised their individual income taxes during the last 2 years. Thirteen States raised their sales taxes. And other taxes have been adopted by 27 other States. We are not giving money to the States by this provision. All that we are saying is that there should be an authorization so that if the Appropriations Committee at the appropriate time decides that there are good and valid reasons to provide funding, in fact it would be permissible to do so.

I think that the amendment ought to be defeated so that the States could have a shot at getting those moneys that the Appropriations Committee felt it was appropriate and Congress then voted for the funding.

Mr. HORTON. Mr. Chairman, will the gentleman yield?

Mr. WEISS. I yield to the gentleman from New York.

Mr. HORTON. I would like to associate myself with the gentleman's views, and I rise also in opposition to the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. MCCANDLESS).

The question was taken; and on a division (demanded by Mr. MCCANDLESS) there were—ayes 42, noes 43.

RECORDED VOTE

Mr. McCANDLESS. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Was the gentleman seeking recognition at the time of the announcement of the vote?

Mr. McCANDLESS. Yes, Mr. Chairman.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 218, noes 193, not voting 22 as follows:

[Roll No. 310]

AYES—218

Albosta	Gingrich	Murphy
Alexander	Glickman	Murtha
Anderson	Goodling	Myers
Andrews (NC)	Gore	Neal
Andrews (TX)	Gradison	Nelson
Annunzio	Gramm	Nielson
Applegate	Gregg	Olin
Archer	Hall, Ralph	Oxley
AuCoin	Hall, Sam	Packard
Badham	Hance	Patman
Barnard	Hansen (UT)	Paul
Bartlett	Harkin	Pease
Bateman	Hartnett	Penny
Bates	Hefner	Pickle
Bedell	Hightower	Porter
Bennett	Hiler	Price
Bethune	Hillis	Ray
Bevill	Holt	Regula
Bilirakis	Hopkins	Roberts
Bliley	Hubbard	Robinson
Boggs	Huckaby	Roemer
Boner	Hunter	Rogers
Bonker	Hutto	Roth
Breaux	Hyde	Rowland
Brooks	Ireland	Rudd
Broomfield	Jacobs	Schaefer
Brown (CA)	Jenkins	Schroeder
Brown (CO)	Jones (NC)	Sensenbrenner
Broyhill	Jones (OK)	Sharp
Bryant	Jones (TN)	Shaw
Burton (IN)	Kasich	Shumway
Byron	Kemp	Shuster
Campbell	Kindness	Sikorski
Carper	Kramer	Siljander
Chandler	Lagomarsino	Simon
Chappell	Lantos	Skeen
Chappie	Latta	Skelton
Cheney	Leach	Slattery
Clarke	Leath	Smith (IA)
Coats	Lehman (FL)	Smith, Denny
Coelho	Levitas	Smith, Robert
Coleman (MO)	Lewis (CA)	Snyder
Conable	Lewis (FL)	Solomon
Cooper	Livingston	Spence
Corcoran	Lloyd	Spratt
Coughlin	Loeffler	Stangeland
Craig	Long (LA)	Stenholm
Crane, Daniel	Long (MD)	Stratton
Crane, Philip	Lott	Stump
D'Amours	Lowery (CA)	Synar
Daniel	Lujan	Tauzin
Dannemeyer	Lundine	Taylor
de la Garza	Lungren	Udall
Derrick	Mack	Valentine
DeWine	Madigan	Vander Jagt
Dicks	Marriott	Vandergriff
Donnelly	Martin (IL)	Vento
Dowdy	McCain	Volkmer
Dreier	McCandless	Vucanovich
Edwards (OK)	McCollum	Walker
Emerson	McCurdy	Watkins
English	McDade	Whitehurst
Erdreich	McDonald	Whitley
Evans (IA)	McEwen	Whittaker
Fascell	McNulty	Whitten
Fiedler	Mica	Winn
Fields	Michel	Wirth
Flippo	Miller (CA)	Wolf
Franklin	Miller (OH)	Wylie
Frenzel	Montgomery	Young (AK)
Frost	Moore	Young (FL)
Fuqua	Moorhead	Zschau
Gibbons	Morrison (WA)	

NOES—193

Ackerman	Green	Pashayan
Addabbo	Guarini	Patterson
Akaka	Gunderson	Perkins
Anthony	Hall (IN)	Petri
Aspin	Hall (OH)	Pursell
Barnes	Hamilton	Quillen
Beilenson	Hammerschmidt	Rahall
Bereuter	Harrison	Rangel
Berman	Hatcher	Ratchford
Boehlert	Hawkins	Reid
Boland	Hertel	Richardson
Bonior	Horton	Ridge
Borski	Howard	Rinaldo
Boucher	Hoyer	Ritter
Boxer	Hughes	Rodino
Britt	Johnson	Roe
Burton (CA)	Kaptur	Rostenkowski
Carney	Kastenmeier	Roukema
Carr	Kazen	Roybal
Clay	Kennelly	Russo
Clinger	Kildee	Sabo
Coleman (TX)	Kogovsek	Savage
Collins	Kolter	Sawyer
Conte	Kostmayer	Scheuer
Conyers	LaFalce	Schneider
Courter	Lehman (CA)	Schulze
Coyne	Leland	Schumer
Crockett	Lent	Seiberling
Daschle	Levin	Shannon
Daub	Levine	Shelby
Davis	Lowry (WA)	Sisisky
Dellums	Luken	Smith (FL)
Dickinson	MacKay	Smith (NE)
Dingell	Markey	Smith (NJ)
Dorgan	Marlenee	Snowe
Downey	Martin (NC)	Solarz
Duncan	Martin (NY)	Staggers
Durbin	Martinez	Stokes
Dwyer	Matsui	Studds
Dymally	Mavroules	Sundquist
Dyson	Mazzoli	Swift
Early	McCloskey	Tallon
Eckart	McGrath	Tauke
Edgar	McHugh	Thomas (CA)
Edwards (AL)	McKernan	Thomas (GA)
Edwards (CA)	McKinney	Torres
Evans (IL)	Mikulski	Torricelli
Fazio	Minish	Towns
Feighan	Mitchell	Traxler
Ferraro	Moakley	Walgren
Fish	Molinari	Waxman
Florio	Mollohan	Weiss
Foglietta	Moody	Wheat
Foley	Morrison (CT)	Williams (MT)
Ford (MI)	Mrazek	Williams (OH)
Ford (TN)	Natcher	Wise
Fowler	Nichols	Wolpe
Garcia	Nowak	Wortley
Gaydos	Oakar	Wyden
Gejdenson	Oberstar	Yates
Gekas	Obey	Yatron
Gephardt	Ortiz	Young (MO)
Gilman	Ottinger	Zablocki
Gonzalez	Owens	
Gray	Panetta	

NOT VOTING—22

Biaggi	Jeffords	St Germain
Bosco	Lipinski	Stark
Dixon	Mineta	Weaver
Erlenborn	O'Brien	Weber
Forsythe	Parris	Wilson
Frank	Pepper	Wright
Hansen (ID)	Pritchard	
Heftel	Rose	

□ 2130

Mr. GEJDENSON and Mr. MARKEY changed their votes from "aye" to "no."

Mr. CLARKE and Mr. COLEMAN of Missouri changed their votes from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. BROOKS

Mr. BROOKS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BROOKS: Page 3, beginning on line 1, strike out all of section 5 through line 20 and redesignate the succeeding sections and references thereto accordingly.

Mr. BROOKS. Mr. Chairman, the amendment I am offering would restore the special allocation of general revenue-sharing funds for Louisiana sheriffs. Our friends from the Pelican State, the State of my birth, make the argument that sheriffs in Louisiana have special duties and functions that make them a special case in terms of revenue-sharing fund allocations. Our friends from Louisiana make this argument very effectively, because every time funding for the sheriffs is taken out, it manages to reappear in the revenue sharing authorization by the time the bill is enacted. I predict that no matter what happens with this amendment, this will be the case if revenue sharing is reenacted this year. Therefore, I think we in the House ought to spare ourselves the futile exercise of deleting Louisiana sheriffs since the end result will be their inclusion. I urge support for the amendment.

Mr. LEVITAS. Mr. Chairman, will the gentleman yield?

Mr. BROOKS. I yield to my distinguished friend, the gentleman from Georgia.

Mr. LEVITAS. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I was simply going to seek recognition to say that the amendment which I had printed in the RECORD relating to the States' share under the tit-for-tat amendment will not be offered in light of the vote on the last amendment, which I voted for; however, I say this in order to get the attention of the chairman of the subcommittee and the full committee that in the event the other body should retain the States' share of revenue sharing for purposes of conference, I would expect that the tit-for-tat grant tradeoff would be considered as a compromise position between the House position and the other body's position in the event this gets to conference on that issue. In other words I will oppose any conference position that simply retains the State share of the program without a grant trading position as exists in the present law.

I thank the gentleman from Texas for yielding in connection with his amendment, with the pistol of the Senator from Louisiana held closely to our heads.

Mr. WEISS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I oppose this amendment, not because I have anything personal against the sheriffs of Louisiana. From what I am told about them, they really are exceedingly fine public servants.

The difficulty is that as distinguished from the other recipients of revenue-sharing funds, who are general purpose governments, the Louisiana sheriffs are special purpose units of governments. They are not alone in performing some functions that municipalities or counties or localities in other places perform. There is no reason for them to be included in this legislation at all and, indeed, this House has never on its own voted to include them in. What has happened invariably is that when we have gotten to conference and the senior Senator from Louisiana, who used to be chairman of the Finance Committee, would get us in that conference, the basis for adoption of revenue sharing was inclusion of the Louisiana sheriffs. That may once again confront us, although the situation is different this year; however, it seems to me that it ought not to be this body which undercuts the legitimacy of the revenue-sharing program.

I know that my distinguished chairman has only the best interests of this House and of the revenue-sharing bill at heart; but I would urge nonetheless that we defeat his proposed amendment.

Mr. BREAUX. Mr. Chairman, will the gentleman yield?

Mr. WEISS. I am pleased to yield to my friend, the gentleman from Louisiana.

Mr. BREAUX. Mr. Chairman, I thank the gentleman for yielding.

I would just say for the Members who are wondering about why we are so confused in this situation in Louisiana, the amendment does not give the State of Louisiana a nickel more than it would normally get. It just allows the State to divide their shares and name the sheriffs in Louisiana as one of the direct recipients. The sheriffs in Louisiana are different in the way they are elected and they are different in the way they get their funding to run their offices. The only thing the amendment does is to allow them to be named as a recipient. It does not give the State any more money at all.

□ 2140

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas (Mr. BROOKS).

The amendment was agreed to.

AMENDMENTS OFFERED BY MR. LEVIN OF MICHIGAN

Mr. LEVIN of Michigan. Mr. Chairman, I offer two amendments, and I ask unanimous consent that they be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The CHAIRMAN. The Clerk will report the amendments.

The Clerk read as follows:

Amendments offered by Mr. LEVIN of Michigan: Page 2, after line 22, insert the

following new section (and redesignate the succeeding sections and references thereto accordingly):

COMPUTATIONS OF ENTITLEMENT USING REPRESENTATIVE TAX SYSTEM

SEC. 5. Section 6707 of title 31, United States Code, is amended—

(1) by striking out subparagraph (B) of subsection (b)(2) and inserting in lieu thereof the following:

"(B) the fiscal capacity of the State and of all units of general local government located in such State, as determined by the Secretary by means of the representative tax system developed pursuant to subsection (f).";

(2) by striking out subparagraphs (A) and (B) of subsection (b)(3) and inserting in lieu thereof the following:

"(A) the numerator is the per capita fiscal capacity of the United States, as determined by the Secretary by means of the representative tax system developed pursuant to subsection (f); and

"(B) the denominator is the per capita fiscal capacity of the State, as determined by the Secretary by such means.";

(3) by striking out clauses (i) and (ii) of subsection (c)(2)(A) and inserting in lieu thereof the following:

"(i) the numerator is the per capita fiscal capacity of the United States, as determined by the Secretary by means of the representative tax system developed pursuant to subsection (f); and

"(ii) the denominator is the per capita fiscal capacity of the State, as determined by the Secretary by such means, bears to"; and

(4) by adding at the end thereof the following new subsections:

"(e) The amount allocated to any State under this subsection (b) or (c) of this section as a consequence of the amendments made by section 5 of the State and Local Fiscal Assistance Amendments of 1983 shall not exceed by more than 10 percent the amount which would be allocated to such State if such amendments had not been enacted.

"(f)(1) The term 'representative tax system' means a method of determining the fiscal capacity of a government by estimating the amount of revenue that such government would raise if it applied a national uniform set of tax rates to a specified set of tax bases.

"(2) The Secretary, inconsultation with the Secretary of Commerce, the Secretary of the Interior, the Comptroller General of the United States, and the Advisory Commission on Intergovernmental Relations, shall develop a representative tax system similar to the representative tax system described in the March 1982 report of such Commission entitled 'Tax Capacity of the Fifty States: Methodology and Estimates'. The Secretary of Commerce shall collect whatever data and statistical estimates are necessary to develop and implement such a system.

"(3) When the Secretary has developed a representative tax system under subparagraph (2), or proposes to amend such system, the Secretary shall, in accordance with the provision of section 553 of title 5, United States Code, provide public notice of such system or amendment and an opportunity to interested persons to comment on such system or amendment. A report on such system or amendment shall be submitted to the Committee on Finance of the Senate and the Committee on Government Operations of the House of Representatives as soon as practicable after the period for receiving comments from interested persons has ended.

"(4) After compliance with the requirements of subparagraph (3), a representative tax system developed under subparagraph (2), and any amendment made to such system, shall take effect not sooner than 45 days after publication in final form in the Federal Register and concurrent transmittal to each House of Congress.

"(5) Until the Secretary has developed a representative tax system under subparagraph (2), the Secretary shall use the representative tax system and data provided in the most recently revised version of the March 1982 report described in subparagraph (2).".

Page 8, beginning on line 5, strike out all of section 9 through line 14 on page 10 and redesignate the succeeding section accordingly.

Page 9, strike out lines 10 through 12, and on lines 13 and 18, redesignate paragraphs (2) and (3) as paragraphs (1) and (2), respectively.

Page 9, strike out lines 21 through 23, and on line 24, redesignate subsection (c) as subsection (b).

Page 10, line 1, strike out "subsection (a)(3)" and insert in lieu thereof "subsection (a)(1)"; on line 7, strike out "subsections (a)(1) and (2)" and insert in lieu thereof "subsection (a)(1)"; and on line 12, strike out "subsection (a)(3)" and insert in lieu thereof "subsection (a)(2)".

Mr. LEVIN of Michigan (during the reading). Mr. Chairman, I ask unanimous consent that the amendments be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. LEVIN of Michigan. Mr. Chairman, I have tried to circulate this amendment broadly. It has been printed in the RECORD and we have circularized information regarding it.

There presently is an inequity in the revenue-sharing system. It relates to how tax effort and tax capacity are calculated.

As we know, there is a three-part and there is a five-part formula. Both of them contain reference to tax effort and to tax capacity.

The problem is that while in determining tax effort all of the resources of a State are considered in calculating what revenues are raised from those resources, when it comes to tax capacity the only thing considered is personal income.

Several years ago this Congress, this Congress asked the GAO to take a look at the personal income bases in these formulas. Let me read briefly what they said. "We have already studied this matter."

The GAO said "Residents' personal income, however, is an incomplete measure of tax capacity. It only measures income at the point it is received in the form of wages, salaries, et cetera. Income is also taxed through severance, commercial industrial property or sales tax where it is produced or used for consumption."

This is a complex amendment. It involves a simple and important principle but it has effect.

Let me, if I might, continue to discuss it in terms of the GAO report.

It continued "Another drawback of personal income is its inability to reflect the diversity of revenue sources within a State."

So what is proposed instead of the use of personal income alone as a determination of tax capacity, what is proposed in this amendment is to use the RTS, representative tax system, that has been worked on for 20 years.

What is would do would be to use 26 different bases to determine how a State taxes itself, determine national average, and then apply that national average to the bases within the State.

In a word, what is included in tax efforts, members of the committee, should also be included in determining tax effort. It is really that simple.

Let me say a word about a few other aspects of this.

Is this a regional proposal? The answer is "No."

The major gainers under this approach would include Alabama, Arizona, Georgia, Michigan, New York, Tennessee, North Carolina, Pennsylvania, Rhode Island, and Wisconsin.

Mr. EDGAR. Mr. Chairman, will the gentleman yield?

Mr. LEVIN of Michigan. I yield to the gentleman from Pennsylvania.

Mr. EDGAR. I would like to commend the gentleman in the well for his amendment and indicate that the gentleman in the well has shared with the gentleman from Pennsylvania some specific analyses of the States that he has outlined that in fact are gainers under the formula the gentleman is offering.

I think those who are supportive of an earlier amendment on targeting to areas of economic distress by unemployment should also be interested in targeting the revenue sharing funds to those areas of need.

I think the gentleman's amendment provides that targeting mechanism and I urge my colleagues to support the gentleman's amendment and I urge them also to listen carefully to what the formula does.

It is a late hour. It is a late time to be bringing this amendment up. But I think the gentleman from Michigan offers an amendment that should be supported across the House floor, and I commend the gentleman for his efforts.

Mr. Chairman, I rise in strong support of the Levin amendment to H.R. 2780, the general revenue sharing reauthorization bill. I think the gentleman from Michigan has shown real leadership in putting together an amendment which would insure a

fairer and more equitable allocation of revenue sharing funds among the States.

There can be little doubt that general revenue sharing has become the most important Federal program of direct aid to localities. Since 1972, the GRS program has distributed billions of dollars to 39,000 State and local governments, for almost every reasonable government purpose. To a good portion of these governments, this means that GRS moneys are used for education and capital infrastructure improvements, while social services for the elderly, the sick and the indigent rank high on the list of prominent uses by other areas.

And even though the rate of inflation has eroded the value of revenue sharing dollars, decreasing by about 50 percent since 1976, these payments play a vital role to the localities which are charged with providing these services. Indeed, it can be argued that many local governments find revenue sharing moneys more essential than ever before.

There is simply no doubt that should we in Congress fail to renew the program, there would be immediate and severe layoffs and hiring freezes, cutbacks in services, escalating taxes and delayed capital projects.

The general revenue sharing program that we have before us today also includes 2 very important targeting principles. The first is that the Federal Government—especially, in time of tight budgets—ought to assist those governments with low relative fiscal capacity to meet the needs of their citizens. Taking tax capacity into account gives recognition to the fact that fiscally poor States would have to impose a much heavier tax burden on their citizens than would fiscally rich States providing similar benefits to their needy population. The second principle is that the Federal Government ought to provide more reveunue sharing aid to those States which provide their citizens public services from their own revenue sources.

But these principles have been "biased", in recent years, by the measures of tax capacity and tax effort used in the general revenue sharing interstate formulas. The tax capacity factor used personal income as a proxy for evaluating a State's ability to raise revenues. The theory behind using personal income is that taxes are eventually paid out of personal income, so the higher the personal income level of a State, the more revenue that State can raise. However, this is only part of the picture. There are several State taxes which are not paid out of the personal income of residents of that State.

For example, some States apply a severance tax to natural resources extracted from the State. This tax is usually passed on the consumers, but those consumers do not necessarily reside in the State which imposed the severance tax. Other examples of taxes which do not necessarily fall on the personal income of the residents of a State include sales and entertainment taxes paid by tourists, value-added taxes paid by consumers of goods manufactured in other States, and corporate income taxes.

The current system, which uses only personal income as a measure of tax capacity, understates the ability of some States to raise revenue. These States can and do raise money in ways not measured by the current system.

In addition, the current tax effort measure used in the general revenue sharing program—defined as the total taxes collected in State divided by the State's capacity— also has drawn increasing criticism in past years because it uses income as a measure of a State's tax capacity. Distortions are particularly great for the energy producing and tourism—rich States.

To overcome these deficiencies, the Advisory Commission on Intergovernmental relations developed another measure for tax capacity—and, thereby, tax effort—by estimating the amount of revenue the state-local system would have generated had it made use of all its taxable resources. According to the General Accounting Office (GAO), this representative tax system (RTS) approach is superior to personal income as an indicator of tax capacity because it reflects the major revenue sources available to State and local governments."

The primary advantage of the representative tax system is that it addresses all regional comparative advantages, such as corporate, mineral, sales, or farm wealth, as well as residential property values. Indeed, the Levin amendment would help States in all regions of the country—East, Midwest, South, and West.

In conclusion, I would like to commend the gentleman from Michigan for offering this important amendment and hope you join me in supporting his amendment to H.R. 2780.

Mr. LEVIN of Michigan. I thank the gentleman.

Let me conclude because others want to speak.

The CHAIRMAN. The time of the gentleman from Michigan (Mr. LEVIN) has expired.

(On request of Mr. EDGAR and by unanimous consent Mr. LEVIN of Michigan was allowed to proceed for 3 additional minutes.)

Mr. LEVIN of Michigan. There is the argument that all right, it is unjust. There is the argument that all right, it is used in Canada and we know how it works there. But let us wait until next year.

We would have to wait until 3 years from now. This is an unjust system. It has been studied.

The time for this body and the 350 or so Members whose States would gain by equity, it is the time for all of us to join together and once and for all end an unjust formula and insert a well-studied proposal, the RTS, in lieu of it.

I urge support of all of us in favor of this amendment.

Mr. OBERSTAR. Mr. Chairman, will the gentleman yield?

Mr. LEVIN of Michigan. I yield to the gentleman from Minnesota.

Mr. OBERSTAR. I want to rise in strong support of the gentleman's amendment. It makes good sense. It is a balanced approach, a far better approach, than the system included in the bill now which deals only with personal or per capita income as a basis for one of the factors in revenue sharing; whereas the representative tax system would include all potential sources of tax revenue for a State. That would mean including corporate taxes, sales taxes, property tax, energy severance taxes. That is important because that is one of those taxes that energy rich States export to consumer States.

By including all of these factors into the tax aspect of the revenue-sharing formula we would be developing a fair and a representative basis for distributing the revenue-sharing funds.

I urge the support of the Members for the Levin amendment.

Mr. WOLPE. Mr. Chairman, will the gentleman yield?

Mr. LEVIN of Michigan. I yield to the gentleman from Michigan.

Mr. WOLPE. I thank the gentleman for yielding.

I want to join in commending the gentleman in the well for introducing this amendment. I urge my colleagues to take a very close look at it.

I urge my colleagues to take a very close look at the State-by-State analysis of the impact of the Levin amendment on the distribution of revenue sharing dollars.

The revenue sharing formula takes as a given the notion that States should be rewarded on the basis of their tax effort. The present problem with the present formula is that its measure of tax effort and its measure of tax capacity is an unfair one. It does not really measure the total resources available to a given State in the taxation that is imposed by that State.

What this measurement does is to build in all of the available resources available to a State so that it will offer a more fair distribution of the Federal revenue sharing dollars.

It should be noted that when we decontrolled the price of oil in this country certain States that had the energy resources experienced a huge increase in revenues and, as a consequence of that increase in revenue, those States

ended up with a higher percentage rather than a lower percentage of Federal revenue sharing dollars at the expense of energy consuming States throughout the country.

□ 2150

At the expense of energy consuming States throughout the country.

Ms. OAKAR. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan be given 2 additional minutes.

Mr. GRAMM. Reserving the right to object.

Ms. OAKAR. One additional minute.

Mr. GRAMM. Mr. Chairman, we have now under the unanimous-consent request only 10 minutes.

I would like to inquire as to how the Chair proposes that we divide that 10 minutes up to be assured that those who oppose the amendment have similar time to those who have spoken on its behalf.

The CHAIRMAN. The next Member to be recognized will be one who rises in opposition to the amendment

Ms. OAKAR. I ask unanimous consent that the gentleman be allowed to proceed.

The CHAIRMAN. For how many additional minutes?

Ms. OAKAR. For 1 additional minute.

The CHAIRMAN. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

Ms. OAKAR. Mr. Chairman, will the gentleman yield?

Mr. LEVIN of Michigan. I yield to the gentlewoman from Ohio.

Ms. OAKAR. I thank the gentleman for yielding.

Mr. Chairman, I feel this is one of the most thoughtful amendments ever offered concerning this bill.

It is very unfortunate that it is so late because somehow I do not get the feeling that all of us are willing to really absorb the impact of what the gentleman's formula is all about, which is really a corrective formula.

I just urge my colleagues to really try to analyze what the gentleman from Michigan is trying to do, which is eminently fair. I hope we pass the gentleman's amendment. I am only sorry that is offered at this hour, that he was not able to offer it sooner, because I think if we had a chance to study it, there is no question that it should pass.

I am hoping we will be in a position to pass it even at this late hour.

Mr. CLINGER. Mr. Chairman, will the gentleman yield?

Mr. LEVIN of Michigan. I yield to the gentleman from Pennsylvania.

Mr. CLINGER. I thank the gentleman for yielding.

Mr. Chairman, I would like to associate myself with this amendment, I think it is an excellent amendment because it does represent a move toward fairness in changing the basis on which we decide what the share should be.

Mr. Chairman, I rise in support of the amendment to H.R. 2780 offered by the gentleman from Michigan (Mr. LEVIN). This amendment seeks to include a fairer, more equitable definition of the tax capacity and tax effort of States in the formulas for distribution of general revenue-sharing funds. Under the formulas used during the previous authorization periods, distribution of revenue-sharing dollars has been linked to the tax capacity, or ability to generate revenue, of the States. The capacity, or tax base, has then been compared to the revenues actually raised in the particular State. The ratio of capacity to revenue is used to measure the tax effort of the State, or how heavy the State tax burden is on the residents of that State. These formulas were designed to provide for a fair distribution of Federal dollars to needy States and localities across the Nation. They have worked well, providing much needed funds to communities with far less ability to raise revenues than the Federal Government.

The formulas for distribution of funds are complex and this amendment does not seek to change them. What this amendment does is to provide for a clearer picture of tax capacity so that the formulas can work better in directing revenue-sharing funds to governmental units who are meeting their own revenue raising responsibilities. Currently, tax capacity of a State is measured by the total personal income of that State on the theory that taxes will be paid out of personal income and therefore State revenues are intrinsically linked to them. This measure, however, presents only a portion of the revenue picture. Many States rely on severance taxes on natural resources as a major revenue raising tool. Others rely heavily on sales taxes, value-added taxes, entertainment taxes and corporate income taxes, all not necessarily linked to personal income. The represenative tax system, offered in this amendment, would take into account all of the possible revenue raising tools used by a State in computing tax capacity and in turn, tax effort. By doing so the data base of revenue sharing formulas is expanded and a more accurate reading of States' revenue raising initiatives is possible. This adjustment will correct the problem of underestimating a State's tax capacity which is the natural result from looking only at personal income in determining that capacity.

Mr. Chairman, there has been some criticism of this method of computing tax capacity and effort focusing on the possibility that some States may receive a smaller share of revenue sharing moneys should this system be adopted. In point of fact, the Commonwealth of Pennsylvania will increase its share of funds by 0.42 percent under the representative tax system and 40 other States will receive more funds or a larger share under H.R. 2780 if this amendment is adopted. It is true that nine States will receive less funding if this amendment is adopted, but the States gaining the most from implementation of the representative tax system are those whose tax capacity has been most severely overstated in the past or whose tax effort has been most severely understated. On balance, Mr. Chairman, this amendment would benefit most States in the Nation by presenting a truer indicator of their fiscal health and thus allowing for a more responsible, more equitable distribution of Federal revenue sharing funds.

In enacting this legislation before us today, we in Congress bear a great responsibility. If general revenue sharing is to be available to all States in the Union, we must do our best to insure a fair distribution of funds. This amendment makes an adjustment in definitions relating to the distribution of revenue sharing funds which provides for a more accurate and equitable allocation of Federal money. It is an opportunity for Congress to meet its responsibility to safeguard taxpayer dollars and I urge my colleagues to take the opportunity and adopt the amendment.

Mr. BROOKS. Mr. Chairman, I move to strike the last word, and I rise in opposition to the amendments.

Mr. Chairman, although the proposal by the gentleman from Michigan is interesting, I must oppose including this approach in the revenue-sharing program at this time. Those of us who have lived with revenue sharing over the past decade know that when you change just one element of the complex allocation formulas, you may end up with rather surprising—and unintended—results.

Mr. Chairman, during its consideration of H.R. 2780, the committee carefully examined the representative tax system approach proposed in this amendment. The committee concluded that since the proposed change would represent a rather dramatic revision of the current allocation formulas, further analysis of this method is necessary.

H.R. 2780 therefore directs that the Secretary of the Treasury, in consultation with the Secretary of Commerce, the Comptroller General, and the Advisory Commission on Intergovernmental Relations, to study and develop the representative tax system for possible use in the revenue-sharing allocation formulas. The Secretary is required to submit a report to Congress on his findings and recommendations

within 2 years. The information would thus be available for considering formula changes at a later date.

Mr. Chairman, I believe that the committee has proposed a thoughtful and prudent approach to an extremely complex issue. I would also point out that the National League of Cities and the National Association of Counties—two organizations representing thousands of local governments that would be affected by this amendment—have advised the committee that they adamantly oppose any formula changes at this time. Both endorse the committee's proposal for further analysis of this issue.

I therefore urge my colleagues to oppose the gentleman's amendment.

Mr. RICHARDSON. Mr. Chairman, will the gentleman yield?

Mr. BROOKS. I yield to my friend, the gentleman from New Mexico.

Mr. RICHARDSON. I thank the gentleman for yielding.

Mr. Chairman, I rise in opposition to the Levin amendment.

The Western Governors' Policy Office (Westpo) is strongly opposed to the representative tax system (RTS). Congressman LEVIN'S amendment to H.R. 2780 would incorporate the RTS into the general revenue sharing allocation formula. Opposition to the Levin amendment is based on the following points:

During its deliberations on H.R. 2780, the House Government Operations Committee rejected a similar proposal. The committee realized that many complex fiscal interrelationships are at stake and directed further study of the possible use of an RTS measure in the general revenue sharing formula.

Although the staff of the Advisory Commission on Intergovernmental Relations has undertaken extensive studies of the RTS, the Commission itself has not formally endorsed the concept as an alternative to the current general revenue sharing formula. The National Governors Association (NGA) has likewise declined to endorse the RTS concept.

Under the current $4.6 billion authorization level the Levin amendment would reduce the amount of general revenue sharing funds received by 11 of the 13 Westpo States. These reductions will create hardships for States which have already planned budgets for the coming fiscal year based on current formula allocations.

EFFECTS OF LEVIN AMENDMENT ON WESTPO STATES

[In millions of dollars]

	Current general revenue sharing formula	Levin amendment
Alaska	37.0	21.0
Arizona	55.1	61.2
Colorado	51.8	51.6
Idaho	18.6	17.3

EFFECTS OF LEVIN AMENDMENT ON WESTPO STATES—Continued

[In millions of dollars]

	Current general revenue sharing formula	Levin amendment
Montana	18.7	13.1
Nebraska	28.5	27.7
Nevada	13.9	12.7
New Mexico	36.8	21.9
North Dakota	13.9	9.4
South Dakota	15.8	12.0
Utah	34.6	32.7
Washington	66.9	70.6
Wyoming	11.6	6.4
Total	403.2	357.6

Note: Assumes current authorization level of $4.566 billion.

Mr. WEISS. Mr. Chairman, will the gentleman yield?

Mr. BROOKS. I yield to the gentleman from New York.

Mr. WEISS. I thank my chairman for yielding.

I simply want to state that I would be sorely tempted to support this amendment because my State would benefit to a greater extent than any other State if this amendment were adopted.

The difficulty is—and I hope it has not escaped my colleagues—the revenue sharing program is not that universally loved. We lost a couple of significant amendments today. I think that the adoption of this amendment could in fact endanger the continuation of the revenue sharing program. I would much rather build toward adoption of it than just precipitously throw it on the floor at this point and drop it.

Mr. WISE. Mr. Chairman, will the gentleman yield?

Mr. BROOKS. I yield to the gentleman from West Virginia.

Mr. WISE. I thank the gentleman for yielding.

Mr. Chairman, I also rise in opposition. I point out this formula they propose to change is based heavily on energy taxes. They say somehow we are exporting, because we produce coal, taxes.

I come from the State with the highest unemployment in the Nation. If you think we are exporting those taxes what about the shoes from the Northeast, the lumber from the Northwest—those costs get passed on.

I ask you to look at our depleted reserves, the damage, the reclamation that must be done, and realize this formula is quite radical and dangerous and greatly changes the allocation, and at this late hour of the night we ought not to change something so significant.

Mr. WILLIAMS of Montana. Mr. Chairman, will the gentleman yield?

Mr. BROOKS. I yield to the gentleman from Montana.

Mr. WILLIAMS of Montana. I thank the gentleman for yielding.

Mr. Chairman, I rise in opposition to the gentleman's amendment. The amendment is not a simple manipulation of Federal revenue sharing formulas. Rather, it is a dramatic refashioning, a transformation of the Federal consideration of equitable distribution of revenue sharing dollars.

The amendment embodies a notion referred to as the "representative tax system". That system is one attempt, a flawed effort to develop an equitable allocation system by determining a State's fiscal capacity. Perhaps such capacity needs to be both understood and measured. This amendment, on this bill, is not the proper vehicle for such a broad and sweeping change in Federal policy.

The Members of this House would be making a major mistake in accepting this metamorphasis in public policy.

Mr. Chairman, although I do not support this amendment, I am in strong support of the legislation.

After having been among the hardest-hit victims of the recent recession, State and local governments are now projected to lag behind other sectors of the economy in recovery. To promote economic growth and relieve the great fiscal pressure not weighing on America's cities and counties, Congress should reauthorize general revenue sharing at the $5.02 billion level agreed on in the budget resolution. That level represents a $450 million—or less than 10 percent—increase in the program, which has not been increased since 1976.

States and localities are in the midst of their most severe fiscal crisis since the Great Depression. A recession-induced fall in tax collections combined with steep reductions in Federal aid has forced most States, counties, and municipalities to implement major service cutbacks and tax increases.

Evidence of the fiscal crisis and its effects is seen in the reduction of State and local government expenditure for human services and infrastructure repair.

At a time when demands for services are at record levels, States and localities are being forced to cut their work forces. Over 400,000 State and local government jobs have been lost in 3 years, according to the Bureau of Labor Statistics. Previous economic downturns were usually moderated by increased State and local spending and employment. This time, however, the State and local public sector was hit even harder than the private sector. In large part, this accounts for why the current recession is so severe. In 1982, State and local employment fell by 1.5 percent, while national employment was down by only 0.9 percent.

The Reagan administration's spending reductions have come disproportionately out of State and local gov-

ernment aid, which will be down $24 billion in 1984 as a result of the cumulation of Federal cuts. State aid to local governments is also being cut back as States attempt to balance their budgets. Eighty-eight percent of the cities contacted in a Joint Economic Committee survey expected decreases in State aid.

At the same time, cities and counties have had to raise property taxes and user fees, a choice viewed with extreme disfavor by local citizens, who in return for the increase receive fewer services.

Inflation has reduced the benefits of GRS. Local revenue sharing has not been increased since fiscal year 1977, even though the cost of living has increased by over 60 percent since then. The rise in the cost of living will surely increase by more than 10 percent over the 5-year authorization of this bill, causing a further decline in the real value of the program, despite the less then 10-percent increase.

State and local budgets will continue to be under great strain over the next several years. Consequently, reauthorization of general revenue sharing, with less than a 10-percent increase in funding, is essential to prevent further cutbacks in State and local human services and infrastructure investment. In addition, the stimulus which GRS provides to State and local economies throughout the country will help insure that the national recovery is balanced and sustained.

I urge my colleagues to pass this bill and defeat all amendments except one, which will conform the authorization to the level of the first budget resolution.

Mr. HORTON. Mr. Chairman, I move to strike the requisite number of words and I rise in opposition to the amendment. I will be very short.

I want to make some points. The first point is that there is a need for changing the formula. But it ought to be studied. It has not been studied.

This bill does provide for a study to be made by the subcommittee.

Second—and I think this is a very important point—whenever you change the piece of pie, because that is what you are doing, you are dividing up $4.6 billion plus $450 million into approximately 39,000 pieces. When you divide it somebody is going to lose if somebody picks up.

The other point is that this amendment permits many of the changes in the formula to be made by the executive branch so they can design the changes. And I think for that reason alone we ought not to adopt this amendment.

Mr. BARTLETT. Mr. Chairman, will the gentleman yield?

Mr. HORTON. I yield to the gentleman from Texas.

Mr. BARTLETT. I thank the gentleman for yielding.

Mr. Chairman, I would ask the gentleman if he is aware in addition to the two organizations the chairman from Texas cited in opposition to this, the National League of Cities and National Association of Counties, that in addition the American Federation of State, County, & Municipal Employees, the public employee divisions of the AFL-CIO and National Association of Towns & Townships are also opposed to this formula change.

Mr. CRAIG. Mr. Chairman, will the gentleman yield?

Mr. HORTON. I thank the gentleman for his contribution.

I yield to the gentleman from Idaho (Mr. CRAIG).

Mr. CRAIG. I thank the gentleman from New York.

Mr. Chairman, I wish to associate myself with his remarks and warn all of the Members in the House at this late hour to be attempting to address a major, and I repeat, a major formula change at this time without looking at the provisions of this legislation which, in itself, requests a thorough examination of that formula, is, at best, very complicated, recognizing that our national associations that are the beneficiaries of this type of legislation have asked that we examine it under the full light of a thorough investigation.

Mr. MACKAY. Mr. Chairman, will the gentleman yield?

Mr. HORTON. I yield to the gentleman from Florida.

Mr. MACKAY. I thank the gentleman.

I would like to make the point that there are other issues besides the representative tax system.

The fact of the matter is there have been other changes in the revenue sharing since the original formula was adopted. TRS does not take into account user fees. There are major States like California which would be penalized because they do not show up as making a tax effort when in fact they are relying on user fees because of proposition 13. That is another reason.

□ 2200

Ms. KAPTUR. Mr. Chairman, will the gentleman yield?

Mr. HORTON. I yield to the gentlewoman from Ohio.

Ms. KAPTUR. I thank the gentleman for yielding.

I would just like to point out to the gentleman about this child that was brought up from the committee that, in fact, this issue has been studied to death. The Advisory Commission on Intergovernmental Relations has studied this for the last 20 years and recommends the change to the RTS formula, the Levin amendment. In addition to that, the General Accounting Office recommends the change.

Mr. HORTON. I thank the gentlewoman.

Mr. Chairman, I oppose the amendment and urge my colleagues to defeat it.

● Mr. LAFALCE. Mr. Chairman, I rise in support of the amendment to H.R. 2780 being offered by our colleague from Michigan (Mr. LEVIN).

The amendment would correct a glaring inequity in the general revenue sharing, GRS, allocation formulas by substituting the representative tax system, RTS, measure of tax effort for the current system which simply divides a State's total personal income by the total revenue raised by the State to derive a surrogate measure for State tax effort.

I would like to address one problem that will be resolved by the amendment: the inclusion of severance tax revenues in the measure of State tax effort.

Mr. Chairman, every consumer of oil and natural gas contributes to the severance tax collections of the energy producing States. For the purposes of this debate, I will assume that the energy producing States have a legitimate claim to such tax revenues. After all, their supplies of oil and natural gas are being depleted, and the energy producing States need—much like the oil companies need the depletion allowance—another assumption for debate purposes only—severance taxes as a buffer for when the wells run dry.

Assuming this point, Mr. Chairman, nonetheless, I would suggest that what the energy producing States neither need nor deserve is to fully count their severance tax collections—taxes that are paid by consumers throughout the country—as part of their State tax effort.

Under the present system, consumers throughout the country are contributing directly to the coffers of the energy producing States, through severance taxes that are passed through to consumers, and indirectly, as these severance tax payments contribute to the energy producing States' tax efforts thereby increasing their GRA entitlements.

Mr. Chairman, State tax effort was included in the GRS formulas to insure that GRS dollars would flow more freely to States as their ability to raise revenues on their own decreased. Congress recognized that States with poor populations and States that taxed their residents heavily in order to provide needed services should be treated more favorably in the distribution of revenue sharing dollars. Accordingly, the 5-factor GRS formula allocates 17 percent of total revenue sharing dollars on the basis of State tax effort, while the 3-factor GRS formula weighs State tax effort equally with population and relative

income to determine the distribution of GRS dollars among the States.

Congress noble goal of providing additional revenues to poor and needy States has been distorted by our failure to devise a measurement of State tax effort that reflects our substantive concerns. The out-of-State revenues raised through severance taxes distort the allocation of revenue sharing dollars. The Treasury Department had estimated that $36 million in GRS dollars will be transferred to the energy producing States from the energy consuming States from fiscal year 1980 to fiscal year 1985 due to increased severance tax collections.

I should point out to my colleagues that natural gas deregulation legislation reported by the Senate Energy Committee, which decontrols all natural gas including old gas, will certainly exacerbate the problem. The administration's earlier decision to decontrol domestic oil prices and the action taken by the Senate Energy Committee, if supported by the full Congress, will add billions of dollars to the budgets of the energy producing States through increased severance tax collections, and millions more through transfers within the GRS program.

The amendment being offered by the gentleman from Michigan, Mr. LEVIN, which I urge all my colleagues from the energy consuming States to support, will correct this imbalance as it regards GRS funds by substituting a measure of State tax effort that more equitably takes into account all potential sources of State revenue rather than only one, that being personal income.

The RTS measure has been devised by the Advisory Commission on Intergovernmental Relations, a bipartisan commission with representatives from all regions of the country. I believe that it is fair, and, more importantly, its incorporation into the GRS program will restore congressional intent as regards the measurement of tax effort.

The bill before us requires a 2-year study of the RTS system and other alternative measures. This is indeed commendable, but I do not believe that we need another 2-year study. If we need one, let us put the RTS system in place and mandate a study of its operation.

I for one am tired of waiting for a resolution to this problem. Remember that the 2-year study required by the bill will, in all likelihood, not be implemented until the GRS program is up for renewal—5 years from now—if it is implemented at all.

I urge my colleagues to support this amendment.●

Mr. GLICKMAN. Mr. Chairman, it strikes me that with a Federal deficit of nearly $200 billion this year, there is very little revenue indeed to share with the States or anyone else. Accordingly, I will vote against final passage of the revenue sharing bill before us, in the symbolic effort to try to reduce the deficit.

The CHAIRMAN. All time has expired.

The question is on the amendments offered by the gentleman from Michigan (Mr. LEVIN).

The question was taken; and a division (demanded by Mr. LEVIN of Michigan) there were—ayes 54, noes 98.

RECORDED VOTE

Mr. LEVIN of Michigan. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 192, noes 220, not voting 21, as follows:

[Roll No. 311]

AYES—192

Akaka	Forsythe	Morrison (WA)
Albosta	Frank	Mrazek
Anderson	Gaydos	Murphy
Annunzio	Gejdenson	Murtha
Applegate	Gekas	Nowak
Aspin	Gephardt	Oakar
Barnard	Gilman	Oberstar
Barnes	Goodling	Obey
Bates	Gore	Parris
Bedell	Gradison	Pease
Beilenson	Gray	Penny
Bennett	Green	Petri
Berman	Guarini	Porter
Boehlert	Gunderson	Price
Boland	Hall (IN)	Ratchford
Boner	Hall (OH)	Ridge
Bonior	Hamilton	Rinaldo
Bonker	Harrison	Ritter
Borski	Hawkins	Rodino
Bosco	Hertel	Roe
Broomfield	Holt	Rostenkowski
Brown (CA)	Howard	Roth
Byron	Hoyer	Roukema
Carney	Hughes	Rudd
Carr	Hyde	Russo
Chandler	Jacobs	Sabo
Clay	Jones (TN)	Savage
Clinger	Kaptur	Sawyer
Coelho	Kastenmeier	Scheuer
Collins	Kennelly	Schneider
Conable	Kildee	Schulze
Conte	Kindness	Seiberling
Conyers	Kolter	Sensenbrenner
Cooper	Kostmayer	Shannon
Coughlin	LaFalce	Sharp
Courter	Latta	Shelby
Coyne	Lent	Shuster
Crane, Daniel	Levin	Sikorski
Crockett	Levitas	Siljander
Davis	Lloyd	Simon
Dellums	Long (MD)	Sisisky
Derrick	Luken	Smith (NJ)
Dicks	Lundine	Snowe
Dingell	Madigan	Solarz
Dixon	Markey	Spratt
Donnelly	Martin (IL)	Stark
Downey	Martin (NY)	Stokes
Durbin	Matsui	Studds
Dwyer	Mavroules	Stump
Dymally	McCloskey	Tallon
Dyson	McDade	Torricelli
Early	McEwen	Traxler
Eckart	McGrath	Udall
Edgar	McHugh	Vander Jagt
Edwards (CA)	McKernan	Vento
Evans (IL)	McKinney	Walgren
Fazio	McNulty	Waxman
Feighan	Mikulski	Wheat
Fish	Miller (OH)	Williams (OH)
Florio	Minish	Wolpe
Foglietta	Mitchell	Wortley
Foley	Moakley	Wyden
Ford (MI)	Moody	Yates
Ford (TN)	Morrison (CT)	Yatron

NOES—220

Ackerman	Hartnett	Patterson
Addabbo	Hatcher	Paul
Alexander	Hefner	Pepper
Andrews (NC)	Hightower	Perkins
Andrews (TX)	Hiler	Pickle
Anthony	Hillis	Pursell
Archer	Hopkins	Quillen
AuCoin	Horton	Rahall
Badham	Hubbard	Rangel
Bartlett	Huckaby	Ray
Bateman	Hunter	Regula
Bereuter	Hutto	Reid
Bethune	Ireland	Richardson
Bevill	Jenkins	Roberts
Billrakis	Johnson	Robinson
Billey	Jones (NC)	Roemer
Boggs	Jones (OK)	Rogers
Boxer	Kasich	Rowland
Breaux	Kazen	Roybal
Britt	Kogovsek	Schaefer
Brooks	Kramer	Schroeder
Brown (CO)	Lagomarsino	Schumer
Broyhill	Lantos	Shaw
Bryant	Leach	Shumway
Burton (CA)	Leath	Skeen
Burton (IN)	Lehman (CA)	Skelton
Carper	Lehman (FL)	Slattery
Chappell	Leland	Smith (FL)
Chappie	Levine	Smith (IA)
Cheney	Lewis (CA)	Smith (NE)
Clarke	Lewis (FL)	Smith, Denny
Coats	Livingston	Smith, Robert
Coleman (MO)	Loeffler	Snyder
Craig	Long (LA)	Solomon
Crane, Philip	Lott	Spence
D'Amours	Lowry (WA)	Staggers
Daniel	Lujan	Stangeland
Dannemeyer	Lungren	Stenholm
Daschle	Mack	Stratton
Daub	MacKay	Sundquist
de la Garza	Marlenee	Swift
DeWine	Marriott	Synar
Dickinson	Martin (NC)	Tauke
Dorgan	Martinez	Tauzin
Dowdy	Mazzoli	Taylor
Dreier	McCain	Thomas (CA)
Duncan	McCandless	Thomas (GA)
Edwards (AL)	McCollum	Torres
Emerson	McCurdy	Towns
English	McDonald	Valentine
Erdreich	Mica	Vandergriff
Evans (IA)	Michel	Volkmer
Fascell	Miller (CA)	Vucanovich
Ferraro	Mineta	Walker
Fiedler	Molinari	Watkins
Fields	Mollohan	Weiss
Flippo	Montgomery	Whitehurst
Fowler	Moore	Whitley
Franklin	Moorhead	Whittaker
Frenzel	Myers	Whitten
Frost	Natcher	Williams (MT)
Fuqua	Neal	Winn
Garcia	Nelson	Wirth
Gibbons	Nichols	Wise
Glickman	Nielson	Wolf
Gonzalez	Olin	Wright
Gramm	Ortiz	Wylie
Gregg	Ottinger	Young (AK)
Hall, Ralph	Owens	Young (FL)
Hall, Sam	Oxley	Young (MO)
Hammerschmidt	Packard	Zablocki
Hance	Panetta	Zschau
Hansen (UT)	Pashayan	
Harkin	Patman	

NOT VOTING—21

Biaggi	Gingrich	O'Brien
Boucher	Hansen (ID)	Pritchard
Campbell	Heftel	Rose
Coleman (TX)	Jeffords	St Germain
Corcoran	Kemp	Weaver
Edwards (OK)	Lipinski	Weber
Erlenborn	Lowery (CA)	Wilson

□ 2210

Mr. MINETA and Mr. GARCIA changed their votes from "aye" to "no."

Messrs. STOKES, PORTER, DANIEL B. CRANE, RUDD, and

KASTENMEIER changed their votes from "no" to "aye."

So the amendments were rejected.

The result of the vote was announced as above recorded.

□ 2220

The CHAIRMAN. Are there any other amendments?

The question, then, is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. SWIFT, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 2780) to extend and amend the provisions of title 31, United States Code, relating to the general revenue sharing program, pursuant to House Resolution 285, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the committee amendment in the nature of a substitute adopted by the Committee of the Whole? If not, the question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was so ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. DANNEMEYER

Mr. DANNEMEYER. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. DANNEMEYER. I am opposed to this bill, Mr. Speaker, for a very simple reason. We do not have any revenue to share, only a deficit. If it were not so serious, it would be funny.

Mr. SPEAKER. The Clerk will report the motion to recomit.

The Clerk read as follows:

Mr. DANNEMEYER moves to recommit the bill, H.R. 2780, to the Committee on Government Operations.

The SPEAKER. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. HORTON. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 381, nays 35, answered "present" 1, not voting 16, as follows:

[Roll No. 312]

YEAS—381

Ackerman	Dicks	Ireland
Addabbo	Dingell	Jenkins
Akaka	Dixon	Johnson
Albosta	Donnelly	Jones (NC)
Alexander	Dorgan	Jones (TN)
Anderson	Dowdy	Kaptur
Andrews (NC)	Downey	Kasich
Andrews (TX)	Duncan	Kastenmeier
Annunzio	Durbin	Kazen
Anthony	Dwyer	Kennelly
Applegate	Dymally	Kildee
Aspin	Dyson	Kindness
AuCoin	Early	Kogovsek
Barnard	Eckart	Kolter
Barnes	Edgar	Kostmayer
Bartlett	Edwards (AL)	Kramer
Bateman	Edwards (CA)	LaFalce
Bates	Emerson	Lagomarsino
Bedell	Erdreich	Lantos
Beilenson	Evans (IA)	Latta
Bereuter	Evans (IL)	Leach
Berman	Fascell	Leath
Bethune	Fazio	Lehman (CA)
Bevill	Feighan	Lehman (FL)
Bilirakis	Ferraro	Leland
Blliley	Fiedler	Lent
Boehlert	Fish	Levin
Boggs	Flippo	Levine
Boland	Florio	Levitas
Boner	Foglietta	Lewis (CA)
Bonior	Foley	Lewis (FL)
Bonker	Ford (MI)	Livingston
Borski	Ford (TN)	Lloyd
Bosco	Forsythe	Long (LA)
Boucher	Fowler	Long (MD)
Boxer	Frank	Lott
Breaux	Franklin	Lowry (WA)
Britt	Frenzel	Lujan
Broomfield	Frost	Luken
Brown (CA)	Fuqua	Lundine
Broyhill	Garcia	MacKay
Bryant	Gaydos	Madigan
Burton (CA)	Gejdenson	Markey
Burton (IN)	Gekas	Marlenee
Byron	Gephardt	Marriott
Carney	Gibbons	Martin (IL)
Carper	Gilman	Martin (NC)
Carr	Gonzalez	Martin (NY)
Chandler	Gore	Martinez
Chappell	Gradison	Matsui
Chappie	Gray	Mavroules
Clarke	Green	Mazzoli
Clay	Guarini	McCain
Clinger	Gunderson	McCandless
Coats	Hall (IN)	McCloskey
Coelho	Hall (OH)	McCollum
Coleman (MO)	Hall, Ralph	McDade
Coleman (TX)	Hall, Sam	McEwen
Collins	Hamilton	McGrath
Conable	Hammerschmidt	McHugh
Conte	Hance	McKernan
Conyers	Harkin	McKinney
Cooper	Harrison	McNulty
Corcoran	Hatcher	Mica
Coughlin	Hawkins	Michel
Courter	Hefner	Mikulski
Coyne	Hertel	Miller (CA)
Craig	Hightower	Miller (OH)
Crockett	Hiler	Mineta
D'Amours	Hillis	Minish
Daniel	Hopkins	Mitchell
Daschle	Horton	Moakley
Daub	Howard	Molinari
Davis	Hoyer	Mollohan
de la Garza	Hubbard	Montgomery
Dellums	Huckaby	Moody
Derrick	Hunter	Moore
DeWine	Hutto	Moorhead
Dickinson	Hyde	Morrison (CT)
Morrison (WA)	Roe	Sundquist
Mrazek	Rogers	Swift
Murphy	Rostenkowski	Synar
Murtha	Roth	Tallon
Myers	Roukema	Tauke
Natcher	Rowland	Tauzin
Neal	Roybal	Taylor
Nelson	Rudd	Thomas (CA)
Nichols	Russo	Thomas (GA)
Nielson	Sabo	Torres
Nowak	Savage	Torricelli
O'Brien	Sawyer	Towns
Oakar	Scheuer	Traxler
Oberstar	Schneider	Udall
Obey	Schroeder	Valentine
Olin	Schulze	Vander Jagt
Ortiz	Schumer	Vandergriff
Ottinger	Seiberling	Vento
Owens	Sensenbrenner	Volkmer
Oxley	Shannon	Vucanovich
Packard	Sharp	Walgren
Panetta	Shaw	Walker
Parris	Shelby	Watkins
Pashayan	Shumway	Waxman
Patman	Sikorski	Weiss
Patterson	Siljander	Wheat
Pease	Simon	Whitehurst
Penny	Sisisky	Whitley
Pepper	Skeen	Whittaker
Perkins	Skelton	Whitten
Petri	Slattery	Williams (MT)
Porter	Smith (FL)	Williams (OH)
Price	Smith (IA)	Winn
Pritchard	Smith (NE)	Wirth
Pursell	Smith (NJ)	Wise
Quillen	Smith, Robert	Wolf
Rahall	Snowe	Wolpe
Rangel	Snyder	Wortley
Ratchford	Solarz	Wright
Ray	Solomon	Wyden
Regula	Spence	Wylie
Reid	Spratt	Yates
Richardson	Staggers	Yatron
Ridge	Stangeland	Young (AK)
Rinaldo	Stark	Young (FL)
Ritter	Stokes	Young (MO)
Robinson	Stratton	Zablocki
Rodino	Studds	Zschau

NAYS—35

Archer	Glickman	Mack
Badham	Goodling	McCurdy
Bennett	Gramm	McDonald
Brooks	Gregg	Paul
Brown (CO)	Hansen (UT)	Pickle
Cheney	Hartnett	Roberts
Crane, Daniel	Holt	Roemer
Crane, Philip	Hughes	Schaefer
Dannemeyer	Jacobs	Shuster
Dreier	Jones (OK)	Smith, Denny
English	Loeffler	Stump
Fields	Lungren	

ANSWERED "PRESENT"—1

Stenholm

NOT VOTING—16

Biaggi	Heftel	St Germain
Campbell	Jeffords	Weaver
Edwards (OK)	Kemp	Weber
Erlenborn	Lipinski	Wilson
Gingrich	Lowery (CA)	
Hansen (ID)	Rose	

□ 2230

The Clerk announced the following pair:

On this vote:

Mr. Rose for, with Mr. Stenholm against.

Mr. STENHOLM. Mr. Speaker, I have a live pair with the gentleman from North Carolina (Mr. ROSE). If he had been present, he would have voted "yea." I voted "present."

The SPEAKER pro tempore. How would the gentleman have voted?

Mr. STENHOLM. I would have voted "nay."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

□ 2240

AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN ENROLLMENT OF H.R. 2780, STATE AND LOCAL FISCAL ASSISTANCE AMENDMENTS OF 1983

Mr. BROOKS. Mr. Speaker, I ask unanimous consent that, in the engrossment of the bill, the Clerk be authorized to correct section numbers, punctuation, and cross references, and to make such other technical and conforming changes as it may be necessary to reflect the actions of the House in amending the bill, H.R. 2780.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

GENERAL LEAVE

Mr. BROOKS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on H.R. 2780, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF HOUSE JOINT RESOLUTION 1

Mr. KOLTER. Mr. Speaker, I ask unanimous consent that my name be removed from the list of cosponsors of House Joint Resolution 1.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

COMMUNICATION FROM THE CHIEF OF POLICE OF THE U.S. CAPITOL POLICE

The SPEAKER pro tempore laid before the House the following communication from the Chief of Police of the U.S. Capitol Police:

U.S. CAPITOL POLICE,
OFFICE OF THE CHIEF,
Washington, D.C., August 2, 1983.

Hon. THOMAS P. O'NEILL, Jr.,
Speaker, House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: This is to inform you, pursuant to the provision of House Rule L (50), that Allen P. Bowers, Inspector, U.S. Capitol Police, has received a subpoena from the Circuit Court for Montgomery County, Maryland. In the matter of *State of Maryland vs. Louis Stokes,* Case Number 31329 Criminal.

After consulting with counsel, I have determined that compliance with the subpoena is consistent with the privileges and rights of the House.

Sincerely,

JAMES M. POWELL,
Chief of Police.

THE POLITICAL TAX CREDIT REFORM ACT OF 1983

(Mr. McHUGH asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. McHUGH. Mr. Speaker, on behalf of myself and Representatives CONABLE, UDALL, JENKINS, TAUKE, and PURSELL, I am today introducing the Political Tax Credit Reform Act of 1983.

The Political Tax Credit Reform Act is designed to lessen the dependence of congressional candidates on special interest PAC money by making it easier to raise a larger share of campaign funds in the form of small contributions from individuals in the candidate's home State.

The proposal would also strengthen political parties.

The law currently provides for a 50-percent credit on virtually any type of political contribution up to a maximum of $50 for an individual and $100 for a joint return.

Our bill would convert the current credit into two separate and more focused credits, as follows:

First. A credit for contributions to House and Senate candidates under which contributors would receive full credit up to a maximum of $50 for an individual and $100 for a joint return; and

Second. A credit for contributions to political party committees under which contributors would receive half credit, also to a maximum of $50 for an individual and $100 for a joint return.

The full credit for contributions to congressional candidates would only apply to contributions for the candidate's home State.

In order to control the revenue loss, the credit would be eliminated entirely for all other entities—specifically, political action committees (PAC's), newsletter funds, and Presidential, State, and local candidates. The credit for contributions to these entities accounts for better than 40 percent of the revenue loss attributable to the current tax credit.

There are specific reasons for eliminating the credit with respect to the above entities which are addressed in the fact sheet I will attach at the end of my statement. However, with respect to eliminating the credit with respect to PAC's, I would like to note that providing a tax credit for contributions to PAC's is tantamount to providing them with a Government subsidy. We believe there is no justification for the Government to be subsidizing groups whose main purpose is to lobby Members of Congress and Government officials in behalf of their particular interest.

In addition to eliminating the above entities, the bill also contains provisions to insure that the revenue loss in future years does not exceed the current revenue loss from the tax credit. This is accomplished by providing that if the combined revenue loss from the two credits in any 2-year period exceeds the revenue loss from the current credit for the years 1981 and 1982, both credits shall be suspended until Congress passes legislation making whatever adjustments are necessary to ensure that the revenue loss in the subsequent 2-year period does not exceed the amount specified in the law.

Thus, our proposal will be entirely revenue neutral. In other words, it will not cost a penny more than the current tax credit.

Mr. Speaker, the current tax credit has not worked effectively as a stimulus to small giver contributions for two reasons: First, competition—the current credit applies to all political contributions at every level of government; and second, insufficient benefit to the contributors. Fundraising experts assert that a 50-percent credit is not a sufficient inducement to attract contributions. However, all those who make a contribution take advantage of the tax credit when they file their tax returns. Thus, the 50-percent credit costs millions, but it is not doing the job it was intended to do.

A full 100-percent credit, on the other hand, would have major impact, increasing both the amount and the number of small contributions because people could get back the full amount of their contribution. This would make it cost efficient for candidates to place more emphasis on raising small contributions from the grassroots and less on raising contributions from out-of-State special interests.

This dependence has significant ramifications for the legislative process because, as we all know, incumbents are far more dependent on PAC money than are nonincumbent candidates. For example, the 750 general election candidates who filed reports with the FEC for 1982 election activity reported that 32 percent of their funds came from political action committees. However, nonincumbent candidates received only 24 percent of their funds from PAC's, while incumbents received 38 percent of their money from PAC's.

Moreover, incumbents received twice as much PAC money as did nonincumbent candidates—$107,000 to $51,000. It should be emphasized that these are the average amounts for all candidates. The average amounts for candidates in so-called marginal races are

nearly double the averages for all candidates.

Our proposal will allow Members to reduce this dependency on PAC money by making it easier for them to raise campaign funds from an alternative source of funding—the residents of their own States and districts. This will not only enable candidates to raise larger amounts from current small-contribution givers, it will also increase the number of people participating in the political process by contributing to the candidate of their choice.

It should be emphasized that the current 50-percent tax credit is not working effectively as a stimulus to small-giver contributions and that only a full 100-percent credit can provide the kind of incentive that is needed to enable congressional candidates to lessen their dependency on PAC money.

Mr. Speaker, as Congressman CONABLE noted when he and I testified before the House Administration Task Force on Elections, our bill is not a comprehensive proposal—nor was it intended to be. It addresses only one of the major problems that need to be dealt with in the area of election law reform: dependence on PAC money and the lack of alternative funding.

Basically, our proposal is an effort to make some modest progress at a time when most observers believe it is unlikely we can pass any kind of bill dealing with the problems of campaign finance this Congress. We disagree. We believe the Political Tax Credit Act of 1983 is enactable for the following reasons:

It is nonpartisan in that neither party would benefit over the other. The main beneficiaries would be the institution of the Congress and the American people;

It is a reasonable approach that simply modifies a law that is already in existence;

It involves no bureacracy or regulatory complexities;

It will not cost any more than the current tax credit;

It is responsive to widespread public concern regarding the role of special interest PAC money in our elections;

It will reduce candidate dependence on PAC money by providing an alternative source of funding;

It will eliminate what is, in effect, an unwarranted Government subsidy to groups whose main function is to lobby in behalf of their special interest;

It will stengthen political parties by eliminating competition from candidate fundraising and by giving parties an advantage over PAC fundraising; and,

It will increase citizen participation in the political process by making it easier for the average person to make a contribution.

Following is a factsheet on the Political Tax Credit Reform Act of 1983:

FACTSHEET—THE POLITICAL TAX CREDIT REFORM ACT OF 1983

SUMMARY

(1) Converts the current tax credit into two separate credits as follows:

A credit for contributions to House and Senate candidates under which contributors from the candidate's home state would receive full credit up to a maximum of $50 for an individual ($100 for a joint return), and

A credit for contributions to political party committees under which contributors would receive half credit, also up to a maximum of $50 for a individual ($100 for a joint return).

(2) Eliminates the tax credit entirely for contributions to state and local candidates, presidential candidates, newsletter funds and political action committees (PACs). These entities account for more than 40% of the total revenue loss attributable to the current tax credit.

(3) Controls revenue loss by providing that if the combined revenue loss from the two credits in any two-year period exceeds the revenue loss from the current credit for the years 1981 and 1982, both credits shall be suspended until Congress passes legislation making whatever adjustments are necessary to insure that the revenue loss in the subsequent two-year period does not exceed the limit specified in the law. To assure more accurate data regarding the amount of revenue loss each year, candidates and committees would be required to report the aggregate amount of all contributions of $50 or less and the first $50 of all large contributions.

Revenue loss is also controlled by requiring candidates to remit to the Treasury after each election all unobligated funds in excess of $50,000, but not more than they raised in credit-eligible contributions. Thus a candidate who currently has a big fund reserve would not be required to turn it over to the Treasury. The provision would simply prevent such a candidate from using the credit to increase his campaign fund reserve. Similarly, it would prevent safe seat candidates from using the credit to build up a big campaign fund surplus.

ANNUAL REVENUE LOSS

Following is the year by year revenue loss attributable to the tax credit and deduction on political contributions as estimated by the Internal Revenue Service and the Joint Tax Committee. The deduction was abolished in 1978.

[in millions]

1973	$29
1974	38
1975	57
1976	82
1977	96
1978	139
1979	194
1980	269
1981	263
1982	[1] 294

[1] Preliminary estimate.

HOME STATE CONTRIBUTOR RESTRICTION

The restriction that the 100 percent credit applies only to contributions from the candidate's home state serves two purposes: (1) It places emphasis on the concept that the new credit is a grassroots alternative to special interest PAC money from Washington and other parts of the country, and (2) it prevents direct mailers and high visibility candidates from exploiting the new credit with national mass mail appeals.

IMPACT OF 100 PERCENT TAX CREDIT

The current tax credit has not worked effectively as a stimulus to small-giver contributions for two reasons: (1) Competition; the current credit applies to all political contributions at every level of government, and (2) Insufficient benefit to contributors; most fundraisers assert that the 50 percent credit is not a sufficient inducement to attract contributions. Nonetheless, everyone who makes a contribution takes advantage of the tax credit when they are making out their tax returns. Thus, the 50 percent credit costs millions, but it is not doing the job it was intended to do.

A full (100 percent) credit, on the other hand, would have major impact increasing both the amount and the number of small contributions because people could get back the full amount of their contribution. This, in turn, would make it cost-efficient for candidates to place more emphasis on raising small contributions from the grassroots and less on raising PAC contributions from out-of-state special interests.

ELIMINATION OF TAX CREDIT FOR CONTRIBUTIONS TO PAC'S, NEWSLETTER FUNDS, AND PRESIDENTIAL, STATE AND LOCAL CANDIDATES

PAC's—Most PACs represent a particular special interest. Thus a tax credit for contributions to the PAC is in effect, a government subsidy to that special interest. There is no justification for the government to subsidize groups whose main purpose is to lobby Members of Congress and government officials to influence legislation and government decisions in behalf of their particular interest.

Newsletter Funds—Newsletter accounts are no longer permitted for Members of Congress, thus it is assumed that the only ones which exist today are maintained by state legislators. There is no reason to allow a federal tax credit for contributions to such accounts.

Presidential Candidates—The tax credit is least useful with respect to Presidential candidates since people pay attention to presidential politics, tend to develop a definite preference for a particular candidate, and therefore need no special inducement to help the candidate of their choice. In addition, Presidential candidates receive federal support in the primaries via matching of contributions up to $250 and are totally financed with public funds in the general election.

State and Local Candidates—At least 18 states provide a tax credit or a tax deduction for contributions to state and local candidates while 9 states prove direct public financing assistance to state and local candidates. It is reasonable to expect that additional states would begin providing such assistance if the federal tax credit were limited soley to congressional candidates and political party committees. It should also be noted that unlike candidates for federal office, state and local candidates may legally accept corporate funds in 30 states and union funds in 43 states.

EL PASO HERALD-POST "SPECIAL REPORT: THE BORDER"

(Mr. COLEMAN of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. COLEMAN of Texas. Mr. Speaker, today I am submitting for the CONGRESSIONAL RECORD the first of a remarkable series of articles by the El Paso Herald-Post, one of the finest newspapers in the country. The Herald-Post has begun this series called "Special Report: The Border/Reporte Especiale: La Frontera" to examine the unique way of life on the United States-Mexico border, and to underscore the special problems that our unique geographical situation presents.

This first report that I am submitting concerns an issue that we in Congress will soon face: The immigration issue and the upcoming consideration of the Simpson-Mazzoli bill. Joe Olvera, a reporter for the Herald-Post, recently traveled deep into Mexico and posed as an illegal alien, paying to have himself smuggled across the border. The reason? To tell a side of the illegal aliens story that seldom gets told—to tell what life is like for the aliens and for the families they leave behind.

Since having an accurate view of the unique way of life on the border is essential to understanding the forces behind the immigration issue, I will continue to make my colleagues aware of this unique way of life on the border through efforts such as that of the El Paso Herald-Post.

The article is as follows:

[From the El Paso Herald Post]

A REPORTERS ODYSSEY: "I WANTED TO FIND OUT WHAT ALIENS GO THROUGH"

(By Joe Olvera)

FROM MEXICO CITY TO LOS ANGELES.—The Mexican soldier's rifle was slung low, held in his hand as he walked onto the bus.

He had a look of pure power.

He stared at me. I was wearing my Mazatlan baseball cap. My size stopped him for a moment. I looked into his eyes—unflinching.

For a full minute we stared into each other's eyes. Suddenly, a slight movement by another passenger caused him to look away—both of us saved face. He turned to me one more time, as if to say, "Perhaps we will meet again."

He walked off the bus, his stride one of pride, of confidence. I heaved a sigh of relief.

Fellow passengers turned to look at me, wondering why the soldier chose me for the confrontation. I wondered, too.

This was not to be my last anxious moment on my trip from Mexico City to America.

My plan was to be smuggled into the United States, posing as one of the millions of Mexicans and other Central Americans who make the same journey.

Although there is no way I can compare what I did—an investigative trip—to the life-and-death experiences of the others, I wanted to find our firsthand what illegal aliens go through.

What I found out is that there are dangers, but it is easy to make it across the border.

It is easy because a person determined to enter the country does not surrender to failure.

If he or she is caught on the first try, another attempt is made, and another, until the attempt is successful.

However the road starts out for an Hispanic, it is not an easy one.

I started out in Mexico City after learning that most people make it on their own to Tijuana, Ciudad Juarez or some other border city.

Once they arrive at their destination, they make contact with a smuggler who will take them across.

Many of them, however, already have an established pattern for crossing—one that does not include smugglers.

Armed with this information, I decided to take my chances on the road.

From the time I boarded my Tres Estrellas de Oro Express Bus, in Mexico City at noon on June 21, until I met a friend in California some 60 hours later, my true identity was known only to me.

I settled down into my smallish seat, excited and nervous at the prospect of being on the dangerous, two lane, Mexican highways for a two-day journey.

I was headed for Tijuana, more than 2,000 miles away.

The small bus seat bent my tall 6-foot-2-inch frame in a most uncomfortable manner.

We traversed through mountainous country, with hairpin curves taken at high speed by our fearless Mexican driver.

After eight hours, we finally pulled into the open air madness that is the Guadalajara Bus Depot.

After Guadalajara, the villages passed like a blur—Pachuca, Queretaro, Irapuato, Tepic, San Ignacio, Guamuchil, Navojoa. I was already exhausted, and we still had countless hours to go before reaching Tijuana.

As it was, riding on that bus brought me a streak of luck that made my crossing into the United States an easy affair.

Traveling on a crowded bus with 25 people (17 of them intending to get into the U.S. illegally) can be a heady experience.

During those moments when I was awake and my head not nodding off into sweet slumber, I overheard people making plans with one another on what they would do once they were in the states. There was no fear among them that they would be overheard since it was assumed that all, or most, of us were Mexicans.

I learned also that Mexico has its own problems with immigration. At three locations along the way, the bus was pulled over by Mexican immigration authorities.

We were all advised by the driver to prepare our identification papers. On one of these stops, an officious-looking man got on board and demanded an I.D. from all of us.

I didn't want the others to know that I was a U.S. citizen, so before the bus stopped, I moved to the rear where there were some empty seats.

I pulled out my Texas driver's license. Other people pulled out what forms of I.D. they had.

"Americano?" the immigration officer asked me quietly. I nodded and he walked away.

Some of those with no I.D.'s were asked—not politely—to get off the bus.

Suspecting that they were not Mexicans but were, rather, from South America, the authorities intended to question these people.

People of El Salvador, that battle-torn nation, are persona-non-grata in Mexico.

They create as many problems for Mexican authorities and social services as, some people claim, Mexicans create in the United States.

Those without I.D. are asked questions about Mexican life and customs.

Two women who looked for all the world like Indians from Oaxaca (which they were), were asked if they knew how to make tortillas.

They were laughing about it later on the bus, because they said their anxiety made them forget the recipe they had used all their lives.

The man who was seated beside me, hereafter known as el Guero, told me he was positive one of the men asked to deboard was Salvadoreno.

Later, after the Salvadoreno had been allowed back on the bus, I discovered that he did not have a Mexican accent. He said that he was going to the United States, but he never told me his nationality.

He also told me he had bribed the official with 500 pesos. But, "500 pesos is nothing," said el Guero. However, I could tell that 500 pesos was more than the man could afford.

Two more check points, each with greedy immigration officers, awaited him.

After one day of traveling with el Guero, I told him that I too wanted to go into the United States. I told him that I did not know how I was going to do it, that I hoped to pick up a smuggler, or vice-versa, but that I just did not know how the system worked.

As luck would have it, Guero offered to help me get across.

Guero explained to me that his brother would be picking him up in Tijuana. He said that he was sure his brother would be glad to smuggle me into the United States, because that was the way Guero, and other family members came to America.

Actually, Guero said, he had been smuggled into the United States via Tijuana many times in the past five years and he had never been caught.

His brother, he said, had a specially equipped car with hydraulic lifts in the rear that would escape the suspicion caused by a too-low trunk.

His brother always had big cars, Guero said, and I could, no doubt, fit well in the car trunk with him. Would I be willing to take the risk?

"Yes!" I answered reluctantly, and nervously. I thanked Guero for his offer.

Guero said that his brother was a resident alien in the United States, and that he could go back and forth to Mexico without any problem.

Guero assured me that aside from my getting cramps in my legs the trip across would be a smooth one, as it had always been for him.

Guero was right.

I finally met Guero's brother after waiting at the Tijuana Bus Terminal for a nervously long time. His only remark was about how tall I was. He said my legs would be very sore from being locked up in the trunk for possibly more than one hour.

I spoke as little as possible, since I did not want Guero's brother to detect my U.S. Chicano accent.

When Guero and I climbed into the car trunk, I had an ominous feeling we would be discovered.

But, there was no way out of it by then.

Guero had told his brother that I was from San Nicolas in the state of Jalisco. There was no time to engage in a long discussion with Guero's brother, so he accepted me at face value.

As the car's trunk slammed down on us, my heart was beating very rapidly. I had

caught a cold on the bus trip from Mexico City.

I was tired, smelly, and my legs were already numb from the long bus trip.

Guero told me to hold a handkerchief to my nose and to blow into it periodically to avoid my sneezing or coughing at the checkpoint.

Guero and I talked softly as the car made its way smoothly to the border. I was scared and nervous to be lying there, not knowing what was happening outside.

We tried to be as quiet as possible. I could sense that Guero was nervous too.

I was a pollo, literally in Spanish, a baby chick. So was Guero. Though he made the trip several times, each crossing is like the first one.

After being on the road for what seemed like an eternity, we felt the car moving and stopping at shorter intervals.

"Ya estamos en el puente (we're at the bridge)," whispered Guero to me.

I knew we had arrived at the point-of-entry, and my apprehension increased. My legs were bent and cramped so that I longed to stretch them.

Guero was a small man, so he was more comfortable than me, but I could see that his frame also was bent in the cramped quarters. A small light had given some solace, but at the approach to the bridge, Guero had flicked it off.

We cold breathe easy enough, but my nervousness made me gasp for air. We heard muffled sounds outside the car; someone was opening a door, and then, closing it.

I sensed that it was our turn at the checkpoint.

I held my breath. The car's trunk was carpeted and clean; Guero shook, and I did too.

Even though I am a U.S. citizen, I was breaking the law. By not entering through a checkpoint and declaring my citizenship, I was entering the country illegally.

Our car began moving again. This time I could sense that it was picking up speed, and soon we were flowing smoothly at a good rate of speed.

Guero shouted out in glee, and pumped my hand.

"Ya la hicimos," he said, telling me that we had made it. I breathed a sigh of relief. I was glad I didn't have to do this frequently.

After driving for a while longer, Guero's brother opened the trunk. Guero jumped out and pumped his brother's hand. I got up slowly, disentangled my legs and tried to climb out of the car trunk.

Guero came over to help me. It took me a while to get the blood circulating.

I was still nervous and shaking from the experience. Guero and I climbed into the back seat. We both had huge grins on our faces.

The Anglo woman, who had driven the car past the checkpoint, was telling Guero's brother, in English, that she wished he would find a better way to bring his family to the United States.

"This sort of thing is getting on my nerves," the woman said. "You know we're breaking the law."

"Nah," said Guero's brother. "Don't worry, they'll never catch us. Besides, if you won't help me, I'll find someone who will."

"Never mind," she said. A tone of resignation crept into her voice.

I just kept quiet, not letting on that I knew any English. For all they knew, I was from San Nicolas.

Guero didn't speak any English, so he just gazed out the window while his brother and his friend talked, argued, and made up.

I, of course, understood every word, amused by the fact that they were speaking about me. She complained about the fact that by crossing me to the United States, that they were officially smugglers.

She said that they had crossed that thin barrier, which separates smugglers from ordinary people who only bring their relatives to the United States.

She was complaining too about the fact that some smugglers charge as much as $350 and that he had never mentioned any price to me.

He answered that if he had quoted me a price, that meant they really were smugglers. He didn't want to cross that line at all, he said to her.

"He's my brother's friend, and that's all that matters to me," he said.

I silently thanked him for what he had said and later paid him $100. I liked Guero's brother, for his courage and daring.

When Guero's brother asked me where I wanted to go, I told him the Greyhound station in Los Angeles, in as Mexican an accent as I could muster (rolling my r's in the English pronunciation).

After I nodded off and dozed for brief, but welcome, periods of time, Guero's brother pulled into the station.

I thanked Guero's brother, gave Guero a Mexican abrazo, waved goodbye at the Anglo woman, and walked into the Greyhound station. My mission was complete.

All that remained was for me to go to Chicago, where my assignment would take me on the final leg.

I settled back to take in the American scenery, and prepared myself for working in Chicago.

This time, there would be no soldiers at any checkpoints. No officers of any kind interrupted our trip to the city at the foot of Lake Michigan.

DREAM FIZZLES—ILLEGALS DISCOVER ABUSE, LOW WAGES IN CHICAGO

(By Joe Olvera)

CHICAGO.—"All arbol callido todos le quieren sacar lena," (Everyone wants wood from a fallen tree) says Daniel Vargas.

Vargas, of El Salvador, is but one of a quarter million "fallen trees" in Chicago.

They are illegal Hispanics—from El Salvador, Nicaragua. Guatemala, Colombia and Peru. Most, of course, are from Mexico. They flee political violence and economic ruin in search of fortune and a better life. But what they find is not much better than what they leave behind.

Most of their "wood" is taken by American employers who pay them less than minimum wage; by landlords who charge them high rents in substandard housing; by bribe-hungry Mexican immigration officials, and by smugglers who take every thing they have to deliver them to their final destination.

Donato R. works at a restaurant. He said that he is paid only $2 an hour, but that the owner keeps telling him he is earning the minimum wage.

"I know better," said Donato, "There have been times when I've put in many hours of overtime, and yet, my paycheck continues being small.

"But what can I do? I need to work. If I complain, I get fired. If I get fired, my family in Mexico will not eat. I have to swallow my pride and accept their abuse, and their dishonesty."

Donato is an illegal Mexican who has lived in the Chicago area for two years. He lives in the outskirts of Chicago in a room which he shares with five other men.

The room rents for $205 per month, and has nothing in the form of luxuries. The floors are hard, and the room is in a state of perpetual bachelor's disarray.

Dirty mattresses, dirty sheets and dirty bedspreads decorate a variety of sleeping accommodations. The building is old, and decrepit, and their slumlord doesn't care.

The room is a grimy green with walls decorated by the pinup posters of sexy women found in the pages of Alarma and other Mexican girlie magazines.

A small-framed portrait of La Virgen de Guadalupe also decorates one side of the room.

Their social life consists of having a few beers in lounges where violence and anger predominate. Not much is left from their paycheck once they send money home to families in Mexico.

Not much is left from their dreams either. The American dream for Donato and his roommates has fizzled out. Donato hopes to return to Mexico in November. His roommates, however, are determined to stay here and to survive.

Donato came to this country in April 1981. Basically, he and his five roommates all have the same story.

Donato first came across the border in Tijuana illegally, with 12 men in a large, late model Dodge. He said that he got caught his first time around, and was sent back to Tijuana.

"The next day the coyote smuggled us in again," he said. "This time, there were only seven of us in a station wagon. Once I got to Los Angeles, I took the train, the LA Express to Chicago."

Donato said that it cost him $550 to be delivered from Tijuana to Chicago by the smuggler.

"I paid him when I got to Chicago, three days after we had left Tijuana," he said. "I did not feel any great thrill at seeing Chicago, but I was happy to see my wife who was already here to meet me."

Donato and his wife worked together at a plastics manufacturing plant, but eventually, she returned to Mexico, because she missed their five children. Now, Donato longs for the day when he can rejoin his family, he said.

Donato, like many illegal Hispanics in Chicago, works a variety of jobs, at a variety of locations. He presently works in a Chicago suburb known as Morton Grove, a small community of some 23,000 people.

Vargas came to the United States illegally from El Salvador by himself. His wife followed him six months later.

He left, not because he had any political problems in the war-torn country, but because he worried for the future of his children.

"I've always been a hard worker, always tried to support my family," said Vargas. "I was worried about my sons, they were starting to form alliances with the rebels. I didn't want my sons murdered like so many others.

"Getting through Mexico to the United States was extremely difficult, because Mexican authorities abuse us even worse than U.S. authorities. I had to pay so many bribes that I arrived in the United States penniless."

After working his way through Tucson, he found a church group that helped him to Chicago.

"We are very thankful to all the churches which helped us along the way. God's hand was guiding us."

Nearly all of the illegal Hispanics arrive in Chicago with their pockets empty, but their heads full of stories about the riches of America.

Now they are in America.

Cesarina Dominguez, a social worker with Chicago's Department of Human Services, said the situation with illegals is "sad," because they are taken advantage of.

"The exploitation level is incredible. Men and women are often stripped of their dignity, the only thing that can keep them going," she said.

Arnulfo M. came to Chicago from Puebla, Mexico, five years ago, and he said he plans to return to Mexico in November and "never return" to the United States.

"There are many problems between blacks and Hispanics," said Arnulfo M. "Two Hispanics were recently beaten to death by blacks in this area (Pilsen-Little Village). Since Harold Washington was elected mayor, it has been rougher on us Hispanics."

The Hispanic new to the United States goes through a tremendous emotional shock. They must jump rapidly and adjust rapidly from one set of values to another.

Julio Montoya is a *Salvadoreno* who first came to this country illegally in 1970. He is now a naturalized citizen, working as a journalist for *La Raza* and other Spanish language weeklies in Chicago.

He said there is an underground network that helps illegal Mexicans adjust to living in Chicago, but people from El Salvador don't get "as much help" as Mexicans.

"Before I got my legal papers, I lived the fear and the uncertainty that an illegal lives here," said Montoya.

"There is the pressure of not speaking or reading English, there is the pressure of not understanding the cultural traditions.

"Some things are changing; for instance, the image that Mexicans are the only illegals in Chicago is wrong.

"Mexicans do constitute the majority of illegals, at some 60 percent of that population." He added that Salvadorans are now coming to the United States in greater numbers.

He estimated there are more than 250,000 illegals in Chicago. Of these, 60 percent are Mexican, 10 percent are *Salvadorenos*, and the rest consist of *Guatamaltecos, Colombianos, Peruvianos*, and *Nicaraguenses*.

"In my country, we live between life and death; life is worthless; the risk in coming to the United States is minimal compared to the risk of remaining in El Salvador," he said.

"Still," Montoya said, "You know what? If I were given the chance to return to a peaceful El Salvador, I wouldn't hesitate for a minute. I'm an unwanted stranger in the United States, even though I'm already a citizen.

"But, I love El Salvador. I love my country. I would not hesitate to choose El Salvador over the United States."

MIGRANTS LOOK TO U.S. FOR SALVATION

(By Joe Olvera)

SAN NICOLAS, JALISCO, MEXICO. At times, during the American growing season, the cattle outnumber the people walking on these cobblestone streets.

This village of about 1,000 people is like many others in the Mexican interior. Nearly every man and woman migrates to the United States illegally to work the fields of American farms. The streets are empty in the summer, full in the winter.

Those who have worked as migrant farm workers "are readily identifiable," said Guillermo Llamas, who used to live in San Nicolas but now lives in Guadalajara, some 25 miles away.

"They leave wearing *guaraches* (sandals) and they return wearing wing-tips. There is not one man in San Nicolas who has not illegally entered the United States to work," Llamas said.

Many Mexicans still view the United States as the land of opportunity, where dollars can be swept up off the streets by hard-working field hands who can then return to Mexico with riches to spend.

But as often as not, the streets of San Nicolas greet a man returning from the United States with broken dreams and a broken family.

Mexican farm workers are fleeing the interior because of a severe drought that is crushing more than 8 out of every 10 acres of farmland. In their trips to the vineyards of California or farms of New Mexico, Arizona and Texas, they encounter many difficulties, such as immigration officers and competition for work.

The problems when they return home might be even worse. The long-term family separations often lead to divorce.

Antonia Amezcua, a San Nicolas housewife who hasn't seen her husband in five years, said the burden of illegal aliens falls heaviest on those who remain in Mexico.

"Many times, too many times, families are left broken, without a father to offer a strong hand and discipline the children who tend to go astray once the father is missing," Mrs. Amezcua said.

"When and if the father returns, maintaining or re-establishing a firm hand is difficult because by then the children, especially the boys, have established survival life patterns of their own."

Alienated because he has lost control of his family's destiny, the father has two choices, Mrs. Amezcua said.

He can stay home and re-establish his dominant role as the head of the family, although this means he must find work in Mexico and struggle for a living at very poor wages.

Or he can "save face" by returning to the states, working hard and sending money home, which is what has happened in her case.

"This is what the children want him to do anyway," said Mrs. Amerzcua. "They like the living which their father's U.S. dollars provide in Mexico.

"The surprising thing is that there is a general acceptance of this new pattern," she said.

"Mexican families used to stay together through very tough times. Now, it just seems easier to break up.

"The main thing now is for the husband to be able to provide for the family—whatever that takes, and however far that takes him."

Llamas, who runs a Guadalajara business, said his father used to work the U.S. fields, illegally at first, but then legally. Llamas was once a migrant farm worker, but no more. He's made enough American money and chooses to live in Mexico.

Even though his father was missed during his trips to the United States, he used the money wisely. Llamas said his father insisted on a full education for all his children, so that they would not have the difficult life he had.

"My father has always been a mule when it comes to working hard," said Llamas, 34. "Fortunately, he instilled that love to work in all of us."

Llamas has had enough of working for low pay in U.S. fields and is trying to make it in his own country. He recently opened, with two partners, a firm that sells electronics equipment to construction companies in Guadalajara.

He earned a degree in electrical engineering from the University of Guadalajara. Even though he has a permit to live legally in the United States, Llamas said he has no desire to move.

"The situation is very difficult for Mexicans in the United States. I tried to find employment as an electrician, but nobody would hire me. All the better jobs go to U.S. citizens.

"I had grown tired of working the fields, so I quit the United States and returned to Mexico. I'm determined to make it here. I want to make it here. This is my country."

Llamas said that most of the people who migrate to the United States are those without any resources or with very low employment skills.

"Most of the people who go to the United States are people who are not even prepared to work in Mexico, let alone the United States," he said.

"These people have such a hard time in Mexico that they look to the United States as their salvation. If they do manage to find work in Mexico it usually means performing the most menial of jobs."

Gerardo Buenrostro, 19, is one such man. He was in San Nicolas, having recently arrived from the states where he worked "the grapes."

He said that this had been his second trip to the United States, and that it certainly would not be his last.

"The first time I went into the United States illegally, I was caught by *la migra* (the Border Patrol)," Buenrostro said. "I had paid $350 to a *pollero* (smuggler) to take me across the border in Tijuana."

Buenrostro said usually he would not have lost that money, but since the *pollero* had already done his job—getting him to Los Angeles—he paid the money.

After getting caught the first time, he succeeded on his second attempt, and made it to the Napa Valley grape vineyards in California.

"I was only in Napa for four months, when the migra pulled a raid at the farm I was working in in Santa Rosa," he said.

"They came in with two vans, and went from row to row picking us out from the legal ones. They caught 15 of us men. It was early, around 9 a.m., they took us to Tijuana."

On his second successful trip, Buenrostro walked for five hours through the hills near San Diego. The coyote (smuggler) "brought us food and water, and generally was very helpful. We finally went from San Clemente to Los Angeles in a large van. Once we arrived in Los Angeles, it was every man to himself. The coyote had already done his job."

Another attempt, Buenrostro went across in the trunk of a car with four other men.

Buenrostro said that he loved the United States. The first time he was in the United States, he managed to send $2,500 to his family in Mexico.

This time he earned less, $1,000, but the dollar is worth more in Mexico now.

He also said that since he had been caught in the raid, he had not been paid by his em-

ployer, but that his two brothers, one of whom is a legal resident, in Napa would see to it that he received his pay.

Buenrostro said that he truly likes the United States, but that he still prefers to live in Mexico.

"Maybe some day I will make enough money to buy myself some land, or a business," he said. "Until that day comes, I will still go to the United States to work. It's great over there."

But while some Mexicans see the United States as a land of opportunity, others see it as a land of opportunists.

Miguel Acosta, an official with the Department of Agriculture in Mexico City, said that the United States is like a "cancer," which preys on the innocents in Mexico.

"Don't sit there and tell me that the United States does not benefit from the labor of Mexicans," said Acosta.

"The United States has grown rich and is a great country because of Mexicans who built that nation."

Patricia Mendiola, a communications specialist in the Mexican Department of Agriculture, said the idea U.S. streets are paved with gold leads to grief for many Mexicans.

"People don't realize that the cost of living is so much higher in the states, and that those few dollars they will earn will barely provide a subsistence," Miss Mendiola said.

Julia Palacios, a sociologist who teaches at the *Universidad Ibero*-Americana in Mexico City, has made a study of the problems faced by illegal immigrants.

"There are so many different types of immigrants," she said. "Some of them don't have any financial problems. They just go to the United States for the adventure and the excitement."

Mrs. Palacios said more than 80 percent of illegal farm workers return to Mexico when there is no more work.

RESULTS OF TEXAS 10TH DISTRICT QUESTIONNAIRE

(Mr. PICKLE asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. PICKLE. Mr. Speaker, I am releasing the results of a questionnaire put out by my office soliciting the opinions of the residents of the 10th Congressional District on a wide array of national issues.

The questionnaire was mailed to postal patrons (households) in the 10th Congressional District in early June. So far, I have received approximately 16,000 responses from constituents.

While the results are probably not as reliable as a more scientific survey, the sample is large enough to give me some feel for how the folks in the 10th District are thinking.

On defense spending, I think it is significant that 68.6 percent of the people responding think that an increase in defense spending is needed. Although people are divided on how much it should be increased, there appears to be general consensus that we must do something to counter Soviet advances. Along this line, I think it is noteworthy that only 12.2 percent of those responding think the United States has any advantage over the Soviets, while 44.1 percent think the Soviets have the advantage and 43.6 percent believe both powers are roughly equivalent. On specific weapons systems, repondents support development of the MX missile by a narrow margin of 48.4 to 42.7 percent. However, they favor construction of a new long-range bomber by a wider margin of 58.5 to 31.4 percent.

On Central America, people responding to the survey believe—by a margin of 67.8 to 25.8—that the presence of a Marxist government in Central America poses a security threat to the region. But, interestingly, they appear to be less certain how to respond to the threat. By a margin of 50.7 to 42.8 those responding oppose continuation of military aid to El Salvador. Yet, by a margin of 47.3 to 44.9 they favor the use of covert activities to destabilize unfriendly governments, that is, like Nicaragua.

On domestic issues, respondents are divided fairly evenly in their assessment of cuts to Federal assistance programs in the past 2 years; 39.7 percent said they were too much; 23 percent said they were too little; and 37.3 percent thought they were about right. Still, when asked whether spending for specific Federal assistance programs should be reduced or increased, there was much more sentiment for reducing spending. Of the Federal assistance programs that respondents thought should be reduced, the food stamp program was mentioned most, followed by legal services for the poor.

This seems to reflect a common perception that the Government spends too much on social welfare programs. Still, when asked how they would balance the budget most people said, in an apparent contradiction, they would cut defense spending. Ironically, the option picked by the fewest respondents was to reduce assistance to the poor, elderly, and disabled. The second most frequently mentioned solution was to delay or cap the third-year tax cut.

On an issue of particular interest to me, 69 percent of the respondents favored the change in the retirement age for full social security benefits to 67 by the year 2027. This change is the result of an amendment I offered during consideration of the social security bailout bill earlier this year.

On other issues, respondents favored passage of the equal rights amendment, which has been reintroduced in Congress, by a narrow 47.7 to 45.1 percent margin. Those answering the questionnaire favored a ceiling on campaign spending by political action committees in congressional campaigns by an overwhelming margin of 82.3 to 11.5 percent. Respondents oppose tutition tax credits by a margin 60.3 to 36.5 percent. Respondents favored a constitutional amendment to permit prayer in public schools by a margin of 54.9 to 39.1 percent. They oppose a constitutional amendment to prohibit all abortions by 79.7 to 16.6 percent. Levying fines against employers who knowingly hire illegal aliens is favored by 75 to 20.3 percent. However, granting permanent residency to illegal aliens residing in this country prior to January 1, 1981 is opposed by 62.4 to 29.9 percent.

On other issues, the decontrol of natural gas is favored by a margin of 55.4 to 29.7 percent. A lower minimum wage for teenagers is favored by a margin of 63.5 to 33.2 percent. Easing environmental controls on industry is opposed by a margin of 75.5 to 21.9 percent. Respondents are divided almost evenly on Japanese imports; 46.3 percent favor them, 47.3 percent oppose them.

Mr. Speaker, a question-by-question breakdown of answers given to my 10th District questionnaire for the benefit of my colleagues follows.

Results of 10th District Questionnaire

	Percent
1. Which of the following levels of defense spending could you support?	
A. 4 percent increase—(House recommendation)	21.5
B. 6 percent increase—(Senate recommendation)	21.5
C. 10 percent increase—(Administration proposal)	25.6
D. No Increase	17.8
E. Decrease	13.7
2. Do you support development of the MX missile?	
Yes	48.4
No	42.7
No opinion	8.7
3. Do you favor the construction of a new long range bomber to replace the B-52?	
Yes	58.5
No	31.4
No opinion	10.0
4. In your opinion, which of the following statements best characterizes the nuclear balance between the Soviet Union and the United States?	
A. Soviet Union has slight advantage	26.6
B. United States has slight edge	8.9
C. Both powers roughly equivalent	43.6
D. United States has big advantage	3.3
E. Soviets have big advantage	17.5
5. Do you favor continuation of military aid to El Salvador?	
Yes	42.8
No	50.7
No opinion	6.5
6. Do you favor the use of covert activities by the United States to destablilize unfriendly governments (i.e. CIA involvement in Nicaragua)?	
Yes	47.3
No	44.9
No opinion	7.9

7. Do you feel that the presence of a Marxist government in Nicaragua poses a security threat to the United States and other governments in the region, including Mexico?

Yes	67.8
No	25.8
No opinion	6.4

8. Do you favor greater Congressional involvement in the formulation of foreign policy?

Yes	51.8
No	39.0
No opinion	9.8

9. Do you favor levying fines against employers who knowingly hire illegal aliens?

Yes	75.0
No	20.3
No opinion	4.7

10. Do you favor granting permanent residency to illegal aliens who have resided in the United States prior to Jan. 1, 1981?

Yes	20.0
No	62.4
No opinion	7.7

11. In the past two years, the Congress has reduced expenditures for a number of the major federal assistance programs that aid the poor, disabled and the elderly? In general, do yo feel these cuts have been:

Too much	39.7
Too little	23.0
About right	37.3

12. For which of the following federal assistance programs, should spending be reduced?

	Number
A. Aid to Families with Dependent Children	619
B. Child Nutrition Programs	297
C. Food Stamps	1,066
D. Low Income Energy Assistance	613
E. Medicaid	354
F. Supplemental Security Insurance	624
G. Legal Aid	888
H. Education grants to low-income students	643
I. Housing	641
J. None	530

13. For which of the following federal assistance programs, should spending be increased?

A. Aid to Families with Dependent Children	384
B. Child Nutrition Programs	571
C. Food Stamps	195
D. Low Income Energy Assistance	308
E. Medicaid	491
F. Supplemental Security Insurance	275
G. Legal Aid	273
H. Education grants to low-income students	498
I. Housing	312
J. None	870

14. The Social Security bill just signed by the President addresses the long-term solvency of the Social Security system by gradually increasing the retirement age for full benefits to 67 by the year 2027. It makes no changes before the year 2000 and maintains the right to retire at age 62 at a lower amount.

A. Do you agree with this change?

	Percent
Yes	69.0
No	23.2
No opinion	7.9

B. Do you think that Congress, in conjunction with this change in full retirement, should provide an occupational disability for individuals who still must retire early for health reasons? (The Social Security bill calls for recommendations to be presented to Congress for such a program.)

Yes	72.1
No	18.8
No opinion	9.1

15. The Equal Rights Amendment has been reintroduced in Congress. Do you favor passage of the ERA?

Yes	47.7
No	45.1
No opinion	7.2

16. Do you favor easing of environmental controls on industry?

Yes	21.9
No	75.5
No opinion	2.6

17. Should we impose trade restrictions on Japanese imports?

Yes	46.3
No	47.3
No opinion	6.5

18. Do you favor a Constitutional Amendment to prohibit all abortions?

Yes	16.6
No	79.7
No opinion	3.7

19. Do you favor a Constitutional Amendment to permit prayer in public schools?

Yes	54.9
No	39.1
No opinion	5.9

20. Do you favor a lower minimum wage for teenagers?

Yes	63.5
No	33.2
No opinion	3.3

21. Do you favor decontrol of natural gas?

Yes	55.4
No	29.7
No opinion	14.9

22. Do you favor tuition tax credits for parents who send their children to private schools?

Yes	36.5
No	60.3
No opinion	3.2

23. Do you favor a ceiling on the amount of political action committee (PAC) funds that can be used in Congressional elections?

Yes	82.3
No	11.5
No opinion	6.2

24. Current projections indicate the Medicare trust fund will experience financial shortfalls before the end of the decade. How would you deal with this problem?

	Number
A. Fund Medicare from general revenues	415
B. Increase payroll taxes	141
C. Increase deductibles and co-insurance payments	329
D. Put further limitations on payments to hospitals and physicians	832
E. Restrict coverage of certain benefits	396
F. Replace Medicare with National Health Insurance	615
G. None of the above	112
H. No opinion	140

25. Agricultural extension, price supports and loan programs should be:

	Percent
A. Continued because they stabilize the farm economy and open up new markets for products	39.1
B. Discontinued because they cost too much and violate supply and demand economics	47.0
C. No opinion	13.8

26. The 1984 federal budget deficit is projected to be $170–$180 billion. How should the federal government reduce the deficit?

	Number
A. Reduce defense spending	868
B. Generate new revenue with new or higher taxes	443
C. Reduce spending for entitlements	551
D. Reduce assistance to poor, elderly, disabled	334
E. Defer or cap third-year tax cut	694
F. All of the above	99
G. None of the above	204

KENNETH HEATH—PREEMINENT AGRICULTURAL AND CIVIC LEADER IN SOUTHEAST MISSOURI

(Mr. EMERSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. EMERSON. Mr. Speaker, it is with deep sadness that I rise today to inform my colleagues of the loss of one of southeast Missouri's preeminent agricultural and civic leaders, my friend Kenneth R. Heath of Dogwood, Mo. Kenny was killed on his farm in a mishap on July 18.

Mr. Speaker, as I am sure everyone who serves in an elected office feels, one of the most rewarding experiences a public servant has is the opportunity to meet people, make new friends and come to know well those folks who make up the vital fabric of our districts, States, and country. It was during my first campaign to serve in the House that I came to know Kenny. He was always ready to offer his friendship, advice and counsel to facilitate sound agricultural policies, a better community, a better State and

country; indeed, a better world. That is the kind of man Kenny was and that is the way he lived his life, with everyone with whom he came into contact.

I will not go into the many organizations and public service groups Kenny lent his help to, because they are mentioned in the article accompanying these remarks in the CONGRESSIONAL RECORD. I just want to say that Kenny was a fine man and able leader who left things in a better condition than he found them. His energy, concern and commitment to the service of his fellow men can never be totally replaced.

I am certain that all Members join me in sending our heartfelt condolences to Kenny's wife Nancy, his children, his mother and sisters.

[From the Daily Standard (Sikeston, Mo.), July 19, 1983]

BY ELECTRICAL SHOCK: FARMER DIES IN ACCIDENT

EAST PRAIRIE.—Kenneth Ray Heath, 44, of East Prairie Route One, a prominent landowner, farmer and curator of the University of Missouri-Columbia, was killed sometime between 5 p.m. and 6 p.m. Monday on his farm in the Dogwood community.

Mississippi County Coroner Elgin McMikle, called to the scene about 8 p.m. Monday, said today death was accidental and Heath was killed instantly by electrical shock from 440 current.

Heath reportedly had gone back in the field, about three quarters of a mile west of the Dogwood store, to check an irrigation system which had ceased functioning. He evidently was working on the pump, powered by 440 current, as he had a screwdriver in his hand when found lying face down. Water was standing around the pump area and the ground was very wet, according to Sheriff Avery Hutcheson, who also investigated the death.

An employee on the Heath farm, Earl Bryant, went to check on Heath when he failed to respond to the farm radio. Bryant went to the field to locate and assist Heath and found the body near the irrigation system.

Commenting the death was "due to a human error," the coroner said Heath's hands and the left side of his chest was burned from the electrical shock.

Active in farming in the Dogwood community, Heath was appointed to the University of Missouri Board of Curators by Gov. Bond in January for a six-year term. He was a board member of Citizens Bank in Charleston, board member and part-owner of Dogwood Store and Oil Co. and a member of the Foresight Panel of "Missouri Ruralist."

He was presented the University of Missouri Citation of Merit Award and the State Extension Farm Management Award in 1981 and had been named Outstanding Young Farmer by the Sikestone and East Prairie Jaycees.

Other activities include being a member of the University of Missouri's State Extension Advisory Committee, a member and past president of the College of Agricultural Alumni Board; and a member of the Search Commitee for Associate Dean of Agricultural Extension in 1981-82.

Heath has been active in Farm Bureau, serving as chairman of the 10th Congressional District Farmer's Action Committee for four years, State Young People's Program chairman from 1963-64 and was a past Mississippi County board member and president of Farm Bureau.

A 1960 graduate of the University of Missouri with a major in soils, Heath was a member of the East Prairie R-2 School District, Dogwood United Methodist Church and Sunday School superintendent, a 32 degree Mason; past chairman of the Mississippi County Soil Conservation Service and participated in a delegation sponsored by the State Department of Agriculture which toured farm operations in Western Europe and Russia.

Born Sept. 26, 1938, son of Margaret Hurley Heath, who survives of the Dogwood community, and the late Noah Sylvester Heath, he had lived in Mississippi County all his life.

On Jan. 21, 1965 he married Nancy Gail Matthes, who survives.

In addition to his wife and mother, surviving are: one daughter, Emily Margaret Heath of the home; two sons, Brian Ray Heath and Alan Corey Heath of the home: and two sisters, Mrs. Bill (Margie) Arington of the Dogwood community and Brenda Morris of Fort Lauderdale, Fla.

One Sister, Martha Faye Heath, preceded him in death.

Friends may call after 6:30 p.m. today at Shelby Funeral Home in East Prairie, where Masonic rites will be conducted at 8 p.m. today.

Funeral services will be conducted at 3 p.m. Wednesday in the funeral home with the Revs. Floy V. Brower and Harold Norton officiating.

Burial will follow in Dogwood Cemetery.

[From the Charleston (Mo.), Enterprise-Courier July 21, 1983]

Missouri University Curator Kenneth R. Heath, 44, of the Dogwood Community, was electrocuted late Monday afternoon while working on an irrigation pivot system on his farm.

The Mississippi County agribusinessman, civic leader and bank director was appointed to a six-year term on the University of Missouri Board of Curators by Governor Christopher Bond in January of this year. The Curators are the governing body for the four-campus Missouri University system.

Coroner Elgin McMikle ruled the death accidental.

Heath was a lifelong resident of Mississippi County and graduated from East Prairie High School in 1956. He received his B.S. in Agriculture from the University of Missouri-Columbia in 1960.

Active in civic affairs for many years, Heath was a member of the East Prairie R-2 School District Board of Education, a member of the State Extension Advisory Committee, and served on the board of directors of the Citizens Bank of Charleston. He was also active in the ag alumni organization of the University of Missouri.

He had served as chairman of the Mississippi County Soil and Water Conservation Board of Supervisors, was a member of the Mississippi County Airport Commission and the Mississippi County Extension Council.

A resident of the Dogwood community, Heath farmed land in Mississippi and New Madrid counties and was a co-owner of the Dogwood Store and Oil Co.

In 1981, Heath received the State Extension Farm Management Award and the University of Missouri Citation of Merit Award.

Heath was born Sept. 26, 1938 in the Dogwood community to Mrs. Margaret Hurley Heath and the late Noah Sylvester Heath. On Jan. 21, 1965, he married Nancy Gail Matthes, who survives.

In addition to his wife and mother, he is survived by two sons, Brian Ray Heath and Alan Corey Heath, and one daughter, Emily Margaret Heath, all of the home; and two sisters, Mrs. Bill (Margie) Arington of Dogwood and Brenda Morris of Ft. Lauderdale, Fla.

He was preceded in death by his father and one sister, Martha Faye Heath.

In lieu of flowers, the family requests that a scholarship fund be established in Mr. Heath's memory.

FARM POLICY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kansas (Mr. GLICKMAN), is recognized for 30 minutes.

Mr. GLICKMAN. Mr. Speaker, I take the floor of the House today to talk about farm policy. It strikes me that no time since I have been in Congress has the issue of farm policy been more chaotic than it is right now.

At no time since I have been in Congress for 6½ years has there been a crisis of decisionmaking both at the Federal level as well as the private level and the State level, both at the legislative level as well as the administrative level.

Nobody really knows what to do about farm programs. That means both grain programs, livestock programs, as well as some of the other commodity programs we have such as sugar and dairy. And the public policy choices are just about nil.

But let me talk about what we have right now on farm policy and farm programs.

The main program we have to deal with is the PIK program, payment-in-kind. In my judgment that program has failed in every respect.

It was balleyhooed as a free program or next to free program, but the estimates now are that PIK may cost as much as $21 billion this year.

In spite of huge levels of participation, as much as 18 percent of the wheat acreage in the country was enrolled, the stock reductions will be minimal. Only about 8 percent for wheat.

So for about $21 billion we have got virtually about the same amount of reductions as we had received the previous year.

Farm income may actually fall again this year as huge PIK supplies depress the cash markets. The only moderation may be due to somewhat lower costs of production this year and granted the recent announcement of grain sales to the Soviet Union may help to a certain degree.

Of greatest concern to farmers throughout this entire country is that the management and administration of the program has been and continues to be a nightmare and may be driv-

ing up the costs of the program, thus decreasing its ability to bolster the economy.

Mr. Speaker, in last week's Business Week magazine, the edition dated August 8, 1983, there was an article entitled "How PIK Is Poisoning Farm Policy."

One of the things I worry about as a Member of Congress from an agricultural producing State is that for the first time we are beginning to see a disintegration, a breaking apart of the farm coalitions that have for years put together farm bills in this place, primarily because of negative feelings about the PIK program.

I think it is worthwhile reading a couple of sections from that Business Week article. I quote:

Only last winter farmers tugged at the Nation's heartstrings as they battled depressed crop prices and massive debt to avert the bankruptcy auction gavel.

Today, in an abrupt reversal of sentiment, farmers are the target of scorn—now nowhere more than in the rural communities where they market their grain and bank their profits. From the main streets of the Midwest to the corridors of the Capitol, the realization is taking hold that farmers have wrangled the largest and perhaps least effective Federal bailout ever, the $12 billion payment-in-kind program, or PIK.

The mounting budgetary costs and apparent ineffectiveness of PIK and other farm programs are creating a powerful political backlash. But farm interests are bitterly split over how to contain the costs of agricultural supports and deal with the farm sector's fundamental problem of overcapacity. That split is paralyzing policymaking and it threatens to undermine efforts by the Reagan administration to overhaul the Government's farm programs.

That is the end of the article, Mr. Speaker.

I think that the PIK program is doing more than undermining the efforts of the administration. I think that the PIK program is jeopardizing the fragile coalition that has made agricultural policy for about a century.

Now it looks to me as if we lack a firm policy for the future. I believe that the administration continues to use farm policy as a budget balancer without regard for its implications for farm programs.

The way the announcement of the 1984 wheat program has been handled shows no regard for farmers. The administration has withheld details of the program even at this stage as a political bargaining chip for its too little, too late proposal to freeze target prices.

□ 2250

Also its announcement last Friday of further details conflict on target price freeze legislation only worsens the situation created earlier.

And in spite, over the last week, of action involving Soviet grain sale agreements, foreign sales will be hurt dramatically over the last 18 months from the use of farm trade to leverage other matters.

For example, inaction until lately on the Chinese textiles matter has cost hundreds of millions of dollars because the administration has failed to set a course promoting farm exports irrespective of other matters and has in fact contradicted its espoused support of free trade by clamping down on imports, thus costing American farmers their largest market.

The administration has played cat and mouse with the Soviet Union ever since taking office and has made positive signals only twice, both politically motivated; once last year a few weeks before the mid-term elections and just last week to shore up farm belt support as the President decides to run for reelection and sell further cuts in other domestic programs.

It is incumbent upon me to come down here and more than criticize. We have a giant farm program costing many, many billions of dollars, depressed farm prices.

I myself felt PIK at the time was at least a way to go out of doldrums of the 1981 farm bill. But it has not worked very well. So, we need to look toward the sound future. One of the things that disturbs me is the absolute emptiness of policymaking on farm programs almost anywhere in this country. The kind of thinking that goes on in America on scientific policy trade and export policy, economic policy is not found in agricultural policy. There are no agricultural think tanks in America.

We do not see the existing think tanks like Brookings, American Enterprise Institute, Hoover Institution, and the whole assortment of folks throughout America who think about policy are not even touching or talking about agricultural land policy.

Even our land grant institutions which have done such a dramatic and wonderful job of increasing agricultural productivity, on the whole do not do very much in trying to develop agricultural policy for the next few decades.

The alternative is a great disaster for American agriculture; fewer and fewer farmers, more and more bankruptcies, a situation which will build on itself and keep general economic recovery from emerging.

Let us look at what we can do. In the area of farm exports we can establish a firm policy on farm export and on circumstances to use concessional financing. We can establish greater and more stable bilateral trade agreements with countries all over the world. But we have to realize that exports alone will not improve the situation dramatically. So, we have to look at the situation of management.

We are too productive, produce too many crops particularly in the grains area and something must be done to reduce that production or else we will see prices continue to plummet down to zero and maybe in 30 years the fittest will survive, but lots of folks, lots of towns, lots of parts of America will go bankrupt in the process.

The current policies have failed, acreage reduction, set-asides, PIK, none have worked to reduce the real problem which are huge oversized-crops.

Now is the time to begin serious consideration to alternatives to the current policy to restructure supply controls and such alternatives could include mandatory production controls, which I think the farmers in America should decide for themselves. The alternatives could involve bushel allotments as opposed to acreage allotments, because you do not eat acres, you do not consume acres and for years that is the way we have reduced production in America when in fact perhaps we ought to be looking at the issue of reducing the total amount of bushels produced.

But I guess I come down to this House because I have seen a dirth of discussion from Members from agricultural producing areas responding to the great outcry that we see in the press and in the national discussions on the PIK program.

It is expensive, it is not working to rebuild an agricultural future for farmers. There must be better ways. And I guess my point today is that during the next 3 months it is incumbent upon all of us in America, not just farm-producing legislators but folks throughout America, farmers themselves, people in institutions of higher learning, to begin thinking much more carefully about what we want our farm picture to look like in the next 20 years.

I would close by reminding my colleagues that our natural resource base is the heart of America's strength. And as it begins to deteriorate, as it has been for the last 10 or 15 years, we have seen the strength of America's economy begin to deteriorate further.

I am a Member from an agricultural State but from an Urban area of that agricultural State and I have come to realize the significance of a sound, strong, future-oriented farm economy to a healthy America.

It seems to me we are at the watershed of agricultural policies. Unless we can make dramatic changes in our farm policies over the next 2 or 3 years we may see a disastrous catastrophe happen in the production of food and fiber in America.

● Mr. DASCHLE. Mr. Speaker, I am joining with my colleagues this evening to examine our agricultural policies and the current stewardship of our basic agricultural programs by the Department of Agriculture.

The tenure of John Block as the Secretary of Agriculture may be re-

membered most in future years for the payment-in-kind (PIK) program. Although land diversion programs have been utilized since the 1930's, the scale of the PIK program has assured it will not be ignored nor forgotten in the near or more distant future.

Monumental in many respects, the payment-in-kind program is also a monument to the mismanagement of the Nation's most basic farm programs by the Department of Agriculture. The size and cost of the PIK program, which have assured its place in history, are also a direct reflection of the degree of farm program mismanagement which necessitated the creation of the PIK program.

According to the Department of Agriculture, the PIK program was needed because of large global supplies of agricultural commodities, the global recession, the strong U.S. dollars, and the financial plight of importing nations. In particular, the Agriculture Department cited record world production of grains, oilseeds, and cotton in 1981–82 and record world crops of grains and oilseeds again in 1982–83, world consumption of feedgrains had not increased since 1978–79 and world consumption of wheat had not increased since 1979–80, the value of the U.S. dollar compared to other currencies had risen to the highest level in 13 years which increased the cost of U.S. farm commodities purchased by foreign buyers and depressed farm export sales, and the global economic recession reduced the ability of importing nations to purchase U.S. farm production.

These conditions, cited by the Agriculture Department to explain the need for creating the PIK program, did not arrive unannounced 1 day late in 1982 on the doorstep of the Department of Agriculture. The loss of $2.2 billion in farm exports because of the impact of the value of the U.S. dollar, for example, had been estimated on March 3, 1982, by the Department of Agriculture. These conditions were no surprise, but are instead an admission of major mismanagement of the Nation's farm programs by the Department of Agriculture.

As a direct consequence of this mismanagement, the cost of farm price support programs has increased dramatically from $4 billion in 1981, only 2 years ago, to $21.8 billion this year according to the administration's most recent forecast. A stated objective of the PIK program is "to promote a farm income while at the same time reducing costs to the Federal Government and, thus, to U.S. taxpayers." As a result of farm program mismanagement, the cost of farm price support programs has soared, but according to current estimates, no improvement in farm income has occurred. In fact, farm prices are falling and in June the national farm parity price fell to 56 percent equaling the 50-year low suffered in January and February of 1982.

As the consequences of farm program mismanagement have become apparent even to the Department of Agriculture, there have been increasing efforts to divert attention away from the failed management of our Nation's basic farm programs and to focus attention on future farm policy. The debate on future farm policy sought by the administration has begun and the cost of consequences of program mismanagement are central to that debate.●

● Mr. SKELTON. Mr. Speaker, leading agricultural economists and farm organization representatives, including two from the University of Missouri, testified recently at a House Government Operations Subcommittee hearing and charged that mismanagement by the U.S. Department of Agriculture in early 1982 contributed to lower farm income at the same time that the taxpayer cost for administering farm programs increased.

Dr. Abner Womack told the subcommittee that a paid diversion program for 1982 would have increased farmers' incomes for 1982 and would have reduced price-depressing surpluses. Dr. Harold Breimyer concurred, testifying that if the Department of Agriculture had instituted an aggressive paid diversion in early 1982, not only would prices have been higher for farmers and Government payments less for taxpayers, but little or no payment-in-kind program would have been needed in 1983. He laid most of the blame on Office of Management and Budget Director David Stockman's approach to agricultural problems, calling them "penny wise and not merely pound foolish, but billion dollar foolish."

In early 1982, I spoke to this body and called for a comprehensive farm program, including, among other things, a proper diversion program and increased agricultural exports. The House passed legislation incorporating these provisions, but it was never enacted into law. Thus, in 1982, we saw agricultural exports actually decrease as burdensome grain surpluses piled up.

Finally, the administration responded in 1983 with payment-in-kind, or PIK, program. This program has been helpful, and has undoubtedly saved many farmers from bankruptcy. But it has had its drawbacks. It has hurt the business of small agricultural suppliers, such as farm equipment dealers and those who sell fertilizer and seed. And, because the program was drawn up in haste, there have been administrative headaches. I have received reports of long delays in PIK payments being made, and of farmers receiving the wrong class or grade of grain. Newspaper reports have focused on payments worth more than a million dollars to large corporate farms.

These problems, plus the cost of the program, indicate that PIK can only be a short-term solution to farm financial problems. In my opinion, there will be no substantial, long-term improvement in the farm economy until we reverse the current downward trend in agricultural exports, expand the market for our farm products and bring interest rates down to a reasonable level.●

ALTERNATIVE BUDGET

The SPEAKER pro tempore. Under a previous order of the House the gentleman from California (Mr. DANNEMEYER) is recognized for 30 minutes.

Mr. DANNEMEYER. Mr. Speaker, it is not too difficult to lapse into a state of mild euphoria over the seemingly endless gush of optimistic news over the past several weeks. Reports the GNP had risen over 8 percent in the second quarter had many economic forecasters, both private and in Government, falling over themselves in unrestrained astonishment that their own predictions were about half that figure. It seems now everybody sees the rainbow.

The problem is that we are not necessarily assured of finding a pot of gold at the end of that rainbow. The July economic news notes published by the National Association of Home Builders gives us a clue. Based on the way the financial markets have been behaving it is difficult to see how the housing recovery can maintain its momentum for more than a few months. Even worse we may have another bust in 1985 as a result of the almost certain collision in the capital markets when demands for private capital clash with Government borrowing.

Government borrowing, borrowing necessitated by budget deficits of such magnitude that most people cannot comprehend the numbers. The message to Congress ought to be clear enough, "cut spending now or face the inevitable tide when the 34th State calls for the convening of a Constitutional Convention to require a balanced budget." Not more than a half hour ago this House saw adopted a reauthorization of revenue sharing for cities and counties and States around this country.

In concept it was an excellent proposal, starting in the early part of the 1970's to give revenue by the Federal Government without strings and as a reduction for this new revenue sharing we would reduce on an allocated basis certain categorical aid programs.

It was intended it would be a net push to the Federal taxpayer. It has not worked out that way. And we saw the result of the vote. Once something gets started it is almost impossible to

stop it, even though we have no revenue to share.

Over the course of the past several weeks this Member from California has taken these special orders to bring to the Members' attention the fact that we can, if we have the will in this House, adopt a budget proposal that can substantially reduce the deficit that we are now facing in this country; namely, estimated to be $200 billion for fiscal year 1984, the fiscal year that will start on October 1 of this year.

The Members may recall that when this matter was considered by the House in March of this year, this Member from California, working with half a dozen of my colleagues, produced an alternative budget that proposed spending for 1984 of $760,510,000,000, that is in contrast to the budget proposal adopted by the House calling for spending of $863.55 billion. That reduction of $103 billion, which it would have achieved, were it adopted, would not balance the budget in 1984, but it would have significantly reduced the deficit, in fact, reduced the deficit for 1984 to $68.51 billion.

You would think when you examine opinion polls around the country that the Members of this House would be willing to at least adopt a spending proposal that would substantially reduce the deficit, because poll after poll indicates that that is the desire of the American people. But my colleagues will be surprised perhaps to learn that the Members of this House were not even permitted to vote on this alternative budget whereby we would have reduced the deficit by over $100 billion for fiscal year 1984.

You have to ask the question, well, why would a process come about that would prevent the Members of the House from voting for that lower level of spending consistent with the will of the vast majority of the people of this country.

The answer to that question deals with how this House is run and who runs this House.

The Democrats in this House have a total of some 267. We Republicans have a total of about 168. They have 62 percent of the membership, we have 38 percent of the membership.

The Rules Committee, which controls the flow of legislation to the House, as we all know, has a majority of two to one Democrats on that Rules Committee.

This Member went to the Rules Committee and asked that a rule be made in order whereby the alternative budget that this Member from California is talking about could have been voted on on the floor of the House.

I am sad to say to my colleagues that the Rules Committee, dominated by the Democrats two to one, ignored the request by this Member from California and refused to make this alternative budget in order to be voted on on the floor of the House.

I can only conclude that the main reason they did that was because they do not want their Members in this House to have to vote or to explain to their voters in the election of November 1984 why they voted against cutting spending of this magnitude.

It is a sad day, but it is the only way that I can bring this matter to the attention of the House that this error could be rectified when the law says we are supposed to take up the second concurrent budget resolution in September of this year, just about a month and a half from now, and it is my hope that the Rules Committee will make in order an alternative budget proposal so that Members of this House will have the chance to vote on record as to whether or not they want to reduce spending of the amount that was contained in this alternative proposal or some other Member's alternative which will move in the same direction.

Sometimes I am asked when I make this presentation, "Well, where are you going to cut spending?" There is a drum beat around here. Sometimes we hear that, "Well, you really cannot cut spending. It is so ingrained in our system that as a practical matter it cannot be done." Or if you are attempting to make spending cuts of that magnitude, you really cannot achieve it because you are doing it on the backs of the poor, the downtrodden, the deprived, and the handicapped in our society.

I have prepared an analysis which I have been reading over the course of the past several weeks to indicate that that is not the case and to illustrate to my colleagues how we can reduce spending of this magnitude in a responsible way.

I want to read some of those provisions here this evening.

The first category deals with 700, veterans benefits and services.

The proposal for reduction in this category comes at $200 million, the base line is $25.5 billion. The alternative budget that this Member from California prepared suggested spending be $25.3 billion, a reduction of $200 million.

And the way that can be achieved is by altering compensation provisions in category 701 as follows:

Reduce funding for 1984 to level proposed by the President, cap outyears to allow for 60 percent of CPI COLA less expected caseload decline.

In category 750, administration of justice. The CBO base line estimated spending at $5.4 billion. This alternative budget recommends $4.9 billion, a reduction of $500 million.

That reduction can be achieved as follows:

Category 751, Federal law enforcement activities (Department of Education) education activities.

Department management: Reduce funding for civil rights enforcement to level proposed by the President.

Department of Health and Human Services. Departmental management: Office of Civil Rights—terminate office, transfer activities to the Justice Department.

Department of Housing and Urban Development. Fair housing and equal opportunity: Fair housing assistance—terminate funding for grants to States.

Department of Justice. Interagency Law Enforcement. Organized crime drug enforcement—reduce funding to level proposed by the President.

Department of the Treasury. Bureau of Alcohol, Tobacco, and Firearms—terminate bureau, transfer necessary interstate criminal detection and investigation activities to the FBI.

Other independent agencies. Commission on Civil Rights—terminate agency, transfer the activities to the Justice Department.

Architectural and Transportation Barriers Compliance Board—terminate agency, program has progressed to degree of compliance where separate-agency status is not warranted.

Category 752 Federal litigative and judicial activities. Department of Justice. Legal activities: Community relations service—delete funding and terminate Federal intervention in local police operations.

Other independent agencies. Legal Services Corporation—terminate agency as originally proposed by the President.

Category 754, criminal justice assistance. Office of Justice Assistance: Justice assistance—reduce funding to level proposed by the President.

Category 800, general government.

CBO base line for this category is $5.4 billion for 1984. This alternative proposal suggests we spend for it $5.2 billion. A difference of $200 million.

In a breakdown of that category.

Category 801, legislative functions.

Legislative branch. Senate: Miscellaneous items—cap funding at $40 million. Contingent expenses—cap funding at $250,000.

House: Allowances and expenses—cap funding in outyears at $90 million.

Government Printing Office: Congressional printing and binding—cap funding in outyears at $100 million.

Other legislative branch agencies: Commission on Security and Cooperation in Europe—terminate the activities of that agency.

Category 802, executive direction and management. Executive Office of the President. Office of Science and Technology Policy—terminate the office, activities ought to be administered by the Office of Policy Development.

Council on Environmental Quality and Office of Environmental Quality—terminate these activities, policy ought to be directed by the EPA.

U.S. Trade Representative—terminate office, activities ought to be administered by the International Trade Administration.

Category 803, central fiscal operations. Department of the Treasury. Bureau of Government Financial Operations: Salaries and expenses—reduce funding to level proposed by the President, cap outyears at $250 million.

Office of the Secretary: Salaries and expenses—incorporate President's proposal to delete funding for the old account for international affairs.

Bureau of the Public Debt: Administering the public debt—reduce funding to level proposed by the President, cap outyears at $210 million.

Category 806, other general government.

Department of the Treasury. Office of the Secretary: Presidential election campaign fund—terminate taxpayer subsidies of campaigns.

Other independent agencies. Navajo and Hopi Indian Relocation Commission—terminate the Agency, activities ought to be administered by the Interior Department.

Other temporary commissions: Advisory Commission on Intergovernmental Relations—terminate this activity.

U.S. Holocaust Memorial Council—delete funding, finance activities through private donations as was the Vietnam Veterans Memorial.

We in this House, serving in the Congress of the United States, must come to a basic decision as to whether we truly want to do something about this runaway out-of-control spending. And the way to do it is to lay out a program whereby we can responsibly make significant cuts in the spending total by the Federal Government. That is in this spirit that this proposed alternative is offered.

I sincerely hope that when we take up this matter again in September, as the law requires, that we will have an opportunity of voting on this proposed alternative proposal for reducing spending by bringing it under control or some other Member's so that the taxpayers of this country will have an opportunity of evaluating whether or not we have been proper stewards of the privileges and responsibilities that we hold as Members of Congress.

□ 2310

THE O'NEILL PROJECT IN NEBRASKA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Nebraska (Mr. BEREUTER) is recognized for 5 minutes.

Mr. BEREUTER. Mr. Speaker, on July 25, 1983, I addressed the Members of this body to discuss my concerns about a new study of the authorized O'Neill project in Nebraska. I outlined for the record some of my reservations about this latest study effort.

I wish to reiterate one statement from my July 25 special order: "I shall not consider myself or my constituents bound in any way by the recommendations of the joint State-Federal study authorized in the fiscal year 1983 supplemental appropriations bill."

I repeat this statement because I have been asked today to join my colleagues in the Nebraska congressional delegation in signing a letter to Secretary Watt requesting the Department of the Interior and the Bureau of Reclamation to initiate another review and analysis of the authorized O'Neill unit plan in order to determine if there are additional ways to reduce costs for the authorized project.

I did sign the letter because I believe any effort to reduce costs, even marginally, deserves support. However, as the O'Neill project includes construction of the Norden Dam, it will never receive sufficient support in Nebraska or Congress to see it completed. Nevertheless, I am willing to give supporters of the project this additional opportunity to seek modifications to their project and present their findings to the public. I am anxious to see a detailed work plan outlining the components of this study effort.

For the record, I wish to make clear that in this instance as well, that I consider that neither my constituents nor I are in any way bound by the results of this second study.

At the conclusion of both studies, I hope that a concensus can be achieved to begin work on a reasonable, cost-effective alternative that delivers water to north central Nebraska.

FAIR HOUSING AMENDMENTS OF 1983

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. SENSENBRENNER) is recognized for 5 minutes.

● Mr. SENSENBRENNER. Mr. Speaker, today I introduced the Fair Housing Amendments of 1983. This bill is the same proposal that President Reagan recently submitted to the Congress. It has the strong endorsement of the Justice Department and the Department of Housing and Urban Development.

This legislation puts teeth in the current law where none have existed before. The heart of this bill is the strengthened enforcement mechanism. For the first time, the Attorney General, upon HUD's recommendation will be able to file an action where an individual has complained of a discriminatory housing practice. Currently, the Attorney General only has pattern or practice jurisdiction. The Attorney General can also file for temporary or injunctive relief pending final disposition of a complaint. The bill places additional emphasis on conciliation by providing for binding arbitration. It allows a civil penalty to be levied by a court for $50,000 and $100,000 for subsequent violations.

This bill also includes handicapped persons as a covered class. The handicapped provisions are broadly written, but do not include current impairment related to alcoholism or drug abuse or that would be a direct threat to the safety of others.

This legislation is another example of the administration's strong commitment to the enforcement and strengthening of our civil rights laws. I hope the introduction of this bill will spark the serious thoughtful and bipartisan debate on this major civil rights issue which needs to be addressed. It is a debate that needs to be devoid of political rhetoric if the strengthening of our fair housing laws is to become a reality. As the ranking minority member of the House Judiciary Subcommittee on Civil and Constitutional Rights, I will be working very hard to accomplish the objective of putting teeth in the current act and to include handicapped persons as a covered class.●

FTC CREDIT PRACTICES RULE WELL BALANCED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. ANNUNZIO) is recognized for 5 minutes.

● Mr. ANNUNZIO. Mr. Speaker, on July 20 the Federal Trade Commission voted to adopt a modified version of the credit practices rule that had been under consideration since 1975. The rule that was adopted carefully balances the needs of consumers for protection from unfair credit practices against the needs of creditors to collect debts due them. It is a victory for commonsense in rulemaking and should stand as an example to other agencies on how to conduct fair and unbiased rulemaking proceedings.

The rule bans certain contractual provisions in consumer credit contracts that give creditors unfair and unnecessary leverage over consumers. Confession of judgment clauses, also known as cognovits, are banned. These are contractual clauses in which the consumer supposedly agrees in advance that if the consumer defaults on paying, for whatever reason, the creditor can go to court, file suit, and then have a judgment entered against the consumer, all without the consumer being notified of the suit or having an opportunity to present a defense. Cognovits are completely contrary to the American system of fairness in which everyone should have an opportunity

to be heard and are properly banned by the rule.

Many States permit debtors to keep certain essential property when their property is seized to collect a judgment. Typically, the exempt property consists of certain goods that are essential to the consumer for maintaining a home, such as cooking utensils, or a livelihood, such as tools. Often creditors have consumers waive in advance all their rights to keep such property. The FTC rule would prohibit such blanket waivers but would permit the consumer and creditor to agree to waive State exemptions of specific items if State law permitted.

A wage assignment permits a creditor to receive part of a consumer's paycheck directly from the consumer's employer. Once a creditor has a wage assignment, the consumer has no choice over how to spend his money, and if an emergency arises in which the consumer needs the additional money for medical bills or the like, the consumer cannot divert that money from the creditor to pay the doctor. Under an irrevocable wage assignment, there is nothing the consumer can do, for unlike a wage garnishment, the consumer receives no notice that the wage assignment has been filed, and no court has to give permission for the wage assignment. The rule bars irrevocable wage assignments, but recognizes that voluntary wage assignments that may be canceled by the consumer are not subject to abuse, and so permits them. Here again, the Commission took a commonsense approach and barred abuses without developing an overbroad rule.

Another typical consumer credit contract clause that is outlawed by the rule is the blanket security interest in household goods and furnishings. This clause gives the creditor the right to seize and sell all the consumer's personal goods and belongings in the event the consumer defaults on the agreement. This remedy is used more by creditors to terrorize consumers than to provide security that will provide compensation since the resale value of used household goods is typically low. The rule recognizes that some household goods do have significant value, however, and it permits the taking of security interests in items of significant value, such as works of art and antiques. Creiditors who advance funds for the purchase of particular items can continue to take security interests in those items as well.

The rule forbids the pyramiding of late charges. Often a consumer will miss a payment and incur a late charge. If the consumer then makes up that payment but not the late charge, the creditor will apportion part of each subsequent payment to the intial late charge and consequently cause every succeeding payment to be late. The creditor will then assess a late charge for each one of those payments. This practice permits the creditor to parlay a single late payment into a recurring charge, even though the account is actually paid to date.

Finally, the rule requires that cosigners be provided a notice informing them of the obligations and liabilities that they are undertaking when cosigning a loan. Many consumers who guarantee loans for others do not realize that they can be liable for late fees and collection costs, can be sued, can have their wages garnished, and can have their property sold without the creditor first seeking payment from the primary obligor. This notice is a small price to pay for informing cosigners of the nature of the obligation they are incurring.

The Commission wisely rejected several proposals in connection with the rule. It rejected bans on cross-collateral clauses, which give the creditor a security interest in property already in use as collateral for earlier loans when the creditor makes a new loan, third-party contacts when attempting to collect debts, prohibitions on the assessment of attorney's fees in collection actions, and limitations on deficiency judgements when collateral is sold for less than the amount owed the creditor.

The actions of the Commission in prohibiting certain actions by creditors and rejecting other proposals clearly show that the Commission gave careful consideration to the arguments for and against these proposals. After 8 years of hearings, reports, staff recommendations, and deliberations, it appears to me that the Commission developed a final rule that will permit creditors to continue to adequately secure loans and assure repayment without abusing consumers. The Commission is to be congratulated for its action in adopting this rule. I am confident that the Commission will approve the final statement of basis and purpose and regulatory analysis for the proposed rule this September so that the rule can be finally promulgated without any undue delay.●

ONE APPROACH TO CONTROLLING HEALTH CARE COSTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. PANETTA) is recognized for 5 minutes.

● Mr. PANETTA. Mr. Speaker, I recently had the opportunity to read the text of a speech given by Joe Califano, former Secretary of the Department of Health, Education, and Welfare (HEW) entitled, "The Chrysler Story: How an Ailing American Firm Is Tackling Health Care Cost Problem." I am inserting the text of this speech into the RECORD for the attention of my colleagues. The major focus of this essay responds to the challenges which face the Chrysler Corp. and other private concerns in their efforts to afford the health care cost of their employees. However, this same message can be directed at the Congress, and the administration as we contemplate reforms to salvage the crippled medicare system and maintain other Federal health care programs.

As you all know too well, the medicare trust fund is facing severe financial problems and recent projections point to a $1 trillion deficit in this trust fund by the year 2005. While the Congress has given the social security system new life, the medicare fund continues to demand intensive care. The fact is that the financial problems in the medicare system and the cost demands of other Federal health care programs will continue to make inherently difficult the institution of effective policies to reduce large Federal budget deficits. This fact points to the need for the enactment of sound, fair, and compassionate reforms in this program. With growth in the elderly population expected throughout the next decade, it is our responsibility to insure that adequate and quality health care coverage is available.

Former Secretary Califano concludes in his speech that education, the use of alternative systems, building on efficient parts of the current system, and cooperation from health care participants are all parts of a comprehensive solution to the health problems demanding the attention of the Chrysler Corp. As Congress debates medicare reforms, the suggestions of Mr. Califano should be recognized.

Following is the text of former Secretary Califano's speech:

[From the FAH Review, July/August 1983]

THE CHRYSLER STORY: HOW AN AILING AMERICAN FIRM IS TACKLING HEALTH CARE COST PROBLEM

(By Joseph A. Califano, Jr.)

Let me begin with some questions.

Over the past 30 years, what has been the fastest rising cost of doing business in America?

If businessmen answer labor, they are wrong. If union leaders answer energy, they are wrong, too.

What is the most rapidly widening gap between what a company pays the average employee and what that employee takes home?

If you answer income taxes, you are wrong.

What is the most sharply increasing portion of the ballooning federal budget?

If you answer Social Security or defense spending, you are wrong.

The answer to all these questions is health care costs.

For management, health care is the only item purchased that is priced unilaterally, outside the competitive marketplace, without any negotiation with the suppliers—doctors and hospitals.

For employees, particularly those in sophisticated, hard-bargaining unions like the United Auto Workers (UAW) who negotiate for each half cent of the dollar, health care

benefits are put in the contract without questioning whatever the hospital, doctor or laboratory charges.

We did not get into this predicament—one might say, mess—overnight. Health care costs have been outstripping inflation for years. Every recent American president—Johnson, Nixon, Ford, Carter and now Reagan—has tried to change the way we pay doctors and hospitals and to put a cap on hospital costs.

In 1980, when oil prices were skyrocketing, concerned Americans feared that the Arab oil sheiks would break the American economy. In that year, Americans spent $2 on health care for every $1 they spent on oil. In 1982, the double digit rise in health care costs, in defiance of the worst recession and the lowest inflation in years, demonstrates that something is fundamentally wrong with our health care system.

The structure of that system assures continued growth and guarantees that most of the growth will be inflationary and not real, that cost increases will not reflect better health care for Americans. In two respects, the health industry is totally out of step with the American system of free enterprise and competition:

First, hospitals are generally reimbursed on a cost, or in the case of for profit hospitals, a cost-plus basis. Doctors are paid on a fee-for-service basis. Thus, the more hospitals spend, the more they receive; the more services doctors perform, the more money they make. No wonder the rate of surgery is rising five times faster than the population.

Second, there is no relationship between the buyer and the seller. When an American buys an automobile, he or she picks a dealer, negotiates about model, price, terms of payment, optional equipment, color, trim. Then the buyer picks the car he wants.

With inflation increasingly coming under control as consumer and wholesale price indices level off, with profit margins on cars still at depression levels, with union wage increases tougher to get, health care stands out as the single most inflationary factor in the American economy today.

NOW IS THE SEASON AND TIME TO ACT

If indeed there is a season for everything and a time for every purpose under heaven, then now is the season and time for American business and American labor to deal with the cost of health care—a cost that bears little relationship to the quality of care and none to the efficiency with which it is delivered.

Last year, the cost of medical care rose about 12 percent, triple the 3.9 percent increase in the overall Consumer Price Index (CPI) (which itself has a health care component.) The daily cost of a hospital room rose 20 percent, to an average of $340 per day. The total bill for health care in the United States was $321 billion. That is a levy of $1,400 on every man, woman and child in America. Almost 15 cents of every federal tax dollar spent went to the health care industry, and it was the cost of health care that drove so many state budgets into deficits.

What about American business?

Take just one slice of its health care bill. In 1983, U.S. companies will pay $77 billion in health insurance premiums for their employees and retirees, and their dependents. That is more than those companies will pay out in dividends.

This year, Americans will turn 10 percent of the Gross National Product (GNP) over to the health care industry. Health care is our nation's second largest employer (behind education) and our third largest industry in consumer spending (after food and housing.)

But no one enters a hospital and says, "I would like an appendectomy today," or "I would like a hysterectomy tomorrow." Where hospitalization is involved, the patient doesn't even pick the surgeon or specialist. His family physician does. That doctor prescribes the medical procedure; he picks the hospital at which it will be performed. Knowing he is not likely to be sued for conducting an extra test, the doctor has every incentive to run lots of tests. And so does the hospital since its charges for tests help pay for the expensive equipment used to conduct them.

The doctor doesn't pay the bill. And the patient doesn't think he is paying it. Ninety-four percent of the hospital bills in America are paid by government program (like Medicare and Medicaid), private insurers and the Blues.

The Blue Cross card is like having a credit card to use at restaurants—and never getting the bill. We would all order caviar, lobster, steaks and Dom Perignon if we had such a card. And that is the only food and champagne the restaurant would stock. There would be no more crowded tables. The owner would not have to worry about renting unnecessary space or the cost of linens on empty tables. He would have no concern about moving out the first sitting and turning the tables over twice each evening. Several waiters would hover over each table—one to serve, another to mix the salad, a third to debone the fish and a fourth whose specialty was whipping the zabaglione.

Of course, the Blue Cross card that lets us enter the third party, fee-for-service, cost-plus health care reimbursement system provides only the illusion of a free lunch. In reality, we are all paying for this meal—and in 10 short years, the bill will hit at least $1 trillion—unless we do something about it.

Businessmen tend to look at these numbers the way they look at the federal budget deficits: They are something that someone else better get under control. Let Ronald Reagan fix it. He is trying—and so is Congress. The House and Senate just put a lid on Medicare payments to hospitals by setting fixed rates for 467 hospital procedures, from appendectomy to breast surgery.

But the health care system is like a pillow. If you push down one part of it, another will puff up. As Congress and state health care systems put caps on public payments to hospitals and doctors, those providers will just increase their charge to private payers, that is, business and its employees.

What about Chrysler?

The prospect of imminent bankruptcy in business, like the prospect of execution in prison, has a marvelous capacity to focus the mind. When Chrysler decided not to follow the Wall Street Journal's advice to "die with dignity," it took a hard look at the way it was living, what had to be changed to survive and, hopefully prosper.

Chrysler changed the way it was operating—in its plants, with banks and supplier, with the union and with the car-buying public. What the old Chrysler Corporation once accepted as inevitable, the new Chrysler Corporation found intolerable. And the unchangeable was changed.

So it must be for health care. Chrysler has decided to act.

One of the things Chrysler found, when it faced bankruptcy, was that its health care costs were just as bad as, if not worse than those of the nation as a whole. Chairman Lee Iacocca found the health care cost problem so intimately related to the future viability of the new Chrysler Corporation that he created a committee of the board of directors on health care—the only one of its kind in American business.

He asked me to chair that committee. He himself sits on it, along with three other Chrysler directors—United Auto Workers (UAW) President Douglas Fraser (who recently retired), former Michigan Governor Bill Milliken, and American Red Cross Chairman Jerome Holland. We also created a management task force to work with the board committee.

We have been at it for more than a year. We went behind the health insurance premiums we have been paying to analyze health care utilization patterns and expenditures in order to identify opportunities for cost control. We looked not just at things like length of hospital stay, but probed the intensity of care—the laboratory, x-ray, pharmacy and ancillary charges that can inflate the total health care bill. And we compared practices and medical procedures among hospital physicians.

In short, we looked at how much we were paying, to which physicians, for what medical procedures, at what hospitals, for which employees, retirees and dependents. My mission is to announce what we found and what we intend to do about it.

REPORT FROM CHRYSLER'S HEALTH CARE COMMITTEE

Here is what we found:

The direct health care bill for Chrysler employees, dependents and retirees will amount to more than $6,000 for each active worker in 1983. Put another way, each worker has to produce $6,000 just to pay for direct health care costs, like health insurance premiums—before Chrysler can pay for anything else, including wages. Chrysler will pay $373 million in health insurance premiums in 1983. That makes Blue Cross Blue Shield our biggest supplier.

That is only part of the health care bill. Chrysler will also pay more than $20 million in Medicare taxes (in addition to the $20 million its workers will pay). We estimate that of the $6 billion we will pay supplies in 1983, at least $200 million will go to pay health care costs for their employees.

Put it all together and what does it mean for the American car buyer? The total health care bill Chrysler will pay this year amounts to more than $600 for each car we sell. That is more than 10 percent of the sticker price of an Omni or Horizon; 10 percent of the price of a "K" car. That is eight times the $75 per car health care cost at Chrysler in 1970.

What does Chrysler's health care bill mean to its workers?

In 1983, the $6,000 each average hourly worker must produce to pay for health care equals the amount that worker will be paid for almost four months' work. Just about 10 years ago, in 1972, the comparable amount—$850—was equal to less than one month's pay. Chrysler's 1983 health care bill will exceed the amount Chrysler pays in cash retirement benefits to all 65,000 of its pensioners.

When we looked at Chrysler's situation, we found abuses, plenty of them. And we have begun to move to correct those abuses.

In 1981, Chrysler payments to podiatrists and others for services on feet were $4 million in Michigan alone, far in excess of our payments for such services in any other

area. Last year, we started a screening program in Michigan for foot surgery, requiring prior determination of medical necessity for certain high volume procedures. We were able to save well over $1 million in the first year, reducing our costs for those services by more than 30 percent.

Concerned about excessive costs of prescription drugs—which ran at a $23 million annual rate in 1982—we have started a pilot generic drug program. It is having money, and we plan to extend it. We are also policing the drug benefit portion of our health care program to catch abuses, like the employee who, in a one-year period, obtained 136 prescriptions for 4 milligram Dilaudids totaling 8,671 tablets—27 a day. Or the worker who in one year obtained 51 prescriptions for 6,030 10 milligram Valium tranquilizers.

HOPE FOR FUTURE: CHANGING THE STRUCTURE

The new Chrysler Corporation is moving to eliminate at least $10 million in waste and abuse. But the big savings—and the hope for the future—rests in fundamentally changing our health care structure. Right now, Chrysler and its employees receive health care in a system of comprehensive benefits, at no apparent cost to the individual, with an infinite choice of hospital, doctor and para-professional without regard to cost. It is a system that encourages spending and permits waste to flourish.

In the Detroit area in 1981 (the last year for which we have figures), the average cost for a day at six of the largest acute care hospitals that Chrysler used varied from $452 to $608. The cost for the average length of stay at these hospitals varied from $3,028 up to $6,077—a 100 percent spread.

The variances are just as wide in fees different physicians charge for the same services and the tests, x-rays and drugs they prescribe for the same diagnoses.

What is the single most costly medical procedure Chrysler paid for in 1982? It was the $4 million Chrysler paid doctors for post-admission visits to hospitalized patients.

If we had any doubt about the structural defects in this fee-for-service, cost-unconscious system, our analysis of the Chrysler Outpatient Psychiatric Benefit Program removed it.

In 1973, Chrysler employees and retirees, and their dependents, received some 34,000 services under this program at a cost of $800,000. About that time, psychiatric clinics in Michigan discovered the wide open Chrysler plan, and they started springing up everywhere. By 1978, services for Chrysler-insured patients climbed to over 160,000 at a cost of $5 million. This stunning increase was arrested only when Blue Cross/Blue Shield slapped a moratorium on approving new clinics for reimbursement.

The programs to deal with abuse are valuable and will save both millions of dollars and hundreds of unnecessary, and by definition risky, medical procedures. But they don't get to the basic structural problem of the health care system. They don't change the current situation where both the demand and prices for medical services are set unilaterally by the suppliers, and the users don't realize they are paying for what they consume.

We also want to recognize that choosing a family physician from among 150 general practitioners is just as good as choosing from among 200. And if those who choose from among 150 save several hundred or $1,000 per year, then they should receive the benefit of their choice. And where the same quality health care is provided—within or without the new system—those who choose a more expensive alternative should be conscious of the costs of their choice—and bear those costs.

We intend to get together with doctors and hospitals who will work with Chrysler and their patients to keep costs down. We intend to give our health care business to these doctors and hospitals and to provide incentives to them for supplying efficient, high quality health care to our employees and retirees, and their dependents. Our system will be offered to all doctors and hospitals that want to join with us in this effort.

We need the cooperation of our employees to do this. The first step is getting to them—and our managers—the information that we have accumulated, telling them what we have learned about health care costs. So we are going to our employees and asking them to join in this effort just as they have joined with us to make the new Chrysler Corporation a proud phoenix out of the ashes of the past.

The alternatives we face at Chrysler are pretty clear, and they are not pleasant. They are far more expensive for all of us. Those alternatives involve cuts in benefits, ever-increasing copayments and deductibles, health care costs so high that we price ourselves out of the U.S. and world car markets and out of work, lower quality health care—or some unhappy combination of the above.

Those are the choices. We have already faced some tough times at Chrysler. We have made some tough decisions. We have held down our pay. We have changed some work rules. We further automated and robotized. We have streamlined our management ranks and our assembly lines. We got back on our feet by making those choices together—management, union, employees and our suppliers. That is the way we intend to make the hard choices on health care.

The alternatives that the rest of American industry, its employees and its health care suppliers, face are about the same as ours. They can join us. We would welcome them and encourage them in the battle to get health care costs under control. We think it is in their interests. The "Fortune 500" employs 14.4 million people. If all the members of that corporate club have average health care costs per active employee of only half of Chrysler's cost, they are paying about $43 billion annually for health care. That is 70 percent of their 1982 profits.

America, like Chrysler, does face choices regarding its health care costs. We can do nothing and watch our country's annual health care bill go from 1982's $321 billion to $1 trillion in the early 1990s, just 10 years from now. Or we can act to fix things the way that Americans have always done once we saw the size and shape of the problems we confronted.

The new Chrysler Corporation has decided to work with the United Auto Workers, our employees, and the hospitals and physicians who serve the Chrysler family, to change the system.

We have decided to stop blaming the other guy—the government, or the doctors, or the hospital administrators, or the insurers, or the insured for the health care cost mess that we are in. By and large, they have only been acting the way that the system has encouraged them to act. There is plenty for them to change, and, of course, we will need their help. But we are going to concentrate on what we can do.

The first step is education. The new Chrysler Corporation is beginning a major effort—unprecedented in the history of American business—to tell its executives, union and salaried employees and stockholders what we face. We want our employees to have the same high quality health care that they now enjoy. But we want them to know that there are choices we and they can make—and get that same high quality health care at a significantly lower price.

We want to put in place a real alternative to the present system—one that will change the way the costs are generated. If we succeed, we estimate that we will save up to $1,000 for each active employee each year. That is money employees could see in their paychecks rather than in the checks Chrysler sends to Blue Cross/Blue Shield and our other medical and dental carriers. It is money their spouses and dependents can use for groceries and education.

We want to build on the most efficient parts of our health care structure. We intend to become more prudent purchasers and channel our business to those doctors and hospitals which are conscious of costs. For example, there are many efficient suppliers of health care in Southeastern Michigan who are willing to cooperate with Chrysler and its employees and agree that, from now on, company-supported health care plans will be the most efficient, rather than the most wasteful systems.

We believe that enough doctors and hospitals will join with us so that Chrysler employees will have plenty of room to choose their family physician. It is not the insured but the physician who selects the specialists and surgeons, who in turn select the hospitals. We are conscious of freedom to choose a physician—and we want to preserve a wide range of choice.

For me, I subscribe to the words of G. K. Chesterton:

"I do not believe in a fate that befalls people however they act. I do believe in a fate that befalls them unless they act."

PRIVACY PROTECTION ACT OF 1984

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oklahoma (Mr. ENGLISH) is recognized for 5 minutes.

● Mr. ENGLISH. Mr. Speaker, today I am introducing the Privacy Protection Act of 1984, a bill to establish a permanent and independent Privacy Protection Commission in the Federal Government.

The idea of a governmental entity with responsibility for establishing privacy policy and overseeing its implementation is not new. When the Privacy Act of 1974 was initially considered in the Senate, Senator Sam Ervin advocated the creation of a Federal Privacy Board as an aid to enforcement and oversight of the act. The proposal passed the Senate but it met with resistance in the House.

As a compromise, the Congress established the Privacy Protection Study Commission as a temporary group to conduct research and make recommendations on a wide range of privacy issues. In its final report issued in 1977, the Privacy Protection Study Commission also recommended

that an independent entity be established to monitor and evaluate privacy laws; to continue research, study, and investigations; to issue interpretative rules for the Privacy Act; and to provide privacy advice to the President, the Congress, and to the States. Although bills to accomplish this purpose were introduced from time to time in the past, no action was ever taken.

Why am I reviving the notion of a permanent Privacy Commission at this time? In June, the Subcommittee on Government Information, Justice, and Agriculture conducted 2 days of general oversight hearings on the Privacy Act of 1974. These were the first general oversight hearings on the act since its enactment. Several conclusions were immediately apparent from the testimony.

First, oversight of the Privacy Act within the executive branch is virtually nonexistent. As part of the compromise that led to the creation of the Privacy Protection Study Commission, the Congress assigned oversight and implementation responsibilities to the Office of Management and Budget. OMB is simply not doing a very good job. In fact, OMB is hardly doing the job at all. In the words of one witness, OMB has "virtually abdicated responsibility" for the Privacy Act. Other witnesses also agreed that OMB was not interested in its Privacy Act responsibilities.

Second, privacy is no longer an issue of purely domestic interest. In recent years, an increasing number of foreign nations have become concerned about the privacy implications of new technology and of the flow of personal information across national borders. Legislation to protect personal data has been enacted in some countries. West Germany, Sweden, France, and other nations have established data protection commissioners or agencies. The Council of Europe has proposed a convention to establish international standards for data protection.

These international concerns about privacy have very important implications for American businesses. Restrictions on the transfer of data to nations that do not have adequate privacy protections may result in the loss of markets for information and telecommunications service. In addition, multinational companies are finding that their own internal operations are impeded by restrictions on data transfer.

One expert in international privacy law testified that ratification of the Council of Europe Data Protection Convention would make things more difficult for American companies doing business in Europe. With the functional demise of the National Telecommunications and Information Administration, there is no agency in the Federal Government paying sufficient attention to the implications for American businesses of international privacy concerns.

The Privacy Protection Commission that I am proposing would have responsibility for both domestic and international privacy issues. Domestically, the Commission would be assigned an oversight role under the Privacy Act of 1974. The Commission would develop guidelines and model regulations, investigate compliance with the act, and generally oversee agency Privacy Act activities.

For international privacy issues, the Commission would assist U.S. companies doing business abroad to comply with foreign data protection laws, assist in the coordination of U.S. privacy policies with those of foreign nations, accept complaints and otherwise consult with foreign data protection agencies. The Commission would also assist in the development or implementation of private sector data protection standards. However, the Commission would have no regulatory authority over the private sector.

It is time to renew the debate over how we should set, implement, and oversee policies designed to protect the privacy of personal information. I hope that my bill will serve as an effective vehicle for that debate. Privacy can so easily be sacrificed to other interests that it is likely to be ignored unless there is a dedicated and responsible spokesman. Both OMB and NTIA have failed in that role. A small and independent Commission seems to be the best alternative.

I welcome any comments on the Privacy Protection Act of 1984.●

NEW COMMITTEE RULE ADOPTED BY COMMITTEE ON SCIENCE AND TECHNOLOGY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. FUQUA) is recognized for 5 minutes.

● Mr. FUQUA. Mr. Speaker, as a result of the recent involvement of the Committee on Science and Technology in the issue involving the alteration of transcripts, the committee reviewed its rules governing procedure. On July 26, 1983, the committee met to consider a proposed rule change which is now rule 23 in the material I am inserting for the RECORD.

The committee adopted the new rule for the publication of transcripts by a vote of 37 to 0. It is my feeling it will correct the problem of transcription alteration, and, at the same time, provide a method whereby the work of the committee staff is expedited. The Committee on Science and Technology rules governing procedure in the 98th Congress, as amended, follow:

RULES GOVERNING PROCEDURE OF THE COMMITTEE ON SCIENCE AND TECHNOLOGY, U.S. HOUSE OF REPRESENTATIVES, 98th CONGRESS

(Note:* indicates rules applicable to subcommitees.)

GENERAL

1. The Rules of the House of Representatives, as applicable, shall govern the committee and its subcommittees. The rules of the committee, as applicable, shall be the rules of its subcommittees.

COMMITTEE MEETINGS

Time and place

2. Unless dispensed with by the Chairman, the meetings of the committee shall be held on the 1st and 3rd Tuesday of each month the House is in session at 10:00 a.m. and at such other times and in such places as the Chairman may designate.

3. The Chairman of the committee may convene as necessary additional meetings of the committee for the consideration of any bill or resolution pending before the committee or for the conduct of other committee business.

*4. The committee shall make public announcement of the date, time, place and subject matter of any of its hearings at least one week before the commencement of the hearing. If the Chairman determines that there is good cause to begin the hearing sooner, he shall make the announcement at the earliest possible date. Any announcement made under the subparagraph shall be promptly published in the Daily Digest, and promptly entered into the scheduling service of the House Information Systems.

*5. The committee may sit while the House is reading a measure for amendment under the 5-minute rule, provided 10 or more Members on the House floor do not object when special leave for such committee or subcommittee to sit is requested.

Ranking majority member to preside in absence of chairman

*6. If the Chairman of the committee is not present at any meeting of the committee, the ranking Member of the Majority Party on the committee who is present shall preside.

Order of business

*7. The order of business and procedure of the committee and the subjects of inquiries or investigations will be decided by the Chairman, subject always to an appeal to the committee.

Membership

8. A majority of the Majority Members of the committee shall determine an appropriate ratio of Majority to Minority Members for each subcommittee and shall authorize the Chairman to negotiate that ratio with the Minority Party; *Provided, however,* that party representation on each subcommittee (including any ex-officio Members) shall be no less favorable to the Majority Party than the ratio for the full committee. *Provided, further* that recommendations of conferees to the Speaker shall provide a ratio of Majority Party Members to Minority Party Members which shall be no less favorable to the Majority Party than the ratio for the full committee.

Special meetings

9. Rule XI 2(c)(2) of the Rules of the House of Representatives is hereby incorporated by reference (Special Meetings).

COMMITTEE PROCEDURES

Quorum

*10. One-third of the Members of the committee shall constitute a quorum for all purposes except that a majority must be present in order to: (1) report or table any legislation, measure or matter; (2) close committee meetings or hearings; or (3) authorize the issuance of subpenas.

*11. The number of Members to constitute a quorum for taking testimony and receiving evidence shall not be less than two, one of whom shall be a Member of the Minority.

Proxies

12. Any Member may authorize a vote by proxy with respect to any measure or matter before the committee. Such proxy authorization shall be in writing, shall assert that the Member is absent on official business or is otherwise unable to be present at the meeting of the committee, shall designate the person who is to execute the proxy authorization, and shall be limited to a specific measure or matter and any amendments or motions pertaining thereto; except that a Member may authorize a general proxy only for motions to recess, adjourn or other procedural matters. Each proxy to be effective shall be signed by the Member assigning his or her vote, filed with the committee clerk, and shall contain the date and time of day that the proxy is signed. Proxies may not be counted for a quorum.

Witnesses

*13. The committee shall, insofar as is practicable, require each witness who is to appear before it to file with the committee (in advance of his or her appearance) a written statement of the proposed testimony and to limit the oral presentation at such appearance to a summary of his or her statement.

*14. Whenever any hearing is conducted by the committee on any measure or matter, the Minority Members of the committee shall be entitled, upon request to the Chairman by a majority of them, before the completion of the hearing, to call witnesses selected by the Minority to testify with respect to the measure or matter during at least one day of hearing thereon.

Investigative hearing procedures

15. Rule XI 2(k) of the Rules of the House of Representatives is hereby incorporated by reference (rights of witnesses under subpena).

Subject matter

*16. Bills and other substantive matters may be taken up for hearing only when called by the Chairman of the committee or by a majority vote of a quorum of the committee, except those matters which are the subject of special-call meetings outlined in Rule 9.

17. No private bill will be reported by the committee if there are two or more dissenting votes. Private bills so rejected by the committee will not be reconsidered during the same Congress unless new evidence sufficient to justify a new hearing has been presented to the committee.

*18. (a) It shall not be in order for the committee to consider any new or original measure or matter unless written notice of the date, place and subject matter of consideration and to the extent practicable, a written copy of the measure or matter to be considered, has been available in the office of each Member of the committee for at least three calendar days in advance of consideration, excluding Saturdays, Sundays, and legal holidays.

(b) Notwithstanding the foregoing sections of this rule, consideration of any legislative measure or matter by the committee shall be in order by vote of two-thirds of the Members present, provided that a majority of th committee is present.

Open meetings

*19. Each meeting for the transaction of business, including the markup of legislation, of the committee shall be open to the public except when the committee, in open session and with a quorum present, determines by roll call vote that all or part of the remainder of the meeting on that day shall be closed to the public. No person other than Members of the committee and such congressional staff and such departmental representatives as they may authorize shall be present at any business or markup session which has been closed to the public. This paragraph does not apply to open committee hearings which are provided for by Rule 20 contained herein, or to any meeting that relates solely to internal budget or personnel matters.

*20. Each hearing conducted by the committee shall be open to the public except when the committee, in open session and with a quorum present, determines by roll call vote that all or part of the remainder of that hearing on that day shall be closed to the public because disclosure of testimony, evidence or other matters to be considered would endanger the national security or would violate any law or rule of the House of Representatives. Notwithstanding the requirements of the preceding sentence, and Rule 10, a majority of those present, there being in attendance the requisite number required under the rules of the committee to be present for the purpose of taking testimony.

(A) may vote to close the hearing for the sole purpose of discussing whether testimony or evidence to be received would endanger the national security or violate clause 2(k)(5) of Rule XI of the Rules of the House of Representatives; or

(B) may vote to close the hearing, as provided in clause 2(k)(5) of Rule XI of the Rules of the House of Representatives. No Member may be excluded from nonparticipatory attendance at any hearing of any committee or subcommittee, unless the House of Representatives shall by majority vote authorize a particular committee or subcommittee, for purposes of a particular series of hearings on a particular article of legislation or on a particular subject of investigation, to close its hearings to Members by the same procedures designated in this subparagraph for closing hearings to the public: *Provided, however,* That the committee or subcommittee may by the same procedure vote to close one subsequent day of hearing.

Requests for roll call votes

21. A roll call of the Members may be had at the request of three or more Members.

Committee records

*22. The committee shall keep a complete record of all committee action which shall include a record of the votes on any question on which a roll call vote is demanded. The result of each roll call shall be made available by the committee for inspection by the public at reasonable times in the offices of the committee. Information so available for public inspection shall include a description of the amendment, motion, order or other proposition and the name of each Member voting for and each Member voting against such amendment, motion order or proposition and the names of those Members present but not voting.

**23. Publication of committee hearings*

The transcripts of those hearings conducted by the Committee which are decided to be printed will be published in verbatim form, with the material requested for the record inserted at that place requested, or at the end of the record, as appropriate.

Any requests by those Members, staff or witnesses to correct any errors, other than errors in transcription, or disputed errors in transcription, will be appended to the record, and the appropriate place where the change is requested will be footnoted.

Prior to approval by the Chairman of hearings conducted jointly with another Congressional committee, a memorandum of understanding will be prepared which incorporates an agreement for the publication of the verbatim transcript.

5-Minute rule during committee proceedings

*24. The time any one Member may address the committee on any bill, motion or other matter under consideration by the committee or the time allowed for the questioning of a witness at hearings before the committee will be limited to five minutes, and then only when the Member has been recognized by the chairman, except that this time limit may be waived by the Chairman or acting Chairman. The rule of germaneness will be enforced by the Chairman.

Requests for written motions

*25. Any legislative or non-procedural motion made at a regular or special meeting of the committee and which is entertained by the chairman shall be presented in writing upon the demand of any Member present and a copy made available to each Member present.

SUBCOMMITTEES

Structure and jurisdiction

26. The committee shall have the following standing subcommittees with the jurisdiction indicated.

(a) Subcommittee on Energy Development and Applications. Legislation, general and special oversight and all other matters relating to research, development and demonstration programs in fossil energy R&D; solar applications; solar technology; advanced energy technology; energy conservation; biomass; basic energy sciences; high energy and nuclear physics; geothermal energy; international cooperation in non-nuclear energy; and policy and management programs of the Department of Energy.

(b) Subcommittee on Natural Resources, Agriculture Research and Environment. Legislation, general and special oversight and all other matters relating to natural resources, including, but not limited to, water research, and, to the extent appropriate, agriculture R&D; legislation, risk assessment and other matters relating to environmental research and development generally—including, but not limited to, research and development activities of the Environmental Protection Agency; environmental health, safety, life sciences, pharmaceutical and medical activities of Executive departments and agencies, as appropriate; operational and research and development activities related to the atmosphere (including meteorology, aeronomy, climate, weather modification); those ocean R&D activities related to the quality and management of the environment of the National Oceanic and Atmos-

pheric Administration; and activities relating to a land observing system.

(c) Subcommittee on Energy Research and Production. Legislation, general and special oversight and all other matters relating to research, development and demonstration involving nuclear fission and the nuclear fuel cycle; nuclear fusion, electric energy systems; energy storage systems; hydroelectric energy systems; international cooperation in nuclear matters (except for exports of nuclear technology and hardware); and policy and management programs of the Department of Energy.

(d) Subcommittee on Science, Research and Technology. Legislation, general and special oversight and all other matters relating to the National Science Foundation; the National Bureau of Standards; the Office of Science and Technology Policy; the Office of Technology Assessment; scientific research and development and applications; sceince policy; scientific resources (including manpower); science education; science information and information sciences; technology transfer; technology assessment; innovation, productivity, and industrial R&D; standards (weights, measures, etc.); patent policies as they relate to Federal research and development programs; R&D involving governmental health, nutritional and handicapped programs; biotechnology; intergovernmental mechanisms for R&D; and international cooperation in science and technology.

(e) Subcommittee on Transportation, Aviation and Materials. Legislation, general and special oversight and all other matters relating to civil aviation research and development (includes aeronautical research and technology programs of the National Aeronautics and Space Administration and research and development programs of the Federal Aviation Administration); transportation programs of the Department of Energy; aviation-weather services; materials R&D and national materials policies, both domestic and international; oversight of surface transportation research and development programs of the Department of Transportation, Urban Mass Transportation Administration, Federal Railroad Administration, Federal Highway Administration, National Highway Traffic Safety Administration, and Coast Guard and the Maritime Administration; oversight of research and development in communications other than that for which the Subcommittee on Space Science and Applications is responsible.

(f) Subcommittee on Investigations and Oversight. Review and study, on a continuing basis, of the application, administration, execution, and effectiveness of those laws, or parts of laws, the subject matter of which is within the jurisdiction of the committee and the organization and operation of the Federal and private agencies and entities having responsibilities in or for the administration and execution thereof, in order to determine whether such laws and the programs thereunder are being implemented and carried out in accordance with the intent of the Congress. In addition, the Subcommittee on Investigations and Oversight and the appropriate subcommittee with legislative authority may cooperatively review and study any conditions or circumstances which indicate the necessity or desirability of enacting new or additional legislation within the jurisdiction of the committee, and may undertake futures research and forecasting on matters within the jurisdiction of the committee. The Subcommittee on Investigations and Oversight shall in no way limit the responsibility of other subcommittees from carrying out their oversight responsibilities, nor shall any investigation be undertaken by the Subcommittee on Investigations and Oversight without (a) consultation with the Chairman of the appropriate subcommittee with legislative authority and (b) approval of the Chairman of the committee.

(g) Subcommittee on Space Science and Applications. Legislation, general and special oversight and all other matters relating to the National Aeronautcis and Space Administration (except aeronautical research and development); national programs of research and development in space exploration, space applications, space communications and related matters; and activities relating to a land observing system.

Referral of legislation

27. All legislation and other matters referred to the committee shall be referred to all subcommittees of appropriate jurisdiction within two weeks unless, by a majority vote of the Majority Members of the full committee, consideration is to be by the full committee. Subcommittee chairmen may make requests for referral of specific matters to their subcommittee within the two-week period if they believe subcommittee jurisdictions so warrant.

Ex officio members

28. The Chairman and Ranking Minority Member shall serve as ex officio Members of all subcommittees and shall have the right to vote and be counted as part of the quorum on all matters before the subcommittees.

Procedures

29. No subcommittee shall meet for markup or approval when any other subcommittee of the committee is meeting to consider any measure or matter for markup or approval.

30. Each subcommittee is authorized to meet, hold hearings, receive evidence, and report to the committee on all matters referred to it. Each subcommittee shall conduct legislative and general oversight, inquiries for the future and forecasting, and budget impact studies on matters within their respective jurisdictions. Subcommittee chairmen shall set meeting dates after consultation with the Chairman and other subcommittee chairmen with a view toward avoiding simultaneous scheduling of committee and subcommittee meetings or hearings wherever possible.

31. Any Member of the committee may have the privilege of sitting with any subcommittee during its hearings or deliberations and may participate in such hearings or deliberations, but no such Member who is not a member of the subcommittee shall vote on any matter before such subcommittee.

32. During any subcommittee proceeding for markup or approval, a roll call vote may be had at the request of one or more Members of that subcommittee.

Power to sit and act; subpena power

33. Rule XI 2(m) of the Rules of the House of Representatives is hereby incorporated by reference (power to sit and act; subpena power).

REPORTS

Substance of legislative reports

34. The report of the committee on a measure which has been approved by the committee shall include the following, to be provided by the committee:

(A) the oversight findings and recommendations required pursuant to clause 2(b)(1) of Rule X of the Rules of the House of Representatives, separately set out and identified, [Rule XI 2(1)(3)(A)];

(B) the statement required by section 308(a) of the Congressional Budget Act of 1974, separately set out and identified, if the measure provides new budget authority or new or increased tax expenditures, [Rule XI 2(1)(3)(B)];

(C) a detailed analytical statement as to whether the enactment of such bill or joint resolution into law may have an inflationary impact on the national economy, [Rule XI 2(1)(4)];

(D) with respect to each roll call vote on a motion to report such bill or resolution, the total number of votes cast for and the total number of votes cast against the reporting of such bill or resolution, [Rule XI 2(1)(2)(B)];

(E) the estimate and comparison prepared by the committee under Rule XIII 7(a) of the Rules of the House of Representatives, unless the estimate and comparison prepared by the Director of the Congressional Budget Office prepared under subdivision (A) of Rule 34 has been timely submitted prior to the filing of the report and included in the report, [Rule XIII 7]; and

(F) in the case of a bill or joint resolution which repeals or amends any statute or part thereof, the text of the statute or part thereof which is proposed to be repealed, and a comparative print of that part of the bill or joint resolution making the amendment and of the statute or part thereof proposed to be amended, [Rule XIII 3].

35. (a) The report of the committee on a measure which has been approved by the committee shall further include the following, to be provided by sources other than the committee:

(A) the estimate and comparison prepared by the Director of the Congressional Budget Office required under section 403 of the Congressional Budget Act of 1974, separately set out and identified, whenever the Director (if timely submitted prior to the filing of the report) has submitted such estimate and comparison to the committee, [Rule XI2(1)(3)(C)];

(B) a summary of the oversight findings and recommendations made by the Committee on Government Operations under Rule X2(b)(2) of the Rules of the House of Representatives, separately set out and identified, [Rule XI2(1)(3)(D)].

(b) Notwithstanding the foregoing sections of this rule, if the committee has not received prior to the filing of the report the material required under subdivisions (A) and (B) of this rule, then it shall include a statement to that effect in the report on the measure.

Minority and additional views

36. If, at the time of approval of any measure or matter by the committee, any Member of the committee gives notice of intention to file supplemental, minority, or additional views, that Member shall be entitled to not less than 3 calendar days (excluding Saturdays, Sundays, and legal holidays) in which to file such views, in writing and signed by that Member, with the clerk of the committee. All such views so filed by one or more Members of the committee shall be included within, and shall be a part of, the report filed by the committee with respect to that measure or matter. The report of the committee upon that measure or matter shall be printed in a single volume

which shall include all supplemental, minority, or additional views which have been submitted by the time of the filing of the report, and shall bear upon its cover a recital that any such supplemental, minority, or additional views (and any material submitted under subdivisions (A) and (B) of Rule 34) are included as part of the report. However, this rule does not preclude (1) the immediate filing or printing of a committee report unless timely request for the opportunity to file supplemental, minority, or additional views has been made as provided by this subparagraph or (2) the filing by the committee of any supplemental report upon any measure or matter which maybe required for the correction of any technical error in a previous report made by that committee upon that measure or matter.

37. The Chairman of the committee or subcommittee, as appropriate, shall advise Members of the day and hour when the time for submitting views relative to any given report elapses. No supplemental, minority or additional views shall be accepted for inclusion in the report if submitted after the announced time has elapsed unless the Chairman of the committee or subcommittee, as appropriate, decides to extend the time for submission of views beyond 3 days, in which case he shall communicate such fact to Members, including the revised day and hour for submissions to be received, without delay.

Consideration of subcommittee reports

38. Reports and recommendations of a subcommittee shall not be considered by the full committee until after the intervention of three calendar days, excluding Saturdays, Sundays and legal holidays, from the time the report is submitted and printed hearings thereon shall be made available, if feasible, to the Members, except that this rule may be waived at the discretion of the Chairman.

Timing and filing of committee reports

39. It shall be the duty of the Chairman to report or cause to be reported promptly to the House any measure approved by the committee and to take or cause to be taken the necessary steps to bring the matter to a vote.

40. The report of the committee on a measure which has been approved by the committee shall be filed within seven calendar days (exclusive of days on which the House is not in session) after the day on which there has been filed with the clerk of the committee a written request, signed by a majority of the Members of the committee, for the reporting of that measure. Upon the filing of any such request, the clerk of the committee shall transmit immediately to the Chairman of the committee notice of the filing of that request.

41. Any committee or subcommittee report published by the committee shall follow the same procedures for its approval, including the opportunity to submit views, as is followed in the case of a report accompanying a bill or resolution which has been approved by the committee.

MEDIA COVERAGE

*42. The committee may permit, by majority vote, hearings or meetings which are open to the public to be covered in whole or in part by television, radio and still photography—or by any such methods of coverage—in accordance with Rule XI 3 of the Rules of the House of Representatives.

LEGISLATIVE AND OVERSIGHT JURISDICTION OF THE COMMITTEE ON SCIENCE AND TECHNOLOGY

"RULE X. ESTABLISHMENT AND JURISDICTION OF STANDING COMMITTEES

"The Committees and Their Jurisdiction.

"1. There shall be in the House the following standing committees, each of which shall have the jurisdiction and related functions assigned to it by this clause and clauses 2, 3, and 4; and all bills, resolutions, and other matters relating to subjects within the jurisdiction of any standing committee as listed in this clause shall (in accordance with and subject to clause 5) be referred to such committees, as follows:

* * * * *

"(r) Committee on Science and Technology.

"(1) Astronautical research and development, including resources, personnel, equipment, and facilities.

"(2) Bureau of Standards, standardization of weights and measures and the metric system.

"(3) National Aeronautics and Space Administration.

"(4) National Aeronautics and Space Council.

"(5) National Science Foundation.

"(6) Outer space, including exploration and control thereof.

"(7) Science scholarships.

"(8) Scientific research and development.

"(9) Civil aviation research and development.

"(10) Environmental research and development.

"(11) All energy research, development, and demonstration, and projects therefor, and all federally owned or operated nonmilitary energy laboratories.

"(12) National Weather Service.

"In addition to its legislative jurisdiction under the preceding provisions of this paragraph (and its general oversight function under clause 2(b)(1)), the committee shall have the special oversight functions provided for in clause 3(f) with respect to all nonmilitary research and development.

* * * * *

"SPECIAL OVERSIGHT FUNCTIONS

"3. (f) The Committee on Science and Technology shall have the function of reviewing and studying, on a continuing basis, all laws, programs, and Government activities dealing with or involving nonmilitary research and development."●

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Missouri (Mr. GEPHARDT) is recognized for 5 minutes.

● Mr. GEPHARDT. Mr. Speaker, because of illness in my family, it was not possible for me to be here for the last three votes on Friday, July 29.

Had I been present and voting, I would have cast my votes as follows:

Rollcall No. 294, motion that House recede and concur in Senator amendment No. 65 to H.R. 3069, supplemental appropriation, "nay."

Rollcall No. 295, motion that House recede and concur in Senate amendment No. 158 to H.R. 3069, supplemental appropriation, "yea."

Rollcall No. 296, final passage of House Concurrent Resolution 153, providing for summer district work period, "yea."●

LEAVE OF ABSENCE

Mr. GEPHARDT (at the request of Mr. WRIGHT), after 2:30 p.m., Friday, July 29, on account of illness in the family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. WOLF) to revise and extend their remarks and include extraneous material:)

Mr. DANNEMEYER, for 30 minutes, on August 3.

Mr. DANNEMEYER, for 30 minutes, on August 4.

Mr. PHILIP M. CRANE, for 15 minutes, today.

Mr. LEWIS of Florida, for 60 minutes, on September 14.

Mr. BEREUTER, for 5 minutes, today.

Mr. SENSENBRENNER, for 5 minutes, today.

(The following Members (at the request of Mr. DYSON) to revise and extend their remarks and include extraneous material:)

Mr. ANNUNZIO, for 5 minutes, today.

Mr. GONZALEZ, for 30 minutes, today.

Mr. PANETTA, for 5 minutes, today.

Mr. ENGLISH, for 5 minutes, today.

Mr. FUQUA, for 5 minutes, today.

Mrs. COLLINS, for 5 minutes, today.

Mr. GEPHARDT, for 5 minutes, today.

Mr. RICHARDSON, for 10 minutes, on August 3.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. BROOKS, to revise and extend in favor of the Horton amendment.

Mr. DYSON, to revise and extend on H.R. 2780, general revenue sharing and Mr. GLICKMAN to revise and extend on H.R. 2780, general revenue sharing.

(The following Members (at the request of Mr. WOLF) and to include extraneous matter:)

Mr. FIELDS in two instances.

Mr. COURTER.

Mr. YOUNG of Florida in 10 instances.

Mr. MICHEL in three instances.

Mr. PURSELL.

Mr. CHENEY.

Mr. BEREUTER in two instances.

Mr. FRENZEL in five instances.

Mr. GREEN in two instances.

Mr. LAGOMARSINO in three instances.

Mr. MOORE.

Mr. FORSYTHE.

Mr. GEKAS.

Mr. HARTNETT in three instances.
Mr. COUGHLIN.
Mr. MCGRATH in two instances.
Mr. EDWARDS of Oklahoma.
Mr. CLINGER in two instances.
Mr. LENT in two instances.
Mrs. JOHNSON.
Mr. REGULA.
Mr. GINGRICH.
Mr. LEACH of Iowa.

(The following Members (at the request of Mr. DYSON) and to include extraneous matter:)

Mr. BORSKI.
Mr. GEJDENSON in two instances.
Mr. MAZZOLI.
Mr. LEVINE of California in two instances.
Mr. ROYBAL.
Mr. ORTIZ.
Mr. LANTOS.
Ms. OAKAR.
Mr. SMITH of Florida.
Mr. MURTHA.
Mr. MILLER of California.
Mr. YATES.
Mr. MCNULTY.
Mr. DORGAN.
Mr. FLORIO.
Mr. EDGAR in three instances.
Mr. SWIFT.
Mr. SKELTON.
Mr. IRELAND.
Ms. MIKULSKI.
Mr. BERMAN.
Mr. AUCOIN.
Mr. LUKEN.
Mr. ROSE.
Mr. WAXMAN.
Mr. MCDONALD.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following title:

S. 272. An act to improve small business access to Federal procurement information, and

S. 930. An act to authorize the Smithsonian Institution to purchase land in Santa Cruz County, Ariz.

ENROLLED JOINT RESOLUTION SIGNED

Mr. HAWKINS, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a joint resolution of the House of the following title, which was thereupon signed by the Speaker:

H.J. Res. 338. Joint resolution to correct Public Law 98-63 due to an error in the enrollment of H.R. 3069.

JOINT RESOLUTIONS PRESENTED TO THE PRESIDENT

Mr. HAWKINS, from the Committee on House Administration, reported that that committee did on the following dates present to the President, for his approval, joint resolutions of the House of the following title:

On August 1, 1983:

H.J. Res. 321. An act to proclaim a day of national celebration of the 200th anniversary of the signing of the Treaty of Paris.

On August 2, 1983:

H.J. Res. 338. Joint resolution to correct Public Law 98-63 due to an error in the enrollment of H.R. 3069.

ADJOURNMENT

Mr. DYSON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 11 o'clock and 14 minutes p.m.) the House adjourned until tomorrow, Wednesday, August 3, 1983, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1649. A letter from the Assistant Secretary of Defense (Comptroller), transmitting selected acquisition reports and SAR summary tables for the quarter ended June 30, 1983, pursuant to section 811(a) of Public Law 94-106; to the Committee on Armed Services.

1650. A letter from the Secretary of Labor, transmitting a draft of proposed legislation to amend the Federal Employees' Compensation Act to provide a waiting period and restrictions on continuation of pay received during initial claims processing, increased timeliness in that processing, more equitable benefits, increased emphasis on reemployment of disabled workers, improved oversight of long-term disabilities, and improved expenditure controls; to the Committee on Education and Labor.

1651. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on Foreign Affairs.

1652. A letter from the Acting Director, Minerals Management Service, Department of the Interior, transmitting notice of the proposed refund of excess royalty payments totaling $220,097.20 to the CNG Producing Co., pursuant to section 10(a) of the Outer Continental Shelf Lands Act of 1953; to the Committee on Interior and Insular Affairs.

1653. A letter from the Acting Director, Minerals Management Service, Department of the Interior, transmitting notice of the proposed refund of excess royalty payments totaling $66,830.54 to Mobil Oil Corp., Shell Oil Co., Chevron U.S.A. Inc., Arco Oil and Gas Co. and Pelto Oil Co., pursuant to section 10(a) of the Outer Continental Shelf Lands Act of 1953; to the Committee on Interior and Insular Affairs.

1654. A letter from the Acting Director, Minerals Management Service, Department of the Interior, transmitting notice of the proposed refund of excess royalty payments totaling $67,224.69 to Chevron U.S.A. Inc., Mobil Oil Corp., and Shell Oil Co., pursuant to section 10(a) of the Outer Continental Shelf Lands Act of 1953; to the Committee on Interior and Insular Affairs.

1655. A letter from the Acting Director, Minerals Management Service, Department of the Interior, transmitting notice of the proposed refund of excess royalty payments totaling $32,597.41 to the Shell Oil Co., Arco Oil and Gas Co., and Mobil Oil Corp., pursuant to section 10(a) of the Outer Continental Shelf Lands Act of 1953; to the Committee on Interior and Insular Affairs.

1656. A letter from the Acting Director, Minerals Management Service, Department of the Interior, transmitting notice of the proposed refund of excess royalty payments totaling $50,031.40 to the Mobil Oil Corp. and ICI Delaware Inc., pursuant to section 10(b) of the Outer Continental Shelf Lands Act of 1953; to the Committee on Interior and Insular Affairs.

1657. A letter from the Secretary of Transportation, transmitting a report on negotiated contracts for experimental, developmental, or research work, covering the period October 1, 1982, through March 31, 1983, pursuant to 10 U.S.C. 2304(e); to the Committee on Merchant Marine and Fisheries.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. JONES of North Carolina: Committee on Merchant Marine and Fisheries. H.R. 3278. A bill to provide a comprehensive system of liability and compensation for oil-spill damage and removal costs, and for other purposes; with amendments (Rept. No. 98-340, Pt. I). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CHENEY:

H.R. 3733. A bill to modify the Jackson Hole Snake River local protection flood control project in Wyoming to authorize maintenance work to be performed by the Corps of Engineers; to the Committee on Public Works and Transportation.

By Mr. COURTER:

H.R. 3734. A bill to amend title 5, United States Code, to limit the number of public holidays which may be established by Federal statute or executive order; to the Committee on Post Office and Civil Service.

By Mr. SAM B. HALL, JR.:

H.R. 3735. A bill to exempt from the operation of the Federal antitrust laws certain conduct of motor common carriers of property which relates to rates applicable to intrastate transportation; to the Committee on the Judiciary.

By Mr. KOLTER (for himself and Mr. MURPHY):

H.R. 3736. A bill to permit Federal participation in the construction of certain new toll roads, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. MCHUGH (for himself and Mr. CONABLE, Mr. JENKINS, Mr. PURSELL, Mr. TAUKE, and Mr. UDALL):

H.R. 3737. A bill to amend the Internal Revenue Code of 1954 to provide a full credit for contributions to candidates for Congress, and for other purposes; jointly, to the Committees on Ways and Means and House Administration.

By Mr. ORTIZ (for himself, Mr. PEPPER, and Mr. ROYBAL):

H.R. 3738. A bill to amend title II of the Social Security Act to reform the benefit payment procedures which are followed upon the death of an insured individual or beneficiary (including a dependent or survivor) by providing for the payment of a lump-sum death benefit, in an equitable manner and in a realistic amount, when any such insured individual or beneficiary dies; to the Committee on Ways and Means.

By Mr. SEIBERLING (for himself and Mr. FEIGHAN):

H.R. 3739. A bill to provide certain authority to reduce erosion within the Cuyahoga Valley National Recreation Area; to the Committee on Interior and Insular Affairs.

By Mr. ALBOSTA:

H.R. 3740. A bill to suspend for a 3-year period the duty on 3-[Hydroxydiphenylacetyl) oxy]-1,1-dimethylpiperidinium bromide; to the Committee on Ways and Means.

H.R. 3741. A bill to suspend for a 3-year period the duty on 5H-Dibenz [b,f] azepine-5-propanamine, 10, 11-dihydro-N-methyl-, monohydrochloride; to the Committee on Ways and Means.

H.R. 3742. A bill to suspend for a 3-year period the duty on hydrazone, 3-(4-methylpiperazinyliminomethyl) rifamycin SV; to the Committee on Ways and Means.

By Mr. ENGLISH:

H.R. 3743. A bill to establish a Privacy Protection Commission, and for other purposes; to the Committee on Government Operations.

By Mr. GUARINI:

H.R. 3744. A bill to amend title V of the Refugee Education Assistance Act of 1980 to extend assistance for Cuban and Haitian entrants to 72 months after the month of entry; jointly to the Committees on Education and Labor and the Judiciary.

By Mr. LEACH of Iowa:

H.R. 3745. A bill to establish a Peace Corps Strategy Commission; to the Committee on Foreign Affairs.

By Mr. ROSE (for himself, Mr. DE LA GARZA, Mr. ALBOSTA, Mr. ANDREWS of North Carolina, Mr. ANTHONY, Mr. BATEMAN, Mr. BEDELL, Mr. BRITT, Mr. CHAPPIE, Mr. CLARKE, Mr. DERRICK, Mr. DICKINSON, Mr. DUNCAN, Mr. DYSON, Mr. ENGLISH, Mr. FOLEY, Mr. FRANKLIN, Mr. GONZALEZ, Mr. HANCE, Mr. HARKIN, Mr. HATCHER, Mr. HEFNER, Mr. HORTON, Mr. JONES of North Carolina, Mr. JONES of Tennessee, Mr. MONTGOMERY, Mr. NEAL, Mr. NICHOLS, Mr. PANETTA, Mr. PEASE, Mr. PERKINS, Mr. SISISKY, Mr. SKELTON, Mr. STENHOLM, Mr. SWIFT, Mr. TALLON, Mr. THOMAS of Georgia, Mr. VALENTINE, Mr. WATKINS, Mr. WHITLEY, and Mr. WON PAT):

H.R. 3746. A bill entitled: "The Agricultural Stabilization and Conservation Committee Act of 1983"; to the Committee on Agriculture.

By Mr. SENSENBRENNER (for himself, Mr. MICHEL, Mr. GEKAS, Mr. SAWYER, Mr. LUNGREN, Mr. MCCOLLUM, Mr. WYLIE, Mr. MCKINNEY, Mr. BARTLETT, Mr. KEMP, Mr. VANDER JAGT, Mr. ERLENBORN, Mr. HORTON, and Mr. WHITEHURST):

H.R. 3747. A bill entitled: "The Fair Housing Amendments of 1983"; to the Committee on the Judiciary.

By Mr. SWIFT:

H.R. 3748. A bill to amend title 5, United States Code, to include inspectors of the Immigration and Naturalization Service and inspectors of the U.S. Customs Service within the immediate retirement provisions applicable to certain employees engaged in hazardous occupations; to the Committee on Post Office and Civil Service.

By Mr. HAMMERSCHMIDT:

H.J. Res. 339. Joint resolution designating February 14 of each year as "National Salute to Hospitalized Veterans' Day"; to the Committee on Post Office and Civil Service.

By Mr. BROWN of California (for himself, Mr. SABO, Mr. AKAKA, Mr. FOLEY, Mr. ROBERTS, Mr. PANETTA, Mr. FRANKLIN, Mr. EVANS of Iowa, Mr. LEVIN of Michigan, Mr. SNYDER, Mr. LEWIS of California, Mr. TALLON, Mr. PERKINS, Mr. MAZZOLI, Mr. VANDERGRIFF, Mr. DE LA GARZA, Mr. ROE, Mrs. BOXER, Mr. SMITH of Florida, Mr. FAUNTROY, Mr. HANSEN of Utah, Mr. HAMMERSCHMIDT, Mr. VENTO, Mr. HUGHES, Mr. SPENCE, Mr. CORRADA, Mr. SCHNEIDER, Mr. LOWRY of Washington, Ms. SNOWE, and Mr. BONIOR of Michigan):

H.J. Res. 340. Joint resolution to provide for the designation of the week of November 27 through December 3, 1983, as "National Entomology Week"; to the Committee on Post Office and Civil Service.

By Mr. GREEN:

H. Res. 295. Resolution dealing with the prevention of arson; to the Committee on the Judiciary.

MEMORIALS

Under clause 4 of rule XXII,

237. The Speaker presented memorial of the Legislature of the State of Ohio, relative to a nuclear weapons freeze; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

PRIVATE RESOLUTIONS

Mr. PHILIP M. CRANE introduced a joint resolution (H.J. Res. 341) authorizing and requesting the President to appoint Captain Grace M. Hopper (U.S. Naval Reserve, Retired) to the grade of commodore on the retired list, which was referred to the Committee on Armed Services.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 190: Mr. PATTERSON.

H.R. 408: Mr. DWYER of New Jersey, Mr. SCHAEFER, and Mr. BROWN of Colorado.

H.R. 671: Mr. BEVILL, Mr. RATCHFORD, Mr. SMITH of Florida, Mr. STOKES, Mr. MURPHY, Ms. OAKAR, Mr. RANGEL, Mr. FORD of Tennessee, Ms. MIKULSKI, Mr. SCHEUER, Mr. MACKAY, Mr. SOLARZ, Mr. OTTINGER, Mr. OWENS, Mr. VENTO, Mr. BIAGGI, Mr. EDWARDS of Oklahoma, Mr. LELAND, Mr. LANTOS, Mr. HERTEL of Michigan, Ms. KAPTUR, Mr. HYDE, Mr. TOWNS, Mr. MITCHELL, Mr. NEAL, Mr. HEFTEL of Hawaii, Mr. WEISS, Mr. EDGAR, Mr. CLINGER, and Mr. BONKER.

H.R. 672: Mr. LEVINE of California, Mr. NEAL, Ms. MIKULSKI, Mr. MARTINEZ, Mr. FORD of Michigan, Mr. FAZIO, Mrs. BOXER, Mr. MCNULTY, Mr. CLINGER, Mr. HERTEL of Michigan, Mr. ROGERS, Mrs. COLLINS, Mr. GEJDENSON, Mr. TORRICELLI, and Mr. WEISS.

H.R. 943: Mr. ROE.

H.R. 953: Mr. RINALDO.

H.R. 1244: Mr. PACKARD.

H.R. 1249: Mr. HAWKINS and Mr. LUKEN.

H.R. 1374: Mr. ROGERS.

H.R. 1415: Mr. SHUMWAY.

H.R. 1881: Mr. BEDELL, Mr. BROOMFIELD, Mr. CAMPBELL, Mr. EMERSON, Mr. GAYDOS, Mr. JENKINS, Mr. MARRIOTT, Mrs. MARTIN of Illinois, Mr. MURTHA, Mr. NEAL, Mr. ROBINSON, Mr. ROEMER, Mr. SABO, Mr. SHUSTER, Mr. SISISKY, Mr. SNYDER, Mr. WALGREN, Mr. WINN, and Mr. YOUNG of Florida.

H.R. 1903: Mr. BENNETT, Ms. FERRARO, and Mr. YATES.

H.R. 1918: Mr. MARTINEZ.

H.R. 1942: Mrs. LLOYD and Mr. MINETA.

H.R. 2000: Mr. DUNCAN, Mr. ARCHER, Mr. VANDER JAGT, Mr. PHILIP M. CRANE, Mr. FRENZEL, Mr. MARTIN of North Carolina, Mr. SCHULZE, Mr. GRADISON, Mr. CAMPBELL, Mr. THOMAS of California, and Mr. PATMAN.

H.R. 2053: Mr. PURSELL and Mr. PENNY.

H.R. 2305: Mr. RAHALL.

H.R. 2382: Mr. PURSELL, Mr. HARKIN, Mrs. SCHNEIDER, and Mr. MCCOLLUM.

H.R. 2488: Mr. OBERSTAR, Mr. FAUNTROY, Mr. SIMON, Mr. CROCKETT, Mr. BEDELL, Mr. GRAY, Mr. EDGAR, Mr. NEAL, Mr. DELLUMS, Mr. ADDABBO, Mr. HARKIN, and Mr. YATRON.

H.R. 2660: Mr. JEFFORDS, Ms. OAKAR, Mr. WEAVER, Mr. TORRES, Mr. SOLARZ, Mr. ROE, Mr. ACKERMAN, Mr. LEHMAN of Florida, Mr. CORRADA, Mr. SMITH of Florida, Mr. STOKES, Mr. LEWIS of Florida, Mr. BERMAN, Mr. VANDERGRIFF, Mr. GOODLING, Mr. HOWARD, Mr. CROCKETT, Mr. HERTEL of Michigan, Mr. MITCHELL, Mrs. HALL of Indiana, Mr. WEISS, Mr. TALLON, Mr. SCHEUER, Mr. ANDERSON, Mr. PANETTA, and Mr. CARR.

H.R. 2854: Mr. FORD of Tennessee, Mr. BEVILL, Mr. RATCHFORD, Mr. FRANK, Mr. SMITH of Florida, Mr. CROCKETT, Mr. STOKES, Mr. MURPHY, Ms. OAKAR, Mr. RANGEL, Ms. MIKULSKI, Mr. SCHEUER, Mr. MACKAY, Mr. SOLARZ, Mr. OTTINGER, Mr. OWENS, Mr. BIAGGI, Mr. BERMAN, Mr. LEHMAN of Florida, Mr. EDWARDS of Oklahoma, Mrs. COLLINS, Mr. LELAND, Mr. LANTOS, Mr. HERTEL of Michigan, Ms. KAPTUR, Mr. HYDE, Mr. CHAPPEL, Mr. VENTO, Mr. TOWNS, Mr. MITCHELL, Mr. NEAL, Mr. HEFTEL of Hawaii, Mr. WEISS, Mr. EDGAR, Mr. CLINGER, and Mr. BONKER.

H.R. 2855: Mr. FORD of Tennessee, Mr. BEVILL, Mr. RATCHFORD, Mr. FRANK, Mr. SMITH of Florida, Mr. CROCKETT, Mr. STOKES, Mr. MURPHY, Ms. OAKAR, Mr. RANGEL, Ms. MIKULSKI, Mr. SCHEUER, Mr. MACKAY, Mr. SOLARZ, Mr. OTTINGER, Mr. OWENS, Mr. BIAGGI, Mr. BERMAN, Mr. LEHMAN of Florida, Mr. EDWARDS of Oklahoma, Mrs. COLLINS, Mr. LELAND, Mr. LANTOS, Mr. HERTEL of Michigan, Ms. KAPTUR, Mr. HYDE, Mr. CHAPPEL, Mr. VENTO, Mr. TOWNS, Mr. MITCHELL, Mr. NEAL, Mr. HEFTEL of Hawaii, Mr. WEISS, Mr. EDGAR, Mr. CLINGER, Mr. BONKER, Mr. CORCORAN.

H.R. 2856: Mr. BEVILL, Mr. RATCHFORD, Mr. FRANK, Mr. SMITH of Florida, Mr. CROCKETT, Mr. STOKES, Mr. MURPHY, Ms. OAKAR, Mr. RANGEL, Mr. FORD of Tennessee, Ms. MIKULSKI, Mr. SCHEUER, Mr. MACKAY, Mr. SOLARZ, Mr. CORCORAN, Mr. OTTINGER, Mr. OWENS, Mr. VENTO, Mr. BIAGGI, Mr. LEHMAN of Florida, Mr. EDWARDS of Oklaho-

ma, Mrs. COLLINS, Mr. LANTOS, Ms. KAPTUR, Mr. HYDE, Mr. NEAL, Mr. MITCHELL, Mr. TOWNS, Mr. HEFTEL of Hawaii, Mr. WEISS, Mr. EDGAR, Mr. CLINGER, and Mr. BONKER.

H.R. 2911: Mr. SCHAEFER.

H.R. 3028: Mrs. COLLINS.

H.R. 3106: Mr. IRELAND and Mr. DORGAN.

H.R. 3245: Ms. FERRARO.

H.R. 3335: Mr. HEFNER.

H.R. 3341: Mr. JENKINS.

H.R. 3349: Mr. SMITH of Iowa, Mr. BEDELL, Mr. CONYERS, Mr. FORD of Tennessee, Mr. FEIGHAN, Mr. HARKIN, Mr. RICHARDSON, Mr. DELLUMS, Mr. HUBBARD, and Mr. VANDERGRIFF.

H.R. 3350: Mr. PEPPER, Mr. GREEN, and Mr. FASCELL.

H.R. 3578: Mr. ROTH.

H.R. 3387: Mr. OTTINGER, Mr. HUGHES, Mr. CROCKETT, Mr. EDGAR, Mr. RANGEL, and Mr. KILDEE.

H.R. 3532: Mr. YOUNG of Alaska, Mr. JONES of North Carolina, Mr. STARK, Mr. WHITEHURST, Mr. ROE, Mr. NICHOLS, Mr. WILSON, Mr. HUTTO, Mr. STOKES, Mr. GONZALEZ, and Mr. OTTINGER.

H.R. 3545: Mr. BEREUTER.

H.R. 3591: Mr. ADDABBO, Mr. BIAGGI, Mr. BONER of Tennessee, Mr. DWYER of New Jersey, Mr. FOWLER, Mr. FRENZEL, Mr. GUARINI, Mr. HUBBARD, Mr. LAFALCE, Mr. LEHMAN of Florida, Mr. MILLER of California, Mr. MINETA, Mr. MURPHY, Mr. QUILLEN, Mr. SABO, and Mr. VENTO.

H.R. 3642: Mr. HORTON, Mr. ECKART, Mr. OWENS Mr. EDWARDS of California, Mr. EDGAR, Mr. DOWDY of Mississippi, Mr. DORGAN Mr. PANETTA, Mr. HUGHES, Mr. GEPHARDT, Mr. MINETA, Mr. STAGGERS, Mr. GLICKMAN, Mr. PERKINS, Mr. FOWLER, Mr. DUNCAN, Mr. DOWNEY of New York, and Mr. ROSTENKOWSKI.

H.R. 3646: Mr. MINETA and Mr. Fazio.

H.R. 3678: Mr. MOODY, Mr. VANDERGRIFF, Mr. WISE, Mrs. HALL of Indiana, and Mr. BORSKI.

H.R. 3681: Mr. JEFFORDS.

H.J. Res. 103: Mr. FEIGHAN, Mr. STUMP, Mr. BROWN of Colorado, Mr. DOWNEY of New York, and Mr. MARTINEZ.

H.J. Res. 105: Mr. BROWN of California, Mr. FLORIO, Mr. THOMAS of California, Mr. FOLEY, Mr. WHITTAKER, Mr. MCEWEN, Mr. HUCKABY, Mr. EVANS of Iowa, Mr. YOUNG of Alaska, Mr. GUNDERSON, Mr. SOLARZ, Mr. WYLIE, Mr. JONES of North Carolina, Mrs. KENNELLY, Mr. NATCHER, Mr. TOWNS, Mr. MCGRATH, Mr. DREIER of California, Mr. STANGELAND, and Mr. CONABLE.

H.J. Res. 120: Mr. MARTINEZ.

H.J. Res. 134: Mr. MCEWEN.

H.J. Res. 176: Mr. MAVROULES, Mr. RUSSO, Mr. DICKINSON, Mr. ROBERTS, Mr. DEWINE, Mr. SHANNON, and Mr. STUMP.

H.J. Res. 295: Mrs. BOGGS, Mr. BROYHILL, Mr. COUGHLIN, Mr. EARLY, Mr. EDGAR, Mr. FOWLER, Mr. HEFNER, Mr. HYDE, Mr. LUKEN, Mr. MICA, Mr. MOLLOHAN, Mr. MURTHA, Mr. MYERS, Mr. PRICE, Mr. PRITCHARD, Mr. ROEMER, Mr. SCHUMER, Mr. SHUMWAY, Mr. SMITH of Iowa, Mrs. SMITH of Nebraska, Mr. TAUZIN, Mr. VALENTINE, Mr. WHITTEN, and Mr. WORTLEY.

H.J. Res. 313: Mr. HAMILTON.

H. Res. 15: Mr. BATEMAN, Mrs. BURTON of California, Mr. CLARKE, Mr. COOPER, Mr. RALPH M. HALL, Mr. MCEWEN, and Mr. YOUNG of Alaska.

H. Res. 102: Mr. DE LA GARZA, Mr. WATKINS, Mr. WON PAT, Mr. SUNIA, Mr. SYNAR, Mr. RICHARDSON, Mr. WEAVER, Mr. STANGELAND, Mr. DORGAN, Mr. ROSE, Mr. WEBER, Mr. BEDELL, Mr. BEVIL, Mr. JEFFORDS, Mr. ALBOSTA, Mr. SIMON, Mr. OXLEY, Mr. OBERSTAR, Mr. WHITLEY, Mr. BRITT, Mr. MCNULTY, Mr. NIELSON of Utah, Mr. NEAL, Mr. CORCORAN, and Mr. TALLON.

H. Res. 190: Mr. VOLKMER, Mrs. BURTON of California, and Mr. LUKEN.

H. Res. 216: Mr. PENNY, Mr. SILJANDER, and Mr. SUNDQUIST.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 1797: Mr. WHITEHURST.

H.R. 2250: Mr. DICKS.

H.J. Res. 1: Mr. KOLTER.

PETITIONS, ETC.

Under clause 1 of rule XXII:

183. The Speaker presented a petition of the Western Governors' Conference, San Francisco, California, relative to redress for American citizens of Japanese ancestry for their internment during World War II; which was referred to the Committee on the Judiciary.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 2350

By Mr. GLICKMAN:

—On page 143, after line 11 insert the following:

REPORT ON FEDERAL ROLE IN FACILITATING TIMELY ACCESS TO HUMAN ORGANS FOR TRANSPLANT PURPOSES

SEC. . (a) The Director of the National Institutes of Health, after consultations with the Directors of the National Heart, Lung, and Blood Institute, the National Institute of Diabetes and Digestive and Kidney Diseases, the National Institute of Child Health and Human Development, the National Eye Institute, and the Center for Diease Control, the Administrator of the Veterans' Administration, a designee of the Secretary of Defense and such other federal officials as the Director deems appropriate, representative state and local health officials, health care professionals with qualifications to provide specific guidance, shall submit a plan to the Congress and the President not later than 180 days after the date of enactment of this Act to expand and improve timely access to human organs available for transplant purposes, including but not limited to means of improving public awareness of the shortage of human organs for transplant purposes and establishing a comprehensive national network of information sharing with regard to organs available for transplant.

(b) further legislative authority is deemed by the Director to be necessary to adequately expand and improve such access, such report shall be accompanied by proposed legislation to allow for implementaton of its recommendations and an interim plan for improving such access to human organs for transplant purposes.

H.R. 2379

By Mr. UDALL:

—Page 2, line 3, strike all after the enacting clause and insert the following in lieu thereof:

SHORT TITLE

SECTION 1. This Act may be cited as the "National Park System Protection and Resources Management Act of 1983".

FINDINGS

SEC. 2. The Congress finds that—

(1) the natural and cultural resources of the national park system embrace unique, superlative and nationally significant resources, constitute a major source of pride, inspiration, and enjoyment for the people of the United States, and have gained international recognition and acclaim;

(2) the Congress has repeatedly expressed its intentions, in both generic and specific statute and by other means, that the natural and cultural resources of the national park system be accorded the highest degree of protection;

(3) many of the natural and cultural resources of the national park system are being degraded or threatened with degradation; and

(4) no comprehensive process exists for the gathering of data, the identification, analysis, and documentation of trends, and the identification of problems regarding the condition of the national park system's natural and cultural resources, and for the development of a program to prevent and reverse the degradation of the natural and cultural resources of the national park system.

PURPOSE AND POLICY

SEC. 3. In furtherance of the provisions of the Act of August 25, 1916 (39 Stat. 535; 16 U.S.C. 1-4), it is the purpose of this Act, and shall continue to be national policy, to provide for a high degree of protection and preservation of the natural and cultural resources within the national park system for the benefit of the public, and to provide for the interplay of the forces and processes of natural geological change and ecological succession in perpetuity (except for locations of development or where the historic scene is to be stabilized and depicted at a particular static point in time). In furtherance of that purpose and policy, it is the specific purpose of this Act to provide for the development of comprehensive management programs, and planning and decisionmaking processes which will—

(1) identify damage, threats, and problems affecting the natural and cultural resources of the national park system, and

(2) provide for the implementation of actions which will prevent and reverse such adverse forces so as to maximize the protection and preservation of the natural and cultural resources of the national park system.

Nothing in this section shall be deemed to constitute a change in the more specific purposes or provisions of the various Acts establishing the individual units of the national park system.

STATE OF THE PARKS REPORT

SEC. 4. (a) In furtherance of the provisions of section 3 of this Act, the Secretary shall undertake a continuing program of data collection, research, monitoring, analysis and documentation as to conditions, factors and forces which are degrading, or threatening to degrade, the natural and cultural resources of the national park system and shall prepare a biennial "State of the Parks" report. Such report shall constitute

documentation of the condition of park resources, including problems related to their degradation and solutions to such problems. The report shall correlate to a fiscal year base and shall be transmitted by January 1, 1985 (and by January 1 of each odd numbered year thereafter), by the Secretary to the Speaker of the United States House of Representatives and to the President of the United States Senate for referral to and consideration by the appropriate legislative committees of the Congress. Successive reports shall update previous submissions. Each report shall be printed as a House document. The report shall include, but need not be limited to, the following major components:

(1) a brief description, for each individual unit of the national park system, of—

(A) the past, current, and projected condition of the unit's natural and cultural resources;

(B) the impact from identified factors and forces, ranked in order of priority, emanating from both inside and outside the unit, which damage or threaten to damage the welfare and integrity of the unit's natural and cultural resources, with identification of the trends and the severity of impact of such factors and forces;

(C) ongoing and planned protection and management actions, including specific research programs, with regard to subparagraphs (A) and (B) of this paragraph; and

(D) the accomplishments and results of the actions undertaken in accordance with subparagraph (C);

(2) a description and assessment of the systemwide efforts to address the requirements of paragraph (1) of this subsection, which assessment shall include a list of all personnel positions systemwide (given according to pay grade, location, and professional expertise of the incumbent) assigned 50 per centum or more of the time to direct resource protection, resource management activities or research, and an assessment of the effectiveness and adequacy of these personnel in meeting resource management objectives;

(3) a detailed and specific discussion, developed in accordance with the requirements of paragraphs (1) and (2) of this subsection, of continuing, newly implemented and/or recommended systemwide policies, plans, programs, actions, commitments, and accomplishments for both the direct management actions and the research programs of the National Park Service relating to the prevention and reversal of factors and forces which are altering or damaging, or threatening to alter or damage, the welfare and integrity of natural and cultural park resources, which discussion shall include, but not be limited to—

(A) management policies, directions, and priorities;

(B) accomplishments in and progress toward resolving specific problems described in the current and the previous State of the Parks report;

(C) continuing research projects;

(D) new administration and research proposals for park protection and resource management programs;

(E) an itemized estimate of the funding required for the following two fiscal years to carry out both the continuing and the new management actions and research programs;

(F) legal authority available for addressing damage and threats emanating from outside unit boundaries, the effectiveness of that authority in preventing damage to the natural and cultural resources, and suggestions for new authority which may promote resource protection; and

(G) the progress in meeting the objectives of this Act;

(4) a discussion of the adequacy of past and present congressional appropriations in addressing protection and resource management programs; and

(5) a determination and explanation of funding needs for fulfilling the mandates of this section.

(b) In the preparation of the State of the Parks report, the National Park Service shall take appropriate steps to solicit public involvement. A preliminary draft of the report shall be made available to the public for a period of thirty days for review and comment no less than three months before the final report is due for submission to the Congress. Notice of the availability of such draft for public review and comment shall be published in the Federal Register. A summary of public comments received shall be transmitted with the State of the Parks report.

SIGNIFICANT RESOURCE PROBLEMS

SEC. 5. The Secretary shall identify and establish priorities among at least the fifty most critical natural and the fifty most critical cultural resource problems or threats within the national park system and shall prepare a detailed analysis of such problems or threats (with an estimate of the funds necessary to reduce or eliminate the problems or threats). Such analysis shall be made annually and shall be submitted to the appropriate committees of the Congress on the same date as the submission of the President's budget to the Congress.

SCIENTIFIC ADVISORY ASSISTANCE

SEC. 6. (a) The Secretary shall take such steps as may be necessary to contract with the National Academy of Sciences for development of a plan for the National Park Service to conduct natural and cultural resources inventories and research directed to the problems of and the solutions for natural and cultural resource problems within the national park system.

(b) The plan required under subsection (a) shall be simultaneously submitted to the Secretary and to the appropriate committees of the Congress no later than eighteen months after the effective date of this Act. Three months and six months after the effective date of this Act, the Secretary shall submit to the appropriate committees of the Congress a written statement as to his progress in the consummation of arrangements with the National Academy of Sciences for the development of such a plan.

(c) Funding for such plan shall derive from funds specifically appropriated for this purpose to the National Park Service.

RESOURCE MANAGEMENT PLANS

SEC. 7. Resource management plans for each unit of the national park system, including areas within the national capital region, shall be prepared and updated no less frequently than every two years. Such plans shall address both natural and cultural resources of the park units and shall include, but not be limited to—

(1) a historical overview of the past composition, treatment, and condition of the resources;

(2) a statement of the purposes and objectives for the management and preservation of the individual and collective components of the resource base;

(3) an inventory of significant resources and their current condition, prepared in accordance with acceptable scientific baseline data collection methods;

(4) an identification of current and potential problems, emanating from sources both inside and outside park unit boundaries, associated with the protection and management of the resources;

(5) a comprehensive, detailed program of proposed actions to be taken to prevent or reverse the degradation of the natural and cultural resources of the park, including a proposed schedule of actions to be initiated and the estimated costs to complete such actions; and

(6) a brief summary of accomplishments in resolving resource problems identified pursuant to paragraphs (4) and (5) of this subsection.

General management and other relevant plans developed for each park unit shall be brought into conformity with the park unit's resource management plan, and the resource management plan shall be used to provide data for the State of the Parks report. The Secretary shall establish guidelines for the National Park Service setting forth procedures whereby the development of general management plans and resource management plans shall be coordinated with other affected Federal agencies, States, and local governments.

LAND CLASSIFICATION REVIEW

SEC. 8. The Secretary shall conduct a review of the current land classification system for the preservation and use of lands within national park system units, and shall adopt such revisions as may be appropriate to assure the protection of park resources, appropriately balanced with the use and appreciation of those resources by visitors. Such review shall include the development of a new classification for maximum resource protection where restricted use may be necessary to protect sensitive ecosystems and cultural resources or areas of special value for research, scientific, or related purposes. The review mandated by this section shall be completed and the results adopted by January 1, 1985.

INTERNATIONALLY RECOGNIZED AREAS

SEC. 9. (a) Those park units accorded the designation of "biosphere reserve" or "world heritage site" shall receive priority attention and consideration for prompt, heightened resource data collection, monitoring, and resource protection efforts. The Secretary shall develop a document, setting forth such policies and guidelines as are appropriate to achieve these objectives, to be published in draft form in the Federal Register no later than January 1, 1985 for public comment, and published in final form no later than April 30, 1985. Such document shall be revised subsequently as appropriate.

(b) It is the sense of the Congress that with respect to any international park located within the United States and any adjacent nation which has been recognized and designated as a Biosphere Reserve under the auspices of the international conservation community, the responsible park management officials of the United States and such nation, in conjunction with appropriate legislative and parliamentary officials, establish means and methods of ensuring that the integrity of such Biosphere Reserve is maintained, and the collective attributes for which it was so recognized and designated are accorded the highest practicable degree of continuing protection.

PUBLIC LAND MANAGEMENT

SEC. 10. (a) In any case of areas which are within any unit of the national park system, where the Secretary of the Interior is vested with any authority to—

(1) issue any lease;

(2) authorize or permit any use, occupancy, or development of such areas;

(3) sell or otherwise dispose of such lands or waters or interests therein or sell or otherwise dispose of any timber or sand, gravel, and other materials located on or under such areas,

he may exercise such authority only after he has determined that the exercise of such authority will not have a significant adverse effect on the values for which such national park system unit was established (including the scenery and the natural and cultural resources). Such determination shall be made only after notice and opportunity for a hearing on the record. The process for collecting needed information and evaluation thereof for this section or section 11 may be integrated with such planning and decisionmaking processes as are required by other law, except that the determination of the effect upon park resources shall be a separate document or a separate chapter within a document executed by the Secretary of the Interior or the head of any other Federal agency or instrumentality as may be required by this section or section 11.

(b) In any case of areas which are adjacent to any unit of the national park system, where the Secretary is vested with any authority described in subsection (a), the Secretary may exercise such authority only after he has determined that the exercise of such authority will not have a significant adverse effect on the values for which such national park system unit was established; except that if the Secretary determines that—

(1) any significant adverse effects on the values for which the national park system unit was established are clearly of lesser importance than the public interest value of the proposed action; and

(2) the exercise of such authority is fully consistent with the Act of August 25, 1916 (39 Stat. 535; 16 U.S.C. 1-4), the Act of August 18, 1970 (84 Stat. 825; 16 U.S.C. 1a-1 through 1a-7), and specific provisions of law which established the affected national park system unit,

he may exercise such authority. The Secretary shall publish the record of such decision in the Federal Register and transmit copies of such decision documents to the Committee on Energy and Natural Resources of the United States Senate and to the Committee on Interior and Insular Affairs of the United States House of Representatives. The Secretary shall not implement such decisions until thirty legislative days after such transmittal.

(c) This section shall not apply to inland waters except those which the Federal Government owns.

FEDERAL PROGRAM REVIEW

SEC. 11. (a) Each agency or instrumentality of the United States conducting or supporting activities within or adjacent to any unit of the national park system shall, to the extent practicable, undertake to insure that those activities will not significantly degrade the natural or cultural resources or values for which the unit was established. Nothing in this subsection shall be deemed to give rise to a cause of action in any court of law.

(b) During the normal procedure utilized by any Federal agency in deciding to undertake or approve any Federal action (except such actions as may be required for maintenance or rehabilitation of existing structures or facilities) on areas within or adjacent to any unit of the national park system, the agency head (or the Secretary as determined pursuant to subsection (d) of this section), shall consider whether such action may degrade or threaten the natural or cultural resources of any such unit, and if the head of such agency finds that such action may have such an effect, he shall notify the Secretary in writing. Such notification shall, at a minimum, include a description of the proposed action, the proposed agency's views as to the potential short and long term impact of the proposed action on the park unit's resources, and any measures proposed by the agency to prevent or minimize adverse effects on such park unit's resources.

(c) The Secretary shall respond in writing with regard to the foreseeable impact on park resources of such proposed Federal action and shall include recommendations for any changes in the proposed Federal action needed to avoid adverse effects on park resources. Such response shall be submitted to the proposing Federal agency within sixty days after receipt of notification required by subsection (b). The response by the Secretary shall include (as an attachment) the views of professional personnel within the National Park Service whose expertise is relevant to the issue of the impact of such proposed action on park resources.

(d) In any instance in which the Secretary has not been notified of a Federal agency's proposed action and on his own determination finds that such action may threaten the natural or cultural resources of any unit of the national park system, the Secretary shall notify the head of such Federal agency in writing. Upon such notification by the Secretary, such agency head shall promptly provide the Secretary with the information specified in subsection (b), and any other relevant information in the possession of such agency if requested by the Secretary, and such notification by the Secretary pursuant to this subsection shall thereby invoke the other relevant provisions of this section.

(e) The Secretary shall fully consider any adopted city, county, State, or Federal comprehensive development plans or elements thereof and shall, if requested by the affected governmental unit, hold a public hearing prior to responding to the Federal agency if such response to the proposed action is to be negative. The hearings are to be held at or near the site of the proposed action or project after notification of the affected local government unit.

(f)(1)(A) In all cases where the proposed Federal action would occur upon federally owned lands or waters within the authorized boundary of a national park system unit, the proposing Federal agency shall comply fully with the recommendations of the Secretary.

(B) In all cases where the proposed Federal action would occur upon areas not owned by the Federal Government within the authorized boundary of a national park system unit, the proposing Federal agency shall fully consider the recommendations of the Secretary and shall comply with such recommendations, unless the head of such agency, after consideration of applicable law, including the Act of August 25, 1916 (39 Stat. 535; 16 U.S.C. 1-4), and the Act of August 18, 1970 (84 Stat. 825; 16 U.S.C. 1a-1 through 1a-7) finds that the public interest in the proposed action is greater than the public interest in avoiding the adverse effects on the natural and cultural resources of the affected national park system unit. The proposing Federal agency shall, upon such determination publish the record of decision in the Federal Register and notify, in writing, the Secretary and the Committee on Energy and Natural Resources of the United States Senate and the Committee on Interior and Insular Affairs of the United States House of Representatives of such decisions, including the reasons therefor, and shall not implement the proposed action for thirty legislative days after the date of such transmittal.

(2) In any case where the proposed Federal action involves areas adjacent to the boundary of a national park system unit, the proposing Federal agency shall fully consider the recommendations contained within the response from the Secretary. The proposing Federal agency shall transmit the details of the planned final course of action to the Secretary prior to implementing such action. In any instance in which there is substantial disagreement between the proposing agency's course of action and the Secretary's recommendations to the agency, the Secretary shall, within ten days of receipt of the agency's planned final course of action, notify, in writing, the Committee on Energy and Natural Resources of the United States Senate and the Committee on Interior and Insular Affairs of the United States House of Representatives. The proposing Federal agency may proceed with the proposed final course of action at the time of transmittal to the Secretary, except that if the proposed final course of action is inconsistent with the recommendations of the Secretary, the proposed final course of action shall not be implemented for thirty legislative days after the date of such transmittal to the committees of Congress referred to in the preceding sentence.

(g) The Secretary shall publish promptly (but in all cases within ten days) in the Federal Register a notice of—

(1) receipt of any proposed Federal action, including a summary of the key components of the proposal and the location and availability of supporting documents, and

(2) notice of the response made by the Secretary to the proposing agency, including all recommendations made by the Secretary.

(h) The following Federal actions which constitute a major and necessary component of an emergency action shall be exempt from the provisions of this section—

(1) those necessary for safeguarding of life and property;

(2) those necessary to respond to a declared state of disaster; and

(3) those necessary to respond to an imminent threat to national security.

(i) Any action under this Act must be brought in the United States district court for the district in which the national park system unit concerned is located, and such court shall have jurisdiction to provide any appropriate relief.

TECHNICAL ASSISTANCE, COOPERATION, AND PLANNING

SEC. 12. (a) The Secretary is directed to cooperate with, and is authorized to provide technical assistance to, any governmental unit within or adjacent to the units of the

national park system where the results of such cooperation and assistance would likely benefit the protection of park resources. There shall be initiated, by the superintendent of each unit of the national park system, an effort to work cooperatively with all governmental agencies and other entities having influence or control over lands, resources, and activities within or adjacent to the park unit for the purpose of developing, on a voluntary basis, mutually compatible land use or management plans or policies for the general area.

(b) Those personnel assigned to provide assistance described in subsection (a) shall be employees of the National Park Service knowledgeable about the affected unit of the national park system and the resources that unit was authorized to protect.

(c) The Secretary is authorized to make grants to units of local government for the purposes described in subsection (a). Such grants shall not exceed $25,000 in any fiscal year to any unit of local government. The Secretary shall develop criteria for the awarding of grants, with such criteria to include priority for awards which will afford the greatest increased degree of protection to critically degraded or threatened park resources.

(d) There is authorized to be appropriated not more than $750,000 in each of fiscal years 1984, 1985, and 1986 for the purposes of this section. Such sums shall remain available until appropriated, and such sums as may be appropriated shall remain available until expended.

(e) Within one year after the date of enactment of this Act, no less than two park units in addition to all "biosphere reserves" and "world heritage sites", for each administrative region of the national park system shall have initiated the effort described in subsection (a). No more than two years after the date of enactment of this Act, each unit within the national park system shall have initiated such an effort.

(f) In no more than two years following the date of enactment of this Act, the Secretary shall assure that each unit, or each regional office for the region in which a unit is located, has on its staff at least one person who is trained and knowledgeable in matters relating to the provisions of this section, and whose principal duty it shall be to coordinate the activities which are related to the provisions of this section. The Secretary shall initiate, within no more than one year of the date of enactment of this Act, a training program for park personnel in the principles and techniques necessary to carry out the requirements of this section.

PUBLIC INFORMATION PROGRAM

SEC. 13. By January 1, 1984, the Secretary shall initiate and shall continue to develop, a public information program designed to inform park visitors and the public of the problems confronting the protection of park resources and the solutions being implemented to address those problems. Educational information of this nature shall be made available to youth groups and to educational institutions.

PERSONNEL

SEC. 14. The Secretary shall promptly and continually take actions to assure that the staffing of the National Park Service provides for an adequate number and distribution of personnel with sufficient scientific and professional knowledge and expertise to provide for the protection and management of the natural and cultural resources. Scientific research shall be directed to the resource protection and management needs of the park system units. Programs, guidelines, and standards for the following shall be under development by no later than January 1, 1984, and completed no later than January 1, 1985:

(1) employee training programs in resource protection and resource management;

(2) performance standards for all employees as related to resource protection and resource management;

(3) qualification criteria related to resource protection and resource management for positions to be filled by new employees; and

(4) career ladders for employees specializing in resource protection and resource management, with equitable promotion opportunities for advancement into mid-level and senior general management positions.

GENERAL MANAGEMENT PLANS

SEC. 15. Section 12(b) of the Act of August 18, 1970 (84 Stat. 825; 16 U.S.C. 1a-1 through 1a-7) is amended by inserting the following at the end of the first sentence: "Each such plan shall be reviewed, revised and approved no less frequently than every ten years or it shall cease to constitute an officially approved plan. All plans not fully addressing all of the following elements on January 1, 1984, shall be revised and approved to so address all such elements by no later than January 1, 1988.".

DONATIONS

SEC. 16. (a) In the case of real property located adjacent to, or within or in the near vicinity of, any unit of the national park system if—

(1) the owner of any interest in such property desires—

(A) to make a contribution of such interest to any person, and

(B) to have such contribution qualify as a charitable contribution under section 170 of the Internal Revenue Code of 1954 (relating to deduction for charitable, etc., contributions and gifts), and

(2) the Director of the National Park Service determines that the contribution of such interest to such person will protect or enhance the unit of the national park system,

the Director of the National Park Service shall, upon such owner's written request, promptly take appropriate steps to assist the owner in satisfying the requirements of such section 170 with respect to such contribution.

(b) The assistance provided by the Director of the National Park Service under subsection (a) shall include (but shall not be limited to) providing for—

(1) a professional valuation of the interest in real property being contributed, and

(2) a statement as to the importance of such contribution related to protecting and enhancing park unit values.

ALASKA NATIONAL INTEREST LANDS CONSERVATION ACT PRIORITY

SEC. 17. In all cases where the Secretary determines that the provisions of this Act are in conflict with the provisions of the Act of December 2, 1980 (16 U.S.C. 3101-3233), the provisions of the Act of December 2, 1980 (16 U.S.C. 3101-3233) shall prevail.

DEFINITIONS

SEC. 18. As used in this Act, the term—

(1) "Appropriate committees of the Congress" means those committees of both the House and the Senate which have primary jurisdiction for the authorization of national park system units and programs or for the appropriation of funds for the acquisition and operations of such units and programs.

(2) "Secretary" means the Secretary of the Interior acting through the Director of the National Park Service except where specific reference is made to the Secretary of the Interior.

(3) "Resource" and "resources" includes—

(A) in the case of natural resources, the geology, paleontological remains, and flora and fauna which are principally of indigenous origin, and

(B) in the case of cultural resources, the historic and prehistoric districts, sites, buildings, structures, objects and human traditions associated with or representative of human activities and events, including related artifacts, records and remains.

(4) "National park system" has the meaning provided by section 2 of the Act of August 8, 1953 (16 U.S.C. 1b-1c).

(5) "Federal action" means any Federal project or direct action, or any Federal grant or loan to a public body.

(6) The term "thirty legislative days" means thirty calendar days of continuous session of Congress. For purposes of this paragraph—

(A) continuity of session of Congress is broken only by an adjournment sine die; and

(B) the days on which either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of the thirty-day period.

SAVINGS PROVISION

SEC. 19. Nothing in this Act shall be construed to exempt the Secretary of the Interior, the Director of the National Park Service, or any other department, agency, or instrumentality of the United States from compliance with any other requirement of law.

AUTHORIZATION OF APPROPRIATIONS

SEC. 20. Effective October 1, 1983, there is hereby authorized to be appropriated to the Department of the Interior such sums as may be necessary to carry out the provisions of this Act.

COMPLIANCE WITH BUDGET ACT

SEC. 21. Any new spending authority (within the meaning of section 401 of the Congressional Budget and Impoundment Control Act of 1974) which is provided under this Act shall be effective for any fiscal year only to the extent or in such amounts as provided in appropriations Acts. Any provision of this Act which authorizes the enactment of new budget authority shall be effective only for fiscal years beginning after September 30, 1983. Nothing in this section shall be construed to affect or impair any authority to enter into contracts, incur indebtedness, or make payments under any other provision of law.

H.R. 2867

By Mr. BREAUX:

—Page 11, strike out line 18 and all that follows down through line 5 on page 12 and substitute the following:

"(b) LAND DISPOSAL OF CERTAIN HAZARDOUS WASTE.—(1)(A) Not later than February 1, 1984, the placement of containerized liquid hazardous waste in salt dome formations, underground mines or caves is prohibited.

"(B) Not later than February 1, 1984, the placement of bulk or noncontainerized

liquid hazardous waste in landfills which do not meet the requirements of 40 CFR 265.314 as in effect on July 27, 1983, salt dome formations, underground mines, or caves is prohibited.

"(C) Effective six months after the date of enactment of this subsection, the placement of bulk or noncontainerized liquid hazardous waste in any landfill is prohibited.

"(D) Not later than six months after the date of enactment of the Hazardous Waste Control and Enforcement Act of 1983, the Administrator shall promulgate final regulations which minimize (to the extent technologically feasible) the disposal of containerized liquid hazardous waste in landfills.

"(E) Effective one year after the date of enactment of this subsection, the placement of any liquid which is not a hazardous waste in a landfill for which a permit is required under subsections 3005 (c) or (e) is prohibited.

"(F)(i) Not later than 4 years after the date of enactment of this subsection, no hazardous waste listed or identified under Section 3001 as of the date of enactment may be placed or maintained in a surface impoundment which has been granted Interim Status pursuant to Section 3005(e) unless the Administrator has issued a permit for such surface impoundment under Section 3005(c).

"(ii) For any hazardous waste identified or listed under Section 3001 after the date of enactment of this subsection, not later than 4 years after such listing or identification, such hazardous waste may not be placed or maintained in a surface impoundment which has been granted Interim Status pursuant to Section 3005(e) unless the Administrator has issued a permit for such surface impoundment under Section 3005(c).

"(iii) Permits issued pursuant to clauses (i) and (ii) of this subparagraph shall contain a compliance schedule to meet the requirements of subsection (k) (as established in Section 21 of the Hazardous Waste Control and Enforcement Act of 1983) as rapidly as practicable, but in no event later than 2 years after the issuance date of the permit.

"(2) Effective on the date of enactment, for hazardous waste listed or identified under Section 3001, other than those covered by the prohibitions in paragraph (1), there shall be no placement of such waste into salt dome formations, underground mines, or caves until such time as the Administrator has issued permit standards under this subtitle for such facilities and a permit has been issued pursuant to Section 3005(c).

"(3) Prior to February 1, 1984 with respect to the prohibitions contained in paragraph (1)(A) and (1)(B) of this Section and pending the promulgation of regulations pursuant to paragraph (1)(D) of this Section, the Administrator shall maintain the requirements (as in effect on April 30, 1983) in regulations under Section 3004 respecting the disposal in landfills of liquid hazardous wastes and free liquids contained in hazardous wastes.".

On page 14, line 18, insert after the period the following sentence:

"In making the determinations contained in this paragraph, the Administrator may not modify the prohibitions set forth in subsection (b) of this Section.".

On page 17, line 10, insert after the period the following sentence:

"In the case of agencies or instrumentalities of the federal government, no other effective date established by the Administrator shall be later than 18 months after the effective date specified in subparagraph (A).".

On page 18, strike the closing quotation marks on line 2, and insert the following subsections:

"(g) DEFINITIONS.—As used in this Section, the terms

"(1) 'Land disposal' means—

"(A) the placement of hazardous waste on or into the land, including but not limited to the placement of such wastes in a salt dome formation, landfill, surface impoundment, waste pile, injection well, land spreading method, coburial with solid wastes, or storage in drums, tanks or other vessels, except:

"(i) where storage in drums, tanks or other vessels is performed to allow the accumulation of such quantities as to facilitate proper treatment, recovery, or disposal; or

"(ii) if the hazardous waste is placed in a surface impoundment for treatment, such impoundment meets the design standards for new impoundments; and,

"(iii) where treatment residues which are hazardous wastes are removed for subsequent processing or disposal within one year of such placement

"(2) 'liquid hazardous waste' means those hazardous wastes which are identified or listed by the Administrator pursuant to section 3001 which the Administrator determines to be in liquid form or to contain free liquids, including those liquid hazardous wastes to which absorbents have been added.

"(h) AIR EMISSIONS FROM LAND DISPOSAL FACILITIES.—Not later than two years after the date of enactment of this subsection, the Administrator shall promulgate regulations for the monitoring and control of air emissions at hazardous waste storage, treatment and land disposal facilities, including but not limited to open tanks, surface impoundments, and landfills, as may be necessary to protect human health and the environment.".

On page 58, line 14, after the period insert the following:

"(c) FACILITY INSPECTIONS.—Beginning one year after the date of enactment of this subsection, the Administrator shall, or in the case of a State with an authorized hazardous waste program the State shall, undertake no less often than every year a thorough inspection of each facility for the treatment, storage, or disposal of hazardous waste which is operated by a Federal agency as to its compliance with this subtitle and the regulations promulgated thereunder. The records of such inspections shall be available, consistent with Section 1006, to the public as provided in Section 3007(b).

"(d) FEDERAL AGENCY HAZARDOUS WASTE FACILITY INVENTORY.—Each Federal agency shall, within one year after the date of enactment of this subsection, undertake a continuing program to compile, publish, and submit to the Administrator, and the State in the case of States having an authorized hazardous wate program, an inventory describing the location of each site which the Federal agency owns or operates or has owned or operated where hazardous waste is being stored or has been or is being disposed of. The initial report shall be submitted within two years of the date of enactment of these amendments and shall be updated no less frequently than every two years thereafter. Such inventory shall contain—

"(1) a description of the location of the sites at which any such storage or disposal has taken place before or after the date on which permits are required under Section 3005 for such storage or disposal;

"(2) such information relating to the amount, nature, and toxicity of the hazardous waste at each such site as may be practicable to obtain and as may be necessary to determine the extent of any health hazard which may be associated with such site;

"(3) the name and address and responsible agency for each such site, determined as of the date of preparation of the inventory;

"(4) an identification of the types of techniques of waste treatment or disposal which have been used at each site; and

"(5) information concerning the current status of the site, including information respecting whether or not hazardous waste is currently being treated or disposed of at such site (and if not, the date on which such activity ceased) and information respecting the nature of any other activity currently carried out at such site.".

By Mr. DOWDY of Mississippi:

—Page 7, line 14, strike out "ninety" and insert in lieu thereof "one hundred and eighty".

By Mr. HILER:

(Amendment to the amendment by Mr. Lent)

—Page 3, strike out "(4) not later than 180 days after the enactment" in line 23 and all that follows down through "the generator." in line 5 (Strike out all of the first sentence of paragraph (4) of the Lent amendment) and substitute:

"(4) No later than 270 days after the enactment of the Hazardous Waste Control and Enforcement Act of 1983, any hazardous waste which is part of a total quantity generated by a generator generating greater than 250 kilograms but less than 1,000 kilograms during one calendar month and which is shipped off the premises on which such waste is generated shall be accompanied by a copy of the Environmental Protection Agency Uniform Hazardous Waste Manifest form signed by the generator. No later than 540 days after the enactment of such Act, the same requirement shall apply to generators generating greater than 100 kilograms but less than 1,000 kilograms during one calendar month.".

By Mr. LENT:

—Page 5, strike out line 20 and all that follows down through line 11 on page 9 and substitute:

SMALL QUANTITY GENERATOR WASTE

SEC. 3. Section 3001 of the Solid Waste Disposal Act is amended by adding the following at the end thereof:

"(d) SMALL QUANTITY GENERATOR WASTE.—(1) Effective 30 months from the date of enactment of the Hazardous Waste Control and Enforcement Act of 1983, unless the Administrator promulgates standards as provided in paragraph (2) of this subsection prior to such date, hazardous waste generated by any generator in a total quantity greater than one-hundred kilograms but less than one-thousand kilograms during a calendar month shall be subject to the following requirements until the standards referred to in paragraph (2) of this subsection have become effective:

"(A) in addition to the notice requirements of paragraph (4) of this subsection, the information provided in the form shall include the name of the waste transporters and the name and address of the facility designated to receive the waste;

"(B) except as provided in paragraph (3)(A) of this subsection, the treatment, storage or disposal of such waste shall occur at a facility with interim status or a permit under this subtitle;

"(C) generators of such waste shall file manifest exception reports as required of generators producing greater amounts of hazardous waste per month except that such reports shall be filed by January 31, for any waste shipment occurring in the last half of the preceding calendar year, and by July 31, for any waste shipment occurring in the first half of the calendar year; and

"(D) generators of such waste shall retain for three years a copy of the manifest signed by the designated facility that has received the waste.

Nothing in this paragraph shall be construed as a determination of the standards appropriate under paragraph (2).

"(2) Not later than eighteen months after the date of enactment of the Hazardous Waste Control and Enforcement Act of 1983, the Administrator shall promulgate standards under sections 3002, 3003, and 3004 for hazardous waste generated by a generator in a total quantity of hazardous waste greater than one-hundred kilograms but less than one-thousand kilograms during a calendar month. Except as provided in paragraph (3) of this subsection, such standards, including standards applicable to the legitimate use, reuse, recycling, and reclamation of such wastes, may vary from the standards applicable to larger quantity generators but must be sufficient to protect human health and the environment.

"(3) Standards promulgated under paragraph (2) shall at a minimum provide that:

"(A) on-site storage of hazardous waste generated by a generator generating a total quantity of hazardous waste greater than one-hundred kilograms but less than one-thousand kilograms during a calendar month, may occur for up to 180 days without the requirement of a permit;

"(B) all other treatment, storage, or disposal of hazardous wastes generated by such generators shall occur at a facility with interim status or a permit under this subtitle; and

"(C) any hazardous waste generated by such generators which is shipped off the premises on which such waste is generated, shall be accompanied by a manifest, except that the specific requirements for entries on such manifest may vary from those applicable to the manifest required for larger quantity generators.

"(4) No later than 180 days after the enactment of the Hazardous Waste Control and Enforcement Act of 1983, any hazardous waste which is part of a total quantity generated by a generator generating greater than 100 kilograms but less than one-thousand kilograms during one calendar month and which is shipped off the premises on which such waste is generated shall be accompanied by a copy of the EPA Uniform Hazardous Waste Manifest form signed by the generator. This form shall contain the following information:

"(A) the name and address of the generator of the waste;

"(B) the Department of Transportation description of the waste, including the proper shipping name, hazard class, and identification number (UN/NA), if applicable;

"(C) the number and type of containers; and

"(D) the quantity of waste being transported.

If subparagraph (B) is not applicable, in lieu of the description referred to in such subparagraph (B), the form shall contain the Environmental Protection Agency identification number, or a generic description of the waste, or a description of the waste by hazardous waste characteristic. Additional requirements related to the manifest form shall apply only if determined necessary by the Administrator to protect human health and the environment.

"(5) Except as provided in paragraphs (1) through (4), nothing in this subsection shall be construed to affect or impair the validity of regulations of the Administrator promulgated prior to the date of enactment of the Hazardous Waste Control and Enforcement Act of 1983 with respect to hazardous waste generated by generators of less than one-thousand kilograms per calendar month.

"(6) The Administrator may promulgate regulations under this subtitle which establish special standards for, or exempt from regulations, hazardous wastes which are generated by any generator who does not generate more than one-hundred kilograms of hazardous waste per calendar month.

"(7) Nothing in this subsection shall be construed to affect or impair the validity of regulations promulgated by the Secretary of Transportation pursuant to the Hazardous Materials Transportation Act.

"(8) The last sentence of section 3010(b) shall not apply to regulations promulgated under this section.

"(9) The Administrator shall undertake activities to inform and educate the waste generators of their responsibilities under this section during the period within thirty months after the enactment of this section to help assure compliance.".

By Mr. SKELTON:

—Amend Section 5 subsection (c)(2)(E) by striking "1,000" and inserting in lieu thereof "2,800".

—Amend Section 5, subsection (c)(2)(E) by inserting the work "liquid" immediately following "(E)" and immediately preceding "hazardous".

(Amendment to the amendment by Mr. Lent)

—Page 5 in the line 20, after the period in Paragraph 9 of the Lent Amendment insert; "There is authorized to be appropriated for purposes of this paragraph, $500,000 for each of the fiscal years 1984 through 1986".

(Amendment to the amendment by Mr. Lent)

—Add the following new paragraph to the Lent amendment:

"( ) The Administrator shall cause to be studied the existing manifest system for hazardous wastes as it applies to small quantity generators and recommend within 30 months of the date of enactment of the Hazardous Waste Control and Enforcement Act of 1983 whether the current system shall be retained or whether a new system should be introduced. The study shall include an analysis of the cost versus the benefits of the systems studied as well as an analysis of the ease of retrieving and collating information and identifying a given substance. Finally, any new proposal shall include a list of those standards that are necessary to protect human health and the environment.".

H.R. 2957

By Mr. BETHUNE:

—Page 28, after line 8, insert the following:

REIMBURSEMENT FROM BENEFICIARIES OF QUOTA INCREASES

SEC. 308. The Bretton Woods Agreements Act (22 U.S.C. 286 et seq.) is amended by adding at the end thereof the following:

"REIMBURSEMENT FROM BENEFICIARIES OF QUOTA INCREASES

"SEC. 46. (a) The Congress hereby finds—

"(1) despository institutions have charged excessive rates of interest on loans made to foreign countries;

"(2) such excessive rates of interest were often imposed in order to compensate for the declared high-risk rate of lending to such countries;

"(3) the United States Government, by increasing its quota contribution to the International Monetary Fund, has substantially reduced the risk of lending to those foreign countries which benefit from the increased resources of the International Monetary Fund;

"(4) such quota contribution by the United States Government will result in a considerable financial burden to the American taxpayer; and

"(5) permitting depository institutions to retain the profits earned from the excessive interest rates charged to such foreign countries results in unjust enrichment to such depository institutions in light of the increase in the United States quota contribution.

"(b) Each depository institution shall transmit a report to the Secretary of the Treasury specifying—

"(1) all loans made by such depository institution to any foreign country;

"(2) with respect to each such loan—

"(A) the rate of interest charged on such loan;

"(B) all service fees imposed on such loan;

"(C) the unpaid balance on such loan;

"(D) the total amount of interest collected on such loan; and

"(E) such other information as may be requested by the Secretary.

"(c)(1) The Secretary may examine the books and records of any depository institution in order to insure compliance with the provisions of this section.

"(2) The Secretary shall consult with the Board of Governors of the Federal Reserve System, the Board of Directors of the Federal Deposit Insurance Corporation, and other appropriate Federal and State regulatory agencies in order to obtain information on foreign loans by depository institutions which may have been reported to such agencies.

"(d)(1) The Secretary shall determine which loans made by depository institutions or subsidiaries thereof have been extended, refinanced, or made more secure, or in any other manner affected by the increased United States quota contribution to the International Monetary Fund made pursuant to section 40.

"(2) The Secretary shall determine the interest rate charged, and the interest rate earned, on such loans. All such interest rates shall be determined in accordance with provisions of the Truth in Lending Act and the regulations issued pursuant to such Act.

"(e)(1) With respect to loans identified in subsection (d), the Secretary shall determine which loans have earned for the depository institution involved a rate of return which is greater than the rate of return which would have been earned by such depository institution if the principal amount involved had been lent in the United States to a corporate borrower with a rating of AAA for a similar maturity.

"(2) The amount determined by the Secretary to have been earned in excess of the amount which would have been earned from

a domestic loan (as determined under paragraph (1)) shall be paid to the Treasury as a reimbursement for the increased quota contribution made pursuant to section 40 of this Act.

"(f) For purposes of this section—

"(1) the term "depository institution" shall have the same meaning given such term in section 19(b)(1)(A) of the Federal Reserve Act:

"(2) the term "loan" means any extension of credit to—

"(A) a foreign government or any agency or instrumentality thereof;

"(B) any entity owned in whole or in part by a foreign government unless United States persons own at least 10 percent of such entity;

"(C) any entity which is not more than 10 percent owned by United States persons.".

—Page 28, after line 8, insert the following:

DETERMINATION OF BENEFITS FROM QUOTA INCREASES

SEC. 308. The Bretton Woods Agreements Act (22 U.S.C. 286 et seq.) is amended by adding at the end thereof the following:

"DETERMINATION OF BENEFITS FROM QUOTA INCREASES

"SEC. 46. (a) The Congress hereby finds—

"(1) despository instutions have charged excessive rates of interest on loans made to foreign countries;

"(2) such excessive rates of interest were often imposed in order to compensate for the declared high-risk rate of lending to such countries;

"(3) the United States Government, by increasing its quota contribution to the International Monetary Fund, has substantially reduced the risk of lending to those foreign countries which benefit from the increased resources of the International Monetary Fund;

"(4) such quota contribution by the United States Government will result in a considerable financial burden to the American taxpayer; and

"(5) permitting depository institutions to retain the profits earned from the excessive interest rates charged to such foreign countries results in unjust enrichment to such depository institutions in light of the increase in the United States quota contribution.

"(b) Each depository institution shall transmit a report to the Secretary of the Treasury specifying—

"(1) all loans made by such depository institution to any foreign country;

"(2) with respect to each such loan—

"(A) the rate of interest charged on such loan;

"(B) all service fees imposed on such loan;

"(C) the unpaid balance on such loan;

"(D) the total amount of interest collected on such loan; and

"(E) such other information as may be requested by the Secretary.

"(c)(1) The Secretary may examine the books and records of any depository institution in order to insure compliance with the provisions of this section.

"(2) The Secretary shall consult with the Board of Governors of the Federal Reserve System, the Board of Directors of the Federal Deposit Insurance Corporation, and other appropriate Federal and State regulatory agencies in order to obtain information on foreign loans by depository institutions which may have been reported to such agencies.

"(d)(1) The Secretary shall determine which loans made by depository institutions or subsidiaries thereof have been extended, refinanced, or made more secure, or in any other manner affected by the increased United States quota contribution to the International Monetary Fund made pursuant ot section 40.

"(2) The Secretary shall determine the interest rate charged, and the interest rate earned, on such loans. All such interest rates shall be determined in accordance with provisions of the Truth in Lending Act and the regulations issued pursuant to such Act.

"(e)(1) With respect to loans identified in subsection (d), the Secretary shall determine which loans have earned for the depository institution involved a rate of return which is greater than the rate of return which would have been earned by such depository institution if the principal amount involved had been lent in the United States to a corporate borrower with a rating of AAA for a similar maturity.

"(2) The amount determined by the Secretary to have been earned in excess of the amount which would have been earned from a domestic loan (as determined under paragraph (1)) shall be disclosed to the public within 180 days of any transfer of resources to the Fund.

"(f) For purposes of this section—

"(1) the term 'depository institution' shall have the same meaning given such term in section 19(b)(1)(A) of the Federal Reserve Act;

"(2) the term 'loan' means any extension of credit to—

"(A) a foreign government or any agency or instrumentality thereof;

"(B) any entity owned in whole or in part by a foreign government unless United States persons own at least 10% of such entity;

"(C) any entity which is not more than 10 percent owned by United States persons.".

—Page 43, after line 18, insert the following:

DISCLOSURE OF PROFITS ON FOREIGN LOANS

SEC. 413. Each depository institution shall publicly disclose all profits made on all foreign loans. Not later than 120 days after the date of the enactment of this section, the appropriate Federal banking agencies shall promulgate regulations or orders necessary to implement this section.

—On Page 45, on line 3, after the word "authorized", insert the following: "(but not until the United States Governor has reported to the Secretary of the Treasury on the total compensation of all employees of the institution and not until the Secretary has reported this information to Congress)".

—On Page 46, on line 6, after the word "authorized", insert the following: "(but not until the United States Governor has reported to the Secretary of the Treasury on the total compensation of all employees of the institution and not until the Secretary has reported this information to Congress)".

—On Page 46, on line 18, after the word "authorized", insert the following: "(but not until the United States Governor has reported to the Secretary of the Treasury on the total compensation of all employees of the institution and not until the Secretary has reported this information to Congress)".

—On Page 47, on line 10, after the word "authorized", insert the following: "(but not until the United States Governor has reported to the Secretary of the Treasury on the total compensation of all employees of the institution and not until the Secretary has reported this information to Congress)".

—On Page 49, after line 4, insert the following:

"(3) The Secretary of the Treasury shall conduct a study of how public entities, both domestic and foreign, absorb the resources from the domestic credit markets of the United States and shall report to Congress before October 15, 1984, on the findings of such study.".

—On Page 49, after line 4, insert the following:

"(3) The Secretary of the Treasury shall conduct a study of how multilateral development institutions compensate their employees and shall report to Congress before October 15, 1984, on the findings of such study. Such study shall include listing of employees whose total compensation exceeds the gross pay of Members of Congress.".

By Mr. DORGAN:

—On Page 28, after line 8, insert the following:

PROHIBITION ON RENEGOTIATION FEES

SEC. 308. (a) Notwithstanding any other provision of law (including any other provision of this title), in order to avoid excessive debt service burdens on debtor countries, no banking institution shall charge, in connection with the restructuring of an international loan, any fee exceeding the administrative cost of the restructuring and any such fee which does not exceed the administrative cost of the restructuring shall be amortized over the effective life of the loan involved.

(b) The requirements of subsection (a) shall take effect on the date of the enactment of this section. Each appropriate Federal banking agency shall promulgate such regulations as are necessary to further carry out the provisions of this section.

—Page 28, after line 8, insert the following:

PROHIBITION ON RENEGOTIATION FEES

SEC. 308. (a)(1) Notwithstanding any other provision of law (including any other provision of this title), in order to avoid excessive debt service burdens on debtor countries, no banking institution shall charge, in connection with the restructuring of an international loan, any fees exceeding the administrative cost of the restructuring.

(2) Notwithstanding any other provision of law (including any other provision of this title), any fee which is authorized to be charged under paragraph (1) shall be amortized over the effective life of the loan involved.

(b) The requirements of subsection (a) shall take effect on the date of the enactment of this section. Each approriate Federal banking agency shall promulgate such regulations as are necessary to further carry out the provisions of this section.

By Mr. GONZALEZ:

—Section 309 (a), strike out the words following "restructuring.".

By Mr. McCOLLUM:

—Page 19, beginning on line 18, strike out "5,310.8 million Special Drawing Rights" and insert in lieu thereof "1,830 million Special Drawing Rights".

By Mr. PAUL:

—Page 19, strike out line 16 and all that follows through line 20, and insert in lieu thereof the following:

"USE OF THE FUND'S GOLD RESERVE

"SEC. 40. The United States Governor of the Fund shall request the Fund to sell part of the Fund's gold reserve in order to provide such amounts as are necessary to alleviate the current problems of international borrowers.".

—Page 28, after line 8, insert the following:

NOTICE TO CONGRESS REGARDING BORROWING IN UNITED STATES CREDIT MARKETS

SEC. 308. Section 5 of the Bretton Woods Agreements Act (22 U.S.C. 286c) is amended by adding at the end thereof the following: "Neither the President nor any person or agency shall, on behalf of the United States, consent to any borrowing (other than borrowing from a foreign government or other official public source) by the Fund of funds denominated in United States dollars unless the Secretary of the Treasury transmits a notice of such proposed borrowing to both Houses of the Congress at least 60 days prior to the date on which such borrowing is scheduled to occur.".

—Page 28, after line 8, insert the following:

CONSENT OF CONGRESS REQUIRED FOR BORROWING IN UNITED STATES CREDIT MARKETS

SEC. 308. Section 5 of the Bretton Woods Agreements Act (22 U.S.C. 286c) is amended by adding at the end thereof the following: "Neither the President nor any person or agency shall, on behalf of the United States, consent to any borrowing (other than borrowing from a foreign government or other official public source) by the Fund of funds denominated in United States dollars unless Congress, in advance and by law, authorizes such action.".

EXTENSIONS OF REMARKS

HELSINKI ANNIVERSARY

HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1983

● Mr. GREEN. Mr. Speaker, today, August 1, 1983, is the eighth anniversary of the signing of the Helsinki Agreement on Security and Cooperation. It is not an anniversary to be celebrated but rather one to be lamented. For while the Helsinki Agreement was hailed as a milestone for human rights, the actual state of human rights in the Soviet Union today is at a new low.

While the Helsinki Agreeement said of freedom of religion that "* * * the participating states will recognize and respect the freedom of the individual to profess and practice, alone or in community with others, religion or belief acting in accordance with the dictates of his own conscience," we know this is not the case in the Soviet Union today. Religious studies are not allowed, anti-Semitism in the guise of anti-Zionism is officially sanctioned, and Jews are victimized in jobs, schools, and social arena.

Furthermore, all signatories to the accord agreed to implement the "Universal Declaration of Human Rights," which states that "everyone has the right to leave any country including his own and to return to his country." I will not insult the intelligence of my colleagues by stating the obvious. It is enough to say that in the first 6 months of this year only 637 Soviet Jews were allowed to emigrate to Israel.

I have taken the opportunity of this eighth anniversary to write to Soviet President Yuriy Andropov on behalf of my adopted refusenik, Semyon Gluzman, and his family. Mr. Gluzman's "crime," for which he served 7 years of hard labor and 3 years in exile, was that as a respected Soviet psychiatrist, he would not cooperate with the KGB in branding Ukrainian dissidents as psychotics. Further, Dr. Gluzman continued to point out the fact that he is Jewish, evidently a crime in the Soviet Union. While released from internal exile in May 1982, Gluzman still lives in a catch-22 existence in Kiev, where he is not allowed to work as a psychiatrist and not allowed to emigrate.

I would like to encourage my colleagues to join me in pleading Dr. Gluzman's case by cosponsoring House Joint Resolution 291, which I have introduced on his behalf, and to send their own letters to Soviet officials responsible for the continuation of such conditions in violation of international law.

As Avital Shcharansky, wife of imprisoned Soviet activist Anatoly Shcharansky, so eloquently pointed out in a Washington Post op-ed piece yesterday, the Soviet Union must be held accountable to the Helsinki Agreement and to followup meetings in Belgrade and Madrid. I am reprinting her column for the benefit of my colleagues who may have missed it:

[From the Washington Post, July 31, 1983]

HUMAN RIGHTS: WHAT'S THE USE OF TALKING?

(By Avital Shcharansky)

In August of 1975, after the signing of the Helsinki Agreement on security and cooperation in Europe, I received an exuberant letter from my husband, Anatoly Shcharansky: "They have signed an international agreement," he wrote, "and it speaks exactly of us: of the reunification of families and of free emigration. Soon we will be together in Jerusalem." Not only Anatoly but all those around him were elated.

Anatoly and I had been kept apart for a year: at the time of President Nixon's visit, I had been granted an exist visa, and Anatoly's application had been denied. We were told that unless I made use of my visa I would never be granted another. And we were told that Anatoly would certainly receive his visa within six months. I left. A year of delay and disappointment followed. With the Helsinki Agreement we hoped that Anatoly and many others would be allowed to go to Israel.

The reality, however, was different. At the very time of the signing of the agreement, the KGB began a new attack against the Jewish emigration movement. They forbade demonstrations. Those who dared demonstrate to express their wish to go to Israel were arrested and sent to Siberia for five years. Those who applied to emigrate lost their jobs and were accused of being "parasites." Students who applied to emigrate were expelled from their universities and drafted into the army. Their applications were then dismissed on the pretext that they had learned military secrets. Those who refused to serve in the army were imprisoned.

In response to these and other violations against human rights, a group of very courageous people, including my husband, sought to bring Soviet violations of the accord to the attention of the world. The KGB fought against this group as well.

In 1977 Anatoly was arrested and sentenced to 13 years' imprisonment on the ridiculous charge that he was a spy for the CIA—a charge immediately denied by President Carter. The true reason for the arrest and the very harsh sentence was the desire to destroy the Jewish emigration movement.

In 1978, the 35 nations met again in Belgrade to review compliance with the Helsinki Agreement. Again the same contradiction occurred. While inside at the official sessions there were speeches about human rights, in the Soviet Union the KGB was arresting and imprisoning those trying to defend the rights ensured them by the agreement.

This September, the three-year-long Madrid Conference will conclude with a ceremony. Today the members of the unofficial Soviet group monitoring the Helsinki Agreement remain in prison. Emigration has almost completely ceased. The Soviet government has launched an intense campaign of anti-Semitic propaganda.

Will Madrid repeat the experience of Helsinki and Belgrade?

A process that improves the dialogue between East and West certainly serves the interests of peace. But signatures without actions are self-contradictory. The countries participating in the Madrid Conference have a grave responsibility to the dissidents and "refuseniks"—those refused emigration visas—who have put themselves in danger. These brave people have attempted to uphold the rights that every country present at Madrid has previously accepted and is now reaffirming—rights that have not yet come to be.

For those trapped in the Soviet Union, Madrid can be not only a disappointment but a source of danger. If the U.S.S.R. sees that the West is willing to reach agreements without requiring actual and concrete concessions, the Soviets will feel still more free to suppress human rights. The result will be not to protect human rights but to destroy them.

Moreover, can Russia's commitment to future agreements be trusted when it refuses to abide by its prior agreement at Helsinki? If the Soviet Union hopes to continue the Helsinki process and to move on to further accords, it should offer concrete action demonstrating its good intentions.

In spite of the Soviet law granting visits to prisoners every six months. Anatoly had been denied visits for a year and a half. After months of writing letters he learned that none of them had been sent. He began a hunger strike that lasted three and a half months. Finally, several weeks ago, on July 5, his mother was allowed to speak to him through a glass partition. He told her:

"Everything that has been done to me for the past six years has been illegal. Remember that at my trial it was announced that I had nothing to say to judges who in two hours' time would read a sentence that had been prepared well in advance. I will not say one word but every day that I am in prison is a continuation of the illegal situation that began with my trial. I am an innocent victim and this is well known to everyone, especially to those who framed me."

I add my own hopes that the United States, a nation founded on the principle of individual liberties, will be true to those who are fighting for these very principles.●

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

A HOLOCAUST THE WEST FORGOT

HON. HENRY J. HYDE
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1983

● Mr. HYDE. Mr. Speaker, as the years roll by, it becomes a great loss to the cause of truth when great historical events fade, unacknowledged, into the forgotten past. One such events was the forced famine in the Ukraine in 1933 which resulted in the starvation of from 4.5 million to 7 million people. This event, which rivals the Jewish Holocaust and the massacre of Cambodians by the Khmer Rouge, is largely unknown, and not one serious book on this tragedy is available in English.

Mr. Adrian Karatnycky, research director of the A. Philip Randolph Institute, reminds us of this tragedy in an article in the Wall Street Journal of July 7, 1983, which I would like to share with my colleagues:

[From the Wall Street Journal, July 7, 1983]

FORCED FAMINE IN THE UKRAINE: A HOLOCAUST THE WEST FORGOT

(By Adrian Karatnycky)

Fifty years ago this past spring, the normally bountiful fields of the Ukraine were filled with the odor of death. Crows flew over the steppe, awaiting their feast of human carrion. Corpses littered the streets and roadways. In the June 6, 1933, issue of the London Morning Post, Malcolm Muggeridge depicted the following scene:

"If you go now to the Ukraine or the North Caucasus, exceedingly beautiful countries and formerly amongst the most fertile in the world, you will find them like a desert; fields chokes with weeds and neglected; no livestock or horses; villages deserted; peasants famished, often their bodies swollen, unutterably wretched.

"You will discover if you question them that they have had no bread at all for three months past; only potatoes and some millet, and they are now counting potatoes one by one. . . . They will tell you that many have already died of famine and that many are dying every day; that thousands have been shot by the government and hundreds of thousands exiled."

The devastation Mr. Muggeridge described wasn't caused by any natural catastrophe. It was an entirely new phenomenon—history's first artificial famine: a consequence of Stalin's effort to collectivize agriculture and crush the nationally conscious Ukrainian peasantry.

With the exception of Mr. Muggeridge's reports, William Henry Chamberlin's in the Christian Science Monitor, and the publication of several stories and a number of shocking photographs of starving children in the Hearst newspapers, the Western press was largely silent about the genocide that was occurring in the Soviet Ukraine. Europe and the U.S. were in the throes of the Great Depresssion. Violence in the streets was common. Fascism was on the march. The forced famine of 1933 had regrettably come at an inopportune time.

Some reporters from the West concealed the truth because of an ideological commitment to Soviet communism. Others, like New York Times correspondent Walter Duranty, were seduced by official favors and access to high government circles into deliberately and shamelessly attempting to suppress the story of the famine, while writing fawning articles on Stalin's rule. For this Mr. Duranty was rewarded with Pulitzer prizes and the Order of Lenin.

None of the day's newspaper reports was able to grasp the enormity of the cataclysm. Today, reliable academic estimates place the number of Ukrainian victims of starvation at 4.5 million to 7 million. This dark event, which rivals in its magnitude to Jewish Holocaust and the massacre of the Cambodians by the Khmer Rouge, is still largely unknown outside the private memories of some survivors.

The famine was in part the byproduct of Stalin's relentless drive to collectivize Soviet agriculture. That starvation was artificially induced is beyond dispute. The famine was a clear result of the fact that between 1931 and 1933, while harvests were precipitously declining, Stalin's commissars continued to requisition and confiscate ever-increasing quantities of grain, much of it exported to Western Europe. Peasants were shot and deported as rich, landowning "kulaks." Most livestock perished from the lack of feed, some as a result of peasant attempts to resist collectivization. Cannibalism was not uncommon. Although no medical quarantine was declared and non-Ukrainians were free to travel into and out of the area, starving villagers who sought to flee areas stricken with famine and its resulting outbreaks of pneumonia, typhus, and tuberculosis were turned back at checkpoints controlled by Soviet patrols that scrupulously enforced newly imposed internal passport regulations.

While the drive to collectivize agriculture was a wideranging phenomenon common to the entire U.S.S.R., only in the Ukraine did it assume a genocidal character. Indeed there can be no question that Stalin used the forced famine as part of a political strategy whose aim was to crush all vestiges of Ukrainian national sentiment. As he wrote, "The nationality problem is by its essence a peasant problem." The attack against the "kulaks," therefore, was viewed as an attack against the social basis of Ukrainian nationalism. Moreover, the famine was accompanied by an extensive purge in the cities of the Ukrainian cultural and political elite—whose leading activists had been the precursors of a national communism similar to that which later emerged in Tito's Yugoslavia and Gomulka's Poland.

Some might ask whether today it is worthwhile to dredge up the memory of yet another act of Stalinist barbarism. What can this event from a dim and receding past tell us that Solzhenitsyn's "Gulag Archipelago" has not? One might be tempted to say that nothing new can be learned from this secret horror. Yet the 1933 famine is important for both moral and political reasons.

There is of course our moral obligation to honor the memory of the nameless victims by depicting the truth. Moreover, it is important to understand the forced famine as a pivotal event in Soviet history, whose consequences remain to this day.

For the famine created a disastrous situation in Soviet agriculture from which the U.S.S.R. still hasn't fully recovered. Moreover, the famine eliminated a substantial segment of the U.S.S.R.'s non-Russian population, thus ensuring that the Soviet Union would remain for the next five decades a state dominated by an absolute Russian majority. Finally, the famine caused an enormous rift within the Ukrainian nation, which had long been nationally assertive. To this day, independent and national sentiment among Eastern Ukrainians is much lower than among Western Ukrainians (who, in 1933, as part of Poland, were spared the trauma of the famine and the Great Terror).

Yet despite the pivotal importance of the forced famine, for 50 years its full story has remained untold. Not one serious book on this tragedy is available in English.

Today—at a time when some would recast, Soviet communism in a friendlier mold, the better to negotiate arms reductions with—may once again be an inopportune time to bring up the terrible loss of life and the painful trauma of the brutally scarred Ukrainian nation. Yet 50 years seems too long to remain silent about one of the greatest crimes in mankind's history.●

LET US NOT RUSH TO MAKE UP WITH POLAND

HON. TOM CORCORAN
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1983

● Mr. CORCORAN. Mr. Speaker, sadly, predictably, it appears that Poland's lifting of martial law has initiated a new era of repression for the Polish people. Poland's legislature has broadened its power to jail activists and to expand censorship; independent unions are totally banned and strikes are illegal. These severe limitations on the freedoms of the Polish people should cause the United States to respond cautiously, and only when substantial changes are made in the treatment of the Polish citizen should we alter our policies toward the Polish Government.

Senator ROBERT KASTEN, chairman of the Subcommittee on Foreign Operations of the Senate Appropriations Committee, has described in a convincing manner how past Western policies and movement toward normalizing relations with Poland plays right into the hands of the Soviets. I wish to commend Mr. KASTEN for his insightful article, published July 28, 1983, in the Wall Street Journal, and I insert it here for the consideration of my colleagues.

The article follows:

[From the Wall Street Journal, July 28, 1983]

HOLD OFF RESCHEDULING THE POLISH LOANS

(By ROBERT W. KASTEN, JR.)

What do the latest actions by the Polish government really mean for the people of Poland, and how should the U.S. react? We have conditioned normal relations with Poland upon the lifting of martial law, release of political prisoners and discussions with independent labor unions. Are conditions in Poland sufficiently changed for us to normalize relations?

In many cases the new "civil" laws are harsher than martial laws they replace. For

instance, it now will be impossible to strike legally, independent unions will be banned completely, press censorship and restrictions on movement will be tightened severly, and the regime will be able to declare an emergency whenever it decides there is a threat from "internal factors." As Gen. Jaruzelski told the Polish Parliament a week ago: "Any attempt at anti-state activity will be curbed no less unswervingly than during martial law." No wonder that Lech Walesa declared: "If I were to choose between the new (laws) and martial law, I would choose martial law." In addition, it seems that the "release of political prisoners" by Polish authorities may not include any real political prisoners.

ARGUMENTS OF THE "MODERATES"

Thus, despite the apparent changes, there hasn't been any change in substance. Yet the banking community has begun to clamor for a return to the state of affairs before martial law. Poland has requested that its foreign debt be rescheduled drastically, including an incredible eight-year moratorium on interest payments and a demand for $3 billion more in export credits. American and European leaders seem ready to discuss this. Clearly, the West has yet to learn anything about economic relations between communist and capitalist nations.

Those who advcate a rescheduling make the same arguments as the "moderates" who opposed a declaration of Polish default one year ago. Then despite the fact that Poland had stopped making payments on its debts, they argued against facing the financial realities and declaring default.

The "moderates" asserted that if we refrained from declaring default, the West would gain in two ways: There would be an incentive for the Polish authorities to "liberalize" more quickly, to lift martial law and to treat the Polish people less harshly. And Poland would speed up its repayment of loans to the West.

But what actually happened? It has taken 1½ years to "lift" martial law, and this action itself is meaningless. The evidence doesn't support the claim that Western restraint leads to improved behavior on the part of communist governments. History indicates that in dealing with such regimes the welfare of the people depends far more on the dynamics of internal politics than on Western actions.

What about the financial situation? During hearings before my Foreign Operations Subcommittee last year, representatives of the administration claimed that if we didn't declare default, things would be better for Western creditors. Robert Hormats, former assistant secretary of state, is testimony on Feb. 9, 1982, opposed declaring Poland in default and asserted that "the best chance of putting maximum pressure to obtain a reflow of currency from Poland to the West is by continuing to press them to pay their debts. Now they don't pay as we would like, clearly, but there is a net outflow. There is a net outflow, and it is a high cost for an economy as weak as the Polish economy."

But the past year hasn't fulfilled the predictions of those who confidently assured us that the Polish government would make every effort to repay its debt. True, Poland paid half of the interest due in 1982, but only on the condition that the other half be "recycled" back to Poland by banks as short-term credits. The net effect was to increase the debt's magnitude by one half the interest due to Western creditors. These short-term credits enabled Poland to "purchase" Western goods, leading to a further transfer of resources from West to East. And now comes the latest outrageous request from the Polish debtors. The "outflow" described by Mr. Hormats continues to be in the opposite direction.

This is perhaps the most important point to be made, for the Polish debt is but a small part of the greater issue of financing and extending credit to the Soviet Union and its satellites. Trade with the Soviet Union once was seen as an aspect of "detente." By trading with and lending to the communists, it was argued, we would bridge the gap between East and West, bringing prosperity and hope to oppressed people. And by making tyrannical states more dependent on Western goods and technology, we would convert them into more moderate and freer nations, eventually eliminating the danger of war. Western trade would "liberalize" the communist countries.

But things didn't work out that way. The oppressed people remain oppressed, the communist nations are no less tyrannical, and the danger of war hasn't been reduced. Why hasn't the theory of "liberalization by trade" worked, as we once believed it would?

Part of the answer lies in the underlying philosophy of the Soviet bloc countries themselves.

According to Lenin's theory of imperialism, the capitalist West is driven by historical necessity to export its surplus first to the underdeveloped world, and then to communist countries. In other words, when capitalists extend credit to communist nations, they are behaving as Marxist-Leninist theory predicts they will. As Lenin wrote:

". . . the capitalists of the whole world and their governments, in their rush to conquer the Soviet market, will close their eyes [to various Soviet diplomatic subterfuges] and will thereby be turned into blind deaf mutes. They will furnish credits which will serve us for the support of the Communist Party in their countries and, by supplying us material and technical equipment which we lack, will restore our military industry necessary for our future attacks against our suppliers. To put it in other words, they will work on the preparation of their own suicide."

The implication is that the accumulation of debt has been a conscious act of policy by the communist states and that they have no intention of paying it back. It is likely that communist borrowing is part of "the economic strategy of an empire." In a brilliant essay by this title in Grand Strategy: Countercurrents, Larry Arnn observed that:

". . . until the Poles actually repay the loans, the food they have consumed and the capital they have imported is not expensive to them at all. It is incredibly cheap. The spanking new Polish steel mill may not be an efficient and wise investment by our standards, but it is a large and modern steel mill, and so far someone else has paid for it."

The problem's magnitude becomes apparent when we consider that Poland's government is $25 billion richer and the West is $25 billion poorer, and that even though Poland has paid only a minute part of what it owes, its line of cedit is far from exhausted. Furthermore, as Mr. Arnn noted, the logic that has allowed Poland to "borrow" $25 billion will enable the Soviet Union and the rest of its satellites to "borrow" billions and billions more, unless we recognize this policy for what it is: the economic exploitation of the West by the East, which can occur only because of the shortsightedness of capitalist nations.

SHOULD DELAY AGREEMENTS

We must recognize these things and be guided in our relations with communist countries by reason and prudence—not by our hopes alone. These hopes have been dashed too many times. I believe we have reached a point where we must draw the line. A year ago I called for the U.S. to declare Poland in default. Now I believe that the U.S. should delay any agreements on rescheduling Poland's debt until such time as that country meets objective standards of human freedom. In addition, if by the end of the year Poland hasn't made substantive changes in its policy toward its people, we should state unequivocally that we will declare Poland in default on the $1.7 billion it owes to the Commodity Credit Corporation. The U.S. thereby would accomplish three important goals. First, we would make clear to our allies and to Western business interests that trade between West and East is a risky undertaking that we will no longer subsidize. Second, we would begin to undermine the economic strategy of the Soviet empire. And finally, we would make it clear that our commitment to liberty and human rights is more than just words.●

JAMAICA CELEBRATES INDEPENDENCE

HON. SAM GIBBONS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1983

● Mr. GIBBONS. Mr. Speaker, sometimes the actions we take here, and in the other body, have repercussions which range far from Capitol Hill and Washington, and even from America. The decisions that we make in this legislature sometimes have a small impact on us directly, but can be vitally important to our friends and supporters around the world.

Last week we cleared from conference and sent to the President for signature H.R. 2973 which contained the title known as the Caribbean Basin Initiative. This legislation will present an opportunity for heightened export opportunities for 27 friendly Caribbean nations, and will allow them to strengthen their export markets and economies.

One of these nations is our good friend and neighbor, Jamaica. The passage of this legislation could not have come at a better time for the citizens of this great and good friend of America, because they are in the midst of the annual celebration of their independence.

In fact, today is the official celebration commemorating the fact that 21 years ago this island nation achieved its independence and the beginning of what has grown to become one of the strongest democracies and staunchest supporters of the United States in the free world.

It is therefore appropriate that news of the passage of this bill with all the possibilities it conveys for future development and prosperity should reach the people of Jamaica at this time when they are celebrating this independence.

When told of our actions, Prime Minister Edward Seaga was reported to say:

Great news. This couldn't have come at a better time than in the midst of our 21st birthday celebrations.

We went on to say:

I have been closely involved with this initiative from the very beginning and have followed it every step of the way. Although it has been a long wait, I have never lost faith that this most significant part of the Caribbean Basin package would eventually be enacted. I am happy that the Congress has so resoundingly endorsed the bill with most of the substantive features emerging intact. It is now only a matter of a few days before President Reagan signs this legislation, making it law.

I join Prime Minister Seaga in his pleasure on the passage of this bill, and wish the Jamaican people a hearty 21st birthday.●

AN ACT OF COMMUNITY SPIRIT

HON. ROBERT G. TORRICELLI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1983

● Mr. TORRICELLI. Mr. Speaker, I wish to insert in the CONGRESSIONAL RECORD an editorial which recently ran in the Bergen Record newspaper in my congressional district. This editorial commended the efforts of several individuals in my district who recently donated time, materials, and effort to aid in the refurbishing of a child care and development center in Hackensack, N.J. The center was badly in need of repair but it had no funds to perform the work. These individuals, however, selflessly volunteered their services to perform the needed work.

Examples like this should cause us to pause and question whether each of us in our own lives is doing all that we can to help others who suffer misfortune. We must never forget that one of the greatest contributions we can make as citizens is to help those who cannot help themselves.

I commend the reading of this editorial to my colleagues. I hope that through this example each of us will gain an increased sense of community spirit and will be inspired to take time from our busy lives to help others in need:

CHRISTMAS IN JULY

The Holley Child Care and Development Center in Hackensack needed an interior paint job. Money is tight at Holley, as it is at all non-profit community organizations, so the center's officials kept putting off the job. Joseph Glaab, business representative for Local 1976 of the Drywall Tapers and Finishers Union, heard about the need and called his friends in the painting and decorating industry. The result is apparent to anyone who visits the center, on Union Street behind the Christ Episcopal Church.

It took a crew of 20 painters—among them the three Rusereto brothers of Dumont and Paterson, Frank Nardozza and Leo Baielo of New Milford, Bill and Randy Hagerman of Hackensack, Leo James and Enrique Rojo of Paterson, Steve Mazzone of Fort Lee, and Tony Gavalijas of Saddle Brook—just one day to paint and decorate all the children's rooms and hallways at the center. They did it free of charge; contractors donated the materials.

While the painters were busy inside, the children and staff were entertained outside by clowns from the Shriners' Clown Unit of Livingston's Salaam Temple. A Hawthorne silk-screening firm donated T-shirts for all the youngsters. Mr. Glaab's union also delivered a catered meal of Chinese food for the painters, the children, and the staff.

This "Brush-up Day" at the Holley Center is the type of cooperation that many voluntary organizations are having to turn to in a time of shrinking government assistance. The generous contribution by all those who recognized a need and filled it is the essence of voluntarism. We hope the spirit is catching.●

AMENDMENTS TO EXPORT ADMINISTRATION ACT

HON. TOBY ROTH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1983

● Mr. ROTH. Mr. Speaker, when we return from the August district work period, the House will take up H.R. 3231, amendments to the Export Administration Act. This act is vital to protect our national security. A KGB agent once said that Moscow considers our high technology and advanced science their national resource. Our high technology has enabled the Soviets to build more advanced weapons systems.

The Export Administration Act is one tool to thwart the theft of our technology. H.R. 3231 as reported by the Committee on Foreign Affairs contains a provision to eliminate thousands of export licenses. These licenses, as it relates to our highest technology, are critical for monitoring exports and tracking down illegal exports and exporters.

We have an obligation to make the export licensing system efficient and accurate. We also have the responsibility to protect our national security by keeping our advanced technology out of the military research laboratories in Moscow and Leningrad. I am looking forward to working with my colleagues to insure that the Export Administration Act meets these objectives.

Mr. Speaker, a recent article in the New York Times outlined how America's high technology is being pirated. The methods are complex. We may just have begun to understand the enormity of the KGB program.

I urge my colleagues to read the article which follows. It is one of the detailed examinations of how the Soviets acquire advanced Western technology.

[From the New York Times, July 25, 1983]

A TRAIL OF WESTERN TECHNOLOGY IS FOLLOWED TO THE K.G.B.'S DOOR

(By John Vinocur)

PARIS.—Every year Western high technology with military applications, worth millions of dollars, disappears beyond the borders of the Soviet Union and its allies. Sometimes the Warsaw Pact's procurement effort is so effective that the embargoed equipment is even returned to the West for secret repairs.

American laws and North Atlantic Treaty Organization agreements ban the transfer of such sophisticated microelectronic and computer equipment. But the volume reaching the Eastern bloc is startling, according to Western intelligence experts.

Much of it it obtained, they say, through dummy corporations and covert suppliers who cooperate with the technology procurement campaign, which is regarded as the current primary task of the K.G.B., the Soviet intelligence and internal-security agency, and the G.R.U., its military counterpart.

THE CASE OF THE MAN AT ORLY

How it works is illustrated through a case involving Jean Didat, a freight forwarder at Orly Airport in Paris. He has taken some extraordinary troubleshooting trips. The most brazen was traveling to Amsterdam to handle a shipment of advanced American-made microelectronic equipment, strategic goods weighing more than a ton, that the Russians were secretly flying back to the West from Moscow for servicing.

The Czechoslovaks also complained about their coverty obtained million-dollar American computers, he said. The Warsaw Pact countries' grievances were dizzying because they concerned sensitive American technology acquired from Western European middlemen systematically diverting embargoed material to the East.

According to Western experts, most of the goods correspond to precise shopping lists administered by Soviet intelligence agencies. It was a Fairchild Sentry 7 quality control system for testing integrated circuits that Mr. Didat said was shipped westward from Moscow for repair. The Sentry 7 is on the United States list of technology proscribed for export to the Soviet Union and its allies.

Last year a United States Government document, trying to describe the scope of the illegal acquistions, said that they had eroded the technical superiority of Western weapons and that stopping the procurement was one of the West's "most complex and urgent issues." The intensity of K.G.B. program is such that it is said that the Central Intelligence Agency has set up a special internal organization to deal with technology transfers.

Defining the Soviet operation, the Government report said the K.G.B., with extensive support of the intelligence agencies of Eastern Europe, had the main responsibility for collecting "Western classified, export-controlled and proprietary technology."

"These intelligence organizations," the report said, "have been so successful at acquiring Western technology that the manpower levels they allocate to this effort

have increased significantly since the 1970's to the point where there are now several thousand technology collection officers at work. These personnel, under various covers ranging from diplomats to journalists to trade officials, are assigned throughout the world."

According to an expert in Washington, there may be as many as 100 K.G.B. collection officers working at the Soviet Embassy in Tokyo, one of the most fertile areas for acquistions. In general, the Japanese efforts to control the process are regarded as slower in starting than those in the United States, or in Western European countries when their own technology, as opposed to that of third countries, is involved.

MICROELECTRONIC EQUIPMENT

The report said the illegal acquisition of hundreds of pieces of Western microelectronic equipment worth hundreds of millions of dollars had allowed the Soviet Union to build the basic industry for the development of sophisticated weapon systems over the nex decades.

According to the document, the level of the acquired hardware and technical skill is such that put together it could "meet 100 percent of the Soviets' high-quality microelectronic needs for military purposes, or 50 percent of all their microelectronic needs."

A table of "notable successes" by the Russians contained in the report listed dozens of items such as advanced inertial guidance components, missile guidance subsystems, computers, lasers and complete industrial processes.

The report asserted that the acquisitions most directly affecting Soviet military development came from the gathering by K.G.B. agents of firsthand intelligence information, and "illegal trade diversions," the purchase of sensitive equipment through dummy corporations in the West for eventual transfer to the Warsaw Pact.

ROLE OF THE MIDDLEMAN

It is here that the middlemen come in. Mr. Didat estimated that his little office at Orly, decorated with a calendar of Soviet movie star from the Soviet film export organization, handled goods worth $20 million to $25 million a year for several years in traffic toward the Soviet Union and Czechoslovakia.

Almost all of it was American high technology material, obtained through an intricate series of post-box companies in Liechtenstein and Switzerland, forged, purchased and misappropriated documents and great amounts of cash.

In his interpretation of French law, Mr. Didat said he felt that the transport end of things, sending crates marked electrical equipment from here to there, was legal. The rest of the business he is familiar with, he said, was managed separately by Robert Almori, also known as Mathurin Almori, or Joseph Lousky, two Frenchmen named this year by a hearing commissioner of the United States International Trade Administration as involved in the reexport of American equipment to "proscribed destinations."

Denied export privileges himself by the United States Department of Commerce in April for having shipped unlicensed high technology from the United States, and questioned last month for two days by the French police, Mr. Didat has not been accused of any crime.

But in separate interviews he and an associate, both describing themselves as manipulated and insignificant, furnished partial details of some of the operations that, in the view of some investigators in the United States and Europe, have the mark of the Warsaw Pact's technology procurement campaigns.

GROUPS IN FRANCE AND SWITZERLAND

The company that employed Mr. Didat, Cotricom, in which a Mr. Almori, according to the Paris trade register, held a majority share, served as shipper for two parallel groups in France and Switzerland.

According to the trade register, Cotricom was created in 1977, nine months after the incorporation of Hedera Establishment, a Liechtenstein post-box company that served as an intermediary. After considerable success over a period of years, the operations foundered this year with the issuance of the Commerce Department's trade ban on its principals and subsequent police investigations in France and Switzerland.

Both the French and Swiss legs worked on the principle that American high technology can be bought legally and with relative ease on the open market in the United States and transported to seemingly reputable purchasers in Western Europe without much difficulty.

In some cases, computer subcomponents, electronic manufacturing and testing systems were sent to Cotricom from Technica Limited, a company in Scottsdale, Ariz., run by Michel d'Ormigny. He is a French-born naturalized citizen of the United States, who, after a career in the garment business, went into the microelectronics field in what was believed to be an association with Mr. Almori.

SHIPMENT TO COTRICOM

In at least one instance, a Technica shipment, described as unlicensed by the Commerce Department, was made to Cotricom for the account of Hedera Establishment. The man who signed the Hedera order blank, listing himself as administrator, was Felix Constantine Popovitch.

Mr. Popovitch is a French citizen who said that he was born in Egypt of Rumanian parents and that he received an electrical engineering degree in 1960 from Stanford University. He was employed until his contract was terminated this month as a sales manager for microelectronics by Calma, a wholly owned French subsidiary of General Electric. He worked previously in Japan as Far East marketing manager for Fairchild Systems Technology.

Mr. Popovitch signed the order blank for Hedera because, he said, Mr. Almori, "a buddy, a guy I know," who was involved in Hedera, had asked him for a favor. Although Mr. Popovitch denied it, Mr. Didat asserted that it was he who did the repair work in Amsterdam on the Fairchild equipment he had flown out of Moscow.

Mr. Popovitch has acknowledged involvement in two orders. But, in fact, the volume flowing through Cotricom was vast, and the size and complexity of the equipment great. Mr. Didat said he went to Czechoslovakia to handle what he described as the first delivery of a Fairchild Sentry 7, the type of unit, worth about $400,000, that eventually brought the French leg of the operation into the open.

"About three years ago," said Bernard Goldfarb, a French textile importer and exporter, "Almori came to see me through friends. The way he talked he seemed like a guy with political protection. He told me about his trips to Hungary and the U.S.S.R., and to talk like that I figured someone had to be watching out for him, because what he asked me was to get him an order blank from a certain company so that he could import something under an American embargo."

The company, Mr. Goldfarb said in an interview, was C.G.E. Alstholm, a major French electronics and technology producer nationalized by President François Mitterrand's Government. "I went to see a friend, and I got the order blank," Mr. Goldfarb said. But the association did not end there.

According to Mr. Goldfarb, Mr. Almori returned to see him last year, talking about another order blank and saying he had to go to the United States Embassy in Paris to prove that the signature on an Alstholm purchase order, that of a Mr. Lefevre, was legitimate.

"I stayed up all night practicing writing his name," Mr. Goldfarb said. "Almorei told me there was nothing to worry about, that the fix was in."

In fact, the order for two Fairchild units worth $800,000 had raised suspicions when Mr. Didat sought to expedite it in Washington, and the request for an export permit from the United States was never approved. Mr. Goldfarb said he kept 20,000 francs for his efforts and distributed 30,000 more to two intermediaries. (At the current rate of exchange 20,000 francs is worth $2,570, and 30,000 francs is $3,855.) With his acknowledgment of his role to the French police and United States officials, he said, he has experienced "Shame I'll never live down."

ILLEGALLY OBTAINED PURCHASE FORM

Mr. Almori has not responded to attempts to have him comment on the case. Mr. Didat said his impression was that Mr. Almori had been delivering to the Soviet Union for more than two decades. Somehow, uncharacteristic sloppiness entered the handling of the illegally obtained Alstholm purchase form.

Since the late 1970's, Mr. Didat said, Mr. Almori "got orders from the Russians or Czechs, and most of time they used U.S. catalogues and showed him precisely what options they wanted." Mr. Didat added: "He never bought what wasn't ordered, and he was paid by the Russians or whoever through accounts in Switzerland and West Germany. But he's not a special case. There are a hundred deliverers like Almori."

The Swiss operation, which involved Hedera, in part, and Mr. Lousky, for whom Mr. Didat said he also shipped material, had a different mode of procedure because much of the ordering was done from inside an established Swiss electronics company, Favag S.A. of Neuchâtel, a subsidiary of the Hasler holding group in Bern.

According to officials of Hasler, two Favag employees, Pierre André Raindin, the purchasing manager, and Marc Villoz, the administrator, both since dismissed, used the company to make orders for American high-technology equipment that was sold off to a dummy corporation apparently for transfer to the East.

DIAGRAMS OF ORDERS

Mr. Randin is described by Hasler officials as the former employee of an American corporation who lives with a Czechoslovak-born woman previously employed by Favag.

He has drawn diagrams showing how a Czechoslovak organization made orders through Hedera that were eventually passed along directly, or via Favag, to Eler Engineering. This is a tiny company founded with about $50,000 in capital in Rances, Switzerland, liquidated and then reestablished, also in Switzerland, by Mr. Lousky, whose residence is in Paris.

Other orders had been handled earlier by a second small company, apparently founded by Mr. Lousky, bearing the name Ditton & Drayton.

The equipment includes an order of more than $1 million for three Digital PDP 11/70s computers, described by a United States official as having possible use in missile guidance and the collection of data from satellites, and one VAX 11/780 computer from Data General, sold for about $800,000, in which Czechoslovak engineers were said to have inspected the material in a warehouse near Geneva.

The operation fell apart this spring as a result of the disappearance in 1982 of two American-made machines used in manufacturing microcircuitry. Shipped to Favag by a company in Massachusetts, and resold to Eler the equipment was suddenly gone.

LARGEST DIVERSION OF ITS KIND

A Swiss customs service investigation into the affair has described it as the "largest diversion of its kind in the country's history," and a Commerce Department suspension order cited Mr. Randin and Mr. Lousky as having conspired to re-export the two projection mask aligners, made by the Perkin-Elmer Corporation of Norwalk, Conn., to as "proscribed destination."

The machines, worth about $500,000, were traced to France. Mr. Didat does not say he shipped them to Eastern Europe, but like most of the investigators he would not argue against the presumption that they wound up in the Soviet Union.

Mr. Lousky was described by his lawyer as "not in France at the moment." Mr. Didat said no one saw Mr. Almori around anymore.

Hedera Establishment was dissolved as a company last Jan. 31 with declared capital of 15,000 Swiss francs ($7,125 at the current rate of exchange). Under corporate law in Liechtenstein, its papers suggest nothing more about who paid for its multimillion-dollar accounts other than listing the two Vaduz lawyers who served as the entire membership of its "administrative board."●

A MORE EFFICIENT GOVERNMENT

HON. JIM BATES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1983

● Mr. BATES. Mr. Speaker, I rise before you today at the suggestion of my constituent, Mr. William J. Campinelli who brought to my attention an article which was published in the Senior World Newspaper in San Diego, Calif. The article suggested ways to make our Government operate more efficiently and effectively. I found Mr. Campinelli's comments both provocative and interesting, and I would like to share them with my colleagues.

First, he raised a question about our postal system. He stated that there is a better way to operate the American postal system, a way in which the taxpayer does not have to subsidize the system. Nonprofit political and labor organization use the American postal system to solicit money without paying any fees. The cost is a nickel for each item mailed. More than 2 million items are mailed annually at the taxpayer's expense. Would it not be better to save the taxpayer billions of dollars by forcing those who make solicitations through the mail to pay for their expenses?

My constituent also endorsed a flat rate income tax. Over the years our system of taxation has evolved into a nuisance for those who pay, and a blessing for those who do not want to pay. What if we were to cut out all of the special advantages and gains for those people who take advantage of our tax system? Would it not be better for everyone to pay equally, without frills, loopholes, and massive deductions? The modified flat rate income tax system just might make our Government run more effectively.

Finally, my constituent emphasized the importance of becoming energy independent. As he correctly pointed out, the United States would be in a much better situation if it reduced its dependency on the the Organization of Petroleum Exporting Countries by developing the energy resources we have at home, such as photovoltaics and geothermal energy.

I thank my constituent for his comments and suggestions and hope my colleagues find his remarks as interesting as I do.●

WALTER TROY HONORED WITH McDONALD AWARD

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1983

● Mr. LIPINSKI. Mr. Speaker, on behalf of the residents of the Fifth Congressional District in Illinois, I would like to call attention to an outstanding member of our community. Walter Troy has served Chicago's southwest side with honor and distinction for over 40 years.

Wally's activities have been many and varied. His community involvement started early, when he was a Boy Scout, and continued through his adult life. He currently serves on the board of directors of the Garfield Ridge Chamber of Commerce, is vice president of the Midway Kiwanis Club, and is a member of the Midway Businessman's Organization.

Walter has won many awards for his service to the community, including the 1982 "Patriot of the Year" award and the Ray McDonald Community Achievement Award. All of us in the Fifth Congressional District appreciate Wally's efforts on our behalf, and look forward to working with him in the years to come. I insert into today's CONGRESSIONAL RECORD a newspaper article, printed when Walter Troy was awarded the Ray McDonald Award, describing some of Walter's achievements:

WALTER TROY HONORED WITH MCDONALD AWARD

Walter Troy, the "McDonald Award" recipient for the month of April, was born and raised in the Bridgeport neighborhood, where he lived for thirty-five years. After graduating from Mark Sheridan Grammar School in 1941, he attended Kelly High School for two years, followed by two years at Jones Commercial High School where he majored in business. During his high school years, Troy was employed by the "Chicago Herald American" newspaper as a copy boy. He entered the army shortly after graduation, serving three years being stationed at Fort Knox, Kentucky and Fort Benning, Georgia. After being discharged from the army, he returned home and attended Wright Junior College at night, while working at the newspaper. He later became a police reporter for for the "Chicago American," which was later purchased by the Tribune Company, and became known as the "Chicago Today" newspaper. After nine years at that position, Troy purchased a news agency in the Clear Ridge area, which he ran until 1973, at which time he and son Joseph joined forces and bought Clover Club Beverages. Troy and wife Jean have a younger son, Thomas, who has entered the business with his father and brother. Son, Joe and his wife Jane have two children, Tina, age seven, and a son Tim, age six.

Troy's participation in community activities began at an early age as a Boy Scout, and continued throughout his adult life, as an officer and member of St. Barbara's Church Holy Name Society, and as president of a high school Music Sponsors Organization. Currently Troy is serving on the Board of Directors of the Garfield Ridge Chamber of Commerce, is vice-president of the Midway Kiwanis Club, and is a member of the Midway Businessmen's Organization. He also sponsored Little League teams, Bowling Leagues, and various other charitable organizations. In recent years, Troy has been recognized by the business community on several occasions. He was named the winner in the Business category at the 23rd Ward Community Achievement Award Dinner in 1979, and was named "Patriot of the Year" in June 1982, by the Midway Sentinel.

The business at Clover Club Beverages has grown over the past ten years, and is now one of the largest and few remaining independent soda manufacturers in the city of Chicago. In addition to the sale of their own bottled and canned soda, beer, wine and liquor have been included to make Clover Club Beverages a most prosperous enterprise. All this has happened to a man who began his early years as a copy boy for a Chicago newspaper many years ago.

The staff of the Midway Sentinel expresses its thanks to Wally Troy for his many contributions to our community. His dedication and involvement truly exemplifies the standards set by our late editor, Ray McDonald.●

FEDERAL LAND AND WATER POLICIES: DOES THE RIGHT HAND KNOW WHAT THE LEFT IS DOING?

HON. RICHARD H. LEHMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1983

● Mr. LEHMAN of California. Mr. Speaker, I would like to enter into the RECORD, an excerpt from an article from the August 1, 1983, Los Angeles Times, entitled "River Victims Blame U.S. for Losses." This article addresses the unfortunate plight of citizens who lost property and life savings as a result of recent Colorado River floods. The point of this article, Mr. Speaker, is that at the same time the Bureau of Reclamation was issuing flood warning along the Colorado River in Arizona and California, another Interior agency, the Bureau of Land Management was busy issuing Federal land leases to resort owners and recreation facility operators apparently with little or no consideration of Bureau of Reclamation's proclamations about flood dangers. This summer's tragic floods illustrate a clear need for better coordination between bureaus of the Department of the Interior.

The article follows:

[From the Los Angeles Times, Aug. 1, 1983]

AGENCY OK'D RESORTS: RIVER VICTIMS BLAME U.S. FOR LOSSES

(By Richard E. Meyer)

PARKER, ARIZ.—Not long after sunup, Tom Peet went down to the river, checked the pump on his water supply, then strolled the length of his resort in the cool, quiet desert dawn. During the night, he noticed with apprehension, the river had splashed over the top of his retaining wall. That was how it began.

It was early June. For three weeks, the river rose. Tom Peet fought it. With help from his guests, he cut down trees. He tore out shrubs, he flattened mesquite. He moved mobile homes. He spread sheets of green plastic. He filled 6,000 sandbags. He used 1,400 cinderblocks to add 48 inches to his retaining wall. But it wasn't enough.

When he had done everything he could, he walked to the edge of the rising flood. Tom Peet, 46, sat on a sandbag and cried.

HEAVY PRICE TO PAY

Since the flood began, the Colorado River has been exacting a heavy price from Peet and dozens of other businessmen, residents and property owners in the Parker Strip—11½ miles of shoreline in Arizona and California, a few minutes' drive northeast of this dusty, discouraged town. Flooding on both sides of the river has ruined buildings, swept away beaches and destroyed the summer tourist trade. Counting lost revenue, resort operators estimate the damage and what it will cost to rebuild away from the water at nearly $10 million.

The cost won't stop there. The river is expected to flow at 38,000 cubic feet per second until September, and then at 30,000 cfs through the end of the year. "That'll wipe out our winter business too," Peet said. "It's just going to be hell."

Secretary of the Interior James G. Watt and officials in his Bureau of Reclamation contend that Peet and others along the river have only themselves to blame. The bureau opened Colorado River floodgates in early June, after heavy snow runoff and storage of too much water—based on faulty computer projections—had filled reservoirs to overflowing.

"TRIED TO DISCOURAGE"

"There are flood victims," Watt has declared, "because they built on the flood plain." Alden Briggs, the bureau's chief water scheduler at Hoover Dam, said, "These people . . . built in a flood way. The bureau . . . (and) state and counties tried to discourage it."

However, an investigation by The Times shows that the Department of the Interior, through another of its agencies, the Bureau of Land Management, in fact encouraged resort operators to build and upgrade recreation facilities on federal property along the river.

For nearly four years before the flood, the Bureau of Land Management approved detailed blueprints for hundreds of thousands of dollars' worth of development in the flood plain. * * *

The Bureau of Land Management approved large investments despite warnings that reservoirs along the Colorado were filling up and that the river might overflow. The Bureau of Reclamation issued the warnings. The first came in March, 1977, at a public meeting in Parker.

The meeting was held during a drought. Few resort operators attended. "It was one of the worst droughts in the history of the West," Julian Rhinehart, a Bureau of Reclamation spokesman, acknowledged. "So, at that time, you know, it was a little difficult to get their attention when we were talking about floods."

The Bureau of Reclamation issued a second warning in April, 1979, also at a public meeting in the area. Five months later, the Bureau of Land Management started issuing long-term leases to resort operators with facilities on BLM land.

Some late-comers—operators who received long-term leases after 1980—say they had no idea that any warning had been given. The leases reserved the government's right to flood BLM property, but none of the operators took that as a warning that it actually would occur. And, until recently, some were unaware that their contract contained such a provision.

OPPOSED DEVELOPMENT

Robert N. Broadbent, commissioner of the Bureau of Reclamation, said his agency opposed all Bureau of Land Management leases that approved development in the flood plain. "The BLM is the one that issued those leases, not us," Broadbent said. "We have protested most all of them."

He said the protests were lodged with the Bureau of Land Management. The protests went unheeded. "There (are) numerous instances," Broadbent said with dismay, "of (these kinds of) . . . encroachment onto the flood plain."

Darwin Snell, who heads the Yuma district of the Bureau of Land Management, which has jurisdiction over the Parker Strip, acknowledged that his agency allowed resort operators to build in the flood plain, on both the Arizona and California sides of the Colorado River. "A lot of times, we did not know exactly where the flood plain was," Snell said. "We found out as a result of these last few weeks."

"HAD SOME WARNING"

May agreed that the Bureau of Land Management not only encouraged development but required resort owners to upgrade their facilities. However, May and Snell denied that the agency failed to warn resort owners about flood danger. "I think they probably had some warning . . . before they signed the contract," Snell said. "I do not think that we would just sit by and not give them any warning."

To a person, resort operators with Bureau of Land Management leases in the Parker Strip say they received no such warning before they signed their contracts.

All other federal, state and local agencies authorized to issue development permits defer to the Bureau of Land Management on the question of warnings. "Flood plain management is not a Corps of Engineers mandate," public affairs officer Maurice Peerenboom said.

POPULATIONS GREW

In a 1964 land-use plan, a Department of the Interior advisory committee noted that the populations of Southern California, southern Nevada and Arizona were growing sharply. The land-use plan, which some started calling the Red Book because of its red binding, said the Parker Strip might someday attract 34 million visitor days of recreation use annually. That, the Red Book declared, could mean $200-million worth of recreation business a year.

However, there were problems.

But the Red Book also said, "Developments should include a wide range of public facilities to meet present and future recreation needs. . . . The flood plain between leveies or natural escarpments and the river (should) be made available for appropriate recreation use and the establishment of appropriate public use of recreation facilities."

ENCOURAGED TO EXPAND

The Bureau of Land Management drew up a Parker Strip recreation management plan. The plan called for "upgrading facilities . . . (and) encouraging winter-visitor use."

Because the Bureau of Land Management had no funds to do this on its own, it decided to "utilize private capital to provide intensive recreation facilities through long-term concession leases." Resort owners—whom the government had tried to evict as squatters—were invited to become federal concessionaires. The Department of the Interior encouraged them to expand and improve their accommodations.

The management plan was specific: The Bureau of Land Management wanted "camping space, food services, general stores, marine supplies, laundry facilities, play-grounds and water-oriented facilities." The BLM wanted access roads and parks for recreational vehicles. It wanted architecture "consistent with Mexican and Indian influences prevalent in the Sonoran Desert." And it wanted the resorts to relocate mobile homes—away from the river front.

But it said nothing about flooding.

The management plan did say that the BLM wanted "set back zones" along the river front "to ensure recreational access to the general public."

In return, the BLM issued the resort owners commercial permits of varying lenghts—some of them for as long as five years—to achieve a common expiration date: Dec. 31, 1979. After that date, it offered leases whose stated aim was to "induce long-term investment . . . with reasonable expec-

tations of security in the investment and a fair return of profit."

The minimum length of each lease was determined by how long it would take each resort owner to amortize his investment. In practical terms, that meant that the more an owner invested, the longer his lease would be.

A few miles up the strip, Glenn Drake, 57, with sandy hair and mutton chop sideburns, pledged to invest $1.5 million to get a 20-year lease on two resorts—River Lodge and River Lodge, Too—with more than a mile of river front.

Of that amount, Drake estimates that work in the flood plain, which the BLM approved on his blueprints, was worth about $600,000. At least half of that was for an island and a marina he built in the river, complete with a lake, stream, bridge and boat slips. Drake signed his lease in 1980. It took him two years to get all of the permits he needed from federal, state and county agencies, and no one said anything about any danger of flooding, Drake said.

The river wiped out his marina. It has covered his island and part of his beach on the shore. His general store is surrounded. Sixteen sites for recreational vehicles are flooded, including utility hookups. His water supply is gone.

He estimates damage to land and improvements, including the cost of moving them away from the flood plain, at $950,000 to $1.4 million and said lost income is averaging about $60,000 per month.

"If I don't get any money I can borrow," Drake said, "I might as well shut down."

For Ron Poe, it's a matter of deciding whether he wants to start all over.

"CLEANING RESTROOMS"

At 45, Poe had completed the work he pledged for 20-year lease on Riverland Resort.

"I'm really just a little mom and pop business that James Watt and President Reagan could care less about. I shouldn't say that, but I feel that way. Yet, I'm supplying recreation to thousands of people. Literally thousands of people. And Watt says the system worked well! Well, the system destroyed me, and the system destroyed Tom Peet, and it destroyed a lot of other people out here.

"I didn't see James Watt talking to me when he was here touring the flood. Maybe he knew he'd better not."●

NEED TO DISTINGUISH VIRGIN ISLAND RUM INDUSTRY FROM PUERTO RICO RUM INDUSTRY

HON. RON de LUGO

OF THE VIRGIN ISLANDS

IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1983

● Mr. DE LUGO. Mr. Speaker, in the course of the Congress' consideration of the Caribbean Basin Initiative, substantial testimony was presented that indicated the importance of the rum industry to the U.S. Virgin Islands, both as a major source of revenue to the territory's government and as a significant provider of jobs in the manufacturing sector of the local economy. Thus, any injury to the Virgin Islands rum industry could have a profound and adverse effect on the health of the Virgin Islands economy as a whole.

In order to insure that rum imports from CBI beneficiary countries do not injure or threaten injury to the Virgin Islands industry, the chairman of the Senate Finance Committee announced during the House-Senate conference on the CBI legislation that he would ask the Finance Committee to approve a resolution pursuant to section 332 of the Tariff Act of 1930 requiring the U.S. International Trade Commission to monitor future CBI rum imports and to study their effect on the Virgin Islands industry. At the same time, the conferees approved a provision by the administration which would define a Virgin Islands industry as a domestic industry for the purpose of seeking import relief under section 201 of the Trade Act of 1974 (the escape clause).

Since the Virgin Islands rum industry produces mainly unaged bulk rum, which is particularly price and import sensitive, and since the Puerto Rico rum industry produces mainly aged bottled and bulk rum, which is not especially price sensitive, the escape clause may not provide an effective remedy for the Virgin Islands unless the ITC were to define the Virgin Islands industry as a separate industry or, in the alternative, unless it defined the production of unaged bulk rum as a separate industry. I would like to state for the record that in my opinion the testimony and evidence presented to the congressional committees considering the CBI provide substantial support for making such a distinction. Further, it is my hope that the ITC, in carrying out its responsibilities pursuant to any mandate under section 332 of the Tariff Act, will monitor rum imports and organize its study in such a way as to allow it to distinguish the Virgin Islands industry from the Puerto Rico industry.●

CONFERENCE REPORT ON H.R. 3069—SUPPLEMENTAL APPROPRIATIONS FOR FISCAL YEAR 1983

HON. WEBB FRANKLIN

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1983

● Mr. FRANKLIN. Mr. Speaker, because of official business in my district in Mississippi, I was not present for rollcall No. 293. I would like the record to show that had I been here I would have voted "yea" for Mr. WHITTEN's motion that the House recede from its disagreement to the amendment the Senate numbered 1 and concur therein with an amendment which would provide for funding payments to American cottongrowers under the President's payment-in-kind program. This provision would put America's cottongrowers on equal footing with our Nation's wheat farmers, ricegrowers, and others who chose to participate in PIK and therefore I wish to express my support.●

TIM WIRTH SAVES NPR

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1983

● Mr. MINETA. Mr. Speaker, I would like to take a moment to congratulate my colleague, Representative TIM WIRTH of Colorado for the heroic role he played in assuring financial backing for National Public Radio. NPR offers an invaluable service to our Nation by providing outstanding coverage of national news, and TIM WIRTH deserves the thanks of all Americans for helping sustain that service.

I would like now to submit the following editorial which details the fine work which TIM contributed in order to rescue NPR.

[From the Rocky Mountain News, July 31, 1983]

NPR SNATCHED FROM BRINK OF BANKRUPTCY

National Public Radio's hero of the hour is Congressman Tim Wirth of Colorado's 2nd District. It was Wirth who made the survival of NPR a priority and brought about the agreement that will give NPR a loan of some $8.5 million from the Corporation for Public Broadcasting, to be repaid by NPR stations around the country over a period of three years.

According to the NPR folks, Wirth, chairman of the House Subcommittee on Telecommunications, Consumer Protection and Finance, made it all happen. He cleared his calendar, cancelled dinner plans, and kept negotiations going until 2 a.m. The result: an arrangement that will allow millions of people to continue enjoying such programs as "All Things Considered" and "Morning Edition." Wirth simply wouldn't let go. "Fix it," he said. Now, with NPR's financial troubles at least temporarily resolved, it's likely that others will want a slice of the credit. It belongs to Tim Wirth.

The fixing wasn't easy. CPB was fearful that if it made the loan and NPR went bust at some future date, the satellite system on which CPB also depends would be lost as well. It wanted the system protected, and that was accomplished by turning it over to three trustees, not associated with either CPB or NPR. Thus, agreement reached NPR will continue the programming so many Americans consider the best in the land.

It's not, of course, a free ride. NPR stations around the country may be hard pressed to pay their share of the loan. And so far nobody knows how much that's going to be. Those same stations already go to their listeners for support. And some never make clear that the excellent programming they urge people to support isn't local.

So the fund-raising programs scheduled early next week by NPR will be carried by only about a third of NPR stations. KCFR in Denver won't be among them. Station

manager Max Wycisk instead plans a direct mail solicitation of members and will do a fund-raising program in October.

It's true that there is no immediate urgency to raise NPR-bailout dollars. But it is also true that the prospective demise of NPR might have brought contributions not otherwise available.

The burden of solvency, however, is one that will have to be shared—by NPR, by its member stations, and by those who think the quality of programming offered by the NPR network is worth preserving. If that can't be accomplished in the three-year life of the loan, it's unlikely we'll see another such rescue, Tim Wirth or no.●

TRIBUTE TO A SUPPORTER OF BIRMINGHAM YOUTH

HON. BEN ERDREICH

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1983

● Mr. ERDREICH. Mr. Speaker, several weeks ago, Birmingham lost a man who made helping children of Birmingham his priority for almost a decade.

David Rivers served as executive director of the Fourth Avenue Branch YMCA since 1974. He also served previously as an administrator with YMCA's in St. Louis, Mo., and Cleveland, Ohio.

I worked with David in 1982 to raise money to enable youths to enjoy summer "Y" activities as a part of the YMCA's back-a-boy program. I can personally attest to his outstanding contribution to the lives of the hundreds of youth who looked upon him as friend and counsel.

David was killed on Sunday, July 17, 1983, in Rayville, La., in an auto accident. He was traveling to Monroe, La., with a group of Birmingham area youngsters who were scheduled to participate in a YMCA basketball tournament.

It is ironic that David Rivers' life would end doing the thing he most loved to do, helping the young men who passed through the doors of the Fourth Avenue Birmingham YMCA.

An editorial in the July 20 Birmingham News summed it up best: "To have reached his life's end in such service, while tragic, was fitting in a sense that many would envy."

The text of the Birmingham News editorial, which pays tribute to the good deeds of David Rivers, follows:

[From the Birmingham News, Wed., July 20, 1983]

DAVID RIVERS

As tragic as was the death of Fourth Avenue YMCA Executive Director David Rivers earlier this week in a traffic accident, in a sense Mr. Rivers' end could not have been more appropriate. He was accompanying a "Y" basketball team to a tournament in Monroe, La.

In a life marked by service to his fellow man, and especially to youth, Mr. Rivers was a veteran of the Peace Corps and of "Y" work. He had directed the inner-city YMCA here for almost a decade. His contribution to the lives of the hundreds of youngsters who have passed through the facility during those years surely is the greatest monument a man could wish.

To have reached his life's end in such service, while tragic, was fitting in a sense that many would envy.●

TRIBUTE TO THE NORTHWEST FLORIDA BLOOD CENTER

HON. EARL HUTTO

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1983

● Mr. HUTTO. Mr. Speaker, this month will be the 35th anniversary of the Northwest Florida Blood Center, Inc., of Pensacola, a nonprofit organization. I would like to take this time to honor the Blood Center which is so vital to the people in the Florida Panhandle because it supplies blood to 15 hospitals in the area daily.

The center was conceived in 1948 and became a reality in 1949 as the Escambia Blood Bank. In 1979, the Bank changed its name to the Northwest Florida Blood Center, Inc. It is licensed by the Federal Drug Administration (FDA), and accredited by the Florida Association of Blood Banks (FABB). It is also a member of the National Clearinghouse of the American Association of Blood Banks (AABB), that allows the Blood Center to ship and receive blood throughout the United States as requirements dictate. The center serves five counties of northwest Florida: Escambia, Santa Rosa, Washington, Holmes, and Okaloosa.

The objectives of the Blood Center are to keep a sufficient amount of blood content on hand to serve the community's needs and to furnish blood and components as they are needed in various hospitals which this center serves. I might add that an outstanding job is being done by this organization.

To commemorate the anniversary, the center will host, along with the Honorary Chairman Vince Whibbs, mayor of Pensacola, a month-long blood drive. This commemorative drive is to help the bank compensate for severe summer shortage.

All citizens have to depend on blood banks everywhere and the Northwest Florida Blood Center has performed an exemplary service for the people of this area and stands ready at all times to save lives.●

CHARLEY HADLEY

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1983

● Mr. LEHMAN of Florida. Mr. Speaker, in Dade County, when the important issues are being decided at the ballot box, there is always one person who can really make a difference—Charley Hadley and his get-out-the-vote effort.

Over the years, business and political leaders of the entire community have turned to Charley Hadley, and through "Operation Big Vote," he always delivered. The votes he turned out for the 1978 referendum on building Dade County's MetroRail system made the real difference in gaining voter approval. A few years earlier, his work was instrumental in the passage of a bond issue which provided financial support for this mass transportation project.

Charley has also been a definite factor in the election of public officials who have brought renewed leadership to our community. Congressman CLAUDE PEPPER could always depend on Charley, not only as an old friend from Tallahassee, but as a faithful political ally. State Senator Jack Gordon and our late Mayor Robert King High owed much to Charley Hadley, and I too am personally indebted to his tireless efforts. Charley acts from his own deep personal commitment, and he has often had to use his own modest funds to finance his voter registration and voter turnout projects.

Charley has changed south Florida, and he continues the fight to make these changes work for those who deserve a fair chance in a community that has already been made better because of Charley Hadley.

Mr. Speaker, a recent article in the Miami Herald describes a tribute paid to Charley Hadley by the people of Miami. The article follows:

LIBERTY CITY "MAYOR" TAKES WELL-EARNED CENTER STAGE

(By Liz Balmaseda)

When his turn came to stand on the stage and talk to the people gathered below in his honor Wednesday, Charley Hadley was full of words.

The unofficial mayor of Liberty City, the big man behind the black community's voting machine, "Operation Big Vote," he stood proud in rainbow suspenders, a red carnation on his collar and a short and wide, blue-scribble tie on his chest.

Uncle Charley Hadley, 69 years old, 300 pounds of a man on a portable stage. A thousand eyes were on him, some of them belonged to very important people.

Charley Hadley spoke in sentences with no periods, told jokes, thanked everybody for coming to the dedication of the Charles Rudolphe Hadley Clinic, the extension of a public veneral disease control center at 1350

NW 14th St., where Hadely worked from 1943 to 1982.

"I didn't know this job thing would last so long. I thought I would be looking for another job. But as the years started to pass, the business began to pick up," he said.

But his role as a health investigator was not what drew more than 500 people to the new clinic Wednesday. They came to pay tribute to Hadley, the black powerbroker who 25 years ago founded Operation Big Vote, a grass-roots political network that has helped to elect members of Congress, state legislators, commissioners and mayors.

Once his candidates made it to office, they usually appointed Hadley to select boards. He has served on the Miami Biracial Committee for Community Problems, Urban Renewal Committee, Civil Service Board and Housing Authority, and the Advisory Board for Metro's Department of Housing and Urban Development.

Wednesday, many of those politicians whom he helped to get elected paid tribute to him.

"If I had the opportunity I would nominate him as one of our national treasures," said Commissioner Ruth Shack.

A chorus from the James E. Scott Community Association sang, "He's got the whole world in his hands." And later, Dewey Knight, assistant county manager, said: "Charley Hadley is not God, but he has had many, many people in his hands. He has had the children with no toys at Christmas in his hands. He has had the people with food problems at Thanksgiving in his hands."

When the kudos had passed and the songs had been sung, the "Man of the Hour" remained at the microphone, bathed in his glory. As he left the stage, the old activist said softly: "This will probably be my last time this way."●

DAUPHIN COUNTY VOLUNTEER FIREMAN HONORED

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1983

● Mr. GEKAS. Mr. Speaker, the volunteer fireman occupies a special place in both the history of our Nation and in the esteem bestowed upon him by his fellow citizens.

Therefore, an award granted to one of its number by his peers is of special significance.

Such an award was given to Rev. Lloyd E. Beamesderfer, a constituent, by the Dauphin County, Pa., Firemen's Association at their annual convention on June 10, 1983.

Reverend Beamesderfer was named chaplain emeritus of the association in recognition of his many years of service.

The inscription on the plaque is as follows:

West Side Hose Co. No. 3, Joseph Bivens Award, 1983, presented to Rev. Lloyd E. Beamesderfer, with gratitude for your tireless effort in the interest of the Volunteer Fireman of Dauphin County.

The achievement is worth the recognition hereby granted by the U.S. Congress through its inclusion in the CONGRESSIONAL RECORD.●

CONCERNING THE ETHIOPIAN HUNGER CRISIS

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1983

● Mr. BROWN of California. Mr. Speaker, July 21, 1983, I participated in the special order requested by my distinguished colleague from Michigan, Congressman WOLPE, concerning the Ethiopian hunger crisis. In my remarks, I urged the United States to expedite its response to the pleas for emergency assistance. I also expressed my disappointment and frustration at the decision to discontinue the long-standing Public Law 480, Food for Peace, assistance for that region.

Last week, July 26, 1983, Peter McPherson, the administrator of the U.S. Agency for International Development (AID), announced the United States would provide an additional $700,000. The bulk of this assistance, to be utilized by the Christian Relief Service (CRS), is for the transportation of food. At the same time, Mr. McPherson announced the reinstatement of $3 million for ongoing humanitarian assistance under the Public Law 480 for fiscal year 1984.

I would like to express my support for this increased assistance, and commend the administration for its prompt response. In addition, I would like to encourage AID to continue to monitor this situation closely, and join many other relief efforts in Ethiopia which are being coordinated through the United Nations Disaster Relief Organization (UNDRO).

At this point I would like to share with my colleagues an article outlining the plight in Ethiopia.

[From the Christian Science Monitor, Thurs., July 28, 1983]

WANTED: TRUCKS TO CARRY FOOD TO DROUGHT-STRICKEN ETHIOPIANA

(By David Winder)

The refreshing sound of rain falling on parched land has brought new hope to drought-stricken Ethiopia.

At the same time, an international SOS to save 4.5 million Ethiopians from malnutrition and starvation is yielding some results. Food—now the most precious commodity in Ethiopia—is reaching the nation's ports in plentiful amounts as a result of accelerated international relief efforts.

The overwhelming need at this point is for more trucks and spare parts to ensure that the food gets from clogged ports to starving people, some of whom are caught in a cross fire of government and guerrilla shooting in the northern regions of the country.

The fighting has only exacerbated the devastating effects of the drought and caused a flood of refugees into Sudan and Djibouti, both poor countries straining under an increased refugee load. Meanwhile Somalia—also a catchment area for fleeing Ethiopians and at war with Ethiopia because of the contested Ogaden region—recently reported coming under ground and air attack from Ethiopia.

Ethiopia's response to both its internal and external problems has been dramatic. A thorough shakeup of its military government has left its strong man, Mengistu Haile Mariam, firmly in the saddle. The shakeup has been followed by an announcement that Ethiopia will introduce military conscription.

According to an official of Oxfam, the British relief agency, as many as half of those fleeing across Ethiopian borders are students—presumably those who would be eligible for the draft.

Ethiopia has broadened its international appeal for help in combating a drought that many voluntary agencies working in the country say is as severe as the 1972-73 drought. The Ethiopian government's failure to respond adequately to the earlier crisis was the straw that broke the reign of Emperor Haile Selassie and paved the way for the present Marxist government.

The United States, for one, has just stepped up its assistance. Voluntary agencies suspect that the Reagan administration is now responding to increasing pressures within Congress that it put humanitarian considerations ahead of political objections on the Ethiopian issue. Ethiopia is a firm supporter of the Soviet Union, its principal arms supplier, and has angered Washington in the past with strident anti-US attacks.

"The major point is that the US government is now responding in greater measure to the crisis and we applaud that," says Carol Capps of Church World Service and Lutheran World Relief in Washington.

She was reacting to the July 26 announcement by the administrator of the US Agency for International Development (AID), Peter McPherson, that the US would provide an additional $700,000 to Ethiopia. The bulk of that will go to renting trucks where delivery of food is frustrated by poor roads or lack of roads, insufficient numbers of trucks and spare parts, and an inability or reluctance to penetrate large areas of revel-held territory.

In addition, AID has reinstated a $3 million request for ongoing humanitarian assistance under the PL 480 food aid program for the fiscal year 1984. Until now AID had failed to submit such a request—a gesture interpreted as signifying the administration's disapproval of the Marxist government of Colonel Mengistu.

In a telephone interview shortly after disclosing new Ethiopian funding to a Senate subcommittee hearing on world hunger, Mr. McPherson insisted that the US was doing what was needed to alleviate the situation. "It is the Ethiopians and the Soviets who should be doing more," he said. Mr. McPherson also suggested that the Ethiopians could release more of their military trucks for distributing relief supplies.

The AID administrator's assessment is at odds with that of Catholic Relief Services (CRS), a volunteer agency through which AID is funneling almost all of its assistance.

According to Ken Hackett, African regional director of CRS, who has just returned from a tour of Ethiopia, the government there earns high praise for its well-organized relief efforts. "The difference between the Ethiopians' relief work and their counterparts in the rest of Africa is the differ-

ence between night and day," Mr. Hackett says.

The Ethiopian relief effort has been aided by late rains needed for the November harvest, which will be the next crucial stage in the recovery effort.

At the same time, the problems confronting the Ethiopian government are immense. The government is unable, despite the use of greater military muscle, to dislodge guerrilla forces which for 20 years have been waging a struggle for independence in the northern province of Eritrea.

Meanwhile the drought has hit hardest in the three adjacent provinces of Gondar, Tigre, and Wollo. In Tigre, guerrilla forces of the Tigre People's Liberation Front (TPLF) are thought to occupy as much as 85 percent of the province. Fighting, which has intensified in Tigre Province in recent months, has also spilled over into Gondar and Wollo. As many as 10,000 new refugees are believed to have fled both the drought and the fighting and found refuge in rural refugee encampments scattered in the vicinity of Kassala, Qala 'en Nahl, Gedaref, and El Hawata in eastern Sudan.

Ethiopian refugees have also swollen the slum areas of Khartoum and Port Sudan. The total number of Ethiopian refugees in Sudan is now estimated to be well in excess of 600,000. Tiny Djibouti on the shores of the Red Sea is staggering under the weight of some 35,000 to 40,000 Ethiopian refugees representing some 15 percent of the entire population—a load that the Djibouti government finds intolerable.

Because of the fighting, especially in Tigre, food supplies cannot penetrate key areas. Food that would normally take two days to reach Makale in Tigre, where there are devastating accounts of starvation and malnutrition, now takes two weeks. The food comes in at the port of Massawa, and is then loaded and dispatched to Asmara. From there it is reloaded again and sent on to Adigrat. At Adigrat, a military convoy consisting of about 100 military trucks to ensure its safety takes over and continues the journey to Makale.

Yet some of the food distribution problems begin at the source—at the ports of arrival. While food shipments are moving smoothly enough out of the port of Massawa, there are long tie-ups at Assab (not enough trucks) and Djibouti (only two locomotives).

The combined effects of civil strife, drought, and world recession on one of Africa's largest and poorest countries (per capita income is $140, or 1 percent of the US's) is taking a toll even on those not directly affected by drought or fighting.

According to a relief worker who has been there, the nutritional status of the people in Addis Ababa, the Ethiopian capital, is now as bad as that of the Sahel, the desert region of West Africa, "and getting worse."●

SALUTE TO THE HOLCOMBE RUCKER BASKETBALL LEAGUE

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1983

● Mr. RANGLE. Mr. Speaker, I would like to bring to the attention of my colleagues that one of our Nation's finest and its oldest summer professional basketball league, the Holcombe Rucker League in New York City, is now in its 30th year of competition.

On Sunday, August 7, the Rucker League will be host to the Remy City Games, a tournament featuring teams from the professional basketball leagues in Baltimore, Washington, D.C., Philadelphia, and Chicago. These teams will challenge New York's basketball supremacy.

The expansion of inner city summer basketball leagues founded in the 1960's and 1970's to encourage youth to excel in academics and athletics can be traced back to the efforts of a former New York City Parks Department employee and schoolteacher Holcombe Rucker, who founded the league, the first of its kind in America.

Holcombe Rucker dedicated his life to the youth of his city, giving his time, money, love, and fostering the desire to achieve on and off the basketball court. The Rucker League's main purpose has always been to use sports as a vehicle to encourage youth to obtain an education. Toward that purpose, the Rucker League also sponsors an educational component called the each one, teach one program, which serves more than 400 educationally disadvantaged, inner city youth. The program provides academic counseling and tutoring for the students.

I am proud that such a fine program which combines athletic and academic excellence serves the youth of my community, my city, and our Nation.●

CLASS OF 1958 OF THE ROOSEVELT HIGH SCHOOL IN HONOLULU, HAWAII, CELEBRATES ITS 25TH REUNION

HON. DANIEL K. AKAKA

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1983

● Mr. AKAKA. Mr. Speaker, on August 13, 1983, the Class of 1958 of the Roosevelt High School in Honolulu, Hawaii, will be celebrating its 25th class reunion. I remember this class very well, for I was an educator at the time. I have fond memories of many of the alumni of the class of 1958; in 1958 in Hawaii our students were highly motivated, and the quality of education uniformly high. Indeed, in 1958, we trained minds and prepared our students to live in the world of the future. As a former teacher and principal, I am immensely proud of the quality of education we offered our students in the fifties.

The students we trained in the fifties have gone on to higher and greater things: they have received advanced degrees; they are professionals engaged in a wide variety of activities; and, perhaps the most important area of endeavor of all, they are the mothers and fathers of many of our young professionals today. All of them have communicated a love—and even a reverence—for learning to their children. This is indeed a great accomplishment.

During my years as a teacher in the public school system, there was strong community support for our public schools. Communities across the face of this Nation believed that a publicly financed school system could provide our Nation's young people with a quality education. I can still recall the enthusiasm for learning shared by the class of 1958 at Roosevelt High School and at every other institution of learning in Hawaii. The dreams and aspirations of the students of the fifties were supported and reflected by their parents. Those were indeed the halcyon days for education in our Nation.

For the last several years, public confidence in our Nation's educational system—and the schools which compose it—has been slipping. Thus, it came as no real surprise to many of us when the National Commission on Excellence in Education reported that American education is in trouble. I am sure that there is not a member of the Roosevelt High School Class of 1958 who did not know that long before the Commission issued its report.

I am sure that the members of high school classes of the late fifties share my commitment to improving the quality of education we are able to offer our children and their children in the future. Certainly, the future of our Nation depends upon our ability and willingness to make that commitment.●

HIGH STAKES IN CENTRAL AMERICA

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1983

● Mr. LAGOMARSINO. Mr. Speaker, the current issue of Readers Digest contains an interesting and informative summary of the crisis in Central America. The analysis by Author David Reed puts into proper perspective the national security interests of the United States in countering the Soviet, Cuban, Nicaraguan threats in this hemisphere.

HIGH STAKES IN CENTRAL AMERICA

THE COMMUNIST-INSPIRED STRUGGLES RACKING THIS VULNERABLE REGION MAY SOON AFFECT THE ENTIRE WESTERN HEMISPHERE

(By David Reed)

The guerrilla column moves silently through the night, across abandoned farms, past charred ruins of farm-houses. When the men reach a cleared strip, they place tin cans, filled with gasoline, along the edges. The moment they hear the sound of the twin-engine plane, they set the gasoline afire. Guided by flickering ribbons of flame,

the aircraft drops bundles dangling from parachutes. When the bundles hit the ground, the guerrillas tear them open and load up with weapons and ammunition, medicines and radio equipment. Then, as silently as it came, the column disappears in the darkness.

The scene is El Salvador and the guerrillas, members of the Farabundo Martí National Liberation Front, are seeking to establish a Marxist dictatorship there. Shipments are assembled in pro-Soviet Nicaragua to the south, and then sent by land, sea and air across Honduras to El Salvador. The conflict is anything but a local matter; instead, an expansionist Soviet Union is focusing its might on Central America in an effort to bring that key region under the control of pro-Soviet client regimes. Cuba, propped up by $12.8 million a day in Russian subsidies, carries out the dirty work for Moscow, organizing the pipeline of materiel, and training guerrillas and urban terrorists.

Ever since NATO was founded in 1949, Americans have accepted the necessity of defending Western Europe against Soviet expansion. But many members of Congress, fearing "another Vietnam" and eager to oppose President Reagan for partisan political reasons, have been reluctant to back his requests for military aid to anti-communist forces in Central America. Yet Central America is right on our doorstep. San Salvador, the capital of El Salvador, is closer to Washington, D.C. (1880 miles) than Los Angeles is (2300 miles).

Modest American aid can save El Salvador and the rest of Central America from a communist takeover. All that's needed is more instructors and more military equipment. American combat troops are neither wanted nor required. Local anti-communist forces can do the job on their own.

NINE DICTATORS

Nicaraguan guerrillas, who called themselves Sandinistas, came to power in July 1979 because of the near-total opposition of Nicaragua's 2.7 million people to continued rule by Anastasio Somoza, whose family had run Nicaragua for more than 40 years. There was widespread rejoicing when Somoza fled into exile, and the Sandinistas promised that free elections would soon be held and that the country's wealth, much of which had been in Somoza's hands, would be redistributed fairly.

Today Nicaragua is ruled by a directorate of nine former guerrilla comandantes who have turned the country into a police state. Like their mentor, Fedel Castro, they swagger about in military uniforms with pistols on their hips. As a result of Sandinista mismanagement of the economy and the world recession, there are shortages of basic foods; unemployment and inflation have soared. Elections have been postponed until at least 1985.

The comandantes, however, have not fared badly. Each has taken over at least one mansion, sometimes two, formerly owned by Somoza and his cohorts.

Nicaragua groans under the weight of foreign communists. More than 6,000 Cubans and 500 Russians and Eastern Europeans are busy shoring up Central America's first pro-communist regime. Two thousand of the Cubans are military personnel. They have turned Nicaragua's armed forces into the biggest and most menacing war machine ever seen in Central America. In addition there are 2,000 Cuban teachers, 1,500 Cuban construction workers and 500 Cuban medical personnel in the country, with Cuban technicians and advisers found at the highest levels of all government ministries. East Germans are instructing the Sandinistas on their sinister specialty, the secret police. The Palestine Liberation Organization has dispatched 50 military instructors.

The communists have dug in for the long haul in Nicaragua. Several thousand young Nicaraguans have been sent to the Soviet bloc for university study, technical training and political indoctrination. Aeroflot has established air service to Managua, and there is a constant flow of Nicaraguans to and from Moscow.

Nicaragua's neighbors are increasingly worried about the military buildup and the Sandinistas' cries of "revolution without frontiers." The Sandinistas already have a regular army of 20,000 soldiers, mostly Cuban-trained, 2½ times the size of Somoza's army. They are backed by 20,000 trained reservists and 50,000 militiamen. Nicaragua's neighbor to the south, Costa Rica, abolished its army in 1948. (The Costa Ricans felt, quite rightly, that armies and ambitious generals are the curse of Latin America.) Nicaragua's neighbor to the north, Honduras, has just 13,500 in its army. Honduras has air superiority over Nicaragua, but only for the moment. Some 120 Nicaraguans are being trained as Mig pilots inside the Soviet bloc. Diplomats in Managua expect a squadron of 16 Migs in Nicaragua before the end of the year. The Sandinistas also have 152-mm. self-propelled guns and 50 T-54 and T-55 tanks, all supplied by the Soviets. Honduras has no armor, no meaningful anti-tank capability, no artillery. Nervously watching the Sandinista buildup, Honduras's Chief of Staff Gen. Gustavo Alvarez, says, "I don't imagine they want it for parades."

Nicaragua also provides the headquarters for El Salvador's insurgents. Instead of being in the El Salvador mountains, Salvadoran rebel leaders are in a heavily guarded compound near Managua where, with Cuban assistance, the major military decisions are made.

REBELS AT HOME

The flow of war matériel from communist countries for El Salvador's rebels funnels through Nicaragua. Last April, Brazilian authorities confiscated 52 tons of arms and ammunition (labeled "medical supplies") on four cargo planes from pro-Soviet Libya after the planes had made refueling stops en route to Nicaragua. The portion of Honduras fronting the Pacific coast is about 60 miles wide. It takes only two nights for men on foot or leading mules to cross from Nicaragua through Honduras to El Salvador. Other arms are loaded onto small boats in Nicaragua. Darting across the water at night, the boats are hidden in coastal inlets by dawn. More and more, matériel is being sent by airdrops.

However, after four years of helping stir up trouble in El Salvador, the Nicaraguan Sandinistas now find themselves with plenty of the same at home. The regime has come under attack from more than 7500 anti-communist guerrillas, called contras, short for counterrevolutionaries. Operating out of Honduras and Coasta Rica, the contras have fought a number of pitched battles with Sandinista troops. One group of contras from Honduras raided as far south as the Nicaraguan town of Matagalpa, just 60 miles from Managua. U.S. officials say the contras are doing much better than anyone had expected; they have been receiving assistance from villagers who have grown increasingly resentful of the Cubans, food rationing and Sandinista harassment of the Catholic Church.

The largest of the contra groups is the Nicaraguan Democratic Force (FDN in Spanish), its 5000 fighters trained and armed in Honduras with CIA and Honduran assistance. Fighting in coordination with the FDN are 2000 Miskito Indians determined to avenge Sandinista atrocities against their people. The Miskitos—Moravians and Roman Catholics—were outraged when the Sandinistas closed down churches. When some Miskito men joined an anti-Sandinista movement, the Sandinistas forcibly removed the entire Miskito population from the border area with Honduras, destroyed 40 of their villages, killing women and children as well as men.

A third group of 500 contras operates out of Costa Rica and is led by Edén Pastora, a former Sandinista comandante, who got fed up with the Cuban domination of the Sandinista government.

The contras have tied the Sandinistas in knots. They have the classic advantage of the guerrilla, and the Sandinistas the classic weakness of the government. The government has to be everywhere, guarding military installations and economic targets and defending cities and towns. The guerrillas choose when and where to fight. By inflicting damage on Sandinista forces, they undermine the credibility of the government.

INFORMAL ALLIANCE

Honduras has become a key ally of the United States in opposing Soviet-Cuban designs on Central America. The Honduran government permitted Nicaraguan contras to train on Honduran territory and continues to allow CIA-funded supplies to be shipped through Honduras. In addition, the government has agreed to open a base in Honduras where 120 U.S. military instructors would train 2400 Salvadoran troops so as to increase their effectiveness in coping with the guerrillas in their own country. President Roberto Suazo, a 56-year-old country physician, says, "As a doctor I know that when there is a cancerous lesion on the body, it must be eliminated or it will spread."

The Honduran army and police have cracked down on the traffic of supplies from Nicaragua to El Salvador. It is impossible to stop it entirely because most of the border is sparsely settled wilderness. The Hondurans, moreover, do not have the means to intercept the night flights across their territory.

Honduras will receive more than $30 million in U.S. military aid during this fiscal year. At any one time, 35 to 40 U.S. military personnel are in the country helping to train its army. In addition, 50 men from the U.S. Army Corps of Engineers are working on a $13-million expansion of a military airfield that American planes could use in a Honduran emergency.

Except for Haiti, Honduras is the poorest country in the Western hemisphere. Unlike its neighbors, it has no rich volcanic soil and, rather than a country of huge haciendas with peons working the land, Honduras has always been a place where small farmers work their own land. With a freely elected government, a free press and free labor unions, Honduras has few indigenous guerrillas or urban terrorists of any consequence. And its informal alliance with the United States is paying off handsomely in its struggle against poverty. The United States has embarked on a program of economic aid to Honduras that is large for a

country of just 3.7 million people. If Congress approves a request for supplemental funds, $96 million will be spent on economic and health programs during this fiscal year, three times as much as on the military.

SIGNS OF HOPE

In El Salvador a military stalemate has developed. The government has been unable to defeat the Marxist guerrillas, who number some 6000; the guerrillas, in turn, are unable to bring down the government. The stalemate gives the government time to build its strength. American military aid, though inadequate, has nonetheless brought about some changes in the Salvadoran security forces. Says one American adviser, "The Salvadoran army was organized to fight on conventional lines. We're turning it completely around, into a counterinsurgency force."

While some elements in the security forces have no appetite for fighting, those who have been trained by Americans fight well. Unfortunately there are far too few troops with such training—4,000 out of 20,000 in the regular army and national guard. The American military mission in El Salvador hopes to train 3,000 more Salvadorans this year. The program, however, has been hobbled by the fact that the Administration, fearful of an adverse reaction in Congress, has limited the number of American instructors to 55. The President had asked for $136 million for the current fiscal year, but seven months into it, Congress provided only $26 million.

In the past, the Salvadoran army conducted itself as most Latin American armies do. When troops ventured out of their garrisons, it was in force to patrol highways in vehicles. Now, as a result of American insistence, small units are in the field all the time; when they find Marxist guerrillas, reinforcements are flown to the scene in American-provided helicopters. Three immediate-reaction battalions and an airborne battalion, all trained by Americans, are able to strike at the guerrillas anywhere in the country.

The security forces have been singularly successful in cleaning up San Salvador, the capital. Three years ago, guerrillas roamed the city with impunity, collecting "war taxes" at gunpoint and hijacking cars. At night, everyone withdrew to his home; the streets were absolutely deserted. Since then, however, the security forces have run the guerrillas out of town. Streets are thronged at night with people out for a stroll.

The guerrillas have little chance of winning, not only because of the military superiority of the government forces but because the Salvadoran public does not support the rebels. The guerrillas called for a general strike in August 1980. The public ignored it. In January 1981 the guerrillas called on civilians to stage an uprising in connection with a "final offensive" by the rebels. There was no uprising and the offensive was a bust. Last year, the guerrillas urged the public to boycott elections for a constituent assembly, threatening to shoot people who turned out to vote. The result: 80 percent of the eligible voters went to the polls. The public has been further alienated by the guerrillas' economic warfare. The rebels burn trucks and buses, destroy bridges and power lines and set fire to crops.

The Salvadoran government is far from perfect, but it is a freely elected one. Rightists inside and outside of the government have tried to sabotage the land-reform program, yet it remains basically intact. About 100,000 peasant families have benefited; once employed for a pittance as laborers on vast haciendas, they now are living on their own land. Rightist terrorism still is carried out by elements in the security forces, particularly the national guard and the treasury police, but the number of political murders and kidnappings has fallen sharply. Human-rights violations are deplorable, but critics of American aid to El Salvador should bear in mind that it has been a land of great violence throughout its modern history. The situation cannot be changed overnight—especially in the midst of a fratricidal war.

Of all the events that are unfolding in Central America, the appearance of the contra guerrillas in Nicaragua may prove to be the most decisive. Many people feel that the contras have a good chance of destroying the Sandinista regime. This will not happen very soon; guerrilla warfare normally goes on for several years before it is successful. Should the contra win, the Marxist insurgency in El Salvador and a similar, lower-level one in neighboring Guatemala would in all likelihood wither away.

To hasten this day, the United States should lend its support to democratic forces in Central America whose people look to us for leadership. Indeed, America's role as a world leader may well hinge on how resolutely we deal with this Soviet-orchestrated threat in our own back yard.●

CENTRAL AMERICA

HON. THOMAS F. HARTNETT

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1983

● Mr. HARTNETT. Mr. Speaker, one can hardly comprehend the injustice and inequities being inflicted upon the peoples of Central America, until it is viewed with ones own eyes. During my visit to Central America in June, I witnessed the degradation of human freedoms and rights on a scale beyond belief. The citizens of these countries are not calling on the United States from some far corner of the world. These people are calling for help from within our hemispheric bounds. Our neighbors request the economic and ideological help a democracy can provide.

The countries of Central America are not only proximal to the United States geographically, but also politically. Of the 32 countries in Latin America, 23 nations representing 70 percent of the total Latin American population, are democratic. It is, therefore, the direct responsibility of the United States and the other eight regional democracies that endorsed the principles of the San Jose Final Act of October 1982, to insure the security of the Latin American democracies. This security is becoming increasingly difficult to maintain under the weight of Communist subversion and aggression.

The Soviet Union has preyed upon targets of democratic, as well as authoritarian, regimes. This was evidenced in the 1960's by the Communist guerrilla activities in democratic Venezuela and Uruguay. Since 1978, the negative influence of the Soviet Union has infiltrated Colombia and Costa Rica. The Soviet Union, working through its satellite, Cuba, has demonstrated large-scale subversion in many Latin American countries. There are an estimated 8,000 Cubans in Nicaragua and Suriname. Currently, major subversive efforts are being actively pursued in Central America, Colombia, Dominican Republic, Chile, and Haiti. This amounts to a Soviet military effort in Latin America that is twice as great as that of the United States.

Between 1962 and 1981, Soviet security assistance to Latin America totaled nearly $4 billion; U.S. assistance for the same period was roughly $1.5 billion. The number of Soviet military advisers in Latin America between 1970 and 1981 was double that of the United States. Furthermore, the Soviets have also provided for the massive modernization and buildup in Cuba since 1981. In 1981, military equipment, amounting to more than 63,000 metric tons, poured into Cuba. This is the highest total since 1962, during the Cuban missile crisis. Just last year, 68,000 metric tons of military equipment was delivered to Cuba.

When I look at these startling figures and realize that nearly half of our foreign trade, including petroleum, passes through the Panama Canal and Caribbean Sea; and further, in a time of European crisis, at least half our supplies for NATO would go past Cuba, I feel the need to enact more responsive legislation in this area of concern. Our lifelines of trade in the Caribbean Basin are in ever increasing danger from the Soviet combat brigade stationed in Cuba and a modernized Soviet submarine base, also located in Cuba. There is firm evidence regarding Soviet and Cuban support for violent leftist activities in Central America. U.S. intelligence has provided locations of training camps, command centers, and arms supply routes within this region. There are Nicaraguan based military facilities that provide command and control, training and logistical support for the Salvadoran guerrilla forces. These activities are not motivated with concern for democratic freedoms and equalities in society, but are, in fact, designed to prevent friendly U.S. relations with Latin America.

It has, therefore, been necessary for the United States to promote a policy of support for nations struggling with political freedom. Many of my liberal colleagues have said the United States is emphasizing security over economic development; this is simply misleading rhetoric. In fiscal year 1983 three-fourths of our assistance to the region came in the form of economic aid, only one-fourth was military aid. from 1946

through 1982, the United States provided $2.3 billion in economic aid, as opposed to $296 million in military assistance to the region. Up to 1982, the U.S.S.R. provided $4 billion in military subsidies to Cuba. The Soviets provided $150 million in military assistance and $50 million in economic assistance to Nicaragua.

Although I feel developmental assistance to Central America is vital, we must also provide a shield of defense behind which democracy can grow. When I hear the opposition berating the current policies in Central America, in particular, U.S. military practice, I feel compelled to set the record straight. No military assistance was given to El Salvador until President Carter did so in January 1981 following definitive evidence of massive arms flows to El Salvadoran guerrillas from Nicaragua.

U.S. diplomatic initiatives in the Latin American countries advocate reductions in armaments, but I am in agreement with the administration. As long as Nicaragua maintains a huge militarization program, its neighbors need military support to resist threats to their security. The United States is trying to advance political reconciliation through the democratic process within each nation. I have seen where these programs have begun to work and have much potential for success. The million and a half Salvadorans—83 percent of the electorate—who voted in March 1982 are crying out for the democratic freedomes that they are entitled to as human beings. I feel that Congress must continue to support democracy, reform, and human freedom in Central America. We must continue to support economic development. We must support dialogue and negotiations, both among the countries of that region and within each country. Paramount to all of this is the pledge to assist those nations threatened by possible loss of democracy.

It amazes me how some of my colleagues feel that the Reagan administration has been ignoring the conditions of this area, when the President increased the Carter administration's $20 million (fiscal year 1981) economic assistance request for El Salvador to over $100 million. This economic aid was also increased further to provide $186.1 million (fiscal 1982) to the Salvadorans. Such a ludicrous assertion can be further dispelled when one considers the proposed Caribbean Basin Initiative, which will provide powerful trade and investment incentives to countries of the region.

It should be understood that military aid must go hand in hand with economic aid. For just as we argue that economic growth will promote political security, it is also true that economic growth will only take place in an environment of political peace, not violence or military aggression.

Much of the world and the United States have focused their attention on the 55 U.S. advisors in El Salvador and what the United States may or may not be involved with in Nicaragua. Our advisors have helped to train just 1 out of every 10 Salvadoran soldiers; much less than the number of guerrillas trained in Nicaragua and Cuba. As time passes, chunks of democracy fall into the hands of Communist control. We, as Americans, cannot permit this to happen. We cannot support repressive regimes. We must promote freedom and individual liberties. For if we fail in our goals, it is my firm conviction that we will witness a bloodbath between the marxist and the anticommunist led elements of Central America, and later among the leftists in a struggle for power. This violence will result in a mass exodus, fleeing the chaos and repression in Central America to the relative peace and freedom of the United States. The security ramifications for the United States would be intangible. We would be bordered to the south by marxist totalitarian dictatorships committed to a goal of democratic destruction. This would incorporate a threat to the Panama Canal, Mexico and the vital sealanes through which 50 percent of our trade passes. There would be no hope of rebuilding this region into pluralistic states.

In conclusion, allow me to say that for too long, the extent of the Soviet threat in Central America has been overlooked or simply underestimated. We are witnessing a premeditated plan for the erosion of the democratic countries in Latin America. It is imperative that the United States provide the help economically and militarily to these countries under communist pressure. A battle for justice and freedom is being waged in our hemisphere. It is our democratic and moral obligation to pursue a policy which will assist the efforts being made to foster democracy in Central America. The ideals we represent are being challenged. We must stand up and be counted in their defense.●

LEGISLATIVE VETO: YES OR NO?

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1983

● Mr. MICHEL. Mr. Speaker, when the historic Supreme Court decision on the legislative veto appeared, I said that we would—and should—see a variety of opinions and commentary on the decision. I have not been disappointed. There are probably more views on this difficult and complex subject than on any other in recent memory.

One such view was put forth recently by Terrence M. Scanlon, Vice Chairman of the U.S. Consumer Product Safety Commission in testimony before the Subcommittee on Administrative Law and Governmental Relations of the Committee on the Judiciary of the House of Representative. I want to bring these remarks to your attention since they very clearly and informatively present one point of view on this very difficult problem.

At this point, I wish to insert in the RECORD a statement by Terrence M. Scanlon, Vice Chairman of the U.S. Consumer Product Safety Commission before the Subcommittee on Administrative Law and Governmental Relations of the Committee on the Judiciary of the House of Representatives.

Mr. Chairman and Distinguished Members of the Subcommittee on Administrative Law and Governmental Relations, I welcome this opportunity to submit written testimony on H.R. 2327, The Regulatory Reform Act of 1983, and to comment on the June 23, 1983 U.S. Supreme Court decision on the "legislative veto," as well as the potential impact on the Consumer Product Safety Commission (CPSC) of some of the various legislative responses to that decision. I regret that I cannot appear in person to deliver these remarks because of a long planned trip. I will limit my comments to the issue of the legislative veto, as it is certainly on the minds of many people today, especially regulators such as myself and you as members of the legislative branch.

When first contacted on the day the U.S. Supreme Court decision was announced in *Immigration and Naturalization Service* v. *Chadha et al* (Slip Opinion No. 80-1832, decided June 23, 1983), I said then in response to a media inquiry and will repeat that ". . . to the extent that Congress more accurately reflects the mood of the American people than the regulators, the review that has been eliminated [i.e., the legislative veto] is one that I feel was a very important balance and restraint on regulation." I also stated that, with the elimination of this additional review of the regulator's action and the resulting increase in power granted to us, our level of responsibility increases as well. Accordingly, I stated that, "I hope history proves we were worthy of that responsibility."

I stand by those preliminary remarks and, on further reflection, I think they adequately reflect my views today and I am certain many of yours as well. The added responsibility placed upon regulators, in absence of the legislative veto, is one I take seriously and view with some concern; and I am sure all those in a similar position do so, as well.

Unfortunately, self-policing and self-restraint have hardly been the forte of most regulatory bodies. A need for adequate checks and balances is I believe self-evident. An external check on the power of regulatory authorities is, I think, necessary and important if we are to provide the maximum benefit to the public.

Judicial review is, of course, always available on any proposed regulation. But, all of us familiar with the costs and delays inherent in the judicial process as it exists today would hardly look to this method of review as "one last resort" for those to be regulat-

ed. Often, those affected by such regulations are small businesses or minority-owned enterprises, an area I specialized in for thirteen years prior to my appointment to the CPSC. These individuals and groups are least able to turn to the costly and often long-delayed judicial review process when faced with regulation that may adversely impact on their businesses or even place their very survival in jeopardy.

Since the 1981 amendments [1] added the legislative veto to our statutes (Consumer Product Safety Act, CPSA; Flammable Fabrics Act, FFA; and Federal Hazardous Substances Act, FHSA), these provisions have had no adverse effects. The legislative veto provision has merely delayed the effective date of promulgated rules, pending the required expiration of the 90-day continuous session without disapproval.

It is possible I may be in a minority among regulators, both at the CPSC and elsewhere in the federal establishment, in that I favor Congressional review and authority to disapprove regulatory actions. My work with small business development compels me to this conclusion. My call is for a shared responsibility with the Congress, the representatives of the American people. This is one of the best barometers I know of, along with the President, of citizens' hopes, fears, and aspirations. Accordingly, I favor a legislative response to the challenge posed to all of us by the loss of the legislative veto.

The form and format of such a response is, of course, the more difficult question. It is not easy to say what method Congress should use to supervise the exercise of delegated powers. The two specific proposals I am familiar with have both been added on the House side to our reauthorization bill (H.R. 2668). They would serve to put this particular Commission on notice that we cannot expect an unabridged power to regulate. One proposal would give both the legislative branch and the President 90 days (continuous days of the Congressional session) to disapprove a final rule or regulation by joint resolution.

The other proposal would provide that both legislative bodies and the President must in substance affirmatively approve any regulation before any appropriated funds may be used to place in effect that safety rule. No time limit for action is set out in that particular proposal. This, in my view, is the more stringent check on regulatory conduct. Mere inaction by either House or, more importantly, a single Committee of the House or Senate would effectively kill any safety rule or regulation. I need not tell you of the potential of inaction by a Congressional Committee on any given proposal due to the enormous number of bills introduced annually. Congress could be potentially faced with the added burden of legislative processing of the many regulations promulgated yearly. Such inaction would be I suspect the norm rather than the exception.

Regardless of which proposal is ultimately adopted, the public good—in our case at the CPSC, the specific well being and safety of consumers in the complex and diverse marketplace of America—will best be served by Congressional and executive action on any proposed regulation, as well as judicial review. Such shared responsibility, I believe, is the best chance to produce a "consensus" that is possible to be reflective of the very diverse and complex society which is the United States today. I am sure the Congress, as well as the executive branch, can and will be able to meet the challenge posed by this Supreme Court decision. Not only will the traditional separation of powers be maintained, but also the process will be such that all of us can fulfill the mandate with which we are charged—to provide for the common good.●

[1] Section 1207, Omnibus Budget Reconciliation Act of 1981 (Omnibus Act). P.L. No. 97-35; 95 Stat. 718-20; 15 U.S.C. § 2083, 1276 and 1204.

ETHNIC WAR IN NICARAGUA

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1983

● Mr. LAGOMARSINO. Mr. Speaker, in the debate on covert aid to the Contras in Nicaragua, there were times when the discussion lost sight of the severe attack on human rights being orchestrated by the Sandinista regime. That government's policy toward the ethnic minority groups in Nicaragua is an outrage. The Miskito Indians and other Indian groups have been the victims of imprisonment, relocation and massacre. The Congress has never hesitated to condemn the unspeakable horror of genocide, yet the campaign of terror invoked against the minorities of Nicaragua seem to be ignored. I urge my colleagues to consider the analysis of Prof. Bernard Nietschmann of the University of California at Berkeley in the following commentary entitled "Ethnic War in Nicaragua."

ETHNIC WAR IN NICARAGUA

The Sandinista invasion and occupation of eastern Nicaragua has turned into an outright war against all ethnic minority groups. Miskito, Sumo and Rama Indians, Creoles, and Black Caribs (Garifunas) have been killed, imprisoned, relocated by force, and some have escaped capture by fleeing into the forests and swamps. A few have managed to elude Sandinista patrols and boats and have made their way to Costa Rica to become refugees. Others have stayed to take part in the growing resistance against the Sandinistas.

Every member of an ethnic minority is considered to be a probable contra, and as a result, all central and southern coast villages are being turned into ethnic ghost towns, replaced by military garrisons. For example, Marshall Point villagers (Creoles) are in prison or in the bush and their settlement is now occupied by 250 Sandinistas. Orinoco (Black Carib/Garifuna) had two-thirds of its population arrested and now is a military post. Tasbapauni, Miskito community, was invaded by 500 Sandinistas on January 18, 150 Miskito were arrested, 600 fled, and the village is now occupied by a military force. Eastern Nicaragua is now a region devoid of the ethnic minorities that once made up the bulk of the population in this formerly isolated coastal lowland. The minorities are either dead, in jail in Bluefields, Puerto Cabezas, or Managua, in the bush as part of the Resistance, or in Honduras or Costa Rica.

The war between the Sandinistas and eastern Nicaragua's ethnic minorities is based on a different history and different influences than those that are part of the war being waged by Spanish-speaking Nicaraguan contras operating out of Honduras and Costa Rica. Fighting between the Miskito and Spanish-speaking people goes back 400 years. Until the 1979 Sandinista Revolution, Miskito territory was never occupied by or surrendered to Spanish-speaking peoples. Historically, Rama and Sumo Indians also have resisted Spanish intrusion. The coming of the Sandinistas to the east coast is the first large-scale invasion and occupation by Spanish-speaking peoples. The occupation has turned into a race war against all ethnic minorities. Resistance is widespread and growing and includes not only Indians but Blacks (Creoles) and Garifuna, a people whose culture was forged from waging the only effective armed resistance encountered by the Spanish, French and English in their sixteenth to eighteenth century conquest of the eastern caribbean.

Ethnic minority peoples are resisting the Sandinista invasion. Displaced, imprisoned, dead—many are unable to resist. But others are and they are doing so for their own territory, their own people, their villages, and for their dead. The Ethnic Resistance is independent in origin, united by the collective experience of Sandinista repression, and seeks self-determination of livelihood and autonomous control of their villages and lands.

The Ethnic Resistance is a third front against the Sandinistas. Many people misunderstand the basis and the alliances of this resistance, supposing that it has been originated by outsiders, either Spanish-speaking contras or the C.I.A. To believe this is to ignore completely the bloody colonial history of Spanish extermination and exploitation of Indians in Latin America and post-Independence racist treatment of Indians that continues unabated to the present. Why are there no Indians in Cuba or in the island Caribbean? Why are there so few in Costa Rica? El Salvador? Why are Indians being killed in Guatemala? And why have the Miskito been resisting the Spanish and the Spanish-speaking Nicaraguans for more than 400 years?

The treatment of Indians has not changed over time or with political change. Colonialists and revolutionaries have violated Indian human rights and territorial rights. Governments of the political right and left have dispossessed Indians of their lands and taken their lives and this continues in Nicaragua under the cover of economic and political development and military security. Hundreds of Indians have been killed and now the killing also includes Garifuna and Creoles. Hundreds have been arrested and imprisoned. And more than 14,000 have fled Nicaragua to take refuge in Honduras and hundreds more are on their way to Costa Rica. Thousands more have been forced into "relocation camps," which are simply concentration camps from which attempted escape means pursuit by guards and bombardment and strafing by Sandinista airplanes as happened between March 30 and April 5 when some 700 Miskito broke out of relocation camp Francia Sirpi and headed for Honduras to seek refuge. At least 17 Indians were killed and many more wounded by the aerial attacks.

Indian peoples have survived in Latin America in isolated areas, but few places are isolated anymore. And Indian peoples have survived by resisting as did the San Blas Cuna who fought and defeated the Panamanian forces in the 1930s. The Cuna have

their own islands and have control over those islands as a result. And the Garifuna survived through resistance until they were deported from St. Vincent Island in 1797. But their descendants in Nicaragua continue to resist invasion of their villages and lands. Now, too, they have been deported to jail in Managua, exiled from their homeland; some have become refugees in a foreign land. And others stay to fight.

The expelled and bloodied ethnic minorities of eastern Nicaragua will continue to resist the occupation of their homelands. To consider Indian and Black resistance fighters to be mercenaries is both paternalistic and racist. The Caribbean Front is an ethnic war percipitated by the Sandinista invasion. Denied their lands, villages, homes, their human rights and very lives, are they now to be denied even the history and origin of their resistance?

Apologists for the Sandinista invasion and repression of ethnic minority rights will continue to try to explain the ethnic resistance as foreign-inspired. For them the Revolution must have no blemishes, no legitimate internal rebellion. They seek resistance to the Resistance.

Ethnic resistance to ethnic repression will continue. The Third Front is real. What is going on in Nicaragua is much more complicated than the two dimensional descriptions of the good guys vs. the bad guys, Washington vs. Managua, capitalism vs. socialism, the C.I.A. vs. the Sandinistas. Indian and Black peoples are dying and fighting for their rights and lands. Some things never change, only the interpretation. Remember Tasbapauni.

(Bernard Nietschmann is Professor of Geography at the University of California, Berkeley. He has worked with Indian and Black peoples of Nicaragua since 1968.) He is the author of three books on eastern Nicaragua: "Between Land and Water: The Subsistence Ecology of the Miskito Indians" (1973, Seminar Press); "Memorias de Arrecife Tortuga" (1977, Managua); and "Caribbean Edge: The Coming of Modern Times to Isolated People and Wildlife" (1979, Bobbs-Merrill).●

TIME HAS COME TO DECONTROL

HON. THOMAS F. HARTNETT

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1983

● Mr. HARTNETT. Mr. Speaker, I would like to share with my colleagues two articles which have appeared in the Charleston News & Courier and the Evening Post calling for decontrol of natural gas.

I represent, as many of my colleagues do, a consuming State of natural gas. Under the complex price regulations of the Natural Gas Policy Act of 1978, my State, along with many other States, pays more than the national average for its supply of natural gas. I am opposed to this regional disparity because in a tight supply situation, South Carolina, under the present law, would be very vulnerable to price and supply distortions in the natural gas market.

What this could mean to South Carolina in terms of employment was spelled out in a recently completed study by Clemson University's South Carolina Energy, Research and Development Center, on the economic impact of natural gas prices and deregulation on the South Carolina economy. The study entitled "An Assessment of the Economic Impact of Natural Gas Prices and Deregulation Upon the South Carolina Economy," concluded that if the present law remains unchanged, in a tight supply situation, pipelines serving South Carolina might not be able to purchase expensive gas and the State could face plant shutdowns with a cumulative loss of 130,000 South Carolina jobs.

[From the Charleston (S.C.) News & Courier, Feb. 26, 1983]

TIME HAS COME TO DECONTROL

When it passed the Natural Gas Policy Act of 1978, Congress wanted the price controls on natural gas to be phased out gradually with a minimum impact on the consumer. Gas was cheap then and fuel oil was expensive. It was hoped the two prices would equalize by 1985.

But ask any natural gas consumer about gas prices—they have tripled since 1978 in some parts of the country, and, on average, went up 25 percent last year alone. In some markets the cost of gas has now zoomed past the cost of fuel oil, causing industrial users to start converting their energy source to oil. As the current OPEC disarray continues and the price of crude drops, that gas gap will continue to widen.

There was one positive result of the 1978 legislation—it stimulated a search for new sources of gas. That search was so successful, it spawned a whole new breed of overnight millionaires and there's so much gas available today that wells are being capped off. That raises the question of how does gas defy the laws of supply and demand? The answer lies in the regulatory flukes built into the 1978 law by which Congress created different prices for gas from different sources to stimulate exploration. As a result, gas in the lower-priced categories is being capped off and left in the ground while the expensive brand is being delivered to the customers.

All of this has not escaped the attention of President Reagan who advocated speeding up decontrol of natural gas during his 1980 election campaign. He has not pushed the subject over the last two years for fear that the prices on a free market would zoom, negating his efforts to lower the inflation rate. as it has turned out, the prices zoomed anyway because of the way the regulations were worded while the inflation rate dropped to the lowest in a decade. Mr. Reagan's major obstacle in Congress remains those Democrats who advocate recontrol of gas prices. All that would accomplish is a return to the gas shortages of the mid '70s which led to the initial decontrol legislation.

The answer is to speed up the process of decontrolling natural gas prices. The time is even more critical now that oil prices are tumbling. The built-in market competition will insure a rapid stabilization of prices and an end to this unnatural defiance of the laws of supply and demand.

[From the Charleston (S.C.) Evening Post, Mar. 31, 1983]

GOVERNMENT RULES RAISE NATURAL GAS COST, EXXON OFFICIAL SAYS

(By Terry Bresnihan)

The solution to problems in the natural gas industry is to end government regulation and a return to a free and competitive market, an Exxon USA official said here Wednesday.

Dr. Arthur G. Randol III, public affairs manager of Exxon's southeastern division, said federal government price rules that were prescribed in 1978 legislation have brought large increases in the cost of natural gas and caused other distortions in the market that wouldn't occur naturally.

Randol made his remarks in an address to a Charleston Trident Chamber of Commerce forum on natural gas.

The 1978 law, enacted at a time of gas shortages, lifts price controls by 1985 on offshore oil and gas discovered after April 1977. But it retains indefinitely price ceilings on gas found prior to April 1977 and mandates numerous, complex pricing procedures. President Reagan has proposed that all controls be eliminated by 1986.

Randol said that South Carolina is very vulnerable to price and supply distortions in the natural gas market because of the government's current policies. The state is very dependent on outside suppliers of energy and sits at the end of most pipelines serving this region. Because South Carolina already holds a disadvantaged position, market disruptions could have tremendous effect, he said.

Randol, who said he believes that increasing awareness of the problem will lead Congress to accept Reagan's proposal, disagreed with those consumer groups and others who predict price increases following total decontrol. He noted that oil prices didn't experience the predicted large increases after that commodity was decontrolled. "Under the president's proposal it's more than likely that prices would drop," he said.

Randol also made reference to a Clemson University report assessing the impact of natural gas prices and deregulation on the state's economy. A major conclusion was that supply is significantly more important to South Carolina industry than cost because of the low quantities of natural gas used in relation to total product output. Recommendations of the study favored deregulation to a limited degree with provisions for alleviating the disruptions of shifting from a controlled market to a free market.●

ANOTHER VIEW OF SOUTH AFRICA

HON. JACK FIELDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1983

● Mr. FIELDS. Mr. Speaker, I would like to present for the RECORD, an article that recently appeared in Portland magazine entitled "Another View of South Africa." The author, Mr. R. E. Forbes, clearly explains why the United States must continue to play an important role in business and trade with South Africa.

Forbes, a resident of southern Africa for almost three decades, writes in response to recent cries calling for divestment of U.S. business interests in South Africa. Forbes notes that during the last 3 years more progress has been made toward creating a more just social order in South Africa than in all of its previous 300 years of existence. During this time, job reservations for whites were abolished, an increasing number of blacks learned trades and entered the professions, and the real income of blacks increased 40 percent over the past decade, by far the highest income on the African Continent.

The present Government in South Africa recognizes that in order to prevent rising social unrest, structural changes must be made within the Government to provide all races in South Africa with the economic and political freedoms they deserve. While continued improvements are necessary, the changes being made represent the beginning of a program to improve the quality of life for the black population in South Africa. Divestment of American business in South Africa would not only hurt our own economic interests, but would also cause undue economic hardship and misery for the nation's majority black population.

I commend the following article to the attention of my colleagues:

ANOTHER VIEW OF SOUTH AFRICA

(By R. E. Forbes)

A bill recently came before the Oregon Legislature, which was to prohibit state funds to be invested in businesses trading with South Africa. After lengthy deliberations, better judgment prevailed and the bill died quietly.

For one who has lived in southern Africa for almost three decades it is incomprehensible how such a bill could have come up at this juncture, when, particularly during the last three years, more progress was made toward creating a more just social order in South Africa than in all the preceding 300 years. Nobody claims that there aren't still many problems, but there is willingness by the government to solve them without at the same time jeopardizing the country's security. The secretary-general of the biggest black South African labor union, Lucy Mvubelo—addressing an audience in this country recently—was asked whether the changes made by the government aren't just cosmetic. She replied, "They are not cosmetic, they are more like a heart transplant." Contrary to the impression the enemies of the Republic of South Africa (RSA) wish to create, the government is doing its utmost to improve the quality of life of the black population. South African blacks have by far the highest average annual income on the African continent. From 1971 to 1980 the real income of blacks increased by 40 percent while that of whites decreased by 3 percent. However, there still is a gap between the two incomes, but since job reservations for whites were abolished and an increasing number of blacks learn trades and enter the professions, it is shrinking fast. The government knows that the best way to prevent social unrest is to create as large a black middle class as possible, which is also good for the economy.

There also are other reasons why the republic's enemies' prediction, which has been bandied about for at least half a century, that a black uprising is inevitable, is without foundation. Unlike the Ameircan blacks, who are a more or less homogeneous community, South African blacks are not. They belong to 10 separate nations (each subdivided into many tribes), each with its own language and tradition. One manifestation of this, and of the fact that there is no unity—rather hostility—between the different nations, is that a member of one black nation only will call a member of the same nation brother, never one belonging to another nation. Even if there were motivation for an uprising (and as the above-mentioned Lucy Mvubelo said, such motivation does not exist) concerted action by the different nations and tribes is an impossibility.

South Africa's blacks are aware of what goes on beyond their borders—the utter misery, starvation, unemployment, rape and massacres in the tribal wars in Angola, Mozambique, Zimbabwe and farther afield, the consequence of revolutions—and they don't want any of it. The only ones who want revolution by advocating divestment are a few power hungry individuals such as foreign-based, Soviet-backed terrorist leader Oliver Tambo, who couldn't care less about the peoples' well-being. The internationally revered Gatsha Buthelezi, chief minister of the Black National State of KwaZulu and leader of the Zulu nation said, "It is morally imperative that American firms remain active here. My people want you and need you here, as we need the whites and the whites need us." Many responsible black labor leaders, including Lucy Mvubelo, also have spoken out publicly against American divestment, and neither Buthelezi nor any of them are Uncle Toms.

One might ask those who want to punish businesses trading with South Africa why they don't want to punish firms trading with countries which invade other countries, which arm terrorists all over the world, which will not allow their citizens to emigrate, and penalize those who hold religious beliefs and generally violate human rights far more than South Africa ever did?

It is, however, not surprising that many Americans are emotional and biased against South Africa when one realizes that most of the Western media throughout the years have sent only the kind of people to South Africa who could be depended upon to send back sensational reports, reporting only the detrimental and none of the favorable news. If there isn't detrimental news, it is manufactured. An example is what I once witnessed. One morning I happened to see a panel-van, with the name of a well-known TV network on its side, stopping in a street of a white suburb where the children of the black servants were playing. Several men got out and set up the TV paraphernalia and, of course, the kids crowded around curiously watching. One of the men took out a handful of coins and dropped them in a garbage can. The kids, of course, dived for them and the camera whirred. One of the men shouted, "Keep it at a distance, they are too fat." What Americans eventually heard and saw on their sets was "starving black children raiding the whites' garbage for scraps of food." It's the same kind of news coverage but in reverse, which relegates in low-key to the back pages the findings of the Italian authorities of the KGB involvement in the assassination attempt on the Pope or the Soviet use of poison gas in Afghanistan.

Apart from the above considerations, what would divestment in South Africa do for, or to, the United States. South Africa is one of the most lucrative and safe investment fields in the world. The yield from foreign investment is an important national revenue which is reflected in the balance of trade. Were American businesses forced to sell out in South Africa, no doubt some other industrialized country would pick up those assets probably at bargain prices. We would be the losers without having accomplished anything. But supposing that nobody were to buy our factories or whatever, the assets would have to be liquidated and the loss would even be greater. However, it would hurt the South African economy, but the ones to be hurt most would the people on which behalf it would be done. They would lose their jobs.

The goal of the divestniks is to topple the South African government. Supposing they succeeded, it would mean a bloodbath of almost unprecedented proportions, and the only winners would be the Soviets. Leonid Brezhnev told the Warsaw Pact chiefs in Prague in 1973 that the Soviet goal is to bring the West to its knees by cutting off the supply of Middle East oil and the minerals from Southern Africa. As I said in my testimony before the Oregon Legislature, a vote for this bill is a vote for Yuri Andropov.●

CENTRAL AMERICAN CLARIFICATION

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1983

● Mr. LAGOMARSINO. Mr. Speaker, it seems that congressional and media critics of the administration refuse to acknowledge the significance for U.S. security interests of countering the Communist threat in this hemisphere. The President's press conference July 26 attempted to put into perspective the threat the United States faces as well as the coordinated effort to find a negotiated settlement in the region while putting pressure on the Nicaraguan Government to curtail its subversion in Central America and join the negotiation process. William Randolph Hearst, Jr., in the July 31 Los Angeles Herald Examiner, describes his impressions of U.S. policy in Central America and his support for the President's position.

SAN SIMEON, CALIF.—President Reagan tackled the Central American and Caribbean region problems head-on with an emphatic assertion that the United States wanted nothing but to preserve freedom. He supported fully military maneuvers around the ticklish areas, wondering why critics made such an outcry when they have been staged regularly there for years.

Fleet battle groups shortly will take up positions in international waters where they are entitled to be, and land maneuvers are planned with friendly Honduras adjacent to communist Sandinista-run Nicaragua. The president declared that we didn't covet an inch of Central American territory which Soviet-sponsored surrogates actually seek.

But the United States, President Reagan told a White House televised press conference, must provide our embattled Central American friends such as El Salvador with a "shield for democracy," meaning our intent and power to enable them to do their job. They haven't asked for U.S. forces and President Reagan didn't forsee a scenario where they would, if they themselves are adequately trained and supplied.

I wholeheartedly agree with his position, told frankly and fully to a national audience. The president detailed specifics of Soviet and Cuban clandestine military aid to the Sandinistas last spring. After an initial favorable national response, congressional and media critics clouded up the issues that involve our own national interests.

The president made a number of other comments in his wide-ranging press conference that I think should be emphasized.

One of them was about that phony comparison between Vietnam and Central America. Over and over again in recent weeks we have all read and heard that phrase "another Vietnam" in connection with the news about Nicaragua and El Salvador. In the first place, Vietnam is thousands of miles away, whereas Nicaragua and El Salvador—and communist Cuba—are right on our country's front doorstep.

Secondly, Ronald Reagan is not just talking through his hat when he says that on that doorstep are Cuban soldiers and installations financed by the Soviet Union. President Reagan referred the other night to the "constant drumbeat" of confusion on this issue. He has every right to be annoyed when his critics, be they politicans or members of the press, draw parallels between countries just south of Florida and a country in far-away Asia.

He responded in a statemanlike manner to a question about Henry Kissinger's qualifications to head a study of Central American problems, adding that the record shows that Kissinger is one of the nation's ablest diplomats and his service in this present crisis is invaluable.

President Reagan asserted that above all, he wants peace and that the Americans are probably the greatest peace-lovers on earth. In his lifetime, the president noted, he saw four wars. He added: "I agree with General Eisenhower that war is man's greatest stupidity."

Yet peaceful pursuits are not the intention of the Soviet Union or of their chief honcho in Central America, Castro. The president remarked that a Soviet freighter loaded with helicopters and guns was heading for a Nicaraguan port. Other knowledgable sources tell me that the Russians have sent over 6,000 tons of military hardware to Nicaragua already this year.

Contrast the Soviet-surrogate kind of gunmanship with President Reagan's determination to achieve peace. He just sent a letter to the "Contadora" group, composed of the presidents of Mexico, Panama, Colombia and Venezuela, which seeks a settlement of conflict in Central America. President Reagan congratulated the group on its efforts and hopes it will find a solution through the Organization of American States (OAS). I thought the Contradoras were a little wishy-washy myself, but President Reagan obviously has more inside information than I.

I can't help feeling that the Contadoras believe that the Sandinistas will ultimately follow results of the ballot, not the bullet. It's a long-held democratic principle that evolution at the polls count and not what the other side does through the barrel of a gun.

Castro had a 90-minute speech read for him at Santiago in Cuba, charging that the United States was trying to create an atmosphere of terror in Nicaragua. At the same time, the bewhiskered Cuban dictator seemed to rule out a withdrawal of Cuban military advisers from Nicaragua. The Contadoras have asked for withdrawal of all foreign advisers from the Central American arena.

Castro has been in for 25 years, but look at what he has done in that time: By agreeing to installation of Soviet nuclear-tipped missiles in Cuba, Castro nearly plunged us into World War III until the Soviets removed the danger. Then to pay back the Russians for their more than a billion-dollar annual subsidy, he sent Cuban legions to Africa and the Middle East where they suffer ever-increasing casualties.

Having become the chief stooge for the Soviets in this hemisphere, Castro uses the color of his shirt as do his masters in the Kremlin to denote revolution. In earlier times, there were black shirts for Mussolini's Fascists, brown shirts to show off Hitler's Nazis. Castro and the Russians display crimson shirts, which brand them for what they are: "Red Fascists."

Today Castro's gunmen who helped the Sandinistas betray the revolution overthrowing the Somoza dictatorship instruct, mind you, their communist disciples in Nicaragua on "human rights." As a result, Sandinistas have jailed or driven out thousands of Miskito Indians, Baptists, Mormons, many of the majority Catholics and all of the small Jewish community. Quite a record in a short time.

Besides accelerating repression of critics and opposition, which the Sandinistas vowed to uphold originally, they undertook to export with Cuban and other Soviet bloc help guerrilla destabilization of next-door El Salvador. They learned the Soviet-Cuban slogan fast: "Peace means war."

President Reagan continues to hope for the best, which is peace but not at any price.●

MILITARY AID TO EL SALVADOR ESSENTIAL

HON. THOMAS F. HARTNETT

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1983

● Mr. HARTNETT. Mr. Speaker, many have objected to the proposed military aid to El Salvador on the grounds that the United States should not bail out a country which abuses human rights. Considering the fact that El Salvador does not have a history of democracy and that it is under attack from well-trained, Communist-supported guerrillas, we should not be so quick to judge them by our standards of justice. Furthermore, since the 1982 election of the interim democratic government, the number of instances of human rights violations has dropped significantly.

The fact that the guerrillas are backed by Nicaragua should signal the danger present in El Salvador. One has only to take a look at the Nicaraguan Government to see what kind of alternative the guerrillas offer to the people of El Salvador. Since coming to power in 1979, the Sandinista government has increasingly harassed the independent political parties, denied permission for political rallies, and attacked their headquarters. The freedom of the press has been attacked with the newspaper La Prensa being shut down repeatedly and presently heavily censored. The religious freedom of the people is in serious question. The Sandinistas have prevented Archbishop Obando Baravo from celebrating mass on television and have closed the church's radio station several times. The clergy have been attacked and humiliated in public, using mobs as a form of intimidation. And then, of course, there is the matter of the public insult to the Pope during his visit to Nicaragua, an insult that has been termed "unprecedented in modern history." The Catholic Church has not been singled out by the government, either; many of the Protestant sects have suffered, as have the Jews.

The list of human rights offenses goes on. It includes the severe repression of the Miskito Indians. The Indians now control the northeastern section of Nicaragua and are violently opposed to the Sandinista regime, charging it with genocide and infanticide. The Sandinistas have been following a scorched Earth policy toward the Miskitos, as well as forced relocations. The list also includes attacks on the business community with the result that the Sandinista regime now owns close to half of the economy. Also, there are still 3,600 political prisoners and the allegations of political arrests and disappearances have increased. Then again, the testimony of Miguel Bolanos Hunter, the defector from Nicaragua, must be considered. He describes the use of starvation and deprivation tactics by the Communist advisers of the Sandinistas, an all-too-familiar Communist method of control.

A comparison of the democratic process in El Salvador to that in Nicaragua serves to discredit any suggestion of similarity between the governments themselves. Both have followed totally different paths. The Sandinistas came to power promising democracy in July 1979, and specifically they promised elections. To this date, the elections and the democracy have yet to materialize. The Government of Nicaragua has instead followed an increasingly totalitarian path. The Salvadoran military officers, who overthrew the former military dictatorship in October 1979, promised social and economic reforms and elections. Since that time, the Salvadoran Government's former adversaries, the Christian Democrats, have been invited into the Government and a civilian has

been appointed president. Social and economic reforms have been instigated, including a project to return land to peasant ownership and elections for a Constituent Assembly that was held in 1982 with fully three-fourths of the electorate participating. There are planned presidential elections in December of this year.

Furthermore, we know that within 2 weeks of coming to power, the Sandinistas were sending arms to the leftist guerrillas in El Salvador, and that within months, they were providing training and support for the guerrillas. While we may deplore any breech of human rights in El Salvador, the alternative is far worse. As Jeane J. Kirkpatrick, U.S. Ambassador to the United States, recently discussed in the Washingon Post, we cannot plead ignorance about these guerrillas or about the plans of the Communist regime in Nicaragua; we know too much. We have a choice to either abandon El Salvador to a well-armed and supplied adversary or to lend aid to a government who is struggling mightily to restore human rights and create a democracy.●

TEXTILES VERSUS GRAINS

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1983

● Mr. FRENZEL. Mr. Speaker, the Journal of Commerce's lead editorial today is titled "Textiles versus Grains." Reproduced below, it details the opposing interests in the negotiations with China on textile imports to the United States. The Chinese, our largest buyer of cotton and a huge buyer of wheat, had threatened to stop all buying of both commodities from the United States.

The agreement is still very restrictive. The United States still has the highest textile tariffs in the world, and still has strict textile quotas. The protests of the textile industry may be real, but the very small annual increases in quotas do not appear to me to be a victory for agriculture.

It looks like a dead heat to me.

The textile trade accord signed between the United States and Chinese negotiators in Geneva over the weekend, breaking a seven-month deadlock, is an important achievement.

This is all the more so since the agreement follows an apparent decision by the administration, despite pressure from the textile and apparel industry, not to reopen recently concluded agreements with Taiwan, Korea and Hong Kong to make them more restrictive.

President Reagan met last week with the Cabinet-level council on the industry's problems and officials indicated then that no decision was taken to alter the administration's textiles policy. The policy, one would think, is tough enough, considering that a record number of unilateral import quotas have been imposed in recent months.

As one U.S. official put it last week, the U.S. textile industry is finally asking for too much. Indeed, we would have thought, they have been asking for too much for too long.

Under the new five-year quota agreement with China, which is retroactive to Jan. 1, the growth of about 30 categories of Chinese apparel shipments to the United States will be limited to between 2 and 3 percent a year, according to official spokesmen. This compares with the 6 percent rate desired by the Chinese and the 4 percent rate on 15 categories of apparel under the bilateral accord that expired Dec. 31.

Domestic textile and apparel manufacturers are unhappy with the Taiwan, Korean and Hong Kong agreements. During the first four months of the year, imports of textile and apparel were up 22 percent over the comparable period a year ago, the manufacturers point out. They are even more unhappy with the Chinese one.

A group of U.S. textile industry officials who were serving as advisers to the American negotiating team in Geneva walked out because they charged that the United States was offering up too many concessions. A spokesman for the Federation of Apparel Manufacturers called the agreement a "disaster."

Textiles have accounted for roughly 40 percent of Chinese exports to the United States. The fourth largest supplier, after Hong Kong, South Korea and Taiwan. China boosted its sales last year by 25 percent to $800 million. Washington puts China's share of all imports at roughly 11 percent.

The domestic industry has always had its way with the administration in the past. Why has it been thwarted now? Has an administration, which talks so much about eliminating barriers to trade, begun to take its own words seriously for a change?

We doubt it. What has more likely happened is that American farmers, witness the new five-year grain agreement with the Soviet Union, simply have more clout. One major benefit of the textile accord with the Chinese is to open up the Chinese market once again for American grain and other agricultural products.

To show their displeasure over the delay on reaching a textile accord, the Chinese have bought no U.S. cotton, corn, soybeans or wheat since early January when the United States unilaterally imposed limits on 32 categories of Chinese textiles and apparel.

The gesture was not lost on Republican members of Congress representing the Midwest, who pressured the administration to settle the Chinese dispute. Their pressure more than offset calls by other powerful Republicans to continue stalling in the China talks.

The Chinese accord should restore normal trade relations with the Chinese. Sales of U.S. agricultural products to China, which were valued at $1.5 billion last year, are likely to resume. The U.S. agricultural sector will gain from the accord as will the lower-income U.S. consumer, who invariably benefits from continued competition in the apparel field.●

THE KGB: THE REAL ENEMY—PART 2

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1983

● Mr. MICHEL. Mr. Speaker, I am inserting into the RECORD a series taken from the New York Times about the activities of the KGB. Today's part deals with the various means by which the KGB gains access to Western technology.

At this point, I wish to insert into the RECORD part 2 of: "Tracking the KGB". This part is entitled "A Trail of Western Technology Is Followed to the KGB's Door" by John Vinocur, in the New York Times, Monday, July 25, 1983.

The article follows:

[From the New York Times, July 25, 1983]

A TRAIL OF WESTERN TECHNOLOGY IS FOLLOWED TO THE K.G.B.'S DOOR

(By John Vinocur)

PARIS, JULY 24—Every year Western high technology with military applications, worth millions of dollars, disappears beyond the borders of the Soviet Union and its allies. Sometimes the Warsaw Pact's procurement effort is so effective that the embargoed equipment is even returned to the West for secret repairs.

American laws and North Atlantic Treaty Organization agreements ban the transfer of such sophisticated microelectronic and computer equipment. But the volume reaching the Eastern bloc is startling, according to Western intelligence experts.

Much of it is obtained, they say, through dummy corporations and covert suppliers who cooperate with the technology procurement campaign, which is regarded as the current primary task of the K.G.B., the Soviet intelligence and internal-security agency, and the G.R.U., its military counterpart.

THE CASE OF THE MAN AT ORLY

How it works is illustrated through a case involving Jean Didat, a freight forwarder at Orly Airport in Paris. He has taken some extraordinary troubleshooting trips. The most brazen was traveling to Amsterdam to handle a shipment of advanced American-made microelectronic equipment, strategic goods weighing more than a ton, that the Russians were secretly flying back to the West from Moscow for servicing.

The Czechoslovaks also complained about their covertly obtained million-dollar American computers, he said. The Warsaw Pact countries' grievances were dizzying because they concerned sensitive American technology acquired from Western European middlemen systematicaly diverting embargoed material to the East.

According to Western experts, most of the goods correspond to precise shopping lists administered by Soviet intelligence agencies. It was a Fairchild Sentry 7 quality control system for testing integrated circuits that Mr. Didat said was shipped westward from Moscow for repair. The Sentry 7 is on the United States list of technology proscribed for export to the Soviet Union and its allies.

Last year, a United States Government document, trying to describe the scope of

the illegal acquisitions, said that they had eroded the technical superiority of Western weapons and that stopping the procurement was one of the West's "most complex and urgent issues." The intensity of K.G.B. program is such that it is said that the Central Intelligence Agency has set up a special internal organization to deal with technology transfers.

Defining the Soviet operation, the Government report said the K.G.B., with the extensive support of the intelligence agencies of Eastern Europe, had the main responsibility for collecting "Western classified, export-controlled and proprietary technology."

"These intelligence organizations," the report said, "have been so successful at acquiring Western technology that the manpower levels they allocate to this effort have increased significantly since the 1970's to the point where there are now several thousand technology collection officers at work. These personnel, under various covers ranging from diplomats to journalists to trade officials, are assigned throughout the world."

According to an expert in Washington, there may be as many as 100 K.G.B. collection officers working at the Soviet Embassy in Tokyo, one of the most fertile areas for acquisitions. In general, the Japanese efforts to control the process are regarded as slower in starting than those in the United States, or in Western European countries when their own technology, as opposed to that of third countries, is involved.

MICROELECTRONIC EQUIPMENT

The report said the illegal acquisition of hundreds of pieces of Western microelectronic equipment worth hundreds of millions of dollars had allowed the Soviet Union to build the basic industry for the development of sophisticated weapon systems over the next decades.

According to the document, the level of the acquired hardware and technical skill is such that put together it could "meet 100 percent of the Soviets' high-quality microelectronic needs for military purposes, or 50 percent of all their microelectronic needs."

A table of "notable successes" by the Russians contained in the report listed dozens of items such as advanced inertial guidance components, missile guidance subsystems, computers, lasers and complete industrial processes.

The report asserted that the acquisitions most directly affecting Soviet military development came from the gathering by K.G.B. agents of first-hand intelligence information, and "illegal trade diversions," the purchase of sensitive equipment through dummy corporations in the West for eventual transfer to the Warsaw Pact.

ROLE OF THE MIDDLEMAN

It is here that the middlemen come in. Mr. Didat estimated that his little office at Orly, decorated with a calendar of Soviet movie star from the Soviet film export organization, handled goods worth $20 million to $25 million a year for several years in traffic toward the Soviet Union and Czechoslovakia.

Almost all of it was American high technology material, obtained through an intricate series of post-box companies in Liechtenstein and Switzerland, forged, purchased and misappropriated documents and great amounts of cash.

In his interpretation of French law, Mr. Didat said he felt that the transport end of things, sending crates marked electrical equipment from here to there, was legal. The rest of the business he is familiar with, he said, was managed separately by Robert Almori, also known as Mathurin Almori, or Joseph Lousky, two Frenchmen named this year by a hearing commissioner of the United States International Trade Administration as involved in the re-export of American equipment to "proscribed destinations."

Denied export privileges himself by the United States Department of Commerce in April for having shipped unlicensed high technology from the United States, and questioned last month for two days by the French police, Mr. Didat has not been accused of any crime.

But in separate interviews he and an associate, both describing themselves as manipulated and insignificant, furnished partial details of the some of the operations that, in the view of some investigators in the United States and Europe, have the mark of the Warsaw Pact's technology procurement campaigns.

GROUPS IN FRANCE AND SWITZERLAND

The company that employed Mr. Didat, Cotricom, in which a Mr. Almori, according to the Paris trade register, held a majority share, served as shipper for two parallel groups in France and Switzerland.

According to the trade register, Cotricom was created in 1977, nine months after the incorporation of Hedera Establishment, a Liechtenstein post-box company that served as an intermediary. After considerable success over a period of years, the operations foundered this year with the issuance of the Commerce Department's trade ban on its principals and subsequent police investigations in France and Switzerland.

Both the French and Swiss legs worked on the principle that American high technology can be bought legally and with relative ease on the open market in the United States and transported to seemingly reputable purchasers in Western Europe without much difficulty.

In some cases, computer subcomponents, electronic manufacturing and testing systems were sent to Cotricom from Technica Limited, a company in Scottsdale, Ariz., run by Michel d'Ormigny. He is a french-born naturalized citizen of the United States, who, after a career in the garment business, went into the microelectronics field in what was believed to be an association with Mr. Almori.

SHIPMENT TO COTRICOM

In at least one instance, a Technica shipment, described as unlicensed by the Commerce Department, was made to Cotricom for the account of Hedera Establishment. The man who signed the Hedera order blank, listing himself as administrator, was Felix Constantine Popovitch.

Mr. Popovitch is a French citizen who said that he was born in Egypt of Rumanian parents and that he received an electrical engineering degree in 1960 from Stanford University. He was employed until his contract was terminated this month as a sales manager for microelectonics by Calma, a wholly owned French subsidiary of General Electric. He worked previously in Japan as Far East Marketing manager for Fairchild Systems Technology.

Mr. Popovitch signed the order blank for Hedera because, he said, Mr. Almori, "a buddy, a guy I know," who was involved in Hedera, had asked him for a favor. Although Mr. Popovitch denied it, Mr. Didat asserted that it was he who did the repair work in Amsterdam on the Fairchild equipment he had flown out of Moscow.

Mr. Popovitch has acknowledged involvement in two orders. But, in fact, the volume flowing through Cotricom was vast, and the size and complexity of the equipment great, Mr. Didat said he went to Czechoslovakia to handle what he described as the first delivery of a Fairchild Sentry 7, the type of unit, worth about $400,000, that eventually brought the French leg of the operation into the open.

"About three years ago," said Bernard Goldfarb, a French textile importer and exporter, "Almori came to see me through friends. The way he talked he seemed like a guy with political protection. He told me about his trips to Hungary and the U.S.S.R., and to talk like that I figured someone had to be watching out for him, because what he asked me was to get him an order blank from a certain company so that he could import something under an American embargo."

The company, Mr. Goldfarb said in an interview, was C.G.E. Alstholm, a major French electronics and technology producer nationalized by President François Mitterrand's Government. "I went to see a friend, and I got the order blank," Mr. Goldfarb said. But the association did not end there.

According to Mr. Goldfarb, Mr. Almori returned to see him last year, talking about another order blank and saying he had to go to the United States Embassy in Paris to prove that the signature on an Alstholm purchase order, that of a Mr. Lefevre, was legitimate.

"I stayed up all night practicing writing his name," Mr. Goldfarb said. "Almori told me there was nothing to worry about, that the fix was in."

In fact, the order for two Fairchild units worth $800,000 had raised suspicions when Mr. Didat sought to expedite it in Washington, and the request for an export permit from the United States was never approved. Mr. Goldfarb said he kept 20,000 francs for his efforts and distributed 30,000 more to two intermediaries. (At the current rate of exchange 20,000 francs is worth $2,570, and 30,000 francs is $3,855.) With his acknowledgment of his role to the French police and United States officials, he said, he has experienced "shame I'll never live down."

ILLEGALLY OBTAINED PURCHASE FORM

Mr. Almori has not responded to attempts to have him comment on the case. Mr. Didat said his impression was that Mr. Almori had been delivering to the Soviet Union for more than two decades. Somehow, uncharacteristic sloppiness entered the handling of the illegally obtained Alstholm purchase form.

Since the late 1970's, Mr. Didat said, Mr. Almori "got orders from the Russians or Czechs, and most of time they used U.S. catalogues and showed him precisely what options they wanted." Mr. Didat added: "He never bought what wasn't ordered, and he was paid by the Russians or whoever through accounts in Switzerland and West Germany. But he's not a special case. There are a hundred deliveries like Almori."

According to officials of Hasler, two Favag employees, Pierre André Randin, the purchasing manager, and Marc Villoz, the administrator, both since dismissed, used the company to make orders for American high-technology equipment that was sold off to a dummy corporation apparently for transfer to the East.

DIAGRAMS OF ORDERS

Mr. Randin is described by Hasler officials as the former employee of an American corporation who lives with a Czechoslovak-born woman previously employed by Favag.

He has drawn diagrams showing how a Czechoslovak organization made orders through Hedera that were eventually passed along directly, or via Favag, to Eler Engineering. This is a tiny company founded with about $50,000 in capital in Rances, Switzerland, liquidated and then reestablished, also in Switzerland, by Mr. Lousky, whose residence is in Paris.

Other orders had been handled earlier by a second small company, apparently founded by Mr. Lousky, bearing the name Ditton & Drayton.

The equipment includes an order of more than $1 million for three Digital PDP 11/70s computers, described by a United States official as having possible use in missile guidance and the collection of data from satellites, and one VAX 11/780 computer from Data General, sold for about $800,000, in which Czechoslovak engineers were said to have inspected the material in a warehouse near Geneva.

The operation fell apart this spring as a result of the disappearance in 1982 of two American-made machines used in manufacturing microcircuitry. Shipped to Favag by a company in Massachusetts, and resold to Eler the equipment was suddenly gone.

"LARGEST DIVERSION OF ITS KIND"

A Swiss customs service investigation into the affair has described it as the "largest diversion of its kind in the country's history," and a Commerce Department suspension order cited Mr. Randin and Mr. Lousky as having conspired to re-export the two projection mask aligners, made by the Perkin-Elmer Corporation of Norwalk, Conn., to a "proscribed destination."

The machines, worth about $500,000, were traced to France. Mr. Didat does not say he shipped them to Eastern Europe, but like most of the investigators he would not argue against the presumption that they wound up in the Soviet Union.

Mr. Lousky was described by his lawyer as "not in France at the moment." Mr. Didat said no one saw Mr. Almori around anymore.

Hedera Establishment was dissolved as a company last Jan. 31 with declared capital of 15,000 Swiss francs ($7,125 at the current rate of exchange). Under corporate law in Liechtenstein, its papers suggest nothing more about who paid for its multimillion-dollar accounts other than listing the two Vaduz lawyers who served as the entire membership of its "administrative board."●

MIRRORING THE SOVIET UNION

HON. JACK FIELDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1983

● Mr. FIELDS. Mr. Speaker, I am pleased to insert in the RECORD an excellent op-ed piece by Mr. Joseph Sobran. Mr. Sobran discusses what the French socialist Jean-Francois Revel called a neurosis peculiar to liberals and so-called progressives. It is worth thinking about.

The article follows:

[From the Washington Times, Aug. 1, 1983]

MIRRORING THE SOVIET UNION

(By Joseph Sobran)

This morning I watched a congressman on television arguing that we should not provide any arms to the anti-communist side in the war for Central America. To do so, he said, would be "mirroring the Soviet Union."

One of the disadvantages of living in Washington is that you tend to get sucked into a vortex of cliche and repetition. I don't know how many times I've heard otherwise intelligent men warn us against "mirroring the Soviet Union," by which they mean what others might call fighting fire with fire. Were the allies "mirroring the Axis" when they fought back? Is the policeman who pulls his gun "mirroring" the bank robber?

The sad truth is that in this world, aggressive people give you the option of fighting them at their own level or losing. An even sadder truth is that some timid people prefer not to face this fact.

Sergio Ramirez Mercado, a member of the Nicaraguan junta, writes in the New York Times: "We do not consider ourselves an enemy of the United States government." His lengthy plea for peace and friendship would be a lot more plausible if the Sandinista national anthem didn't mention the United States by name as the "enemy of mankind." Evidently, he thinks this country is full of very gullible people. And evidently he is correct.

It would indeed be possible for us to "mirror" the Soviet Union. We could abolish elections. We could suspend all constitutional freedoms. We could confiscate private property. We could abolish the free press. We could send dissidents to concentration camps. We could arm our borders to kill anyone trying to escape. We could persecute religious believers and ethnic minorities. We could seize neighboring countries and establish public governments as brutal as our own to rule them. We could dump chemical and biological weapons on freedom fighters. We could arrange to have the pope shot. Then we would have made a reasonable start toward "mirroring" the Soviet Union.

Ah, but the revolutionaries in Central America are "indigenous." Those countries are "ripe for revolution." Really? Why just now? Are conditions so much worse now than before the Soviet took an interest? And do Soviet-backed revolutions produce better societies than the ones that preceded them? Is there a communist country anywhere that people flee to, rather than from? Didn't El Salvador just get through voting overwhelmingly against communist rule or compromise with the guerrillas?

Such questions are never answered. Instead, we are urged to hold "negotiations" with communist forces. Negotiations are supposed to have a magicial way of resolving disputes, regardless of what the actual power relations are. The whole idea of the United Nations was to enable the world to settle all its differences diplomatically. Have there been any wars since 1946?

Negotiations are only useful when a situation is already near stability. The only country in which the communists want stability is Nicaragua. Their avowed goal, except when writing for *The New York Times* op-ed page, is to destabilize and communize every noncommunist country in the world, Central America being merely the current front.

When will we learn? The French socialist Jean-Francois Revel, warning his fellow socialists against the dangers of trying to live amicably with communism, observes: "Neurotics always forget the last episode in which their neurosis manifested itself. The person who is always late to appointments, the businessman who always falls into the same traps, the con man's victim who knows better but is always available to be swindled once more—when misfortune strikes, each can offer a unique explanation for something he believes never before happened to him. Yet to everyone else, their behavior follows a pattern that has manifested itself many times in the past."

Revel continues: "Lessons are never remembered in this land of ignorance and forgetfulness. The same classic situations recur, but no one recognizes them. The same quotations, the same names, the same arguments are recited as if discovered for the first time. This historical memory of the noncommunist left is like that of a pillow: It changes shape when pounded by a fist, but it doesn't know how to avoid the blow, and it always peacefully regains its original shape, ready for the next pounding.

It would be possible to deal with people who knew what communism was and openly favored it. But it is next to impossible to deal with people who don't recognize it even when they see it in vivid action.●

A TRIBUTE TO PHIL CHELNICK

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1983

● Ms. OAKAR. Mr. Speaker, recently a friend of mine, Mr. Phil Chelnick, the founder and longtime leader of the Social Action Committee of the Jewish Community Center Senior Adult Department, was installed in the unique post of chairman emeritus. It was an honor and an emotional experience for all who were there.

Phil is now 85 years old, but both he and his committee are as vibrant as if they were just born yesterday. The committee routinely gives oral and written testimony for a vast number of social causes which all contribute to our human dignity. The greatest legacy we can leave is that we have made the world a little safer, more peaceful, and a better place for our children to grow up in. This is Phil's philosophy, and the light which has guided his committee.

Rose Schneider was installed as chairman, Jordan Rothkopf is the JCC assistant director, and Marilyn Weiner is the fine JCC adviser. I would like to insert Rose Schneider's speech in the CONGRESSIONAL RECORD today. Her remarks are eloquent in their clarity, and brilliant in their compassion for the elderly, the poor, and the needy. Having a sense of history is a precious trait; it helps prevent us from repeating tragic errors. Under Rose's leadership—and with Phil's philosophical guidance—this will be a better place in which to live.

SPEECH BY ROSE SCHNEIDER

First, let me set the record straight on a few things. We shouldn't be under any illusions that Phil is going to retire. There are too many things left undone for us to allow him that luxury. We are merely recognizing his new status: e—meritus, meaning, in a free translation, he served with merit. It doesn't say anything about retirement. And that is the way Phil wants it, I am sure.

Now, a few words about Marilyn. You know how hard she has worked to make this event successful. Well, she has given of herself as unselfishly in every activity in which we have participated. The Social Action Committee, in appreciation of her devotion, is today making a contribution in Marilyn's honor, to the Phil and Eva Chelnick Social Action fund of the Jewish Community Center. Anyone who wants to share in this contribution and has not yet had the opportunity, can see Sandy later.

The many important people who are here to pay tribute to our Phil Chelnick come not only as a personal tribute, but as a recognition of the importance of the work of the Social Action Committee which he has chaired. I must admit when I read all the things we have been doing listed in the program booklet, I was really impressed. One of Phil's oft-repeated remarks is that he wants to leave his grandchildren a world of peace and justice. In essence, that is what we are all about.

We started in the years of the great depression. On the streets and through our organizations, with the help of some great statesmen in Congress and in the presidency, we won a new concept of our government as a compassionate and responsible force, with a new social outlook which included social security for the elderly, unemployment insurance, the right to relief for those in need, the right of labor to organize. We finished the task by defeating the greatest threat to our freedom and system of life—fascism.

Today, we are faced with an administration which seeks to turn back the entire concept of the government being responsible, as our Constitution declares, for "promoting the general welfare". I have nine grandchildren, whom I love very dearly, and I, too, am concerned about the world we leave them—and these are also the concerns of the many seniors here today. We are determined to do our part to reverse the priorities of the federal government. We are going to ensure that human services, not only to the elderly, but to the children, the poor and handicapped, to the sick, to the unemployed, be the first priority of our government. We are not about to return to the Hoover days of poorhouses and charity.

Although we are directing our main fire at the present administration, we are not too happy with some of the actions of the Democratic party. How can we excuse the cutting of social security benefits by a Democratic congress under the guise of "saving it", when we know the cash flow shortage is a temporary one, that a surplus is predicted for the 1990's, that money from the general fund, or even a loan, would have solved the problem without cutting the benefits. We say to you in congress, if you really want to solve all the problems of social security and medicare, appropriate enough money for public jobs to put ten million people back to work. We are proud that our three congress people from Cuyahoga County, MARY ROSE OAKAR, ED FEIGHAN, and LOUIS STOKES, all voted against the social security cuts.

How can we explain a Democratic congress which votes for a nuclear freeze, and then votes for MX missiles, when we know these same missiles, a first strike weapon, will make a nuclear freeze almost impossible to achieve. We are not talking about the merits of one weapon over another. What we are talking about is the need to prevent a world holocaust. We are talking about the urgency of cutting production of all nuclear weapons, to force a reluctant administration to negotiate in good faith and come up with a real freeze, followed by actual reduction, not increase, in nuclear weapons. We Jews have sad experience with holocausts. We have no patience with those who will come too late to say they "didn't know" what was going on. We do not plan to be too late this time.

We are faced with another problem—the rapid growth of anti-semitism and racism in this country and abroad. The defacing of synagogues, KKK marches, doubts about whether there was a holocaust, many other things which we could list—these are all warnings that we must unite with our friends to fight all signs of developing fascism. Foremost in such a fight are our black brothers and sisters. We have allowed small differences to come between us. But we cannot allow the enemies of democracy to keep us apart on the things that really matter. The black people, who are subjected to such severe economic and political oppression, are among our best allies in fighting against these would-be fascist. The Jewish people must unite with black and other progessive forces in the fight against racism, not because of some abstract ideals of justice (which are certainly pertinent), but in our own self-interest. The preservation of equal rights for all is of prime importance to use as Jews.

We have learned to work in coalitions to achieve some of our aims. In our efforts to change the basic priorities of the present administration, we have many allies in addition to the black people. There are the unemployed facing utter destitution, the labor unions under constant attacks, the young people facing attacks on their education, the farmers facing foreclosures. Because we share a mutual interest in a government of peace and social responsibility, we are planning to join with hundreds of thousands of seniors and others in a tremendous rally in Washington on August 27th. We call upon everyone who is physically able to join us in this march.

I cannot in good conscience stop here without bringing up a problem which deeply troubles me. This is the question of anti-communism. Perhaps you are wondering what that has do to with us. Well, stop and think a moment. Every backward move the government makes, every attack on our living standards, every move toward war, is cloaked in anti-communism, the implication being if you oppose these moves you are somehow a communist, or at least soft on communism. We have passed a budget increasing defense spending by 5 percent instead of 10 percent. This we call a victory, when we know defense spending should be cut by 50 percent, not increased at all. This to fight communism. There is no reason for building up armaments, even conventional weapons. Jonathan Schell, in his chilling analysis on nuclear warfare, points out that the only way to remove the danger of nuclear war is to make all war impossible, else there is no guarantee the losing party will not resort to nuclear bombs in desparation. We know we have no business in Central America, so we ease our conscience by not giving Reagan all he asked for—we just give him a little—this in the name of fighting communism. We are encouraging large armies in China and Japan—to fight the communists. Where is our sense of history? Didn't we allow Germany to rearm, because Hitler promised to eliminate the communists? That he first tried to eliminate the Jews and take control of all Europe was only incidental. Do we believe a re-armed Japan will be foolish enough to attack the Soviet Union when all southeast Asia lies before it?

Perhaps you are wondering why I don't talk about medicare, about high utility bills, about Ohio Bell's outrageous application for new rates. We are interested in how many doctors from Mt. Sinai are going to be willing to accept assignment. We are concerned that medicare finances be controlled by controlling costs—hospital, surgical, nursing home costs—not by putting the financial burden on the elderly. We are interested in an economic equity act which fights discrimination against women—we want it also to provide equity for seniors, so that such medicare providers as Blue Cross will have to charge unified rates to all their clients. These are the things we are going to concern ourselves with. These are the issues we are going to Columbus and Washington about, that we are going to send you letters and delegations about. I merely wanted to put these things in their proper perspective.

We are prepared to take an active part in the life of our nation. Edmund Burke said all that is necessary for evil to triumph is for good people to remain silent. We think we are the good people. We are not going to remain silent. We are going to fight for all these things in order to better our own lives and yours, and above all to leave a world of peace and security to our beloved grandchildren.●

PRESIDENT'S COMMISSION ON CENTRAL AMERICA

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1983

● Mr. MAZZOLI. Mr. Speaker, I would like to commend to the attention of my colleagues the following piece from the Louisville Courier-Journal about the appointment of Secretary Henry Kissinger to lead the President's Commission on Central America.

As a cosponsor of the original Barnes-Kemp proposal calling for the creation of such a panel to study the situation in Central America, I applaud the President's quick action in forming the Commission. There will be no solution to the problems there unless the root causes are treated. A high-level investigation of this type can help more clearly define the problems and suggest practical, politically feasible solutions, much as the Social Security Commission did recently.

I am, however, disappointed at the President's choice of Mr. Kissinger to lead the panel. The last thing the panel needs is to encounter the suspi-

cions and enmities which this controversial and strong-willed man guarantees will come its way. It is daunting enough to address the deep and difficult problems of Central America without rehashing again the questions of Vietnam, Chile, President Nixon, campaign 1976, and all the other major events in which Secretary Kissinger has played a major role.

I am also disturbed at the President's oversight in not appointing a woman to the panel—particularly in this troublesome time since Central American women have it many ways borne the brunt of the pain and torment visited upon the region in recent years. Having the woman's viewpoint represented on the Commission would have been most helpful.

The article follows:

[From the Courier-Journal, July 20, 1983]

KISSINGER IS STRANGE CHOICE FOR CENTRAL AMERICA PANEL

President Reagan's third and latest attempt to tackle a politically sensitive issue by appointing a bipartisan commission is off to a shaky start. Leading liberals and conservatives in Congress are upset, for different reasons, with the appointment of former secretary of state Henry Kissinger to head the panel that will study the U.S. role in Central America. And some of Mr. Reagan's critics suspect that the commission's real job is not so much to formulate policy as to build a case for steps the administration already has taken to prop up the government of El Salvador and to pressure the Marxist rulers of Nicaragua.

Few veteran observers of government would suggest that U.S. policy in Central America is any hotter a political hot potato than how to save Social Security or whether to build the MX missile, the questions assigned to Mr. Reagan's first two bipartisan commissions. But the President seemed genuinely open to suggestions on those topics. That doesn't appear to be the case with Central America.

The administration's undeclared war on the Sandinista regime in Managua, using Nicaraguan exiles as surrogates for U.S. troops, is far advanced—too far, perhaps, to be halted by anything short of congressional action cutting off the supply of money. Left to his own devices, Mr. Reagan seems unlikely to call off this not-so-secret war unless the Sandinistas make a formal and verifiable promise to halt arms shipments to guerrillas in El Salvador. And even that might not be enough to satisfy the White House if the U.S.-supported Nicaraguan exiles seemed in a position to topple the Sandinistas.

The new commission presumably will be free to question the wisdom of these tactics and to propose alternatives. And in fact Mr. Kissinger himself, in an interview in Public Opinion magazine last spring, suggested that deploying U.S. forces along the Honduran-Nicaraguan border might be more effective than using anti-Sandinista guerrillas to stop the flow of arms to El Salvador.

But it's doubtful that a commission headed by Henry Kissinger will challenge Mr. Reagan's basic assumptions about the nature of the conflict in Central America or the need for a strong U.S. response. True, Mr. Kissinger is deeply distrusted by such ultraconservatives as Senator Jesse Helms for having negotiated the first strategic arms treaty with the Soviets and for having pushed detente with Moscow. But both in the Nixon and Ford administrations and as a private citizen, he has consistently argued for resisting communist inroads in the Third World, including Latin America.

According to several journalistic accounts, Mr. Kissinger approved the U.S. role in the military coup that toppled the socialist Allende government in Chile in 1973. There's no reason to suspect that he has suddenly grown squeamish about the use of U.S. power in this hemisphere.

Trouble is, Mr. Kissinger, for all his extensive experience as a theoretician and practitioner of global power politics, is no expert on Central America. Yet local factors—such as poverty, land distribution and the history of U.S. intervention in Nicaragua—are at least as important as the global chess game between Washington and Moscow in creating and sustaining the region's many conflicts.

Moreover, U.S. options in the region are severely limited by domestic politics. Few American want to see U.S. troops dispatched to Central America, even if that were the only way to prevent a communist takeover in El Salvador. This reluctance to fight stems, of course, from America's long, futile war in Vietnam—a war that ended in a communist victory after Mr. Kissinger had negotiated a U.S. withdrawal and had won a share of the 1973 Nobel Peace Prize. (Le Duc Tho, the North Vietnamese negotiator who was co-recipient, at least was honest enough to decline the prize.)

By naming Mr. Kissinger to head the commission on Central America, Mr. Reagan has revived memories of the Vietnam war and its sorry conclusion. Those memories can't help but make it more difficult for the administration, and the commission, to persuade the American people that a deeper U.S. involvement in Central America is wise or necessary. Surely Mr. Reagan didn't intend thus to sabotage his own policy. But he evidently didn't think the matter through, and Mr. Kissinger, ever seeking new glory, was hardly the person to warn him.

AN UNSETTLING REVERSAL

Even on good days, there's precious little comfort to be had from knowing that that friendliest of "protectors," the Nuclear Regulatory Commission, is standing guard. But when the agency hops about like a rabbit on a griddle trying to decide whether to close five potentially dangerous nuclear plants and, if so, how quickly, the qualms become almost unbearable.

For a minute there last week, things seemed different. The NRC suddenly ordered five nuclear plants shut within 30 days for inspection after the plants' owners had refused to close them voluntarily. Inspections in 13 similar plants had revealed numerous serious cracks in the large pipes, manufactured by General Electric, that carry cooling water to the nuclear reactor. Cooling pipe failure can lead to a core meltdown, a most serious nuclear accident.

But hark! Less than 24 hours after this decisive action, the NRC executed a backpedal that would have made Muhammad Ali proud. No shutdown, the agency waffled, and no decision on a shutdown until after industry-sponsored laboratory tests are completed.●

ADMIRAL WILLIAMS RETIRES AFTER DISTINGUISHED 37-YEAR NAVAL CAREER

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1983

● Mr. WOLF. Mr. Speaker, I would like to call to the attention of my colleagues the distinguished 37-year naval career of Adm. John G. Williams, Jr., who retired as Chief of Naval Material yesterday, August 1, 1983.

Admiral Williams began his career upon graduation from the U.S. Naval Academy in June 1946 and later commanded submarines, subsequently serving as Commander Submarine Squadron Sixteen and Commander Submarine Group Five. He later served in various capacities in the Office of Chief of Naval Operations, assuming the position of Deputy Chief of Naval Operations for Submarine Warfare in October 1980. On June 30, 1981, he became Chief of Naval Material. Admiral Williams, who was succeeded as Chief of Naval Material by Adm. Steve White, will be returning with his wife, Dorothy, to their home State of Washington later this summer.

I commend to the reading of my colleagues excerpts from a speech delivered this past April by Admiral Williams at the christening of the submarine *Olympia* in Newport News, Va. These remarks reflect Admiral Williams' dedication to duty and service to his country and his firm belief in preserving peace through strength.

REMARKS BY ADM. JOHN G. WILLIAMS, JR., CHIEF OF NAVAL MATERIAL

It is both a professional and personal honor for me to be here on this special day, The christening and launching of another Los Angeles Class submarine—engineered and built to help our Nation maintain a credible, survivable deterrent to war, today and into the future.

To me, it is an occasion of considerable personal, historical, professional and national significance. On a personal level, this is a very special day for several reasons. One is because my wife, Dorothy, has the great honor of being this submarine's sponsor. Another is because the *Olympia* is named after the capital city of that great State of Washington, the home State of both Dorothy and me. We grew up in Ocean Park and Ilwaco, Wash., and plan to return there later this summer. I left Ilwaco, Wash., in 1942 to become a plebe at the Naval Academy and start my naval career. How great then it is for me, a submariner, to be your speaker to the christening of a submarine that is named for the capital of my home State, Washington. I am indeed proud to have this opportunity.

I am proud also because of the distinguished naval tradition that this ship will continue. Her earlier namesake was the cruiser *Olympia*, built in San Francisco, where she was launched in 1892. Command-

ed by Capt. Charles Gridley, she served as Commodore Dewey's flagship during the Spanish-American War, and Dewey's immortal victory at Manila Bay in the Philippines. It was on May 1, 1898, almost exactly 85 years ago when, with ships darkened, Dewey led his fleet past the harbor defenses, and engaged the enemy off Manila at daybreak. Commodore Dewey reported: "At 5:40, when we were within a distance of 5,000 yards, I turned to Captain Gridley and said, you may fire when you are ready, Gridley". The very first gun to speak was an 8-inch, of the *Olympia*. By noon that same day, Commodore Dewey's forces, led by the *Olympia* had destroyed Spain's Asian Fleet, and played the pivotal role in ending the war with Spain. The *Olympia* later served in the North Atlantic during World War I, and subsequently in 1918, participated in the Garrison of Murmansk, and the Allied expedition on Archangel during the early days of the Soviet Revolution. One of the *Olympia's* last duties prior to decommissioning in December 1922, was to transport the remains of the World War I Unknown Soldier home from France for interment in Arlington National Cemetery. Today, the cruiser *Olympia* is tied up in Philadelphia where she has been preserved as a shrine and is open to visitors.

Professionally, we all can be proud of the submarine *Olympia*—those of you who designed her, those who built her, and those of you will take her to sea. This *Olympia* is a symbol of accomplishment, the merging of many diverse skills and complex technologies to produce the finest, most capable attack submarine. As the first *Olympia* was an instrument to end a war, hopefully, this *Olympia* will make its greatest contribution as an instrument to prevent war, as an instrument to preserve the peace. This christening is a visible sign of our determination to keep the peace, to do what is necessary to insure the continued freedom which we sometimes take too much for granted.

When the *Olympia* puts to sea on its first patrol, she will sail as a symbol of deterrence. Sometimes we have to be reminded of what deterrence really means—preserving peace through strength. This policy is founded on a determination to avoid the use of nuclear weapons. I believe that Soviet strategic thinking holds that situations could exist in which nuclear war is winnable and preferable to the alternative—thus it is necessary to keep the level of deterrence extremely high, and visible. This is why we are building Trident class ballistic missile submarines, and why we are christening the *Olympia* today. We must look at the *Olympia*, and its potential, in that light. Our Chief of Naval Operations, Admiral Watkins recently said: "I want it to be written by future historians that tomorrow's battle which was not fought, was the most important battle we fought in the twentieth century." I think we can all sign up to that.

The *Olympia* is particularly well fitted to fulfill its role as a credible contributor to deterrence. This multi-mission nuclear-powered attack submarine, in addition to its conventional roles as an anti-ship and anti-submarine platform, will also have a long-range land-attack weapon capability. She will later be equipped with the Tomahawk cruise missile system. This system will provide the *Olympia* with an unparalleled standoff strike capability—able to deliver either nuclear or conventional warheads over many miles against heavily defended targets such as airfields and air-defense systems. I am sure that the Soviets are keenly aware of this new submarine capability of ours, for it adds a new dimension to be factored into their war versus peace decision-making process. It makes the decision to go to war a more costly one for them.

While *Olympia's* greatest contribution to this Nation will be as a visible sign of our resolve to defend the peace, we also have to plan for the worst case scenario. The *Olympia* must be able to run silent, to probe the deep, enter into harm's way when necessary, without being detected by those forces it must find and defeat, should deterrence fail. She is capable of doing just that.

Perhaps the *Olympia's* greatest attribute which will allow her to meet mission taskings—will be her stealthiness, her ability to operate at great ranges for long periods of time, quietly, without being detected. For it is this quietness, and her superior acoustic sensor systems which will allow the *Olympia* to close and engage the target, to fire the first torpedo, gaining the advantage in any naval engagement. This is an area where, today, we have an advantage over Soviet submarines which are noisier and more susceptible to detection. However, the Soviets also recognize this deficiency and are expending considerable resources to reduce their submarine/generated noise levels. We can expect their newer submarines to be quieter.

As there is due cause to be proud of what we are about today, I also ask that you remain vigilant to the Soviet threat which is why we are here today. Unfortunately, I see no evidence or indication that the Soviets have altered their traditional respect for strength, and disdain for and willingness to exploit another's weakness to their advantage. Their quest for maritime supremacy alone continues. The Soviet Navy currently has construction programs underway for a conventional aircraft carrier, five other classes of major surface combatants, including the Kiev class vertical-take-off-and-landing carrier, two cruisers, two guided missile destroyers, and seven classes of submarines.

The steady improvement made to Soviet naval shipyards in 1982 further underscores the U.S.S.R.'s commitment to building a Navy second to none. The Soviets have purposefully developed a huge but underused shipyard capacity, which includes 5 yards for submarine production, 8 for large combatants, and about 20 others for auxiliaries and small combatants. A single yard at Severodivinsk, has more building positions for nuclear submarine construction than has the entire U.S. nuclear submarine construction program. This continued dedication of resources to a Navy which already poses a clear and formidable challenge to our national interests, is a reflection of Soviet commitment to make it even more capable in the future.

We must show them that America is more than capable of meeting their challenge—that we recognize our obligation to those who went before us, and will follow after us, as well as to our friends and allies. The launching and christening of the *Olympia* symbolizes our national resolve to honor this obligation, to meet our commitment to peace.

Men and women of Newport News Shipbuilding, you have done your job, and done it well. You can be justifiably proud, as I am, of this visible product of your labor. The Soviet submarine building capacity may be bigger than ours, but the quality of their product is no match for what you have built and we are christening today. It is only appropriate that she be manned by the best submariners in the world—and the *Olympia* will be—by experienced and dedicated officers and men of the U.S. Navy. I have every confidence in them. They will represent you and all Americans well. If called upon to do so, the *Olympia* will sail in harms way and execute her missions with distinction.

So, today, on this special occasion, let's all pledge our unwavering support to insure our deterrent strength remains strong.●

OPM SHOULD REVISE FORM SF 2801 TO CONFORM WITH 1974 RETIREMENT LAW AMENDMENTS

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1983

● Ms. OAKAR. Mr. Speaker, as chair of the Subcommittee on Compensation and Employee Benefits, I continually receive inquiries from the survivors of Federal retirees. Many of these survivors, most of whom are women, seek clarification of a rule change made in 1974 which has caused a great deal of confusion for many potential recipients. I am sure many of my colleagues have received similar contacts from their constituents.

In an effort to clarify an array of questions, I would like to call my colleagues' attention to a letter I recently received from Edith Fierst, a Washington attorney, who has been representing spouses in pension cases for many years. I think that Mrs. Fierst's letter clearly outlines the problem and what Federal employees and their spouses can do to guarantee survivor annuities in the case of a death of their loved one.

The text of the letter follows:

EDITH U. FIERST,
ATTORNEY AT LAW,
Washington, D.C., July 25, 1983.

Hon. Mary Rose Oakar,
Cannon Office Building,
Washington, D.C.

DEAR CONGRESSWOMAN OAKAR: As Chair of the Subcommittee on Compensation and Employee Benefits of the House Post Office and Civil Service Committee, you are, I understand, interested in the progress of the lawsuit initiated by the American Federation of Government Employees and myself with respect to survivor annuities, entitled *AFGE* v. *Devine.*

BACKGROUND

This suit has its origin in the failure of OPM to revise the application form for retirement (SF 2801) to reflect the 1974 amendments in the retirement law regarding survivorship elections by Federal employees. Under the amended law the reductions from a retiree's annuity to pay for a survivor annuity will be discontinued when the retiree's spouse dies. Despite this change in the law, however, the application form continued to tell retirees that:

"If your wife (or husband) should die before you, no change in type of annuity will be permitted, your annuity will not increase, nor may you name any other person as survivor."

After our suit was filed and as a result of an agreement approved by the court, OPM revised the application form to delete this outdated and wrong information. It also sent notices to over 80,000 Federal retirees who had retired between 1974 and 1982 and elected less than a full survivor annuity, advising them of the misinformation and giving them an opportunity to apply anew for a survivor annuity. In cases where the retiree was already dead, a similar notice and opportunity were made available to the widow or widower. According to our latest information, over 3,000 retirees or surviving spouses have filed applications.

On the first go-around, OPM rejected many applications for reasons that we, as plaintiffs' counsel, thought improper. Accordingly, we went back to court, where OPM agreed (1) to reexamine all previously rejected applications, (2) if it decided to deny again, to provide the applicant an explanation of all its reasons for so doing, and copies of any relevant documents; and (3) not to issue its denials based on certain inappropriate reasons. OPM, is currently reviewing all pending applications in accordance with this agreement, and has already accepted some.

ACCEPTANCE OF WIDOW(ER) REQUESTS

Many of the beneficiaries of accepted applications have no other regular income, because they were lifelong homemakers and had earned no retirement income themselves. Until this year's amendments, Social Security coverage was not earned in civil service employment, and many civil servants do not have any. Their widows are women whose financial situation was extremely bleak unless they were entitled to a civil service survivor annuity. Those whose applications are now accepted suddenly have a modicum of security. One of them wrote to me that her "specter of becoming a bag lady" had vanished overnight.

CURRENT ACTION ON REQUESTS TO AMEND

While many applications have been accepted, others have been rejected. So far as we have been able to ascertain, the two major reasons OPM is now denying applications are as follows:

The first reason is that the applicant has failed to show that the misinformation on the form led to an initial election against a survivor annuity. For example, if the survivor wrote that the employee was dying when making the decision against a survivor annuity, that would tend to show that misinformation was not relevant. (The rationale is that the employee would have no reason to care about a continued reduction after the spouse's death if the employee expected to die first.)

Applicants whose requests have been denied for this reason should not despair. Sometimes the initial explanation given by the applicant can be truthfully and appropriately revised. For example, a survivor may not know what the retiree thought when making the election, and have only speculated in the application. Even where the retiree had a life threatening ailment, he or she may not have accepted the imminence of death. This and other facts can be brought out in the request for reconsideration which all rejected applicants have a right to file. (For a small fee, I am available to help applicants prepare a request for reconsideration.)

The second reason for current OPM denials is that the retiree was sent a follow-up form, which OPM alleges provided the correct information.

The form in question is the BRI 46-270 (or 46-270A) which contains an unobtrusive statement as follows:

"Should your marriage to your present spouse end, you can, on application receive your annuity without survivor reduction."

Plaintiffs believe the above language would be read by most recipients to refer to divorce or annulment, not widowhood, and therefore that it does not correct the misinformation on the SF 2801 which refers specifically to death, particularly since there was nothing in the BRI 46-270 or 270A to alert people that the form contained a correction of earlier wrong information. Applicants who tried to construe the two notices consistently would certainly interpret the follow-up notice as referring to divorce or annulment only.

Plaintiffs' counsel intend to litigate OPM reliance on the BRI 46-270 as a basis for denial of survivor annuity application. The U.S. District Court has ruled that we must exhaust our administrative remedies before going to court, which means going through the reconsideration process, and from there to the Merit Systems Protection Board. We have to persuade OPM or the MSPB of the rightness of our argument. If not, we intend to appeal to the courts.

RETIREE QUERIES

Retirees whose applications have been accepted are being asked, unless their individual financial situation justifies a waiver, to pay the Government the amount that was not withheld from their own pensions, but would have been withheld, if the retiree had elected a survivor annuity at the time of retirement. Many of them object on the grounds that if they had died before their applications were accepted, their survivors would not have been protected. This is not necessarily true. OPM is accepting applications from widow(er)s, and the agency alleges that these applications are being decided in accordance with the same standards as are applications from retirees. Plaintiffs' counsel do not know at this time whether that is factual, but we intend to find out at the next feasible opportunity, probably when we go before the Merit Systems Protection Board to challenge the BRI 46-270 (see above). At that time we expect to ask for a comparison of the numbers of applications that have been accepted from retirees and survivors, respectively, and an explanation of any difference in acceptance rate. If OPM cannot show that widow(er)s are being accepted as easily as retirees, we will make the argument that the retirees ought not to be required to pay back. Otherwise I believe the OPM position is reasonable.

Some retirees may not realize how valuable their "second chance" is. Even if the pay-back provision is fully enforced, the Federal civil service survivor annuity is the cheapest and best insurance for a spouse that can be purchased. In most cases the Government pays considerably more than half the cost (depending on how long the widow(er) outlives the retiree). Moreover, I know of no other annuity which is increased so well to keep pace with inflation.

Second, the pay-back may be made in installments from future annuity payments before they become taxable income, and thus are equivalent to tax deductible expenses. Or if someone prefers, the amounts that would have been withheld may be paid the Government this year, and deducted from this year's taxable income. If the amounts involved are substantial, and the retiree's tax rate in earlier years was higher than it is currently, he or she may also want to look into the possibility of utilizing section 1341 of the Internal Revenue Code (Computation of Tax Where Taxpayer Restores Substantial Amount Held under Claim of Right). For this it might be helpful to consult a tax specialist.

Entitlement to a survivor annuity carries with it access to the Federal Employee Health Benefit plan, much of which is paid for by the Government. Only a survivor with an annuity large enough to cover the premium for the chosen health benefits plan has the right to continue coverage.

Finally, it is not necessary to elect all of the survivor annuity, or none. A survivor annuity may be chosen based on part of the retiree's annuity.

POLICY IMPLICATIONS

This lawsuit is helping many people who need survivor income. However, it also calls attention to the need for policy changes. Civil Service wives, like wives covered by Social Security, should have guaranteed survivor coverage.

Sincerely,

EDITH U. FIERST.●

REPORT ON FREEDOM OF THE PRESS IN LATIN AMERICA

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1983

● Mr. LEVINE of California. Mr. Speaker, those of us fortunate enough to live in an open, democratic society know how important is freedom of the press. In fact, we think of it as fundamental to a democratic form of government.

Recently, the Council on Hemispheric Affairs and the Newspaper Guild published a report titled "A Survey of Press Freedom in Latin America." It is the first of what is planned to be an annual survey of press freedom throughout that region.

The Council on Hemispheric Affairs writes that—

Suppression or manipulation of the news of one form or another is common in any of the countries [in Latin America], regardless of the governments' political bent. What varies are the tactics.

Below is an excerpt from this report which I commend to the attention of my colleagues. The complete report can be obtained from the Council and I urge my colleagues to read it.

THE JUNE 1983 PRESS FREEDOM REPORT

Not surprisingly, the June 1983 "Survey of Press Freedom in Latin America," a joint production of COHA and The Newspaper Guild, is hardly an upbeat report. According to the country-by-country study, suppression or manipulation of the news of one form or another is common in any of the countries, regardless of the governments' political bent. What varies are the tactics. The following are excerpts from four country reports: Argentina, El Salvador, Grenada and Nicaragua.

Argentina—One of the immediate victims of the Argentine military coup in March 1976 was the press. Upon assuming power, the junta immediately issued Communique

19, the press law, which held that anyone spreading information coming from organizations "dedicated to subversive activities or terrorism" would be subject to an indefinite sentence; anyone who impugned the prestige of the armed forces would face ten years in jail.

Soon after the press law decree, the junta apparently decided that terror, not decree, was the appropriate weapon with which to silence the press. Upwards of 100 journalists were among the estimated 15,000 Argentines who disappeared during the military government's "dirty war" of the late 1970s. Hundreds of members of the media received death threats or were tortured and jailed; many more fled into exile.

The repressive tactics of the security forces drove Argentine journalists to censor their own stories, while others were put on the payrolls of different military branches in order to insure favorable coverage. Gradually, by the end of the seventies, the press, painfully aware of its own limitation, settled into a routine of self-censorship.

This changed in 1982. the Falklands humiliation, the near collapse of the economy, and growing popular discontent lessened the junta's control over the flow of information. Nevertheless, the government lashed out against its critics, closing magazines such as La Semana, Quorum, and Linea for weeks or months at a time, and impounding threatening issues of Quorum and Humor. Though weakened, the military government tolerated only the most circumspect treatment of its greatest disgrace: the estimated 15,000 Argentines who "disappeared" during the dirty war.

In addition to forced closings, the Argentine government wields economic weapons. By imposing a 38 percent tax on imported newsprint, as well as high taxes on printing equipment, the junta protects the chief Argentine paper mill, Papel Prensa, S.A., which the government and three Buenos Aires newspapers own jointly. The government can also punish publications by imposing boycotts of government-related advertising—the life-blood of periodicals in Argentina.

El Salvador—Journalism in El Salvador is a perilous profession. Since the 1979 coup that overthrew the dictatorship of Gen. Carlos Humberto Romero, 13 journalists have been reported killed in the country, most of them at the hands of security forces and paramilitary death squads. Eleven others are missing and presumed dead. Dozens more have been arrested and threatened; many have found their names on death lists issued by death squads.

Since December 1980, when the government abolished all constitutional rights through Decree 507, security forces have enjoyed free rein to counter "some people, associations and groupings who have undertaken to subvert the public order. . . ." Decree 507 allowed for the arrest of journalists as subversives if their material was considered contrary to the interests of the government or the armed forces. Acting under the umbrella of this decree, National Police agents last October 20 stormed the San Salvadoran offices of UPI, AP, NBC, ABC and UPI-TV. The employees of the news organizations were detained long enough for the agents to search for "clandestine messages" affecting the "security of the country."

Among the Salvadoran media, self-censorship has sprouted in the climate of fear. Many newspapers no longer publish information coming from organizations critical of the government. Publishers turn away writers whose work might elicit violent reprisals from the military.

Grenada—When Maurice Bishop and his National Jewel Movement came to power in Grenada in 1979, many hoped that Bishop would improve upon the sorry human rights record of his deposed predecessor, Eric Gairy. Unfortunately, in the area of press freedom the People's Revolutionary Government (PRG) has only tightened the screws. According to People's Law No. 18, private ownership of media is prohibited. Grenadians' only source of printed news is The Free West Indian, a government-controlled paper. The government also controls the only radio station on the tiny island, Radio Free Grenada.

Shortly after midnight June 18, 1981, hours before People's Law No. 18 went into effect, the Grenadian Voice was shut down. Its publisher, Alister Hughes, had his home searched by police, his printing equipment confiscated, his telephone disconnected and his automobile impounded. He was briefly detained, and upon release was prevented from filing stories with news agencies. Since then, "freedom of the press" has been a meaningless abstraction in Grenada.

Nicaragua—Upon seizing power in July 1979, the new Sandinista government immediately announced a code of conduct for the press. Under the law, it became unlawful "to disseminate in written or verbal form statements which attempt to harm the interests of the majority and the victories won by the people."

Since then, the situation of the press in Nicaragua has worsened. The media, largely privately owned, operated with only episodic governmental interference—with the exception of the opposition daily La Prensa—until the announcement in March 1982 of an official state of emergency. Under the state of emergency "all radio newscasts, political party programs or those of any other organization [were] suspended." The most restrictive of the new measures was the establishment of prior censorship of the press by the government's Communication's Media Directorate.

Under the state of emergency, La Prensa has been subject to harassment, closures and steady censorship. On several occasions, the editor, Pedro Joaquin Chamorro, has chosen to close La Prensa rather than subject copy to government censors.●

TAX SHELTERS AND H.R. 3110

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1983

● Mr. FLORIO. Mr. Speaker, among the more controversial pieces of legislation marked up by the Ways and Means Committee is the bill sponsored by our colleague from Texas, (Mr. PICKLE), H.R. 3110.

This bill, the Government Leasing Act of 1983, is designed to limit the use of leasing plans by tax-exempt organizations and governments that transfer tax breaks they cannot use to private investors.

I have had some misgivings about the appropriate use of leasing techniques and the purposes for which IDRBs are issued, as they result in the loss of significant amounts of Federal revenue.

I recently requested that my staff study in detail how this area of financing affects Federal revenue. What resulted is a fascinating analysis, which, although lengthy, I would like to share with my colleagues who wish to have a greater understanding of this important issue.

The analysis was prepared by Laura L. McAuliffe, who is a congressional fellow in the LEGIS program sponsored by the U.S. Office of Personnel Management. Ms. McAuliffe is employed by the Comptroller of the Currency, but the analysis does not represent the views of the Comptroller or the Treasury Department.

I commend the following to my colleagues:

MEMORANDUM REGARDING TAX SHELTERS

You gave me a copy of a prospectus for a tax shelter investment that had been given you by the chairman of a New Jersey corporation.

You wanted an analysis of the proposal and some general discussion of the impact of tax shelters on productivity. Subsequently, legislation was introduced which would eliminate the same shelter for municipalities and tax-exempt organizations. This memorandum will discuss the private tax shelter proposal and proposed legislation.

I. TAX SHELTER PROPOSAL

A. Preliminary Transactions. Company A, a specialty retailer engaged in the retail sale of lumber, building materials, hardware, paint, paneling, tools, garden supplies and other items related to the "do-it-yourself" homeowner market, constructed two stores. One store is located in Baltimore County, Maryland and the other is in Montgomery County, Pennsylvania. Company A sold the stores to Company B, a company owned by Company C and some of its employees. Company B obtained financing for the purchase from the proceeds of tax-exempt Industrial Development Revenue Bonds (IDRB) floated by the two counties. The counties took mortgage liens in exchange. Company B then leased the stores to Company A in a sale-leaseback arrangement. Similar transactions govern the parcels of land which are owned by another Company C affiliate. Company B purchased the properties for $8.8 million. IDRBs were issued for $9 million.

B. Subject Proposal. A Limited Partnership is being formed to acquire two stores from Company B that are leased to Company A. The purchase price for the properties is $10,280,020. Limited Partnership will also reimburse Company B $650,980 for costs incurred by Company B for the bond issues and will pay $28,000 for ground lease options. The partnership will assume the obligation to pay the IDRBs, assume the existing property leases and incur additional debt to make the purchases.

The general partner is a general partnership comprised of eight individuals who are employees of Company C or an affiliate. Limited Partnership expects to lose money for at least 14 years, because the income from the leases is inadequate to service the debt structure in that timeframe. Profitability will come about later. The principal assets of the partnership are the properties. The partnership terminates in 2081.

C. The Individual Investor. The individual investor is being offered a Class A Limited Partnership Interest. Each investment unit sells for $105,449 cash or $144,502 on terms to the partnership under the Deferred Payment Option. Under the time payment option, notes will be given by the investor to the partnership and the partnership will convert them to cash by pledging them as collateral to a loan from a subsidiary of Company C. (The subsidiary will also finance partnership expenses that cannot be met from normal cash flow.) The minimum investment is one-half unit.

D. Tax Benefits. Tax benefits, deductible items or writeoffs are available to every entity involved in this proposal. Assuming that the Internal Revenue Service finds Limited Partnership a legitimate partnership investment, then the following entities may have certain benefits:

Entity and Deduction. Individual investor; distributed loss of partnership, interest expense for money borrowed to make the investment. Partnership; cost recovery (depreciation), fees and expenses, interest on debt, cost of land estates, capital loss on sale of property. Company A; rent expense, property taxes. Investors in IDRB; interest income tax-exempt.

The broker earns an 8 percent sales commission and a 1 percent expense reimbursement fee. Over ten years, Company C affiliates have arranged $316 million in limited partnership deals, $111 million of which are of this type. Properties involved have been hotels, one residence, office buildings, warehouses and shopping centers.

E. General Discussion. As can be seen from the foregoing example, once the property owner and user become two different entities, the tax benefits begin to spread. When the benefits become a "shelter" is a critical question. In this instance, the shelter is established with the partnership. (The partners and not the partnership are subject to tax.) Before that, the ownership and leasehold benefits are not extraordinary although the intent of the sale-leaseback arrangement of the stores may be objectionable.

There are two basic methods of establishing lease payments. One is a wash where rental income to the property owner equals the debt expense. The second is a straight or leveraged lease that provides rental income lowered by the tax benefits associated with the property and low enough to attract a renter. Setting the payment terms determines how profitable the transaction will be. The Limited Partnership proposal began with a wash lease, i.e., Company A would pay rent equal to the mortgage payment Company B would pay the municipalities. When Limited Partnership purchases the properties from Company B, however, it will pay a premium and take on additional debt to fund it. This will make the rental income inadequate to service all debt and meet expenses. Then Limited Partnership becomes unprofitable.

A recent article in Forbes suggests that $9 billion in tax shelter were sold in 1982. This figure includes IRAs, Keoghs and a host of other schemes, including the limited partnership investment.

Tax laws are fluid. The purpose of providing tax benefits on investments is to encourage investment in capital goods, i.e. plant and equipment. Tax laws change over time to render different qualifications to investments eligible for benefits. Most notably in 1981, major legislation provided eligibility for tax benefits to be sold from one corporation to another under a mechanism called safe harbor leasing. The result was that some major, profitable corporations paid no income tax. So, major tax legislation in 1982 amended and placed a sunset on safe harbor leasing for December 31, 1983. Figures are not and probably will not be available to indicate the amount of revenue actually lost by the federal government, because the law changed so quickly. Pre-legislation estimates were that $3.2 billion would be lost in 1982. Whatever the actual amount, it is clear that government revenue for spending was decreased and the arrangement had no productive purpose.

Even though safe harbor leasing will disappear, other forms of shelters or benefits will be defined and remain.

II. MUNICIPAL TAX SHELTER

Municipalities, also, are providing tax shelter investments of sorts in an effort to cheaply finance new public projects. The arrangement is essentially the same as occurs on the private side.

A. Example. The Camden County Municipal Utilities Authority needs to construct two sewage treatment plants to comply with requirements of the Clean Water Act. The estimated construction cost is $200 million. While the county expects to receive $110 million as its share of EPA grant money, the grants are to be used for other purposes as well. Instead, the county will float tax-exempt IDRBs to finance the projects. Because the interest income to investors is tax-exempt, the county will be able to borrow at lower rates. (Investor motivation to buy the bonds is tax-exemption for interest income rather than the interest rate being paid.) The sewage treatment plants will be sold to a private owner who will operate them for the municipality. The owner is eligible for an investment tax credit and deductions for interest expense and depreciation. This method of tax-sheltering involves a process being referred to as privatization and is a substitute for government support of public projects.

B. Legislative Activity. H.R. 3110 was introduced by Rep. Pickle on May 24 and was referred to the Ways and Means Committee. The bill is known as the "Government Leasing Act of 1983." Its provisions cover property owned or used by tax-exempt entities. It:

1. requires straight-line in lieu of accelerated depreciation

2. extends denial of investment credit for property used by governmental and tax-exempt entities

3. disallows rehabilitation credit for expenditures that are financed by tax-exempt IDRBs

4. applies to property placed in service after May 23, 1983 or up to January 1, 1984 if the arrangement is under contract on May 23, 1983.

Rep. Pickle's purposes are to limit privatization and its related federal revenue losses and additions to the federal deficit, middleman profits, and confusing accounting of how the public's money is being used. Examples of the sheltering he is attempting to curtail include the sale-leaseback of the Miami Orange Bowl with private parties, the leasing of cargo ships by the Navy and private ownership of satellites orbited by NASA. Lease of ships by the Navy will cost at least 11% more than outright purchase.

C. Discussion. One underlying issue of this whole tax shelter discussion is the proper use of IDRBs. The Administration favors curbing their use as "a backdoor means of obtaining federal subsidies, usually without explicit approval and sometimes in direct contravention of federal budget policies . . ." One-half of the $87.6 billion in IDRBs outstanding is dedicated to private housing, hospitals and industries. Last year, $44 billion were issued for private purposes compared to $10.3 billion for public works projects. Lost federal revenue is estimated to be $13 billion for each of the next five years due to the tax-exemption for interest earned on IDRBs.

IDRBs were the financing mechanism for both the Limited Partnership and Camden County projects. Proponents of IDRBs claim that their use has been instrumental in creating or saving jobs. Utilities say that IDRBs save the rate-payers the cost of cleanup equipment. On the other hand, increasing use of IDRBs is increasing the cost of projects. An increased number of bond issues competing against one another drives the interest rates up to attract investor funds. This only increases lost federal revenue further. CBO's greatest concern is "In real dollars (adjusted for inflation), the volume of tax-exempt bonds for public projects in 1982 was about 5 percent higher than it had been in 1975, whereas tax-exempt financing for private entities was a whopping 300 percent higher."

III. IMPACT ON PRODUCTIVITY

A. Definition. Productivity measures the relationship between outputs and inputs. Productivity increases when the same amount of input produces larger quantities of goods and services than before. Inputs are labor, capital and material resources. Public service output is included but difficult to measure, because it has no market value.

B. Influences. The U.S. productivity rate is declining in all major economic sectors except communications and agriculture. Quantitative factors affecting productivity include: investment in research and development, which provides the basis for innovation and technological progress; the rate of capital formation in the form of plant and equipment (as affected by the level of saving and investment); the composition of output (the distribution of GNP between goods and services whose productivity typically grows rapidly and those whose productivity growth is relatively slow); the composition of the labor force in terms of age, race, sex, education and work experience; the availability and cost of natural resources; government activities.

The Committee for Economic Development, in its Productivity Policy statement, indicates additional hypotheses, less quantifiable, affecting productivity. One is a deterioration in the quality of investment decision, partly attributable to investments in inflation hedges rather than in additions to the nation's productive capacity.

The Commerce Department released revised productivity estimates in the wake of delayed economic recovery. In December 1982, the increase in GNP (the total output of the economy) projected for 1983 was 3.7% over 1982. Estimated growth for 1983 now is expected to be 2.5 to 3.0%. Some industries surveyed will still be in a recession. Several industries, including steel and automobiles, ". . . are likely never again to attain the production and employment levels they achieved in the late 1970s." Only about 100,000 of the 270,000 unemployed in the automobile industry will be rehired. Capacity to manufacture steel is shrinking to the 1930s level.

C. Government Intervention. Government activities affecting productivity include

spending and regulation. Regulations relating to the environment, health, and safety place standards on new construction that increase costs so that business favors old plant and equipment. Capital goods become obsolete and inadequate to absorb an ever-increasing labor force. Additionally, the tax structure provides a disincentive to save and does not provide an incentive to invest.

Tax incentives are inequitable, short-term quick fixes. They go to capital intensive industries, e.g. transportation, and the result is that certain industries pay no taxes. Labor intensive industries such as apparel pay the highest tax rates because of high Social Security levies and few capital goods on which to accrue tax savings.

Companies will seek bank financing as the least costly method of making improvements. But there still needs to be increased saving in order for loan money to be available. Deposits from individuals into Individual Retirement Accounts provide a tax shelter to the individual depositor and commit long term funds, the type of funds institutions should have available to lend for long term purposes.

Some tax shelters, such as the deduction for home mortgage interest, add to productivity, but others do not. Some tax shelters encourage saving, e.g. IRAs, which provide long-term funds for lending elsewhere. Investment in tax-exempt bonds for public purposes is useful to finance government spending which may or may not add to productivity. But investment in a limited partnership strictly to shelter income not only wastes potentially productive resources but also decreases spending. Increased consumer spending creates demand for product and therefore increases productivity. Increased saving leads to increased capital investment and productivity. So it would appear that the appropriate strategy would be to encourage both consumer spending and saving.

IV. ALTERNATIVES TO TAX SHELTERS FOR PRODUCTIVITY

Suggestions are being made by private and public factions for ways to increase productivity and growth. The industrial policy issue and its hearings have provided one forum for the advancement of ideas. Suggestions for what the government can do include: Reduce or eliminate the tax on interest income to encourage savings to a level commensurate with other countries (21.0% in Japan vs. 5.6% in the U.S.). Add stimuli for investment, such as adopting a mechanism to adjust capital gains for inflation. Accelerate deregulation. Defer tax on contributions to Social Security and employer benefit plans. Control spending. Change tax code to simplify it, reduce tax preferences and reduce marginal tax rates by broadening the tax base. Modify public policy so that investment incentives are neutral among types of capital assets. Support research.●

ANOTHER WAY TO ENFORCE THE DRAFT LAW

HON. BOB EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1983

● Mr. EDGAR. Mr. Speaker, for the foreseeable future anyway young men will be required to certify that they have registered for the draft before they can receive college financial aid. Many of us see a large number of problems with the law.

Aside from the legal questions, there are questions about the need and efficiency of such a law. Do we need such a sweeping law when, according to the Director of the Selective Service in his recent report sent to all Members of Congress, 98.1 percent of the primary draft-eligible group have already registered? I suppose our auto registration compliance is not nearly that high. And I am certain that our income tax compliance is not that high. Even if there were some reason requiring a higher compliance rate, is the most efficient way to achieve that by deputizing colleges, bankers, and others to help the Justice Department do their work?

There is harm in passing such awkward laws. In its effort to instill patriotism, Congress risks alienating the 98 percent of the young American men who have registered but who are presumed guilty and unworthy of aid until they prove otherwise—not to mention antagonizing college and university officials nationwide.

In the spring, the Chronicle of Higher Education published an open letter by Paul Orehovec, a dean at the College of Wooster. Although Dean Orehovec wrote his letter with tongue in cheek, he nonetheless makes a serious point. I submit an edited version of his letter here in the RECORD and ask you to consider it.

DEAR CONGRESSMAN: I'VE A BETTER WAY TO CRACK DOWN ON DRAFT RESISTERS

(By Paul Orehovec)

DEAR CONGRESSMAN: Recently, the Enforcement of Military Service Act was signed as part of the Defense Authorization Bill. By making one minor adjustment in that act, I am convinced we can curb alcohol abuse and increase the attack on draft resisters.

The act states that institutions of higher education are required to certify that all male recipients of Title IV funds be registered for the draft. My recommendation is to replace the term "institution of higher education" with "bartenders," which would have the following effects:

The current terminology requiring institutions to check on students who receive Title IV funds makes it appear that the law discriminates against students from low-income families. My proposal would eliminate that discrimination. If bartenders checked draft registration before serving any form of alcohol, only those students who refrained from drinking would be exempt from showing evidence of their draft registration.

I contend that more members of academic communities drink than receive Title IV funds. Therefore, we could do the Defense Department a service by checking on young people through taverns rather than financial-aid offices.

Bartenders have always had to verify the ages of those entering a tavern, and the additional duty of certifying registration with the Selective Service should be right up their alley. By contrast, recent governement studies have alleged much error, abuse, and fraud in campus financial-aid offices. It would behoove the Defense Department not to be associated with such mismanagement.

Bartenders would have a much easier time of understanding federal regulations—particularly those in the Federal Register regarding verification of draft registration. For instance, when financial-aid officers are frustrated in their attempts to interpret the Federal Register, all they can do is turn to their calculators. Bartenders, however, can turn around and pour themselves a Scotch-and-water, and soon all things become quite clear.

I appreciate the government's attempt to ease the workload in financial-aid offices by cutting funds. I also understand that this time could be spent running errands for the Department of Defense. However I insist on an annual vacation—nothing approaching the 15 to 20 weeks enjoyed by Members of Congress, but something adequate. I cannot check draft registrations during this time. On the other hand, have you ever known a tavern to shut down?

It is time to get after draft resisters and alcoholics. I should point out that in addition to being a financial-aid officer, I take pride in being a part-time drinker, a past recipient of Title IV funds, and one who registered for the draft, votes, and pays taxes.

I discussed this matter with a bartender friend the other night. After appropriate deliberation, she concluded that she is much more qualified to handle the Department of Defense and their needs than am I.●

ASC COUNTY AND COMMUNITY COMMITTEE SYSTEM

HON. CHARLES ROSE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1983

● Mr. ROSE. Mr. Speaker, today I, along with many of my farm State colleagues, am introducing legislation which will strengthen the ASC County and Community Committee System.

The ASC County and Community Committees are probably the most important farmer network in this country. The individuals who serve on these committees are elected by their peers, their fellow farmers, and these committeemen play a vital role in their local communities with respect to farm programs.

However, it has come to my attention that the U.S. Department of Agriculture is questioning the wisdom and the effectiveness of the farmer-elected committeemen, at the same time our farm economy is in its worst state since the Great Depression.

Under the guise of budgetary constraints, USDA threatened to consolidate or eliminate Community Committees in several States, at the same time that USDA pressured the farmer-elected committeemen to serve without travel and compensation for the services they provide.

Last December I surveyed nearly 100,000 Community and County committeemen in an effort to determine what they were doing, what they could

do, and also to ascertain the quality of the communication which exists between committeemen and the U.S. Department of Agriculture. To date, I have received over 20,000 responses which clearly point out the interest in and the need for a national farmer-elected committee system. At the same time these surveys indicated that the channels of communication between USDA and committeemen warrant improvement.

In addition, the respondents to my survey repeatedly pointed out that they were not meeting frequently enough to be briefed on farm programs, that they were not receiving farm program information in a timely fashion, and that, in many cases, they felt as though they were being ignored. Several agricultural extension agents called my office to express their support and interest in the Committee System, emphasizing the need to utilize committeemen more fully.

With so many changes occurring in existing farm programs daily, and with the implementation of new programs, like the PIK program, it seems vitally important to me that we strengthen the farmer network in this country and listen to those people who are the most closely involved in our farm programs on a daily basis. I have said it before, and I will say it again, I do believe that many of our problems in agriculture today stem from the fact that we do not listen closely enough to our farmers. What we need to do is strengthen our communication with this Nation's farmers, not eliminate those who have a good idea or two.

I am pleased that so many of my colleagues have joined with me in recognizing the importance of this national farmer network; what it says to me is that we are listening, and that we will continue to listen.

At this point, I would like to include a brief summary of the major points of my bill. Thank you, Mr. Speaker, for this opportunity to speak on behalf of my bill:

SUMMARY OF THE MAJOR PROVISIONS OF THE AGRICULTURAL STABILIZATION AND CONSERVATION COMMITTEE ACT OF 1983

COMMUNITY COMMITTEES

The bill will—

(1) require that the number of local administrative areas (from which agricultural stablization and conservation (ASC) community committees are elected) in a county cannot be less than the number of administrative areas that the county had on December 31, 1980;

(2) extend the terms of members of ASC community committees from one to three years;

(3) require that ASC community committees meet not less than four times annually;

(4) specify the duties of ASC community committees, as follows:

(a) in counties in which there is more than one ASC community committee, the committees will—

((i) elect, each year, a person to serve on the ASC county committee; and

(ii) serve as consultants and advisors to the ASC county committee; and

(b) all ASC community committees will—

(i) meet periodically with the ASC county and State committees to be briefed on farm program issues;

(ii) communicate with farmers within their communities on issues and concerns regarding farm programs;

(iii) report to the ASC county and State committees, and others, on farm program recommendations of farmers within their communities; and

(iv) perform other duties required by law or assigned by the Secretary of Agriculture;

(5) require the Secretary to ensure that ASC community committees are provided up-to-date information on Federal farm and related programs that might affect farmers within their communities;

(6) make the changes described in items (1) through (5) above effective on January 1, 1984, except that the increase in the length of the terms of members of the ASC community committees will not apply to persons elected prior to January 1, 1984; and

(7) in counties that now have just one ASC community committee, but that (as a result of the bill) will receive additional community committees, provide that each person who is a member of the one county committee as of December 31, 1983, will serve the unexpired portion of his term following the increase in community committees as a member of the community committee for the local area in which he resides.

COUNTY COMMITTEES

Under the current law authorizing the creation of ASC county and community committees, the Secretary of Agriculture is directed to use the sevices of the committees in carrying out portions of the Soil Conservation and Domestic Allotment Act. The bill will amend current law to (1) require the Secretary also to use the services of the county and community committees as directed by law with respect to other programs and functions, and (2) authorize the Secretary to use the services of the committees in carrying out any program or function of the Department of Agriculture.

SALARY AND TRAVEL EXPENSES

The bill will—

(1) require the Secretary of Agriculture to provide compensation, on an hourly basis, to members of ASC county and community committees for work actually performed in assisting in the implementation of the Department of Agriculture programs, with—

(a) members of ASC county committees to be paid at the hourly rate applicable to the grade GS-11; and

(b) members of ASC community committees to be paid at the hourly rate applicable to the grade GS-9; and

(2) require the Secretary to pay members of ASC State, county, and community committees for travel expenses (including, for members of county and community committees, expenses for travel between their homes and the local county office of the Agricultural Stabilization and Conservation Service).●

A TRIBUTE TO GENERAL ROBERT BARROW

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1983

● Mr. SKELTON. Mr. Speaker, today I have the honor of rising to commend Gen. Robert Barrow and to personally thank him for a job well done. General Barrow has given 41 years of excellent service to the Marine Corps and to the entire United States.

General Barrow enlisted in the Marine Corps in March 1942 and served as an assistant drill instructor. He rose through the ranks, receiving a commission in 1943, and he spent the remainder of World War II fighting behind Japanese lines with a Chinese guerrilla force. He also remained in China for a year after the war ended.

During the Korean conflict, he was instrumental in the Inchon-Seoul offensive and later commanded a rifle company in the Chosin Reservoir campaign. From 1964 to 1967, he was plans officer for the Fleet Marine Force, Pacific, and he later commanded an infantry regiment which fought at Khe Sanh and the A Shau Valley in Vietnam. In all, General Barrow served seven tours of duty in the Far East.

He was commanding general for 3 years at the Marine Corps Base in Okinawa, and then was commanding general at the Marine Corps Recruit Depot, Parris Island, S.C. He served as Deputy Chief of Staff for Manpower at Marine Headquarters before becoming Commanding General of the Fleet Marine Force. General Barrow was the Assistant Commandant of the Marine Corps from July 1978 until he became Commandant a year later.

I have had the pleasure of working with the general several times when he was called before the House Armed Services Committee. By giving superior testimony before the committee, he proved himself to be an indispensable witness.

General Barrow finished his active commitment to the Marine Corps in July. However, the Marine Corps, Congress, and the entire United States will not soon forget such an outstanding leader. I would like to personally wish the general, his wife, Patty, and their five children all of the best for the future.●

RATIONAL APPROACH TO GRENADA REQUIRED

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1983

● Mr. CONYERS. Mr. Speaker, in the midst of the international crisis now confronting the Central American region, we have almost forgotten about the great impasse which exists between the United States and the small nation of Grenada. As you are aware, our country has refused to officially recognize the Government of Grenada since it came to power on August 13, 1979. There is a mission from Grenada to the Organization of American States and an Ambassador to the United Nations. Any contact which takes place between our two governments is carried on through one of these agencies. Of course, this artificial limitation on relations between Grenada and the United States has resulted in significant confusion and has generally cut short communication. The result has been that foreign policy between Grenada and the United States has been conducted in the media and has been largely based on half-truths.

I have always articulated the position that the United States should officially recognize Grenada and move to improve economic, political, and cultural relations with its government and people. This position is based on my detailed understanding of the domestic programs and foreign policy objectives of the Grenada Government. On June 1, 1983, Prime Minister Maurice Bishop of Grenada spoke at the Protocolary Session of the Organization of American States and outlined some of the goals of Grenada and its people. I think it is appropriate that selected parts of Prime Minister Bishop's speech should be included in the CONGRESSIONAL RECORD so that my colleagues can have the benefit of his thinking. I would hope that his thoughts would be carefully considered because we cannot afford to make decisions that may affect the dreams, aspirations, and independence of a people without the necessary factual information.

Mr. Chairman.

Mr. Secretary General.

Ambassadors and Representatives of the Governments of the Americas.

We meet here at a time when the world, and in particular the developing world which we so amply represent, is faced by an alarming array of social and economic problems which we must collectively confront in an effort to attain genuine progress and development for our peoples. Yet this is also a time when genuine efforts are already emerging from among us to resolve the social, economic, financial and political problems with which we are confronted. These efforts represent a reserve of determination and will which is part of our American heritage.

Today 150 years later, as we seek to attain peace, justice and progress for the people of the Americas, we must respond to those echoes (The echoes to which the Prime Minister refer is that based on his quote from Simon Bolivar, the father of Pan-Americanism, to the effect that "Unity, Unity, must be our motto in all things. The blood of our citizens is varied: let it be mixed for the sake of unity.") Indeed while we speak of the need for unity and the integrated development of our people, we do so with the knowledge that while we have shared historical experiences, the specific character and development of each state is different. Our unity is therefore based on mutual acceptance and understanding of each other's right to develop its own process as it deems best for the progress of its people:

We, in Grenada, place great significance on the signing of a treaty in December 1982 which established formal relations between the Caribbean Community (Caricom) and the Organization of American States. The basis for institutional interaction and exchange is most certainly being strengthened within our region.

Our American continent must not only be united, but we must have peace: a peace which bring economic and social justice, equality, and greater independence and freedom for all those down-trodden and oppressed.

We join international public opinion in supporting initiatives of the people of Latin America to solve the problems of our region. Contadora represents a significant step towards finding a solution to important dimensions of the problems in Central America. It offers concrete for finding negotiated solution to our problems and additionally underscores that it is possible to settle disputes without resorting to the use of force.

We oppose any attempt to give support to those whose objective is to destabilize the Sandinista regime and to promote stife and discord in Central America.

Mr. Chairman, Grenada again calls for peaceful solutions to all the regions border disputes, another legacy of colonialism which continues to adversely affect our peaceful and integrated development.

Because peace, independence and development are necessary for the progress of the peoples of the entire region, Grenada is particularly concerned about our relationship with the United States of America.

My government has consistently sought to establish and to maintain normal and mutually respectful relations with our powerful northern neighbor. It is an unfortunate historical fact that every effort on our part to achieve this has been ignored or rebuffed.

We pursue a foreign policy of non-alignment which for us includes a real and ongoing diversification and expansion of our relations. This includes our active involvement in the concerns of Latin America, seeking solutions to the problems of our small island states, advocating self-determination in a new political and economic framework, and acceptance of the principle of ideological pluralism

I reaffirm what representatives of our government have said so many times before: that Grenada constitutes no threat to the United States. We repeat that the new International Airport is a civilian project vital to the economic development of our country.

Our particular vision of the Americas is one which recognizes the right of member states to choose their own destiny and the same vision of ours accepts the possibilities of peaceful co-existence, diversity and variety of political systems. It is in this spirit that we embrace Venezuela, Cuba, Nicaragua, Mexico, Barbados, Martinique, and Suriname as all ligitimate sons of the Americas. We can not in principle subscribe to the attempt to isolate any member of our hemispheric family.

Grenada reiterates its commitment to the Charter of our organization (The Organization of American States). Our nations must proceed without confusion believing that we will achieve the goals agreed to in our charter.

Forward to peace, genuine independence and development in a United America—Our America.

Many important elements of the Prime Minister's speech have been deleted because of space limitations. However, it is clear from what is included that Grenada is very interested in becoming an independent and contributing member of the American states. The United States can contribute to this by recognizing the Government of Grenada.●

STUDENT AID AND DRAFT REGISTRATION

HON. BOB EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1983

● Mr. EDGAR. Mr. Speaker, in about a month a regulation will take effect requiring young men applying for student financial aid to certify that they have registered for the draft. We passed the law requiring this last year. We know this law as the Solomon amendment. The law has been challenged in the courts, and a Federal district judge in Minnesota declared the law unconstitutional. The Supreme Court will decide next term whether to hear the case. Meanwhile, the Court has let the law take effect. Many of us have questioned whether it is a proper law and, if proper, whether it is a wise law.

There are several features of the law that lead one to question its constitutionality. The law exacts penalties from a specified group of citizens without giving them judicial protection. That makes it a bill of attainder. Furthermore, the law puts an unfair burden on lower income people, and thus on minority people who must have financial aid to attend college. In addition, the law adds a double and unnecessarily severe penalty to the draft law. We should keep in mind that a young man already faces penalties of 5-years imprisonment and $10,000 fine for failure to comply with selective service law by not disclosing his name and address. That is the same penalty imposed on people who

refused to obey induction orders in the middle of a war.

Each of us has many responsibilities as a citizen of the United States and we should proudly try to fulfill those responsibilities. Each of us also draws many benefits from the United States—FHA loans, VA benefits, use of federally funded highways, not to mention Federal defense and law enforcement. Can you imagine the mess if our Government made every benefit conditional upon satisfying some unrelated responsibility? Registration for the draft is an important responsibility of our young men, but it is unrelated to whether or not a young man should be eligible for student aid. We could just as well deny social security to an older person who fails to prove that he or she has never underpaid on taxes.

Probably the most fundamental question is, Should Congress make people pass tests of good citizenship and take loyaity oaths whenever they want to claim any benefits or privileges that the Government ordinarily extends? I would say, "Certainly not."

Several weeks ago an important Pennsylvania paper, the Delaware County Daily Times, published a strong editorial on the subject. This cogent editorial forcefully makes the point that Congress must be very careful how it tries to enforce patriotism. I ask that the editorial be printed here.

The article follows:

[From the Delaware County Times, June 30, 1983]

A CRIME AGAINST AMERICA

The U.S. Supreme Court certainly cleared things up yesterday. It is now apparent that education is a right of the rich. For the rest of us, education is a privilege, subject to cancellation at the whim of politicians.

By ruling that the federal government must begin Friday to enforce a new law denying loans and grants to men who fail to register for the draft, the court establishes several novel principles of law.

The government may limit any aid or grant designed for general distribution to those who meet a political truth test—in this case, those who indicate a willingness to go to war.

The government may apply this test to members of one sex only, so that young women opposed to the draft will not be punished, but an estimated 122,000 young men who have not registered now cannot receive federal loans or grants for college education.

The government may force compliance with one law by interfering with an established set of laws in a totally different area. To enforce draft registration, it may abrogate the principle that college loans are to be available to all those demonstrating need and ability.

The government may make punishment contingent on income, depriving poor and middle class students of the opportunity for college education while passing over the rich.

These standards would permit the government to refuse, say, Social Security checks to senior citizens who fail to report all the interest on their savings accounts. They would permit the government to deny loans to members of any demographic group—white females, for example—who refuse to cooperate with a law applying to them and them only. The middle class could be singled out with a law denying tax credits for mortgage interest to adults convicted of (pick one) illegal gambling, speeding, mail fraud, drunk driving or anything else Congress chooses to make a federal offense.

If draft registration is necessary, then the government should have no trouble enforcing the law. Arrest violators. Convict them. Fine them. Send them to prison.

That's the way we've enforced laws in this country for 200 years and it's worked out pretty well. What will not work is a politically inspired punishment, unrelated to the crime, which affects only citizens of a certain sex and class who hold unpopular beliefs. That totalitarian-style law is itself a crime against our tradition, our constitution and our nation. That the U.S. Supreme Court does not instantly recognize this fact is a disgrace.●

THE CASE FOR A GLOBAL STRATEGY

HON. MICKEY EDWARDS

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1983

● Mr. EDWARDS of Oklahoma. Mr. Speaker, as chairman of the United States Global Strategy Council I was recently asked to address that organization's forum on the need for a new, comprehensive global strategy for the United States. Because of the importance of this issue, I would like to share my remarks with my colleagues:

THE CASE FOR A GLOBAL STRATEGY

I appreciate very much the opportunity to be a part of this organization and to work with people who share in common a love for this country, a concern for it and a willingness to come again to its aid in a time of great need.

Washington seems to give birth to new organizations so rapidly and with such a degree of excess, that many of them never get around to doing anything more than assembling an honorary advisory board, accumulating names for a direct mail campaign and raising money to pay for the overhead and the next mailing.

We simply do not need any more instant-solution direct-mail organizations. The problems we have are so great in scope and so complex in nature, and the potential danger so terrible, that this country must assemble in a serious way the finest minds, the best talents, and the greatest energy that can be brought to bear on a simple task: ensuring the survival of the United States and the free institutions it guarantees.

I am amused by people who quote themselves, and I know that everybody in this room could make the case more clearly and more persuasively than I, but as a statement of my own concern, and as a simple description of the goals we must undertake if the Global Strategy Council is to have meaning, let me read to you one paragraph from an article I wrote for the Proceedings of the U.S. Naval Institute nearly three years ago. The article was about the threat which Soviet expansion is now posing to control of the principal sea lanes, and I said that we must establish as a top priority the strengthening of our Navy, that we must upgrade our intelligence capability, and, finally, I said, ". . . we must resolve to think in a truly global way. A good chess player knows how important it is to survey the entire board and size up quickly the full range of moves his opponent is capable of making. If he concentrates on only one part of the board his narrowness of focus may well cost him the game. The world is like a chessboard, and we have to be able, given the present geographical and political configurations and alliances, to see new patterns emerging. To be surprised in today's world of global interdependence because we've failed realistically to take into account the geopolitical situation and what it portends, is to invite our own disaster."

I believe that is more true today than it was when I first wrote it. There is a desperate need for a truly comprehensive global strategy that is broadly focused and includes all aspects of the military, economic, industrial, humanitarian and psychological tools at our disposal. The Administrations of any President are necessarily hindered by both political considerations and the transient nature of power. Under President Carter we practiced international politics of selective outrage; under President Reagan we practiced first the politics of confrontation and today the politics of flexible firmness. You are all far more expert than I in determining which policies and strategies will best work, but we will all agree, I think, that success in the international arena requires the building of a trans-Presidential strategy which enjoys a national consensus and which will serve the long-range security interests of the United States. That is a role you in this room can fill better than any other group of citizens in the United States, and how well we fill that role, and how energetically we undertake it, may well be critical to our survival.

Now let me examine some of the aspects of what we must do:

1. We must have a global strategy that is clear and coherent.

Our goals are often foggy. Our actions are often contradictory.

We attempt to interdict the shipment of arms through Nicaragua into El Salvador, while at the same time we contribute millions of dollars to multilateral lending organizations, such as the World Bank, the Inter-American Development Bank and the International Fund for Agricultural Development, which pour millions of dollars into Nicaragua.

We provide military assistance, in the form of training, to Brazil, which sells weapons to Libya, which then uses those weapons against countries friendly to the United States and serves as a conduit for the funneling of weapons through Nicaragua in El Salvador.

In this year's budget requests alone—excluding supplementals and reprogrammings—the Administration is asking for more than $5 billion for countries which have voted with the United States 50 percent of the time or less in the United Nations, and which consistently oppose U.S. foreign policy in other international forums.

2. We must recognize the interdependence of many aspects of our environment and take a broad range of factors into account in formulating a national global strategy—factors far beyond the military and diplomatic decisions we generally think of in these regards.

For example: the increasingly complex technical nature of military equipment and weaponry parallels the release of reports indicting that the public school system in the United States has deteriorated almost beyond recognition and that the public schools are graduating young men and women who have difficulty communicating in the English language, comprehending written communications, or working simple problems math and science. And that deterioration parallels a frightening increase in the use of drugs among teen-agers and young adults. That that problem reaches into the military has been confirmed again and again, in Vietnam, aboard an aircraft carrier at sea, even among the select members of the White House guard.

What effort do we put into the rebuilding of our public school system and what effort do we put into combatting the increased use of drugs in our society? And given the current situation, what decisions do we make in the design of weapons and military equipment?

We are told that much of the unemployment in the United States is structural in nature—the result of a fundamental change in the American economy which will transform the United States into a high-tech society with microchips replacing smokestacks. In World War II the United States was able to survive because American forces were backed by an unparalleled industrial capacity. Already the United States is endangered by heavy dependence on foreign sources for its crude oil supplies—supplies which will have to be moved through the threatened sea lanes even if they are not cut off at the source. What will it mean if we add to that the increasing dependence of the United States on foreign suppliers for steel and for vehicles? The emergence of a technological society, and the disappearance of smokestack industry, is neither a military factor nor a diplomatic factor, but it is an essential part of the equation in developing a viable global strategy whether we protect our industrial capacity with tariffs or develop new means of ensuring the availability of outside sources.

3. In terms of global strategy, we must not prioritize excessively. Strategies are different from purchases. Strategies must be inclusive, and must take into account all eventualities.

We cannot ignore any part of the globe—not Europe, not Asia, not southwest Asia, not the Asean countries; not the middle east, certainly; not Africa, so important as a supplier of minerals and increasingly a target from one end of the continent to the other; not South and Central America. The world is smaller and the threat is more comprehensively global than ever before, and our strategies must be equally broad.

4. The United States must critically examine the way in which it approaches its relationships with those nations which may be temporarily aligned with our security interests, but in which the governments are authoritarian in nature and do not enjoy the support of the citizenry. I addressed this issue in the summer of 1981 in an article in World Affairs in which I said:

"The decisive political conflict in our century is that between totalitarian communism and liberal democracy. To meet the challenge adequately, United States foreign policy must be two-pronged. First, it must be implacably opposed to the expansion of communism. Second, and equally important, U.S. policy must protect and nurture democratic governments where they now exist, and encourage their emergence where they do not."

That is not, let me add, a proposal based on moral grounds but a consideration of the long-range security interests of the United States, and I add it here only to suggest the need for a careful rethinking of many current "givens", ranging from our policies toward various governments to the narrower scope of the institutional or structural systems, in the White House and in the Congress, through which those decisions are made.

5. Finally, let me address the important problem of building a national consensus in support of whatever global strategy we are able to develop.

Here, there are two "givens":

First, it is a given that the Congress does, and will, play a role in the shaping of a global policy. No matter who devises the strategy or proposes it, the Congress will confirm or refuse to confirm key players in the Administration's decision-making process; the Congress will appropriate or refuse to appropriate funds, for Radio Marti, or the Caribbean Basin Initiative, for weapons systems; the Congress will pass limitations on Administrative discretion—limitations like the Boland amendment—and will bring to bear on issues of national security the narrower interests of particular constituencies. That will happen. It is absolutely futile and senseless to debate the good or bad of it. Congressional participation in the world of global strategy is a part of life.

Second, for the foreseeable future, a large segment of the news media will observe Presidential and Congressional decision-making through a lens which sees more clearly the arguments against increased U.S. capability than the arguments for it, and which sees more clearly the arguments against assisting the Government of El Salvador, for example, than the argument for assistance. Again, that is a fact of life. It is a given. And it is absolutely futile and senseless to debate the good or bad of it.

To recognize these important factors is to define one of the two principal tasks of the Global Strategy Council. The first task is to help formulate a comprehensive global strategy. The second task is to develop a consensus in support of that strategy.

If the Congress is going to play a role, and if the national press is likely to be non-supportive of elements of that strategy, then one must do what one does on a battlefield. One cannot wish a mountain away, or a river, or condemn its presence, one must devise strategies to go over it, around it or through it. That is what we must do.

We can develop means of communicating directly to the public through alternative media, through development of speakers' bureaus, through extensive participation in the national dialogue in articles and debates. We can write letters, make films, stage seminars, prepare books. We can pull into the effort other scholars and community leaders throughout the country. We can, in short, put a major part of our effort into communication, with the Congress and with the electorate to which the Congress is responsive.

This is the challenge to the Global Strategy Council. To develop policy and to sell it. This is not an organization to engage in meaningless meetings and endless discussion. This is an action organization which time and circumstance have combined to place in the forefront of the effort to meet a desperate national need. And I am very proud to be a part of it.●

ALLOW EARLY RETIREMENT FOR CUSTOMS AND IMMIGRATION INSPECTORS

HON. AL SWIFT

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1983

● Mr. SWIFT. Mr. Speaker, as you know, I have long been concerned with the Office of Personnel Management's (OPM) interpretation of the early retirement—6(c)—provision in regard to customs and immigration inspectors.

Two years ago, OPM delegated a special task force to study this situation. Among the duty stations visited by this task force was the port of entry at Blaine, Wash., in my district. I was present for this conference, and the testimony of the customs and immigration personnel and their wives convinced me more than ever that in order to perform their duties, inspectors must act as, and must undergo the same stresses as, other Federal law enforcement officers. Also, the American public is entitled to a young and vigorous work force to protect the integrity of our borders and to insure the vigilant and energetic enforcement of our Nation's laws. Including inspectors under the early retirement provision of civil service retirement will allow this needed recruitment of young and able customs and immigration inspectors.

In a letter to me, OPM Director Donald J. Devine acknowledged the dangers existence of this problem:

> The points you have made on the difficulties and dangers faced by our customs inspectors are very well taken. This aspect of their work is, I believe, well documented in our report of last year's onsite tour of several ports-of-entry. Unfortunately, the inspectors do not fit into the rather narrow definition of a law enforcement officer found in the statute.

I believe the facts speak for themselves in this matter: First, customs inspectors make on the order of 3,000 arrests a year, more than half of them on information from the FBI's National Crime Information Center (NCIC). The FBI states that customs inspectors make more NCIC arrests than all other Federal agencies combined. And all of them are felony arrests. Second, immigration inspectors have lead responsibility for screening individuals entering the country. Last year, 533,063 inadmissable aliens were intercepted at ports of entry. Many aliens used fraudulent or counterfeit documents. This is an increasingly volatile situation, and violence and arrest resistance is a constant threat to inspectors.

Today, I am joining with 15 of my colleagues in introducing an amendment to title 5, USC, to include customs and immigration inspectors within the early retirement provisions

of the civil service retirement system. I recommend this legislation to the Members of the House.●

THE TRAVELERS COS. AND SMALL BUSINESS

HON. ANDY IRELAND

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1983

● Mr. IRELAND. Mr. Speaker, when I read a story in the newspapers about some big business boondoggle, I often ask myself whether or not anyone cares about the good things done for society by many of our large corporations. That is why I am pleased to include in the RECORD a recent article from the Hartford Courant which explains a new program The Travelers Cos. has developed for small business in the Hartford, Conn. area and also nationwide.

[From the Hartford Courant, July 10, 1983]

LOAN TO HELP CREATE JOBS

$2 MILLION FROM TRAVELERS TO BOOST SMALL BUSINESSES

(By Howard Sherman)

The Travelers Cos. will provide $2 million for below-market-rate loans to help small businesses in Hartford and other cities expand and create jobs, company officials said Saturday.

The loan money is the "largest investment for job creation Travelers has made at any one time," said F. Peter Libassi, senior vice president for corporate communications.

The Travelers will lend $1 million to the Greater Hartford Business and Development Center during the next two years.

The center is a corporate and government funded non-profit organization that provides loans and technical assistance to small businesses in Hartford so that they can expand and create jobs instead of closing or leaving the city.

It is unclear how many jobs the Travelers' funds might create, but about 200 jobs were created in the Hartford area in the past two years with $500,000 in development center loans, said center President Melvin Plummer.

The Travelers will use the other $1 million to buy a limited partnership in the Boston-based Urban National Corp., which invests in minority-owned-and-managed businesses nationally.

The Travelers joins 17 other major corporations either committed to or considering loans to Urban National's $18 million capital fund.

Libassi said $200,000 of that money will be earmarked for investment in Hartford, bringing the total loan commitment to the city's small businesses to $1.2 million.

Travelers' contribution to the development center's loan program will provide about half the $2 million goal of a corporate fund-raising drive kicked off in December by the Greater Hartford Chamber of Commerce.

That money was designed to aid neighborhood businesses—especially those in Hartford's Urban Enterprise Zone and other depressed areas of the city.

The Travelers will lend the $1 million to the development center at 8.9 percent over 20 years, Libassi said.

The center will then lend the money to businesses at a rate below the prime rate, Plummer said. The prime rate currently is 10.5 percent.

With Travelers contributing $1 million, Plummer said the fund-raising drive will exceed its goal and might reach as much as $2.5 million.

"Our interest is small business development in the Hartford area," said Plummer, who is also a Travelers' executive.

"What we hope to do through making loans to the small-businessmen and helping them also through technical assistance . . . is to one, maintain their presence in Hartford and to help them expand and to help create new small businesses in the area and in the course of doing those things we also create jobs," he said.

"It's good social and economic policy to support programs that create jobs," Libassi said. "When people have jobs, they can afford sound nutrition, better housing and other of life's essentials. That's why we see job development as an important corporate priority."

Chamber President Herbert W. Hansen said expanding and improving businesses is a much better way to create jobs and teach Hartford workers new skills than the federal public service job efforts of several years ago.

"The experience of CETA would say that that doesn't work because creating a job for someone that doesn't have a future doesn't help anybody," Hansen said.

Hartford Deputy Mayor Rudolph P. Arnold the new loan money "would be a significant and valued contribution on the part of the Travelers."

The city also has supplied about $1 million to the center for its loan program, Arnold said.

But he said "there is no panacea for the unemployment situation that we face in Hartford."

The 8-year-old center usually provides 10 percent of the loan and banks, the Small Business Administration, the Connecticut Development Authority and other lending institutions provide the rest.

The Travelers made the final decision to provide its $2 million in loans Friday and was scheduled to release the details this week before word about the program leaked out Saturday during Hartford Mayor Thirman L. Milner's re-election announcement at the Old State House.

Travelers officials had discussed the loan contribution with both Milner and Arnold before giving it final approval.

Libassi said Travelers will continue to make grants and loans for various projects like housing and education, but the $2 million loan commitment is making job creation a major priority.

The Travelers recently agreed to provide the Hartford school system with $500,000 during the next five years for computer training and computer education that will better prepare students for jobs in Hartford corporations.

Libassi said Travelers has "made the decision that this (job creation) is to be our primary area of emphasis."●

LEGISLATION INTRODUCED TO PROVIDE A MORE EQUITABLE SOCIAL SECURITY LUMP-SUM BENEFIT

HON. SOLOMON P. ORTIZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1983

● Mr. ORTIZ. Mr. Speaker, today I am introducing a bill which will amend the Social Security Act to provide a final lump sum benefit during the month when any insured individual or beneficiary dies. At this time, I wish to thank my distinguished colleagues, Chairman PEPPER and Chairman ROYBAL for joining with me in offering this most important legislation.

Currently, the Social Security Act does not provide benefits for the month in which an insured individual dies. The bill we are introducing today will revise present law to allow eligible survivors to receive the final month's benefit. This lump sum would be payable to a surviving spouse; children who are below 19 years of age or who are permanently disabled; or, payment would be made to any person responsible for the burial expenses, in the event there is no surviving spouse or children. Funeral homes would no longer receive direct payment.

Beginning in 1939, lump sum benefits were paid to those workers with eligible survivors. The 1981 Omnibus Reconciliation Act changed that and restricted payment to surviving spouses or children of workers who had paid into the system. Consequently, countless numbers of people, without such survivors, are denied the right to die with dignity. Why must these people, who have spent their working lives contributing to the social security system, be denied access to a decent burial? Our bill restores the provision to provide final payment to workers and it extends it to all beneficiaries, including the surviving spouse and children.

When the lump sum payment schedule was originally formulated, approximately 29 years ago, it was determined by multiplying the average monthly benefit by 3. However, that payment cannot exceed $255. When this method was established, the amount was considered very generous. That is no longer true. Therefore, this bill provides a more humane and realistic method for determining the amount of the lump-sum benefit. The amount will be equal to the average old age security and disability income monthly payment at the time of death, which is currently $420.

Although $420 does not come close to covering funeral expenses—the current cost averages over $3,000, according to the Continental Association of Funeral and Memorial Societies—it

will go a long way toward assuring a respectable burial.

Mr. Speaker, the greatness and power of a nation is measured in large part on the basis of how it treats its youth and its elderly. Today, the population of the United States includes approximately 25 million people over the age of 65. Of that total, 4 million live below the poverty level. An astonishing 26 percent of people aged 65 and over have incomes under $5,000 a year. There are currently 65,580 older Americans who reside in the 27th District of Texas, which I represent; 14,000 of them live on an income which is below the poverty level.

Too many older Americans work diligently throughout their lives in anticipation of relaxing and enjoying the time of their golden years only to find themselves without enough food and adequate housing. Must they also shoulder the extra burden of worrying about how their estate will pay for a respectable ceremony once they are deceased? It is my belief that President Roosevelt signed the Social Security Act into law in an attempt to relieve some of the financial fears of older Americans. It is time to return to the original intent of that law and restore dignity and respect to the elderly of our Nation.

I am certain that in this time of high government spending and a ballooning budget deficit, people will be reluctant to support provisions calling for added expenditures. Rather than depriving the elderly of additional income, I would urge my colleagues to look to other areas for reducing the deficit.

I would suggest we follow a few of the recommendations proposed by the Grace Commission to cut the deficit. For example, this group of businessmen, under the direction of J. Peter Grace, suggests that $659 million in defense spending could be saved over 3 years by encouraging more competition in the procurement of spare parts. Additionally according to the Commission, the Federal Government could save $5.4 billion in construction costs over the next 3 years by following its recommendations. The Commission further suggests that once these facilities are built, shoddy maintenance wastes another $340 million a year.

I am hopeful that such recommendations and suggestions to ferret out waste and fraud will be closely examined before we deny any additional benefits to our older population.

The time is ripe to reaffirm our commitment to those 26 million Americans, many of whom served our country and fought at home and abroad to maintain the freedom we enjoy today. I ask my colleagues to join with me in continuing the tradition initiated by President Roosevelt 48 years ago when he called upon the Nation to recognize its responsibility to those who have contributed so much to our society.●

U.S. START PROPOSAL

HON. BOB EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1983

● Mr. EDGAR. Mr. Speaker, many of us are deeply concerned about the lack of progress at the U.S.-U.S.S.R. strategic arms negotiations in Geneva. President Reagan keeps asking his outspoken critics from Congress and elsewhere to keep quiet and give his negotiators a chance to do their work. I wish we could. Although we would all like to see bipartisan foreign policy, we cannot sit quietly while the administration throws one monkey wrench after another into the negotiation process. The threat of nuclear war is far too serious and too immediate for our Nation not to give it our best thinking and our greatest effort.

Only a few people are privy to what is taking place behind the closed doors in Geneva, but some things are apparent to those of us watching intently from the outside. If we continue the way we are going, we will not achieve an acceptable arms control treaty. If we continue the way we are going, we will have war. The arms race can end only in conciliation or in disaster. In the long run there is no other possibility.

We are building more and more weapons of greater and greater destructive power, and we are deploying them in a world that is not getting any bigger. Indeed, ours is a world with a fragile social structure and a vulnerable ecosystem. Our military planners ar working hard to build weapons of more military flexibility so that those weapons could be used to fight a limited or a prolonged nuclear war. Commonsense tells me that if there were a nuclear exchange it would be neither limited nor prolonged. The destruction would be vast, not limited, and although the catastrophic effects might linger, the damage would be inflicted unbelievably fast.

Let me repeat, the arms race can end in conciliation or in disaster. Those are the only outcomes. We must devote greater effort to achieving conciliation now—at the START talks and in all other areas.

Last week Dr. George Rathjens, a distinguished scientist from MIT and chairman of Council for a Livable World, sent to me and to others of my colleagues an analysis of the U.S. START proposals. The analysis was preparaed by Ambassador Paul Warnke, one of the world's most esteemed experts on arms control. Ambassador Warnke was Director of the U.S. Arms Control and Disarmament Agency and Chief U.S. SALT Negotiator in 1977 and 1978. Previously he had been Assistant Secretary of State for International Security Affairs. He has learned well the frustrations of negotiating with the Soviets, and he has learned what leads to fruitful negotiations and what does not.

I urge my colleagues to read and consider Ambassador Warnke's analysis, which I insert in the RECORD at this point.

AN ANALYSIS OF THE U.S. START PROPOSALS

Serious arms control negotiations will of course require private discussion between the United States and Soviet teams. It must therefore be hoped that the ideas presented to the Soviets in Geneva will provide some basis for agreement. Certainly no such hope can be held for the U.S. START proposals, either as initially made public or with the recent modifications.

White House explanations and uncritical press comment suggest that the new proposals show flexibility and move in the direction recommended by the Scowcroft Commission. But to the Soviet Union they can only appear as a demand for unilateral concessions and a massive restructuring of its strategic nuclear forces with no comparable restraints on the United States.

In its key respects, the U.S. proposal remains unchanged. It calls for a limit of 5,000 ballistic missile warheads on each side, of which no more than 2,500 could be carried by the land-based intercontinental ballistic missiles. The Soviets would have to eliminate more than one-half of their ICBM warheads while the United States could increase by about 350.

Moreover, the Soviet Union is asked to cut its MIRVed ICBMs—the SS-17s, 18s and 19s—by about 75 percent, from over 800 to 210. Within that aggregate, SS-18s would number no more than 110, as compared with the present 308. In essence, the Soviets would be expected to cut the heart out of their strategic nuclear force, scrapping billions and billions of the dollars it spent to match U.S. deployment of MIRVed missiles.

Moreover, with these limits on its present MIRVed ICBMs the Soviet Union would not be able to reach the 2500 ceiling. Assuming the maximum warheads per ICBM, as must be done for verification purposes, 110 SS-18s with 10 warheads each would total 1,100. If 100 SS-19s are retained, with a maximum of 6 warheads each, this would yield another 600 for a total of 1,700. The Soviets would thus be left with no more than 2,280 warheads on 790 ICBMs—unless they replaced the approximately 580 single warhead SS-11s and 13s with a new small MIRVed ICBM.

Any claim of new flexibility rests on the elimination of the previously proposed ceiling of 850 long range ballistic missiles. But this is cold comfort for the Soviets. Raising the ballistic limit from 850 to 1,200, for example, would neatly accommodate U.S. plans for its strategic forces. It would permit deployment of all 100 planned MX missiles with 10 warheads each, plus 500 of the present Minuteman IIIs with 3 warheads each, within the ICBM warhead ceiling of 2,500. This would leave room to increase the U.S. submarine-launched ballistic missiles from the present 520 to 600. The Soviets, in contrast, would have to cut their 950 SLBMs to 410, in order to keep 2280 ICBM warheads. To avoid a SLBM force with far fewer than the present 1,500 war-

heads, they would have to design and deploy a new more highly MIRVed missile. But the immediate result would be a dramatic increase in the already wide lead of the U.S. in this most survivable element of the strategic arsenal. We could retain 2,500 warheads on our much superior submarines. About 60 percent of these are on station at all times, as compared to the Soviet average of 15 percent.

What has been hailed as movement toward a more negotiable position thus would in fact leave the Soviet Union far short both of the 5,000 ballistic missile warhead ceiling and the 2,500 ICBM warhead subceiling, unless and until their forces are redesigned and rebuilt.

In return for this voluntary attrition of its own strategic arsenal, what is the Soviet Union being offered? The United States would go ahead with MX and the Trident II SLBM, both with unparalleled hard target kill capability. No limits are suggested on U.S. planned sea- and ground-launched cruise missiles or on the on-going air-launched cruise missile program and strategic bombers.

Nothing in the new START position advances the Scowcroft Commission recommendations. Instead it encourages new Soviet MIRVed missiles. Under its terms, neither U.S. nor Soviet military planners can be expected to have much interest in scrapping modern MIRVed ICBMs, at great expense, for a small single-warhead missile. And because of greater Soviet dependence on ICBMs, the fatal flaw here, as with our position in the negotiations on intermediate range nuclear missiles in Europe (the INF talks), is that the Soviet Union is asked to scale way down in those few areas where it has an edge, while we retain and increase our lead in all other elements of nuclear weaponry.

I don't believe we can persuade the Soviet leaders to play under new strategic rules that guarantee an overwhelming American advantage. Logic gives us no reason to think they will take these proposals seriously. Experience should teach us that they won't.●

TRIBUTE TO JOHN SOBIESKI, KING OF POLAND, VICTOR AT VIENNA SEPTEMBER 12, 1683

HON. CLEMENT J. ZABLOCKI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1983

● Mr. ZABLOCKI. Mr. Speaker, September 12, 1983, is the 300th anniversary of the Battle of Vienna, the battle which changed the destiny of Europe. It is a privilege for me to rise to commemorate this historic event and to honor the memory of John III Sobieski, King of Poland, whose triumph over the invading Ottoman forces made him the hero of the Christian world.

Mr. Speaker, just a few weeks ago the world witnessed the historic second pilgrimage of Pope John Paul II, son of Poland, to his native land. Three hundred years ago, another pontiff, Pope Innocent XI, implored the Polish King, John Sobieski, to place himself at the head of an army to turn back the threat that all Europe faced. John Sobieski had already earned his reputation during the reign of his predecessors, John Casimir and Michael, having repeatedly triumphed over Cossack, Tartar, and Turk against overwhelming odds. It was on the basis of these exploits that Sobieski was acclaimed King by the Polish Diet upon Michael's death.

Answering the pleas of the Holy Father and of Leopold, Emperor of Germany and King of Hungary, King John Sobieski began his march to Vienna on August 15, 1683, at the head of a 16,000-man army which, when combined with the imperial arm and the garrison at Vienna, was to total about 70,000 troops.

Vienna had been under siege since early July by a force of several hundred thousand under the Grand Vizier of Turkey, Kara Mustapha. The walls of Vienna had been breached by the enemy in early August and the city would have fallen if the Vizier had pressed his advantage.

Mr. Speaker, 100 hundred years ago, Paul Sobolewski, a Polish emigré who was the founder of the Polish press in America, published a brief biography of John Sobieski as a tribute to his military genius.

Mr. Speaker, I would like to share with our colleagues an excerpt from this monograph which succinctly describes the brief encounter in which Sobieski triumphed over the invaders, as follows:

On the morning of September 11th, 1683, the allied army reached the summit of a chain of mountains, from which the Austrian Capital and the wide spread gilded tents of the Moslems formed a magnificent prospect. Great was the astonishment of Kara Mustapha, the Turkish commander, to behold heights which he had deemed inaccessible, glittering with Polish lances. He did not then know that the "wizard King" was there, but the unwelcome intelligence was soon conveyed to him.

Next day, having heard mass, and communicated—a pious practise which he never neglected when any great struggle was impending—the King descended the mountain to encounter the dense hosts of Moslems in the plains below. The shouts of the Christian army bore to the infidels the dreaded name of *Sobieski.* The latter were driven from their entrenchments after sometime. On contemplating these works, he deemed too-strong and too formidably defended to be forced. Five o'clock p.m. had sounded, and he had given for the day all hope of the grand struggle, when the provoking composure of Mustapha, whom he espied in a splendid tent tranquilly taking coffee with his two sons, roused him to such a pitch, that he instantly gave orders for a general assault. It was made simultaneously on the wing and centre. He himself made toward Mustapha's tent, beating down all opposition, and repeating with a loud voice, *"Non nobis, non nobis Domine exercituum sed nomini tuo da gloriam."* (Not unto us, not unto us, but to Thy name, o Lord of Hosts, be ascribed the glory.) He was soon recognized by the Tartars and Cossacks, who had so often beheld him blazing in the van of the Polish chivalry; they drew back, while his name rapidly passed from one extremity to the other of the Ottoman lines who refused to believe him present. At that moment the huzzars, raising their national cry, "God for Poland" cleared the ditch that would long have arrested the infantry, and dashed into the deep ranks of the enemy. They were a gallant band—their appearance almost justified the saying of one of their Kings, "That if the sky itself was to fall, they would bear it upon the points of their lances!" The shock was rude and for some minutes dreadfull; but the valor of the Poles, still more the reputation of the leader, and more than all, the finger of God routed these immense hosts; they gave way on every side, the Khan of the Tartars was borne along with the stream of the tent of the now despairing Vizier. "Canst thou not help me?" said Mustapha to brave Tartar, "then I am lost indeed." "The Polish King is there," replied the other, "I know him well! Did I not tell thee that we had to do was to get away as quick as possible." Still the Vizier attempted to make a stand in vain. As well might he have essayed to stem the ocean tide. With tears in his eyes he embraced his sons, and followed the universal example.

So sudden and general was the panic among the Turks, that by six o'clock Sobieski had taken possession of their camp. One of the Vizier's stirrups finely enamelled was brought to him. "Take this stirrup," said the conqueror, "to the Queen, and tell her that the person to whom it belonged, is defeated." Having strictly forbidden his soldiers from plundering, they rested under the Turkish tents. Thus the immense Turkish army was wholly broken up and Vienna was saved!

Mr. Speaker, 300 years after a Polish king won the Battle of Vienna—removing a grave threat to the freedom of all Europe, the people of Poland still yearn for the independence and rights of self-determination which they have been denied.

The tents of the Grand Vizier, taken as trophies of the victory at Vienna, are preserved in Wawel Castle in Cracow, reminders of Poland's glorious past. There, as if by destiny, the present-day successor to Pope Innocent XI met with the head of the Poland's ruling military junta to discuss the nation's future.

Pope John Paul II by his pilgrimage to Jasna Gora strengthened the almost inseparable ties between the Church he heads and the Polish Nation he represents as its most famous son. His deep love for and his understanding of his homeland and its people inspired his every word and his belief that Poland can unite and survive as a free nation only by adherence to the principles which come from God Himself. He raised again the cry of the Polish hussars at Vienna as then charged the ranks of the enemy, "God for Poland."

Mr. Speaker, as we pay tribute to King John III Sobieski, a hero of Poland past, may we also remember the heroes of Poland today, who placed their trust in God and work diligently and patiently to achieve their due reward—the freedom of life, liber-

ty and the pursuit of happiness, which we cherish.●

BARRY MANILOW IS HONORED BY UNITED WAY OF AMERICA

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1983

● Mr. WAXMAN. Mr. Speaker, Barry Manilow, television and recording star, has been appointed National Chairman for Youth and Voluntarism for United Way of America.

In announcing his appointment, the United Way said Barry Manilow was chosen for his ability to communicate and focus attention through the mass media on the outstanding accomplishments of youth in volunteer programs.

The announcement was made at a special ceremony at the Beverly Wilshire Hotel in which a young people's choir, including 10 children from the Boys Club of Hollywood, participated.

Marking his concern for community involvement, Manilow contributed his song, "One Voice," from his double-platinum album of the same title, to be used as the national theme song for the United Way of America, in addition to presenting the song's sheet music to the organization. Manilow will go on to film public service announcements for United Way which will focus on voluntary actions by youth and other groups across the country.

Barry Manilow has taken time from his extraordinarily successful music career to be involved actively in a wide variety of community service projects, including kicking off the United Way of Los Angeles campaign with a benefit concert at the Hollywood Bowl which was attended by more than 17,000 people.

In acknowledging his new post, Barry Manilow summed up his views by stating:

Volunteering has always played an important part in the American community—right from young volunteers who start out working in their local hospital, schools and churches, who grow into adults and serve their communities working for local fire departments, or devoting their time to charitable or cultural enterprises. Without volunteers, these groups could not accomplish their goals.

I hope to encourage young people to become involved and stay involved in voluntary community activities, while taking a positive approach in developing ways to address their communities' needs.

I ask the Members to join me in saluting Barry Manilow for his generosity and work on behalf of the young people of America and for his commitment to public service and community concern.●

COMPETITION AND THE COAL PIPELINES THREAT

HON. JERRY HUCKABY

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1983

● Mr. HUCKABY. Mr. Speaker, on July 29, 1983, Mr. FLORIO of New Jersey inserted into the CONGRESSIONAL RECORD a July 23, 1983, article from the Washington Post regarding the recent signing of a 20-year coal hauling contract between Arkansas Power & Light and two railroads, the Chicago Northwestern and the Union Pacific. Mr. FLORIO stated at the time, "what is significant about this contract is that the two railroads underbid the pipeline." I agree that this was a significant development when one considers that the "proposed coal slurry pipeline" was just that—a proposal. In fact, the ETSI pipeline project had yet to acquire all of its right-of-ways. Mr. FLORIO makes much of the fact that the projected costs of the proposed pipeline have jumped three or four times from original estimates. This may well be, but keep in mind that the ETSI project has been on the drawing boards for nearly 10 years and moving closer to a reality against constant opposition from the railroads. During that time, the coal pipeline remained a viable transportation alternative because railroad coal hauling rates were ever on the rise. It was only when AP&L had a viable alternative to rail transportation—albeit in the form of a proposed pipeline—that it could leverage its rates downward. In this one instance alone, AP&L will save an estimated $16.5 billion—yes billion—in reduced fuel costs over present rates as projected through the year 2016.

If coal pipelines are no match for railroads in the marketplace then passage of legislation to grant the right of Federal eminent domain to such undertakings should prove no threat to the railroad coal-hauling business. The fact is that the mere threat of competition had a postive impact on the recent negotiations surrounding AP&L contract with the railroads. On July 25, 1983, Mr. Floyd W. Lewis, chairman and president of Middle South Utilities, Inc.—the holding company for AP&L—issued a press release speaking to this very point.

The Middle South Utilities press release follows:

NEW ORLEANS, July 25, 1983.—"Middle South Utilities, Inc. still supports legislation for coal slurry pipelines even though we have recently entered into long-term coal transportation agreements with several railroads," Floyd W. Lewis, chairman and president, said today.

Middle South had considered a proposal by the ETSI coal slurry pipeline before accepting a competing proposal from the railroads.

"We have invested much time and effort in studying the feasibility of coal pipeline transportation and in attempting to create the necessary legislative environment that would permit this mode of transportation to compete on a reasonable basis," Lewis said.

Legislation to provide the right of eminent domain for coal slurry pipelines is expected to be considered by the U.S. Senate in September. After years of railroad opposition, proponents of coal slurry pipeline legislation rate the prospects of passage by this Congress as favorable.

"In deciding to contract with the railroads in this case, we are by no means implying that the pipeline shipment of coal does not have a place in serving the future overall need for coal transportation," Lewis said. "Instead, a combination of unique circumstances had produced a more attractive overall means of meeting our needs than ETSI is able to offer at this time.

"We believe that the presence of competition from the coal slurry pipeline was a contributing factor to the willingness of the railroads to enter into favorable long-term transportation agreements.

"What we saw in Arkansas was an example that the railroads not only can, but will compete when faced with a credible pipeline alternative. This competition will benefit utilities and, in turn, their customers throughout the country.

"We feel that the passage of pending eminent domain legislation is essential to provide the desired competitive situation. Indeed, had eminent domain legislation not been delayed for the 10 years since the Middle South Utilities system first supported it, construction might have already been underway on a Wyoming-to-Arkansas slurry pipeline with even lower rates available for transporting coal."●

NEW YORK TAKES THE LEAD IN UPGRADING EDUCATION PROGRAMS

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1983

● Mr. BIAGGI. Mr. Speaker, I am pleased to note that my own State of New York has recently moved to upgrade curriculum requirements for students in both public and private schools in response to the growing national cry for tougher academic standards in our Nation's schools.

The New York State Board of Regents, which is the State's governing panel, sets the direction of educational quality in the State. Beginning as early as this coming school year, New York's 3 million elementary, junior high, and high school students will be required to take more math, science, social studies, and the arts. Equally as important is the requirement that they must learn a foreign language. Finally, students would be required to take more tests, do more homework, and spend more time learning about computers in the early grades.

These recommendations come on the heels of the Department of Educa-

tion's task force of excellence in education which recently revealed that our schools are being plagued by mediocrity instead of excellence. The report set forth a rigorous agenda for action to upgrade educational quality in the United States. It also noted that teachers need to be given more support and training by local school districts, as well as be paid a salary that is more competitive with other professional fields.

As a result of these upgraded standards, I believe that New York State will have the highest educational standards of any State in the Nation. This action will set a precedent for other States to follow in a timely fashion. New York's 6,200 public and private schools will receive the benefits of not only tougher standards, but also the requirements which will improve the quality of teaching in the State.

The issue of teacher pay is one which must be examined in great detail. As New York's senior member of the House Education and Labor Committee, I await the recommendations of the task force on merit pay which has been established by our chairman, CARL PERKINS, to examine this issue. The task force is representative of all segments of the educational community and is scheduled to send its recommendations about merit pay to us by this September. At that time, I believe that Congress will then take the appropriate action to reaffirm the Federal role in education. This must include adequate funding for those programs for the disadvantaged that are central to protecting the educational rights of the poor, the handicapped, and the learning-disabled.

The New York plan also would require local school districts to report to parents of the educational progress of students each year. By requiring this reporting in such a fashion, parents will be able to compare test scores of their children's schools with those in other schools. This enhanced accountability to families is clearly essential if we are to maintain an effective and viable educational partnership at all levels of government.

Finally, Mr. Speaker, I want to note my strong concerns regarding Federal funding for education programs in States, such as New York, that set high standards for students and teachers in the system. Federal dollars should be given to States that demonstrate significant financial and programmatic emphasis on quality education. Dollars should reward effort—not penalize States because they are doing a better job in this area than others. I intend to work to make sure that any education legislation adopted by Congress recognizes the fact that we should be rewarding excellence and encouraging its promotion with Federal dollars—otherwise we will be doing nothing but subsidizing the very mediocrity that we are trying to eradicate.●

ARTHUR M. WIRTZ

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1983

● Mr. MICHEL. Mr. Speaker, Arthur M. Wirtz, a man whose name became synonymous with achievement and success, died in Chicago last week.

Those fortunate enough to have shared his friendship will remember Arthur's candid observations and counsel. Those who did not know Arthur personally will also remember him as a giant in every field he touched: real estate, professional hockey, basketball, boxing, entertainment, and business.

On the day following his death, the Chicago newspapers were filled with stories and photos of his life. They heralded his successes and told of his possessions. But all Arthur Wirtz's success and possessions did not matter as much to him as his family.

Following the death of his beloved Virginia, just last December, he became ill and never recovered. He was a great man, who contributed much and who will be missed by so many people beyond his native Chicago and Illinois.

I want his children, Bill, Mike, Cynthia, and Elizabeth, to know I share their sorrow.●

SINO-AMERICAN EARLY CHILDHOOD EDUCATIONAL EXCHANGE

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1983

● Mr. MILLER of California. Mr. Speaker, on September 9 through 30, 1983, the California Child Development Educators' Delegation to China will conduct an early childhood educational exchange with its counterpart in the People's Republic of China.

This 16-person delegation, initiated by the California State Department of Education in August 1982, has established an educational tour which includes in-depth presentations by way of conferences from California Child Development Educators to the People's Republic of China Child Development Practitioners.

The invitation is extended to our educators and early childhood education advocates from the Children's Bureau of the All China Women's Federation, a governmental branch of the People's Republic of China.

These educational conferences in four major cities including Beijing, Chongging, Wuhan, and Shanghai are the first extensive and comprehensive child development program exchanges between our two countries. California's presentation will be a model for future exchanges, emphasizing quality learning rather than just school visitation and sightseeing.

Under the leadership of Dr. Alexander Yeh, nine program components will be presented by the experts in the following related fields: First, introduction of child development programs in California by Ms. Dorothy Snyder; second, health development by Ms. Erna Barnickol; third, nutrition development by Ms. Eva Vasquez; fourth, cognitive development by Dr. Alexander Yeh; fifth, physical development by Ms. Ivadel Cleveland; sixth, social development by Ms. Aherne Henson; seventh, Parents' Advisory Council by Ms. Betty Boatmun; eighth, staff development by Mr. Nona Verloo; and ninth, administration by Ms. Jean Miner.

I am particularly proud that one of those attending these conferences is Bette Boatmun of Concord, Calif. Ms. Boatmun has long been active in civic and environmental issues, and is an elected director of the Contra Costa Water District. In that capacity, she has been a community leader in the ongoing effort to preserve the Sacramento-San Joaquin Delta and the water quality which is so essential to the economy of Contra Costa County.

Mr. Speaker, I invite all my colleagues to join me in extending our best wishes to our goodwill ambassadors to Asia and high regards to our friends of the All China Women's Federation in China for a successful and fruitful meeting of the mind.●

THE RAILROAD RETIREMENT SYSTEM

HON. DONALD JOSEPH ALBOSTA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1983

● Mr. ALBOSTA. Mr. Speaker, on Monday, August 1, I was unavoidably absent from the House Chamber when the vote occured on H.R. 1646, providing for sufficient resources to pay current and future benefits under the Railroad Retirement Act of 1974.

Had I been present, I would have voted an emphatic "yea."

Many of my constituents in Michigan's 10th Congressional District have expressed their deep concern over the current status of the railroad retirement system and wonder if it will exist in the future. It is clear that the financial problems of the railroad retirement system are caused primarily by the economic recession, and nowhere in this country is that reality

more apparent than in my home State of Michigan.

I want to commend my colleagues in the House for voting overwhelmingly in favor of this bill. This legislation represents a joint agreement between rail labor and management that will insure the fiscal soundness of the retirement trust fund for years to come.

As a cosponsor of H.R. 1646, I share this commitment in maintaining a secure and solvent railroad retirement system for all current and future retirees.●

NUTRITION STATUS AND RESEARCH

HON. BUDDY MacKAY

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1983

● Mr. MACKAY. Mr. Speaker, as a member of the Subcommittee on Science, Research and Technology, I had the opportunity to participate in hearings held on July 14 entitled "The Role of the Federal Government in Human Nutrition Research." These hearings were the third in an annual oversight series on nutrition research held jointly by the Subcommittee on Science, Research and Technology chaired by DOUG WALGREN and the Subcommittee on Department Operations, Research and Foreign Agriculture chaired by GEORGE E. BROWN, JR. I wish to congratulate our colleagues for their continued efforts to advance human nutrition research and knowledge.

The American public has justifiably placed increased attention on nutrition, exercise, and environmental health. Thus, the generation of a science base to provide the nutrition knowledge necessary for effective health promotion and disease prevention programs is clearly a proper role of the Federal Government. Yet, important questions are being asked which we are ill equipped to answer. In addition, there appears to be no systematic Federal agenda in place either to guide the necessary human nutrition research nor stimulate a Government-academic-industry partnership to fulfill this public need.

Not only does the Federal Government lack a comprehensive Federal human nutrition research plan, but the hearings pointed out that the infrastructure necessary to support current research missions is rapidly being eroded. For example: USDA Assistant Secretaries responsible for nutrition research appeared to be unaware of the mandate, in the Food and Agriculture Act of 1977, that designated the Department as the lead agency in human nutrition research, except biomedical research; numerous key positions in USDA have remained vacant for extended periods of time; and the clinical nutrition research units funded by the National Institutes of Health are vulnerable due to an OMB directive to stabilize basic research funding.

In addition, the progress made by DHHS and USDA in implementing the national nutrition monitoring system is less than impressive. Nutrition monitoring is the foundation for expanding our nutrition and health knowledge base. It is essential for insuring the safety and quality of the food supply and for assuring that the nutritional needs of the public are being met. Such information is also needed by Congress and other policymakers for planning nutrition intervention strategies, and for establishing research priorities consistent with budgetary constraints. The Congress and the executive branch alike have sought nutritional status data sporadically or during brief periods of interest prompted by urgent testimonials of "hunger in America." This instability in interest and funding provides for neither the establishment of baseline data for comparison of nutritional status over time nor the opportunity to conduct vital research to improve the methods and technology necessary to enhance the quality and usefulness of the national nutrition monitoring system.

I was amazed to learn, Mr. Speaker, that although a joint USDA/DHHS implementation plan for the national nutrition monitoring system was submitted to the Congress in 1981, the specific components of the system are funded at the will of the USDA and DHHS, rather than through direct appropriations. The components of the national nutrition monitoring system provide a basic epidemiological tool to examine the linkages between food consumption patterns and health. The funding of such an important tool should not be left to chance.

Nutrition scientists from the public and private sectors, and professional organizations which testified before the subcommittees, were in unanimous agreement that health and nutrition monitoring is a proper role for the Federal Government, and that a clear mandate and appropriation is essential. The scientists cautioned, however, that a national nutrition monitoring system should be part of a clearly defined plan and the responsibility for the effort should not be scattered among numerous agencies, as is currently the case. Thus, it is my intention to draft legislation, in cooperation with Congressmen BROWN and WALGREN, to establish a clear mandate for a national nutrition monitoring system. We invite our colleagues to join in this effort.●

CARING FOR SEIZED ASSETS

HON. LAWRENCE J. SMITH

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1983

● Mr. SMITH of Florida. Mr. Speaker, last week I brought to the attention of the House several articles on the handling by certain Federal agencies of assets seized from suspected drug smugglers.

Today, I bring to the attention of my colleagues an editorial on the subject from the Fort Lauderdale Sun-Sentinel. The paper sees "no reason the Federal agencies can not be as efficient in handling seized merchandise as Fort Lauderdale," which has put money and effort into caring for seized assets in its possession. As the editorial indicates, "storage and maintenance is expensive, but the money spent yields a healthy return on the investment."

I hope this message is heard by the people in charge of this program.

For the benefit of my colleagues, the editorial follows:

[From the Fort Lauderdale Sun-Sentinel, July 20, 1983]

TAKE BETTER CARE OF SEIZED VEHICLES

Selling vehicles seized in smuggling operations is an attractive way for the government to raise funds for law enforcement without raising taxes.

Federal government agencies, however, have demonstrated they are totally incapable of managing the seized merchandise. In fact, their performance has been a disgrace, and an affront to American taxpayers.

The General Accounting Office estimates that U.S. Customs, the Drug Enforcement Administration and the Immigration and Naturalization Service have in their possession more than $82 million in confiscated airplanes, boats and automobiles. The value of the vehicles could drop as much as $28 million, the GAO says, because of deterioration and vandalism.

Common sense dictates that if a $50,000 aircraft is seized, it should be taken care of so it can be sold for $50,000 at auction. The GAO report, however, stated: "In most cases, very expensive boats, planes and automobiles were left in the open . . . neglected to the weather and vandals." Official estimates put the loss at $43,000 for each seized airplane, $37,900 for each boat and $1,000 for each car.

A good deal of the merchandise is located in South Florida. In conducting their investigation here, GAO officials examined Fort Lauderdale's maintenance practices. The GAO incorporated what it found in its recommendations on how the federal agencies should operate.

Among other things, Fort Lauderdale keeps its seized airplanes in hangars at Fort Lauderdale Executive Airport and its boats at a New River marina boathouse. In one instance, a boat was given a $25,000 engine overhaul that netted the city an additional $60,000 at auction. Storage and maintenance is expensive, but the money spent yields a healthy return on the investment.

There's no reason the federal agencies can't be as efficient and effective in han-

dling seized merchandise as Fort Lauderdale. They obviously need a push, however, by organizations like the GAO.●

NATIONAL ENTOMOLOGY WEEK

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1983

● Mr. BROWN of California. Mr. Speaker, today I am introducing a resolution, together with 29 of my colleagues, to designate November 27 through December 3, 1983, as "National Entomology Week." On the 13th anniversary of the founding of the Entomological Society of America it is fitting that we recognize the contributions entomologists have made over the years. Entomologists have made sense and order out of the insect world, contributing to a better understanding of the natural systems which surround us. They have made advances possible in insect control, which have allowed us to produce such agricultural bounty. And as the biological sciences increase in importance, entomology will continue to add to our basic biological knowledge and provide many practical methods of biological pest control.

What has prompted me to take the unusual step of introducing this resolution is my respect for the entomological research taking place across the country. One of the finest centers of this research is the University of California at Riverside, recognized internationally for the work being done there. The agricultural experiment station at Riverside, which recently celebrated its 75th anniversary, was an early center of excellence in entomological research, a tradition which continues today. Entomology has become a major area of study, with research being conducted in every State at colleges, universities, and research centers across the country.

I think that it is important to recognize important scientific disciplines as we enter a time of renewed interest in science and the contribution which it can make to our economy and our society. Entomologists have certainly contributed their share and deserved to be singled out for special recognition.

A copy of the resolution follows:

JOINT RESOLUTION

Whereas the study of entomology continually yields advances in our knowledge of the ecology, behavior, and dynamics of insects;

Whereas entomologists make significant contributions to the production and protection of food, clothing, and shelter and in the preservation of human health and the environment;

Whereas advancements in entomology contribute substantially to the national welfare and improvements in the daily lives of our Nation's citizens;

Whereas entomological research is being undertaken in all 50 States—in the Federal, State, and private sectors; in colleges, universities, and museums; in government, commercial, and private laboratories; and in experiment stations;

Whereas 1983 marks the thirtieth anniversary of the founding of the Entomoligical Society of America;

Whereas the Entomological Society of America will hold its annual meeting on November 28 through December 2, 1983, in Detroit, Michigan, and approximately 2,500 leading entomologists from around the world will gather at the meeting to share their research findings and discuss developments in entomology: Now, therefore, be it

Resolved by the Senate and the House of Representatives of the United States of America in Congress assembled, That the week of November 27 through December 3, 1983, is designated as "National Entomology Week" and the President is authorized and requested to issue a proclamation calling on the people of the United States to observe such week with appropriate activities.●

A GOOD GRAIN DEAL—AND A GOOD DEAL MORE

HON. DOUGLAS K. BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1983

● Mr. BEREUTER. Mr. Speaker, I would like to commend to my colleagues this editorial from the August 1, 1983 edition of the Christian Science Monitor, which goes far beyond its title, "A Good Grain Deal," and discusses the several areas where the Soviets appear to be taking policy initiatives which the U.S. Government should welcome and to which reasonable and favorable responses should be given.

[From the Christian Science Monitor, Aug. 1, 1983]

A GOOD GRAIN DEAL

It is heartening to see that the United States and the Soviet Union can do business. Poland, Afghanistan, Central America, and other hot spots notwithstanding, the superpowers are capable of getting together in areas where they have a mutual interest in cooperation. Trade is one of them. A new grain agreement commits the Russians to buying at least nine million metric tons of US grain in each of the next five years. The Russians are happy, American farmers are happy, and—while this does not eliminate all the knotty problems in US-Soviet relations—it is an important positive step.

Domestic considerations seem to have played the overriding role on both sides. President Reagan was faced with American farmers pleading to do something in the face of mounting grain surpluses. His PIK program to reduce production and alleviate government storage costs has had mixed results. Farmers have taken land out of production, to be sure, but it has largely been marginal land. Being the shrewd businessman they are, they kept the best land in use and actually worked it harder than normal. So, overall, grain output has not declined as much as expected. Selling to the Russians has looked better and better as a way out of the dilemma of American farm efficiency.

This of course required some fast footwork on the President's part. Mr. Reagan, as part of his policy of economic sanctions against Poland, had refused to negotiate a new grain agreement with Moscow. He simply renewed the old one—twice. But domestic pressures were building and he bent to a more practical, pragmatic course.

So much for economic sanctions. In the process or reversing course, however, his negotiators managed to strike a good deal—requiring the Russians to purchase 50 percent more each year than under the old accord. The required minimum purchases from the U.S. will now constitute about 30 percent of the USSR's total grain imports.

And what of Yuri Andropov? Let it be said first that Americans are not saving Soviet agriculture. The Russians in fact expect a good grain harvest this year—over 200 million metric tons as compared with 180 million tons in 1982. The imported grain, moreover, is for the purpose of building up their livestock herds, not feeding people. The fact is, the Russians like to cover all bases in such an unpredictable area as agriculture. While they can import plenty of grain from Canada, Australia, and other countries, it clearly is to their advantage to be able to count on a single supplier. Especially given their cumbersome long-term planning system.

Perhaps there is a political nuance in all this as well. There have been a number of signs of late that Mr. Andropov is prepared to improve U.S.-Soviet relations. These signs—release of the Pentacostals, a softer position in the Madrid security conference, and others—seem to be saying that Moscow is willing to deal with the Reagan administration if the latter responds accordingly. Such "reasonableness" has its reverberations on public opinion in Western Europe, where the Russians are trying to stave off the deployment of new NATO missiles. Does Mr. Andropov calculate that, if deployment does go ahead and he is forced to respond in some way, he can escape being blamed for a worsening of East-West relations inasmuch as he tried so visibly to come to terms?

No one can be sure. In general the Russians' basic approach is to keep economic policy separated from politices. The grain agreement is good economics. In any case, the world can always breathe a little more easily when the nuclear giants are trading with each other—not exchanging bullets.●

ANIMAL WELFARE GAINS ADVOCATES

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1983

● Mr. LANTOS. Mr. Speaker, the past week has shown the remarkable power of public opinion, the press, and congressional persistence. We have commended the Secretary of Defense for responding promptly to a letter of protest signed and sent to him by more than 40 Members of the House. We now need to turn our attention to positive proaction rather than reaction. We need to thoughtfully design legislation which makes it unnecessary and unlawful to deliberately destroy animal life without clear and valid jus-

tification. All Americans, not only animal welfare advocates, have been shocked and disgusted by the exposure to the procedures used in military wound laboratories. Public opinion, as expressed through the deluge of mail we are all receiving on this topic, indicates that it is time to strengthen the Animal Welfare Act.

The reauthorization of the National Institutes of Health will be voted in the House this week. Included are the modest but important provisions on animal research recommended by both animal welfare groups and research scientists. These provisions are not as comprehensive as the Dole legislation, but it is very important that we do not allow this modest reform to be further weakened by substitute provisions proposed on the floor.

I am including, for the record, a letter written to the editor of the New York Times, published Sunday, July 31.

It is a reasonable argument for a rational approach to this much needed reform.

[From the New York Times, July 31, 1983]

WHEN ANIMAL EXPERIMENTS CANNOT BE AVOIDED

To the Editor:

Secretary of Defense Weinberger is to be commended for his prompt compliance with demands to stop gunshot-wound experiments on dogs (news story July 27). But would those so indignant over these experiments have been equally outraged were the bullets aimed at pigs, goats, rabbits or monkeys rather than dogs?

Scientific advancement and humaneness toward animals are compatible, and ethical guidelines have been established for the use of laboratory animals. Live animals should be used only when the data are absolutely necessary, no adequate alternatives to the use of animals exist and every effort is made to eliminate suffering.

In the Defense Department's dog-wounding experiment, serious questions existed over the need for the study and whether alternatives were available. But, ironically, the experimental model the Defense Department proposed was more humane than the designs that have been approved for many other Government-funded experiments. Animals are often not adequately anesthetized before painful experiments, and are allowed to recover from painful surgery so that they can be "recycled" for additional procedures.

Senator Robert Dole recently introduced legislation (S.657) that would strengthen the Animal Welfare Act by improving laboratory conditions for research animals. This bill would require the use of the lowest number of animals possible in any Government-funded experiment, encourage the use of alternatives, avoid repeated operations on the same animal, curb the use of paralytics and provide improved oversight by requiring each research institution to include on a review committee at least one member from outside the institution who would be responsible for community animal welfare concerns.

Were the bill to become law, some of the horrible practices that now take place in American laboratories would cease. The cancellation of gunshot wound experiments on 80 dogs was a minor victory. Much more significant for the welfare of millions of laboratory animals would be the passage of S.657.

JOHN F. KULLBERG,
Executive Director, A.S.P.C.A.●

TRIBUTE TO CHARLOTTE HAWKINS BROWN

HON. JULIAN C. DIXON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1983

● Mr. DIXON. Mr. Speaker, on August 5, 1983, the Palmer Memorial Institute Alumni Association will hold its fourth reunion at the Huntington Sheraton Hotel in Pasadena, Calif.

The Palmer Memorial Institute of Sedalia, N.C., was one of the first private schools to seriously address the educational needs of blacks. Its founder, the late Dr. Charlotte Hawkins Brown, opened the school in October 1902, and graduated its first class in 1905.

Named after Alice Freeman Palmer, a prominent educator who fostered Dr. Brown's own education, the school flourished and over the years grew into an important institution. Throughout this time the moving spirit behind the school was Dr. Brown whose pioneering efforts lead the way for other black institutions. Her untiring efforts on behalf of the school touched the lives of thousands of students.

Beyond sound academic training, Dr. Brown believed that good manners and social graces were indispensable elements of a full education. She vigorously impressed importance of this on all her students.

Dr. Brown received many honors recognizing her great contributions, and was always an outspoken advocate for improved educational and vocational opportunities for blacks. In October 1952 she concluded 50 years of service to the school she founded. Others carried on until 1971 when the Palmer Memorial Institute fell victim to financial troubles.

However human character and spirit transcend bricks and stone, for the graduates of the Palmer Institute have passed the traditions of its founder to their children. Alumni are found in such diverse fields as the arts, education, medicine, law, government, agriculture, and the military.

Throughout her life, Dr. Charlotte Hawkins Brown set an example we would all do well to emulate. I am proud to join the Palmer Memorial Institute Alumni Association in honoring her memory.●

BURBANK-GLENDALE-PASADENA AIRPORT

HON. HOWARD L. BERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1983

● Mr. BERMAN. Mr. Speaker, the House and Senate Transportation Appropriations Committee Reports contain conflicting language relating to the Burbank-Glendale-Pasadena Airport. Recent action by the local jurisdiction has resolved the problems that originally led me to request the inclusion of this language in the House report.

The impact of an urban airport on surrounding homeowners is not a new issue in my district. I believe that all residents of surrounding communities who benefit from airport services should also share the noise burden associated with the facility. For years, several of the communities that I represent have borne a disproportionate amount of the noise level resulting from daily operations at the airport. Furthermore, these residents have been unrepresented on the Burbank-Glendale-Pasadena Airport Authority which manages the airport.

During full committee consideration of the Transportation appropriations bill, Congressman DIXON introduced on my behalf report language that directed the Federal Aviation Administration to withhold airport improvement funds for the purposes of building a new terminal at the Burbank Airport until the airport developed a noise compatibility program and adopted a master plan.

At the time of the floor debate on the bill, Congressmen ROYBAL, MOORHEAD, and myself agreed in a colloquy that efforts at the local level should begin immediately to resolve these longstanding problems. Since that time, airport officials, representatives of the homeowners' groups, and the Congressmen involved have spent considerable time in drawing up a plan that would make significant progress toward equalizing runway use and therefore dispersing the noise more fairly.

Yesterday, the commission of the Burbank-Glendale-Pasadena Airport Authority adopted a resolution regarding the development and implementation of such a runway utilization program. Based on numerous conversations, I am confident that the authority intends to do everything in its power to implement the policy set forth in this resolution.

Congressmen DIXON, ROYBAL, MOORHEAD, and I all agree that given the actions of the Burbank-Glendale-Pasadena Airport Authority and their commitment to implementing this resolution, that the FAA should disregard

the House Appropriations report language relating to this subject. The authority's acceptance of the goal of equalizing runway use is a major step toward balancing the transportation needs of the traveling public and the quality of life local residents have been striving for years to obtain.●

IN HONOR OF JACK NELSON

HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1983

● Mr. GREEN. Mr. Speaker, I have recently learned of the death on May 27, 1983, of Jack Nelson, the founding president of National Securities Clearing Corp. (NSCC), who led the way in helping solve the "back-office" problems that plagued the securities industry in the sixties and early seventies. In attacking these problems, Mr. Nelson played a major role in automating and centralizing the clearance and settlement of securities transactions both on exchanges and on the over-the-counter markets.

It is widely recognized that Mr. Nelson made a crucial contribution to the achievement of the kind of national clearance and settlement system envisioned by Congress in the Securities Acts Amendments of 1975. This has been an essential step in the evolution to a national market system and continues to enable the securities industry to process higher and higher trading volumes on a routine basis, at a fraction of the former costs.

I have special reason to appreciate Jack Nelson's achievements in solving the back-office problems of the securities industry from my own experience in liquidating an over-the-counter trading firm some years ago. These are not easy problems and require great imagination, patience, and skill.

Jack Nelson's achievements won unanimous praise both within the securities industry and among its regulators. At a public meeting of the Securities and Exchange Commission on June 1, 1983, Chairman John S. R. Shad noted that Mr. Nelson's distinguished leadership provided important continuity to the national clearance and settlement system during critical years, and his ingenuity helped greatly to advance the efficient and financially responsible use of automation in the Nation's securities markets. His dedication and imagination inspired all who have known and worked with him.

Even before joining NSCC in 1976, Mr. Nelson was considered an industry expert in introducing automated procedures for securities clearance. At the Securities Industry Automation Corp. (SIAC), from 1972 to 1976, he had been senior vice president in charge of operations, planning, development, and marketing for clearance and settlement and direct clearing services. He had also held the position of senior vice president of operations for the New York Stock Exchange's Stock Clearing Corp. and was a director of the American Stock Exchange Clearing Corp.

Previously, Mr. Nelson was senior vice president of the Midwest Stock Exchange (MSE), where he was responsible for planning automation, financial, personnel, and facilities programs for the MSE and its two subsidiaries. Prior to that, he served as president of the Midwest Stock Exchange Service Corp., which provided data-processing services to broker-dealers. Earlier in his career, Mr. Nelson had worked for IBM after serving 5 years as a pilot in the U.S. Marine Corps, where he attained the rank of captain.

Many financial industry leaders joined Mr. Nelson's family and friends at a memorial service in his honor on June 3, 1983, in Wilmette, Ill. He had won many friends with his kind, personable and unaffected manner, as well as for his leadership in advancing the operational capabilities of the industry.

In recognition of Mr. Nelson's leadership and service, the board of directors of NSCC has established the Jack Nelson memorial scholarship fund to provide scholarships to students majoring in business with an interest in computer science at Miami University in Oxford, Ohio. Mr. Nelson, a 1955 Phi Beta Kappa graduate of Miami University, served on the business advisory council of its school of business administration. Many of his friends and admirers joined in contributing to this fund.●

IN HONOR OF POLICE CHIEF HOWARD L. RUNYON, SR.

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1983

● Mr. COURTER. Mr. Speaker, on October 5, 1983, Mr. Howard L. Runyon, Sr., will become the youngest president ever of the International Association of Chiefs of Police. His many fine accomplishments and tireless work have served our Nation well, and I am proud to join with his friends from New Jersey in honoring Chief Runyon for his efforts.

Chief Runyon has been a police officer for the past 20 years, and, in that time, has served his community with a volunteer spirit. He founded and developed the Passaic Township Youth Center and is national vice chairman of the National Police Explorers Commission.

He is considered a leader not only in the community, but also is highly respected in police training and accreditation. He currently serves as a national commissioner on the Criminal Justice Accreditation Commission and was previously the commissioner of the New Jersey Police Training Commission. He also served for 11 years as director of training for the Morris County Firefighter and Police Academy.

Chief Runyon graduated from the FBI National Academy with honors and received the prestigious J. Edgar Hoover Award. He has authored seven articles on law enforcement issues and has received a dozen awards for his leadership.

I am pleased to share with my colleagues the valuable contributions that Chief Runyon has made to the people of New Jersey and of the United States. I congratulate him on his ascension to the helm of the International Association of Chiefs of Police. My best wishes to Chief Runyon and his wife Lauretta.

And may this new leadership appointment be as satisfying and successful as the past two decades of outstanding service in the police force.●

BROOKS CALBERT ROBINSON, JR., THE PRIDE OF BALTIMORE

HON. BARBARA A. MIKULSKI

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1983

● Ms. MIKULSKI. Mr. Speaker, this past Sunday, July 31, 1983, in Cooperstown, N.Y., a very special event took place. It was a special event for all of baseball, and even more so, for the city of Baltimore, for one of our own was inducted into the Baseball Hall of Fame. Brooks Robinson, the venerable third baseman for the Baltimore Orioles, took his rightful place in the annals of baseball history.

The name Brooks Robinson is synonymous with grace and skill on the field. His miraculous fielding efforts at the "hot corner" are legendary, and his clutch hits won many a ball game. Yet, perhaps what we in Baltimore appreciate the most about Brooks Robinson is the way he endeavored to become a real part of the community. He has a down-to-earth personality, yet he also possesses the class and style we look for in our heroes. He is worthy of our respect and admiration, for he has earned them both.

To fully appreciate the character of Brooks Robinson, I submit a recent column from the News American, which includes the introductory statement by Commissioner of Baseball Bowie Kuhn from Sunday's induction, followed by Brooks Robinson's own statement for the occasion.

BOWIE KUHN INTRODUCES BROOKS, WHO STILL COUNTS HIS BLESSINGS

Bob Howsam of the Cincinnati Reds is here with us and he knows what I'm talking about. A truly great Cincinnati team known as the Big Red Machine and fittingly so, drove into a concrete wall named Brooks Robinson.

That unrelenting National Leaguer and my dear friend Warren Giles said to me after the series, "My God, commissioner, he may be as good as Pie Traynor." If you know Warren Giles and the regard in which he held American Leaguers, you would know what a tremendous compliment that was.

Just how good was he?

No one owns more Gold Gloves than the 16 which he earned in consecutive seasons thru 1960 to 1975. He owns nearly every career fielding record for a third baseman including a lifetime fielding percentage of .971.

While his glove frequently stole the show, he was a very tough out, particularly in clutch situations. In that 1970 World Series, he batted .429. He had four seasons of 90 or more runs batted in. He drove in 118 runs in 1964. For his career he was only 152 hits short of the bonded 3,000-hit club. And he hit 268 career home runs. He achieved one of the rarest career triple crowns in record, being, I believe, the only man who accumulated these: Most Valuable Player in the American League in 1964, Most Valuable player in the 1966 All-Star Game and the Most Valuable Player in the 1970 World Series. He surely was one of the most successful and, need I tell you, one of the most popular players in the history of the game.

May I read the language. It says Brooks Calbert Robinson Jr., Baltimore American League 1955-1977, simply that, established modern standard of excellence for third basemen setting Major League records at his position for seasons (23), fielding percentage (.971), games (2,870), putouts (2,697), assists (6,205), double plays (618), hit 268 career home runs, named to 18 consecutive All-Star teams, M.V.P. of the 1970 World Series, American League M.V.P. in 1964, and I as a native of the Old Line State of Maryland am very proud to present to you Brooks Robinson.

Thank you. Thank you very much. Thank you very much ladies and gentleman. You really know how to make it tough on a guy, don't you. Thank you Commissioner Kuhn, honored guests, ladies and gentlemen.

As I stand here before you, I realize I must be the luckiest man in the world. I keep asking myself how could any one man have been so fortunate. And for five minutes or so, I'd like to share with you what I think is the answer to that question.

Playing in the major leagues and being recognized at the Hall of Fame is more than any one human being could ask for, and yet I realize how many other blessings I can count in my life, all of which have contributed to me standing here before you today. I thank God for giving me the talent and the help to reach the top of this profession. Then I think back on the devotions to my welfare by my mother, who is here today, the friendship of my brother Gary who is also here, and the dedication and teachings of my father whom I regret is no longer with us, but who would have loved this event more than anyone else. My parents led me through my childhood and guided me as I grew to become a young ballplayer with high goals for himself.

Then I think about my coaches, my teammates, scouts, managers who discovered me, who encouraged me, who directed me, and who even stuck with me on occasions when others might have given up. My American Legion coach George Haney and my first major league manager Paul Richards. They believed in Brooks Robinson when others were still suspicious of his talent. They among others made my coming into baseball, as well as sticking with it all the better.

And then I found another blessing, one that players in today's game may never appreciate because of baseball's changing structure. That is Baltimore. That is Baltimore and playing in that great city for my entire major league career. I share this day today with my adopted hometown because the people of that town have supported Brooks Robinson not only on the good days, but also on the bad days. My career has been all the more meaningful because of the Oriole fans and friends, many of whom have made this trip to join me here today. I'd like to thank William Donald Schaefer, the greatest mayor that a city could have, and say Baltimore thank you very much, I love you all.

Then there is the Baltimore Oriole organization which over the past 29 years from top to bottom has proven itself to be the best. I might add that this day is extra special for me because I am being inducted with my fellow Arkansan George Kell. George shared with me my first opening day as an Oriole back in 1957. I played third base and George played first base against the Washington Senators in old Griffith Stadium in Washington, D.C.

And then there is what I consider the greatest blessing of them all. Perhaps you will understand this when you recognize that although this is a great day at the Hall of Fame for me, my happiest moment here in Cooperstown occurred during my first visit to play in the Hall of Fame game exactly 22 years ago on July the 24th, 1961. I was playing third base and during the fifth inning of that game the public address announcer interrupted play to announce that my first son had just been born in Detroit, Mich.

For as I count my blessings there is none greater than my family. My wife Connie, who has been by my side throughout my major league career and our four children, Brooks David, Christopher, Michael, and Diana. They have supported their father and although they appreciated and sometimes enjoyed the glory of this game, they also suffered the sacrifice of a father who was seldom home. I have been blessed with their understanding and this induction today is as much theirs as mine. I wish I could have been with them more. And Connie I want to proclaim here today that no man could have come so far in this game for so long without the greatest blessing of them all, a dedicated, supportive, and loving wife. You have celebrated the happy moments with me, but more than that you have been a tower of strength that allowed me to overcome adversities and take advantage of baseball's opportunities. I was there on the field and I am here today because I had the ultimate, the best baseball wife.

Before I close I want to thank the baseball writers of America that have been so kind to me during my playing days and bringing me here today. To thank the commissioner on behalf of baseball and the Hall of Fame for this induction and to thank all of those whom I have not mentioned for their guidance, for their friendship, and for their support over the years. So you can see this is just not Brooks Robinson's induction into the Hall of Fame, it is a day on which men as fortunate as I am count their blessing of which I have had so many. Throughout my career I was committed to the goodness of this game. In fact I feel my love for the game of baseball overrode everything else. I shall do what I can to continue to make this great game of baseball in this world finer and better. This is a day for my giving thanks and this is a life from which I want to give back. Thank You.●

SUBCOMMITTEE ON CRIME TO HOLD HEARING ON H.R. 3326 AND 3664

HON. WILLIAM J. HUGHES

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1983

● Mr. HUGHES. Mr. Speaker, on Thursday, August 4, 1983, at 10 a.m. in room 2237, Rayburn House Office Building, the Subcommittee on Crime of the Committee on the Judiciary will hold a hearing on H.R 3326 and H.R. 3664, bills to provide executive direction and coordination of drug enforcement and drug abuse and prevention activities.

The witnesses at the hearing will include Adm. James S. Gracey, Commandant, U.S. Coast Guard, U.S. Department of Transportation; Mr. D. Lowell Jensen, Associate Attorney General, U.S. Department of Justice; Mr. Robert E. Powis, Deputy Assistant Secretary of the Treasury (Enforcement), U.S. Department of the Treasury; and Mr. Jerry L. Calhoun, Principal Deputy Assistant Secretary of Defense for Manpower, Reserve Affairs, and Logistics, U.S. Department of Defense.

Those wishing further information or wishing to submit a statement for the record of the hearing can contact the staff of the Subcommittee on Crime at 207 Cannon House Office Building, Washington, D.C. 20515—(202) 225-1695.●

JACKSON HOLE LEVEES

HON. DICK CHENEY

OF WYOMING

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1983

● Mr. CHENEY. Mr. Speaker, I have today introduced legislation to equalize the annual burden of maintaining a series of flood control levees on the Snake River in Teton County, Wyo. The levees were designed and constructed by the Corps of Engineers, and then Teton County assumed responsibility for their upkeep and maintenance, as is the usual procedure with projects of this kind.

But because the levees were improperly designed and built in the first place, they require an unusual amount of maintenance. The Corps of Engineers has admitted that the levees were not properly designed, but has concluded that it is cheaper to perform annual maintenance than it would be to fix the original design problems. The problem with that conclusion is that the annual maintenance costs must be paid by Teton County, even though it was the corps which designed and built inadequate levees.

The legislation I have introduced would require the corps to share with Teton County the annual cost of maintaining the Snake River levees, which seems only fair and reasonable under the circumstances. Under my bill, the county would pay the first $35,000 of annual costs, and the corps would pay the balance.

This issue has been addressed before by earlier Congresses. In 1977, the Senate approved a similar bill introduced by former Senator Cliff Hansen in the form of an amendment to the Omnibus Rivers and Harbors Act. That legislation did not make it all the way through the legislative process, however. Then, in 1980, a similar provision was included by the House in H.R. 4788, an omnibus water resources project authorization bill, which also did not make it all the way through the process.

The point is that both the Senate and the House have, at one time or another, approved a provision to require the Corps of Engineers to share the annual maintenance costs for the Snake River levees. I would hope that this time around, Mr. Speaker, we could get this legislation enacted.●

WORLD FRIENDSHIP BASEBALL

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1983

● Mr. MURTHA. Mr. Speaker, in my associations with professional athletes, so many of them mention to me that they remember participating in some amateur event held in Johnstown. And when they mention it, they never fail to add that they particularly remember the hospitality and spirit of the community. Although several years have often passed since the event, that is the image that remains in their minds of Johnstown.

An event very much in that tradition was concluded recently in Johnstown with the playing of the world friendship baseball series.

It was my pleasure to take part in the opening ceremonies of this tournament and to see the first game. While the series gave a strong financial boost to our recession-hit community, it also gave another boost to the community spirit of the area.

In particular, I wanted to praise the work of three individuals in connection with this tournament: Mr. Dennis Grenell was copromoter of the series and spent countless hours pulling together details of the activity and ironing out last-minute programs; also worthy of recognition was the work of copromoter John Rubal who has worked on many community projects and brought that expertise to this event by smoothing out many difficulties; and finally I wanted to mention the contribution of Connie Mayer who had the task of finding housing in the area for all the ballplayers.

In the years to come, I know many of the athletes from around the world who participated in this tournament will remember the spirit and friendship of Johnstown. It is a credit to all those who helped put this tournament together. I am adding an article from the Johnstown Tribune-Democrat outlining the impact of the series.

WORLD FRIENDSHIP BASEBALL

(By Ted Zellem)

Farewell tears, hugs and handshakes swept the Sheraton Inn lobby Monday morning as World Friendship baseball departed the city.

"It was all worth it just to see the goodbyes," concluded Wanda Rutledge, a U.S. Baseball Federation staff member.

EARLY SKEPTICISM

There were more skeptics than supporters when promoters Dennis Grenell and John Rubal borrowed $10,000 last August to stage the international event.

But the promoters were smiling Monday. Nearly 75,000 people were attracted to the Point Stadium for nine consecutive days of baseball.

Not all revenues have been tabulated, but the local promoters anticipate the $10,000-plus production will close in the black. The $10,000 loan from the Johnstown Oldtimers Association will be satisfied.

The departure of 140 young men to seven foreign lands was emotional for most of the area's 70 volunteer host families.

"So many lives were touched by so many people," Mr. Grenell said.

For two weeks, the players were treated to family picnics, tours, shopping trips and social events.

WON'T FORGET JOHNSTOWN

"It was more than just class baseball," Mr. Rubal added. "They (players) may not always remember what they did in the ballpark, but they'll always remember Johnstown, Pa., USA—there's something contagious about this area."

Richard Case, executive director of the U.S. Baseball Federation, said that friendship was a key ingredient to the world games and that Johnstown satisfied the requirement:

"It's a kind of town you always want to come back to—the people are super."

Mr. Grenell maintained that more area people became involved in the community project than any promotion he ever had encountered:

"There even were some who had never been to the Point Stadium."

DIFFICULTIES AT BEGINNING

He admitted early difficulties in advance ticket sales and gaining public interest.

"But those were people problems," he explained. "These things happen in all tournaments."

"People got emotionally involved. The host families and Diamond Girls were strong links in making it a success."

A moving ceremony Sunday afternoon at the stadium during which host families received plaques caused many eyes to water. Families from South Fork to Boswell adopted the players.

"Be there and remember it forever," was among Mr. Grenell's promotional slogans.

CITY ON MAP

The city was placed on the map.

"Johnstown, Pa." press datelines and radio broadcasts went to Australia, Canada, Colombia, Holland, Korea, Republic of China and Panama.

"It's going to help Johnstown become more than a flood city or a AAABA Tournament city," Mr. Case added.

'Good relationships and friendships were established. Johnstown should capitalize on this, whether it be professional baseball, countries, companies or whatever. It just shouldn't drop the ball."

No economic-impact barometer is available yet, but many area businesses reported increased sales.

A Korean purchased 30 pairs of tennis shoes from a downtown footwear store. A Chinese group bought a suitcase and filled the satchel with purchases ranging from cameras to cosmetics.

Mr. Grenell and Mr. Rubal said the two-week world tournament was the largest promotional project they've ever tackled.

MANY UNSUNG HEROES

"There are so many unsung heroes out there who asked for nothing but gave so much," Mr. Grenell concluded.

"We can't tell how many more people were affected by a crazy idea (holding the tournament) that Rubal and Grenell came up with."

They called it a once-in-a-lifetime project.

"The citizens of Johnstown should be complimented for their spirit, hospitality and support," added Mayor Herb Pfuhl.

And as "world sport" exited the city Monday, the focus was moving to the state level. The Pennsylvania Coaches Association's Big 33 football classic will be held at 7:30 p.m. Saturday at the Point Stadium.●

CORRECTIONS TO THE COMMITTEE REPORT ON H.R. 2969, THE FISCAL YEAR 1984 DEPARTMENT OF DEFENSE AUTHORIZATION

HON. MELVIN PRICE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1983

● Mr. PRICE. Mr. Speaker, there were a number of typographical errors in the Armed Services Committee's Report No. 98-107 on H.R. 2969, the fiscal year 1984 DOD authorization bill. The following is a list of substantive corrections:

Page VI: Titles I and II in the table of contents were transposed inadvertently. Title II entries should follow the last Title I entry on page VIII.

Page 4: Summary Table, Title IV—Operations and Maintenance, entry for Court of Military Appeals should read 3.4, 3.4, 0 (not 3.3, 3.4, +0.1).

Page 4: The portion of the table beginning "Title I—Procurement should be modified as follows:" should be part of the footnote on this page.

Page 10: A line was dropped inadvertently from the page. Under "Soviet Challenge to our Security," line 4, strike "understands" and add "recognized the origins of Soviet power. Then it is understandable. This massive".

Page 90: Under "Committee recommendations, Amount for Other production charges," the figure should be 1,439.1 (not 1,410.9). Under the same entry for "Change from request, Amount," the figure should be +22.5 (not −5.7).

Page 125: The National Security Agency entry in the change column should be −24,232.

Page 130: Under "Basis for Committee Action," the acronym cited should be CSRL.

Page 130: Under "Directed Energy Technology Committee Recommendations," the figure in the third line should be $67,902.

Page 132: The acronym in the seventh line should be MIRACL.

Page 153: Civilian Pay Raise table, Air Force entry should read +88.0 (not −87.9). The total line should read +432.8 (not 432.7).

Page 154: The word "form" in the last paragraph, fourth line, should be "firm".

Page 164: Refer to chart at top of page; Maintenance and logistics, Reduction column should read 12.0 (not 10.0). Total column should read 62.0 (not 60.0).

Page 180: Operation and Maintenance, Army Reserve taole, Mission Forces, the numbers for the entries Fuel Cost Reestimate and Stock Fund Obligation Initiative were transposed. Fuel Cost Reestimate should read −2.7 and Stock Fund Obligation initiative should read −4.5.

Page 205: Under "Explanation of Committee Adjustments," the request in line 5 should be 1,072,174.●

WILLIE "DEVIL" WELLS: HALL OF FAME OVERSIGHT

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1983

● Mr. PICKLE. Mr. Speaker, as the greats of our national pastime gathered last week in Cooperstown, N.Y., to induct the most recent selections into baseball's Hall of Fame, one very deserving name was missing from the list—Austinite Willie "Devil" Wells.

Only one thing has kept Wells, as slick a shortstop as ever lived, from gaining the recognition he is due—he was born too soon. Willie's great feats were performed in the old Negro Baseball League and his career was in its twilight when Jackie Robinson and Branch Rickey broke the color line in 1947.

Several years ago, baseball officials appointed a special committee to consider those luminaries who performed at a hall of fame level in the Negro league. But this committee has seemed to be dormant in recent years. It needs to be rejuvenated and one of the first actions it should take is to recommend that Willie Wells be included in baseball's great shrine.

From personal experience, I can tell you that Willie's abilities may also qualify him for a special hall of fame for domino players, too.

Mr. Speaker, I would like to insert into the RECORD this recent article from the Austin American which provides more detail about the exploits of Willie "Devil" Wells.

[From the Austin American, July 6, 1983]

"DEVIL" WELLS WATCHES STARS FROM OUTSIDE

(By Lou Maysel)

Willie "Devil" Wells is in Chicago reliving "some beautiful memories" and looking at a world he never was allowed to experience because of his color.

The 76-year-old Austinite was invited to go to Chicago for the golden anniversary All-Star Game at Comiskey Park. He might have been good enough for the team, but he played before blacks broke baseball's color barrier.

Wells did play in an all-star game back in 1933. He is one of the surviving participants of the first Negro Leagues All-Star Game, staged in Comiskey Park a month after the game by the major leagues. That is why Wells and others were invited to attend Tuesday's Old-Timers' Game and tonight's big game along with 15 survivors of the white man's game.

Wells is being accompanied by Donn Rogosin, who is the director of development for KLRU-TV and also teaches a course in sports history at the University of Texas. Rogosin, an authority on the history of blacks in baseball, wrote a forthcoming book on the subject, titled "Invisible Men."

Two blacks who are also guests for tonight's game, center fielder James "Cool Papa" Bell and third baseman Julius "Judy" Johnson, have been admitted to baseball's Hall of Fame. Rogosin, among others, think that Wells, who was a shortstop and played for around 20 years and managed for almost a decade, deserves to be included when more old-time black players are admitted. So far 10 have been selected and only one in the last six years, although two old-time players are added each year.

Wells, who played in eight East-West Negro all-star games, won't say whether he thinks he belongs in the Hall of Fame. "I can't talk about myself but other people seem to think so," he said.

Wells was playing with the Chicago American Giants in 1933 but originally played with the St. Louis Stars until they disbanded in 1929. Bell, who has been called the greatest base runner of all time in pro baseball, was one of his teammates in St. Louis. They kept in touch after they went to different clubs.

Wells remembers an article describing Bell as being so quick that he could throw a light switch and get in bed before the light went out. And he remembers Johnson for his odd batting style. "He looked like he was looking through (the crook of) his elbow when he hit the ball, but he did the job, though," Wells said.

Wells welcomed the opportunity to attend the Chicago festivities because of the chance to renew friendships. "I haven't seen some of them in 35 or 40 years. It's a great opportunity to see them," he said before making the trip.●

DIVIDENDS IN HUMAN TERMS

HON. WILLIAM F. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1983

● Mr. GOODLING. Mr. Speaker, I am pleased that the House passed House Concurrent Resolution 40, expressing the sense of the Congress that the Federal Government should maintain current efforts through the federally assisted nutrition programs to prevent increases in the incidence of domestic hunger.

With specific reference to the various child nutrition programs authorized under the National School Lunch and Child Nutrition Acts, we have taken appropriate, timely and compassionate steps forward in alleviating hunger and malnutrition among millions of our Nation's children who, through no fault of their own, are the innocent victims of deprivation and want which seriously threaten their development into healthy and productive adults.

As I have often stated during committee and floor consideration of child nutrition issues, I believe that the investment which this Nation makes in these programs has been and will continue to be a sound one that pays tremendous dividends in human terms. It is, in short, a wise investment in our children's present and future well-being.

I believe, too, that it is incumbent upon Federal, State, and local policymakers as well as program sponsors and advocates to join hands in continually monitoring and scrutinizing every aspect of child nutrition program activities. This is imperative if we are to insure that quality services to those in greatest need of assistance are provided in the most cost-effective ways possible. We must be willing to ask if there are better ways of continuing to meet the tragically documented and continuing need for child nutrition assistance.

Let me again commend the distinguished chairman of the Agriculture and Education and Labor Committees, Mr. DE LA GARZA and Mr. PERKINS, the gentleman from California, Mr. PANETTA, and my colleague from Vermont, Mr. JEFFORDS, for their untiring efforts to bring before us for consideration a measure that enjoys strong, bipartisan support.●

PERSONAL EXPLANATION

HON. EDWIN B. FORSYTHE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1983

● Mr. FORSYTHE. Mr. Speaker, on Tuesday evening July 26, 198. I was unable to be present for the last five recorded votes on H.R. 2969, Defense Department Authorization Act for fiscal year 1984. Had I been present, I would have cast my vote in the following manner:

Rollcall No. 271—Motion to restrict debate on an amendment to require congressional authorization before military units could be deployed in Central America. (Adopted 213 to 195) I would have voted "aye."

Rollcall No. 272—Amendment to require congressional authorization before military units could be deployed in Central America unless certain conditions were met. (Rejected 165 to 259) I would have voted "nay."

Rollcall No. 273—Amendment to delay deployment of Pershing II's and ground-launched Cruise missiles before December 31, 1984. (Rejected 101 to 320) I would have voted "aye."

Rollcall No. 274—Amendment to provide permanent authority to target nonstrategic contracts to firms in high unemployment areas. (Approved 218 to 201) I would have voted "aye."

Rollcall No. 275—Final passage of the Department of Defense Authorization Act, fiscal year 1984. (Adopted 305 to 114) I would have voted "nay."●

IN HONOR OF THE NEW YORK COUNTY TRICENTENNIAL

HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1983

● Mr. GREEN. Mr. Speaker, I would like to bring to the attention of my colleagues an historic event of national importance: On November 1, 1983, the county of New York, more widely known as Manhattan, will be celebrating its 300th anniversary. it was on this date, in 1683, that the first general provincial assembly, elected according to the instructions of the Duke of York, established by statute the foundation of the county of New York. In commemoration of this historic event, together with my colleagues from Manhattan, Mr. RANGEL and Mr. WEISS, I have introduced a joint resolution, House Joint Resolution 333, which expresses our salutations. May I invite the Members of Congress, on behalf of all of the people of the United States, to congratulate the people of the county of New York on the occasion of the tricentennial.

Earlier, I referred to the tricentennial as an historic event of national importance. Indeed, the founding of the county of New York played an integral part in the establishment of a system of representative government and common law jurisprudence in the United States. The charter of 1683, granted by Gov. Thomas Dongan, provided for the annual election of aldermen and other officers by the freemen of each ward, included a charter of liberties, and claimed the taxing power for the elected assembly. In fact, the first Common Council, sworn in on February 14, 1684, was given full power to establish laws not contrary to those of England or of the provinces. Throughout American history, the county of New York continued to play a critical role in the struggle for, and the establishment of, democracy. During the month of October 1765, the Stamp Act Congress, composed of delegates from nine colonies, met at city hall in New York, drafted a declaration of rights, and addressed a petition to the House of Commons, protesting taxation without representation. New York City also served as the seat of the National Government beginning in January 1785, when the Congress of the Confederation convened at city hall—now Federal Hall. New York continued to be the National Capital after the ratification of the U.S. Constitution, during the period of the first Congress, March 4, 1789, to August 12, 1790. During that time, in April 1789, George Washington was inaugurated as our first President on the balcony of New York's Federal Hall.

In addition to the important role of the county of New York with regard to the foundation of our democracy, the county was also at the heart of American commerce, finance, and international trade. Prior to the British rule and the founding of the county, New Amsterdam had already become the governmental and commercial center of New Netherland, a province composed of trading posts along the Hudson, Delaware, and Connecticut Rivers. Throughout the years, the county continued its commercial ascendancy. On February 22, 1784, the *Empress of China* left New York for the Orient, the first American vessel to attempt such a voyage. The New York Stock Exchange came into existence in 1792, during a period of phenomenal rise in imports and exports. By 1796, New York had surpassed its principal trading rival, Philadelphia.

The birth of the county of New York also spurred the development of one of America's greatest cultural centers, with the establishment, in 1754, of both King's College, now Columbia University, and the New York Society Library, and the introduction of professional drama in 1732.

I would like to conclude these remarks by emphasizing one of the county's most valuable contributions to the wealth of the United States, the opportunity extended to the great number of individuals who have immigrated to our country, and who arrived through the gates of New York. In the year of 1900 alone, 145,000 Italian immigrants, 155,000 Russian immigrants, 275,000 Irishmen, and even more Germans landed and settled in the county of New York. Most Americans can trace their foreign heritage without great difficulty; as we all know, New York played a critical role in turning the opportunities of our ancestors into realities.

In every respect, Americans owe a great deal to the county of New York. In commemoration of its tricentennial, I invite all Members to send their salutations to the people of the county of New York, and to support House Joint Resolution 333.●

"THE SPIRIT OF HELSINKI": 8 YEARS LATER

HON. SIDNEY R. YATES

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1983

● Mr. YATES. Mr. Speaker, August 1 marked the eighth anniversary of the signature of the Helsinki accords, a document which raised much hope in Europe, both East and West, as well as in the United States, that a new era had dawned in which governments would respect the basic human rights and fundamental freedoms of their people. Eight years later we can be more realistic about what Helsinki promised and what it has delivered.

Eight years is perhaps too short a time to expect basic changes in how a government treats its own people and how it relates to its neighboring states. Old cultural patterns cannot be changed in such a short time. In the Soviet Union and many of the countries in Eastern Europe the promises of the Helsinki accords are still unfulfilled. Emigration has been reduced to a trickle. Religious and ethnic groups are still persecuted by acts of governmental policy. Basic human rights are consistently violated. Freedom to travel abroad is severely restricted. Access to information from other countries is tightly controlled. Foreign radio broadcasts are jammed. Partners in binational marriages are separated by heartless governments. And, as in the cases of Afghanistan and Poland, the sovereignty and independence of states are grossly and brutally violated.

All of these represent violations of the Helsinki accords, and yet the Soviet Union and its allies, as well as the Western allies and the neutral and nonalined states of Europe, seem intent on continuing what is euphemistically referred to as the "spirit of

Helsinki." And agreement has been reached in Madrid on a document which attempts to breathe new life into the Helsinki accords, despite the violations and blantant disregard for their provisions over the past 8 years.

We have good reason to be disappointed in the performance record of the Soviet Union and its East European allies, particularly with regard to the human rights provisions of the Helsinki Final Act. And we should not be overly optimistic about the prospects for performance over the next few years.

Nevertheless, we have no alternative but to continue the Helsinki process and to press for full observance of its provisions. The Helsinki Final Act and the improvements on it reached at Madrid are documents which we in the West can fully support because they reflect basic Western attitudes on the individual and his or her relationship to government. Our task for the future is to constantly remind the Soviet Union and its allies that they have signed these documents and that we in the West will hold them fully accountable for observing their provisions. That is not too much to ask from goverments which profess to support these documents.●

SOCIAL SECURITY LUMP-SUM DEATH BENEFIT BILL

HON. EDWARD R. ROYBAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1983

● Mr. ROYBAL. Mr. Speaker, I rise in support of the bill introduced today which would first, insure a more humane and realistic social security lump-sum death benefit, and second, provide final payment of social security benefits during the month when any insured individual or beneficiary dies. I commend my distinguished colleague, Congressman SOLOMON ORTIZ of Texas, for his diligent efforts to bring this legislation to the attention of the House.

Based on hearings I held last year, we learned of the great fear many older Americans have that upon death their survivors will not have sufficient money to pay for a respectful funeral. According to the Continental Association of Funeral & Memorial Societies, current funeral expenses average over $3,000, including grave and marker costs. Yet, the present lump-sum death benefit is capped at $255—a level that was set many years ago, and which is obviously very out of date. This bill provides a more humane, cost-sensitive way of determining the lump-sum death benefit. Under our bill, the benefit would be equal to whatever the average OASDI payment is at the time of death—this amount is presently $420. Although even this payment would not cover average funeral expenses, it does provide sufficient funds for a basic, respectful interment.

The 1981 Omnibus Reconciliation Act limited the number of people who receive the lump-sum death benefit to only those workers who have eligible survivors. Yet, this leaves millions of Americans who paid into the social security system without any help to cover their funeral expenses. Instead of further limiting the numbers of people who can receive the lump-sum payment as we did in 1981, we should restore the provision that provides payments to all beneficiaries including widows and dependents, as it had been since it became part of the social security system in 1939.

Consequently, this bill would provide a crucial change in the payment schedule so that survivors would receive the final month's benefit up to certain maximum amounts. In the event there is no surviving spouse or younger children, the person who is assuming the responsibility for funeral expenses would receive the benefit. Presently, when an individual insured through social security dies, benefits are not paid for that month, leaving many survivors to wonder how funeral expenses will be met.

Mr. Speaker, it is tragic that in a great country such as ours, so many older Americans who have paid into the social security system have to worry about the financial burden they will impose upon their survivors. Yet, their fears are not unfounded. Not only are there over 4 million persons aged 65 and over who have to try to live with incomes below the poverty line, but social security beneficiaries are not even accorded the respect of having their survivors receive payment during their month of death to help defray the costs of a funeral. This is unconscionable. I urge my colleagues to support this important legislation.●

FURTHER EFFORTS TO IMPOSE SECRECY ON SCIENCE?

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1983

● Mr. BROWN of California. Mr. Speaker, the executive branch of the U.S. Government has at its disposal a formidable set of laws and regulations to control the flow of products and ideas to foreign countries. Despite this, the current administration and its allies in Congress have been demanding more and tighter restrictions, including restricting publication of scientific research on so-called militarily sensitive subjects. I would like to offer my colleagues an update on the efforts of the administration to develop such restrictions. Before I do so, however, I would like to point out three serious objections to these efforts.

First, new laws and regulations are unnecessary. The powers granted by the espionage statutes, the Atomic Energy Act, the Arms Export Control Act, the Invention Secrecy Act, and the Export Control Act, as well as the executive order on classification are so broad as to make criminal the publication of a scientific paper on almost any subject. Needless to say, given the constitutional questions that might be raised against such laws, past administrations have tended to apply them with considerable restraint.

Second, efforts to restrict the flow of basic science are futile. The Corson panel reported to the National Academy of Sciences that it could find no evidence to support the notion that controls on basic research were effective, with only a few specific exceptions. Basic research is not like the advanced applied technology that goes into weapons: It is often derived independently by several workers; it is generally derivable from information already available in the open scientific literature; and it requires free exchange with other scientists in order to thrive. In 1954, Norbert Weiner, the father of cybernetics and of modern information theory, pointed out in his book, "The Human Use of Human Beings," that the most important secret; namely, the possibility of constructing a new type of device, is the very one most difficult to conceal. Once the Russians, in 1942, realized that the top atomic scientists in America were no longer publishing papers in the open literature, they quickly deduced that a new weapon was under development, and began their own program. According to Weiner:

> Once a scientist attacks a problem which he knows to have an answer, his entire attitude is changed. He is already some 50 percent of his way toward that answer.

The third objection is that new restrictions will stifle the very research on which our present technological advantages depend. We have as much to gain as any foreign country from the free and open exchange of basic scientific research. This has been pointed out too often to need elaboration here. Weiner said of this:

> The idea that information can be stored in a changing world without an overwhelming depreciation in its value is false. It is scarcely less false than the more plausible claim, that after a war we may take our existing weapons, fill their their barrels with cylinder oil and let them statically await the next emergency.

At the direction of President Reagan, an interagency panel, coordinated by the Office of Science and Technology Policy, is now conducting a broad study of all aspects of export control, including private scientific re-

search. This was first announced several months ago by Dr. Louis T. Montulli of the Office of Science and Technology Policy, speaking before the American Physical Society. He gave no assurances that controls over private research would not be included in the recommendations of the study group. Earlier versions of a report on scientific communication, which were superseded by the current study, idicated that the criteria suggested by the Corson report had been rejected in favor of much broader criteria, that would permit restriction of almost any scientific information. These ominous suggestions hint that the administration is leaning toward unnecessary, ineffective, and ultimately harmful controls.

In his speech, Dr. Montulli stated that there would be ample opportunity for representatives of scientific societies and individual scientists to contribute to the deliberations on policy and to comment on draft proposals. Since then Dr. Montulli has left the task force, and no effort is being made to bring about the discussions he promised.

Meanwhile, the Department of Defense is continuing its independent efforts, as indicated by recent testimony before the Technology Transfer Subcommittee of the House Armed Services Committee. Dr. Leo Young, Director of Research and Laboratory Management in the Office of the Deputy Under Secretary of Defense for Research and Advanced Technology, told the subcommittee that the steering committee on national security and technology transfer is preparing recommendations on the control of unclassified, but militarily sensitive technology. These will include recommendations on control of scientific conferences and publication of scientific papers. These recommendations will be incorporated into a draft DOD directive (2040.XX) to establish DOD policies on technology transfer and arms control.

The DOD/university forum also presented a draft proposal to the Technology Transfer Subcommittee. Based on the principles set out in the Corson report, this set of guidelines incorporates some important safeguards. First, it is limited to unclassified projects supported by the DOD, which funds virtually all the research likely to produce militarily significant results. Second, it includes making the designation of sensitive projects a matter of positive affirmation, subject to review by a technical committee of scientists, engineers, military officers, and intelligence experts. Present arrangements in DOD allow a single dissenting vote to block the publication or transfer of research or technology. I view the DOD-university forum proposal as a step in the right direction, in that it would tend to insure that the list of so-called sensitive technologies would not become overly long, and restrictions would be kept to a minimum.

It still concerns me, however, that in placing intelligence experts on such a committee, we are allowing those who define the problem to make decisions about the solutions. It is not the individual facts provided by these people that I question, but rather the context in which they tend to interpret them, and the vested interest they have in decisions about controls.

The issue now is much the same as it was a year ago: The university research community and more moderate members of the administration are urging specific, narrow controls over the dissemination of research results that can be shown to have immediate military value. These controls would be limited to DOD review of publications and some restriction on participation in research projects by certain foreign nationals. The hardliners within DOD and the rest of the administration want virtually unlimited power to control the flow of scientific information. At present the discussion is going on with little public notice.

Moreover, there is no provision in this process for weighing the costs to society of these proposed restrictions. The small amount of valuable information that may reach our enemies via scientific exchanges and publications is focused on, while the larger issues of scientific and civil liberties which proposed controls raise are glossed over or ignored. We should not be too surprised by this; it is just a part of an overall effort by this administration to restrict the free flow of information in society. These efforts extend to the press, our exporting firms, and the public as well. Again, the perceived threats to national interest are focused on; the societal costs of the proposed remedies are ignored. From its efforts to alter the principles governing security classification, to changes in the Freedom of Information Act, to forced withdrawals of scientific papers from meetings, this adminstration has made a concerted attempt to give those responsible for assessing our security situation the power to determine the solutions to the problems they perceive.

Mr. Speaker, there seem to me to be several principles which ought to govern our thinking about this difficult issue, and I would like to restate them here:

First, those in charge of assessing national security damage ought not to be in charge of deciding on the response;

Second, the concept of national security should be understood as relating to defense proper, not to economic competitiveness generally;

Third, a broad public discussion is needed to arrive at a consensus on the problem, broad enough to sustain whatever restrictions on civil liberties are deemed necessary;

Fourth, because of the seriousness of the societal implications of restrictions on the free flow of information, a standard of extraordinary degree of certainty and immediacy of harm must be applied; and

Fifth, to prevent bureaucratic excesses stemming from narrowness of perspective and vested interests, mechanisms for administrative, legislative, and judicial review must be an integral part of any adopted restrictive measures.

So far, the efforts of the administration have not adhered to these standards. There have been heavyhanded attempts to impose restrictions, without opportunity for review or appeal. Decisions are being made within a small circle of bureaucrats and advisers, and promises to include the scientific community at large are not being kept. Recent discussions at the annual meeting of the American Association for the Advancement of Science and statements by several members of the DOD-university forum, reported in Science magazine, show that the hardliners are doing little to build a consensus for their position.

These and other developments are chronicled in a recent article in Science magazine, which I have included here. I urge my colleagues to read this article.

[From Science magazines, June 3, 1983]

ADMINISTRATION GRAPPLES WITH EXPORT CONTROLS

THE WHITE HOUSE AND DOD ARE FINALLY ATTEMPTING TO DEVELOP A COHERENT POLICY FOR RESTRICTING UNCLASSIFIED BUT MILITARILY SENSITIVE SCIENTIFIC DATA

(By Colin Norman)

In February 1980, in the aftermath of the Soviet invasion of Afghanistan, the Carter Administration abruptly precipitated a debate over whether, and how, the federal government should restrict the communication of unclassified but militarily sensitive scientific information. The Commerce Department and the State Department warned the organizers of two open scientific meetings that some papers scheduled for presentation contained sensitive information whose release to foreigners would infringe export control laws. Soviet scientists were subsequently disinvited to one meeting and prohibited by the State Department from attending the other.

Three years later, the debate is still raging, fueled by the rhetoric and actions of the Reagan Administration, which warns that a "hemorrhage" of technology to the Soviet Union is taking place and that tighter control of sensitive information is required. Attempts have been made to restrict access by scientists from China and Soviet bloc countries to unclassified projects on some university campuses, visas have been denied or restricted, and papers have been withdrawn from scientific meetings after the Department of Defense (DOD) raised objections. In one celebrated case, some 150 unclassified papers were withdrawn from an open meeting at the last minute because

DOD complained that the authors had failed to obtain clearance for their release (*Science, 24 September 1982, p. 1233*).

These actions have been sporadic and largely uncoordinated because, in spite of its rhetoric, the Reagan Administration has yet to come up with a coherent, government-wide policy for the control of sensitive information. But that may soon change, for a high-level interagency committee has recently begun to develop an overall policy for technology transfer. The effort is being quarterbacked by the National Security Council, and the aim is to complete the work this fall. Meanwhile, DOD is also trying to thrash out its own policy and precedures. And Congress has entered the picture with an attempt to rewrite the Export Administration Act—the key piece of legislation governing export of critical technology—which has been used to restrict communication of sensitive information. Over the next few months, the framework for controlling scientific communication in potentially critical areas should therefore emerge. But the process will not be easy.

The debate over scientific communications is only part of a broader battle over controls that has potential military application. This battle is marked by deep divisions within the Administration, by interagency feuding over who should enforce the controls, by rifts between the United States and its allies over attempts to extend U.S. controls to foreign firms, and by concerns over the damage that overly strict controls will do to U.S. exports.

The fight over controls on the export of commercial technology is currently receiving most of the public attention in the debate over technology transfer, but issues raised by controls on scientific communication will be difficult to resolve as the Administration tries to resolve as the Administration tries to put together its policies over the next few months. Nevertheless, interviews with key people in and out of the government suggest that compromises may be emerging in some critical areas. The compromises are likely to center on recommendations in three influential documents: the Corson report, a study published last September by the National Academy of Sciences that was put together by a committee chaired by Dale Corson, president emeritus of Cornell University; a report approved in April by the DOD—University Forum, a group that consists of representatives of DOD and the nation's leading research universities; and an unpublished report submitted to DOD on 15 April by Advanced Technology Systems, Inc., a Virginia-based consulting firm.

Although the three studies differ on many points, they contain elements of agreement in the following key areas.

The need for controls

"It is impossible to get cooperation on something like this with anything less than fiat unless people believe in the basic premise, and the basic premise is that the threat is real," says Edith Martin, a DOD official who is chairing a department-wide committee developing DOD policy on technology transfer. She believes that there has been a "phenomenal" change of attitude by many in the university community on this point. The Corson panel and the DOD-University Forum did, indeed, acknowledge that there may be a very limited set of unclassified research projects in the universities that should be subject to controls; the Advanced Technology Systems (ATS) study took that as given. All three reports noted, however, that any restriction on scientific communication bears a potential cost in slowing scientific advancement. The real problem is to determine what should be controlled and how it should be done.

What should be controlled

The Corson panel recommended that controls be imposed on scientific communication only in areas that meet four criteria simultaneously: the technology is developing rapidly; it has "identifiable direct military applications" or dual civilian-military uses; its acquisition by the Soviet Union would confer significant near-term military benefit; and the information cannot be obtained from other friendly nations. Although the criteria have met with broad acceptance, even within DOD, they leave plenty of scope for interpretation. Some in the academic community have complained, for example, that they could be used to restrict more than the panel intended. A recent report by a committee at the Massachusetts Institute of Technology said, for example, that if the Corson panel's own qualifications are ignored, the criteria "could be read as restrictive imperatives."

DOD has compiled a list of sensitive technologies, called the Militarily Critical Technology List (MCTL), whose export it wants to restrict. The list is far too extensive to be used for determining the areas of scientific communication to be restricted, however; according to one DOD official, it is the size of a Manhattan telephone book and is "really a list of modern technology." The DOD-University Forum has proposed that a committee be set up by DOD, consisting of scientists and engineers from government, the universities, and industry, "to review research and development in the universities on the basis of the MCTL, the criteria of the Corson Report, and the burden imposed on the vitality of research and engineering development," and determine which areas are truly sensitive. The forum also recommends that this broad-based committee be an appeals body from which a researcher whose project has been designated sensitive—and thus subject to restriction—can obtain an expeditious review.

Appeals are currently referred to an internal DOD panel chaired by Stephen Bryen, a deputy assistant secretary for security policy and a hard-liner on technology transfer issues. A single veto in the panel can block a proposed transfer.

The ATS report recommends a process likely to be far more unpalatable to the scientific community. It suggests that DOD itself should draw up statements on what unclassified information should be restricted in some 20 areas of technology that the Central Intelligence Agency has already identified as prime Soviet targets. The report suggests, moreover, the DOD should base its determination on criteria that are much broader than those of the Corson panel.

What controls should be imposed

Because virtually all the research likely to fall in the sensitive category will be funded by the federal government, principally DOD, there is growing consensus that constraints on scientific communication can best be handled by contractual agreements between the researcher and the funding agency. One of the chief problems at present is that researchers are generally unaware of any obligation to restrict access to information, and controls have been imposed—sometimes capriciously—after the work is under way. The DOD—University Forum is emphatic that all obligations should be negotiated in advance and spelled out in contracts, so that researchers can decide whether to accept a project under the conditions laid down.

The forum statement suggests two controls that could be applied to research deemed sensitive: No national from a designated country (a Soviet bloc nation or China) will be assigned as a direct participant—including as a long-term visiting scholar—in the project without prior approval, and publications should be sent to the funding agency for review 60 days before submission for publication. The review would be advisory. "The right and responsibility for publication rests with the university or the principal investigator," the statement says.

Current procedures, spelled out in a memorandum last September by DOD Under Secretary for Research and Engineering Richard DeLauer, require that all new DOD research contracts contain a clause requiring researchers to submit their papers to DOD when they submit them for publication.

In the past, the federal government has used the Export Administration Act to restrict communication of unclassified information that it deems sensitive. But it is an unwieldy instrument, carrying potential heavy criminal penalties, whose use can have an extremely chilling effect on scientific communication. Several groups have thus been lobbying Congress to exempt scientific research from the act. But such appeals have received little attention so far in the skirmishing over controls on commercial technology. "In the political scheme of things, this issue is like a stray cat or dog, nobody is paying it much attention," says Allan Adler, co-director of the Center for National Security Studies. On 18 May, however, the House Foreign Affairs Committee did agree to add a provision to the act stating simply that "It is the policy of the United States to sustain a vigorous scientific enterprise. To do so requires protecting the ability of scientists and other scholars to communicate freely their research findings by means of publication, teaching, conferences, and other forms of scholarly exchange." The committee's report is likely to be more explicit in stating that the Export Administration Act should not be used to restrict scientific communication.

Whatever controls are finally imposed, they are unlikely to gain universal acceptance. Stanford University president Donald Kennedy, who co-chairs the DOD-University Forum, says, for example, that "Our success [in keeping restrictions to a minimum] depends on whether a few hard-liners in the Administration get their way." Asked, however, whether Stanford would accept a research grant with restrictions on access by foreigners—as the forum suggested—Kennedy replied, "Probably not."

Nevertheless, Kennedy and others are looking forward to some coherent rules so that the universities can at least have a basis on which to decide whether or not to accept the government's money.

A BATTLE ON MANY FRONTS

According to one count, there are 44 separate groups in the federal government looking into various aspects of technology transfer. The following are the arenas where the main battles over restraints on scientific communication are taking place in the Administration.

The White House

After sitting on the sidelines for 2 years, the Office of Science and Technology Policy (OSTP) was thrust into the center of the debate late last year. Under a directive from the President, OSTP was asked to draft a statement of Administration policy on scientific communication and national security, incorporating the recommendations of the Corson panel (see accompanying story). A March deadline was set for the study, but in February a broader investigation of technology transfer policy was launched by the National Security Council (NSC), again under presidential directive, and the OSTP study has become part of that. The deadline for this new effort is late October, but some are predicting that the work will not be completed until the end of the year.

Nominally in charge of this study is a senior intergency group headed by William Schneider, Jr., Under Secretary of State for Security Assistance, Science and Technology, but the work is being done by a steering committee chaired by Gus Weis of the NSC. Scientific communication issues are being handled by a working group headed by Louis Montoulli of OSTP. Montoulli, who is the third OSTP official to be put in charge of these matters since the office first got involved, told a meeting of the American Physical Society last month that his group will look into "written, oral, electronic, and visual data transfer . . . trade fairs, exhibits, air shows, and the patent process." He said he will seek input from the scientific community during the summer.

The White House is meant to be drafting broad policy for the Administration, but in the meantime, several departments are drawing up their own rules.

Department of Defense

A directive issued on 29 December last year by then-Deputy Secretary of Defense Frank Carlucci laid out broad guidelines for DOD policy on technology transfer and established two committees to settle intradepartmental disputes on specific issues and cases. The committees are chaired by Richard Perle, Assistant Secretary for International Security Policy, and his deputy, Stephen Bryen. Both are known as hard-liners on technology transfer matters. Bryen's committee meets monthly and Perle's meets quarterly. Together, they form a two-tier appears mechanism, but the arrangement is highly restrictive because a unanimous vote is required to approve any proposed technology transfer. A single vote can therefore restrict release of a technology or of sensitive information.

Carlucci's directive was meant to provide only a stop-gap arrangement, however. More detailed policy and procedures are currently being hammered out by a department-wide committee under the chairmanship of Edith Martin, Deputy Under Secretary for Research and Advanced Technology. Martin says she expects her committee to finish its work by the end of September; it will make its recommendations to Fred Ikle, Under Secretary for Policy.

Martin's committee has five subgroups looking into the following areas: contractual controls on the release of information from DOD-sponsored research; visa controls (DOD wants to ensure that its views are heard in the State Department's deliberations—see below); restrictions on release of information at scientific conferences; restrictions on research publications; and how to identify areas of technology that are militarily sensitive. "What we are looking for," says Martin, "are those things that are palatable . . . our intent is to find that minimal set of things that will help slow the flow."

It is no secret that there have been conflicts within DOD over technology transfer policy, particularly between Perle's office and the Office of Research and Engineering, of which Martin is a part. This has led to differences in interpreting the policy, and the resulting confusion has been compounded by overzealous enforcement by contract officers in the armed services. Martin says that her committee is trying to cut through the confusion by arriving at a DOD-wide consensus on what should be done. "Perhaps in the past there has been [conflict]," she says, "but I would certainly say that isn't the case today."

Department of State

Last month, Under Secretary of State William Schneider announced at a press conference that henceforth visas would be denied or restricted "where there is reason to believe that an alien is seeking to come to the United States to acquire controlled strategic technology illegally." Although the policy is aimed chiefly at visitors from Soviet bloc countries posing as businessmen, Schneider said that it would also apply to scientists on exchange visits. An official in Schneider's office noted, for example, that the State Department might seek to place restrictions on a scientist's access to parts of a university campus. It would not be the first time that such restrictions have been imposed, but the universities have always strongly resisted them. The State Department is essentially serving notice that it does not intend to back off in the face of the opposition.

Department of Energy

Early in April, the Department of Energy (DOE) published draft regulations designed to control the release of unclassified nuclear information that might potentially be used to design a nuclear explosive or that could compromise the security of an installation housing critical nuclear materials. The regulations, which are required by legislation that Congress approved last year at DOE's request, identify a broad range of information whose release could subject an offender to a civil fine of up to $100,000 and criminal prosecution.

The proposed regulations have drawn a heated response from Stanford University. Vice Provost Gerald Lieberman argues that as drafted, they have "unlimited potential to chill research, teaching, and the general interchange of information." Restrictions on dissemination of previously classified material are "so inclusive as to permit application to all those basic and advanced courses in the fields of physics, electrical engineering, materials science, and the like that teach the basic information discovered and classified before the early 1950's and since declassified," he says.

DOE has extended the period for comments on the proposal until 3 June before deciding whether to put the regulations in final form.●

INVOLVEMENT IN THE ARTS

HON. NANCY L. JOHNSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1983

● Mrs. JOHNSON. Mr. Speaker, as a freshman Member of Congress, I am proud to have been able to participate in a program that encourages young people's involvement in the arts. Whether or not they choose a career in the arts, these students know that art is not an experience ancillary to our daily lives, but rather it is a personal reflection of life experience, both for the artist and for the viewer.

I am proud that the 1983 Congressional Art Competition winner from my district in Connecticut, Catherine Gilbert, is here today to participate in the ribbon-cutting ceremonies to open this year's exhibition. Catherine already has several honors to her credit—the Oliver Wolcott Library Award for 1982 and 1983, and the Edward Maybry Award from 1982. Such artistic aptitude does not develop without encouragement however. Teachers, such as Catherine's teacher Mary Lou Hoffman from Litchfield High School, as well as strong parental support, are fundamental to nurturing talent.

Programs such as the Congressional Art Competition demonstrate the value that we as legislators place on encouraging the development of the arts, for as Henry James once wrote:

It is art that makes life, makes interest, makes importance, for our consideration and application of those things, and I know of no substitute whatever for the force and beauty of its process.●

HELSINKI HUMAN RIGHTS DAY

HON. RAYMOND J. McGRATH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1983

● Mr. McGRATH. Mr. Speaker, today commemorates the eighth anniversary of the signing of the Helsinki accords. Eight years ago, we looked at this historic occasion as a giant step forward for human rights. Finally, an agreement was reached among nations of diverse economic, religious, and philosophical backgrounds which recognized basic human rights for all people.

Or so we thought.

Today we are forced to look back at the time that has elapsed since that August 1, with a great degree of sadness. The progress in the area of human rights has been dwarfed by a growing violation. The hopes expressed at that time, have turned to cynicism. That document has been used by many countries as a bargaining tool in achieving their economic and political goals. In these nations, a facade of human rights compliance is promoted when it is politically beneficial, but at any time, the rights can be quickly revoked at the whim of the Government.

The Eastern European nations that signed the Helsinki accords have

shown an alarming disregard for the rights they pledged to recognize and uphold. Led by the Soviet Union, political and labor unions such as Solidarity have been suppressed, monitors of the accords in Eastern bloc nations have been harassed, and the expression of religion has resulted in persecution and imprisonment for many, such as the Soviet Jews.

Today's anniversary is an important day for all of us who believe in the ideal of human freedom. It should be a day of celebration. This year, as one response to the continuing crackdown in human rights, we should make it a day of action. I urge my colleagues to join with me in challenging the Soviet Union and its Eastern allies to fulfill their commitment. The accords were signed 8 years ago in a spirit of cooperation and progress. We must call on all who participated to allow those principles to operate, so that all people might enjoy the rights and freedom for which every soul thirsts.●

AN EDITOR SPEAKS OUT

HON. DOUGLAS K. BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1983

● Mr. BEREUTER. Mr. Speaker, from time to time, I include in the CONGRESSIONAL RECORD examples of editorials that appear in the newspapers in my congressional district. While my colleagues have easy access to the editorial comments that appear in the national newspapers, I think it is important to see what the editors in our nonmetropolitan areas are writing. They also express a view that is often closer to the pulse of our constituents than what we read in the national press.

With that thought in mind, I request permission to have the following two editorials printed as they appeared in the Norfolk, Nebr., Norfolk Daily News.

[From the Norfolk Daily News, June 28, 1983]

A MATTER OF LIMITS

The trustees of the Social Security system have studied the figures and concluded that the bipartisan package of changes agreed to this spring does, indeed, mean a crisis has been averted in the old age and survivors fund. It will, they estimate, "be able to pay benefits on time for the next 75 years under all but the most pessimistic of the various set of assumptions."

Skeptics may conclude they should take those most pessimistic assumptions as the likeliest scenario. Murphy's Law on the way things can go wrong would support such a view. But if the economy fails to perform as well as it should, even a modest amount of political courage would allow for further corrections.

The bipartisan commission did prove that action to trim growth in benefits by modest amounts is possible; it did not prove politicians yet capable of fixing an unalterable limit on taxes and fitting benefits to meet that income. But there was some progress, and America's younger workers apparently must be content for the time being with relatively small favors.

The outlook for Medicare, that part of the system which provides health benefits to Social Security recipients, is not in similarly good shape. Its funds, however, did provide the bailout by which the old age and survivors benefits could continue to be paid. Now the spiraling costs for medical care combine with the projections of income under present payroll tax rates to suggest that Medicare could be in trouble as early as 1988.

Borrowing from experience with the retirement portion of the system, there ought to be early action to resolve what may be a serious problem only five years hence. The administration has taken several sensible steps to try to hold costs down. It wants a little higher contribution from the actual users of these medical benefits, to help provide an incentive to them to be cost-conscious.

Without significant change, and based on present experience, the trustees of the system indicate that in 75 years, Medicare costs alone could require a 9 percent payroll tax. Presently, the rate is 2.6 percent, and it is scheduled to become 2.9 percent under current law.

If future generations are not to find social services demanding ever-higher proportions of their earnings, then today's politicians need to act. They should consider that the limits of fair taxation rates have been reached; and all the public benefits promised retired people in the future must conform to what can be provided under those limits.

[From the Norfolk Daily News, July 26, 1983]

MASSIVE ACCOMPLISHMENT

One might conclude that victory over last year's No. 1 enemy would dominate the front pages and the nightly newscasts. There has been publicity about it, but the accomplishment is one that has taken place on a relatively gradual basis. So it has not been a headline-grabbing event.

It is highly significant, nonetheless, that the consumer price index has just now set a 15-year record of stability. For the last 12 months the rate oi increase was only 2.6 percent. It is proof that a disastrously high rate of inflation has been brought under better control.

Otto Eckstein, a member of President Lyndon Johnson's Council of Economic Advisers, states unequivocally, "We have licked double-digit inflation. There is no prospect of that for years, perhaps the entire decade. It's a massive accomplishment."

The considerable achievement is encouragement to all Americans that their work, earnings and savings will not be diluted in the future by rampant inflation. They can have confidence in their economic futures.

Now it is up to public policy makers to control their appetites for spending—and taxing—to get budgets under control so inflation does not recur and the recovery put in jeopardy.●

PERSONAL EXPLANATION

HON. WILLIAM F. CLINGER, JR.

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1983

● Mr. CLINGER. Mr. Speaker, on July 29, 1983, I was absent from the floor of the House of Representatives for the last vote of the day. Had I been present, I would have voted in the following fashion: Rollcall No. 296: House Concurrent Resolution 153, district work period. The House agreed to the concurrent resolution providing for August adjournment of the House and the Senate, "yea".●

WORLD TRADE

HON. RALPH REGULA

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1983

● Mr. REGULA. Mr. Speaker, I wish to bring to my colleagues' attention an op ed piece which appeared in the Washington Post on August 2, 1983, entitled "World Trade: What U.S. Firms Are Up Against."

The editorial written, by Chrysler Corp. chairman, Lee Iacocca, highlights the urgency of correcting the inequities in the world trade market.

I share Mr. Iacocca's concern and in a special order yesterday made some of the same points. Clearly, the trade scene is shifting. More players are entering the games, the rules, as well as the stakes are changing.

If we are to remain competitive, we too must change our posture to meet the new challenges of world trade. The United States must clarify its international trade objectives and priorities and improve its trade policymaking.

For some time now the steel industry has been plagued by unfair import competition such as dumping, subsidies, and targeting. These practices have led to declining productivity in the U.S. steel industry, plant closings, and increased unemployment, not to mention their effect on the Nation's overall economic health.

America's open market has come to be expected, but in recent years we have begun to pay a steep price for our generosity. Increasingly, pressure is being brought to bear for us to respond to the competitive threats to our basic industries which are hurting many sectors of the economy, as well as hindering economic recovery.

To respond threatens the stability of free trade. To not act we risk substantial damage to many sectors of our economy, particularly to our basic "smokestack" industries such as steel and autos.

These problems affecting our basic industries are merely symptoms of a much greater, potentially more onerous and pervasive problem. They are symptoms of escalating global trade tensions.

Expansion and international competitiveness must be made principal national goals. Our ability to compete in international trade is central to our future economic growth, our domestic welfare and our national security. If we are to meet the challenges of foreign competition we must take the institutional and legislative steps necessary to meet those challenges.

I commend Mr. Iacocca's piece to my colleagues. It is a thoughtful analysis of the serious problem our domestic industries face in the world trade arena and offers some constructive suggestions for ways in which we can act to equalize the playing field of world trade.

The article follows:

[From the Washington Post, Aug. 2, 1983]

WORLD TRADE: WHAT U.S. FIRMS ARE UP AGAINST

(By Lee Iacocca)

The playing field in world trade is not level; it is blatantly tilted against the United States.

And unless that field can be made level, we will rapidly slip from the major leagues to the minors—with small chance of a comeback. In 1982, the U.S. deficit in foreign trade was $43 billion; for 1984, Martin Feldstein, chairman of the President's Council of Economic Advisers, predicts that this deficit could reach $100 billion. This widening gap between imports and exports significantly contributes to lost jobs and the erosion of the capital base of many essential industries, including machine tools, steel, electronics and automobiles.

A strong economic recovery—contrary to popular economic folklore—could worsen this deteriorating situation. Since several major competitor nations are expected to lag behind the United States in their rate of recovery, price competition from them could play havoc with our recovery and our trade deficit.

With good reason, government and business leaders are concerned. Unfortunately, this concern has become polarized into an either/or position; protectionism or free trade.

For example, in The Post, Wolfgang Hager's defense of protectionism [Outlook, May 15], was followed by Bill Brock's response in defense of free trade [op-ed, June 13]. These essays—a microcosm of what's being played out daily in Washington, in academia and on the 6 o'clock news—are attempts to come to terms with the issue of international competition. But, like most extreme solutions, both are wrong.

For one thing—and this is probably the most important thing—these either/or approaches fail to take into account some very basic realities of the business world in 1983.

It's true that protectionism would provide immediate, temporary help to certain industries—including the auto industry. About 28 percent of the cars sold in America are imported—21 percent are from one nation, Japan. And in June of this year, the Labor Department ruled that an estimated 5,200 workers laid off from Chrysler Corporation plants in Newark, Del., and Detroit can apply for special aid because imports cost them their jobs.

But rushing in with an across-the-board protectionist quick fix could backfire on American business. America simply can't afford to alienate and lose world markets through protectionism and its backlash. The fastest-growing markets in the world are overseas; Brazil and Mexico combined will probably represent a larger auto market than the United States at the turn of the century. And economies in the Far East are on impressive growth curves.

Like the ill-fated Smoot-Hawley Tariff Act of 1930, protectionist measures carry the potential for lost markets, trade wars and depression. The price of such "relief" is one that American business can't afford.

If protectionism isn't the answer to our trade problems, free trade extremism isn't either. Free trade ignores the historical fact that current trade agreements were formulated at a time when America was the top dog in production and sales in world markets—and especially in domestic markets. It ignores the new reality that, both in terms of production facilities and marketplaces, competition is now global.

There is nothing wrong with the new game; it's really the major leagues. Global competition—the playout of economic Darwinism—has been a potent spur to American business to improve its productivity and quality. What is wrong is that while American companies are playing in a new international trade game, the U.S. government is still expecting them to play by the old rules.

We are up against aggressive, potent competitiors, backed by their governments—while experts inside and outside government intone Adam Smith's theories and pretend it's still 1950 in terms of U.S. worldwide economic dominance. Most other governments have realized that the game and its rules have changed—and now assist the "Invisible Hand" through all-too-visible programs and policies that give their industries a better-than-even break in the world.

Because the U.S. government still tries to play by the old free trade rules, America lacks a trade policy that's responsive to the new realities of international competition. For American businessmen and workers—sent out into the global marketplace to compete without help from government—the playing field is not level; it's tilted against them.

To make that playing field level—to allow American business and American labor to be on the same footing with their global competitors—we have to address two major areas immediately.

The first area concerns purchasing power parity. Right now—because of currency exchange rates and the system of value-added taxes—some of our competitors have a substantial pricing advantage; over $1,500 per car for Japan. This advantage obviously tilts the playing field for the competition.

Exchange Rates: With the current strength of the dollar and the intentionally low values of certain other currencies, such as the yen, some of our trading partners have a big edge over American businesses when they compete in the U.S. market. In the auto industry—a prime example—it is estimated that the Japanese have a cost advantage of $600 to $800 per car because of an estimated 20 percent undervaluation of the yen.

Value-Added Taxes: Most of America's major competitors use value-added taxes, which they rebate to their manufacturers when goods are exported. For Japan, this tax rebate equals another $600 to $800 per car. U.S. import duties come nowhere near equaling the rebated taxes, so the imported goods have a substantial price advantage over American-produced goods. And the American goods have to shoulder the full effect of U.S. federal, state, local, Social Security, and other taxes.

The second major area concerns the lack of a coherent, pragmatic industrial policy to help American businesses to become and/or remain competitive—especially for:

Riding Out Downturns. Many of America's competitors have developed programs to help their industries remain solvent during cyclical downturns. America has no such program, and with each economic downturn—even predictable ones in cyclical industries like chemicals and autos—American industries lose ground to foreign competition. Once they lose too much ground and get on to a precarious financial footing, they usually cannot be resurrected. Their jobs disappear overseas forever, by the hundreds of thousands.

Carving Out and Preserving Market Share. Some of America's competitors, such as the Japanese, have learned that they can establish market share through a low price/low profit game plan applied over the long term. They can only do this with solid financial backing from their governments and their closely integrated national banking systems, something American industry doesn't have. As a result, American businesses frequently cannot afford to pay the long-term "entry fee" to gain and hold position in desirable markets.

That these two areas—purchasing power parity and industrial policy—demand action is obvious to many Americans, but not to enough of our elected representatives. According to recent polls conducted by Louis Harris Associates and the Los Angeles Times, the percentage of Americans who favor government policies to preserve or expand our industrial base is double the percentage of congressional leaders who are similarly inclined.

What must government and business do, starting today, to deal with the new trade realities and to level out the playing field?

1. Government must negotiate more acceptable exchange rates, rates that reflect the real purchasing power of different currencies and that are indexed over time to changes in relative inflation rates.

2. Government must find ways to compensate for the pricing edge created by VAT rebates. DISCs (Domestic International Sales Corporations) have never been an effective tool for this; and import duties, because they are too low, have been equally ineffective. Our taxation policy should get in step with the rest of the world.

3. Government and business together must find ways to help fundamentally viable American companies absorb the impact of recessions—and to allow American business to compete with foreign industries whose governments and infrastructures support low price/low profit marketing strategies.

This kind of aid could be in the form of loans or of loan guarantees similar to those provided to Chrysler. A new structure to accomplish this program could incorporate the concept of a "domestic IMF"; it could arrange emergency financing to support those businesses that have clear, workable plans to improve productivity and increase operating efficiency. There's no question that the capital for these loans is available;

I've often wondered why the American public and business community have allowed American banks and public institutions to lend $500 billion to Third World countries and businesses while we have such pressing needs here at home.

In the international trade game, time is not on our side. The next several seasons will determine, irreversibly, whether America stays in the world trade major leagues. We need solid policies *now*, if we're going to have a chance to play on a level field.

As far as autos are concerned, until we get these policies in place, we must negotiate or legislate an extension on quotas on Japanese imports. Without these quotas as an interim measure, the American auto industry as we know it won't survive long enough to have a chance to play on that level field.

A level field means a fair game—a game in which all players go by equivalent rules. A level playing field in international trade is necessary to put the biggest game in the world back on the level.●

A WELCOME FOR THE PRESIDENT OF ZAIRE

HON. NEWT GINGRICH

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1983

● Mr. GINGRICH. Mr. Speaker, I want to take this opportunity to welcome to America the President of Zaire, Seseseko Mobutu.

He arrives today with several of his ministers, for meetings with President Reagan and Vice President BUSH.

Zaire under President Mobutu has been a strategic ally of the United States. It has really stuck its neck out to discourage penetration of the African continent by the Soviets and their proxies.

Zaire's diplomatic and military strategies have often put Fidel Castro's troops and their neocolonialism on the defensive. Just recently, Zaire has helped the people of the nation of Chad fend off provocative military action from the radical Government of Libya.

The Government of Zaire has been a target of the international left for its human rights record. Zaire is not a democracy. Most nations in this world are not. But it is making great strides in the human rights field. Some 70 political prisoners have recently been released. Zaire has a good record compared to most of the other nations on the African continent.

It is making moves toward freedom internally, while doing its part to sustain free world interests in Africa and beyond, and that is what really counts.

I join other Americans in welcoming President Mobutu and his entourage to the United States. I hope their talks with our leaders produce a closer and more durable alliance.●

UNCLE SUGAR, CAUGHT IN THE CLINCH

HON. LAWRENCE COUGHLIN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1983

● Mr. COUGHLIN. Mr. Speaker, I would like to take this opportunity to call attention to recent editorials in the Los Angeles Times, the Washington Post, and the Washington Times on the new financing plan for the Clinch River breeder reactor.

Our colleague from New York, Hon. RICHARD OTTINGER, is quoted in the Los Angeles Times article as saying that the so-called cost-sharing plan for Clinch River is a "sham * * * an insult to the intelligence of Congress and the American people." I wholeheartedly concur with his assessment as the plan does not meet any reasonable definition of cost-sharing and contradicts the basic tenets of the administration's free-market philosophy.

I applaud the efforts of our colleague, the Los Angeles Times, the Washington Post, and the Washington Times in defending the interest of the American taxpayer against those of the narrow corporate groups that have profited from the Clinch River boondoggle.

The editorials follow:

[From the Los Angeles Times July 28, 1983]

UNCLE SUGAR, CAUGHT IN THE CLINCH

On May 12 the U.S. House of Representatives voted 388 to 1 to kill the Clinch River breeder-reactor program unless private industry agreed to pay a substantial share of the cost. Six weeks later Energy Secretary Donald P. Hodel publicly conceded that the U.S. energy program could make do without the $4 billion nuclear project.

That should have been that.

But lo and behold, President Reagan let it be known the other day that he not only supports Clinch River but also will campaign vigorously for a special $1.4 billion appropriation to keep the Tennessee project alive. Not only that, he also favors federal guarantees under which the taxpayer will bail out corporate and private investors if electric power from the breeder reactor cannot be sold.

All this comes at a time when Reagan is wrestling with massive federal budget deficits. Unless the projected deficits can be reduced, it will be very difficult to avoid high interest rates, renewed recession and a situation in which military spending will have to be cut much more deeply than the President himself considers prudent.

Fortunately, chances are very good that common sense will prevail in Congress, where enthusiasm for the Clinch River boondoggle is at a low ebb.

Unlike conventional nuclear-power reactors, which burn uranium, breeders both burn and breed plutonium; in fact, they are designed to produce more plutonium than they consume. This was a very attractive feature at a time when uranium was expected to become scarce and increasingly costly.

But times have changed since Congress first gave tentative approval to construction of a commercial-scale breeder reactor 13 years ago.

Leaving aside the fact that the United States should not be setting a bad example by embracing a power-reactor technology that can easily be used as a cover for nuclear-bomb production, the economic factors are all wrong.

More uranium reserves have been discovered. The demand for uranium reactor fuel has fallen way below earlier projections for several reasons, including the fact that nuclear-power reactors are neither as safe nor as economically efficient as had been expected. The General Accounting Office has estimated that breeder reactors probably will not be commercially attractive for 40 more years.

Meanwhile, instead of the original cost estimate of $700 million, the ultimate price tag is now expected to be at least $4 billion and possibly much more.

Under these circumstances Congress has become more and more reluctant to vote money for Clinch River. This spring it became obvious that the project would die unless the electric utilities and the nuclear industry agreed to pick up a substantial share of the costs. The resulting "cost-sharing" plan that has now received the President's backing was accurately described by Rep. Richard L. Ottinger as a "sham . . . an insult to the intelligence of Congress and the American people.".

Under the proposal the federal government would spend $1.4 billion on top of the $1.5 billion that it has already sunk in the project. Private industry, which so far is committed to paying only $257 million of the total cost, would raise $1 billion more through the sale of bonds and equity shares in the project.

The catch is that these securities would be guaranteed by the federal government. In other words virtually the entire risk would be assumed by good old Uncle Sugar.

It's incredible that a President who has so often lectured on the evils of federal spending in general and subsidies in particular would throw his weight behind such an arrangement. It's up to Congress to save the American taxpayer from the consequences of this particular folly.

[From the Washington Post, July 20, 1983]

DOUBLE STANDARD AT CLINCH RIVER?

The Clinch River breeder reactor is the great exception to the Reagan administration's rule against energy subsidies. The White House has never subjected the breeder to the same standards that it has applied elsewhere. Another attempt to rescue the breeder is now taking shape, and once again it requires an exemption to all the Reagan strictures against public spending and lending.

Congress refused any appropriation this year for Clinch River, declaring that there will be no more federal money until and unless somebody comes up with an acceptable plan for a larger share of private money. Part of the electric power industry has now come up with a proposal The private money would be mainly in the form of loans guaranteed by the federal government. But guaranteed loans are not everybody's idea of a private contribution.

To complete the breeder reactor would, according to the Energy Department, take a further six years and $2.4 billion. The current financing plan comes from the Breeder Reactor Corp., which represents a group of utilities supporting the Clinch River

project. This plan proposes that the utilities contribute another $150 million in equity, and the government put up $1.5 billion. The remainder would be raised by the guaranteed bonds, to be paid off by the breeder's power sales.

One obvious difficulty is in the utilities' contributions. State regulators are not visibly enthusiastic about allowing the utilities to pass them on to customers in their power rates.

As for the bonds, Sen. Gordon Humphrey points out that the arithmetic of repayments depends on some cost estimates that seem low and a predicted price for breeder power sales that looks remarkably high. The idea of the bonds arrives in a season when there seems to be rising concern both in Congress and in the administration over the scale of federal lending, and over the use of loans to circumvent the restrictions of a tight budget. It's a bad practice. Why make an exception for Clinch River?

The breeder reactor has only one justification. It gets more energy out of a uranium atom, by recycling it, than the present commercial reactors do. The Clinch River breeder was conceived at a time when it looked as though a uranium shortage lay ahead. But with new uranium discoveries, the economic case for the Clinch River breeder has evaporated at just about the same rate at which the construction cost estimates have been rising.

The immediate question is whether the White House will support this current financing plan with its $1.5 billion appropriation and its bond guarantees. If it applies the same standards to the Clinch River breeder that it applies to all the other energy technologies, the question will answer itself.

[From the Washington Times, July 27, 1983]

CLINCH RIVER AND CORPORATE WELFARISM

(By Smith Hempstone)

You have to wonder what Senate Majority Leader Howard Baker has in mind with his apparent willingness to endorse a scheme to keep alive the Clinch River breeder reactor. Getting his fingerprints all over this monstrosity won't do him any good in pursuing the GOP presidential candidacy in 1988. By then, it will be all too clear just how much of a fraud on taxpayers Clinch River is.

When the project was first authorized in 1971, it was supposed to cost $400 million, with the nation's electric utilities signing up to contribute $257 million. A year later, the projected cost jumped to $700 million, but the utilities demanded their share be frozen at $257 million.

Now the Energy Department admits the project will cost at least $4 billion to complete. Congress hit the roof over this, with the House defeating a funding bill which carried in the Senate by only one vote.

The lawmakers told the Energy Department to look at alternatives, "including reconsideration of the original cost-sharing arrangement, that would reduce federal budget requirements" for Clinch River. The upshot was a recommendation that the government use revenues that might be made from the sale of electricity from Clinch to back guaranteed bonds for the project. But those revenues were originally supposed to go directly into the U.S. Treasury to offset the project's costs.

Reception to this by Congress was cool, with its General Accounting Office noting that "the federal government still appears to retain most risks if the project fails or if cost overruns occur."

Nevertheless, the plan Baker has to decide to snub or go for now calls for Congress to obligate, in one up or down vote, $1.5 billion over the next seven years for construction. Just perfect for Clinch backers, since it would remove the issue from further congressional consideration for seven years.

Even lovelier for the nuclear industry, who wouldn't have to kick in another dime of its own. The proposal talks about another $175 million from the utilities, but this is already what they owe from their original pledge of $257 million plus interest.

The utilities insist they will not participate unless they're guaranteed tax benefits and a fixed rate of return on the bonds. And for good reason from their viewpoint. Although industry claims it's going to put up risk capital or equity shares worth $150 million, it wants the money to come from the taxpayers—that is, from the tax benefits the plan hands to industry.

The utilities, further, assume no additional risk for failure, delay or cost overrun. In fact, their plan emphasizes the government (i.e., the taxpayers) must guarantee all the tax benefits and a full return on investment plus interest for the government-guaranteed bonds. Never mind if the project costs more than expected, fails to work as well as expected, or never gets built, or if there's no market for the electricity it may or may not produce. Talk about corporate welfarism!

Energy Secretary Don Hodel has admitted that building Clinch River isn't necessary for maintaining America's position in breeder-reactor technology because our basic breeder research program would do the job. This basic breeder research is funded separately from Clinch and is already costing the government some $300 million a year. Apparently industry agrees with Hodel, since it doesn't think it should share Clinch River's costs by increasing its share of contributions beyond the measly 9 percent it has pledged—9 percent of $4 billion!

You want to know how this compares with other nations' cost-sharing on breeder work? Well, West Germany requires private industry to pay—not loan—29 percent, and when costs increase, the German private sector's share must escalate accordingly.

Japan, which supposedly is the world-champion at government-private industry coziness, requires at least 20 percent private-sector direct payments (not loans) to finance its commercial breeder effort. By the way, the U.S. utility industry originally offered to pay for half of Clinch River.

The French breeder program is paid for entirely by utility rate increases and foreign cost sharing: 51 percent by the French national utility, 30 percent from an Italian utility, and the balance by a consortium of German, Belgium and Dutch utilities.

You might put this question to Sen. Baker and to the free-marketeers of the Reagan administration, who apparently remain enamoured of the project: Will the plan increase the private sector's management stake?

A "yes" would be hard to explain, since it's the Energy Department that would get even more say and less public scrutiny. If you think that's a smart idea, you have forgotten the mess that department made of oil and gas distribution and pricing before President Reagan ended controls on the petroleum industry.

The fact is, this plan continues to insulate industry from risk. So why in the world would Baker even consider pushing a plan like this on the public? People who know him say when he has a chance to review what this plan is really about, he'll recognize it's not worth the game and that the real issue isn't this project but, as Secretary Hodel points out, keeping the basic breeder progam going in order to retain the U.S. lead in this technology, which is what Baker says is his primary concern, too.●

NATIONAL INTEREST, NOT SPECIAL INTEREST: A PERSPECTIVE ON EMINENT DOMAIN

HON. WILLIAM F. CLINGER, JR.

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1983

● Mr. CLINGER. Mr. Speaker, The House is likely to be considering H.R. 1010, the proposed Coal Pipeline Act of 1983, sometime following the Labor Day recess. As many Members are aware, legislation to grant the right of Federal eminent domain to coal slurry pipelines has been considered by the Congress—in one form or another for over two decades. In spite of this fact, there remains a great deal of misunderstanding in the Congress as to just what eminent domain is. Needless to say, opponents of coal pipeline legislation have gone out of their way to characterize the eminent domain provision of H.R. 1010 as something new and monstrous which is special interest legislation of the first magnitude.

I would like to try and bring some perspective to this issue by first pointing out that eminent domain is defined as the right of a government to take private property for public use by virtue of the superior dominion of the sovereign power over all lands within its jurisdiction. This dictionary definition, however, falls short of describing the way this process has been employed in the United States.

Since the early days of the Republic exercise of this power at all levels of government has not been limited to obtaining property for such government facilities as schools and courthouses or such public services as water and sewer systems. It also has been employed to construct highways and waterways, which are then used by private truck and barge companies. This has allowed private enterprises to serve a broad range of public needs, using these public facilities. Some of the cost is recovered through taxes and fees charged the private users.

Eminent domain also has been applied to encourage the private sector to build facilities for its use on Government-controlled property. For example, millions of acres of public lands have been granted to America's privately owned railroads to foster development of a nationwide rail system. And privately owned companies are certificated to use the eminent domain process for acquiring rights-of-way for

certain pipelines—that is natural gas—and electric transmission lines, which they construct and operate. All these transportation modes were deemed to be in the national interest and vital to our economic growth and welfare. The courts have upheld this grant of Federal power to private corporations and have not limited it to the taking of property by the Government itself. The rationale has been that the delegation of this power to corporations and other agencies is proper if it is to be used for the purpose of carrying out any public use within the control of the Federal Government.

Thus, as the Nation's transportation needs have grown and technology has developed, access to eminent domain has been broadened to permit and encourage the private sector to serve the public interest. This has allowed the Government to leave to the private sector the operation of a vast transportation network—much of it constructed with private capital.

A significant addition to America's transportation network is now possible as a result of further advances in technology. Pipelines can be built for the delivery of coal, making this abundant domestic energy resource more available for use in electric generation and industry and helping to ease the Nation's dependence on imported oil. But companies eager to use private capital to construct and operate coal slurry pipelines, to serve the public interest in efficient, reliable, economical energy delivery, are being blocked. They do not have access to the Federal eminent domain process. This means they cannot use the courts to resolve disputes over acquiring easements across private property for construction of interstate coal pipelines.

While a few States have eminent domain for coal pipelines, in most of the Nation today it is possible for any private property owner, for whatever reason, to simply refuse to negotiate—and as a result, frustrate the public interest. Obviously, an operator of an existing coal transportation system such as a railroad can deny an easement—even when that system's right-of-way was acquired through the eminent domain process. Thus, a private interest can bar competition.

The railroad industry lobbies vigorously to exclude coal pipelines from Federal eminent domain. It opposes legislation now pending before Congress to bring this advanced transportation mode under the public interest umbrella.

Consumer organizations, coal producers and users, environmentalists, unions, cooperatives, and others concerned with energy delivery efficiency are allied in seeking congressional approval of Federal eminent domain for coal pipelines. I, therefore, urge my colleagues to support H.R. 1010 when it reaches the House floor.●

VOTE TO SUPPORT OUR NATION'S SMALL BUSINESSES

HON. NORMAN F. LENT
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1983

● Mr. LENT. Mr. Speaker, we will soon consider H.R. 2867, the Hazardous Waste Control and Enforcement Act of 1983. Mr. SHELBY and I will offer an amendment to provide for fair and enforceable regulations of small generators of hazardous waste.

I wish to print, for the benefit of my colleagues, a bipartisan "Dear Colleague" letter, which went out on July 25, 1983, and the text of the Shelby-Lent amendment.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., July 25, 1983.

VOTE TO SUPPORT OUR NATION'S SMALL BUSINESSES

DEAR COLLEAGUE: The House will soon be considering H.R. 2867, the Hazardous Waste Control and Enforcement Act of 1983 which reauthorizes the Resource Conservation and Recovery Act ("RCRA"). RCRA governs the disposal of hazardous waste from the "cradle to the grave" in this country. An amendment will be offered on the House floor, sponsored by Representatives Shelby and Lent, to Section 3 of H.R. 2867 which regulates small generators of hazardous waste. That amendment will protect hundreds of thousands of small businesses from facing a confusing, complex, and costly system of regulation, while ensuring a high level of environmental protection for the American people.

Section 3 now contained in H.R. 2867 will, for the first time, bring hundreds of thousands of small businesses such as dry cleaners and service stations under the RCRA regulatory system. Unfortunately, the way Section 3 is currently drafted, it carries the strong potential to seriously disrupt the ongoing RCRA regulatory program by forcing these small businesses to comply with a confusing and potentially unenforceable system of regulations. It does this in the following way.

Under current regulations, all those who generate in excess of 1000 kilograms per month of hazardous waste (large generators) are subject to the full RCRA regulatory system. Those generating less than 1000 kilograms per month (small generators) are exempted from RCRA regulations (except for acutely hazardous wastes which are regulated to 1 kilogram/month). Section 3 of H.R. 2867 lowers the small generator exemption from 1000 kilograms/month to 100 kilograms/month and directs the Environmental Protection Agency to write regulations tailored to small generators of hazardous waste. However, Section 3 also says that if the EPA fails to act within the prescribed statutory deadline, the small generators are automatically subject to the large generator regulations ("hammer"). Since EPA rarely meets statutory deadlines, we must question whether it is proper for the Congress to hold small businesses hostage against EPA's likely inability to meet arbitrary legislative deadlines.

Another major concern we have with Section 3 is that, within 90 days of enactment, it requires any business that generates more than 25 kilograms/month of hazardous waste to manifest such waste, for purposes of notification to transporters only each time it is shipped off-site. Section 3 would, therefore, set different compliance levels for notice (down to 25 kilograms/month) and regulations (down to 100 kilogram/month). This dual system of notification at one level and regulation at another level is confusing and will create an unworkable and unenforceable regulatory program.

Balancing proper environmental controls on the hazardous waste from small generators with a reasonable regulatory and financial cost to small business is possible. We believe the Shelby-Lent amendment to Section 3 achieves this result as follows:

It removes the "hammer" from Section 3 but provides that small generator waste be disposed of properly if EPA fails to act in a timely fashion. Thus, it retains the essential environmental protection elements of RCRA but relieves the small generators from many of the burdensome and costly requirements designed for larger, more sophisticated hazardous waste generators.

It raises the notification level from 25 kilograms/month to 100 kilograms/month so that the regulatory requirements on small generators will be more consistent and less confusing. We urge you to oppose any amendments which may be offered on the floor which would lower the notification requirements below 100 kilograms/month.

THIS WILL ENSURE A WORKABLE AND ENFORCEABLE PROGRAM

Further, the Shelby-Lent amendment adopts word for word a compromise agreement arrived at earlier this year by major environmental, business and academic organizations such as:

Environmental Defense Fund
American Council on Education
American Retail Federation
Chamber of Commerce of the United States
Furniture Manufacturers Associations
Sierra Club
Nat. Association of Manufacturers
Nat. Audubon Society
Nat. Oil Jobbers Council
Printing Industries of America.

These groups felt the language of the amendment was reasonable and workable; we hope you will agree and vote for the Shelby-Lent Amendment to Section 3 of H.R. 2867 when it is offered on the floor.

Sincerely,
Richard C. Shelby, Charles W. Stenholm, Ralph M. Hall, C. Robin Britt, Norman F. Lent, Thomas J. Tauke, James T. Broyhill, Don Ritter, W. J. (Billy) Tauzin.

[Amendment to H.R. 2867]

Page 5, strike out line 20 and all that follows down through line 11 on page 9 and substitute:

SMALL QUANTITY GENERATOR WASTE

SEC. 3. Section 3001 of the Solid Waste Disposal Act is amended by adding the following at the end thereof:

"(d) SMALL QUANTITY GENERATOR WASTE.—(1) Effective 30 months from the date of enactment of the Hazardous Waste Control and Enforcement Act of 1983, unless the Administrator promulgates standards as provided in paragraph (2) of this subsection prior to such date, hazardous waste generated by any generator in a total quantity greater than one-hundred kilograms but less than one-thousand kilograms during a calendar month shall be subject to the follow-

ing requirements until the standards referred to in paragraph (2) of this subsection have become effective:

"(A) in addition to the notice requirements of paragraph (4) of this subsection, the information provided in the form shall include the name of the waste transporters and the name and address of the facility designated to receive the waste;

"(B) except as provided in paragraph (3)(A) of this subsection, the treatment, storage or disposal of such waste shall occur at a facility with interim status or a permit under this subtitle;

"(C) generators of such waste shall file manifest exception reports as required of generators producing greater amounts of hazardous waste per month except that such reports shall be filed by January 31, for any waste shipment occurring in the last half of the preceding calendar year, and by July 31, for any waste shipment occurring in the first half of the calendar year; and

"(D) generators of such waste shall retain for three years a copy of the manifest signed by the designated facility that has received the waste.

Nothing in this paragraph shall be construed as a determination of the standards appropriate under paragraph (2).

"(2) Not later than eighteen months after the date of enactment of the Hazardous Waste Control and Enforcement Act of 1983, the Administrator shall promulgate standards under sections 3002, 3003, and 3004 for hazardous waste generated by a generator in a total quantity of hazardous waste greater than one-hundred kilograms but less than one-thousand kilograms during a calendar month. Except as provided in paragraph (3) of this subsection, such standards, including standards applicable to the legitimate use, reuse, recycling, and reclamation of such wastes, may vary from the standards applicable to larger quantity generators but must be sufficient to protect human health and the enviroment.

"(3) Standards promulgated under paragraph (2) shall at a minimum provide that:

"(A) on-site storage of hazardous waste generated by a generator generating a total quantity of hazardous waste greater than one-hundred kilograms but less than one-thousand kilograms during a calendar month, may occur for up to 180 days without the requirement of a permit;

"(B) all other treatment, storage, or disposal of hazardous wastes generated by such generators shall occur at a facility with interim status or a permit under this subtitle; and

"(C) any hazardous waste generated by such generators which is shipped off the premises on which such waste is generated, shall be accompanied by a manifest, except that the specific requirements for entries on such manifest may vary from those applicable to the manifest required for larger quantity generators.

"(4) No later than 180 days after the enactment of the Hazardous waste which is part of a total quantity generated by a generator generating greater than 100 kilograms but less than one-thousand kilograms during one calendar month and which is shipped off the premises on which such waste is generated shall be accompanied by a copy of the EPA Uniform Hazardous Waste Manifest form signed by the generator. This form shall contain the following information:

"(A) the name and address of the generator of the waste;

"(B) the Department of Transportation description of the waste, including the proper shipping name, hazard class, and identification number (UN/NA), if applicable;

"(C) the number and type of containers; and

"(D) the quantity of waste being transported.

If subparagraph (B) is not applicable, in lieu of the description referred to in such subparagraph (B), the form shall contain the Environmental Protection Agency identification number, or a generic description of the waste, or a description of the waste by hazardous waste characteristic. Additional requirements related to the manifest form shall apply only if determined necessary by the Administrator to protect human health and the environment.

"(5) Except as provided in paragraphs (1) through (4), nothing in this subsection shall be construed to affect or impair the validity of regulations of the Administrator promulgated prior to the date of enactment of the Hazardous Waste Control and Enforcement Act of 1983 with respect to hazardous waste generated by generators of less than one-thousand kilograms per calendar month.

"(6) The Administrator may promulgate regulations under this subtitle which establish special standards for, or exempt from regulations, hazardous wastes which are generated by any generator who does not generate more than one-hundred kilograms of hazardous waste per calendar month.

"(7) Nothing in this subsection shall be construed to affect or impair the validity of regulations promulgated by the Secretary of Transportation pursuant to the Hazardous Materials Transportation Act.

"(8) The last sentence of section 3010(b) shall not apply to regulations promulgated under this section.

"(9) The Administrator shall undertake activities to inform and educate the waste generators of their responsibilities under this section during the period within thirty months after the enactment of this section to help assure compliance."●

BAHA'I TRAGEDY FELT IN IOWA

HON. JIM LEACH

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1983

● Mr. LEACH of Iowa. Mr. Speaker, in spite of strong protestations from the U.S. Government and the international community, the Iranian Government continues to defy international law and human decency in its hellbent effort to exterminate the law-abiding and courageous people of the Baha'i faith.

Unfortunately, the massive tragedy confronting the Baha'is in Iran has also become a personal tragedy for a number of individuals living here in the United States, for whom the victims of the Khomeini regime's campaign of arrest, torture, and execution, are family members and friends.

Just recently, the Daily Iowan carried a report on the recent disappearance in Iran of another active member of the Baha'i faith, Ahmad Bashiri, who is the father of a student now attending the University of Iowa. All concerned citizens must be saddened by this report. This body has no choice but to continue to protest these gross violations of human rights and to join with the international community in holding the Government of Iran accountable for its egregious offenses of human decency. A copy of the article follows:

[From the Daily Iowan, July 22, 1983]

STUDENT FEELS BAHA'I PERSECUTION

(By Elizabeth Turner)

The father of a UI student was "kidnapped" three weeks ago in Tehran because of his active involvement in the Baha'i faith, whose members are being persecuted by the Iranian government.

Ahmad Bashiri, a former administrator at the National University of Iran, was riding in a taxi with one of his relatives when he noticed that he was being "chased," his son, Mehran Bashiri, a UI junior majoring in Biomedical Engineering, said at a press conference Thursday.

"My father asked the relative to get out of the taxi and that's the last we've seen of him."

The Bashiri kidnapping is only one incident in the ongoing persecution of members of the Baha'i faith since the 1979 revolution in Iran.

In the past four years more than 140 Baha'is have been executed or assassinated, hundreds have been imprisoned and 16 prominent Baha'is have disappeared, said J. Michael Cavitt, spokesman for the Iowa City Baha'is.

Friends and relatives search cemeteries and jails for their missing relatives because Baha'is are sometimes executed and then dumped into cemeteries, Cavitt said.

Bashiri's relations have found no sign of him in either the jails or the cemeteries since his abduction, his son said.

"Appeals to the authorities have so far gone unheeded," Cavitt said. "The government is denying any knowledge of the abduction or the whereabouts of Mr. Bashiri."

"All the Baha'is know that they are in constant danger," Mehran Bashiri said. His father didn't escape the country because "he had commitments with the Baha'is."

The 300,000 Baha'is living in Iran are considered "non-people," Cavitt said. Because their religion was formed after Mohammed, they are not included in the constitution, and therefore they have "no basis in the context of law."

The Iranian government considers the Baha'i faith to be heretical to the Islamic faith. The basic principles of the Baha'is include the belief in the "oneness of mankind, equality between men and women and that peace should be the basic policy in the dealings of different nations," Medhran Bashiri said.

Although the Baha'is have been discriminated against since the founding of the religion 140 years ago, "persecutions have been increasing day by day," Bashiri said. Baha'is have been forced out of their jobs, homes have been confiscated or burned, their cemeteries have been bulldozed and Baha'i children are denied education.

The Khomeini regime has confiscated all of the religion's holy shrines. They bulldozed the "most holy Baha'i shrine and made it into a parking lot," Bashiri said.

"We are shocked by the continuing wanton brutality of the persecution," Cavitt

said. "Within two weeks, 17 Baha'is have been hanged in Shiraz. Many of them were young people."

Baha'is are careful to meet only in small groups in Iran because a large group is in danger of being taken away and executed, Bashiri said.

Last summer, President Reagan issued a formal statement appealing to Khomeini to stop the killings. Congress condemned the persecution in a concurrent resolution.

There are approximately 80,000 Baha'is living in the United States, Bashiri said. Baha'is throughout the world have been writing government leaders and members of international organizations like the United Nations in an effort to stop the persecution.●

H.R. 1646

HON. JOE KOLTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1983

● Mr. KOLTER. Mr. Speaker, I would like to take this opportunity to add my voice to those who supported the railroad retirement bill. I know this is by no means a perfect bill and I know that there is less than unanimous agreement on the bill among labor and management and even among labor itself. I must commend the chairman, Mr. ROSTENKOWSKI and the subcommittee chairman, Mr. FLORIO for their hard work and perseverance in seeking a compromise on this important issue.

Pennsylvania has the highest number of railroad retirees in the country and in the Fourth District of Pennsylvania we have thousands of railroaders, over half of which are unemployed.

As we all know, the railroad retirement system is currently in serious financial difficulty in large part due to the tremendous loss of jobs in the rail industry as a result of the recession. I must add at this point that despite headlines throughout the country that the recession is over and the economy is improving, there is no evidence of that in my district. And in fact every weekend that I return to the district I am reminded of that by my constituents who need help, many of them railroaders.

With the railroad retirement system being put in order we must now address an equally important issue concerning the railroad industry. We must now address the terribly inadequate amount of unemployment compensation paid to railroaders. I urge my colleagues to join with me to call for a reasonable increase to the $25 a day now paid to railroaders. Who can feed their family, pay the mortgage and the utility bills on $125 a week?

Let us make up our minds that we will not allow those children to go hungry, that we will not allow those people to lose their homes, that we will not allow those utilities to be cut off. Let us make up our minds to bring railroad unemployment compensation into line with the compensation paid to other workers.

We can no longer allow railroaders to be treated as second class citizens. I know many railroaders in the Fourth District personally and I can assure my colleagues of one thing—they are first class citizens. Let us treat them as such.●

RAILROAD RETIREMENT

HON. THOMAS A. DASCHLE

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1983

● Mr. DASCHLE. Mr. Speaker, I am very pleased with the action taken now by the House on H.R. 1646, the Railroad Retirement Solvency Act. Presently, the railroad retirement system faces dire financial difficulties, with bankruptcy just around the corner if we do not act now.

I am well aware that this measure has its drawbacks, and thus I have reservations about offering the bill my unqualified support. Though the measure calls for much needed tax increases among railroad employers and employees, I am somewhat concerned that benefit reductions may have been excessive. But in the best interest of preserving the program and avoiding a Draconian 40-percent cut in retiree benefits on October 1, I intend to support the measure. I am hoping that the short-term sacrifices requested of all those affiliated with the system will bring long-term prosperity to the program.

The problems with railroad retirement are similar to those experienced by social security. A declining base of workers contributing to the program coupled with additional retirees and large cost-of-living increases due to inflation all served as a financial drain. I believe H.R. 1646 will better protect railroad retirement in the future by making structural as well as program changes.

The major changes proposed in H.R. 1646 are: Increased employer and employee taxes under tier II, taxing of tier II and dual benefits as regular income, a modification of the 60/30 rule resulting in a 20-percent cut in tier I benefits for early retirement, and a 6-month cost-of-living increase delay from July 1, 1984, to January 1, 1985. Future cost-of-living increases in tier I benefits will be offset by a corresponding reduction in tier II benefits up to 5 percent.

I might point out that I will support two amendments that will mitigate to an extent the aforementioned changes in the program. The Pickle amendment will move up the date of the tier II employer and employee payroll tax increases from July 1, 1984, to January 1, 1984. The Florio amendment will grandfather the 60/30 rule for those soon to retire. Those who reach age 60 by June 30, 1984, will be allowed to retire under the conditions of the present tier I system, and those who reach age 60 by December 31, 1985, and opt for early retirement, will have their tier I benefits reduced by 10 percent rather than 20 percent. I support both of these amendments which will further improve the program's solvency, yet provide some protection for those soon to retire.

It is my firm hope that H.R. 1646 containing the Pickle and Florio amendments will keep the system solvent for many years to come. Though I am disappointed in the benefit reductions, things could have been much worse had no action been taken and the October 1 deadline requiring a 40-percent reduction in benefits taken effect. I commend the sponsors of this legislation for their expeditious actions.●

THE AMERICAN CONSERVATIVE UNION REAFFIRMS OPPOSITION TO MARTIN LUTHER KING, JR., HOLIDAY

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 2, 1983

● Mr. McDONALD. Mr. Speaker, earlier today the American Conservative Union (ACU) issued a press release reaffirming its opposition to legislation to designate the birthday of Martin Luther King, Jr., a legal public holiday.

Contained in the press release were comments made by one of the founders of the American Conservative Union and a former colleague, the late Congressman John Ashbrook. Unfortunately and regrettably, Congressman Ashbrook was not here to take part in the debate which took place on the floor of the House today. And it is equally distressing that those who should have remembered his words either forgot them or chose to ignore them, for the comments made by Representative Ashbrook back in 1967 are as true today as they were when he first spoke them.

I congratulate and applaud the American Conservative Union for standing firm on its principles and commend the ACU press release to the attention of my colleagues.

The press release follows:

ACU ISSUES POLICY STATEMENT ON MARTIN LUTHER KING, JR., HOLIDAY

The American Conservative Union today reaffirmed its opposition to the creation of a national holiday to commemorate Dr. Martin Luther King, Jr.'s birthday.

In doing so, the Policy Committee of the American Conservative Union felt it was timely to recall the words of one of ACU's founders, the late Congressman John Ashbrook, who on October 4, 1967 said:

"By word and deed, he (Martin Luther King, Jr.) has been a potent force for lawlessness in our country. He has been a scofflaw. He has arrogated to himself the right to pick and choose the laws he will obey. He has set a poor example for others to emulate. He has countenanced draft evasion. He has been disloyal to his own country.

"In an age when our country needs statesmen and builders, he has been a demagogue and wrecker. Many of his ideas are alien to our way of life. In America, he can constitutionally say virtually anything he wants and command any following that he can muster for legitimate pursuits. It is important, however, that he be understood in his true perspective so honest and well-meaning Americans will not be duped because they did not fully understand the man, his mission, and his tactics."

To put Martin Luther King, Jr. on a par with George Washington and Abraham Lincoln would be an insult to the many millions of Americans who were and are striving to achieve through peaceful means what Martin Luther King, Jr. could not accomplish with a decade of lawlessness and violence—equality of opportunity and justice under the law.●

SENATE—*Wednesday, August 3, 1983*

(Legislative day of Monday, August 1, 1983)

The Senate met at 9:30 a.m., on the expiration of the recess, and was called to order by the President pro tempore (Mr. THURMOND).

The PRESIDENT pro tempore. Our prayer today will be offered by the son of our Senate Chaplain, the Reverend Richard Christian Halverson, Jr., pastor, Chesterbrook Presbyterian Church, Falls Church, Va.

PRAYER

The Reverend Richard Christian Halverson, Jr., offered the following prayer:

Let us pray.

Heavenly Father, it is written that the destiny of men and of nations is in Thy hands.

Scripture says, "Both riches and honor come from Thee, and Thou rulest over all. In Thy hand are power and might; and in Thy hand it is to make great and to give strength to all."

Everyone who works in this assembly is here because you have divinely appointed and empowered them to carry out Your perfect plans. Each one is special and each has an ordained purpose.

Only You know the duration and outcome of their influence here. May it be long and profoundly felt to the glory of God and the peace of our Nation. In the name of Jesus Christ. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The acting majority leader is recognized.

ORDER FOR ROUTINE MORNING BUSINESS

Mr. STEVENS. Mr. President, there are two special orders this morning. I ask unanimous consent that following those two special orders and the leader time under the standing order, there be a period for the transaction of routine morning business not to exceed 15 minutes during which Senators may speak for not to exceed 3 minutes.

The PRESIDING OFFICER (Mr. COCHRAN). Without objection, it is so ordered.

Mr. STEVENS. Mr. President, I reserve the remainder of the leader's time.

RECOGNITION OF THE ACTING MINORITY LEADER

The PRESIDING OFFICER. The acting Democratic leader is recognized.

NUCLEAR FREEZE IS NECESSARY BUT NOT SUFFICIENT

Mr. PROXMIRE. Mr. President, it is not enough for us to agree with the Soviet Union on a nuclear arms control treaty, no matter how carefully the verification procedures are worked out and no matter how comprehensively the treaty covers nuclear arms. The grim fact is that it will take many years to work out such a treaty. Indeed, it is likely that such a treaty can only be achieved in stages. And even if and when both sides agree on a comprehensive nuclear freeze, adequately verified, we will still live in a world of immense and explosive nuclear power that could ignite at any time and blow civilization off the face of the Earth. So, at the very best, over the next 30 or 40 or perhaps for 100 years or more we will be living with nuclear weapons in a tinderbox that could explode at any minute. We need the nuclear freeze to have any real hope of survival. But the freeze is not enough. Painful and boobytrapped as such an existence may be, we will need to find a way to live with the other superpower in peace. We will also need to find a way to work with the Soviet Union to stop the proliferation of nuclear weapons to other countries. Call it détente, call it whatever you will, we must find a way of living together in this little world and of cooperating where world peace is at stake.

Mr. President, most Americans, including this Senator, vigorously disagree with Soviet practices and policies. We deplore the Soviet Union's lack of genuine democratic elections with opposition parties and a press free of government controls. We condemn its cruel and ruthless policies toward dissenters and its bullying policies toward its neighbors like Poland, Hungary, and Afghanistan.

But for 65 years the Soviet Union has been an international fact of life. For the next 65 years it will very likely continue, unless we push each other into a nuclear catastrophe that will blow both the United States and the Soviet Union away as organized societies.

Can we simply agree to disagree on our form of government and our attitude toward the responsibilities and freedoms of our peoples and live as nations together in peace? Why in the world not? The United States and the Soviet Union have never been at war with each other. In fact, in our 200 years of existence as a nation, we have been at war with England several times, with France, with Germany, with Italy, with Japan, and many other nations, big and small, but we have never really locked horns with Russia, either when she constituted a massive empire under the czars or since Russia became the preeminent Communist state and for nearly 40 years our prime rival for leadership in the world.

But is not Russia as the Earth's dominant Communist country sure to be the leader of the Marxist-Leninist world revolution, by force and violence if necessary?

Well, that is the rhetoric. And many Russians as well as Americans believe it. But let us look at the record. Russia has, indeed, engaged in shameful aggression in the last 3 years but always with relatively weak neighbors: Hungary, Rumania, Poland, and Afghanistan. The Brezhnev doctrine has extended an old Russian thesis that Russia cannot permit forces hostile to it to come to power in governments that are geographically near Russia and have been supportive of Russia in the past. Whenever Russia has moved into military action against these neighbors, we have protested. We have threatened military intervention, as we did in Hungary. We have cut off wheat sales to Russia, as we did with Afghanistan. We have tried to stop industrial sales by our allies, as we did with Poland. But we have always stopped short of armed conflict. Similarly, the Russians threatened us in Cuba in 1962, and they threaten us today in Central America. They backed off in Cuba, and they are backing off now in El Salvador and Nicaragua. They persist with their shameful war of aggression in Afghanistan, but we have resumed our wheat sales to the Soviets. In fact, we sharply increased our sales of wheat. But Russia, either under the imperial czar or Communist leadership, has never in the last 200 years engaged in aggressive war against major powers. They have not picked on anyone their own size. And certainly this country and its NATO allies constitute a major military force confronting the Soviet Union. We are "their size" and then some. From their defeat by an invading Napoleon, through World War I

and World War II, the Russians have shown that they are, indeed, like many countries, big and small, a very formidable military force in defending their own territory. In fact, Russia's military emphasis has overwhelmingly stressed a defensive posture and does so today, with its heavily defended air space and its general confinement of its naval and air fleets to its own and neighboring territory. In fact, Russia has never been able to project an impressive force outside of its own home territory. And certainly their current military performance in Afghanistan is impressing no one.

In a recent book by Alexander Cockburn which I have mentioned before the floor of the Senate and will return to again, the military capability of the Soviet Union is sharply challenged. And if we judge by the Soviet failure to win over primitive, neighboring Afghanistan in the many months they have been at war, it seems most unlikely they could sweep to the Atlantic Ocean if they should choose to take on West Germany, France, and Italy, buttressed by the United States, in an attempted sweep to the Channel with conventional arms.

The fact that the Soviet Union has been careful not to send its troops beyond encounters with relatively weak neighbors, of course, does not mean that it has played a constructive role in world politics. The Russians have used support for guerrilla organizations in Africa, the Middle East, and South America as an extension of their foreign policy. They do so because it is an indirect means of influencing events and thus less risk than direct military intervention with Russian troops.

United States-Soviet cooperation must face up to this fact of life. Indirect subversion must be contained just as direct confrontation. Both run the risk of escalating into general warfare.

Finally, Mr. President, it appears that we have much less to fear from the Russians militarily than many including the administration would have us believe other than the ultimate catastrophe of a nuclear holocaust. Our purpose in the next few years, therefore, should be to work might and main to seek a peaceful relationship with the Soviet Union, recognizing the overwhelming mutual interest between this country and the Soviet Union in survival that dwarfs even our very real differences in human freedom and democracy.

A CRIME AGAINST HUMANITY

Mr. PROXMIRE. Mr. President, for many years I have urged this body to ratify the Genocide Convention. I live in constant wonder why over the past 34 years the Senate has failed to act on this important treaty.

I recently read a piece in Midstream entitled, "Eichmann in Elmwood," which shows the need to make genocide a punishable, international crime. The author, Samuel Hux, writes of how different groups of people perceived the German Holocaust and how it affected them. Hux writes:

> It requires nothing more to weigh the horror of the Holocaust . . . than to know that it was in intention a genocidal crime against the Jewish people.

However, he contends that the Holocaust was a crime against not just Jews, but all people.

As Americans reflect on Hitler's murder of 6 million Jews in Europe before and during World War II, we are shocked and outraged. The crime of mass murder with the intent to destroy an ethnic, religious, or racial group is often too horrible for us to comprehend.

The article in Midstream reaffirms the need for immediate ratification of the Genocide Convention. The author writes:

> But it seems not to be known by those people who think the Jews are too sensitive, paranoid, when in fact they are simply cognizant of this exposure, knowing that it is not unwise to wonder it one should expect the worst since something worse than the worst has already occurred once . . .

Acts of genocide have taken place far too often. History has borne witness to this heinous crime for many centuries—the Christians in Rome and the forced famine in the Ukraine are just two examples. As in the case of Germany, these events were crimes against all of humanity, not just the group that was the target for extermination.

The fact that the Genocide Convention evolved from the outrage of all decent human beings to the monstrous actions of the Nazis in attempting to eliminate every man, woman, and child of Jewish ancestry within their reach is apparent to everyone.

Of course, we all know how intensely—how deeply—the Jewish groups feel about the convention, and rightly so. But I think few Members of the Senate recognize how deeply this matter is felt by all denominations. This is not solely a "Jewish issue." Catholic and Protestant groups, most notably the National Council of Churches, have been outspoken in their support.

Mr. President, we here in the Senate can do our part to prevent the crime of premeditated mass murder by ratifying the Genocide Convention. Let us not wait for another Holocaust to occur before we are moved to action on this important treaty. I urge my colleagues to act without further delay.

THE ECONOMIC RECOVERY

Mr. BYRD. Mr. President, Monday's Washington Post carried a story by David Broder with the headline "Governors hear 2 views of the Strength of Recovery." I hear two views myself, one when I am in Washington and another when I go home to West Virginia.

The Washington view is a very cheery one, rose colored glasses and all that: The economy is growing at a rapid clip, employment is up, and inflation is down. Yet, many parts of the country are in difficulty. Last Friday, Utah Governor Matheson opened the National Governors' Association meeting and said:

> If there's an economic recovery out there, the effects on the states are certainly delayed. Most of us are still trying to control the hemorrhaging.

As to the picture in West Virginia, it is pretty dismal: Unemployment is 18 percent overall, employment in the primary industry is still 39 percent below what it was 2 year ago, and since April, 11,000 have exhausted their unemployment compensation benefits. So which view is right, the view inside the beltway or the view beyond the beltway? And which view should guide our approach to policymaking?

Clearly there is a kind of recovery occurring in the country. For a number of reasons—the natural resilience of the U.S. economy, congressional action to reduce the causes of high interest rates, and the belated abandonment of monetarism by the Federal Reserve—the country's worst postwar recession ended last winter, at least it has reached its lowest point in the valley, or appears to have in most ways. The end of the recession has removed the economy from the front pages of the national newspapers. It is not a front page story unless the sky is falling. The result is that the National Government—like the national media—thinks everything is fine at the end of every recession. When the next recession starts—as it inevitably does—the old stories come out once again and Washington again begins to search for antirecession programs, or at least antirecession statements.

This "Chicken Little" system is no way to run economic policy. It is too shortsighted and too narrowly focused. The view is not long enough to recognize that another recession will surely follow this recovery. The view focuses too narrowly on aggregate national statistics to recognize the problems of places like West Virginia and other States which have very high unemployment. The administration's view is that the recovery is the solution to our problems. My view is that the recovery, such as it is, provides an opportunity to solve the deep structural problems that beset our economy.

These structural problems are all too evident in West Virginia and they can be seen in the national statistics over the longer term. While unemployment rises and falls, the average rate has been climbing. Between 1960 and 1973, the average unemployment rate was less than 5 percent. The average unemployment rate for the last decade exceeds 7 percent and we will be lucky if the unemployment rate falls to 7 percent before the next recession sends it up again. Average wages, corrected for inflation, grew by 40 percent between 1960 and 1973. They have not grown at all in the last decade.

Unemployment and economic distress have been unevenly distributed and the gaps are widening. Some States and many cities have regularly experienced unemployment more than double the national rate and more than triple the rates of the best off areas. Some industries have experienced depression-like conditions.

The administration's macroeconomic policies are one major cause of the structural problems. The reliance on the monetary restraint in the face of excessive budget deficits has played havoc with interest-sensitive industries—such as autos and housing—and the industries—such as steel—that are their major suppliers. Production of iron and steel fell 63 percent from its prerecession peak to its recession trough. Primary metals fell 51.5 percent from peak to trough, autos 43.4 percent, lumber 32.2 percent, petroleum products 25.5 percent, and nonelectrical machinery 22.9 percent. Overall, the production of durable manufacturing goods fell 19.7 percent from its peak in 1979 to the recession trough in the fall of 1982. While these industries are experiencing a rapid recovery, a world-class industry that can excel in the international competition cannot be maintained with this degree of instability.

Indeed, the currently rising interest rates and the over-valued dollar may prevent full recovery before these industries again fall into recession. Alan Greenspan, a noted economist who often advises the Reagan administration, warned the Governors of this possibility. He predicted that the Nation's economic recovery will slow dramatically in the next 6 months because of continuing Federal budget deficits. The Democratic Governors echoed Mr. Greenspan's concern. They unanimously adopted a resolution by Michigan Governor Blanchard urging the President to "begin at once to focus increased attention" on growing Federal deficits stemming from policies "favoring the wealthy" and "causing undue hardship" on the poor. The Democratic resolution warned of the effects of high interest rates. If Mr. Greenspan's forecast is correct the interest-sensitive industries, and the communities in which they are located, will suffer a new decline before they have recovered from the last one.

These industries are not spread evenly throughout the country. Their decline is mirrored in the decline of communities and States in the industrial heartland, the so-called smokestack States. Workers dislocated from these industries have a difficult time seeing the recovery. Those who live in high-unemployment communities with a declining industrial base are likely to see their unemployment insurance run out before recovery brings any job back to them. Nor does it make sense to ask some of these workers, especially the older of them, to retrain and relocate in order to avoid falling into welfare.

The administration refuses to recognize that many of the problems reflect fundamental or structural difficulties. Let me list a few of them:

First, a structural deficit that will not disappear even with a recovery. A Federal budget that is even close to balance will require spending restraint on defense and a modification of the misguided revenue policies of this administration as well as economic recovery.

Second, an inability to coordinate monetary and fiscal policies so that interest rates can be both lower and more stable. The interest-sensitive industries cannot survive if tight money has to be relied upon to squeeze out the excess that oversized deficits create.

Third, a reliance on recession and economic pain to cure inflationary behavior. Surely there must be a way to bring management, labor, and Government together and solve the problems of competitiveness without using unemployment and bankruptcy as the main anti-inflation policies.

Fourth, the lack of mechanisms to coordinate international economic policies so that the value of the dollar is both stable and low enough to make American exports competitive in world markets. Neither labor nor management can adjust fast enough to keep up with a dollar that appreciates 35 percent relative to the yen.

Fifth, the inability to address the problems of industries and regions that cannot compete in world markets. We need a set of policies that increase our capacity to create and market new products and to adjust to changing technology and competitive conditions. We need policies that will prepare our people so that they can compete successfully in an uncertain future.

I intend to continue to speak to these long-run structural economic problems. My purpose is to remind the Senate and the administration that our economic house has a leaky roof that must be repaired during the sunshine of the current recovery. It would be irresponsible to wait until recession comes raining down once again. We must also make the structural changes for those, like many in my State of West Virginia, who have still to feel the benefits of the current recovery.

I thank the Chair. I yield the floor.

RECOGNITION OF SENATOR RUDMAN

The PRESIDING OFFICER. Under the previous order, the Senator from New Hampshire (Mr. RUDMAN) is recognized for not to exceed 15 minutes.

Mr. RUDMAN. I thank the Chair.

Mr. President, I will only use a minute or two of the special order time that has been allocated. Therefore, I ask unanimous consent that the remainder of that time be yielded to the majority leader.

The PRESIDING OFFICER. Without objection, it is so ordered.

FREEDOM FROM GOVERNMENT COMPETITION ACT

Mr. RUDMAN. Mr. President, the question of whether our Federal Government should produce for itself the commercially available goods and services necessary to its day-to-day operations, or should instead purchase the same from private sources, has been a subject of controversy since at least 1933. The issue appears no closer to resolution today than when first identified; if anything, it is more clouded. However, the importance of a final resolution cannot be understated. Not only is the amount involved considerable, the Government spent $32.5 billion for commercial goods and services in 1981, but the resolution will either reaffirm the economic theory which is the foundation of our country or herald a replacement of the same with a form, however minimal, of socialism.

In 1981, David Stockman, then the newly appointed Director of the Office of Management and Budget, declared that—

> The Reagan administration would welcome a clear statement of intent by the Congress in support of the policy that the Government should not compete with the private sector.

Many of us applauded that statement, firm in our belief that in areas other than the national defense and managerial capacity, the Government should procure its required, commercially available goods and services from the private sector. We saw in Mr. Stockman's statement a policy in keeping with the more traditional economic theories embraced by President Reagan.

Unfortunately, the case is not so clear. The latest draft of Circular A-76, the executive branch policy statement on what is known as the contracting out issue, after provision for exceptions for the national defense,

the nonavailability of private sources, and the provision of certain patient care, provides that the Government may perform a commercial activity if a "cost comparison * * * demonstrates that the Government *can* (emphasis added) operate or is operating the activity at an estimated lower cost than a qualified private commercial source." This exception continues the evolution of the cost/benefit argument that has clouded the competition issue for years. It is time we recognized that the issue of cost is unrelated to the principal issue of the propriety of Government competition with the private sector. If one accepts the proposition that the procurement of commercially available goods and services required by the Government is to be decided solely on the grounds of cost, one has already accepted the proposition that it is permissible for Government to compete with private enterprise.

Since there has never been a congressional vote on the issue of competition, the executive branch has been premature in establishing over the years a policy which focuses primarily on cost.

Recognition of the distinct nature and primacy of the competition issue is of great importance since acceptance of the cost/benefit resolution would represent a step back from the political and economic theory upon which our country stands. Advocates of the cost solution state that our citizens, especially taxpayers, are entitled to have their Government procure its required goods and services at the lowest possible cost, justifying Government competition if that result is achieved. However, note the fallacy implicit in the logical extension of this argument: If the Government can produce a good or service for less than the private sector, be it a bologna sandwich or medical care, the same should be offered to citizens so that they might benefit doubly, first as taxpayers and then as consumers.

This extension of the cost/benefit argument represents an embracing of socialistic theory: That economic and political theory which advocates governmental ownership and administration of the means of production and distribution of goods and services. While such theory is not evil in and of itself, adoption of the same should involve congressional action.

The fact that the cost/benefit argument represents a perversion of our traditional economic theory often seems lost on its proponents. They forget or misread the political and economic theory upon which our country was founded. What citizens are entitled to is the right to purchase goods and services, whether for themselves of for their Government, at a cost determined by undistorted economic laws relating to supply and demand. The freedom from distortion is the efficiency that our economic and political theories embrace; it is this efficiency to which our citizens are entitled.

Efficiency is not in itself synonymous with cost, although the two are related depending on distortions affecting supply and demand curves. If the Government demands a product or service that is in short supply, the initial cost may be high, and, at that point in time, it may well be that the Government, for reasons relating to economies of scale, might produce the good or service for less. However, our traditional economic theory tells us that high demand for a good or service, whether by Government or populace, will stimulate the supply of the product or service, increase competition within the private sector, and result ultimately in the lowest cost possible within the framework of our free enterprise system. It is this efficient operation of capitalist theory that the citizens of this country should demand. We recognize this truth in our antitrust laws; we should do not less with respect to unfair and unjustified Government competition within the marketplace.

Proponents of the cost theory may reply, "Ah, yes, but at least we are making progress and have a workable and beneficial theory in the cost resolution." However, that would be a misstatement of fact. The issue was first recognized in 1933 during congressional consideration of Government competition with private industry that had been spawned by the defense needs of World War I. Since that time, the main focus has been on the cost/benefit resolution. To what end has been that focus? In 1967, 60 percent of the commercial goods and services required by the Government were procured from the private sector. By 1981 that percentage had fallen to 40 percent. During the period 1975–77, a period of increased attention to the problem, less than 2 percent of more than 21,000 commercial or industrial activities carried on by the Government were terminated. Even with the present attention to the size of Government, the number of civil service employees increased by over 12,000 for the 2 years ended December 1982. A majority of these are involved in commercial activities.

Finally, numerous studies confirm what we should all know intuitively: Private firms can produce the commercial goods and services Government requires for less than their governmental counterparts. Estimated savings are in the $1 billion per year range. This should not surprise us: Approximately 71 percent of the commercial activities engaged in by the Government in competition with the private sector are in the fields of equipment upkeep, facility support, including janitorial, security, and food services, property maintenance, and automatic data processing; all are activities which have been contracted out extensively by private corporations for years.

What then is the proper resolution of the issue of Government competition with the private sector? It is simple and direct. With respect to any commercially available goods or services required by the Government, three questions should be asked:

First, is there a legitimate national defense requirement for the production or provision of the good or service? If so, the Government may produce or provide the same. If not;

Second, is production or provision of the good or service necessary to the legitimate managerial or fiduciary functions of Government? Again, if so, the Government may provide the same. If not;

Third, are there competitive private sources available to supply the good or service?

If the last question is addressed and answered in the affirmative, the citizens of this country deserve to have the Government procure those goods or services from the private sector. Procurement from the private sector represents the least possible distortion of the economy, stimulates private investment, creates jobs, and generates tax revenue. We owe it to the citizens of the country to adopt this as a stated national policy.

It is for this reason that I am today introducing the Freedom From Government Competition Act, an act which would codify the three questions that I have identified as proper to the resolution of the issue. I am confident that once my colleagues and the public know of this legislation, they will endorse it as a reaffirmation of the political and economic foundations of our Nation.

RECOGNITION OF SENATOR DIXON

The PRESIDING OFFICER. Under the previous order, the Senator from Illinois (Mr. DIXON) is recognized for not to exceed 15 minutes.

Mr. DIXON. I thank the Chair.

Mr. STEVENS. Will the Senator yield?

Mr. DIXON. Yes, of course.

Mr. STEVENS. Mr. President, I would like to yield to the Senator the time that remains from Senator RUDMAN. I understand that was yielded to me.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DIXON. I thank the distinguished majority whip.

S. 1730—THE SMALL BUSINESS COMPETITION IN CONTRACTING ACT OF 1983

Mr. DIXON. Mr. President, the legislation I am introducing today with bipartisan cosponsorship is known as the Small Business Competition in Contracting Act of 1983.

I ask unanimous consent that the RECORD at this time show the cosponsors, Mr. President.

The PRESIDING OFFICER. Without objection, it is so ordered.

The cosponsors are as follows:

LIST OF COSPONSORS

Senator Kasten, Wisconsin.[1]
Senator Tsongas, Massachusetts.[1]
Senator Sasser, Tennessee.[1]
Senator Moynihan, New York.
Senator Ford, Kentucky.
Senator Hatch, Utah.[1]
Senator Riegle, Michigan.
Senator Pell, Rhode Island.
Senator Leahy, Vermont.
Senator Armstrong, Colorado.
Senator Boren, Oklahoma.[1]
Senator Metzenbaum, Ohio.
Senator Andrews, North Dakota.
Senator Sarbanes, Maryland.
Senator Abdnor, South Dakota.
Senator Boschwitz, Minnesota.
Senator Huddleston, Kentucky.[1]
Senator Mitchell, Maine.
Senator Pryor, Arkansas.

Mr. DIXON. Mr. President, this legislation has two main goals: First, to increase small business participation in the procurement process which would reduce costly noncompetitive procurements; and second, to broaden our Nation's industrial base for civilian and defense procurements.

Over the years, I am afraid, many Government procurement officials have come to view existing small business legislation and regulations as an unnecessay and intrusive burden, and for that reason have often failed to aggressively implement them.

The need for the kind of legislation we are introducing has never been greater than it is today. We must put an end to the routine use of noncompetitive procurements by Federal agencies, especially within the Defense Department. Many small businesses are ready, willing, and able to produce spare parts for major Department of Defense (DOD) systems at a fraction of the prices presently paid, but are prevented from doing so by DOD's noncompetitive procurement practices.

The draft audit report on the procurement of aircraft engine spare parts, prepared by the Office of the Inspector General, Department of Defense, under the section, "Competition and Spare Parts Prices," states:

The buying centers visited were not identifying potential sources of aircraft engine spare parts, and as a result, the DOD Breakout Program was not effectively implemented. Most spare parts expenditures continued to be on sole source procurements from prime contractors even though significant opportunities for breakout exist.

. . . By not challenging sole source procurements and taking other actions to improve the competitive status of spare parts, the buying centers paid premium prices to prime contractors. These contractors are not the actual manufacturers in most cases; therefore, the price included overhead and other mark-up factors that would not be paid if the parts were bought directly from the actual manufacturers.

The report further states:

Competitive procurement was restricted based on the recommendation of the prime contractor. The most common reason for restricting procurement was that the items were considered critical, thus requiring engineering source approval by the design control activity to maintain the quality of the item.

Whether the item itself could be successfully manufactured by another source or procured directly from the actual manufacturer was not evaluated by the Government engineering personnel. There was a reluctance by the engineers to consider alternate sources without the approval of the prime contractor.

In a memorandum issued on September 9, 1982, the Secretary of Defense directed maximum emphasis on competition procurement:

No type of purchase is automatically excluded from this decision to maximize competition and this direction applies regardless of the level of the requesting official or the importance of the subject matter of the contract. Particular attention should be given to those areas where the assumption traditionally has been made that competition is not available.

But the Secretary's directive did not seem to filter down to the procurement officer level. To quote again from the Inspector General's report:

. . . Engineers and technical personnel were reluctant to consider aircraft engine spares for breakout to a more competitive status because there was no confidence in the ability of anyone but the prime contractor to deliver a quality product.

The report further states:

Procurement personnel seldom challenged PMC codes. Of 430 contract files reviewed, 387 were coded for sole source procurement. No other method of procurement was considered even when the item was one where competition would be likely to exist. The major motivation for procurement personnel was the timely processing of documentation.

We are continually told that everyone in Government is for competition, but the conclusion of the Inspector General's Report is far different:

. . . The major motivation for procurement personnel was the timely processing of documentation. Sole source procurements are faster, easier and safer.

Mr. President, a September 4, 1980, study prepared by the Small Business Administration at the request of the House Small Business Committee showed savings to the Government of $6.7 million, or 38 percent, when 181 parts for the Air Force were broken out for small business competition.

The 181 parts broken out are a tiny portion of the 3.9 million spare parts purchased by DOD each year. Furthermore, the SBA report indicated that only 7.9 percent parts are presently purchased on an open competitive basis, leaving more than 3.6 million parts for future potential breakout.

If these 3.9 million spare parts, which cost the Federal Government approximately $10 billion per year, were competitively bid, and the savings approximated those in the SBA study, the Federal Government and the U.S. taxpayer could get the same products for about $4 billion less than they now cost. The General Accounting Office has reviewed and verified the potential savings SBA found could be expected from a breakout of those spare parts.

Another result of noncompetitive procurements that exclude small business is the present sorry state of our defense industrial base. In a December 31, 1980, report entitled, "The Ailing Defense Industrial Base: Unready for Crisis," the Defense Industrial Panel of the House Armed Services Committee pointed out that the private sector would be unable to increase production sufficiently to respond in a timely manner to a national emergency.

Aside from the billions that could be saved annually by reducing DOD's sole source procurement practices, the development of alternative sources of supply would significantly strengthen this Nation's ability to respond in time of crisis.

The inadequate number of second and third tier defense contractors has led to dangerously long production times for defense items and increasing dependence upon foreign producers for parts and components. These problems with the defense industrial base arise at a time when production capacity has never been more critical to national security. A nation's defense system is only as strong as the industrial base on which it must depend for everything from shoelaces to missiles.

Mr. President, the Senate Armed Services Committee in its report (S. Rpt. 98-174) which accompanied the recently passed DOD authorization bill, indicated that only 20 percent of more than $13 billion per year spent on spare parts is spent on a competitive basis. The report further requests that the services "* * * promote greater competition by increasing the number of manufacturers qualified to produce any particular part." The committee has asked for a report by January 1, 1984, detailing the plan to implement the committee's requests.

I applaud the committee for this act. However, we in Congress have seen many plans and have on record many reports from the early 1960's through 1983 detailing the problems with pro-

[1] Member, Small Business Committee.

curements. Now is not the time to wait for another report.

Mr. President, I ask unanimous consent to have printed in the RECORD a listing of these reports, which begin in 1959 and extend through 1983 and comment upon this fact.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

A PARTIAL BIBLIOGRAPHY OF GOVERNMENT ACCOUNTING OFFICE REPORTS ON DOD PROCUREMENT

1959—Action Taken to Assure Receipt of and Right to Use Contractor-furnished Drawings Acquired at Government Expense for Future Procurement of Military Items for the Air Force.

1960—Contractor-furnished Drawings for Procurement Purposes. B-133263, 1-29-60.

1961—Spare Parts Requirement, San Antonio. B-133019, 5-10-61.

Noncompetitive Procurement of Aeronautical Replacement Spare Parts. B-133396, 9-18-61; B-133396, 6-28-63.

1962—Procurement of Spare Parts and Assemblies for Support of Naval Aircraft. B-146727, 4-30-62.

1964—Increased Costs Resulting From the Procurement of Spare Parts Under Contracts for Relaxed Aeronautical Equipment. B-133396, 1-10-64.

1965—Unnecessary Costs Incurred in the Production of T 208 Telescope Mounts as a Result of an Inaccurate and Incomplete Technical Data Package. B-146972, 4-23-65.

Additional Costs Resulting From the Failure to Procure Parts Used in Overhauling Special Air Mission Aircraft Engines Directly From the Overhauling Subcontractor Curtiss-Wright Corp. B-146888, 1-6-65.

1966—Policy Guidance Strengthened on Direct Procurement of Components Needed by Contractors in Production of Weapon Systems and Other Major End Items. B-158604, 4-29-66.

Potential Savings Through Direct Procurement of Components Used in Production of Variable Timing Fuses. B-132977, 2-23-66.

1967—Potential Savings in the Procurement of Spare Aircraft Parts for Outfitting Aircraft Carriers. B-133118, 2-23-67.

1968—Need for More Competition in Procurement of Aeronautical Spare Parts. B-133396, 6-25-68.

1972—System for Buying Spare Parts for Initial Support of New Military Aircraft Needs Improvement. B-133396, 1-31-72.

1980—Air Force Procurements of Spare and Repair Parts for the ARC-164 Radio. (PSAD-80-59) b-198680, 7-14-80.

Noncompetitive Procurement of Aeronautical Spare Parts at the Oklahoma City Air Logistics Center. B-200136, 10-31-80.

1982—Combined Procurement of Spare Parts and Production Components Will Reduce Defense Weapon System Costs. (PLRD-83-17) B-209928. 12-15-82.

1983—Air Force Breakout Efforts Are Ineffective (PLRD-83-82) B-208191, 6-1-83.

Mr. DIXON. Mr. President, this figure does not include numerous congressional hearings and the military services' own reports.

Jacques Gansler, a former DOD official, asserted in his recent book, "The Defense Industry," that "the problem of the lower tiers of the defense industry may be significantly worse and even far more critical to the U.S. defense posture than even those at the prime contractor level."

The Small Business Competition in Contracting Act of 1983, which I have the honor of sponsoring with a great many cosponsors on both sides of the aisle, eliminates some of the major barriers to small business participation in the procurement process and encourages the essential use of competition in contracting.

Several small business groups have offered their strong support for this legislation: The National Tooling and Machining Association, National Federation of Independent Business, Small Business Legislative Council, National Small Business Association, and Small Business United.

Mr. President, I ask unanimous consent to have the letters from these fine organizations, endorsing this legislation, printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

NATIONAL TOOLING & MACHINING ASSOCIATION,
Ft. Washington, Md., June 28, 1983.

Hon. ALAN J. DIXON,
U.S. Senate, Washington, D.C.

DEAR SENATOR DIXON: We recently had the opportunity to review your draft legislation, the Small Business Competition in Contracting Act of 1983. On behalf of the 3,500 member companies of the National Tooling and Machining Association, we strongly endorse this excellent legislation.

For years, our members have tried to sell their products to the federal government, most particularly the Department of Defense. They have been stymied by procurement policies which prevent them from even bidding on defense procurement. While only 10 percent of the products are purchased through open competition, most of the remainder are purchased on a sole source basis, usually at exorbitant prices, from major corporations.

Despite numerous studies which all show the same results, i.e. 50 percent savings and greatly reduced delivery times from competitive procurements, no action has been taken to increase competition.

Despite the best of intentions of Defense Secretary Weinberger and his many fine predecessors, the "official" DOD policy of competitive procurement has been frustrated by low level bureaucrats who control the procurement process. The Department of Defense procured approximately 10 percent of its goods and services through open competition at the beginning of this Administration and that is the share which is procured competitively today.

Clearly, it is time for the Congress to assist the Administration in assuring more competiton. Your legislation should achieve that goal while simultaneously increasing opportunities for small business participation, saving billions of dollars of taxpayers' money, and helping reduce the federal deficit.

You have our deepest appreciation and our complete support.

Cordially,

WILLIAM E. HARDMAN,
Executive Vice President.
BRUCE N. HAHN,
Manager, Government Affairs.

NATIONAL FEDERATION OF INDEPENDENT BUSINESS,
Washington, D.C., July 12, 1983.

Hon. ALAN J. DIXON,
Hart Senate Office Building, Washington, D.C.

DEAR SENATOR DIXON: The National Federation of Independent Business, on behalf of our membership of more than 500,000 small and independent business owners, is pleased to support your proposed legislation, the Small Business Competition in Contracting Act of 1983. We commend your efforts to promote the full and fair participation of small business in our nation's procurement system.

NFIB has long been an ardent advocate for a strong national procurement policy based on reliance on the private sector. We are also painfully aware that, even with such a policy, small business might still suffer from the bias inherent within some agencies against doing business with small firms. We therefore appreciate your recognition that a commonsense approach be taken regarding the mechanics of the procurement system, to insure that "competition" in contracting out means giving small businesses an equal chance to compete commensurate with their capabilities.

We look forward to introduction of the Small Business Competition in Contracting Act, and offer you any assistance we may provide in moving the bill toward enactment.

Sincerely,

JAMES D. "MIKE" MCKEVITT,
Director of Federal Legislation.

NATIONAL SMALL BUSINESS ASSOCIATION,
Washington, D.C., June 27, 1983.

Hon. ALAN J. DIXON,
U.S. Senate, Washington, D.C.

DEAR SENATOR DIXON: The National Small Business Association is pleased to give our endorsement to your draft legislation, the Small Business Competition in Contracting Act of 1983. We believe that this legislation will bring competition into the procurement process.

At this moment, the Department of Defense procures less than 10 percent of its goods and services through open competition. Much of the balance is procured from large prime contractors on a sole source basis. Every study performed by the service branches, as well as those by the Small Business Administration and the General Accounting Office, shows that savings average 40-50 percent when procurements are switched from sole source to open competition.

We applaud your efforts. Not only will your legislation save the federal government (and the taxpayers) billions of dollars each year, you will provide the 14 million small businesses in this country the opportunity to participate in the federal procurement process.

Sincerely,

HERBERT LIEBENSON,
President.

SMALL BUSINESS UNITED,
Waltham, Mass., July 26, 1983.

Hon. SAM NUNN,
Senate Small Business Committee, U.S. Senate, Dirksen Senate Office Building, Washington, D.C.

DEAR SENATOR NUNN: Small Business United, a coalition of 15 regional, state and metropolitan trade associations representing more than 60,000 small businesses na-

tionwide, urges you to join in cosponsoring a measure to be introducted next week by Senator Dixon entitled the "Small Business Competition in Contracting Act of 1983."

Under current procurement practice, there are numerous procedure barriers erected which have the direct effect of reducing small business' maximum potential participation in the Federal procurement process. In addition, by the admission of many of the Federal procurement agencies themselves, there is a critical lack of access to basic technical data relating to upcoming procurements which prevents anyone in the private sector from fully competing for Federal contracts. It is this competition that will best insure that the government gets a quality product or services it needs on time, at a fair price.

In addition, this bill contains several important provisions that build on the current administrative efforts of the Department of Defense to increase small business participation in the spare parts, and component bidding segments. This is an area that is receiving a great deal of attention because of the prices DOD appears to have paid for routine commerical items.

For all of these reasons, Small Business United fully supports Senator Dixon's legislative efforts. We hope that you will join as an original cosponsor on this significant and timely small business matter.

Sincerely,

JOHN C. RENNIE,
President.

Mr. DIXON. Mr. President, by increasing the use of competitive procurement practices, the bill will effectively decrease escalating Federal costs. The increase in the number of small businesses participating in the procurement process will also result in reduced expenditures while expanding our country's industrial base. The active participation of small businesses across the Nation in the total Federal procurement process, particularly defense, will enable the distribution of Federal procurement dollars to be more equitable and efficient.

This legislation represents an aggressive response to a problem that has been with us for too long a time. All of us have open minds, however, concerning the solution to the problem. All of us look forward to hearing suggestions on how the proposed legislation might be improved. To that end, I hope to see hearings begun on the Small Business Competition in Contracting Act of 1983 in the fall, and hope that his bill will become law before the end of the 98th Congress.

Mr. President, I ask unanimous consent that the text of the bill, as well as a section-by-section analysis of its provisions, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1730

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Small Business Competition in Contracting Act of 1983".

PURPOSES

SEC. 2. The purposes of this Act are to—

(1) increase small business participation in the procurement process;

(2) reduce costly noncompetitive procurements;

(3) increase the capabilities of our industrial base to meet the demands of defense and civilian agency procurements; and

(4) reduce barriers in the Federal procurement system which discourage or prevent increased participation in bidding.

CERTIFICATE OF COMPETENCY

SEC. 3. Section 8(b)(7) of the Small Business Act is amended—

(1) by inserting after "specified in the spending sentence," in the second of subparagraph (A) "including the use of qualified bidders or similar lists,";

(2) by inserting "or subcontract if the contract exceeds $100,000 or the approved limits of a contractor's procurement system, whichever is greater" after "contract" each time it appears; and

(3) by adding at the end thereof the following:

"(D)(i) A Government procurement officer may not refuse to include a product of a small business concern or group of small business concerns on a 'qualified products' or similar list without referring the matter for final disposition to the Administration. The Administration shall add a product to a 'qualified products' or similar list only where the procuring agency's refusal to include such product is without a reasonable basis directly related to satisfying the minimum needs of the Government.

(ii) Where there is only one product on a 'qualified products' or similar list, the procuring agency may reimburse the reasonable costs incurred by a small business in qualifying a product of its manufacture.

"(E) Notwithstanding the first sentence of this section, the Administration may not establish an exemption from referral or notification or refuse to accept a referral or notification from a Government procurement officer made pursuant to subparagraph (A) or (B) of this paragraph, but nothing in this paragraph shall require the processing of an application for certification if the small business concern to which the referral pertains declines to have the application processed.".

LABOR SURPLUS AREA SUBCONTRACTING PLAN

SEC. 4. Section 8(d)(6)(A) of the Small Business Act is amended by inserting before the semicolon at the end thereof "and for the placement of subcontracts within labor surplus areas pursuant to section 15 of this Act".

COMPONENT BIDDING

SEC. 5. (a) Section 8(d)(1) of the Small Business Act is amended by adding at the end thereof the following new sentence: "It is further the policy of the United States that small business concerns, and small business concerns owned and controlled by socially and economically disadvantaged individuals, shall have the maximum practicable opportunity to participate in the award of Federal prime contracts and subcontracts for appropriate portions of component systems, spare parts, and services for major weapon systems.".

(b) Section 8(d)(3)(A) of the Small Business Act is amended by adding at the end thereof the following new sentence: "It is further the policy of the United States that small business concerns, and small business concerns owned and controlled by socially and economically disadvantaged individuals, shall have the maximum practicable opportunity to participate in the award of Federal prime contracts and subcontracts for appropriate portions of component systems, spare parts, and services for major weapon systems.".

(c) Section 8 of the Small Business Act is amended by adding at the end thereof the following new subsection:

"(f) During the planning for contracts for the procurement and performance of services, or the production or assembly of goods for major weapon systems, the head of each military department or agency shall take such steps as necessary to develop its requirements so as to maximize competition for those components or services where competition is available, and so as to insure that, to the maximum extent practicable, small and small disadvantaged businesses are not precluded from performing as prime contractors and subcontractors on such contracts.

"(g) As used in this section, the term 'major weapon system' means any weapon system the estimated cost for the development or production, or both, of which is not less than $100,000,000.".

(d)(1) The amendments made by subsections (a) and (b) shall take effect on the date of enactment of this Act.

(2) The amendment made by subsection (b) shall take effect immediately upon enactment, and shall be included in all contracts required to contain the clauses contained in paragraph (3) of section 8(d) of the Small Business Act which are awarded on or after 90 days following the date of enactment of this Act.

ACCESS TO SOLICITATIONS AND TECHNICAL DATA

SEC. 6. Section 8(e) of the Small Business Act is amended—

(1) by inserting "(1)" after "Sec. 8(e)"; and

(2) by adding at the end thereof the following new paragraphs:

"(2) In addition to the requirements of paragraph (1) of this subsection, and in order to further carry out the requirements of paragraph (1) of this subsection and section 223(a) of the Act of October 24, 1978 (Public Law 95-507, 15 U.S.C. 637b), each Federal agency shall publicly post and otherwise reasonably make available for inspection to any small business concern, or to the authorized representative of such concern, the bid set, specification, solicitation, purchase request, or other similar documents relating to the agency's solicitation to purchase goods or services. Nothing in this section requires the agency to disclose information on such solicitation prior to the publication of the notice pursuant to paragraph (1) of this subsection, if any. Nothing in this section requires an agency to disclose its estimate of the contract price or cost, or to otherwise disclose information which for security reasons are of a classified nature.

"(3) In addition to the requirements of paragraph (1) of this subsection, and in order to further carry out the requirements of paragraph (1) of this subsection and section 223 (a) of the Act of October 24, 1978 (Public Law 95-507, 15 U.S.C. 637b), and upon payment of the direct search and duplication costs, if any, each Federal agency shall make available to any small business concern, or to the authorized representative of such concern, copies of Government-owned technical data. For data which would require a validated license in the event it is to be exported, before the release of any such information, the concern requesting the data may be required to first certify to

the satisfaction of the agency that it is a domestic concern, that the data will not be exported without a license, and that it will provide for the payment of recoupment costs, if such costs are imposed under the Arms Export Control Act. For data which for security reasons are of a classified nature, before the release of any such information, the concern requesting the data may be required to first certify to the satisfaction of the agency that such concern possesses the necessary clearances for access to such information.".

TECHNICAL DATA

SEC. 7. Section 2386 of title 10, United States Code, is amended—

(1) by striking out "Funds" and inserting in lieu thereof "(a) Except as provided in subsection (b), funds"; and

(2) by adding at the end thereof the following new subsections:

"(b)(1) Except as provided in paragraph (3), funds appropriated to a military department to be available for the development or production (whether by a domestic or foreign contractor) of any major weapon system shall also be used for the acquisition of all manufacturing data relating to such system.

"(2) Each contract entered into by any military department after the date of enactment of the Small Business Competition in Contracting Act of 1983 for the development or production of any major weapon system shall contain provisions necessary to carry out the purposes of paragraph (1), including conditions under which the contractor waives proprietary rights with respect to any manufacturing data necessary for the performance of a production contract. The distribution of rights in data made by small business firms and domestic nonprofit organizations under funding agreements with such department shall be the same as that applied to small business firms under chapter 38 of title 35, United States Code. For patented items developed at private expense, the Government shall purchase only a license to use such data for competitive procurement of all or part of a particular major weapon system and the contractor shall retain all of the rights in the data.

"(3) Except for the distribution of rights in data as provided for in chapter 38 of title 35, United States Code, any military department may, at any time after the initial development and testing of any major weapon system, waive the application of paragraph (2) with respect to any manufacturing data, other than data originated at Government expense and later modification of such system, if that military department notifies the Committees on Armed Services and Small Business of the Senate and the House of Representatives of the reasons for the waiver not less than 30 days before such waiver takes effect.

"(c) Within one year after the date of enactment of the Small Business Competition in Contracting Act of 1983, each military department shall develop a system that accounts for the access to and ownership of all manufacturing data for major weapon systems within each department's jurisdiction. Within three years after the date of enactment of the Small Business Competition in Contracting Act of 1983, the Secretary of each military department shall complete an inventory of the Government's access to, or ownership of, all manufacturing data for each major weapon system within each Secretary's jurisdiction.

"(d) As used in this section—

"(1) 'manufacturing data' means all data, in whatever form, (including, but not limited to, necessary drawings, test data, reliability data, system acceptance methodology, and related computer application software) which is necessary to carry out the manufacture, maintenance, and modification of the major weapon system concerned; and is in a form sufficient to enable competition for the production maintenance or modification of such system; and

"(2) 'major weapon system' means any weapon system the estimated cost for the development or production, or both, of which is not less than $100,000,000.".

REPORT BY COMPTROLLER GENERAL

SEC. 8. Three years after the enactment of this Act, the Comptroller General of the United States shall transmit to the Congress a report evaluating each military department's efforts to compile an inventory of the Government's access to, or ownership of, all manufacturing data for major weapons systems within each department's jurisdiction as required by the amendments made by section 7(2) of this Act. Such evaluation shall also include a detailed review of those instances where the military department uses the waiver provision authorized by the amendments made by section 7(2) of this Act.

REMEDIES FOR DISCLOSURE

SEC. 9. Section 1498 of title 28, United States Code, is amended by adding at the end thereof the following:

"(e) Whenever information which is protected by law and held by the United States Government or a private party subject to restriction imposed by the owner is disclosed by or for the United States Government, or any of its officers, or agents in violation of such restrictions, the exclusive remedy of the owner is to sue the United States Government for reasonable and entire compensation for such use or disclosure in the Claims Court within six years after the cause of action arises. For the purposes of this subsection, the use or disclosure of such information by a contractor, a subcontractor, or any person, firm, or corporation for the Government shall be construed as use or disclosure for the United States. In any such suit, the United States Government may plead any defense that may be pleaded by a private person in such an action.".

PROCUREMENT RULEMAKING

SEC. 10. Section 553(a)(1) of title 5, United States Code, is amended by inserting before the period at the end thereof the following: ", except that such exemption does not apply to general notice of proposed rulemaking relating to the system for Government contracts and subcontracts".

OVERVIEW AND SECTION-BY-SECTION ANALYSIS OF THE "SMALL BUSINESS COMPETITION IN CONTRACTING ACT OF 1983"

Following is a brief overview, and section-by-section analysis, of the "Small Business Competition in Contracting Act of 1983."

SECTION 3: CERTIFICATE OF COMPETENCY

THE ISSUE

Under current law, a contracting officer in a procurement agency is charged with the responsibility for reviewing the qualifications of bidders on Federal contracts. In evaluating bidders' responses to that contract, even where a firm is the low bidder, a contracting officer may still question the capability or eligibility of that low bidder to perform that specific contract. Where the firm is a small business, the final determination of "competency" to perform that contract rests by law with the Small Business Administration.

During World War II, many contracting officers repeatedly refused to award contracts to small business concerns because they believed these concerns to be incapable of performing on these contracts. However, these same firms would subsequently serve as subcontractors to large businesses on those same Federal contracts. With a concern for the lack of a broad defense industrial base from which to sustain the war effort, and the proven underestimation of the capabilities of small businesses to meet the needs of the Federal Government, Congress enacted legislation taking away from the contracting officer the final determination of a small business concern's capability to perform on a specific contract, and give that authority to the Small Business Administration.

Recently, however, Federal procuring agencies, and the Small Business Administration, have taken administrative action which has the effect of undercutting the Congressionally-established procedures for an alternative review to the contracting officer's questioning of the competency of a small business to perform on a contract.

For example, many Federal agencies have established "qualified bidders" lists. Basically, the agency imposes a requirement on firms to be put on these approved lists before being able to bid on certain types of Federal procurements. If a firm is not on this list, the contracting officer has sole authority to determine that the business is not "responsive" to the bidding invitation, and makes no evaluation of the specifics of the bid. If there is no evaluation of the bid, there can be no finding that a smaller concern is an "otherwise low bidder," and thus there is no basis for a referral to the Small Business Administration for their determination. Similarly, agencies have established "qualified products lists" which have the effect of limiting the types of products that the Federal Government will purchase. Here again, with the initial determination that a product sought to be provided by a firm is not on the "list," the contracting officer never makes the evaluation of the qualification of the product.

In addition, the Small Business Administration has established a rule that, even where a contracting officer makes a determination that a small business concern lacks "competency" to perform on a contract, the SBA will not undertake an independent review of that competency if the value of the contract is less than $10,000. There is no dollar threshold in current law below which SBA may refuse to undertake the competency review on the request of the small business concern.

DIXON BILL

Under the Dixon legislation, Federal procuring agencies would be precluded from using qualified bidders lists or qualified products lists as a means of denying small business access to the Federal procurement system without a referral to the Small Business Administration for their review of the competency of a small business low bidder. In addition, the bill prohibits the Small Business Administration from declining to undertake a "competency" review at the request of a small business concern based on the dollar value of the contract referred to it by a contracting officer. Finally, the Dixon proposal insures that, to the extent that the Government exercises authority to

approve in advance a subcontractor on a prime contract, that department may not deny the use of that subcontractor without referral of that matter to the Small Business Administration for that agency's review.

SECTION 4: LABOR SURPLUS AREA SUBCONTRACTING PLAN

THE ISSUE

Under current law, the Federal Government has established a policy of providing "maximum practicable opportunities" for small businesses to participate as subcontractors on contracts awarded by the Federal Government. In Federal contracts in excess of $500,000 (or $1 million for construction) each prime contractor (except a small business) is required to develop and submit to the Federal Government a "plan" which demonstrates that company's "best efforts" to place subcontracts with small and small disadvantaged businesses. However, the law does not require the contractor to provide a plan for the award of subcontracts in areas of high unemployment.

DIXON BILL

Under the Dixon bill, an additional requirement would be imposed on the prime contractor to demonstrate a plan for placing subcontracts in designated areas of high unemployment (called "labor surplus" areas and designated as such by the Secretary of Labor).

SECTION 5: COMPONENT BIDDING

THE ISSUE

Of the $150 billion in Federal procurement purchases, frequently the Government will seek to contract for an entire weapons systems, or major subsystem. The contract will ask the prime contractor to be responsible for obtaining all of the necessary components for the system, and integrating them into the single, final product. However, the Federal Government also has a policy of taking steps to increase the opportunities for small businesses to participate in the performance of contracts awarded by the Federal Government as prime contractors. Thus, to the extent that the Federal Government relies on a single contractor to provide all of the goods and services under one contract, that action directly diminishes the ability of small business to participate in contracting. In these large contracts, small business simply lacks the ability to perform the total contract, and is precluded from fully participating in any of the subparts of that total Federal effort. As a result of the Government's conscious effort to "bundle" a variety of needs or parts into a single contract, the opportunities for price and quality competition are reduced, the opportunities for small business to participate in the process as prime contractors are reduced, and the opportunities for the Federal Government to develop alternative sources of supply for its requirements are also reduced.

Obviously, there are legitimate issues of contract management that justify using a single contract as compared to multiple contracts for certain procurements. But frequently, the choice of the most appropriate means for reaching a procurement goal is the result of convenience, not the result of planning.

DIXON BILL

In addition to the current statutory policy of the United States that small and small disadvantaged concerns have the maximum practicable opportunity to participate in the award of Federal contracts, the Dixon bill would add a further policy statement that small businesses shall have the maximum practicable opportunity to participate in the award of Federal prime contracts and subcontracts for appropriate portions of component systems, spare parts, and services for major weapon systems.

In addition, the bill would add a new section to the Small Business Act to provide that, during the planning of contracts for the procurement of services, or the production and assembly of goods, the head of each agency shall take all practicable steps to develop those procurement requirements in such a way so as to maximize competition for those components. The underlying principle, as stated in the bill, is to insure that, to the maximum extent practicable, procurement planning is done with a view so that small and small disadvantaged businesses are not precluded from performing as prime contractors and subcontractors on such contracts.

SECTION 6: ACCESS TO SOLICITATIONS AND TECHNICAL DATA

THE ISSUE

Under current law, there is a requirement that, on request, each Federal procuring agency must provide a small business a copy of bidding information available about the Government's specific purchasing request. There are also a number of statutory and regulatory provisions which give potential Federal contractors notice of the Government's intention to buy goods and services. One of these regulatory practices is to publicly post notice of procurement opportunities in the actual bid rooms of procurement activities.

In recent months, a number of Federal agencies have begun imposing, or increasing, the dollar levels below which these notices will no longer be posted. These public notices are heavily relied on by small businesses, and their authorized representatives who review these postings on an almost daily business. In fact, there is an entire industry, primarily composed of small businesses, that act as agents for other small businesses to provide immediate information about upcoming procurement opportunities in which firms may have an interest and ability to participate. Of course, there are legitimate instances where public posting of procurement information may not be possible or practicable, and these situations will have to be carefully addressed in the legislation.

DIXON BILL

Under the Dixon bill, unless the disclosure of information would be a breach of security, or would disclose the Government's cost estimate for the procurement, Federal agencies shall publicly post, and otherwise reasonably make available to small business, information concerning the agencies' solicitations.

Frequently, a business concern will be interested in a particular Federal procurement, but needs to review diagrams or drawings before being able to adequately prepare a bid on that solicitation. The bill provides that, as long as there is no security or Arms Export Control Act reason for not releasing this information, upon the payment of the direct search and duplication costs, if any, the Government shall provide the concern with this information.

SECTION 7: TECHNICAL DATA

THE ISSUE

When the Federal government purchases major weapons systems, it frequently assists in the development of those systems through the award of contracts for research and development. Once a system has been tested, and if Congress approves, the next step could be production. However, frequently Federal agencies do not provide for the Federal purchase of "technical data packages" that are an essential element of any manufacturing process. Many General Accounting Offices, departmental, and independent evaluations repeatedly acknowledge that Federal agencies do not know what technical data they possess, or fail to make provisions to purchase the package of technical information from the contractor responsible for the production. As a matter of basis contract management, the Government should include the purchase of the complete technical data package for any sophisticated system that it purchases if there is any reasonable possibility that additional purchases of that system, or its spare parts, may be possible. Agencies should always have the option to undertake a competition for weapons and spare parts, in particular, as well as for any major defense or civilian system. Without the technical information, the agency is virtually precluded from conducting any competition for that system.

DIXON BILL

The Dixon bill provides specific authority to the Department of Defense to use funds appropriated for the development or production of any major weapons system to purchase, or otherwise acquire all manufacturing data relating to that system. In addition, every future contract for the development or production of any major weapons system shall contain specific provisions for insuring the Government's acquisition of that technical data package, including, if necessary, conditions under which the contractor waives proprietary data necessary for the performance of that contract. In instances where the Department determines that technical data is not necessary, a waiver authority is provided for, but such waiver would be effective only after notifications has been sent to the Congress of the need for such waiver.

Finally, the bill provides that, within three years after enactment, each military department shall complete an inventory of the technical data which the Government has in its possession, or to which it has access. In addition, within that three year period, each service shall develop a system to provide for the accounting and ownership of technical data which the Government obtains in the future.

SECTION 8: REPORT OF COMPTROLLER GENERAL

THE ISSUE

Given the vast amount of technical data involved in the development and production of weapons systems, there are likely to be some difficulties with this cataloging and systems development effort. The General Accounting Office has previously made several detailed reviews of DoD spare parts and technical data procedures. GAO should continue its efforts in this area.

DIXON BILL

Under the Dixon bill, the Comptroller General of the United States is directed to undertake a review of the federal agencies' efforts to compile an inventory of the technical data in its possession, or to which it has access, and the systems developed to provide for the continuing accounting of that technical data.

SECTION 9: REMEDIES FOR DISCLOSURE

THE ISSUE

Under present practice, if a Federal contracting officer makes a mistake in disclosing information to a contractor or bidder which is protected by law, any party adversely affected by that error in disclosure has a wide range of legal options available to prevent the contractor from using that information, even if the contractor obtained the information in good faith and without knowledge that it was protected

DIXON BILL

The Dixon bill would provide that the exclusive remedy for the violation of protected information by the Government would be a suit in the Court of Claims for damages. This would treat errors of disclosure in the same manner as patents and copyrights are treated for Federal procurement. A similar approach has been used in the area of foreign military sales.

SECTION 10: PROCUREMENT RULEMAKING

THE ISSUE

Under current law, agency procurement rules are not covered under the Federal Administrative Procedures Act. Therefore, agencies are not required to publish notice in the Federal Register of their rules and procedures. In addition, there is no formal mechanism for public comment about an agency's procurement regulations. Many agencies voluntarily publish notice of significant changes in their procurement regulations in the Federal Register; others do not. Recently, the Office of Federal Procurement Policy issued a policy letter urging agencies to increase their outreach to the private sector for comments on significant procurement rules. However, even with these efforts, because procurement rules are not covered by the Administrative Procedures Act, agencies are not required to comply with the Regulatory Flexibility Act, for example.

DIXON BILL

Under the Dixon bill, Federal procurement rulemaking would be covered under the Administrative Procedures Act, including the procedures for notice and opportunity for public comment. In addition, the current statutory exceptions for using the APA procedure would be fully incorporated.

Mr. BOREN. Mr. President, it is with a great deal of pleasure that I join with my other colleagues in cosponsoring this legislation introduced by my good friend from Illinois, Senator DIXON. I want to commend him for these efforts that will open up the DOD procurement process to more of our Nation's small businesses.

As has often been said by myself and other on this floor, small business is the backbone of our economy. It is well documented that the vast majority of new jobs are created by small businesses. New and innovative technology comes mostly from small business research and development. It is only fair that we attempt, through this legislation, to increase the opportunities for small businesses to participate in the procurement process.

I am particularly pleased about this bill's attempt to reduce the instances of costly noncompetitive procurement. Events recently reported in the press have driven home the consequences of some sole source contracts. Instances of unconscionable overcharges for simple, everyday items has made us painfully aware of the abuses that are possible. By making the procurement process more competitive, it is hoped that these problems can be avoided.

Support for this legislation from many small business associations has been widely circulated and reported. This broad support is further evidence of the need for this legislation.

This bill is a good starting point. It will allow small businesses to enter a field of procurement from which they have mostly been excluded.

I urge my colleagues to lend their support to this legislation so that we can have early hearings and move it to the floor for, hopefully, eventual passage.

Mr. SASSER. Mr. President, I take great pleasure in joining my good friend from Illinois, Senator DIXON, as an original cosponsor of the Small Business Competition in Contracting Act of 1983. This important piece of legislation addresses several very serious concerns in the small business community.

Many small firms have shunned the Federal procurement process in the past for a variety of reasons. Small business owners have been concerned about the redtape and paperwork involved in Government contracts. They are worried about competing with corporate giants. And perhaps the most vocal reason raised for this lack of participation has been the sense of unfairness which hangs over the award process.

The difficulties encountered by small business in the procurement process are in part traceable to the attitudes of procurement officials. These individuals have often grown comfortable in their existing buying habits and do not wish to go through what they feel will be the extra effort necessary to process applications from small businesses. The emphasis seems to be on timely procurements with little regard for cost or quality, as we are discovering.

As a result of these factors, small businesses receive a mere trickle of the vast Federal procurement budget. The Tennessee small business community only received $537 million in procurement dollars in fiscal year 1982. This amount is a meager four-tenths of 1 percent of the total Federal procurement budget for that year.

The legislation we are introducing today, Mr. President, addresses many of these concerns. For example, the bill increases small business participation in the procurement process by precluding Federal agencies from using qualified bidders lists which deny small business access to procurement activity without prior referral to the Small Business Administration, as dictated by law. This legislation also closes further loopholes which procuring agencies have used in recent years to avoid the certificate of competency process for small business.

This bill will also do much to reduce the high costs of procurement contracts, especially in the area of defense contracting. This is an area of special interest to me, Mr. President, as I feel the contracting habits of some of our Federal agencies and departments constitute an intolerable form of waste and abuse of taxpayer's money.

For example, a 1981 SBA study on small business and the Federal procurement process stated that the Government could save up to 40 percent on procurement costs by allowing small businesses to enter the bid process. The General Accounting Office did followup work on this report and found that the SBA's estimates for potential savings were conservative and would in fact be greater than 40 percent.

Our legislation speaks to this issue by giving small businesses greater opportunities to participate in major weapons systems, component systems and spare parts procurements. As my colleagues are well aware, these are areas where immediate cost saving efforts are called for. In this sense, this bill is a most timely measure.

In addition, this legislation addresses several other areas of great significance in the procurement process including access to solicitations and technical data. Finally, the measure requires a report by the Comptroller General to Congress 3 years after its enactment in order to facilitate review of compliance with the act.

What we are introducing today is the first step in addressing many of the difficulties in the Federal procurement process which have hindered and prevented small businesses from competing effectively for procurement contracts. By confronting these problems we are offering the Federal Government an opportunity to save billions of dollars per year in procurements. Furthermore, we are underscoring the important role small firms play in creating new jobs, generating technological advances and paving the way to economic recovery. I urge my colleagues to support this important piece of legislation.

● Mr. KASTEN. Mr. President, as a member of the Small Business Committee, I have repeatedly seen the need for mechanisms to promote small business participation in the Federal procurement process. Firms that want to bid are sometimes unable to do so because of a lack of accurate information about an agency's specifications for a product or a service. At other times, businesses find they cannot bid on a contract because it is being let on a noncompetitive basis, or because

their interest is in only a component of a much larger contract.

The bill we are introducing today, which I am delighted to cosponsor, takes a large step toward addressing the problems I have mentioned. The Small Business Competition in Contracting Act would require Federal agencies to make more information about their contracts available to businesses. It would stimulate competitive bidding and facilitate small business participation in the sale of spare parts and components for major weapons systems. The measure also includes a mechanism allowing us to check on its effectiveness, by requiring the Comptroller General to report to us every 3 years to determine if agencies are complying with the legislation.

The bill has received a good deal of support. The National Federation of Independent Businesses had endorsed the idea, as has the National Small Business Association, the Small Business Legislative Council, and the National Tooling and Machining Association. In addition, the bill has received bipartisan support here in the Senate.

We need to take steps to increase procurement efficiency, thereby cutting Federal spending. We need to allow greater small business participation in the procurement process, thereby stimulating the economy. We need to encourage competition, thereby promoting improvements and advances in the goods and services that the Government purchases. These are all important goals. When we can help achieve them with one piece of legislation, we should not hesitate to adopt it immediately. That is why I urge my colleagues to join us in supporting this much needed proposal and put it to work at once.●

● Mr. BOSCHWITZ. Mr. President, I rise as a cosponsor of the Small Business Competition in Contracting Act of 1983, introduced today by my distinguished colleague from Illinois, Senator ALAN DIXON.

We in Congress are all aware of the importance of small business to our national economy, and the competitive ability they bring to producing the goods and services that the Government buys. The Federal Government is a big buyer of goods and services from the private sector—over $100 billion a year. About 25 percent of that goes to small business. We in Government must work to insure that small business gets its fair share of the pie. Senator DIXON's bill does just that.

This legislation improves small businesses' chances at landing Government contracts and subcontracts by addressing what I believe are three important issues.

First, this legislation would end the practice of using qualified bidder and products lists as a way to disqualify small businesses from Federal contracts. As a result, a firm would be eligible to bid on contracts even if it is not on the list. Instead, the Small Business Administration would review the competency of a small business low bidder. Also, no review would be denied based on the dollar value of the contract.

Second, firms in labor surplus areas would have more opportunities to participate in subcontracts. Contractors must already submit a plan which demonstrates its best efforts to place subcontracts with small and small disadvantaged businesses. This legislation would add to the plan by having the contractor show that he can subcontract in designated areas of high unemployment, or labor surplus areas.

Third, the bill will increase competition in Government contracts, by requiring that more contracts and subcontracts be opened up for competitive bidding. Under this bill, small and small disadvantaged businesses would be given the maximum practicable opportunity to participate in the award of Federal procurements and subcontracts. This would maximize competition of component systems, spare parts and service for major weapons systems.

I do have some reservations about part of the bill—specifically that part pertaining to the purchase of technical data by the Government. At a minimum, the issue of trade secrets and other proprietary data must be addressed. I will continue to study this aspect of the bill as it progresses. Overall, however, I feel that this bill has many benefits to offer a wide assortment of groups.

I feel that this bill would benefit both small and small disadvantaged businesses and Government.

For small and small disadvantaged businesses it means the unfair disqualifiers will be removed, allowing them to gain access to their fair share of Government contracts and subcontracts. According to the National Federation of Independent Businesses, as many as 56,000 of NFIB's members would benefit directly from this bill. That's 10 percent of the membership of just one small business organization.

For the Government, and thus the taxpayer, this bill would mean a lower cost for the same quality job. It would mean more jobs in hard hit areas. Also, with more competition in the bidding process the Government would save money, thus reducing Federal spending and the deficit. Everyone would benefit from that.

I hope that my colleagues will join me in supporting this much needed legislation.●

Mr. SARBANES. Mr. President, I am pleased to join with the Senator from Illinois (Mr. DIXON) and a bipartisan group of Senators today in introducing the Small Business Competition in Contracting Act of 1983. The purpose of this legislation is to increase small business participation in the Federal procurement process, thereby increasing competition and reducing costs, while at the same time increasing the capabilities of our industrial base for defense and civilian procurements.

This is important and timely legislation. Studies have shown that savings of 50 percent can be realized through competitive procurement. Yet at this time, only 10 percent of goods and services purchased by the Department of Defense, for example, are obtained through competitive procurement. In the area of spare parts alone, it has been estimated that there are potential savings of $6 billion per year. Despite the official policy of the U.S. Government and the Department of Defense that small businesses have the maximum practicable opportunity to participate in the award of Federal contracts, the actual procurement practices of DOD frustrate competition and small business procurement.

This bill removes many of the barriers to competition and small business participation inherent in current procurement practices, and it would create the potential for large cost savings, improved delivery times, and superior quality of goods and services purchased by the Federal Government.

There have been a number of reports in recent years from the General Accounting Office, the DOD Inspector General, and others pointing out the undesirable results of the Defense Department's over-reliance on sole-source procurement and other noncompetitive practices. These reports have been amplified by press accounts documenting the exorbitant prices charged by defense contractors for common items and spare parts.

The Secretary of Defense has acknowledged that overpayment for spare parts is a serious problem. The Secretary has, in fact, announced that the Department will take action to hold contracting officers accountable for failing to stop overpayments. It is important to note, however, that under current procedures, it is often impossible for a contracting officer to identify or to develop alternate sources of supply for replacement parts. The original manufacturer or prime contractor is simply not required to provide enough information to identify acceptable substitute components or enough technical data to allow a small business to manufacture an equivalent part. Without an alternate source of supply, there is often no choice but to purchase from the original manufacturer.

In my view the sensible approach taken in this bill will increase competition and reduce defense expenditures without reducing defense procure-

ment. At the same time it will increase the capabilities of the industrial base of this country by maximizing the opportunity for participation by small businesses which are historically the most vital and innovative elements in our economy.

Mr. President, this legislation has received the enthusiastic endorsement of the National Small Business Association, the Small Business Legislative Council, Small Business United, and the National Federation of Independent Business. I congratulate the Senator from Illinois for his leadership on this issue, and I urge the appropriate committees to hold hearings on this legislation as soon as possible.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business, not to exceed 15 minutes, during which Senators may speak for 3 minutes each.

POWELL MOORE

Mr. BAKER. Mr. President, yesterday the distinguished minority leader and assistant majority leader discussed the imminent retirement from Government service of Assistant Secretary of State Powell Moore, and today, I want to join them in wishing Powell the best in the years to come. Powell is leaving the Department of State to become vice president for government affairs for the Lockheed Corp.

I can speak of Powell Moore with a measure of pride, for Powell began his service to the Government here in this Chamber with one of the Senate's most distinguished Members, Senator Richard B. Russell of Georgia. Since leaving the Senate on Senator Russell's death in 1971, Powell has served in the administrations of Presidents Nixon and Ford, at both the Department of Justice and the White House, with President Reagan at the White House, and now most recently with Secretary Shultz at the Department of State. In each of those positions, he has distinguished himself as an able professional of unquestioned integrity and unfailing good humor. Whatever his responsibilities have been, the American people have been abundantly well served by Powell Moore.

I am tempted to add as well, Mr. President, that we shall miss Powell's portly frame about the halls of the Senate. However, that may not be, and I hope it is not, entirely true.

I understand that the Lockheed Corp. does from time to time obtain the occasional Government contract. That being so, I would hope that Powell will still find occasion to visit and when he does, he will always be welcome.

Mr. President, Powell has been a dedicated public servant and he remains a good and valued friend. I am certain that all of my colleagues join in wishing Powell and his wife, Kathy, the very best of luck and good fortune in the coming year.

THE ATTORNEY GENERAL'S REMARKS CONCERNING CONGRESS

Mr. DECONCINI. Mr. President, I am very disturbed by reports in the press of statements Attorney General Smith made regarding the administration's relationship with Congress. If these reports are true, I believe that Mr. Smith owes each and every Member of Congress an apology.

Is is bad enough that the Attorney General chose in his analogy to compare Congress with what a great deal of evidence shows to be a corrupt and organized crime controlled labor union in which 34 leaders have been convicted of racketeering in recent years. It is even worse to attribute criminal activities to Members of Congress. As the chief law enforcement official in the United States, his remarks will be taken by members of the public to imply that he has knowledge of such criminal activities. American citizens will believe that his defensive rationalization of President Reagan's ill-conceived attendance at an International Longshoremen's Association convention reveals insight into Justice Department investigations of Members of Congress.

If the Attorney General has evidence concerning criminal activities by Members of Congress, he should take them to a grand jury. If he does not have such evidence, he must explain to the American public exactly what he meant and he should apologize to those he has tainted without reason.

SOUTH DAKOTA HOMECOMING

Mr. PRESSLER. Mr. President, South Dakota was the proudest State in the land on Saturday, July 23, when 75 natives who have distinguished themselves nationally and internationally in their chosen fields returned for the first South Dakota homecoming.

Probably the only statewide event of its kind ever held, the homecoming captured the attention of people in all parts of the State, particularly the 800 who attended the reception and dinner in Sioux Falls honoring the 75 former South Dakotans and benefiting the South Dakota Amateur Baseball Hall of Fame.

This museum is the only one of its kind in the world. The idea was brought to fruition through the support and financial assistance of Mrs. Helen Salo Mitchell of Lake Norden, S. Dak., and Minneapolis, Minn. Mrs. Mitchell received special recognition at the banquet.

Credit for the idea behind the South Dakota Homecoming and for the organization that carried the idea to a successful conclusion must go to Mr. Ray Antonen of Estelline, S. Dak., and to Mr. James Meaghan of Estelline, S. Dak., and Sarasota, Fla. Discussion has already begun on a possible second South Dakota Homecoming, with suggestions centering on the State's centennial year in 1989.

In addition to the 75 honored guests in attendance, 100 more former residents were invited to be a part of the evening's activities, but were unable to attend. All 175 honorees were listed in the banquet program with brief biographies.

In this welcoming remarks, Governor William Janklow noted the unique qualities of South Dakota. He stated:

> South Dakota is more than a name to its people—South Dakota is a way of life: a value system that all of you have taken with you wherever you have gone. It's a common horse sense that you can't acquire unless you've been born here and raised with it.

Among those honored for carrying forward the State's good name was Allen H. Neuharth, chairman and president of Gannett Co., Inc. Neuharth concluded the evening with a presentation on behalf of all South Dakota alumni by toasting those who have stayed in the State for their livelihoods and have "kept South Dakota what it is: the most all-American State in all of America."

In addition to Neuharth, some of the former South Dakotans honored at the homecoming were Myron Floren, accordionist with the Lawrence Welk Orchestra for over 25 years; Joe Foss, former Governor of South Dakota and first commissioner of the American Football League who was also keynote speaker for the homecoming banquet; Paul Friggens, recently retired after 31 years of editorial positions with the Reader's Digest; G. Keith Funston, former president of the New York Stock Exchange; Garney Henley, a 10-time All-Canadian football player with the Hamilton Tiger Cats; Dr. Arthur Larson, former Under Secretary of Labor and Director of the U.S. Information Agency; Jerome J. Lohr, president of the Turgeon and Lohr Winery in California; Felix Mansager, retired chairman and president of the Hoover Co.; Joe Robbie, managing partner of the Miami Dolphins; and V. J. Skutt, chairman and chief executive officer of the Mutual of Omaha Insurance Co.

Among those listed on the program for the South Dakota homecoming but who were unable to attend were Senator J. JAMES EXON; former U.S. Senators James G. Abourezk and George S. McGovern; actresses Catherine Bach and Cheryl Ladd; television personal-

ities Bob Barker, Tom Brokaw, and Lawrence Welk; Sparky Anderson, manager of the Detroit Tigers and former manager of the world champion Cincinnati Reds; and Hon. Sylvia Bacon, judge of the Superior Court of the District of Columbia.

"The Challenge State" is one of South Dakota's nicknames. Originally this referred to our extreme climate and wide variety of scenery—Black Hills, prairies, glacial lakes, Badlands. The phrase could also be applied to the people of South Dakota, who obviously thrive on challenge, judging from the number who become outstanding achievers.

THE ENTITLEMENT OF THE REPUBLIC OF CHINA TO RETAIN ITS MEMBERSHIP IN THE ASIAN DEVELOPMENT BANK

Mr. DECONCINI. Mr. President, in 1979 when the Taiwan Relations Act was before the Senate, Senator Frank Church of Idaho, then the chairman of the Senate Foreign Relations Committee, together with Senator Jacob Javits of New York, then the ranking Republican of the committee, sponsored a series of amendments to the bill designed to better protect the legitimate interests of the people of Taiwan. Senate approval of these amendments helped to forge a consensus that led to an overwhelming vote of 85 to 4 on final passage.

Senator Church, who is now engaged in the practice of international law in the firm of Whitman & Ransom, has recently written a legal treatise on "The Entitlement of the Republic of China To Retain Its Membership in the Asian Development Bank."

The treatise makes a persuasive case that the Republic of China continues to be qualified, on both legal and equitable grounds, to remain a full member in the Asian Development Bank, regardless of whether or not the People's Republic of China becomes a member of that institution. Inasmuch as the treatise speaks to the provisions of Senate Resolution 137, which I have cosponsored with more than 50 of my Senate colleagues, expressing the sense of the Senate that the Republic of China should retain its full membership in the Asian Development Bank, I ask unanimous consent that the full text of the treatise, including the footnotes, be printed in the RECORD.

There being no objection, the treatise was ordered to be printed in the RECORD, as follows:

THE ENTITLEMENT OF THE REPUBLIC OF CHINA TO RETAIN ITS MEMBERSHIP IN THE ASIAN DEVELOPMENT BANK

On February 10, 1983, in an unsigned letter addressed to Mr. Masao Fujioka, President of the Asian Development Bank (ADB or the Bank), Wu Xueqian, Minister of Foreign Affairs of the People's Republic of China (PRC), gave notice of his government's intention to apply for membership in the Bank. The letter made clear, however, that the PRC's membership application would be contingent upon the expulsion of the Rebublic of China (ROC). Accordingly, the PRC requested the ADB "to take immediately the necessary measures to terminate the membership of the Taiwan authorities." [1]

The object of this paper is not to contest the eligibility of the PRC to become a member of the ADB. It is, rather, to demonstrate that any decision by the Bank to expel the ROC or to preclude its full membership in the Bank would be unjust, lacking in legal basis, arbitrarily political in character, violative of the Bank's charter,[2] and contrary to the institution's intended function and purpose.

The PRC bases its demand for the expulsion of the "Taiwan authorities" on two premises: (1) that the ROC is unqualified for membership in the ADB, since it is neither a member or associate member of the United Nations Economic and Social Commission for Asia and the Far East, nor a member of the United Nations or any of its specialized agencies, as stipulated in Article 3.1 of the Agreement; and (2) that only the PRC is entitled to represent China in any international organization.[3] These two premises must be scrutinized in the context of the ADB Agreement, the history and circumstances of the ROC's admission to membership in the Bank, and the ROC's fulfillment of its obligations as a member.

THE ROLE OF THE ADB

The Agreement establishing the ADB was signed in Manila on December 4, 1965.[4] It entered into force on August 22, 1966, after being ratified by fifteen signatory governments.[5] The Republic of China (ROC) deposited its instrument of ratification on September 22, 1966, thus becoming one of the founding members.[6] From the day of the Bank's birth, the ROC has been—and still remains—a member in good standing. Today the Bank has grown to include 45 member nations. It is owned by the governments of 31 countries from the Asia-Pacific region, and 14 countries from Europe and North America.[7]

The ADB was established for the purpose of promoting economic development in the Asia-Pacific region where it has become an important source for generating capital investment. According to a description contained in the Bank's 1982 annual report, the ADB's "principal functions are (i) to make loans for the economic and social advancement of developing member countries; (ii) to provide technical assistance for the preparation and execution of development projects and programs and advisory services; (iii) to promote investment of public and private capital for development purposes; and (iv) to respond to requests for assistance in coordinating development policies and plans of member countries. In its operations, the Bank is also required to give special attention to the needs of the smaller or less developed countries and to give priority to regional, subregional and national projects and programs which will contribute to the harmonious economic growth of the region as a whole." [8]

MEMBERSHIP IN THE ADB

Membership in the ADB is governed by Article 3 of the Agreement. Article 3.1 states:

"Membership in the Bank shall be open to: (i) members and associate members of the United Nations Economic Commission for Asia and the Far East; and (ii) other regional countries and non-regional developed countries which are members of the United Nations or of any of its specialized agencies." [9]

In 1966, the ROC, as a member of the United Nations Economic Commission for Asia and the Far East (ECAFE), which is now known as the Economic and Social Commission for Asia and the Pacific (ESCAP),[10] fully met the requirements for admission to membership in the ADB, as set forth above. However, in 1971, the United Nations General Assembly adopted a resolution in which the ROC was replaced by the PRC in the U.N. and its specialized agencies.[11] In the case of the International Monetary Fund and the World Bank, the ROC's representation was replaced by the PRC in 1980.[12]

Thus the question arises under Article 3 of the Agreement whether, once a member is admitted to the ADB, it may continue as a member in the event that it subsequently loses its membership in the United Nations or its specialized agencies. The answer to this question depends upon the interpretation given Article 3.1 of the Agreement by the Bank's Board of Governors.[13]

Article 60 of the Agreement governs the interpretation of its provisions. Although preliminary questions of interpretation may be submitted to the Board of Directors, Article 60.2 states that ". . . any member may require that the question be referred to the Board of Governors whose decision shall be final." [14] Moreover, if the interpretation bears upon the suspension of a member, Article 42 of the Agreement vests the sole power in the Board of Governors, while Article 28 provides that this power cannot be delegated.[15]

The procedures to be followed in suspending a member are spelled out in Section 17 of the By-Laws:

"Before any member is suspended from membership in the Bank, the matter shall be considered by the Board of Directors, which shall inform the member sufficiently in advance of the complaint against it, and shall give the member a reasonable time to explain its case orally and in writing. The Board of Directors shall recommend to the Board of Governors whatever action it considers appropriate. The member shall be notified of the recommendation and of the date on which the matter is to be considered by the Board of Governors, and it shall be given a reasonable time in which to present its case orally and in writing before the Board of Governors. Any member may waive this right." [16]

Because Section 17 of the Bylaws regarding suspension procedures is subordinate to Article 42 of the Agreement,[17] any suspension of a member leading to cessation of membership may occur only "If a member fails to fulfill any of its obligation(s) to the Bank . . ." [18]

When examined in the context of the entire Agreement, the membership qualifications prescribed in Article 3.1 should be given no broader interpretation than the words themselves convey.[19] The U.N. affiliations required clearly relate to eligibility for admission to membership in the ADB, and should not be interpreted as applicable to a member once properly admitted.[20] At the time of its admission, the ROC was a member of the U.N. and its specialized agencies, including ECAFE. It fully met the qualifications for admission to membership in the Bank. Thus, the real question presented is: How may a membership, properly

granted at the time of admission to the ADB, be terminated afterwards? The answer to this question must rest upon an examination of the Agreement in its entirety.

The Agreement stipulates only two ways for a membership to be terminated—either by voluntary withdrawal or by suspension.[21] Significantly, the loss of membership in the U.N. or its specialized agencies is mentioned nowhere in the Agreement as a condition for the termination of membership in the ADB. This omission cannot be dismissed as inadvertent, since the Bank's Agreement was closely patterned after the Charter of the International Bank for Reconstruction and Development (IBRD), drafted 22 years before the founding of the ADB.[22]

Whereas the IBRD Charter specifies that membership shall be open to "members of the International Monetary Fund" (IMF), it expressly sets forth three grounds for termination of IBRD membership—withdrawal, suspension and cessation of membership in the IMF.[23] In contrast, the ADB Agreement, by mentioning only withdrawal and suspension as the basis for terminating membership, deliberately omits the loss of membership in the U.N. or its specialized agencies as a condition for terminating membership in the ADB.

Similarly, the Charters of the International Development Association (IDA) and the International Finance Corporation (IFC), two agencies closely associated with the IBRD, stipulate that loss of membership in the IBRD shall automatically result in the termination of membership in the IDA and the IFC.[24] Except for its regional character, the ADB's goals are very similar to those of the IBRD and its affiliates. For this reason, since the ADB was established much later, the Charters of these earlier financial institutions were scrutinized by the founders of the Bank. Nevertheless, the ADB Agreement provides only two grounds for cessation of membership, voluntary withdrawal or suspension by reason of a member's failure to fulfill its obligations. No mention is made of the need for continued membership in the U.N. or its specialized agencies, nor should any be implied. Had the founders so intended, they would have written such a provision into the Agreement, in accordance with the precedent established in the charters of the IBRD and its affiliates.

It is clear, then, that once admitted in compliance with Article 3, membership in the ADB continues indefinitely unless a member withdraws or is suspended by the Bank. But any suspension, including one leading to eventual cessation of membership, is controlled, not by Article 3, but by other provisions of the Agreement and the By-Laws.

Inasmuch as the ROC does not intend to withdraw from the ADB, the pertinent provision governing suspension of its membership is contained in Article 42 of the Agreement which reads:

"1. If a member fails to fulfill any of its obligation(s) to the Bank, the Board of Governors may suspend such member by a vote of two-thirds of the total number of Governors, representing not less than three-fourths of the total voting power of the members.

"2. The member so suspended shall automatically cease to be a member of the Bank one (1) year from the date of its suspension unless the Board of Governors, during the one-year period, decides by the same majority necessary for suspension to restore the member to good standing.

"3. While under suspension, a member shall not be entitled to exercise any rights under this Agreement, except the right of withdrawal, but shall remain subject to all its obligations." [25]

Article 42, by its terms, limits the suspension of membership to a single prerequisite: the failure of a member "to fulfil any of its obligation(s) to the Bank." [26]

Since its accession to membership in the ADB, the ROC has faithfully fulfilled all of its obligations to the Bank, as evidenced by its regular stock subscriptions, including: [27]

(A) Ordinary Capital Subscriptions

(1) Original capital subscription when the Bank was established in December 1966.

Total amount: US $16,000,000 of which 50 percent callable, 50 percent paid in.

For the paid in portion, 50 percent in convertible currency, 50 percent in national currency.

(2) First General Capital Increase (GCI-I). Of the 150 percent increase: 80 percent callable, 20 percent paid-in. For the paid-in portion, 40 percent in convertible currency, 60 percent in national currency.

(3) Second General Capital Increase (GCI-II). Of the 125 percent increase: 90 percent callable, 10 percent paid-in. For the paid-in portion, 40 percent in convertible currency, 60 percent in national currency.

(4) Third General Capital Increase (GCI-III). Of the 105 percent increase: 95 percent callable, 5 percent paid-in. For the paid-in portion, 40 percent in convertible currency, 60 percent in national currency.

On the basis of the above, ROC's total amount of capital subscription as of today is about US$190 million, of which about US$9 million has been paid-in in convertible currency, and about NT$457 million in national currency. For the GCI-III, the ROC will have to pay in the next four years 40 percent of the paid-in portion in convertible currency.

(B) Technical Assistance Special Fund (TASF)

About seven years ago, the ROC contributed US$200,000 to the Technical Assistance Special Fund, with payments spread over a period of several years. This money has been used by ADB for hiring consultants from ROC and other ADB member countries.

(C) Asian Development Fund (ADF)

The ADB mobilized a total of US$3.2 billion for ADF-III on July 1982, including contributions, made for the first time, from four developing member countries; namely, Korea, Indonesia, the ROC and Hong Kong. The ROC's contribution was US$2 million, which will be paid in four equal annual instalments of US$500,000 each, from 1983 to 1986.

It is readily apparent that the ROC has not only "fulfilled its obligations to the Bank," in the form of ordinary capital subscriptions, but it has freely contributed money to the Bank's voluntary programs. Moreover, in continuing to accept contributions from the ROC, the Bank has never questioned the ROC's eligibility to make them. Both the request from the ADB management for the ROC to participate in the third general capital increase (GCI-III), and its acceptance of the ROC's capital subscription to the same, occurred after the ROC had lost its membership in the U.N., its specialized agencies, the IMF and the IBRD. Moreover, the ROC's pledge to the Asian Development Fund (ADF) was accepted by the ADB in early 1982, once more long after the ROC had lost its membership in the U.N. and its specialized agencies, and some two years after its loss of membership in the IMF and the IBRD.[28]

Therefore it is clear that the ROC's loss of U.N. affiliation, as well as its loss of membership in the IMF and the IBRD, has never before given rise to any questioning of its membership in the ADB, as the Bank, for years afterwards, has continued to request and accept the ROC's financial contributions. This simply underscores the fact that the ADB is a regional development bank, both independent of, and uncontrolled by, any action taken by the IMF, the IBRD, the U.N. or its specialized agencies.

That the ROC has always been, and still remains, an ADB member in good standing, is attested to by the Bank's own President, Masao Fujioka, who recently stated:

"On this issue, I can tell you that Taiwan (the Republic of China) was one of the founding members of the Bank some 16 years ago, and has been a good member. It has performed all its obligations under the Charter and has cooperated with the Bank in terms of contributions and otherwise." [29]

The United States representative on the ADB Board of Directors, John A. Bohn, Jr., underscored this point in observing that the ROC has been a "loyal member" of the Bank since its founding.[30]

It necessarily follows that explusion of the ROC from the ADB cannot be based upon its failure to fulfill its obligations to the Bank, the only grounds stipulated in the Agreement for a suspension leading to cessation of membership. Arguably, such a decision would have to be taken on the basis of the PRC's second premise, namely, that "the Taiwan authorities participation, in the name of China, in all international organizations," is somehow "illegal and invalid." [31]

The China Representation Issue

In effect, the PRC contends that it occupies the position of a "successor government," with the right to displace the ROC in any international organization in which it holds membership. Such a proposition is unsupported by any recognized principle of international law. Indeed, the contrary holds true. Membership by right of succession is not automatic. Even if, for the sake of argument, the PRC were presumed to be a "successor government," the ROC's membership in such organizations "cannot pass to a successor State; [32] (membership) can be acquired only in accordance with the rules laid down in their constitutions. [33] This implies that unless the devolution of membership is expressly provided for in the constituent instrument of the organization concerned, no succession to membership can take place." [34] The ADB Agreement makes no reference whatever to membership by succession.

In order to put this matter in perspective, it is necessary to review the historical circumstances surrounding the entry of a state called "China" into the U.N., the IMF and the IBRD, which occurred shortly after World War II. At that time, the "China" so admitted occupied most of the Chinese mainland and the island territories. In December 1946, this "China" adopted a constitution whereby the Republic of China (ROC) was formally established and a new government formed. [36]

Meanwhile, however, civil war raged on the Chinese mainland and the fighting eventually forced the ROC government, in 1949, to withdraw to Taiwan. Since then, the ROC government has remained in effec-

tive control of Taiwan, the Pescadores and certain other islands, while the government of the Peoples Republic of China (PRC) has controlled the mainland.

This change of circumstances eventually led to the PRC's displacement of the ROC as the representative of "China" in the U.N., the IMF, the IBRD, and other U.N. agencies. When a choice had to be made as to which government should occupy the "China" seat in these institutions, preference was given to the government which then controlled the mainland.

But the circumstances surrounding the ROC's admission to membership in the ADB were quite different. By 1966, although the ROC was still affiliated with the U.N. and its specialized agencies, it no longer maintained a presence on the Chinese mainland. The membership which the ROC acquired in the ADB actually related to the area of Taiwan, not the whole area of China. The amount of the ROC's subscription to the Bank's capital was determined solely on the basis of the area, population and economy of Taiwan.[37]

Thus, the ADB, unlike the U.N., the IMF or the IBRD, is not called upon to decide whether the ROC or the PRC should occupy the "China" seat at the Bank. Actually, no such seat exists, a fact borne out in the documents prepared at the time of the Bank's establishment, in which the term "China" is used in some cases, the term "China (Taiwan)" in other cases, and the term "Republic of China" in still other cases.[38] The truth is that the ADB accepted the ROC into the Bank's membership, not on the basis of its claim to represent the whole area of China, but rather on the basis of the territory, population and economy over which it then exercised "effective control," i.e. the islands of Taiwan and the Pescadores.

The "effective control" test is evidenced by the formula for determining the amount of capital stock in the ADB to be subscribed by the ROC. The By-Laws of the ADB state:

"When submitting an application to the Board of Governors, the Board of Directors, after consultation with the applicant country, shall recommend to the Board of Governors the number of shares of capital stock to be subscribed." [39]

The ROC's initial subscription to the authorized capital stock of the ADB was $16 million. Its contribution to the funding of the Bank, and its portion of authorized shareholdings, give the ROC a modest 1.5 percent of the total voting power of the Bank's membership.[40] This, in itself, demonstrates that the ADB admitted the ROC as a member, strictly on the basis of the island territories over which it then exercised "effective control." The computations excluded the Chinese mainland.

The very opposite held true when the ROC occupied the "China" seat in the IBRD. In that case, the ROC's capital contributions to the World Bank were based upon an economic formula which covered the whole of China, both the mainland and the island territories. Accordingly, in 1978, for example, the ROC had 2.59 percent of the capital stock in the IBRD, a proportionately larger share of a bank much bigger than the ADB.[41]

So if the PRC's application for membership in the ADB is given treatment equivalent to that accorded the ROC, its capital subscription, and its portion of authorized shareholdings, will be based on a formula limited to the Chinese mainland, that is, to the area, population and economy over which the PRC presently exercises "effective control."

The PRC, however, is asking, not for equivalent treatment, based on the same "effective control" standard, but for a preferred status based on polemics blatantly political in character. Thus, in its letter of intent to join the Bank, the PRC asserts that it is the "sole legal Government of China;" that "Taiwan is an inalienable part" of China; that the PRC alone "represents China in any international organization;" and that the ROC's participation, "in the name of China, in all international organizations (is) illegal and invalid." [42]

Political considerations are improper under the agreement

The political nature of the PRC's declared intent to join the Bank was acknowledged by ADB President Fujioka, at his press conference in Manila on April 11, 1983:

"But there is one more political issue, and that is China." [43]

Article 36 of the Agreement specifically prohibits the "Bank, its President, Vice President(s), officers and staff, from allowing their decisions to be influenced by the political character of the member concerned. "Only economic considerations shall be relevant to their decisions . . . in order to achieve and carry out the purpose and functions to the Bank." [44]

So the central question can be put very simply: what is the ADB? It is a regional bank. Article 1 of the Agreement describes the purpose of the Bank as that of fostering "economic growth and cooperation in the region of Asia and the Far East" and that of contributing to "the acceleration of the process of economic development of the developing member countries of the region, collectively and individually."[44]

The ROC is ideally suited to help advance the ADB's objectives, for the following reasons:

(1) The ROC has the eleventh largest population among all 31 regional members;

(2) The ROC has the sixth largest per capita GNP (after Japan, Australia, New Zealand, Singapore and Hong Kong) of all 31 regional members;

(3) The ROC ranks sixth in foreign trade (after Japan, Singapore, Australia, South Korea, and Hong Kong) among all 31 regional members; in 1982, the value of imports and exports amount to US $41.1 billion, with US $18.9 billion of imports and US $22.2 billion of exports.

(4) The ROC has diplomatic relations with 23 countries, maintains over 100 trade offices throughout the world, and trades with over 140 countries, including all the major countries that are members of the ADB.[45]

If the ROC were expelled from the ADB for political reasons, the Bank would be deprived of its access to the resources of one of the region's richest countries. In 1971, the ROC ceased to compete for the limited capital of the ADB as a borrower and became a donor instead, by contributing to the Bank's Technical Assistance Special Fund (TASF) and to its Asian Development Fund (ADF).[46]

This makes it all the more apparent that the expulsion of the ROC from the ADB would be harmful to the Bank, contrary to its purpose and functions, and violative of the injunction contained in Article 14 (xiv) of the Agreement which stipulates that "The Bank shall be guided by sound banking principles in its operations." [47] Furthermore, such a decision would deprive the people of Taiwan and the Pescadores of representation in the region's largest economic development organization, despite the major contribution they make to the region's wealth and productivity.

PRC's demand is unprecedented

Since its establishment in 1966, membership in the ADB has increased from 31 to 45 states. None of the 14 new members attached any precondition to its application for membership.[48] To accede to the PRC's demand for the explusion of the ROC as a pre-condition for its membership application would be unprecedented. It would grant a special concession to the PRC which has been made to no other government, and thus confer upon it favored treatment. Yet the Bank, its officers and staff are instructed under Article 36 of the Agreement to show no partiality in their dealings with members.[49]

United States position

At the present time, the United States Government, according to Secretary of State George P. Shultz, while favoring the admission of the PRC to the ADB, opposes the expulsion of the ROC. "If Taiwan is expelled, that would cause great difficulty for the Bank as regards to support from the United States."[50]

This view was confirmed by Secretary of Treasury Donald Regan during his press conferences on May 4 and 5, 1983 in Manila:

"As far as the United States is concerned, we would deal with an application for the Peoples Republic if it is brought to the Bank as an ordinary . . . application to join the Bank—no conditions.

". . . at this point, we recognize that Taiwan is a member of the Bank, has a right to stay a member of the Bank . . .

". . . The status quo is satisfactory to us at this moment.

". . . The United States position is that Taiwan is a member of the Bank and should remain a member of the Bank."[51]

In addition to these statements, reflecting the views of the Reagan Administration, a number of actions have been taken in the Congress underscoring the concern of members regarding any decision by the ADB to expel the ROC.

In 1979, Congress adopted statutory language in the Taiwan Relations Act which states:

"Nothing in this Act may be construed as a basis for supporting the exclusion or expulsion of Taiwan from continued membership in any international financial institution or any other international organization." [52]

Recently, a Concurrent Resolution has been introduced in the House of Representatives expressing the sense of Congress that the support provided by the United States to the ADB should be terminated if the ROC is denied full membership.[53] A second resolution has been introduced in the Senate, with more than 50 co-sponsors, expressing the sense of the Senate that the ROC should retain full membership in the ADB and that it should not be expelled as a pre-condition for membership in that body by the PRC.

The operative portion of the resolution reads:

"*Resolved*, That it is the sense of the Senate that—

(1) Taiwan, Republic of China, should remain a full member of the Asian Development Bank, and that its status within that body should remain unaltered no matter how the issue of the People's Republic of

China's application for membership is disposed of; and

(2) The President and the Secretary of State should express support for Taiwan, making it clear that the United States will not countenance attempts to expel Taiwan, Republic of China, from the Asian Development Bank." [54]

In addition, the House Foreign Operations Appropriations Subcommittee, which has jurisdiction over funding for the ADB, adopted a statement for its report warning that the United States would pull out of the ADB if the ROC were expelled.[55]

Although these legislative actions, which would express the sense of Congress, are not legally binding upon the Administration, they reflect Congressional concerns and could indicate the level and extent of United States participation in the ADB which Congress might authorize in the future. The United States has contributed $1.4 billion since the Bank's founding in 1966, of which $274 million has been paid to the Bank, with the balance in callable capital. In addition, the United States has paid $774 million in cash to the Asian Development Fund. The American contributions to both the ADB and the ADF amount to 16.3 per cent of the capital of the Bank.[56]

Conclusion

It will be remembered that the PRC has based its demand for the expulsion of the "Taiwan authorities" on two premises: (1) that the ROC is no longer qualified for membership in the ADB under Article 3.1 of the Agreement, since it has lost its membership in the U.N. and its affiliates; and (2) that only the PRC is entitled to represent "China" in any international organization. For the reasons set forth above, neither of these premises is valid.

As for the first premise, the U.N. affiliations prescribed by Article 3.1 of the Agreement clearly relate to eligibility for admission to membership in the ADB, and should not be interpreted as applicable to a member once admitted.

As for the second premise, the de facto basis for the ROC's membership in the ADB relates to Taiwan, not the whole of China. The amount of the ROC's subscription to the Bank's capital was determined solely on the basis of the area, population and economy of Taiwan, over which the ROC exercised effective control, a condition which remains unchanged from then until now.

In addition to the inadequacy of the PRC's case for expelling the ROC from the Bank, such a decision would be damaging to the Bank's reputation for fairness. It would be unjust to expel the ROC, when all interested parties admit—even the PRC does not deny—that the ROC has faithfully fulfilled all its obligations to the Bank. Moreover, the Bank's own interests would be adversely affected. Such a verdict would cut off the Bank's access to the resources of one of the region's richest countries, substituting a borrower for a donor.

Finally, a decision to accede to the PRC's demand for the expulsion of the ROC as a pre-condition for its own admission to membership would give it favored treatment conferred upon no other member, contrary to the requirement that members of the Bank be treated impartially.

Therefore, whether or not the PRC becomes a member, the ROC is entitled, on both legal and equitable grounds, to retain its full membership in the Asian Development Bank.

FOOTNOTES

[1] Letter unsigned but bearing the name of Wu Xueqian, Minister of Foreign Affairs of the People's Republic of China, to Masao Fujioka, President of the Asian Development Bank (February 10, 1983).

[2] Agreement Establishing the Asian Development Bank, hereinafter referred to as the "Agreement," adopted in Manila on December 4, 1965, at the Conference of Plenipotentiaries convened by the Economic Commission for Asia and the Far East, 17 UST 1418, (1966).

[3] Letter from Wu Xueqian, supra, note 1.

[4] Agreement, supra, note 2.

[5] United States Government Manual, at 720 (1979-1980).

[6] IV Basic Documents of Asian Regional Organizations, at 1130 (M. Haas, ed. 1974).

[7] Asian Development Bank Annual Report 1982, inside cover.

[8] Id.

[9] Agreement, supra, note 2, at 3.

[10] United Nations Handbook, at 158 (1982).

[11] United Nations General Assembly Resolution on China, (October 25, 1971).

[12] International Monetary Fund Resolution on China (April 17, 1980); International Bank for Reconstruction and Development Resolution on China, (May 15, 1980).

[13] As stated in Article 31 of the Vienna Convention on the Law of Treaties, the general rule of interpretation is that "A treaty shall be interpreted in good faith in accordance with the ordinary meaning to be given to the terms of the treaty in their context in light of its object and purpose." Supplement to International Organizations in Their Legal Setting, at 54 (F. Kirgis, ed, 1981).

[14] Agreement, supra, note 2, at 38.

[15] Id. at 22 and 30.

[16] By-Laws of the Asian Development Bank, hereinafter referred to as the "By-Laws," adopted in Tokyo on November 24, 1966, at the Inaugural Meeting of the Board of Governors of the Asian Development Bank, at 7 (1966).

[17] Id. at 1.

[18] Agreement, supra, note 2, at 30.

[19] Supplement, supra, note 13.

[20] Agreement, supra, note 2, at 3.

[21] Id. at 29.

[22] Articles of Agreement of the International Bank for Reconstruction and Development, formulated at the United Nations Monetary and Financial Conference at Bretton Woods, New Hampshire, July 1-22, 1944; entered into force December 27, 1945; 3 Treaties and Other International Agreements of the United States of America 1776-1949, at 1390 (C. Bevans, comp. 1969).

[23] Id. at 1406.

[24] Articles of Agreement of the International Development Association, 11 UST 2284, (January 26, 1960); Articles of Agreement of the International Finance Corporation, 7 UST 2197, (May 25, 1955).

[25] Agreement supra, note 2, at 30.

[26] *Id.*

[27] Letter from Sam C. Hsieh, Vice Chairman, Council for Economic Planning and Development, Executive Yuan, Republic of China (June 3, 1983).

[28] The doctrine of ratification is a long established concept in the law giving effect by approval or treating as good or authorized an act which might be disavowed. 18 Am. Jur. 2nd Conv. § 73.

[29] Press Conferences by Masao Fujioka, (February 18, 1983).

[30] The Economist, at 84 (February 26, 1983).

[31] Letter, supra, note 1.

[32] See Vallat, "Some Aspects of the Law of State Succession," 41 Trans. Grotius Society at 134 (1956); Jenks, "State Succession in Respect of Law-Making Treaties," 29 *B.Y.I.L.* at 133 (1952); Green, "Malaya/Singapore/Malaysia: Comments on State Competence, Succession and Continuity," 4 Canadian Yearbook of International Law at 32, 41-42 (1966).

[33] See Mankiewicz, 29 Journal of Air Law and Commerce, at 53 (1963); Aufricht, 11 International Constitutional Law Quarterly, at 167 (1962).

[34] O. Udokang, Succession of New States to International Treaties, at 276 (1972).

[35] However in considering the question of substituting the Socialist Republic of Vietnam for the Republic of South Vietnam as a member of the ADB in 1976, the report of the Bank's Board of Directors stated:

"The Bank has not previously been called upon to consider the consequences for its membership when a member state loses its separate identity and the successor state claims to continue the membership rights and obligations of its predecessor. The general principles of international law relating to state succession leave the question of succession to membership of international organizations as a matter to be determined primarily by reference to the constituent charter of each organization. Whether or not SRVN's claim may be accepted is, therefore, a matter for construction of the relevant provisions of the Articles of Agreement. To the extent that the Articles do not provide clear guidance, weight may properly be given to the decisions of other comparable organizations in similar circumstances, and to practical considerations." See Doc. R93-76 (September 3, 1976).

[36] Constitution of the Republic of China.

[37] Asian Development Bank Report of the Working Group of Experts, Annex E, (October 1964); Working Paper No. 8 of the Consultative Committee (June 1965); Report of Consultations with the Republic of China Government, (August 1965); Final Report of the Consultative Committee, (August 1965); Working Paper of the Preparatory Committee on Establishment of the Asian Development Bank, (October 1965).

[38] See for example the Report of the Conference of Plenipotentiaries on the Asian Development Bank; the Consultative Committee's Report of Consultations with the Republic of China Government (August 1965); Annex A of the Agreement.

[39] By-Laws, supra, Note 15, at 6.

[40] Far Eastern Economic Review, 119 at 83, (March 3, 1983).

[41] 1978 Annual Report of the International Bank for Reconstruction and Development.

[42] Letter, supra, note 1.

[43] Press conference by Masao Fujioka, Manila, (April 11, 1983).

[44] Agreement, supra, note 2, at 2.

[45] Letter, note 27.

[46] Id.

[47] Agreement, supra, note 2, at 12.

[48] Letter from Yu Kuo-Hwa, Governor of the Central Bank of China, to Masao Fujioka, President of the Asian Development Bank. (February 26, 1983).

[49] Agreement, supra, note 2, at 27.

[50] Los Angeles Times, March 5, 1983, Part 1 at 20.

[51] Press conferences by Secretary of the Treasury Donald Regan, Manila (May 4 and 5, 1983).

[52] "Taiwan Relations Act," II Legislation on Foreign Relations Through 1979, Senate Committee on Foreign Relations, at 559; 22 U.S.C. 3301-3316.

[53] H. Con. Res. 120, 98th Congress, First Session, 129 Congressional Record, at H 2510 (1983).

[54] S. Res. 137, 98th Congress, First Session, 129 Congressional Record, at S 6406 (1983).

[55] 41 Congressional Quarterly 118, at 888 (May 7, 1983).

[56] New York Times, March 22, 1983, at D 14.

THE SALE OF GRAIN TO THE U.S.S.R.

Mr. DECONCINI. Mr. President, I oppose the recently concluded grain pact with the Soviet Union under which the Soviets have agreed to purchase at least 9 million metric tons of American grain for each of the next 5 years. While this action may reduce our agricultural surpluses and prop up sagging commodity prices and farm income, it is clearly contrary to the foreign policy objectives of the United States and sends the wrong signal to the Soviet leadership.

When President Carter imposed a grain embargo against the Soviet Union in 1980 in retaliation for the Russian invasion of Afghanistan, I supported that action. However, I felt it was unfair to ask the American farmer to share this burden alone and believed that trade sanctions should have been imposed against all U.S. exports to the Soviet Union. If the actions of the Soviet Union pose a threat

to our security interests, then we have an obligation to retaliate with sanctions which will have a direct impact on their economy and, hopefully, on their expansionist resolve. Intelligence reports indicate that the Soviet economy is in deep trouble. For our Government to sign an agreement which will improve conditions in the Soviet society makes no political sense. There are those who oppose the use of food as a foreign policy instrument. But the use of food as a weapon is clearly preferable to the use of conventional and nuclear arms and the specter of committing American troops to battle to deter Soviet aggression.

The Soviets have not modified their behavior since 1980. They are still Afghanistan, they are still meddling in Angola, they are fomenting and bank rolling revolution in Central America, and they continue to blatantly disregard the human rights of their citizens.

Mr. President, we simply cannot have it both ways. We cannot use tough rhetoric against the Soviet Union on the one hand, and feed its people and its armies with the other. We cannot dramatically increase our defense expenditures to respond to the Soviet threat and at the same time provide it with cheap food. We cannot expect our allies to drastically curtail their trade with the Soviet Union when we refuse to do so ourselves. Either we are serious about the Soviet threat or we are not. Either we remain consistent in our foreign policy objectives or we become the laughingstock of the world. Our rhetoric rings hollow if we are not willing to follow tough words with tough actions. This latest agreement with the Soviet Union is but one more example of a foreign policy gone awry. It is inconsistent; it is contrary to our security interests; it encourages the Soviet Union to continue its reprehensible behavior both at home and abroad and I cannot, in good conscience, support it.

WASTE-TO-ENERGY EXCEPTION TO SALE-LEASEBACK LEGISLATION

Mr. DURENBERGER. Mr. President, we have all heard a lot recently about what seems to be this year's favorite tax loophole—the sale and leaseback of property by tax-exempt entities. Although I am a cosponsor of S. 1564, Senator DOLE's bill to eliminate these abusive sale-leaseback arrangements, I believe the bill needs improvement in several areas. Two of these are solid waste disposal projects that produce energy—waste-to-energy (WTE) projects as they are called in the industry—and district heating and cooling projects. I wanted to let my colleagues know today that I will be offering amendments during Finance Committee markup of S. 1564 to exclude them from the legislation.

During the hearings last month in the Finance Committee, Senator DOLE indicated that WTE projects would be protected because the private developers are at risk. I am pleased by my colleague's statement, but I am concerned because the legislation has a number of tests. These projects could get tied up for years as we wait for Treasury regulations, and then, after the regulations are issued, the developers wait while interpretations are being made.

The private sector has traditionally been involved in developing WTE projects in the last 10 years. Typically the private sector has taken significant risks in their service contracts with local governments. These contracts result from hard bargaining that insures protection of the public interest. In order to assure that project development can continue, it is essential that we do not further complicate these projects by vague statutory language that would have the net effect of undermining a community's efforts to develop projects.

The far preferable route, I believe, is simply to exempt WTE projects entirely. This is what we did last year during TEFRA in exempting solid waste disposal units from the ACRS restrictions put on industrial development bonds.

The rationale then is the same as now: Without these tax incentives these projects will not be economically viable. Municipal governments will continue to be faced with only one alternative to solid waste disposal—landfill.

Landfills are not the answer. As we who are sensitive to political issues know, landfills can be hot potatoes. They may be an acceptable solution as long as they are in someone else's backyard. But it is becoming increasingly difficult to find that backyard.

Existing landfills that are environmentally unsafe are generally not shut down until alternative forms of disposal are available. As a result, it is important not to jeopardize or confuse WTE development at a time that many communities face solid waste disposal crises.

My amendment before the Finance Committee will also address district heating and cooling. District heating is the major form of thermal energy delivery in core city areas. Delivery systems for electricity and natural gas are not penalized for sales to tax-exempt organizations. Likewise, we should not penalize the delivery of energy in the form of steam or hot water sold to governmental entities and tax-exempt organizations. Such purchases of energy are not the public use of the district heating pipes just as the purchase of electricity is not the public use of the distribution wires.

District heating is an energy delivery highway that serves as the distribution system for energy-efficient projects such as waste to energy, cogeneration, and recovery of industrial waste heat. Private developers of district heating systems are at risk even though sales may be made to tax-exempt entities. Uncertainty in the interpretation of several provisions of the Tax Code has presented problems for capital formation for district heating projects. This amendment clarifies and codifies that the sale of energy to a tax-exempt entity by a district heating or cooling system does not constitute use of that delivery system.

Only last year were district heating and cooling included in section 103 under my amendment to TEFRA. We should give district heating a chance to grow in the United States. Now is not the time to put district heating in jeopardy.

SENATOR BAUCUS SPEAKS TO AMERICAN HOSPITAL ASSOCIATION

Mr. LONG. Mr. President, recently, my colleague from Montana, Senator BAUCUS, addressed the American Hospital Association convention in Houston.

Senator BAUCUS is the ranking Democrat on the Finance Committee's Health Subcommittee and is widely respected for his leadership in solving the problems facing rural hospitals.

His speech discusses the major health issues before the Senate and I urge my colleagues to read it. His comments are always thought provoking.

I ask unanimous consent that Senator BAUCUS' speech appear following my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR MAX BAUCUS TO AMERICAN HOSPITAL ASSOCIATION

INTRODUCTION

Thank you very much for inviting me to be with you today. I'm particularly interested in the special problems facing small rural hospitals, and I'm pleased to be given the opportunity of discussing these issues with you today.

All too often, official Washington seems to govern in the conviction that "bigger is better", at least more important politically.

As a result, federal laws and rules frequently discriminate against smaller communities. Nowhere is this more evident than in federal regulations governing hospitals.

This was made painfully clear to me when I came to Washington as a newly-elected Congressman. You no doubt remember the national health planning guidelines established in the 70's by the Department of Health and Human Services.

These guidelines were tailored to the size, the functions, and the needs of metropolitan hospitals. They would have set unfair standards for hospitals in small towns. Many would have been forced to close.

These guidelines were not fair to rural areas. I'm sure Joe Califano, who ran the Department at that time, still remembers me delivering a pick-up truck full of angry letters from Montanans to his office. Enough of you banded together to see to it that the most inequitable sections of these guidelines were revoked.

But I learned an invaluable lesson from that experience. Like it or not, most policymakers in Washington have a hard time understanding that the solutions to health problems in Manhattan, New York, are not the same as they are in Manhattan, Montana.

Making sure federal health programs reflect that fact has been one of my top priorities. In the past couple of years, most of my time has been spent on Medicare's Section 223 Cost Limits, and—just this year—Prospective Reimbursement.

I would like to discuss these Medicare policies with you, but first I want to step back and look at the health system as a whole.

HEALTH COSTS

As you well know, today we are spending more than ever for health care, but getting less for our money.

Health expenditures—public and private—are continuing to increase even though the economy is showing very little

National health expenditures—the amount we Americans spend on health—rose last year to $287 billion. That's about 10 percent of the Gross National Product—up from 6 percent of the GNP in 1965.

Spending for hospital care is the largest component of these outlays. So, while the consumer price index tumbled from almost 13 percent to 5 percent last year, we find that progress against inflation stopped at the hospital door.

In 1982, hospital costs went up three times the national inflation rate. Federal outlays for Medicare rose 21.5 percent last year. And the cost of private health insurance rose 16 percent in 1982—the biggest increase ever.

Rising health costs are a national problem. Federal, state, and local governments—who pay 42 percent of the health care bill—are wracking up record budget deficits to meet the soaring costs of Medicare and Medicaid.

Increased health expenditures affect the private sector. Workers draw lower wages because employers must pay higher health insurance premiums.

And patients pay higher prices because companies have to pass on much of the higher health insurance premium costs.

In some cases, these costs have contributed to American industry's loss of its competitive position. U.S. Steel, for example, estimates that the cost of health benefits add an extra $20 to the price of each ton of steel. And American auto companies figure the cost of employee health benefits to be as much as $400 on each car produced. That's more than one-quarter of the reported $1,500 cost advantage that Japanese cars have over ours.

In addition, I read recently that the major supplier for the Chrysler Corporation was not steel—it was Blue Cross and Blue Shield!

CONGRESSIONAL ACTION

My colleagues in Congress—Republicans and Democrats—read these statistics, and they are demanding change.

They want to see results.

That's why the Tax Equity and Fiscal Responsibility Act (TEFRA) of 1982—which extended and placed a year-to-year cap on Medicare's Section 223 Cost Limits—moved so quickly through Congress.

That's why the House Ways and Means Committee and the Senate Finance Committee drafted a new hospital prospective reimbursement plan this past Spring.

There is no doubt in my mind that Congress is committed to putting a lid on what the federal government pays for health care.

The key difference between the situation today—with TEFRA controls and the new DRG payment system—and the situation a few years ago when the Carter Hospital Cost Containment bill was defeated in this: The DRG system applies to medicare only, where Carter's Cost Containment plan applied to all payers, and, thus, represented wholesale regulation.

Congress and the Administration want Medicare to be a prudent buyer for the health services it purchases from hospitals. For the time being, federal policymakers are willing to let Blue Cross, commercial insurance companies, businesses, and private-pay patients fend for themselves in their dealings with hospitals. To the extent that these parties are dissatisfied with hospital charges, you can anticipate pressure on Congress for increased hospital regulation.

TEFREA/PROSPECTIVE REIMBURSEMENT

The point I am making is that Congress is interested in limitng federal expenditures for health by whatever means it can find. Congress will be guided less by ideological commitment to regulation or competition strategies than by pragmatism. If an approach saves money, Congress will give it serious consideration.

It's time each of us stopped blaming the other guy for the health care cost problem. I think it is fair to say that government, consumers, physicians, insurers, and hospitals are each responsible to some degree for the cost problem we have today. For the most part, we've only been acting the way the system encouraged us to act.

There is plenty of room for change. I think the new DRG payment system is a first step in the right direction. But more needs to be done.

For example:

We need to make sure that the new DRG system does not lead to excessive cost-shifting. I know my colleagues are following this issue closely. If such cost-shifting does occur, you can expect greater pressure for all-payor rate regulation.

The question will be: should the regulation be imposed at the federal level or allowed to develop at the state level?

We need to ensure that the DRG system, which creates incentives for additional hospital admissions and sophisticated treatment, does not lead to over-utilization, unnecessary admissions, and "DRG creep."

I think physician peer review can play an invaluable role here and I urge you to reconsider your opposition to the federal Physician Peer Review program. The large employers and commercial insurers who are most concerned with holding down their health costs are committed to this utilization review mechanism. They spend private sector dollars for physician peer review because it saves money. It is good business. That's a fair yardstick by which to measure public programs.

We also need to make sure that the DRG payments made to hospitals are set at the right level. These rates should be allowed to increase from year to year to permit the development and use of innovative technology. The DRG categories should be periodically recalibrated.

I was successful in convincing my colleagues of the need for a Prospective Reimbursement Assessment Commission to take on this job, and I intend to see that it is funded. I know that the AHA supports this Commission. If DRG payments are politicized—and I fear they may be—hospitals will be underpaid for the services they provide.

In addition, we need to make sure that physicians' costs are also addressed. I don't think very many people realize that Medicare Part B expenses are increasing at a faster rate than Part A hospital expenses. More work needs to be done in this area before we take legislative action. But I don't mind telling you that many of my colleagues would like to see the DRG system expanded to include payments to physicians when they practice in hospitals.

Finally, we need to come to grips with some very basic questions concerning access to health care. We need to decide what the public role should be in paying for care for those who have no insurance.

I know that "free care" and "bad debt" have a very real impact on your hospitals and their ability to remain afloat financially.

The problem is aggravated in rural areas where fewer people have insurance and where hospitals are extremely dependent on Medicare reimbursement dollars. I wish I could tell you what the future holds in this area, but I cannot.

I can only say that there is very great competition for the federal dollar—from the need to provide for national security, to the need to retire the deficit, to the need to maintain the Federal role in other social programs.

SMALL RURAL HOSPITALS

Before I leave you today, I want to share with you my thoughts on how the new DRG reimbursement system will affect rural hospitals. You may know that I have been particularly interested in how "sole community provider" hospitals are reimbursed by Medicare.

For those of you not familiar with Montana, I should mention that 49 of Montana's 60 hospitals have fewer than 100 beds. In fact, 45 of these hospitals have fewer than 50 beds, and most are in isolated rural areas. The problems facing rural hospitals are a major interest of mine. I pay special attention to how Medicare policies affect these hospitals.

Two years ago, when the Section 223 Cost Limits were squeezed to a lower level, I found that those Montana hospitals that were eligible for "sole community provider" exemptions from these limits were denied them.

I personally intervened in these cases, secured a GAO investigation of the matter, and got most of HCFA's denials overturned. And I was able to exempt small rural hospitals with less than 50 beds from Section 223 Cost Limits.

The Reagan Administration came to Washington promising to remove excessive federal regulation and to be responsive to local needs. But I have found that small community hospitals—those with the smallest financial, legal, and technical resources to wage a fight against unfair federal regulations and policies—were those that were most subject to unfair treatment.

This past year, during hearings on HHS's plan for prospective payment, I reminded

HHS officials and my Finance Committee colleagues of my experience with how HCFA ran the Section 223 program. I found that it is better for Congress to draft detailed laws than to trust federal administrators. I refused to accept Secretary Schweiker's pledge that federal officials would take care of "sole community providers'" special needs on an administrative case-by-case basis.

I argued for statutory protections in the Finance Committee hearings and markup sessions, as well as in the House-Senate Conference on Prospective Payment.

I can tell you that I was surprised I did not get more support from my colleagues. The protections I wrote into the prospective payment legislation are the best I could get for small rural hospitals. I hope they are sufficient.

If a small rural hospital experiences a drop in utilization of more than 5%, Medicare is obliged to make additional payments to the hospital to compensate it for its additional costs. The HHS Secretary does not merely have *discretion* to act here—he is *obliged* to act!

My past experience with the discretion of HHS officials regarding "sole community provider" status was enough to prevent me from giving in to HHS on that point.

And what will the future hold?

As you know, small hospitals will soon begin the new DRG system—set to be phased-in this fall. Small rural hospitals will enter the first year of the DRG phase-in period and remain there indefinitely—receiving payment based 75 percent on the hospital's own cost experience and based 25 percent on DRGs.

The "safety net" of a 5 percent downturn in utilization will be in place. This will protect "sole community providers" from conditions beyond their control—like strikes, fires, inability to recruit physician staff, prolonged severe weather conditions, or similar unusual occurrences with substantial cost effects.

And these hospitals will have a one-time option of voluntarily giving up "sole community provider" status and electing to receive Medicare reimbursement under the regular DRG system.

Only time will tell us how well these small hospitals will fare.

I hope these hospitals prosper—the residents of small towns around the country deserve it.

OREGON HEALTH SCIENCES UNIVERSITY RESEARCH CENTER

Mr. HATFIELD. Mr. President, efforts concerned with the prevention of disease and the maintenance of well-being are the wisest possible investments of our Nation's financial resources. It is especially important that we pursue these efforts with the greatest efficiency, with the highest concern for quality, and with as broad and widely disseminated base of knowledge as possible.

Therefore, Mr. President, I am extremely pleased that the Congress agreed to provide $20.4 million in the fiscal year 1983 supplemental appropriations bill recently signed by the President, to establish the new Biomedical Information Communication Center at the Oregon Health Sciences University in Portland.

Of the total, $14.5 million will be funneled through the National Library of Medicine to the Oregon Medical School for remodeling and expanding the existing library space to house the computer and other technologies and to maintain an academic health resource network for the State of Oregon. It will include an addition of 50,000 square feet to allow for these additional activities. Another $5.9 million will come from the Department of Health and Human Services to enable continued planning of the project and for providing equipment locally for research and development, and for linking the system to hospitals, medical groups, other academic centers and libraries on a demonstration basis.

Through the center, biomedical literature available both at the health sciences university and in national data bases will be brought up to adequate quantitative volume and be converted to computer-readable form. In addition, a network will be developed with the Oregon Medical School as the hub to hospitals and the offices of health practitioners of all types. This network will disseminate information, provide opportunities for computer-teleconferencing for use in teaching, for consultation on clinical practice and development of creative approaches to continuing medical, dental and nursing education. It will also serve as a conduit to data bases in other scientific fields.

Information is the lifeblood of the health professions. The storage, retrieval, organization, selection, evaluation and presentation of biomedical information can determine the quality, cost-effectiveness, and the timeliness of the care that we provide to those who are sick and will expand our outreach prevention activities to the healthier population. The very real revolution now taking place in the management of information in our modern age offers unprecedented opportunity to merge evolving technologies and the library functions of academic health centers to produce new and infinitely more valuable capabilities.

Today, technology changes so rapidly that it is extremely difficult in the professional and academic setting to make maximum use of new developments in the health care field and the technology that communicates them.

In an excellent analysis of this subject conducted under the aegis of the Association of American Medical Colleges and the National Library of Medicine, the recommendation was made that several "prototype integrated library systems and academic information resources management networks" be established in this country. The Biomedical Information Communication Center in Oregon will be just such a prototype and a national model.

In the academic setting, this computerized health information system will bring an outmoded health sciences library into the modern age and, along the way, will convert a mass of disorganized material into an easily retrievable, cohesive form for the latest in research, information and state-of-the-art scientific developments.

It is clear that what we now call biomedical libraries must evolve expeditiously into such biomedical information communication centers serving students and practitioners in their local regions and providing them with easy entry into national information networks concerned with biomedical sciences. The challenge before us is to harness the benefits of new and emerging advances in microelectronics, in computerized thinking and in technologies yet to be conceived and to so with such skill that we assure high quality care and lifelong professional learning at the lowest possible cost.

This center will play a significant role not only in improving in health care delivery system in our State but will have far-reaching economic benefits in these areas as well.

Our Nation's health research effort has made and continues to make a major contribution not only to the well being of our citizens but also to the Nation's economy. I am convinced that the strengthening of our State's economic future is closely related to research and thus to successful commercial developments related to research discoveries. In specific ways, academic research and industry are closely linked in other than the obvious. For example, work on laboratory instrument systems contributed to the development of minicomputers. Laboratory freeze-drying techniques have led to modern day food preservation. Research in fiber optics has made possible major advances in telecommunications.

And in a significant but more general sense, research dollars have the greatest multiplier effect in our economy. For each $1 invested in research, an estimated $13 in savings are realized due to reduced incidence of illness and medical costs and increases in life expectancy. Examples: Eradication of polio—$2 billion annual savings; rubella vaccine—$500 million savings due to the prevention of congenital deformity occurring in children of pregnant mothers who develop German measles; and $4.3 million savings weekly in hospital costs from development and widespread use of the hepatitis B vaccine.

This newest project at the Oregon Health Sciences University along with the recently developed advanced Institute for Biomedical Research in Portland will play a significant role in attaining these results. The research and development to be conducted at

the medical school and the transfer of biomedical information are certain to stimulate the growth of a depleted local economy by encouraging new ventures in technology, microelectronics and artificial information systems. Equally important, by improving the flow of information to the practitioners, the accomplishments at the new center will help to improve quality and to reduce the cost of health care in Oregon, in the Pacific Northwest, and in the Nation.

Since all of our academic health centers are extremely important to the vitality of this Nation, and since they are all mutually interdependent, enhancing one benefits them all. In my discussions with the leadership of the medical school establishment in Portland, I have received repeated reaffirmations of their commitment to excellence and their obligation to serve the Nation as well as their region. This will be accomplished in full partnership with all appropriate health professions and establishments, hospitals, physicians and other practitioners, scientific laboratories, colleges and universities, library personnel, and the business community.

This 21st century library system may be first in line, but is only one expression of my support for the strengthening of Oregon's postsecondary educational system in its role of increasing our State's contribution to research oriented toward the enhancement of the human condition.

The true meaning of our national defense is found in the type of venture which will be made possible through this Federal investment in our Nation's health care system. I am proud to have joined forces with the forward thinkers in my State and my congressional colleagues in the successful development of this plan.

AVERELL HARRIMAN ON THE NUCLEAR TEST BAN TREATY

Mr. KENNEDY. Mr. President, one of the most distinguished statesmen of this generation or any generation in American history, Averell Harriman, recently returned from a trip to the Soviet Union. During that visit Governor Harriman and his wife Pamela became the first Americans to have a long discussion with Soviet President Yuriy Andropov. They have shared their views of that discussion with their fellow Americans on a number of occasions since their return.

One of the most eloquent expressions of Governor Harriman's concern appeared recently in the New York Times. In an article commemorating the 20th anniversary of the Nuclear Test Ban Treaty, which was skillfully negotiated by Averell Harriman after President Kennedy's speech at American University in 1963, the Governor reflected on the test ban and its lessons for the 1980's.

I am proud that Governor and Mrs. Harriman have long been friends of my family; all Americans should be proud of the contribution which they both continue to make to our country.

Mr. President, I ask unanimous consent that Ambassador Harriman's article, entitled "1963 Test Ban Treaty: It Can Be Done Again," be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, July 24, 1983]

1963 TEST BAN TREATY: IT CAN BE DONE AGAIN

(By W. Averell Harriman)

WASHINGTON.—Twenty years ago tomorrow, the United States, the Soviet Union and Britain initialed the first major arms control agreement among the nuclear powers—the limited test ban treaty.

Prohibiting the testing of nuclear weapons in the atmosphere, in the oceans or in outer space, this treaty greatly reduced the worldwide peril of radioactive fallout. It began sustained talks on nuclear weapons leading to treaties on strategic arms and against the spread of nuclear weapons. It eventually involved more than a hundred nations in limiting nuclear testing.

Twenty years later, this structure of progress is imperiled. The United States and the Soviet Union are adding new weapons that will make arms control even more difficult. Ten more nations could hold nuclear weapons within a decade. Three unratified nuclear arms treaties are in danger of unraveling. I am disturbed that the security and stability provided by the 1972 Anti-Ballistic Missile Treaty is being undermined by the illusion that we can obtain advantage in these weapons. I am even more disturbed to hear consideration of discarding the limited test ban to test nuclear weapons for use in outer space in the naive belief that war in space will not reach back to earth.

If we accept this situation complacently, then we shall drift toward nuclear war. In an age of 50,000 nuclear weapons, we must actively and urgently seek a safer world.

Under President Kennedy's direction, I was privileged to negotiate the limited test ban for the United States. As I arrived in Moscow, reporters asked me: "How long is this going to take?" I responded "If Chairman Khrushchev wants an agreement as much as the President wants it, we should be out of here in two weeks." On the 13th day, we initialed the treaty; on the 14th, we left for home.

I believe this attitude helped establish the pace of these negotiations, but success was not due to the spur of these arrival remarks. We succeeded then because leaders and citizens deeply wanted success.

There are other lessons that remain relevant today. The first is that reducing the risk of nuclear war does not require perfection on the part of our adversary or the resolution of our many differences. The limited test ban was born after the most dangerous moment in American-Soviet relations—the Cuban missile crisis. Furthermore, both nations were pursuing a new arms race in missiles that suddenly reduced the time for extinction from hours to minutes. From Africa to Berlin to Southeast Asia, tensions were high. Yet despite many problems that could have been used to avoid negotiations, both countries courageously took a step toward peace.

If we could succeed then under those conditions, there is no reason why we cannot succeed today. The fact that the prevention of nuclear war is in the Soviet Union's interest does not diminish the fact that it is also in the United States' interest. Indeed, prevention of nuclear war is fundamental to our survival.

Another lesson from 1963 is to begin with those matters on which we have the best chance of agreement. In arms control, we should focus on areas of common interest rather than attempting, for example, the herculean task of restructuring the entire Soviet nuclear force. In 1963, we addressed only nuclear testing. Within that area, we chose a limited test ban because we believed that it was achievable. This is not to argue today against taking bold steps, for the fact that we did not achieve a complete test ban in 1963 or ban multiple warheads a decade later has haunted us ever since. This is to say, however, that small steps, if the only steps feasible, are better than none at all. And if they are made to serve as steps—not excuses for further inaction—the major change can still result.

A final lesson is the necessity for serious negotiations. In 1963, we designed a proposal that proved to take only two weeks—not two decades—to negotiate. The essence of successful negotiation is to construct an agreement that serves the interests of the participants. The effort to write a contract that seeks surrender is doomed to fail.

I believe that President Yuri V. Andropov takes the growing risk of nuclear war seriously, as do we. During my meeting with him in early June, I was not surprised by his comments critical of American policy, to which I responded firmly. But he also expressed to me a clear—and in my judgment genuine—sense of concern and imminent danger. "Today," he said, "the Soviet people and the American people have a common foe—the threat of a war incomparable with the horrors we went through previously. This war may perhaps not occure through evil intent, but could happen through miscalculation. Then nothing could save mankind."

This sense of urgency, repeated several times, does not imply that he will pursue Soviet objectives with any less vigor—only that he is deeply concerned that events are propelling both superpowers toward disaster and that he believes both countries must respond to this danger.

He also stressed the desire for "normal" relations with the United States and the importance of reciprocity. The conclusion I reached was that he does not expect the United States alone to alter its position in the interest of a more stable, safer world. In response to my questions, he spoke of "joint initiatives," proposals that might ease the current situation. He emphasized that the Soviet Union was prepared to work with the United States in the common interest of both.

The opportunity for constructive action exists today. The transcendent responsibility owed to our people is to explore every possibility for agreement on nuclear arms control.

The limited test ban treaty demonstrates that it can be done even in difficult times. Let our descendants look back upon it and see a beginning—not a light that briefly burned and slowly flickered out.

TED VAN DYK AND THE CENTER FOR NATIONAL POLICY

Mr. KENNEDY. Mr. President, the New York Times of July 22 contained an article of great interest to all of us concerned with the critical issues challenging the Nation. The article described the creation of the Center for National Policy and the work of its highly effective president, Ted Van Dyk. The center is a young organization—founded in 1981—but it has already made a significant contribution to the public interest and to the national debate on questions of the highest importance to us all.

The center's unique combination of insight and practicality is a welcome addition to the dialog on the issues facing Congress and the country. Its publications in areas such as economic policy and arms control have established a high standard of analysis and are frequently cited in our debates. Mr. Van Dyk and his associates deserve great credit for the successful enterprise they have launched in such a short span of time and for their skillful leadership in the search for new ideas. I commend them for their accomplishment, I ask unanimous consent that the article to which I have referred be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, July 22, 1983]

SPELLING OUT THE "DIFFICULT CHOICES" FOR DEMOCRATS

(By Bernard Weinraub)

WASHINGTON, July 21.—Ted Van Dyk was seated in his office at the Center for National Policy near Dupont Circle the other morning when there was a phone call from a Democratic Presidential aspirant.

"When will you be finished with the paper on industrial policy?" asked the candidate.

"Later in the fall," replied Mr. Van Dyk.

"Hurry up," came the response." I've got to find out what I'm supposed to think."

Mr. Van Dyk, a cheerful, bespectacled 48-year-old Democrat, declines to identify the candidate but delights in the story. "That's the service we're trying to provide," he said. Mr. Van Dyk served as an assistant to Hubert H. Humphrey in the 1960's and has been president of the policy center since it's founding in 1981 as a virtual Democratic Party in exile.

"The Democrats got together after the Reagan election and said what are we going to do after this enormous political event," said Mr. Van Dyk. "There was a consensus that the intellectual gas tank had run empty. We had always taken power for granted. We had always assumed that if the Democrats didn't have the Presidency, at least we would control both houses of Congress. Came the 1980 election, the realization set in that we'd have to develop some real alternatives."

NO ONE CANDIDATE FAVORED

Within Washington, the Center for National Policy has emerged not only as a refuge for Democrats seeking to develop credible alternatives to the Reagan Administration, but also as a contact point for a Democratic establishment that has rarely gathered under a single umbrella. The tax-exempt organization strenously avoids tilting toward any particular candidate.

"We relate to all and align with none," said Mr. Van Dyk.

The center's chairman is former Secretary of State Cyrus R. Vance. Its board embraces supporters of virtually all the prospective Democratic Presidential candidates, and includes Edmund S. Muskie, W. Michael Blumenthal, Eleanor Holmes Norton, Stuart Eizenstat, Robert S. Strauss, Vernon E. Jordan, Felix Rohatyn, Howard Samuels and W. Willard Wirtz. And lesser-known but powerful figures who served in the Pentagon, the Commerce Department and the Treasury Department in the Carter Administration have volunteered to work for the center.

Working means producing policy papers on military policy, on taxes and budget choices, on education, on foreign policy, on inflation and employment.

Critics within the Democratic Party say that the center has not quite lived up to its expectations because, in attempting to blur ideological differences within the party, the group has produced detailed but fairly predictable documents seeking to please all spectrums. "We have generally not appealed to the ideological, peace movement types," Mr. Van Dyk conceded.

Unlike such conservative groups as the American Enterprise Institute, which receives considerable financial support from corporations, the center has been existing on a "shoestring," according to Mr. Van Dyk. "It took the A.E.I. about 15 to 20 years to get from a broom closet to a $10 million a year budget," he said. "We started at $500,000."

Its budget this year, $1 million, was mostly provided by foundations, labor unions and individual donors. During an interview with Mr. Van Dyk, his card file was open to Warren Beatty's name with several phone numbers in New York and Los Angeles. "He's on our board, and conducted several fund-raisers," said Mr. Van Dyk.

The alternatives offered by the Democratic economists, lawyers and strategists in a series of papers issued to candidates as well as to members of the Senate and House involve "difficult choices, painful adjustments, political trade-offs," said Mr. Van Dyk.

Indeed, the agenda he enunciated strikes at the very core of many programs fostered by Democrats over the decades.

"What is really imperative, and everybody will admit it behind closed doors," Mr. Van Dyk said, "is an all-out attack on middle-class entitlement programs, veterans' benefits, Federal pensions, medical programs, Social Security. The kinds of things that have been sacrosanct politically.

"There seems to be an equal consensus that the rate of spending increase in defense has to be moderated and turned back," he said. "And there have to be changes in the tax system with the net impact of increasing Federal revenues."

"The term of reference is very important," said Mr. Van Dyk. "Democrats have always talked about how do you divide the pie. L.B.J. talked about an endless cornucopia which would keep generating growth. Now Democrats begin by asking how do we make the pie grow."

"There are tensions," said Mr. Van Dyk. "There are generational tensions. You have a lot of people, over 55, who have grown up in another ideological context and have a difficult time of adjustment. You have a lot of younger people who are superpragmatic, who don't really have a particular ideology, who have grown up in an era in which interest groups and media and money were really the terms of reference for getting elected. You have this enormous gap."

ROLE OF INTEREST GROUPS NOTED

Beyond this, Mr. Van Dyk said, the Democrats, far more than Republicans, must find ways of dealing now with traditional interest groups whose views may not always coincide with the overall aims of the party.

"Labor, senior citizens, the black community, supporters of Israel, people concerned with the environment, women's groups. You name it," he said. "The question is how do you address the often legitimate concerns of these groups and still provide the national policies that fit the larger interests."

S. 800, THE OCEAN AND COASTAL DEVELOPMENT IMPACT ASSISTANCE ACT

Mr. CHAFEE. Mr. President, recently I joined with Senator STEVENS in sponsoring S. 800, the Ocean and Coastal Development Impact Assistance Act.

As we continue to pursue the development of offshore oil and gas resources to insure plentiful energy supplies for the future, it is extremely important that we take steps to protect coastal and marine areas and support State efforts to mitigate the consequences of offshore energy activities. An accelerated program to explore and develop the potential oil and gas resources of the Outer Continental Shelf is now underway. At the same time, budget constraints have jeopardized Federal support for many worthwhile coastal protection programs.

This legislation is a timely and comprehensive effort to strengthen the partnership between States and the Federal Government in preserving precious natural resources. It recognizes that coastal States must take steps to deal with the consequences of OCS energy development now being encouraged by the Federal Government. It establishes an ocean and coastal resource management and development fund, supported by a small percentage of revenues derived from OCS oil and gas leasing, and allocates these funds to coastal States. One-third of a State's allocation is to be managed by local communities. This support will enable States and localities to carry out important coastal development research, education, and planning activities. State and local governments are best suited to assess the environmental and economic effects which continued OCS development will exert upon coastal regions, and to plan for the effective future management of these regions.

The legislation's formula for the allocation of funding correctly takes into account factors such as a State's proximity to leased area, the presence of coastal energy facilities, length of

coastline and amount of oil and gas produced off State shores. In addition, the formula rewards States which have federally approved coastal zone management programs in place.

State and local governments have expressed strong support for this legislation and have recently been joined by several distinguished environmental organizations such as Friends of the Earth and the Natural Resources Defense Council.

Few investments could be more crucial for our Nation than preserving coastal habitats and protecting marine resources. This investment is particularly important to the State of Rhode Island, where our coastline is a vital economic and recreational asset. The prospect of intensified OCS development activities poses a tremendous challenge for communities in Rhode Island and other States to prepare for changing land use patterns and the effects of commercial growth in coastal sections. The coastal energy impact, fisheries research and coastal zone management programs which have assisted States in these endeavors have in recent years been threatened by Federal budget constraints. S. 800 would provide a more secure source of funding for these programs and would also guarantee the continuation of activities under the national sea grant college program which, through the University of Rhode Island and other institutions, has provided outstanding research, education and advisory services in marine resources.

S. 800 is a unique opportunity to insure a future balance between offshore oil and gas development and the sound management and conservation of our Nation's coastal resources. I urge my colleagues to support its enactment.

SOVIET SALT VIOLATIONS

Mr. SYMMS. Mr. President, I ask unanimous consent that the following lead article in the summer issue of Strategic Review, "Soviet Violations of Arms Control Agreements: So What?" be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Strategic Review, summer 1983]

SOVIET VIOLATIONS OF ARMS CONTROL AGREEMENTS: SO WHAT?

(By Malcolm Wallop)

(The author: Senator Wallop (R.-Wyoming) was first elected to the U.S. Senate in 1976. His committee assignments include the Select Committee on Intelligence, and he is Chairman of its Budget Authorization Subcommittee. Senator Wallop was a Congressional Adviser to the SALT negotiations. A graduate of Yale University, he served as a first lieutenant in the U.S. Army Artillery, 1955–1957.)

IN BRIEF

The debate over Soviet violations of arms control agreements and treaties (particularly SALT) is featuring a great deal of quibbling over technical and legalistic trivia, thus both missing and distracting from the fundamental issue for debate: namely, the state of the U.S. military posture after two decades of arms control efforts. Beyond reflecting on Moscow's cynical approach, the violations and our reactions to them are symptomatic of a basic phenomenon in Western democracies well documented by history: a mind-cast that, once entracked on the rails of hopes and fears, comes to regard the arms control "process" as more important than both the actual results achieved and the other side's compliance with them—and more important even than the adversary's displayed intentions, which the continuing process is supposed to shift in the direction of peaceful and faithful behavior. The issue of violations is baring the kind of self-contradictory policies that public opinion in a democracy cannot long support.

A debate is unfolding in the United States over the facts and implications of violations by the Soviet Union of existing arms control agreements. Thus far the debate has swirled around specific cases of such violations: the arguments have been draped in technicalities and legalisms. It is the contention here that, in focusing on such narrow parameters, the debate not only fails to shed any real light on the difficult military and political choices that the United States now faces, but, indeed, holds the danger of further distorting and trivializing the fundamental questions relevant to our country's security.

Almost a generation ago many prominent Americans in and out of government, investing hopes and reputations in arms control, shaped this country's military and intelligence plans accordingly, and convinced public opinion that all of this would make the world safer. Today public opinion in the West rightly fears war more than ever. It anxiously looks for expedients to lift the incubus, and for people to blame. Whereas in the mid-1960s Soviet strategic forces were vulnerable to superior American ones, today numerically inferior American forces are in the deepening shadow of a relentlessly growing Soviet arsenal. And beneath this shadow, the Soviet global offensive has gained a momentum that would have been considered unimaginable two decades ago.

In short, any objective analyst in the West now must realize that a generation's labors on behalf of arms control have not borne the anticipated fruit. Nonetheless, all we have done in the name of arms control—the very depth of our involvement with it—renders us unable to confront our strategic problems directly. Although no one in public life today will argue that any specific arms control scheme would be accepted and adhered to by the Soviets—and would make us all safer—we still discuss our hopes and fears in terms of arms control, anticipating that today's realities will not again be reflected in the results of tomorrow's agreements.

Lately that discussion has come to turn upon one question: Do certain Soviet activities violate arms control agreements or do they not? Yet, that question obscures another, much more important one: What do the Soviet activities in question tell us about the possibilities and limitations of arms control? Our task here is to answer this question. Once that is done, only then can we consider Soviet strategic plans—and our own—in terms of their intrinsic merits.

THE DEBATE OVER "NEW" MISSILES

Two fellow members of the Senate, James McClure of Idaho and Joseph Biden of Delaware, have drawn together respectively the case for the proposition that the Soviets are violating SALT agreements, and the case against it. Senator McClure contends that the Soviets are violating the most important provision of the SALT II Treaty—Article IV, Paragraph 9—by flight-testing two new-type ICBMs. Senator Biden argues that Senator McClure is "simply and flatly inaccurate."

The SALT II Treaty indeed allows only one new-type ICBM to be developed by either side. The two Soviet missiles that have been tested are sufficiently different from all other missiles to be new types. Yet, the Treaty also stipulates that the differences that determine a new-type missile—discrepancies of more than 5 percent in length, diameter, launch-weight and throw-weight between the missile tested and all other missiles—may not be counted as violations until after the twelfth test.

Inasmuch as the Soviets have only conducted thus far three tests, Biden has a technical point. But McClure has a substantive one. The second new Soviet missile, known as the PL-5, differs in throw-weight by more than 200 percent and in length by more than 2 meters from any other Soviet missile remotely like it. No matter how many times it is tested, these characteristics will not change. Moreover, modern test programs may not require more than twelve launches before a weapon becomes operational. Neither set of arguments, however, touches the crucial point: while the United States has produced one new missile (the Trident I) and is planning two (MX and Trident II), the Soviets have produced four fourth-generation missiles and have begun a fifth generation likely to include six new missiles.

SOVIET MISSILE NUMBERS AND "RELOADS"

Senator McClure charges that the Soviets have exceeded the SALT II ceiling of 1,320 MIRVed missile launchers and bombers equipped with long-range cruise missiles. Senator Biden cites the CIA's count of 788 Soviet MIRVed ICBMs and claims that the total of MIRVed ICBMs, SLBMs and bombers capable of carrying cruise missiles does not go above 1,320. The legal issue turns on whether one counts the "Fencer," the Soviet equivalent of the American FB-111 bomber. Once again, however, the legal issue is of scarce practical relevance. Even if one chose to agree with Senator Biden, one would not thereby skirt the issue of the threat which the Soviet Union's nearly 6,000 counterforce warheads carried by the Soviet MIRVed systems pose to the United States, or change the fact that our most potent MIRV, the Mark 12-A, is considered to have only about one chance in three against Soviet silos.

Senator McClure contends that the Soviets have violated SALT II by testing the "rapid reload of ICBM launchers" and by stockpiling at least 1,000–2,000 missiles which could be refired from standard silos. These missiles could also be fired by "soft" launchers from covert sites. Senator Biden considers this point to be "succinctly rebutted" by the U.S. Defense Department's volume, "Soviet Military Power", which states (on page 21): "The Soviets probably cannot refurbish and reload silo launchers in a period less than a few days." Biden concludes: "Although the Soviet Union might have a limited capability to reconstitute its

strategic forces after an initial firing, there is no real indication of a rapid reload capability." McClure concedes that a legal grey area exists because "the Soviets never agreed on a definition of 'rapid'." All parties refer to the same data; during the summer of 1980 the United States observed that the Soviet Union routinely practiced reloading its principal missile silos many times during war games. This procedure takes a few days.

However, all the parties concentrate on the Treaty so fixedly that they miss the point. Whether the Soviet practice of reloading missiles is legally "rapid" or not is quite irrelevant to American security. Ever since the beginning of the arms-control process in the mid-1960s the United States has based its entire strategic policy on the notion that each side would only have about as many missiles as it has launchers. The Soviets never formally agreed to this; nevertheless, informally, in a thousand ways, they led us to believe that they did. Now we know that, probably from the beginning, the Soviets held a wholly different view of the matter. Thus, not only is it a virtual certainty that they have available for use many more missiles than overtly deployed launchers, but the implication is much larger: namely, that the Soviets do not share the Western view that nuclear war, if it ever comes, will be a mutually annihilating spasm. While American planning stops in effect at the edge of the contingency of a nuclear exchange, the Soviets are planning and practicing what to do after the first round. If this is not strategically significant, nothing is. Yet, as we can see, the arms control perspective is capable of trivializing even this fundamental factor in the nuclear equation.

OTHER SOVIET VIOLATIONS

Senator McClure says that the Soviets since 1976 have conducted at least 15 underground nuclear tests whose yield war probably above the ceiling of 150 kilotons specified by the Threshold Test Ban Treaty. Senator Biden cites an article by two geophysicists in Scientific American, in which they claim that charges like McClure's "are based on a miscalibration of one of the curves that relates measured seismic magnitude to explosive yield."

Some background is needed to understand this aspect of the debate. In 1977 some of the U.S. geophysicists involved in evaluating the yields of Soviet tests from seismic data became apparently distressed at the fact that they were consistently providing judgments on the basis of which the Soviet Union and, more important, arms control itself were being impeached. Therefore, they successfully lobbied for a change in the yardstick. Even then, the new and more liberal geophysical yardstick still shows a few Soviet tests to have been above 150 kilotons. Although there is really not much reason to prefer one yardstick over the other, the fact that one was abandoned because it gave uupleasant answers should give no one, least of all scientists, cause to rejoice.

TECHNICALITIES VERSUS STRATEGIC SUBSTANCE

I could go on with such comparisons, but my basic point already should have become clear: by thinking and arguing about Soviet activities in terms of the relationship of these activities to treaties—instead of relating them to security substance—both Senators are quibbling with trivialities while the strategic position of the United States crumbles apace. Moreover, those who argue in these terms inevitably cast themselves in the role of either the Soviet Union's prosecutors or defenders. Senator Biden has strongly expressed the wish, no doubt sincere, that he not be taken as the Soviet Union's defender. But how else can one characterize the invitation not to be alarmed by activities which are clearly threatening but which might possibly be shielded by some technicality as a contravention of agreements?

In one instance Senator Biden, like the geophysicists, has to resort to redefining the terms of the Treaty. He notes that the Soviets have encrypted just about all the telemetry in their tests of the fifth generation of missiles. Article 15 of SALT II prohibits encryption that impedes verification of the Treaty. Senator Biden notes that Soviet practices in this respect "raise questions" about whether the Soviets have violated the Treaty. Questions? These activities are not questions; they are answers!

Senator Biden says that "Soviet activities in regard to . . . the ban on the [mobile] SS-16 . . . can only make one wonder about the depth of Soviet interest in maintaining the SALT framework." In thus "wondering," he was no doubt inspired by the CIA's version of said Soviet activities. According to this version (reported by the Washington Post on April 9, 1982), the Soviets have some mobile SS-16 missiles (prohibited by the SALT II Treaty) at Plesetsk. They are ready to be fired. But because they are not being handled in a way that fits the CIA's definition of deployment, they are not "deployed." The point, again, is: Why cast for artificial defintions and technicalities that might becloud the issue of whether a given Soviet activity is or is not in contravention of SALT? Why not think—first, last and foremost—in terms of the strategic implications of the threatening activity itself?

Finally, Senator Biden, searching for a definition of what a violation of SALT II might be, has posited that if the Soviets were to have more than 830 MIRVed ICBMs, that would be a violation. A little later he noted in passing that by not having dismantled 95 strategic nuclear delivery systems as new ones have joined their forces, the Soviets now have more than the 2,400 permitted by SALT. Yet, he does not come out and say that the Soviets are in violation. Why not?

On a more fundamental level, Senator Biden has conceded that the Soviets have violated the Biological Warfare Convention of 1972. At the same time, he describes himself as "a strong supporter of the unratified SALT II agreement and of worthwhile future arms control agreements." Clearly these are contradictions that cannot be bridged with technicalities regarding Soviet compliance.

Senator McClure's position is more direct, but contains an anomaly. He so strongly hammers on the fact that the Soviets are cheating on the treaties that he leads his audience to infer that our strategic difficulties would vanish if only the Soviets could somehow be held to the letter of the treaties. Yet, not even the most enthusiastic advocates of arms control have claimed—at least not since the mid-1970s—that the treaties are so well conceived or drawn up that abidance by them will solve the future of mankind.

In short, even while the strategic position of the United States continues to erode, men of goodwill find themselves saying things about arms control which cannot halt that erosion, and that cast them in roles that they sincerely reject for themselves: apologists for the Soviet Union and/or apologists for the SALT process.

HOPE AND HISTORICAL LOGIC

We should not be surprised at the fact that assumptions based strictly or even predominantly on arms control often lead to sterile arguments. After all, the entire premise of arms control—that safety can be gained by mutual limitations on weapons—abstracts from the most fundamental fact that weapons are tools in the hands of men, not vice-versa. The propensities of men to kill or respect one another have never been basically affected by the existence of particular kinds of weapons. Genocide was routine in the ancient world. In our day, the greatest slaughters have been perpetrated by simple tools: barbed wire, starvation and hand-held weapons. Whether or not a weapon is dangerous depends on the direction in which it is pointed and on the intention of the person wielding it. Where nations are friends, there is no talk of the need to negotiate arms control. Where they are enemies, even total disarmament could only make the world safe for hand-to-hand combat.

In practical and historical terms, it is difficult to prove the proposition that arms control by itself leads either to peace or security. History affords no example whatever of nations possessed of serious reasons to fight one another who disabused themselves of those reasons by agreeing to limit the means by which they could fight. Nevertheless, the desire for peace is so natural and strong that it has always made attractive the claim that perhaps, just perhaps, all men are sane and all sane men want peace—which is in everyone's interest—and that the danger of war issues from the weapons themselves. If all sides can slowly rid themselves of the burdens of their worst weapons, they will simultaneously learn to value peace and to trust one another. But this appealing promise discounts the ever-present possibility that one side in the arms control process may be determined not only to pursue its goals as vigorously as ever, but also to use agreements as a means of achieving the other side's moral and material disarmament.

The stark record of our century is that arms control has been embraced by democracies as a means of exorcising the specter of war with dictatorial enemies—and that it has been exploited by dictatorships as a means of increasing their capacity for waging war against democracies. At various points along this historical road some within the democracies have asked whether there was any proof that the dictatorships really meant to keep their agreements in good faith. Others have answered that although there could be no real proof, democracies must take the lead and show good faith, because no one could afford the alternative.

In the normal flow of international negotiations, a determination of the other side's intentions is a prerequisite to the process that culminates in agreements. In the case of arms control, any issue of the other side's intentions tends to be considered *a priori* as disruptive to the perceived imperative of reaching an agreement. Instead, we as democracies invest in the agreements themselves the hope of favorable omens of the opponent's intentions. Questions regarding a dictatorship's compliance with arms control agreements go to the heart of the question: What are the dictatorship's intentions? But since the arms control process itself is based on at least a suspension of questions about intentions, the issue of compliance

must thus be suspended as well, lest the process be disrupted.

PATTERNS OF DEMOCRATIC BEHAVIOR

Some of the generic difficulties in the path of rational discussion of compliance with arms control agreements were outlined by Fred Iklé in his classic article, "After Detection—What?" in the January 1961 issue of Foreign Affairs. They are well worth reformulating after nearly a generation's experience.

First, unless the violator acknowledges that his activities constitute a violation, politicians in a democracy are likely to feel that the evidence in their possession might be insufficient to convince public opinion that a violation has occurred—or at least that trying to persuade the public would be a thankless task. Moreover, many politicians, having staked their reputations on the agreements, will fear being damaged in the public's esteem if the agreements were perceived as failures.

Second, a political leader who declares that arms control agreements which are a fundamental part of national policy have been violated, thereby faces the obligation to propose a new, redressive policy—one that will make up for the other side's violations and assure his nation's safety in an environment more perilous than had previously been imagined. Inevitably such a policy looms as more expensive and frightening than continuing on the arms control track. Few politicians are willing to take this step of personal and political valor—especially if they can rationalize away the observed violation as "insignificant." Iklé in his article cites Stanley Baldwin's admission that fear of losing an election had prevented him from admitting that Germany was violating the Treaty of Versailles. This remains a rare example of honesty, albeit after the fact of dishonesty.

Third, politicans can always hope—more or less in good conscience—that continuing negotiations will eventually reach the goal of a stable and mutually accepted peace and that therefore "this is not a good time" to accuse the other side of bad faith and risk driving it from the bargaining table. But when is it a "good time"? Moreover, as time passes and the dictatorship's arsenal rises in relative terms (abetted by the violations), the premium on finding a modus vivendi with it rises apace. The net result is that the brave declarations that accompany the signing of arms control treaties, according to which this or that action by the dictatorship (usually some form of interference with verification) would cause withdrawal from the treaty, become dead letters.

Finally, these inhibitions are compounded when they are involved in alliance diplomacy among democratic nations. Each alliance partner is likely to find in the other a confirming reason for not pressing the issue of violations.

THE CONTEMPORARY MIND-SET

These historically documented attitudes—which ushered in the tragedy of World War II—have been strengthened in contemporary times by the seductive premises of the nuclear age. The primary such premise is that the only alternative to arms control is an arms race that is certain to lead to the nuclear holocaust and the end of the world; therefore, there is no alternative to continuing arms control negotiations and making the best of them. In this view the "process" of negotiations is more important than the tangible results achieved—and, by extension, more important than the other side's adherence to solemnly agreed-upon results.

The second premise relates to the fashionable notion of "overkill": since each side already possesses enough weapons theoretically to obliterate the adversary, any advantages wrested by the other side are "marginal" at best. It deserves mention that this "marginality" tends to be applied only to Soviet strategic programs: by contrast, American counter-programs, like the MX missile, are deemed "provacative."

This latter premise illuminates the cavalier attitude of so many U.S. officials toward Soviet forces superior in numbers and quality to the American ones. The State Department, for example, has long opposed even proposing to the Soviets an equality in throw-weight of missile forces, on the assumption that the Soviet advantage is so overwhelming (the SS-18 force alone carries more megatonnage than the entire U.S. strategic force) that the Soviets would never agree to surrender it. In the interagency controversy over U.S. policy, the State Department's line, only partly tongue-in-cheek, has been in effect that "real men do not need throw-weight." This of course begs the question: What do we need? The only answer consistent with the State Department's position would be: If we have a small force able to deliver a few warheads to major Soviet cities, it would not matter how big, powerful or accurate Soviet forces were, because the deterrent effect would be the same.

This variant of Mutual Assured Destruction (MAD), which goes by the name "minimum deterrence," has been gaining inchoate acceptance in the Congress as weapon after American weapon has been delayed or canceled—in part because of hopes for arms control. As the SALT debate of 1979-1980 proved, neither the Congress nor American public opinion will accept MAD in any form when it is presented explicitly. Nonetheless, "minimum deterrence" survives as the theology of many.

An instructive example of this came in the testimony of a CIA official who in 1980 briefed the Senate about the newly discovered Soviet practice of reloading ICBM launchers. This practice had invalidated a basic premise underlying U.S. strategic planning and procurement for almost twenty years. Nevertheless, the official was nonchalant. What would be the implications of a possible doubling or tripling of the Soviet SS-18 force? There was no need for concern, he answered: the extra Soviet missiles could not be fired because, after an initial exchange, nothing could be fired. Only a little pressing elicited that neither he nor his Agency had really determined what would be required to prevent the Soviets from reloading their SS-18 launchers. Indeed, the facts show that we would be in no position to prevent it.

As far as the alleged irrelevance of all military assets after an initial nuclear exchange is concerned, it is noteworthy that the entire thrust of Soviet military strategy is to reduce the size, efficacy and significance of any American strike—to protect Soviet society and to win the war. The Soviets do not merely wish this: they also work at it. Hence, while the sizes and shapes of opposing nuclear arsenals seem to be of secondary importance to many American officials, for the Soviets they are clearly matters of life and death.

THE ARTIFICIAL WORLD OF SALT I

American advocates of arms control sought to create a situation unprecedented in history: two rivals for primacy in the world would agree for all time to stop trying to gain the edge over one another in the most important category of weapons, thus ending military history at the highest achieved level. Moreover, each would cede to the other in perpetuity the right to deliver nuclear weapons onto its soil and would refrain from efforts to protect itself. Thus, spurred by the fear of annihilation, both sides would enter into a kind of perpetual Hobbesian social contract. The Soviets did not seem enticed by this contract, but it was one of the prevalent assumptions in the 1960s that in time they would be "educated" by our negotiators to the realization that their own interests lay there as well.

Yet, from the very first the Soviets' refusal to see their own interests through the eyes of American arms control theorists led the U.S. Government to construct an elaborate, highly ambiguous intellectual framework—one which has given American arms control enthusiasts warrant to pursue their utopia with respect to U.S. forces, but within which the Soviets have continued to pursue the orthodox military goals of self-protection and victory in the event of a conflict.

From the outset Americans recognized that verifying and equality in missilery and restraint in research and development would require the presence of inspectors in production facilities and laboratories. But also from the outset the Soviets' clear refusal of such onsite inspection placed American arms controllers before a fateful choice: If arms control agreements constrained production and research, or the number of warheads or their accuracy, they would stand a chance of bringing about the desired arms stability in the world. But the agreements could not possibly be verified beyond the limited scope of technical means of detection, and thus could not be presented to American public opinion as prudent arrangements.

The answer to the dilemma was to construct agreements that could define the weapons and practices to be limited in terms that were more or less verifiable by technical means. The agreements could thus be sold to the U.S. public and the Congress, but—as it turned out—they were inherently weak agreements that failed to cover the significant parts of the strategic equation and whose real restraining power was questionable at best.

Thus, from the very first American arms controllers chose to negotiate treaties which were verifiable at least in part, and therefore ratifiable, but which were intellectual constructs well removed from reality. The SALT I Interim Agreement set limits on numbers of missile launchers because American satellites could take pictures of Soviet missile fields and submarines. Silos and tubes could be counted. The controversies of the 1970s over the Soviets' failure to dismantle older launchers as new ones were built and over their operational use of silos that were nominally for tests and command and control—straightforward issues of compliance—were basically unrelated to that decade's strategic revolution: the replacement by the Soviets of the SS-9 with the SS-18 in the "heavy launchers" and the replacement of the majority of single-warhead SS-11s with MIRVed SS-17s and SS-19s. The latter replacement was not a direct violation: rather, it stretched the definition of a "light" missile under the Agreement. In any event, these replacements precisely brought about the situation (a mounting Soviet threat to American strategic forces) which American negotiators had sought to

prevent by entering the talks in the first place.

There was little question within the American establishment about what was transpiring. Nevertheless, official anger was muted. After all, advances in technology sooner or later would have been able to turn even light missiles into multiple-killers like the SS-17, SS-18 and SS-19, but American arms controllers had simply assumed that the Soviets would not thus escalate the weapons competition. American officialdom has not yet mustered the humility to admit that it has been deceived—not because it was deceived primarily by the Soviets, but because it was deceived by its own fancies. Indeed, there is evidence that, on the eve of the signing of SALT I, Henry Kissinger learned about the development of the SS-19 but apparently did not deem the reported development significant enough to derail the process.

THE SALT II TRAIL

The negotiations for SALT II dragged on for six years largely because of American concerns over definitions. Having been "burned" in SALT I, American negotiators were now going to be more rigorous. As regards launchers, however, they could not be rigorous without declaring the treay unverifiable. In fact, if one defines a launcher merely as that which is necessary to launch a missile—and one acknowledges that ICBMs can be launched by very little equipment (Minuteman have been erected and launched by equipment carried on the back of a jeep)—one must admit that limits on launchers cannot be verified. Of course, because some kinds of launchers can be monitored, the tendency is to think of the "launcher problem" solely in terms of that small part of it that is controllable.

American negotiators in SALT II did insist on a complex definition of new missiles in order to prevent the wholesale substitution by the Soviets of a fifth generation of missiles for the fourth generation, even as the fourth had substituted for the third generation under SALT I. The four cornerstones of that definition are the requirements that a modified missile not exceed the original by more than 5 percent in launch-weight and throw-weight, that the number of warheads on any modified missiles not exceed the number on the original, that on any single-warhead missile the ratio of the weight of any warhead to the weight of the total reentry package not be inferior to 1 to 2, and that each side be allowed only one new missile.

Opponents of SALT II, including myself, pointed out that under this definition the Soviets could develop and deploy a generation of missiles that were new in every way but still not "new" in terms of SALT. The new missiles could be made of wholly new materials and according to wholly new designs. They could be vastly more reliable and accurate. They could thus pose wholly new military problems—all without ever violating the treaty in the slightest. Circumventions would be profitable and difficult to prove, especially if—as is now happening—Soviet missile tests are almost totally encrypted. Post-boost vehicles can be tested with fewer reentry vehicles than they can carry. Single-warhead missiles can be MIRVed, and the number of warheads carried by MIRVed missiles can be increased. thus, a new, more numerous, more powerful Soviet missile force can emerge more or less within the "constraints" of SALT II.

Our negotiators could have devised a tighter definition of newness. But that definition would have been unacceptable to the Soviets, or wholly unverifiable. They had to choose between reality and the SALT process.

LEGACIES OF THE ABM TREATY

Many consider the ABM Treaty of 1972 the jewel in the crown of arms control achievements. More than anything else it is supposed to symbolize the superpowers' mutual commitment to MAD. But the closer one looks at the Treaty's unrealistic requirements, the more one realizes that questions of the Soviets' compliance with them are of secondary importance.

A nationwide ABM system must be served by a nationwide network of battle-management radars. The Treaty allows such radars only at one ABM site in each country. The Soviets have built five huge radars that are inherently capable of performing that function. Are these radars intended to perform it? We will probably never have absolute proof short of their performance in actual battle.

The ABM Treaty forbids the rapid reload of ABM launchers at the one ABM site available. But when these launchers are underground, how does one know how rapidly they can be reloaded? given the range of modern ABM missiles and radars, how much of a country can a "site" protect?

The Treaty forbids the testing of mobile ABM systems. Yet, the components of the Soviets' fully tested ABMX-3 system—the Flat Twin radar and the SH-04 and the SH-08 missiles—are merely "transportable," not "mobile." The Treaty does not limit mass production or storage of these components. If they are ever deployed en masse after a sudden denunciation of the Treaty, the United States would have no legal complaint.

The Treaty forbids testing—much less using—air defense systems "in an ABM mode." Yet, advancing technology has deprived that concept of whatever meaning it may once have had. Today the technology available for the American Patriot and Soviet SA-12 air-defense systems allows them to be used both against aircraft and against reentry vehicles. Still, the ABM Treaty is not being violated so much as it is being left behind by evolving reality.

Perhaps the best example of the ABM Treaty's decreasing relevance is the controversy surrounding the question of whether it would permit or prohibit space-based anti-ballistic missile lasers. Many American champions of arms control aver that Article I of the Treaty prohibits all anti-ballistic missile systems forever, except for the two ground-based sites specifically allowed. The Treaty deals with ABM launchers, missiles and radars because at the time it was drafted no other means for anti-missile defense were known. Some argue that the Treaty was meant automatically to ban any other devices which might be invented, so long as they were capable of destroying ballistic missiles, but of course the Treaty says no such thing, and in fact it is an axiom of international law that nations are bound only by the commitments they specifically undertake.

The ABM Treaty does not mention lasers at all: indeed, it could hardly have done so in 1972, when laser technology was in its infancy. The only possible reference to lasers is in Agreed Interpretation "D," which states that in the event components based on "other physical principles" and capable of substituting for ABM launchers, missiles and radars "are created,' the two parties would discuss how they might be limited. That is to say, the two parties would develop definitions.

A moment's reflection is enough to realize that, in the case of space lasers, to distill reality into legal terms verifiable by national technical means would be much more difficult than it has been in the case of ballistic missiles. Unlike missiles, the characteristics which make lasers fit or unfit for strategic warfare are not discernible through mere observation. Observation will yield information on gross size, power plant and, possibly, wavelength. But the laser's power, the quality of its beam, its pointing accuracy, its jitter, the time it needs to retarget and the number of times it can fire can be learned only from direct access to test data.

Hence, once again we see a demonstration of the folly, and dangers, of approaching a strategic question with the mind-cast of arms control. Suppose for a moment that the Soviet Union placed a number of laser weapons in orbit. Discussion of the strategic significance of this event would instantly be distracted by questions of whether a violation of the ABM Treaty had occurred. But on what basis could the Soviet Union be accused of having violated the Treaty? There could be little in the way of determining—much less hard proof—that the lasers' mission was ballistic missile defense. Yet, against this background of legal murkiness and ominous strategic implications, many devotees of arms control, while they question the efficacy of American lasers against ballistic missiles, still object to placing such lasers in orbit, on the grounds that doing so would violate the ABM Treaty. When will they learn that unilateralism is not the road to arms control, let alone to national security?

In short, the difficulty of reducing the reality of modern weapons to legal terms, the pressures on American negotiators to make those terms both negotiable and arguably verifiable, and the political impediments to deciding that any given Soviet activity warrants abandoning a fundamental foreign policy—all these have produced an intellectual tangle of our own making, within which we thrash about even as the Soviets widen their margin of military superiority. Since the question of Soviet violations of arms control treaties refers to a framework removed from reality, dwelling on the question is only to compound the unreality.

THE POLITICAL PREDICAMENT

The issue of past Soviet violations played a minor role in the SALT debate of 1979-1980. To be sure, the earlier debate did turn on the right question: Has arms control with the Soviet Union enhanced our security in the past, and can it be expected to do so in the future?

The proponents of SALT II conceded that the United States' strategic position in relation to that of the Soviet Union had deteriorated, and that mistakes had been made in the conception SALT I and in the management of U.S. forces under it. But they argued that SALT II was necessary to keep U.S.—Soviet relations headed in the direction of peace. When confronted with criticism of specific provisions of the treaty, they often conceded the treaty's weaknesses, but argued that only ratification would make possible the continuation of negotiations, wherein lay the ultimate solution to those weaknesses. The U.S. Senate rejected these arguments, and in the election of 1980 the American people clearly rebuffed SALT.

Nevertheless, an army of bureaucrats simply could not recast their thinking

beyond a framework within which they had operated so long. Since 1980, however, the principal argument in favor of arms control has been quite different from previous ones. It reads basically as follows: However harmful arms control might have been in the past, however unlikely might be Soviet acceptance of anything which enhances the West's security, nevertheless we must pursue the arms control process in order to convince our own fellow citizens that we are not warmongers but peace-loving people. When the question is raised why we should pursue negotiations with an adversary who by one means or another, has used them as a screen for overturning the strategic balance and is apt to use further negotiations for the same purpose, the general answer is that we, too, must practice cynicism. We, too, must negotiate in order to legitimize our own military buildup.

This argument ignores the fact that in a democracy public opinion cannot support self-contradictory policies. If the U.S. Government declares that the Soviet leaders are the sort of people from whom one can reasonably expect a fair deal on arms control—and that arms control is so important that it is essential that a deal be reached—then public opinion will reasonably blame the Government for doing anything which seems to put obstacles in the way of agreements. The Soviets, having received from the U.S. Government the credentials of men of goodwill, will persuasively point to our military programs and our own proposals as obstacles.

On the other hand, when our Government replies with figures showing how the Soviets have seized military advantages—along with suggestions that the Soviets might have circumvented or violated treaties—public opinion rightly questions the Government's motives. If the Soviets really had tipped the strategic balance using arms control as a screen—if there were reasonable evidence that they regarded arms control far differently than we, and circumvented or violated whenever they could—why would we be negotiating with them at all? To evade such questions is to be too clever by half.

Some American officials regard the publication of evidence regarding the Soviet Union's violation of the Biological Warfare Convention and other arms control treaties as embarrassments to their own policy preferences rather than as occasions for reexamining their own approach to arms control. Deputy Secretary of State Lawrence Eagleburger recently declared that, in light of all that happened, it is clear we must "do a better job" of arms control. But what can he mean by "a better job?" Can anyone really believe that there exists a formula which, if discovered and presented to the Soviets, would lead them to agree to unmake the military gains they achieved as a result of their strategic buildup? Does a set of words exist which would induce them no longer to regard arms control as a means of thwarting our countermoves to their strategic programs? I doubt it.

The proposition that it is possible to do "a better job" deserves a definitive test. President Reagan's Director of the Arms Control and Disarmament Agency, Kenneth Adelman, has expressed the view that the foremost criterion by which arms control proposals should be judged is their effect on national security. Only proposals that meet this criterion warrant examination from the standpoint of verifiability and acceptability to the Soviets. This sensible approach would draw the dialogue on arms control closer to the real world and help remove the blinders that have prevented us from seeing it.

Mr. SYMMS. Mr. President, this excellent article was authored by our distinguished colleague, Senator MALCOLM WALLOP, and it deserves attention by all Senators. Senator WALLOP has critically analyzed a recent colloquy over Soviet SALT violations by two other distinguished colleagues, Senators BIDEN and MCCLURE. Senator WALLOP's main point is that disputes over the evidence and legalities of Soviet SALT violations are much less important than facing up to the severe lack of U.S. defenses against Soviet missile attack. While I strongly agree with Senator WALLOP's point that ABM defense of America is crucial, I think along with Senator MCCLURE that Soviet SALT violations are irrelevant. Senator MCCLURE and I both believe that resolving disputes over Soviet SALT violations are extremely important to U.S. foreign and defense policy. However, Senator WALLOP has made a thoughtful presentation that we should all carefully consider.

PRISONERS AND DRUGS

Mrs. HAWKINS. Mr. President, I would like to share with my colleagues the shocking findings of the most recent Department of Justice survey of inmates of State correctional facilities. It revealed that almost a third of all State prisoners in 1979 were under the influence of an illegal drug when they committed the crimes for which they were incarcerated. More than half had taken drugs during the month just prior to the crime. More than three-fourths had used drugs at least some time during their lives, but only one-fourth of the drug users had ever been in a drug treatment program.

DRUG USE

Marihuana was by far the drug most commonly used by the inmates. Three-quarters had used it at some time in their lives, roughly the same proportion as had used any illegal drugs. Therefore, almost all inmates who had used other drugs had also used marihuana.

Drug experts find this to be a characteristic of the general population as well; the total number of drug users is only slightly larger than the total number of marihuana users.

INMATES AND OTHERS

Inmates who were about twice as likely as the public at large to have used drugs. Nonetheless, the proportion who had used marihuana was the same as both groups—one-fifth. Consequently, persons who had used only marihuana accounted for half of all the drug users in the general population but only one-fourth of all the inmate users.

For all other drugs, use by the general population was substantially below that of the inmates. The greatest difference was for heroin, used by only 2 percent of the public at large but by one-third of the inmates. Aside from marihuana, the most popular drugs among the general population were cocaine and hallucinogens, each used by 1 of every 7 people.

Recent drug use for the general population was also substantially lower than for the inmates. Almost three-fourths of the inmate drug users had used drugs recently compared to only one-half the drug users in the general population. In the public at large, almost all recent drug users had used marihuana. One-fifth had used cocaine, and one-tenth, hallucinogens. Use of the other drugs was minor, involving 1 percent or less of the population.

DRUG TRENDS

Drug experts generally agree that there are popular trends in drug use. A drug quite popular at one time may be less so at another. For example, it is generally acknowledged that cocaine—the most expensive of all drugs—is growing in popularity while there are some signs that use of hallucinogens may be on the decline. Consequently, current profiles of lifetime drug use may vary somewhat from those that existed for prison inmates and the general population at the time they were surveyed.

LIFETIME DRUG USE

Lifetime drug use is a constant for an individual once he has become a drug user. For example, a person who first uses heroin at the age of 20 will be "a person who has used heroin" for the rest of his life regardless of whether he ever uses it again. It is also true that the older a person becomes without using illegal drugs, the less likely he is to start.

YOUNG USERS

When only the 18- to 25-year-olds are considered, the difference in lifetime use for prison inmates and the general population is diminished, although the inmates still had had a higher rate of use for every drug than did young people in general. The proportional difference is the least for marihuana, which had been used by seven of every eight inmates and two of every three noninmates.

For 18- to 25-year-olds, the difference between inmates and others in recent drug use are proportionately greater than the differences in lifetime drug use, the same relationship that held when all ages were considered. Again, drug use by young inmates exceeded that of young people in general for every substance and again the proportional difference was least for marihuana.

USER OFFENSES

As expected, inmates in prison for crimes involving drugs were more

likely than other inmates to have used drugs. Nine-tenths had lifetime drug use and three-fourths had used drugs recently. Inmates convicted of drug offenses were nearly twice as likely as other inmates to have used heroin and more than twice as likely to have used it recently. Their lifetime and recent use of cocaine were both twice the rate for other inmates.

About three-fifths of the drug users with drug offenses were in prison for trafficking rather than possession or use. This was true for all drug users, recent drug users, and even those who were under the influence of drugs at the time of their crime.

DRUGS AND CRIME

About a third of all inmates said that they were under the influence of drugs at the time of their offense. About half of these were under the influence of marihuana.

Half of all drug offenses were committed under the influence of drugs—a fifth under the influence of heroin. A fourth of all burglaries and roughly a fifth each of all robberies and all drug offenses were committed under the influence of marihuana. One-eighth of all robberies and one-tenth of all larcenies were committed under the influence of heroin. Cocaine did not play a significant role in the commission of any crimes.

CRIMINAL HISTORIES

The more convictions inmates had on their records, the more likely they were to have taken drugs during the month prior to their crimes compared to just over two-fifths of those with no prior convictions. The recent use of heroin was also related to prior convictions. The proportion of inmates with five or more prior convictions who had used heroin in the month before their offense was three times greater than the corresponding proportion for those with no prior convictions.

The likelihood of having used more than one type of drug was also related to the number of prior convictions. One-sixth of the inmates with no priors had used five or more different substances; two-fifths of the inmates with five or more priors had used that many.

DRUGS AND ALCOHOL

It appears that illegal drug use is about as persuasive among inmates as alcohol. Precise comparisons, however, are not possible. For example, 22 percent of the inmate population had never used drugs, whereas 17 percent of the inmate population had not used alcohol in the previous year.

Half the inmate population had been drug users daily at some point in their lives and two-fifths had recently used drugs daily. Most of this daily use involved marihuana. Less than one-fifth had ever used heroin on a daily basis and about one-tenth had used cocaine daily. In comparison, a third of the inmates drank daily during the year before their offense and two-thirds of those drank very heavily.

I ask unanimous consent that a May 5, 1983, Washington Post artictle by Joe Pichirallo entitled "D.C. Jail Physician Says Most Prisoners Were Drug Users" be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, May 5,1983]

D.C. JAIL PHYSICIAN SAYS MOST PRISONERS WERE DRUG USERS

(By Joe Pichirallo)

The chief physician for the D.C. Department of Corrections said yesterday that 70 to 76 percent of the prisoners that enter the District's jail are either on drugs at the time of their arrest and incarceration or have used them recently.

Dr. Robert E. Lee told the City Council's judiciary committee that his estimate is based on interviews and physical examinations conducted by jail officials within hours after prisoners are taken into custody.

The most common drugs used are heroin or heroin substitutes, Lee said in an interview after the hearing. He said jail officials move immediately to detoxify heroin addicts and, in many cases, to administer methadone to them, usually for no more than 21 days. "We are not judge and jury," Lee said, "We treat them humanely."

Most of the nearly 2,200 prisoners at the D.C. Jail in Southeast Washington are awaiting trial. Lee said that the jail is the only corrections facility where methadone is administered, and addicted prisoners at Lorton, the D.C. prison facility in Fairfax County, are sent back to the jail for methadone treatments if their drug use was not previously detected.

Lee said that while the precise number of drug users coming into the jail fluctuates, he estimates that it has never been lower than 65 percent in the dozen years he has been with the department.

Lee was one of about a dozen top department officials appearing before the judiciary committee yesterday to discuss the operation of the city's prison facilities. In addition to drugs, the officials discussed such issues as overcrowding, expansion plans and their efforts to provide better security.

Corrections Director James F. Palmer urged council members to support his request for higher starting salaries for guards as a way to upgrade the department's security force.

Palmer said that the key to better security is a high-caliber, well-trained corrections staff. He said he wants training programs and salaries to be more in line with those of the police department.

Police Chief Maurice Turner has already agreed to have joint training programs for police and corrections officers, Palmer said.

But the department will continue to lose corrections officers to the police department if starting salaries are not raised, Palmer added. According to the D.C. personnel office, the starting pay for police officers is $18,551 annually, nearly $4,000 more than the $14,783 a year entry-level salary for corrections officers. Palmer said he would like to see the starting salary for corrections officers raised to the next pay level, which is $16,425 a year.

Mr. DIXON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Assistant Secretary of the Senate proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXTENSION OF ROUTINE MORNING BUSINESS

Mr. BAKER. Mr. President, I ask unanimous consent that the time for the transaction of routine morning business be extended until 11 a.m. under the same terms and conditions.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Assistant Secretary of the Senate proceeded to call the roll.

Mr. COCHRAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. RUDMAN). Without objection, it is so ordered.

HAPPY BIRTHDAY, SENATOR STENNIS

Mr. COCHRAN. Mr. President, I rise this morning to extend my congratulations and most sincere best wishes to my good friend and distinguished colleague, JOHN STENNIS, on this his 82d birthday.

It has been my pleasure and honor to serve as a Member of our State's congressional delegation with Senator STENNIS since January of 1973. During these 10 years, I have come to know him as one of the most courteous and thoughtful gentlemen in the entire Congress. It is really a source of pride for everyone in our State to look back upon his great career here in the Senate.

For those of us who have had the great privilege to work with him in behalf of the interests of our State and Nation, it has been a very pleasurable experience to observe him day by day carrying out the important duties of the office that he holds.

I must say, Mr. President, that one of the traits that I have come to appreciate as much as any other of Senator STENNIS is the fact that he always has something very complimentary to say of every Member of this body. I have never heard him utter a single word of criticism personally against any Member. I think it is because he truly enjoys his relationship with his fellow Senators and genuinely likes each Member of this body.

I suppose in this modern day and age it is not unusual for persons to enjoy productive life well into their eighties and nineties. But in Senator STENNIS' case I think what is unusual

is the quality of his career and his life here in the U.S. Senate because he has served with such great distinction and has reflected such credit on this institution and on the people of the State of Mississippi who have for so many years supported him and returned him to this place of responsibility.

So this is a special day for him and it gives me pleasure to be able to call to the attention of the Senate the fact that this is his 82d birthday and to wish for him much happiness on this day and much pleasure in the many years which I hope remain in his brilliant career.

Mr. BYRD. Will the distinguished Senator yield?

Mr. COCHRAN. I am happy to yield to the distinguished minority leader.

Mr. BYRD. Mr. President, I am glad that the distinguished junior Senator from Mississippi has brought to the attention of his colleagues the 82d birthday of our esteemed colleague, Senator STENNIS.

I have served in this body for 25 years with Senator STENNIS. I once served on the Armed Services Committee with him. I have served on the Appropriations Committee with him for going on 25 years.

He is a remarkable man, a remarkable Senator. I many times say he is a man who looks like a Senator, who acts like a Senator, and who talks like a Senator should. I believe that. He has been an inspiration to me over these years. He is highly regarded and highly respected by Members on both sides of the aisle. He showed remarkable resilience to a vicious thing that happened some years ago when he was shot here in Washington.

He has a keen mind and his physical strengths seem to endure, endure, and endure. We are all very fond of Senator STENNIS. I know that we all join in wishing him many happy returns for the day.

I am trying to recall a little line that might well close out my thoughts of Senator STENNIS in this colloquy.

The hours are like a string of pearls,
  The days like diamonds rare,
The moments are the threads of gold,
  That binds them for our wear,
So may the years that come to you
  Such wealth and good contain
That every moment, hour, and day
  Be like a golden chain.

Mr. HATFIELD addressed the Chair.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. HATFIELD. Mr. President, I would like to join in wishing our colleague, Senator STENNIS, the happiest of birthdays as he celebrates his 82d birthday. I think in many ways he is really the personification of what I learned about the Senate when I was in school. That is that the Senate was a body of dignified deliberative minds seeking the best welfare of the Nation. I think Senator STENNIS certainly embodies that. He is the dean of the Appropriation Committee, and we all learn a great deal from him. His institutional memory, his gift for an apropos story, are treasures for all of us.

I have had many experiences with him, sharing in that great trauma of the attack made against him. I marvel at the strength of his body and his mind. I remember when he carried the cause of justice on this floor in a very difficult matter which involved the disciplining of one of our colleagues.

I said then if I ever found myself having to stand before a court of justice, I would like to have Senator STENNIS as the judge, because I thought out of his mind would come nothing but justice.

Oftentimes we talk about the Senate being constituted by 100 Members. Mr. President, let me say as we celebrate this 82d birthday of Senator STENNIS, let us be mindful the Senate is made up of many hundreds of people—our staffs, the clerks, parliamentarians, policemen, all of these people are part of the institution of the Senate.

As an example, as representative of that other part of the Senate, I have a young staff man, Jim Hemphill, of Pennsylvania, who is celebrating his 30th birthday today, 52 years younger than Senator STENNIS. He came to my office as a young intern when he was attending Georgetown University, majoring in political science. He has served me for 10 years and is reaching that ripe age of 30 years.

I stand here not only to wish Senator STENNIS a happy birthday, but also to mention those of our staff and honor them by wishing Jim Hemphill, of my staff, a happy birthday as well.

Mr. DOLE. Mr. President, I want to join in the statements which have been made. I remember when I succeeded Senator Carlson who served in this body with the distinguished minority leader, who was a friend of everyone in the Senate. He said:

I am not going to give you advice but just keep your eye on John Stennis and Jennings Randolph and you will not get into too much trouble.

He had great respect for every other Senator but he happened to know these two colleagues over many years. That was good advice and I have tried to follow it most of the time.

I certainly want to join in the statements made by the Senator from Mississippi, the Senator from West Virginia, the Senator from Oregon and others on wishing Senator STENNIS a happy birthday.

Mr. BYRD. Will the Senator yield?

Mr. DOLE. I am happy to yield.

Mr. BYRD. I can see that former Senator saying just that. I would bet if he had been talking with me on that occasion, he would have said, "Also keep your eyes on that Senator from Kansas, Mr. DOLE."

Mr. DOLE. I appreciate that, Mr. President.

Mr. SASSER. Mr. President, I rise today to commend my distinguished colleague from Mississippi, Senator STENNIS, on the occasion of his 82d birthday.

Senator STENNIS was elected to the U.S. Senate after a distinguished career in Mississippi as a district prosecuting attorney and circuit judge. He is a graduate of Mississippi State University and Virginia Law School, one of the finest law schools in the country.

He has served in the Senate during some of the most significant times in our history, much of it as chairman of the Senate Committee on Armed Services. His has been a wise voice as we have sought to maintain our defense readiness in a changing and often dangerous post-war world.

Mr. President, we use the term loosely around here "The gentleman" from this or that State. However, I think my colleagues would all agree that the distinguished senior Senator from Mississippi deserves that title. Despite the frenzy and chaos in which the Senate sometimes operates, the Senator remains unfailingly courteous to and considerate of his colleagues on both sides of the aisle and the staff of this body.

During my time in the Senate, I have found his counsel of inestimable value as we deal with issues before us. I value his advice and I value his friendship and I join with my colleagues in wishing him well on this occasion and for the future.

Mr. MATTINGLY. Mr. President, I want to join with my colleagues in wishing the senior Senator from Mississippi a happy birthday. One of the privileges and pleasures of my 2½ years in the Senate has been serving with Senator STENNIS on the Appropriations Committee. He is a southern gentleman in every sense of the term. No matter how hectic the meeting, and if you have ever looked in on the Appropriations Committee you know how hectic that can be, Senator STENNIS manages to calmly take care of the people's business while remaining polite and courteous to one and all. From Senator to staff member, he has a kind remark and friendly greeting for everyone.

The senior Senator from Mississippi sets an example for us all. He is a "Senator's Senator." He has an unequaled reputation for fairness and integrity. If he tells you something, you can count on it.

Many of us call the senior Senator from Mississippi "Mr. Chairman" because of his distinguished career as chairman of the Armed Services Committee. It is a sign of respect and a clear demonstration that the influence of this fine man is not limited to offi-

cial titles. He is a powerful force in this Senate because of the respect and love we have for him. That will never change.

STOP THE BUDGET SHELL GAME

Mr. DOLE. Mr. President, the time is fast approaching when we will have to decide whether this Congress is a serious deliberative body, or not. A legislature that cannot mobilize itself to deal with the most serious domestic concern facing the Nation cannot be taken seriously. That concern—the fate of the economic recovery as it is linked with the huge budget deficits projected for the years ahead—ought to be at the heart of our legislative agenda. Instead it is a sort of a sideshow, an issue Members visit from time to time for the rhetorical opportunities it provides, but which no one is prepared to focus on in a substantive way. Increasingly, it seems we are drifting into sort of an aimless stupor when it comes to economic policy. If that continued we may have a very rude awakening indeed.

THE TIME ELEMENT

The budget deficit program has not escaped the attention of the news media. But we hear conflicting reports, and that adds to the confusion. This or that economic expert is cited as saying that the recovery is on track, and the deficit will not be a real problem for a couple of years. Others say it is a problem now, and has to be tackled now. Last week Fed Chairman Paul Volcker testified that the strength of the economic recovery might pose a threat of crowding out or higher interest rates sooner than was expected. In other words, the deficit might be a current problem for the recovery as early as 1984, rather than 1985 or 1986.

It is difficult to know which scenario will in fact develop. But it is wrong to assume that our policy choice ought to be guided by differing estimates of the date at which the deficit will become a serious problem. There is virtually no dispute that the deficit does threaten recovery, because it will either drive interest rates back up or lead to renewed inflation. If we agree that the problem is that serious—and that present uncertainty about how Congress and the President will react to the problem already drives up rates—then we must also agree that the time to act is now. Not 1984, not after the next Presidential election—but now.

Delay means no real action until late 1984, and I suggest it really probably means late 1985 before Congress and the administration, whether it is this administration or another administration, really focuses on the deficits. That may be too late.

DANGER SIGNS

Mr. President, if anyone doubts that we are already running into problems because of the deficit, just look at the trends over the past 3 months. Amid the many favorable—and welcome—reports of higher industrial production, rising consumer confidence, and improvements in the employment picture, some danger signs are creeping into the picture. Interest rates are the most obvious example. In May, 91-day Treasury bills were offering a rate of 8.04 percent. Now they are at 9.36 percent. Six-month bills are up about 1½ points since May: So are long-term Treasury bills, and, more important for the home buyer, mortgage rates. The stock market, while continuing to be generally healthy, shows signs of uncertainty, stalling, and possibly a significant correction in the offing. Bond prices are generally lower as a result of concerns of what Congress and the Federal Reserve may—or may not—do about the economy. Meanwhile the dollar has reached new record highs in exchange markets—a sign that foreign investment is increasingly attracted by our high interest.

Higher interest rates slow investment and growth. Investors who can get a high return on Government securities have little incentive to invest in new production. An excessively high dollar exacerbates our balance-of-trade problems, and leads to increasing tension over the major trade negotiations that are going on right now and growing clamor for steps to protect our domestic markets—and thus a threat to long-term growth through expanded trade. All this translates into fewer jobs and the specter of economic stagnation—the bane of the 1970's that we pledged to eradicate.

RESPONSE TO DATE

Mr. President, our response to date to this problem—or rather to this array of problems posed by the deficit—needs to be examined. It is not a good record, and it demonstrates why we must break out of inertia that grips us.

We have adopted a budget. But that budget would have no great impact on the deficit even if fully implemented, and there is little prospect that it will be. Reconciled spending reductions in the 1984 budget are just $2.8 billion in 1984 and $12.3 billion over 3 years. This, at a time when spending is running at a record 25 percent of GNP. Reconciled revenues are proposed at $73 billion over 3 years, bringing 88 percent of the reconcilation instruction into the jurisdiction of the Finance Committee. But apart from reconciliation, the net effect of the budget in fiscal year 1984 is to increase nondefense spending by $1 billion. Even worse, the so-called reserve fund authorizes substantial new nondefense spending while pretending it will not affect the deficit. Counting the reserve fund, spending would increase by about $10 billion in 1984. Only $4.4 billion of the deficit reduction proposed for 1986 is in nondefense spending cuts—the rest is a $46 billion tax increase and $15 less in defense.

But the lack of teeth in this budget is only one symptom of a disease that is spreading in Congress: It is called business as usual. The temptation to accommodate constituent demands and special interest pressures once again seems to be overwhelming. The spirit of firmness and discipline to protect the public interest—which were demonstrated at least to some degree in both 1981 and 1982—seem to have vanished. Instead we have passed a so-called jobs bill that divvies up $4.6 billion, largely for pork-oriented projects that will have little impact on alleviating recessionary unemployment. We allowed in the budget for another $2.1 billion for physcial infrastrucure programs, and $8 billion over 3 years for a phase 2 jobs bill. We all want to create jobs, but jeopardizing recovery to generate make-work jobs that politicians can take credit for is by any standard a job-destroying policy.

And there is more in the pipeline. We hear the clamor for more subsidies for homebuyers, more money for revenue sharing, more aid to distressed industries via an industrial policy—a poor term to describe proposals to legislate even more impediments to economic growth in the form of government-determined allocation of resources. More for education, more for transit, more aid for the States. Everyone is pushing, and Congress seems ready to yield.

Look at agriculture as an example. As my colleagues well know, I have advocated freezing target prices as a way to control program costs, parry criticism of basic and vital farm programs, and reduce the deficit. But my colleagues who are from farm States—like myself—appear unwilling to allow even that to be considered. I respect their views, but I must say that their view is shortsighted, and puts at risk public support for agricultural subsidies in general. The PIK program and the $21 billion price tag for this year's farm package have not gone unnoticed in the news media. Farm exports are too important to our economy as a whole for us to put Federal agricultural policy at risk because of insensitivity to the role farm program excesses play in adding to the severe deficit problem.

Mr. President, there are just too many cases where Congress has refused to control program costs or act responsibly when costs deviate to an astronomical degree from our original assumptions. Medicare is a case in point. We are going to have to save it in the near future, just as we saved social security, because we let its costs get out of control relative to our ability to provide financing. This is not a budget mandate, it is a simple reality

forced by skyrocketing medical costs and basic flaws in program structure.

In fiscal year 1975, medicare cost $18.9 billion. In just 7 years, that cost has tripled to $56 billion, and it is projected to rise to $81 billion, another 44 percent increase, by 1986. The link between our lack of control over medicare and health care costs that far outstrip the general inflation rate needs to be examined, but this is just another instance of how Congress puts spending on automatic pilot—a disservice both to beneficiaries who learn to rely on programs and to the average taxpayer who foots the bill, either through taxes, inflation, or higher interest costs.

BASE TO BUILD ON

These horror stories vividly demonstrate what is wrong. But lest we conclude that there is nothing to be done, we ought to consider the firm foundation that has been established in the economy, and which we can and must build on. Inflation is way down—running at about 2½ percent in the 12 months ending in June, the lowest in 15 years. Even with the upward blips, interest rates are far below the record highs of the Carter years. Employment is rising, the auto industry is recovering, housing starts are up, and the faster growth pace will help offset some of the deficit. We have a strong recovery underway. The goal is to sustain it—by not allowing inaction on the deficit to impede further progress, or even wipe out the progress we have made.

Stable growth without inflation is the path we have been seeking to return to for nearly the past 2 decades. We have a chance now, and the voters will not forgive us—any of us—if we throw that chance away.

WHAT IS TO BE DONE

Mr. President, the question is not when to act. The time is now. Anyone who believes the economy is going to keep marching ahead with these huge deficits in tow is living in a dream world. Our job is not to order the recovery, but to stand out of the way and let it proceed. It will not unless we act.

And let me say that, while I appreciate the concern shown by our Governors last weekend over the deficit problem, in many ways their deliberations are a perfect illustration of the problem we face. The deficit is a problem, they said—the States need more money. You the Federal Government ought to raise taxes—we need the money.

We will have to raise taxes to bring the deficit to acceptable levels. But we will have to cut spending first, perhaps including spending that affects our friends, the Governors of the 50 States. Everyone is willing for the other guy to sacrifice. We need to pinch ourselves a little too, if we have any hope of getting the job done. I hope the Governors will join us in the effort to put together a spending and revenue package that can receive immediate action by the Congress.

Because that is just the kind of leadership we need. Our leaders, from the President and the Congress to our State and local officials and business and civic leaders, need to pull together in order to safeguard the domestic economy. There is no point in assigning blame, because no one is free of it. Just as Congress must put spending in order, the President must make clear his priorities on the budget, and tell us what he expects us to do about the deficit. We need his leadership and his approval, because we know he can get the job done. He has done it before: All he needs is a clear sense of purpose. We must be willing to help him clear the air, if there is any doubt about the challenge we face.

I have said several times that we need an exercise in domestic summetry to eliminate the real risk to long-term recovery. Unless everyone comes together and is willing to lead the public, we will be reduced to following the trend, be it good or bad. We cannot allow progress toward recovery to lull us into acquiescence in whatever happens.

The summit concept will have to begin with the President and with the Congress, but it should not stop there. All decisionmakers in our economy, including business and labor, have a vital stake in what happens. We cannot please everybody, but only if we agree on the absolute priority of cutting the deficit in a way that advances our shared economic goals will we have a fighting chance to succeed. We cannot tax our way out of recession, and we cannot devastate the social and benefit programs that so many Americans depend on. But we can make adjustments on both sides of the ledger that boost the odds in our favor.

The August recess is the perfect time to tackle the risk of renewed recession. We need to sit down and begin working out, at least at the staff level, the outlines of the kind of deficit reduction package that can have a real impact. We need to start the effort to explain to the public what the stakes are, and to build a consensus on the kinds of tough action that are needed to protect the recovery. If we do not, the public will remember our failure, and no one will escape blame. We have built public support for controversial actions on a number of occasions in recent years, even with an election impending. The leadership of President Reagan has often been the key. We need him to set the course now, because the job is doable and it has to be done. With a national accord on deficit reduction, we can take the partisan edge off the economic issue and make real progress for all Americans. This is one summit that must be reached.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SYMMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

TIME TO TURN UP THE "VOICE"

Mr. SYMMS. Mr. President, in the continuing battle of ideas between the United States and the Soviet Union, our most effective weapon is truth. And one of the most effective ways to spread that truth has been through the Voice of America. An estimated 100 million listeners worldwide rely on the VOA for information.

Unfortunately, the Voice is muted not only by the Communists' constant attempts to jam its broadcasts, but by the deterioration, obsolescence, and inadequacy of its own equipment.

More than 90 percent of the VOA's transmitters are at least 15 years old; and while the VOA has only 6 500-watt superpower transmitters, the Soviet Union has 37. Currently, the VOA is on the air less than half as many hours as Radio Moscow and it broadcasts in barely half as many languages.

Expansion and modernization of the Voice of America is vital if America is to compete effectively with the Soviets in the battle for men's minds. The House of Representatives has approved a budget which will permit the VOA to carry out its mission. But unfortunately the funds that are necessary for the modernization of VOA have been slashed by the Senate Foreign Relations Committee.

I urge my colleagues to restore adequate funding for the VOA when the measure reaches the Senate floor. And I hope they will read an article, which I ask unanimous consent to have printed in the RECORD, by Charles P. Freund, published by the Heritage Foundation, for more detailed information on this important subject.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TIME TO TURN UP THE VOICE OF AMERICA

The Voice of America recently received a letter from a frustrated listener in Ghana, who asked, "Sometimes, listening to the news, the signal disappears altogether. Have your transmitters started to wear out?"

The answer, regrettably, is yes—and it is not only VOA's transmitters that are wearing out. Yet in the competition of ideas with the communist world, the West's most direct and often most effective tool is international radio. The impact of such broadcasts as the Voice of America can be meas-

ured not only by the communists' continuous and costly efforts to jam them, but also by official reactions to the broadcasts. Only recently, the Polish regime filed a protest with the U.S. claiming that VOA broadcasts have served to "destabilize" that regime by encouraging "destructive elements working within Poland's constitutional order." In other words, the Voice is a continuing source of information, if not inspiration, to Polish listeners.

Ironically, this protest was filed the same week that funds to modernize the seriously understaffed and technically deteriorating Voice were effectively slashed from the budget by the Senate Foreign Relations Committee. The House of Representatives already had approved the 1984 budget request of the U.S. Information Agency, of which VOA is a part, which would allow the Voice to begin implementing modernization. The Senate Foreign Relations Committee, however, cut the total budgetary request of $701 million by $65 million and shifted $64 million from Administration requests. Without restoration of these funds, VOA modernization will have to be scrapped. Thus, just when the U.S. must be better prepared to join in the competition of ideas, the Voice is being allowed to deteriorate.

VOA's broadcasting and transmitting equipment is aging and, in many cases, is obsolete. Its technical staff woefully lacks qualified engineers. The news and editorial staff is seriously shorthanded. Neither the number of hours broadcast per week, nor the number of languages broadcast, adequately reflect the position of the United States, nor do they adequately serve the estimated 100 million listeners world wide who regularly turn to VOA for its news reports and its mix of informational and cultural program. The proposed VOA modernization plan addresses these shortcomings.

Of 107 VOA transmitters, more than 90 percent are 15 or more years old; more than one-third are twice that age. Some transmitters broadcasting to Eastern Europe and the Soviet Union actually date from World War II. VOA has only six 500-kilowatt superpower transmitters, all of them patched together from smaller units. The U.K. has eight such transmitters, West Germany nine, France eleven. The Soviet Union, the most prevalent voice on the international dial, has 37.

• VOA's equipment is so old that its technicians constantly have to cope with burned-out generators and antennae that will not transmit a full signal. Spare parts for some equipment are no longer available; VOA must manufacture them. Even VOA's headquarters studios in Washington are antiquated and under increasing strain, as the Voice struggles to increase its number of hours of weekly broadcasts. These facilities regularly shock visiting foreign broadcasters, some of whom recently termed them "the world's most backward equipment."

VOA is currently on the air 956 hours per week, less than half of Radio Moscow's 2,158, less than either Taiwan or the People's Republic of China, and barely more than West Germany, Egypt, or the U.K. VOA is fifth in number of hours broadcast to Africa, sixth to the Caribbean, Eastern Europe, and East Asia, and tenth to Western Europe.

VOA currently broadcasts in 42 languages, compared to the USSR's 82, Peking's 43, and Egypt's 30. In the Middle East alone, VOA broadcasts in eight languages, the USSR in 20. When the USSR marched into Afghanistan, VOA had no one on its staff able to speak the official Pashto language. For every hour VOA broadcasts in that tongue, the USSR offers five. Of the 42 language services, 38 are understaffed. There is no correspondent in Pakistan to cover events in Afghanistan, nor a correspondent in Geneva to cover arms control matters.

VOA's modernization plan would replace the old equipment, strengthen the signal, fill 140 engineering positions and 141 language service positions (including a 25 percent increase in the Polish and Baltic staffs), and create 68 percent increase in the Polish and Baltic staffs), and create 68 new positions to improve the quality of VOA news, features, and other programs. Construction of new transmitting sites would begin and the antiquated distribution system would be computerized.

VOA modernization is essential. As matters now stand, the Soviets spend more to jam Western broadcasts than the U.S. spends to reach the entire world. The battle for the loyalty of the uncommitted, as well as the necessity of giving information to those in closed societies, requires that the Voice of America be given high priority in the allocation of federal resources.

Mr. SYMMS. Mr. President, it has always baffled me that the Communists have to build walls to keep people in and the United States has to build walls to keep people out, but we are constantly losing the propaganda war for the battle of uncommitted minds in the world. I think this is one way where we might start telling the American story to those millions of uncommitted people in the world who would like to know that there is a humanitarian opportunity for all people if they could live a life in freedom and liberty and opportunity that we so very much enjoy in this country.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. MATTINGLY). Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

DEPARTMENT OF THE INTERIOR APPROPRIATIONS, 1984

The PRESIDING OFFICER. The Senate will resume consideration of the pending business, which the clerk will state.

The legislative clerk read as follows:

A bill (H.R. 3363) making appropriations for the Department of the Interior and the related agencies for the fiscal year ending September 30, 1984, and for other purposes.

The Senate resumed consideration of the bill.

Mr. BAKER. Mr. President, we are back on the Interior appropriations bill.

Let me outline what I see in prospect. This is not a final statement, of course, of what is going to happen, but let me tell you what I think is going to happen.

In just a moment I am going to suggest the absence of a quorum only long enough to make sure that all the principals are notified who have indicated in my cloakroom they wish to be in the Chamber as we proceed. I do not expect that to take more than just a few minutes.

After that, the distinguished manager of the bill, Senator MCCLURE, may or may not have a brief statement to make. That has not yet been fully determined.

Based on the colloquy yesterday, I anticipate that at that point the Senator from Ohio may wish to be recognized to make a point of order.

I think perhaps I will not go beyond that except to say if there is an appeal from the point of order I would hope, and I have not yet discussed this with the minority leader or anyone else, that we might be able to find the time certain for that vote so that everyone would know where they stand. I will explore that with the minority leader and the managers of the bill.

Mr. President, with that statement, I now suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The acting assistant legislative clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

SECOND EXCEPTED COMMITTEE AMENDMENT—RELATING TO SECTION 317

Mr. McCLURE. Mr. President, what is the pending business?

The PRESIDING OFFICER. The second committee amendment to H.R. 3363.

Mr. McCLURE. Mr. President, the matter pending is the second committee amendment to the Interior appropriations bill, and that second committee amendment has been the subject of some conversation on the floor and off the floor for the last couple of days.

The Senator from Ohio is opposed to that committee amendment and has indicated that he intends to make a point of order against that amendment.

It is my understanding that the Senator from Ohio and others who are interested have no objection to fixing a time certain to vote upon the appeal from the ruling of the Chair if the Chair rules in favor of the point of order that the Senator from Ohio will make.

Would the Senator from Ohio respond to that?

Mr. METZENBAUM. I think I heard the Senator say that upon my making a point of order and an appeal is taken——

Mr. McCLURE. If the Chair sustains that point of order.

Mr. METZENBAUM. The Chair sustains my point of order that I will have no objection to a time certain for a vote on the appeal.

Mr. McCLURE. Yes.

Mr. METZENBAUM. I have no objection.

Mr. BAKER. Mr. President, will the Senator yield? I am pleased in the extreme to hear that. I wonder if the Senator from Idaho and the Senator from Ohio would consider 11:45 as the time for that.

Mr. METZENBAUM. That is agreeable to this Senator.

Mr. BAKER. Would the minority leader be similarly inclined?

Mr. BYRD. I am not sure. It is all right with me. We are putting it on the telephone because earlier we ran it as an 11:30 suggestion.

Mr. JOHNSTON. Mr. President, will the Senator yield to me?

Mr. BAKER. The Senator from Idaho has the floor.

Mr. McCLURE. I would be happy to yield to the Senator from Louisiana for a question.

Mr. JOHNSTON. As I understand it, this bill will not pass until we come back after August recess.

If I am correct in that, it would appear to me that it would be the better part of discretion to lay aside this whole amendment until after we return because the effect of this amendment, according to the advice I have received, is not altogether clear. The political support for the amendment is very fractionated in Washington, Oregon, and in the areas concerned.

It would seem to me that that period of time over the August recess would give all parties time to examine the amendment, to determine its legality, its precise legal effect, and to come back with a much more clarified position, with no one surrendering any rights in the meantime, and then as the first order of business when we get back on this bill we could vote for it at that time. Is there any reason not to do that?

Mr. BAKER. Will the Senator yield to me?

Mr. McCLURE. Mr. President, before yielding to the majority leader, let me say it is not clear to me that it will not pass.

Mr. BAKER. Mr. President, I do not know much about WPPSS, but I know I want to pass this bill before we go out. So let me say to my friend from Louisiana that it is my intention to try to move this bill. I have discussed that with the minority leader.

Mr. BYRD. Will the Senator yield?

Mr. BAKER. Yes.

Mr. BYRD. It came as a surprise to me that my dear friend indicated that it would not pass until we get back. I hope that is not the case.

Mr. BAKER. That is not my view, Mr. President.

Mr. JOHNSTON. I stand corrected.

Mr. McCLURE. With the expectation that the Senator from Ohio will make his point of order and that the Chair will rule upon that point of order without debate, which is only subject to the permission and discretion of the Chair, if that point of order is sustained by the Chair, it would be my intention to appeal the ruling of the Chair and we would have a limited period of debate upon that. The minority leader indicates he is not at this time prepared to agree to a time certain for that, but I am certain, for the purposes of the membership, it is the expectation of all of the parties now on the floor that that will be a limited period.

I am prepared to yield the floor to the Senator from Ohio in order to make his point of order, if he desires to do so at this time.

Mr. METZENBAUM. I thank the Senator from Idaho.

POINT OF ORDER

Mr. President, I raise the point of order that the pending amendment is not in order as being legislation on an appropriations bill.

The PRESIDING OFFICER. The Chair rules that it is legislating on an appropriations bill.

The majority leader.

Mr. BAKER. I yield to the Senator from Idaho.

Mr. METZENBAUM. Mr. President, I do not think the Chair finally ruled. He said that it is legislation on appropriations, but I do not think that he ruled that the point of order is well taken.

The PRESIDING OFFICER. The Chair did not say that. I would submit the question to the Senate. Is legislation in order on an appropriations bill?

Mr. METZENBAUM. Would the Chair be good enough to advise the Senator from Ohio why the matter would be submitted to the Senate rather than a ruling on the question? Mr. President, at this point I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

Mr. BAKERS Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, is there a point of order pending before the Senate?

The PRESIDING OFFICER. The Chair states the point of order is well taken.

Mr. McCLURE. Mr. President, I appeal the ruling of the Chair and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. BAKER. Mr. President, the appeal is debatable. I have consulted now with the minority leader and my own cloakroom. I ask unanimous consent that the time for the debate on the appeal extend until the hour of 11:45 a.m. and that the time between now and 11:45 a.m. be divided equally between the distinguished manager of the bill on this side and the minority leader or his designee, and that the vote on the appeal or in relation to the appeal occur at 11:45 a.m.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. BYRD. Mr. President, I designate Mr. JOHNSTON to control the time on this side.

Mr. McCLURE. Mr. President, I yield such time as I may consume and then I will be prepared to yield to Members who wish to speak on behalf of the appeal.

Mr. President, there are three reasons for us to appeal the ruling of the Chair and to ask for the support of our colleagues on that ruling. The first of those reasons is that, as a matter of tradition and a matter of law, the Bonneville Power Administration has gotten its instructions on its operations in the appropriations process. The very fact that we are debating what should be done about its relationship with the Washington public power supply system is evidence of that very fact.

The net billing agreements, under which Bonneville has the relationship with WPPSS, were approved in the appropriation process. The very fact that we have a debate about the question of financing WPPSS No. 2 out of the net revenues was because it was approved in the budget of Bonneville that was sent to the Appropriations Committee and approved in that process. The General Accounting Office yesterday has indicated that that process is legal and that they have the authority to do it, which confirms what many of us believe to be the fact. So by tradition and by law, we have done what we now seek to do with respect to some directions to Bonneville in the conduct of their administration of their responsibilities under the law.

The Transmission Act that was passed in 1974 specifically said that and said that they would get their directions in the appropriations process.

So, again, although I am chairman of the Energy and Natural Resources Committee, the committee in the Senate that has the legislative jurisdiction over authorizations, I also have

to say that traditionally, and as a matter of past practice and law, we have handled it through the appropriations process with only a couple of exceptions and, therefore, I believe that the ruling of the Chair, while ordinarily correct with respect to legislation on an appropriation, in this instance is not correct.

Second, Mr. President, we have an emergency in the Northwest. We have an emergency that demands urgent attention. It is no secret that the Washington public power supply system is in trouble. They started five power plants. They have terminated two of those five, they have mothballed another and, unless we take action, it is likely that a fourth of those will also be mothballed for some period of time.

To us in the Northwest it seems unfair that others in this body should tell us that we cannot seek a solution that our rate payers and that our consumers will pay for. Why this great concern from people for other areas in the country about how we pay our bills in the Northwest?

Now they do have an interest because they are concerned as to whether or not this is going to increase Bonneville's indebtedness. There is no full faith and credit that is under existing statute. The Federal Treasury is not bound by the debts of Bonneville. Certainly they are exposed to some concern in that regard.

But the bond holders of units 4 and 5 and the bond holders of 2 and 3 need to be concerned about the collapse of the financing for those systems. It just defies my imagination to believe that anybody here can be blind to the fact that some of their own constituents, holders of those bonds, may indeed be adversely affected unless we adopt this amendment.

There is no down side to them. There is a very positive up side. At the very least, it cannot hurt them.

Therefore, I urge that the Senate overturn the Chair on this vote.

Mr. President, I reserve the remainder of my time.

Mr. JOHNSTON addressed the Chair.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. JOHNSTON. Mr. President, it is with a great deal of reluctance that I oppose the motion of my distinguished friend from Idaho. I do so not because I want to impede getting on with finishing with the powerplants of WPPSS. To the contrary, as the Senator from Idaho knows, I strongly support finishing in the most expeditious way with the least loss to the bond holders, the rate payers, and the taxpayers of the United States.

At the appropriate time I expect to join with him for legislation to do that.

The present issue is, should we overturn the ruling of the Chair that this is legislation on an appropriations bill?

Mr. President, does the Senator from Ohio wish time?

Mr. METZENBAUM. Yes, but I was enjoying what the Senator from Louisiana was saying. If he will reserve 3 minutes, I would be happy.

Mr. JOHNSTON. Let me yield at this time so I can check with someone in the cloakroom.

Mr. METZENBAUM. Mr. President, how much time does the Senator from Louisiana have remaining?

The PRESIDING OFFICER. Eight minutes.

Mr. METZENBAUM. I yield myself 4 minutes.

Let me explain what this issue is all about. There are two parts to it. One has to do with the procedural aspect. That has to do with the matter of putting a legislative proposal on an appropriations bill. That is what this is. This would create a new entity, a new entity which would then go out and borrow something approaching $1 billion. That entity would then be repaid by the assurances of the Bonneville Power Authority that the money would be forthcoming to pay off those bondholders.

That does not belong on an appropriations bill. It certainly does not belong there without any hearings. Even with hearings it would not be right or appropriate to do so.

What this really means, besides the procedural aspect, is that indirectly the taxpayers of the United States will be charged with millions and maybe billions of dollars by further delaying the Bonneville Power Authority's repayment of $8 billion to the U.S. Treasury.

When you look at their record to date, you find that the BPA has not been repaying the money that they owe. As a matter of fact, in the last 10 years, they only repaid about $42 million out of an obligation of $7.8 billion, and in the last 3 years there were no payments paid with respect to this.

This additional almost $1 billion will be put in front of that repayment. So the taxpayers of the country will be carrying this obligation of BPA at far less than the rate that the Federal Government pays for money.

So when you talk about this—let us pick a figure of 5 percent because some of it is at the rate of 3 percent, and I think it is actually lower than the average of 5 percent—you are talking about the Federal Government subsidizing this at anywhere from 5, 6, or 7 percent. I just noticed today that 3-year notes of the Treasury are going at something approaching 12 percent at the moment.

All you have to do is multiply that difference times $7 billion and you see the difference to the Federal Treasury.

This does not make sense. To date, according to the Federal Energy Regulatory Commission, BPA's repayment has shorted taxpayers $780 million up to an amount of $1.4 billion.

For those bond holders who think that this is a bailout for them, let me point out that it indeed will not provide that bailout but they may be harmed by this provision.

There are substantial legal questions as to the impact of this amendment on the current bond holders and it is entirely likely that the new bond holders would stand in a preferential position as compared to the present bond holders.

There is a bailout, however, that should be noted. That is a bailout for the investor-owned utilities. Four of them have $600 million in No. 3. They own about 30 percent of it. Indeed, there would be that bailout of that investor-owned utility group.

If, as Senator MCCLURE says, the BPA already has authority in this bill, why are we spending 2 or 3 days debating it? Why is there such a need in order to put it into an appropriations bill?

There is a hearing this afternoon on the authorizing legislation for a new piece of legislation.

The fact is, they do not have the authority and the bill gives them such authority making it indisputably legislation on an appropriations bill.

I would like to point out to my colleagues the whole question of is there an emergency. There is no emergency because I have been trying to make this point of order for the last 3 days and I have not been able to do so. I have been asked to hold it. Only because I insisted this morning am I able to make it today.

But on the further point of whether there is an emergency, there is a GAO opinion that was made available just yesterday affirming Bonneville Power Authority's right to use rate revenue to finish unit No. 2. I am advised that BPA itself believes that this authority will enable then to proceed on schedule for from 4 to 6 months. In short, there is no reason to pass this today, next week, or next month.

I urge upon my colleagues that we follow the rules of the Senate and we not go to the procedure of putting legislation on an appropriations bill.

Mr. JOHNSTON. Mr. President, I earlier urged the Senate to uphold the point of order. I would now withdraw that and say that the Senate should work its will without my advice. Let me state the situation as I know it at this time.

First of all, the Washington delegation, or should I say the Northwest delegation, as I understand it, is now united, which is a change from what I had previously been advised. That is, Senator JACKSON and Senator HAT-

FIELD now support the position of the Senator from Idaho.

Second, I am advised that in my memorandum that there is no emergency, that the Senator from Ohio is correct, and that there is some 4 to 6 months.

Third, I am advised that there is a difference of opinion in the Northwest, first as to the urgency in point of time, and, second, as to the legal efficacy or legal imperviousness, should I say, of this matter.

At the same time, I think it is the position of those in the Northwest that there is an emergency and whatever legal defects, if any, this legislation would have can be worked out in the meantime. This is a matter, of course, of great moment, not only to the bondholders but to the entire Northwest and, indeed, to the Nation.

I am advised, Mr. President, that there is no question about Federal full faith and credit. There would be no burden, I am advised by memorandum, to the U.S. Treasury. So, in that respect, it is a matter that principally addresses itself to the Northwest.

So, with apologies to my colleagues on both sides for now being placed in the position of being advised at the last moment of a change in position of the Northwest delegation, I therefore yield to my colleague.

How much time remains, Mr. President?

The PRESIDING OFFICER. All the time of the Senator from Louisiana has expired.

The Senator from Idaho.

Mr. METZENBAUM. Mr. President, I ask the Senator from Idaho, when he gets done with his remarks, to yield to me 1 minute of time.

Mr. McCLURE. Mr. President, I ask unanimous consent that the time on both sides be extended for 1 minute each.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. McCLURE. Will the Senator from Louisiana yield to the Senator from Ohio?

Mr. JOHNSTON. Yes, I yield.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. METZENBAUM. Mr. President, is the Senator from Ohio recognized?

The PRESIDING OFFICER. The Chair said, "the Senator from Ohio."

Mr. METZENBAUM. Let me make it clear, Mr. President, that the Washington delegation in the House has not agreed on this. Let me also make it clear that 23 State representatives in the Oregon Legislature sent a telegram indicating their opposition to this proposal, that the speaker of the Oregon House sent me a letter indicating his opposition to this proposal; that the public power council has indicated its opposition to this proposal; that the Chemical Bank is sort of ambivalent as to where they stand, representing the bondholders, as to whether this is or is not good legislation.

If it is so urgent, why have we waited 3 months after the problem became obvious, and why have not the banks and the bondholders been heard? I want to point out they not only have not been heard to date but, as of this minute, they have not been invited to this hearing this afternoon. That is something I do not understand.

The PRESIDING OFFICER. The Senator's 1 minute has expired.

Mr. McCLURE. Mr. President, I yield 1 minute to the Senator from Oregon.

Mr. HATFIELD. Mr. President, I think we have a procedural question we are going to vote on now which has ample historical precedent to protect the oversight of the Bonneville Power Administration in the hands of the Appropriations Committee, particularly the subcommittee, which I chair. If you want to call it turf, it is turf, very simply. So I am going to vote to overrule the Chair.

I want to make the second point that I think the substantive issue of the amendment has to be debated at a later time. The substantive issue is not before us and I have indicated before we have to get the utilities of the Northwest to get behind this amendment if it is going to be supported. It is going to take some kind of clearance on the question of agreement on the House side and we are going to have to have a guarantee of the insulation of the ratepayer. Those are some of the contingencies on which I have withheld my support. I have still not made my decision on the amendment until those contingencies are met. But on the procedural issue, I am going to vote to maintain the oversight of the Bonneville Power Administration in the Committee on Appropriations as it has been all these years. Let us keep the two issues separate, insofar as they are interrelated.

McCLURE. Mr. President, I yield to the distinguished Senator from Washington (Mr. GORTON).

Mr. GORTON. Mr. President, the Presiding Officer obviously ruled on this point of order and in the way in which he was advised by the Parliamentarian. The Parliamentarian, in turn, gave that advice in spite of the fact that the Bonneville Power Administration authority is customarily and historically granted through appropriations acts. Both the advice and the ruling in that narrow sense were correct, but the importance of continuing the process by which BPA is handled through appropriations acts urges that all parties, no matter what their views on the merits of this litigation, vote to overrule the ruling of the Chair. On the merits of the proposal, we do indeed have an emergency in the Pacific Northwest, a problem which is without precedent in the history of our country.

An ambitious undertaking to construct five nuclear powerplants in the Pacific Northwest to meet projected energy needs has been devastated by inflation, tremendous cost overruns, and terrible mismanagement. Two of the plants, WPPSS 4 and 5, went into default last week. These plants were owned by 88 public utilities. There is no direct Federal interest in these plants. WPPSS 1, 2, and 3 are backed by the Federal Government through net-billing agreements under which the Bonneville Power Administration would guarantee repayment of the debt through its rate structure. BPA owns 100 percent of the output of plants 1 and 2; 70 percent of the output of plant 3 is owned by BPA and 30 percent is owned by four investor-owned utilities.

WPPSS 1, 2, and 3 are the subject of the amendment we are discussing today. WPPSS 1 has been mothballed indefinitely; WPPSS 2 is 98 percent complete; WPPSS 3 is 78 percent complete. WPPSS 2 is scheduled to be operational next year. WPPSS 3 will be operational in 1986.

Due to the default of WPPSS 4 and 5, WPPSS cannot go to the bond market to obtain conventional financing. Without financing, it will be necessary to ramp down WPPSS 3 and put it in a mothball status. This is a plant which has been built on schedule, under budget, and which is a model of construction efficiency in the nuclear power field. If it is ramped down, thousands of workers will lose their jobs in Washington State and experienced personnel will leave the area. The 20-year power plan which was recently adopted by the Pacific Northwest Power Planning Council clearly shows a need for the power from WPPSS 1, 2, and 3 within a decade. The current surplus of power will not last forever. If WPPSS 3 is not completed, ratepayers could end up with three terminated plants, a multibillion dollar debt which must be repaid, and a shortage of power in the future. For the protection of all ratepayers in the Northwest, I believe that it is imperative that WPPSS 2 and 3 be completed as soon as possible so that the plants can begin producing power and generating revenues to help retire the tremendous debt that has been incurred by these plants and to help reduce the financial burden on ratepayers.

The amendment we are discussing today simply clarifies BPA's authority to enter into alternative financing agreements for the construction of WPPSS 2 and 3. BPA has already indicated that it will complete the last 2 percent of WPPSS 2 through the present rate structure. This amend-

ment essentially applies to WPPSS 3. Several major U.S. banks have indicated that financing with reasonable rates is available to complete WPPSS 3 if this amendment is adopted. The language in the amendment provides specific limitations and directives to BPA on how it may use this authority. These directives include that the authority be used in a prudent and business-like manner and that the impacts of the terms of financing on ratepayers be thoroughly analyzed.

Section 11(B) of the Federal Columbia River Transmission Act states that BPA expenditures are subject to "specific directives and limitations * * * included in appropriations acts." 16 U.S.C. 8381(B). The intent of this legislation is to impose specific directives on the Bonneville Power Administration and that is why this amendment is included in this bill.

As I mentioned earlier, the regional power plan assumes that WPPSS 1, 2, and 3 will be completed and the power will be needed within the decade. Any delay in the completion of WPPSS 2 and 3 means increased construction costs and an additional financial burden on Northwest ratepayers. I have been informed that the cost of a 1-year delay in the construction schedule will be $195 million. This will further burden the investor-owned utilities who own 30 percent of the output of WPPSS 3 and poses a threat to their solvency. High stakes are at risk if this amendment does not pass. The stakes at risk include far more than the welfare of the investor-owned utilities and their customers, however. They include the welfare of all electric consumers in the Pacific Northwest as well as the economic health of the entire region.

This is not a Federal bailout. It is not a bailout of bondholders of WPPSS 4 and 5 or WPPSS 3. It is a fact that the bonds for WPPSS 4 and 5 have been repudiated and that the bondholders will have to suffer the consequences. The present bondholders on WPPSS 3 are not threatened. They are being paid the obligations which are owed them by the ratepayers of the Pacific Northwest whose power comes from the Bonneville Power Administration. It is a simple fact that because of the default of WPPSS 4 and 5 financing cannot be obtained to complete WPPSS 3. This amendment will allow the completion of WPPSS 3. When it is completed, it will produce power which will, in turn, produce income which will, therefore, increase rather than decrease the security of the bondholders in WPPSS 3.

The Governor of the State of Washington recently appointed a blue-ribbon commission to study all of the problems relating to WPPSS and to make recommendations on how to resolve these complex matters. The passage of this amendment will in no way impede the efforts of this commission.

The amendment does not involve appropriated funds; it does not extend the full faith and credit of the United States to financing agreements entered into by BPA; and it will not cost the general taxpayers 1 cent. It also has nothing to do with the speed with which the Bonneville Power Administration pays its obligations to the Federal Treasury. To the contrary, if this amendment does not pass and if WPPSS 2 and 3 are not completed, the economy of the entire Northwest will be seriously impacted resulting, undoubtedly, in slower payments to the U.S. Treasury.

The Pacific Northwest faces a true crisis. This amendment will not solve all of the complex problems regarding WPPSS. But it will help the construction of WPPSS 3 go forward, at no expense to the general taxpayer, so that it can begin producing power, generating revenues, and reducing the financial burden on northwest ratepayers. I urge my colleagues to join me in supporting this important amendment.

Mr. McCLURE. Mr. President, how much time does the Senator from Idaho have?

The PRESIDING OFFICER. The Senator has 2 minutes.

Mr. McCLURE. I thank the Chair.

First, Mr. President, I want to correct a technical error in what the Senator from Ohio has said. He says this will create a new entity. It does not do that. It permits Bonneville to contract with the new entity, if created, to carry out the purposes for which it has relationship already with WPPSS. It does not create a new entity, but it would permit Bonneville to enter into an appropriate contract with a new entity.

Second, Mr. President, we do have a letter from the Department of the Treasury of the United States that indicates they have no objection to this amendment. I think it is important for us to understand why they have no objection. Not one penny of taxpayers' money is involved, not one penny. It is the ratepayers of the Northwest who will pay, if, indeed, this goes forward.

As a matter of fact, we may have some taxpayers who are bondholders who will lose some money if this arrangement is not completed.

Mr. METZENBAUM. Will the Senator from Idaho yield for a question?

Mr. McCLURE. I do not have time, Mr. President, I am sorry.

With reference to the status of BPA's obligation under its borrowing authority, it simply has nothing to do with this amendment at this time. That is a separate question. It is an important question and needs to be dealt with. There are no appropriated funds involved here. There is no Federal borrowing involved here. There is no bailout of Federal funds, no way that this is a bailout.

All costs—and I repeat, all costs—will be borne under the existing ratemaking structure and under the congressionally approved net billing agreements—congressionally approved in the appropriations acts, just as this amendment seeks to give Bonneville the authority to deal with this problem by an additional contract.

Mr. President, it has been suggested that this is an issue for the Northwest to decide. It is our people who bear the burden if it fails. It is our people who pay if, as a matter of fact, this amendment is adopted and there is a real emergency.

Mr. President, I hope that the ruling of the Chair will not be sustained and I urge all Members to vote nay.

The PRESIDING OFFICER. All time has expired. The question is, Should the decision of the unfettered, independent Chair stand as the judgment of the Senate?

Mr. METZENBAUM. Mr. President, have the yeas and nays been asked for?

The PRESIDING OFFICER. They have been ordered.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Arizona (Mr. GOLDWATER) and the Senator from Wisconsin (Mr. KASTEN) are necessarily absent.

I further announce that, if present and voting, the Senator from Wisconsin (Mr. KASTEN) would vote "yea".

Mr. CRANSTON. I announce that the Senator from Ohio (Mr. GLENN) is necessarily absent.

The PRESIDING OFFICER (Mr. BOSCHWITZ). Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 40, nays 57, as follows:

[Rollcall Vote No. 241 Leg.]

YEAS—40

Bentsen	Hart	Nunn
Biden	Hawkins	Packwood
Bingaman	Helms	Pell
Bradley	Hollings	Proxmire
Bumpers	Humphrey	Pryor
Burdick	Kennedy	Riegle
Byrd	Lautenberg	Sarbanes
Chiles	Leahy	Sasser
Cranston	Levin	Trible
DeConcini	Long	Tsongas
Dixon	Matsunaga	Warner
Dodd	Melcher	Weicker
Durenberger	Metzenbaum	
Eagleton	Mitchell	

NAYS—57

Abdnor	Dole	Huddleston
Andrews	Domenici	Inouye
Armstrong	East	Jackson
Baker	Exon	Jepsen
Baucus	Ford	Johnston
Boren	Garn	Kassebaum
Boschwitz	Gorton	Laxalt
Chafee	Grassley	Lugar
Cochran	Hatch	Mathias
Cohen	Hatfield	Mattingly
D'Amato	Hecht	McClure
Danforth	Heflin	Moynihan
Denton	Heinz	Murkowski

Nickles	Rudman	Symms
Percy	Simpson	Thurmond
Pressler	Specter	Tower
Quayle	Stafford	Wallop
Randolph	Stennis	Wilson
Roth	Stevens	Zorinsky

NOT VOTING—3

Glenn	Goldwater	Kasten

The PRESIDING OFFICER. On this vote the yeas are 40, the nays are 57. The decision of the Chair does not stand as the judgment of the Senate.

Mr. McCLURE. Mr. President, I move to reconsider the vote by which the decision of the Chair does not stand as the judgment of the Senate.

Mr. GORTON. Mr. President, I move to lay that motion on the table.

Mr. METZENBAUM. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

Mr. METZENBAUM. I withdraw that request.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2110 TO SECOND EXCEPTED COMMITTEE AMENDMENT

Mr. McCLURE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read amendment No. 2110.

Mr. BYRD. Mr. President, may there be order?

The PRESIDING OFFICER. The Senator is correct.

The Senate will come to order.

The Senator may proceed.

Mr. METZENBAUM. Has the amendment been read?

The PRESIDING OFFICER. The clerk will read the amendment.

The assistant legislative clerk resumed reading the amendment.

Mr. BYRD. Mr. President, we have to have order to hear the clerk read this amendment.

The PRESIDING OFFICER. The Senate will be in order. Senators wishing to conduct conversations will please retire to the cloakroom.

The clerk will proceed.

The assistant legislative clerk resumed reading the amendment.

Mr. BYRD. Mr. President, the Senate is not in order.

The PRESIDING OFFICER. The Chair has to say again Senators, who are conducting conversations, please retire to the cloakrooms.

Mr. BYRD. I thank the Chair for his persistence and I hope Senators will respect it because the amendment is being read at the request of the Senator and Senators should show him the courtesy to be in order.

The PRESIDING OFFICER. The clerk will commence reading the amendment once again.

Mr. BYRD. Mr. President, I object to reading of the amendment until we have order in the Senate.

The PRESIDING OFFICER. The Senator is correct.

The clerk will commence reading of the amendment again, please.

The assistant legislative clerk read as follows:

The Senator from Idaho (Mr. McCLURE) proposes an amendment numbered 2110.

On page 81, line 14, before the period insert the following: ": Provided, That all of the restrictions and limitations set forth in 16 U.S.C. 839(j)(1), shall apply to any contracts or obligations entered into by the Administrator pursuant to this provision"

Mr. McCLURE. Mr. President, this is an amendment to the amendment, and it restates what I understand the law to be, that there can be no question that any obligations that might be entered into would be any obligation of the Treasury of the United States.

I understand the current law to be that the full faith and credit of the United States cannot be pledged to these projects, and this amendment simply restates that provision of the law.

The Treasury Department is approving of the amendment suggested that we make this further amendment to remove any doubt as to whether or not the full faith and credit of the United States was pledged. This amendment makes it abundantly clear that the full faith and credit of the United States is not involved in this amendment.

I understand it has been cleared by staff of the minority manager of the bill.

I know of no objection to the amendment. I am happy to respond to any questions.

If not, I urge adoption of the amendment.

Mr. BYRD. Mr. President, I suggest the absence of quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I understand——

Mr. McCLURE. Mr. President, may we have order.

The PRESIDING OFFICER. The Senate will be in order. Senators wishing to converse please retire to the cloakrooms.

Mr. BYRD. Mr. President, I thank the Chair and I thank the manager. It is my understanding in talking with the Senator there is no objection on this side and that the acting manager, acting ranking manager, has no opposition to it. So there is no opposition.

Mr. McCLURE. I thank the Senator.

Mr. MELCHER. Will the distinguished manager yield.

Mr. McCLURE. I would be happy to yield.

Mr. MELCHER. The effect of this amendment that has been offered by the chairman and which, even though a point of order was raised, the Senate and the Chair ruled against as being legislation on appropriations, but the Senate has found favor with, overruling the Chair, does the entire amendment in any way obligate the rural electrification in our State of Montana to back any bonds that might be sold?

Mr. McCLURE. Mr. President, the question of the rural electric cooperatives to be bound under their agreement with WPPSS is pending before the court and no decision has been made as yet. The amendment that has been—is now the pending matter, does not deal directly with that in any way, shape or form. But let me respond to the Senator from Montana by indicating that the underlying amendment, the committee amendment, will not affect the REA's liability in any way.

Mr. MELCHER. Will the Senator yield further?

Mr. McCLURE. I might have misstated that. Let me just add to that the Bonneville Power Administration has an obligation under the net billing contracts to pay according to the terms of those contracts. If No. 3 is not completed and does not generate power, which can then be marketed, and if the REA's are not released of their obligations, they would have a greater obligation than if the amendment is adopted. If the amendment can only help them in the event of those certain circumstances that I have described were all to turn out adversely against them the amendment would certainly assist them but it cannot hurt them.

Mr. MELCHER. If the chairman will yield further, the expression I have heard from I think four out of five rural electric cooperatives who have expressed an opinion on it was a hope that these matters would be clarified before Congress took action and for that reason I have been extremely hesitant in accepting this proposal that the chairman has made.

Mr. McCLURE. Mr. President, I had earlier hoped that we could take some action that would clarify the obligations of the several parties with respect to 4 and 5. That is the matter of most critical concern to bondholders and contracting parties.

As the Senator knows, the Supreme Court of the State of Washington has ruled that the public utility districts in the State of Washington are not bound by their contract because they did not have the authority to enter into them. Petition for rehearing on that court suit in the State of Washington was just heard 2 weeks ago. There are similar lawsuits with respect to the liabilities of the public entities

in the State of Oregon, in the State of Idaho, and with respect to the REA's. I have not been able to come up with an amendment that has any broad support that deals with all of those problems, and the amendment before us does not purport to deal with all of those problems. It is simply an attempt to deal with the financing of the completion of construction on plant No. 3 and to a lesser degree plant No. 2. So it does not deal with those underlying broader questions. I cannot say that it does. I regret we have been unable to contrive any language that has any hope of congressional support to deal with the larger problems.

Mr. MELCHER. I thank the Senator for yielding to me but I would ask him to yield on one more point, one more question: Would it be possible to have public hearings on this proposal which is admittedly in a peculiar posture here on an appropriations bill prior to the resolution of this appropriations bill in the Senate and in conference?

Mr. McCLURE. Certainly we have not yet disposed of all of the issues in this bill. There are two or three others and I suspect it will take a little time to dispose of all the matters that are contained within the Interior appropriations bill now pending.

In the event we get all of those issues resolved and the Senate approves of the bill it will then go to conference. There is absolutely no possibility that that will be done before September. We have at least 6 weeks in which to try to resolve broader questions and also to perhaps explain the questions that are in the minds of some with respect to this particular proposal. So there will be adequate time between now and final action for the discussion of these matters.

As the Senator knows, we have scheduled in the authorizing committee this afternoon at 2 o'clock a hearing with regard to this proposal that is now before us and witnesses have been called who will be testifying this afternoon.

Mr. MELCHER. I would urge that further hearings be allowed in September in the Energy and Natural Resources Committee because I believe some of the participants would like to have some time to evaluate the situation—I am speaking principally of the rural electric cooperatives.

Mr. McCLURE. I am certain there are a great many people who want to evaluate this situation and I am very aware of that. If the discussions, the informal discussions, that will take place across the region and throughout the Northwest and I suspect across the Nation in the next 6 weeks have not substantially resolved that, those issues, it may well require further hearings but I do not know that yet.

Mr. MELCHER. I thank the chairman.

Mr. McCLURE. I thank the Senator from Montana.

Is the question on the pending second-degree amendment.

The PRESIDING OFFICER. The question is on agreeing to the second-degree amendment.

Mr. PROXMIRE. Mr. President, I am mystified. I do not understand. I have been here only 25 years and I cannot understand what the Senate just did. We have almost no information on this except the debate on the floor which has been desultory at best; we have had no committee report, no hearings. There is a serious question in my mind, as a member of the Appropriations Committee, as to whether the right subcommittee even took this up.

This bill, this measure bailing out the WPPSS, should be in the authorizing committee of which the Senator from Idaho is chairman. They ought to have hearings, they ought to give us a report, they ought to give us information on what is going on. They have not done it and he is going to have a hearing this afternoon and yet we are going ahead now, presumably acting on this before we get any information as to what we are doing.

Mr. President, years ago we had a great Senator here from Oregon named Wayne Morse, and Wayne Morse used to point out that the procedures of the Senate are far more important than the substance, and I think in this case this is certainly true.

It may well be that we should pass this amendment, but I cannot for the life of me understand why we should pass an amendment on which we have had no opportunity to get the full story. The distinguished Senator from Idaho has just said there is no chance this is going to be enacted between now and 6 weeks from now, in September. He has indicated that broader questions will be resolved in the meantime, between now and then. What is wrong with the Senate knowing what it is doing? Why should we not have the information first? If ever there was a dramatization of the Alice in Wonderland, Lewis Carroll report of verdict first, trial later, this is it.

Instead of getting the information first, we want to act first and then get the information.

Mr. President, I think it is just plain wrong. I intend to do all I can, together with other Senators who I think will also do the same, to prevent us from acting on this amendment until we have hearings, until we get a report from the committee on the basis of those hearings, and until we have a chance to study what we are doing.

Mr. McCLURE. Will the Senator yield?

Mr. PROXMIRE. I am happy to yield.

Mr. McCLURE. Is the Senator opposed, likewise, to the second-degree amendment which is pending?

Mr. PROXMIRE. I am opposed to acting any further on this matter until we, as I say, have a report and know what we are doing. The action the Senator is proposing in the second-degree amendment may have a great deal of merit and may be one I might support. But I do not think we should act any further on this entire matter until we have an opportunity to have the usual Senate procedure of a report on this matter.

The Senator has indicated himself—and he is the expert on this matter—that we are not going to be able to get final action until September anyway. So I do not see any reason why we should not insist on getting all of the information.

Mr. McCLURE. Will the Senator yield further without losing his right to the floor?

Mr. PROXMIRE. Yes.

Mr. McCLURE. Mr. President, it seems to me that the Senator from Wisconsin is appropriately concerned about the impact of the amendment. And while he said the debate has been desultory, I thought it had been rather spirited. As a matter of fact, it has been debated for 2 days. A lot of questions have been asked and a lot have answered. It is a question of whether or not people believe the answers and will accept those answers. They are entitled to their opinions concerning the merits of the legislation.

But I would hope at least that we could adopt the second-degree amendment which in no way prejudices the Senator's case. As a matter of fact, it clarifies one of the issues that has been raised. That is why it is offered.

I hope the Senator can see fit to permit the adoption of the second-degree amendment, reserving his right to debate the underlying amendment, as, indeed, I suspect he intends to do.

Mr. PROXMIRE. Well, the Senator is making a very reasonable appeal here. But it seems difficult for this Senator is making a very reasonable appeal here. But it seems difficult for this Senator to go along, as I say, any further at all on this matter when, at the Senator's hearing this afternoon, as I understand it, there will be no testimony by banks, no testimony by the bondholders, none by the bond rating agency, none by the Federal Energy Regulatory Commission—none of those will testify. So we are just not going to get a record here.

I think the Senate ought to act on the basis of a record. That is what our hearings are all about. This is what our committees are for.

This was put in, as the Senator well knows, in the Appropriations Committee. I could not be there that day at

the meeting. But, as I understand it, it was put in at the last minute with almost no discussion at all, even in the Appropriations Committee at the time it was marked up, let alone any basis of hearings that would have given us a solid basis for it.

Mr. McCLURE. Will the Senator yield further?

Mr. PROXMIRE. Yes.

Mr. McCLURE. The Senator does understand the pending second-degree amendment is simply a restatement of the law that says full faith and credit of the United States is not involved in this matter.

Mr. PROXMIRE. Well, yes; as I say, I think that sounds very reasonable.

Mr. McCLURE. Does the Senator want the full faith and credit of the United States pledged?

Mr. PROXMIRE. Well, of course, the Senator feels, under these circumstances, that I would not. But I honestly feel, I say to the Senator, that, under the circumstances, I have a right, as a Senator, and a duty, as a matter of fact, as I see it, to insist that we not act further on this bill, which can involve a $7.2 billion obligation from the Federal Government.

Mr. McCLURE. No.

Mr. PROXMIRE. Oh, yes.

Mr. McCLURE. May I read this for the Senator? Will the Senator yield for that?

Mr. PROXMIRE. Well, wait a minute. Before I yield, let me just say that the problem here is that the distinguished Senator from Idaho is a man of absolute integrity, but he is also a man who has a deep interest in this, a special interest; in many, many ways, an economic interest in his State. And I think that taxpayers throughout the country should have a complete understanding of this thing. We do not have.

As I say, there is a $7.2 billion liability here, one way or the other, and I would like to know whether or not—maybe the Senator is right and there will not be any obligation on the part of taxpayers. But we have developed that kind of obligation over the years and need it explained.

Mr. McCLURE. Will the Senator yield?

Mr. PROXMIRE. Yes.

Mr. McCLURE. I wish to read into the RECORD an excerpt from Public Law 96-501, December 5, 1980, which deals with the Bonneville Power Administration. I want to read the relevant portion of that statute that is referred to in the pending second-degree amendment. I quote from the act:

> All contractual and other obligations required to be carried out by the Administrator—

That is the Administrator of the BPA—

> pursuant to this Act shall be secured solely by the Administrator's revenues received from the sale of electric power and other services. Such obligations are not, nor shall they be construed to be, general obligations of the United States, nor are such obligations intended to be or are they secured by the full faith and credit of the United States.

Now, that is the current existing law. That is being restated in the second-degree amendment to make absolutely certain that there could be no argument that that law does not apply to the provisions of the pending amendment.

So I hope that the Senator would agree that it is not an obligation of the United States and, second, I hope he would agree that the second-degree amendment at least improves the amendment—certainly does not hurt it—and serves the interest of the Senator from Wisconsin in making sure that his taxpayers do not help pay for the power that is consumed by the consumers in the Northwest.

Mr. PROXMIRE. Well, the Senator may be right, but this Senator does not want to proceed at all and will not proceed, no matter how cogent, no matter how logical, no matter how reasonable, and no matter how sweet the reasons of the Senator from Idaho may be.

I intend to do my best, as one Senator—and I think there are other Senators who may feel the same way—not to proceed further with this measure until we have had a chance to have a hearing on it, until we have had a chance to have an expression of opinion by a whole series of groups that are opposed to this kind of action and have not had a chance to go on record so the Senators can know what we are doing here.

I think there is great difficulty—the Senator may disagree with this—in the House on this matter. Before we act, we should not act in the dark. We ought to know what we are doing. That is the essence of being a responsible U.S. Senator—insisting on the right information before you act.

Mr. McCLURE. Mr. President, I will make one further comment and then I will not debate any further. If I understand what the Senator is saying, in spite of the fact that I am trying to respond to the questions or the doubts that he has, is that he wants independent verification; that he is not satisfied with the assurances made on the floor and in the RECORD as to what this language means; and, as a matter of fact, the Senator has now put the Senate on notice, I guess, of a minifilibuster of sorts with respect to the provisions that makes very clear that the full faith and credit of the United States is not involved.

Mr. PROXMIRE. No, the Senator cannot have it his way every time. This Senator is not filibustering that particular part of it. We have before us not only the amendment in the second degree, we have the amendment itself, and that is what I intend to address.

But until we have more information, I do not intend to have to vote on any part of this. It is no lack of faith in the Senator from Idaho. He knows that. He is my favorite traveling companion. We travel back and forth all the time. He is a good friend and a good man.

Mr. President, I oppose section 317, the Washington public power supply system bailout provision, in the Interior appropriations bill.

This amendment, far from imposing restrictions on the Bonneville Power Administration, as its sponsors contend, actually grants broad new powers to a fiscally reckless agency. BPA is costing the taxpayers hundreds of millions of dollars each year in money loaned to Bonneville by the U.S. Treasury which the BPA simply declines to repay.

Yesterday, the sponsors of this amendment told us that the financial health of Bonneville has nothing to do with the WPPSS bailout amendment, and further, that no Federal moneys will be spent in this WPPSS bailout.

Nothing could be more wrong, Mr. President. Every day, the taxpayers pour more money down the drain at Bonneville. And this amendment reinforces the prospect that if anything else goes wrong at WPPSS—anymore cost overruns, construction delays, mistakes, miscalculations, or sheer incompetence—the Federal taxpayers will end up paying the tab. I refer to the basic amendment.

In fact, the Bonneville Power Administration has been in on the WPPSS debacle from the very beginning. WPPSS was created to supply power to Bonneville, because BPA, which was formed to market hydropower in the Northwest, was never empowered to own and operate nuclear power plants.

The series of five WPPSS nuclear power plants was planned on the basis of power demand forecasts made by Bonneville Power, forecasts that everyone agrees now were seriously flawed and wildly overestimated when the plants would be needed. The first WPPSS unit, for example, is now in mothballs and will not be needed until the late 1980's or early 1990's.

Bonneville then pressured the 88 participating utilities into going along with its projections. It was Bonneville Power that was supposed to oversee construction. And it did, watching costs soar and the endless delays and overruns that led to default on the bonds for two of the nuclear plants—units 4 and 5—last week.

Mr. President, if we accept this amendment, we will simply be making matters worse, because we will be depending on Bonneville to make all the right decisions to bail out WPPSS

when they cannot even keep their own financial house in order.

The remaining WPPSS plants will survive or go bankrupt based solely on the ability of Bonneville ratepayers, who have already suffered fivefold (and in some cases, twelvefold) rate increases since 1979, to pay the rates needed to cover the entire costs of operation and debt service for WPPSS 1, 2, and 3. The bonds to be issued by the new entity that is to replace WPPSS will be secured by a contract with Bonneville Power that commits BPA to pay the principal, interest, and related costs on the new borrowings to the new entity or its debtholders. And this amendment directs Bonneville to finish the WPPSS units and to avoid delay.

In other words, this bailout plan depends on Bonneville's ability to carry the full weight and respond to any future financial crisis at the WPPSS plants. That would be a heavy burden even for a healthy agency, but recent examinations of BPA and its financing by the General Accounting Office and committees of the Congress reveal that Bonneville is itself in trouble and is increasingly unable to pay back its own debts to the Treasury.

BPA now represents a $7 billion Federal investment that is supposed to be paid back to the Treasury. Since its creation in 1939, Bonneville has paid back a total of $638 million to the Treasury. But in the last 10 years, it has managed to pay back only $43 million. As a percentage of Federal investment, Bonneville's paybacks have steadily dropped from 15 percent in 1975, to 10 percent in 1980, and to just 8 percent in 1983.

In other words, they failed to pay 92 percent of what they owe in 1983, this year because BPA now estimates that its fiscal year 1983 revenues from power sales will lag behind its forecasts by as much as $350 million, Bonneville will fall even further behind in its repayment schedule this year, adding another $120 million to its unpaid bill.

In 1981, the General Accounting Office condemned BPA for this practice and called it an "unsanctioned burden on Federal taxpayers." Because BPA constantly delays and reschedules payment of its debt to the U.S. Treasury, the Government must constantly refinance all the BPA debt, usually at much higher interest rates. That constant rescheduling has thus far cost the taxpayers more than $1 billion in extra interest costs. That is an expenditure that is never appropriated by any committee of the Congress, is never OK'd by anyone but Bonneville itself, never appears on any budget, and is simply tacked on to the national debt.

Let me repeat that—the constant rescheduling has thus far cost the taxpayers more than $1 billion in extra interest cost, and that is simply tacked on, as I say, to the national debt.

Mr. President, I ask unanimous consent that I may yield to the distinguished Senator from Nebraska, Senator EXON, without losing my right to the floor, yield for 2 minutes, and without it counting as a second speech when I resume.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. EXON. Mr. President, I thank my friend from Wisconsin. I recognize he does not want to lose his right to the floor.

I ask unanimous consent that for no longer than 2 minutes the pending matter before the Senate be set aside temporarily to allow me to offer an amendment that has been agreed to, with the understanding that the right of the Senator from Wisconsin will be protected and he will be recognized immediately after the vote on my amendment, if such vote occurs, or a voice vote.

The PRESIDING OFFICER. Is there objection?

Mr. McCLURE. Mr. President, reserving the right to object, my understanding is that the request is to set aside the pending matter and proceed to the consideration of an amendment to be offered by the Senator from Nebraska which has been cleared on both sides, and upon the disposition of that amendment, we will return to the pending matter. The Senator from Wisconsin will be recognized without it being considered as a second speech.

Mr. PROXMIRE. Mr. President, will the Senator yield for a further question?

Mr. EXON. Certainly.

Mr. PROXMIRE. Mr. President, as I understand, the amendment to be offered by the Senator from Nebraska has nothing to do with the question we are discussing right now though it does pertain to the Interior appropriations bill.

Mr. EXON. The Senator is correct.

Mr. McCLURE. We have no objection.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

AMENDMENT NO. 2111

(Purpose: To provide for the conveyance of certain Federal lands situated in Scotts Bluff County, Nebr., to the Mitchell School District)

Mr. EXON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Nebraska (Mr. EXON) proposes an amendment numbered 2111.

Mr. EXON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill insert the following:

That notwithstanding any other provision of law, the Secretary of the Interior (hereinafter in this Act referred to as the "Secretary") is hereby authorized to convey to Mitchell School District in Scotts Bluff County, Nebraska, all right, title, and interest, except as provided herein, to a tract of land consisting of 20 acres, more or less, more particularly described as the west half southwest quarter northwest quarter section 17, township 23 north, range 55 west, sixth principal meridian. Conveyance of such right, title, and interest shall be upon the condition that the Mitchell School District shall simultaneously convey without cost, an easement right on certain of the above-described lands to the Pathfinder Irrigation District for the purpose of operating and maintaining irrigation canals, laterals, or drains-related storage works of the North Platte project, a Federal reclamation project. The Mitchell School District shall pay the fair market value of the lands as of the date of the conveyance, including administrative costs, as determined by the Secretary. In determining the fair market value of the lands, the Secretary shall recognize the existence of the easement right to be granted to the Pathfinder Irrigation District and shall not include the value of any improvements made on or to the lands by the Mitchell School District or its predecessors. Withdrawals from the public domain as they pertain only to the lands described in the first section under Secretarial Orders of February 11, 1903, and July 24, 1917, for purposes of the North Platte Project, are revoked by conveyance of the rights, title, and interests as set forth in the first section and section 2.

Mr. EXON. Mr. President, the amendment which I am offering here today to H.R. 3363 would expedite the conveyance of a small, isolated parcel of Bureau of Land Management property to the Mitchell School District in Scotts Bluff County, Nebr. Both the BLM and the Bureau of Reclamation have expressed support for this measure which will allow conveyance of 20 acres at fair market value and provide for an easement to the Pathfinder Irrigation District.

The Department of the Interior has indicated to me that it cannot make the conveyance administratively and that special authority must be provided since the site includes improvements which are not related to the irrigation district for which the land was originally withdrawn in 1903. In 1917, the lands were further withdrawn for a community center. The school which has occupied the property is now being phased out, however, the school district cannot dispose of the property until it has title to the land. The Department of the Interior requires authority to convey the land to allow the school district to dispose of this vacant property which has been consuming 18 percent of the district's maintenance budget.

I would express special appreciation to the Senate Appropriations Committee and staff who have been helpful and cooperative in this matter.

Mr. President, I yield the remainder of my time to the manager of the bill.

Mr. McCLURE. Mr. President, the amendment has been cleared on this side, and it is my understanding that it has been cleared with the minority floor manager as well. We have no objection to this amendment and urge its adoption.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 2111) was agreed to.

Mr. PROXMIRE. I move to reconsider the vote.

Mr. EXON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. EXON. Mr. President, I thank my friend from Wisconsin for his courtesy and by friend from Idaho for his full cooperation.

AMENDMENT NO. 2110 TO SECOND EXCEPTED COMMITTEE AMENDMENT

Mr. PROXMIRE. Mr. President, as I was saying, the constant rescheduling of Bonneville Power's debt has thus far cost the taxpayers more than $1 billion in extra interest costs. That is an expenditure that is never appropriated by any committee of the Congress, is never OK'd by anyone but Bonneville itself, never appears on any budget, and is simply tacked onto the national debt. The result is that Bonneville Power, Mr. President, has turned the U.S. Treasury into a bottomless checking account, in which no checks ever bounce and any expenditure goes, and Uncle Sam and the general taxpayers are the fall guys.

Mr. President, how would you like to have a house mortgage that gives you the option of not making any payments this month or maybe this year if you do not feel like it? All you have to do is say you will make up the difference someday. You might jump at an offer like that, but no bank in the country would ever make a loan like that.

You know what? Bonneville Power, the organization that we want to trust to bail out WPPSS, was smart enough to find one bank that could. That bank, of course, was the Federal Treasury, the U.S. taxpayer.

In 1982, the House Appropriations Committee's Energy and Water Development Subcommittee again demanded that the new administrator of Bonneville, Peter Johnson, explain why Bonneville had decided it did not need to pay back. Mr. Johnson renewed BPA's promise to pay back the Treasury "someday."

In the midst of Senator McCLURE's rush to push this WPPSS Bonneville bailout bill through the Senate, we find there are no fewer than three separate General Accounting Office investigations of Washington Power and Bonneville now underway. One to be issued this week questioned Bonneville's authority to use its revenues to fund Washington Power construction. Another, based on the 1981 GAO study, will demand, we are informed, that Bonneville change its repayment methods to the Treasury and stop ripping off the taxpayers. A third will examine in detail Bonneville's part in the WPPSS debacle and Bonneville's inability to control and oversee cost overruns at WPPSS.

If we approve this amendment now, of course, we will never have the benefit of these critiques of the Washington Power and Bonneville.

Mr. President, this is the principal thrust of my argument. We simply do not have the information. I have rarely seen a case where we have moved ahead when there has been any GAO investigation pending. In this case, we have three of them, plus the fact that we have not had an opportunity to have, as I say, substantial hearings on this matter. The only hearings we are going to have will be this afternoon. Those hearings exclude a number of people who should have an opportunity to testify, including the U.S. Treasury, including the Federal Energy Regulatory Commission, including representatives of bondholders, including the bond rating agencies, including the banks, including others who have a profound interest in this matter.

Mr. McCLURE. Will the Senator yield for a question under the previous conditions?

Mr. PROXMIRE. Yes.

Mr. McCLURE. Mr. President, is the Senator aware that the GAO issued a report dated August 2 on one of the inquiries to which the Senator made reference?

Mr. PROXMIRE. The Senator's point is that of the three GAO reports I am talking about, one of them was made on August 2?

Mr. McCLURE. Yes.

Mr. PROXMIRE. The Senator is correct. That was on a very small point. This is what, August 3? I do not think we have had much chance to study that. I think we have a copy of that somewhere. I just got it.

Mr. McCLURE. Will the Senator yield further under the same conditions?

Mr. PROXMIRE. Yes, indeed, Mr. President.

Mr. McCLURE. Mr. President, I asked the Senator to yield because it is very pertinent to the discussion the Senator was just undertaking. I refer to a portion of the report because it does deal directly with that question. I quote from it:

It is argued that BPA's planned use of $64 million for WPPSS Project No. 2 construction during fiscal year '83 will be derived from general taxpayer revenues in the form of increased deferrals of interest on appropriated debt owed the Federal Treasury.

There is a footnote that references a letter to Senator MARK O. HATFIELD, chairman of the Senate Appropriations Committee, from BPA Administrator Peter D. Johnson, dated April 22, 1982. Then GAO summarizes with respect to that particular question.

Mr. PROXMIRE. Will the Senator advise me what page he is reading from?

Mr. McCLURE. This is on page 19:

We are asked to conclude that because of BPA's need to borrow from the Treasury to help fund all of its operations, BPA construction outlays for WPPSS No. 2 will be financed by some indivisible portion of funds derived from the Federal taxpayer, not by BPA rate payers. The fact remains, however, that the Administrator must set rates for sale of electricity and services at levels to recover BPA's costs, including principal and interest, on outstanding indebtedness.

It makes reference to the United States Code.

The deferral of interest payments due the Treasury does not alter BPA's obligation to ultimately making such payments.

They go on then to discuss it further and say:

Of course, under any of these methods, BPA must honor its covenant with Congress to recover its costs through rate increases.

And they discuss the appropriations acts that approve of what they are doing. They say at the end of the first full paragraph on page 20:

The financial flexibility that such deferrals represent was apparently acceptable to Congress because of BPA's obligation to set its rates at levels adequate to repay its indebtedness.

Then, the beginning of the final paragraph on that page, the final paragraph of the report:

Thus the risk of failure as well as the benefits of success for Project No. 2 are to fall on BPA's ratepayers and not the taxpayers of the U.S.

I thank the Senator.

Mr. PROXMIRE. I thank the Senator. That is very interesting. The trouble is that this has been the case for many, many years. The difficulty is that the burden does not fall on the ratepayers, because the ratepayers have had their rates increased, it is true, but they can only pay so much. The residual obligator is the U.S. Treasury.

Let me read again some of this language. I am glad the Senator called this to my attention.

Mr. McCLURE. Will the Senator yield further under the same conditions?

Mr. PROXMIRE. Yes, Mr. President.

Mr. McCLURE. I am sure the Senator is aware that the Federal Energy Regulatory Commission has rate su-

pervision and therefore, BPA files with FERC what their proposed rate schedule is. Is the Senator familiar with the rate case that has been filed with FERC in which FERC has approved the rates in effect which contemplate repayment?

Mr. PROXMIRE. Would the Senator repeat his question?

Mr. McCLURE. There is a final order issued June 15, 1963, approving their base rates and there is pending a rate case with respect to the rates to be in effect which will contemplate full payment upon the repayment schedule.

The issue of rolling maturity, which the Senator raised, I think is a legitimate issue. That is a matter that, again, was approved in the appropriations process 20 years ago. It is not a new matter and, while I may agree with the Senator on that issue, it certainly is an issue upon which Congress has had the opportunity to act.

While the Senator from Wisconsin or even, perhaps, the Senator from Idaho may not have approved that action, it is, nevertheless, an action which Congress has taken in the past.

Mr. PROXMIRE. It seems to me that they did not approve—in fact, they criticized it, and I am going to read from the Federal Energy Regulatory Commission report.

Mr. McCLURE. The Senator is reading from the one dated June 15, 1983, the final order?

Mr. PROXMIRE. That is correct.

Mr. McCLURE. The Senator is correct that they did not approve of the practice of deferred payments.

Mr. PROXMIRE. In fact, let me just read from it. On page 7, they say:

This brings us each succeeding rate filed.

Mr. McCLURE. Will the Senator yield further under the same conditions?

Mr. PROXMIRE. Yes, indeed.

Mr. McCLURE. Let me read the next paragraph.

Mr. PROXMIRE. Let me just point out that some of these costs have been deferred up to 89 years.

Mr. McCLURE. Let me read the next paragraph:

While the methods and assumptions used by Bonneville may be arguably consistent with DOE procedures, the continuation of such policies and practices will inevitably result in the need to recover substantial sums representing deferred spendable investment during the limited period of time remaining at the conclusion of what would be considered a reasonable amortization period.

Let me also refer the Senator to the current rate case that is now pending before the Federal Energy Regulatory Commission, and in that rate case this is what BPA says:

BPA's next rate increase is proposed to take effect on November 1, 1983, and will be in place for the 20-month period ending June 30, 1985. BPA has made an administrative decision to increase revenues in fiscal year 1984 and fiscal year 1985 to a level which is sufficient to fully repay the total deferral plus all the normal amortization that would have been scheduled during the fiscal year 1984 through the fiscal year 1985 period had no such deferral existed. It should be added that all deferrals must be fully repaid before any amortization can be made.

And then they set forth a table showing the planned repayments.

I might also indicate that the practice which the Senator has criticized and which the GAO criticized and which FERC criticized in their final order dated June 15, 1983, was nevertheless approved by the Congress of the United States in the appropriations process.

Mr. PROXMIRE. Let me also read another section of this report because this is their conclusion. They conclude:

We find that Bonneville's continued utilization of its present method to establish rates will ultimately result in the failure of Bonneville's rates to meet the statutory standards set forth in the Regional Act. Bonneville's practice of pushing its repayment obligations into the future has generated a bow wave of unpaid investment costs that are now approaching $1 billion with no apparent end in sight. Nonetheless, Bonneville has made no discernible effort to mitigate this increasing problem. Indeed, Bonneville's notice of proposed wholesale power rate of adjustment for its superseding rates estimates that the amortization schedule in fiscal year 1983 will be an additional $65 million below existing repayment schedules. It thus appears that the problem will only be exacerbated especially in light of the significant drop in the Bonneville system loads from the levels forecasted in the repayment study.

Mr. President, it seems to me that all of this indicates exactly why I think the Senate should insist that we have information from those who are interested in this matter, certainly from the Treasury, which we do not have on record in hearings, information from the bondholders, information from the banks, so that we can understand how we can work ourselves out of this multibillion-dollar problem rather than proceeding impetuously and on the basis of totally inadequate information and without the usual kind of hearing and committee report the Senate requires on matters that are far less important, that are trivial from a monetary standpoint compared to this.

Mr. President, the question here is, how in the world can we reasonably assign the responsibility of bailing out the WPPSS system to an agency like Bonneville that is already financially ailing itself and one that depends on the Federal Treasury and hidden costs to the taxpayers to keep its own head above water?

Not only is the amendment flawed but so is the process by which it became part of the Interior appropriation bill. Let me repeat what I have said repeatedly but I think it is worth emphasizing again and again. No hearings were held on the subject by any Senate committee. The amendment was rushed through the subcommittee and there was almost no information available on the amendment for members of the Appropriations Committee, and I am one.

Finally and worst of all, in their haste to pass this amendment, the proponents have jumped the gun on three separate GAO investigations of the Washington Public Power Supply System and its relationship to the Bonneville Power Administration, investigations which may bear directly on Bonneville's health and ability to take on the extra burden required by this amendment.

Now, why then the rush? Just Monday, Senator GORTON admitted that there is no way, and Senator McCLURE, as I understand it, said the same thing this morning, there is no way we can get this bill passed, get it through conference and finish it before we recess.

Given this impossible time crunch, does it not make more sense to wait until the Senate Energy Committee has had its hearing on the subject? That is less than an hour from now.

Speaking of the hearing, why was it scheduled for Wednesday if the Senate was to vote on the amendment on Monday? That timetable makes no sense to me.

Chairman McCLURE told us yesterday that all interests in the Northwest were solidly behind this amendment. That is hardly the case. For example, both the Public Power Council, which represents the Northwest publicly held utilities——

Mr. McCLURE. Would the Senator yield for ——

Mr. PROXMIRE. I will in just a moment—and the Progress Under Democracy group, which includes the major ratepayer action groups, have gone on record against this.

I am happy to yield to my friend.

Mr. McCLURE. Would the Senator yield? I think the Senator misrepresented what I said yesterday or perhaps misunderstood what I said yesterday. The question had come up about consensus in the Northwest with respect to this proposed amendment, and I outlined what the consensus was. I did not say there was no dissension or that there was no disagreement in the Northwest. I would hope that the RECORD could be corrected to reflect that. If the Senator would like to look back at the RECORD as to what I said yesterday, I would be happy to have him do so, but I hope he will take a look at the RECORD for what was said yesterday.

Mr. PROXMIRE. Of course, I know the intentions of my good friend were excellent, as they always are, but I

stand by the fact that there is substantial opposition in the Northwest.

Mr. McCLURE. But the Senator did not say there was not.

Mr. PROXMIRE. I do not know what the Senator means by consensus. When you have the Public Power Council, which represents the Northwest utilities——

Mr. McCLURE. Would the Senator like to look back at the RECORD yesterday as to what it was I said?

Mr. PROXMIRE. The Senator just now said there may be some dissent here and there.

Mr. McCLURE. I said that yesterday.

Mr. PROXMIRE. Maybe some dissent. I am saying there is not any consensus in the Northwest.

Mr. McCLURE. Then do not represent to the Senate that I said something which I did not say.

Mr. PROXMIRE. What I am saying to the Senator in this Senator's view is not a misrepresentation.

Mr. McCLURE. It is a misrepresentation of what I said. It may not be——

Mr. PROXMIRE. The Senator just this minute indicated—now, maybe I misunderstood. Is the Senator telling me there is no consensus in the Northwest behind this position?

Mr. McCLURE. No, I am not, but I did not yesterday say there was no disagreement and the Senator is saying that I said yesterday there was no disagreement in the Northwest. I did not say that.

Mr. PROXMIRE. All right. Let us assume for a minute that the Senator may be correct about what he said yesterday. Let me ask, did the Senator say today that there is a consensus; in other words, a general support among interested parties in the Northwest for his position?

Mr. McCLURE. I did not represent that there was no disagreement in the Northwest, and I do not believe I said that there was a consensus in the Northwest to do this in the terms that the Senator has now stated.

Mr. PROXMIRE. I am just trying to find out what the situation is.

Does the Senator agree with this statement: That the Public Power Council, which represents the Northwest publicly held utilities—a big group and an important group—and the Progress Under Democracy group, which includes the major ratepayer action groups, have gone on record against this amendment? Is that true or false?

Mr. McCLURE. I do not know about the second group to which the Senator refers. I do know about the Northwest Power Council, which adopted a resolution of qualified opposition.

Mr. PROXMIRE. I thank the Senator.

The Public Power Council's resolution opposes:

Any congressional action until the ratepaying public has had sufficient input into the process and until the Public Power Council's Executive Committee has sufficient information to determine the legislative course of action that is in the best interests of the ratepayers of the region's consumer-owned utilities.

Members of Progress Under Democracy were even more direct. I will read their letter. This is a letter to Senator JACKSON, dated July 26.

The Executive Committee of Progress Under Democracy and the below-listed ratepayer leaders of Washington State urge you to withdraw the "WPPSS Rider" (Sec. 317) that has been attached to the Interior Appropriations bill at the urging of the four investor-owned-utilities who own a 30% share of WPPSS project No. 3.

We feel the authority granted by this proposed amendment is contrary to the best interests of local public power in Washington state and would be a considerable detriment to the ratepayers of this state and the entire Northwest region.

This amendment represents an effort to circumvent all the existing legal, market, regulatory and political safeguards that have thus far protected people in the Northwest from a no-holds-barred assault on their incomes.

Legally, this amendment tries to guarantee that public power ratepayers will pay any debt Bonneville has incurred or will incurr even if its net-billing arrangements are found invalid and illegal, as well they may be in light of the Washington State Supreme Court decision on WPPSS projects 4 and 5.

Market-wise, despite the best efforts of these private utility companies, no investors will lend them money to complete this WPPSS project #3. The risk is too great! This amendment would force public power ratepayers to take the risks the bankers will not take . . . on behalf of their stockholders. The financing of WPPSS #3's completion is not only cost-effective, but the fuel-loading of WPPSS plant #2 has absolutely no economic rationale in a time of energy surplus and Bonneville revenue short-fall.

Regulation of the investment practices of private electric monopolies, like Puget Sound Power & Light Company, is properly under the jurisdiction of the Washington Utilities and Transportation Commission. This amendment attempts to circumvent this regulatory protection and dump the nuclear mistakes of private utility companies on the region's public power ratepayers. If Congress establishes that ratepayers of federal based systems can be thrown into the breach to protect private utilities from the consequences of their own bad judgement and the realities of the marketplace, these four companies will only be the first in line to get their piece of the bail-out.

Politically, the public in the Northwest region has succeeded in stopping payment on the blank check WPPSS was using. Now Congress, via this Rider, is proposing to issue another blank check in our names. However perverted WPPSS may have become, some political reigns remained in the hands of local PUDs where people in November, 1982, did choose new leaders committed to ending the WPPSS fiasco. This amendment would move the power to incur debt to a level where people can't reach it—though they will still be getting the bills.

Let WPPSS, BPA and the IOU's make their case to the Northwest and its ratepayers. If the plants can be justified, we will build them. If they can't make their case to the courts, the ratepayers and the bankers, then Congress should not lend itself to the secret business of overriding democratic decisions in favor of Puget Power's balance sheet.

We urge you again to withdraw the rider.

(Mr. HUMPHREY assumed the chair.)

Mr. RIEGLE. Mr. President, will the Senator yield at that point for a question?

Mr. PROXMIRE. I yield.

Mr. RIEGLE. I think the Senator is performing a valuable service by raising these questions.

In referring back to the Chrysler legislation which was before our Banking Committee, there were a number of specific requirements. The situations were different, but there are important similarities.

For example, there was a new management team that had come in, in the case of Chrysler. We insisted that if there was going to be any Federal involvement, the Federal Government, or anything it was associated with, stand first in line in terms of any final claim on assets, in order to restore the position of the Government.

We required reductions in the salaries and in the expenses for white collar management personnel as well as for labor. We put the warrants in, so that if there were a turnaround in the situation, there would be a public gain.

As I listened to the Senator raise a number of points—and I share his concern about it, I do not see here where there is anything—in the absence of hearings which have not taken place—there is nothing like the more severe effort to try to move in that direction, if Congress is going to act.

I ask the Senator: It appears to me that the kinds of normal safeguards we should be insisting upon in a case such as this, if we are going to be involved—and I am not convinced that we should be—but I do not see in this instance the safeguards we have insisted on.

I am delighted that the Senator raises these questions. He is absolutely right.

He is familiar with the problems we had with Chrysler, New York City, and Lockheed. In the first place, they were elaborate hearings. We had many days of hearings on Chrysler. We had the administration testifying. We had the Chrysler management testifying. We had the labor unions testifying, Mr. Frazer testifying. We had outside experts testifying on both sides. The Senator is right.

Mr. PROXMIRE. The Chrysler creditors, in some cases, had to take 30 cents on the dollar. They took a beating. In other cases, they were given

preferred stock which paid no dividends for some time.

The management agreed to a cut, and the union agreed to a very sharp cut. As a matter of fact, they are still making $2 an hour less than the people who work for General Motors and Ford.

Mr. RIEGLE. That is right.

Mr. PROXMIRE. So very deep sacrifices were made by a whole series of people in the Chrysler matter.

In the Lockheed matter, the sacrifices were just as great.

In the New York City matter, we froze wages for a period of years, and most of the money made available to New York City was from the pension fund of the New York City workers, who put their pension at risk.

As a matter of fact, the Senator from Wisconsin disagreed with the outcome in both cases, and I opposed those bailouts.

In this case, there is a world of difference. In those cases, we had an excellent, thorough, documented, detailed, painstaking record. In this case, we have nothing, not 1 minute of hearing. There is one going on this afternoon, but a number of important parties will not have an opportunity to make a representation at all.

Mr. RIEGLE. I think the concerns the Senator is raising are important, because if the management that obviously made some serious errors of judgment is going to remain in place, if there is going to be no sacrifice in terms of scaling back compensation for the people involved, if there is not going to be some additional sacrifice by everybody connected who has a financial interest in this, which is a pattern we have seen in other instances where we have been involved, then I do not think we should be going into this.

We should help as a last resort, after everybody else who has had a part in these decisions, which were wrong decisions, unless those parties are willing to bear a disproportionate share of the responsibility.

Should we not get a new management team? We had a new management team in Chrysler. As a matter of fact, I am not sure that many of us would have supported providing the help, with all the caveats, had there not been a new team put in place. And that team has been successful.

Is there a new management that has been put in place here?

Mr. PROXMIRE. I am not sure about that.

Mr. McCLURE. Mr. President, will the Senator yield?

Mr. GORTON. Mr. President, will the Senator yield?

Mr. PROXMIRE. I will respond to my friend first and then I will yield to the Senator from Idaho and the Senator from Washington.

Let me say that the Senator is correct here, but I think the fundamental problem, as I tried to say at the beginning, is the problem of procedure. It is a problem. We usually neglect the procedure. What we have overlooked is the fact there has not been an opportunity to work all this out in hearings.

There are no two more able Senators than the Senator from Idaho and the Senator from Washington, the two men in the Chamber here. They are extremely able.

They come up and they give us all kinds of plausible answers, but we are working in the dark.

We do not have a record. We do not have hearings. In the Chrysler case we had a volume that high. We had gone into it on both sides of the aisles. We had people who not only were from the particular area involved who were informed, but the entire committee was informed. We had days to study those hearings.

In this case, we come in and the Senator form Idaho puts in an amendment. Now he cannot understand why I will not let it go ahead. I wish to study it. I wish to have an opportunity to have some opinion by a committee which had a chance to take their time and look at it, examine it, tell us what is right and wrong about it, and give us their recommendations.

Much as I admire and respect the great intelligence and integrity of the Senator from Idaho, even he is not going to be a guru for me. I am not going to be in the position of rubberstamping anything JIM McCLURE says, although I love him like a brother.

Mr. McCLURE. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield

Mr. McCLURE. I am glad I am not his brother, if the Senator will yield under the same terms and conditions.

Mr. PROXMIRE. I yield.

Mr. McCLURE. Mr. President, I wish to respond to what the Senator from Michigan has said, and I agree with the Senator from Wisconsin when he said there is a world of difference between this situation and Chrysler, Lockheed, and New York.

The reason why—and if I might have the attention of the Senator from Michigan—he suggested that in each of those instances we demanded concessions. We did indeed because the full faith and credit of the United States was involved in each of those instances.

Under the current law, as well as the pending amendment, it is clear that there is no full faith and credit of the United States involved, and that is a world of difference between this and the other situations.

With respect to the second question, that the Senator from Michigan raised with respect to——

Mr. RIEGLE. The Senator is listening.

Mr. McCLURE. I know he has two ears.

Mr. RIEGLE. He is listening intently with at least one ear to the Senator from Idaho.

Mr. McCLURE. I appreciate that.

With respect to the second question is there new management, absolutely and clearly there is new management that has been in effect. When these cost overruns and the mismanagement became effective, when the new administrator of EPA was appointed, he seized control of this, got new management appointed to look at it, and I think the Senator would be pleased that the new management that was in charge of the construction on No. 3 we can say are ahead of schedule and below target since that changed took place.

Mr. RIEGLE. Just on that point, if the Senator will yield, when he says there is new management, do I take it to mean that the chief operating executives, the principal operating managers of the business, possibly including people on the board of directors, have been replaced, that there has been a wholesale movement out of the old leadership and a brand new team is put in place? Is that what the Senator is saying?

Mr. McCLURE. The management team for the construction was completely replaced. As a matter of fact, Mr. Curtis, who has just recently resigned from that position, worked so hard at it that he had a heart attack.

Mr. RIEGLE. I am not referring to the construction phase. I am talking about the operating executives of the company as a whole, the persons who would be the chief operating officer and the immediate lieutenants. I am talking about the top high command of the entire entity.

Mr. McCLURE. In a moment I will yield to the Senator from Washington who can respond to that, but the Senator confuses this situation, because this is not an operating company in any kind of a normal sense of that term at all. This was one of its orginal problems. But the man who is responsible for the operations, the man who was the supervisor of the operations, was replaced and since that has happened, the entire tone and tenor of management changed and the construction project and cost of construction changed dramatically with new managment.

Mr. PROXMIRE. Mr. President, I am going to exercise my right to hold the floor to say this exactly demonstrates why we should have hearings on this because the new administration of Bonneville, who was a political appointee, was not like Lee Iacocca, who was one of the most brilliant, outstanding auto executives in the country. Everyone knew that he had a terrific work record at Ford when he

went over to Chrysler. But a new political appointee has taken the same old position, "Eventually we will pay it back."

Mr. McCLURE. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. McCLURE. That is a totally different question than the one posed to us by the pending amendment.

I read this earlier, but the Senator from Michigan was not then in the Chamber, and I think the Senator from Michigan also wishes information. I shall read again the provision of the statute that is again confirmed and restated in the pending amendment.

All contractual and other obligations required to be carried out by the Administrator pursuant to this Act shall be secured solely by the Administrator's revenues received from the sale of electric power and other services. Such obligations are not, nor shall they be construed to be, general obligations of the United States, nor are such obligations intended to be or are they secured by the full faith and credit of the United States.

That is current law, and I suspect that had we tried to get a Chrysler bailout with that kind of language we would have gotten no money at all.

It was because the full faith and credit of the United States was involved that we had all the meticulous hearings and the tremendous record to which the Senator from Wisconsin makes reference.

Mr. RIEGLE. Will the Senator admit there are financial implications in this decision for the Federal Government?

Mr. McCLURE. Absolutely not, zero, not 1 penny.

Mr. RIEGLE. There is a strong difference of opinion on that.

Mr. McCLURE. There is not a strong difference of opinion. I wish to have someone state that there is. No one yet has stated that there is. There has not been one word of debate in this Chamber that says that that is true, none.

Mr. PROXMIRE. Mr. President, the difficulty is that the amendment the Senator is offering on full faith and credit is the same language in place now. We still are not getting paid back. That is not going to do it.

Mr. McCLURE. If the Senator will yield further, under the same conditions, again the issue to which he makes reference has to do with repayment of existing obligations that have arisen from two sources, as I have repeatedly stated in the past. One is the assumption of the responsibility to pay back that portion of the projects in the Northwest which are attributable to power production and therefore are repayable to the Treasury band, second, the amount of money that has been appropriated for Bonneville's use with respect to transmission.

Those are the elements of indebtedness that Bonneville has which they must repay.

The fact that they are behind on their payment schedule is something that this Congress has ratified. It was done in the committee of which he is a member, it has been passed in the Senate of which is a Member, it has passed in the other body to which he made reference, and it has been signed into law by the President.

So the Senator may criticize that process but do not make the assumption nor make the representation that it is done by slight of hand or trickery, that Congress has no control over it.

Mr. RIEGLE. Mr. President, will the Senator yield for a specific question along that point?

Mr. PROXMIRE. I yield.

Mr. RIEGLE. Mr. President, I appreciate the Senator letting me get into this discussion with him. I think he is performing an important service to the Senate.

I am led to understand that the power authority now owes the Treasury nearly $8 billion.

I ask the Senator is that correct?

Mr. McCLURE. Excuse me. I was distracted. I did not give the Senator one ear, and I apologize.

Mr. RIEGLE. I understand the power authority now owes the U.S. Treasury nearly $8 billion; is that correct?

Mr. McCLURE. I cannot confirm the exact amount of money.

Mr. RIEGLE. It is a lot of money, at the rate of $8 billion, several billions of dollars.

Mr. McCLURE. Yes, for all of the power features in the Northwest dams, for which they are the marketing agent for the power, and for the transmission lines that they built pursuant to appropriations acts.

Mr. RIEGLE. This is what I am told with respect to that debt. Much of that money carries interest rates below 5 percent. I understand it has paid back only $638 million which would be less than 10 percent of what is owed. The last decade it has paid only $42 million in payments and it apparently has made no payments in the last 3 years. And according to the Federal Energy Regulatory Commission these delayed repayment practices have cost the taxpayers $740 million to $1.4 billion.

As I understand it now we are talking about adding another $1.4 billion to the power authority's debt obligations and because of the Federal Energy Regulatory Commission's rule, the son of WPPSS would be paid off before the Federal Treasury and thus the taxpayers of the United States will forgo additional billions of dollars owed to them under the law in order to subsidize the construction of nuclear powerplants that many think are not needed.

Why are not the financial relationships connected in this way, and does it not create—why are we here on the floor then and why have we not been able to go through the hearing process? I mean, what is the rush here when we have been doing this for decades? Why can we not have a hearing record?

Mr. McCLURE. Mr. President, will the Senator yield under the same terms and conditions as previously set forth?

Mr. PROXMIRE. I yield.

Mr. McCLURE. Let me respond to the Senator from Michigan, if I may. I do not want to deprive the Senator from Wisconsin of any of the time to which he is entitled. I thought I was depriving him of that time.

Let me respond to the Senator from Michigan. First of all, these facts you have set forth in your statement have been mentioned four or five times in debate over the last 2 days. I will give you the same answer now I gave before, and that is yes, indeed, there are obligations Bonneville has. Those obligations are because of the repayment of the power features in dams constructed by the Federal Government, the power from which is marketed through the Bonneville Power Administration through the customers it has.

Second, because of the debt incurred because of the construction of transmission facilities, again money which was appropriated by the Congress of the United States for that purpose and which must be repaid by Bonneville Power Administration as it collects revenues from the people who buy the power, that come from those projects and there on through those transmission lines to the consumers in the Northwest.

Why, as a matter of fact, are they behind? Well, there has been an economic recession in the country. The Senator from Michigan is familiar with that. The State of Michigan has been afflicted by it. The States in the Northwest——

Mr. RIEGLE. Mr. President, if the Senator will yield, it is fair to say this problem was way beyond that. The Senator is talking about a situation here of financial insufficiency that goes beyond anything else in the country. It does not even touch it.

Mr. McCLURE. If the Senator will permit me to answer his question, I will try. It does not—the Senator is wrong. As a matter of fact, as I said before in respect to the statement of the Senator from Wisconsin, the fact that there have been deferrals of repayment has been approved by the Congress of the United States. Second, the question of the rolling maturities is a practice which has been going on for 20 years, even before you and I got here, Senator. That has been in effect

ever since then and approved by Congress in appropriations acts in the past.

Mr. RIEGLE. I am just referring to the default.

Mr. McCLURE. Excuse me.

Mr. RIEGLE. I was just referring to the default. I know of no equivalent default of this size.

Mr. McCLURE. Which default is the Senator referring to?

Mr. RIEGLE. I am referring to the default we are dealing with here.

Mr. McCLURE. Which default is the Senator talking about? If he would be a little more precise I could——

Mr. RIEGLE. Units 4 and 5.

Mr. McCLURE. Units 4 and 5 are not affected by this amendment. Bonneville Power is not involved in 4 and 5. Four and five defaults are defaults of the Washington Public Power Supply System and have nothing at all to do with this amendment or this issue on the floor at this time. It is that kind of misconception with which I am struggling.

Mr. RIEGLE. The Senator is not saying what we are considering here would not in any way touch the bondholders of units 4 and 5?

Mr. McCLURE. It cannot affect bondholders of units 4 and 5, possibly affect them. It might possibly enhance WPPSS asset value, which would be of benefit to the bondholders of 4 and 5, but could not possible affect them.

I made some comments earlier when the Senator was not on the floor in respect to the GAO report which was issued on August 2, which points out again that the Bonneville Power Authority is required to have a sufficient rate structure to collect revenues sufficient to pay its obligations. I referred to the FERC order earlier this year that approved the past revenue structure of Bonneville, and I referred to the fact there is a pending case before FERC with respect to future rates to be charged to customers in which rate application Bonneville has represented to FERC they intend to catch up the amount that has been deferred in 1983 and 1984.

Mr. PROXMIRE. Let me just say to the Senator from Michigan, because it is on the very point he is raising, that I would disagree with my good friend from Idaho here. The amendment may—and that is the reason I think we should have hearings—it may cut off the rights of bondholders of units 4 and 5.

Mr. RIEGLE. I mean the Senator from Idaho cannot make a declarative statement about it. I understand that issue has been tested in the courts.

Mr. McCLURE. Mr. President, will the Senator yield? With respect to the bonds issued for units 4 and 5, whether or not they could reach back to the assets created in the issuance of bonds for 1, 2, and 3, that is before the courts and has not been resolved.

Mr. RIEGLE. That is exactly the Senator's point

Mr. McCLURE. Let me complete my answer, if the Senator will, and that is even if they can look through to those assets that are held by WPPSS or obligated under the contracts with BPA they can only be helped by the completion of the construction of those assets. They cannot adversely be affected, and if they are unsuccessful in their current suit, saying they cannot reach back to 1, 2, and 3, they are totally unaffected.

Mr. PROXMIRE. Mr. President, will the Senator yield? I am getting more and more concerned about the health of the Senator from Idaho, and I will tell you why. He has a hearing in about 24 minutes. He obviously has not had a chance to have lunch. He has been on the floor all this time, and I hope he can give all his attention and great enegy to that hearing. So I hope the Senator will take advantage of the next 24 minutes so that I can engage in a colloquy with the Senator from Washington.

Mr. McCLURE. I appreciate the Senator's concern. I thought I would go down and have some milk and cheese.

Mr. PROXMIRE. Does the Senator know that 40 percent of all the cheese in this country is made in Wisconsin?

Mr. McCLURE. Subsidized by the taxpayers of the United States in the great bailout of the dairy industry.

Mr. PROXMIRE. The Senate dining room has no subsidy for the moment.

May I say to the Senator from Washington, I would like to finish just one short paragraph because it is signed by some of his most distinguished constituents. It says:

> Let WPPSS, BPA, and investor-owned utilities make their case to the Northwest and its ratepayers. If the plants can be justified, we will build them. If they cannot make their case to the courts, the ratepayers and bankers, then Congress should not lend itself to the secret business of overriding democratic decisions in favor of Puget Power's balance sheet.

That is signed by people from Wenatchee, Seattle, Olympia, Lynnwood, Ellensburg, Raymond, Shelton, Matlock, and Longview, all wise and distinguished citizens of Washington who are the Senator's constituents.

Mr. GORTON. The Senator from Washington fully agrees with the sentiments expressed in that letter. The Senator from Washington agrees that no construction should go forward unless it is very substantially justified, unless it represents a broad consensus of the people of the State of Washington and of the various power entities which serve them, not simply investor-owned utilities but publicly owned utilities as well.

The Senator from Wisconsin should know that nothing in the amendment, the principal amendment, the committee amendment, which is before the Senate at the present time directs that the construction of unit 3 continue. It simply sets up a framework within which it can continue.

At the present time without any authority from the Congress at all, the Washington Public Power Supply System has legal authority to borrow the roughly $1 billion necessary for completion of unit 3. But, of course, because of the default of the Washington Public Power Supply System in connection with bonds on units 4 and 5, bonds not related in any respect whatsoever to the Bonneville Power Administration, the Washington Public Power Supply System is unable to borrow $1.15 much less close to $1 billion.

Mr. PROXMIRE. I might say to the Senator that in this letter from his constituents they said:

> The Executive Committee of Progress Under Democracy urges you to withdraw the WPPSS rider, section 317, that has been attached to the Interior appropriations bill.

They want it withdrawn, and that is why I am up here speaking, and I agree with them.

Mr. GORTON. If I may comment both in answer to the question from the Senator from Wisconsin and certain of the quite sincere and valid questions on the part of the Senator from Michigan, I doubt that even after a somewhat extended period of time we will ever have a 100-percent agreement in the States of Washington, Oregon, and Idaho about the completion of unit No. 3 or, perhaps, unit No. 2. Some of the members of some of the organizations to which you refer are simply opposed to the use of nuclear power at any place under any set of circumstances. Other constituents of mine at the present time still have a contingent liability or fear they may have some liability for obligations in the aborted construction of WPPSS unit 4 and WPPSS until 5. Some of them have an unstated agenda, I may say to the Senator from Wisconsin, an agenda with which he would not agree.

Some of them wish to hold the full construction of WPPSS 3 captive until it is clear that they are relieved from all of their obligations to pay bonds for WPPSS units 4 and 5; that is to say, they want a Federal bailout of bonds which have now been largely repudiated but about which there is still additional litigation, litigation which will go on for an extended period of time.

The Senator from Idaho, this Senator from Washington, and my colleague from Washington, Senator JACKSON, have consistently told our constituents that we cannot, under any set of circumstances, pass a bailout for the Washington Public Power Supply System. We cannot get Federal appropriated money into that system,

either for the completion of WPPSS 3 or in connection with the bonds for WPPSS units 4 and 5.

What we can do, however, is to highlight, is to pinpoint the debate within our own region on the single live issue in which Congress can, as a practical matter, do anything. And that question—a question on which there is not entire unanimity in the region, but which I think there is substantial agreement—is whether or not, having invested several billions of dollars, somewhere between $3 and $4 billion, in Washington Public Power Supply System Unit No. 3, which is now almost 80 percent complete, it is better to invest an additional $1 billion, or slightly less than that, and complete that unit so that it is producing power, so that it is capable of generating some income, or whether it is now better to abandon that process to pay off the $4 billion which has already been put into it, the debt service of which we are now paying in our rate structure through the Bonneville Power Administration.

Now I would have to admit that I will never be able to secure the assent of 100 percent of the people of the State of Washington, even to going forward under those circumstances. I will submit quite sincerely to the Senator from Wisconsin and the Senator from Michigan, however, that almost any economic, any valid, any objective economic analysis would indicate that we in our region are far better off to proceed and to finish that single unit, whatever happens to unit No. 1, whatever happens to unit Nos. 4 and 5, than to be stuck with an indebtedness of several billion dollars for something which will never produce money at all.

Even so, and even if we pass this amendment, we do not guarantee that construction will continue on unit No. 3. That will still be a decision which must be made in the region which I represent. But we should have and we are asking for the ability to make that decision where we live. That is all we are asking for here—the ability to have this debate go on, the ability to make that decision, the ability to answer that question in the affirmative.

The Senator from Michigan asked—and I think he asked very legitimately—whether or not we were not just going on with a highly inefficient construction program, which marked the first several years of the Washington Public Power Supply System. He asked whether or not we had new management. He asked, in effect, is this money going to be wasted to the same extent that much of the other earlier money is going to be wasted. And that is an extremely legitimate question.

Mr. PROXMIRE. And it is a question on which we should have hearings and we should have a record and we should have information. We should not have a situation in which eloquent and popular Senators, like the Senator from Washington, arrive on the floor and carry the day because everybody loves them. We have Senators, Republicans and Democrats, who are for this, for understandable reasons, and they win. I mean, that is no secret. They will always win under these circumstances.

What we are pleading for is an opportunity to have the facts first. That is what we want.

Let me just point out that Bonneville itself says they are in no hurry on this. They say there is nothing to be gained by rushing to finish WPPSS now. Even a 3-year delay, BPA says, will cost at most $100 million. Under some circumstances, longer delays could even break even. There is no reason to rush to resolve this except to accomplish a fait accomplish before the people in the Northwest have a chance to react.

Let me say this. According to Bonneville's own members, a delay in WPPSS 3 of 3 plus years will result in a savings to BPA because of existing large surpluses of power. So the only harm from delay is to the stockholders of many private utilities. The bondholders of BPA are protected. Their investment is guaranteed.

Furthermore, Bonneville can sell its surplus power to California in only limited amounts. BPA currently gets 9 mills per killowatt hour. This will not go up much due to competition from other sellers of electricity, yet it costs BPA at least 3.9 cents per kilowatt hour for generaton if it completes WPPSS 3. And since this is all surplus power, BPA will take a loss on the sale, if they can even sell it.

So what is the hurry? If you have an emergency situation where we have to act, then we should overrule our rules and permit legislation on an appropriations bill. We are rushing ahead now with an action here which we clearly do not need. I hope that the Senator from Washington will concede that is the case, will he not? Is BPA wrong?

Mr. GORTON. The Senator from Washington will be delighted to answer the question of the Senator from Wisconsin because, in many respects, it is identical to the question of the Senator from Michigan, which is put somewhat differently. But the Senator from Washington must continue along, at least for a moment, the train of thought in response to the Senator from Michigan.

Mr. PROXMIRE. How long does the Senator wish to continue? I have the floor.

Mr. GORTON. For 2 or 3 or 4 minutes.

Mr. PROXMIRE. Does the Senator from Michigan want to answer the Senator from Washington after those 2 or 3 or 4 minutes?

Mr. RIEGLE. If the Senator will yield to me for a moment, I have no desire to in any way harm the Senator's region or people in it.

Mr. GORTON. I understand the Senator.

Mr. RIEGLE. When Mount St. Helens erupted, I and others were among the first to want to respond directly and immediately with help, and we were prepared to reach in our pockets in Michigan to do so. So I have every interest and concern about the longrun well-being of the region and the people there.

I am not raising this from the nuclear power issue, either. That is not the issue with which I rise in terms of my concern here.

My concern is the financial implications. I am very much disturbed about the process and the procedure. I think it is an embarrassment, frankly, that we find ourselves here under this kind of legislative condition on a matter of this complexity, having to try to elicit information this way that is not available, for example, on the basis of a committee hearing or committee hearings or committee reports. We just do not have it. It is not the way to proceed on a matter of this magnitude. It is complex.

As the Senator from Wisconsin points out, there does not seem to be any emergency of the same sense that Mount St. Helens conveyed where we had an immediate requirement to respond, and did respond just about that quickly.

So it is within that framework that I raise these questions. And I want good answers. That is what I am after.

Mr. GORTON. The Senator from Washington recognizes and appreciates precisely that concern. One of the reasons that I have attempted to answer his questions is that I am——

Mr. PROXMIRE. Mr. President, I understand that I have the floor. I am happy to yield to the Senator. I ask unanimous consent that I may yield 2 minutes to the Senator from Washington to respond and then I am going to finish my remarks. The Senator from South Carolina has a statement he would like to make before 2 o'clock and I want to give him time to do that.

Mr. HOLLINGS. Will the Senator from Wisconsin yield?

Mr. PROXMIRE. Yes.

Mr. HOLLINGS. I do appreciate the Senator giving me that time, but on this particular subject I want to ask the Senator from Washington, if this goes through as a precedent, about the chances of a $750 million reprocessing plant in Barnwell, S.C. Since we are making the bailouts today, I am ready to answer any questions he wants. We have no hearing record on anything else, but, a la GORTON, I would now

propose to answer any questions he may want and urge, of course, his support for our $750 million reprocessing Allied-Gulf plant. Let the Government buy that one, too, if we buy WPPSS. Would the Senator go along with me on that?

Mr. GORTON. If the Senator from South Carolina is asking us to pass legislation which will permit the citizens of South Carolina to buy that plant for that amount of money, the Senator from Washington would be happy to support the Senator from South Carolina, because that is precisely what the Senator from Washington is asking. He is asking for my people to pay for their problem. He is not asking for help or taxpayer money from the Senator from South Carolina.

Mr. PROXMIRE. The Senator has got to be kidding. They really want to buy it? What do they want to buy, No. 4 or No. 5? They are just dying to buy it. Talk about a turkey.

Mr. GORTON. Has the Senator from South Carolina made the statement he wanted to make?

Mr. HOLLINGS. That will be on a different subject, on Radio Marti.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Wisconsin? Without objection, it is so ordered.

Mr. GORTON. All I need to say to the Senator from Michigan is that I gather we will have sufficient additional time in the future.

I did want to answer the question at least to the point of dealing with management. It is very clear that Washington Public Power's management of the construction of these five plants was extremely negligent, that a great deal of money was wasted, that many of the problems faced by our citizens today are due to that mismanagement and waste. It is, however, to the credit of the people of my State and to my legislature that at least 2 years ago that supply system was totally reorganized, that it received a new managing director, which is the equivalent of a corporate seat, at the very top management, Mr. Ferguson, to whom the Senator from Idaho referred.

It is true that after that period of time, during the course of the last 2 years, the plant which is primarily under discussion here, Washington Public Power Supply System Plant No. 3, has been constructed at a pace by which it was ahead of schedule and under budget. Still, a great deal of money was wasted on that before this change in management. But the present management of that process has been exceedingly efficient, has been a model, in fact, for all such construction projects in the United States. A large portion of the emergency with which we deal today is the fact that if we just close it down and start up again in 3 years, we will lose that ability and a great deal of money. I thank the Senator for yielding.

Mr. PROXMIRE. I thank my friend. I will not yield further. I want to finish up.

Influential members of the other body also oppose this amendment. The chairman of the House Energy and Commerce Committee has indicated that he will fight this provision if it remains attached to the Interior bill. He and the chairman of the Subcommittee on Conservation and Power have both "questioned the bill's attempt to limit the rights of prior WPPSS creditors." They worry that such limitations "could raise constitutional issues similar to those which arose over Penn Central legislation a decade ago, and could result in Federal taxpayers assuming the financial liabilities."

Even members of the House delegations from Washington and Oregon have contacted my office to declare their independence from this amendment. The most vocal of the group, Congressman WEAVER of Oregon, has raised a series of interesting questions about the implications of this amendment which deserve answers from this committee. I will not ask them all—they are too long and detailed. But review of even a few will indicate how many ambiguities and even genuine mysteries surround the words of this amendment.

For example, he questions whether any new entity, or a super-WPPSS, setup to continue construction on plants 1, 2 or 3 could issue tax-exempt bonds. According to the Congressman, a 1972 IRS ruling might limit the super-WPPSS to issuance only of taxable bonds. This would increase the cost of completing the projects and such bonds would have little appeal.

Does the amendment allow super-WPPSS to complete plant 1 as well as plants 2 and 3? The scope of the amendment is unclear on this point—a $2.5 billion difference of opinion.

Who would buy the super-WPPSS bonds? Although bonds for plants 1, 2, and 3 are already guaranteed by Bonneville, there are no takers on Wall Street. Why would super-WPPSS securities be any more attractive to investors?

Would super-WPPSS bond holders have rights superior to those of the U.S. Government if Bonneville cannot raise its revenues fast enough to pay off its new debts?

These are just a few of the questions raised by Congressman WEAVER. Unfortunately, I have seen no answers.

Congressman WEAVER is not Bonneville's only critic. Bonneville's wholesale rate schedules must be approved in proceedings of the Federal Energy Regulatory Commission. In a recent (June 15, 1983) order, the Commission criticized Bonneville for its financial methods.

According to the Commission, Bonneville, in repaying the Treasury, has developed "a practice of deferring or ignoring repayment of principal whenever it fails to recover those amounts over the effective period of its rates. Thus, when Bonneville is unable to collect sufficient revenues to meet payments to the U.S. Treasury over an effective period, Bonneville makes no attempt in the succeeding period to bring its repayment of the project investments back on a reasonable schedule. Instead, Bonneville prepares a new repayment study which assumes that the investment on the books at that time will be repaid over the remaining term left in the repayment period. This practice has the effect of continually pushing Bonneville's repayment obligation to future ratepayers. The ultimate result of this practice is to generate a bow wave of unpaid investment costs which are continuously deferred with an ever-increasing level of annual payments required with each succeeding rate filing.

According to the Commission for 1982 alone, Bonneville failed to repay interest and principal owed to all of us of over $286 million. And this is just for 1 year; 1983 is expected to be much worse. Based on the straight line amortization method, right now Bonneville's repayment is behind by $1.4 billion.

Has Bonneville made efforts to reduce this drain on the Treasury? Quite the contrary. According to the Federal Energy Regulatory Commission, Bonneville is getting worse. Their conclusion, Bonneville has made no discernable effort to mitigate this increasing problem.

And this is the same Bonneville that is pledging its assets to super-WPPSS. If Bonneville has to incur even more high-cost loans as a result of this amendment it will simply pay back the U.S. taxpayers at an ever decreasing rate.

The Interior Appropriations Subcommittee insists that this bailout plan requires no Federal expenditures. If all goes perfectly, that may turn out to be true. But this plan is like a blank check for Bonneville Power. If it needs more money for WPPSS, it can first raise rates to consumers until they will pay no more. Then, it can simply decline to repay the Treasury and reschedule its debts until BPA itself goes completely out of control.

The Interior Subcommittee's plan is no more than a gamble that BPA will suddenly learn how to keep WPPSS's house in order when it cannot even control its own finances. And if this plan is adopted, and BPA fails, all this will come falling down on—guess whom—the Federal Treasury and the taxpayers. Then we will be asked to bail out Bonneville Power, WPPSS,

and the entire house of cards that the Interior Appropriations Subcommittee has constructed.

Mr. President, there is no consensus here. If we want to act, we need to bring together all the players in the WPPSS debacle—the bondholders, the investor, and publicly owned utilities, the bankers, and the ratepayers. This amendment, now, will only make matters worse. I resent it being rammed down our throats without even as much as a hearing to air all the issues behind it. I urge that we reject the amendment.

Mr. DOMENICI. Mr. President, I commend my distinguished colleagues, Senators HATFIELD and MCCLURE, and my fellow members of the Senate Appropriations Committee for reporting this bill.

I support the Interior appropriations bill—H.R. 3363—as reported by the committee.

H.R. 3363 appropriates $7.6 billion for Interior and related agency programs.

The bill, with a possible later requirement for the forest firefighting program and outlays from prior appropriations, is $0.5 billion in both budget authority and outlays below the subcommittee's 302(b) allocation under the first budget resolution.

With respect to the credit budget, the reported bill is consistent with assumptions in the first concurrent resolution on the budget. There is minimal credit activity for programs in this bill.

Mr. President, I ask unanimous consent that a table showing the relationship of the reported bill, together with possible later requirements to the congressional spending budget and the President's budget request, be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

INTERIOR AND RELATED AGENCIES SUBCOMMITTEE SPENDING TOTALS—SENATE-REPORTED BILL

[In billions of dollars]

	Fiscal year 1984	
	Budget authority	Outlay
Outlays from prior-year budget authority and other actions completed		3.4
H.R. 3363, as reported in the Senate	7.6	5.3
Possible later requirements: Forest firefighting	+.1	+.1
Adjustment to conform mandatory programs to 1st budget resolution assumptions	+(1)	−.1
Subcommittee total	7.8	8.8
Subcommittee 302(b) allocation	8.3	9.3
House-passed level	8.6	9.3
President's request	6.6	8.3
Subcommittee total compared to:		
Subcommittee 302(b) allocation	−.5	−.5
House-passed level	−.8	−.5
President's request	+1.1	+.5

[1] Less than $50,000,000.

Note: Details may not add to totals due to rounding.

Mr. PROXMIRE. Mr. President, I see there are only a few minutes left before 2 p.m. I know the Senator from South Carolina is very anxious for me to yield.

Mr. METZENBAUM. Will the Senator yield me 10 seconds?

Mr. PROXMIRE. Yes.

Mr. METZENBAUM. I take this opportunity to commend the Senator from Wisconsin for a magnificent statement in connection with the issue pending before us. As usual, he has clarified the issue, laid it out, so that all of us might understand it full well. I think maybe it will edify some of our colleagues in the Senate.

At the same time, I would like to compliment my good friend from Michigan who has also added to the discussion and dialog on this issue. I thank both of them very much.

Mr. PROXMIRE. I thank my good friend from Ohio. I yield the floor.

Mr. HOLLINGS. I thank my distinguished colleague from Wisconsin for making this time available.

RADIO MARTI

Mr. HOLLINGS. Mr. President, as a cosponsor of the Radio Marti bill (S. 602), I am concerned that the ramifications of the amendment proposed by the distinguished Senator from Nebraska (Mr. ZORINSKY) have not been made clear. My colleague says that it merely authorizes the U.S. Information Agency to provide radio broadcasting to Cuba through the VOA. The tendency is to think, "Why create another bureaucracy when we already have the VOA?"

Since 1972, I have been a member of the Commerce, Justice, State, the Judiciary Appropriations Subcommittee that controls the funding of both the Voice of America as well as the Board for International Broadcasting. For 4 years I chaired that subcommittee, and for the last 3 years I have been the ranking Democrat. The intervening 11 years of uncounted hearings on regular and supplemental budget requests have given me an understanding of these programs. From that long experience I can tell my colleagues that they are confusing the medium with the message in thnking that the Zorinsky amendment is an improvement.

To put it as simply as I can, the Voice of America was created as a "Window on America" through which the world could observe life in the United States. Over the years we have fought to preserve the credibility of the VOA so that the world could expect to receive authoritative news, and first-rate programing from the United States.

VOA was not established to be a surrogate broadcaster such as Radio Free Europe or Radio Liberty, whose role is to tell the people behind the Iron Curtain the news of what is occurring in the Communist countries. To assign VOA a surrogate role would violate the spirit of the VOA Charter granted by Congress in 1976. Congress appreciated the difference in roles by creating the Board for International Broadcasting to oversee the surrogate radios, but the VOA was never considered in the same light.

The proponents of the Zorinsky amendment claim that putting Radio Marti within the VOA would save money. The VOA is already short of studio and office space for its current operations. Last Saturday the President signed the Supplemental Appropriations bill which contains a total of $19,800,000 to upgrade the VOA. Yesterday, Senator LAXALT on behalf of the Committee on Appropriations, reported the 1984 appropriations bill (S. 1721) which includes an additional $28,000,000 over the 1983 level, including the supplemental, to continue the modernization of the VOA.

Does that sound like an agency that has sufficient capacity to produce 14 hours of surrogate programing to Cuba? Certainly not! In fact, to take on the Radio Marti role, the VOA would have to increase its physical plant and editorial staff in direct proportion to that being proposed for Radio Marti.

Mr. President, the VOA in fact says "no appreciable dollar savings would be realized" by the U.S. taxpayer by putting Radio Marti into VOA according to a VOA statement. In that same statement, it was concluded that "the cost in terms of credibility among VOA's worldwide audience would be incalculable. We would be penny wise and pound foolish."

Finally, I understand that the supporters of the Zorinsky amendment have indicated that placing Radio Marti under VOA would be acceptable to Fidel Castro. That is the worst possible reason I can think of for the amendment. Under that kind of reasoning, we will soon have Andropov clearing our defense plans and policies.

I thank the distinguished Senator from Wisconsin for having yielded me this time.

Mr. PROXMIRE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. CHILES. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CHILES. Mr. President, we are approaching a cloture vote, which I think will take place after the quorum call at 2 p.m. I think it is worth noting that we are dealing with the subject of the cloture vote, Radio Marti.

This is a subject that came up last year before the close of the session.

We had a number of days in which we were not able to get to the final vote on the question because we were held up with what was a filibuster then. The Committee on Foreign Relations has reported this bill on two occasions. The bill had been taken up in the House last year and was passed.

This year, a number of amendments have been added to the bill in the Committee on Foreign Relations to take care of problems that have been raised in connection with some of the frequency. We are now talking about broadcasting on a Voice of America frequency. I think that it behooves the Senate to adopt the cloture motion today and to cutoff debate. We have certainly had plenty of long debate on this. We should get to the merits of this bill.

CLOTURE MOTION

The PRESIDING OFFICER. Under the previous order, the hour of 2 p.m. having arrived, pursuant to rule XXII, the Chair lays before the Senate the pending cloture motion which the clerk will state.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the motion to proceed to the consideration of S. 602, an act to provide for the broadcasting of accurate information to the people of Cuba, and for other purposes.

Senators Jesse Helms, Paula Hawkins, Rudy Boschwitz, Slade Gorton, Steven D. Symms, Barry Goldwater, Orrin G. Hatch, Jeremiah Denton, Bob Kasten, Lawton Chiles, Paul Trible, Gordon Humphrey, John P. East, Dan Quayle, Robert Dole, and Frank H. Murkowski.

CALL OF THE ROLL

The PRESIDING OFFICER. Pursuant to rule XXII, the Chair now directs the clerk to call the roll to ascertain the presence of a quorum.

The assistant legislative clerk called the roll and the following Senators answered to their names:

[Quorum No. 15 Leg.]

Abdnor	Gorton	Mathias
Andrews	Grassley	Mattingly
Armstrong	Hart	McClure
Baker	Hatch	Metzenbaum
Chiles	Hawkins	Murkowski
Cochran	Helms	Nickles
Cohen	Hollings	Proxmire
D'Amato	Humphrey	Specter
Danforth	Jepsen	Stafford
Domenici	Johnston	Symms
Exon	Kassebaum	Warner
Garn	Long	Weicker

The PRESIDING OFFICER. A quorum is not present. The clerk will call the names of the absent Senators.

The assistant legislative clerk resumed the call of the roll, and the following Senators entered the Chamber and answered to their names:

Baucus	Hatfield	Pressler
Bentsen	Hecht	Pryor
Biden	Heflin	Quayle
Bingaman	Heinz	Randolph
Boren	Huddleston	Riegle
Boschwitz	Inouye	Roth
Bradley	Jackson	Rudman
Bumpers	Kennedy	Sarbanes
Burdick	Lautenberg	Sasser
Byrd	Laxalt	Simpson
Chafee	Leahy	Stennis
Cranston	Levin	Stevens
DeConcini	Lugar	Thurmond
Denton	Matsunaga	Tower
Dixon	Melcher	Trible
Dodd	Mitchell	Tsongas
Dole	Moynihan	Wallop
Eagleton	Nunn	Wilson
East	Packwood	Zorinsky
Ford	Percy	

The PRESIDING OFFICE (Mr. D'AMATO). A quorum is present.

RADIO MARTI

VOTE

The PRESIDING OFFICER. The question is, Is it the sense of the Senate that debate on the motion to proceed to the consideration of S. 602, a bill to provide for the broadcasting of accurate information to the people of Cuba, and for other purposes, shall be brought to a close?

The yeas and nays are automatic under the rule. The clerk will call the roll.

The bill clerk called the roll.

Mr. STEVENS. I announce that the Senator from Minnesota (Mr. DURENBERGER), the Senator from Arizona (Mr. GOLDWATER), and the Senator from Wisconsin (Mr. KASTEN) are necessarily absent.

I further announce that, if present and voting, the Senator from Wisconsin (Mr. KASTEN) would vote "yea".

Mr. CRANSTON. I announce that the Senator from Ohio (Mr. GLENN) and the Senator from Rhode Island (Mr. PELL) are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The yeas and nays resulted—yeas 62, nays 33, as follows:

[Rollcall Vote No. 242 Leg.]

YEAS—62

Abdnor	Hart	Nunn
Armstrong	Hatch	Packwood
Baker	Hawkins	Percy
Bentsen	Hecht	Pressler
Biden	Heflin	Quayle
Bingaman	Heinz	Randolph
Boschwitz	Helms	Roth
Bradley	Hollings	Rudman
Chafee	Huddleston	Sarbanes
Chiles	Humphrey	Sasser
Cohen	Inouye	Simpson
D'Amato	Jackson	Specter
Danforth	Kennedy	Stevens
DeConcini	Lautenberg	Symms
Denton	Laxalt	Thurmond
Dixon	Lugar	Tower
Dole	Matsunaga	Trible
Domenici	Mattingly	Wallop
East	McClure	Warner
Garn	Metzenbaum	Wilson
Gorton	Nickles	

NAYS—33

Andrews	Ford	Mitchell
Baucus	Grassley	Moynihan
Boren	Hatfield	Murkowski
Bumpers	Jepsen	Proxmire
Burdick	Johnston	Pryor
Byrd	Kassebaum	Riegle
Cochran	Leahy	Stafford
Cranston	Levin	Stennis
Dodd	Long	Tsongas
Eagleton	Mathias	Weicker
Exon	Melcher	Zorinsky

NOT VOTING—5

Durenberger	Goldwater	Pell
Glenn	Kasten	

The PRESIDING OFFICER. On this vote, three-fifths of the Senators duly chosen and sworn having voted in the affirmative, the motion is agreed to.

(Later the following occurred:)

Mr. BIDEN. Mr. President, I ask unanimous consent that my vote on the last vote on cloture be changed. It was my fault, not the clerk's. I voted "nay" when I meant to vote "yea" to cut off debate. I have checked this with both the majority leader and the minority leader. There is no objection, to the best of my knowledge.

I ask unanimous consent, assuming that unanimous consent is granted, that my request appear after the debate on this amendment.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

(The foregoing rollcall vote has been corrected to reflect the above order.)

Mr. BAKER. Mr. President, the cloture just invoked is against further debate on the motion to proceed, not on the bill itself. I fully expect we are going to have a fair amount of debate on the bill as and when we get to that bill.

DEPARTMENT OF TRANSPORTATION APPROPRIATIONS, 1984—CONFERENCE REPORT

Mr. BAKER. There is another matter that needs to be dealt with, and that is the DOT conference report which is available to us, and I would like to take that up. It is completed, and I do not think it will take very long to deal with.

I would inquire of the minority leader and all other Senators as to their feeling on proceeding to the consideration of that measure at this time notwithstanding the provisions of rule XXII.

Mr. BYRD. Mr. President, the question is addressed to me, and I have not had a chance to talk to my colleagues. Personally I have no objection. I do think we ought to try to establish some framework of time because conceivably—and I know this will not happen—otherwise conceivably it can be used to delay further action on Radio Marti.

Mr. BAKER. Mr. President, while we do that, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, will the majority leader yield?

Mr. BAKER. Yes, I yield.

Mr. BYRD. I had forgotten there was a time agreement entered last night, so I withdraw my objection.

Mr. BAKER. Mr. President, in a moment I am going to ask unanimous consent that we go to the conference report under the terms of the time agreement previously entered into.

DESIGNATION OF MARTIN LUTHER KING, JR. BIRTHDAY AS HOLIDAY

Mr. BAKER. I believe, if I am not mistaken, while it is the practice of the messenger to only report the first document that there may be another document with that message. May I inquire is there a second message on the Martin Luther King birthday designation?

The PRESIDING OFFICER. H.R. 3706.

Mr. BAKER. Also.

The PRESIDING OFFICER. Yes.

Mr. BAKER. Mr. President, I have discussed this with the minority leader and a number of other Senators. I will not now do that, but I want to say it is my intention at some point to put that measure on the calendar by unanimous consent or to invoke the provisions of rule XXIV to do so.

As I say, I have discussed this extensively beforehand, and in a sense it may come as a surprise to some Senators, but I will not make either effort at this time. But I say this only to let them know it is my intention before this day is out to either ask unanimous consent to put that measure on the calendar or invoke the provisions of rule XIV which would culminate in the placing of that measure on the calendar in any event.

DEPARTMENT OF TRANSPORTATION APPROPRIATIONS, 1984—CONFERENCE REPORT

Mr. BAKER. Mr. President, I ask unanimous consent that it now be in order to proceed to the consideration of the DOT conference report as just received from the House under the time agreement previously entered into.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. BAKER. I thank the Chair.

Mr. ANDREWS. Mr. President, I submit a report of the committee of conference on H.R. 3329 and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated.

The assistant legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 3329) making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1984, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective House this report, signed by a majority of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of July 26, 1983.)

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. ANDREWS. Mr. President, I ask the Senate today to adopt the conference report on H.R. 3329, the fiscal year 1984 Transportation appropriations bill. The funding levels in the bill represent a balance among all transportation programs, while staying within the budget constraints with which the Congress and the Appropriations Committee are faced. The bill totals comport with the budget resolution allocation to the Transportation Subcommittee reported to the Senate last month. Furthermore, the conferees were able to reach accommodation on several legislative provisions, ranging from construction differential subsidies to national airport policy.

These compromises were the result of long and delicate negotiations with the House conferees and I feel sure that the Senate's position on all issues has been adequately protected.

We have every assurance from the executive branch that this bill will be signed by the President, making transportation the fourth appropriations measure enacted so far.

I want to thank the members of the conference committee and, in particular, the distinguished Senator from Florida (Mr. CHILES) whose help throughout the evolution of this bill has been invaluable.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. ANDREWS. I yield.

Mr. BYRD. I thank the distinguished chairman. Mr. CHILES was temporarily called off the floor to meet with a constituent. I wonder if we could put in just a brief quorum.

Mr. ANDREWS. Mr. President, I make a point of order that a quorum is not present.

The PRESIDING OFFICER. On whose time?

Mr. BYRD. On Mr. CHILES' time.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ANDREWS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CHILES. Mr. President, I rise to support the statement just made by Senator ANDREWS and to urge the members to support the conference agreement for the 1984 transportation bill.

Last February we began the hearings on the administration's budget requests for transportation. Over the last 6 months, Chairman ANDREWS has worked hard to accommodate matters brought to his attention. He has done this exceedingly well, and at the conference table he led us to a successful resolution on many difficult issues.

This conferences agreement accommodates the important transportation programs and projects that are of vital importance to the many States of our Nation. It does so, however, in a fiscally restrained manner.

Mr. President, the conference agreement is at the 302(b) allocation levels agreed to by the full appropriations committee and reported to the Senate on July 14, 1983. It also should be pointed out that the Transportation Subcommittee during the 302(b) allocation process within the Appropriations Committee recommended a $300 million reduction to the budget resolution funding assumptions for transportation. In other words, our conference total of $10.9 billion, while at the 302(b) allocation levels, is $300 million below the funding assumptions included in the budget resolution. The conference agreement is $873.6 million below last year's level, and it is $367.7 million below the level originally recommended by the House. The new budget authority recommended by the conference agreement is just $18.7 million more than the level requested by the administration. Based on the reductions we have made in the bill, we have received assurances that it will be signed into law.

Within the overall funding restraints, the conferees agreed to increased funding for a number of important programs. An $800 million level was agreed to for the grants-in-aid for airports program which is a full 100 million more than requested by the administration. The conferees also agreed to provide increases over the President's request for Urban Mass Transportation Administration section 9 formula grants and section 3 discretionary grants. These increases are $415 million and $125 million re-

spectively over the levels requested by the administration. The limitation on obligations for the Federal aid highway programs recommended by the conference is $12.520 billion. While this amount is less than the authorized level, it is 55 percent more than the $8.1 billion we started with last year.

Mr. President, one disappointment to me is the level of funding provided for the Coast Guard.

While the conference committee did agree to add $8 million over the Senate figure for Coast Guard operations, the overall funding level for the Coast Guard is actually $45.3 million below the level requested by the administration.

The amount agreed to for the Coast Guard is the lowest level possible to still permit the Coast Guard to continue its current level of operations. There is no room to respond to an unexpected situation such as the Mariel-Cuban boat lift or a sudden surge or increase in the flow of foreign drugs into the United States. Unfortunately, the Coast Guard, which is the fifth branch of the Armed Forces, has not been permitted to take part in the military buildup now underway for the other Armed Forces. I believe that we must reverse this situation in future appropriation bills.

Mr. President, there is one final matter I would like to comment on. This year the conference committee was chaired by Congressman BILL LEHMAN, chairman of the House Appropriations Subcommittee for Transportation and Related Agencies. Much of our success in conference as well as the amiable manner in which the conference was conducted was due to the leadership of Congressman LEHMAN. I know that I also speak for Chairman ANDREWS and other Members of the Senate who served in the conference committee in expressing our appreciation to Congressman LEHMAN for working toward a fair and well balanced compromise on each of the 70 items that the conference dealt with.

Mr. President, I will not take the time of the Members to detail the many other important items in the bill. I am prepared, however, along with Senator ANDREWS to attempt to answer any questions that the other Members might have.

Mr. LEVIN. Mr. President, the distinguished Senator from North Dakota will yield for a moment. Section 319 of the conference report states that "none of the funds in this or any other act shall be used by the Federal Aviation Administration for any facility closures or consolidations prior to December 1, 1983," and requires the FAA to submit a plan to the appropriate committees for future consolidations and closures.

This morning I received a call from Congressman WOLPE, who represents the Battle Creek area in Michigan, relative to information he received from the Department of Transportation that this language would preclude the FAA from making any announcement regarding the FAA's proposed consolidation of the Battle Creek and Minneapolis flight inspection field offices (FIFO's). I am told that the FAA had planned to make an announcement in the near future about which site—Battle Creek, Minneapolis, or a possible third site—had been selected for the consolidated office.

It is my understanding that the author of the amendment was concerned about the closing and consolidation of flight service stations and did not intend to prevent the closing or consolidation of flight inspection field offices. However, the language of section 319 is very broad and does not make any distinction between FIFO's and flight service stations. As a result, I wonder if the chairman of the subcommittee could respond to two specific questions I have regarding the consolidation of the Battle Creek and Minneapolis FIFO's.

First, can the Senator tell me whether the FAA will be able to go forward with an announcement about which site has been selected for the consolidated field office?

Second, under section 319, will the FAA be able to begin actual preparations for consolidation of the Battle Creek and Minneapolis FIFO's once an announcement has been made?

Mr. ANDREWS. I appreciate the concern of the Senator from Michigan. I have a similar situation in my own State of North Dakota and will be glad to clarify what we intended by the language he has referred to. It was the intent of the conferees that this language would in no way preclude the announcement of the intended consolidations presently under consideration by the FAA. It was also my understanding that the language was directed primarily at prohibiting the implementation of consolidation or closing of flight service stations. Therefore, nothing in this section of the bill would preclude the FAA from announcing and beginning to implement the consolidation of FIFO's.

● Mr. DOMENICI. I support the fiscal year 1984 Department of Transportation Appropriation Conference Report.

I would like to congratulate my distinguished colleagues, Senators ANDREWS and CHILES, and the members of the Senate Appropriations Committee for bringing back a conference report that is identical to the subcommittee's 302(b) crosswalk allocation. The conference report on H.R. 3329 provides $10.9 billion in budget authority and $9.7 billion in outlays for fiscal year 1984 for programs within the jurisdiction of the Department of Transportation, the Civil Aeronautics Board, the Interstate Commerce Commission and several other smaller transportation-related agencies.

I urge my colleagues to support the Transporation conference report. The conferees showed tremendous fiscal restraint in negotiating an agreement on H.R. 3329. The conference report is above the President's request by less than $50 million in budget authority and $0.4 billion in outlays.

With respect to the credit budget, the conference report provides $35 million in new direct loans obligations and $35 million in new primary loan guarantee commitments. The total for direct loan obligations is identical to the first budget resolution assumption for this bill. The total for primary loan guarantee commitments is $126 million less than that assumed in the first budget resolution.

Mr. President, I ask that two tables showing the relationship of the conference report to the congressional spending and credit budgets and the President's budget requests be printed in the RECORD at the conclusion of my remarks.

The tables follow:

TRANSPORTATION SUBCOMMITTEE SPENDING TOTALS—CONFERENCE AGREEMENT

[In billions of dollars]

	Fiscal year 1984	
	Budget authority	Outlay
Outlays from prior-year budget authority and other actions completed		15.7
H.R. 3329, conference agreement	10.9	9.7
Adjustment to conform mandatory programs to first budget resolution assumptions	−(1)	−(1)
Subcommittee total	10.9	25.4
Subcommittee 302(b) allocation	10.9	25.4
Senate-passed level	10.8	25.4
House-passsed level	11.3	25.6
President's request	10.9	25.0
Subcommittee total compared to:		
Subcommittee 302(b) allocation		
Senate-passed level	+.1	+(1)
House-passed level	−.4	−.2
President's request	+(1)	+.4

[1] Less than $50,000,000.

Note: Details may not add to totals due to rounding.

TRANSPORTATION SUBCOMMITTEE CREDIT TOTALS—CONFERENCE AGREEMENT

[In billions of dollars]

	Fiscal year 1984	
	New direct loan obligations	New loan guarantee commitments
H.R. 3329, conference agreement	(1)	(1)
Subcommittee total	(1)	(1)
Subcommittee 1st budget resolution assumption	(1)	0.2
Senate-passed level	(1)	(1)
House-passed level	(1)	(1)
President's request	(1)	(1)
Subcommittee total compared to:		
1st budget resolution assumption		−.1
Senate-passed level		
House-passed level		
President's request	+(1)	+(1)

[1] Less than $50,000,000.●

Mr. ANDREWS. Mr. President, I move that the Senate adopt the conference report.

The PRESIDING OFFICER. Is there further debate?

The question is on agreeing to the conference report.

The conference report was agreed to.

Mr. ANDREWS. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. CHILES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ANDREWS. Mr. President, I ask the Chair to lay before the Senate certain amendments which are in disagreement.

The PRESIDING OFFICER. The clerk will state the amendments in disagreement.

The assistant legislative clerk read as follows:

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 1 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum inserted by said amendment, insert: *$36,500*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 23 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert: *: Provided, That notwithstanding any other provision of law, the Secretary of Transportation may hereafter issue notes or other obligations to the Secretary of the Treasury, in such forms and denominations, bearing such maturities, and subject to such terms and conditions as the Secretary of the Treasury may prescribe. Such obligations may be issued to pay any necessary expenses required pursuant to the guarantee issued under the Act of September 7, 1957, Public Law 85-307, as amended (49 U.S.C. 1324 note). The amount of such obligations when combined with the aggregate of all such obligations made during fiscal year 1983 shall not exceed $175,000,000 by September 30, 1984. Such obligations shall be redeemed by the Secretary from appropriations authorized by this section. The Secretary of the Treasury shall purchase any such obligations, and for such purpose he may use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as now or hereafter in force. The purpose for which securities may be issued under such Act are extended to include any purchase of notes or other obligations issued under the subsection. The Secretary of the Treasury may sell any such obligations at such times and price and upon such terms and conditions as he shall determine in his discretion. All purchase, redemptions, and sales of such obligations by such Secretary shall be treated as public debt transactions of the United States.*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 28 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

EMERGENCY RELIEF

Notwithstanding sections 125, 129, and 301 of title 23, United States Code, an additional $20,000,000 shall be available from the Highway Trust Fund for the emergency fund authorized under section 125 of title 23, United States Code: Provided, That the Secretary shall give first priority to making funds available to repair or replace the Mianus Bridge on I-95 in Connecticut: Provided further, That the Federal funds provided herein shall not duplicate assistance provided by any other Federal emergency program, compensation received from Connecticut bridge insurance policies, or any other non-Federal source: Provided further, That regulations issued under section 125, title 23, United States Code, shall apply to the expenditure of such Federal funds: Provided further, That such funds shall not be available until the State of Connecticut enters into an agreement pursuant to section 105 of the Federal-Aid Highway Act of 1978 which covers the Mianus Bridge.

MIANUS BRIDGE EMERGENCY ASSISTANCE

For necessary expenses to help defray costs such as additional police and fire services and road repairs resulting from the Mianus Bridge collapse, $1,000,000: Provided, That such sum shall be equally divided between and allocated to the towns of Greenwich, Connecticut, and Port Chester, New York.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 39 to the aforesaid bill, and concur therein with an amendment as follows:

Restore the matter stricken by said amendment, strike out "fiscal year 1981", and insert: *fiscal year 1979*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 36 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert: *: Provided, That the Secretary of Transportation is authorized to issue to the Secretary of the Treasury notes or other obligations pursuant to section 512 of the Railroad Revitalization and Regulatory Reform Act of 1976 (Public Law 94-210), as amended, in such amounts and at such times as may be necessary to pay any amounts required pursuant to the guarantee of the principal amount of obligations under sections 511 through 513 of such Act, such authority to exist as long as any such guaranteed obligation is outstanding: Provided further, That the amount of such notes or other obligations, when combined with the aggregate of all such note or obligations issued during fiscal year 1983, shall not exceed $150,000,000 by September 30, 1984.*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 41 to the aforesaid bill, and concur therein with an amendment as follows:

Strike out the matter stricken by said amendment, and insert:

ILLINOIS FEEDER LINE ASSISTANCE
(TRANSFER OF FUNDS)

For a grant related to the acquisition and rehabilitation of the railroad feeder line as authorized by section 511 of the Rail Safety and Service Improvement Act of 1982, $3,000,000, to be derived by transfer from the unobligated balances of "Redeemable preference shares": Provided, That such grant shall contain terms requiring (1) the repayment of the full amount of the grant to the United States in the event of the cessation of service on such line within five years after the first operation of such service after receipt of such grant, and (2) a liquidation priority for the United States in the event of bankruptcy within such five-year period.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 53 to the aforesaid bill, and concur therein with an amendment as follows:

Strike out the matter stricken by said amendment, and insert: *$18,400,000, for the period October 1, 1983 through August 1, 1984*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 60 to the aforesaid bill, and concur therein with an amendment as follows:

Strike out the matter stricken by said amendment, and insert:

Sec. 314. The Congress intends and directs that the proposed rulemaking to adjust the annual passenger ceiling at Washington National Airport be held in abeyance for at least 60 days from the date of enactment of this Act.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 61 to the aforesaid bill, and concur therein with an amendment as follows:

Strike out the matter stricken by said amendment, and insert:

Sec. 315. None of the funds provided in this Act for the Department of Transportation shall be used for the enforcement of any rule with respect to the repayment of construction differential subsidy for the permanent release of vessels from the restrictions in section 506 of the Merchant Marine Act, 1936, until 60 days following the promulgation of any such rule.

Notwithstanding any other provision of law, the enforcement of any rule regarding the repayment of construction differential subsidy for the permanent release of vessels from the restrictions in section 506 of the Merchant Marine Act, 1936, shall be held in abeyance for at least 60 days from the date of enactment of this Act.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 64 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the section number named in said amendment, insert: *317*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 65 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the section number "316" named in said amendment, insert: *318*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 66 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

Sec. 319. None of the funds in this or any other Act shall be used by the Federal Aviation Administration for any facility closures or consolidations prior to December 1, 1983: Provided, That the Federal Aviation Administration shall, no later than October 1, 1983, submit to the appropriate committees of the Congress a detailed, site-specific, and time-phased plan, including cost-effectiveness and other relevant data, for all facility closures or consolidations over the next three years: Provided further, That, in the instance of any proposed closure or consolidation questioned in writing by the House or Senate Committees on Appropriations or by any legislative committee of jurisdiction, no such proposed closure or consolidation shall be advanced prior to April 15, 1984, in order to allow for the timely conduct of any necessary congressional hearings.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 67 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the section number "318" named in said amendment, insert: *320*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 69 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the section number named in said amendment, insert: *321*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 70 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

Sec. 322. Notwithstanding any other provision of law, the limitation on total obligations for Federal-aid highways and highway safety construction programs for fiscal year 1984 contained in Title I of this Act shall be reduced by $80,000,000.

Resolved, That the House insist on its disagreement to the amendment of the Senate numbered 21 to the aforesaid bill.

Mr. ANDREWS. Mr. President, I move the Senate concur in the amendments of the House to the amendments of the Senate numbered 1, 23, 28, 36, 39, 41, 53, 60, 61, 64, 65, 66, 67, and 69.

The PRESIDING OFFICER. Without objection the motion is agreed to.

Mr. ANDREWS. Mr. President, I move that the Senate recede from its amendment No. 21.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2112

Mr. MATHIAS. Mr. President, I move that the Senate concur in the amendment of the House of Representatives to the amendment of the Senate numbered 70 to the bill H.R. 3329, with an amendment, which I now send to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Maryland (Mr. MATHIAS), for himself, Mr. DOMENICI, Mr. TRIBLE, Mr. WARNER, Mr. SARBANES, Mr. SASSER, Mr. BINGAMAN, Mr. EAGLETON, Mr. GLENN, Mr. BURDICK, and Mr. RANDOLPH, proposes an amendment numbered 2112.

Mr. MATHIAS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

Mr. SYMMS. Mr. President, reserving the right to object.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. SYMMS. I will not object, except I would like to reserve the right to make a point of order against the amendment, if I so choose.

The PRESIDING OFFICER. No rights are forfeited by having the amendment read. Does the Senator object to the reading of the amendment being called off?

Mr. SYMMS. I do not.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the matter proposed to be inserted by the amendment of the House of Representatives, add the following:

SEC. 323. None of the funds appropriated by this Act or any other Act may be obligated or expended before October 15, 1983—

(1) to adopt, to issue, or to carry out a final rule or regulation, a final revision, addition, or amendment to regulations, or a final statement of policy based on any proposed rule or regulation, any proposed revision, addition, or amendment to regulations, or any proposed statement of policy of which a notice was published in parts III-VI of the Federal Register on March 30, 1983 (48 F.R. 13, 342 to 13,381) or in parts III through VI of the Federal Register on July 14, 1983 (48 F.R. 32, 275 to 32,312); or

(2) to adopt, to issue, or to carry out any final rule or regulation, any final revision, addition, or amendment to a regulation, or any final statement of policy which effectuates the purposes of any proposed rule, regulation, revision, addition, amendment, or statement of policy referred to in clause (1).

Mr. MATHIAS. Mr. President, I offer this amendment today for myself and for Senators DOMENICI, TRIBLE, WARNER, SARBANES, SASSER, BINGAMAN, EAGLETON, GLENN, and BURDICK. Like the amendment I introduced last Friday, it is an extraordinary measure for an extraordinary situation. And, as I said last Friday, I take this unusual step because there is no alternative.

As my colleagues know, on March 30, the Office of Personnel Management issued regulations which propose dramatic changes in the rules governing the civil service. These changes include implementing a pay for performance plan throughout the Federal work force, diminishing the importance of seniority in a reduction in force, and providing guidelines for what is negotiable in a collective bargaining setting.

In the Civil Service Subcommittee of the Governmental Affairs Committee, which is chaired by the very able assistant majority leader, the Senator from Alaska (Mr. STEVENS), we have carefully reviewed the OPM proposals in not less than four separate hearings. We have identified a number of problems with the proposals, not the least of which is the fact that they constitute the most far-reaching changes to the civil service since the enactment of the Civil Service Reform Act of 1978. Yet, they are going to be made through administrative regulations, and not through the legislative process.

Mr. President, the action which we undertake today is necessitated by the fact that the Office of Personnel Management has scrapped its original March 30 regulations and issued a new set of proposals. The new proposed regulations, which will potentially be ready for implementation this month, while this Congress is in recess, remain fatally flawed for many of the same reasons that the earlier regulations were defective. There is a prohibition on the implementation of the March 30 regulations which was included in the fiscal year 1983 supplemental appropriations bill. But the prohibition speaks to the March regulations and not to the July regulations.

Mr. President, I would like to make clear to my colleagues that this amendment will not indefinitely block implementation of the OPM regulations. Instead, this amendment would delay implementation until October 15, 1983. In the meantime, the subcommittee will have a chance to work with the OPM on legislation it has drafted which takes a reasonable and rational approach to the problems OPM wants to address.

I have discussed this matter with the Director of Personnel, Dr. Devine, and I think he understands our position. The draft, which is the work of the chairman of the subcommittee, would authorize a portion of the regulations to be tested on 10 percent of the work force for 3½ years. It is a proposal that has the support of virtually all of the Federal employee groups and the General Accounting Office. So I hope that the Senate will adopt this amendment.

I yield to the Senator from Alaska for such time as he may require.

Mr. STEVENS. Mr. President, I strongly support the amendment offered by Senator MATHIAS to temporarily block the issuance of the Office of Personnel Management regulations until we have an opportunity to move legislation in these areas.

The Civil Service, Post Office, and General Services Subcommittee, which I chair, has held four hearings since April on the subject of the OPM regulations and related issues. I think most parties are in agreement that the current systems of performance appraisal, and pay for performance, and to a lesser extent reduction in force, do not work as intended. It is not easy to get agreement on what would im-

prove those systems. OPM's two sets of proposed regulations would make major changes Government-wide without first insuring they are workable.

I have prepared legislation that would establish a 3½ year experimental program which would create a series of demonstration projects on performance appraisal, pay for performance, and reductions in force. The experiments would cover a wide variety of agencies, grades, and locations. At last 150,000 employees would participate, 50 percent of which would be in units with an exclusive representative. Employees or their exclusive representatives would be given the opportunity to participate in the design of the experiment. This experimental period would be used to test a variety of approaches to see which ones could best be applied Government-wide.

The demonstration projects and evaluations of the results would allow all of us to benefit from experience without first putting one system in effect throughout the Government. For example, the merit pay system, enacted as part of the Civil Service Reform Act, was well-intentioned. We now have almost unanimous agreement that it has failed and are involved in legislative proposals that would make major changes to correct the deficiencies. Tests prior to its implementation could have cured the problems.

Since OPM has announced its intention to publish the regulations in final form during the recess, this amendment proposed by Senator MATHIAS is essential. I plan to hold a markup session on our legislation after the recess so the Senate should be able to consider the bill before the end of the fiscal year.

I frankly regret that this step is necessary. Throughout the past few months I have worked with employee and management groups and OPM to try to reach a consensus on an alternative to the OPM regulations. OPM's decision to move ahead without consensus is an unfortunate one. I still plan to try to reach an agreement with the administration on any proposal affecting these areas.

Mr. President, I wish to speak to the Senate now about the problem of procedures. I am sure that there will be some question of germaneness as far as this bill is concerned.

Last week, when we were handling the supplemental conference report, the distinguished Senator from Maryland had filed this amendment and came to me and asked me to handle it for him because of a personal problem that developed that he had to leave the Senate floor. I told him that I would raise the amendment for him. Of course, he knew that I supported the position that he stated on the floor that day.

I was in the position of being the manager of the bill, in the absence of the chairman of the Appropriations Committee, when that bill came before the Senate last week, the supplemental conference report. At the time, we were told that any amendment to that supplemental conference report would delay the passage of the bill and jeopardize the millions of people who depend upon food stamps.

I talked to the distinguished chairman of the committee, the Senator from Oregon, and explained the situation to him. We also communicated with people downtown who were vitally interested in the passage of the supplemental appropriations conference report. I did not raise the question of the Senator's amendment because of the assurance of all concerned that we would be able to raise the amendment of the Senator from Maryland on this conference report, even though we recognized that there could be a problem of germaneness.

I ask the Senate to in fairness understand that I would have been obligated personally to raise the amendment of the Senator from Maryland had I not had the assurance that all of those who were involved in the support of getting the supplemental appropriations conference report to the President and achieving its passage in time to prevent harm to the food stamp users convinced me that we would have their support here today. I urge them now to support us if there is an attempt to have this amendment declared nongermane. I think in all fairness we have to admit it is not germane to this bill. It would have been germane to the supplemental appropriations conference report because there was an amendment in that conference report which could have been amended by an amendment to the amendment in disagreement. It would have been germane to that conference report because the subject of the OPM regulations as covered in that supplemental bill.

It is a matter to me of the ability of the people who have to manage bills to be able to reach agreements that are in the best interest of the country as a whole to be able to carry out those agreements, to come here today to appeal to the Senate not to support any effort to declare this amendment nongermane. I was compelled, as I said, to not deliver on the commitment I had made to the Senator from Maryland to call up this amendment, notwithstanding the fact that I was the manager of that supplemental appropriations conference report.

I do believe that it is necessary to take the action, as I indicated in my previous statement, to delay the implementation of these regulations. The amendment in the supplemental was intended to delay the issuance of these regulations, but the Office of Personnel Management did not amend the original regulations. Instead, it issued a second set of regulations which do not accomplish the goals that we had discussed totally, and which leave us in the position where those new regulations, the second set of regulations, could actually become effective before the Congress resumes in September.

I believe our original intent to delay those regulations in order that the Congress might pursue the concept of some testing of the process of pay for performance and the system by which we appraise performance, before putting such system in place, is imperative. We must have a test of this new system.

I see my good friend from Oregon is here. I have just recited the conversation we had concerning the fact that if we delayed bringing up the amendment concerning the OPM on the supplemental appropriations conference report we would be in a position of offering it on a bill where it might be considered nongermane. The Senator from Oregon will recall the conversation where I told him I had assured the Senator from Maryland that in his absence I would raise the amendment, but I was not going to do it because of the request we had from all concerned to move the supplemental appropriations conference report, with the understanding that we would encourage the Senator from Maryland to raise this amendment to this conference report.

I discussed it also, I might add, with the Senator from North Dakota to alert him to that possibility. I would urge the Senator from Oregon to join me in resisting any attempt to have the Senate declare this amendment nongermane under these circumstances.

I yield to the Senator from Oregon.

Mr. HATFIELD. I would affirm the statements made by the Senator from Alaska. He has stated the case correctly. On behalf of the committee, I would urge the amendment, as he has indicated.

Mr. STEVENS. I thank the Senator.

Mr. ABDNOR. Will the Senator yield?

Mr. MATHIAS. I yield.

Mr. ABDNOR. I have been wanting to have the opportunity to present a few remarks concerning this amendment.

First, let me say that I am quite well versed on this subject inasmuch as the appropriations for the Office of Personnel Management comes under the subcommittee which I chair, and I deal frequently with Dr. Devine. As a matter of fact, just a few moments ago, Dr. Devine stated he did not endorse this amendment, and he wanted his original regulations to go through as planned. To my knowledge, no one

in the administration has told me they were against what Dr. Devine was trying to do.

Mr. President, I oppose the amendment. The amendment will prohibit implementation of new regulations OPM has designed to enhance the role of performance and increase efficiency and effectiveness in our personnel management system. On March 30, 1983, OPM published in the Federal Register a related series of regulatory initiatives. The other body passed an amendment to this bill freezing implementation of those rules. The Senate subsequently receded.

Opposition arose to these proposed regulations. As a result, OPM met with the prime opponents, reviewed public comment, and has reissued new proposed regulations which I believe respond to the original objections. This amendment will place a freeze on implementation of these regulations. These changes will improve efficiency and effectiveness in the Federal Government. I think they are good and should be implemented. I would like to outline them for you. The major proposals governing reduction in force are:

First. The use of the longer performance appraisal for purposes of RIF. The original OPM proposal provided for use of an employee's latest single performance appraisal in a RIF situation. OPM has now extended the appraisal period to 3 years for RIF purposes. OMP will also now require direct consultation between supervisors and employees in the establishment of elements in their performance appraisals to minimize subjectivity or arbitrary ratings.

Second. Veterans rights. Strong provisions for hiring and retaining veterans are firmly set in law and OPM has not suggested any changes that would limit veterans' preference. Veterans will continue to enjoy the strong protections they have always enjoyed. Two regulatory changes will enhance that protection. First, OPM will insure that agencies' competitive areas and levels are sufficiently broad to protect veteran employees from arbitrary targeting in RIF situations and will serve to protect veterans better in the first round in any future reduction in force. Second, while all Federal employees will be limited in retreat to one grade, 30 percent or more disabled veterans will be given rights to retreat down to five grade levels.

Third. Bump rights. Under the original proposal, OPM limited bump assignment rights to one grade down in a RIF situation. As a result of extensive comment, OPM has agreed to broaden bump rights for employees affected by a RIF from one to two grades. This will give extra protection to employees displaced by a RIF, but will also minimize disruption to the government which now results from the situation where GS-15 managers are bumped to GS-1 clerks.

Fourth. Enhancing performance and protecting seniority. OPM is also soliciting comments on a new alternative proposal that would give greater weight to performance than at present while protecting seniority more than in its other proposal.

Pay for performance rules include:

First. Higher level review. Under OPM's new regulation, an employee will have the right to higher level reconsideration of his or her individual performance rating, if that employee feels that such a reconsideration is warranted.

Second. Forced distribution of ratings. OPM's new proposal would forbid prior forced distributions (bell curves) for performance ratings.

Third. Career ladder promotions. OPM's original proposals specified minimum time in service for promotion through career ladder. The time limitations have been deleted in the new regulations.

Fourth. Implementation period. Agencies are given up to 1 year to make actual payments to employees under the new system, rather than the 6 months of the original proposal.

Mr. President, I, therefore, reiterate my opposition to this amendment.

Mr. MATHIAS. Will the Senator yield for a moment to let me inquire as to how much time we have on the affirmative side?

The PRESIDING OFFICER. The time has expired.

Mr. MATHIAS. Let me ask the minority side, since we have yielded to Senator ABDNOR, if they can yield time to Senator WARNER and Senator TRIBLE.

Mr. MELCHER. I think we will have adequate time, Mr. President, to yield additional time to Senator WARNER, Senator TRIBLE, and Senator SYMMS.

I yield 3 minutes to the Senator from Virginia.

Mr. WARNER. Mr. President, I rise to congratulate the distinguished Senator from Maryland, Senator MATHIAS, for introducing this amendment, which I have cosponsored. The Office of Personnel Management has proposed to put into effect new regulations covering performance rules on within-grade pay raises and reductions-in-force effective August 15.

Our amendment will delay the implementation of these new regulations until October 15, giving the Congress time to study the OPM proposals and establish other rules, if it is deemed necessary.

Presently, the Senate Subcommittee on Civil Service, Post Office, and General Services is considering various proposals, including changes in the merit pay program, S. 958, sponsored by my colleague from Virginia, Senator TRIBLE, and myself.

Due to the August recess, it is impossible for the subcommittee to complete its deliberations and the Governmental Affairs Committee to report legislation to the full Senate for action prior to August 15.

I urge my colleagues to support this amendment because the actions taken with regard to the changes proposed will affect the character of the civil service for years to come.

The Congress needs this additional time to make responsible choices.

The Senator from Maryland properly recognizes the need for time to study the OPM proposals and establish other rules if they are deemed necessary. It is for that reason that I join him.

I thank my colleague for yielding.

Mr. MELCHER. I yield 3 minutes to the junior Senator from Virginia.

Mr. TRIBLE. Mr. President, I thank my colleague for yielding. I rise in support of the amendment and I applaud the efforts of my colleague (Mr. MATHIAS) to prevent the implementation of sweeping changes in personnel regulations now proposed by the Office of Personnel Management.

The Office of Personnel Management intends to undertake major changes in Federal personnel policies without the first shred of evidence about the impact of these changes on the Federal work force.

OPM assures us that the regulations will "encourage all Federal employees to tackle their work effectively, enthusiastically, and to the best of their ability." This is a description of a "best case scenario." We have no reason to assume that this untried system will result in a more effective and efficient work force. The single instance of a pay-for-performance system in the Federal Government, the merit pay system, is poorly designed and a source of dissatisfaction for the employees subject to it.

That is why I have introduced legislation to restructure the current merit pay system. Until we have some experience, we should not attempt total restructuring of the current system. The fact is, there is no way to gage the effect governmentwide implementation of these regulations will have without experimentation.

The intent of these regulations is to reward the Federal Government's best workers and to provide incentives to encourage good performance by all civil servants. The pay and retention of general schedule employees would be based on job performance, with this system being implemented governmentwide as soon as possible.

Theoretically, the concept of OPM's regulatory proposal is sound. No one can take issue with a system that awards good performance, and provides the incentives that foster a quality work force. But we must be certain

that any such system is governed by sound management policies and performance practices.

Many of the changes OPM would effect through the regulations are sensible. The regulations published for comment in the July 14, 1983, Federal Register meet many of the specific objections raised in comments OPM received on the proposed regulations published March 30, 1983.

However, I do not believe that implementing this system throughout the general schedule is in the best interest of the Federal work force, or for those who depend on their services.

Congress is now considering new pay and reduction-in-force systems which embody the concept put forth by OPM. Changes in personnel regulations of the magnitude proposed by OMP should be given careful and in-depth consideration.

Accordingly, I urge my colleagues to support the amendment of the Senator from Maryland.

Mr. MELCHER. Mr. President, how much time remains?

The PRESIDING OFFICER. Eleven minutes.

Mr. MELCHER. Mr. President, I yield 5 minutes to the Senator from Idaho.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. SYMMS. I thank my distinguished colleague for yielding.

At the outset, Mr. President, I compliment my colleagues from Maryland and Virginia and the distinguished Senator from Maryland who offered the amendment. Let me state also at the outset that I oppose the amendment.

May I ask the Chair: Have the yeas and nays on the amendment been ordered?

The PRESIDING OFFICER. They have not.

Mr. SYMMS. I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. SYMMS. I might say, Mr. President, that I have done that because of the debate that has taken place thus far. It is very obvious that this amendment is not germane and is out of order. If we were in the other body, it would be a simple matter for a Member to make a point of order and knock it out of the bill. But in this body, we are going to vote on it one way or the other. I would prefer to vote on the amendment on its merits rather than have the confusing situation of voting on the ruling of the Chair.

It is my understanding this is the proper parliamentary procedure. Would the distinguished Senator from Maryland verify that for me?

Mr. MATHIAS. That is correct, Mr. President.

Mr. SYMMS. Mr. President, the reason I rise in opposition to this amendment is I simply do not see any merit in having OPM delay the implementation of its regulations, which are in keeping with the Administrative Procedures Act and the Civil Service Reform Act (CSRA) of 1978.

Quite frankly, these regulations are required by law. The Civil Service Reform Act of 1978 requires that civil servants be guaranteed pay increases and promoted on the basis of merit. These regulations underscore the importance of giving within-grade pay increases, and of reducing employee numbers during a reduction in force (RIF). The intent of Congress and the requirements of the American taxpayer are fulfilled by these new regulations.

I would like to take a minute to describe what these OPM regulations actually do:

OPM first published these pay for performance regulations in the Federal Register on March 30, 1983. They were criticized as controversial by some groups who have a vested interest in maintaining status quo, whether or not it is in the best interest of the Federal employees. Others applauded the efforts of OPM. OPM attempted to provide a system whereby the best performers could be rewarded for their work. But also, where reduction in force occurs, those excellent workers could be retained on the basis of their performance, and not simply on the basis of longevity.

These published regulations would establish a performance based incentive system for Federal general schedule employees. The regulations were designed to pay employees based on their performance on the job, and to give greater weight to performance in retaining workers if reduction in force should become necessary.

OPM, in its efforts to be responsive to the concerns and comments made by Members of Congress, Federal employee groups, veterans organizations, and other interested parties during the 60-day comment period, published a revised set of regulations on July 14, 1983. These revised regulations more than reflect the desire of OPM to clean up those areas that are confusing.

For example, the revised regulations extend the appraisal period to 3 years for RIF purposes rather than 1 year, require the consultation between supervisors and employers in the establishment of performance elements, tighten the definition for competitive areas and levels in a RIF to protect veterans and other employees from arbitrary assignment, forbid forced distribution of ratings, require an internal reconsideration process for employee performance ratings, tighten the definition of ratings levels to remove ambiguity, and allow more time for agencies to implement the new performance based incentive system.

In other words, I believe, OPM has answered all the relevant objections made and most of these revisions were agreed to in meetings with the staffs of various committees. I have included with my statement a side-by-side comparison of the March 30 and July 14, 1983, regulations which will document my point. I ask unanimous consent that this be printed with my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

OPM REGULATORY PROPOSALS

On March 30, 1983, the Office of Personnel Management published proposed regulations that would put into place a Performance Based Incentive System for Federal General Schedule employees. The regulations were designed to pay employees based on their performance on the job, and to give greater weight to performance in retaining workers if Reductions in Force should become necessary.

After reviewing and analyzing a wide range of comments from agencies, unions and Federal employees and after discussion with members of Congress, several important changes to the proposed regulations have been made.

Original proposed regulations	Revised proposed regulations
CAREER LADDER PROMOTIONS	
The following performance summary ratings were required for career ladder promotions at GS–9 and above within periods of time specified: Outstanding for promotion after one year in grade; Exceeds Fully Successful after three years.	Minimum times specified have been deleted. All employees must have a summary rating of Fully Successful or above to be eligible for career ladder promotions, however, employees with the highest summary ratings must be given first consideration.
PERFORMANCE APPRAISAL	
Critical elements were to be the only elements. Non-critical elements were allowed.	Non-critical elements to be permitted but may not be used to derive summary ratings.
Job expectations and requirements must be described at the Fully Successful level for critical elements.	Standards for Fully Successful must be described for all performance elements. A rating can not be given more than one level above or below a described level of performance, performance standards must be described at multiple rating levels.
FORCED DISTRIBUTION OF PERFORMANCE RATINGS	
The regulatory prohibition against forced distribution of ratings was deleted.	New language: "An appraisal system shall not permit any preestablished distributions of expected levels of performance (such as the requirement to rate on a bell curve) that interfere with appraisal of actual performance against standards. However, agencies must provide for higher level management of the performance appraisal process in the interest of employee equity and in order to reflect organizational performance."
Language in rating level definitions included terminology such as "the majority of employees should fall within the Fully Successful level.".	New rating level definitions delete language which was misinterpreted as permitting forced distribution.
GRIEVANCE OF PERFORMANCE RATING	
"An employee may not grieve or appeal a performance rating. The assignment of performance ratings is a management right under 5 U.S.C. 7106(a) which reserves to management the right to direct employees and to assign work.".	Adds: Within the context of management rights, an employee is given the right to ask for reconsideration of a performance rating decision in the interest of ensuring fairness of the individual's rating.

Original proposed regulations	Revised proposed regulations
TIMING OF QUALITY STEP INCREASES AND PERFORMANCE AWARDS	
Optional QSIs and performance awards were delayed until the end of the fiscal year.	QSIs and performance awards will be effective as soon as possible after performance appraisals are completed.
STANDARDIZED REGULATORY FEATURES	
Required five rating levels for each critical element and five summary rating levels.	
Required completion of performance ratings within 60 days prior to the end of a non-merit pay employees' waiting period for a within-grade or step increase.	
Permits agencies to give annual appraisals at any time of the year and in conjunction with management planning cycles.	
Performance elements, standards and ratings, and performance based personnel actions must be reviewed and approved by a supervisor or manager at a higher level than the appraising official.	
Agencies must award a quality step increase to an Outstanding employee in steps 1 through 3 of each General Schedule grade: (to ensure rapid advancement of top performers).	

MAJOR CHANGES IN THE NEW PROPOSED RIF REGULATIONS

Mar. 30, 1983, proposal	New proposal
CREDITING PERFORMANCE	
Crediting only the employee's current performance rating would be used to determine the employee's performance category for retention.	An employee's performance category would be determined by a composite rating based on the median of the employee's last three annual performance ratings, except for employees currently rated unsuccessful under Part 430.
ASSIGNMENT RIGHTS (BUMP & RETREAT)	
We originally proposed that bumping rights during a reduction in force be limited to the next lower grade and that retreat rights be limited to positions held within the last 5 years.	The one-grade interval limit on bump would be extended to two grade intervals and the five year limit on retreat would be eliminated. The one-grade interval restriction on retreat would be extended to five grade intervals for 30 percent disabled veterans.
NOTICE PERIOD	
A RIF notice period of 30 days was proposed.	The proposed changes would set the minimum notice period at 30 days and the maximum at 90 days.
COMPETITIVE AREA	
A competitive area was permitted for any organization distinguished by its staff and work function.	The competitive area will be no smaller than a bureau or division.
COMPETITIVE LEVEL	
Considerable discretion was allowed in setting competitive levels for a RIF.	We are including more specific job-related criteria for use in setting competitive levels.
DISCRETIONARY PROVISIONS	
	In a new proposal we are removing agency discretion to combine competitive areas and allow displacements across competitive areas. This is intended to insure the integrity of the competitive area requirements and limit unnecessary disruption.

Mr. SYMMS. Mr. President, I appreciate the attention of my colleagues to this important matter. This is simply a problem, as we are sitting here, that is inherent in what happens in the Federal Government. We have four very able Senators here today who are, as they should be, responding to requests with their perception of what their constituents' interests may be. We have had an effort made here to try to reward merit performance by OPM. Now, when we are put to the test to let some things go into effect that might produce some efficiencies and some savings in the operation of the Federal Government, which is so far in debt and is going further in debt by the minute as we stand here and talk, we are standing here and preparing to accept an amendment to block those efforts that are being made, as small as they are. I might say, as modest changes as they are, they do head us in the right direction.

I also say that the legislation that provided for this was actually done under the previous administration, under the guidance of President Carter, the farmer from Georgia who wanted to come to Washington and try to do some things to be able to reward people for performance. It was passed, properly, I think, by the Congress in 1978.

Now, the first time they try to do something about it, we in Congress fail to let the administration carry out what the intent of Congress was in 1978, what the intent of President Carter was, and I think the intent that President Reagan would like to carry forward. I urge my colleagues to vote down this amendment.

I thank my colleague from Montana for yielding me some of the minority's time.

Mr. MELCHER. Mr. President, I yield the remainder of the time allotted to the Senator from Maryland (Mr. SARBANES).

Mr. SARBANES. I thank the Senator.

Mr. President, I wish to express my strong support for the amendment offered by my distinguished colleague from Maryland. This amendment would block the Office of Personnel Management from implementing a set of regulations promulgated on July 14 making sweeping changes in pay, promotion, and firing procedures in the civil service until October 15, 1983.

It is important to understand the sequence of events that led to this amendment being offered today. OPM originally promulgated regulations dealing with the civil service on March 30 of this year. The regulations proposed such sweeping changes that there were efforts in both the House and Senate to prohibit implementation. Language prohibiting the implementation of the new rules was passed by the House and was incorporated in the conference report on the supplemental appropriations bill. We approved the conference report including the prohibition just last week.

Unfortunately, the prohibition we approved was rendered moot by OPM. The problem is that the conference report mentioned by date the regulations published on March 30. On July 14, OPM published a new set of regulations covering the same issues as the March 30 package. But because the prohibition refers specifically to rules published on March 30 it will not affect the implementation of the new set of rules.

In my view, OPM is acting in a high-handed manner to circumvent the clear intent of the Congress. The House and Senate conferees on the supplemental appropriations measure recognized that the original regulations were far too broad to be implemented administratively.

While there were some changes incorporated in the latest set of regulations, the new set proceeds from the same premise as the previous package and are as far reaching in their effect. The issue posed here is fundamental and goes beyond the specific provisions of the regulations. Changes in the Civil Service as broad as those proposed by OPM should be accomplished by legislation not by regulation. The Government Affairs Committee has held four hearings on the proposals and is developing legislation that will be available for the Congress in the fall. We must not let OPM undercut congressional action on an issue of this magnitude.

The chairman of the Civil Service Subcommittee of the Governmental Affairs Committee and assistant majority leader of the Senate, Senator STEVENS, has asked OPM to delay implemention of the regulations pending legislative action. His appeal has been ignored. The sponsor of this amendment has indicated that the administration could resolve this matter by voluntarily delaying implementation. This proposal has been refused. We are faced with a direct challenge and we ought therefore to make it clear that OPM cannot use the tactic of putting forth new regulations to circumvent congressional action.

I very much hope the amendment will be adopted.

I yield back the remainder of my time to the Senator from Montana.

Mr. DECONCINI. Mr. President, I cast my vote in favor of Senator MATHIAS' amendment to delay implementation of OPM's regulations on pay for performance. I do support a move to pay for performance regulations. However, I believe that Director Devine has moved too fast on these regulations and that a simple delay until October 1, 1983, will do nothing to harm the process and can only bring about a better and more constructive dialog on this issue.

Senators HATFIELD, STENNIS, ABDNOR, and I sent a letter to the White House asking for this delay in order to avoid a fight on the floor. Our request was turned down. Therefore, Senator MATHIAS felt he had no choice but to offer his amendment.

Let me make this clear. A vote for the Mathias amendment should not be construed as a vote against the pay for performance standard. Rather, it should be seen as a call for careful consideration and consultation with the Congress. I hope that this 2

month delay will give OPM a chance to work with the House and Senate committee which are discussing this matter and that a suitable pay for performance standard can be reached.

Mr. MELCHER. Mr. President, we have no further requests for time, and I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. TRIBLE). The question is on agreeing to the amendment. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from New Mexico (Mr. DOMENICI), the Senator from Minnesota (Mr. DURENBERGER), the Senator from Arizona (Mr. GOLDWATER) and the Senator from Wisconsin (Mr. KASTEN) are necessarily absent.

Mr. BYRD. I announce that the Senator from Texas (Mr. BENTSEN), the Senator from California (Mr. CRANSTON) and the Senator from Ohio (Mr. GLENN) are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 75, nays 18, as follows:

[Rollcall Vote No. 243 Leg.]

YEAS—75

Andrews	Grassley	Nickles
Baker	Hart	Nunn
Baucus	Hatch	Packwood
Biden	Hatfield	Pell
Bingaman	Hawkins	Percy
Boren	Heflin	Pressler
Boschwitz	Heinz	Proxmire
Bradley	Hollings	Pryor
Bumpers	Huddleston	Quayle
Burdick	Inouye	Randolph
Byrd	Jackson	Riegle
Chafee	Johnston	Roth
Chiles	Kassebaum	Sarbanes
Cochran	Kennedy	Sasser
Cohen	Lautenberg	Simpson
D'Amato	Leahy	Specter
Danforth	Levin	Stafford
DeConcini	Long	Stennis
Dixon	Mathias	Stevens
Dodd	Matsunaga	Thurmond
Eagleton	Melcher	Tower
Exon	Metzenbaum	Trible
Ford	Mitchell	Tsongas
Garn	Moynihan	Warner
Gorton	Murkowski	Weicker

NAYS—18

Abdnor	Helms	McClure
Armstrong	Humphrey	Rudman
Denton	Jepsen	Symms
Dole	Laxalt	Wallop
East	Lugar	Wilson
Hecht	Mattingly	Zorinsky

NOT VOTING—7

Bentsen	Durenberger	Kasten
Cranston	Glenn	
Domenici	Goldwater	

So the motion to concur in the amendment of the House of Representatives to the amendment of the Senate No. 7. with Mr. MATHIAS' amendment numbered 2112 was agreed to.

Mr. MATHIAS. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. WARNER. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BAKER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. RANDOLPH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. RANDOLPH. Mr. President, as in morning business, I ask unanimous consent to speak briefly.

The PRESIDING OFFICER. Without objection, it is so ordered.

A TRIBUTE TO FEDERAL GOVERNMENT WORKERS

Mr. RANDOLPH. Mr. President, the action just taken in the overwhelming approval of the amendment offered by the able Senator from Maryland (Mr. MATHIAS), joined by other cosponsors including myself, recalls to my mind the statement by Winston Churchill when he was Prime Minister of Great Britain. He said:

I am profoundly weary at the constant attack on the civil servants of our government.

Mr. President, during the 79th Congress I chaired the Civil Service Committee of the House of Representatives in the years of 1945 and 1946.

Then, as now, I believe that effective workers, regardless of the changes in administrations, are a credit to representative government.

I think we need from time to time to express our respect for those who work in the departments of our Government at the Federal level, believing them to be not partisan in nature but strictly those who serve not only Congress or the White House but serve very, very well the people of this Republic.

Mr. ANDREWS. Mr. President, I make a point of order that a quorum is not present.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. ANDREWS). Without objection, it is so ordered.

DESIGNATION OF MARTIN LUTHER KING, JR., BIRTHDAY AS HOLIDAY

Mr. BAKER. Mr. President, I indicated earlier today when the messenger arrived from the House of Representatives on the Martin Luther King, Jr., bill it would be my intention later in the day to either ask unanimous consent to place that matter on the calendar or to proceed under the provisions of rule XIV to attempt to do so.

Mr. President, H.R. 3706 is at the desk, is it not?

The PRESIDING OFFICER. It is.

Mr. BAKER. Under the provisions of rule XIV, Mr. President, I ask for first reading.

The PRESIDING OFFICER. The clerk will state the bill by title.

The legislative clerk read as follows:

A bill (H.R. 3706) to amend title 5, United States Code, to make the birthday of Martin Luther King, Jr., a legal public holiday.

Mr. BAKER. Mr. President, may I inquire of the minority leader how he would feel now, after first reading, if I asked unanimous consent to place this on the calendar? Let me say why, for a minute, for all of my colleagues. As the minority leader well knows, and I am sure other Senators know as well, under the provisions of rule XIV I can now call for second reading, and if there is an objection—and surely there will have to be an objection to further proceeding to that measure—it would go over until the next legislative day, and ultimately it would go on the calendar.

So what we are doing is prolonging the process that way. Rather than do that, which I am prepared to do, rather than to go the full route, I wonder if the minority leader is prepared for me to put a unimous-consent request at this time that the matter be placed directly on the calendar?

Mr. BYRD. Mr. President, I have no objection to placing this matter on the calendar. As I indicated to the majority leader, I tried to work out a trade whereby one of the two measures I have initiated rule XIV on would also go on the calendar. But the majority leader says he would have to go through his whole clearance process, which I have to go through from time to time, and I do not want to put him through that because he is going to put it on the calendar on the next legislative day when we return.

Mr. BAKER. I understand. I make that request.

The PRESIDING OFFICER. Without objection, the request is granted.

SENATE SCHEDULE FOR THE REMAINDER OF THE DAY OR TOMORROW

Mr. BAKER. Mr. President, there are negotiations underway to try to arrange the schedule for the remainder of this day or tomorrow. I understand Senators know very well we have about three balls in the air at the same time and much controversy surrounding all of them. So while we try to arrange these matter it may be that other Members have matters they wish to speak to.

ROUTINE MORNING BUSINESS

Mr. BAKER. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business to go until 4:30 p.m. in which Senators may speak for not more than 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. I thank the Chair.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

(Mr. SPECTER assumed the chair.)

Mr. COCHRAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

COURT SPEEDS APPEALS PROCESS

Mr. COCHRAN. Mr. President, those of use who have been discouraged with the slow process of justice in some of the U.S. courts can take some satisfaction in a recent decision of the U.S. Supreme Court. This is a case that came up from the Fifth Circuit Court of Appeals under the style Barefoot against Estelle, director, Texas Department of Corrections, which was decided on July 6, 1983. The Court's ruling in this Texas case involved a conviction and sentence with capital punishment. It indicates that a majority of the Justices supported expedited procedures by appeals courts in considering constitutional challenges to murder convictions and requests for stays of execution. Justice Byron White, in the majority opinion, upheld legal shortcuts that could speed up the handling of appeals from the 1,202 inmates on death row in 37 States.

He said that courts may adopt expedited procedures as long as a prisoner "has adequate opportunity to address the merits (of his case) and knows that he is expected to do so."

The U.S. Constitution guarantees fair and speedy trials and Congress has taken action to give criminal cases priority in the Federal trial courts. Most criminal cases fall under State jurisdiction and are tried initially in State courts. Unless these cases are appealed to the Federal courts, trial, conviction, and sentencing are carried out in a reasonable period of time in most cases. In recent years, undue snarls have developed in our criminal justice system as defendants who are represented by clever lawyers have exploited the appeals process to its fullest and crowded the Federal court dockets, frustrating the process of our criminal justice system.

Mr. President, I think most reasonable citizens want each accused person to be protected by inviolate constitutional rights. History is replete with grim reminders of alternative systems—the inquisitions and judicial tyranny and terror imposed in such regimes as Nazi Germany, Soviet Russia, and lately in Iran. But the trend has been for multiple appeals to be taken, submitted selectively, one at a time in many cases, resulting in the prevention of the imposition of punishment ordered in criminal cases.

In our State, there have been two recent examples of State court convictions and sentences that have been stayed with appeals into the Federal court system. We are informed by court experts that an average of nearly 3 years is consumed by criminal defendants appealing their convictions and sentences while on death row in capital cases. I do not think this is speedy justice. I am certain that a vast majority of citizens are concerned about their own safety in their homes and neighborhoods and that they do not think this is speedy justice either.

It is extremely frustrating, too, for law enforcement officials to work diligently to bring criminals to justice, secure indictments, convictions, and appropriate sentences, then watch helplessly as the guilty evade final justice through crafty exploitation of the appeals process.

The Supreme Court now apparently has become sensitive to this situation and is pointing the way for swifter administration of justice in criminal cases. It is incumbent upon us in Congress to implement any legislative changes that may be needed to help expedite the appeals process in the Federal courts.

As one Member of this body, Mr. President, I have been working actively in support of legislation to toughen up the criminal justice system. I think, in view of the Supreme Court's decision, there should be a renewed effort in the Senate to help promote the orderly administration of justice.

TELEPHONE EQUIPMENT FOR THE DISABLED

Mr. MATHIAS. Mr. President, last year the Senate unaimously passed S. 2355, the Telecommunications for the Disabled Act. This statute, Public Law 97-410, overruled a part of the Federal Communications Commission's Computer II decision. Under the act, State regulatory commissions may continue their practice of allowing telephone companies to recover in their tariffs the reasonable costs of providing specialized equipment for the disabled.

The tariffs typically allow telephone companies to spread among all ratepayers the extraorinary costs of developing and installing for people with impaired hearing, speech, vision, or mobility such specialized equipment as large button phones and teletypewriters. By enacting this legislation, Congress affirmed its commitment to insure that the benefits of new technologies in telecommunictions are enjoyed by all Americans, including the disabled and the elderly.

In comments in advance of the FCC rulemaking required by the statute, American Telephone & Telegraph has suggested that the equipment should be detariffed because the plan of reorganization before Judge Greene transfers the installed equipment to American Bell, a part of AT&T. It would be awkward, AT&T argues, to provide this equipment on a subsidized basis when American Bell is a competitive, profitmaking enterprise.

Organizations representing the disabled have suggested that AT&T should either agree to continue to subsidize this equipment or to leave the operations that serve the disabled with the local operating companies. Although the issue is before Judge Greene and the FCC, AT&T has agreed to meet with these groups in order to clarify how the special needs of the disabled will be addressed after divestiture.

The local Bell companies have a generally commendable record of serving the disabled in the past. New developments promise even more opportunities to use telecommunications to increase the security of older or handicapped Americans and to deinstitutionalize many disabled citizens. The divestiture process must not be allowed to neglect the needs of the disabled nor the benefits that follow access to telecommunications at affordable rates.

CONGRESSIONAL APPROVAL FOR TROOPS IN CENTRAL AMERICA

Mr. KENNEDY. Mr. President, the legislation we are introducing today comes out of a deep and growing concern that the Reagan administration, in the absence of any reasonable consultation with Congress, has put our country on a track toward war in Central America.

This legislation will stop this slide toward war, until Congress has had the opportunity to examine the issue and to exercise our constitutional responsibility.

Specifically, our bill will prohibit the Reagan administration from sending any American combat forces into Central America without the approval of Congress. That prohibition applies to actual combat, which all of us hope will never occur, and it also applies to Big Pine 2, the ominous, massive, so-called training exercises which the administration is now frantically planning for later in the year and which will apparently involve thousands of American combat troops.

All of us agree that appropriate steps are needed to shut off the flow of weapons from Nicaragua, Cuba, and other sources to the guerrillas in El Salvador. But the administration's methods are highly inappropriate. There is little doubt that the President's secret war against Nicaragua, masterminded by the CIA from sanctuaries across the border in Honduras, has now put Honduras at potential military risk. But the proper solution is a negotiated settlement, not the militarization of Honduras and the escalation of the arms race in this hemisphere. Instead of a reckless show of force, it is time for a sensible show of peace.

The President is playing with matches in Central America, and Congress must not permit him to light the spark that provokes the incident that starts the war. Our message to the administration is clear. Stop your military escalation; stop your gunboat diplomacy; start paying more than lip service to negotiations; start giving peace a real chance in Central America.

QUORUM CALL

Mr. MATHIAS. Mr. President, I make a point of order that a quorum is not present.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CRITICAL AGRICULTURAL MATERIALS ACT

Mr. DOLE. Mr. President, for the last 2 weeks the Senate has been trying to find a way to pass a farm bill including some changes in the target prices for grain and cotton, the dairy compromise and various tobacco amendments. The effort has not been easy. Some Senators do not want us to have an up or down vote on the target price freeze proposed by the administration. Others want to offer amendments to the dairy plan or on loan rates or sugar. Still others may not want a farm bill at all, and they may get their wish. Both the House and Senate are set to go home tomorrow. If we do not pass the bill today, go to conference late today or tomorrow morning in time for final passage, it will preserve the unbroken record of the 98th Congress, to have failed to pass one major piece of agricultural legislation.

But before we achieve that dubious distinction, Mr. President, I thought those of us who do care about passing responsible farm bills should take one more crack at it. Accordingly, I am having prepared a collection of the constructive and noncontroversial measures which various Senators have suggested. I am certain the selection is incomplete; that other worthwhile proposals have not come to my attention, and I would be pleased to consider including them in the bill we are preparing. But at present I would indicate the various titles of the bill as it stands and we can go from there: The dairy compromise as passed by both the Senate and House Agriculture Committees. It also includes a Pressler amendment requiring a study of whether a payment limitation should be applied to the paid diversion program; various tobacco provisions approved by the Senate Agriculture Committee, various amendments proposed by the distinguished Senator from Nebraska (Mr. ZORINSKY) and the distinguished Senator from Illinois (Mr. DIXON) to incorporate parts of S. 822, the Agricultural Export Equity and Market Expansion Act of 1983. These provisions deal with barter of farm commodities; the proposal by the distinguished Senator from Nebraska (Mr. ZORINSKY) and the Senator from North Dakota (Mr. ANDREWS) to use CCC-owned grains for conversion to alcohol fuel and to guaranty loans for construction of alcohol fuel facilities. And finally, a revision of S. 17 on commodity distribution of surplus commodities.

Mr. President, the one title missing is with reference to the target prices. I have discussed at length through my staff and personal conversations with representatives of the National Wheat Growers Association what might be a worthwhile compromise. There has been considerable willingness on the part of the organization to try to come part way on such a compromise—maybe instead of a total freeze, maybe freeze the target prices over a 2-year period which would amount to about a 50-percent freeze. This is still under consideration.

But, Mr. President, there are some portions of the bill that are noncontroversial. The Senator from Mississippi is in the Chamber. He has been a leader in the dairy legislation, for example. That could be passed, I would guess, in a matter of 2 or 3 or 4 hours. There are some amendments. I think the amendments could be dealt with. I would hope that those who have been obstructing consideration of an agriculture bill will let us bring the bill to the floor. It is only 4:30. We have a lot of time yet this evening. I believe we could pass such a farm bill by 9 or 10 o'clock this evening and go to conference tomorrow. I have had some discussion with the chairman of the House Agriculture Committee, and obviously the House Members are anxious to have some legislation passed before the recess.

So, Mr. President, it would seem to me there is still time. The hour is late, but the pressure is great. The pressure will be much greater when those of us leave this Senate Chamber tomorrow or Friday or sometime soon and go back to our States and to our districts.

It is my hope that the Senators who still feel compelled to block consideration of the farm legislation would let us move to the consideration of the bill before us, to amendments and maybe come to some compromise on the target price section which is the one that is controversial and then move on as quickly as we can to pass the legislation. It needs to be done; it should be done, and it can be done. We can do it in a way that will reduce the costs of some of the farm programs and demonstrate to the American taxpayers, the American farmers, and American producers that we are responsible in our approach.

Mr. President, I hope that we might move quickly.

Mr. COCHRAN. Mr. President, will the Senator yield?

Mr. DOLE. I would be happy to yield to the Senator from Mississippi.

Mr. COCHRAN. Mr. President, I compliment the distinguished Senator from Kansas for his leadership in trying to get this legislation to the floor so it can be passed before this recess begins. Particularly, I am hopeful that we can act on the dairy legislation that has been approved by the Senate Agriculture Committee. Earlier this year we had hearings that involved many hours of testimony from industry representatives, consumer groups, and administration officials, all for the purpose of trying to figure out a way to do something about the ever-increasing production surpluses that are occurring in our dairy industry. This is costing the Government a lot of money. Very soon there is going to be another 50-cent assessment imposed on dairy farmers per hundredweight of milk produced. This is going to be in the nature of a tax, and it is not going to do anything about bringing under control the excess production that is causing such a problem.

This bill, while it does not do everything that all persons who are involved want it to do, is certainly a compromise that is workable and will help bring down the excess production. I hope the Senate will come together on this, and if we cannot develop a consensus of support for passing this in a timely manner today or tomorrow—tomorrow may be too late—it will really be a shame because an awful lot of work has been put into this legislation by a lot of Senators, including the Senator from Kansas. I compliment the Senator for his leadership in this area, and I hope the Senate can act on the legislation today.

Mr. MOYNIHAN. Will the Senator yield for a comment?

Mr. DOLE. Let me just comment. I appreciate the comments of the distinguished Senator from Mississippi, who is chairman of the Appropriations Subcommittee, and one who has been an architect of much of this legislation along with other Senators, the distinguished Senator from Minnesota (Mr. BOSCHWITZ), the distinguished Senator from Vermont (Mr. LEAHY), on the Agriculture Committee, but there are a number of others interested in the dairy legislation including the distinguished Senator from New York.

It would seem to me that if everything else fails, we ought to pass the dairy legislation. We ought to do it tonight. The reason I suggest that we ought to move along, I understand that if nothing is going to happen the majority leader very properly will adjourn the Senate this evening and then we are down to the last day tomorrow.

But I still believe there is hope. The one area that sort of bottled us up in addition to a number of amendments that can be disposed of has been the target price discussion. The distinguished Senator from Montana, who is not presently on the floor, Senator MELCHER, does not want any freeze at all. The administration wants a freeze. Now, we believe there is a half-way point that would accommodate in part the administration and in part the wishes of the Senator from Montana and the Senator from Nebraska (Mr. ZORINSKY), the Senator from Alabama (Mr. HEFLIN), and other Senators on each side of the aisle who are concerned that we would be in effect violating an agreement we made to the farmers when we passed the farm bill in 1981. So I would hope that we are going to have an effort yet today by those of use who have a real interest in agriculture to move this bill forward.

I am happy to yield to the Senator from New York.

Mr. MOYNIHAN. It is very kind of the distinguished chairman.

I should like to comment specifically about the remarks of the distinguished Senator from Mississippi, who is chairman of the subcommittee responsible for the dairy bill.

The Senator from Kansas is right. New York is a dairy State. This Senator is a dairy farmer. I know I do not look like a dairy farmer.

I want to emphasize the point that Senator COCHRAN made. The present legislation is a tax on food. It is not a price support. It is in some sense a price support, as the food grains have price supports that present alternatives to the farmer to turn his production over to the Commodity Credit Corporation. But in my State, for example, very few milk farmers do that. They sell their milk as fluid milk; it goes into cheese.

The 50-cent per hundredweight tax goes to the general revenues of the Treasury, and it will become a $1 tax on the 1st of September. I ask the chairman if that is correct

Mr. DOLE. That is correct.

Mr. MOYNIHAN. That is $1 tax on a hundredweight of milk—a tax on food. I do not think there is any equivalent tax in our legislation. I do not believe any food is taxed. That money goes to the general funds of the Treasury.

There are a variety of arrangements, and at least to some of us, the best would be to let the market forces work to bring down the support price and let the consumer get the difference. Since when is the U.S. Government raising revenue by taxing food?

I wonder if the distinguished Senator from Mississippi agrees?

Mr. COCHRAN. Mr. President, if the Senator will yield, the Senator from New York is absolutely correct. This assessment, first of all, does not do anything to help bring down production, decrease production. The 50 cents that the farmer has to pay, or which is collected from the farmer—and soon to be $1—does not help to bring down the consumer costs of the product. As pointed out, the money goes into the Treasury.

This legislation would change that and create an incentive program for decreasing production. Savings could be passed on to processors and ultimately to consumers. It would help increase consumption by making milk more attractive to buy at the store.

Mr. MOYNIHAN. At a time when the administration is appointing a commission on hunger.

I have had occasion many times on this floor to say things admiring and beyond even normal levels of admiration about the Senator from Kansas. Such is his devotion to a farm bill that the Senator from Mississippi and the Senator from New York can talk about getting rid of revenues that go into the Treasury, without fear that this will automatically set off alarm bells in the Senator from Kansas. That is how much he wants a farm bill. That is how much a Kansan he is, and that is one of the reasons we admire him so.

Mr. DOLE. We also produce some dairy products in the State of Kansas.

Mr. President, I share the view expressed by both Senators.

Years ago, we used to have a bread tax. It was called a wheat certificate plan. That finally met its timely demise. It was not quite parallel to the assessment the dairy farmer pays.

I hope that, before the majority leader decides to abandon all hope for anything happening today, those who are—I do not say obstructing the legislation, but indicating that they would prefer that we did not bring it up, might have an opportunity to come to the floor. I just mentioned Senator LEAHY as one of the architects of the dairy program. I think there are enough of us here to be able to get together in the next couple of hours to stir up enough interest in this possible solution to the dilemma we are facing, before adjourning without passing legislation.

Mr. BOSCHWITZ. Mr. President, will the Senator yield?

Mr. DOLE. I yield.

Mr. BOSCHWITZ. Mr. President, I yield to the Senator from Vermont.

Mr. LEAHY. Mr. President, I join in what the Senator from Kansas has said, in the hope that we might bring up this dairy package.

I see the distinguished Senator from Kansas (Mr. DOLE), the distinguished Senator from Minnesota (Mr. BOSCHWITZ), and the distinguished Senator from Mississippi (Mr. COCHRAN) on the floor—all of whom have worked extremely hard to try to fashion a bipartisan package acceptable to the administration on dairy, as has the distinguished Senator from Kentucky (Mr. HUDDLESTON) and others on this side.

I hate to even think of the number of meetings we have had over the last few weeks in Senator BOSCHWITZ' office, in my office, and on one occasion in the Vice President's office. Secretary Block has been up here, and we have met until we formed a bipartisan package that seems to have enough support to pass here.

We have worked with the distinguished chairman and the ranking minority member of the appropriate House subcommittee, Mr. HARKINS and Mr. JEFFORDS, in getting their support, and the distinguished chairman of the Agriculture Committee, Mr. DE LA GARZA, to get support for a bipartisan consensus, knowing that it was not the perfect package on dairy—nothing that everybody can totally like.

The dairy farmers throughout the country will have to make some cuts. In some instances, serious efforts will be made to cut down overproduction.

We have tried to have everybody share the burden evenly, to put together a package to save the taxpayers' money, cut production, and take steps to increase consumption.

We have a good package. If it passes now, there is still a possibility that we can get it through the House and to the President, to be signed.

I share the feeling of my colleagues that we are in the 11th hour and 59th minute. I am perfectly willing to stay here all night, if we can get this package out.

I see my distinguished senior colleague from Vermont, Senator STAFFORD, who is eager to stay here all night, if need be, so that we can go

back to Vermont and tell the farmers what we have.

Mr. STAFFORD. I say to the Senator that he always knows my mental process.

Mr. BOSCHWITZ. I thank the Senator. The Senator from Vermont has indeed been very instrumental in trying to get the dairy package passed.

The Senator from New York was very expansive in his comments about the Senator from Kansas. I will not be. I could say a few nice things about his wife, perhaps. After he gets all this worked out, because I admire his ability to do these things, I will be more than expansive. Certainly, his services in getting some resolution of this matter are extremely critical, and I know he is trying.

It would be a shame if we were unable to work out some type of arrangement on wheat and the other commodities that would be affected by the target price freeze.

In so doing and not working out those arrangements we, in effect, put an additional 50-cent assessment or tax, as it is sometimes called, on the one-third of a million dairy farmers and their families in this country.

To put another 50-cent assessment, making a total of $1, on those products at this time is a very severe penalty indeed to impose upon the farmers who work hard at making a few dollars. It is a hard life to be a dairy farmer and to have to arrive very promptly in the morning and very promptly in the afternoon, not just 5 days a week, but 7, and in the process of doing so provide the most essential and basic food that we have to offer this Nation.

So, I really do ask the Senator from Montana, who is not here at the present time, and others, who are debating and prolonging the debate on the freeze of target prices on wheat if we cannot reach some form of accommodation. It would be difficult for me. We are a large wheat-producing State as well. I wish to protect my wheat farmers as much as they wish to protect theirs. But I do not want to do it at the expense of another segment of agriculture. It is a bad thing to pit one area of agriculture against the other for the purpose of trying to bring about a result.

So I appreciate Senator DOLE's efforts. I appreciate the efforts of my friends from Vermont and also Senator COCHRAN of Mississippi, who did yeoman work, and who is chairman of the subcommittee that deals with dairy price supports and other price supports in agriculture.

Mr. President, it is interesting that the farmers of this country create themselves a problem by being so efficient, and perhaps we could do something about that. I do not know what offhand. But whenever we seem to put constraints on them they become more efficient.

So I hope that the Senator from Montana, my friends from Oklahoma, Alabama, and others, will be forthcoming in their efforts to bring about some kind of solution to this problem so a new assessment, a new tax will not have to be levied on another segment of agriculture.

Mr. DOLE. Mr. President, again I would hope that those Senators who have been unwilling to let us proceed in this matter would perhaps be willing to sit down with Members on both sides; otherwise, I am fearful that we may adjourn or recess for the evening, and that leaves almost an impossible task to try to come to grips with the whole package because there are a number of amendments that are even amendments to the dairy section which I think could be handled rather quickly and voted up or down, and there are also amendments to other sections on sugar and other related areas that I assume those who want to offer those amendments want to do so with record votes.

I am fearful if we go away this evening without having at least had a chance to consider the bill, then I would guess that the chances are less than 1 in 100 of doing it tomorrow.

Mr. LEAHY. Mr. President, if the Senator will yield on that point, the Senator from Kansas is absolutely correct. I cannot emphasize enough to my colleagues how hard Senators on both sides of the aisle worked to put this compromise together and worked with Members of the other body to put this compromise together. It has not been an easy thing. We brought the industry in and everyone else and finally forged this compromise.

I cannot believe we could do it again. Certainly we could not do it again after the next 50-cent assessment might go into effect.

It becomes more than just a legislative exercise. There are an awful lot of farmers out there, individual family farms. These are not large corporate entities by any means. Those dairy farmers we are talking about, whatever State they are in, Vermont, Minnesota, Wisconsin, or California, or anywhere else, are predominantly individual family farms.

Unless they are given a program in advance of this plan or the possible second 50-cent assessment, unless they are given a program that they can plan for, one that goes over the number of months that this one does, a lot of them are going to go out of business. It is going to be just a series of one after another of individual tragedies, family tragedies, tragedies of people who I think are among the hardest working people in this country.

So I join with the Senator from Kansas in urging and actually pleading with my colleagues that this matter might go forward.

If it requires us to stay here to inconvenience ourselves a little bit tonight to stay longer and do it, then we should because that inconvenience will be nothing compared to what some of these families will have to face.

Mr. DOLE. Mr. President, I thank the distinguished Senator from Vermont. I do not know of anything else that needs to be said at this time, but I hope that the distinguished majority leader might wait 20 or 30 minutes to see if there might be some indication from the distinguished Senator from Montana (Mr. MELCHER) and others if there is a willingness to try to sit down and work out the target price area; if not, what we might do with the remainder of it yet this evening.

Mr. President, I wish to indicate that I know the distinguished chairman of the committee, Senator HELMS, and the distinguished ranking minority member of the committee, Senator HUDDLESTON, are in accord. They are ready to go and have been ready to go. They may not agree with every provision but at least they are ready to take it up and they have been ready for the past couple of weeks.

Senator HELMS has authorized certain of us on our side to speak to certain sections, and it happens to be that the feedgrain and wheat section is one that is probably the fly in the ointment at this period. But I think I can express without reservation the willingness of the chairman of the committee and the ranking minority member, Senator HUDDLESTON, to proceed tonight, tomorrow, tomorrow night, or whatever.

MESSAGES FROM THE HOUSE

At 2:42 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 3329) making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1984, and for other purposes; it recedes from its disagreement to the amendments of the Senate numbered 10, 14, 30, 47, 49, and 55 to the bill, and agrees thereto, it recedes from its disagreement to the amendments of the Senate numbered 1, 2, 3, 28, 36, 39, 41, 53, 60, 61, 64, 65, 66, 67, 69, and 70 to the bill, each with an amendment in which it requests the concurrence of the Senate; and it insists upon its disagreement to the amendment of the Senate numbered 21 to the bill.

The message also announced that the House has passed the following

bill, in which it requests the concurrence of the Senate:

H.R. 3706. An act to amend title 5, United States Code, to make the birthday of Martin Luther King, Jr., a legal public holiday.

ENROLLED BILLS SIGNED

At 3:18 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the Speaker has signed the following enrolled bills:

S. 727. An act to authorize the Secretary of the Interior to set aside certain judgment funds of the Three Affiliated Tribes of Fort Berthold Reservation in North Dakota, and for other purposes; and

H.R. 2973. An act to promote economic revitalization and facilitate expansion of economic opportunities in the Caribbean Basin region, to provide for backup withholding of tax from interest and dividends, and for other purposes.

The enrolled bills were subsequently signed by the President pro tempore (Mr. THURMOND).

HOUSE MEASURE PLACED ON THE CALENDAR

The following bill was read the first and second times by unanimous consent, and placed on the calendar:

H.R. 3706. An act to amend title 5, United States Code, to make the birthday of Martin Luther King, Jr., a legal public holiday.

ENROLLED BILL PRESENTED

The Secretary reported that on today, he had presented to the President of the United States the following enrolled bill:

S. 727. An act to authorize the Secretary of the Interior to set aside certain judgment funds of the Three Affiliated Tribes of Fort Berthold Reservation in North Dakota, and for other purposes.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-1547. A communication from the Principal Deputy Assistant Secretary of the Navy (Shipbuilding and Logistics), transmitting, pursuant to law, a report on the conversion of the laundry services function at the Naval Hospital, San Diego, Calif., to performance under contract; to the Committee on Armed Services.

EC-1548. A communication from the Director of the Defense Security Assistance Agency, transmitting, pursuant to law, a report on the Department of the Army's proposed letter of offer to Saudi Arabia for defense articles estimated to cost in excess of $50 million; to the Committee on Armed Services.

EC-1549. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Rental Rehabilitation With Limited Federal Involvement: Who Is Doing It? At What Cost? Who Benefits?"; to the Committee on Banking, Housing, and Urban Affairs.

EC-1550. A communication from the Acting Director of the Minerals Management Service, transmitting, pursuant to law, a request for repayment of excess royalty payments by Shell Oil Co.; to the Committee on Energy and Natural Resources.

EC-1551. A communication from the Acting Director of the Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a request for repayment of excess royalty payments by Arco Oil & Gas Co.; to the Committee on Energy and Natural Resources.

EC-1552. A communication from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting, pursuant to law, a report on the continuation of commercial, cultural, and other relations between the United States and Taiwan; to the Committee on Foreign Relations.

EC-1553. A communication from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting, pursuant to law, a report on international agreements, other than treaties, entered into by the United States in the 60-day period prior to July 28, 1983; to the Committee on Foreign Relations.

EC-1554. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 5-60, adopted by the Council on July 5, 1983; to the Committee on Governmental Affairs.

EC-1555. A communication from the Director of the Office of the Congressional Budget Office, transmitting, pursuant to law, a report entitled "Modifying the Davis-Bacon Act: Implications for the Labor Market and the Federal Budget"; to the Committee on Labor and Human Resources.

EC-1556. A communication from the Health Resources and Services Administration, Public Health Service, Department of Health and Human Services, transmitting, pursuant to law, notification of academic year 1983-84 allotments to schools participating in the health professions student loan program; to the Committee on Labor and Human Resources.

EC-1557. A communication from the Assistant Attorney General (Office of Legislative Affairs), transmitting a draft of proposed legislation to amend certain provisions applicable to compensation for the overtime inspectional service of employees of the U.S. Customs Service and the Immigration and Naturalization Service, and for other purposes; to the Committee on Governmental Affairs.

EC-1558. A communication from the Director of the Information Security Oversight Office, General Services Administration, transmitting, pursuant to law, the annual report of the office for fiscal year 1982; to the Committee on Governmental Affairs.

EC-1559. A communication from the Chairman of the Federal Trade Commission, transmitting, pursuant to law, the sixth annual report on the Premerger notification program; to the Committee on the Judiciary.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-353. A joint resolution adopted by the Legislature of the State of California; to the Committee on Finance:

"SENATE JOINT RESOLUTION No. 1

"Whereas, In the administration of federally funded public assistance programs by the states, including the State of California, personal information is secured concerning applicants and recipients under these programs; and

"Whereas, The federal Social Security Act and related administrative regulations limit the use and disclosure of this information by the states to specified purposes relating exclusively to the administration of public assistance programs; and

"Whereas, These restrictions prevent the states from using this information in their efforts to enforce the law and protect the public welfare in various criminal and civil contexts not directly related to the administration of public assistance programs; now, therefore, be it

"Resolved by the Senate and Assembly of the State of California, jointly, That the Legislature of the State of California respectfully memorialize the President and the Congress of the United States to amend the Social Security Act to provide that personal information concerning applicants and recipients secured by the states, and their political subdivisions, in the administration of federally funded public assistance programs may be used or disclosed pursuant to a criminal proceeding brought on behalf of the people of the State of California or on behalf of the United States government, provided a warrant has been issued upon probable cause and provided that a nexus exists between the crime or crimes alleged and the information sought, and that reasonable efforts have been made to verify that the person under suspicion is the applicant or recipient; and be it further

"Resolved, That the information so disclosed be the least amount of information reasonably consistent with achievement of the purpose to be served; and be it further

"Resolved, That the Secretary of the Senate transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. DURENBERGER, from the Committee on Governmental Affairs, with amendments:

S. 1090. A bill to establish a National Outdoor Recreation Resources Review Commission to study and recommend appropriate policies and activities for government agencies at the Federal, State, and local levels and for the private sector, to assure the continued availability of quality outdoor recreation experiences in America to the year 2000, and for other purposes; pursuant to the order of May 25, 1983, referred to the Committee on Energy and Natural Resources for not to exceed sixty calendar days.

By Mr. DURENBERGER, from the Committee on Governmental Affairs, without amendment:

S. Res. 193. An original resolution waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consider-

ation of S. 1090; referred to the Committee on the Budget.

By Mr. DURENBERGER, from the Committee on Governmental Affairs, with an amendment in the nature of a substitute:

S. 1510. A bill to establish uniform single financial audit requirements for State and local governments and nonprofit organizations and other recipients of Federal assistance, and for other purposes.

By Mr. GARN, from the Committee on Banking, Housing, and Urban Affairs, without amendment:

S. 1729. An original bill to provide for the striking and presentation of medals.

By Mr. GARN, from the Committee on Banking, Housing, and Urban Affairs, without amendment:

S. Res. 194. An original resolution waiving section 402(a) of the Congressional Budget Act with respect to the consideration of S. 1729; referred to the Committee on the Budget.

By Mr. D'AMATO, from the Committee on Banking, Housing, and Urban Affairs, without amendment:

S. 414. A bill to amend and clarify the Foreign Corrupt Practices Act of 1977 (Rept. No. 98-207).

By Mr. PACKWOOD, from the Committee on Commerce, Science, and Transportation, without amendment:

S. 1015. A bill to clear certain impediments to the licensing of the vessel *La Jolie* for employment in the coastwise trade;

S. 1186. A bill to clear certain impediments to the licensing of the yacht *Dad's Pad* for employment in the coastwise trade; and

S. 1689. A bill to clear certain impediments to the licensing of the vessel *Endless Summer* for employment in the coastwise trade.

By Mr. PACKWOOD, from the Committee on Commerce, Science, and Transportation, with an amendment in the nature of a substitute:

H.R. 2840. An act to provide for the orderly termination of Federal management of the Pribilof Islands, Alaska.

By Mr. STAFFORD, from the Committee on Environment and Public Works, without amendment:

S. 1465. A bill to designate the Federal Building at Fourth and Ferry Streets, Lafayette, Ind., as the "Charles A. Halleck Federal Building".

By Mr. STAFFORD, from the Committee on Environment and Public Works, with an amendment:

S. 1724. A bill to designate the Federal Building at Las Cruces, N.M., as the "Harold L. Runnels Federal Building".

By Mr. STAFFORD, from the Committee on Environment and Public Works, without amendment:

H.R. 2895. An act to designate the Federal Building and U.S. Courthouse at 450 Golden Gate Avenue, San Francisco, Calif., as the Phillip Burton Federal Building and U.S. Courthouse.

By Mr. ROTH, from the Committee on Governmental Affairs, without amendment:

S. 1052. A bill to make certain changes in the membership and operations of the Advisory Commission on Intergovernmental Relations.

By Mr. PERCY, from the Committee on Foreign Relations:

Supplement Report to Report No. 98-156 on S. 602, the Radio Broadcasting to Cuba Act.

Mr. PERCY. Mr. President, in accordance with rule XXVI, paragraph 11, subparagraph (c)(B) of the Standing Rules of the Senate, I am today filing a correction of a technical error in the Senate Foreign Relations Committee Report (Report No. 98-156) that accompanies S. 602, the Radio Broadcasting to Cuba Act, reported favorably by the committee on June 21, 1983.

My technical correction would add one sentence to the required report language evaluating the regulatory impact of the reported legislation. That sentence states that

All provisions of Rule XXVI, paragraph 11 not complied with were impracticable because of uncertainties concerning the possibility of any interference with broadcasting in the United States that might result from Radio Broadcasting to Cuba as provided in the bill.

I note that such a statement is required by rule XXVI.

The committee report was reviewed in detail by members of the majority and minority staff. Implicit in committee discussion of S. 602 was the understanding that until Radio Broadcasting to Cuba programing was established, until decisions concerning broadcast frequencies, and until the Board for International Broadcasting had the opportunity to study the nature of potential interference that might from Radio Broadcasting to Cuba as provided in the Radio Broadcasting to Cuba Act, it was impracticable to make an accurate assessment of the full regulatory impact of the facility compensation provision of the bill or of its potential costs. The committee insisted on a small initial level of funding for facility compensation because of these uncertainties. It insisted that such compensation be provided only after Radio Broadcasting to Cuba had commenced and its impact could be assessed accurately. It was understood in our discussions that regulations would be required, as we have stated in the committee report. Implicit in discussions was the understanding that information concerning the posible impact of interference from Cuban retaliatory broadcasting, and therefore the impact on individuals, businesses, the economic well-being of businesses the personal privacy of individuals, or the volume of paperwork involved in assessing such impact was impracticable until certain decisions about the scope of Radio Broadcasting to Cuba operations were made.

The committee report stands in technical error for not including the sentence I am submitting today. However, the Members were fully apprised of the impracticability of a more detailed, accurate assessment either of the possible extent of costs or of the regulatory impact of the provisions for facility compensation included in the bill. I believe the corrective sentence I am submitting today in accordance with rule XXVI, paragraph 11, subparagraph (c)(B) corrects by any deficiencies in the report submitted by the committee.

In addition. I am filing a revised cost estimate from the Congressional Budget Office. Their original cost estimate was in error in that it assumed outlays in fiscal year 1984. The bill passed by the committee is clear that funds shall not be available until October 1, 1984, for facility compensation.

I also submit minority views to these revisions as presented by Senator ZORINSKY.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. McCLURE, from the Committee on Energy and Natural Resources:

William Patrick Collins, of Virginia, to be Under Secretary of Energy.

By Mr. STAFFORD, from the Committee on Environment and Public Works:

Howard M. Messner, of Maryland, to be an Assistant Administrator of the Environmental Protection Agency.

Alvin L. Alm, of Massachusetts, to be Deputy Administrator of the Environmental Protection Agency.

Frederick M. Bernthal, of Tennessee, to be a Member of the Nuclear Regulatory Commission for the term of five years expiring June 30, 1988.

By Mr. HATCH, from the Committee on Labor and Human Resources:

A. Wayne Roberts, of Massachusetts, to be Deputy Under Secretary for Intergovernmental and Interagency Affairs, Department of Education.

By Mr. DOLE, from the Committee on Finance:

Thomas J. Healey, of New Jersey, to be an Assistant Secretary of the Treasury.

Susan Wittenburg Liebeler, of California, to be a Member of the United States International Trade Commission for the remainder of the Term expiring December 16, 1988.

Seeley Lodwick, of Iowa, to be a Member of the United States International Trade Commission for the term expiring December 16, 1991.

By Mr. THURMOND, from the Committee on the Judiciary:

James F. Mervow, of Virginia, to be a judge of the U.S. Claims Court for a term of 15 years;

Robert J. Yock, of Virginia, to be a judge of the U.S. Claims Court for a term of 15 years;

Marvin Katz, of Pennsylvania, to be U.S. district judge for the eastern district of Pennsylvania;

James McGirr Kelly, of Pennsylvania, to be U.S. district judge for the eastern district of Pennsylvania;

Thomas N. O'Neill, of Pennsylvania, to be U.S. district judge for the eastern district of Pennsylvania;

By Mr. GARN, from the Committee on Banking, Housing, and Urban Affairs:

Warren T. Lindquist, of Maine, to be an Assistant Secretary of Housing and Urban Development. .

(The above nomination was reported from the Committee on Banking, Housing, and Urban Affairs with the recommendation that it be confirmed,

subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. TOWER, from the Committee on Armed Services:

Mr. TOWER. From the Committee on Armed Services, I report favorably the following nominations: In the Army Reserve there are 14 appointments to the grades of major general and brigadier general (list begins with Robert O. Bugg) and in the Army National Guard there are 21 appointments to the grade of major general and brigadier general (list begins with William J. Jefferds). I ask that these names be placed on the Executive Calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TOWER. In addition, in the Air Force there are 341 appointments to the grade of second lieutenant (list begins with Howard L. Alford), in the Navy and Naval Reserve there are 22 appointments to the grade of commander and below (list begins with Steven C. Cox), in the Navy there are 111 permanent appointments to the grade of chief warrant officer (list begins with Johnny F. Barfield) and in the Army there are 929 permanent promotions to the grade of colonel (list begins with Robert O. Abney). Since these names have already appeared in the CONGRESSIONAL RECORD and to save the expense of printing again, I ask unanimous consent that they be ordered to lie on the Secretary's desk for the information of any Senator.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The nominations ordered to lie on the Secretary's desk were printed in the RECORD of July 25 and July 28, 1983, at the end of Senate proceedings.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. GARN, from the Committee on Banking, Housing, and Urban Affairs:

S. 1729. An original bill to provide for the striking and presentation of medals; from the Committee on Banking, Housing, and Urban Affairs; placed on the calendar.

By Mr. DIXON (for himself, Mr. KASTEN, Mr. TSONGAS, Mr. SASSER, Mr. MOYNIHAN, Mr. FORD, Mr. HATCH, Mr. RIEGLE, Mr. PELL, Mr. LEAHY, Mr. ARMSTRONG, Mr. BOREN, Mr. METZENBAUM, Mr. ANDREWS, Mr. SARBANES, Mr. ABDNOR, Mr. BOSCHWITZ, Mr. HUDDLESTON, Mr. MITCHELL, and Mr. PRYOR):

S. 1730. A bill to amend the Small Business Act to increase small business participation in the procurement process, thereby reducing costly noncompetitive procurements and increasing defense preparedness, and for other purposes; to the Committee on Small Business.

By Mr. BAUCUS:

S. 1731. A bill for the relief of Yuk Chuen Leung; to the Committee on the Judiciary.

By Mr. SPECTER:

S. 1732. A bill to amend the Internal Revenue Code of 1954 to increase the energy investment tax credit for conversions to coal-fueled facilities, and for other purposes; to the Committee on Finance.

By Mr. TRIBLE:

S. 1733. A bill to amend title 18, United States Code, to make a crime the use, for fraudulent or other illegal purposes, of any computer owned or operated by the United States, certain financial institutions, and entities affecting interstate commerce; to the Committee on the Judiciary.

By Mr. ZORINSKY (for himself, Mr. PRYOR, Mr. PRESSLER, Mr. JOHNSTON, and Mr. ABDNOR):

S. 1734. A bill to amend title 17 of the United States Code with respect to public performances of nondramatic musical works by means of coin-operated phonorecord players, and for other purposes; to the Committee on the Judiciary.

By Mr. GORTON (for himself and Mr. JACKSON):

S. 1735. A bill entitled the "Shoalwater Bay Indian Tribe-Dexter By the Sea Claim Settlement Act"; to the Select Committee on Indian Affairs.

By Mr. DURENBERGER:

S. 1736. A bill to establish a process that provides for the submission to the Congress each year of a regulatory budget that recommends the costs to be incurred during the fiscal year beginning on October 1 of such year by specified economic sectors in complying with the laws of the United States and the rules promulgated thereunder, and for consideration by the Congress of a bill containing proposals for legislation to implement such regulatory budget; to the Committee on Governmental Affairs.

By Mr. DOLE (for himself, Mr. BIDEN, Mr. HEINZ, Mr. ROTH, Mr. D'AMATO, Mrs. HAWKINS, Mr. CRANSTON, Mr. DURENBERGER, Mr. TOWER, Mr. BRADLEY, and Mr. BENTSEN):

S. 1737. A bill to make permanent section 1619 of the Social Security Act, which provides SSI benefits for individuals who perform substantial gainful activity despite a severe medical impairment; to the Committee on Finance.

By Mr. DURENBERGER (for himself, Mr. SYMMS, Mr. BOREN, Mr. GRASSLEY, Mr. ZORINSKY, and Mr. MELCHER):

S. 1738. A bill to amend the Internal Revenue Code of 1954 to permit small businesses to reduce the value of excess inventory; to the Committee on Finance.

By Mr. ABDNOR (for himself and Mr. MOYNIHAN):

S. 1739. A bill to authorize the U.S. Army Corps of Engineers to construct various projects for improvements to rivers and harbors of the United States, and for other purposes; to the Committee on Environment and Public Works.

By Mr. BINGAMAN:

S. 1740. A bill entitled the "San Juan Basin Wilderness Protection Act of 1983"; to the Committee on Energy and Natural Resources.

By Mr. HART (for himself and Mr. KENNEDY):

S. 1741. A bill to halt the introduction of U.S. combat units into Central America without the approval of Congress; to the Committee on Foreign Relations.

By Mr. MELCHER (for himself and Mr. INOUYE):

S. 1742. A bill to amend title 38, United States Code, to provide hospital, nursing home, and domiciliary care and medical services to certain persons who participated in armed conflict with an enemy of the United States while serving during World War II in the former First Special Service Force, a joint military unit of the United States and Canada; to the Committee on Veterans' Affairs.

By Mr. PELL:

S. 1743. A bill to amend the Tariff Schedules of the United States to suspend for a three-year period the duty on certain benzenoid chemicals (NA-125 and NA-125-Chloride); to the Committee on Finance.

By Mr. MELCHER:

S. 1744. A bill to provide a pilot project for excellence in elementary and secondary education; to the Committee on Labor and Human Resources.

By Mr. SYMMS (for himself, Mr. DURENBERGER, and Mr. MATSUNAGA):

S. 1745. A bill to amend the Internal Revenue Code of 1954 to provide certain physicians' and surgeons' mutual protection associations with tax-exempt status for certain purposes, and for other purposes; to the Committee on Finance.

By Mr. RUDMAN:

S. 1746. A bill to require that the Federal Government procure from the private sector of the economy the goods and services necessary for the operations and management of certain Government agencies and that the Director of the Office of Management and Budget and the Comptroller General of the United States identify the activities of the Federal Government to produce, manufacture, or otherwise provide goods and services which should be provided by the private sector and prepare a schedule for transferring such activities to the private sector; to the Committee on Governmental Affairs.

By Mr. ARMSTRONG (for himself, Mr. COHEN, Mr. HOLLINGS, Mr. MATSUNAGA, Mr. CRANSTON, Mr. BRADLEY, Mr. D'AMATO, Mr. DECONCINI, Mr. DOLE, Mr. HART, Mrs. HAWKINS, Mr. KASTEN, Mr. KENNEDY, Mr. MITCHELL, and Mr. BOSCHWITZ):

S. 1747. A bill to amend title 38, United States Code, to establish two new programs of educational assistance for veterans of peace-time service, to close the Post-Vietnam Era Veterans' Educational Assistance program to new participants, and to repeal the December 31, 1989, termination date of the Vietnam-era GI Bill, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. EAST (for himself and Mr. DENTON):

S. 1748. A bill to amend the National Labor Relations Act to apply explicitly the right-to-work laws of a State to Federal enclaves within the boundaries of that State; to the Committee on Labor and Human Resources.

By Mr. THURMOND (for himself, Mr. BAKER, Mr. HOLLINGS, Mr. HELMS, Mr. EAST, Mr. TRIBLE, and Mr. CHILES):

S. 1749. A bill to grant the consent of the Congress to the Southeast Interstate Low-Level Radioactive Waste Management Compact; to the Committee on the Judiciary.

By Mr. HEINZ (for himself, Mr. GARN, Mr. TOWER, and Mr. MATTINGLY):

S. 1750. A bill to effectuate the congressional directive that accounts established under section 327 of the Garn-St Germain Depository Institutions Act of 1982 be directly equivalent and competitive with money market mutual funds; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. CRANSTON:

S. 1751. A bill to amend certain Federal laws to prohibit age discrimination; to the Committee on Labor and Human Resources.

S. 1752. A bill to amend the Employee Retirement Income Security Act of 1974 and the Internal Revenue Code of 1954 to prohibit age discrimination in the administration of pension plans; to the Committee on Finance.

S. 1753. A bill to amend the Internal Revenue Code of 1954 to provide incentives for part-time and full-time employment of older workers; to the Committee on Finance.

By Mr. BENTSEN (for himself and Mr. TOWER):

S. 1754. A bill to direct the Secretary of Agriculture to convey, without consideration, to the Sabine River Authority of Texas approximately 34,000 acres of land within the Sabine National Forest, Texas, to be used for the purposes of the Toledo Bend Project, Louisiana and Texas; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. SPECTER:

S. 1755. A bill to amend the Surface Mining Control and Reclamation Act of 1977 (SMCRA), to create a trust fund for the reclamation of underground mines and surface mines and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. DURENBERGER:

S. 1756. A bill to provide for assistance to State and local governments and private interests for conservation of certain rivers, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. LUGAR (for himself, Mr. BIDEN, Mr. DODD, Mr. DOLE, Mr. DOMENICI, Mr. DURENBERGER, Mr. HATCH, Mr. HELMS, Mr. HUDDLESTON, Mr. JOHNSTON, Mr. KENNEDY, Mr. LAXALT, Mr. MOYNIHAN, Mr. MURKOWSKI, Mr. PELL, Mr. PRESSLER, Mr. QUAYLE, Mr. ZORINSKY, Mr. COHEN, and Mr. TSONGAS):

S. 1757. A bill to provide for the establishment of United States diplomatic relations with the Vatican; to the Committee on Foreign Relations.

By Mr. BENTSEN (for himself, Mr. WALLOP, Mr. SYMMS, Mr. BRADLEY, Mr. GRASSLEY, Mr. MITCHELL, Mr. DURENBERGER, and Mr. BAUCUS):

S. 1758. A bill to amend the Internal Revenue Code of 1954 to provide a simplified cost recovery system based on recovery accounts, and for other purposes; to the Committee on Finance.

By Mr. SYMMS:

S. 1759. A bill to extend for three years the suspension of duty on 4-chloro-3-methylphenol; to the Committee on Finance.

By Mr. BENTSEN:

S. 1760. A bill entitled the "Pension Correction Act of 1983"; to the Committee on Finance.

By Mr. MOYNIHAN (for himself, Mr. WALLOP, and Mr. SYMMS):

S. 1761. A bill to amend the Internal Revenue Code to permit foreign pension plans to invest in the United States on a nontaxable basis; to the Committee on Finance.

By Mr. MELCHER:

S.J. Res. 143. Joint resolution to authorize and request the President to issue a proclamation designating the calendar week beginning with Sunday, June 3, 1984, as "National Garden Week"; to the Committee on the Judiciary.

By Mr. SASSER (for himself, Mr. BAKER, Mr. BAUCUS, Mr. BENTSEN, Mr. BUMPERS, Mr. COCHRAN, Mr. DOLE, Mr. DOMENICI, Mr. HATCH, Mr. LONG, Mr. MATTINGLY, and Mr. STENNIS):

S.J. Res. 144. Joint resolution designating September 5, 1983, as "National Beale Street, Home-of-the-Blues Day" to commemorate the redevelopment of the historic area where W. C. Handy, originator of the famous music form known as the "Blues", composed the "Memphis Blues" some seventy years ago; to the Committee on the Judiciary.

By Mr. LONG (for himself, Mr. JOHNSTON, Mr. HEFLIN, Mr. THURMOND, Mr. GLENN, Mr. BRADLEY, Mr. TSONGAS, Mr. MOYNIHAN, Mr. MATTINGLY, Mr. HEINZ, Mr. BENTSEN, Mr. GORTON, Mr. HOLLINGS, Mr. INOUYE, Mr. TOWER, Mr. FORD, Mr. WARNER, Mr. LUGAR, and Mr. DURENBERGER):

S.J. Res. 145. Joint resolution to designate the week of October 2, 1983 through October 8, 1983, as "National Port Week"; to the Committee on the Judiciary.

By Mr. HEINZ (for himself, Mr. PELL, Mr. ABDNOR, Mr. HOLLINGS, Mr. KENNEDY, Mr. MATTINGLY, Mr. DECONCINI, Mr. FORD, Mr. STENNIS, Mr. BRADLEY, Mr. HATFIELD, Mr. LONG, Mr. TOWER, Mr. GARN, Mr. TSONGAS, Mr. LAUTENBERG, Mr. BENTSEN, Mr. COHEN, Mr. GLENN, Mr. SPECTER, Mr. CHAFEE, Mr. PRESSLER, Mr. HATCH, Mr. ZORINSKY, Mr. GOLDWATER, Mr. COCHRAN, Mr. JOHNSTON, Mr. SARBANES, Mr. PACKWOOD, Mr. BAUCUS, and Mr. PERCY):

S.J. Res. 146. Joint resolution to designate March 23, 1984, as "National Energy Education Day"; to the Committee on the Judiciary.

By Mr. WEICKER (for himself, Mr. RANDOLPH, Mr. STAFFORD, Mrs. HAWKINS, Mr. NICKLES, Mr. MATSUNAGA, and Mr. KENNEDY):

S.J. Res. 147. Joint resolution to designate the week of September 25, 1983, through October 1, 1983, as "National Rehabilitation Facilities Week"; to the Committee on the Judiciary.

By Mr. KENNEDY (for himself, Mr. HOLLINGS, Mr. DURENBERGER, Mr. GLENN, Mr. BURDICK, Mr. STENNIS, Mr. DOLE, Mr. DECONCINI, Mr. RANDOLPH, Mr. HEINZ, Mr. SASSER, Mr. MATSUNAGA, Mr. MITCHELL, Mr. SYMMS, Mr. TSONGAS, Mr. NUNN, Mr. ZORINSKY, Mr. INOUYE, and Mr. HUDDLESTON):

S.J. Res. 148. Joint resolution to designate the week of May 6, 1984, through May 13, 1984, as "National Tuberous Sclerosis Week"; to the Committee on the Judiciary.

By Mr. HUDDLESTON (for himself, Mr. COCHRAN, Mr. MELCHER, Mr. BOSCHWITZ, Mr. LEAHY, Mr. EAGLETON, and Mr. HEFLIN):

S.J. Res. 149. Joint resolution to temporarily suspend the authority of the Secretary of Agriculture under the milk price support program, to impose a second 50-cent per hundredweight deductions from the proceeds of the sale of all milk marketed commercially in the United States; to the Committee on Agriculture, Nutrition, and Forestry.

SUBMISSION OF CONCURRENT AND SIMPLE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. DURENBERGER, from the Committee on Governmental Affairs:

S. Res. 193. An original resolution waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 1090; referred to the Committee on the Budget.

By Mr. GARN, from the Committee on Banking, Housing, and Urban Affairs:

S. Res. 194. An original resolution waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 1729; referred to the Committee on the Budget.

By Mr. DODD (for himself, Mr. HOLLINGS, Mr. PELL, Mr. BENTSEN, Mr. MATHIAS, Mr. KENNEDY, Mr. MELCHER, Mr. CHILES, Mr. TSONGAS, Mr. LAUTENBERG, Mr. BUMPERS, Mr. EAGLETON, Mr. INOUYE, Mr. BINGAMAN, Mr. BIDEN, Mr. SARBANES, Mr. LEVIN, Mr. DIXON, Mr. BRADLEY, Mr. BURDICK, Mr. RANDOLPH, and Mr. WEICKER):

S. Con. Res. 60. A concurrent resolution urging the Secretary of Education to postpone further action on reorganization of certain programs in the Department of Education until a study by the General Accounting Office determines that such reorganization would not reduce the ability of the Department of Education to achieve the goals intended by Congress when it authorized the affected programs; to the Committee on Governmental Affairs.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. DIXON (for himself, Mr. KASTEN, Mr. TSONGAS, Mr. SASSER, Mr. MOYNIHAN, Mr. FORD, Mr. HATCH, Mr. RIEGLE, Mr. PELL, Mr. LEAHY, Mr. ARMSTRONG, Mr. BOREN, Mr. METZENBAUM, Mr. ANDREWS, Mr. SARBANES, Mr. ABDNOR, Mr. BOSCHWITZ, Mr. HUDDLESTON, Mr. MITCHELL, and Mr. PRYOR):

S. 1730. A bill to amend the Small Business Act to increase small business participation in the procurement process, thereby reducing costly noncompetitive procurements and increasing defense preparedness, and for other purposes; to the Committee on Small Business.

(The remarks of Mr. DIXON and the text of the legislation appear earlier in today's RECORD.)

By Mr. BAUCUS:

S. 1731. A bill for the relief of Yuk Chuen Leung; to the Committee on the Judiciary.

RELIEF OF YUK CHUEN LEUNG

● Mr. BAUCUS. Mr. President, today I am introducing a bill for the relief of

Yuk Chuen Leung, a native of China who is currently residing in Billings, Mont. Mr. Leung has been in the United States since 1971 and has established himself as an independent businessman in this country. He has repeatedly tried to obtain legal status as a permanent resident of this country, but due to technicalities, he has been exhausted, and congressional relief is his only remaining option.

Mr. Leung now owns a cafe in Montana and has invested considerable time and effort in making it a profitable enterprise. I am told he is quite a chef and has been a model citizen in the community. It has been attested by the citizens of Billings that he is a man of good moral character; that he is honest and intelligent; that he gets along well with people; and that he has never had any trouble with law enforcement authorities. In addition, he has never been on welfare, having paid all necessary taxes since his arrival here in 1971. In my opinion, Mr. Leung has shown himself to be a useful and desirable member of the Billings community in which he lives.

Mr. Leung arrived in this country aboard a ship on which he was serving as a crewman. When the ship returned to Hong Kong, he did not depart with it. Although he was forced to leave his wife and children behind, he felt that America was the land of opportunity where he could make a decent living for himself. Since his arrival, he has consistently shown the spirit of industriousness for which we Americans so pride ourselves. He came here with literally nothing but the clothes on his back, ventured to the great State of Montana, and has succeeded in becoming an independent businessman who is offering a valuable service for the enjoyment of others.

Mr. President, I believe Mr. Leung's situation warrants a humanitarian response. It would be a travesty to deport a man who has become a model citizen—one who has earned his keep and has never asked anything of this country other than a chance to enjoy the same freedoms that all Americans enjoy. He has built a business from the ground up and without our intervention. If he is deported, all that Mr. Leung has worked for these past 12 years will evaporate. He will be returned to Hong Kong with nothing to show for all his hard work.

Mr. Leung's efforts to sell his business have thus far not met with success. There appears to be no one in Billings, Mont., with Mr. Leung's particular culinary skills and no one who will be able to offer a similar service. His deportation will therefore harm not only him as an individual, but also all the members of the Billings community who visit and enjoy his cafe.

With these factors in mind, I urge my colleagues to give careful consideration to Mr. Leung's case and the legislation that would provide him with the status of a permanent resident.●

By Mr. SPECTER:

S. 1732. A bill to amend the Internal Revenue Code of 1954 to increase the energy investment tax credit for conversions to coal-fueled facilities, and for other purposes; to the Committee on Finance.

TAX CREDIT FOR COAL CONVERSIONS

Mr. SPECTER. Mr. President, today I am introducing a comprehensive bill to help the coal industry recover from the present economic slump. Improvements to the coal industry are lagging behind the recovery for other industries. This condition is expected to last well into the last half of 1983 and beyond.

Eventually, the recovery is expected to reach the coal industry. As factories resume operations, demand for electricity will increase and steel production will improve. Also, in time, the demand for American coal will improve as foreign countries recover from their particular economic problems.

Even a full recovery, however, will not return the coal industry to the prosperity it once enjoyed. Demand for electricity, the largest use for coal, is down and will remain relatively low due to conservation. Exports are down because the costs of inland transportation makes American coal practically noncompetitive in the world marketplace. In fact, certain domestic coal markets are in danger of being lost to low-cost imports.

Economists predict that coal production will total only 780 million tons, the lowest level since 1979. This figure could fall to 765 million tons, depending on how quickly consumers deplete current stockpiles. Exports are expected to fall from 87 million tons to 60 million tons, a 31-percent decrease.

Over the long term, a number of problems could prevent coal from ever assuming its logical role as the fuel of choice for industry and utilities. The President is said to be considering a repeal of Executive Order 12217, which was meant to encourage conversions to coal. In some instances, coal-fired facilities may be required to add expensive air quality control equipment. This would prevent many facilities from ever converting to coal from other fuel sources such as imported oil and natural gas. Another factor clouding the future of coal use is the faltering synthetic fuels industry. Due to the current low world price for oil and our domestic surplus of natural gas, synthetic fuels projects are finding that potential markets are closed to them.

My bill seeks to solve these problems and strengthen the coal industry so that our Nation's energy goals can be realized. It is imperative, both in the terms of national security and improving the domestic economy, that coal production and consumption increase substantially.

The legislation makes a number of adjustments to the tax laws. These changes should encourage a number of private sector initiatives which will result in a more competitive coal industry.

First, the 10-percent tax credit for fuel-fired facilities that convert to coal is extended for 10 years. This credit has been instrumental in making conversions to coal possible. While coal is usually a cheaper fuel to burn, there are large capital outlays associated with converting from a different fuel source. The tax credit lessens this burden.

In conjunction with the tax credit, my bill provides for a 1-year amortization for pollution control equipment. The current law, enacted in 1981, permits a 5-year amortization. The 1-year period better reflects the needs of those who burn coal and would promote protection of the environment.

A significant cost of converting to coal is the cost of installing pollution control equipment. Usually a combination of coal-washing houses and smokestack scrubbers are required to meet air quality standards. These are expensive modifications. Allowing companies to amortize these costs over 1 year will lessen this significant burden.

If the Clean Air Act were modified on the acid rain issue, this 1-year amortization or writeoff would become even more important. It has been estimated that to reduce sulfur emissions by 50 percent, a $10 billion investment in pollution control equipment would have to be made. This tax credit will ease these impediments to burning coal.

In conjunction with the previously discussed tax incentives, the third part of my bill gives favorable treatment for purchases of new coal mining equipment. Although current production lags behind the potential capacity, the industry needs to maintain state-of-the-art machinery. Eventually, demand for coal will increase and producers will have to be able to meet this increase. Also, in order to remain competitive in the world market, the mine operator will have to be able to produce coal at a cost that is comparable or better than the cost in any other country.

My bill insures that American coal production will remain efficient by increasing the investment tax credit for the purchase of mining equipment from 10 percent to the new level of 15 percent. While not an overly profound increase, it is enough to make the purchase of advanced technology equipment an economic reality.

Many coal producers have been forced to file for bankruptcy or other-

wise leave the business. Easing the tax burden will permit those companies strong enough to survive the recession to replenish their mining equipment.

The fourth part of my bill provides tax incentives to private industry for the research and development of coal-related technologies. Federal money for research and development has been reduced across the board. The private sector is ill-equipped to increase its share of research: It is expensive and time-consuming. Clearly there is a need for continued research in the coal industry.

Certain limited tax credits for research were passed into law 2 years ago, but these provisions are not sufficient to address the needs of the coal industry. This bill increases the credit for research into coal-related technology to 50 percent. Without this change, many research projects will be discontinued before the intended benefits are realized.

A number of important technologies are currently being developed. These include fluidized bed combustion, magnethydrodynamic technology and new methods for converting coal to combustible liquid form. All of this work is important and should be encouraged.

The work being done on nonpolluting methods for burning coal is especially important. Development of this technology could lead to huge savings for boilers using coal because less expensive equipment will be necessary at the smokestack. The clean burning of coal is a new frontier with great promise. Simple adjustments to the Tax Code would provide adequate incentives for research and development by the private sector.

Another part of my bill requires that the executive branch, under the direction of the Secretary of Energy, use its best efforts to convert major Federal fuel-fired facilities to coal. Work in this direction has already begun under Executive Order 12217. These efforts need to be continued and more Federal facilities converted to coal.

Next, the bill I introduce today will prevent the scheduled 15-percent reduction in the percentage depletion. Current law provides for a percentage depletion allowance for coal and iron ore. This allowance is scheduled to be reduced by 15 percent. In my opinion, this reduction will unfairly victimize two industries already suffering disproportionately from the recession.

Statistics gathered by my office show that the coal industry is presently enduring a 31.6-percent rate of unemployment, with 75,000 coal workers jobless. The coal industry is currently operating at only 66 percent of its capacity, compared with 80 percent capacity in 1982. Metallurgical coal, which is essential to steel production, has dropped to roughly 40 percent capacity utilization. The coal industry has not improved. Rather it has deteriorated further, and clearly does not merit any reduction in its percentage depletion allowance.

With respect to the iron ore industry, we are talking about an industry with over two-thirds of its entire work force laid off, with an estimated 11,300 hourly rated iron ore workers unemployed. The 15-percent reduction in the percentage depletion allowance may stifle what little resurgence the industry has experienced, and it would certainly not aid in the rehiring of laid-off workers. I cannot think of a worse time to implement this reduction in percentage depletion.

The next part of my bill addresses the tax treatment of reclamation expenses incurred by mine operators. The change I propose is to allow surface mine operators to deduct the cost of land reclamation at the time the money is set aside for future use, rather than at the time the reclamation actually occurs.

Federal law requires that surface mine operators set aside the estimated costs of reclaiming the land over the productive years of the mine. This law insures that when production stops, sufficient money will be available to restore the land to its original condition. Mining concerns would very much like to deduct the money the law requires to be set aside under existing tax law for accrued expenses. In the 1950's, the Third and Fourth Circuits Courts of Appeals concluded that such deductions were valid in certain circumstances. The Internal Revenue Service has refused to follow these decisions and insists that deductions for reclamation expenses not be deducted until the actual reclamation begins.

More recently, in December 1982, the Tax Court, in Ohio River Collieries against Commissioner, held that if the expenses are required by State or Federal law, and if the amount of expenses can be reasonably estimated, then the deduction is permitted. The IRS did not appeal this ruling, nor did it agree to abide by it in future cases. As a result, unnecessary litigation will continue over the tax treatment of these funds. This bill attempts to clarify existing law.

Mr. President, taken together, these changes will help the coal industry get back on its feet. All of my proposals encourage increased use of coal without harming other segments of America's economy. The only losers in my equation are the foreign oil exporting countries. The proposals espoused in my bill will reduce our Nation's dependence on imported oil and bring us much closer to realizing our goal of an energy self-sufficient United States.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1732

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled.

SECTION 1. INCREASE IN ENERGY INVESTMENT TAX CREDIT FOR COAL MINING EQUIPMENT AND CONVERSIONS TO COAL.

(a) IN GENERAL.—Clause (i) of section 46(a)(2)(C) of the Internal Revenue Code of 1954 (relating to energy percentage) is amended by adding at the end thereof the following new subclauses:

"VII.	Conversions to coal fuel.—Property described in section 48(1)(3)(A)(iv).	10 percent...	Jan. 1, 1984.	Dec. 31, 1993.
"IX.	Coal mining equipment.—Property described in section 48(1)(3)(A)(X).	5 percent.....	Jan. 1, 1984.	Dec. 31, 1993.".

(b) DEFINITIONS.—

(1) CONVERSION TO COAL FUEL.—Clause (iv) of section 48(1)(3)(A) of such Code (relating to alternative energy property) is amended to read as follows:

"(iv) equipment designed to modify existing equipment which uses oil or natural gas as a fuel or as feedstock so that such equipment will use coal as fuel or feedstock.".

(2) COAL MINING EQUIPMENT.—Subparagraph (A) of section 48(1)(3) of such Code is amended—

(A) by striking out "and" at the end of clause (viii),

(B) by striking out the period at the end of clause (ix) and inserting in lieu thereof ", and", and

(C) by adding at the end thereof the following new clause:

"(x) equipment used for mining coal.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to periods beginning after December 31, 1983, under rules similar to the rules under section 48(m) of such Code.

SEC. 2. AMORTIZATION FOR POLLUTION CONTROL EQUIPMENT.

(a) IN GENERAL.—Section 169 of the Internal Revenue Code of 1954 (relating to amortization of pollution control facilities) is amended by redesignating subsection (j) as subsection (k) and inserting after subsection (i) the following new subsection:

"(j) FACILITIES USED IN CONNECTION WITH PLANTS FUELED BY COAL.—In the case of a certified pollution control facility used in connection with a plant that uses coal as a principal fuel, if the taxpayer elects the application of this subsection (at such time and in such manner as the Secretary may prescribe)—

"(1) subsection (a) shall be applied—

"(A) by substituting '12-month period' for '60-month period', and

"(B) by substituting '12 months' for 60 months',

"(2) subsection (b) shall be applied by substituting '12-month period' for '60-month period', and

"(3) subsection (f)(2) shall not apply.".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 1983.

SEC. 3. TAX INCENTIVES FOR COAL RESEARCH AND DEVELOPMENT.

(a) IN GENERAL.—Amend section 44F(A) of title 26, the Internal Revenue Code of 1954, to read:

"(a) GENERAL RULES.—There shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to—

"(1) 50 percent of the excess (if any) of the qualified research expenses for the taxable year, over the base period research expenses for activities relating to coal mining or burning and to controlling pollutants caused by the burning of coal; and

"(2) 25 percent of the excess (if any) of the qualified research expenses for the taxable year, over the base period research expenses for all other activities."

(b) EFFECTIVE DATE.—The amendments made by this section shall apply beginning after December 31, 1984.

SEC. 4. FEDERAL CONVERSION REQUIREMENTS.

(a) IN GENERAL.—Amend the Powerplant and Industrial Fuel Use Act of 1978, P.L. 95-620, Title VII, Subtitle A or add a new section 703.

"SEC. 703. FEDERAL CONVERSION REQUIREMENTS.

"(a) SURVEY.—Each Executive agency shall survey its electric powerplants and major fuel-burning installations in order to identify those that could result in substantial savings if converted to coal. The results of the survey shall be reexamined and updated every five years. The results of the surveys shall be transmitted to the Secretary of Energy (The Secretary). The Secretary shall establish guidelines for accomplishing the survey.

"(b) ANNUAL PLANS.—Each Executive agency shall submit to the Director of the Office of Management and Budget, through the Secretary, an annual plan, including cost estimates, for the conversion of electric powerplants and major fuel-burning installations to coal. The Secretary shall establish guidelines for developing such plans.

"(c) OTHER REGULATIONS.—The plan shall be submitted in accordance with any other instructions that the Director of the Office of Management and Budget may issue.

"(d) PRESIDENTIAL REPORTS.—The Secretary shall prepare for the President's consideration and transmittal to the Congress the report required by section 403(c) of the Act."

(b) EFFECTIVE DATE.—The amendments made by this section shall apply beginning after December 31, 1984.

SEC. 5. COAL AND IRON ORE DEPLETION ALLOWANCE.

(a) IN GENERAL.—Subsection (a) of Section 291 of the Internal Revenue Code of 1954 (relating to 15 percent reduction in certain preference items) is amended by striking out paragraph (2) and redesignating paragraphs (3), (4), and (5) as paragraphs (2), (3), and (4), respectively.

(b)(1) Paragraph (1) of section 291(c) (relating to special rules involving pollution control facilities) is amended by striking out "subsection (a)(5)" and inserting in lieu thereof "subsection (a)(4)".

(2) Paragraph (1) of section 57(b) (relating to application with section 291) is amended to read as follows:

"(1) IN GENERAL.—In the case of any item of tax preference of an applicable corporation described in paragraph (4) or (7) of subsection (a), only 71.6 percent of the amount of such item of tax preference (determined without regard to this subsection) shall be taken into account as an item of tax preference."

(c) The amendments made by this section shall take effect as if included in the amendments made by section 204 of the Tax Equity and Fiscal Responsibility Act of 1982.

SEC. 6. TAX TREATMENT OF MINING RECLAMATION RESERVES.

(a) IN GENERAL.—Subpart C of part II of subchapter E of chapter 1 (relating to the taxable year for which deduction may be taken) of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following new section:

"SEC. 467. RESERVES FOR ESTIMATED EXPENSES OF SURFACE MINING LAND RECLAMATION.

"(a) ALLOWANCE OF DEDUCTION.—In computing taxable income for the taxable year, there shall be taken into account a reasonable addition to any reserve established for the estimated expenses of surface mining land reclamation.

"(b) ADJUSTMENTS WHERE RESERVE BECOMES EXCESSIVE.—If it is determined that the amount of any reserve for the estimated expenses of surface mining land reclamation is (as of the close of the taxable year) excessive, then (under regulations prescribed by the Secretary) such excess shall be taken into account in computing taxable income for the taxable year.

"(c) ELECTION OF BENEFITS.—

"(1) IN GENERAL.—This section shall apply to the estimated expenses of surface mining land reclamation with respect to any property if and only if the taxpayer makes an election under this section with respect to such property. Such election shall be made in such manner as the Secretary may by regulations prescribe.

"(2) SCOPE OF ELECTION.—If an election under this section is made with respect to any property, such election shall—

"(A) apply to all estimated expenses of surface mining land reclamation of the taxpayer with respect to such property, and

"(B) specify whether such estimated expenses are allocable to either—

"(i) minerals extracted by surface mining activities, or

"(ii) the portion of the property disturbed by surface mining.

"(3) WHEN ELECTION MAY BE MADE.—

"(A) WITHOUT CONSENT.—A taxpayer may, without the consent of the Secretary, make an election under this section with respect to any property for his first taxable year—

"(i) which ends after the date of the enactment of the Mining Reclamation Reserve Act of 1983; and

"(ii) for which there are estimated expenses of surface mining land reclamation with respect to such property.

Such an election shall be made not later than the time prescribed by law for filing the return for such taxable year (including extensions thereof).

"(B) WITH CONSENT.—A taxpayer may, with the consent of the Secretary, make an election under this section at any time.

"(4) REVOCABLE ONLY WITH CONSENT.—An election under this section, once made, may be revoked only with the consent of the Secretary.

"(5) PROPERTY DEFINED.—For purposes of this section, the term 'property' has the meaning given to such term by section 614.

"(d) ESTIMATED EXPENSES OF SURFACE MINING LAND RECLAMATION.—For purposes of this section—

"(1) IN GENERAL.—The term 'estimated expenses of surface mining land reclamation' means a deduction allowable to the taxpayer under this subtitle which—

"(A) is attributable to qualified reclamation activities to be conducted in subsequent taxable years,

"(B) can be estimated with reasonable accuracy, and

"(C) is allocable to either—

"(i) minerals extracted by surface mining activities which occur before the close of the taxable year, or

"(ii) the portion of the property disturbed by surface mining which occurs before the close of the taxable year.

"(2) QUALIFIED RECLAMATION ACTIVITIES.—The term 'qualified reclamation activities' means any land reclamation activities which are conducted in accordance with a reclamation plan—

"(A) which is submitted pursuant to the provisions of section 508 or 511 of the Surface Mining Control and Reclamation Act of 1977 (as in effect on January 1, 1983) and which is part of a surface mining and reclamation permit granted under the provisions of title V of such Act (as so in effect), or

"(B) which is submitted pursuant to any other Federal or State law which imposes reclamation and permit requirements substantially similar to those imposed by title V of such Act (as so in effect).

"(3) EXCEPTION.—Except for purposes of subsection (e), the term 'estimated expenses of surface mining land reclamation' does not include any amount allocable to minerals extracted or property disturbed by surface mining activities occurring before the beginning of the first taxable year for which an election under this section is made.

"(e) SPECIAL RULE FOR COSTS ATTRIBUTABLE TO PERIOD BEFORE ELECTION.—Any estimated expenses of surface mining land reclamation which are allocable to minerals extracted or property disturbed by surface mining activities which occurred before the first taxable year for which an election with respect to the property under this section is made and which have not previously been taken into account by the taxpayer in computing taxable income, shall be treated as deferred expenses and shall be allowed as a deduction ratably over a period—

"(1) which begins with the first month of the first taxable year for which an election under this section is made with respect to the property, and

"(2) which ends with the month during which it is reasonably expected that surface mining land reclamation activities with respect to the property involved will be completed (or if earlier the last month of the 60-month period beginning with the month described in paragraph (1)).

"(f) SPECIAL RULES.—

"(1) TAXPAYERS WHO MAKE AN ELECTION UNDER SECTION.—In the case of any taxpayer who makes an election under this section with respect to any property, the determination of the taxable year for which nonqualified land reclamation expenses with respect to such property are allowable as a deduction shall be made under regulations prescribed by the Secretary. For purposes of the preceding sentence, the term 'nonqualified land reclamation expenses' means any expense of land reclamation activities (other than qualified reclamation activities) which are attributable to surface mining.

"(2) TAXPAYERS WHO DO NOT MAKE AN ELECTION.—In the case of any taxpayer who does not make an election under this section with respect to any property, any deduction for expenses of land reclamation activities with respect to such property attributable to surface mining shall be allowable in the same manner and to the same extent as if this section had not been enacted.".

(b) CONFORMING AMENDMENT.—The table of sections for subpart C of part II of subchapter E of chapter 1 is amended by adding at the end thereof the following new item:

"Sec. 467. Reserves for estimated expenses of surface mining land reclamation.".

(c) EFFECTIVE DATE; SPECIAL RULE.—

(1) IN GENERAL.—The amendments made by this section shall apply to taxable years ending after the date of enactment of this section.

(2) SPECIAL RULE.—If—

(A) the taxpayer makes an election under section 467 of the Internal Revenue Code of 1954 for his first taxable year ending after the date of the enactment of this section, and

(B) for a continuous period of one or more taxable years each of which ends on or before such date of enactment, the taxpayer used an accrual method of accounting for a property with respect to the expenses of surface mining land reclamation activities attributable to surface mining which allowed a deduction for such expenses prior to the taxable year in which such expenses were paid,

then the taxpayer may make an election under this paragraph to have the method of accounting which he used for such continuous period with respect to such property treated as a valid method of accounting for purposes of the Internal Revenue Code of 1954. The taxpayer may make an election under this paragraph with respect to only one such continuous period at such time and in such manner as the Secretary of the Treasury shall by regulations prescribe.

By Mr. TRIBLE:

S. 1733. A bill to amend title 18, United States Code, to make a crime the use, for fraudulent or other illegal purposes, of any computer owned or operated by the United States, certain financial institutions, and entities affecting interstate commerce; to the Committee on the Judiciary.

FEDERAL COMPUTER SYSTEMS PROTECTION ACT OF 1983

Mr. TRIBLE. Mr. President, the computer age has brought with it a new set of criminal practices. Tampering with stored data, introducing fraudulent records and altering, destroying, or stealing assets, or data can now be accomplished with the touch of a button. Computers now link and store data of immeasurable worth, vital to the security and the economy of our Nation. Yet, under existing Federal criminal statutes, it is difficult to prosecute such crimes even when they have been detected and their perpetrators have been identified.

In order to correct this problem, I am introducing the Federal Computer Systems Protection Act of 1983. This is a companion measure to Representative BILL NELSON'S bill which has 87 cosponsors in the House. The bill would make it a violation of Federal law to use or attempt to use a computer with the intent to defraud, fraudulently obtain property, embezzle, steal, or convert the property of another to one's own or another's use.

In addition, this legislation makes it a criminal offense intentionally to damage a computer or to deny an owner access to his computer or the information stored within it. This latter provision of activity ranging from employees who can maliciously change their employer's passwords, to terrorists who might interrupt the flow of data between the computers of the National Security Agency.

The principal difficulty of prosecuting computer crime under existing law is that computers involve certain intangibles which have escaped legal definition. My bill solves this problem by defining property so as to include such phenomena as information in the form of computer processed, produced, or stored data; information configured for use in a computer; information in a computer medium; information being processed, transmitted or stored; computer operating or applications programs; or services. It defines services so as to include computer data processing and storage functions.

The bill does not cover hand-held calculators, home computers, or automatic typewriters or typesetters that are used only for private purposes. Computer crime becomes a serious Federal concern only when it affects the Federal Government or interstate commerce. My bill includes, therefore, the three categories of computers that are a vital, indisputable national concern.

First, it covers Federal computers. The Federal Government now has over 15,000 computers, most of which are in the Bureau of the Census and the Department of Defense. The integrity of these systems is absolutely vital to our national security—yet thousands and thousands of people have access to them, and the best system of security clearance in the world cannot guarantee that there will be no one among those thousands who is self-serving, malicious, or actually hostile to U.S. interests. These critical machines require special Federal protection.

Second, the Computer Systems Protection Act covers the computers of federally guaranteed financial institutions. Our national and international economy absolutely hinges upon the reliable, undisrupted activities of these institutions. And, of course, the potential for illegal gain is greatest. Finally, it covers networks operating in interstate commerce.

Professionals in both the computer and law enforcement industries emphatically agree on the need for tighter and more specific statutes. This bill has the endorsements of the Data Processing Management Association, the Computer and Business Equipment Manufacturers Association, the Computer and Communications Industry Association, the National Law Enforcement Council, and other computer and law enforcement associations.

The Nation's most vital business is now transacted by means of machines to which ingenious criminals can find illicit and unpredictable access. Crime has moved into the computer age, and it is time for the law to respond. I urge my colleagues to support this bill and ask unanimous consent that a copy of the bill be included in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Computer Systems Protection Act of 1983".

SEC. 2. The Congress finds that—

(1) computer-related crime is a growing problem in the Government and in the private sector;

(2) such crime occurs at great cost to the public since losses for each incident of computer crime tend to be far greater than the losses associated with each incident of other white collar crime;

(3) the opportunities for computer-related crimes in Federal programs, in financial institutions, and in computers which operate in or use a facility of interstate commerce through the introduction of fraudulent records into a computer system, unauthorized use of computer facilities, alteration or destruction of computerized information files, and stealing of financial instruments, data, or other assets, are great;

(4) computer-related crime directed at computers which operate in or use a facility of interstate commerce has a direct effect on interstate commerce; and

(5) the prosecution of persons engaged in computer-related crime is difficult under current Federal criminal statutes.

SEC. 3. (a) Chapter 47 of title 18, United States Code, is amended by adding at the end thereof the following new section:

"§ 1028. Computer fraud and abuse

"(a) Whoever uses, or attempts to use, a computer with intent to execute a scheme or artifice to defraud, or to obtain property by false or fraudulent pretenses, representations, or promises, or to embezzle, steal, or knowingly convert to his use or the use of another, the property of another, shall, if the computer—

"(1) is owned by, under contract to, or operated for or on behalf of—

"(A) the United States Government; or

"(B) a financial institution,

and the prohibited conduct directly involves or affects the computer operation for or on behalf of the United States Government or a financial institution; or

"(2) operates in, or uses a facility of, interstate commerce,

be fined not more than two times the amount of the gain directly or indirectly derived from the offense or $50,000, whichever is higher, or imprisoned not more than five years, or both.

"(b) Whoever intentionally and without authorization damages a computer described in subsection (a) or intentionally and without authorization causes or attempts to cause the withholding or denial of the use of a computer, a computer program, or stored information shall be fined not more than $50,000 or imprisoned not more than five years or both.

"(c) DEFINITIONS.—For the purpose of this section the term—

"(1) 'computer' means an electronic, magnetic, optical, hydraulic, organic, or other high speed data processing device or system performing logical, arithmetic, or storage

functions, and includes any property, data storage facility, or communications facility directly related to or operating in conjunction with such device or system; but does not include an automated typewriter or typesetter, a portable hand-held calculator, or any computer designed and manufactured for, and which is used exclusively for, routine personal, family, or household purposes and which is not used to access, to communicate with, or to manipulate any other computer;

"(2) 'financial institution' means—

"(A) a bank with deposits insured by the Federal Deposit Insurance Corporation;

"(B) the Federal Reserve or a member of the Federal Reserve including any Federal Reserve bank;

"(C) an institution with accounts insured by the Federal Savings and Loan Corporation;

"(D) a credit union with accounts insured by the National Credit Union Administration;

"(E) a member of the Federal home loan bank system and any home loan bank;

"(F) a member or business insured by the Securities Investor Protection Corporation; and

"(G) a broker-dealer registered with the Securities and Exchange Commission pursuant to section 15 of the Securities and Exchange Act of 1934;

"(3) 'property' means anything of value, and includes tangible and intangible personal property; information in the form of computer processed, produced, or stored data; information configured for use in a computer; information in a computer medium; information being processed, transmitted, or stored; computer operating or applications programs; or services;

"(4) 'services' includes computer data processing and storage functions;

"(5) 'United States Government' includes a branch or agency thereof; and

"(6) 'use' includes to instruct, communicate with, store data in, or retrieve data from, or otherwise utilize the logical, arithmetic, or memory functions of a computer, or, with fraudulent or malicious intent, to cause another to put false information into a computer; and

"(7) 'computer medium' includes the means of effecting or conveying data for processing in a computer, or a substance or surrounding medium which is the means of transmission of a force or effect that represents data for processing in a computer, or a channel of communication of data for processing in a computer.

"(d)(1) In a case in which Federal jurisdiction over an offense as described in this section exists concurrently with State or local jurisdiction, the existence of Federal jurisdiction does not, in itself, require the exercise of Federal jurisdiction, nor does the initial exercise of Federal jurisdiction preclude its discontinuation.

"(2) In a case in which Federal jurisdiction over an offense as described in this section exists or may exist concurrently with State or local jurisdiction, Federal law enforcement officers, in determining whether to exercise jurisdiction, shall consider—

"(A) the relative gravity of the Federal offense and the State or local offense;

"(B) the relative interest in Federal investigation or prosecution;

"(C) the resources available to the Federal authorities and the State or local authorities;

"(D) the traditional role of the Federal authorities and the State or local authorities with respect to the offense;

"(E) the interests of federalism; and

"(F) any other relevant factor.

"(3) The Attorney General shall—

"(A) consult periodically with representatives of State and local governments concerning the exercise of jurisdiction in cases in which Federal jurisdiction as described in this section exists or may exist concurrently with State or local jurisdiction;

"(B) provide general direction to Federal law enforcement officers concerning the appropriate exercise of such Federal jurisdiction which, for the purposes of investigation, is vested concurrently in the Department of Justice and the Department of the Treasury;

"(C) report annually to Congress concerning the extent of the exercise of such Federal jurisdiction during the preceding fiscal year; and

"(D) report to Congress, within one year of the effective date of this Act, on the long-term impact of this Act upon Federal jurisdiction and the increasingly pervasive and widespread use of computers in the United States (the Attorney General shall periodically review and update such report).

"(4) Except as otherwise prohibited by law, information or material obtained pursuant to the exercise of Federal jurisdiction may be made available to State or local law enforcement officers having concurrent jurisdiction, and to State or local authorities otherwise assigned responsibility with regard to the conduct constituting the offense.

"(5) An issue relating to the propriety of the exercise of or of the failure to exercise Federal jurisdiction over an offense as described in this section, or otherwise relating to the compliance, or to the failure to comply, with this section, may not be litigated, and a court may not entertain or resolve such an issue except as may be necessary in the course of granting leave to file a dismissal of an indictment, an information, or a complaint.".

Sec. 4. The table of sections of chapter 47 of title 18, United States Code, is amended by adding at the end thereof the following: "1028. Computer fraud and abuse.".

By Mr. ZORINSKY (for himself, Mr. PRYOR, Mr. PRESSLER, Mr. JOHNSTON, and Mr. ABDNOR):

S. 1734. A bill to amend title 17 of the United States Code with respect to public performances of nondramatic musical works by means of coin-operated phonorecord players, and for other purposes; to the Committee on the Judiciary.

COIN-OPERATED PHONORECORD PLAYER COPYRIGHT ACT OF 1983

● Mr. ZORINSKY. Mr. President, today I, along with Senators PRYOR, PRESSLER, JOHNSTON, and ABDNOR, am introducing the Coin-Operated Phonorecord Player Act of 1983 to correct abuses of the Copyright Royalty Tribunal, to protect an important segment of the Nation's small businessmen—jukebox operators, to help insure that copyright owners will continue to receive royalties for their recordings played on jukeboxes, and to maintain jukeboxes as an inexpensive form of entertainment for the American people.

In 1976, the revised Copyright Act mandated that jukebox operators pay a royalty fee of $8 per year for each jukebox that they operated. Congress, in its wisdom, created a new Federal agency, the Copyright Royalty Tribunal, to review rates periodically and to distribute royalties to the creating artists. The Tribunal responded in 1980 by raising the jukebox royalty fee by over 525 percent—$25 through 1983; $50 from 1984-86; and $50 plus an inflation adjustment from 1987-90. This increase has resulted and will result in fewer jukeboxes being placed in establishments each year. According to the Copyright Royalty Office, registrations have dropped by over 20,000 machines since royalty fees were first imposed.

Many jukebox operators have gone out of business during the past decade; the increased royalty fees will speed up their departure from the industry. Operators who have not registered their jukeboxes, often due to ignorance of the law, are leaving the business once they become aware of the law's requirements. This awareness has come all too often in the form of a demand from a performing rights society to pay damages of several thousand dollars for what was no more than a $25 violation.

To stabilize the industry and to correct these abuses, I offer this legislation which establishes a one-time only licensing fee of $50, the highest rate currently authorized by the CRT—absent the inflation adjustment—through the end of the decade. Jukeboxes would be registered and the fee paid by their manufacturers or importers and thereafter any operator could use them without liability. Operators would register on a one-time basis the jukeboxes that they already own and pay a royalty fee of up to $25. Since the useful life of a jukebox is approximately 5 years, within a very short period of time all jukeboxes would be registered and the highest royalty fee would be paid to the copyright owner.

This approach is easy to administer and easy to enforce. It takes away the fee-setting authority of the Copyright Royalty Tribunal, thus reducing its workload with the goal of eliminating the agency entirely. Finally, it offers hope to a beleaguered industry of small businessmen while protecting the rights of copyright owners. It deserves your serious consideration and support.

Mr. President, I ask unanimous consent that the text of the legislation be printed in full, immediately following this statement.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1734

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this

Act may be cited as the "Coin-Operated Phonorecord Player Copyright Act of 1983".

SEC. 2. That Congress hereby finds and declares that—

(1) to promote the progress of science and useful arts, the Constitution of the United States empowers the Congress to give authors and inventors the exclusive right to their respective writings and discoveries for a limited time;

(2) the coin-operated phonorecord player industry contributes to the cultural and economic well being of the public;

(3) copyright owners should receive fair compensation for their creative endeavors and for the use of their property;

(4) coin-operated phonorecord player operators are a primary source for purchasing and promoting copyrighted nondramatic musical works;

(5) performance of nondramatic musical works by means of a coin-operated phonorecord player infringes on the exclusive rights granted to copyright owners under section 106(4) of title 17, United States Code;

(6) the more than 525 percent increase in the royalty fee for coin-operated phonorecord players approved by the Copyright Royalty Tribunal will cause major disruptions in the coin-operated phonorecord player industry;

(7) the current compulsory license system for coin-operated phonorecord players is difficult to administer, to comply with, and to enforce;

(8) the continued economic disruption to the coin-operated phonorecord player industry should be minimized; and

(9) the public and the coin-operated phonorecord player operator should continue to have access to copyrighted nondramatic musical works through a compulsory license established: (A) for importers and manufacturers of coin-operated phonorecord players based upon payment of an annual license fee of fifty dollars per phonorecord player manufactured or imported and distributed during the calendar year; and (B) for operators of coin-operated phonorecord players owned by the operator on the effective date of this Act for use thereafter based upon payment of a one-time license fee of twenty-five dollars per phonorecord player.

SEC. 3. Chapter 1 of title 17 of the United States Code is amended by amending section 116 to read as follows:

"SCOPE OF EXCLUSIVE RIGHTS IN NONDRAMATIC MUSICAL WORKS: PUBLIC PERFORMANCES BY MEANS OF COIN-OPERATED PHONORECORD PLAYERS

"SEC. 116. (a) LIMITATION ON EXCLUSIVE RIGHT.—In the case of a nondramatic musical work embodied in a phonorecord, the exclusive right under clause (4) of section 106 to perform the work publicly by means of a coin-operated phonorecord player is limited as follows:

"(1) The proprietor of the establishment in which the public performance takes place is not liable for infringement with respect to such public performance unless such proprietor is the manufacturer, importer, or operator of the phonorecord player and fails to secure the compulsory license established under this section.

"(2) The manufacturer or importer of the coin-operated phonorecord player manufactured and distributed in the United States, or imported into and distributed in the United States on or after the effective date of this section shall obtain a compulsory license to perform the work publicly on that phonorecord player by filing the application, depositing the statement of account and paying the royalty fee provided for in this section.

"(3) The operator of the phonorecord player shall obtain a compulsory license to perform the work publicly on any phonorecord player owned by the operator prior to the effective date of this section for use thereafter by filing the application, depositing the statement of account and paying the royalty fee provided for in this section.

"(b) COMPULSORY LICENSE FOR COIN-OPERATED PHONORECORD PLAYERS—MANUFACTURERS AND IMPORTERS.—

"(1) Notwithstanding the provisions of section 106 (4), the importation into and distribution in the United States, and the manufacture and distribution in the United States on or after the effective date of this section of any coin-operated phonorecord player shall be the subject of compulsory licensing if the importer or manufacturer of the player files the application, deposits the statement of account and pays the royalty fee specified in this section.

"(2) The importer or manufacturer shall, at least one month before the distribution in the United States of any coin-operated phonorecord player or within sixty days after the effective date of this section, whichever is later, file with the Register of Copyrights (hereinafter referred to as the 'Register') an application, including a statement of its identity and address and a description of any trade or business names, trademarks, or like indicia that it uses in connection with the importation, manufacture or distribution of coin-operated phonorecord players in the United States, and thereafter, from time to time, such further information as the Register may prescribe by regulation to carry out the purposes of this section.

"(3) The importer or manufacturer shall deposit with the Register in accordance with requirements prescribed by the Register by regulations, a statement of account specifying the number of coin-operated phonorecord players imported into, or manufactured and distributed in the United States during the prior calendar quarter, together with such other information, and in such form, content, and manner as the Register prescribes by regulation. In the case of all statements of account deposited by the manufacturer or importer, the statement shall be accompanied by a total royalty fee for the period covered by the statement in accordance with subsection (d)(1) of this section.

"(c) COMPULSORY LICENSE FOR COIN-OPERATED PHONORECORD PLAYERS—OPERATORS.—

"(1) Notwithstanding the provisions of section 106 (4), the performance of a work on a coin-operated phonorecord player owned by an operator prior to the effective date of this section for use thereafter shall be subject to compulsory licensing. The operator of the phonorecord player shall file the application, deposit the statement of account and pay the royalty fee specified in this section.

"(2) The operator shall within sixty days after the effective date of this section—

"(A) file with the Copyright Office, in accordance with regulations prescribed by the Register, an application containing—

"(i) the name and address of the operator of the phonorecord player, and

"(ii) the manufacturer and serial number or other explicit identification of the phonorecord player.

"(B) deposit a statement of account specifying the number of coin-operated phonorecord players owned by the operator prior to the effective date of this section for use thereafter, and

"(C) pay the royalty fee for each such player in accordance with subsection (d)(2) of this section.

"(3) Any operator who complies with the provisions of this subsection shall be assessed pursuant to paragraph (4) only and shall not, by reason of such compliance, be subject to liability under chapter 5 of this title or under any other law for failing to obtain a compulsory license for any year or lesser period of time prior to the effective date of this section.

"(4) The royalty fee required under this section shall be assessed on a one-time basis on each phonorecord player owned by the operator on the effective date of this section for use thereafter. The operator shall not be required to file an application, deposit a statement of account, or pay a royalty fee for any phonorecord player purchased after the effective date of this section.

"(5) The operator may elect to pay the royalty fee specified in this section on a quarterly basis for a period not to exceed two years, pursuant to regulations promulgated by the Register.

"(d) COMPUTATION OF ROYALTY FEES.—

"(1) The royalty fee payable by the manufacturer or importer under section (b) shall be fifty dollars per phonorecord player.

"(2) The royalty fee payable by the operator under subsection (c) shall be based upon the number of years of useful life remaining to the phonorecord player under regulations promulgated by the Register, provided that the fee shall not exceed twenty-five dollars per phonorecord player.

"(e) LIST OF PHONORECORD PLAYERS REGISTERED.—The Register shall keep a current list of all phonorecord players that have been registered by the manufacturer, importer and operator. Such list shall be available to the public.

"(f) DISTRIBUTION OF ROYALTIES.—

"(1) The Register shall receive all royalty fees deposited under this section and, after deducting the reasonable costs incurred by the Copyright Office under this section, shall deposit the balance in the Treasury of the United States, in such manner as the Secretary of the Treasury directs. All funds held by the Secretary of the Treasury shall be invested in interest-bearing United States securities for later distribution with interest, by the Copyright Royalty Tribunal, as provided by this title. The Register shall submit to the Copyright Royalty Tribunal, on an annual basis, a detailed statement of account covering all royalty fees received for the relevant period.

"(2) During the month of January in each year, every person claiming to be entitled to compulsory license fees under this section for performances during the preceding twelve-month period shall file a claim with the Copyright Royalty Tribunal, in accordance with the regulations prescribed by the Tribunal. Such claim shall include an agreement to accept as final, except as provided in section 810 of this title, the determination of the Copyright Royalty Tribunal in any controversy concerning the distribution of royalty fees deposited under subsection (f)(1) of this section to which the claimant is a party. Notwithstanding any provisions of the antitrust laws, for purposes of this subsection any claimants may agree among themselves as to the proportionate division of compulsory licensing fees among them, may lump their claims together and file them jointly or as a single claim, or may

designate a common agent to receive payment on their behalf.

"(3) After the first day of October of each year, the Copyright Royalty Tribunal shall determine whether there exists a controversy concerning the distribution of royalty fees deposited under subsection (f)(1). If the Tribunal determines that no such controversy exists, it shall, after deducting its reasonable administrative costs under this section, distribute such fees to the copyright owners entitled, or to their designated agents. If the Tribunal finds that such a controversy exists, it shall, pursuant to chapter 8 of this title, conduct a proceeding to determine the distribution of royalty fees.

"(4) The fees to be distributed shall be divided as follows:

"(A) to every copyright owner not affiliated with a performing rights society, the pro rata share of the fees to be distributed to which such copyright owner proves entitlement; and

"(B) to the performing rights societies, the remainder of the fees to be distributed in such pro rata shares as they shall by agreement stipulate among themselves, or, if they fail to agree, the pro rata share to which such performing rights societies prove entitlement.

"(5) During the pendency of any proceeding under this section, the Copyright Royalty Tribunal shall withhold from distribution an amount sufficient to satisfy all claims with respect to which a controversy exists, but shall have discretion to proceed to distribute any amounts that are not in controversy.

"(6) The Tribunal shall distribute the royalties collected under this section in a manner designed to ensure that the artist who created the copyrighted work shall receive fair reimbursement for his efforts.

"(g) REGULATIONS BY REGISTER.—The Register of Copyrights shall promulgate rules and regulations necessary to carry out the provisions of this section.

"(h) CRIMINAL PENALTIES.—Any person who knowingly makes a false representation of a material fact in an application or deposit of account filed under this section shall be fined not more than $2,500.

"(i) DEFINITIONS.—As used in this section:

"(1) A 'coin-operated phonorecord player' means a machine or device that—

"(A) is employed solely for the performance of nondramatic musical works by means of phonorecords upon being activated by insertion of coins, currency, tokens, or other monetary units or their equivalent;

"(B) is accompanied by a list of the titles of all the musical works available for performance on it, which list is affixed to the phonorecord player or posted in the establishment in a prominent position where it can be readily examined by the public, and

"(C) affords a choice of works available for performance and permits the choice to be made by the patrons of the establishment in which it is located.

"(2) An 'importer' means any person who brings or causes to be brought a coin-operated phonorecord player into the United States from outside the country.

"(3) An 'operator' means any person who, alone or jointly—

"(A) owns a coin-operated phonorecord player;

"(B) has the power to make a coin-operated phonorecord player available for placement in an establishment for purposes of public performance; or

"(C) has the power to exercise primary control over the selection of the musical works made available for public performance on a coin-operated phonorecord player.

"(4) A 'manufacturer' means any person who produces or causes to be produced a coin-operated phonorecord player.

"(5) A 'performing rights society' means an association or corporation that licenses the public performance of nondramatic musical works on behalf of copyright owners.

"(6) 'Antitrust laws' means the Federal Trade Commission of the Clayton Act.".

SEC. 4. (a) Section 801 of title 17, United States Code, is amended in subsection (b)(1) by striking out "sections 115 and 116" each place it appears and inserting in lieu thereof "section 115".

(b) Section 804 (a) of title 17, United States Code, is amended—

(1) by striking out "sections 115 and 116" and inserting in lieu thereof "section 115"; and

(2) by striking out paragraph (2)(c).●

By Mr. GORTON (for himself and Mr. JACKSON):

S. 1735. A bill entitled the Shoalwater Bay Indian Tribe-Dexter by the Sea Claim Settlement Act; to the Select Committee on Indian Affairs.

SHOALWATER BAY INDIAN TRIBE-DEXTER BY THE SEA CLAIM SETTLEMENT ACT

Mr. GORTON. Mr. President, the legislation I am introducing today, on behalf of myself and Senator JACKSON, the Shoalwater Bay Indian Tribe-Dexter by the Sea Claim Settlement Act, provides a legislative solution to a conflict that has arisen between the Shoalwater Bay Indian Tribe and owners of private property within the Shoalwater Bay Indian Reservation.

On September 22, 1866, President Andrew Johnson, established by Executive order the Shoalwater Bay Indian Reservation wherein specific lands in the Washington Territory were reserved from sale and set apart for Indian purposes.

On August 1, 1872, the General Land Office of the United States issued a patent for lands in the Washington Territory to one George N. Brown and included in that patent lands that are claimed to have been included in the previously established reservation. It is from that patent that the conflict between the Shoalwater Bay Indian Tribe and the successors in title to Mr. Brown arises, a conflict that has resulted in a civil class action suit for ejectment, damages, and to quiet title being filed in the U.S. District Court for the Western District of Washington at Tacoma by the Shoalwater Bay Indian Tribe against those successors in title to Mr. Brown.

This legislation is substantially the same as that forwarded to the Congress on December 6, 1982, by the Assistant Secretary of the Interior for Indian Affairs, Mr. Kenneth L. Smith wherein he stated that:

In a letter received by this Department on June 9, 1981, the Assistant Attorney General for Land Natural Resources recommended that the Shoalwater Bay boundary claim be considered for legislative resolution pursuant to section 2 of P.L. 96-217. The Assistant Attorney General believes the claim is inappropriate for litigation because officials of the United States Government were primarily responsible for the land being excluded from the reservation.

The bill I am introducing today would extinguish the tribe's claim and remove the cloud over approximately 60 parcels of private property held by owners whose title derives from a patent issued by the U.S. Government 113 years ago.

The authorized payment in this bill is $120,000—the figure used in the administration's previous proposal. I am aware that varying estimates exist for the proper valuation of this property. This figure will be one of the items for further discussion, as we consider this bill. The Select Committee on Indian Affairs will be holding a hearing on this bill in Washington State during the August recess at which we will seek the comments and views of all the interested and affected parties.

Mr. President, I ask unanimous consent that the text of this bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1735

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the Shoalwater Bay Indian Tribe-Dexter by the Sea Claim Settlement Act.

CONGRESSIONAL FINDINGS

SEC. 2. The Congress finds that—

(a) there is pending before the United States District Court for the Western District of Washington at Tacoma a civil action No. C83-167T entitled "THE SHOALWATER BAY INDIAN TRIBE, a federally recognized Indian tribe v. JOE AMADOR and JEAN AMADOR, et al.," which involves claims to certain privately held lands within the Shoalwater Bay Indian Reservation in Tokeland, Washington such lands known as Dexter by the Sea.

(b) The owners of the private property referred to in section (2)(a) derive their title from a patent issued by the United States Government to George N. Brown on August 1, 1872, certificate number 3763.

(c) The Shoalwater Bay Indian Reservation was established by Executive Order of President Andrew Johnson on September 22, 1866 and is alleged to include the lands claimed by the Shoalwater Bay Indian Tribe in the civil action referred to in section (2)(a).

(d) In its patent to George N. Brown in 1872, the United States failed to exempt the lands claimed by the Shoalwater Bay Indian Tribe in the civil action referred to in section (2)(a) as part of the Shoalwater Bay Indian Reservation established in 1866.

(e) Since 1872 the land described in the civil action referred to in section (2)(a) has been the subject of disputes claiming dual chains of title in the United States as trustee for the Shoalwater Bay Indian Tribe and the patentee, George N. Brown and his successors in title, the defendants in the civil action referred to in section (2)(a).

(f) The pendency of the civil action referred to herein has placed a cloud on the

titles held by the residents of Dexter by the Sea rendering their property essentially unmarketable.

(g) A legislative resolution to the civil action referred to in Section (2)(a) is appropriate because the United States Government is responsible for the failure to except the land now known as Dexter by the Sea from the patent to George N. Brown in 1872.

SEC. 3. The Secretary of the Interior (hereinafter referred to as the "Secretary") is hereby authorized to pay an amount not to exceed $120,000 to the Shoalwater Bay Indian Tribe (hereinafter referred to as the "Tribe") in settlement of all claims by such Tribe against the United States, and against any and all other persons, organizations, associations for the patenting to others of lands purportedly included within the Shoalwater Bay Reservation established by the Executive Order of September 22, 1866, and the Tribe's claim to title to such lands, specifically to that portion of Government Lot 1 in Section 11, Township 14N, Range 11W, in the State of Washington, now known as Dexter by the Sea, is hereby extinguished and the validity of the patent issued by the United States on August 1, 1872 to George N. Brown, certificate Number 3763, is hereby specifically ratified.

SEC. 4. Any payment to the Tribe pursuant to this Act shall be conditioned upon adoption by the governing body of the Tribe of a resolution approved by the Secretary authorizing the execution by an officer or official of the Tribe of such documents as the Secretary may deem necessary and approve waiving any and all rights and claims as to all parties which the Tribe may have relating to said patenting of lands within the Reservation and subsequent use of such lands, and shall be further conditioned upon the filing with the Secretary of an order from the United States District Court dismissing with prejudice the complaint filed in the case of *The Shoalwater Bay Indian Tribe*, a federally recognized Indian tribe, plaintiff v. *Joe Amador and Jean Amador, et al. defendants*, No. C83-167T. now pending in the United States District Court, for the Western District of Washington at Tacoma.

SEC. 5. The payment authorized by this Act shall be made from funds appropriated pursuant to the Act of November 2, 1921 (42 Stat. 208; 25 U.S.C. 13).

By Mr. DURENBERGER:

S. 1736. A bill to establish a process that provides for the submission to the Congress each year of a regulatory budget that recommends the costs to be incurred during the fiscal year beginning on October 1 of each year by specified economic sectors in complying with the laws of the United States and the rules promulgated thereunder, and for consideration by the Congress of a bill containing proposals for legislation to implement such regulatory budget; to the Committee on Governmental Affairs.

REGULATORY POLICY ACT OF 1983

● Mr. DURENBERGER. Mr. President, I rise today to introduce the Regulatory Policy Act of 1983. This bill is designed to establish a process for the systematic congressional oversight of regulatory compliance costs on selected sectors of the economy.

In the coming months, we can expect to hear a lot about the need for an American "industrial policy"—a policy usually described as a framework for public and private sector cooperation, with the primary purpose of boosting the competitive position of U.S. industry in world markets. The reasons for adopting such a policy are indeed persuasive: While we have succeeded in expanding the international trading system, our industries have found themselves increasingly vulnerable to foreign competition. The projected fiscal year 1983 trade deficit, which now stands at over $40 billion, translates into as many as a million "exported" jobs. Meanwhile, the National Association of Manufacturers reports that more than 70 percent of all domestically produced goods have foreign competitors.

Unfortunately, it has proven much easier to prescribe a workable industrial policy than to design one. The concept is often described in terms of providing Government subsidies to favored sectors of the economy in the form of low-interest loans, tax breaks, research and development grants, and even trade protection. Largely forgotten has been the need to better manage the substantial effects which accumulated regulatory compliance costs are having on the health of American industry. And this is precisely where we should start.

The Regulatory Policy Act is designed to promote industrial revitalization through rational and appropriate regulatory reform. It will help the Congress to assess the incidence and extent of Federal regulatory costs—now extimated to exceed $100 billion per year—and to insure that such policies do not claim so many of industry's resources in any one year that their overall effect is to do society more harm than good. The legislation accomplishes this objective by filling a major gap in our understanding of the economics of regulation.

Presently, regulatory analysis is undertaken one regulation at a time. And while, from this perspective, it may appear that all Federal regulations have more benefits than costs, the combined costs of several such regulations may sometimes be more than certain regulated entities can afford. The regulatory budget process contained in this bill will give Congress an overview of regulatory policy, and will create a policymaking process for the enactment of regulatory reforms designed to avoid unintended sectoral unemployment and regional distress.

Under this process, we will ask the President to develop estimates of the total compliance costs to be incurred by selected sectors of the economy as a result of Federal regulatory requirements for the ensuing fiscal year and two succeeding fiscal years. Based on his assessment of the economic effects of these compliance costs, and on the benefits of the individual regulations, the President will be required to identify those provisions of law or regulation that should be changed in order to bring a sector's compliance cost budget to an efficient and affordable level. This analysis, together with proposed legislation to implement the recommended changes, would be transmitted to Congress each year, within 30 days of the submission of the fiscal budget.

The President's regulatory budget legislation would be introduced by request and considered by the Committees on Government Operations and Governmental Affairs of the House and Senate, respectively. These committees would have to report a resolution on the regulatory budget by April 1, which would then be concurrently referred to other standing committees with jurisdiction over the regulatory statutes being amended. Such standing committees would be given 30 days in which to amend the legislation, after such time the legislation would be resubmitted to the Committees on Government Operations and Governmental Affairs, consolidated, and reported to the floor of the respective Houses. Congress would be required to vote on such legislation by July 31, and to complete all action by September 15.

Mr. President, we need such legislation if the important task of regulatory oversight is not to be abandoned in large part to the executive and judicial branches of Government. The Supreme Court's recent invalidation of the legislative veto takes from Congress an important tool for asserting authority over the regulatory process. Some have used this event to call for additional judicial involvement in rulemaking proceedings. However, the regulatory budget process offers a constitutional alternative for enhancing the role of the legislative branch in assuring that policy is consistent with broad national needs. While the implementation of regulatory policy can lead to uncontrollable costs, with unintended consequences, the regulatory budget process will reassert congressional control at a level of detail designed to assure the optimal use of regulation to balance important social goals.

Notably, the intent of the legislation is not to unduly reverse regulatory policies, nor to usurp the role of committees with jurisdiction over such statutes. Rather, the process is designed to bring about small, but necessary, adjustments in regulatory programs, such as the extension of unmeetable deadlines or the relaxation of inflexible standards. It is for this reason that committees having jurisdiction over regulatory statutes have carefully been accorded a central role in the regulatory budget process.

Mr. President, the Nation needs an industrial policy, and the Congress needs a new tool for the effective oversight of the regulatory process. I strongly believe that we have in the Regulatory Policy Act a workable and innovative method for accomplishing these objectives. Therefore, while I intend to work with all interested parties in the coming months to minimize the problematic aspects of this approach, I strongly urge that this legislation be given the very serious and timely consideration it is most certainly due.

Mr. President, I request that a copy of the bill be printed into the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows;

S. 1736

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Regulatory Policy Act of 1983".

FINDINGS AND PURPOSE

SEC. 2. (a) The Congress finds and declares that—

(1) In recent years Federal regulation has expanded greatly in scope;

(2) Federal regulation was chosen as the method of implementing over fifty of the social programs enacted between 1960 and 1980, in lieu of other methods of achieving the objectives of such programs such as tax expenditures, loan guarantees, licenses, fees and the expenditure of Federal funds;

(3) Federal regulatory goals are achieved primarily by imposing compliance costs on regulated entities such as individuals, firms, nonprofit organizations, and State and local governments;

(4) compliance costs are not reflected in Federal budget and revenue estimates;

(5) although the exact distribution of compliance costs throughout the national economy is not known, such costs have been widely estimated to exceed $100,000,000,000 each year and to have significant effects on economic growth, productivity, employment, and inflation, as well as on the balance of international trade of the United States;

(6) the unduly high compliance costs incurred by certain economic sectors have reduced the ability of such sectors to compete in the international marketplace and have contributed to structural unemployment in the economy; and

(7) inasmuch as some economic sectors incur greater compliance costs under Federal laws and rules than other such sectors, it is desirable to establish a regulatory budget process with sufficient flexibility to allow the Congress to modify the laws of the United States (and the compliance costs imposed thereby) only with respect to those economic sectors that will benefit from such modification and to exclude from such process economic sectors that will not benefit thereby.

(b) Therefore, it is the purpose of this Act to establish a process that—

(1) provides for—

(A) the submission to the Congress each year of a regulatory budget that—

(i) specifies those economic sectors for which the Congress should modify the compliance costs to be incurred during the fiscal year beginning on October 1 of such year, and each of the next two succeeding fiscal years, under Federal laws and rules,

(ii) recommends the compliance costs to be incurred by each such economic sector during each such fiscal year under each such law or rule, and

(iii) recommends changes in such laws that will modify the compliance costs to be incurred by each such sector during each such fiscal year to equal the amount recommended by such sector during such fiscal year under clause (ii), and

(B) consideration by the Congress each year of a bill containing proposals by the President for legislation to implement such changes;

(2) assures effective governmental control of the distribution and effects of compliance costs on the various economic sectors making up the national economy;

(3) involves the Congress and the President in the systematic evaluation of the costs and benefits of Federal laws and rules and of the appropriateness of such laws and rules in the light of such costs and benefits;

(4) facilitates the establishment of priorities for Federal regulatory activities;

(5) identifies the microeconomic effects of compliance costs on such economic sectors and identifies those sectors for which such costs create unduly high levels of unemployment; and

(6) develops uniform cost-accounting principles to measure compliance costs.

DEFINITIONS

SEC. 3. For purposes of this Act—

(1) the term "agency" has the meaning given to such term by section 551 (1) of title 5, United States Code;

(2) the term "agency head" means—

(A) in the case of an agency that is an Executive department or that is within an Executive department, the Secretary of the department;

(B) in the case of a multimember agency, the chairman of the agency; and

(C) in the case of an agency that is not an Executive department, within an Executive department, or a multimember agency, the individual required by law to administer the operations of the agency;

(3) the term "compliance costs" means the costs incurred by an economic sector as a result of compliance with the laws of the United States (and the rules promulgated thereunder), except that such term does not include—

(A) normal business and recordkeeping costs that would exist in the absence of such laws and rules, and

(B) amounts required to be paid under any provision of the Internal Revenue Code of 1954 or the Tariff Schedules of the United States;

(4) the term "Director" means the Director of the Office of Management and Budget;

(5) the term "economic sector" means a division, major group, industry group, or industry (as such terms are used in: United States, Office of Management and Budget, Statistical Policy Division, Standard Industrial Classification Manual, 1972);

(6) the term "Executive department" has the meaning given to such term by section 105 of title 5, United States Code;

(7) the term "fiscal year" has the meaning given to such term by section 1102 of title 31, United States Code;

(8) the term "microeconomic effects" means the effects of the compliance costs imposed by a law or rule on the prices, productivity, unemployment rate, and international competitive position of an economic sector, and on other relevant indices of the economic health of such sector; and

(9) the term "rule" has the meaning given to such term by section 551(4) of title 5, United States Code, and also includes—

(A) any rule for the administration of a program of Federal assistance to any State government or to a political subdivision thereof;

(B) any rule specifying conditions for the receipt of such Federal assistance; and

(C) any circular of the Office of Management and Budget.

REGULATORY COST INFORMATION ADVISORY COMMITTEE

SEC. 4. (a) There is established a Regulatory Cost Information Advisory Committee, which shall be composed of—

(1) the Director of the Office of Management and Budget, or the designee of the Director, who shall be Chairman;

(2) the Chairman of the Council of Economic Advisers, or the designee of the Chairman of such Council;

(3) the Chairman of the Council on Environmental Quality, or the designee of the Chairman of such Council;

(4) the Comptroller General of the United States, or the designee of the Comptroller; and

(5) two members, selected by the President from among—

(A) the Secretary of Agriculture,

(B) the Secretary of Energy,

(C) the Secretary of Labor,

(D) the Secretary of Transportation,

(E) the Administrator of the Environmental Protection Agency, or

(F) the Chairman of the Federal Trade Commission, or the designee of such member.

(b) The Regulatory Cost Information Advisory Committee shall advise the Director on the establishment of standards for the compilation of information with respect to compliance costs and the microeconomic effects of such costs, on methods of evaluating the benefits of Federal regulatory activities, and on procedures and methods for the preparation of regulatory budgets in accordance with section 5 of this Act.

COMPILATION AND ESTIMATION OF COMPLIANCE COSTS

SEC. 5. (a) Within eighteen months after the date of the enactment of this Act, the Director shall, after providing public notice and an opportunity for comment in accordance with section 553 of title 5, United States Code, and after consultation with the Regulatory Cost Information Advisory Committee established under section 4 of this Act—

(1) prescribe standards for the methods and criteria to be employed by agencies in compiling information necessary to provide estimates of—

(A) the compliance costs incurred, or to be incurred, by economic sectors under the laws of the United States (and the rules promulgated thereunder), and

(B) the microeconomic effects of such costs; and

(2) provide guidelines for evaluating the benefits of Federal regulatory activities; and

(3) from time to time revise such standards and guidelines to reflect changes in relevant economic and social circumstances and advances in branches of knowledge pertinent to the compilation of such information and the evaluation of such benefits.

(b) The standards and guidelines prescribed under subsection (a) shall provide, to the extent possible, for—

(1) uniform compliance cost categories and uniform categories of microeconomic effects;

(2) methods to be employed by agencies, in compiling information with respect to compliance costs, that minimize the costs imposed upon economic sectors by the compilation of such information while ensuring reasonably accurate estimates of such compliance costs;

(3) methods for preventing agency disclosure of information that is—

(A) submitted by any person to an agency under this Act,

(B) confidential commercial or financial information, and

(C) not required by the laws of the United States to be disclosed;

(4) procedures for agencies to report to the Director information concerning compliance costs, microeconomic effects, and regulatory benefits; and

(5) such other procedures, guidelines, and standards for the estimation of compliance costs and microeconomic effects and the evaluation of the benefits of Federal regulatory activities as will promote the economical compilation of necessary information with respect to such costs, such effects, and such benefits.

SUBMISSION OF REGULATORY BUDGET INFORMATION TO DIRECTOR

SEC. 6. (a)(1) Each year, at a time prescribed by the Director, each agency head shall prepare and submit to the Director a report setting forth, for each economic sector specified by the Director under paragraph (2), estimates of the compliance costs to be incurred during such fiscal year, and each of the next two succeeding fiscal years, under each of the laws of the United States administered by such agency (and the rules promulgated thereunder), as each such law or rule is in effect on the day before the date on which the Director requires the agency to submit such report.

(2)(A) The Director may limit the number of economic sectors with respect to which an agency shall submit information under paragraph (1) for any fiscal year.

(B) If the Director limits the number of sectors with respect to which information is required to be submitted for a fiscal year, the Director shall specify the sector or sectors with respect to which such information shall be submitted.

(b) Upon the request of the Director, any agency head required to submit a report under subsection (a) shall submit to the Director, in such form as the Director may prescribe—

(1) information, with respect to the matters required to be included in such report, that has become available since the submission of such report; and

(2) any other information that the Director determines to be necessary to prepare the regulatory budget required to be submitted under section 7 for the fiscal year beginning on October 1 of the calendar year following such year.

SUBMISSION OF REGULATORY BUDGET TO THE CONGRESS

SEC. 7. (a) Each year, on a date that is not later than thirty days after the date on which the President transmits a budget to the Congress pursuant to section 1105 of title 31, United States Code, the President shall submit to the Congress a regulatory budget of the United States Government for the fiscal year beginning on October 1 of such year.

(b) The regulatory budget required to be submitted under subsection (a) for a fiscal year shall include—

(1) recommendations with respect to the economic sectors for which the Congress should modify the compliance costs to be incurred during such fiscal year and each of the next two succeeding fiscal years under Federal laws and rules;

(2) estimates of the compliance costs to be incurred by each such sector during each such fiscal year under each of the laws of the United States (and the rules promulgated thereunder), as each such law and rule is in effect on the day before the date on which such regulatory budget is submitted;

(3) estimates of the microeconomic effects of the compliance costs to be incurred under such laws and rules by each such sector during each such fiscal year, as such laws and rules are in effect on such day;

(4) an evaluation of the benefits of each such law or rule, as such law or rule is in effect on such day;

(5) recommendations with respect to the compliance costs that should be incurred by each such sector under each such law or rule during each such fiscal year;

(6) recommendations with respect to changes in such laws that will modify the compliance costs to be incurred by each such sector under each such law or rule during each such fiscal year to equal the compliance costs recommended under paragraph (5) to be incurred by such sector under such law or rule during such fiscal year,

and shall be accompanied by a bill containing proposals for legislation to implement the changes recommended under paragraph (6) of this subsection.

(c) The regulatory budget required to be submitted under subsection (a) for a fiscal year shall set forth in such form and detail as the President may determine—

(1) information on the regulatory functions and activities of the Government, the microeconomic effects of the compliance costs imposed by such activities, the benefits of such activities, and the relationship of such functions and activities to national needs;

(2) an estimate, with respect to each change in a law or rule of the United States recommended under paragraph (6) of subsection (b), of—

(A) the amount by which such change, if enacted, would modify the compliance costs to be incurred by any economic sector, recommended to be included in the regulatory budget for such fiscal year by the President under paragraph (1) of such subsection, under such law or rule during such fiscal year and each of the next two succeeding fiscal years;

(B) the ways in which such change, if enacted, would alter the microeconomic effects of the compliance costs to be incurred by each such sector during such fiscal years; and

(C) the ways in which such change, if enacted, would alter the benefits of such law or rule; and (3) any other desirable classifications of data.

(d)(1) Not later than July 15 of each year, the President shall submit to the Congress a supplemental summary of the regulatory budget submitted to the Congress under subsection (a) during such year.

(2) The supplemental summary required to be submitted under paragraph (1) shall include—

(A) any changes in the estimates and recommendations contained in the regulatory budget to which such supplemental summary relates that are necessary to reflect changes in the laws of the United States (and the rules promulgated thereunder) that became effective after the submission of such regulatory budget; and

(B) any other information that the President deems to be necessary or desirable to provide the Congress with the information that is necessary to make the determinations required under section 8.

CONGRESSIONAL CONSIDERATION OF REGULATORY BUDGET

SEC. 8. (a) The bill required under section 7(b) to accompany the regulatory budget submitted by the President for a fiscal year shall be introduced (by request) in the Senate by the chairman and ranking minority member of the Committee on Governmental Affairs of the Senate, and in the House of Representatives by the chairman and ranking minority member of the Committee on Government Operations of the House of Representatives.

(b) (1) Such bill shall be referred first to the Committee on Government Affairs of the Senate and the Committee on Government Operations of the House of Representatives, as the case may be, each of which shall consider and report such bill to its House, with any proposed modifications of such bill, before April 1 of the year in which such bill is required to be submitted by the President.

(2) (A) After the Committee on Government Affairs of the Senate and the Committee on Government Operations of the House of Representatives report such bill pursuant to paragraph (1), such bill shall be referred concurrently to each of the standing committees of the Senate and the House of Representatives having legislative jurisdiction over the subject matter of any of the provisions contained in such bill. Each committee to which such bill is referred under the preceding sentence shall, within thirty days after the date on which such bill is referred to such committee, consider such bill and submit any proposals for modifications to be made to such bill that have been adopted by such committee to the Committee on Governmental Affairs of the Senate or the Committee on Government Operations of the House of Representatives, as the case may be.

(B) Any proposals for modifications to be made to such bill that are submitted under subparagraph (A) shall be accompanied by such information as the Committee on Governmental Affairs of the Senate or the Committee on Government Operations of the House of Representatives, as the case may be, deems to be necessary for preparation of the report required to be made under subsection (c) with respect to the bill required to be reported under paragraph (3).

(3) Not later than ten days after standing committees are required to submit proposals for modifications to be made to such bill under paragraph (2), the Committee on Governmental Affairs of the Senate and the Committee on Government Operations of the House of Representatives shall each report to its House a bill that incorporates, without further substantive revision, the modifications proposed to be made to such bill by committees of such House under paragraph (2).

(c) Any bill reported under paragraph (1) or (3) of subsection (b) for a fiscal year shall be accompanied by a report that sets forth—

(1) estimates of the compliance costs to be incurred by each of the sectors specified in the regulatory budget to which such bill relates (and any other economic sectors specified by the committee reporting such bill, in the case of a bill reported under subsection (b) (1), or by a committee submitting proposals for modifications under subsection (b) (2), in the case of a bill reported under subsection (b) (3)) during such fiscal year, and each of the next two succeeding fiscal years, under each of the laws of the United States (and the rules promulgated thereunder), as each such law or rule is in effect on the day before the date on which such bill is reported;

(2) an analysis of the benefits of each such law or rule, as such rule is in effect on such day;

(3) estimates of the compliance costs to be incurred by each such economic sector during each such fiscal year under each such law or rule if the proposals for legislation that are contained in the bill submitted by the President under section 7(b) for such fiscal year are enacted;

(4) estimates of the compliance costs to be incurred by each such economic sector during each such fiscal year under each such law or rule if the proposals for legislation that are contained in the bill reported by such committee are enacted; and

(5) estimates of the microeconomic effects of the compliance costs to be incurred by each such sector for each such fiscal year under the laws and rules of the United States—

(A) as such laws and rules are in effect on the day specified in paragraph (1),

(B) as such laws and rules would be in effect if the proposals for legislation contained in the bill described in paragraph (2) were enacted, and

(C) as such laws and rules would be in effect if the proposals for legislation contained in the bill reported by such committee were enacted.

(d)(1) The Senate and the House of Representatives shall proceed to a vote on the bill required to be reported under paragraph (3) of subsection (b) not later than July 31 of the year in which such bill is required to be reported.

(2)(A) Except as provided in subparagraph (B), the provisions of section 305 of the Congressional Budget Act of 1974 (2 U.S.C. 636) for the consideration of concurrent resolutions on the budget and conference reports thereon shall also apply to consideration of bills required to be reported under paragraph (3) of subsection (b).

(B)(i) Debate in the Senate on any bill required to be reported under paragraph (3) of subsection (b), and all amendments thereto and debatable motions and appeals in connection therewith, shall be limited to not more than 20 hours.

(ii) General debate in the House of Representatives on any bill required to be reported under paragraph (3) of subsection (b) shall be limited to not more than 5 hours, which shall be divided equally between the majority and minority parties.

(3) It shall not be in order in either the House of Representatives or the Senate to consider any resolution providing for the adjournment sine die of either House unless such House has proceeded to a vote on a bill required to be reported under paragraph (3) of subsection (b) for the fiscal year beginning on October 1 of the year in which such bill is required to be reported.

(e)(1)(A) If the Senate and the House of Representatives each adopt a bill required to be reported under paragraph (3) of subsection (b) for a fiscal year, and a conference is requested with respect to either such bill, the Congress shall complete action on the conference report with respect to such bill not later than—

(i) 10 days after such conference is requested, or

(ii) September 15 of the year in which such bill is required to be reported,

whichever is earlier.

(B) The joint explanatory statement accompanying a conference report made under subparagraph (A) shall set forth the economic sectors with respect to which the changes made in the laws of the United States by such conference report relate, and estimates of the compliance costs to be incurred by each such economic sector during such fiscal year, and each of the two succeeding fiscal years, under each such law, as such law is amended by the provisons of such conference report.

(2)(A) If the Senate and the House of Representatives each adopt a bill required to be reported under paragraph (3) of subsection (b), and no conference is requested on either such bill, the Congress shall complete action on one such bill not later than—

(i) 10 days after the date of the adoption of the last such bill to be adopted, or

(ii) Septermber 15 of the year in which such bills are required to be reported,

whichever is earlier.

(B) Within 10 days after the Congress has completed action on a bill described in subparagraph (A), the Committee on Governmental Affairs of the Senate and the Committee on Government Operation of the House of Representatives shall prepare jointly with respect to such bill a report similar to the report described in subparagraph (B) of paragraph (1).

HEARINGS

SEC. 9. In developing a bill required to be reported under section 8(b)(1), the Committee on Government Operations of the House of Representatives and the Committee on Governmental Affairs of the Senate shall hold hearings and shall receive testimony from Members of Congress and such appropriate representatives of Federal agencies, the general public, and national organizations as the committee deems desirable.

CONGRESSIONAL BUDGET OFFICE

SEC. 10. The Congressional Budget Office shall provide the Committee on Government Operations of the House of Representatives, the Committee on Governmental Affairs of the Senate, and any other committee of the Congress with such information as will assist such committee in the discharge of its duties under this Act.

POINT OF ORDER

SEC. 11. After the Congress has completed action on a bill required to be reported under section 8(b)(3) for a fiscal year, it shall not be in order in either the House of Representatives or the Senate to consider any bill, resolution, or amendment if, in carrying out such bill, resolution, or amendment, the compliance costs to be incurred by an economic sector specified in the report required by section 8(f) to accompany such bill would be increased during such fiscal year or either of the next two succeeding fiscal years.

EXERCISE OF RULEMAKING POWERS

SEC. 12. (a) The provisions of this Act (except sections 6 and 7) are enacted by the Congress—

(1) as an exercise of the rulemaking power of the House of Representatives and the Senate, respectively, and as such they shall be considered as part of the rules of each House, respectively, or of that House to which they specifically apply, and such rules shall supersede other rules only to the extent that they are inconsistent therewith; and

(2) with full recognition of the constitutional right of either House to change such rules (so far as relating to such House) at any time, in the same manner, and to the same extent as in the case of any other rule of such House.

(b)(1) Any provision of this Act (except sections 6 and 7) may be waived or suspended in the Senate by a majority vote of the Members voting, a quorum being present, or by the unanimous consent of the Senate.

(2) Appeals in the Senate from the decisions of the Chair relating to any such provision shall, except as otherwise provided therein, be limited to 1 hour, to be equally divided between, and controlled by, the mover and the manager of the resolution or bill, as the case may be.

EFFECTIVE DATE; APPLICATION

SEC. 13. (a) Except as provided in subsection (b), the provisions of this Act shall become effective on the date of the enactment of this Act and shall terminate on the last day of the last fiscal year to which the provisions specified in subsection (b) apply.

(b) The amendments made by sections 6 through 13 of this Act shall apply with respect to the third fiscal year beginning after the date occurring one year after the date of the enactment of this Act, and to the first four fiscal years beginning after such fiscal year.

(c)(1) The regulatory budget transmitted by the President pursuant to section 7 of this Act for the third fiscal year beginning after the date occurring one year after the date of the enactment of this Act shall contain recommendations with respect the compliance costs to be incurred under each of the laws of the United States (and rules promulgated thereunder) during such fiscal year by—

(A) State and local governmental offices and establishments engaged in one or more of the following activities:

(i) the maintenance of public order and safety,

(ii) public finance and taxation,

(iii) the administration of programs relating to human resources,

(iv) the administration of programs relating to environmental quality,

(v) the administration of programs relating to housing,

(vi) the administration of programs relating to education,

(vii) the administration of programs relating to labor,

(viii) the administration of programs relating to natural resources, or

(ix) the provision of local, suburban, and passenger transportation; and

(B) any other economic sector for which the President determines that it is desirable to determine the compliance costs to be incurred during such fiscal year.

(2) In addition to revising the recommendations contained in the regulatory budget submitted for the fiscal year specified in paragraph (1), the regulatory budget transmitted by the President pursuant to section 7 of this Act for the first fiscal year beginning after such fiscal year shall contain recommendations with respect to the compli-

ance costs to be incurred under each of the laws of the United States (and rules promulgated thereunder) during such first succeeding fiscal year by—

(A) establishments primarily engaged in one or more of the following activities:

(i) the manufacture or assembly of complete passenger automobiles, trucks, commercial cars, buses (except trolleys), or special purpose vehicles;

(ii) the generation, transmission, or distribution of electrical energy for sale;

(iii) the smelting and refining of ferrous and nonferrous metals from ore, pig, or scrap;

(iv) the rolling, drawing, or alloying of ferrous or nonferrous metals;

(v) the manufacture of castings or other basic products of ferrous or nonferrous metals;

(vi) the manufacture of rails, spikes, or insulated wire or cable; or

(vii) the manufacture of tires, rubber footwear, mechanical rubber goods, heels and soles, or rubber sundries from natural, synthetic, or reclaimed rubber, gutta percha, or gutta siak; and

(B) any other economic sector for which the President determines that it is desirable to determine the compliance costs to be incurred during such fiscal year.

(3) In addition to revising the recommendations contained in the regulatory budget submitted for the preceding fiscal year, the regulatory budget transmitted by the President pursuant to section 7 of this Act for the second fiscal year beginning after the fiscal year specified in paragraph (1) shall contain recommendations with respect to the compliance costs to be incurred under each of the laws of the United States (and rules promulgated thereunder) during such second succeeding fiscal year by—

(A) general contractors and operative builders primarily engaged in the construction of residential, farm, industrial, commercial or other buildings; or

(B) general contractors engaged in heavy construction (including new work, additions, improvements, maintenance, and repair) such as highways and streets, bridges, sewers, railroads, irrigation projects, flood control projects and marine construction, and miscellaneous types of construction work (other than buildings); and

(C) any other economic sector for which the President determines that it is desirable to determine the compliance costs to be incurred during such fiscal year.

(4) In addition to revising the recommendations contained in the regulatory budget submitted for the preceding fiscal year, the regulatory budget transmitted by the President pursuant to section 7 of this Act for the third fiscal year beginning after the fiscal year specified in paragraph (1) shall contain recommendations with respect to the compliance costs to be incurred under each of the laws of the United States (and rules promulgated thereunder) during such third succeeding fiscal year by—

(A) establishments primarily engaged in one or more of the following activities:

(i) the production of basic chemicals;

(ii) the manufacture of products by predominantly chemical processes;

(iii) mining, developing mines, or exploring for metallic minerals (ores);

(iv) the production of anthracite coal;

(v) the production of bituminous coal; or

(vi) mining, quarrying, developing mines, or exploring for nonmetallic minerals (except fuels); and

(B) any other economic sector for which the President determines that it is desirable to determine the compliance costs to be incurred during such fiscal year.

(5) In addition to revising the recommendations contained in the regulatory budget submitted for the preceding fiscal year, the regulatory budget transmitted by the President pursuant to section 7 of this Act for the fourth fiscal year beginning after the fiscal year specified in paragraph (1) shall contain recommendations with respect to the compliance costs to be incurred under each of the laws of the United States (and rules promulgated thereunder) during such fourth succeeding fiscal year by—

(A) establishments primarily engaged in one or more of the following activities:

(i) furnishing transportation by line-haul railroad, or operating a switching or terminal establishment;

(ii) furnishing local or long distance trucking or transfer services, without storage; and

(iii) furnishing domestic or foreign transportation by air, operating airports or flying fields, or furnishing air terminal services; and

(B) any other economic sector for which the President determines that it is desirable to determine the compliance costs to be incurred during such fiscal year.

(d) Notwithstanding any other provision of this Act, no regulatory budget transmitted or adopted under the provisions of this Act with respect to the fiscal year specified in paragraph (1) of subsection (c) shall contain information, recommendations, or specifications with respect to the compliance costs and microeconomic effects for any other fiscal year.●

By Mr. DOLE (for himself, Mr. BIDEN, Mr. HEINZ, Mr. ROTH, Mr. D'AMATO, Mrs. HAWKINS, Mr. CRANSTON, Mr. DURENBERGER, Mr. TOWER, Mr. BRADLEY, and Mr. BENTSEN):

S. 1737. A bill to make permanent section 1619 of the Social Security Act, which provides SSI benefits for individuals who perform substantial gainful activity despite a severe medical impairment; to the Committee on Finance.

BENEFITS FOR HANDICAPPED INDIVIDUALS WHO WORK

Mr. DOLE. Mr. President, I am pleased to introduce a bill today that would make permanent section 1619 of the Social Security Act, which permits the payment of supplemental security income to severely impaired people who perform substantial gainful activity. Under present law, this section is scheduled to expire on December 31, 1983.

Stemming from a bill introduced by the Senator from Kansas in 1979, section 1619 was enacted as part of the Comprehensive Disability Amendments of 1980. Its expressed purpose was to remove financial barriers for handicapped people to enter or return to the work force. It was my view at that time, as it is today, that the work incentive features were the most important part of the 1980 legislation.

BACKGROUND

Individuals under age 65 who can meet a means-test qualify for SSI disability payments under the same circumstances as under the social security disability insurance program—only if, and for so long as, they are unable to engage in any substantial gainful activity (SGA). The level of earnings at which an individual is judged to be engaging in SGA is $300 monthly. Individuals with earnings in excess of this level cannot become eligible for SSI disability, despite the severity of impairment.

Prior to the enactment of the 1980 amendments, individuals who were already receiving SSI generally ceased to be eligible when their earnings exceeded $300 a month. Only an exceptional person could have surmounted the financial obstacles of this sudden transition from SSI to self-support. The disincentives to work were strong given that ineligibility for SSI generally meant the loss of eligibility for medicaid and social services as well.

The possibility that the SSI program may have been operating in such a way as to actually discourage recipients from seeking employment was of real concern to the Senator from Kansas as well as the Finance Committee. The proportion of SSI recipients on the rolls due to a severe disability was growing rapidly—from 39 percent when SSI was created in 1974 to 51 percent by mid-1978—and the success of rehabilitation efforts was questionable.

To deal directly with these problems, I introduced S. 591 on March 8, 1979. The bill included several work incentive measures, one of which created the special SSI payment status for people who worked despite a severe medical impairment. This provision was adopted by the Finance Committee as part of the Social Security Disability Amendments of 1979 and was subsequently enacted into law in the Disability Amendments of 1980.

SECTION 1619

Under section 1619 of the Social Security Act, disabled SSI recipients who work and earn more than $300 monthly are permitted to receive a special SSI payment and maintain medicaid coverage. The amount of the special payment is equal to the SSI benefit they would have been entitled to receive under the regular SSI program were it not for the all-or-none nature of eligibility with the SGA test. Special benefit status is thus terminated when the individual's earnings exceed the amount which would cause the Federal SSI payment to be reduced to zero—that is, when countable monthly earnings exceed $694. Medicaid may continue, however, if termination of benefits would seriously inhibit the individual's ability to continue working and if his or her earnings are not sufficient to provide a reasonable equivalent to the cash and other benefits.

Evidently, this was a carefully limited provision intended to provide benefits in only restrictive circumstances. There was no intention of liberalizing the definition of disability so as to make benefits payable to less severely impaired people. Rather than overhauling the disability determination process, we sought to provide relief for a specific problem—work disincentives—in a humane and cost-effective way.

On December 31, section 1619 of the Social Security Act is scheduled to expire. The provision was authorized for only 3 years in recognition of the fact that changes in the disability portions of the social security and SSI programs can have unexpected or undesirable effects on recipients and program costs.

EXPERIENCE WITH SECTION 1619

It is my judgment that section 1619 has benefited the targeted group of recipients, allowing greater independence on the part of severely handicapped Americans in a cost-effective manner. According to the most recent data compiled by the Social Security Administration, for December 1982, 247 people with earnings above SGA were receiving an SSI special cash payment. Their monthly earnings averaged $456. Some 5,600 former SSI recipients retained medicaid eligibility, and among this group, average monthly earnings amounted to $623—which is biased downward by the inclusion of 500-600 persons with low earnings in medicaid institutions. Both men and women have benefited, with women accounting for 45 percent of those receiving special payments or retaining medicaid.

CBO estimates the cost of this bill at $3.3 million in fiscal year 1984, $6.9 million in fiscal year 1985, and $9.4 million in fiscal year 1986.

I urge my colleagues to join the Senator from Kansas along with Senators BIDEN, HEINZ, ROTH, D'AMATO, HAWKINS, CRANSTON, DURENBERGER, TOWER, BRADLY, and BENTSEN in supporting this bill. Section 1619 is a small but important step toward permitting severely impaired people, who have the desire and motivation, to seek a more independent life through work effort.

● Mr. BIDEN. Mr. President, I am proud to join with Senator DOLE in introducing legislation to permanently extend section 1619 of the Social Security Act. Section 1619 allows for the continued payment of supplemental security income and/or medicaid benefits to disabled persons performing substantial gainful activity.

When considering the Social Security Disability Amendments of 1980, Congress found that many disabled persons were capable of performing some sort of gainful activity but, with an income limit at that time of less $300 per month for eligibility for SSI and medicaid, were unable to afford to accept work. The public policies of this country should provide incentives to our citizens to engage in productive activity whenever possible. But, prior to passage of the 1980 Disability Amendments, our policies were serving to encourage otherwise productive citizens in the opposite direction.

The 1980 Disability Amendments set up a 3-year program under which a disabled individual performing substantial gainful activity could continue to receive both SSI and medicaid if his or her income from that employment exceeded the normal SSI disability cap—currently $304 per month, but did not exceed the break-even point for aged and blind recipients of SSI. That cap is currently $693 per month. In addition, the recipient would be able to continue receiving medicaid benefits, though not SSI, if his or her income falls between $693 per month and a limit arrived at by taking into consideration the average medicaid cost of treating a disabled person in that State. In Delaware, that cap is currently $947 per month or $11,273 per year.

Obviously, we are not talking about benefits for anyone making a king's ransom. We are talking about people having the ability to make a decent living contributing their talents to society, while retaining access to the medical care their disabilities require. We are talking about an incentive for work.

I am fortunate to be one of the many employers in this country who have hired workers under this provision. I have seen firsthand the opportunities it can afford.

The House Ways and Means Committee estimates that this provision costs well under $5 million per year, while enabling 6,000 people to afford to accept work. But if we take away their medical benefits, these people will be unable to work. We will lose their contribution.

But section 1619 will expire at the end of this year unless action is taken. I comment Senator DOLE, whose hard work made section 1619 possible in the first place, and am proud to join as a cosponsor.●

● Mr. D'AMATO. Mr. President, I am pleased to be an original sponsor to this bill to make permanent the authorization under section 1619 of the Social Security Act. I commend the Senator from Kansas for introducing this bill which assists 6,000 disabled individuals nationwide.

The Social Security Amendments of 1980 authorized a 3-year pilot program, to run from January 1, 1981, to December 31, 1983, under which a disabled individual could continue to receive both supplementary security income (SSI) and medicaid benefits, even if his or her income exceeded the normal disability cap of $300 per month, so long as it did not exceed the Federal income cap provided for other types of SSI benefits. The Federal cap is currently $693.60 per month.

In addition, a State can agree to raise this cap. In New York, a participating State, the cap now ranges from $701.84 to $1,176.56 monthly, depending upon a person's living arrangement. Individuals whose incomes exceed the cap continue to be eligible for medicaid, but not SSI benefits, if the income remains below a higher threshold level. In New York, for example, the higher level is currently $1,264.15 monthly.

Section 1619 provides incentives to our diabled citizens to engage in productive activity whenever possible. Prior to the pilot project, public policy discouraged such attempts because disabled SSI individuals were generally denied access to medical benefits once they exceeded the disability cap.

I have spoken to a number of representatives from organizations involved in assisting the disabled as well as to several disabled individuals themselves who have expressed concern with the expiration of this section of the law. The following two paragraphs were contained in a letter to me from a New Yorker who eloquently outlines the problem that disabled individuals face:

I am twenty-seven years old, and have had juvenile rheumatoid arthritis since I was a child. My condition unfortunately prevented me from finishing college, after 2 years at Cornell University. This summer I will be taking courses at Empire State College; hopefully, I will be able to complete college and return to work. I have been receiving SSI and Medicaid for a few years now. In order to maintain my (limited) mobility, I must see my rheumatologist once a month, my rehabilitation doctor every six weeks, an occupational therapist every week, undergo various medical tests now and then, and take medicine every day. I have received excellent care as an outpatient at Bellevue Hospital, where I see my doctors and therapist. Their concerted efforts have helped me avoid serious deformity. If I didn't have Medicaid, I certainly couldn't afford all these services, which are essential to my continued well-being.

I am writing this not so much to plead my own particular case as to use myself as an example of what thousands (millions?) of handicapped people must face throughout life. I, like most people, am willing and eager to work; and I believe most handicapped persons can learn a marketable skill and work, if only for a few hours a day. However, with medical costs so high, many of us cannot earn enough, especially at first, to cover living expenses and medical bills. If this law is allowed to expire then many disabled people would be discouraged from trying to return to work.

Currently there are 684 disabled SSI individuals in New York that are covered by this section of the law. Most of them are not receiving SSI benefits, but are covered for medicaid. This section permits them to make contributions to society while still retaining access to the type of medical care

their disabilities require. I urge adoption of this important legislation.●

By Mr. DURENBERGER (for himself, Mr. SYMMS, Mr. BOREN, Mr. GRASSLEY, Mr. ZORINSKY, and Mr. MELCHER):

S. 1739. A bill to amend the Internal Revenue Code of 1954 to permit small business to reduce the value of excess inventory; to the Committee on Finance.

THOR POWER

● Mr. DURENBERGER. Mr. President, today my colleagues, Senators SYMMS, BOREN, GRASSLEY, ZORINSKY, MELCHER, and I are introducing legislation similar to that we introduced during the last session of Congress to solve one of the major tax problems confronting small businesses in the United States today—the excess and obsolete inventory problem. The controversy was created when the U.S. Supreme Court in the Thor Power case overturned a practice which is almost as old as the tax laws themselves and which is followed, indeed mandated, today for financial accounting purposes.

The IRS has formally maintained for many years that a tax deduction may not be taken for excess or obsolete inventory below its cost or market value unless it is scrapped. However, accountants, attorneys, businessmen, and most importantly, Internal Revenue Service agents in the field, have always followed the rule that a certain percentage of inventory loses all but its scrap value over time even though it is not sold for salvage. Traditionally, that loss has been deducted for tax purposes. The question has always been what percentage to writeoff.

With the decision of the Supreme Court in its favor, the Internal Revenue Service is now vigorously enforcing its longstanding regulations, reeducating its agents, and placing additional emphasis on this obsolete and excess inventory issue. Immediately following the decision, IRS issued a revenue ruling and a revenue procedure requiring taxpayers to reverse all prior deductions and accrue income in the amount of the deductions, less any prior sales.

Aside from the almost impossible accounting task required, most small business people do not have the requisite knowledge or information to comply. There has been great confusion as to who is covered by the Supreme Court decision. As a result, very few small businesses have complied with the IRS position irrespective of the good intentions of these businesses.

The Supremc Court decision unfortunately does not take cognizance of the realities of business operations. Consider for a moment the fact that a manufacturer or a dealer will stock many parts rather than sell them for salvage in order to better serve customers. After a certain period of time the chances that someone will purchase a part from this obsolete inventory is remote indeed. However, if this stock of old parts is not maintained, the customer will be forced to dispose of a piece of equipment that might have many years of life left in it except for a minor part that is no longer available.

If the manufacturer or dealer does maintain a stock of outdated items, one can hardly argue that the entire inventory is worth its initial cost or even the aggregate sales price of the individual items. Nevertheless the law is such that the taxpayer cannot devalue these items in accordance with actual business experience.

There is, however, another side to the story. The Internal Revenue Service is rightly concerned about those business people who juggle their inventory deductions from year to year to lower their taxable income. This is accomplished by taking a large deduction for excess or obsolete inventory in good years and little or no deduction in lean years. This practice cannot be condoned and to the extent that the Treasury was attempting to eliminate it by issuing regulations and procedures following the Thor Power decision, I applaud those efforts.

We can, I believe, achieve the legitimate goals of the Internal Revenue Service and at the same time provide a measure of relief and security to small businesses throughout the United States. The bill we are introducing today would wipe clean the slate for years prior to January 1, 1983. For years beginning after that date, a small business, which is defined as one with a net worth of less than $25 million, could elect to write off its excess or obsolete inventory in a prescribed, balanced manner. After an item has been in inventory for 4 years it is completely written off for tax purposes. The actual writeoff would not begin until the second year after the item is purchased, so that the deduction is taken in equal installments in the second, third, and fourth year.

The safety feature in the bill is the requirement that the taxpayer continue to use this procedure forever unless the Secretary of the Treasury permits the adoption of another accounting method. Thus, fluctuating inventory deductions will be eliminated.

The bill has several other appealing aspects. First, a taxpayer elects to use this method simply by adopting it and notifying the Internal Revenue Service. I would hope that a space could be provided on business returns for a check mark if the taxpayer elects the system. The actual application of the bill to inventory accounting is equally simple.

Additionally, it provides a significant amount of certainty and security both to the taxpayer and to the agent who conducts an audit. No longer will there be the need for time-consuming reviews of sales practices and patterns to determine whether inventory accounting is accurate. No longer will the small business person live in fear of being told by the Internal Revenue Service that he must change his entire inventory accounting system and as an added disaster be handed a large tax bill.

When this matter was first brought to the attention of the Congress several years ago there was agreement, at least in the Senate, that action should be taken to protect these small businesses. We passed a moratorium prohibiting the IRS, from acting further until we had the opportunity to explore the problem in detail. However, this moratorium did not become law. Due principally to the lack of initiative on the part of the Department of the Treasury, no further action has been taken. Nevertheless, the problem continues and in view of the tax legislation which we passed in 1982 the matter has become even more criticial. We are now imposing severe penalties upon businesses that fail to comply with the tax laws. At the same time, we have not provided the guidance for them to do so, particularly in this excess and obsolete inventory area.

In conclusion, Mr. President, I wish to note the cosponsorship of this bill by Senators of both parties, and I wish to assure all of our colleagues that we are going to work together vigorously to make this bill a reality for the benefit of our small business community in this country.●

By Mr. ABDNOR (for himself and Mr. MOYNIHAN):

S. 1739. A bill to authorize the U.S. Army Corps of Engineers to construct various projects for improvements to rivers and harbors of the United States, and for other purposes; to the Committee on Environment and Public Works.

WATER RESOURCES DEVELOPMENT ACT

Mr. ABDNOR. Mr. President, I am today introducing, with the cosponsorship of the distinguished ranking member of the Subcommittee on Water Resources (Mr. MOYNIHAN), a bill that I believe will provide the basis for major water resources legislation. This bill was discussed at some length during a subcommittee markup yesterday. I intend to ask the Subcommittee on Water Resources to continue this markup process early in September.

To assist my colleagues, it is necessary to relate a brief history of this proposal. The bill I am introducing is based on S. 947, as well as a number of other bills that have been considered during 8 days of hearings by our subcommittee. Each and every project report included in this bill has been

approved by the Chief of Engineers. In total, the bill authorizes some $6 billion in new projects, a level that is limited under the provisions in title I of the bill.

One type of project is missing from this bill: projects for deep-draft harbor development. I intend to ask the subcommittee to consider the complicated issue of deep-draft harbor development separately in September. We need to act in that manner because separate deep-harbor legislation, by unanimous consent, has been referred jointly to the Committees on Environment and Public Works and Finance.

Mr. President, another issue that is not dealt with in this bill is the question of the use of waters from the Missouri River. As my colleagues know, I feel very strongly about this issue, and intend to see to it that the people of South Dakota are treated fairly. In an early draft of this bill, I included language that would treat all users of the Missouri River in an equitable manner. After some of my colleagues expressed concern over the language—and after it became clear that a willingness existed to work toward a responsible compromise—I have dropped this provision for now. I shall offer it—or, preferably, an acceptable compromise—during the subcommittee markup in September.

As one final point, I should note that important provisions in this bill deal with project cost sharing and potential inland waterway development and use charges. I believe we have developed sensible compromise positions that meet the goal of the administration and proponents of the existing system. I hope that those groups interested in this issue will recognize the compromise nature of these provisions.

Mr. President, I ask unanimous consent that a copy of the bill be printed at this point in the RECORD, together with a section-by-section analysis of the bill:

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1739

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Water Resources Development Act of 1983."

TITLE I

Notwithstanding any other provision of law, the Secretary of the Army, acting through the Chief of Engineers (hereinafter in this Act referred to as the "Secretary"), shall obligate no sums in excess of the sums specified in this title for the combined purpose of the "Construction General" account and the "Flood Control, Mississippi River and Tributaries" account:

(1) For the fiscal year ending September 30, 1984, the sum of $1.5 billion.

(2) For the fiscal year ending September 30, 1985, the sum of $1.5 billion.

(3) For the fiscal year ending September 30, 1986, the sum of $1.6 billion.

(4) For the fiscal year ending September 30, 1987, the sum of $1.6 billion.

(5) For the fiscal year ending September 30, 1988, the sum of $1.7 billion.

Nothing contained herein limits or otherwise amends authority conferred under section 10 of the River and Harbor Act of September 22, 1922 (42 Stat. 1043; 33 U.S.C. 621). Any amounts obligated against funds furnished or reimbursed by Federal or non-Federal interests shall not be counted against the limitation on obligations provided for in this Act.

TITLE II—GENERAL PROVISIONS

SEC. 201. (a) Prior to initiating construction of any water resources project authorized prior to this Act, in this Act, or subsequent to the Act, which is under the jurisdiction of the Secretary and which can be anticipated to provide flood control benefits, more than 10 per centum of which are produced by an increase in anticipated land values to a single landowner, the Secretary shall enter into an agreement with such owner or owners that provides that such owner or owners will contribute, either prior to construction or when such benefits are realized, 50 per centum of that portion of the project's costs allocated to the owner's benefits.

(b) For any study initiated by the Secretary subsequent to the enactment of this Act, the Secretary shall, if appropriate, include information in such study report on the likelihood that any single landowner would be subject to the requirements of subsection (a) of this section.

SEC. 202. Any report that is submitted to the Committee on Environment and Public Works of the Senate or the Committee on Public Works and Transportation of the House of Representatives by the Secretary of Agriculture under authority of Public Law 83-566, as amended, or by the Secretary, shall describe the benefits of other, similar public recreational facilities within the general area of the project, and the anticipated impact of the proposed project on such existing recreational facilities.

SEC. 203. (a) Any project or separable element thereof, that is under the responsibility of the Secretary, and for which construction has not commenced within ten years following the date of the authorization of such project, shall no longer be authorized after such ten-year period unless the Secretary, after consultation with the affected State or States, notifies the Committee on Environment and Public Works of the Senate and the Committee on Public Works and Transportation of the House of Representatives that continued authorization of such project remains needed and justified.

(b) Any project or separable element thereof, qualifying for deauthorization under the terms of this section or which will qualify within one year of enactment of this section, shall not be deauthorized until such one-year period has elapsed.

SEC. 204. (a) Any resolution authorizing a survey by the Secretary is automatically rescinded and is no longer authorized if no funds are expended for such survey within four full fiscal years following its approval.

(b) The Secretary is authorized and directed to submit to the Congress, within six months of enactment of this section, a list of all existing studies, whether authorized by resolution or by law, that have an inactive or deferred status, and all surveys on such list may be deauthorized within ninety days thereafter by resolution of either the Committee on Environment and Public Works of the Senate or the Committee on Public Works and Transportation of the House of Representatives.

SEC. 205. The second sentence of the definition of "works of improvement", contained in section 2 of Public Law 83-566, as amended, is further amended by adding after "$250,000" the following: "but not more than $10,000,000, for any projects submitted to the Committee on Environment and Public Works of the Senate and the Committee on Public Works and Transportation of the House of Representatives: *Provided,* That any project with an anticipated Federal cost exceeding $10,000,000 must be authorized by Act of Congress.".

SEC. 206. Section 2 of Public Law 83-566, as amended, is further amended by deleting the period and inserting a colon at the conclusion of the proviso, and adding the following: "And provided further, That each such project must contain benefits directly related to agriculture that account for at least 20 per centum of the total benefits of the project.".

SEC. 207. The Secretary of Agriculture, acting through the Administrator of the Soil Conservation Service, shall study and report to the appropriate committees of the Senate and the House of Representatives by April 1, 1985, on the feasibility, the desirability, and the public interest involved in requiring that full public access be provided to all water impoundments that have recreation-related potential and that were authorized pursuant to Public Law 83-566, as amended.

SEC. 208. Notwithstanding any other provision of law, the development, expansion, and rehabilitation of municipal and industrial water supply and distribution systems, either alone or as part of a multiple purpose project, is hereby declared to be a legitimate Federal purpose. Any single purpose municipal and industrial water supply project authorized by law may be implemented by the Secretary or by a non-Federal interest in consultation with the Secretary.

SEC. 209. Subsection (a) of section 134 of Public Law 94-587 is amended to read as follows:

"(a) The Secretary of the Army, acting through the Chief of Engineers, is authorized and directed within ninety days after enactment of this Act to institute a procedure enabling the engineer officer in charge of each district under the direction of the Chief of Engineers to certify, at the request of local interests, that particular local improvements for flood control can reasonably be expected to be compatible with a specific, potential project then under study or other form of consideration. Such certification shall be interpreted to assure interests that they may go forward to construct such compatible improvements at local expenses with the understanding that such improvements can be reasonably expected to be included with the scope of the Federal project, if later authorized, both for the purposes of analyzing the cost and benefits of the project and assessing the local participation in the costs of such project.".

SEC. 210. (a) The Secretary shall undertake a program of research for the control of river ice, and to assist communities in breaking up such ice, which otherwise is likely to cause or aggravate flood damage or severe streambank erosion.

(b) The Secretary is further authorized to provide technical assistance to local units of government to implement local plans to control or break up river ice. As part of such authority, the Secretary shall acquire necessary ice-control or ice-breaking equipment

that shall be loaned to local units of government.

(c) For the purposes of this section, the sum of $5,000,000 is authorized to be appropriated to the Secretary in each of the fiscal years ending September 30, 1984, through September 30, 1988, such sums to remain available until expended.

(d) No later than March 1, 1987, the Secretary shall report to the Congress on activities under this section.

SEC. 211. (a) The Secretary shall, upon the request of local public officials, survey the potential and methods for rehabilitating former industrial sites, millraces, and similar types of facilities already constructed for use as hydroelectric facilities. The Secretary shall, upon request, provide technical assistance to local public agencies, including electric cooperatives, in designing projects to rehabilitate sites that have been surveyed, or are qualified for survey, under this section.

(b) There is authorized to be appropriated to the Secretary, to implement this section, the sum of $5,000,000 for each of the fiscal years ending September 30, 1984, through September 30, 1988, such sums to remain available until expended.

SEC. 212. Section 221(b) of the Flood Control Act of 1970 (Public Law 91-611) is amended by deleting the period at the end thereof, inserting a colon, and adding the following: *Provided*, That where the non-Federal interest is the State itself, the agreement may reflect that it does not obligate future legislative appropriations or other funds for such performance and payment when obligating future appropriations or other funds would be inconsistent with State constitutional limitations.".

SEC. 213. Notwithstanding any other provision of law, construction on any project newly authorized in this Act shall not commence until the project has been studied by the Chief of Engineers and reported favorably thereon.

SEC. 214. Subject to the provisions and requirements of Title VI of this Act, the sums to be appropriated for any project authorized by this Act shall not exceed the sum listed in this Act for the specific project, as of the month and year listed for such project (or, if no date is listed, the cost shall be considered to be as of the date of the enactment of this Act), plus such amounts, if any, as may be justified solely by reason of increases in construction costs, as determined by engineering cost indices applicable to the type of construction involved, or by reason of increases in land costs.

SEC. 215. The Secretary shall not require, under section 4 of the Flood Control Act of December 22, 1944 (58 Stat. 889), and the Federal Water Project Recreation Act, non-Federal interests to assume operation and maintenance of any recreational facility operated by the Secretary at any water resources project as a condition to the construction of new recreational facilities at such project or any other water resources project.

SEC. 216. (a) The Secretary may enter into a contract with a State or political subdivision thereof prior to the construction and operation, improvement or financing of a project undertaken by the Secretary which will return an appropriate share of the costs of such project based upon the identifiable benefits to local participants or interests utilizing or acquiring facilities or property owned, managed or operated by the State or political subdivision thereof as determined by an analysis of the expected economic activity. Such costs shall be recovered through an incremental charge to be imposed on each sale, lease, fee, or other transaction at the time revenues are realized engaged in by the State or political subdivision which are identified in the contract as the source of revenues.

(b) The Secretary may enter into an agreement providing for the recovery of an appropriate share of the costs of a project with a Federal Project Repayment District or other political subdivision of a state prior to the construction, operation, improvement, or financing of the project. The Federal Project Repayment District or other political subdivision shall include lands adjacent to the public works facility which receive identifiable benefits from the construction or operation of the public works facility. Such districts shall be established in accordance with State law, shall have specific boundaries which may be changed from time to time based upon further evaluations of benefits, and shall include the power to collect a portion of the transfer price from any transaction involving the sale, transfer, or change in beneficial ownership of lands and improvements within the district boundaries. The portion of such transfer price shall provide an equitable share of the costs of such project based upon projections of transactions in lands and improvements with the district.

(c) The provisions of this section may be utilized as an alternate solely or in conjunction with other provisions of Federal law imposing a cost recovery obligation. Cost recovery pursuant to the provisions of this section shall be deemed to meet cost recovery requirements of other provisions of Federal law if the economic study required by subsection (d) of this section demonstrates that income to the Federal Government equals or exceeds that required over the term of repayment required by that cost recovery provision.

(d) Prior to execution of an agreement pursuant to subsection (b) or (c) of this section, the Secretary shall require and approve a study from the State or political subdivision demonstrating that the revenues to be derived from a contract under this section or an agreement with a Federal Project Repayment District will be sufficient to equal or exceed the cost recovery requirements over the term of repayment required by Federal law. Any project under this section shall also meet all other applicable criteria of Federal law.

(e) For the purposes of this section, the term:

(1) "Contract" means a contract entered into with a State or a political subdivision of a State through which the Federal Government participates in a share of the revenues derived by the State or political subdivision from the lease, license, or sale of property or other products, services, or rights made available to non-governmental interests.

(2) "Federal Project Repayment District" means a benefit district or entity created pursuant to State law having defined boundaries based upon identifiable benefits to be derived from the construction and operation of a public works facility.

(3) "Cost recovery" means any requirement of federal law that beneficiaries of a public works facility return all or a portion of the federal investment in the facility's construction, operation or maintenance costs through fees, duties, taxes, user fees, repayment charges or other obligations requiring monetary or other contributions including the provisions of subsection (a) and (b) of this section.

TITLE III—PROJECT PROVISIONS

SEC. 301. (a) The Secretary is authorized and directed to take, at a cost of $4,117,991, such action, substantially in accordance with the study directed by the District Engineer and dated July 20, 1981, as may be necessary to correct erosion problems along the banks of the Warrior River in order to protect Mound State Park, near Moundville, Alabama.

(b) The Secretary is authorized to preserve and protect the Fort Toulouse National Historic Landmark and Taskigi Indian Mound in the county of Elmore, Alabama, by instituting bank stabilization measures at a cost of $15,400,000.

(c) The Secretary in order to protect the cultural, economic, environmental, and historical resources of Tangier Island, Virginia, located in Chesapeake Bay, is authorized and directed to design and construct a structure approximately eight thousand two hundred feet in length on the western shore of Tangier Island, adequate to protect such island from further erosion.

(d) Prior to any construction under this section, non-Federal interests shall provide without cost to the United States all necessary lands, easements, rights-of-way, and relocations, agree to operate and maintain the structures after construction, and hold and save the United States free from damages due to the construction works.

(e) Notwithstanding the provisions of this section, the Secretary shall give priority in the allocation of funds for design and construction of projects for the purposes of erosion control to projects authorized prior to the enactment of this Act.

SEC. 302. The Secretary is authorized and directed to relocate the site of disposal for dredge spoil from the Christina River in Wilmington, Delaware, from the current location at Cherry Island to a site on the Delaware River between the Wilmington Marine Terminal and Pigeon Point.

SEC. 303. (a) The Secretary is authorized to construct, at Federal expense, a set of emergency gates in the conduit of the Abiquiu Dam. New Mexico, to increase safety and enhance flood and sediment control: *Provided*, That such feature, which was eliminated during original construction due to cost constraints, shall be considered as completing the original design concept for the project.

(b) For purposes of this section, the sum of $2,500,000 is authorized to be appropriated to the Secretary.

SEC. 304. The Secretary shall promptly transfer to the responsibility of the district engineer in Albuquerque, New Mexico, those portions of the State of New Mexico that as of the date of enactment of this Act, were under the responsibility of the district engineers in Sacramento, California, and Los Angeles, California.

SEC. 305. The Richard B. Russell Dam and Lake project, authorized by the Flood Control Act of 1966 (80 Stat. 1420), is hereby modified to authorize the Secretary to provide such power to the city of Abbeville, South Carolina, as the Secretary determines to be necessary to mitigate the reduction in hydroelectric power produced at the city-owned hydroelectric plant at Lake Secession caused by the construction and operation of the project. Such power shall be provided to the city for a period not to exceed the remaining service life of the city-owned hydroelectric plant as part of the operational requirements and costs of the project under such terms and conditions as the Secretary,

in consultation with the Secretary of Energy, determines to be appropriate. The Secretary of Energy is authorized to provide assistance in the delivery of such power.

SEC. 306. The Waterbury, Vermont, project in the Winooski River Basin, authorized for modification in section 10 of the 1944 Flood Control Act, approved as Public Law 78-534 of December 22, 1944, is hereby further modified to provide that any major rehabilitation of such project shall be undertaken by the Secretary. Nothing in this section shall be construed as altering the conditions established in the Federal Power Commission license numbered 2090, issued on September 16, 1954.

SEC. 307. The city waterway navigation channel project, Tacoma Harbor, Washington, authorized by the first section of the River and Harbor Act of June 13, 1902 (32 Stat. 347), is hereby modified to direct the Secretary to redefine the boundaries of such project in accordance with the recommendations contained in appendix B of the feasibility report of the Seattle District Engineer, dated November 1981.

SEC. 308. (a) The Secretary in cooperation with the governments of the Trust Territory of the Pacific Islands and the Commonwealth of the Northern Mariana Islands, is hereby authorized and directed to study and draft plans for development, utilization, and conservation of water and related land resources of such territory and Commonwealth.

(b) Studies authorized by this section shall include appropriate consideration of the needs for flood protection, wise use of flood plain lands, navigation facilities, hydroelectric power generation, regional water supply and waste water management facilities systems, general recreational facilities, enhancement and control of water quality, enhancement and conservation of fish and wildlife, and other measures for environment improvement and economic and human resources development. Such studies shall also be compatible with comprehensive development plans formulated by local planning agencies and other interested Federal agencies.

(c) There is authorized to be appropriated a sum of $175,000 to carry out the provisions of this section.

SEC. 309. The second paragraph under the center heading "Brazos River Basin" in section 10 of the Flood Control Act of 1946 (60 Stat. 641) is amended by inserting "or water supply" after "irrigation".

SEC. 310. Notwithstanding any other provision of law, the Secretary, in cooperation with the Secretary of the Interior and the Secretary of Energy, shall—

(a) quantify the hydroelectric pumping power requirements for irrigation units of the Missouri River Basin project within the State of South Dakota authorized for ultimate development by section 9 of the Flood Control Act of December 2, 1944 (58 Stat. 877, Public Law 534, 78th Congress, 2nd Session) and accompanying House Document Numbered 475 and Senate Documents Numbered 191 and 247, and by section 18 of the Flood Control Act of July 24, 1946 (60 Stat. 641, Public Law 526, 79th Congress, 2nd Session), and

(b) until such power is used for irrigation pumping in the State of South Dakota under the Pick-Sloan Missouri Basin program, make available such power at the pumping rate authorized in the Act of August 5, 1965 (Public Law 89-108, 79 Stat. 433), for the purpose of pumping Missouri River water up to the point of field turnout or the calculated equivalent of such point for irrigation facilities designated by the State of South Dakota as subunits of the South Dakota Missouri River Pumping program to be established by the State of South Dakota for the purpose of providing main delivery irrigation pumping service for lands in the State of South Dakota, or for such other purposes and on such terms and conditions as shall be specified by the State of South Dakota: *Provided*, That except for the purposes of pumping Missouri River water for irrigation or pumping at the Gregory County Hydroelectric Pumped Storage Facility, the power provided in this Act for the benefit of the State of South Dakota shall not be resold at less than the then current market rate and any revenue from the resale of such power shall be used by the State for economic or natural resources development purposes. The delivery of power for the benefit of the State of South Dakota under the provisions of this section shall not be considered to require or justify the reallocation of costs as currently allocated to achieve the ultimate development of the Pick-Sloan Missouri Basin program. Notwithstanding any other provision of law, irrigation pumping subunits of the South Dakota Missouri River Pumping program shall not be required to contract for a supply of water, nor be assessed any charges for the cost of construction, operation or maintenance of facilities used to generate such irrigation pumping power or to store water under the Pick-Sloan Missouri River Basin program in excess of the then current rate charged preference power customers under firm power contracts for such costs, nor be assessed any fee for the right to use Missouri River water whether impounded or not.

SEC. 311. The project for Jackson Hole Snake River local protection and levees, Wyoming, authorized by the River and Harbors Act of 1950 (Public Law 81-516), is hereby modified to provide that the operation and maintenance of the project, and additions and modifications thereto constructed by non-Federal interests, shall be the responsibility of the Secretary of the Army, acting through the Chief of Engineers: *Provided*, That non-Federal interests shall pay the initial $35,000 in cash or materials, of any such cost expended in any one year.

SEC. 312. The project for flood protection for the Rio Grande Floodway, Truth or Consequences Unit, New Mexico, authorized by the Flood Control Acts of 1948 and 1950, is hereby modified to provide that the Secretary is authorized to construct a flood control dam on Cuchillo Negro Creek a tributary of the Rio Grande, in lieu of the authorized floodway.

SEC. 313. The Secretary is authorized and hereby directed to consider the historic Acequia Systems (community ditches) of the Southwestern United States as public entities, if these systems are chartered by the respective State laws as political subdivisions of that State. This public entity status will allow the officials of these Acequia Systems to enter into agreements and serve as local sponsors of water-related projects of the Secretary.

SEC. 314. (a) The Secretary is authorized to implement a program of research in order to demonstrate the cropland irrigation and conservation techniques described in the report issued by the New England Division Engineer, dated May 1980, for the Saint John River Basin, Maine.

(b) For the purposes of this section, there is authorized to be appropriated to the Secretary the sums of $1,825,000 in the fiscal year ending September 30, 1984, $820,000 in the fiscal year ending September 30, 1985, and $785,000 for the fiscal year ending September 30, 1986, such sums to remain available until expended.

SEC. 315. (a) Bank protection activities conducted under the Rio Grande Bank protection project pursuant to the Act of April 25, 1945 (59 Stat. 89), may be undertaken in Starr County, Texas, notwithstanding any provision of such Act establishing the counties in which such bank protection activities may be undertaken.

(b) Any bank protection activity undertaken in Starr County, Texas, pursuant to subsection (a) of this section shall be—

(1) in accordance with such specifications as may be prepared for such purpose by the International Boundary and Water Commission, United States and Mexico; and

(2) except as provided in subsection (a) of this section, subject to the terms and conditions generally applicable to activities conducted under the Rio Grande Bank protection project.

TITLE IV—DAM SAFETY

SEC. 401. (a) Section 1 of Public Law 92-367 (86 Stat. 506) is amended by replacing the final period with a comma and inserting the following after the comma: "unless such barrier, due to its location or other physical characteristics is likely to pose a significant threat to human life or property in the event of its failure."

(b) Public Law 92-367 is further amended by inserting after Section the following Sections:

"SEC. 7. There is authorized to be appropriated to the Secretary of the Army, acting through the Chief of Engineers (hereafter in this Act referred to as the 'Secretary'), $15,000,000 for each of the fiscal years ending September 30, 1984, September 30, 1985, September 30, 1986, and September 30, 1987. Sums appropriated under this section shall be distributed annually among those States on the following basis: One-third equally among those States that have established dam safety programs approved under the terms of section 8 of this Act, and two-thirds in proportion to the number of dams located in each State that has an established dam safety program under the terms of section 8 of this Act to the number of dams in all States with such approved programs. In no event shall funds distributed to any State under this section exceed 50 per centum of the reasonable cost of implementing an approved dam safety program in such State.

"SEC. 8. (a) In order to encourage the establishment and maintenance of effective programs intended to assure dam safety to protect human life and property, the Secretary shall provide assistance under the terms of section 7 of this Act to any State that establishes and maintains a dam safety program which is approved under this section. In evaluating a State's dam safety program, under the terms of subsections (b) and (c) of this section, the Secretary shall determine that such program includes the following:

"(1) a procedure, whereby, prior to any construction, the plans for any dam will be reviewed to provide reasonable assurance of the safety and integrity of such dam over its intended life;

"(2) a procedure to determine, during and following construction and prior to operation of each dam built in the State, that

such dam has been conducted and will be operated in a safe and reasonable manner;

"(3) a procedure to inspect every dam within such State at least once every three years;

"(4) a procedure for more detailed and frequent safety inspections, if warranted;

"(5) the State has or can be expected to have authority to require those changes or modifications in a dam, or its operation, necessary to assure the dam's safety;

"(6) the State has or can be expected to develop a system of emergency procedures that would be utilized in the event a dam fails or for which failure is imminent together with an identification for those dams where failure could be reasonably expected to endanger human life, of the maximum area that could be inundated in the event of the failure of such dam, as well as identification of those necessary public facilities that would be affected by such inundation;

"(7) the State has or can be expected to have the authority to assure that any repairs or other changes needed to maintain the integrity of any dam will be undertaken by the dam's owner, or other responsible party; and

"(8) the State has or can be expected to have authority and necessary emergency funds to make immediate repairs or other changes to, or removal of, a dam in order to protect human life and property, and if the owner does not take action, to take appropriate action as expeditiously as possible.

"(b) Any program which is submitted to the Secretary under the authority of this section shall be deemed approved one hundred and twenty days following its receipt by the Secretary unless the Secretary determines that such program fails to reasonably meet the requirements of subsection (a) of this section. If the Secretary determines such a program cannot be approved, he shall immediately notify such State in writing, together with his reasons and those changes needed to anable such plan to be approved.

"(c) Utilizing the expertise of the Board established under section 11 of this Act, the Secretary shall review periodically the implementation and effectiveness of approved State dam safety programs. In the event the Board finds that a State program under this Act has proven inadequate to reasonably protect human life and property, and the Secretary agrees, the Secretary shall revoke approval of such State program and withhold assistance under the terms of section 7 of this Act until such State program has been reapproved.

SEC. 9. Not later than eighteen months after enactment of the Dam Safety Act of 1983, the Director of the Federal Emergency Management Agency shall report to the Congress on the need for and possible effects of a federally sponsored program of reinsurance or guarantees of insurance for owners of dams. This report shall include information on a variety of possible Federal reinsurance or guarantees programs and their cost, possible effects such a program or programs might have on the private reinsurance business, and the number of dam owners possibly affected by such a program.

"SEC. 10. (a) There is authorized to be established a Federal Dam Safety Review Board (hereinafter in this Act referred to as the 'Board'), which shall be responsible for reviewing the procedures and standards utilized in the design and safety anaylsis of dams constructed and operated under authority of the United States, and to monitor State implementation of this Act. The Board is authorized to hire necessary staff and shall review as expeditiously as possible the plans and specifications on all dams specifically authorized by Congress prior to initiation of construction of such dam, and file an advisory report on the safety of such dam with the appropriate agency, the appropriate State, and the Congress. The Board is authorized to utilize the expertise of other agencies of the United States and to enter contracts for necessary studies to carry out the requirements for this section. There is authorized to be appropriated to the Board such sums as may be necessary to carry out this section.

(b) The Board shall also study the need for a Federal loan program to assist the owners of non-Federal dams in rehabilitating such structures for safety deficiencies. This study shall include a quantitative assessment of the availability of funds from existing Federal programs and all other sources for dam rehabilitation, a quantitative assessment of the need for such funds, and an analysis of any impediments which are found to the utilization of existing Federal sources of funds for this purpose.

"(c) The Board shall consist of ten members selected for their expertise in dam safety, including one representative each from the Department of the Army, the Department of the Interior, the Tennessee Valley Authority, The Federal Emergency Management Agency, and the Department of Agriculture, plus four members, appointed by the President for periods of four years, on a rotating basis, who are not employees of the United States. At least two members of the Board shall be employees of the States having an approved program under section 8 of this Act. The Chairman of the Board shall be selected from among those members who are not employees of the United States.

"SEC. 11. The head of any agency of the United States that owns or operates a dam, or proposes to construct a dam in any State, shall, when requested by such State, consult fully with such State on the design and safety of such dam and allow officials to such State to participate with officials of such agency in all safety inspections of such dam.

"SEC. 12. The Secretary shall, at the request of any State that has or intends to develop a dam safety program under section 8 of this Act, provide training for State dam safety inspectors. There is authorized to be appropriated to carry out this section $1,000,000 for the fiscal year ending September 30, 1984, and $500,000 during each of fiscal years ending September 30, 1985, through September 30, 1987.

"SEC. 13. The Secretary, in cooperation with the National Bureau of Standards, shall undertake a program of research in order to develop improved techniques and equipment for rapid and effective dam inspection, together with devices for the continued monitoring of dams for safety purposes. The Secretary shall provide for State participation in such research and periodically advise all States of the results of such research. There is authorized to be appropriated to carry out this section $1,000,000 for each of the fiscal years ending September 30, 1984, through September 30, 1987.

"SEC. 14. The Secretary is authorized to maintain and periodically publish updated information on the inventory of dams authorized in section 5 of this Act. For the purpose of carrying out this section, there is authorized to be appropriated to the Secretary $500,000 for each of the fiscal years ending September 30, 1984, through September 30, 1987."

SEC. 402. Any report that is submitted to the Committee on Environment and Public Works of the Senate or the Committee on Public Works and Transportation of the House of Representatives by the Secretary of the Army, acting through the Chief of Engineers, or the Secretary of Agriculture, acting under Public Law 83-566, as amended, which proposes construction of a water impoundment facility, shall include information on the consequences of failure and geologic or design factors which could contribute to the possible failure of such facility.

SHORT TITLE

SEC. 403. This title shall be known as the "Dam Safety Act of 1983".

TITLE V—INLAND NAVIGATION

SEC. 501. Notwithstanding any other provision of law, the Secretary shall not obligate more than $500,000,000 for construction, rehabilitation, renovation, operations, and maintenance on the inland waterways of the United States in any of the fiscal years ending September 30, 1985, through September 30, 1999.

SEC. 502. (a) In addition to sums available annually under the terms of section 501 of this title, and subject to the provisions of section 503 of this title, the Secretary is authorized to impose, collect, and expend use charges and tolls on the commercial users of the inland waterways of the United States to the degree necessary for the construction, rehabilitation, renovation, operations, and maintenance of a system of inland waterways so that such waterways are sufficient to meet the needs of the commercial waterway users.

(b) For the purpose of this title, the term "inland waterways of the United States" means those waterways authorized to be constructed or maintained by the Secretary to depths of twelve feet or less.

SEC. 503. There is hereby established an Inland Waterway Users Board (hereinafter referred to as the "Users Board") composed of twenty-one members selected by the Secretary in order to represent a spectrum of users and shippers utilizing the various inland waterways of the United States for commercial purposes.

(b) The Users Board shall meet at least annually to develop and make recommendations to the Secretary for spending levels on the inland waterways of the United States for the following fiscal year. The Secretary shall not obligate funds under this Act in excess of the levels recommended by the Users Board.

SEC. 504. Section 4 of the Act of July 5, 1884 (23 Stat. 147), as amended by the Act of March 3, 1909 (33 U.S.C. 5), is hereby amended to read as follows:

"SEC. 4. The Secretary of the Army, acting through the Chief of Engineers, is authorized to operate, maintain, and keep in repair and rehabilitate any project for the benefit of navigation belonging to the United States or that may be hereafter acquired or constructed: *Provided*, That whenever, in the judgment of the Secretary of the Army, the condition of any of the aforesaid works is such that its reconstruction or replacement is essential to efficient and economical maintenance and operation, as herein provided for, and if the cost shall be less than $25,000,000, the Secretary may proceed with such work: *Provided further*, That the project does not increase the scope or change the location of an existing project: *And pro-*

vided further, That nothing herein contained shall be held to apply to the Panama Canal.".

SEC. 505. The following works of improvement to the inland waterways of the United States are hereby adopted and authorized to be prosecuted by the Secretary in accordance with the plans and subject to the conditions recommended in the respective reports hereinafter designated:

(1) Helena Harbor, Phillips County, Arkansas: Report of the Chief of Engineers dated October 17, 1980, at a Federal cost of $42,000,000 (October 1982);

(2) White River Navigation to Batesville, Arkansas: Report of the Chief of Engineers dated December 23, 1981, at a Federal cost of $20,500,000 (October 1982);

(3) Lake Pontchartrain, North Shore, Louisiana: Report of the Chief of Engineers dated February 14, 1979 at a Federal cost of $850,000 (October 1982);

(4) Greenville Harbor, Mississippi: Reports of the Chief of Engineers dated November 15, 1977, and February 22, 1982, at a Federal cost of $27,700,000 (October 1982);

(5) Vicksburg Harbor, Mississippi: Report of the Chief of Engineers dated August 13, 1979, at a Federal cost of $54,700,000 (October 1982);

(6) Atlantic Intracoastal Waterway Bridges, North Carolina: Report of the Chief of Engineers dated October 1, 1975, at a Federal cost of $8,000,000 (October 1982);

(7) Olcott Harbor, New York: Report of the Chief of Engineers dated June 11, 1980, at a Federal cost of $5,320,000 (October 1982);

(8) Bonneville Lock and Dam, Oregon and Washington-Columbia River and Tributaries Interim Report: Reports of the Chief of Engineers dated March 14, 1980, and February 10, 1981, at a Federal cost of $177,000,000 (October 1982);

(9) Memphis Harbor, Memphis, Tennessee: Report of the Chief of Engineers dated February 25, 1981, at a Federal cost of $43,000,000 (October 1982);

(10) Gallipolis Locks and Dam Replacement, Ohio River, Ohio and West Virginia: Report of the Chief of Engineers dated April 8, 1982, at a Federal cost of $313,000,000 (October 1982);

SEC. 506. The Secretary is authorized to maintain and rehabilitate the New York State Barge Canal: *Provided, however,* That the State of New York shall provide one-half of the annual costs to operate, maintain, and rehabilitate the canal: *And provided, further,* That control and operation of the canal shall continue to reside with the State of New York.

(b) For the purposes of this Act, the New York State Barge Canal is defined to be—

(i) the Erie Canal, which connects the Hudson River at Waterford with the Niagara River at Tonawanda;

(ii) the Oswego Canal, which connects the Erie Canal at Three Rivers with Lake Ontario at Oswego;

(iii) the Champlain Canal, which connects the easterly end of the Erie Canal at Waterford with Lake Champlain at Whitehall; and

(iv) the Cayuga and Seneca Canals, which connect the Erie Canal at a point near Montezuma with Cayuga and Seneca Lakes and through Cayuga Lake and Ithaca and through Seneca Lake with Montour Falls.

SEC. 507. (a) To ensure the coordinated development and enhancement of the Upper Mississippi River System, the Congress declares that the purpose of this section is to recognize such System as a nationally significant ecosystem and a nationally significant commercial navigation system. The Congress further recognizes that such System provides a diversity of opportunities and experiences. Such System shall be administered and regulated in recognition of its several purposes.

(b) For purposes of this section—

(1) the term "Master Plan" means the Comprehensive Master Plan for the Management of the Upper Mississippi River System, dated January 1, 1982, prepared by the Upper Mississippi River Basin Commission and submitted to the Congress pursuant to the Act entitled "An Act to amend the Internal Revenue Code of 1954 to provide that income from the conducting of certain bingo games by certain tax-exempt organizations will not be subject to tax, and for other purposes", approved October 21, 1978 (92 Stat. 1693; Public Law 95-502), hereafter in this Act referred to as the "Act of October 21, 1978"; and

(2) the terms "Upper Mississippi River System" and "System" mean those river reaches having commercial navigation channels on the following rivers: the Mississippi River main stem north of Cairo, Illinois; the Minnesota River, Minnesota; the Black River, Wisconsin; the Saint Croix River, Minnesota and Wisconsin; the Illinois River and Waterway, Illinois; and the Kaskaskia River, Illinois.

(c)(1) The Congress hereby approves the Master Plan as a guide for future water policy on the Upper Mississippi River System. Such approval shall not constitute authorization of any recommendation contained in the Master Plan.

(2) Section 101 of the Act of October 21, 1978 is amended by striking out the last two sentences of subsection (b) and the last sentence of subsection (j).

(d)(1) The Congress hereby gives its consent to the States of Illinois, Iowa, Minnesota, Missouri, and Wisconsin, or any two or more of such States, to enter into agreements, not in conflict with any law of the United States, for cooperative effort and mutual assistance in the comprehensive planning for the use, protection, growth, and development of the Upper Mississippi River System, and to establish such agencies, joint or otherwise, as they may deem desirable for making effective such agreements.

(2) Each officer or employee of the United States responsible for management of any part of the System is authorized in accordance with such officer's or employee's legal authority to assist and participate, when requested by any agency established under paragraph (1) of this subsection, in programs or deliberations of such agency.

(e)(1) The Secretary is authorized to provide for the engineering, design, and construction, at an estimated cost of $200,000,000, of a second lock at locks and dam 26, Mississippi River, Alton, Illinois and Missouri. Such second lock shall be 110 feet by 600 feet and shall be constructed at or in the vicinity of the location of the replacement lock authorized by section 102 of the Act of October 21, 1978.

(2) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this subsection.

(f)(1) The Secretary, acting in consultation with the Secretary of Transportation and the States in the System, shall monitor traffic movements on the System for the purpose of verifying lock capacity, updating traffic projections, and refining the economic evaluations so as to verify the need for future capacity expansion of the System as well as the future need for river rehabilitation and environmental enhancement.

(2) There are authorized to be appropriated to the Secretary for the first fiscal year beginning after the date of enactment of this Act, and for each of nine fiscal years following thereafter, such sums as may be necessary to carry out paragraph (1) of this subsection.

(g)(1) The Secretary of the Interior, in concert with any appropriate State agency, is authorized to undertake with respect to the Upper Mississippi River System, substantially in accordance with the recommendations of the Master Plan——

(A) a habitat rehabilitation and enhancement program to plan, construct, and evaluate projects to protect, enhance, or rehabilitate aquatic and terrestrial habitats lost or threatened as a result of man-induced activities or natural factors;

(B) the implementation of a long-term resource monitoring program; and

(C) the implementation of a computerized inventory and analysis system.

(2) For the purposes of carrying out subparagraph (g)(1)(A) of this subsection, there are authorized to be appropriated to the Secretary of the Interior not to exceed $8,200,000 for the first fiscal year beginning after the date of enactment of this Act, not to exceed $12,400,000 for the second fiscal year beginning after the date of enactment of this act, and not to exceed $13,000,000 for each of the succeeding eight fiscal years.

(3) For purposes of carrying out subparagraph (g)(1)(B) of this subsection, there are authorized to be appropriated to the Secretary of the Interior not to exceed $7,680,000 for the first fiscal year beginning after the date of enactment of this Act and not to exceed $5,080,000 for each of the succeeding nine fiscal years.

(A) not to exceed $40,000 for the first fiscal year beginning after the date of enactment of this Act;

(B) not to exceed $280,000 for the second fiscal year beginning after the date of enactment of this Act;

(C) not to exceed $1,220,000 for the third fiscal year beginning after the date of enactment of this Act; and

(D) not to exceed $775,000 for each of the succeeding seven fiscal years.

(h)(1) The Secretary of the Interior, in consultation with the Secretary and working through an agency, if any, established by the States for management of the System under subsection (d) of this section, is authorized to implement a program of recreational projects for the System and to conduct an assessment of the economic benefits generated by recreational activities in the System.

(2) For purposes of carrying out the program of recreational projects authorized in paragraph (1) of this subsection, there are authorized to be appropriated to the Secretary of the Interior not to exceed $500,000 for each of the first ten fiscal years beginning after the date of enactment of this Act and, for purposes of carrying out the assessment of the economic benefits of recreational activities as authorized in paragraph (1) of this subsection, there are authorized to be appropriated to the Secretary of the Interior not to exceed $300,000 for the first and second fiscal years and $150,000 for the third fiscal year beginning after the computerized inventory and analysis system implemented pursuant to subsection (g)(1)(C) of this section is fully functional.

(i)(1) The Congress finds that there has been reasonable compliance with the provisions of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) in the formulation of the Master Plan and the environmental impact statement on construction of the first lock at locks and dam 26, Mississippi River, Alton, Illinois and Missouri.

(2) The actions authorized in subsection (e) of this section are exempt from the provisions of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

(j) None of the funds appropriated pursuant to the authorization contained in subsections (g) and (h) of this section shall be considered to be attributable to navigation.

(k) This section may be cited as the "Upper Mississippi River System Management Act."

TITLE VI—COST SHARING

SEC. 601. (a) The construction of any water resource project or related land resources project authorized in this Act or after the date of enactment of this Act, excluding any project for the purposes of navigation, shall be initiated only after the appropriate Federal agency has entered into an agreement with a non-Federal project sponsor to share the costs of construction in accordance with the following guidelines, and agrees to pay, upon completion of project construction, 100 per centum of operation, maintenance, and rehabilitation costs:

(1) hydroelectric power, publicly financed: not less than 10 per centum;

(2) hydroelectric power, privately financed: a negotiated payment for the right to use a Federal facility or a partnership arrangement, but not less than 100 per centum of the costs associated with such right or arrangement;

(3) municipal and industrial water: 100 per centum;

(4) recreation: 50 per centum of joint and seperable costs;

(5) beach erosion control; not less than 50 per centum for publically owned shores and not less than 100 per centum for privately owned shores within project limits;

(6) fish and wildlife mitigation: not less than 35 per centum, to be allocated in proportion to project costs;

(7) fish and wildlife enhancement: not less than 35 per centum;

(8) urban and rural flood protection, rural drainage, or agricultural water supplies: not less than 35 per centum, or, for projects covered by section 3 of the Flood Control Act of 1936, as amended, the value of lands easements, right-of-way and relocations required for project construction, whichever is greater, subject to an ability to pay determination under section 603 of this title.

(b) Any cost-sharing agreement for the construction of any water or related land resources project involving two or more purposes may provide for an allocation of costs to each purpose which is greater or lesser than the actual costs associated with each purpose, but the total non-Federal contribution for any such multipurpose project shall equal the amount determined by adding together the cost-sharing and repayment requirements calculated under this section for each purpose separately.

SEC. 602. (a) Payment in kind may be accepted for any non-Federal contribution under this Act, except that not less than 5 per centum of the cost of any urban or rural flood protection project substantially involving structural works shall be paid in cash by the non-Federal project sponsor during construction of such project.

(b) To the extent that urban and rural flood protection benefits are provided by nonstructural measures, a cash contribution shall not be required of non-Federal project sponsors.

(c) The appropriate Federal agency may permit the full non-Federal contribution to be made, without, interest, during construction of the project or, with interest, over a period not to exceed thirty years from the date of project completion.

(d) Any repayment by any non-Federal sponsor under this section shall include—

(i) the applicable rate of interest, if any, authorized by law for the project, or

(ii) when no other rate is provided by law, the rate of interest determined by the Secretary of the Treasury, taking into consideration the average market yields on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the reimbursement period, during the month preceding the fiscal year in which funds for the construction of the project are first disbursed.

(e) At the request of any non-Federal private or public sponsor the appropriate Federal agency may permit such non-Federal sponsor to delay the initial payment of any non-Federal contribution under this Act for up to one year after the date when construction is begun on the project for which such contribution is to be made.

SEC. 603. Any cost-sharing agreement under this Act with a non-Federal private or public sponsor of an urban and rural flood protection, rural drainage, or agricultural water supply project shall be consistent with the ability of any such non-Federal sponsor to pay. The ability of any non-Federal sponsor to pay shall be determined by the appropriate Federal agency in accordance with any applicable law or, in the absence of applicable law, under procedure to be determined by the appropriate agency.

SEC. 604. No additional cost sharing or repayment shall be required from any non-Federal sponsor for any water or related land resources project authorized prior to the date of enactment of this Act beyond any applicable cost-sharing and repayment requirements of existing law, but construction shall not be initiated prior to the fiscal year ending September 30, 1994, on any such project or separable element thereof unless—

(a) a non-Federal sponsor agrees to pay any cost-sharing and repayment requirements associated with such project under existing law and 50 per centum of any additional cost-sharing or repayment contributions associated with such project under section 601 of this title; or

(b) such project is an uncompleted unit (or reformulation of such unit) of a comprehensive river basin program of development to be located in a State in which large acreages of land or volumes of water have been dedicated to such program for the benefit of citizens in other States and thereby denied to the use of the citizens of such State.

In determining priorities for development among projects authorized for development prior to the date of enactment of this Act, the appropriate Federal agencies shall consult with the States in which such projects are to be located and shall consider any priorities established by any State for the development of such projects.

TITLE VII

The following works of improvement of rivers and harbors and other waterways for flood control and other purposes are hereby adopted and authorized to be prosecuted by the Secretary in accordance with the plans and subject to the conditions recommended in the respective reports hereinafter designated:

(a) FLOOD CONTROL.—

(1) Village Creek, Jefferson County, Alabama: Report of the Chief of Engineers dated December 23, 1982, at a Federal cost of $20,700,000 (October 1982);

(2) Eight Mile Creek, Paragould, Arkansas: Report of the Chief of Engineers dated August 10, 1979, at a Federal cost of $14,500,000 (October 1982);

(3) Fourche Bayou Basin, Little Rock, Arkansas: Report of the Chief of Engineers dated September 4, 1981, at a Federal cost of $19,700,000 (October 1982);

(4) Helena and vicinity, Arkansas: Report of the Chief of Engineers dated June 23, 1983, at a Federal cost of $11,600,000 (October 1982);

(5) Little Colorado River at Holbrook, Arizona: Report of the Chief of Engineers dated December 23, 1981, at a Federal cost of $7,730,000 (October 1982);

(6) Cache Creek Basin, California: Report of the Chief of Engineers dated April 27, 1981, at a Federal cost of $21,100,000 (October 1982);

(7) Redbank and Fancher Creeks, California: Report of the Chief of Engineers dated May 7, 1981, at a Federal cost of $57,200,000 (October 1982);

(8) Santa Ana River Mainstem, including Santiago Creek, California: Report of the Chief of Engineers dated January 15, 1982, at a Federal cost of $1,180,000 (October 1982): *Provided*, That construction is restricted to the following elements of the project: improvements at Prado Dam which limit the reservoir taking line to no greater than an elevation of 566 feet; Santa Ana River Channel improvements in Orange County; improvements along Santiago Creek; improvements of the Oak Street Drain; and improvement of the Mill Creek levees; features for mitigation of project effects and preservation of endangered species, and recreation features identified in the Chief of Engineers' Report for these project elements;

(9) Fountain Creek, Pueblo, Colorado, Phase I GDM: Report of the Chief of Engineers dated December 23, 1981, at a Federal cost of $6,600,000 (October 1982);

(10) Metropolitan Denver and South Platte River and Tributaries, Colorado, Wyoming, and Nebraska: Report of the Chief of Engineers dated December 23, 1981, at a Federal cost of $9,080,000 (October 1982);

(11) Oates Creek, Georgia: Report of the Chief of Engineers dated December 23, 1981, at a Federal cost of $8,360,000 (October 1982);

(12) Agana River, Guam: Report of the Chief of Engineers dated March 14, 1977, at a Federal cost of $5,820,000 (October 1982);

(13) Big Wood River and Tributaries, Idaho, Interim Report—Little Wood River, Vicinity of Gooding and Shoshone, Idaho: Report of the Chief of Engineers dated November 2, 1977, at a Federal cost of $3,750,000 (October 1982);

(14) Rock River at Rockford and Vicinity, Illinois, Loves Park Interim: Report of the Chief of Engineers dated September 15, 1980, at a Federal cost of $22,800,000 (October 1982);

(15) Halstead, Kansas: Report of the Chief of Engineers dated May 8, 1979, at a Federal cost of $6,130,000 (October 1982);

(16) Atchafalaya Basin Floodway system, Louisiana: Report of the Chief of Engineers dated February 28, 1983, at a Federal cost of $195,000,000 (October 1982);

(17) Bushley Bayou, Louisiana, Phase I GDM: Reports of the Chief of Engineers dated April 30, 1980, and August 12, 1982, at a Federal cost of $42,800,000 (October 1982);

(18) Louisiana State Penitentiary Levee, Mississippi River: Report of the Chief of Engineers dated December 10, 1982, at a Federal cost of $20,500,000 (October 1982);

(19) Quincy Coastal Streams, Massachusetts, Town Brook Interim: Report of the Chief of Engineers dated December 14, 1981, at a Federal cost of $25,100,000 (October 1982);

(20) Mississippi River at St. Paul, Minnesota: Report of the Chief of Engineers dated June 16, 1983, at a Federal cost of $7,200,000 (October 1982);

(21) Redwood River at Marshall, Minnesota: Report of the Chief of Engineers dated November 16, 1981, at a Federal cost of $3,130,000 (October 1982);

(22) Root River Basin, Minnesota: Report of the Chief of Engineers dated May 13, 1977, at a Federal cost of $8,150,000 (October 1982);

(23) South Fork Zumbro River Watershed at Rochester, Minnesota: Report of the Chief of Engineers dated February 23, 1979, at a Fedaral cost of $77,800,000 (October 1982);

(24) Horn Lake Creek and Tributaries, Including Cow Pen Creek, Tennessee and Mississippi: Report of the Chief of Engineers dated January 4, 1983, at a Federal cost of $2,450,000 (October 1982);

(25) Robinson's Branch of the Rahway River at Clark, Scotch Plains, and Rahway, New Jersey: Report of the Chief of Engineers dated October 10, 1975, at a Federal cost of $13,500,000 (October 1982);

(26) Rahway River and Van Winkles Brook at Springfield, New Jersey: Report of the Chief of Engineers dated October 24, 1975, at a Federal cost of $12,300,000 (October 1982);

(27) Green Brook Subbasin, Raritan River Basin, New Jersey: Report of the Chief of Engineers dated September 4, 1981, at a Federal cost of $72,900,000 (October 1982);

(28) Middle Rio Grande Flood Protection, Bernalillo to Belen, New Mexico; Report of the Chief of Engineers dated June 23, 1981, at a Federal cost of $39,200,000 (October 1982): *Provided*, That the Secretary is authorized to increase flood protection through the dredging of the bed of the Rio Grande in the vicinity of Albuquerque, New Mexico, to an elevation lower than existed on the date of enactment of this Act;

(29) Puerco River and Tributaries, Gallup, New Mexico: Report of the Chief of Engineers dated September 4, 1981, at a Federal cost of $3,220,000 (October 1982);

(30) Cazenovia Creek Watershed New York: Report of the Chief of Engineers dated September 8, 1977, at a Federal cost of $1,910,000 (October 1982);

(31) Mamaroneck and Sheldrake Rivers Basin and Byram River Basin, New York and Connecticut: Report of the Chief of Engineers dated April 4, 1979, at a Federal cost of $44,100,000 (October 1982);

(32) Hocking River at Logan and Nelsonville, Ohio: Report of the Chief of Engineers dated June 23, 1978, at a Federal cost of $6,180,000 for Logan and $6,460,000 for Nelsonville (October 1982);

(33) Miami River, Fairfield, Ohio: Report of the Chief of Engineers dated June 22, 1983, at a Federal cost of $200,000 (October 1982);

(34) Miami River, Little Miami River, Interim Report Number Two, West Carrollton, Holes Creek, Ohio: Report of the Chief of Engineers dated December 23, 1981, at a Federal cost of $5,950,000 (October 1982);

(35) Muskingum River Basin, Ohio: Report of the Chief of Engineers dated February 3, 1978, at a Federal cost of $3,500,000 for Mansfield and $6,420,000 for Killbuck (October 1982);

(36) Scioto River at North Chillicothe, Ohio: Report of the Chief of Engineers dated September 4, 1981, at a Federal cost of $9,070,000 (October 1982);

(37) Mingo Creek, Tulsa, Oklahoma: Report of the Chief of Engineers dated November 16, 1981, at a Federal cost of $87,800,000 (October 1982);

(38) Parker Lake, Muddy Boggy Creek, Oklahoma: Report of the Chief of Engineers dated May 30, 1980, at a Federal cost of $43,800,000 (October 1982);

(39) Harrisburg, Pennsylvania, Phase I GDM: Report of the Chief of Engineers dated May 16, 1979, at a Federal cost of $102,000,000 (October 1982);

(40) Lock Haven, Pennsylvania, Phase I GDM: Report of the Chief of Engineers dated December 14, 1981, at a Federal cost of $65,500,000 (October 1982);

(41) Saw Mill Run, Pittsburgh, Pennsylvania: Report of the Chief of Engineers dated January 30, 1978, at a Federal cost of $7,020,000 (October 1982);

(42) Big River Reservoir, Rhode Island: Report of the Chief of Engineers dated March 9, 1983, at a Federal cost of $40,900,000 (October 1982);

(43) Nonconnah Creek, Tennessee and Mississippi: Report of the Chief of Engineers dated December 23, 1982, at a Federal cost of $19,200,000 (October 1982);

(44) Buffalo Bayou and Tributaries, Texas: Report of the Chief of Engineers dated June 13, 1978, at a Federal cost of $75,000,000 (October 1982);

(45) Boggy Creek, Austin, Texas: Report of the Chief of Engineers dated January 19, 1981, at a Federal cost of $13,800,000 (October 1982);

(46) Lake Wichita, Holliday Creek, Texas: Report of the Chief of Engineers dated July 9, 1979, at a Federal cost of $14,900,000 (October 1982);

(47) James River Basin, Richmond, Virginia, Phase I GDM; Report of the Chief of Engineers dated November 16, 1981, at a Federal cost of $79,600,000 (October 1982);

(48) Chehalis River at South Aberdeen and Cosmopolis, Washington: Report of the Chief of Engineers dated February 8, 1977, at a Federal cost of $19,300,00 (October 1982); and

(49) Yakima Union Gap, Washington: Report of the Chief of Engineers dated May 7, 1980, at a Federal cost of $8,640,000 (October 1982).

(b) HYDROPOWER DEVELOPMENT.—

(1) South Central Railbelt Area, Alaska, Hydroelectric Power, Valdez and Copper River Basin: Report of the Chief of Engineers dated October 29, 1982, at a Federal cost of $40,500,000 (October 1982);

(2) Murray Lock and Dam, Hydropower, Arkansas: Report of the Chief of Engineers dated December 23, 1981, at a Federal cost of $92,900,000 (October 1982);

(3) Metropolitan Atlanta Area Water Resources Management Study, Georgia: Report of the Chief of Engineers dated June 1, 1982, at a Federal cost of $24,500,000 (October 1982);

(4) Lucky Peak Dam and Lake, Idaho, Modification Study: Report of the Chief of Engineers dated March 17, 1980, at a Federal cost of $98,700,000 (October 1982);

(5) W. D. Mayo Lock and Dam 14, Hydropower, Oklahoma: Report of the Chief of Engineers dated December 23, 1981, at a Federal cost of $112,100,000 (October 1982);

(6) McNary Lock and Dam Second Powerhouse, Columbia River, Oregon and Washington, Phase I GDM; Report of the Chief of Engineers dated June 24, 1981, at a Federal cost of $600,000,000 (October 1982); and

(7) Gregory County Hydroelectric Pumped Storage Facility, Stages I and II, South Dakota: Report of the Chief of Engineers dated April 26, 1983, together with such additional associated multipurpose water supply and irrigation features as are generally described in the final feasibility report of the District Engineer, at a Federal, cost of $1,280,000,000, not to exceed $100,000,000 of which may be used to construct such associated water supply and irrigation features. Notwithstanding any other provision of law, the Corps of Engineers and the Western Area Power Administration shall cooperate in the construction and operation of the project, and the marketing of project output, in accordance with terms and conditions agreeable to the State of South Dakota.

(c)(1) SHORELINE PROTECTION.—

(A) Charlotte County, Florida: Report of the Chief of Engineers dated April 2, 1982, at a Federal cost of $1,440,000 (October 1982);

(B) Indian River County, Florida; Report of the Chief of Engineers dated December 21, 1981, at a Federal cost of $2,300,000 (October 1982);

(C) Panama City Beaches, Florida: Report of the Chief of Engineers dated July 8, 1977, at a Federal cost of $26,200,000 (October 1982);

(D) Saint Johns County, Florida: Report of the Chief of Engineers dated February 26, 1980, at a Federal cost of $7,660,000 (October 1982);

(E) Jekyll Island, Georgia: Report of the Chief of Engineers dated March 3, 1976, at a Federal cost of $5,870,000 (October 1982);

(F) Atlantic Coast of Maryland and Assateague Island, Virginia: Report of the Chief of Engineers dated September 29, 1981, at a Federal cost of $21,000,000 (October 1982);

(G) Atlantic Coast of New York City from Rockaway Inlet to Norton Point, New York: Report of the Chief of Engineers dated August 18, 1976, at a Federal cost of $2,970,000 (October 1982);

(H) Presque Isle Peninsula, Erie, Pennsylvania: Report of the Chief of Engineers dated October 2, 1981, at a Federal cost of $17,200,000 (October 1982); and

(I) Folly Beach, South Carolina: Report of the Chief of Engineers dated March 17, 1981, at a Federal cost of $1,110,000 (October 1982).

(2) Construction of the projects authorized in this subsection shall be subject to determinations of the Secretary, after consultation with the Secretary of the Interior, that the construction will be in compliance with the Coastal Barrier Resources Act (Public Law 97-348).

(d) MITIGATION.—

(1) Fish and Wildlife Program for the Sacramento River Bank Protection Project, California, First Phase: Report of the Chief of Engineers dated September 1, 1981, at a Federal cost of $2,030,000 (October 1982);

(2) Richard B. Russell Dam and Lake, Savannah River, Georgia and South Carolina, Fish and Wildlife Mitigation Report: Report of the Chief of Engineers dated May 11,

1982, at a Federal cost of $18,700,000 (October 1982);

(3) West Kentucky Tributaries Projects, Fish and Wildlife Mitigation Plan, Obion Creek, Kentucky: Report of the Chief of Engineers dated September 16, 1980, at a Federal cost of $3,980,000 (October 1982);

(4) Cape May Inlet to Lower Township, New Jersey, Phase I GDM: Report of the Chief of Engineers dated December 23, 1981, at a Federal cost of $15,600,000 (October 1982); and

(5) Cooper Lake and Channels Project, Texas, Report on Fish and Wildlife Mitigation: Report of the Chief of Engineers dated May 21, 1982, at a Federal cost of $7,570,000 (October 1982).

(e) DEMONSTRATION.—

(1) Cabin Creek, West Virginia, Demonstration Reclamation Project: Report of the Chief of Engineers dated March 1, 1979, at a Federal cost of $32,800,000 (October 1982);

(2) Lava Flow Control, Island of Hawaii, Hawaii: Report of the Chief of Engineers dated July 21, 1981, at a Federal cost of $3,950,000 (October 1982);

(3) San Francisco Harbor, California, Fisherman's Wharf Area: Reports of the Chief of Engineers dated February 3, 1978, and June 7, 1979, at a Federal cost of $13,500,000 (October 1982).

SECTION-BY-SECTION ANALYSIS WATER RESOURCES DEVELOPMENT ACT OF 1983

TITLE I

This title provides for monetary spending ceilings on the construction budget accounts of the Corps of Engineers, and ensures that these ceilings do not impair Corps contracting authority or limit obligations for reimbursable activity performed for other agencies.

TITLE II. GENERAL PROVISIONS

Section 201. provides that where a flood protection project yields increases in land value to a single owner to such an extent that the owner receives 10% or more of the project benefits, the Secretary of the Army will enter agreement for repayment of half of the project costs allocated to the owners benefits. The section provides further that the Corps will include data on such beneficiaries in future studies.

Section 202. requires that the Agriculture Department's Soil Conservation Service project reports include data on all public recreation facilities in the project area, and the impact of the project on these areas.

Section 203. provides new deauthorization procedures for Corps projects. Any project which has not received appropriations in the last ten years would be automatically deauthorized unless the Secretary of the Army determines, in consultation with affected state governors, that the project should remain authorized. This procedure becomes effective one year after the date of enactment.

Section 204. provides for the deauthorization of Corps studies which have not received funds for 4 years and requires that the Secretary of the Army submit to the Congress a list of all affected studies.

Section 205. provides that new Soil Conservation Services Projects with costs in excess of $10 M can be authorized only by act of Congress.

Section 206. requires that SCS projects must have at least 20% agriculture-related benefits.

Section 207. requires the Secretary of Agriculture to report to the Congress on the advisibility of opening to the public all impoundments with recreation potential which have been built under the SCS program.

Section 208. defines single purpose municipal and industrial water supply, including rehabilitation of distribution systems, as a legitimate federal purpose for project development.

Section 209. Authorizes the Secretary to enable district engineers to certify that local improvements for flood control are compatible with a project under study so that local interests may go forward with the understanding that such improvements are likely to be a part of a Federal project under study, both for benefit/cost assessment and cost-sharing assessments.

Section 210. Authorizes the Secretary to undertake a program to assist local communities in the control of river ice which creates a flood hazard and directs him to report to the Congress by March 1, 1987 on the program. $5 million annually is authorized to be appropriated for the program between FY 1984-1988.

Section 211. Authorizes the Secretary to provide technical assistance for rehabilitation of millraces and similar existing facilities constructed for use as hydroelectric facilities, and authorizes $5 million annually for such assistance between FY 1984-1988.

Section 212. Amends the Flood Control Act of 1970 to ensure that when agreements under the act are made with a State, such agreements may be made reflecting that they do not obligate future State legislatures where such obligation is inconsistent with State constitutions.

Section 213. Requires that the Chief of Engineers report favorably on any project newly authorized in this Act before such project may be initiated.

Section 214. Sets a ceiling on the Federal costs of the projects authorized in this act.

Section 215. Mandates that the Secretary of the Army shall not require non-Federal interests to assume maintenance of recreation facilities as a condition for the construction of such facilities.

Section 216. Permits the creation of Federal Project Repayment Districts in accordance with State law for the purpose of contracting with the Secretary of the Army for the recovery of the appropriate share of project costs. Such districts would have the authority to collect a portion of the transfer price from any transaction involving the sale, transfer, or change in beneficial ownership of lands and improvements within the district boundary.

TITLE III. PROJECT RELATED PROVISIONS

Section 301. authorizes three bank erosion control measures for construction and mandates that projects authorized prior to this act for similar purposes be given priority consideration in the allocation of funds. These measures are at Moundville and Fort Toulouse, Alabama, and Tangier Island, Virginia.

Section 302. Secretary is authorized and directed to relocate the Delaware River dredge disposal site.

Section 303. authorizes construction of emergency gates at the existing Abiquiu Dam, New Mexico and authorizes $2.5 M to be appropriated for this purpose.

Section 304. places the geographic area of the State of New Mexico under the Corps district office in Albuquerque.

Section 305. authorizes the Secretary to provide hydropower to the city of Abbeville, SC, to mitigate losses at the city plant which will occur when Richard B. Russel Project is completed and the dam is filled.

Section 306. authorizes the Secretary of the Army to modify the Waterbury dam in Vermont, as authorized for such modification in the Flood Control Act of 1944.

Section 307. modifies the boundary lines of the Tacoma, Washington harbor channel.

Section 308. authorizes the Secretary to study water conservation and resources in the North Marianas Islands and Trust Territories. Authorizes a total of $175,000 for such studies.

Section 309. adds water supply to the list of authorized project purposes for the existing Brazos River Basin project in Texas.

Section 310. directs the Secretary of the Army, in consultation with the Secretary of the Interior and the Secretary of Energy, to determine the amount of hydroelectric power which would be required for development of the Missouri River Basin project in South Dakota under the Flood Control Act of 1944, and to make such power available for pumping Missouri River water at sites designated by the State. If the State resells the power any revenues derived from such sale shall be used by the State for economic or resources development.

Section 311. modifies authorization of the Jackson Hole-Snake River project, Wyoming, to allow for Federal assumption of project maintenance in excess of $35 thousand annually.

Section 312. modifies the authorization for the Truth or Consequences unit of the Rio Floodway, New Mexico, to allow for a flood control dam in lieu of a floodway.

Section 313. authorizes Secretary of the Army to consider the Acequia Systems of the Southwest as public entitles to allow officials of the systems to serve as local sponsors of Corps projects.

Section 314. authorizes the Secretary of the Army to implement a demonstration program for an irrigation project on the St. Johns River, Maine, and authorizes appropriations of $3.4 million for this purpose.

Section 315. provides for the inclusion of Starr County, Texas in the bank protection program of the Rio Grande Bank protection project.

TITLE IV. DAM SAFETY

Section 401. (a). requires that dams having certain safety-related characteristics but not meeting the minimum size requirements set forth in P.L. 92-367 be included in the National Inventory of Dams.

Section 401. (b). adds the following new sections to P.L. 92-367:

Section 7 authorizes $15,000 per annum for five years beginning in FY '84 to be distributed on a 50-50 matching basis to states having dam safety programs meeting the requirements of Section 8 of this bill. One-third of this money is to be equally divided among those states and two-thirds is to be distributed according to the number of dams which are on the National Inventory in each respective state.

Section 8 delineates those criteria which a state's dam safety program must possess in order to be eligible for funding under Section 7.

Section 9 authorizes the Federal Emergency Management Agency to study the need for, and effects of, a Federal reinsurance program for the owners of non-Federal dams.

Section 10 authorizes a Federal Dam Safety Review Board, consisting of representatives of the Corps, the Department of the Interior, the Department of Agriculture, the TVA, and the Federal Emergency Management Agency, as well as five non-Feder-

al, Presidentially appointed members. The Board is to be authorized to perform three functions: (i) to review design and safety standard of dams constructed and operated by the Federal Government, (ii) to review state implementation of this Act, and (iii) to study the need for a Federal loan program for repair of unsafe non-Federal dams.

Section 11 requires Federal dam building agencies to consult with host states, upon request, on the operation, maintenance, construction, or safety inspection of agency dams.

Section 12 provides funds for the Corps of Engineers to provide training for state dam safety personnel. Authorizes $1,000,000 the first year and $500,000 for the next four years.

Section 13 authorizes $1,000,000 for each of five fiscal years beginning in fiscal year 1984 for the Bureau of Standards to conduct dam safety related research.

Section 14 authorizes $500,000 for each of five fiscal years beginning in fiscal year 1984 for the Corps to update and maintain the National Inventory of Dams.

Section 402. requires the Corps of Engineers and the Soil Conservation Service to provide in their project reports which include dams information as to factors that could contribute to and the consequences of the dam's failure.

Section 403. defines this title as the "Dam Safety Act of 1983".

TITLE V. INLAND NAVIGATION

Section 501. sets a ceiling of $500 M per annum on obligations of the Corps of Engineers for the operation, maintenance, rehabilitation, and construction of the inland navigation system.

Section 502. authorizes the Secretary of the Army to charge fees for the collection of moneys to be used above the ceiling level established in Section 501, and defines the inland waterway system as those waterways authorized to be constructed or maintained to depths of 12 feet or less.

Section 503. establishes an Inland Waterway Users Board of 21 members to make recommendations to the Secretary of the Army on the spending levels for the inland waterways and requires that the Secretary limit such spending to the level recommended.

Section 504. authorizes the Secretary of the Army to rehabilitate navigation projects without specific authorization if the cost of such rehabilitation is less than $25 million.

Section 505. authorizes for construction ten shallow draft navigation and inland navigation projects.

Section 506. authorizes the Secretary of the Army to maintain the New York State Barge Canal at 50 percent Federal cost.

Section 507. authorizes for development the Comprehensive Master Plan for the Management of the Upper Mississippi River System, including a second chamber at Lock and Dam 26 on the Mississippi River and various environmental rehabilitation and enhancement measures.

TITLE VI. COST SHARING

Section 601. requires that all projects authorized in the future or in the Act meet the cost-sharing standards of the Act, and sets those percentages at:

100% for hydropower;

100% for municipal and industrial water supply;

50% for recreation;

50% for public/100% private for beach nourishment;

35% for fish and wildlife mitigation and enhancement;

35% for flood control, agricultural drainage; and agricultural water supply.

Section 602. provides that payment in kind may be accepted but that for structural flood control projects, 5% of costs are to be contributed in cash during construction; that for non-structural flood control projects no cash contribution is required; and that contribution repayment may be made during construction or over 30 years with interest, for all projects. The applicable interest rate is that authorized by law, if any, or the current rate as determined by the Secretary of the Treasury. A one-year deferral of first payment is allowed.

Section 603. requires that cost-sharing agreements for flood control, rural drainage, or agricultural water be consistent with sponsor ability to pay, and that where such ability is not now determined in accord with existing law, such ability shall be made under procedures determined by the appropriate agency Secretary.

Section 604. defines procedures for previously authorized but unconstructed projects. No cost sharing above authorized levels is required, but for ten years such projects may not be initiated unless sponsors agree to contribute 50% of the difference between authorized level and the new level required for such project under section 601.

TITLE VII. PROJECT AUTHORIZATIONS

This title authorizes for construction 70 projects of the Corps of Engineers for flood control and other purposes.

By Mr. BINGAMAN:

S. 1740. A bill entitled the "San Juan Basin Wilderness Protection Act of 1983"; to the Committee on Energy and Natural Resources.

SAN JUAN BASIN WILDERNESS PROTECTION ACT

● Mr. BINGAMAN. Mr. President, I am pleased to introduce the San Juan Wilderness Act of 1983, a wilderness bill which has broad support in New Mexico including the Governor, the commissioner of public lands, and the Navajo tribal chairman.

Last January, I joined with the distinguished senior Senator from New Mexico, Senator DOMENICI, in introducing S. 267, a bill to designate approximately 4,000 acres in the San Juan Basin of New Mexico as wilderness. This bill created a considerable amount of interest among many different groups. I subsequently attended a hearing in New Mexico of the House Public Lands and Mining Subcommittees which focused on wilderness and coal leasing in the San Juan Basin. These hearings were very informative and proved to me that there was overwhelming support and justification for providing wilderness protection for an enlarged area of the basin including the Bisti, the De-na-zin, the Ah-shi-sle-pah wilderness study areas and special management for the Fossil Forest. I am pleased to address these concerns by offering a bill today, the San Juan Basin Wilderness Protection Act, which designates as wilderness all three of the BLM wilderness study areas in the region and which directs the BLM to manage the 2,720 acres comprising Fossil Forest in a manner to protect and enhance its unique natural, paleontological, and other scientific values. My distinguished colleague from the Third District of New Mexico, Representative BILL RICHARDSON, is introducing a companion bill in the House of Representatives.

I am taking this action in advance of final wilderness recommendations by the Department of the Interior for these areas in order to insure that the wilderness option is not precluded by other conflicting land use decisions in the region. The BLM in New Mexico accelerated the study process for these lands for the same reason and has issued draft recommendations for the areas. Because of the coal leasing schedule and the complex nature of landownership, patterns and land uses within these WSA's, it may be necessary to exchange lands and/or leases in order to provide for wilderness protection. It is, therefore, important that the wilderness decision be made concurrently with the other land use decisions for the San Juan Basin.

After consultation with the State of New Mexico, I have modified the BLM study area boundaries in De-na-zin to include 2,520 acres of lands currently owned by the State of New Mexico. I further have modified the boundaries of the WSA's to include an additional 80 acres of Federal lands in the De-na-zin and 640 acres of Federal land in the Ah-shi-sle-pah. These modest additions will significantly enhance the wilderness proposals by providing a more logical geographical and topographical unit.

The bill directs the Secretary of the Interior to negotiate land exchanges to acquire all State lands and interests within the proposed boundaries of the De-na-zin. The language sets specific timeframes and procedures for this exchange to insure that the exchanges are initiated and completed expeditiously.

There is an inholding of 1,280 acres of Indian allotment trust lands within the De-na-zin, which will become wilderness only if a land exchange which is agreeable with the individual allottees can be arranged. The bill also provides rights of historic access to the occupants of the Navajo trust lands.

Portions of both the De-na-zin and Ah-shi-sle-pah wilderness proposals have been selected by the Navajo Tribe pursuant to the Navajo/Hopi Settlement Act. This creates a potential conflict with the wilderness designation for those lands.

However, the tribal leadership has assured me that they too wish to protect the wilderness values of those lands, and I am confident that as we consider this bill we can find a solution that will both assure lasting wilderness protection for the lands and meet the needs of the Navajo Tribe. The ultimate resolution of the Navajo

resettlement may be years away. We neither wish to leave the De-na-zin and Ah-shi-sle-pah areas unprotected nor to prejudice the outcome of the Navajo relocation process. I have therefore included language to insure that this bill will in no way amend or affect the Navajo/Hope Settlement Act of 1976 or the amendments to it of 1980.

I would consider it highly undesirable to designate lands as wilderness merely to remove them from the wilderness system at a later date. It would be equally undesirable to leave these lands unprotected until the Navajo resettlement question is resolved. I am therefore committed, during the legislative process to work with the tribe and other interested parties to devise a workable solution.

In summary, I have been assured support of this bill by the Navajo Nation and the State of New Mexico. The State is willing to exchange its lands within the areas and the Navajos have expressed a commitment to protect wilderness values. There are some pre- and post-FLPMA oil and gas leases, mining claims and coal preference right lease applications within the wilderness proposals. As with all wilderness legislation, this bill recognizes and protects valid existing rights. These and other matters will be further resolved during the hearing process.

I am proud to follow the example set by Senator Clinton Anderson, who was instrumental in passage of the Wilderness Act of 1964, which included the Gila Wilderness near my home in southern New Mexico as the first designated wilderness area in America. The San Juan Basin Wilderness Protection Act of 1983 will be a significant addition to the national wilderness presevenation system. It is important that we preserve the significant cultural, paleontological, scientific, and scenic values of this area which will be given permanent protection by this act.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1740

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "San Juan Basin Wilderness Protection Act of 1983."

SEC. 2. (a) In furtherance of the purposes of the Wilderness Act (16 U.S.C. 1131-1136), the following lands are hereby designated as wilderness, and, therefore, as components of the National Wilderness Preservation System—

(1) certain lands in the Albuquerque District Bureau of Land Management, New Mexico, which comprise approximately three thousand nine hundred and sixty-eight acres, as generally depicted on a map entitled "Bisti Wilderness—Proposed," dated June 1983, and which shall be known as the Bisti Wilderness;

(2) certain lands in the Albuquerque District of the Bureau of Land Management, New Mexico, which comprise approximately twenty three thousand eight hundred and seventy-two acres, as generally depicted on a map entitled "De-na-zin Wilderness—Proposed," dated June 1983, and which shall be known as the De-na-zin Wilderness; and

(3) certain lands in the Albuquerque District of the Bureau of Land Management, New Mexico, which comprise approximately seven thousand one hundred and ninety-three acres, as generally depicted on a map entitled "Ah-shi-sle-pah Wilderness—Proposed," dated June 1983, and which shall be known as the "Ah-shi-sle-pah Wilderness."

(b) Subject to valid existing rights each wilderness area designated by this Act shall be administered by the Secretary of the Interior in accordance with the provisions of the Wilderness Act, except that any reference in such provisions to the effective date of the Wilderness Act (or any similarly reference) shall be deemed to be a reference to the effective date of this Act, and any reference to the Secretary of Agriculture shall be deemed to be a reference to the Secretary of the Interior.

(c) As soon as practicable after enactment of this Act, a map and a legal description on each wilderness area designated by this Act shall be filed by the Secretary of the Interior with the Committee on Energy and Natural Resources of the United States Senate and the Committee on Interior and Insular Affairs of the House of Representatives. Each such map and description shall have the same force and effect as if included in this Act, except that correction of clerical and typographical errors in each such legal description and map may be made by the Secretary subsequent to such filings. Each such map and legal description shall be on file and available for public inspection in the Office of the Director of the Bureau of Land Management, Department of the Interior.

(d) Within the wilderness areas designated by this Act, the grazing of livestock, where established prior to the date of enactment of this Act, shall be permitted to continue subject to such reasonable regulations, policies, and practices as the Secretary of the Interior deems necessary, as long as such regulations, policies and practices fully conform with and implement the intent of Congress regarding grazing in such areas as such intent is expressed in the Wilderness Act and this Act.

SEC. 3. (a) In recognition of its paramount aesthetic, natural, scientific, educational and paleontological values, the approximately two thousand seven hundred and twenty acre area in the Albuquerque District of the Bureau of Land Management, New Mexico, known as the "Fossil Forest", as generally depicted on a map entitled "Fossil Forest", dated June 1983, is hereby withdrawn, subject to valid existing rights, from all forms of appropriation under the mining laws and from disposition under all laws pertaining to mineral leasing and geothermal leasing and all amendments thereto. The Secretary of the Interior shall administer the area in accordance with the Federal Land Policy and Management Act and shall take such measures as are necessary to insure that no activities are permitted within the area which would significantly disturb the land surface or impair the area's existing natural, educational, and scientific research values, including paleontological study, excavation, and interpretation.

(b) Within one year of the date of enactment of this Act the Secretary of the Interior shall promulgate rules and regulations for the administration of the Fossil Forest area referred to in subsection (a) in accordance with the provisions of this Act and shall file a copy of such rules and regulations with the Committee on Interior and Insular Affairs of the United States House of Representatives and the Committee on Energy and Natural Resources of the United States Senate.

SEC. 4. (a) The Secretary of the Interior shall exchange such public lands or interest in such lands, mineral or nonmineral, as are of approximately equal value and selected by the State of New Mexico, acting through its Commissioner of Public Lands, for any State lands or interest therein, mineral or non-mineral, located within the boundaries of any of the tracts designated as wilderness under section 2. For the purpose of this section, the term public lands shall have the same meaning as defined in section 103(c) of the Federal Lands Policy and Management Act of 1976.

(b) Within one-hundred and twenty days of enactment of this Act, the Secretary of the Interior shall give notice to the New Mexico Commissioner of Public Lands of the tracts to be designated as wilderness pursuant to section 2 of this Act and of the Secretary's duty to exchange public lands selected by the State for any State land contained within the boundaries of the designated wilderness areas. Such notice shall contain a listing of all public lands which are located within the boundaries of the State, which have not been withdrawn from entry and which the Secretary identifies as being available to the State in exchange for such State lands as may be within the designated wilderness areas.

(c) The value of the State and public lands to be exchanged under this section shall be determined as of the date of enactment of this Act.

(d) After the receipt of the list of available public lands, if the Commissioner of Public Lands gives notice to the Secretary of the State's selection of lands, within one-hundred and twenty days of such notice of selection, the Secretary shall notify the State in writing as to whether the Department of the Interior considers the State and Federal lands to be of approximately equal value. In case of disagreement between the Secretary and the Commissioner as to relative value of the acquired and selected lands, the Secretary and the Commissioner shall agree on the appointment of a disinterested independent appraiser who will review valuation data presented by both parties and determine the amount of selected land which best represents approximate equal value. Such determination will be binding on the Secretary and the Commissioner.

SEC. 5. (a) The Secretary of the Interior shall exchange any lands held in trust for an Indian whose lands are located within the boundary of the De-na-zin area referred to in section 2(a)(2) at the request of the Indian for whom such land is held in trust. Such lands shall be exchanged for lands approximately equal in value selected by the Indian allottee concerned and such lands so selected and exchanged shall thereafter be held in trust by the Secretary in the same manner as the lands for which they were exchanged.

(b) Nothing in this Act shall affect the transfer to the Navajo Tribe of any lands selected by the Navajo Tribe pursuant to Public Law 93-531 and Public Law 96-305.●

By Mr. HART (for himself and Mr. KENNEDY):

S. 1741. A bill to halt the introduction of U.S. combat units into Central America without the approval of Congress; to the Committee on Foreign Relations.

AMERICAN COMBAT UNITS IN CENTRAL AMERICA

Mr. HART. Mr. President, joined by Senator KENNEDY, I am introducing legislation today to halt the expansion of American combat units in Central America.

Sending American combat troops into this volatile area is similar to pushing a stick of dynamite closer to a lighted match. By halting our military involvement in Central America, this bill would give the Congress and the American people an important opportunity to examine recent events in that region and to achieve a consensus on the appropriate response by the United States. Under this bill, our reassessment of U.S. Central American policy would be free from the risk that increased U.S. military activities would further inflame tensions in the region.

The intent of this legislation is clear: No combat units of the Armed Forces may be sent into the territory, airspace, or waters of Costa Rica, El Salvador, Guatemala, Honduras, or Nicaragua for training exercises or any other purpose unless:

First. Congress has authorized the presence of such units in such areas in advance by a joint resolution signed by the President of the United States; or

Second. The presence of such units is necessary to provide for the immediate evacuation of U.S. citizens; or to respond to a clear and present danger of military attack on the United States.

I believe the administration's decision to increase the American military presence in Central America is unwise and provocative. America is once again being viewed, because of the President's actions, as a bully looking for a fight. There is no clear, present, or urgent national security rationale for increasing our military presence in Central America.

Nor do the President's actions enhance the diplomatic efforts by the Contadora group to secure peace in Central America.

We need more diplomatic maneuvers and fewer military maneuvers in this region of violence and conflicting political interests.

The administration views Central America as breeding ground for communism. I view it as a proving ground for democracy. The people of Central America will either become our best allies, or our worst enemies. The administration's provocative actions over the last 2½ years suggests that the administration instead of hoping for the former seems to be guaranteeing the latter. I view the increased presence of American combat units in Central America as another symbolic action which serves no true national security need.

I urge my colleagues to support a halt of the expansion of U.S. combat troops in Central America. I ask unanimous consent that the text of the bill be inserted in the RECORD at this time.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1741

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That no combat units of the Armed Forces of the United States may be sent into the territory, airspace, or waters of Costa Rica, El Salvador, Guatemala, Honduras, or Nicaragua for training exercises or any other purpose unless—

(1) Congress has authorized the presence of such units in such areas in advance by a joint resolution signed by the President of the United States; or

(2) the presence of such units is necessary to provide for the immediate evacuation of United States citizens, or to respond to a clear and present danger of military attack on the United States.

In either case described in paragraph (2), the President should advise and, to the extent possible, consult in advance with the Congress.

By Mr. MELCHER (for himself and Mr. INOUYE):

S. 1742. A bill to amend title 38, United States Code, to provide hospital, nursing home, and domiciliary care and medical services to certain persons who participated in armed conflict with an enemy of the United States while in the service during World War II in the former First Special Service Force, a joint military unit of the United States and Canada; to the Committee on Veterans' Affairs.

HEALTH CARE FOR CERTAIN WORLD WAR II COMBAT VETERANS

Mr. MELCHER. Mr. President, today for myself and Senator INOUYE I am introducing a bill to amend section 109 of title 38 of the code in order to provide hospital, nursing home, and domiciliary care and medical services to individuals who participated in armed conflict with an enemy of the United States while serving during World War II in the former First Special Service Force, a joint military unit of the United States and Canada.

In 1976, Congress enacted legislation providing medical care and benefits to the members of the armed services of Poland and Czechoslovakia who participated in armed conflict against the enemies of the United States and who had been a U.S. citizen for at least 10 years. My bill will extend the same rights to medical care through the Veterans Administration to those Canadians who served with the First Special Service Force organized in Helena, Mont., during World War II.

The First Special Service Force came into being in 1942, the year after the United States had entered the European Theater. It grew out of a need for special parachute troops that could be dropped over scattered snow areas of Europe—especially Norway—to sabotage enemy installations. But it soon became apparent that a more versatile assault group, able to undertake any task that might be assigned to them, would have to be raised and trained.

The United States and Canada promised to deliver such a force made up of rugged volunteers, handpicked from their respective units.

Wearing a red spearhead as a shoulder flash, this Canadian-United States elite force first went into action in the Pacific theater and then in the Mediterranean, following the Sicily landing. By a daring maneuver it captured strategic Monte la Difensa, an extremely difficult piece of ground. Fighting side by side with the U.S. 5th Army under Lt. Gen. Mark Clark, the First Special Service Force maintained its aggressive offensive throughout the Italian campaign. Their determined fighting aided in the liberation of Rome and was the culmination of their valiant exploits on the battlefield.

The Devil's Brigade, as it came to be known, remained in European theater as a separate entity until the end of 1944, when it was disbanded after the southern France campaign.

We owe much to our Canadian allies who helped win World War II, particularly to those excellent soldiers who helped make up the First Special Forces. Because of their experience, some of these fighting men later settled in the United States and became U.S. citizens. My bill will insure that they are eligible for medical care through the Veterans' Administration, as are the members of Polish and Czechoslovakian units who fought under U.S. command in World War II.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1742

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 109 of title 38, United States Code, is amended by adding at the end therof the following new subsection:

"(d)(1) Except as otherwise provided in this paragraph, any person who participated in armed conflict with an enemy of the United States while serving during World War II as a member of the First Special Service Force (a military unit organized jointly by the governments of the United States and Canada), who was not a citizen of the United States while so serving, and who is and has been a citizen of the United

States for at least ten years shall, by virtue of such service and upon submitting satisfactory evidence thereof, be entitled to hospital, nursing home, and domiciliary care and medical services within the United States under chapter 17 of this title to the same extent that such person would be entitled to such care and services if such person had performed the military service as a member of the Armed Forces. The first sentence of this paragraph shall not apply in the case of a person who is entitled to, or upon application would be entitled to, equivalent care and services or payment for equivalant care and services under a program established by the Government of Canada for persons who served in its armed forces during World War II.

"(2) In order to assist the Administrator in making a determination of eligibility under paragraph (1) of this subsection, each applicant for the benefits described in such paragraph shall furnish to the Administrator an authenticated certification from the Department of Defense or from such agency of the Government of Canada as the Administrator considers appropriate stating that the records of the Department of Defense or such agency clearly indicate that the applicant performed service and participated in armed conflict as provided in paragraph (1) of this subsection.".

By Mr. PELL:

S. 1743. A bill to amend the Tariff Schedules of the United States to suspend for a 3-year period the duty on certain benzenoid chemicals (NA-125 and NA-125-chloride); to the Committee on Finance.

DUTY SUSPENSION ON BENZENOID CHEMICALS

● Mr. PELL. Mr. President, I am introducing for appropriate reference a bill to suspend duties on certain benzenoid chemicals used by a manufacturer in Rhode Island to fabricate computer chips for high technology industries.

I am advised that there are no domestic producers of these chemicals, and my constituent, Carroll Products, Inc., of Wood River Junction, RI, must import large volume quantities from the only known manufacturers in Japan and Germany.

My bill would suspend import duties on these chemicals for 3 years. Since there are no domestic producers, no domestic industry would be jeopardized.

Mr. President, the State of Rhode Island ranks fourth in the Nation in the percentage of employment attributable to foreign trade. While we, like every other State, have our share of less competitive industries which require other policies, we welcome opportunities for relaxation of trade barriers, especially those for which there is no apparent justification. Carroll Products appears to offer just such an opportunity and I hope this bill will receive prompt and favorable consideration.●

By Mr. MELCHER:

S. 1744. A bill to provide a pilot project for excellence in elementary and secondary education; to the Committee on Labor and Human Resources.

PILOT PROJECT IN EDUCATION EXCELLENCE ACT

Mr. MELCHER. Mr. President, I am today introducing the Pilot Project in Educational Excellence Act of 1983 to provide assistance to selected local school districts who desire to test the premise that a longer day and longer school year will improve the quality of education in America.

Current economic conditions in most States and school districts prohibit implementation of this recommendation of the National Commission on Educational Excellence in the immediate or near future. Whether or not the Commission's theory is valid should be tested before the American taxpayers, at all levels of government, are asked to provide the necessary funds to implement the proposal.

I recognize that other actions are also required if the Commission's challenge to achieve quality education is to be achieved. But the increased teacher time is one strong recommendation that can be computed as to cost. At the current teacher salary average of $18,000 a year, the additional cost will be $8,000 per teacher.

The bill provides for a process for selection by the education officials of local and State governments of school districts who volunteer to participate in this program. At least one elementary, junior or middle school, and high school in several categories ranging from small rural schools to large inner city urban schools will be selected. Each State that elects to participate will have at least one nominated school selected.

This is clearly an experimental project. The bill is designed to eliminate any vestige of Federal control over local school districts' policies. The timetable included is designed to preclude the Secretary of Education from destroying the purpose of the program through commonly used delaying tactics. There is no need for regulations. The bill spells them out.

The cost is comparatively minor for this pilot project. If it proves to be a great success, the issue of substantial funding in fiscal year 1987 will have to be faced by all levels of government. Taxpayers at all levels will need facts, not theory, when that time comes. That is the purpose of this legislation.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1744

Be it enacted by the Senate and House of Representatives of the United States of America in Congess assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Pilot Project In Educational Excellence Act".

FINDINGS

SEC. 2. The Congress finds that the theory of the National Commission on Educational Excellence (hereinafter called the Commission) concerning extending the school year and the length of each school day merits further consideration. Current economic conditions in most States and school districts prohibit implementation of this theory in the immediate or near future, if ever. Whether or not the Commission's theory is valid should be tested before American taxpayers at all levels of government are asked to provide the necessary funds.

SEC. 3. (a) Within 30 days of the enactment of this law, the Secretary of Education shall notify each State education agency in the 50 States and the District of Columbia of the purposes of this pilot program.

(b) Within 30 days of receipt of the notification by the Secretary, each State education agency shall notify each local education agency of the purposes of this pilot program, and invite them to nominate schools within their district of the various types of schools as outlined in section 4 of this Act.

(c) Within 60 days of notification by the State education agency to the local educational agencies, those school districts which wish to participate shall notify the State education agency of which schools within their districts apply to participate in this pilot program.

(d) Within 20 days of receipt of the local applications, the State education agency, in consultation with the State Educational Excellence Advisory Committee, as defined in section 3(a) shall identify appropriate schools of the types listed in section 4 and shall submit the list to the Secretary of Education.

(e) The State Educational Excellence Advisory Committee shall be composed of not more than nine persons, at least one of whom shall be an elementary school teacher, one secondary teacher, one local school administrator, one local school board member, one business representative, one State legislator, and one high school student. Appointment of committee members by the chief State school officer shall be made from lists of 10 nominees submitted by the appropriate organizations in each State and shall be broadly representative of the economic and cultural composition of the population of the State. Advisory Committee members shall receive expenses for travel, food, and lodging, but not per diem, for days when they are in session.

SEC. 4. (a) From among the applications submitted to the Secretary of Education, the Secretary, in consultation with the members of the National Commission on Educational Excellence (or a Commission of persons of equal competence and experience which he may appoint), shall select at least one school of the following types:

I. A large inner-city secondary school; a large suburban secondary school; a medium-size secondary school; a small town secondary school; a rural community secondary school; three secondary schools with predominately black, Hispanic or Native American students; one secondary school with a multi-cultural student body, including Asians.

II. At least one elementary school, and, if funds are available, one junior high or middle school, of the types listed in Sec. 4(c)I.

III. Each state which participates in this program shall have not less than one school, from the list submitted by the state education agency in accordance with Sec. 3(d), designated by the Secretary as a pilot school.

The Commission authorized in Sec. 4.(a) shall evaluate the results of the pilot project and disseminate its findings to Congress and to the public.

SEC. 5. (a) Each school selected in accordance with Section 4 shall be guaranteed, for each school year beginning in the fall of 1984, and for each succeeding two years, funds in amount of 35 percent of the cost of operating the school during the 1983-84 term: provided that

(A) The governing board of the school certifies that the student body and faculty of the pilot school shall be, in so far as possible, equal in size, ability and cultural diversity to those characteristics of the pilot school year 1983-84, providing further that the pilot school shall be in session 220 days for 7 hours each day.

(B) The governing board of the local school shall continue to provide an operating budget to the pilot school equal to the school's operating budget for the 1983-84 year, for each year of the pilot program, adjusted appropriately for inflation and normal salary increases.

(2) The state education agency shall provide such assistance as is requested by the local educational agency.

SEC. 6. (a) From funds available under Section 7 of this Act the Secretary shall transmit, on or before March 30, 1984, March 30, 1985, and March 30, 1986, payments to each pilot school in an amount equal to 35 percent of the school's operating budget for the school year 1983-84, appropriately adjusted according to Section 5.(a)(I)(A).

In addition to the funds provided herein, each pilot school shall continue to be eligible and to receive funds available to all other schools under all other federally-funded programs appropriate to the school, provided that such funds be increased for the pilot school by 35 percent for each year of participation as a pilot school.

SEC. 7. There is hereby authorized to be appropriated to the Secretary of Education, for the purposes of this Act,

(a) Not to exceed $62 million for fiscal year 1984, not more than $2 million of which shall be reserved to the Secretary for purposes of Sec. 3.

(b) Not to exceed $66 million in fiscal year 1985, of which not more than $1 million shall be reserved to the Secretary.

(c) Not to exceed $71 million in fiscal year 1986, of which not more than $1 million shall be reserved to the Secretary.

(d) Not to exceed $1.5 million for fiscal year 1987, to be used for evaluation, including appropriate testing, and widely disseminating the findings of the Commission authorized in Sec. 4.(a) of this Act.

SEC. 8. No federal officer, or employee shall have any control over any school selected for this pilot project. Nor shall any such person, when acting in official capacity, require, recommend, suggest, or otherwise indicate any policy or practice as appropriate for any pilot school selected in accordance with this Act.

By Mr. SYMMS (for himself, Mr. DURENBERGER, and Mr. MATSUNAGA):

S. 1745. A bill to amend the Internal Revenue Code of 1954 to provide certain physicians' and surgeons' mutual protection associations with tax-exempt status for certain purposes; and for other purposes; to the Committee on Finance.

TAX TREATMENT OF PHYSICIANS' AND SURGEONS' MUTUAL PROTECTION ASSOCIATIONS

Mr. SYMMS. Mr. President, Senators DURENBURGER, MATSUNAGA, and I are introducing legislation today to provide that payments to nonprofit mutual protection and indemnity associations providing medical malpractice coverage for doctors will not be subject to tax upon receipt by the association and that such payments would be deductible by the doctors to the extent of normal insurance premiums paid to a private carrier.

As a result of the escalation of jury awards in medical malpractice litigation, there has been a continuing crisis involving the skyrocketing cost of medical malpractice insurance coverage. One response to this crisis has been the adoption of special State laws in States such as California, Hawaii, and perhaps in the near future even New York, which have permitted the establishment of doctor controlled insurance organizations to help reduce risks and to help lower the cost of malpractice insurance coverage.

Several of the new organizations require doctors to make a large initial contribution to the organization to provide a fund to meet potential insurance risks. When doctors leave the fund, they may, under certain circumstances, receive a refund of this initial contribution—without interest. After the initial contribution to the organization is made, the doctor-members are then subject to later assessments if additional amounts are deemed necessary to pay claims covered by the organization. The initial contribution, therefore, also serves as security to insure that these later assessments will be paid.

Because these organizations have the ability to assess their member-doctors when and if its funds are not adequate to meet future claims, and because their costs of operation are significantly lower than the costs of private insurance carriers, their rates for a high risk doctor are significantly less than those which would be charged to a private carrier even when the high initial contribution is taken into account. For example, an anesthesiologist, a comparable rate differential in the past has been as follows:

	Self-insured trust	Private carriers
1977	$23,100	$23,904
1978	600	23,904
1979	600	21,516
1980	1,100	20,852
1981	1,075	19,592
Total	26,475	109,768

In addition, as nonprofit organizations, these self-insurance trusts do not have to have a profit margin on top of their actual costs and this factor also helps reduce the ultimate cost of medical care.

Finally, since the self-insurance trusts are doctor controlled and their own members are subject to assessment, there is a real incentive to improve the level of practice of their members. Obviously, since a doctor-member of a self-insurance trust has something to gain or lose as a result of his standards of practice and that of his fellow members, greater care is likely to be taken—and taken by the self-insurance trust in the form of peer review and other actions—than would be taken when all risks are turned over to a third party insurer.

Unfortunately, under the current tax law, the initial contributions made to these self-insurance trusts are not considered to be deductible business expenses to the doctors who make such payments even though a similar payment of an insurance premium to a profitmaking organization would be deductible to the doctors.

This result has several perverse and unusual effects. First, some doctors do not choose to participate in the self-insurance trusts because they must pay after tax dollars for their initial contributions to the trusts whereas premiums paid for the same coverage to a private carrier would be deductible. Second, since the cost of obtaining coverage by the self-insurance trust is much less, especially in the early years, it would seem that the Treasury would collect more revenue sooner if a self-insurance trust was used by more doctors since deductions taken by those doctors would be less than deductions taken by doctors covered by a private carrier. Indeed, the system is more efficient and defers the payment of expenses, the Treasury stands to benefit.

The legislation Senator DURENBURGER, MATSUNAGA, and I are introducing today is intended to have the following positive effects:

First, to increase Treasury revenues by encouraging doctors to use a self-insurance type system for medical malpractice protection and thus pay lesser amounts of deductible premiums.

Second, to rectify the current system where premium costs paid to a private carrier are deductible but initial contributions to nonprift organizations are not.

Third, to reduce the cost of malpractice protection and therefore to help reduce the cost of medical care.

Fourth, to encourage the improvement of standards of medical practice which occurs when doctors actually have a stake in the system and are directly affected when claims are made against the insurance provider.

Fifth, to help reduce medical malpractice insurance rates so that doctors will continue their practice and will also not go without adequate insurance coverage.

Mr. President, I encourage all of my colleagues to seriously consider supporting this legislation. Medical malpractice insurance coverage and the jury awards in medical malpractice litigation are major factors in the escalating cost of health care coverage. The self-insurance trusts that are evolving in our economy is a market response to controlling the cost of insurance and holding down the cost of health care.

I ask unanimous consent that the text of the bill be printed in the CONGRESSIONAL RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1745

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PROVIDING CERTAIN PHYSICIANS' AND SURGEONS' MUTUAL PROTECTION ASSOCIATIONS WITH TAX-EXEMPT STATUS FOR CERTAIN PURPOSES.

(a) IN GENERAL.—Subchapter F of chapter 1 of the Internal Revenue Code of 1954 (relating to exempt organizations) is amended by adding at the end thereof the following new part:

"PART VIII—CERTAIN PHYSICIANS' AND SURGEONS' MUTUAL PROTECTION ASSOCIATIONS

"Sec. 529. Certain physicians' and surgeons' mutual protection associations.

"SEC. 529. CERTAIN PHYSICIANS' AND SURGEONS' MUTUAL PROTECTION ASSOCIATIONS.

"(a) GENERAL RULE.—There shall not be included in gross income the receipts of physicians' and surgeons' mutual protection and indemnity associations—

"(1) which are not organized for profit,

"(2) which are authorized to provide malpractice insurance under the laws of any State, and

"(3) no part of the net earnings of which inures to the benefit of any private shareholder,

except that any such association shall be subject as other persons to the tax on their taxable income from interest, dividends, and rents, reduced by any amount allowable as a deduction to any mutual insurance company under part II of subchapter L.

"(b) SPECIAL RULES FOR INDIVIDUALS WHO ARE MEMBERS OF ASSOCIATION.—

"(1) PAYMENTS TREATED AS TRADE OR BUSINESS EXPENSES.—Any payment to an association described in subsection (a) by a physician or surgeon in connection with obtaining professional liability protection shall be considered an ordinary and necessary expense incurred in connection with his trade or business for purposes of the deduction allowable under section 162, to the extent such payment does not exceed the amount which would be payable to an independent insurance company for similar coverage (as determined by the Secretary). Any excess amount not allowed as a deduction for the taxable year in which such payment was made pursuant to the limitation contained in the preceding sentence shall, subject to such limitation, be allowable as a deduction in any of the five succeeding taxable years, in order of time, to the extent not previously allowed as a deduction under this sentence.

"(2) REFUNDS OF PAYMENTS.—If any amount attributable to any payment described in paragraph (1) is refunded to any physician or surgeon under any circumstances, such amount shall be included in gross income of such physician or surgeon for the taxable year in which such amount is received, to the extent that a deduction for such payment was allowed for any preceding taxable year."

(b) CLERICAL AMENDMENT.—The table of parts for subchapter F of chapter 1 of such Code is amended by adding at the end thereof the following new item:

"Part VIII—Certain physicians' and surgeons' mutual protection associations."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to payments made to and receipts of physicians' and surgeons' mutual protection associations, and refunds of payments by such associations, after December 31, 1983, in taxable years ending after such date.

By Mr. RUDMAN:

S. 1746. A bill to require that the Federal Government procure from the private sector of the economy the goods and services necessary for the operations and management of certain Government agencies and that the Director of the Office of Management and Budget and the Comptroller General of the United States identify the activities of the Federal Government to produce, manufacture, or otherwise provide goods and services which should be provided by the private sector and prepare a schedule for transferring such activities to the private sector; to the Committee on Governmental Affairs.

(The remarks of Mr. RUDMAN on this legislation appear earlier in today's RECORD.)

By Mr. ARMSTRONG (for himself, Mr. COHEN, Mr. HOLLINGS, Mr. MATSUNAGA, Mr. CRANSTON, Mr. BRADLEY, Mr. D'AMATO, Mr. DECONCINI, Mr. DOLE, Mr. HART, Mrs. HAWKINS, Mr. KASTEN, Mr. KENNEDY, Mr. MITCHELL, and Mr. BOSCHWITZ):

S. 1747. A bill to amend title 38, United States Code, to establish two new programs of educational assistance for veterans of peacetime service, to close the post-Vietnam-era veterans' educational assistance program to new participants, and to repeal the December 31, 1989, termination date of the Vietnam-era GI bill, and for other purposes; to the Committee on Veterans' Affairs.

PEACE-TIME VETERANS' EDUCATIONAL ASSISTANCE ACT

Mr. KENNEDY. Mr. President, I am pleased to join my colleagues in the Senate as cosponsor of this important bill to insure that our Armed Forces are staffed with qualified men and women. I commend Senators ARMSTRONG, CRANSTON, COHEN, HOLLINGS, and MATSUNAGA for their hard work and bipartisan success in developing this GI bill. Their continued efforts in this area have made the legislation we are introducing today an important and well-thought-out proposal. In the past, the main goal of the GI bills has been to assist the Nation's veterans in readjusting to civilian life after war duty. Those programs were highly effective. They were responsible for educating and broadening the horizons of countless Americans who would not have had such opportunities without those benefits. Some of my colleagues in the Senate and many Members of the House of Representatives reaped the benefits of the GI bill and would not be serving the people of our Nation in their present capacities were it not for this unique educational program.

More recently, the focus of a GI program has shifted from readjustment to recruitment and retention of personnel in our All-Volunteer Force. We are all aware of the recruitment difficulties that existed in our armed services in the late 1970's. At one point during that time, all four branches of the Armed Forces failed to reach their recruitment goals. Even President Reagan has expressed his strong concerns regarding the critical recruitment situation at that time. During his address before the 1980 Annual American Legion Convention in my home State of Massachusetts, then-candidate Ronald Reagan stated:

> We must provide the resources to attract and retain superior people in each of the services. We should take steps immediately to restore the GI bill, one of the most effective, equitable and socially important program ever devised.

We can all agree that over the past few years there has been a major improvement in the number of recruits and in the quality of these volunteers. Hard economic times and a tight job market have made enlistment an attractive option for many young men and women. But we must not become complacent about this situation. We must not allow our military to slip back into the posture that existed only a few years ago. An expected decline in military-age youth in the near future and the possibility of a stronger economy could revive these difficulties of the past.

In order to avoid this possibility and continue to recruit qualified personnel for our Armed Forces, we must act now to reestablish a GI bill. We must provide the necessary incentives to attract men and women to careers and opportunities in the military. The GI bill has proven to be one of the most effective and cost saving recruitment devices the military has ever had and we should reinstitute it.

I urge the Senate to act promptly on this important legislation, and to reaffirm our commitment to the personnel who are so essential to keeping our Nation secure.

By Mr. EAST (for himself and Mr. DENTON):

S. 1748. A bill to amend the National Labor Relations Act to apply explicitly the right-to-work laws of a State to Federal enclaves within the boundaries of that State; to the Committee on Labor and Human Resources.

APPLICATION OF STATE RIGHT-TO-WORK LAWS

● Mr. EAST. Mr. President, every American should have the right to work without being required to join a labor union as a condition of employment. This principle is particularly true because unions have in recent years increasingly become political organizations pursuing partisan goals. Because of this deep involvement with politics, compulsory unionism tramples the first amendment right of free association desired by those working men and women who object to the political activities of the unions certified as their exclusive bargaining representative.

Under the National Labor Relations Act, the right to work was completely unprotected, since employers and unions were allowed to enforce compulsory unionism. Section 14(b) of the 1947 Taft-Hartley Act, however, permitted States to prohibit compulsory unionism by enacting State right-to-work laws. Such State right-to-work laws prohibit union shop contracts between employers and unions. A union shop contract is a contract requiring an employee to become a union member as a condition of continuing employment. Union membership includes both the concept of joining the union and the core concept of financial support for the union.

Section 14(b) of the Taft-Hartley Act expressed Congress intent to allow States to prohibit contracts requiring employees to join the union or provide financial support for the union. I also believe that section 14(b) expressed Congress intent to allow States with right-to-work laws to enforce the right to work in all areas within their boundaries, including any Federal enclaves. I am therefore introducing a bill that would clarify Congress intent to have State right-to-work laws apply within Federal enclaves.

The need to clarify congressional intent regarding Federal enclaves arises because of Lord against Local 2088, International Brotherhood of Electrical Workers, an incorrect decision rendered in 1981 by the U.S. Court of Appeals for the Fifth Circuit. (646 Fed. 2d 1057, cert. denied, — U.S. —, 50 U.S.L.W. 3998 (1982.) According to that incorrect decision, a State right-to-work law now has no effect over civilian employees who are employed on Federal enclaves within the State. The Fifth Circuit so held despite the fact that Congress, in section 14(b) of the Taft-Hartley Act, clearly recognized the right of States to prohibit compulsory unionism within their borders.

Congress placed no conditions on this State power and granted no exemption for any sort of territory within the borders of States choosing to exercise the power. Section 14(b) simply states that compulsory unionism is illegal "in any State or territory in which [it is] prohibited by State or territorial law." Federal enclaves undoubtedly fall within that definition, since the Supreme Court has rules that even though lands within the borders of a State may be granted to the Federal Government, they do not cease to be a part of the State.

In fact, in *Howard* v. *Commissioners of Louisville* (344 U.S. 624 (1953)), the Supreme Court specifically denied the "fiction of a State within a State." The States regularly and without question enforce upon citizens who are actually residents of Federal enclaves State laws regarding personal and corporate tax, hunting and fishing, rules of liability, actions for death or personal injury, eligibility for voting, unemployment and workers' compensation, and criminal statutes except where Federal criminal law is in direct conflict.

As a Senator from a State which has chosen to offer its citizens protection from compulsory unionism, I must act to defend those citizen-workers of North Carolina who have enjoyed right-to-work protections since 1974 but who, because they happen to hold employment on a Federal enclave, are not to be stripped of that protection by this court-inflicted loophole. My bill will correct the problem, Mr. President, by amending section 14(b) to state clearly and specifically the applicability of State right-to-work laws to Federal enclaves.

I wish to point out that I submit this legislation in the spirit of bipartisanship. Governors and legislators of many right-to-work States, including the Democratic Governor and four Democratic Congressmen from my own home State, contacted the President last year urging intervention by the Department of Justice in the Lord case. They wanted the Department of Justice to argue in favor of the legal proposition embodied in my bill.

I urge my colleagues on both sides of the aisle, especially those from right-to-work States, to join me in restoring the right of elected officials to decide this vital issue without restriction and without exemption. With passage of this bill, we will help defend the freedom of individual workers on Federal enclaves to seek and hold a job in support of their families free of coercion.

Mr. President, I ask that the brief language of my bill be printed in full in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows;

S. 1748

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 14(b) of the National Labor Relations Act (29 U.S.C. 164(b)) is amended by inserting after "in any State or Territory" the following: "(including military and other reservations and other areas subject to the exclusive legislative jurisdiction of the Congress within such State or Territory)".●

● Mr. DENTON. Mr. President, I am proud to join with Senator EAST in introducing legislation to broaden protections for individuals who choose to join or not to join a union. The National Labor Relations Act gives the States and territories the right to enact laws which prohibit contracts requiring membership in a union as a condition of employment. A recent court decision, Lord against IBEW, has questioned the applicability of these laws on land within States that is ceded to the Federal Government and is under exclusive jurisdiction of the Congress.

Private wageearners in our Nation's military bases, national parks, forest lands, post offices, and Coast Guard stations should have the right to earn a living without the threat of losing their jobs because they do not wish to join a union. Those States which have laws prohibiting compulsory unionism should be able to protect the jobs of those citizens who gain employment in a Federal enclave.

The need for this legislation is clear. Last year, the Supreme Court refused to grant review of Lord against IBEW. The lower court decision rules that private-sector workers on Federal enclaves within States with right-to-work laws could lose their jobs by refusing to join a union. This ruling will threaten the job security of workers in 20 percent of the total area of the States with right-to-work laws unless the Congress moves to repeal it.

I, for one, feel that forced unionism is contrary to the protections guaranteed citizens by the first amendment. Fortunately, my own State, Alabama, prohibits compulsory unionism as a condition of employment. I do not feel that the people of Alabama who support this legislation intended for compulsory unionism to exist anywhere within the sovereign borders of our State. I am proud to cosponsor this legislation that will explicitly extend that prohibition to Federal enclaves.●

By Mr. THURMOND (for himself, Mr. BAKER, Mr. HOLLINGS, Mr. HELMS, Mr. EAST, Mr. TRIBLE, and Mr. CHILES):

S. 1749. A bill to grant the consent of the Congress to the southeast interstate low-level radioactive waste management compact; to the Committee on the Judiciary.

CONGRESSIONAL CONSENT TO THE SOUTHEAST INTERSTATE LOW-LEVEL RADIOACTIVE WASTE MANAGEMENT COMPACT

Mr. THURMOND. Mr. President, I am pleased to introduce today, on behalf of myself, Senator BAKER, Senator HOLLINGS, Senator HELMS, Senator EAST, Senator TRIBLE, and Senator CHILES, legislation to give congressional consent to the southeast interstate low-level radioactive waste management compact. As its title suggests, the primary purpose of this compact is to provide for the management and disposal of the low-level radioactive waste in the southeastern region of the country. The member States are Alabama, Georgia, Florida, Mississippi, North Carolina, South Carolina, Tennessee, and Virginia. All have ratified the current version of the compact except Georgia, which has ratified an earlier one. Georgia is expected, however, to approve the current language of the compact during its next session. Congressman BUTLER DERRICK of South Carolina is introducing similar consent legislation in the House of Representatives today as well.

The compacting process, in which almost all States have been engaged for the 2½ years, was essentially initiated by passage of the Low-Level Radioactive Waste Policy Act of 1980. Signed into law 3 days before Christmas of 1980, Public Law 96-573 established the policy that each State is responsible for disposal of the commercial waste generated within its borders and that such waste can be most safely and efficiently managed on a regional basis. It also authorized States to enter into interstate compacts to establish and operate regional disposal facilities for low-level waste. States of course did not need such prior authorization to enter into an interstate compact. Express authorization is not unusual, however, in instances where Congress wishes to encourage States to enter into compacts in a specific area of activity. The Policy Act required subsequent approval of the compacts by the Congress, a step which would have been required in any event by article I, section 10, clause 3 of the Constitution which provides that "[n]o State shall, without consent of Congress * * * enter into any agreement or compact with any other State. * * *" Perhaps the most significant provision of the act was the authority given to congressionally approved compacts to exclude waste generated outside that compact region after January 1, 1986.

Passage of the Policy Act was a major step toward addressing a problem which had previously received far less attention than the issues of high-level waste disposal and interim storage of commercial spent fuel. This lack of interest was easy to understand. As long as there were three commercial sites open and providing adequate storage space, there was little incentive for other States to consider opening additional sites—to become embroiled in the troublesome issues involved in siting, licensing, constructing, and operating new sites. If one represented, as I do, a State hosting one of these sites, this situation was clearly an unacceptable one. It placed three States—South Carolina, Washington, and Nevada—in the position of shouldering the entire responsibility for disposing of waste generated in all 50 States. The fundamental unfairness and inefficiency of this system was clearly brought into light in the summer of 1979 when the Governors of Nevada and Washington temporarily closed those sites and the Governor of South Carolina announced that the amount of waste accepted at the Barnwell site would be significantly reduced in the future. By these actions, South Carolina, Washington, and Nevada sent a clear warning signal to other States and to the Federal Government that action needed to be taken. An immediate crisis was averted, however, when the Washington and Nevada sites were reopened in late 1979.

In the following summer of 1980 in response to this situation, I offered an amendment regarding low-level waste disposal to S. 2189, the high-level waste disposal bill then pending on the Senate floor. My amendment, a precursor to the Low-Level Policy Act, authorized and encouraged States to enter into interstate compacts for the disposal of low-level waste on a regional basis. It also gave compacts entered into pursuant to that provision the authority to exclude waste generated outside the compact area as of the date of congressional approval. Congressman DERRICK of South Carolina pursued similar legislation in the House and secured its inclusion in the House nuclear waste bill. In December 1980, when the House and Senate were unable to agree on portions of the bills dealing with high-level waste disposal, the low-level waste disposal provisions were split out of the larger bills and enacted into law.

The States responded promptly to passage of the Low-Level Policy Act. They have organized themselves into six regional groups: the Northeast, Southeast, Midwest, Central, Northwest, and Rocky Mountain regions. Only two States, California and Texas, have so far decided not to join a regional compact and to pursue the course of establishing their own low-level disposal site. Compacts have been negotiated in each of the six regions, and most have been introduced in or ratified by the various State legislatures. Two of the compacts, the Northwest and the Central States, have already been submitted to Congress for its approval. S. 274, a bill to grant congressional consent to the Northwest compact, was introduced by Senator GORTON on January 27 of this year. Senator DOLE recently introduced S. 1581, granting congressional consent to the Central States compact, on June 29. These bills have been referred to the Judiciary Committee which, pursuant to the Senate rules, has jurisdiction over "interstate compacts generally." Both are being held at full committee. On the House side, similar consent legislation has been introduced by Congressman AKAKA (H.R. 1012) and Congressman GLICKMAN (H.R. 3002). These bills have been referred to the Energy and Commerce Committee and to the Interior Committee. Significant progress has been made in the other three regions as well. The Rocky Mountain compact has been ratified by all member States except Arizona, and it is my understanding that consent legislation will be introduced in Congress shortly after the August recess. The Midwest compact has been ratified by four States, with the Northeast compact having been approved by three States.

Mr. President, the Judiciary Committee began hearings on these compacts some months ago. A field hearing which focused on the provisions of the Northwest compact was held in Seattle, Wash., on November 9, 1982. In March of this year, I chaired an oversight hearing on the status of all the low-level waste compacts and on various issues which have arisen during the negotiation and ratification process. Testimony was heard from representatives of each of the regions, as well as from affected Government agencies, from low-level waste generators, and from environmental groups. Gov. John V. Evans of Idaho testified on behalf of the National Governors' Association, and several State legislators appeared on behalf of the National Conference of State Legislators. Further hearings may be held this fall, the first of which is likely to be a field hearing in South Carolina focusing on the provisions of the Southeast compact. Shortly after completion of these hearings, I expect that the committee will begin markup on the various consent bills pending before it at that time.

For those of my colleagues who may be new to this issue, let me briefly explain what low-level waste is. Low-level radioactive waste is usually defined by reference to what is not low-level waste. The Policy Act, for example, defines low-level waste as "radioactive waste not classified as high-level radioactive waste, transuranic waste, spent fuel, or byproduct material as defined

in section 11e.(2) of the Atomic Energy Act of 1954." Thus, the simpler terms, low-level waste is material which contains relatively low concentrations of radioactive elements. Low-level waste is produced in all 50 States although the amounts generated in each State vary significantly. The primary generators of low-level waste include nuclear power reactors, industry, hospitals, research institutions, and the Federal Government, with the largest single source being nuclear reactors. Low-level waste also exists in numerous forms, such as contaminated machinery, clothing, plastic gloves, paper towels, sludges, liquids, and animal carcasses. Low-level waste, packaged in barrels or boxes, is placed in long trenches, each section of which is covered by dirt as it is filled. These trenches are then carefully monitored to detect and prevent any release of radioactivity into the environment. Low-level disposal sites are licensed by the States if the host State is an agreement State and by the Nuclear Regulatory Commission if it is not. As I indicated earlier, there are currently three commercial sites accepting low-level waste—one located near Hanford, Wash.; a second near Beatty, Nev.; and a third near Barnwell, S.C. Almost all waste is currently shipped to either the Hanford or Barnwell sites.

Mr. President, it is of vital importance that Congress promptly consider and consent to these compacts. Approval of the compacts would allow the States to begin the actual process of siting, constructing, and licensing new sites for their respective regions. Development of a regional system of disposal sites is the only way in which the burden of low-level waste disposal will be equitably divided. For too long, Washington, Nevada, and South Carolina have shouldered the responsibility for disposing of waste generated by the entire Nation. I cannot emphasize too strongly the depth of feeling in my State that the status quo is no longer acceptable. The compacting process, which I helped to initiate in 1980, offers the best means of resolving the institutional and political issues pertaining to disposal of low-level radioactive waste.

Mr. President, I ask unanimous consent that a copy of a letter to me from Gov. Richard W. Riley of our State and a copy of a letter from Dr. Richard S. Hodes, chairman of the Southeast Interstate Low-Level Radioactive Waste Management Commission, both requesting that I introduce consent legislation for the Southeast compact, be printed in the CONGRESSIONAL RECORD following my remarks. I also ask unanimous consent that a copy of the bill be placed in the CONGRESSIONAL RECORD following my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1749

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in accordance with section 4(a)(2) of the Low-Level Radioactive Waste Policy Act (42 U.S.C. 2021d(a)(2)), the consent of the Congress hereby is given to the States of Alabama, Florida, Georgia, Mississippi, North Carolina, South Carolina, Tennessee, and Virginia to enter into the Southeast Interstate Low-Level Radioactive Waste Management Compact. Such compact is substantially as follows:

"SOUTHEAST INTERSTATE LOW-LEVEL RADIOACTIVE WASTE MANAGEMENT COMPACT

"ARTICLE 1

"POLICY AND PURPOSE

"There is hereby created the Southeast Interstate Low-Level Radioactive Waste Management Compact. The party states recognize and declare that each state is responsible for providing for the availability of capacity either within or outside the state for disposal of low-level radioactive waste generated within its borders, except for waste generated as a result of defense activities of the federal government or federal research and development activities. They also recognize that the management of low-level radioactive waste is handled most efficiently on a regional basis. The party states further recognize that the Congress of the United States, by enacting the Low-Level Radioactive Waste Policy Act (Public Law 96-573), has provided for and encouraged the development of low-level radioactive waste compacts as a tool for disposal of such waste. The party states recognize that the safe and efficient management of low-level radioactive waste generated within the region requires that sufficient capacity to dispose of such waste be properly provided.

"It is the policy of the party states to: enter into a regional low-level radioactive waste management compact for the purpose of providing the instrument and framework for a cooperative effort; provide sufficient facilities for the proper management of low-level radioactive waste generated in the region; promote the health and safety of the region; limit the number of facilities required to effectively and efficiently manage low-level radioactive waste generated in the region; encourage the reduction of the amounts of low-level waste generated in the region; distribute the costs, benefits, and obligations of successful low-level radioactive waste management equitably among the party states; and ensure the ecological and economical management of low-level radioactive wastes.

"Implicit in the congressional consent to this compact is the expectation by Congress and the party states that the appropriate federal agencies will actively assist the Compact Commission and the individual party states to this compact by:

"(1) expeditious enforcement of federal rules, regulations, and laws;

"(2) imposing sanctions against those found to be in violation of federal rules, regulations, and laws;

"(3) timely inspection of their licensees to determine their capability to adhere to such rules, regulations, and laws; and

"(4) timely provision of technical assistance to this compact in carrying out their obligations under the Low-Level Radioactive Waste Policy Act, as amended.

"ARTICLE 1

"DEFINITIONS

"As used in this compact, unless the context clearly requires a different construction:

"(1) 'Commission' or 'Compact Commission' means the Southeast Interstate Low-Level Radioactive Waste Management Commission.

"(2) 'Facility' means a parcel of land, together with the structure, equipment, and improvements thereon or appurtenant thereto, which is used or is being developed for the treatment, storage, or disposal of low-level radioactive waste.

"(3) 'Generator' means any person who produces or processes low-level radioactive waste in the course of, or as an incident to, manufacturing, power generation, processing, medical diagnosis and treatment, research, or other industrial or commercial activity. This does not include persons who provide a service to generators by arranging for the collection, transportation, storage, or disposal of wastes with respect to such waste generated outside the region.

"(4) 'High-level waste' means irradiated reactor fuel, liquid waste from reprocessing irradiated reactor fuel, and solids into which such liquid wastes have been converted, and other high-level radioactive waste as defined by the U.S. Nuclear Regulatory Commission.

"(5) 'Host state' means any state in which a regional facility is situated or is being developed.

"(6) 'Low-level radioactive waste' or 'waste' means radioactive waste not classified as high-level radioactive waste, transuranic waste, spent nuclear fuel, or by-product material as defined in Section 11 e. of the Atomic Energy Act of 1954, or as may be further defined by federal law or regulation.

"(7) 'Party state' means any state which is a signatory party to this compact.

"(8) 'Person' means any individual, corporation, business enterprise, or other legal entity (either public or private).

"(9) 'Region' means the collective party states.

"(10) 'Regional facility' means (1) a facility as defined in this article which has been designated, authorized, accepted, or approved by the Commission to receive waste or (2) the disposal facility in Barnwell County, South Carolina, owned by the State of South Carolina and as licensed for the burial of low-level radioactive waste on July 1, 1982, but in no event shall this disposal facility serve as a regional facility beyond December 31, 1992.

"(11) 'State' means a state of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, or any other territorial possession of the United States.

"(12) 'Transuranic wastes' means waste material containing transuranic elements with contamination levels as determined by the regulations of (1) the U.S. Nuclear Regulatory Commission or (2) any host state, if it is an agreement state under section 274 of the Atomic Energy Act of 1954.

"(13) 'Waste management' means the storage, treatment, or disposal of waste.

"ARTICLE 3

"RIGHTS AND OBLIGATIONS

"The rights granted to the party states by this compact are additional to the rights enjoyed by sovereign states, and nothing in this compact shall be construed to infringe upon, limit, or abridge those rights.

"(A) Subject to any license issued by the U.S. Nuclear Regulatory Commission or a host state, each party state shall have the right to have all wastes generated within its borders stored, treated, or disposed of, as applicable, at regional facilities and, additionally, shall have the right of access to facilities made available to the region through agreements entered into by the Commission pursuant to Article 4 (E)(9). The right of access by a generator within a party state to any regional facility is limited by its adherence to applicable state and federal law and regulation.

"(B) If no operating regional facility is located within the borders of a party state and the waste generated within its borders must therefore be stored, treated, or disposed of at a regional facility in another party state, the party state without such facilities may be required by the host state or states to establish a mechanism which provides compensation for access to the regional facility according to terms and conditions established by the host state or states and approved by a two-thirds vote of the Commission.

"(C) Each party state must establish the capability to regulate, license, and ensure the maintenance and extended care of any facility within its borders. Host states are responsible for the availability, the subsequent post-closure observation and maintenance, and the extended institutional control of their regional facilities in accordance with the provisions of Article 5(B)

"(D) Each party state must establish the capability to enforce any applicable federal or state laws and regulations pertaining to the packaging and transportation of waste generated within or passing through its borders.

"(E) Each party state must provide to the Commission on an annual basis any data and information necessary to the implementation of the Commission's responsibilities. Each party state shall establish the capability to obtain any data and information necessary to meet its obligation.

"(F) Each party state must, to the extent authorized by federal law, require generators within its borders to use the best available waste management technologies and practices to minimize the volumes of waste requiring disposal.

"ARTICLE 4

"THE COMMISSION

"(A) There is hereby created the Southeast Interstate Low-Level Radioactive Waste Management Commission ('Commission' or 'Compact Commission'). The Commission shall consist of two voting members from each party state to be appointed according to the laws of each state. The appointing authorities of each state must notify the Commission in writing of the identity of its members and any alternates. An alternate may act on behalf of the member only in the member's absence.

"(B) Each Commission member is entitled to one vote. No action of the Commission shall be binding unless a majority of the total membership cast their vote in the affirmative, or unless a greater than majority vote is specifically required by any other provision of this compact.

"(C) The Commission must elect from among its members a presiding officer. The Commission shall adopt and publish, in convenient form, bylaws which are consistent with this compact.

"(D) The Commission must meet at least once a year and also meet upon the call of the presiding officer, by petition of a majority of the party states, or upon the call of a host state. All meetings of the Commission must be open to the public.

"(E) The Commission has the following duties and powers:

"(1) To receive and approve the application of a nonparty state to become an eligible state in accordance with the provisions of Article 7(B).

"(2) To receive and approve the application of a nonparty state to become an eligible state in accordance with the provisions of Article 7(C).

"(3) To submit an annual report and other communications to the Governors and to the presiding officer of each body of the legislature of the party states regarding the activities of the Commission.

"(4) To develop and use procedures for determining, consistent with consideration for public health and safety, the type and number of regional facilities which are presently necessary and which are projected to be necessary to manage waste generated within the region.

"(5) To provide the party states with reference guidelines for establishing the criteria and procedures for evaluating alternative locations for emergency or permanent regional facilities.

"(6) To develop and adopt, within one year after the Commission is constituted as provided in Article 7(D) procedures and criteria for identifying a party state as a host state for a regional facility as determined pursuant to the requirements of this article. In accordance with these procedures and criteria, the Commission shall identify a host state for the development of a second regional disposal facility within three years after the Commission is constituted as provided for in Article 7(D), and shall seek to ensure that such facility is licensed and ready to operate as soon as required but in no event later than 1991.

"In developing criteria, the Commission must consider the following: the health, safety, and welfare of the citizens of the party states; the existence of regional facilities within each party state; the minimization of waste transportation; the volumes and types of wastes generated within each party state; and the environmental, economic, and ecological impacts on the air, land, and water resources of the party states.

"The Commission shall conduct such hearings, require such reports, studies, evidence, and testimony, and do what is required by its approved procedures in order to identify a party state as a host state for a needed facility.

"(7) In accordance with the procedures and criteria developed pursuant to Section (E)(6) of this Article, to designate, by a two-thirds vote, a host state for the establishment of a needed regional facility. The Commission shall not exercise this authority unless the party states have failed to voluntarily pursue the development of such facility. The Commission shall have the authority to revoke the membership of a party state that willfully creates barriers to the siting of a needed regional facility.

"(8) To require of and obtain from party states, eligible states seeking to become party states, and nonparty states seeking to become eligible states, data and information necessary to the implementation of Commission responsibilities.

"(9) Notwithstanding any other provision of this compact, to enter into agreements with any person, state, or similar regional body or group of states for the importation of waste into the region and for the right of access to facilities outside the region for waste generated within the region. The authorization to import requires a two-thirds majority vote of the Commission, including an affirmative vote of both representatives of a host state in which any affected regional facility is located. This shall be done only after an assessment of the affected facility's capability to handle such wastes.

"(10) To act or appear on behalf of any party state or states, only upon written request of both members of the Commission for such state or states as an intervenor or party in interest before Congress, state legislatures, any court of law, or any federal, state, or local agency, board, or commission which has jurisdiction over the management of wastes. The authority to act, intervene, or otherwise appear shall be exercised by the Commission, only after approval by a majority vote of the Commission.

"(11) To revoke the membership of a party state in accordance with Article 7(F).

"(F) The Commission may establish any advisory committees as it deems necessary for the purpose of advising the Commission on any matters pertaining to the management of low-level radioactive waste.

"(G) The Commission may appoint or contract for and compensate such limited staff necessary to carry out its duties and functions. The staff shall serve at the Commission's pleasure irrespective of the civil service, personnel, or other merit laws of any of the party states or the federal government and shall be compensated from funds of the Commission. In selecting any staff, the Commission shall assure that the staff has adequate experience and formal training to carry out such functions as may be assigned to it by the Commission. If the Commission has a headquarters it shall be in a party state.

"(H) Funding for the Commission must be provided as follows:

"(1) Each eligible state, upon becoming a party state, shall pay twenty-five thousand dollars to the Commission which shall be used for costs of the Commission's services.

"(2) Each state hosting a regional disposal facility shall annually levy special fees or surcharges on all users of such facility, based upon the volume of wastes disposed of at such facilities, the total of which:

"(a) must be sufficient to cover the annual budget of the Commission;

"(b) must represent the financial commitments of all party states to the Commission; and

"(c) must be paid to the Commission;

Provided, however, That each host state collecting such fees or surcharges may retain a portion of the collection sufficient to cover its administrative costs of collection and that the remainder be sufficient only to cover the approved annual budgets of the Commission.

"(3) The Commission must set and approve its first annual budget as soon as practicable after its initial meeting. Host states for disposal facilities must begin imposition of the special fees and surcharges provided for in this section as soon as practicable after becoming party states and must remit to the Commission funds resulting from collection of such special fees and surcharges within sixty days of their receipt.

"(I) The Commission must keep accurate accounts of all receipts and disbursements. An independent certified public accountant shall annually audit all receipts and disbursements of Commission funds and submit an audit report to the Commission.

The audit report shall be made a part of the annual report of the Commission required by Article 4(E)(3).

"(J) The Commission may accept for any of its purposes and functions any and all donations, grants of money, equipment, supplies, materials, and services (conditional or otherwise) from any state, or the United States, or any subdivision or agency thereof, or interstate agency, or from any institution, person, firm, or corporation, and may receive, utilize, and dispose of the same. The nature, amount, and condition, if any, attendant upon any donation or grant accepted pursuant to this section, together with the identity of the donor, grantor, or lender shall be detailed in the annual report to the Commission.

"(K) The Commission is not responsible for any costs associated with:

"(1) the creation of any facility;

"(2) the operation of any facility;

"(3) the stabilization and closure of any facility;

"(4) the post-closure observation and maintenance of any facility; or

"(5) the extended institutional control, after post-closure observation and maintenance of any facility.

"(L) As of January 1, 1986, the management of wastes at regional facilities is restricted to wastes generated within the region, and to wastes generated within nonparty states when authorized by the Commission pursuant to the provisions of this compact. After January 1, 1986, the Commission may prohibit the exporation of waste from the region for the purposes of management.

"(M)(1) The Commission herein established is a legal entity separate and distinct from the party states capable of acting in its own behalf and is liable for its actions. Liabilities of the Commission shall not be deemed liabilities of the party states. Members of the Commission shall not personally be liable for action taken by them in their official capacity.

"(2) Except as specifically provided in this compact, nothing in this compact shall be construed to alter the incidence of liability of any kind for any act, omission, course of conduct, or on account of any causal or other relationships. Generators and transporters of wastes and owners and operators of sites shall be liable for their acts, omissions, conduct, or relationships in accordance with all laws relating thereto.

"ARTICLE 5

"DEVELOPMENT AND OPERATION OF FACILITIES

"(A) Any party state which becomes a host state in which a regional facility is operated shall not be designated by the Compact Commission as a host state for an additional regional facility until each party state has fulfilled its obligation, as determined by the Commission, to have a regional facility operated within its borders.

"(B) A host state desiring to close a regional facility located within its borders may do so only after notifying the Commission in writing of its intention to do so and the reasons therefor. Such notification shall be given to the Commission at least four years prior to the intended date of closure. Notwithstanding the four-year notice requirement herein provided, a host state is not prevented from closing its facility or establishing conditions of its use and operations as necessary for the protection of the health and safety of its citizens. A host state may terminate or limit access to its regional facility if it determines that Congress has materially altered the conditions of this compact.

"(C) Each party state designated as a host state for a regional facility shall take appropriate steps to ensure that an application for a license to construct and operate a facility of the designated type is filed with and issued by the appropriate authority.

"(D) No party state shall have any form of arbitrary prohibition on the treatment, storage, or disposal of low-level radioactive waste within its borders.

"ARTICLE 6

"OTHER LAWS AND REGULATIONS

"(A) Nothing in this compact shall be construed to:

"(1) Abrogate or limit the applicability of any Act of Congress or diminish or otherwise impair the jurisdiction of any federal agency expressly conferred thereon by the Congress.

"(2) Abrogate or limit the regulatory responsibility and authority of the U.S. Nuclear Regulatory Commission or of an agreement state under section 274 of the Atomic Energy Act of 1954 in which a regional facility is located.

"(3) Make inapplicable to any person or circumstance any other law of a party state which is not inconsistent with this compact.

"(4) Make unlawful the continued development and operation of any facility already licensed for development or operation on the date this compact becomes effective, except that any such facility shall comply with Article 3, Article 4, and Article 5 and shall be subject to any action lawfully taken pursuant thereto.

"(5) Prohibit any storage or treatment of waste by the generator on its own premises.

"(6) Affect any judicial or adminstrative proceeding pending on the effective date of this compact.

"(7) Alter the relations between, and the respective internal responsibilities of, the government of a party state and its subdivisions.

"(8) Affect the generation, treatment, storage, or disposal of waste generated by the atomic energy defense activities of the Secretary of the United States Department of Energy or federal research and development activities as defined in Public Law 96-573.

"(9) Affect the rights and powers of any party state and its political subdivisions to regulate and license any facility within its borders or to affect the rights and powers of any party state and its political subdivisions to tax or impose fees on the waste managed at any facility within its borders.

"(B) No party state shall pass any law or adopt any regulation which is inconsistent with this compact. To do so may jeopardize the membership status of the party state.

"(C) Upon formation of the compact no law or regulation of a party state or of any subdivision or instrumentality thereof may be applied so as to restrict or make more inconvenient access to any regional facility by the generators of another party state than for the generators of the state where the facility is situated.

"(D) Restrictions of waste management of regional facilities pursuant to Article 4 shall be enforceable as a matter of state law.

"ARTICLE 7

"ELIGIBLE PARTIES; WITHDRAWAL; REVOCATION; ENTRY INTO FORCE; TERMINATION

"(A) This compact shall have as initially eligible parties the States of Alabama, Florida, Georgia, Mississippi, North Carolina, South Carolina, Tennessee, and Virginia.

"(B) Any state not expressly declared eligible to become a party state to this compact in Section (A) of this Article may petition the Commission, once constituted, to be declared eligible. The Commission may establish such conditions as it deems necessary and appropriate to be met by a state wishing to become eligible to become a party state to this compact pursuant to such provisions of this section. Upon satisfactorily meeting the conditions and upon the affirmative vote of two-thirds of the Commission, including the affirmative vote of both representatives of a host state in which any affected regional facility is located, the petitioning state shall be eligible to become a party state to this compact and may become a party state in the manner as those states declared eligible in Section (A) of this Article.

"(C) Each state eligible to become a party state to this compact shall be declared a party state upon enactment of this compact into law by the state and upon payment of the fees required by Article 4(H)(1). The Commission is the judge of the qualifications of the party states and of its members and of their compliance with the conditions and requirements of this compact and the laws of the party states relating to the enactment of this compact.

"(D)(1) The first three states eligible to become party states to this compact which enact this compact into law and appropriate the fees required by Article 4(H)(1) shall immediately, upon the appointment of their Commission members, constitute themselves as the Southeast Low-Level Radioactive Waste Management Commission; shall cause legislation to be introduced in Congress which grants the consent of Congress to this compact; and shall do those things necessary to organize the commission and implement the provisions of this compact.

(2) All succeeding states eligible to become party states to this compact shall be declared party states pursuant to the provisions of Section (C) of this Article.

(3) The consent of Congress shall be required for the full implementation of this compact. The provisions of Article 5(D) shall not become effective until the effective date of the import ban authorized by Article 4(L) as approved by Congress. Congress may by law withdraw its consent only every five years.

(E) No state which holds membership in any other regional compact for the management of low-level radioactive waste may be considered by the Compact Commission for eligible state status or party state status.

(F) Any party state which fails to comply with the provisions of this compact or to fulfill the obligations incurred by becoming a party state to this compact may be subject to sanctions by the Commission, including suspension of its rights under this compact and revocation of its status as a party state. Any sanction shall be imposed only upon the affirmative votes of at least two-thirds of the Commission members. Revocation of party state status may take effect on the date of the meeting at which the Commission approves the resolution imposing such sanction, but in no event shall revocation take effect later than ninety days from the date of such meeting. Rights and obligations incurred by being declared a party state to this compact shall continue until the effective date of the sanction imposed or as provided in the resolution of the Commission imposing the sanction.

"The Commission must, as soon as practicable after the meeting at which a resolu-

tion revoking status as a party state is approved, provide written notice of the action, along with a copy of the resolution, to the Governors, the Presidents of the Senates, and Speakers of the Houses of Representatives of the party states, as well as chairmen of the appropriate committees of Congress.

"(G) Any party state may withdraw from the compact by enacting a law repealing the compact; provided, that if a regional facility is located within such a state, such regional facility shall remain available to the region for four years after the date the Commission receives notification in writing from the governor of such party state of the rescission of the compact. The Commission, upon receipt of the notification, shall as soon as practicable provide copies of such notification to the Governors, the Presidents of the Senates, and and the Speakers of the Houses of Representatives of the party states as well as the chairmen of the appropriate committees of Congress.

"(H) This compact may be terminated only by the affirmative action of Congress or by the recision of all laws enacting the compact in each party state.

"ARTICLE 8

"PENALTIES

"(A) Each party state, consistently with its own law, shall prescribe and enforce penalties against any person not an official of another state for violation of any provisions of this compact.

"(B) Each party state acknowledges that the receipt by a host state of waste packaged or transported in violation of applicable laws and regulations can result in the imposition of sanctions by the host state which may include suspension or revocation of the violator's right of access to the facility in the host state.

"ARTICLE 9

"SEVERABILITY AND CONSTRUCTION

"The provisions of this compact shall be severable and if any phrase, clause, sentence, or provision of this compact is declared by a court of competent jurisdiction to be contrary to the constitution of any participating state or of the United States, or the applicability thereof to any government, agency, person, or circumstance is held invalid, the validity of the remainder of this compact and the applicability thereof to any other government, agency, person, or circumstance shall not be affected thereby. If any provision of this compact shall be held contrary to the constitution of any state participating therein, the compact shall remain in full force and effect as to the state affected as to all severable matters. The provisions of this compact shall be liberally construed to give effect to the purposes thereof.".

SEC. 2. Nothing contained in this Act or in the compact consented to in this Act may be construed as impairing or otherwise affecting in any manner any right or jurisdiction of the United States with respect to the region that is the subject of such compact.

SEC. 3. The right of the Congress to alter, amend, or repeal this Act is expressly reserved.

SOUTHEAST INTERSTATE LOW-LEVEL RADIOACTIVE WASTE MANAGEMENT COMMISSION,
Atlanta, Ga., July 26, 1983.

Hon. J. STROM THURMOND,
Chairman, Committee on the Judiciary, U.S. Senate, Washington, D.C.

MY DEAR SENATOR THURMOND: On July 21, the Southeast Interstate Low-Level Radioactive Waste Management Commission held its first meeting in Atlanta, Georgia. As of this date, seven of the eight eligible states in the Southeast region, Alabama, Florida, Mississippi, North Carolina, South Carolina, Tennessee, and Virginia, had fully ratified the Southeast Compact. Georgia ratified an earlier version of the Southeast Compact in 1982 and is expected to approve amendments to this compact next year.

At this first meeting, the Commission elected officers, organized working subcommittees, and approved a draft Congressional consent bill for the Southeast Compact. Ms. Sara S. Rogers of your staff attended this meeting and was very helpful in describing the Congressional consent process to the Commissioners.

I am writing you to request that you introduce in the United States Senate legislation for the enclosed Southeast Compact. I am also writing your colleague, Congressman Butler C. Derrick, to request that he introduce the same legislation in the United States House of Representatives.

If you agree to this request, I will ask the governors of the member states of the Southeast Compact to contact the members of their Congressional delegations and ask them to co-sponsor this legislation with your consent.

I have asked Senator Joseph Gartlan, Commissioner from the Commonwealth of Virginia, and Dr. John Stucker, Commissioner from the State of South Carolina, to represent the Commission in working with your staff and the Congressional delegations from the Southeastern states in securing Congressional consent for the Southeast Compact.

On behalf of the Southeast Commission, I want to express our appreciation for the leadership which you have shown on this issue in the past. As a result of your efforts, the regional compact approach to low-level waste management, first proposed by Governor Richard W. Riley, became national policy in the 1980 Low-Level Waste Policy Act. We, the Southeastern states, are prepared to continue our efforts toward implementation of this law.

We are hopeful that the Congress will give expeditious consent to the Southeast Compact and the other low-level waste compacts which have been and will be introduced. We are committed to supporting you in whatever way we can to accomplish this goal.

Very truly yours,

RICHARD S. HODES, M.D.,
Chairman.

STATE OF SOUTH CAROLINA,
OFFICE OF THE GOVERNOR,
Columbia, S.C., July 25, 1983.

Hon. J. STROM THURMOND,
U.S. Senate, Russell Building, Washington, D.C.

DEAR STROM: Last Thursday, July 21, the Southeast Interstate Low Level Waste Compact Commission held its first meeting. At this meeting, the Commission approved a draft Congressional consent bill for the Southeast Compact.

Very soon you will be receiving a letter from Dr. Richard S. Hodes, Chairman of the Commission, enclosing a copy of this draft consent bill and asking you to sponsor its introduction in the United States Senate. A similar request will be made of Congressman Derrick on the House side.

I would like to personally request that you respond positively to Dr. Hodes' request. The Compact which Dr. Hodes is sending you represents diligent efforts on the part of South Carolina and the other member states of our region to fashion a viable framework for carrying out the Low Level Waste Policy Act of 1980.

Moreover, it represents a commitment that the legislative leadership of the General Assembly and I have made to the people of South Carolina to see that our disposal site is returned to its originally intended purpose as a regional site and that another state in our region will take up this responsibility by 1992, so that South Carolinians no longer have to see themselves as the only ones who have to bear the burden of disposing of our region's and the nation's low level radioactive waste.

It was your leadership which helped to make this regional approach to low level waste national policy in the 1980 Act. I urge you to continue your leadership in seeking consent for the Southeast Compact as well as the other Compacts which have been and will be submitted to Congress for consent.

On behalf of the other state officials in South Carolina, let me say that we stand ready to assist you in this endeavor. If there is anything I can do to expedite this process, please do not hesitate to contact me.

Yours sincerely,

RICHARD W. RILEY.

Mr. HOLLINGS. Mr. President, I am pleased to cosponsor this important piece of legislation. Establishing the Southeast compact is an important milestone in our efforts to deal with the problem of low-level nuclear waste.

In my view, this is a fair and effective compact.

In the first place, it follows the principle that Congress set forth in 1980: each State, and by inference each region, is responsible for managing its own low-level waste. The eight Southeast States have accepted their part of the responsibility and formed this compact. In return, the 1980 law provides that no State—including no Southeast State—need accept waste from outside its compact area after January 1, 1986. This is a sound and equitable approach.

Second, this compact is fair to South Carolina. As the only State in the Southeast with an existing low-level disposal site, South Carolina is central to this compact. My State is willing to take the region's low-level waste for a while longer. But in return, South Carolina will receive financial compensation from other Southeast States. More importantly, the compact explicitly calls for a second site outside South Carolina to be picked within 3 years and to be licensed and ready to operate no later than 1991. And in no event is the existing Barnwell, S.C., site to serve as the region's disposal facility beyond December 31, 1992. This arrangement is a big improvement over today's situation, where South Carolina ends up taking nuclear garbage from all over the Eastern United States.

Mr. President, I intend to review the implementation of this compact care-

fully. In particular, I want to examine all the safety questions that have been raised recently about the existing Barnwell facility. But I am very satisfied with the compact itself. It is a significant improvement over the present situation, and it enjoys broad bipartisan support in my State and the entire Southeast. I urge my colleagues in the Senate to support the bill of ratification.

By Mr. HEINZ (for himself, Mr. GARN, Mr. TOWER, and Mr. MATTINGLY):

S. 1750. A bill to effectuate the congressional directive that accounts established under section 327 of the Garn-St Germain Depository Institutions Act of 1982 be directly equivalent and competitive with money market mutual funds; to the Committee on Banking, Housing, and Urban Affairs.

COMPETITIVE SAVINGS INCENTIVE ACT

Mr. HEINZ. Mr. President, today with my colleagues Senators GARN, TOWER, and MATTINGLY, I am introducing legislation which would require the payment of earnings on the reserves held by the Federal Reserve System.

In the midst of our struggle to achieve a full economic recovery no one would advocate a policy that discourages savings, taxes, and investment itself and not the income from the investment, drives funds out of local depository institutions and makes monetary policy more difficult to execute. Yet such a policy—the failure to pay depositors a return on the portion of their money that the Federal Reserve Board requires be held without interest as reserves—is already in place.

When Congress achieved the great success for consumers last year by ordering the creation of deposit accounts for small savers that bear a market rate of interest, the nonpayment of earnings on federally mandated reserves requirements became a tax on the saver, not on the institution.

The Board of Governors of the Federal Reserve has endorsed the payment of interest on all reserves, but has advised that this be done gradually in order to minimize any cost to the Treasury. Our legislation adopts this gradual approach because it would only apply to reserves held against new accounts authorized under the Garn-St Germain Act of 1982, namely MMDA, Super NOW, and any other new transaction accounts, as well as to credit union accounts.

All depository institutions—banks, savings and loans, mutual or stock savings banks, and credit unions—would benefit from this bill, because it will make them more competitive and better able to attract deposits from their local communities which they can then relend in those local communities. Consumers at all institutions will benefit, because they will earn a higher yield on their deposits. Our bill removes a major discouragement to savings, and will enable people to obtain the best rate in the most convenient way, at their local depository institutions.

I urge my colleagues to support this measure which will aid the small savers of this country and our entire economy. It is my sincere hope, and that of Senator GARN who has joined me today in introducing this bill, that the Senate will take prompt action on this measure.

I ask unanimous consent that letters endorsing this legislation and the companion bill in the House introduced by Congressman BARNARD from the following groups be included in the RECORD:

Federal Reserve Board.

Conference of State Bank Supervisors.

National Association of Federal Credit Unions.

National Association of Mutual Savings Banks.

U.S. League of Savings Associations.

National Savings and Loan League.

American Bankers Association.

Consumer Bankers Association.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

BOARD OF GOVERNORS,
FEDERAL RESERVE SYSTEM,
Washington, D.C., June 20, 1983.

Hon. JOHN HEINZ,
U.S. Senate,
Washington, D.C.

DEAR SENATOR HEINZ: I have now had an opportunity to discuss with the Board issues raised by the legislation introduced by you last year, S. 3059, requiring payment of interest on reserve balances held against deposit accounts that are directly competitive with money market funds. We feel that as a general matter payment of a market-related interest rate on reserve balances—whether held against deposit accounts specified in the proposed bill or against all deposit accounts requiring reserves—is worthwhile on grounds of equity and also on the more technical ground that it will work to discourage development of transactions-type accounts outside the depository system. Such accounts outside banks and thrift institutions would not under current law be subject to reserve requirements of the Federal Reserve, and their proliferation would complicate the implementation of monetary policy. However, the Board also generally believes that payment of interest on reserves should be phased in over time, taking due account of the potentially adverse effects on Treasury revenues under the current difficult fiscal conditions and to minimize complications for monetary policy associated with transition to the new way reserves would be treated by depository institutions if they were interest-bearing.

The bill in question would limit interest on reserve balances to money market deposit accounts (MMDAs), super-NOW accounts, and also, if our reading of the your bill is correct, regular NOW accounts. The payment of interest on reserve balances held against MMDAs—only the non-personal portion of which is subject to reserve requirements—would be a step favored by the Board at this time.

Paying interest on reserve balances held against super-NOW accounts would make them more competitive with money market funds, although this might add further to uncertainties in interpreting the monetary aggregates, particularly M1, by causing a shift of funds now held in the form of MMDAs into super-NOW accounts. With interest paid on reserve balances, depositors would be able to receive as good a yield on super-NOW accounts on MMDAs—abstracting from service charges depository institutions might impose—and the former would also have the capacity for unlimited transfers by check. But payment of interest on super-NOW reserve balances does open up the issue of whether interest should also be paid on reserve balances of all transactions accounts. As deregulation proceeds, it will be difficult to distinguish super-NOW accounts functionally from regular NOW accounts. Paying interest on all NOW account reserve balances—and perhaps at some point extended to balances held against demand deposits generally—would involve a fairly significant drain on Treasury revenues. Thus, while the Board as a matter of principle favors payment of interest on all reserve balances, the question of whether interest should be paid on reserve balances held against regular NOW accounts, or transactions accounts more generally, should be judged additionally from the perspective of overall fiscal considerations and equity in the raising of revenue.

As a final point, the Board feels that for technical monetary control reasons it would be better to pay interest on reserve balances on a more current basis than the one quarter lag in your legislation. There would probably be less potential for complicating monetary control if the law gave the Board discretion to set a rate based on or related to market rates, or—if it were felt that more specificity was desirable—based on the average yield on, say, the System's Treasury bill portfolio in a current month.

Sincerely,

PAUL.

CONFERENCE OF STATE
BANK SUPERVISORS,
Washington, D.C., June 24, 1983.

Hon. JOHN HEINZ,
Russell Senate Office Building,
Washington, D.C.

DEAR SENATOR HEINZ: The issue of interest payments on reserves required in conjunction with Money Market Deposit Accounts and other recently established accounts has been raised in the context of proposed legislation.

CSBS previously established its position on this matter in testimony on S. 353, the Federal Reserve Modernization Act of 1979, a precursor to enactment of the Monetary Control Act. At that time, CSBS stated:

"We believe there should be an average reduction of about one-fourth in member bank reserve requirements, some payment of interest on reserves or some combination of the two. Additionally, if explicit pricing were to be implemented and/or float treated significantly different than now, levels of reserves and/or payment of interest on reserves should be adjusted accordingly so that the net benefit to member banks would be equivalent to a reduction of one-fourth in reserves."

While our statement endorsed no specific formula for payment of interest on reserves, CSBS did strongly urge "Congress and the

Fed, in the spirit of equitable treatment of banks, to reduce significantly the unduly high reserve tax now imposed on member banks and their customers."

CSBS favored payment of interest on reserves as part of a program to reduce unreasonable membership costs so as to greatly alleviate the Fed's membership problem. We continue to believe that optional Fed membership combined with efforts to reduce membership costs is preferable to universal mandatory reserves.

In addition, bank customers would benefit from higher interest rates and banks would better be able to compete with non-depository institutions, which do not hold reserves at the Fed. As a result of this competition, increases in super NOW accounts would both strengthen local banks and increase their ability to lend within their own community.

For these reasons, CSBS continues to believe that payment of interest on all or part of the reserves required to be held at the Fed is an idea worthy of support.

Sincerely,

LAWRENCE E. KREIDER,
Executive Vice President-Economist.

NATIONAL ASSOCIATION OF FEDERAL CREDIT UNIONS,
Washington, D.C., June 20, 1983.

Hon. DOUG BARNARD,
Cannon House Office Building, U.S. House of Representatives, Washington, D.C.

DEAR CONGRESSMAN BARNARD: On behalf of the National Association of Federal Credit Unions (NAFCU), I would like to take this opportunity to thank you for introducing H.R. 1013, a bill which if enacted would require the Federal Reserve Bank to pay interest on reserves posted against Money Market Deposit Accounts and Super Now Accounts.

It has been the policy of this association to favor the payment of interest on all reserves posted with the Fed. We appreciate the steps taken in the Garn-St Germain Act to make less burdensome the reporting and reserving requirements for the smaller credit unions, but we still believe that a more equitable system would be to pay interest on reserves posted with the Fed. Sterile reserves constitute a hidden tax imposed upon the financial institution affected, and this cost of doing business must ultimately be passed on to the consumer.

It is reasonable to assume, given the competitive conditions of financial markets, that interest payments by the Fed on reserves would be reflected in the marketplace in the form of lower loan rates for borrowers and higher earning rates for savers. Accordingly, there would be a smaller amount of deductions from taxable personal income representing interest payments on loans, and greater interest income earned by savers. This may well off-set any additional costs to the Treasury.

Congressman Barnard, we feel H.R. 1013 is a step in the right direction towards NAFCU's adopted policy of earning interest on all posted reserves. We support your efforts and will be glad to work with you and your colleagues for enactment of this legislation.

Sincerely,

JOHN J. HUTCHINSON,
President.

NATIONAL ASSOCIATION OF MUTUAL SAVINGS BANKS,
Washington, D.C., June 21, 1983.

Hon. DOUG BARNARD,
House of Representatives,
Washington, D.C.

DEAR MR. BARNARD: This letter is prompted by legislation which you have introduced, H.R. 1013, to authorize the Federal Reserve to pay interest on reserves held against money market deposit accounts (MMDAs). The National Association of Mutual Savings Banks is very pleased to endorse this legislation on both philosophical and practical grounds.

Consistent with the deregulatory philosophy which has been reshaping the nation's financial markets over the last several years, both depository institutions and their customers are adjusting to explicit pricing for the use of funds. A major anachronism in this trend toward increased market reliance is the federal law requiring depository institutions to set aside reserves in non-earning assets.

With respect to MMDAs, which constitute a large and still growing segment of our liability structure, there also arise competitive considerations since money market mutual funds are not subject to federal reserve requirements. Savings banks and other depository institutions are required to reserve against nonpersonal MMDAs at 3 percent, and at 12 percent on so-called Super NOW accounts when such accounts exceed $26 million per institution. Thus, for the very practical reason of being able to improve the marketability of these accounts through the return which depositors may earn, it would be advantageous to eliminate the current requirement for sterile reserves.

Paying interest on reserve requirements is a concept that has already been fully explored in prior congressional hearings, and which enjoys significant support (see, Hearings on the Monetary Policy Improvements Act of 1979, 96th Cong., 1st Sess., Feb. 1979). We note that the Federal Reserve Board itself has, in recent correspondence to Del. Walter E. Fauntroy, the chairman of the House Domestic Monetary Policy Subcommittee, expressed its endorsement of the proposal to pay interest on reserve balances. Such a step would also conform with the original congressional intent which led to the creation of these accounts by the Garn-St Germain Depository Institutions Act of 1982.

In addition to our general endorsement of the legislation, we would like to comment on one technical aspect to the legislation. Specifically, we would like to recommend a change that would alter subsection (a) of the legislation to delete the word "mutual" before "savings bank" in order to ensure that savings banks doing business in stock form would not be excluded from the benefits of the legislation. Over the course of the last eighteen months, a number of savings banks have converted from mutual to stock form, and there have also been a large number of conversions from savings and loan associations to federal savings banks, some of which involve stock institutions. We believe that the foregoing suggestion is purely technical in nature and would not alter the substance of the legislation.

Again, we would like to emphasize our support for H.R. 1013, and assure you of our commitment to work for its prompt and favorable consideration by the Congress.

Sincerely yours,

JAMES J. BUTERA,
Senior Vice President and Director.

NATIONAL SAVINGS AND LOAN LEAGUE,
Washington, D.C., June 20, 1983.

Hon. DOUG BARNARD,
Cannon House Office Building, U.S. House of Representatives, Washington, D.C.

DEAR CONGRESSMAN BARNARD: On behalf of the officers and members of the National Savings and Loan League, I want to thank you for introducing legislation providing for the payment of interest on reserves held by the Federal Reserve System against MMDA and Super-NOW account balances. These accounts were authorized by the DIDC (on instruction from Congress) in order to provide a competitive balance between traditional depository institutions and money market funds. The objective is one the National League supported given the "fact" that statutory limitations on money market funds was politically impossible.

In order for our institutions to be fully competitive with the funds, as Congress intended, they must be relieved of the tax on their raw material represented by the holding of sterile reserves. These reserve balances represent a substantial source of income for the Fed and for the Treasury. How, therefore, can anyone question that they represent a tax on the institutions?

The National League believes that interest should be paid by the Fed on all reserves, but your legislation addresses the most critical area and is the appropriate place to start. We are pleased to support your efforts and offer to assist you in any way we can in gaining enactment of the legislation.

Sincerely yours,

JIM COUSINS.

UNITED STATES LEAGUE OF SAVINGS INSTITUTIONS, WASHINGTON OFFICE,
Washington, D.C., June 20, 1983.

Hon. DOUG BARNARD,
House of Representatives, Washington, D.C.

DEAR MR. BARNARD: The staff of the U.S. League of Savings Institutions has had an opportunity to study the bill you have introduced, H.R. 1013, to require payment of interest by a Federal Reserve bank to financial institutions depositories on the reserves they are required to maintain on their money market deposit (MMDA) and Super-NOW accounts (authorized by regulation pursuant to Section 327 of the St Germain-Garn Depository Institutions Act of 1982). We construe that your bill would be applicable to reserves on NOW accounts as well. Presumably, the legislation would also require the payment of interest on any other account hereafter authorized under the St Germain-Garn law which is directly equivalent to and competitive with money market mutual funds.

The League wholeheartedly supports your effort and the basic thrust of the proposed legislation. If payment of interest on reserves could be expanded to all other accounts on which reserves are required, so much the better.

In principle, the payment of interest on reserve balances is only fair and equitable—particularly in view of competitive accounts, instruments, or investments offered by companies outside the depository institutions' segment of the market—on which no reserve balances are presently required (or even provided for by statute). The yields which financial institutions can offer their customers on MMDA's and Super-NOWs obviously remain lower than they might otherwise be, since the reserve balances maintained in

connection with these accounts remain sterile.

In the course of the legislative process, we would like to retain the opportunity to offer more specific suggestions concerning definitions, coverage, etc.

For now, we support the general thrust of your proposed legislation, and applaud both your initiative and concern for the public interest that financial institution accounts directly competitive with money market mutual funds be made even more competitive.

Sincerely,

ROY G. GREEN.

AMERICAN BANKERS ASSOCIATION,
Washington D.C., June 20, 1983.

Hon. DOUG BARNARD,
U.S. House of Representatives, Washington, D.C.

DEAR DOUG: On January 27, 1983, you introduced legislation that would provide for the payment of interest on reserves on those accounts established under Section 327 of the Garn-St Germain Depository Institutions Act of 1982.

In testimony before the Senate Banking Committee, on May 3, 1983, the American Bankers Association supported the concept of the payment of interest on reserves.

Depository institutions are currently required to hold reserve balances equal to a certain percentage of their transaction and non-personal time deposits. No interest is earned on these balances held at the Federal Reserve. This reduces the interest income of depository institutions and lowers the rate they can afford to pay on deposits.

Since most of the profits of the Federal Reserve are paid to the Treasury, failure to pay interest on reserve balances held at the Federal Reserve has the same effect as a tax on depository institutions, and indirectly, the customers who purchase financial services from them. Moreover, because the cost in reduced income from reserves must be made up through increased income on other bank products and services, a sterile reserve system indirectly maintains artificially high levels of interest rates on loans.

The prior rationale of not paying interest on reserves was due to the fact that these institutions received free services from the Federal Reserve. This, of course, is no longer the case since the Federal Reserve has begun explicitly pricing its services. We are hopeful that similar legislation will be introduced in the Senate.

We stand ready to assist you in any way possible.

Sincerely,

GERALD M. LOWRIE.

THE CONSUMER BANKERS ASSOCIATION,
Arlington, Va., May 18, 1983.

Hon. JOHN HEINZ,
Russell Senate Office Building, Washington, D.C.

DEAR SENATOR HEINZ: At the Senate Banking Committee hearing on May 3, you indicate your intent to reintroduce legislation similar to S. 3059 that would provide for the payment of earnings on sterile reserves held by the Federal Reserve System. As I stated, we favor the payment of earnings and strongly appreciate and support any legislation, regarding this issue, that you introduce. We believe that your approach of limiting the payment to reserves held on the Money Market Deposit Account, the Super NOW Account, and other transactional accounts that DIDC authorizes will lessen the impact on the Treasury. Your approach will also provide for a gradual, non-disruptive transition from sterile reserves to earning reserves, since the bill only applies to new types of accounts. Consumers will also benefit from this approach in two important ways. First, they will either receive higher rates on their deposit accounts or pay lower interest rates on their loans. Second, a competitive Super NOW account, if authorized for businesses by the DIDC, will be an invaluable cash management tool for small businesses, which are generally unable to avail themselves of more sophisticated techniques.

As you know, this bill will provide parity for federally regulated depository institutions with respect to the non-regulated money market mutual funds, as mandated by Congress in last year's Garn-St Germain Act. At today's rates (approximately 8%) we estimate that regulated depository institutions are at a 24-basis-point disadvantage on the MMDA and 109-basis-point disadvantage on the Super NOW Account. Obviously, your bill would create competitive equality.

If the association or its staff can be of any assistance to you, please do not hesitate to call upon us.

Sincerely,

FREDERICK S. HAMMER,
Chairman, Government Relations Committee.

By Mr. CRANSTON:

S. 1751. A bill to amend certain Federal laws to prohibit age discrimination; to the Committee on Labor and Human Resources.

S. 1752. A bill to amend the Employee Retirement Income Security Act of 1974 and the Internal Revenue Code of 1954 to prohibit age discrimination in the administration of pension plans; to the Committee of Finance.

S. 1753. A bill to amend the Internal Revenue Code of 1954 to provide incentives for part-time and full-time employment of older workers; to the Committee on Finance.

PROMOTING EMPLOYMENT OPPORTUNITIES FOR OLDER WORKERS

Mr. CRANSTON. Mr. President, on January 26, I introduced a comprehensive legislative proposal, S. 2, the proposed "Employment Opportunity for Older Americans Act of 1983." S. 2, derived from legislation I introduced in the 97th Congress, S. 3010, contains a number of provisions aimed at encouraging older workers to remain in the work force, particularly in part-time positions, and stimulating employers to make these opportunities available to older workers. Two of the proposals contained in S. 2—increasing the social security delayed retirement adjustment factor and modifying the earnings limitation—were dealt with in the recently enacted Social Security Amendments of 1983, Public Law 98-21. At the time the social security legislation was before the Senate, I indicated my strong support for those provisions and my intention to reintroduce the remaining provisions of S. 2 in separate bills in order to help facilitate their referral and consideration by the appropriate committees.

I am therefore today introducing, for appropriate reference, the remaining provisions of S. 2 in three separate bills, S. 1751, the proposed "Age Discrimination in Employment and Apprenticeship Amendments of 1983," S. 1752, the proposed "Age Discrimination in Pension Benefits Act of 1983," and S. 1753, the proposed "Older Worker Employment Incentives Act of 1983." I note that my extensive floor statement on S. 2 appeared at pages S115-122 of the daily edition of the CONGRESSIONAL RECORD for January 26, 1983.

IMPORTANT STEP FORWARD

Mr. President, enactment of the two provisions relating to work effort after the normal retirement age contained in the Social Security Amendments of 1983 represents an important and essential step toward encouraging older workers to delay retirement and remain participants in the workforce as long as they desire. The fact that workers who delay their retirements have not received an actuarially fair adjustment in their social security benefits to reflect these additional work years has served as disincentive to continued work. Similarly, the social security earnings limitation provision which required a forfeiture of $1 in social security benefits for every $2 in earned income after a certain annual earnings threshold has made working beyond the normal retirement age significantly less desirable. Public Law 98-21 included provisions which raised the delayed retirement adjustment factor and modified the earnings limitation to provide a benefit loss of $1 for every $3 in earned income, rather than for each $2.

Mr. President, these changes should help substantially in making continued work efforts more desirable to older Americans. There is, however, much more that must be done to reduce other obstacles and fiscal disincentives that discourage older workers—and their employers. The legislation I am introducing today seeks to deal with many of the remaining problems.

NEED FOR NEW POLICIES

Mr. President, at the time I introduced S. 2, I outlined many of the demographic factors which make it imperative that efforts be made to provide older workers with the opportunities and incentives needed to continue in the work force. I will not reiterate all of the data today, but simply point to two important facts which compel action in this area.

First, America is aging. In a few short decades, the number of Americans over 65 will constitute fully one-fifth of the population. These older Americans will be better educated, in better health, and have many more years of active life after 65 than any previous generation.

Second, as difficult as it may be to envision in light of today's unconscionable rates of unemployment, we will soon be entering an era of labor shortages, when the number of new, young workers entering the work force will be declining. Our labor force will need to retain experienced older workers that we now force into retirement. Our Nation will need these older workers if we are to meet the challenges that lie ahead.

It is clear that we must begin now to revise and reform those policies and practices which have discouraged older workers, denied them the opportunity to remain active participants in the economic life of the Nation, and, in many cases, forced them into unwanted dependency and idleness.

A NEW CONCEPT OF RETIREMENT

Mr. President, I believe that it is time that our Nation began revising the basic concept of retirement. Retirement today means a total, abrupt withdrawal from the labor force. One day, an individual is engaged as an active, contributing worker; the next, he or she is faced with a total retirement—complete exclusion from the workplace. This often has a severe, deteriorative impact upon physical and psychological health, taking away from many older Americans that sense of fulfillment and self-sufficiency which comes from productive employment, leaving them with a loss of meaning and worth in their lives and often without sufficient resources to maintain an adequate standard of living.

We should begin to foster a new perspective on retirement, a shift from the concept of an abrupt, total withdrawal from the labor force to one of gradual withdrawal, where older workers are afforded the opportunity, if they choose, to reduce their work pace, shift to less demanding work roles or participate in more flexible work schedules. Part-time employment, in particular, represents an appealing and practical way for older workers to remain in the work force, contributing their skills and experience and supplementing their incomes, yet still allowing them to reduce their work pace.

This new concept—sometimes called phased retirement or gradual retirement—would not only serve the interests of older workers, it would help meet the future needs of the labor force. According to available employment projections, 74 percent of the increase in new employment positions in the next two decades will be in wholesale or retail sales and in the services industries—two fields which currently employ 60 percent of all workers 65 or older. These same industries frequently use part-time employees.

Mr. President, a number of the provisions in my proposal are focused upon encouraging part-time employment opportunities for older workers. It is clear that older workers today desire these work arrangements. A 1981 Harris poll of current workers between the ages of 55 to 64 found that 79 percent would prefer part-time work to complete retirement. Surveys of current retirees disclose equally strong desires to engage in part-time work. We need to develop innovative and creative ways to provide these opportunities.

SUMMARY OF BILLS INTRODUCED

Mr. President, as I stated at the outset, the three bills I am introducing today contained proposals derived from S. 2 which have not yet been acted upon.

S. 1751, AGE DISCRIMINATION IN EMPLOYMENT AND APPRENTICESHIP AMENDMENTS OF 1983

The first bill, S. 1751, the proposed "Age Discrimination in Employment and Apprenticeship Amendments of 1983," would amend the Age Discrimination in Employment Act (ADEA) to extend its protections to all older Americans, not just those under age 70, clarify that under the ADEA an employee benefit plan cannot discriminate on the basis of age, and prohibit age discrimination under the National Apprenticeship Act. This legislation is under the jurisdiction of the Labor and Human Resources Committee.

Mr. President, there are currently several proposals pending in the Senate to remove the age 70 ceiling in the ADEA. The effect of removing the ceiling would be to extend the protection of ADEA to all workers over the age of 40 who are employed in jobs covered by the act, thereby guaranteeing those employees protection against mandatory retirement rules. In 1978, we raised the ceiling from 65 to 70 for most employees and eliminated entirely the mandatory retirement age for Federal employees. Elimination of the ceiling would afford similar protection to employees in the private sector.

Mr. President, my proposal differs from other measures before the Senate in that it would also abolish the exemptions created in 1978 that deny certain categories of workers protection against mandatory retirement rules. In 1978, over my strong objections, exemptions were included in the ADEA to allow colleges and universities to force certain employees—tenured faculty members—to retire at age 65 and to allow businesses to take the same actions with regard to certain executives.

The exemption for universities and colleges, however, expired on July 1, 1982. Thus, under the ADEA today, college professors enjoy the same protections against mandatory retirement before age 70 that every other worker enjoys. Some of the proposals currently pending in the Congress to eliminate the age 70 ceiling would recreate an exemption that would allow universities and colleges to force out tenured employees when they reach age 70. These proposals would also allow continuation of the exemption for businesses which choose to force executives with pension benefits over $27,000 to retire when they reach 65.

My bill does not exclude any category of employees from the protection of the ADEA. I recognize that those employers who seek to retain the freedom to discharge an employee when he or she reaches a certain age truly believe that the circumstances in their particular field warrant special consideration. But, Mr. President, we are dealing with what is a basic civil right—the right to be judged on the basis of individual ability to perform a job. Employment discrimination on the basis of chronological age is just as invidious and unfair as discrimination on the basis of race or sex or religion or national origin that title VII of the Civil Rights Act prohibits. It has no place in our society.

Some of the proponents of these exemptions claim the need to hire new blood to get new ideas into higher education or into their corporate offices. The presumption, however, that younger individuals have a monopoly on new ideas is simply an outdated ageist stereotype. There are countless examples of major breakthroughs in the sciences, art, literature, music, and other fields which have come from those individuals over the normal retirement age.

Mr. President, if we believe as a matter of principle that no American should be forced to retire at a set age without regard to individual competency—and that is the view held by most Americans—then there is simply no justification for carving out particular segments of the workforce for whom such protection will not be provided. The ADEA clearly does not limit an employer's ability to discharge any employee, regardless of age, who cannot adequately perform his or her duties. That ought to be the standard, not some arbitrary age factor, in every occupational field.

Mr. President, I ask unanimous consent that an article which recently appeared in the "Chronicle of Higher Education" discussing some of the issues associated with the tenured professor exemption be reprinted in the RECORD at the conclusion of my remarks.

Mr. President, the proposed "Age Discrimination in Employment and Apprenticeship Amendments of 1983" would also clarify the application of the ADEA to employee benefit plans. Under the present interpretation of the ADEA, employers may refuse to credit the additional work years after retirement age to an employee's pension. According to a report published by the Congressional Budget Office, "Work and Retirement Options for

Continued Employment of Older Workers," July 1982, 27 percent of the workers covered by private pension plans are subject to provisions that prohibit the accrual of pension benefits entirely after the normal retirement age, and 22 percent are in plans that limit in some fashion pension benefit accrual after a particular age. Under these plans, an older worker gets no or reduced pension credits for those additional work years. This type of discrimination clearly discourages older workers and denys them equal compensation for their work.

Finally, the proposed "Age Discrimination in Employment and Apprenticeship Amendments of 1983" would ban age discrimination under the National Apprenticeship Act. As more and more older workers need retraining and new skills, elimination of age limits which prevent them from gaining the education and training needed will become increasingly important.

S. 1752, AGE DISCRIMINATION IN PENSION BENEFITS ACT OF 1983

Mr. President, S. 1752, the proposed "Age Discrimination in Pension Benefits Act of 1983," contains the provisions of S. 2 which dealt with prohibiting private pension programs from discriminating against older workers. This legislation is within the jurisdiction of both the Labor and Human Resources and Finance Committees.

First, the Employee Retirement Income Security Act of 1974 (ERISA) would be amended to correspond to the amendments to ADEA contained in the first bill I have described. Employers would thus be prohibited from refusing to credit additional years of work beyond retirement age to an employee's pension fund under both ERISA and ADEA.

Second, the bill would specifically prohibit reduction of pension benefits by reason of any increase in the income of the participant due to employment by any employer for less than 1,000 hours during a calendar year. This provision is aimed at prohibiting the current practice of some employers of refusing to pay pension benefits to a retired worker who continues working in the same field or for the same employer. Until recently, an older worker might risk total forfeiture of his or her pension if the worker continued in the same field after reaching retirement age. In 1982, the Department of Labor issued regulations that permit some work activity by these pensioners, but allow total forfeitures for retirees who work more than 40 hours per month in prohibited employment. This legislation would prohibit an employer from withholding pension benefits so long as the pensioner did not exceed 1,000 hours per year. This is roughly twice the current allowable amount and would enable a retiree to work approximately halftime before an employer could withhold or reduce a pension.

S. 1753, OLDER WORKER EMPLOYMENT INCENTIVES ACT OF 1983

Finally, Mr. President, the third bill I am introducing today, S. 1753, the proposed "Older Worker Employment Incentives Act of 1983", contains the provisions of S. 2 which add low-income workers as covered categories of the targeted jobs tax credit and reduce the FICA tax for part-time older workers. This legislation is within the jurisdiction of the Finance Committee.

The existing targeted job tax credit provides employers with a tax credit equal to 50 percent of the first $6,000 in wages paid in the first year to workers in certain targeted categories and 25 percent of the first $6,000 paid in the second year of employment. Between 1979 and 1981, 800,000 workers benefited under the existing program which covers a variety of groups such as disadvantaged young workers, welfare assistance recipients, Vietnam era veterans, and former CETA public service employment participants. CBO has estimated that 1.5 million older workers between the ages of 62 and 69 and 2.6 million who are 70 years and older would be eligible under the same income standards that are applicable to other categories of workers. According to CBO, in may cases, the employment opportunities that would be created through extension of the credit to low-income older workers are likely to be part-time jobs because of the interplay between the $6,000 limit in the credit and the earnings limitation provisions in the Social Security Act.

This bill also contains provisions to cut in half the FICA tax for part-time older workers. Under present law, a part-time older worker must pay the full amount of the employee's share of the social security tax—the so-called FICA tax. This can be a substantial disincentive to working since his or her earnings are also subject to the earnings limitation which even under the 1983 liberalization will still result in an older worker losing $1 in social security benefits for every $3 in earned income over the $6,600 threshold.

Present law operates as a disincentive as well for employers to hire part-time older workers. The employer must pay the employer's share of the FICA tax on each part-time worker which can mean that the employer will end up paying more in FICA taxes for two part-time older workers than for one full-time worker. Some have advocated that FICA taxes be eliminated entirely for those older workers who are foregoing social security benefits because of earned income. They have argued that it is unjust to require these workers to continue paying for a benefit they are not receiving by virtue of remaining in the workforce. Such an approach, however, would deny these workers the benefit of the delayed retirement adjustment factor and might reduce considerably social security trust fund revenues.

Consideration has also been given to a pro rata reduction in the FICA rate for part-time work, but the administrative complexities of that approach would be significant. Thus, this legislation would simply provide that, as to a worker over the age of 65, the tax rate for both employer and employee share of the FICA tax would be reduced to one-half the rate that would otherwise be applicable with respect to that portion of wages that does not exceed one-half the wage base established for FICA taxation.

CONCLUSION

Mr. President, I hope that action can be taken on these proposals to help eliminate the obstacles that deter older workers from remaining in the work force. Public opinion desire clearly point in this direction. We need to make a firm commitment to action.

I ask unanimous consent that the text of the three bills I am introducing be reprinted in the RECORD following the article from the "Chronicle of Higher Education."

There being no objection, the material was ordered to be printed in the RECORD, as follows:

I WASN'T READY TO GO: THE CONFLICT OVER FORCING PROFESSORS TO RETIRE

(By Suzanne Perry)

Five years ago, Saul Levine, then a professor of art history at Fairleigh Dickinson University, turned 65.

It was a traumatic experience.

For although Mr. Levine loved teaching, he was being forced to give up his tenured position because he had reached the age for mandatory retirement under a faculty contract with the university. The university then appointed him to nontenured position for one year and offered him only a part-time job for the year after that.

The professor says he was so unprepared to pull back from his life's work that he felt as though he had been stricken by "emotional leukemia."

One day you're at peace with yourself, he says, and then "suddenly there is the restraint of serious illness, and very little can be about done it. You have to accept the reality of a status that is brutally changed."

Mr. Levine did what he could: He sued the university on charges of age discrimination, and won—mainly because the university, in stripping him of his tenure, left itself open to a judgment that it had violated the federal Age Discrimination in Employment Act. Ironically, until last July, that law protected nontenured faculty members—but not tenured faculty members—after age 65.

Under the terms of Mr. Levine's settlement, however, he had to leave Fairleigh Dickinson at age 69.

"I wasn't ready to go," he says. "I considered myself at the peak of my teaching abilities. I'm a Michelangelo scholar, and the interaction between teaching and scholarship is always there. You can't separate it."

Mr. Levine says his leaving disrupted the lives of others, as well, as evidenced by letters that many colleagues and students sent to administrators on his behalf.

Mr. Levine's legal battle is over now, but the philosophical questions surrounding mandatory retirement still tug at him. Is it morally right, he asks, for an employer to require workers to retire against their will?

Mr. Levine says No.

"Retirement in a democratic society has to be voluntary," he says. "Any arbitrary imposition of retirement is a violation of our civil rights. It's something ugly. It's anathema. It violates our basic sense of decency."

BURGEONING MOVEMENT

Throughout American society a burgeoning movement against age discrimination is forcing people to confront such issues these days.

In academe, however, there are special complications, because leading professional associations have said that tenured faculty members should be treated differently from other employees. Others disagree. The arguments reflect a classic conflict between the rights of individuals and the needs of insititutions.

Five years ago, when the Age Discrimination in Employment Act was amended to prohibit mandatory retirement before age 70, colleges and universities were temporarily exempted—until July, 1982—in the case of tenured professors.

This year, Rep. Claude Pepper, Democrat of Florida, one of the nation's leading advocates of rights for older Americans, and Sen. John Heinz, Republican of Pennsylvania, introduced bills to abolish mandatory retirement altogether. But once again, under their proposals, application of the law to tenured professors would be delayed—this time for 15 years.

The exemption is the product of intensive lobbying by the American Council on Education on behalf of all major higher-education associations, reportedly augmented by hundreds of letters to Congress from college and university presidents.

The institutions' argument, basically, is that "uncapping" the retirement age for tenured professors would exacerbate demographic pressures that have already sharply reduced the number of openings for new faculty members across the country. Confronted with projections of declining enrollments and a bulge of middle-aged faculty members who were hired during higher education's boom period of the 1950's and 1960's, college and university officials say they must be able to retire older professors.

No other profession, they say, must grapple with the intricacies of academic tenure, which makes it difficult to fire an unproductive professor. Moreover, the "graying" of college faculties will lead to increased salary costs and a lack of fresh blood, the officials maintain.

AAUP SUPPORTS EXEMPTION

On the surface that might seem to be strictly a management viewpoint. Yet the proposed 15-year exemption is also being supported by the American Association of University Professors, which opposed a faculty exemption in 1978 but now fears that uncapping the retirement age altogether could freeze out younger faculty members from the tenure system.

Said the association's Committee on Academic Freedom and Tenure in a report published last fall:

"An effect of uncapping legislation, though one probably not consciously intended by its framers, will be to shift institutions' total personnel costs toward the older edge of the faculty age spectrum, as many professors elect to stay on at full salary, past the traditional mandatory retirement age of 70 at many institutions, as well as past the previously traditional retirement age of 65 at many other institutions."

Matthew W. Finkin, professor of law at Southern Methodist University and chairman of the A.A.U.P. committee, says the association's concern extends to "the vitality of the professoriate as a whole."

Officials of the association say its position has attracted little negative response from members.

But in other corners of academe, there are ripples of discontent.

For one thing, the two other major faculty organizations—the American Federation of Teachers (A.F.L.-C.I.O.) and the National Education Association—oppose the exemption. The N.E.A. opposes mandatory retirement for any workers, and it argues in a letter to Congress that excluding tenured faculty members from legislative protection would be "double discrimination—once on the basis of age and again on the basis of occupation. "The A.F.T. has not taken a position on the general question of mandatory retirement, but it says that any legislation on the issue should afford tenured faculty members "treatment comparable to other professionals."

For another thing, some faculty members and administrators passionately believe that forcing competent professors to retire involuntarily is as unjust as discriminating against someone on the basis of race or sex.

"WORST FORM OF DISCRIMINATION"

"In some ways this is the worst form of discrimination," says Allen D. Calvin, professor of organization and leadership at the University of San Francisco. "If we're lucky enough, all of us will get to be 65 or 70, so this will affect all of us."

Mr. Calvin has launched a one-man campaign against mandatory retirement. For years, he has been collecting documents, writing letters, contacting Congressional staff members, and lobbying in California for a pending state bill that would prohibit forced retirement of professors.

He sees those efforts as a logical extension of his own involvement in the civil-rights movement. While retirement will not affect him directly for some time—he is only 55—Mr. Calvin says he was moved to act after watching some of his former colleagues become "absolutely destroyed" by mandatory retirement.

"The more I watched some of the finest professors I knew being fired, the more irritated I got," he says.

Another opponent of mandatory retirement is Thomas M. Stauffer, now chancellor of the University of Houston. Until last summer, he was director of external relations at the American Council on Education, one of the leading advocates—both in 1978 and today—of allowing colleges to force tenured professors to retire.

Mr. Stauffer's view, which he explained in a recent letter to the New York Times, is that academe is inviting greater federal intervention by asking the government to exempt it from "fundamental national policy."

"American higher education is part of the American nation, not separate from its basic social trends," he wrote. "The American population is aging, and recognizing the value of older workers is just as significant as recognizing the value of women and minorities in the work place."

Mr. Stauffer says he sympathizes with the A.C.E., which was flooded with letters from college presidents who opposed raising or uncapping the mandatory-retirement age for tenured professors. But he says he couldn't shake the feeling that their arguments were discriminatory.

"I thought what A.C.E. was doing in a constituent sense was correct—representing the people in higher-education land," he says. "But I thought it was wrong, pure and simple."

J. W. Peltason, president of the American Council, says its position serves the needs of the entire higher-education community. "In all fields, one needs a balance of younger faculty and more experienced faculty to stimulate students and colleagues alike by challenging old as well as new ways of thinking and by contributing varied perspectives," he told Congress in a letter.

On the other side of the question, Bernard Roth, professor of mechanical engineering at Stanford University, is an example of someone who became "converted" by considering the individuals involved. He says he began fighting mandatory retirement after investigating the issue about five years ago as chairman of Stanford's A.A.U.P. chapter.

"My mind literally got blown," Mr. Roth recalls. "Every stereotype I had on the issue was wrong."

He says he discovered that instead of "doddering guys with yellow notes," many of the Stanford professors who were being forced to retire were "stars who were bringing in millions of dollars" that created jobs for young scholars.

Mr. Roth testified against a California bill, which eventually passed, that exempted tenured professors at private universities from state legislation abolishing mandatory retirement. And he led a fight on behalf of Stanford professors who were in what he calls the "window group"—they turned 65 between the time Congress amended the mandatory-retirement law and the time the exemption affecting tenured professors expired. Stanford agreed to offer the affected employees half-time assignments.

Opponents of mandatory retirement in higher education also raise these points:

There is no evidence that many professors would stay past 70 even if they could, so predictions of dire consequences from uncapping the retirement age may be exaggerated.

Colleges and universities are using mandatory retirement as a way to rid themselves of unproductive professors, instead of dealing directly with a problem that can afflict faculty members at any age.

Some professors can't afford to retire because their pensions are inadequate.

The argument that hard data on mandatory retirement do not exist is supported by a Congressional staff member who is closely involved with the pending legislation.

"I find it kind of curious that the supposed scientific and academic leaders of this country are running around screaming Chicken Little stories," he says.

Although the bills' sponsors agreed for political reasons to include the 15-year exemption, this source adds, "it will be up to the academics to prove their case to Congress."

According to the Teachers Insurance Annuity Association and College Retirement Equities Fund, the average age at which faculty members begin collecting their pensions—which usually represents a retire-

ment date—has been declining over the past 10 years. In 1982, the organizations report, 10 percent of their participants began receiving annuity checks at age 70 or over, compared with 12.5 percent in 1973.

The report by the A.A.U.P.'s academic-freedom committee said academic should be exempted from proposals to uncap the retirement age for tenured professors "so long as the professoriate is otherwise fairly treated in the administration of the institution's retirement plan."

Mr. Finkin defends the committee's position as a highly principled one. The academic-freedom panel considered the civil-liberties argument carefully, he says, and "the question was a close one."

But on balance, the committee believed that its position served the greater good. The prospect of unlimited employment of faculty members, he says, could cause administrations to attack the tenure system.

Furthermore, mandatory retirement is a "civilized" way to ease out a faculty member who, "after 30 years of service, is not as productive as he once was," Mr. Finkin adds. "One of the advantages of mandatory retirement is it is neutral."

Mr. Peltason of the A.C.E. agrees that the prospect of charging older professors with incompetence—and perhaps fighting the battle in court—is unappealing.

"You'd have letters from students of 20 to 30 years ago, saying, 'He was the best thing in my life.' Then the university has to come forward and say, 'Yes, Professor X was a fine biochemist, but he hasn't done anything up to date in the last 10 years.' "

Meanwhile, as the debate continues, individual lives are directly affected by colleges' decisions on retirement. While many professors undoubtedly look forward to retiring, for some the experience is wrenching.

Gifford E. McCasland, for example, in 1978 and 1979 waged a bitter fight through his faculty union against his forced retirement at age 65 from the University of San Francisco. Because of the 1978 exemption, however, he had no legal recourse. Mr. McCasland, a former professor of chemistry, found that a bitter pill to swallow.

"To single out any one occupation and deny you the protection of the law—I think it's an outrage," he says. "To me, it's unconstitutional. I don't know how they get away with it."

The outrage also extended to Mr. McCasland's wife, Evelyn, who says it was difficult to watch her husband become the victim of discrimination for the first time in his life.

For several years, the McCaslands were consumed by the mandatory-retirement issue. They wrote letters, clipped and filed dozens of articles about retirement, and monitored efforts to change the California law.

But, they say, they eventually gave up hope that anyone was listening. Mr. McCasland found a part-time research position at the University of California at San Francisco, but the bitterness lingers. Mrs. McCasland says they refuse to attend the annual emerti dinners of the University of San Francisco.

In a final effort to state his case, Mr. McCasland wrote an article that he hoped Newsweek would print on its "My Turn" page. The article, which has not been published, was entitled "Professors—On the Scrap-Heap at 65."

S. 1751

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Age Discrimination in Employment and Apprenticeship Amendments of 1983".

APPLICATION OF AGE DISCRIMINATION IN EMPLOYMENT ACT OF 1967

SEC. 2. (a)(1) Section 12(a) of the Age Discrimination in Employment Act of 1967 (29 U.S.C. 631(a)) (relating to age limitations) is amended by striking out "but less than 70 years of age".

(b) Subsection (c) of section 12 of such Act (29 U.S.C. 631(c)) is repealed.

BENEFIT ACCRUAL BEFORE MAXIMUM NORMAL RETIREMENT BENEFIT

SEC. 3. Section 4(f)(2) of the Age Discrimination in Employment Act of 1967 (29 U.S.C. 623(f)(2)) (relating to prohibition of age discrimination) is amended—

(1) by striking out "and" after "hire any individual,"; and

(2) by inserting before the semicolon at the end thereof a comma and "and no employee benefit plan shall require or permit the suspension of an employee's benefit accrual or the reduction of the rate of an employee's benefit accrual because of age before accruing the maximum normal retirement benefit".

PROHIBITION OF AGE DISCRIMINATION IN APPRENTICESHIP PROGRAMS

SEC. 4. The first section of the Act of August 16, 1937 (50 Stat. 664, chapter 663; 29 U.S.C. 50), popularly known as the National Apprenticeship Act, is amended by inserting "(a)" after the section designation and by adding at the end thereof the following new subsection:

"(b) In promoting labor standards for the welfare of apprentices under subsection (a) of this section, the Secretary shall ensure that no program of apprenticeship discriminates against any individual, because of the age of such individual, in admission to, or employment in, any such program.".

S. 1752

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Age Discrimination in Pension Benefits Act of 1983".

BENEFIT ACCRUAL BEYOND NORMAL RETIREMENT AGE

SEC. 2. (a)(1) Subsection (a) of section 204 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1054(a)) (relating to benefit accrual requirements) is amended to read as follows:

"(a) Each pension plan shall satisfy the requirements of subsection (b)(3), and—

"(1) in the case of a defined benefit plan, shall satisfy the requirements of subsection (b)(1); and

"(2) in the case of a defined contribution plan, shall satisfy the requirements of subsection (b)(2).".

(2) Section 204(b)(1) of such Act (29 U.S.C. 1054(b)(1)) is amended by adding at the end the following new subparagraph:

'(H) Notwithstanding the preceding subparagraphs, a defined benefit plan shall be treated as not satisfying the requirements of this paragraph if, under the terms of the plan, an employee's benefit accrual is suspended or the rate of an employee's benefit accrual is reduced solely because of age before accruing the maximum normal retirement benefit.".

(3) Section 204(b) of such Act (29 U.S.C. 1054(b)) is further amended—

(A) by redesignating paragraphs (2) and (3) as paragraphs (3) and (4), respectively; and

(B) by inserting after paragraph (1) the following new paragraph:

"(2) An individual account plan satisfies the requirements of this paragraph if, under the plan, employer contributions to the employee's account are not suspended or reduced solely because of age.".

(b)(1) Section 411(b)(1) of the Internal Revenue Code of 1954 (relating to accrued benefit requirements) is amended—

(A) by striking out "GENERAL RULES.—" and inserting in lieu thereof "DEFINED BENEFIT PLANS.—"; and

(B) by adding at the end thereof the following new subparagraph:

"(H) CONTINUED ACCRUAL BEYOND NORMAL RETIREMENT AGE.—Notwithstanding the preceding subparagraphs, a defined benefit plan shall be treated as not satisfying the requirements of this paragraph if, under the terms of the plan, an employee's benefit accrual is suspended or the rate of an employee's benefit accrual is reduced solely because of age before accruing the maximum normal retirement benefit.".

(2) Section 411(b) of the Internal Revenue Code of 1954 is further amended—

(A) by redesignating paragraphs (2) and (3) as paragraphs (3) and (4), respectively; and

(B) by inserting after paragraph (1) the following new paragraph:

"(2) DEFINED CONTRIBUTION PLANS.—A defined contribution plan satisfies the requirements of this paragraph if employer contributions to the employee's account are not suspended or reduced solely because of age.".

(3) The first sentence of section 411(a) of the Internal Revenue Code of 1954 (relating to minimum vesting standards) is amended by striking out "paragraph (2) of subsection (b), and" and all that follows down through the end thereof and inserting in lieu thereof "subsection (b)(3), and also satisfies, in the case of a defined benefit plan, the requirements of subsection (b)(1) and, in the case of defined contribution plan, the requirements of subsection (b)(2).".

EMPLOYMENT BEYOND NORMAL RETIREMENT AGE

SEC. 3. (a) Section 206 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1056) (relating to form and payment of benefits) is amended—

(1) by redesignating subsections (c) and (d) as subsections (d) and (e), respectively; and

(2) by inserting after subsection (b) the following new subsection:

"(c) If—

"(1) a participant or beneficiary is receiving benefits under a pension plan, or

"(2) a participant is separated from the service and has nonforfeitable rights to benefits,

a plan may not deny, suspend, or reduce the benefits of such a participant by reason of any increase in the income of the participant due to employment of the participant by any employer for less than 1,000 hours during a calendar year.".

(b)(1) Section 203(a)(3)(D)(v) of such Act (29 U.S.C. 1053(a)(3)(D)(v)) is amended by striking out "section 206(c)" and inserting in lieu thereof "section 206(d)".

(2) Section 211(b)(1) of such Act (29 U.S.C. 1061(b)(1)) is amended by striking out "206(d)" and inserting in lieu thereof "206(e)".

EFFECTIVE DATE

SEC. 4. The amendments made by this Act shall apply with respect to plan years beginning after December 31, 1984.

S. 1753

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Older Worker Employment Incentives Act of 1983"

CREDIT FOR EMPLOYMENT OF CERTAIN NEW EMPLOYEES

SEC. 2. (a) Subsection (d) of section 51 of the Internal Revenue Code of 1954 (relating to members of targeted groups) is amended—

(1) in paragraph (1)—

(A) by striking out "or" at the end of subparagraph (I);

(B) by striking out the period at the end of subparagraph (J) and inserting in lieu thereof a comma and "or";

(C) by adding at the end thereof the following new subparagraph:

"(K) low-income older worker.";

(2) by redesignating paragraphs (11), (12), (13), (14), and (15) as paragraphs (12), (13), (14), (15), and (16), respectively, and inserting after paragraph (10) the following new paragraph:

"(11) Low-income older worker.—The term 'low-income older worker' means an individual certified by the designated local agency as—

"(A) at least 65 years of age, and

"(B) a member of an economically disadvantaged family (as determined under paragraph (12)).";

(3) by striking out "paragraph (11)' each place it appears in paragraph (13)(A)(iv) (as redesignated by paragraph (2) of this subsection) and in paragraphs (3)(A)(ii), (4)(C), and (7)(B) and inserting in lieu thereof "paragraph (12)"; and

(4) by striking out "paragraph (14)" each place it appears in subparagraphs (A)(ii) and (C) of paragraph 13 (as redesignated by paragraph (2) of this subsection) and inserting in lieu thereof "paragraph (15)".

(b) The amendments made by this section shall apply to amounts paid or incurred after December 31, 1983, in taxable years ending after such date.

SEC. 3. REDUCTION IN EMPLOYMENT TAXES WITH RESPECT TO OLDER WORKERS.

(a)(1) Section 3101 of the Internal Revenue Code of 1954 (relating to rate of FICA tax on employees) is amended by adding at the end the following new subsection:

"(e) Tax With Respect to Older Workers.—In the case of wages received during a calendar year by an individual who is 65 years of age or older, each rate of tax imposed by subsections (a) and (b) shall be, with respect to that portion of such wages which does not exceed one-half of the contribution and benefit base (as defined in section 230 of the Social Security Act) in effect for such calendar year, one-half of the rate otherwise applicable under such subsection.".

(2) Section 3111 of such Code (relating to rate of FICA tax on employers) is amended by adding at the end the following new subsection:

"(d) Tax With Respect to Older Workers.—In the case of wages received during a calendar year by an individual who is 65 years of age or older, each rate of tax imposed by subsections (a) and (b) shall be, with respect to that portion of such wages which does not exceed one-half of the contribution and benefit base (as defined in section 230 of the Social Security Act) in effect for such calendar year, one-half of the rate otherwise applicable under such subsection.".

(b)(1) Section 3201 of such Code (relating to rate of Railroad Retirement Act tax on employees) is amended by adding at the end the following new subsection:

"(c)(1) In the case of compensation paid in any calendar month for services rendered by an employee who is 65 years of age or older, the rate of tax imposed on the income of such employee under subsection (a) for such month shall equal, with respect to that portion of such compensation which, when added to the compensation paid in the preceding months of the same calendar year to such employee, does not exceed one-half of the current maximum annual taxable 'wages' (as defined in section 3121), one-half of the rate of tax otherwise applicable under such subsection.

"(2) In the case of compensation paid in any calendar month for services rendered by an employee who is 65 years of age or older, the rate of tax imposed on the income of such employee under subsection (a) shall be increased—

"(A) with respect to the portion of such compensation described in paragraph (1), by each rate of tax specified in section 3101 (e); and

"(B) with respect to the remainder (if any) of such income, by each rate of tax specified in subsection (b).".

(2) Section 3211 of such Code (relating to rate of Railroad Retirement Act tax on employee representatives) is amended by adding at the end the following new subsection:

"(c)(1) In the case of compensation paid in any calendar month for services rendered by an employee representative who is 65 years of age or older, the rate of tax imposed under subsection (a) shall be, with respect to the portion of such income described in section 3201(c)(1), one-half the rate of tax otherwise imposed under such subsection.

"(2) In the case of compensation paid in any calendar quarter for services rendered by an employee representative who is 65 years of age of older, the rate of tax imposed under subsection (a) shall be increased—

"(A) with respect to the portion of such compensation described in section 3201(c)(1), by the rates of tax specified in section 3101(e) and section 3111(d); and

"(B) with respect to the remainder (if any) of such compensation, by the rates otherwise applicable under such subsection.".

(3) Section 3221 of such Code (relating to rate of Railroad Retirement Act tax on employers) is amended by adding at the end the following new subsection:

(e)(1) In the case of compensation paid in any calendar month by an employer for any services rendered to him by an employee who is 65 years of age or older, the rate of tax imposed on such employer under subsection (a) shall be, with respect to the portion of such compensation described in section 3201(c)(1), one-half the rate of tax otherwise imposed on such employer under such subsection.

(2) In the case of compensation paid in any calendar month by an employer for any services rendered to an employee who is 65 years of age or older, the rate of tax imposed under subsection (a) shall be increased—

"(A) with respect to the portion of such compensation described in section 3201(c)(1), by the rates of tax specified in section 3111(d); and

"(B) with respect to the remainder (if any) of such compensation, by the rates of tax specified in subsection (b).".

(c) The amendments made by this section shall apply with respect to wages received and compensation paid after December 31, 1983.

By Mr. BENTSEN (for himself and Mr. TOWER):

S. 1754. A bill to direct the Secretary of Agriculture, to convey, without consideration, to the Sabine River Authority of Texas approximately 34,000 acres of land within the Sabine National Forest, Texas, to be used for the purposes of the Toledo Bend Project, Louisiana and Texas; to the Committee on Agriculture, Nutrition, and Forestry.

SABINE NATIONAL FOREST

Mr. BENTSEN. Mr. President, today I am introducing a bill to formally transfer some 34,000 acres of Federal land in east Texas to the Sabine River Authority. I am joined in making this proposal by my distinguished colleague from Texas, Senator TOWER.

This bill gives the Sabine River Authority conditional property rights to the area subject to inundation by the Toledo Bend Reservoir. The transfer will only be conditional. These lands must only be used as part of the Toledo Bend Reservoir, and if there is any change in their use in the future the lands will revert back to the Federal Government. In addition, the Federal Government will retain all mineral rights to these lands.

This legislation does not change the present use of the land in any way. It only recognizes the current usage and cuts down on the paperwork and redtape currently involved because of the unique nature of this project.

The Toledo Bend project is unique, as it is the only interstate reservoir, dam, and powerhouse to be financed, constructed, and operated without Federal funds or participation. The States of Texas and Louisiana joined together to finance and build this project. Although this arrangement has produced great benefits for the citizens of Texas and Louisiana at no cost to the Federal Government, it has also created some unique problems.

Other lakes, built with Federal funds, automatically get certain exemptions along with those Federal funds. The Sabine River Authority did not get these exemptions, because it did not tap the Federal Treasury. Thus the Sabine River Authority is not automatically exempt from paying rental fees for the Federal land which was flooded by this lake. No such fees have been paid by the Sabine River Authority, since they have applied for and received exemptions from the Federal Energy Regulatory Commission. These exemptions are granted

only annually, however, and going through this application process each year is a needless exercise in paperwork.

This land is part of and necessary to the Toledo Bend Reservoir, either as land subject to inundation or as small recreation areas. I see no reason why it should not be transferred to the Sabine River Authority, subject to the strict conditions in this bill, in order to do away with the tedious and unnecessary redtape now associated with this important project. This legislation should be passed quickly and easily, and I urge its expeditious consideration.

By Mr. SPECTER:

S. 1755. A bill to amend the Surface Mining Control and Reclamation Act of 1977 (SMCRA), to create a trust fund for the reclamation of underground mines and surface mines and for other purposes; to the Committee on Energy and Natural Resources.

SURFACE MINING CONTROL AND RECLAMATION

Mr. SPECTER. Mr. President, I am introducing today a bill that amends the Surface Mining Control and Reclamation Act of 1977. A number of problems have developed since that act's adoption that I hope to eliminate with some simple and common sense changes.

The Surface Mine Control and Reclamation Act of 1977 has been very useful in helping Pennsylvania correct dangerous conditions at abandoned mines. And as the State with the longest history of mining coal, Pennsylvania has more than its share of hazards caused by abandoned mines. In fact, Pennsylvania has approximately one-third of all abandoned coal mine problems in the Nation.

Our problems, like those of many other States, are caused by both surface and deep mines. Consequently, the reclamation fund is supported by contributions from both surface and deep mine operators.

However, it has been the experience in my State that a disproportionate share of money actually spent is for deep mine reclamations.

While I understand that deep mines can cause very severe problems, surface mines can also present serious dangers to the health and safety of nearby communities. The distribution of reclamation funds should be more equitable in order to reflect this fact.

At the time the Reclamation Act was enacted, surface mining problems were deemed to be predominant over those caused by deep mines. As a result, surface mine operators were assessed a $0.35 per ton of coal mined contribution to the fund while deep mine operators had a fee imposed of only $0.15 per ton. This fee schedule is uniform across the Nation. Since the act has taken effect, a disproportionate share of the fund has been spent on deep mine reclamations.

In addition to the inequity between surface and deep mines, this spending pattern has resulted in regional disparities of expenditures.

In order to correct this problem, this bill establishes two trust funds. One will be freed by contributions from surface mine operators and the other from deep mine operators. Money from the trust account can be distributed by the State with approval from the Department of the Interior.

I am aware of the type and severity of abandoned mine problems associated with both surface and deep mines. My point is that both types of problems should be addressed simultaneously. The difficulties caused by abandoned mines have been accumulated over many decades. It will require many years to correct the situation. There is every reason to move along both fronts.

The bill also makes changes to the administration of the reclamation funds. For instance, the 50-percent State share for a particular project is made available once the general State program is approved without the time consuming process of waiting for OSM scrutiny of each individual reclamation proposal.

Mr. President, taken together, these changes represent a vast improvement to the act as it is applied currently. I have worked very closely with the Pennsylvania Coal Mining Association in formulating this bill. They are to be commended for their leadership in suggesting needed improvements to the law. I believe that their ideas will appeal to a large and diverse coalition.

By Mr. DURENBERGER:

S. 1756. A bill to provide for assistance to State and local governments and private interests for conservation of certain rivers, and for other purposes; to the Committee on Energy and Natural Resources.

STATE AND LOCAL RIVER CONSERVATION ACT OF 1983

Mr. DURENBERGER. Mr. President, today it is with great pleasure that I introduce S. 1756, the State and Local River Conservation Act of 1983.

An amendment to the National Wild and Scenic Rivers Act, Public Law 90-542. The purpose of the bill is to stimulate the conservation of rivers by State and local governments and landowners by providing incentives, including grants, protection from adverse development, and support for volunteer efforts.

The State and Local River Conservation Act of 1983 resulted from the work I have done as chairman of the Intergovernmental Relations Subcommittee of Governmental Affairs and incorporates the recommendations made at a hearing that focused on an innovative river protection program developed in Minnesota for the protection of the upper 400 miles of the Mississippi River by the Upper Mississippi Headwaters Board.

Over the past 2 years, the subcommittee has focused on alternatives for natural resource management. The subcommittee conducted a review of major Federal environmental programs and their impact on State and local government. An examination of the Federal environmental regulatory programs found that the current debate about shifting responsibilities to States is part of an extended pattern in Federal-State relations. The trend started with recognition at the State and local level that pollution problems needed to be translated into national goals and objectives. But also that those goals could best be achieved by relying to some degree on Stataes and localities for implementation and enforcement. The result has been a partnership characterized by tensions, conflicts, and duplication of efforts but a partnership nonetheless.

Unlike pollution control, protection of national resource areas considered of national importance has been essentially a Federal prerogative. National parks, refuges, wilderness areas, national monument, and the National Wild and Scenic River, System are all controlled by the Federal Government. Bitter controversies with the local citizens and landowners have marked the past decade as major units were added to the Federal system.

Delays and deficiencies in payments for land acquisition, loss of a portion of the local tax base and the multiple use of the resource itself add to the Federal/State/local tensions. If that is compounded by a perception that somehow "Washington knows best and must protect the resource from the local citizens," the scene is set for deteriorating Federal relationships with State and local government as well as with affected citizens. All too often these conflicts are resolved by the courts. But as the issues were examined, it became clear that not only was the Federal-State-local relationship at risk—so too was the resource that needed protection. We needed to devise a way to incorporate the great strength and wisdom of the State and local units of government into a full partnership with the Federal Government. The purpose is to work toward the common goal of protecting our outstanding natural resources in this case those portions of the rivers identified as possessing outstanding natural values by either the Federal or State governments.

The Wild and Scenic Rivers Act, presently the Nation's chief means for preserving rivers has protected 61 rivers or river segments totaling over 7,000 miles.

However, the National Park Service has identified over 60,000 miles of rivers as possessing such exceptional natural values as to make them potentially eligible for inclusion in the national system.

These rivers comprise about 2 percent of the 3.25 million river miles in the country.

But it is clear that the national system cannot, nor is it appropriate that it should, protect all 60,000 miles of these outstanding rivers. The States and local governments must play a vital role.

The upper Mississippi is a case in point of how State and local governments can complement Federal efforts by protecting a river on their own.

The 466 miles of the Mississippi, from its source at Lake Itasca, to Anoka, Minn. were originally recommended for Federal designation. However, local counties and citizens, wanting to see control of its management remain at the local level, proposed the Mississippi Headwaters Board, a multicounty agency given the task of developing a protection and management plan for the river. The result is one of the most successful river conservation programs in the country.

What happened in Minnesota, has achieved national attention. Testimony regarding the Headwaters Board has been presented before the Public Lands and Reserved Water Subcommittee of Senate Energy and Natural Resources. The National Association of Counties has endorsed the project and included it for discussion in a National Association of Counties forum held in Alaska. The Upper Mississippi Headwaters Board recently received the County Achievement Award from the National Association of Counties.

In June 1982, I held a hearing in Grand Rapids, Minn., that looked at the Headwaters Board in detail. The hearing examined the elements and process by which local management of an area considered of national importance takes place, and assessed the possibilities of its application elsewhere.

The purpose behind the hearing was to look at alternatives for natural resource management—to find new ways to achieve national policy through redesigning the respective roles of Government.

The hearing provided an opportunity to examine carefully what works. What Federal role facilitates local/State action for resource protection. Where funding will be found for necessary acquisition and management expense. What additional Federal and State legislation is needed, and other considerations that continue the dialog I have undertaken in the Intergovernmental Relations Subcommittee on the realinement of Federal/State/local relationship.

Finally, the hearing provided the opportunity to hear from the people who live along the Mississippi River and have managed the headwaters of the Mississippi so that it is considered a major national resource. It is they through local representatives who designed the Headwaters Board as an alternative to natural resource management.

The State and Local River Conservation Act of 1983 grew out of that hearing, and work with the Upper Mississippi Headwaters Board and the American Rivers Conservation Council.

One point is abundantly clear. There is no single panacea or simple answer. No one answer for every resource, every State, or every community. I believe that in the future we will live with a great variety of answers if we want them to be effective in meeting the goals of our society. Greater State and local involvement with reduced Federal funding is not the answer. At the present time the area of natural resource and environmental management is a complex system which has as one of its chief characters linkages and interdependence of the several units of government.

Adverse State and local reaction to Federal initiatives in resource management necessitated the review of established programs. The new realities—including the Federal budget deficit and escalating State and local government fiscal problems requires that we look for new ways to achieve our national goals for resource protection and wise management.

The State and Local River Conservation Act of 1983 is such an alternative. Derived from a successful, local/State initiatives, its passage would provide the flexibility needed to move the wild and scenic river program forward. It is an option, at extremely low Federal investment to spur development of State and local river conservation efforts nationwide.

The bill incorporates the following recommendations that were made at the hearing:

Strengthen formal State river preservation programs. At present, only 27 States have established river preservation programs, encompassing approximately 13,000 miles of rivers. However, even among these programs, the adequacy of protection varies greatly. Because of lack of funding, personnel, and Government support, most of these programs, fail to provide adequate protection and exist chiefly on paper. According to a recent report on State river programs prepared by the river conservation fund, only 9 of the 27 established programs have the legislative and administrative authority to protect the rivers included in the program. Of these nine, only two to three have minimally adequate budgets to achieve their mandate.

This bill would provide needed seed money for States to establish or upgrade programs. It would be matched by the States but the important point is that these small grants would provide for great savings in the cost of river protection by promoting low-cost conservation techniques.

Clarify existing law concerning citizen involvement and tax incentives. There are existing authorities to promote low-cost river conservation. These include laws to encourage volunteer efforts in our national parks and forests, and provide tax incentives for the donation of lands for conservation purposes.

This bill clarifies these existing laws to insure that their applicability to river conservation is recognized, and to encourage their use in conserving rivers.

Remove roadblocks to State river conservation efforts. Presently States can act to protect rivers, but Federal agencies can preempt those efforts and allow projects that are counter to the established State policy. This bill would provide a mechanism for States to concur in Federal development projects on a limited number of rivers which the State has specifically set aside for conservation purposes.

The State and Local River Conservation Act of 1983 which I introduce today, is intended to compliment the Federal Wild and Scenic Rivers Act. The Federal act will continue to protect many of America's outstandingly remarkable rivers. But the State and Local River Conservation Act will greatly expand the number of options for river conservation, often at lower cost and with local control. It builds on the demonstrated interest, and ability, at State and local levels to conserve community rivers. It allows the Federal Government to play a necessary role in supporting river conservation activities without becoming the dominant player.

I have heard from groups all across the country—Federal, State, and local officials, national and local environment groups and landowners associations—who strongly support the concepts embodied in this bill. I believe its enactment will provide great impetus to the many efforts already underway to conserve and wisely use our Nation's precious rivers.

Mr. President, I request the State and Local River Conservation Act of 1983 be printed in the RECORD along with my comments today.

There being no objection, the bill was ordered to be printed in the RECORD as follows:

S. 1756

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "State and Local River Conservation Act of 1983."

PURPOSE

SEC. 201(a) FINDINGS—The Congress finds that—

(1) Many rivers throughout the Nation possess outstandingly remarkable scenic, recreational, geologic, fish and wildlife, historical, cultural, or ecological values;

(2) The Nationwide Inventory of Rivers lists many rivers possessing such attributes;

(3) There is considerable support for protecting such rivers from adverse development;

(4) The National Wild and Scenic Rivers System has been successful in protecting a number of these outstanding rivers, but inclusion of all rivers worthy of preservation in the National System is neither possible nor appropriate;

(5) Because river preservation works best when it is a cooperative effort among the federal government, state and local governments, land owners, and private organizations, a program of federal incentives for the conservation of such rivers through other than federal designation is critical to the protection of the nation's system of freely-flowing rivers.

(b) PURPOSE—The Congress declares that it is the purpose of this Act to stimulate the conservation of rivers by State and local governments and landowners by providing incentives including grants, protection from adverse development, and support for volunteer efforts.

GRANTS

SEC. 301(a) the Secretary of Interior is authorized and directed to make grants to states for—

(1) The establishment and administration of State or local programs to conserve the natural environmental values of rivers within the appropriate jurisdiction concerned, or

(2) Conservation by the state, locality, or qualified private organization of any lads which are adjacent to, within or border on the designated boundary of, or are in the environs of rivers included in state, local, or federal river programs, assessments, or inventories. The appropriate Secretary will determine which land qualify in the case of rivers included in federal programs or inventories. The appropriate state agency head, or where the state does not have a river protection program, the Governor will determine which lands qualify in the case of rivers included in state or local programs or assessments.

(3) developing river management plans, technical assistance documents, or regulations for rivers or river segments mentioned in Section 301(a)(2) of this Act, or

(4) projects demonstrating innovative methods for river conservation pursuant to guidelines established by the Secretary of Interior.

Provided, That States receiving such grants fulfill the provisions of Section 302 of this Act, and *Provided further*, that at least 50 percent of the funds available to any state under the allocation formula in Section 301(e) of this Act shall be made available by that state to local governments and private organizations for the general purposes listed in Section 301(a)(1),(2), and (3) of this Act.

(b) No part of any grant made under this section may be used for the acquisition of any land or interest in land, or for development of facilties.

(c) Not more than 50 percent of the costs of any program or project referred to in subsection 301(a) may be funded by grants made under this Section. The remaining share of such cost shall be paid by a state, local government, qualified private organization, or combination thereof in a manner, and with such funds, as may be satisfactory to the Secretary of Interior. States, local governments, and qualified private organizations may include, as their share of such remaining costs, in-kind contributions, not to exceed 10 percent of the non-federal share.

(d) Before approving any grant under Section 301(a) of this Act, the Secretary shall receive a written commitment from the State, local government, or qualified private organization for its share of the cost of the program to be funded under this Act.

(e) The grants shall be allocated among the states as follows: 40 percent of the yearly appropriation shall be divided equally among all states eligible to receive grants. The remaining 60 percent shall be distributed to those eligible states in proportion to the total mileage of rivers in the state included in the Nationwide Rivers Inventory.

(f) There is authorized to be appropriated from the general fund in the treasury such sums as may be necessary for the purposes of this section, not to exceed $5,000,000 in any one fiscal year for grants, plus such additional sums as may be necessary for the administration of this Act.

(g) The Secretary of Interior shall promulgate such guidelines as (s)he deems necessary to carry out the purposes of this Act with respect to assistance provided under this Act to states, local governments, and qualified organizations.

(h) Where state programs exist, the coordination of grants shall be through the agency responsible for administering the program. State program standards shall be considered as appropriate criteria for grant eligibility where they meet or exceed federal requirements. No grants shall be made where the result would be to circumvent, erode or otherwise impair the program authority of a state.

SEC. 302 Before a State shall be eligible for the receipt of grants under Section 301(a) of this Act, that state shall either have an established state program, or have developed an assessment of the river related resources of the state.

(a) Such assessment shall include (1) An identification of the natural environmental values of rivers within the state; (2) A priority rating indicating which river or river segments in the state should be conserved and protected from actions which would degrade the outstanding natural environmental values; (3) A significant public involvement program in the development of the assessment and the protection their values.

(b) Such assessments, in order to qualify the State for grants under section 301(a) must be approved by the governor or state statute of the appropriate state, and the Secretary of Interior.

SEC. 303 For the purpose of developing state river assessments, the Secretary of the Interior is authorized and directed to make grants to states without such assessments, including those states with already established river conservation programs, *Provided*, that (a) not more than 75-percent of the costs of such an assessment may be funded by grants made under this section. The remaining share of such costs shall be paid by the state in a manner and with such funds as may be satisfactory to the Secretary of Interior. States may not include, as their share of such remaining costs, in-kind contributions; (b) no state shall be eligible to receive more than one grant under this section for the development of a statewide river assessment; (c) grants to any one state shall not exceed 15 percent of the total funds that would be available to that state based on the formula in Section 301(e) of this Act.

(d) There is authorized to be appropriated from the general fund in the treasury such sums as may be necessary for the purposes of this section, not to exceed $2,000,000.

CITIZEN INVOLVEMENT

SEC. 401(a)(1) The Secretary of the Interior and the Secretary of Agriculture are authorized to encourage volunteers and volunteer organizations to conserve, maintain and manage, where appropriate, rivers throughout the Nation.

(2) Wherever appropriate in furtherance of the purposes of this Act and section 11 of the Wild and Scenic Rivers Act, each Secretary is authorized and encouraged to use the Volunteers in the Parks Act of 1969, and The Volunteers in the Forest Act of 1972, to recruit, and train and accept volunteers in aid of conservation, maintenance and management of rivers under their jurisdiction. Volunteers are entitled to reimbursement for incidental expenses including travel, subsistence, quarters, and other appropriate reimbursement as determined by the appropriate Secretary.

(b) Each Secretary, to further conservation efforts on non-federal rivers, may assist volunteers and volunteer organizations in conserving maintaining, and managing those rivers. Volunteer work may include, but need not be limited to—

(1) conserving, maintaining, or managing rivers included in state, local or federal river programs, assessments, or inventories, or

(2) operating programs to organize and superivse volunteer river preservation efforts with respect to the rivers referred to in paragraph (1), conducting river related research projects, or providing education and training to volunteers on methods of river preservation, maintenance, and management.

(c) The appropriate Secretary may utilize and make available federal facilities, equipment, tools, and technical assistance to volunteers and volunteer organizations, subject to such limitations and restrictions as the appropriate Secretary deems necessary or desirable.

STATE CONCURRENCE WITH FEDERAL PROPOSALS

SEC. 501. Any applicant for a required federal license, permit, or exemption from license or permit to conduct an activity affecting land or water uses within or adjacent to the designated boundary of or in the environs of, as determined by the governor, any river or river segment included in a state program shall provide in the application to the licensing or permitting agency a certification that the proposed activity will not adversely affect the values of the river or river segment for which it was designated. At the same time, the applicant shall furnish to the state or its designated agency a copy of the certification, with all necessary information and data. Each state with a river program, in order to take advantage of the provisions of this section, shall establish appropriate review procedures in connection therewith. At the earliest practible time, the state or its designated agency shall notify the appropriate licensing authority that the state concurs with or objects to the applicant's certification. If the state or its designated agency fails to furnish the required notification within 180 days after receipt of its copy of the applicant's certification, the state's concurrence with the certi-

fication shall be conclusively presumed. No license or permit shall be granted by the Federal agency with licensing authority unless the state or its designated agency has concurred with the applicant's certification or unless, by the state's failure to act, the concurrence is conclusively presumed.

TAX INCENTIVES

SEC. 601. For the purpose of conserving or enhancing the values of rivers included in state, local, or federal river programs, assessments, or inventories and environs thereof as determined by the appropriate Governor or Secretary, landowners are authorized to donate or otherwise convey qualified real property interest to qualified organizations consistent with Subsection 170(h)(3) of the Internal Revenue Code of 1954, as amended, including, but not limited to, right-of-way, open space, scenic or conservation easement without regard to any limitation on the nature of the estate or interest otherwise transferable within the jurisdiction where the land is located, *Provided*, That the appropriate agency responsible for the management or supervision of the river concurs in the donation. The conveyance of any such interest in land in accordance with this subsection shall be deemed to further a Federal conservation policy and yield a significant public benefit for purposes of section 6 of Public Law 96-541.

DEFINITIONS

SEC. 701. For the purposes of this Act, the term—

(a) "state program" shall mean a system of rivers or river segments which, in recognition of their natural environmental values has been designated by state statute, constitution, or executive order and has been provided with special protection from water projects and other adverse developments and managed under special guidelines for the preservation of the values for which it was designated.

(b) "local program" shall mean a river or system of rivers or river segments which, in recognition of their natural environmental values has been designated by local ordinance and is managed by a local government under special guidelines for the preservation of the values for which it was designated.

(c) "approved private organization" shall mean any organization under Section 501(c)(3) of the Internal Revenue Code of 1954 as amended, with a demonstrable conservation interest and qualifying under regulations promulgated under section 301(g) of this Act.

(d) "in-kind contribution" shall mean a non-monetary contribution to the non-federal share of grants under section 301(a) of this Act including, but not limited to land, interest in land, administrative services, and support services such as law enforcement, sanitary facilities, waste removal, or local management.

(e) "natural environmental values" shall mean those characteristics of rivers and adjoining lands, including, but not limited to scenic, recreational, geologic, fish and wildlife, historical, cultural, and ecological characteristics which make the river and adjoining lands worthy of conservation.

(f) "state, local, or federal river programs, assessments, or inventories" shall include state and local river programs as defined above; state river assessments as described in Section 302 of this Act; the National Wild and Scenic Rivers System as established by the Wild and Scenic Rivers Act, PL 90-542, as amended; rivers designated for study under section 5(a) of the Wild and Scenic Rivers Act, Rivers included in the list of rivers published pursuant to section 5(d) of the Wild and Scenic Rivers Act; and rivers included in the Nationwide Rivers Inventory, published by the National Park Service in January, 1982; and such additional rivers or river segments as may from time to time be identified by the Governors of Montana and Alaska within their respective States as potentially eligible for eventual study and designation for inclusion in the National Wild and Scenic Rivers System.

By Mr. LUGAR (for himself, Mr. BIDEN, Mr. DODD, Mr. DOLE, Mr. DOMENICI, Mr. DURENBERGER, Mr. HATCH, Mr. HELMS, Mr. HUDDLESTON, Mr. JOHNSTON, Mr. KENNEDY, Mr. LAXALT, Mr. MOYNIHAN, Mr. MURKOWSKI, Mr. PELL, Mr. PRESSLER, Mr. QUAYLE, Mr. ZORINSKY, Mr. COHEN, and Mr. TSONGAS):

S. 1757. A bill to provide for the establishment of U.S. diplomatic relations with the Vatican; to the Committee on Foreign Relations.

DIPLOMATIC RELATIONS WITH THE VATICAN

Mr. LUGAR. Mr. President, today, on behalf of 19 Senators, I am introducing legislation to permit the reestablishment of diplomatic relations with the Vatican.

Juridically, the Vatican is a sovereign state. It is formally recognized as such by over 100 nations. In my judgment, the United States should be among them.

We should recognize the Vatican not simply as a matter of diplomatic etiquette, although that is an important consideration. Even more important, however, is the reality that the Vatican, for historically unique reasons which are now reinforced by the courage and leadership of John Paul II, is a sensitive diplomatic center and a significant force for the defense of Western, Judeo-Christian values in this troubled age. Our failure to join most other nations in maintaining a formal diplomatic presence at the Vatican is a regrettable—and easily corrected—error.

The United States maintained a formal diplomatic mission to the Vatican from 1848 through 1867. In that year, for reasons rooted in part in the politics of Italian reunification, and in part in reaction to certain papal initiatives, the Congress voted to prohibit any expenditure of funds "for the support of an American legation at Rome." Although the original grounds for this action have long been historically obscure and politically irrelevant, this prohibition has lingered. Accordingly, U.S. relations with the Vatican have been maintained on an informal basis which, since 1939, excepting the Eisenhower and Kennedy administrations, has taken the form of personal or special representatives of the President to the Holy See. This is an awkward, artificial distinction which would be removed by this legislation. I urge all colleagues to consider cosponsorship of this legislation.

By Mr. BENTSEN (for himself, Mr. WALLOP, Mr. SYMMS, Mr. BRADLEY, Mr. GRASSLEY, Mr. MITCHELL, Mr. DURENBERGER, and Mr. BAUCUS):

S. 1758. A bill to amend the Internal Revenue Code of 1954 to provide a simplified cost recovery system based on recovery accounts, and for other purposes; to the Committee on Finance.

ACCOUNTING COST RECOVERY SIMPLIFICATION ACT OF 1983

Mr. BENTSEN. Mr. President, today I am introducing, along with Senators WALLOP, BRADLEY, SYMNS, MITCHELL, GRASSLEY, and DURENBERGER the Accounting for Cost Recovery Simplification Act of 1983. This act takes the existing accelerated cost recovery system enacted in 1981, itself a major simplification in the tax law, and simplifies it even further by providing an open-ended accounting system that is easier to use than the current asset-by-asset system.

The basic ACRS concepts are unchanged. Rapid acceleration of deductions and fixed, audit-proof recovery periods are retained. In addition, the bill will repeal the investment credit basis adjustment provision of TEFRA as well as the recapture provision of section 1245. Notwithstanding the repeal of the basis adjustment, the objective of insuring that present value benefits do not exceed $1 is preserved. In fact, they remain about the same as current law. For example, for 5-year property, assuming a 12-percent discount and 46-percent tax rate, the present value benefit of a $1,000 investment with basis adjustment is $448.19; under open accounts it is $448.27, a negligible difference.

The bill is a simplification project. The open-ended account system will be particularly beneficial for small businesses. It is similar to the system used in Canada and is strongly recommended by the American Institute of Certified Public Accountants. Although the bill loses revenue in the first fiscal year, 1985, over the 3 years 1984-86, it is about revenue neutral.

In addition to the simplification of the calculation of depreciation allowances, open-ended accounts defers, in most cases, the recognition of gain or loss on disposition of property.

PRESENT LAW

Under ACRS, the allowance for depreciation is computed on the unadjusted basis of each asset adjusted for one-half of the investment tax credit. In general, the recovery deduction in each year of the recovery period is determined by applying a statutory percentage to the basis of the property. The basis to which the percentage is

applied is the cost basis of the property reduced by 50 percent of the amount of regular and energy tax credits earned with respect to the property. Alternatively, taxpayers may elect a 2-percentage point reduction in the credit instead of the basis adjustment. The election is made on a property-by-property basis.

With certain limited exceptions, gain from the disposition of depreciable personal property is "recaptured" as ordinary income to the extent of the depreciation taken, section 1245. Gain in excess of depreciation taken may be treated as capital gains under section 1231 unless the gain is offset by losses on section 1231 assets.

PROPOSAL

An open account system would be established under ACRS for 3- and 5-year personal property to replace the present asset-by-asset accounting system for personal property. The basis concepts and recovery periods would be unchanged. The depreciable basis of recovery property is placed in one of two open-ended recovery accounts. Under an open-ended account system, the cost of all eligible property with the same recovery period are placed in the same open-ended account regardless of the year of acquisition. Used and new recovery properties are aggregated in the same recovery account.

The amount which is added to the recovery account is the taxpayer's unadjusted basis in the property. Thus, the new system will repeal current law one-half of the investment credit basis adjustment. Effective January 1, 1985, progress payments made toward the acquisition of assets which are being constructed by or for the taxpayer and which have a normal construction period of 2 years or more will be added to the appropriate recovery account if the taxpayer elects. The recovery periods of the two accounts correspond to the depreciation terms of 3 and 5 years.

The amount of allowable recovery deduction for any taxable year is generally computed by using a 150-percent declining balance method. The recovery deduction for a particular taxable year is then computed by multiplying the ending balance—unrecovered costs—in the recovery account by a recovery percentage. The maximum recovery percentage reflects the number of years in the recovery period and declining balance method. Thus the maximum percentage would be 50 percent—150 percent divided by 3-year—for 3-year property and 30 percent—150 percent divided by 5—for 5-year property. To provide flexibility, taxpayers may annually elect any percentage between the maximum recovery percentage and one-half of such percentage in the case of 5-year property, between 30 percent and 15 percent.

Additions would be made to an account, using the half-year convention, upon the placing in service of qualified assets or, if an election is made, the making of qualified progress expenditures. If the balance of an account at the end of a taxable year, but prior to computation of depreciation, is either zero or negative amount, no recovery reduction would be allowed for the year.

Gains and losses on the disposition of recovery property generally are deferred. Instead of immediate gain or loss recognition, the amount realized—generally the proceeds received—on the disposition will reduce the balance in the account which in turn, will reduce the amount of recovery deductions in the year of the disposition and subsequent years. If the balance in the account is reduced below zero, the negative amount generally will be taxed as gain from the sale of section 1231 property; that is, capital gain.

The open-ended account system will not apply to public utility property. The system will be effective for property placed in service after December 31, 1983.

CONCLUSION

In conclusion, the open-ended accounting system will greatly simplify depreciation accounting by reducing the number of accounts and by making them easier to manage as assets are acquired, depreciated, and disposed of. In addition, the complex rules of the investment tax credit basis adjustment and the need to separately account for gains and losses on disposition of assets, will be eliminated. Most importantly, it does not change the important concepts of ACRS.

Mr. President, we have all heard about the complexities of the Internal Revenue Code. The fact is that many of those complexities are necessary to prevent abuses. The bill we are introducing today provides for simplification without violating the integrity of the Tax Code.

This bill represents almost 1 year of work with different business groups, Joint Tax Committee staff, and Finance Committee staff to reach a concensus. I look forward to continuing to work with interest parties during the hearing process to develop a true simplification of a now very complex area of the tax laws.

I ask unanimous consent that the bill be printed immediately following my statement.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1758

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; CONFORMING AMENDMENTS.

(a) SHORT TITLE.—This Act may be cited as the "Accounting Cost Recovery Simplification Act of 1983".

(b) TECHNICAL AND CONFORMING AMENDMENTS.—The Secretary of the Treasury or his delegate, not later than 90 days after the date of the enactment of this Act, shall submit to the Committee on Ways and Means of the House of Representatives and to the Committee on Finance of the Senate a draft of any technical and conforming amendments to the Internal Revenue Code of 1954 which are necessary to reflect the substantive amendments made by this Act.

SEC. 2. SIMPLIFIED ACCELERATED COST RECOVERY.

(a) IN GENERAL.—Section 168 of the Internal Revenue Code of 1954 (relating to accelerated cost recovery system) is amended as follows:

(1) Paragraph (1) of subsection (b) is amended to read as follows:

"(1) IN GENERAL.—Except as otherwise provided in this section, the amount of the deduction allowable by subsection (a) for any taxable year shall be the aggregate amount determined as follows—

"(A) POST-1982 RECOVERY PROPERTY.—In the case of post-1982 recovery property, by applying

"(i) the recovery percentage for each category of property, to

"(ii) the balance in the recovery account (as defined in subsection (j)) for such category at the end of such year.

"(B) OTHER RECOVERY PROPERTY.—In the case of recovery property other than post-1982 recovery property, by applying to the unadjusted basis of recovery property the applicable percentage determined in accordance with the following table.

	The applicable percentage for the class of property is:			
	3-year	5-year	10-year	15-year public utility
If the recovery year is:				
1	25	15	8	5
2	38	22	14	10
3	37	21	12	9
4		21	10	8
5		21	10	7
6			10	7
7			9	6
8			9	6
9			9	6
10			9	6
11				6
12				6
13				6
14				6
15				6

(2) Paragraph (3)(A) of subsection (b) is amended by—

(A) inserting "(B)" after "paragraphs (1)", and

(B) inserting "other than recovery property to which paragraph (1)(A) applies," after "during the taxable year,"

(3) Subsection (b) is amended by adding at the end thereof the following new paragraphs:

"(4) POST-1982 RECOVERY PROPERTY CATEGORY AND RECOVERY PERIOD.—

"(A) TABLE.—All post-1982 recovery property—

"(i) shall be placed in 1 of the categories set forth in the following table, and

"(ii) shall have the recovery period set forth for such category in the following table:

"Category	Recovery period (in years)
1	3
2	5

"(B) CATEGORIES OF POST-1982 RECOVERY PROPERTY.—Each item of post-1982 recovery property shall be assigned to one of the following categories of property:

"(i) CATEGORY 1 PROPERTY.—3-year property placed in service after December 31, 1982.

"(ii) CLASS 2 PROPERTY.—5-year property placed in service after December 31, 1982.

"(C) ELECTION TO PLACE PROPERTY IN CATEGORY HAVING NEXT LONGER RECOVERY PERIOD.—The taxpayer may elect to place in category 2 any item of post-1982 recovery property that (but for this subparagraph) would be in category 1.

"(5) POST-1982 RECOVERY PROPERTY RECOVERY PERCENTAGE.—For purposes of this section, the term 'recovery percentage' means, with respect to any category of post-1982 recovery property for any taxable year—

"(A) the percentage (not in excess of 150 percent or less than 75 percent) which the taxpayer elects for such category for such taxable year, divided by

"(B) the number of years in the recovery period."

(4) Subsection (c) is amended by adding at the end thereof the following new paragraph:

"(3) POST-1982 RECOVERY PROPERTY DEFINED.—The term 'post-1982 recovery property' means—

"(A) 3-year property, and

"(B) 5-year property

placed in service by the taxpayer after December 31, 1982, except that such term shall not include public utility property."

(5) Clause (i) of subsection (d)(1)(B) is amended by inserting "(1)(B) or subsection (J)(2)" after "subsection (b)".

(6) Subparagraph (A) of subsection (d)(2) is amended by inserting "(other than post-1982 recovery property)" after "recovery property".

(7) Subparagraph (B) of subsection (d)(2) is amended by inserting "post-1982 recovery property," after "(other than".

(8) Subsection (d) is amended by adding at the end thereof the following new paragraph—

"(3) SPECIAL RULES FOR PROPERTY NOT YET PLACED IN SERVICE.—

"(A) IN GENERAL.—Any qualified progress expenditure with respect to progress expenditure property shall be treated for purposes of this section as if such expenditure were property placed in service at the time the expenditure is made.

"(B) QUALIFIED PROGRESS EXPENDITURE; PROGRESS EXPENDITURE PROPERTY.—Except as provided in subparagraph (C), for purposes of this subsection, the terms 'qualified progress expenditure' and 'progress expenditure property' have the respective meanings given to such terms by subsection (d) of section 46 (relating to qualified progress expenditures for purposes of the investment credit).

"(C) EXCEPTION.—For purposes of this subsection, clause (ii) of section 46(d)(2)(A) shall be applied by substituting 'post-1982 recovery property' for 'new section 38 property'.

"(D) COORDINATION WITH PARAGRAPH (1).—The unadjusted basis of property which (but for this paragraph) would be first taken into account when placed in service shall be reduced (but not below zero) by any amount that was a qualified progress expenditure under this subsection with respect to such property.

(9) Redesignating subsection (j) as subsection (k) and adding after subsection (i) the following new subsection:

"(j) RECOVERY ACCOUNT.—

"(1) IN GENERAL.—The taxpayer shall establish a recovery account for each category of post-1982 recovery property.

"(2) ADDITIONS TO ACCOUNT.—The recovery account for any category of post-1982 recovery property shall be increased by an amount equal to the sum of—

"(A) one-half of the unadjusted basis of each recovery property in such category which is placed in service by the taxpayer during the taxable year, plus

"(B) one-half of the unadjusted basis of each recovery property in such category which was placed in service by the taxpayer during the preceding taxable year.

"(3) REDUCTIONS IN ACCOUNT.—

"(A) PROPERTY DISPOSED OF DURING YEAR.—The recovery account for any category of post-1982 recovery property shall be reduced by an amount equal to the amount realized on each recovery property of such category disposed of by the taxpayer during the taxable year.

"(B) AMOUNT ALLOWED UNDER THIS SECTION.—The recovery account for any category of post-1982 recovery property shall be reduced by an amount equal to the amount of the deduction allowed under subsection (a) with respect to such category.

"(4) TIME FOR MAKING ADJUSTMENTS.—

"(A) IN GENERAL.—Any adjustment under paragraph (2) or (3)(A) shall be made as of the close of the taxable year but before the determination of the amount allowable as a deduction under subsection (a) for such taxable year.

"(B) REDUCTION FOR DEDUCTION.—Any reduction under paragraph (3)(B) shall be made as of the beginning of the taxable year following the taxable year for which the amount was allowed as a deduction under subsection (a).

"(5) COORDINATION WITH OTHER PROVISIONS.—

"(A) DISPOSITIONS NOT TREATED AS DISPOSITIONS FOR CERTAIN PURPOSES.—For purposes of this title (other than this section and section 47), the disposition of any property in a recovery account shall be treated as if it were not a disposition.

"(B) NEGATIVE BALANCE.—If, as of the close of any taxable year, there is a negative balance in any recovery account then, notwithstanding any other provision of this subtitle—

"(i) and amount equal to the amount by which—

"(I) such negative balance (expressed as a positive number), exceeds

"(II) one-half of the basis of all recovery property in the category of post-1982 recovery property for which such account is established which was placed in service by the taxpayer during the taxable year,

shall be included in income for such taxable year as income under section 1231(a) (and section 1245(a)(1) shall not apply), and

"(ii) the balance in the account shall be adjusted by adding to the account an amount equal to the amount included in gross income under clause (i).

"(6) SEPARATE ACCOUNTS TO REFLECT PARTNERSHIP ALLOCATIONS AND ADJUSTMENTS.—Under regulations prescribed by the Secretary, separate recovery accounts shall be established to the extent necessary to reflect—

"(A) allocations under subsections (b) and (c) of section 704, and

"(B) adjustments to basis under section 734 or 743.

"(7) NO ADJUSTMENT WHERE PROPERTY DISPOSED OF BEFORE CLOSE OF TAXABLE YEAR IN WHICH PLACED IN SERVICE.—No adjustment shall be made under paragraphs (2) and (3)(A) in respect of any property which is disposed of by the taxpayer before the close of the taxable year in which placed in service by the taxpayer.

"(8) TRANSFERS AT DEATH.—No reduction shall be made under paragraph (3)(A) by reason of any transfer at death.

"(9) PROPERTY CEASING TO BE RECOVERY PROPERTY.—If any property taken into account under this subsection ceases to be recovery property during any taxable year—

"(A) such property shall be treated as disposed of by the taxpayer during such taxable year, and

"(B) the basis of such property in the hands of the taxpayer after such cessation shall be treated as equal to its fair market value.

"(10) DISPOSITIONS OTHER THAN SALE OR EXCHANGE.—If any post-1982 recovery property is disposed of in a disposition which is not a sale, exchange, or involuntary conversion and which is not described in paragraph (11) or (12), the reduction under paragraph (3)(A) for such disposition shall be the fair market value of the property disposed of. In the case of property disposed of by abandonment, the fair market value thereof shall be treated as if it were zero.

"(11) TRANSFERS WHERE BASIS GOES OVER.—

"(A) IN GENERAL.—If any post-1982 recovery property is transferred and the transferee's basis of such property is determined in whole or in part by reference to the adjusted basis of the transferor, then, under regulations prescribed by the Secretary—

"(i) the transferor's recovery account for the category of property in which the recovery property falls shall be reduced by the transferred amount, and

"(ii) for purposes of determining the transferee's basis in such property, the unadjusted basis of such property in the hands of the transferor shall be treated as equal to the transferred amount.

"(B) TRANSFERRED AMOUNT.—For purposes of subparagraph (A), the transferred amount shall be the amount which bears the same relation to—

"(i) the total amount in the transferor's recovery account immediately before the transfer, as

"(ii) the fair market value of the transferred property bears to the fair market value of all property in such account immediately before the transfer.

"(C) AUTHORITY TO PRESCRIBE ALTERNATE METHODS OF ALLOCATION.—The Secretary may by regulations prescribe alternate methods for allocating the balance in any recovery account for purposes of determining the transferred amount of any property.

"(12) LIKE KIND EXCHANGES; INVOLUNTARY CONVERSIONS.—Under regulations prescribed by the Secretary, in the case of any exchange described in section 1031 or 1033 of post-1982 recovery property—

"(A) if the properties fall in the same category changes shall be made in the taxpayer's recovery account for such category only to the extent necessary to reflect the money or other property (within the meaning of section 1031) or property not similar or related in service or use (within the meaning of section 1033), paid, exchanged, or received, as the case may be, and

"(B) if the properties fall in different categories, proper adjustments in the recovery accounts for both classes shall be made to carry out the nonrecognition provided for in such sections."

(b) REPEAL OF BASIS ADJUSTMENT FOR POST-1982 RECOVERY PROPERTY.—Subsection (q) of section 48 is amended by adding at the end therof the following new paragraph—

"(6) NO ADJUSTMENT IN THE CASE OF POST-1982 RECOVERY PROPERTY.—Subsection (a) shall not apply in the case of post-1982 recovery property as defined in section 168(c)(3)."

(c) TECHNICAL AND CONFIRMING AMENDMENTS.—

(1) Subsection (k) of section 312 is amended as follows:

(A) by inserting "and paragraph (6)" after "(B) and (C)" in paragraph (3)(A), and

(B) by adding at the end thereof the following new paragraph:

"(6) POST-1982 RECOVERY PROPERTY.—In the case of post-1982 recovery property (within the meaning of section 168), the adjustment to earnings and profits for depreciation for any taxable year shall be the amount determined under section 168 except that subsection (b)(5)(A) shall be 75 percent, and separate recovery accounts as described in subsection (j) shall be maintained for purposes of this section 312."

(2) Subsection (b) of section 1245 is amended by adding at the end thereof the following new paragraph:

"(9) POST-1982 RECOVERY PROPERTY.—Subsection (a) shall not apply in the case of income recognized under section 168(j)(5)(B)(i)."

(3) Paragraph (7) of section 46(c) is amended by adding at the end thereof the following new sentence: "Subparagraph (A) shall apply to any item of post-1982 recovery property which the taxpayer elects (under section 168(b)(4)(C)) to place in category 2.".

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraphs (2) and (3), the amendments made by subsections (a), (b) and (c) shall apply to property placed in service by the taxpayer after December 31, 1982, in taxable years ending after such date.

(2) QUALIFIED PROGRESS EXPENDITURES.—The amendment made by section (a)(8) shall apply to qualified progress expenditures made by the taxpayer after December 31, 1985, in the taxable years ending after such date.

(3) BASIS ADJUSTMENT REPEAL.—The amendments made by subsection (c) shall apply to periods after December 31, 1982, under rules similar to the rules of section 48(m) of the Internal Revenue Code of 1954.

Mr. WALLOP. Mr. President, I join with my good friend and colleague from Texas, Senator BENTSEN, in the introduction of the Accounting Cost Recovery Simplification Act of 1983. This legislation, as the Senator from Texas has explained, calls for the establishment of open end accounts for the purpose of computing depreciation deductions under the Federal Tax Code. In addition, the half basis adjustment provisions of the Tax Code, enacted just last year as a part of the Tax Equity and Fiscal Responsibility Act (TEFRA), would be repealed, and depreciation deductions would be allowed for qualified progress expenditures.

As my colleagues are well aware, during the past 2 years we have seen two major tax bills which had and will continue to have a profound impact on business taxation. While the pros and cons of each can be debated, if you are a businessman trying to make long-term planning decisions, uncertainty in the tax law makes that process more a game of Russian roulette than an exercise of business foresight. Certainty in the tax planning process may very well be as important as the tax laws themselves. In the last 2 years we have taken that element of certainty away from business, and it was for that reason that I have made a commitment to the business community that I would not support legislation this year which they did not feel was beneficial or in their long-term best interests. The introduction of this legislation does not represent a departure from that commitment.

Mr. President, Senator BENTSEN and I have worked on this idea over the course of many months. But as anyone who has followed depreciation legislation on the Hill can tell you, this is by no means a new idea. Open end accounts have been discussed for years, and indeed were incorporated in the Tax Reduction Act of 1980 which was reported from the Finance Committee but never enacted. The concept of open accounts is generally acknowledged as an effective tax simplification tool, especially for small business concerns who, as a matter of simple economics, do not have the sophisticated resources available to them to fully understand our present Tax Code. At a time when both tax writing committees of the Congress are seeking ways to simplify the Tax Code, the introduction of this legislation could not be more timely. This bill is certainly introduced in that spirit. The fundamental provisions of the President's tax initiatives remain intact with this legislation. The rate of depreciation presently provided by ACRS is not changed, nor are the ACRS property life classifications. And, with the repeal of the half basis adjustment it is our intent that the present value of depreciation allowances allowed under current law remain generally the same. The inclusion of depreciation deductions for qualified progress expenditures and maximum flexibility in the timing of depreciation deductions are all provisions which are designed to help business, small and big alike. Certainly, these concepts deserve everyone's full consideration.

I would like to point out to my colleagues that while this bill represents many hours of drafting and attempts to deal with the problems we have confronted along the way, it is just the beginning of the process. There may very well be impacts caused by this legislation which we have not focused on or considered. Clearly, it is not our intent in offering this legislation to take anything away from anybody. Indeed, it is our intent to provide the same benefits as are currently received under the current depreciation system, but in a manner which is easier to implement and more flexible in its operation.

The Senator from Texas has offered a very good explanation of the major provisions of this bill. In substance, the use of open account depreciation would result in far fewer accounts for business to maintain and the IRS to audit. The extremely complicated recapture rules on depreciation and the half basis adjustment would be repealed. The half basis adjustment itself is repealed by this bill. In addition, depreciation on qualified progress expenditures would be allowed for the first time. All of these concepts I believe to be beneficial to American business, especially our small business interests.

Mr. President, I would like to assure our business community that this is not the "cod liver oil" of the 98th Congress. We are not going to push this legislation through the Finance Committee or the full Senate telling business we are doing this for their own good. As I mentioned before, there must be broad, general support for this legislation before I will actively seek its enactment. What I do ask however, is that the business community take a very hard look at this bill. Tell us what is wrong with the legislation and how we can make it better. If aspects of the bill are particularly attractive let us know that as well. I would caution everyone though, that I know there are several individual provisions within this package which are very attractive to a lot of business interests. What we will not do is allow this package to be taken apart so that the focus is on the individual provisions rather the entirety of the bill itself. Qualified progress expenditure depreciation is attractive to some. Repeal of the half basis adjustment is attractive to many. Maximum flexibility in the timing of depreciation deductions is attractive to yet others. All of these provisions are offered as vital parts of the entire package, and should be viewed by all as just that.

In conclusion Mr. President, I would simply note that there are very few times when I can remember a ground swell of support and lobbying for business tax simplification. I do not believe that is based so much on the fact that it is not desirable, but that when the rules of the game keep changing it is difficult to support yet another change; even if it is good legislation. The AICPA has long supported open accounts, and we found very little opposition to the idea as we began to develop this legislation. I would urge everyone, especially small business orga-

nizations like the NFIB, to examine this legislation very closely. It is my belief that a fair examination will reveal that this proposal offers a very real opportunity to reduce some of the vast complication businesses face on a day-to-day basis with the Internal Revenue Code.

By Mr. SYMMS:

S. 1759. A bill to extend for 3 years the suspension of duty on 4-chloro-3-methylphenol; to the Committee on Finance.

DUTY ON 4-CHLORO-3-METHYLPHENOL

Mr. SYMMS. Mr. President, I am introducing legislation today which would suspend the duty of 4-chloro-3-methylphenol until June 30, 1987.

Section 230 of Public Law 97-446, enacted January 12, 1983, provides for the temporary suspension of the column 1 rate of duty on 4-chloro-3-methylphenol through June 30, 1984. This suspension should be extended through June 30, 1987, for the reasons set forth below.

4-chloro-3-methylphenol is a chemical substance used in production of a number of products including machine cutting oils. It has not been produced in the United States since 1973. Domestic consumers must rely on imports for their needs of the chemical. Master Chemical, for example, must import 4-chloro-3-methylphenol for use as an emulsion stabilizer in the production of one product which constitutes 60 percent of its business.

If a duty were to be again applied, it would be at a rate significantly higher than that in effect prior to enactment of the Trade Agreement Act of 1979.[1] This act doubled the duty on 4-chloro-3-methylphenol in 1980 so that its cost increased as much as 17.4 percent to domestic consumers. Thus failure to extend the suspension would cause substantial harm to domestic consumers of the chemical through increased prices while causing no benefit to accrue to domestic producers.

DESCRIPTION AND USES

4-chloro-3-methylphenol, sometimes referred to as P-chloro-meta-cresol, is an organic chemical used primarily as a biocide and antioxidant in the manufacture of machine cutting oils. It is also used as an ingredient in such products as dandruff shampoos and hand lotions, as a preservative for sensitive film such as microfilm and X-ray film, and as an intermediary in the formulation of more complex chemicals.

DOMESTIC COMPETITION

According to the domestic consumers of 4-chloro-3-methylphenol, there are no domestically produced chemicals which can be substituted for 4-chloro-3-methylphenol in the manufacture of machine cutting oils.[2] Nor are there substitutes which can be used as chemical intermediaries in the formulation of specific chemicals.

DOMESTIC PRODUCTION

There has been no domestic production of 4-chloro-3-methylphenol since 1973. In that year the Ottawa Chemicals Division of Ferro Corp. halted production due to increasingly stringent environmental regulations.

TARIFF TREATMENT

Prior to the temporary suspension of duty, 4-chloro-3-methylphenol entered the United States under item 403.56 of the tariff schedules of the United States (TSUS). This item is a residual category of phenol derivatives which are listed in the chemical appendix of the tariff schedules.

With the suspension of duty, 4-chloro-3-methylphenol was removed from TSUS item 403.56. A new TSUS item, No. 907.08, was created for it under subpart B of part 1 of the appendix to tariff schedules.

If the suspension is not extended, 4-chloro-3-methylphenol would again be dutiable at the rate applicable to TSUS item 403.56. In 1984 the column 1 rate for item 403.56 (the rate paid by countries with most-favored-nation status), will be 1.1 cents per pound plus 19.4 percent ad valorem. This rate is scheduled to decline annually until it reaches 0.7 cent per pound plus 19.4 percent ad valorem in 1987. This is nonetheless still significantly above the rate that was applicable to 4-chloro-3-methylphenol in 1979. At that time the rate was 1.7 cents per pound plus 12.5 percent ad valorem.

Other rates of duty applicable to TSUS item 403.56 are an LDDC rate[3] of 0.7 cent per pound plus 19.4 percent ad valorem and a column 2 rate of 7 cents per pound plus 62 percent ad valorem.[4] These rates were unaffected by the legislation granting temporary suspension of duty on 4-chloro-3-methylphenol.

U.S. IMPORTS

Imports in the United States of 4-chloro-3-methylphenol for 1980 and 1981 were as follows:

[Quantity in pounds]

Year:[5]	*Quantity*[5]
1980	106,293
1981[6]	274,472

LOST REVENUE

Prior to enactment of the initial temporary suspension of duty, the International Trade Commission estimated that total lost revenue for the years 1981-83 would be $323,400. The lost revenue figure for the next 3 years should be close to this figure since usage patterns appear similar.

POSITION OF AGENCIES

The Department of Commerce, the Department of State, and the International Trade Commission had no objection to the initial suspension of duty. Although their position regarding an extension of the suspension is not explicitly known at this time, there is little reason to suppose that the extension would be opposed since no material parameters have changed since January 12, 1983, when Public Law 97-446 was enacted.

CONCLUSION

For all the above reasons, but primarily because there is no domestic producer of 4-chloro-3-methylphenol to derive benefit from reimposition of a duty on the chemical, I urge that the suspension of duty be extended to June 30, 1987.

By Mr. BENTSEN:

S. 1760. A bill entitled the "Pension Correction Act of 1983"; to the Committee on Finance.

PENSION CORRECTION ACT OF 1983

Mr. BENTSEN. Mr. President, the Tax Equity and Fiscal Responsibility Act of 1982 had as its avowed purposes the prevention of excess accumulations of tax-deferred funds by high-income individuals, to reduce incentives to use pension plans as a method of sheltering income from tax, and to eliminate artificial distinctions, and to create more parity between corporate and noncorporate pension plans. However, certain provisions in TEFRA have harsh results. In addition, TEFRA itself creates artificial and discriminatory distinctions between large and small plans.

It is my belief that relief from these provisions of TEFRA must be achieved or the result will be to discourage the establishment and or maintenance of small employer plans.

Most of the pension law changes contained in TEFRA do not take effect until January 1, 1984. The purpose of this delayed effective date was to allow the committees to study the changes and to make adjustments where necessary. The bill I am introducing today is a result of a hearing held earlier this year by Senator CHAFEE's Subcommittee on Savings, Pensions, and Investment Policy of the Senate Finance Committee. This bill will leave in place the basic principles of the TEFRA changes while

---

[1] The Trade Agreement Act of 1979 created several "Basket" categories of benzenoid derivatives and based the new rate of duty on an average of the ad valorem equivalents of the individual items. As a result, certain items which had been assessed at a low tariff rate were assessed at a much higher rate after 1979.

[2] USITC's memorandum to the Committee on Ways and Means of the House of Representatives on H.R. 2786, 97th Cong., May 26, 1981, p. 2.

[3] The LDDC rate is the rate paid by least developed developing countries.

[4] The col. 2 rate applies to Communist and areas enumerated in general headnote 3(f) of the TSUS.

[5] International Trade Commission, imports of benzenoid derivatives.

[6] 1981 is the latest year for which the ITC has data.

helping to make the pension laws more workable and fairer in there application to small employers.

Mr. President I ask unanimous consent that a fact sheet describing the bill and the bill itself be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

FACT SHEET ON PENSION CORRECTIONS ACT OF 1983—REDUCTION IN PLAN AMENDMENT DUPLICATION

PRESENT LAW

In general, under Internal Revenue Code Sec. 401(b), the remedial period for amending a retirement plan to comply with any change in plan qualification requirements due to amendment to the Internal Revenue Code is the due date of the Employer's federal income tax return, including extensions for the tax year in which such new qualification requirements are effective. In practice, however, it has been difficult for the Treasury Department to promulgate final regulations after an amendment to the IRC prior to such remedial amendment deadline. The Treasury Department has generally issued temporary regulations in the interim to provide Employers and Plan Sponsors with guidelines for amending their retirement plans. In many instances, when final regulations are eventually issued, variances between the temporary and final regulations have required the Employers and Plan Sponsors to amend their plans a second time and re-submit for qualification determination to the Internal Revenue Service. Examples of instances in which second amendment submissions have been required because of variances between final and temporary regulations include joint and survivor annuity rules, hours of service rules, controlled group rules, normal retirement rules, benefit limit rules, suspension of benefit rules, and definitely determinable benefit rules.

PROPOSAL

The Bill adopts a simplified interim amendment process. Employers will be considered to have timely amended their plan if, by the remedial amendment deadline under IRC § 401(b), a short form amendment incorporating specific changes in the Code is adopted by reference and notice of the adoption of the amendment is sent to the Internal Revenue Service. Thereafter, employers will have no less than one year following the issuance of final regulations to submit plan amendments to the Internal Revenue Service, retroactive to the effective date of any amendments to the Internal Revenue Code.

REASON FOR CHANGE

The Bill will reduce the administrative burden on both Employers and on the Internal Revenue Service by eliminating the duplication of amendment submission to the Internal Revenue Service. Many Employers have been discouraged from continuing employee benefit plans because of the constant need for plan revisions which involve added expense and unnecessary labor.

PARTICIPANT LOAN TRANSITION RULE

PRESENT LAW

In general, under IRC Sec. 72(p), a loan by a Plan to a participant will be considered as a taxable distribution unless the amount of the loan does not exceed the lesser of fifty percent (50%) of the debtor participant's vested accrued benefit or $50,000, and the repayment period does not exceed five (5) years. Participant loans made on or before August 12, 1982, are excepted from such rule. A limited transition rule for certain qualifying refunding loans expires on August 13, 1983.

PROPOSAL

The Bill provides for the renewal and extension for a period of five (5) years to any participant loan (regardless of amount) entered into prior to August 12, 1982, which matures prior to August 13, 1985, without subjecting the borrowing participant to taxation. Such renewal loans must provide at least for repayments of interest and principal in equal, annual installments and must be repaid in full no later than five years from the date of renewal. During the repayment period of the renewal loan, the outstanding balance of such renewal loan must be taken into account for purposes of the 50%/$50,000 limit in determining whether a subsequent loan is a taxable distribution.

REASON FOR CHANGE

The transition rule created under the bill will provide relief for plan participants who were caught unexpectedly by the imposition of the new participant loan limitations. In many instances, corporate fiduciaries have required that all participant loans mature in no more than one year. This requirement was often due to a desire by fiduciaries at a time of violent interest rate fluctuations to adjust annually the loan interest rate in order to meet the requirement of prior law that such loans bear a "reasonable" rate of interest. Therefore, many participants who intended to repay loans over several years agreed to one-year maturities with the understanding that such loans would be renewed in part and repaid in part. The transition rule accomplishes the purposes of TEFRA in eliminating participant loan abuses without resulting in participant loan defaults because of the immediate and unexpected application of the new loan limitations.

ELIMINATION OF 10 PERCENT PENALTY ON EARLY PLAN DISTRIBUTIONS

PRESENT LAW

Internal Revenue Code Sec. 72(m)(5) imposes a ten percent (10%) penalty on distributions made to a key employee of a top-heavy plan prior to age 59½ by reason other than death or disability.

PROPOSAL

The Bill would repeal Sec. 72(m)(5).

REASON FOR CHANGE

The ten percent (10%) penalty under Sec. 72(m)(5) will apply in operation only to plans maintained by small employers. Such a discriminatory result would conflict with one of the objectives of TEFRA, which is to create parity between large and small employer plans. There is also concern that it could discourage the establishment of plans by small employers. The Bill will result in removing the disparity in treatment between distributions from plans maintained by large and small employers.

VESTING REQUIREMENTS FOR TOP-HEAVY PLANS

PRESENT LAW

In the case of a top-heavy plan as defined under IRC Sec. 416, the present law provides that such a plan must provide for one of the following minimum vesting requirements.

(a) Upon completion of three (3) years of service with the Employer, the participant is 100% vested (3 Year Vesting); or

(b) A vesting schedule under the following schedule known as 6 Year Graded Vesting:

Years of service:	*Nonforfeitable percentage*
2	20
3	40
4	60
5	80
6	100

PROPOSAL

The Bill would substitute for the six (6) year graded vesting requirement the following schedule known as the 4–40 Rule.

Years of service:	*Nonforfeitable Percentage*
4	40
5	45
6	50
7	60
8	70
9	80
10	90
11	100

REASON FOR CHANGE

Congress has previously expressed the position that a vesting schedule no more favorable than the 4–40 Rule should be required of any qualified employer plan. The Bill amends Sec. 416 to coincide with this view. Six (6) year graded vesting often encourages employee attrition. Moreover, long-term employment is not rewarded but penalized. Finally, increased employee turnover raises the cost for small employers to maintain a retirement plan and thus discourages the establishment or continuance of these plans.

REMOVAL OF CERTAIN BENEFIT LIMITATION RESTRICTIONS IN SMALL AND LARGE EMPLOYER PLANS

PRESENT LAW

Under IRC Sec. 416(h), a top-heavy plan is subject to a lower benefit limitation under IRC Sec. 415(e) (dealing with coordination of the defined benefit and defined contribution plans) unless certain minimum benefits are provided to rank-and-file employees. However, if the benefits accrued for key employees are equal to 90% or more of the aggregate benefits of all employees, then more severe lower benefit limitations apply whether or not the higher minimum benefit requirements are met. In addition, Sec. 416(h)(4) provides for a lower dollar limitation to be used in the case of a top-heavy plan for the special transition rules contained under Sec. 415(d)(6).

PROPOSAL

The Bill would repeal Sec. 416(h)(2)(B) which imposes a lower limitation on top-heavy plans in which 90% or more of the aggregate benefits are received by key employees. In addition, it amends Sec. 416(h)(4) to provide that the lower limitation to the special transition rule under Sec. 416(d)(6) applies only in cases in which the minimum benefit requirement under Sec. 416(h)(2)(A) are not provided.

REASON FOR CHANGE

The purpose of Sec. 416 is to eliminate excessively high benefits for key employees while at the same time providing minimum benefits to rank-and-file employees. However, the following safeguards exist to assure these objectives are met:

(a) the lower benefit limits under IRC Sec. 415,

(b) the compensation limitations under Sec. 416(d) for key employees,

(c) the general non-discrimination in benefits provisions of Sec. 416(a)(4), and

(d) the minimum benefit requirements of Sec. 416(c) and (h)(2)(A).

The 90% limitation is counterproductive because it discourages Employers from providing the higher minimum benefits in many of the plans Sec. 416 was intended to reach, a result contrary to Congress' intent. So long as the minimum benefits under Sec. 416(h)(2)(A) are provided, all plans should be subject to the normal limitations contained in Sec. 415 of the Code.

ESTATE TAX EXCLUSION FOR RETIREMENT BENEFITS

PRESENT LAW

Under Internal Revenue Code Sec. 2039(c), certain employee-derived retirement benefits are excluded from the gross estate of an employee decedent. The exclusion is subject to a limitation in the amount of $100,000 imposed by Sec. 245 of TEFRA effective for decedents dying after December 31, 1982.

PROPOSAL

The Bill provides that the $100,000 limitation under 2039(g) will not be applicable in any instance in which the annuity or other payment entitled to exclusion under IRC Sec. 2039(c) was subject to an irrevocable election as to the contingent or death beneficiary by the participant in effect prior to August 13, 1982.

REASON FOR CHANGE

Prior to the enactment of Sec. 2039(g), participants could elect irrevocably to receive their benefits under various alternative payment modes designating a contingent beneficiary other than their spouse and be assured of favorable estate tax treatment. As a result, such benefits could be directed to disabled children and elderly parents without reduction for death taxes. The Section 2039(g) limit unduly penalizes such employees who in good faith reliance on prior law made such irrevocable election in contrast to the treatment of participants who have made revocable elections and may change them at any time to take advantage of marital deductions. The Bill would provide an exception to the $100,000 limitation in those instances in which a participant is unable to change a beneficiary designation because of a binding election made prior to August 13, 1982.

S. 1760

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; AMENDMENT OF 1954 CODE.

(a) SHORT TITLE.—This Act may be cited as the "Pension Correction Act of 1983".

(b) AMENDMENT OF 1954 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1954.

SEC. 2. SIMPLIFIED AMENDMENT PROCESS FOR RETROACTIVE CHANGES IN PENSION PLANS.

Section 401(b) (relating to certain retroactive changes in plans) is amended—

(1) by inserting "(1) IN GENERAL.—" before "A stock bonus", and

(2) by adding at the end thereof the following new paragraph:

"(2) Extension of period until final regulations are issued.—

"(A) IN GENERAL.—In any case in which—

"(i) the Secretary has not issued final regulations with respect to any requirement of subsection (a), and

"(ii) the plan—

"(I) incorporates such requirement by reference to this title or any temporary regulation issued under this title, and

"(II) notifies the Secretary in writing of such incorporation in such manner as the Secretary may prescribe,

the Secretary shall extend the period under paragraph (1) to at least the date described in subparagraph (B).

"(B) Extension date.—The date referred to in this subparagraph is the later of—

"(i) the date which is 6 months after the date on which the final regulations described in subparagraph (A) were issued, or

"(ii) the due date including extensions for filing the return of tax of the employer for the taxable year in which such final regulations are issued.".

SEC. 3. TRANSITION RULE FOR CERTAIN PARTICIPANT LOAN RENEWALS.

Subsection (c) of section 236 of the Tax Equity and Fiscal Responsibility Act of 1982 is amended by adding at the end thereof the following new paragraph:

"(4) EXCEPTION FOR QUALIFIED RENEWAL LOANS.—

"(A) IN GENERAL.—Any qualified renewal loan shall not be treated as a distribution by reason of the amendments made by this section to the extent such loan is repaid before August 14, 1988.

"(B) QUALIFIED RENEWAL LOAN.—For purposes of subparagraph (A), the term 'qualified renewal loan' means any loan which—

"(i) renews and extends any loan which—

"(I) was made before August 12, 1982, and

"(II) by its terms was due and payable before August 13, 1985, and

"(ii) provides for repayment of principal and interest in equal installments which are required to be made at least annually.".

SEC. 4. ELIMINATION OF 10 PERCENT PENALTY APPLICABLE TO CERTAIN PLAN DISTRIBUTIONS.

Paragraph (5) of section 72(m) (relating to penalties applicable to certain employees) is repealed.

SEC. 5. CHANGE IN VESTING REQUIREMENTS FOR TOP-HEAVY PLANS.

Subparagraph (B) of section 416(b)(1) (relating to vesting requirements) is amended to read as follows:

"(B) 11-YEAR GRADED VESTING.—A plan satisfies the requirements of this subparagraph if an employee has a nonforfeitable right to a percentage of his accrued benefit derived from employer contributions determined under the following table:

"Years of service:	*Nonforfeitable Percentage*
4	40
5	45
6	50
7	60
8	70
9	80
10	90
11	100.".

SEC. 6. REMOVAL OF CERTAIN BENEFIT LIMITATION RESTRICTIONS.

(a) IN GENERAL.—Paragraph (2) of section 416(h) (relating to adjustments in section 415 limits for top-heavy plans) is amended to read as follows:

"(2) EXCEPTION WHERE ADDITIONAL CONTRIBUTIONS ARE MADE FOR NON-KEY EMPLOYEES.—Paragraph (1) shall not apply with respect to any top-heavy plan if the requirements of subparagraphs (A) and (B) of this paragraph are met with respect to such plan.

"(A) MINIMUM BENEFIT REQUIREMENTS.—The requirements of this subparagraph are met with respect to any top-heavy plan if such plan (and any plan required to be included in an aggregation group with such plan) meets the requirements of subsection (c), as modified by subparagraph (B).

"(B) MODIFICATIONS.—For purposes of subparagraph (A)—

"(i) paragraph (1)(B) of subsection (c) shall be applied by substituting '3 percent' for '2 percent' and by increasing (but not by more than 10 percentage points) 20 percent by 1 percentage point for each year for which such plan was taken into account under this subsection, and

"(ii) paragraph (2)(A) of subsection (c) shall be applied by substituting '4 percent' for '3 percent'.".

(b) CONFORMING AMENDMENT.—Section 416(h) is amended by inserting before the period at the end of paragraph (4) the following: ", if the minimum benefit requirements of section 416(h)(2)(A) are not met".

SEC. 7. CERTAIN IRREVOCABLE ELECTIONS EXEMPT FROM LIMITATION ON ESTATE TAX EXCLUSIONS.

Section 2039(g) is amended by adding at the end thereof the following new sentence: "In determining the aggregate amount under the preceding sentence, there shall not be taken into account the amount of any annuity or other payment which is so excluded to the extent such amount is attributable to an irrevocable election made before January 1, 1983.".

SEC. 8. EFFECTIVE DATES.

(a) SECTION 2.—The amendments made by section 2 shall apply to periods ending on or after the date of the enactment of this Act.

(b) SECTION 3.—The amendment made by section 3 shall apply as if included in section 236(c) of the Tax Equity and Fiscal Responsibility Act of 1982.

(c) SECTIONS 4, 5, and 6.—The amendments made by sections 4, 5, and 6 shall apply to taxable years beginning after December 31, 1983.

(d) SECTION 7.—The amendment made by section 7 shall apply to estates of decedents dying after December 31, 1982.

By Mr. MOYNIHAN (for himself, Mr. WALLOP, and Mr. SYMMS):

S. 1761. A bill to amend the Internal Revenue Code to permit foreign pension plans to invest in the United States on a nontaxable basis; to the Committee on Finance.

INVESTMENT BY FOREIGN PENSION PLANS IN THE UNITED STATES

● Mr. MOYNIHAN. Mr. President, I rise today with my distinguished colleague from Wyoming, Senator WALLOP, to introduce legislation to exempt foreign pension trusts from U.S. tax on their investment income.

We offer this legislation for several reasons. Private pension systems in Great Britain, the Netherlands, Japan, and other countries hold hundreds of billions of dollars in assets. In the United Kingdom alone, the amount is some $40 billion. In the Netherlands estimates vary, but some 2 years ago

one of that country's leading newspapers put the value of private pension assets there at $100 billion. Japan, Sweden, Denmark, and Canada also have large funded plans.

Little of this money is invested in the United States today, and the reason is clear. Foreign pension trusts, like their U.S. counterparts, are exempt from tax on most income earned in their home countries. Why, then, invest in a foreign market—even one with as attractive long-term appreciation prospects as the American one—when the income will be subject to tax? This legislation would essentially make the tax law neutral, permitting foreign pension plans to distribute their investments between the United States and their home countries with reference chiefly to the relative prospects of the markets.

Once the tax disincentive to foreign pension trust investment in our market is removed by this legislation, the pool of capital from which real investments are made in the United States will grow. This feature of our legislation—the prospect of actually increasing the pool of capital in the United States—distinguishes it from most other recent capital formation proposals. Most other proposals merely shift capital from one sector of the economy to another. The 1981 depreciation changes, for example, raised one's potential rate of return for the purchase of depreciable assets. It encouraged investors, when they draw up a list of possible future investments, to consider depreciable assets more favorably than in the past. Some other investments, however, must move over. Thus money would go into commercial buildings, machinery, and other depreciable assets, instead of other investments. There is a redistribution of capital, but little change in total investment.

This legislation should actually increase the overall supply of capital in the United States, bringing in new money from abroad. This makes it an unusual and attractive capital formation proposal.

The suggestion that foreign pension trusts should be untaxed on income earned in the United States is consonant with other aspects of our tax system. Generally speaking, U.S. pension trusts are not taxed, provided a trust is part of a qualified plan, a pension arrangement that meets the funding, vesting and other standards described in section 401(a) of the Federal Tax Code. A foreign pension trust, on the other hand, is taxed under current law. The rates vary. Often 30 percent of the foreign trust's income is withheld at the source. Where tax treaties apply, the rates on most dividend and interest income have been reduced to 15 percent or 10 percent, or even zero.

Our bill would merely make the policy of this government the position that income earned by U.S. and foreign pension trusts should be taxed in a similar fashion.

Let me point out, Mr. President, that foreign governments would be expected to reciprocate. The President would have the authority to withdraw the tax exemption from any foreign trust if the country in which the trust is based refused to reduce its taxes on U.S. pension trusts investing there. This legislation is a carrot; in the absence of reciprocation, we intend that the carrot should disappear.

Now, let me review the principal provisions of this legislation.

The bill would add a new subparagraph to section 501(c) of the Federal Tax Code. A trust, corporation, or fund that is part of a foreign pension plan would be exempted from Federal income taxes if it passed three tests. The plan of which the trust, corporation or fund is a part must be established and operated primarily to provide retirement or similar benefits. It also must be predominantly for individuals who are not American citizens and who are not living in this country. The plan's assets further must be kept separate from the assets of the employer, in accordance with the laws of the country where the plan is maintained. And the income of the plan must be taxed at preferential rates, or not at all, in the home country.

The bill would also make clear that the tax exemption is subject to adjustment under section 896 of the Federal Tax Code. Section 896(b) directs the President to act whenever he finds that a foreign country is taxing U.S. citizens or corporations more heavily than the United States taxes nationals of the same country. The President must ask the foreign country to eliminate (the) higher effective rate of tax. If that fails to elicit a reciprocal response, the President shall proclaim that the U.S. taxes on the foreign nationals in question will be increased. The Senate and the House of Representatives must be given 30 days' notice.

The exemption from tax, I should add, would not apply to income earned by a foreign pension plan from any interest in farmland. Accordingly, this legislation would not provide an incentive for foreign pension plans to buy up the farmland of this country. The incentive instead is channeled into the paper assets of American corporations. Foreign pension plans, moreover, would be subject to the unrelated business income tax, described in sections 511–514 of the code, to the same extent as our own pension plans.

Finally, subsection (c) of this legislation would add a new category, called pension plan reserves to section 805(d) of the Federal Tax Code. This is necessary to eliminate the tax at the insurance company level which would be incurred with respect to amounts held for qualifying foreign pension plans. Under current law, financial intermediaries other than life insurance companies would not be subject to tax at the intermediary level for income earned on behalf of foreign pension plan funding arrangements. But because of the way in which life insurance company tax provisions are structured, a tax would be imposed on investment income earned on assets held in a life insurance company's separate account for foreign pension plans. This subsection, then, simply places life insurance companies on the same tax basis as other U.S. financial intermediaries that would manage the invested assets of foreign pension plans.

The legislation also includes a technical amendment to section 401 of the code, to permit foreign pension plans to participate in a group trust without affecting the tax-exempt status of the group trust, so long as the group trust continues to meet the requirements of section 401.

Those are the key provisions. The bill would take effect with respect to income earned on or after January 1 of this year.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1761

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 501(c) (relating to organizations exempt from tax under section 501(a)) is amended by adding the following new paragraph:

"(24) A trust, corporation or fund which is formed pursuant to, or as part of, a foreign pension plan which satisfies the following requirements—

"(A) the plan is maintained primarily to provide retirement or similar benefits to employees who are primarily nonresident alien individuals;

"(B) the assets of the plan are segregated from the assets of the employer or employers maintaining the plan pursuant to the laws of the foreign country in which such plan is maintained; and

"(C) under the laws of the foreign country in which the plan is maintained, the income of the plan is exempt from tax or is subject to a lower rate of taxation than is generally imposed on other residents of such foreign country.

The exemption provided by this paragraph shall not apply to income or gain derived by a foreign pension plan from any interest (as defined in regulations prescribed by the Secretary) in land used in farming (as defined in section 175(c)(2)). The exemption provided by this paragraph also shall be subject to adjustment under section 896 (relating to the adjustment of tax of nationals of foreign countries), and no later than January 1, 1986, the President shall report to Congress on the extent to which he has exercised the authority under that section with respect to relief from foreign income taxes for plans described in section 401(a). If all of

the assets of a trust, corporation or fund are held for the benefit of one or more foreign pension plans described in this paragraph, such trust, corporation or fund shall itself be considered to satisfy the requirements of this paragraph.".

(b)(1) Section 512(a)(2) (relating to the unrelated business taxable income of certain foreign organizations) is amended by inserting "or section 501(c)(24)" immediately after "section 511".

(2) Section 514(c)(9) (relating to unrelated debt-financed income of qualified trusts) is amended by deleting the period at the end thereof and adding the following "or any foreign pension plan described in section 501(c)(24).".

(c) Section 805(d) (relating to pension plan reserves of life insurance companies) is amended by adding the following new paragraph:

"(7) purchased by a foreign pension plan (within the meaning of section 501(c)(24)), except that, for purposes of section 801(g)(7), any asset of a segregated asset account which constitutes land used in farming (as defined in Section 175(c)(2)) shall not be considered to be held with respect to a contract described in this subsection if such contract is described only in this paragraph of this subsection.".

(d) The amendments made by this Act shall become effective on January 1, 1983.●

● Mr. WALLOP. Mr. President, in the last Congress Senator MOYNIHAN and I introduced legislation which would have exempted foreign pension trusts from U.S. taxation on the investment income generated within the United States. The bill we are introducing today is a renewal of that past effort, with some modification with respect to U.S. farm and ranch lands.

With mounting deficits in this country, the borrowing demands of our own Federal Government threaten to absorb almost every available cent of investment capital. As our economy continues to climb from the grips of the past recession and establishes a pattern of strong and steady growth the competition for the available investment capital, after the Federal Government has satisfied its borrowing needs, is going to be intense. As available capital becomes more and more scarce, the cost of that capital will rise. Increasing interest rates, as we have just witnessed, is a sure fire way to weaken the vigor of a healthy economy.

Billions of dollars are held in the pension trusts of many European countries, as well as Japan. Little of the money is invested in the United States, and little will be invested as long as the income from investments in their own country are given preferential tax treatment compared with that offered in the United States. Those countries, like the United States give pension trusts a tax-exempt or tax-preferred status with respect to their domestic investments. Those billions of dollars sitting in foreign pension trusts offer an unique capital formation opportunity for this country. Like few other capital formation ideas, this bill does not create new incentives for the use of currently available capital. but instead creates the incentive to bring in entirely new sources of investment capital. A growing economy, especially at a time of increased Federal borrowing demands, must have reliable sources of capital at its disposal or the growth, almost by definition, will be significantly restricted.

Although not included in the legislation as introduced in the last Congress, there was a firm understanding between Senator MOYNIHAN and me that while we felt it important for the United States to have the opportunity to use the investment capital held by foreign pension trusts, those funds should not be directed toward investments in American farm and ranch lands. This legislation would specifically exclude such investments from being made. In addition, if another nation's tax policy does not provide similar treatment for American pension trust investments, the tax treatment offered by this legislation, in the discretion of the President, would be withdrawn for the nonreciprocating country.

In conclusion, let me note that I believe this legislation offers a very real opportunity to attract new investment capital to the American economy. With the Federal deficit siphoning off billions of dollars which would otherwise be used for private investment, it is vitally important that we seek to remove those obstacles which may prevent new sources of capital from being put to work within our borders. I encourage all of my colleagues to give this legislation every consideration.●

By Mr. MELCHER:

S.J. Res. 143. Joint resolution to authorize and request the President to issue a proclamation designating the calendar week beginning with Sunday, June 3, 1984, as "National Garden Week"; to the Committee on the Judiciary.

NATIONAL GARDEN WEEK

Mr. MELCHER. Mr. President, I am today introducing a joint resolution designating the week beginning June 3, 1984, as "National Garden Week."

Millions of Americans experience the joy of raising flowers and vegetables for their own enjoyment and that of their neighbors and friends. Over 1 million citizens are members of State Garden Clubs affiliated with the National Council of State Garden Clubs.

In recent years, many citizens have resumed the wartime victory garden which could be seen in vacant lots and the backyards of nearly every home in the early 1940's. The motivation this time is a war on hunger for many, as well as a healthful use of leisure time.

Our philosophers exhort us to take time from our hectic days to "stop and smell the flowers." I heartily concur. And I urge my colleagues to join me in honoring those millions of Americans who grow the flowers for our enjoyment.

I ask unanimous consent that an article from the Great Falls, Mont., Tribune on Mrs. Junne Johnsrud of Fort Benton, president of the National Council of State Garden Clubs, and the text of the joint resolution be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S.J. RES. 143

Whereas the gardeners of this country produce an abundance of food for our people and enable us to export food to other countries which are in desperate need; and

Whereas our gardeners help to preserve and foster our traditional spirit of independence and individual initiative; and

Whereas gardening instills in our people, both young and old, a greater appreciation for nature, in general, and for our beautiful land, in particular; and

Whereas such appreciation naturally leads to a greater respect and care for our environment; and

Whereas gardening, in addition to being most beneficial for our country, furnishes a pleasant, healthful and productive full- or part-time activity for a large number of our citizens; and

Whereas our gardens also yield flowers of great variety and breathtaking beauty; and

Whereas these flowers bring beauty into our lives and satisfy our esthetic needs: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue a proclamation—

(1) designating the calendar week beginning with Sunday, June 3 of 1984, as "National Garden Week"; and

(2) urging Federal, State and local government agencies, as well as citizens and private organizations, to observe that week with educational efforts, ceremonies, and other appropriate activities which shall include the wearing of garden flowers as a symbol of our appreciation for the efforts and contributions of our gardeners.

[From the Great Falls (Montana) Tribune]

WOMAN'S LOVE OF FLOWERS ROOTED IN MONTANA SOIL

(By Fred Miller III)

FORT BENTON.—Some of the most remarkable people live in the most humble of towns. Take Junne Johnsrud for instance.

This sleepy Missouri River town, still clinging to vestiges of wild west frontier days, seems an unlikely place for the chairman of a national committee to spring from. Yet it is precisely the warm, closeknit spirit of Montana's most historic town that provides Johnsrud with her fortitude for achievement.

After years of winning first place ribbons in decorative flower arrangements at the Chouteau County Fair and more than 20 years of "hard work" in the Montana Federation of Garden Clubs, Johnsrud has been elected president of the National Council of State Garden Clubs.

The council sports more than one million members nationwide. Johnsrud is only the second national president in 54 years to come from the Rocky Mountain region. She travels to Louisville, Ky., May 18 for the installation service before beginning an exhaustive tour of duty which will have her speaking and demonstrating award-winning arrangement techniques to groups across the country.

"Work never scared me," she said. "I keep three sets of books and manage a set of apartments. You don't get to do anything on a national level without a lot of hard work."

"I'm going to visit 19 states before October and will be speaking at each one as the installing officer. You have to bring a different, innovative approach to each one."

Hard work is a way of life for Johnsrud. Although some of her school chums from the Hinsdale High School class of 1940 may have lost their vim and vigor with the passage of time, Johnsrud's effervescence seems fused to the steady flow of the stately Missouri which parallels her Front Street home.

Contestants in Chouteau County fairs back in the late 50s and early 60s had to compete with Johnsrud's award-winning baking and flower arrangement entries for what seemed an eternity. She would dutifully travel the 35 miles of dirt roads to Fort Benton from the ranch she and her husband, Lyle, managed.

"I'd come to town with two to three carloads on the back end of a Cadillac," she said. "It took two days before the fair to bake the cakes, pies, rolls and doughnuts. We'd bring in eggs and upholstery, anything we had time to put together."

"One year I had 54 ribbons," she said. "I received the sweepstakes award with blue ribbons for all my pies but one girl complained I was getting all the awards. Some ladies said I grew such beautiful flowers that I should join a garden club."

She did. That was 1954. By 1961 she was the president of the Montana Federation of Garden Clubs and served as director of the eight-state Rocky Mountain Region 1965-1967.

She is also certified as a Master Judge and a national instructor in flower arranging.

While not serving as president of the national gardening club, Johnsrud is equally at ease behind the grill of Fort Benton's Banque Club. She and her husband bought the old Chouteau County Bank in 1976 and have since turned it into a steak and lobster restaurant. She knows everyone on a first name basis, lending an informal and relaxed atmosphere to the dining room.

A different Montana region made a key impression on Johnsrud during her early years—the expansive high plains of Hinsdale, a small Hi-Line town west of Glasgow.

"I used to ride a little bay pacer to the top of a butte and survey the great sweeping grasslands of Montana for 75 to 100 miles in either direction." she said. "This gave one a great feeling of the land and God's design."

The preservation of water is one of the highlights of her garden club administration, with an emphasis on maintaining the quality of the environment.

"Let us keep this rugged, uncluttered setting, so enviable, for our posterity before it vanishes from this earth," she told the national garden club. "We have been planners with the best intentions and yet the biggest wasters in the world because we thought it would never end. Let's start with saving our runaway water."

From Hinsdale, she went to work for Boeing Aircraft in Seattle. Within five years she was "head girl" for a 30,000-member aeronautical union.

It wasn't long before she returned to Montana, married Lyle and went to work on the Romain ranch near Fort Benton. They had two sons, Carter and Mark, moved to town and began a restaurant business.

During that time she has managed to collect one of the state's most impressive antique collections.

She has planted roots in Fort Benton, using the historic steamboat landing as a platform from which to branch out into numerous activities and pursuits. Her accolades are impressive. She judged the World's Fair Flower Show in Seattle, and is president of a national organization with more than a million members.

But the success hasn't spoilt her humbleness—Johnsrud still feels most at home among Fort Benton's 2,000 residents, cooking steaks and waiting tables with all the propriety of a small town businessperson.

By Mr. SASSER (for himself, Mr. BAKER, Mr. BAUCUS, Mr. BENTSEN, Mr. BUMPERS, Mr. COCHRAN, Mr. DOLE, Mr. DOMENICI, Mr. HATCH, Mr. LONG, Mr. MATTINGLY, and Mr. STENNIS):

S.J. Res. 144. Joint resolution designating September 5, 1983, as "National Beale Street, Home-of-the-Blues Day" to commemorate the redevelopment of the historic area where W. C. Handy, originator of the famous music form known as the "Blues," composed the "Memphis Blues" some 70 years ago; to the Committee on the Judiciary.

NATIONAL BEALE STREET—HOME-OF-THE-BLUES DAY

● Mr. SASSER. Mr. President, today, I would like to introduce a joint resolution designating September 5, 1983, as "National Beale Street, Home-of-the-Blues Day" in order to memorialize the redevelopments and growth of this historic area.

Beale Street is located in Memphis, Tenn., and is considered to be the birthplace of the American form of music called the blues. The blues was first introduced to the public on Beale Street by a gentleman named W. C. Handy in 1907. Ever since then this type of music has grown and continues to grow in popularity in all parts of the world. With the popularity of the blues, Beale Street became a prominent and electrifying social center. It was here where unknown musicians came from all parts of the Midsouth to showcase their talent and go on to become famous blues entertainers.

Along with its popularity in the entertainment category, Beale Street was also a thriving business center in the Midsouth. It made available to many blacks and other ethnic entrepreneurs numerous business opportunities who to this day are still maintaining active businesses on this historic place.

Today, Beale Street is currently under redevelopment. This restoration campaign is an effort to bring life back into this historic area. This campaign is led by the restoration of several buildings to make room for shops, theaters, nightclubs, and other large businesses as well. Some prominent names, such as Charlie Rich, Low Rawls, and B. B. King, are considering opening businesses on Beale Street. With this inpour of different businesses coming to the Beale Street area, estimates conclude that it will produce as many as 500 new jobs.

In conclusion, Beale Street has been a major influence on the history and culture of the United States. It has given us a brand of music that is not composed of sad songs but songs of sorrow and joy, triumph and tribulation, philosophy and feeling. The blues are songs of life. Beale Street was and still is a part of all of our lives and will remain a part of the lives of future generations to come.●

By Mr. LONG (for himself, Mr. JOHNSTON, Mr. HEFLIN, Mr. THURMOND, Mr. GLENN, Mr. BRADLEY, Mr. TSONGAS, Mr. MOYNIHAN, Mr. MATTINGLY, Mr. HEINZ, Mr. BENTSEN, Mr. GORTON, Mr. HOLLINGS, Mr. INOUYE, Mr. TOWER, Mr. FORD, Mr. WARNER, Mr. LUGAR, and Mr. DURENBERGER):

S.J. Res. 145. Joint resolution to designate the week of October 2, 1983, through October 8, 1983, as "National Port Week"; to the Committee on the Judiciary.

NATIONAL PORT WEEK

Mr. LONG. Mr. President, it is my pleasure today to introduce a Senate joint resolution which authorizes the President to proclaim the week of October 2-8, 1983, as "National Port Week."

The purpose of the resolution is to give our ports the attention they rightly deserve. Throughout this Nation's great history, our seaports have established efficient and economical transfers of cargo that have made us the world's greatest trading nation. Of this trade, 98 percent is comprised of waterborne imports and exports. Through this trade, our ports provide employment for well over 1 million Americans. They stimulate a direct dollar income to the local and regional communities around which they serve.

In addition to the vital force that our ports have served in contributing to our national economic development, "National Port Week" will recognize the importance that our ports have played in serving as a focal point in our Nation's defense. In time of war or other national emergency, the ports, which represent a vital link in the national transportation system, would immediately put into effect a plan for Federal port control for efficient oper-

ation and utilization of port facilities, equipment, and services.

In setting aside a week where attention may be focused on our ports, all Americans may be proud of the important contributions that our seacoasts and inland waterways have made to the welfare and vitality of our American way of life.

The designation of "National Port Week" has a direct correlation with the 1984 World's Fair since the theme of the fair is "Water as a Source of Life." In designating "National Port Week," we will have the opportunity to highlight the economic significance of our waterway system, a system which touches the lives of all Americans. In addition, the designation of "National Port Week" will serve as a good prelude to the 1984 World's Fair.

Mr. President, I ask unanimous consent that the joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 145

Whereas the past development of the public ports of the United States is the result of a fruitful partnership with the Federal Government constructing and maintaining the navigable waterways and harbors of the United States, and local municipalities assuming major responsibility for land-based port development;

Whereas the commercial seaports and inland river ports of the Nation are indispensable to foreign and domestic waterborne commerce and to the economic well-being and national security of the United States;

Whereas the maintenance and development of a national network of commercial ports is vital to expanded international trade and to the attainment of a favorable trade balance;

Whereas commercial ports serving the waterborne commerce of the United States are responsible for the continued employment of more than one million workers and in 1981 generated a total of $66,000,000,000 in direct and indirect benefits to the United States economy;

Whereas there is a continuing need to focus public attention upon the value of a viable and competitive system of commercial ports; and

Whereas a National Port Week observance promotes public recognition of the vital role that ocean and inland ports have played in the economic growth and national security of the United States: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of October 2, 1983, through October 8, 1983 is designated as "National Port Week" and the President is authorized and requested to issue a proclamation to invite the Governors of the several States, the chief officials of local governments, and the people of the United States to observe the week with appropriate ceremonies and activities.

By Mr. HEINZ (for himself, Mr. PELL, Mr. ABDNOR, Mr. HOLLINGS, Mr. KENNEDY, Mr. MATTINGLY, Mr. DECONCINI, Mr. FORD, Mr. STENNIS, Mr. BRADLEY, Mr. HATFIELD, Mr. LONG, Mr. TOWER, Mr. GARN, Mr. TSONGAS, Mr. LAUTENBERG, Mr. BENTSEN, Mr. COHEN, Mr. GLENN, Mr. SPECTER, Mr. CHAFEE, Mr. PRESSLER, Mr. HATCH, Mr. ZORINSKY, and Mr. PERCY):

S.J. Res. 146. Joint resolution to designate March 23, 1984, as "National Energy Education Day"; to the Committee on the Judiciary.

NATIONAL ENERGY EDUCATION DAY

● Mr. HEINZ. Mr. President, as Senate chairman of the National Energy Education Day project, I am today introducing a joint resolution calling on the President of the United States to designate March 23, 1984 as "National Energy Education Day."

At a time when our country's future depends on secure and competitively priced energy resources, NEED serves to develop and enhance energy education programs at all grade levels of public and private schools.

Mr. President, in order to insure that this country meet its future energy demands, we must encourage our greatest resource—the minds and talents of this country's youth—to better understand and help find the answers to the energy questions our world faces. NEED programs have proven to be an effective vehicle in integrating energy education into the Nation's schools.

There are currently 6 million students in 10,000 school NEED programs throughout the country learning the answer to the important energy questions we face.

National Energy Education Day was initiated in March of 1980 by a joint congressional resolution and Presidential proclamation. Since that time, Congress has reiterated its support for an organized effort to help encourage young people's knowledge of the energy of the energy issues of today and tomorrow.

Mr. President, it is a privilege to serve as cochairman of the 1984 national energy education day project. The theme for NEED this year is "Energy Works for America," with special emphasis on energy and employment, and energy careers. In addition, a scientific viewpoint will be explored in relating the laws of physics and chemistry to our production and use of energy and transportation, communication, and manufacturing.

The people of this country saw what increased oil prices could do to this country's economy, as well as to their own pocketbooks, and they did something about it—they began to conserve energy. Through a concerted national effort, demand for OPEC oil declined substantially and the oil cartel is no longer able to sustain its artificially high price of oil.

However, Mr. President, it is imperative that we plan now for that day when oil is once again scarce. This means insuring adequate domestic energy resources to serve our needs. We must do all we can to develop a wide range of alternative sources of energy—from solar and wind power, to geothermal, hydro, and nuclear fusion energy. This effort will require updating our educational system at all grade levels to prepare this Nation's youth for the new demands and challenges ahead.

National Energy Education Day (NEED) will bring together students, teachers, school officials, and community members to focus attention on the need for a greater understanding of energy issues. NEED will also provide the necessary support for encouraging talented youth to choose fields of energy as viable career options.

Mr. President, with this in mind, I ask that it be resolved by the President of the United States as well as this distinguished body that March 2, 1984, hereby is designated "National Energy Education Day."●

By Mr. WEICKER (for himself, Mr. RANDOLPH, Mr. STAFFORD, Mrs. HAWKINS, Mr. NICKLES, Mr. MATSUNAGA, and Mr. KENNEDY):

S.J. Res. 147. Joint resolution to designate the week of September 25, 1983, through October 1, 1983, as "National Rehabilitation Facilities Week"; to the Committee on the Judiciary.

NATIONAL REHABILITATION FACILITIES WEEK

● Mr. WEICKER. Mr. President, today I introduce a joint resolution designating the week of September 25, 1983, as National Rehabilitation Facilities Week in honor of the more than 4,000 locally based rehabilitation facilities throughout the Nation.

These facilities, Mr. President, are the backbone of America's commitment to assist disabled citizens to lead productive lives. People of all ages with conditions ranging from birth defects to chronic diseases to traumatic injuries come to their local rehabilitation centers with the hope of gaining or regaining the abilities to care for themselves, to earn a living, and to live independently.

To be sure, we in Congress have insisted that the necessary financial support be available to support the hope of rehabilitation. The need for that support is kept before us by many national organizations such as the National Association of Rehabilitation Facilities who speak for the local rehabilitation centers. But, it is the trained professionals working in the rehabilitation facility—the vocational specialists, the physical, occupational, and speech therapist, the administrative and support staffs, together with dedicated volunteer boards of directors—who, every day, are guiding youngsters

and adults along the path from disability to independence.

These community-based rehabilitation centers have become a vital link in the health and human services continuum. They represent the best of what a public and private partnership can accomplish for our people. In recognizing their efforts via this resolution, Mr. President, we in Congress will reaffirm our commitment that the enormous potential of those with disabilities not be lost. America needs the strength of all its citizens and thanks to the constant and dedicated work from local rehabilitation facilities, disabled people are able to participate in and contribute to the growth of our society.

I urge my colleagues to support this resolution.●

By Mr. KENNEDY (for himself, Mr. HOLLINGS, Mr. DURENBERGER, Mr. GLENN, Mr. BURDICK, Mr. STENNIS, Mr. DOLE, Mr. DECONCINI, Mr. RANDOLPH, Mr. HEINZ, Mr. SASSER, Mr. MATSUNAGA, Mr. MITCHELL, Mr. SYMMS, Mr. TSONGAS, Mr. NUNN, Mr. ZORINSKY, Mr. INOUYE, and Mr. HUDDLESTON):

S.J. Res. 148. A joint resolution to designate the week of May 6, 1984, through May 13, 1984, as "National Tuberous Sclerosis Week"; to the Committee on the Judiciary.

NATIONAL TUBEROUS SCLEROSIS WEEK

Mr. KENNEDY. Mr. President, today, I am introducing on behalf of myself and Senators HOLLINGS, DURENBERGER, GLENN, BURDICK, STENNIS, DOLE, DECONCINI, RANDOLPH, HEINZ, SASSER, MATSUNAGA, MITCHELL, SYMMS, TSONGAS, NUNN, ZORINSKY, INOUYE, and HUDDLESTON, a Senate joint resolution calling for the week of May 6, 1984, through May 13, 1984, to be designated as "National Tuberous Sclerosis Week." Representative DONNELLY has introduced a comparable measure in the House of Representatives.

Tuberous sclerosis is a genetic disorder first identified in the late 1800's by Bourneville, a French physician. Despite being known for over 100 years and being one of the more common genetic disorders, this disease remains poorly understood and frequently misdiagnosed. Individuals afflicted with this disorder are born with it, but since the clinical signs may be subtle and full symptoms may take considerable time to develop, tuberous sclerosis is frequently unrecognized for many years. The disease is generally characterized by one or more of the following conditions: Convulsive seizures, mental retardation, white skin spots, tumors, physical handicaps, developmental delay, characteristic skin rash.

In any individual, these features may range from mild to extremely severe. In its severest form, tuberous sclerosis can be devastating, making the victim completely helpless and dependent. It is more common than cystic fibrosis and Duchenne's muscular dystrophy, yet the true frequency of tuberous sclerosis could be even greater since many cases are unrecognized. It is vitally important to stimulate further research of this genetic disease in order to better understand the cause of tuberous sclerosis and to develop preventative techniques.

The importance of correct diagnosis is that a mildly affected or normal parent, who may be aware of having the disease, can give birth to a severely handicapped child.

Since 1977, the Tuberous Sclerosis Association of America, found and based in Rockland, Mass., offers muchneeded support and assistance to victims of tuberous sclerosis and their families across the country. This organization receives no Federal funds and is run by parents and volunteers. Along with this family support, the goals of this national organization include: Public and physician education and awareness, case finding, earliest identification, and genetic counseling.

I am proud to introduce this legislaton declaring a National Tuberous Sclerosis Week on behalf of the countless Americans across our Nation who suffer from this disease, their families, and their friends. It is my hope that this week will stimulate continued and extensive research of tuberous sclerosis, increase public awareness of this genetic disorder, and in the near future, bring about the discovery of the cause and a cure for this devastating disease. I urge my colleagues in the Senate to act promptly on this important legislation.

By Mr. HUDDLESTON (for himself, Mr. COCHRAN, Mr. MELCHER, Mr. BOSCHWITZ, Mr. LEAHY, Mr. EAGLETON, and Mr. HEFLIN):

S.J. Res. 149. Joint resolution to temporarily suspend the authority of the Secretary of Agriculture under the milk price support program, to impose a second 50 cents per hundredweight deduction from the proceeds of the sale of all milk marketed commercially in the United States; to the Committee of Agriculture, Nutrition, and Forestry.

MILK PRICE SUPPORT PROGRAM

● Mr. HUDDLESTON. Mr. President, I am today introducing legislation to suspend the authority of the Secretary of Agriculture to collect the second 50-cent fee on milk marketed, as authorized by the Omnibus Budget Reconciliation Act of 1982, until November 1, 1983.

Many of my colleagues and I have worked to achieve a compromise on dairy legislation that would reduce the amount of surplus production, lower the cost of the milk price support program, and provide some stimulus to consumption by lowering the support price. Unfortunately, the compromise may not come to a vote before the Secretary imposes the second of two 50-cent fees authorized by the 1982 Omnibus Budget Reconciliation Act. In fact, yesterday the Secretary announced that he would begin to collect the second fee effective September 1. This action would increase the deduction from the proceeds of sale of all milk sold commercially to a total of $1 per hundredweight.

The Secretary's action to increase the deduction will require the Department of Agriculture to establish a refund program for milk producers who reduce commercial milk marketings. To qualify for refunds of the second 50-cent fee, producers must reduce commercial milk marketings for the period September 1, 1983, through September 30, 1984, by 8.4 percent from the average of the 2 marketing years that began October 1, 1980.

Mr. President, it would be unfortunate and costly if the Secretary were to proceed with his plan to collect the second 50 cent fee and Congress then repealed the authority for the fees, as would be the case if the pending dairy legislation—contained in S. 1529—were rapidly enacted after the August recess.

The legislation I am introducing today would delay the Secretary's action until Congress has time to consider and vote on the dairy compromise bill.

Mr. President, I ask unanimous consent that the text of the resolution I am introducing and the announcement by Secretary of Agriculture Block be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S.J. RES. 149

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That, prior to November 1, 1983, the Secretary of Agriculture may not implement, under the provisions of section 201(d)(3) of the Agricultural Act of 1949, a second deduction of 50 cents per hundredweight from the proceeds of sale of all milk marketed commercially by producers.

USDA INCREASES MILK DEDUCTION 50 CENTS

WASHINGTON, Aug. 3—Secretary of Agriculture John R. Block today announced the U.S. Department of Agriculture will increase the deduction from proceeds of sale of all milk sold commercially Sept. 1, 1983 through Sept. 30, 1984 by 50 cents to a total of $1 per hundredweight. Deductions will be remitted to USDA's Commodity Credit Corporation to help offset the cost of the milk support program, he said.

Producers who reduce their commercial milk marketings for Sept. 1, 1983 through Sept. 30, 1984 (the last month of the 1982-83 marketing year and the whole 1983-84 marketing year) by 8.4 percent from the average of the two marketing years that began

Oct. 1, 1980 will receive refunds of the second 50 cent deduction.

Block also announced that the price support level for manufacturing grade milk (3.67 percent average fat content) will continue at $13.10 per hundredweight for the marketing year beginning Oct. 1, the minimum level of support authorized by law.

Both the deductions and the minimum support price level are authorized by last year's amendment to the Agriculture act of 1949. These actions have been taken to reduce milk production and to reduce costs of the dairy price support program, according to Block.

CCC is authorized to deduct 50 cents if the government expects to purchase annually in excess of 5 billion pounds (milk equivalent) of dairy products. an additional 50-cent deduction is authorized if government dairy purchases annually are expected to exceed 7.5 billion pounds and there is a refund program in place. CCC expects to purchase more than 16 billion pounds of dairy products in the year ending Sept. 30 and more than 11 billion pounds during the 1983-84 marketing year.●

ADDITIONAL COSPONSORS

S. 454

At the request of Mr. BYRD, the name of the Senator from Idaho (Mr. SYMMS) was added as a cosponsor of S. 454, a bill to provide for an accelerated study of the causes and effects of acidic deposition during a 5-year period, and to provide for grants for mitigation at sites where there are harmful effects on ecosystems resulting from high acidity.

S. 616

At the request of Mr. DURENBERGER, the name of the Senator from Oklahoma (Mr. BOREN) was added as a cosponsor of S. 616, a bill to promote the use of solar and other renewable forms of energy developed by the private sector.

S. 619

At the request of Mr. TSONGAS, the names of the Senator from California (Mr. CRANSTON) and the Senator from Ohio (Mr. GLENN) were added as cosponsors of S. 619, a bill to reauthorize, extend, and enhance existing Federal programs to encourage conservation and the use of renewable energy by this Nation's consumers.

S. 877

At the request of Mr. HOLLINGS, the name of the Senator from California (Mr. CRANSTON) was added as a cosponsor of S. 877, a bill to require the National Weather Service to report routinely on the levels of acid content found in precipitation and dry deposition throughout the United States, and for other purposes.

S. 948

At the request of Mr. THURMOND, the name of the Seantor from Utah (Mr. HATCH) was added as a cosponsor of S. 948, a bill to reform Federal criminal and civil forefeiture.

S. 1051

At the request of Mr. TOWER, the name of the Senator from Nebraska (Mr. EXON) was added as a cosponsor of S. 1051, a bill to amend the Internal Revenue Code of 1954 to allow certain prepayments of principal and interest to be treated as contributions to an individual retirement account, to allow amounts to be withdrawn from such account to purchase a principal residence, and for other purposes.

S. 1146

At the request of Mr. BENTSEN, the names of the Senator from Florida (Mr. CHILES) and the Senator from Virginia (Mr. TRIBLE) were added as cosponsors of S. 1146, a bill to amend the Federal Aviation Act of 1958 to provide for the revocation of the airman certificates and for additional penalties for the transportation by aircraft of controlled substances, and for other purposes.

S. 1361

At the request of Mr. HUMPHREY, the name of the Senator from Florida (Mrs. HAWKINS) was added as a cosponsor of S. 1361, a bill to require notice on social security checks that it is a violation of law to commit forgery in conjunction with the cashing of those checks.

S. 1435

At the request of Mr. WALLOP, the name of the Senator from Georgia (Mr. NUNN) was added as a cosponsor of S. 1435, a bill to amend the Internal Revenue Code of 1954 to allow a deduction for contributions to housing opportunity mortgage equity accounts.

S. 1475

At the request of Mr. WALLOP, the name of the Senator from Illinois (Mr. PERCY) was added as a cosponsor of S. 1475, a bill to amend the Internal Revenue Code of 1954 to repeal the highway use tax on heavy trucks and to increase the tax on diesel fuel used in the United States.

S. 1496

At the request of Mr. TSONGAS, the name of the Senator from Michigan (Mr. LEVIN) was added as a cosponsor of S. 1496, a bill to amend the Internal Revenue Code of 1954 to encourage investment in new business ventures.

S. 1512

At the request of Mr. DURENBERGER, the name of the Senator from New York (Mr. MOYNIHAN) was added as a cosponsor of S. 1512, a bill to retain the current duty on corned beef.

S. 1621

At the request of Mr. HUMPHREY, the name of the Senator from Virginia (Mr. WARNER) was added as a cosponsor of S. 1621, a bill to amend the Federal Aviation Act of 1953 to require commercial passenger carrying aircraft to be equipped with smoke detectors and automatic fire extinguisher in all aircraft lavatories and galley areas.

S. 1623

At the request of Mr. DOLE, the name of the Senator from Minnesota (Mr. DURENBERGER) was added as a cosponsors of S. 1623, a bill to establish a National Commission on Neurofibromatosis.

S. 1626

At the request of Mr. SASSER, the name of the Senator from North Dakota (Mr. BURDICK) was added as a cosponsor of S. 1626, a bill relating to universal telephone service.

S. 1630

At the request of Mr. TOWER, the names of the Senator from New Mexico (Mr. DOMENICI), the Senator from Florida (Mrs. HAWKINS), and the Senator from Texas (Mr. BENTSEN) were added as cosponsors of S. 1630, a bill to provide general assistance to local educational agencies for the provision of education services to alien children, and for other purposes.

S. 1687

At the request of Mr. BENTSEN, his name was added as a cosponsor of S. 1687, a bill to amend the Agricultural Act of 1949 to require the Secretary of Agriculture to make an earlier announcement than is required under current law of any acreage limitation or set-aside program established for the 1984 or 1985 crop of feed grains or the 1985 crop of wheat.

SENATE JOINT RESOLUTION 93

At the request of Mr. EAST, the names of the Senator from Florida (Mrs. HAWKINS), the Senator from Kansas (Mr. DOLE), the Senator from Idaho (Mr. SYMMS), the Senator from Tennessee (Mr. BAKER), the Senator from Alaska (Mr. MURKOWSKI), the Senator from Iowa (Mr. GRASSLEY), the Senator from Kentucky (Mr. HUDDLESTON), and the Senator from Louisiana (Mr. LONG) were added as cosponsors of Senate Joint Resolution 93, a joint resolution to designate the month of September each year as "National Sewing Month."

SENATE JOINT RESOLUTION 110

At the request of Mr. STEVENS, the name of the Senator from Louisiana (Mr. JOHNSTON) was added as a cosponsor of Senate Joint Resolution 110, a joint resolution proposing an amendment to the Constitution of the United States with respect to limiting campaign contributions and expenditures.

SENATE JOINT RESOLUTION 131

At the request of Mr. DOLE, the name of the Senator from Utah (Mr. HATCH) was added as a cosponsor of Senate Joint Resolutions 131, a joint resolution designating "National Cystic Fibrosis Week."

SENATE JOINT RESOLUTION 136

At the request of Mr. BIDEN, his name was added as a cosponsor of Senate Joint Resolution 136, a joint resolution to recognize "Volunteer

Firefighters Recognition Day," as a tribute to the bravery and self-sacrifice of our volunteer firefighters.

At the request of Mr. GLENN, the names of the Senator from New Jersey (Mr. BRADLEY) and the Senator from West Virginia (Mr. RANDOLPH) were added as cosponsors of Senate Joint Resolution 136, supra.

At the request of Mr. BYRD, his name was added as a cosponsor of Senate Joint Resolution 136, supra.

SENATE CONCURRENT RESOLUTION 21

At the request of Mr. COHEN, the names of the Senator from Kentucky (Mr. HUDDLESTON) and the Senator from Hawaii (Mr. MATSUNAGA) were added as cosponsors of Senate Concurrent Resolution 21, a concurrent resolution expressing the sense of the Congress respecting the administration of title X of the Public Health Service Act.

SENATE RESOLUTION 126

At the request of Mr. WALLOP, the name of the Senator from South Carolina (Mr. THURMOND) was added as a cosponsor of Senate Resolution 126, a resolution to express the sense of the Senate that the changes in the Federal estate tax laws made by the Economic Recovery Tax Act of 1981 should not be modified.

SENATE RESOLUTION 149

At the request of Mr. DODD, the name of the Senator from Oregon (Mr. PACKWOOD) was added as a cosponsor of Senate Resolution 149, a resolution to express the sense of the Senate that the laws which insure equal rights with regard to education opportunity for women should be maintained.

SENATE RESOLUTION 182

At the request of Mr. DOLE, the name of the Senator from Maine (Mr. COHEN) was added as a cosponsor of Senate Resolution 182, a resolution expressing the sense of the Senate with respect to travel by Members of the Senate to the Soviet Union.

SENATE RESOLUTION 191

At the request of Mr. LEAHY, the names of the Senator from Texas (Mr. BENTSEN), the Senator from New Jersey (Mr. BRADLEY), the Senator from North Dakota (Mr. BURDICK), the Senator from Illinois (Mr. DIXON), the Senator from Ohio (Mr. GLENN), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Montana (Mr. MELCHER), the Senator from Ohio (Mr. METZENBAUM), the Senator from New York (Mr. MOYNIHAN), the Senator from Wisconsin (Mr. PROXMIRE), the Senator from Michigan (Mr. RIEGLE), the Senator from Nebraska (Mr. ZORINSKY), the Senator from New Hampshire (Mr. RUDMAN) were added as cosponsors of Senate Resolution 191, a resolution relating to justice in the case of the slain American churchwomen in El Salvador.

SENATE CONCURRENT RESOLUTION 60—RELATING TO THE DEPARTMENT OF EDUCATION

Mr. DODD (for himself, Mr. HOLLINGS, Mr. PELL, Mr. BENTSEN, Mr. MATHIAS, Mr. KENNEDY, Mr. MELCHER, Mr. CHILES, Mr. TSONGAS, Mr. LAUTENBERG, Mr. BUMPERS, Mr. EAGLETON, Mr. INOUYE, Mr. BINGAMAN, Mr. BIDEN, Mr. SARBANES, Mr. LEVIN, Mr. DIXON, Mr. BRADLEY, Mr. BURDICK, Mr. RANDOLPH, and Mr. WEICKER) submitted the following concurrent resolution, which was referred to the Committee on Governmental Affairs:

S. CON. RES. 60

Whereas education is an essential attribute of our democratic society;

Whereas all students should have access to a quality education regardless of race, national origin, sex, economic background or handicapped conditions;

Whereas Congress is committed to furnishing adequate financial and personnel resources to assure access to education;

Whereas the Congress has established programs of eductional assistance to enhance the ability of important segments of the population of this country to reach full educational potential, including programs for native Americans, children of migrant workers, and disadvantaged children, as well as programs to assure equality of educational opportunity for women and minorities;

Whereas the programs have a proven record of effectiveness in helping to provide these citizens with realistic opportunities to achieve educational excellence; and

Whereas current proposals of the Department of Education to reorganize and consolidate programs and to make severe reductions in the personnel necessary to carry out program mandates threaten to undermine efficient operation and future effectiveness of such programs: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of Congress that the current organizational integrity and personnel strength for programs in elementary, secondary, adult and vocational education in the Department of Education should be retained.

SEC. 2. The Senate urges the Secretary of Education to postpone further action on the reorganization described in the preamble of this resolution until a study by the General Accounting Office determines that such reorganization would not reduce the ability of the Department of Education to achieve the goals intended by Congress when it authorized the affected programs.

SEC. 3. The Secretary of the Senate is directed to transmit a copy of this resolution to the Secretary of Education.

Mr. DODD. Mr. President, I am introducing today, with the distinguished Senator from South Carolina, Mr. HOLLINGS and others, a concurrent resolution expressing the Senate's opposition to reorganization plans announced by the Department of Education and urging that further action be postponed unless a study by the General Accounting Office determines that the plans can be implemented without doing damage to the programs affected by the reorganization.

We are joined in this effort by Senators PELL, BENTSEN, MATHIAS, KENNEDY, MELCHER, CHILES, TSONGAS, LAUTENBERG, BUMPERS, EAGLETON, INOUYE, BINGAMAN, BIDEN, SARBANES, LEVIN, DIXON, BRADLEY, BURDICK, RANDOLPH, and WEICKER.

Similar legislation is being introduced by Representative GEORGE MILLER of California in the other body. Senator HOLLINGS, Representative MILLER and I have written to the Comptroller General requesting an investigation of the reorganization. I ask unanimous consent that a copy of the letter be printed at the end of my remarks.

The reorganization at issue would involve severe reductions in personnel and consolidations of programs in the Office of Elementary and Secondary Education, the Office of Vocational and Adult Education and the Secretary's regional representative's offices. It would affect the compensatory education programs of chapter I, the 28 categorical programs consolidated into chapter II block grants, migrant education, the Women's Educational Equity Act, title IV of the Civil Rights Act and Indian Education, among others.

As many as 300 individual positions, many of them for valuable professionals, would be eliminated. That RIF would come on the heels of staff reductions numbering 1,900 since the current administration took office and in the face of a report by a task force of the President's own private sector survey that morale throughout the Department is very low. The reorganization affects programs that have both records of achievement and proven popularity with the groups they serve. The personnel reductions are urged at a time when demand for services in vocational education have never been higher and when, it can be safely predicted, the Department will soon be asked to administer new initiatives in mathematics and science education.

In short, this plan is neither good sense nor sound public policy.

The official rationale of the Department and the administration is that the reorganization is intended to enhance the efficient administration of the programs. Far from conceding that any downgrading is intended, their spokesmen tell us the moves will make the programs work even better.

There is an old saying in American politics, Mr. President, that goes back to frontier days. "If you want to know what a man really has in mind," it advises, "don't listen to his words, watch his feet."

In this particular case, that is very sage counsel.

The lights have burned late at the White House speechwriting offices in recent months. The President does not miss many opportunities to speak about his commitment to education, or the pride he takes in the civil rights

record of his administration, or how he just cannot understand the basis for the gender gap.

But behind that rhetorical smokescreen are opposition to the ERA, cutbacks in education funding, and a promise to abolish the Department of Education, and a vain attempt to obstruct reauthorization of the Voting Rights Act.

The pattern of the latest fancy footwork is easily seen in this reorganization effort. If funding cutbacks, program consolidation and abolitions, and personnel reductions can work such managerial magic, why have they not been suggested for the Department of Defense? If the most efficient way to administer programs within a functional area is not to locate them in a single department, why have we not heard a proposal to disperse the Pentagon's portfolio across the bureaucratic landscape?

If there is a sincere concern about the special needs of minority communities and populations, why does Congress have to battle each year to prevent reductions in chapter I moneys and why are we now told that we simply do not need many people to oversee programs for migrant children and Indian children?

If civil rights is a priority, why are half the staff currently assigned to implement title IV of the Civil Rights Act being eliminated?

There has been at least one revealing break in the administration's impassive defense of the reorganization. Yesterday, the House Subcommittee on Elementary, Secondary and Vocational Education conducted a hearing on the matter. Representative PATRICIA SCHROEDER of Colorado expressed concern about the reduced status envisioned for the Women's Educational Equity Act. She asked the Department's Deputy Under Secretary for Management, Charles Heatherly, if he had earlier, as a private citizen, edited a book which referred to the program as a case of the "The Feminist Network Feeding at the Federal Trough?" He had. How did he feel, she wondered, now that he had the experience of observing the program first-hand. He felt the same, he said, only more strongly.

Now, Mr. President, those may be the words of a manager dedicated to making a program work even more effectively. But for some reason I do not think so.

In general, Mr. President, I believe in giving the managers of an agency considerable discretion in the way they choose to carry out their responsibilities. But in this instance, we are dealing with matters on which Congress and the administration clearly are in strong disagreement over both substance and priorities. I must say, with all respect, that it raises the very real question of whether there is underway an attempt to accomplish administratively what Congress has refused to do legislatively.

That is the reason for this resolution, Mr. President. It suggests a reasonable and responsible course of action. It simply asks that the reorganization not be undertaken until an independent, professional evaluation is completed by the General Accounting Office. That study would provide an objective, third-party assessment of whether the reorganization would truly improve the delivery of program services as the administration contends, or if it would undermine their effectiveness, as Senator HOLLINGS and I and many of our colleagues fear.

By adopting the resolution, the Senate would reaffirm its commitment to the importance of a quality education to a free citizenry and its determination that race, sex, ethnic background, or economic circumstances not undermine any American's opportunity to achieve education excellence. It would also reaffirm our intention that the programs we have mandated to accomplish those goals receive sufficient personnel, financial, and administrative resources to make them truly effective.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, D.C., July 29, 1983.

Hon. CHARLES A. BOWSHER,
Comptroller General of the United States, General Accounting Office Building, Washington, D.C.

DEAR MR. BOWSHER: We would like to request a General Accounting Office study of the proposed reorganization and reduction-in-force within the Department of Education. In particular, we are interested in verifying whether or not the proposed reorganization and reduction-in-force by the Department of Education of its Offices of Elementary and Secondary Education, Vocational and Adult Education, and Regional Offices will affect the Department's ability to effectively manage existing programs and new programs that are now before Congress and whether or not it will affect the Department's ability to assure equality of educational opportunity for those served by these programs.

The study should focus on the affected programs within the Office of Elementary and Secondary Education including Chapter I, Chapter II, Migrant Education, Indian Education, Title IV of the Civil Rights Act, and Women's Educational Equity Act, as well as those within the Office of Vocational and Adult Education, and the role of the Regional Offices in successfully implementing these many programs.

This is the second major reorganization within the Department of Education in 18 months. We advocate the efficient management of Federal programs. At the same time, we are concerned that this reorganization will greatly impair the delivery capability of the offices involved and will undermine the credibility of the Department. To assist our deliberations, we request that GAO interview a cross-section of Education Program Specialists, program managers at both the Department headquarters and regional offices level, state offices of education, and national education associations concerned with implementation of these programs in order to determine the impact of the Department's proposed personnel changes.

Due to the fact the proposed reorganization and reduction-in-force is scheduled to take place September 15, 1983, we would request that this evaluation be completed by September 5, 1983. Thank you for your cooperation on this study. If you have questions, please contact Dorothy Seder (Senator Hollings' staff) at 224-6121.

Sincerely,

ERNEST F. HOLLINGS.
GEORGE E. MILLER.
CHRISTOPHER J. DODD.

Mr. HOLLINGS. Mr. President, I am pleased to join today with my distinguished colleague from Connecticut, Senator DODD, in offering a sense-of-the-Senate resolution urging the Secretary of Education to postpone further action on the reorganization of several programs within the Department of Education until a study by the General Accounting Office determines that this proposed reorganization will not reduce the ability of the Department to achieve the goals intended by Congress when it authorized the affected programs.

The Secretary of Education has proposed a reduction in force of over 300 positions within the Department of Education effective September 15, 1983. The proposed reduction in staff and reorganization of programs would take place in the Office of Elementary and Secondary Education, Vocational and Adult Education, and the Secretary's regional representatives offices.

Of significant concern are the specific programs within the Office of Elementary and Secondary Education slated for staff reductions. Title I, which provides compensatory education for the disadvantaged; chapter II block grant, which consists of 28 consolidated categorical programs; migrant education; Indian education; title IV of the Civil Rights Act; and the Women's Educational Equity Act would be reorganized and the staff assisting these programs would be substantially reduced. These programs, Mr. President, serve special populations with specific needs and a RIF of this kind will very likely result in the Department's inability to meet its mandate of providing high quality education to all Americans.

The Department claims this reorganization and reduction in staff will enhance its ability to carry out congressional directives. I hold a different view. I see it more as an attempt to dismantle the Department of Education internally since the Congress has shown no interest in doing so legislatively. It should be noted that this is the second reorganization and reduction in force within the Department in just 18 months. In fact, since January 1981, the Department of Education

has lost 1,900 employees, over 25 percent of its staff. But, for the Office of Elementary and Secondary Education, the reduction in personnel is close to 50 percent.

While I am a strong advocate of the efficient management of Federal programs, I am concerned that further reorganization and reduction in staff will greatly impair the delivery capability of the offices involved and will seriously undermine the credibility of the Department.

TITLE I

Under the proposed reorganization plan, the vanguard in Federal efforts to assist minorities and the poor will experience a reduction in force for the second time in 18 months. This action comes at a time when the National Assessment of Education Progress again has given the title I program glowing marks for upgrading math and reading achievement scores of disadvantaged students. And the prestigious Stanford Research Institute has reported that, "Federal programs aimed at the disadvantaged, handicapped, and non-English-speaking students have made a deeper and more positive impression on schools. * * * Federal actions can indeed make a substantial difference in local educational practices * * *." Even Secretary Bell has publicly stated that title I is a "good program" and that "the effectiveness of it is well documented."

For the past several years, this administration has consistently sought to cut title I spending. Congress has wisely rejected this effort every time. In fact, Mr. President, Congress has added money each year. In May, the Senate added $1 billion for education to its budget resolution, a significant amount of this assumed for the title I program.

Mr. President, the title I program has been the major effort in the history of this Nation to finally provide equal educational opportunities for the economically disadvantaged and the educationally deprived. The Department of Education's proposed reorganization and reduction in the experienced Elementary and Secondary Education personnel—those who have made it work so well—threatens the progress we have made in this area of education.

WOMEN'S EDUCATIONAL EQUITY ACT PROGRAM

Those of us familiar with the high level of discrimination against women in this society even blanche at some of the recent statistics on the resilience of that discrimination. There is no doubt that we have made great strides in raising the awareness of the problem, but little progress has been made in diminishing it. In fact, during recent national competition for the severely limited WEEA discretionary moneys—$5.7 million—approximately 700 proposals were submitted from across the Nation, collectively detailing the necessity of continuing our efforts to attain educational equity for women. In light of such a monumental challenge, the administration is proposing cutbacks and the downgrading of WEEA staff, dramatically lowering the status of this important Federal program.

INDIAN EDUCATION

No matter how negative statistics appear outlining the quality of our Nation's educational system, those figures are exemplary when compared to data representing the educational situation of Native Americans. By almost any criteria or comparison they fall at the bottom of the scale. Over 200 years of severe discrimination and neglect has taken a devastating toll on the first Americans. Fortunately, the awareness level of the Nation toward the problem is at an all time high.

Yet the proposed RIF in the Office of Elementary and Secondary Education will further reduce the status and size of a division that was formed to take the lead in attacking these serious inequities. Such action will not only impair the ability of the unit to effectively deal with this highly critical national need, but will send a clear signal to Native Americans that this administration does not care about them. When a problem is recognized, a solution proposed and public opinion directed toward a successful resolution of that problem, it is not the time to pull back. That is what this RIF will do. We should reject this effort, Mr. President.

MIGRANT EDUCATION

In addition to experiencing a 28-percent reduction in staff, migrant education would be consolidated with the title I program, violating Congress clear intent that the program have complete autonomy and direct access to the Assistant Secretary of Elementary and Secondary Education. It is essential to the program's success that migrant education have a national focus in State funding. Such access and mobility allows school districts to communicate on a migrant child's special needs and promotes the continuity of learning. It is imperative that this reorganization be denied and the program permitted to maintain its independent integrity.

TITLE IV OF CIVIL RIGHTS ACT OF 1964

The proposed reorganization calls for reduction of one-half the staff responsible for implementing programs which insure educational equity based on race, sex, and national origin. Recent enforcement problems around the country, including Chicago, St. Louis, and Alabama, point out the type of discrimination problems which exist and require national attention. To reduce the staff qualified to assist and help enforce the laws designed to eliminate this discrimination is simply unwarranted. Perhaps this administration would not have its problem, real or perceived, with civil rights if it maintained its capable staff skilled in dealing with such important matters.

NEW EDUCATION INITIATIVES

The Department's plan to reduce the staff and reorganize programs within the the Office of Elementary and Secondary Education, the regional offices, and the Office of Vocational and Adult Education is not only a serious attack on a successful support structure, it is being conducted at a time when new legislative initiatives are forthcoming to help meet the growing demand for quality education.

Several hundred million dollars will be authorized and appropriated this coming fiscal year by Congress to support programs for reducing the math/science teacher shortage and for raising the quality of math and science education. Additional proposals are sure to follow. And, hearings are now being held on the subject of merit pay and increased salaries for teachers. Yet, who will be responsible for implementing these new initiatives?

Key parts of any new legislation in these areas will become the responsibility of the offices within the Department of Education. A rapid and effective response will be needed from the Department if pending legislation is to have a maximum impact. Experienced staff will be at a premium if we obtain the results we expect. Regrettably, the impending RIF does not account for these needs and is sure to displace many of the personnel who are key to the effective and rapid implementation of legislation aimed at improving the quality of education in America.

VOCATIONAL AND ADULT EDUCATION

As proposed by the Department of Education, the Office of Vocational and Adult Education would be reduced for the second time in 18 months. The Department claims reduced workloads justify a reduction in staff in this area. However, enrollments in vocational education alone have increased by more than 85 percent in the last 10 years, with current enrollment at an all-time high.

With the unprecedented long-term unemployment and the needs of specialized skills in the emerging high-tech industries we cannot afford to weaken this network. Furthermore, adult education programs are experiencing similar increased demands placed on them rather than reduced workloads. In fact, more than 2.1 million adults enroll annually in these programs but the potential target population of adults who have not finished high school or its equivalency is in excess of 53 million, and the number of adults who lack the basic skill to cope with the everyday demands of this technological society is more than 20 million.

The administration proposed the consolidation of adult and vocational education programs but Congress denied this request. There has been no legislative mandate necessitating the reduction of personnel in this important office. The world of work is changing rapidly and it is absolutely critical that people be prepared with skills that will enable them to compete and succeed in the job market. I am fearful the proposed RIF will impair the Department's ability to properly perform their duties in these vital areas of education.

REGIONAL OFFICES

The Department of Education's reorganization plan calls for a 50-percent reduction in staff at all 10 of the Secretary's regional representative offices. These offices provide technical assistance, dissemination of information, and coordination of activities between State and local education agencies and the headquarters here in Washington.

In light of the significant consolidation mandated in recent years, these offices are essential, Mr. President, if we are to have the proper implementation of these education programs. I am greatly concerned that this 50 percent reduction will seriously impair a State or local education agency's ability to perform its important task. Now, more than ever, Federal, State, and local cooperation is necessary in order to stretch limited resources. This RIF proposal flies in the face of effectiveness.

In conclusion, Mr. President, almost daily we hear President Reagan telling this important group or that distinguished gathering that we must do what is necessary to raise the quality of education for every American. A notable goal, Mr. President. However, at the same time President Reagan is speaking, his appointees at the Department of Education are demoralizing and effectively destroying the ability of its experts in the Offices of Elementary and Secondary Education, Vocational and Adult Education, and the Secretary's regional representatives offices to respond to the important challenge he outlines.

He cannot have it both ways. If he truly wants to confront the problems facing education in our Nation, he will have to have some troops to fight the battles. And these troops will have to be led and inspired to make the fight and obtain the results are seek. President Reagan seeks the right goal—quality education—but he does nothing to prepare his Department of Education to achieve that end.

This reorganization and reduction in staff will substantially reduce the educators within the ranks of the Department. The capacity of the body of expertise who know the programs and have effectively and professionally carried out their duties as mandated by Congress is being systematically eliminated. Certainly this pell mell rush to RIF and dispirit this high quality group can only lower the quality of education rather than enhance it. Expertise is essential in any professional organization. It is critical for those responsible for assisting the State and local education agencies in providing the highest quality of education possible.

My suggestion, Mr. President, is that we have a better idea of what we can expect to gain from this proposal before we allow it to proceed. This administration has consistently showed it knows the cost of everything and the value of nothing. Our education programs are too important, too necessary, to relinquish to such an unproven and misdirected proposal.

● Mr. BRADLEY. Mr. President, I rise in support of the resolution urging the Secretary of Education to postpone further action on reorganizing the Department of Education until a study is conducted by the General Accounting Office to determine whether the reorganization would reduce the ability of the Department of Education to achieve its goals.

Next month the Secretary of Education has scheduled a major reorganization and reduction in staffing at the Department of Education. A number of Federal education programs could be affected by these proposals, including programs that are aimed at meeting the special needs of women, migrants, and disabled and disadvantaged children. It is my understanding that major cutbacks may be made here in Washington and in several of the Federal regional offices.

Mr. President, this reorganization could have a devastating impact on essential education programs of proven effectiveness. The cutback could impair the Federal Government's commitment to equality of educational opportunity for all its citizens. I believe that we need to insure that the rights of our citizens are protected before the reorganization effort is undertaken.

It is not fully clear to me why this reorganization is being pushed, especially since the Department of Education has already undergone extensive reorganizations and cutbacks in 1981 and 1982. I am concerned that the reorganization may be an attempt on the part of some officials to impose their own agenda on these vital education programs, contrary to the wishes of Congress.

Mr. President, to insure that the rights of our citizens are protected, we are urging the Secretary of Education to postpone the reorganization until the GAO determines that the reorganization would not reduce the ability of the Department of Education to achieve the goals intended by Congress. I urge my colleagues to join us in this effort.●

SENATE RESOLUTION 193—ORIGINAL RESOLUTION REPORTED WAIVING CONGRESSIONAL BUDGET ACT

Mr. DURENBERGER, from the Committee on Governmental Affairs, reported the following original resolution; which was referred to the Committee on the Budget:

S. RES. 193

Resolved, That pursuant to section 402(c) of the Congressional Budget Act of 1974, the provisions of section 402(a) of such Act are waived with respect to the consideration of S. 1090. Such waiver is necessary because S. 1090 authorizes the enactment of new budget authority which would first become available in fiscal year 1984, and such bill was not reported on or before May 15, 1981, as required by section 402(a) of the Congressional Budget Act of 1974 for such authorizations.

The waiver of section 402(a) is necessary to permit congressional consideration of statutory authority to create a study commission on the subject of outdoor recreational resources.

S. 1090 provides an authorization for fiscal year 1984 of $1,500,000. No funds have previously been authorized or appropriated for this purpose.

SENATE RESOLUTION 194—ORIGINAL RESOLUTION REPORTED WAIVING CONGRESSIONAL BUDGET ACT

Mr. GARN, from the Committee on Banking, Housing, and Urban Affairs, reported the following original resolution; which was referred to the Committee on the Budget:

S. RES. 194

Resolved, That pursuant to section 402(c) of the Congressional Budget Act of 1974, the provisions of section 402(a) of such Act are waived with respect to the consideration of S. 1729, to strike medals for the widow of Roy Wilkins, the Louisiana World Exposition, the families of American personnel missing in Southeast Asia, and Danny Thomas. Such waiver is necessary to permit consideration of an additional fiscal year 1984 authorization of appropriations for the Department of Treasury to carry out the purposes of S. 1729.

Such waiver is necessary because S. 1729 was not reported by May 15, 1983, as required by section 402(a) of the Congressional Budget Act of 1974.

AMENDMENTS SUBMITTED

DEPARTMENT OF THE INTERIOR APPROPRIATIONS, 1984

McCLURE AMENDMENT NO. 2110

Mr. McCLURE proposed an amendment to the bill (H.R. 3363) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1984, and for other purposes, as follows:

On page 81, line 14, before the period insert the following:

"*Provided*, That all of the restrictions and limitations set forth in 16 U.S.C. 839(j)(1), shall apply to any contracts or obligations entered into by the Administrator pursuant to this provision"

EXON AMENDMENT NO. 2111

Mr. EXON proposed an amendment to the bill, H.R. 3363, supra, as follows:

At the appropriate place in the bill insert the following:

That notwithstanding any other provision of law, the Secretary of the Interior (hereinafter in this Act referred to as the "Secretary") is hereby authorized to convey to Mitchell School District in Scotts Bluff County, Nebraska, all right, title, and interest, except as provided herein, to a tract of land consisting of 20 acres, more or less, more particularly described as the west half southwest quarter northwest quarter section 17, township 23 north, range 55 west, sixth principal meridian. Conveyance of such right, title, and interest shall be upon the condition that the Mitchell School District shall simultaneously convey without cost, an easement right on certain of the above-described lands to the Pathfinder Irrigation District for the purpose of operating and maintaining irrigation canals, laterals, or drains-related storage works of the North Platte project, a Federal reclamation project. The Mitchell School District shall pay the fair market value of the lands as of the date of the conveyance, including administrative costs, as determined by the Secretary. In determining the fair market value of the lands, the Secretary shall recognize the existence of the easement right to be granted to the Pathfinder Irrigation District and shall not include the value of any improvements made on or to the lands by the Mitchell School District or its predecessors. Withdrawals from the public domain as they pertain only to the lands described in the first section under Secretarial Orders of February 11, 1903, and July 24, 1917, for purposes of the North Platte Project, are revoked by conveyance of the rights, title, and interests as set forth in the first section and section 2.

DEPARTMENT OF TRANSPORTATION APPROPRIATIONS, 1984—CONFERENCE REPORT

MATHIAS AMENDMENT NO. 2112

Mr. MATHIAS (for himself, Mr. DOMENICI, Mr. TRIBLE, Mr. WARNER, Mr. SARBANES, Mr. SASSER, Mr. BINGAMAN, Mr. EAGLETON, Mr. BURDICK, Mr. GLENN, and Mr. RANDOLPH) proposed an amendment to the amendment of the House to an amendment of the Senate accompanying the Conference Report on a bill (H.R. 3329) making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1984, and for other purposes, as follows:

At the end of the matter proposed to be inserted by the amendment of the House of Representatives, add the following:

SEC. 323. None of the funds appropriated by this Act or any other Act may be obligated or expended before October 15, 1983—

(1) to adopt, to issue, or to carry out a final rule or regulation, a final revision, addition, or amendment to regulations, or a final statement of policy based on any proposed rule or regulation, any proposed revision, addition, or amendment to regulations, or any proposed statement of policy of which a notice was published in parts III-VI of the Federal Register on March 30, 1983 (48 F.R. 13,342 to 13,381) or in parts III through VI of the Federal Register on July 14, 1983 (48 F.R. 32,275 to 32,312); or

(2) to adopt, to issue, or to carry out any final rule or regulation, any final revision, addition, or amendment to a regulation, or any final statement of policy which effectuates the purposes of any proposed rule, regulation, revision, addition, amendment, or statement of policy referred to in clause (1).

JULIETTE GORDON LOW FEDERAL BUILDING

MATTINGLY AND STAFFORD AMENDMENT NO. 2113

Mr. BAKER (for Mr. MATTINGLY and Mr. STAFFORD) proposed an amendment to the bill (S. 505) to designate the Federal building to be constructed in Savannah, Ga., as the "Juliette Gordon Low Federal Building"; as follows:

After line 9, add a new section as follows:

"SEC. 2. (a) The Administrator of General Services (hereinafter referred to as the Administrator), may accept and use contributions from private individuals or organizations for the design and construction of a memorial commemorating the life and accomplishments of Juliette Gordon Low. The Administrator, in consultation with the chairman of the National Endowment for the Arts and the national President of the Girl Scouts of America, shall determine the appropriate form and location of such memorial, to be located in or around the building referred to in this Act. The memorial may include fountains, gardens, walks, stained glass windows, or other building appurtenances visible and accessible to visitors, and in harmony with the architectural and landscape design of such building. The Administrator may conduct a competition to select a designer for the memorial authorized by this section. Such competition shall be open to landscape and other architects, artists, artisans, and designers.

"(b) The Administrator shall provide maintenance for such memorial."

ASSISTANT ADMINISTRATORS OF THE ENVIRONMENTAL PROTECTION AGENCY

STAFFORD AMENDMENT NO. 2114

Mr. BAKER (for Mr. STAFFORD) proposed an amendment to the bill (S. 1696) authorizing three additional Assistant Administrators of the Environmental Protection Agency; as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

That (a) the President, by and with the advice and consent of the Senate, may appoint three Assistant Administrators of the Environmental Protection Agency in addition to—

(1) the five Assistant Administrators provided for in section 1(d) of Reorganization Plan No. 3 of 1970 (5 U.S.C. Appendix) (hereinafter in this Act referred to as the "Reorganization Plan");

(2) the Assistant Administrator provided by section 26(g) of the Toxic Substances Control Act (15 U.S.C. 2625(g)); and

(3) the Assistant Administrator provided by section 307(b) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 6911a).

(b) Each Assistant Administrator appointed under subsection (a) shall perform such duties as the Administrator of the Environmental Protection Agency may prescribe.

SEC. 2. (a)(1) Section 5313 of title 5, United States Code, is amended by adding at the end thereof the following new item:

"Administrator of the Environmental Protection Agency.".

(2) The second sentence of section 1(b) of the Reorganization Plan is amended by striking out ", and shall be compensated at the rate now or hereafter provided for Level II of the Executive Schedule Pay Rates (5 U.S.C. 5313)".

(b)(1) Section 5314 of title 5, United States Code, is amended by adding at the end thereof the following new item:

"Deputy Administrator of the Environmental Protection Agency.".

(2) The first sentence of section 1(c) of the Reorganization Plan is amended by striking out ", and shall be compensated at the rate now or hereafter provided for Level III of the Executive Schedule Pay Rates (5 U.S.C. 5314)".

(c)(1) Section 5315 of title 5, United States Code, is amended by adding at the end thereof the following new items:

"Assistant Administrator for Toxic Substances, Environmental Protection Agency.

"Assistant Administrator, Office of Solid Waste, Environmental Protection Agency.

"Assistant Administrators, Environmental Protection Agency (8).".

(2)(A) Section 26(g)(2) of the Toxic Substances Control Act is amended by striking out "(A)" and ", and (B) be compensated at the rate of pay authorized for such Assistant Administrators".

(B) Section 307(b) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by striking out ", and shall be compensated at the rate provided for Level IV of the Executive Schedule pay rates under section 5315 of title 5, United States Code".

(C) Section 1(d) of the Reorganization Plan is amended by striking out ", and shall be compensated at the rate now or hereafter provided for Level IV of the Executive Schedule Pay Rates (5 U.S.C. 5315)".

DISTRICT OF COLUMBIA RETIREMENT REFORM ACT AMENDMENTS

MATHIAS AMENDMENT NO. 2115

Mr. BAKER (for Mr. MATHIAS) proposed an amendment to the bill (S. 1625) to amend the District of Columbia Retirement Reform Act; as follows:

On page 7, line 10, after the word "appropriated" add: "for the fiscal year commencing October 1, 1984, and each fiscal year thereafter,".

SOLID WASTE DISPOSAL AUTHORIZATION

HART AMENDMENT NO. 2116

(Referred to the Committee on Environment and Public Works.)

Mr. HART submitted an amendment intended to be proposed by him to the bill (S. 757) to amend the Solid Waste Disposal Act to authorize funds for fiscal years 1983, 1984, 1985, 1986, and 1987 and for other purposes, as follows:

On page 11, line 2, strike the quotation mark and the second period.

On page 11, after line 2, insert the following:

"'(d) BAN ON DISPOSAL IN UNLINED SURFACE IMPOUNDMENTS.—Effective two years after the enactment of the Solid Waste Disposal Act Amendments of 1983, no hazardous waste may be disposed of in a surface impoundment which does not have at least one liner and a leachate collection system which comply with the requirements for liners and leachate collection systems in regulations promulgated under this section, and no permit may be issued after such date of enactment for a surface impoundment which does not have at least one liner and a leachate collection system which comply with such requirements. The Administrator shall determine whether to modify the requirements of this subsection in the case of surface impoundments receiving solid waste from the extraction, benefication, or processing of ores and minerals, including phosphate rock and overburden from the mining of uranium ore, if such solid waste is subject to regulation under this subtitle, and shall, if he so determines, so modify such requirements to the extent such modified requirements assure protection of human health and the environment.'.".

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON FOREIGN RELATIONS

Mr. BAKER. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, August 3, to hold a hearing to consider the nomination of Thomas Pickering to be Ambassador to El Salvador.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. BAKER. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Wednesday, August 3, to hold a hearing on S. 1059, the Equal Access Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

NATIONAL PARALYZED VETERANS RECOGNITION DAY

● Mr. STAFFORD. Mr President, I am pleased today to call attention here to the fact that this is National Paralyzed Veterans Recognition Day. Legislation to establish this observance was signed by the President on August 1 (Public Law 98-62). In the Senate, the legislation was designated Senate Joint Resolution 106 and authored by the distinguished chairman of the Veterans' Affairs Committee, Senator SIMPSON. I am proud to have been a cosponsor.

The paralyzed veteran surely evokes the utmost in emotional response from every citizen. Admiration is mingled with emotion. These veterans, wounded in action, fight on; for them the war continues, the enemy this time is pain, discouragement, despair. The rest of us watch, encourage, and help in every way we can to appreciate what their battle for America has cost and is costing them.

I understand that there is to be a special stamp to commemorate the paralyzed veteran. That, too, is a fitting tribute. While resolutions and stamps cannot cure or even alleviate pain and disfigurement, they do draw once again to the fore the attention of the public in a way that makes us ponder and appreciate our own freedoms still preserved in this world of turmoil and threat because of these valiant fighters.

We resolve to take up the burden from them and pray that we might bear it with something of the same dignity and courage as they have done and are doing.

I am sure this Senator speaks for all in wishing Godspeed to the paralyzed veterans of America.●

NINTH ANNIVERSARY OF THE INVASION OF CYPRUS

● Mr. SARBANES. Mr. President, 9 years ago negotiations were underway to seek a peaceful and just solution to the crisis on Cyprus, when in a deliberate decision to break off the negotiations Turkish troops occupied 40 percent of the island republic. That brutal action resulted in the displacement of some 200,000 persons from their homes, the destruction of churches, hospitals, and schools, the expropriation of 70 percent of the island's productive capacity. Several thousand persons disappeared and even today remain unaccounted for.

In 9 years—nearly half a generation—the situation has changed very little. Turkish troops continue to occupy the seized territories. The beautiful coastal town of Famagusta remains deserted, many of its inhabitants living within sight of the homes to which they are prevented from returning by armed force. Nonetheless, the displaced Cypriots have worked hard to mend broken lives, to keep families together and to rebuild the institutions and enterprises so needlessly and wantonly destroyed.

The world is not indifferent to the continuing injustice on Cyprus. Earlier this year the 37th session of the U.N. General Assembly adopted by the overwhelming vote of 103 to 5, with 20 abstentions, a resolution calling for the reestablishment of the sovereignty, independence, and territorial integrity of Cyprus, respect for human rights and fundamental freedoms of all Cypriots and the withdrawal of all occupation forces. By voting overwhelmingly for continuing aid to Cyprus, Congress has expressed its strong commitment to a just and peaceful solution to the Cyprus conflict and it is regrettable that the United States, which is strongly committed to supporting intercommunal talks on Cyprus under the auspices of the U.N. Secretary General, should have withheld support from the forthright U.N. resolution.

Mr. President, I ask that the U.N. resolution be printed in the RECORD.

The resolution follows:

[37th session, agenda item 37, May 10, 1983]

QUESTION OF CYPRUS

ALGERIA, CUBA, GUYANA, INDIA, MALI, SRI LANKA, AND YUGLOSLAVIA: DRAFT RESOLUTION

The General Assembly,

Having considered the question of Cyprus,

Recalling its resolution 3212 (XXIX) of 1 November 1974 and its subsequent resolutions on the question of Cyprus,

Recalling the high-level agreements of 12 February 1977 and 19 May 1979,

Reaffirming the principle of the inadmissibility of occupation and acquisition of territories by force,

Greatly concerned at the prolongation of the Cyprus crisis, which poses a serious threat to international peace and security,

Deeply regretting that the resolutions of the United Nations on Cyprus have not yet been implemented,

Recalling the idea of holding an international conference on Cyprus,

Deploring the fact that part of the territory of the Republic of Cyprus is still occupied by foreign forces,

Deploring the lack of progress in the intercommunal talks,

Deploring all unilateral actions that change the demographic structure of Cyprus or promote faits accomplis,

Reaffirming the need to settle the question of Cyprus without further delay by peaceful means in accordance with the provisions of the Charter of the United Nations and the relevant United Nations resolutions,

1. *Reiterates* its full support for the sovereignty, independence, territorial integrity, unity and non-alignment of the Republic of Cyprus and calls once again for the cessation of all foreign interference in its affairs;

2. *Affirms* the right of the Republic of Cyprus and its people to full and effective sovereignty and control over the entire territory of Cyprus and its natural and other

resources and calls upon all States to support and help the Government of the Republic of Cyprus to exercise these rights;

3. *Condemns* any act which tends to undermine the full and effective exercise of the above-mentioned rights, including the unlawful issue of titles of ownership of property;

4. *Welcomes* the proposal for total demilitarization made by the President of the Republic of Cyprus;

5. *Expresses its support* for the high-level agreements of 12 February 1977 and 19 May 1979 and all the provisions thereof;

6. *Demands* the immediate and effective implementation of resolution 3212 (XXIX), unanimously adopted by the General Assembly and endorsed by the Security Council in its resolution 365 (1974) of 13 December 1974, and of the subsequent resolutions of the Assembly and the Council on Cyprus which provide the valid and essential basis for the solution of the problem of Cyprus;

7. *Considers* the withdrawal of all occupation forces from the Republic of Cyprus as an essential basis for a speedy and mutually acceptable solution of the Cyprus problem;

8. *Demands* the immediate withdrawal of all occupation forces from the Republic of Cyprus;

9. *Commends* the intensification of the efforts made by the Secretary-General, while noting with concern the lack of progress in the intercommunal talks;

10. *Calls* for meaningful, result-oriented, constructive and substantive negotiations between the representatives of the two communities, under the auspices of the Secretary-General, to be conducted freely and on an equal footing, on the basis of relevant United Nations resolutions and the high-level agreements, with a view to reaching as early as possible a mutually acceptable agreement based on the fundamental and legitimate rights of the two communities;

11. *Calls* for respect of the human rights and fundamental freedoms of all Cypriots, including the freedom of movement, the freedom of settlement and the right to property and the instituting of urgent measures for the voluntary return of the refugees to their homes in safety;

12. *Considers* that the de facto situation created by the force of arms should not be allowed to influence or in any way affect the solution of the problem of Cyprus;

13. *Calls* upon the parties concerned to refrain from any unilateral action which might adversely affect the prospects of a just and lasting solution of the problem of Cyprus by peaceful means and to co-operate fully with the Secretary-General in the performance of his task under the relevant resolutions of the General Assembly and the Security Council as well as with the United Nations Peace-keeping Force in Cyprus;

14. *Calls* upon the parties concerned to refrain from any action which violates or is designed to violate the independence, unity, sovereignty and territorial integrity of the Republic of Cyprus;

15. *Reiterates* its recommendation that the Security Council should examine the question of implementation, within a specified time-frame, of its relevant resolutions and consider and adopt thereafter, if necessary, all appropriate and practical measures under the Charter of the United Nations of ensuring the speedy and effective implementation of the resolutions of the United Nations on Cyprus;

16. *Welcomes* the intention of the Secretary-General, as expressed in his report,[1] to pursue a renewed personal involvement in the quest for a solution of the Cyprus problem and, in view of this, requests the Secretary-General to undertake such actions or initiatives as he may consider appropriate within the framework of the mission of good offices entrusted to him by the Security Council for promoting a just and lasting solution of the problem and to report to the General Assembly at its thirty-eighth session on the results of his efforts;

17. *Decides* to include in the provisional agenda of its thirty-eight session the item entitled "Question of Cyprus" and requests the Secretary-General to follow up the implementation of the present resolution and to report on all its aspects to the General Assembly at that session.●

STATUS REPORT ON THE BUDGET

● Mr. DOMENICI. Mr. President, I hereby submit to the Senate a status report on the budget for fiscal year 1983 pursuant to section 311 of the Congressional Budget Act.

Since my last report the Congress has completed action on H.R. 2973 to repeal interest and dividends tax withholding, and H.R. 3069, making 1983 supplemental appropriations.

The report follows:

REPORT TO THE PRESIDENT OF THE U.S. SENATE FROM THE COMMITTEE ON THE BUDGET, STATUS OF THE FISCAL YEAR 1983 CONGRESSIONAL BUDGET ADOPTED IN H. CON. RES. 91—REFLECTING COMPLETED ACTION AS OF JULY 29, 1983

[In millions of dollars]

	Budget authority	Outlays	Revenues
Revised 2d budget resolution level	877,200	807,400	604,300
Current level	869,086	806,920	604,294
Amount remaining	8,114	480	0

BUDGET AUTHORITY

Any measure providing budget or entitlement authority which is not included in the current level estimate and which exceeds $8,114 million for fiscal year 1983, if adopted and enacted, would cause the appropriate level of budget authority for that year as set forth in H. Con. Res. 91 to be exceeded.

OUTLAYS

Any measure providing budget or entitlement authority which is not included in the current level estimate and which would result in outlays exceeding $480 million for fiscal year 1983, if adopted and enacted, would cause the appropriate level of outlays for that year as set forth in H. Con. Res. 91 to be exceeded.

REVENUES

Any measure that would result in revenue loss exceeding $0 million for fiscal year 1983, if adopted and enacted, would cause revenues to be less than the appropriate level for that year as set forth in H. Con. Res. 91.

[1] A/37/805 and Corr. 1.

CONGRESSIONAL BUDGET OFFICE,
U.S. CONGRESS,
Washington, D.C., August 1, 1983.

Hon PETE V. DOMENICI,
Chairman, Committee on the Budget,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to section 308(b) and in aid of section 311(b) of the Congressional Budget Act, this letter and supporting detail provide an up-to-date tabulation of the current levels of new budget authority, estimated outlays and estimated revenues in comparison with the appropriate levels for those items contained in the most recently agreed to concurrent resolution on the 1983 budget (H. Con. Res. 91). This report for fiscal year 1983 is tabulated as of close of business July 29, 1983, and is based on our estimates of budget authority, outlays, and revenues using the assumptions and estimates consistent with H. Con. Res. 91.

Since my last report, Congress has completed action on H.R. 2973 to repeal interest and dividends tax withholding, and H.R. 3069, making 1983 Supplemental Appropriations.

[In millions of dollars]

	Budget authority	Outlays	Revenues
1. Enacted	864,283	804,503	604,400
2. Entitlement authority and other mandatory items requiring further appropriation action			
3. Continuing resolution authority			
4. Conference agreements ratified by both Houses	4,802	2,418	−106
Current level	869,086	806,920	604,294
2d budget resolution revised, H. Con. Res. 91	877,200	807,400	604,300
Current level is under resolution by	8,114	480	6

Sincerely,

ALICE M. RIVLIN,
Director.●

EAST TIMOR

● Mr. TSONGAS. Mr. President, as I am sure my colleagues remember, I have long been concerned about the situation of the former Portuguese colony of East Timor. Though the situation is not as severe as it was several years ago it still remains a serious problem.

On June 12, Parade magazine published a story by Irving Wallace, David Wallechinsky, and Amy Wallace concerning the terrible toll the conflict in East Timor has had on its people and the land.

While today the situation has improved, we still receive reports of hunger and malnutrition, and human rights violations. In addition, the Indonesian Government continues to severely restrict emigration from the island, and also to limit visits by foreign journalists and diplomats.

Mr. President, I urge my colleagues to join me in calling attention to this "forgotten war." I ask that the Parade article be printed in the RECORD.

The article follows:

[From Parade Magazine, June 12, 1983]

THE FORGOTTEN WAR

(By Irving Wallace, David Wallechinsky, and Amy Wallace)

Few people have heard of East Timor, yet it is the scene of one of the bloodiest wars in recent history—a war being fought with arms supplied by the U.S.

In August 1975, in the face of a coup and civil war, Portugal yielded its sovereignty over the eastern half of Timor, a small island 400 miles north of Australia. On Dec. 7, shortly after East Timor proclaimed its independence, Indonesian forces attacked with tanks, napalm and heavy artillery, shooting unarmed civilians in the streets. Indonesia's plan was to crush the new nation and annex it—quickly and without attracting notice.

U.S. officials knew of the attack in advance. Yet they did nothing to prevent it, though it was carried out with U.S. weapons supplied specifically for defense. When the UN voted to condemn the aggression five days after it began, this country abstained, presumably fearful of antagonizing oil-rich and pro-West Indonesia.

Today, East Timor is a devastated land, its farms abandoned, its towns in ruins, its economy destroyed. Disease and starvation are rampant, and the bloodshed continues. Out of a population of 600,000, as many as 250,000 have died in the war. Though Indonesia officially annexed East Timor in 1976, the remaining nationalist guerrillas occasionally emerge from their mountain strongholds to battle Indonesian troops. Meanwhile, thousands of civilians and political prisoners have been forced into internment camps, where they risk disease, torture, sexual abuse and murder.

Despite East Timor's desperate plight, only a few food shipments have been allowed in since 1979; the Red Cross was finally permitted to treat political prisoners in 1982. Most foreign journalists, however, still are barred. Thus the holocaust rarely receives press coverage. During talks with President Reagan in Washington last year, Indonesian President Suharto never mentioned East Timor. Neither did President Reagan.●

NATIONAL PET WEEK

● Mr. HATFIELD. Mr. President, I do not believe there is a Member of this body who does not maintain a special place in his or her heart for a childhood pet, or for that matter, adulthood pet or pets. In my household alone, we have housed dogs, birds, cats, fish, gerbils, guinea pigs, and white mice, and we have even housed a 3-foot iguana and a boa constrictor. And those are just the ones that I know of.

I think the special bond that exists between a pet and its owner is one of the greatest joys in life. That is why so many Americans were outraged when it was learned that the Defense Department was going to shoot animals for purposes of scientific research on wounds and wounds treatment. Fortunately, the Defense Department has chosen not to implement this planned study. The auxiliary to the American Veterinarian's Medical Association recognizes the week of May 2 through May 6 as "National Pet Week" to promote veterinarian service and the proper care of animals. And in virtually every American household, special days are set aside for the singular purpose of honoring that special animal or animals that give life such an added dimension and quality.

In the July 10, 1983, issue of the Sunday Peninsula Herald, there was a magnificent piece written by King Harris on the subject of animal care and love entitled "My Married Life With an Animalholic." For the benefit of other Members of this body who would probably be fairly categorized as "animalholics," I ask this article be printed in the RECORD.

The article follows:

[From the Herald Weekend Magazine, July 10, 1983]

MY MARRIED LIFE WITH AN ANIMALHOLIC

(By King Harris)

Once again my wife's incorrigible free spirit was rocking our marriage boat.

She was using her high octane weapons—a saucy smile, luminous blue eyes and an infectious laugh—to pierce the armor I don to hide my play-it-safe-mentality.

She is Elizabeth, a life enhancer with a well deserved sense of herself. Hibernating beneath her elegant surface, however, is a major character disorder which surfaces with irritating frequency.

Without dripping marital malice, suffice it to say, Elizabeth is an animalholic. The doyenne of animal lovers. Animals are her oxygen and I have to share her life with 7 dogs, 6 horses and one cat. We were moving from Pebble Beach to Middleburg, VA., hub of the horse world. Elizabeth was insisting that we all travel together, a hark back to the wagon train days of yore.

The thought of herding 14 animals through Arizona, New Mexico, Texas, Oklahoma, Arkansas, Tennessee and into Virginia made my scalp prickle and my comfort antennae quiver.

"Why don't we fly the horses to Dulles airport?" I suggested. "Seems to me that would simplify matters."

"At about $1,000 per horse," Elizabeth said, giving me an ear-to-ear grin.

I suddenly developed a hardening of my monetary arteries at the thought of shelling out $6,000. "How about shipping the horses by commerical van?"

"Why honey," Elizabeth purred, "you know commerical transportation would be beneath the dignity of our horses who are used to such an amply cushioned life. After all, our horses are not horses. They're family." Her voice was rich in jocular tones.

Elizabeth's affinity with animals was always creating storm clouds. My animalholic wife is a drum beater for animal rights. Her dimunitive size camouflages a coil of toughness and a strong streak of individualism. Whenever someone abuses an animal, Elizabeth erupts like a geyser and pelts the human predator with a fusillade of choleric barbs. Unfortunately, many of those human predators were our friends. We have more ex-friends than any couple I know.

At times I think there are only 15 words in her vocabulary: "If you don't stop mistreating that animal, I'm going to call the humane society."

Life with my animalholic live-in is often chaotic and seldom dull. And this trip was no exception. As I was pouring over the road maps, I had the eerie feeling I had built my nest in the wrong tree.

Our ark was made up of two large horse vans, a 1971 Cadillac and an old Volks station wagon. The dilapidated horse vans had an irrational bias against steep hills and puffed up the grade toward Flagstaff, Ariz., with an erratic oompah, oompah beat. When darkness overtook our cortege, the vans, ablaze with lights looked like the Taj Mahal in moonlight.

The logistics for our inane 3,000-mile safari were more complicated than the Normandy invasion. Imposing mounds of maintenance and support systems were needed: tons of fodder for the animals who ate like gluttonous dinosaurs; blankets; water buckets; tack; flea powder; wheelbarrows; litter boxes; chains for a snow emergency and a sextant in case we got lost.

With 14 animals, it took both ingenuity and guile to find suitable accommodations where we could hunker down for the evening.

Scattered along Route 40 are several good "horse motels," most of which cater to small quarter horses. Our six, behemoth jumpers and dressage thoroughbreds all were about 16.2 hands and king sized beds were a necessity. Fairgrounds were usually ideal—unless Elizabeth felt the stalls were not hospital-antiseptic. On such occasions she would whip our goulash cavalcade into the night until proper lodgings were found.

Unfortunately, the chauffeurs for the two horse vans were drivers, not horsemen. One was a bearded bearlike man with prison-yard muscles but with no desire to use them. The other driver was a funny looking owlish leprechaun who smoked a meerschaum pipe and his only form of communication was a shrug of the shoulders. As soon as they helped us put down the ramps when we stopped each night, they took off for the nearest pub to get lobotomized with the natives.

Elizabeth would unload the horses, and I took care of the feeding chores. Then, as my inamorata didn't want her pampered horses to be homesick in a strange barn, we would spend an hour hauling out of the vans and setting up their personal fetishistic memorabilia.

At the end of a long day, and with ineffable dignity, I would clean up the droppings in the vans. We were feeding the horses hot bran to avoid constipation and, as a result, the piles got higher and the shovels heavier as the trip progressed. At times, the disposal problems became as difficult as getting rid of nuclear waste. One evening the drivers hung around to watch, but not to help me. I overheard one whisper, "What a lucky fellow. All he has to worry about is where he steps."

The only major brouhaha during the trip occurred when Elizabeth's crochety 20-year-old gray mare jumped ship. Her name is Ah Declare and she was tagged with that appellation the day we bought her as a 3-year-old in the hills of Virginia. A rider was putting her through her paces and when she sailed over a large stack of hay bales, an old farmer remarked, Well, Ah do declare."

Ah Declare is a superbly endowed jumper and a very dexterious mare. She can pick any lock, kick the eye out of a fly and assemble and load a 30mm machine gun in the dark.

The cagey mare usually follows Elizabeth right up the ramp without a lead rope but this particular morning she was feeling a bit dancey. Kicking up her heels, Ah Declare flew over several 5-foot post and rail fences,

and turning on the turbos, galloped up the highway, her blanket flying in the wind.

Cold, mixed with hot, panic gripped my stomach as we jumped into the car to give chase. Elizabeth's face was as white as Banquo's ghost. When we turned onto the paved thoroughfare, two flakey characters with frosted glasses whizzed by us on motorcycles and skillfully turned Ah Declare down a side road. After giving us the "V" sign, they roared off on their weird black and red bikes. The irrascible gray mare, moving with dancer's grace, vaulted over a closed gate marked "private," landing in the middle of a flower garden.

When Ah Declare saw her mistress, she cut loose with her tantalizing southern whinney, trotting over and putting her head on Elizabeth's shoulder, a petunia still in her mouth. I was thankful Ah Declare was all right and no one was home to see the havoc she had rendered to the garden. But my euphoria was punctured when I noticed the gate was locked.

Unfizzled, Elizabeth put a halter on her mare, threw me the blanket, asked for a leg up and popped Ah Declare back over the gate. They ambled toward the vans, Elizabeth with blossoms in her cheeks and Ah Declare's eyes crinkling with happiness.

I am a point-to-point man. A world class paranoid worrier. Let's get there. Stick to the schedule. Conversely, watching the clock is not in Elizabeth's repetoire of behaviors. As cruise director, she would grind the perambulators to a halt merely to point out our country's cornucopious bounty to her four-legged companions. Or she would stop for an hour just to chimneysweep her mind.

Elizabeth insisted we pull into every rest area so the dogs could use the loo. During a stop in Oklahoma, she spotted a lost puppy. While I impetuously pawed the ground, Elizabeth sent out flares to the highway patrol, patiently holding the puppy on her lap, refusing to budge until things were resolved. Four hours later, after the owners of the dog must have discovered their loss, they returned to a tearful reunion. Elizabeth couldn't hide the excitement in her eyes, but my stomach was seething at the delay. Elizabeth and I spent the rest of the day walking on brittle grass.

My most vexing problem in Elizabeth's little corner of animal Elysium is the internecine discord among some of our male dogs. All seven are russet-colored Hungarian Vizslas, with that certain chutzpa of those who know they are to the manor born. With the exception of Zsa Zsa, the only female, they weigh in at about 65 pounds.

Unfortunately, they are not out of the same litter, and two of the older dogs, Barron and Brandi, are loaded with ingrained hostility toward their nephews, the newcomers. On the other hand, Nahdor, Sergei and Beau, are ever alert to do battle at the least challenge from their uncles. Consequently, they must be kept separated. We pair them by families.

Since all are golden-reds and all about the same size, after a couple of martinis, I often pair the wrong dogs in the same room. The result is blood on the floor, offkey yelps and a background chorus that sounds like a combination Holy Roller camp meeting and guerrilla raid.

The other two dogs, Sandor—brother of the uncles but father of the nephews—and his daughter Zsa Zsa—niece of the uncles and sister of the nephews—are the swing couple. They get along with both groups. To me, it's so confusing that I have considered having a chart of their family tree tattoed on my hand to consult it every time I open a door.

During our laborious journey, we discovered that for once the similar color and size of the dogs worked to our advantage.

Realizing that the "Pets Welcome" motels meant one or perhaps two small poodles, we parked the cars a block from the motel to hide our seven jumbo jets. And to complicate matters, we needed separate quarters to keep the fighting males apart. I would saunter up to register, explaining we had a dog but as my snoring upset my wife's psyche, we needed two rooms.

To circumvent the innkeepers, we took the dogs out for their nightly walk one at a time. The motel managers never caught on.

One evening, however, an irate proprietor shouted at Elizabeth: "You've been walking that poor dog for over two hours and he's lifted his leg on every bush in the place. He must be exhausted. If you don't let him get some rest, I'm going to call the humane society."

We were 10 days out of the starting gate when we hobbled into Middleburg, Va. I felt like a tropical derelict. "Never again," I said, wagging my finger at Elizabeth, "will I play a supporting role in such a Byzantine psychodrama. If you decide to return the same way, trade me in now while I still have some resale value."

Exactly two years later we repeated the same asinine parade of flotsam in reverse, moving Elizabeth's entire animal fiefdom back to Pebble Beach, and taking with us an additional two more horses and five cats.

I like to lead a very structured life and again Elizabeth tested the fragile ways of a marriage. But, as George Balanchine, the famed American choreographer once said: "Woman is goddess and man her bemused worshiper."

And even after 6,000 miles of unnecessary foolery, my animalholic paramour continues to tilt my windmill and is still my roommate, on the road and at home.●

FORTIETH ANNIVERSARY OF FATHER GALLOS' ORDINATION

● Mr. SARBANES. Mr. President, it is with a great deal of personal pleasure and pride that I commend to my colleagues' attention the forthcoming celebration of the 40th anniversary of the ordination of Father George P. Gallos to the holy priesthood of the Greek Orthodox Church. Father Gallos and his wife, Anna, will be honored on September 3, 1983 at a testimonial dinner given by the AXIOS Committee which is comprised of members of two sister communities, Sts. Constantine and Helen Parish in Annapolis where he now serves and Annunciation Church in Baltimore where he served for 11 years. This joint celebration is indeed a fitting tribute to a man who has served the Greek Orthodox Church and our community with great dedication, commitment, and concern.

His story is one of great faith and compassion and all who have been blessed to know him have been eternally touched by his genuine love for humanity. I am proud to call him a friend, one who has been a spiritual adviser and source of strength.

The son of Greek immigrant parents, Father Gallos was born in Minneapolis in 1915 and attended public schools there before entering Macalester College in St. Paul, Minn., in 1933. While at Macalester, he was chosen to participate in an exchange scholarship program with Yenching University in Peiping, China, thus becoming the first student ever to represent Macalester in the Orient. While there he traveled extensively in Japan, Formosa, and Korea. On his return trip to America, he traveled through Siberia, Poland, Austria, Hungary, Yugoslavia, Greece, Italy, France, and Canada. He was ordained as a priest in October of 1942 in Lowell, Mass. by Bishop Athenagoras Cavvadas. In 1943, he received his diploma in theology from the Greek Orthodox Seminary in Pomfret, Conn.

Father Gallos was married to Anna Gerotheou, the daughter of the Greek Orthodox priest in Somerville, Mass. in 1942. Wherever father has served, he has had Presvytera Anna at his side. She has been a spiritual partner in every sense and indeed, with father, we take pride in the enormous contribution she has made through her God-given creative talents to the perpetuation and advancement of Greek Orthodox liturgical music.

In addition to ministering to the spiritual and educational needs of his many parishioners, Father Gallos has also stressed the importance of improving the church's physical facilities. An indication of this is his explicit wish to postpone the joyous celebration of the 40th anniversary of his ordination—actually reached on October 18, 1942—until the completion of the new community center being built by Sts. Constantine and Helen Parish in Annapolis.

A truly extraordinary man, Father Gallos has served as an adviser, educator and friend, deeply dedicated to the spiritual development of the many parishioners he has served throughout his service. We of the Greek Orthodox community in Maryland are fortunate indeed to have the counsel and friendship of such a distinguished and devoted pastor. A testament to the high esteem in which Father Gallos and Anna are held is eloquently expressed by the members of the AXIOS Committee in their invitation to the testimonial dinner of September 3. I ask that it be reprinted at this point in the RECORD.

Since 1942 Father Gallos has been AXIOS. And during his 40 years as a priest, his wife Anna has complemented his ministry. Theirs has been a life of sharing, caring, and giving * * * together, for our Lord. This is a rare opportunity for us, who have been the recipients of their sharing, caring and giving, to say "Well done, thou good and faithful servants."●

MORRIS SILVERMAN, SMALL BUSINESSMAN

● Mr. COHEN. Mr. President, it is a truism that small businesses are the backbone of the American economy. But it is not until we closely examine the careers of individual small businessmen and women that we see how important these people are to keeping our economy afloat.

Morris Silverman, of Lewiston, Maine, epitomizes all that is positive about small businesses in this country. Morris is the owner of Louie's Clothing Store in downtown Lewiston, which for 53 years has faithfully served people in the Lewiston area and throughout Maine. He has also opened other clothing stores in addition to Louie's.

The principles which have guided Morris' business career are simple: Treat all customers with respect, and give people their money's worth. These guidelines are easy to enunciate but harder to actually accomplish, and Morris' reputation throughout Maine as an honest and fair businessman indicates that he has made good on his commitments.

A recent article in the Lewiston Daily Sun details Morris' career, and I ask that it be printed in the RECORD for the benefit of my colleagues. I am proud to call Morris a personal friend, and I am certain that my colleagues will enjoy reading about his inspirational career.

The article follows:

[From the Lewiston (Maine) Daily Sun, July 26, 1983]

FIVE STORES IN LEWISTON'S DOWNTOWN: HE'S SPENT A LIFETIME IN THE CLOTHING BUSINESS

(By Joe O'Connor)

On the wall of Morris Silverman's office in Louies' clothing store on Lisbon Street, among the paintings, citations from groups like Lewiston Tomorrow and Lewiston High School, an autographed photo of Sen. Bill Cohen and a newspaper-page-sized Chanukah greeting card signed by the advertising department of the Lewiston Sun-Journal, is a small brass plaque with a quotation from Mark Twain.

"Always do right," the plaque reads. "This will gratify some people and astonish the rest."

The statement seems to fit Morris Silverman well. While other Lisbon Street merchants have left the downtown, or are struggling to hang in against competition from the malls and suburban department stores. Silverman's five clothing stores have thrived and provided an anchor for the redevelopment of Lewiston's downtown.

To say the clothing business is Silverman's life is almost an understatement. "I've been working in the business since I was nine years old," he says, fondly recalling the days when he would commute on Fridays from his family's summer home at Pine Point, taking the train from Old Orchard Beach to Portland, then switching to another train that took him to Lewiston.

There, he would join his father, Louis Silverman, at the store that bears his name, and work all weekend until his father took him home on Sunday.

His father founded Louie's 53 years ago at 292 Lisbon St.; in 1939 the store relocated to its present location at 281 Lisbon. The store is virtually unchanged since then—it still carries most of the same work clothes and boots, and they can be found on the same shelves they occupied 44 years ago.

That lack of change is thoroughly deliberate. "We keep it this way because we have an unbelievable number of old-time good customers who really enjoy coming into this store," Silverman says, "We've no intention of changing this store at all; and we won't change our method of doing business."

Silverman cheerfully admits that "we haven't kept up with the times with self-service." In fact, service to customers is Silverman's guiding philosophy. For example, if a customer comes into Louie's looking for work boots, "We ask him where he works, because someone who works on a cement floor all day is going to want a different kind of sole than a farmer who spends his day walking in dirt.

"We do this so they'll be satisfied with what they buy, because if they are, they're going to come back."

Paying attention to such details has brought Silverman much success—but it has been paid for with hard work. After working for his father through high school, he attended the University of Maine at Orono, but in his third year he left school when his father was taken ill. The following year, 1954, his father died, and Silverman took over the operation of the family store.

Silverman's first new enterprise was in 1960, when he opened Edward's clothing store, where Lita's is now. That store, specializing in men's sport and dress clothing, would eventually be relocated across the street and renamed The Brass Rail.

Shortly afterward, he opened the Barefoot Trader. Specializing in jeans and tops for men and women, the store "met with instant success," Silverman said. It was soon joined by the Boys and Girls Factory Outlet, and a few years later by Bargainland.

While each store has its own specialty, they are bound by Silverman's philosophy of service and brand name quality. While low price is a major aim, Silverman said everything sold in his stores "has to be respected by me, so it will be respected by the customer."

Silverman is quick to heap praise and affection on his employees: "They share my philosophy of service. . . . I think of them as my family, and they treat me like part of their family. . . . We truly enjoy every day."

Like most downtown merchants, Silverman has kept a close eye on the development of shopping malls over the years. What he sees doesn't bother him: Although the malls "offer some things we don't, air-conditioning and longer hours. . . . There are services we can provide that the malls can't provide.

"There's no way we could operate in a mall and sell for the same prices we do—the overhead is just too much higher." And, he adds, "There is a character and dignity (to the downtown) that the malls cannot provide."

"They're another place to do business—I have to make my businesses as appealing as I possibly can, and not worry about what they're doing. If I pay attention to my customers and their needs, I don't have to worry about the malls."

Asked what he would say to anyone considering establishing a business on Lisbon Street, Silverman said: "If you are willing to work hard and give your customers good honest value, you could be successful here quicker than anywhere else. Because, number one, you're locating in a downtown retail center that has been a retail center for many years, and especially today, when the street looks good and looks functional.

"If you're willing to work hard, it'll be easy. But if you think easy means not working hard, you won't make it."

As to what he means by working hard: "I used to work seven days and six nights a week; I did that for 25 years. It's just the last few years I've been working six days and two nights." He laughs. "I feel like I'm on vacation."

Another factor that can make or break the downtown, Silverman said, is the area's landlords, who he urged "to make the same effort to retain the tenants they have as they do to get new tenants.

"How often do you see a sign in a vacant window saying: 'Will remodel to suit tenant'? Why not do it to keep the tenants you have."

Above all, Morris Silverman believes, a businessman should respect his employees and customers:

"People deserve respect, and when they get it, they appreciate it."●

CENTRAL AMERICA

● Mr. GOLDWATER. Mr. President, no matter what the situation happens to be at any particular moment that demands the intelligent or unintelligent attention of the major news media of this country, Members of the Congress immediately assume that it is a national matter of increasing importance to our citizens.

As an example, we hear more and more talk, day after day, about what is going on with the big issue being Central America. The question, of course, is the President right or wrong in doing what he is doing? On one side are those people who want to sound like peace lovers; who forget that we did not lose the last two wars because of the incompetence of our military. We lost them because of the total incompetence and ignorance of our civilian leaders in Washington. Presumably, all those "peace at any price" people want to go on taking away from the President his constitutional right to defend our country. What puzzles me is that every one of the 535 of us, when we came in these Chambers, raised our hand with the other hand on the Bible and swore we would uphold the Constitution against all enemies, foreign and domestic.

Yet, here we are with the House of Representatives, taking away one more little piece of strength of the President's war making and peacekeeping powers. When you add that to the already unconstitutional War Powers Act, it makes this particular Senator wonder what are we up to. We are a collection of 535 people, not many of us trained in the act of war and not many of use trained or knowing much about the art of foreign

policy. Nevertheless, we are just 535 people who have been elected by their constitutents to do something in Washington, for the States or communities they come from and, more or less, to heck with the United States.

Now, this particular Senator happens to think that the United States has been looked upon by the world as a paper tiger for too long. In fact, if we allow Central America to go by the boards without putting up any kind of an argument, we will no longer be a world power. And, let me reemphasize that, we will no longer be a world power. Our economic foundation is wobbly, our national morale has been somewhat shaky, but, I have more faith in the American people than anything else I can think of right now. So, it gets down to the question: Has the President done the right thing in sending the fleet, the Marines and Air Force, to patrol off the shores of Central America to indicate that we are going to put up with any more foolishness? In my opinion, he has done exactly right. In fact, he could go so far to intervene with any attempted shipment of equipment from Cuba or an other country to the Central American countries. If the attempt were made to transport that equipment in by air, a couple of our fighter pilots could take care of that with no trouble at all. An act of war? Certainly, it is an act of war, but, unless a country is willing to display its determination to keep peace, even if that demonstration requires an act of war, then war is the ultimate end. Having lost the last two wars through the ineptness of Presidents and Secretaries of Defense, I do not think winning wars in the future is going to be a very rosy prospect.

I just want to go down on the side of defending my President in this act he has taken to send military equipment to Central America for the cause that he recites, military exercises. On top of that, I will also support him in whatever equipment he wants to send to our friends in Central America so that we can maintain that part of the world as an area that is friendly to the United States.

Let us not forget, it is the last piece of real estate left on this Earth that directly affects the United States and that we cannot afford to lose.●

VLADIMIR TULOVSKY

● Mr. TSONGAS. Mr. President, I would like to bring to my colleagues attention the case of Vladimir Tulovsky, his wife Galina and their son Daniel, Soviet citizens who have been denied the right to emigrate from the Soviet Union.

The Tulovskys first applied for an exit visa to Israel in 1975. In 1976 they were refused permission to leave for no apparent reason. They have applied regularly once or twice a year hoping to excercise their basic human right to live in the country of their choice.

Vladimir held a job teaching mathematics at the Military Academy in Moscow. His wife has a master's degree and has worked for several years as an engineer. Neither had access to confidential information and it is hard to understand why the family should not be allowed to leave Russia.

The Tulovskys are just one of the many cases of Jews in the Soviet Union who are unable to excercise their rights as citizens. Jews are treated as second-class citizens and not permitted to practice their religion, yet they are also not allowed to immigrate to a country where they could practice their religion freely. Several years ago, there was some hope for Jewish emigration but currently the outlook is desperate.

The U.S. Government should not remain idle while the Soviet Government continues to violate the basic human rights of its citizens. We must speak out on behalf of people like Vladimir Tulovsky and his family. I urge by colleagues in the Senate and the House, as well as President Reagan, to work with me on behalf of the Tulovsky family.●

AMERICAN CONSERVATION CORPS

● Mr. MOYNIHAN. Mr. President, I had hoped the Senate would act favorably upon S. 27, a bill establishing an American Conservation Corps, before we broke for the August recess. The Energy and Natural Resources Committee reported this legislation on May 13 by a vote of 18 to 1, and a companion measure passed the House on March 1 with the support of 301 House Members. It appears that we will be unable to take this bill up before recessing, but I expect it to be one of the first orders of business when we come back in September.

I should like to share with my colleagues an extraordinarily perceptive and persuasive essay arguing for the creation of an American Conservation Corps by Mr. Sydney Howe, executive director of the Human Environment Center. Mr. Howe's piece appeared in the August 2, 1983, Washington Times, and I ask that it be printed in the RECORD.

The article follows:

[From the Washington Times, Aug. 2, 1983]

TIME FOR AN OFFENSIVE AGAINST YOUTH UNEMPLOYMENT

(By Sydney Howe)

Unemployment remains a national shame. Youth unemployment, in fact, increased from 23 percent in May to 23.6 percent in June, with the figure for black youth rising from 48.2 percent to an awful 51.2 percent. This long-festering structural dilemma defies the one-tenth percent June gain in total employment.

Fortunately, one well-prepared attack on youth joblessness is ready for congressional action. Groups concerned with unemployed youth, the environment, cities, minorities and other causes have been allied for more than two years in efforts to create a new national conservation corps. Despite White House objections, the American Conservation Corps Act passed the House of Representatives overwhelmingly in March and is ready for Senate action.

In the spring of 1981, with federal budget slashing in full swing, House hearings led by Rep. John F. Seiberling, D-Ohio, and then-Rep. Toby Moffett, D-Conn, assessed youth conservation-work progams proposed for extinction. At the same time, groups struggling to save those programs met in a national conference to begin, perhaps stubbornly, planning for a new corps. The congressmen and the conferees found vast evidence of accomplishment and produced a compeling case for a new-day Civilian Conservation Corps.

Some others were less enthusiastic about this rather "obvious" idea, or saw advocates as whistlers in the dark after the twilight of the New Deal. Liberal Democrats Seiberling and Moffett, however, knew they were onto job creation and resource conservation that even conservatives, pressed for unemployment remedies, could espouse.

The nation's conservation-corps experience, from 1933 on, has been one of hard work and high productivity. Many young people have been saved from disaster by a productive paying job, while renewing resources for the economy and the public welfare.

Youth-conservation crews of the late 1970s were less heralded, but their output for each dollar invested would have cost at least $1.20 otherwise. Idled young men and women lined up for physically tough jobs to restore city parks and national parks, clean blighted neighborhoods, stem erosion, provide flood-emergency service and plant trees and fight fires in national and state forests.

The 1,800-member California Conservation Corps, with origins in former Gov. Reagan's own Ecology Corps and now the flagship of several state-funded corps programs, has earned deep bipartisan support. Gov. George Deukmejian recently retreated from plans to sever much of its $35 million-per-year funding.

In October 1981, Seiberling and Moffett, drawing from their hearings and the multi-group-conference concensus, joined by CCC alumnus Rep. Edward R. Roybal, D-Calif., and Republican Silvio O. Conte of Massachusetts and Douglas K. Bereuter of Nevada, introduced a new corps bill. Designed to remove some recognized flaws of the past, this American Conservation Corps Act has been refined for sensitivity to many interests—mayors, Indians, government employees, CCC alumni and the states, to name a few—by Democrats and Republicans in unison—and passed in March by 301-87.

The House bill authorizes $300 million annually for the corps, to be administered by the Interior Department. Enrollees must be unemployed, and "special consideration" is required for recruitment of "economically, socially, physically and educationally disadvantaged youth."

Men and women age 15 to 25 are to serve in conservation centers run by federal, state and local governments and by tribal and nonprofit organizations, performing labor-intensive urban and rural land protection, maintenance, and rehabilitation tasks. Fee arrangements would allow private-land

projects, as in timber-stand improvement and strip-mine reclamation, and non-Corps workers would be protected against displacement. With normal turnover, some 100,000 youth could be served each year.

Although most corps-prone states plan small operations without ACC funds, all look to the federal program for major expansion. New York, for example, would receive $8.6 million per year under the House-voted ACC.

The Congressional Black Caucus wants the ACC, as do Hispanic and Indian groups, the U.S. Conference of Mayors, the AFL-CIO and national conservation organizations. Seventy-four Republicans voted "yea" in the House against administration wishes, because, as Rep. Don Young, R-Ark., said, "In both the long and the short run, a program such as this is good for America. It is an investment in both her resources and her people." Sens. Daniel P. Moynihan, D-N.Y. and Charles Mathias, R-Md., have led this effort in the Senate.

The congressional budget for fiscal-year 1984 allows $300 million for ACC, but some senators seek to cut that minimal funding by more than one-half. Fortunately, a growing counterforce includes Republican Sens. John H. Chaffee of Rhode Island, Mark O. Hatfield of Oregon, John Heinz of Pennsylvania, and Robert T. Stafford of Vermont among others—plus, no doubt, most of the American people.

The White House might find this a cost-effective opportunity, both economically and politically, for close cooperation with the Congress.●

CIVILIAN CONSERVATION CORPS

● Mr. LEVIN. Mr. President, a proud legacy has been left on the landscape of America by a program begun 50 years ago. Charles Symon of Gladstone, Mich. writes in a recently published remembrance:

Some people trace the beginning of The Depression years to the stock market crash of 1929; others say it was a happening which had been accumulating since World War I. Either way, more than 14 million men were without jobs across this nation and the economic problem was a world wide one. In Michigan the unemployment figure reached two million, and one out of every four employables was looking for a job. Relief rolls swelled as men went on the dole, soup kitchens appeared to feed the hungry, men of all ages "hit the roads" to search for work wherever it might be found. Banks, mills, factories, stores, mines, canneries, woods operations—many of them ceased operations, for there was no market for their products or services since people did not have money to buy them.

In March 1930 there were 500,000 jobless in Michigan. In April of 1932, 338,000 persons in Wayne county were receiving public aid, and in some other counties the percentages drawing relief were: Kalkaska 85.5, Keweenaw 81.5, Lake 75.2, Baraga and Roscommon 75, Antrim 70, Ontonagon and Mackinac 67, Gladwin 58.2, Ogemaw 55, Mason 35, Ingham 27, Kent 26, Oakland 24.8.

Into this void stepped the CCC and a grand mix of other "alphabetical agencies" of the federal government. Franklin D. Roosevelt had been elected the nation's President and immediately set out to change the sordid picture. Mr. Roosevelt had been elected in 1932 and took office March 4, 1933.

On March 21, 1933, there was read in both Houses of Congress a message from the President on the CCC program: "I propose," the President said, "to create a Civilian Conservatioin Corps to be used in simple work, not interfering with normal employment, and confining itself to forestry, the prevention of soil erosion, flood control and similar projects."

On March 31, 1933, a bill embodying the President's idea was signed by Roosevelt, setting in motion a force of men, tools and ideas unprecedented in American history. Originally the plan was to enroll 250,000 young men in 200-man camps across the country for 6 months."

Among the accomplishments in Michigan are:

Forest stand improvement (acres), 204,460.

Trees planted, reforestration, 484,981,000.

Lookout houses and towers, 1.

Telephone lines (miles), 2,065.

Truck trails and minor roads (miles), 6,989.

Fish stocked, 156,660,922.

But more than that, the CCC brought pride to its enrollees, taught young people new skills and helped lift us out of a depression.

On August 19, 1983, former enrollees will gather in Escanaba, Mich. to celebrate the 50th anniversary of the CCC. My hat is off to a job well done and a program worth remembering.●

PASSAIC COUNTY, N.J., COMMUNITY COLLEGE

● Mr. LAUTENBERG. Mr. President, over the last several months it has been my privilege to serve as a member of the industrial policy task force organized by our able and distinguished minority leader, Senator BYRD. A particular concern of mine on the task force is the set of policies we either have or could have to address the needs of displaced workers. There is a crying need in my State of New Jersey and across the Nation to assist those who have lost their jobs after years of faithful and able service in many occupations, but particularly our basic industries.

I was delighted to see an article recently in the New York Times devoted to the work of Passaic County Community College in my hometown of Paterson. President Gustavo A. Mellander of that institution has fostered a compassionate and timely program to provide computer science classes to the unemployed free of charge. This undertaking is, in the words of President Mellander, "a very, very inexpensive way to help people who need help."

Mr. President, I commend the work of this school to my colleagues and ask that a copy of the New York Times article be printed in the RECORD.

The article follows:

FREE COURSES OFFER JOBLESS A 2D CHANCE

(By William E. Geist)

PATERSON, N.J., June 27.—On a hot summer's day, children in this city performed air borne somersaults on a mattress in a rubble-strewn lot and frolicked in the spray from a fire hydrant. Able-bodied men grouped on street corners, drinking from things concealed in brown paper bags and fanning themselves with the sports pages of newspapers. A man on the radio talked of the "discomfort index." The temperature edged above 90 degrees and the unemployment rate neared 15 percent.

A few blocks away, at Passaic County Community College, a number of the unemployed sought relief from all this, availing themselves of a new program that is offering free classes for the jobless, a program that is gaining interest from educators around the state and across the nation.

Richard Midgley, 42 years old, sat in an air-conditioned classroom struggling to communicate with an unforgiving ACE 1000 microcomputer that does not speak English and seemed rather to enjoy flashing "Reenter" and "Error" on the screen. Mr. Midgley was learning the language of the computer—called Basic—so that he can find a new job, a new career.

"The world has changed," he said, and he finds himself unemployed, his 24 years in industry seemingly counting for nothing in the job market. He worked most of that time at a local plant that manufactured heat resistant heavy equipment and, like so many other industries, moved from the Northeast. His latest job was with a manufacturer of industrial transmissions, but we was laid off last year when sales fell 40 percent.

"When I graduated from high school," he said, "college didn't seem important. You went to work, worked your way up and made a good living."

Mr. Midgley said that he and his wife were "struggling along" on unemployment compensation and their savings account and that he could not have afforded the $250 necessary to take the two data-processing courses in which he is now enrolled. He is optimistic, and school officials say that he has reason to be. His instructor, John Scalice, who has 23 years of experience in data processing, said Mr. Midgley could probably gain an entry-level job in the field after these two summer courses.

"We cannot keep our data-processing students long enough to complete their two-year degrees," said Gustavo Mellander, president of the college, of the program that began two weeks ago. "Demand for them is enormous."

"We have already received calls from several colleges around the country," he continued. "I believe all colleges—both two-year and four-year—should do this. We have a social obligation. This is a very, very inexpensive way to help people who need help."

Mr. Mellander says that by placing the unemployed students in spaces available in existing classes, it costs the college "$5 per student to set up a file." Accountants for the college say it is costing the school an estimated $6,000 to $8,000 in tuition and fees that the unemployed students would be paying, but Mr. Mellander responded, "None of them would be here if they had to pay. " Moreover, he said, most of the students find that they are eligible for financial aid for education, and many may enroll here full time.

School officials reported "a flood" of telephone calls from interested people in late March when the college's board approved the program. Thirty-eight unemployed people enrolled for the current summer session, and 100 to 150 are expected for the fall term.

"So many of them," Mr. Mellander said, "expressed fears that they just were not good enough to go to college, not college material, or that they were too old."

"Most," he explained, "are from families where college was not even discussed. Working in production industries, such as the manufacture of dyes and chemicals and textiles, was a way of life. Most of those companies are gone now. Our programs are geared to mature people who have been laid off and need new skills."

He said that most of the unemployed students were taking data processing, but that many were also taking business administration and secretarial skills.

"Some are taking psychology and history, however," he said. "I doubt that many will complete two-year programs. A lot of them are under tremendous pressure to get back to work."

Mr. Mellander called the unemployed students "highly motivated."

"They are victims," he said. "They lost their jobs through no fault of their own. The world changed."

Although many of the students interviewed had been the victims of layoffs at factories, others taking advantage of the program included Marilyn Potter, a schoolteacher who could not find a job after staying home for a few years with her young children; Carl Scheiner, an epileptic who lost his job as a security officer because he could not obtain a driver's license; Cora Harris, a social worker with a master's degree who wants to change fields, and Vincent Lewis, who was trained as a helicopter mechanic in the Army and cannot find a job.

Under Mr. Mellander, the community college began a program in 1976 waiving tuition for people over 60 years old. He has plans to begin a program of free classes for divorced women so they can learn new skills.

Mr. Lewis, who is married and has three children, had dropped a computer course at the college because he could not afford it. "This is a second chance for me," he said.●

ANN ARBOR CHURCH CELEBRATES 150 YEARS

● Mr. LEVIN. Mr. President, the Bethlehem United Church of Christ, Ann Arbor, Mich. will celebrate 150 years of service to its congregants and the community on August 20, 1983. I would like to take this opportunity to recognize that milestone.

In the late 1820's and early 1830's, many German Protestant immigrants settled in the Ann Arbor area. Desiring to worship in German, they wrote Switzerland's Basel Mission to request a pastor. On August 20, 1833, Rev. Friedrich Schmid arrived to help found one of Michigan's first German congregations.

The church was formally organized on November 3, 1833, as the First German Evangelical Society of Scio. The next month, the congregation completed a modest log structure at the site of the present Bethlehem Cemetery. They built a second church in 1849, and in 1896, dedicated the present stone structure. In 1945, the congregation became an Evangelical and Reformed Church; it joined the United Church of Christ in 1958.

Throughout a century-and-a-half, this church has served as a cornerstone of the Ann Arbor community. I commend and congratulate Bethlehem United Church on its many accomplishments and services.●

RIDE FOR LIFE

● Mr. LEVIN. Mr. President, on June 15, 1983, approximately 35 Harvard-Radcliffe students left Seattle, Wash., on a 3,800-mile bicycle ride. The trip has taken them over the Rocky Mountains, across the Great Plains, through the Midwest—including my home State of Michigan—and they will be back in Cambridge, Mass., by mid-August. Their goal is to raise $250,000 for Oxfam-America, a charitable organization devoted to fighting world hunger and encouraging self-help projects around the world. In addition to raising money, the students hope to alert the public to the issues of world hunger.

The students arrived in Detroit on Friday, July 29, and were welcomed by the Harvard Club of Eastern Michigan. They have maintained a 75-mile-a-day travel schedule and give presentations on the world hunger problem to church and community groups along the way. Accommodations and some food for the bikers are donated by local religious and hunger organizations.

As a Harvard gradutate, I am happy to see these students take part in "Ride for Life." I am gratified to see that they are goal-oriented and concerned with our world problems. On behalf of the people of Michigan, I was pleased to help provide a welcome to the Ride for Life team to Detroit and I wish them well in the final leg of their journey.●

HUNGRY FOR A FOOD POLICY

● Mr. HOLLINGS. Mr. President, today's front page newspaper stories announcing still growing problems with hunger and malnutrition and the fact that the poverty rate has hit the highest point since 1965 frankly come as no surprise to those who have advocated different views than the pernicious policies of the Reagan administration. Those stories state that President Reagan is perplexed with the problem of hunger and malnutrition that is again returning to this land of vast resources. True to form, however, the President asked his aides to put together a task force for a 90-day study to determine why people are hungry and what the Federal Government can do about it. The press reported that he thought that the Government is taking care of the people—estimated at as many as 40 million—and he intends to find out why this is not being done. He needs to look no further than the Oval Office and reflect a little on the policies of his administration. As Harry Truman once said, "The buck stops here." Harry did not need a commission, panel, or task force to tell him that either.

I, for one, have served in this body long enough to know from whence we come regarding the problem of hunger and malnutrition and the serious penalties it not only imposes on its victims but our Nation as well. And there are others here who have the institutional service and memory. It was some 15 years ago that I stumped my home State and other parts of the Nation to learn first hand the story of hunger and poverty in America. What I and others discovered was shocking. There were literally millions of underfed and hungry people in this land of abundance. Cases of kwashiorkor and other starvation related diseases were found. In many poverty areas, rates of nutrition deficiency diseases among our children equaled those of Third World countries.

In the face of this national disgrace our country and its leadership exhibited its true greatness and responded with a noble effort to eliminate hunger from our midst. And for a time we were succeeding. But this centuries old and most resilient threat to mankind once again got a toehold in America in 1981. But for the policies of President Reagan we would not be witnessing the rejuvenation of the hunger and malnutrition in America.

President Reagan say he is perplexed. Even a casual observer of the facts can see what is happening. Reagan might be perplexed; well, I am angry. The many beneficial gains we have made in our war on hunger have been canceled by the know-nothing policies of this administration.

Consider the facts. Today, due in no small part to the policies of the Reagan administration, we have:

Higher unemployment than in any other recession since the Great Depression ended four decades ago;

A larger proportion of Americans below the poverty line than at any time since 1965; and,

The deepest cuts in social programs of the poor—and food programs in particular—in recent history.

If you simply consider the President's 1984 budget proposals you will know why the task force on food assistance will have to look no further than the Oval Office to find the real culprit. The President's 1984 budget proposals would aggravate hunger.

FOOD STAMPS

At the very time that the President calls for a task force to study hunger, his own administration is pushing for legislation on Capitol Hill that would take food away from millions of the poor. In April, the nonpartisan Congressional Budget Office (CBO) issued a study of the administration's recently proposed food stamp legislation, which is now pending before Congress. CBO reported that under this legislation 62 percent of all food stamp households, or 4.9 million households, would have their benefits cut, and 87 percent of these benefit reductions would be borne by households below the poverty line;

Four out of every five of the poorest households—those with incomes below half of the poverty line—would have their benefits cut. Half of the poverty line is less than $5,000 a year for a family of four, and less than $2,500 for an elderly person living alone;

One million elderly and handicapped households would have their food stamps cut and would lose an average of $250 each in stamps each year; these elderly and handicapped persons would, on average, lose more than one-fourth of the stamps they now receive;

CBO also reported that contrary to administration claims that its food stamp proposals would achieve most of their savings through error reduction, only 3 percent of the savings would actually be achieved in this manner.

WIC

The administration continues to push for a reduced level of funding for the special supplemental food program for women, infants, and children (WIC program). The administration's budget request would, according to CBO figures, require the termination of over 600,000 low-income pregnant women, infants, and children from the program next year, despite the fact that these women, infants, and children have been determined by medical professionals to be at risk. The fact that a growing body of medical evidence shows that WIC is associated with a reduction in low weight births, infant mortality, and anemia has not deterred the administration from seeking these cuts. David Stockman has identified the WIC funding levels in the House and Senate agricultural appropriations bills, funding levels designed to avoid the cutbacks next year, as one of the reasons that bill, in its present form, is unacceptable to the administration and a candidate for a veto.

Stockman thinks that by cutting WIC we save money. Unfortunately he knows the cost of everything and the value of nothing. Evidence indicates that for every $1 spent on WIC we save $3 in medical costs. Currently WIC serves 2.75 million persons, but this is less than one-third of all who are eligible. Right now in parts of Detroit 33 out of 100 children do not live to see their first birthday. In parts of Chicago that figure reaches 55 out of 100 children. Nationally about two-thirds of infant deaths are associated with low weight births. WIC is specifically designed to meet this critical need. Yet the Reagan administration has turned its back on the problem. Reagan might be perplexed about hunger in America. I am perplexed by administration policies that have made hunger more of a fact of life for many more Americans.

CHILD NUTRITION

The administration is also proposing to cut more than $300 million a year from child nutrition programs. This would be on top of the deep cuts in the school lunch and other child nutrition programs enacted in 1981. At that time child nutrition was cut $1.5 billion which was a 30-percent cut below current policy and the largest reduction in any entitlement program. The administration now proposes to merge the three child nutrition programs that are most heavily targeted on low-income children into a block grant, with a 29-percent funding reduction. Over 90 percent of the Federal funds in these three programs, the school breakfast program, the child care food program, and the summer food program, go for meals served to low-income children.

If President Reagan is sincerely interested in stopping hunger in America, the first thing he should do is withdraw his pending budget proposals. We should watch what he does, not what he says.

But if you think the President's proposals for 1984 are bad, you should review what he has done since taking office. Let me offer a sample of the budget cuts already enacted and their impact.

The fiscal year 1984 budget cuts prepared by the administration would be on top of the deep cuts already enacted over the past two years. In a separate analysis issued this April, CBO reported that as a result of the budget cuts of the past 2 years:

The food stamp program has already been cut $1.4 billion in fiscal year 1983 and $2.2 billion a year in both fiscal year 1984 and fiscal year 1985. These figures assume no further cuts would be enacted for 1984 and 1985;

School lunch and other child nutrition programs have been cut $1.3 billion in fiscal year 1983, and more in subsequent years;

Food stamp and child nutrition programs combined have been cut a total of $12.6 billion over the 4-year period from fiscal year 1982-85.

The administration sometimes tries to defend these cuts by arguing that only higher income persons have been affected. This is patently untrue. The CBO figures show, for example, that only one-tenth of the budget savings made in the food stamp program over the past 2 years came from eliminating households over 130 percent of the poverty line. Well over half of the food stamp savings came from reducing benefits for households below the poverty line. With the rise of the poverty level to 15 percent of the population, the highest level since 1965, it is easy to see that the impact of these severe food stamp budget cuts have been amplified.

In addition, budget cuts in other programs have further exacerbated the hunger problem. Due in part to Reagan budget cuts in the unemployment insurance program, for example, only 40 percent of the unemployed now receive unemployment benefits—compared with two-thirds of the unemployed getting benefits during the 1975 recession. Many of the long-term unemployed have exhausted their benefits—and if they qualify for food stamps, their food stamp benefits are smaller than they would have been without the Reagan budget cuts.

Right today, food stamp benefits average 47 cents per person per meal.

The budget cuts actually enacted, deep as they have been, would have been far more severe if President Reagan had gotten all the cuts he sought last year. CBO reported last year that under the fiscal year 1983 Reagan food stamp proposals, 92 percent of the elderly and handicapped would have had their stamps reduced or terminated, and 94 percent of the working poor would also be harmed; 28 percent of all food stamps provided to the elderly and disabled, and over 40 percent of all stamps provided to the working poor, would have been wiped out. If President Reagan is perplexed with the present conditions facing the poor and hungry of our Nation, what would his reaction have been if the merciless spending cuts he sent up to Capitol Hill had been enacted?

Finally, I notice, President Reagan, in his memorandum of Edwin Meese regarding the task force on food assistance states that "It may be that some people are not aware that federal food aid is available to them." Those of us who believe very strongly in these important nutrition programs find that comment very ironic. One of the changes made in the food stamp program in 1981, at the Reagan administration's request, was to end efforts by States and counties to inform the elderly, the unemployed, and other low income persons of the availability of food stamps. Now the President admits, as some of my colleagues indicated at the time, that he was wrong.

The President, in his statement announcing a Presidential task force on food assistance seems to question whether a hunger problem really exists—or whether this is just a creation of the media.

The evidence on this issue exists and is readily available. I, for one, participated in hearings at the meeting of the U.S. Conference of Mayors held recently in Denver. Witness after witness came before our panel outlining the severe feeding problems in cities across America. The President has evidently not consulted this record or the many others that point up a growing hunger and malnutrition right here in the United States. The Nation's mayors—both Republican as well as Democratic—have stated unequivocally that hunger is the principal problem facing American cities today. The U.S. Conference of Mayors has issued a report on hunger problems in eight cities.

All of this, I suppose, is just further evidence of the fact that the "New Federalism" is really the "No Federalism" and just a one way street designed to send the basic problems back to the State and local governments—with no funds.

The Center on Budget and Policy Priorities, a very well respected Washington research and analysis organization, recently conducted a survey of 181 randomly selected emergency food agencies in 16 cities across the country. In over half the agencies surveyed, the number of persons coming to soup kitchens and emergency food pantries for help climbed more than 50 percent during the past year. In one-third of the agencies surveyed, the number doubled. One-fourth of the agencies reported that they had to turn people away. Two-thirds reported that they are now coping with the increased demand for food by strictly limiting the number of times any person or family can get food aid, usually to once a month.

Studies from a number of cities or local areas also exist. The problem is widespread and growing. It is significant.

Before I finish my remarks, let me take the opportunity to point out an inaccuracy in the President's statement that betrays a basic misunderstanding of food stamps eligibility requirements. The President stated that every poor person in the United States with income below 130 percent of the poverty line is eligible for food stamps. This is simply incorrect. Households must also meet a strict assets test that was established in 1971 and has never since been adjusted for inflation.

Households are not permitted to have more than $1,500 in countable assets, including all forms of bank accounts and cash on hand and also including the amount by which the market value of any car exceeds $4,500. To put the 1971 $1,500 assets figure imposed by President Richard M. Nixon into perspective, that figure amounts to only $630 in purchasing power. Reports from around the country indicate that some unemployed families living in poverty are unable to get food stamps because they cannot meet this much outdated assets test.

In conclusion, the only inference that can be logically drawn is that the President is either sadly ignorant of his own administration's policies in this area—or that the Commission is intended as a public relations effort to defuse the hunger problem for which the President, and the policies of his administration, bears such heavy responsibility. Frankly I will not attribute either logical conclusion to the President. For me it is enough that we can debate the subject and get the facts out for all to see. Obviously the issue is a growing political problem or the Presidential image makers would not have designated it a task force rank solution. I hope that when the facts are known, Mr. Reagan will be more than perplexed. I wish he would be angry, like me.

NATIONAL PARALYZED VETERANS RECOGNITION DAY

● Mr. MATTINGLY. Mr. President, I would like to take a moment to remind my colleagues that today, August 3, 1983, is National Paralyzed Veterans Recognition Day as designated by Congress and proclaimed by President Reagan.

This day honors those Americans who, as a result of service in our Nation's military forces, have suffered the catastrophic disability of paralysis. The designation serves as a fitting reminder of this Nation's continuing debt to those Americans who have sacrificed so much in the defense of our freedoms. We should never allow ourselves to take for granted the freedom for which they fought or fail to express our appreciation for their efforts.

Despite the hardships wrought by this disability, these veterans continue to contribute to our society. These achievements are largely due to the special strength of these individuals. It is most appropriate that we recognize the special debt owed to those who have suffered so much in our behalf. President Kennedy said that:

A nation reveals itself not only by the men it produces, but also by the men it honors and the men it remembers.

We do well to heed President Kennedy's words.●

THANKS TO JON DeVORE

● Mr. MURKOWSKI. Mr. President, I should like to take a moment to bid farewell to my senior legislative aide, Jon DeVore, and to thank him for a job well done. Jon is leaving the Hill to attend law school after several years of being intimately involved with the legislative process.

Jon has been a member of my staff since I came to Washington. He has served me with intelligence, loyalty, and diligence. His thorough, careful research has stood me in good stead during many a debate. His experience of over 7 years on the Hill—first with Senator STEVENS and then with myself—gave him the negotiating ability and legislative memory so essential to good staff work.

Jon has served Alaska well. Many citizens of our great State have benefited from Jon's able and ready assistance.

Jon was here throughout the Alaska lands debate, on the staff of the distinguished senior Senator from Alaska, Senator STEVENS. It is, therefore, appropriate that his last markup should be on S. 49, a bill to correct a flaw in the Alaska Lands Act. As always, his contribution to the development—and, I hope, passage—of this measure has been invaluable.

I know that Jon's experience in Washington will be of use to him in law school and in his future endeavors. His knowledge and experience have been invaluable to me and to his State. I wish him and his lovely wife Michelle, formerly of Senator STEVENS' staff, the best of luck.●

CLINCH RIVER AND THE PLAN—WHAT THE PROPONENTS AND PRESS SAY

● Mr. HUMPHREY. Mr. President, I have long opposed further Federal support of the Clinch River breeder reactor project. As I have noted on numerous occasions, the project is unnecessary to keep the United States ahead in breeder research and development. Indeed, even the Department of Energy (DOE), refuses to call the project a research and development effort in its budget justification. DOE calls it an industrialization project. And with good cause, Clinch River is simply the demonstration of a specific breeder design first drafted back in the middle 1960's. It is to breeder research and development what the Concorde is to supersonic air transport design research test beds—a commercial execution of a fixed design rather than pilot-scale work to generate data necessary to develop an advanced design. The later pilot-scale work is what truly matters. And DOE recognizes this: It always has had a separate breeder research and development program, known as the base breeder program and it now is funded at over $300 million.

Indeed, recently Secretary of Energy Hodel confirmed each of these points in separate interviews with the staff of the Washington Times and Nucleonics Week. In both interviews, which were reported nationally over United Press International's news service, Secretary Hodel emphasized that the base breeder program, not Clinch River was es-

sential to keeping the United States ahead in breeder development.

As for the alternative financing plan that DOE now is backing, I detailed my reservations in the RECORD July 29. The plan fails Congress fiscal year 1984 appropriations requirement than there be no further funding of the Clinch River project until a substantial industry cost sharing plan is enacted that would reduce the project's cost to the Federal Government. It exposes none of industry's venture capital to risk. It involves no increase of industry's original contribution to the project. And it actually increases the risks the Federal Government must assume in the probability that cost overruns and construction delays occur.

What makes these points doubly damaging, though, is that the plan's own authors actually confirmed them under questioning at a press conference held July 21. Government, not industry, they conceed would assume all risks under the plan and no new venture capital—industry investment or contributions—is made or placed at risk.

Mr. President, it is essential that the Senate understand the error of continuing to fund the Clinch River project and how insufficient the latest financing scheme is before voting on these issues in September. The pertinent passages from the press conference transcripts of Secretary Hodel speaking on the breeder are important reading as are the articles covering his breeder views and the financing plan's authors own candid admissions about the plan. Mr. President, I ask that these materials be printed in the RECORD, along with four recent editorials that critiqued the financing plan and the project in the Los Angeles Times, the Washington Times and the Washington Post.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TRANSCRIPT: CRBR PRESS CONFERENCE WITH DOE SECRETARY JULY 21, 1983

QUESTION. I read through the plan and I did not see additional money really additional money really coming from the utilities. Where is that?

HODEL. There is $150 million in equity, there is $175 million in the completion of the contribution commitment from the utility industry which would certainly not be available in the absence of such a plan, as well as the $675 million net from a bonded indebtedness to be undertaken by an entity which I believe is yet to be established.

QUESTION. But you're not talking about money contributed by the utilities over and above what has already been committed, but has not been pledged?

HODEL. In separate contributions, I do not think there are additional utility contributions, but it would be the completion of those and perhaps Mr. O'Connor should respond to that.

O'CONNOR. You are correct. The plan does not provide for additional direct utility contributions. But the financing plan does provide for a financing program that will meet roughly 40 percent of the additional cost or 1 million out of the estimated 2.4 billion dollars that will be required to complete the facility and this will be done largely through borrowing which will be issued at a latter date.

QUESTION. Your plan assumes you can borrow at a rate equivalent to a T bill rate equivalent to what the government can borrow. Is that assumption a reasonable assumption?

HODEL. I think perhaps it would be best to have Minor Warner, who is one of the representatives of four of the major investment firms that have reviewed this project and said that it is doable to comment on that Minor.

WARNER. Shall I just talk from here. Yes, part of the monies could be raised from the private sector will in fact be sold or priced at a relationship to Treasury obligations.

QUESTION. Mr. Minor, did the WPPSS debacle have any serious impact on your ability to obtain the government guarantees for this?

WARNER. Well, what is contemplated here is not government guarantees, but they are power contracts a, and b, we don't foresee any difficulty.

QUESTION. Are they like revenue bonds that you are talking about?

WARNER. No. As is described more fully in the plan they are really power purchased contract funds.

QUESTION. Bonds that are guaranteed by the sale of the power from the project.

WARNER. There are a number of provisions which in the contemplated contract when it's entered into we could cover all contingencies.

QUESTION. What would be the cost to the Treasury of tax benefits afforded participants?

WARNER. In terms of tax benefits, they would be in connection with the $150 million dollars of new equity contemplated under the plan conventional tax benefits.

QUESTION. How much is that?

WARNER. I think I will defer to legal counsel on that rather than try to give any estimate right now. . . .

QUESTION. Mr. O'Connor, if your cost run above 2.4 billion, will you come back and ask for more federal money.

O'CONNOR. Over the long haul, the hope is that the present funding would provide us to the point of completion. We entered in good faith into an agreement about a decade ago, provided for the utilities' contribution and what we thought at that time would be the government's contribution. There is no question that that cost, as with all other costs of building any kind of power plant have increased significantly during that period. But we did feel that this major contribution of a billion dollars in private financing would help considerable to ease the on-budget expenditures that would be required of the federal government and beyond that point of course, it really would be up to the federal government.

[UNKNOWN]. Well the Energy Department is going to try to sell this to the Congress on the grounds that this is it. This is the one and only last increment of money to Clinch River. Are you willing to promise that you won't ask for anymore money?

O'CONNOR. We can't promise that in good faith because we don't know what interest rates are going to be or what various sorts of licensing problems might or might not develop, but we do have a high confidence in our ability to complete this plant in 1989 and to have it operational in 1990, assuming funding is provided at this point.

QUESTION. What happens if this plan doesn't fly after September 30? Will you go on with any activities at Clinch River or do you have to just drop the ball.

O'CONNOR. It would be very very difficult, if not impossible, to proceed without the approval of this particular plant. So the end of September is really the date on which a lot hangs.

[UNKNOWN.] In my judgment, yes.

QUESTION. To get back to the financing plan, could you explain what exactly assuming there is some problem and the plant doesn't come into operation or doesn't get licensed or isn't completed, what exactly does the industry have at risk financially and what does the government have at risk financially? I am talking about the million dollar industry per billion dollar industry share?

[UNKNOWN.] The industry's total financial commitment, if you include the interest that has accrued on the funds already placed in escrow, will approximate $350 million dollars in total. The remainder of the additional monies to be secured $1.4 billion dollars would be the federal governments contribution.

QUESTION. What about that $650 million?

[UNKNOWN.] That would be the borrowing that would be issued against the power that would be bought by companies.

QUESTION. If there is no power, who eats that $650 million?

[UNKNOWN.] Well that's again an assurance that we would proceed with completing the plant. That would be the government in that case.

QUESTION. You are careful to use the word "on budget". Can one conclude from that, in fact, what you're doing is transferring a billion dollars from a non-budget account to an off-budget loan guarantee?

[WARNER.] These are future purchase power contracts. We would anticipate that the Department of Energy would enter into a contract with the borrowing entity which would cover various contingency. This kind of contract would be off-budget.

QUESTION. So basically the industry, through this plan, has not increased it's financial risk in this project by one penny.

[UNKNOWN.] Yes, but the important thing that we were asked to do was to come up with a plan, back in December, asked by the Congress to come up with a plan that would reduce the federal government's exposure and at the same time increase the amount of private capital placed in the program. And that's the plan that we submitted.

QUESTION. But you are not increasing the risk of the—

[UNKNOWN.] Yes. That is correct.

QUESTION. How can the federal government's exposure decrease, I mean their budget outlays are decreased, how does their exposure decrease?

[UNKNOWN.] Because we have a high confidence that the plant will be completed on time and operating.

QUESTION. But not high enough not to require a government transfusion?

[UNKNOWN.] That's correct. And we think that's an incentive to, all real incentive to keep our eye, everybody's eye on the ball on this one.

QUESTION. Under the future purchase power contracts, who are the buyers of these, utilities?

[UNKNOWN.] Yes. Utilities which include both investor-owned companies as well as municipals and REAs.

QUESTION. ——.

[UNKNOWN.] We can provide those with you, and include the Southern Companies, Duke Power. Gosh, we got a whole list of them that we'll be happy to—

QUESTION. Do those letters of intent, include agreements as to what price they will pay for the power?

[UNKNOWN.] No they do not. They contemplate in part, either payment of avoided energy cost, or in part, with respect to several of the rural electric co-ops of the southeast that interested in purchasing capacity from the project which would include more than energy costs. All the estimates in the plan are based on avoided energy cost . . .

QUESTION. Mr. Smith, apparently there are some utilities that feel that they would rather see the money being spent on Clinch River, being spent on R&D for a standardized design-type research for the advanced reactors now?

SMITH. That's not a view that's representative of the utility industry generally. Certainly not the position of my company or the companies with whom we work closely.

QUESTION. I guess if you had a choice, if the government came to you, if the Congress came to you and said we got so much money for nuclear research, do you want a breeder or do you want an R&D on light-water reactor, standardized light-water reactor, what should be picked?

SMITH. Well you need both of those and it's really not an either or. That's like saying to the Air Force you can have fighters, but you can't have bombers. Which do you want, fighters or bombers.

QUESTION. You make choices every day. Which one would you make?

LUNCHEON MEETING WITH DONALD HODEL, SECRETARY OF ENERGY

PRESENT

Donald Hodel, Secretary of Energy.
James R. Whelan, Editor and Publisher.
Ron Cordray, National Editor.
Ted Agres, Assistant Managing Editor.
Woody West, Editorial Writer.
Coit Hendley, Managing Editor.
Ralph Hallow, Deputy Editor, Editorial Pages.
Ed Rogers, National Reporter.
Connie Stewart, Press Secretary.
Philip Keefe, Deputy Press Secretary.
Dave Hoffman, National Reporter.
Paul Boyer, Intern.
Jeff Brown, Intern.
Larry Lambert, Photographer.

Mr. CORDRAY. Before you leave nuclear, could you talk a little bit about Clinch River?

Secretary HODEL. What do you want me to say about it?

Mr. CORDRAY. Should we continue it?

Secretary HODEL. We are working hard. We are in a process where we are trying to find a way to present a funding mechanism which will be satisfactory to the Congress.

Mr. ROGERS. Is there any hope?

Secretary HODEL. Yes, as long as there is life, there is hope. It sounds evasive only because it is. The fact is, nobody can tell you today what will happen to Clinch when we go forward with a proposal to the Congress. In other words, you would like a definitive answer from me, by golly, we are going to do so and so.

Mr. WHELAN. What is wrong with Clinch?

Secretary HODEL. I can't give that to you. If what you want is an analysis of the process, that I can give to you, and the process is, both Houses of Congress have now left the door open for us to put together a package and try to sell that package if we think it is salable to provide this alternate financing.

Mr. ROGERS. And there is the almost universal belief that industry was not going to come through with an adequate proposal.

Secretary HODEL. Well, it depends on who we talk to.

Mr. CORDRAY. Industry isn't even funding what they promised to in the first place.

Secretary HODEL. They are committed to complete their contributions, as I understand it.

Mr. CORDRAY. According to Mr. Humphrey.

Secretary HODEL. Well, if your desire is to kill the project, I am sure you will naturally put every negative interpretation on the events that you can. If you had to say today that all the pieces are together for a completely workable process, that is exactly what I have said to you. That it is not. That is what we are working on.

Mr. HALLOW. I think it is fair, Mr. Secretary, to point out that we understand, although you read every editorial that we write, you cannot remember every position we have taken on everything.

Secretary HODEL. That is right. I am a subscriber to your paper and to no other.

Mr. HALLOW. We have urged the death of Clinch River.

Mr. WHELAN. Let me ask the question, what is wrong with Clinch River? What is wrong with it?

Secretary HODEL. Well, ask the guy who wrote the editorial. I tried to save it.

Mr. HENDLEY. We don't trust him. We would like to hear your viewpoint.

Mr. CORDRAY. What is right with Clinch River?

Secretary HODEL. What is right with Clinch River is that the United States needs, in my view, to retain a position in the breeder program.

Mr. WHELAN. Sure.

Secretary HODEL. What is wrong with Clinch River is that you don't necessarily have to have Clinch in order to do that.

Mr. WEST. Aren't you holding our breeder research hostage to a project that has become so pervasively——

Secretary HODEL. There are those that believe that if you lose Clinch, you lose it all. Proponents of Clinch, of the breeder, will say to me, if we lose Clinch, we lose it all. I think it is entirely possible you could have an alternative approach, but if knowledgeable legislative strategists say that, you have to pay some attention to it. I mean, if you care about the program. If you don't care about the program, okay, we will take your advice, win, lose, or draw. So, you are trying to do something responsible.

Breeder R and D, I think, is essential if we are going to maintain any position—not Clinch, but breeder R and D is essential if we are going to maintain any position at the non-proliferation table.

HODEL: CLINCH BREEDER REACTOR UNNECESSARY

WASHINGTON (UPI)—Energy Secretary Donald Hodel said in an interview released Sunday the United States does not need the embattled Clinch River nuclear breeder reactor in order to keep its place in the international breeder program.

The Clinch River project in Oak Ridge, Tenn., is intended to be the Nation's first demonstration breeder reactor—a power-plant producing more uranium fuel than it consumes.

The Reagan administration under pressure from Congress agreed that the project only would be continued if the utility industry provided significant portions of its financing. The industry has been unable to reach agreement with the administration and Congress on a specific financing plan.

"The United States needs, in my view, to retain a position in the breeder program," Hodel told the Washington Times. "The Japanese, the French, the British, the Germans, the Russians are all proceeding with the breeder. They have urged us to continue and complete Clinch. I think it is partly because they are looking for evidence that we are going to stay active in the breeder program."

But, Hodel added, "you don't necessarily have to have Clinch in order to do that."

"Proponents of Clinch say to me, if we lose Clinch, we lose it all. I think it is entirely possible you could have alternative approaches," he said. He did not detail what alternative approaches might be taken.

Hodel said some people argue that other nations are ahead of the United States on some aspects of breeder technology, "and they are behind us in others."

Environmentalists oppose the U.S. project because they believe the fuel produced by the breeder will be used to make nuclear weapons. The nuclear industry wants the project because it believes uranium fuel will become scarce some time in the next century.

Hodel said many anti-nuclear and environmental activists are more interested in preventing the United States from achieving energy growth and development than in promoting their causes.

The activists "genuinely, generally oppose the growth syndrome and all that comes with growth," he said. "They correctly perceive that if you can choke off the energy supply to this country you will choke off the development of industry and jobs and commercial activity and transportation and the like."

Hodel charged opponents of industry on the acid rain issue "use an incredible point. There is no question there is something out there called acid rain. We do not know its total implication. We do not know what its sources are . . . (but there is) a fair chance that we will be faced with spending billions of dollars a year trying to alleviate some part of the problem.

"Proponents of a measure like the acid rain proposal vastly underestimate its cost to the society," he said.

[From the Nucleonics Week, June 30, 1983]

HODEL SEES R&D, NOT A MACHINE, DOMINATING U.S. BREEDER SCENE IF CRBR DIES

DOE will continue a base breeder program whether or not the Clinch River Breeder Reactor project is funded by Congress, but "we may not want a demonstration program," Energy Secretary Donald Hodel said in an interview last week. Among other things, the program keeps the U.S. active in the international nonproliferation arena and helps it retain the option to build a breeder in the future, Hodel said. He cautioned that his comments shouldn't be read as an indication that he thinks CRBR won't be refunded, because the final report on cost sharing must still be considered. Nor would failure to fund the project mean that the $270-million DOE requested for CRBR in FY-84 would necessarily be turned

toward other nuclear, or even energy, programs, Hodel told Nucleonics Week.

"The research work that needs to be done we still need to continue," Hodel said when asked about the fate of the base breeder program. "And in so doing, we continue to be participants in the international activities and we have proliferation benefits as well as the opportunity to keep the technology moving in such a way that when the United States decides it wants to go for a breeder, we've got a foundation laid that permits us not only to have the technical and the professional ability, but also presumably the ability to build a licensable project."

The U.S. remains on the "cutting edge of technology" in some aspects of the breeder, he said, and should remain there because it gives the U.S. something to offer in return for concessions and agreements concerning proliferation. Without the base breeder program, "we have lost our seat at the table with the rest of the world, which is proceeding with breeders. . . . If we back out of the program, forget it. I just can't see us doing that, at a very political level," Hodel continued.

[From the Los Angeles Times, July 28, 1983]

UNCLE SUGAR, CAUGHT IN THE CLINCH

On May 12 the U.S. House of Representatives voted 388 to 1 to kill the Clinch River breeder-reactor program unless private industry agreed to pay a substantial share of the cost. Six weeks later Energy Secretary Donald P. Hodel publicly conceded that the U.S. energy program could make do without the $4-billion nuclear project.

That should have been that.

But, lo and behold, President Reagan let it be known the other day that he not only supports Clinch River but also will campaign vigorously for a special $1.4-billon appropriation to keep the Tennessee project alive. Not only that, he also favors federal guarantees under which the taxpayer will bail out corporate and private investors if electric power from the breeder reactor cannot be sold.

All this comes at a time when Reagan is wrestling with massive federal budget deficits. Unless the projected deficits can be reduced, it will be very difficult to avoid high interest rates, renewed recession and a situation in which military spending will have to be cut much more deeply than the President himself considers prudent.

Fortunately, chances are very good that common sense will prevail in Congress, where enthusiasm for the Clinch River boondoggle is at a low ebb.

Unlike conventional nuclear-power reactors, which burn uranium, breeders both burn and breed plutonium; in fact, they are designed to produce more plutonium than they consume. This was a very attractive feature at a time when uranium was expected to become scarce and increasingly costly.

But times have changed since Congress first gave tentative approval to construction of a commercial-scale breeder reactor 13 years ago.

Leaving aside the fact that the United States should not be setting a bad example by embracing a power-reactor technology that can easily be used as a cover for nuclear-bomb production, the economic factors are all wrong.

More uranium reserves have been discovered. The demand for uranium reactor fuel has fallen way below earlier projections for several reasons, including the fact that nuclear-power reactors are neither as safe nor as economically efficient as had been expected. The General Accounting Office has estimated that breeder reactors probably will not be commercially attractive for 40 more years.

Meanwhile, instead of the original cost estimate of $700 million, the ultimate price tag is now expected to be at least $4 billion and possibly much more.

Under these circumstances Congress has become more and more reluctant to vote money for Clinch River. This spring it became obvious that the project would die unless the electric utilities and the nuclear industry agreed to pick up a substantial share of the costs. The resulting "cost-sharing" plan that has now received the President's backing was accurately described by Representative Richard L. Ottinger (D-N.Y.) as a "sham . . . an insult to the intelligence of Congress and the American people."

Under the proposal the federal government would spend $1.4 billion on top of the $1.5 billion that it has already sunk in the project. Private industry, which so far is committed to paying only $257 million of the total cost, would raise $1 billion more through the sale of bonds and equity shares in the project.

The catch is that these securities would be guaranteed by the federal government. In other words virtually the entire risk would be assumed by good old Uncle Sugar.

It's incredible that a President who has so often lectured on the evils of federal spending in general and subsidies in particular would throw his weight behind such an arrangement. It's up to Congress to save the American taxpayer from the consequences of this particular folly.

[From the Washington Times, July 27, 1983]

CLINCH RIVER AND CORPORATE WELFARISM

(By Smith Hempstone)

You have to wonder what Senator Majority Leader Howard Baker has in mind with his apparent willingness to endorse a scheme to keep alive the Clinch River breeder reactor. Getting his fingerprints all over this monstrosity won't do him any good in pursuing the GOP presidential candidacy in 1988. By then, it will be all too clear just how much of a fraud on taxpayers Clinch River is.

When the project was first authorized in 1971, it was supposed to cost $400 million, with the nation's electric utilities signing up to contribute $257 million. A year later, the projected cost jumped to $700 million, but the utilities demanded their share be frozen at $257 million.

Now the Energy Department admits the project will cost at least $4 billion to complete. Congress hit the roof over this, with the House defeating a funding bill which carried in the Senate by only one vote.

The lawmakers told the Energy Department to look at alternatives, "including reconsideration of the original cost-sharing arrangement, that would reduce federal budget requirements" for Clinch River. The upshot was a recommendation that the government use revenues that might be made from the sale of electricity from Clinch to back guaranteed bonds for the project. But those revenues were originally supposed to go directly into the U.S. Treasury to offset the project's costs.

Reception to this by Congress was cool, with its General Accounting Office noting that "the federal government still appears to retain most risks if the project fails or if cost overruns occur."

Nevertheless, the plan Baker has to decide to snub or go for now calls for Congress to obligate, in one up or down vote, $1.5 billion over the next seven years for construction. Just perfect for Clinch backers, since it would remove the issue from further congressional consideration for seven years.

Even lovelier for the nuclear industry, who wouldn't have to kick in another dime of its own. The proposal talks about another $175 million from the utilities, but this is already what they owe from their original pledge of $257 million plus interest.

The utilities insist they will not participate unless they're guaranteed tax benefits and a fixed rate of return on the bonds. And for good reason from their viewpoint. Although industry claims it's going to put up risk capital or equity shares worth $150 million, it wants the money to come from the taxpayers—that is, from the tax benefits the plan hands to industry.

The utilities, further, assume no additional risk for failure, delay or cost overrun. In fact, their plan emphasizes the government (i.e., the taxpayers) must guarantee all the tax benefits and a full return on investment plus interest for the government-guaranteed bonds. Never mind if the project costs more than expected, fails to work as well as expected, or never gets built, or if there's no market for the electricity it may or may not produce. Talk about corporate welfarism!

Energy Secretary Don Hodel has admitted that building Clinch River isn't necessary for maintaining America's position in breeder-reactor technology because our basic breeder research program would do the job. This basic breeder research is funded separately from Clinch and is already costing the government some $300 million a year. Apparently industry agrees with Hodel, since it doesn't think it should share Clinch River's costs by increasing its share of contributions beyond the measly 9 percent it has pledged—9 percent of $4 billion!

You want to know how this compares with other nations' cost-sharing on breeder work? Well, West Germany requires private industry to pay—not loan—29 percent, and when costs increase, the German private sector's share must escalate accordingly.

Japan, which supposedly is the world-champion at government-private industry coziness, requires at least 20 percent private-sector direct payments (not loans) to finance its commercial breeder effort. By the way, the U.S. utility industry originally offered to pay for half of Clinch River.

The French breeder program is paid for entirely by utility rate increases and foreign cost sharing: 51 percent by the French national utility, 30 percent from an Italian utility, and the balance by a consortium of German, Belgium and Dutch utilities.

You might put this question to Senator Baker and to the free-marketeers of the Reagan administration, who apparently remain enamoured of the project: Will the plan increase the private sector's management stake?

A "yes" would be hard to explain, since it's the Energy Department that would get even more say and less public scrutiny. If you think that's a smart idea, you have forgotten the mess that department made of oil and gas distribution and pricing before President Reagan ended controls on the petroleum industry.

The fact is, this plan continues to insulate industry from risk. So why in the world would Baker even consider pushing a plan

like this on the public? People who know him say when he has a chance to review what his plan is really about, he'll recognize it's not worth the game and that the real issue isn't this project but, as Secretary Hodel points out, keeping the basic breeder program going in order to retain U.S. lead in this technology, which is what Baker says is his primary concern, too.

[From the Washington Post, July 20, 1983]

DOUBLE STANDARD AT CLINCH RIVER?

The Clinch River breeder reactor is the great exception to the Reagan administration's rule against energy subsidies. The White House has never subjected the breeder to the same standards that it has applied elsewhere. Another attempt to rescue the breeder is now taking shape, and once again it requires an exemption to all the Reagan strictures against public spending and lending.

Congress refused any appropriation this year for Clinch River, declaring that there will be no more federal money until and unless somebody comes up with an acceptable plan for a larger share of private money. Part of the electric power industry has now come up with a proposal. The private money would be mainly in the form of loans guaranteed by the federal government. But guaranteed loans are not everybody's idea of a private contribution.

To complete the breeder reactor would, according to the Energy Department, take a further six years and $2.4 billion. The current financing plan comes from the Breeder Reactor Corp., which represents a group of utilities supporting the Clinch River project. This plan proposes that the utilities contribute another $150 million in equity, and the government put up $1.5 billion. The remainder would be raised by the guaranteed bonds, to be paid off by the breeder's power sales.

One obvious difficulty is in the utilities' contributions. State regulators are not visibly enthusiastic about allowing the utilities to pass them on to customers in their power rates.

As for the bonds, Sen. Gordon Humphrey points out that the arithmetic of repayments depends on some cost estimates that seem low and a predicted price for breeder power sales that looks remarkably high. The idea of the bonds arrives in a season when there seems to be rising concern both in Congress and in the administration over the scale of federal lending, and over the use of loans to circumvent the restrictions of a tight budget. It's a bad practice. Why make an exception for Clinch River?

The breeder reactor has only one justification. It gets more energy out of a uranium atom, by recycling it, than the present commercial reactors do. The Clinch River breeder was conceived at a time when it looked as though a uranium shortage lay ahead. But with new uranium discoveries, the economic case for the Clinch River breeder has evaporated at just about the same rate at which the construction cost estimates have been rising.

The immediate question is whether the White House will support this current financing plan with its $1.5 billion appropriation and its bond guarantees. If it applies the same standards to the Clinch River breeder that it applies to all the other energy technologies, the question will answer itself.

[From the Washington Post, July 2, 1983]

WILL CLINCH RIVER RISE AGAIN?

If a cat has nine lives, how many does the Clinch River breeder reactor have? It's true that there was no money for Clinch River in the energy appropriations bill that Congress just passed for the coming year. But you would be incautious to assume that the project is dead. It's a little too soon to celebrate.

Perhaps some money will be tucked into a supplemental appropriations bill. Or perhaps someone in Congress will start hearings on legislation for a financial reoganization. Meanwhile, construction crews are working double shifts in Tennessee on what they carefully call "site preparation," and three-quarters of the components have already been ordered or actually delivered. Hurrying to spend more money, the reactor project's managers keep asking whether, in view of all the money already spent, it doesn't make sense to go ahead and finish it.

No, it doesn't. The resistance to the breeder reactor is being led in the Senate by fiscal conservatives who have pointed out the very expensive fallacy in that logic.

But there's another and even stronger reason to abandon the breeder. The breeder runs on plutonium, a substance that is not only highly toxic but capable of being fabricated with only moderate difficulty into nuclear weapons. That job does not necessarily require the resources of a government. A sophisticated terrorist organization could make a bomb from stolen plutonium. Deliberately to develop a technology that requires this substance, and introduces it into the civilian economy, would be wanton.

The breeder was conceived at a time when uranium was scarce. But since then enormous reserves of uranium have been discovered, and it is clear that demand through at least the first half of the next century will be a small fraction of the original estimates. Recycling plutonium, with all its enormous risks, cannot be justified by any visible need.

Congress did not quite explicitly kill the Clinch River breeder in its recent appropriations bill. It only said that there would be no more money until there was an acceptable financial reorganization—meaning a larger contribution from the electric utilities that are supposed to be the beneficiaries. Some utilities, still committed to the idea, are now pushing for loans guaranteed by the government. If Chrysler got guaranteed loans, why not Clinch River?

The answer is that neither the utilities nor the federal government has the money to spare. The further and stronger answer is that, even if it were free, the breeder is the wrong path for nuclear energy to take.●

BROOKS ROBINSON IN BASEBALL'S HALL OF FAME

● Mr. SARBANES. Mr. President, on Sunday I was honored to join thousands of baseball fans from Baltimore in paying tribute to Brooks Robinson who was enshrined in Baseball's Hall of Fame in Cooperstown, N.Y. The outpouring of affection and admiration for this outstanding athlete and humanitarian—an Oriole player for his 22-year career—was truly remarkable.

The special nature of this event was fittingly described by one of Baltimore's most illustrious sports editors, John Steadman of the News American. "Magic moments create a flash of electrifying excitement," said Mr. Steadman of the events in Cooperstown on Sunday. To share some of that excitement with my colleagues, I ask that two articles by Mr. Steadman be printed in the RECORD.

The articles follow:

HE FIELDS THIS CHANCE FLAWLESSLY, TOO

(By John Steadman)

COOPERSTOWN, N.Y.—Magic moments create a flash of electrifying excitement. They can't be programmed or rehearsed, yet often prevail for posterity. But first there has to be a cause, a reason, a chemical mix—a catalyst.

In this scenic village where baseball believes it was born, Brooks Calbert Robinson Jr., a man of soft and gentle ways, was enshrined in the Hall of Fame. That's the most meaningful honor a player can receive, and he handled the ritual with a grace and style characteristic of his past.

It was Robinson reacting and responding at his best—sincere and sensitive, happy yet humble. He transmitted a genuine feeling of being grateful that the audience had come to share the most illustrious day in his life.

The Robinson ability always was of such magnitude that he didn't need to grandstand or play to the crowd. And it was precisely that way here as he made his formal entrance into the Hall of Fame with an acceptance speech typical of Robinson—sparkling, effective and comprehensive. It was representative of the way he played third base during 22 years for the Orioles.

Meanwhile, the pilgrims who came to Cooperstown to visit this extraordinary game's shrine that is so much a part of America, were truly fulfilled, mostly because of Robinson and the spirit he engendered.

The attendance—said to be 12,000—at the ceremony held at Cooper Park (which adjoins the Hall of Fame structure) was a marvelous tribute to Robinson, with all due respect to the other honorees; namely Walter Alston, not present because of illness, George Kell and Juan Marichal. In fact, the prevailing feeling was that Brooks brought his own following—and he did—even if he left his bat and glove home since retiring five years ago.

HIS DIGNITY, CLASS WAS SO TYPICAL

In the natural amphitheater where the induction was staged, there's an imposing statue of Cooperstown's most famous son, author James Fenimore Cooper. And even his bronzed hands seemed to be applauding Robinson's acceptance speech. The theme referred to the blessings he has received.

In this connection, in what took only nine and three-quarter minutes, Robinson touched all bases. He thanked God, parents, brother, wife, children, managers and George Haynie, his American Legion coach. And he thanked Paul Richards, the man who influenced him to come to the Orioles.

He emphasized that he was proud of Mayor William Donald Schaefer and Baltimore, which he called his "adopted home town." But it was Baltimore that was proud of him.

Hall of Fame installations, here since 1939, never had a crowd this size or such waves of applause. Not for Babe Ruth, Ted Williams, Willie Mays or any of the 184 former players, managers, umpires and ex-

ecutives whose exploits have hallowed these halls.

Mayor Schaefer was here. So were Donald Hutchinson, chief executive of Baltimore County, Senator Paul Sarbanes, as well as "Wild" Bill Hagy and Pat "The Bugler" Walker, who was dressed in an Oriole uniform and blowing a fugle bugle. A huge sign was unfurled that read: "Players Of High Caliber Are Very Few. Thank God Baltimore Had Someone Like You. Thanks, Brooks."

Another placard read, "No. 5 Is No. 1 With Us." Automobiles were decorated in the black and orange Oriole colors and carried his picture.

Cooperstown residents and the baseball hierarchy, including commissioner Bowie Kuhn and league presidents Lee MacPhail of the American League and Chub Feeney of the National had never seen a gathering so enthralled with any player. They were there to shout his name and to notify the watching world what it thought of him.

It was sheer fanaticism and before Robinson could offer a word, after he had been introduced by Kuhn, the cheering rang out for two solid minutes. And when he did speak he said all the right things.

"I thank God for the talent and the help in reaching the top," he said. "I think back to the devotion of my mother toward my welfare, the friendship of my brother Gary, the teaching of my father, and my parents who guided me through childhood. I thank the coaches, teammates and scouts who discovered and encouraged me. They believed in Brooks Robinson when others were doubtful."

And later he pointed out that as he counted his blessings, none were greater than his wife, Connie, and four children. He thanked them for supporting him and sacrificing for a father who was away half the year playing ball. And, toward the end of his comments, he added, "And I want to thank those that I forgot to mention."

Such insight is what has given Robinson enduring popularity. He doesn't know how to be abrasive or impolite and goes out of his way to help the downtrodden of the world—but in a manner that never seems patronizing. And his Baltimore admirers, including Mayor Schaefer, put on a pre-induction party without precedent at the Hall of Fame.

Baltimore, through its love affair with Brooks Robinson, was carried up the steps of the Hall of Fame and enshrined with him. That's the way he was hoping it would be.

HE'S PROVEN WHAT A SPORTS HERO IS ALL ABOUT

(By John Steadman)

Extraordinary human kindness and profound consideration, plus a rare gentility and gentlemanly refinement, are identifying characteristics of Brooks Robinson, who has always seemed to good to be true.

But he has never been a pretender who played to the crowd. He's a bona fide credit to himself, family and friends.

Any rude "rube" can be a sports hero because all it takes is a combination of luck, quick reflexes and Spartan-like stamina. Why has Robinson, though, been continually embraced with a personal warmth and admiration by a city, state and nation that has put him on a pedestal and kept him there?

He, of course, was endowed with the magic hands of a Houdini when he played third base for the Baltimore Orioles during 20 spectacular seasons. A symphony unto himself with a grace and beauty that has never been seen before or since.

He's now being officially enshrined with full honors and documentation, among the game's sainted elite at the Baseball Hall of Fame.

The late Frank "Home Run" Baker, a member of the Hall of Fame, had either seen or played against the likes of Harold "Pie" Traynor, Jumpin' Joe Dugan and Jimmy Collins.

Before he died, Baker told this reporter during an interview at his Trappe, Md., home that Robinson, most emphatically, was the best. "I always gave the edge to Jimmy Collins, who was as great with the bat as he was with the glove, but, in all fairness, I have to put Brooks at the head of the class. There isn't a play he can't make."

Such professional tributes are merited by dint of physical performance and substantiated in the record book but, in the overall assessment of a man's worth, what does it mean?

Where Robinson separates himself from the rest of the athletic achievers is in the sensitivity and sincerity of his ways and the courteous manner that is such an obvious mirror of his personality.

He had the exquisite good fortune to be raised in a warm home environment, where old-fashioned standards of politeness and respect for others were considered essential. Brooks Robinson, at age 18, left his native Little Rock on June 1, 1955, to join the Baltimore Orioles. He was in pursuit of excellence and, to his credit, never changed after he found it.

All the gross profanity that is heard in the barracks-like atmosphere of the locker room bounced off him.

Other players, sometimes envious of his popularity, believed he got the benefit of the doubt on debatable scoring decisions.

It was Ed Hurley, a hard-bitten former American League umpire, who was responsible for the most classic quotation ever uttered about Robinson. "He plays third base like he came down from a higher league," Hurley said. And, indeed, it was no exaggeration.

His accomplishments on the field were there for all to see but the true good of the individual was exemplified in the way he carried himself and treated others. It was on a porch of the Otesaga Hotel in Cooperstown, N.Y., in 1967 that we sat and talked with Charley "Red" Ruffing, the former New York Yankee pitcher, who was being enshrined that afternoon in the Hall of Fame.

"Let me tell you about that boy Brooks Robinson who plays for the Orioles," he said. "Just a few weeks ago, I was invited with Lloyd Waner to attend the All-Star Game in Anaheim, Calif., to make an appearance as the newly elected Hall of Famers.

"We kind of felt out of place. The modern players were being introduced and ran by us without saying a word. They had important things to think about. But one player did come over. It was Brooks Robinson. I didn't know him, but he put out his hand and said, 'Gee, Red, I'm happy you and Lloyd are going in the Hall of Fame.'

"You have no idea what a thrill it was for us two old-timers to be greeted that way. But Brooks was the only one thoughtful enough to do it."

Incidents of Robinson's willingness to help others blend into an almost unending story, a montage of recollections worth keeping in anyone's personal memory book. There was a time in Baltimore when Mary Dobkin, a woman who has devoted her life to helping children, was being honored at the Eastwind. Robinson was listed to be there, on the Sunday following Thanksgiving, but had taken his wife and children to visit his parents in Little Rock.

Making travel arrangements was difficult during the holiday weekend and he could only get to Baltimore by way of Washington National Airport. He wasn't able to make a plane connection from there so he rented a car, made it to the gathering on time and then retraced the route back to Little Rock so he could rejoin his family and see them safely back to Baltimore . . . all at his own expense.

On another occasion, at an Optimist Club awards presentation in the hall of the Immaculate Heart of Mary, he was to be the main speaker. But his wife was out of town visiting her sister and this meant that 4-year-old Dianna was in his charge.

So Brooks combed her hair, picked out a frilly dress and fastened the patent leather shoes. The Robinsons, father and daughter, came through the door and applause erupted as he held the child by a hand and walked to the speaker's platform where she sat comfortably next to him. It was, indeed, a different form of "baby sitting" than had ever been seen before.

In 1966, he heeded the call to make an appearance in Vietnam during the conflict to help boost the morale of U.S. forces. As he made the rounds of the various units and hospitals, he constantly asked if any men were from the Baltimore area.

George Henderson, a former business partner with Robinson for 10 years, says he saw him "respond with compassion and attention to things you wouldn't believe." It wasn't that Brooks was trying to create an "image," not that at all, but rather he was reacting as the kind and gentle individual his parents wanted him to be.

Brooks Robinson personifies not only the highest of baseball capabilities. More importantly, he elevates humanity to an exemplary level of respect and is, indeed, worthy of personal emulation . . . which is the richest tribute any individual can pay to another.●

EDUCATION IN THE UNITED STATES

● Mr. CHAFEE. Mr. President, the Secretary of Education is conducting a series of 12 regional forums in order to encourage public comment on the recommendations of the National Commission on Excellence in Education, issued this past April. The most recent of these sessions was held in Portland, Maine, last Friday, July 29, 1983.

When Secretary Bell appointed the commission in 1981, few of us could envision the tremendous impact which its work would have on our national education policy. "A Nation at Risk," the Commission report, will not languish on the shelf collecting dust like many Government documents. In assessing the shortcomings of education in the United States and recommending steps for improvement, the report has helped to catapult education to the forefront of our national consciousness more prominently than at

any other time in the past two decades.

The report provides a sobering analysis of our problems in education as well as a positive blueprint for change. Although there will be disagreement about some of the report's conclusions, there can be little question that it has effectively enabled us to focus on where we are and where we should be headed in education today. The commission report does not profess to be the final word but rather a starting point for efforts to improve schools in America.

The report has contributed to a greater public awareness about the critical connection between educational quality and our Nation's economic competitiveness. The scheduling of these forums has helped keep the report high on the national agenda and has spurred intense discussions at the State and local levels about what can and should be done to bolster the quality of instruction in our schools. By bringing together teachers, students, school administrators, school board members, State officials, and others to assess the report's findings, the forums have also demonstrated that few simple solutions exist.

Nearly 1,000 participants from New York, Connecticut, Rhode Island, Vermont, New Hampshire, Massachusetts, and Maine attended the Portland forum. Panelists representing a cross section of the education community engaged in thoughtful and wide-ranging discussions geared toward identifying and eliminating obstacles to the implementation of the Commission's recommendations. Secretary Bell and members of the Commission also fielded questions and listened to a variety of comments from forum participants.

While challenging certain of the Commission's assumptions, most of the participants expressed support for the thrust of the recommendations and indicated that State and local efforts are already underway to begin their implementation. Governments throughout the Northeast have begun to explore programs to improve curriculum, toughen graduation requirements, increase teacher salaries, institute more rigorous teacher certification and evaluation techniques, and encourage greater parental involvement in the education process.

Participants at the forum agreed that our education problems are by no means insurmountable and that, although Federal leadership and support remain important, change can and should originate at the local and State level. I am confident that these efforts will continue in the Northeast and throughout the United States, and I believe Governors and municipal officials should be encouraged to arrange forums of this nature on a State, city or townwide basis.

We must keep the momentum going by recognizing that, just as the consequences of our educational shortcomings extend far beyond the classroom, so do the solutions to our problems. The quality of education affects all of us. The burden of improving our schools does not rest solely on teachers and school administrators. It must be shared by parents, students, business, and civic leaders—indeed by every member of the community. Such forums could help to place this joint responsibility in perspective and encourage a worthwhile assessment of the strengths and weaknesses of our schools.

I would like to express my deep appreciation to those who took the time to attend last week's session, and particularly to the panelists who shared their views on various aspects of the commission report. I ask that the names of these speakers be printed in the RECORD.

The names follow:

Secretary T. H. Bell and members of the National Commission on Excellence in Education:

Emeral A. Crosby, Norman C. Francis, Shirley Gordon, and Richard Wallace.

James A. Banks, Sr., Chairman, Portland School Board.

Joseph E. Brennan, Governor of Maine.

Robert L. Brunelle, Commissioner, New Hampshire Department of Education.

Sharon M. Knickle, President, Rhode Island State PTA.

Vance R. Kelly, Chairman, New Hampshire Senate Education Committee.

Robert F. Eagen, President, Connecticut Education Association.

Viola L. Luginbuhl, Chairman, Vermont State Board of Education.

Bennett D. Katz, Chairman, Maine's Congressional Citizen's Advisory Education Committee.

Governor Lamar Alexander (Tennessee).

Governor John Carlin (Kansas).

Governor Richard A. Snelling (Vermont).

Alan O. Dann, Member, Amity Regional Board of Education, Amity, Connecticut.

Lee Hay, National Teacher of the Year, Manchester, Connecticut.

Peter R. Greer, Superintendent, Portland Schools.

Donald A. Migliori, President, Rhode Island Association of Student Councils.

Joyce W. Rogers, Member, Portland School Board and Member Executive Committee, National School Boards Association.

Glenn A. Yankee, Principal, Hazen Union High School, Hardwick, Vermont.

Richard E. Bjork, Chancellor, Vermont State Colleges.

Howard H. Dana, Trustee of Westbrook College and Portland School of Art.

Emlyn I. Griffith, Member, New York State Board of Regents and Chairman, Regents' Committee on Elementary, Secondary and Continuing Education.

John C. Hoy, President, New England Board of Higher Education.

Thomas P. Melady, President, Sacred Heart University, Bridgeport, Connecticut.

Richard W. Redmond, Acting Commissioner, Maine Department of Education.●

CLINCH RIVER BREEDER REACTOR

● Mr. HART. Mr. President, the Washington Post recently ran an editorial commenting on the administration's new Clinch River Breeder Reactor financing proposal. The editorial clearly points out the futility of subsidizing private investments in the project and the misrepresentation labeling such subsidies free-market investment opportunities involves.

The administration has proposed to provide Federal tax incentives, guaranteed performance levels, guaranteed prices, and demand for electricity to encourage investments in bonds to complete the Clinch River Breeder Reactor. It can call these subsidies "investment incentives" if it likes, but the fact remains that the new financing proposal is yet another massive Federal subsidy for the nuclear power industry. It is unconscionable for the administration to contemplate subsidies worth billions of dollars for the Clinch River Breeder Reactor, distorting the energy market place and enriching private investors at the expense of the American taxpayers.

Mr. President, I will continue to do all I can to kill the Clinch River Breeder Reactor. I ask that "Double Standard at Clinch River" be reprinted in the RECORD.

The editorial follows:

[From the Washington Post, July 20, 1983]

DOUBLE STANDARD AT CLINCH RIVER?

The Clinch River breeder reactor is the great exception to the Reagan administration's rule against energy subsidies. The White House has never subjected the breeder to the same standards that it has applied elsewhere. Another attempt to rescue the breeder is now taking shape, and once again it requires an exemption to all the Reagan stricture against public spending and lending.

Congress refused any appropriation this year for Clinch River declaring that there will be no more federal money until and unless somebody comes up with an acceptable plan for a larger share of private money. Part of the electric power industry has now come up with a proposal. The private money would be mainly in the form of loans guaranteed by the federal government. But guaranteed loans are not everybody's idea of a private contribution.

To complete the breeder reactor would, according to the Energy Department, take a further six years and $2.4 billion. The current financing plan comes from the Breeder Reactor Corp., which represents a group of utilities supporting the Clinch River project. This plan proposes that the utilities contribute another $150 million in equity, and the government put up $1.5 billion. The remainder would be raised by the guaranteed bonds, to be paid off by the breeder's power sales.

One obvious difficulty is in the utilities' contributions. State regulators are not visibly enthusiastic about allowing the utilities to pass the on to customers in their power rates.

As for the bonds Sen. Gordon Humphrey points out that the arithmetic of repay-

ments depends on some cost estimates that seem low and a predicted price for breeder power sales that looks remarkably high. The idea of the bonds arrives in a season when there seems to be rising concern both in Congress and in the administration over the scale of federal lending, and over the use of loans to circumvent the restrictions of a tight budget. It's a bad practice. Why make an exception for Clinch River?

The breeder reactor has only one justification. It gets more energy out of a uranium atom, by recycling it, than the present commercial reactors do. The Clinch River breeder was conceived at a time when it looked as though a uranium shortage lay ahead. But with new uranium discoveries, the economic case for the Clinch River breeder has evaporated at just about the same rate at which the construction cost estimates have been rising.

The immediate question is whether the White House will support this current financing plan with its $1.5 billion appropriation and its bond guarantees. If it applies the same standards to the Clinch River breeder that it applies to all the other energy technologies, the question will answer itself.●

DAIRY SALE TO EGYPT

● Mr. HELMS. Mr. President, earlier today, Secretary Block announced the sale of 28,000 metric tons of surplus dairy products to Egypt. By making this sale, the Reagan administration has taken an important step toward convincing the Europeans of the seriousness with which we deem their agricultural subsidies. Furthermore, in concluding this transaction, the administration is taking action consistent with the Senate Agriculture Committee's trade bill, S. 822. The Agriculture Committee and the administration believe that overseas sale of surplus dairy products are necessary if we are to make world agricultural trade more free and fair.

Freedom and fairness in trade have been hallmarks of U.S. trade policy. While it is not likely that there will ever be a completely free trading system in the world, it is realistic to expect free trade to be a guiding principle for all nations.

However, over the past few years, we have seen this principle become less and less a part of a number of other nations' agricultural trade policies. Rather we have seen the EEC lead an expansion in the use of export subsidies which are aimed at stealing markets traditionally held by America's farmers.

While our farmers are facing the second consecutive year of declining exports, farmers in the European Economic Community have watched their markets continually expand. The dramatic growth in the Community's farm exports is closely correlated with continuing export subsidies. In 1976, the EEC exported $12 billion of agricultural commodities, using approximately $2 billion in direct export subsidies. In 1982, the EEC exported nearly $30 billion of agricultural commodities to non-EEC members using nearly $8 billion in direct export subsidies.

In spite of the difficulties which these subsidies have been inflicting on our farm economy, and in spite of U.S. efforts to resolve the issue of export subsidies, the Europeans have refused to take our concerns seriously. At the GATT Ministerial in Geneva last November, the EEC was successful in blocking a concerted effort on the part of a number of nations to resolve the issue of agricultural export subsidies. Just recently, U.S. negotiators ended 6 months of intensive talks with representatives of the Community which produced absolutely no satisfactory results; only an agreement to continue discussions.

In fact, the Community in some instances has moved to increase, not reduce its subsidies. Effective April 30, export subsidies for dairy products were hiked sharply: 18 percent for nonfat day milk, and nearly 11 percent for butter. To make matters worse, the EEC continues to encourage production of dairy products, even though their surplus problem is worse than ours. In spite of the fact that January 1983 production in the Community was up 10 percent from the previous January, they recently increased their target price by 2.33 percent. This follows a similar hike of 10.5 percent last year.

Considering the attitude of the Europeans, it is apparent that the United States needs to do more than just talk. The Eygptian dairy sale is a good example of what needs to be done. Dairy exports are uniquely important to the Community, and competing head-to-head with them on this commodity will go far to gain their attention.

Few industries have been so effectively shutout of the world market because of other countries' subsidies as has the American dairy industry. Although our dairy industry is the largest in the free world, the United States is not a major factor in the international market for dairy products. Our absence from this market has much to do with our failure to compete for an equitable share of the world market on an equal basis with other exporting nations, primarily those of the European Economic Community.

Through the use of export subsidies, the Community has taken a share of the world market well out of proportion to their overall share of world production. Even though U.S. price supports are at a level comparable to the EEC—$413.10 per cwt. versus $12.81, respectively—and U.S. production is nearly 50 percent of the total production of the member nations of the EEC combined, our share of the world market is but one-sixth of the share held by the EEC.

The Europeans are sensitive about competition with their dairy trade because they spend so much money encouraging production of milk. Milk accounts for one-fifth of all agricultural production in the Community, with one out of every three farms engaged in dairying. As a result, dairy subsidies reportedly account for about 30 percent of the entire budget of the Common Market. It is anybody's guess how large this expenditure would be if the Community could not rely on the world market as a place to dump vast amounts of surplus dairy products.

By selling surplus dairy products to a traditional market of the EEC, we are starting to make the Community feel the impact in its wallet. This sale will set a precedent, and now the Europeans will no doubt wonder how much of the remaining 2.6 billion pounds of CCC-owned dairy product will follow into the comparatively small world dairy market. They know as well as we do that only three things can be done with this surplus: It can be given away, thrown away, or sold overseas. What the Europeans had not known—until today—was that we are willing to sell on the world market if progress is not made toward eliminating the export subsidy mentality which so thoroughly pervades their trade policy.

An awareness is growing in the United States that the loss of agricultural exports due to predatory trade practices is more than just a farm problem, it is a major economic problem which touches the lives of all Americans. The predatory nations should take note that support for actions such as this dairy sale is not only widespread but building.

Last year, I was successful in getting an amendment attached to the Omnibus Budget Reconciliation Act which provides for $175 to $190 million for use by the Commodity Credit Corporation for export promotion. Approximately $100 million of this money has already been used in the highly successful "blended credit" program.

Earlier this year, the Senate Committee on Agriculture, Nutrition, and Forestry reported out S. 822—the Agricultural Export Equity and Market Expansion Act of 1983. Included in this legislation is a mandated dairy sale, and a requirement that the remaining $90 million of the aforementioned promotion money be used for exports of high value or value added products, of which $20 million is earmarked for eggs and poultry. The bill also includes authorization for an export PIK, and expanded authorities for overseas donations of U.S. agricultural commodities.

In June, the Senate took another major step in its fight to make world agriculture trade more free when it passed overwhelmingly, 81 to 13, an

amendment I offered to S. 695, the bill to increase the U.S. quota to the IMF. The amendment is designed to deny International Monetary Fund moneys to nations which use "predatory export subsidies." Specifically, under the amendment, the U.S. Executive Director to the IMF is directed to seek adoption of a rule by the Fund that would require countries receiving loans to eliminate predatory agricultural export subsidies.

Not long after adoption of my amendment, the Senate approved an amendment to the 1984 agricultural appropriations bill offered by our colleague from Georgia, Senator MACK MATTINGLY, which will require that a minimum of $5 million in funds or commodities be spent to counter the unfair trading practices of other countries. About the same time, the Agriculture Committee reported H.R. 2733 to the Senate. This bill contains provisions mandating the Secretary of Agriculture to spend $300 million in fiscal year 1984 and 1985 for export activities.

In a move that further indicates the desire of the Senate to go toe to toe with the subsidizing nations, considerable interest has been expressed as of late toward helping the beleaguered egg and poultry industry in the world market. Earlier this month, I joined with 10 other Senators in writing President Reagan to ask him to take active measures to combat the excessive use of export subsidies for eggs used by the EEC and other countries. Senator MATTINGLY followed up on this effort by getting over 70 of our colleagues—myself included—to join him in sending a letter to the President urging him to take immediate action to counter the unfair trading practices with which our poultry and egg producers now must contend.

All of this activity should make it clear that this body will not rest until progress is made toward the elimination of predatory export subsidies. If these recent Senate actions are a reliable guide, and if the predatory nations remain intransient on this issue, I have little doubt that, the Senate will overwhelmingly pass S. 822 when it is considered later this year.

For years now, we have talked with the subsidizing nations about their predatory trade practices. The fact that export subsidies continue, and in some cases, grow, makes it clear that more than rhetoric will be needed if we are to make world trade more free and fair. With the recent flurry of congressional activity, it is apparent that the American public does want more than just talk, it wants results. With the sale of surplus dairy products to Egypt, the administration has taken another step toward getting results by reminding our competitors, in a more forceful way, that the United States will not stand idly by and accept a permanent reduction in our agricultural base nor allow our farmers to suffer at the hand of foreign treasuries.●

SENATE TO CONVENE AT 9:30 A.M. TOMORROW

Mr. BAKER. Mr. President, on tomorrow there is an order for the Senate to convene at 9:30 a.m., is there not?

The PRESIDING OFFICER. That is correct.

ORDER FOR RECOGNITION OF SENATOR THURMOND, SENATOR PROXMIRE, SENATOR WEICKER AND SENATOR BUMPERS ON TOMORROW

Mr. BAKER. Mr. President, I ask unanimous consent that on tomorrow, after the recognition of the two leaders under the standing order, that two Senators be recognized on special orders of not to exceed 15 minutes each as follows: Senators THURMOND and PROXMIRE, in that order.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, it is anticipated that, after the execution of the special orders tomorrow, a period will be provided for the transaction of routine morning business.

Mr. President, I have just been notified there is a fourth request for a special order tomorrow. I ask unanimous consent that there be a special order in favor of the distinguished Senator from Connecticut (Mr. WEICKER) for not to exceed 15 minutes as the fourth in a series of special orders.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I have been advised that there is another request for a special order on tomorrow.

I ask unanimous consent that a special order be provided in favor of the Senator from Arkansas (Mr. BUMPERS) to appear in sequence and that the time will be not longer than 15 minutes in length.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE CALENDAR

Mr. BAKER. Mr. President, I have certain items that are cleared for action by unanimous consent on this side. I would address them to the Senate and inquire of the minority leader if he is in a position to clear these items as they appear.

First, Mr. President, I would propose to indefinitely postpone two items; that is, S. 1010 and S. 1148. It would be my intention to ask the Senate to turn to the consideration of S. 1148 and pass it if S. 1010 is indefinitely postponed.

Mr. BYRD. Mr. President, I might otherwise be disposed to object, but I see the author of this bill is Mr. MELCHER. I see Mr. MELCHER is in the Chamber.

Mr. BAKER. I see what might even be considered to be an agriculture bill conference going on back there. I also note they have smiles on their faces.

Mr. DOLE. Because we have not done anything yet.

Mr. BAKER. That is because they have not done anything yet.

Mr. BYRD. There is no objection.

Mr. BAKER. I thank the minority leader.

ORDER TO INDEFINITELY POSTPONE S. 1010

Mr. BAKER. Mr. President, I ask unanimous consent that Calendar Order No. 149, S. 1010, be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

USE AND DISTRIBUTION OF CERTAIN INDIAN JUDGMENT FUNDS

Mr. BAKER. Mr. President, I ask the Chair to lay before the Senate Calendar Order No. 329, S. 1148.

The PRESIDING OFFICER. The clerk will state the bill by title.

The legislative clerk read as follows:

A bill (S. 1148) to provide for the use and distribution of funds awarded the Assiniboine Tribe of the Fort Belknap Indian Community, Montana, and the Assiniboine Tribe of the Fort Peck Indian Community, Montana, in docket numbered 10-81L by the United States Court of Claims, and for other purposes which had been reported from the Committee on Indian Affairs with amendments, as follows:

On page 2, line 9, strike "Community", and insert "Reservation";

On page 2, line 14, after "with", insert "planning for";

On page 2, line 17, strike "Provided", through and including line 19;

On page 3, line 3, strike "enrolee", and insert "Duly enrolled member";

On page 3, line 20, strike "Community", and insert "Reservation";

On page 3, line 21, strike "Treaty Committee", and insert "Council";

On page 3, line 22, after "with", insert "planning for";

On page 3, line 25, strike "Provided", through and including line 2 on page 4;

On page 4, line 4, strike "Community", and insert "Reservation";

On page 4, line 10, strike "who", through and including line 22, and insert the following:

(b) 30 percent of these funds and any amounts remaining after the per capita payment, shall be held in trust and invested by the Secretary for the benefit of the Assiniboine Tribe of the Fort Peck Indian Reservation and its members. The principal of the funds and the income therefrom shall be applied and used for the benefit of the Assiniboine Tribe of the Fort Peck Indian Reservation and its members in accordance with reasonable terms established by the

Fort Peck Assiniboine Council with the concurrence of the Tribal Executive Board of the Assiniboine and Sioux Tribes of the Fort Peck Indian Reservation, and approved by the Secretary: *Provided*, That until such terms has been agreed upon, the Secretary shall fix the terms of the administration of the portion of the funds as to which there is no agreement.

On page 5, line 17, strike "43 CFR", through and including "115.4", and insert "regulations of the Secretary";

On page 5, line 24, after "per capita", insert "or family interest";

So as to make the bill read:

S. 1148

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding any other provision of law, the funds appropriated on September 30, 1981, in accordance with section 1302 of the Supplemental Appropriation Act (31 U.S.C. 724a), in satisfaction of an award in United States Court of Claims docket numbered 10-81L, including all interest and investment income accrued, less attorney fees and litigation expenses, shall be divided on the basis of 42.5 percent of the award funds to the Assiniboine Tribe of the Fort Belknap Indian Community and 57.5 percent of the award funds to the Assiniboine Tribe of the Fort Peck Indian Reservation and utilized for the purposes herein provided.

SEC. 2. The funds apportioned to the Assiniboine Tribe of the Fort Belknap Indian Community, Montana, less the costs incurred by the Fort Belknap Assiniboine Treaty Committee in connection with planning for the use and distribution of such funds, including costs in connection with this legislation, and related attorney fees and expenses, shall be used and distributed as follows:

(a) The Assiniboine membership roll of the Fort Belknap Indian Community shall be brought current to include all eligible members born on or prior to and living on the date of enactment of this Act. Subsequent to the preparation and approval by the Secretary of the Interior (hereinafter "Secretary") of this roll, the Secretary shall make a per capita distribution of 80 percent of the funds (in a sum as equal as possible), to each duly enrolled member. The Secretary's determination concerning eligibility to share in the per capita payment shall be final.

(b) 20 percent of these funds, and any amount remaining after the per capita payment, shall be held in trust and invested by the Secretary for the benefit of the members of the Assiniboine Tribe of the Fort Belknap Indian Community. The Treaty Committee of such Tribe, with the approval of the Secretary, shall distribute an annual family interest payment to all enrolled members of the Fort Belknap Assiniboine Tribe. All members on the Assiniboine tribal membership roll living in November 15 of each year shall be eligible for the annual interest payment. Members born after that date and living on the following November 15 shall be eligible for the next annual payment.

SEC. 3. The funds apportioned to the Assiniboine Tribe of the Fort Peck Indian Reservation, Montana, less the costs incurred by the Fort Peck Assiniboine Council in connection with planning for the use and distribution of such funds, including costs in connection with this legislation, and related attorney fees and expenses, shall be used and distributed as follows:

(a) The Assiniboine membership roll of the Fort Peck Indian Reservation, Montana, shall be brought current to include all eligible members born on or prior to and living on the date of enactment of this Act. Subsequent to the preparation and approval by the Secretary of this roll, the Secretary shall make a per capita distribution of 70 percent of the funds (in sums as equal as possible), to each enrollee.

(b) 30 percent of these funds and any amounts remaining after the per capita payment, shall be held in trust and invested by the Secretary for the benefit of the Assiniboine Tribe of the Fort Peck Indian Reservation and its members. The principal of the funds and the income therefrom shall be applied and used for the benefit of the Assiniboine Tribe of the Fort Peck Indian Reservation and its members in accordance with reasonable terms established by the Fort Peck Assiniboine Council with the concurrence of the Tribal Executive Board of the Assiniboine and Sioux Tribes of the Fort Peck Indian Reservation, and approved by the Secretary: *Provided*, That until such terms has been agreed upon, the Secretary shall fix the terms of the administration of the portion of the funds as to which there is no agreement.

SEC. 4. The per capita shares of living competent adults shall be paid directly to them. Shares of deceased individual beneficiaries shall be determined and distributed in accordance with regulations of the Secretary.

SEC. 5. None of the funds distributed per capita or held in trust under the provisions of this Act shall be subject to Federal or State income taxes, and the per capita or family interest payments shall not be considered as income or resources when determining the extent of eligibility for assistance under the Social Security Act or any Federal or federally assisted programs.

SEC. 6. The Secretary is authorized to prescribe rules and regulations to carry out the provisions of this Act, including the establishment of deadlines for filing applications for enrollment.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

Mr. BYRD. Mr. President, the Senator from Montana does not have any objection to calling up his bill, does he?

Mr. MELCHER. I thank the minority leader and majority leader. It is a very worthwhile bill, and I am happy that it is being brought up. The Assiniboine Tribe in Montana, I can tell you, will be grateful.

Mr. BYRD. I bet the chief comes to see the Senator pretty soon and brings him a headdress and a quiver full of arrows.

Mr. MELCHER. The chiefs, big and small, come to see me.

There being no objection, the Senate proceeded to consider the bill.

Mr. BAKER. Mr. President, I ask unanimous consent that the committee amendments be agreed to en bloc.

The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and the third reading of the bill.

The bill was ordered to be engrossed for third reading, was read the third time, and passed as follows:

S. 1148

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding any other provision of law, the funds appropriated on September 30, 1981, in accordance with section 1302 of the Supplemental Appropriation Act (31 U.S.C. 724a), in satisfaction of an award in United States Court of Claims docket numbered 10-81L, including all interest and investment income accrued, less attorney fees and litigation expenses, shall be divided on the basis of 42.5 percent of the award funds to the Assiniboine Tribe of the Fort Belknap Indian Community and 57.5 percent of the award funds to the Assiniboine Tribe of the Fort Peck Indian Reservation and utilized for the purposes herein provided.

SEC. 2. The funds apportioned to the Assiniboine Tribe of the Fort Belknap Indian Community, Montana, less the costs incurred by the Fort Belknap Assiniboine Treaty Committee in connection with planning for the use and distribution of such funds, including costs in connection with this legislation, and related attorney fees and expenses, shall be used and distributed as follows:

(a) The Assiniboine membership roll of the Fort Belknap Indian Community shall be brough current to include all eligible members born on or prior to and living on the date of enactment of this Act. Subsequent to the preparation and approval by the Secretary of the Interior (hereinafter "Secretary") of this roll, the Secretary shall make a per capital distribution of 80 percent of the funds (in a sum as equal as possible), to each duly enrolled member. The Secretary's determination concerning eligibility to share in the per capita payment shall be final.

(b) 20 percent of these funds, and any amount remaining after the per capital payment, shall be held in trust and invested by the Secretary for the benefit of the members of the Assiniboine Tribe of the Fort Belknap Indian Community. The Treaty Committee of such Tribe, with the approval of the Secretary, shall distribute an annual family interest payment to all enrolled members of the Fort Belknap Assiniboine Tribe. All members of the Assiniboine tribal membership roll living on November 15 of each year shall be eligible for the annual interest payment. Members born after that date and living on the following November 15 shall be eligible for the next annual payment.

SEC. 3. The funds apportioned to the Assiniboine Tribe of the Fort Peck Indian Reservation, Montana, less the costs incurred by the Fort Peck Assiniboine Council in connection with planning for the use and distribution of such funds, including costs in connection with this legislation, and related attorney fees and expenses, shall be used and distributed as follows:

(a) The Assiniboine membership roll of the Fort Peck Indian Reservation, Montana, shall be brought current to include all eligible members born on or prior to and living on the date of enactment of this Act. Subsequent to the preparation and approval by the Secretary of this roll, the Secretary shall make a per capita distribution of 70 percent of the funds (in sums as equal as possible), to each enrollee.

(b) 30 percent of these funds and any amounts remaining after the per capita payment, shall be held in trust and invested by the Secretary for the benefit of the Assiniboine Tribe of the Fort Peck Indian Reservation and its members. The principal of the funds and the income therefrom shall be applied and used for the benefit of the Assiniboine Tribe of the Fort Peck Indian Reservation and its members in accordance with reasonable terms established by the Fort Peck Assiniboine Council with the concurrence of the Tribal Executive Board of the Assiniboine and Sioux Tribes of the Fort Peck Indian Reservation, and approved by the Secretary: provided that until such terms has been agreed upon, the Secretary shall fix the terms of the administration of the portion of the funds as to which there is no agreement.

SEC. 4. The per capita shares of living competent adults shall be paid directly to them. Shares of deceased individual beneficiaries shall be determined and distributed in accordance with regulations of the Secretary.

SEC. 5. None of the funds distributed per capita or held in trust under the provisions of this Act shall be subject to Federal or State income taxes, and the per capita or family interest payments shall not be considered as income or resources when determining the extent of eligibility for assistance under the Social Security Act or any Federal or federally assisted programs.

SEC. 6. The Secretary is authorized to prescribe rules and regulations to carry out the provisions of this Act, including the establishment of deadlines for filing applications for enrollment.

The title was amended so as to read: "A bill to provide for the use and distribution of funds awarded the Assiniboine Tribe of the Fort Belknap Indian Community, Mont., and the Assiniboine Tribe of the Fort Peck Indian Reservation, Mont., in docket numbered 10-81L by the U.S. Court of Claims, and for other purposes".

Mr. BAKER. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BAKER. Mr. President, the next item in my folder is S. 505. It would be my intention to ask the Chair to lay that matter before the Senate if the minority leader can clear it at this time.

Mr. BYRD. That matter has been cleared, Mr. President.

Mr. BAKER. I thank the minority leader.

JULIETTE GORDON LOW FEDERAL BUILDING

Mr. BAKER. Mr. President, I ask the Chair to lay before the Senate Calendar Order No. 187, S. 505.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (S. 505) to designate the Federal building to be constructed in Savannah, Ga., as the "Juliette Gordon Low Federal Building".

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

amendment no. 2113

Mr. BAKER. Mr. President, I send an amendment to the desk on behalf of the distinguished Senator from Georgia (Mr. MATTINGLY) and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Tennessee (Mr. BAKER), on behalf of Mr. MATTINGLY and Mr. STAFFORD, proposes an amendment numbered 2113.

Mr. BAKER. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

After line 9, add a new section as follows:

"SEC. 2. (a) The Administrator of General Services (hereinafter referred to as the Administrator), may accept and use contributions from private individuals or organizations for the design and construction of a memorial commemorating the life and accomplishments of Juliette Gordon Low. The Administrator, in consultation with the chairman of the National Endowment for the Arts and the national President of the Girl Scouts of America, shall determine the appropriate form and location of such memorial, to be located in or around the building referred to in this Act. The memorial may include fountains, gardens, walks, stained glass windows, or other building appurtenances visible and accessible to visitors, and in harmony with the architectural and landscape design of such building. The Administrator may conduct a competition to select a designer for the memorial authorized by this section. Such competition shall be open to landscape and other architects, artists, artisans, and designers.

"(b) The Administrator shall provide maintenance for such memorial."

Mr. MATTINGLY. Mr. President, in February of this year I introduced legislation to designate the Federal office building to be constructed in Telfair Square, Savannah, Ga., as the "Juliette Gordon Low Federal Building." I am pleased that the Committee on Environment and Public Works agreed with me that it was appropriate to recognize Juliette Gordon Low's contributions to our Nation's history in such a way. The bill, S. 505, was reported to the full Senate in May and has been placed on the calendar.

Today I am submitting an amendment to S. 505. It's purpose is simple. My amendment would allow for the construction of a memorial commemorating the life and accomplishments of Juliette Low in or around the Federal building which will bear her name. The design and location of the memorial, which must be in harmony with the architectural and landscape design of the building, would be determined by the Administrator of General Services in consultation with the Chairman of the National Endowment for the Arts and the national president of the Girl Scouts of America.

Under the provisions of my amendment, the memorial would be constructed without cost to the Federal Government. The Administator of General Services would be allowed to accept contributions from private individuals and organizations for this purpose. In addition, he would be authorized to conduct an open competition among artists, artisans and architects to select a designer for this memorial.

When Juliette Gordon Low died in 1927, less than 15 years after she founded the Girl Scouts of America, membership in the organization numbered 137,000. Today, that number continues to grow. Over 44,000,000 women and girls have participated in what remains the world's largest voluntary organization for girls. It is fitting, Mr. President, that the citizens of this Nation who have been influenced by Juliette Low's high principles and ideals should have the opportunity to participate in a project to honor her. It is also appropriate that such a memorial be made available for the public's enjoyment. I urge my colleagues to support this amendment to pay tribute to one Georgia's and the Nation's finest citizens.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 2113) was agreed to.

The PRESIDING OFFICER. The bill is open for further amendment. If there be no further amendments to be proposed, the question is on the engrossment and the third reading of the bill.

The bill was ordered to be engrossed for third reading, was read the third time, and passed, as follows:

S. 505

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Federal building to be constructed at Telfair Square, Savannah, Georgia, shall hereafter be named and designated as the "Juliette Gordon Low Federal Building". Any reference in a law, map, regulation, document, record, or other paper of the United States to such building shall be held to be a reference to the "Juliette Gordon Low Federal Building".

SEC. 2. (a) The Administrator of General Services (hereinafter referred to as the Administrator), may accept and use contributions from private individuals or organizations for the design and construction of a memorial commemorating the life and accomplishments of Juliette Gordon Low. The Administrator, in consultation with the chairman of the National Endowment for the Arts and the national President of the Girl Scouts of America, shall determine the appropriate form and location of such memorial, to be located in or around the building referred to in this Act. The memorial

may include fountains, gardens, walks, stained glass windows, or other building appurtenances visible and accessible to visitors, and in harmony with the architectural and landscape design of such building. The Administrator may conduct a competition to select a designer for the memorial authorized by this section. Such competition shall be open to landscape and other architects, artists, artisans, and designers.

(b) The Administrator shall provide maintenance for such memorial.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

THREE ADDITIONAL ASSISTANT ADMINISTRATORS OF THE ENVIRONMENTAL PROTECTION AGENCY

Mr. BAKER. Mr. President, next on my list is S. 1696. Would the minority leader indicate to me whether he can clear that measure at this time?

Mr. BYRD. That has been cleared on this side.

Mr. BAKER. I thank the minority leader.

Mr. President, I ask that the Chair lay before the Senate Calendar Order No. 319.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (S. 1696) authorizing three additional assistant administrators of the Environmental Protection Agency.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

AMENDMENT NO. 2114

Mr. BAKER. Mr. President, I send an amendment to the desk in the nature of a substitute on behalf of the distinguished Senator from Vermont (Mr. STAFFORD).

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Tennessee (Mr. BAKER), for Mr. STAFFORD, proposes an amendment numbered 2114.

Mr. BAKER. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

That (a) the President, by and with the advice and consent of the Senate, may appoint three Assistant Administrators of the Environmental Protection Agency in addition to—

(1) the five Assistant Administrators provided for in section 1(d) of Reorganization Plan No. 3 of 1970 (5 U.S.C. Appendix) (hereinafter in this Act referred to as the "Reorganization Plan");

(2) the Assistant Administrator provided by section 26(g) of the Toxic Substances Control Act (15 U.S.C. 2625(g)); and

(3) the Assistant Administrator provided by section 307(b) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 6911a).

(b) Each Assistant Administrator appointed under subsection (a) shall perform such duties as the Administrator of the Environmental Protection Agency may prescribe.

SEC. 2. (a)(1) Section 5313 of title 5, United States Code, is amended by adding at the end thereof the following new item:

"Administrator of the Environmental Protection Agency.".

(2) The second sentence of section 1(b) of the Reorganization Plan is amended by striking out ", and shall be compensated at the rate now or hereafter provided for Level II of the Executive Schedule Pay Rates (5 U.S.C. 5313)".

(b)(1) Section 5314 of title 5, United States Code, is amended by adding at the end thereof the following new item:

"Deputy Administrator of the Environmental Protection Agency.".

(2) The first sentence of section 1(c) of the Reorganization Plan is amended by striking out ", and shall be compensated at the rate now or hereafter provided for Level III of the Executive Schedule Pay Rates (5 U.S.C. 5314)".

(c)(1) Section 5315 of title 5, United States Code, is amended by adding at the end thereof the following new items:

"Assistant Administrator for Toxic Substances, Environmental Protection Agency.

"Assistant Administrator, Office of Solid Waste, Environmental Protection Agency.

"Assistant Administrators, Environmental Protection Agency (8).".

(2)(A) Section 26(g)(2) of the Toxic Substances Control Act is amended by striking out "(A)" and ", and (B) be compensated at the rate of pay authorized for such Assistant Administrators".

(B) Section 307(b) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by striking out ", and shall be compensated at the rate provided for Level IV of the Executive Schedule pay rates under section 5315 of title 5, United States Code".

(C) Section 1(d) of the Reorganization Plan is amended by striking out ", and shall be compensated at the rate now or hereafter provided for Level IV of the Executive Schedule Pay Rates (5 U.S.C. 5315)".

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 2114) was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and the third reading of the bill.

The bill (S. 1696) was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 1696

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the President, by and with the advice and consent of the Senate, may appoint three Assistant Administrators of the Environmental Protection Agency in addition to—

(1) the five Assistant Administrators provided for in section 1(d) of Reorganization Plan No. 3 of 1970 (5 U.S.C. Appendix) (hereinafter in this Act referred to as the "Reorganization Plan");

(2) the Assistant Administrator provided by section 26(g) of the Toxic Substances Control Act (15 U.S.C. 2625(g)); and

(3) the Assistant Administrator provided by section 307(b) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 6911a).

(b) Each Assistant Administrator appointed under subsection (a) shall perform such duties as the Administrator of the Environmental Protection Agency may prescribe

SEC. 2. (a)(1) Section 5313 of title 5, United States Code, is amended by adding at the end thereof the following new item:

"Administrator of the Environmental Protection Agency.".

(2) The second sentence of section 1(b) of the Reorganization Plan is amended by striking out ", and shall be compensated at the rate now or hereafter provided for Level II of the Executive Schedule Pay Rates (5 U.S.C. 5313)".

(b)(1) Section 5314 of title 5, United States Code, is amended by adding at the end thereof the following new item:

"Deputy Administrator of the Environmental Protection Agency.".

(2) The first sentence of section 1(c) of the Reorganization Plan is amended by striking out ", and shall be compensated at the rate now or hereafter provided for Level III of the Executive Schedule Pay Rates (5 U.S.C. 5314)".

(c)(1) Section 5315 of title 5, United States Code, is amended by adding at the end thereof the following new items:

"Assistant Administrator for Toxic Substances, Environmental Protection Agency.

"Assistant Administrator, Office of Solid Waste, Environmental Protection Agency.

"Assistant Administrators, Environmental Protection Agency (8).".

(2)(A) Section 26(g)(2) of the Toxic Substances Control Act is amended by striking out "(A)" and ", and (B) by compensated at the rate of pay authorized for such Assistant Administrators".

(B) Section 307(b) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by striking out ", and shall be compensated at the rate provided for Level IV of the Executive Schedule pay rates under section 5315 of title 5, United States Code".

(C) Section 1(d) of the Reorganization Plan is amended by striking out ", and shall be compensated at the rate now or hereafter provided for Level IV of the Executive Schedule Pay Rates (5 U.S.C. 5315)".

Mr. BAKER. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT OF D.C. RETIREMENT REFORM ACT

Mr. BAKER. Mr. President, I am now prepared to go to S. 1625, if the minority leader can clear that.

Mr. BYRD. Mr. President, I am happy to say to the majority leader that that item has been cleared on this side.

Mr. BAKER. I thank the minority leader.

I ask that the Chair lay before the Senate Calendar Order No. 335, S. 1625.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (S. 1625) to amend the District of Columbia Retirement Reform Act.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Governmental Affairs with amendments, as follows:

On page 5, line 14, after "Agency", insert "and the Comptroller General";

On page 6, line 4, strike "determine", through and including "section." on line 12, and insert the following: "provide the Board its assessment within 60 days of receipt of the Board's report, of the scope, nature, involvement, and impact on District of Columbia police officers and firefighters of the events determined by the Board to be of unordinary and of a catastrophic nature. The Agency shall submit copies of its assessment to the Comptroller General, the Board, and the offices and officers set forth in subsection (b) of this section.".

On page 6, line 21, strike "report", and insert "reports".

So as to make the bill read:

S. 1625

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 145 of the District of Columbia Retirement Reform Act, approved November 17, 1979 (93 Stat. *866,* 882-884), is amended to read as follows:

"(a)(1) After January 1, and before March 1, of each year beginning with calendar year 1984 and ending with calendar year 2004, the enrolled actuary engaged pursuant to section 142 shall, with respect to the District of Columbia Police Officers and Fire Fighters' Retirement Fund—

"(A) determine, in accordance with paragraph (2) of this subsection, the disability retirement rate for the preceding calendar year; and

"(B) determine if such disability retirement rate for such preceding calendar year is greater than eight-tenths of a percentage point.

"(2) For the purposes of clause (A) of paragraph (1) of this subsection, the disability retirement rate for the applicable calendar year shall be an amount equal to a fraction, the numerator of which is the number of officers and members of the Metropolitan Police Force and the Fire Department of the District of Columbia who first became officers or members on or before February 14, 1980, and who retired on disability during such applicable year under subsection (f)(1) or (g)(1) of section 12 of the Police and Firemen's Retirement and Disability Act (but such numerator shall not include any such officer or member whose retirement is ordered by a court of competent jurisdiction), and the denominator of which is the total number of such officers and members who were on active duty on January 1 of such applicable calendar year.

"(3) The enrolled actuary shall report the determinations (including related documents and information) made under paragraph (1) of this subsection to the Board and to the Comptroller General of the United States not later than March 1 of each year.

"(b)(1) The Board and the Comptroller General shall each transmit a copy of each such report by the enrolled actuary under subsection (a) to the Speaker of the House of Representatives, the President pro tempore of the Senate, the chairman of the Committee on Governmental Affairs of the Senate, the chairman of the Committee on the District of Columbia of the House of Representatives, the chairman of the Committee on Appropriations of the Senate, the chairman of the Committee on Appropriations of the House of Representatives, the Mayor of the District of Columbia, and the Council of the District of Columbia, not later than March 31 of the calendar year in which the report is made, and each shall submit comments on such report.

"(2) The Comptroller General shall include in his comments on each such report transmitted under paragraph (1) of this subsection a statement as to whether or not the determinations made by the enrolled actuary fairly present, in all material respects, the requirements of subsection (a) of this section.

"(3) With respect to each applicable fiscal year, the Comptroller General shall make a determination, as provided for under subsection (c)(1) of this section of the amount, if any, by which the authorization under section 144(a)(1) should be reduced. The results of such determination, together with such other data, information, and comments as the Comptroller General may deem necessary to enable the Congress, and the appropriate committees thereof, to carry out the provisions of subsection (c) of this section, shall be included as a part of his report under paragraph (1) of this subsection.

"(c)(1) Notwithstanding any other provision of this Act, with respect to the fiscal year commencing October 1, 1984, and each fiscal year thereafter through the fiscal year commencing October 1, 2004, the authorization under section 144(a)(1) for each such fiscal year shall be deemed, for purposes of such section, to be reduced in the amount hereafter provided, if the report, submitted by the Comptroller General pursuant to subsection (b) of this section in the calendar year in which such fiscal year commences, states that the disability retirement rate under subsection (a) of this section for the preceding calendar year is greater than eight-tenths of a percentage point. The amount of such reduction shall be 1½ per centum for each whole tenth of a percentage point by which the disability retirement rate is greater than eight-tenths of a percentage point.

"(2) There shall be no reduction pursuant to section 144(a)(1) and paragraph (1) of this subsection for any such fiscal year, if, in computing the disability retirement rate under subsection (a) of this section for the calendar year preceding the calendar year in which such fiscal year commences, the numerator is less than eight.

"(3)(A) If the Board determines, on the basis of substantial facts, that unordinary circumstances or events of catastrophic magnitude, such as a fire or civil disorder, caused or significantly contributed to the number of disability retirements under subsection (g)(1) of section 12 of the Policemen and Firemen's Retirement and Disability Act during a calendar year covered by the report submitted by the Comptroller General pursuant to subsection (b) of this section, it shall submit a detailed statement on such circumstances and events to the Federal Emergency Management Agency and the Comptroller General. Such statement shall be submitted on or before July 1 of the calendar year next following the calendar year covered by such report of the Comptroller General. The statement shall contain, among other matters, data on the total number of disability retirements under subsections (f)(1) and (g)(1) of section 12 of such Act for the applicable calendar year, the number of such retirements under subsection (g)(1) of such Act which, in the opinion of the Board, were caused or significantly contributed to by such circumstances or events, and an explanations as to why the Board considers such events or circumstances to be unordinary and of a catastrophic magnitude.

"(B) The Federal Emergency Management Agency shall review the Board's report and provide the Board its assessment within 60 days of receipt of the Board's report, of the scope, nature, involvement, and impact on District of Columbia police officers and firefighters of the events determined by the Board to be of unordinary and of a catastrophic nature. The Agency shall submit copies of its assessment to the Comptroller General, the Board, and the offices and officers set forth in subsection (b) of this section.

"(C)(1) The Comptroller General, on the basis of such reports from the Board and the Federal Emergency Management Agency, shall determine the extent to which such disability retirements which such Agency determined were caused or contributed to by such events and circumstances, caused a reduction in the amount appropriated to the Fund as provided under subsection (c) of this section. The Comptroller General shall report the amount of such reduction so caused to the Board and to the offices and officers set forth in subsection (b)(1) of this section. Such reports shall be submitted on or before December 31 of the calendar year in which he receives such report of the Federal Emergency Management Agency.

"(2) In addition to the amount authorized to be appropriated to the Fund for any fiscal year under section 144(a)(1), there is authorized to be appropriated such sum as may be necessary to pay to the Fund an amount equal to the amount of any reduction, plus interest lost to the Fund because of the reduction, for a fiscal year as reported by the Comptroller General to the offices and officers of the Congress pursuant to paragraph (1) of this subsection, but in no case shall any moneys be appropriated on the basis of the authorization pursuant to this paragraph except to the extent that any such reduction was actually made.".

SEC. 2. The amendment made by this Act shall be considered as having taken effect as of January 1, 1983.

Mr. BAKER. Mr. President, I ask unanimous consent that the amend-

ments be considered and agreed to en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered. Without objection, the amendments are agreed to en bloc.

AMENDMENT NO. 2115

Mr. BAKER. Now, Mr. President, I send to the desk an amendment on behalf of the distinguished Senator from Maryland (Mr. MATHIAS) and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Tennessee (Mr. BAKER), for Mr. MATHIAS, proposes an amendment numbered 2115. On page 7, line 1, after the word "appropriated" add: "for the fiscal year commencing October 1, 1984, and each fiscal year thereafter,"

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 2115) was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and the third reading of the bill.

The bill (S. 1625) was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 1625

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 145 of the District of Columbia Retirement Reform Act, approved November 17, 1979 (93 Stat. 866, 882-884), is amended to read as follows:

"(a)(1) After January 1, and before March 1, of each year beginning with calendar year 1984 and ending with calendar year 2004, the enrolled actuary engaged pursuant to section 142 shall, with respect to the District of Columbia Police Officers and Fire Fighters' Retirement Fund—

"(A) determine, in accordance with paragraph (2) of this subsection, the disability retirement rate for the preceding calendar year; and

"(B) determine if such disability retirement rate for such preceding calendar year is greater than eight-tenths of a percentage point.

"(2) For the purposes of clause (A) of paragraph (1) of this subsection, the disability retirement rate for the applicable calendar year shall be an amount equal to a fraction, the numerator of which is the number of officers and members of the Metropolitan Police Force and the Fire Department of the District of Columbia who first became officers or members on or before February 14, 1980, and who retired on disability during such applicable year under subsection (f)(1) or (g)(1) of section 12 of the Policemen and Firemen's Retirement and Disability Act (but such numerator shall not include any such officer or member whose retirement is ordered by a court of competent jurisdiction), and the denominator of which is the total number of such officers and members who were on active duty on January 1 of such applicable calendar year.

"(3) The enrolled actuary shall report the determinations (including related documents and information) made under paragraph (1) of this subsection to the Board and to the Comptroller General of the United States not later than March 1 of each year.

"(b)(1) The Board and the Comptroller General shall each transmit a copy of each such report by the enrolled actuary under subsection (a) to the Speaker of the House of Representatives, the President pro tempore of the Senate, the chairman of the Committee on Governmental Affairs of the Senate, the chairman of the Committee on the District of Columbia of the House of Representatives, the chairman of the Committee on Appropriations of the Senate, the chairman of the Committee on Appropriations of the House of Representatives, the Mayor of the District of Columbia, and the Council of the District of Columbia, not later than March 31 of the calendar year in which the report is made, and each shall submit comments on such report.

"(2) The Comptroller General shall include in his comments on each such report transmitted under paragraph (1) of this subsection a statement as to whether or not the determinations made by the enrolled actuary fairly present, in all material respects, the requirements of subsection (a) of this section.

"(3) With respect to each applicable fiscal year, the Comptroller General shall make a determination, as provided for under subsection (c)(1) of this section of the amount, if any, by which the authorization under section 144(a)(1) should be reduced. The results of such determination, together with such other data, information, and comments as the Comptroller General may deem necessary to enable the Congress, and the appropriate committees thereof, to carry out the provisions of subsection (c) of this section, shall be included as a part of his report under paragraph (1) of this subsection.

"(c)(1) Notwithstanding any other provision of this Act, with respect to the fiscal year commencing October 1, 1984, and each fiscal year thereafter through the fiscal year commencing October 1, 2004, the authorization under section 144(a)(1) for each such fiscal year shall be deemed, for purposes of such section, to be reduced in the amount hereafter provided, if the report, submitted by the Comptroller General pursuant to subsection (b) of this section in the calendar year in which such fiscal year commences, states that the disability retirement rate under subsection (a) of this section for the preceding calendar year is greater than eight-tenths of a percentage point. The amount of such reduction shall be 1½ per centum for each whole thenth of a percentage point by which the disability retirement rate is greater than eight-tenths of a percentage point.

"(2) There shall be no reduction pursuant to section 144(a)(1) and paragraph (1) of this subsection for any such fiscal year, if, in computing the disability retirement rate under subsection (a) of this section for the calendar year preceding the calendar year in which such fiscal year commences, the numerator is less than eight.

"(3)(A) If the Board determines, on the basis of substantial facts, that unordinary circumstances or events of catastrophic magnitude, such as a fire or civil disorder, caused or significantly contributed to the number of disability retirements under subsection (g)(1) of section 12 of the Policemen and Firemen's Retirement and Disability Act during a calendar year covered by the report submitted by the Comptroller General pursuant to subsection (b) of this section, it shall submit a detailed statement on such circumstances and events to the Federal Emergency Management Agency and the Comptroller General. Such statement shall be submitted on or before July 1 of the calendar year next following the calendar year covered by such report of the Comptroller General. The statement shall contain, among other matters, data on the total number of disability retirements under subsections (f)(1) and (g)(1) of section 12 of such Act for the applicable calendar year, the number of such retirements under subsection (g)(1) of such Act which, in the opinion of the Board, were caused or significantly contributed to by such circumstances or events, and an explanation as to why the Board considers such events or circumstances to be unordinary and of a catastrophic magnitude.

"(B) The Federal Emergency Management Agency shall review the Board's report and provide the Board its assessment within 60 days of receipt of the Board's report, of the scope, nature, involvement, and impact on District of Columbia police officers and firefighters of the events determined by the Board to be of unordinary and of a catastrophic nature. The Agency shall submit copies of its assessment to the Comptroller General, the Board, and the offices and officers set forth in subsection (b) of this section.

"(C)(1) The Comptroller General, on the basis of such reports from the Board and the Federal Emergency Management Agency, shall determine the extent to which such disability retirements which such Agency determined were caused or contributed to by such events and circumstances, caused a reduction in the amount appropriated to the Fund as provided under subsection (c) of this section. The Comptroller General shall report the amount of such reduction so caused to the Board and to the offices and officers set forth in subsection (b)(1) of this section. Such reports shall be submitted on or before December 31 of the calendar year in which he receives such report of the Federal Emergency Management Agency.

"(2) In addition to the amount authorized to be appropriated to the Fund for any fiscal year under section 144(a)(1), there is authorized to be appropriated for the fiscal year commencing October 1, 1984, and each fiscal year thereafter, such sum as may be necessary to pay to the Fund an amount equal to the amount of any reduction, plus interest lost to the Fund because of the reduction, for a fiscal year as reported by the Comptroller General to the offices and officers of the Congress pursuant to paragraph (1) of this subsection, but in no case shall any moneys be appropriated on the basis of the authorization pursuant to this paragraph except to the extent that any such reduction was actually made.".

SEC. 2. The amendment made by this Act shall be considered as having taken effect as of January 1, 1983.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

EMERGENCY VETERANS' JOB TRAINING ACT OF 1983

Mr. BAKER. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on H.R. 2355.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the House agree to the amendments of the Senate to the bill (H.R. 2355) entitled "An Act to establish an emergency program of job training assistance for disabled veterans and veterans of the Vietnam era", with the following amendments:

In lieu of the matter proposed to be inserted by the amendment of the Senate to the text of the bill, insert:

SHORT TITLE; TABLE OF CONTENTS

SECTION 1. This Act may be cited as the "Emergency Veterans' Job Training Act of 1983".

TABLE OF CONTENTS

Sec. 1. Short title; table of contents.
Sec. 2. Purpose.
Sec. 3. Definitions.
Sec. 4. Establishment of program.
Sec. 5. Eligibility for program; duration of assistance.
Sec. 6. Employer job training programs.
Sec. 7. Approval of employer programs.
Sec. 8. Payments to employers; overpayments.
Sec. 9. Entry into program of job training.
Sec. 10. Provision of training through educational institutions.
Sec. 11. Discontinuance of approval of participation in certain employer programs.
Sec. 12. Inspection of records; investigations.
Sec. 13. Coordination with other programs.
Sec. 14. Counseling.
Sec. 15. Information and outreach; use of agency resources.
Sec. 16. Authorization of appropriations.
Sec. 17. Termination of program.
Sec. 18. Expansion of targeted delimiting date extension.
Sec. 19. Effective date.

PURPOSE

SEC. 2. The purpose of this Act is to address the problem of severe and continuing unemployment among veterans by providing, in the form of payments to defray the costs of training, incentives to employers to hire and train certain wartime veterans who have been unemployed for long periods of time for stable and permanent positions that involve significant training.

DEFINITIONS

SEC. 3. For the purposes of this Act—

(1) The term "Administrator" means the Administrator of Veterans' Affairs.

(2) The term "Secretary" means the Secretary of Labor.

(3) The terms "veteran", "Korean conflict", "compensation", "service-connected", "active military, naval, or air service", "State", and "Vietnam era", have the meanings given such terms in paragraphs (2), (9), (13), (16), (20), (24), and (29), respectively, of section 101 of title 38, United States Code.

ESTABLISHMENT OF PROGRAM

SEC. 4. (a) The Administrator and, to the extent specifically provided by this Act, the Secretary shall carry out a program in accordance with this Act to assist eligible veterans in obtaining employment through training for employment in stable and permanent positions that involve significant training. The program shall be carried out through payments to employers who employ and train eligible veterans in such jobs in order to assist such employers in defraying the costs of necessary training.

(b) The Secretary shall carry out the Secretary's responsibilities under this Act through the Assistant Secretary of Labor for Veterans' Employment established under section 2002A of title 38, United States Code.

ELIGIBILITY FOR PROGRAM; DURATION OF ASSISTANCE

SEC. 5. (a)(1) To be eligible for participation in a job training program under this Act, a veteran must be a Korean conflict or Vietnam-era veteran who—

(A) is unemployed at the time of applying for participation in a program under this Act; and

(B) has been unemployed for at least 15 of the 20 weeks immediately preceding the date of such veteran's application for participation in a program under this Act.

(2) For purposes of paragraph (1), the term "Korean conflict or Vietnam-era veteran" means a veteran—

(A) who served in the active military, naval, or air service for a period of more than 180 days, any part of which was during the Korean conflict or the Vietnam era; or

(B) who served in the active military, naval, or air service during the Korean conflict or the Vietnam era and—

(i) was discharged or released therefrom for a service-connected disability; or

(ii) is entitled to compensation (or but for the receipt of retirement pay would be entitled to compensation).

(3) For purposes of paragraph (1), a veteran shall be considered to be unemployed during any period the veteran is without a job and wants and is available for work.

(b)(1) A veteran who desires to participate in a program of job training under this Act shall submit to the Administrator an application for participation in such a program. Such an application—

(A) shall include a certification by the veteran that the veteran is unemployed and meets the other criteria for eligibility prescribed by subsection (a); and

(B) shall be in such form and contain such additional information as the Administrator may prescribe.

(2)(A) Subject to subparagraph (B), the Administrator shall approve an application by a veteran for participation in a program of job training under this Act unless the Administrator finds that the veteran is not eligible to participate in a program of job training under this Act.

(B) The Administrator may withhold approval of an application of a veteran under this Act if the Administrator determines that, because of limited funds available for the purpose of making payments to employers under this Act, it is necessary to limit the number of participants in programs under this Act.

(3)(A) The Administrator shall certify as eligible for participation under this Act a veteran whose application is approved under this subsection and shall furnish the veteran with a certificate of that veteran's eligibility for presentation to an employer offering a program of job training under this Act. Any such certificate shall expire 60 days after it is furnished to the veteran. The date on which a certificate is furnished to a veteran under this paragraph shall be stated on the certificate.

(B) A certificate furnished under this paragraph may, upon the veteran's application, be renewed in accordance with the terms an conditions of subparagraph (A).

(c) The maximum period of training for which assistance may be provided on behalf of a veteran under this Act is—

(1) fifteen months in the case of—

(A) a veteran with a service-connected disability rated at 30 percent or more; or

(B) a veteran with a service-connected disability rated at 10 percent or 20 percent who has been determined under section 1506 of title 38, United States Code, to have a serious employment handicap; and

(2) nine months in the case of any other veteran.

EMPLOYER JOB TRAINING PROGRAMS

SEC. 6. (a)(1) Except as provided in paragraph (2), in order to be approved as a program of job training under this Act, a program of job training of an employer approved under section 7 must provide training for a period of not less than six months in an occupation in a growth industry, in an occupation requiring the use of new technological skills, or in an occupation for which demand for labor exceeds supply.

(2) A program of job training providing training for a period of at least three but less than six months may be approved if the Administrator determines (in accordance with standards which the Administrator shall prescribe) that the purpose of this Act would be met through that program.

(b) Subject to section 10 and the other provisions of this Act, a veteran who has been approved for participation in a program of job training under this Act and has a current certificate of eligiblity for such participation may enter a program of job training that has been approved under section 7 and that is offered to the veteran by the employer.

APPROVAL OF EMPLOYER PROGRAMS

SEC. 7. (a)(1) An employer may be paid assistance under section 8a on behalf of an eligible veteran employed by such employer and participating in a program of job training offered by that employer only if the program is approved under this section and in accordance with such procedures as the Administrator may by regulation prescribe.

(2) Except as provided in subsection (b), the Administrator shall approve a proposed program of job training of an employer unless the Administrator determines that the application does not contain a certification and other information meeting the requirements established under this section or that withholding of approval is warranted under subsection (g).

(b) The Administrator may not approve a program of job training—

(1) for employment which consists of seasonal, intermittent, or temporary jobs;

(2) for employment under which commissions are the primary source of income;

(3) for employment which involves political or religious activities;

(4) for employment with any department, agency, instrumentality, or branch of the Federal Government (including the United States Postal Service and the Postal Rate Commission); or

(5) if the training will not be carried out in a State.

(c) An employer offering a program of job training that the employer desires to have approved for the purposes of this Act shall submit to the Administrator a written application for such approval. Such application

shall be in such form as the Administrator shall prescribe.

(d) An application under subsection (c) shall include a certification by the employer of the following:

(1) That the employer is planning that, upon a veteran's completion of the program of job training, the employer will employ the veteran in a position for which the veteran has been trained and that the employer expects that such a position will be available on a stable and permanent basis to the veteran at the end of the training period.

(2) That the wages and benefits to be paid to a veteran participating in the employer's program of job training will be not less than the wages and benefits normally paid to other employees participating in a comparable program of job training.

(3) That the employment of a veteran under the program—

(A) will not result in the displacement of currently employed workers (including partial displacement such as a reduction in the hours of nonovertime work, wages, or employment benefits); and

(B) will not be in a job (i) while any other individual is on layoff from the same or any substantially equivalent job, or (ii) the opening for which was created as a result of the employer having terminated the employment of any regular employee or otherwise having reduced its work force with the intention of hiring a veteran in such job under this Act.

(4) That the employer will not employ in the program of job training a veteran who is already qualified by training and experience for the job for which training is to be provided.

(5) That the job which is the objective of the training program is one that involves significant training.

(6) That the training content of the program is adequate, in light of the nature of the occupation for which training is to be provided and of comparable training opportunities in such occupation, to accomplish the training objective certified under clause (2) of subsection (e).

(7) That each participating veteran will be employed full time in the program of job training.

(8) That the training period under the proposed program is not longer than the training periods that employers in the community customarily require new employees to complete in order to become competent in the occupation or job for which training is to be provided.

(9) That there are in the training establishment or place of employment such space, equipment, instructional material, and instructor personnel as needed to accomplish the training objective certified under clause (2) of subsection (e).

(10) That the employer will keep records adequate to show the progress made by each veteran participating in the program and otherwise to demonstrate compliance with the requirements established under this Act.

(11) That the employer will furnish each participating veteran, before the veteran's entry into training, with a copy of the employer's certification under this subsection and will obtain and retain the veteran's signed acknowledgment of having received such certification.

(12) That the program meets such other criteria as the Administrator may determine are essential for the effective implementation of the program established by this Act.

(e) A certification under subsection (d) shall include—

(1) a statement indicationg (A) the total number of hours of participation in the program of job training to be offered a veteran, (B) the length of the program of job training, and (C) the starting rate of wages to be paid to a participant in the program; and

(2) a description of the training content of the program (including any agreement the employer has entered into with an educational institution under section 8) and of the objective of the training.

(f)(1) Except as specified in paragraph (2), each matter required to be certified to in paragraphs (1) through (11) of subsection (d) shall be considered to be a requirement established under this Act.

(2)(A) For the purposes of section 8(c), only matters required to be certified in paragraphs (1) through (10) of subsection (d) shall be so considered.

(B) For the purposes of section 11, a matter required to be certified under paragraph (12) of subsection (d) shall also be so considered.

(g) In accordance with regulations which the Administrator shall prescribe, the Administrator may withhold approval of an employer's proposed program of job training pending the outcome of an investigation under section 12 and, based on the outcome of such an investigation, may disapprove such program.

(h) For the purposes of this section, approval of a program of apprenticeship or other on-job training for the purposes of section 1787 of title 38, United States Code, shall be considered to meet all requirements established under this Act for approval of a program of job training.

PAYMENTS TO EMPLOYERS; OVERPAYMENT

SEC. 8. (a)(1) Except as provided in paragraph (3) and subsection (b) and subject to the provisions of section 9, the Administrator shall make quarterly payments to an employer of a veteran participating in an approved program of job training under this Act. Subject to section 5(c) and paragraph (2), the amount paid to an employer on behalf of a veteran for any period of time shall be 50 percent of the product of (A) the starting hourly rate of wages paid to the veteran by the employer (without regard to overtime or premium pay), and (B) the number of hours worked by the veteran during that period.

(2) The total amount that may be paid to an employer on behalf of a veteran participating in a program of job training under this Act is $10,000.

(3) In order to relieve financial burdens on business enterprises with relatively few numbers of employees, the Administrator may make payments under this Act on a monthly, rather than quarterly, basis to an employer with a number of employees less than a number which shall be specified in regulations which the Administrator shall prescribe for the purposes of this paragraph.

(b) Payment may not be made to an employer for a period of training under this Act on behalf of a veteran until the Administrator has received—

(1) from the veteran, a certification that the veteran was employed full time by the employer in a program of job training during such period; and

(2) from the employer, a certification—

(A) that the veteran was employed by the employer during that period and that the veteran's performance and progress during such period were satisfactory; and

(B) of the number of hours worked by the veteran during that period.

With respect to the first such certification by an employer with respect to a veteran, the certification shall indicate the date on which the employment of the veteran began and the starting hourly rate of wages paid to the veteran (without regard to overtime or premium pay).

(c)(1)(A) Whenever the Administrator finds that an overpayment under this Act has been made to an employer on behalf of a veteran as a result of a certification, or information contained in an application, submitted by an employer which was false in any material respect, the amount of such overpayment shall constitute a liability of the employer to the United States.

(B) Whenever the Administrator finds that an employer has failed in any substantial respect to comply for a period of time with a requirement established under this Act (unless the employer's failure is the result of false or incomplete information provided by the veteran), each amount paid to the employer on behalf of a veteran for that period shall be considered to be an overpayment under this Act, and the amount of such overpayment shall constitute a liability of the employer to the United States.

(2) Whenever the Administrator finds that an overpayment under this Act has been made to an employer on behalf of a veteran as a result of a certification by the veteran, or as a result of information provided to an employer or contained in an application submitted by the veteran, which was willfully or negligently false in any material respect, the amount of such overpayment shall constitute a liability of the veteran to the United States.

(3) Any overpayment referred to in paragraph (1) or (2) may be recovered in the same manner as any other debt due the United States. Any overpayment recovered shall be credited to funds available to make payments under this Act. If there are no such funds, any overpayment recovered shall be deposited into the Treasury.

(4) Any overpayment referred to in paragraph (1) or (2) may be waived, in whole or in part, in accordance with the terms and conditions set forth in section 3102 of title 38, United States Code.

ENTRY INTO PROGRAM OF JOB TRAINING

SEC. 9. Notwithstanding any other provision of this Act, the Administrator may withhold or deny approval of a veteran's entry into an approved program of job training if the Administrator determines that funds are not available to make payments under this Act on behalf of the veteran to the employer offering that program. Before the entry of a veteran into an approved program of job training of an employer for purposes of assistance under this Act, the employer shall notify the Administrator of the employer's intention to employ that veteran. The veteran may begin such program of job training with the employer two weeks after the notice is transmitted to the Administrator unless within that time the employer has received notice from the Administrator that approval of the veteran's entry into that program of job training must be withheld or denied in accordance with this section.

PROVISION OF TRAINING THROUGH EDUCATIONAL INSTITUTIONS

SEC. 10. An employer may enter into an agreement with an educational institution that has been approved for the enrollment of veterans under chapter 34 of title 38, United States Code, in order that such insti-

tution may provide a program of job training (or a portion of such a program) under this Act. When such an agreement has been entered into, the application of the employer under section 7 shall so state and shall include a description of the training to be provided under the agreement.

DISCONTINUANCE OF APPROVAL OF PARTICIPATION IN CERTAIN EMPLOYER PROGRAMS

SEC. 11. If the Administrator finds at any time that a program of job training previously approved by the Administrator for the purposes of this Act thereafter fails to meet any of the requirements established under this Act, the Administrator may immediately disapprove further participation by veterans in that program. The Administrator shall provide to the employer concerned, and to each veteran participating in the employer's program, a statement of the reasons for, and an opportunity for a hearing with respect to, such disapproval. The employer and each such veteran shall be notified of such disapproval, the reasons for such disapproval, and the opportunity for a hearing. Notification shall be by a certified or registered letter, and a return receipt shall be secured.

INSPECTION OF RECORDS; INVESTIGATIONS

SEC. 12. (a) The records and accounts of employers pertaining to veterans on behalf of whom assistance has been paid under this Act, as well as other records that the Administrator determines to be necessary to ascertain compliance with the requirements established under this Act, shall be available at reasonable times for examination by authorized representatives of the Federal Government.

(b) The Administrator may monitor employers and veterans participating in programs of job training under this Act to determine compliance with the requirements established under this Act.

(c) The Administrator may investigate any matter the Administrator considers necessary to determine compliance with the requirements established under this Act. The investigations authorized by this subsection may include examining records (including making certified copies of records), questioning employees, and entering into any premises or onto any site where any part of a program of job training is conducted under this Act, or where any of the records of the employer offering or providing such program are kept.

(d) The Administrator may administer functions under subsections (b) and (c) in accordance with an agreement between the Administrator and the Secretary providing for the administration of such subsections (or any portion of such subsections) by the Department of Labor. Under such an agreement, any entity of the Department of Labor specified in the agreement may administer such subsections, notwithstanding section 4(b).

COORDINATION WITH OTHER PROGRAMS

SEC. 13. (a)(1) Assistance may not be paid under this Act to an employer on behalf of a veteran for any period of time described in paragraph (2) and to such veteran under chapter 31, 32, 34, 35, or 36 of title 38, United States code, for the same period of time.

(2) A period of time referred to in paragraph (1) is the period of time beginning on the date on which the veteran enters into an approved program of job training of an employer for purposes of assistance under this Act and ending on the last date for which such assistance is payable.

(b) Assistance may not be paid under this Act to an employer on behalf of an eligible veteran for any period if the employer receives for that period any other form of assistance on account of the training or employment of the veteran, including assistance under the Job Training Partnership Act (29 U.S.C. 1501 et seq.) or a credit under section 44B of the Internal Revenue Code of 1954 (26 U.S.C. 44B) (relating to credit for employment of certain new employees).

(c) Assistance may not be paid under this Act on behalf of a veteran who has completed a program of job training under this Act.

COUNSELING

SEC. 14. The Administrator and the Secretary may, upon request, provide employment counseling services to any veteran eligible to participate under this Act in order to assist such veteran in selecting a suitable program of job training under this Act.

INFORMATION AND OUTREACH; USE OF AGENCY RESOURCES

SEC. 15. (a)(1) The Administrator and the Secretary shall jointly provide for an outreach and public information program—

(A) to inform veterans about the employment and job training opportunities available under this Act, under chapters 31, 34, 36, 41, and 42 of title 38, United States Code, and under other provisions of law; and

(B) to inform private industry and business concerns (including small business concerns), public agencies and organizations, educational institutions, trade associations, and labor unions about the job training opportunities available under, and the advantages of participating in, the program established by this Act.

(2) The Secretary, in consultation with the Administrator, shall promote the development of employment and job training opportunities for veterans by encouraging potential employers to make programs of job training under this Act available for eligible veterans, by advising other appropriate Federal departments and agencies of the program established by this Act, and by advising employers of applicable responsibilities under chapters 41 and 42 of title 38, United States Code, with respect to veterans.

(b) The Administrator and the Secretary shall coordinate the outreach and public information program under subsection (a)(1), and job development activities under subsection (a)(2), with job counseling, placement, job development, and other services provided for under chapters 41 and 42 of title 38, United States Code, and with other similar services offered by other public agencies and organizations.

(c)(1) The Administrator and the Secretary shall make available in regional and local offices of the Veterans' Administration and the Department of Labor such personnel as are necessary to facilitate the effective implementation of this Act.

(2) In carrying out the responsibilities of the Secretary under this Act, the Secretary shall make maximum use of the services of State and Assistant State Directors for Veterans' Employment, disabled veterans' outreach program specialists, and employees of local offices appointed pursuant to sections 2003, 2003A, and 2004 of title 38, United States Code. The Secretary shall also use such resources as are available under part C of title IV of the Job Training Partnership Act (29 U.S.C. 1501 et seq.). To the extent that the Administrator withholds approval of veterans' applications under this Act pursuant to section 5(b)(2)(B), the Secretary shall take steps to assist such veterans in taking advantage of opportunities that may be available to them under title III of that Act or under any other program carried out with funds provided by the Secretary.

(d) The Secretary shall request and obtain from the Administrator of the Small Business Administration a list of small business concerns and shall, on a regular basis, update such list. Such list shall be used to identify and promote possible training and employment opportunities for veterans.

(e) The Administrator and the Secretary shall assist veterans and employers desiring to participate under this Act in making application and completing necessary certifications.

AUTHORIZATION OF APPROPRIATIONS

SEC. 16. There is authorized to be appropriated to the Veterans' Administration $150,000,000 for each of fiscal years 1984 and 1985 for the purpose of making payments to employers under this Act and for the purpose of section 18 of this Act. Amounts appropriated pursuant to this section shall remain available until September 30, 1986.

TERMINATION OF PROGRAM

SEC. 17. (a) Except as provided under subsection (b), assistance may not be paid to an employer under this Act—

(1) on behalf of a veteran who applies for a program of job training under this Act after September 30, 1984; or

(2) for any such program which begins after December 31, 1984.

(b) If funds are not both appropriated under section 16 and made available by the Director of the Office of Management and Budget to the Veterans' Administration on or before October 1, 1983, for the purpose of making payments to employers under this Act, assistance may be paid to an employer under this Act on behalf of an veteran if the veteran—

(1) applies for a program of job training under this Act within one year after the date on which funds so appropriated are made available to the Veterans' Administration by the Director; and

(2) begins participation in such program within 15 months after such date.

EXPANSION OF TARGETED DELIMITING DATE EXTENSION

SEC. 18. (a) Subject to the limitation on the availability of funds set forth in subsection (b), an associate degree program which is predominantly vocational in content may be considered by the Administrator, for the purposes of section 1662(a)(3) of title 38, United States Code, to be a course with an approved vocational objective if such degree program meets the requirements established in such title for approval of such program.

(b) Funds for the purpose of carrying out subsection (a) shall be derived only from amounts appropriated pursuant to the authorizations of appropriations in section 16. Not more than a total of $25,000,000 of amounts so appropriated for fiscal years 1984 and 1985 shall be available for that purpose.

EFFECTIVE DATE

SEC. 19. This Act shall take effect on October 1, 1983.

In lieu of the amendment of the Senate to the title of the bill, amend the title so as to read: "An Act to establish an emergency program of job training assistance for unemployed Korean conflict and Vietnam-era veterans, and for other purposes.".

Mr. BAKER. Mr. President, I ask unanimous consent that the amendments be considered and agreed to en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SIMPSON. Mr. President, I am pleased to present to the Senate for its favorable consideration, H.R. 2355, the proposed Emergency Veterans' Job Training Act of 1983. This bill is designed to alleviate the critical unemployment problems which persist among veterans of the Korean conflict and the Vietnam era.

Mr. President, this bill in its present form is an amalgam of three different bills introduced this spring to establish a form of emergency job training assistance for unemployed veterans: H.R. 2355, introduced on March 24, 1983, by Congressman MARVIN LEATH, chairman of the Subcommittee on Education, Training, and Employment of the House Committee on Veterans' Affairs; S. 992, introduced on April 6, 1983, by my friend and the distinguished ranking minority member of the Senate Committee on Veterans' Affairs (Mr. CRANSTON); and S. 1033, introduced by me as chairman of the Veterans' Affairs Committee on April 12, 1983. H.R. 2355 was passed by the House on June 7, and by the Senate, with an amendment, on June 15. The Senate amendment was essentially the text of S. 1033, as reported by the Veterans' Affairs Committee on May 19, 1983. The differences between the House-passed version and the Senate-passed version of H.R. 2355 have now been resolved and embodied in a compromise agreement between the two authorizing committees. Yesterday, the full House approved the compromise agreement, as a House amendment to the Senate amendment to H.R. 2355.

Mr. President, this measure is now before the Senate as a privileged matter in lieu of a formal conference report. I urge that the Senate concur in the amendment of the House and send this measure on to the President for his signature.

Mr. President, both the House and Senate versions of this legislation adopted the same basic approach: That being to establish, in response to severe unemployment problems caused among veterans by the present recession, a new, emergency program of job training for certain veterans, under which payments would be made to employers as incentives to hire and train veterans who have been unemployed for long periods of time. Under both versions, the VA and the Department of Labor would share in the administrative duties, and the program, consistent with its emergency nature, would be closed to new applicants by the end of fiscal year 1984. The differences between the two versions were, for the most part, not substantial, but they were fairly numerous. For a detailed discussion of all those differences, and their resolution, I would refer my colleagues to the "explanatory statement of House bill, Senate amendment (S. 1033), and compromise agreement on H.R. 2355, the Emergency Veterans' Job Training Act of 1983." I ask unanimous consent that the explantory statement appear in the RECORD at the conclusion of my remarks. At this point, I will simply highlight three of the major differences and the ways in which they have been resolved.

First, on the issue of eligibility: The House bill would have been open to all veterans of the Vietnam era, as well as to certain veterans with service-connected disabilities incurred at any time during or after the Vietnam era, while the Senate amendment would have specifically targeted three groups of wartime veterans—that is, not only veterans of the Vietnam era, but also those of the Korean conflict and World War II. Under the compromise agreement, veterans of the Vietnam era and the Korean conflict would be eligible, as long as they have either served a minimum of 180 days or have a service-connected disability.

Second, the House bill contained a vocational training program, separate from and in addition to the on-the-job training program of payments to employers contained in both bills. Benefits of up to $500 a month have been payable directly to a veteran pursuing an associate degree program at a vocational school. The compromise agreement does not contain this provision, but does contain two related provisions, the first permitting employers to arrange for some or all of their job training programs to be carried out at such a school, and the second expanding certain existing GI bill eligibility for Vietnam-era veterans in order to pursue associate degree programs which are predominantly vocational in content, subject to certain funding limitations in the compromise agreement.

And third, on the issue of the total cost of the legislation, the House bill would have authorized total appropriations of $325 million—of which $25 million would have been for the final quarter of fiscal year 1983, and $150 million for each of fiscal years 1984 and 1985—while the Senate amendment would have authorized total appropriations of $150 million for fiscal year 1984. The compromise agreement contains a total authorization figure of $300 million—$150 million for fiscal year 1984, and $150 million for fiscal year 1985. These are the amounts that were approved particularly for the purpose of this legislation by the full Congress earlier this summer in the First Concurrent Resolution on the Budget for Fiscal Year 1984, House Concurrent Resolution 91. Since it would be impracticable to expect that the program could be implemented any earlier than the start of the new fiscal year, no authorization was included in the compromise agreement for fiscal year 1983.

Mr. President, I wish to take this opportunity to expand on the discussion contained in the explanatory statement of certain issues presented by the compromise agreement. First, on the issue of the proper division of administrative responsibilities between the VA Administrator and the Secretary of Labor, the compromise agreement would on cursory examination appear to provide the lion's share of the responsibilities to the VA, while involving the Labor Department in only a few specific areas, such as information and outreach. As I have noted in the past, I believe strongly that the recently expanded authority and abilities of the Department of Labor, and specifically the Office of the Assistant Secretary for Veterans' Employment, suggest a special competence to deal with various aspects of this legislation. In fact, the original version of S. 1033 as introduced by me reflected this view by basically designating the Department of Labor as the lead agency for purposes of administering this program. However, it later became clear through our hearings and discussions with agency personnel that the VA was best suited to handle the program funding and to carry out the actual disbursement of checks. Accordingly, the VA has been designed to receive the necessary appropriations and to issue payments. The compromise agreement's further designation of the Administrator as having primary administrative responsibility in most other areas, except where specifically reserved to the Secretary of Labor, flows, I believe, naturally and directly from the Administrator's funding responsibilities, and does not, in my view, significantly detract from the important role that can and should be played by the Department of Labor. Joint administration often may sound attractive in theory, but for purposes of swift implementation and ready accountability, I do agree that it is appropriate to designate one agency as the lead agency, and the VA—as the agency holding the pursestrings—should be that agency. But I would note and emphasize that there is nothing in the compromise agreement which would preclude either the Administrator or the Secretary from assigning, contracting or delegating their duties to another entity in order to expedite or improve the implementation or administration of the program established under the compromise agreement—and certainly nothing to preclude consultation or cooperation on any issue that may arise under the act. Thus, although the

compromise agreement provides no fully defined specific role for the Department of Labor in the area of, for example, approval of veteran applications, it would be my expectation that the VA would work together with the Department of Labor in establishing and implementing the necessary administrative mechanisms for determining whether a veteran meets the unemployment criteria for eligibility.

With regard to the Administrator's authority to conduct investigations of applications under the act, the compromise agreement would specifically authorize the Administrator to withhold approval of an employer's application pending an investigation, and, based on the outcome of the investigation, to deny approval. I would point out that although the eligibility criteria for veterans are far less numerous and complex than the approval criteria for employer programs of job training—so that there may be expected to be a less compelling and less frequent need for thorough prior investigations—nothing in the compromise agreement would preclude a similar withholding or denial of approval pending the investigation with regard to applications by veterans. I would emphasize, however, that such a process should be governed by the same rules as were recommended in the Senate report on S. 1033—Report No. 98-132, at page 17—regarding employer applications; namely, that this investigation authority should be exercised sparingly, in two types of situations—first, where circumstances suggest a reasonable doubt about some aspect of a particular applicant's ability to comply with the requirements established under the act; and second, through a program of random checks designed to determine whether the information contained in the application is correct and the matters certified are as they have been certified to be.

One of the approval criteria established under the compromise agreement—section 7(d)(11)—is derived from a provision in the House bill which would have required the employer to certify that the specifics of the employer's training program be stated in a written agreement signed by the employer and the veteran. As modified in the compromise agreement, this provision would require the employer to furnish the veteran with a copy of the employer's certification—which would contain all the specifics of the proposed training program—and to obtain from the veteran a signed acknowledgement of receipt of the certification. In connection with this modification, I would emphasize that, although I believe it is appropriate and desirable to provide a veteran with a full and timely description of the program of job training which the veteran is preparing to undertake, I would emphasize that there is no intention on the committees' part to create a private contractual relationship between the veteran and the employer—or to establish any private rights of action between them—for enforcement of the requirements of the compromise agreement.

Another criterion included in the compromise agreement—section 7(d)(4)—and derived from the House bill would require the employer to certify that training will not be offered to a veteran who is already qualified for the job for which training is to be provided. In the explanatory statement, the committees note that an employer would have satisfied this requirement by conducting a "reasonable, good-faith inquiry" into a veteran's qualifications. As an example of such a reasonable inquiry, I would suggest that an employer who has in good faith sought information regarding the veteran's prior work experience, has made appropriate contact with previous employers of the veteran, and has conducted some independent evaluation or testing of the veteran's abilities and aptitudes, might be considered to have satisfied the requirements of this provision.

One final area of the compromise agreement upon which I wish to comment involves the issue of overpayments. The House bill would have established liability for overpayments, with respect to both employers and veterans, where the party involved submitted materials which were willfully or negligently false. Under the Senate amendment, overpayment liability would have attached without regard to the applicant's state of mind, wherever the material submitted was false or clearly unsupportable in any material respect. The compromise agreement strikes a balance midway between these two provisions, with the House standard of proof—that is, willfully or negligently false—assigned in cases where the overpayment is caused by the veteran, and a standard derived from the Senate standard—that is, "false in any material respect," or failure "in any substantial respect to comply" with a requirement of the act—assigned in cases where the employer has caused the overpayment. In my view, this balance is appropriate in order to reflect both the existing comparable practice under title 38 and the purposes of the compromise agreement. Under section 1785 of title 38, which relates to overpayments of educational assistance paid to a veteran by the VA, the direct payee—the veteran—is liable for the overpayment without regard to fault or state of mind, while the indirect payee—the educational institution—is liable only for overpayments resulting from certain willful or negligent conduct. Under the present act, the roles are reversed—with the institutional entity as direct payee, and the veteran as indirect payee—so that it is found to be appropriate to reverse the standards of proof correspondingly. This approach also emphasizes that, although the program established under the act is one of payments to employers, the ultimate and primary intended beneficiaries of the program are the veterans participating in it, and that it would not be appropriate for any right to assistance under the act to be vested in any employer other than as specifically authorized under the act.

Mr. President, I believe that this legislation represents an excellent compromise between the House and Senate measures—retaining the best elements of both. I think that the compromise process on this occasion was greatly enhanced by the remarkable unity of purpose and program similarity between the two measures, with the result that the bulk of the issues to be resolved in House-Senate discussions involved questions not so much of what our goals were, but of how best to implement our shared goal.

In this vital process, I have in particular enjoyed the fine cooperation and support of my good friends and colleague on the Veterans' Affairs Committee, ALAN CRANSTON, Congressman MARVIN LEATH, the original sponsor of H.R. 2355 in the House, and my fine friend and colleague Congressman SONNY MONTGOMERY, chairman of the House Veterans' Affairs Committee. In addition, the tireless and skilled efforts of the staffs of the House and Senate Veterans' Affairs Committees were indispensable and are greatly appreciated.

I would like to extend my special appreciation to Tom Harvey, Julie Susman and Scott Wallace of the Senate committee majority staff, to Jon Steinberg, Ed Scott and Babette Polzer of the minority staff, and to Mack Fleming, Frank Stover and Jill Cochran of the House Veterans' Affairs Committee staff. Valuable technical assistance—particularly in the early stages of this legislation—was provided by Joe Juarez of the Office of the Assistant Secretary for Veterans' Employment in the Department of Labor. Finally, the members and staffs of both committees owe a special debt of appreciation to Bob Cover of the House Office of Legislative Counsel, for his fine drafting assistance in compiling the compromise agreement.

Mr. President, I strongly urge my colleagues to join me in supporting this important legislation.

Mr. THURMOND. Mr. President, I rise in strong support of this highly meritorious legislation which would establish a new emergency program of job training for certain unemployed wartime veterans.

I want to commend my distinguished colleague from Wyoming, the chair-

man of the Veterans' Affairs Committee, and the distinguished ranking minority member of the Veterans' Affairs Committee for their many efforts in developing this legislation.

Mr. President, as we all know, the high unemployment rates of the past several years are now beginning to fall as the economy rebounds from the recession. However, the unemployment rate among Vietnam-era veterans remains high. There are also many Korean veterans who have been displaced from their jobs and must acquire new skills in order to achieve meaningful employment.

In order to assist these deserving veterans, this program would provide incentives in the form of payments to employers who hire and train eligible veterans who have been umemployed 15 out of the 20 weeks immediately preceding their application for participation in the program. The program will be carried out by the Administrator of Veterans' Affairs and the Secretary of Labor, through the Assistant Secretary of Labor for Veterans' Employment.

Mr. President, earlier this year the Congress enacted Jobs legislation to assist the Nation's unemployed to return to the work force. However, that legislation was not targeted in any way to assist the Nation's veterans. Our veterans are a very special group of citizens to whom we owe a great deal, for without their service and sacrifice, we would not enjoy the freedoms that we have today.

I therefore, strongly support this fine employment assistance program for veterans, and I urge the support of my colleagues.

"EMERGENCY VETERANS' JOB TRAINING ACT OF 1983"

Mr. CRANSTON. Mr. President, as the ranking minority member of the Committee on Veterans' Affairs and as the coauthor in the Senate of the pending measure, I am pleased to rise and join with the distinguished chairman of the Veterans' Affairs Committee, my good friend from Wyoming (Mr. SIMPSON), in urging the Senate to approve the amendments of the House to the amendments of the Senate to H.R. 2355, the proposed Emergency Veterans' Job Training Act of 1983. The provisions of the House substitute amendment to the text embody a compromise agreed to after extensive negotiations between the two Veterans' Affairs Committees.

The compromise agreement is derived from provisions contained in H.R. 2355 as passed by the House on June 7 and from the substitute amendment passed by the Senate on June 15, which incorporated the provisions of S. 1033, the proposed Veterans' Emergency Job Training Act of 1983, as reported. The Senate amendment to the original House-passed bill was an amalgam of the bills that our distinguished committee chairman (Mr. SIMPSON) and I introduced in April, S. 1033 and S. 992, respectively.

Mr. President, the compromise agreement represents a most equitable resolution of the differences between the two bodies on this legislation. In fact, I truly believe that the compromise represents a better legislative product than did either the House or Senate versions. The Senate's position on the matters addressed in the compromise—including a number of key provisions derived from a measure that I introduced on April 6, S. 992, the proposed Veterans Emergency Retraining Act of 1983—are well represented in the final agreement. The committees, both majority and minority members, have worked closely together in achieving this compromise. The end result is, as was the original Senate-passed measure, a bipartisan demonstration of our committees' continuing concern for and commitment to our Nation's veterans.

When I introduced S. 992 earlier this year and again at the time of the committee's hearing on jobs legislation on April 20, I set forth three basic elements that I believed were vital for inclusion in the program that the committee was developing and which I urged be used as the basis for consideration of legislation in this area.

First, that the program be competitive with other job training programs conducted by the Federal Government—particularly those conducted under the Job Training Partnership Act. The compromise agreement as presented to the Senate today meets that test by assuring that the level of training assistance—50 percent of starting wages—is comparable to the assistance available under the JTPA program.

Second, that the program should avoid costly and time-consuming administrative requirements and rigidities so as not to discourage potential employers from participating in it and should keep redtape, delays, and paperwork to a minimum. Again, the compromise agreement does this by incorporating the Senate bill's approach to approval of job training programs.

Indeed, I am delighted that a number of the basic provisions of my measure, S. 992, regarding administrative flexibility for employers through a simplified approval process based on employer certifications, rather than preapproval investigations, have been incorporated into the compromise agreement. Likewise, I am also very pleased with the compromise reached on the veterans who would be eligible for participation under the bill—including Korean-conflict veterans along with Vietnam-era veterans—and with the House's agreement to assign to the Department of Labor the lead role in job development under the legislation.

Mr. President, the third basic element that I set forth was, as I noted at the time that the measure first passed the Senate, not met by either the House- or Senate-passed measures—that is, that the program be established as a temporary, limited entitlement not requiring an appropriation before it could begin, rather than as an authorization of appropriations. I believed strongly that reliance on an authorization of appropriations ran a substantial risk of the program never being funded, of funding being delayed, or of the program being funded at a level substantially less than the authorized level. At best, I felt that an authorization approach could serve to delay substantially the implementation of the program authorized by the legislation.

However, when my amendment for this approach failed on a 6-to-6 tie vote in committee, I sought to ameliorate that problem by urging in a June 8, 1983, letter—in which my good friend, our committee chairman (Mr. SIMPSON), joined me—to the Senate Appropriations Committee that the committee include in the VA's fiscal year 1984 appropriations $150 million for a veterans' job program pending the final enactment of authorizing legislation. Thereafter, as my colleagues may recall, the Senate approved the additional $150 million for this purpose—as a result of an amendment by the distinguished Senator from Arizona (Mr. DECONCINI) which was adopted during Appropriations Committee consideration of H.R. 3133, the HUD-Independent Agencies Appropriations Act, 1984. Unfortunately, because of a threatened Presidential veto, the funds were deleted during conference on that measure—but, as noted by the conferees in the joint explanatory statement—this was done without prejudice pending the enactment of authorizing legislation.

Mr. President, on June 29, after the conferees deleted this funding, both the Senator from Wyoming (Mr. SIMPSON) and I expressed our concerns about this action to the chairman of the HUD-Independent Agencies Appropriations Subcommittee (Mr. GARN) during debate on the conference report on H.R. 3133. He agreed with me that it was likely that funding would be forthcoming in the continuing resolution once the authorizing legislation was enacted. He also agreed that the VA and the Department of Labor should begin then—

Taking all steps necessary—including such matters as developing the interagency arrangements necessary to insure that VA and Labor Department activities to carry out the program will mesh smoothly, preparing regulations and directives and other programmatic guidance for field personnel, planning for the training of program personnel, and developing computer and other

support activities—to gear up for putting the program into operation in October.

In this regard, I want to stress the position of the House and Senate Committees on Veterans' Affairs, as set forth in the explanatory statement that the distinguished chairman of the Senate committee has inserted in the RECORD, that the committees "expect that the entire $150 million authorized for fiscal year 1984 will be appropriated in the continuing resolution for fiscal year 1984." This congressional action—together with VA and Department of Labor efforts, which the committees urged in the explanatory statement be undertaken immediately, to prepare for implementation of the program—should mean that this new program designed to assist certain long-term unemployed veterans can get underway on or very soon after October 1 of this year.

Against this background, although I would prefer the limited entitlement approach that I proposed in committee, I fully support the pending compromise which authorizes the appropriation of $150 million for the program in each of fiscal years 1984 and 1985.

I also want to note that the explanatory statement inserted in the debate in both Houses on the compromise agreement contains the definitive legislative history for and the underlying intention of the committees in proposing the compromise agreement, in the same way as would a joint explanatory statement accompanying a conference report where a formal conference occurs.

Mr. President, before concluding my remarks, I want to take a moment to extend my deepest thanks to those who worked so diligently on this measure—both for their efforts and the cooperation and courtesy that was extended to me and the members of the committee's minority staff. Of course, the distinguished chairmen of both the committees, Senator SIMPSON and Congressman MONTGOMERY, deserve congratulations on the development of this measure, as does the ranking minority member (Mr. HAMMERSCHMIDT) of the House Veterans' Affairs Committee and the author of the House bill (Mr. LEATH), who serves as chairman of that committee's Subcommittee on Education, Training and Employment, and the subcommittee's ranking minority member (Mr. SOLOMON).

In addition, the excelllent work on this measure of the staff members of the House Committee—Mack Fleming, Frank Stover, Jill Cochran, and Rufus Wilson—as well as the splendid technical assistance of Robert Cover, assistant counsel, Office of the House Legislative Counsel, was invaluable and is deeply appreciated. Finally, I want to make special mention of the very fine work done by the Senate committee staff in developing this measure—by Scott Wallace, Julie Susman, and Tom Harvey of the majority staff and by Babette Polzer, Ed Scott, and Jon Steinberg of the minority staff.

Mr. President, it is particularly gratifying to note the speed with which the Congress has acted in connection with this legislation. Indeed, only 5 months have passed since the Veterans' Affairs Committee unanimously approved a motion I made on March 1 to add $150 million to our recommendations to the Budget Committee for the fiscal year 1984 budget in order to permit us the latitude to consider a program of special training and job assistance to unemployed and underemployed veterans. That amount was subsequently approved by the Budget Committee and both the Senate and the House in the first concurrent resolution for fiscal year 1984. At the same time as we sought to secure that budgetary latitude, we were developing the legislation and seeking to obtain appropriations for it, as I have just described.

With final passage of this measure at hand, I believe that Congress has demonstrated once again its ability to respond promptly and effectively to the needs of those who have served the Nation during time of war and to continue to fulfill our deep moral commitment to them as honored veterans.

Despite the administration's strong opposition to this legislation throughout its development in the Congress, a Presidential veto would be futile in light of the overwhelming, bipartisan support for this measure in both Houses.

Mr. President, the compromise agreement now before the Senate is an excellent one, and it has my complete support.

VETERANS EMERGENCY JOB TRAINING

Mr. BOSCHWITZ. Mr. President, we are about to pass the conference report on the new veterans emergency Job Training Act.

This bill, which I am a cosponsor of, was designed by the Veterans Affairs Committee to address the serious unemployment problems of wartime veterans.

Unemployment among wartime veterans hit its highest level since World War II in February, and although unemployment overall has been declining since then, there still exists a very real problem. In fact, the unemployment rate amongst the youngest Vietnam vets (ages 25 to 29) remains double the national rate of nonveterans.

This act will provide funds to provide on-the-job training for unemployed veterans of the Korean and Vietnam wars. Under this act, the VA will assist employers with the cost of training the veteran. The training period can be no longer than 9 months, or 15 months in the case of service-connected disabled veterans. The training assistance moneys to be paid to the employer will be 50 percent of the vets wages during the training period, up to a $10,000 total.

We have set $300 million as the spending level—to be obligated over 2 years. The program itself is designed to remain open to new participants through fiscal year 1984, although payments can continue through fiscal year 1985.

Mr. President, this act is an excellent interim program that will help unemployed wartime vets as we come out of the recession. I am a strong supporter of this legislation and I am pleased to see that Congress is willing to enact it.

Mr. BAKER. Mr. President, I ask unanimous consent that an explanatory statement of the House bill and the Senate amendment and the compromise agreement on H.R. 2355 appear in the RECORD appropriately placed.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

EXPLANATORY STATEMENT OF HOUSE BILL, SENATE AMENDMENT (S. 1033), AND COMPROMISE AGREEMENT ON H.R. 2355, THE "EMERGENCY VETERANS' JOB TRAINING ACT OF 1983"

This explanatory statement explains the provisions of H.R. 2355 as passed by the House of Representatives, the provisions of the bill as passed by the Senate with an amendment incorporating the provisions of S. 1033 as reported, and the provisions of a compromise agreed to by the Committees. The differences between the House bill, the Senate amendment, and the compromise agreement are noted below, except for clerical corrections, conforming changes made necessary by agreements reached between the Committees, and minor drafting, technical, and clarifying changes.

This explanatory statement is being presented in lieu of a joint explanatory statement of a committee of conference.

GENERAL

Both the House bill and the Senate amendment would establish a new, emergency program of job training for certain veterans, providing a system of payments to employers who hire and train eligible veterans who have been unemployed 15 out of the 20 weeks immediately preceding their application for participation in the program. Both would provide some administrative role for both the Veterans' Administration and the Department of Labor. Finally, the program established by the House bill and the Senate amendment would generally be closed to new applicants at the end of fiscal year 1984.

STATUTORY FORMAT

The House bill is in the form of a free-standing law. The provisions of the Senate amendment establishing the new program would be set forth in a new chapter 44 proposed to be added to title 38, United States Code.

The Compromise agreement adopts the format of the House bill.

Hereinafter, citations to provisions in the Senate amendment that would be set forth in the proposed new chapter 44 of title 38 are made by reference to the "new section" number in title 38. For example, the refer-

ence to proposed new section 2102 of title 38 is referred to as "new section 2102".

PURPOSE

The House bill (section 2(b)) states the purpose of the legislation in terms of promoting job training and employment of unemployed Vietnam-era and disabled veterans; the Senate amendment (new section 2101), in terms of addressing veterans' unemployment problems by providing employers with financial incentives to employ and train certain unemployed wartime veterans.

The House bill (section 2 (a) and (c)), but not the Senate amendment, also contains Congressional findings relating to the need for this legislation and would require the Administrator of Veterans' Affairs and the Secretary of Labor to administer the new program in a vigorous and expeditious manner.

The compromise agreement (section 2) follows the Senate amendment.

ADMINISTRATION OF PROGRAM

The House bill (section 4) would provide that the program shall be carried out by the Administrator in cooperation with the Secretary of Labor.

The Senate amendment (new section 2102) would provide that the program shall be carried out by the Administrator, jointly with the Secretary, and that the respective responsibilities of each must be specified in an interagency agreement (with certain responsibilities required to be assigned as specified in the legislation) entered into within 60 days after enactment but in no event later than October 1, 1983.

The compromise agreement (section 4(a)) would provide that the program established under this Act shall be carried out by the Administrator and, to the extent specifically provided in the Act, the Secretary.

As noted below under the heading "INSPECTION OF RECORDS; INVESTIGATIONS", the compromise agreement specifies (section 12(d)) that the Administrator may elect to enter into an agreement with the Secretary providing for Department of Labor entities specified in the agreement to carry out certain responsibilities of the Administrator relating to the monitoring of compliance (section 12(b)), and the conduct of any investigations necessary to determine compliance (section 12(c)). The compromise agreement also (section 15) assigns to the Secretary primary responsibility for promoting the development of employment and job training opportunities and joint responsibilities with the Administrator with respect to outreach and public information and assisting veterans and employers in applying to participate in the new program, and (section 14) authorizes the Secretary to provide certain employment counseling services.

An important goal of the Committees has been to minimize the administrative obstacles to swift implementation of the program, in order that veterans and employers might be brought into the program as expeditiously as possible, consistent with the emergency nature of this legislation.

The Senate amendment (new section 2102(c)), but not the House bill, would provide that the Secretary of Labor shall carry out the Secretary's responsibilities through the Assistant Secretary of Labor for Veterans' Employment established under section 2002A of title 38.

The compromise agreement (section 4(b)) contains this provision.

ELIGIBILITY FOR PROGRAM

The House bill (section 3(1)) would provide eligibility for veterans of the Vietnam era, as defined in section 101(29) of title 38 (the period beginning August 5, 1964, and ending on May 7, 1975), and for disabled veterans entitled to receive service-connected disability compensation from the VA for a disability incurred or aggravated any time after August 4, 1964.

The Senate amendment (new section 2103(a)) would provide eligibility for veterans of World War II (defined in section 101(8) of title 38 as the period beginning December 7, 1941, and ending December 31, 1946), the Korean conflict (defined in section 101(9) of title 38 as the period beginning June 27, 1950, and ending January 31, 1955), and the Vietnam era. Service during those periods would be specifically defined by reference to entitlement standards established under the GI Bills of those periods—generally, that the veteran was discharged under conditions other than dishonorable, and met certain minimum-service requirements: World War II—90 days; Korean conflict—90 days; and Vietnam era—180 days. These minimum service requirements would not be applicable to veterans discharged for service-connected disabilities.

Under both the House bill (section 5(a)) and the Senate amendment (new section 2103(a)), eligibility would further be conditioned upon the veteran having been unemployed not not less than 15 of the last 20 weeks at the time of applying for participation in the program. A veteran would be considered "unemployed" when the veteran is without a job (to be determined, under the House bill, in accordance with the criteria used by the Bureau of Labor Statistics of the Department of Labor) and wants and is available for work. Under the Senate amendment, but not the House bill, eligibility would be further conditioned upon the veteran being unemployed when applying to participate. As an alternative to unemployment for 15 out of 20 weeks, the Senate amendment, but not the House bill, would provide eligibility to an unemployed veteran who has been terminated or laid off from employment, is eligible for or has exhausted entitlement to unemployment compensation, and has no realistic opportunity to return to employment in the same or a similar occupation in the geographical area where the veteran previously held employment.

The compromise agreement (section 5(a)) would provide eligibility for a Korean conflict or Vietnam-era veteran who is unemployed and has been unemployed for at least 15 of the 20 weeks immediately preceeding the date of application for participation in a program of job training. The term "Korean conflict or Vietnam-era veteran" would be defined to mean a veteran who served for one day or more during either of those periods and who (1) has served at least 181 days or (2) was discharged from service for a service-connected disability or is entitled to compensation for a service-connected disability. The term "unemployed" would apply to any period during which the veteran is without a job and wants and is available for work.

Although the compromise agreement does not contain the language from the House bill mandating the use of criteria from the Bureau of Labor Statistics in determining whether a veteran is without a job, it is the Committees' general contemplation that these criteria will be applied. However, the Committees wish to emphasize their intention that the fact that a veteran is or has been a "discouraged worker"—i.e., one who ceased looking for work because he or she believed none was available—should in no way preclude participation in the new program.

VETERANS' APPLICATIONS

Both the House bill (section 5(b)) and the Senate amendment (new section 2103(b)) would require that veterans seeking to participate in a program of job training submit an application in such form and containing such information as is prescribed administratively. The Senate amendment, but not the House bill, would require the application to specify the training objective to be pursued.

The compromise agreement (section 5(b)(1)) follows the House bill with modifications that would clarify that a veteran's application is not for participation in a particular employer's program of job training and would require that an application contain the veteran's certification regarding unemployment status and military service requirements.

APPROVAL OF VETERANS' APPLICATIONS

The House bill (section 5(b)) would provide that an application of a veteran may not be approved if it is found that the veteran is already qualified for the job for which the training would be provided.

The Senate amendment (new section 2103(b)) would provide that a veteran's application must be approved unless it is found that the veteran either is not eligible or is already qualified for the specified training objective. In addition, under the Senate amendment, a veteran who has been determined to be eligible would be certified as such and would be furnished with a copy of a certificate of eligibility for presentation to an employer offering a program of job training.

The compromise agreement (section 5(b)(2)) follows the Senate amendment with three modifications:

First, the provision for disapproval of the veteran's application if the veteran is already qualified for the training objective is deleted. The Committees recognize that at this early stage of determining a veteran's basic eligibility, it would often be premature to require veterans to commit themselves to a particular training objective. The goal of precluding the payment of training assistance under this legislation on behalf of veterans who are already qualified in the proposed field of training should be adequately served by the requirement, derived from the House bill and contained in section 7(d)(4) of the compromise agreement (discussed below), that an employer certify that training will not be provided to veterans who are already qualified.

Second, approval of the veterans' application could be withheld if the Administrator determines that such withholding of approval is necessary in order to limit the number of veteran participants in a program of job training under this measure where it is determined that sufficient funds are not available to permit that veteran's participation. This change is designed to clarify the Administrator's authority to ensure that spending under the program does not exceed the funds appropriated. It corresponds to section 9 of the compromise agreement, which gives the Administrator authority to withhold or deny approval of an eligible veteran's entry into a program of job training on the basis of funding limitations. Thus, the Act contains two separate mechanisms for controlling obligations within the bounds of available funds: as an initial safeguard, the pool of veteran appli-

cants having certificates may be limited, and, at a subsequent point in the pre-obligation process, the entry of veterans previously certified as eligible into VA-assisted training may be postponed or stopped in order to keep obligations within those bounds.

Third, the certificate of eligibility furnished to the veteran would be valid for only 60 days, would be required to specify the dates of issuance and expiration, and could be renewed upon application by the veteran. This provision is designed to provide both the Administrator and employers with a mechanism for ensuring that a veteran's eligibility is reasonably current and the Administrator with a further mechanism for estimating potential obligations of funds. Consistent with the provisions of section 10 of the compromise agreement, the Committees intend that the certificate also specify that it is subject to the availability of funds, that a veteran may not enter an approved program of job training under it until the employer has given the VA two weeks notice of intention to enter the veteran into such training, and any other matters that would be useful from the standpoint of the effective implementation of this legislation.

DURATION OF ASSISTANCE

The House bill (section 5(c)) would provide that training assistance could be paid for a period of up to twelve months in the case of a veteran with a service-connected disability rated at 30 percent or more, or, in the case of any other eligible veteran, for a period of six months with up to an additional six months of assistance available at the discretion of the Administrator.

Under the Senate amendment (new section 2104(b)), the maximum period of assisted training would be twelve months, except that an additional six months could be allowed for veterans with service-connected disabilities rated either at 30 percent or more or at 10 or 20 percent if the veteran has been determined to have a serious employment handicap under section 1506 of title 38, relating to vocational rehabilitation for certain veterans with service-connected disabilities.

The compromise agreement (in section 5(c)) contains the following maximum training-period provisions: fifteen months—across the board, without the need for individual extensions—in the cases of certain veterans with service-connected disabilities rated either at 30 percent or more or at 10 or 20 percent if the veteran has been determined to have a serious employment handicap under section 1506 of title 38, and nine months in the cases of other veterans.

EMPLOYER JOB TRAINING PROGRAMS

The House bill (section 6(a)) would provide that, to qualify as a program for which assistance may be paid, a program of job training must provide training for a period of at least six months. Under the Senate amendment (new section 2104(a)), an assisted program must generally be for no less than six months, except that a program of between three and six months could be approved where the purposes of the program would otherwise be met.

The compromise agreement (section 6(a)) follows the Senate amendment.

The House bill (section 6(b)) would provide that an eligible veteran may select an approved program of job training with any employer. Under the Senate amendment (new section 2105(c)), an eligible veteran may accept an approved program offered to the veteran by any employer.

The compromise agreement (section 6(b)) provides that a veteran approved for participation and having a current certificate of eligibility may enter any approved program offered to the veteran by the employer.

The Senate amendment (new section 2104(a)), but not the House bill, would require that in order to qualify as a program of job training, an employer's program must offer training in an occupation in a growth industry, an occupation requiring the use of new technological skills, or an occupation for which demand for labor exceeds supply.

The compromise agreement (section 6(a)(1)) contains this provision. The committees intend that the Administrator shall construe these terms liberally—that is, in the case of an occupation with respect to which there is some doubt as to whether it should be included in one of these three categories, that doubt should be resolved in favor of including it. In case of such doubt, it might be useful for the Administrator to consult with the Secretary of Labor or other appropriate entity in construing the statutory terms.

APPROVAL OF EMPLOYER PROGRAMS

APPROVAL PROCESS

The House bill (section 8) would establish basically a two-step approval process for programs of job training. First, the employer would submit a written application containing a certification that certain criteria would be met; and, second, the Administrator would be required to conduct an investigation regarding the criteria for approval in order to determine whether the criteria are met.

The Senate amendment (new section 2105(c)) would require the employer to submit with the application a certification that all applicable criteria for job training programs would be met, and would essentially eliminate the requirement for the second step under the House bill, by mandating generally that a proposed program of job training with respect to which the application and certification comply on their face with the requirements of the legislation be approved without the need for any prior investigation. Investigation would be authorized, but not required, and approval of the proposed program being investigated could be withheld pending the outcome of the investigation, whereupon, depending on the outcome, the program could be disapproved.

The compromise agreement (section 7(a)(2) and (g)) follows the Senate amendment. The Committees believe that this approach will minimize administrative difficulties, enhance the attractiveness of the program to employers, and expedite implementation of the program. To the extent that such limited prior approval proves to be a less effective safeguard than mandatory prior investigation, the Committees believe that the post-approval safeguards in the compromise agreement—including the authorities regarding inspection of records, monitoring, investigation, discontinuance of approval, periodic certifications connected with each payment of assistance, and overpayment remedies with respect to both employers and veterans, as well as the availability of civil penalties under the Federal False Claims Act (31 U.S.C. § 3729-31) and criminal penalties under the Federal False Statement Act (18 U.S.C. § 1001)—should be sufficient to ensure that the requirements of this legislation will be able to be properly enforced so that limited resources will not be expended for nonqualified programs of training.

CRITERIA FOR APPROVAL OF EMPLOYER PROGRAMS

Both the House bill (section 9) and the Senate amendment (new section 2107) would preclude assistance to programs of job training for employment in seasonal, intermittent, or temporary jobs (the House bill, but not the Senate amendment, providing an exception for seasonal jobs as determined to be appropriate), for employment under which commissions are the primary source of income, for employment involving political or religious activities, or where the training program would be carried out outside the United States. The House bill (section 6(b)), but not the Senate amendment, would exclude employers other than for-profit private employers. The Senate amendment (new section 2107(4)), but not the House bill, would exclude federal agencies.

The compromise agreement (section 7(b)) follows the Senate amendment.

The House bill (section 8(b)(3)) would require the employer to certify that there is a reasonable certainty that a position of the type for which the veteran is to be trained will be available to the veteran at the end of the training period.

The Senate amendment (new section 2105(b)(1)) would require the employer to certify that the employer has planned for the employment of the veteran in an appropriate position at the conclusion of the training period, and that the employer has no reason to expect that such a position will not then be available to the veteran on a stable, permanent basis.

The compromise agreement (section 7(d)(1)) follows the Senate amendment.

Both the House bill (section 8(b)(1)) and the Senate amendment (new section 2105(b)(2)) would require the employer to certify that veterans participating in its program of job training will be paid no less than other employees in such a program or, under the Senate amendment, a comparable program.

The compromise agreement (section 7(d)(2)) follows the Senate amendment.

The House bill, but not the Senate amendment, would require a pre-approval finding, upon investigation, that the program of job training will not be given to veterans who are already qualified for the job for which training is to be provided.

The compromise agreement (section 7(d)(4)) follows the House bill, with an amendment modifying this provision so as to require that the matter be included in the employer's certification (rather than necessarily be subject to pre-approval investigation). The Committees note that this provision is intended only to require the employer to conduct a reasonable, good-faith inquiry into a veteran's qualifications, and that section 8(c) of the compromise agreement would impose upon the veteran, and not upon the employer, liability for overpayments to the employer which result from false or incomplete information furnished to the employer by the veteran.

The House bill (section 8(c)(1)), but not the Senate amendment would require a pre-approval finding, upon investigation, that the job for which training is to be provided is one in which progression and appointment to the next higher classification are based upon skills learned through organized and supervised training on the job rather than on factors such as length of service and normal turnover.

The compromise agreement (section 7(d)(5)) contains a provision requiring the employer to certify that the job in question is one that involves significant training.

The House bill (section 8(c)(10)), but not the Senate amendment, would require a pre-approval finding that the training program will be stated in a written agreement signed by the employer and the veteran, and that a copy of the signed agreement will be provided to both the veteran and the VA.

The compromise agreement (section 7(d)(11) follows the House bill with an amendment modifying this provision so as to require that the matter be included in the employer's certification (rather than necessarily be subject to pre-approval investigation) and to refer to a copy of the employer's certification under this subsection (subsection (d) of section 7 of the compromise agreement) rather than a written agreement.

Six other approval criteria which were included in substantially similar form in both the House bill (section 8(c)), as matters requiring pre-approval findings but not certification, and the Senate amendment (new section 2105(b)), as matters subject to certification, are included in the compromise agreement. These criteria relate to the nondisplacement of current or laid-off workers (paragraph (3) of section 7(d)), the adequacy of training content (paragraph (6)), the full-time employment of participating veterans (paragraph (7)), the length of the period of training as compared to that customarily required by employers (paragraph (8)), the availability of adequate training facilities (paragraph (9)), and the maintenance of records adequate to show employer compliance (paragraph (10)).

The House bill (section 8(c)(11)) would authorize the imposition of additional criteria as to which pre-approval findings would be required. The Senate amendment (new section 2105(b)(10)) would similarly authorize additional criteria as to which certification, rather than pre-approval findings, would be required.

The compromise agreement (section 7(d)(12)) contains a provision authorizing additional criteria that the Administrator determines are essential for the effective implementation of the program established by the compromise agreement.

The Committees note their intention that this authority to impose additional criteria is intended to meet unforeseen problems clearly necessitating the imposition of additional requirements. The Committees stress that this provision is not intended to give the VA authority to impose undue restrictions as was done with respect to the targeted delimiting date extension program (enacted in section 201(a) of Public Law 92-72) and required Congressional action (section 201(a) of Public Law 97-306) undoing the restrictions and extending the program for a year.

The Senate amendment (new section 2105(b)(3)), but not the House bill, would require the employer's certification to indicate the number of hours of training and to describe the training content of the program and the training objective.

The compromise agreement (section 7(e)) contains this provision with amendments requiring that the certification also specify the length of the program and the starting rate of wages and describe any agreement the employer has entered into under section 8 of the compromise agreement, relating to the provision of training through educational institutions.

The compromise agreement (section 7(f)) would also clarify that generally each of the matters specified in section 7(d)(1) through (11) of the compromise agreement as requiring employer certification prior to approval of a program of job training (i.e., not including matters that may be administratively required to be certified under paragraph (12) of section 7(d)) shall be considered to be affirmative substantive requirements. However, for purposes of section 8(c) of the compromise agreement, relating to overpayments, only the matters covered by paragraphs (1) through (10) would be considered requirements. Thus, a failure to provide a participating veteran with a copy of the employer's certification would not be grounds for an overpayment. For the purposes of section 11 of the compromise agreement, relating to the discontinuance of approval of veterans' participation in employer programs that fall out of compliance with requirements established under this legislation, the matters covered by all twelve paragraphs of section 7(d) would be considered such requirements. Hence, failures to provide participating veterans with copies of the employer's certificate and to meet requirements established administratively under the authority in paragraph (12) could, by virtue of section 7(f)(2)(B), result in discontinuance of approval.

The Committees note, with respect to the requirement (under subsections (d)(1) and (f) of section 7 of the compromise agreement) that the employer plan for the permanent employment of the veteran after training, that it is not their intention that an employer's failure to continue a veteran's employment after the completion of training should, in and of itself, result in the creation of an overpayment. An overpayment on the basis of subsection (d)(1) would result only where there is an affirmative finding, based upon an investigation or other action under section 12, that the employer had in fact, at the time of making the certification under subsection (d), failed to make plans for the continuing employment of such veterans as may complete training under the employer's program, had made other plans inconsistent with such continuing employment, had no reasonable basis at that time for expecting that a position would be available to the veteran on a stable and permanent basis at the end of the training period, or did have some affirmative basis for expecting that such a position would not then be available. In the making of such an affirmative finding, the record of the employer in continuing or not continuing the employment of veterans would certainly be relevant.

PAYMENTS TO EMPLOYERS

Computation of Amounts

The House bill (section 7(a)) would provide that the amount paid to an employer on behalf of a veteran for any period may not exceed 50 percent of the wages paid for that period, computed on the basis of the starting wage rate.

The Senate amendment (new section 2108(a)) would provide that the amount paid to an employer on behalf of a veteran may not exceed the lesser of 50 percent of the wages paid during the training period in question, or a specified annual dollar limit. That limit would be $9,000 in the cases of certain veterans with service-connected disabilities (including all veterans with disabilities rated at 30 percent or more, as well as those rated 10 to 20 percent disabled who have been determined to have a serious employment handicap under section 1506 of title 38), and $6,000 in the case of any other veteran.

The compromise agreement (section 8(a)) provides that the training assistance amount paid to an employer on behalf of a veteran for any period shall be 50 percent of the veteran's wages for that period—not counting any increase over the starting rate and without regard to overtime or premium pay—up to a total of $10,000 payable on behalf of any individual veteran.

The Committees stress that the rule relating to overtime and premium pay would apply regardless of the frequency or regularity with which such pay is paid for the job for which training is being provided.

Payment Periods

Both the House bill (section 7(b)) and the Senate amendment (new section 2108(a)) would provide for payments to be made to employers on a quarterly basis. The Senate amendment (new section 2108(b)), but not the House bill, would authorize the making of payments on a monthly, rather than quarterly, basis to private, for-profit businesses with 500 or fewer employees.

The compromise agreement (section 8(a)(1) and (3)) follows the Senate amendment with an amendment deleting the requirement that businesses be private and for-profit and establishing a requirement that the Administrator set a numerical limit by regulation.

The Committees recognize that cash flow problems sufficiently significant to warrant monthly payments may vary from one type of business or industry to another. Thus, the Committees believe that the Administrator should have considerable latitude in setting such limits, with the goal of attracting employers with relatively few employees into the program established under this legislation.

Certifications

Both the House bill (section 7(b)) and the Senate amendment (new section 2108(c)) would provide that no payment for a period of training may be made until individual certifications have been received from both the employer and the veteran. The veteran would be required to submit a certification as to the veteran's actual employment and training with the employer during the training period for which payment is to be made; and the employer would be required to certify that the veteran was employed and progressing satisfactorily during that period. The Senate amendment (new section 2108(c)(2)(B)), but not the House bill, would require the employer to indicate, in the first of these periodic certifications, the date on which the employment of the veteran began.

The compromise agreement (section 8(b)) contains these provisions with two modifications. First, each periodic certification by an employer would be required to include an indication of the number of hours worked by the veteran during the period for which payment is to be made; and, second, the employer's initial certification would be required to indicate the starting rate of wages paid to the veteran.

The House bill (section 7(a)), but not the Senate amendment, would specify that payments to employers employing disabled veterans may be used for the purpose of defraying the costs of making structural changes to the employer's workplace to remove architectural barriers.

The compromise agreement does not contain this provision.

The Committees note that nothing in the language of the compromise agreement would preclude employers from using training assistance payments to make reasonable accommodations to the needs of disabled veterans, which in the cases of certain types of disabilities (for example, blindness and deafness) would not necessarily be structural. The compromise agreement, in providing that the purpose of such payments is to assist employers in defraying the cost of necessary training, specifies no limitations on the uses to which payments may be put by employers.

OVERPAYMENTS

The House bill (section 7(c)) would provide that, if a willful or negligent false certification by either an employer or a veteran were to result in an overpayment of training assistance, the amount of the overpayment would be a liability to the United States of the party making the false certification, subject to collection in the same manner as any other debt due to the United States.

The Senate amendment (new section 2109(b)) would provide that, if a certification or application which was false or clearly unsupportable in any material respect were to result in an overpayment of assistance, the party submitting that certification or information would be liable for the overpayment. As in the House bill, the overpayment could be collected in the same manner as any other debt due to the United States.

The compromise agreement (section 8(c)(1)(A)) would provide that an employer would be liable for any overpayment of assistance resulting from a certfication, or information contained in an application, submitted by an employer that was false in any material respect. Also (under section 8(c)(1)(B)), if the Administrator finds that the employer has failed in any substantial respect to achieve compliance with any requirement (including matters deemed to be requirements for this purpose by virtue of section 7(f)(2)(A) of the compromise agreement—clauses (1) through (10) of section 7(d)) established under the compromise agreement (unless the employer's failure is the result of false or incomplete information provided by the veteran), any payment for the period of noncompliance would be an overpayment for which the employer would be liable.

A veteran's liability (section 8(c)(2)) for an overpayment would depend upon a finding by the Administrator that the veteran submitted material which was willfully or negligently false in any material respect in a certification or application submitted by the veteran to the Administrator or in information provided to an employer.

The compromise agreement (section 8(c)(3)) would further provide that overpayments recovered would be credited to funds available for payments under the compromise agreement and that, if no such funds remain, the amount of the overpayment recovered would be deposited into the U.S. Treasury. Finally, the compromise agreement (section 8(c)(4)) would authorize the Administrator to waive, in whole or in part, any such overpayment, in accordance with the terms and conditions of section 3102 of title 38, which authorizes waiver of recovery of claims under laws administered by the VA whenever the Administrator determines that recovery would be against equity and good conscience, and where application for relief from recovery has been made within 180 days of the date of notification of the indebtedness to the debtor.

Civil penalty

The Senate amendment (new section 2109(c)), but not the House bill, would authorize the administrative imposition of a civil penalty (up to $1,000 for each individual wrongfully employed in a program of job training under the Senate amendment), after an adjudication determined on the record after opportunity for an agency hearing, on an employer who has, willfully or with reckless disregard of the facts, made a false certification or has caused the administering agency to give approval contrary to the requirements of the legislation. Actions to impose such a penalty would be reviewable in the Federal courts.

The compromise agreement does not contain this provision.

The Committees note the existence of general authority, under the False Claims Act (31 U.S.C. §§ 3729-31), regarding the assessment and collection of civil penalties, as well as criminal sanctions (18 U.S.C. § 1001), through judicial rather than administrative processes, in cases of knowingly false, fictitious, or fraudulent claims or statements made to representatives of the Federal Government. The Committees strongly urge the Administrator (and, where appropriate, the Secretary of Labor) to ensure that, whenever in the implementation of the compromise agreement evidence of a violation of such a statute comes to light, the matter is vigorously pursued and, where appropriate, referred to the Department of Justice for action.

The Committees also note the existence of authority for the Department of Justice to provide, at the request of the agency involved, certain legal services in conducting investigations and examining witnesses, in connection with a claim before the agency (28 U.S.C. § 514), and believe that this authority may prove useful in determining whether any particular employer has acted knowingly and willfully in connection with the submission of a false claim, has submitted fraudulent materials, or has otherwise demonstrated conduct which would render that employer subject to the civil or criminal penalties noted above, or to any other applicable sanction established by law or regulation. In all such matters, the Committees urge prompt and full cooperation between the Administrator (and, where appropriate, between the Secretary) and the Attorney General, consistent with the terms and provisions of sections 514 and 516 (regarding representation by the Attorney General in any action in which the United States is a party) of title 28, and of applicable interagency agreements.

ENTRY INTO PROGRAM OF TRAINING

As noted above in the discussion of section 5(b) of the compromise agreement, under the subheading "Approval of Veterans' Applications", the compromise agreement (section 9) authorizes the Administrator to withhold or deny approval of a veteran's entry into an approved program of job training when necessary to avoid incurring obligations in excess of the funds available. The compromise agreement also requires that employers give the VA two weeks notice prior to a veteran's entry into VA-assisted training. That notice is intended to enable the Administrator to withhold or deny approval for the purpose of ensuring that obligations are not incurred in excess of available funds.

PROVISION OF TRAINING THROUGH EDUCATIONAL INSTITUTIONS

The Senate amendment (new section 2106), but not the House bill, would permit an employer to enter into an arrangement or agreement with an educational institution that has been approved for the enrollment of veterans under chapter 34 of title 38 for that institution to provide the program of training (or a portion thereof). When such an arrangement or agreement has been entered into, the application of the employer would be required to disclose that fact and describe the training to be provided by the institution.

The compromise agreement (section 10) contains this provision with amendments deleting any reference to "arrangements".

DISCONTINUANCE OF PAYMENTS FOR UNSATISFACTORY CONDUCT OR PROGRESS

The House bill (section 10), but not the Senate amendment, would authorize the Administrator to discontinue payments on behalf of a veteran based upon a finding by the Administrator that the conduct or progress of the veteran is unsatisfactory due to circumstances within the control of the employer.

The compromise agreement does not contain this provision. The Committees note that, under section 8(b)(2)(A) of the compromise agreement, quarterly payments may not be made until the Administrator has received from the employer a certification that the veteran was employed by the employer during the period for which payment is to be made and that the veteran's performance and progress during that period were satisfactory. The Committees also note that such a certification is subject to investigation under section 12(c) and overpayment collection under section 8(c).

DISCONTINUANCE OF APPROVAL OF PARTICIPATION IN CERTAIN EMPLOYER PROGRAMS

Both the House bill (section 11) and the Senate amendment (new section 2109(a)) would provide a mechanism for the disapproval of further participation by veterans in a program of job training which, subsequent to its approval, has fallen out of compliance with any of the requirements established under the legislation. The Senate amendment would authorize such disapproval (while the House bill would mandate it), and would establish a notice and hearing process to govern the disapproval process.

The compromise agreement (section 11) follows the Senate amendment.

INSPECTION OF RECORDS; INVESTIGATIONS

Both the House bill (section 12) and the Senate amendment (new section 2111(a)) would authorize examinations of the records and accounts of participating employers. The Senate amendment (new section 2111(b)) would also authorize the monitoring of program participants in order to determine compliance with the program requirements and investigation of any matter deemed necessary to determine compliance.

The compromise agreement (section 12(a), (b), and (c)) follows the Senate amendment with an amendment adding a provision (section 12(d)), derived from the Senate amendment (new section 2102(b)), authorizing, but not requiring, the Administrator to enter into an agreement with the Secretary of Labor to provide for the administration of the provisions regarding monitoring and investigations, or any portion of those provisions, by the Department of Labor. Duties undertaken by the Department of Labor pursuant to such an agreement would be au-

thorized to be carried out by any appropriate branch of the Department of Labor, notwithstanding the general requirement, contained in section 4(b) of the compromise agreement, that the responsibilities of the Secretary of Labor under the compromise agreement be carried out by the Assistant Secretary of Labor for Veterans' Employment.

COORDINATION WITH OTHER PROGRAMS

The House bill (section 14) would provide that a veteran may not receive benefits both under the House bill and under chapters 31 (relating to training and rehabilitation for veterans with service-connected disabilities), 32 (relating to post-Vietnam era veterans' educational assistance), 34 (relating to the so-called "Vietnam-era GI Bill"), or 35 (relating to survivors' and dependents' educational assistance) of title 38, or chapter 107 of title 10 (relating to educational assistance for current enlistees), for the same period.

The Senate amendment (new section 2108(d) (1) and (2)) would similarly preclude simultaneous payments of assistance under the Senate amendment and under chapter 31 or 34, under chapter 36 (which includes provisions for the payment of Vietnam-era GI Bill benefits for correspondence courses and for apprenticeship or other on-job training) of title 38, or where the employer is receiving any other form of assistance on account of the training or employment of the veteran. The Senate amendment (section 2108(d)(3)), but not the House bill, would prohibit the payment of assistance under the Senate amendment where the veteran on behalf of whom assistance is to be paid had already completed a program of job training under the program that would be established by the Senate amendment.

The compromise agreement (section 13) follows the Senate amendment with additional references, derived from the House bill, to chapters 32 and 35 of title 38.

COUNSELING

The House bill (section 16), but not the Senate amendment, would require the Administrator and the Secretary of Labor to provide counseling services, upon request, to eligible veterans in order to assist them in selecting a suitable program of job training.

The compromise agreement (section 14) contains this provision, with an amendment authorizing, rather than requiring, the provision of such counseling services.

INFORMATION AND OUTREACH; USE OF AGENCY RESOURCES

Both the House bill (section 15) and the Senate amendment (new section 2110) would provide that the responsibilities for information and outreach would be shared between the Veterans' Administration and the Department of Labor. Information and outreach activities would be targeted toward both veterans and employers; would be coordinated with services and opportunities provided for under chapters 41 (relating to job counseling, training, and placement services for veterans) and 42 (relating to employment and training of disabled and Vietnam-era veterans) of title 38, and with resources and programs available under the Job Training Partnership Act (Public Law 97-300) and would emphasize reliance on disabled veterans' outreach program specialists and other personnel appointed under relevant provisions of title 38. The Senate amendment, but not the House bill, would require coordination of such information and outreach efforts with the Small Business Administration and with the Department of Education, would require the administering agencies to assist veterans and employers in completing applications and certifications, and would require the administering agencies to endeavor to achieve an equitable regional distribution of the limited training funds available.

The compromise agreement (section 15) would require the Administrator and the Secretary of Labor to conduct jointly an outreach and public information program directed to both veterans and employers, as well as to educational institutions and labor unions, and would assign to the Secretary of Labor primary responsibility for promoting the development of employment and job training opportunities. It would require the Administrator and the Secretary to coordinate outreach and public information activities with other job counseling, placement, job development, and other services available through the VA and the Department of Labor, as well as with similar services offered by other public agencies and organizations (including Federal agencies).

It would require the Administrator of Veterans' Affairs and the Secretary of Labor to make available sufficient personnel for facilitating effective implementation and to provide assistance to veterans and employers making applications and completing certifications. Further, it would require the Secretary to make maximum use of personnel currently available through the Office of the Assistant Secretary for Veterans' Employment and resources under the Job Training Partnership Act. Finally, the Secretary would be required to request and obtain certain information from the Small Business Administration in order to promote maximum training opportunities for veterans.

The Senate amendment (new section 2110(b)), but not the House bill, would require efforts to achieve an equitable regional distribution of training opportunities.

The compromise agreement does not contain this provision. However, the Committees note their belief that it would be useful for consideration to be given to developing a mechanism, if feasible, for equitable distribution.

AUTHORIZATION OF APPROPRIATIONS

The House bill (section 19) would authorize the appropriation to the VA of $25 million for fiscal year 1983, $150 million for fiscal year 1984, and $150 million for fiscal year 1985, to carry out the House bill.

The Senate amendment (section 102) would authorize the appropriation to the VA of a total of $150 million for the purpose of making payments to employers under the Senate amendment.

The compromise agreement (section 16) would authorize the appropriation of $150 million for each of fiscal years 1984 and 1985 for the purpose of making payments under the compromise agreement, to remain available until September 30, 1986. The Committees note that these amounts have been specifically approved by the Congress for the purpose, in H. Con. 91, the First Concurrent Resolution on the Budget for Fiscal Year 1984, and that such amounts have been set apart in that resolution from other amounts provided for in Function 700 for veterans' benefits and services generally.

The Committees expect that, if additional personnel ceilings and funds are necessary for the effective implementation of the provisions of the compromise agreement, the VA will request such additional ceilings and funds.

TERMINATION OF PROGRAM

The House bill program would (under section 18) be open to new veteran applicants during the 15-month period beginning July 1, 1983, and ending September 30, 1984. No assistance would be authorized to be paid after September 30, 1985.

The Senate amendment program would (under new section 2112) be open to new veteran applicants during the 12-month period beginning October 1, 1983, and ending September 30, 1984. No assistance would be authorized to be paid for any program commencing after December 31, 1984. The Senate amendment (section 101(c)) would also provide that, in the event that funds are not both appropriated and made available by the Office of Managment and Budget (OMB) on or before the effective date, October 1, 1983, the termination dates for the program would be extended by periods equal to the period beginning October 1, 1983, and ending on the date funds are made available by OMB.

The compromise agreement (section 17) follows the Senate amendment.

EXPANSION OF TARGETED DELIMITING DATE EXTENSION

The House bill (section 13), but not the Senate amendment, would permit veterans, in lieu of participating in a program of job training, to pursue at an educational institution approved under chapter 34 of title 38 a full-time program of training with a vocational objective or a full-time associate degree program with a vocational objective. Such programs would be required to be of at least six-months duration and in an employment field where it is found that there is a specific level of probability of long-term employment. Payments for periods of such training would be made monthly to reimburse the veteran for the cost of tuition, fees, books, supplies, and equipment, but could not exceed $500 a month. Not more than $25 million could be obligated for such a program in any fiscal year.

The compromise agreement (section 18) would authorize the VA to provide educational assistance, using up to $25 million of funds appropriated under the compromise agreement, for the pursuit of an associate degree program (meeting the applicable title 38 requirements for such degree programs) with a predominantly vocational content. This assistance would be in the same amounts and be available under the same terms and conditions as are applicable to the pursuit of vocational objective courses under the targeted delimiting date extension provisions (section 1662(a)(3) of title 38) that were enacted in Public Law 97-72 and amended by Public Law 97-306 to provide certain Vietnam-era veterans whose GI Bill eligibility periods have expired a further opportunity to use their GI Bill benefits for vocational training. Thus, such assistance could be made available, until not later than December 31, 1984, for all Vietnam-era veterans who ever established GI Bill eligibility under chapter 34 of title 38 except in those cases in which it is determined that the veteran is not in need of the course involved in order to obtain a reasonably stable employment situation consistent with the veteran's abilities, aptitudes, and interests.

A ceiling of $25 million of the total of the amounts appropriated under section 17 for both fiscal years 1984 and 1985 would be placed on expenditures for such assistance; no statutory minimum would be established for such expenditures.

This assistance—as in the case of GI Bill educational assistance and contrasted with training assistance in connection with veterans' participation in programs of job training under the compromise agreement (which is payable to veterans' employers)—would be payable to veterans.

EFFECTIVE DATE

The House bill would (under section 19) take effect on July 1, 1983. The amendments to title 38, United States Code, that the Senate amendment would make to add a new chapter 44 would (under section 102) take effect on October 1, 1983.

The compromise agreement (section 19) has an October 1, 1983, effective date.

The Committees intend that the VA and the Department of Labor develop now the necessary regulations and procedures for implementing this legislation and expect that the entire $150 million authorized for fiscal year 1984 will be appropriated in the continuing resolution for fiscal year 1984. If the VA and the Department thus make the necessary preparations and funds are so appropriated, the program could begin on or about October 1, 1983.

VAREC REORGANIZATION

The Senate amendment, but not the House bill, would exempt the planned administrative reorganization of the Veterans' Administration Rehabilitation Engineering Center (VAREC) from the requirement, established under section 210(b)(2)(A) of title 38, that such reorganizations be proposed in a detailed report submitted to the appropriate Committees of Congress not later than the date that the President's budget is transmitted and not commence until the following October 1.

The compromise agreement does not contain this provision.

Mr. BAKER. Mr. President, I move that the Senate concur in the amendments of the House.

The motion was agreed to.

CONSOLIDATION AND REENACTING CERTAIN MARINE SAFETY AND SEAMAN'S WELFARE LAWS

Mr. BAKER. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on S. 46.

The PRESIDING OFFICER (Mr. HECHT) laid before the Senate the following message from the House of Representatives:

Resolved, That the bill from the Senate (S. 46) entitled "An Act to revise, consolidate, and enact certain laws relating to vessels and seamen as subtitle II of title 46, United States Code "Shipping", do pass with the following amendment:

Strike all after the enacting clause and insert the following:

S. 46

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SUBTITLE II OF TITLE 46, UNITED STATES CODE

SECTION 1. Certain general and permanent laws of the United States, related to vessels and seamen, are revised, consolidated, and enacted as title 46, United States Code, "Shipping", as follows:

TITLE 46—SHIPPING

Subtitle	Sec.
I. [Reserved—general]	101
II. Vessels and seamen	2101
[BALANCE OF TITLE RESERVED]	
SUBTITLE II—VESSELS AND SEAMEN	
PART A—GENERAL PROVISIONS	
Chapter	Sec.
21. General	2101
23. Operation of vessels generally	2301
PART B—INSPECTION AND REGULATION OF VESSELS	
31. General	3101
33. Inspection generally	3301
35. Carriage of passengers	3501
37. Carriage of liquid bulk dangerous cargoes	3701
39. Carriage of animals	3901
41. Uninspected vessels	4101
43. Recreational vessels	4301
[PART C—RESERVED FOR LOAD LINES OF VESSELS]	
PART D—MARINE CASUALTIES	
61. Reporting marine casualties	6101
63. Investigating marine casualties	6301
PART E—LICENSES, CERTIFICATES, AND MERCHANT MARINERS' DOCUMENTS	
71. Licenses and certificates of registry	7101
73. Merchant mariners' documents	7301
75. General procedures for licensing, certification, and documentation	7501
77. Suspension and revocation	7701
PART F—MANNING OF VESSELS	
81. General	8101
83. Masters and officers	8301
85. Pilots	8501
87. Unlicensed personnel	8701
89. Small vessel manning	8901
91. Tank vessel manning standards	9101
93. Great Lakes pilotage	9301
PART G—MERCHANT SEAMEN PROTECTION AND RELIEF	
101. General	10101
103. Foreign and intercoastal voyages	10301
105. Coastwise voyages	10501
107. Effects of deceased seamen	10701
109. Proceedings on unseaworthiness	10901
111. Protection and relief	11101
113. Official logbooks	11301
115. Offenses and Penalties	11501
PART H—IDENTIFICATION OF VESSELS	
121. Documentation of vessels	12101
123. Numbering undocumented vessels	12301
PART I—STATE BOATING SAFETY PROGRAMS	
131. Recreational boating safety	13101
[PART J—RESERVED FOR MEASUREMENT OF VESSELS]	

PART A—GENERAL PROVISIONS

CHAPTER 21—GENERAL

Sec.
2101. General definitions.
2102. Limited definitions.
2103. Superintendence of the merchant marine.
2104. Delegation.
2105. Report.
2106. Liability in rem.
2107. Civil penalty procedures.
2108. Refund of penalties.
2109. Public vessels.
2110. Fees prohibited.
2111. Pay for overtime services.
2112. Authority to change working hours.
2113. Authority to exempt certain vessels.

§ 2101. General definitions

In this subtitle—

(1) "associated equipment"—

(A) means—

(i) a system, accessory, component, or appurtenance of a recreational vessel; or

(ii) a marine safety article intended for use on board a recreational vessel; but

(B) does not include radio equipment.

(2) "barge" means a nonself-propelled vessel.

(3) "Boundary Line" means a line established under section 2(b) of the Act of February 19, 1895 (33 U.S.C. 151).

(4) "Coast Guard" means the organization established and continued under section 1 of title 14.

(5) "commercial service" includes any type of trade or business involving the transportation of goods or individuals, except service performed by a combatant vessel.

(6) "consular officer" means an officer or employee of the United States Government designated under regulations to grant visas.

(7) "crude oil" means a liquid hydrocarbon mixture occurring naturally in the earth, whether or not treated to render it suitable for transportation, and includes crude oil from which certain distillate fractions may have been removed, and crude oil to which certain distillate fractions may have been added.

(8) "crude oil tanker" means a tanker engaged in the trade of carrying crude oil.

(9) "discharge", when referring to a substance discharged from a vessel, includes spilling, leaking, pumping, pouring, emitting, emptying, or dumping, however caused.

(10) "documented vessel" means a vessel for which a certificate of documentation has been issued under chapter 121 of this title.

(11) "fisheries" includes planting, cultivating, catching, taking, or harvesting fish, shellfish, marine animals, pearls, shells, or marine vegetation at a place in the fishery conservation zone established by section 101 of the Magnuson Fishery Conservation and Management Act of 1976 (16 U.S.C. 1811).

(12) "foreign vessel" means a vessel of foreign registry or operated under the authority of a country except the United States.

(13) "freight vessel" means a motor vessel of more than 15 gross tons that carries freight for hire, except an oceanographic research vessel or an offshore supply vessel.

(14) "hazardous material" means a liquid material or substance that is—

(A) flammable or combustible;

(B) designated a hazardous substance under section 311(b) of the Federal Water Pollution Control Act (33 U.S.C. 1321); or

(C) designated a hazardous material under section 104 of the Hazardous Material Transportation Act (49 U.S.C. 1803);

(15) "marine environment" means—

(A) the navigable waters of the United States and the land and resources in and under those waters;

(B) the waters and fishery resources of an area over which the United States asserts exclusive fishery management authority;

(C) the seabed and subsoil of the outer Continental Shelf of the United States, the resources of the Shelf, and the waters superjacent to the Shelf; and

(D) the recreational, economic, and scenic values of the waters and resources referred to in subclauses (A)-(C) of this clause.

(16) "motor vessel" means a vessel propelled by machinery other than steam.

(17) "nautical school vessel" means a vessel operated by or in connection with a nautical school.

(18) "oceanographic research vessel" means a vessel that the Secretary finds is being employed only in instruction in oceanography or limnology, or both, or only in oceanographic or limnological research, including those studies about the sea such as seismic, gravity meter, and magnetic exploration and other marine geophysical or geological surveys, atmospheric research, and biological research.

(19) "offshore supply vessel" means a motor vessel of more than 15 gross tons but less than 500 gross tons that regularly carries goods, supplies, or equipment in support of exploration, exploitation, or production of offshore mineral or energy resources and is not a small passenger vessel.

(20) "oil" includes oil of any type or in any form, including petroleum, fuel oil, sludge, oil refuse, and oil mixed with wastes except dredged spoil.

(21) "passenger"—

(A) on a passenger vessel, means an individual carried on the vessel except—

(i) the master; or

(ii) a crewmember.

(B) on a small passenger vessel, means an individual carried on the vessel except—

(i) the owner or representative of the owner;

(ii) the master or a crewmember engaged in the business of the vessel who has not contributed consideration for carriage and who is paid for services;

(iii) an employee of the owner of the vessel engaged in the business of the owner, except when the vessel is operating under a demise charter;

(iv) an employee of the demise charterer of the vessel engaged in the business of the demise charterer;

(v) a guest on board a vessel that is being operated only for pleasure, or a guest on board a sailing school vessel, who has not contributed consideration for carriage on board;

(vi) an individual on board a towing vessel of at least 50 gross tons who has not contributed consideration for carriage on board; or

(vii) a sailing school instructor or sailing school student.

(C) on an offshore supply vessel, means an individual carried on the vessel except—

(i) the owner;

(ii) a representative of the owner;

(iii) the master;

(iv) a crewmember engaged in the business of the vessel who has not contributed consideration for carriage on board and who is paid for services on board;

(v) an employee of the owner, or of a subcontractor to the owner, engaged in the business of the owner;

(vi) a charterer of the vessel;

(vii) a person with the same relationship to a charterer as a person in subclause (ii) or (v) of this subclause has to an owner;

(viii) a person employed in a phase of exploration, exploitation, or production of offshore mineral or energy resources served by the vessel; or

(ix) a guest who has not contributed consideration for carriage on board.

(D) on an uninspected passenger vessel, means an individual carried on the vessel except—

(i) the owner or representative of the owner;

(ii) the managing operator;

(iii) a crewmember engaged in the business of the vessel who has not contributed consideration for carriage on board and who is paid for services on board; or

(iv) a guest on board a vessel that is being operated only for pleasure who has not contributed consideration for carriage on board.

(22) "passenger vessel" means a vessel of at least 100 gross tons carrying at least one passenger for hire.

(23) "product carrier" means a tanker engaged in the trade of carrying oil except crude oil.

(24) "public vessel" means a vessel that—

(A) is owned, or demise chartered, and operated by the United States Government or a government of a foreign country; and

(B) is not engaged in commercial service.

(25) "recreational vessel" means a vessel—

(A) being manufactured or operated primarily for pleasure; or

(B) leased, rented, or chartered to another for the latter's pleasure.

(26) "recreational vessel manufacturer" means a person engaged in the manufacturing, construction, assembly, or importation of recreational vessels, components, or associated equipment.

(27) "sailing instruction" means teaching, research, and practical experience in operating vessels propelled primarily by sail and may include any subject related to that operation and to the sea, including seamanship, navigation, oceanography, other nautical and marine sciences, and maritime history and literature.

(28) "sailing school instructor" means an individual who is on board a sailing school vessel to provide sailing instruction, but does not include an operator or crewmember who is among those required to be on board the vessel to meet a requirement established under part F of this subtitle.

(29) "sailing school student" means an individual who is on board a sailing school vessel to receive sailing instruction.

(30) "sailing school vessel" means a vessel—

(A) that is less than 500 gross tons;

(B) carrying at least 6 individuals who are sailing school instructors or sailing school students;

(C) principally equipped for propulsion by sail, even if the vessel has an auxiliary means of propulsion; and

(D) owned or demise chartered, and operated by an organization described in section 501(c)(3) of the Internal Revenue Code of 1954 (26 U.S.C. 501(c)(3)) and exempt from tax under section 501(a) of that Code, or by a State or political subdivision of a State, during times that the vessel is operated by the organization, State, or political subdivision only for sailing instruction.

(31) "scientific personnel" means individuals on board an oceanographic research vessel only to engage in scientific research, or to instruct or receive instruction in oceanography or limnology.

(32) "seagoing barge" means a non-self-propelled vessel of at least 100 gross tons making voyages beyond the Boundary Line.

(33) "seagoing motor vessel" means a motor vessel of at least 300 gross tons making voyages beyond the Boundary Line.

(34) "Secretary" means the head of the department in which the Coast Guard is operating.

(35) "small passenger vessel" means a vessel of less than 100 gross tons carrying more than 6 passengers (as defined in clause (21) (B) and (C) of this section).

(36) "State" means a State of the United States, Guam, Puerto Rico, the Virgin Islands, American Samoa, the District of Columbia, the Northern Mariana Islands, and any other territory or possession of the United States.

(37) "steam vessel" means a vessel propelled in whole or in part by steam, except a recreational vessel of not more than 40 feet in length.

(38) "tanker" means a self-propelled tank vessel constructed or adapted primarily to carry oil or hazardous material in bulk in the cargo spaces.

(39) "tank vessel" means a vessel that is constructed or adapted to carry, or that carries, oil or hazardous material in bulk as cargo or cargo residue, and that—

(A) is a vessel of the United States;

(B) operates on the navigable waters of the United States; or

(C) transfers oil or hazardous material in a port or place subject to the jurisdiction of the United States.

(40) "towing vessel" means a commercial vessel engaged in or intending to engage in the service of pulling, pushing, or hauling along side, or any combination of pulling, pushing, or hauling along side.

(41) "undocumented" means not having and not required to have a document issued under chapter 121 of this title.

(42) "uninspected passenger vessel" means an uninspected vessel carrying not more than 6 passengers.

(43) "uninspected vessel" means a vessel not subject to inspection under section 3301 of this title that is not a recreational vessel.

(44) "United States", when used in a geographic sense, means the States of the United States, Guam, Puerto Rico, the Virgin Islands, American Samoa, the District of Columbia, the Northern Mariana Islands, and any other territory or possession of the United States.

(45) "vessel" has the same meaning given that term in section 3 of title 1.

(46) "vessel of the United States" means a vessel documented or numbered under the laws of the United States.

§ 2102. Limited definitions

In chapters 43 and 123 of this title and part I of this subtitle—

(1) "eligible State" means a State that has a State recreational boating safety and facilities improvement program accepted by the Secretary.

(2) "State" and "United States", in addition to their meanings under section 2101 (36) and (44) of this title, include the Trust Territory of the Pacific Islands.

(3) "State recreational boating facilities improvement program"—

(A) means a program to develop or improve public facilities that establish or add to public access to the waters of the United States to improve their suitability for recreational boating, including ancillary facilities necessary to ensure the safe use of those facilities; and

(B) includes acquiring title or an interest in riparian or submerged land, and the capital improvement of riparian or submerged land, to increase public access to the waters of the United States.

(4) "State recreational boating safety and facilities improvement program" means a State recreational boating safety program, or a State recreational boating facilities improvement program, or both.

(5) "State recreational boating safety program" means education, assistance, and enforcement activities conducted for marine casualty prevention, reduction, and reporting for recreational boating.

§ 2103. Superintendence of the merchant marine

The Secretary has general superintendence over the merchant marine of the United States and of merchant marine personnel insofar as the enforcement of this subtitle is concerned and insofar as those vessels and personnel are not subject, under other law, to the supervision of another official of the United States Government. In the interests of marine safety and seamen's welfare, the Secretary shall enforce this subtitle and shall carry out correctly and uniformly administer this subtitle and regulations prescribed under this subtitle.

§ 2104. Delegation

(a) The Secretary may delegate the duties and powers conferred by this subtitle to any officer, employee, or member of the Coast Guard, and may provide for the subdelegation of those duties and powers.

(b) When this subtitle authorizes an officer or employee of the Customs Service to act in place of a Coast Guard official, the Secretary may designate that officer or employee subject to the approval of the Secretary of the Treasury.

§ 2105. Report

The Secretary shall provide for the investigation of the operation of this subtitle and of all laws related to marine safety, and shall require that a report be made to the Secretary annually about those matters that may require improvement or amendment.

§ 2106. Liability in rem

When a vessel is made liable in rem under this subtitle, the vessel may be libeled and proceeded against in a district court of the United States in which the vessel is found.

§ 2107. Civil penalty procedures

(a) After notice and an opportunity for a hearing, a person found by the Secretary to have violated this subtitle or a regulation prescribed under this subtitle for which a civil penalty is provided, is liable to the United States Government for the civil penalty provided. The amount of the civil penalty shall be assessed by the Secretary by written notice. In determining the amount of the penalty, the Secretary shall consider the nature, circumstances, extent, and gravity of the prohibited acts committed and, with respect to the violator, the degree of culpability, any history of prior offenses, ability to pay, and other matters that justice requires.

(b) The Secretary may compromise, modify, or remit, with or without consideration, a civil penalty under this subtitle until the assessment is referred to the Attorney General.

(c) If a person fails to pay an assessment of a civil penalty after it has become final, the Secretary may refer the matter to the Attorney General for collection in an appropriate district court of the United States.

§ 2108. Refund of penalties

The Secretary may refund or remit a civil penalty collected under this subtitle if—

(1) application has been made for refund or remission of the penalty within one year from the date of payment; and

(2) the Secretary finds that the penalty was unlawfully, improperly, or excessively imposed.

§ 2109. Public vessels

This subtitle does not apply to a public vessel of the United States. However, this subtitle does apply to a vessel (except a Coast Guard or a Saint Lawrence Seaway Development Corporation vessel) owned or operated by the Department of Transportation or by any corporation organized or controlled by the Department.

§ 2110. Fees prohibited

Fees may not be charged or collected by the Secretary for services provided for in this subtitle related to the engagement and discharge of seamen, the inspection and examination of vessels, the licensing of masters, mates, pilots, and engineers, and the measurement or documentation of vessels, except when specifically provided for in this subtitle.

§ 2111. Pay for overtime services

(a) The Secretary may prescribe a reasonable rate of extra pay for overtime services of civilian officers and employees of the Coast Guard required to remain on duty between 5 p.m. and 8 a.m., or on Sundays or holidays, to perform services related to—

(1) the inspection of vessels or their equipment;

(2) the engagement and discharge of crews of vessels;

(3) the measurement of vessels; and

(4) the documentation of vessels.

(b) Except for Sundays and holidays, the overtime rate provided under subsection (a) of this section is one-half day's additional pay for each 2 hours of overtime (or part of 2 hours of at least one hour). The total extra pay may be not more than 2 and one-half days' pay for any one period from 5 p.m. to 8 a.m.

(c) The overtime rate provided under subsection (a) of this section for Sundays and holidays is 2 additional days' pay.

(d) The owner, charterer, managing operator, agent, master, or individual in charge of the vessel shall pay the amount of the overtime pay provided under this section to the official designated by regulation. The official shall deposit the amount paid to the Treasury as miscellaneous receipts. Payment to the officer or employee entitled to the pay shall be made from the annual appropriations for salaries and expenses of the Coast Guard.

(e) The overtime pay provided under this section shall be paid if the authorized officers and employees have been ordered to report for duty and have reported, even if services requested were not performed.

§ 2112. Authority to change working hours

In a port at which the customary working hours begin before 8 a.m. or end after 5 p.m., the Secretary may regulate the working hours of the officers and employees referred to in section 2111 of this title so that those hours conform to the prevailing working hours of the port. However—

(1) the total period for which overtime pay may be required under section 2111 of this title may not be more than 15 hours between any 2 periods of ordinary working hours on other than Sundays and holidays;

(2) the length of the working day for the officers and employees involved may not be changed; and

(3) the rate of overtime pay may not be changed.

§ 2113. Authority to exempt certain vessels

If the Secretary decides that the application of a provision of part B or F of this subtitle is not necessary in performing the mission of a vessel engaged in excursions or an oceanographic research vessel, the Secretary by regulation may—

(1) for an excursion vessel, issue a special permit specifying the conditions of operation and equipment; and

(2) exempt the oceanographic research vessel from that provision under conditions the Secretary may specify.

CHAPTER 23—OPERATION OF VESSELS GENERALLY

Sec.
2301. Application.
2302. Penalties for negligent operations.
2303. Duties related to marine casualty assistance.
2304. Duty to provide assistance at sea.
2305. Injunctions.

§ 2301. Application

This chapter applies to a vessel operated on waters subject to the jurisdiction of the United States and, for a vessel owned in the United States, on the high seas.

§ 2302. Penalties for negligent operations

(a) A person operating a vessel in a negligent manner that endangers the life, limb, or property of a person is liable to the United States Government for a civil penalty of not more than $1,000.

(b) A person operating a vessel in a grossly negligent manner that endangers the life, limb, or property of a person shall be fined not more than $5,000, imprisoned for not more than one year, or both.

(c) For a penalty imposed under this section, the vessel also is liable in rem unless the vessel is—

(1) owned by a State or a political subdivision of a State;

(2) operated principally for governmental purposes; and

(3) identified clearly as a vessel of that State or subdivision.

§ 2303. Duties related to marine casualty assistance and information

(a) The master or individual in charge of a vessel involved in a marine casualty shall—

(1) render necessary assistance to each individual affected to save that affected individual from danger caused by the marine casualty, so far as the master or individual in charge can do so without serious danger to the master's or individual's vessel or to individuals on board; and

(2) give the master's or individual's name and address and identification of the vessel to the master or individual in charge of any other vessel involved in the casualty, to any individual injured, and to the owner of any property damaged.

(b) An individual violating this section or a regulation prescribed under this section shall be fined not more than $1,000 or imprisoned for not more than 2 years. The vessel also is liable in rem to the United States Government for the fine.

(c) An individual complying with subsection (a) of this section or gratuitously and in good faith rendering assistance at the scene of a marine casualty without objection by an individual assisted, is not liable for damages as a result of rendering assistance or for an act or omission in providing or arranging salvage, towage, medical treatment, or other assistance when the individual acts as an ordinary, reasonable, and prudent individual would have acted under the circumstances.

§ 2304. Duty to provide assistance at sea

(a) A master or individual in charge of a vessel shall render assistance to any individual found at sea in danger of being lost, so far as the master or individual in charge can do so without serious danger to the master's or individual's vessel or individuals on board.

(b) A master or individual violating this section shall be fined not more than $1,000, imprisoned for not more than 2 years, or both.

§ 2305. Injunctions

(a) The district courts of the United States have jurisdiction to enjoin the negligent operation of vessels prohibited by this chapter on the petition of the Attorney General for the United States Government.

(b) When practicable, the Secretary shall—

(1) give notice to any person against whom an action for injunctive relief is considered under this section an opportunity to present that person's views; and

(2) except for a knowing and willful violation, give the person a reasonable opportunity to achieve compliance.

(c) The failure to give notice and opportunity to present views under subsection (b) of this section does not preclude the court from granting appropriate relief.

PART B—INSPECTION AND REGULATION OF VESSELS

CHAPTER 31—GENERAL

Sec.
3101. Authority to suspend inspection.

§ 3101. Authority to suspend inspection

When the President decides that the needs of foreign commerce require, the President may suspend a provision of this part for a foreign-built vessel registered as a vessel of the United States on conditions the President may specify.

CHAPTER 33—INSPECTION GENERALLY

Sec.
3301. Vessels subject to inspection.
3302. Exemptions.
3303. Reciprocity for foreign vessels.
3304. Carrying individuals in addition to crew.
3305. Scope and standards of inspection.
3306. Regulations.
3307. Frequency of inspection.
3308. Examinations.
3309. Certificate of inspection.
3310. Records of certification.
3311. Certificate of inspection required.
3312. Display of certificate of inspection.
3313. Compliance with certificate of inspection.
3314. Expiration of certificate of inspection.
3315. Disclosure of defects and protection of informants.
3316. United States classification societies.
3317. Fees.
3318. Penalties.

§ 3301. Vessels subject to inspection

The following categories of vessels are subject to inspection under this part:

(1) freight vessels.
(2) nautical school vessels.
(3) offshore supply vessels.
(4) passenger vessels.
(5) sailing school vessels.
(6) seagoing barges.
(7) seagoing motor vessels.
(8) small passenger vessels.
(9) steam vessels.
(10) tank vessels.

§ 3302. Exemptions

(a) A vessel is not excluded from one category only because the vessel is—

(1) included in another category of section 3301 of this title; or

(2) excluded by this section from another category of section 3301 of this title.

(b) A motor vessel engaged in fishing as a regular business, including oystering, clamming, crabbing, or the kelp or sponge industry, is exempt from section 3301 (1), (4), and (7) of this title.

(c)(1) Before January 1, 1988, a motor vessel is exempt from section 3301 (1), (4), and (7) of this title if the vessel is not more than 500 gross tons and—

(A) is a cannery tender or a fishing tender in the salmon or crab fisheries of Alaska, Oregon, and Washington; and

(B) only carries cargo to or from vessels in those fisheries or a facility used in processing or assembling fishery products, or transports cannery or fishing personnel to or from operating locations.

(2) Before January 1, 1988, a vessel is exempt from section 3301 (1), (4), (6), and (7) of this title if the vessel is not more than 5,000 gross tons and is used only in processing and assembling fishery products in the fisheries of Alaska, Oregon, and Washington.

(d)(1) A motor vessel of less than 150 gross tons, constructed before August 23, 1958, is not subject to inspection under section 3301(1) of this title if the vessel is owned or demise chartered to a cooperative or association that only transports cargo owned by at least one of its members on a nonprofit basis between places within the waters of—

(A) southeastern Alaska shoreward of the Boundary Line; or

(B) southeastern Alaska shoreward of the Boundary Line and—

(i) Prince Rupert, British Columbia; or

(ii) waters of Washington shoreward of the Boundary Line, via sheltered waters, as defined in article I of the treaty dated December 9, 1933, between the United States and Canada defining certain waters as sheltered waters.

(2) The transportation authorized under this subsection is limited to and from places not receiving annual weekly transportation service from any part of the United States by an established water common carrier. However, the limitation does not apply to transporting cargo of a character not accepted for transportation by that carrier.

(e) A vessel laid up, dismantled, or out of commission is exempt from inspection.

(f) Section 3301 (4) and (8) of this title does not apply to an oceanographic research vessel because it is carrying scientific personnel.

(g)(1) Except when compliance with major structural or major equipment requirements is necessary to remove an especially hazardous condition, an offshore supply vessel is not subject to regulations or standards for those requirements if the vessel—

(A) was operating as an offshore supply vessel before January 2, 1979; or

(B) was contracted for before January 2, 1979, and entered into service as an offshore supply vessel before October 6, 1980.

(2) After December 31, 1988, this subsection does not apply to an offshore supply vessel that is at least 20 years of age.

(h) An offshore supply vessel operating on January 1, 1979, under a certificate of inspection issued by the Secretary, is subject to an inspection standard or requirement only if the standard or requirement could have been prescribed for the vessel under authority existing under law on October 5, 1980.

(i)(1) The Secretary may issue a permit exempting a vessel from any part of the requirements of this part for vessels transporting cargo, including bulk fuel, from one place in Alaska to another place in Alaska only if the vessel—

(A) is not more than 300 gross tons;

(B) is in a condition that does not present an immediate threat to the safety of life or the environment; and

(C) was operating in the waters off Alaska as of June 1, 1976, or the vessel is a replacement for a vessel that was operating in the waters off Alaska as of June 1, 1976, if the vessel being replaced is no longer in service.

(2) Except in a situation declared to be an emergency by the Secretary, a vessel operating under a permit may not transport cargo to or from a place if the cargo could be transported by another commercial vessel that is reasonably available and that does not require exemptions to operate legally or if the cargo could be readily transported by overland routes.

(3) A permit may be issued for a specific voyage or for not more than one year. The permit may impose specific requirements about the amount or type of cargo to be carried, manning, the areas or specific routes over which the vessel may operate, or other similar matters. The duration of the permit and restrictions contained in the permit shall be at the sole discretion of the Secretary.

(4) A designated Coast Guard official who has reason to believe that a vessel issued a permit is in a condition or is operated in a manner that creates an immediate threat to the safety of life or the environment or is operated in a manner that is inconsistent with the terms of the permit, may direct the master or individual in charge to take immediate and reasonable steps to safeguard life and the environment, including directing the vessel to a port or other refuge.

(5) If a vessel issued a permit creates an immediate threat to the safety of life or the environment, or is operated in a manner inconsistent with the terms of the permit or the requirements of paragraph (2) of this subsection, the permit may be revoked. The owner, charter, managing operator, agent, master, or individual in charge of a vessel issued a permit, that willfully permits the vessel to be operated, or operates, the vessel in a manner inconsistent with the terms of the permit, is liable to the United States Government for a civil penalty of not more than $1,000.

(j) Notwithstanding another provision of this chapter, the Secretary is not required to inspect or prescribe regulations for a nautical school vessel of not more than 15 gross tons—

(1) when used in connection with a course of instruction dealing with any aspect of maritime education or study; and

(2) operated by—

(A) the United States Merchant Marine Academy; or

(B) a State maritime academy assisted under section 1304 of the Merchant Marine Act, 1936 (46 App. U.S.C. 1295(c)).

§ 3303. Reciprocity for foreign vessels

(a) Except as provided in chapter 37 of this title, a foreign vessel of a country having inspection laws and standards similar to those of the United States and that has an unexpired certificate of inspection issued by proper authority of its respective country, is subject only to an inspection to ensure that the condition of the vessel's propulsion equipment and lifesaving equipment are as stated in its current certificate of inspection. A foreign country is considered to have inspection laws and standards similar to those of the United States when it is a party to an International Convention for Safety of Life at Sea to which the United States Government is currently a

party. A foreign certificate of inspection may be accepted as evidence of lawful inspection only when presented by a vessel of a country that has by its laws accorded to vessels of the United States visiting that country the same privileges accorded to vessels of that country visiting the United States.

(b) The Secretary shall collect and pay to the Treasury the same fees for the inspection of foreign vessels carrying passengers from the United States that a foreign country charges vessels of the United States trading to the ports of that country. The Secretary may waive at any time the collection of the fees on notice of the proper authorities of any country concerned that the collection of fees for the inspection of vessels of the United States has been discontinued.

§ 3304. Carrying individuals in addition to crew

(a) A documented vessel carrying cargo that carries not more than 12 individuals in addition to the crew on international voyages, or not more than 16 individuals in addition to the crew on other voyages, is not subject to inspection as a passenger vessel or a small passenger vessel.

(b) Before an individual in addition to the crew is carried on a vessel as permitted by this section, the owner, charterer, managing operator, agent, master, or individual in charge of the vessel first shall notify the individual of the presence on board of dangerous articles as defined by law, and of other conditions or circumstances that would constitute a risk of safety to the individual on board.

(c) The privilege authorized by this section applies to a vessel of a foreign country that affords a similar privilege to vessels of the United States in trades not restricted to vessels under its own flag.

§ 3305. Scope and standards of inspection

(a) The inspection process shall ensure that a vessel subject to inspection—

(1) is of a structure suitable for the service in which it is to be employed;

(2) is equipped with proper appliances for lifesaving, fire prevention, and firefighting;

(3) has suitable accommodations for the crew, sailing school instructors, and sailing school students, and for passengers on the vessel if authorized to carry passengers;

(4) is in a condition to be operated with safety to life and property; and

(5) complies with applicable marine safety laws and regulations.

(b) If an inspection, or examination under section 3308 of this title, reveals that a life preserver, life-saving device, or firehose is defective and incapable of being repaired, the owner or master shall destroy the life preserver or firehose in the presence of the official conducting the inspection or examination.

(c) A nautical school vessel operated by a civilian nautical school shall be inspected like a small passenger vessel or a passenger vessel, depending on its tonnage.

§ 3306. Regulations

(a) To carry out this part and to secure the safety of individuals and property on board vessels subject to inspection, the Secretary shall prescribe necessary regulations to ensure the proper execution of, and to carry out, this part in the most effective manner for—

(1) the design, construction, alteration, repair, and operation of those vessels, including superstructures, hulls, fittings, equipment, appliances, propulsion machinery, auxiliary machinery, boilers, unfired pressure vessels, piping, electric installations, and accommodations for passengers and crew, sailing school instructors, and sailing school students;

(2) lifesaving equipment and its use;

(3) firefighting equipment, its use, and precautionary measures to guard against fire;

(4) inspections and tests related to clauses (1)–(3) of this subsection; and

(5) the use of vessel stores and other supplies of a dangerous nature.

(b) Equipment subject to regulation under this section may not be used on any vessel without prior approval as prescribed by regulation.

(c) In prescribing regulations for sailing school vessels, the Secretary shall consult with representatives of the private sector having experience in the operation of vessels likely to be certificated as sailing school vessels. The regulations shall—

(1) reflect the specialized nature of sailing school vessel operations, and the character, design, and construction of vessels operating as sailing school vessels; and

(2) include requirements for notice to sailing school instructors and sailing school students about the specialized nature of sailing school vessels and applicable safety regulations.

(d) In prescribing regulations for nautical school vessels operated by the United States Merchant Marine Academy or by a State maritime academy (as defined in section 1302(3) of the Merchant Marine Act, 1936 (46 App. U.S.C. 1295a(3))), the Secretary shall consider the function, purpose, and operation of the vessels, their routes, and the number of individuals who may be carried on the vessels.

(e) When the Secretary finds it in the public interest, the Secretary may suspend or grant exemptions from the requirements of a regulation prescribed under this section related to lifesaving and firefighting equipment, muster lists, ground tackle and hawsers, and bilge systems.

(f) In prescribing regulations for offshore supply vessels, the Secretary shall consider the characteristics, methods of operation, and the nature of the service of offshore supply vessels.

§ 3307. Frequency of inspection

Each vessel subject to inspection under this part shall undergo an initial inspection for certification before being put into service. After being put into service—

(1) each passenger vessel and nautical school vessel shall be inspected at least once a year;

(2) each small passenger vessel, freight vessel or offshore supply vessel of less than 100 gross tons, and sailing school vessel shall be inspected at least once every 3 years; and

(3) any other vessel shall be inspected at least once every 2 years.

§ 3308. Examinations

In addition to inspections required by section 3307 of this title, the Secretary shall examine—

(1) each vessel subject to inspection at proper times to ensure compliance with law and regulations; and

(2) crewmember accommodations on each vessel subject to inspection at least once a month or when the vessel enters United States ports to ensure that the accommodations are—

(A) of the size required by law and regulations;

(B) properly ventilated and in a clean and sanitary condition; and

(C) equipped with proper plumbing and mechanical appliances required by law and regulations, and the appliances are in good working condition.

§ 3309. Certificate of inspection

(a) When an inspection under section 3307 of this title has been made and a vessel has been found to be in compliance with the requirements of law and regulations, a certificate of inspection, in a form prescribed by the Secretary, shall be issued to the vessel.

(b) The Secretary may issue a temporary certificate of inspection in place of a regular certificate of inspection issued under subsection (a) of this section.

§ 3310. Records of certification

The Secretary shall keep records of certificates of inspection of vessels and of all acts in the examination and inspection of vessels, whether of approval or disapproval.

§ 3311. Certificate of inspection required

A vessel subject to inspection under this part may not be operated without having on board a valid certificate of inspection issued under section 3309 of this title.

§ 3312. Display of certificate of inspection

The certificate of inspection issued to a vessel under section 3309 of this title shall be displayed, suitably framed, in a conspicuous place on the vessel. When it is not practicable to so display the certificate, it shall be carried in the manner prescribed by regulation.

§ 3313. Compliance with certificate of inspection

(a) During the term of a vessel's certificate of inspection, the vessel must be in compliance with its conditions, unless relieved by a suspension or an exemption granted under section 3306(e) of this title.

(b) When a vessel is not in compliance with its certificate or fails to meet a standard prescribed by this part or a regulation prescribed under this part—

(1) the owner, charterer, managing operator, agent, master, or individual in charge shall be ordered in writing to correct the noted deficiencies promptly;

(2) the Secretary may permit any repairs to be made at a place most convenient to the owner, charterer, or managing operator when the Secretary decides the repairs can be made with safety to those on board and the vessel;

(3) the vessel may be required to cease operating at once; and

(4) if necessary, the certificate shall be suspended or revoked.

(c) The vessel's certificate of inspection shall be revoked if a condition unsafe to life that is ordered to be corrected under this section is not corrected at once.

(d) The owner, charterer, managing operator, agent, master, or individual in charge of a vessel whose certificate has been suspended or revoked shall be given written notice immediately of the suspension or revocation. The owner or master may appeal to the Secretary the suspension or revocation within 30 days of receiving the notice, as provided by regulations prescribed by the Secretary.

§ 3314. Expiration of certificate of inspection

(a) If the certificate of inspection of a vessel expires when the vessel is on a foreign voyage, the vessel may complete the voyage to a port of the United States within 30 days of the expiration of the certificate

without incurring the penalties for operating without a certificate of inspection.

(b) If the certificate of inspection would expire within 15 days of sailing on a foreign voyage from a United States port, the vessel shall secure a new certificate of inspection before sailing, unless the voyage is scheduled to be completed prior to the expiration date of the certificate. If a voyage scheduled to be completed in that time is not so completed, the applicable penalties may be enforced unless the failure to meet the schedule was beyond the control of the owner, charterer, managing operator, agent, master, or individual in charge of the vessel.

(c) When the certificate of inspection of a foreign vessel carrying passengers, operated on a regularly established line, expires at sea after leaving the country to which it belongs or when the vessel is in the United States, the Secretary may permit the vessel to sail on its regular route without further inspection than would have been required had the certificate not expired. This permission applies only when the vessel will be regularly inspected and issued a certificate before the vessel's next return to the United States.

§ 3315. Disclosure of defects and protection of informants

(a) Each individual licensed under part E of this subtitle shall assist in the inspection or examination under this part of the vessel on which the individual is serving, and shall point out defects and imperfections known to the individual in matters subject to regulations and inspection. The individual also shall make known to officials designated to enforce this part, at the earliest opportunity, any marine casualty producing serious injury to the vessel, its equipment, or individuals on the vessel.

(b) An official may not disclose the name of an individual providing information under this section, or the source of the information, to a person except a person authorized by the Secretary. An official violating this subsection is liable to disciplinary action under applicable law.

§ 3316. United States classification societies

(a) In carrying out this part, the Secretary may rely on reports, documents, and certificates issued by the American Bureau of Shipping or a similar United States classification society, or an agent of the Bureau or society.

(b) Each department, agency, and instrumentality of the United States Government shall recognize the Bureau as its agent in classifying vessels owned by the Government and in matters related to classification, as long as the Bureau is maintained as an organization having no capital stock and paying no dividends. The Secretary and the Secretary of Transportation each shall appoint one representative (except when the Secretary is the Secretary of Transportation, in which case the Secretary shall appoint both representatives) who shall represent the Government on the executive committee of the Bureau. The Bureau shall agree that the representatives shall be accepted by it as active members of the committee. The representatives shall serve without compensation, except for necessary traveling expenses.

(c)(1) To the maximum extent practicable, the Secretary may delegate to the Bureau or a similar United States classification society, or an agent of the Bureau or society, the inspection or examination, in the United States or in a foreign country, of a vessel documented or to be documented as a vessel of the United States. The Bureau, society, or agent may issue the certificate of inspection required by this part and other certificates essential to documentation.

(2) When an inspection or examination has been delegated under this subsection, the Secretary's delegate—

(A) shall maintain in the United States complete files of all information derived from or necessarily connected with the inspection or examination for at least 2 years after the vessel ceases to be certified; and

(B) shall permit access to those files at all reasonable times to any officer, employee, or member of the Coast Guard designated—

(i) as a marine inspector and serving in a position as a marine inspector; or

(ii) in writing by the Secretary to have access to those files.

(d) The Secretary also may make an agreement with or use the Bureau or a similar United States classification society, or an agent of the Bureau or society, for reviewing and approving plans required for issuing a certificate of inspection.

§ 3317. Fees

(a) The Secretary may prescribe by regulation fees for inspecting or examining a small passenger vessel or a sailing school vessel.

(b) When an inspection or examination under this chapter of a documented vessel is conducted at a foreign port or place at the request of the owner or managing operator of the vessel, the owner or operator shall reimburse the Secretary for the travel and subsistence expenses incurred by the personnel assigned to perform the inspection or examination. Amounts received as reimbursement for these expenses shall be credited to the appropriation for operating expenses of the Coast Guard.

§ 3318. Penalties

(a) The owner, charterer, managing operator, agent, master, or individual in charge of a vessel operated in violation of this part or a regulation prescribed under this part, and a person violating a regulation that applies to a small passenger vessel, freight vessel of less than 100 gross tons, or sailing school vessel, are liable to the United States Government for a civil penalty of $1,000, except that when the violation involves operation of a barge, the penalty is $500. The vessel also is liable in rem for the penalty.

(b) A person that knowingly manufactures, sells, offers for sale, or possesses with intent to sell, any equipment subject to this part, and the equipment is so defective as to be insufficient to accomplish the purpose for which it is intended, shall be fined not more than $10,000, imprisoned for not more than 5 years, or both.

(c) A person that employs a means or device whereby a boiler may be subjected to a pressure greater than allowed by the terms of the vessel's certificate of inspection shall be fined not more than $2,000, imprisoned for not more than 5 years, or both.

(d) A person that deranges or hinders the operation of any machinery or device employed on a vessel to denote the state of steam or water in any boiler or to give warning of approaching danger, or permits the water level of any boiler when in operation of a vessel to fall below its prescribed low-water line, shall be fined not more than $2,000, imprisoned for not more than 5 years, or both.

(e) A person that alters, defaces, obliterates, removes, or destroys any plans or specifications required by and approved under a regulation prescribed under section 3306 of this title, with intent to deceive or impede any official of the United States in carrying out that official's duties, shall be fined not more than $2,000, imprisoned for not more than 2 years, or both.

(f) A person shall be fined not less than $1,000 but not more then $5,000, and imprisoned for not less than 2 years but not more then 5 years, if the person—

(1) forges or counterfeits with intent to make it appear genuine any mark or stamp prescribed for material to be tested and approved under section 3306 of this title or a regulation prescribed under section 3306;

(2) knowingly uses, affixes, or causes to be used or affixed, any such forged or counterfeited mark or stamp to or on material of any description;

(3) with fraudulent intent, possesses any such mark, stamp, or other device knowing it to be forged or counterfeited; or

(4) with fraudulent intent, marks or causes to be marked with the trademark or name of another, material required to be tested and approved under section 3306 of this title or a regulation prescribed under section 3306.

(g) A person shall be fined not more than $10,000, imprisoned for not more than one year, or both, if the person—

(1) interferes with the inspection of a nautical school vessel;

(2) violates a regulation prescribed for a nautical school vessel;

(3) is an owner of a nautical school vessel operated in violation of this part; or

(4) is an officer or member of the board of directors of a school, organization, association, partnership, or corporation owning a nautical school vessel operated in violation of a regulation prescribed for a nautical school vessel.

(h) An owner, charterer, managing operator, agent, master, or individual in charge of a vessel that fails to give the notice required by section 3304(b) of this title is liable to the United States Government for a civil penalty of not more than $500. The vessel also is liable in rem for the penalty.

CHAPTER 35—CARRIAGE OF PASSENGERS

Sec.
3501. Number of passengers.
3502. List or count of passengers.
3503. Fire-retardant materials.
3504. Notification to passengers.
3505. Prevention of departure.
3506. Copies of laws.

§ 3501. Number of passengers

(a) Each certificate of inspection issued to a vessel carrying passengers (except a ferry), shall include a statement on the number of passengers that the vessel is permitted to carry.

(b) The owner, charterer, managing operator, agent, master, or individual in charge of a vessel is liable to a person suing them for carrying more passengers than the number of passengers permitted by the certificate of inspection in an amount equal to—

(1) passage money; and

(2) $100 for each passenger in excess of the number of passengers permitted.

(c) An owner, charterer, managing operator, agent, master, or individual in charge of a vessel that knowingly violates subsection (b) of this section also shall be fined not more than $100, imprisoned for not more than 30 days, or both.

(d) The vessel also is liable in rem for a penalty under this section.

(e) An offshore supply vessel may not carry passengers except in an emergency.

§ 3502. List or count of passengers

(a) The owner, charterer, managing operator, master, or individual in charge of the following categories of vessels carrying passengers shall keep a correct list of passengers received and delivered from day to day:

(1) vessels arriving from foreign ports (except at United States Great Lakes ports from Canadian Great Lakes ports).

(2) seagoing vessels in the coastwise trade.

(3) passenger vessels making voyages of more than 300 miles on the Great Lakes except from a Canadian to a United States port.

(b) The master of a vessel carrying passengers (except a vessel listed in subsection (a) of this section) shall keep a correct count of all passengers received and delivered.

(c) Lists and counts required under this section shall be open to the inspection of designated officials of the Coast Guard and the Customs Service at all times. The total number of passengers shall be provided to the Coast Guard when requested.

(d) This section applies to a foreign vessel arriving at a United States port.

(e) The owner, charterer, managing operator, master, or individual in charge of a passenger vessel failing to make a list or count of passengers as required by this section is liable to the United States Government for a civil penalty of $100. The vessel also is liable in rem for the penalty.

§ 3503. Fire-retardant materials

A passenger vessel of the United States having berth or stateroom accommodations for at least 50 passengers shall be granted a certificate of inspection only if the vessel is constructed of fire-retardant materials. Before November 1, 1988, this section does not apply to a vessel operating only on the inland rivers.

§ 3504. Notification to passengers

(a) A person selling passage on a foreign or domestic passenger vessel having berth or stateroom accommodations for at least 50 passengers and embarking passengers at United States ports for a coastwise or an international voyage shall notify each prospective passenger of the safety standards applicable to the vessel in a manner prescribed by regulation.

(b) All promotional literature or advertising through any medium of communication in the United States offering passage or soliciting passengers for ocean voyages anywhere in the world shall include information similar to the information described in subsection (a) of this section, and shall specify the registry of each vessel named, as a part of the advertisement or description of the voyage. Except for the inclusion of the country of registry of the vessel, this subsection does not apply to voyages by vessels meeting the safety standards described in section 3505 of this title.

(c) A person violating this section or a regulation prescribed under this section is liable to the United States Government for a civil penalty of not more than $10,000. If the violation involves the sale of tickets for passage, the owner, charterer, managing operator, agent, master, individual in charge, or any other person involved in each violation also is liable to the Government for a civil penalty of $500 for each ticket sold. The vessel on which passage is sold also is liable in rem for a violation of this section or a regulation prescribed under this section.

§ 3505. Prevention of departure

Notwithstanding section 3303(a) of this title, a foreign or domestic vessel of more than 100 gross tons having berth or stateroom accommodations for at least 50 passengers may not depart from a United States port with passengers who are embarked at that port, if the Secretary finds that the vessel does not comply with the standards stated in the International Convention for the Safety of Life at Sea to which the United States Government is currently a party.

§ 3506. Copies of laws

A master of a passenger vessel shall keep on board a copy of this subtitle, to be provided by the Secretary at reasonable cost. If the master fails to do so, the master is liable to the United States Government for a civil penalty of $200.

CHAPTER 37—CARRIAGE OF LIQUID BULK DANGEROUS CARGOES

Sec.
3701. Definitions.
3702. Application.
3703. Regulations.
3704. Coastwise trade vessels.
3705. Crude oil tanker minimum standards.
3706. Product carrier minimum standards.
3707. Tanker minimum standards.
3708. Self-propelled tank vessel minimum standards.
3709. Exemptions.
3710. Evidence of compliance by vessels of the United States.
3711. Evidence of compliance by foreign vessels.
3712. Notification of noncompliance.
3713. Prohibited acts.
3714. Inspection and examination.
3715. Lightering.
3716. Tank washings.
3717. Marine safety information system.
3718. Penalties.

§ 3701. Definitions

In this chapter—

(1) "existing", when referring to a type of vessel to which this chapter applies, means a vessel that is not a new vessel.

(2) "major conversion" means a conversion of an existing vessel that substantially changes the dimensions or carrying capacity of the vessel or changes the type of vessel or substantially prolongs its life or that otherwise so changes the vessel that it is essentially a new vessel, as decided by the Secretary.

(3) "new", when referring to a type of vessel to which this chapter applies, means a vessel—

(A) for which the building contract is placed after June 1, 1979;

(B) in the absence of a building contract, the keel of which is laid, or which is at a similar stage of construction, after January 1, 1980;

(C) the delivery of which is after June 1, 1982; or

(D) that has undergone a major conversion under a contract made after June 1, 1979, or construction work that began after January 1, 1980, or was completed after June 1, 1982.

(4) "person" means an individual (even if not a citizen or national of the United States), a corporation, partnership, association, or other entity (even if not organized or existing under the laws of a State), the United States Government, a State or local government, a government of a foreign country, or an entity of one of those governments.

(5) "State", in addition to its meaning under section 2101(36) of this title, includes the Trust Territory of the Pacific Islands.

(6) "United States", in addition to its meaning under section 2101(44) of this title, includes the Trust Territory of the Pacific Islands.

§ 3702. Application

(a) Subject to subsections (b)-(e) of this section, this chapter applies to a tank vessel.

(b) This chapter does not apply to a documented vessel that would be subject to this chapter only because of the transfer of fuel from the fuel supply tanks of the vessel to offshore drilling or production facilities in the oil industry if the vessel is—

(1) not more than 500 gross tons;

(2) not a tanker; and

(3) in the service of oil exploitation.

(c) This chapter does not apply to a cannery tender, fishing tender, or fishing vessel of not more than 500 gross tons, used in the salmon or crab fisheries of Alaska, Oregon, or Washington, when engaged only in the fishing industry.

(d) This chapter does not apply to a vessel of not more than 5,000 gross tons used in processing and assembling fishery products of the fisheries of Alaska, Oregon, and Washington. However, the vessel is subject to regulation by the Secretary when carrying flammable or combustible liquid cargo in bulk.

(e) This chapter does not apply to a foreign vessel on innocent passage on the navigable waters of the United States.

§ 3703. Regulations

(a) The Secretary shall prescribe regulations for the design, construction, alteration, repair, maintenance, operation, equipping, personnel qualification, and manning of vessels to which this chapter applies, that may be necessary for increased protection against hazards to life and property, for navigation and vessel safety, and for enhanced protection of the marine environment. The Secretary may prescribe different regulations applicable to vessels engaged in the domestic trade, and also may prescribe regulations that exceed standards set internationally. Regulations prescribed by the Secretary under this subsection are in addition to regulations prescribed under other laws that may apply to any of those vessels. Regulations prescribed under this subsection shall include requirements about—

(1) superstructures, hulls, cargo holds or tanks, fittings, equipment, appliances, propulsion machinery, auxiliary machinery, and boilers;

(2) the handling or stowage of cargo, the manner of handling or stowage of cargo, and the machinery and appliances used in the handling or stowage;

(3) equipment and appliances for lifesaving, fire protection, and prevention and mitigation of damage to the marine environment;

(4) the manning of vessels and the duties, qualifications, and training of the officers and crew;

(5) improvements in vessel maneuvering and stopping ability and other features that reduce the possibility of marine casualties;

(6) the reduction of cargo loss if a marine casualty occurs; and

(7) the reduction or elimination of discharges during ballasting, deballasting, tank cleaning, cargo handling, or other such activity.

(b) In prescribing regulations under subsection (a) of this section, the Secretary shall consider the types and grades of cargo permitted to be on board a tank vessel.

(c) In prescribing regulations under subsection (a) of this section, the Secretary shall establish procedures for consulting with, and receiving and considering the views of—

(1) interested departments, agencies, and instrumentalities of the United States Government;

(2) officials of State and local governments;

(3) representatives of port and harbor authorities and associations;

(4) representatives of environmental groups; and

(5) other interested parties knowledgeable or experienced in dealing with problems involving vessel safety, port and waterways safety, and protection of the marine environment.

§ 3704. Coastwise trade vessels

A segregated ballast tank, a crude oil washing system, or an inert gas system, required by this chapter or a regulation prescribed under this chapter, on a vessel entitled to engage in the coastwise trade under section 27 of the Merchant Marine Act, 1920 (46 App. U.S.C. 883), shall be installed in the United States (except the trust territories). A vessel failing to comply with this section may not engage in the coastwise trade.

§ 3705. Crude oil tanker minimum standards

(a) A new crude oil tanker of at least 20,000 deadweight tons shall be equipped with—

(1) protectively located segregated ballast tanks;

(2) a crude oil washing system; and

(3) a cargo tank protection system consisting of a fixed deck froth system and a fixed inert gas system.

(b)(1) An existing crude oil tanker of at least 40,000 deadweight tons shall be equipped with—

(A) segregated ballast tanks; or

(B) a crude oil washing system.

(2) Compliance with paragraph (1) of this subsection may be delayed until June 1, 1985, for any tanker of less than 70,000 deadweight tons that has dedicated clean ballast tanks.

(c) An existing crude oil tanker of at least 20,000 deadweight tons but less than 40,000 deadweight tons, and at least 15 years of age, shall be equipped with segregated ballast tanks or a crude oil washing system before January 2, 1986, or the date on which the tanker reaches 15 years of age, whichever is later.

(d) An existing crude oil tanker of at least 20,000 deadweight tons shall be equipped with an inert gas system. However, for a crude oil tanker of less than 40,000 deadweight tons not fitted with high capacity tank washing machines, the Secretary may grant an exemption if the vessel's owner can show clearly that compliance would be unreasonable and impracticable due to the vessel's design characteristics.

(e) A crude oil tanker engaged in transferring oil from an offshore oil exploitation or production facility on the Outer Continental Shelf of the United States shall be equipped with segregated ballast tanks, or may operate with dedicated clean ballast tanks or special ballast arrangements. However, the tanker shall comply with other applicable minimum standards of this section.

§ 3706. Product carrier minimum standards

(a) A new product carrier of at least 30,000 deadweight tons shall be equipped with protectively located segregated ballast tanks.

(b) A new product carrier of at least 20,000 deadweight tons shall be equipped with a cargo tank protection system consisting of a fixed deck froth system and a fixed inert gas system or, if the product carrier carries dedicated products incompatible with the cargo tank protection system, an alternate protection system authorized by the Secretary.

(c) An existing product carrier of at least 40,000 deadweight tons shall be equipped with segregated ballast tanks or may operate with dedicated clean ballast tanks.

(d) An existing product carrier of at least 20,000 deadweight tons but less than 40,000 deadweight tons, and at least 15 years of age, shall be equipped with segregated ballast tanks or may operate with dedicated clean ballast tanks before January 2, 1986, or the date on which it reaches 15 years of age, whichever is later.

(e) An existing product carrier of at least 40,000 deadweight tons, or an existing product carrier of at least 20,000 deadweight tons but less than 40,000 deadweight tons that is fitted with high-capacity tank washing machines, shall be equipped with an inert gas system.

§ 3707. Tanker minimum standards

(a) A new tanker of at least 10,000 gross tons shall be equipped with—

(1) 2 remote steering gear control systems operable separately from the navigating bridge;

(2) the main steering gear control in the steering gear compartment;

(3) means of communications and rudder angle indicators on the navigating bridge, a remote steering gear control station, and the steering gear compartment;

(4) at least 2 identical and adequate power units for the main steering gear;

(5) an alternative and adequate power supply, either from an emergency source of electrical power or from another independent source of power located in the steering gear compartment; and

(6) means of automatic starting and stopping of power units with attendant alarms at all steering stations.

(b) An existing tanker of at least 10,000 gross tons shall be equipped with—

(1) 2 remote steering gear control systems operable separately from the navigating bridge;

(2) the main steering gear control in the steering gear compartment; and

(3) means of communications and rudder angle indicators on the navigating bridge, a remote steering gear control station, and the steering gear compartment.

§ 3708. Self-propelled tank vessel minimum standards

A self-propelled tank vessel of at least 10,000 gross tons shall be equipped with—

(1) a dual radar system with short-range and long-range capabilities, each with true-north features;

(2) an electronic relative motion analyzer that is at least functionally equivalent to equipment complying with specifications established by the Secretary of Transportation;

(3) an electronic position-fixing device;

(4) adequate communications equipment;

(5) a sonic depth finder;

(6) a gyrocompass; and

(7) up-to-date charts.

§ 3709. Exemptions

The Secretary may exempt a vessel from the minimum requirements established by sections 3704-3706 of this title for segregated ballast, crude oil washing, and dedicated clean ballast if the Secretary decides that shore-based reception facilities are a preferred method of handling ballast and that adequate facilities are readily available.

§ 3710. Evidence of compliance by vessels of the United States

(a) A vessel of the United States to which this chapter applies that has on board oil or hazardous material in bulk as cargo or cargo residue must have a certificate of inspection issued under this part, endorsed to indicate that the vessel complies with regulations prescribed under this chapter.

(b) Each certificate endorsed under this section is valid for not more than 24 months and may be renewed as specified by the Secretary. In appropriate circumstances, the Secretary may issue a temporary certificate valid for not more than 30 days. A certificate shall be suspended or revoked if the Secretary finds that the vessel does not comply with the conditions under which the certificate was issued.

§ 3711. Evidence of compliance by foreign vessels

(a) A foreign vessel to which this chapter applies may operate on the navigable waters of the United States, or transfer oil or hazardous material in a port or place under the jurisdiction of the United States, only if the vessel has been issued a certificate of compliance by the Secretary. The Secretary may issue the certificate only after the vessel has been examined and found to be in compliance with this chapter and regulations prescribed under this chapter. The Secretary may accept any part of a certificate, endorsement, or document, issued by the government of a foreign country under a treaty, convention, or other international agreement to which the United States is a party, as a basis for issuing a certificate of compliance.

(b) A certificate issued under this section is valid for not more than 24 months and may be renewed as specified by the Secretary. In appropriate circumstances, the Secretary may issue a temporary certificate valid for not more than 30 days.

(c) A certificate shall be suspended or revoked if the Secretary finds that the vessel does not comply with the conditions under which the certificate was issued.

§ 3712. Notification of noncompliance

The Secretary shall notify the owner, charterer, managing operator, agent, master, or individual in charge of a vessel found not to be in compliance with a regulation prescribed under this part and state how compliance may be achieved.

§ 3713. Prohibited acts

(a) A person may not—

(1) violate this chapter or a regulation prescribed under this chapter;

(2) refuse to permit any official, authorized by the Secretary to enforce this chapter, to board a vessel or to enter a shore area, place, or premises, under a person's control to make an inspection under this chapter; or

(3) refuse to obey a lawful directive issued under this chapter.

(b) A vessel to which this chapter applies may not—

(1) operate on the navigable waters of the United States or use a port or place subject to the jurisdiction of the United States when not in compliance with this chapter or a regulation prescribed under this chapter;

(2) fail to comply with a lawful directive issued under this chapter; or

(3) carry a type or grade of oil or hazardous material in bulk as cargo or cargo residue unless its certificate is endorsed to allow that carriage.

§ 3714. Inspection and examination

(a)(1) The Secretary shall have each vessel to which this chapter applies inspected or examined at least once each year.

(2) Each of those vessels that is more than 10 years of age shall undergo a special and detailed inspection of structural strength and hull integrity as specified by the Secretary.

(3) The Secretary may make contracts for conducting inspections or examinations in the United States and in foreign countries. An inspector conducting an inspection or examination under contract may not issue a certificate of inspection or a certificate of compliance, but the inspector may issue a temporary certificate.

(4) The Secretary shall prescribe by regulation reasonable fees for an inspection or examination conducted under this section outside the United States, or which, when involving a foreign vessel, is conducted under a contract authorized by paragraph (3) of this subsection. The owner, charter, or managing operator of a vessel inspected or examined by the Secretary is liable for the fees. Amounts received as fees shall be deposited in the Treasury.

(5) The Secretary may allow provisional entry of a vessel to conduct an inspection or examination under this chapter.

(b) Each vessel to which this chapter applies shall have on board those documents the Secretary considers necessary for inspection and enforcement, including documents listing—

(1) the type, grade, and approximate quantities of cargo on board;

(2) the shipper and consignee of the cargo;

(3) the places of origin and destination of the vessel; and

(4) the name of an agent in the United States authorized to accept service of legal process.

(c) Each vessel to which this chapter applies that operates in the United States shall have a person designated as authorized to accept service of legal process for the vessel.

§ 3715. Lightering

(a) A vessel may transfer oil or hazardous material in a port or place subject to the jurisdiction of the United States, when the cargo has been transferred from another vessel on the navigable waters of the United States or in the marine environment, only if—

(1) the transfer was conducted consistent with regulations prescribed by the Secretary; and

(2) both the delivering and receiving vessels had on board, at the time of transfer, a certificate of inspection or a certificate of compliance, as would have been required under section 3710 or 3711 of this title, had the transfer taken place in a port or place subject to the jurisdiction of the United States.

(b) The Secretary shall prescribe regulations to carry out subsection (a) of this section. The regulations shall include provisions on—

(1) minimum safe operating conditions, including sea state, wave height, weather, proximity to channels or shipping lanes, and other similar factors;

(2) the prevention of spills;

(3) equipment for responding to a spill;

(4) the prevention of any unreasonable interference with navigation or other reasonable uses of the high seas, as those uses are defined by treaty, convention, or customary international law;

(5) the establishment of lightering zones; and

(6) requirements for communication and prearrival messages.

§ 3716. Tank washings

(a) A vessel may not transfer cargo in a port or place subject to the jurisdiction of the United States if, before arriving, the vessel has discharged tank washings containing oil or hazardous material in preparation for loading at that port or place in violation of the laws of the United States or in a manner or quantities inconsistent with a treaty to which the United States is a party.

(b) The Secretary shall establish effective control and supervisory measures to carry out this section.

§ 3717. Marine safety information system

(a) The Secretary shall establish a marine safety information system that shall contain information about each vessel to which this chapter applies that operates on the navigable waters of the United States, or that transfers oil or hazardous material in a port or place under the jurisdiction of the United States. In acquiring this information, the Secretary shall make full use of publicly available information. The Secretary may by regulation require the vessel to provide information that the Secretary considers necessary to carry out this subsection, including—

(1) the name of each person with an ownership interest in the vessel;

(2) details of compliance with the financial responsibility requirements of applicable laws or regulations;

(3) registration information, including all changes in the name of the vessel;

(4) the history of marine casualties and serious repair problems of the vessel; and

(5) a record of all inspections and examinations of a vessel conducted under section 3714 of this title.

(b) On written request from the Secretary, the head of each department, agency, or instrumentality of the United States Government shall provide available information that the Secretary considers necessary to confirm the information received under subsection (a) of this section.

§ 3718. Penalties

(a)(1) A person violating this chapter or a regulation prescribed under this chapter is liable to the United States Government for a civil penalty of not more than $25,000. Each day of a continuing violation is a separate violation.

(2) Each vessel to which this chapter applies that is operated in violation of this chapter or a regulation prescribed under this chapter is liable in rem for a civil penalty under this subsection.

(b) A person willfully and knowingly violating this chapter or a regulation prescribed under this chapter shall be fined not more than $50,000, imprisoned for not more than 5 years, or both.

(c) Instead of the penalties provided by subsection (b) of this section, a person willfully and knowingly violating this chapter or a regulation prescribed under this chapter, and using a dangerous weapon, or engaging in conduct that causes bodily injury or fear of imminent bodily injury to an official authorized to enforce this chapter or a regulation prescribed under this chapter, shall be fined not more than $100,000, imprisoned for not more than 10 years, or both.

(d) The district courts of the United States have jurisdiction to restrain a violation of this chapter or a regulation prescribed under this chapter.

(e) At the request of the Secretary, the Secretary of the Treasury shall withhold or revoke the clearance required by section 4197 of the Revised Statutes (46 App. U.S.C. 91) of a vessel the owner or operator of which is subject to a penalty under this section. Clearance may be granted on filing a bond or other surety satisfactory to the Secretary.

CHAPTER 39—CARRIAGE OF ANIMALS

Sec.
3901. Regulations for accommodations for export animals.
3902. Penalties.

§ 3901. Regulations for accommodations for export animals

The Secretary of Agriculture may prescribe regulations governing the accommodations on board vessels for cattle, horses, mules, asses, sheep, goats, and swine to be carried from the United States to a foreign country. The regulations shall prescribe standards for space, ventilation, fittings, food and water supply, and other requirements the Secretary of Agriculture considers necessary for the safe and proper transportation and humane treatment of those animals. The Secretary of Agriculture may examine any vessel the Secretary of Agriculture considers necessary to carry out this chapter.

§ 3902. Penalties

When the owner, charterer, managing operator, agent, master, or individual in charge of a vessel carrying animals referred to in section 3901 of this title willfully violates, or causes or permits to be violated, a regulation prescribed under this chapter, the vessel may be prohibited from carrying any such animals from the United States for a period, of not more than one year, that the Secretary of Agriculture directs. The vessel may not be cleared from a port of the United States during that period.

CHAPTER 41—UNINSPECTED VESSELS

Sec.
4101. Application.
4102. Safety equipment.
4103. Exemptions.
4104. Regulations.
4105. Uninspected passenger vessels.
4106. Penalties.

§ 4101. Application

This chapter applies to an uninspected vessel—

(1) on the navigable waters of the United States; or

(2) owned in the United States and operating on the high seas.

§ 4102. Safety equipment

(a) Each uninspected vessel propelled by machinery shall be provided with the number, type, and size of fire extinguishers, capable of promptly and effectively extinguishing burning liquid fuel, that may be prescribed by regulation. The fire extinguishers shall be kept in condition for immediate and effective use and so placed as to be readily accessible.

(b) Each uninspected vessel propelled by machinery shall carry at least one readily accessible life preserver or other lifesaving device, of the type prescribed by regulation, for each individual on board.

(c) Each uninspected vessel shall have the carburetors of each engine of the vessel (except an outboard motor) using gasoline

as fuel, equipped with an efficient flame arrestor, backfire trap, or other similar device prescribed by regulation.

(d) Each uninspected vessel using a volatile liquid as fuel shall be provided with the means prescribed by regulation for properly and efficiently ventilating the bilges of the engine and fuel tank compartments, so as to remove any explosive or flammable gases.

§ 4103. Exemptions

Section 4102(a) of this title does not apply to a vessel propelled by outboard motors when competing in a race previously arranged and announced or, if the vessel is designed and intended only for racing, when operated incidental to tuning up the vessel and its engines for the race.

§ 4104. Regulations

The Secretary shall prescribe regulations to carry out this chapter.

§ 4105. Uninspected passenger vessels

Chapter 43 of this title applies to an uninspected passenger vessel.

§ 4106. Penalties

If a vessel to which this chapter applies is operated in violation of this chapter or a regulation prescribed under this chapter, the owner, charterer, managing operator, agent, master, and individual in charge are each liable to the United States Government for a civil penalty of $100. The vessel also is liable in rem for the penalty.

CHAPTER 43—RECREATIONAL VESSELS

Sec.
4301. Application.
4302. Regulations.
4303. Inspection and testing.
4304. Importation of nonconforming vessels and equipment.
4305. Exemptions.
4306. Federal preemption.
4307. Prohibited acts.
4308. Termination of unsafe operation.
4309. Investigation and reporting.
4310. Repair and replacement of defects.
4311. Penalties and injunctions.

§ 4301. Application

(a) This chapter applies to a recreational vessel and associated equipment carried in the vessel on waters subject to the jurisdiction of the United States and, for a vessel owned in the United States, on the high seas.

(b) Except when expressly otherwise provided, this chapter does not apply to a foreign vessel temporarily operating on waters subject to the jurisdiction of the United States.

(c) Until there is a final judicial decision that they are navigable waters of the United States, the following waters lying entirely in New Hampshire are declared not to be waters subject to the jurisdiction of the United States within the meaning of this section: Lake Winnisquam, Lake Winnipesaukee, parts of the Merrimack River, and their tributary and connecting waters.

§ 4302. Regulations

(a) The Secretary may prescribe regulations—

(1) establishing minimum safety standards for recreational vessels and associated equipment, and establishing procedures and tests required to measure conformance with those standards, with each standard—

(A) meeting the need for recreational vessel safety; and

(B) being stated, insofar as practicable, in terms of performance;

(2) requiring the installation, carrying, or use of associated equipment (including fuel systems, ventilation systems, electrical systems, sound-producing devices, firefighting equipment, lifesaving devices, signaling devices, ground tackle, life- and grab-rails, and navigational equipment) on recreational vessels and classes of recreational vessels subject to this chapter, and prohibiting the installation, carrying, or use of associated equipment that does not conform with safety standards established under this section; and

(3) requiring or permitting the display of seals, labels, plates, insignia, or other devices for certifying or evidencing compliance with safety regulations and standards of the United States Government for recreational vessels and associated equipment.

(b) Each regulation prescribed under this section shall specify an effective date that is not earlier than 180 days from the date the regulation was published, unless the Secretary finds that there exists a recreational vessel safety hazard so critical as to require an earlier effective date. However, this period may not be more than 24 months for cases involving, in the discretion of the Secretary, major product design, retooling, or major changes in the manufacturing process.

(c) In prescribing regulations under this section, the Secretary shall, among other things—

(1) consider the need for and the extent to which the regulations will contribute to recreational vessel safety;

(2) consider relevant available recreational vessel safety standards, statistics, and data, including public and private research, development, testing, and evaluation;

(3) not compel substantial alteration of a recreational vessel or item of associated equipment that is in existence, or the construction or manufacture of which is begun before the effective date of the regulation, but subject to that limitation may require compliance or performance, to avoid a substantial risk of personal injury to the public, that the Secretary considers appropriate in relation to the degree of hazard that the compliance will correct; and

(4) consult with the National Boating Safety Advisory Council established under section 13110 of this title about the considerations referred to in clauses (1)-(3) of this subsection.

(d) Section 8903 of this title does not apply to a vessel being operated for bona fide dealer demonstrations provided without fee to business invitees. However, if on the basis of substantial evidence, the Secretary decides under this section that requiring vessels so operated to be under the control of licensed individuals is necessary for boating safety, then the Secretary may prescribe regulations requiring the licensing of individuals controlling these vessels in the same manner as provided in chapter 89 of this title for individuals in control of vessels carrying passengers for hire.

§ 4303. Inspection and testing

(a) Subject to regulations, supervision, and reviews that the Secretary may prescribe, the Secretary may delegate to a person, private or public agency, or organization, or to an officer or employee under the supervision of that person or agency, any work, business, or function related to the testing, inspection, and examination necessary for compliance enforcement and for the development of data to enable the Secretary to prescribe regulations under section 4302 of this title.

(b) The Secretary may—

(1) conduct research, testing, and development necessary to carry out this chapter, including the procurement by negotiation or otherwise of experimental and other recreational vessels or associated equipment for research and testing purposes; and

(2) subsequently sell those vessels.

§ 4304. Importation of nonconforming vessels and equipment

The Secretary and the Secretary of the Treasury may authorize by joint regulations the importation of any nonconforming recreational vessel or associated equipment on conditions, including providing a bond, that will ensure that the recreational vessel or associated equipment will be brought into conformity with applicable safety regulations and standards of the Government before the vessel or equipment is operated on waters subject to the jurisdiction of the United States.

§ 4305. Exemptions

If the Secretary considers that recreational vessel safety will not be adversely affected, the Secretary may issue an exemption from this chapter or a regulation prescribed under this chapter.

§ 4306. Federal preemption

Unless permitted by the Secretary under section 4305 of this title, a State or political subdivision of a State may not establish, continue in effect, or enforce a law or regulation establishing a recreational vessel or associated equipment performance or other safety standard or imposing a requirement for associated equipment (except insofar as the State or political subdivision may, in the absence of the Secretary's disapproval, regulate the carrying or use of marine safety articles to meet uniquely hazardous conditions or circumstances within the State) that is not identical to a regulation prescribed under section 4302 of this title.

§ 4307. Prohibited acts

(a) A person may not—

(1) manufacture, construct, assemble, sell or offer for sale, introduce or deliver for introduction into interstate commerce, or import into the United States, a recreational vessel, associated equipment, or component of the vessel or equipment unless—

(A) it conforms with this chapter or a regulation prescribed under this chapter; or

(B) it is intended only for export and is so labeled, tagged, or marked on the recreational vessel or equipment, including any markings on the outside of the container in which it is to be exported;

(2) affix, attach, or display a seal, document, label, plate, insignia, or other device indicating or suggesting compliance with standards of the United States Government on, in, or in connection with, a recreational vessel or item of associated equipment that is false or misleading; or

(3) fail to provide a notification as required by this chapter or fail to exercise reasonable diligence in carrying out the notification and reporting requirements of this chapter.

(b) A person may not operate a vessel in violation of this chapter or a regulation prescribed under this chapter.

§ 4308. Termination of unsafe operation

If an official charged with the enforcement of this chapter observes a recreational vessel being operated without sufficient lifesaving or firefighting devices or in an overloaded or other unsafe condition (as defined in regulations prescribed under this chapter) and, in the judgment of the official, the operation creates an especially hazardous condition, the official may direct the opera-

tor of the recreational vessel to take immediate and reasonable steps necessary for the safety of individuals on board the vessel, including directing the operator to return to a mooring and to remain there until the situation creating the hazard is corrected or ended.

§ 4309. Investigation and reporting

(a) A recreational vessel manufacturer to whom this chapter applies shall establish and maintain records and reports and provide information the Secretary may require to enable the Secretary to decide whether the manufacturer has acted or is acting in compliance with this chapter and regulations prescribed under this chapter. On request of an officer, employee, or agent authorized by the Secretary, a recreational vessel manufacturer shall permit the officer, employee, or agent to inspect, at reasonable times, factories or other facilities, and records related to deciding whether the manufacturer has acted or is acting in compliance with this chapter and regulations prescribed under this chapter.

(b) Information reported to or otherwise obtained by the Secretary or the representative of the Secretary under this section containing or related to a trade secret or other matter referred to in section 1905 of title 18, or authorized to be exempt from public disclosure by section 552(b) of title 5, is confidential under section 1905. However, on approval of the Secretary, the information may be disclosed to other officers, employees, or agents concerned with carrying out this chapter or when it is relevant in a proceeding under this chapter.

§ 4310. Repair and replacement of defects

(a) In this section, "associated equipment" includes only items or classes of associated equipment that the Secretary shall prescribe by regulation after deciding that the application of the requirements of this section to those items or classes of associated equipment is reasonable and in furtherance of this chapter.

(b) If a recreational vessel or associated equipment has left the place of manufacture and the recreational vessel manufacturer discovers or acquires information that the manufacturer decides, in the exercise of reasonable and prudent judgment, indicates that a recreational vessel or associated equipment subject to an applicable regulation prescribed under section 4302 of this title either fails to comply with the regulation, or contains a defect that creates a substantial risk of personal injury to the public, the manufacturer shall provide notification of the defect or failure of compliance as provided by subsections (c) and (d) of this section within a reasonable time after the manufacturer has discovered the defect.

(c)(1) The notification required by subsection (b) of this section shall be given to the following persons in the following manner:

(A) by certified mail to the first purchaser for other than resale, except that the requirement for notification of the first purchaser shall be satisfied if the recreational vessel manufacturer exercises reasonable diligence in establishing and maintaining a list of those purchasers and their current addresses, and sends the required notice to each person on that list at the address appearing on the list.

(B) by certified mail to subsequent purchasers if known to the manufacturer.

(C) by certified mail or other more expeditious means to the dealers and distributors of the recreational vessels or associated equipment.

(2) The notification required by subsection (b) of this section is required to be given only for a defect or failure of compliance discovered by the recreational vessel manufacturer within a reasonable time after the manufacturer has discovered the defect or failure, except that the manufacturer's duty of notification under paragraph (1) (A) and (B) of this subsection applies only to a defect or failure of compliance discovered by the manufacturer within one of the following appropriate periods:

(A) if a recreational vessel or associated equipment required by regulation to have a date of certification affixed, 5 years from the date of certification.

(B) if a recreational vessel or associated equipment not required by regulation to have a date of certification affixed, 5 years from the date of manufacture.

(d) The notification required by subsection (b) of this section shall contain a clear description of the defect or failure to comply, an evaluation of the hazard reasonably related to the defect or failure, a statement of the measures to correct the defect or failure, and an undertaking by the recreational vessel manufacturer to take those measures only at the manufacturer's cost and expense.

(e) Each recreational vessel manufacturer shall provide the Secretary with a copy of all notices, bulletins, and other communications to dealers and distributors of that manufacturer, and to purchasers of recreational vessels or associated equipment of that manufacturer, about a defect related to safety in the recreational vessels or associated equipment, and any failure to comply with the regulation or order applicable to the recreational vessels or associated equipment. The Secretary may publish or otherwise disclose to the public information in the notices or other information the Secretary has that the Secretary considers will assist in carrying out this chapter. However, the Secretary may disclose any information that contains or relates to a trade secret only if the Secretary decides that the information is necessary to carry out this chapter.

(f) If, through testing, inspection, investigation, or examination of reports, the Secretary decides that a recreational vessel or associated equipment to which this chapter applies contains a defect related to safety or fails to comply with an applicable regulation prescribed under this chapter and notification under this chapter is appropriate, the Secretary shall notify the recreational vessel manufacturer of the defect or failure. The notice shall contain the findings of the Secretary and shall include a synopsis of the information on which they are based. The manufacturer may then provide the notification required by this chapter to the persons designated in this chapter or dispute the Secretary's decision. If disputed, the Secretary shall provide the manufacturer with an opportunity to present views and establish that there is no such defect or failure. When the Secretary considers it to be in the public interest, the Secretary may publish notice of the proceeding in the Federal Register and provide interested persons, including the National Boating Safety Advisory Council, with an opportunity to comment. If, after presentation by the manufacturer, the Secretary decides that the recreational vessel or associated equipment contains a defect related to safety or fails to comply with an applicable regulation, the Secretary may direct the manufacturer to provide the notifications specified in this chapter.

(g) The Secretary may prescribe regulations to carry out this section, including the establishment of procedures that require dealers and distributors to assist manufacturers in obtaining information required by this section. A regulation prescribed under this subsection does not relieve a manufacturer of any obligation imposed by this section.

§ 4311. Penalties and injunctions

(a) A person willfully operating a recreational vessel in violation of this chapter or a regulation prescribed under this chapter shall be fined not more than $5,000, imprisoned for not more than one year, or both.

(b) A person violating section 4307(a)(1) of this title is liable to the United States Government for a civil penalty of not more than $2,000, except that the maximum civil penalty may be not more than $100,000 for a related series of violations. When a corporation violates section 4307(a)(1), any director, officer, or executive employee of the corporation who knowingly and willfully ordered, or knowingly and willfully authorized, a violation is individually liable to the Government for the penalty, in addition to the corporation. However, the director, officer, or executive employee is not liable individually under this subsection if the director, officer, or executive employee can demonstrate by a preponderance of the evidence that—

(1) the order or authorization was issued on the basis of a decision, in exercising reasonable and prudent judgment, that the nonconformity with standards and regulations constituting the violation would not cause or constitute a substantial risk of personal injury to the public; and

(2) at the time of the order or authorization, the director, officer, or executive employee advised the Secretary in writing of acting under this clause and clause (1) of this subsection.

(c) A person violatng any other provision of this chapter or other regulation prescribed under this chapter is liable to the Government for a civil penalty of not more than $1,000. If the violation involves the operation of a vessel, the vessel also is liable in rem for the penalty.

(d) When a civil penalty of not more than $200 has been assessed under this chapter, the Secretary may refer the matter of collection of the penalty directly to the United States magistrate of the jurisdiction in which the person liable may be found for collection procedures under supervision of the district court and under an order issued by the court delegating this authority under section 636(b) of title 28.

(e) The district courts of the United States have jurisdiction to restrain a violation of this chapter, or to restrain the sale, offer for sale, introduction or delivery for introduction into interstate commerce, or importation into the United States, of a recreational vessel or associated equipment that the court decides does not conform to safety standards of the Government. A civil action under this subsection shall be brought by filing a petition by the Attorney General for the Government. When practicable, the Secretary shall give notice to a person against whom an action for injunctive relief is contemplated and provide the person with an opportunity to present views and, except for a knowing and willful violation, shall provide the person with a reasonable opportunity to achieve compliance. The failure to give notice and provide the opportunity does not preclude the granting of appropriate relief by the district court.

(f) A person is not subject to a penalty under this chapter if the person—

(1) establishes that the person did not have reason to know, in exercising reasonable care, that a recreational vessel or associated equipment does not conform with the applicable safety standards of the Government; or

(2) holds a certificate issued by the manufacturer of that recreational vessel or associated equipment to the effect that the recreational vessel or associated equipment conforms to all applicable recreational vessel safety standards of the Government, unless the person knows or reasonably should have known that the recreational vessel or associated equipment does not so conform.

(g) Compliance with this chapter or standards, regulations, or orders prescribed under this chapter does not relieve a person from liability at common law or under State law.

[PART C—RESERVED FOR LOAD LINES OF VESSELS]

PART D—MARINE CASUALTIES

CHAPTER 61—REPORTING MARINE CASUALTIES

Sec.
6101. Marine casualties and reporting.
6102. State marine casualty reporting system.
6103. Penalty.

§ 6101. Marine casualties and reporting

(a) The Secretary shall prescribe regulations on the marine casualties and incidents to be reported and the manner of reporting. The regulations shall require reporting the following marine casualties:

(1) death of an individual.

(2) serious injury to an individual.

(3) material loss of property.

(4) material damage affecting the seaworthiness or efficiency of the vessel.

(b) A marine casualty shall be reported within 5 days as provided in this part and regulations prescribed under this part.

(c) When the owner, charterer, managing operator, or agent of a vessel of the United States has reason to believe (because of lack of communication with or nonappearance of a vessel or any other incident) that the vessel may have been lost or imperiled, the owner, charterer, managing operator, or agent immediately shall attempt to determine the status of the vessel. If the owner, charterer, managing operator, or agent cannot determine the status of the vessel, the owner, charterer, managing operator, or agent immediately shall notify the Coast Guard and provide the name and identification number of the vessel, the names of individuals on board, and any other information that may be requested by the Coast Guard.

(d) This part applies to a foreign vessel when involved in a marine casualty on the navigable waters of the United States.

(e) A marine casualty not resulting in the death of an individual shall be classified according to the gravity of the casualty, as prescribed by regulation, giving consideration to the extent of injuries to individuals, the extent of property damage, the dangers that the casualty creates, and the size, occupation, and means of propulsion of each vessel involved.

§ 6102. State marine casualty reporting system

(a) The Secretary shall prescribe regulations for a uniform State marine casualty reporting system for vessels. Regulations shall prescribe the casualties to be reported and the manner of reporting. A State shall compile and submit to the Secretary reports, information, and statistics on casualties reported to the State.

(b) The Secretary shall collect, analyze, and publish reports, information, and statistics on marine casualties together with findings and recommendations the Secretary considers appropriate. If a State marine casualty reporting system provides that information derived from casualty reports (except statistical information) may not be publicly disclosed, or otherwise prohibits use by the State or any person in any action or proceeding against a person, the Secretary may use the information provided by the State only in the same way that the State may use the information.

§ 6103. Penalty

An owner, charterer, managing operator, agent, master, or individual in charge of a vessel failing to report a casualty or incident as required under section 6101 of this title or a regulation prescribed under section 6101 is liable to the United States Government for a civil penalty of $1,000.

CHAPTER 63—INVESTIGATING MARINE CASUALTIES

Sec.
6301. Investigation of marine casualties.
6302. Public investigations.
6303. Rights of parties in interest.
6304. Subpena authority.
6305. Reports of investigations.
6306. Penalty.
6307. Notifications to Congress.

§ 6301. Investigation of marine casualties

The Secretary shall prescribe regulations for the immediate investigation of marine casualties under this part to decide, as closely as possible—

(1) the cause of the casualty, including the cause of any death;

(2) whether an act of misconduct, incompetence, negligence, unskillfulness, or willful violation of law committed by any individual licensed, certificated, or documented under part E of this subtitle has contributed to the cause of the casualty, or to a death involved in the casualty, so that appropriate remedial action under chapter 77 of this title may be taken;

(3) whether an act of misconduct, incompetence, negligence unskillfulness, or willful violation of law committed by any person, including an officer, employee, or member of the Coast Guard, contributed to the cause of the casualty, or to a death involved in the casualty;

(4) whether there is evidence that an act subjecting the offender to a civil penalty under the laws of the United States has been committed, so that appropriate action may be undertaken to collect the penalty;

(5) whether there is evidence that a criminal act under the laws of the United States has been committed, so that the matter may be referred to appropriate authorities for prosecution; and

(6) whether there is need for new laws or regulations, or amendment or repeal of existing laws or regulations, to prevent the recurrence of the casualty.

§ 6302. Public investigations

Each investigation conducted under this chapter and regulations prescribed under this chapter shall be open to the public, except when evidence affecting the national security is to be received.

§ 6303. Rights of parties in interest

In an investigation conducted under this chapter, the following shall be allowed to be represented by counsel, to cross-examine witnesses, and to call witnesses:

(1) an owner,

(2) any holder of a license or certificate of registry,

(3) any holder of a merchant mariner's document,

(4) any other person whose conduct is under investigation, and

(5) any other party in interest.

§ 6304. Subpena authority

(a) In an investigation under this chapter, the attendance and testimony of witnesses, including parties in interest, and the production of any evidence may be compelled by subpena. The subpena authority granted by this section is coextensive with that of a district court of the United States, in civil matters, for the district in which the investigation is conducted.

(b) When a person fails to obey a subpena issued under this section, the district court of the United States for the district in which the investigation is conducted or in which the person failing to obey is found, shall on proper application issue an order directing that person to comply with the subpena. The court may punish as contempt any disobedience of its order.

(c) A witness complying with a subpena issued under this section may be paid for actual travel and attendance at the rate provided for witnesses in the district courts of the United States.

(d) An official designated to conduct an investigation under this part may issue subpenas as provided in this section and administer oaths to witnesses.

§ 6305. Reports of investigations

(a) The Secretary shall prescribe regulations about the form and manner of reports of investigations conducted under this part.

(b) Reports of investigations conducted under this part shall be made available to the public, except to the extent that they contain information related to the national security.

§ 6306. Penalty

A person attempting to coerce a witness, or to induce a witness, to testify falsely in connection with a marine casualty, or to induce a witness to leave the jurisdiction of the United States, shall be fined $5,000, imprisoned for one year, or both.

§ 6307. Notifications to Congress

(a) The Secretary shall notify the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Merchant Marine and Fisheries of the House of Representatives of any hearing, before the hearing occurs, investigating a major marine casualty involving a death under section 6301 of this title.

(b) The Secretary shall submit to a committee referred to in subsection (a) of this section information on a major marine casualty that is requested by that committee or the chairman of the committee if the submission of that information is not prohibited by a law of the United States.

(c) The Secretary shall submit annually to Congress a summary of the marine casualties reported during the prior fiscal year, together with a brief statement of action taken concerning those casualties.

PART E—LICENSES, CERTIFICATES, AND MERCHANT MARINERS' DOCUMENTS

CHAPTER 71—LICENSES AND CERTIFICATES OF REGISTRY

Sec.
7101. Issuing and classifying licenses and certificates of registry.

7102. Citizenship.
7103. Licenses for radio officers.
7104. Certificates for medical doctors and nurses.
7105. Oaths.
7106. Duration of licenses.
7107. Duration of certificates of registry.
7108. Termination of licenses and certificates of registry.
7109. Renewal of licenses.
7110. Exhibiting licenses.
7111. Licenses for fishing vessels not subject to inspection.
7112. Licenses of masters or mates as pilots.
7113. Exemption from draft.
7114. Fees.

§ 7101. Issuing and classifying licenses and certificates of registry

(a) Licenses and certificates of registry are established for individuals who are required to hold licenses or certificates under this subtitle.

(b) Under regulations prescribed by the Secretary, the Secretary—

(1) issues the licenses and certificates of registry; and

(2) may classify the licenses and certificates of registry as provided in subsections (c) and (f) of this section, based on—

(A) the tonnage, means of propulsion, and horsepower of machine-propelled vessels;

(B) the waters on which vessels are to be operated; or

(C) other reasonable standards.

(c) The Secretary may issue licenses in the following classes to applicants found qualified as to age, character, habits of life, experience, professional qualifications, and physical fitness:

(1) masters, mates, and engineers.

(2) pilots.

(3) operators.

(4) radio officers.

(d) In classifying individuals under subsection (c)(1) of this section, the Secretary shall establish, when possible, suitable career patterns and service and other qualifying requirements appropriate to the particular service or industry in which the individuals are engaged.

(e) An individual may be issued a license under subsection (c)(2) of this section only if the applicant—

(1) is at least 21 years of age;

(2) is of sound health and has no physical limitations that would hinder or prevent the performance of a pilot's duties;

(3) agrees to have a thorough physical examination each year while holding the license;

(4) demonstrates, to the satisfaction of the Secretary, that the applicant has the requisite general knowledge and skill to hold the license;

(5) demonstrates proficiency in the use of electronic aids to navigation;

(6) maintains adequate knowledge of the waters to be navigated and knowledge of regulations for the prevention of collisions in those waters;

(7) has sufficient experience, as decided by the Secretary, to evidence ability to handle any vessel of the type and size which the applicant may be authorized to pilot; and

(8) meets any other requirement the Secretary considers reasonable and necessary.

(f) The Secretary may issue certificates of registry in the following classes to applicants found qualified as to character, knowledge, skill, and experience:

(1) pursers.

(2) medical doctors.

(3) professional nurses.

§ 7102. Citizenship

Licenses and certificates of registry for individuals on documented vessels may be issued only to citizens of the United States.

§ 7103. Licenses for radio officers

(a) A license as radio officer may be issued only to an applicant who has a first-class or second-class radiotelegraph operator license issued by the Federal Communications Commission.

(b) Except as provided in section 7318 of this title, this part does not affect the status of radiotelegraph operators serving on board vessels operating only on the Great Lakes.

§ 7104. Certificates for medical doctors and nurses

A certificate of registry as a medical doctor or professional nurse may be issued only to an applicant who has a license as a medical doctor or registered nurse, respectively, issued by a State.

§ 7105. Oaths

An applicant for a license or certificate of registry shall take, before the issuance of the license or certificate, an oath before a designated official, without concealment or reservation, that the applicant will perform faithfully and honestly, according to the best skill and judgment of the applicant, all the duties required by law.

§ 7106. Duration of licenses

A license issued under this part is valid for 5 years. However, the validity of a license issued to a radio officer is conditioned on the continuous possession by the holder of a first-class or second-class radiotelegraph operator license issued by the Federal Communications Commission.

§ 7107. Duration of certificates of registry

A certificate of registry issued under this part is not limited in duration. However, the validity of a certificate issued to a medical doctor or professional nurse is conditioned on the continuous possession by the holder of a license as a medical doctor or registered nurse, respectively, issued by a State.

§ 7108. Termination of licenses and certificates of registry

When the holder of a license or certificate of registry, the duration of which is conditioned under section 7106 or 7107 of this title, fails to hold the license required as a condition, the license or certificate of registry issued under this part is terminated.

§ 7109. Renewal of licenses

A license issued under this part may be renewed for additional 5-year periods.

§ 7110. Exhibiting licenses

Each holder of a license issued under this part shall display, within 48 hours after employment on a vessel for which that license is required, the license in a conspicuous place on the vessel.

§ 7111. Licenses for fishing vessels not subject to inspection

Examinations for licensing individuals on fishing vessels not required to be inspected under part B of this subtitle shall be oral.

§ 7112. Licenses of masters or mates as pilots

A master or mate licensed under this part who also qualifies as a pilot is not required to hold 2 licenses. Instead, the qualification of the master or mate as pilot shall be endorsed on the master's or mate's license.

§ 7113. Exemption from draft

A licensed master, mate, pilot, or engineer of a vessel inspected under part B of this subtitle, propelled by machinery or carrying hazardous liquid cargoes in bulk, is not liable to draft in time of war, except for performing duties authorized by the license. When performing those duties in the service of the United States Government, the master, mate, pilot, or engineer is entitled to the highest rate of wages paid in the merchant marine of the United States for similar services. If killed or wounded when performing those duties, the master, mate, pilot, or engineer, or the heirs or legal representatives of the master, mate, pilot, or engineer, are entitled to all the privileges under the pension laws of the United States provided to members of the Armed Forces.

§ 7114. Fees

The Secretary may prescribe by regulation reasonable fees for the inspection of and the issuance of a certificate, license, or permit related to small passenger vessels and sailing school vessels.

CHAPTER 73—MERCHANT MARINERS' DOCUMENTS

Sec.
7301. General.
7302. Issuing merchant mariners' documents and continuous discharge books.
7303. Possession and description of merchant mariners' documents.
7304. Citizenship notation on for merchant mariners' documents.
7305. Oaths for holders of merchant mariners' documents.
7306. General requirements and classifications for able seamen.
7307. Able seamen—unlimited.
7308. Able seamen—limited.
7309. Able seamen—special.
7310. Able seamen—offshore supply vessels.
7311. Able seamen—sail.
7312. Scale of employment.
7313. General requirements for members of engine departments.
7314. Service requirements for qualified members of engine departments.
7315. Training.
7316. Lifeboatmen.
7317. Tankermen.
7318. Radiotelegraph operators on Great Lakes.
7319. Records of merchant mariners' documents.

§ 7301. General

(a) In this chapter—

(1) "service on deck" means service in the deck department in work related to the work usually performed on board vessels by able seamen and may include service on decked fishing vessels and on public vessels of the United States;

(2) 360 days is equal to one year's service; and

(3) a day is equal to 8 hours of labor or duty.

(b) The Secretary may prescribe regulations to carry out this chapter.

§ 7302. Issuing merchant mariners' documents and continuous discharge books

(a) The Secretary shall issue a merchant mariner's document to an individual required to have that document under part F of this subtitle if the individual satisfies the requirements of this part. The document serves as a certificate of identification and as a certificate of service, specifying each rating in which the holder is qualified to serve on board vessels on which that document is required under part F.

(b) The Secretary also may issue a continuous discharge book to an individual issued a merchant mariner's document if the individual requests.

§ 7303. Possession and description of merchant mariners' documents

A merchant mariner's document shall be retained by the seaman to whom issued. The document shall contain the signature, notations of nationality, age, and physical description, the photograph, the thumbprint, and the home address of the seaman. In addition, the document shall specify the rate or ratings in which the seaman is qualified to serve.

§ 7304. Citizenship of notation on merchant mariners' documents

An individual applying for a merchant mariner's document shall provide satisfactory proof that the individual is a citizen of the United States before that notation is made on the document.

§ 7305. Oaths for holders of merchant mariners' documents

An applicant for a merchant mariner's document shall take, before issuance of the document, an oath that the applicant will perform faithfully and honestly all the duties required by law, and will carry out the lawful orders of superior officers.

§ 7306. General requirements and classifications for able seamen

(a) To qualify for an endorsement as able seaman authorized by this section, an applicant must provide satisfactory proof that the applicant—

(1) is at least 18 years of age;

(2) has the service required by the applicable section of this part;

(3) is qualified professionally as demonstrated by an applicable examination or educational requirements; and

(4) is qualified as to sight, hearing, and physical condition to perform the seaman's duties.

(b) The classifications authorized for endorsement as able seaman are the following:

(1) able seaman—unlimited.

(2) able seaman—limited.

(3) able seaman—special.

(4) able seaman—offshore supply vessels.

(5) able seaman—sail.

§ 7307. Able seamen—unlimited

The required service for the endorsement of able seaman—unlimited, qualified for unlimited service on a vessel on any waters, is at least 3 years' service on deck on board vessels operating at sea or on the Great Lakes.

§ 7308. Able seamen—limited

The required service for the endorsement of able seaman—limited, qualified for limited service on a vessel on any waters, is at least 18 months' service on deck on board vessels of at least 100 gross tons operating on the oceans or navigable waters of the United States (including the Great Lakes).

§ 7309. Able seamen—special

The required service for the endorsement of able seaman—special, qualified for special service on a vessel on any waters, is at least 12 months' service on deck on board vessels operating on the oceans or the navigable waters of the United States (including the Great Lakes).

§ 7310. Able seamen—offshore supply vessels

For service on a vessel of less than 500 gross tons engaged in support of exploration, exploitation, or production of offshore mineral or energy resources, an individual may be rated as able seaman—offshore supply vessels if the individual has at least 6 months' service on deck on board vessels operating on the oceans or the navigable waters of the United States (including the Great Lakes).

§ 7311. Able seamen—sail

For service on a sailing school vessel on any waters, an individual may be rated as able seaman—sail if the individual has at least 6 months' service on deck on sailing school vessels, oceanographic research vessels powered primarily by sail, or equivalent sailing vessels operating on the oceans or navigable waters of the United States (including the Great Lakes).

§ 7312. Scale of employment

(a) Individuals qualified as able seamen—unlimited under section 7307 of this title may constitute all of the able seamen required on a vessel.

(b) Individuals qualified as able seamen—limited under section 7308 of this title may constitute all of the able seamen required on a vessel of less than 1,600 gross tons or on a vessel operating on the Great Lakes and the Saint Lawrence River as far east as Sept Iles. Individuals qualified as able seamen—limited may constitute not more than 50 percent of the number of able seamen required on board other vessels.

(c) Individuals qualified as able seamen—special under section 7309 of this title may constitute—

(1) all of the able seamen required on a vessel of not more than 500 gross tons or on a seagoing barge or towing vessel; and

(2) not more than 50 percent of the number of able seamen required on board other vessels.

(d) Individuals qualified as able seamen—offshore supply vessels under section 7310 of this title may constitute all of the able seamen required on board a vessel of less than 500 gross tons engaged in support of exploration, exploitation, or production of offshore mineral or energy resources.

(e) When the service of able seaman—limited or able seamen—special is authorized for only a part of the required number of able seamen on board a vessel, the combined percentage of those individuals so qualified may not be greater than 50 percent of the required number.

§ 7313. General requirements for members of engine departments

(a) Classes of endorsement as qualified members of the engine department on vessels of at least 100 gross tons (except vessels operating on rivers or lakes (except the Great Lakes)) may be prescribed by regulation.

(b) The ratings of wiper and coal passer are entry ratings and are not ratings as qualified members of the engine department.

(c) An applicant for an endorsement as qualified member of the engine department must provide satisfactory proof that the applicant—

(1) has the service required by section 7314 of this title;

(2) is qualified professionally as demonstrated by an applicable examination; and

(3) is qualified as to sight, hearing, and physical condition to perform the member's duties.

§ 7314. Service requirements for qualified members of engine departments

To qualify for an endorsement as qualified member of the engine department, an applicant must provide proof that the applicant has 6 months' service in the related entry rating as described in section 7313(b) of this title.

§ 7315. Training

(a) Graduation from a nautical school vessel approved under law and regulation may be substituted for the service requirements under section 7307 or 7314 of this title.

(b) The satisfactory completion of other courses of instruction approved by the Secretary may be substituted for not more than one-third of the required service on deck at sea under sections 7307-7311 of this title.

(c) The satisfactory completion of other courses of instruction approved by the Secretary may be substituted for not more than one-half of the required service at sea under section 7314 of this title.

§ 7316. Lifeboatmen

To qualify for an endorsement as lifeboatman, an applicant must provide satisfactory proof that the applicant—

(1) has the service or training required by regulation;

(2) is qualified professionally as demonstrated by examination; and

(3) is qualified professionally by actual demonstration.

§ 7317. Tankermen

(a) The Secretary shall prescribe procedures, standards, and qualifications for the issuance of certificates or endorsements as tankerman, stating the types of oil or hazardous material that can be handled with safety to the vessel and the marine environment.

(b) An endorsement as tankerman shall indicate the grades or types of cargo the holder is qualified and authorized to handle with safety on board vessels.

§ 7318. Radiotelegraph operators on Great Lakes

(a) A radiotelegraph operator on the Great Lakes only shall have a first-class or second-class radiotelegraph operator's license issued by the Federal Communications Commission.

(b) An endorsement as radiotelegraph operator on the Great Lakes only ends if the holder ceases to hold the license issued by the Commission.

§ 7319. Records of merchant mariners' documents

The Secretary shall maintain records on each merchant mariner's document issued, including the name and address of the seaman to whom issued and the next of kin of the seaman. The records are not open to general or public inspection.

CHAPTER 75—GENERAL PROCEDURES FOR LICENSING, CERTIFICATION, AND DOCUMENTATION

Sec.

7501. Duplicates.

7502. Records.

7503. Dangerous drugs as grounds for denial.

§ 7501. Duplicates

(a) If a license, certificate, or document issued under this part is lost as a result of a marine casualty, the holder shall be supplied with a duplicate without cost.

(b) For any other loss, the seaman may obtain a duplicate on payment of reasonable costs prescribed by regulation by the Secretary.

§ 7502. Records

The Secretary shall maintain records on the issuances, denials, suspensions, and revocations of licenses, certificates of registry, merchant mariners' documents, and endorsements on those licenses, certificates, and documents.

§ 7503. Dangerous drugs as grounds for denial

(a) In this section, "dangerous drug" means a narcotic drug, controlled substance, and marihuana (as defined in section 102 of the Comprehensive Drug Abuse Prevention and Control Act of 1970 (21 U.S.C. 802)).

(b) A license, certificate, or document authorized to be issued under this part may be denied to an individual who—

(1) within 10 years before applying for the license, certificate, or document, has been convicted of violating a dangerous drug law of the United States or of a State; or

(2) when applying, has ever been a user of, or addicted to, a dangerous drug unless the individual provides satisfactory proof that the individual is cured.

CHAPTER 77—SUSPENSION AND REVOCATION

Sec.
7701. General.
7702. Administrative procedure.
7703. Bases for suspension or revocation.
7704. Dangerous drugs as grounds for revocation.
7705. Subpenas and oaths.

§ 7701. General

(a) The purpose of suspension and revocation proceedings is to promote safety at sea.

(b) Licenses, certificates of registry, and merchant mariners' documents may be suspended or revoked for acts described in section 7703 of this title.

(c) When a license, certificate of registry, or merchant mariner's document has been revoked under this chapter, the former holder may be issued a new license, certificate, or document only after it has been decided, under regulations prescribed by the Secretary, that the issuance is compatible with the requirements of good discipline and safety at sea.

(d) The Secretary may prescribe regulations to carry out this chapter.

§ 7702. Administrative procedure

(a) Sections 551-559 of title 5 apply to each hearing under this chapter about suspending or revoking a license, certificate of registry, or merchant mariners' document.

(b) The individual whose license, certificate of registry, or merchant mariner's document has been suspended or revoked under this chapter may appeal, within 30 days, the suspension or revocation to the Secretary.

§ 7703. Bases for suspension or revocation

A license, certificate, or merchant mariner's document issued by the Secretary may be suspended or revoked if, when acting under the authority of that license, certificate, or document, the holder—

(1) has violated or failed to comply with this subtitle, a regulation prescribed under this subtitle, or any other law or regulation intended to promote marine safety or to protect navigable waters.

(2) has committed an act of incompetence, misconduct, or negligence.

§ 7704. Dangerous drugs as grounds for revocation

(a) In this section, "dangerous drug" means a narcotic drug, controlled substance, and marihuana (as defined in section 102 of the Comprehensive Drug Abuse Prevention and Control Act of 1970 (21 U.S.C. 802)).

(b) If it is shown at a hearing under this chapter that a holder of a license, certificate of registry, or document issued under this part, within 10 years before the beginning of the proceedings, has been convicted of violating a dangerous drug law of the United States or of a State, the license, certificate, or document shall be revoked.

(c) If it is shown that a holder has been a user of, or addicted to, a dangerous drug, the license, certificate, or document shall be revoked unless the holder provides satisfactory proof that the holder is cured.

§ 7705. Subpenas and oaths

(a) An official designated to investigate or preside at a hearing on matters that are grounds for suspension or revocation of licenses, certificates, and documents may administer oaths and issue subpenas to compel the attendance and testimony of witnesses and the production of records or other evidence during investigations and at hearings.

(b) The jurisdictional limits of a subpena issued under this section are the same as, and are enforceable in the same manner as, subpenas issued under chapter 63 of this title.

PART F—MANNING OF VESSELS

CHAPTER 81—GENERAL

Sec.
8101. Complement of inspected vessels.
8102. Watchmen.
8103. Citizenship and Naval Reserve requirements.
8104. Watches.
8105. Regulations.

§ 8101. Complement of inspected vessels

(a) The certificate of inspection issued to a vessel under part B of this subtitle shall state the complement of licensed individuals and crew (including lifeboatmen) considered by the Secretary to be necessary for safe operation. A manning requirement imposed on a sailing school vessel shall consider the participation of sailing school instructors and sailing school students in the operation of that vessel.

(b) The Secretary may modify the complement, by endorsement on the certificate, for reasons of changed conditions or employment.

(c) A requirement made under this section by an authorized official may be appealed to the Secretary under prescribed regulations.

(d) A vessel to which this section applies may not be operated without having in its service the complement required in the certificate of inspection.

(e) When a vessel is deprived of the service of a member of its complement without the consent, fault, or collusion of the owner, charterer, managing operator, agent, master, or individual in charge of the vessel, the master shall engage, if obtainable, a number of members equal to the number of those of whose services the master has been deprived. The replacements must be of the same or a higher grade or rating than those whose places they fill. If the master finds the vessel is sufficiently manned for the voyage, and replacements are not available to fill all the vacancies, the vessel may proceed on its voyage. Within 12 hours after the vessel arrives at its destination, the master shall report in writing to the Secretary the cause of each deficiency in the complement. A master failing to make the report is liable to the United States Government for a civil penalty of $50 for each deficiency.

(f) The owner, charterer, or managing operator of a vessel not manned as required by this section is liable to the Government for a civil penalty of $100, or, for a deficiency of a licensed individual, a penalty of $500.

(g) A person may not employ an individual as, and an individual may not serve as, a master, mate, engineer, radio officer, or pilot of a vessel to which this part or part B of this subtitle applies if the individual is not licensed by the Secretary. A person (including an individual) violating this subsection is liable to the Government for a civil penalty of not more than $500. Each day of a continuing violation is a separate offense.

(h) The owner, charterer, or managing operator of a freight vessel of less than 100 gross tons, a small passenger vessel, or a sailing school vessel not manned as required by this section is liable to the Government for a civil penalty of $1,000. The vessel also is liable in rem for the penalty.

§ 8102. Watchmen

The owner, charterer, or managing operator of a vessel carrying passengers during the nighttime shall keep a suitable number of watchmen in the vicinity of the cabins or staterooms and on each deck to guard against and give alarm in case of a fire or other danger. An owner, charterer, or managing operator failing to provide watchmen required by this section is liable to the United States Government for a civil penalty of $1,000.

§ 8103. Citizenship and Naval Reserve requirements

(a) Only a citizen of the United States may serve as master, chief engineer, or officer in charge of a deck watch or engineering watch on a documented vessel.

(b) On each departure of a documented vessel (except a fishing or whaling vessel or yacht) from a port of the United States, 75 percent of the seamen (excluding licensed individuals) must be citizens of the United States. If the Secretary decides, on investigation, that qualified citizen seamen are not available, the Secretary may reduce the percentage.

(c) On each departure from the United States of a vessel (except a passenger vessel) for which a construction or operating differential subsidy has been granted, all of the seamen of the vessel must be citizens of the United States.

(d)(1) On each departure from the United States of a passenger vessel for which a construction or operating differential subsidy has been granted, at least 90 percent of the entire complement (including licensed individuals) must be citizens of the United States.

(2) An individual not required by this subsection to be a citizen of the United States may be engaged only if the individual has a declaration of intention to become a citizen of the United States or other evidence of admission to the United States for permanent residence. An alien may be employed only in the steward's department of the passenger vessel.

(e) If a documented vessel is deprived for any reason of the services of an individual (except the master) when on a foreign voyage and a vacancy consequently occurs, until the vessel's first return to a United States port at which a replacement who is a citizen of the United States can be obtained, an individual not a citizen of the United States may serve in—

(1) the vacancy; or

(2) a vacancy resulting from the promotion of another individual to fill the original vacancy.

(f) A person employing an individual in violation of this section or a regulation pre-

scribed under this section is liable to the United States Government for a civil penalty of $500 for each individual so employed.

(g) A deck or engineer officer employed on a vessel on which an operating differential subsidy is paid, or employed on a vessel (except a vessel of the Coast Guard or Saint Lawrence Seaway Development Corporation) owned or operated by the Department of Transportation or by a corporation organized or controlled by the Department, if eligible, shall be a member of the Naval Reserve.

(h) The President may—

(1) suspend any part of this section during a proclaimed national emergency; and

(2) when the needs of commerce require, suspend as far and for a period the President considers desirable, subsection (a) of this section for crews of vessels of the United States documented for foreign trade.

§ 8104. Watches

(a) An owner, charterer, managing operator, master, individual in charge, or other person having authority may permit an officer to take charge of the deck watch on a vessel when leaving or immediately after leaving port only if the officer has been off duty for at least 6 hours within the 12 hours immediately before the time of leaving.

(b) On an oceangoing or coastwise vessel of not more than 100 gross tons, a licensed individual may not be required to work more than 9 of 24 hours when in port, including the date of arrival, or more than 12 of 24 hours at sea, except in an emergency when life or property are endangered.

(c) On a towing vessel (except a towing vessel operated only for fishing or engaged in salvage operations) operating on the Great Lakes, harbors of the Great Lakes, and connecting or tributary waters between Gary, Indiana, Duluth, Minnesota, Niagara Falls, New York, and Ogdensburg, New York, a licensed individual or seaman in the deck or engine department may not be required or permitted to work more than 8 hours in one day, except in an emergency when life or property are endangered.

(d) On a merchant vessel of more than 100 gross tons (except a vessel only operating on rivers, harbors, lakes (except the Great Lakes), bays, sounds, bayous, and canals, a fishing or whaling vessel, yacht, or vessel engaged in salvage operations), the licensed individuals, sailors, coal passers, firemen, oilers, and water tenders shall be divided, when at sea, into at least 3 watches, and shall be kept on duty successively to perform ordinary work incident to the operation and management of the vessel. The requirement of this subsection applies to radio officers only when at least 3 radio officers are employed. A licensed individual or seaman in the deck or engine department may not be required to work more than 8 hours in one day.

(e) On a vessel designated by subsections (c) and (d) of this section—

(1) a seaman may not be—

(A) engaged to work alternately in the deck and engine departments; or

(B) required to work in the engine department if engaged for deck department duty or required to work in the deck department if engaged for engine department duty;

(2) a seaman may not be required to do unnecessary work on Sundays, New Year's Day, July 4th, Labor Day, Thanksgiving Day, or Christmas Day, when the vessel is in a safe harbor, but this clause does not prevent dispatch of a vessel on a voyage; and

(3) when the vessel is in a safe harbor, 8 hours (including anchor watch) is a day's work.

(f) Subsections (d) and (e) of this section do not limit the authority of the master or other officer or the obedience of the seamen when, in the judgment of the master or other officer, any part of the crew is needed for—

(1) maneuvering, shifting the berth of, mooring, or unmooring, the vessel;

(2) performing work necessary for the safety of the vessel, or the vessel's passengers, crew, or cargo;

(3) saving life on board another vessel in jeopardy; or

(4) performing fire, lifeboat, or other drills in port or at sea.

(g) On a towing vessel (except a vessel to which subsection (c) of this section applies), an offshore supply vessel, or a barge to which this section applies, that is engaged on a voyage of less than 600 miles, the licensed individuals and crewmembers (except the coal passers, firemen, oilers, and water tenders) may be divided, when at sea, into at least 2 watches.

(h) On a vessel to which section 8904 of this title applies, an individual licensed to operate a towing vessel may not work for more than 12 hours in a consecutive 24-hour period except in an emergency.

(i) A person violating subsection (a) or (b) of this section is liable to the United States Government for a civil penalty of $100.

(j) The owner, charterer, or managing operator of a vessel on which a violation of subsection (c), (d), (e), of (h) of this section occurs is liable to the Government for a civil penalty of $500. The seaman is entitled to discharge from the vessel and receipt of wages earned.

§ 8105. Regulations

The Secretary may prescribe regulations to carry out this part.

CHAPTER 83—MASTERS AND OFFICERS

Sec.
8301. Minimum number of licensed individuals.
8302. Staff department.
8303. Service under licenses issued without examination.
8304. Implementing the Officers' Competency Certificates Convention, 1936.

§ 8301. Minimum number of licensed individuals

(a) Except as provided in chapter 89 of this title and except for a vessel operating only on rivers, harbors, lakes, bays, sounds, bayous, and canals, a vessel to which part B of this subtitle applies shall engage a minimum of licensed individuals as follows:

(1) Each of those vessels shall have a licensed master.

(2) A vessel of at least 1,000 gross tons and propelled by machinery shall have 3 licensed mates. However, if the vessel is on a voyage of less than 400 miles from port of departure to port of final destination, it shall have 2 licensed mates.

(3) A vessel of at least 200 gross tons but less than 1,000 gross tons and propelled by machinery shall have 2 licensed mates.

(4) A vessel of at least 100 gross tons but less than 200 gross tons and propelled by machinery shall have one licensed mate. However, if the vessel is on a voyage of more than 24 hours, it shall have 2 licensed mates.

(5) A freight vessel or a passenger vessel of at least 300 gross tons and propelled by machinery shall have a licensed engineer.

(b) An offshore supply vessel on a voyage of less than 600 miles shall have a licensed mate. However, if the vessel is on a voyage of at least 600 miles, the vessel shall have 2 licensed mates. An offshore supply vessel of more than 200 gross tons may not be operated without a licensed engineer.

(c) Subsection (a) of this section does not apply to a fishing or whaling vessel or a yacht.

(d) The Secretary may—

(1) suspend any part of this chapter during a national emergency proclaimed by the President; *and*

(2) increase the number of licensed individuals on a vessel to which this chapter applies if, in the Secretary's judgment, the vessel is not sufficiently manned for safe operation.

§ 8302. Staff department

(a) This section applies to a vessel of the United States except—

(1) a fishing or whaling vessel or a yacht;

(2) a vessel operated only on bays, sounds, inland waters, and lakes (except the Great Lakes); and

(3) a vessel ferrying passengers and cars on the Great Lakes.

(b) The staff department on a vessel is a separate and independent department. It consists of individuals registered under section 7101 of this title, clerks and individuals assigned to the senior registered medical doctor.

(c) The staff department is composed of a medical division and a purser's division. The officer in charge of each division is responsible only to the master. The senior registered medical doctor is in charge of the medical division. The senior registered purser is in charge of the purser's division.

(d) The officer in charge of the purser's division of the staff department on an oceangoing passenger vessel licensed to carry more than 100 passengers shall be a registered chief purser. When more than 3 persons are employed in the purser's division of that vessel, there also shall be at least one registered senior assistant purser and one registered junior assistant purser.

(e) A person may not employ an individual to serve in, and an individual may not serve in, a grade of staff officer on a vessel, when that staff officer is required by this section to be registered, if the individual does not have a certificate of registry as staff officer in that grade. A person (including an individual) violating this subsection is liable to the United States Government for a civil penalty of $100. However, if a registered staff officer is not available at the time of sailing, the vessel may sail with an unregistered staff officer or without a staff officer.

(f) A staff officer may not be included in a vessel's certificate of inspection.

(g) A registered staff officer serving under this section who is a member of the Naval Reserve may wear on the officer's uniform special distinguishing insignia prescribed by the Secretary of the Navy.

(h) The uniform stripes, decoration, or other insignia worn by a staff officer shall be of gold braid or woven gold or silver material. A crewmember (except a staff officer) may not wear any uniform with a staff officer's identifying insignia.

§ 8303. Service under licenses issued without examination

An individual issued a license without examination before October 29, 1941, to serve

as master, mate, or engineer on a vessel not subject to inspection under part B of this subtitle, may not serve under authority of that license on a vessel that is subject to inspection under part B.

§ 8304. Implementing the Officers' Competency Certificates Convention, 1936

(a) In this section, "high seas" means waters seaward of the Boundary Line.

(b) The Officers' Competency Certificates Convention, 1936 (International Labor Organization Draft Convention Numbered 53, on the minimum requirement of professional capacity for masters and officers on board merchant vessels), as ratified by the President on September 1, 1938, with understandings appended, and this section apply to a documented vessel operating on the high seas except—

(1) a public vessel;

(2) a wooden vessel of primitive build, such as a dhow or junk;

(3) a barge; and

(4) a vessel of less than 200 gross tons.

(c) A person may not engage or employ an individual to serve as, and an individual may not serve as, a master, mate, or engineer on a vessel to which this section applies, if the individual does not have a license issued under section 7101 of this title authorizing service in the capacity in which the individual is to be engaged or employed.

(d) A person (including an individual) violating this section is liable to the United States Government for a civil penalty of $100.

(e) A license issued to an individual to whom this section applies is a certificate of competency.

(f) A designated official may detain a vessel to which this section applies (by written order served on the owner, charterer, managing operator, agent, master, or individual in charge of the vessel) when there is reason to believe that the vessel is about to proceed from a port of the United States to the high seas in violation of this section or a provision of the convention described in subsection (b) of this section. The vessel may be detained until the vessel complies with this section. Clearance may not be granted to a vessel ordered detained under this section.

(g) A foreign vessel to which the convention described in subsection (b) of this section applies, on the navigable waters of the United States, is subject to detention under subsection (f) of this section, and to an examination that may be necessary to decide if there is compliance with the convention.

(h) The owner, charterer, managing operator, agent, master, or individual in charge of a vessel detained under subsection (f) or (g) of this section may appeal the order within 5 days as provided by regulation.

(i) An officer or employee of the Customs Service may be designated to enforce this section.

CHAPTER 85—PILOTS

Sec.

8501. State regulation of pilots.

8502. Federal pilots required.

§ 8501. State regulation of pilots

(a) Except as otherwise provided in this part, pilots in the bays, rivers, harbors, and ports of the United States shall be regulated only in conformity with the laws of the States.

(b) The master of a vessel entering or leaving a port on waters that are a boundary between 2 States, and that is required to have a pilot under this section, may employ a pilot licensed or authorized by the laws of either of the 2 States.

(c) A State may not adopt a regulation or provision that discriminates in the rate of pilotage or half-pilotage between vessels sailing between the ports of one State and vessels sailing between the ports of different States, or against vessels because of their means of propulsion, or against public vessels of the United States.

(d) A State may not adopt a regulation or provision that requires a coastwise vessel to take a pilot licensed or authorized by the laws of a State if the vessel—

(1) is propelled by machinery and subject to inspection under part B of this subtitle; or

(2) is subject to inspection under chapter 37 of this title.

(e) Any regulation or provision violating this section is void.

§ 8502. Federal pilots required

(a) A coastwise seagoing vessel, when not sailing on register and when underway (except on the high seas), shall be under the direction and control of a pilot licensed under section 7101 of this title if the vessel is—

(1) propelled by machinery and subject to inspection under part B of this subtitle; or

(2) subject to inspection under chapter 37 of this title.

(b) The fees charged for pilotage by pilots required under this section may not be more than the customary or legally established rates in the States in which the pilotage is performed.

(c) A State or political subdivision of a State may not impose on a pilot licensed under this subtitle an obligation to procure a State or other license, or adopt any other regulation that will impede the pilot in the performance of the pilot's duties under the laws of the United States.

(d) A State or political subdivision of a State may not levy pilot charges on a vessel lawfully piloted by a pilot required under this section.

(e) The owner, charterer, managing operator, agent, master, or individual in charge of a vessel operated in violation of this section or a regulation prescribed under this section is liable to the United States Government for a civil penalty of $500. The vessel also is liable in rem for the penalty.

(f) An individual serving as a pilot without having a license required by this section or a regulation prescribed under this section is liable to the Government for a civil penalty of $500.

CHAPTER 87—UNLICENSED PERSONNEL

Sec.

8701. Merchant mariners' documents required.

8702. Certain crew requirements.

8703. Tankermen on tank vessels.

§ 8701. Merchant mariners' documents required

(a) This section applies to a merchant vessel of at least 100 gross tons except—

(1) a vessel operating only on rivers and lakes (except the Great Lakes);

(2) a barge (except a seagoing barge or a barge to which chapter 37 of this title applies);

(3) a fishing or whaling vessel or a yacht;

(4) a sailing school vessel with respect to sailing school instructors and sailing school students; and

(5) an oceanographic research vessel with respect to scientific personnel.

(b) A person may not engage or employ an individual, and an individual may not serve, on board a vessel to which this section applies if the individual does not have a merchant mariner's document issued to the individual under section 7302 of this title. Except for an individual required to be licensed or registered under this part, the document must authorize service in the capacity for which the holder of the document is engaged or employed.

(c) On a vessel to which section 10306 or 10503 of this title does not apply, an individual required by this section to hold a merchant mariner's document must exhibit it to the master of the vessel before the individual may be employed.

(d) A person (including an individual) violating this section is liable to the United States Government for a civil penalty of $500.

§ 8702. Certain crew requirements

(a) This section applies to a vessel of at least 100 gross tons except—

(1) a vessel operating only on rivers and lakes (except the Great Lakes);

(2) a barge (except a seagoing barge or a barge to which chapter 37 of this title applies);

(3) a fishing or whaling vessel or a yacht;

(4) a sailing school vessel with respect to sailing school instructors and sailing school students; and

(5) an oceanographic research vessel with respect to scientific personnel.

(b) A vessel may depart from a port of the United States only if at least—

(1) 75 percent of the crew in each department on board is able to understand any order spoken by the officers, and

(2) 65 percent of the deck crew (excluding licensed individuals) have merchant mariners' documents endorsed for a rating of at least able seaman, except that this percentage may be reduced to 50 percent on a vessel permitted under section 8104 of this title to maintain a 2-watch system.

(c) An able seaman is not required on a towing vessel operating on bays and sounds connected directly with the seas.

(d) An individual having a rating of less than able seaman may not be permitted at the wheel in ports, harbors, and other waters subject to congested vessel traffic, or under conditions of reduced visibility, adverse weather, or other hazardous circumstances.

(e) The owner, charterer, managing operator, agent, master, or individual in charge of a vessel operated in violation of this section or a regulation prescribed under this section is liable to the United States Government for a civil penalty of $500.

§ 8703. Tankermen on tank vessels

(a) A vessel of the United States to which chapter 37 of this title applies, that has on board oil or hazardous material in bulk as cargo or cargo residue, shall have a specified number of the crew certified as tankermen as required by the Secretary. This requirement shall be noted on the certificate of inspection issued to the vessel.

(b) The Secretary shall prescribe procedures, standards, and qualifications for the issuance of certificates as tankermen, stating the types of oil or hazardous material that can be handled with safety to the vessel and the marine environment.

(c) A vessel to which section 3702(b) of this title applies shall have on board as a crewmember in charge of the transfer operation an individual certified as a tankerman (qualified for the grade of fuel transferred),

unless a master, mate, pilot, engineer, or operator licensed under section 7101 of this title is present in charge of the transfer. If the vessel does not have that individual on board, chapter 37 of this title applies to the vessel.

CHAPTER 89—SMALL VESSEL MANNING

Sec.
8901. Freight vessels.
8902. Small passenger vessels.
8903. Uninspected passenger vessels.
8904. Towing vessels.
8905. Exemptions.
8906. Penalty.

§ 8901. Freight vessels

A freight vessel of less than 100 gross tons shall be operated by an individual licensed by the Secretary to operate that type of vessel in the particular geographic area, under prescribed regulations.

§ 8902. Small passenger vessels

A small passenger vessel shall be operated by an individual licensed by the Secretary to operate that type of vessel in the particular geographic area, under prescribed regulations.

§ 8903. Uninspected passenger vessels

An uninspected passenger vessel shall be operated by an individual licensed by the Secretary to operate that type of vessel, under prescribed regulations.

§ 8904. Towing vessels

A towing vessel that is at least 26 feet in length measured from end to end over the deck (exluding sheer), shall be operated by an individual licensed by the Secretary to operate that type of vessel in the particular geographic area, under prescribed regulations.

§ 8905. Exemptions

(a) Section 8903 of this title applies to a recreational vessel operated in dealer demonstrations only if the Secretary decides that the application of section 8903 is necessary for recreational vessel safety under section 4302(d) of this title.

(b) Section 8904 of this title does not apply to a vessel of less than 200 gross tons engaged in the offshore mineral and oil industry if the vessel has offshore mineral and oil industry sites or equipment as its ultimate destination or place of departure.

§ 8906. Penalty

An owner, charterer, managing operator, agent, master, or individual in charge of a vessel operated in violation of this chapter or a regulation prescribed under this chapter is liable to the United States Government for a civil penalty of $1,000. The vessel also is liable in rem for the penalty.

CHAPTER 91—TANK VESSEL MANNING STANDARDS

Sec.
9101. Standards for foreign tank vessels.
9102. Standards for tank vessels of the United States.

§ 9101. Standards for foreign tank vessels

(a) The Secretary shall—

(1) periodically evaluate the manning, training, qualification, and watchkeeping standards prescribed by the certificating country of a foreign vessel to which chapter 37 of this title applies, that operates on the navigable waters of the United States and transfers oil or hazardous material in a port or place under the jurisdiction of the United States; and

(2) after each evaluation made under clause (1) of this subsection, decide whether the foreign country, whose system for licensing and certification of seamen was evaluated, has standards that are equivalent to or more stringent than United States standards or international standards accepted by the United States.

(b) A foreign vessel to which chapter 37 of this title applies that has on board oil or hazardous material in bulk as cargo or cargo residue shall have a specified number of personnel certified as tankerman or equivalent, as required by the Secretary, when the vessel transfers oil or hazardous material in a port or place subject to the jurisdiction of the United States. The requirement of this subsection shall be noted in applicable terminal operating procedures. A transfer operation may take place only if the crewmember in charge is capable of clearly understanding instructions in English.

§ 9102. Standards for tank vessels of the United States

(a) The Secretary shall prescribe standards for the manning of each vessel of the United States to which chapter 37 of this title applies, related to the duties, qualifications, and training of the officers and crew of the vessel, including standards related to—

(1) instruction in vessel and cargo handling and vessel navigation under normal operating conditions in coastal and confined waters and on the high seas;

(2) instruction in vessel and cargo handling and vessel navigation in emergency situations and under marine casualty or potential casualty conditions;

(3) qualifications for licenses by specific type and size of vessels;

(4) qualifications for licenses by use of simulators for the practice or demonstration of marine-oriented skills;

(5) minimum health and physical fitness criteria for various grades of licenses and certificates;

(6) periodic retraining and special training for upgrading positions, changing vessel type or size, or assuming new responsibilities; and

(7) decisions about licenses and certificates, conditions of licensing or certification, and periods of licensing or certification by reference to experience, amount of training completed, and regular performance testing.

(b) The Secretary shall waive the application of criteria required by subsection (a)(5) of this section for an individual having a license or certificate (including a renewal of the license or certificate) in effect on October 17, 1978. When the waiver is granted, the Secretary may prescribe conditions for the license or certificate and its renewal, as the Secretary decides are reasonable and necessary for the safety of a vessel on which the individual may be employed.

CHAPTER 93—GREAT LAKES PILOTAGE

Sec.
9301. Definitions.
9302. Great Lakes pilots required.
9303. United States registered pilot service.
9304. Pilotage pools.
9305. Agreements with Canada.
9306. State regulation prohibited.
9307. Great Lakes Pilotage Advisory Committee.
9308. Penalties.

§ 9301. Definitions

In this chapter—

(1) "Canadian registered pilot" means an individual (except a regular crewmember of a vessel) who is registered by Canada on the same basis as an individual registered under section 9303 of this title.

(2) "Great Lakes" means Lakes Superior, Michigan, Huron, Erie, and Ontario, their connecting and tributary waters, the Saint Lawrence River as far east as Saint Regis, and adjacent port areas.

(3) "United States registered pilot" means an individual (except a regular crewmember of a vessel) who is registered under section 9303 of this title.

§ 9302. Great Lakes pilots required

(a)(1) Except as provided in subsections (d) and (e) of this section, each vessel of the United States operating on register and each foreign vessel shall engage a United States or Canadian registered pilot for the route being navigated who shall—

(A) in waters of the Great Lakes designated by the President, direct the navigation of the vessel subject to the customary authority of the master; and

(B) in waters of the Great Lakes not designated by the President, be on board and available to direct the navigation of the vessel at the discretion of and subject to the customary authority of the master.

(2) The President shall make water designations under this subsection with regard to the public interest, the effective use of navigable waters, marine safety, and the foreign relations of the United States.

(b) An individual of a vessel licensed for navigation on the Great Lakes under section 7101 of this title, or equivalent provisions of Canadian law, and qualified for the route being navigated, may serve as the pilot required on waters not designated by the President.

(c) The authority extended under subsections (a) and (b) of this section to a Canadian registered pilot or other Canadian licensed officer to serve on certain vessels in United States waters of the Great Lakes shall continue as long as Canada extends reciprocity to United States registered pilots and other individuals licensed by the United States for pilotage service in Canadian waters of the Great Lakes.

(d) A vessel may be operated on the United States waters of the Great Lakes without a United States or Canadian registered pilot when—

(1) the Secretary notifies the master that a registered pilot is not available; or

(2) the vessel or its cargo is in distress or jeopardy.

(e) A Canadian vessel regularly operating on the Great Lakes or between ports on the Great Lakes and the Saint Lawrence River, with only an occasional voyage to ports in the maritime provinces of Canada in the Canadian coastal trade, is exempt from subsections (a) and (b) of this section as long as Canada permits enrolled vessels of the United States to be operated on Canadian waters of the Great Lakes under the direction of individuals licensed under section 7101 of this title.

§ 9303. United States registered pilot service

(a) The Secretary shall prescribe by regulation standards of competency to be met by each applicant for registration under this chapter. An applicant must—

(1) have a license as master, mate, or pilot issued under section 7101 of this title;

(2) have acquired at least 24 months licensed service or equivalent experience on vessels or integrated towing vessels and tows of at least 4,000 gross tons, operating on the Great Lakes or oceans, with a minimum of 6 months of that service or experience having been on the Great Lakes; and

(3) agree that, if appointed as a United States registered pilot, the applicant will be available for service when required.

(b) The Secretary shall issue to each registered pilot under this chapter a certificate of registration describing the areas within which the pilot may serve. The pilot shall carry the certificate when in the service of a vessel.

(c) The Secretary shall prescribe by regulation the duration of validity of registration.

(d) The Secretary may prescribe by regulation the conditions for service by United States registered pilots, including availability for service.

(e) Subject to sections 551-559 of title 5, the Secretary may suspend or revoke a certificate of registration issued under this section if the holder fails to comply with a regulation prescribed under this chapter. Suspension or revocation of the holder's license under chapter 77 of this title includes the holder's certificate of registration.

(f) The Secretary shall prescribe by regulation rates and charges for pilotage services, giving consideration to the public interest and the costs of providing the services.

§ 9304. Pilotage pools

(a) The Secretary may authorize the formation of a pool by a voluntary association of United States registered pilots to provide for efficient dispatching of vessels and rendering of pilotage services.

(b) For pilotage pools, the Secretary may—

(1) limit the number of the pools;

(2) prescribe regulations for their operation and administration;

(3) prescribe a uniform system of accounts;

(4) perform audits and inspections; and

(5) require coordination on a reciprocal basis with similar pool arrangements authorized by the appropriate agency of Canada.

§ 9305. Agreements with Canada

To provide for a coordinated system of pilotage service on the Great Lakes, the Secretary, subject to the concurrence of the Secretary of State, may make agreements with the appropriate agency of Canada to—

(1) fix the number of pilots to be registered in each country;

(2) provide for participation on an equitable basis;

(3) prescribe joint or identical rates and charges;

(4) coordinate pool operations; and

(5) establish conditions for services by registered pilots.

§ 9306. State regulation prohibited

A State or political subdivision of a State may not regulate or impose any requirement on pilotage on the Great Lakes.

§ 9307. Great Lakes Pilotage Advisory Committee

(a) The Secretary may establish a Great Lakes Pilotage Advisory Committee. The Committee—

(1) may review proposed Great Lakes pilotage regulations and policies and make recommendations to the Secretary that the Committee considers appropriate;

(2) may make available to Congress recommendations that the Committee makes to the Secretary; and

(3) shall meet at the call of the Secretary.

(b) The Committee shall consist of 3 members appointed by the Secretary each of whom has at least 5 years practical experience in maritime operations. The term of each member is for a period of not more than 5 years, specified by the Secretary. Before filling a position on the Committee, the Secretary shall publish a notice in the Federal Register soliciting nominations for membership on the Committee.

(c) When attending meetings or otherwise serving at the request of the Secretary, a member of the Committee (except a member regularly employed by the United States Government) may be paid at a rate of not more than $75 a day. When serving away from home or regular place of business, the member may be allowed travel expenses, including per diem in lieu of subsistence as authorized by section 5703 of title 5 for individuals employed intermittently in the Government service.

§ 9308. Penalties

(a) An owner, charterer, managing operator, agent, master, or individual in charge of a vessel knowingly allowing the vessel to be operated in violation of section 9302 of this title is liable to the United States Government for a civil penalty of $500 for each day during which the vessel is in violation. The vessel also is liable in rem for the penalty.

(b) An individual who directs the navigation of a vessel in violation of section 9302 of this title is liable to the Government for a civil penalty of $500 for each day during which the violation occurs.

(c) A person violating a regulation prescribed under section 9303 of this title is liable to the Government for a civil penalty of $500.

PART G—MERCHANT SEAMEN PROTECTION AND RELIEF

CHAPTER 101—GENERAL

Sec.
10101. Definitions.
10102. Designations and duties of shipping commissioners.
10103. Reports.
10104. Regulations.

§ 10101. Definitions

In this part—

(1) "master" means the individual having command of a vessel owned by a citizen of the United States.

(2) "owner" means the person to whom the vessel belongs.

(3) "seaman" means an individual (except scientific personnel, a sailing school instructor, or a sailing school student) engaged or employed in any capacity on board a vessel owned by a citizen of the United States.

§ 10102. Designations and duties of shipping commissioners

(a) The Secretary shall designate officers, employees, and members of the Coast Guard to act as shipping commissioners under this part. The Secretary may designate officers and employees of the Customs Service as shipping commissioners.

(b) The general duties of shipping commissioners are to supervise the engagement and discharge of seamen.

(c) The owner, charterer, managing operator, agent, or master of the vessel shall perform the duties of shipping commissioner when a shipping commissioner is not available.

§ 10103. Reports

(a) A master of a vessel to which section 8701(a) of this title applies, who engages or discharges a seaman without a shipping commissioner being present, shall submit reports in the form, content, and manner of filing as prescribed by regulation, to ensure compliance with laws related to manning and the engagement and discharge of seamen.

(b) This section does not apply to a ferry or towing vessel operated in connection with a ferry operation, employed only in trades other than with foreign ports, lakes, bays, sounds, bayous, canals, or harbors.

§ 10104. Regulations

The Secretary may prescribe regulations to carry out this part.

CHAPTER 103—FOREIGN AND INTERCOASTAL VOYAGES

Sec.
10301. Application.
10302. Shipping articles agreements.
10303. Provisions.
10304. Form of agreement.
10305. Manner of signing agreement.
10306. Exhibiting merchant mariners' documents.
10307. Posting agreements.
10308. Foreign engagements.
10309. Engaging seamen to replace those lost by desertion or casualty.
10310. Discharge.
10311. Certificates of discharge.
10312. Settlements on discharge.
10313. Wages.
10314. Advances.
10315. Allotments.
10316. Trusts.
10317. Loss of lien and right to wages.
10318. Wages on discharge in foreign ports.
10319. Costs of a criminal conviction.
10320. Records of seamen.
10321. General penalty.

§ 10301. Application

(a) Except as otherwise specifically provided, this chapter applies to a vessel of the United States—

(1) on a voyage between a port in the United States and a port in a foreign country (except a port in Canada, Mexico, or the West Indies); or

(2) of at least 75 gross tons on a voyage between a port of the United States on the Atlantic Ocean and a port of the United States on the Pacific Ocean.

(b) This chapter does not apply to a vessel on which the seamen are entitled by custom or agreement to share in the profit or result of a voyage.

(c) Unless otherwise provided, this chapter does not apply to a foreign vessel.

§ 10302. Shipping articles agreements

(a) Before proceeding on a voyage, the master of a vessel to which this chapter applies shall make a shipping articles agreement in writing with each seaman in the crew.

(b) The agreement shall contain the following:

(1) the nature, and, as far as practicable, the duration of the intended voyage, and the port or country in which the voyage is to end.

(2) the number and description of the crew and the capacity in which each seaman is to be engaged.

(3) the time at which each seaman is to be on board to begin work.

(4) the amount of wages each seaman is to receive.

(5) regulations about conduct on board, and information on fines, short allowance of provisions, and other punishment for misconduct provided by law.

(6) a scale of the provisions that are to be provided each seaman.

(7) any stipulation in reference to advances and allotments of wages.

(8) other matters not contrary to law.

§ 10303. Provisions

(a) A seaman shall be served at least 3 meals a day that total at least 3,100 calories, including adequate water and adequate protein, vitamins, and minerals in accordance with the United States Recommended Daily Allowances.

(b) The text of subsection (a) of this section shall be included in the agreement required by section 10302 of this title. A copy of the text also shall be posted in a conspicuous place in the galley and forecastle of each vessel.

(c) This section does not apply to a fishing or whaling vessel or a yacht.

§ 10304. Form of agreement

The form of the agreement required by section 10302 of this title shall be in substance as follows:

UNITED STATES OF AMERICA

(Date and place of first signature of agreement):

It is agreed between the master and seamen of the , of which is at present master, or whoever shall go for master, now bound from the port of to , (here the voyage is to be described, and the places named at which the vessel is to touch, or if that cannot be done, the general nature and probable length of the voyage is to be stated).

The seamen agree to conduct themselves in an orderly, faithful, honest, and sober manner, and to be at all times diligent in their respective duties, and to be obedient to the lawful commands of the master, or of an individual who lawfully succeeds the master, and of their superior officers in everything related to the vessel, and the stores and cargo of the vessel, whether on board, in boats, or on shore. In consideration of this service by the seamen to be performed, the master agrees to pay the crew, as wages, the amounts beside their names respectively expressed, and to supply them with provisions according to the annexed scale.

It is agreed that any embezzlement, or willful or negligent destruction of any part of the vessel's cargo or stores, shall be made good to the owner out of the wages of the person guilty of the embezzlement or destruction.

If an individual holds himself or herself out as qualified for a duty which the individual proves incompetent to perform, the individual's wages shall be reduced in proportion to the incompetency.

It also is agreed that if a seaman considers himself or herself to be aggrieved by any breach of this agreement or otherwise, the seaman shall present the complaint to the master or officer in charge of the vessel, in a quiet and orderly manner, who shall take steps that the case requires.

It also is agreed that (here any other stipulations may be inserted to which the parties agree, and that are not contrary to law).

In witness whereof, the parties have subscribed their names to this agreement, on the dates beside their respective signatures.

Signed by , master, on the day of , nineteen hundred and .

Signature of seaman	Time of service:
Birthplace	Months
Age	Days
Height:	Hospital money
Feet	Whole wages
Inches	Wages due
Description:	Place and time of entry
Complexion	Time at which seaman is to be on board
Hair	In what capacity
Wages each month	Shipping commissioner's signature or initials
Wages each voyage	Allotment payable to
Advance wages	Conduct qualifications
Amount of monthly allotment	

NOTE.—In the place for signature and descriptions of individuals engaged after the first departure of the vessel, the entries are to be made as above, except that the signature of the consul or vice consul, customs officer, or witness before whom the individual is engaged, is to be entered.

§ 10305. Manner of signing agreement

(a) The agreement required by section 10302 of this title shall be signed—

(1) first by the master and dated at that time, after which each seaman shall sign; and

(2) in the presence of a shipping commissioner.

(b) When the crew is first engaged, the agreement shall be signed in duplicate. One of the copies shall be retained by the shipping commissioner. The other copy shall contain space for the description and signatures of seamen engaged subsequent to the first making of the agreement, and shall be delivered to the master.

(c) An agreement signed before a shipping commissioner shall be acknowledged and signed by the commissioner on the agreement in the manner and form prescribed by regulation. The acknowledgment and certification shall include a statement by the commissioner that the seaman—

(1) has read the agreement;

(2) is acquainted with and understands its conditions; and

(3) has signed it freely and voluntarily when sober.

§ 10306. Exhibiting merchant mariners' documents

Before signing the agreement required by section 10302 of this title, each individual required by section 8701 of this title to have a merchant mariner's document shall exhibit to the shipping commissioner a document issued to the individual, appropriately endorsed for the capacity in which the individual is to serve.

§ 10307. Posting agreements

At the beginning of a voyage, the master shall have a legible copy of the agreement required by section 10302 of this title, omitting signatures, exhibited in a part of the vessel accessible to the crew. A master violating this section is liable to the United States Government for a civil penalty of $100.

§ 10308. Foreign engagements

(a) When a seaman is engaged outside the United States, the agreement required by section 10302 of this title shall be signed in the presence of a consular officer. If a consular officer is not available at the port of engagement, the seaman may be engaged, and the agreement shall be signed in the next port at which a consular officer is available.

(b) A master engaging a seaman in violation of this section is liable to the United States Government for a civil penalty of $100. The vessel also is liable in rem for the penalty.

§ 10309. Engaging seamen to replace those lost by desertion or casualty

(a) If a desertion or casualty results in the loss of at least one seaman, the master shall engage, if obtainable, a number equal to the number of seamen of whose services the master has been deprived. The new seaman must have at least the same grade or rating as the seaman whose place the new seaman fills. The master shall report the loss and replacement to a consular officer at the first port at which the master arrives.

(b) The master is liable to the United States Government for a civil penalty of $200 for each report not made. The vessel also is liable in rem for the penalty.

(c) This section does not apply to a fishing or whaling vessel or a yacht.

§ 10310. Discharge

A master shall deliver to a seaman or a shipping commissioner a full and true account of the seaman's wages and all deductions at least 48 hours before paying off or discharging the seaman. A master failing to deliver the account is liable to the United States Government for a civil penalty of $50.

§ 10311. Certificates of discharge

(a) On discharging a seaman and paying the seaman's wages, the shipping commissioner shall provide the seaman with a certificate of discharge. The form of the certificate shall be prescribed by regulation. It shall contain—

(1) the name of the seaman;

(2) the citizenship or nationality of the seaman;

(3) the number of the seaman's merchant mariner's document;

(4) the name and official number of the vessel;

(5) the nature of the voyage (foreign, intercoastal, or coastwise);

(6) the propulsion class of the vessel;

(7) the date and place of engagement;

(8) the date and place of discharge; and

(9) the seaman's capacity on the voyage.

(b) The certificate of discharge may not contain a reference about the character or ability of the seaman. The certificate shall be signed by the master, the seaman, and the shipping commissioner as witness.

(c) A certificate of discharge may not be issued if the seaman holds a continuous discharge book. The entries shall be made in the discharge book in the same manner as the entries required by subsection (a) of this section.

(d)(1) A record of each discharge shall be maintained by the Secretary in the manner and location prescribed by regulation. The records may not be open for general or public use or inspection.

(2) A duplicate of a record of discharge shall be issued to a seaman at a cost prescribed by regulation.

(e) This section does not apply to a fishing or whaling vessel or a yacht.

§ 10312. Settlements on discharge

(a) When discharge and settlement are completed, the master or owner and each seaman shall sign the agreement required by section 10302 of this title in the presence of a shipping commissioner. The commissioner shall sign the agreement and retain a copy. When signed, it shall serve as a mutual release of all claims for wages for the voyage.

(b) In a dispute about wages or deductions, if the parties agree in writing to

submit the dispute to a shipping commissioner, the award made by the commissioner is conclusive in any subsequent legal proceeding. A document signed and sealed by a shipping commissioner purporting to be the award is prima facie evidence of the award.

(c) In a proceeding before a shipping commissioner related to the wages, claims, or discharge of a seaman, the shipping commissioner may call on the owner, charterer, managing operator, agent, master, or a seaman to produce logbooks or other documents about a matter in question, and may summon before the commissioner and examine any person on the matter. An owner, charterer, managing operator, agent, master, or seaman failing on summons to produce a document in the possession or control of the owner, charterer, managing operator, agent, master, or seaman, or to give evidence, without reasonable cause, is liable to the United States Government for a civil penalty of $100. On application of the shipping commissioner, the owner, charterer, managing operator, agent, master, or seaman may be punished by a district court of the United States as in other cases of contempt of court.

(d) On request, a certified copy of an agreement may be provided to a party to the agreement and is admissible in evidence with the effect of the original in any subsequent proceeding.

(e) When a seaman has been discharged before a shipping commissioner, only the agreement is evidence of the release or satisfaction of any claim.

(f) If a discharge is made under this section, the shipping commissioner, at the request of the master, shall provide the master with a signed statement of the total amount of wages paid. Between the master and the employer, the statement shall be received as evidence that the master has made the payments as stated.

§ 10313. Wages

(a) A seaman's entitlement to wages and provisions begins when the seaman begins work or when specified in the agreement required by section 10302 of this title for the seaman to begin work or be present on board, whichever is earlier.

(b) Wages are not dependent on the earning of freight by the vessel. When the loss or wreck of the vessel ends the service of a seaman before the end of the period contemplated in the agreement, the seaman is entitled to wages for the period of time actually served. The seaman shall be deemed a destitute seaman under section 11104 of this title. This subsection applies to a fishing or whaling vessel but not a yacht.

(c) When a seaman who has signed an agreement is discharged improperly before the beginning of the voyage or before one month's wages are earned, without the seaman's consent and without the seaman's fault justifying discharge, the seaman is entitled to receive from the master or owner, in addition to wages earned, one month's wages as compensation.

(d) A seaman is not entitled to wages for a period during which the seaman—

(1) unlawfully failed to work when required, after the time fixed by the agreement for the seaman to begin work; or

(2) lawfully was imprisoned for an offense, unless a court hearing the case otherwise directs.

(e) After the beginning of the voyage, a seaman is entitled to receive from the master, on demand, one-half of the balance of wages earned and unpaid at each port at which the vessel loads or delivers cargo during the voyage. A demand may not be made before the expiration of 5 days from the beginning of the voyage, not more than once in 5 days, and not more than once in the same port on the same entry. If a master does not comply with this subsection, the seaman is released from the agreement and is entitled to payment of all wages earned. Notwithstanding a release signed by a seaman under section 10312 of this title, a court having jurisdiction may set aside, for good cause shown, the release and take action that justice requires. This subsection does not apply to a fishing or whaling vessel or a yacht. However, this subsection applies to a vessel taking oysters.

(f) At the end of a voyage, the master shall pay each seaman the balance of wages due the seaman within 24 hours after the cargo has been discharged or within 4 days after the seaman is discharged, whichever is earlier. When a seaman is discharged and final payment of wages is delayed for the period permitted by this subsection, the seaman is entitled at the time of discharge to one-third of the wages due the seaman.

(g) When payment is not made as provided under subsection (f) of this section without sufficient cause, the master or owner shall pay to the seaman 2 days' wages for each day payment is delayed.

(h) Subsections (f) and (g) of this section do not apply to a fishing or whaling vessel or a yacht. However, subsections (f) and (g) apply to a vessel taking oysters.

(i) This section applies to a seaman on a foreign vessel when in a harbor of the United States. The courts are available to the seaman for the enforcement of this section.

§ 10314. Advances

(a)(1) A person may not—

(A) pay a seaman wages in advance of the time when the seaman has earned the wages;

(B) pay advance wages of the seaman to another person; or

(C) make to another person an order, note, or other evidence of indebtedness of the wages, or pay another person, for the engagement of seamen when payment is deducted or to be deducted from the seaman's wage.

(2) A person violating this subsection is liable to the United States Government for a civil penalty of not more than $500. A payment made in violation of this subsection does not relieve the vessel or the master from the duty to pay all wages after they have been earned.

(b) A person demanding or receiving from a seaman or an individual seeking employment as a seaman, remuneration for providing the seaman or individual with employment, is liable to the Government for a civil penalty of not more than $500.

(c) This section applies to a foreign vessel when in waters of the United States. An owner, charterer, managing operator, agent, or master of a foreign vessel violating this section is liable to the Government for the same penalty as an owner, charterer, managing operator, agent, or master of a vessel of the United States for the same violation.

(d) The owner, charterer, managing operator, agent, or master of a vessel seeking clearance from a port of the United States shall present the agreement required by section 10302 of this title at the office of clearance. Clearance may be granted to a vessel only if this section has been complied with.

(e) This section does not apply to a fishing or whaling vessel or a yacht. However, this section applies to a vessel taking oysters.

§ 10315. Allotments

(a) Under prescribed regulations, a seaman may stipulate as follows in the agreement required by section 10302 of this title for an allotment of any part of the wages the seaman may earn:

(1) to the seaman's grandparents, parents, spouse, sister, brother, or children;

(2) to an agency designated by the Secretary of the Treasury to handle applications for United States savings bonds, to purchase bonds for the seaman; and

(3) for deposits to be made in an account for savings or investment opened by the seaman and maintained in the seaman's name at a savings bank or a savings institution in which the accounts are insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation.

(b) An allotment is valid only if made in writing and signed by and approved by a shipping commissioner. The shipping commissioner shall examine allotments and the parties to them to enforce compliance with the law. Stipulations for allotments made at the beginning of a voyage shall be included in the agreement and shall state the amounts and times of payment and the person to whom payments are to be made.

(c) Only an allotment complying with this section is lawful. A person falsely claiming qualification as an allottee under this section is liable to the United States Government for a civil penalty of not more than $500.

(d) The owner, charterer, managing operator, agent, or master of a vessel seeking clearance from a port of the United States shall present the agreement at the office of clearance. Clearance may be granted to a vessel only if this section has been complied with.

(e) This section applies to a foreign vessel when in waters of the United States. An owner, charterer, managing operator, agent, or master of a foreign vessel violating this section is liable to the Government for the same penalty as an owner, charterer, managing operator, agent, or master of a vessel of the United States for the same violation.

§ 10316. Trusts

Sections 10314 and 10315 of this title do not prevent an employer from making deductions from the wages of a seaman, with the written consent of the seaman, if—

(1) the deductions are paid into a trust fund established only for the benefit of seamen employed by that employer, and the families and dependents of those seamen (or of those seamen, families, and dependents jointly with other seamen employed by other employers, and the families and dependents of the other seamen); and

(2) the payments are held in trust to provide, from principal or interest, or both, any of the following benefits for those seamen and their families and dependents:

(A) medical or hospital care, or both.

(B) pensions on retirement or death of the seaman.

(C) life insurance.

(D) unemployment benefits.

(E) compensation for illness or injuries resulting from occupational activity.

(F) sickness, accident, and disability compensation.

(G) purchasing insurance to provide any of the benefits specified in this section.

§ 10317. Loss of lien and right to wages

A master or seaman by any agreement other than one provided for in this chapter

may not forfeit the master's or seaman's lien on the vessel or be deprived of a remedy to which the master or seaman otherwise would be entitled for the recovery of wages. A stipulation in an agreement inconsistent with this chapter, or a stipulation by which a seaman consents to abandon a right to wages if the vessel is lost, or to abandon a right the seaman may have or obtain in the nature of salvage, is void.

§ 10318. Wages on discharge in foreign ports

(a) When a master or seaman applies to a consular officer for the discharge of the seaman, the consular officer shall require the master to pay the seaman's wages if it appears that the seaman has carried out the agreement required by section 10302 of this title or otherwise is entitled to be discharged. Then the consular officer shall discharge the seaman. A consular officer shall require the payment of extra wages only as provided in this section or in chapter 109 of this title.

(b) When discharging a seaman, a consular officer who fails to require the payment of the wages due a seaman at the time, and of the extra wages due under subsection (a) of this section, is accountable to the United States Government for the total amount.

(c) A seaman discharged under this section with the consent of the seaman is entitled to wages up to the time of discharge, but not for any additional period.

(d) If the seaman is discharged involuntarily, and it appears that the discharge was not because of neglect of duty, incompetency, or injury incurred on the vessel, the master shall provide the seaman with employment on a vessel agreed to by the seaman or shall provide the seaman with one month's extra wages.

(e) Expenses for the maintenance and return of an ill or injured seaman to the United States shall be paid by the Secretary of State. If a seaman is incapacitated by illness or injury and prompt discharge is necessary, but a personal appearance of the master before a consular officer is impracticable, the master may provide transportation to the seaman to the nearest consular officer for discharge.

(f) A deduction from wages of the seaman is permitted only if the deduction appears in the account of the seaman required to be delivered under section 10310 of this title, except for matters arising after delivery of the account, in which case a supplementary account is required. During a voyage, the master shall record in the official logbook the matters about which deductions are to be made with the amounts of the deductions. The entries shall be made as the matters occur. The master shall produce the official logbook at the time of payment of wages, and also before a competent authority on the hearing of any complaint or question about the payment of wages.

§ 10319. Costs of a criminal conviction

In a proceeding about a seaman's wages, if it is shown that the seaman was convicted during the voyage of an offense by a competent tribunal and sentenced by the tribunal, the court hearing the case may direct that a part of the wages due the seaman, but not more than $15, be applied to reimburse the master for costs properly incurred in procuring the conviction and sentence.

§ 10320. Records of seamen

The Secretary may prescribe regulations for reporting by a master of matters about the engagement, discharge, or service of seamen that may be needed in keeping central records of seamen.

§ 10321. General penalty

The owner, charterer, managing operator, agent, or master of a vessel on which a seaman is carried in violation of this chapter or a regulation prescribed under this chapter is liable to the United States Government for a civil penalty of $200 for each seaman carried in violation. The vessel also is liable in rem for the penalty.

CHAPTER 105—COASTWISE VOYAGES

Sec.
10501. Application.
10502. Shipping articles agreements.
10503. Exhibiting merchant mariners' documents.
10504. Wages.
10505. Advances.
10506. Trusts.
10507. Duties of shipping commissioners.
10508. General penalties.
10509. Penalty for failing to begin voyage.

§ 10501. Application

(a) Except for a vessel to which chapter 103 of this title applies, this chapter applies to a vessel of at least 50 gross tons on a voyage between a port in one State and a port in another State (except an adjoining State).

(b) This chapter does not apply to a vessel on which the seamen are entitled by custom or agreement to share in the profit or result of a voyage.

(c) Unless otherwise provided, this chapter does not apply to a foreign vessel.

§ 10502. Shipping articles agreements

(a) Before proceeding on a voyage, the master of a vessel to which this chapter applies shall make a shipping articles agreement in writing with each seaman on board, declaring the nature of the voyage or the period of time for which the seaman is engaged.

(b) The agreement shall include the date and hour on which the seaman must be on board to begin the voyage.

(c) The agreement may not contain a provision on the allotment of wages or a scale of provisions.

§ 10503. Exhibiting merchant mariners' documents

Before signing the agreement required by section 10502 of this title, a seaman required by section 8701 of this title to have a merchant mariner's document shall exhibit to the master a document issued to the seaman and appropriately endorsed for the capacity in which the seaman is to serve.

§ 10504. Wages

(a) After the beginning of a voyage, a seaman is entitled to receive from the master, on demand, one-half of the balance of wages earned and unpaid at each port at which the vessel loads or delivers cargo during the voyage. A demand may not be made before the expiration of 5 days from the beginning of the voyage, not more than once in 5 days, and not more than once in the same port on the same entry. If a master does not comply with this subsection, the seaman is released from the agreement required by section 10502 of this title and is entitled to payment of all wages earned. Notwithstanding a release signed by a seaman under section 10312 of this title, a court having jurisdiction may set aside, for good cause shown, the release and take action that justice requires. This subsection does not apply to a fishing or whaling vessel or a yacht. However, this subsection applies to a vessel taking oysters.

(b) The master shall pay a seaman the balance of wages due the seaman within 2 days after the termination of the agreement required by section 10502 of this title or when the seaman is discharged, whichever is earlier.

(c) When payment is not made as provided under subsection (b) of this section without sufficient cause, the master or owner shall pay to the seaman 2 days' wages for each day payment is delayed.

(d) Subsections (b) and (c) of this section do not apply to a fishing or whaling vessel or a yacht. However, subsections (b) and (c) apply to a vessel taking oysters.

(e) This section applies to a seaman on a foreign vessel when a in harbor of the United States. The courts are available to the seaman for the enforcement of this section.

§ 10505. Advances

(a)(1) A person may not—

(A) pay a seaman wages in advance of the time when the seaman has earned the wages;

(B) pay advance wages of the seaman to another person; or

(C) make to another person an order, note, or other evidence of indebtedness of the wages, or pay another person, for the engagement of seamen when payment is deducted or to be deducted from the seaman's wage.

(2) A person violating this subsection is liable to the United States Government for a civil penalty of not more than $100. A payment made in violation of this subsection does not relieve the vessel or the master from the duty to pay all wages after they have been earned.

(b) A person demanding or receiving from a seaman or an individual seeking employment as a seaman, remuneration for providing the seaman or individual with employment, is liable to the Government for a civil penalty of not more than $500.

(c) The owner, charterer, managing operator, agent, or master of a vessel seeking clearance from a port of the United States shall present the agreement required by section 10502 of this title at the office of clearance. Clearance may be granted to a vessel only if this section has been complied with.

(d) This section does not apply to a fishing or whaling vessel or a yacht. However, this section applies to a vessel taking oysters.

§ 10506. Trusts

Section 10505 of this title does not prevent an employer from making deductions from the wages of a seaman, with the written consent of the seaman, if—

(1) the deductions are paid into a trust fund established only for the benefit of seamen employed by that employer, and the families and dependents of those seamen (or of those seamen, families, and dependents jointly with other seamen employed by other employers, and the families and dependents of the other seamen); and

(2) the payments are held in trust to provide, from principal or interest, or both, any of the following benefits for those seamen and their families and dependents:

(A) medical or hospital care, or both.

(B) pensions on retirement or death of the seaman.

(C) life insurance.

(D) unemployment benefits.

(E) compensation for illness or injuries resulting from occupational activity.

(F) sickness, accident, and disability compensation.

(G) purchasing insurance to provide any of the benefits specified in this section.

§ 10507. Duties of shipping commissioners

(a) At the option of the owner or master of a vessel to which this chapter applies, a shipping commissioner may engage and discharge the crew.

(b) When a crew is engaged under this section, sections 10302, 10303, 10305, 10307, 10311, 10312, 10313(b)-(f), and 10321, and chapter 107 of this title apply.

§ 10508. General penalties

(a) A master who carries a seaman on a voyage without first making the agreement required by section 10502 of this title shall pay to the seaman the highest wage that was paid for a similar voyage within the 3 months before the time of engagement at the port or place at which the seaman was engaged. A seaman who has not signed an agreement is not bound by the applicable regulations, penalties, or forfeitures.

(b) A master engaging a seaman in violation of this chapter or a regulation prescribed under this chapter is liable to the United States Government for a civil penalty of $20. The vessel also is liable in rem for the penalty.

§ 10509. Penalty for failing to begin voyage

(a) A seaman who fails to be on board at the time contained in the agreement required by section 10502 of this title, without having given 24 hours' notice of inability to do so, shall forfeit, for each hour's lateness, one-half of one day's pay to be deducted from the seaman's wages if the lateness is recorded in the official logbook on the date of the violation.

(b) A seaman who does not report at all or subsequently deserts forfeits all wages.

(c) This section does not apply to a fishing or whaling vessel or a yacht.

CHAPTER 107—EFFECTS OF DECEASED SEAMEN

Sec.
10701. Application.
10702. Duties of masters.
10703. Procedures of masters.
10704. Duties of consular officers.
10705. Disposition of money, property, and wages by consular officers.
10706. Seamen dying in the United States.
10707. Delivery to district court.
10708. Sale of property.
10709. Distribution.
10710. Unclaimed money, property, and wages.
10711. Penalties.

§ 10701. Application

(a) Except as otherwise specifically provided, this chapter applies to a vessel on a voyage between—

(1) a port of the United States and a port in a foreign country (except a port in Canada, Mexico, and the West Indies); and

(2) a port of the United States on the Atlantic Ocean and a port of the United States on the Pacific Ocean.

(b) This chapter does not apply to a vessel on which a seaman by custom or agreement is entitled to share in the profit or result of a voyage.

(c) This chapter does not apply to a foreign vessel.

§ 10702. Duties of masters

(a) When a seaman dies during a voyage, the master shall take charge of the seaman's money and property. An entry shall be made in the official logbook, signed by the master, the chief mate, and an unlicensed crewmember containing an inventory of the money and property and a statement of the wages due the seaman, with the total of the deductions to be made.

(b) On compliance with this chapter, the master shall obtain a written certificate of compliance from a shipping commissioner. Clearance may be granted to a foreign-bound vessel only when the certificate is received at the office of customs.

§ 10703. Procedures of masters

(a) If the vessel is proceeding to the United States when a seaman dies, the master shall deliver the seaman's money, property, and wages when the agreement required by this part is ended, as provided by regulations prescribed by the Secretary.

(b) If the vessel touches at a foreign port after the death of the seaman, the master shall report to the first available consular officer. The consular officer may require the master to deliver to the officer the money, property, and wages of the seaman. The consular officer shall give the master a receipt for the matters delivered and certify on the agreement the particulars of the delivery. When the agreement ends, the master shall deliver the receipt as prescribed by regulations.

(c) If the consular officer does not require the master to deliver the seaman's money, property, and wages, the officer shall so certify on the agreement, and the master shall dispose of the money, property, and wages as provided under subsection (a) of this section.

(d) A deduction from the account of a deceased seaman is valid only if certified by a proper entry in the official logbook.

§ 10704. Duties of consular officers

When a seaman dies outside the United States leaving money or property not on board a vessel, the consular officer nearest the place at which the money and property is located shall claim and take charge of it.

§ 10705. Disposition of money, property, and wages by consular officers

When money, property, or wages of a deceased seaman comes into possession of a consular officer, the officer may—

(1) sell the property and remit the proceeds and other money or wages of the seaman the officer has received, to the district court of the United States for the district in which the voyage begins or ends; or

(2) deliver the money, property, and wages to the district court.

§ 10706. Seamen dying in the United States

When a seaman dies in the United States and is entitled at death to claim money, property, or wages from the master or owner of a vessel on which the seaman served, the master or owner shall deliver the money, property, and wages as provided by regulations prescribed by the Secretary.

§ 10707. Delivery to district court

The Secretary shall provide for the delivery to a district court of the United States of the money, property, and wages of a deceased seaman within one week from the date of receipt.

§ 10708. Sale of property

A district court of the United States may direct the sale of any part of the property of a deceased seaman. Proceeds of the sale shall be held as wages of the seaman are held.

§ 10709. Distribution

(a)(1) If the money, property, and wages of a seaman, including proceeds from the sale of property, are not more then $1,500 in value, and subject to deductions it allows for expenses and at least 60 days after receiving the money, property, and wages, the court may deliver the money, property, and wages to a claimant proving to be—

(A) the seaman's surviving spouse or child;

(B) entitled to the money, property, and wages under the seaman's will or under a law or at common law; or

(C) entitled to secure probate, or take out letters of administration, although no probate or letters of administration have been issued.

(2) The court is released from further liability for the money, property, and wages distributed under paragraph (1) of this subsection.

(3) Instead of acting under paragraphs (1) and (2) of this subsection, the court may require probate or letters of administration to be taken out, and then deliver the money, property, and wages to the legal representative of the seaman.

(b) If the money, property, and wages are more than $1,500 in value, the court, subject to deductions for expenses, shall deliver the money, property, and wages to the legal representative of the seaman.

§ 10710. Unclaimed money, property, and wages

(a) When a claim for the money, property, or wages of a deceased seaman held by a district court of the United States has not been substantiated within 6 years after their receipt by the court, the court, if a subsequent claim is made, may allow or refuse the claim.

(b) If, after money, property, and wages have been held by the court for 6 years, it appears to the court that no claim will have to be satisfied, the property shall be sold. The money and wages and the proceeds from the sale shall be deposited in the Treasury trust fund receipt account "Unclaimed Moneys of Individuals Whose Whereabouts are Unknown".

§ 10711. Penalties

An owner or master violating this chapter are each liable to the United States Government for a civil penalty of 3 times the value of the seaman's money, property, and wages involved or, if the value is not determined, of $200.

CHAPTER 109—PROCEEDINGS ON UNSEAWORTHINESS

Sec.
10901. Application.
10902. Complaints of unfitness.
10903. Proceedings on examination of vessel.
10904. Refusal to proceed.
10905. Complaints in foreign ports.
10906. Discharge of crew for unsuitability.
10907. Permission to make complaint.
10908. Penalty for sending unseaworthy vessel to sea.

§ 10901. Application

This chapter applies to a vessel of the United States except a fishing or whaling vessel or a yacht.

§ 10902. Complaints of unfitness

(a)(1) If the chief and second mates or a majority of the crew of a vessel ready to begin a voyage discover, before the vessel leaves harbor, that the vessel is unfit as to crew, hull, equipment, tackle, machinery, apparel, furniture, provisions of food or water, or stores to proceed on the intended voyage and require the unfitness to be inquired into, the master immediately shall apply to the district court of the United States at the place at which the vessel is located, or, if no court is being held at the place at which the vessel is located, to a judge or justice of the peace, for the appointment of surveyors. At least 2 complain-

ing seamen shall accompany the master to the judge or justice of the peace.

(2) A master failing to comply with this subsection is liable to the United States Government for a civil penalty of $500.

(b)(1) Any 3 seamen of a vessel may complain that the provisions of food or water for the crew are, at any time, of bad quality, unfit for use, or deficient in quantity. The complaint may be made to the commanding officer of a United States naval vessel, consular officer, Coast Guard shipping commissioner, or chief official of the Customs Service.

(2) The officer, commissioner, or official shall examine, or have examined, the provisions of food or water. If the provisions are found to be of bad quality, unfit for use, or deficient in quantity, the person making the findings shall certify to the master of the vessel which provisions are of bad quality, unfit for use, or deficient.

(3) The officer, commissioner, or official to whom the complaint was made shall—

(A) make an entry in the official logbook of the vessel on the results of the examination; and

(B) submit a report on the examination to the district court of the United States at which the vessel is to arrive, with the report being admissible into evidence in any legal proceeding.

(4) The master is liable to the Government for a civil penalty of not more than $100 each time the master, on receiving the certification referred to in paragraph (2) of this subsection—

(A) does not provide other proper provisions of food or water, when available, in place of the provisions certified as of bad quality or unfit for use;

(B) does not obtain sufficient provisions when the certification includes a finding of a deficiency in quantity; or

(C) uses provisions certified to be of bad quality or unfit for use.

§ 10903. Proceedings on examination of vessel

(a) On application made under section 10902(a) of this title, the judge or justice of the peace shall appoint 3 experienced and skilled marine surveyors to examine the vessel for the defects or insufficiencies complained of. The surveyors have the authority to receive and consider evidence necessary to evaluate the complaint. When the complaint involves provisions of food or water, one of the surveyors shall be a medical officer of the Public Health Service, if available. The surveyors shall make a report in writing, signed by at least 2 of them, stating whether the vessel is fit to proceed to sea or, if not, in what respect it is unfit, making appropriate recommendations about additional seamen, provisions, or stores, or about physical repairs, alterations, or additions necessary to make the vessel fit.

(b) On receiving the report, the judge or justice of the peace shall endorse on the report the judgment of the judge or justice on whether the vessel is fit to proceed on the voyage, and, if not, whether the vessel may proceed to another port at which the deficiencies can be corrected. The master and the crew shall comply with the judgment.

(c) The master shall pay all costs of the survey, report, and judgment. However, if the complaint of the crew appears in the report and judgment to have been without foundation, or if the complaint involved provisions of food or water, without reasonable grounds, the master or owner may deduct the amount of the costs and reasonable damages for the detention of the vessel, as determined by the judge or justice of the peace, from the wages of the complaining seamen.

(d) A master of a vessel violating this section who refuses to pay the costs and wages is liable to the United States Government for a civil penalty of $100 and is liable in damages to each person injured by the refusal.

§ 10904. Refusal to proceed

After a judgment under section 10903 of this title that a vessel is fit to proceed on the intended voyage, or after the order of a judgment to make up deficiencies is complied with, if a seaman does not proceed on the voyage, the unpaid wages of the seaman are forfeited.

§ 10905. Complaints in foreign ports

(a) When a complaint under section 10902(a) of this title is made in a foreign port, the procedures of this chapter shall be followed, with a consular officer performing the duties of the judge or justice of the peace.

(b) On review of the marine surveyors' report, the consular officer may approve and must certify any part of the report with which the officer agrees. If the consular officer dissents from any part of the report, the officer shall certify reasons for dissenting from that part.

§ 10906. Discharge of crew for unsuitability

When a survey is made at a foreign port, the surveyors shall state in the report whether, in their opinion, the vessel had been sent to sea unsuitably provided in any important particular, by neglect or design or through mistake or accident. If by neglect or design, and the consular officer approves the finding, the officer shall discharge a seaman requesting discharge and shall require the master to pay one month's wages to that seaman in addition to wages then due, or sufficient money for the return of the seaman to the nearest and most convenient port of the United States, whichever is the greater amount.

§ 10907. Permission to make complaint

(a) A master may not refuse to permit, deny the opportunity to, or hinder a seaman who wishes to make a complaint authorized by this chapter.

(b) A master violating this section is liable to the United States Government for civil penalty of $500.

§ 10908. Penalty for sending unseaworthy vessel to sea

A person that knowingly sends or attempts to send, or that is a party to sending or attempting to send, a vessel of the United States to sea, in an unseaworthy state that is likely to endanger the life of an individual, shall be fined not more than $1,000, imprisoned for not more than 5 years, or both.

CHAPTER 111—PROTECTION AND RELIEF

Sec.
11101. Accommodations for seamen.
11102. Medicine chests.
11103. Slop chests.
11104. Destitute seamen.
11105. Wages on discharge when vessel sold.
11106. Wages on justifiable complaint of seamen.
11107. Unlawful engagements void.
11108. Taxes.
11109. Attachment of wages.
11110. Seamen's clothing.
11111. Limit on amount recoverable on voyage.

§ 11101. Accommodations for seamen

(a) On a merchant vessel of the United States the construction of which began after March 4, 1915 (except a yacht, pilot vessel, or vessel of less than 100 gross tons)—

(1) each place appropriated to the crew of the vessel shall have a space of at least 120 cubic feet and at least 16 square feet, measured on the floor or deck of that place, for each seaman or apprentice lodged in the vessel;

(2) each seaman shall have a separate berth and not more than one berth shall be placed one above another;

(3) the place or berth shall be securely constructed, properly lighted, drained, heated, and ventilated, properly protected from weather and sea, and, as far as practicable, properly shut off and protected from the effluvium of cargo or bilge water; and

(4) crew space shall be kept free from goods or stores that are not the personal property of the crew occupying the place in use during the voyage.

(b) In addition to the requirements of subsection (a) of this section, a merchant vessel of the United States that in the ordinary course of trade makes a voyage of more than 3 days' duration between ports and carries a crew of at least 12 seamen shall have a hospital compartment, suitably separated from other spaces. The compartment shall have at least one bunk for each 12 seamen constituting the crew (but not more than 6 bunks may be required).

(c) A steam vessel of the United States operating on the Mississippi River or its tributaries shall provide, under the direction and approval of the Secretary, an appropriate place for the crew that shall conform to the requirements of this section, as far as they apply to the steam vessel, by providing a properly heated sleeping room in the engineroom of the steam vessel properly protected from the cold, wind, and rain by means of suitable awnings or screens on either side of the guards or sides and forward, reaching from the boiler deck to the lower or main deck.

(d) A merchant vessel of the United States, the construction of which began after March 4, 1915, having more than 10 seamen on deck, shall have at least one light, clean, and properly heated and ventilated washing place. There shall be provided at least one washing outfit for each 2 seamen of the watch. A separate washing place shall be provided for the fireroom and engineroom seamen, if their number is more than 10, that shall be large enough to accommodate at least one-sixth of them at the same time, and have a hot and cold water supply and a sufficient number of washbasins, sinks, and shower baths.

(e) Forecastles shall be fumigated at intervals provided by regulations prescribed by the Secretary of Health and Human Services, with the approval of the Secretary, and shall have at least 2 exits, one of which may be used in emergencies.

(f) The owner, charterer, managing operator, agent, master, or licensed individual of a vessel not complying with this section is liable to the United States Government for a civil penalty of at least $50 but not more than $500.

§ 11102. Medicine chests

(a) A vessel of the United States on a voyage from a port in the United States to a foreign port (except to a Canadian port), and a vessel of the United States of at least 75 gross tons on a voyage between a port of

the United States on the Atlantic Ocean and Pacific Ocean, shall be provided with a medicine chest.

(b) The owner and master of a vessel not equipped as required by subsection (a) of this section or a regulation prescribed under subsection (a) are liable to the United States Government for a civil penalty of $500. If the offense was due to the fault of the owner, a master penalized under this section has the right to recover the penalty and costs from the owner.

§ 11103. Slop chests

(a) A vessel to which section 11102 of this title applies shall be provided with a slop chest containing sufficient clothing for the intended voyage for each seaman, including—

(1) boots or shoes;
(2) hats or caps;
(3) underclothing;
(4) outer clothing;
(5) foul weather clothing;
(6) everything necessary for the wear of a seaman; and
(7) a complete supply of tobacco and blankets.

(b) Merchandise in the slop chest shall be sold to a seaman desiring it, for the use of the seaman, at a profit of not more than 10 percent of the reasonable wholesale value of the merchandise at the port at which the voyage began.

(c) This section does not apply to a vessel on a voyage to Canada, Bermuda, the West Indies, Mexico, or Central America, or a fishing or whaling vessel.

§ 11104. Destitute seamen

(a) A consular officer shall provide, for a destitute seaman of the United States, subsistence and passage to a port of the United States in the most reasonable manner, at the expense of the United States Government and subject to regulations prescribed by the Secretary of State. A seaman, if able, shall be required to perform duties on the vessel giving the seaman passage, in accordance with the seaman's rating.

(b) A master of a vessel of the United States bound to a port of the United States shall take a destitute seaman on board at the request of a consular officer and transport the seaman to the United States. A master refusing to transport a destitute seaman when requested is liable to the United States Government for a civil penalty of $100. The certificate signed and sealed by a consular officer is prima facie evidence of refusal. A master is not required to carry a destitute seaman if the seaman's presence would cause the number of individuals on board to exceed the number permitted in the certificate of inspection or if the seaman has a contagious disease.

(c) Compensation for the transportation of destitute seamen to the United States who are unable to work shall be agreed on by the master and the consular officer, under regulations prescribed by the Secretary of State. However, the compensation may be not more the lowest passenger rate of the vessel, or 2 cents a mile, whichever is less.

(d) When a master of a vessel of the United States takes on board a destitute seaman unable to work, from a port or place not having a consular officer, for transportation to the United States or to a port at which there is a consular officer, the master or owner of the vessel shall be compensated reasonably under regulations prescribed by the Secretary of State.

§ 11105. Wages on discharge when vessel sold

(a) When a vessel of the United States is sold in a foreign country, the master shall deliver to the consular officer a certified crew list and the agreement required by this part. The master shall pay each seaman the wages due the seaman and provide the seaman with employment on board another vessel of the United States bound for the port of original engagement of the seaman or to another port agreed on. If employment cannot be provided, the master shall—

(1) provide the seaman with the means to return to the port of original engagement;
(2) provide the seaman passage to the port of original engagement; or
(3) deposit with the consular officer an amount of money considered sufficient by the officer to provide the seaman with maintenance and passage home.

(b) The consular officer shall endorse on the agreement the particulars of the payment, provision, or deposit made under this section.

(c) An owner of a vessel is liable to the United States Government for a civil penalty of $500 if the master does not comply with this section.

§ 11106. Wages on justifiable complaint of seamen

(a) Before a seaman on a vessel of the United States is discharged in a foreign country by a consular officer on the seaman's complaint that the agreement required by this part has been breached because the vessel is badly provisioned or unseaworthy, or against the officers for cruel treatment, the officer shall inquire about the complaint. If satisfied of the justice of the complaint, the consular officer shall require the master to pay the wages due the seaman plus one month's additional wages and shall discharge the seaman. The master shall provide the seaman with employment on another vessel or provide the seaman with passage on another vessel to the port of original engagement, to the most convenient port of the United States, or to some port agreeable to the seaman.

(b) When a vessel does not have sufficient provisions for the intended voyage, and the seaman has been forced to accept a reduced ration or provisions that are bad in quality or unfit for use, the seaman is entitled to recover from the master or owner an allowance, as additional wages, that the court hearing the case considers reasonable.

(c) Subsection (b) of this section does not apply when the reduction in rations was for a period during which the seaman willfully and without sufficient cause failed to perform duties or was lawfully under confinement on board or on shore for misconduct, unless that reduction can be shown to have been unreasonable.

(d) Subsection (b) of this section does not apply to a fishing or whaling vessel or a yacht.

§ 11107. Unlawful engagements void

An engagement of a seaman contrary to a law of the United States is void. A seaman so engaged may leave the service of the vessel at any time and is entitled to recover the highest rate of wages at the port from which the seaman was engaged or the amount agreed to be given the seaman at the time of engagement, whichever is higher.

§ 11108. Taxes

Wages due or accruing to a master or seaman on a vessel in the foreign, coastwise, intercoastal, interstate, or noncontiguous trade or a fisherman employed on a fishing vessel may not be withheld under the tax laws of a State or a political subdivision of a State. However, this section does not prohibit withholding wages of a seaman on a vessel in the coastwise trade between ports in the same State if the withholding is under a voluntary agreement between the seaman and the employer of the seaman.

§ 11109. Attachment of wages

(a) Wages due or accruing to a master or seaman are not subject to attachment or arrestment from any court, except for an order of a court about the payment by a master or seaman of any part of the master's or seaman's wages for the support and maintenance of the spouse or minor children of the master or seaman, or both. A payment of wages to a master or seaman is valid, notwithstanding any prior sale or assignment of wages or any attachment, encumbrance, or arrestment of the wages.

(b) An assignment or sale of wages or salvage made before the payment of wages does not bind the party making it, except allotments authorized by section 10315 of this title.

(c) This section applies to a fisherman on a fishing vessel.

§ 11110. Seamen's clothing

The clothing of a seaman is exempt from attachments and liens. A person detaining a seaman's clothing shall be fined not more than $500, imprisoned for not more than 6 months, or both.

§ 11111. Limit on amount recoverable on voyage

When a seaman is on a voyage on which a written agreement is required under this part, not more than $1 is recoverable from the seaman by a person for a debt incurred by the seaman during the voyage for which the seaman is signed on until the voyage is ended.

CHAPTER 113—OFFICIAL LOGBOOKS

Sec.
11301. Logbook and entry requirements.
11302. Manner of making entries.
11303. Penalties.

§ 11301. Logbook and entry requirements

(a) A vessel of the United States on a voyage between a port in the United States and a port in a foreign country, and a vessel of the United States of at least 75 gross tons on a voyage between a port of the United States on the Atlantic Ocean and a port of the United States on the Pacific Ocean, shall have an official logbook.

(b) The master of the vessel shall make or have made in the official logbook the following entries:

(1) each legal conviction of a seaman of the vessel and the punishment inflicted.
(2) each offense committed by a seaman of the vessel for which it is intended to prosecute or to enforce under a forfeiture, together with statements about reading the entry and the reply made to the charge as required by section 11502 of this title.
(3) each offense for which punishment is inflicted on board and the punishment inflicted.
(4) a statement of the conduct, character, and qualifications of each seaman of the vessel or a statement that the master declines to give an opinion about that conduct, character, and qualifications.
(5) each illness of or injury to a seaman of the vessel, the nature of the illness or injury, and the medical treatment.

(6) each death on board, with the cause of death, and if a seaman, the information required by section 10702 of this title.

(7) each birth on board, with the sex of the infant and name of the parents.

(8) each marriage on board, with the names and ages of the parties.

(9) the name of each seaman who ceases to be a crewmember (except by death), with the place, time, manner, and the cause why the seaman ceased to be a crewmember.

(10) the wages due to a seaman who dies during the voyage and the gross amount of all deductions to be made from the wages.

(11) the sale of the property of a seaman who dies during the voyage, including a statement of each article sold and the amount received for the property.

(12) when a marine casualty occurs, a statement about the casualty and the circumstances under which it occurred, made immediately after the casualty when practicable to do so.

§ 11302. Manner of making entries

Each entry made in the official logbook—

(1) shall be made as soon as possible after the occurrence;

(2) if not made on the day of the occurrence, shall be dated and state the date of the occurrence;

(3) if the entry is about an occurrence happening before the vessel's arrival at the final port of discharge, shall be made not later than 24 hours after the arrival;

(4) shall be signed by the master; and

(5) shall be signed by the chief mate or another seaman.

§ 11303. Penalties

(a) A master failing to maintain an official logbook as required by this part is liable to the United States Government for a civil penalty of $200.

(b) A master failing to make an entry in the vessel's official logbook as required by this part is liable to the Government for a civil penalty of $200.

(c) A person is liable to the Government for a civil penalty of $150 when the person makes, procures to be made, or assists in making, an entry in the vessel's official logbook—

(1) later than 24 hours after the vessel's arrival at the final port of discharge; and

(2) that is about an occurrence that happened before that arrival.

CHAPTER 115—OFFENSES AND PENALTIES

Sec.
11501. Penalties for specified offenses.
11502. Entry of offenses in logbook.
11503. Duties of consular officers related to insubordination.
11504. Enforcement of forfeitures.
11505. Disposal of forfeitures.
11506. Carrying sheath knives.
11507. Surrender of offending officers.

§ 11501. Penalties for specified offenses

When a seaman lawfully engaged commits any of the following offenses, the seaman shall be punished as specified:

(1) For desertion, the seaman forfeits any part of the money or property the seaman leaves on board and any part of earned wages.

(2) For neglecting or refusing without reasonable cause to join the seaman's vessel or to proceed to sea in the vessel, for absence without leave within 24 hours of the vessel's sailing from a port (at the beginning or during the voyage), or for absence without leave from duties and without sufficient reason, the seaman forfeits from the seaman's wages not more than 2 days' pay or a sufficient amount to defray expenses incurred in hiring a substitute.

(3) For quitting the vessel without leave after the vessel's arrival at the port of delivery and before the vessel is placed in security, the seaman forfeits from the seaman's wages not more than one month's pay.

(4) For willful disobedience to a lawful command at sea, the seaman, at the discretion of the master, may be confined until the disobedience ends, and on arrival in port forfeits from the seaman's wages not more than 4 days' pay or, at the discretion of the court, may be imprisoned for not more than one month.

(5) For continued willful disobedience to lawful command or continued willful neglect of duty at sea, the seaman, at the discretion of the master, may be confined, on water and 1,000 calories, with full rations every 5th day, until the disobedience ends, and on arrival in port forfeits, for each 24 hours' continuance of the disobedience or neglect, not more than 12 days' pay or, at the discretion of the court, may be imprisoned for not more than 3 months.

(6) For assaulting a master, mate, pilot, engineer, or staff officer, the seaman shall be imprisoned for not more than 2 years.

(7) For willfully damaging the vessel, or embezzling or willfully damaging any of the stores or cargo, the seaman forfeits from the seaman's wages the amount of the loss sustained and, at the discretion of the court, may be imprisoned for not more than 12 months.

(8) For smuggling for which a seaman is convicted causing loss or damage to the owner or master, the seaman is liable to the owner or master for the loss or damage, and any part of the seaman's wages may be retained to satisfy the liability. The seaman also may be imprisoned for not more than 12 months.

§ 11502. Entry of offenses in logbook

(a) When an offense listed in section 11501 of this title is committed, an entry shall be made in the vessel's official logbook—

(1) on the day of the offense;

(2) stating the details;

(3) signed by the master; and

(4) signed by the chief mate or another seaman.

(b) Before arrival in port if the offense was committed at sea, or before departure if the offense was committed in port and the offender is still on the vessel—

(1) the entry shall be read to the offender;

(2) the offender shall be given a copy; and

(3) the offender shall be given the opportunity to reply.

(c) After subsection (b) of this section has been complied with, an entry shall be made in the official logbook—

(1) stating that the entry about the offense was read and a copy provided to the offender;

(2) stating the offender's reply;

(3) signed by the master; and

(4) signed by the chief mate or another seaman.

(d) In a subsequent legal proceeding, if the entries required by this section are not produced or proved, the court may refuse to receive evidence of the offense.

§ 11503. Duties of consular officers related to insubordination

(a) A consular officer shall use every means to discountenance insubordination on vessels of the United States, including employing the aid of local authorities.

(b) When a seaman is accused of insubordination, a consular officer shall inquire into the facts and proceed as provided in section 11106 of this title. If the consular officer discharges the seaman, the officer shall endorse the agreement required by this part and enter in the vessel's official logbook the cause and particulars of the discharge.

§ 11504. Enforcement of forfeitures

When an offense by a seaman also is a criminal violation, it is not necessary that a criminal proceeding be brought to enforce a forfeiture.

§ 11505. Disposal of forfeitures

(a) Money, property, and wages forfeited under this chapter for desertion may be applied to compensate the owner of master of the vessel for expenses caused by the desertion. The balance shall be transferred to the Secretary when the voyage is completed, as prescribed by the Secretary.

(b) Within one month of receiving the balance under subsection (a) of this section, the Secretary shall transfer the balance to the appropriate district court of the United States. If it appears to the district court that the forfeiture was imposed properly, the property transferred may be sold in the same manner prescribed for the disposition of the property of deceased seamen. The court shall deposit in the Treasury as miscellaneous receipts the proceeds of the sale and any money and wages transferred to the court.

(c) When an owner or master fails to transfer the balance as required under subsection (a) of this section, the owner or master is liable to the United States Government for a civil penalty of 2 times the amount of the balance, recoverable by the Secretary in the same manner that seaman's wages are recovered.

(d) In all other cases of forfeiture of wages, the forfeiture shall be for the benefit of the owner of the vessel.

§ 11506. Carrying sheath knives

A seaman in the merchant marine may not wear a sheath knife on board a vessel without the consent of the master. The master of a vessel of the United States shall inform each seaman of this prohibition before engagement. A master failing to advise a seaman is liable to the United States Government for a civil penalty of $50.

§ 11507. Surrender of offending officers

When an officer of a vessel of the United States (except the master) has violated section 2191 of title 18, and the master has actual knowledge of the offense or if complaint is made within 3 days after reaching port, the master shall surrender the offending officer to the proper authorities. If the master fails *to use diligence* to comply with this section and the offender escapes, the owner, the master, and the vessel are liable for damages to the individual unlawfully punished.

PART H—IDENTIFICATION OF VESSELS

CHAPTER 121—DOCUMENTATION OF VESSELS

Sec.
12101. Related terms in other laws.
12102. Vessels eligible for documentation.
12103. Certificates of documentation.
12104. Effect of documentation.
12105. Registry.
12106. Coastwise licenses and registry.
12107. Great Lakes licenses and registry.
12108. Fishery licenses and registry.

12109. Pleasure vessel licenses.
12110. Limitations on operations authorized by certificates.
12111. Invalidation of certificates of documentation.
12112. Vessels procured outside the United States.
12113. Ports of documentation.
12114. Home ports.
12115. Names of vessels.
12116. Numbers, signal letters, and identification markings.
12117. Recording of United States built vessels.
12118. Registration of funnel marks and house flags.
12119. List of documented vessels.
12120. Reports.
12121. Regulations.
12122. Penalties.

§ 12101. Related terms in other laws

When used in a law, regulation, document ruling, or other offical act referring to the documentation of a vessel—

(1) "certificate of registry", "register", and "registry" mean a registry as provided in section 12105 of this title.

(2) "license", "enrollment and license", "license for the coastwise (or coasting) trade", and "enrollment and license for the coastwise (or coasting) trade" mean a coastwise license as provided in section 12106 of this title.

(3) "enrollment and license to engage in the foreign and coastwise (or coasting) trade on the northern, northeastern, and northwestern frontiers, otherwise than by sea" means a Great Lakes license as provided in section 12107 of this title.

(4) "license for the fisheries" and "enrollment and license for the fisheries" mean a fishery license as provided in section 12108 of this title.

(5) "yacht" means a pleasure vessel even if not documented.

§ 12102. Vessels eligible for documentation

A vessel of at least 5 net tons not registered under the laws of a foreign country is eligible for documentation if the vessel is owned by—

(1) an individual who is a citizen of the United States;

(2) an association, trust, joint venture, or other entity—

(A) all of whose members are citizens of the United States; and

(B) that is capable of holding title to a vessel under the laws of the United States or of a State;

(3) a partnership whose general partners are citizens of the United States, and the controlling interest in the partnership is owned by citizens of the United States;

(4) a corporation established under the laws of the United States or of a State, whose president or other chief executive officer and chairman of its board of directors are citizens of the United States and no more of its directors are noncitizens than a minority of the number necessary to constitute a quorum;

(5) the United States Government; or

(6) the government of a State.

§ 12103. Certificates of documentation

(a) On application by the owner of a vessel eligible for documentation, the Secretary shall issue a certificate of documentation of one of the types specified in sections 12105–12109 of this title.

(b) The Secretary may prescribe the form of, the manner of filing, and the information to be contained in, applications for certificates of documentation.

(c) Each certificate of documentation shall—

(1) contain the name, the home port, and a description of the vessel;

(2) identify the owner of the vessel; and

(3) contain additional information prescribed by the Secretary.

(d) The Secretary shall prescribe procedures to ensure the integrity of, and the accuracy of information contained in, certificates of documentation.

(e) The owner and master of a documented vessel shall make the vessel's certificate of documentation available for examination as the law or Secretary may require.

§ 12104. Effect of documentation

A certificate of documentation is—

(1) conclusive evidence of nationality for international purposes, but not in a proceeding conducted under the laws of the United States;

(2) except for a pleasure vessel license, conclusive evidence of qualification to be employed in a specified trade; and

(3) not conclusive evidence of ownership in a proceeding in which ownership is in issue.

§ 12105. Registry

(a) A registry may be issued for a vessel eligible for documentation.

(b) A vessel for which a registry is issued may be employed in foreign trade or trade with Guam, American Samoa, Wake, Midway, or Kingman Reef.

(c) On application of the owner of a vessel that qualifies for a coastwise license under section 12106 of this title, a Great Lakes license under section 12107 of this title, or a fishery license under section 12108 of this title, the Secretary may issue a registry appropriately endorsed authorizing the vessel to be employed in the coastwise trade, the Great Lakes trade, or the fisheries, as the case may be.

(d) Except as provided in sections 12106–12108 of this title, a foreign built vessel registered under this section may not engage in the coastwise trade, the Great Lakes trade, or the fisheries.

§ 12106. Coastwise licenses and registry

(a) A coastwise license or, as provided in section 12105(c) of this title, an appropriately endorsed registry, may be issued for a vessel that—

(1) is eligible for documentation;

(2)(A) was built in the United States; or

(B) if not built in the United States, was captured in war by citizens of the United States and lawfully condemned as prize, was adjudged to be forfeited for a breach of the laws of the United States, or qualified for documentation under section 4136 of the Revised Statutes (46 App. U.S.C. 14); and

(3) otherwise qualifies under laws of the United States to be employed in the coastwise trade.

(b) Subject to the laws of the United States regulating the coastwise trade and the fisheries, only a vessel for which a coastwise license or an appropriately endorsed registry is issued may be employed in—

(1) the coastwise trade; and

(2) the fisheries.

§ 12107. Great Lakes licenses and registry

(a) A Great Lakes license or, as provided in section 12105(c) of this title, an appropriately endorsed registry, may be issued for a vessel that—

(1) is eligible for documentation;

(2)(A) was built in the United States; or

(B) if not built in the United States, was captured in war by citizens of the United States and lawfully condemned as prize, was adjudged to be forfeited for a breach of the laws of the United States, or qualified for documentation under section 4136 of the Revised Statutes (46 App. U.S.C. 14); and

(3) otherwise qualifies under the laws of the United States to be employed in the coastwise trade.

(b) Subject to the laws of the United States regulating the coastwise trade, trade with Canada, and the fisheries, only a vessel for which a Great Lakes license or an appropriately endorsed registry is issued may be employed on the Great Lakes and their tributary and connecting waters in—

(1) the coastwise trade;

(2) trade with Canada; and

(3) the fisheries.

§ 12108. Fishery licenses and registry

(a) A fishery license or, as provided in section 12105(c) of this title, an appropriately endorsed registry, may be issued for a vessel that—

(1) is eligible for documentation; and

(2)(A) was built in the United States; or

(B) if not built in the United States, was captured in war by citizens of the United States and lawfully condemned as prize, was adjudged to be forfeited for a breach of the laws of the United States, or qualified for documentation under section 4136 of the Revised Statutes (46 App. U.S.C. 14); and

(3) otherwise qualifies under the laws of the United States to be employed in the fisheries.

(b) Subject to the laws of the United States regulating the fisheries, only a vessel for which a fishery license or an appropriately endorsed registry is issued may be employed in the fisheries.

§ 12109. Pleasure vessel licenses

(a) A pleasure vessel license may be issued for a vessel that is—

(1) eligible for documentation; and

(2) to be operated only for pleasure.

(b) A licensed pleasure vessel may proceed between a port of the United States and a port of a foreign country without entering or clearing with the Customs Service.

(c) The Secretary may prescribe by regulation reasonable fees for issuing, renewing, or replacing a pleasure vessel license, or for providing any other service related to a pleasure vessel license. The fees shall be based on the costs of the service provided.

§ 12110. Limitations on operations authorized by certificates

(a) A vessel may not be employed in a trade except a trade covered by the certificate of documentation issued for that vessel. A documented pleasure vessel may be operated only for pleasure. However, a certificate of documentation may be exchanged, under regulations prescribed by the Secretary, for another type of certificate of documentation or endorsed appropriately for a trade for which the vessel qualifies.

(b) A barge qualified to be employed in the coastwise trade may be employed, without being documented, in that trade on rivers, harbors, lakes (except the Great Lakes), canals, and inland waters.

(c) When a vessel is employed in a trade not covered by the certificate of documentation issued for that vessel, or a documented pleasure vessel is operated except for pleasure, the vessel and its equipment are liable to seizure by and forfeiture to the United States Government.

(d) A documented vessel may be placed under the command only of a citizen of the United States.

§ 12111. Invalidation of certificates of documentation

(a) A certificate of documentation is invalid if the vessel for which it is issued—

(1) no longer meets the requirements of this chapter and regulations prescribed under this chapter applicable to that certificate of documentation; or

(2) is placed under the command of a person not a citizen of the United States.

(b) Except as provided by section 30(O) of the Merchant Marine Act, 1920 (46 App. U.S.C. 961(a)), an invalid certificate of documentation shall be surrendered as provided by regulations prescribed by the Secretary.

§ 12112. Vessels procured outside the United States

(a) The Secretary and the Secretary of State, acting jointly, may provide for the issuance of an appropriate document for a vessel procured outside the United States meeting the ownership requirements of section 12102 of this title.

(b) Subject to limitations the Secretary may prescribe, a vessel for which an appropriate document is issued under this section may proceed to the United States and engage en route in the foreign trade or trade with Guam, American Samoa, Wake, Midway, or Kingman Reef. On the vessel's arrival in the United States, the document shall be surrendered as provided by regulations prescribed by the Secretary.

(c) A vessel for which a document is issued under this section is subject to the jurisdiction and laws of the United States. However, the Secretary may suspend for a period of not more than 6 months, the application of a vessel inspection law carried out by the Secretary or regulations prescribed under that law if the Secretary considers the suspension to be in the public interest.

§ 12113. Ports of documentation

The Secretary shall designate ports of documentation in the United States at which vessels may be documented and instruments affecting title to, or interest in, documented vessels may be recorded. The Secretary—

(1) shall specify the geographic area to be served by each designated port; and

(2) may discontinue, relocate, or designate additional ports of documentation.

§ 12114. Home ports

(a) The port of documentation selected by an owner of a vessel and approved by the Secretary for the documentation of the vessel is the vessel's home port.

(b) Once a vessel's home port is established, it may not be changed without the approval of the Secretary.

§ 12115. Names of vessels

(a) The name of the vessel selected by the owner and approved by the Secretary for the documentation of the vessel is the vessel's name of record.

(b) Once a vessel's name of record is established, it may not be changed without the approval of the Secretary.

(c) The Secretary may prescribe by regulation a reasonable fee for changing a documented vessel's name of record.

§ 12116. Numbers, signal letters, and identification markings

(a) The Secretary shall maintain a numbering system for the identification of a documented vessel and shall assign a number to each documented vessel.

(b) The Secretary may maintain a system of signal letters for a documented vessel.

(c) The owner of a documented vessel shall affix to the vessel and maintain in the manner prescribed by the Secretary the number assigned and any other identification markings the Secretary may require.

§ 12117. Recording of United States built vessels

The Secretary may provide for the recording and certifying of information about vessels built in the United States that the Secretary considers to be in the public interest.

§ 12118. Registration of funnel marks and house flags

The Secretary shall provide for the registration of funnel marks and house flags by owners of vessels.

§ 12119. List of documented vessels

The Secretary shall publish periodically a list of all documented vessels and information about those vessels that the Secretary considers pertinent or useful. The list shall contain a notation clearly indicating all vessels classed by the American Bureau of Shipping.

§ 12120. Reports

To ensure compliance with this chapter and laws governing the qualifications of vessels to engage in the coastwise trade and the fisheries, the Secretary may require owners and masters of documented vessels to submit reports in any reasonable form and manner the Secretary may prescribe.

§ 12121. Regulations

The Secretary may prescribe regulations to carry out this chapter.

§ 12122. Penalties

(a) A person that violates this chapter or a regulation prescribed under this chapter is liable to the United States Government for a civil penalty of not more than $500.

(b) When the owner of a vessel knowingly falsifies or conceals a material fact, or makes a false statement or representation about the documentation of the vessel, that vessel and its equipment are liable to seizure by and forfeiture to the United States Government.

(c) When a certificate of documentation is knowingly and fraudulently used for a vessel, that vessel and its equipment are liable to seizure by and forfeiture to the Government.

CHAPTER 123—NUMBERING UNDOCUMENTED VESSELS

Sec.
12301. Numbering vessels.
12302. Standard numbering system.
12303. Exemption from numbering requirements.
12304. Certificates of numbers.
12305. Displaying numbers.
12306. Safety certificates.
12307. Regulations on numbering and fees.
12308. Providing vessel numbering and registration information.
12309. Penalties.

§ 12301. Numbering vessels

An undocumented vessel equipped with propulsion machinery of any kind shall have a number issued by the proper issuing authority in the State in which the vessel principally is operated.

§ 12302. Standard numbering system

(a) The Secretary shall prescribe by regulation a standard numbering system for vessels to which this chapter applies. On application by a State, the Secretary shall approve a State numbering system that is consistent with the standard numbering system. In carrying out its numbering system, a State shall adopt any definitions of relevant terms prescribed by regulations of the Secretary.

(b) A State with an approved numbering system is the issuing authority within the meaning of this chapter. The Secretary is the issuing authority in a State in which a State numbering system has not been approved.

(c) When a vessel is numbered in a State, it is deemed in compliance with the numbering system of a State in which it temporarily is operated.

(d) When a vessel is removed to a new State of principal operation, the issuing authority of that State shall recognize the validity of the number issued by the original State for 60 days.

(e) If a State has a numbering system approved after the Secretary issues a number, the State shall recognize the validity of the number issued by the Secretary for one year.

(f) When the Secretary decides that a State numbering system is not being carried out consistent with the standard numbering system or the State has changed the system without the Secretary's approval, the Secretary may withdraw approval after giving notice to the State, in writing, stating the reasons for the withdrawal.

§ 12303. Exemption from numbering requirements

(a) When the Secretary is the authority issuing a number under this chapter, the Secretary may exempt a vessel or class of vessels from the numbering requirements of this chapter under conditions the Secretary may prescribe.

(b) When a State is the issuing authority, it may exempt from the numbering requirements of this chapter a vessel or class of vessels exempted under subsection (a) of this section or otherwise as permitted by the Secretary.

§ 12304. Certificates of numbers

(a) A certificate of number is granted for a number issued under this chapter. The certificate shall be pocket-sized, shall be at all times available for inspection on the vessel for which issued when the vessel is in operation, and may be valid for not more than 3 years. The certificate of number for a vessel less than 26 feet in length and leased or rented to another for the latter's noncommercial operation of less than 7 days may be retained on shore by the vessel's owner or representative at the place from which the vessel departs or returns to the possession of the owner or the owner's representative. A vessel that does not have the certificate of number on board shall be identified when in operation, and comply with requirements, as the issuing authority prescribes.

(b) The owner of a vessel numbered under this chapter shall provide—

(1) the issuing authority notice of the transfer of any part of the owner's interest in the vessel or of the destruction or abandonment of the vessel, within a reasonable time after the transfer, destruction, or abandonment; and

(2) notice of a change of address within a reasonable time of the change, as prescribed by regulation.

§ 12305. Displaying numbers

A number required by this chapter shall be painted on, or attached to, each side of the forward half of the vessel for which it was issued, and shall be the size, color, and type as may be prescribed by the Secretary. No other number may be carried on the forward half of the vessel.

§ 12306. Safety certificates

When a State is the authority issuing a number under this chapter, it may require that the individual in charge of a numbered vessel have a valid safety certificate issued under conditions set by the issuing authority, except when the vessel is subject to manning requirements under part F of this subtitle.

§ 12307. Regulations on numbering and fees

The authority issuing a number under this chapter may prescribe regulations and establish fees to carry out the intent of this chapter. The fees shall apply equally to residents and nonresidents of the State. A State issuing authority may impose only conditions for vessel numbering that are—

(1) prescribed by this chapter or regulations of the Secretary about the standard numbering system; or

(2) related to proof of payment of State or local taxes.

§ 12308. Providing vessel numbering and registration information

A person may request from an authority issuing a number under this chapter the numbering and registration information of a vessel that is retrievable from vessel numbering system records of the issuing authority. When the issuing authority is satisfied that the request is reasonable and related to a boating safety purpose, the information shall be provided on paying the cost of retrieving and providing the information requested.

§ 12309. Penalties

(a) A person willfully violating this chapter or a regulation prescribed under this chapter shall be fined not more than $5,000, imprisoned for not more than one year, or both.

(b) A person violating this chapter or a regulation prescribed under this chapter is liable to the United States Government for a civil penalty of not more than $1,000. If the violation involves the operation of a vessel, the vessel also is liable in rem for the penalty.

(c) When a civil penalty of not more than $200 has been assessed under this chapter, the Secretary may refer the matter of collection of the penalty directly to the United States magistrate of the jurisdiction in which the person liable may be found for collection procedures under supervision of the district court and under an order issued by the court delegating this authority under section 636(b) of title 28.

PART I—STATE BOATING SAFETY PROGRAMS

CHAPTER 131—RECREATIONAL BOATING SAFETY

Sec.

13101. State recreational boating safety programs.
13102. Program acceptance.
13103. Allocations.
13104. Availability of allocations.
13105. Computation decisions about State amounts expended.
13106. Authorization of contract spending.
13107. National Recreational Boating Safety and Facilities Improvement Fund.
13108. Computing amounts allocated to States and State records requirements.
13109. Consultation, cooperation, and regulation.
13110. National Boating Safety Advisory Council.

§ 13101. State recreational boating safety programs

(a) To encourage greater State participation and uniformity in boating safety and facility improvement efforts, and particularly to permit the States to assume the greater share of boating safety education, assistance, and enforcement activities, the Secretary shall carry out a national recreational boating safety and facilities improvement program. Under this program, the Secretary may make contracts with, and allocate and distribute amounts to, eligible States to assist them in developing, carrying out, and financing State recreational boating safety and facilities improvement programs.

(b) The Secretary shall establish guidelines and standards for the program. In doing so, the Secretary—

(1) shall consider, among other things, factors affecting recreational boating safety by contributing to overcrowding and congestion of waterways, such as the increasing number of recreational vessels operating on those waterways and their geographic distribution, the availability and geographic distribution of recreational boating facilities in and among applying States, and State marine casualty and fatality statistics for recreational vessels;

(2) shall consult with the Secretary of the Interior to minimize duplication with the purposes and expenditures of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 4601-4—4601-11) and with the guidelines developed under that Act; and

(3) shall maintain environmental standards consistent with the Coastal Zone Management Act of 1972 (16 U.S.C. 1451-1464) and other laws and policies of the United States intended to safeguard the ecological and esthetic quality of the waters and wetlands of the United States.

(c) A State whose recreational boating safety and facilities improvement program has been approved by the Secretary is eligible for allocation and distribution of amounts under this chapter to assist that State in developing, carrying out, and financing its program. Matching amounts shall be allocated and distributed among eligible States by the Secretary as provided by section 13103 of this title.

§ 13102. Program acceptance

(a) The Secretary may make a contract with, and allocate and distribute amounts from the Fund established under section 13107 of this title to, a State that has an approved State recreational boating safety and facilities improvement program, if the State demonstrates to the Secretary's satisfaction that—

(1) the program submitted by that State is consistent with this chapter and chapters 61 and 123 of this title;

(2) amounts distributed will be used to develop and carry out a State recreational boating safety and facilities improvement program containing the minimum requirements of subsection (c), (d), or (f) of this section;

(3) sufficient State matching amounts are available from general revenue, undocumented vessel numbering and license fees, State marine fuels taxes, or from a fund constituted from the proceeds of those taxes and established to finance a State recreational boating safety and facilities improvement program; and

(4) the program submitted by that State designates a State lead authority or agency that will carry out or coordinate carrying the State recreational boating safety and facilities improvement program supported by financial assistance of the United States Government in that State, including the requirement that the designated State authority or agency submit required reports that are necessary and reasonable to carry out properly and efficiently the program and that are in the form prescribed by the Secretary.

(b) Amounts of the Government from sources (except sources referred to in subsection (a)(3) of this section) may not be used to provide a State's share of the costs of the program described under this section. State matching amounts committed to a program under this chapter may not be used to constitute the State's share of matching amounts required by another program of the Government.

(c) The Secretary shall approve a State recreational boating safety program, and the program is eligible to receive amounts authorized to be expended under section 13106 of this title, if the program includes—

(1) a vessel numbering system approved or carried out by the Secretary under chapter 123 of this title;

(2) a cooperative boating safety assistance program with the Coast Guard in that State;

(3) sufficient patrol and other activity to ensure adequate enforcement of applicable State boating safety laws and regulations;

(4) an adequate State boating safety education program; and

(5) a system, approved by the Secretary, for reporting marine casualties required under section 6102 of this title.

(d) The Secretary shall approve a State recreational boating facilities improvement program, and the program is eligible to receive amounts authorized to be expended under section 13106 of this title, if the program includes—

(1) a complete description of recreational boating facility improvement projects to be undertaken by the State; and

(2) consultation with State officials responsible for the statewide comprehensive outdoor recreation plan required by the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 4601-4—4601-11) and for any program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. 1451-1464).

(e) The Secretary's approval under this section is a contractual obligation of the Government for the payment of the proportional share of the cost of carrying out the program.

(f)(1) A State may submit a combined program to the Secretary for the improvement of recreational boating safety and the improvement of recreational boating facilities in that State. The Secretary shall approve the program if it contains the minimum requirements set forth in subsections (c) and (d) of this section.

(2) Those parts of the combined program of a State that are designed to improve recreational boating safety are eligible to receive amounts authorized to be expended for State recreational boating safety programs under section 13106 of this title. The Secretary's approval of those parts is a contractual obligation of the Government for the payment of the proportional share of the cost of carrying out the State's recreational boating safety program under this chapter.

(3) Those parts of the combined program of a State that are designed to improve recreational boating facilities are eligible to receive amounts authorized to be expended for State recreational boating facilities im-

provement programs under section 13106 of this title. The Secretary's approval of those parts is a contractual obligation of the Government for the payment of the proportional share of the cost of carrying out the State's recreational boating facilities program under this chapter.

§ 13103. Allocations

(a) The Secretary shall allocate amounts available for allocation and distribution under this chapter for State recreational boating safety programs as follows:

(1) One-third shall be allocated equally each fiscal year among eligible States.

(2) One-third shall be allocated among eligible States that maintain a State vessel numbering system approved under chapter 123 of this title and a marine casualty reporting system approved under this chapter so that the amount allocated each fiscal year to each eligible State will be in the same ratio as the number of vessels numbered in that State bears to the number of vessels numbered in all eligible States.

(3) One-third shall be allocated so that the amount allocated each fiscal year to each eligible State will be in the same ratio as the amount of State amounts expended or obligated by the State for the State recreational boating safety program during the prior fiscal year bears to the total State amounts expended or obligated during that fiscal year by all eligible States for State recreational boating safety programs.

(b) The Secretary shall allocate the amounts available for allocation and distribution under this chapter for State recreational boating facilities improvement programs as follows:

(1) One-third shall be allocated equally each fiscal year among eligible States.

(2) One-third shall be allocated so that the amount allocated each fiscal year to each eligible State will be in the same ratio as the number of vessels numbered in that State bears to the number of vessels numbered in all eligible States.

(3) One-third shall be allocated so that the amount allocated each fiscal year to each eligible State shall be in the same ratio as the State amounts expended or obligated by the State for a recreational boating facilities improvement program approved under this chapter during the prior fiscal year bears to the total State amounts expended or obligated during that fiscal year by all eligible States for recreational boating facilities improvement programs.

(c) The amount received by a State under this section in a fiscal year may be not more than one-half of the total cost incurred by that State in developing, carrying out, and financing that State's recreational boating safety and facilities improvement program in that fiscal year.

(d) An allocation or distribution of amounts under this section may not be made to a State to maintain boating facilities under that State's approved recreational boating safety and facilities improvement program.

(e) The Secretary may allocate not more than 5 percent of the amounts available for allocation and distribution in a fiscal year for national boating safety activities of national nonprofit public service organizations.

(f) The Secretary may expend from the amounts available for allocation and distribution in a fiscal year those amounts necessary to carry out this chapter. However, the amounts expended in a fiscal year to carry out this chapter may be not more than $250,000 or 2 percent of the amounts available for allocation and distribution in that fiscal year, whichever is greater.

§ 13104. Availability of allocations

(a) Amounts allocated to a State shall be available for obligation by that State for a period of 3 years after the date of allocation. Amounts unobligated by the State at the end of the 3 years shall be withdrawn by the Secretary and shall be available with other amounts to be allocated by the Secretary during that fiscal year.

(b) Amounts available to the Secretary that have not been allocated at the end of a fiscal year shall be carried forward as part of the total allocation of amounts for the next fiscal year that may be expended under this chapter.

§ 13105. Computation decisions about State amounts expended

(a) Consistent with regulations prescribed by the Secretary, the computation by a State of amounts expended or obligated for the State recreational boating safety and facilities improvement program shall include—

(1) the acquisition, maintenance, and operating costs of land, facilities, equipment, and supplies;

(2) personnel salaries and reimbursable expenses;

(3) the costs of training personnel;

(4) public boat safety education;

(5) the costs of carrying out the program; and

(6) other expenses that the Secretary considers appropriate.

(b) The Secretary shall decide an issue arising out of the computation made under subsection (a) of this section.

§ 13106. Authorization of contract spending

(a) To provide financial assistance for State recreational boating safety and facilities improvement programs, the Secretary may expend, subject to amounts provided in appropriations laws for liquidating contract authority, an amount equal to the revenues accruing each fiscal year from the taxes under section 4041(b) of the Internal Revenue Code of 1954 (26 U.S.C. 4041(b)) from special motor fuels used as fuel in motor boats and under section 4081 of that Code (26 U.S.C. 4081) from gasoline used as fuel in motor boats.

(b) Of the amounts available for allocation and distribution for recreational boating safety and facilities improvement programs, one-third shall be allocated for recreational boating safety programs and two-thirds shall be allocated for recreational boating facilities improvement programs.

(c) Amounts authorized to be expended for State recreational boating safety and facilities improvement programs remain available until expended and are deemed to have been expended only if an amount equal to the total amounts authorized to be expended under this section for the fiscal year in question and all prior fiscal years have been obligated. Amounts previously obligated but released by payment of a final voucher or modification of a program acceptance shall be credited to the balance of unobligated funds and shall be immediately available for expenditure.

§ 13107. National Recreational Boating Safety and Facilities Improvement Fund

There is established in the Treasury a separate fund known as the National Recreational Boating Safety and Facilities Improvement Fund consisting of amounts paid into it as provided in section 209(f)(5) of the Highway Revenue Act of 1956. Amounts in the Fund are available for making expenditures as provided in section 13106 of this title.

§ 13108. Computing amounts allocated to States and State records requirements

(a) Amounts allocated and distributed under section 13103 of this title shall be computed and paid to the States as follows:

(1) During the last quarter of a fiscal year and on the basis of computations made under section 13105 of this title and submitted by the States, the Secretary shall determine the percentage of the amounts available for the next fiscal year to which each eligible State is entitled.

(2) Notice of the percentage and of the dollar amount, if it can be determined, for each State shall be provided to the States at the earliest practicable time.

(3) If the Secretary determines that an amount made available to a State for a prior fiscal year is greater or less than the amount that should have been made available to the State for the prior fiscal year, because of later or more accurate State expenditure information, the amount for the current fiscal year may be increased or decreased by the appropriate amount.

(b) The Secretary shall schedule the payment of amounts, consistent with the program purposes and applicable regulations prescribed by the Secretary of the Treasury, to minimize the time elapsing between the transfer of amounts from the Treasury and the subsequent disbursement of the amounts by a State.

(c) The Secretary shall notify a State authority or agency that further payments will be made to the State only when the program complies with the prescribed standards or a failure to comply substantially with standards is corrected if the Secretary, after reasonable notice to the designated State authority or agency, finds that—

(1) the State recreational boating safety and facilities improvement program submitted by the State and accepted by the Secretary has been so changed that it no longer complies with this chapter or standards prescribed by regulations; or

(2) in carrying out the State recreational boating safety and facilities improvement program, there has been a failure to comply substantially with the standards prescribed by regulations.

(d) The Secretary shall provide for the accounting, budgeting, and other fiscal procedures that are necessary and reasonable to carry out this section properly and efficiently. Records related to amounts allocated under this chapter shall be made available to the Secretary and the Comptroller General to conduct audits.

§ 13109. Consultation, cooperation, and regulation

(a) In carrying out responsibilities under this chapter, the Secretary may consult with State and local governments, public and private agencies, organizations and committees, private industry, and other persons having an interest in boating safety and facilities improvement.

(b) The Secretary may advise, assist, and cooperate with the States and other interested public and private agencies in planning, developing, and carrying out boating safety and facilities improvement programs. Acting under section 141 of title 14, the Secretary shall ensure the fullest cooperation between the State and United States Government authorities in promoting boating safety by making agreements and other arrangements with States when possible. Sub-

ject to chapter 23 of title 14, the Secretary may make available, on request of a State, the services of members of the Coast Guard Auxiliary to assist the State in promoting boating safety on State waters.

(c) The Secretary may prescribe regulations to carry out this chapter.

§ 13110. National Boating Safety Advisory Council

(a) The Secretary shall establish a National Boating Safety Advisory Council. The Council shall consist of not more than 21 members appointed by the Secretary, whom the Secretary considers to have a particular expertise, knowledge, and experience in boating safety.

(b)(1) Insofar as practical and to ensure balanced representation, the Secretary shall appoint members equally from—

(A) State officials responsible for State boating safety programs;

(B) recreational vessel manufacturers; and

(C) boating organizations and members of the general public.

(2) Additional individuals from the sources referred to in paragraph (1) of this subsection may be appointed to panels of the Council to assist the Council in performing its duties.

(3) At least once a year, the Secretary shall publish a notice in the Federal Register soliciting nominations for membership on the Council.

(c) In addition to the consultation required by section 4302 of this title, the Secretary shall consult with the Council on other major boating safety matters related to this chapter. The Council may make available to Congress information, advice, and recommendations that the Council is authorized to give to the Secretary.

(d) When attending meetings of the Council, a member of the Council or a panel may be paid at a rate not more than the rate for GS-18. When serving away from home or regular place of business, the member may be allowed travel expenses, including per diem in lieu of subsistence as authorized by section 5703 of title 5 for individuals employed intermittently in the Government service. A payment under this section does not make a member of the Council an officer or employee of the United States Government for any purpose.

[PART J—RESERVED FOR MEASUREMENT OF VESSELS]

MISCELLANEOUS PROVISIONS

SEC. 2. (a) Laws effective after December 31, 1982, that are inconsistent with this Act supersede this Act to the extent of the inconsistency.

(b) A reference to a law replaced by this Act, including a reference in a regulation, order, or other law, is deemed to refer to the corresponding provision of this Act.

(c) An order, rule, or regulation in effect under a law replaced by this Act continues in effect under the corresponding provision of this Act until repealed, amended, or superseded.

(d) An action taken or an offense committed under a law replaced by this Act is deemed to have been taken or committed under the corresponding provision of this Act.

(e) An inference of legislative construction is not to be drawn by reason of the caption or catch line of a provision enacted by this Act.

(f) If a provision enacted by this Act is held invalid, all valid provisions that are severable from the invalid provision remain in effect. If a provision of this Act is held invalid in one or more of its applications, the provision remains in effect in all valid applications that are severable from the invalid application or applications.

(g)(1) Part B of subtitle II and sections 7306 (related to able seaman sail) and 7311 of title 46 (as enacted by section 1 of this Act) take effect April 15, 1984, or when regulations for sailing school vessels under part B are effective, whichever is earlier.

(2) Section 3715(a) of title 46 (as enacted by section 1 of this Act) is effective on the day after the effective date of the regulations prescribed by the Secretary under section 3715(b) of title 46.

(h) Chapter 63 of title 46 (as enacted by section 1 of this Act) does not supersede section 304(a)(1)(E) of the Independent Safety Board Act of 1974 (49 App. U.S.C. 1903(a)(1)(E)).

(i) Each offshore supply vessel described in section 3302(g) of title 46 (as enacted by section 1 of this Act), that was registered with the Secretary of Transportation under section 4426a(7) of the Revised Statutes but that has not been inspected by the Secretary shall be held to be in compliance with all applicable vessel inspection laws pending verification by actual inspection or until one year after the date of enactment of this Act, whichever is earlier.

(j) Within 2 years after the date of enactment of this Act, the Federal Maritime Commission and the Secretary of Transportation each shall submit to Congress a proposed codification of the laws within their respective jurisdictions related to shipping and maritime matters.

CONFORMING CROSS-REFERENCES

SEC. 3. (a) Section 5549(4) of title 5, United States Code is amended to read as follows:

"(4) sections 2111 and 2112 of title 46; and".

(b) Section 10542(c) of title 49, United States Code, is amended—

(1) in the matter before clause (1), by striking "tank vessels" and substituting "a tank vessel"; and

(2) by striking clause (2) and substituting:

"(2) having a certificate of inspection issued under part B of subtitle II of title 46 endorsed to show that the vessel complies with chapter 37 of title 46.".

REPEALS

SEC. 4. (a) The repeal of a law by this Act may not be construed as a legislative implication that the provision was or was not in effect before its repeal.

(b) The laws specified in the following schedule are repealed, except for rights and duties that matured, penalties that were incurred, and proceedings that were begun, before the date of enactment of this Act and except as provided by section 2 of this Act:

SCHEDULE OF LAWS REPEALED

Revised Statutes, section	Revised Statutes, section	Revised Statutes, section	Revised Statutes, section	Revised Statutes, section
4131	4431	4474	4520	4560
4235	4432	4477	4521	4561
4236	4433	4478	4522	4562
4237	4434	4480	4523	4563
4250	4437	4484	4524	4564
4251	4438	4485	4525	4565
4290	4438a	4486	4526	4566
4291	4439	4487	4527	4567
4292	4440	4488	4528	4568
4399	4441	4490	4529	4569
4400	4442	4491	4530	4570
4401	4443	4494	4535	4571
4403	4444	4496	4537	4572

SCHEDULE OF LAWS REPEALED—Continued

Revised Statutes, section	Revised Statutes, section	Revised Statutes, section	Revised Statutes, section	Revised Statutes, section
4405	4445	4497	4538	4577
4406	4446	4499	4539	4578
4407	4447	4500	4540	4580
4408	4448	4501	4541	4581
4409	4449	4502	4542	4582
4410	4450	4503	4543	4583
4411	4451	4504	4544	4595
4417	4453	4505	4545	4596
4417a	4454	4506	4546	4597
4418	4455	4507	4547	4600
4419	4456	4508	4548	4603
4420	4457	4509	4549	4604
4421	4460	4510	4550	4605
4423	4462	4511	4551	4607
4424	4463	4512	4552	4608
4425	4464	4513	4553	4610
4426	4465	4514	4554	4611
4426a	4466	4515	4555	4612
4427	4467	4516	4556	5294
4428	4468	4517	4557	
4429	4469	4518	4558	
4430	4472	4519	4559	

STATUTES AT LARGE

Date	Chapter or Public Law	Section	Statutes at Large Volume	Page
1874				
June 9	260		18	64
June 20	344	10, 11, 12, 13	18	128
1875				
Feb. 18	80	1 (only the part amending R.S. 4250).	18	320
1877				
Feb. 27	69	1 (only the part amending R.S. 4290, 4409, 4415, 4420, 4421, 4440, 4441, 4467, 4472, 4490, 4513, 4522, 4605)	19	251, 252
1882				
Aug. 2	374		22	186
Aug. 7	433	1 (only the paragraph amending R.S. 4429).	22	310
Do	441	1, 2	22	346
1884				
June 26	121	1–11, 19, 20, 26	23	53, 58, 59
July 5	221	2, 8 (a), (b), (d)	23	118
1885				
Feb. 11	55		23	298
1886				
June 19	421	1, 2, 3, 13, 14, 18	24	79, 82, 83
July 9	755		24	129
1888				
Apr. 4	61	2	25	80
Oct. 18	1197		25	564
1889				
Mar. 2	418		25	1012
1890				
June 25	616		26	180
Aug. 19	801		26	320
Sept. 4	875		26	425
Dec. 22	26		26	692
1891				
Feb. 21	250		26	765
Mar. 3	521		26	833
1892				
Apr. 11	41		27	16
1894				
Jan. 22	16		28	28
1895				
Feb. 18	97		28	667
Feb. 28	139		28	690
Mar. 2	186	(only the last paragraph of this chapter).	28	843
1896				
May 28	255		29	188
1897				
Mar. 3	389	1, 2, 4, 6–8, 14, 19	29	687, 689, 690, 691

STATUTES AT LARGE—Continued

Date	Chapter or Public Law	Section	Statutes at Large Volume	Page
1898				
Mar. 23	86		30	340
Dec. 21	28		30	755
Do	29		30	764
1900				
Feb. 14	19		31	29
Mar. 23	90		31	50
1901				
Feb. 20	386		31	799
Feb. 23	465		31	800
1902				
Feb. 15	23		32	34
1904				
Apr. 11	1140		33	168
Apr. 13	1252		33	174
Apr. 26	1603		33	308
1905				
Feb. 18	586		33	720
Mar. 3	1453		33	1022
Do	1454	1–4	33	1023
Do	1456	1, 2	33	1027
Do	1457	2–8	33	1029
1906				
Mar. 17	955		34	68
Apr. 26	1875		34	137
May 16	2460		34	193
May 28	2565		34	204
June 11	3071		34	230
June 28	3583	4	34	551
1907				
Jan. 25	398		34	864
Feb. 8	892		34	881
Feb. 19	991		34	897
Mar. 4	2929		34	1411
1908				
Apr. 2	123		35	55
May 28	212	2, 3, 4, 10, 12, 13	35	425, 428
1909				
Mar. 2	244		35	686
Mar. 4	321	254–267	35	1140
1910				
June 25	402		36	831
1911				
Mar. 4	237	1 (in part)	36	1229 (only the first complete paragraph on this page)
1912				
May 22	130		37	116
July 23	250		37	199
Aug. 1	268	2	37	242
1913				
Jan. 24	10		37	650
Mar. 3	118	1	37	732
Mar. 4	142	1 (in part)	37	785 (only the proviso in the fourth paragraph on this page)
1914				
July 17	146		38	511
Aug. 18	256		38	698
Oct. 22	334		38	765
Do	336		38	766
1915				
Mar. 3	79		38	893
Mar. 4	153	1–15, 19	38	1164, 1185
Do	184		38	1216
1916				
June 12	141		39	224
1917				
Feb. 14	63		39	918
1918				
Mar. 29	30		40	499
May 11	72		40	548
June 10	95		40	602

STATUTES AT LARGE—Continued

Date	Chapter or Public Law	Section	Statutes at Large Volume	Page
1919				
Oct. 25	82		41	305
1920				
June 5	250	25, 26, 31, 32	41	998, 1006
1922				
June 1	204	T.I. (in part)	42	603 (only the words after the semicolon in the second paragraph on this page)
1923				
Jan. 3	21	T.I. (in part)	42	1072 (only the proviso in the first paragraph on this page)
1925				
Mar. 2	387		43	1093
1928				
May 28	824		45	789
1930				
May 7	227	(only clause (2), amending R.S. 4578).	46	261
1932				
June 30	314	501, 502(b)	47	415
1933				
June 13	61		48	125
1934				
Mar. 5	40		48	395
1936				
May 27	463		49	1380
June 20	628		49	1544
June 23	729		49	1889
June 25	816		49	1930
June 29	858	302, 1307(c), (d)(2), (3), 1308(e).	49	1992
1937				
Mar. 24	49		50	49
May 22	237		50	199
July 29	536		50	544
1938				
May 9	189		52	343
May 11	194		52	345
June 23	597		52	944
June 25	679	19(a)	52	1087
1939				
Mar. 29	26		53	554
May 31	158		53	794
July 17	316		53	1049
Aug. 1	409		53	1145
Aug. 7	558		53	1257
Aug. 10	643		53	1343
1940				
Apr. 25	155		54	163
Oct. 9	777		54	1023
Oct. 17	896		54	1200
1941				
Sept. 24	416		55	729
Do	417		55	730
1946				
Aug. 7	783		60	883
1948				
May 12	286		62	232
1950				
Sept. 23	1002		64	980
Sept. 29	1109		64	1081
1951				
Jan. 10	1222		64	1239
1952				
July 16	887		66	730

STATUTES AT LARGE—Continued

Date	Chapter or Public Law	Section	Statutes at Large Volume	Page
1954				
July 15	512		68	484
Aug. 30	1076	1(29)	68	968
Aug. 31	1171		68	1047
1955				
June 8	133		69	86
1956				
May 10	258		70	151
June 4	350		70	223
1958				
Aug. 23	85–739		72	833
Sept. 2	85–911		72	1754
1959				
Sept. 9	86–244		73	475
Sept. 14	86–263		73	551
Sept. 22	86–364		73	646
1960				
June 30	86–555		74	259
Sept. 2	86–688		74	735
1961				
Aug. 30	87–177		75	410
1963				
Sept. 23	88–128		77	164
1965				
July 30	89–99	2, 5	79	424
1966				
Oct. 15	89–670	6(e)(4)	80	939
Nov. 6	89–777	1, 4	80	1356, 1358
1968				
Apr. 25	90–293		82	107
July 11	90–397	1, 3, 4	82	341
July 27	90–435		82	449
1969				
Dec. 24	91–154		83	427
1970				
Oct. 27	91–513	1102(q)	84	1293
Dec. 31	91–612	3	84	1835
1971				
Aug. 10	92–75		85	213
1972				
July 7	92–339	1	86	423
July 10	92–340	201	86	427
1973				
July 9	93–65	6	87	151
Aug. 16	93–106		87	350
Nov. 16	93–153	401	87	589
1974				
Aug. 10	93–370		88	423
Oct. 1	93–430	6(2)–(4)	88	1182
1975				
Jan. 3	93–633	113(a), (f)	88	2161, 2163
Aug. 9	94–85		89	426
1976				
Sept. 10	94–406	8(a)(1)–(3)	90	1236
Oct. 17	94–535		90	2496
Oct. 18	94–550	8, 9	90	2535
1977				
July 1	95–61	7(b)	91	260
1978				
June 30	95–308	7	92	359
1980				
Oct. 6	96–378		94	1513
Oct. 14	96–451	202	94	1987
Dec. 12	96–594	101–125	94	3453
1982				
Oct. 15	97–322	208(a)	96	1590

● Mr. PACKWOOD. Mr. President, I am proud of the bill now being brought before the Senate and urge its passage.

This bill revises, consolidates, and reenacts those laws related to marine safety and seamen's welfare. In many

ways this is a truly historic piece of legislation.

Since Teddy Roosevelt first tried in 1908, numerous administrations and Congresses have attempted to reorganize and consolidate those laws in title 46 of the United States Code pertaining to vessels and seamen.

Past attempts have been bogged down by controversial or substantive changes or by deleterious amendments. Therefore, it has been the intention of the sponsors of S. 46 to avoid certain highly controversial substantive revisions which, due to opposition, would endanger the bill's chances of passage.

In the 193 years since the enactment of the first Federal maritime statutes, there has been no complete revision of the shipping laws. The various statutes passed by Congress from time to time since 1790 have been included in title 46 of the United States Code, together with the sections of the Revised Statutes, without any attempt to delete, coordinate, consolidate, or rewrite conflicting provisions. This is the first step in producing an understandable and useful compendium of maritime laws.

I. LEGISLATIVE HISTORY

The present initiative reflects a 20-year effort by the Commerce Committee, in cooperation with the Coast Guard, to organize and modernize existing laws enforced by the Coast Guard governing commercial shipping and recreational boating.

An excellent history of the tortured past of the maritime statutory codification efforts can be found in "Conquering the Maze: A Proposal for Reorganization of the U.S. Shipping Laws," by C. J. Maguire and R. E. McDaniel, "Proceedings of the Marine Safety Council," volume 38, No. 4, June 1981.

In 1929, and again during the late 1940's, the Coast Guard attempted to codify Federal shipping laws. In 1967 and 1971, the Senate committee considered, and then abandoned, the initiative.

Consideration of S. 46 by the Senate today is a result of long and careful scrutiny by all members of the maritime community, and a concentrated bipartisan effort in both the Senate and the House over the past 2 years.

During the 97th Congress, S. 2660 was introduced on July 22, 1982, by myself, and Senators STEVENS and GORTON. At my request, CRS completed a comparative analysis of S. 2660 and title 46, United States Code.

On November 22, a Commerce Committee Print was published. (Marine Safety and Seamen's Welfare Laws—With Corresponding Sections of the United States Code—And Brief Explanation.) This Committee Print provided a side-by-side comparison of the Staff Working Draft of S. 2660 and the corresponding United States Code section. Most importantly, it provided an explanation for each section of S. 2660 which differed from, or was organized differently than, current law. Finally a complete table of current United States Code sections and their disposition of the Staff Working Draft of S. 2660 was included in the committee print.

Following industry and labor comments on the committee print, and a great deal of work by the Coast Guard, S. 46 was introduced on January 26, 1983. Again, public comment was requested, and the bill was revised prior to being reported out of the Commerce Committee on April 12, 1983 (Senate Report 98-56). On May 5, 1983, S. 46 was passed by the Senate with technical amendments. Upon arriving at the House of Representatives, it was referred to the House Merchant Marine and Fisheries Committee.

Meanwhile, a companion bill identical to S. 2660 had been introduced in the House of Representatives. Hearings were held in the fall of 1982. Based on these hearings, Congressmen STUDDS, JONES, BIAGGI, DON YOUNG, and FORSYTHE, introduced H.R. 2247 on March 24, 1983. Additional hearings were held on April 28, 1983, and H.R. 2247 was reported out by the House Merchant Marine and Coast Guard Subcommittees on June 21, 1983. It was finally favorably reported by the full House Merchant Marine and Fisheries Committee on June 28, 1983.

The version reported by the full committee reflected the continuing cooperative effort by House and Senate staff. It reflected the many changes adopted following original introduction of S. 46 on the Senate side, and H.R. 2247 on the House side. At the June 28 markup, the House Merchant Marine and Fisheries Committee amended S. 46 by substituting a revised version agreed to by House and Senate staff. Thus, it was S. 46 that was ultimately reported out of the House Merchant Marine and Fisheries Committee and brought to the House floor. On August 1, 1983, S. 46 was passed by the House of Representatives.

Upon our passage of S. 46 today, the bill will proceed to the President, whom I am told is eager to sign this legislation into law.

II. CAPT. CLINT MAGUIRE

House and Senate staff have worked together long and diligently on this matter, and the Coast Guard and the Department of Transportation have been more than cooperative. However, it is clear that one individual has made an exceptional contribution, far beyond anything required or expected of him. Capt. Clint Maguire, U.S. Coast Guard—retired, has worked on this project much longer than the current legislative initiative would suggest.

For many years in the Coast Guard he addressed the need to review, revise, and consolidate the maritime laws. Much later, in retirement, he was the primary resource for the Congressional Research Service for its analysis of title 46 of the United States Code. It was based on that CRS report to the Senate Commerce Committee that S. 2660 was first introduced.

Subsequently, Clint Maguire continued to be an invaluable resource to the Senate. It is fair to say that S. 46 would not now be ready for final passage if it were not for the tireless efforts of Captain Maguire. His only compensation is the satisfaction of seeing a long-awaited, much-needed initiative finally and properly completed. The Senate owes Captain Maguire its gratitude.

III. PURPOSE

The purpose of S. 46 is threefold. Primarily, to reorganize certain shipping laws as they appear in title 46 of the United States Code to make them more easily understood by the affected public. S. 46 remedies the internal inconsistencies of title 46 by providing clear definitions for all terms used throughout the title, by combining widely dispersed laws into groupings by subject, and by gathering the numerous exceptions to any general rules in one place.

A second purpose of the bill is to apply these laws to the maritime community in an easier, quicker, and less expensive fashion. With the goal of regulatory reform, this bill will lead to cost savings for the Federal Government and efficiencies for the maritime industry. A streamlined title 46, whose laws are organized so that they can be easily found and understood, reduces the need to resort to litigation to define the law, and provides the potential for later delegation of responsibility to the private sector, such as has been accomplished with private inspection and documentation societies.

The third purpose of this bill is to update or repeal outmoded law. Antiquated sections of title 46 have been identified in this bill. Where they no longer serve any purpose, and do not give rise to opposition which might serve to undermine the basic effort, these sections have been repealed. Other significant, although ancient, sections have been retained and updated.

IV. SCOPE AND SUBJECT MATTER OF S. 46

The bill before you has made new law only to the extent that it will add a new subtitle to title 46 of the United States Code. No substantive changes of a controversial nature were intended in its drafting. Rather, the attempt has been to modernize and reorganize the scope and format of the existing

law. Three sections of the bill have no basis in preexisting legislation in sections 6302, 7702, 103201, but have been added to aid in the smooth application and implementation of this legislation. One section of the bill, section 7305, reinstates in statutory form an oath for merchant mariners which did exist in earlier laws, disappeared through congressional omission, but has continued to be applied by the Coast Guard without objection. Other examples of reforms in the existing law are the modernization of the nutritional standards for seamen, the removal of gender-based terminology, the removal of antiquated titles, such as collector of customs and board of local inspectors, and the abolishment of leg irons and bread and water as a means of punishment. We have simplified seamen's rights of appeal by bringing them in line with their current application under the Administrative Procedure Act and Reorganization Plan 3-46 which abolished the Bureau of Marine Inspection and Navigation and the officers and the boards thereof, and transferred all functions of the Bureau, of its officers and its boards, and the Secretary of Commerce pertaining thereto, to the Commandant of the U.S. Coast Guard.

The following table shows those areas of the law generally covered by this bill:

Part A—General Provisions.
Part B—Inspection and Regulation of Vessels.
Part C—Reserved.
Part D—Marine Casualties and Accidents.
Part E—Licenses, Certificates, and Merchant Mariners' Documents.
Part F—Manning of Vessels.
Part G—Merchant Seamen Protection and Relief.
Part H—Identification of Vessels.
Part I—State Boating Safety Programs.

V. CONCLUSION

S. 46 has been the subject of many years of careful scrutiny and comment from the maritime community. This bill is the embodiment of a consensus that has existed for decades within the maritime community in that those laws affecting vessels and seamen were in dire need of consolidation and reform. It is a bipartisan product of the House and the Senate and is long overdue. I urge its passage by unanimous consent.●

● Mr. LONG. Would the Senator yield for questions?

Mr. PACKWOOD. Yes, I yield to my distinguished colleague from Louisiana, a member of the Merchant Marine Subcommittee.

Mr. LONG. I note that in certain instances, the House changed the language of S. 46, as we passed it on April 28. these language changes include the use of the term "tank vessel" and "tanker" in the House bill, whereas in our bill we used only the term "tank vessel." I ask the Senator, what is the origin of the term "tank vessel" and the relationship of that term to the term "tanker"?

Mr. PACKWOOD. The Senator is correct that our original bill and the House bill are different in this regard. The House version is an accurate expression of current law. "Tank vessel" is a term incorporating the provisions of current law (46 U.S.C. 391a(3)), which set forth the kind of vessel to which section 5 of the Port and Tanker Safety Act of 1978 applies. Instead of repeating the lengthy provisions of current law to describe such a vessel, the House decided to incorporate the provisions in the term "tank vessel" in order to make chapter 37 more concise. This concise term is currently used in the Coast Guard's regulations implementing the 1978 act, beginning at 46 CFR 30.01. Thus, the use of the term "tank vessel" does not amend, expand, or alter current law, or current Coast Guard inspection procedures or standards.

For example, it is the committee's intent that the use of the term "tank vessel" will not result in more vessels being inspected as if they were "tankers." The two terms "tank vessel" and "tanker" are not interchangeable for purposes of chapter 37 because a "tank vessel" may be a vessel which is not a "tanker."

Mr. LONG. I thank the Senator for his answer. Another example of the House version being different from the language in our bill is where the House bill uses the term "able seamen offshore supply vessel" whereas our bill used the term "able seamen—special (offshore supply vessels)." Does this difference represent any change in current law?

Mr. PACKWOOD. No.

Mr. LONG. Finally, I inquire of a provision that was not in our bill, but is in the House bill. The provision is subparagraph 3316(c)(2)(A). This provision states that when the Secretary of Transportation delegates vessel inspection responsibilities to a classification society, such as the American Bureau of Shipping, the "delegate shall maintain in the United States complete files of all information derived from or necessarily connected with the inspection or examination for at least 2 years after the vessel ceases to be certified." Is this provision a change in current law?

Mr. PACKWOOD. No, the language you cite tracks current law 46 U.S.C. 9(d).

Let me make a general response to the Senator's questions, which are helpful to our deliberations. Even though we are adopting the House version of S. 46, I assure the Senator and the Senate that the intent as reflected in our bill is the same as the intent of the House bill.

Mr. LONG. I appreciate the Senator's statement.●

Mr. BAKER. Mr. President, I move that the Senate concur in the House amendment.

The PRESIDING OFFICER. The question is on agreeing to the motion.

The motion was agreed to.

SENATE JOINT RESOLUTION 136 PLACED ON CALENDAR

Mr. BAKER. Mr. President, I propose to discharge the Judiciary Committee from further consideration of Senate Joint Resolution 136 and then to place that item on the calendar if the minority leader has no objection.

Mr. BYRD. Mr. President, I have no objection.

I ask unanimous consent that I be added as a cosponsor to that legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. I thank the Chair.

Mr. BAKER. Mr. President, I ask unanimous consent that the Judiciary Committee be discharged from further consideration of Senate Joint Resolution 136, a joint resolution to recognize Volunteer Firefighters Recognition Day, as a tribute to the bravery and self-sacrifice of our volunteer firefighters, and that it be placed on the calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT OF TITLE XVIII OF THE SOCIAL SECURITY ACT

Mr. BAKER. Mr. President, I propose now to take up H.R. 3677 if the minority leader is agreeable.

Mr. BYRD. Mr. President, there is no objection to consideration of this measure.

Mr. BAKER. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of H.R. 3677, an act to amend title XVIII of the Social Security Act to increase the cap amount allowable for reimbursement of hospices under the medicare program.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (H.R. 3677) to amend title XVIII of the Social Security Act to increase the cap amount allowable for reimbursement of hospices under the medicare program.

The Senate proceeded to consider the bill.

Mr. DOLE. Mr. President, I would like to ask for immediate consideration of H.R. 3677, a bill to amend title XVIII of the Social Security Act to increase the cap amount allowable for reimbursement of hospices under the medicare program.

The purpose of the bill is to correct a technical error in section 122 of Public Law 97-248, the Tax Equity and Fiscal Responsibility Act of 1982. The

bill, which is identical to a provision previously agreed to by the Senate Finance Committee, as part of S. 951, and introduced as a separate bill, S. 1592, would establish a hospice cap at $6,500, indexed in future years by the medical care component of the Consumer Price Index.

As many in this body know, section 122 of Public Law 97-248 provided for reimbursement under the medicare program for hospice care. A cap on the maximum amount of reimbursement to each hospice program was established based upon the number of medicare enrollees in each program. The intent of the cap was to insure that payments for hospice care would not exceed what would have been expended by medicare if the patient had been treated in a conventional setting.

When the legislation was agreed to last year it was understood, based on information provided to the Ways and Means Committee and to the Finance Committee, that the payment cap would equal about $7,600.

However, we have since discovered that the information provided to us at that time was incorrect. As a result the formula, as we designed it, provided for a cap amount for 1984 that was far too low to allow hospices to provide adequate care.

The bill before us corrects the consequences of that original error in cost estimates. It establishes a specific cap amount which is a reasonable reflection of the costs of care; and a cap amount which will increase or decrease in future years to reflect medical care price changes.

Medicare payment for hospice services is scheduled to begin in November 1983. I expect, as do many others, that changes in the legislation are likely to be necessary based on the results of the soon-to-be-completed demonstration. Hearings will be held on the implementing regulations as soon as they are published for comment; however, I believe it appropriate to correct what we know to be an error in calculating the payment amount, before the publication of those draft regulations.

I am committed to fulfilling the promise we made to the terminally ill last year. In order to do so we need to correct any possible errors in the legislation as quickly as possible.

● Mr. HEINZ. Mr. President, I am pleased to support H.R. 3677, which would reestablish the intent of Congress by correcting the medicare reimbursement rate for the hospice benefit we enacted last year as part of TEFRA.

While the implementing regulations have yet to be released for public comment, I strongly urge my colleagues to support this legislation that would simply raise the reimbursement cap to $6,500. The bill has strong support in both the Senate and House of Representatives. It is purely a technical correction, and has no budgetary impact. More importantly, without timely passage of this technical amendment, medicare reimbursement for hospice care would be inadequate.

At issue, since passage of the Tax Equity and Fiscal Responsibility Act of 1982, it has come to our attention that the per capita cost prepared by the Congressional Budget Office was incorrect. The result was that using our original formula, the reimbursement cap would have been $4,200 instead of $7,200—an amount that clearly, would have been insufficient to cover hospice services.

This technical correction establishes a $6,500 cap, which takes into account the most current available data. And, to insure an ongoing, adequate level of reimbursement, this cap will be indexed annually according to the medical care component of the Consumer Price Index.

As chairman of the Special Committee on Aging and one of the principal architects of the hospice benefit for terminally ill medicare beneficiaries, I commend Senator DOLE and my colleagues in the other Chamber for their prompt action on this important matter. But, I am extremely disturbed over the administration's attempts to stall publication of the regulations necessary to implement this program on November 1.

Mr. President, it is my understanding that Secretary Heckler has been working with the Office of Management and Budget to release the regulations for public comment. Those of us in Congress who worked long and hard to see this benefit enacted, now demand the opportunity to work with the Department of Health and Human Services to be sure that implementation of the new hospice benefit is not thwarted by unreasonable regulatory delays.

If the regulatory delays cannot be resolved expeditiously, the hospice law takes effect November 1, with or without any guidance to medicare beneficiaries and providers of hospice services. While this administration quibbles over reimbursement rates, terminally ill medicare beneficiaries will be denied the humane alternative that hospice care provides. Let us not allow administrative delays to undermine the good work of Congress.●

Mr. BAKER. Mr. President, I ask unanimous consent that the bill be considered as having been read the first and second times and that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill (H.R. 3677) was read the third time and passed.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

H.R. 2230 PLACED ON CALENDAR

Mr. BAKER. Mr. President, earlier, I had a conversation with the distinguished minority leader about the next matter. I believe, based on those conversations, that perhaps the minority leader will not object to this request:

I ask unanimous consent that when the Senate receives H.R. 2230, the Civil Rights Commission authorization bill, it be placed on the calendar.

Mr. BYRD. Mr. President, reserving the right to object, and I shall not object, I had indicated to the distinguished majority leader that I was going to initiate rule XIV procedures and put this on the calendar. He has beaten me to the punch. I am in accord with his action.

Mr. BAKER. I thank the minority leader for his statement. I am delighted to perform that act.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECORD TO REMAIN OPEN UNTIL 6 P.M.

Mr. BAKER. Mr. President, since the Senate is about to go out unless there is other business to be transacted today, I ask unanimous consent that, if the Senate does go out before the hour of 6 p.m., the RECORD remain open until that time for the introduction of bills and resolutions and for the filing of statements and reports by committees.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, there are one or two things on the Executive Calendar today. More than that, I see.

Mr. President, I inquire of the minority leader if he is in a position to consider the nomination of John P. Vukasin, of California, under the Judiciary, to be U.S. district judge, the nomination of William Perry Pendley, of Wyoming, to be an Assistant Secretary of the Interior under the Department of the Interior; Judith W. Rogers to be an associate judge of the District of Columbia Court of Appeals; A. Franklin Burgess, of the District of Columbia, to be an associate judge of the Superior Court of the District of Columbia; James Brian Hyland, of Virginia, to be Inspector General of the Department of Labor, and certain nominations placed on the Secretary's desk in the Coast Guard.

Mr. BYRD. Mr. President, two nominees on the calendar have not been

cleared, and I refer to the Judiciary and the Department of the Interior. All other nominations, including the one that the distinguished majority leader did not mention under African Development Bank are cleared. All are cleared including that one.

Mr. BAKER. I thank the minority leader.

Mr. BYRD. Except the two which I enumerated.

Mr. BAKER. Mr. President, as I understand it then, we would be cleared by the minority to consider by unanimous consent Calendar Orders No. 250, 251, 252, and the nominations placed on the Secretary's desk in the Coast Guard?

Mr. BYRD. The majority leader is correct.

EXECUTIVE SESSION

Mr. BAKER. Mr. President, I ask unanimous consent that the Senate go into executive session for the purpose of considering the nominations just identified by me.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senate proceeded to the consideration of executive business.

Mr. BAKER. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

Mr. BYRD. There is no objection.

The PRESIDING OFFICER. Without objection, the nominations are considered and confirmed en bloc.

The nominations confirmed en bloc are as follows:

THE JUDICIARY

Judith W. Rogers, of the District of Columbia, to be an associate judge of the District of Columbia Court of Appeals for the term of 15 years.

A. Franklin Burgess, of the District of Columbia, to be an associate judge of the Superior Court of the District of Columbia for the term of 15 years.

[NEW REPORTS]

DEPARTMENT OF LABOR

James Brian Hyland, of Virginia, to be Inspector General, Department of Labor.

NOMINATIONS PLACED ON THE SECRETARY'S DESK IN THE COAST GUARD

Coast Guard nominations beginning Mark A. Johnson, and ending David H. Boyd, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of August 1, 1983.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the nominations were confirmed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BAKER. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of these nominations.

The PRESIDING OFFICER, Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. BAKER. Mr. President, I ask unanimous consent that the Senate now return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXTENSION OF TIME FOR ROUTINE MORNING BUSINESS

Mr. BAKER. Mr. President, I am going to extend the time for the transaction of routine morning business if the minority leader has no objection.

I ask unanimous consent that the time for the transaction of routine morning business may be extended until not later than 6 p.m. this evening under the same terms and conditions.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. BAKER. Mr. President, I think we will be able to take the Senate out in a few minutes. I might describe the situation as I see it at this moment.

The Senate will convene tomorrow at 9:30 a.m. under the order previously entered.

After the recognition of the two leaders under the standing order, four Senators will be recognized on special orders of not to exceed 15 minutes.

After the execution of the special orders, it is anticipated that a time for the transaction of routine morning business will be provided for.

After the close of the time for the transaction of routine morning business, the business before the Senate will be the motion to proceed to the consideration of the Radio Marti bill, pursuant to the provisions of rule XXII, after the invocation of cloture.

I say for the benefit of Senators, however, that I anticipate and fully expect that that matter may be put over by unanimous consent, so that the Senate can resume consideration of the Interior appropriations bill. No such order has been entered yet, but I expect that it may be, based on the fact that the clearance process on this side of the aisle—and I understand on the other side, perhaps—has indicated that that is the desire of the parties principally involved. I hope we can finish the Interior appropriations bill tomorrow. Tomorrow is Thursday, and Senators should be on notice of the possibility of a late evening.

Mr. President, the Department of Defense authorization conference report may reach us tomorrow; and if it does, it is the intention of the leadership to try to reach that measure as well.

That is about as good as I can do with the situation at this moment.

I yield to the minority leader.

Mr. BYRD. Mr. President, is the distinguished and very able majority leader in a position to indicate what his plans are for Friday?

Mr. BAKER. Mr. President, as Members know, the adjournment resolution sent us by the House of Representatives provides for adjournment over until September 12, beginning today, tomorrow, or Friday. It is obvious that we are not going to be able to do that today, but it is possible that we can do it by tomorrow, especially if we are willing to stay late in order to accomplish that purpose. In order to do so, we would need to take care of the Interior appropriations bill, to do the DOD conference report, if we have it—if it is here—and perhaps other things that it would appear desirable to do.

It is still distinctly possible that we will be in on Friday, but I am prepared to say that it is my hope that we can finish Thursday evening; and it would be my intention to stay a little later than usual in order to accomplish that purpose, if possible.

Mr. BYRD. So it would not to be appropriate for me to start a rumor that we are definitely going out tomorrow evening?

Mr. BAKER. No. The rumor would be helpful if it were along these lines: We are going to go out Thursday evening if everybody will settle down and do everything we ask them to do.

Mr. BYRD. Which includes the Interior appropriations bill.

Mr. BAKER. Yes, it does.

Mr. BYRD. I thank the majority leader.

Mr. BAKER. I thank the minority leader.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SYMMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

IDEAS HAVE CONSEQUENCES

Mr. SYMMS. Mr. President, I have always subscribed to the view, expressed in the title of Richard Weaver's book, that "Ideas Have Consequences." Some of the ideas which have had the greatest consequences for the good of our society in recent years—and have had profound influence on my own thinking—are the ideas on political and economic freedom expressed by Leonard Read, whom I loved and considered more than a teacher, but a friend.

Leonard Read, who died recently, was the father of the Foundation for Economic Education, in Irvington on the Hudson in New York, which, for nearly 40 years has been the source for some of the most cogent and origi-

nal thinking and writing on the subject of liberty. Over the years he planted countless seeds and inspired others to nurture the harvest. The result is a new generation of independent thinkers who have changed the political and economic climate of this country, notwithstanding and not to mention the fact that our own President Reagan is a product of a friendship that goes back very far with the late Leonard Read, and I think it is fair to say that Leonard Read had an influence on the President's thinking in his formative years in the positions that he has come to.

Today, the virtues of the free market and the failures of socialism are more widely recognized, thanks in large measure to the labors of Leonard Read and his disciples at the Foundation for Economic Education and the good news is that they shall carry on under the very able leadership of Bob Anderson and Ed Opitz.

Mr. President, several days ago, in the Wall Street Journal, the very distinguished journalist, Vermont Royster, paid tribute to Leonard Read and the legacy he has left us in words that are more eloquent than I can muster. I ask unanimous consent that Royster's column be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THINKING THINGS OVER—THE HALF-FORGOTTEN MEN

(By Vermont Royster)

I'm not sure that "conservative", the word so often applied, is the right one for the mood of the country these past few years. I am sure we are seeing a revolt against the politics that brought us repeated inflation, rising taxes, neglect of our defenses and a growing intrusion of government into everyone's life. It's a mood no politician, Democratic or Republican, can afford to ignore.

But Ronald Reagan and his followers, whatever they may think, didn't create it. They have only taken advantage of it more perceptively than their opponents.

For that mood, by whatever name you give it, has been a long time growing. The seeds of it were sown over many years by a few independent minds long derided by politicians and weighty political writers. Even now their names are only half-remembered.

One of those sowers was Leonard Read, who died just recently. No profound intellectual, he, but a man of perceptive mind who believed that if people would only look they would see that socialism, in all its guises, wore tattered clothes. So in the middle 1940s he launched the Foundation for Economic Education, run initially on a shoestring. Out of it poured a richness of books and pamphlets to teach the virtues of liberty, economic as well as political.

Some of those books he wrote himself. His little essay on the making of a pencil-showing how the marketplace brought together goods and technology from all over the world to make this simple tool ubiquitous and cheap—remains a classic.

Read's Foundation was fertile in offspring. One was spawned by an associate, F. A. Harper, who created the Institute for Humane Studies in California. Although he too has passed on, his institute remains and flourishes.

Len Read inspired the great Austrian economist—and later Nobel prize winner—Friedrich von Hayek to invite an international group of libertarian economists and philosophers to gather in Switzerland to exchange ideas. Out of this grew the Mont Pelerin Society, which still meets. Numbered amoung its first members, then young but now famous and covered with honors (including also a Nobel prize), was Milton Friedman.

Not all those who planted seeds of new (old) ideas about the virtues of economic freedom founded institutions or gathered formal disciples around them. Other labored privately, lifting their voices whenever they could find a platform or people who would listen.

One of these is Henry Hazlitt, currently approaching his ninetieth year with no diminution of mind and spirit. He first gained recognition as a literary critic (I still cherish his "Anatomy of Criticism," read in my college days). He served on The Wall Street Journal before its present editors were born and was for a time an editorial writer on both the old New York Herald-Tribune and the New York Times.

Then some 40 years ago he wrote a small volume, "Economics In One Lesson," which is almost what its title states. Anyway, there is no better introduction to the fallacies of socialist economics or the merits of the marketplace as a regulator of man's economic labors.

Perhaps the oddest of those sowers of seeds was Eric Hoffer, another who died this year. What made him seem odd was that he was a "man of the people" who worked all his life as a day laborer and who had no formal education. Not at all the sort of background from which you would expect an intellectual to spring, especially one to take up cudgels against the collectivist political philosophy that once so dominated the self-styled intellectual community.

Yet Hoffer did. His first book to find print, "The True Believer," was a penetrating critique of the collective fanaticism that inspires mass movements and mass thinking. In others he defended capitalism as the best guarantor of individual freedom, praised America when it was unfashionable to do so. Naturally he was viewed as a curiosity, tagged as the "longshoreman's philosopher," as if the two words were necessarily contradictory. Though Ronald Reagan awarded him the Medal of Freedom in his old age, he was hardly the darling of the true believers in the ideal that the country needed direction from an elite gathered in Washington.

Obviously this doesn't exhaust the list of the once lonesome voices raised to question the philosophy of statism that dominated political thinking for more than a generation. You would have to include Lawrence Fertig and John Chamberlain among others; and, once upon a time, William Buckley before he became a television character and a spinner of spy yarns. Mr. Buckley's National Review gave a platform to many such voices.

You would also have to include some more obscure in the popular attention, like Ludwig von Mises, who along with Hayek put socialism in all its forms under a disciplined microscope. They provided the intellectual underpinning for the rebirth of what, in shorthand, can be called free market economics.

How much influence any of these, individually, have had on the altered public mood, political or otherwise, is impossible to measure. But that altogether they contributed to the changing political climate I have no doubt.

For a long time they were prophets without honor. They were mostly ignored, even sneered at. Even today their faith in a free economy isn't shared everywhere. But no one in the academic, economic or political communities now scoffs at their ideas. Slowly the seeds they sowed have found roots, often among people who never heard of them.

Yet they persevered and together wrought a revolution in our ways of thinking about the way we manage the nation's affairs. It would be a pity if they were forgotten.

Mr. SYMMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXTENSION OF ROUTINE MORNING BUSINESS

Mr. BAKER. Mr. President, it looks like there will be some reason for us to remain in session for just a little longer.

I ask unanimous consent that the time for the transaction of routine morning business be extended until 6:30 p.m. under the same terms and conditions.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. BAKER. Mr. President, I wish to report that a number of Senators are engaged in serious conversations now about the possibility of reviving the agriculture target price bill. I have just come from that meeting. I encouraged them to continue negotiations, but I pointed out to them that I have already announced there would be no more record votes tonight and that it is unlikely that anything can be worked out this evening that could be adopted by the Senate in a reasonable time.

In a moment I intend to ask the Senate to recess over until tomorrow. But before I do so, may I point out that if the negotiations by the interested Senators on the agriculture bill produce a result, it would be my hope that we could propound a unanimous-consent request in respect to that bill

shortly after we convene tomorrow. So Senators who may be listening in their offices or whose staff may be listening in the offices should be on the alert to the possibility of a unanimous-consent request in the morning to arrange a time and a method for the consideration of the agriculture target price bill. I am not certain that will occur but it could occur.

RECESS UNTIL TOMORROW AT 9:30 A.M.

Mr. BAKER. Mr. President, if no other Senator is now seeking recognition, I move in accordance with the previous order that the Senate now stand in recess until 9:30 a.m.

The motion was agreed to, and at 6:51 p.m., the Senate recessed until tomorrow, August 4, 1983, at 9:30 a.m.

CONFIRMATIONS

Executive nominations confirmed by the Senate August 3, 1983:

DEPARTMENT OF LABOR

James Brian Hyland, of Virginia, to be Inspector General, Department of Labor.

The above nomination was approved subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

THE JUDICIARY

Judith W. Rogers, of the District of Columbia, to be an associate judge of the District of Columbia Court of Appeals for the term of 15 years.

A. Franklin Burgess, of the District of Columbia, to be an associate judge of the Superior Court of the District of Columbia for the term of 15 years.

IN THE COAST GUARD

Coast Guard nominations beginning Mark A. Johnson, and ending David H. Boyd, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on August 1, 1983.

HOUSE OF REPRESENTATIVES—*Wednesday, August 3, 1983*

The House met at 10 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

We implore Your blessing O God upon all Your people and especially upon those with any special need. We pray that Your spirit will give healing to those who are ill, that Your strength will nurture any who are weak, that Your presence will give us peace. Enable us to put our trust in You and Your providence that we will gain the confidence and hope that Your spirit can give. In Your name, we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. BARTLETT. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. BARTLETT. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 356, nays 24, answered "present" 4, not voting 49, as follows:

[Roll No. 313]

YEAS—356

Ackerman	Bennett	Broomfield
Addabbo	Bereuter	Broyhill
Akaka	Berman	Bryant
Albosta	Bethune	Burton (CA)
Alexander	Bevill	Burton (IN)
Anderson	Biaggi	Campbell
Andrews (NC)	Bilirakis	Carney
Andrews (TX)	Bliley	Carper
Annunzio	Boehlert	Carr
Applegate	Boggs	Chandler
Archer	Boland	Chappell
Aspin	Boner	Cheney
AuCoin	Bonior	Clarke
Badham	Bonker	Clinger
Barnard	Borski	Coats
Barnes	Bosco	Coelho
Bartlett	Boucher	Coleman (MO)
Bateman	Boxer	Coleman (TX)
Bates	Breaux	Collins
Bedell	Britt	Conable
Beilenson	Brooks	Conte
Cooper	Horton	Nielson
Corcoran	Howard	Nowak
Coughlin	Hoyer	O'Brien
Courter	Hubbard	Oakar
Coyne	Huckaby	Olin
Craig	Hughes	Ortiz
Crane, Daniel	Hunter	Oxley
Crane, Philip	Hutto	Packard
Crockett	Hyde	Panetta
D'Amours	Jenkins	Pashayan
Daniel	Jones (NC)	Patterson
Dannemeyer	Jones (OK)	Paul
Daschle	Jones (TN)	Pease
Daub	Kaptur	Penny
Davis	Kasich	Pepper
de la Garza	Kastenmeier	Perkins
Dellums	Kazen	Petri
Derrick	Kemp	Pickle
DeWine	Kennelly	Porter
Dicks	Kildee	Price
Dixon	Kindness	Pritchard
Donnelly	Kogovsek	Pursell
Dowdy	Kolter	Quillen
Downey	Kostmayer	Rahall
Dreier	Kramer	Rangel
Duncan	LaFalce	Ratchford
Dwyer	Lagomarsino	Ray
Early	Lantos	Regula
Edgar	Leach	Reid
Edwards (CA)	Lehman (CA)	Richardson
Edwards (OK)	Lehman (FL)	Ridge
English	Leland	Rinaldo
Erdreich	Lent	Ritter
Erlenborn	Levin	Robinson
Evans (IL)	Levine	Rodino
Fascell	Levitas	Roe
Fazio	Lewis (CA)	Rogers
Ferraro	Lewis (FL)	Rostenkowski
Fields	Livingston	Roth
Fish	Lloyd	Rowland
Flippo	Loeffler	Roybal
Florio	Long (LA)	Rudd
Foglietta	Long (MD)	Russo
Foley	Lott	Savage
Ford (TN)	Lowery (CA)	Sawyer
Fowler	Lowry (WA)	Schaefer
Frank	Lujan	Scheuer
Franklin	Luken	Schulze
Frost	Lundine	Schumer
Fuqua	Lungren	Seiberling
Garcia	Mack	Sensenbrenner
Gaydos	Marlenee	Sharp
Gekas	Marriott	Shaw
Gephardt	Martin (NY)	Shelby
Gibbons	Matsui	Shumway
Gilman	Mavroules	Shuster
Gingrich	Mazzoli	Siljander
Glickman	McCain	Simon
Gonzalez	McCandless	Sisisky
Gore	McDade	Skeen
Gradison	McDonald	Skelton
Gramm	McEwen	Slattery
Gray	McGrath	Smith (FL)
Green	McKernan	Smith (IA)
Gregg	McKinney	Smith (NE)
Guarini	McNulty	Smith (NJ)
Gunderson	Michel	Snyder
Hall (IN)	Miller (CA)	Solarz
Hall (OH)	Mineta	Solomon
Hall, Sam	Minish	Spence
Hamilton	Moakley	Spratt
Hammerschmidt	Molinari	Staggers
Hance	Mollohan	Stangeland
Hansen (UT)	Montgomery	Stark
Harrison	Moody	Stratton
Hartnett	Moore	Studds
Hatcher	Moorhead	Stump
Hawkins	Morrison (CT)	Sundquist
Hefner	Mrazek	Swift
Hertel	Murtha	Synar
Hightower	Myers	Tallon
Hiler	Natcher	Tauke
Hillis	Neal	Tauzin
Holt	Nelson	Taylor
Hopkins	Nichols	Thomas (CA)
Thomas (GA)	Walker	Wolf
Torres	Watkins	Wolpe
Torricelli	Waxman	Wortley
Towns	Weber	Wright
Traxler	Weiss	Wyden
Udall	Wheat	Wylie
Valentine	Whitehurst	Yates
Vander Jagt	Whitley	Yatron
Vandergriff	Whittaker	Young (FL)
Vento	Whitten	Young (MO)
Volkmer	Williams (MT)	Zablocki
Vucanovich	Wirth	Zschau
Walgren	Wise	

NAYS—24

Brown (CO)	Frenzel	Miller (OH)
Dickinson	Gejdenson	Murphy
Dorgan	Goodling	Roberts
Durbin	Harkin	Roemer
Eckart	Latta	Schroeder
Emerson	Lipinski	Sikorski
Evans (IA)	Madigan	Smith, Denny
Forsythe	Markey	Stenholm

ANSWERED "PRESENT"—4

Dymally	Oberstar
Jacobs	Obey

NOT VOTING—49

Anthony	Johnson	Patman
Brown (CA)	Leath	Rose
Byron	MacKay	Roukema
Chappie	Martin (IL)	Sabo
Clay	Martin (NC)	Schneider
Conyers	Martinez	Shannon
Dingell	McCloskey	Smith, Robert
Dyson	McCollum	Snowe
Edwards (AL)	McCurdy	St Germain
Feighan	McHugh	Stokes
Fiedler	Mica	Weaver
Ford (MI)	Mikulski	Williams (OH)
Hall, Ralph	Mitchell	Wilson
Hansen (ID)	Morrison (WA)	Winn
Heftel	Ottinger	Young (AK)
Ireland	Owens	
Jeffords	Parris	

□ 1015

So the Journal was approved.

The result of the vote was announced as above recorded.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H.R. 1646. An act to amend the Railroad Retirement Act of 1974 and the Railroad Retirement Tax Act to assure sufficient resources to pay current and future benefits under the Railroad Retirement Act of 1974, to make technical changes, and for other purposes; and

H.R. 3564. An act to require the Secretary of Agriculture to make an earlier announcement of the 1984 crop feed grain program and of the 1985 crop wheat and feed grain programs.

The message also announced that the Senate had passed with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 3394. An act to provide additional authority for the consolidation of student loans and to make certain other changes in Federal student financial assistance.

EDUCATING ALIEN CHILDREN

(Mr. WRIGHT asked and was given permission to address the House for 1 minute.)

Mr. WRIGHT. Mr. Speaker, the quality and availability of education in America have surfaced this year for long-overdue national attention.

One question needs answering as we attempt to come to grips with the education issue: How will our hard-pressed local school districts afford quality schools?

In a celebrated case last year, the Supreme Court ruled that local school districts must provide educational services to alien children. The Court held that all persons living in the United States enjoy equal protection of the laws and have a right to receive free public education. Surely it is far better to have these young people in school than lurking furtively in alleyways trying to avoid detection. But we all know eduction is not free.

The money must come from somewhere. Bilingual education is particularly expensive. With few exceptions, undocumented aliens own no property and pay no taxes to local school districts.

Alien children are attending schools all across America—in New York, in Pennsylvania, in Florida, in Ohio, in California, and in my own State of Texas.

In Texas the cost of educating one alien student for 1 year is estimated to be $2,500. That is a major drain on the local tax base which supports our local school districts. Some of the poorest districts have the highest numbers of alien children.

There are 1,500 such children enrolled at this time in the Fort Worth Independent School District. Their enrollment in the past 2 years requires the equivalent of three additional elementary schools, or 50 classrooms. The bulk of these children, according to spokesmen for the district, are concentrated in schools which already are the most overcrowded.

In the first week after the August recess, our colleague, Mr. DE LA GARZA, and I will offer an amendment to the vocational rehabilitation legislation to redress this national problem. Our amendment will provide $500 to local school districts each year for each alien child enrolled, and thereby help to offset the often burdensome cost of educating these children.

The Supreme Court has ordered that school districts must assume this burden. The Federal Government therefore has a clear responsibility to help financially strapped local school districts meet the extra cost it has put upon them.

TASK FORCE ON HUNGER

(Mr. DE LA GARZA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DE LA GARZA. Mr. Speaker, I think many Members of this House were surprised late yesterday when we learned, through the news media, that President Reagan is going to create a task force on hunger. But I want to say this morning that we welcome the President's interest.

For more than 2 years, Mr. Speaker, Congress has been trying to make a couple of simple facts about this problem clear to officials of the administration.

Yes, we want to cut out fraud, waste and abuse in food programs. Yes, we want to eliminate spending that does not help poor people. And yes, we have acted repeatedly in those fields. But no, we do not want to reduce the already thin benefits for those who are truly in need.

During much of this time, the basic answer from the administration has been—cut the budget. They have said—cut, cut, cut, and now we find the President saying he is "perplexed" by news stories about hunger. And we find a special assistant to the President quoted as saying the Government has no statistics on hunger, but it wants to find out what is going on.

Mr. Speaker, I can suggest a simple solution.

Let the President or his assistants call me on the telephone. I can arrange for them to get some evidence about what is going on. For much of this year, one of the subcommittees of our House Committee on Agriculture has been looking into the hunger problem. Mr. PANETTA of California, the chairman of the subcommittee, or Mr. EMERSON of Missouri, the ranking Republican Member, can give us a lot of information on what the subcommittee found. They found that there are hungry people in this great country today * * * and I am sure the subcommittee hearing records can be made available to anyone who wants to read them.

We are today watching a recovery in the general economy. How far it will go and how strong it will be, we do not know. We all hope it will improve the lives of many needy people and reduce the need for food assistance. But the need is still there, and it is still very substantial.

Congress has recognized this need. Early this year, we included action on surplus food donation in the jobs bill. In June, this House voted 389 to 18 for a bill to continue donation programs. Just yesterday, this House voted by 407 to 16 to express the sense of Congress that there should be no further cuts in food benefits to eligible and qualified needy people.

Just yesterday, also, the Census Bureau produced a new report on poverty. The number of people living below the official poverty line rose for the fourth straight year to the highest level since 1965. Most of last year's decline has been blamed on the recession, but the figures also may reflect some of the budget cuts of the past few years.

I would think that these and other facts have carried us far past the point at which the President needs a commission of experts to study the problem of hunger.

But if that study will provide any facts we do not already have, I welcome it.

If that study can make believers out of those in the administration who have been trying to cut food programs, then I welcome it with enthusiasm.

Mr. Speaker, I do not know who the members of the new study commission will be. I assume they will be qualified experts. But I think we have a situation here that reminds me of the story they used to tell about the doctors who examined us for service in the Armed Forces.

They used to say that the doctors would look for just two things—could you see lightning and hear thunder. If you could, you were fit to serve in the army. Well, I think the same philosophy can be used in picking the new commission. If the commission can, in a manner of speaking, see lightning and hear thunder, it will be able to see that there is good reason to be concerned about hunger.

SOUTHEAST INTERSTATE RADIOACTIVE WASTE MANAGEMENT COMPACT

(Mr. DERRICK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DERRICK. Mr. Speaker, in 1980, the Congress passed legislation which handed the responsibility for management and disposal of low-level radioactive waste to the individual States.

The bill I am introducing represents the culmination of a long and complex process toward agreement by eight Southeastern States to form a compact for shared management and disposal of low-level wastes.

The first site for the Southeast region will be the Chem-Nuclear Services burial site in Barnwell County which is in my congressional district in South Carolina.

This will be available to Southeastern States until 1992, after which another compact State will assume the responsibility.

Since Chem-Nuclear is one of only two commercial low-level sites operating in the Nation, South Carolina has

borne the brunt of waste management responsibility. I pushed for the Low-Level Waste Policy Act of 1980 because I knew it would bring about an equitable and efficient system of regional management.

I solicit your support as cosponsors of this bill approving the compact and urge quick action by the committees of jurisdiction.

HEALTH INSURANCE FOR THE UNEMPLOYED

(Mr. EVANS of Illinois asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. EVANS of Illinois. Mr. Speaker, one of the greatest tragedies of our current high unemployment is that millions of Americans have lost their employment-based health insurance along with their jobs. According to the Congressional Budget Office, a startling 14 million unemployed workers and family members, including 4 million children, had no health protection at the beginning of this year.

In my district in west central Illinois, where unemployment is greater and of longer duration than in most other areas of the country, the situation has reached crisis proportions. Unemployed people with diabetes who cannot afford insulin have come to my office for help, but there is no place to refer them. Unemployed people in my district are postponing needed surgery because they have no way to pay for it.

These people must be helped. We can help them by passing the Health Care for the Unemployed Act of 1983. Americans often demonstrate their compassion for victims of tragedies in other lands. Here is a golden opportunity for us to show the same concern for our fellow citizens.

CRISIS EXISTS NOW ON HUNGER

(Mrs. KENNELLY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. KENNELLY. Mr. Speaker, during the past year, the cuts in Federal nutrition programs have had a profound impact in Connecticut. Our repeated pleas to the administration that the USDA release additional Government-owned commodities for distribution to the hungry have fallen on deaf ears. Only 2 weeks ago, the Connecticut delegation received a letter from the Administrator of the Food and Nutrition Service that the administration believed it was "taking every reasonable step necessary" for the hungry people of our country. We have known all along that was not the case.

It now appears the administration has changed its position with its announcement of a new task force on hunger. But for the thousands of people who must resort to over-extended soup kitchens and food pantries in Connecticut, the crisis exists now. I do not believe this task force will tell us anything we do not already know. There have been numerous studies of the growing problems of malnutrition resulting from unemployment and the recession. Action is now needed.

The House of Representatives has already approved excellent legislation that would improve and increase the distribution of surplus Government-owned commodities. I would urge the President to strongly support its enactment.

WAR ON POVERTY LOST

(Mr. HARRISON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HARRISON. Mr. Speaker, in 1964, this Nation declared a war on poverty. Yesterday, we announced that we lost. Fifteen percent of our people are now living in poverty. That is more than at any time since 1965.

And so, yesterday, the President announced that he is going to appoint a commission to tell him what to do about hunger in America.

Well, Mr. President, you do not need a commission to tell you why so many people are poor. The Census Bureau told you yesterday. It is because of the recession, and unemployment, and your cutbacks in programs such as aid to dependent children.

And you do not need a Government commission to tell you why people are hungry. It is because they do not have enough to eat.

And you do not need a commission to tell you what to do about it. Thirty four million poor Americans can tell you that. Stop what you are doing. Stop cutting aid to pregnant women and young chidren and those who cannot find jobs and the sick and the disabled. Because if you do not stop, Mr. President, the loss of the war on poverty will be followed by a massacre of the poor.

HUNGER IN THE UNITED STATES AND THE REAGAN POLICIES

(Mr. MILLER of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MILLER of California. Mr. Speaker, Ronald Reagan setting up a commission on hunger is like James Watt setting up a commission to study wildlife preservation; Billy Martin setting up a commission on sports etiquette; or Jaws setting up a commission on beach safety.

If Mr. Reagan wants to learn about hunger in this country, he need look no further than the actions of his own administration.

According to his own census figures, 2 million more children have been driven into poverty since President Reagan took office.

If this rate continues, 4½ million children will be locked into poverty during Mr. Reagan's term in office.

On the average, Reagan policies are adding as many children to the poverty rolls every year as were escaping poverty under the Johnson administration.

And make no mistake: Children living in poverty mean children living in hunger, and that translates into poor health, poor school performance, and medical costs.

Attacking hunger in this country is going to take more than a commission or the Secretary of Agriculture pushing a shopping cart around a suburban supermarket for a week.

It is going to take a commitment to fair policies that support and encourage the poor instead of punishing and victimizing them. The President would do well to call a halt to setting up commissions, and read the reports that are already on the shelf.

He can start with the dismal figures his own administration released yesterday.

THE FEDERAL RESERVE BOARD CHAIRMAN'S ROLE IN SOLVING FISCAL PROBLEMS

(Mr. LUNDINE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LUNDINE. Mr. Speaker, within the last 24 hours, both Alan Greenspan and Senator ROBERT DOLE have called for a summit between Members of Congress and the White House to deal with the problem of deficit reduction. Alan Greenspan has called for Speaker of the House O'NEILL and President Reagan to attempt to reach a consensus on this problem. Senator DOLE called for a bipartisan effort from the House, Senate, and President to address this problem.

I do not believe that the President and Speaker O'NEILL, or a bipartisan effort between the House, Senate, and the President can alone arrive at a solution to this problem. What is really needed here is to have Paul Volcker, Chairman of the Federal Reserve, involved in this effort. It is Chairman Volcker who so many times has warned Congress that the only alternative to large deficits is the implementation by the Federal Reserve of monetary policies that perpetuate high real interest rates. As such, it is

Chairman Volcker who has the capacity to make the central tradeoff to the sacrifices which must occur for deficit reduction—lower real interest rates.

Yesterday, I wrote to Paul Volcker and urged him to take the leadership in developing a national accord with the Congress and White House to reduce budget deficits and lower interest rates. Mr. Volcker is in an ideal position to attempt to establish some consensus by the time of the fiscal year 1985 budget submission to the Congress next January. Only he can do so in such a way to remove it from the politically charged climate that would exist if such an effort is made only by the Congress and the President and only addresses the size of the deficit without dealing with interest rates.

I urge my colleagues to join me in this effort to urge Mr. Volcker to exercise leadership on this critical issue.

A LESSON TO BE LEARNED FROM THE VOYAGE OF CHRISTOPHER COLUMBUS

(Mr. WILLIAMS of Montana asked and was given permission to address to House for 1 minute, and to revise and extend his remarks.)

Mr. WILLIAMS of Montana. Mr. Speaker, 491 years ago this day, an hour before dawn, with a crew of 90 people, Christopher Columbus set sail on his historic voyage. The importance of that journey was not only in its epic nature, though epic it was, not only in the discovery of the New World, though a new world was opened. The importance of that journey was also in the insistence of one man that we put behind us the misinformation and superstitions of the past and chart a course to the truth.

PROGRESS TOWARD BUDGETARY RETRAINT DIMMED BY PERSISTENT DEFICITS

(Mr. JONES of Oklahoma asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. JONES of Oklahoma. Mr. Speaker, as the August recess draws near, the House can be proud that it has consistently enforced the limits of the budget resolution. Last night's reduction of general revenue sharing to conform to the budget limits was the most recent example.

However, even with this record, a very dark cloud looms over our economic horizon. This is the cloud of unprecedented Federal deficits. The irony is that the more robust the economic recovery, the more imminent and dangerous these deficits become for reigniting inflation, high interest rates, and another recession.

Many talk about deficits but too little is done. What we need is for the President, the Speaker and congressional leaders of both parties to hold a Camp David type summit, put partisan concerns aside for the next few months and come out with a serious plan to get these deficits under control. Until huge deficits become a bipartisan concern with a bipartisan solution, I am afraid they will be just a subject of political rhetoric and not economic action.

DOD BILL STILL CONTAINS 90 PERCENT OF ADMINISTRATION REQUESTS

(Mr. GEJDENSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEJDENSON. Mr. Speaker, yesterday the conference committee on the DOD bill decided to include the $114 million for chemical weapons. This is particularly distressing after that money was rejected by the House by almost a 100-vote margin. In the Senate, for the first time since 1977, it was required that the Vice President break a tie in order to include the chemical weapons money.

In the DOD bill, we leave 90 percent of the administration's money intact—$700 million for measures that would help defend our troops. We also provide additional moneys, $33 million for research and development.

Our present supply of chemical weapons in Europe is adequate to fight a 30-day war. We still have the State Department and the Defense Department unable to talk to our European allies about the location of these weapons on their territory. Additionally, this provides a problem as the Pershing debate rises in Europe. This is an additional area where we will only embarrass ourselves with our Western allies.

Mr. Speaker, I would hope that the committee rethink its position.

THE PRESIDENT'S ZIGZAG POLICY

(Mr. ALEXANDER asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. ALEXANDER. Mr. Speaker, one of the classic battle maneuvers at sea is known as the zigzag. From the days of Horatio Nelson and our own John Paul Jones to the present, the zigzag—a back-and-forth, uneven pattern of movement—has enabled warships to confuse the enemy as to their intent and their destination.

Now that President Reagan has actually committed American warships, along with a growing number of American "advisers" and combat personnel, to provocative action in Central America, the principle of the zigzag once again is deployed.

Unfortunately, the President's Central American policy is based on a zigzag pattern. First, he zigs this way, with overtures toward peaceful negotiation and bipartisan consultation, as in his April message to the joint session of Congress. Next, he zags that way, with covert escalations and the threat of more to come, without prior consultation with the Congress.

The President's zigzag policy has our potential adversaries confused; but, unfortunately, so has he confused the Congress and the American people.

Mr. Speaker, it is time for this country to establish a rational policy and a clear mission in Central America before Mr. Reagan's zigzag policies are tested under all too real conditions.

BUSINESS AS USUAL

(Mr. CONABLE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CONABLE. Mr. Speaker, I am scared. We talk a lot about fiscal policy around here. We worry about it, and economists and Federal Reserve Board members scold us about it. Businessmen tell us they cannot live with the deficits we create. Member after Member takes the well of the House and deplores what we call the casualness of the Reagan administration about deficits of the $200 billion dimension. We think we are doing something heroic when through the budget process we order ourselves to raise taxes by $12 billion—a pittance compared to the fiscal gap—knowing full well we will never deliver on it, and if we did that it would be the excuse to spend more.

Taxes aside, when it comes to spending, Mr. Speaker, it is business as usual. Take yesterday and today, for instance. We honored a great man by a national holiday we do not need at a cost to Government alone of about a quarter of a billion dollars. Then we added over $460 million a year for the next 3 years, to revenue sharing, a program I support but which we cannot afford to expand. Today, unless I read the signs wrong, we are going to begin a new entitlement program we do not need, health insurance for those unemployed too well off to qualify for medicaid, at a cost of $2 billion a year. I know we must honor Martin Luther King, we cannot stand up to our demanding local officials, we have got to help even the more affluent unemployed, and so forth.

Mr. Speaker, we have met our fiscal enemy and it is us. We are hypocrites to pretend anything else.

THE SOLOMON AMENDMENT AND DRAFT REGISTRATION

(Mr. SOLOMON asked and was given permission to address the House for 1 minute.)

Mr. SOLOMON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, but I do not desire to revise and extend my remarks.

The SPEAKER pro tempore (Mr. MINISH). The gentleman from New York (Mr. SOLOMON) is recognized for 1 minute.

Mr. SOLOMON. Mr. Speaker, last night the Senate and House conferees on the Defense authorization bill threw out the so-called Moynihan amendment which would have delayed by 90 days the Solomon amendment which prohibits young men who are in violation of the Draft Registration Act from receiving any college loans and grants.

Mr. Speaker, this was the last-ditch effort of attempts to repeal or delay the Solomon amendment. I urge all of you to let your constituents know these students can do themselves a favor—go out and register like the other 96 percent of the 10 million young Americans who have been loyal, patriotic, and have obeyed the laws of the land, because the Solomon amendment is law.

And I urge all of you to also tell your college administrators who have been complaining about the minimal paperwork to now start to worry about the defense of their country and the preparedness of their country and to get with the Solomon amendment.

TAX REPEAL LEGISLATION THAT WOULD SAVE MONEY FOR THE GOVERNMENT

(Mr. PETRI asked and was given permission to address the House for 1 minute.)

Mr. PETRI. Mr. Speaker, today I am introducing legislation which would save the Government money, reduce regulation, and lessen the paperwork of some small businesses. The legislation will repeal a tax on the manufacture of small-scale gasohol equipment, primarily used by farmers to produce gasohol for their tractors and other farm machinery.

With every year that this tax is collected the Government loses money. The tax generates only about $6,000 a year in revenue, and Treasury officials have reported that the cost of administering this tax is actually much higher than $6,000.

We need to redouble our efforts to find ways to reduce Government spending, and eliminate needless Government regulation on small businesses. While this legislation is small in scope, I believe it is a step in the right direction.

PRESIDENT APOLOGIZES TO INTERNATIONAL FEDERATION OF BUSINESS AND PROFESSIONAL WOMEN

(Mr. SCHUMER asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. SCHUMER. Mr. Speaker, yesterday a delegation from the International Federation of Business and Professional Women was not permitted to tour the White House.

Today it is reported that the President will go before the group to apologize. It is also reported today that the administration will ask the Supreme Court to loosen restriction on Federal aid to institutions that discriminate against women.

The doorkeeper at the White House who kept the women out was a more accurate indicator of the President's policies than his apology is today.

Mr. Speaker, the gender gap will continue as long as the President talks one way and acts another.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 2992, INTERNATIONAL SECURITY AND DEVELOPMENT COOPERATION ACT OF 1983

Mr. BONIOR of Michigan, from the Committee on Rules, submitted a privileged report (Rept. No. 98-341) on the resolution (H. Res. 296) providing for the consideration of the bill (H.R. 2992) to authorize appropriations for the fiscal years 1984 and 1985 for international security and development assistance and for the Peace Corps, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 3231, EXPORT ADMINISTRATION AMENDMENTS ACT OF 1983

Mr. BONIOR of Michigan, from the Committee on Rules, submitted a privileged report (Rept. No. 98-342) on the resolution (H. Res. 297) providing for consideration of the bill (H.R. 3231) to amend the authorities contained in the Export Administration Act of 1979, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 2379, NATIONAL PARK SYSTEM PROTECTION AND RESOURCES MANAGEMENT ACT OF 1983

Mr. BONIOR of Michigan, from the Committee on Rules, submitted a privileged report (Rept. No. 98-343) on the resolution (H. Res. 298) providing for consideration of the bill (H.R. 2379) to provide for the protection and management of the national park system, and for other purposes, which was referred to the House Calendar and ordered to be printed.

□ 1045

HEALTH CARE FOR THE UNEMPLOYED ACT

Mr. BONIOR of Michigan, Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 276 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 276

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 3021) to amend the Social Security Act to provide for a program of grants to States to provide health care benefits for the unemployed, and for other purposes, the first reading of the bill shall be dispensed with, and all points of order against the consideration of the bill for failure to comply with the provisions of section 402(a) of the Congressional Budget Act of 1974 (Public Law 93-344) are hereby waived. After general debate, which shall be confined to the bill and to the amendments made in order by this resolution and shall continue not to exceed two hours, one hour to be equally divided and controlled by the chairman and ranking minority member of the Committee on Energy and Commerce and one hour to be equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means, the bill shall be considered for amendment under the five-minute rule. In lieu of the amendments recommended by the Committees on Energy and Commerce and Ways and Means now printed in the bill, it shall be in order to consider an amendment in the nature of a substitute consisting of the text of the bill H.R. 3521, said substitute shall be considered as having been read, and all points of order against said substitute for failure to comply with the provisions of section 401(b)(1) of the Congressional Budget Act of 1974 (Public Law 93-344), clause 7 of rule XVI, and clause 5(b) of rule XXI are hereby waived. No amendment to the bill or to said substitute shall be in order except (1) an amendment printed in the Congressional Record of July 12, 1983, by, and if offered by, Representative Bliley of Virginia, said amendment shall be debatable for not to exceed thirty minutes, to be equally divided and controlled by Representative Bliley and a Member opposed thereto, and said amendment shall not be subject to amendment except an amendment printed in the Congressional Record of July 20, 1983, by, and if offered by, Representative Waxman of California, and said amendment shall be debatable for not to exceed thirty minutes, to be equally divided and controlled by Representative Waxman, and a Member opposed thereto; and (2) an amendment printed in the Congressional Record of July 20, 1983, by Representative Frenzel of Minnesota, and said amendment shall not be subject to

amendment but shall be debatable for not to exceed thirty minutes to be equally divided and controlled by Representative Frenzel and a Member opposed thereto. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendment thereto to final passage without intervening motion except one motion to recommit with or without instructions. All points of order, except under clause 7 of rule XVI, are waived against instructions contained in a motion to recommit and against any amendment required by said instructions to be reported back to the House.

The SPEAKER pro tempore. The gentleman from Michigan (Mr. BONIOR) is recognized for 1 hour.

Mr. BONIOR of Michigan. Mr. Speaker, for the purposes of debate only, I yield the customary 30 minutes to the gentleman from Mississippi (Mr. LOTT), pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 276 provides for the consideration of H.R. 3021 to amend the Social Security Act to provide health care benefits for the unemployed. In order to allow the consideration of H.R. 3021 in an expeditious and orderly manner, House Resolution 276 provides for a modified closed rule allowing 2 hours of general debate; 1 hour of debate shall be equally divided and controlled by the chairman and ranking minority member of the committee on energy and commerce and 1 hour shall be equally divided and controlled by the chairman and ranking minority member of the Committee of Ways and Means.

In order to provide for the prompt consideration of H.R. 3021 on the floor of the House of Representatives, it was necessary for the Committee on Rules to waive points of order against the bill pursuant to section 402(a) of the Congressional Budget Act of 1974. This section of the Congressional Budget Act states that it is not in order to consider any bill authorizing enactment of new budget authority for a fiscal year unless that bill was reported by May 15 preceding the beginning of such fiscal year. Because H.R. 3021 would authorize enactment of new budget authority in fiscal year 1983, and because the bill was not reported by May 15, prior to the beginning of this fiscal year, a waiver of section 402(a) of the Congressional Budget Act was requested of and granted by the Committee on Rules.

Chairman JONES of the Budget Committee has informed the Committee on Rules that due to the emergency nature of H.R. 3021, and because the legislation is assumed in the revised concurrent resolution on the budget for fiscal year 1983, and in the first concurrent resolution on the budget for fiscal year 1984 (House Concurrent Resolution 91), a majority of the Budget Committee members would support the necessary budget act waivers. After general debate, H.R. 3021 shall be considered for amendment under the 5-minute rule. House Resolution 276 makes in order the consideration of the text of H.R. 3521 as an amendment in the nature of a substitute in lieu of the recommended amendments from the Committee on Energy and Commerce and the Committee on Ways and Means printed in the bill.

H.R. 3521 shall be considered as read. In order to allow consideration of this amendment in the nature of a substitute, the Committee on Rules waived points of order against the substitute regarding section 401(b)(1) of the Congressional Budget Act of 1974. This section prohibits the consideration of any legislation providing new entitlement authority becoming effective prior to the first day of a fiscal year within the calendar year in which the legislation was reported. House Resolution 276 also waives points of order against the substitute for failure to comply with clause 7 of House rule XVI, the germaneness requirements as well as clause 5(b) House rule XXI which prohibits the consideration of an amendment carrying a tax or tariff measure during the consideration of a bill reported by a committee having no tax or tariff jurisdiction.

The amendment in the nature of a substitute is not open for amendment except for the amendment printed in the CONGRESSIONAL RECORD of July 12, 1983, by Representative BLILEY of Virginia and the amendment printed in the CONGRESSIONAL RECORD of July 20, 1983, by Representative FRENZEL of Minnesota.

The amendment, if offered by Representative BLILEY, is debatable for up to 30 minutes to be equally divided and controlled by Representative BLILEY and a Member opposed to the amendment. Representative BLILEY's amendment is not amendable except for one amendment printed in the CONGRESSIONAL RECORD on July 20, 1983, by Representative WAXMAN of California. The amendment shall be debatable for up to 30 minutes to be equally divided and controlled by Representative WAXMAN and a Member opposed thereto.

Representative FRENZEL's amendment shall not be amendable but is debatable for up to 30 minutes to be equally divided and controlled by Representative FRENZEL and a Member opposed to the amendment. House Resolution 276 provides for one motion to recommit with or without instructions. If a motion to recommit with instructions is offered, the rule waives all points of order against the instructions except clause 7 of House rule XVI the germaneness rule.

Mr. Speaker, according to the Congressional Budget Office, during fiscal year 1984, 9.6 million people will, as a result of being unemployed, find themselves without health insurance. If you consider their affected immediate dependents, that number rises to 19.1 million people who, through no fault of their own, will be without health insurance coverage. This legislation seeks to remedy this grave and intolerable situation by authorizing $350 million in fiscal year 1983, $1,869 billion in fiscal year 1984, and $1,538 billion in fiscal year 1985 for block grants to States interested in providing health related services for unemployed workers and their families. Grants to States would be based on statewide unemployment figures and individual eligibility would be linked to eligibility for unemployment compensation benefits. Participating States would be required to provide certain amounts of matching funds based on unemployment rates, receipt and exhaustion of unemployment benefits. The bill provides for copayments on the part of recipients as well as a requirement that nonpublic employers of 25 or more employees who provide health care insurance, extend health care coverage after the layoff of covered workers. The bill also authorizes a discretionary Federal grant program of $96 million in fiscal year 1984, $77 million in fiscal year 1985, and $60 million in fiscal year 1986 for assistance to hospitals providing services to the unemployed and the uninsured. The bill also increases the block grant for maternity and child health services from $373 million to $483 million in fiscal year 1984 and thereafter.

Mr. Speaker, as you know, H.R. 3021 was initially reported from the Committee on Energy and Commerce on June 7, 1983, and sequentially referred to the Committee on Ways and Means which reported the bill on June 30, 1983. The two committees have conferred, they have considered and they have compromised. The legislation we have before us today is the product of many hours of careful debate and deliberation. I believe House Resolution 276 provides a fair rule for the consideration of this legislation allowing 2 hours for debate and waiving necessary points of order as to allow consideration of an amendment offered in the nature of a substitute and three additional printed amendments. Mr. Speaker, House Resolution 276 allows for extensive debate and full consideration of this very important legislation and I urge its adoption.

Mr. LOTT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I thank the gentleman for yielding me the customary 30 minutes.

Mr. Speaker, I would like to say right up front that we should defeat this rule. As our former distinguished colleague, the gentleman from Califor-

nia, Mr. Clausen, a member of the Rules Committee, used to say, the House makes a mistake in just considering rules as a parliamentary procedure, and that we should uniformly just accept rules that come out of the Rules Committee. When it is an arbitrary, capricious and unfair rule in a bad bill, it is an opportunity to kill a snake where you find it. We should have done it in the Rules Committee. We should have at least been fair in the way we handled the rule in the Rules Committee; but now that it is here, we should defeat this rule and give the opportunity for the third time for the Rules Committee to consider the rule.

This rule has a very interesting history that I think my colleagues might be interested in hearing. It first came before the Rules Committee and we heard the customary testimony from the chairmen of the two committees involved, the distinguished gentleman from Illinois (Mr. ROSTENKOWSKI), chairman of the Ways and Means Committee and members from the Committee on Energy and Commerce.

The gentleman from Illinois said very candidly that on instructions of his committee, he had no objection to an open rule as to title I of this bill.

The gentleman from California (Mr. WAXMAN) came in and, of course, wanted it totally closed.

We heard testimony from the gentleman from Minnesota (Mr. FRENZEL) in support of an amendment; the gentleman from Iowa (Mr. TAUKE) in support of an amendment or a substitute; the gentleman from Ohio (Mr. GRADISON) in support of an amendment; the gentleman from Virginia (Mr. BLILEY) in support of an amendment dealing with abortion. It was a lengthy hearing.

I had the impression that the Rules Committee was basically going to make this an open rule as to title I. There was no need to close it. Ways and Means had said as to their part of the rule, they saw no problem with it being open, which would have made in order these various amendments that are referred to. But mysteriously, something happened and the Rules Committee decided that no, in effect, we are going to have a closed rule. But on a recorded vote, the amendment of the gentleman from Virginia (Mr. BLILEY) dealing with the issue of abortion was made in order on a bipartisan vote, I might add, and the rule was reported with no other amendments in order.

Well, after a few days, apparently a determination was made that that is not going to sell on the floor of the House. Republicans are going to vote against it because in substance it has not been properly drafted and a lot of other Members would vote against it for a variety of reasons, including the amendment dealing with abortion.

So the Rules Committee decided that they would have another hearing on this great issue and reconsider the rule. It came back to the Rules Committee. We heard from the same Members supporting amendments. We heard at length from the gentleman from California (Mr. WAXMAN). I do not believe we heard from the chairman of the Ways and Means Committee on that particular occasion.

The Rules Committee reconsidered the rule and this time decided, yes, the Bliley amendment would be in order, not subject to any amendment except one offered by the gentleman from California (Mr. WAXMAN), which would say that there would be the exception for rape and incest; so then we had two amendments on abortion. They decided they would pick and choose between the other pending amendments to pick the one, you know, that did not bother them too much, and so they selected the amendment of the gentleman from Minnesota (Mr. FRENZEL) and made it in order.

□ 1100

But it summarily dismissed the Gradison amendment, dismissed the Tauke substitute or any others. They just picked and chose between not even their own party's amendment and so the others are not in order. The rule was reported out on a straight party line vote.

And here we are.

Now, as to the content of this rule. The gentleman from Michigan has described it quite well, but there are a couple of little nuances that I would like to emphasize a little bit.

It is a modified closed rule with 2 hours of general debate.

The first amendment made in order is an amendment in the nature of a substitute which consists of the text of H.R. 3521, a so-called compromise worked out between the Committees on Energy and Commerce and Ways and Means. It waives section 401(b)(1) of the Budget Act, which prohibits new entitlement authority becoming effective before the next fiscal year.

It waives clause 5(b) of rule XXI which prohibits a tax or tariff amendment by a committee with no jurisdiction on such matters, and clause 7 of rule XVI, which is the germaneness rule.

The substitute is made in order as original text.

I mentioned that the amendment by the gentleman from Virginia (Mr. BLILEY) is in order with one amendment by the gentleman from California (Mr. WAXMAN) in order to that.

The Frenzel amendment, which is a means test amendment allowing assets of $100,000, including a house or its equity, would be in order.

Now, as to the motion to recommit with or without instructions. The argument was made in committee, "Well, you all can offer that in your motion to recommit with or without instructions. Why do you complain about these amendments not being in order?"

But they do miss one little point there. The germaneness is waived on the amendments to the main body but germaneness is not waived on the motion to recommit with instructions. So that is a little nuance there that makes an awful lot of difference.

There are a lot of Members who are going to talk about the substance a little bit under the rule, and I hope that it is all that we are going to hear about the substance and we will never get to the bill itself.

I will not prolong it. But I would ask these questions about the substance:

How are we going to pay for this program?

It is a new program with no way determined as to how it is going to be paid for. We say, "Oh, well, we will worry about that later," which really tells us the truth behind this bill. It is another one in a series of totally political bills we have had flushed through this institution in recent weeks and months.

Second, it is alleged that this is a short-term emergency. Think back, my colleagues. How many short-term emergency bills have we had go through here that are short term? They pass through here and they go into law usually in perpetuity.

Third, we have no means test at all. A lot of people are going to benefit from this thing, this new entitlement program, that should not be benefitting from it.

If it, heaven forbid, in this form should get to the President he would veto it in this form.

I urge my colleagues to defeat this rule. Let us give the Rules Committee one more chance maybe to report a fair rule and maybe then we can come up with a bill that all Members can support with the funding provided, with a means test, and truly a short-term bill.

Mr. Speaker, I yield 3 minutes to the gentleman from New York (Mr. CONABLE).

Mr. CONABLE. Mr. Speaker, I oppose the rule on H.R. 3021.

When this matter initially came before the Rules Committee, I joined the chairman of the Ways and Means Committee in supporting that portion of the rule which our committee directed him to request. That rule would have permitted amendments to title I or the substitute legislation that has been scheduled for consideration by the House.

Mr. Speaker, we are about to debate the merits of a major and costly new title (21) of the Social Security Act. Under the final rule granted for debate, several worthy amendments

that would, in my view, make improvements in the proposal are being excluded from consideration by this body. These amendments include a substitute block grant proposal, which would provide greater flexibility to the States to tailor health care aid to coincide with existing public and private efforts to assist the unemployed. This particular proposal was developed by Mr. TAUKE in cooperation with the National Governor's Association, and it enjoyed their support when this matter was before the Energy and Commerce Committee. My colleagues, Mr. FRENZEL and Mr. JENKINS of the Ways and Means Committee, offered a similar block grant proposal in the form of H.R. 3521. Both of these proposals would require a source of financing.

Another of my colleagues, Mr. GRADISON, attempted to have made in order a reasonable approach to targeting benefits, by allowing States the flexibility of requiring those with the financial wherewithal to bear a little more of the burden so that our limited dollars could be directed to those most in need.

The gentleman from Illinois (Mr. PORTER) wanted to offer an amendment that would make the dollars available to the States under H.R. 3021 subject to the appropriations process. This would seem sensible because, with continued improvement in the economy, less money may be needed in fiscal year 1985. Under H.R. 3021, the funds will flow without review by the Appropriations Committee.

Under the rule granted, these amendments are being denied consideration by the House. I believe that Members should have the opportunity to discuss and vote on the critical issues raised through these amendments.

Why is the majority afraid to let the House work its will on these matters? Are they afraid that some of the ideas embodied in the amendments might upset the bill which was cooked up for force feeding to Members?

The majority party is in firm control of this body and I assume any minority amendments could be defeated, irrespective of their merits. Why are we being denied the opportunity for their consideration?

Mr. Speaker, this rule should be defeated.

Mr. BONIOR of Michigan. Mr. Speaker, I yield 3 minutes to the distinguished chairman of the Ways and Means Committee, the gentleman from Illinois (Mr. ROSTENKOWSKI).

Mr. ROSTENKOWSKI. Mr. Speaker, I rise in support of the rule for consideration of H.R. 3021.

I believe it is a fair rule, providing for the efficient consideration of the issue of health insurance for the unemployed, while providing at the same time for consideration of amendments addressing the major issues arising in connection with this proposal.

The proposed rule—House Resolution 276—provides for the consideration of substitute language—introduced as H.R. 3521—which reflects agreement between members of the two committees—Ways and Means and Energy and Commerce—which took action on this important legislation. Members of the House of Representatives are not being asked to decide between two differing versions of legislation reported by separate committees. What you will have before you is an agreed-upon version.

The rule does make in order certain amendments to this substitute language. Among these is an amendment, to be offered by the gentleman from Minnesota (Mr. FRENZEL), permitting the States to apply an assets test as a condition for receipt of health benefits under the public program in the State.

Means testing or assets testing would not generally have been permitted in the legislation agreed to by the Committee on Ways and Means or in the language of the substitute that will be treated as original text under the rule. What the substitute language does require, however, is that 5 percent of the Federal funds must be set aside and used exclusively to provide benefits for the needy unemployed—who meet whatever means test or assets test the State decides to use. It was the judgment of the Committee on Ways and Means at the time it considered this legislation that—aside from this special 5-percent provision—it would be best not to have any additional means or asset test done by the States under this program.

However, this view was by no means unanimous in committee. Some Members would have preferred to permit further means or asset testing in order to assure that public funds would not be used to provide health insurance for relatively well-to-do people who could afford to pay for their own health insurance.

Since that time, the Committee on Rules has recognized the importance that Members of this body attach to the assets testing issue and has recommended that the Frenzel amendment be made in order under the rule. Although I did not support the Frenzel amendment when it was offered in committee, I do support the decision of the Rules Committee to make that amendment in order so the Members can express their judgment on this issue.

In summary, I believe that the rule is fair and equitable. It makes it possible for Members to address directly the major issues arising under this legislation. I urge the Members vote for the previous question and for the rule.

Mr. LOTT. Mr. Speaker, I yield 3½ minutes to the distinguished minority leader, the gentleman from Illinois (Mr. MICHEL).

Mr. MICHEL. Mr. Speaker, I rise in opposition to the rule. It simply is ridiculous that we should be starting a brandnew program in a whole new area without having any effective chance whatsoever to offer amendments.

The normal argument on behalf of a closed rule is that the committee involved is somehow more knowledgeable than this body as a whole and that any effort to allow amendments would lead to a much weaker final product.

Well, let me tell you that in this case the committees did a lousy job.

They create another entitlement program, No. 1.

Two, they add to the financial burden on the States.

Three, they preclude the States from establishing effective standards.

And, four, they increase again the already burdensome Federal deficit.

I fully recognize the need to do something to protect the unemployed during periods of high unemployment from the loss of health insurance and I come from a district with better than 18 percent unemployed right now.

But we simply cannot afford a whole new entitlement program in this area.

Now, I know the argument is made that this is only a temporary program with a financial cap. Well, when have you ever known of a temporary entitlement program that did not become permanent. Name one for me.

And as far as dollar caps are concerned, there were caps on the food stamp program, the energy assistance program, and the title 20 program. We all know what happened in these cases. Every time a crunch arrived the cap immediately went upward.

This bill would prevent the States from imposing a means test on the program. Why do we do that? When dollars are short, a means test is the most effective way of insuring that those most in need are assisted.

We are precluded under this rule from offering an amendment to allow the States to institute a means test if they feel that is the best way or the most effective manner in which to stretch out their dollars. We need a rule that allows that opportunity.

We also need a rule that allows us to reduce the $4 billion cost of the program; $4 billion during a time of triple digit deficits will only add to the problem and threaten a return to the economic conditions that produced the hardship we are seeking to address in the first place.

The fact is we can meet the problem with less cost and if we can we ought to.

We need a rule that allows an overall substitute to be offered which would provide this body with an alternative to the bill before us. Many

States are unhappy with various aspects of the committee proposal.

We have a substitute that would correct many of these shortcomings as well as the problem areas I have just cited, but we are precluded from offering it as an amendment under this rule.

When a new program is being undertaken it must be fully debated and open for amendment on the floor. That is my view. It has always been.

We can go back to what the Court said on the legislative veto and all of the rest. It is as a result of our not doing what we should be doing in the first place, more clearly defining what we intend.

We have enacted too many programs over the years that were badly structured because they were not fully considered, and I do not think we ought to be making the same mistake today.

I urge Members to defeat this rule, open it up, and give us an opportunity to clean up this legislation in order to make it much more effective.

Mr. BETHUNE. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I will be happy to yield to the gentleman from Arkansas.

Mr. BETHUNE. Mr. Speaker, I support the gentleman on this. I agree with his comment. It should be fully debated and open for amendment on the floor because I also agree with the gentleman that the committee did not do a good job.

There are always those occasions here.

The point I want to make is that just the other day we closed down the debate on the IMF. I hope that as we try to reopen that opportunity so that Members can improve this bill substantively, which is a $8.4 billion quota increase, the gentlemen would join with those of us in the minority who are trying to work our will there as well.

Mr. MICHEL. I understand what the gentleman is saying and I appreciate his contribution.

Mr. LOTT. Mr. Speaker, I yield 3 minutes to the gentleman from North Carolina (Mr. BROYHILL).

Mr. BROYHILL. Mr. Speaker, I rise in strong opposition to this resolution. I do so because I seriously believe that it will undermine the legislative process.

The gentleman from Illinois (Mr. MICHEL), the minority leader, made an excellent statement outlining his reasons for opposing this rule, and I certainly join him in those sentiments.

I cannot recall where a spending bill of this magnitude has come to the floor with a closed rule of this kind. Perhaps we would not object to a closed rule if all Members who were involved here did not want to offer amendments, but that is not the case.

On two occasions when I went to the Rules Committee we asked for permission to offer amendments to this bill but these requests were rejected and we will not be able to do so.

I cannot understand why we have a closed rule.

This is a spending bill. It is not a tax bill. Tax bills often come to the floor with closed rules. But this is an appropriation bill. It appropriates money for a new spending program.

I want to repeat that. It is an appropriation bill in that it does bypass the appropriation process and makes money directly available for this program.

Amendments were offered in both committees. Many amendments were offered in both committees by committee members, and yet this rule now is going to deny not only the opportunity for those Members to offer amendments similar to those, but will deny the opportunity for other Members to get up and offer amendments to this bill.

□ 1115

This is wrong. It is my judgment amendments would significantly improve the legislation. I am particularly concerned that my fellow colleague on the Commerce Committee, Mr. TAUKE, the gentleman from Iowa, will be denied the opportunity to offer a substitute to the bill under consideration. His amendment closely follows a similar amendment that was offered in the Energy and Commerce Committee and it got widespread bipartisan support there.

I think he should have an opportunity to offer this kind of amendment here on the floor. It is just wrong to consider major legislation like this under the kind of rule that is being proposed. No matter how Members stand on the merits of the legislation, it is imperative that all Members be given an opportunity to offer constructive amendments and it is imperative that Members who oppose the bill as it is presently written be given the right to offer a substitute and to vote for alternatives more in line with their views.

We are not being given that opportunity. So, I urge my colleagues to vote no on the rule.

Mr. BONIOR of Michigan. Mr. Speaker, I yield 3 minutes to the gentleman from California (Mr. WAXMAN).

Mr. WAXMAN. Mr. Speaker, I rise in support of the rule.

House Resolution 276 provides a modified closed rule, allowing for amendment on assets testing and abortion, and one motion to recommit with or without instructions.

The rule allows the Members to address the issues that are of most concern to them without unduly delaying consideration of the bill.

H.R. 3021 has been the subject of three hearings and three markups by two full committees and one subcommittee. The Energy and Commerce Committee and the Ways and Means Committee both ordered the bill reported out. The Appropriations Committee, to which the bill was also referred, took no action.

In this process, H.R. 3021 has been thoroughly considered and extensively revised to reflect various concerns of the Members and affected groups such as the National Governors Association. An open rule at this stage of the debate would serve only to delay its passage unnecessarily.

A number of the Members have expressed concern to me about the absence of a means test from the bill. While I do not share this concern, I want to point out to the Members that the rule does allow Mr. FRENZEL to offer his amendment requiring an assets test. In addition, an assets test could be included as part of the instructions on a motion to recommit and would also be in order under the rule.

Similarly, a number of Members have expressed concern about the absence of a specific statutory abortion prohibition in the legislation although the Hyde amendment to the appropriations bill would certainly cover this question. Under the rule, amendments on this subject will be in order.

Finally, a number of Members, including Representative TAUKE, have expressed an interest in offering a substitute for the block grant currently in the bill. A similar amendment was soundly defeated by a vote of 27 to 15 in the Energy and Commerce Committee and was not even offered in the Ways and Means Committee. Under the rule, it could be incorporated into the instructions on a motion to recommit. This is appropriate context for an amendment that was not adopted by either of the authorizing committees that considered the legislation.

I would urge my colleagues to support the rule.

The SPEAKER pro tempore. The Chair will state that the gentleman from Michigan (Mr. BONIOR) has 17 minutes remaining, the gentleman from Mississippi (Mr. LOTT) has 13½ minutes remaining.

Mr. LOTT. Mr. Speaker, I yield such time as he may consume to the gentleman from Minnesota (Mr. FRENZEL).

Mr. FRENZEL. Mr. Speaker, I rise in opposition to the rule as proposed by the Rules Committee. The rule before us is a slight improvement from the rule which was originally recommended by the Rules Committee. The original rule was a closed rule, allowing for one amendment relating to abortions to be offered by Mr. BLILEY. The rule now provides for two amendments, one to be offered by Mr. BLILEY and one to be offered by myself.

The rule, however, is still a closed rule. It does not allow any other meri-

torious amendments to be offered, nor does it allow for the complete consideration of any amendment in the nature of a substitute, other than one offered jointly by the Ways and Means Committee and the Energy and Commerce Committee.

In my judgment, this is a far too important, far too expensive proposal, to be considered under such a restrictive rule. No major legislation should be considered under a gag rule. I urge the defeat of the previous question, and, if that fails, the defeat of the rule.

I suppose I look like an ingrate because the Rules Committee made an amendment of mine in order. However, I asked the committee for two other, better, amendments, and the committee refused. The rule remains a gag rule.

Mr. LOTT. Mr. Speaker, I yield 3 minutes to the gentleman from Illinois (Mr. MADIGAN).

Mr. MADIGAN. I thank the gentleman for yielding and appreciate it especially at this moment in order to speak in response to the gentleman from California.

I think perhaps some quick historical perspective on development of this legislation is desirable.

The gentleman from California started with a vehicle called H.R. 2552, which I would not support in the Health Subcommittee.

We then began to see if we could work out a compromise, which we finally did, which took the form of H.R. 3021, a substantially different bill from that originally introduced by the gentleman from California. I am the cosponsor of that bill, I am a supporter of the bill and I am going to continue to be a supporter of the bill. I am not a supporter of this rule.

I am not a supporter of this rule because Members of this House, duly elected in the same manner as all other Members of the House, are being denied the opportunity to offer amendments to express their views upon those amendments and to give other people the opportunity to vote those amendments up or down, an opportunity that was enjoyed in the Commerce Committee and in the Ways and Means Committee and should not be feared on the floor of the House.

My colleague from Iowa, Mr. TAUKE, has an amendment which I believe he should have the opportunity to offer. I am not afraid of that amendment being considered here on the floor of the House. It was considered in the Commerce Committee and it was rejected on a bipartisan vote. I voted against it. I would vote against it again here on the floor of the House, but I believe he has every right as the duly elected Representative to offer that amendment, to discuss it and to see whether or not people want to vote for it or against it, and I think it is unfortunate that he, as an elected Representative, is going to be denied that opportunity.

I ask for him to have that opportunity.

The gentleman from California said he was not going to give him that opportunity because he was not getting anything in return for doing that.

Well, where is it written in the rules of the House that someone must get something in return for allowing free and open debate? I think it is very unfortunate that we have a situation like that and, as a supporter of this bill, I believe this rule should be rejected so that everybody has the opportunity to be a legislator in this, the peoples' House.

I thank the gentleman for yielding.

Mr. LOTT. Mr. Speaker, I yield 3 minutes to the gentleman from Ohio (Mr. GRADISON).

Mr. GRADISON. Mr. Speaker, passing legislation to provide health insurnace for the unemployed is a good idea, and I support the idea. But the version before us is so badly flawed that in its present form it should not become law. There are two fundamental problems with this bill. First, no means of financing is provided, and the House will not even have a chance under this rule to consider how to pay for this new program. We are told "it is in the budget." But the budget is a ceiling, not a floor, and the only way we can balance off inevitable cost overruns in some programs is to hold other items below the budget ceilings.

Equally important the bill is totally unfair to those it is meant to assist—unemployed who have lost their health benefits, but have sufficient income or assets to render them ineligible for medicaid. As now written this bill would give priority to those unemployed the longest, not to those in the greatest need. Frankly, it makes no sense to me to pay benefits to an unemployed person with substantial untapped assets—or nonjob sources of income—who happens to have been out of work for over a year, but to deny them to a needier neighbor who has had a shorter spell of unemployment.

The rule before us makes it impossible even to consider this issue, and to provide fairer priorities for the expenditure of the limited funds this measure would provide. The other body will be considering a bill from its Finance Committee that does deal with this issue. Our conferees deserve to have direction from the House but that will be impossible under the gag rule before us.

The Ways and Means Committee wisely recommended an open rule on the nontax aspects of this bill. But the Rules Committee—overriding the bipartisan request of the Ways and Means Committee—has given us a flawed rule. What are they afraid of? Is there something wrong with the idea that those unemployed who can pay for part of their health insurance benefits should do so? Is there something wrong with idea that taxpayers' money should go first to those who need help the most?

Mr. Speaker, we should turn down this rule and insist on the opportunity not only to debate but also to amend this bill. Whether it ever becomes law may well turn on the decision we make on the rule itself. In its present form the bill deserves to be defeated.

Mr. BONIOR of Michigan. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Ohio (Mr. LUKEN).

Mr. LUKEN. Mr. Speaker, we have a problem that we want to deal with today, not to study but to deal with.

We have an emergency situation, we have suffering which is chronic and it is not just in the inner city. The people I hear from about this are from the suburbs.

What we are being urged on the other side is to neglect the problem, to delay further. And then perhaps in another year we can have a President who will appoint a commission to study what we will do about health care for the unemployed.

We have a chance to act. It has come through two committees. The Rules Committee has considered it extensively. As a matter of fact, the description of what the Rules Committee did shows the difficulty of framing the issues. I think we have flexibility in this rule, we have the opportunity to consider just what we want to do on the abortion issue and on the means test. All those things are set forth in the rule. I think the time to act is right now; it is not time to delay.

Mr. BONIOR of Michigan. Mr. Speaker, I yield 2 minutes to the gentlewoman from Maryland (Ms. MIKULSKI).

Ms. MIKULSKI. I thank the gentleman for yielding.

Mr. Speaker, I rise in support of this bill. I wish to associate myself with the remarks of the gentleman from Ohio (Mr. LUKEN). We are facing an emergency situation with parents who are delaying health care for themselves and for their children because they have been laid off from work and can only then turn to acute care or emergency room operations. We have spent a great deal of time, both the President and the House, considering what we could do about liver transplants and how we are willing to dash for their life. Yet, at the same time we are blocking legislation that will enable children of unemployed parents to be able to seek the primary care we need. This is an emergency piece of legislation. I originally opposed the rule when it was first formulated because it limited the debate to

only one amendment. That was the Bliley amendment on abortion. I opposed the rule for two reasons; one, it prohibited us the opportunity to add and debate the traditional language, "rape and incest." Second, I felt we should also debate whether we should have an assets test. I repeat, we felt we should be able to debate an amendment to the amendment to add rape and incest as a condition for abortion, No. 2, that there should be a debate on whether there should be an assets test on targeting this to those who are the most needy.

Therefore, even though this is not my most favorite rule that has come before the House, I think the Rules Committee has acted wisely and justly to enable us to answer questions on both social and economic policy.

I yield back the balance of my time and urge the adoption of the rule.

The SPEAKER pro tempore. The gentleman from Michigan has 14 minutes remaining and the gentleman from Mississippi has 7½ minutes remaining.

Mr. LOTT. Mr. Speaker, I yield 3 minutes to the gentleman from Illinois (Mr. PORTER).

Mr. PORTER. Mr. Speaker, and ladies and gentlemen of the House, I strongly favor the intent of the underlying legislation providing health insurance for the unemployed, but not under the terms that it is presented to us today; not as an entitlement and not without a revenue source. Yet, under the terms of the modified closed rule now under consideration there are only four amendments in order. And none of these amendments will allow us the opportunity to improve upon the legislation to the extent that many of us will feel comfortable in voting for it that is, within the context of fiscal responsibility.

Moreover, we have every indication that this legislation in its present form is going to be vetoed by the President.

I went before the Rules Committee to request that they make in order my amendment to make this program subject to annual appropriations. Unfortunately, the committee refused.

My colleague from Iowa, (Mr. TAUKE) asked the committee to make in order his amendment which would provide for a funding source for this $4 billion new spending program in the face of a $200 billion deficit. Again, the committee refused.

To establish a new program beyond the purview of the annual appropriations process, particularly in the health care area, would represent one more addition to the growing portion of our Federal budget that is termed "relatively uncontrollable" and that, I might remind the Members, is now 77 percent of the budget today and growing, growing, growing.

□ 1130

It seems to me that in the health care area, where inflation far in advance of our average underlying inflation is the norm, we ought to not create a program that is not subject to the appropriations process. We ought to create it rather, in such a way that there is the review process provided by appropriations and the prioritizing it requires.

It further seems to me that many worry that given the State and Federal bureaucracies that the plethora of regulations that this bill is going to require, that it cannot be fairly characterized as a temporary program. In the face of this probability, it would be a mistake to take the program away from the annual appropriations process and not make it subject to that review. That can meet changing needs over time in a reponsible and reponsive manner.

The appropriations process provides us with flexibility not to mention the rigorous oversight that is so necessary to insuring that the program will be well administered.

We should think long and hard before we enact another Federal program that is beyond this annual appropriations process—yet another entitlement program, without a source of funding in the face of huge deficits—surely a course of action that will bring further opprobrium upon this body for its evident and continuing lack of fiscal responsibility.

No issue, it seems to me, is more important. The press gallery ought to be packed to see if there is one shred of fiscal responsibility left in this body. The vote on this rule will show whether there is or not.

I urge my colleagues to defeat this rule.

Mr. BONIOR of Michigan. Mr. Speaker, I yield 3 minutes to the gentleman from Wisconsin (Mr. OBEY).

Mr. OBEY. Mr. Speaker, those Members who know of my involvement in this issue for the past year know that I do not like the fact that this bill is not subject to annual appropriation. But I am asking the House today to support the rule, nonetheless, for two reasons.

First, because any delay—and we will have delay if this rule unravels today—will mean that there is not a chance in the world of the two Chambes getting together to pass any real legislation in the remainder of this fiscal year. And I simply do not think we can afford that kind of delay.

Second, in response to the comments made by the gentleman from Illinois who just spoke, I would say that the Appropriations Committee had its opportunity to make this proposal subject to annual appropriations. When the gentleman from Pennsylvania (Mr. MCDADE) and I offered a substitute proposal to the supplemental in the Appropriations Committee a number of months ago, we said at that time that that was the action necessary to assure that you would have annual appropriation review. Unfortunately, we lost. We lost by one vote and the gentleman from Illinois voted against us. That was the time to make this idea subject to annual appropriations. Now it is simply too late.

It is fine to debate the hows and wherefores of health case for the unemployed when you are sitting in this Chamber and have the kind of health insurance coverage that we all have. But when you are sitting out in the country and you are out of work and you are out of coverage and your wife is sick or your kids are sick, you do not care how the politicians get you that help, you just want to make sure that they do get you that help. And the only way you are going to do that is if you do it now, here, today, on this bill, with this rule.

If the Members turn down this rule, any chance of getting action in the remainder of this fiscal year is out the window and everybody knows it.

Mr. NIELSON of Utah. Mr. Speaker, will the gentleman yield?

Mr. OBEY. I yield to the gentleman from Utah.

Mr. NIELSON of Utah. I thank the gentleman if the gentleman's object is to get a bill passed that would be signed by the President——

Mr. OBEY. If we wait for the President to decide what he will sign, we will wait until hell freezes over. He has not indicated his willingness to sign any legislation.

Mr. LOTT. Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. DANNEMEYER).

Mr. DANNEMEYER. Mr. Speaker, in the interest of fairness, I urge a "no" vote on the rule for consideration of the Health Care for the Unemployed Act of 1983. Not only does the closed rule prevent important and worthwhile amendments from being offered on the House floor, but it establishes a dangerous precedent by bypassing the consideration of discussion at the committee level.

First, the Rules Committee action on a closed rule for the Health Insurance for the Unemployed bill prevents all but a few amendments from being offered. It took this action despite the fact that Chairman ROSTENKOWSKI of the Ways and Means Committee urged an open rule for the health insurance provisions of the bill both in a June 30 letter to the Rules Committee and in testimony at the July 12 Rules' hearing. Representative ROSTENKOWSKI said, and I quote,

> I am authorized and directed by the Commiee on Ways and Means to request that the Committee on Rules grant a rule • • • which would provide for • • • permitting gemane amendments to Title I (the health insurance provisions of the bill).

Chairman ROSTENKOWSKI recognized that a number of Members have important, intelligent, and germane amendments to the bill. These amendments cannot be offered under the current closed rule. To quote the words of the American Medical Association, an enthusiastic supporter of the health insurance legislation, "The rule for H.R. 3021 is excessively restrictive and does not allow for appropriate amendments to the bill." In turn, the AMA urges Members to vote against the rule.

This gentleman from California went before the Rules Committee on July 20 and asked that the committee make three very straightforward and appropriate amendments in order. These amendments are printed in the August 1 issue of the CONGRESSIONAL RECORD. None of the amendments which I wanted to offer were made in order despite the fact that I am a member of the Energy and Commerce Committee, the committee which had original jurisdiction over this legislation.

Second, the current rule allows for consideration of a substitute bill, H.R. 3521, which was never considered in its entirety by any committee of the House. At the same time, the Rules Committee refused to make in order a substitute bill which was discussed and received strong bipartisan support in the Energy and Commerce Committee. By allowing legislation to be considered which was drafted outside the committee process while disallowing the consideration of legislation which was discussed at length in a House committee, the Rules Committee is setting a dangerous precedent against the open and democratic proceedings of the Congress. Moreover, the substitute bill which was made in order before the Rules Committee is virtually unamendable under the current rule. I do not understand nor see any good reason why the Rules Committee should preclude discussion and changes to one of the most novel pieces of legislation this Nation has ever seen.

Third, both the Health Insurance for the Unemployed bill and its substitute are poorly drafted and need substantial revision. Among the oversights, both bills contain numerous instances of entitlement language in what are acclaimed to be block grant proposals. At the Rules Committee hearing on July 20, this gentleman from California requested that an amendment be made in order to correct some of these deficiencies. The amendment is printed in the August 1 RECORD. I was denied even this request to amend the bill.

Fourth, the current bill and the substitute would spend over $4 billion above current spending levels without examining which of the current unemployment or medical programs should be modified or phased out in order to provide for this new one. Adding new programs and new expenditures with the size of the Federal budget deficit the way it is simply exacerbates the unemployment and inflation problems of the economy. This gentleman from California asked the Rules Committee to make in order an amendment which would have created a commission to examine current spending by the Federal Government and to recommend spending reductions in Federal funds to pay for the program. The spending reductions could not be recommended from either the trust fund moneys, unemployment compensation, or national defense moneys. The request to make this amendment in order was again denied.

Fifth, the way the bills are currently written, nearly every State would be required to spend millions of dollars in order to receive Federal Funds. This requirement would excessively burden the States without consideration of State budgetary problems. For example, the State of California, whose move to eliminate its budget deficit recently received nationwide attention, would be required to spend $12.4 million in order to receive Federal Funds. And, in terms of percent of State match funds required to be spent, California has one of the lowest State requirements to receive Federal runds.

For all these reasons, I urge Members to join the bipartisan effort to vote against the rule.

Mr. LOTT. Mr. Speaker, I yield the balance of my time to the gentleman from Iowa (Mr. TAUKE), who has done an excellent job in working up a substitute on this issue.

Mr. TAUKE. Mr. Speaker, no matter how you cut it, this rule is a bad deal. It is a bad deal for the Members of the House because it does not give them an opportunity to consider the major issues that this proposal presents. It is a bad deal for the American people because it requires that their Representatives vote an entitlement program with a cap or nothing at all to meet the health needs of the unemployed.

I think that it is fair to say that a consensus has developed in this body that we should do something in order to ensure that the unemployed have access to health care. But at the same time that a consensus has developed in that area, there has been no consensus developed on how we should approach the issue.

There are fundamentally two ways that you can approach this issue. Either by adopting an entitlement program or by providing for some kind of grant program to the States.

The way the Rules Committee has structured this debate we are not being given an opportunity to make that choice. We are being told that we will adopt an entitlement program with a funding cap or we will adopt nothing at all.

My colleague from California indicated earlier that this is not an entitlement program. He said it is a block grant. Of course, when he talks to his more liberal friends, he calls it an entitlement program with a cap.

The fact is that it is an entitlement program with a cap because the States do not have an opportunity to limit eligibility. Nobody has an opportunity to limit eligibility.

Those who are eligible under this program are going to have to be served under this program, regardless of the resources.

Even if you do not think that it is unwise to adopt an entitlement program of this kind, certainly you have to recognize that adopting this program, with the limited funds that are contained in this measure, is going to mean that we must try to provide services for a large number of people with limited dollars. As a result, we are not going to do anybody very much good.

□ 1140

It just does not make sense. But, more importantly, it seems to me that we should have an opportunity as Members of this body to look at the possibility of giving the States a block grant—a block grant which will allow them to meet the unique needs of their States; a program that will allow them to dovetail this program with other State programs that are already on the books; an opportunity to give them the chance to adopt a means test so that they could make the best use of the funds.

I urge a "no" vote on the rule.

● Mr. CONTE. Mr. Speaker, I rise in opposition to the rule. I do so not out of opposition to the basic notion of health insurance for the unemployed, but out of concern over the entitlement nature of the proposal in H.R. 3021, and with the belief that the Members ought to be able to choose among the alternatives available for consideration.

Here we go again, creating an entitlement, at a time when entitlements are the primary uncontrolled, nonmilitary cause of the unceasing rise in Federal expenditures. Here we go again locking ourselves into spending billions of dollars in fiscal year 1984 and fiscal year 1985 without knowing what the conditions will be in those outyears, and without any chance to adjust that expenditure if conditions should change.

When are we going to learn there is no quicker way to get ourselves into the red than with the entitlement approach. The proposal may be a time-limited entitlement; it may be a capped entitlement; but it is an entitlement nonetheless.

Two of the amendments that would be precluded by the rule would change the entitlement nature of the bill to an authorization. That is exactly what we should be doing here. We, the Congress, need to exercise annual oversight over our Federal expenditures. We, the Congress, need the flexibility to adjust our expenditures according to the needs of our people and according to the shape of our economy. For that reason I will oppose the the rule, even though I favor health insurance for the unemployed.●

Mr. BONIOR of Michigan. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker and colleagues, this is a fair rule. We debated this, as my colleague from Mississippi said, on two occasions in the Rules Committee. The rule we have before us now does take care of the economic needs that my friend, the gentlewoman from Maryland (Ms. MIKULSKI), mentioned, the ability to test this House with respect to a means test. It takes care of those people who are concerned about the abortion issue on both sides by allowing the Bliley amendment and, of course, the amendment of Mr. WAXMAN thereto.

It also will provide in a motion to recommit a number of things if the minority feels that these things should be put in their motion. A more stringent means test could be put in there. It could strike requirements on the States in the bill to provide more flexibility to the States. It can cut the amount of money in the bill itself. It can strike requirements that States' plans conform to the medicaid plans. It can increase the deductible and cost sharing. They can do a number of things in the motion to recommit.

I think the rule is fair, and I think it will allow the House to express itself on this very important issue.

But I would like to talk about the bill itself, if I could. The administration has asked that this Congress treat one-tenth of 1 percent decline in employment as a sure sign of a sustained recovery. It asks that the Congress treat a 10-percent unemployment rate as a victory. The deepest and the longest recession since the Great Depression cannot be that easily dismissed, nor can we take heart in the slow growth of a sputtering economy whose end, according to Alan Greenspan, a Republican economist, is already in sight.

Despite the vaulted recovery, in 1984, 9.6 million workers will not only be unemployed, but unemployed without health insurance. That figure is staggering, yet its true meaning I think needs illustration.

A hospital in my district, St. Joseph's Hospital, a hospital which serves an important commitment to the whole population of my area, people in that hospital have reported to me that the number of people waiting to get emergency care has tripled. And the patients who are put in those hospitals overnight, 75 percent are coming from the emergency rooms. One unemployed woman, a diabetic, now lives with her parents who receive social security. Even together they cannot afford the insulin that she needs. Another neighbor of mine, age 40, unemployed and without health insurance after an adult lifetime of working, only came to the hospital in June when the lump on his neck could no longer be overlooked.

Yet the direct needs of the unemployed workers themselves are only part of the problem. Their needs, as we have mentioned in this debate over and over again within the last hour, are matched by the needs of their 9.6 million dependents. In fact, let us be clear. The real beneficiaries of today's bill will be the families of the unemployed.

Hospitals offering care to the unemployed report that the largest single demand is for prenatal care. They also report disturbing trends. Women are postponing prenatal care. Some are postponing all care until delivery. The result, as you can imagine, is inevitable.

In Michigan, the death rate for infants born without prenatal care is some 12 times higher—12 times higher—than the rate for those who receive care. Today as we debate this bill the price of delayed prenatal care is mounting.

As the children's defense fund documented earlier this year, in parts of Detroit the infant death rate has hit 3.3 percent, as high as that of Honduras, as high as it is in Honduras. In Warren, a town outside of my district, which is a rather large suburban town, the infant mortality rate has risen 53 percent in 1982. In Pontiac, Mich., it has risen 17 percent. And in Flint it has risen 12 percent.

Will anyone argue the need? If not, then opposition to this bill can only be pitched on its choice of means. Yet today's bill is not an expansive measure, as it has been portrayed. Its funding is clearly capped. Its term is fixed. Far from seeking to meet all the health care coverage needs that plague this Nation, it fills just one discrete and well-defined segment, the unemployed.

There are more who could be served. Surveys done by the National Center for Health Service Research and the National Center for Health Statistics in 1977 found that a staggering 16 percent of farmworkers are uninsured, and 12 percent of service workers are uninsured.

And medicaid, as we all know, does not fill the gap. Its rigorous eligibility standards, closely related to eligibility for categorical welfare programs, exclude many without private insurance, perhaps most. CBO tentatively concluded in 1979 that 13 percent—30 million people in this country—have no health care protection of any sort.

Nor will this bill meet all of the health care needs of the carefully defined population that it serves. While States will have substantial flexibility in implementing the program, it clearly will not provide the catastrophic health insurance coverage unavailable to many Americans and clearly unreachable by those who are out of work.

In truth, this bill, H.R. 3021, is no grand historic measure, but it is a small step in the direction of basic commonsense and basic decency. It is not a national health insurance program, and those who imply that it is mistake the issue and seek to meet new problems with old cliches.

Nor is H.R. 3021 an unprecedented measure. It merely provides in a very small part the protection already available under the health systems initiated in Canada decades ago, in France in 1945, in Japan in 1922, in Sweden in 1955, and in Great Britain in 1948.

Perhaps other Members have seen this morning's news and have learned that poverty in America is now at its highest level since 1965—since 1965. In a scant 2½ years, this administration has managed to cancel the dreams that have driven this society for a decade and a half.

Poverty on the rise, we are told the President has finally learned, with great surprise, of the nutrition problems that have reached deep into our country as a result of the massive cuts in our basic food programs. What is this administration's response to these revelations? They have ordered a new study.

H.R. 3021 may not be a massive and unprecedented measure, but it does respond to the fundamental questions before this Congress. Can this body—will this body—unequivocally and without complex qualification pledge the full resources of the Federal Government to the services of its people?

Mr. BONIOR of Michigan. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. (Mr. MINISH). The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. LOTT. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 227, nays 196, not voting 10, as follows:

[Roll No. 314]

YEAS—227

Ackerman	Frank	Nowak
Addabbo	Frost	Oakar
Akaka	Fuqua	Oberstar
Albosta	Garcia	Obey
Anderson	Gaydos	Olin
Andrews (NC)	Gejdenson	Ortiz
Andrews (TX)	Gephardt	Ottinger
Annunzio	Gibbons	Owens
Anthony	Glickman	Panetta
Applegate	Gonzalez	Patterson
Aspin	Gore	Pease
Barnes	Gray	Penny
Bates	Guarini	Pepper
Bedell	Hall (IN)	Perkins
Beilenson	Hall (OH)	Pickle
Berman	Hall, Sam	Price
Bevill	Hamilton	Rahall
Biaggi	Hance	Rangel
Boggs	Harkin	Ratchford
Boland	Harrison	Ray
Boner	Hatcher	Reid
Bonior	Hawkins	Richardson
Bonker	Hefner	Rodino
Borski	Hertel	Roe
Bosco	Howard	Rostenkowski
Boucher	Hoyer	Roybal
Breaux	Hubbard	Russo
Britt	Hughes	Sabo
Brooks	Hutto	Savage
Brown (CA)	Jones (OK)	Scheuer
Bryant	Jones (TN)	Schumer
Burton (CA)	Kaptur	Seiberling
Byron	Kastenmeier	Shannon
Carr	Kennelly	Sharp
Chappell	Kildee	Sikorski
Clarke	Kogovsek	Simon
Clay	Kolter	Sisisky
Coelho	Kostmayer	Skelton
Coleman (TX)	LaFalce	Slattery
Collins	Lantos	Smith (FL)
Conyers	Lehman (CA)	Smith (IA)
Coyne	Lehman (FL)	Solarz
Crockett	Leland	St Germain
D'Amours	Levin	Staggers
Daniel	Levine	Stark
Daschle	Lipinski	Stratton
de la Garza	Long (LA)	Studds
Derrick	Long (MD)	Swift
Dicks	Lowry (WA)	Synar
Dingell	Luken	Tallon
Dixon	Lundine	Torres
Donnelly	MacKay	Torricelli
Dorgan	Markey	Towns
Dowdy	Martinez	Traxler
Downey	Matsui	Udall
Durbin	Mavroules	Valentine
Dwyer	Mazzoli	Vandergriff
Dymally	McCloskey	Vento
Dyson	McCurdy	Walgren
Early	McHugh	Waxman
Eckart	Mica	Weaver
Edgar	Mikulski	Weiss
Edwards (CA)	Miller (CA)	Wheat
English	Mineta	Whitley
Erdreich	Minish	Whitten
Evans (IL)	Mitchell	Williams (MT)
Fascell	Moakley	Wilson
Fazio	Mollohan	Wirth
Feighan	Montgomery	Wise
Ferraro	Moody	Wolpe
Florio	Morrison (CT)	Wright
Foglietta	Murphy	Wyden
Foley	Murtha	Yates
Ford (MI)	Natcher	Yatron
Ford (TN)	Neal	Zablocki
Fowler	Nelson	

NAYS—196

Archer	Bliley	Chandler
AuCoin	Boehlert	Chappie
Badham	Boxer	Cheney
Barnard	Broomfield	Clinger
Bartlett	Brown (CO)	Coats
Bateman	Broyhill	Coleman (MO)
Bennett	Burton (IN)	Conable
Bereuter	Campbell	Conte
Bethune	Carney	Cooper
Bilirakis	Carper	Corcoran
Coughlin	Leach	Roberts
Courter	Leath	Robinson
Craig	Lent	Roemer
Crane, Daniel	Levitas	Rogers
Crane, Philip	Lewis (CA)	Roth
Dannemeyer	Lewis (FL)	Roukema
Daub	Livingston	Rowland
Davis	Lloyd	Rudd
Dellums	Loeffler	Sawyer
DeWine	Lott	Schaefer
Dickinson	Lowery (CA)	Schneider
Dreier	Lujan	Schroeder
Duncan	Lungren	Schulze
Edwards (AL)	Mack	Sensenbrenner
Edwards (OK)	Madigan	Shaw
Emerson	Marlenee	Shelby
Erlenborn	Marriott	Shumway
Evans (IA)	Martin (IL)	Shuster
Fiedler	Martin (NC)	Siljander
Fields	Martin (NY)	Skeen
Fish	McCain	Smith (NE)
Flippo	McCandless	Smith (NJ)
Forsythe	McCollum	Smith, Denny
Franklin	McDade	Smith, Robert
Frenzel	McDonald	Snowe
Gekas	McEwen	Snyder
Gilman	McGrath	Solomon
Gingrich	McKernan	Spence
Goodling	McKinney	Spratt
Gradison	McNulty	Stangeland
Green	Michel	Stenholm
Gregg	Miller (OH)	Stump
Gunderson	Molinari	Sundquist
Hammerschmidt	Moore	Tauke
Hansen (ID)	Moorhead	Tauzin
Hansen (UT)	Morrison (WA)	Taylor
Hartnett	Mrazek	Thomas (CA)
Hightower	Myers	Thomas (GA)
Hiler	Nichols	Vander Jagt
Hillis	Nielson	Volkmer
Holt	O'Brien	Vucanovich
Hopkins	Oxley	Walker
Horton	Packard	Weber
Huckaby	Parris	Whitehurst
Hunter	Pashayan	Whittaker
Hyde	Patman	Williams (OH)
Jacobs	Paul	Winn
Jenkins	Petri	Wolf
Johnson	Porter	Wortley
Kasich	Pritchard	Wylie
Kazen	Pursell	Young (AK)
Kemp	Quillen	Young (FL)
Kindness	Regula	Young (MO)
Kramer	Ridge	Zschau
Lagomarsino	Rinaldo	
Latta	Ritter	

NOT VOTING—10

Alexander	Ireland	Stokes
Gramm	Jeffords	Watkins
Hall, Ralph	Jones (NC)	
Heftel	Rose	

□ 1200

Messrs. DELLUMS, YOUNG of Missouri, KEMP, AuCOIN, and MRAZEK changed their votes from "yea" to "nay."

Mr. FOGLIETTA and Mr. LEHMAN of Florida changed their votes from "nay" to "yea."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

House Resolution No. 262 was laid on the table.

The SPEAKER pro tempore. Pursuant to House Resolution 276 and rule XXIII, the Chair declares the House in the Committee of the Whole on the State of the Union for the consideration of the bill, H.R. 3021.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 3021) to amend the Social Security Act to provide for a program of grants to States to provide health care benefits for the unemployed, and for other purposes, with Mr. DURBIN in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the first reading of the bill is dispensed with.

Under the rule, the gentleman from California (Mr. WAXMAN) will be recognized for 30 minutes; the gentleman from North Carolina (Mr. BROYHILL) will be recognized for 30 minutes; the gentleman from Illinois (Mr. ROSTENKOWSKI) will be recognized for 30 minutes; and the gentleman from New York (Mr. CONABLE) will be recognized for 30 mintues.

The Chair recognizes the gentleman from California (Mr. WAXMAN).

□ 1210

Mr. WAXMAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in support of H.R. 3021, the Health Care for the Unemployed Act of 1983.

I am pleased to be joined in supporting this legislation by Representative MADIGAN, the distinguished ranking minority member of the Subcommittee on Health and the Environment, which initially reported out this bill.

This legislation addresses a critical national problem: The loss of health insurance protection by millions of American workers who have been laid off from their jobs. According to the Congressional Budget Office, over 19 million unemployed workers and their families will be without health insurance coverage during fiscal year 1984. These individuals will not qualify for medicaid due to the restrictive eligibility standards of that program. They will lack any protection against the high costs of needed health care.

In today's health care system, no health insurance generally means no care, except in extreme emergencies. A recent national survey by the Robert Wood Johnson Foundation found that in 1982, 300,000 uninsured families reported that a family member was refused medical care for financial reasons. An additional 1 million uninsured families said that someone in their family needed care but did not receive it for financial reasons. Nearly half of these did not even try to get care.

The message is clear: No job, no insurance, no care.

H.R. 3021 speaks to this dilemma.

The bill establishes a 2-year block grant to the States to enable them to provide health benefits to the unemployed and their families. States would have broad discretion in establishing eligibility and benefits. States would

have flexibility in administering the program through their own agencies, or through private insurers. States could also offer alternative delivery arrangements, including HMO's and preferred provider organizations, as an option to individuals eligible for the program.

The bill also improves the availability of private health insurance coverage for unemployed workers and their families. It will allow an unemployed worker to enroll in the health benefits plan of his or her employed spouse. It requires large employers that already offer group health benefits to provide 3-month continuation coverage to laid-off workers. And it will give unemployed workers the option of converting to individual coverage once their group coverage expires.

These requirements, which will enable unemployed workers and their families to avoid the need to obtain publicly financed care, would be phased in over the next year and a half, in order to give employers time to make the necessary adjustments.

Finally, the bill authorizes a program of discretionary grants to public and private hospitals of last resort serving large numbers of unemployed persons with no health coverage. Even after the new block grant program and the private insurance coverage provisions are in effect, many unemployed people will remain uninsured and ineligible for medicaid. This grant program will assist those hospitals that are willing to serve these patients.

The bill also increases the fiscal year 1984 authorization level for the maternal and child health services block grant to $483 million. This will allow the Appropriations Committees to continue funding this vital program at the fiscal year 1983 level provided by the emergency jobs bill, if that committee finds that the funding is still needed.

I would like to emphasize a few important points about this legislation.

First, the bill would not establish a new, permanent open-ended entitlement program like medicare or medicaid. Instead, it creates a 2-year block grant program to the States that sunsets on October 1, 1985. The amount of Federal funding for the block grant is fixed.

Second, funding for the bill is consistent with the budget resolution adopted by the House and the Senate. The budget resolution allows $350 million in fiscal year 1983, $2 billion in fiscal year 1984, and $1.650 billion in fiscal year 1985 for health benefits for the unemployed. H.R. 3021 is funded at these levels. I believe these amounts are the minimum necessary to enable the States to provide adequate benefits for the unemployed.

Third, despite recent improvements in the economy, the loss of health insurance coverage remains a serious problem for millions of unemployed and their families. It is true that the economy in recent months has begun to show welcome signs of recovery. However, we are not completely out of the woods yet. In June, over 11 million people—not including dependents—were still out of work. And even OMB's optimistic economic forecasts assume that the unemployment rate will decline slowly, from 9.9 percent this year to 8.9 percent next year to 8.2 percent in 1985. Millions of workers and their families will be without health insurance coverage due to unemployment.

Fourth, under the block grant established by the bill, health benefits would be targeted on the neediest of the unemployed. While the bill does not require States to administer a cumbersome and expensive means test, it does place first priority on coverage of those who have been out of work the longest. People who have been out of work for a year or more are not likely to have much left in the way of liquid assets. In addition, the bill requires States to use a portion of their funds to provide health benefits to persons in financial or medical need.

Finally, the bill has had strong bipartisan support. It was reported out of the Energy and Commerce Committee by a vote of 34 to 8.

Before concluding, I would briefly like to review the legislative history of H.R. 3021. The bill was introduced on May 16, 1983 and referred to the Committee on Energy and Commerce. The committee ordered the bill reported, with amendments, on May 24 (H. Rep. 98-236, pt. 1). The bill at that point was in compliance with the first concurrent budget resolution for fiscal year 1984 as adopted by the House.

H.R. 3021 was then sequentially referred to the Committee on Ways and Means and to the Committee on Appropriations. On June 23, the House and the Senate agreed to the conference report on the budget resolution, reducing the funds available for health benefits for the unemployed from $5.4 billion to $4.0 billion.

This funding reduction meant that not all of the unemployed could be accommodated, and that the States would need additional flexibility to target benefits. Accordingly, I and other members of the Energy and Commerce Committee worked closely with Chairman ROSTENKOWSKI and members of the Ways and Means Committee and with the National Governors Association to develop an effective and workable program that complies with the new levels in the Budget Resolution.

On June 29, the Ways and Means Committee approved this program and ordered it reported as an amendment in the nature of a substitute. This amendment is explained in the Ways and Means Committee report (H. Rept. 98-236, pt. 2).

The Appropriations Committee took no action on the measure.

A compromise bill was then assembled, consisting of the amendment in the nature of a substitute recommended by the Ways and Means Committee plus a provision from the bill as reported by the Energy and Commerce Committee relating to the enforcement of the private insurance coverage requirements through civil action. This compromise bill, H.R. 3521, was introduced by Chairman ROSTENKOWSKI and myself on July 12, 1983.

Under the rule, the text of H.R. 3521 is the amendment in the nature of a substitute now before the House. The committee report on this bill consists of the Ways and Means Committee report (H. Rept. 98-236, pt. 2) and those portions of the Energy and Commerce Committee report (H. Rept. 98-236, pt. 1) relating to the enforcement of the open enrollment, 90-day continuation, and individual conversion option requirements.

In closing, I would ask my colleagues to consider what the consequences of not passing this legislation would be. Very simply, many unemployed workers and their families would forego needed health care for lack of funds. And the States and localities will end up paying for the emergency and urgent care provided to the uninsured unemployed in public hospitals and clinics. Furthermore, when the next recession came upon us, we would find ourselves facing the same crisis, with perhaps even greater demands for Federal intervention.

While the Federal Government might appear to save money in the short run by doing nothing, it would only be asking for trouble in the long run. The costs of treating the complications of pregnancy or high blood pressure are far greater than the costs of providing adequate preventive care for such conditions before complications develop.

I urge my colleagues to support this bill.

Mr. BROYHILL. Mr. Chairman, I yield 7 minutes to the gentleman from Illinois (Mr. MADIGAN).

Mr. MADIGAN. Mr. Chairman, I thank the gentleman for yielding and rise to join my colleagues, the gentleman from California (Mr. WAXMAN), in support of H.R. 3021.

Although I think the situation with regard to the rule under which we are operating is regrettable, as I indicated, Mr. Chairman, during the debate on the rule, I am a cosponsor of H.R. 3021 and did support it in the Commerce Committee, where it received strong bipartisan support and I do continue to support the bill.

Several things have been said, Mr. Chairman, about what this bill does or

does not include at this point. Several things have been said with regard to whether or not any accommodations have already been made at this point.

I would like to remind my colleagues in the House that this is a substantially different bill than the bill originally introduced by my colleague, the gentleman from California, the distinguished chairman of the Health and Environment Subcommittee.

This bill, H.R. 3021, includes provisions not included in the original bill, and I want to read very briefly a list of those major provisions that represent changes that have been made from the original bill and have been made in order to accommodate the gentleman from Illinois and other minority Members of the House.

□ 1220

For example, there is included in this bill a sunset clause that terminates the public part of this bill as of October 1, 1986, without regard to what the unemployment situation in the country may be at that point.

There is also a provision to give States the option for prepaid capitated plans, that is voucher and other prepaid arrangements not included in the original bill.

There is a linking of the continuation of the public program with State compliance to private sector reforms.

There is a State match rate reduced from the original levels of the bill.

There are linked expenditures under this bill to levels of the budget resolution now adopted, so the amount of money contemplated to be spent by this bill is within the limits existing in the budget resolution.

There is an expanded public hospital grant program that I requested to apply to all hospitals treating disproportionate numbers of unemployed uninsured people in their particular communities.

We also allow States to offset premiums against portions of the State match requirements, a provision not included in the original bill, and we exclude temporary workers from eligibility who were included in the original bill.

Those are just some of the changes made by the gentleman from California to accommodate the objections of the minority members of the Energy and Commerce Committee to the original bill introduced by the gentleman from California. So I do think that we have a bipartisan bill.

We do have a bill, as has been mentioned, that was reported from our committee by a vote of 34 to 8.

I think it is a bill worthy of the support of the House at this point.

Let me address one other thing that is being said by people who are working against this bill. People are saying that we have a medicaid system to take care of these people who otherwise would be taken care of by this program. That is not true.

We are talking about people who are receiving unemployment compensation. Unemployment compensation in most cases, in fact perhaps in all cases, would disqualify someone from being eligible for medicaid in the several States of the country.

So we are not talking about people who could be taken care of by medicaid because by the very fact that they are on unemployment compensation they are probably not eligible for medicaid.

The last point I want to make is something that I think is not well understood, and that is that hospitals in this country who have ever in the course of their history as a health care entity received funds from Hill-Burton are required to accept charity cases. They must, in a community where they compete with a proprietary hospital, accept the charity cases.

The consequences are that an extreme financial hardship is being worked upon community hospitals in communities with high unemployment rates because there is no program like this available. The consequence of that, if we continue, is going to be to put the community hospitals out of business in some communities, leaving only the proprietary or profitmaking hospitals to exist to serve that community.

I do not think that that is in the best interests of the public. I do not think that that is something that the Congress really wants to happen. I think we avoid that happening by supporting H.R. 3021.

Mr. FRENZEL. Mr. Chairman, will the gentleman yield?

Mr. MADIGAN. I yield to the gentleman from Minnesota.

Mr. FRENZEL. Does the gentleman know how long unemployment compensation benefits last? Does the gentleman know the groups who get priority under this bill?

I think the gentleman will find that the priority under the bill is directed toward people whose unemployment compensation has already been lost and that, therefore, they are not, as the gentleman suggested, ineligible for medicaid because of receipt of unemployment compensation.

Mr. MADIGAN. Is the gentleman proposing a question to me?

Mr. FRENZEL. I did.

Mr. MADIGAN. I apologize for being distracted.

Mr. FRENZEL. I suggested to the gentleman that the principal thrust of the bill was for aid to the relatively long-term unemployed, which is defined within the bill, and that our current unemployment compensation programs would have expired for that class of claimant and that therefore they would not be barred from receiving medicaid unless, of course, they had lots of personal assets and could not meet that test.

The gentleman suggested they were all collecting unemployment compensation and therefore could not receive medicaid.

I think the gentleman is in error on most of these claimants.

Mr. MADIGAN. I appreciate the gentleman's remark. If the gentleman is correct I would stand corrected.

But I understand that unemployment compensation benefits are only for 26 weeks. But I also understand that we usually extend that to 39 weeks, that we often extend it to 52 weeks.

I think the gentleman would be correct if the Congress and State legislatures were not providing those extensions but I think the practical matter is that the extensions are provided.

Mr. FRENZEL. If the gentleman will yield, we have provided an extended program of 13 extra weeks to 39 weeks and a Federal supplemental compensation of additional weeks which make nearly a year. But this bill is targeted on those who have been unemployed for over a year.

That is the way at least that it was presented in our committee.

Mr. MADIGAN. I think they are given priority, but they are not the only people eligible under the bill reported by the Committee on Energy and Commerce.

It is possible that the gentleman's committee, the Committee on Ways and Means, has changed that provision and if they have I stand corrected.

Mr. WAXMAN. Mr. Chairman, I yield 3 minutes to the gentlewoman from Maryland (Ms. MIKULSKI).

Ms. MIKULSKI. Mr. Chairman, I rise to speak in support of this legislation, health insurance for the unemployed. The need for this bill is evident with unemployment in this country still over 10 percent.

When workers lose their jobs they also lose health insurance for themselves and their families. That means that they feel doubly victimized. They no longer have the means to support themselves and they no longer can afford the important support services for their families.

These are the people who have worked all of their lives, paid their taxes, and played by the rules. They are the Vietnam vets and they are the women who are heads of households. Now they face the fear of illness, accident, or surgery in addition to the stress of unemployment.

One of the things we know about the stresses of unemployment is that they either generate or exacerbate health problems. If you are a father who cannot support his children your blood pressure is likely to rise to dangerous levels. If you are a woman, the

head of a household and you are choosing between feeding your family or buying eyeglasses for your daughter you are absolutely headed for a ulcer. And then you will be delaying your health care because you want to take care of your children.

Mr. Chairman, when we think of parents, mothers and fathers, we know that they will do anything for their children and yet in many instances they cannot do the very things that they need to insure that their children have health care.

When considering this legislation, picture a father who is unemployed, who has a child, a little girl with diabetes. Think of his feelings now that he cannot provide the special diet to feed her or worries about taking her to the doctor and is worrying about providing her with insulin? We cannot turn our back on him or our heart to her.

So the very least we can do is to make sure that parents can fulfill their responsibilities.

The President promised a safety net when we began to do these drastic budget cuts and this indeed is a safety net.

The ultimate solution to the problems of the unemployed is a renewed economy with jobs and benefits protections. But in the meantime we must provide health insurance protection to these families.

We also know, as the gentleman from Illinois indicated, many of the families will delay seeking primary care only to end up in accident rooms, emergency rooms, or in need of hospitalization. What this means then is for the good guy hospitals who accept them, that, utilization of emergency rooms, increase often because of the delay in care. There is a need for more intensive or acute care. Those good guy hospitals who operate for philanthropic reasons—in my community they are the Mercy Hospitals, Lutheran, Sinai, Provident Hospitals—we find that they will be on the verge of bankruptcy simply because they honor their Hippocratic oath and their Hill-Burton commitment.

We have an obligation to the victims of our Nation's economic breakdown. We have an obligation to make sure the Good Samaritan Hospitals do not go bankrupt.

I urge the support of my colleagues for this legislation.

□ 1230

Mr. BROYHILL. Mr. Chairman, I yield myself 6 minutes.

Mr. Chairman, I rise in opposition to this bill for several reasons. No. 1, I am opposed to the bill because of the manner which this bill has come to the floor.

We just had a debate on that and had a vote in which over 190 Members expressed their concern over the gag rule; the closed rule.

What it has done is to undermine the legislative process, denying the right of Members to come here to offer constructive amendments.

These opportunities were given to Members of the committee, the two committees which had jurisdiction over this legislation. We had a number of amendments offered in the Energy and Commerce Committee and I understand the same procedure was adopted and followed in the Committee on Ways and Means.

Now those same Members and other Members who are not members of the committees who want to offer amendments do not have that right.

My experience in this House, we have found that the legislative process is not only undermined but you usually get worse legislation when a Member's rights to offer amendments and to be heard is gagged or hindered in any way.

Mr. Chairman, I am also concerned about the level of appropriations that are provided for in this legislation. The bill, in my judgment, provides for a fiscally irresponsible, $4 billion program. I want to point out to the Members who may be listening, not too many are on the floor at this present time, that this program completely bypasses the appropriations process. The bill provides for automatic appropriations of the amounts called for in the legislation of almost $4 billion, and there is no linkage, no tie-in to any revenue source to pay for the program.

Now, in the last several weeks, I was interested in hearing comments of Members from the other side of the aisle about large deficits and for some reason attempting to lay the blame for these large deficits at the door of the administration or the President, when all of us know that the President cannot spend a dime that the Congress does not first appropriate.

This bill will increase that deficit, in as much as there is no linkage to revenue sources to pay for the program.

I am also concerned about this bill because it imposes too many requirements, too many State plan requirements for what is called a temporary program.

These requirements are unnecessary, I think. If you will take the time to look at the bill, these State plans start on page 9 and end on page 29, some 20 pages of requirements that the States must follow in order to comply with this program.

There are descriptions here of those who will not be qualified for the program; a description here of people who will be qualified for the program. In my judgment this will unduly delay the program dollars from getting to the intended beneficiaries.

Another concern I have is the fact that we do not have a means test in this legislation. It opens up the door to considerable abuse. There will be an amendment offered, which I hope will be adopted, but as it presently stands there are no means tests that are provided for in this bill.

Mr. Chairman, it is well known that the administration has expressed itself on this bill. The administration has said that the bill is unacceptable unless there is a revenue source provided for.

I think, that being the case, the bill is unlikely to receive Presidential signature in its present form.

I think Members will know this fact. And since we do not have any attempt to accommodate those of us who on this side, and other Members, who would like to offer perfecting amendments in order to make it acceptable to the President, that when you look at it in that light this bill becomes a political statement and not really an attempt to try to deal with the real problem.

It seems to me we ought to be dealing with a real problem here, trying to do something about it, not putting together a package which is only intended as a political statement.

Mr. WAXMAN. Mr. Chairman, I yield 3 minutes to the gentleman from Minnesota (Mr. SIKORSKI).

Mr. SIKORSKI. Mr. Chairman, watching Bill Moyer's show on unemployment in Gadsden, Ala., a couple of weeks ago was a grim reminder that unemployment figures do not tell the whole story.

The rise in domestic violence, child abuse, infant mortality, alcoholism, drug abuse, depression, suicide, malnutrition, and chronic disease are conditions directly linked to unemployment.

Today we will be voting on health care for the unemployed. I remember the personally tragic testimony given in my first hearing as a Member of this body. In our Subcommittee on Health and the Environment, we heard from Mrs. Judy DuPerry, an unemployed GM worker from Bristol, Conn., who in the middle of the night brought her son to the emergency room for treatment of a very high fever caused by a leukemic blood disorder. She was in need, she was desperate and she was turned away, just as 30 million Americans are in need and desperate for health care and are turned away across America today. A letter we received recently from the U.S. Catholic Conference supporting this legislation discussed the human right of all human beings to adequate health care. I agree, but the States do not have the money, the private sector does not have the money—they are laying off people already—and medicaid offers no help.

Now, this body must not turn its back on the plight of the unemployed. This short-term, 2-year block grant to States, targeted to those who have been unemployed longest and most in need, and this hospital grant program to hospitals of last resort providing help to the unemployed, will help care for Judy DuPerry's son, for some of the unemployed in Gadsden, Ala., and a few of the 30 million Americans without health care—the 30 million the Catholic bishops talked about in their letter to us. Let us not turn our back, rather let us restore America's economy with compassion and concern for America's needy.

Mr. BROYHILL. Mr. Chairman, I yield such time as he may consume to the gentleman from Virginia (Mr. BLILEY).

Mr. BLILEY. Mr. Chairman, I rise to explain to my colleagues that, when general debate is completed I will not offer the amendment which the rule makes in order in my name.

As this new program was proposed, drafted and went through its many different forms there was a significant doubt about whether the general restriction on abortion funding, the Hyde amendment, would apply. Just last night I received a letter from Thomas R. Donnelly, Assistant Secretary for Legislation of the Department of Health and Human Services assuring me that, if, as expected, the Hyde amendment continues as a part of the law, no funding of elective abortions under this program will be permitted.

In addition, I have discussed this problem with the Parliamentarian who concurs in the judgment of the Assistant Secretary of Health and Human Services: that the Hyde amendment will apply to this program. I also brought this problem to the attention of Appropriations Subcommittee Chairman NATCHER who has been most cooperative.

Mr. Chairman, while I would still prefer to have an explicit abortion restriction in this program, I am satisfied that that purpose will be achieved by the Hyde amendment. That being the case, I will accede to the wishes of my colleagues to not be placed unnecessarily in a difficult position as regards this issue. I trust that this decision, allowing us to complete debate on this new program an hour and a half sooner will have the approval of all of my colleagues.

□ 1240

Mr. WAXMAN. Mr. Chairman, I yield 2 minutes to the gentleman from Georgia (Mr. ROWLAND).

Mr. ROWLAND. Mr. Chairman, I have long been a proponent of providing medical care through private means. And I am still a proponent of that.

There are times when it becomes necessary, however, for Government to become involved in helping people, whether it be local, State, or Federal Government.

Now I know that there are 28 States in this country now where physicians are trying to provide services for people who are unemployed. And they are doing an excellent job at this. They are doing this in my own State of Georgia.

But the percentage of physicians' fees as compared to the cost of hospital care is only 31 percent. So my colleagues you can see that these physicians who are providing this care are not addressing all of the needs. And there are many people who are falling through the cracks, middle-class people, because of this problem.

And I can tell my colleagues from my experience as a physician that many people will not come to the doctor for problems that they have if they are unable to pay for these services or they do not have hospital insurance.

For example, there was a period of time when I did not receive reimbursement for medicaid. And I found that during that period of time there were many people who did not come to see me, even though I told them that I would provide this care to them free of charge.

When I started accepting reimbursement from medicaid again, many of these people came back.

What will happen is people will put off coming to the doctor and the illness that they will have will become progressively worse. I will give the Members an example.

A person with diabetes may come in in acidosis. He can be treated in 2 or 3 days and go home. But if he comes in in a diabetic coma, he may stay in the hospital for 2 or 3 weeks.

Now someone has to pick up the cost of this. The public hospitals will simply have to shift this to the taxpayers in local communities. If it is a proprietary hospital then it will simply be shifted to the private patients in the hospitals.

Mr. Chairman, I think that this is a very important piece of legislation and I urge the support of my colleagues.

Mr. WAXMAN. Mr. Chairman, I yield 1 minute to the gentleman from Puerto Rico (Mr. CORRADA).

Mr. CORRADA. Mr. Chairman, I rise in support of H.R. 3521, to amend the Social Security Act to provide health care benefits for the unemployed, to increase funds to Puerto Rico for the purpose of payments under the medicaid program, to require employers to provide additional health insurance benefits to their employees, to provide direct grants to hospitals who serve a significantly disproportionate number of low-income patients, to increase the authorization level for the maternal and child health block grants and for other purposes.

This bill is very important to the Nation and Puerto Rico and it represents an important step in accomplishing one of my top priorities here in Congress: to improve the quality of the health delivery system and health care services that poor and disadvantaged people in Puerto Rico receive.

H.R. 3521 accomplishes this goal in several ways. First, it increases the current cap for Puerto Rico under the medicaid program from $45 million to $77.1 million, an increase of $32.1 million for each fiscal year beginning October 1, 1983.

Currently, the medicaid program in Puerto Rico serves over 1.3 million "medically indigent" American citizens at a cost of approximately $219 million. Of this amount, the Federal Government contributes only $45 million. As a result, the government of Puerto Rico is expending $174 million of its own funds for the sole purpose of financing the medicaid program. If State-like treatment had been accorded even at the current limited level of funding and services, the Federal Government would have contributed 83 percent—$181.7 million—and the government of Puerto Rico 17 percent—$37.3 million.

This bill will provide an additional amount of $32.1 million in Federal funds to Puerto Rico and will enable us to offer low-income people in Puerto Rico who are eligible for medicaid the necessary and proper health care services. This amount, although still far from being enough, at least would furnish the Government of Puerto Rico the support needed to more adequately fund this program while continuing its own efforts to provide resources for this vital purpose.

Second, this bill increases the availability of private health insurance coverage for unemployed workers and their families in Puerto Rico and in the States by establishing three new requirements for employer provided health plans.

All employers, firms and organizations that provide health insurance benefits and employ an average of 25 or more persons would be required to provide a 30-day open enrollment period for married employees whose spouses have lost health insurance due to involuntary unemployment, to continue to provide health insurance for 90 days for employees who would otherwise lose their coverage due to layoff or involuntary separation and finally to offer workers who lose their insurance benefits due to unemployment the option of purchasing continued coverage on an individual basis without regard to existing health conditions.

These provisions will enable the working men and women in Puerto Rico and in the United States who lose their jobs to continue receiving health insurance benefits for 90 days after being laid off, to obtain health insurance coverage for themselves and their families through their working spouses' employer, and to continue their coverage on an individual basis without being rejected because of poor health or a pre-existing condition.

Third, H.R. 3521 increases the authorization for fiscal year 1984 and thereafter to the maternal and child health services block grant.

The maternal and child health services block grant is very important to Puerto Rico in order to provide our low-income women and children adequate and necessary health care services.

This program makes Federal funds available to the States for the provision or purchase of a broad range of maternal and child health related services. These funds are used in Puerto Rico to reduce, among others, the incidence of preventable diseases and handicapping conditions among low-income children; to reduce infant mortality; to increase the availability of prenatal delivery and post-partum care to low-income women; to increase the number of children immunized against diseases; and to provide medically necessary services to handicapped children.

The appropriation level for the maternal and child program for fiscal year 1983 is $478 million. This bill increases the authorization for this program from $373 million to $483 million in order to allow the program to continue at the same appropriation level for fiscal year 1983.

The maternal and child health program is a major source of care for many of the families of the unemployed, for the low-income mothers and for the handicapped children. If we fail to raise the authorization level, the program will lose $105 million, starting this October. This loss of funds would mean a loss of health care for mothers, infants, and children who are without other means of payments.

Finally, H.R. 3521, establishes a new program of direct grants to hospitals in Puerto Rico and in the Nation to assist them in providing services to low-income individuals without public or private insurance coverage.

This new program could very much assist our public hospitals in Puerto Rico to continue to provide the necessary and proper health care services to our "medically indigent" population. Actually, most of our public hospitals are located in areas experiencing very high unemployment, serving a significantly disproportionate number of low-income patients and providing services to all persons, regardless of their ability to pay.

I urge my colleagues to support this bill which I believe will be instrumental in upgrading the quality of health services for the poor in Puerto Rico.

Mr. WAXMAN. Mr. Chairman, I yield 3½ minutes to the gentleman from Texas (Mr. ORTIZ).

Mr. ORTIZ. Mr. Chairman, shortly, we will be voting on the bill entitled health insurance for the unemployed. I believe the intent of this legislation is just and humane. However, I am deeply concerned about a large group of my constituents who reside in the Rio Grande Valley, which is part of the 27th District in Texas. Those people include the agricultural and seasonal workers, who are not covered under unemployment compensation or any other program.

I would like to share with you the case of Felipe Cantu, Jr., which illustrates the tragedies that continue to occur under our present health delivery system. About the middle of June, Mr. Cantu, 44 years of age, had chest pains and went to the Chest Hospital to have them examined. The doctors diagnosed his problem as partial blockage of the coronary arteries. Since he was indigent and since the Chest Hospital had to close its indigent care facilities, the next best option was to get Mr. Cantu an appointment at Galveston's John Sealy Hospital, which receives funds for indigents.

Now, let me point out that Galveston is about 400 miles from the valley. In addition to a full day's drive for someone with a serious health problem, how do we expect that indigent person and his family to pay for their travel expenses?

In any case, the appointment was set for July 11. While waiting for his appointment, Mr. Cantu died. His death left his wife with two children to take care of, and she has no job experience.

I ask my colleagues, how many Felipe Cantus have to die waiting for an appointment before we act to prevent such disgraceful situations in the 1980's?

Samuel Sanchez, of the Hidalgo County Health Care Corp., has told me that his organization plans to service 60,000 patients this year. He argues that the health problems have increased as a result of the unemployment due to the recession. Compounding this problem is the peso devaluation. Obviously, the people in the colonias, 85 percent of whom are migrant workers, are in dire financial need. Further, due to Federal cuts, Mr. Sanchez' organization after June 1, 1982 could no longer provide badly needed transportation from the colonias to health facilities. Consequently, the ability to provide health care has suffered an additional setback.

In summary, I support this bill and I urge my colleagues to join with me in voting to provide relief for the millions of unemployed workers and their families who are victims of the recession.

Once this legislation is passed, I urge States to be flexible when determining benefits and include those agricultural and seasonal workers who so desperately need this assistance. Furthermore, since States are given broad discretion in determining eligibility and benefits, I challenge each State to devise the most equitable program possible.

If I may for the RECORD, I would like to ask my colleague, Chairman WAXMAN, the following questions:

First. How will the agricultural workers who are not covered under this program obtain critical health care services under this bill?

Second. If moneys are available to the States, how will State governments determine who qualifies for such services?

Third. How will matching funds put up by the States be used?

Mr. WAXMAN. If the gentleman will yield, there is in the bill a requirement that 5 percent of the Federal funds be used by the States for people who are not connected to the unemployment compensation system and have special medical or financial needs.

In addition, the State may use all of its matching funds for this population.

So the States have the latitude to use 100 percent of their own funds and 5 percent of the Federal funds to help the population you are concerned about.

Mr. ORTIZ. I thank the gentleman and I urge my colleagues to support this legislation.

The CHAIRMAN. The Chair would advise the committee that the time remaining for the gentleman from California (Mr. WAXMAN) is 10½ minutes, and the time remaining for the gentleman from North Carolina (Mr. BROYHILL) is 15 minutes.

Mr. BROYHILL. Mr. Chairman, I have no further requests for time, and I reserve the balance of my time.

Mr. WAXMAN. Mr. Chairman, I yield 2½ minutes to the gentleman from North Carolina (Mr. VALENTINE).

□ 1250

Mr. VALENTINE. Mr. Chairman, I have listened to a lot of words about jobs, the poor, the disabled, the deprived; about economic ills, health, education, national defense, foreign policy, international intrigue and rebellion and on and on. But nobody talks any more about the noose which continues to tighten around the neck of the American people, rich and poor, healthy and lame, old and young, and that is the national debt which is beyond huge, which is horrible and horrendous and which can and might literally change the face of America.

Unless we somehow get a grip on our insatiable desire to spend money that we do not have, we will eventually destroy the vitality of the Nation and its financial institutions. How dare we continue to give ourselves good things and send the bill to our children and to their children and their children.

Do not we have some obligation when we sit in this body and embark on a brand new program costing billions of dollars to raise the money in some way other than continuing to borrow? From what source do we derive the right to spend and spend money which we do not have? What great omnipotent being or influence has endowed this body of men and women with the authority to continue to try to shovel out of the Federal Treasure money which is not there. Yet, here today, we pile more on. We try to start a new program without the slightest whisper or hint as to where the money will come from except from our children and their children and their children.

Yesterday, we renewed revenue sharing—a worthy undertaking—but so many Members were not content to stop at that. Indeed, we increased the amount of money in revenue sharing by billions of dollars. I believe that my district is fairly typical and I tell you that I never had the first county official or local official ask me to do anything other than restore revenue sharing at the existing level. Yet, a majority of this body voted not only to restore this funding but to substantially increase it—without a hint or suggestion as to where the extra money will come from.

The CHAIRMAN. The time of the gentleman from North Carolina (Mr. VALENTINE) has expired.

Mr. BROYHILL. Mr. Chairman, I yield 2 minutes to the gentleman from North Carolina (Mr. VALENTINE).

Mr. VALENTINE. Mr. Chairman, it is as if we say to the people of this country, "You asked us for a loaf, but won't you please take a loaf and a half?"

There was no pressure from my State—indeed, not even a request that the Congress extend revenue sharing to the States, yet a substantial portion of our membership sought to extend this bounty to the 50 States at a cost of additional billions which we do not have.

I realize full well that we have to tolerate today a budget deficit which just a few years ago was unthinkable, but indeed we owe it to the country to at least show some remorse and begin to try to effectively reduce the deficit. The people in this country are waiting and watching and hoping for a responsible approach to this problem and I must say that as of this date, there is little here to cause them much encouragement.

Motivated by the best instincts of the human race, most of us want to do good and great and happy and healthy things for our constituents. We want to make life easier and happier. I understand this. I believe in this and I applaud it. But, enough is enough. America, with all of its greatness, cannot do everything for everybody. America is waiting to see when we will return to our senses—the cupboard is bare.

Mr. WAXMAN. Mr. Chairman, I yield such time as he may consume to the gentleman from West Virginia (Mr. RAHALL).

Mr. RAHALL. I thank the distinguished chairman of the subcommittee for yielding, and I commend him for bringing this legislation to the floor today. I think it faces the economic realities head on of those individuals who are unemployed across our Nation.

I rise today in strong support of H.R. 3021 providing health care benefits to those who are unemployed. The Health Care for the Unemployed Act would greatly benefit my State of West Virginia, in particular. Unemployment in West Virginia for the first 6 months of this year has fluctuated at or above 20 percent statewide, the highest rate of unemployment in the Nation, and higher in some of the coal mining areas of my district, McDowell County especially, where it is closer to 30 percent. Many of these unemployed workers have been unable to receive proper health care due to the rising costs of health care and the cutting of many public health programs from the budget.

However, we must look past cold, hard numbers and think in terms of human suffering, human sacrifice. It is hard to alleviate the suffering but we can do something to eliminate one sacrifice—health care. Unemployed workers should be protected under some form of health care program and I feel that the Health Care for the Unemployed Act is an important first step in providing health care coverage for these unfortunate people. The health of any citizen should not go unprotected just because he is out of work.

A few short weeks ago, the President indicated that the American economy was beginning to sparkle. The same night, on the floor of this Chamber, a special order was held on unemployment in the districts of a number of my colleagues. As we heard of the plight of those unemployed around our Nation, one of the most commonly expressed feelings was a feeling of abandonment, a feeling of being left out in the cold, a feeling that there was a lack of compassion in Washington for the plight of the unemployed. I call upon my colleagues right now to show some compassion for our unemployed workers and take a first step to insure that at least they can receive decent health care by passing the Health Care for the Unemployed Act.

Mr. BROYHILL. Mr. Chairman, I yield 3 minutes to the gentleman from Utah (Mr. NIELSON).

Mr. NIELSON of Utah. Mr. Chairman, I rise in opposition to the bill.

Mr. Chairman, I would like to point out that I was an original cosponsor of the bill because I believe we have to do something for the unemployed who, through no fault of their own, do not have adequate health insurance. They no longer have, except for a few months, any financial help from their erstwhile employers, and they also are no longer eligible for a group health plan. In many instances they must pay triple the amount for health insurance with only a fraction of their former income. It is a national problem.

However, the bill came out of the Energy and Commerce Committee in a way that I could not support and I withdrew my name as a sponsor. For one thing, it is more than double the amount considered by the Senate and over twice the amount that the President would accept. The rule we just adopted does not allow the possibility of a block grant approach in spite of the request of the National Governors Association, which supported that approach. The rule does not allow consideration of the Tauke amendment which would provide a block grant nor does it consider alternative means tests proposed by Representative GRADISON the funds are included in the budget resolution, the amounts are excessive, I also do not like the idea of an entitlement program which bears a striking resemblance to a national health insurance program.

I would like to say, however, that I think there are other ways to handle this, in addition to what is suggested here. I think the employer should build into his insurance contract some provision for carrying that insurance for at least a year beyond the time of unemployment; in other words, that should be part of the amount he and the employee both pay to keep that insurance going for a longer period. I think, also, there should be some attempt to require the carriers of insurance, such as Blue Cross and others, to allow people to remain part of the group for a longer period of time. If you had those two things, that would ease the burden quite a bit.

The problem is, however, acute. I hope we can come to a solution. As it stands, I feel compelled to vote against the bill because it is fiscally irresponsible, in view of our situation.

Mr. WAXMAN. Mr. Chairman, I yield 2 minutes to the gentleman from New Mexico (Mr. RICHARDSON).

Mr. RICHARDSON. Mr. Chairman, I rise in strong support of H.R. 3021, the Health Care for the Unemployed

Act. This bill is a modest attempt to insure that those who have been left behind by the harsh recession receive adequate and proper health care.

Roughly 11 million Americans remain out of work, and over one-fourth of these workers have been unemployed for over 27 weeks. In my home State of New Mexico, the unemployment rate continues to hover above the national average, while Hispanics are suffering from an unemployment rate in excess of 14 percent. I think we must heed this advice of President Reagan's own economic advisers who warn that if we continue the present course of recordbreaking Federal deficits and high interest rates, the recovery we are beginning to experience will slow dramatically in the next 6 months. Even the President's rosiest economic forecasts predict that unemployment will remain above 9 percent throughout the rest of this year and most of 1984.

Most Americans obtain their health insurance through their jobs. So many of the unemployed have not only lost their employment, but they have also lost health protection for themselves, their spouse, and their children. Most of the unemployed do not qualify for medicaid due to the stringent requirements for that program. According to the Congressional Budget Office 10.2 million jobless workers and their dependents lacked any form of health insurance in February 1983.

Mr. Chairman, in many respects, the quality of health care in this country has recently declined as a direct result of high unemployment coupled with rising health care costs. In some areas of the country, the infant mortality rate has actually gone up. The wealthiest, most compassionate nation on Earth cannot allow this to continue. We must act now to provide some health care assistance to those who have been especially hard hit by the recession. H.R. 3021 will provide this much needed assistance.

Eligibility for health care services under H.R. 3021 will be limited to those collecting unemployment compensation or those who have exhausted unemployment compensation within the past 2 years. Priority for services under this program will be given to those who have been unemployed the longest. The bill will also require a 3-month extension of employer paid health insurance for laid-off workers and would require employers to open enrollment in health plans for unemployed spouses and families of their current employees.

This bill is a compromise between the version reported by the House Energy and Commerce Committee and the Ways and Means Committee. The original energy and commerce bill would have mandated that all those unemployed who qualified for the program would have received health care assistance. The compromise version creates a program of block grants to the States. State participation in the program would be voluntary and State matching grants would vary from nothing to 20 percent of the program costs depending on the State unemployment rate. My only concern about the compromise version is that States may not be able to accommodate all of those who qualify for assistance.

Nevertheless, H.R. 3021 is better than nothing. It is certainly better than those proposals supported by the administration which would finance the program by cutting medicare. I find this funding method unconscionable. The aim of H.R. 3021 is to provide health protection to unemployed Americans, not to take from one disadvantaged group in order to give to another.

Mr. Chairman, our health is our most precious resource. Congress enacted medicare and medicaid to insure that our Nation's elderly and poor received proper health care. But many of the unemployed and their families have fallen through the gap these programs were meant to close. I urge my colleagues to vote for H.R. 3021 so the unemployed will be assured that although they have lost their jobs their health will be protected.

□ 1300

Mr. WAXMAN. Mr. Chairman, we reserve the balance of our time.

Mr. BROYHILL. Mr. Chairman, we reserve the balance of our time.

The CHAIRMAN. Under the rule, the Chair will now recognize the Chairman of the Committee on Ways and Means, the gentleman from Illinois (Mr. ROSTENKOWSKI) for 30 minutes.

Mr. ROSTENKOWSKI. Mr. Chairman, at the conclusion of my remarks I will yield to the gentleman from Indiana, and he will control the time.

I yield myself such time as I may consume.

Mr. Chairman, H.R. 3021 represents an effort, using the limited funds available, to offer some measure of assistance to the many Americans who, through no fault of their own, find themselves without health insurance due to loss of work.

The bill reflects the view that the Nation has a responsibility to attempt at least some modest effort to minimize the hardships that workers and their families are experiencing because of the troubles of the economy.

The economy is improving now, and that is a very welcome development. But high rates of unemployment are, unfortunately, expected to continue for some time. Even though overall employment rates are beginning to fall, many people will remain out of work, and many of these will be the long-term unemployed with special need for the assistance provided under this bill.

Loss of health insurance goes along with loss of a job. Sometimes this occurs after a delay, but it always eventually takes place if unemployment lasts long enough. The bill speaks to this problem in three ways.

First, the bill establishes a block grant program to the States to enable them to establish public programs of health benefits for the unemployed.

Funding is limited to the amounts contained in the fiscal year 1984 budget resolution, $350 million in fiscal year 1983; $2 billion in fiscal year 1984; and $1.65 billion in fiscal year 1985.

The block grant program is temporary, and is repealed effective with the end of fiscal year 1985.

Second, private employers of 25 or more employees would be required to meet certain requirements with respect to their health insurance policies. These include:

An open enrollment period so that an unemployed spouse and children could enroll in the health plan of the employed spouse;

A 90 day continuation coverage for those who are involuntarily laid off; and

A right of coversion to an individual policy, at the employee's expense, without requiring evidence regarding any existing health condition.

These requirements would be enforced throught Tax Code provisions that would sunset at the end of 1986. In addition, a person would have a private right of action against any employer health plan which failed to comply.

The public programs established under the block grant and the requirements on private employer health plans would work together to ease the problem of loss of health insurance due to loss of employment.

Third, the bill authorizes a discretionary grant program for assistance for public and other hospitals which are providers of last resort for uninsured and unemployed individuals.

The funds authorized are $96 million in fiscal year 1984; $77 million in fiscal year 1985 and $60 million in fiscal year 1986. These authorizations are within the amounts assumed in the budget resolution.

These funds would go to assist hospitals in areas hard hit by unemployment—hospitals that are attempting to serve large numbers of unemployed persons unable to meet their own hospital bills.

In addition to these three major features, the bill contains miscellaneous and technical amendment relating to maternal and child health, professional review organizations, and hospices.

Mr. Chairman, the bill is designed to make the best possible use of limited

funds. In the block grant part of the legislation, States would have wide discretion in designing their programs both in terms of eligibility and benefit design. But States would be required to give priority to those who have been out of work the longest, and who are thus most likely to have the greatest need of assistance. Special provisions would be made for pregnant women and children under age 5, for whom health care services are especially important and cost-effective.

The employer group health plans would assist in meeting the problem through modest changes in plans already being offered to employees and their families. Throughout the bill, the principle is adhered to that no public funds should be expended for health benefits for people who already have, or could elect to have, health benefits under a plan to which an employer contributes. In addition, in every case, benefits under a public plan would be secondary to any privately financed health benefits or to assistance to which the individual is entitled under medicaid.

In summary, Mr. Chairman, this is important and necessary legislation, even though it is modest in scope and expense. It is carefully designed to give flexibility to the States while giving priority to people most likely to be in need of assistance. It is based on the proposition that both the public and private sectors should share in meeting the need for health benefit protection during unemployment.

I urge approval of the legislation, Mr. Chairman.

The CHAIRMAN. The gentleman from Illinois (Mr. ROSTENKOWSKI) has consumed 5 minutes.

The Chair now recognizes the gentleman from New York (Mr. CONABLE).

Mr. CONABLE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I find interesting the comparative lack of interest in this legislation, the sense of routineness, as we create what is in effect a new entitlement program, subject to a cap, a whole new title of the Social Security Act, a provision which establishes a new class of public beneficiaries.

We have had before a number of medical programs of one sort or another, and this is a new medical program for those who do not need it but who have had health insurance previously. It is these people who are deemed to be necessary wards of the Government at whatever cost. It is not a modest program. Nobody can assume that it will not cost a good deal more in the future, nobody can assume that it will not be permanent, nobody can assume that a major bureaucracy will not be needed to administer it, and yet we find it approached as something of a ho-hum matter here today, in a body where most everyone has made up their minds whether they are going to vote for or against it, depending on their perception of the politics of the issue.

It sounds like an echo from the Great Society. I recall when I first came here some 19 years ago, we were here until midnight almost every night identifying national problems, throwing money at them irrespective of the consequences, hoping that we could then claim that we had solved the issue, had met a need; and, of course, that unleashed the avalanche which has been coming down our fiscal hillsides ever since.

We at that time made inevitable the $200 billion deficit that we have today, despite the fact that our Federal revenues have increased by sixfold since that time. This is a very similar operation that we are doing today. It is business as usual at a time when we are facing a $200 billion deficit, and when we should be imbued with some sense of crisis and responsibility for the economic distortions that deficit is inevitably going to create.

This program does not even provide a mode of financing. It just means additional borrowing. It will be beneficial to a certain class of worker, those who have worked at high incomes in the past, but because they belong to smokestack industries, industries which are in transition, they have been laid off for substantial periods of time. However, this group is a relatively affluent group because they have been making fairly good incomes prior to their having been laid off and, therefore, they cannot pass a means test.

We tried in the Committee on Ways and Means three times to establish some form of a means test, but that, of course, was voted down on pretty much a straight party-line vote.

If we had a means test, that is, if we were to limit this proposal only to those who needed it, then obviously medicaid would be ample for their needs because medicaid is for the needy; but of course then this particular class of worker would not be able to claim the public benefits that are sought by this program because this particular type of worker cannot meet the needs tests imposed on the medically indigent by medicaid.

□ 1310

Mr. Chairman, I am sympathetic with the plight of those unemployed workers who cannot afford private health insurance. I think we all might support a limited program to address this problem if it included a means test, a method of financing. This is not the case in the program that is before us.

As I said, H.R. 3021 would create an entire new title to the Social Security Act—title XXI. It is modeled on title XX, the social services title, in that it provides a cap on what otherwise is an entitlement. This addition would be in three parts: A block grant program entitling the States to spend up to $350 million this fiscal year, $1.87 billion in fiscal year 1984, and $1.54 billion in fiscal year 1985 on health services for unemployed persons, that is, people who meet the criteria of having been unemployed for a certain period of time even though they are not able to pass a means test. Requirements on employers with group health plans are also provided in this bill. They must provide open enrollment, extended coverage, and conversion rights.

That will increase the cost of health insurance contracts for those who currently provide health insurance. The probability is that the increased cost will cause some of them to cancel their health insurance as a fringe benefit. We do not require it any more than we required private pensions when we passed ERISA, and we all know the result of that was to some extent to reduce the number of employers that offered private pension plans. That may very well be the case with respect to health insurance, too, where we are increasing the cost of the health insurance to the employer and not requiring that he maintain it. If he gives health insurance to his employees, he must have these provisions of open enrollment, extended coverage, and conversion rights.

The third part of the bill provides a 3-year $233 million discretionary grant program to hospitals which serve the uninsured and the unemployed. In total, it is a $4 billion program, not a modest matter, as it has been described.

Who knows to what extent it will grow, and who really believes that it will be temporary?

Some of my colleagues will argue that this amount is consistent with the funding levels contained in the first budget resolution for fiscal year 1984. But that same budget resolution calls for cuts in spending and increases in revenues. There is no legislation before the House on these matters, and there is scant chance that there will be such legislation.

Who are we trying to kid? We all know that if health insurance for the unemployed is passed without a self-financing mechanism, the net result will be an increase in the deficit. This means that the Treasury would have to go out into the already crowded marketplace and borrow more money, with the inflationary risk which that practice always runs.

I do not believe that we are acting responsibly in considering a $4 billion program without including a way to finance it. If there is anything we should have learned over the years, it is that non-means-tested entitlement programs have been major factors in

our deteriorating fiscal condition. While H.R. 3021 technically is not an individual entitlement program, it does entitle States to amounts of money which generally must be spent for health care on a non-means-tested basis. As a matter of fact, we prohibit a means test for the States in order to be sure that this will not be confused in any way with medicaid, the program for poor people.

Furthermore, these funds automatically would be provided to the States without being subject to the appropriations process.

Does anyone really believe that this program will be allowed to sunset in 1985?

Does anyone really believe that this health insurance program for the unemployed will not create serious inequities in the use of public funds?

Does anyone really believe that, once this measure is enacted, there will be any way to avoid expanding its coverage in order to correct the inequities that are inherent in the way we are passing it today?

How are we going to explain, for instance, to workers in minimum wage jobs, with no employer-paid health insurance, that they should be denied help with their health care costs, while at the same time certain unemployed workers, without any test of income or resources, should be provided with free Government health care benefits?

Mr. Chairman, I hope my colleagues will understand that there are about 10 million employed workers out there with no employer-paid health care benefits. After we pass this measure, there may be quite a few more. Many of those workers may be worse off financially than those who would be helped under the proposal before us. Does that make sense?

Single parent families, the elderly, and disabled persons of all ages have to meet stringent income and assets tests to receive medicaid services. The aged and disabled under medicare have to pay significant amounts in deductibles and copayments. An uninsured elderly person has to pay $132 a month to purchase medicare hospital coverage. Disabled persons have to wait nearly 2½ years from the onset of disability before they get benefits under medicare. No similar tests or requirements would be imposed upon the beneficiaries of this program.

Except for very nominal payments from recipients, H.R. 3021 would allow the equivalent of first-dollar coverage of medicaid services to the unemployed, regardless of their income or assets.

Advocates of this proposition claim it will not continue indefinitely, and that its costs will not soar. I recall, all to vividly, that similar assurances were given about other programs under other titles of the Social Security Act. Medicare, or title XVIII, was projected to be containable, as far as the actuarial eye could see, back in the 1960's. That program is now projected to be bankrupt before the end of this decade, and its deficits are projected at $300 to $400 billion by 1995. The disability insurance program, to cite another example, was projected in its early stages to cost no more than $3 billion or $4 billion per year. It now runs about $20 billion per year.

How can we be sure that this new proposition will not follow the same pattern?

As it now stands, H.R. 3021 constitutes a major State entitlement program with no financing mechanism. I do not insist that any one particular method of paying for the program is any better than another, but I do insist that some method is necessary, and no method of financing connotes irresponsibility, totally inappropriate to our current irresponsible fiscal condition.

H.R. 3021 is a monetary shotgun, spraying cash pellets at those who might need help and those who might not. It is anything but targeted, and at a time when deficits loom so large, I think a program like this should at the very least be self-financing and sesigned to help those who have the greatest need.

Mr. Chairman, I despair of my colleagues thinking of this in real terms when so few are willing to even listen to the arguments, but I hope we will have time adequately to convey the sense of irresponsibility that goes with putting a program of this sort together, the way we are putting this together on a commitment to some elements of organized labor that we would bring it to the floor before we go on recess, and that thereafter we will judge it by so political a criterion as the basis on which this proposal seems to be judged.

The CHAIRMAN. The gentleman from New York (Mr. CONABLE) has consumed 13 minutes.

The Chair recognizes the gentleman from Indiana (Mr. JACOBS).

Mr. JACOBS. Mr. Chairman, I yield such time as he may consume to the gentleman from Pennsylvania (Mr. COYNE).

Mr. COYNE. Mr. Chairman, I rise in strong support of H.R. 3021, the Health Care for the Unemployed Act.

If we allow to continue a situation in which health benefits are available only to the employed, what we are saying, in effect, is that basic health care is a privilege one surrenders upon becoming unemployed.

Access to minimal health care should be a right, not a privilege. The Health Care for the Unemployed Act would extend that right to millions of Americans who have lost their health benefits due to joblessness.

We are talking of millions of people. Of the 7.4 million unemployed in December 1982 as a result of layoffs, 5.3 million had lost coverage under an employer-based benefits plan. If dependents are considered, the Congressional Budget Office estimates job loss caused an end to benefits for 10.7 million persons.

Those people who lose their health benefits because of unemployment, usually after a month or 2 without work, are forced to seek coverage on a more expensive, nongroup basis. For individuals who are in the high-risk category, such coverage may not be available at all.

Existing Federal programs simply do not address this situation. To obtain medicare, one must be elderly or seriously disabled. In most States, eligibility criteria for medicaid, designed to exclude all but the poorest of the poor from the program, tend to shutout many of these who are unemployed. Medicaid eligibility is often tied to eligibility for aid to families with dependent children, thereby precluding unemployed individuals and childless unemployed couples. Even in those States which allow AFDC and medicaid coverage to families in which the principal breadwinner is unemployed, restrictive resource and income requirements make the medicaid program an insufficient vehicle for health benefits for the unemployed.

The compromise measure now before us would establish a block grant for States to finance programs providing health care for the jobless. The amount each State receives will be determined by a judicious formula based on these criteria: The State's share of the total number of unemployed persons; the State's share of the total number of persons receiving unemployment benefits; and the total number of persons exhausting their unemployment benefits during the previous year.

The bill would also establish new requirements for employer-provided health plans, with the intention of making more insurance available to those without jobs.

One other very important provision of the legislation would allow grants to those hospitals which now serve as health care providers of last resort. In western Pennsylvania, many such institutions are severely overtaxed and are, in some instances, reaching the limit of their ability to pay for the health care of those who cannot afford it.

In fiscal year 1982, the Hospital Council of Western Pennsylvania's 98-member hospital and health care facilities provided $46 million in uncompensated care. The hospitals expect this amount to rise to $50 million in this fiscal year.

Hospital Council President Jack C. Robinette recalled recently the type of cases which have become commonplace. He said:

Typical of the calls we have received is the case of a young male laid off from this job with a coal mining company. His health care insurance expired on April 1. He is the father of three and his wife recently delivered a baby. Should one of them become ill, the family has no coverage at this time.

Or consider the case of the woman who was laid off from her job and collecting unemployment compensation when she fell and required hospitalization. Because of her assets, she is not eligible for medical assistance. She has no health benefits. Therefore, her medical bills of $1,998 will become a bad debt to the hosptial.

The health care block grant of funds to States will, I hope, work in tandem with programs already initiated by hospitals and private health insurers which seek to resolve the problem. One program which could serve as a model for the Nation was undertaken by Blue Cross/Blue Shield of western Pennsylvania, in cooperation with hospitals throughout the western part of the State.

This innovative plan, which went into effect May 1, has the effect of reducing the cost of coverage to unemployed workers by 50 percent. It grew from meetings which began last fall between representatives of the steel industry, both management and labor, and Blue Cross/Blue Shield. The group considered more than two dozen plans to lower the cost of insurance to the unemployed before it came up with one which appears fair to all concerned.

Here is how the plan works using Blue Cross. Depending on his or her means, an unemployed subscriber can select a plan for either 15 or 31 days of coverage. To lower the cost, the insurance company has filed for rates to cover only expected benefit payments, removing from the rate determination all administrative and similar costs usually applied to compute a breakeven rate. To lower costs still further, participating hospitals waive inpatient and outpatient deductibles, a waiver of $300 for inpatient care, and $25 for outpatient care.

At this point, I would like to insert in the RECORD the costs of health insurance, before and after May 1 agreement.

	Individual	Family
15-Day Coverage [1]		
Program underwriting (full costs)	$48.21	$109.75
Premium rates (subsidized)	28.15	62.20
31-Day Coverage [2]		
Program underwriting (full costs)	52.23	118.73
Premium rates (subsidized)	32.90	72.90

[1] Option 1 costs and rates (monthly).
[2] Option 2 costs and rates (monthly).

For hard-pressed families, even the subsidized 31-day rate of $72.90 may prove to be expensive. Enactment of H.R. 3021, which gives States the discretion to aid such individuals, will go a long way toward dealing with the problem we have begun to tackle in western Pennsylvania. A public/private approach to this serious problem may be the answer.

I urge a yes vote on H.R. 3021, the Health Care for the Unemployed Act.

Mr. JACOBS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the legislation before us is not perfect, but it is long overdue. We have had double digit unemployment in this country ever since this administration got a good start on the economy.

I hear it said that the attitude toward this legislation is just "ho and hum." This legislation is health for the unemployed.

What has been the attitude of this administration toward the unemployed? Has it been "ho and hum," or has it been "South succotash"?

It is high time that we do something. Now, what ought we to do about the unemployed and their health needs? Do we just put them on hold and ask them to hold their breath until that golden day when the Laffer curve comes around the mountain, when it comes? Or do we take some responsibility as a government that threw these people out of work, through absolutely no fault of their own in most cases?

Some would like to have an unfettered entitlement program. That was judged to be imprudent at this time for obvious reasons. Others would like to have an unfettered block grant program. Our committee has chosen the middle course, that is to say, a block grant without a blank check.

As for self-financing for the program, I ask my dear friends, when is the last time we saw a military appropriations bill come before this Congress and heard anybody suggest that it should be self-financed other than the implication, I suppose, that you would go out and hold somebody up with the weapons?

□ 1320

When is the last time a program for public works, pork barrel, came before this House and somebody said that none of these funds can be spent until the taxes are raised to pay them?

I happen to believe in a balanced budget. I never voted for the Kemp-Roth program. I voted to cut an awful lot of spending and I advocated a constitutional amendment, not just lately, but I have for years for a balanced budget; so if we are going to self-finance this, let us start self-financing everything and let us start self-financing things that are a little lower on the totem pole than whether somebody's wife or kid is going to lie there without adequate medical insurance just because the Laffer curve had not come in yet.

Mr. ALBOSTA. Mr. Chairman, will the gentleman yield?

Mr. JACOBS. I yield to the gentleman from Michigan.

Mr. ALBOSTA. Mr. Chairman, I rise today to speak in support of the legislation before us, H.R. 3021, "Health Care for the Unemployed Act.

By assuring that health care be provided to all Americans, H.R. 3021 represents a compromise solution to the problem faced by many persons who have lost their health insurance along with their jobs. For those families, being unemployed is doubling devastating.

I know from talking with my constituents in the north central region of Michigan that it is difficult, if not impossible, for those who are unemployed to obtain any kind of health care for their families. Once a worker is unemployed for more than a few months, health coverage virtually disappears. Nongroup health coverage at affordable rates is not available. More disturbing is the fact that for the majority of persons who lose employer-paid insurance, they are not eligible to receive assistance under any existing safety net program such as medicaid, without drastically depleting assets.

If H.R. 3021 is not approved and the unemployed person's health is allowed to deteriorate, surely you realize that we will all assume part of the expensive care that would be required. Clearly, this bill attempts to avoid this problem. I believe that in the final analysis, not only will this action be viewed as compassionate, but as cost-effective as well.

While I have the opportunity, I want to commend the chairman and the committee members on the House Ways and Means and Energy and Commerce Committees, for reporting out this legislation and avoiding the proposal to tax a portion of the employer-paid health insurance benefits.

Earlier this year, I introduced a House Resolution 186, expressing the sense of the House of Representatives that employee health benefit plans should remain tax exempt. If this tax proposal was allowed to be attached to this legislation, it would have been the millions of American workers who would have been the real losers. Not only would our constituents pay more in taxes on health benefits, but in all practicality, would be losing essential health care services.

My bill, which has been cosponsored by 53 of my colleagues in the House, is supported by a joint coalition of over 200 major business, labor, and health organizations. I oppose the taxation of health insurance benefits for the following reasons:

Taxing will not slow rising health care costs;

It may reduce needed preventive care services by causing employers to eliminate dental and vision care services;

It penalizes older workers and workers in high risk jobs by placing a higher tax on these workers who are already paying high health insurance premiums;

It will not raise the promised revenues because employers will likely reshuffle benefit packages so that health insurance contributions will fall below the tax.

Again, I thank the members of the committee who rejected this tax proposal during consideration of the bill. It is my hope that when this bill is considered by the Senate and/or conferees, that this tax will not be included.

With over 11 million people unemployed in this country, and 15.2 percent unemployment in my district alone, I urge my colleagues to address the problem of health care for the unemployed and vote in favor of H.R. 3021.

Mr. Chairman, during consideration in the House Committee on Ways and Means of this legislation, H.R. 3021, an amendment was offered to tax a portion of health insurance benefits as proposed by the administration. I understand that this amendment was rejected by voice vote.

Earlier this year, I introduced House Resolution 186, which expresses the sense of the House that these benefits should remain tax exempt. Fifty-three of my colleagues and a joint coalition of over 20 major business, labor, and health organizations support this resolution.

Mr. Chairman, is it the intent of the committee to continue to prohibit the taxation of employer-paid health insurance benefits?

Mr. JACOBS. It is the intent of the committee to take up the gentleman's resolution at the appropriate time.

Mr. ALBOSTA. Mr. Chairman, I thank the gentleman.

Mr. JACOBS. Mr. Chairman, the Ways and Means Committee would like to provide the following additional information.

The bill establishes a block grant to States to provide health insurance for the unemployed. Funding is limited to the amounts contained in the fiscal year 1984 budget resolution—$350 million in fiscal year 1983; $2.0 billion in fiscal year 1984; and $1.65 billion in fiscal year 1985.

States would determine eligibility within a broad category of those who are currently receiving unemployment compensation and those who have received unemployment compensation within the last 2 years—with priority given to those who have been unemployed the longest.

Five percent of the Federal funds would be set aside for the State to provide health care to persons who may not have been eligible for unemployment compensation but who have a special financial or medical need.

States would have broad authority to design benefit packages that meet the needs of the State's unemployed but there would have to be at least some inpatient hospital and some physician coverage. Special provisions would be made for pregnant women and children under 5.

States could impose, at their discretion, a modest premium based upon a percentage of an individual's unemployment check. States would be required to impose the copayments on benefits similar to those under medicaid.

Federal funds would be allocated to States based on a three-part formula: One-third on the total number of unemployed persons; one-third on the number of persons receiving unemployment compensation; and one-third on the number of persons who have exhausted unemployment compensation.

States wishing to participate would be required to provide a State match between 20 percent and zero. States with unemployment rates of 6 percent or less would provide 20 percent—with the State match decreasing to 5 percent where a State had an unemployment rate of 10 percent or more. For those States in which the unemployment rate is 10 percent or more and the rate is also 133 percent above the national average, there would be no State matching requirement.

Second portion of the program, intended to supplement the public program, would require private employers with 25 or more employees to meet certain requirements with respect to their health insurance policies. These would include an open enrollment period so that an unemployed spouse could enroll in the plan of the employed spouse; 90-day continuation coverage for those who are involuntarily laid off; and a right of conversion to an individual policy, at the employee's expense, without requiring evidence regarding any existing health condition.

The provisions would be enforced through a 10-percent excise tax on the employer's expenses of a plan which does not comply. Such enforcement would sunset at the end of 1986. In addition, a person would have a private right of action against any plan which failed to comply.

Finally, the bill authorizes a discretionary grant program for assistance for public hospitals which are providers of last resort for uninsured and unemployed individuals. The funds authorized are—$96 million in fiscal year 1984; $77 million in fiscal year 1985 and $60 million in fiscal year 1986—and are within the amounts assumed in the budget resolution.

In addition, the bill contains miscellaneous and technical amendments relating to maternal and child health, professional review organizations, and hospices.

Mr. JACOBS. Mr. Chairman, I yield 4 minutes to the gentleman from New York (Mr. DOWNEY).

Mr. DOWNEY of New York. Mr. Chairman, I thank the gentleman for yielding.

Fifty years ago, the New Deal began and it began in part because there was a crying need in this country. One out of every four Americans at the time was unemployed and poor. The national government decided that it was time for them to do something. The argument against it, was that it was too expensive and a march toward socialism, that this would only discourage people from working. Fortunately, the people who were opposed to the New Deal did not have their way.

In 1946, after the Army had experienced drafting 12 million servicemen, they found to their horror that one out of every three of the inductees had to be rejected because they were or had been chronically malnourished; so our Government responded with a school lunch program to deal with that problem.

At the same time, you heard people saying, "This is no good. This will never work. It's too expensive. It can't solve the problem." They were wrong, the program worked.

In 1969, a field commission report said in South Carolina there was chronic malnutrition in this country and we started a program called food stamps and we have slowly began to eliminate chronic malnutrition in this country.

We have had over the last 50 years programs designed to help people and they have worked. We have eliminated, for the most part, hunger in this country.

In the western democracies, Great Britain, France, West Germany, the Scandinavian countries health care is a major concern of the Government. They do not argue about covering people, they provide it. Last year we continued to debate the merits of providing health care to all our citizens. In Detroit, the infant mortality rate was 33 per thousand, the same as it is in Honduras. Testimony was taken and it was found conclusively that this was the result of people losing the opportunity through insurance to get medical coverage.

Now what we are trying to address today is this problem. It is not as grand in scope as the problems that we have addressed successfully in the past, but it still is a problem.

Let us look at the people this bill will help. More than 21 million unemployed workers and their dependents will lose their health insurance this

year alone. Sixty percent of them will lose health care protection either immediately or within a month after layoff. Some 13 million children will suffer the horrifying effects of unemployment—the dramatic surge in infant mortality rates is not without cause.

And unemployment is no longer a short, temporary setback for workers. In the 1974-75 recession, the average duration of joblessness was 14 weeks—today, it is 22 weeks. Twenty-six percent of those who are jobless have been unemployed for 27 weeks. Unemployment means an exhaustion of financial reserves and often permanent social, economic, emotional, and physical health problems.

Current health programs do not, and are not designed to, meet the needs of these workers. Programs such as medicaid and the maternal and child health block grant are too limited in scope to meet the needs of the so-called new poor. Further, because of the 1981-82 budget cuts, existing health services have been restricted at the very time the need for them has increased. Virtually all States have reduced their medicaid programs, and 44 States have cutback services provided by the maternal and child health block grant. Finally, fewer than one-half of all unemployed receive unemployment compensation.

Of course, the best answer to the lack of health insurance is more jobs. But even the administration predicts that the unemployment rate will not dip below 8 percent until 1987.

We have all been spending a lot of time lately lamenting the fate of the unemployed worker. It is time to put our votes where our mouths are, and support a program that will actually do American workers some good.

We must continue to respond as a government to this pressing social need. As we have attempted to eliminate hunger so too must we rally against inadequate health care.

This bill is a small but important step in that direction.

Mr. JACOBS. Mr. Chairman, I yield such time as he may consume to the gentleman from Missouri (Mr. GEPHARDT).

Mr. GEPHARDT. Mr. Chairman, during a recession in America, it is a disgrace that our unemployed who are already suffering cannot receive adequate health care.

St. Louis had been hit hard by the recession and many people cannot receive needed health care. Despite the recovery, that everyone is gloating about, 1 out of every 10 workers in St. Louis remains unemployed. Preliminary data from the beginning of this year indicates that St. Louis' infant mortality has increased, one of the leading indicators of how well or how poorly the health system is working. In other urban areas, increasing infant mortality has been correlated with increasing unemployment and the lack of prenatal care.

Nationally, 14 million Americans are unemployed and without health insurance. Four million children are affected.

Today we could prevent a lot of needless pain and suffering if these people gain access to health care. I support this bill. It will quickly address the problem with an effective program.

We are creating a temporary block grant. For 2 years, this bill will provide health care to the unemployed. It is targeted to those people in the greatest need who cannot get health benefits. In the future, employers are being asked to continue health coverage for their employees 90 days after they are laid off. This will protect Americans in the future, insuring that they will have coverage if they are temporarily unemployed.

We are not creating an endless entitlement program. Now is not the time, when we face tremendous deficits in medicare, to start a new entitlement program. But, we must not shirk our responsibility to the unemployed of our country. They need an emergency program that meets their temporary needs.

States will have lots of flexibility as they develop this program. Missouri has already had informal discussions with some private insurers, who may help Missouri administer such a program. This will allow the unemployed of Missouri to receive health care through an efficient program as quickly as possible. Missouri may even set up a competitive program giving the unemployed several choices including local health maintenance organizations that serve the St. Louis and Kansas City areas.

Finally, St. Louis is in particular need of assistance for its public hospital, like many urban areas. The City Hospital has generously served the unemployed without demanding that they pay. This institution located in the heart of St. Louis must survive so that it can continue providing vital services.

Mr. CONABLE. Mr. Chairman, I yield 6 minutes to the gentleman from Minnesota (Mr. FRENZEL), a valued member of the committee.

Mr. FRENZEL. Mr. Chairman, I rise in opposition to H.R. 3021, a bill which incorporates the text of H.R. 3521 and is intended to provide health care coverage to the unemployed.

Like most Members, I believe that the Congress should take some action to make sure that unemployed individuals who need health care coverage receive it. In my judgment, however, the bill currently before us is a classic case of overkill.

H.R. 3021, as amended, provides over $3.2 billion through fiscal year 1985 for a new, theoretically temporary, block grant to provide health insurance for the unemployed. This money, however, is simply being thrown at the problem, without any real thought being given to targeting the money where it will do the most good. About all it takes to qualify for the assistance provided in H.R. 3021 as it will be amended is that the individual be unemployed.

If my amendment relating to an assets test should be adopted, all that will be required will be that the individual be unemployed, and that he not be exceedingly wealthy.

Because of the haphazard manner in which money is being provided for in this program, the bill will also create a serious equity problem between the health care assistance available to unemployed individuals and that which is available to the elderly, the disabled, or the single parent household.

In many cases we will be taxing the poor to give benefits to more affluent people. The 10 million people who are working but have no health insurance will of course be paying for health care for unemployed claimants who may be much richer.

Under current medicaid laws, individuals must meet stringent income and assets tests before they can be eligible for the medicaid program. H.R. 3021 contains no such limitations. Even if my amendment relating to an assets test is adopted, the unemployed will still be getting a far better deal than the medicaid recipient, and the unemployed may have vast assets and large family income. Not only would there be no comparison between the assets tests in the two programs, there would still be no income test under H.R. 3021. An unemployed individual's spouse could be earning $35,000, or more, and the individual and his/her family would still be eligible for the assistance provided in this bill.

Because of the lack of a meaningful assets or income test, the bill also creates a disparity in the treatment of the working poor or the individual who is working but has no employer sponsored health plan compared to the unemployed. As a practical matter, an individual who is working but has no medical coverage would be better off being unemployed than he/she would be working, should the need for expensive medical treatment arise.

In addition to the health care coverage block grant, the bill also contains provisions that require employers to provide open enrollment, continuation, and conversion coverage to its workers. While it may make some sense to attempt to shift some of the costs associated with providing health care coverage to the unemployed to the private sector, the logic behind the proposal in H.R. 3021 is flawed.

Employers do not usually lay off employees without a sound economic reason. Usually, that reason is that the employer cannot afford to keep its employees working. Yet H.R. 3021 would require these same employers to incur billions of dollars in additional costs to provide unemployed individuals with continued medical coverage. If employers do not have enough money to keep their workers working, it stands to reason that they will not have enough money to continue to pay for these same workers' health insurance benefits.

When ERISA was enacted, thousands of pension plans decided it was not worth the expense of complying with the new requirements, and tens of thousands of workers were left without pension coverage. I have no doubt that, if this legislation is enacted, history will repeat itself, only on a larger scale. Employers will simply terminate their health plans.

H.R. 3021 also contains several other expensive provisions. It contains a new, $233 million hospital grant program which was adopted with very little consideration as to the need or the impact of such a program. The bill also increases the maternal and child health services block grant by $110 million in fiscal year 1984, and every fiscal year thereafter. This provision, which is $148 million above the President's fiscal year 1984 request, was included in the bill without any debate in the Ways and Means Committee.

Mr. Chairman, if the Congress wants to enact a national health insurance plan, it should come right out and do so. It should not continue to add one medical assistance program on top of another, creating serious overlap problems and at the same time not helping those individuals who need assistance the most.

Until such time, the Congress should attempt to develop a solution to temporary unemployment problems within the confines of programs already in place, instead of enacting new multibillion-dollar pseudotemporary programs. Many of the people Congress wants to help with this bill could be just as easily, and more efficiently, assisted simply through making some temporary adjustments in the medicaid assets test, and by changing the rules regarding two parent families, in cases involving unemployed individuals who actually need assistance.

The recession is over, and a strong recovery is underway. Physicians and hospitals throughout the country continue to treat unemployed patients on either a pro bona or payment deferred system, and have given no indication they intend to stop. The worst thing we could do now to unemployed Americans is continue to spend billions of dollars we do not have, and choke off the economic recovery.

This bill may not be the worst of the year, but it is a contender. If this House set out to design a bad bill, it could hardly have done better.

It duplicates medicaid. It is an entitlement. It has no means test. It will tax the poor to give health care to the more affluent. It will encourage employers to terminate health care plans. The State match will delay implementation. It will probably be extended as other such welfare plans have.

It will probably pass this House, but if there are enough votes against it, it may not become law. I respectfully suggest that supporters of fiscal discipline and rational lawmaking will want to vote against it. I will.

□ 1330

Mrs. ROUKEMA. Mr. Chairman, will the gentleman yield?

Mr. FRENZEL. I yield to the gentlewoman from New Jersey.

Mrs. ROUKEMA. I want to associate myself with the remarks of the gentleman from Minnesota and say that it is inconceivable to me that this Congress, facing the problems with present entitlement programs and the problems that we foresee in medicare is about to create yet another entitlement with no regard as to the revenue side. How do we intend to fund this program?

Mr. JACOBS. Mr. Chairman, I yield 4 minutes to the gentleman from Tennessee (Mr. FORD).

Mr. FORD of Tennessee. Mr. Chairman, I rise in strong support of the Health Care for the Unemployed Act of 1983. This bill will provide much needed health care assistance for the Nation's unemployed workers.

The bill that we have before us today reflects the work of two committees. Members of both the Committee on Energy and Commerce and the Committee on Ways and Means have worked long and hard on this bill. Its provisions reflect agreements that have been reached by the leadership and members of the two health subcommittees, and the two full committees that share jurisdiction over our health care programs.

We are all acutely aware that unemployment in this country is at a post-depression high of 10 percent. This represents 11.2 million Americans who are out of work. Another 1.8 million workers have lost their jobs but are not in the official unemployment count because they have become discouraged and have stopped looking for work.

The human tragedy behind these statistics lies not only in the inability of jobless individuals to earn a paycheck, but in other far-reaching and debilitating effects.

One of the most oppressive ripple effects of unemployment is the loss of job-related health insurance. Fourteen million unemployed workers and family members are currently without health care coverage, including 4 million children.

Loss of health insurance for the unemployed comes at a time when they need it most. The stress factor alone makes jobless individuals and their families more vulnerable and susceptible to health problems.

Recent statistics show that for every 1-percent rise in unemployment, there is a 2-percent increase in the mortality rate, about a 2-percent increase in cardiovascular deaths, a 5- to 6-percent increase in homicides, a 3-percent increase in first admissions to mental hospitals, and about a 5-percent increase in infant mortality.

These statistics reveal a staggering and alarming correlation between unemployment and the health of the individual. These figures also make it clear that the unemployed population needs health insurance even more than those of us who are working.

The unemployed who lose employer-based health insurance protection are generally unable to obtain coverage under other existing public health care programs. In some instances, unemployed families can gain health insurance through medicaid. But in 27 States, medicaid does not cover either impoverished unemployed two-parent families or their children.

As chairman of the Subcommittee on Public Assistance and Unemployment Compensation, my primary objective has always been to find a measure that would provide necessary health care assistance for the unemployed, and one that could be enacted.

The unemployed who have lost their health care benefits are in a situation which they did not create, and over which they have no control. Federal help is crucial in easing their access to health care while they are waiting for jobs to become available.

The legislation before us today will help many of our Nation's unemployed workers obtain health care for themselves and their families that would otherwise not be available to them. This bill is a compromise bill. It reflects the major objectives and concerns of the many Members and groups that testified at our joint subcommittee hearings conducted several weeks ago. It should have the support of every Member of this body.

Mr. GRAY. Mr. Chairman, will the gentleman yield?

Mr. FORD of Tennessee. I am happy to yield to my colleague, the gentleman from Pennsylvania.

Mr. GRAY. I would like to identify myself with the gentleman from Tennessee's remarks and certainly agree with everything he has pointed out. I would just simply add as a member of the Budget Committee and the conference committee on the budget, one of the things we were quite concerned

about, despite the optimistic signs of economic recovery, is that there are many people who are suffering physically as a result of the unemployment and other problems in our society.

Certainly this Congress, this Government, ought to be concerned about it and this is a fair and equitable way of dealing with that problem.

Mr. FORD of Tennessee. I thank my colleague for his comments and urge my colleagues to support the legislation that is before us.

Mr. CONABLE. Mr. Chairman, I now yield 7 minutes to the distinguished gentleman from Louisiana (Mr. MOORE).

Mr. MOORE. Mr. Chairman, I rise in opposition to H.R. 3021 because of four reasons—its bad health policy, bad social policy, bad fiscal policy, and bad legislative policy. To paraphrase the song, "It's the baddest bill in the whole damn town."

With respect to my first concern, bad health policy, I will not burden you with a long litany of what is happening to health care costs. We are all aware of the problem. It would seem prudent, therefore, to design any new program with as many cost and utilization controls as we can reasonably include. One such control, intuitively obvious to many of us, is the need for cost-sharing requirements.

There is an increased awareness that first dollar health insurance coverage is inflationary, it insulates consumers and providers from the cost consequences of health care decisions and it contributes to economically inefficient forms of health care financing and delivery and to the overuse of health services. While there is movement in the private sector away from such coverage, the wisdom of that movement has not affected, in a significant way, the design of this bill.

Joseph Califano, a former Secretary of HEW, a man not known for his conservative views, wrote an article in the July/August issue of the Federation of American Hospitals' Review on the health cost problem at Chrysler. In discussing the lack of cost sensitivity in health care, he stated:

"The Blue Cross card is like having a credit card to use at restaurants and never getting the bill. We would all order caviar, lobster, steaks, and Dom Perignon if we had such a card and that is the only food and champagne the restaurant would stock."

While I have had my past disagreements with Mr. Califano during the Carter administration's push for a regulatory approach to hospital cost control, I certainly could not agree more with him in regard to this matter.

But to paraphrase a now familiar line, "here we go again."

Under H.R. 3021, we have fashioned a program that would essentially allow first-dollar coverage.

When the legislation came to the Ways and Means Committee it contained no mandatory cost-sharing requirements. I was successful in amending it with an extremely modest requirement that would make mandatory the nominal cost-sharing requirements allowed under medicaid.

These amounts are truely nominal. We are talking about 50 cents on medical services under $10 up to a whopping $3 on services in excess of $50. For hospital care there would be a deductible of about $30. Contrast that with medicare where we ask our elderly to pay a current hospital deductible of $304 and coinsurance of 20 percent on physician services.

A criticism I am hearing from the National Governor's Association is that these amounts required in H.R. 3021 are so low some States will not want to bother with them. Unfortunately, in the rush to move this proposal through the committee, there was no time to work out a more appropriate cost sharing structure so we adapted the medicaid levels. But it must be kept in mind that H.R. 3021 is not directed toward medicaid recipients, who have met a very rigid means test. It would establish a nonmeans tested program providing assistance to certain, but not all, unemployed Americans.

My second concern with H.R. 3021 is that it is bad social policy. As written it will create new and serious inequities in our health care financing programs. This new proposition would, essentially, permit medicaid benefits for the unemployed, regardless of their income and assets. One can imagine how this will strike those low-paid workers who strive hard for their families every day, yet are not provided employment related health insurance and may not be able to afford to purchase health insurance on their own. Many of these employed workers may be worse off financially that the unemployed.

According to the latest data available there are about 10 million working Americans without health care coverage. These workers are generally concentrated in low wage industries such as agriculture, forestry, and personal services.

Is the need of some of these workers any less than those who would be covered under H.R. 3021?

And what about the 3 to 7 million Americans with neither private nor public coverage and who would not qualify for help under this bill—is their need any less?

If we are going to spend $4 billion, should we not at least try to help those who are the most needy?

Further, the aged, the blind, the disabled, and one-parent families have to meet tough financial tests to establish their eligibility for medicaid services. I have already mentioned the $304 hospital deductible and 20 percent coinsurance on physician services required under medicare. This new program imposes no comparable requirements upon beneficiaries. In fact, except for a small 5 percent set-aside, States are prohibited from determining eligibility on the basis of income or assets of individuals.

My third reason is that it is bad fiscal policy due to the lack of a method of financing the program.

Mr. Chairman, we just cannot continue the spend-spend-spend policies of the past. It is absolutely irresponsible, in my view, to add $4 billion to the Federal deficit with this new program. And that is exactly what will happen if we pass this legislation without a method of financing it, the budget resolution notwithstanding. We all know how easy it will be to pass the spending proposals contained in the budget but never quite get around to making the cuts or raising the revenues required to pay for this legislation.

My final reason is that it is bad legislative policy because this program will add yet another duplicative provision to the law. There is no statutory need for yet another provision to provide health insurance benefits to the unemployed. I was the author of a successful amendment to H.R. 1900 which was signed into law on April 21, 1983, and allows States for the first time the option of permitting the unemployed to voluntarily choose to have part of their unemployment compensation benefits diverted to pay for health coverage. We have not given that new authority but 3 months to work before embarking today on yet another program addressing the same problem.

Mr. Chairman, I am not opposed to providing health care assistance to unemployed workers with a demonstrated need for such assistance and certainly do not want to minimize in any way the many problems they face. But H.R. 3021 fails to provide this assistance in an equitable and fiscally responsible manner.

□ 1340

Mr. JACOBS. Mr. Chairman, I yield 3 minutes to the gentleman from Washington (Mr. LOWRY).

Mr. LOWRY of Washington. I thank my friend for yielding and compliment both committees on a job well done, specifically, the gentleman from Indiana (Mr. JACOBS) and the gentleman from California (Mr. WAXMAN).

Mr. Chairman, we are at a time in our history when some are doing very well economically in this country and some are not doing very well at all.

And the real principle here is are we going to have a little equity, a little compassion? Does it make sense for those who are doing well, those who have income, to provide for the basic needs, the health needs for those who are unemployed due to this recession? That is the basic question before us.

I yesterday got my paycheck. I opened it up and lo and behold I had $150 more in it than I had the month before. I said how come my paycheck is $150 higher? I went back through and remembered, the third year of the tax cut was due July 1 of this year, and that I remember was worth $1,354 a year to me.

So. I am $1,354 better off than I was before the third year of the tax cut which I opposed went into effect. Now, that cost this Government $30 billion a year. Now does it not make sense that those of us who do have incomes that have benefited to the tune of $30 billion from the third year of the tax cut should say, "Yes, in this country it makes sense, that we should spend $4 billion to give health coverage to the unemployed."

Mr. DANNEMEYER, Mr. Chairman, will the gentleman yield?

Mr. LOWRY of Washington. I yield to the gentleman.

Mr. DANNEMEYER. I detect a sense of pangs of conscience about receiving this $150.

Mr. LOWRY of Washington. Yes.

Mr. DANNEMEYER. My question is, Are you of a mind in order to purge your conscience to turn back the $150 tax cut?

Mr. LOWRY of Washington. I will tell my colleague right now that if this measure will pass and become law, I will absolutely do that and I hope that the gentleman from California will join me in doing it. If this measure is signed into law so the unemployed in this country can get help, I will send a check every month and send you a copy of it. Will you join me?

Mr. DANNEMEYER. I would hope in response to that offer that you tender it to the Treasury to reduce the deficit.

Mr. LOWRY of Washington. Oh, I try to reduce the deficit all the time.

Mr. JACOBS. Mr. Chairman, I yield such time as he may consume to the gentleman from Florida (Mr. LEHMAN).

Mr. LEHMAN of Florida. Mr. Chairman, I support H.R. 3021, and I want to particularly commend the Energy and Commerce Committee for including in this bill required coverage of prenatal, delivery, postpartum, and well-baby services.

I am privileged to serve as the chairman of the Select Committee on Children, Youth, and Families' Task Force on Prevention Strategies. Our task force held hearings recently which clearly documented the need for good prenatal and early childhood health care.

Low birth weights and other problems arising from inadequate care during critical stages of development can lead to lifelong physical, intellectual, and emotional difficulties for the child and for society as a whole. Good comprehensive prenatal care is frequently not available to low-income families, and they consequently suffer from a higher incidence of low birth weight babies and a higher rate of infant mortality.

While this legislation is only temporary and will by no means cover all low-income persons without health insurance, I believe it is an important step in recognizing the urgent need for better access to prenatal and infant care. I look forward to working with Mr. WAXMAN, the chairman of the Subcommittee on Health and the Environment, to expand the availability of such services to low-income women and children.

Mr. CONABLE. Mr. Chairman, I yield 4 minutes to the gentleman from California (Mr. DANNEMEYER).

Mr. DANNEMEYER. Mr. Chairman, earlier when Mr. DOWNEY of New York, was in the well I asked if he would yield and he was, of course, entitled not to and he did not but I do not see him here now. I had a question I wanted to ask him on my time. Perhaps if he is within hearing of my voice he would come to the floor and I would like to engage him in a colloquy.

Mr. LOWRY of Washington. Mr. Chairman, will the gentleman yield?

Mr. DANNEMEYER. I yield to the gentleman.

Mr. LOWRY of Washington. I did not hear the answer to my question. Are you going to send back the amount of the tax cut you got July 1?

Mr. DANNEMEYER. The gentleman well knows that the spirit that I have utilized here in the House is to reduce the deficit.

Mr. LOWRY of Washington. That is the way to do it, is it not?

Mr. DANNEMEYER. The day that you join with me in cutting the deficit by cutting spending is the day that I will turn my tax reduction over to the Treasury.

Mr. LOWRY of Washington. Tomorrow is the first chance to vote against the authorization bill for DOD for $186 billion. I am going to vote "no" on it, will the gentleman join me on that? That is a savings of $186 billion.

Mr. DANNEMEYER. I thank the gentleman for his contribution.

When this matter first came up before the Committee on Energy and Commerce on which I serve, it suddenly became apparent that the motivation behind the presentation of this legislation in this particular era is nothing more or less than the achievement of that No. 1 goal on the liberal agenda for America that is yet unachieved. And that is the benefits of universal medical health insurance for all Americans. Fifty years ago, Mr. DOWNEY of New York, told us, we started down this road, and today we have a $200 billion deficit and all these great programs that brought benefits to all Americans have brought us to the verge of bankruptcy. So, today we have the camel sticking its nose into the tent to achieve yet another item on the agenda, namely, who could be against medical benefits for those unfortunate enough to be unemployed? When you look at it in isolation, nobody really. When you put it all together we have total fiscal irresponsibility. For example, in this bill you will notice on page 18, lines 8 through 12, some interesting language that I would like to bring to the attention of the Members.

A state plan must provide medical benefits for A, prenatal, delivery, post-partum, and well-baby care, without limitations of amount, duration, or scope except as to medical necessity.

Now that sounds strangely like, startlingly like entitlement language. We all know what happens when we have entitlement language. Anybody who fits into the category can present themselves at public facilities and obtain that coverage and if they do not get it, they can take somebody to court and compel a State government to provide that coverage. I had an amendment to offer but the Rules Committee declined to make it in order, to clarify that this language was not intended to be in the nature of an entitlement, but I will not have the opportunity to offer that amendment for consideration by the committee because the Rules Committee did not make it in order.

The second amendment that I did offer in the Commerce Committee, but unsuccessfully, and which I would like to offer on the floor, but the Rules Committee did not make it in order, related to a very fundamental philosophical position that any of us must take in this House when we consider yet another entitlement program. That is: Where is the money going to come from?

The amendment that I offered would create a commission that would have to be in business 90 days after enactment. That commission would have the responsibility of recommending to the Congress what existing programs would remit or be reduced in order to finance this new welfare spending program.

So that if the conscience of the 98th Congress says we in this country need this for the benefit of the people of America, so far as the taxpayers are concerned, it will be a push. There will be no increased costs to the taxpayers of this country because this program is perceived to be of a higher magnitude of need than existing programs. And I think the Members who are sponsoring legislation of this type at this point in our history, considering this $200 billion deficit, have the responsibility to say to us where the money is going to come from. And if they cannot say where the money is going to come from, this commission would fulfill the responsibility of rec-

ommending to the Congress what existing programs would remit in order that we would be able to say to the taxpayers of this country that there will be no net increase to anyone.

I heard the gentleman from New York (Mr. DOWNEY) earlier talking about—and I am sorry he did not come on the floor so I could ask him a question that needs asking time and time again. Where do we who are living today get the moral authority to spend and consume and transfer to another generation the duty of paying for what we have consumed today?

Mr. JACOBS. Mr. Chairman, I yield 2 minutes to the gentleman from West Virginia (Mr. STAGGERS).

Mr. STAGGERS. Mr. Chairman, I rise in strong support of H.R. 3021. "Unemployed labor means human want in the midst of plenty." Those words spoken in 1934 by Franklin Roosevelt's future Vice President Henry Wallace are appropriate in the debate we are engaged in today. The plenty exists in the fact that America leads the world in the area of health care. Technological advances in medical techniques and in the implementation of health-care services continue to grow at a rapid pace. The human want occurs when, as in the case of the unemployed, health care is denied; a result of the inability to pay.

West Virginia continues to lead the Nation in unemployment. The long-term unemployed in my district are quickly becoming the longest unemployed in the history of the State. The health needs of idled coal miners and their families cannot be denied. The sons and daughters of rail workers, construction workers, and the thousands of other victims of the recession, are lacking essential health care because their health benefits and insurance has long ago lapsed.

It is said that John Kennedy learned the realities of poverty during his visit to West Virginia during the 1960 election. Two decades later the blight of poverty, while not totally eliminated in some rural areas, can be seen to be waning. The progress made in the health and well-being of West Virginians must not be turned back. The unemployed and their families should not be forced to forgo necessary health care for want of work. The recession was not the result of their actions, nor should they be made to bear the cost of the economic shortfall, a price tag that includes the health and well-being of their spouses, their children, and in some instances, their parents.

Mr. Chairman, H.R. 3021 will insure a continuity in improved health care for all unemployed Americans.

In the Preamble to the U.S. Constitution, the Federal Government is charged with promoting the general welfare. The welfare of Americans includes adequate health care and I submit that the millions of unemployed and their families should not have their health and therefore their welfare, placed in jeopardy because economic practices and policies fail to insure they will have work.

I strongly believe we can best serve our mandate with the passage of health care for the unemployed.

Mr. JACOBS. Mr. Chairman, I yield 2 minutes to the gentlewoman from Ohio (Ms. KAPTUR).

Ms. KAPTUR. Mr. Chairman, I rise in support of H.R. 3021, the Health Care for the Unemployed Act of 1983. Our country's strength lies in the health of its people. Often, the word "crisis" is easily thrown about, but the problem of unemployed workers and their families without adequate health care protection is truly a crisis that is growing each day.

The evidence pointing to a sharp decline in the Nation's standard of health, primarily because of high unemployment, is all too prevalent today. There are more than 25 million people who lack health care insurance because of unemployment. Eleven million Americans lost their health insurance in 1982 alone. The damage that inadequate health care causes has been well documented not only during this debate, but for two decades now, since the time we first embarked as a Nation on a course that would insure adequate and decent health care to all Americans. We believe as a nation, people should have a right to decent health care regardless of their position in life, including their employment status.

I took to the floor on behalf of this legislation on April 14, the day after it was introduced. I knew how much it would mean to the thousands of unemployed people in my district whose families no longer had health care protection. Now, almost 4 months later, I take to the floor once again because the situation is worse. Throughout this Nation, the number of persons out of work for 27 weeks or more approaches 3 million, a post-World War II high. As of July 22, 111,104 Ohioans and 4,500 Toledoans had exhausted all of their unemployment benefits. By October 1, those numbers will grow by an additional 86,000 and 3,600 respectively. In virtually all cases, the loss of unemployment benefits has been preceded by a loss of health benefits. As Business Week magazine recently reported,

> The recent upturn in the economy has not alleviated the problems of the long-term unemployed . . . In fact, one key measure of labor market distress—total weeks of unemployment—is still rising rapidly.

The plight of the long-term unemployed is growing as of the first quarter of the year, 4.6 million Americans were unemployed for 15 weeks or longer, over two times the number that existed in 1980.

H.R. 3021 is a good bill not only because it addresses a genuine crisis facing the Nation, but also because it does so in a fiscally responsible way. It does not create an open-ended entitlement that would result in uncontrolled Federal spending. Rather, it targets benefits to those who have been unemployed the longest and are therefore most in need. It sets in place reasonable changes in private health benefits to meet the health care needs of the unemployed. For those who believe that the economy's sparkle will soon reach all sectors of the economy and all regions of the country, then this is a reasonable bill. It simply provides necessary, short-term protection. To those that fear, as I do, that some economic groups and parts of the country may be left behind by the Nation's economic recovery, then this is also a reasonable bill—one that will handle a situation that will continue to confront us for quite some time.

Now, I fully expect the issue of the deficit to come up during this debate, as well it should. We all realize the rough road ahead for us because of the massive budget deficit. All programs must be scrutinized. I am as strongly committed to controlling the growth of the Federal deficit as any Member of this body. That is why I voted against the vulnerable and worthless MX missile system, which will add $30 to $40 billion to the deficit. That is why I voted against the B-1 bomber which adds $5.62 billion to the deficit in fiscal 1984. That is why I voted against the M-1 tank program which adds nearly $2 billion to the deficit in fiscal year 1984.

Now somehow, many of the same people who voted for all of those programs, as well as other wasteful measures, which add nothing to our Nation's security or strength but serve to swell the deficit, draw the line here. They are marching up to the well to speak against a bill that can save lives and add to our dignity as a people. They are trading arms for our people. Had they had the resolve to say no to real waste, they would be able to say yes to this bill; which truly makes our Nation stronger. This is the type of legislation that is worthy of taxpayers' dollars.

If we fail to pass this bill, how can we go back to our districts this weekend and look at the unemployed and their families, especially the children, who have no health care protection. How could we explain the defeat of the Health Care for the Unemployed Act and the passage of the M-1 tank program was somehow in their best interest? We cannot look at them and say we did not have a chance to help them. We do. Right here and now. What greater purpose does this body have than to relieve pain and suffering when it can. If not us, then who?

Mr. JACOBS. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio (Mr. PEASE).

Mr. PEASE. Mr. Chairman, I rise in support of H.R. 3021 and I could do so for some academic reasons, many of which have been stated today.

Rather, I would like to speak for a couple of minutes to the human dimension of the problem of the absence of health insurance for unemployed Americans.

My district, as I reported on the floor yesterday, still has very high unemployment despite the beginnings of a recovery from this recession. My home county has an unemployment rate of 16 percent. The county next to mine has 18½ percent. That is an improvement, but still very high.

The steel industry has one of the best health insurance plans of any industry in America and yet, even there, after workers have been unemployed for an entire year, as some 4,000 employees of the United States Steel plant in my district have been, they no longer have health insurance. In fact, they no longer have unemployment compensation. And literally thousands of families, some steel workers with seniority of up to 31 years, are out of work and have been for a year. They are going without health insurance. Their families are postponing needed health care, needed hospitalization. And when they cannot, those families are running up hospital bills of $15,000 to $20,000.

This bill seeks in a small way to address that problem.

Mr. Chairman, this bill addresses one of the most important needs of the Nation's unemployed—their need to maintain their health and that of their families while they search for new employment.

A cruel aspect of the current recession is that those who have already lost their jobs are in danger of losing their health because they cannot afford to purchase health insurance. These are people caught in a virtual catch-22 situation: They will be unable to obtain health insurance if they cannot find work, and they will be unable to find employment if serious illness or injury should strike while they are without health insurance.

Frequently, those without insurance neglect their medical needs until a crisis develops in order to meet more immediate demands such as food and shelter. Then, when medical emergencies arise, they are forced to seek assistance wherever it is available. As a result, many hospitals have experienced rapid growth in the number of cases in which the patient is unable to pay for treatment. For example, in 1982, Lorain Community Hospital, located in my district, reported a 54-percent increase in charity cases over the level of the preceding year.

H.R. 3021 is a step in the right direction, but it is only a small step. Only a portion of those who need the assistance that is authorized by this bill will actually obtain it because the total need is much greater than available resources. My greatest concern with H.R. 3021 is that it does not do enough, either for its intended beneficiaries or for the millions of others that are lacking adequate health insurance. I am afraid that some Members and others will view the enactment of this bill as a resolution of the problem, when it really is only a limited attempt to aid some of those who are in need.

OMB Director David Stockman, in testimony before the Ways and Means Committee on this bill, indicated that the administration might undertake a review of the various Federal health programs at some point in the future. That review, which would include a reconsideration of the medicare and medicaid programs, would probably commence no sooner than 1985. Unfortunately, that schedule is of no help to those who are presently uninsured or underinsured. We in the Congress have a responsibility to act on this issue now.

Some concern has been voiced that the extended coverages that are required by this bill will impose too great a burden on employers. Admittedly, these new obligations will require more of employers, but they are slight in relation to the benefits that will be made available. The provision for conversion of group policies to individual coverage will require no additional employer contribution. In fact, 30 States have already implemented similar laws. The requirement for an open enrollment period for spouses of insured employees only restates an obligation of employers that presently offer family coverage, although employers will incur additional costs as this option is utilized by employees with unemployed spouses. The third new employer requirement, a 90-day continuation of coverage for laid-off employees, will also impose some new costs. However, 19 States presently have continuation requirements varying from 30 days to 18 months. The total added cost of these requirments to employers has been estimated by the Congressional Budget Office to be about 2 percent of their present health care expenditures.

As for Federal Government costs, H.R. 3021's level of funding is quite low compared to earlier proposals, and the total cost conforms to the limits established in the 1984 budget resolution.

Similarly, the States would contribute, on the average, only 7 percent of total program costs, not an unreasonable amount.

Mr. Chairman, this measure will contribute to the health of those who have the most compelling need for assistance. I believe that H.R. 3021 is a necessary response to the plight of the Nation's unemployed, and I urge its passage.

Mr. JACOBS. Mr. Chairman, I yield 2 minutes to the gentleman from Georgia (Mr. LEVITAS).

Mr. LEVITAS. Mr. Chairman, I rise in support of this legislation. And I rise also in opposition to the Frenzel amendment and to the motion to recommit.

There is very little I can add to the debate that has already preceded me on the question of the enormous human and economic trauma that results from an unemployed person not having health care for himself and his family or herself and her family. The devastation of losing one's job and income and running out of unemployment benefits is bad enough. But when that is compounded by having an illness or accident with hospital and medical bills that cannot be paid, the tragedy reaches propositions that are hard to describe or even comprehend. It is despair. It is devastation.

□ 1400

The fact of the matter is, there are few more devastating events than to have a sick relative or dependent and not be able to get health care.

This Nation is distinguished from other nations in the world in that we care. We do not let people starve in the streets, we do not let them go without shelter, and we do not let them suffer without appropriate medical attention.

Regardless of the prudent savings or provisions a person may have made for health care, when he loses his job these provisions are almost invariably lost as well. When that job is lost because of economic circumstances and recession and not because of a worker's fault or laziness, this Nation cannot stand idly by and watch that suffering and do nothing.

This is a vital piece of legislation.

It seems to me that because it is optional to the States to participate, then each State can make a judgment as to whether it needs or wants to implement or not to implement this program.

I am told, for example, in Georgia, that the medical profession has admirably responded to the needs of the unemployed by providing free services, and yet it still does not cover hospital expenses or other medical expenses. But if my State chooses not to participate, so be it. But we have a national human concern that this legislation addresses.

The Frenzel amendment, it seems to me, is a grave mistake because it kicks middle-class Americans right in the face. The Frenzel amendment would turn this bill into another means

tested welfare program with all the bureaucracy paperwork, redtape, and fraud that goes with it. The Frenzel amendment says to middle-class Americans they have got to become destitute and welfare cases and dispose of their savings before they can have any opportunity for health care for their families. Well, I say to you that middle-class Americans, or the silent majority, have caught it in the neck long enough. These are the people who pay most of the taxes and are the backbone of our country. Why should they be made to pay and then be left out in the cold when they need temporary help? Today is the day we ought to stand up and say that a middle-class person who has lost his job through no fault of his own, does not have to become poor in order to get some health care for his family. This is a temporary program for them, and we should support middle America today and defeat the Frenzel amendment.

● Mrs. SCHROEDER. Mr. Chairman, I am extremely pleased to be a cosponsor of H.R. 3021, the Health Care for the Unemployed Act. This measure makes an important step toward widening the availability of health care in our Nation. Yet it fails to benefit some other especially deserving groups of individuals. One group among these is the RIF'ed Federal employees, the very workers who have been forced to shoulder the brunt of our economic and political policy decisions.

Congresswoman OAKAR has introduced H.R. 656, a major piece of legislation which will strengthen the Federal Employees Health Benefits Program (FEHBP) and reestablish it as a system of comprehensive, fairly priced health care coverage. I am especially grateful to the Congresswoman for including in this bill a provision I developed to address some of the longstanding and troublesome gaps in Federal health care coverage.

Over time, there has evolved a very definite pattern of linking health benefits to the workplace. When a worker loses a job in a layoff, or a person loses a connection to the worker, as in a divorce, the individual also loses health care protection for family and self. Typically, the unemployed or divorced who lose employer-based health insurance protection are unable to obtain other affordable coverage.

The impact of this problem of lost health insurance coverage has been most forcefully driven home by our country's continuing economic crisis with its disastrous double-digit unemployment rate. According to the Congressional Budget Office, during fiscal year 1984, the number of people without health insurance coverage due to unemployment will reach 19.1 million. These workers and their families have no protection against the high costs of health care. As a result, they all too often fail to receive needed medical and hospital services. The truly tragic element of this is the well-established link between a significant life change—such as loss of employment or divorce—and poor health. So at the very time when an individual or family needs health care the most, it becomes unavailable.

In recent years, many States have enacted laws to deal with the gaps in health benefit protection. Most of this legislation has focused on the needs of a worker's spouse and dependent children whose coverage is lost due to health or divorce. Other laws deal with continuing coverage for workers who are between jobs or who have been laid off. Federal workers cannot, by virtue of their Federal employment, qualify for the benefits of these State laws or, as I noted earlier, with H.R. 3021.

Section 3 of H.R. 656 addresses four limited populations who, through no fault of their own, have had their connection to the Federal workplace broken. And with that break, they lost their access to comprehensive, comparatively affordable health care insurance. These four groups are:

One, employees involuntarily separated from the civil service due to reduction-in-force (RIF);

Two, spouses of employees, or annuitants whose marriages are dissolved by divorce or annulment;

Three, unmarried dependent children over 22 who cease to be disabled; and,

Four, individuals who elect to receive a lump-sum payment rather than a monthly annuity.

Currently, the FEHBP offers a conversion opportunity to individuals in these categories which allows them to obtain health insurance coverage under a nongroup policy without proving their medical insurability. This conversion right is sorely inadequate: the costs are usually high and the coverage deficient.

Section 3 of H.R. 656 allows these individuals the right to convert, but it also provides a critical alternative—the right to continue in their current policies. Whereas conversion allows a person to obtain an individual contract when participation in a group plan ceases, the continuation provisions allow a person to continue participation in the group plan. In the case of the provision we are proposing, the individual would be able to receive the same group protection at the same premium rate with the proviso that he or she pay both the worker's share of the required premium and the contribution that would normally be paid by the agency, as employer.

Although continuation is still an extremely costly form of health insurance, it almost always beats the conversion option. For example, a 54-year-old divorced spouse of a male Federal employee would pay $1,041.36 a year to continue a self-only, high-option Aetna policy. That is outrageously high. But for that same individual to convert to an Aetna self-only, high-option policy in my State of Colorado, the cost would be $2,696 a year and for greatly reduced benefits. This is an unbelievable amount of money for anyone, much less someone without a paycheck or other source of regular income. What is more, for that same 54-year-old individual to convert to a policy in California, the cost would be $4,196—a ludicrous and prohibitive sum.

Therefore, by offering these groups the opportunity to continue in the FEHB program, we will be providing them the availability of better, more affordable health care coverage.

One of the most appealing aspects of section 3 is that its costs to Government will be negligible. Even if everyone eligible were to take advantage of the opportunity to continue, they would make up only a small percentage of the total FEHB population. This, coupled with the fact that the individual must bear 100 percent of the premium burden, makes this practically a no-cost provision for the Government. Because the costs to the individual are so high, many will not be able to afford it. Those who do choose to convert or continue will do so only until they become eligible under a more reasonable health care plan. With new employment or remarriage, their connection to the FEHB program will quite probably cease.

Therefore, with section 3, we are not establishing a new program; we are not initiating a costly new financial burden. We are simply extending an important opportunity to certain individuals who have lost their access to affordable, quality health care insurance. They have lost that access through no fault of their own: Some do to political and economic policy which has, so far, resulted in 13,000 RIF'd Federal employees; some as a result of an administrative mechanism as in the case of the lump-sum annuity recipients; some due to a change in health care status as in the case of the older dependent children; and, some as a result of unfortunate personal circumstances as in the case of the divorced. We are not providing charity for these individuals, we are not asking for their financial support. We are only asking that they be allowed to continue benefiting from the economies of scale provided by group health insurance policies. This is public policy at its best—it incurs no costs to the taxpayer yet addresses the needs of the deserving.

The insurance carriers have expressed no objections to this provision. The Reagan administration has supported this concept in another context. In his April 27, 1983, appearance

before the Senate Finance Committee, Office of Management and Budget Director David Stockman acknowledged that the problem of health benefits is one of "* * * selective gaps and discontinuities" which could be dealt with by mandated continuation of the present employer plan coverage to be financed entirely by the former worker. I can imagine no reason why the administration would not also support such self-paid continuation for these other deserving groups as well.

In my testimony before the House Subcommittee on Compensation and Employee Benefits on H.R. 656, I urged the subcommittee to delete any time limitation on the continuation right for RIF'd employees. I also asked that an additional group be added to those covered. There is a small, but extremely needy population of surviving spouses who are currently not eligible for continued participation in the FEHB program. They too should be included for the benefits of H.R. 656.●

● Mr. MARKEY. Mr. Chairman, I rise today to support H.R. 3021, the Health Care for the Unemployed Act. This desperately needed humanitarian measure has already received support from three committees in both Houses of Congress. It is time for us to add the voice of the full House to those demanding an intelligent and compassionate health care policy.

The Congressional Budget Office has estimated that 10.2 million unemployed workers and their families have no health insurance. These people face the constant fear that an unexpected illness will wipe out the savings they need to survive. They often sacrifice day-to-day preventive medicine that is crucial to the long-term health of our people.

Today, we have the opportunity to lend a hand to those in need and to make a significant investment in the health of our Nation. We are all the victims of soaring medical costs, costs which have risen unabated for the past 20 years. These costs are best controlled by prevention, not cure; prevention that both eliminates the pain and contains the cost of illness.

I urge my colleagues to remember that the people this legislation will help are not the simple victims of their own poor planning. By and large, these people are hard-working Americans who saved all their lives against the hard times, just like we are all told to do, and are now forced to use their savings to survive. These people live next door to financial ruin; any illness could move these people into bankruptcy. This legislation will offer some protection to the dedicated workers who paid taxes all their life to support our system and now need a break to keep them healthy—physically and financially.

The unemployed workers of today are not shiftless or lazy, like some cartoonists would have us believe. They are hard-working men and women who lost their jobs as our industrial base has sunk into depression. They have helped others who had hard times, and now these people find themselves in hard times and they need our help. This bill, granting limited health insurance, is the least we can do to offer protection against the whims of illness.

It is not the fault of the unemployed construction worker that the administration has enacted nearly $200 billion budget deficits that drive up interest rates. It is not the fault of the unemployed auto worker that these same administration policies artificially inflate the value of the dollar abroad, and make Japanese cars very price attractive here. It is not the fault of the unemployed steel worker that management of U.S. industry often has been slow to meet the challenge of foreign competition.

Some have estimated that the overvalued dollar costs the U.S. economy $100 billion in lost GNP and 1.6 million jobs every year. We all have seen up close the devastating impact of high interest rates on industry and trade. The cause of the highest unemployment since the depression lies not in ourselves, but in the mistaken policies of the administration and the vagaries of the economy. That is why unemployment hangs up there at 10 percent. That is why millions are left at the brink of disaster, hoping their health will not turn for the worse and push them into financial ruin. That is why we must act now.

We cannot wait for the problem to go away. It will not. Even as the administration trumpets an economic recovery, unemployment figures are expected to stay above 8.5 percent through the end of 1985. The recovery does not exist for those who have no jobs. And many of the people who now stand in unemployment lines will still be there many months from now. Their benefits will have expired and their position will be even more desperate.

The legislation before us is a carefully wrought compromise, weighing State's interests with the need to limit Federal costs. This compromise, which includes incentives for private employers to offer group health insurance to the spouses and children of unemployed workers, offers health protection to the unemployed while limiting the need for further Federal intervention. The bill makes clear to employers that their obligation to employees should not end with a pink slip.

I do have some reservations about the allocation formula for the block grants since it penalizes States that have low unemployment, and discourages them from participating. An unemployed worker suffers just as much in Massachusetts as does one in Michigan. Yet the distribution formula requires Massachusetts to pay a much higher share of the cost of the health insurance plan. This discourages full State participation. Thus, Massachusetts might choose not to cover a jobless person who would have been covered in Michigan. This system ignores the human suffering that hides behind statistics.

The compromise also requires patients to pay for a portion of the cost of care, in some cases as much as 10 percent of the total. While this copayment scheme is designed to discourage the unnecessary use of health facilities, its burden could prove too much. A hospital bed at $300 per day would cost a covered unemployed worker $30 per day, still prohibitive to the truly needy.

Nonetheless, this legislation is our only chance to address a critical problem. It is a solid first step, and we must take it now. We must bury our differences on minor points and uphold the fundamental principle: that the unemployed workers of this Nation should not be left alone in their time of trouble. When health maintenance is sacrificed, the long-term effects are severe: an unhealthy population that will pay a lot more for its health as it ages. We must also insure that the unemployed never be reduced to poverty by a catastrophic illness.

The Reagan administration has hinted darkly that it will veto any health care bill that does not include a new revenue source to pay for itself. I only wish the same criterion were applied to defense expenditures. This administration was willing to propose a nearly $200 billion deficit to finance its weapons buildup. It is blatant hypocrisy for the same administration to deny our unemployed citizens their health, the most basic necessity of life, in the name of fiscal austerity. We have been asked to spend five times the amount of money to deploy one missile system whose only justification is that it can serve as a bargaining chip in arms control negotiations. The priorities of the President are clear. We must be sure that ours are equally clear.

Congress must take a firm stand in favor of health care for the unemployed. We must make it clear that this is one of the most important pieces of social legislation to come before this Congress. And we must make clear to the American people where the blame lies if this humanitarian program is ultimately defeated by a hostile administration.

I urge you, my colleagues in the House, to consider this legislation, the people it is intended to help, and the way in which it will help them. I ask you to join me in support of this bill, so that together we may lift the

burden of illness from the unemployed workers of our Nation.●

● Mr. ROYBAL. Mr. Chairman, the need for a comprehensive plan to meet the needs of our Nation's 11.1 million unemployed is crucial. The loss of a steady income is but one of the negative results of unemployment; with it also comes the loss of the security of knowing one's individual and family health care needs will be met. Pregnancy, serious illnesses, and other health related problems do not occur on any given schedule. Consequently, health care coverage must be made available at all times, most especially during this time of widespread unemployment.

While we attempt to solve our Nation's economic and industrial problems, H.R. 3021, the Health Care for the Unemployed Act of 1983, is a means of providing these workers and their families with at least some degree of security. Joblessness can no longer be looked at as a short-term setback. The average duration of unemployment is now at 22 weeks and growing. For those collecting unemployment compensation during this time the situation is grim. For these individuals paying for health care services, at current rates, is difficult if not impossible with the meager income unemployment insurance provides. A single medical or dental bill could easily consume 100 percent of the monthly unemployment insurance payment. The burden of providing food, housing, and other basic necessities should not be compounded with health care worries.

For those workers whose unemployment has extended beyond the limits of compensation, the situation is even more grave. For these people personal financial resources have already been exhausted and the crisis escalates daily. Even though there are some health care personnel and facilities willing to provide services on a volunteer basis these instances fall far short of providing the widespread coverage necessary. What we need is a comprehensive plan available to all those persons who, because of the state of the economy, are in need.

H.R. 3021 creates a responsible mechanism through which States can provide for the health needs of their unemployed. The cost of the bill will be shared with the States, based on the severity of the unemployment situation, so as to insure an equitable distribution of services and a shared responsibility for the problem. With the passage of this bill we will be able to guarantee at least a minimal level of health services. The services to be rendered will include the basics: Inpatient hospital care, outpatient treatment, physician visits, clinical services, as well as, prenatal, delivery, and postpartum care. This action is a vital step in our struggle to assure the physical well-being of our workers and their families during this time of crisis.

Compounding the problem is the fact that adequate health care coverage can be even more important during times of high unemployment. Recent studies have proven the existence of a direct correlation between unemployment and a wide range of physical, emotional, and psychological problems. Consequently, the economic and social factors are multiplied when health care or the lack of it becomes an issue.

This bill will provide for those who, through no fault of their own, are unemployed and uninsured. If we cannot immediately meet their employment needs, it is our obligation to provide the means to meet their health care needs in the interim. Access to proper medical care should never be contingent upon one's economic status. I urge you all to join with me in voting for H.R. 3021.●

● Mr. CROCKETT. Mr. Chairman, as a cosponsor of H.R. 3021, I fully support its provisions offering health care protections to those men and women who continue to suffer under the present conditions of high unemployment now prevailing in many areas of our country. The people of my district, the 13th District of Michigan, have been especially hard hit by the continuing high levels of unemployment, and we have seen a corresponding lag in health care and preventive medical and nutritional care.

I have a special interest today in discussing the mental health aspects of the proposed health care program for the unemployed. I concur with the language included on page 15 of the June 7, 1983, committee report accompanying H.R. 3021, which stated that—

> The Committee recognizes that unemployment means not only financial hardship for the families affected, but physical and emotional stress as well. Within the benefit limitations set forth in the Bill, the unemployed should have access to * * * mental health benefits.

Dr. Matthew Dumont, a community psychiatrist, has stated that—

> Loss of work represents not only financial insecurity but a biopsychological assault of such magnitude that it must be counted as one of the greatest public health menaces of all time.

Put another way, unemployment as a major source of stress has consequences for physical health, mental health, and family functioning.

Specific examples of the consequences of unemployment can be found not only in the headlines of the daily papers, where the stresses of unemployment are mirrored in the increases in violence, depression, and unhealthy conditions, but also in scientific studies of unemployed individuals.

For instance, studies which considered mental and emotional illness demonstrate several ways unemployment affects individual well-being and stability. The impact of stress is manifested in high levels of anxiety, depression, aggression, and loss of self-esteem. The above behaviors, and stress on families resulting from life changes engendered by unemployment, cause an increased incidence of marital problems, child abuse, behavior problems in children, and juvenile delinquency. A recent series in the Detroit Free Press on the increased incidence of child abuse in Michigan documents the correlation between dysfunctional family behavior and unemployment.

The longer people experience unemployment, the more likely they are to experience mental health consequences, that is, depression and alcoholism. And the latest statistics show that the average length of documented unemployment is close to 18 months. This figure does not include those people—some 8,000 every month—who exhaust their benefits and go on the discouraged workers lists.

As the unemployment rate increases, the negative effects on physical health and mental health increase exponentially.

The Michigan community mental health system currently treats 13,093 individuals who were laid off, are looking for work, or are unemployed. This 13,000 total is conservative, in that it excludes family members who may also have received mental health care. Yet even these conservative figures show an alarming increase of 4,295 individuals since 1978.

Health care for the unemployed is cost effective. By including mental health services in the basic coverages allowed in this legislation, we insure that unemployed persons can receive treatment upon referral for their total health needs—physical, emotional, and mental care.

I encourage my colleagues to expand beyond a solely physical approach to health by expressing our intent that this legislation include psychiatric and other types of mental health service. Specifically, I encourage the inclusions of inpatient mental health services, outpatient services directed at remediation of depression, family conflicts and children's behavioral problems, and, special, short-term crisis interventions focused at unemployed individuals and their families.●

● Mr. McCANDLESS. Mr. Chairman, last week, we received more encouraging economic news. The unemployment rate dropped another one-tenth of 1 percent, a decline of 0.8 percent since December. The number of factory jobs have risen for the last 3 months. The rate of unemployment in the durable goods industries has dropped approximately 4 percent since

December. But despite this encouraging economic picture, 10 percent of the American work force remains without a job. I sympathize with these people, many of whom, through no fault of their own, are without employment.

To compound this problem, many are in need of medical assistance but, because of a layoff, have lost their health insurance. Because of increasing costs of medical care, a lifetime of savings can be wiped out overnight without the benefit of insurance. I believe there is a definite need on the part of Congress to address this problem. The proper role for the Federal Government has been contemplated by several committees of the House and Senate. The Energy and Commerce Committee has provided us with one solution—a brandnew, multibillion-dollar entitlement program which seems suspiciously close to an extended version of medicaid for the unemployed. This new entitlement would be open ended with no stipulations on participation except that you must qualify for unemployment compensation. I cannot support that. I cannot support yet another huge welfare program that would create more problems than it solves.

I do not believe the average citizen should be forced to bear the entire cost of health care coverage for every unemployed person, no matter what the particular circumstances, when there are unemployed who are financially better off than others who work. Under medicare, for instance, the aged and disabled must pay a significant amount in deductibles and copayments. No such requirements are proposed for beneficiaries of this program.

The Ways and Means Committee has made a valiant attempt to correct a majority of the problems proposed by the Committee on Energy and Commerce. However, it does not go far enough. Despite three attempts by Republican members of the committee, there is still no provision to require or permit the use of a qualifying test.

Just thinking of what happened in the food stamp program makes me cringe. Without the use of such a qualifying test, nondeserving people could qualify for assistance.

I believe in the need for health benefits for the unemployed; it is a much needed program. I cannot, however, support one laden with the possibility of abuse.●

● Mr. HOYER. Mr. Chairman, while economists hail the current boom as the end of the recession, the unemployment rate continues at double-digit levels, with little prospect in sight for any substantial reductions. This continued high rate has severely affected the ability of many Americans to obtain for themselves and their families adequate health insurance, as most Americans obtain their insurance through their employer. Private health insurance is costly, and many companies provide only short-term coverage for employees who have lost their jobs.

According to the Congressional Budget Office, 10 million jobless workers now do not have health insurance. This can be devastating to a family faced with a sudden, serious illness or injury. In many areas of the United States, the typical unemployed worker does not meet medicaid eligibility requirements, and so are faced with dealing, on a day-to-day basis, with the fear of becoming ill or injured. This merely adds further to the frustration and pain of a person who suddenly finds himself or herself without a job and the means to provide for the family.

Clearly, then, there is a need for the Federal Government to take some decisive and substantive action. We have already acted upon and implemented a solid jobs bill which we have seen has been of real help to many States confronted with serious unemployment problems. H.R. 3021 is a corollary to that bill—a prudent and effective response to the burgeoning problem of the unemployed and uninsured worker.

H.R. 3021 will directly benefit the most needy, and would do so in a way that will neither unduly burden the States nor exceed the amount provided for this effort in the first budget resolution for fiscal year 1984. By distributing the funding to the States in the form of block grants, the program permits the States wide discretion to distribute the money in the manner they feel is most efficient and effective. These matching grants are voluntary, with the States providing a portion of the funds in direct relation to the percentage of unemployed workers in the States.

Certain provisions of the bill assure that funding will go first to those who need it most, that is, those who have been unemployed the longest. In addition, provisions are included to establish direct grants to hospitals to assist them in providing services to low-income individuals without public or private insurance. It also provides for an increase in maternal and child health block grants, signaling increased congressional concern for those who do not have the means to obtain health insurance in this society.

The cooperative approach between Federal and State governments underlying this bill sets a bold precedent and establishes a framework from which future programs might be developed. I would like to commend my colleagues, Chairmen ROSTENKOWSKI and WAXMAN, for their outstanding leadership on this issue. This bill addresses forthrightly the oppressive problem of health care for the unemployed, and I urge my colleagues to support this vital legislation.●

● Mr. FORD of Michigan. Mr. Chairman, I rise in strong support of H.R. 3021, the Health Care for the Unemployed Act. Because the Nation's health insurance system is so closely linked to employment—more than 85 percent of all workers gain access to health insurance coverage through their employers—the recession has severely cut into the access to health care for the unemployed.

During February 1983, over 14 million unemployed workers and their dependents, including 4 million children, had no health insurance protection. In Michigan, over 400,000 individuals are without health care as a result of unemployment. Not only does this add to the overall cost of health care, it has resulted in several disturbing trends in my State. The Michigan Department of Public Health reported a threefold increase in walk-in deliveries by women who had no prenatal care. For the first time since World War II, the infant death rate has actually increased in my State.

Private hospitals often refuse to treat uninsured individuals and "dump" these patients on public hospitals. Public hospitals must then absorb the debts of the unemployed which adds approximately $30 per day to the costs of insured individuals. Unemployed workers and their families frequently forego preventive and diagnostic care because they are unable to pay their doctors' bills. Not only does this endanger the lives of unemployed workers and their families, it also increases the cost of the treatment which they eventually receive.

H.R. 3021 will provide States with the necessary funds to address this problem through the creation of a block grant program which expires at the end of fiscal year 1985. This bill also increases the availability of private health insurance to unemployed workers. Any employer with 25 or more employees would be required to provide 3 months of health insurance coverage to laid-off workers. In addition, employers must provide an open enrollment period for any spouse of an unemployed person. H.R. 3021 would also establish a program of discretionary grants to public and private hospitals serving large numbers of uninsured workers.

The State matching formula is of particular importance to high-unemployment State such as Michigan. The depressionlike conditions in Michigan have resulted in increased demands on the State treasury. Under the provisions of H.R. 3021, Michigan would not be required to provide any matching funds.

Mr. Chairman, this measure is not all that I had hoped for in the way of health assistance for the jobless. It

will provide a limited amount of needed relief for out-of-work Americans who have not received medical care that they need, yet are reluctant to seek since they cannot afford the cost of such care. I urge the adoption of H.R. 3021.●

● Mr. FAUNTROY. Mr. Chairman, I rise in support of the Health Care for the Unemployed Act of 1983, H.R. 3021. While the bill originally reported by the Committee on Energy and Commerce provided relief through an entitlement, I must support the compromise bill which provides for a block grant program.

I note that H.R. 3021 is supported by AFSCME, CWA, American Hospital Association, American Public Health Association, UAW, National Association of Public Hospitals, and the U.S. Catholic Conference.

H.R. 3021 establishes a new block grant program for States with the purpose of providing health care services to unemployed workers and their families. State participation in the program is voluntary. The State matching provisions require matching funds in amounts varying from nothing to 20 percent of program costs, depending on State unemployment rates.

The bill also establishes new requirements for employer-provided health insurance programs, in order to increase the availability of health insurance for the unemployed.

Finally, H.R. 3021 establishes a new program of discretionary grants to public and other hospitals serving as health care "providers of last resort" to unemployed and uninsured individuals. The bill also increases the authorized funding for the maternal and child health block grants.

The Reagan administration, as would be expected, opposes H.R. 3021. Such insensitivity to the unemployed and disadvantaged has become commonplace.

Mr. Chairman, H.R. 3021 is timely. Unemployment in this Nation is a disgrace. In the District of Columbia, the latest statistics show an unemployment rate of 10.4 percent. I am pleased that in fiscal year 1983 the District of Columbia will receive $1.1 million with no required State match. In fiscal year 1984, the District will receive $5.9 million with a required match of $300,000, 5 percent of total program expenditures.

I am also supportive of the provision providing for a discretionary Federal grant program for assistance to hospitals serving as providers of last resort to uninsured and unemployed persons. This would be especially helpful for D.C. hospitals, especially D.C. General.

Mr. Chairman, I strongly support passage of H.R. 3021.●

● Mr. BROWN of California. Mr. Chairman, I rise in support of the committee recommendations on the Health Care for the Unemployed Act. I commend the work of my colleagues, Chairmen ROSTENKOWSKI and DINGELL, and Subcommittee Chairmen WAXMAN and JACOBS.

Mr. Chairman, I am cosponsoring this legislation because it is the best feasible solution to a widespread, life-threatening situation. Although the spiraling unemployment rate seems to be winding down, we are still suffering the effects of the worst recession since the Great Depression. The Congressional Budget Office estimates that about 19 million unemployed workers and their families will be without health insurance coverage during fiscal year 1984. In my own congressional district, the May 1983 unemployment rate of 10.8 percent indicates to some degree the lack of health insurance coverage. The children's defense fund estimates that approximately 13 million children will suffer from the effects of unemployment in 1983. The Census Bureau released new data on poverty yesterday: One American in seven is living below the Government's official poverty line. That is one American in seven.

We cannot rely on private and volunteer organizations to meet the need for health care. These groups—church groups, the Salvation Army, the Red Cross, food banks, and others—are already hard pressed to meet the basic needs of food, clothing, and shelter. They do not have the facilities or the financial resources to provide even minimal health care. The States, facing severe fiscal problems, are not filling the health care void. Virtually all States have reduced their medicaid programs; 44 States made serious reductions in their title V funded maternal and child health clinics and services.

Mr. Chairman, in my service on the Agriculture Committee, I have become increasingly aware of the effects of malnutrition on children and adults. Malnutrition slows mental growth, decreases attention spans, breaks down the natural immunity system, and exacerbates other health problems. It can cause permanent mental and physical damage to children. The U.S. Department of Agriculture has made an attempt at addressing malnutrition through its commodities distribution program. The Agriculture Committee is holding hearings on this program, at which I am testifying today. Another administration attempt to address the problem came yesterday, when President Reagan announced the formation of a Task Force on Hunger. I commend the President for recognizing the problem, and encourage him to follow through with the task force recommendations—even if they include restoring some administration budget cuts in food stamp and other public assistance programs.

But malnutrition is only one health problem. The diseases of the unemployed worker and his family not covered by health insurance remain largely untreated. They can leave the sufferer mentally or physically disabled to any degree and for any length of time. In brutal fiscal terms, we cannot afford a population that is unable to learn, work, and contribute to our society.

Mr. Chairman, this legislation does not establish an open-ended entitlement program. It does target benefits to those who have been unemployed the longest, who are most in need. It does begin to address the problem on a long-term basis through modest changes in private health benefits. More long-term efforts should be made. However, we must meet the current crisis.

We are not here today to judge the unemployed, and whether they have the right to health care. There is a tremendous need; if it remains unmet, we will all suffer—economically and morally. We are here today to help meet that need in the best way we can. To use one of Robert Kennedy's favorite phrases, "You go to the tennis courts to play tennis, not to see if the lines are straight." I urge my colleagues to support the committee recommendations on H.R. 3021.●

● Mr. ACKERMAN. Mr. Chairman, I rise in strong and enthusiastic support of a landmark piece of legislation, H.R. 3021, the Health Insurance for the Unemployed Act.

Yesterday, the Census Bureau reported a dramatic rise in the number of Americans living in poverty. Amid the reams of data, a picture emerges of a Nation on the retreat, backing away from the gains made in the war on poverty.

In the Reagan recession, however, the suffering is not confined to the poor. People accustomed to steady work and steady pay have been laid off in record numbers, and now find themselves short of basic necessities. Food, shelter, and clothing—which many working families thought were a concern of the past, of their parents' or perhaps their grandparents' generation—can no longer be obtained by many people without extreme sacrifice.

Added to this burden is that of insuring the health of one's family. When a wage earner is laid off, medical benefits usually expire; unfortunately, the family's need for medical care does not. To maintain the former level of coverage, the unemployed person would have to pay premiums assessed at individual rates, rather than the much lower group rates available from his or her employer. (Often, the employer absorbs this cost entirely, or charges a nominal fee.)

Mr. Speaker, in time of medical need and economic hardship, the unemployed are faced with a choice no family in America ought to make: whether to get proper care or attempt to stay solvent. Thankfully, there are many doctors and hospitals which tend to the sick, regardless of their ability to pay.

For example, in my district—in Queens County, New York City—Jamaica Hospital, among other health care institutions, has a commitment to serve anyone who walks through the door. This policy has saddled the hospital with a $2 million debt out of a total budget of $35 million. According to David Rosen, executive director at Jamaica Hospital, there are more nonpaying patients than ever, many of whom have deferred treatment until they were gravely stricken.

But should the medical profession be made to bear this cost? Every year the administration finds millions of dollars for this bomber or that missile, with no mention of how military spending might affect the Federal deficit. Yet when we try to alleviate the ills of the legions of unemployed in this country, the administration turns cost-conscious. Perhaps our hospitals ought to hire leftist insurgents to infiltrate the emergency rooms: Then the aid would flow.

Of course, there are many Members of Congress who are addressing the problem of health care for the unemployed. H.R. 3021 is a product of their efforts. This bill channels funds to the neediest, based on a formula that is fair without being hopelessly complex. A limited amount of money is set aside for individuals who do not otherwise qualify for the program (due to the short duration of their jobs), yet are nonetheless confronted with hefty medical bills. A like amount of money is earmarked for hospitals that have incurred heavy debts from assisting the newly needy.

Payment for this program is divided among the Federal Government and the States, with a modest contribution from the recipients. Other provisions mandate that benefits be distributed uniformly, that essential medical services be provided (including prenatal, natal, and maternal care), and that administrative expenses not exceed 10 percent of the total appropriation.

By approving this measure, the House recognizes the need and importance of health care for the unemployed.

● Mrs. SCHNEIDER. Mr. Chairman, we as Representatives of the American people have, during these past 6 months, taken many steps to assist those who have shouldered much of the burden resulting from these trying economic times. The emergency jobs bill, the House budget, and mortgage relief assistance—all these actions were taken to help millions of Americans. From various indicators we are seeing signs of an economic recovery. However, this should not prevent us from continuing to provide services to those still in need. Today we take another step on that path, by voting to provide badly needed health care to the millions of unemployed men and women and their dependents. I urge all my colleagues to support this worthwhile measure.

Mr. Chairman, I am especially pleased by the inclusion of an increased maternal and child health service block grant authorization. As you will recall, the 1982 block grant appropriation was $373 million. Fortunately, through supplemental funding, an additional $110 million was provided in the emergency jobs supplemental passed earlier this year. I say fortunately because without the additional moneys, valuable prenatal, preventative service and handicapped programs would have been severely curtailed and in many instances removed entirely, H.R. 3021 is significant in that it provides $483 million for 1984 funding—therby eliminating the necessity for supplemental legislation later next year.

I, like many of you, are looking for ways in which to stretch our Federal dollars. However, penny-pinching at the expense of efficiency is most counterproductive. The programs within the maternal and child health block grant are documented as being the most cost effective and worthwhile efforts within the Federal budget. In my own State of Rhode Island for instance, moneys are utilized to service 6,000 to 7,000 preschool children for immunization, detection of lead poisoning, and the like.

The block grant is also of paramount importance in prenatal care. For instance, of the 12,000 deliveries per year, over 3,000 of these are dependent on public support for prenatal care. Moreover, vital handicapped and health care services such as those provided through the effective hemophilia-care program are available only through adequate maternal and child health funds.

I ask my colleagues to please consider the merits of this significant legislation. Without sufficient funding for the maternal and child health block grant, many of the mothers and children of unemployed families will be without the necessary primary and hospital care found in federally supported local clinics or through private providers. Let us use our wisdom and foresight and provide of our Nation's future health.●

● Mr. DICKS. Mr. Chairman, I am obviously not pleased to speak before the Members of the House of Representatives today about the chronic high rate of unemployment in my congressional district, because it is a difficult subject to discuss. But I think it is constructive to remind our colleagues that the fresh winds of economic recovery are not blowing as strongly all across the Nation, and that the problems we experienced during the recession of the past 2½ years are still very much apparent in some regions. I find it personally very hard to join in the euphoria which has overtaken the members of the administration's party here in Washington as the national unemployment rate "dropped" to 10.1 percent. I find it hard to find any consolation in knowing that 1 out of every 10 able-bodied Americans capable of full-time employment is now unable to find work—a total of 11.2 million Americans—representing a tragic waste in human potential.

Closer to home, I am reminded of the human ravages of chronic high unemployment every time I return to my congressional district in Washington State. Our statewide economy in Washington is heavily dependent upon the health of the timber and housing industries, which have been severely depressed during the past 3 years. Unemployment in some counties exceeded 20 percent during recent months. Last month the statewide level of unemployment fell to 11.5 percent, but there was very little joy in knowing that 253,000 workers could not find productive employment. In the city of Tacoma, where the published rate of unemployment has now dropped to 12.3 percent, there are nearly 25,000 people still looking for work.

But the numbers alone do not tell the entire story. The real tragedy behind the numbers is seen in the faces of families standing in lines waiting for allotments of surplus food; children and adults taxing the resources of the community health clinics in Tacoma because unemployed people have no more company health benefits; and in the faces of the hundreds of dejected people who apply for each job opening at one of our local industries. Those are the real victims of the recession. They are people who are quickly losing confidence in themselves and losing hope in a system they had trusted to provide the standard of living they are capable of earning. It is a national tragedy, a national disgrace, and it should be a constant call to action for every Member of the Congress. We have made some progress—a mid-course correction in Reaganomics, the job creation legislation and the revision of the fiscal year 1984 budget—but there's more to be done. We cannot let the so-called dramatic decline of the rate of unemployment obscure the fact that there are still more than 11 million Americans looking for work, in cities like Tacoma, Wash., and Detroit, Mich. While we debate the longer-term solutions such as a more comprehensive national industrial policy, we have to remain conscious of

the need to provide the stimulus necessary to produce jobs in the near term.

The jobs bill was a start, a very good start, but it is by no means the total solution to the problem. I hope that Congress is not only attentive to other similar job-creating legislation this summer, but also to various measures of unemployment relief which are still necessary, even during the early stages of economic recovery. One of those measures is a bill to allow for continued health care benefits for unemployed persons and their dependents, with the individuals assuming the share formerly paid by the employer. Especially in cases in which the sole income earner of a family loses a job, it is all-too-often the case that health care for the children and adults in these families is now judged to be expendable. I am concerned that access to hospital and medical services is being shut off to the unemployed and that as as result, the health status of these distraught families is being compromised. A Congressional Budget Office estimate put the number of jobless workers and their dependents who lack any form of health insurance at 10.2 million. Most people receive health insurance through group policies provided by their employers. Once they are unemployed access to health care virtually disappears and many people are forced to sacrifice needed health care. In a letter to me from Dr. Richard Tompkins, executive director of the Seattle Public Health Hospital, he pointed out:

> The long lasting unemployment combined with reductions in State health care benefits, has resulted in many millions of citizens being unable to afford the costs of essential medical care. We providers are now seeing the effects of this:
>
> Patients who no longer have health care coverage are delaying treatment of preventable illnesses and are coming to our emergency rooms with serious disease.
>
> Infant mortality is rising for the first time in many years in those communities where unemployment and poverty are high.
>
> The hospitals which provide care to all persons regardless of their ability to pay (predominantly the public hospitals) are seeing marked increases in bad debt and charity care costs due to an influx of recently unemployed patients. In many cases, these hospitals of last resort re threatened with bankruptcy.

I believe it is essential that Congress recognize the devastation being wrought on the poor and unemployed by the combination of a recession and major cuts in Federal and State health programs and adopt H.R. 3021. We must realize that the slow road back to economic recovery will require this type of action from Congress and the executive branch.

Finally, I would like to express the hope that we as a Congress and as a nation have learned some lessons from the recession, we have just expercienced. Especially from the perspective of the Pacific Northwest, I hope we have learned that trying to utilize a high-interest rate policy to fight inflation merely results in the widespread loss of jobs in industries such as housing which are particularly sensitive to interest rate fluctuations. It should not be our national policy to create that kind of massive human suffering through unemployment in order to claim credit for impressive gains in controlling the rate of inflation of our money.

Therefore, I would like to say to my colleagues that I am, of course, glad that the rate of unemployment has begun to decline this year. But I would also invite any Member who believes the recovery is here to join me in visiting the Sixth District of Washington State to view the human side of unemployment that is very much in evidence there.●

● Mr. KOSTMAYER. Mr. Chairman, I rise in support of H.R. 3021, the Health Care for the Unemployment Act. Pennsylvania, and indeed the entire country, continues to experience record high levels of unemployment. Unemployment in Pennsylvania is now over 12 percent because of this. The Congressional Budget Office says over 19 milion unemployed workers and their families will be without health insurance coverage in 1984. In Pennsylvania, over 400,000 persons with dependents receive unemployment compensation, but have lost the health insurance. The sad fact is that many unemployed Americans have a choice between eating, meeting mortgage payments, or paying for health insurance. Often, the health insurance is the first expense to be abandoned.

All of us are well aware of how expensive hospital and physician care can be. Most often, Americans receive health insurance as a benefit of being employed. However, when a worker is laid off the coverage ends. The only option for an unemployed worker is Medicaid, but this is only for the very poor. At the same time, unemployment extracts a heavier-than-normal toll on the physical and psychological health of its victims. Without health insurance, workers and their families are completely unprotected. Any illness can bring, first, extreme financial hardship, and then almost total despair.

H.R. 3021 is a rational and fiscally sound approach to supplying health insurance coverage to the unemployed. This health insurance program is a short-term program to meet the immediate needs of the unemployed. The bill would establish a block grant program entitling States to specified amounts for health insurance based upon their share of national unemployment. In fiscal year 1984, Pennsylvania will receive $122 million from the Federal Government and must provide a 5-percent matching grant or $6.4 million. Not only does this health insurance plan ask for contributions from the States and Federal Governments, but also from employers and the unemployed. For example, employers who offer health insurance and employ more than 25 people must allow enrollment fo unemployed spouses of the current employees. Also, employers must continue health coverage for 90 days after an employee is laid off. Even unemployed individuals would be required in certain cases to make contributions to their health insurance plan. The best plan is one that asks for fair sacrifices from all participants. I believe H.R. 3021 meets this criteria.

One other important aspect of H.R. 3021 is that it sets up a discretionary grant program for public hospitals that serve large numbers of unemployed persons, $233 million over 3 years would be available for discretion ary grants to hospitals.

This program has wide bipartisan support in Pennsylvania and all over the country. Governor Thornburgh has publicly stated his support for a program that provides health insurance for the unemployed and both Pennsylvania's Senators, HEINZ and SPECTER have introduced a similar bill in the Senate to provide health insurance coverage for the unemployed.

We must continue to do everything we can to encourage the economic recovery that we hope is slowly taking hold in the country. Americans do not want just Federal and State handouts, they want jobs. The sad truth is that while we are beginning to see a reduction in the national unemployment rate, it remains at an unacceptably high 10-percent level for the United States and 12.6 percent in Pennsylvania. sylvania. Even under the optimistic OMB economic forecast, the rate will decline only slowly over the next 2 years, to 8.9 percent in 1984 and 8.2 percent in 1985. While we must continue to do everything we can to put America back to work, millions of unemployed workers and their families will continue to be without health insurance protection unless we act. We cannot ignore their needs. We must implement this short-term but crucial program immediately.●

● Mr. PARRIS. Mr. Chairman, while I am in support of providing health insurnace benefits to America's unemployed workers, the legislation before us today is not the type of option the Congress should be pursuing.

I am opposed to H.R. 3021 because it would add a new title to the Social Security Act, creating a new benefit program for the unemployed. It should be quite clear to the House of Representatives that a new unfunded entitlement program will add to the existing financial burden already facing the social security trust funds. In 1977, the

Congress enacted amendments which were to keep social security solvent beyond the year 2000. Earlier this year, this Congress took some drastic steps to keep that same system from going bankrupt. If we start adding on new unfunded entitlement programs to an already beleaguered social security system, we will continue to jeopardize the benefits of social security recipients for years to come.

The Congress should consider taking steps to provide unemployed workers and their families with health insurance coverage. An unemployed person without health insurance benefits faces economic disaster if they or a member of their family have a serious accident or catastrophic illness. We need to address this situation in the near future but it is inappropriate and extremely unwise to try and accomplish this goal by further weakening social security.●

● Mr. MITCHELL. Mr. Speaker, there is no question that the measure before us is sorely needed. The Health Care for the Unemployed Act (H.R. 3021) addresses the critical problems presented when the families find themselves victimized by unemployment. I would like to commend both Chairman WAXMAN and ROSTENKOWSKI for their leadership in guiding this essential begislation through to consideration by the full House.

Let me take a few minutes to express a concern about the allocation of funds among States, as established in H.R. 3021. It is noted that the overall unemployment levels of respective States will be an integral component of the three-part block grants allocation formula. I would submit that we may run the risk of slighting some of our hard-pressed localities within the States if we pursue allocations in this manner. For example, in my State of Maryland, the overall unemployment level is approximately 7.6 percent. Needless to say, this is well below the national level, and may not be viewed as critical. However, in the city of Baltimore which I represent, the unemployment rate is a severe 11 percent, and thus, above national average. The unemployment in my city, quite like other major urban areas, is even more serious for youth, minorities, and minority youth in particular. Unemployment rates in these categories are, 24, 17.9, and 44.7 percent respectively. Without question, a failure to consider the high percentages of unemployed persons in the various localities versus the States, leaves open the distinct possibility of inadequate allocations to certain States. Again, I urge the members of both the Energy and Commerce, and Ways and Means Committees to give serious thought to this concern.

Mr. Speaker, I will close by urging my colleagues to vote in favor of H.R. 3021. It is a modest proposal which provides essential flexibility for our States to see that the health care needs of the unemployed and their immediate families are met.●

The CHAIRMAN. The Chair will advise the Committee that under the terms of House Resolution 276, the majority spokesman for the Ways and Means Committee, the gentleman from Indiana (Mr. JACOBS), has 5 minutes remaining, and that there remains from the earlier debate allotted to the Energy and Commerce Committee 10 minutes to the gentleman from North Carolina (Mr. BROYHILL) and 6 minutes to the gentleman from California (Mr. WAXMAN).

At this point the Chair will inquire of the gentleman from North Carolina (Mr. BROYHILL), what is the gentleman's disposition toward the time that he has reserved?

Mr. BROYHILL. Mr. Chairman, I yield 2 minutes to the gentleman from Alabama (Mr. SHELBY).

Mr. SHELBY. Mr. Chairman, I rise in support of H.R. 3021 a bill to establish a program of block grants to the States to be used to provide health care services to some 19 million unemployed workers and their families throughout the Nation.

We may understand the pervasive and serious nature of unemployment in this country, but I do not think we fully appreciate the desperation and despair felt by many men and women heads-of-household, out of work for the first time in their lives, unable to adequately provide essentials for their families. Most of us have a fair chance of falling back on the girders of a former or alternate profession were we to lose our seats in Congress, but too many of our unemployed citizenry have virtually no other avenues open to them.

When the Energy and Commerce Subcommittee on Health and the Environment, upon which I serve, first began consideration of methods by which Congress could compassionately step in and assist the unemployed and their families meet the pressing concerns of health care, I had reservations about the manner by which we were to provide this assistance. I expressed my concern in subcommittee and in full committee about an entitlement approach; I was unable to reconcile my strong feelings that something needed to be done to help the jobless meet rising health care costs, and my conflicting aversion to setting up a new, open-ended entitlement approach with astronomical deficits to worry about. Moreover, I had additional problems with the bill which prevented my fully supporting the committee measure.

In this light, I am pleased with the action taken by the House Ways and Means Committee which creates a 2-year program of block grants to the States to be used at the States discretion. The total cost is considerably less than that proposed in the original committee bill and is consistent with the funding levels contained in the 1984 budget resolution. I fully support the provision allowing the States broader authority to design a health benefit package, to impose copayment requirements, and to contribute toward the Federal costs of the program.

I feel the changes and adjustments made by the Ways and Means Committee and agreed upon by the subcommittee and full committee chairmen of the Energy and Commerce Committee are positive, workable, and eminently reasonable. The faster Congress can approve a health care insurance package for the unemployed and start the States gears in motion in providing this aid, the better.

I urge my colleagues to join me in fully supporting the passage of H.R. 3021.

Mr. WAXMAN. Mr. Chairman, I yield 3 minutes to the gentleman from Oregon (Mr. WYDEN).

Mr. WYDEN. Mr. Chairman, I rise in support of this important legislation. I think this bill is critical because millions of unemployed Americans are falling between the cracks of our health care system. Millions of unemployed Americans have worked for decades but are still years away from bring covered by medicare. Millions of unemployed Americans have paid taxes for years, but because they have a handful of assets, they cannot get medicaid. Millions of unemployed Americans fear that one serious illness will literally wipe out everything they spent a lifetime trying to build.

Mr. Chairman, there are few things more terrifying to the American family today than the prospect that a family member will wake up in an emergency room with no health insurance coverage whatsoever. I say it is high time that those American families finally have some measure of security.

The bill before use today is not perfect. It is not going to cover everyone, and it will not meet all of the needs. But with it, many Americans will be able to sleep a little bit better at night.

The administration would have us believe that in a very short time the problem we face now will correct itself. Administration officials believe that what they call selective gaps in our health care system will be filled when the economy recovers and our citizens go back to work. Every Member here hopes that is the case. But when we have got a chance to reduce suffering among the unemployed through a program that is within the budget and can last only 2 years, I do not see how in good conscience we can walk away from that

chance. It is simply not enough to tell unemployed workers that they are merely selective gaps in the system and that their problems will be taken care of in due course. Many of those covered by this bill are dealing with the psychological trauma of being out of work in the first time in their lives. They literally have nowhere to turn to but this institution.

A vote for this program commits no one in this Chamber to a long-term Federal spending program for health care. This program has a precise beginning and a definite end. The States are in the drivers' seat because through a program of block grants they have great flexibility so that they can tailor health services for the unemployed to the needs of their State.

Mr. Chairman, today we have a chance to show that we have got heart, but a money manager's concern for the financially possible. We cannot meet all of the needs with a $200 billion deficit. We can pass this legislation, which will allow millions of unemployed Americans access to basic health care and the chance to sleep a little bit better this evening.

I urge support for the legislation.

Mr. BROYHILL. Mr. Chairman, I yield 6 minutes to the gentleman from Iowa (Mr. TAUKE).

Mr. TAUKE. Mr. Chairman, we have heard many sad stories today about the problems that confront the unemployed, problems in obtaining health insurance, problems in receiving appropriate health care. And I, too, could join with my colleagues in giving a list of horror stories about people whom I have personally met, have personally worked with, who have tried to do the best they can under very trying circumstances. Some have made it, some have not made it.

But the question we are debating today is not so much whether or not we should have a health insurance program for the unemployed. The question is, how are we going to fashion that program?

Let me speak first, for a moment, about the ingredients of that program and what our choices should be. Essentially, today we are being given the choice of an entitlement program with a cap, or nothing at all. We should have the choice of an entitlement program with the cap or a block grant. We should have a choice of a revenue source to fund that program, but we are not being given that choice today under the rule. So the two major issues—entitlement program or a block grant, a revenue source or no revenue source—are not going to be debated during the course of the regular discussion on this legislation. That is unfortunate.

In a motion to recommit, which I will offer, I do not have the chance to speak to the revenue source issue because of the way the Rules Committee fashioned the motion to recommit and required that it be germane to the remainder of the bill. But I will have an opportunity to raise the question of whether this should be a block grant or whether it should be an entitlement program with a cap.

□ 1410

I think those of you who are interested in dealing with the problems of those unemployed who have come and talked to you about their inability to obtain adequate health care ought to give very serious consideration to the block grant approach for several reasons.

First, it can do a better job of meeting the needs of the unemployed. Under the program offered by the Committee on Ways and Means and our friend from California, virtually every unemployed person in the country will be eligible for the program. In view of the limited numbers of dollars available, you are not going to be able to provide relatively decent health care for any of those individuals.

It seems to me it makes a great deal more sense to try to target limited resources to those who need the resources the most. We cannot do that under the program before us; we could do that under the program I will offer in the motion to recommit.

Second, this program that I am offering in the motion to recommit is better not just because it is going to be able to provide better service to those who need it, but because it has a chance of being enacted into law.

Clearly we know, as some have pointed out, that we are already late in the game when it comes to this legislation. We are going to be delayed even more if we pass a bill that has no chance of acceptance on the Senate side or that is going to be vetoed by the President. Whether we like it or not, we all have to work together in order to get a bill through.

The President has been very clear about what he will and what he will not support. He said he will support a proposal which provides for a block grant program, which provides for an ending date, and which has a revenue source. We cannot provide all three of those the way this debate is structured, but we can provide the block grant program with an ending date that has a chance of getting support on the Senate side and from the President.

If you are interested in helping the unemployed, let us not conduct a charade by passing legislation that has no chance of being enacted into law, and if it were enacted into law would provide a pittance of support for everybody unemployed. Instead, let us try to put together a piece of legislation that can be enacted into law in a timely way, that can provide meaningful support for those unemployed who have no other source of support and who absolutely need health-care assistance.

Mr. RUDD. Mr. Chairman, will the gentleman yield?

Mr. TAUKE. I yield to the gentleman from Arizona.

Mr. RUDD. I thank the gentleman for yielding.

Mr. Chairman, I commend the gentleman for the wisdom of his remarks, support what he is saying, support his motion to recommit because this will impose an impossible burden on the people of the country.

Mr. Chairman, I rise in strong opposition to H.R. 3021, a bill which promises Federal health benefits to the unemployed regardless of need, and all but assures another permanent, ill-advised national health insurance program that will add billions of dollars to the Federal deficit and further threaten the general health of our economy.

This measure purports to be a temporary, targeted block grant program to help the unemployed. In truth, this bill creates an entirely new and perpetual entitlement program; it contains no means test; it allows no flexibility for States to develop their own programs; it forces private employers to expand their own health coverage under criteria dictated by the Federal Government; it provides no means to finance a minimum of $4 billion in new programs; and, most importantly, the adverse economic effects of this proposal will undoubtedly lead to greater hardship, and higher unemployment for those we are seeking to help.

To compound these concerns, H.R. 3021 also includes an additional $233 million, 3-year program of Federal subsidies to hospitals providing care to the unemployed. Also included in H.R. 3021 are several nongermane provisions which increase authorization ceilings for totally separate programs, maternal and child health care and medicaid funds for U.S. territories in the Caribbean, by almost $150 million.

The major portion of this bill calls for creation of what is termed a "targeted block grant program" to States to provide health care for the jobless. This new program is to be transplanted as a new title of the Social Security Act.

States may voluntarily participate in this program and will receive funds based upon their unemployment levels and unemployment compensation beneficiaries over the last year. The bill entails a State matching funds formula, ranging from 5 to 20 percent, based upon their jobless rate.

Apart from those basic provisions, this bill departs radically from the block grant concept and imposes the Federal big brother mentality that our

State governments have learned to despise.

Little program flexibility is left to the individual State's imagination. This proposal first tells the State that it cannot alter or modify its current AFDC or medicaid programs for the unemployed if it is to receive funding. Then it requires each State to have its individual program to be transmitted to the Department of Health and Human Services, but only if the said plan meets the lengthy, open-ended minimum medical benefits that must be provided to all eligible persons and their families.

Upon establishing eligibility, the State is forced to cover individuals for at least 1 year. This legislation informs the State that it may even extend the health benefits for an additional 4 weeks after a person is reemployed.

The only allowable means test permitted under this bill is a provision that specifies that 5 percent of the State's allocation must be spent to provide services to those persons meeting a State-designed financial and/or medical means test. Thus, 95 percent of the Federal health benefits ascribed under this legislation are to be handed out with no regard to financial need, medical fitness, or any other standard of eligibility beyond one's employment status.

The Government's visible hand reaches beyond the State level. Under this bill, any private employer who has 25 workers or more and offers group health coverage must provide an open enrollment period of at least 30 days for each married employee to enroll in the plan. It also forces the employer to provide for at least 90 days of continuation coverage for any employee who loses his job on or after January 1985. Other provisions mandate private employers into offering plans for individual policies for month-long periods following a layoff. Any employer not meeting these requirements will be penalized by a 10 percent excise tax on employer paid health plan contributions.

These types of federally mandated instructions are in large part responsible for the ever-increasing costs of health care and insurance coverage. They limit the choice of the employer and the employee, and end up costing both parties more, as well as the taxpayer, without any regard to what type of health coverage is either equitable or cost effective.

These changes, particularly the requirement that they pay for the continued coverage of laid-off workers, would cost private employers an estimated $3.6 billion in 1985 and 1986. This could have the adverse consequence of causing many employers to drop health coverage for all of their employees.

Some 29 States, and certainly many employers, have already instituted their own form of extended coverage for the unemployed. By further instituting a Federal presence in the health care field, this Congress would be taking another dangerous step toward a full national health insurance program. We would be taking another irresponsible step toward fiscal insanity.

We are faced with annual deficits of $200 billion annually in the foreseeable future. Currently, our Nation is experiencing an economic recovery that is slowly, but surely, reducing unemployment, and thus, the need for more reckless and expensive Federal programs. By spending more, this Congress will not only wipe out this recovery and chance for economic growth, but we will assure the bankruptcy and ill health of all Americans.

We are elected to show leadership and responsibility for the common good. H.R. 3021 is neither responsible or for the common good. Let us show less symbolism, less false hope, and promote the overall good of the Nation by rejecting this bill.

Mr. TAUKE. I thank the gentleman.

Mr. Chairman, there is one final point that I wish to make. It is not just for the unemployed or for the people in this country who need assistance that we should adopt the motion to recommit. It is also because of the process that we have here in the House.

Under the proposal that is before us, we are again asked to spend money without going through the appropriations process. We are establishing once again one of those uncontrollable items of spending in the budget. It seems to me if we have any appreciation for the fiscal problems which confront the Government, and if we have an appreciation for the processes that we ought to follow when we spend money here in the House, we would want to go through the normal appropriations process, especially on a new program such as this.

So because this motion to recommit that I am offering does more for the unemployed who need it, because it is a program that can be enacted into law in a timely way rather than simply serve as veto bait or score political points, and because it more carefully respects the normal processes of the House, I urge my colleagues to support the motion to recommit when it is offered.

Mr. BROYHILL. Mr. Chairman, I have no other requests for time at this time.

The CHAIRMAN. Does the gentleman wish to yield back the balance of his time?

Mr. BROYHILL. If the others are going to do that, I will, too.

Mr. JACOBS. Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. Does either gentleman seek recognition?

Mr. BROYHILL. Mr. Chairman, I suggest we all yield back our time.

Mr. JACOBS. I have reserved the balance of my time. I believe under the rule, the majority closes.

The CHAIRMAN. The majority has that opportunity. The gentleman from California (Mr. WAXMAN) can close at this point if he chooses. At some point, some Member should move forward.

The remaining time shows the gentleman from North Carolina (Mr. BROYHILL) has 2 minutes remaining, the gentleman from California (Mr. WAXMAN) has 2½ minutes remaining, and the gentleman from Indiana (Mr. JACOBS) has 5 minutes remaining.

The Chair recognizes the gentleman from California (Mr. WAXMAN).

Mr. WAXMAN. Mr. Chairman, to close for the Committee on Energy and Commerce, it is my pleasure to yield the balance of our time to the distinguished chairman, the gentleman from Michigan (Mr. DINGELL).

Mr. LELAND. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I am delighted to yield to my good friend, the gentleman from Texas.

Mr. LELAND. I thank the gentleman for yielding.

Mr. Chairman, I rise in support of this issue.

Mr. Chairman, it is generally acknowledged that we are presently experiencing the worst rate of unemployment since the Depression. In accordance with this catastrophic phenomenon, the numbers of individuals losing all health insurance protection is equally critical as most of us obtain our health insurance through our jobs.

The Congressional Budget Office has estimated that over 10.2 million unemployed persons and their families are today without any form of health insurance. In 1984, it is expected that over 9.6 million jobless Americans, will be without health insurance. If we include their families, 19.1 million people will have no protection against the high costs of health care. This situation, Mr. Chairman, is an outrage against humanity.

It is not difficult to conceive of the great expense incurred by hospital and physician care costs. As we are all aware, the unemployed include individuals from all sectors of the economy. Unless workers are destitute, they do not qualify for medicaid. Medicare is limited to the aged and seriously disabled. For these reasons, health insurance protection should be made available for all who are unemployed, regardless of their economic status.

This is the opportunity to assist our fellow Americans during these difficult and unpredictable times. This legislation recognizes the equal responsi-

bility which must be shared by the Federal Government, the States, the private sector, and the individuals in need. I believe this bill is the appropriate vehicle to assure proper access to health care in our society for those for whom the need—for assistance, and for our compassion—is the greatest.

Mr. DINGELL. Mr. Chairman, to be unemployed is a disaster. To be unemployed and have a major health problem is a worse disaster.

The bill before us is carefully crafted. It meets the needs of some of the 30 million people in this Nation who are without health insurance. Over 10 million of these people are without health insurance because they have lost their jobs.

The argument has been made that this legislation is not needed because of the upturn. Let me inform my colleagues that there are over 100,000 people in Michigan still drawing unemployment insurance. In addition to this, there are a half-million others unemployed without unemployment insurance. Those are the ones who know the meaning of the word "disaster." When those individuals who have lost their jobs and their health insurance coverage are included in the calculation, as a State we are talking about almost a million people with no way to afford medical care. Most of these people do not qualify for either medicare or medicaid.

The bill before us takes care of maternal and child health benefits. The bill before us deals with the problems that are affecting the public hospitals and the communities, which are being destituted by health care costs of the unemployed. It ameliorates the problems of financing municipal hospitals.

West Virginia, Ohio, Alabama, Illinois, Mississippi, Tennessee and Washington, share the plight of Michigan.

The problems that we face are enormous. I can understand my Republican colleagues pushing their bill, but I think it is time we recognize that there are certain defects in the motion to recommit.

First of all, there is no assurance that the program will come into being if we pass the motion to recommit, because the money is not appropriated. This is a game that is played in this place, about passing authorization legislation and then never appropriating the money. Moreover, there is nothing for maternal and child health benefits. Moreover, the whole program's benefits are less than half that which is in the bill that is now before the body.

Those are serious defects. The legislation that we are talking about here is limited in duration. It provides moneys directly to the States and lets them meet their unique problems in the fashion which is best suited to the needs of the country. It will get the program going. The program is 2½ years in duration, and is a program which will go immediately into effect to address the problem of health insurance for those without jobs, something which is destituting families, individuals, and communities.

The combination of job loss and medical needs is a devastating one-two punch. Most workers now obtain health insurance through their jobs. When a worker is laid off, as so many have been, his health insurance ceases to protect him and his family after 30 days. After that moment, with income down to an unemployment insurance check, the family is unprotected. A short hospitalization, such as a child needing an appendectomy, will cost $2,000 to $4,000. The simple visit to a doctor may be put off, leading to more medical expenses later. House and car payments slip. A family can become poor very quickly, just because job loss is compounded by loss of health insurance.

The Congressional Budget Office reported to our committee that there are about 30 million people in the United States without health insurance, and over 10 million of them are people who have lost coverage because of job loss. During fiscal year 1984, 19 million people will be without health insurance because of job loss. These are the people who need the help of H.R. 3021.

Let me speak about my State of Michigan to reply to the foolish suggestion that this legislation is no longer needed. Last week there were still over 100,000 people drawing unemployment insurance in Michigan. These were the lucky people, for over 500,000 others were unemployed without unemployment insurance. When these individuals and the families of the workers who have lost health insurance coverage are included in the calculation, we are talking about almost a million people with no way to afford medical care. Most of these people do not qualify for medicaid. Public hospitals and doctors' charity cannot do the job. These people need the direct help that States can provide through this legislation.

West Virginia, Ohio, Alabama, Illinois, Mississippi, Tennessee, and Washington share Michigan's plight. Recovery is not here for people who are out of jobs or for the people who continue to lose jobs each day. Two weeks ago the State of Michigan reported on May unemployment: In the Detroit area there were 309,500 unemployed, up from 284,200 in May 1982.

I will not mislead you that the money in this bill, $350 million in 1983, $2 billion in 1984, and $1.65 billion in 1985 will solve the problem. It will help. In addition to the money that States receive in this bill, there is help for public hospitals, and for maternal and child health programs which have carried most of the burden of health care for the unemployed. And maybe most important, the requirement for 90 days of insurance coverage beyond the date of job loss will eliminate almost half of the need for this legislation in the future.

This bill demonstrates the attentiveness of the Congress to the needs of the unemployed. These men and women have purchased health insurance with their labor. They have helped build the fine medical facilities in this country. The least we can do is be sure that they can use this medical care when they are unemployed through no fault of their own.

The CHAIRMAN. The Chair would now state to the gentleman from North Carolina (Mr. BROYHILL) that he has 2 minutes remaining.

Mr. BROYHILL. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, I would urge that we vote for the substitute. The gentleman from Iowa (Mr. TAUKE) has made an excellent statement. He has pointed out very clearly that the bill before us has a very poor chance of actually becoming law; that there are many problems with the bill. It creates a new entitlement program. It is not linked to a revenue source. It is fiscally irresponsible.

□ 1420

I would also point out to the Members that under the bill that comes to us from the committee, the States are going to be required to come up with substantial amounts of money in matching funds. For example, the State of California, $12,357,344. My own State of North Carolina would be required to come up with $4 million. I am going to give just rough figures here. For the State of New York, $10 million; New Jersey, $9 million; Massachusetts, $7 million, and so on, and so forth. I can at a later time put these figures in the record. For the State of Texas, it is $10,972,000. All of these are required under the bill.

The gentleman from Iowa (Mr. TAUKE) will offer a substitute that does not require these State matching funds. The program does not include all of the medicaid-like State plan requirements that are necessary and that are inconsistent with the idea that the program is a block grant program and also the idea that it is a temporary program.

So the bill that will be presented by the gentleman from Iowa is a plan that would receive Presidential signature and is far more likely to pass and to become law.

Mr. Chairman, I would urge that the Members give it favorable consideration.

The CHAIRMAN. The time of the gentleman from North Carolina (Mr. BROYHILL) has expired.

The gentleman from Indiana (Mr. JACOBS) is recognized, and he has 5 minutes remaining.

Mr. JACOBS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I would first point out a misperception that has been inadvertently stated in the record. The States do not have to come up with any particular amount. Any amount the States come up with will be matched by the Federal Treasury under the scheme of this legislation.

I hear it said that under the motion to recommit or the substitute there will be more for the unemployed who really need it. That could be the case, but it does not have to be the case. It could be that there will be more for the insurance companies that do not need it.

There is nothing but a blank check in the motion to recommit. If a State legislature or a State government decided to be palsy-walsy with the insurance industry in that State, they could buy health insurance for the unemployed, and the unemployed could be one or two people, I suppose, because it is a blank check. They could buy health insurance at retail prices, profit and all, from the insurance companies.

And if Members want to talk about the States' requirement of matching funds, then I will have to ask, what ever happened to New Federalism? The last time I heard, that is what this administration wanted.

As a matter of fact, this bill was drawn to accommodate some of the statements that the President had made. It is a reasonable compromise between an entitlement program on the one hand and a blank check, block grant program on the other. It is a block grant but without the blank check.

Now, this is a serious thing. There is not anybody who does not sympathize with the unemployed from what I hear in the debate. There is not anybody who would not agree that most of the people who are unemployed in this country are certainly those who have become unemployed since the famous Laffler curve was voted into law and who have been unemployed through no fault of their own.

Everybody wants to do something for the unemployed. Yet they say, "It can't be done quite this way. It can be done maybe with a provision, a new scheme that says you can't have unemployment insurance until there is a tax increase."

And what does the President say about a tax increase? He will veto any tax increase.

So why do they not come right out and say that the thing they want to pass is an empty promise that can only take effect if there is a tax increase? And the President says we will veto any tax increase.

So what is the moral? I think the moral is that "You can't get there from here." I think that is the moral on the part of those who are proposing a substitute without substance, and their theme song ought to be "I Can't Give You Anything But Love."

Mr. Chairman, I now yield such time as may remain on the majority side to the gentleman from Pennsylvania (Mr. WALGREN).

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania (Mr. WALGREN) and advises him that there are 2 minutes remaining.

Mr. OBERSTAR. Mr. Chairman, will the gentleman yield?

Mr. WALGREN. I yield to the gentleman from Minnesota.

Mr. OBERSTAR. Mr. Chairman, passage of this legislation is long overdue. Further delay will compound the suffering which the Nation's unemployed have experienced as a direct result of the deprivations of unemployment.

Six weeks ago, many of us joined in a special order on the House floor in which we discussed what the recession had meant in our districts. We presented a realistic, but bleak picture of the loss of savings, self-esteem, hope and, in some tragic cases, even the will to live.

The loss of employment has meant the loss of health care insurance for millions of Americans. That insurance has represented an essential protection against the real threat of financial ruin from catastrophic illness.

The Congressional Budget Office estimates that over 19 million unemployed workers and their families will be without health insurance coverage during fiscal 1984.

I represent thousands of these workers—men and women who through no fault of their own have suffered the loss of employment opportunities. In many communities on the Mesabi Iron Range in my district, unemployment exceeded 50 percent. Every county in my district has unemployment above the national average. Unemployment in Lake County has averaged 30 percent during the last year.

National economic policies have failed these people. Economic recovery is an unfilled promise.

In discussing health insurance for the unemployed, we should realize with special sensitivity, and a sense of responsibility, what the failure to enact meaningful hospital cost containment has meant for the people of this country. Without health insurance, no one dare be sick—they cannot afford to be. The fear of illness in the absence of health insurance coverage compounds the burdens of the unemployed.

We must pass H.R. 3021, it is compassionate, reasonable, fiscally responsible legislation. The bill assures the States the central role in health insurance coverage. It assigns priority in the allocation of benefits to those who have been unemployed the longest. The first budget resolution provides authority for the spending which this bill authorizes.

This legislation offers some reason for hope on the part of working men and women who have slipped from the relative prosperity of middle-level income into the hardships of prolonged unemployment. They cannot afford health insurance. They do not qualify for medicaid. They do not want welfare or charity. They want to return to work. Until they do, we should provide them with some basic level of health protection. In all seriousness, the unemployed face a far more immediate, and life-threatening threat in their unemployment and in their loss of health insurance, than they do from Soviet missiles. In fiscal 1984, we should spend a little less on defense than currently planned, and transfer the savings achieved there to fund the legislation now before us.

I urge an overwhelming House vote in favor of this legislation.

Mr. WALGREN. Mr. Chairman, I appreciate the gentleman from Indiana yielding this time to me for several thoughts and comments.

It is said that this bill would be vetoed by the President and therefore has little chance to become law. I believe that it is our obligation in this body to do what is right on issues like this regardless of what happens in the rest of the legislative process. We should have some faith that by doing right in the House of Representatives, we set in motion forces which will move the rest of society in the best way.

I think this is particularly true with this piece of legislation. Although it is just a temporary program, it is the kind of program that I would like to think our country would have in place at any time.

Those who say we should do nothing because the recession is over and new unemployment claims are falling off should be reminded that the recession is not over. There are over 150,000 people out of work in my metropolitan area alone. Moreover, it seems to me that it should not matter whether the recession is over; people who are unemployed face the same economic limits regardless of whether the unemployment rate is 4 percent, 12 percent, or in honesty what it really is, 17 to 20 percent when you count all the discouraged workers which our statistics ignore.

When employment hits a family, medical insurance is often the first thing to go. Pennsylvania recently tried to put together a special program involving Blue Cross/Blue Shield designated to provide bare bones coverage at the lowest possible price for the un-

employed. The cost was still $70 a month. We all should realize that a $70 part of a monthly budget would be one of the first things to go when unemployment strikes.

So unemployed workers will be largely uninsured from medical costs. Like the ad for preventive car maintenance, we can either pay a little to insure these costs now or we can pay more later when the families of unemployed workers go to hospital emergency rooms around the country costing our society more in the long run.

Mr. Chairman, few of us stop to realize that the taxpayer now funds over 50 percent of the Nation's hospital bills because we all agree we should provide medical services that are beyond most of our ability to pay.

But the fact is that all our constituents and everyone in this House already has the taxpayer paying half of his hospital bills. It hardly comes with good grace for all of us who receive this kind of subsidy to deny a limited system of further subsidy to continue health insurance for those unemployed by our recession.

I view today's vote on H.R. 3021, a bill which will assist the States in providing health insurance to the unemployed, as a measure of the true value of our society. The question we must ask is whether, in the wealthiest Nation in the world millions of citizens who have worked hard and saved for their futures—will either be forced to exhaust their life savings over a single illness or, more likely, go without health care for themselves and their families.

For the unemployed, loss of health insurance comes at a time when it is most needed. Stress associated with unemployment renders the jobless and their families more vulnerable to health problems. The cold statistics show that for every 1-percent increase in unemployment, there is a 2-percent increase in the mortality rate, a 2-percent increase in cardiovascular deaths, a 3-percent increase in mental hospital admissions, and a 5-percent increase in infant mortality.

It should be especially hard to accept the rise in infant mortality rates in several parts of our country, the first increase since the end of World War II. I hope we can prove ourselves a more decent society by refusing to tolerate a reversal of the progress we have made in health care this century.

To those who complain about the cost of this program, three things should be said:

First, this program is within the budget ceilings provided in the budget resolution adopted by this Congress last month—a budget that provides less deficit spending than proposed by the President.

Second, it will cost the Federal Government more in the long run if we do not pass this bill. As witnesses before our committee testified, uninsured people delay needed care hoping the condition will go away. But if it does not, their only recourse is the hospital emergency room. Surely, it is more cost effective to provide access to a private insurance policy, which requires a financial contribution from the worker, than to wait until the worker has exhausted all his assets and relies on the Government to pay the entire bill.

Third, we must realize that we already pay for health care for the unemployed. It is estimated that $30 a day out of an average hospital bill goes to pay for bills the hospitals are unable to collect.

Mr. Chairman, this bill does not provide for a new Federal entitlement program. It authorizes a limited number of dollars to the States to establish whatever program they choose. This flexibility allows for creativity and individual efforts by the States.

We should build on the efforts already started by some States, like Pennsylvania. But those are the very States hardest hit by unemployment and least able to provide the revenues to fund programs. They need Federal support.

As I indicated before, Blue Cross/Blue Shield of Pennsylvania began a health insurance program for the unemployed at rates over 40 percent lower than those otherwise available. For family coverage, the plan cost about $70 a month.

While this is a good effort, only 8,552 people have enrolled in the plan out of a potential 704,000 who are unemployed. It is understandable why most unemployed would be reluctant to spend $70 a month for health insurance because they must eliminate all avoidable expenses if they are to make ends meet. With the assistance provided for in H.R. 3210, the State can subsidize that plan in Pennsylvania so that the premium cost will be more affordable.

Finally, I want to express my disappointment that this bill provides only a temporary solution. In my view, we should use this opportunity to create a long-term program for those who become unemployed, so that each person can have access to some kind of health insurance, even if out of a job temporarily. While record-high unemployment may moderate, there still will be high unemployment pockets across the country. And we all know that business cycles repeat themselves, that unemployment rates will go up and down over the years. Just as we should have, and did enact a permanent unemployment insurance program, we should enact a permanent health insurance program for the unemployed. Their needs will not change.

Early this year I introduced legislation (H.R. 1823) to provide incentives and direction for State-administered insurance pools. It is my hope that the Congress will consider this approach when thinking about a permanent solution to the lack of available health care for the unemployed.

Enactment of this bill today, however, will do much to meet the immediate crisis we face and, although the program is not designed to continue, it will give us some experience for future Congresses to consider.

I urge adoption of this legislation.

The CHAIRMAN. The time of the gentleman from Pennsylvania (Mr. WALGREN) has expired, and all time for general debate has expired.

Pursuant to the rule, it shall be in order to consider an amendment in the nature of a substitute consisting of the text of H.R. 3521, which shall be considered as having been read, in lieu of the amendments recommended by the Committees on Energy and Commerce, and Ways and Means now printed in the bill. No amendments are in order to the bill, or the substitute except: (First), an amendment printed in the CONGRESSIONAL RECORD of July 12, 1983, by, and if offered by Representative BLILEY, which shall not be subject to amendment except an amendment printed in the CONGRESSIONAL RECORD of July 20, 1983, by, and if offered by Representative WAXMAN; and (second), an amendment printed in the CONGRESSIONAL RECORD of July 20, 1983, by Representative FRENZEL, which shall not be subject to amendment.

The Clerk will designate the amendment in the nature of a substitute.

The text of the amendment in the nature of a substitute is as follows:

Strike all after the enacting clause and insert the following:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Health Care for the Unemployed Act of 1983".

TITLE I—AMENDMENTS TO THE SOCIAL SECURITY ACT

NEW TITLE XXI (HEALTH CARE FOR THE UNEMPLOYED)

SEC. 101. (a) The Social Security Act is amended by adding at the end the following new title:

"TITLE XXI—HEALTH CARE FOR THE UNEMPLOYED

"PART A—BLOCK GRANTS TO STATES

"APPROPRIATION AND DEFINITIONS

"SEC. 2101. (a) For the purpose of enabling each State to furnish necessary medical benefits for unemployed individuals and their immediate family members, there is hereby authorized to be appropriated for fiscal years 1983, 1984, and 1985 a sum sufficient to carry out the purposes of this part. The sums made available under this section shall be used for making payments to States under allotments under section 2102 for the development and operation of plans of medical benefits for the unemployed.

"(b) As used in this part—

"(1) The term 'group health plan' has the meaning given such term in section 162(i)(2) of the Internal Revenue Code of 1954.

"(2) The term 'immediate family member' means, with respect to an individual—

"(A) in the case of a married individual, the individual's spouse, and

"(B) the individual's child, if the child is under 18 years of age.

"(3) The term 'medical benefits' means payment of part or all of the cost of the care and services described in paragraphs (1), (2), (3), (4)(C), (5), (9), and (17) of section 1905(a) (subject to subdivisions (A) and (B) thereof) and of prescribed drugs.

"(4) The term 'number of weeks of regular unemployment compensation' means, for a State for a period, the sum, for each of the weeks in the period, of the number of individuals receiving regular compensation in that week under the State's unemployment compensation.

"(5) The term 'regular compensation' has the meaning given such term in section 205(2) of the Federal-State Extended Unemployment Compensation Act of 1970.

"(6) The term 'State' includes only the 50 States and the District of Columbia.

"(7) The term 'unemployment compensation' means cash benefits payable to individuals with respect to their unemployment (A) under any State unemployment compensation law, (B) under any Federal unemployment compensation law administered by a State, or (C) under the Railroad Unemployment Insurance Act.

"ALLOTMENTS AND PAYMENTS TO STATES

"SEC. 2102. (a) There shall be available for allotments for block grants to States under this part—

"(1) $350,000,000 for fiscal year 1983,

"(2) $1,869,000,000 for fiscal year 1984, and

"(3) $1,538,000,000 for fiscal year 1985.

"(b)(1) Subject to subsection (c), the Secretary shall allot the amounts available for allotments for each fiscal year under subsection (a) among States as follows:

"(A) One-third of the amount shall be allotted among the States on the basis of the relative number of unemployed individuals in the State during the applicable period compared to the number of such unemployed individuals in all the States during such period.

"(B) One-third of the amount shall be allotted among the States on the basis of the relative number of individuals in the State who exhausted regular compensation during the applicable period compared to the number of such individuals in all the States who exhausted regular compensation during such period.

"(C) One-third of the amount shall be allotted among the States on the basis of the number of weeks of regular unemployment compensation in the State during the applicable period compared to the number of weeks of regular unemployment compensation in all the States during such period.

"(2)(A) As used in subparagraphs (A) and (C) of paragraph (1), the term 'applicable period' means—

"(i) for allotments for fiscal years 1983 and 1984, the three-month period beginning February 1983, and

"(ii) for allotments for fiscal year 1985, the three-month period beginning February 1984.

"(B) As used in subparagraph (B) of paragraph (1), the term 'applicable period' means—

"(i) for allotments for fiscal years 1983 and 1984, the period beginning May 1982 and ending April 1983, and

"(ii) for allotments for fiscal year 1985, the period beginning May 1983 and ending April 1984.

"(3) Determinations under subparagraph (A) of paragraph (1) shall be based on data of the Bureau of Labor Statistics and determinations under subparagraphs (B) and (C) of paragraph (1) shall be based on data of the Secretary of Labor.

"(c)(1) A State's allotment for fiscal year 1983 or 1984 may be carried forward and used for expenditures made under the State's plan in the following fiscal year if the State's plan remains in effect in that following fiscal year.

"(2)(A) If the chief executive officer of a State has not transmitted to the Secretary by September 15, 1983, a notice on behalf of the State of the the State's intent to establish and have in effect in the State, not later than June 30, 1984, a plan under this part, the State's allotment for 1983 shall be reduced to zero.

"(B)(i) If the chief executive officer of a State has not transmitted to the Secretary by December 15, 1983, a notice on behalf of the State of the the State's intent to establish and have in effect in the State, not later than June 30, 1984, a plan under this part, the State's allotment for 1984 shall be reduced to zero.

"(ii) A State's allotment for fiscal year 1984 shall be reduced by one-quarter for each calendar quarter (after the first calendar quarter) in which the State does not have a plan approved and in effect under this part and shall be reduced to zero if the State does not have such a plan approved and in effect by June 30, 1984.

"(C) A State's allotment for fiscal year 1985 shall be reduced to zero if the State does not have a plan approved and in effect under this part by June 30, 1984, and on October 1, 1984.

"(D) If a State has not submitted a report on its activities under its plan in accordance with section 2105(a) by February 1, 1985, the State's allotment for fiscal year 1985 shall be reduced by one-quarter.

"(3) To the extent that the total amount available for allotments under this part for a fiscal year is not otherwise allotted to States due to a reduction under paragraph (2) or because some States have indicated in their reports to the Secretary under section 2103(a)(6) that they do not intend to use the full amount of such allotments (including any reallotment under this paragraph) or to carry forward excess amounts under paragraph (1), such excess shall be allotted among the remaining States in proportion to the amount otherwise allotted to such States for the fiscal year without regard to this paragraph.

"(d)(1)(A) From the sums appropriated therefor and the allotments available under this section and subject to the succeeding paragraphs of this subsection, the Secretary shall make payments as provided by section 6503(a) of title 31, United States Code, to each State from its allotment.

"(B) Any amount paid to a State for fiscal year 1983 or 1984 and remaining unobligated at the end of such year shall remain available to such State for obligation in the succeeding fiscal year if the State has in effect a plan under this part during that succeeding fiscal year.

"(2)(A) Except as provided in subparagraph (B), the Secretary may not make payments to a State under paragraph (1) for a fiscal year unless—

"(i) the State has a plan approved and in effect under this part,

"(ii) the State has made assurances satisfactory to the Secretary that the State will provide for any State contribution required under section 2103(f) towards expenditures under the plan for that fiscal year, and

"(iii) the State has provided for (or made arrangements satisfactory to the Secretary for the provision of) any such State contribution for any previous fiscal year.

"(B) With respect to payments from the allotment for fiscal year 1983, the Secretary may make payment to a State without a plan under this part, except that such payment may not exceed 10 percent of the State's allotment for that year and may only be paid for expenses incurred in the planning and development of such a plan.

"(3) The Secretary shall provide for such reconciliations (not less frequently than annually) of the amount of the payments made to States as may be necessary to insure that such payments are only used in accordance with this part and that States contribute the required share towards expenditures under the plans under this part. Amounts improperly paid shall be treated as overpayments, and the Secretary may offset such amounts from subsequent allotments under this part or may otherwise recover such amounts.

"(4) As a condition of payment to the State under this part, the State must provide assurances satisfactory to the Secretary that each group health plan offered by the State, by any political subdivision thereof, or by any agency or instrumentality of the State or a political subdivision thereof, meets the requirements of part B as they would apply if section 2125(1)(A) did not apply with respect to that State, subdivision, agency, or instrumentality. If the Secretary, after reasonable notice and opportunity for a hearing to a State, finds that it or any of its political subdivisions, or any agency or instrumentality of the State or its political subdivisions, has failed to comply with the previous sentence, the Secretary shall terminate payments to such State under this part and notify the chief executive officer of such State that further payments under this part will not be made to the State until the Secretary is satisfied that there will no longer be any such failure to comply.

"STATE PLANS FOR MEDICAL BENEFITS FOR THE UNEMPLOYED

"SEC. 2103. (a) IN GENERAL.—Except as provided in section 2104, a State plan for medical benefits for the unemployed must—

"(1) provide for making medical benefits (as defined in section 2101(b)(3)) available to eligible individuals voluntarily enrolled under the plan for services consistent with subsection (c);

"(2) provide for making medical benefits available for such amount, duration, and scope of services (within those described in section 2101(b)(3)) as the State plan may specify consistent with subsection (d);

"(3) provide for the imposition of premiums, enrollment fees, and similar charges, and for deductions, cost sharing, and similar charges only in accordance with subsection (e);

"(4) provide for financial participation by the State in a manner consistent with subsection (f);

"(5) provide for administration of the plan and expenditures under the plan in accordance with subsection (g);

"(6) provide for reports and audits and nondiscriminatory practices in accordance with section 2105 and for periodic reports to the Secretary on the portions of the allotment to the State for each fiscal year which the State intends to use and the portions of such allotment which may be reallotted among the other States under section 2102(c)(3);

"(7) provide that—

"(A) the amount of payment to persons providing services covered under the plan may not exceed the amount of such payment that is provided for such services under the State's plan under title XIX, and

"(B) each such person must agree to comply with the conditions of subsection (e) respecting limitations on the charges that may be imposed on beneficiaries for receipt of covered services (and the provisions of section 1916(c) shall apply to such providers in the same manner as they apply to providers under a State plan under title XIX);

"(8) provide that the plan—

"(A) shall be secondary in payment to any insurance or benefit plan (including a group health plan, the insurance programs or a State plan under titles XVIII and XIX of this Act, an automobile or liability insurance plan, and no fault insurance) which provides medical benefits, and

"(B) shall require each individual enrolled in the plan, as a condition of enrolling in the plan, to assign to the State all rights to payments, under a plan described in subparagraph (A), to which the individual may be entitled;

"(9) provide that in the case of an individual enrolling for benefits under the plan who is not receiving unemployment compensation, the State will take reasonable steps to determine the eligibility under section 1902(a)(10)(A) of the individual for assistance under the State plan approved under title XIX; and

"(10) meet the requirements specified in paragraphs (1), (3), (7), (8), (9), (22)(B), (22)(D), (23), (27), (33)(A), and (33)(B) of section 1902(a) in the same manner as such requirements apply to State plans under title XIX.

"(b) APPROVAL AND DISAPPROVAL OF PLANS.—(1) The Secretary shall approve any plan which fulfills the conditions specified in subsection (a), except that he shall not approve any plan which imposes as a condition for eligibility for medical benefits under the plan any citizenship requirement which excludes any citizen of the United States or any residence requirement which excludes any individual who resides in the State.

"(2) The Secretary shall disapprove, or withdraw the approval of, any plan of a State under this part if the Secretary determines that—

"(A) the State provided for eligibility, under its plan under section 402 as of June 1, 1983, of dependent children described in section 407 (relating to dependent children of unemployed parents) and, after such date, discontinues coverage of such children under such plan;

"(B) the State provided for eligibility, under its plan under title XIX as of June 1, 1983, of individuals who are receiving, are eligible to receive, or could be eligible to receive (if coverage under its plan under title IV was as broad as allowed under Federal law) aid pursuant to the operation of section 407 (relating to dependent children of unemployed parents) or who are described in section 1905(a)(i) (but not in section 1902(a)(10)(A)(i)), and, after such date, discontinues or reduces the terms of eligibility of such individuals under such plan; or

"(C) the State has made other significant reductions in eligibility or benefits under its plan under title XIX in order to establish or operate a plan under this part.

"(3) Nothing in this section shall be construed as preventing a State from terminating its plan under this part and establishing a date after which the State is no longer obligated for expenses for medical benefits incurred under the plan.

"(4) Sections 1116 and 1904 shall apply to plans approved under this part in the same manner as they apply to plans approved under title XIX, except that any reference to the provisions of section 1902 or 1904 in those sections shall be deemed for this purpose to be a reference to the provisions of this section or this paragraph, respectively.

"(c) ELIGIBILITY FOR MEDICAL BENEFITS.—(1) Each State plan shall specify the criteria (consistent with this subsection) for determining those individuals who are eligible for medical benefits under the plan, which criteria shall be applied uniformly. Each individual who meets such criteria shall be eligible to enroll for medical benefits under the plan.

"(2) Except as provided in paragraphs (3) and (4), an individual may not be eligible for medical benefits under a State plan unless the individual is unemployed and—

"(A) is receiving unemployment compensation or received unemployment compensation for a week in the previous 104-week period, or

"(B) subject to paragraph (5)—

"(i) has been previously employed (as determined under the plan), and

"(ii) meets such reasonable financial or medical needs standards as the State plan specifies.

The State plan shall provide for standards respecting the circumstances under which an individual is considered 'employed' and 'unemployed' for purposes of the plan and the State plan may not make, as a condition of eligibility of any individual under subparagraph (A), any determination respecting the income or assets of any individual.

"(3)(A) Except as provided in paragraph (4), for any period in which an individual is entitled to medical benefits under the plan, the individual's immediate family members (as defined in section 2101(b)(2)) also shall be entitled to medical benefits under the plan.

"(B) In the case of an individual who is eligible and enrolled for medical benefits under a State plan, the plan may continue the individual's eligibility during a period (of not longer than four weeks) specified in the State plan during which the individual is reemployed.

"(4)(A) Except as provided in subparagraph (B), the State plan shall specify the uniform minimum length of time an individual must have been previously unemployed in order to be eligible for medical benefits under paragraph (2)(A).

"(B)(i) Subject to clause (ii), a State plan may provide for a minimum length of period of unemployment which is less than that specified in subparagraph (A), but only with respect to providing eligibility for pregnant women, children under 5 years of age at the time of initial eligibility under the plan, and, at the State's option, immediate family members of such individuals.

"(ii) A State plan may provide for a period under clause (i) of—

"(I) less than 1 year (but greater than 6 months), only if the period described in subparagraph (A) is no greater than 1 year, or

"(II) less than 6 months, only if the period described in subparagraph (A) is no greater than 6 months.

"(5) A State plan must be reasonably designed so as to provide an amount of medical benefits in any fiscal year to individuals made eligible under paragraph (2)(B) (and their immediate family members) which is not less than 5 percent of the amount of the Federal payments to the State under section 2102(d) for that year and is not greater than the sum of—

"(A) 5 percent of the amount of the Federal payments to the State under section 2102(d) for that year, and

"(B) the amount (if any) by which the total amount of the expenditures under the plan for the year exceeds the sum of (i) the amount of the Federal payments to the State under section 2102(d) for that year and (ii) the amount of premiums collected under the plan for the year.

"(6) A State plan may not permit an individual to be eligible for medical benefits under paragraph (2) for a week if the individual—

"(A) is covered (or could have been covered, if an election had been made and any premiums required paid on a timely basis) for the week under a group health plan for which a contribution towards the cost of the plan is being made by an employer, union, or entity other than the individual or the individual's spouse;

"(B) is (or could be, if an enrollment after the date of the enactment of this part had been made and any premiums required paid on a timely basis after the individual became unemployed) covered for the week under a group health plan for the individual's spouse for which a contribution towards the cost of the plan is being made by an employer, union, or entity other than the individual or the individual's spouse; or

"(C) is determined to be eligible for the week for assistance under the State plan under title XIX.

"(7) If a State changes the criteria for eligibility of individuals under the plan, such changes must be made public and made in a manner consistent with the State administrative procedures act or other applicable State law. A State may provide that in the case of such a change that would have the effect of disqualifying individuals who are eligible and enrolled for medical benefits under the plan, the State may provide for continuation of eligibility of the individuals for a reasonable period of time or based on such reasonable standards as the State may establish, but not beyond the period of time which they would otherwise have remained eligible.

"(8) The State plan may limit the coverage period of eligible individuals under the plan to a period specified in the plan, but such period may not be less than one year in the case of individuals eligible under paragraph (2)(A).

"(9) A State plan must permit an eligible individual to terminate voluntarily enrollment under the plan by written notice to the State.

"(d) MEDICAL BENEFITS.—(1) A State plan must provide medical benefits for—

"(A) prenatal, delivery, post-partum, and well-baby care, without limitations of amount, duration, or scope except as to medical necessity;

"(B) at least the first day of inpatient hospital care in the coverage period for each eligible individual; and

"(C) at least some ambulatory services.

"(2) The scope, amount, and duration of medical benefits provided under the plan must be the same for all individuals eligible for medical benefits under the plan, except that the coverage period of individuals eligible under subsection (c)(2)(A) may differ from the coverage period for individuals eligible under subsection (c)(2)(B).

"(3) A State plan may not provide for medical benefits for expenses incurred for services furnished before the date the plan first becomes effective or after October 1, 1985.

"(e) PREMIUMS AND COPAYMENTS.—(1)(A) A State plan may impose a weekly premium for an individual who is eligible under subsection (c)(2)(A), is receiving unemployment compensation, and is voluntarily enrolled in the plan in an amount equal to not more than 5 percent of the amount of the unemployment compensation, if any, which is payable to the enrollee for the week (determined without regard to any deductions or offsets actually taken thereon). The State may provide for the deduction of the amount of such a premium from the amount of such compensation paid to the enrollee.

"(B) A State plan may impose a premium for an individual who is eligible under subsection (c)(2)(A), is not receiving unemployment compensation, and is voluntarily enrolled in the plan in an amount equal to not more than 2 percent (or, if less, the percentage applicable under subparagraph (A) to individuals described in that paragraph) of the average monthly benefit amount in the State for unemployment compensation under State law (based on the most recent data available).

"(C) A State plan may not impose any premium, enrollment fee, or similar charge except as provided in this paragraph. If a State plan imposes a premium upon the enrollment of an eligible individual under the plan, the plan may not deem or otherwise treat the individual as being enrolled without the individual voluntarily enrolling under the plan.

"(D)(i) Except as provided under clause (ii), the applicable percentage selected under subparagraph (A) or subparagraph (B) shall be uniform within the groups of individuals described in each of such subparagraphs.

"(ii) A State plan may provide standards whereby the premiums otherwise established under the plan are waived in the case of financial hardship or other good cause established by the State.

"(E) Premiums collected under a State plan must be used for the purpose of carrying out the plan and may be used, to the extent permitted under subsection (f)(4)(B), toward the State contribution for expenditures under the plan.

"(2)(A) A State plan under this part shall provide for the imposition, to the extent permitted under paragraphs (2) and (3) of section 1916 with respect to individuals eligible for medical assistance under State plans under title XIX, of—

"(i) a deductible, for the first day of inpatient hospital services furnished to an individual under the plan under this part, in an amount equal to at least 10 percent of the estimated average payment in the previous year for a day of inpatient hospital services under the State's plan under title XIX, and

"(ii) deductions, cost sharing, and similar charges for other services in the maximum amounts permitted pursuant to such paragraphs for such individuals for such services.

"(B)(i) Except as provided under clause (ii), the deductions, cost sharing, and any similar charges imposed under this paragraph shall be imposed uniformly for all individuals eligible for medical benefits under the plan.

"(ii) A State plan may provide standards whereby the deductions, cost sharing, and any similar charges imposed under this paragraph are waived in the case of financial hardship or other good cause established by the State.

"(f) STATE CONTRIBUTIONS.—(1) The State plan must provide for a State contribution towards expenditures under the plan in accordance with this subsection.

"(2) With respect to expenditures under the plan for which amounts may be paid from allotments for 1983, the State is not required to make any State contribution.

"(3) With respect to expenditures under the plan for which amounts may be paid from allotments for fiscal year 1984 or 1985, if the State has a State unemployment rate for the fiscal year equal to—

"(A) 10 percent or more and such rate is—

"(i) equal to or greater than 133⅓ percent of the national average total unemployment rate for that year, the State is not required to make any State contribution, or

"(ii) less than 133⅓ percent of the national average total unemployment rate for that year, the State's contribution must be equal to at least 5 percent of the sum of the minimum State contribution computed under this clause and the amount of the Federal allotment paid the State under this part for that year;

"(B) less than 10 percent, but more than 6 percent, the State's contribution must be equal to at least a percentage of the sum of the minimum State contribution computed under this subparagraph and the amount of the Federal allotment paid to the State under this part for that year, such percentage equal to 20 percent minus the product of 15 percent and the ratio of (i) the percent difference between the State unemployment rate for that year and 6 percent, to (ii) 4 percent; or

"(C) 6 percent or less, the State's contribution must be equal to at least 20 percent of the sum of the minimum State contribution computed under this subparagraph and the amount of the Federal allotment paid to the State under this part for that year.

As used in this paragraph, the term 'State unemployment rate' means for a fiscal year for a State the average of the monthly civilian labor force unemployment rates in that State (as determined and published on a nonpreliminary basis by the Bureau of Labor Statistics) for the most recent 3-month period for which data are available before the beginning of the fiscal year.

"(4)(A) Except as provided in subparagraph (B), the State plan must provide for financial participation by the State in an amount not less than the State contribution required under this subsection.

"(B) A State may use premiums collected under the plan toward its State contribution required under this subsection, but such premiums may not be used to offset more than 50 percent of the State's required contribution with respect to any fiscal year.

"(g) ADMINISTRATION OF PLAN.—(1) The State plan must provide that not more than 10 percent of the expenditures under the plan for any fiscal year are for expenses for administering the plan, except that this restriction shall not apply to 10 percent of the allotment to the State for fiscal year 1983.

"(2) A State may elect to provide for the administration of part or all of its plan under this part by the single State agency (and in accordance with its plan approved) under title XIX. In such case, the State shall provide the Secretary with such information as may be reasonably necessary to identify or otherwise compute the costs of administration under title XIX which are attributable to the administration of this part and which are to be reimbursed from amounts paid the State under this part.

"(3) If the State plan provides for any administrative functions under the plan to be performed by or through the State agency administering the State's unemployment compensation law, the State plan must make appropriate arrangements to reimburse such agency (and, to the extent the Railroad Retirement Board performs similar functions pursuant to section 2105(c), to make appropriate and similar arrangements to reimburse the Board) for its reasonable expenses of performing such functions under the plan.

"ALTERNATIVE STATE ARRANGEMENTS

"SEC. 2104. (a)(1) A State plan under this part may provide an enrollee with the voluntary option of electing to receive medical benefits through an arrangement with a health benefits plan (including a private insurer, prepaid health plan, provider, or a provider group), rather than in accordance with section 2103, if—

"(A) the scope, amount, and duration of benefits made available under the arrangement are at least equal to the scope, amount, and duration of benefits otherwise provided under the plan;

"(B) with respect to services covered under the State plan, any premiums and charges provided under the arrangement do not exceed the premiums and charges permitted under section 2103(e); and

"(C) under the arrangement, the amount of payment under the plan may not exceed the actuarial value of payments for medical benefits which the State reasonably estimates would otherwise have been made under the plan.

"(2) The State may provide that an enrollee who has exercised an election under this subsection may not terminate or modify such an election (other than for cause) for a period of up to 6 months beginning with the first month in which the election takes effect.

"(b)(1) A State plan under this part may provide an eligible individual enrolled with the State under this part with the voluntary option of electing, in lieu of otherwise receiving medical benefits under the plan, of having the State make a cash payment (in the amount determined under paragraph (2)(A)) toward the premium or similar charge of enrolling the individual (and immediate family members) in a health insurance or benefits plan described in paragraph (3).

"(2) In the case of an individual making an election under this subsection—

"(A) the amount of the cash payment by the State toward the cost of the plan shall not exceed the actuarial value of payments for medical benefits which the State reasonably estimates would otherwise have been made under the plan, and

"(B) the State plan may provide that the individual may not terminate or modify such an election (other than for cause) for a period of up to 6 months beginning with the

first month in which the election takes effect.

"(3) A health insurance or benefits plan (including a private insurer, prepaid health plan, provider, or a provider group), in order to be eligible under a State plan under this subsection must make an arrangement suitable to the State under which it provides to each individual, before the individual is enrolled with the plan under this subsection, a written description of the benefits, charges, and costs under the plan. The benefits provided under such a plan and the premiums and other charges imposed under the plan need not comply with the provisions of subsections (d) and (e) of section 2103.

"(c) A State plan may provide for an arrangement with one or more private health benefits plans under which health insurance or health benefits are made available in accordance with the plan and section 2103 for all individuals in the State eligible under the plan.

"REPORTS, AUDITS, AND MISCELLANEOUS PROVISIONS

"SEC. 2105. (a) Each State shall prepare and submit not later than February 1, 1985, to the Secretary and each House of Congress (in such form and manner as the Secretary determines, after consultation with the States and the Comptroller General, to be appropriate) a report on its activities through fiscal year 1984 under its plan. Such report shall include, among other items, a description of—

"(1) the criteria for eligibility of individuals under the plan and the number of individuals enrolled for benefits through the period under the plan, and

"(2) the medical benefits made available under the plan, the total amount of expenditures made under the plan through the period, the portion of such expenditures spent on inpatient and ambulatory services, and amount of expenditures under the plan per enrollee through the period.

"(b)(1) The provisions of sections 506 (other than subsection (a)) and 508 of this Act (relating to audits and access to information and nondiscrimination under the maternal and child health services block grant) shall apply to expenditures and activities under this part in the same manner as those provisions apply to expenditures and activities under title V; and for this purpose any reference to that title in any of those sections shall be deemed a reference to this part.

"(2) The provisions of section 1909 shall apply to State plans under this part in the same manner as they apply to State plans under title XIX.

"(3) A waiver granted a State under section 1115 or 1915(b), as such waiver applies to the requirements of a State plan approved under title XIX, shall be considered to be approved as a waiver of the corresponding requirements of this part.

"(4) A State plan approved under this part shall be treated as a State plan approved under title XIX for purposes of applying section 1307(d) of the Public Health Service Act.

"(5) The provisions of section 1128A shall apply to payments made from an allotment to a State under this part in the same manner as they apply to payments made from an allotment to a State under title V, and any reference to a State agency under such section shall be deemed for this purpose to be a reference to any agency or entity administering part or all of the State plan under this part.

"(c)(1) If, in a State, the State agency administering the State's unemployment compensation law is responsible for collection of weekly premiums under section 2103(e) with respect to individuals receiving unemployment compensation under that law, the Railroad Retirement Board shall be responsible for the collection of weekly premiums under such section with respect to individuals receiving unemployment compensation under the Railroad Unemployment Insurance Act and residing in that State.

"(2) In the case of other functions which a State agency administering the State's unemployment compensation law is required to perform under the State plan with respect to individuals receiving unemployment compensation under that law, the Railroad Retirement Board shall, to the extent feasible, perform such functions with respect to individuals receiving unemployment compensation under the Railroad Unemployment Insurance Act and residing in that State.

"(d) The Secretary may not delegate to the States his authority under this part to establish standards for the approval of State plans, to determine the acceptability of such plans, or to make other determinations required to be made by the Secretary under this part (including the specification of information to be contained in the report described in subsection (a)).

"PART B—OPEN ENROLLMENT, CONTINUATION, AND CONVERSION RIGHTS OF INDIVIDUALS

"REQUIREMENTS FOR EMPLOYEE HEALTH BENEFITS PLANS

"SEC. 2121. (a) Any group health plan offered by a large employer (as defined in section 2125(1)(B)) to employees shall meet the requirements of sections 2122 and 2123 and, if applicable, section 2124.

"(b) The Secretary, after consultation with the Secretary of the Treasury, shall promulgate such regulations as may be necessary to carry out this part.

"(c)(1) The requirements of this part shall not be construed as preventing employers (under collective bargaining agreements or otherwise) from providing additional or other health care benefits respecting employees or former employees.

"(2) The requirements of this part shall not apply to employees covered under collective-bargaining agreements entered into before the date of the enactment of this title during the period covered by such agreements (as in effect on such date).

"(d)(1)(A) For an excise tax on the expenses incurred by large employers for group health plans failing to meet the requirements of this part, see section 4912 of the Internal Revenue Code of 1954.

"(B) A person (including a class of individuals) or State which is adversely affected by the failure of a group health plan offered by a large employer to comply with the requirements of this part may bring an action in the appropriate district court of the United States seeking such injunctive relief as may be appropriate in order to assure such compliance and to remedy any failure previously to comply with such requirements. In any action under this subparagraph, the court, in its discretion, may allow the prevailing party a reasonable attorney's fee as part of the costs.

"(2) For a requirement that the group health plans of each State, and political subdivisions thereof, comply with the requirements of this part as a condition of payment of block grants to the State under part A, see section 2102(d)(4).

"REQUIRING OPEN ENROLLMENT FOR SPOUSES OF UNEMPLOYED WORKERS

"SEC. 2122. (a) A group health plan meets the requirement of this section only if it provides for an open enrollment period of at least 30 days duration for each married employee who is (or at a previous time was) eligible to enroll or is enrolled under the plan and whose spouse loses coverage under a group health plan due to the involuntary layoff or involuntary separation (other than for cause) from the spouse's employment. For purposes of this preceding sentence, a spouse shall not be considered to have lost coverage during any period (after the involuntary layoff or separation from employment) in which such coverage is continued and for which a contribution toward the cost of the coverage is being made by an employer, union, or entity other than the spouse.

"(b) The terms of an enrollment during a period provided under subsection (a) shall be the same as the terms (including any option for coverage of immediate family members) most recently offered with respect to the enrollment of that employee or (at the employer's option) to newly hired or other employees similarly situated, except that such enrollment may not require or discriminate on the basis of lack of evidence of insurability and if the employee was previously covered and only exercises the option to cover immediate family members the coverage of such immediate family members shall begin on the date the option is exercised.

"(c) The requirements of this section shall apply to individuals whose spouses lose coverage under a group health plan on or after January 1, 1984.

"REQUIRING CONTINUATION OF GROUP HEALTH CARE COVERAGE FOR UNEMPLOYED WORKERS

"SEC. 2123. (a) A group health plan meets the requirements of this section only if an employee covered under the plan who would otherwise lose such coverage as a result of the individual's involuntary layoff or involuntary separation (other than for cause) from employment, is provided continuation of such coverage under a group health plan meeting the requirements of subsection (b) for a period of not less than 90 days following the date of the individual's involuntary separation or layoff (except as provided in subsection (c)). If at the time of the individual's layoff or separation some or all of the individual's immediate family members also were covered under the group health plan, the health benefits coverage under this subparagraph also must cover such immediate family members, unless the individual elects otherwise.

"(b) In the case of continuation of coverage of health care benefits under subsection (a) under a group health plan—

"(1) the continued health care benefits must not be less, in amount, duration, or scope of benefits, than either the benefits provided under such group health plan or ten physician visits and nine days of inpatient hospital services in any calendar year, whichever particular benefits are less, and

"(2) the employer must provide for a contribution toward the cost of such continued health care benefits for an individual (and immediate family members) which is not less, in proportion to the cost of such continued benefits, than the proportional contribution the employer makes toward the cost of the group health plan for employees in the same classification as the individual involved.

"(c) Subsection (a) shall not be construed as requiring continuation of coverage with respect to a former employee after the date—

"(1) the individual provides written notice to the employer of his intention not to accept or continue such coverage,

"(2) the individual has been reemployed for a period of 4 consecutive weeks, or

"(3) the individual has failed to provide for timely payments of any premiums required.

"(d) For purposes of this section and section 2124, the term 'employee' does not include a temporary employee (as defined by the Secretary).

"(e) The requirements of this section shall apply to individuals who are involuntarily laid-off or separated from employment on or after January 1, 1985.

"REQUIRING UNEMPLOYED WORKERS COVERED UNDER INSURED GROUP HEALTH PLANS TO HAVE THE RIGHT TO CONVERT TO INDIVIDUAL POLICIES

"SEC. 2124. (a) An insured group health plan meets the requirement of this section only if an employee covered under the plan is permitted the option, during the period described in subsection (b), of securing health benefits coverage, without evidence of insurability of the individual or immediate family members, where the loss of coverage under the group health plan is the result of the individual's involuntary layoff or involuntary separation (other than for cause) from employment. If at the time of the individual's layoff or separation some or all of the individual's immediate family members also were covered under the group health plan, the individual must be given the option of securing health benefits coverage under this subsection that also covers immediate family members.

"(b) The period referred to in subsection (a) for a former employee is the 31-day period beginning on the date of the individual's layoff or separation from employment, or, at the option of the individual, beginning on the last day of any continuation of health benefits coverage under the group health plan or under section 2123.

"(c) The requirements of this section shall apply to individuals involuntarily laid-off or separated on or after January 1, 1985.

"DEFINITIONS

"SEC. 2125. As used in this part:

"(1)(A) The term 'employer' does not include the Government of the United States, the government of the District of Columbia or any territory or possession of the United States, a State or any political subdivision thereof, or any agency or instrumentality (including the United States Postal Service and Postal Rate Commission) of any of the foregoing, except that such term includes nonappropriated fund instrumentalities of the Government of the United States.

"(B) The term 'large employer' means an employer who, on each of some 20 days during the calendar year or the preceding calendar year, each day being in a different calendar week, employed for some portion of the day (whether or not at the same moment of time) 25 or more individuals.

"(2) The term 'group health plan' has the meaning given such term in section 162(i)(2) of the Internal Revenue Code of 1954.

"(3) The term 'insured group health plan' means a group health plan under which an entity, which is subject to the insurance laws or regulations of a State or to the laws of a State respecting hospital, medical, or dental service corporations, assumes the financial risk for paying benefits under the plan in exchange for payment of premiums under the plan.

"(4) The term 'immediate family member' means, with respect to an individual—

"(A) in the case of a married individual, the individual's spouse, and

"(B) the individual's child, if the child is under 18 years of age.

"PART C—ASSISTANCE TO HOSPITALS SERVING THE UNEMPLOYED

"GRANTS

"SEC. 2141. (a)(1) The Secretary shall make grants to hospitals meeting the requirements of subsection (b) to assist the hospitals in providing services to persons unable to pay for such services.

"(2) In making such grants, the Secretary shall—

"(A) first give priority to hospitals which are either (i) public hospitals (or hospitals operated by a public benefit corporation) or (ii) hospitals serving areas not served by a public hospital, and

"(B) then give priority to other hospitals which demonstrate that they serve a significantly disproportionate number of patients who are unemployed and who are unable to pay for hospital services.

"(b) A hospital is not eligible for a grant under this section unless the hospital—

"(1)(A) is located in an area experiencing high unemployment (as determined by the Secretary), or (B) serves primarily medically underserved populations (as defined in section 330(b)(3) of the Public Health Service Act);

"(2) serves a significantly disproportionate number of patients who have low income and who are unable to pay for hospital services;

"(3) provides services to persons without regard to their ability to pay;

"(4) provides evidence, satisfactory to the Secretary, that if the hospital is required, pursuant to an assurance under title VI or XVI of the Public Health Service Act, to make available a reasonable volume of services to persons unable to pay therefor, the hospital has made (and is making) such a volume of services available for the period for which the assistance is sought; and

"(5) offers assurances satisfactory to the Secretary that it will use the sums provided in the grant in addition to, rather than in lieu of, existing Federal, State, and local funds currently available for the purposes described in subsection (a).

"(c)(1) No grant may be made under this section unless an application therefor is submitted to, and approved by, the Secretary. Such an application shall be submitted in such form and manner and contain such information as the Secretary shall prescribe.

"(2) The amount of any grant under this section shall be determined by the Secretary.

"(d) The Secretary shall report to the Congress not later than March 31, 1985, and March 31, 1986, on the identity and location of hospitals provided assistance under this section and an estimate of the change in the number of individuals who are unable to pay for services and who were provided services in each of such hospitals receiving such assistance compared to the number of such individuals in the previous period.

"(e) For the purpose of making grants under this part, there are authorized to be appropriated—

"(1) for fiscal year 1984, $96,000,000,

"(2) for fiscal year 1985, $77,000,000, and

"(3) for fiscal year 1986, $60,000,000.".

(b) Part A of title XXI of the Social Security Act (as added by subsection (a))—

(1) is effective for calendar quarters beginning on or after July 1, 1983, and

(2) is repealed, effective for services furnished on or after October 1, 1985.

(c)(1) The Secretary of Health and Human Services shall cause to be published in the Federal Register a notice of the interim final regulations required to carry out part A of title XXI of the Social Security Act no later than September 15, 1983, and allow for a subsequent period of public comment thereon.

(2) The regulations with respect to part A of such title shall become effective on September 15, 1983, without the necessity for consideration of comments received, but the Secretary, after taking into consideration any such comments received respecting such part, shall by notice published in the Federal Register affirm or modify the regulations by December 31, 1983. Any such modification of such regulations shall apply only for quarters beginning on or after April 1, 1984.

(3) The Secretary of Health and Human Services, after consultation with the Secretary of the Treasury, shall prescribe on a timely basis such regulations as may be necessary to implement the requirements of part B of title XXI of the Social Security Act in accordance with the effective dates contained in that part.

MISCELLANEOUS AMENDMENTS

SEC. 102. (a) Section 501(a) of the Social Security Act is amended by striking out "fiscal year 1982" and inserting in lieu thereof "fiscal years 1982 and 1983 and $483,000,000 for fiscal year 1984".

(b) Effective beginning with fiscal year 1984, paragraphs (1) through (5) of section 1108(c) of the Social Security Act (42 U.S.C. 1308(c)) are amended to read as follows:

"(1) Puerto Rico shall not exceed $77,100,000,

"(2) the Virgin Islands shall not exceed $2,600,000,

"(3) Guam shall not exceed $2,400,000,

"(4) the Northern Mariana Islands shall not exceed $600,000, and

"(5) American Samoa shall not exceed $1,300,000.".

(c)(1) Section 1866(a)(1)(F) of the Social Security Act is amended by inserting "with a professional standards review organization (if there is such an organization in existence in the area in which the hospital is located as of July 1, 1983) or" before "a utilization and quality control".

(2) The amendment made by paragraph (1) shall take effect on January 1, 1984.

TITLE II—INTERNAL REVENUE CODE AMENDMENT AND MISCELLANEOUS PROVISION

IMPOSITION OF EXCISE TAX ON CERTAIN HEALTH PLANS OF LARGE EMPLOYERS

SEC. 201. (a) Chapter 41 of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following new subchapter:

"Subchapter B—Health Plans of Large Employers Which Do Not Meet Coverage Requirements for the Unemployed

"Sec. 4912. Tax on expenses of health plans of large employers which do not meet coverage requirements for the unemployed.

"SEC. 4912. TAX ON EXPENSES OF HEALTH PLANS OF LARGE EMPLOYERS WHICH DO NOT MEET COVERAGE REQUIREMENTS FOR THE UNEMPLOYED.

"(a) TAX IMPOSED.—In the case of a large employer, there is hereby imposed a tax equal to 10 percent of the amount of the nonqualified employee health expenses paid or incurred during the taxable year.

"(b) LARGE EMPLOYER.—For purposes of this section, the term 'large employer' has the meaning given to such term by section 2125(1) of the Social Security Act (as in effect on the day after the date of the enactment of this section).

"(c) NONQUALIFIED EMPLOYEE HEALTH EXPENSES.—For purposes of this section—

"(1) IN GENERAL.—The term 'nonqualified employee health expenses' means the expenses paid or incurred by the employer for a group health plan to the extent such expenses are allocable to a period during which such plan does not meet each requirement contained in part B of title XXI of the Social Security Act (as in effect on the day after the date of the enactment of this section) which under such part such plan is required to meet.

"(2) GROUP HEALTH PLAN.—The term 'group health plan' has the meaning given to such term by section 162(i)(2).

"(d) TERMINATION.—Subsection (a) shall not apply to amounts paid or incurred after December 31, 1986.

"(e) CROSS REFERENCES.—

"(1) For provision denying deduction for tax imposed by this section, see section 275(a)(6).

"(2) For provisions making deficiency procedures applicable to tax imposed by this section, see section 6211 et seq."

(b)(1) Chapter 41 of such Code is amended by striking out the chapter heading and inserting in lieu thereof the following:

"CHAPTER 41—PUBLIC CHARITIES; CERTAIN HEALTH PLANS OF LARGE EMPLOYERS

"SUBCHAPTER A. Public charities.

"SUBCHAPTER B. Health plans of large employers which do not meet coverage requirements for the unemployed.

"Subchapter A—Public Charities".

(2) The table of chapters for subtitle D of such Code is amended by striking out the item relating to chapter 41 and inserting in lieu thereof the following:

"CHAPTER 41. Public charities; certain health plans of large employers."

(3) Subparagraph (B) of section 6104(c)(1) of such Code is amended by striking out "or chapter 41 or 42" and inserting in lieu thereof ", subchapter A of chapter 41, or chapter 42".

(c) The amendments made by this section shall apply to amounts paid or incurred after December 31, 1983, in taxable years ending after such date.

MEDICARE HOSPICE AMENDMENT

SEC. 202. Section 1814(i)(2) of the Social Security Act is amended—

(1) striking out "located in a region (as defined by the Secretary)" and "for the region" in subparagraph (A), and

(2) by amending subparagraph (B) to read as follows:

"(B) For purposes of subparagraph (A), the 'cap amount' for a year is $6,500, increased or decreased, for accounting years that end after October 1, 1984, by the same percentage as the percentage increase or decrease, respectively, in the medical care expenditure category of the consumer price index for all urban consumers (United States city average), published by the Bureau of Labor Statistics, from March 1984 to the fifth month of the accounting year.".

The CHAIRMAN. Are there any amendments?

If not, the question is on the amendment in the nature of a substitute.

The amendment in the nature of a substitute was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

□ 1430

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. DURBIN, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 3021) to amend the Social Security Act to provide for a program of grants to States to provide health care benefits for the unemployed, and for other purposes, pursuant to House Resolution 276, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. TAUKE

Mr. TAUKE. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. TAUKE. Yes, I am in its current form, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. TAUKE moves to recommit the bill, H.R. 3021, to the Committee on Energy and Commerce with instructions to report the same to the House forthwith with the following amendments (page and line numbers refer to the amendment in the nature of a substitute, text of H.R. 3521, previously agreed to):

Page 2, strike out line 4 and all that follows through page 29, line 15, and insert in lieu thereof the following:

"AUTHORIZATION OF APPROPRIATION

"SEC. 2101. (a) For the purpose of making allotments to States under section 2102, there are authorized to be appropriated for—

"(1) fiscal year 1984, $900,000,000, and

"(2) fiscal year 1985, $900,000,000,

to carry out this part for that fiscal year.

"ALLOTMENTS

"SEC. 2102. (a)(1) The Secretary shall allot the amounts appropriated for allotments under section 2101 for fiscal years 1984 and 1985 among the States as follows:

"(A) One-third of the amount shall be allotted among the States on the basis of the relative number of unemployed individuals in the State during the applicable period compared to the number of such unemployed individuals in all the States during such period.

"(B) One-third of the amount shall be alloted among the States on the basis of the relative number of individuals in the State who exhausted regular compensation during the applicable period compared to the number of such individuals in all the States who exhausted regular compensation during such period.

"(C) One-third of the amount shall be allotted among the States on the basis of the number of weeks of regular unemployment compensation in the State during the applicable period compared to the number of weeks of regular unemployment compensation in all the States during such period.

"(2) As used in paragraph (1):

"(A) The term 'regular compensation' has the meaning given such term in section 205(2) of the Federal-State Extended Unemployment Compensation Act of 1970.

"(B) The term 'number of weeks of regular unemployment compensation' means, for a State for a period, the sum, for each of the weeks in the period, of the number of individuals receiving regular compensation in that week under the State's unemployment compensation law.

"(b) To the extent that all the funds appropriated under section 2101 for a fiscal year and available for allotment in such fiscal year are not otherwise allotted to States because—

"(1) one or more States have not submitted an application or description of activities in accordance with section 2105 for that fiscal year,

"(2) one or more States have notified the Secretary that they do not intend to use the full amount of their allotment, or

"(3) some State allotments are offset or repaid pursuant to the operation of section 2106(b),

such excess shall be allotted among each of the remaining State in proportion to the amount otherwise allotted to such States for the fiscal year without regard to this subsection.

"PAYMENTS TO STATES

"SEC. 2103. (a) For calendar quarters in fiscal years 1984 and 1985, the Secretary shall make payments, as provided by section 203 of the Intergovernmental Cooperation Act of 1968 (42 U.S.C. 4213), to each State from its allotment under section 2102 from the amounts appropriated for that fiscal year.

"(b) Any amount paid to a State for a fiscal year and remaining unobligated at the end of such year shall remain available for the next fiscal year to such State for the purposes for which it was made.

"(c) As a condition of payment to the State under this part, the State must provide assurances satisfactory to the Secretary that each group health plan offered by the State, by any political subdivision thereof, or by any agency or instrumentality of the State or a political subdivision thereof, meets the requirements of part B as they would apply if section 2125(1)(A) did not apply with respect to that State, subdivision, agency, or instrumentality. If the Secretary, after reasonable notice and opportunity for a hearing to a State, finds that it or any of its political subdivisions, or any agency or instrumentality of the State or its

political subdivisions, has failed to comply with the previous sentence, the Secretary shall terminate payments to such State under this part and notify the chief executive officer of such State that futher payments under this part will not be made to the State until the Secretary is satisfied that there will no longer be any such failure to comply.

"USE OF ALLOTMENTS

"SEC. 2104. (a) Except as otherwise provided in this section, a State may use amounts paid to it under section 2103 to provide health care or other health care benefits or coverage for unemployed workers and their family members and for related activities.

"(b)(1) Under this part each State may choose, as it determines to be appropriate—

"(A) those groups of individuals (and their immediate families) who shall be provided health care coverage with funds available under this part;

"(B) the period of time during which such coverage is provided;

"(C) the particular type, duration, and scope of services with respect to which such coverage is provided;

"(D) any standards for financial participation (whether through premiums, deductibles, copayments, or otherwise) by beneficiaries, which standards may vary with respect to different groupings of beneficiaries, different types of services, different provider arrangements, and varying coverage periods; and

"(E) the amount of State funds to be made available for such coverage, if any.

The State may provide, with the consent of the individual, for the deduction of the amount of a premium described in subparagraph (D) from the amount of unemployment compensation benefits paid to the individual.

"(2) Such coverage may be provided through varying arrangements, which include—

"(A) financial assistance in the purchase of continued health benefits coverage under an employer's or other health benefits plan,

"(B) payment of money or credits toward premiums of eligible organizations under section 1876 or health maintenance organizations under section 1903(m);

"(C) provision of care and services by providers under arrangements negotiated by the State; or

"(D) any insurance or health benefits plan approved by the State for purposes of this part.

"(3) The State may provide that the payment for any care and services received by an individual under this part is reduced by the amount of any other payment which is or could be made with respect to such care and services under any other health plan or public program, or from a third party, and may require each such individual beneficiary to assign all rights to such payments as he may have to the State as a condition of receipt of benefits under this part from the State.

"(4) Payment by the State for care and services provided to individuals under this part may be made through the same administrative mechanisms through which payments are generally made under the State plan for medical assistance under title XIX, or any other such mechanism as the State deems appropriate.

"(c) The State may not use funds provided under this part to provide health care coverage—

"(1) to an individual (or to the immediate family members of such an individual) unless the individual (i) is receiving unemployment compensation benefits (as defined by the State), (ii) is unemployed and has exhausted such benefits within a previous period established by the State, or (iii) was eligible within the previous 30-day period for such benefits but lost such eligibility on account of employment;

"(2) to an individual who is eligible for medical assistance under the State plan under title XIX;

"(3) to an individual who is covered (or could have been covered, if an election had been made and any premiums required paid on a timely basis) under a group health plan (as defined in section 162(i)(2) of the Internal Revenue Code of 1954) for which a contribution toward the cost of the plan is being made by an employer, union, or entity other than the individual or the individual's spouse (regardless of whether or not the individual also makes such a contribution);

"(4) to an individual who is (or could be, if an enrollment after the date of the enactment of this part had been made and any premiums required paid on a timely basis after the individual became unemployed) covered under a group health plan (as so defined for the individual's spouse for which a contribution toward the cost of the plan is being made by an employer, union, or entity other than the individual or the individual's spouse (regardless of whether or not the individual or spouse also makes such a contribution); or

"(5) with respect to care and services other than care and services for which medical assistance may be made available under section 1905(a).

"(d) Of the amount paid to any State under this part, not more than 10 percent may be used for administering the funds made available to the State under this part.

"APPLICATION AND DESCRIPTION OF ACTIVITIES

"SEC. 2105. (a) In order to receive an allotment for a fiscal year under section 2102 each State must prepare and transmit to the Secretary—

"(1) a description, certified by the chief executive officer of the State, of the intended use of payments the State is to receive under this part for the fiscal year, including information respecting the items described in section 2104(a); and

"(2) a statement of assurances that represents to the Secretary that—

"(A) funds allotted to the State under this part will only be used, consistent with section 2106(a), in accordance with the provisions of this part;

"(B) the State will permit and cooperate with Federal investigations undertaken in accordance with section 2106(b); and

"(C) the funds made available under this part for any period will be so used as to supplement and increase the level of State, local, and other non-Federal funds that would in the absence of such Federal funds be made available for the programs and activities for which funds are provided under this part and will in no event supplant such State, local, and other non-Federal funds.

The description and statement shall be made public within the State in such manner as to facilitate comment from any person (including any Federal or other public agency) during the development of the description and statement and after its transmittal. The description and statement shall be revised (consistent with this section) throughout the year as may be necessary to reflect substantial changes in any element of such description or statement, and any revision shall be subject to the requirements of the preceding sentence.

"REPORTS AND AUDITS; WITHHOLDING; NONDISCRIMINATION; AND CRIMINAL PENALTY FOR FALSE STATEMENTS

"SEC. 2106. (a) The provisions of sections 506, 507 (other than subsection (b) thereof), and 508 of the Social Security Act (relating to reports and audits, criminal penalties, and nondiscrimination, respectively, under the maternal and child health services block grant) shall apply to activities, funds made available, and allotments under this part in the same manner as those provisions apply to activities, funds made available, and allotments under title V of such Act; and for this purpose—

"(1) any reference to title V of such Act in any of those sections shall be deemed a reference to this part, and

"(2) a reference to section 502(a) or 502(b) or to section 505 in any of those sections shall be deemed to be a reference to section 2102 or to section 2105, respectively.

"(b) The provisions of section 1907 of the Public Health Service Act (relating to withholding of misspent funds) shall apply to the requirements of this part in the same manner as those provisions apply to the requirements of part A of title XIX of that Act; and for this purpose any reference to section 1905 in any of those provisions shall be deemded to be a reference to section 2105.

Page 31, line 7, strike out "2102(d)(4)" and insert in lieu thereof "2103(c)".

Page 36, line 22, insert after the period closing quotation marks.

Page 37, strike out line 1 and all that follows through page 39, line 13.

Page 39, line 17, strike out "July 1, 1983" and insert in lieu thereof "October 1, 1983".

Page 39, beginning on line 18, strike out "for services furnished on or after" and insert in lieu thereof "on".

Page 40, strike out line 15 and all that follows through page 41, line 12, and insert in lieu thereof the following:

(d) Section 1101(a)(1) of the Social Security Act (42 U.S.C. 1301(a)) is amended by striking out "and XIX" and inserting thereof "XIX, and XXI" and by striking out "title XIX" and inserting in lieu thereof "titles XIX and XXI".

Mr. TAUKE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

The SPEAKER. The gentleman from Iowa is recognized for 5 minutes in support of his motion to recommit.

Mr. TAUKE. Mr. Speaker, as I indicated in the general debate on this amendment, there are two fundamental issues relating to this question. One is whether or not we should provide assistance to the unemployed in meeting their health needs. I think virtually all of us would agree that we should.

The second question is how do we go about doing that. That is what I would like to spend these few moments talking about.

It seems to me that the proposal that is offered by the Ways and Means

Committee is a proposal which has some fatal flaws in it. First of all, it provides limited amounts of money; but yet at the same time requires that everyone who is unemployed be eligible for the program. It is virtually impossible, given the dollars involved, to provide extensive health care to all of those people who will qualify; yet because the States do not have the option of setting some kind of means tests or making other determinations limiting the groups to which health care should be extended, it is going to be very difficult to pattern this program in a way that it truly can meet effectively the health care needs of any of the unemployed.

The second problem that this proposal before us has is that it is a capped entitlement program with no revenue source. We do not know if it is possible for us to get that kind of legislation approved in the Senate. We are quite certain that that kind of legislation will be vetoed by the President. Consequently, if we are really serious about helping the unemployed, it seems to me that we ought to be passing something that has a reasonable chance of being enacted into law.

The motion that I am offering, the motion to recommit, gives us an opportunity not only to solve the problems that I mentioned that we have with the bill before us, but it also gives us an opportunity to pass legislation that has a chance of being signed.

The motion to recommit, if it is adopted, provides for a streamlined block grant to the States, giving the States maximum flexibility to determine the type, duration, and scope of services to be covered. It gives the States the maximum latitude to have a means test.

Now, what this means is that the States will be able to take the limited dollars available and target them to those who need it most. Without that, we are going to have a program that is designed to serve everybody, but does not have sufficient resources to serve anybody.

The motion to recommit will also allow a program to come to the floor which is more fiscally responsible than the bill before us. It provides that the bill be subject to the appropriations process, which I think this program ought to be.

The motion to recommit, finally, will provide us with a program that does not impose unnecessary and unfair State matching requirements. My own State, which is generally recognized to be fiscally responsible, is right at the brink right now; we are just teetering between going into deficit and not going into deficit. Our State constitution does not permit us to have a deficit. We do not have the extra millions of dollars needed to match a Federal program. Other States are in even worse shape. Ironically, the States that are least able to match are the ones that most need the program. The proposal that I am offering will help the States without requiring a match.

In order to provide a better program for the unemployed who need it, in order to give us a program that we have a chance of having signed into law, in order to give us a program that will allow the States that have severe fiscal problems to participate, I urge you to vote for the motion to recommit. That way you can help the unemployed who really need it.

Mr. THOMAS of California. Mr. Speaker, will the gentleman from Iowa yield?

Mr. TAUKE. I am happy to yield to the gentleman.

Mr. THOMAS of California. I would just like to thank the gentleman for his comments and would like to identify with them.

What the gentleman has outlined is, of course, a rational program that would have some opportunity to help those unemployed who truly need help. The motion to recommit would also pass the Senate and be signed by the President.

What we have in the measure before us is a political document that is going nowhere. The gentleman from California just wishes we could put the gentleman from Iowa's program into effect.

I thank the gentleman for his very good statement and thank him for yielding.

● Mr. FRENZEL. Mr. Speaker, I support the Tauke motion to recommit. Because it is constrained by the limits of germaneness, it is not perfect. Nevertheless, it represents an enormous improvement over the committee bill.

It reduces the expense. It allows States to create their own programs without matching funds. States may adopt any means test they wish. The program is a real block grant with a real termination date.

It clears up many of the deficiencies of the committee bill, and I urge its adoption.

On another matter, I regret that I was not able to offer my means test amendment. However, even if it had been adopted, it could not have helped this fatally flawed bill very much. One tiny amendment simply cannot repair all the wreckage in this bill. Even with my amendment, I would still be obliged to vote against the bill.●

The SPEAKER. The Chair recognizes the gentleman from California (Mr. WAXMAN) for 5 minutes in opposition to the motion to recommit.

Mr. WAXMAN. Mr. Speaker, I yield 5 minutes to the gentleman from Texas (Mr. WRIGHT).

Mr. WRIGHT. Mr. Speaker, I rise in opposition to the motion to recommit.

It is perfectly obvious what is being attempted. The motion to recommit is offered on behalf of the people who are opposed to this bill. They have been opposed to the whole program. They have been opposed to the legislation. They did not want a bill. They voted against the rule which made in order the consideration of the bill. They voted against the rule which made in order their offering of this motion to recommit that is against the bill.

Mr. BROYHILL. Mr. Chairman, will the gentleman yield?

Mr. WRIGHT. Yes; I will yield.

Mr. BROYHILL. We voted against the rule because it would not permit us any amendments.

Mr. WRIGHT. Well, as the gentleman is fully aware, he is offering an amendment right now which the rule did permit and the gentleman voted against that rule.

It was perfectly obvious to all of us on the floor that there was a partisan attempt to eviscerate the bill, and failing in that then to defeat the bill.

Now, we want the bill because it is absolutely, desperately needed, by many millions of American people who have exhausted their unemployment compensation.

Let us just analyze what this Republican recommittal motion would do. One of the criticisms they offered is that we do not provide a needs test. Well, theirs does not provide a needs test. It simply permits the State to develop whatever kind of needs test it might want to have.

Now, there is not any incentive for the State to be efficient in the distribution of the funds, because it does not call on the State to match any of the funds at all. It gives an entirely inadequate amount of Federal funds with no guarantee of how much Federal money would be spent or available, no limit on the amount of financial obligation that would be required of the unemployed by a given State; no assured safety net for those most desperately in need of help, those thrown out of a job and sick and in need of medical care. I cannot imagine anybody in worse condition than that.

The maximum amount of funds allowed under this Republican substitute would be less than half that which is guaranteed by the bill; so it is perfectly obvious that it is an effort to cut it in half, to reduce its impact, to make less care and service available to fewer people.

Under H.R. 3021, the committee bill, the States would have enough resources available to them to offer an average of 9 hospital days and 10 physician visits for 12.7 million people.

If you apply the same cost estimate to the Republican substitute in order for the States to cover the same number of people with the maximum resources made available to them under this Republican recommittal motion, they would have to cut their

benefits from 9 hospital days to 3 hospital days and from 10 physician visits to 3 physician visits; so it is manifestly an inadequate bill.

It is obvious that the attempt is simply to cut the heart and soul out of this earnest effort that we are making to try to provide a measure of help to those most helpless in our society. It is not going to do any good to have a study commission to study why these people are in need. It does not do any good to have a study commission just to study why people are hungry.

□ 1440

We have had enough commissions and we have had enough studies and the time now is for some action to provide some measure of relief and some measure of help to those who are the most helpless in our whole society, those who have exhausted their unemployment benefits are out of a job and cannot find a job in this society because the recovery has not filtered through to those people who have been thrown out of work. Finding themselves sick, they find no help, no succor, no place where they can go to gain assistance in their medical need.

So we have offered a bill. I hope Members will vote down this recommittal motion and vote for the bill, and give some lifeline of hope to those millions of people who have been unemployed for so long that they have exhausted their unemployment compensation.

The SPEAKER. The question is on the motion to recommit.

The question was taken; and the Speaker announced that the noes appeared to have it.

Mr. TAUKE. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present. Pursuant to the provisions of clause 5, rule XV, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device, if ordered, will be taken on the question of the passage of the bill.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 171, nays 255, not voting 7, as follows:

[Roll No. 315]

YEAS—171

Archer	Broyhill	Corcoran
Badham	Burton (IN)	Coughlin
Barnard	Campbell	Courter
Bartlett	Carney	Craig
Bateman	Chandler	Crane, Daniel
Bereuter	Chappie	Crane, Philip
Bethune	Cheney	Daniel
Bilirakis	Clinger	Dannemeyer
Bliley	Coats	Daub
Breaux	Coleman (MO)	DeWine
Broomfield	Conable	Dreier
Brown (CO)	Conte	Duncan
Durbin	Lent	Ridge
Edwards (AL)	Lewis (CA)	Roberts
Edwards (OK)	Lewis (FL)	Robinson
Emerson	Livingston	Roemer
English	Lloyd	Rogers
Erlenborn	Loeffler	Roth
Evans (IA)	Lott	Roukema
Fiedler	Lowery (CA)	Rudd
Fields	Lujan	Sawyer
Fish	Lungren	Schaefer
Forsythe	Mack	Schneider
Franklin	Marlenee	Schulze
Frenzel	Marriott	Sensenbrenner
Fuqua	Martin (IL)	Shaw
Gekas	Martin (NY)	Shumway
Gingrich	McCain	Shuster
Goodling	McCandless	Siljander
Gradison	McCollum	Skeen
Gramm	McCurdy	Smith (NE)
Green	McDonald	Smith, Denny
Gregg	McEwen	Smith, Robert
Gunderson	McGrath	Snowe
Hammerschmidt	McKernan	Snyder
Hansen (ID)	McKinney	Solomon
Hansen (UT)	Michel	Spence
Hartnett	Miller (OH)	Stangeland
Hightower	Molinari	Stenholm
Hiler	Montgomery	Stump
Hillis	Moore	Sundquist
Holt	Moorhead	Tauke
Hopkins	Morrison (WA)	Tauzin
Horton	Myers	Taylor
Huckaby	Nielson	Thomas (CA)
Hughes	Oxley	Vander Jagt
Hunter	Packard	Vucanovich
Hyde	Parris	Walker
Ireland	Pashayan	Weber
Johnson	Paul	Whitehurst
Kasich	Penny	Whittaker
Kemp	Petri	Winn
Kindness	Porter	Wolf
Kramer	Pritchard	Wortley
Lagomarsino	Pursell	Wylie
Latta	Quillen	Young (FL)
Leach	Regula	Zschau

NAYS—255

Addabbo	Daschle	Hamilton
Akaka	Davis	Hance
Albosta	de la Garza	Harkin
Alexander	Dellums	Harrison
Andrews (NC)	Derrick	Hatcher
Andrews (TX)	Dicks	Hawkins
Annunzio	Dingell	Hefner
Anthony	Dixon	Hertel
Applegate	Donnelly	Howard
Aspin	Dorgan	Hoyer
AuCoin	Dowdy	Hubbard
Barnes	Downey	Hutto
Bates	Dwyer	Jacobs
Bedell	Dymally	Jeffords
Beilenson	Dyson	Jenkins
Bennett	Early	Jones (NC)
Berman	Eckart	Jones (OK)
Bevill	Edgar	Jones (TN)
Biaggi	Edwards (CA)	Kaptur
Boehlert	Erdreich	Kastenmeier
Boggs	Evans (IL)	Kazen
Boland	Fascell	Kennelly
Boner	Fazio	Kildee
Bonior	Feighan	Kogovsek
Bonker	Ferraro	Kolter
Borski	Flippo	Kostmayer
Bosco	Florio	LaFalce
Boucher	Foglietta	Lantos
Boxer	Foley	Leath
Britt	Ford (MI)	Lehman (CA)
Brooks	Ford (TN)	Lehman (FL)
Brown (CA)	Fowler	Leland
Bryant	Frank	Levin
Burton (CA)	Frost	Levine
Byron	Garcia	Levitas
Carper	Gaydos	Lipinski
Carr	Gejdenson	Long (LA)
Chappell	Gephardt	Long (MD)
Clarke	Gibbons	Lowry (WA)
Clay	Gilman	Luken
Coelho	Glickman	Lundine
Coleman (TX)	Gonzalez	MacKay
Collins	Gore	Madigan
Conyers	Gray	Markey
Cooper	Guarini	Martinez
Coyne	Hall (IN)	Matsui
Crockett	Hall (OH)	Mavroules
D'Amours	Hall, Sam	Mazzoli
McCloskey	Price	Stark
McDade	Rahall	Stratton
McHugh	Rangel	Studds
McNulty	Ratchford	Swift
Mica	Ray	Synar
Mikulski	Reid	Tallon
Miller (CA)	Richardson	Thomas (GA)
Mineta	Rinaldo	Torres
Minish	Ritter	Torricelli
Mitchell	Rodino	Towns
Moakley	Roe	Traxler
Mollohan	Rose	Udall
Moody	Rostenkowski	Valentine
Morrison (CT)	Rowland	Vandergriff
Mrazek	Roybal	Vento
Murphy	Russo	Volkmer
Murtha	Sabo	Walgren
Natcher	Savage	Watkins
Neal	Scheuer	Waxman
Nelson	Schroeder	Weaver
Nichols	Schumer	Weiss
Nowak	Seiberling	Wheat
O'Brien	Shannon	Whitley
Oakar	Sharp	Whitten
Oberstar	Shelby	Williams (MT)
Obey	Sikorski	Williams (OH)
Olin	Simon	Wilson
Ortiz	Sisisky	Wirth
Ottinger	Skelton	Wise
Owens	Slattery	Wolpe
Panetta	Smith (FL)	Wright
Patman	Smith (IA)	Wyden
Patterson	Smith (NJ)	Yates
Pease	Solarz	Yatron
Pepper	Spratt	Young (AK)
Perkins	St Germain	Young (MO)
Pickle	Staggers	Zablocki

NOT VOTING—7

Ackerman	Hall, Ralph	Stokes
Anderson	Heftel	
Dickinson	Martin (NC)	

The Clerk announced the following pair:

On this vote:

Mr. Dickinson for, with Mr. Stokes against.

□ 1450

Messrs. DINGELL and DAVIS changed their votes from "yea" to "nay."

Mr. CARNEY changed his vote from "nay" to "yea."

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

● Mrs. JOHNSON. Mr. Chairman, we have been through a period of severe and prolonged unemployment and I believe we face many years during which at least some areas of our Nation will endure high unemployment and all the human suffering that accompanies it. Consequently, I support the legislative initiative on the floor today to provide health insurance for the unemployed. Government has a responsibility to help those who are out of work through no fault of their own and an interest in preventing the erosion of the health of the unemployed, their children, spouses, and families.

I voted for the motion to recommit of the gentleman from Iowa, because his motion provides money for a simple block grant program with minimum regulations and maximum flexibility. It also requires no State matching funds. This is very important because the very States we most need to

help are probably the least able to provide matching dollars. My one concern with the Tauke substitute is that it omits funds for the vitally important maternal and child health block grant program.

As we all know, this program provides significant services for mothers and infants, and targets towns with high unemployment. In my own State of Connecticut, there are 3,000 mothers and 4,500 infants eligible for services under the maternal and child health block grant program, yet there is only enough money to include half of them in the program as it has experienced significant cuts in recent years.

These are difficult times when the need for fiscal restraint and the pressing needs of people require hard choices. While I preferred the gentleman from Iowa's approach, I support the bill before us as a viable alternative. It will help the great majority of unemployed merely through its requirements for extended insurance coverage of laid off employees. With careful State implementation, the entitlement portion of the bill can be responsibly, yet compassionately implemented. In addition, the section that bolsters the maternal and child health block grant program will address the critical needs of our families and children. I support this important initiative to address the health care needs of the unemployed and urge my colleagues to do likewise.●

PARLIAMENTARY INQUIRY

Mr. DANNEMEYER. I have a parliamentary inquiry, Mr. Speaker.

The SPEAKER. The gentleman will state his parliamentary inquiry.

Mr. DANNEMEYER. Mr. Speaker, if the House of Representatives adopts this new social welfare spending program with money that we do not have in the Treasury, will Members be personally responsible out of their own resources to provide the funds to finance it?

The SPEAKER. The gentleman is not making a parliamentary inquiry; the gentleman knows it.

The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. FRENZEL. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 252, nays 174, not voting 7, as follows:

[Roll No. 316]

YEAS—252

Addabbo	Aspin	Berman
Akaka	AuCoin	Bevill
Albosta	Barnes	Biaggi
Alexander	Bates	Boehlert
Anderson	Bedell	Boland
Annunzio	Beilenson	Boner
Applegate	Bennett	Bonior
Bonker	Hamilton	Perkins
Borski	Harkin	Petri
Bosco	Harrison	Pickle
Boucher	Hawkins	Price
Boxer	Hertel	Rahall
Breaux	Horton	Rangel
Britt	Howard	Ratchford
Brooks	Hoyer	Reid
Brown (CA)	Hubbard	Richardson
Bryant	Hughes	Ridge
Burton (CA)	Jacobs	Rinaldo
Carper	Jeffords	Ritter
Carr	Johnson	Rodino
Clay	Kaptur	Roe
Clinger	Kastenmeier	Rose
Coelho	Kennelly	Rostenkowski
Coleman (MO)	Kildee	Roth
Coleman (TX)	Kogovsek	Rowland
Collins	Kolter	Roybal
Conte	Kostmayer	Russo
Conyers	LaFalce	Sabo
Cooper	Lantos	Savage
Corcoran	Leach	Scheuer
Coyne	Lehman (CA)	Schneider
Crockett	Lehman (FL)	Schroeder
D'Amours	Leland	Schulze
Daschle	Levin	Schumer
Davis	Levine	Seiberling
Dellums	Levitas	Sensenbrenner
Dicks	Lipinski	Shannon
Dingell	Long (LA)	Sharp
Dixon	Long (MD)	Shelby
Donnelly	Lowry (WA)	Sikorski
Dorgan	Luken	Siljander
Dowdy	Lundine	Simon
Downey	Madigan	Skelton
Durbin	Markey	Smith (FL)
Dwyer	Martinez	Smith (IA)
Dymally	Matsui	Smith (NJ)
Dyson	Mavroules	Snowe
Early	Mazzoli	Solarz
Eckart	McCloskey	St Germain
Edgar	McDade	Staggers
Edwards (CA)	McHugh	Stangeland
Erdreich	McKernan	Stark
Evans (IL)	McKinney	Stratton
Fascell	McNulty	Studds
Fazio	Mica	Swift
Feighan	Mikulski	Synar
Ferraro	Miller (CA)	Torres
Fish	Miller (OH)	Torricelli
Flippo	Mineta	Towns
Florio	Minish	Traxler
Foglietta	Mitchell	Udall
Foley	Moakley	Vento
Ford (MI)	Mollohan	Volkmer
Ford (TN)	Moody	Walgren
Fowler	Morrison (CT)	Watkins
Frank	Mrazek	Waxman
Frost	Murphy	Weaver
Garcia	Murtha	Weiss
Gaydos	Natcher	Wheat
Gejdenson	Nichols	Whittaker
Gekas	Nowak	Whitten
Gephardt	O'Brien	Williams (OH)
Gibbons	Oakar	Wilson
Gilman	Oberstar	Wirth
Glickman	Obey	Wise
Gonzalez	Ortiz	Wolpe
Gore	Ottinger	Wortley
Gray	Owens	Wright
Green	Panetta	Wyden
Guarini	Patman	Yates
Gunderson	Patterson	Yatron
Hall (IN)	Pease	Young (AK)
Hall (OH)	Penny	Young (MO)
Hall, Sam	Pepper	Zablocki

NAYS—174

Andrews (NC)	Byron	Dannemeyer
Andrews (TX)	Campbell	Daub
Anthony	Carney	de la Garza
Archer	Chandler	Derrick
Badham	Chappell	DeWine
Barnard	Chappie	Dreier
Bartlett	Cheney	Duncan
Bateman	Clarke	Edwards (AL)
Bereuter	Coats	Edwards (OK)
Bethune	Conable	Emerson
Bilirakis	Coughlin	English
Bliley	Courter	Erlenborn
Broomfield	Craig	Evans (IA)
Brown (CO)	Crane, Daniel	Fiedler
Broyhill	Crane, Philip	Fields
Burton (IN)	Daniel	Forsythe
Franklin	Loeffler	Robinson
Frenzel	Lott	Roemer
Fuqua	Lowery (CA)	Rogers
Gingrich	Lujan	Roukema
Goodling	Lungren	Rudd
Gradison	Mack	Sawyer
Gramm	MacKay	Schaefer
Gregg	Marlenee	Shaw
Hammerschmidt	Marriott	Shumway
Hance	Martin (IL)	Shuster
Hansen (ID)	Martin (NC)	Sisisky
Hansen (UT)	Martin (NY)	Skeen
Hartnett	McCain	Slattery
Hatcher	McCandless	Smith (NE)
Hefner	McCollum	Smith, Denny
Hightower	McCurdy	Smith, Robert
Hiler	McDonald	Snyder
Hillis	McEwen	Solomon
Holt	McGrath	Spence
Hopkins	Michel	Spratt
Huckaby	Molinari	Stenholm
Hunter	Montgomery	Stump
Hutto	Moore	Sundquist
Hyde	Moorhead	Tauke
Ireland	Morrison (WA)	Tauzin
Jenkins	Myers	Taylor
Jones (NC)	Neal	Thomas (CA)
Jones (OK)	Nelson	Thomas (GA)
Jones (TN)	Nielson	Valentine
Kasich	Olin	Vander Jagt
Kazen	Oxley	Vandergriff
Kemp	Packard	Vucanovich
Kindness	Parris	Walker
Kramer	Pashayan	Weber
Lagomarsino	Paul	Whitehurst
Latta	Porter	Whitley
Leath	Pritchard	Williams (MT)
Lent	Pursell	Winn
Lewis (CA)	Quillen	Wolf
Lewis (FL)	Ray	Wylie
Livingston	Regula	Young (FL)
Lloyd	Roberts	Zschau

NOT VOTING—7

Ackerman	Hall, Ralph	Tallon
Boggs	Heftel	
Dickinson	Stokes	

The Clerk announced the following pair:

On this vote:

Mr. Stokes for, with Mr. Dickinson against.

□ 1500

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. ACKERMAN. Mr. Speaker, I was unavoidably detained on my way to the floor during the votes on H.R. 3021, health care for the unemployed. I strongly support this bill, and, had I been present, I would have voted "nay" on rollcall 315, the motion to recommit, and "aye" on rollcall 316, final passage of the bill.

GENERAL LEAVE

Mr. WAXMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

PERMISSION FOR COMMITTEE ON ENERGY AND COMMERCE TO HAVE UNTIL 5 P.M. TUESDAY, AUGUST 9, 1983, TO FILE REPORT ON H.R. 555 AND H.R. 3244

Mr. OTTINGER. Mr. Speaker, I ask unanimous consent that the Committee on Energy and Commerce may have until 5 p.m. on Tuesday, August 9, 1983, to file the committee's report on H.R. 555, the Construction Work in Progress Policy Act of 1983, and the report on H.R. 3244, on appliance efficiency standards.

Mr. Speaker, this request has been cleared with the minority.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

STUDENT LOAN CONSOLIDATION AND TECHNICAL AMENDMENTS ACT OF 1983

Mr. SIMON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 3394) to provide additional authority for the consolidation of student loans and to make certain other changes in Federal student financial assistance, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 22, line 14, strike out all after "1983-1984" down to and including "1985-1986" in line 15 and insert "and 1984-1985".

Page 22, strike out all after line 23 over to and including line 5 on page 23.

Page 32, line 16, strike out all after "by" down to and including line 18 and insert "striking out "September 30, 1984" and inserting in lieu thereof "September 30, 1988" ".

Mr. SIMON (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendment be considered as read and printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

Mr. COLEMAN of Missouri. Mr. Speaker, reserving the right to object, I do so in order for the gentleman from Illinois to explain the amendments.

□ 1510

Mr. SIMON. Mr. Speaker, if the gentleman will yield, there are basically two changes, as the gentleman from Missouri knows. The House bill, when it passed, extended the Student Loan Marketing Association, better known as Sallie Mae, in perpetuity. The Senate amendment simply extends it for 5 years.

The second change is the 1985-86 increase in the commuter allowance was deleted. We frankly will have a chance to deal with that in the future, so I think the Senate amendments are agreeable.

Mr. COLEMAN of Missouri. Further reserving the right to object, Mr. Speaker, I support these changes.

Mr. Speaker, I rise in support of the bill.

H.R. 3394 has come back to the House from the Senate with two amendments. These amendments are both minor in nature and do not alter the basic provisions of the bill. The major amendment which we adopted during consideration of this legislation under suspension of the rules on Monday, deleting the expansion of the loan consolidation program, was not altered by the Senate. For this reason, I believe we have produced a bill that meets the concerns expressed by the administration regarding the costs of the loan consolidation program.

H.R. 3394 would permit loan consolidation only to be performed by the Student Loan Marketing Association (Sallie Mae), which currently has the authority to do so, until November 1, 1983. This short extension will allow Sallie Mae to continue to service loans already in consolidation status. The administration was concerned that extending the authority to consolidate student loans to States and private lenders as originally provided for in H.R. 3394 would increase significantly the costs of the student loan program. Our intention never was to increase so greatly the costs of the student loan program through consolidation, and therefore, we deleted the provision expanding loan consolidation authority to States and private lenders. With the November 1, 1983, expiration date for Sallie Mae's authority, we will have to address the issue of loan consolidation again this fall, and we will work with the administration to design a program that will aid students and yet be fiscally responsible.

The other provisions in H.R. 3394 are far more important to students now in school than the loan consolidation provisions. The bill before us now contains the family contribution schedules for the next 2 academic years, 1984-85 and 1985-86, for the Pell grant program, and for the guaranteed student loan program. Without the family contribution schedules, students and their parents will not be able to finalize their plans for college. For the past several years, these schedules have been published late, resulting in confusion and delays in awarding aid to students. By putting into law these schedules for the next 2 academic years, we will be providing students across the Nation with the necessary information and program stability they need to determine what grant and loan aid they might be eligible for. This is the most important mission of H.R. 3394.

The Senate included two very minor amendments when they considered H.R. 3394. These amendments actually should make the bill more palatable to the administration. One would limit the increase to the commuter student living allowance to just one year, so that we can reexamine it again next year in light of current appropriations. The other amendment would extend Sallie Mae's Federal debt priority to 1988, rather than extending it permanently.

Mr. Speaker, thanks to the help of my subcommittee chairman, Mr. SIMON, of Illinois, in agreeing to address the concerns of the administration relating to loan consolidation, we have been able to save the important aspects of H.R. 3394, the family contribution schedules for Pell grants and guaranteed student loans. I urge my colleagues to support this bill and help millions of students plan ahead for their postsecondary academic careers.

Further reserving the right to object, Mr. Speaker, I yield to the gentleman from Illinois (Mr. ERLENBORN).

Mr. ERLENBORN. Mr. Speaker, I rise in support of H.R. 3394.

This legislation is essentially the same bill passed by the House on Monday by a voice vote. The Senate has passed this legislation making only two minor amendments. Both of these amendments, in my estimation, improve the bill and make it more acceptable to the administration.

The first Senate amendment deletes the second year of the increase in the cost of attendance allowance for students not living with their parents or in institutionally owned or operated housing. Under H.R. 3394 as passed by the House, this provision called for a cost of attendance allowance of between $1,100 and $2,100 for the 1985-86 academic year. This increase would have raised the so-called full-funding cost of the Pell grant program by approximately $200 million. Given the continued need to restrain the growth of the Federal budget, this increase was inappropriate and could have led to the use of the statutory reduction formula had appropriations been insufficient to cover the full cost of the program.

The second Senate amendment limits the clarification of the status of Sallie Mae debt to September 30, 1988. The House bill had made this clarification on a permanent basis. While I continue to believe that there is no reason not to extend this provision permanently, I am happy the Senate chose to limit the expiration on this provision to a date which will enable us to reconsider this issue during the reauthorization of the Higher Education Act. This act expires September 30, 1985.

The remaining provisions of the bill before us are identical to those already approved by the House. The most important of these provisions are the

Pell grant and GSL family contribution schedules, revisions in student loan truth-in-lending disclosure requirements, and provisions relating to nondiscrimination in the availability of student loans. All of these provisions represent a large step toward restoring stability and predictability to Federal student aid programs. By enacting this legislation we will help students and their families know what student aid will be available as they make their educational plans.

H.R. 3394 as presently written extends the existing Sallie Mae loan consolidation program, commercially know as "options," for only 3 months. This short extension will require us to reconsider the issue of loan consolidation when we return in September. At that time I am hopeful that we will be able to develop a bill which addresses the administration's concerns relating to the cost of loan consolidation. I agree with the administration that loan consolidation should not be structured in such a manner to expose the taxpayer to future, potentially huge new costs. If we were to allow this to happen, the primary purpose of the guaranteed student loan program, providing capital to students to finance their higher education, will be undermined.

In closing, Mr. Speaker, let me once again thank the gentleman from Illinois, the chairman of the Subcommittee on Postsecondary Education, for his cooperation in helping us meet the concerns expressed by the administration. Through his efforts we are today producing a bill which I believe the administration will be able to support.

● Mr. FORD of Michigan. Mr. Speaker, I strongly considered objecting to the motion to accept the Senate amendments to H.R. 3394 and forcing a conference to be held on the differences between the House and the Senate concerning this bill. I contemplated this action because of my opposition to one of the Senate amendments. I will not object, however, since the bill contains provisions that will enable the delivery of student financial aid to proceed in an orderly manner using family contribution schedules that do not incorporate the changes proposed by the administration. These changes would have resulted in severe decreases in awards to students from moderate income families only slightly above the poverty line as well as the elimination of several hundred thousand middle-income students from the programs. The bill also contains a number of other meritorious provisions which I described in my statement when this bill was considered by the House on August 1.

The Senate amendment which I find particularly outrageous and obnoxious deletes from the House bill the $500 increase for 1985–86 in the living allowance for students who do not live on campus and who do not commute from their parents' home—those who commute from their own apartment or home. Under the House-passed bill this allowance would have been increased by $500 for the 1984–85 academic year and by another $500 for the academic year 1985–86. This living allowance for commuting students has not been modified since the creation of the Pell grant program in 1972, and this has resulted in artificially and arbitrarily lowering the Pell grant awards particularly of low-income students attending low-cost schools such as community colleges and State colleges.

The other body apparently yielded to the arguments of those who represent high-priced schools who believe that any gain for low-income students attending low-cost schools is a loss for them. Rather than devoting their energies to attaining adequate funding for the Pell grant program, so that all Pell grant recipients at both low-cost and high-cost schools could make up for the reductions made in recent years, these representatives shortsightedly focus instead on protecting their share of an all too meager pie. Providing students with the choice of attending the school best suited to their interests, needs, and talents never will and never should be built on the backs of low-income students who attend low-cost schools.

Mr. Speaker, I will continue my efforts to assure that all students can achieve equal educational opportunity through student financial assistance. In particular, I will continue my efforts to remedy the gross inequity in the Pell grant awards of low-income students attending low-cost schools. I will also continue my efforts to guarantee to all students both access to postsecondary education and the ability to chose a postsecondary education best suited to their needs.●

Mr. COLEMAN of Missouri. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Illinois that the amendments be considered as read and printed in the RECORD?

There was no objection.

The SPEAKER. Is there objection to the initial request of the gentleman from Illinois?

There was no objection.

A motion to reconsider was laid on the table.

INTERNATIONAL RECOVERY AND FINANCIAL STABILITY ACT

The SPEAKER. Pursuant to House Resolution 249 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 2957.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 2957) to extend the authority of the Export-Import Bank of the United States, encourage balanced worldwide economic growth, provide for continued participation in the International Monetary Fund, strengthen the supervision of international lending by United States banks, and provide for continued United States participation in multilateral development banks, with Mr. PEASE in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on Friday, July 29, 1983, titles III through V were open to amendment at any point. All time for debate under the 5-minute rule had expired.

Are there further amendments to titles III, IV or V?

ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN. The Chair will advise the membership that this bill constitutes the major remaining business for the day. If we can expedite our treatment of it, we will all get out of here earlier.

All time under the 5-minute rule has expired. We are thus likely to have a series of amendments, some of which cannot be debated at all, others of which will be subject to 10 minutes of debate only. That can mean a series of votes. Under those circumstances, the situation is occasionally chaotic on the floor. The Chair would beg the indulgence of the Members in maintaining some reasonable semblance of order so that we may proceed and complete our business at an early hour.

AMENDMENT OFFERED BY MR. ST GERMAIN

Mr. ST GERMAIN. Mr. Chairman, I offer an amendment which was printed in the CONGRESSIONAL RECORD of July 29, 1983, at page H6030.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. ST GERMAIN:

Page 29, strike out line 16 and all that follows through line 19.

Page 30, beginning on line 6, strike out "Pursuant to regulations promulgated by the Examination Council, each" and insert in lieu thereof "Each".

Page 30, line 8, insert ", by regulation," after "shall require".

Page 31, beginning on line 12, strike out "The" and all that follows through "enactment of this title." on line 14.

Page 31, beginning on line 16, strike out "ninety days after the promulgation of such Examination Council regulations." and insert in lieu thereof "120 days after the date of the enactment of this title.".

Page 31, line 20, strike out "Examination Council" and insert in lieu thereof "appropriate Federal banking agencies".

Page 32, beginning on line 3, strike out "The" and all that follows through "enactment of this title." on line 5.

Page 32, beginning on line 7, strike out "ninety days" and all that follows through "regulations." on line 9, and insert in lieu thereof "120 days after the date of the enactment of this title.".

Page 32, beginning on line 12, strike out "Pursuant to regulations promulgated by the Examination Council, each" and insert in lieu thereof "Each".

Page 32, line 14, insert ", by regulation," after "shall require".

Page 32, line 17, strike out "the Examination Council" and insert in lieu thereof "such".

Page 32, beginning on line 18, strike out "Pursuant to regulations promulgated by the Examination Council, each" and insert in lieu thereof "Each".

Page 32, line 20, insert ", by regulation," after "shall require".

Page 32, beginning on line 23, strike out "The" and all that follows through "enactment of this title." on line 25.

Page 33, beginning on line 2, strike out "ninety days" and all that follows through "regulations." on line 4, and insert in lieu thereof "120 days after the date of the enactment of this title.".

Page 33, line 7, strike out "(a) The Examination Council and the" and insert in lieu thereof "The".

Page 33, strike out line 13 and all that follows through page 35, line 7, and insert in lieu thereof the following:

CAPITAL ADEQUACY

SEC. 408. (a)(1) Each appropriate Federal banking agency shall cause banking institutions to achieve and maintain adequate capital by establishing minimum levels of capital for such institutions and by using such other methods as the agency deems appropriate.

(2) Each appropriate Federal banking agency shall have the authority to establish such minimum level of capital for an institution as the agency, in its discretion, deems to be necessary or appropriate in light of the particular circumstances of the institution.

(b)(1) Failure of a banking institution to maintain capital at or above its minimum level as established pursuant to subsection (a) may be deemed by the appropriate Federal banking agency, in its discretion, to constitute an unsafe and unsound practice within the meaning of section 8 of the Federal Deposit Insurance Act.

(2)(A) In addition to, or in lieu of, any other action authorized by law, including subsection (b)(1), the appropriate Federal banking agency may issue a directive to a banking institution that fails to maintain capital at or above its required level as established pursuant to subsection (a).

(B)(i) Such directive may require the institution to submit and adhere to a plan acceptable to the agency describing the means and timing by which the institution shall achieve its required capital level.

(ii) Any such directive issued pursuant to this paragraph, including plans submitted pursuant thereto, shall be enforceable under the provisions of section 8(i) of the Federal Deposit Insurance Act to the same extent as an effective and outstanding order issued pursuant to section 8(b) of such Act which has become final.

(3)(A) Each appropriate Federal banking agency may consider such institution's progress in adhering to any plan required under this subsection whenever such institution, or an affiliate thereof, or the holding company which controls such institution, seeks the requisite approval of such agency for any proposal which would divert earnings, diminish capital, or other wise impede such institution's progress in achieving its minimum capital level.

(B) Such agency may deny such approval where it determines that such proposal would adversely affect the ability of the institution to comply with such plan.

(c) The Chairman of the Board of Governors of the Federal Reserve System and the Secretary of the Treasury shall encourage governments, central banks, and regulatory authorities of other major banking countries to work toward maintaining and, where appropriate, strengthening the capital basis of banking institutions involved in international lending.

Page 36, line 16, strike out "The Examination Council is" and insert in lieu thereof "The appropriate Federal banking agencies are".

Page 36, beginning on line 17, strike out "the Examination Council and".

Page 37, strike out line 20 and all that follows through line 24.

Page 38, line 1, strike out "(e)" and insert in lieu thereof "(d)".

Page 38, strike out line 14 and all that follows through page 40, line 14.

Page 40, line 16, strike out "SEC. 412." and insert in lieu thereof "SEC. 411".

Page 40, beginning on line 17, strike out "the Examination Council (as defined in section 402(c) of this Act) and".

Page 40, line 25, strike out "Examination Council and the".

Page 42, line 8, strike out "the Examination Council or".

Page 42, line 13, strike out "the Examination Council or".

Page 42, line 17, strike out "the Examination Council or".

Page 42, beginning on line 24, strike out "the Examination Council or".

Page 43, beginning on line 1, strike out "the Examination Council or an" and insert in lieu thereof "each".

Page 43, beginning on line 5, strike out "The Examination Council or an" and insert in lieu thereof "Each".

Page 43, line 15, strike out "the Examination Council or".

Page 43, after line 18, insert the following:

REPORTS TO CONGRESS

SEC. 412. (a) Within 120 days after the date of the enactment of this title, the Secretary of the Treasury shall report to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Banking, Finance and Urban Affairs of the House of Representatives on the statutes, regulations, and examination and supervisory procedures and practices, governing international banking in each of the Group of Ten Nations and Switzerland with particular attention to such matters bearing on capital requirements, lending limits, reserves, disclosure, examiner access, and lender of last resort resources.

(b) Not later than 120 days after the date of the enactment of this title, the Chairman of the Board of Governors of the Federal Reserve System and the Secretary of the Treasury shall transmit a report to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Banking, Finance and Urban Affairs of the House of Representatives on the progress made in reaching the goal specified in section 408(c).

(c)(1) Within one year after the date of the enactment of this title and for each of the two succeeding years, the appropriate Federal banking agencies shall report to the Committee on Banking, Finance and Urban Affairs of the Senate and the Committee on Banking, Finance and Urban Affairs of the House of Representatives on actions taken to implement the provisions of this title.

(2) The report shall include a description of the actions taken in carrying out the objectives of the title, and any actions taken by any appropriate Federal banking agency that are inconsistent with the uniform implementation by the appropriate Federal banking agencies of their respective authorities under this title, and any recommendations for amendments to this or other legislation.

Mr. ST GERMAIN (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

Mr. ST GERMAIN. Mr. Chairman, since the committee reported favorably H.R. 2957 on May 10, a bipartisan effort has been underway to eliminate, to the maximum extent possible, controversy not central to the primary purposes of titles III and IV which provide for the controversial quota increase accompanied by stricter regulatory requirements for international lending than now exist.

Those who oppose the use of the Federal Financial Institutions Examination Council have misconstrued its basic purpose and its potential, but in the spirit of compromise the committee amendment eliminates this greater role for the Council, leaving for another day what, in essence, are consolidation issues. The inclusion of the Council in title IV was intended to bring about greater unity among the three bank regulatory agencies. It was the committee's view that it was unreasonable to call for greater consultation and coordination internationally when our own regulators do not adequately consult and agree with each other. The committee amendment deletes all reference to the Exam Council in this title, relying upon existing regulatory agencies to carry out its mandate. After receiving and evaluating the reports required by title IV, we will return to the question of the most efficient manner in which to bring about necessary worldwide regulatory and supervisory improvements.

The committee amendment also deletes the legislative review provision in the bill. This provision would have given Congress the authority to review regulations issued to implement title IV of the bill. While we believe that such a review would be beneficial and could be accomplished without significant slowing of the regulatory process, we are also mindful of the confusion

and uncertainty about all types of legislative review and veto provisions in the wake of the Supreme Court decision in Chadha.

In an effort to minimize still further controversy, we have decided to delete the provision and review it in the context of the overall effort now going on in the House to develop alternatives to the traditional legislative veto provisions. In the meantime, we are confident that the oversight function that is maintained and indeed strengthened in other parts of this committee amendment will provide ample ways for the Banking Committee to closely monitor regulatory activities under this legislation. I assure Members that the Banking Committee intends to remain vigilant in carrying out its oversight responsibilities.

The reports required in title IV will enhance the committee's ability to carry out its oversight responsibilities. The committee's amendment consolidates all of the requirements for congressional reports in title IV of the bill into one section. These reports call for an assessment of international bank supervision in other countries, a report on progress in strengthening the capital bases of banks involved in international banking throughout the world, and a report on actions taken by the agencies for implementation.

The committee amendment also strikes a section of the bill which exempts the regulators from the requirements of the Paperwork Reduction Act and the Regulatory Flexibility Act, which was included in an effort to assure prompt implementation of the requirements of this title. This provision was originally requested by the regulators, but as a result of understandable concern raised by several Members, the committee has reconsidered and agrees that without the most compelling reasons for so doing Congress should not begin a pattern of exempting the regulatory agencies from these two statutes. The effect of the committee amendment, however, is not intended to impede the bank regulatory agencies from requiring and collecting substantial amounts of new information from international financial institutions as required by title IV.

The Paperwork Reduction Act requires a decrease in the information collection burden imposed by the Government. The committee amendment is not intended to be interpreted as requiring the bank regulatory agencies to reduce the other information requirements and collections they carry out in order to compensate for the increased reporting mandated in this title. The importance we associate with the regulatory and information requirements of this title are reflected in the fact that we have in the committee amendment reduced the time available to the agencies to issue their new supervisory and informational regulations.

Moreover, we do not intend by the committee amendment that the Regulatory Flexibility Act should in any way interfere with the proper performance by the banking agencies of their responsibilities under this legislation. The Regulatory Flexibility Act is intended to prevent undue regulatory burdens on small businesses. The requirements of H.R. 2957, however, would fall on large international banks and the agencies that regulate them. Therefore, it is our hope that the exemption and flexibility provisions of sections 605 and 606 of the Regulatory Flexibility Act be fully utilized to facilitate implementation of this legislation.

The fourth provision of the committee amendment relates to the extremely important subject of adequate bank capital. The gentleman from Iowa, Mr. LEACH, has truly performed yeomanlike services in the area of requiring banking institutions to maintain adequate capital levels. His previous amendment was accepted in committee. His continuing efforts have led to the committee's clarifying amendment today which spells out the committee's intent that banks involved in international lending should strengthen their capital bases, and that capital standards for banks should not discriminate on the bases of asset size. It is interesting to note that after nearly 20 years of debate, analysis, meditation and what have you, the regulators finally on June 13, thirty-three days after committee action, adopted more stringent capital adequacy standards.

This fourth provision of the committee amendment clarifies the authority of the Federal banking agencies to establish minimum levels of capital for banks. The provision also confirms the authority of each agency to require individual banks to achieve such other capital level as deemed appropriate in light of the particular circumstances of each institution. That is, the amendment confirms the remedial authority of an agency to prescribe such higher level as may be appropriate for a specific bank, or to waive the generally applicable standard in extraordinary circumstances. This essential supervisory authority was recently clouded by the decision of the U.S. Court of Appeals for the Fifth Circuit in the First National Bank of Bellaire against Comptroller of the Currency. The committee believes that the authority of an agency to require a bank to maintain adequate capital is properly within the expertise and discretion of the agency, subject to the appropriate standard of judicial review.

I urge the House's acceptance of the committee amendment.

Mr. Chairman, I yield to the ranking minority Member, the gentleman from Ohio (Mr. WYLIE).

Mr. WYLIE. Mr. Chairman, I rise in support of the gentleman's amendment. But I really think, fellow Members, that the time has come to pass this important piece of legislation. World economic recovery is dependent upon this legislation. "The U.S. stands to gain the most by encouraging global growth and recovery, and that is what this legislation will accomplish."

That is the statement contained in a letter I just received from Secretary of State George Shultz.

All living former Secretaries of State have signed a letter to like effect. Ten former Secretaries of the Treasury support the passage of this legislation. The National Chamber of Commerce, the AFL–CIO, American Farm Bureau Federation, National Farm Co-ops, National Realtors Association, the Speaker, the minority leader and the President of the United States all support passage of this legislation.

The IMF grew out of a need for economic recovery following the chaos and the debilitating effect of the most devastating war in our history, World War II. It has been working fairly smoothly for 40 years. What this bill means is jobs, jobs, and more jobs for Americans. Failure to pass this bill means weakened economic recovery and a lessening of our leadership role in world economic affairs.

Mr. Chairman, I feel passage of this legislation is something we must do today.

Mr. Chairman, I thank the gentleman from Rhode Island for yielding me this time.

Mr. PANETTA. Mr. Chairman, will the gentleman yield?

Mr. ST GERMAIN. I yield to the gentleman from California.

Mr. PANETTA. Mr. Chairman, included in this bill is an amendment offered by myself and my colleague, Mr. STARK, which expresses concern about the potential and actual spread of nuclear weapons capabilities around the world and provides the current administration and future administrations with an additional tool to slow down this dangerous trend.

My amendment requires that the U.S. Executive Director of the International Monetary Fund consider, in carrying out his duties, whether a country seeking an IMF loan has detonated a nuclear device, is not a party to the 1968 Treaty on Nonproliferation of Nuclear Weapons, or is not a party to the 1963 treaty banning nuclear weapons tests in the atmosphere, in outer space, and underwater. It does not prevent the United States from approving loans to countries which do not meet these criteria. However, it does require that our executive director take these factors into consideration.

The practical effect of the amendment is to provide leverage that could

be used by an administration as a means of advancing nonproliferation efforts. An administration could use this provision to persuade any country in need of an IMF loan and which is also pursuing nuclear capabilities not to move in that direction. Because not signing on to either of these nuclear treaties or detonating a nuclear device would provide a reason for possible denial of a loan, this would be a means of persuasion without actually binding the administration to take a particular action.

I do not propose a radical departure from current U.S. international lending policies. Indeed, my amendment is modeled after 22 U.S.C. 262d(b)(3), which was enacted in 1977 and which already applies to every international lending institution, other than the IMF, in which the United States participates. These institutions are the World Bank, the International Development Association, the International Finance Corporation, the Inter-American Development Bank, The African Development Fund, and the Asian Development Bank. This provision requires that the U.S. executive director of those banks take into consideration whether a recipient country has detonated a nuclear device or is a party to the Treaty on Nonproliferation of Nuclear Weapons.

My amendment simply applies this provision to the IMF and adds another important factor which the U.S. Executive Director of the IMF should consider—whether the recipient country has ratified the 1963 Nuclear Test Ban Treaty, which bans testing of nuclear weapons in the atmosphere, in outer space, and underwater. Mr. STARK has contributed this element of the amendment, and I share his deep concern about the impact of atmospheric and other environmentally hazardous testing of nuclear weapons.

The need for my amendment is clear. The fact is that some of the countries in greatest need of financial assistance from the International Monetary Fund are among the relatively few countries which have not committed themselves to halting the spread of nuclear weapons by signing the nuclear nonproliferation treaty. For example, Brazil, which owes more money to public and private lenders throughout the world than any other country, and Argentina, which is third in this category, have not signed this treaty. Both are in rapid pursuit of nuclear weapons. In addition, countries which already owe heavy debts to the IMF, such as India, Pakistan, and South Africa, are on the verge of gaining nuclear capabilities, if they do not already possess such weapons.

I do not believe it makes sense to provide U.S. support for loans to these nations without even considering the fact that they are actively pursuing something—indeed, are spending money which has been freed up by the infusion of IMF funds—which could contribute enormously to a dangerous instability in international relations. I do not think any of my colleagues is not concerned about the potential for an escalation to a world nuclear war from a nuclear confrontation between India and Pakistan, for example. Why should this country, which clearly has an interest in preventing nuclear proliferation and in maintaining international stability, not use every tool at its disposal to persuade countries not to go nuclear?

Mr. Chairman, this amendment offers a reasonable approach to a very difficult problem. I am pleased that the managers have accepted and the House will include my amendment. More importantly, it is my hope that it will be enacted into law and will be used wisely and forcefully by the current administration and by future administrations.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Rhode Island (Mr. ST GERMAIN).

The amendment was agreed to.

PARLIAMENTARY INQUIRY

Mr. GONZALEZ. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. GONZALEZ. At the outset of the Chairman's announcement about the procedure, I was under the impression he had called for further amendments on title III. The amendment we just considered was on title IV. Are we now considering title IV, and is it open to amendment at any point?

The CHAIRMAN. The bill is open to amendment in titles III, IV, or V.

Mr. GONZALEZ. I thank the Chair.

AMENDMENT OFFERED BY MR. PAUL

Mr. PAUL. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Chair will inquire of the gentleman from Texas (Mr. PAUL) as to whether the amendment has been printed in the RECORD.

Mr. PAUL. Yes, it has been, Mr. Chairman.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. PAUL: Page 28, after line 8, insert the following:

CONGRESSIONAL AUTHORIZATION OF CERTAIN ACTIONS

SEC. 308. Section 5 of the Bretton Woods Agreements Act (22 U.S.C. 286c) is amended by adding at the end thereof the following: "Unless Congress, in advance and by law, authorizes such action, neither the President nor any person or agency shall, on behalf of the United States, make any commitments whatsoever (1) regarding any request for, or the granting of consent to, any change in the quota of the United States under Articles III, section 2(a), of the articles of Agreement of the Fund, or (2) regarding the making of any loan to the Fund or the Bank.".

□ 1520

The CHAIRMAN. The gentleman is recognized for 5 minutes in support of his amendment.

Mr. ST GERMAIN. Mr Chairman, will the gentleman yield briefly for a parliamentary inquiry?

Mr. PAUL. I yield to the gentleman from Rhode Island.

PARLIAMENTARY INQUIRY

Mr. ST GERMAIN. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. ST GERMAIN. Mr. Chairman, I would like to ask one question.

In calling up my amendment a few moments ago, I gave the date that it was printed in the RECORD and the page number at which it appeared.

Would it be possible to require that of other amendments that are submitted so that we could save a lot of time?

The CHAIRMAN. The Chair would state that it would be highly desirable if Members offering amendments would be prepared to state at the time of offering the amendments the page number and date of the CONGRESSIONAL RECORD where the amendment is cited. It has not been treated as an absolute requirement unless a point of order is raised. The Chair will take on the faith of Members the statement that it has been printed in the RECORD, but it certainly would expedite the consideration of the bill if Members would be prepared to do that.

Mr. PAUL. Mr. Chairman, I am a bit disappointed about how things have transpired with this particular piece of legislation, because it is going to be most difficult to have any discussion since the debate has been closed out rather early.

But I do have an amendment here which I think Members should take serious note of because I think it is a significant improvement in the legislation that is before us.

One of the arguments that we have heard throughout the debate has been that we must support our President, and this is not the first year that that argument has been used. As a matter of fact, I remember as far back as 1976 this was the same reason we had to vote and acquiesce in going along with the administration because they made these commitments. I know it is very tempting for partisan reasons to go along with these commitments.

The statement has been made that the President has been somewhat embarrassed because he used to be against the IMF, now he is for the IMF, and now he has made international commitments, and it would be a bit embarrassing for him not to have the funds. Of course, I consider it a bit embarrassing to my constituents to go to them and take from them what is theirs and give to some banker or some foreign nation what is not theirs.

So I think the issue is very clear. It is a moral as well as an economic issue. The intent and the purpose of my amendment would mean that the President no longer can go and make these commitments. He signs these commitments, and then uses this as a leverage, coming back to the Congress and saying, "I have made these commitments."

This in no way would preclude him from negotiations, but he could not be able to make the commitment. Present law today requires congressional consent after the fact, but this is after the meetings have been held. This would mean the President, regardless of the administration, would come to us and say, "Look, we want to commit another $8 billion or another $15 billion of American taxpayers' money or credit," and no matter what you call it, it is going to cost the American taxpayer something.

They would have to come to us first and tell us what they are doing, rather than going and having these international conferences, signing these commitments, and practically having a treaty commitment and putting the prestige of the Presidency on the line.

The amendment is rather simple. It would just meant that they must come to us first to get this permission. I think this is a very appropriate amendment for this time. We have had an attack by the courts on the legislative veto. I think it is very clear in the Constitution what our responsibilities are with the power of the purse. It is up to us to take care of the spending and the taxes, and yet we so easily give in to the administration on this commitment and go along with what they have said. This would prevent that.

I think this is a much better way of doing it, rather than waiting for that crisis period, and then the administration coming and saying, "If you do not fund the IMF tomorrow, the banking system is going to collapse."

I had somebody call me not too long ago, since the last time we had the IMF on the floor, a rather well known banker in a large bank in Houston, who said, "Please do not offer your amendments," because I was obstructing. I cannot quite understand how I am obstructing when I never even had a chance to present one single amendment. He said, "Well, the banking situation is so bad that if you present your amendments, this might help precipitate a banking crisis."

I said, "You know what? I have four amendments." At that time I had four amendments in the RECORD. I get 5 minutes apiece. I thought, boy, if my talking for 20 minutes could have some effect on the international banking situation, then I never realized what a powerful individual I was.

But quite frankly, it has nothing to do with what I am offering here on what the situation is internationally. That was created in a time past, past inflation, past abuse of the system by those who desire to cling to power. This is an issue of power that we are dealing with today. Who has the power of the money, the power of the purse? I think the power of the purse is and should be in the hands of the Congress.

So, therefore, if you happen to believe that, you would have to vote "yes" on this amendment, saying that the administration should come, present to us what the plans are.

It is said they need $8.4 billion in the IMF this year, but the plain truth is that that is a token amount of what they really need to prop up the system. The system no doubt is in trouble. The question is: Who is going to suffer the consequences. Are the notes and the loans going to be rolled over? Will the responsibility fall on the backs of the bankers and their stockholders or is it going to fall on the backs of the American taxpayers? It is as simple as that.

A year or so ago when Poland met their crisis, only about one-half of their debt was insured by governments. The other half was private loans that were rolled over and extended by the private banks. They choose not to foreclose and it is in their interest not to foreclose.

I ask for an "aye" vote on this amendment.

Mr. ST GERMAIN. Mr. Chairman, I rise in opposition to the amendment.

Congress is, indeed, in firm control of the IMF quota increase. That is quite obvious as a result of the hearings we held last year in the last Congress on this particular increase, very extensive hearings that were held before the various subcommittees of the Committee on Banking as well as before the full committee, and the very elaborate and extensive debate that has been held on the floor of this House.

For that reason, I think that, indeed, we are in consultation; we are the ones who are approving or disapproving.

In addition to that, in the amendment that was adopted last week, we indeed stated that the President and the Secretary of the Treasury has to consult with the Congress before any additional commitments are made to the IMF.

For that reason, I oppose the amendment.

Mr. MCKINNEY. Mr. Chairman, will the gentleman yield?

Mr. ST GERMAIN. I yield to the gentleman from Connecticut (Mr. MCKINNEY).

Mr. MCKINNEY. I appreciate the chairman yielding.

Mr. Chairman, I am a great follower and I respect my good friend, the gentleman from Texas (Mr. PAUL) but I had some problems with this amendment. As an American history major, I was having a real problem with the idea that I thought that in foreign policy, foreign monetary policy and every other foreign agreement, that the President proposed and we disposed; that the President did, in fact, make agreements and would come back to us and we would give him, in the other body, our advice and consent, and then in this body we would control the purse, which would follow through behind that.

One of the things that really bothers me has been a conversation that has been going on here on the floor about the power of the banks versus the inability of the individual, the taxpayer. Let me tell the chairman something, and I believe he is aware of this: If, in fact, we were to fail in our international role, if in fact we refused, as the Western leader, to come in with our share, guess what would fly tomorrow to Zurich or London, but not into the United States? It would be called gold. Who would pay for that disruption? The U.S. taxpayer.

□ 1530

I would suggest to the Members that there is really a dangerous argument here. This House will vote the money and approve the loans, and the chairman and the ranking minority member and I will recede to disclosure amendments and many other things, but the fact of the matter is that the only people who are going to benefit if, in fact, we fail to do our duty are those who would promote the cause of gold, and the very people who are going to pay are the taxpayers of this country.

Mr. Chairman, I thank the committee chairman for yielding to me.

Mr. WYLIE. Mr. Chairman, will the gentleman yield?

Mr. ST GERMAIN. I hope that I have time enough left to yield to the gentleman. I yield to the gentleman from Ohio.

Mr. WYLIE. Mr. Chairman, I thank the chairman of the committee for yielding.

The committee accepted an amendment on Friday, I would submit, which requires prior congressional consultation on all new quota increases. Conditioning quota increases on prior congressional approval, I think, upsets the balance between the proper role of the executive branch and the legislative branch. Can you imagine 435 Members of Congress traveling around the world negotiating the proper U.S. share of an IMF quota subscription?

I think the amendment is of questionable constitutionality. For that reason, Congress is consulted in all discussions pertaining to the quota increases. As a matter of fact, there were 12 Members of Congress in attendance at Toronto when this quota increase

was negotiated, and Members have always been invited to attend conferences. I have participated in three myself.

So for those reasons, Mr. Chairman, I do oppose the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas, (Mr. PAUL).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. PAUL. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present.

The Chair announces that pursuant to clause 2, rule XXIII, he will vacate proceedings under the call when a quorum of the Committee appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

QUORUM CALL VACATED

The CHAIRMAN. One hundred Members have appeared. A quorum of the Committee of the Whole is present. Pursuant to clause 2, rule XXIII, further proceedings under the call shall be considered as vacated.

The Committee will resume its business.

The pending business is the demand of the gentleman from Texas (Mr. PAUL) for a recorded vote.

A recorded vote was refused.

So the amendment was rejected.

□ 1540

AMENDMENT OFFERED BY MR. CARPER

Mr. CARPER. Mr. Chairman, I offer an amendment. The amendment appeared in the RECORD of July 26, 1983, at page H5714.

The Clerk read as follows:

Amendment offered by Mr. CARPER: On page 43, insert the following new section after line 18:

EQUAL REPRESENTATION FOR THE FEDERAL DEPOSIT INSURANCE CORPORATION

SEC. 413. As one of the three Federal bank regulatory and supervisory agencies, and as the insurer of the United States banks involved in international lending, the Federal Deposit Insurance Corporation shall be given equal representation with the Federal Reserve Board and the Office of the Comptroller of the Currency on the Committee on Banking Regulations and Supervisory Practices of the Group of Ten Countries and Switzerland.

Mr. CARPER. Mr. Chairman: My amendment responds to a problem uncovered during our committees hearings on the IMF replenishment. A great deal of attention was focused on questions about the prudence of our banks getting so heavily involved in international lending and the adequacy of our regulators' supervisory activities. The regulators pointed out that one of the biggest problems is obtaining information on the total international exposure and trying to achieve some coordinated approach to supervision with other lending nations.

The committee was shocked to find that the FDIC, which has all the financial responsibility if any bank should fail as a result of its international lending, is not permitted to attend meetings of the Committee on Banking, Regulatory and Supervisory Practices of the Group of Ten Countries and Switzerland. This committee—also known as the Cooke committee—is the principal forum for the exchange of information critical to the proper supervision of international lending activities but because of the way it operates FDIC cannot even attend as an observer.

In its report on the bill the committee indicated its concern about this and its intention that FDIC be granted one of the three seats allocated to the U.S. delegation to the Cooke committee. However, I fear report language may not suffice to achieve the objective so the purpose of may amendment is to assure this.

I urge adoption of the amendment because the FDIC is the one agency principally concerned with safety and soundness of our insured banks and the proper disclosure of their financial condition.

Mr. ST GERMAIN. Mr. Chairman, will the gentleman yield?

Mr. CARPER. I yield to the gentleman from Rhode Island.

Mr. ST GERMAIN. Mr. Chairman, I rise in strong support of the amendment.

As I recall, we inquired of the Chairman of the FDIC about this amendment and he indeed agreed that the FDIC should be represented and I, therefore, recommend acceptance and adoption of the amendment.

Mr. WYLIE. Mr. Chairman, will the gentleman yield?

Mr. CARPER. I yield to the ranking minority member.

Mr. WYLIE. Mr. Chairman, we support the amendment on this side. I think it makes sense that the FDIC be represented. The gentleman presented this in the committee and we are glad to accept the amendment here on the floor.

Mr. CONTE. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, last Friday, I offered a preferential motion to include the IMF funding in the supplemental appropriations conference report, subject to the enactment of this authorizing bill. As you will recall, that effort failed by a vote of 165 to 213, or 48 votes.

In reviewing that vote, I believe that a clear majority in the House would have supported that appropriation if the House had completed action on this authorizing bill. I also believe that after 4 days of extensive and exhaustive debate on this bill, it is time to vote it up or down.

But I want to make a couple of points before the vote is taken, and this is the first time I have spoken on the floor on the authorization bill.

First, I want to address those Members on the Republican side of the aisle. What does our Republican President say about this IMF increase? In a letter to Members of this body, President Reagan has stated:

The IMF is the centerpiece of the efforts to maintain a healthy and open trading system in the world. IMF resources are necessary to protect our own interests in a stable financial system, a growing world economy, and sustained economic recovery and higher employment levels.

Sustained economic recovery and higher employment levels—

That is what this IMF increase is all about. A letter from Secretary of State Shultz and Secretary of the Treasury Regan continues this theme:

Nearly 20 percent of total U.S. goods are exported. The jobs of millions of Americans, the health of our banking system, and the prospects for a sustained U.S. economic recovery all depend on the IMF's success in maintaining the stable financial framework essential for world trade to prosper. Failure of the United States to participate in the increase of IMF resources would thus have serious consequences for our own economic recovery and the preservation of American jobs.

One final quote: The President summed up the situation earlier this month when he stated:

No legislation now before the Congress is more important to a healthy world economy and to a continuing economic recovery here in the United States.

It is no secret that this particular President's political career is closely tied to continued economic recovery, as are possibly the careers of many here in Congress who have supported his economic and fiscal policies. If you want to continue to support his policies on this side of the aisle, vote for this bill.

And for my friends on the other side of the aisle, a vote for this bill is a vote for all those workers in your districts who are critical to your own political survival. As the only surviving Republican in the House from the State of Massachusetts, I would observe that out of 600,000 jobs in my State, more than 100,000 are export-related. More than 10 percent of the total dollar value of Massachusetts products are exported and are, therefore, dependent on a healthy and growing world economy. The IMF is the key institution in the promotion of world economic health and growth which will lead to future exports of products from Massachusetts as well as all of your other States.

Recovery and jobs, recovery and jobs. That is what this vote is all about. For only twenty percent of the tab, we can get other members of the

IMF to put up eighty percent of the resources needed to assist our own economic recovery. That is a deal we should not turn down.

One final point: There seems to be a general undercurrent here on the floor, sometimes spoken, sometimes not, that this IMF increase is just another form of foreign aid.

This is not foreign aid, and I ought to know foreign aid. Since I came to the Congress in 1959, we have appropriated $194 billion for foreign aid. That was in the form of economic and military grants and concessional loans to the underdeveloped countries of the world. Some of that aid has been effective, some of it has not. Some of it has been repaid, some of it has not.

But IMF assistance is not foreign aid. IMF loans are repaid in full, with interest. As pointed out by the chairman of the authorizing subcommittee, no country has ever defaulted or rescheduled an IMF loan.

If anything, IMF assistance is aid to those countries doing business with the borrowing country—in particular, the United States. Developing countries buy more than a third of our exports. If they go bankrupt, where will we sell those exports? We will not it is as simple as that. We will not sell the $3.4 billion in exports that Brazil bought from the United States last year, or the $12 billion that Mexico bought. That is a minimum of 500,000 U.S. jobs right there, not to speak of the social and political ramifications of a bankrupt Mexico and Brazil.

So, if some of you insist on calling this foreign aid, at least keep in mind who is really benefiting from the IMF: we have seen who it is, and it is us—the United States. Do not gamble with our fragile recovery. Do not gamble with our slowly decreasing unemployment rate. Vote for this bill.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Delaware (Mr. CARPER).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. PATTERSON

Mr. PATTERSON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PATTERSON: Page 46, after line 8, insert the following:

"(c) Whereas the Republic of China is a charter member in good standing of the Asian Development Bank;

Whereas the Republic of China has grown from a borrower to a lender in the Asian Development Bank; and

Whereas the Republic of China provides, through its economic success, a model for other nations in Asia: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that the support provided by the United States to the Asian Development Bank will be terminated if the Republic of China is denied full membership in the Asian Development Bank.

Mr. PATTERSON (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. PATTERSON. Mr. Chairman, this amendment was printed in the RECORD on page H6030 on July 29. It was known as the Kemp amendment. I have discussed the matter with the gentleman from New York (Mr. KEMP).

I believe both the majority and the minority accept the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. PATTERSON).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. GONZALEZ

Mr. GONZALEZ. Mr Chairman, I offer an amendment. It was printed in the RECORD on July 29, 1983, at page H6030. It is the last of a series, No. 9.

□ 1550

The Clerk read as follows:

Amendment offered by Mr. GONZALEZ: page 41, strike out line 6 and all that follows through line 18.

Mr. GONZALEZ. My colleagues, I think this is a very, very important issue and in the big bill here we have something that I think none of us knowing the implications of it would want to be on the Record as being for: that is, the sleeper clause that remotes the teeth from the GAO watchdog.

My amendment strikes it.

It is very simply that it restores the authority of the GAO to audit the most important functions of the Federal Reserve.

As the bill stands, the Federal Reserve would be subject to a GAO audit only of its administrative and housekeeping functions. Anything that is really important is being exempted.

The bill treats the GAO in a way that is truly astonishing, circumscribing its authority so much as to make it meaningless. It is like fencing off the Pentagon's procurement program from any kind of independent scrutiny.

There is no basis whatsoever for cutting off the arms of the GAO with respect to auditing the Federal Reserve.

In the past 3 days, for example, the Fed has been pumping hundreds of millions of dollars into the foreign exchange market with the purpose of reducing the value of the dollar on the international markets, hundreds of millions of dollars just in 72 hours.

These transactions will amount to billions, yet the GAO under this bill and under this provisions will be exempt from checking those transactions out.

This is where the hanky-panky has been. The reason we have this provision in the law to give GAO the right to enter was as a result of the accusations some of us made just a few years ago about the criminal leaking of information of the Open Market Committee that resulted in windfall profits, illegal profits on the part of some of the financial institutions in New York.

As a result, we demanded an investigation. We did not have the right then to have the GAO do it.

The Chairman of the Fed came before our committee and said "We will do it." They conducted an in-house inquiry. We had to wait 2 years before we could even get the results of the report.

They hired the lawyer to do the investigating that was also the law firm for the banks, and he came out with a peculiar finding. I put it in the RECORD last year. He said, yes, this was bad, but it was not malicious. It was a mistake in the release of information.

Now, what we are doing here today, if you approve this bill unchanged, and my amendment addresses itself simply to deleting that section that hog-ties the GAO, if you vote, I think that you will have it very difficult in your own conscience to justify before an ultimately indignant electorate when the American people find out what is being done to them, and you and I are going to have to answer equally and coequally.

Mr. ROEMER. Mr. Chairman, will the gentleman yield?

Mr. GONZALEZ. I yield to the gentleman from Louisiana.

Mr. ROEMER. I just want to tell the gentleman that I support his amendment. I point out in response to an earlier speech that those of us who oppose this IMF bill are not attempting to kill the IMF but are trying to improve it. I would also point out that if jobs are at stake the stated goal of the IMF is to impose austerity on every economy on Earth, and the first priority in that austerity is to reduce their imports.

That means the exports of Americans will be reduced and those 100,000 jobs in Massachusetts will be a lot less than 100,000 with the IMF quota.

I thank the gentleman for yielding.

Mr. GONZALEZ. Let me just say that if we exempt from GAO looking in and exerting accountability responsibility from the Federal Reserve with respect to its foreign currency operations we will abdicate our responsibility. Why is it that it is so sacred they should be exempted?

Particularly with what has happened just in the last 72 hours where for the first time it has been admitted publicly that the Federal Reserve has intervened massively in these foreign exchange currency markets. And here we are exempting them from any accountability.

We talk about how we hold control as Congress. Control over this agency,

but let me assure you that as minimal as it is, the language now contained, unamended, will remove any last vestige of hope of accountability to the Congress on the part of the Federal Reserve. All my amendment does is to reassert congressional power to exact accountability.

Mr. BARNARD. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I must speak in opposition to the gentleman from Texas well intentioned amendment. He might or might not be correct that the GAO should have augmented authority to audit the Federal Reserve's international transactions and the actions of the Open Market Committee. However, I must emphasize that this entire area was finely tuned in 1977 by numerous hearings and agreements and detailed bills that resulted in the Federal Banking Agency Audit Act of 1977. These entailed very specific understandings between the Chairman of the Federal Reserve Board, the Comptroller of the Currency, the Chairman of the Federal Deposit Insurance Corporation, the then chairman of the Banking Committee, the current chairman of the Banking Committee, the current chairman of the Committee on Government Operations, and the then chairman of the Subcommittee on Commerce, Consumer, and Monetary Affairs of the Committee on Government Operations, Ben Rosenthal. I now chair the latter subcommittee.

Without hearings on this matter of further exposing the Federal Reserve System to GAO audit, which the gentleman from Texas amendment would do, I fear we would needlessly enmesh the Federal Reserve in problems of communicating with other central banks, just at a time when that kind of communication is needed. If changes are to be made in this delicate area they cannot be made precipitously.

Present section 412 of this bill, H.R. 2957, is really a clarifying amendment to GAO authority that was and is intended to let the GAO look into bank regulators coordination of bank examination and supervision on an international level and not to look into monetary policy. It is in this bill only because Chairman BROOKS of the Committee on Government Operations, which has authorizing jurisdiction over the GAO and the Federal Banking Agency Audit Act of 1977, specifically, and Chairman ST GERMAIN and I agreed to its insertion in its present form, as really a technical change, without having to refer it to the Committee on Government Operations.

The letter from Chairman ST GERMAIN to Chairman BROOKS of May 23, 1983, expressing this agreement is part of my extended remarks. That letter, further, accurately expresses my intention to hold hearings on expanded GAO authority.

Finally, I must point out the committee report on H.R. 2957 stressed that "the safeguards incorporated—in section 412—are identical to those now governing GAO audits." This sentence thus refers specifically to the Banking Committee's intention to maintain the current exclusion of Federal Reserve monetary policy and foreign exchange operations from GAO audit.

Because of the extremely complex nature of what the gentleman from Texas is suggesting, I must respectfully ask my esteemed colleagues' amendment not be approved.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON BANKING,
FINANCE AND URBAN AFFAIRS,
Washington, D.C., May 23, 1983.

Hon. JACK BROOKS,
Chairman, Committee on Government Operations, Washington, D.C.

DEAR JACK: As you know, the House Committee on Banking, Finance and Urban Affairs reported out favorably Monday, May 9, H.R. 2930, the International Recovery and Financial Stability Act of 1983, and reported out Thursday, May 10, an omnibus bill, H.R. 2957, combining provisions relating to the Export-Import Bank, the International Monetary Fund and multilateral banks.

Both bills contain identical language clarifying the authority of the General Accounting Office to audit the financial regulator's performance in the area of international lending supervision, particularly with respect to cooperation and coordination among themselves and with various committees of international regulators. (Title III. Sec. 311 of H.R. 2930; Title IV, Sec. 412 of H.R. 2957.)

This Committee has been deeply concerned over a number of severe international lending problems for a considerable period of time. Last year beginning with the crisis involving primarily Mexico and Brazil, hearings were begun by the Committee on all aspects of international lending culminating in Committee action last week. During the course of those hearings, testimony was received from the Comptroller General on GAO's report of September 2, 1982, entitled "Bank Examination for Country Risk and International Lending," (GAO/ID-82-52). That report, interestingly enough, has its origin in two sets of hearings held in early 1977. In February 1977 joint hearings were held by subcommittees of our respective Committees on the jointly sponsored performance audit of the Federal banking regulators. The success of that survey and the outstanding cooperation of our two Committees was responsible, in large part, for the subsequent adoption by your Committee of H.R. 2176, amending the Accounting and Auditing Act of 1950 providing continuous authority for GAO to audit the regulatory functions of the Federal Reserve, Comptroller of the Currency and FDIC (P.L. 95-320—Federal Banking Agency Audit Act).

This Act has assisted both our Committees in discharging our responsibilities for the continuing oversight of Federal banking agencies and has been responsible for the development by GAO of an outstanding group of GAO personnel thoroughly familiar with banking terminology and issues. The support you gave our distinguished colleague Ben Rosenthal on that occasion was responsible for the passage of P.L. 95-320. During floor debate, I was pleased to state the following:

"Mr. ST GERMAIN. Mr. Chairman, the need for greater oversight on the activities of the Federal Bank supervisory agencies is painfully apparent and our colleague, the distinguished chairman of the Commerce, Consumer, and Monetary Affairs Subcommittee, is to be commended for bringing this audit bill to the floor.

"And I know that Ben Rosenthal joins me in commending Jack Brooks, chairman of the full Committee on Government Operations, who has so steadfastly supported the work of the subcommittee and who has worked diligently to clear the roadblocks from the path of this much-needed legislation. It has been an excellent display of teamwork within the committee and it is the kind of cooperation that makes legislation move." (Cong. Rec., October 14, 1977, p. 33783)

Immediately following the joint hearings, the Subcommittee on Financial Institutions Supervision, Regulation and Insurance conducted hearings on International Banks Operations at which time the GAO testified concerning the lack of country risk evaluation system. Subsequently, such a system has been established and GAO's evaluation of that system, pursuant to authority conferred by P.L. 95-320, became a part of this Committee's deliberations on international lending legislation.

It may be necessary at some point in the future to amend the Federal Banking Audit Act of 1978 as requested by Comptroller General Bowsher in his testimony April 20. A copy of his testimony is enclosed for your information. We do feel, however, for the time being that the clarifying language of Section 311 should be of invaluable assistance. I very much appreciate the willingness of the Committee on Government Operations, which is the authorizing committee for the General Accounting Office and which approved the Banking Agency Audit Act in 1978, to permit the Banking Committee to clarify GAO's right to audit certain international activities of the Federal banking agencies.

We know that should an amendment to the Act itself be necessary that we can rely upon the assurances given during mark-up by our good friend and colleague Doug Barnard, in carrying on the splendid tradition of excellence established by Ben Rosenthal, that the Commerce, Consumer & Monetary Affairs Subcommittee of Government Operations will give speedy and thoughtful consideration to approving such an amendment; and that, in the interim, he will indeed use the Sec. 311 mandate to monitor both GAO and the regulators to strengthen our present regulatory system insofar as international lending is concerned.

Your continued support and cooperation is especially appreciated. I look forward to a dialogue with you on the floor when H.R. 2957 is scheduled.

With kindest personal regards.

Sincerely,

FERNAND J. ST GERMAIN,
Chairman.

Mr. BROOKS. Mr. Chairman, will the gentleman yield?

Mr. BARNARD. I yield to the gentleman from Texas.

Mr. BROOKS. Mr. Chairman, I rise, reluctantly, in opposition to the amendment of my good friend from

Texas (Mr. GONZALEZ). I do so, however, for several important reasons:

First, the gentleman's amendment would alter dramatically the General Accounting Office's current authority to audit the operations and activities of the Federal Reserve Board. This authority, and the limitations thereto, were carefully crafted after extensive hearings in 1978 by the Committee on Government Operations—the authorizing committee for the GAO. The language that the gentleman's amendment would strike is taken from Public Law 95-320 which was reported by the Government Operations Committee 5 years ago.

Second, the gentleman's amendment would permit the GAO to audit the most sensitive domestic and international financial and monetary policy decisions made by the Federal Reserve Board. The GAO has not requested this new authority. No hearings have been held by the GAO's authorizing committee on the specific need for or costs of this additional authority. No hearings have been held by the House Banking Committee on how such additional GAO authority would impact domestic monetary policymaking or the U.S. Government's relations with foreign central banks, foreign governments, and nonprivate international financial organizations. An amendment of this magnitude should only be considered by the House after thoughtful and comprehensive hearings by the relevant committees.

I want to assure my colleagues that the Government Operations Committee has long been committed to the effective operation of the General Accounting Office and fully sensitive to the needs of that office for appropriate access to information. The chairman of our Commerce, Consumer, and Monetary Affairs Subcommittee, Mr. BARNARD, who is also a member of the Banking Committee, has advised Chairman ST GERMAIN that hearings will be held to examine the need for additional GAO authority in the international financial area. There may very well be a need for such additional authority. But an amendment to provide the GAO with sweeping new authority should not be approved without comprehensive hearings. Accordingly, I urge a "no" vote on the Gonzalez amendment.

Mr. WYLIE. Mr. Chairman, will the gentleman yield?

Mr. BARNARD. I yield to the gentleman from Ohio.

Mr. WYLIE. I thank the gentleman for yielding and I want to oppose the amendment also.

This is a very sensitive subject and the gentleman from Texas (Mr. BROOKS) has pointed out that it is very complicated. No hearings have been held on it. They are sensitive matters.

□ 1600

I think that the Fed at least should be protected on this and that there should be some hearings on it. It would surely slow down commerce between the Fed and central banks, foreign central banks.

So, I therefore must reluctantly oppose the amendment of the gentleman from Texas as being very mischievous. May I say it is also opposed by the Chairman of the Federal Reserve Board.

Mr. ST GERMAIN. Mr. Chairman, will the gentleman yield?

Mr. BARNARD. I yield to the gentleman from Rhode Island.

Mr. ST GERMAIN. I thank the gentleman for yielding.

He is chairman of the Subcommittee on Government Operations, on which I used to serve. I think he is aware of the fact that I was indeed responsible for the legislation that was adopted in Government Operations a few years back on this subject.

The CHAIRMAN. The time of the gentleman has expired. All time has expired.

The question is on the amendment offered by the gentleman from Texas (Mr. GONZALEZ).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. GONZALEZ. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present.

The Chair announces that pursuant to clause 2, rule XXIII, he will vacate proceedings under the call when a quorum of the Committee appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

□ 1610

QUORUM CALL VACATED

The CHAIRMAN. One hundred Members have appeared. A quorum of the Committee of the Whole is present. Pursuant to clause 2, rule XXIII, further proceedings under the call shall be considered as vacated.

The Committee will resume its business.

The pending business is the demand of the gentleman from Texas (Mr. GONZALEZ) for a recorded vote.

A recorded vote was refused.

So the amendment was rejected.

The CHAIRMAN. Are there further amendments?

AMENDMENT OFFERED BY MR. GONZALEZ

Mr. GONZALEZ. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GONZALEZ: Page 18, line 21, strike out "4,250 million" and substitute "500 million".

POINT OF ORDER

Mr. ST GERMAIN. Mr. Chairman, I raise a point of order against the amendment.

The CHAIRMAN. The gentleman will state his point of order.

Mr. ST GERMAIN. Mr. Chairman, I raise a point of order against the amendment. The amendment proposes to change a portion of the bill that has already been changed in an amendment to strike out and insert new text contained in the St Germain amendment agreed to on Friday, July 29. It is not in order to either amend or move to strike language previously agreed to in an amendment to strike and insert new text (Deschler's chapter 27, section 29). I ask the Chair to rule the amendment out of order.

The CHAIRMAN. Does the gentleman from Texas (Mr. GONZALEZ) desire to be heard on the point of order?

Mr. GONZALEZ. Mr. Chairman, the amendment I am offering on page 18, line 21 is in that section in title III unamended. Mr. Chairman, if my memory serves me correctly, this amendment on this page in title III addresses a section that is unamended, that is unperfected.

The CHAIRMAN (Mr. PEASE). The Chair is prepared to rule.

The Chair would rule that the amendment offered by the gentleman from Texas (Mr. GONZALEZ) does deal with a portion which was amended by the gentleman from Rhode Island (Mr. ST GERMAIN) last Friday. And therefore the point of order is sustained.

AMENDMENT OFFERED BY MR. GONZALEZ

Mr. GONZALEZ. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GONZALEZ: Page 31, line 16, strike out "ninety" and substitute "sixty".

POINT OF ORDER

Mr. ST GERMAIN. Mr. Chairman, I raise a point of order against the amendment.

The CHAIRMAN. The gentleman will state his point of order.

Mr. ST GERMAIN. Mr. Chairman, the amendment proposes to change a portion of the bill that has already been amended in the St Germain amendment adopted earlier. It is not in order to amend the text of a bill that has previously been perfected by amendment (Deschler's ch. 27, sec. 27.)

I ask the Chair to rule the amendment not in order.

The CHAIRMAN. Does the gentleman from Texas (Mr. GONZALEZ) desire to be heard on the point of order.

Mr. GONZALEZ. Mr. Chairman, this one certainly on page 31 addresses itself to title IV in that portion that is amendable to amendment.

The CHAIRMAN (Mr. PEASE). The Chair is prepared to rule.

The portion of the bill sought to be amended by the gentleman from Texas (Mr. GONZALEZ) is the same portion which was amended earlier today by an amendment by the gentleman from Rhode Island (Mr. ST GERMAIN).

Therefore, the point of order is sustained.

The CHAIRMAN. Are there further amendments to the bill?

AMENDMENT OFFERED BY MR. RITTER

Mr. RITTER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RITTER: Page 28, after line 8, insert the following:

STUDY

SEC. 308. Section 4 of the Bretton Woods Agreements Act is amended by adding at the end thereof the following:

"(d)(1) The National Advisory Council on International Monetary and Financial Policies shall conduct a study of the impact on the United States steel industry of steel subsidies by nations who are borrowers from the Fund.

"(2) Not later than 12 months after the date of the enactment of this subsection, the Council shall transmit a report to the President and both Houses of the Congress regarding the Council's findings and recommendations for appropriate action.".

Mr. RITTER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The CHAIRMAN. The Chair would inquire whether the amendment has been printed in the RECORD.

Mr. RITTER. Yes, Mr. Chairman, the amendment has been printed in the RECORD on the 27th.

The CHAIRMAN. The gentleman from Pennsylvania (Mr. RITTER) is recognized for 15 minutes in support of his amendment.

Mr. RITTER. Mr. Chairman, I am offering an amendment to bring attention to the problem of steel subsidies by countries which borrow from the International Monetary Fund and the impact on the U.S. steel industry.

The quota increase for the International Monetary Fund has generated considerable debate on the issue of foreign subsidization of commodities such as steel. Don Trautlein, chairman of the Bethlehem Steel Corp., the Nation's second largest steel producer, stated before the Senate Judiciary Committee and I quote:

If I were to single out the most troublesome source of imports today, it would not be Europe or Japan, the traditional major suppliers of steel imports to the United States. Instead, it would be the newly industrialized countries of the Third World. These countries have expanded their capacity rapidly in recent years in spite of the world oversupply. Such expansion has been financed by heavy borrowing with the backing of World Bank loans, other quasi-public financings and their respective governments.

If we wish to survive in the world steel market, we must address the problem of foreign subsidization of steel. A healthy domestic steel industry is not only critical in maintaining U.S. jobs, it is vital to a strong U.S. manufacturing economy and our national defense. However, little information is available for our Government to make an appropriate assessment of loans to countries where steel is being subsidized.

My amendment calls on the National Advisory Council to conduct a 12-month study on the impact on the U.S. steel industry, of steel subsidies by nations who are borrowers from the International Monetary Fund. The Council must report to the President and both Houses of Congress its findings and make recommendations on appropriate action.

The National Advisory Council is responsible for U.S. participation in the international financial institutions. It coordinates the policies and practices of all agencies of the U.S. Government which make, or participate in making, foreign loans, or, which engage in foreign financial exchange or monetary transactions. The Council is made up of the Secretaries of the Treasury, State, and Commerce; the Chairman of the Board of Governors of the Federal Reserve System; and the President of the Export and Import Bank. This amendment calls attention to a thorny problem which impacts powerfully on present and future modernization of our American steel industry and will provide the administration, Congress, and the International Monetary Fund with appropriate decision-making data.

I would like to add that I totally reject the idea that smoke stack industries are dead. They can flourish if they are modernized and if labor and management work together. Indeed, they provide a vast market for high-technology products, as well as large numbers of well-paying jobs. However, they will need an economic climate which does not contribute to the tendency of industrializing nations to treat steel as a showcase industry, to be subsidized whether or not it is profitable.

This amendment has the support of both the United Steel Workers of America and the House Steel Caucus. I urge my colleagues to support this amendment.

□ 1620

Mr. GONZALEZ. Mr. Chairman, I ask unanimous consent that the amendment be read.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The CHAIRMAN. The Clerk will read the amendment.

The Clerk read the amendment.

Ms. OAKAR. Mr. Chairman, I rise in opposition to the amendment, to make a point necessary and I do so to really question my colleague, because no one is more supportive of the steel industry than I am. Yet I am very, very concerned about this amendment because, as the gentleman from Pennsylvania knows, I have, as a member of the committee, put in section 409, which addresses the U.S. loss in competitive parity with foreign subsidized competition in steel, copper or other metals and mineral industries, and I noticed, to be honest, the gentleman's vote on an amendment that gutted the whole bill; so I cannot help feeling a little bit paranoid about my section 409 in the bill which perfects the bill, and I do not mean to impugn the gentleman's motives, because I have a great deal of respect for him, but his amendment really is very redundant and it adds a little bit of flourish, but not much substance to my section, and I know when they get in conference, with all the difficulties we have had in putting in my section in the Banking Committee, as a member of that committee I know what is going to happen. They will say, "Oh, this is so embellished, we are going to cut the whole section." And if the gentleman's motive is to change the focus of the bill or gut the bill, or whatever it is, fine, but do not hurt the steel industry by adding this amendment.

Mr. RITTER. Mr. Chairman, will the gentlewoman yield?

Ms. OAKAR. I yield to the gentleman from Pennsylvania.

Mr. RITTER. I thank the gentlewoman for yielding.

Mr. Chairman, as I understand the Oakar section—and, as a matter of fact, I am a proponent of that section.

Ms. OAKAR. I know. And I appreciate it.

Mr. RITTER. I have no intention to see the Oakar section removed in conference. Nothing could be further from my mind.

But the gentlewoman's section addresses the loan application. I think that is excellent. I guess what my amendment does is, it also addresses the fact that a loan application can be made for purposes other than having to do with steel, and yet that country at the same time is subsidizing the steel industry. I offer this amendment to cover the possibilities that the loan application involved may not have anything to do with the borrowing country's subsidies of steel, but yet the loan application and the subsidization of steel are related in that, the borrowing country will end up with one pot of money for its various budgets.

Mr. LEACH of Iowa. Mr. Chairman, will the gentlewoman yield?

Ms. OAKAR. If I may reclaim my time for a second, for a response, I will

be happy to yield to the gentleman from Iowa.

I really believe that this is redundant. I do not like getting up and opposing an amendment that indeed is related to supposedly protecting the steel industry. The fact of it is, I think, after thinking about the gentleman's amendment for quite some time, the gentleman has added to the section that I have already put in the bill. What the gentleman is doing is making the old section more prey to being cut out in the conference committee. The problem is that the gentleman knows and I know how many various lobbying groups have been trying to gut this section, including the Department of the Treasury. If this section is gutted in conference, then the bill is dead.

So my feeling is that if you are really a proponent of the steel industry, you do not want to put all of these little odds and ends that really muddy up the spirit of what is already in the bill and what is already focused in the bill.

I now yield to the gentleman from Iowa (Mr. LEACH).

Mr. LEACH of Iowa. Mr. Chairman, I will just say, very quickly, that the gentleman has proposed a terribly reasonable amendment, and if the gentlewoman insists in her opposition and prevails, this Member in the conference will be very biased against the gentlewoman's amendment. If, however, this is accepted, this Member would be much more sympathetic. This is very reasonable. The gentlewoman will be jeopardizing her own amendment if this amendment goes down.

Ms. OAKAR. It is fine to see the gentleman from Iowa to commit himself to protecting section 409. Therefore I have no further objection.

Mr. BARNARD. Mr. Chairman, will the gentlewoman yield so that I may ask a question of the proponent of the amendment?

Ms. OAKAR. I yield to the gentleman from Georgia.

Mr. BARNARD. Mr. Chairman, I would like to ask the gentleman from Pennsylvania (Mr. RITTER), if this amendment passes, does the gentleman intend to vote for the bill?

Mr. RITTER. I would say to the gentleman from Georgia, a good friend and a former colleague on the committee, that I do have certain problems with the bill.

Mr. BARNARD. Would this make it sufficient so that the gentleman could support it?

Mr. RITTER. Well, it would certainly increase my tendency to support it.

Mr. BARNARD. In other words, at this moment the gentleman is openminded?

Mr. RITTER. I would like to think I was.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania (Mr. RITTER).

The question was taken; and the chairman being in doubt, the committee divided, and there were—ayes 29, nays 0.

So the amendment was agreed to.

AMENDMENT OFFERED BY MR. PAUL

Mr. PAUL. Mr. Chairman, I offer an amendment which was printed in the RECORD on August 2, 1983, at page H6356.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. PAUL: Page 19, strike out line 16 and all that follows through line 20, and insert in lieu thereof the following:

"USE OF THE FUND'S GOLD RESERVE

"SEC. 40. The United States Governor of the Fund shall request the Fund to sell part of the Fund's gold reserve in order to provide such amounts as are necessary to alleviate the current problems of international borrowers.".

The CHAIRMAN. It is the understanding of the Chair that the amendment has been printed in the RECORD.

The gentleman from Texas (Mr. PAUL) is recognized for 5 minutes in support of his amendment.

PARLIAMENTARY INQUIRY

Mr. VENTO. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. VENTO. Mr. Chairman, if something has been printed in the RECORD after the date on which there has been a time agreement, is it still considered in order for consideration today?

The CHAIRMAN. Yes. Any amendment now printed in the RECORD on any day is protected.

The gentleman from Texas (Mr. PAUL) is recognized for 5 minutes.

Mr. PAUL. Mr. Chairman, this is a rather straightforward amendment. It would save the American taxpayers a lot of money and it would require the IMF to use the assets they already hold. They now hold 103 million ounces of gold, and they do not use it. I am suggesting what they should do is instead of granting the quota increase, instead of the funding, to use the gold; sell the gold.

It is the largest hoard of gold by any one institution except for the United States, and they can afford to use the gold.

□ 1630

Giving the IMF a loan is like giving the richest kid on the block a loan. The bankers are in charge and they do not want to jeopardize what they have. I understand that. But the asset is there. There is absolutely no necessity to further fund the IMF when they already have a valuable asset.

Mr. ROEMER. Mr. Chairman, will the gentleman yield?

Mr. PAUL. I yield to the gentleman from Louisiana.

Mr. ROEMER. I thank the gentleman for yielding.

Mr. Chairman, what use of the 103 million ounces of gold is being made now by the IMF? Certainly they are putting it to some use.

Mr. PAUL. Absolutely none. It is sitting there in case they have an emergency.

Mr. ROEMER. If the gentleman will yield further, what is the value of the 103 million ounces of unused, unclaimed, noncollateralized asset?

Mr. PAUL. This is an asset that earns no interest. They have an official policy, both our Government and the IMF. The official policy is that gold is no longer money, and yet they cling to it tenaciously and will not give it up. So it is a bit inconsistent.

Mr. ROEMER. If the gentleman would yield one more time, what is that gold worth at today's market price that the IMF has but does not use?

Mr. PAUL. This would yield them over $40 billion. They are requesting a total increase by all nations of about $30 billion.

Mr. ROEMER. So the gentleman is telling the House that they have more gold in possession now than they are asking for in increased IMF quotas?

Mr. PAUL. Absolutely, That is the case. They already have the assets, and this argument that they need it for an emergency contradicts their argument that we are in the midst of an emergency and, therefore, we must come to the American taxpayer but we cannot use the emergency funds, which is the gold.

Mr. ROEMER. If my colleague would yield further, are you suggesting here or requiring in your amendment that the gold has to be sold? Is there any other use that might be made of this asset?

Mr. PAUL. In this amendment, this would provide for the selling of the gold. This is in distinction to two other amendments I have which would give other options, where the gold would be returned to the host nations, or the gold could be used to convert the SDR's, which is a little more complicated, but in this case it is strictly to sell the gold to gain the assets.

Mr. ROEMER. Would I state the gentleman's case wrong, if the gentleman would yield further, by saying that the gentleman would prefer that all the options for use of the gold be analyzed, but given the procedural situation we have now, this is your only option to offer the amendment that requires the sale of the gold? Do I overstate the case, or does the gentleman think it ought to be sold?

Mr. PAUL. Yes. This is the case. This is a real option that we should look at, and hopefully we can get a

vote on this as an option where we do not literally have to come up with more cash, more funding from the American taxpayers, and they can use this asset.

Mr. ROEMER. Is it the gentleman's position, then, finally, that if we exercise the gentleman's option, the taxpayer would be served, that the burden on the taxpayer would be lessened and not increased?

Mr. PAUL. The gentleman is exactly correct. This would be a tremendous help to the American taxpayer, and the taxpayers of the world. As a matter of fact, the little people of the world are going to suffer from this because they have to fund these institutions which are beneficial to governments, socialist governments as well as the international banking institutions. So, therefore, this would help a lot of people.

Mr. ROEMER. I thank the gentleman.

Mr. KEMP. Mr. Chairman, will the gentleman yield?

Mr. PAUL. I yield to the gentleman from New York.

Mr. KEMP. I thank the gentleman for yielding.

Mr. Chairman, did I hear the gentleman correctly? Under his amendment the IMF would have to sell the gold to use it as collateral?

Mr. PAUL. Yes, but it does not mean that we sell it immediately. One of the arguments the gentleman brings up is the point about how they would sell it and what they would do, because those individuals who are negative on gold say, "Do not sell the gold because the gold price is going to drop down."

You know, we sold the gold from the IMF once before, a total of 25 million ounces of gold, and during that period of time of the sales of the IMF, gold prices went up nearly 40 percent.

Mr. KEMP. I agree with the gentleman. I just wonder, however, since we demonetized gold, as the gentleman pointed out in his colloquy with the gentleman from Louisiana, would it not be possible for the IMF to simply use the gold as collateral, issuing bonds backed by the 103 million ounces of gold resources?

Would that not be a more positive way to help countries deal with some of their debt problems through restructuring of their loans?

I favor an IMF but do not favor the pain, austerity, and no-growth policies of the IMF in dealing with our neighbors, friends, and allies in the Third World.

Mr. WYLIE. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, yesterday I received a call from a gentleman who works for Merrill Lynch. He asked me what the prospects of passage of this bill might be today. I said to him I remain optimistic, but I think it is a close vote and I am not making any bets on it, and I would suggest that would be good advice to you.

He wondered if it might not be put off for a while, and if that might not be a good thing. I disagreed with him, and I said, "Why do you say that?"

He said, "Well, I am biased because I am on the Gold Market Desk of Merrill Lynch. I am a gold market analyst. For 6 months the gold market has been quiet. A delay would have a positive impact on gold prices."

I called Mr. Walt Chambers, who is with the Securities Industry Association of America in Columbus, Ohio, who is one of the leaders of that industry, and asked him about that.

He was very disconcerted about that observation. He said, "We sell bonds and stocks, too, and I will call Washington and get the position of the Securities Industry Association."

He did call, and they called me, and the Securities Industry Association says it is very important that we pass this bill today and that we not support such an amendment.

It suddenly hit me, Mr. Chairman, that a considerable amount of this opposition has come from those people we refer to as gold bugs, who are willing to risk a country default or two in order to advance their own position. I hate to say that, but it seems to me as if that is where some of it is coming from.

I say that that puts us in a very dangerous posture as far as the rest of the world and gold is concerned. Over three-fourths of all of the world's gold is produced in two countries, South Africa and the Soviet Union. They would be the main beneficiaries of any action which would restore us to anything that looked like or resembled the gold standard or would give gold any further value as far as this bill is concerned.

How much would this gold be sold for, for instance? Would it be sold for $430 an ounce or $860 an ounce? I think these are all questions which we have to ask ourselves. But in any event, I do not think that this is the proper time to give this kind of a role for gold and, therefore, suggest that we oppose the amendment.

Mr. ST GERMAIN. Mr. Chairman, will the gentleman yield?

Mr. WYLIE. I yield to the chairman of the committee, the gentleman from Rhode Island.

Mr. ST GERMAIN. I thank the gentleman for yielding.

Mr. Chairman, I think it is proper to remind the members of the fact that in the substitute that I offered on behalf of myself and the gentleman from Ohio (Mr. WYLIE) last Friday that was adopted overwhelmingly by the membership of this House, the amendment contained a section stating that the Secretary of the Treasury would certify to the Congress the fact that the IMF had taken every step possible, including looking into the possibility or probability of selling some of the gold, a portion of the gold, or indeed of using the gold as collateral.

So we have addressed the dilemma here that some people have about the fact that there is gold that is now owned by the IMF by stating that the IMF should indeed look to the use of this gold in a proper manner so as to not sell the gold in any way, shape, or fashion that would reduce the price of gold or adversely affect the markets.

We have got to remember that selling gold would have the same interest rate effect as if we had the Treasury borrowing necessitated by the quota increase. The Treasury sale of securities reduces the pool of loanable funds, and similarly, the sale of gold reduces demand deposits, which are also a source of loanable funds.

Mr. WYLIE. I thank the chairman for his contribution.

I just reiterate. I do not think we should sell it. I do not think we should use it as collateral. I do not think we should return to any form of a gold standard.

□ 1640

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from Texas (Mr. PAUL).

The question was taken; and the chairman announced that the noes appeared to have it.

Mr. PAUL. Mr. Chairman, I demand a recorded vote.

A recorded vote was refused.

So the amendment was rejected.

AMENDMENT OFFERED BY MR. DORGAN

Mr. DORGAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DORGAN: page 28, after line 8, insert the following:

PROHIBITION ON RENEGOTIATION FEES

SEC. 308. (a)(1) Notwithstanding any other provision of law (including any other provision of this title), in order to avoid excessive debt service burdens on debtor countries, no banking institution shall charge, in connection with the restructuring of an international loan, any fee exceeding the administrative cost of the restructuring.

(2) Notwithstanding any other provision of law (including any other provision of this title), any fee which is authorized to be charged under paragraph (1) shall be amortized over the effective life of the loan involved.

(b) The requirements of subsection (a) shall take effect on the date of the enactment of this section. Each appropriate Federal banking agency shall promulgate such regulations as are necessary to further carry out the provisions of this section.

Mr. DORGAN (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from North Dakota?

Mr. ST GERMAIN. Mr. Chairman, I would like to hear the amendment read. I object.

The CHAIRMAN. Objection is heard.

The Clerk will read.

The Clerk concluded the reading of the amendment.

The CHAIRMAN. The Chair will inquire of the gentleman from North Dakota whether this amendment has been printed in the RECORD.

Mr. DORGAN. Yes, it has, Mr. Chairman.

The CHAIRMAN. The gentleman from North Dakota (Mr. DORGAN) is recognized for 5 minutes in support of his amendment.

Mr. DORGAN. Mr. Chairman, this amendment is very simple. In the first section, it prohibits any fees exceeding the administrative costs on restructuring of the debt between the debtor countries and the creditors, and, second, it provides that the administrative fees that are charged shall be amortized over the effective life of the loan involved.

I would like to use the time not only to encourage support of this amendment but to point out to the Members of the House some information that I have received in a study that was published internally in the International Monetary Fund in April 1983. The study is very interesting because the study suggests that there are some dimensions to this problem that we have not yet discussed on the floor of this House.

It seems to me that when you start down a road, you had better figure out how far you are going to go and what direction you are headed, and I do not think this House has done this with the IMF issue.

We are being told that we ought to commit ourselves to an $8.4 billion contribution to the International Monetary Fund. Some ask the question, how much more is there that we are going to be asked to commit to in the years ahead? That question has not been answered. Some allege that there is going to be a great deal more required of our Government and other governments in contributions to the IMF if the problem is going to be solved. The study I am going to refer to was provided to me—and I assume it has been provided to some others—was marked "Confidential," but it was published in April 1983 at the IMF, and I would like to read a couple of sections.

First, on page 5, in the introduction the economists provided a standard disclaimer: "These calculations are of course hypothetical and in practice, it is highly unlikely that the present cumulative access limits would be reached as a result of arrangements at the current" level, provided that repurchases are made on schedule, et cetera, et cetera, it states.

Then we have 35 pages of analysis. I would like to read from the conclusion on page 35. It says this:

> The foregoing discussion on the potential new access limits reflects the persisting strain in the international financial system and the continuing need of member countries for balance of payments assistance from the Fund. It is evident from the projections presented in the paper that the potential demand for Fund resources would put the Fund's liquidity position under considerable strain within the two years following the increase in quotas.

Let me read the last sentence again, because I think it is important:

> It is evident from the projections presented in the paper that the potential demand for Fund resources would put the Fund's liquidity position under considerable strain within the two years following the increase in quotas.

Mr. ROEMER. Mr. Chairman, will the gentleman yield?

Mr. DORGAN. Mr. Chairman, the question that I think we need to answer here is, where are we headed, and how far? Is this the first installment of a large debt that we are going to have to ask the American people to assume? Is the ultimate contribution going to be $18 billion in a 2-year period, or $20 billion?

If so, what does that mean to our credit markets? What does it mean to interest rates? What does it mean for housing?

I think we have to answer these questions, and it seems to me that saying, "Yes, let us go ahead with the $8.4 billion" without understanding that there are probably going to be further requests, is a very serious error.

This document comes from the International Monetary Fund. It makes an important point, and I think Members ought to consider this point when they vote on this bill. I think we should vote this bill down until we understand the dimensions of the problem.

Mr. Chairman, I would be happy now to yield to the gentleman from Louisiana.

Mr. ROEMER. Mr. Chairman, I thank my colleague, the gentleman from North Dakota, for yielding.

As I understand it, the gentleman is telling the House that by a study done the IMF itself, they raise the possibility that this is just a first payment, this being "only" $8.4 billion, and that there might be other payments.

What kind of probability do they put on that? As I noticed it, the caveat to exemption said, "If repayment is made."

As I read the newspapers now, if they are any judge of economic sense, repayments are in great difficulty at present. So it seems that this possibility might be a probability, and this is just the first of many times we will come to the House floor and ask the taxpayer to put up money in this regard.

Mr. DORGAN. Well, it seems to me that is likely, and the caveat is in the introduction, a caveat that is likely to appear in any economic analysis. It says that these are hypothetical, and so on, but then it gets to the conclusion and it says:

> It is evident from the projections presented in the paper that the potential demand for Fund resources would put the Fund's liquidity position under considerable strain within the two years following the increase. * * *

The question is this: Where are we headed, and how far? The Members of the House do not know the answers to those questions, and I think we ought to know the answers before we vote affirmatively on the quota increase for the IMF. This bill is asking the American taxpayers to bail out the big banks. Members stand up here and say that is not true, but that is exactly what it is. You could dye that money purple and the Wall Street bankers would have purple pockets a month after the IMF gets the money because that is the circle it is traveling in.

Mr. Chairman, it is asking the American taxpayer to bail out the banks, and we do not know how far that bailout is going to take us.

Mr. ST GERMAIN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I think it is important that we not lose sight of the amendment that is before us. I shall not take too much time. I ask my staff member to tug at my coattail here in about a minute and a half so I may address the amendment.

As to the quote from the study, it is from a very lengthy study, and the gentleman from North Dakota arrives at some very interesting conclusions. But, very frankly, when I began the hearings before the full Committee on Banking on this legislation back last year, one of the first caveats I came up with was to ask the proponents from the administration, the Federal Reserve Board, and the other witnesses as to the adequacy of the request for the increase and when they might think another request for an increase might be made.

I also made it very clear to them that we would consider the pending increase very carefully, and that they were on notice of the fact that increases in the future would be looked at with even more stringency than this one. And believe you me, I say to the ladies and gentlemen of the House, never before have such thorough hearings been held, and never before has such a study been made.

Certainly anything is possible. It is possible indeed that the gentleman from North Dakota might vote for the legislation at the conclusion of our en-

treaties. That is possible. Probably not.

The report from which he read an excerpt was one, as he himself stated, that took some very—well, let me quote from it:

These calculations are of course hypothetical and in practice, it is highly unlikely that the present cumulative access limits would be reached as a result of arrangements at the current annual or triennial access limits if repurchases are made on schedule.

Therefore, I want to make it very clear that the report is very hypothetical.

□ 1650

Now, let us get to the amendment itself, and I am not about to yield any time. Let us get to the amendment itself.

The amendment presented by the gentleman from North Dakota has to do with fees and the restructuring of fees. I think it is important that we recall the fact that we have indeed addressed this in three other areas already in our amendments and in the bill itself. The amendment that was offered by the gentleman from Rhode Island on behalf of himself and the gentleman from Ohio (Mr. WYLIE), the Schumer amendment, as well as title IV of the reported bill all addressed this issue. So as a result thereof, I think it is important to realize that we have not neglected this. We have addressed it.

Therefore, I would call for defeat of the amendment.

Mr. WYLIE. Mr. Chairman, will the gentleman yield?

Mr. ST GERMAIN. I yield to the gentleman from Ohio.

Mr. WYLIE. Mr. Chairman, I, too, want to oppose the amendment.

As the gentleman from Rhode Island just suggested, in the amendment which was offered last Friday we have language which prohibits banks from charging "Any fee exceeding the administrative cost of the restructuring, unless it amortizes such fee over the effective life of the loan."

Now, we have prohibited the loading up of front-end fees on rescheduling; but to suggest that there should never be any fee on rescheduling would discourage any rescheduling.

Mr. ST GERMAIN. That is not the case.

Mr. WYLIE. What we are trying to do is get these banks to reschedule some of these loans to these countries.

Whereas this is substantially the same amendment which we adopted last Friday, there is enough of a difference, it seems to me, that it would defeat the whole purpose of what we tried to do. If we do prohibit any profit, it would remove any disincentive for every borrower in the world to demand a rescheduling of his debt; so I think that the amendment should be defeated.

Mr. ST GERMAIN. Mr. Chairman, I want to thank the gentleman for his contribution.

I want to repeat that in the opinion of the chairman of the committee, we have sufficiently addressed this area of controversy. For that reason, I recommend defeat of the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Dakota (Mr. DORGAN).

The question was taken; and the Chairman being in doubt, the committee divided, and there were—ayes 24, noes 16.

So the amendment was agreed to.

The CHAIRMAN. Are there further amendments?

AMENDMENT OFFERED BY MR. DANNEMEYER

Mr. DANNEMEYER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DANNEMEYER: Page 19, line 16, insert "(a)" after "SEC. 40."

Page 19, after line 20, insert the following:

"(b)(1) Not later than eighteen months after the date of the enactment of this section, the Secretary of the Treasury shall establish a par value for the dollar in gold and thereafter shall redeem in gold at such price all Federal Reserve notes which are presented to the Secretary for redemption.

"(2) Subsection (a) shall not take effect until the date on which the Secretary of the Treasury transmits a notice to both Houses of the Congress specifying that the Secretary has complied with the provisions of paragraph (1).".

The CHAIRMAN. The Chair would inquire of the gentleman whether the amendment has been printed in the RECORD.

Mr. DANNEMEYER. It has been, Mr. Chairman.

POINT OF ORDER

Mr. ST GERMAIN. Mr. Chairman, I make a point of order against the amendment.

The CHAIRMAN. The gentleman will state his point of order.

Mr. ST GERMAIN. Mr. Chairman, I raise a point of order against the amendment on the ground that it affects matters beyond the scope of the legislation and is therefore not germane.

The bill directs the Secretary of the Treasury to take certain actions regarding the IMF international lending institutions, and affects lending by U.S. banks.

The amendment requires the Secretary of the Treasury to redeem gold for Federal Reserve notes. This, in turn, would require the Federal Reserve to manage the money supply with a eye toward keeping the market and dollar-convertible gold prices equal. Such a policy would be an abrupt shift from managing the money supply to maximize U.S. employment and price stability, as is now required by the Federal Reserve Act. Neither of these topics—the Secretary's responsibilities with respect to the value of gold, nor the monetary policy duties of the Federal Reserve—are covered by the legislation.

Thus, the amendment would require the Secretary of the Treasury and the Federal Reserve to take actions beyond the scope of the bill and far different in character than those required in the bill. I ask the Chair to rule the amendment out of order.

The CHAIRMAN. Does the gentleman from California (Mr. DANNEMEYER) seek to be heard on the point of order?

Mr. DANNEMEYER. Yes; I do, Mr. Chairman.

1. Deschler's Procedure, Chapter 28 § 14.4: "The rule on germaneness does not require that an amendment offered as a separate section be germane to the preceding section of the bill, but it is sufficient that it is germane to the subject matter of the bill as a whole."

2. Chapter 28 § 14.14: (Parliamentarian's Note) "The general rule that an amendment must be germane to the portion of the bill to which offered is limited by the proposition that an amendment in the form of a new section or paragraph need not necessarily be germane to the section or paragraph immediately preceding it." (8 Cannon's Precedents §§ 2932, 2935)

3. Chapter 28 § 14.10: "An amendment in the form of a new section need not necessarily be germane to the preceding section of the bill, it being sufficient, where the bill contains diverse subjects, that the amendment relate to the bill as a whole."

And the final point:

4. Deschler's Procedure, Chapter 27 § 27.14: "To a bill continuing authority under existing law to make contributions to an international financial organization and authorizing appropriations for those contributions, an amendment adding a further restriction on the use of U.S. contributions to those already contained in that law is germane."

For these reasons, Mr. Chairman, I would submit that the point of order is not well taken.

The CHAIRMAN. The Chair is prepared to rule.

The Chair agrees with the gentleman from Rhode Island that the matter covered by this amendment goes well beyond the scope of this bill and deals with the responsibilities of the Secretary of the Treasury in managing monetary policy of this country and also goes to the question of the powers of the Federal Reserve Board.

For that reason, the point of order is sustained. The amendment is not in order.

AMENDMENT OFFERED BY MR. DANNEMEYER

Mr. DANNEMEYER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DANNEMEYER: Page 19, line 16, insert "(a)" after "SEC. 40."

Page 19, after line 20, insert the following:

"(b)(1) Not later than eighteen months after the date of the enactment of this sec-

tion, the Secretary of the Treasury shall establish a par value for the dollar in gold.

"(2) Subsection (a) shall not take effect until the date on which the Secretary of the Treasury transmits a notice to both Houses of the Congress specifying that the Secretary has complied with the provisions of paragraph (1)."

The CHAIRMAN. The Chair would inquire of the gentleman from California whether this amendment has been printed in the RECORD.

Mr. DANNEMEYER. Yes, it has, Mr. Chairman; it has been printed in the RECORD.

POINT OF ORDER

Mr. ST GERMAIN. Mr Chairman, I raise a point of order against the amendment.

The CHAIRMAN. The gentleman from Rhode Island will state his point of order.

Mr. ST GERMAIN. Mr. Chairman, I raise a point of order against the amendment on the ground that it affects matters beyond the scope of the legislation and is therefore not germane.

The bill directs the Secretary of the Treasury to take certain actions regarding the IMF, international lending institutions and affects lending by U.S. banks.

The amendment requires the Secretary of the Treasury to establish a par value for the dollar in gold. In order to do this the Secretary would have to take some action in the gold market to defend this action, such as agreeing to sell gold at its par value. This, in turn, would require the Federal Reserve to manage the money supply with an eye toward keeping the market and dollar-convertible gold prices equal. Such a policy would be an abrupt shift from managing the money supply to maximize U.S. employment and price stability, as is now required by the Federal Reserve Act. Neither of these topics—the Secretary's responsibilities with respect to the value of gold, nor the monetary policy duties of the Federal Reserve—are covered by the legislation

Thus, the amendment would require the Secretary of the Treasury and the Federal Reserve to take actions beyond the scope of the bill and far different in character than those required in the bill. I ask the Chair to rule the amendment out of order.

The CHAIRMAN. Does the gentleman from California desire to be heard on the point of order?

Mr. DANNEMEYER. I do, Mr. Chairman.

The distinction between this amendment and the one that this Member from California previously offered is very simple. I have deleted from the amendment that is now pending before the committee the paragraph or the clause that says: "and thereafter shall redeem in gold at such price all Federal Reserve notes which are presented to the Secretary for redemption."

That clause is gone.

□ 1700

It is the opinion of this Member from California that the deletion of that clause will eliminate the impediment which caused the Chair to previously rule that the point of order to the previous amendment should be and was sustained.

And the points of authority I would like to cite on behalf of that position are consistent with the points and authorities that I cited with respect to the previous point of order on that amendment.

The CHAIRMAN. The Chair is prepared to rule.

The Chair would rule that the distinctions between this amendment and the one previously offered are minor distinctions and that the reasoning advanced by the gentleman from Rhode Island (Mr. ST GERMAIN) on the point of order against the previous amendment also holds true for this amendment.

The point of order is sustained and the amendment is not in order.

AMENDMENT OFFERED BY MR. PAUL

Mr. PAUL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PAUL: Page 19, after line 20, insert the following:

"(b) The United States Governor of the Fund shall not consent to the increase in the quota specified in subsection (a) unless each country which contributes to the quota increase involved is given an amount of gold from the Fund which is equal, at a market related price, to the value of such country's quota contribution.

Page 19, line 16, strike out "The United States" and insert in lieu thereof "(a) Subject to subsection (b), the United States".

ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN. Before proceeding, the Chair would request that the gentleman from Texas and other Members who have more than one amendment to offer might consult with the Clerk's office and number the amendments just for ease of identification.

The Chair would inquire of the gentleman from Texas whether this amendment has been printed in the RECORD.

Mr. PAUL. It has, Mr. Chairman, on July 19.

The CHAIRMAN. The gentleman from Texas is recognized for 5 minutes in support of his amendment.

Mr. PAUL. Mr. Chairman, earlier I presented an amendment which would have required the sale of gold rather than the funding of the IMF through further appropriations from the American taxpayer.

This amendment is somewhat different because it does not affect the appropriation. The appropriation still would occur.

But we would do something with the gold. As was pointed out in the very short debate on the other amendment, this gold is just sitting there and the official policy is that gold is no longer money and that it is not to be made money anymore by the authorities. Yet it still is sort of bewildering to me how the antigold forces, those who detest the notion that gold might be money, cling to it.

So I would suggest: Let paper be money. Let Federal Reserve flow forth. Let SDR's flow forth and we will all be wealthy. Run the presses faster and we will be richer.

This is what we have been saying to the world. We are trying to convince the world that wealth comes out of a printing press.

If this be the case, why do we not be consistent? Why do we say one thing and then the next moment cling to the only asset the IMF has?

So I am suggesting here and requesting that our people be protected in this country by saying that if they have to cough up another $8.4 billion, simply do what the IMF and the U.S. Government has already done, really and truly demonetize gold, return the gold, sell it to the people. Let them make jewelry out of it. But do not let it stay in the IMF unless for some reason it makes the IMF more powerful, unless for some reason they need it as an emergency monetary asset.

My amendment would do this: If we gave $8.4 billion to the IMF they would return the appropriate amount of gold in terms at the market price. It is as simple as that, and other country that comes up with an appropriation, with their quotas, they would also receive the gold which is merely only returning the gold from where it came.

So to me this would conform with their policy. It would be a more appropriate use of gold. It would forever, once and for all, lay the fears at rest to those who fear that someday we may have honest money again, money that cannot be printed by the politicians.

So if you fear the day when the people control the money, you must support the position that IMF keep the gold.

The IMF would then have this full power.

So, to me, it sounds very reasonable. There are 103 million ounces of gold there. There is plenty of leeway. Even at today's prices there would be gold left over.

This would be very appropriate.

You know the terms we hear is that there is going to be an exchange of assets. Just think about it. The Fed prints up the money and we give it to the Treasury. The Treasury sends it over to IMF and they send us pieces of paper and they say that is a true transfer and exchange of assets.

That is a bunch of hokus-pokus. The true exchange of assets is if we give them paper and get some gold. Now, that is the exchange of assets that I would like to see. We need to get the gold back into the country and actually into the hands of the people, which I think would be proper. In a free society the gold is held by the people and they are given the choice of whether or not they choose to use it as money. It is never given to a central bank and giving it to an international central bank such as the IMF is even worse. Let us hope someday the gold will be given to its rightful owners, the individual citizens of the United States.

Mr. ROEMER. Mr. Chairman, will the gentleman yield?

Mr. PAUL. I yield to the gentleman from Louisiana.

Mr. ROEMER. There is a lot of misinformation about this IMF thing. I would point to the Washington Post editorial this morning where they have a long editorial supporting the IMF and they talk about Mexico.

This has absolutely nothing to do with Mexico. As Paul Volcker said before our subcommittee this morning, Mexico has already been handled.

But on the question of gold, does the IMF own the gold and, if so, where did they get it?

Mr. PAUL. They got the gold from the member countries. So we have at one time submitted that gold from our country, a certain percentage of it. So it would be in essence a smooth vehicle for returning the gold, since it has been demonetized, and that would in no way disrupt any of the wonderful, wonderful functions of the IMF.

So any of you who really like the IMF could support this because it does not disrupt any of the functions. It would merely be a true exchange of assets.

Mr. ROEMER. Is the gold owned by the IMF or is it owned by individual member nations who have loaned it to the IMF?

Mr. PAUL. I understand that the IMF owns this gold.

Mr. WYLIE. Mr. Chairman, I rise in opposition to the amendment.

I spoke briefly to this a little while ago.

But in 1981 and 1982 the gentleman from Texas and I served on the Congressional Gold Commission to establish a role for gold in domestic and international monetary systems. I know the gentleman from Texas would like for us to return to a gold standard, but I asked the Members who would be the major beneficiaries of having a role for gold?

The gentleman's amendment would suggest that the Fund would have to give up all its gold before they could get any part of this $8.4 billion quota increase. If the price of gold doubles from $430 an ounce to $860 an ounce as a result of this new role, then what does that do to the world markets?

We have a question of where we get into an inflation pattern all over again.

I would also suggest that three-fourths, and I mentioned this earlier, three-fourths of all of the world's gold is produced by two countries: South Africa and the Soviet Union. These two countries would be the major beneficiaries of returning to a role for gold at this time.

Now, to vote for gold and against the IMF quota increase it seems to me is to vote for the Soviet Union and for South Africa so that they would have a better role in international monetary affairs.

□ 1710

I submit that with all sincerity. I do not think that we should tie our economy to the quantities of gold which might be made available on the world market through the International Monetary Fund.

For these reasons, Mr. Chairman, I would oppose the amendment of the gentleman from Texas.

Mr. NEAL. Mr. Chairman, will the gentleman yield?

Mr. WYLIE. I yield to the gentleman from North Carolina.

Mr. NEAL. On this subject of gold, our office has received a number of postcards from an organization called Free the Eagle.

I had not heard of that organization before, but all of a sudden a little newsletter turned up in my office. The author of it is a fellow by the name of Howard Ruff. He is trying to make some money, of course. He says, talking about "Free the Eagle," that his group may actually "block the big bank bailout." Then he says—and this is sort of interesting: "If we win, I am concerned about the consequences to the world." A modest statement. He goes on to ask, "Would our victory bring about a great depression?"

"It is possible," he says, but he shows no concern whatsoever about that possibility.

That might not be so bad for someone who could make a little money on gold.

The gentleman from Ohio made an excellent point earlier on this question of gold. This amendment would ask our IMF executive director to vote for something the IMF obviously is not going to do. So, we would make null and void our influence in the IMF. Certainly other countries would not go along with this; it makes no sense.

Actually, the gold held by the IMF helps to back up and protect our assets in the Fund. Instead of handing the gold back to 146 member countries, we would be a lot better off having it right there to keep the IMF strong.

Mr. WYLIE. I thank the gentleman for his contribution.

Mr. Chairman, may I say this was a distinguished committee, this Commission on Gold, to study the matter.

The Chairman of that was Donald Regan, Secretary of the Treasury of the United States. The report concluded, "The majority of us at this time favor essentially no change in the present role of gold."

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from Texas (Mr. PAUL).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. PAUL. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present.

The Chair announces that pursuant to clause 2, rule XXIII, he will vacate proceedings under the call when a quorum of the committee appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

□ 1730

QUORUM CALL VACATED

The CHAIRMAN. One hundred Members have appeared. A quorum of the Committee of the Whole is present. Pursuant to clause 2, rule XXIII, further proceedings under the call shall be considered as vacated.

The committee will resume its business.

The pending business is the demand of the gentleman from Texas (Mr. PAUL) for a recorded vote.

A recorded vote was refused.

So the amendment was rejected.

AMENDMENT OFFERED BY MR. GRAMM

Mr. GRAMM. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GRAMM: On page 22, line 17, after the word "apartheid" add "and communist dictatorships".

On page 22, line 21, strike the word "practice" and all that follows through the word "labor" on line 23, and insert in lieu thereof the following: "practices of apartheid and communist dictatorship result in severe constraints on labor and capital mobility and other highly inefficient labor and capital."

On page 23, line 4, strike the period and insert in lieu thereof "or communist dictatorship."

The CHAIRMAN. The Chair will inquire of the gentleman from Texas (Mr. GRAMM) whether his amendment was printed in the RECORD.

Mr. GRAMM. It was printed in the RECORD on July 29, at page H6030, Mr. Chairman.

The CHAIRMAN. The gentleman from Texas (Mr. GRAMM) is recognized for 5 minutes in support of his amendment.

Mr. GRAMM. Mr. Chairman, in a very interesting section of this bill, on page 22, a very strong and cogent argument is made that apartheid represents an impediment to labor mobility and economic growth, creates balance of payments problems and, therefore, it contradicts the goals of IMF. IMF should not, therefore, lend money to nations which practice apartheid.

I think this is a very important concept. It brings into consideration the economic environment in a country in determining eligibility for IMF loans.

Mr. Chairman, I would like to expand on that concept by noting that if apartheid represents an impediment to labor mobility and, therefore, violates the objectives of IMF, and countries that practice it should, therefore, not be granted loans; surely that logic applies to an economic system which limits both capital and labor mobility. Therefore, recognizing the important—in fact, pathbreaking—idea embodied in this section of the bill, I seek to expand this section of the bill to include not only apartheid but also Communist dictatorship. Since Communist dictatorships limit both capital and labor mobility, impede economic growth and violate the objectives of IMF; I simply move to expand the concept embodied in the bill to include Communist dictatorships.

I, in the process, give my colleagues an opportunity to cast a real and clear-cut vote: Do you want to instruct our IMF representative to vote against lending the American taxpayers' money to Communist dictatorships?

Mr. PATTERSON. Mr. Chairman, will the gentleman yield?

Mr. GRAMM. I yield to the gentleman from California.

Mr. PATTERSON. Mr. Chairman, the gentleman raises a point I think by adding that language, but he bars only Communist dictatorships. I think if you are making an economic argument, which the gentleman so stated, then would the gentleman support an amendment to not make loans to any dictatorship?

Mr. GRAMM. If the gentleman offers an amendment, I will certainly read it. I think it is very clear what I am talking about in terms of Communist dictatorship. It has a clear economic definition. Communist dictatorships impede the flow of labor and capital, and the system is clearly one of the greatest proven economic failures in history.

Mr. PATTERNSON. And the same would be true of a rightwing dictatorship?

Mr. GRAMM. It depends on what kind of economic elements exist in the economy in question. In general, dictatorships which limit political freedom also limit economic freedom.

If the gentleman would like to offer an amendment, I will be here on the floor and will be happy to debate it and, in all probability, support it. I have offered this amendment, and I ask the gentleman to support it.

Mr. PATTERSON. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this amendment really would not do what it is intended to do. Our subcommittee held hearings on this matter, and we had considerable testimony that showed that apartheid, the practice of apartheid, where virtually 70 percent of the population of a country is not allowed to be in any management position whatsoever, has a definite impact on the economy of such country. And that was the purpose of the apartheid amendment, to stop loans to countries that choose to practice economic waste through duplicity and exclusion.

By the addition of this amendment to specify that our Executive Director to the IMF will oppose loans to Communist dictatorships—perhaps the same economic argument can be made of all dictatorships.

If we are really trying to forge ahead and fight communism on every economic level, then this amendment would achieve exactly the opposite of its stated language. As a matter of fact, it would be very harmful to the United States' foreign policy and national security interests.

For example, the Soviet Union and its satellites such as Cuba, East Germany, Poland, and Bulgaria, are not members of the IMF, and receive no loans.

In addition to that, the amendment would hurt all U.S. efforts to wean countries away from the Soviet Union and to bring them over from the Communist system to a capitalist system.

The intent of the amendment, I am certain, was well meant. But we have very, very few IMF loans to communist countries, in the first place. In the second place, where we have tried to persuade countries to break away from Soviet domination, such as Hungary and Yugoslavia, we will lost this anti-Soviet battle. This amendment should be more specific as to country, because we have some communist countries that are of strategic defense value to us, and we are also weaning some of them away from the solid Soviet Communist bloc.

Mr. WYLIE. Mr. Chairman, will the gentleman yield?

Mr. PATTERSON. I yield to the gentleman from Ohio.

Mr. WYLIE. I thank the gentleman for yielding.

Mr. Chairman, I would just make the observation that there are at the present time three so-called Communist-oriented Eastern bloc countries. They are Yugoslavia, Hungary, and Romania.

May I say that I was at the International Monetary Fund meeting in Belgrade, Yugoslavia, and the Yugoslavians are certainly friendly to the United States. I do not think that they have ever been as friendly with Stalin and Stalinism and the Soviet Union as they are to our country.

Now, they have inherited their membership, I might say, also, through previous administrations. But from the perspective of having another Communist government in the IMF, I think sometimes it helps bring them closer to us, and in some cases they have, through the IMF, imposed market-type solutions to their own economic problems. And the IMF can, I think, in some cases, help influence Communist governments away from their typical state planning solutions.

I mentioned Yugoslavia, Hungary, and Romania because I think those three countries would really like to be friendly to the West, and as far as I know, they are the only three Eastern European Communist bloc countries which are now members of the IMF.

□ 1740

Mr. PATTERSON. The gentleman is absolutely correct. Hungary, Romania, and Yugoslavia are independent of the Soviet Union. They are using the IMF to move closer to the West. It seems to me it is very important that we not turn our back on those three countries. As a matter of fact, the IMF tries to teach Communists to become capitalists and this amendment would simply be extremely harmful.

Mr. ST GERMAIN. Mr. Chairman, will the gentleman yield?

Mr. PATTERSON. I yield to my chairman, the gentleman from Rhode Island.

Mr. ST GERMAIN. I want to extend my appreciation to the gentleman for yielding so that I might rise in opposition to the amendment.

Mr. Chairman, I must say the chairman of our subcommittee spoke very eloquently, as did the ranking member on the minority, and to those Members who are not on the floor at the moment, as floor manager of this legislation I would like to deliver a message via our excellent telecommunications network to the effect that we could certainly conclude this legislation early this evening if we could get more of our colleagues to join us. Now that you have been working feverishly at your desks long enough, you might want to come over here and join us in this wonderful debate. We will have a quorum present. We can avoid the quorum calls and really move this legislation along and give everyone an op-

portunity to hear the debate on both sides.

Mr. Chairman, I thank my colleague, the distinguished chairman of the subcommittee, for yielding this very precious time to me.

Mr. PATTERSON. I thank the chairman for his contribution to this debate, Mr. Chairman, let me finally point out that there is no Communist country, which is a member of the IMF, which is now in arrears on their loan. They are paying them back. We are weaning them away from Soviet-dominated Communist countries, and this amendment is very damaging to our national interest.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas (Mr. GRAMM).

The question was taken; and on a division (demanded by Mr. GRAMM) there were—ayes 12, noes 35.

Mr. GRAMM. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present.

The Chair announces that pursuant to clause 2, rule XXIII, he will vacate proceedings under the call when a quorum of the committee appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

□ 1750

QUORUM CALL VACATED

The CHAIRMAN. One hundred Members have appeared. A quorum of the Committee of the Whole is present. Pursuant to rule XXIII, clause 2, further proceedings under the call shall be considered as vacated.

The Committee will resume its business.

RECORDED VOTE

The CHAIRMAN. The pending business is the demand of the gentleman from Texas (Mr. GRAMM) for a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 242, noes 185, not voting 6, as follows:

[Roll No. 317]

AYES—242

Albosta	Britt	Craig
Andrews (NC)	Brooks	Crane, Daniel
Andrews (TX)	Broomfield	Crane, Philip
Annunzio	Brown (CO)	D'Amours
Anthony	Broyhill	Daniel
Applegate	Bryant	Dannemeyer
Archer	Burton (IN)	Daub
AuCoin	Byron	Davis
Badham	Campbell	Derrick
Bartlett	Carney	DeWine
Bateman	Chappell	Dickinson
Bennett	Chappie	Dorgan
Bereuter	Cheney	Dowdy
Bethune	Clarke	Dreier
Bevill	Coats	Duncan
Bilirakis	Coleman (MO)	Dyson
Bliley	Corcoran	Early
Boner	Coughlin	Eckart
Breaux	Courter	Edwards (AL)
Edwards (OK)	Livingston	Roemer
Emerson	Lloyd	Rogers
English	Loeffler	Rose
Erdreich	Long (MD)	Roth
Evans (IA)	Lott	Rowland
Fiedler	Lowery (CA)	Rudd
Fields	Lujan	Russo
Flippo	Lungren	Sawyer
Florio	Mack	Schaefer
Fowler	MacKay	Schroeder
Franklin	Marlenee	Schulze
Frost	Marriott	Sensenbrenner
Fuqua	Martin (IL)	Sharp
Gaydos	Martin (NC)	Shaw
Gekas	Martin (NY)	Shelby
Gilman	Mazzoli	Shumway
Gingrich	McCain	Shuster
Glickman	McCandless	Siljander
Gonzalez	McCloskey	Sisisky
Goodling	McCollum	Skeen
Gradison	McCurdy	Skelton
Gramm	McDonald	Slattery
Gregg	McEwen	Smith (NE)
Gunderson	McGrath	Smith (NJ)
Hall, Sam	McKernan	Smith, Denny
Hamilton	Mica	Smith, Robert
Hammerschmidt	Miller (OH)	Snowe
Hance	Molinari	Snyder
Hansen (ID)	Mollohan	Solomon
Hansen (UT)	Montgomery	Spence
Hartnett	Moore	Stangeland
Hatcher	Moorhead	Stenholm
Hefner	Mrazek	Stump
Hightower	Murphy	Sundquist
Hiler	Myers	Tallon
Hillis	Natcher	Tauzin
Holt	Neal	Taylor
Hopkins	Nelson	Thomas (CA)
Hubbard	Nichols	Thomas (GA)
Huckaby	Nielson	Traxler
Hughes	O'Brien	Valentine
Hunter	Oxley	Vander Jagt
Hutto	Packard	Vandergriff
Ireland	Parris	Volkmer
Jacobs	Pashayan	Vucanovich
Jenkins	Patman	Walgren
Jones (OK)	Paul	Walker
Kasich	Pease	Watkins
Kazen	Penny	Weber
Kemp	Perkins	Whitehurst
Kindness	Petri	Whitley
Kogovsek	Pickle	Whittaker
Kolter	Pursell	Whitten
Kramer	Quillen	Williams (MT)
Lagomarsino	Ray	Williams (OH)
Latta	Regula	Wilson
Leath	Reid	Winn
Lent	Ridge	Wolf
Levitas	Rinaldo	Wortley
Lewis (CA)	Ritter	Young (AK)
Lewis (FL)	Roberts	Young (FL)
Lipinski	Robinson	

NOES—185

Ackerman	Collins	Forsythe
Addabbo	Conable	Frank
Akaka	Conte	Frenzel
Alexander	Conyers	Garcia
Anderson	Cooper	Gejdenson
Aspin	Coyne	Gephardt
Barnard	Crockett	Gibbons
Barnes	Daschle	Gore
Bates	de la Garza	Gray
Bedell	Dellums	Green
Beilenson	Dicks	Guarini
Berman	Dingell	Hall (IN)
Biaggi	Dixon	Hall (OH)
Boehlert	Donnelly	Harkin
Boggs	Downey	Harrison
Boland	Durbin	Hawkins
Bonior	Dwyer	Hertel
Bonker	Dymally	Horton
Borski	Edgar	Howard
Bosco	Edwards (CA)	Hoyer
Boucher	Erlenborn	Hyde
Boxer	Evans (IL)	Jeffords
Brown (CA)	Fascell	Johnson
Burton (CA)	Fazio	Jones (TN)
Carper	Feighan	Kaptur
Carr	Ferraro	Kastenmeier
Chandler	Fish	Kennelly
Clay	Foglietta	Kildee
Clinger	Foley	Kostmayer
Coelho	Ford (MI)	LaFalce
Coleman (TX)	Ford (TN)	Lantos
Leach	Oakar	Smith (FL)
Lehman (CA)	Oberstar	Smith (IA)
Lehman (FL)	Obey	Solarz
Leland	Olin	Spratt
Levin	Ortiz	St Germain
Levine	Ottinger	Staggers
Long (LA)	Owens	Stark
Lowry (WA)	Panetta	Stratton
Luken	Patterson	Studds
Lundine	Pepper	Swift
Madigan	Porter	Synar
Markey	Price	Tauke
Martinez	Pritchard	Torres
Matsui	Rahall	Torricelli
Mavroules	Rangel	Towns
McDade	Ratchford	Vento
McHugh	Richardson	Waxman
McKinney	Rodino	Weiss
McNulty	Roe	Wheat
Michel	Rostenkowski	Wirth
Mikulski	Roukema	Wise
Miller (CA)	Roybal	Wolpe
Mineta	Sabo	Wright
Minish	Savage	Wyden
Mitchell	Scheuer	Wylie
Moakley	Schneider	Yates
Moody	Schumer	Yatron
Morrison (CT)	Seiberling	Young (MO)
Morrison (WA)	Shannon	Zablocki
Murtha	Sikorski	Zschau
Nowak	Simon	

NOT VOTING—6

Hall, Ralph	Jones (NC)	Udall
Heftel	Stokes	Weaver

□ 1810

Messrs. MORRISON of Washington, ZSCHAU, SMITH of Florida, and SMITH of Iowa changed their votes from "aye" to "no."

Messrs. EDWARDS of Alabama, ANDREWS of Texas, KOGOVSEK, and CLARKE changed their votes from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

Mr. PORTER. Mr. Chairman, I support President Reagan's request that the Congress increase the U.S. participation in the International Monetary Fund by $8.4 billion.

My support for this increase, however, hinges on provisions of the legislation that will instill discipline in international lending practices of U.S. banks. In no way will I support an IMF bailout of financial institutions which have employed shoddy lending practices in the past. In other words, I will not support the additional money without strong requirements with respect to and restraints on foreign lending by U.S. financial institutions.

The requested increase—$5.8 billion to supplement the basic resources of the IMF, and $2.6 billion to the General Agreements to Borrow—comes after months of negotiating with the IMF and the other 145 member nations to replenish the IMF's resources to encourage balanced worldwide economic growth.

There is no question that commercial banks have overextended themselves in some lesser developed countries (LDC's) in the hope that commodity prices would remain artificially high due to inflation and that debtor countries would remain in a strong po-

sition to continue exporting products to foreign markets. These exports permitted the LDC's to use their commodities as collateral when negotiating loans with commercial banks. Unfortunately, given the LDC's high inflation and export-rich economic conditions of the past 7 years, some commercial banks abandoned prudent and accepted banking practices and overextended themselves in the LDC's. Once the rate of inflation was substantially reduced, thereby devaluing the LDC's commodities, exports by LDC's quickly fell off and the countries were unable to service their debts.

The funding increase request now before us will not provide money for debtor nations to directly repay loans made by the large commercial banks. The increase is a loan to the IMF, which, like all loans, will be repaid with interest to the United States. The loan will enable the IMF to continue to negotiate loans with member nations and to impose its stringent austerity programs to stabilize the economies of the LDC's seeking IMF support.

Mr. Chairman, the large commercial banks should be encouraged to return to more prudent loan practices, and this legislation provides for a market-oriented loan loss reserve requirement to provide economic disincentives for banks to enter into questionable loan agreements. The loan-loss-reserve provisions mandate that Federal agencies establish a uniform loan reserve standard and phase-in schedule for loans where there is a substantial likelihood that the loan will not be repaid as expected without additional borrowing or major restructuring. These loan loss reserve requirements provide incentives for banks to enter into more prudent loan agreements with debtor nations.

This legislation is not direct foreign aid because all 146 member nations, including the United States, are eligible for IMF loans. In fact, the United States and the United Kingdom are the two leading borrowers of IMF funds. The loans are usually 3 to 5 years at near market rates, currently about 10 percent. The IMF has never experienced a loan default and chances are excellent that it will repay our loan with interest.

Furthermore, increasing the U.S. share to the IMF will provide jobs to U.S. workers. Twenty percent of the manufacturing jobs in the United States can be directly attributed to exporting. Of the 26 current IMF programs, 19 have provided higher growth levels and increased imports in the first year of the program. In Mexico, for instance, estimated U.S. exports in 1983 with the IMF program is $11.9 billion, compared to estimated $4.9 billion without the IMF program. Clearly, the Congress must take advantage of as many export opportunities as possible given the fact that the recovery will soon be entering a stage in which exports will become an increasing dominant element.

Mr. Chairman, it is important to world economic stability that the United States join the other 145 IMF member nations in increasing its share of IMF funding. If we do not provide these funds, other member nations will withdraw support from the IMF and further imbalance world economic growth and the possibility of international monetary collapse could result. I urge my colleagues to support this legislation.

Mr. BEDELL. Mr. Chairman, I rise reluctantly today in favor of H.R. 2957 and only after thoroughly examining the alternatives to a quota increase and the consequences of failing to pass this legislation.

As a Congressman, my concerns lie not with big banks, but with the people, our constituents, and how they might be affected by worldwide loan defaults and an international banking crisis. While some say that they are willing to take the risk that such a crisis would not be precipitated by American rejection of a quota increase to IMF, it would appear that such action might force at least some nations into default as they are deprived of additional IMF assistance. Because it is impossible to forecast exactly how extensive a potential collapse might be or to what degree such defaults would damage the world economy, and because Americans have so much to loose in an extensive banking collapse, I must, in the best interests of my constituents, support a responsible action aimed at preventing extensive loan defaults.

It is my belief that the $5.8 billion quota increase and the $2.6 billion contribution to the General Arrangements to Borrow (GAB) authorized in H.R. 2957 represent just such a responsible and necessary action for several reasons.

First, the American economy is today, more than ever, dependent on world trade. It is estimated that in 1982, 40 percent of our agricultural products were sold abroad and 5 percent of our total civilian work force was engaged in manufacturing jobs for export. Even the most conservative estimates place the fall in GNP at 1.5 percent and the rise in unemployment at 0.5 percent if the LDC's are forced into default.

Major markets for U.S. agricultural exports include Brazil, Mexico, and South Korea, all of which have received IMF financing in the last year. In light of the severity of low domestic prices, large surpluses, and continuing financial problems, the consequences of failing to provide the IMF with funding would be particularly severe for the U.S. farmer.

In this era of increasing budget deficits and high interest rates, defaults would also mean even higher interest rates and higher deficits as American banks are forced to write off billions of dollars in loans and the Government meets the problems of unemployment with further budget outlays. While I do not believe defaults would result in the type of "economic catastrophe" prophesized by many, they most certainly would damage any chance for a sustained economic recovery in the United States.

Second, although many of my colleagues and constituents are opposed to this bill because they view it as a "bailout" of big banks with billions of dollars of the taxpayers' money, I am convinced that this is not the case. The IMF is not providing funds to countries to turn around and pay off commercial bank loans but only to finance essential imports while the country stabilizes its economy. It is also critical to emphasize that not only are commercial loans not paid back with IMF loans, but orderly economic adjustments require increased bank lending to troubled LDC's that are prepared to adopt serious revitalization programs. Commercial banks are lending, on average, $4 to debtor countries for every $1 IMF lends.

In addition, H.R. 2957 contains provisions which will help to provide a long-term solution to our current world debt difficulties. By requiring banks to report foreign lending more frequently, to spread the earnings from rescheduling fees over the effective life of the loan, to establish loan loss reserves, and to strengthen existing procedures for country risk evaluation, this bill forces banks to act more responsibly and openly when granting loans to developing countries in the future. As amended, H.R. 2957 also explicitly states that:

> The Secretary of the Treasury shall instruct the United States Executive Director of the Fund to oppose where, in his judgment, the Fund resources would be drawn principally for the purpose of repaying loans which have been imprudently made by banking institutions to the member country.

Thus, I feel that a vote for this bill is not a vote intended to benefit the big banks. It is a vote to protect the farmer, the manufacturer, and the blue collar worker. Rather than a bank "bailout," I see this as a bank "bail-in," as a way of insuring that banks take some responsibility for achieving a workable solution to current world economic problems.

The fact that U.S. contributions to the IMF are not foreign aid, but loans made at near market rates, also makes this bill seem less sinister. The cost of a quota increase to the American taxpayer is not the $8.4 billion authorized by H.R. 2957, but is instead the difference between the interest rate at

which the United States borrows the money for the contribution and the rate at which it is loaned to the debtor nation. Let us not be mistaken too about the fact that the IMF serves the developed nations as well as the LDC's. The United States is the second largest user of the Fund's resources after Great Britain, drawing a loan as recently as 1978 to help meet balance-of-payment deficits caused by skyrocketing oil prices.

An increased quota contribution is the only method by which the IMF can safely obtain the funds needed to continue to fulfill its role in stabilizing balance-of-payment deficits. Although some advocate the sale of IMF gold reserves to finance further loans, I believe this proposal to be unsound because in the end, the Treasury Department estimates that the value of American gold reserves would fall by more than the $8.4 billion authorized by H.R. 2957. Approval of such a sale would require 85 percent member approval, support that would be difficult to obtain when a vote for gold sales would substantially reduce the quality of claims held on IMF by these same nations.

Finally, Mr. Chairman, I would like to point out that many aspects of this current debate are reminiscent of the debates on other issues that were perceived as bailouts. Precedents such as those loans made to Lockheed in 1971, New York City in 1975, and Chrysler Corp. in 1979, offer some evidence that countries such as Mexico and Brazil can possibly be saved from default with responsible loan programs.

I believe passage of this bill is important to the future of our world and national economies. It seeks serious and responsible solutions to the problems that we, as a Nation, fact today, while its alternatives offer little but further economic hardship for all Americans.

AMENDMENT OFFERED BY MR. BURTON OF INDIANA

Mr. BURTON of Indiana. Mr. Chairman, I offer an amendment.

The Clerk read the amendment as follows:

Amendment offered by Mr. BURTON of Indiana. Page 28, after line 8, insert the following:

OPPOSITION TO CONCESSIONARY LOANS

SEC. 308. The Bretton Woods Agreements Act (22 U.S.C. 286 et seq.) is amended by adding at the end thereof the following:

"OPPOSITION TO CONCESSIONARY LOANS

"SEC. 46. The Secretary of the Treasury shall instruct the United States Executive Director of the Fund to actively oppose and vote against the Fund providing any loan with a rate of interest, based on the maturity of such loan, which is less than the average rate of interest for loans of a similar maturity which are guaranteed by the Small Business Administration.".

The CHAIRMAN. The Chair would inquire of the gentleman if this amendment has been printed in the RECORD.

Mr. BURTON of Indiana. It has, Mr. Chairman.

ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN. The Chair will advise the Committee that in the last 3 hours we have disposed of 14 amendments. There remain 56 amendments noted.

The Chair would appreciate the cooperation of the Members in expediting the business of the Committee.

□ 1820

Mr. BURTON of Indiana. Mr. Chairman, I wish the Chair had not told how many outstanding amendments there were before I talked.

I am going to be very brief.

Mr. Chairman, I was appalled when I found out that Communist and Third World countries are able to get loans through the IMF using American taxpayers dollars at rates 6, 7, and 8 percent below what our best businessmen can get in this country.

And what this amendment does very simply is it says that we instruct our IMF Representatives to vote against any loan which would give a Communist or Third World country a rate less than the SBA guaranteed loan rate.

In the last quarter of 1982, for example, the prime interest rate in this country was 12.8 percent. Most American small businessmen were paying an average interest rate of 15.4 percent. Yet the International Monetary Fund was handing out loan money, most of which came from American taxpayers, at an interest rate of 8.9 percent—6½ percent below the rate available to our own citizens in loans guaranteed by the Small Business Administration.

It is unthinkable that we would loan money to Communist and Third World countries at 6, 7, or 8 percent below what our best businessmen can borrow money for at our own institutions.

So, Mr. Chairman, I sincerely hope that the Members will look favorably upon this amendment because I cannot see bow Members can go back to their districts and justify voting for Communist and Third World loans at an interest rate much less than we can give to our people in this country.

Mr. ANNUNZIO. Mr. Chairman, will the gentleman yield?

Mr. BURTON of Indiana. I yield to the gentleman from Illinois.

Mr. ANNUNZIO. I thank the gentleman for yielding.

Mr. Chairman, I rise to support the gentleman's amendment and point out that on August 1 the FHA announced loans for FHA insured mortgages, 13½ percent. If you want to make a conventional mortgage in this country on a home, you pay 14½ percent. On consumer loans, our Americans are being asked to pay 25 percent.

Anybody who votes for this legislation I say shame, shame, shame, because the interest rates in this country are high and are going to go still higher if we pass out $8.1 billion to the IMF, moneys that the people of other countries will never see. It will be just an exchange between the leaders of those countries and the bankers. There will not be one nail produced or for that matter one house built.

Mr. LEWIS of California. Mr. Chairman, will the gentleman yield?

Mr. BURTON of Indiana. I yield to the gentleman from California.

Mr. LEWIS of California. I thank the gentleman for yielding.

Let me see if I understand the issue here. Is the gentleman suggesting that if the IMF is to make loans to foreign countries, that indeed they must make them at an interest rate at least as high as the market charges business people and homeowners in this country for private loans.

Mr. BURTON of Indiana. Yes, I am.

Mr. LEWIS of California. I thank the gentleman.

Mr. McKINNEY. Mr. Chairman, will the gentleman yield?

Mr. BURTON of Indiana. I yield to the gentleman from Connecticut.

Mr. McKINNEY. I thank the gentleman for yielding.

Is it not quite true that the gentleman's amendment says nothing about Communist countries, does not even mention Communist countries?

Mr. BURTON of Indiana. The amendment is very specific. It was read in its entirety. And I think the gentleman understands it.

The point of the amendment is very, very clear. And that is to make sure that those people to whom we loan money through the IMF do not get a better interest rate than our small businessmen in this country. And much of that money goes to Communist countries and the gentleman knows it.

Mr. McKINNEY. I would suggest since the gentleman's amendment about which I will have to say more later, if the Chairman will give me time, I would suggest that I think to try to bring in the last vote on the gentleman's amendment is, in fact, doing a disservice to the gentleman.

Mr. BURTON of Indiana. It is germane and the gentleman knows that.

Mr. ST GERMAIN. Mr. Chairman, I move to strike the requisite number of words and I rise in opposition to the amendment.

It is all well and good to make a plea such as this. And it sounds terrific. But let us look at the facts.

At the present time the interest rate charged on IMF loans depends on how they are funded. Loans financed from quota resources carry a charge of 6.6 percent. Loans financed from borrowed funds reflect the cost of these funds to the IMF, currently around 10 percent.

As a practical matter, loans are usually granted from both these funds and end up being given at approximately 9 percent.

Now, why do I oppose this amendment? It sounds great, oh, sure.

We know what is happening to our small businessmen. I have as many small business people, probably many more in my district, who have had problems, than the gentleman who offers the amendment.

But while I sympathize with their plight when the interest rates go up, I can also point out that high interest rates were one of the key causes of the problem we now face internationally. And I think it would be far wiser for us to explore ways of reducing the cost of capital for our small businessmen than to seek ways of increasing the cost of capital to these countries who are already strapped to the bone.

Two wrongs do not make a right. And in this instance I think that is about all we would be doing.

Now this has nothing to do with Communist nations, nothing whatsoever. As a matter of fact, the amendment that was adopted a few moments ago states that there will not be any IMF loans or we should oppose any IMF loans rather to any Communist nations. So that herring has now been cleansed. It is no longer red. It is a pure white herring.

Mr. McKINNEY. Mr. Chairman, will the gentleman yeild?

Mr. ST GERMAIN. I yield to my distinguished colleague from Connecticut.

Mr. McKINNEY. I thank the gentleman for yielding.

Mr. Chairman, we tend to get ourselves somewhat tied up here in what we say. We have talked about an $8.4 billion giveaway. We know it is not. We know it is a deposit that may not even be drawn on.

It was amazing to me on the day we had our last meeting over this subject, we threw away $6.4 billion in actual outlays on cotton PIK 2 hours later.

Most of the loans from the Small Business Administration are for 8½ years. Loans from the IMF usually average 3 or 5 years at the very most. One of the reasons that the nations of the world, particularly the LDC's, have not been able to pay back their loans is because interest rates have consumed too much of their capital.

Mr. ST GERMAIN. I am sorry, I must reclaim my time.

Mr. Chairman, I am sending an amendment up to the desk, an amendment to the amendment.

Mr. Chairman, if I ask that the amendment be read, does it come out of the 5 minutes in opposition to that amendment?

□ 1830

The CHAIRMAN. The gentleman may talk about the amendment but may not send the amendment to the desk under his 5 minutes in opposition to the pending amendment. The gentleman will have to wait until his 5 minutes are up.

Mr. ST GERMAIN. Mr. Chairman, I will be sending an amendment to the desk that will in fact instruct the Secretary of the Treasury and the U.S. Executive Director to the Fund to propose and work for the adoption of Fund policies regarding the rate of remuneration paid on the use of member's quota subscriptions and the rate of charges on Fund drawings to bring those rates in line with market rates. The Secretary of the Treasury shall report to the appropriate committees of Congress within 180 days of enactment on the progress made in implementing this provision.

This would, indeed, direct the Secretary and the Executive Director of the Fund to look into the matter that concerns the gentleman.

As I said, two wrongs do not make a right, but I think in this instance, if we could agree to this study, we could do it in a deliberate manner. We have held no hearings on the amendment pending. But the amendment that I shall offer to the amendment in a moment would, I think, cure the defect and certainly address the problem of the gentleman.

Mr. BURTON of Indiana. Mr. Chairman, will the gentleman yield?

Mr. ST GERMAIN. I yield to the gentleman from Indiana.

Mr. BURTON of Indiana. I do not believe that the small businessmen of this country who are going to be reading about this in the papers are going to be fooled by this amendment. It does not do anything, and the gentleman knows it.

Mr. ST GERMAIN. I do not yield any further.

The point will be that we are going to study the matter to determine if that which the gentleman contends in his explanation is valid, and, if so, indeed we will do everything possible to equalize the interest rates. For that reason, I shall be offering the amendment to the gentleman's amendment.

Mr. Chairman, I yield back the balance of my time.

AMENDMENT OFFERED BY MR. ST GERMAIN TO THE AMENDMENT OFFERED BY MR. BURTON OF INDIANA

The CHAIRMAN. Does the gentleman from Rhode Island (Mr. ST GERMAIN) wish to offer his amendment?

Mr. ST GERMAIN. I do, Mr. Chairman, and I believe it is at the desk.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. ST GERMAIN to the amendment offered by Mr. BURTON of Indiana: On page 28, after line 8, in lieu of the matter proposed to be inserted insert:

"SEC. 46. The Secretary of the Treasury shall instruct the U.S. Executive Director to the Fund to propose and work for the adoption of Fund policies regarding the rate of remuneration paid on use of member's quota subscriptions and the rate of charges on Fund drawings to bring those rates in line with market rates. The Secretary of the Treasury shall report to the appropriate Committees of Congress within 180 days of enactment the progress made in implementing this provision."

The CHAIRMAN. The matter is not debatable.

The question is on the amendment offered by the gentleman from Rhode Island (Mr. ST GERMAIN) to the amendment offered by the gentleman from Indiana (Mr. BURTON).

The question was taken; and the Chairman announced that the ayes appeared to have it.

Mr. BURTON of Indiana. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. A quorum is present.

RECORDED VOTE

The CHAIRMAN. The pending business is the demand of the gentleman from Indiana (Mr. BURTON) for a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 286, noes 136, not voting 11, as follows:

[Roll No. 318]

AYES—286

Ackerman	Coleman (TX)	Gaydos
Addabbo	Collins	Gejdenson
Akaka	Conable	Gekas
Albosta	Conte	Gephardt
Alexander	Conyers	Gibbons
Andrews (NC)	Cooper	Gilman
Andrews (TX)	Coughlin	Glickman
Anthony	Courter	Gonzalez
Aspin	Coyne	Goodling
AuCoin	Crockett	Gore
Badham	D'Amours	Gradison
Barnard	Daschle	Gray
Barnes	de la Garza	Green
Bartlett	Dellums	Guarini
Bateman	Derrick	Hall (IN)
Bates	DeWine	Hall (OH)
Bedell	Dicks	Hamilton
Beilenson	Dingell	Harkin
Bereuter	Dixon	Harrison
Berman	Donnelly	Hatcher
Bevill	Downey	Hawkins
Biaggi	Durbin	Hefner
Boehlert	Dwyer	Hertel
Boggs	Dymally	Hightower
Boland	Eckart	Hillis
Boner	Edgar	Horton
Bonior	Edwards (AL)	Howard
Bonker	Edwards (CA)	Hoyer
Borski	English	Hughes
Bosco	Erlenborn	Hutto
Boucher	Evans (IA)	Ireland
Boxer	Evans (IL)	Jeffords
Britt	Fascell	Jenkins
Brooks	Fazio	Johnson
Broomfield	Feighan	Jones (NC)
Brown (CA)	Ferraro	Jones (OK)
Broyhill	Fish	Jones (TN)
Bryant	Florio	Kaptur
Burton (CA)	Foglietta	Kazen
Carper	Foley	Kennelly
Carr	Ford (MI)	Kildee
Chandler	Ford (TN)	Kindness
Chappell	Forsythe	Kogovsek
Cheney	Fowler	Kolter
Clarke	Frank	Kostmayer
Clay	Frenzel	LaFalce
Clinger	Frost	Lagomarsino
Coelho	Fuqua	Lantos
Coleman (MO)	Garcia	Leach

Lehman (CA)	Nowak	Sikorski
Lehman (FL)	O'Brien	Simon
Leland	Oakar	Sisisky
Lent	Oberstar	Skelton
Levin	Obey	Smith (FL)
Levine	Olin	Smith (IA)
Lewis (FL)	Ortiz	Snowe
Long (LA)	Ottinger	Solarz
Lowery (CA)	Owens	Spratt
Lowry (WA)	Oxley	St Germain
Luken	Panetta	Staggers
Lundine	Parris	Stark
Mack	Patterson	Stratton
MacKay	Pease	Studds
Markey	Penny	Swift
Marriott	Pepper	Synar
Martin (NC)	Pickle	Tallon
Martinez	Porter	Tauke
Matsui	Price	Thomas (GA)
Mavroules	Pursell	Torres
Mazzoli	Quillen	Torricelli
McCain	Rahall	Towns
McCloskey	Rangel	Traxler
McCurdy	Ratchford	Vandergriff
McDade	Ray	Vento
McHugh	Regula	Walgren
McKernan	Reid	Weiss
McKinney	Richardson	Wheat
McNulty	Rinaldo	Williams (MT)
Mica	Rodino	Williams (OH)
Michel	Roe	Wilson
Mikulski	Rose	Wirth
Miller (CA)	Rostenkowski	Wise
Miller (OH)	Roukema	Wolpe
Mineta	Rowland	Wortley
Minish	Roybal	Wright
Mitchell	Savage	Wyden
Moakley	Sawyer	Wylie
Moody	Scheuer	Yates
Morrison (CT)	Schneider	Yatron
Mrazek	Schroeder	Young (AK)
Murphy	Schulze	Young (FL)
Murtha	Schumer	Young (MO)
Natcher	Seiberling	Zablocki
Neal	Shannon	Zschau
Nelson	Sharp	
Nielson	Shaw	

NOES—136

Anderson	Hartnett	Ridge
Annunzio	Hiler	Ritter
Applegate	Holt	Roberts
Archer	Hopkins	Robinson
Bennett	Hubbard	Roemer
Bethune	Huckaby	Rogers
Bilirakis	Hunter	Roth
Bliley	Hyde	Rudd
Breaux	Kasich	Russo
Brown (CO)	Kastenmeier	Sabo
Burton (IN)	Kemp	Schaefer
Byron	Kramer	Sensenbrenner
Campbell	Latta	Shelby
Carney	Leath	Shumway
Chappie	Levitas	Shuster
Coats	Lewis (CA)	Siljander
Corcoran	Lipinski	Skeen
Craig	Livingston	Slattery
Crane, Daniel	Lloyd	Smith (NE)
Crane, Philip	Loeffler	Smith (NJ)
Daniel	Long (MD)	Smith, Denny
Dannemeyer	Lott	Smith, Robert
Daub	Lujan	Snyder
Davis	Lungren	Solomon
Dickinson	Madigan	Spence
Dowdy	Marlenee	Stangeland
Dreier	Martin (IL)	Stenholm
Duncan	Martin (NY)	Stump
Dyson	McCandless	Sundquist
Early	McDonald	Tauzin
Edwards (OK)	McEwen	Taylor
Emerson	McGrath	Thomas (CA)
Erdreich	Molinari	Valentine
Fiedler	Mollohan	Volkmer
Fields	Montgomery	Vucanovich
Flippo	Moore	Walker
Franklin	Moorhead	Watkins
Gingrich	Morrison (WA)	Weaver
Gramm	Myers	Weber
Gregg	Nichols	Whitehurst
Gunderson	Packard	Whitley
Hall, Sam	Pashayan	Whittaker
Hammerschmidt	Patman	Winn
Hance	Paul	Wolf
Hansen (ID)	Perkins	
Hansen (UT)	Petri	

NOT VOTING—11

Dorgan	McCollum	Vander Jagt
Hall, Ralph	Pritchard	Waxman
Heftel	Stokes	Whitten
Jacobs	Udall	

□ 1850

Mr. PRICE changed his vote from "no" to "aye."

So the amendment to the amendment was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana (Mr. BURTON), as amended.

The amendment, as amended, was agreed to.

AMENDMENT OFFERED BY MR. BETHUNE

Mr. BETHUNE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BETHUNE. Page 28, after line 8, insert the following:

REIMBURSEMENT FROM BENEFICIARIES OF QUOTA INCREASES

SEC. 308. The Bretton Woods Agreements Act (22 U.S.C. 286 et seq.) is amended by adding at the end thereof the following:

"REIMBURSEMENT FROM BENEFICIARIES OF QUOTA INCREASES

"SEC. 46. (a) The Congress hereby finds—

"(1) depository institutions have charged excessive rates of interest on loans made to foreign countries;

"(2) such excessive rates of interest were often imposed in order to compensate for the declared high-risk rate of lending to such countries;

"(3) the United States Government, by increasing its quota contribution to the International Monetary Fund, has substantially reduced the risk of lending to those foreign countries which benefit from the increased resources of the International Monetary Fund;

"(4) such quota contribution by the United States Government will result in a considerable financial burden to the American taxpayer; and

"(5) permitting depository institutions to retain the profits earned from the excessive interest rates charged to such foreign countries results in unjust enrichment to such depository institutions in light of the increase in the United States quota contribution.

"(b) Each depository institution shall transmit a report to the Secretary of the Treasury specifying—

"(1) all loans made by such depository institution to any foreign country;

"(2) with respect to each such loan—

"(A) the rate of interest charged on such loan;

"(B) all service fees imposed on such loan;

"(C) the unpaid balance on such loan;

"(D) the total amount of interest collected on such loan; and

"(E) such other information as may be requested by the Secretary.

"(c)(1) The Secretary may examine the books and records of any depository institution in order to insure compliance with the provisions of this section.

"(2) The Secretary shall consult with the Board of Governors of the Federal Reserve System, the Board of Directors of the Federal Deposit Insurance Corporation, and other appropriate Federal and State regulatory agencies in order to obtain information on foreign loans by depository institutions which may have been reported to such agencies.

"(d)(1) The Secretary shall determine which loans made by depository institutions or subsidiaries thereof have been extended, refinanced, or made more secure, or in any other manner affected by the increased United States quota contribution to the International Monetary Fund made pursuant to section 40.

"(2) The Secretary shall determine the interest rate charged, and the interest rate earned, on such loans. All such interest rates shall be determined in accordance with provisions of the Truth in Lending Act and the regulations issued pursuant to such Act.

"(e)(1) With respect to loans identified in subsection (d), the Secretary shall determine which loans have earned for the depository institution involved a rate of return which is greater than the rate of return which would have been earned by such depository institution if the principal amount involved had been lent in the United States to a corporate borrower with a rating of AAA for a similar maturity.

"(2) The amount determined by the Secretary to have been earned in excess of the amount which would have been earned from a domestic loan (as determined under paragraph (1)) shall be paid to the Treasury as a reimbursement for the increased quota contribution made pursuant to section 40 of this Act.

"(f) For purposes of this section—

"(1) the term "depository institution" shall have the same meaning given such term in section 19(b)(1)(A) of the Federal Reserve Act;

"(2) the term "loan" means any extension of credit to—

"(A) a foreign government or any agency or instrumentality thereof;

"(B) any entity owned in whole or in part by a foreign government unless United States persons own at least 10 percent of such entity;

"(C) any entity which is not more than 10% percent owned by United States persons.".

Mr. BETHUNE. (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The CHAIRMAN. The Chair would inquire of the gentleman whether this amendment has appeared in the RECORD.

Mr. BETHUNE. It has, Mr. Chairman. It was printed August 2, at page H6355.

The CHAIRMAN. The gentleman from Arkansas is recognized for 5 minutes in support of his amendment.

Mr. BETHUNE. Mr. Chairman, I, of course, could have had the Clerk read the entire amendment. This is an important amendment. I have discussed it with members of the committee. It is an attempt to address one of the serious concerns I have heard most

often throughout this entire debate, and that is, what are we going to do about the big banks lining their pockets with excess fees and interest rates that were exorbitant, given the fact that if this bill passes we are reducing the risk that they would have had, had they continued on with that particular loan.

So as I said, I have talked to many of my friends. The gentleman from Maryland (Mr. MITCHELL) and I discussed this. Our interests were shared in that we were concerned about the banks taking advantage of this situation and that this might be a bailout of the big banks. I have heard other Members talk about that.

We have seen instances where they were charging interest rates in excess of 20 percent and fees in addition to that.

This amendment is pretty simple when you get right down to it. It says that if this bill passes, the Treasury Secretary will determine the amount of profit that the banks made on these loans over and above the amount they would have made on a domestic loan, triple A rating, for a comparable maturity and they will be required to reimburse that amount to the Treasury.

Now, the idea here is pretty simple. It turns out that they did not have the risk that they told us they had, because we are coming in and bailing them out. They are benefiting from this circumstance; so it is only fair to the taxpayers that we do what we can to recover the unjust enrichment they would gain by this incident.

I got this idea when the gentleman from New York (Mr. SCHUMER) offered his amendment. He was concerned about the same point; so he was going to try to compel the banks, through this legislation, to stretch out their maturities and charge lower interest rates on prospective loans.

What I am saying is if we pass this quota increase, at a minimum we ought to go back and recover the unjust enrichment that the banks will pocket if you do not pass an amendment of this nature. That is all there is to it.

I think it is a good amendment. I think it treats the problem that I have heard more often than any other in this particular bill.

Mr. CORCORAN. Mr. Chairman, will the gentleman yield?

Mr. BETHUNE. I yield to the gentleman from Illinois.

Mr. CORCORAN. Mr. Chairman, I thank my friend and colleague for yielding.

Let me propose a question to the gentleman. The gentleman from Arkansas and the gentleman from Illinois and many others, as the gentleman has pointed out, have registered objections to the pending legislation because it would appear, and we think it does, amount to a bailout for the big banks.

Is the gentleman suggesting that the adoption of this amendment would go a long way toward removing that objection to the bill?

Mr. BETHUNE. Well, I think it does. I think there are two other parties to the transactions; one, of course, being the lesser developed countries and the IMF is also a party to the transaction.

I have consistently argued all the way through that I do not think we put enough pressure on any of the parties. If the bill were defeated, we would get a better deal if we would go back and rethink this situation.

I do not have the opportunity to fashion the entire legislation, but I do have the opportunity to address this one problem. It is the one that I think is the burning issue for most Members, and so I ask you to support this amendment to correct the problem of unjust enrichment that will occur if we do not pass an amendment like this.

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. BETHUNE. I yield to the gentleman from Texas.

Mr. PATMAN. Mr. Chairman, I thank the gentleman for yielding.

I would say to the gentleman I think he has an excellent amendment. There may have been some confusion about whether the big banks were behind the bill and whether they are going to benefit from it. Of course, when the nine biggest banks in America are extended to the point of having loaned 222 percent of their capital to certain countries, then it would appear that they do have a strong interest in this bill.

I would like to say to the chairman and to the gentleman from Ohio (Mr. WYLIE) though, that when I made mention of the situation as I thought it was on July 26, I said then it certainly is the effort of the sponsors of this bill to come to the aid of the big banks. I did not mean them. I meant the outside sponsors and certainly not the legislative sponsors, such as the chairman, the gentleman from Rhode Island (Mr. ST GERMAIN) and the ranking member of the Republican Party on the Committee on Banking, two gentlemen for whom I have the greatest respect.

The gentleman's amendment would take away some of the unjust enrichment, some of the extra profit that the banks would make and make it more of a humanitarian effort on our part and on the part of the IMF to come to the aid of these countries. It would strengthen the IMF, strengthen its work in trying to bring solvency back to these countries that are so heavily in debt.

Frankly, I think one of the major obstacles to the bill and one of its major defects is that it embarks us and the IMF on a project of long-term involvement with the foreign affairs and with the foreign debts of these nations in the world that have become so heavily overextended.

I congratulate the gentleman on his amendment, and urge its adoption.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Arkansas (Mr. BETHUNE).

The question was taken; and on a division (demanded by Mr. BETHUNE) there were—ayes 45, noes 2.

So the amendment was agreed to.

□ 1900

AMENDMENT OFFERED BY MR. PAUL

Mr. PAUL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PAUL: Page 28, after line 8, insert the following:

NOTICE TO CONGRESS REGARDING BORROWING IN UNITED STATES CREDIT MARKETS

SEC. 308. Section 5 of the Bretton Woods Agreements Act (22 U.S.C. 286c) is amended by adding at the end thereof the following: "Neither the President nor any person or agency shall, on behalf of the United States, consent to any borrowing (other than borrowing from a foreign government or other official public source) by the Fund of funds denominated in United States dollars unless the Secretary of the Treasury transmits a notice of such proposed borrowing to both Houses of the Congress at least 60 days prior to the date on which such borrowing is scheduled to occur.".

The CHAIRMAN. The Chair will inquire of the gentleman from Texas whether this amendment has been printed in the RECORD.

Mr. PAUL. Yes, it has, Mr. Chairman, on August 2.

Mr. WYLIE. Mr. Chairman, will the gentleman yield?

Mr. PAUL. I am delighted to yield to the gentleman from Ohio.

Mr. WYLIE. We may be prepared to accept the gentleman's amendment if we can get an affirmative answer here.

To clarify one point of concern to the administration, does the gentleman's amendment apply only to a case where the IMF would issue securities in the private capital markets of the United States and borrow dollars, something the Fund has the authority to do today but has chosen not to do?

Mr. PAUL. The gentleman is correct.

Mr. WYLIE. The answer to my question is yes?

Mr. PAUL. Yes.

Mr. WYLIE. Then we are prepared to accept the gentleman's amendment on this side of the aisle.

Mr. ST GERMAIN. Mr. Chairman, will the gentleman yield?

Mr. PAUL. I will be glad to yield.

Mr. ST GERMAIN. Under the circumstances, having heard the gentleman's explanation, I, too, am glad to join my ranking minority member in accepting the amendment.

Mr. PAUL. I thank the gentleman.

I will just close by saying that all the amendment does is that if the IMF decides to borrow in the capital markets they will be required to notify both Houses to this effect within 60 days before they issue these bonds.

As the gentleman from Ohio pointed out, they have not done this yet, but they have suggested they might with this amendment and we will be notified to that effect.

I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas (Mr. PAUL).

The amendment was agreed to.

Mr. JACOBS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JACOBS: Page 28, after line 8, insert the following:

SALARIES OF EMPLOYEES OF THE FUND

SEC. 308. The Bretton Woods Agreements Act (22 U.S.C. 286 et seq.) is amended by adding at the end thereof the following:

SALARIES OF EMPLOYEES OF THE FUND

"SEC. 46. Notwithstanding section 40 of this Act, the United States Governor of the Fund may not consent to the increase in the United States quota in the Fund which is described in such section unless the United States Governor of the Fund is satisfied that the Fund has established, and will maintain, requirements that—

"(1) employees of the Fund (including the Managing Director, Executive Directors, Alternate Executive Directors, and the staff of the Fund) may not be paid at a rate in excess of the rate payable for an individual occupying a position at level IV of the Executive Schedule under section 5315 of title 5, United States Code; and

"(2) advances of salaries and other loans to employees may not be made at a rate of interest which is less than the rate of interest charged on loans (for one- to four-family dwellings) insured under title II of the National Housing Act on the date on which such advance or loan is made.".

Mr. ST GERMAIN (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

The CHAIRMAN. The Chair would inquire of the gentleman from Indiana whether this amendment has been printed in the RECORD.

Mr. JACOBS. It was printed on July 20, at page 20127, Mr. Chairman.

Mr. ST GERMAIN. Mr. Chairman, will the gentleman yield?

Mr. JACOBS. I yield to the gentleman from Rhode Island.

Mr. ST GERMAIN. Am I correct that the gentleman's amendment was at page 20127 and it is in the RECORD?

Mr. JACOBS. The gentleman is correct.

Mr. Chairman, I do not know how many of you remember the Bill Mauldin cartoons in World War II, but there was one that showed a truck tearing down the road and one GI said to the other, "You would hurry home too if you worked in the supply dump."

Now, I want to draw your attention to the people who work in the supply dump of the IMF: the employees. There are about 1,500 of them. They are employed here in Washington, D.C. They pay no taxes on their salaries so the salaries I am going to cite are the taxable equivalent of a family of four paying American taxes. They can make up to $144,000. As a matter of fact, one-third of them, 500, make more than $67,500, which is what our man at the IMF draws under American law. That is, one-third of them would make more than that.

It is also true down at the supply dump that every, each employee can obtain a home mortgage loan at 5 percent. And what is it now? About 13 or 14 percent for every American citizen.

Now, this is a goose and gander amendment. It simply says that until the IMF gets its house in order and gets its own employees' hands out of this cookie jar this extra $8.4 billion or whatever it is that they want from the American taxpayers they cannot have it. But as soon as they get their salaries down to that paltry sum of $67,500, which happens to put a person in about the highest 4 percent of all American taxpayers making that amount of money, until they do that, and until they pay for mortgage interests exactly the same as the average American taxpayer is asked to make this sacrifice, they cannot have the money.

The amendment is just as simple as that.

About 10 years ago I had a friend running for office out home and he needed money he said pretty badly. So I made a contribution to him of $500, which would be more now, I guess.

A few days later some of his campaign aides wanted to have a little meeting. I went to that meeting over at the Indianapolis Athletic Club. While we were there having this meeting these fellows ordered big steak dinners and a couple of hookers of brandy, and I saw them sign my friend's campaign to it.

I had given $500 for him to try to get reelected. I did not give $500 for his campaign workers to stiffen up their vests and walk in and live high on the hog on somebody else's money.

As I see it, that is approximately the problem that we have here.

If you believe that this money ought to go directly to those worthy bankers or if, on the other hand, you believe this is actually going to help somebody else—and if you believe that I have some costume jewelry out in the car that I would like to show you—whatever you happen to believe, surely to God you do not believe that it ought to be siphoned off in the form of 5 percent mortgage loans to employees at the IMF, or for salaries that exceed the salaries of our representative to the IMF.

That is about it, and I yield back the balance of my time.

Mr. LEACH of Iowa. Mr. Chairman, I rise in opposition to the amendment.

I would only say to the gentleman that we are dealing with an international institution that hires largely Ph.D. professionals that hold the fate of the world economic order in their hands.

It is certainly true, as the gentleman points out, that they earn more than Members of this body. That is a grating phenomenon.

By the same token, if you compare their salaries with comparable people in the private sector, that is, the professional leadership of Citicorp, Bank of America, the various British, French, German banks, the fact is they are underpaid by comparison.

But I would certainly hate for this body to cast aspersions on the professionalism and the salary remuneration of such an important institution as the International Monetary Fund.

This is one of those votes that it is very tempting to say makes sense. It is very tempting to say no one should be paid more than we are. After all, we are elected by the American people.

But the fact of the matter is, even though this body may not choose of its own discretion to raise our salaries, I do not think that should imply that we should not pay fairly and competitively the people at the International Monetary Fund.

Mr. JACOBS. Would the gentleman be so kind as to yield?

Mr. LEACH of Iowa. I will be happy to yield.

Mr. JACOBS. I would like to make two points.

The first point is that they are not in the private sector.

Mr. LEACH of Iowa. That is true.

Mr. JACOBS. Nor are they in a public sector business that is showing very much success. And if they were in a private sector business and had the success that they have had in this enterprise they would be taking pay cuts because of the pressure of the private enterprise.

Mr. LEACH of Iowa. Let me reclaim my time.

As far as showing any success, the International Monetary Fund has never made a loan that has not been repaid.

The group that is showing the lack of success is this U.S. Congress that has a $200 billion deficit to our "credit"; it is the American banks, British banks that have overextended abroad. By comparison the International Monetary Fund has done very well in its lending.

I would stress also that in this legislation we are talking about aid to the United States of America. Not only are private sector exports aided but we are the second largest borrower from the IMF; only Great Britain has borrowed more.

These are career people, operating in a competent way, people of the highest integrity, people of the highest professionalism.

I do not know of any respected international economists who have concluded anything except that the IMF is doing a first-class job.

Mr. JACOBS. Mr. Chairman, will the gentleman yield for my second point?

My second point is I am not talking about Members of Congress, I am talking about our Executive Director in the IMF right now. He gets $67,500 a year. In the words of Montaigne, "Sit ye never so high upon a stool, yet sit ye but upon your own tail."

It is one more mouth to feed as far as I am concerned. I am talking about how much the people, who are asked to put up this money, make, the U.S. taxpayers. And about 97 percent of them are behind the $67,000 salary. Is the gentleman saying by the way, there are no outstanding loans from the IMF?

Mr. LEACH of Iowa. No. I am saying no loan has not been repaid from the International Monetary Fund. It is the most successful Bank that has ever existed in the history of the world.

The gentleman has quoted Montaigne; it is a high-minded quote, a high-minded intellectual that has brought forth this amendment. But this still does not deny the impact of the amendment itself, which is less than high minded.

Mr. JACOBS. One last point. I hope the gentleman will think of what I said for the next 30 seconds and change his heart and stand up for these folks that are paying this money and bring these salaries down a little bit.

The American taxpayers will bless you.

Mr. BROWN of Colorado. Mr. Chairman, will the gentleman yield?

Mr. LEACH of Iowa. I yield to the gentleman.

Mr. BROWN of Colorado. The gentleman has brought up an interesting point with regard to the U.S. borrowings. Perhaps I could get him to amplify it. Does the gentleman mean to say that the United States has been a net borrower, in other words, borrow more than it has put in or have the borrowings been something short of what we donated?

Mr. LEACH of Iowa. We have put in a fair amount of funds but of what we put in we also got a return of interest. The average direct annual cost to the taxpayer over the last several decades is something around $46 million. This represents the difference of what we would have received with other investments and what we actually received. But, to answer the gentleman's question, I would say we have borrowed far more than the income that we have lost; yes, that is correct.

Mr. BROWN of Colorado. But I take it we have not been a net borrower, at times we have used some of the money, if you permit that expression, used some of the money we have put into the Fund, but we have not become a net borrower. Is that a correct statement?

Mr. LEACH of Iowa. At the moment we have no borrowing outstanding from the Fund; the Fund generally concentrates on short-term lending.

Mr. BROWN of Colorado. Is it the gentleman's impression that the salaries paid at IMF are competitive with the private market? In other words, private bankers with similar responsibilities?

Mr. LEACH of Iowa. I think you would find that private bankers earn far more than employees of the IMF. It is Members of Congress that are competitively behind the eight ball in that regard.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana (Mr. JACOBS).

The amendment was agreed to.

The CHAIRMAN. Are there further amendments?

AMENDMENT OFFERED BY MR. LEWIS OF CALIFORNIA

Mr. LEWIS of California. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LEWIS of California: Page 18, strike out line 15 and all that follows through page 19, line 20, and insert in lieu thereof the following:

SEC. 301. The Bretton Woods Agreements Act (22 U.S.C. 286 et seq.) is amended by adding at the end thereof the following:

"DISCUSSIONS REGARDING A TEMPORARY QUOTA INCREASE

"SEC. 40. The United States Governor of the Fund is authorized to enter into discussions regarding a temporary increase in funding for the Fund or not more than $8,400,000,000.".

Mr. LEWIS of California (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The CHAIRMAN. The Chair inquires of the gentleman whether this amendment has been printed in the RECORD.

Mr. LEWIS of California. It has, Mr. Chairman.

This debate, Mr. Chairman, has been a long and extended one. At times quite contentious.

I understand from my other colleagues who have had dozens of additional amendments introduced into the RECORD that there is a loosening of that and we may be drawing close to a vote here. This amendment is designed to be a very moderate amendment attempting to address itself to the fundamental problem that is before us. That is, all of those who are responsibly looking at this difficulty are willing to concede that we do have, indeed, a legitimate crisis in the international marketplace. Indeed, a crisis that could create political problems for our own economy as well as the world economy. The debate has centered around what the actual solutions might be to those problems. Almost everybody agrees that the vast percentage of those difficulties before us are the direct results of an international recession, a worldwide recession that has created a shortfall in the money markets. Experts say that the problem is temporary. Indeed, as we come out of the recession, and all agree we are coming out of that recession, that the problem itself will be self-liquidating.

So, this amendment takes everybody at their word and recognizes that reality and suggests that the simple way to handle this difficulty is to first strike the money that is a part of this bill, then specifically instruct our Governor to the IMF to renegotiate a circumstance whereby we would provide the full amount of the money but it would be temporary money to be withdrawn at the time that the recovery takes place. It is an attempt to recognize that the IMF has not handled well the increments in the past. Just 2 years ago, for example, we raised their allotment by some 50 percent and today suddenly they cannot handle the problems out there. Yet, just 1 year ago, they made a long-term loan to India in the neighborhood of $5.5 billion. It is clear that there is a need to send a message to the IMF. It is clear that the opponents and supporters of this measure agree that this is a temporary difficulty.

So, we would take them, once again, at their word. We would strike the money initially, tell our Governor to renegotiate a temporary allotment of funds to the IMF until such time as the difficulty is overcome.

I yield back the balance of my time.

Mr. ST GERMAIN. Mr. Chairman, I move to strike the last word. I rise in respectful opposition to the amendment.

Mr. Chairman, I rise to oppose the gentleman's amendment for the following reasons: To begin with, the amendment is inconsistent; as specified in section 17(b) of the Bretton Woods Act (22 U.S.C. 286 et seq.), all increases in GAB resources are permanent.

More important, however, is the issue of making the increase tempo-

rary. There are at least three points that concern me with this.

First, prompt and effective action by the IMF was a key factor in the containment of the past year's financial crises. We must insure that the IMF has sufficient resources available to react just as quickly to future events. Because the GAB requires consultation with all of its members before it can be used, and because a member who has loaned money to the IMF under the GAB can request early repayment if its own balance-of-payments situation deteriorates, I believe that the arrangement set forth in the bill before you—in which two-thirds of our contribution is via a quota increase—is a far better means of insuring that the IMF will always have available the resources needed to deal with a sudden emergency.

Second, if we choose to channel all of our increased support for the IMF through the GAB rather than a quota increase, our voting shares in the Fund will be reduced to less than 15 percent of the total. This will sharply reduce our influence in this critical international body, and eliminate our veto over such crucial decisions as future quota increases, SDR allocations, and the disposition of the IMF's gold stocks.

As well as some of the other amendments that have been adopted during the consideration of this legislation.

We would get weaker, weaker in the IMF.

Finally, given the aforementioned limitations of the GAB, a failure to permanently increase the U.S. quota might eventually force the IMF to borrow directly in the private capital markets our private capital markets. Such borrowing would occur, in large part, in the United States of America and would probably result in a far greater absorption of domestic savings than would Treasury borrowing to finance payments of the U.S. quota subscription.

And what would that mean? I think the gentleman from Ohio will agree with me, that would mean increased interest rates to all citizens of this country, our small business people, potential home purchasers, to each and every one of them. People wanting education loans, all over the place. For that reason, I have to oppose this amendment.

□ 1920

Mr. WYLIE. Mr. Chairman, will the gentleman yield?

Mr. ST GERMAIN. I yield to the gentleman from Ohio.

Mr. WYLIE. I thank the gentleman for yielding.

Mr. Chairman, I do agree that if we do not have this quota increase that it will mean higher interest rates to American citizens.

In addition to that, 146 member nations, including the United States, have already agreed to this package and I do not think the United States can change the rules in the middle of the game.

If this amendment is adopted, then we would have to go back and renegotiate any quota increase which would, in effect, force the administration and 145 other nations, which had agreed to this quota increase 11 months ago, to suggest that it is only temporary.

Now may I respectfully suggest that the amendment shows the misunderstanding of what the IMF really does and how it works. The quota increases are in effect temporary in that they are reviewed every 5 years.

So for those reasons, Mr. Chairman, I join the gentleman in associating myself with the gentleman's remarks and in opposition to the gentleman's amendment.

Mr. LEACH of Iowa. Mr. Chairman, will the gentleman yield?

Mr. ST GERMAIN. I yield to the gentleman from Iowa.

Mr. LEACH of Iowa. I thank the gentleman for yielding.

Just briefly, I think that the gentleman from California has been as thoughtful a critic of the IMF as anyone in this body, but I would stress the world economy is in an enormously precarious position. Now is not the time to take the risks involved in not facing up to our obligations.

I would say to my own political party, do we as Republicans want to jeopardize the chance of recovery in this country? Do we want to turn our back on the leadership of the White House on the single most important international economic issue that he will be dealing with in the next year?

Let us take the risk, to as great an extent as possible, out of international economics today. Let us be prudent about this bill and let us be prudent about this amendment and defeat it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. LEWIS).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. LEWIS of California. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present.

The Chair announces that pursuant to clause 2, rule XXIII, he will vacate proceedings under the call when a quorum of the Committee appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

□ 1930

QUORUM CALL VACATED

The CHAIRMAN. One hundred Members have appeared. A quorum of the Committee of the Whole is present. Pursuant to clause 2, rule XXIII, further proceedings under the call shall be considered as vacated.

The Committee will resume its business.

The pending business is the demand of the gentleman from California (Mr. LEWIS) for a recorded vote.

A recorded vote was refused.

So the amendment was rejected.

□ 1940

AMENDMENT OFFERED BY MR. CORCORAN

Mr. CORCORAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CORCORAN: Page 28, after line 8, insert the following:

BENEFICIARIES OF THE QUOTA INCREASE

SEC. 308. The Bretton Woods Agreements Act (22 U.S.C. 286 et seq.) is amended by adding at the end thereof the following:

"BENEFICIARIES OF THE QUOTA INCREASE

"SEC. 46. The Secretary of the Treasury shall transmit a report to the Congress specifying—

"(1) the total amount of new funding which will be provided by the Fund as a result of the United States quota increase specified in section 40; and

"(2) the countries which will receive loans as a result of such quota increase.".

The CHAIRMAN. The Chair will inquire, is the amendment printed in the RECORD?

Mr. CORCORAN. Yes, it is, Mr. Chairman.

The CHAIRMAN. The gentleman from Illinois (Mr. CORCORAN) is recognized for 5 minutes in support of his amendment.

Mr. CORCORAN. Mr. Chairman, I have several amendments that are contained in the CONGRESSIONAL RECORD. However, I intend to only offer two of them.

This is one, Mr. Chairman, which I suspect will find favor with the leadership of the committee. It relates to what would happen in the event, over my objection, that title III of the pending bill would be adopted by this House, ultimately by the other body, and signed by the President.

I would prefer, of course, that we would now have the information as to the countries involved that will be participants in the new funding that will be available through the efforts of the United States and the other member countries of the International Monetary Fund.

Mr. WYLIE. Mr. Chairman, will the gentleman yield?

Mr. CORCORAN. I yield to the gentleman from Ohio.

Mr. WYLIE. I thank the gentleman for yielding.

Mr. Chairman, we have just had a chance to look at the amendment on our side, and we think the amendment is superfluous, but if the gentleman is determined to have his amendment adopted, we will agree to support it.

Mr. ST GERMAIN. Mr. Chairman, will the gentleman yield to me?

Mr. CORCORAN. I yield to the chairman of the committee, the gentleman from Rhode Island.

Mr. ST GERMAIN. I thank the gentleman for yielding.

Mr. Chairman, is this the amendment that would direct the Secretary of the Treasury to report to Congress the total amount of new funding that will be provided by the IMF due to the quota increase, and which countries will receive loans resulting from the increase?

Mr. CORCORAN. It is.

Mr. ST GERMAIN. Is that an accurate description?

Mr. CORCORAN. Yes, it is.

Mr. ST GERMAIN. Under the circumstances, if the gentleman would like to revise and extend his remarks, I would be prone to accept the amendment.

Mr. CORCORAN. I thank the chairman of the committee, the gentleman from Rhode Island, and the gentleman from Ohio for their support for my amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois (Mr. CORCORAN).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. CORCORAN

Mr. CORCORAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CORCORAN: Page 18, strike out line 17, and all that follows through page 19, line 3.

Page 19, line 4, strike out "(3)" and insert in lieu thereof "(1)".

Page 19, line 15, strike out "(4)" and insert in lieu thereof "(2)".

Page 19, strike out line 16 and all that follows through line 20 and insert in lieu thereof the following:

"SEC. 40. The Secretary of the Treasury shall instruct the United States Executive Director of the Fund to encourage the Fund to assist foreign countries to renegotiate existing loans in order to establish more favorable terms for such loans.

The CHAIRMAN. The Chair will inquire, has this amendment been printed in the RECORD?

Mr. CORCORAN. Yes, it has, Mr. Chairman.

The CHAIRMAN. The gentleman is recognized for 5 minutes in support of his amendment.

Mr. CORCORAN. Mr. Chairman, as I indicated during the consideration of the previous amendment, this is the second of the two amendments which I intend to propose to the Committee of the Whole House. This, Mr. Chairman, however, is clearly a controversial amendment because it goes to the heart of title III of the pending bill.

With the adoption of the previous amendment, Mr. Chairman, we will ultimately learn who the beneficiaries are of the quota increase amounting to some $5.8 billion. It seems to me, Mr. Chairman, that we ought to, instead of getting this information after the United States coughs up some $8.4 billion to assist the International Monetary Fund, learn in advance of the participation of the U.S. Government in the expansion of the quotas and in the assistance to the general arrangements to borrow fund, the emergency fund, at the International Monetary Fund itself.

We should know in advance, and make contingent upon our support for this legislation, all of the information that would tell us who the new beneficiaries are going to be, that would tell us which loans are sour, which loans are potentially in default, and where it is that there is, in fact, a problem.

The great difficulty, Mr. Chairman, that I have with the pending legislation is that we are not given the kind of information so that we would know the nature and the detailed, specific information about the loans that are in difficulty. That is why I have offered this amendment.

I do not strike title III. That is an amendment that the Committee of the Whole House has considered previously and has rejected. There are a number of good features in title III of the pending bill which will enable us to have more information about the nature of the U.S. participation in the International Monetary Fund itself, but the problem is, we do not know the new borrowers, we do not know the loans that are near default and that may, indeed, be renegotiated or may, indeed, be assisted in some way or other if this pending legislation goes forward.

I do not serve on the Banking Committee. As a matter of fact, Mr. Chairman, by virtue of the way in which the debate has been handled, with the cutoff in time and the limitation on the number of amendments and the debate thereto, I intend at some point in the near future, Mr. Chairman, to offer an amendment to the rules of the House to make every Member of the House ex-officio a member of the Banking Committee so that we could all get recognized, and consider, and debate, and participate in this kind of legislation.

It seems to me, Mr. Chairman, as I look at this, that we ought to get the information. I know, for instance, Mr. Chairman, that if I were a member of the board of directors of a community bank back in my district and somebody came in, the professional people at the bank, the president of the bank, and the others, the loan officers, and said: "We need to renegotiate these loans. We have problems with this particular loan," I would have a lot of questions to be answered. I would have a fidiciary responsibility to make sure that if we were going to extend the commitment in some way or other to a borrower from the bank that we would have the information, that we would know who the borrower is.

Today we cannot find out who the borrowers are that are going to participate as a result of the expansion of the quotas.

Mr. Chairman, that brings me to another disadvantage in the pending legislation.

We are told that we have an emergency. We are told that there is a crisis. We are told that there are a number of lesser developed countries who may have notes in default, but we are never told who they are. We are never told in any detailed way either the magnitude of the loans in question or the people who are signatories to those loans. We are never told which specific banks in the United States have sour loans and need to get the assistance that is provided in this legislation.

In fact, what we do with the $8.4 billion is not provided just for the emergency but, rather, we put the major portion of the $8.4 billion, $5.8 of that amount, into an expansion of the quotas. It means that under the guise of dealing with the emergency, we expand the program. We are going to have new countries participating in the largesse of the International Monetary Fund. We are going to have additional banks involved.

Mr. Chairman, if the crisis were the problem, then the way to deal with that is through the GAB account and, of course, we do that, but only to the extent of $2.6 billion in the legislation before us.

So, Mr. Chairman, we have had many hours of debate, many hours of consideration. I think it is time to send this legislation back to the drawing board. That would be the effect of my amendment, and I hope it is adopted.

□ 1950

Mr. ST GERMAIN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the profferor of the amendment in his concluding phrase stated, indeed, the intent of his amendment, to wit, to send it back to the drawing board, because what the amendment does is to strike the IMF funding. No matter how you try to dress that one up, that is the end of the legislation.

Every argument that has been made on behalf of the legislation still stands and, of course, many have listened to those arguments against; but I think at this point in time most of the Members as we approach the conclusion of the consideration in the amendatory process have pretty well decided which way they are going on this legislation.

I think they have heard from their constituencies pro and con and I think they have made up their minds. I feel that many of them will look at the improvements in the legislation and realize that they do not want to have to think of themselves: "Gee, if I vote against this legislation, if it fails, I will be responsible for the consequences."

I do not think there are too many Members that want to feel that way. In fact, many of those Members who are going to vote against this are probably hoping against hope and praying on bended knee that the legislation will, indeed, succeed because even they realize that the consequences of failure of this legislation would really and truly ruin the economic recovery that we all hope is occurring in this country at this point in time; but just as important, the economic recovery that we hope is happening internationally at this time; so for those reasons, with all due respect, because of my high regard for the gentleman, I have to oppose the amendment.

I would say to the gentleman as to the change of the rules—I thought the gentleman was running for the Senate—that the gentleman wanted to change the Senate rules. A fellow named JAKE GARN might want the gentleman on his committee, if he were fortunate enough to be elected.

We would love to have the gentleman from Indiana on our committee; but very frankly, we have so many Members on it now, we probably have almost a majority of the House.

Mr. LEACH of Iowa. Mr. Chairman, will the gentleman yield?

Mr. ST GERMAIN. I am happy to yield to the gentleman from Iowa.

Mr. LEACH of Iowa. Mr. Chairman, the gentleman properly points out that this amendment goes to the heart of the bill. It would gut the bill; so I think it is fair to take a little bit of perspective. This deal that has been struck by the President of the United States is a conservative deal done by a conservative President to conserve the world economic order.

I think we have to realize that we are putting in about 19 percent of the total funding package. This is the lowest percentage addition the United States has given to any international body in the postwar history of this country.

It is very prudent; let us not take the risks involved in turning our back on the IMF and going forward with this amendment.

Mr. WYLIE. Mr. Chairman, will the gentleman yield?

Mr. ST GERMAIN. I yield to the gentleman from Ohio.

Mr. WYLIE. Mr. Chairman, this amendment would, indeed, gut the bill and I oppose it.

The IMF is important as a catalyst for world trade and commerce. I think this was best said in an editorial in the Columbus Dispatch, which is a conservative Republican newspaper, published in my district, the second largest district in Ohio.

It says:

Strengthening the IMF is important to the United States for several reasons. One of the most important reasons is that the loaned money enables borrowing nations to safeguard their own economies. Strong—or at least stable—foreign economies are absolutely essential to the well-being of the U.S. economy since this nation exports so much of the goods it produces to consumers overseas. If foreign consumers cannot afford to buy U.S. goods, American production and employment will suffer.

In short, the money the United States contributes to the IMF works for the American citizen. Not only is interest paid on the loans, but the U.S. money helps prime the pump of international trade which results in jobs, production and tax revenues benefiting all Americans.

Mr. Chairman, I oppose the amendment and thank the gentleman for yielding.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois (Mr. CORCORAN).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. CORCORAN. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present.

The Chair announces that pursuant to clause 2, rule XXIII, he will vacate proceedings under the call when a quorum of the Committee appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

□ 2000

QUORUM CALL VACATED

The CHAIRMAN. One hundred Members have appeared. A quorum of the Committee of the Whole is present. Pursuant to clause 2, rule XXIII, further proceedings under the call shall be considered as vacated.

The Committee will resume its business.

RECORDED VOTE

The CHAIRMAN. The pending business is the demand of the gentleman from Illinois (Mr. CORCORAN) for a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 174, noes 249, not voting 10, as follows:

[Roll No. 319]

AYES—174

Albosta	Bilirakis	Carr
Anderson	Bliley	Chappie
Annunzio	Breaux	Coats
Applegate	Brown (CO)	Coleman (MO)
Archer	Broyhill	Collins
Bennett	Burton (IN)	Conyers
Bethune	Byron	Corcoran
Bevill	Carney	Courter
Craig	Jacobs	Richardson
Crane, Daniel	Kaptur	Rinaldo
Crane, Philip	Kasich	Ritter
Crockett	Kazen	Roberts
D'Amours	Kemp	Robinson
Daniel	Kildee	Roemer
Dannemeyer	Kolter	Rogers
Daschle	Kramer	Roth
Daub	Leath	Rowland
Davis	Levitas	Rudd
de la Garza	Lewis (CA)	Russo
Donnelly	Lewis (FL)	Schaefer
Dorgan	Lipinski	Schulze
Dowdy	Lloyd	Sensenbrenner
Dreier	Loeffler	Sharp
Duncan	Long (MD)	Shaw
Durbin	Lott	Shelby
Dyson	Lujan	Shumway
Early	Lungren	Shuster
Eckart	Mack	Siljander
Edwards (OK)	Marlenee	Slattery
Emerson	Martin (IL)	Smith (NE)
English	McCain	Smith, Denny
Erdreich	McCloskey	Snyder
Evans (IL)	McDonald	Solomon
Fiedler	McEwen	Spence
Fields	McGrath	Staggers
Flippo	Miller (OH)	Stenholm
Florio	Mollohan	Stump
Franklin	Montgomery	Sundquist
Gingrich	Moore	Tallon
Gonzalez	Moorhead	Tauzin
Gramm	Mrazek	Taylor
Gregg	Murphy	Thomas (CA)
Gunderson	Myers	Traxler
Hall (OH)	Nelson	Valentine
Hall, Sam	Nichols	Vander Jagt
Hammerschmidt	Nielson	Volkmer
Hance	Oberstar	Vucanovich
Hansen (ID)	Olin	Walgren
Hansen (UT)	Ortiz	Walker
Harkin	Packard	Watkins
Harrison	Pashayan	Weaver
Hartnett	Patman	Weber
Hertel	Paul	Whittaker
Hiler	Penny	Winn
Hopkins	Perkins	Wise
Hughes	Petri	Wyden
Hunter	Price	Young (AK)
Hutto	Rahall	Young (FL)

NOES—249

Ackerman	Coelho	Gore
Addabbo	Coleman (TX)	Gradison
Akaka	Conable	Gray
Alexander	Conte	Green
Andrews (NC)	Cooper	Guarini
Andrews (TX)	Coughlin	Hall (IN)
Anthony	Coyne	Hamilton
Aspin	Dellums	Hatcher
AuCoin	Derrick	Hawkins
Badham	DeWine	Hefner
Barnard	Dickinson	Hightower
Barnes	Dicks	Hillis
Bartlett	Dingell	Holt
Bateman	Dixon	Horton
Bates	Downey	Howard
Bedell	Dwyer	Hoyer
Beilenson	Dymally	Hubbard
Bereuter	Edgar	Huckaby
Berman	Edwards (CA)	Hyde
Boehlert	Erlenborn	Ireland
Boggs	Evans (IA)	Jeffords
Boland	Fascell	Jenkins
Boner	Fazio	Johnson
Bonior	Feighan	Jones (NC)
Bonker	Ferraro	Jones (OK)
Borski	Fish	Jones (TN)
Bosco	Foglietta	Kastenmeier
Boucher	Foley	Kennelly
Boxer	Ford (TN)	Kindness
Britt	Fowler	Kogovsek
Brooks	Frank	Kostmayer
Broomfield	Frenzel	LaFalce
Brown (CA)	Frost	Lagomarsino
Bryant	Fuqua	Lantos
Burton (CA)	Garcia	Latta
Campbell	Gaydos	Leach
Carper	Gejdenson	Lehman (CA)
Chandler	Gekas	Lehman (FL)
Chappell	Gephardt	Leland
Cheney	Gibbons	Lent
Clarke	Gilman	Levin
Clay	Glickman	Levine
Clinger	Goodling	Livingston

Lowery (CA)	Ottinger	Smith (IA)
Lowry (WA)	Owens	Smith (NJ)
Luken	Oxley	Smith, Robert
Lundine	Panetta	Snowe
MacKay	Parris	Solarz
Madigan	Patterson	Spratt
Markey	Pease	St Germain
Marriott	Pepper	Stangeland
Martin (NC)	Pickle	Stratton
Martin (NY)	Porter	Studds
Martinez	Pritchard	Swift
Matsui	Pursell	Synar
Mavroules	Quillen	Tauke
Mazzoli	Rangel	Thomas (GA)
McCandless	Ratchford	Torres
McCurdy	Ray	Torricelli
McDade	Regula	Towns
McHugh	Reid	Udall
McKernan	Ridge	Vandergriff
McKinney	Rodino	Vento
McNulty	Roe	Waxman
Mica	Rose	Weiss
Michel	Rostenkowski	Wheat
Mikulski	Roukema	Whitehurst
Miller (CA)	Roybal	Whitley
Mineta	Sabo	Whitten
Minish	Savage	Williams (MT)
Mitchell	Sawyer	Williams (OH)
Moakley	Scheuer	Wilson
Molinari	Schneider	Wirth
Moody	Schroeder	Wolf
Morrison (CT)	Schumer	Wolpe
Morrison (WA)	Seiberling	Wortley
Murtha	Shannon	Wright
Natcher	Sikorski	Wylie
Neal	Simon	Yates
Nowak	Sisisky	Yatron
O'Brien	Skeen	Young (MO)
Oakar	Skelton	Zablocki
Obey	Smith (FL)	Zschau

NOT VOTING—10

Biaggi	Hall, Ralph	Stark
Edwards (AL)	Heftel	Stokes
Ford (MI)	Long (LA)	
Forsythe	McCollum	

□ 2020

Mr. VANDERGRIFF and Mr. LENT changed their votes from "aye" to "no."

Messrs. GRAMM, HERTEL of Michigan, WISE, DAVIS, RAHALL, and NIELSON of Utah, and Ms. KAPTUR changed their votes from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

□ 2030

AMENDMENT OFFERED BY MR. PHILIP M. CRANE

Mr. PHILIP M. CRANE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PHILIP M. CRANE: Page 28, after line 8, insert the following:

PAYMENT OF QUOTA INCREASE

SEC. 308. The Bretton Woods Agreement Act (22 U.S.C. 286 et seq.) is amended by adding at the end thereof the following:

"PAYMENT OF QUOTA INCREASE

"SEC. 46. The Secretary of the Treasury shall instruct the United States Executive Director of the Fund to propose and work for the adoption of an amendment to Article III of the Articles of Agreement of the Fund to provide that the balance of any quota increase shall be paid by member countries in United States dollars, German marks, French francs, British pounds, or Japanese yen.".

The CHAIRMAN. The Chair will inquire of the gentleman from Illinois (Mr. PHILIP M. CRANE) whether this amendment has been printed in the RECORD.

Mr. PHILIP M. CRANE. It has been printed in the RECORD, Mr. Chairman.

The CHAIRMAN. The gentleman from Illinois is recognized for 5 minutes in support of his amendment.

Mr. PHILIP M. CRANE. Mr. Chairman, I will not consume time. I know Members have been here long and have labored considerably on this bill already. I have already cleared this amendment with the distinguished chairman, to whom I will be happy to yield at this point.

Mr. ST GERMAIN. If I understand the gentleman's amendment properly, to make it very easily understandable to all, this is the amendment that says we should work for, and propose, and hope that, in the future, monopoly money will not be used but real money; is that not correct?

Mr. PHILIP M. CRANE. That is precisely correct.

Mr. ST GERMAIN. Under the circumstances, I am happy to accept and join the gentleman in this amendment.

Mr. PHILIP M. CRANE. I thank the chairman.

Whether monopoly money or toilet paper money, it seems to me that all of the members of the IMF who make contributions should do so in convertible currencies, and the currencies designated in the amendment are the only ones that are in fact convertible. As a result, it is a very easy thing for some nations to urge increases in the contributions by member nations through the International Monetary Fund when in fact they are making meaningless contributions.

Mr. WYLIE. Mr. Chairman, will the gentleman yield?

Mr. PHILIP M. CRANE. I yield to the gentleman from Ohio, the distinguished ranking minority member.

Mr. WYLIE. Mr. Chairman, the gentleman from Illinois did me the courtesy of discussing this amendment with me previously, and we are happy to accept it on this side of the aisle.

Mr. PHILIP M. CRANE. I thank both gentlemen.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois (Mr. PHILIP M. CRANE).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. WALKER

Mr. WALKER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WALKER: On page 28, after line 8, add the following:

SEC. 308. Consistent with the objective of sustaining worldwide economic growth and recovery set forth in this title, section 3 of Public Law 96-389, the Bretton Woods Agreements Act Amendments of 1980, is amended by striking it in its entirety and inserting in lieu thereof the following: Beginning in fiscal year 1985, the total budget outlays of the Federal Government shall not exceed its receipts.

Mr. WALKER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The CHAIRMAN. The Chair will inquire of the gentleman from Pennsylvania (Mr. WALKER) whether this amendment has been printed in the RECORD.

Mr. WALKER. It has been printed in the RECORD of July 29, on page 21753, Mr. Chairman.

POINT OF ORDER

Mr. ST GERMAIN. Mr. Chairman, I make a point of order against the amendment.

The CHAIRMAN. The gentleman will state his point of order.

Mr. ST GERMAIN. Mr. Chairman, my point of order is that it relates to a balanced budget for the United States and is therefore not germane to that part of the legislation before us.

Title III of the legislation provides for U.S. contributions to the IMF, as well as certain conditions and restrictions of those contributions and on lending by U.S. banks. The title does not address the far broader issues of overall Federal Government spending and taxing raised by this amendment.

The amendment also has a different fundamental purpose from title III, in that it seeks to impose limitations on aggregate receipts and expenditures of the Federal Government, which has nothing to do with the purposes of the IMF legislation.

The mere fact that previous nongermane amendments dealing with budget outlays and receipts have been attached to IMF legislation in past Congresses does not make the amendment germane. The amendment must be germane to the bill, not to the underlying law being amended in the bill.

Deschler's Procedure, chapter 28, section 27.

I ask the Chair to rule the amendment out of order.

The CHAIRMAN. Does the gentleman from Pennsylvania (Mr. WALKER) wish to be heard on his point of order?

Mr. WALKER. Yes, I do, Mr. Chairman.

The CHAIRMAN. The gentleman is recognized for that purpose.

Mr. WALKER. Mr. Chairman, the amendment that I have placed before the House relates precisely to the law to which this particular piece of legislation speaks. And let me also cite Deschler's Procedure. Deschler's Procedure, 28.55, says that a bill amending several sections of an existing law may be sufficiently comprehensive to

permit amendments which are germane to other sections of that law.

That is precisely what I am doing here. The language of this amendment relates to balanced budget language that is in the present law. This bill amends several sections of that law. So, therefore, this particular amendment is entirely germane to that which is before us.

Deschler's Procedure also says, in section 28.57, to a bill amending a law dealing with several subjects within a definable class, an amendment further amending that law to add another subject within the same class is germane.

This again is the same subject area. We have balanced budget language which exists in the present law. This is in the same class. So, therefore, it seems to me that under precedents of the House it is entirely germane to the bill that we are considering.

The CHAIRMAN (Mr. PEASE). The Chair is prepared to rule on the point of order.

Although the balanced budget provision of law which would be amended by this amendment was originally added to the Bretton Woods Agreement Act as a nongermane Senate amendment in the 95th Congress and was subsequently amended in a similar bill in the 96th Congress, the pending bill does not relate to the entire Federal budget.

The Chair rules that the amendment must be germane to the pending bill, it not being sufficient that the amendment relate to a nongermane provision of a law being amended by the pending bill.

Therefore, the Chair sustains the point of order.

Are there further amendments?

AMENDMENT OFFERED BY MR. WALKER

Mr. WALKER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WALKER: On page 28, after line 8, add the following:

SEC. 308. Consistent with the objective of sustaining worldwide economic growth and recovery set forth in this title, Congress reaffirms its commitment to the mandates required under section 7 of Public Law 95-435, the Bretton Woods Agreements Act Amendments of 1978.

The CHAIRMAN. The Chair will inquire, has this amendment been printed in the RECORD?

Mr. WALKER. Mr. Chairman, it was printed in the RECORD on July 29, at page 21753.

POINT OF ORDER

Mr. ST GERMAIN. Mr. Chairman, I raise a point of order against the amendment.

The CHAIRMAN. The gentleman will state his point of order.

Mr. ST GERMAIN. Mr. Chairman, the amendment relates to a balanced budget for the United States and is therefore not germane to that part of the legislation before us. Title III of the legislation provides for U.S. contributions to the IMF, as well as certain conditions and restrictions on those contributions and on lending by U.S. banks. The title does not address the far broader issues of overall Federal Government spending and taxing raised by this amendment.

The amendment also has a different fundamental purpose from title III, in that it seeks to impose limitations on aggregate receipts and expenditures of the Federal Government, which has nothing to do with the purposes of the IMF legislation.

The mere fact that previous nongermane amendments dealing with budget outlays and receipts have been attached to IMF legislation in past Congresses does not make this amendment germane. The amendment must be germane to the bill, not to the underlying law being amended in the bill.

Deschler's, chapter 28, section 27.

I ask the Chair to rule the amendment out of order.

The CHAIRMAN. Does the gentleman from Pennsylvania (Mr. WALKER) desire to be heard on the point of order?

Mr. WALKER. Yes, I do, Mr Chairman.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania.

Mr. WALKER. Mr. Chairman, in the case of this amendment, it does two things. No. 1, it speaks to exactly the same kinds of issues that were involved in amendment language that was added in the committee to the bill dealing with apartheid. This particular language simply says that consistent with the objectives sustaining worldwide economic growth and recovery set forth in the title—so it relates directly to the title of the bill under consideration. We are reaffirming the process of the law that was previously decided by this Congress. This simply reaffirms section 7 of Public Law 95-435 which already exists. This is a different amendment from the previous one. The precedent cited by the gentleman—I could agree with the Chair—applied to the previous amendment. In this case, though, the amendment language is specifically consistent with the title under consideration, and I think that the amendment is entirely germane to the bill that we are considering.

The CHAIRMAN (Mr. PEASE). The Chair rules that the issues raised with this amendment are fundamentally the same as those raised by the previous amendment. The issues are not germane to the bill at hand, and the point of order is sustained.

● Mr. MOLLOHAN. Mr. Chairman, I rise to express my opposition to the International Monetary Fund quota increase contained in title III of H.R. 2957. This bill provides for a 50-percent increase in our financial commitment to the IMF—an amount totaling over $8 billion. This is not, by any means, a modest increase. The IMF is seeking an overall increase from $7 billion to $19 billion as a means of alleviating the current international debt crisis. The question surrounding this bill is not whether we should take action in this crisis; but, rather, what kind of assistance would be of greatest use to both developing nations and to ourselves? I believe that we could best help developing nations by first shoring up our own economic position.

The International Monetary Fund was founded in 1946 to provide emergency loans to countries that were having difficulty meeting their balance of payments. This Fund has been of great service to developing nations and now seeks an enormous increase in funding to continue its mission.

The recent crisis is the culmination of years of poor banking practices and the worldwide, severe recession we are experiencing. During the oil crisis, OPEC nations searched for places to deposit their newly accrued billions of dollars. Obliging international banks offered to invest the money, which they did in capital-hungry developing nations in large amounts without adequate consideration. Unfortunately, we then entered into a recession that caused commodity prices to fall sharply. The income-developing countries derived from their commodity exports thus also fell sharply. As a result, these countries began experiencing difficulties in repaying their large international loans.

The IMF is not solely responsible for this crisis. Commercial banks lend four times as much money to developing countries as the IMF. The IMF, however, does play a significant role in the international financial crisis, for the granting of an IMF loan is similar to receiving the Good Housekeeping seal of approval: Once a country receives IMF funds, commercial banks are reassured and are more likely to continue making loans to the country. In addition, only the IMF is in a position to impose conditions on the loan, forcing countries to reduce their product subsidies or take other measures to reduce their national debt.

The sad situation we are left with is this: By the end of 1982 the nine largest U.S. banks had loaned $60.3 billion to 40 major non-OPEC countries, $30 billion of this went to Mexico, Brazil, and Argentina alone. The total capital assets of these banks was $24 billion, thus the banks lent 222 percent of their capital. Lending such a large amount of money in excess of one's capital is not a wise banking practice under any standards. The situation is exacerbated by the fact that these loans were simply poor investment risks. If the banks would continue to make loans of this nature to my con-

stituents, all of them would own beautiful new homes and none of them would have their mortgages foreclosed. These unwise loans were made by banks to nations who were thought to have only a remote chance of defaulting simply because the debtors were sovereign nations. Estimates of the total world debt of Eastern bloc and developing countries remain uncertain, but some are as high as $750 billion.

The IMF unquestionably has an important role to play in the current debt crisis. Developing nations are staggering under the weight of too many loans carrying high interest rates and austerity measures imposed upon them by the IMF. The question is: Will additional support help developing countries and help us out of our own economic crisis?

In this country and in my district, our response to this question is colored by our experiences of the past few years. The economy at home is still struggling in the wake of the worst recession we have experienced since the 1930's. Currently over 11 million workers are unemployed. My own State of West Virginia claims the unfortunate distinction of having the highest unemployment of any State in the Nation.

Last March, the Commerce Department estimated that our trade deficit would increase by 20 percent to $42.7 billion. Our national debt, I would like to note, currently stands at the record high level of over $1 trillion. During the 1970's, it is estimated that 30 to 50 million American jobs were lost due to plant relocations, closings, and contractions. The pace of these closings has only accelerated during this decade.

These statistics do not reflect a healthy U.S. economy. They indicate that this country is in great need of more capital to create more domestic jobs. The proposed IMF quota increase contained in H.R. 2957 would most likely aggravate the drain of U.S. capital out of this country.

I contend that a healthy U.S. economy will do more to aid developing countries than this IMF quota increase. A quick fix on an international debt crisis is simply not enough. We need first to take care of our own economic troubles and only then can we think about any increases in economic assistance to other nations.

While the situation is serious, a 50-percent IMF quota increase is not the only solution. Our international banking system has more flexibility in loan agreements than one would think—especially when the cost of inflexibility is the potential bankruptcy of a nation and perhaps even the subsequent collapse of the international banking system itself.

There are also other sources of funds, such as the Bank of International Settlements, which has already come to the aid of Brazil. In addition, the IMF has its own large gold reserves, which are being held in reserve for a crisis situation. I would think that the current debt emergency qualifies as such a crisis. Another alternative is that the United States could simply make a one-time loan to the Fund or make the quota increase temporary rather than committing us to a permanent increase.

Regarding employment, the IMF quota increase may well have a negative impact on American jobs because the IMF imposes severe austerity measures on developing countries, causing these countries to decrease their demand for American goods. In 1981, this country lost over 200,000 jobs dependent upon our trade with Mexico alone when Mexico began swaying under the weight of too many debts. In addition, the continued drain of U.S. capital to foreign markets may increase our interest rates, which will push unemployment rates even higher.

Unfortunately, under this proposal the commercial banks continue to benefit from their poor judgment. Each time an international banking institution renegotiates a loan with the financially crippled developing nation, the bank charges a fee for the service. In addition, as the risk of these loans increases, so do the interest rates. In this case the increased interest is of no use to anyone except the bank ledgers which appear to be in a better shape because they reflect an increased return on the investment—no matter that the likelihood of repayment continues to diminish. Imposing more costs on the developing countries at this point only increases the possibility of default—perhaps more so than would this Chamber's refusal to approve the requested IMF quota increase.

While IMF loans are technically supposed to only go to countries that are suffering balance of payments problems, it is common knowledge that the money is in fact used for a variety of purposes. For example, India, which has no balance of payments problem, received the largest single loan the IMF has ever approved—over $5 billion—and purchased large amounts of arms shortly after receiving the IMF funds.

One of my primary concerns regarding the use of these loans is that, either directly or indirectly, they may be used to unfairly subsidize industries that compete with American industry. In these cases, we would be paying another country to invade our market, a foolish policy at best.

This bill, as modified last week by the passage of the St Germain amendment, seeks to placate these concerns in several ways. First, it makes the $2.6 billion General Agreements to Borrow (GAB) quota increase contingent upon Treasury Department certification that an emergency exists—which has already been admitted by Treasury officials.

Second, the bill adds language suggesting that studies be done and regulations modified to minimize the possibility of future unwise loans. The modified IMF bill also includes the McNulty amendment, which requires U.S. IMF representatives to consider the potential adverse impact of an IMF loan on U.S. industry, especially industries experiencing a surplus of their commodities.

The St Germain amendment we adopted last week certainly improves the quality of the overall bill, but it does not seriously address fundamental concerns over the causes of the international debt crisis and proposed solutions.

Passage of this bill would still find this country providing billions of dollars to a fund to help commercial banks recover their losses on their loans to developing countries. If we pass this legislation, we will reward the banks for their folly and make American workers and American taxpayers pay for it. I therefore continue to oppose H.R. 2957 and admonish my colleagues to do likewise.●

● Mr. TOWNS. Mr. Chairman, I am pleased that the House Banking Committee has included a provision, supported by my colleague, the gentleman from California (Mr. DIXON) requiring U.S. opposition to loans for countries who practice apartheid. I would like to use this opportunity to voice my support for this provision and explain my opposition to the amendment offered by the gentleman from Texas (Mr. GRAMM) which I believe weakens the antiapartheid section of the bill.

First and foremost, countries which practice apartheid are in direct violation of the International Monetary Fund's articles of agreement. I speak of article I: The "promotion and maintenance of a high level of employment and real income," and also article IV: "The development of the productive resources of all members," as well as the continued support of policies which encourage "sound economic growth." Clearly any apartheid practicing countries would not meet these standards.

In fact, South Africa, the only country which does in reality practice apartheid, employs policies which work toward the manipulation and subjugation of the black majority. These policies, in turn, lead to mass unemployment, abject poverty, and dehumanizing living conditions for the country's blacks which comprise 69.9 percent of the population, while the country's white population enjoys one of the highest per capita rates in the world. Testimony by several econo-

mists, before the Banking Committee, indicated that apartheid does, in fact, cause unique labor supply bottlenecks. Unlike this wealth of evidence, no substantial facts have been demonstrated to support a prohibition on U.S. support of loans to Communist dictatorships.

Communist dictatorships do not create unique economic problems. In fact, their problems are quite similar to those of corrupt captialist regimes which channel their funds to private bank accounts and stifle individual freedom and enterprise. In addition, it is unclear as to which countries would be affected by this amendment since "Communist dictatorships" are not defined.

What is clear is that neither the Soviet Union or Cuba would be affected by this amendment since these countries do not belong to the IMF. The only recent loans to Communist countries have been Romania, China, and Yugoslavia. U.S. foreign policy encourages these countries to act independently from the Soviet Union. We cannot expect these countries to develop stronger ties with the West if the United States opposes loans to them merely on the basis of political ideology. In attacking only Communist dictatorships, the gentleman's amendment reveals its true political and noneconomic bias. This bias is incompatible with the goals of the IMF.

I would urge my colleagues to oppose this amendment and to retain the integrity of the committee's prohibition on U.S. support for loans to countries practicing apartheid.●

● Mr. COLEMAN of Texas. Mr. Chairman, I rise in strong support of the amended legislation pending before us today and request unanimouation, a composite of three separate bills as well as a bipartisam compromise, and commend the Banking, Finance and Urban Affairs Committee for their unfailing commitment to lend stability to international banking.

This legislation is particularly important to my district and all of the districts that share a common border with Mexico as well as all of the districts who derive employment from our international commerce with Mexico. It is important to keep in mind that Mexico is our third largest trading partner; they provide a market for $11.8 billion of American exports. Their economic failure has been diverted through the loans of the International Monetary Fund. This is just one of many examples that testifies to the success of the IMF and its programs.

There are several provisions in the entire package that I would like to highlight. One of the best recommendations in this legislation concerns world economic growth and the dramatic improvement that could be realized if the industrialized nations could arrange for the debt of the developing nations to be extended in maturity. That recommendation, if implement, could substantially increase the developing countries ability to repay their loans. Moreover, a lengthening of the maturity on developing nation debt would mitigate the effects of the austerity programs that are put in place in tandem with IMF loans and allotments.

I am similarly heartened by the language regarding the supervision of international lending procedures and the stabilization of exchange rates. Improved reporting of international lending and borrowing could help us avoid the fantastic increase in foreign lending that we saw at the end of the 1970's. Additionally, the study of exchange rates is mandatory if we intend to realize a worldwide economic recovery.

The requested increases in the United States contribution to the African Development Bank, the Inter-American Development Bank, and the Asian Development Bank also merit widespread support. At a time when the turmoil in Central America is reaching an apex, multilateral lending institutions, like the Inter-American Development Bank, can complement U.S. foreign policy and provide loans which we could not afford on a bilateral basis. As the committee report points out, every dollar of U.S. contributions paid into the multilateral banks has resulted in a net export from this country to developing nation of $1.57 of U.S. goods and services. Clearly, we would simply exaggerate our current unemployment situation by denying these multinational banks our contributions.

Finally, I would like to point out to those who believe that this legislation is unwise from a budget standpoint, the proposed quota increase serves our best interests. The United States is the second largest user of the International Monetary Fund, second only to Great Britain. This issue is a two-way street. As the second largest user, we can ill-afford to deny the Fund either the requested increase in quota or the increase in the general arrangements to borrow.

The transfer of funds from the U.S. Treasury to the IMF simply constitutes a loan, to be repaid, with interest. The true cost of that loan is the difference between the cost of the money to the U.S. Treasury versus the appreciation of the dollar by comparison with the special drawing right, the monetary unit of the IMF. In terms of our budget, I do not see how an interest bearing, liquid international monetary asset will violate the budget. Should we deny developing countries access to badly needed funds so that they too can become fertile grounds for the spread of communism and international terrorism? I think not. I respectfully urge all of my colleagues to support this requisite legislation.●

□ 2040

(By unanimous consent, Mr. MICHEL was allowed to speak out of order.)

RESPECTS TO THE HOUSE ON PASSAGE OF IMF LEGISLATION

Mr. MICHEL. Mr. Chairman, I take this liberalized minute or two, to pay my respects to the committee chairman, and the ranking member and all those Members who have over an extended period of time conducted themselves in exemplary fashion on this very controversial piece of legislation.

It is quite obvious from repeated statements made by our President that he strongly support this legislation and wants it passed expeditiously. When we initially had a problem with it—and I would concede it was particularly on our side of the aisle—there were entreaties made to the chairman of the committee by the Secretary of the Treasury to help with a compromise, particularly with respect to title III.

A lot of work went into that compromise and we had several good test votes on this floor that endorsed the work of those who participated in that compromise. Now I think we have given those Members of independent mind ample opportunity to express their will as they have rather extensively today. I think we are at that point now where the will of the House ought to be expressed. Naturally, my own preference is that Members would join with the majority members of the committee and our President and pass this legislation.

I want to particularly thank again the members of the committee for their forbearance.

I think it says something about the House. When it has to move in a certain way it can. In this case there were several starts and stops along the way, but we have now come to the hour of decision and I trust it will be the right one.

The CHAIRMAN. Are there further amendments?

If not, under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. PEASE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 2957) to extend the authority of the Export-Import Bank of the United States, encourage balanced worldwide economic growth, provide for continued participation in the International Monetary Fund, strengthen the supervision of international lending by U.S. banks, and provide for continued U.S. participation in multilateral development banks, pursuant to House Resolution 249, he

reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. PAUL

Mr. PAUL. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. PAUL. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. PAUL moves to recommit the bill, H.R. 2957, to the Committee on Banking, Finance and Urban Affairs.

The SPEAKER. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. PAUL. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 217, nays 211, not voting 5, as follows:

[Roll No. 320]

YEAS—217

Ackerman	Coelho	Gilman
Akaka	Coleman (TX)	Glickman
Alexander	Conable	Goodling
Andrews (NC)	Conte	Gore
Andrews (TX)	Cooper	Gradison
Anthony	Coughlin	Gray
Aspin	Coyne	Green
AuCoin	Derrick	Guarini
Badham	DeWine	Hall (IN)
Barnard	Dickinson	Hall (OH)
Barnes	Dicks	Hamilton
Bartlett	Dingell	Hatcher
Bateman	Dixon	Hawkins
Bedell	Downey	Hightower
Beilenson	Dwyer	Hillis
Bereuter	Dymally	Horton
Berman	Edgar	Hoyer
Boehlert	Edwards (AL)	Hubbard
Boggs	Edwards (CA)	Huckaby
Boland	Erlenborn	Hyde
Boner	Evans (IA)	Ireland
Bonior	Fascell	Jeffords
Bonker	Fazio	Johnson
Borski	Fish	Jones (OK)
Boucher	Foglietta	Kennelly
Boxer	Foley	Kindness
Britt	Ford (TN)	Kogovsek
Broomfield	Forsythe	Kostmayer
Brown (CA)	Fowler	LaFalce
Burton (CA)	Frank	Lagomarsino
Campbell	Frenzel	Lantos
Carper	Frost	Latta
Chandler	Garcia	Leach
Cheney	Gaydos	Lehman (CA)
Clarke	Gejdenson	Lehman (FL)
Clay	Gekas	Leland
Clinger	Gibbons	Lent
Levin	Nelson	Smith (IA)
Levine	Nowak	Smith (NJ)
Livingston	O'Brien	Snowe
Long (LA)	Oakar	Solarz
Lowery (CA)	Obey	Spratt
Lowry (WA)	Ottinger	St Germain
Luken	Owens	Stangeland
Lundine	Oxley	Stratton
MacKay	Panetta	Studds
Madigan	Patterson	Swift
Markey	Pease	Synar
Marriott	Pepper	Tauke
Martin (NC)	Porter	Torres
Martin (NY)	Pritchard	Torricelli
Martinez	Pursell	Towns
Matsui	Quillen	Udall
Mavroules	Rangel	Vander Jagt
Mazzoli	Ratchford	Vandergriff
McCandless	Regula	Vento
McDade	Ridge	Waxman
McEwen	Rodino	Weiss
McHugh	Roe	Whitehurst
McKernan	Rostenkowski	Williams (MT)
McKinney	Roukema	Williams (OH)
McNulty	Roybal	Wirth
Mica	Sabo	Wolpe
Michel	Sawyer	Wortley
Mineta	Scheuer	Wright
Minish	Schneider	Wyden
Moakley	Schumer	Wylie
Molinari	Seiberling	Yates
Moody	Shannon	Young (MO)
Morrison (CT)	Sikorski	Zablocki
Morrison (WA)	Simon	Zschau
Murtha	Skeen	
Neal	Smith (FL)	

NAYS—211

Addabbo	Feighan	Martin (IL)
Albosta	Ferraro	McCain
Anderson	Fiedler	McCloskey
Annunzio	Fields	McCurdy
Applegate	Flippo	McDonald
Archer	Florio	McGrath
Bates	Ford (MI)	Mikulski
Bennett	Franklin	Miller (CA)
Bethune	Fuqua	Miller (OH)
Bevill	Gephardt	Mitchell
Biaggi	Gingrich	Mollohan
Bilirakis	Gonzalez	Montgomery
Bliley	Gramm	Moore
Bosco	Gregg	Moorhead
Breaux	Gunderson	Mrazek
Brooks	Hall, Sam	Murphy
Brown (CO)	Hammerschmidt	Myers
Broyhill	Hance	Natcher
Bryant	Hansen (ID)	Nichols
Burton (IN)	Hansen (UT)	Nielson
Byron	Harkin	Oberstar
Carney	Harrison	Olin
Carr	Hartnett	Ortiz
Chappell	Hefner	Packard
Chappie	Hertel	Parris
Coats	Hiler	Pashayan
Coleman (MO)	Holt	Patman
Collins	Hopkins	Paul
Conyers	Howard	Penny
Corcoran	Hughes	Perkins
Courter	Hunter	Petri
Craig	Hutto	Pickle
Crane, Daniel	Jacobs	Price
Crane, Philip	Jenkins	Rahall
Crockett	Jones (NC)	Ray
D'Amours	Jones (TN)	Reid
Daniel	Kaptur	Richardson
Dannemeyer	Kasich	Rinaldo
Daschle	Kastenmeier	Ritter
Daub	Kazen	Roberts
Davis	Kemp	Robinson
de la Garza	Kildee	Roemer
Dellums	Kolter	Rogers
Donnelly	Kramer	Rose
Dorgan	Leath	Roth
Dowdy	Levitas	Rowland
Dreier	Lewis (CA)	Rudd
Duncan	Lewis (FL)	Russo
Durbin	Lipinski	Savage
Dyson	Lloyd	Schaefer
Early	Loeffler	Schroeder
Eckart	Long (MD)	Schulze
Edwards (OK)	Lott	Sensenbrenner
Emerson	Lujan	Sharp
English	Lungren	Shaw
Erdreich	Mack	Shelby
Evans (IL)	Marlenee	Shumway
Shuster	Stump	Weaver
Siljander	Sundquist	Weber
Sisisky	Tallon	Wheat
Skelton	Tauzin	Whitley
Slattery	Taylor	Whittaker
Smith (NE)	Thomas (CA)	Whitten
Smith, Denny	Thomas (GA)	Winn
Smith, Robert	Traxler	Wise
Snyder	Valentine	Wolf
Solomon	Volkmer	Yatron
Spence	Vucanovich	Young (AK)
Staggers	Walgren	Young (FL)
Stark	Walker	
Stenholm	Watkins	

NOT VOTING—5

Hall, Ralph	McCollum	Wilson
Heftel	Stokes	

□ 2100

The clerk announced the following pair:

On this vote:

Mr. Stokes for, with Mr. McCollum against.

Mr. LEVITAS changed his vote from "yea" to "nay."

Mr. CLAY and Mr. GRAY changed their votes from "nay" to "yea."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Mr. ST GERMAIN. Mr. Speaker, pursuant to the provisions of House Resolution 249, I call up from the Speaker's table the Senate bill (S. 695) to amend the Bretton Woods Agreements Act to authorize consent to and authorize appropriations for an increase in the U.S. quota in the International Monetary Fund and to authorize appropriations for increased U.S. participation in the IMF's General Arrangements to Borrow, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

MOTION OFFERED BY MR. ST GERMAIN

Mr. ST GERMAIN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. ST GERMAIN moves to strike out all after the enacting clause of the Senate bill, S. 695, and to insert in lieu thereof the text of the bill, H.R. 2957, as passed, as follows:

SECTION 1. This Act may be cited as the "International Recovery and Financial Stability Act".

TITLE I—EXPORT-IMPORT BANK ACT AMENDMENTS OF 1983

SHORT TITLE

SEC. 101. This title may be cited as the "Export-Import Bank Act Amendments of 1983".

EXTENSION OF THE EXPORT-IMPORT BANK ACT

SEC. 102. Section 8 of the Export-Import Bank Act of 1945 (12 U.S.C. 635f) is amended by striking out "September 30, 1983" and inserting in lieu thereof "September 30, 1985".

COMPETITIVE TIED AID FUND; FINDINGS AND PURPOSE; ESTABLISHMENT

SEC. 103. (a)(1) Tied aid credit is defined by the Arrangement on Guidelines for Officially Supported Export Credits established through the Organization for Economic Cooperation and Development (hereinafter in this section referred to as the "Arrangement") as credit which is provided for development aid purposes and which is financed either exclusively from public funds, or, as a mixed credit, partly from public and partly from private funds. Tied aid credit is tied to the purchase of exports from the country granting the credit.

(2) Tied aid credit can easily be abused. In general, such abuse occurs when—

(A) tied aid credit is utilized primarily to promote exports, in the name of foreign aid;

(B) the country to which the credit is granted is in a sufficiently strong financial position to be a credit-worthy borrower on commercial or Arrangement terms;

(C) tied aid credit is used to finance exports for projects whose potential contributions to the economic development of low income countries is relatively modest, compared to alternative development projects to which foreign aid funds could be devoted; or

(D) tied aid credit is utilized to finance exports on terms which do not carry a large grant element, but are nonetheless somewhat more concessionary than the terms permitted on official direct credit under the Arrangement.

(3) The abuse of tied aid credit by other governments is likely to be especially injurious to American exporters, since it may deny them opportunities for which they could offer highly competitive goods or services, but for which they cannot obtain financing equivalent to the highly subsidized tied aid credit offered by foreign governments.

(b)(1) It is the policy of the United States to insist that participants in the Arrangement honor their pledge not to offer tied aid credit containing a grant element less than the minimum specified in the Arrangement.

(2) The United States Government shall make every effort to negotiate an increase in such minimum, since the incentive to abuse tied aid credit will diminish as its grant element is increased.

CAPITAL LEVEL OF THE BANK

SEC. 104. The Export-Import Bank Act of 1945 (12 U.S.C. 635 et seq.) is amended by adding at the end thereof the following:

"SEC. 13. If, at the end of any quarter of any fiscal year after fiscal year 1983, the value of the total capital stock and retained earnings of the Bank falls below 50 per centum of the value of the total capital stock and retained earnings of the Bank at the end of fiscal year 1983, the Board of Directors shall notify the Congress of the decrease in the level of the capital stock of the Bank not later than thirty days after the end of the quarter of such fiscal year and the Congress shall take appropriate action.".

PRIMARY PURPOSE OF THE BANK

SEC. 105. (a) The second sentence of section 2(b)(1)(A) of the Export-Import Act of 1945 (12 U.S.C. 653(b)(1)(A)) is amended by striking out "which are competitive with" and inserting in lieu thereof "which are competitive, in all its programs, with".

(b) Section 2(b)(1)(B) of the Export-Import Act of 1945 (12 U.S.C. 635(b)(1)(B)) is amended by striking out "(B) It is further the policy of the United States" and all that follows through "with exports of other countries;" and inserting in lieu thereof the following: "(B) It is further the policy of the United States that loans made by the Bank shall bear interest at rates determined by the Board of Directors of the Bank, taking into consideration, foremost, the Bank's mandate to support United States exports, in all of the Bank's programs, at rates and on terms and conditions which are competitive with exports of other countries and, second, the average cost of money to the Bank;".

ASSISTANCE TO SMALL BUSINESSES

SEC. 106. (a) Section 2(a) of the Export-Import Bank Act of 1945 (12 U.S.C. 635(a)) is amended by adding at the end thereof the following:

"(2) In furtherance of the Bank's policy of actively assisting in the development of small business exports—

"(A)(i) not less than 6 per centum of the principal amount of new direct loans the Bank may approve, as provided in appropriation Acts, for fiscal year 1984, shall be reserved for the financing of exports by small business concerns (as defined in section 3 of the Small Business Act);

"(ii) not less than 6 per centum of the principal amount of loans the Bank may guarantee, as provided in appropriation Acts, for fiscal year 1984, shall be reserved for guaranteeing loans to such small business concerns;

"(iii) not less than 10 per centum of the principal amount of new direct loans the Bank may approve, as provided in appropriation Acts, for fiscal year 1985, shall be reserved for the financing of exports by such small business concerns; and

"(iv) not less than 10 per centum of the principal amount of loans the Bank may guarantee, as provided in appropriation Acts, for fiscal year 1985, shall be reserved for guaranteeing loans to such small business concerns; and,

"(B) it shall be a goal of the Bank to provide not less than 10 per centum of the dollar amount of the Bank's loans and guarantees during fiscal year 1984 and not less than 20 per centum of the dollar amount of such loans and guarantees during fiscal year 1985 to such small business concerns.".

(b) Section 9(a) of the Export-Import Bank Act of 1945 (12 U.S.C. 635g(a)) is amended to read as follows:

"SEC. 9. (a) The Export-Import Bank of the United States shall transmit to the Congress on January 1 of each year a complete and detailed report of its operations for the preceding fiscal year."

(c) Section 9(b) of such Act (12 U.S.C. 635g(b)) is amended—

(1) by inserting "comprehensive and detailed" after "contain a"; and

(2) by inserting after the first sentence the following: "The report shall also contain a comprehensive and detailed description of plans which the Bank will implement during the next fiscal year in order to carry out the provisions of section 2(a)(2) of this Act regarding loans and guarantees to small business concerns. With respect to each loan or loan guarantee made during the previous fiscal year, each such report shall specify the amount of such loan or loan guarantee, the company which received such loan or loan guarantee, and whether or not such company is a small business concern.".

(d) Section 2(b)(1)(A) of such Act (12 U.S.C. 635(b)(1)(A)) is amended—

(1) in the fourth sentence, by inserting ", including the Small Business Committees," after "Committees of Congress";

(2) by inserting after the fourth sentence the following: "This report shall be transmitted to the Congress not later than three months after the end of the reporting period."; and

(3) in the sixth sentence, as in effect before the amendment made by paragraph (2)—

(A) by inserting ", including small business exporters," after "a representative number of United States exporters"; and

(B) by inserting ", including regional and local banks," after "commercial lending institutions".

BOARD OF DIRECTORS

SEC. 107. (a) Section 3(c) of the Export-Import Bank Act of 1945 (12 U.S.C. 635a(c)) is amended by inserting after the second sentence thereof the following: "Of the five members of the Board appointed by the President, not less than one such member shall be selected from among the small business community and shall represent the interests of small business.".

(b) In order to carry out the amendment made by subsection (a), the first member appointed by the President to the Board of Directors of the Export-Import Bank of the United States after the date of the enactment of this section shall be selected from among the small business community and shall represent the interests of small business.

COMPETITIVE INSURANCE

SEC. 108. Section 2 of the Export-Import Bank Act of 1945 (12 U.S.C. 635) is amended by adding at the end thereof the following:

"(d)(1) In carrying out its responsibilities under this Act, the Bank shall work to ensure that United States companies are afforded an equal and nondiscriminatory opportunity to bid for insurance in connection with transactions assisted by the Bank.

"(2) In furtherance of that effort, the Chairman of the Bank shall review Bank policies and programs in regard to this issue, and in coordination with the United States Trade Representative and the appropriate agencies of the Department of State, the Department of the Treasury, and the Department of Commerce, undertake actions designed to promote equal and nondiscriminatory opportunities to bid for insurance in connection with all aspects of international trade activities.

"(3) The Bank shall report to the Committee on Banking, Finance and Urban Affairs of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate not later than May 15, 1984, regarding—

"(A) the existing obstacles to equal and non-discriminatory bidding for insurance related to transactions assisted by the Bank;

"(B) the efforts that the Bank has taken in addressing such problems; and

"(C) any recommendations for additional action by the appropriate agencies of the executive branch or the Congress.".

ADVISORY COMMITTEE

SEC. 109. Section 3(d) of the Export-Import Bank Act of 1945 (12 U.S.C. 635a(d)) is amended to read as follows:

"(d)(1) There is hereby established an Advisory Committee to consist of twelve members who shall be appointed by the Board of Directors on the recommendation of the President of the Bank, and who shall be broadly representative of production, commerce, finance, agriculture, labor, services, and State government, except that not less than three members appointed to the Advi-

sory Committee shall be representative of the small business community.

"(2) The Advisory Committee shall meet at least once each quarter.

"(3) The Advisory Committee shall advise the Bank on its programs, and shall submit, with the report specified under section 2(b)(1)(A) of this Act, its own comments to the Congress on the extent to which the Bank is meeting its mandate to provide competitive financing to expand United States exports, and any suggestions for improvements in this regard.".

REPORT TO CONGRESS

SEC. 110. Section 9 of the Export-Import Bank Act of 1945 is amended by adding at the end thereof the following:

"(c)(1) The report shall include a detailed description of all actions which have been taken by the Bank or which will be taken by the Bank—

"(A) to maintain the competitive position of key linkage industries in the United States;

"(B) to support industries which are engaged in the export of high value added products;

"(C) to support industries which are engaged in the development of new capital goods technology;

"(D) to preserve and create high skilled jobs in the United States economy; and

"(E) to enhance the opportunity for growth and expansion of small businesses and entrepreneurial enterprises.

"(2) Such report shall include the comments of the Advisory Committee regarding the objectives specified in paragraph (1).".

REPORT

SEC. 111. Section 1911 of the Export-Import Bank Act Amendments of 1978 is amended by adding at the end thereof the following: "After October 1, 1983, there are authorized to be appropriated such sums as may be necessary to carry out the provisions of this section.".

NONCOMPETITIVE FINANCING DETERMINATION

SEC. 112. Section 1912 of the Export-Import Bank Act Amendments of 1978 is amended—

(1) in subsection (a)(1), by adding at the end thereof the following: "The inquiry, and, where appropriate, the determination and authorization to the Export-Import Bank of the United States referred to in this section shall be completed and made within sixty days of the receipt of such information."; and

(2) in subsection (b)(1), by striking out "determining factor" and inserting in lieu thereof "significant factor".

MEDIUM-TERM FINANCING

SEC. 113. Section 2(a) of the Export-Import Bank Act of 1945 (12 U.S.C. 635(a)) is amended by adding at the end thereof the following:

"(3) In order for the Bank to be competitive in all of its financing programs with countries whose exports compete with United States exports, the Bank shall—

"(A) provide medium-term financing—

"(i) at rates of interest to the customer which are equal to the rates established by the Organization for Economic Cooperation and Development; and

"(ii) in amounts up to 85 percent of the total cost of the exports involved; and

"(B) cooperate fully with the Secretary of Commerce and the Administrator of the Small Business Administration to develop a program for purposes of disseminating information, using existing private institutions, to small business concerns regarding the medium-term financing provided under this paragraph.".

TITLE II—INTERNATIONAL ECONOMIC RECOVERY

FINDINGS

SEC. 201. The Congress hereby finds that—

(1) efforts by one nation to improve its economic well-being without regard to that of other nations are ultimately self-defeating;

(2) the well-being of all United States citizens depends on world economic growth and prosperity; and

(3) world economic recovery is being impeded—

(A) by high interest rates, particularly in the United States;

(B) by the enormous magnitude and short maturity of the foreign debt of some nations; and

(C) by the risk and uncertainty associated with a competitive international banking system in which bank regulatory programs, which differ markedly from nation to nation—

(i) were designed to meet national rather than international safety and soundness concerns;

(ii) may have contributed significantly to the international debt problem; and

(iii) are not adequate to address potential future threats to international bank safety and soundness;

(4) millions of American jobs have been lost through the worldwide recession; and

(5) a substantial portion of the decline in the United States gross national product in recent years was due to a sharp drop in exports;

(6) renewed growth in the developing countries would help to restore United States export markets and millions of American jobs;

(7) the financial resources within the developing countries could be turned to renewed growth; and

(8) the international debt crisis would substantially ease if the time allowed for debt repayment were lengthened for those nations most severely burdened by foreign debt.

ECONOMIC GROWTH; SUPERVISION OF INTERNATIONAL LENDING

SEC. 202. (a) The President shall encourage the industrialized nations—

(1) to take actions on a cooperative, multilateral basis to adopt fiscal and monetary policies which will result in sustainable, noninflationary economic growth and increased employment on a worldwide basis;

(2) to develop plans for reducing the financial pressures on nations whose growth is being constrained by the size and short maturity of their foreign debt by extending, where appropriate, the maturity of such debt; and

(3) to begin immediately to promote the effectiveness and the consistency of the regulation and supervision of international banking.

(b) Not later than one year after the date of the enactment of this Act, the President shall transmit a report to the Congress—

(1) regarding actions taken to carry out the provisions of subsection (a); and

(2) which includes such recommendations as the President considers advisable for legislative actions needed to assure sustainable and noninflationary economic growth on a worldwide basis.

TITLE III—INTERNATIONAL MONETARY FUND

PROMOTING ECONOMIC GROWTH AND CONDITIONS FOR EXCHANGE RATE STABILITY

SEC. 301. The Bretton Woods Agreements Act (22 U.S.C. 286 et seq.) is amended by adding at the end thereof the following:

"PROMOTING ECONOMIC GROWTH AND THE CONDITIONS FOR EXCHANGE RATE STABILITY

"SEC. 42. (a) In order to help assure that the resources provided under section 40 are used to support progrowth policies which will help establish the economic conditions necessary for greater financial and exchange rate stability, it is the sense of Congress that the Secretary of the Treasury shall instruct the United States Executive Director of the Fund to work for adoption of policies in the Fund, both within the framework of article IV consultations and with respect to the conditions associated with Fund-supported balance of payments adjustments programs, that—

"(1) promote sustained noninflationary economic growth, monetary stability, and higher levels of productive employment;

"(2) support the evolution of broadly based, nondiscriminatory, low-rate tax systems which will encourage private sector savings and provide incentives for productive employment, investment, and private sector growth;

"(3) encourage the establishment of sound monetary and fiscal policies which limit Government preemption of real and financial resources and which are conducive to sustainable economic recovery and growth, full employment, and price and exchange rate stability;

"(4) discourage Government regulation and Government allocation of real and financial resources;

"(5) encourage international capital flows and investment by providing a predictable economic and legal climate based on sanctity of contracts with, and property rights of, foreign investors;

"(6) ensure that policies adopted by Third World countries pursuant to their borrowing from the Fund are fair and equitable to all strata of their economy and society; and

"(7) would allow prices to better reflect underlying market forces.

"(b) In negotiating with Third World countries, the United States Executive Director of the Fund shall work through the Fund for policies which assist low- and moderate-income families to maintain and increase their level and standard of living, and which provide for and foster the creation of democratic institutions.

"(c) The Secretary shall also instruct the United States Executive Director of the Fund to propose and work for the adoption of policies by the Fund that would strengthen efforts to promote conditions contributing to greater stability of exchange rates. Among other steps, the United States Executive Director of the Fund shall propose that—

"(1) Fund-approved economic adjustment programs seek to promote greater exchange rate stability by supporting policies which would reduce the need for abrupt or damaging exchange rate changes;

"(2) as part of the article IV consultation process, the Fund review the efforts of each Fund member to collaborate with the Fund to promote stable exchange rates. If as a result of such review, it is determined by the Fund that a member is not pursuing policies which promote a stable system of exchange rates, the Fund shall recommend and en-

courage the adoption of policy changes to better promote greater economic, price, and exchange rate stability.

"(d) The Secretary of the Treasury, as the United States Governor of the Fund, shall report to the Committee on Banking, Housing, and Urban Affairs and the Committee on Foreign Relations of the Senate and to the Committee on Banking, Finance and Urban Affairs of the House of Representatives on a semiannual basis concerning the above directives to the United States Executive Director of the Fund.".

QUOTA INCREASE

SEC. 302. That the Bretton Woods Agreements Act (22 U.S.C. 286 et seq.) is amended—

(1) in section 17(a)—

(A) by striking out "decision of January 5, 1962, and inserting in lieu thereof "decisions of January 5, 1962, and February 24, 1983, as amended in accordance with their terms,"; and

(B) by striking out "not to exceed $2,000,000,000 outstanding at any one time," and inserting in lieu thereof "in an amount not to exceed the equivalent of 4,250,000,000 Special Drawing Rights, limited to such amounts as are appropriated in advance in appropriation Acts, except that prior to activation the Secretary of the Treasury shall certify that supplementary resources are needed to forestall or cope with an impairment of the international monetary system and that the Fund has fully explored other means of funding,";

(2) in section 17(b), by striking out "$2,000,000,000," and inserting in lieu thereof "4,250,000,000 Special Drawing Rights, except that prior to activation the Secretary of the Treasury shall certify that supplementary resources are needed to forestall or cope with an impairment of the international monetary system and that the Fund has fully explored other means of funding,";

(3) by adding at the end of section 17 the following:

"(d) Unless the Congress by law so authorizes, neither the President, the Secretary of the Treasury, nor any other person acting on behalf of the United States, may instruct the United States Executive Director to the Fund to consent to any amendment to the Decision of February 24, 1983, of the Executive Directors of the Fund, if the adoption of such amendment would significantly alter the amount, terms, or conditions of participation by the United States in the General Arrangements to Borrow."; and

(4) by adding at the end thereof the following:

"SEC. 40. (a) The United States Governor of the Fund is authorized to consent to an increase in the quota of the United States in the Fund equivalent to 5,310.8 million Special Drawing Rights, limited to such amounts as are provided in advance in appropriation Acts.

"(b) The Secretary of the Treasury shall consult with the chairman and the ranking minority member of—

"(1) the Committee on Banking, Finance and Urban Affairs and the Committee on Appropriations of the House of Representatives, and any appropriate subcommittee of each such committee; and

"(2) the Committee on Foreign Relations, the Committee on Appropriations, and the Committee on Banking, Housing, and Urban Affairs of the Senate, and any appropriate subcommittee of each such committee,

for purposes of discussing the position of the executive branch and the views of the Congress with respect to any international negotiations being held to consider any future quota increase for the International Monetary Fund which may involve an increased contribution, subscription, or loan by the United States. Such consultation shall be made (A) not later than thirty days before the intitiation of such international negotiations, (B) during the period in which such negotiations are being held, in a frequent and timely manner, and (C) before a session of such negotiations is held at which the United States representatives may agree to such quota increase.

"SEC. 41. (a) It is the sense of the Congress that—

"(1) the lack of sufficient information currently available to allow lenders to make sound and prudent decisions concerning their international lending threatens the stability of the international monetary system; and

"(2) in recognition of the Fund's duties, as provided particularly by Article VIII of the Articles of Agreement of the Fund, to act as a center for the collection and exchange of information on monetary and financial problems, the Fund should adopt such measures as are necessary and appropriate to ensure that more complete and timely financial information will be available.

"(b) To this end, the Secretary of the Treasury shall instruct the United States Executive Director to the Fund—

"(1) to initiate relevant discussions with other directors of the Fund and with the Fund management; and

"(2) to propose, and vote for the adoption of, procedures, within the Fund—

"(A) to collect and disseminate information, on a quarterly basis, from and to Fund members, and to such other persons as the Fund deems appropriate, concerning the extension of credit by banks or nonbanks to private and public entities, where such banks or nonbanks are not principally established within the borders of the member country to which the credits are extended; and

"(B) to publicly disseminate information which is developed in the course of the Fund's collection efforts and which the Fund determines would serve to enhance the informational base upon which international borrowing and lending decisions are made.

"(c) The President is authorized to use the authority provided under section 8 of this Act to require any person (as defined in such section) who is subject to the jurisdiction of the United States to provide such information as the Fund determines to be necessary in order to carry out the provisions of this section.

"(d) Within one year after the date of the enactment of this section, the Secretary of the Treasury shall prepare and transmit to the Committee on Foreign Relations and the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Banking, Finance and Urban Affairs of the House of Representatives, a report regarding the progress made toward establishing collection, review, comment, and reporting procedures within the Fund, as provided by this section.

"(e) For purposes of this section, the term 'credit' includes—

"(1) outstanding loans to private and public entities, including government entities, instrumentalities, and central banks of any member; and

"(2) unused lines of credit which have been made available to such private and public entities of any member,

where such loans or lines of credit are repayable in freely convertible currency.".

SPECIAL DRAWING RIGHTS

SEC. 303. Section 6 of the Special Drawing Rights Act (22 U.S.C. 286q) is amended to read as follows:

"SEC. 6. Unless Congress by law authorizes such action, neither the President nor any person or agency shall on behalf of the United States vote to approve any new allocation of Special Drawing Rights.".

INSTRUCTIONS TO THE EXECUTIVE DIRECTOR REGARDING THE ECONOMIC IMPACT OF APARTHEID AND COMMUNIST DICTATORSHIPS

SEC. 304. The Bretton Woods Agreements Act (22 U.S.C. 286 et seq.) is amended by adding at the end thereof the following:

"SEC. 43. The Congress hereby finds that the practices of apartheid and Communist dictatorship result in severe constraints on labor and capital mobility and other highly inefficient labor and capital supply rigidities which contribute to balance of payments deficits in direct contradiction of the goals of the International Monetary Fund. Therefore, the President shall instruct the United States Executive Director of the Fund to actively oppose any credit drawings on the Fund or any of its facilities by any country which practices apartheid or Communist dictatorship.".

ELIMINATION OF IMPORT RESTRICTIONS

SEC. 305. The Bretton Woods Agreements Act (22 U.S.C. 286 et seq.) is amended by adding at the end thereof the following:

"SEC. 44. (a)(1) The Secretary of the Treasury shall instruct the United States Executive Director of the Fund to present proposals to the Executive Board of the Fund for the purpose of ensuring that each member country using Fund resources takes steps to eliminate expeditiously all import restrictions and unfair export subsidies which have been determined to be inconsistent with the General Agreement on Tariff and Trade, or other international agreements, and which have a serious adverse impact on United States, or any other member's, exports or employment.

"(2) If the Fund does not adopt such proposals, the Secretary of the Treasury shall consult with the appropriate committees of the Congress prior to instructing the United States Executive Director to vote to provide Fund resources for a country whose policies are inconsistent with the above instructions.

"(b) As part of this effort, the United States Trade Representative, the Secretary of Labor, and the Secretary of Commerce shall inform the Secretary of the Treasury and the Congress of all import restrictions and export subsidies by member countries which have been determined to be inconsistent with the General Agreement on Tariffs and Trade or other multilateral agreements and which have a serious adverse impact on exports from, or employment in, the United States.".

SEC. 306. The Bretton Woods Agreements Act (22 U.S.C. 286 et seq.) is amended by adding at the end thereof the following:

"SEC. 45. (a) Within ninety days of enactment of this section, the President shall report to the appropriate committees of Congress outlining the role of the International Monetary Fund and the United States Government with regard to maintaining realistic, market-related exchange rates with other major currencies and making recommendations as to what can be done to avoid exchange rate manipulation. In particular, such report shall examine the

policies of major trading partners which (1) maintain a substantial trade surplus with the United States, and (2) encourage export of capital to such an extent that exchange rates do not appear to reflect adjustments based on trade patterns alone. Such report shall also include the status of the proposals set forth in subsection (b) of this section.

"(b) The President shall instruct the Secretary of the Treasury to propose and work for the adoption of proposals by the Fund to promote conditions contributing to the stability of exchange rates and avoid the manipulation of exchange rates between major currencies. Among other initiatives, the Secretary or his designee shall propose: (1) a comprehensive study by the Fund of exchange rate problems with recommendations as to steps that can be taken to correct any structural imbalances identified and (2) strengthening the article IV consultation procedures of the Fund to attempt to ensure that countries which are artificially maintaining undervalued or overvalued rates of exchange agree to adopt realistic, market-related exchange rates.

"(c) The Secretary of the Treasury shall take into account in determining his vote whether a country's policies are consistent with the requirements of article IV.".

ELIMINATION OF AGRICULTURAL EXPORT SUBSIDIES

SEC. 307. The Bretton Woods Agreements Act (22 U.S.C. 286 et seq.) is amended by adding at the end thereof the following:

"SEC. 46. The Secretary of the Treasury shall instruct the United States Executive Director to the Fund to propose and work for the adoption of a policy requiring that prior to receiving any International Monetary Fund assistance Fund borrowers must eliminate all predatory agricultural export subsidies which might result in the reduction of other member countries' exports. The Secretary shall report to the relevant committees of Congress within one hundred and eighty days of enactment of this provision as to the progress achieved in reaching this goal.".

REPORT ON FUND POLICIES

SEC. 308. The Bretton Woods Agreements Act (22 U.S.C. 286 et seq.) is amended by adding at the end thereof the following:

"SEC. 47. (a) Not later than one hundred and eighty days after the date of the enactment of this section, the Secretary of the Treasury shall transmit to the Congress a report containing a thorough review and detailed analysis of the policies of the International Monetary Fund regarding—

"(1) the ability of the Fund to promote real economic growth and sustained, noninflationary recovery, pursuant to its mandate in article I of the Articles of Agreement, in countries which enter into stabilization programs with the Fund;

"(2) the feasibility of the Fund issuing securities in the private capital markets as a means of increasing its resources, either in lieu of, or in addition to, future quota increases, together with an evaluation of how such borrowing would affect the credit markets of the United States;

"(3) the feasibility of returning all or part of the Fund's gold reserves to Fund members or of selling the Fund's gold reserves in the private markets, together with an evaluation of how such sales would affect the credit markets of the United States;

"(4) the feasibility of establishing temporary, supplemental financing facilities at the Fund; and

"(5) recommendations for amendments to the Fund's Articles of Agreement, if any, to improve the role of the Fund in the international monetary system.

"(b) Such report on the policies of the Fund shall be referred to the Committee on Banking, Finance and Urban Affairs of the House of Representatives, and to the Committee on Banking, Housing, and Urban Affairs and the Committee on Foreign Relations of the Senate.".

SUSTAINING ECONOMIC GROWTH

SEC. 309. The Bretton Woods Agreements Act (22 U.S.C. 286 et seq.) is amended by adding at the end thereof the following:

"SUSTAINING ECONOMIC GROWTH

"SEC. 48. (a)(1) The President shall instruct the Secretary of the Treasury, the Secretary of State, and other appropriate Federal officials, including the Chairman of the Board of Governors of the Federal Reserve System, to use all appropriate means to encourage countries to formulate economic adjustment programs to deal with their balance of payment difficulties and external debt owed to private banks.

"(2) Such economic adjustment programs should be designed to safeguard, to the maximum extent feasible, international economic growth, world trade, employment, and the long-term solvency of banks, and to minimize the likelihood of civil disturbances in countries needing economic adjustment programs.

"(b) To ensure the effectivenes of economic adjustment programs supported by Fund resources—

"(1) the United States Executive Director of the Fund shall recommend and shall work for changes in Fund guidelines, policies, and decisions which would—

"(A) convert short-term bank debt which was made at high interest rates into long-term debt at lower rates of interest;

"(B) assure that the annual external debt service, which shall include principal, interest, points, fees, and other charges required of the country involved, is a manageable and prudent percentage of the projected appeal expect earnings of such country; and

"(C) provide that in approving any economic adjustment program the Fund shall take into account the number of countries applying to the Fund for economic adjustment programs and the aggregate effects that such programs will have on international economic growth, world trade, exports and employment of other member countries, and the long-term solvency of banks.

"(2)(A) Except as provided in subparagraph (B), the United States Executive Director of the Fund shall oppose and vote against providing assistance from the Fund for any economic adjustment program for a country in which the annual external debt service exceeds 85 per centum of the annual export earnings of such country unless the United States Executive Director of the Fund first determines and provides written documentation to the Committee on Banking, Housing, and Urban Affairs and the Committee on Foreign Relations of the Senate and the Committee on Banking, Finance and Urban Affairs of the House of Representatives that—

"(i) the economic adjustment program converts short-term bank debt which was made at high interest rates into long-term debt at lower rates of interests;

"(ii) the annual external debt service required of the country involved is a manageable and prudent percentage of the projected annual export earnings of such country; and

"(iii) the economic adjustment program will not have an adverse impact on international economic growth, world trade, exports, and employment of other member countries, and the long-term solvency of banks.

"(B) The provisions of subparagraph (A) shall not apply in any case in which the United States Executive Director of the Fund first determines and provides written documentation to the Committee on Banking, Housing, and Urban Affairs and the Committee on Foreign Relations of the Senate and the Committee on Banking, Finance and Urban Affairs of the House of Representatives that—

"(i) an emergency exists in a nation that has applied to the Fund for assistance that requires an immediate short-term loan to avoid disrupting orderly financial markets;

"(ii) a sudden decrease in export earnings in the country applying to the Fund for assistance has increased the ratio of annual external debt service to annual export earnings, to greater than 85 per centum for a period projected to be no more than one year; or

"(iii) other extraordinary circumstances exist which warrant waiving the provisions of subparagraph (A).

"(c) The National Advisory Council on International Monetary and Financial Policies shall include in each of its annual reports to the Congress copies of the analyses and any written documentation prepared by the United States Executive Director of the Fund pursuant to paragraphs (2)(A) or (2)(B) of subsection (b) and a statement detailing the actions and progress made in carrying out the requirements of subsections (a) and (b).".

PROMOTING DOMESTIC ECONOMIC GROWTH AND EMPLOYMENT

SEC. 310. The Bretton Woods Agreements Act (22 U.S.C. 286 et seq.) is amended by adding at the end thereof the following:

"PROMOTING DOMESTIC ECONOMIC GROWTH AND EMPLOYMENT

"SEC. 49. (a)(1) The cornerstone of a healthy world economy and international trading and financial system is a growing domestic economy in the United States with price stability and low interest rates.

"(2) Sustained noninflationary economic growth in the United States, full employment in United States basic industries, and a robust economy are essential to avoiding the imposition of protectionist barriers that would inhibit the free flow of trade and undermine the economic and financial stability of countries using the Fund.

"(3) Provision of adequate credit at affordable rates of interest to the United States economy by the United States banking system is essential to promoting a growing domestic economy.

"(b) To that end, and especially to provide working capital to promote the expansion of domestic industries, the appropriate Federal banking agencies, as defined in section 402 of the International Lending Supervision Act of 1983, are directed to develop regulations to implement subsections (c) through (f) within thirty days of the date of the enactment of this section.

"(c) This section shall apply to all banking institutions which have foreign loans which are excessive. A banking institution's loans shall be considered excessive if the aggregate of such loans to public and private sector borrowers in a foreign country described in section 404 of such Act exceeded such banking institution's primary capital on June 30, 1983, or on any date thereafter until January 1, 1986.

"(d)(1) Except as provided in subsections (e) and (f), from the date of the enactment of this section until January 1, 1986, no banking institution having excessive loans under subsection (c) shall make any new loans to foreign countries described in section 404 of such Act if such loans shall cause the growth rate of such banking institution's aggregate loans to all such foreign countries to exceed one-half of the growth rate of such banking institution's aggregate loans to all such foreign countries during the period of January 1, 1980, through June 30, 1982.

"(2) Notwithstanding the provisions of this section, banking institutions may honor binding commitments, which were effective before July 30, 1983, to lend in such countries.

"(e)(1) Any banking institution having excessive loans under subsection (c) may exceed the limits set forth in subsection (d) if the annual rate of growth of such banking institution's domestic lending exceeds the limit so specified.

"(2) In such cases, the rate of growth of aggregate loans to all foreign countries described in section 404 of such Act shall not exceed the rate of growth of domestic lending.

"(f) This section shall not be enforced if—

"(1) the Secretary of the Treasury and the Chairman of the Board of Governors of the Federal Reserve System find that such enforcement would adversely affect the domestic economy; or

"(2) the President determines that enforcement of this section would be detrimental to the national interest.".

PROHIBITION OF FRONT END FEES

SEC. 311. (a) In order to avoid excessive debt service burdens on debtor countries, no banking institution shall charge, in connection with the restructuring of an international loan, any fee exceeding the administrative cost of the restructuring unless it amortizes such fee over the effective life of each such loan.

(b) The requirement of subsection (a) shall take effect on the date of the enactment of this section. Each appropriate Federal banking agency shall promulgate such regulations as are necessary to further carry out the provisions of this section.

OPPOSING FUND BAILOUTS OF BANKS

SEC. 312. The Bretton Woods Agreements Act (22 U.S.C. 286 et seq.) is amended by adding at the end thereof the following:

"OPPOSING FUND BAILOUTS OF BANKS

"SEC. 50. Except as provided in section 48 (a section entitled 'Sustaining Economic Growth'), the Secretary of the Treasury shall instruct the United States Executive Director of the Fund—

"(1) to oppose and vote against any Fund drawing by a member country where, in his judgment, the Fund resources would be drawn principally for the purpose of repaying loans which have been imprudently made by banking institutions to the member country; and

"(2) to work to insure that the Fund encourages borrowing countries and banking institutions to negotiate, where appropriate, a rescheduling of debt which is consistent with safe and sound banking practices and the country's ability to pay.".

FLOATING EXCHANGE RATES

SEC. 313. The Bretton Woods Agreements Act (22 U.S.C. 286 et seq.) is amended by adding at the end thereof the following:

"FLOATING EXCHANGE RATES

"SEC. 51. (a) The Secretary of the Treasury shall, in consultation with the Secretary of State and the United States Trade Representative, initiate discussions with other countries regarding the economic dislocations which result from structural exchange rate imbalances.

"(b) Not later than one hundred and eighty days after the date of the enactment of this section, the Secretary of the Treasury shall transmit a report to the committee on banking, housing, and Urban affairs and the Committee on Foreign Relations of the Senate and the Committee on Banking, Finance and Urban Affairs of the House of Representatives regarding proposals to reform the floating exchange rate system. Such report shall contain such recommendations for legislative or administrative actions as the Secretary of the Treasury considers advisable.".

SURPLUS COMMODITIES REPORT

SEC. 314. (a) Section 4(b) of the Bretton Woods Agreements Act (22 U.S.C. 286b) is amended—

(1) in paragaph (5)—

(A) by inserting "(A)" after "(5)"; and

(B) by adding at the end thereof the following:

"(B) Beginning one hundred and eighty days after the date of the enactment of this paragraph, and at intervals of one hundred and eighty days thereafter for the next three years, the Council shall prepare and transmit to the President and to the Congress a report listing all applications which have been filed during the preceding one hundred and eighty days with the Fund and with the Bank for project assistance which would establish or enhance the capacity of any country to produce a commodity for export, if—

"(i) such commodity is in surplus on world markets or is likely to be in surplus on world markets at the time the resulting productive capacity is expected to become operative; and

"(ii) such project assistance will cause substantial injury to the United States producers of the same, similar, or competing commodity."; and

(2) by adding at the end thereof the following:

"(8) The general policy objectives for the guidance of the United States Executive Director of the Fund and the Bank shall take into account the effect that country adjustment programs have upon individual industry sectors and international commodity markets—

"(A) to minimize projected adverse impacts; and

"(B) to avoid, wherever possible, government subsidization of production and exports of international commodities without regard to economic conditions in the markets for such commodities.".

HUMAN NEEDS REPORT

SEC. 315. Section 33 of the Bretton Woods Agreements Act (22 U.S.C. 286s) is amended by adding at the end thereof the following:

"(d) Not later than one hundred and eighty days after the date of the enactment of this subsection, the Secretary of the Treasury shall transmit a report to the Committee on Banking, Housing, and Urban Affairs and the Committee on Foreign Relations of the Senate and the Committee on Banking, Finance, and Urban Affairs of the House of Representatives specifying the actions which have been taken to carry out the provisions of this section.".

NON-PROLIFERATION OF NUCLEAR WEAPONS

SEC. 316. The Bretton Woods Agreements Act (22 U.S.C. 286 et seq.) is amended by adding at the end thereof the following:

"NON-PROLIFERATION OF NUCLEAR WEAPONS

SEC. 52. The United States Executive Director of the Fund shall consider, if appropriate, in carrying out his duties, whether a recipient country has detonated a nuclear device, whether the country is not a State Party to the Treaty on Non-Proliferation of Nuclear Weapons, and whether the country is not a State Party to the Treaty Banning Nuclear Weapon Tests In the Atmosphere, in Outer Space, and Under Water.".

POLICIES ON INTERNATIONAL LENDING

SEC. 317. The Secretary of the Treasury shall instruct the United States Executive Director of the International Monetary Fund to propose that the Fund adopt the following policies with respect to international lending:

(1) in its consultations with a member government on its economic policies pursuant to Article IV of the Fund Articles of Agreement, the Fund should intensify its examination of the trend and volume of external indebtedness of private and public borrowers in the member country and comment as appropriate in its report to the Executive Board from the viewpoint of the contribution of such borrowings to the economic stability of the borrower, and the Fund should consider the extent that and form in which these comments should be made available to appropriate national bank regulatory authorities, the international banking community, and the public;

(2) as part of any Fund-approved stabilization program, the Fund should give consideration to placing limits on public sector external short- and long-term borrowing; and

(3) as a part of its annual report, and at such other times as it may consider desirable, the Fund should publish its evaluation of the trend and volume of international lending as they affect the economic situation of lenders and borrowers, and the smooth functioning of the international monetary system.

STUDY

SEC. 318. Section 4 of the Bretton Woods Agreements Act is amended by adding at the end thereof the following:

"(d)(1) The National Advisory Council on International Monetary and Financial Policies shall conduct a study of the impact on the United States steel industry of steel subsidies by nations who are borrowers from the Fund.

"(2) Not later than twelve months after the date of the enactment of this subsection, the Council shall transmit a report to the President and both Houses of the Congress regarding the Council's findings and recommendations for appropriate action.".

PROHIBITION ON RENEGOTIATION FEES

SEC. 319. (a)(1) Notwithstanding any other provision of law (including any other provision of this title), in order to avoid excessive debt service burdens on deptor countries, no banking institution shall charge, in connection with the restructuring of an international loan, any fee exceeding the administrative cost of the restructuring.

(2) Notwithstanding any other provision of law (including any other provision of this title), any fee which is authorized to be charged under paragraph (1) shall be amortized over the effective life of the loan involved.

(b) The requirements of subsection (a) shall take effect on the date of the enactment of this section. Each appropriate Federal banking agency shall promulgate such regulations as are necessary to further carry out the provisions of this section.

SEC. 320. The Bretton Woods Agreements Act (22 U.S.C. 286 et seq.) is amended by adding at the end thereof the following:

"SEC. 53. The Secretary of the Treasury shall instruct the United States Executive Director to the Fund to propose and work for the adoption of Fund policies regarding the rate of remuneration paid on use of member's quota subscriptions and the rate of charges on Fund drawings to bring those rates in line with market rates. The Secretary of the Treasury shall report to the appropriate Committees of Congress within one hundred and eighty days of enactment the progress made in implementing this provision.".

REIMBURSEMENT FROM BENEFICIARIES OF QUOTA INCREASES

SEC. 321. The Bretton Woods Agreements Act (22 U.S.C. 286 et seq.) is amended by adding at the end thereof the following:

"REIMBURSEMENT FROM BENEFICIARIES OF QUOTA INCREASES

"SEC. 54. (a) The Congress hereby finds—

"(1) depository institutions have charged excessive rates of interest on loans made to foreign countries;

"(2) such excessive rates of interest were often imposed in order to compensate for the declared high-risk rate of lending to such countries;

"(3) the United States Government, by increasing its quota contribution to the International Monetary Fund, has substantially reduced the risk of lending to those foreign countries which benefit from the increased resources of the International Monetary Fund;

"(4) such quota contribution by the United States Government will result in a considerable financial burden to the American taxpayer; and

"(5) permitting depository institutions to retain the profits earned from the excessive interest rates charged to such foreign countries results in unjust enrichment to such depository institutions in light of the increase in the United States quota contribution.

"(b) Each depository institution shall transmit a report to the Secretary of the Treasury specifying—

"(1) all loans made by such depository institution to any foreign country;

"(2) with respect to each such loan—

"(A) the rate of interest charged on such loan;

"(B) all service fees imposed on such loan;

"(C) the unpaid balance on such loan;

"(D) the total amount of interest collected on such loan; and

"(E) such other information as may be requested by the Secretary.

"(c)(1) The Secretary may examine the books and records of any depository institution in order to insure compliance with the provisions of this section.

"(2) The Secretary shall consult with the Board of Governors of the Federal Reserve System, the Board of Directors of the Federal Deposit Insurance Corporation, and other appropriate Federal and State regulatory agencies in order to obtain information on foreign loans by depository institutions which may have been reported to such agencies.

"(d)(1) The Secretary shall determine which loans made by depository institutions or subsidiaries thereof have been extended, refinanced, or made more secure, or in any other manner affected by the increased United States quota contribution to the International Monetary Fund made pursuant to section 40.

"(2) The Secretary shall determine the interest rate charged, and the interest rate earned, on such loans. All such interest rates shall be determined in accordance with provisions of the Truth in Lending Act and the regulations issued pursuant to such Act.

"(e)(1) With respect to loans identified in subsection (d), the Secretary shall determine which loans have earned for the depository institution involved a rate of return which is greater than the rate of return which would have been earned by such depository institution if the principal amount involved had been lent in the United States to a corporate borrower with a rating of AAA for a similar maturity.

"(2) The amount determined by the Secretary to have been earned in excess of the amount which would have been earned from a domestic loan (as determined under paragraph (1)) shall be paid to the Treasury as a reimbursement for the increased quota contribution made pursuant to section 40 of this Act.

"(f) For purposes of this section—

"(1) the term 'depository institution' shall have the same meaning given such term in section 19(b)(1)(A) of the Federal Reserve Act;

"(2) the term 'loan' means any extension of credit to—

"(A) a foreign government or any agency or instrumentality thereof;

"(B) any entity owned in whole or in part by a foreign government unless United States persons own at least 10 per centum of such entity;

"(C) any entity which is not more than 10 per centum owned by United States persons.".

NOTICE TO CONGRESS REGARDING BORROWING IN UNITED STATES CREDIT MARKETS

SEC. 322. Section 5 of the Bretton Woods Agreements Act (22 U.S.C. 286c) is amended by adding at the end thereof the following: "Neither the President nor any person or agency shall, on behalf of the United States, consent to any borrowing (other than borrowing from a foreign government or other official public source) by the Fund of funds denominated in United States dollars unless the Secretary of the Treasury transmits a notice of such proposed borrowing to both Houses of the Congress at least sixty days prior to the date on which such borrowing is scheduled to occur.".

SALARIES OF EMPLOYEES OF THE FUND

SEC. 323. The Bretton Woods Agreements Act (22 U.S.C. 286 et seq.) is amended by adding at the end thereof the following:

"SALARIES OF EMPLOYEES OF THE FUND

"SEC. 55. Notwithstanding section 40 of this Act, the United States Governor of the Fund may not consent to the increase in the United States quota in the Fund which is described in such section unless the United States Governor of the Fund is satisfied that the Fund has established, and will maintain, requirements that—

"(1) employees of the Fund (including the Managing Director, Executive Directors, Alternate Executive Directors, and the staff of the Fund) may not be paid at a rate in excess of the rate payable for an individual occupying a position at level IV of the Executive Schedule under section 5315 of title 5, United States Code; and

"(2) advances on salaries and other loans to employees may not be made at a rate of interest which is less than the rate of interest charged on loans (for one-to four-family dwellings) insured under title II of the National Housing Act on the date on which such advance or loan is made.".

BENEFICIARIES OF THE QUOTA INCREASE

SEC. 324. The Bretton Woods Agreements Act (22 U.S.C. 286 et seq.) is amended by adding at the end thereof the following:

"BENEFICIARIES OF THE QUOTA INCREASE

"SEC. 56. The Secretary of the Treasury shall transmit a report to the Congress specifying—

"(1) the total amount of new funding which will be provided by the Fund as a result of the United States quota increase specified in section 40; and

"(2) the countries which will receive loans as a result of such quota increase.".

PAYMENT OF QUOTA INCREASE

SEC. 325. The Bretton Woods Agreement Act (22 U.S.C. 286 et seq.) is amended by adding at the end thereof the following:

"PAYMENT OF QUOTA INCREASE

"SEC. 57. The Secretary of the Treasury shall instruct the United States Executive Director of the Fund to propose and work for the adoption of an amendment to article III of the Articles of Agreement of the Fund to provide that the balance of any quota increase shall be paid by member countries in United States dollars, German marks, French francs, British pounds, or Japanese yen.".

TITLE IV—INTERNATIONAL LENDING SUPERVISION

SEC. 401. This title may be cited as the "International Lending Supervision Act of 1983".

DEFINITIONS

SEC. 402. (a) The term "appropriate Federal banking agency" has the same meaning assigned to the term in section 3(q) of the Federal Deposit Insurance Act (12 U.S.C. 1813(q)), and, for purposes of this title, the "appropriate Federal banking agency" for bank holding companies and any nonbank subsidiary thereof, Edge Act corporations organized under section 25(a) of the Federal Reserve Act (12 U.S.C. 611-631), and agreement corporations operating subject to section 25 of the Federal Reserve Act (12 U.S.C. 601-604(a)) is the Board of Governors of the Federal Reserve System.

(b) The term "banking institution", for purposes of this title, means any "insured bank", as that term is used in section 3(h) of the Federal Deposit Insurance Act (12 U.S.C. 1813(h)) or any subsidiary of an insured bank; any Edge Act corporation organized under section 25(a) of the Federal Reserve Act (12 U.S.C. 611-631); and any agreement corporation operating subject to section 25 of the Federal Reserve Act (12 U.S.C. 601-604(a)). To the extent determined by the appropriate Federal banking agency, the term "banking institution" shall also include any agency or branch of a foreign bank, and any commercial lending company owned or controlled by one or more foreign banks or companies that control a foreign bank as those terms are defined in the International Banking Act of 1978 (12 U.S.C. 3101). The term "banking institution" shall not include a foreign bank.

STRENGTHENED SUPERVISION OF INTERNATIONAL LENDING

SEC. 403. Each appropriate Federal banking agency shall evaluate banking institution foreign country exposure and transfer risk for use in banking institution examination and supervision. Each such agency shall establish examination and supervisory procedures to assure that factors such as foreign country exposure and transfer risk are taken into account in evaluating the adequacy of the capital of banking institutions.

RESERVES

SEC. 404. (a) Each appropriate Federal banking agency shall require, by regulation, a banking institution to establish and maintain a special reserve whenever in the judgment of such agency:

(1) the quality of such institution's assets has been impaired by a protracted inability of public or private borrowers in a foreign country to make payments on their external indebtedness as indicated by such factors, among others, as a failure by such public or private borrowers to make full interest payments on external indebtedness, or to comply with the terms of any restructured indebtedness, or a failure by the foreign country to comply with any International Monetary Fund or other suitable adjustment program, or where no definite prospects exist for the orderly restoration of debt service; or

(2) there is a substantial likelihood that such debt cannot reasonably be expected to be repaid in accordance with its original terms and conditions without additional borrowing or a major restructuring.

(b) The appropriate Federal banking agency shall have the discretion to grant reasonable time periods to a banking institution required to establish such a special reserve to come into compliance with the requirement, if such action is taken to avoid disrupting orderly international lending.

(c) Special reserves established pursuant to this section shall be charged against current income and shall not be considered as part of capital and surplus or allowances for possible loan losses for bank regulatory or supervisory purposes.

(d) The appropriate Federal banking agencies shall promulgate regulations or orders necessary to implement this section within one hundred and twenty days after the date of enactment of this title.

ACCOUNTING FOR FEES ON INTERNATIONAL LOANS

SEC. 405. (a) The appropriate Federal banking agencies shall promulgate regulations for accounting for agency, commitment, management and other fees charged by a banking institution in connection with an international loan. Such regulations shall establish the accounting treatment of such fees for regulatory and supervisory purposes to assure that the appropriate portion of such fees is accrued in income over the effective life of each such loan.

(b) The appropriate Federal banking agencies shall promulgate regulations or orders necessary to implement this section within one hundred and twenty days after the date of the enactment of this title.

COLLECTION AND DISCLOSURE OF CERTAIN INTERNATIONAL LENDING DATA

SEC. 406. (a) Each appropriate Federal banking agency shall require, by regulation, each banking institution with foreign country exposure to submit, no fewer than four times each calendar year, such information regarding that exposure in a format prescribed by such regulations.

(b) Each appropriate Federal banking agency shall require, by regulation, banking institutions to disclose to the public information regarding material foreign country exposure in relation to assets and to capital.

(c) The appropriate Federal banking agencies shall promulgate regulations or orders necessary to implement this section within one hundred and twenty days after the date of the enactment of this title.

INTERNATIONAL COOPERATION AND STUDY OF INTERNATIONAL SUPERVISION

SEC. 407. The Federal banking agencies shall consult with the banking supervisory authorities of other countries to reach understandings aimed at achieving the adoption of effective and consistent supervisory policies and practices with respect to international lending.

CAPITAL ADEQUACY

SEC. 408. (a)(1) Each appropriate Federal banking agency shall cause banking institutions to achieve and maintain adequate capital by establishing minimum levels of capital for such institutions and by using such other methods as the agency deems appropriate.

(2) Each appropriate Federal banking agency shall have the authority to establish such minimum level of capital for an institution as the agency, in its discretion, deems to be necessary or appropriate in light of the particular circumstances of the institution.

(b)(1) Failure of a banking institution to maintain capital at or above its minimum level as established pursuant to subsection (a) may be deemed by the appropriate Federal banking agency, in its discretion, to constitute an unsafe and unsound practice within the meaning of section 8 of the Federal Deposit Insurance Act.

(2)(A) In addition to, or in lieu of, any other action authorized by law, including subsection (b)(1), the appropriate Federal banking agency may issue a directive to a banking institution that fails to maintain capital at or above its required level as established pursuant to subsection (a).

(B)(i) Such directive may require the institution to submit and adhere to a plan acceptable to the agency describing the means and timing by which the institution shall achieve its required capital level.

(ii) Any such directive issued pursuant to this paragraph, including plans submitted pursuant thereto, shall be enforceable under the provisions of section 8(i) of the Federal Deposit Insurance Act to the same extent as an effective and outstanding order issued pursuant to section 8(b) of such Act which has become final.

(3)(A) Each appropriate Federal banking agency may consider such institution's progress in adhering to any plan required under this subsection whenever such institution, or an affiliate thereof, or the holding company which controls such institution, seeks the requisite approval of such agency for any proposal which would divert earnings, diminish capital, or otherwise impede such institution's progress in achieving its minimum capital level.

(B) Such agency may deny such approval where it determines that such proposal would adversely affect the ability of the institution to comply with such plan.

(C) The Chairman of the Board of Governors of the Federal Reserve System and the Secretary of the Treasury shall encourage governments, central banks, and regulatory authorities of other major banking countries to work toward maintaining and, where appropriate, strengthening the capital bases of banking institutions involved in international lending.

FOREIGN LOAN EVALUATIONS

SEC. 409. (a)(1) No banking institution shall extend credit, whether by loan, lease, guarantee, or otherwise, which individually or in the aggregate exceeds $1,000,000, to finance any project involving the construction or operation of any mining, processing or manufacturing facility located outside the United States or its territories and possessions unless a written economic feasibility evaluation of such foreign project is prepared and approved in writing by a senior official of such banking institution.

(2) Such evaluation shall—

(A) take into account the profit potential of the project, the impact of the project on world markets, the inherent competitive advantages and disadvantages of the project over the entire life of the project, and the likely effect of the project upon the overall long term economic development of the country in which the project is located;

(B) document that the extension of credit can reasonably be expected to be repaid from revenues generated by such foreign project without regard to any subsidy or guarantee provided by the government involved, any instrumentality of any country, or by any international organization; and

(C) shall be available to representatives of the appropriate Federal banking agency and such other individuals and entities as have lawful access to such information.

(b) Such economic feasibility evaluations shall be reviewed by representatives of the appropriate Federal banking agencies whenever an examination by such appropriate Federal banking agency is conducted.

GENERAL AUTHORITIES

SEC. 410. (a) The appropriate Federal banking agencies are authorized to interpret and define the terms used in this title, and each appropriate Federal banking agency shall prescribe rules or regulations or issue orders as necessary to effectuate the purposes of this title and to prevent evasions thereof. The appropriate Federal banking agency is authorized to apply the provisions of this title to any affiliate of an insured bank, but only to affiliates for which it is the appropriate Federal banking agency, in order to promote uniform application of this Act or to prevent evasions thereof. For purposes of this section, the term "affiliate" shall have the same meaning as in section 23A of the Federal Reserve Act (12 U.S.C. 371c(b)) except that the term "member bank" in such section shall be deemed to refer to "insured bank", as that term is used in section 402(b) of this title.

(b) The appropriate Federal banking agencies shall establish uniform systems to implement the authorities provided under this title.

(c) The powers and authorities granted in this title shall be supplemental to and shall not be deemed in any manner to derogate from or restrict the authority of each appropriate Federal banking agency under section 8 of the Federal Deposit Insurance Act (12 U.S.C. 1818) or any other law including the authority to require additional capital or reserves. Any such authority may be used by an agency to ensure compliance by a banking institution with the provisions of this title and all rules, regulations, or orders issued pursuant thereto.

(d) Any banking institution which violates, or any officer, director, employee, agent, or other person participating in the conduct of the affairs of such banking institution, who violates any provision of this title, or any rule, regulation, or order, issued under this title, shall forfeit and pay a civil penalty of not more then $1,000 per day for each day during which such violation continues. Such violations shall be deemed to be a violation of a final order under section 8(i)(2) of the Federal Deposit Insurance Act (12 U.S.C. 1818(i)(2)) and the penalty shall be assessed and collected by the appropriate Federal banking agency under the procedures established by, and subject to the rights afforded to parties, provided in said section.

GAO AUDIT AUTHORITY

SEC. 411. (a) Under regulations of the Comptroller General, the Comptroller General shall audit the appropriate Federal banking agencies (as defined in section 402(a) of this Act), but may carry out an onsite examination of an open insured bank or bank holding company only if the appropriate Federal banking agency has consented in writing. An audit under this subsection may include a review or evaluation of the international regulation, supervision, and examination activities of the appropriate Federal banking agency, including the coordination of such activities with similar activities of regulatory authorities of a foreign government or international organization. Audits of the Federal Reserve Board and Federal Reserve banks may not include—

(1) transactions for or with a foreign central bank, government of a foreign country, or nonprivate international financing organization;

(2) deliberations, decisions, or actions on monetary policy matters, including discount window operations, reserves of member banks, securities credit, interest on deposits, and open market operations;

(3) transactions made under the direction of the Federal Open Market Committee; or

(4) a part of a discussion or communication among or between members of the Board of Governors and officers and employees of the Federal Reserve System related to paragraphs (1) through (3) of this subsection.

(b)(1) Except as provided in this subsection, an officer or employee of the General Accounting Office may not disclose information identifying an open bank, an open bank holding company, or a customer of an open or closed bank or bank holding company. The Comptroller General may disclose information related to the affairs of a closed bank or closed bank holding company identifying a customer of the closed bank or closed bank holding company only if the Comptroller General believes the customer had a controlling influence in the management of the closed bank or closed bank holding company or was related to or affiliated with a person or group having a controlling influence.

(2) An officer or employee of the General Accounting Office may discuss a customer, bank, or bank holding company with an official of an appropriate Federal banking agency and may report an apparent criminal violation to an appropriate law enforcement authority of the United States Government or a State.

(3) This subsection does not authorize an officer or employee of an appropriate Federal banking agency to withhold information from a committee of Congress authorized to have the information.

(c)(1) To carry out this section, all records and property of or used by an appropriate Federal banking agency, including samples of reports of examinations of a bank or bank holding company the Comptroller General considers statistically meaningful and workpapers and correspondence related to the reports shall be made available to the Comptroller General, including such records and property pertaining to the coordination of international regulation, supervision and examination activities of an appropriate Federal banking agency. The Comptroller General shall give each appropriate Federal banking agency a current list of officers and employees to whom, with proper identification, records and property may be made available, and who may make notes or copies necessary to carry out an audit. Each appropriate Federal banking agency shall give the Comptroller General suitable and lockable offices and furniture, telephones, and access to copying facilities.

(2) Except for the temporary removal of workpapers of the Comptroller General that do not identify a customer of an open or closed bank or bank holding company, an open bank, or an open bank holding company, all workpapers of the Comptroller General and records and property of or used by an appropriate Federal banking agency that the Comptroller General possesses during an audit, shall remain in such agency. The Comptroller General shall prevent unauthorized access to records or property.

REPORTS TO CONGRESS

SEC. 412. (a) Within one hundred and twenty days after the date of the enactment of this title, the Secretary of the Treasury shall report to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Banking, Finance and Urban Affairs of the House of Representatives on the statutes, regulations, and examination and supervisory procedures and practices, governing international banking in each of the Group of Ten Nations and Switzerland with particular attention to such matters bearing on capital requirements, lending limits, reserves, disclosure, examiner access, and lender of last resort resources.

(b) Not later than one hundred and twenty days after the date of the enactment of this title, the Chairman of the Board of Governors of the Federal Reserve System and the Secretary of the Treasury shall transmit a report to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Banking, Finance and Urban Affairs of the House of Representatives on the progress made in reaching the goal specified in section 408(c).

(c)(1) Within one year after the date of the enactment of this title and for each of the two succeeding years, the appropriate Federal banking agencies shall report to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Banking, Finance and Urban Affairs of the House of Representatives on actions taken to implement the provisons of this title.

(2) The report shall include a description of the actions taken in carrying out the objectives of the title, and any actions taken by any appropriate Federal banking agency that are inconsistent with the uniform implementation by the appropriate Federal banking agencies of their respective authorities under this title, and any recommendations for amendments to this or other legislation.

EQUAL REPRESENTATION FOR THE FEDERAL DEPOSIT INSURANCE CORPORATION

SEC. 413. As one of the three Federal bank regulatory and supervisory agencies, and as the insurer of the United States banks involved in international lending, the Federal Deposit Insurance Corporation shall be given equal representation with the Federal Reserve Board and the Office of the Comptroller of the Currency on the Committee on Banking Regulations and Supervisory Practices of the Group of Ten Countries and Switzerland.

TITLE V—MULTILATERAL DEVELOPMENT BANKS

INTER-AMERICAN DEVELOPMENT BANK

SEC. 501. The Inter-American Development Bank Act (22 U.S.C. 283 et seq.) is amended by adding at the end thereof the following:

"SEC. 31. (a)(1) The United States Governor of the Bank is authorized to vote for resolutions—

"(A) which were proposed by the Governors at a special meeting in February 1983;

"(B) which are pending before the Board of Governors of the Bank; and

"(C) which provide for—

"(i) an increase in the authorized capital stock of the Bank and subscriptions thereto; and

"(ii) an increase in the resources of the Fund for Special Operations and contributions thereto.

"(2)(A) Upon adoption of the resolutions specified in paragraph (1), the United States Governor of the Bank is authorized on behalf of the United States to—

"(i) subscribe to four hundred twenty-seven thousand three hundred and ninety-six shares of the increase in the authorized capital stock of the Bank; and

"(ii) contribute $380,000,000 to the Fund for Special Operations.

"(B) Any commitment to make such subscriptions to paid-in and callable capital stock and to make such contributions to the Fund for Special Operations shall be effective only to such extent or in such amounts as are provided in advance in appropriation Acts.

"(b) In order to pay for the increase in the United States subscription and contribution provided for in this section, there are authorized to be appropriated, without fiscal year limitation, for payment by the Secretary of the Treasury—

"(1) $5,155,862,744 for the United States subscriptions to the capital stock of the Bank; and

"(2) $380,000,000 for the United States share of the increase in the resources of the Fund for Special Operations.

"SEC. 32. It shall be the policy of the United States that no initiatives, discussions, or recommendations concerning the placement or removal of any Inter-American Development Bank, African Development Bank, or Asian Development Bank personnel shall be based on the political philosophy or activity of the individual under consideration.".

ASIAN DEVELOPMENT BANK

SEC. 502. The Asian Development Bank Act (22 U.S.C. 285 et seq.) is amended by adding at the end thereof the following:

"SEC. 27. (a)(1) The United States Governor of the Bank is authorized to subscribe on behalf of the United States to one hundred twenty-three thousand three hundred and seventy-five additional shares of the capital stock of the Bank.

"(2) Any subscription to the capital stock of the Bank shall be effective only to such extent or in such amounts as are provided in advance in appropriation Acts.

"(b) In order to pay for the increase in the United States subscription to the Bank provided for in subsection (a), there are authorized to be appropriated, without fiscal year limitation, $1,322,999,476 for payment by the Secretary of the Treasury.

"(c) The Congress finds that the Republic of China is a charter member in good standing of the Asian Development Bank, the Republic of China has grown from a borrower to a lender in the Asian Development Bank, and the Republic of China provides, through its economic success, a model for other nations in Asia. Therefore, it is the sense of the Congress that the support provided by the United States to the Asian Development Bank will be terminated if the Republic of China is denied full membership in the Asian Development Bank.

"SEC. 28. (a)(1) The United States Governor of the Bank is authorized to contribute on behalf of the United States $520,000,000 to the Asian Development Fund, a special fund of the Bank.

"(2) Any commitment to make the contribution authorized in paragraph (1) shall be made subject to obtaining the necessary appropriations.

"(b) In order to pay for the United States contribution to the Asian Development Fund provided for in this section, there are authorized to be appropriated, without fiscal year limitation, $520,000,000 for payment by the Secretary of the Treasury.".

AFRICAN DEVELOPMENT FUND

SEC. 503. The African Development Fund Act (22 U.S.C. 290g et seq.) is amended by adding at the end thereof the following:

"SEC. 213. (a)(1) The United States Governor of the Fund is authorized to contribute on behalf of the United States $150,000,000 to the Fund as the United States contribution to the third replenishment of the resources of the Fund.

"(2) Any commitment to make the contribution authorized in paragraph (1) shall be made subject to obtaining the necessary appropriations.

"(b) In order to pay for the United States contribution provided for in this section, there are authorized to be appropriated, without fiscal year limitation, $150,000,000 for payment by the Secretary of the Treasury.".

HUMAN RIGHTS

SEC. 504. Section 701 of the International Financial Institutions Act (22 U.S.C. 262g) is amended—

(1) in subsection (a)(1), by striking out "consistent"; and

(2) in subsection (g)(1), by striking out "The Secretary of the Treasury, in consultation with the Secretary of State, shall report quarterly" and inserting in lieu thereof "Not later than thirty days after the end of each calendar quarter, the Secretary of the Treasury, in consultation with the Secretary of State, shall report.".

STUDY

SEC. 505. (a) It is the sense of Congress that—

(1) the multilateral development institutions serve an invaluable role in promoting development abroad;

(2) foreign direct investment, trade, and commercial lending make a contribution at least equal to that of development assistance in promoting development;

(3) United States economic interests are vitally affected by conditions in developing countries; and

(4) the multilateral development banks already play an important, although indirect, role in encouraging private investment flows.

(b)(1) The Secretary of the Treasury shall conduct a study of how the multilateral development institutions could more actively encourage foreign direct investment and commercial capital flows and channel such investment and capital flows to developing countries for sound and productive development projects through a new investment banking facility at one or more of these institutions. In addition, such study shall evaluate whether the multilateral development institutions could help increase foreign direct investment and commercial capital flows by insuring that the interests of investors and host governments are adequately protected.

(2) The Secretary of the Treasury shall solicit comments on such study from the multilateral development institutions and shall incorporate such comments with the study in a report to be transmitted to both Houses of the Congress within one hundred and eighty days of the date of the enactment of this section.

EFFECTIVE DATE

SEC. 506. This title shall take effect on October 1, 1983, except that section 503 shall take effect on the date of the enactment of this title.

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

The title of the Senate bill was amended so as to read: "A bill to extend the authority of the Export-Import Bank of the United States, encourage balanced worldwide economic growth, provide for continued participation in the International Monetary Fund, strengthen the supervision of international lending by United States banks, and provide for continued United States participation in multilateral development banks."

A motion to reconsider was laid on the table.

A similar House bill (H.R. 2957) was laid on the table.

AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN ENGROSSMENT OF HOUSE AMENDMENT TO S. 695

Mr. ST GERMAIN. Mr. Speaker, I ask unanimous consent that, in the engrossment of the House amendment to S. 695 the Clerk be authorized to correct section numbers, punctuation, and cross references and to make such other technical and conforming changes as may be necessary to reflect the actions of the House in amending the bill H.R. 2957.

The SPEAKER. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

GENERAL LEAVE

Mr. ST GERMAIN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and include extraneous material, on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. Sparrow, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 3329) entitled "An act making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1984, and for other purposes."

The message also announced that the Senate agrees to the amendments of the House to the amendments of the Senate numbered 1, 23, 28, 36, 39, 41, 53, 60, 61, 64, 65, 66, 67, and 69 to the above-entitled bill.

The message also announced that the Senate recedes from its amendment numbered 21 to the above-entitled bill.

The message also announced that the Senate agrees to the amendment of the House to the amendment of the Senate numbered 70 with an amendment.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 1696. An act authorizing three additional Assistant Administrators of the Environmental Protection Agency.

DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATIONS, 1984

Mr. LEHMAN of Florida. Mr. Speaker, I move to take from the Speaker's table the bill (H.R. 3329) making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1984, and for other purpose, with Senate amendment No. 70 thereto, and concure in the Senate amendment to the House amendment to the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment to the House amendment to the Senate amendment as follows:

At the end of the matter proposed to be inserted by the amendment of the House of Representative, insert:

SEC. 323. None of the funds appropriated by this Act or any other Act may be obligated or expended before October 15, 1983—

(1) to adopt, to issue, or to carry out a final rule or regulation, a final revision, addition, or amendment to regulations, or a final statement of policy based on any proposed rule or regulation any proposed revision, addition, or amendment to regulations, or any proposed statement of policy of which a notice was published in parts III-VI of the Federal Register on March 30, 1983 (48 F.R. 13,342 to 13,381) or in part III through VI of the Federal Register on July 14, 1983 (48 F.R. 32,275 to 32,312); or

(2) to adopt, to issue, or to carry out any final rule or regulation, any final revision, addition, or amendment to a regulation, or any final statement of policy which effectuates the purposes of any proposed rule, regulation, revision, addition, amendment, or statement of policy referred to in clause (1).

Mr. LEHMAN (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendment to the House amendment to the Senate amendment be considered as read and printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

These was no objection.

The SPEAKER. Does the gentleman from Florida (Mr. LEHMAN) desire time on the motion?

Does the gentleman from Pennsylvani (Mr. COUGHLIN) desire time on the motion?

Without objection, the Senate amendment to the House amendment to the Senate amendment is agreed to.

Mr. COUGHLIN. Mr. President, I object.

I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. The gentleman from Florida (Mr. LEHMAN) brought this up as a privileged motion. He did not ask unanimous consent, so the question was on the gentleman's motion.

The Chair asked if the gentleman wanted time and he would have been entitled to 30 minutes, as would the gentleman from Florida (Mr. LEHMAN). Neither asked for time so the Chair put the question and the motion was agreed to.

Now if the gentleman wants unanimous consent to revise and extend his remarks at this particular time, then that is the only thing that is in order.

Mr. COUGHLIN. Mr. Speaker, I would like a vote on the motion.

The SPEAKER. The Chair put the question, but if the gentleman was standing seeking recognition while the Chair put the question and wants a vote, the Chair will put the question again.

Mr. COUGHLIN. I want a vote, Mr. Speaker.

The SPEAKER. The question is on the motion offered by the gentleman from Florida (Mr. LEHMAN).

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. COUGHLIN. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is present.

Mr. COUGHLIN. Mr. Speaker, may I ask for the yeas and nays?

The SPEAKER. The gentleman asks for the yeas and nays.

Those in favor of taking this by the yeas and nays will kindly rise.

The Chair will count.

Mr. COUGHLIN. Mr. Speaker, I withdraw my request.

The SPEAKER. The gentleman withdraws his request.

The motion is agreed to.

A motion to reconsider was laid on the table.

□ 2110

RELATING TO THE CONTEMPT CITATION OF ANNE M. (GORSUCH) BURFORD

Mr. HOWARD. Mr. Speaker, I call up a privileged resolution (H. Res. 180) relating to a citation of contempt, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 180

Whereas, on December 16, 1982, the House of Representatives adopted a resolution citing Anne M. (Gorsuch) Burford, Administrator of the Environmental Protection Agency, for contempt of the House for her refusal to comply with a subpena issued by the Subcommittee on Investigations and Oversight of the Committee on Public Works and Transportation calling for production of certain records; and

Whereas, on December 17, 1982, the Speaker certified the contempt resolution to the United States Attorney for the District of Columbia by law; and

Whereas the United States District Court for the District of Columbia dismissed, upon motion by the House, a civil suit commenced by the Department of Justice against the House of Representatives and certain of its officers seeking injunctive and declaratory relief with respect to the aforementioned citation of contempt; and

Whereas upon dismissal of the suit by the court and in order to obtain the most expeditious and timely access to the documents essential to the subcommittee's investigation, representatives of the Subcommittee on Investigations and Oversight, the President of the United States, and the Department of Justice executed an agreement providing for access to and copying of the records previously subpenaed; and

Whereas, as a part of said agreement, the chairman of the subcommittee represented that, upon satisfactory implementation of the agreement, he would introduce a resolution containing recitals that implementation of the procedures established therein constitutes a purging of the aforesaid resolution of December 16, 1982, certifying that compliance has been effected and that further proceedings concerning the contumacious conduct of the witness were unnecessary; and

Whereas, by the terms of the agreement, as subsequently modified by the parties, access to and copying of the documents for which the subpena was issued has been in substantial part, effected to the satisfaction of the subcommittee; and

Whereas the House of Representatives does not acknowledge, by reason of this resolution, that substantial compliance with a subpena after certification of contempt for failure or refusal to testify or produce documents pursuant to subpena, constitutes compliance therewith, or that any efforts by a witness subsequent to the return date of a subpena precludes proceeding in accordance with section 194 of title 2, United States Code; and

Whereas the House of Representatives reasserts that the statutory means of compulsion provided by law for compliance with subpenas is applicable to executive branch officials; and

Whereas the House of Representatives reasserts that no officer charged with the responsibility to discharge duties required by section 194 of title 2, United States Code, is, or was at any time, relieved of or excused from the duties imposed upon him by such law: Now, therefore, be it

Resolved, That the Speaker shall certify this resolution, reciting the additional facts pertinent to the contempt citation of Anne M. (Gorsuch) Burford to the United States Attorney for the District of Columbia.

Mr. HOWARD (during the reading). Mr. Speaker, I ask unanimous consent that the resolution be considered as read and printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

COMMITTEE AMENDMENT

The SPEAKER. The Clerk will report the committee amendment.

The Clerk read as follows:

Committee amendment: Strike out all after the resolving clause and insert in lieu thereof the following: "That the Speaker shall certify this resolution, reciting the additional facts pertinent to the contempt citation of Anne M. (Gorsuch) Burford, to the United States Attorney for the District of Columbia."

The SPEAKER. The gentleman from New Jersey (Mr. HOWARD) is recognized for 1 hour.

Mr. HOWARD. Mr. Speaker, I yield, for debate purposes only, 30 minutes to the gentleman from New York, (Mr. MOLINARI), and pending that, I yield myself such time as I may consume.

Mr. Speaker, on December 16, 1982, this body adopted a resolution citing Anne M. (Gorsuch) Burford, Administrator of the Environmental Protection Agency, for contempt of the House for her refusal to comply with a subpena issued by the Subcommittee on Investigations and Oversight of the Committee on Public Works and Transportation calling for production of certain records. The resolution against Anne M. (Gorsuch) Burford arose out of the issuance of a subcommittee subpena for Agency records on November 1982, necessitated by the EPA's refusal to make available to the

subcommittee pertinent and crucial information documenting how the EPA was carrying out its responsibilities under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, the so-called Superfund statute, which provides for the cleaning up of abandoned hazardous chemical waste dumps. The EPA Administrator's refusal to comply with the subpena and the withholding of certain documents led ultimately to the House's citation for contempt.

The Congress created the EPA for the specific purpose of protecting the natural resources of this country; the health and welfare of its citizens and to give us clear water and clean air. Mrs. Burford as Administrator of EPA held the ultimate responsibility for carrying out the environmental program which Congress enacted. The Committee on Public Works and Transportation, one of the creators of the Superfund program, has the ultimate responsibility through its oversight jurisdiction of reviewing the actions of EPA.

The EPA Administrator should faithfully, openly, and directly carry out the environmental programs. This is the first test of responsible administration. There should be cooperation between the Congress and EPA and between the administration and the committees of Congress who handle EPA programs.

Of all the administrators who have served this Nation as the head of EPA, Mrs. Burford certainly failed to meet the test. She displayed a contemptuous attitude toward the public by operating behind closed doors. Her agency consistently refused to cooperate with the Congress of the United States in matters pertaining to our mutual interest. During Mrs. Burford's administration EPA fell upon evil times and became a shell of its former self. Mrs. Burford was a disgrace to the administration and a menace to the environment. It is my fervent hope that in the days to come an effort will be made to repair the damage done to this Agency and the Nation by the actions of Mrs. Burford. The failure of Mrs. Burford to act, lead to the subpena issuance and the contempt citation which followed.

This administration showed its disregard for this body and compounded the situation by the following action: Moments after the overwhelming and bipartisan vote by the House and before the Speaker of the House had actually certified the resolution of contempt to the U.S. attorney for presentment to the grand jury, the Department of Justice filed a civil lawsuit in the U.S. District Court for the District of Columbia, seeking to enjoin and restrain the House of Representatives from taking any further action to enforce the subcommittee's subpena and to declare the subpena unconstitutional. The House filed a motion with the district court seeking to have the Department of Justice's lawsuit dismissed. Primary among the House's arguments was that the court lacked jurisdiction over the subject matter and over the House Members and officers actually named as defendants in the suit. The U.S. District Court for the District of Columbia dismissed the Department of Justice's suit.

The resolution before us today clarifies the matters brought about by the inaction of EPA and Mrs. Burford in failing to do what they should have done. It in no way relieves anyone including executive officers of future responsibility for complying with a congressional subpena and if they fail to do so, from being cited for contempt.

Let me quote from a portion of this resolution:

Whereas the House of Representatives asserts that the aforesaid agreement and this resolution, relating solely to the subpoena issued by the subcommittee, does not constitute a precedent or concession with respect to the rule of law that substantial compliance with a subpoena after certification of contempt for failure or refusal to testify or produce documents pursuant to subpoena, constitutes compliance therewith, or that any efforts by a witness subsequent to the return date of a subpoena precludes proceeding in accordance with section 194 of title 2, United States Code; and

Whereas the House of Representatives reasserts that the statutory means of compulsion provided by law for compliance with subpoenas is applicable to executive branch officials; and

Whereas the House of Representatives reasserts that no officer charged with the responsibility to discharge duties required by section 194 of title 2, United States Code, is, or was at any time, relieved of or excused from the duties imposed upon him by such law.

Mr. Speaker, we heard testimony at a hearing relative to this citation by the U.S. attorney for the District of Columbia and he indicated that the existing law relative to procedures to carry out a contempt citation gave him wide latitude to act or not to act. He may delay or postpone proceedings before the grand jury indefinitely. I find this situation intolerable Mr. Speaker. It is a flaunting of the will of the Congress. for this reason, I have introduced H.R. 3456 which has been referred to the Committee on the Judiciary which would clarify the duty of the U.S. attorney to bring before the grand jury certain matters certified by the President of the Senate or the Speaker of the House of Representatives. This bill requires the U.S. attorney to act as follows:

The duty of the U.S. attorney under the preceding sentence is nondiscretionary and shall be carried out not later than sixty days after the date on which the President of the Senate or the Speaker of the House of Representatives, as the case may be, makes the certification.

Mr. Speaker, we found that the U.S. attorney did nothing after your certification of this contempt citation. The U.S. attorney said that he had prosecutorial discretion. And that meant despite an overwhelming vote of the Congress of the United States, this U.S. attorney, for any reason or perhaps for no reason, could just sit back and do nothing.

We find that this is intolerable. And we have many people here tonight who will be voting for this resolution which really cannot purge Anne Burford of contempt because this was an action by another Congress, but what it really says in effect is, "if at this time since all of the papers have come to the Congress that we required, if they do not take her to court, if they do not put her in jail, we do not mind."

But I wish so many people who are going to label Anne Burford as a "martyr" in the situation, the poor young lady who wanted to cooperate with the Congress but was refused to do that, was not allowed to do that because of higher ups, I just hope that those people who stand up so much for this person who was in contempt of Congress, would also stand up for the Congress of the United States and be willing to cosponsor this resolution, and have the Judiciary Committee bring it out, that says once the Congress of the United States acts on a contempt citation and it is certified by the Speaker of the House of Representatives then that U.S. attorney has no discretion, that U.S. attorney must, at least, present it to the grand jury, for whatever action they may take.

Mr. LEVITAS. Mr. Speaker, will the gentleman yield?

Mr. HOWARD. I am going to vote for this resolution. I believe that it is the right thing to do but it in no way lessens the need for us in this Congress to see that this kind of delay by the U.S. attorney no longer may happen once the Congress of the United States speaks.

□ 2120

Mr. LEVITAS. Mr. Speaker, will the gentleman yield?

Mr. HOWARD. I yield to the gentleman from Georgia.

Mr. LEVITAS. I thank the gentleman for yielding.

Mr. Speaker, I will address the resolution at a later point if I am yielded time, but at this point I want to commend my chairman for introducing his legislation.

And I think it should be sponsored in a bipartisan way because what we saw in this situation was not only a flaunting of this Congress, but an abuse of power.

The U.S. attorney, whose responsibility it was under the statute, and it said: Whose duty it shall be—whose duty it shall be to present the matter

to the grand jury for its action, failed to do so.

The Assistant Attorney General said, "We will never prosecute Anne Gorsuch." They told us what they were going to do. They did not keep it a secret. It was like writing Mein Kampf. Hitler said what he was going to do and he did it. These people said what they were going to do or not do, and they did not.

If we do not have a law in place which leaves no question that when this Congress, this House or the other body, votes a contempt that it will be presented to a grand jury, then we might as well pack up our investigative powers and our subpena powers.

I believe that one of the reasons the jury acquitted Rita Lavelle in a contempt of Congress, not a one of the reasons is that jury saw that Anne Gorsuch, who was held in contempt of Congress, never even got it presented to the grand jury. And Rita Lavelle, who was made the scapegoat, was indicted in a very short period of time.

That is why we need the gentleman's legislation.

Mr. HOWARD. I thank the gentleman for his comments.

What happened, to some of us who are not attorneys, Mr. Speaker, and who do not quite understand it, but apparently in law the word "shall" does not mean "must" or is not mandatory. The word "shall" occasionally means "maybe." And this is what we want to clear up.

We are very confused because all of our lives we thought that "shall" meant that something must be done. If "shall" does not necessarily mean "shall," maybe "shalt not" does not mean "shalt not." And I do not know what that would do with the Ten Commandments. Perhaps maybe "shalt not" means maybe once in a while.

But I think that we have got to get this cleared up. And we can get it cleared up by having the resolution that I recently introduced passed by this Congress.

Mr. Speaker, I reserve the balance of my time.

The SPEAKER pro tempore (Mr. MOAKLEY). The gentleman from New York (Mr. MOLINARI) is recognized for 30 minutes.

Mr. MOLINARI. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of House Resolution 180 introduced by the gentleman from Georgia (Mr. LEVITAS) which would require the certification of new facts to the U.S. attorney with respect to the Gorsuch contempt matter. This resolution, hopefully, will pass the House of Representatives today and mark the end of a sad chapter in the relationship between the executive and legislative branches of our Government. If there is any lesson to be learned from the events that transpired during the past year, it would seem to me that the very least should be an awareness that the confrontation that took place between the two branches never should have occurred. It was a terrible mistake of judgment by some individual or individuals who were never fully identified. So, that even as we debate this resolution today, we are still not sure of the precise parties who created this conflict which resulted in a tremendous loss of time on the part of several congressional committees as well as the Environmental Protection Agency and the Department of Justice.

When the original contempt resolution came before the House of Representatives on December 16, 1982, many of my Republican colleagues were critical of the gentleman from Georgia (ELLIOTT LEVITAS) chairman of the Investigations and Oversight Subcommitee of the Public Works and Transportation Committee. there were concerns expressed during the floor debate that this was a rash act, that Congress was moving too quickly, and that we should have allowed more time to attempt to work out a reasonable compromise.

The cold, hard facts were that we were unable to reach such an agreement and that many months were consumed in a vain attempt to do so. If the House was to fulfill its important oversight responsibility of examining the management of the Superfund law through its committees and subcommittees, it was imperative that we have access to Environment Protection Agency files. To have accepted the administration's position on executive privilege with respect to the documents would have had the effect of eviscerating our inquiry.

I do not wish to recount the events that took place thereafter except to comment that they were somewhat bizarre. The U.S. Attorney for the District of Columbia did not promptly take the matter before the grand jury in the District of Columbia as required by law, and the Department of Justice chose to thwart the will of Congress by instituting a civil action against the House of Representatives to set aside the criminal contempt resolution adopted by the House. The ill-conceived suit was quickly dismissed by Federal Court Judge Smith with the admonition that the matter should be resolved by negotiation and compromise between the two branches of Government without further judicial involvement.

This led to the execution of a memorandum of understanding among Chairman LEVITAS; Fred Fielding, Counsel to the President; and Ed Schmults, Deputy Attorney General. An amended memorandum of understanding was entered into among the same parties on March 22, 1983.

Both agreements provided that when certain conditions on the part of the executive branch were adhered to to the satisfaction of Chairman LEVITAS, he would introduce a resolution which would endeavor to purge Mrs. Anne Gorsuch Burford of contempt. Formal hearings were conducted by the subcommittee which clearly established that all of the conditions to be performed by the administration were fully met. I am now fully satisfied that the Public Works Subcommittee on Investigations and Oversight has complete access to files necessary for the Superfund investigation. Subcommittee staff, both minority and majority, have interviewed many EPA personnel and examined numerous Superfund enforcement sensitive and confidential files both at headquarters and two regional offices. As far as I am concerned, the subcommittee has enjoyed full and complete access to the Agency's files. In my judgment, it is now our responsibility to complete this matter and adopt the instant resolution.

Historically, I would like to point out that the issue arose in my congressional district when Chairman LEVITAS, at my request, toured several toxic dump sites in New York and New Jersey and subsequently agreed to convene an inquiry into EPA's administration of Superfund. When EPA refused to cooperate in the inquiry, it led to the unprecedented confrontation that took place. Had we not moved forward with a criminal contempt resolution, we still would be unable to have access to the files necessary for us to proceed with this extremely important work which affects every citizen in the United States.

There were several significant points that emerged around the time that Congress voted in favor of the criminal contempt resolution. We should remember that Mrs. Burford was directed by the President not to release the so-called enforcement sensitive documents and that similar admonitions were given to her by the Department of Justice. We subsequently learned that Mrs. Burford was actually willing and anxious to give open access of all files to our subcommittee. At the same time, we became involved in some very complicated legal questions—the issue of executive privilege, the question of whether one Congress can purge a contempt resolution of another Congress, the role of the Department of Justice, possible conflict of interest problems and other serious issues.

I would like to pay special tribute to the gentleman from Georgia (Mr. ELLIOTT LEVITAS) for the responsible, bipartisan approach that he maintained throughout this controversy. There were some who would try to convert

this into a political issue, but Mr. LEVITAS maintained a steady course, looking solely for answers and information—not retribution. Given the history of this entire sorry episode, it was probably inevitable and no doubt necessary, in order to restore public confidence in the Agency that the problems at EPA highlighted during this period resulted in mass dismissals of upper level agency personnel and needed changes in Superfund policy. The new Administrator, Bill Ruckelshaus, has been acclaimed by leaders of both parties as the right person for the job, and I am optimistic that, given the proper resources, he will be able to set about fulfilling the assignments and statutory mandates that were given to EPA.

Mrs. Burford resigned many months ago and, since her resignation, was totally incapable of playing any role in effectuating the agreements that were reached with the administration in providing access to Superfund files. As one who was a rather severe critic of Mrs. Burford while she was the Administrator and one who argued strongly in favor of the original contempt resolution, I now say, in the spirit of fairness, we have achieved our goal and she should no longer live with this cloud over her head. Our traditional American sense of fair play should compel us to move forward and adopt this resolution. We have diverted much too much of our limited time to this confrontation, and the quicker we are able to put this matter behind us, the better we will be able to move on to other, now more important, issues.

I urge my colleagues to support this resolution.

Mr. HOWARD. Mr. Speaker, I yield 3 minutes to the gentleman from California (Mr. MATSUI) for debate purposes only.

Mr. MATSUI. I would like to speak, if I may, Mr. Speaker, in opposition to this resolution.

The gentleman speaks that perhaps we should look upon this matter in a bipartisan fashion. In fact, I think all three gentlemen have said this. And I think we should because last December when we voted on this, we voted in a bipartisan fashion by a 403 to 0 vote to hold Mrs. Burford in contempt of Congress.

And I would also mention to the gentleman who just spoke in the well that, yes, Mrs. Burford has resigned. She is without a job and it is a very tragic situation for her.

But I would only say that the same situation occurs with Rita Lavelle. She was fired from her job. She also is without a job. She wanted to comply with the subpena after the contempt citation by the Congress was in fact passed, but we refused to allow her.

But, nevertheless, the U.S. attorney prosecuted her, but the U.S. attorney did not, for some reason, decide to prosecute Mrs. Burford.

And I agree with the gentleman from New Jersey that in fact this does not expunge Mrs. Burford from contempt. But at the same time the statements of fact in the resolution basically exonerate her. And the U.S. attorney has said that he will not prosecute anyway.

And so our act tonight is somewhat meaningless. And so why should we actually vote for this particular resolution except perhaps to show some face-saving way for the U.S. attorney and for the people involved in this particular action.

And let me just tell my colleagues, this is a bipartisan matter because this goes to the very heart of the powers of the U.S. Congress. We have held only two Government officials in contempt in this century. One was exonerated by a jury, mainly because they felt sorry for her because we did not move on Mrs. Burford. And the other one now will probably be exonerated because we decide we want to feel sorry for her.

And to me that makes very little sense, because the Congress of the United States has the power of subpena and once we hold in the Congress that a person is in contempt, we should not at a later time give that person an opportunity to renegotiate.

□ 2130

The opportunity to negotiate should occur only between the time when that subpena was issued and the time when the person served is to appear before the committee.

So I strongly urge the Members of this House to vote no on this resolution. I think we are going to start a very dangerous percedent for no reason at all, and I urge in the strongest way possible a no vote.

The SPEAKER pro tempore. The time of the gentleman from California (Mr. MATSUI) has expired.

Mr. HOWARD. Mr. Speaker, I yield 1 additional minute to the gentleman from California (Mr. MATSUI).

Mr. MATSUI. Mr. Speaker, may I correct the RECORD? I did make a mistake. The Lavelle contempt citation apparently was 403 to 0. The Gorsuch one was 259 to 105. So it was not quite bipartisan. But I think my argument still holds.

Mr. MOLINARI. Mr. Speaker, I yield such time as he may consume to the gentleman from North Carolina (Mr. BROYHILL).

Mr. BROYHILL. Mr. Speaker, I rise in support of the resolution.

The action of the House on December 16, 1982, finding Mrs. Burford in contempt was not, and should not have been, viewed as a referendum on EPA policies and Mrs. Burford's stewardship of the agency.

The vote reflected instead the right of Congress to obtain documents within the possession and control of the executive branch and to obtain information necessary to carry out its legislative responsibilities as provided to the Congress under Article I of the Constitution.

Under the memorandum of understanding executed on February 18, 1983, by the gentleman from Georgia (Mr. LEVITAS), Fred F. Fielding, Counsel to the President, and Edward Schmults, the Deputy Attorney General of the United States, the action that the House takes today was deemed as an "essential and nonseparable condition" of the agreement under which documents relating to all superfund hazardous waste sites were to be made available to the Investigations and Oversight Subcommittee of the Committee on Public Works and Transportation.

Testimony recently received by the subcommittee chaired by Mr. LEVITAS has demonstrated that the procedures established for production of the documents by the EPA to the committee have been found to be satisfactory and have enabled the committee to go forward with its investigation.

I only regret that this resolution could not have been acted upon by the House at an earlier date. It has been 5 months since this agreement was reached. It is apparent that Mrs. Burford has suffered greatly and unnecessarily as a result of the events leading up to the vote of the House last December and her resignation as Administrator on March 9, 1983.

Those of us who were involved in this dispute between the Congress and the executive branch are well aware that Mrs. Burford was an unwilling participant. She recommended to the Department of Justice and to the President himself that the withheld documents be turned over. She also recognized that her ability and capacity to preside over the affairs of the EPA would be jeopardized by her role as the standard bearer for the President's position on executive privilege, a position which was, unfortunately, wrongly perceived by many to be an attempt to conceal or cover up unethical, illegal, or improper conduct.

The instincts of Mrs. Burford, whom history will show was a fine and able public servant, were remarkably perceptive. A top executive branch official, being subject to possible indictment and conviction for contempt of Congress, cannot muster the requisite degree of good will, trust, and confidence necessary to administer and implement important national programs.

Unfortunately, there were individuals in the executive branch who failed to recognize this fact. That left Mrs. Burford in the unenviable position of defying the express instruction

of the President of the United States that executive privilege be asserted and no doubt being dismissed from her position by the President, or remaining a loyal soldier to the President by following the direction of the President, thus inevitably bringing upon herself the immense public and media pressure which led eventually to her resignation on March 9.

Mr. Speaker, the testimony of nearly 30 witnesses who, in the last 6 months, have come before the Subcommittee on Oversight and Investigations of the Committee on Energy and Commerce of which I am ranking minority member, recounting the facts surrounding the administration of the Superfund program, has shown that Mrs. Burford's professional conduct was at all times honorable and proper.

The action the House takes today is the least that we can do to fully restore to Mrs. Burford the dignity and respect to which she is entitled.

Mr. HOWARD. Mr. Speaker, I yield myself 1 minute.

Having listened to the gentleman from North Carolina, who states this action we take tonight is the least we can do for Mrs. Burford, the gentleman may not have read and been aware of the statements concerning the contempt for Congress, if not of Congress, that were made during this time that she was withholding these documents.

Mr. Speaker, I yield 2 minutes to the gentleman from Ohio (Mr. SEIBERLING).

Mr. SEIBERLING. Mr. Speaker, I agree with the chairman and everything he said on this legislation. I intend to support it. But I also think that the gentleman from California (Mr. MATSUI) has made a point which needs to be recognized, to this extent: Obviously, Mrs. Burford, having lost her job, and the Congress having received the documents, there is no point in proceeding with this contempt citation.

However, I strongly agree with the chairman of the committee that we must change the law so that in the future, when there is what amounts to a criminal contempt of Congress, there is no discretion on the part of the prosecutor but to carry out the contempt citation.

I would like to say one other thing. The Assistant Attorney General, who is also the Counsel to the Justice Department, appeared before the Judiciary Committee in a hearing on this very matter. And if there is anyone who exhibited contempt for the committee and therefore the Congress, it was he. I would say that another reason to relieve Anne Burford of this charge is that the true contempt was committed by the architects of this whole scheme to resist the efforts of the committee to get what it legitimately was entitled to see, and I think that that is where the focus should be and not on Anne Burford.

Mr. MOLINARI. Mr. Speaker, I yield 2 minutes to the gentleman from Louisiana (Mr. TAUZIN).

Mr. TAUZIN. I thank the gentleman for yielding.

Mr. Speaker, I want to echo the words of the ranking minority member of the Energy and Commerce Committee. Mrs. Anne Burford appeared before our committee and suggested very clearly that she wished to turn those documents over to us, that it was in fact on orders of the Justice Department that she could not turn those documents over to us. We have those documents now, and I think the motion to relieve any further effort to hold her in contempt or put her in jail now is in order. She has, after all, resigned. She wanted to comply with our subpena. She was told not to by her superiors. I suggest the sentiment of many of us is that someone else above her probably should have been held in contempt of this Congress for giving her that order.

So I join with the gentleman in asking that we vote for this resolution.

Mr. MOLINARI. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois (Mr. MICHEL), the minority leader.

Mr. MICHEL. Mr. Speaker, I rise in support of House Resolution 180 and strongly urge its adoption by the House.

I am both hopeful and grateful at this point.

I am hopeful that the House will do the honorable thing and approve this resolution which will remove any criminal jeopardy to or stigma against a dedicated public servant, Mrs. Ann Gorsuch Burford.

I am grateful to the gentleman from New Jersey (Mr. HOWARD), the gentleman from Kentucky (Mr. SNYDER), the chairman and ranking member of the committee, the gentleman from Georgia (Mr. LEVITAS), and the gentleman from New York (Mr. MOLINARI), the chairman and ranking member of the subcommittee, as well as the Speaker himself for their patience and diligence in bringing this matter through a laborious and fractious legislative process.

This case has been a most difficult one from the start.

When the original contempt resolution was considered in the House last December, I opposed it.

I opposed it because I thought the original subpena went too far and I thought the process to enforce it was going too fast.

I never quarreled with the power of the House to enforce its subpena; I only quarreled with the process being followed at that time.

Subsequently the Department of Justice filed a surprise civil suit against the House and challenged our power to hold in contempt an executive branch employee claiming executive privilege.

Fortunately that suit was dismissed by the U.S. District Court for the District of Columbia.

Following that decision I encouraged both the committee leadership and the administration's representatives to work out a system of discovery so that the subcommittee would have access to the information it needed to protect the public's health and safety.

Fortunately again the gentleman from Georgia (Mr. LEVITAS) and representatives from the White House and the Justice Department were able to reach a reasonable accommodation and as events flowed, all the congressional committee's involved were given the information they sought.

In the meantime Mrs. Burford resigned as Administrator of EPA.

Now I would like to emphasize at this point the fact that Mrs. Burford never withheld any information or documents on her own. She was ordered to do so by her superiors and she was advised by the Department of Justice to do so.

She was truly a "good soldier" doing her duty under the most difficult circumstances. Since her departure from Government service she alone has had to bear the legal and emotional costs of her defense.

Yes, Mr. Speaker, the public interest has been served by the several committees getting the factual information they sought and needed.

The constitutional power of the House to obtain this information has been affirmed.

What remains now is to do justice for Mrs. Burford and to think ahead as to how we will be able to prevent another confrontation of this nature.

I recently wrote to the gentleman from New Jersey concerning the method by which the House will enforce a subpena in the future if and when an executive branch official lodges an "executive privilege" defense against a House citation for contempt.

I pointed out to the gentleman that I had carefully considered his suggestion that I cosponsor his bill to mandate prosecutions under 2 U.S.C. 194.

I believe we agree that the U.S. Attorney should always proceed expeditiously toward the prosecution of any witness who has been so certified by the Speaker pursuant to a valid vote of the House of Representatives.

I pointed out that the legal experts say that prosecutors must have some reasonable amount of "prosecutorial discretion." That is, they must be able to use some judgment whether to prosecute someone who for example may be terminally ill.

This was the case, I am told, during the House Ethics Committee investigation of our former colleague, Charles

Wilson of California, when a witness was found to have a brain tumor.

Another aspect to consider is that sometimes a witness will recant when he or she faces actual prosecution and will then cooperate with the House committee involved. This gives the committee an access to information which it would otherwise not have if the prosecutor were ironclad and forced to prosecute.

That incidentally was the case some 30 years ago when I served as the administrative assistant to former Congressman Velde of Illinois. He was the chairman of a committee that held one Francis Crowley in contempt. The House agreed but before Crowley was prosecuted he recanted and cooperated with the committee.

He was never prosecuted by the U.S. Attorney.

Having said all this, I pointed out to the gentleman that I fully support the purpose of his legislation when it comes to prosecuting executive branch officials when they interpose an "executive privilege" excuse for failing to comply with a valid subpena.

I would hope we could make some clear legislative history tonight, that in the future the House expects and demands that the U.S. Attorney, acting under 2 U.S.C. 194 will proceed expeditiously to prosecute executive branch officials with the same, not different standards as to "prosecutorial discretion" applicable to any other person.

I am confident that both the gentleman and I feel that the power of the House to acquire the information it needs to do its duty must be upheld, defended and advanced.

Thus, Mr. Speaker, in summary, let us approve this House Resolution 180 tonight and thereby do justice to Anne Burford while setting a legal standard for the future that all can understand.

□ 2140

Mr. MOLINARI. Mr. Speaker, I yield 2 minutes to the gentleman from New York (Mr. MARTIN).

Mr. MARTIN of New York. Mr. Speaker, I will be very brief.

Some time ago I was one of the some 55 members of the minority who my good friend and colleague from New York (Mr. MOLINARI) referred to, who voted for the contempt citation. Now I think back on the things that have occurred and I think of a great American who lived in my district and who I served with on county board in St. Lawrence County who said, "When the pail is full, let go of the pump. You got enough." He is since deceased, the late Charlie Cooke of Gouverneur.

I remember back when I was watching television one morning and the TV cameraman came up to Anne Gorsuch and put the microphone in her face, as we have all had that experience, and said, "How do you feel now? How do you feel now? The Attorney General is no longer going to defend you."

She said, "Thank God. This is a breakthrough. Now I am going to get some competent legal advice."

You recall it. There are a lot of people in this Chamber who are aspirants to live down at the White House. I cannot blame you for that, although I am certainly not one of them, but I want to tell you something. If you are the boss and have the responsibility for running this country, you need employees such as she was, and when you give her directions you know they will be carried out. The counsel that she had, the Attorney General, whether he or his staff is or was competent and capable to give decent advice or not is not the point. In this case I do not think they were, and in many other cases I do not think they were competent or capable. But she followed that advice given to her by her boss and counsel.

I would suggest to you that now, tonight, we have the opportunity to do what is right, because the pail is full; let go of the pump handle. I would suggest to you that the only reasonable vote, unless you are politically inspired, is to vote "aye" on the resolution that will be voted on next.

The SPEAKER pro tempore. The gentleman from New York (Mr. MOLINARI) has 15 minutes remaining, and the gentleman from New Jersey (Mr. HOWARD) has 11 minutes remaining.

Mr. HOWARD. Mr. Speaker, I yield 5 minutes to the gentleman from Georgia (Mr. LEVITAS), the chairman of our Investigative Subcommittee.

Mr. LEVITAS. I thank the chairman for yielding this time to me.

Mr. Speaker, there is much that could be said by way of background on this matter which I will not address.

I remember the night that this House held a Cabinet-level officer in contempt of Congress for the first time in history. I remember the courageous position taken by the ranking member of the subcommittee and his colleagues on that side who voted with him.

It was not an easy decision for us to make, but we made that decision. The night that we made that decision it was my intention that, because of the criminal contempt, the matter should be prosecuted. I think it is unfortunate that the U.S. attorney and the Attorney General chose not to do so, and I would have hoped that the Committee on the Judiciary, in exercise of its impeachment authority, would have looked into this matter.

But shortly thereafter, as a result of litigation and a court's decision, the court asked the House of Representatives and the administration to see if we could work out an arrangement to avoid further litigation in this matter. Pursuant to that, and acting on the directions of the chairman of my committee and the Speaker of the House, we had meetings with the administration to see if we could work out an arrangement to get the papers.

Those meetings were held in good faith. Part of that arrangement, and in order to get the documents and not have 6 or 8 or 10 months of litigation, which we would still be involved in, but to get the documents, was to adopt a resolution of the sort that is before the House tonight if the administration lived up to its agreement.

I agreed to that. We have received the documents. We have had total access. The House of Representatives won its fight with the executive branch in this matter.

I believe that while Mrs. Gorsuch, Mrs. Burford, was guilty of criminal contempt and should have been prosecuted, we made an agreement for purposes of getting the documents, and we did.

For that reason, I would hope that the Members of this House tonight will vote for House Resolution 180.

I do not accept the argument that Mrs. Burford was a good soldier. That is the Nuremberg defense. She had the right to resign, just as Elliot Richardson resigned, just as Bill Ruckelshaus, her successor, resigned. And she should have resigned when ordered to do something that was unlawful.

But that is not the issue before us tonight. The issue before us tonight is, we have now received the documents, there has been compliance. Benjamin Disraeli once said that just as important as knowing when to seize an opportunity is to know when to forgo an advantage. We do not need to take a pound of flesh or blood from Anne Gorsuch. Tonight is the night to establish not a precedent but a fact that when this House has prevailed, when we have succeeded, when we have accomplished our purposes, we do not need to press an advantage against this individual and we should resolve this matter by adopting House Resolution 180 tonight. I urge my colleagues to vote for it.

Mr. MOLINARI. Mr. Speaker, I will take just 1 short minute to close, and then yield back the balance of my time.

Mr. HOWARD. Mr. Speaker, before the gentleman from New York (Mr. MOLINARI) closes, since he is one of the principals, I yield 2 minutes to the gentleman from New York (Mr. WEISS) as the last person who has asked for time on this side.

Mr. WEISS. I thank my friend and colleague for yielding this time to me.

Mr. Speaker, what we are really being asked to do here is to take a person who has already received a great benefit by having someone not follow the dictates of the law and prosecute her, and on top of that, now, provide an additional advantage by, in

essence, dismissing the resolution altogether.

I think that is a mistake, not because I have anything against Anne Burford. She could, as the distinguished gentleman from Georgia said, have done the same thing that Mr. Richardson and Mr. Ruckelshaus did, and resigned, rather than do a dishonorable thing. If, in fact, we follow through on the adoption of this resolution, you can bet that henceforth every Commissioner, every Secretary, every Administrator, is going to refuse access on the ground that the President said that, in fact, they should.

That is the way for this House, in fact, to become impotent. I hope we do not vote for our impotence. I hope we vote against this resolution.

Mr. HOWARD. Mr. Speaker, will the gentleman yield?

Mr. WEISS. I would be pleased to yield to the gentleman from New Jersey.

Mr. HOWARD. I thank the gentleman for yielding.

Mr. Speaker, that would not be the case if we will have the Committee on the Judiciary pass either the bill that I introduced or perfecting it as they, as competent attorneys, would do, and make it mandatory that it at least be presented, unless there are some cases, as the minority leader made, which might be called nitpicking, but I will not do that, but we know we are not talking about that case, but that he would have to bring it to the grand jury within a reasonable time. That is all we are asking in that, and that would avoid sending the message which the gentleman states.

□ 2150

Mr. WEISS. One final word, Mr. Speaker. I happen to have the privilege of chairing an investigative subcommittee. I know the royal runaround that I am getting from the agencies we have jurisdiction over as far as access to files and individuals are concerned.

I have spoken to other chairpeople, both full committee chair and subcommittee chair, and they are getting the same runaround.

What we do by adopting this resolution is encourage the disregard for this Congress.

Mr. MOLINARI. Mr. Speaker, I will close, and I only need about a minute.

Mr. Speaker, the idea of a criminal contempt resolution is a weapon that this House can use, unfortunately when we need it, and we still can use the right of purging, and it is a weapon that we should reserve to ourselves as an institution. I think that is what we have done here.

I do not want to get into a legal argument about whether one Congress can purge another Congress; but indeed, we got what we wanted.

I just want to close by complimenting the chairman of the committee, the gentleman from New Jersey (Mr. HOWARD) for bringing the matter before us tonight.

I want to pay particular tribute, Mr. Speaker, to the gentleman from Georgia (Mr. LEVITAS), who worked almost a year. If you respect the man as I do, he made an agreement, speaking for the subcommittee and I think speaking in his heart for the Members of this body.

I ask you to respect him and to vote for the resolution.

Mr. HOWARD. Mr. Speaker, I yield back my time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on the committee amendment.

The committee amendment was agreed to.

The SPEAKER. The question is on the resolution, as amended.

The question was taken; and the Speaker announced that the ayes appear to have it.

Mr. MATSUI. Mr. Chairman, on that I demand the yeas and nays.

The yeas and nays were refused. So the resolution, as amended, was agreed to.

The SPEAKER. The Clerk will report the amendment to the preamble.

The Clerk read as follows:

Strike out the preamble and insert in lieu thereof the following:

Whereas, on December 16, 1982, the House of Representatives adopted a resolution citing Anne M. (Gorsuch) Burford, Administrator of the Environmental Protection Agency, for contempt of the House for her refusal to comply with a subpena issued by the Subcommittee on Investigations and Oversight of the Committee on Public Works and Transportation calling for production of certain records; and

Whereas, on December 17, 1982, the Speaker certified the contempt resolution to the United States Attorney for the District of Columbia as required by law; and

Whereas the United States District Court for the District of Columbia dismissed, upon motion by the House, a civil suit commenced by the Department of Justice against the House of Representatives and certain of its officers seeking injunctive and declaratory relief with respect to the aforementioned citation of contempt; and

Whereas upon dismissal of the suit by the court and in order to obtain the most expeditious and timely access to the documents essential to the subcommittee's investigation, representatives of the Subcommittee on Investigations and Oversight, the President of the United States, and the Department of Justice executed an agreement providing for access to and copying of the records previously subpenaed; and

Whereas following satisfactory implementation of said agreement, the chairman of the subcommittee has, in complete fulfillment of the representations undertaken in the agreement, introduced this resolution, including a recital that implementation of the procedures established therein constitutes a purging of the aforesaid resolution of December 16, 1982, certifying that compliance has been effected and that further proceedings concerning the contumacious conduct of the witness are unnecessary; and

Whereas, by the terms of the agreement, as subsequently modified by the parties, access to and copying of the documents for which the subpena was issued has been in substantial part, effected to the satisfaction of the subcommittee; and

Whereas the House of Representatives asserts that the aforesaid agreement and this resolution, relating solely to the subpena issued by the subcommittee, does not constitute a precedent or concession with respect to the rule of law that substantial compliance with a subpena after certification of contempt for failure or refusal to testify or produce documents pursuant to subpena, constitutes compliance therewith, or that any efforts by a witness subsequent to the return date of a subpena precludes proceeding in accordance with section 194 of title 2, United States Code; and

Whereas the House of Representatives reasserts that the statutory means of complusion provided by law for compliance with subpenas is applicable to executive branch officials; and

Whereas the House of Represenatives reasserts that no officer charged with the responsibility to discharge duties required by section 194 of title 2, United States Code, is, or was at any time, relieved of or excused from the duties imposed upon him by such law: Now, therefore, be it

Mr. HOWARD (during the reading). Mr. Speaker, I ask unanimous consent that the amendment to the preamble be considered as read and printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The amendment to the preamble was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. HOWARD. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the action just taken.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair intends to complete the rule on H.R. 2230, and then we will go into general debate. We hope at the conclusion of the rule that there will be no further rollcalls for the evening, if there is a rollcall on the rule.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 3391, TRADE ACT OF 1974 AMENDMENTS

Mr. WHEAT, from the Committee on Rules, submitted a privileged report (Rept. No. 98-345) on the resolution (H. Res. 299) providing for the consideration of the bill (H.R. 3391) to improve worker training under the Trade Act of 1974, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 2453, RADIO BROADCASTING TO CUBA ACT

Mr. WHEAT, from the Committee on Rules, submitted a privileged report (Rept. No. 98-346) on the resolution (H. Res. 300) providing for the consideration of the bill (H.R. 2453) to amend the Board for International Broadcasting Act of 1973 to provide for radio broadcasting to Cuba, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 2655, DOMESTIC VOLUNTEER SERVICE ACT AMENDMENTS OF 1983

Mr. WHEAT, from the Committee on Rules, submitted a privileged report (Rept. No. 98-347) on the resolution (H. Res. 301) providing for the consideration of the bill (H.R. 2655) to extend and improve the Domestic Volunteer Service Act of 1973, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 1036, COMMUNITY RENEWAL EMPLOYMENT ACT

Mr. WHEAT, from the Committee on Rules, submitted a privileged report (Rept. No. 98-348) on the resolution (H. Res. 302) providing for the consideration of the bill (H.R. 1036) to provide employment opportunities to long-term unemployed individuals in high unemployment areas in projects to repair and renovate vitally needed community facilities and for other purposes, which was referred to the House Calendar and ordered to be printed.

CIVIL RIGHTS COMMISSION ACT OF 1983

Mr. WHEAT. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 273 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 273

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2230) to amend the Civil Rights Act of 1957 to extend the life of the Civil Rights Commission, and for other purposes, and the first reading of the bill shall be dispensed with. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on the Judiciary, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The gentleman from Missouri (Mr. WHEAT) is recognized for 1 hour.

Mr. WHEAT. Mr. Speaker, I yield the customary 30 minutes for the purposes of debate only to the gentleman from Ohio (Mr. LATTA), and pending that I yield myself such time as I may consume.

Mr. Speaker, House Resolution 273 is a simple, open rule providing 1 hour of general debate and a motion to recommit H.R. 2230, the Civil Rights Commission Act of 1983.

Mr. Speaker, the Civil Rights Commission is a bipartisan, independent agency which oversees civil rights enforcement in this country. The Commission was established in 1957 under the Civil Rights Act of 1957 and has been reauthorized seven times since enactment of the original legislation. The Commission enjoys bipartisan support and its studies and findings have been applauded by people throughout the country.

H.R. 2230 is legislation which would amend the Civil Rights Act of 1957 to extend the life of the Commission for an additional 15 years. H.R. 2230 also authorizes appropriations for the Commission in fiscal years 1984, 1985, and 1986. Specifically, the bill authorizes $13 million for fiscal year 1984 and it provides open-ended authorizations for fiscal years 1985 and 1986.

Mr. Speaker, without enactment of a reauthorization, the Commission will cease to exist effective September 30, 1983. The work of the Commission is far too important to risk a delay in reauthorization.

Mr. Speaker, I know of no controversy on this rule. Therefore, I urge my colleagues to support and approve the rule so that we may proceed to the consideration of this important piece of legislation.

Mr. LATTA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the unusual feature of this rule is that it waives no points of order and it imposes no restrictions on amendments. It is an open rule providing for 1 hour of general debate.

The rule generated no controversy in the Rules Committee, where it was reported out by a voice vote.

The bill made in order by this rule, the Civil Rights Commission Act of 1983, was reported from the Judiciary Committee by a voice vote.

Only one Member filed supplemental views in the committee report. The views of the gentleman from Wisconsin, Mr. SENSENBRENNER indicate that he intends to offer an amendment, designed primarily to insure a fixed 6-year term for Commission members and a 20-year extension for the life of the Commission. Under this rule, the amendment may be considered by the House.

The administration supports this bill, according to information provided by the Office of Management and Budget at the time of the Rules Committee meeting. However, the administration continues to favor a 20-year extension of the life of the Commission and the establishment of 6-year staggered terms for members of the Commission. This option would be included in the amendment by the gentleman from Wisconsin.

Mr. Speaker, I urge adoption of the rule so that the House may proceed to work its will on the legislation.

Mr. Speaker, I have one request for time.

Mr. Speaker, I yield 6 minutes to the gentleman from Wisconsin (Mr. SENSENBRENNER).

Mr. SENSENBRENNER. Mr. Speaker, I rise in support of the rule.

Mr. Speaker, tonight, the U.S. House of Representatives begins consideration of H.R. 2230, legislation to extend the life of the Civil Rights Commission for 15 years, with a $13 million price tag for fiscal year 1984. Extension of the Civil Rights Commission is an objective which I strongly support.

The U.S. Commission on Civil Rights, originally created by the Civil Rights Act of 1957, has no enforcement or regulatory authority. It is charged with studying and collecting information about the state of civil rights in the United States and serves as a clearinghouse for information on civil rights issues.

In recent years, however, many have reluctantly come to the view that the Commission has lost sight of its original purpose. The Commission's projects and reports in many instances are duplicative of the work performed by other Federal agencies. The Commission has devoted more and more of its energies and attention to issues that are properly regarded as issues of welfare policy or social policy; to the existence and funding levels and regulations and administrative operations

of a wide variety of transfer programs, social service programs, and welfare programs. Addressing itself to these issues has caused the Commission to become embroiled in debates which undermine its reputation.

Involving itself in issues that are not properly civil rights issues has the negative effect of throwing the noble concept of civil rights into the cauldron of competing interests. The Commission, some observers have noted, seems to have become beholden to a single, narrow-minded constituency. Still others have said that it has been transformed from an agency supported by the people into a public interest group.

This raises the question of the independence of the Commission, a term which has been greatly bandied about lately. On this issue of independence, I will be offering an amendment which will insure the independence of the Civil Rights Commission for the next 20 years. It is a long-term solution to the current debate. My amendment addresses the concerns raised by Ralph Neas of the Leadership Conference on Civil Rights when, in testifying before the subcommittee, he stated: "The one major gap in assuring the independence of the agency is the failure to provide fixed terms of office as it does with regulatory agencies."

Mr. Neas went on to endorse a 15-year extension of the Commission when he testified:

> The Leadership Conference also believes that the proposed 15-year extension would help guarantee the effectiveness and independence of the Commission. It would allow the Commission to plan ahead and provide a needed continuity with respect to its long-range programs.
>
> Perhaps most importantly, such a 15-year extension would send a strong signal to the entire country that Congress recognizes the problems of discrimination that still exist and that it remains totally committed to the Nation's goal of providing equal opportunity for all its citizens.

Mr. Speaker, my amendment addresses the "independence issue" by providing for 6-year fixed terms of office, a suggestion made by the Leadership Conference on Civil Rights. It further insulates the Commission by allowing the President to remove Commissioners for cause. Finally, it extends the life of the Commission for 20 years, 5 years longer than the time frame suggested by the Leadership Conference on Civil Rights and by H.R. 2230.

This amendment is superior to the amendment offered by the gentleman from California (Mr. EDWARDS), which slashes the authorization period from 15 to 5 years. Thus, the Commission will not be able to do long-range projects in 3 or 4 years without having to worry about the length of the authorization.

I urge Members to adopt my amendment when it is offered. It is the best approach for insuring continuity. independence, and lack of interference from political pressure. Adoption of my amendment would insure there is an independent entity, which is infused with new blood every 2 years, and which is available to make a fair assessment of our civil rights policies.

□ 2200

Mr. WHEAT. Mr. Speaker, as the gentleman from Ohio has no further requests for time and I have no further requests for time, I urge adoption of the rule, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. Pursuant to House Resolution 273 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 2230.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2230) to amend the Civil Rights Act of 1957 to extend the life of the Civil Rights Commission, and for other purposes, with Mr. UDALL in the Chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the first reading of the bill is dispensed with.

Under the rule, the gentleman from California (Mr. EDWARDS) will be recognized for 30 minutes, and the gentleman from Wisconsin (Mr. SENSENBRENNER) will be recognized for 30 minutes.

The Chair recognizes the gentleman from California (Mr. EDWARDS).

Mr. EDWARDS of California. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the U.S. Commission on Civil Rights is the only independent, bipartisan Federal agency responsible for monitoring civil rights in this country. The Commission was initially established by Congress under the Civil Rights Act of 1957. Since then its life has been extended seven times; the most recent extension was in 1978 when the Commission received a 5 year continuance through September 30, 1983. Indicative of how Congress views the Commission's work is the fact that over the years it has expanded the class of protected groups under the Commission's jurisdiction.

The Commission has no enforcement authority. Its effectiveness has been the result of its ability, historically, to perform its duties objectively and honestly, without fear of retribution. The preservation of the Commission's influence and importance is dependent upon its maintaining the appearance as well as the reality of its independence.

At the appropriate time I will have an amendment to H.R. 2230 which has bipartisan support and which will underscore the intent of Congress, from the time the Commission was created in 1957, that the Commission be the independent conscience of this country on civil rights issues. H.R. 2230 also would authorize funds for the Commission for fiscal years 1984, 1985, and 1986.

The Commission's life expires on September 30; thus, it is crucial that we approve this legislation before the recess tomorrow.

Mr. Chairman, I reserve the balance of my time.

Mr. SENSENBRENNER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I believe that it is ridiculous that we begin a debate on an important piece of civil rights legislation at 10:08 p.m. in the evening when everybody has made a beeline for the door and many of the Members are heading home.

The amendments that will be offered to this piece of legislation are controversial in nature, and I am certain that the controversy that has swirled around the President's nomination of three new members of the Civil Rights Commission will be a central feature of the debate on the amendments which are designed to insure the independence of the Civil Rights Commission.

My friend from California (Mr. EDWARDS), and I have a rather sharp divergence on how to go about doing that. But rather than take the time of the House tonight to debate to an empty chamber, when most of the Members are on their way home, I am urging Members of the minority that wish to discuss this issue to move to strike the last word during the 5-minute rule tomorrow and to speak their piece when we are fresh and there is a bigger audience to listen to what we have to say.

So, with that admonition, I yield back the balance of the minority's time.

Mr. EDWARDS of California. Mr. Chairman, I yield back the balance of my time.

Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. RATCHFORD) having assumed the chair, Mr. UDALL, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 2230) to amend the Civil Rights Act of 1957 to extend the life of the Civil Rights Commission,

and for other purposes, had come to no resolution thereon.

LATTY AVENUE IN HAZELWOOD, MO.

(Mr. YOUNG of Missouri asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. YOUNG of Missouri. Mr. Speaker, today I am introducing a bill to transfer the title of a 21.7 acre tract of land formerly known as the Atomic Energy Commission Storage Site back to the Secretary of Energy. At present, this site which is located north of St. Louis Airport, which is in my district, is owned by the city of St. Louis. Also, today an identical bill will be introduced in the Senate by Senators EAGLETON and DANFORTH of the State of Missouri.

The transfer of this title is the first step to solving a problem which has plagued my district for over 15 years now. In World War II, work was done at Malinckrodt plant in St. Louis, Mo. which was essential in the development of the atomic bomb. The radioactive materials processed there from 1942 to 1957 have left terrible problems for my district because of surface radiation levels considerably above current Federal regulations.

This waste lies on the 21.7 acre tract of land north of the airport as well as several ditches in the surrounding area. A large portion of this waste lies at a site on Latty Avenue in Hazelwood, Mo., which is a heavily traveled road in north St. Louis County. These ditches on Latty Avenue are easily accessed by local children who live and play in the area. This causes great concern to me and is a very emotional topic in my district which has local parents in a state of legitimate fear.

There is a plan to construct a building at private expense on the site for temporary containment of the contaminated soil. My bill, also, asks for the Secretary of Energy to take title to the contaminated soil at this location and remove the soil to the site north of the St. Louis airport. The bill, then asks the Secretary of Energy to take remedial action to clean up the radioactive materials at the north St. Louis airport site after an environmental impact statement is completed.

Mr. Speaker, radioactive waste is a problem which should not be made more complex by slow legal manipulations. I am asking Congress to adopt this measure so that legal barriers complicating the problem will disappear and the people of north St. Louis County can live without fear of damaging their children's health as well as their own.

Mr. Speaker, I ask that the text of my bill be printed in full for the RECORD. Thank you.

H.R.3776

A bill, to authorize the Secretary of Energy to accept certain lands in St. Louis, Missouri to provide remedial action with respect to radioactive materials

SECTION 1. (a)(1) If the present owner of the former Atomic Energy Commission Storage Site north of the St. Louis Airport in St. Louis, Missouri (comprising approximately 21.7 acres of land and the radioactive materials stored thereon) offers to transfer such site to the United States without cost to the United States, the Secretary of Energy shall (subject to such avigation easements as are required by Federal Aviation Administration regulations) accept transfer of all right, title, and interest in such site and the radioactive materials stored thereon.

(2) If, following transfer described in paragraph (1) but not later than 1 year after the date of the enactment of this Act, the present owner of the radioactive materials stored at the Latty Avenue Site in Hazelwood, Missouri, offers to transfer such materials to the United States, without cost to the United States, the Secretary of Energy is authorized and directed to accept transfer of all right, title, and interest in such materials and to remove such materials to the site described in paragraph (1).

(b) The Secretary of Energy shall undertake such remedial action to protect public health and safety as may be necessary with respect to radioactive materials which are located at the site acquired by the Secretary under subsection (a)(1) and with respect to such radioactive materials as may be removed to that site by the Secretary from the Latty Avenue site described in subsection (a)(2). Removal of radioactive materials from the Latty Avenue Site and remedial action under this subsection may be commenced only after preparation of a final environmental impact statement under the National Environmental Policy Act of 1969 regarding the environmental effects of the removal and remedial action.

RESULTS OF 1983 QUESTIONNAIRE

(Mr. MILLER of Ohio asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. MILLER of Ohio. Mr. Speaker, we recently completed tabulating the results of our annual questionnaire mailing which was sent to all of the residents of Ohio's 10th Congressional District.

Our questionnaire dealt with a number of issues of current concern to the Congress. With this in mind, I would like to share them with you.

I found the results quite interesting and view them as an excellent barometer of the thinking of middle America and I trust you will find them to be the same.

CONGRESSMAN CLARENCE MILLER'S 1983 QUESTIONNAIRE RESULTS

1. Would you support replacing the present progressive Federal income tax with a flat percentage rate tax eliminating all or most deductions? Yes, 74 percent; no, 26 percent.

2. Do you favor a mutual nuclear weapons freeze at present levels? Yes, 47 percent; no, 53 percent.

3. Do you support efforts by Congress to create public sector short term jobs which would be funded in total or in part by the Federal Government? Yes, 42 percent; no, 58 percent.

4. Provided that a reliable basing mode can be found, do you favor deployment of an MX missile system? Yes, 69 percent; no, 31 percent.

5. In view of the private sector's general reluctance to go forward with capital intensive synthetic fuel projects, do you believe that the Government should assume the responsibility to spend whatever is necessary to develop an adequate stand-by synthetic fuels industry? Yes, 59 percent; no, 41 percent.

6. Do you support further efforts to reduce the size and cost of federally sponsored social assistance type programs? Yes, 77 percent; no, 23 percent.

7. Do you support the sending of American servicemen to Lebanon to serve as part of that country's multi-nation peacekeeping force? Yes, 45 percent; no, 55 percent.

8. Would you favor a national lottery as a way of helping to pay off our country's $1.2 trillion national debt? Yes, 55 percent; no, 45 percent.

9. Do you believe our Nation's defenses are adequate? Yes, 31 percent; no, 69 percent.

10. Do you feel that the United States should come to the aid of governments that are threatened by external forces if such assistance is requested and is deemed critical to the ultimate security of the free world? Yes, 77 percent; no, 23 percent.

11. Do you feel more optimistic about the future of the economy today than you did a year ago? Yes, 72 percent; no, 28 percent.

12. Do you favor the granting of tuition tax credits to parents for the following levels of private education: Pre-school—yes, 33 percent; no, 67 percent; elementary—yes, 39 percent; no, 61 percent; high school—yes, 41 percent; no, 59 percent; college—yes, 54 percent; no, 46 percent.

PROPOSED LEGISLATION TO ASSIST ELECTRIC UTILITY CONSUMERS

(Mr. PASHAYAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. PASHAYAN. Mr. Speaker, I am developing legislation that could save California consumers from a potential $100 million increase in their electric utility bills because of some ill-advised action by the Federal Energy Regulatory Commission (FERC) in 1980.

At this point, Mr. Speaker, I include an editorial from the Fresno Bee of July 13, 1983, as follows:

UNFAIR HYDRO DECISION

San Joaquin Valley customers of the Pacific Gas & Electric Co. will be the losers in the recent decision of the U.S. Supreme Court to favor city-owned utilities over private utilities in the relicensing of hydroelectric projects.

The ruling means that PG&E may be forced to sell the Haas powerhouse on the Kings River and three other hydro projects in the state to such applicants as the Sacramento Municipal Utility District and the city of Santa Clara.

The decision is a serious mistake. PG&E has more hydroelectric capacity, serving more people, than any other privately owned utility in the country. If it loses part of that capacity, the company will have to replace it, resulting in higher costs to remaining PG&E customers. Fresno County users alone will be asked to pay $2 million more a year, it is estimated.

In its decision, the Supreme Court upheld an administrative ruling by the Federal Energy Regulatory Commission (FERC), which said that in giving municipalities relicensing preference over private utilities it was only interpreting congressional intent in the Federal Power Act.

If that's the congressional intent, Congress was wrong and the law ought to be changed. It may be logical to give municipalities preference in the original licensing of a new project but not in the relicensing of an existing one which PG&E has operated for 50 years or more. To do that allows the municipalities to take over the most efficient units and so destroy an integrated power system.

The valley's congressional delegation should move quickly to correct this legal inequity.

Mr. Speaker, although the problem I am addressing has an immediate effect upon residents of California and of the district I have the honor to represent, it has implications for consumers throughout the Nation.

The Commission's action has created a situation which has made possible "raids" by electric utilities owned by several cities on investor-owned hydroelectric power generating facilities on California rivers.

Because of the Commission's ruling, several municipalities in California are attempting to obtain at very little cost the cost-efficient hydroelectric power generated by investor-owned plants. And they want this power in order to service their small number of customers at the expense of the vast majority of consumers, not only in California but throughout the Nation.

Mr. Speaker, this issue involves the relicensing of investor-owned and developed hydroelectric powerplants. Under the Federal Power Act, the FERC is authorized to issue licenses for the construction and operation of most non-Federal hydroelectric facilities.

Those licenses are issued for 50 years, and several hydro facilities in California are or will be up for relicensing in the near future.

Prior to the FERC ruling, the plants were relicensed without incident, when the power companies demonstrated to the Commission that they had served the public interest.

Under reclamation law, preference was given to municipally-owned utilities in the development of power facilities. However, in 1980 FERC ruled that preference was to be given to municipally-owned utilities in the relicensing of these facilities.

In addition, the Commission ruled that, in the case of a tie between an investor-owned and a municipally-owned utility, preference was to be given to the city-owned utility—regardless of the effect upon consumers.

Mr. Speaker, it is interesting to note that the Federal Power Commission—FPC—which is now the FERC, addressed this subject in a letter to Speaker John McCormack, who served the State of Massachusetts, this House, and this Nation with honor for 42 years. The pertinent sentence in that letter reads:

In those rare cases when the two applications are equally matched, the FPC believes that the new license should be issued to the original licensee so long as he can meet the standards of the act at least as well as the other applicant.

Mr. Speaker, it is unfortunate indeed that the Commission in 1980 ignored this wise policy established by its predecessors and created a situation whereby, in my State of California, several electric utilities owned by a number of cities, including Santa Clara, Sacramento, and Anaheim, are attempting to obtain licenses held by investor-owned utilities on powerplants that serve some 3.5 million customers.

I should like to point out that, by way of contrast, the city of Santa Clara serves about 40,000 customers, and the other cities involved in this attempted raid upon investor-owned, power-generating facilities only serve about 621,000 customers.

Mr. Speaker, opposition to the effort by these cities to obtain these hydropower facilities includes the California Public Utilities Commission, 25 counties, including the County of Santa Clara, over 106 cities, 20 public utility and water districts, and a large number of businesses, agriculture interests, and community and service organizations throughout the State.

Although the current members of FERC could reverse the Commission's earlier decision, Mr. Speaker, legislation is needed to prevent future FERC Commissioners from again legitimizing this sort of injustice to consumers. I wish to make it perfectly clear in the law that licenses for hydroelectric plants shall never again be subject to raiding and that consumers shall be protected from the unwarranted energy cost increases that can result from such raids. This is why I am developing this legislation.

□ 2210

IN THE MATTER OF DENNIS BRUTUS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. FRANK) is recognized for 60 minutes.

● Mr. FRANK. Mr. Speaker, I have arranged this special order to express my view, and that of other Members, that it is unworthy of our democratic ideals for the Reagan administration to be insisting on deporting Dennis Brutus. The State Department admits that Mr. Brutus, a leading opponent of apartheid, has a "well-grounded claim of persecution" if he is forced to return to South Africa, whose brutal and inhuman racist system he has been opposing. He was arrested in South Africa in 1963 for his opposition to segregation, and to force him to return there—or to Zimbabwe, as the State Department suggests—is to expose him to the terrorist apparatus of the South African Government.

Mr. Brutus has been teaching in America at the college level since 1971. In August 1981, his petition for immigrant status was approved—but he cannot take advantage of this approval because that would require him to leave the country, and he would not, under Reagan administration policy, be readmitted.

In a manner wholly incompatible with our traditions, the administration will not even tell Mr. Brutus why they insist on his deportation, and why he would be excluded if he left the country to apply for a visa. But there does not appear from the record to be any ground other than his active opposition to apartheid in South Africa, for which that government charged him under their "Suppression of Communism Act"—an act which in fact functions as a suppression of the basic liberties of blacks, coloreds, and those whites who oppose South Africa's racism.

America would be enhanced, not threatened, by allowing this determined foe of racism to find refuge here from the vindictive and brutal Government of South Africa. For this reason, I have filed H.R. 3705 to allow Mr. Brutus to take advantage of the successful petition he filed for a third preference immigrant visa. I hope the administration will drop its ill-advised effort to cooperate with South Africa by jeopardizing the safety of this enemy of racism. But if the President continues to force Mr. Brutus to return to the reach of the South Africans, I hope we will act to reaffirm one of our oldest and proudest traditions: America as a haven for fighters for freedom.●

● Mr. LELAND. Mr. Speaker, I commend the gentleman for arranging this special order and introducing private legislation for the relief of Dennis Brutus.

I would like to add to what has already been said not by trying to find my own words of praise for Dennis Brutus' life and work, but instead, by reading to you his own words. The following are from a collection entitled "A Simple Lust," in South Africa, possession of this work is a criminal offense.

The sounds begin again;
the siren in the night

the thunder at the door
the shriek of nerves in pain.
Then the keening crescendo
of faces split by pain
the wordless, endless wail
only the unfree know.
Importunate as rain
the wraiths exhale their woe
over the sirens, knuckles, boots;
my sounds begin again

—

FOR A DEAD AFRICAN

We have no heroes and no wars
only victims of a sickly state
succumbing to the variegated sores
that flower under lashing rains of hate.
We have no battles and no fights
for history to record with trite remark
only capives killed on eyeless nights
and accidental dyings in the dark.
Yet when the roll of those who died
to free our land is called, without surprise
these nameless unarmed ones will stand
beside
the warriors who secured the final prize.

(John Nangoza Jebe: shot by the police in a Good Friday procession in Port Elizabeth 1956.)

—

Today in prison
by tacit agreement
they will sing just one song:
Nkosi Sikekela;
slowly and solemnly
with suppressed passion
and pent up feeling:
the voices strong and steady
but with tears close and sharp
behind the eyes
and the mind ranging
wildly as a strayed bird
seeking some names to settle on
and deeds being done
and those who will do the much
that still needs to be done.

(June 26, 1967, South African Freedom Day.)●

● Mr. CROCKETT. Mr. Speaker, I rise in strong support of H.R. 3705, a private bill for the relief of Prof. Dennis Brutus, a black South African who is now teaching African and English literature at Northwestern University in Illinois.

I would first like to congratulate my friend and colleague on the House Immigration Subcommittee, the gentleman from Massachusetts, BARNEY FRANK, for offering this bill and for moving so quickly not only to protect the life of Professor Brutus, but to demonstrate his concern and commitment to the fight against apartheid.

Others will point out the work of Professor Brutus against the apartheid system in South Africa—how he was jailed by the South African regime, and how he was forced to flee from there to Zimbabwe, then to London and finally to the United States where he has served for several years as a tenured professor.

I rise instead to discuss the error of innocent omission that make this private bill necessary in the first place. According to the account in the New York Times of July 18, 1983:

Exactly why the (U.S.) Government is making such a concerted effort to deport Mr. Brutus remains unclear. His problems began not as a result of any wrong-doing on his part but rather because of a spate of bad luck.

When he made periodic applications for extension of the temporary United States visa, which allowed him to work here, he was using his British passport. But when Rhodesia became independent Zimbabwe in 1980, Mr. Brutus's British passport was revoked. Zimbabwe issued a new one, but he was late in applying for an extension here. Then an immigration office here could not find his file for six months. By continuing to teach at Northwestern, he was placed in violation of a law that forbids employment by an alien with an expired visa.

Professor Brutus' request for political asylum is being heard by an immigration law judge in Chicago. It has been recessed until September 6. As many of you know, our Department of State has advised the court that, although Professor Brutus' life is definitely in danger in South Africa and possibly may be in danger in Zimbabwe, he nevertheless should be denied asylum because he has a "right" to return to London as a "returning resident." But we are told by Professor Brutus' lawyer that they have introduced into evidence a letter from the British Counsel in Chicago stating that although Mr. Brutus at one time may have had such a right, that right has expired due to his absence from the United Kingdom for the past 2 years.

Mr. Speaker, it is ridiculous for our State Department and our Justice Department to oppose the granting of political asylum to Dennis Brutus, a distinguished poet, scholar and freedom fighter, while at the same time welcoming with open arms any ballet dancer, Eastern European Soviet dissident writer or tennis player who wants to come to America to be free to cash in at the altar of free enterprise. Perhaps if this administration was more sensitive to the struggle against apartheid and more committed to moving minorities into policymaking positions in the Department of State's bureaucracy, our Government would not take such a foolish and shortsighted view on Professor Brutus' application for asylum.

Mr. Speaker, we are indeed fortunate that the Congress and our colleague BARNEY FRANK can step in and correct the administration's mistake in this matter. I am proud to say that I wholeheartedly support Mr. FRANK's bill, and urge each of my colleagues to join us.●

● Mr. MITCHELL of Maryland. Mr. Speaker, I want to express my support for the efforts of Congressman BARNEY FRANK in attempting to aid Dennis Brutus, a black poet and critic of South Africa's apartheid policy. Mr. Brutus is subject to deportation because of his outspokenness and the fact that he has been in self-imposed exile from Southern Africa for 10 years.

As Congressman FRANK has pointed out, Mr. Brutus is a professor of African and English literature at Northwestern University. For over a year, he has been fighting deportation since he is fully aware that his return to southern Africa could gravely endanger his life.

It is sad that Mr. Brutus, a dedicated academician and humanitarian, can only fear inadequate protection if he returns to his native land. Moreover, it is distressing that the determination as to why our Government is pressing Mr. Brutus' deportation remains questionable. I would urge my colleagues to examine the circumstances surrounding Dennis Brutus' plight and join Congressman FRANK in a show of support for his efforts on behalf of this fine professor.●

● Mr. OTTINGER. Mr. Speaker, today Dennis Brutus finds himself on the verge of being deported from the United States, at clear risk to his life and security. As a result of a bureaucratic foulup in the winter of 1981, Professor Brutus' application for a temporary visa—a visa which he had been granted for each of the previous 10 years—was rejected. After numerous legal appeals to the Immigration and Naturalization Service, he has been ruled deportable. With no explanation the State Department has denied his request for political asylum.

I ask my colleagues to consider the life and career of Dennis Brutus. Distinguished scholar, poet, and teacher, he has been a tireless opponent of South Africa's inhumane system of apartheid, a fearless activist on behalf of the cause of human freedom.

As a result of Professor Brutus' nearly single-handed efforts, South Africa, a country obsessed with sports, has been almost completely excluded from international athletic competition since the early 1960's. For his antiapartheid activities—open political activities—Professor Brutus was sectenced to 18 months at hard labor in South Africa's notorious Robben Island Prison. What was the incident which provoked this brutal punishment? Professor Brutus, a South African black, attempted to attend a meeting of the all-white South African Olympic Committee.

During this period of incarceration, Professor Brutus began to write the poems which have brought him worldwide renown. Lamenting the bitter oppression and powerlessness of South Africa's black majority, Professor Brutus' poetry, nine volumes of which have been published, sounds an eloquent appeal to all those who value individual dignity and mourn its destruction in South Africa.

After a second arrest, Professor Brutus, in an attempt to escape from South Africa to freedom, was shot in the back by the South African secret

police. Shortly thereafter, he was allowed to leave the country, but only after signing a document which forbade him to return under penalty of imprisonment.

Since 1971, Professor Brutus has taught English and African literature at Northwestern University in Illinois. Tenured at Northwestern in 1973, Professor Brutus has lectured at numerous colleges and universities across the country, including Amherst and the University of Massachusets. In 1975, Professor Brutus founded the African Literature Association. This scholarly organization has since flourished, attracting several hundred members from around the world.

At present, Professor Brutus continues to pursue his academic and poetic careers. He also speaks out frequently against apartheid.

I ask my colleagues to reflect on this short biography of Prof. Dennis Brutus. What element in this admirable life has caused the Reagan adminsitration to deny Professor Brutus, a resident of this country for more than a decade, the political asylum he has requested? Why does the present adminsitration hound Professor Brutus, a man who has devoted his life to cause of freedom, as though he were a criminal? I submit that the only answer lies in the intimate ties the Reagan administration has established with the racist regime in Pretoria. While a man of Dennis Brutus's great courage and constructive achievement must struggle to remain in the United States and South African police and military personnel are welcomed by the President as honored guests.

The treatment of Dennis Brutus by the Reagan administration is a national disgrace. America should be, as it has been historically, a haven for those who flee oppression and particularly for those, like Professor Brutus, who peacefully and valiantly struggle against injustice.●

● Mr. RANGEL. Mr. Speaker, I rise today in support of the special order introduced by my colleague BARNEY FRANK for Dennis Brutus.

Dennis Brutus is a man in exile. He is in exile because of his beliefs, his writings, and because he is black. For more than 10 years he has lived away from his homeland in southern Africa. His brave stand against the terrible system of apartheid in South Africa has made his exile one of self-preservation. If he returns to that region of Africa where no one is really safe from persecution by South Africa, he will be in danger. Frankly, he may be killed for his beliefs.

The Immigration and Naturalization Service intends to sue for Mr. Brutus' deportation based upon classified information. The defendant is not a threat to this country, nor is he a burden on our social services. He is a poet and a professor of African and English literature at Northwestern University. His contribution is a very valuable one, and his presence is a reminder of the harsh reality under apartheid. His deportation is not a necessary measure.

Mr. Speaker, I strongly support Dennis Brutus' application for political asylum, and I strongly urge the INS to reconsider his case.●

● Mr. TOWNS. Mr. Speaker, over the years, our Nation has become a symbol of freedom and opportunity for people around the world. Many have come to our shores seeking to benefit from the inalienable rights and freedoms for which America has become renowned. Others come to begin a new life in the land of opportunity. Still others seek protection from the religious and political harassment to which they are subject in their homelands. But, whatever their reason, we have welcomed them with open arms.

Dennis Brutus, poet and critic of South Africa's apartheid regime, has come to our country. He has come to our country to escape the political persecution and the threat to his life which would be inevitable were he to return to his home in southern Africa.

Some argue that were Mr. Brutus to return to Zimbabwe, his homeland, he would not face such persecution and threats on his life. Those who uphold this argument do so assuming that South African agents would not enter Zimbabwean territory to endanger the life of Mr. Brutus. I maintain that this line of thought is totally unrealistic. We can all bear witness to the fact that South Africa has a long history of territorial invasions. We need only look to Namibia or Angola for proof. To think that South Africa will suddenly give up its past policies, and respect its territorial boundaries, is to give South Africa more credit than it deserves.

My colleagues, I feel that Mr. Brutus is deserving of our protection. I urge you to lend your support to H.R. 3705. We hold the future of Mr. Brutus in our hands. If we allow him to be deported, we shall ultimately be responsible for whatever his fate in southern Africa may be.●

● Mr. OWENS. Mr. Speaker, I urge all of my colleagues to support H.R. 3705, a private bill to grant relief to Dennis Brutus. Professor Brutus is threatened with deportation based on information which the Government has classified. It would be outrageous to deport this poet and professor in any case, but it is more so when the Government seeks to move against an individal based on information which the Government claims to have but does not deign to share.

The situation in South Africa and Zimbabwe, the land of Dennis Brutus' birth, is difficult. Professor Brutus claims to have a fear of persecution in South Africa and our Government agrees that the fear is well founded. The professor then argues that he is fearful of return to Zimbabwe due to the actions of South Africans there. Our Government argues that there is no proof that South Africans have committed assassinations in Zimbabwe. It is reasonable to assume that when South African death squads act in Zimbabwe, they do not leave material evidence or wait around to be tried for their actions.

The reality is that our Government has a tendency to spring to the defense of those who fear death at the hands of Communist governments while victims of rightist merely authoritarian governments are cast aside. When the authoritarian government happens to support apartfeid, an abomination to all decent people, the victim is subjected to the extraordinary pressure of being judged on classified information.

One has to wonder just what the classified case against Professor Brutus consists of. Surely, if the information is relevant and true, he must be aware of his own history. In the alternative, the device of classification is merely a tool to protect falsehood from the light of scrutiny which one normally finds in a democracy.

Many appeals have been made on behalf of Professor Brutus. They seem to be falling on ears that do not choose to hear. I urge each of you to support H.R. 3705 to keep this man—poet, teacher, scholar—among us.●

GENERAL LEAVE

Mr. WISE. Mr. Speaker, I ask unanimous consent that all Members may be permitted to extend their remarks and to include extraneous material on the special order speech today by the gentleman from Massachusetts (Mr. FRANK).

SAN JUAN BASIN PLAN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Mexico (Mr. RICHARDSON) is recognized for 10 minutes.

● Mr. RICHARDSON. Mr. Speaker, I am today introducing two pieces of legislation dealing with the future of the San Juan Basin, an area which covers most of the western half of my district in New Mexico. Earlier this year, Secretary Watt and the Bureau of Land Management announced the Department of the Interior's proposed San Juan Basin Action Plan, a comprehensive land use plan for the basin. Under this proposal, most of the strippable coal on Federal lands in the basin would be leased by the end of this year. The proposal by BLM staff also calls for only two of the three wilderness study areas in the basin to be made permanent wilderness by the

Congress. Secretary Watt has endorsed only one of the three WSA's.

The San Juan Basin contains some of the most beautiful and important land in the State of New Mexico. Environmentally, the area is spectacular but fragile. The vistas and washes are among the most scenic in the Southwest.

The basin is also archeologically and paleontologically significant. It is one of the few areas in North America where fossils exist side by side from each of the three major paleontological eras. It also contains the vast ruins of the ancient Anasazi Nation, a portion of which has been reserved at Chaco Canyon. A national historical park located in the middle of the areas scheduled for lease in the December coal lease sale.

Finally, the basin also has been blessed with significant mineral reserves, including a vast quantity of coal. Secretary Watt's coal development policy is needlessly in direct conflict with the environmental, archeological and paleontological resources in the area, as well as with the lifestyles of the hundreds of Navajos living in the area.

Secretary Watt's plans for the San Juan Basin caused quite a stir in New Mexico. The Secretary proposed to lease between 900 million and 1½ billion tons of coal during a time when supplies are plentiful and demand has fallen. Furthermore, the sale comes at a time when the Secretary plans to process pending preference right lease applications for an additional 2.2 billion tons of coal, which would be placed on the market without competitive bid. The magnitude of these actions can only be understood in comparison with Federal coal leasing in New Mexico until now. To date, 457 million tons of coal have been leased on Federal lands in my State. Of that amount more than two-thirds of the acreage remains undeveloped. Thus, Secretary Watt wants to lease in 1 day between two and three times as much coal as has been leased during the past 30 years. And he wants to do so in a manner that ignores the legitimate rights of the Navajo families living in the area and in a manner that would harm the environmental, archeological, and paleontological resources we all cherish.

I was deeply troubled by Secretary Watt's proposed San Juan Basin Action Plan. Therefore, I invited the House Interior Subcommittee on Mines and the Subcommittee on Public Lands to come to Santa Fe for a hearing on the coal leasing and wilderness questions this plan raised. Because it is New Mexicans' coal, water, air, wilderness lands, and archeological and paleontological resources which are at stake, I thought it was only fair that they have strong input in the decisionmaking process.

My good friend from Oregon, JIM WEAVER, came to Santa Fe in late May with me to chair this hearing. More than 500 New Mexicans attended. At the hearing, testimony was received from environmentalists, coal company executives, the Governor and senior officials in his cabinet, a representative of the Navajo Nation, archeologists, paleontologists, as well as prodevelopment groups.

I received two messages at that hearing from my constituents. And I heard these two messages loud and clear. The first message was that New Mexicans find Secretary Watt's decision to support only one out of the three wilderness areas inadequate and legislation introduced by several other Members of our delegation designating only one of the three areas is totally unacceptable. The second message was that New Mexicans do not want the San Juan Basin to become the next Powder River Basin. Power River was the last Federal coal sale held in April of last year. The sale was very controversial due to its unprecedented size of 1 billion tons and its timing, since the sale occurred during the same glutted coal market we are experiencing today. As a result of this sale, the General Accounting Office has concluded that the coal at Powder River was leased fully $100 million below fair market value. New Mexicans do not want to see their coal sold cheap or their State shortchanged through depressed bonus bids on the leases.

As a result of these twin messages that I received in Santa Fe a couple of months ago, I am today introducing two bills to address the concerns of the people of New Mexico.

The first bill, H.R. , the San Juan Wilderness Protection Act of 1983, would designate all three wilderness study areas—Bisti, De-na-zin, and Ah-shi-sle-pah—as wilderness. It also directs the Bureau of Land Management to manage a small area in the basin known as the fossil forest in a manner to protect and enhance its unique natural paleontological and other scientific values. This legislation will also be introduced in the other body by my distinguished colleague and friend, Senator JEFF BINGAMAN.

This is a modest proposal, Mr. Speaker. In all only 35,000 acres would be set aside as wilderness. These small areas contain less than one-half of 1 percent of the coal reserves in the San Juan Basin. The San Juan Basin is developing at a steady pace, we must act now to insure that some of the pristine and irreplacable wilderness areas are preserved from development.

Mr. Speaker, I am introducing this bill today in advance of final wilderness recommendations by the Department of the Interior for these areas in order to make certain that the wilderness study areas are not eliminated by any other conflicting land use decision in the region. The BLM State Office in New Mexico has been instructed to process all pending preference right lease applications prior to the coal lease sale scheduled for December. Wilderness decisions must be made prior to those decisions which would preclude wilderness from being an option for the region's land use plans.

Mr. Speaker, the three wilderness areas in my bill deserve early consideration by the Congress because they are being needlessly jeopardized by Secretary Watt's policies. Despite the overwhelming public support for designating these three wilderness areas, Secretary Watt only supports wilderness designation for the 4,000-acre Bisti Wilderness. Secretary Watt is contradicting the recommendations of the professional land managers who also recommended wilderness designation for De-na-zin.

In fact, Mr. Speaker, this is another clear indicator of the token nature of Watt's support for the Bisti Wilderness. Many of us remember Secretary Watt's infamous "midnight raid" on the BLM Wilderness study areas on December 30, 1982. Shortly after the Congress recessed for the Christmas holidays, Secretary Watt summarily ordered the immediate elimination of over 800,000 acres of BLM WSA's. This action demonstrated a contempt for Congress because prior to the Secretary's actions the chairman of the Public Lands Subcommittee specifically requested that Congress be notified before any such decisions on the BLM WSA's were made.

The Bisti was one of the WSA's eliminated by Watt on December 30, 1982. The rationale for his decision was the same as for the other areas: BLM had no authority to consider these areas as WSA's; and he was forced to eliminate them in order to bring BLM into compliance with the law. The Secretary's reasoning was disingenuous at best. In my opinion, the Secretary's elimination of the WSA's is in violation of both FLPMA and NEPA.

Mr. Speaker, an interesting thing happened on January 27, 1983. A Federal Register notice appeared announcing that the Bisti—but only the Bisti—was reinstated as a WSA. Suddenly, Secretary Watt apparently changed his mind and decided BLM indeed had acted properly in originally designating the Bisti as a WSA.

On February 10, 1983, the House Interior Committee unanimously adopted a resolution calling on Secretary Watt to restore all 800,000 acres of WSA's he eliminated in December. The resolution further urged him to leave the remaining WSA's alone. The stage was set for Secretary Watt to demonstrate whether he was indeed committed to wilderness protection.

Indeed, Mr. Speaker, he provided a clear answer. Since adoption of the committee resolution, Secretary Watt has proceeded to eliminate from WSA status a net total of over 1 million acres. At the same time, he reinstated as WSA's a token amount of approximately 130,000 acres that were eliminated in December.

In New Mexico alone, Secretary Watt has now eliminated almost 215,000 acres from WSA status, while only restoring 5,500 acres, including the Bisti, that has been eliminated in December. The WSA's he has eliminated include some of the most outstanding wildlands in New Mexico. And by eliminating them from WSA status, Secretary Watt has jeopardized their wilderness values, because there is no authority under the law to fully protect the wilderness values unless the land is designated as a wilderness study area. Let me briefly illustrate the type of irreplaceable and unique wildlands that Secretary Watt has jeopardized.

Big Hatchet Mountains WSA: this area is well known as a scenic area and critical desert bighorn sheep habitat.

Ignacio Chavez/Chamisa WSA: an area of immense scientific, scenic, historic, and wildlife value.

El Malpais: one of the most outstanding examples of volcanic landscape in the continental United States with significant historic and prehistoric archeological values.

Rimrock, Little Rimrock, Pinon, and Sand Canyon WSA's: wildland ecosystems containing extensive prehistoric puebloan communities which deserve consideration for National Register of Historic Places.

One more example deserves special mention. In the De-na-zin Wilderness which would be designated by this bill, Secretary Watt has eliminated 1,368 acres from WSA status. The acreage is now without any special protections to preserve its wilderness values. Secretary Watt justified this action on the basis that part of the eliminated acreage was "split estate," wherein the State of New Mexico owned the subsurface rights while the surface was owned by BLM. This is clearly another of Secretary Watt's antiwilderness actions. The State of New Mexico had declared its desire to exchange their rights so that these lands could indeed be designated as wilderness. Yet, Secretary Watt has ignored the State's interest in exchange and to this date, has done nothing to expeditiously exchange the lands with the State so the De-na-zin Wilderness study area could be permanently protected. Accordingly, with the State's full support, the bill I introduce today contains a provision designed to require Secretary Watt to responsibly and expeditiously effect an exchange with the State. The language sets specific timeframes, and procedures to insure the exchanges are carried our expeditiously.

Mr. Speaker, there is an inholding of approximately 900 acres of Indian allotment lands within De-na-zin. This acreage will become wilderness only if a land exchange which is agreeable with the individual allottees can be arranged. My bill also provides rights of historic access to all occupants of the Navajo trust lands.

Mr. Speaker, portions of the De-na-zin and Ah-shi-sle-pah WSA's have been selected by the Navajo Nation, under the authority contained in the Navajo-Hopi Settlement Act. These selections create a potential conflict with the wilderness designation for those two WSA's. However, I have been assured by Chairman Peterson Zah and other Navajo leaders that they are also committed toward protecting the wilderness values of these lands. I am quite confident that as this bill is considered in the Congress, we can find a solution that will insure lasting wilderness protection for these two areas and at the same time meet the needs of the Navajo Nation. It is clearly not my intention to leave these areas unprotected during the period in which the Navajo settlement is being finalized, nor do I wish to in any way prejudice the outcome of the Navajo relocation process. It is for this reason that I have included language to insure that this bill will in no way amend or affect the Navajo-Hopi Settlement Act of 1976 or the congressional amendments to the act, which were passed in 1980. In the months ahead, I am committed to working closely with Chairman Zah and other interested parties to reach an acceptable and workable solution.

The second bill I am introducing today, H.R. the Federal Coal Leasing Reform Act, would provide for a 10-month cooling off period until May 1, 1984. During this 10-month period no Federal coal lease sale would occur. I have decided to call for this legislative cooling-off period for three reasons.

First, I noticed at the field hearing in Santa Fe that the Department of the Interior's coal leasing program was in a state of disarray. Decisions were being made without proper consultation and input with all of the parties involved. The Navajo Nation, for example, did not have a voting member on the regional coal team, even though the proposed coal lease sales cover acreage around Indian allottee lands and acreage near the Navajo Reservation. Draft environmental impact statements were so hastily and poorly prepared that entire portions of the San Juan Basin action plan were left out. For example, the Department of the Interior wants to process 2.2 billion tons of preference right lease application coal as part of the plan, yet the Department failed to prepare a draft EIS on the PRLA's despite their obvious significant impact on the environment of the region. The 10-month cooling off period authorized by this bill will give the Department the time it needs to go back and allow all parties input in the decisionmaking process and properly prepare its draft environmental impact statements.

Second, I noticed at the hearings that those groups who want to preserve the environmental values of the basin and those who want to develop its resources were attacking each other rather than trying to work together. It is possible to achieve a balance. We can develop a plan for a rational development of the basin's coal reserves in a manner which protects the many other virtues of that area. But to do so there must be a constructive dialog. The Department of the Interior and Secretary Watt cannot take a position of every acre of strippable coal on Federal lands is going to be developed or else. And those who advocate preservation must understand that jobs are also a concern for the district. The 10-month cooling off period will give us an opportunity to lay the groundwork for a more reasonable and moderate development plan by allowing all sides to reflect on their positions and hopefully come together to work for the common good.

The third and final reason for this bill stems from the events at Powder River last year. The San Juan Coal sale would be one of the next major Federal sales after Powder River. As I mentioned earlier, the GAO concluded those leases were sold $100 million below fair market value. That is of deep concern for me because any State receives 50 percent of the bonus bids paid for Federal leases within its borders. At the hearing State officials, including the Governor, testified that if the San Juan sale goes ahead as scheduled with no changes in the Department's regulations, the State of New Mexico would lose $80 million. I cannot support any sale that will allow New Mexico coal to be sold cheap or for our citizens to be shortchanged. My State is poor, Mr. Speaker, and we desperately need the revenues that responsible coal leasing will yield.

Therefore, the 10-month cooling off period will also give the Department of Interior time to rework its regulation to incorporate each of the recommendations the GAO says should be made before any further Federal coal lease sales occur in order to protect the public purse and make certain that fair market value is obtained. Ten months is plenty of time for the Department to carry these changes out and if they are not completed by May, the Department, not Congress, will be to blame for any further delays in the coal-leasing schedule.

Mr. Speaker, I want to conclude by stating my appreciation to my colleague, Senator JEFF BINGAMAN, Gov. Toney Anaya, Commissioner of Public Lands Jim Baca, Chairman Peterson Zah and all of those who have worked with me on these two important pieces of legislation. I look forward to early hearings this fall in the Interior Committee on both bills and hope we move them to the floor for early and speedy approval by this body.●

TIME TO SOW THE SEEDS OF OUR ECONOMIC FUTURE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. CORCORAN] is recognized for 10 minutes.

● Mr. CORCORAN. Mr. Speaker, I am introducing two bills today to facilitate the economic recovery that our Nation is, fortunately, experiencing. I firmly believe that we can attribute the unexpectedly rapid recovery of our economy to the twin forces of reduced inflation and economic stimulation from the Economic Recovery Tax Act of 1981. As proven under President Kennedy and again under President Reagan, reducing the tax burden stimulates saving, spending, and investment by businesses and individuals. This, in turn, stimulates business growth and increases employment.

The Capital Growth Act of 1983 increases the deduction for net capital gains for taxpayers from 60 to 75 percent over 3 years, at a rate of 5 percent each year. In addition to encouraging the investment of private income in America's businesses, which will encourage growth and job formation, this tactic will increase reported capital gains and capital gains tax revenues, if history is a reliable indicator.

In 1978, Congress increased the capital gains tax exclusion from 50 to 60 percent, with comparable adjustments to the maximum and minimum tax. A recent analysis of capital gains by the Council of Economic Advisers showed that the amount of capital gains reported on tax returns greatly increased in 1979, the year after the tax rate on capital gains was reduced. Reported net long-term gains were up 111 percent from 1977, the year before the tax change. Nineteen-eighty data show that the level of realized capital gains remained high, and the sharp rise in reported capital gains meant that the Treasury collected more money in taxes than it would have if the tax rate and reported gains had remained at the 1977 level. The increase in reported capital gains cannot be explained by a corresponding rise in stock prices as these actually remained almost level from 1977 to 1979. Clearly, there is a powerful effect from reducing the capital gains tax, and I would encourage Congress to learn from this unusually positive experience.

The second bill which I am introducing today, the Business Opportunity Act of 1983, is geared toward business investment. It would amend the Internal Revenue Code to reduce the maximum rate of corporate income tax from 46 to 36 percent over 5 years, at a rate of 2 percent a year. We can most efficiently encourage investment and economic growth by leaving more money in the private sector. Capital is essential to investment, modernization, research and development, hiring—in short, to growth and to jobs. By reducing the tax on corporate income, we will increase the funds available for labor and capital business expenditures.

It is popular today to claim that corporations do not share equally in the tax burdens of America, but it is apparent that businesses in America have been hard hit by recent recessions and have not rebounded as they did in the past. Abysmal corporate profits are the explanation for reduced corporate tax revenues.

The decline in corporate tax receipts as a proportion of total Federal tax receipts reflects the long-term reduction of corporate profits as a share of our national income and the incredible growth of payroll tax burdens on employers and workers. In less than 25 years, payroll tax receipts have increased from 18 percent of total receipts to over 33 percent.

That businesses have not been able to absorb the disastrous effects of three recessions in just 8 years is evident from a study of key indicators of corporate financial strength. According to the New York Stock Exchange Office of Economic Research, corporate profits were $40-billion less in the second quarter of 1982 than in the peak year of 1979. As a percent of national income, corporate profits were down to 6.6 percent in the first three quarters of 1982, from an average of almost 10 percent in the seventies and almost 13 percent in the 1964 to 1969 period, reflecting a steady and sharp decline. Short-term debt is up, requiring constant repayment or debt rollover, and the interest coverage ratio (the ratio of interest liabilities to corporate profits) reached all time lows in 1980, 1981, and again in the first three quarters of 1982. This means that interest payments relative to corporate profits have greatly increased, placing a strain on businesses' ability to finance debt obligations. In short, corporations are more in debt with less ability to handle that debt. Debt-equity ratios have also deteriorated, making it difficult to find additional financing. The story state of corporate finances is most painfully reflected in the levels of business failure in 1981 and 1982, the highest rates in half a century.

There are many sources for this financial strain—the recessions, burgeoning Federal budget growth and accompanying crowding out of private investment, tax biases toward debt financing, inflation and deflation, high and volatile interest rates—you name it. The solutions are more difficult to locate, but a key element must be to ease the pressure toward debt by returning money to the businesses. This will improve cash flow, alleviate the need for borrowing, reduce the pressure of continuing high interest rates, and increase ability to finance existing debt.

In the short term, a reduction in corporate tax rates will doubtless lead to some revenue loss to the Treasury, but the long-term increase in economic growth will provide a more stable and profitable source of revenue growth than does a policy that continues to encourage business failure, with attendant job and revenue losses.

The first budget resolution for fiscal year 1984 calls for tax increases, which I believe represents the height of foolhardiness when we are finally beginning to recoup the losses of many years of overspending and overtaxing. Such increases would be short-sighted revenue raisers that would choke the economy. I am introducing this legislation today in the hope that Congress will reconsider its unconventional wisdom and return to the path that is leading us to recovery—a path that creates a healthy private economy and relies on the growth therein to create jobs and revenues as needed. These bills will make the Federal tax system much more responsive to the economic forces that power the engines of economic and employment growth.

These bills are only two in a series of bills that I have begun to introduce that, taken together, will provide further growth in the long term, and I urge my colleagues to consider them favorably. The language of these two bills follows:

H.R. 3756

A bill to amend the Internal Revenue Code of 1954 to increase in three steps the deduction for net capital gains for individuals from 60 percent to 75 percent

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as "The Capital Growth Act of 1983".

SEC. 2. INCREASE IN DEDUCTION FOR NET CAPITAL GAINS FOR INDIVIDUALS FROM 60 PERCENT TO 75 PERCENT.

(a) IN GENERAL.—Subsection (a) of section 1202 of the Internal Revenue Code of 1954 (relating to deduction for capital gains) is amended by striking out "60 percent" and inserting in lieu thereof "the applicable percentage".

(b) INCREASE IN DEDUCTION IN THREE STEPS.—Subsection (c) of such section 1202 of such Code is amended to read as follows:

"(c) APPLICABLE PERCENTAGE DEFINED.—For purposes of subsection (a), the term 'applicable percentage' means—

"(1) in the case of taxable years beginning in 1984, 65 percent;

"(2) in the case of taxable years beginning in 1985, 70 percent; and

"(3) in the case of taxable years beginning after December 31, 1985, 75 percent."

(c) TECHNICAL AMENDMENTS.—

(1) Paragraph (1) of subsection (a) of section 55 of such Code (relating to alternative minimum tax for taxpayers other than corporations) is amended by striking out "20 percent" and inserting in lieu thereof "the applicable percentage".

(2) Subsection (f) of such section 55 of such Code is amended by adding at the end thereof the following new paragraph:

"(3) APPLICABLE PERCENTAGE.—The term 'applicable percentage' means—

"(A) in the case of taxable years beginning in 1984, 17.5 percent;

"(B) in the case of taxable years beginning in 1985, 15 percent; and

"(C) in the case of taxable years beginning after December 31, 1985, 12.5 percent."

(3) Paragraph (1) of section 170(e) of such Code (relating to certain contributions of ordinary income and capital gain property) is amended by striking out "40 percent" and inserting in lieu thereof "100 percent minus the applicable percentage determined under section 1202(c)".

(d) EFFECTIVE DATES.—The amendments made by this section shall apply to taxable years beginning after December 31, 1983.

H.R.

A bill to amend the Internal Revenue Code of 1954 to reduce in 5 steps the maximum rate of income tax on corporations from 46 percent to 36 percent

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE

This Act may be cited at the "Business Opportunity Act of 1983".

SEC. 2. MAXIMUM RATE OF INCOME TAX IMPOSED ON CORPORATIONS REDUCED TO 36 PERCENT IN 5 STEPS.

(a) IN GENERAL.—Subsection (b) of section 11 of the Internal Revenue Code of 1954 (relating to amount of income tax imposed on corporations) is amended by striking out paragraphs (4) and (5) and inserting in lieu thereof the following new paragraph:

"(4) 36 percent of so much of the taxable income as exceeds $75,000."

(b) PHASE-IN OF REDUCTION IN MAXIMUM RATES.—Such section 11 of such Code is amended by redesignating subsection (c) as subsection (d) and inserting after subsection (b) the following new subsection:

"(c) PHASE-IN OF REDUCTION IN MAXIMUM RATES.—

"(1) IN GENERAL.—In the case of taxable years beginning before January 1, 1988, there shall be substituted for paragraph (4) of subsection (b) the paragraphs determined under this subsection.

"(2) FOR 1984.—In the case of taxable years beginning in 1984, the substitution under this subsection shall be as follows:

'(4) 40 percent of so much of the taxable income as exceeds $75,000 but does not exceed $100,000; plus

'(5) 44 percent of so much of the taxable income as exceeds $100,000.'

"(3) FOR 1985.—In the case of taxable years beginning in 1985, the substitution under this subsection shall be as follows:

'(4) 40 percent of so much of the taxable income as exceeds $75,000 but does not exceed $100,000; plus

'(5) 42 percent of so much of the taxable income as exceeds $100,000.'

"(4) FOR 1986.—In the case of taxable years beginning in 1986, the substitution under this subsection shall be as follows:

'(4) 40 percent of so much of the taxable income as exceeds $75,000.'

"(5) FOR 1987.—In the case of taxable years beginning in 1987, the substitution under this subsection shall be as follows:

'(4) 38 percent of so much of the taxable income as exceeds $75,000."

(c) CONFORMING AMENDMENT.—Paragraph (3) of subsection (b) of such section 11 of such Code is amended by inserting "plus" after the semicolon at the end thereof.

(d) EFFECTIVE DATES.—

(1) The amendments made by subsections (a) and (b) shall apply to taxable years beginning after December 31, 1983.

(2) The amendments made by subsection (c) shall apply to taxable years beginning after December 31, 1985.●

SPECIAL TRADE REPRESENTATIVE, BILL BROCK

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Nebraska (Mr. BEREUTER) is recognized for 5 minutes.

● Mr. BEREUTER. Mr. Speaker, I rise to commend our Special Trade Representative, Bill Brock, for his supreme efforts in recent weeks in negotiations in the area of foreign agricultural trade. The office of the Special Trade Representative, working in conjunction with the Foreign Agriculture Service, USDA, recently completed negotiations which will result in a new long-term grain agreement with the Soviet Union. The terms of the agreement are far more favorable than most agricultural trade experts had expected. Under the terms of the agreement reached last week, the Soviets will be obligated to purchase a minimum of 9 million metric tons of wheat and feed grains, with the option to purchase an additional 3 million metric tons. The Soviets will have the option to substitute purchases of 500,000 metric tons of soybeans or bean meal for 1 million metric tons of the required 9-million-ton minimum purchase.

Mr. Speaker, these sales will further assist in efforts to reduce the current inventories of wheat and feed grains which are keeping market prices at depressed levels. In addition, the inclusion of soybeans marks the first time that that commodity has been a part of any long-term agreement with the Soviets. Overall, this accomplishment is probably the best news that the American farmer has received in some time, and could not have been possible without the persistent efforts of our Trade Representative.

In addition, the Government of Egypt today is announcing the purchase of 28,000 tons of surplus U.S. dairy products, a sale arranged with the assistance of Mr. Brock's office. This sale totals approximately $44 million, and will help to put a dent in the huge dairy surplus inventories which cost the U.S. taxpayer millions of dollars in storage fees alone.

Finally, Mr. Speaker, it appears that the United States is nearing an agreement with the People's Republic of China over the importation of Chinese textiles into the United States. As my colleagues are aware, the Chinese earlier this year suspended all purchases of U.S. wheat until an agreement could be reached on the importation of Chinese textiles into this country. Under the terms of the agreement which has been tentatively approved by both governments, textile imports will be allowed to increase by 2–4 percent annually for the life of the agreement. The Chinese have indicated their satisfaction with the tentative agreement, and indications are that they will immediately resume imports of U.S. wheat once the agreement has been finalized.

Mr. Speaker, these remarkable successes attest to the effectiveness of our current Trade Representative in sensitive international trade negotiations. I commend him and his staff, along with Agriculture Secretary John Block, for their efforts on behalf of the American farmer and American taxpayers. It is this kind of effort which will result in the long-term expansion of export markets for American agricultural products, a course which we all agree will have great benefits for all Americans in the future.●

HUNGER KNOWS NO POLITICS

The SPEAKER pro tempore (Mr. MATSUI). Under a previous order of the House, the gentleman from Vermont (Mr. JEFFORDS) is recognized for 10 minutes.

● Mr. JEFFORDS. Mr. Speaker, I rise in full knowledge that the hour is late. My colleagues and I are weary from a long day of debate. I beg your and their indulgence, however, as I feel compelled to speak on the issue of hunger.

As my colleagues know, I am not a newcomer to this issue. As a former member of the nutrition subcommittee, as the principal cosponsor of Mr. PANETTA's "preventing hunger at home resolution" as a member of the two committees with jurisdiction over this issue, and as a long-time participant in the issues of hunger, I don't come to this issue casually. It was with some dismay, then, that I listened to the words of my colleagues from the other side of the aisle this morning as they sought to portray the terrible problem of hunger as one that was created by the current administration.

As my colleagues know, I have had my differences with this administra-

tion on nutrition and several other issues. I disagreed with many of the changes the administration proposed and secured in nutrition legislation. I object to many of its current suggestions for reform.

However, at all times, I have sought to keep the issue of hunger from being polarized between two parties seeking political gain.

As I have said, there are many points of policy on which I differ with the administration. But I do think that before we erroneously heap the blame for hunger at its doorstep, we should take a brief, if uncomfortable, look at the facts. I say uncomfortable because I am not sure that the facts necessarily square with some Members' preconceptions and political purposes.

As Assistant Secretary Mary Jaratt noted in testimony before Chairman PANETTA's subcommittee on nutrition, the Federal Government will spend 34 percent on Federal food assistance this year than it did in 1980. Even after factoring in inflation, this is a significant increase. Likewise, funding for the food stamp program has grown by 45 percent since 1980, from about $8.3 to about $12 billion this year. (Much of this growth is due to the recession.)

Funding for the women, infants, and children program, commonly called WIC, has grown from $712 million in 1980 to $1.6 billion in 1983, a more than 60—percent increase. Other programs, such as those serving older Americans, and the commodity supplemental food program, augment the needs unmet by food stamps and WIC.

Finally, let me discuss the commodity distribution program. As I said last Monday, during consideration of the "Presenting Hunger at Home" resolution, the enthusiasm of this administration has been convincingly demonstrated by its active distribtution of surplus food commodities to those in need. This effort should not go unnoticed. In case it did, let me remind you.

In 1981, other Members and I added amendments to the 1981 farm bill to increase the distribution of surplus dairy products. To be honest, I was a bit skeptical about how well this amendment would be implemented. While commodity distribution was nothing new, and was in fact an older concept than the food stamp program, such distribution has been relatively limited and had been directed to such traditional outlets as schools, prisons, camps, and military bases.

I was wrong, however, to have been skeptical. Secretary Block has pushed this program hard and the numbers show it. This year USDA will distribute 2.1 billion pounds of food valued at more than $1.7 billion. That is not, my friends, an inconsequential amount. Every food that USDA holds in uncommitted inventories—cheese, butter, nonfat day milk, rice, cornmeal, and honey—is being distributed.

Let me, however, concentrate on the commodities that have been the most widely distributed and, quite frankly, the most widely scrutinized.

Over the past two marketing years, distribution of cheese has grown from 165 million pounds to 325 pounds. For the 3 years preceding this administration's tenure, cheese distribution averaged under 90 million pounds. Clearly, cheese is being shipped from the caves in far greater quantities than ever before, and in greater quantities than I ever expected.

For dairy products in general, the record is even more impressive. Prior to this administration, the Federal Government had distributed an average of only 3.5 billion pounds, milk equivalent, of dairy products in its foreign and domestic food programs. In fiscal 1983, distribution of dairy products will reach 13.5 billion pounds, a fourfold increase. The level of distribution is expected to be in the double-digit range for the next 2 years.

These figures reveal an impressive record. This administration has indeed answered the compelling call to assist the hungry. But this administration has also recognized that if programs such as the commodity distribution effort are to enjoy the general public's continued support, they must be run properly.

There are problems with this program, as there are with any new, emergency program deliberately designed to be free of all but the most basic regulation. Capacity to handle the commodities has proven limited; the supply chain has proven imperfect; some States have had difficulty working with the Federal Government.

The news has also carried accounts of waste and fraud. We must not dismiss these accounts as simply the price that we must pay if we are to have such programs. That is simply not good enough. Similar problems have caused many Americans to question the food stamp program. We must act responsibly to protect the commodity distribution program from a similar loss of respect.

It was news accounts that heightened my concern about hunger in America. For me to now dismiss stories unfavorable to commodity distribution would be two-faced.

The commodity distribution program is also dogged by another problem, and that is commercial displacement.

As with waste and fraud, blind support of commodity distribution could lead one to scoff at the notion of commercial displacement as callous cowing to corporate interests. This is foolish. If fraud can sink this program, so too can displacement. Sensible support dictates that we deal with each and every problem as it comes before us. Displacement is a problem.

The real question is, how big a problem? If it is small, I will quite happily go back to the dairy co-ops and farmers in my State and say "I'm sorry, it's a burden you will have to bear." And I don't think the farmers of Vermont will mind. They are not venal or uncaring. But they don't want Government stocks, no matter how well-intentioned the program, used to knock them out of business, especially if a substantial amount of the displacement is caused by people abusing the distribution program.

However, if displacement is as large as the industry claims, then this is exactly what is going to happen.

I cannot say that I am comfortable with the industry's figures any more than I can say I am comfortable with the notion that there is no displacement whatsoever. Commercial displacement, like so many other issues in this debate, is not well documented, nor is the abuse. But it should not be ignored.

On Monday, Secretary Block announced an expanded commodity distribution program. This program's success will also be predicated on these two factors: The amount of abuse and the amount of displacement. Both will be monitored by the Department and others. I hope that neither becomes a serious problem.

I greet Secretary Block's announcement as a reasonable approach, and have faith that he will consider these issues responsibly.

Throughout the debate on the commodity distribution program, we should bear in mind that it is but a temporary measure. It will be imperfect, but its imperfections will hopefully be compensated for by the basic nutrition programs.

These programs deserve our attention as much, and arguably more, than the commodity distribution program. They feed far more people, are far more efficient, and are far better targeted. Even as we acknowledge the growth and importance of the commodity distribution program, I hope we can redouble our efforts to improve the basic nutrition programs to see that they fulfil their statutory goals.

Finally, Mr. Speaker, let me once again urge my colleagues to keep the rhetoric down and their support for these programs high. For the poor are not well-served by our wrangling.

We learned today that one in seven Americans lived in poverty last year. It is a sobering and humbling statistic. But it is a tragedy not of any one individual or administration's making. The responsiblity is all of ours to bear. Only the work of the coming months will show how well we bear it.

Thank you and good night.●

□ 2220

FDIC APPROACH TO FINANCIAL SERVICES LEGISLATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Rhode Island (Mr. ST GERMAIN) is recognized for 5 minutes.

Mr. ST GERMAIN. Mr. Speaker, today, Mr. WYLIE and I introduced legislation requested by Chairman Bill Isaac of the Federal Deposit Insurance Corporation. The reason for this request and a statement of the Corporation's approach to financial services legislative issues are contained in a letter from Chairman Isaac which I place in the RECORD at this point:

FEDERAL DEPOSIT INSURANCE CORPORATION,
Washington, D.C., July 25, 1983.

Hon. FERNAND J. ST GERMAIN,
Chairman, Committee on Banking, Finance and Urban Affairs,
Washington, D.C.

DEAR MR. CHAIRMAN: As you know, the FDIC has for years been advocate of expanded authorities for financial-services firms. We are convinced that a number of restrictions on competition and the regulatory and insurance systems put in place over 50 years ago have been rendered obsolete or ineffective by advances in technology and marketplace initiatives.

Inequities abound in the current statutory framework. For example, securities firms, such as Shearson/American Express, are permitted to acquire insured banks while member banks are precluded from underwriting securities. Nonmember banks can affiliate with securities underwriters while member banks cannot. A major insurance company, Prudential, has acquired both an investment banking firm and an FDIC-insured bank. Retailers, such as McMahan Furniture, have acquired FDIC-insured banks and others, such as Sears, own insured savings and loan associations with their recently broadened banking powers.

At the same time, the deposit insurance system is in need of significant reforms. The FDIC and FSLIC recently submitted reports to the Congress calling for modifications in the insurance system to instill a greater degree or marketplace discipline. We simply cannot maintain order and stability in the financial system in a deregulated environment if we continue to provide a *de facto* federal guarantee of all deposits at banks and savings and loan associations.

The regulatory system is in a state of disarray. Five different regulatory agencies plus the SEC and the Antitrust Division of the Department of Justice are responsible for regulating the affairs of insured depository institutions at the federal level alone. To cite but two examples, Citicorp is currently regulated by the Federal Reserve, its lead bank by the Comptroller of the Currency, and its California savings and loan by the Federal Home Loan Bank Board. It proposes to acquire a bank in South Dakota (presumably to engage in the insurance business, among other things), which apparently will be regulated by the FDIC. In addition, numerous state agencies, the Justice Department and the SEC play various roles. The Butcher organization also illustrates the problems inherent in the current regulatory scheme. In that case, some 40 affiliated banks, savings and loan associations and an industrial bank were regulated by seven different state and federal agencies, making accurate identification and assessement of the problems extraordinarily difficult.

The Treasury has recently submitted a bill which attempts to rationalize the permissible-activities issue for financial-services firms. While we have substantial concerns about the particulars of that proposal, it represents an attempt to move in the right direction.

The FDIC will soon submit to the Congress statutory language to implement some of the deposit insurance reforms recommended in our study. The Bush Task Group will shortly offer its recommedations for reforms to the regulatory system.

We feel strongly that all three of these initiatives should be considered by the Congress this fall as a package. In our judgment, it would not be responsible to proceed further with bank and thrift deregulation without making concomitant reforms in the deposit insurance and regulatory systems.

We recognize that these issues are difficult and that it may mot be possible to forge a consensus behind comprehensive legislation until 1984. If necessary, we can live with this timeframe for final action on the package; however, if it appears that comprehensive reform cannot be accomplished by the summer of 1984, we would recommend that the enclosed bill be enacted at that time.

Briefly, the bill redefines the term "bank" as used in the Bank Holding Company Act to close down the "nonbank bank" exception, includes nonmember banks and savings and loan associations in the Glass-Steagall Act prohibitions and subjects unitary savings and loan holding companies to the affiliation rules applicable to multiple savings and loan holding companies. The bill does not permit grandfathering and requires divestiture of nonconforming activities within two years under the provisions of the Glass-Steagall and Bank Holding Company Acts and five years under the Savings and Loan Holding Company Act.

Although the bill does not address the issue, we would have no objection if language were inserted granting an exception to the affiliation rules (but not from any of the Glass-Steagall prohibitions) for unitary savings and loan holding companies where the association is and continues to be almost exclusively engaged in the provision of residential mortgage lending services. Moreover, we would not object to a provision barring any state from authorizing its banks to engage in activities outside the borders of its state that are prohibited to banks inside the state.

I want to take this opportunity to reiterate our strong opposition to a moratorium. In our judgment, a moratorium would only serve to perpetuate the current inequities, reward those who have exploited the weaknesses of the existing statutory framework and further delay attempts to come to grips with urgently needed reforms. The enclosed bill would, in our judgment, be far superior to a moratorium should our efforts to enact comprehensive legislation fail.

In the past you have shown great courage in resisting piecemeal, quick-fix financial legislation. As a result, the Garn-St Germain Act is now law. We believe similar strength and vision is needed now more than ever.

Sincerely,

WILLIAM M. ISAAC,
Chairman.●

HOPE IN SOUTH CHARLESTON

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from West Virginia (Mr. WISE) is recognized for 60 minutes.

Mr. WISE. Mr. Speaker, I would title this talk "Hope in South Charleston" because I would like to talk for a few minutes about an experience in a plant, a major chemical facility, in my district.

And the reason I take the floor tonight to do this is because I hope that it in turn may be an inspiration to other areas, and indeed not only in my district but to other areas.

And I think it would be helpful in these hard economic times if we share these experiences with each other because perhaps we can all learn.

Two years ago West Virginia was ranked as 48th among the States in labor climate by a known national ranking survey. Last year, it was ranked 39th.

Without arguing the validity of the rankings, I feel obligated to comment on an outstanding example of labor-management progress in manufacturing in my State of West Virginia. A fine working relationship turnaround occurred at a major manufacturing plant in less than 2 years. Today, the particular manufacturing operation is recognized and pointed out as an example of good management labor relations by Gov. John D. Rockefeller IV; the West Virginia Chamber of Commerce; the United Steelworkers of America; the West Virginia Manufacturing Association; and the president of West Virginia AFL–CIO, Mr. Joseph Powell; and others who are aware of the situation.

The substance of my address is that certain successful actions were taken by management and labor that are deserving of modeling and duplication to improve the competitive business climate in this country. I personally sat in on a quarterly negotiations meeting which is a unique, interim negotiations meeting, process and I will describe this later.

The name of the company is FMC Corp., South Charleston, W. Va. The name of the union, the United Steelworkers of America, Local 12625. The plant manufactures chlorine, caustic soda, chlorinated dry bleach, and hydrogen peroxide.

I commented earlier on the "labor climate" ranking West Virginia. Rankings are influenced by reputations and perceptions. FMC's South Charleston plant had an image at one time, like that of the State, which left the impression with many that it was wild and unmanageable. It is not a true current image of the plant, it is not a true current image of West Virginia.

This chemical plant is an older industrial complex containing many units and equipment that in some

areas is more than 50 years old, now modernized. Like many of our heavy industrial plants and complexes in the late seventies, the plant aged and developed inefficiencies, both in equipment and practices.

These inefficiencies developed over many years. During economically good times, management and labor did not want to quibble over details of the operation of the complex. It was too easy to let it go. Profits and employment levels were then relatively strong and efficiency was more honored as a catch phrase than an operating fact. Even in good times a labor-management relationship of progress for problem solving was not built and did not develop. Grievance levels remained high, equipment in the plant was improperly maintained, arguments between management and union personnel were frequent and often bitter. It was only a strong market that kept the facility operating and economically prosperous. Unfortunately, that market contracted in the late seventies—and there was no reservoir or resolve to work together to solve issues and achieve the necessary objectives to succeed in what had become a difficult business environment. The plant lost money, product lines, and jobs. Management and labor continued to respond as they had in the past—in blind self-interest, each without a perspective from the other side to recognize the significance and impact of their actions on each other. To say that a little labor relations progress was accomplished would be an understatement. The relationships of management and labor stayed in their status quo, neither giving.

These problems culminated in an attempt by management in 1980 to reopen the contract and negotiate a midterm change in work rules and practices. This was accompanied by a series of educational meetings for plant employees to inform them of the need for those changes to allow plant chemical manufacturing operations to become competitive with other plants producing the same product.

The underlying reality was both obvious and bitter to the employees who heard this message—there would be less jobs at the South Charleston plant and it was suspected that the remaining positions would be speeded up, more difficult, and a very significant fear—much less safe. Management had the sincerity of fact and figures to back their arguments—as a union member in South Charleston told me—"they had everything on paper," but they did not have it in the hearts and minds of their proud West Virginia people. They had been misled, they felt, in the good times without explanations of what was needed then, and without management's ear when they asked for what they felt they needed to help maintain and operate their plant.

When a final tally was taken on the proposed contract changes, hourly employees voted—by a 7-to-1 margin—to reject them. Each side's credibility with the other was at a disappointing low. Both management and labor representatives candidly tell me that many of those grievances were filed, many of them without merit.

In the summer of 1981, both the management of South Charleston and the local and international branches of the United Steelworkers seemed weary of this unending argument without victory. An employee survey of the entire plant work force confirmed the pervasive mistrust that the different classifications of hourly and salaried workers had for each other and even among themselves. The survey also showed plantwide employees' concern over apparent waste of materials and equipment in the plant, poor communication, lack of clear plant objectives and goals, management indifference, and inconsistent administration of plant rules and discipline.

□ 2230

But there were bright spots, too. In general, employees felt that FMC was a good place to work and that their immediate supervisors treated them fairly. Over 78 percent of the employees responding wanted to work in the South Charleston plant "until retirement." With what looked like a very rough contract negotiation less than 1 year away, the survey opened some eyes.

Immediate but tentative steps were initially taken to try to change some of the practices that had long since become impediments to success in the plant. Communications programs were implemented, including the publication of minutes of management-staff meetings. A daily telephone message that reported on plant-wide operating conditions was installed. Information on plant needs and objectives were stressed * * * but still the years of mistrust on both sides could not be erased in a few short months. Contract negotiations began on April 21, 1982, between the Steelworkers, Local 12625, and FMC's South Charleston plant, with many persons expecting a work stoppage. But that work stoppage never came.

Management negotiators approached the bargaining table with a corporate mandate to try and achieve the types of efficiencies that had been discussed and defeated 2 years earlier. Further, they were told that the economic future of the plant squarely rested on what was or was not achievable at the bargaining table that year. The watershed was now. I am told that something amazing happened in the 21 meetings that took place that spring. One union negotiator proudly called it a miracle. I was not there, so I do not really know what happened at the negotiation table, but I am willing to accept the description I heard from Larry Ratliff, subdistrict director, and the Steelworkers chief spokesman in the negotiations. Larry said:

> It was strange, neither management nor the union lost their will to do what they felt had to be done, but rather than arguing about positions across the negotiating table, we found ourselves discussing problems and looking for alternatives—ways to resolve the problem without damaging the integrity of the opponent. One byproduct of that process was that we lost our ability to take positions and argue for show. Our positions were usually stated simply, and the reasons for them were explicit. We just lost the ability to scream at each other, or at least to be effective at it.

And I might add, as a second thought, that that might be an effective lesson for Congress at times, also.

Whatever the root cause of this change in attitude and approach, these meetings formed the base of what has turned into a uniquely nontraditional problem-solving relationship between the Steelworkers at this plant and FMC's management. Throughout the 1982 negotiations, union members at the bargaining table expressed a fear that proposed work rule changes would be misinterpreted or frankly abused in implementation, and that the existing contractural remedies would not work quickly enough or effectively enough to prevent the damage. To meet this need, the parties designed what they called an implementation review board to monitor the administration of contract changes and to insure that the actual operating effects of the language changes were as actually intended in the negotiations. This committee was very nontraditional in that it mandated a direct weekly communications process between the local union president and the highest ranking local official of the company. The objective was clear—to keep the communications process, started in negotiation of the contract, flowing through the process of administering the contract.

Besides the weekly meeting of top management and union persons, an uncommon but effective procedure for handling grievances was contracted between the parties. A strong need existed in the plant for supervisors and the hourly force to resolve differences at their level. The new procedure, designated as form 13—an easily remembered number—called for a simple statement of facts of the grievance problem and required each party to write what they could have done to prevent that problem and to avoid the grievance. This was a required step toward resolution prior to the traditional grievance steps. As can be surmised, changes of this type called for

further improved communications and concerted interest in the form's success, that is, form 13. Is it working? The plant moved to a position where for the first time in over 3½ years there was no step 3—that is the grievance procedure meeting process backlog.

Nor was this communications process limited to union membership and management personnel who work daily at the South Charleston location. In reviewing past policies and practices, both local management and the union had come to independent realizations that they were imprisoned by what they had been doing habitually in the past. Their "ways of thinking" and actions were constantly influenced by what had happened last month, or even years ago. Recognizing this before negotiation, both union and management determined to place a unique reliance on their "outside consultants" from both corporate offices and the district International Steelworkers offices. This decision was not an abdication of responsibility, it was an enlightened understanding that a real need for fresh ideas existed—but it was not easy to implement. The corporate management representative at the bargaining table, T. E. "Gene" Brunk, recalled some of the problems in recent conversation. And I quote Mr. Brunk:

The big problem that we had, Larry (the Steelworkers International Representative) and I, was that the South Charleston Plant's contract administration is radically different from anything either of us had ever seen before. I sat in one of the first meetings with the Union discussing a demand. While I was doing that, I also was leafing through the contract looking for other language to make my point. Suddenly, I found myself face to face with language in the contract that was virtually the same as what we were asking for. I must have looked shocked, because Larry took one look at my face and said something like "Hey, Gene, you might just as well forget that language; you know what the book says, and so do I, but it doesn't mean anything like that." As it turned out, he was absolutely right, but none of the local people on either side could recognize it that way. Our fresh perspective let us see it, but it left the two of us with a big gap that only the local people could fill. We weren't straightjacketed with old ideas, but neither of us know the operation, so we couldn't tell what would or wouldn't work.

A unique sharing of talents developed—fresh ideas from the outside, knowledge and understanding from within.

Neither negotiation team wanted to lose that problem-solving advantage of this supportive and complementary relationship simply because the contract negotiations would end. So what did they do? They simply decided not to stop. A letter was placed in the back of the contract agreement which simply said:

The Company and Union Negotiation Committee(s) will meet quarterly during the life of the agreement, for the purpose of general discussion and resolution of the problems.

One of those quarterly meetings, in January 1983, shortly after my election to Congress, served as my introduction to the people at the FMC plant who were involved in this process. I was proud to be invited to sit in on one of these meetings. Now, this may sound a bit strange, but it is a privilege to be able to say that after the introductions at the meeting, I was virtually ignored. That is something hard for a politician to say. But I was pleased, because business went on as it should have gone on.

I cannot honestly say that I understood the details or nuances of the problems that were discussed, but I easily discerned the earnest effort that was being made to examine, comprehend, and solve problems. There was an exchange of ideas and positions and, very clearly, an emotional commitment to do what was best for the people and the plant. That takes give and take on both sides.

I saw this again through an effective, well-prepared, thoroughly documented and clearly concerned presentation by the local union president. That presentation dealt with unnecessary waste of plant materials and equipment that in the past has been typically considered only a management concern. But now we have the local union making those suggestions to make the entire plant function better.

This commitment does not stay simply at the negotiation table either. Plant management and the local union leadership headed by E. W. "Woody" Wayland, the plant manager, and C. Preston Ryan, the local union president, have gone to great lengths to move this committed relationship all the way through the plant to the shop floor.

To continue, personalizing and reorienting the problem-solving and communications efforts I mentioned earlier, management reorganized the industrial relations function to permit the industrial relations professional staff to spend more time in the physical plant. These trained specialists were assigned specific plant areas so that they would be familiar with the people and problems of the unit, and so that problems could be picked up early and solved. The development of these relationships built on mutual problem-solving has led to some unique and unexpected projects, projects which have ultimately benefited West Virginians who have little or nothing to do with either the Steelworkers or FMC.

I am sure that some of you are familiar with the West Virginia Food Operation. It's work has been mentioned in the Washington Post. The United Food Operation was a response to unemployment that peaked above 30 percent in several counties of my home State. One man, Donald E. Withrow, a maintenance employee at FMC Corp., came up with a simple idea—give those in need food. That idea was supported by many of my constituents who volunteered to help the project. But it was the spirit of the relationship between people at FMC in South Charleston that actually breathed life into the project. On one Saturday morning, I saw plant and industrial relations managers, maintenance persons, janitors, operators, computer programers, and many of their wives and children pitching in with a strong sense of common purpose. I caught a little of the spirit that day. It felt like new fresh life was breathed into me as I worked with them and rode the National Guard or the Army Reserve truck to distant counties to deliver food. It renewed my faith. The program today has helped feed over 12,000 people and is continuing.

This sense of common commitment may well come from an understanding of the shared needs and interdependence of all management and hourly personnel at the South Charleston facility. As I said earlier, this plant faced—and frankly, I understand, continues to face—a very difficult business environment. Union and management share this concern and routinely exchange information that may affect the competitive position of the plant. And this shared concern is translated to action where necessary. Management and union officials did see some potential problems in a utility rate reform bill that appeared in the State legislature this year. Their concern manifested itself as strong joint action to inform State legislators of potential problems with the legislation. They did not block reform, they expressed concerns. I am proud to say that progressive legislation was passed that benefits the very needy; however, by acting jointly, they helped assure that imbalances in the legislation, that would have impaired the plant's competitive market position, were examined and satisfactorily resolved in the best traditions of legislative democracy.

□ 2240

Within the plant, this cooperation has expressed itself in programs and commitments for the welfare of FMC people and their plant. Small group information exchange programs have been started that share shop floor and management knowledge in ways that permit maximum use of everyone's brain power to solve problems. In some cases, this has brought problems to people's attention that have gone neglected for years—and they have been quickly solved.

A joint employee assistance program was implemented to help employees with off-the-job personal problems that affect performance, such as alcoholism, and get professional help that will permit them to become and remain productive members of the work force. When a critical product line changeover necessitated very high levels of overtime in a previously troubled area of the plant, a temporary moratorium on nonsafety-related grievance activity was negotiated.

Also, both contract negotiation sessions during the past 2 years commenced with prayer for understanding and resolve. The prayers were led for management and labor by Mr. Larry Owen in 1982 and West Virginia State Delegate Leonard Underwood in 1983.

Mr. Speaker, I could go on about the labor relations accomplishments of this union and management for hours—I have barely touched the surface of what has been accomplished in South Charleston in the past 2 years. The most significant statement, however, has come from the membership of Steelworkers Local 12625. The contract negotiations of 1982 that I described as a watershed was the beginning point of a process of change. It was not possible for that membership to recognize it immediately. Also, as I said, much of the change was distasteful and feared. That 1-year contract passed the membership vote by a slim margin of 285 to 260. But as the parties renegotiated their labor agreement this year, the unique process that has come into use at the FMC plant was much better, and much more widely, understood. This time the local union membership gave their union and mangement a vote of almost 3 to 1 in favor of the agreement.

Mr. Speaker, I know that I have spent a significant amount of time discussing this example today. I think that it was valuable and necessary, however. When any group of people, be it a legislative body such as this Congress, or a private group such as the Chamber of Commerce, or even a labor union, places a label such as bad labor climate or a bad business climate on a State or city, they do a disservice. The mistake that they make is a form of sublime, but very real prejudice. It is a failure to see people as individuals and to appreciate how they can respond to a situation with the talents and potentials they alone possess. Those past problems of bad labor-management relationships were a barrier to progress: however, the people of the South Charleston plant recognized them as a challenge to be overcome.

There are many people whom I could acknowledge and refer to who have been at the bargaining table and have worked in this 2-year process to establish and nurture the improvements.

I include their names at this point:

E. Woody Wayland, Plant Manager.

T. Eugene Brunk, Chief Outside Negotiator, FMC Corp.

Larry Ratliff, Chief Outside Negotiator, United Steelworkers of America.

Dave Dick, Industrial Relations Manager (1983) Negotiator.

Preston Ryan, President, Local 12625, Negotiator.

Leo Cavender, Industrial Relations Manager (1982) (now retired).

Joe Martucci, Employee Relations Supervisor.

Lori Paletta, Industrial Relations Representative.

George Vorholt, East Plant Superintendent.

Rondis Cavender, CDB Superintendent.

Tom Sikora, Peroxide Superintendent.

Dale Roush, Local 12625 Vice President.

Bob Carroll, 12625 Negotiating Team, 1982-83.

Hal Turley, 12625 Committeeman, Negotiating Team 1982-83.

C. F. "Dink" Brua, 12625 Committeeman, Negotiating Team 1983.

Ronald Kidd, 12625 Negotiating Team 1983.

Larry Kidd, 12625 Committeeman, Negotiating Team 1983.

Tom Richardson, 12625 Committeeman, Negotiating Team 1982-83.

Larry Owen, 12625 Committeeman, Negotiating Team 1982.

Herb Robertson, 12625 Negotiating Team, 1982.

These people, all of them, plant management, local union leadership, recognized their shared interest and incentive in meeting the need to change for the prosperity of all. Their example is one that the union and management people of West Virginia and this whole country can look to with pride—it is a victory for all of us, and it is an inspiration and an example for all of us because, as I said when I first began, I bring this here not only to commemorate, not only to celebrate what has happened at the FMC plant in my district, but also in the hope that perhaps there are some seeds for other parts of the country that in turn, as you plant a seed, trees may grow, and just as labor and management have worked out their differences in the FMC plant, just as that plant has become a very productive member of our industrial community, so may that be true in many other areas as we work to grapple with the challenges today.

Mr. Speaker, I thank you very much for the opportunity to recognize the men and women of the FMC plant in Charleston, W. Va.

AMBASSADOR JEANE KIRKPATRICK'S ADDRESS TO THE CAPTIVE NATIONS CONFERENCE, JULY 18, 1983

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. STRATTON) is recognized for 30 minutes.

● Mr. STRATTON. Mr. Speaker, some 2 weeks ago U.N. Ambassador Jeane Kirkpatrick addressed the Captive Nations Conference in Washington, D.C. Ambassador Kirkpatrick was the main speaker at the congressional luncheon on July 18 in the Cannon caucus room, which had one of the largest turnouts for this luncheon that I have seen in 25 years of commemoration of Captive Nations Week by the Congress.

Ambassador Kirkpatrick did an outstanding job of going through the litany of aggression by the Soviet Union from the time of its inception in 1917. The audience was greatly impressed by her strong and cogent discussion of the persistence of the Soviet threat to peace and freedom in the world.

While the Ambassador had no written text of the speech, we were very fortunate in obtaining a recording of her remarks and to have it transcribed by the staff at the U.S. Mission to the United Nations, for which I am most grateful. I thank them for their efforts.

I, under unanimous consent, extend my remarks and include the text of the Kirkpatrick speech in the RECORD at this point, and heartily recommend this fine speech to my colleagues:

ADDRESS BY AMBASSADOR JEANE J. KIRKPATRICK

I want to focus today on what I believe to be the most important question in our time. It is how to preserve peace with the freedom, independence and self-government that makes peace and, indeed life, worthwhile. The principal obstacle in this pursuit of peace with self-government in a contemporary world is the relentless habit of the Soviet Union and the Soviet empire of growing and ruling by force. That habit is difficult for us bear in mind even for most of us here. Almost everyone is from time to time bemused by Soviet rhetoric and confused by the audacity of Soviet claims and Soviet lies. Therefore it is important from time to time to step back and review briefly the essential elements of that empire.

The Bolshevik Revolution inherited an empire that Lenin once referred to as a "prisonhouse of peoples," a territory that had already expanded from some 15,000 square miles in 1462 to 8,600,000 square miles in 1914. Russia, at the time of the Bolshevik Revolution, had expanded at a rate of more than 50 square miles a day over a period of some 450 years. Since Lenin had criticized this "prisonhouse of peoples" it was assumed that the Bolsheviks might dismantle the empire. But as everyone knows, Lenin and his successors have expanded it and have imposed upon its subjects the ruthless force of modern totalitarianism. You know the dismal record; I know it.

The people who have been absorbed into the Soviet empire differ: their languages differ, their cultures and religions differ, but the process of expansion, that has extended the Soviet empire from the Ukraine to Managua, has all essential elements in common. All nations which currently form part of the Soviet empire, the Soviet bloc as we call it in the United Nations, have been conquered by force—not by moral force, not by persuasion, certainly not by the tides of history. All the nations of all the people absorbed in the Soviet empire have fallen to

the conquest of arms, weapons, violence. And all the Communist regimes ruling them rely ultimately on force—on heavy weapons like the tanks that crushed the revolt of Hungary in 1956 and of Czechoslovakia in 1968, heavy weapons that bomb and burn the villages of Afghanistan, heavy weapons that burn the villages and the churches of the Indians of Nicaragua's Atlantic Cost.

Since we have so much trouble absorbing and remembering these facts it is important from time to time to review them. Perhaps we should begin where the Soviet empire began, with the Ukraine. In 1961 my predecessor at the United Nations, Adlai Stevenson, traced the growth of the Soviet Empire after the Bolshevik Revolution in a speech to the United Nations. "We are told," said Stevenson, "that the peoples of the Soviet Union enjoy the right of self-determination . . . How did this 'right' work out in practice?" Stevenson went on:

"An independent Ukranian Republic was recognized by the Bolsheviks in 1917, but in 1917 they established a rival Republic in Kharkov. In July 1923, with the help of the Red Army, a Ukranian Soviet Socialist Republic was established and incorporated into the USSR. In 1920, the independent Republic of Azerbaidzhan was invaded by the Red army and a Soviet Socialist Republic was proclaimed. In the same year, the Khanate of Khiva was invaded by the Red army and a puppet Soviet People's Republic of Khorezm was established. With the conquest of Khiva, the approaches to its neighbor, the Emirate of Bokhara, were opened to the Soviet forces which invaded it in September 1920. In 1918, Armenia declared its independence from Russia. In 1920, the Soviet army invaded, and Armenian independence, so long awaited, was snuffed out. In 1921, the Red army came to the aid of Communists rebelling against the independent State of Georgia and installed a Soviet regime.

"This process inexorably continued. Characteristically, the Soviets took advantage of the turmoil and upheaval of the Second World War to continue the process of colonial subjugation at the expense of its neighbors. The Soviets' territorial aggrandizement included the Karelian province and other parts of Finland and the Eastern provinces of Poland, the Romanian provinces of Bessarabia and Bukovina, the independent States of Estonia, Latvia, and Lithuania, the Koenigsberg area, slices of Czechoslovakia, South Sakhalin, the Kurile Islands, and Tanna Tuva . . ."

Let me pause for a moment over this first tragic conquest of the Soviets following World War II, the incorporation of Eastern Europe. Terrible controversies continue to rage about the responsibility of the Allies, in their various negotiations and conferences, for the tragedy that Eastern Europe underwent, that Eastern Europe continues to undergo today. Especially, of course, the controversy rages about the responsibility of our leaders at Yalta for this tragedy. The current Encounter magazine has a fascinating exchange on the Yalta Conference which I recommend to all of you. It provides new insights and raises some new questions. Like all historical controversies, this one is not likely to be settled definitively in the foreseeable future. But there are certain basic facts about the incorporation of Eastern Europe concerning which there is no controversy at all.

First, we know who made the first contribution. It was Adolph Hitler, of course. It was Adolph Hitler who met Joseph Stalin's exacting demands: the Baltic States, half of Poland, Bessarabia, and an agreed sphere of expansion south and east. The much-vaunted "Non-Aggression Pact" between Hitler and Stalin was, of course, an aggression pact which provided for the incorporation of those states of Europe and the destruction and partition of the Polish state. The distinguished scholar, Robert Conquest, has said that perhaps the best description of the attitude of Hitler and Stalin toward the destruction of Poland was found in Molotov's speech to the Supreme Soviet in October, 1939 after that combined invasion of Poland when he (Molotov) said: "One blow from the German army and another from the Soviet army put an end to this ugly product of Versailles." So who struck the first blow? It was Adolph Hitler and Joseph Stalin acting in concert through the Hitler-Stalin pact.

The second fact, about which there is no controversy, is that the quality of Soviet rule in Eastern Europe was clearly foreshadowed by the Katyn massacres, in which 15,000 officers of the Polish army were, on a beautiful spring day, systematically slaughtered. As the author of the Encounter articles suggests, Katyn presented itself as a startling prism through which the nature of Soviet rule and the chances of cooperation with Stalin could be assessed, not just by the Polish government-in-exile in London but also by Churchill and Roosevelt. The Katyn massacres were known to all the participants at Yalta at the time of the meetings. This systematic decapitation of the Polish nation provided chilling evidence, to anyone willing to see, of what conquest by the Soviets would mean in the heart of Europe: it would mean what it had meant to be overcome by the Bolsheviks inside the Soviet Union itself.

Stalin was a great believer in destroying groups and classes which stood in the way of consolidating power. He was interested, above all, in removing those persons who stood in his way or whom he thought might stand in his way. Stalin understood the social dynamics of control as well as Plato had when, in The Republic, he described the role of elites in political change: as elites change, regimes change. So Stalin set about destroying the elite which he thought could be an obstacle to his power in Poland. Churchill wrote that though they knew about the Katyn massacres when they met at Yalta, "it was decided that the issue should be avoided."

We may be shocked that such a decision would be made but, in fact, we should not be because a great many other people have made parallel decisions concerning the Soviet Union in almost every decade which has followed. Still the cynicism with which the men who met at Yalta discussed the future of Eastern Europe has the power to shock. Let us again turn to the recollections of Churchill, about the conversation around the table at Yalta. Concerning the division of influence in Eastern Europe, Churchill wrote:

"The moment was apt for business, so I said: 'Let us settle about our affairs in the Balkans. Your armies are in Bulgaria and Rumania. We have interests, missions and agents there. Don't let us get at cross purposes in small ways. So far as Britain and Russia are concerned, how would it do for you to have ninety percent predominance in Rumania, for us to have ninety percent of the say in Greece, and go fifty-fifty about Yugoslavia?' "

While his words were being put into Russian, Churchill wrote down these percentages on a piece of paper, adding a 50–50 division for Hungary and giving the Kremlin a 75–25 predominance in Bulgaria. Stalin agreed. But more important than the cynicism of the participants was that Stalin declined to keep his cynical promises. He wanted 100 percent predominance in all those countries and he got it in all those countries in which the Red army was already present.

The third fact, which is not the least bit controversial, is that the Soviet army guaranteed the conquest of the states of Eastern Europe. Whatever role Yalta may have played in the legitimization of that conquest—and I myself think that role has probably been overstated—the fact is that the conquest took place not by way of agreements signed at Yalta, but by way of the hard fact of conquest and the continued presence of the Soviet army.

All the other extensions of Soviet power since World War II have taken place in essentially the same fashion. In all extensions of Soviet power, force, violence, arms, weapons, murder have played the crucial role. In Czechoslovakia it was a violent coup. In Cuba it was a civ, those familiar combinations of terrorism, guerrilla war, and imported force.

Rousseau told us that might cannot endure unless it is transformed into right. The fact is, of course, that, if exercised brutally enough, might can endure longer than any of us care to imagine. Legitimization helps, but there is not a scintilla of evidence that the peoples of any of the nations governed today in the shadow of the Red army or any of their imperial armies accept the legitimacy of that rule.

From time to time, crises in Soviet rule and Soviet predominance occur inside the Soviet empire. And when those crises occur, the skeleton of Soviet power is laid bare. Let me just mention a few of those crises. Because the lies which surround them are so multiple and repeated so incessantly and the deception is so smothering, both in intention and effect, it is important from time to time just to remind ourselves of these basic patterns.

Following the annexation of the Baltics, the Soviets embarked on a policy of ruthless Sovietization in those countries, which encountered universal opposition. Then, on a single "night of terror"—June 14, 1941—the Soviets deported almost the entire Baltic intelligentsia to Siberia where most of them perished. The Baltic nations were decapitated, very much as the Polish nation was decapitated at Katyn. When the Germans invaded the Soviet Union a week later, massive, spontaneous uprisings occurred in all three Baltic states and a large part of their territory was liberated from the Soviets before it was subsequently occupied by the Nazis. But the Red army eventually recaptured the Baltics, precipitating an exodus of some 200,000 people who feared the return of Soviet rule—perhaps some of you or some of your relatives. The Soviets reconsolidated their control in the Baltics with killings, repression, and mass deportations. Between 1944 and 1949, we estimate that some 600,000 Balts out of a population of just a little over four million were deported to Siberia. Guerrilla resistance to the Soviet occupation continued until 1952, eight years after the re-entry of the Red army. Since then, of course, the Soviets have continued a conscious policy of cultural russification, but there is not, until this day, a scintilla of evidence either that they have succeeded in russifying the peoples of the Baltic nations

or in persuading them of the legitimacy of their rule.

We've had ample opportunities to observe the skeleton of Soviet power. We had the opportunity when the brave Hungarian peoples confronted the Soviet tanks with their bare hands. It is interesting to recall the words with which the Soviet rulers justified their suppression of that revolt. Nikita Khrushchev, commenting on Budapest Radio, April 1958, noted: "We knew that the imperialists would shout wildly that we interfered in the Hungarian people's affairs. But we also knew that within a short time, the Hungarian working class, working peasantry, and intelligentsia would realize and understand that there was only one correct road." There is no evidence to this day that the Hungarian working class, the working peasantry, or the intelligentsia has understood that there was only one correct road and that that road was the road of Soviet conquest. They only bowed before superior force. They did not acquiesce.

Neither did the Czech people. When the Czechs rose up in 1968 in that marvelous Prague spring, they, too, were crushed by the exercise of force in its purest form. Once again Soviet leaders justified the suppression of people who asked only to be permitted to govern themselves. Pravda commented as late as 1978 about the events of 1968 saying: "World reactionaries cannot accept either the victory of the Czechoslovak Socialist Republic working class in February 1948, or their own defeat in August 1968."

That's interesting. The Czechs that sought their freedom in 1968 had become "world reactionaries."

As a result of World War II the Soviets gained Eastern Europe. But they were not satisfied. Expansion continued. No clearer case of conquest by force—brute, unadorned and unobfuscated—than that of Afghanistan. Today the Soviet Union occupies Afghanistan against the will of the Afghan population. Approximately 3 million Afghans, about one-fifth of the Afghan population, have fled into Pakistan to escape the carnage wreaked by Soviet occupation. Another 2 million have remained outside the country. Those remaining inside Afghanistan still control some 75 percent of the country, despite the fact that they are poorly armed and trained, despite the fact that the Soviet Union has used against them the most sophisticated weapons in its arsenal, ranging from heavily armed helicopter gunships to supersonic aircraft.

Within the Kabul government, Soviet personnel direct virtually all aspects of administration, including the Ministries of Foreign Affairs, Defense, Interior, Information and Culture, Justice and Economic Planning. Since 1979, Soviet personnel have also commanded the Afghan army down to the brigade level and sometimes down to the company level, and still they cannot guarantee the loyalty or performance of that Afghan army. Nothing more clearly reflects the lack of public support for the Soviet occupation of Afghanistan than the collapse of the Afghan army. The puppet regime in Kabul has resorted to desperate measures to recruit that army. Young men, some only 12 or 13 years old are seized in bazaars, loaded into ground or air transport, shipped to another section of the country where they are shoved into uniform. Only those who escape—some of whom have been interviewed by the international press—are heard from again. The others simply disappear and the families do not know where. Recent call-ups of men who have already completed military service have been met with riots and protests, which are in turn met with violence. Protestors are gunned down and still the Soviet occupiers cannot put together an army on which they can rely. They must rely on their own. And so their army in Afghanistan has grown while they talk about negotiations to stop the resistance.

It is interesting to read the official Soviet comments on their invasion and occupation of Afghanistan. Moscow News commented in 1980, "We knew that the decision to bring troops into Afghanistan would not be popular in the modern world . . . Noninterference is a good thing, but the principles of international law do not exist in a vacuum . . . history and politics cannot always be fitted into legal formulas." And Communist Party General Secretary Yuri Andropov commented after his appointment to the Secretariat of the Central Committee, "Our response to events in Afghanistan was a lofty act of loyalty to the principle of proletarian internationalism, which was necessary to defend the interests of our Motherland." What kind of a threat did the people of Afghanistan constitute to the government of the Soviet Union? The threat of simply being there? The last independent Afghan government was not like the government of Nicaragua today. It was not importing tons of arms; it was not importing thousands of advisors and troops from hostile foreign nations. The Afghan people were simply trying to live their own lives in their own way. The consequence was the invasion.

This is the most brutal century, probably, in all of human history, and the Afghan occupation stands out even in this brutal century.

Then we come to Poland, where it also has been easy to observe the infrastructure of Soviet imperialism. With the rise of Solidarity and the stubborn insistence of the Polish people on expressing themselves in ways not wholly acceptable to their Soviet overseers, the Soviet-controlled government responded by declaring martial law on December 13, 1981. This repression was justified in the familiar way, namely, the need to secure the "fundamental interests of the state and its citizens," to secure "conditions for the effective protection of peace and public order" and to restore "social discipline." Virtually all free activities by the Polish people were prohibited; holding gatherings, marches, demonstrations of any kind, sporting, artistic, or entertainment activities. It was forbidden to disseminate information or distribute publications in any manner. The right of employees to organize and hold strikes or protests was forbidden. The organization of free trade unions was forbidden. Sweeping censorship was imposed on top of the sweeping censorship that already existed.

A few months later, on March 15, 1982, martial law was introduced by the Government of Nicaragua. Again, the familiar justifications. Junta coordinator Daniel Ortega announced a general law of national emergency which suspended all political rights and guarantees that had been provided in August, 1979 just after the Sandinista regime had come into power. The junta suspended all non-Sandinista news programs, suspended all programs of political content, suspended all rights of association and political activity, and imposed new sweeping censorship rules on top of already existing sweeping censorship rules.

Given the facts I have been reciting, why do so many have so much trouble facing the fact that to "fall to be flexible" in one's opposition to Communism is nothing, more or less, than to stand firmly in support of human freedom? Why does the notion persist that the Soviets are in some way morally superior to other elites who have used amoral means to gain power and impose repressive, minority, military dictatorship? The sources of this confusion are, I think several.

First is the deliberate semantic confusion fostered by the Soviets themselves through their systematically perverse use of language. By calling "autonomous" that which is powerless, "federated" that which is unitary, "democratic" that which is autocratic, "united" that which is schismatic, "popular" that which is imposed by terror, "peaceful" that which incites war—in brief, by systematically corrupting language to obscure reality—the Soviets and their various friends make inroads into our sense of political reality. Language is, after all, the medium in which we think. And it is exceedingly difficult for us, or anyone, to eliminate all the traditional connotations of words like, "for a lasting peace and a people's democracy," and remember that they had nothing to do with either peace or popular movements or democracy.

A related form of semantic subversion, practiced by Communist parties everywhere, is the effort to capture prestigious symbols, slogans, and traditions. Communist parties in the under-developed world attempt to identify themselves with the slogans of nationalism and anticolonialism at the same time that they affiliate with the only active colonialism in the contemporary world. Communists in France, for example, identify themselves with the symbols of the Resistance, communists in the United States stake claim to Tom Paine and Abraham Lincoln, and in Nicaragua they claim Sandino, a Nicaraguan nationalist and patriot, and in no sense a Communist or an international revolutionary.

Aleksandr Solzhenitsyn goes, as he so often does, to the heart of the matter when he points to the relationship between violence and the lie. The Soviets expand their power and they maintain it through the use of violence—systematic, deliberate, uninhibited—and through the use of the lie. "Let us not forget," he said in his Nobel address, "that violence does not and cannot exist by itself: it is invariably intertwined with the lie. They are linked in the most intimate, most organic, and most profound fashion: violence cannot conceal itself behind anything except lies, and lies have nothing to maintain them except violence. Anyone who has once proclaimed violence as his method, must inexorably choose the lie as his principle."

Since they require lies, we require truths. And the importance of meetings like this today, is that it brings together people to speak the truth.●

RUNWAY UTILIZATION PROGRAM AT BURBANK-GLENDALE-PASADENA AIRPORT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. BERMAN) is recognized for 5 minutes.

● Mr. BERMAN. Mr. Speaker, the House and Senate Transportation Appropriation Committee reports contain conflicting language relating to the

Burbank-Glendale-Pasadena Airport. Recent action by the local jurisdiction has resolved the problems that originally led me to request the inclusion of this language in the House report.

The impact of an urban airport on surrounding homeowners is not a new issue in my district. I believe that all residents of surrounding communities who benefit from airport services should also share the noise burden associated with the facility. For years several of the communities that I represent have borne a disproportionate amount of the noise level resulting from daily operations at the airport. Furthermore, these residents have been unrepresented on the Burbank-Glendale-Pasadena Airport Authority which manages the airport.

During full committee consideration of the Transportation appropriations bill, Congressman DIXON introduced on my behalf report language that directed the Federal Aviation Administration to withhold airport improvement funds for the purposes of building a new terminal at the Burbank Airport until the airport developed a noise compatability program and adopted a master plan.

At the time of the floor debate on the bill, Congressmen ROYBAL, MOORHEAD and myself agreed in a colloquoy that efforts at the local level should begin immediately to resolve these longstanding problems. Since that time, airport officials, representatives of the homeowners' groups, and the Congressmen involved, have spent considerable time in drawing up a plan that would make significant progress toward equalizing runway use and therefore dispersing the noise more fairly.

Yesterday, the Commission of the Burbank-Glendale-Pasadena Airport Authority adopted a resolution regarding the development and implementation of such a runway utilization program. Based on numerous conversations, I am confident that the authority intends to do everything in its power to implement the policy set forth in this resolution.

Congressmen DIXON, ROYBAL, MOORHEAD, and I all agree that given the actions of the Burbank-Glendale-Pasadena Airport Authority and their commitment to implementing this resolution that the FAA should disregard the House appropriations report language relating to this subject. The authority's acceptance of the goal of equalizing runway use is a major step toward balancing the transportation needs of the traveling public and the quality of life local residents have been striving for years to obtain.●

THE COMPUTER LITERACY ACT OF 1983

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Colorado (Mr. WIRTH) is recognized for 5 minutes.

● Mr. WIRTH. Mr. Speaker, today I am introducing, along with Mr. PERKINS, Mr. MILLER of California, Mr. KOGOVSEK, Mr. DOWNEY and 36 other Members, H.R. 3750, the Computer Literacy Act of 1983, designed to address a growing problem in this country: technical illiteracy.

Much has already been said in this Chamber about an American work force that is increasingly illiterate; of students unable to draw inferences from written material; or solve mathematical problems involving several steps.

Only recently, though, have we begun to recognize that we will continue to lose ground to our international competitors if our work force is incapable of mastering the language of the multitude of microcomputers that is being developed today. By 1990, 30 million jobs will be computer related. Yet, as the National Commission on Excellence in Education reported, we are raising a generation of Americans that is scientifically and technologically illiterate. There are only 200,000 computers in use in schools today to train a student population of 39 million. The future of our economy depends on our schools being able to produce a highly trained and computer-literate work force.

In order to prepare this generation to compete, and cope, in the information age, I am introducing the Computer Literacy Act of 1983. The bill addresses several problems that have not been sufficiently addressed by the Congress. Previous efforts on computer literacy have used a tax-incentive approach to get computer hardware into the schools. I believe we must move beyond this approach. First, computer literacy is not limited to simply getting computers into the schools. Any comprehensive computer literacy effort must include teacher training as well as address the software problems schools are facing. Second, this approach leaves the schools with little control over the type and quality of equipment they can receive. Finally, there are no assurances that the computers will be spread equitably among the poorer and rural schools as well as the wealthier schools. Our purpose in introducing this legislation is to address these flaws in a more comprehensive, carefully structured effort to promote computer literacy.

First, a key feature of the bill is that it uses a direct grant approach, instead of relying on tax incentives, to provide schools with the funds to purchase computer hardware. This will enable schools to choose and purchase the equipment most useful to them.

This will also insure universal access to every student in the country. Today, for example, 72.6 percent of the "rich" schools have instructional computers while only 45.5 percent of their poorer counterparts have any computer capacity at all.

Second, the bill will establish teacher training institutes modeled after the successful institutes created by the National Defense Education Act. Numerous horror stories exist of school systems with computers and teachers who do not know how to use them, much less how to teach others to use them.

In response to a concern often expressed to me by teachers, the bill will call upon the National Institute of Education and the National Science Foundation to provide grants and contracts to organizations to evaluate existing hardware and software, and to disseminate this information to the Nation's schools. This is necessary because too often teachers have no place to turn in order to determine what type of hardware and software they should be buying for the maximum benefit of the students.

Finally, this bill will include an adult component, setting up demonstration-adult training projects in the schools to teach computer literacy to adults. This will be done during the afternoons when the computers are not in use by children. Children learn best from their parents, and this provision of the bill will not only allow adults to learn new skills, but will augment the schools' teaching efforts.

Mr. Speaker, I would like to have the text of the bill printed in the RECORD:

H.R. 3750

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, that this Act may be cited as the "Computer Literacy Act of 1983"

TITLE I—ACQUISITION OF COMPUTER HARDWARE

PURPOSES

SEC. 101. It is the purpose of this title to authorize assistance to local educational agencies for the acquisition of computer hardware for use in school classrooms in order to promote student competence in the operation and use of new technologies, and thereby to improve students' academic performance in both technical and other fields.

DEFINITIONS

SEC. 102. For purposes of this title—

(1) the term "Secretary" means the Secretary of Education;

(2) the term "local educational agency" has the meaning provided in section 198(a)(10) of the Elementary and Secondary Education Act of 1965;

(3) the term "State educational agency" has the meaning provided in section 198(a)(17) of such Act;

(4) the term "average daily attendance" has the meaning provided in section 198(a)(1) of such Act;

(5) the term "computer hardware" means—

(A) a data processor which—

(i) can be programed in at least 3 standard computer languages;

(ii) has a random access memory capacity of at least 16,000 bytes; and

(iii) is or can be connected with a screen for visual display;

(B) in connection with such a data processor (i) a display screen, and (ii) one or more disk or tape drives; and

(C) any equipment necessary for the installation of equipment described in subparagraphs (A) and (B); and

(6) the term "State" means each of the 50 States, the District of Columbia, Puerto Rico, Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and the Northern Mariana Islands.

ALLOCATION OF FUNDS

SEC. 103. (a)(1) From 5 percent of the amount appropriated pursuant to section 107 for any fiscal year the Secretary shall allocate to each State educational agency an amount for monitoring and enforcement which bears the same ratio to such 5 percent as the amount allocated to the local educational agencies in that State under paragraph (2) for such fiscal year bears to the sum of the amount allocated to local educational agencies in all the States under such paragraph for such fiscal year.

(2) From the remainder of the amount appropriated pursuant to section 107 for any fiscal year the Secretary shall allocate to each eligible local educational agency an amount which bears the same ratio to such remainder as the number of children in average daily attendance in the schools of such local educational agency bears to the sum of such children in the schools of all local educational agencies.

(b) Notwithstanding subsection (a)(2), the allocation of any local educational agency shall be reduced to the extent that assistance under this title has been or would be in excess of the amount necessary for such agency to acquire one unit of computer hardware for each 30 children in average daily attendance in the schools of such agency.

LOCAL APPLICATION FOR FUNDS

SEC. 104. (a)(1) A local educational agency shall be eligible for an allocation under section 103 if it has on file with the State educational agency a current application, approved by the State educational agency, describing the computer hardware procurement program to be conducted with assistance provided under this title. Such application shall contain—

(A) assurances that the local educational agency will allocate funds among the school within its district so that—

(i) funds are provided first to those schools with the least computer hardware per student;

(ii) funds are not provided to any school after such school has the equivalent of one unit of computer hardware for each 30 children in average daily attendance at such school;

(B) an identification of the computer hardware which are already available in the schools of such agency, a specification of the computer hardware to be acquired with funds provided under this title during the next funding period, and assurances that the acquisition cost of such hardware will be reasonable and in accordance with such guidelines as may be prescribed by the Secretary by regulation; and

(C) describe the programs and procedures which the local educational agency has developed to ensure the participation of parents in the establishment of its computer hardware acquisition program and in the development and implementation of a curriculum for the use of such hardware.

(2) Such an application may be amended at any time to describe changes in or additions to the activities originally set forth in the application.

(b) An application or amendment thereto shall be approved by the State educational agency unless such agency determines that the application does not provide for the use of such funds in a manner which meets the requirements of this title or is inconsistent with such requirements as the Secretary may prescribe by regulation. No such determination shall be made except after notice and opportunity for a hearing is given to the applicant.

STATE RESPONSIBILITIES

SEC. 105. (a) Each State which desires to have its local educational agencies qualify for assistance under this title shall have on file with the Secretary an application submitted by its State educational agency. Each such application shall contain (1) satisfactory assurances that the State educational agency will comply with the requirements of this section; and (2) such information as the Secretary considers necessary to determine whether such assurances will be carried out.

(b) A State educational agency shall not finally disapprove, in whole or in part, the application of any local educational agency under section 104 without first affording such agency reasonable notice and opportunity for a hearing.

(c) Each State educational agency shall—

(1) adopt standards, consistent with minimum standards prescribed by the Secretary, for monitoring, with the funds provided under section 103(a)(1), the effectiveness of computer hardware procurement programs assisted under this title;

(2) adopt written procedures for receiving complaints regarding such programs;

(3) establish procedures for notifying the Secretary of any failure by a local educational agency to comply with this title, regulations prescribed thereunder, or any provision in its application; and

(4) make provision for audits of expenditures of funds received under this title to determine, at a minimum, the fiscal integrity of grant and subgrant financial transactions and reports, and compliance with applicable statutes, regulations, and terms and conditions of the grant or subgrant.

(d) Each State educational agency shall submit, at such times and in such detail as the Secretary may require, such reports as may be necessary to enable the Secretary to carry out this title, and shall keep such records and afford such access thereto, as the Secretary may require.

PARTICIPATION OF CHILDREN FROM PRIVATE SCHOOLS

SEC. 106. (a) To the extent consistent with the number of children in the school district of the local educational agency who are enrolled in private elementary and secondary schools, such agency shall, after consultation with appropriate private school representatives, make provision for including special educational services and arrangements (such as dual enrollment, educational radio and television, and mobile educational services and equipment) in which such children can participate and which meet the requirements of this title. Expenditures for educational services and arrangements pursuant to this subsection for children in private schools shall be equal (taking into account the number of children to be served and the needs of such children) to expenditures for children enrolled in the public schools of such agency.

(b) If by reason of any provision of law a local educational agency is prohibited from providing for the participation of children from private schools as required by subsection (a), or if the Secretary determines that a local educational agency has substantially failed or is unwilling to provide for such participation on an equitable basis, the Secretary shall waive such requirements and shall arrange for the provision of services to such children, which shall be subject to the requirements of this section. Such waivers shall be subject to consultation, withholding, notice, and judicial review in accordance with section 557(b) (3) and (4) of the Education Consolidation and Improvement Act of 1981.

AUTHORIZATION OF APPROPRIATIONS

SEC. 107. There are authorized to be appropriated to carry out this title $300,000,000 for each of the fiscal years 1984 through 1993.

TITLE II—TEACHER TRAINING INSTITUTES

NATIONAL SCIENCE FOUNDATION PROGRAM

SEC. 201. (a) From the amount appropriated pursuant to section 203 for any fiscal year, the National Science Foundation shall arrange, through grants and contracts with nonprofit professional scientific or engineering organizations, science museums, regional science education centers, State educational agencies, and institutions of higher education (including community colleges), for the development and operation by such entities of short-term or regular session institutes for advanced study to improve the qualifications of individuals who are engaged in or preparing to engage in the teaching, or supervising or training of teachers, of the operation and use of new technologies.

(b) In making grants and contracts under subsection (a), the National Science Foundation shall give special consideration to institutes training teachers, or supervisors or trainers of teachers, serving or preparing to serve in elementary and secondary schools enrolling substantial numbers of culturally, economically, socially, and educationally handicapped youth or in programs for children of limited English language proficiency.

STIPENDS

SEC. 202. Each individual who attends an institute operated under the provisions of this title shall be eligible (after application therefor) to receive a stipend at the rate of $275 per week for the period of attendance at such institute.

AUTHORIZATION OF APPROPRIATIONS

SEC. 203. There are authorized to be appropriated to carry out this title $20,000,000 for each of the fiscal years 1984 through 1993.

TITLE III—INFORMATION DISSEMINATION AND EVALUATION

NATIONAL INSTITUTE OF EDUCATION

SEC. 301. (a) For the purpose of providing advice and technical assistance to State and local educational agencies on the expenditure of funds under title I of this Act and on the acquisition of suitable computer software, the National Institute of Education and the National Science Foundation, in accordance with an interagency agreement between such Institute and such Foundation, shall—

(1) evaluate available computer hardware and software, in terms of its usefulness in the classroom;

(2) disseminate the results of such evaluation; and

(3) develop model computer educational software, and make such model software (and its design premises) available to computer software producers and distributors, teachers, and school administrators.

(b) The Institute and the Foundation shall carry out the functions described in paragraphs (1), (2), and (3) of subsection (a) under grants or contracts made with funds appropriated under subsection (c).

(c) There are authorized to be appropriated to carry out this section such sums as may be necessary for each of the fiscal years 1984 through 1993.

PRIVATE EVALUATION AND DISSEMINATION CENTERS

SEC. 302. (a) The National Science Foundation shall, through grants to or contracts with nonprofit professional scientific or engineering organizations, science museums, regional science education centers, public television, State educational agencies, and institutions of higher education (including community colleges), conduct, assist, and foster research and experimentation on, and dissemination of, models of instruction in the operation and use of computers. In selecting such entities for such grants or contracts, the Foundation shall give priority to those proposals—

(1) prepared with the active and broad community involvement of such groups as parents, teachers, school boards and administrators, and local business; or

(2) which propose the establishment of model training programs for adults.

(b) Funds available under a grant or contract pursuant to this section may be used for the acquisition of computer hardware and software.

(c) The Director of the National Science Foundation shall report to the Congress annually on the results of research and experimentation performed with funds made available under this section. The Director, in conjunction with the National Institute of Education, shall take such steps as may be necessary to disseminate information concerning such results to local educational agencies.

(d) There are authorized to be appropriated to carry out this section such sums as may be necessary for each of the fiscal years 1984 through 1993.●

EDUCATION POLICY AS A RESPONSE TO INDUSTRIAL CHANGE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. LAFALCE) is recognized for 5 minutes.

● Mr. LAFALCE. Mr. Speaker, the Subcommittee on Economic Stabilization, which I chair, has been conducting a series of hearings on industrial policy. This morning the subcommittee's hearing focused on education policies and programs, which affect not only our Nation's economic stability and growth, but also our defense capability and national security. I would like to submit for the RECORD the statement of Dr. Reatha Clark King, who is chairperson of the American Council on Education, president of Metropolitan State University of St. Paul, Minn., and a member of the Business-Higher Education Forum, on whose behalf she appeared.

No strategy for economic revitalization will be complete without a coherent national education policy. We must consider ways in which a more coordinated industrial policy might integrate education and manpower programs with other Federal measures to stabilize declining industries and promote new ones.

If the United States is to maintain its international competitiveness, it must prepare its students for demanding work and it must help its workers to adapt to rapid industrial change.

Dr. King's statement makes it clear that education is an integral component of economic development and productivity improvement. The text follows:

STATEMENT OF DR. REATHA CLARK KING

The Business-Higher Education Forum Task Force Report has identified two principal purposes. First, as a nation, we must elevate the competitive challenge to the top of the national agenda. There is no more pressing challenge—not only for industry and workers, but for educators, government officials and the average American citizen as well. The extended hearings your Subcommittee has conducted on the issue have helped immensely in this regard.

Second, we must recognize that the problems of American competitiveness are interrelated, involving issues ranging from capital investment to education and training, from technological innovation to effective trade policies. If we invest millions of dollars in new technologically sophisticated plant and equipment without simultaneously making an investment in the education and training of our current and future work force, we will have accomplished little. At the same time, it serves no useful purpose to say: "That's business' problem" or "That's the fault of the grade schools or colleges." The finger-pointing and adversarial relationships that have helped contribute to the relative decline of America's competitive position in the past decade must yield to productive dialogue among and coordinated actions by all sectors. Again, your Subcommittee has made a valuable contribution on both counts.

It is within the broad context of the two points addressed above that I turn to the issues affecting us in the higher education community.

PROBLEMS

Basically, colleges and universities have two major responsibilities relating to the improvement of productivity, and hence to the development of a thriving, competitive economy: first, to educate and train current and future workers; and second, to conduct much of the basic research on which America's technological innovations depend. In both areas, the challenges ahead are immense.

Turning first to the development of a well-trained work force, among the challenges of the next decade identified by the Forum Task Force are:

To assist the nation's 100 million employed workers in sharpening their skills so they can keep abreast of changing job needs caused by advancing technology;

To assist workers who may be displaced in this decade with retraining;

To assist the 1.5 million workers who will be entering the work force each year with the education, skills and counseling that are appropriate to the fast-changing needs of the economy;

To assist the more than 23 million functionally illiterate Americans in acquiring even the basic skills needed to participate in entry-level training;

To upgrade the educational opportunities for women and minorities so that they can become fuller participants in the changing economy;

To develop special programs to anticipate, identify and fill critical skills shortages; and

To prepare every student with a basic foundation in math, science and technology so the general public will have at least a basic familiarity with these increasingly important fields.

While the responsibility for achieving such goals will be divided between educators and industry, and among grade schools, high schools and post-secondary institutions, it is apparent that the challenges must be addressed if the United States is to reverse its declining competitiveness.

Perhaps the most striking of the Task Force's findings is the wide gap between the skills required in the modern workplace and the skills taught in the modern classroom. The gap between the nation's needs and the capabilities of its work force is most evident in the growing shortage of skilled workers, particularly engineers, scientists and technicians. The Forum estimates that about 100,000 new engineers will be needed each year for the foreseeable future; today, the United States is producing only about 60 percent of that amount.

The shortages are creating bidding wars between industry and education for those adequately educated and trained. The faculty vacancy rate in engineering colleges, for example, is about 10 percent. For assistance professors in fields such as computers and electronics, the vacancy rate is 25 percent. A related problem, shared by industry and academia, is the absence of reliable information on present and anticipated job vacancies, their location, the education and training required for those jobs, and the likely size of the gap between the available jobs and available workers in the coming years.

Next, the challenges of conducting basic research are no less severe. American colleges and universities account for almost 60 percent of the nation's basic research—the type that leads to pioneering breakthroughs, which subsequently can be commercialized and marketed by U.S. firms. Today, however, researchers are being asked to do their work in outdated facilities with obsolete equipment, the result of many years of accumulated underinvestment estimated to be between $1-4 billion. Reductions in government funding have been a major contributor to the current budget crunch confronting higher education institutions.

University basic research contributes to economic growth only when it is successfully transferred to industry for commercial development. Unfortunately, the Forum found that technology transfers between universities and industry are weak. Although significant business-university R&D partnerships have developed recently—and the Business-Higher Education Forum is a dramatic demonstration of the cooperative relationship that is possible between the

two sectors—far more must be done in this area.

SUGGESTIONS

While the challenges are great, so too are the opportunities. The Forum identified a number of areas where improvements can be made in both the public and private sectors.

At the top of the list was the suggestion that the President form a private-sector National Commission on Industrial Competitiveness composed of representatives from business, higher education and labor. We are encouraged by President Reagan's appointment last month of the chairman of the new panel, are equally pleased to learn that the commission indeed will include academic members, and eagerly await the announcement of the remainder of the panel, expected this week.

The commission clearly will not be a panacea, but instead will provide a much-needed mechanism to encourage consensus-building among the various sectors and to communicate those views to the government. In that sense, we would hope that the panel is only one of many such partnerships that will be developed—not only within the private sector but between the private and public (government) sectors as well.

For instance, existing government funding programs to stimulate university-industry cooperation have been successful, but the programs—funded by the National Science Foundation and the Department of Energy—have been targeted at science and technology fields where university-industry cooperation was likely to occur anyway. It would be useful to expand such efforts to encourage participation in cooperative research by companies and colleges that have not been substantially involved to date.

One of the higher education's most immediate needs is sufficent funding to rebuild and upgrade our research and teaching facilities. While the proposed 10 percent increase for basic research in President Reagan's FY1984 budget is welcome, the one-time funding increase must be supplemented by an ongoing program to maintain, replace and add to equipment.

Another helpful public policy step would be to clarify that the tax deductions permitted industry for donations of equipment to universities under the Economic Recovery Tax Act of 1981 apply to computers as well as to other scientific equipment. Such a clarification could significantly expand this important incentive to upgrade higher education's research facilities for the demands of the technology-driven age.

While industry recently has increased its financial contributions to higher education, the private sector increases have not come close to matching the reductions in public sector funding. The Forum is preparing a report on the need for increased corporate support of colleges and universities. Significantly, the study outlines a number of initiatives that do not involve direct financial contributions or the indirect underwriting of student aid that have been the traditional means of corporate support. Among the new approaches being developed are proposed increases in the number of joint research agreements, in the pooling of instrument and equipment use, and in the donation of corporate personnel to supplement faculties.

In the area of human resources, steps clearly are needed to reduce the critical shortage of engineering school faculty—a shortage that hampers our ability to maintain an adequate supply of well-trained U.S. engineers. One incentive-based approach recommended by the Forum would be to provide special loans to U.S. graduate engineering students in return for a commitment to teach. The loans could be forgiven by a specified amount for each teaching year—20 percent, for instance.

The renewal of American economic vitality, innovation and competitiveness will depend not just on the contributions of government and industry, but on our own initiatives within the higher education community. Just as industry and the government have a responsibility to assist colleges and universities, so do we have a responsibility to contribute to their efforts. The relationship is—or should be—a two-way street.

The academic members of the Forum recognize and accept that reality. Along those lines, the Forum Task Force report outlined a number of initiatives that universities should undertake to help meet the competitive challenge.

We must increase our emphasis on teaching and research in areas such as: the extent and impact of trade barriers on U.S. competitiveness; foreign management practices compared to those of the United States; and expanded programs and curriculum requirements in the fields of foreign language, culture and sociopolitical institutions.

We must make more of an effort to educate the faculty of the future in needed fields, and collaborate with industry to ensure that this "seed corn" is not prematurely lured away from the campus by the business sector.

Business schools should expand their teaching and research on the elements of management that are fundamental to effective industrial R&D, technological innovation, high productivity and high product quality. Graduate centers for international study should strengthen programs and databases in the areas of industrial, commercial, legal and financial practices and institutions. And engineering schools should reemphasize manufacturing engineering.

On the administrative side, we can help to alleviate equipment shortages through such means as specialization by institution and by sharing facilities with local industry. We can adjust academic schedules to accommodate mid-career science and engineering students, and can help industry meet its own requirements for on-the-job training and retraining. We can help make engineering salaries more competitive with market salaries by establishing independent wage scales higher than the campus-wide standard. We can provide greater access for industry to our on-campus resources-libraries, conference centers and the like. And along with industry, we in the higher education sector can work with the government to develop better data on trends in technological change and international competitive conditions. These are just some of the many initiatives that must be integrated into a coherent, comprehensive response to the nation's competitive challenge.●

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mr. NEAL) is recognized for 5 minutes.

● Mr. NEAL. Mr. Speaker, on Monday, July 29, 1983, I inadvertently missed three recorded votes. Had I been present, I would have voted for final passage of H.R. 1646, the Railroad Retirement Solvency Act. I would have voted with the majority to postpone consideration of House Resolution 256, disapproving the President's recommendation to extend certain waiver authority under the Trade Act of 1974 with respect to Romania. And, Mr. Speaker, I would have voted to permit conference committee meetings between the House and the Senate on S. 675, Department of Defense Authorization Act for fiscal year 1984, to be closed to the public at such time as classified national security information is under consideration.●

MARTIN LUTHER KING'S VALUES AND BELIEFS

(Mr. AUCOIN asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

● Mr. AUCOIN Mr. Speaker, I rise in strong support of the resolution to establish a national day of recognition for Martin Luther King and the beliefs he held—a resolution I have supported every time it has been brought before this body. It is not simply the memory of a great man we are commemorating here, but the memory and the knowledge of the important values he stood for.

As we consider this important resolution, I would like to bring to the attention of my colleagues a letter Dr. King wrote in April of 1963, while confined to the Birmingham City Jail. I believe this letter exemplifies all that Martin Luther King stood for and that it would behoove us, 20 years after the authorship of this letter, to freshen our memories of his dream with his own words.

Again, I strongly support the passage of this resolution—a resolution that I believe is long overdue. And I can think of nothing that better expresses Martin Luther King's values and beliefs than this letter.

LETTER FROM BIRMINGHAM CITY JAIL

(By Martin Luther King, Jr.)

MY DEAR FELLOW CLERGYMEN: While confined here in the Birmingham City Jail, I came across your recent statement calling our present activities "unwise and untimely." Seldom, if ever, do I pause to answer criticism of my work and ideas. If I sought to answer all of the criticisms that cross my desk, my secretaries would be engaged in little else in the course of the day and I would have no time for constructive work. But since I feel that you are men of genuine good will and your criticisms are sincerely set forth, I would like to answer your statement in what I hope will be patient and reasonable terms.

I think I should give the reason for my being in Birmingham, since you have been influenced by the argument of "outsiders coming in." I have the honor of serving as president of the Southern Christian Leadership Conference, an organization operating in every Southern state with headquarters in Atlanta, Georgia. We have some 85 affiliate organizations all across the South—one

being the Alabama Christian Movement for Human Rights. Whenever necessary and possible we share staff, educational, and financial resources with our affiliates. Several months ago our local affiliate here in Birmingham invited us to be on call to engage in a nonviolent direct action program if such were deemed necessary. We readily consented and when the hour came we lived up to our promises. So I am here, along with several members of my staff, because we were invited here. I am here because I have basic organizational ties here. Beyond this, I am in Birmingham because injustice is here. Just as the 8th century prophets left their little villages and carried their "thus saith the Lord" far beyond the boundaries of their home town, and just as the Apostle Paul left his little village of Tarsus and carried the gospel of Jesus Christ to practically every hamlet and city of the Graeco-Roman world, I too am compelled to carry the gospel of freedom beyond my particular home town. Like Paul, I must constantly repond to the Macedonian call for aid.

Moreover, I am cognizant of the interrelatedness of all communities and states. I cannot sit idly by in Atlanta and not be concerned about what happens in Birmingham. Injustice anywhere is a threat to justice everywhere. We are caught in an inescapable network of mutuality tied in a single garment of destiny. Whatever affects one directly affects all indirectly. Never again can we afford to live with the narrow, provincial "outside agitator" idea. Anyone who lives inside the United States can never be considered an outsider anywhere in this country.

You deplore the demonstrations that are presently taking place in Birmingham. But I am sorry that your statement did not express a similar concern for the conditions that brought the demonstrations into being. I am sure that each of you would want to go beyond the superficial social analyst who looks merely at effects, and does not grapple with underlying causes. I would not hesitate to say that it is unfortunate that so-called demonstrations are taking place in Birmingham at this time, but I would say in more emphatic terms that it is even more unfortunate that the white power structure of this city left the Negro community with no other alternative.

In any nonviolent campaign there are four basic steps: (1) collection of the facts to determine whether injustices are alive; (2) negotiation; (3) self-purification; and (4) direct action. We have gone through all of these steps in Birmingham. There can be no gainsaying of the fact that racial injustice engulfs this community. Birmingham is probably the most thoroughly segregated city in the United States. Its ugly record of police brutality is known in every section of this country. Its unjust treatment of Negroes in the courts is a notorious reality. There have been more unsolved bombings of Negro homes and churches in Birmingham than any city in this nation. There are the hard, brutal, and unbelievable facts. On the basis of these conditions Negro leaders sought to negotiate with the city fathers. But the political leaders consistently refused to engage in good faith negotiation.

Then came the opportunity last September to talk with some of the leaders of the economic community. In these negotiating sessions certain promises were made by the merchants—such as the promise to remove the humiliating racial signs from the stores. On the basis of these promises Reverend Shuttlesworth and the leaders of the Alabama Christian Movement for Human Rights agreed to call a moratorium on any type of demonstration. As the weeks and months unfolded we realized that we were the victims of a broken promise. The signs remained. As in so many experiences of the past, we were confronted with blasted hopes, and the dark shadow of a deep disappointment settled upon us. So we had no alternative except that of preparing for direct action, whereby we would present our very bodies as a means of laying our case before the conscience of the local and national community. We were not unmindful of the difficulties involved. So we decided to go through a process of self-purification. We started having workshops on non-violence and repeatedly asked ourselves the questions, "Are you able to accept blows without retaliating?" "Are you able to endure the ordeals of jail?"

We decided to set our direct action program around the Easter season, realizing that, with the exception of Christmas, this was the largest shopping period of the year. Knowing that a strong economic withdrawal program would be the by-product of direct action, we felt that this was the best time to bring pressure on the merchants for the needed changes. Then it occurred to us that the March election was ahead, and so we speedily decided to postpone action until after election day. When we discovered that Mr. (Eugene "Bull") Connor was in the run-off, we decided again to postpone action so that the demonstrations could not be used to cloud the issues. At this time we agreed to begin our nonviolent witness the day after the run-off.

This reveals that we did not move irresponsibly into direct action. We too wanted to see Mr. Connor defeated; so we went through postponement after postponement to aid in this community need. After this we felt that direct action could be delayed no longer.

You may well ask, "Why direct action? Why sit-ins, marches, etc.? Isn't negotiation a better path?" You are exactly right in your call for negotiation. Indeed, this is the purpose of direct action. Nonviolent direct action seeks to create such a crisis and establish such creative tension that a community that has constantly refused to negotiate is forced to confront the issue. It seeks so to dramatize the issue that it can no longer be ignored.

I just referred to the creation of tension as part of the work of the nonviolent resister. This may sound rather shocking. But I must confess that I am not afraid of the word tension. I have earnestly worked and preached against violent tension, but there is a type of constructive nonviolent tension that is necessary for growth. Just as Socrates felt that it was necessary to create a tension in the mind so that individuals could rise from the bondage of myths and half-truths to the unfettered realm of creative analysis and objective appraisal, we must see the need of having non-violent gadflies to create the kind of tension in society that will help men rise from the dark depths of prejudice and racism to the majestic heights of understanding and brotherhood. So the purpose of the direct action is to create a situation so crisis-packed that it will inevitably open the door to negotiation. We, therefore, concur with you in your call for negotiation. Too long has our beloved Southland been bogged down in the tragic attempt to live in monologue rather than dialogue.

One of the basic points in your statement is that our acts are untimely. Some have asked, "Why didn't you give the new administration time to act?" The only answer that I can give to this inquiry is that the new administration must be prodded about as much as the outgoing one before it acts. We will be sadly mistaken if we feel that the election of Mr. (Albert) Boutwell will bring the millennium to Birmingham. While Mr. Boutwell is much more articulate and gentle than Mr. Connor, they are both segregationists dedicated to the task of maintaining the status quo. The hope I see in Mr. Boutwell is that he will be reasonable enough to see the futility of massive resistance to desegregation. But he will not see this without pressure from the devotees of civil rights.

My friends, I must say to you that we have not made a single gain in civil rights without determined legal and nonviolent pressure. History is the long and tragic story of the fact that privileged groups seldom give up their privileges voluntarily. Individuals may see the moral light and voluntarily give up their unjust posture; but as Reinhold Niebuhr has reminded us, groups are more immoral than individuals.

We know through painful experience that freedom is never voluntarily given by the oppressor; it must be demanded by the oppressed. Frankly I have never yet engaged in a direct action movement that was "well timed," according to the timetable of those who have not suffered unduly from the disease of segregation. For years now I have heard the word "Wait!" It rings in the ear of every Negro with a piercing familiarity. This "wait" has almost always meant "never." It has been a tranquilizing Thalidomide, relieving the emotional stress for a moment, only to give birth to an ill-formed infant of frustration. We must come to see with the distinguished jurist of yesterday that "justice too long delayed is justice denied." We have waited for more than 340 years for our constitutional and God-given rights. The nations of Asia and Africa are moving with jet-like speed toward the goal of political independence, and we still creep at horse and buggy pace toward the gaining of a cup of coffee at a lunch counter.

* * * * *

I had also hoped that the white moderate would reject the myth of time. I received a letter this morning from a white brother in Texas which said: "All Christians know that the colored people will receive equal rights eventually, but is it possible that you are in too great of a religious hurry? It has taken Christianity almost 2,000 years to accomplish what it has. The teachings of Christ take time to come to earth." All that is said here grows out of a tragic misconception of time. It is the strangely irrational notion that there is something in the very flow of time that will inevitably cure all ills. Actually time is neutral. It can be used either destructively or constructively. I am coming to feel that the people of ill will have used time much more effectively than the people of good will.

We will have to repent in this generation not merely for the vitriolic words and actions of the bad people, but for the appalling silence of the good people. We must come to see that human progress never rolls in on wheels of inevitability. It comes through the tireless efforts and persistent work of men willing to be co-workers with God, and without this hard work time itself becomes an ally of the forces of social stagnation.

We must use time creatively, and forever realize that the time is always ripe to do

right. Now is the time to make real the promise of democracy, and transform our pending national elegy into a creative psalm of brotherhood. Now is the time to lift our national policy from the quicksand of racial injustice to the solid rock of human dignity.

You spoke of our activity in Birmingham as extreme. At first I was rather disappointed that fellow clergymen would see my nonviolent efforts as those of the extremist. I started thinking about the fact that I stand in the middle of two opposing forces in the Negro community. One is a force of complacency made up of Negroes who as a result of long years of oppression, have been so completely drained of self-respect and a sense of "somebodiness" that they have adjusted to segregation, and of a few negroes in the middle class who, because of a degree of academic and economic security, and because at points they profit by segregation, have unconsciously become insensitive to the problems of the masses. The other force is one of bitterness and hatred and comes perilously close to advocating violence. It is expressed in the various black nationalist groups that are springing up over the nation, the largest and best known being Elijah Muhammad's Muslim movement. This movement is nourished by the contemporary frustration over the continued existence of racial discrimination. It is made up of people who have lost faith in America, who have absolutely repudiated Christianity, and who have concluded that the white man is an incurable "devil."

I have tried to stand between these two forces saying that we need not follow the "do-nothingism" of the complacent or the hatred and despair of the black nationalist. There is the more excellent way of love and nonviolent protest. I'm grateful to God that, through the Negro church, the dimension of nonviolence entered our struggle. If this philosophy had not emerged I am convinced that by now many streets of the South would be flowing with floods of blood. And I am further convinced that if our white brothers dismiss us as "rabble rousers" and "outside agitators"—those of us who are working through the channels of nonviolent direct action—and refuse to support our nonviolent efforts, millions of Negroes, out of frustration and despair, will seek solace and security in black nationalist ideologies, a development that will lead inevitably to a frightening racial nightmare.

Oppressed people cannot remain oppressed forever. The urge for freedom will eventually come. This is what has happened to the American Negro. Something within has reminded him of his birthright of freedom; something without has reminded him that he can gain it. Consciously and unconsciously, he has been swept in by what the Germans call the Zeitgeist, and with his black brothers of Africa, and his brown and yellow brothers of Asia, South America, and the Caribbean, he is moving with a sense of cosmic urgency toward the promised land of racial justice. Recognizing this vital urge that has engulfed the Negro community, one should readily understand public demonstrations.

The Negro has many pent-up resentments and latent frustrations. He has to get them out. So let him march sometime; let him have his prayer pilgrimages to the city hall; understand why he must have sit-ins and freedom rides. If his repressed emotions do not come out in these nonviolent ways, they will come out in ominous expressions of violence. This is not a threat; it is a fact of history. So I have not said to my people, "Get rid of your discontent." But I have tried to say that this normal and healthy discontent can be channeled through the creative outlet of nonviolent direct action. Now this approach is being dismissed as extremist. I must admit that I was initially disappointed in being so categorized.

But as I continued to think about the matter I gradually gained a bit of satisfaction from being considered an extremist. Was not Jesus an extremist in love? "Love your enemies, bless them that curse you, pray for them that despitefully use you." Was not Amos an extremist for justice—"Let justice roll down like waters and righteousness like a mighty stream." Was not Paul an extremist for the gospel of Jesus Christ—"I bear in my body the marks of the Lord Jesus." Was not Martin Luther an extremist—"Here I stand; I can do none other so help me God." Was not John Bunyan an extremist—"I will stay in jail to the end of my days before I make a butchery of my conscience." Was not Abraham Lincoln an extremist—"This nation cannot survive half slave and half free." Was not Thomas Jefferson an extremist—"We hold these truths to be self evident that all men are created equal."

So the question is not whether we will be extremist but what kind of extremist will we be. Will we be extremists for hate or will we be extremists for love? Will we be extremists for the preservation of injustice—or will we be extremists for the cause of justice? In that dramatic scene on Calvary's hill three men were crucified. We must never forget that all three were crucified for the same crime—the crime of extremism. Two were extremists for immorality, and thus fell below their environment. The other, Jesus Christ, was an extremist for love, truth, and goodness, and thereby rose above His environment. So, after all, maybe the South, the nation, and the world are in dire need of creative extremists.

I had hoped that the white moderate would see this. Maybe I was too optimistic. Maybe I expected too much. I guess I should have realized that few members of a race that has oppressed another race can understand or appreciate the deep groans and passionate yearnings of those that have been oppressed, and still fewer have the vision to see the injustice must be rooted out by strong, persistent, and determined action. I am thankful, however, that some of our white brothers have grasped the meaning of this social revolution and committed themselves to it. They are still all too small in quantity, but they are big in quality. Some like Ralph McGill, Lillian Smith, Harry Golden, and James Dabbs have written about our struggle in eloquent, prophetic, and understanding terms. Others have marched with us down nameless streets of the South. They have languished in filthy, roach-infested jails, suffering the abuse and brutality of angry policemen who see them as "dirty nigger lovers." They, unlike so many of their moderate brothers and sisters, have recognized the urgency of the moment and sensed the need for powerful "action" antidotes to combat the disease of segregation.

Let me rush on to mention my other disappointment. I have been so greatly disappointed with the white Church and its leadership. Of course there are some notable exceptions. I am not unmindful of the fact that each of you have taken some significant stands on this issue. I commend you, Rev. Stallings, for your Christian stand on this past Sunday, in welcoming Negroes to your worship service on a non-segregated basis. I commend the Catholic leaders of this state for integrating Springhill College several years ago.

But despite these notable exceptions I must honestly reiterate that I have been disappointed with the Church. I do not say that as one of those negative critics who can always find something wrong with the Church. I say it as a minister of the gospel, who loves the Church; who was nurtured in its bosom; who has been sustained by its spiritual blessings and who will remain true to it as long as the cord of life shall lengthen.

I had the strange feeling when I was suddenly catapulted into the leadership of the bus protest in Montgomery several years ago that we would have the support the white Church. I felt that the white ministers, priests, and rabbis of the South would be some of our strongest allies. Instead, some have been outright opponents, refusing to understand the freedom movement and misrepresenting its leaders; all to many others have been more cautious than courageous and have remained silent behind the anesthetizing security of stained glass windows.

In spite of my shattered dreams of the past, I came to Birmingham with the hope that the white religious leadership of this community would see the justice of our cause and, with deep moral concern, serve as the channel through which our just grievances could get to the power structure. I had hoped that each of you would understand. But again I have been disappointed.

I have heard numerous religious leaders of the South call upon their worshippers to comply with a desegregation decision because it is the law, but I have longed to hear white ministers say follow this decree because integration is morally right and the Negro is your brother. In the midst of blatant injustices inflicted upon the Negro, I have watched white churches stand on the sideline and merely mouth pious irrelevancies and sanctimonious trivialities. In the midst of a mighty struggle to rid our nation of racial and economic injustice. I have heard so many ministers say, "Those are social issues with which the Gospel has no real concern," and I have watched so many churches commit themselves to a completely, other-worldly religion which made a strange distinction between body and soul, the sacred and the secular.

So here we are moving toward the exit of the 20th century with a religious community largely adjusted to the *status quo*, standing as a tail light behind other community agencies rather than a headlight leading men to higher levels of justice.

I have traveled the length and breadth of Alabama, the Mississippi, and all the other Southern states. On sweltering summer days and crisp autumn mornings I have looked at her beautiful churches with their spires pointing heavenward. I have beheld the impressive outlay of her massive religious education buildings. Over and over again I have found myself asking: "Who worships here? Who is their God? Where were their voices when the lips of Governor Barnett dripped with words of interposition and nullification? Where were they when Governor Wallace gave the clarion call for defiance and hatred? Where were their voices of support when tired, bruised, and weary Negro men and women decided to rise from the dark dungeons of complacency to the bright hills of creative protest?"

Yes, these questions are still in my mind. in deep disappointment, I have wept over the laxity of the Church. But be assured that my tears have been tears of love. There can be no deep disappointment where there is not deep love. Yes, I love the Church; I love her sacred walls. How could I do otherwise? I am in the rather unique position of being the son, the grandson, and the great grandson of preachers. Yes, I see the Church as the body of Christ. But, oh! How we have blemished and scarred that body through social neglect and fear of being nonconformist.

There was a time when the Church was very powerful. It was during that period when the early Christians rejoiced when they were deemed worthy to suffer for what they believed. In those days the Church was not merely a thermometer that recorded the ideas and principles of popular opinion; it was a thermostat that transformed the mores of society. Wherever the early Christians entered a town the power structure got disturbed and immediately sought to convict them for being "disturbers of the peace" and "outside agitators." But they went on with the conviction that they were a "colony of heaven" and had to obey God rather than man. They were small in number but big in commitment. They were too God-intoxicated to be "astronomically intimidated." They brought an end to such ancient evils as infanticide and gladiatorial contest.

Things are different now. The contemporary Church is so often a weak, ineffectual voice with an uncertain sound. It is so often the arch-supporter of the status quo. Far from being disturbed by the presence of the Church, the power structure of the average community is consoled by the Church's silent and often vocal sanction of things as they are.

But the judgment of God is upon the Church as never before. If the Church of today does not recapture the sacrificial spirit of the early Church, it will lose its authentic ring, forfeit the loyalty of millions, and be dismissed as an irrelevant social club with no meaning for the 20th century. I am meeting young people every day whose disappointment with the Church has risen to outright disgust.

Maybe again I have been too optimistic. Is organized religion too inextricably bound to the status quo to save our nation and the world? Maybe I must turn my faith to the inner spiritual Church, the church within the Church, as the true ecclesia and the hope of the world. But again I am thankful to God that some noble souls from the ranks of organized religion have broken loose from the paralyzing chains of conformity and joined us as active partners in the struggle for freedom.

They have left their secure congregations and walked the streets of Albany, Georgia, with us. They have gone through the highways of the South on torturous rides for freedom. Yes, they have gone to jail with us. Some have been kicked out of their churches and lost the support of their bishops and fellow ministers. But they have gone with the faith that right defeated is stronger than evil triumphant. These men have been the leaven in the lump of the race. Their witness has been the spiritual salt that has preserved the true meaning of the Gospel in these troubled times. They have carved a tunnel of hope through the dark mountain of disappointment.

I hope the Church as a whole will meet the challenge of this decisive hour. But even if the Church does not come to the aid of justice, I have no despair about the future. I have no fear about the outcome of our struggle in Birmingham, even if our motives are presently misunderstood. We will reach the goal of freedom in Birmingham and all over the nation, because the goal of America is freedom. Abused and scorned though we may be, our destiny is tied up with the destiny of America.

Before the pilgrims landed at Plymouth, we were here. Before the pen of Jefferson etched across the pages of history the majestic words of the Declaration of Independence, we were here. For more than two centuries our foreparents labored in this country without wages; they made cotton "king"; and they built the homes of their masters in the midst of brutal injustice and shameful humiliation—and yet out of a bottomless vitality they continued to thrive and develop. If the inexpressible cruelties of slavery could not stop us, the opposition we now face will surely fail. We will win our freedom because the sacred heritage of our nation and the eternal will of God are embodied in our echoing demands.

I must close now. But before closing I am impelled to mention one other point in your statement that troubled me profoundly. You warmly commended the Birmingham police force for keeping "order" and "preventing violence." I don't believe you would have so warmly commended the police force if you had seen its angry violent dogs literally biting six unarmed, nonviolent Negroes. I don't believe you would have so quickly commended the policemen if you had observed their ugly and inhuman treatment of Negroes here in the city jail; if you had watched them push and curse old Negro women and young Negro girls; if you had seen them slap and kick old Negro men and young Negro boys; if you had observed them, as they did on two occasions, refuse to give us food because we wanted to sing our grace together. I'm sorry that I can't join you in your praise for the police department.

It is true that they have been rather disciplined in their public handling of the demonstrators. In this sense they have been rather publicly "nonviolent." But for what purpose? To preserve the evil system of segregation. Over the last few years I have consistently preached that nonviolence demands that the means we use must be as pure as the ends we seek. So I have tried to make it clear that it is wrong to use immoral means to attain moral ends. But now I must affirm that it is just as wrong, or even more so, to use moral means to preserve immoral ends. Maybe Mr. Connor and his policemen have been rather publicly nonviolent, as Chief Prichett was in Albany, Georgia, but they have used the moral means of nonviolence to maintain the immoral end of flagrant racial injustice. T. S. Eliot has said that there is no greater treason than to do the right deed for the wrong reason.

I wish you had commended the Negro sitinners and demonstrators of Birmingham for their sublime courage, their willingness to suffer, and their amazing discipline in the midst of the most inhuman provocation. One day the South will recognize its real heroes. They will be the James Merediths, courageously and with a majestic sense of purpose, facing jeering and hostile mobs and the agonizing loneliness that characterizes the life of the pioneer. They will be old, oppressed, battered Negro women, symbolized in a 72-year-old woman of Montgomery, Alabama, who rose up with a sense of dignity and with her people decided not to ride the segregated buses, and responded to one who inquired about her tiredness with ungrammatical profundity: "My feets is tired, but my soul is rested." They will be young high school and college students, young ministers of the Gospel and a host of the elders, courageously and nonviolently sitting in at lunch counters and willingly going to jail for conscience's sake. One day the South will know that when these disinherited children of God sat down at lunch counters they were in reality standing up for the best in the American dream and the most sacred values in our Judeo-Christian heritage, and thus carrying our whole nation back to great wells of democracy which were dug deep by the founding fathers in the formulation of the Constitution and the Declaration of Independence.

Never before have I written a letter this long (or should I say a book?). I'm afraid that it is much too long to take your precious time. I can assure you that it would have been much shorter if I had been writing from a comfortable desk, but what else is there to do when you are alone for days in the dull monotony of a narrow jail cell other than write long letters, think strange thoughts, and pray long prayers?

If I have said anything in this letter that is an overstatement of the truth and is indicative of an unreasonable impatience, I beg you to forgive me. If I have said anything in this letter that is an understatement of the truth and is indicative of my having a patience that makes me patient with anything less than brotherhood, I beg God to forgive me.

I hope this letter finds you strong in the faith. I also hope that circumstances will soon make it possible for me to meet each of you, not as an integrationist or a civil rights leader, but as a fellow clergyman and a Christian brother. Let us all hope that the dark clouds of racial prejudice will soon pass away, that the deep fog of misunderstanding will be lifted from our fear-drenched communities, and that in some not too distant tomorrow the radiant stars of love and brotherhood will shine over our great nation with all of their scintillating beauty.●

REPORT TO THE SPEAKER OF THE HOUSE FROM THE COMMITTEE ON THE BUDGET ON THE STATUS OF THE 1983 CONGRESSIONAL BUDGET

(Mr. JONES of Oklahoma asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

● Mr. JONES of Oklahoma. Mr. Speaker, pursuant to section 311(b) of the Congressional Budget Act I hereby submit for inclusion in the RECORD the current level of outlays, budget authority and revenues for fiscal year 1983:

HOUSE OF REPRESENTATIVES,
COMMITTEE ON THE BUDGET,
Washington, D.C., August 1, 1983.

Hon. THOMAS P. O'NEILL, Jr.,
Speaker, House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: On January 30, 1976, the Committee on the Budget outlined the procedure which it had adopted in connection with its responsibilities under Section

311 of the Congressional Budget Act of 1974 to provide estimates of the current level of revenues and spending. Pursuant to Committee rule 10, I am herewith transmitting the status report under H. Con. Res. 91, the First Concurrent Resolution on the Budget for Fiscal Year 1984. This report reflects the adjusted resolution of July 26, 1983, and the current CBO estimates of budget authority, outlays, and revenues based on all completed action on spending and revenue measures as of the close of legislative business July 29, 1983.

With best wishes,

Sincerely,

JAMES R. JONES,
Chairman.

REPORT TO THE SPEAKER OF THE U.S. HOUSE OF REPRESENTATIVES FROM THE COMMITTEE ON THE BUDGET ON THE STATUS OF THE FISCAL YEAR 1983 CONGRESSIONAL BUDGET ADOPTED IN H. CON. RES. 91—REFLECTING COMPLETED ACTION AS OF JULY 29, 1983

[In millions of dollars]

	Budget authority	Outlays	Revenues
Appropriate level	877,896	807,781	604,300
Current level	869,094	806,928	604,294
Amount under ceilings	8,802	853	6

BUDGET AUTHORITY

Any measure providing budget or entitlement authority which is not included in the current level estimate and that exceeds $8,802 million for fiscal year 1983, if adopted and enacted, would cause the appropriate level of budget authority for that year as set forth in H. Con. Res. 91 to be exceeded.

OUTLAYS

Any measure providing budget or entitlement authority which is not included in the current level estimate and that exceeds $853 million in outlays for fiscal year 1983, if adopted and enacted, would cause the appropriate level of budget authority for that year as set forth in H. Con. Res. 91 to be exceeded.

REVENUES

Any measure that would result in a revenue loss for fiscal year 1983, if adopted and enacted, would cause revenues to be less than the appropriate level for that year as set forth in H. Con. Res. 91.

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, D.C., August 1, 1983.

Hon. JAMES R. JONES,
Chairman, Committee on the Budget, U.S. House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to section 308(b) and in aid of section 311(b) of the Congressional Budget Act, this letter and supporting detail provide an up-to-date tabulation of the current levels of new budget authority estimated outlays and estimated revenues in comparison with the appropriate levels for those items contained in the most recently agreed to concurrent resolution on the 1983 budget (H. Con. Res. 91). This report for fiscal year 1983 is tabulated as of close of business July 29, 1983, and is based on our estimates of budget authority, outlays, and revenues using the assumptions and estimates consistent with H. Con. Res. 91.

Since my last report, Congress has completed action on H.R. 2973 to repeal interest and dividends tax withholding, and H.R. 3069, making 1983 Supplemental Appropriations. The budget resolution used in this comparison reflects the July 26, 1983 committee action making allocations of reserves under Section 2 of the budget resolution, H. Con. Res. 91.

[In millions of dollars]

	Budget authority	Outlays	Revenues
1. Enacted	864,291	804,511	604,400
2. Entitlement authority and other mandatory items requiring further appropriation action			
3. Continuing resolution authority			
4. Conference agreements ratified by both Houses	4,802	2,418	−106
Current level	869,094	806,928	604,294

[In millions of dollars]

	Budget authority	Outlays	Revenues
Second budget resolution, revised, H. Con. Res. 91	877,896	807,781	604,300
Current level is:			
Over resolution by	—	—	—
Under resolution by	8,802	853	6

Sincerely,

NANCY M. GORDON
(For Alice M. Rivlin, Director).

PARLIAMENTARIAN STATUS REPORT SUPPORTING DETAIL, FISCAL YEAR 1983 AS OF CLOSE OF BUSINESS JULY 29, 1983

[In millions of dollars]

	Budget authority	Outlays
I. Enacted:		
Permanent appropriations and trust funds	476,500	469,041
Enacted previous session	484,011	465,953
Offsetting receipts	−133,407	−133,407
Enacted this session:		
Economic Development Administration Deferral disapproval, H. Res. 74		5
DOE strategic petroleum reserve deferral disapproval, H. Res. 80		6
1983 supplemental jobs bill, Public Law 98–8	15,736	7,336
Offsetting receipts	−5,159	−5,159
Social Security Act Amendments of 1983, Public Law 98–21	26,610	731
MX missile approval, S. Con. Res. 26		50
Freeze tobacco support level, Public Law 98–59		−46
Total, enacted	864,291	804,511
II. Entitlement authority and other mandatory items requiring further appropriation action		
III. Continuing resolution authority		
IV. Conference agreements ratified by both Houses:		
1983 supplemental appropriations, H.R. 3069	7,065	4,681
Offsetting receipts	−2,263	−2,263
Total	4,802	2,418
Total, current level as of July 29, 1983	869,094	806,928
Second budget resolution H. Con. Res. 91	877,896	807,781
Amount remaining:		
Over ceiling		
Under ceiling	8,802	853

Note: Detail may not add due to rounding.●

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. STOKES (at the request of Mr. WRIGHT), for today, on account of a necessary absence.

SPECIAL ORDERED GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. BARTLETT) to revise and extend their remarks and include extraneous material:)

Mr. CORCORAN, for 10 minutes, today.

Mr. BEREUTER, for 5 minutes, today.

Mr. BEREUTER, for 5 minutes, on August 4.

Mr. JEFFORDS, for 10 minutes, today.

(The following Members (at the request of Mr. WISE) to revise and extend their remarks and include extraneous material:)

Mr. ANNUNZIO, for 5 minutes, today.

Mr. GONZALEZ, for 30 minutes, today.

Mr. ST GERMAIN, for 5 minutes, today.

Mr. WISE, for 60 minutes, today.

Mr. STRATTON, for 30 minutes, today.

Mr. BERMAN, for 5 minutes, today.

Mr. WIRTH, for 5 minutes, today.

Mr. LAFALCE, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. ERLENBORN, and to include extraneous matter, notwithstanding the fact that it exceeds two pages of the RECORD and is estimated by the Public Printer to cost $5,554.50.

Mr. AUCOIN, and to include therein extraneous material, notwithstanding the fact that it exceeds two pages of the RECORD and is estimated by the Public Printer to cost $1,328.

Mr. FORD of Michigan, during consideration of Senate amendments to H.R. 3394.

Mrs. JOHNSON, to revise and extend in the body of the RECORD and include extraneous material immediately following the vote on motion to recommit by Mr. TAUKE.

Mr. KEMP, to revise and extend on the amendment concerning protection of the Republic of China within the Asian Development Bank immediately after the remarks of the gentleman from California (Mr. PATTERSON).

(The following Members (at the request of Mr. BARTLETT) and to include extraneous matter:)

Mr. GINGRICH.

Mr. MADIGAN.

Mr. DAUB.

Mr. LUJAN.

Mr. RITTER.

Mr. COURTER in three instances.

Mr. GREEN.

Mr. HILLIS in two instances.

Mr. MCCANDLESS.

Mr. FIELDS.

Mr. MICHEL.

Mr. BILIRAKIS.

Mr. BROOMFIELD.

Mr. MARRIOTT.
Mr. BEREUTER.
Mr. PORTER.
Mr. GILMAN in two instances.
Mr. CONTE.
Mr. SNYDER.
Mr. CORCORAN in two instances.
Mr. SMITH of New Jersey.
Mr. SENSENBRENNER.
Mr. LOTT.

(The following Members (at the request of Mr. WISE) and to include extraneous matter:)

Ms. MIKULSKI.
Mr. MARKEY in two instances.
Mr. PEASE.
Mr. AUCOIN.
Mrs. SCHROEDER.
Mr. MCNULTY.
Mr. VENTO.
Mr. MAVROULES.
Mr. GEPHARDT.
Mr. MONTGOMERY.
Mr. HAMILTON.
Mr. COELHO.
Mr. MARTINEZ.
Mr. SIMON in two instances.
Mr. MORRISON of Connecticut in two instances.
Mr. HARRISON.
Mr. FLORIO in two instances.
Mr. RAHALL.
Mr. OTTINGER in two instances.
Mr. GORE.
Mrs. COLLINS.
Mr. MATSUI.
Mr. ROYBAL.
Mr. DYMALLY.
Mr. FAUNTROY.
Mr. ROE.
Ms. KAPTUR.
Mr. BRITT.
Mr. ANTHONY.
Mr. JONES of North Carolina in two instances.
Mr. MOLLOHAN.
Mr. BEDELL.
Mr. IRELAND.
Mr. HALL of Ohio.
Mr. RODINO.
Mr. WAXMAN.
Mr. FORD of Michigan.
Mr. DORGAN.
Mr. DYSON.
Mr. DOWNEY of New York.
Mr. STARK.
Ms. OAKAR.
Mr. MINETA in two instances.
Mr. BORSKI.
Mr. HUBBARD.
Mr. COLEMAN of Texas in two instances.
Mr. SCHEUER.
Mr. FRANK.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 727. An act to authorized the Secretary of the Interior to set aside certain judgment funds of the Three Affiliated Tribes of Fort Berthold Reservation in North Dakota, and for other purposes.

ENROLLED BILL SIGNED

Mr. HAWKINS, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title which was thereupon signed by the Speaker:

H.R. 2973. An act to promote economic revitalization and facilities expansion of economic opportunities in the Caribbean Basin region, to provide for backup withholding of tax from interest and dividends, and for other purpose.

ADJOURNMENT

Mr. WISE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to: accordingly (at 10 o'clock and 45 minutes p.m.), the House adjourned until tomorrow, Thursday, August 4, 1983, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1658. A letter from the Comptroller General of the United States, transmitting his review of the proposed rescissions and deferrals contained in the message from the President dated July 7, 1983, (H. Doc. No. 98-80), pursuant to sections 1014 (b) and (c) of Public Law 93-344 (H. Doc. No. 98-92); to the Committee on Appropriations and ordered to be printed.

1659. A letter from the Principal Deputy Secretary of the Army (Installations, Logistics, and Financial Management), transmitting notice of the decision to convert to contractor performance the laundry services at Fort Polk, La., pursuant to section 502(b) of the Public Law 96-342; to the Committee on Armed Services.

1660. A letter from the Principal Deputy Secretary of the Army (Installations, Logistics, and Financial Management), transmitting notice of the decision to convert to contractor performance the food service activity at Fort Sheridan, Ill., pursuant to section 502(b) of Public Law 96-342; to the Committee on Armed Services.

1661. A letter from the Principal Deputy Secretary of the Army (Installations, Logistics, and Financial Management), transmitting notice of the decision to convert to contractor performance the electronic and communication equipment maintenance and repair activity at Fort Sam Houston, Tex., pursuant to section 502(b) of Public Law 96-342; to the Committee on Armed Services.

1662. A letter from the District of Columbia Auditor, transmitting a report issued by his office entitled "Gross Revenue Taxes Relative to the Cable Television Communications Act of 1981," pursuant to section 455 of Public Law 93-198; to the Committee on the District of Columbia.

1663. A letter from the District of Columbia Auditor, transmitting a report issued by his office entitled "Revenue Report for June 1983," pursuant to section 455 of Public Law 93-198; to the Committee on the District of Columbia.

1664. A letter from the Secretary of Education, transmitting proposed final regulations regarding notice of final annual funding priority and geographical regions—centers and services for deaf-blind children, pursuant to section 431(d)(1) of the General Education Provisions Act, as amended; to the Committee on Education and Labor.

1665. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting copies of the agreement relating to cooperation in electrical energy between the American Institute in Taiwan and the Coordination Council for North American Affairs, pursuant to section 12(a) of Public Law 96-8; to the Committee on Foreign Affairs.

1666. A letter from the Inspector General, Department of Agriculture, transmitting notice of a proposed new records system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

1667. A letter from the Acting Director, Minerals Management Service, Department of the Interior, transmitting notice of proposed refund of excess royalty payments totaling $49,619 to the Arco Oil & Gas Co., pursuant to section 10(b) of the Outer Continental Shelf Lands Act of 1953; to the Committee on Interior and Insular Affairs.

1668. A letter from the Acting Director, Minerals Management Service, Department of the Interior, transmitting notice of the proposed refund of excess royalty payments totaling $59,096.53 to the Shell Oil Co., pursuant to section 10(b) of the Outer Continental Shelf Lands Act of 1953; to the Committee on Interior and Insular Affairs.

1669. A letter from the Acting Assistant Secretary of the Interior for Indian Affairs, transmitting a proposed plan for the use and distribution of the judgment funds awarded to the Mississippi and Lake Superior Bands of Chippewa Indians in dockets Nos. 18-C and 18-T, pursuant to section 2(a) and 4 of Public Law 93-134; to the Committee on Interior and Insular Affairs.

1670. A letter from the Assistant Secretary of the Interior for Indian Affairs, transmitting a proposed plan for the use and distribution of the judgment funds awarded to the Kenaitze Indian Tribe in docket No. 595-77 by the U.S. Court of Claims, pursuant to sections 2(a) and 4 of Public Law 93-134; to the Committee on Interior and Insular Affairs.

1671. A letter from the Counsel, National Council on Radiation Protection and Measurements, transmitting a financial audit including verification of assets and liabilities, surplus or deficit analysis, and income and expenses, pursuant to section 14(b) of Public Law 88-376; to the Committee on the Judiciary.

1672. A letter from the Secretary of Energy, transmitting the alternative funding plan for completing the Clinch River breeder reactor plant project recommended by the administration for consideration and action by Congress, pursuant to the conference report (97-980) accompanying the Further Continuing Appropriations Act for Fiscal Year 1983 (Public Law 97-377); jointly, to the Committees on Appropriations and Science and Technology.

1673. A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to withdraw and reserve for the Department of the Air Force certain public lands within the Nellis Air Force range, within Clark, Nye, and Lincoln Counties, Nev., for use as a training and

weapons testing area, and for other purposes; jointly, to the Committees on Armed Services and Interior and Insular Affairs.

1674. A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to withdraw and reserve for the Department of the Army certain public lands within the McGregor range, Otero County, N. Mex., for use as a training and weapons testing area and for other purposes; jointly, to the Committees on Armed Services and Interior and Insular Affairs.

1675. A letter from the Secretary of Health and Human Services, transmitting the annual report for fiscal year 1982 on actions taken to recruit and train Indians to quality for positions subject to preference under Indian preference laws, and on actions taken to place non-Indian employees of the Indian Health Service in other Federal positions, pursuant to section 2(d) and (e)(2) respectively of Public Law 96-135; jointly, to the Committees on Interior and Insular Affairs and Post Office and Civil Service.

1676. A letter from the Secretary of Health and Human Services, transmitting the Department's report on the physician exchange visitor program, pursuant to section 5(e) of Public Law 97-116; jointly, to the Committees on the Judiciary, Energy and Commerce, and Foreign Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HALL of Ohio. Committee on Rules. House Resolution 296. Resolution providing for the consideration of H.R. 2992, a bill to authorize appropriations for the fiscal years 1984 and 1985 for international security and development assistance and for the Peace Corps, and for other purposes. (Rept. No. 98-341). Referred to the House Calendar.

Mr. MOAKLEY: Committee on Rules. House Resolution 297. Resolution providing for the consideration of H.R. 3231, a bill to amend the authorities contained in the Export Administration Act of 1979, and for other purposes. (Rept. No. 98-342). Referred to the House Calendar.

Mr. BEILENSON: Committee on Rules. House Resolution 298. Resolution providing for the consideration of H.R. 2379, a bill to provide for the protection and management of the national park system, and for other purposes. (Rept. No. 98-343). Referred to the House Calendar.

Mr. FUQUA: Committee on Science and Technology. "The Consequences of Nuclear War on The global Environment." (Rept. No. 98-344). Referred to the Committee of the Whole House on the State of the Union.

Mr. LONG of Louisiana: Committee on Rules. House Resolution 299. Resolution providing for the consideration of H.R. 3391, a bill to improve worker training under the Trade Act of 1974, and for other purposes. (Rept. No. 98-345). Referred to the House Calendar.

Mr. PEPPER: Committee on Rules. House Resolution 300. Resolution providing for the consideration of H.R. 2453, a bill to amend the Board for International Broadcasting Act of 1973 to provide for radio broadcasting to Cuba. (Rept. No. 98-346). Referred to the House Calendar.

Mr. PEPPER: Committee on Rules. House Resolution 301. Resolution providing for the consideration of H.R. 2655, a bill to extend and improve the Domestic Volunteer Service Act of 1973. (Rept. No. 98-347). Referred to the House Calendar.

Mr. WHEAT: Committee on Rules. House Resolution 302. Resolution providing for the consideration of H.R. 1036, a bill to provide employment opportunities to long-term unemployed individuals in high unemployment areas in projects to repair and renovate vitally needed community facilities, and for other purposes. (Rept. No. 98-348). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BROYHILL:

H.R. 3749. A bill to provide for revision of the military retired or retainer pay of certain retired members of the Armed Forces who were called or ordered to active duty between October 1, 1963, and October 1, 1971; to the Committee on Armed Services.

By Mr. WIRTH (for himself, Mr. PERKINS, Mr. MILLER of California, Mr. DOWNEY of New York, Mr. GEPHARDT, Mr. KOGOVSEK, Mr. WALGREN, Mr. COELHO, Mr. DELLUMS, Mrs. BOGGS, Mr. FLORIO, Mr. MOAKLEY, Mr. SIMON, Mr. MINETA, Mr. FROST, Mr. FOLEY, Mr. MITCHELL, Mr. WILLIAMS of Montana, Mrs. HALL of Indiana, Mr. TORRICELLI, Mr. MATSUI, Mr. LELAND, Mr. MURTHA, Mr. EDWARDS of California, Mr. FRANK, Mr. BERMAN, Mr. FLIPPO, Mr. PATTERSON, Mr. STARK, Mr. NEAL, Mrs. SCHROEDER, Mr. SCHEUER, Mr. SHANNON, Mr. HOYER, Mr. MCHUGH, Mr. MARKEY, Mr. KILDEE, Mr. SEIBERLING, Mr. LEVIN of Michigan, Mr. PEPPER, and Mr. RATCHFORD):

H.R. 3750. A bill to provide assistance to local educational agencies and institutions of higher education to promote computer literacy among elementary and secondary school students and their teachers, and for other purposes; jointly, to the Committees on Education and Labor and Science and Technology.

By Mr. ERLENBORN:

H.R. 3751. A bill to provide for a limitation on cost-of-living increases in primary cash benefits under Federal pension, annuity, retirement, disability, workers' compensation, and similar plans which exceed in the aggregate a specified annual amount for each recipient; to the Committee on Government Operations.

H.R. 3752. A bill to improve the benefit structure, comparability, and financial soundness of the retirement and disability programs for the civilian employees of the Federal Government by requiring full actuarial funding of the civil service retirement and disability system, by establishing a more equitable and portable retirement structure for post-83 employees under a new Federal thrift plan with matching employer contributions and a revised set of defined benefits under the civil service retirement and disability system, taking into account benefits otherwise provided under the old-age, survivors, and disability insurance program under title II of the Social Security Act, and by providing a more defensible benefit structure as it relates to early retirement, cost-of-living adjustments, and deferred benefits for separated employees; jointly, to the Committees on Post Office and Civil Service, Education and Labor, and Ways and Means.

H.R. 3753. A bill to amend chapter 11 of subtitle II of title 31, United States Code, to provide for a general limitation, relating to wage increases received by workers in the national workforce, on the total increase which may occur in budgets submitted by the President annually in periodic cash benefits provided under Federal pension, annuity, retirement, disability, workers' compensation, and similar plans covering individuals in either the public or private sector, and for other purposes; jointly, to the Committees on Government Operations and Rules.

By Mr. CONTE:

H.R. 3754. A bill to amend the Impoundment Control Act of 1974 to provide for the disapproval, by law, of deferrals, and to amend the Rules of the House of Representatives with respect to the jurisdiction of the Committee on Appropriations; jointly, to the Committees on Rules and Government Operations.

By Mr. PICKLE:

H.R. 3755. A bill to amend title II of the Social Security Act to provide for reform in the disability determination process; to the Committee on Ways and Means.

By Mr. CORCORAN:

H.R. 3756. A bill to amend the Internal Revenue Code of 1954 to increase in three steps the deduction for net capital gains for individuals from 60 to 75 percent; to the Committee on Ways and Means.

H.R. 3757. A bill to amend the Internal Revenue Code of 1954 to reduce in five steps the maximum rate of income tax on corporations from 46 percent to 36 percent; to the Committee on Ways and Means.

By Mr. CORRADA:

H.R. 3758. A bill to provide land-grant status for the College of Agriculture and Mechanic Arts of the University of Puerto Rico, and for other purposes; to the Committee on Agriculture.

By Mr. HANCE:

H.R. 3759. A bill to amend the Internal Revenue Code of 1954 to allow an additional 10-percent investment tax credit for new, more efficient irrigation equipment; to the Committee on Ways and Means.

By Mr. KAZEN:

H.R. 3760. A bill to require that at least 20 percent of enterprise zones designated under any Federal law be areas that are adversely affected by the devaluation of the Mexican peso; to the Committee on Ways and Means.

By Mr. LUJAN:

H.R. 3761. A bill to reduce public safety hazards on federally built canals, laterals, and drains, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. MADIGAN (by request):

H.R. 3762. A bill to repeal the mandatory honey price-support program, and for other purposes; to the Committee on Agriculture.

By Mr. MAVROULES:

H.R. 3763. A bill to amend title 10, United States Code, to provide economic adjustment assistance in cases in which major defense contracts are terminated or reduced, and for other purposes; jointly, to the Committees on Armed Services and Education and Labor.

By Mr. PETRI:

H.R. 3764. A bill to amend the Internal Revenue Code of 1954 to encourage the pro-

duction of alcohol for fuel use by repealing the occupational tax on manufacturers of stills and condensers; to the Committee on Ways and Means.

By Mr. REID (for himself and Mrs. VUCANOVICH):

H.R. 3765. A bill to declare that the United States holds certain lands in trust for the Las Vegas Paiute Tribe; to the Committee on Interior and Insular Affairs.

By Mr. RICHARDSON:

H.R. 3766. A bill entitled: "The San Juan Basin Wilderness Protection Act of 1983"; to the Committee on Interior and Insular Affairs.

By Mr. RICHARDSON:

H.R. 3767. A bill to prohibit the Secretary of the Interior from issuing Federal coal leases prior to May 1, 1984, unless certain requirements are satisfied, to encourage certain exchanges of lands containing coal deposits, and to provide preconditions for the San Juan Basin lease sale, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. ST GERMAIN (for himself and Mr. WYLIE) (by request):

H.R. 3768. A bill to redefine "bank" for purposes of application of the Bank Holding Company Act of 1956, to equate unitary savings and loan holding company and multiple savings and loan holding company activities, and to apply the provisions of the Glass-Steagall Act equally to insured depository institutions; to the Committee on Banking, Finance and Urban Affairs.

By Mr. SKELTON:

H.R. 3769. A bill to amend title 18 of the United States Code to provide a criminal penalty for robbery of a controlled substance, and for other purposes; to the Committee on the Judiciary.

H.R. 3770. A bill to amend section 924(c) of title 18, United States Code, to strengthen existing mandatory penalties for using or carrying a firearm in the commission of a felony, and for other purposes; to the Committee on the Judiciary.

H.R. 3771. A bill to amend title 18 of the United States Code to reform the insanity defense, to establish a sentence of guilty but mentally ill, and for other purposes; to the Committee on the Judiciary.

H.R. 3772. A bill to establish constitutional procedures for the imposition of the sentence of death, and for other purposes; to the Committee on the Judiciary.

H.R. 3773. A bill to amend the Bail Reform Act of 1966 to authorize consideration of danger to the community in setting pretrial release conditions, to eliminate surety bond, to permit pretrial detention of certain offenders, and for other purposes; to the Committee on the Judiciary.

By Mr. SNYDER:

H.R. 3774. A bill providing for an orderly phase in of the coastwise laws with respect to the passenger trade between the United States and the Virgin Islands of the United States; to the Committee on Merchant Marine and Fisheries.

By Mr. TORRICELLI:

H.R. 3775. A bill to recognize the organization known as the Jewish War Veterans of the United States of America, Inc.; to the Committee on the Judiciary.

By Mr. YOUNG of Missouri:

H.R. 3776. A bill to authorize the Secretary of Energy to accept certain lands in St. Louis, Mo., to provide remedial action with respect to radioactive materials; jointly, to the Committees on Interior and Insular Affairs and Energy and Commerce.

By Mr. DERRICK (for himself, Mr. BENNETT, Mr. BOUCHER, Mr. BRITT, Mr. CAMPBELL, Mr. CLARKE, Mr. FASCELL, Mr. HARTNETT, Mr. HATCHER, Mr. HEFNER, Mr. JONES of North Carolina, Mrs. LLOYD, Mr. MACKAY, Mr. MONTGOMERY, Mr. NEAL, Mr. SPENCE, Mr. SPRATT, Mr. TALLON, Mr. VALENTINE, and Mr. WHITLEY):

H.R. 3777. A bill to grant the consent of the Congress to the Southeast interstate low-level radioactive waste management compact; jointly, to the Committees on Energy and Commerce and Interior and Insular Affairs.

By Mr. MARKEY (for himself, Mr. HORTON, Mr. COELHO, Mrs. SCHROEDER, Mr. MCKINNEY, Mr. MOAKLEY, Mr. UDALL, Mr. ST GERMAIN, Mr. HARKIN, Mr. BEDELL, and Mrs. BOXER):

H.R. 3778. A bill to require congressional consent before the introduction of U.S. combat forces into Central America; to the Committee on Foreign Affairs.

By Mr. RINALDO:

H.R. 3779. A bill to amend the Internal Revenue Code of 1954 to allow home equity conversions through sale-leaseback transactions; to the Committee on Ways and Means.

By Ms. OAKAR (for herself, Mr. CONTE, Mr. FEIGHAN, Mr. BERMAN, and Mr. RATCHFORD):

H. Res. 303. Resolution relating to justice in the case of the slain American churchwomen in El Salvador; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

238. By the SPEAKER: Memorial of the Legislature of the State of California, relative to a national public safety telecommunications policy; to the Committee on Energy and Commerce.

239. Also, memorial of the Senate of the State of Massachusetts, relative to members of the Baha'i faith; to the Committee on Foreign Affairs.

240. Also, memorial of the Legislature of the State of California, relative to the Santa Margarita project; to the Committee on Interior and Insular Affairs.

241. Also, memorial of the Senate of the State of Massachusetts, relative to political asylum for Dennis Brutus of South Africa; to the Committee on the Judiciary.

242. Also, memorial of the Senate of the State of Massachusetts, relative to a comprehensive catastrophic illness medical service plan; jointly, to the Committees on Ways and Means and Energy and Commerce.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. SCHUMER introduced a bill (H.R. 3780) for the relief of Morris and Lenke Gelb; which was referred to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 100: Mr. WHITEHURST.

H.R. 132: Mr. GREEN.

H.R. 625: Mr. CRAIG, Mr. BATEMAN, Mr. ROBINSON, Mr. CORCORAN, Mr. SLATTERY, Mr. JEFFORDS, Mr. MORRISON of Washington, Ms. FERRARO, Mr. MOODY, Mr. MCEWEN, Mr. TAYLOR, Mr. LAFALCE, Mr. LEACH of Iowa, Mr. JACOBS, Mr. SAWYER, Mr. ALBOSTA, and Mr. THOMAS of California.

H.R. 676: Mr. MATSUI.

H.R. 1065: Mr. FRANK, Mr. DELLUMS, Mr. CORRADA, Mr. LELAND, Mr. KILDEE, Ms. OAKAR, Mr. MITCHELL, Mr. BONIOR of Michigan, Mrs. BOXER, Mr. FORD of Tennessee, Mr. CROCKETT, and Mr. STOKES.

H.R. 1144: Mr. SOLARZ.

H.R. 1199: Mr. BARTLETT.

H.R. 1307: Mr. MOAKLEY.

H.R. 1357: Mr. TRAXLER.

H.R. 1415: Mr. DERRICK and Mr. MYERS.

H.R. 1676: Mr. SHANNON.

H.R. 1706: Mr. MICA and Mr. ZABLOCKI.

H.R. 1743: Mr. LEVINE of California, Mr. JACOBS, Mr. MILLER of California, Mr. FOGLIETTA, Mr. APPLEGATE, Mr. HUGHES, Mr. BEDELL, Mr. KOLTER, Mr. ROYBAL, Mr. MURTHA, and Mr. MURPHY.

H.R. 1870: Mr. OXLEY, Mr. DURBIN, and Mr. HARKIN.

H.R. 1914: Mr. TALLON, Mr. WIRTH, Mr. KRAMER, Mr. MORRISON of Connecticut, Mr. WEISS, and Mrs. COLLINS.

H.R. 1943: Mr. FAZIO.

H.R. 1955: Mr. EMERSON, Mr. HALL of Ohio, Mr. KINDNESS, Mr. LEHMAN of Florida, Mr. STENHOLM, and Mr. DONNELLY.

H.R. 1984: Mr. BARNES and Mr. TALLON.

H.R. 1991: Mr. BEREUTER.

H.R. 2053: Mr. RATCHFORD.

H.R. 2097: Mr. CONYERS, Mr. LOWERY of California, Mr. MCKINNEY, Mr. RICHARDSON, Mr. MCGRATH, and Mr. HORTON.

H.R. 2124: Mr. PHILIP M. CRANE, Mr. MOLLOHAN, Mr. MARLENEE, Mr. KRAMER, Mrs. ROUKEMA, Mr. BARTLETT, Mrs. SCHROEDER, Mr. EDWARDS of Alabama, Mr. YOUNG of Alaska, Mr. DERRICK, Mr. SNYDER, Mr. WHITTEN, Mr. HAMMERSCHMIDT, Mr. PACKARD, Mrs. LLOYD, Ms. FIEDLER, and Mr. JONES of Tennessee.

H.R. 2225: Mr. HOYER.

H.R. 2568: Mr. SENSENBRENNER, Mr. OTTINGER, and Mr. BERMAN.

H.R. 2589: Mr. ROBERTS and Mr. TALLON.

H.R. 2715: Mrs. BOXER.

H.R. 2750: Mrs. HALL of Indiana and Mr. GEJDENSON.

H.R. 2759: Mr. NEAL, Mr. JONES of Tennessee, and Mrs. COLLINS.

H.R. 2791: Mr. MATSUI, Mr. OWENS, Mr. YOUNG of Alaska, Mr. MILLER of Ohio, Mr. STOKES, Mr. FAZIO, Mr. SMITH of Florida, Mr. MURTHA, Mr. TORRICELLI, Mr. MCGRATH, Mr. MITCHELL, Mr. OBERSTAR, and Mrs. MARTIN of Illinois.

H.R. 2820: Mr. DOWNEY of New York, Mr. DAVIS, Mr. PURSELL, and Mr. STENHOLM.

H.R. 2875: Mr. MYERS.

H.R. 2876: Mr. BRYANT.

H.R. 2883: Mr. WILSON, Mr. HORTON, Mr. MCCOLLUM, Mr. PURSELL, Mr. LAFALCE, and Mr. STUDDS.

H.R. 2916: Mr. BEREUTER.

H.R. 2977: Mr. SMITH of New Jersey.

H.R. 2991: Mr. MCHUGH, Mr. MURTHA, and Ms. FERRARO.

H.R. 3043: Mr. HALL of Ohio and Mr. BONIOR of Michigan.

H.R. 3058: Mr. OBERSTAR, Mr. LONG of Maryland, Mr. BEILENSON, Mr. TOWNS, Mr. DOWNEY of New York, Mr. LEHMAN of California, Mr. FASCELL, Mr. BERMAN, Mr. GLICKMAN, Mr. WEAVER, Mr. GEJDENSON, Mr. SMITH of Florida, Mr. LEVINE of California, Mr. EDGAR, Mr. FRANK, Mr. MRAZEK, Mr. MCCURDY, Mr. BORSKI, Mr. EDWARDS of Cali-

fornia, Mr. RAHALL, Mr. HUGHES, Mr. ROE, Mr. SIMON, Mr. RICHARDSON, Mr. STOKES, Mr. EVANS of Illinois, Mr. ROYBAL, Mr. WYDEN, Ms. KAPTUR, Mr. HARRISON, Mr. CONYERS, and Mr. ECKART.

H.R. 3072: Mr. MOAKLEY.

H.R. 3075: Mr. TALLON and Mr. MCDADE.

H.R. 3094: Mr. CONYERS.

H.R. 3095: Mr. ROBERT F. SMITH, Mr. LANTOS, Mr. FAZIO, Mr. LEVINE of California, Mr. PATTERSON, Mr. MARKEY, Mr. MAVROULES, Mr. DYMALLY, and Mr. MARTINEZ.

H.R. 3098: Mr. MARTINEZ.

H.R. 3141: Mr. TALLON, Mrs. HALL of Indiana, and Mr. MORRISON of Connecticut.

H.R. 3175: Mrs. BURTON of California and Mr. FORD of Tennessee.

H.R. 3181: Mr. PORTER, Mr. PACKARD, Mr. DUNCAN, Mr. CHAPPELL, Mrs. ROUKEMA, and Mr. DAUB.

H.R. 3238: Mr. RUSSO.

H.R. 3240: Mr. O'BRIEN, Mr. REGULA, Mr. YATRON, Mr. HOYER, Mr. DAUB, Mr. LANTOS, Mr. EMERSON, Mr. MCGRATH, Mr. MCEWEN, Mr. GILMAN, Mr. SCHEUER, Mr. TALLON, Mr. CHANDLER, Mr. MINISH, Mr. MRAZEK, Mr. WON PAT, Mr. BOEHLERT, Mr. SLATTERY, Mr. BIAGGI, Mr. SIEBERLING, Mr. MCCURDY, Mr. DOWNEY of New York, Mr. CONABLE, and Mr. DAVIS.

H.R. 3244: Mr. ACKERMAN, Mr. BATES, Mr. BEDELL, Mr. BEILENSON, Mr. BOEHLERT, Mr. BOSCO, Mrs. BOXER, Mr. BROWN of California, Mr. BRYANT, Mrs. COLLINS, Mr. CONYERS, Mr. D'AMOURS, Mr. DELLUMS, Mr. DOWNEY of New York, Mr. DWYER of New Jersey, Mr. DYMALLY, Mr. EDGAR, Mr. EDWARDS of California, Mr. FAUNTROY, Mr. FAZIO, Mr. FISH, Mr. FRANK, Mr. GEJDENSON, Mr. GLICKMAN, Mr. GRAY, Mr. JEFFORDS, Ms. KAPTUR, Mr. KASTENMEIER, Mr. LEVINE of California, Mr. MCCANDLESS, Mr. MCCOLLUM, Mr. MACK, Mr. MACKAY, Mr. MARKEY, Mr. MATSUI, Mr. MINETA, Mr. MITCHELL, Mr. MRAZEK, Mr. NEAL, and Mr. NICHOLS.

H.R. 3252: Mr. SAM B. HALL, JR., MR. MARLENEE, and Mr. CHAPPELL,

H.R. 3257: Mr. FRANKLIN, Mr. DANIEL B. CRANE, Mr. SUNDQUIST, Mr. HARTNETT, Mr. REGULA, Mr. TOWNS, Mr. LIVINGSTON, and Mr. DAUB.

H.R. 3302: Mr. BEREUTER and Mr. DANNEMEYER.

H.R. 3305: Mr. STRATTON and Mr. HEFTEL of Hawaii.

H.R. 3318: Mr. BEREUTER, Mr. PORTER, and Mr. FASCELL.

H.R. 3354: Ms. FERRARO, Mr. KASICH, Mr. MRAZEK, Mr. PATTERSON, Mr. DENNY SMITH, Mr. BEREUTER, Mr. HILLIS, and Mr. MOLLOHAN.

H.R. 3358: Mrs. JOHNSON, Mr. BRITT, Mr. MITCHELL, and Mrs. HALL of Indiana.

H.R. 3380: Mr. WEISS, Mr. BONIOR of Michigan, Mr. JACOBS, Mrs. SCHNEIDER, Mr. SIKORSKI, and Mr. DELLUMS.

H.R. 3413: Mr. HUBBARD.

H.R. 3433: Mr. SOLARZ, Mr. EVANS of Iowa, Mr. MURTHA, Mr. DAVIS, and Mr. ECKART.

H.R. 3498: Mr. SMITH of Florida, Mr. BOUCHER, Mr. BROWN of California, Mr. HOWARD, Mr. STOKES, Mr. RANGEL, Mr. LEHMAN of Florida, Mr. EDGAR, Mr. LAFALCE, Mr. WAXMAN, Mr. FAZIO, Mr. ECKART, Mrs. BOXER, and Mr. TOWNS.

H.R. 3526: Mr. OBERSTAR, Mr. YOUNG of Alaska, Mr. CONTE, Mr. WHITEHURST, Mr. LEATH of Texas, Mr. BONIOR of Michigan, Mr. DOWNEY of New York, Mr. HIGHTOWER, Mr. MCDONALD, Mr. KEMP, Mr. BROYHILL, Mr. SISISKY, Mr. UDALL, Mr. HOWARD, Mr. NICHOLS, Mr. WOLF, Mr. REID, Mr. DANIEL, Mrs. HOLT, Mr. HUTTO, Mrs. BOXER, Mr. VANDERGRIFF, Ms. FERRARO, Ms. MIKULSKI, Mr. EDGAR, Mr. RATCHFORD, Mr. BEVILL, Mr. BEDELL, Mrs. SCHNEIDER, and Mr. STOKES.

H.R. 3546: Mr. JACOBS, Mr. BEREUTER, Mr. PORTER, and Mr. DENNY SMITH.

H.R. 3586: Mr. MILLER of Ohio.

H.R. 3621: Mr. DORGAN, Mr. ROGERS, Mr. BIAGGI, Mr. REID, and Mr. ENGLISH.

H.R. 3642: Mr. HUBBARD, Mr. SCHEUER, Mr. WOLPE, Mr. SHANNON, Mrs. HOLT, Mr. OBERSTAR, Mr. STARK, Mr. FRENZEL, Mr. LOWRY of Washington, Mr. MARTIN of North Carolina, and Mr. DYMALLY.

H.J. Res. 1: Mr. BROOMFIELD.

H.J. Res. 93: Mr. HAMILTON, Mr. LONG of Louisiana, Mr. MURTHA, Mr. TRAXLER, Mr. ZABLOCKI, Mr. GAYDOS, Mr. YATRON, Mr. KOLTER, Mr. CLAY, Mr. GEPHARDT, Mr. EARLY, Mr. COELHO, Mr. BOUCHER, Mr. CHAPPELL, Mr. HUTTO, Mr. FUQUA, Mr. MOODY, Mrs. LLOYD, Mr. ECKART, Mr. KOGOVSEK, Mr. GORE, Mr. LELAND, Mr. GRAY, Mr. PATTERSON, Mr. KAZEN, Mr. HEFNER, Mr. SHELBY, Mr. BONER of Tennessee, Mr. OBEY, Mr. DURBIN, Mr. TORRICELLI, Mr. HOWARD, Mr. KILDEE, Mr. MARKEY, Mr. KOSTMAYER, Mr. BEDELL, Mr. BONIOR of Michigan, Mr. DORGAN, Mr. PEASE, and Mr. HOYER.

H.J. Res. 100: Mr. SHUSTER, Mr. MADIGAN, Mr. CRAIG, Mr. SAM B. HALL, JR Mr. BARTLETT, Mr. MCCAIN, Mr. STANGELAND, Mr. SUNIA, Mr. KASICH, Mr. LIVINGSTON, Mr. ROBERTS, Mr. LOEFFLER, Mr. MCCANDLESS, Mr. TAUZIN, Mrs. VUCANOVICH, and Mr. CORRADO.

H.J. Res. 103: Mr. AKAKA and Mr. COOPER.

H.J. Res. 105: Ms. OAKAR.

H.J. Res. 200: Mr. MOLLOHAN, Mr. CARPER, Ms. KAPTUR, Mr. ANDERSON, Mr. WALGREN, Mr. COELHO, Ms. OAKAR, Mr. BONIOR of Michigan, Mr. BURTON of Indiana, and Mr. WAXMAN.

H.J. Res. 260: Mr. PURSELL, Mr. FORSYTHE, Mr. YOUNG of Missouri, and Mr. STUMP.

H.J. Res. 277: Mr. BLILEY, Mr. FRENZEL, Mr. MINETA, and Mr. BILIRAKIS.

H.J. Res. 295: Mr. BEREUTER, Mr. CONTE, Mr. MAZZOLI, and Mr. WEAVER.

H.J. Res. 317: Mr. GREEN, Mr. DOWNEY of New York, Mr. JEFFORDS, Mr. PRITCHARD, Mr. DASCHLE, Mr. FRANK, Mr. HANCE, Mr. SMITH of Florida, Mr. CONYERS, Mrs. BOXER, Ms. KAPTUR, Mr. ADDABBO, Mr. WAXMAN, Mr. FLORIO, Mr. GILMAN, Ms. MIKULSKI, Mr. PANETTA, Mr. ERDREICH, Mr. BARNES, Mr. DE LUGO, Mr. ROE, Mr. LEVINE of California, Mr. GEPHARDT, Mr. HERTEL of Michigan, Mr. HANSEN of Idaho, Mr. BRYANT, Mr. HYDE, Mr. ROSE, Mr. RICHARDSON, Mr. WOLPE, Mr. MCNULTY, Mr. SIMON, Mr. FORSYTHE, Mr. RATCHFORD, Mr. VANDERGRIFF, Mr. TOWNS, Mr. VENTO, Mr. WYDEN, Mr. FROST, Mr. BIAGGI, Mr. STOKES, Mr. CORRADA, Mr. HOYER, Mr. BEILENSON, Mr. CLINGER, Mr. DWYER of New Jersey, Mr. BADHAM, Mr. SOLARZ, Mr. HORTON, Mr. LELAND, Mr. WORTLEY, Mr. HUGHES, Mr. SENSENBRENNER, Mr. DYMALLY, Mr. BEVILL, Mr. HATCHER, Mr. WON PAT, Mr. FOLEY, Mr. FAUNTROY, Mr. FISH, Mr. ANDREWS of Texas, Mr. HEFTEL of Hawaii, Mr. D'AMOURS, Mr. MCGRATH, Mr. FRENZEL, Mr. NELSON of Florida, Mr. SABO, Mr. KOGOVSEK, Mr. LANTOS, Mr. CONABLE, Mr. RANGEL, Mr. MCDADE, Mr. MURPHY, Mr. MINETA, Mr. HAMMERSCHMIDT, Mr. MATSUI, Mr. HAWKINS, Mr. WEAVER, Mr. HUTTO, Mr. RODINO, Mr. ACKERMAN, Mr. FAZIO, Mr. LONG of Maryland, Mr. LOWERY of California, Mr. DELLUMS, Mr. BARNARD, Mr. HARRISON, Mr. CROCKETT, Mr. DE LA GARZA, Mr. LAFALCE, and Mr. MARRIOTT.

H.J. Res. 329: Mr. DASCHLE, Mr. FAUNTROY, Mr. FRANK, Mr. HOWARD, Mr. BROYHILL, Mr. FROST, Mr. CROCKETT, Mr. PATMAN, Mr. BARNES, Mr. QUILLEN, Mr. FORD of Tennessee, Mr. MAZZOLI, Mr. ROE, Mr. DWYER of New Jersey, Mr. FORSYTHE, Mr. WON PAT, Mr. KASICH, Mr. MCNULTY, Mr. WORTLEY, Mr. WHITTAKER, Mr. BERMAN, Mr. YATRON, Mr. JENKINS, Mr. ARCHER, Mr. MCGRATH, Mr. BETHUNE, Mr. TORRICELLI, Mr. SMITH of Florida, Mr. BROWN of California, Mr. RANGEL, Mr. TALLON, Mr. EDGAR, Mr. RICHARDSON, Mr. WOLF, Mr. HUGHES, Mr. GREEN, Mr. DANIEL, Mr. MOLLOHAN, Mr. HANSEN of Utah, and Ms. MIKULSKI.

H. Con. Res. 43: Mr. MORRISON of Washington and Mr. HORTON.

H. Con. Res. 93: Mr. FRANK, Mr. D'AMOURS, and Mr. COELHO.

H. Con. Res. 121: Mr. BIAGGI, Mr. MRAZEK, Mr. ACKERMAN, Mr. GEJDENSON, Mr. WOLPE, Mr. NEAL, Mr. MARTINEZ, Mr. MARKEY, and Mr. GRAY.

H. Res. 215: Mr. ARCHER.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

184. By the SPEAKER: Petition of the city council, Ypsilanti, Mich., relative to the Cable Telecommunications Act of 1983; to the Committee on Energy and Commerce.

185. Also, petition of the National Apostolate of Maronites, San Antonio, Tex., relative to peace in Lebanon; to the Committee on Foreign Affairs.

186. Also, petition of the Republican Hispanic Assembly of California, Los Angeles, Calif., relative to peace and freedom in Central America; to the Committee on Foreign Affairs.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 2867

By Mr. TAUZIN:

—SEC. 21. Section 3004 is amended by inserting the following at the end thereof:

"(k) MINIMUM REQUIREMENTS FOR CERTAIN FACILITIES.—

"(1)(A) Except as provided in Subparagraph (B), each landfill or surface impoundment for which an application for a permit under Section 3005(c) is received by the Administrator after the date of the enactment of the Hazardous Waste Control Enforcement Act of 1983, shall be required (as a condition of receiving such permit) to be double lined and to monitor ground water.

"(B) With respect to each landfill or surface impoundment containing those solid wastes subject to the study required under section 8002 (f), (n), or (p) and which landfill or surface impoundment becomes subject to regulation under this subchapter, standards promulgated under subsection (A) for such facility shall require the monitoring of groundwater and such other standards as the Administrator may determine are necessary to assure the protection of human health and the environment; and".

By Mr. TORRES:

—Page 28, after line 22, insert:

(e) HEALTH EFFECTS STUDIES.— Section 3005 is amended by adding the following new subsection after subsection (g):

"(h) HEALTH EFFECTS STUDIES.—(1) Each landfill which is operating pursuant to a permit under this section (or for which a permit is treated as having been issued

under subsection (e)) shall be required by the Administrator (or the State in the case of an authorized State program under section 3006) to conduct a health risk study for the affected community of the hazardous waste associated with such landfill (including hazardous waste transported to or released from the landfill). The study shall include a statistical analysis of the present and future health risks for individuals residing or working in the affected community. Such study shall include an analysis of health risks associated with all pollutant pathways through which hazardous waste may reach individuals in the affected community. Not later than one year after the date of the enactment of this subsection (or after the commencement of operations of the landfill, if later), the results of each such study shall be made available to the public and shall be submitted to the Administrator and to the appropriate State authorities for the State in which the landfill is located. The study shall be periodically updated as determined by the Administrator.

"(2) For purposes of the study under this subsection, the affected community shall consist of individuals residing or working within such distance of the landfill as the Administrator determines to be appropriate based on a site specific analysis, except that in all cases, the surrounding community shall be treated as including at least those individuals residing or working within a 2.5 mile radius of the landfill. The Administrator shall specify the surrounding communty for each landfill refererd to in paragraph (1) as promptly as practicable after the date of the enactment of this Act.".

EXTENSIONS OF REMARKS

THE KGB: THE REAL ENEMY—PART THREE

HON. ROBERT H. MICHEL
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 3, 1983

● Mr. MICHEL. Mr. Speaker, today I am inserting in the RECORD the final part of a New York times series on the KGB. This part deals with KGB manipulation and exploitation of various "peace" groups in Europe. The Times states that while Western counterintelligence experts do not say these movements are creations of the KGB, they do say that the peace movement itself is "seen as an unusual target of opportunity for a full range of Soviet influence, extending beyond the KGB."

At this point, I wish to insert in the RECORD part three of "Tracking the KGB." This part is titled, "KGB Officers Try To Infiltrate Antiwar Groups" by John Vinocur, the New York Times, Tuesday, July 26, 1983.

The article follows:

[From the New York Times, July 26, 1983]

K.G.B. OFFICERS TRY TO INFILTRATE ANTIWAR GROUPS

(By John Vinocur)

COPENHAGEN.—Over the last two years, the Danish and Swiss governments have exposed attempts by ostensible Soviet diplomats, actually K.G.B. officers, to influence or buy their way into groups trying to block deployment of new medium-range missiles in Western Europe.

The cases are the best evidence offered by Western counterintelligence officers who believe that the Soviet espionage agency's highest priorities in Western Europe include attempts to exploit the disarmament movement.

The counterintelligence experts are quick to acknowledge that there are hundreds of thousands of people who oppose nuclear weapons and are not dupes of the K.G.B., of the local Communist Party or of the Soviet Union in any way.

Nowhere is the antinuclear movement regarded as a creation of Soviet policy. Rather, it is seen as an unusual target of opportunity for a full range of Soviet influence, extending beyond the K.G.B.

But in trying to demonstrate the Soviet efforts convincingly, Western officials run into problems. One is a reluctance to prosecute citizens involved in the antinuclear movement—where the K.G.B. has been conspicuously present—because of risks of domestic political backlash.

In 1981, when the Danish Government ousted a Soviet diplomat, identified as a major in the K.G.B., for trying to buy a place in the debate on nuclear weapons here, a Dane was arrested in the case but not prosecuted.

Danish disarmament groups described the whole affair as an attempt to defame them.

Something similar happened in Switzerland this spring. The Government closed the Bern bureau of Novosti, the Soviet press-feature agency, threw out its local chief and forced withdrawal of a Soviet diplomat it said was the K.G. B. officer responsible for overseeing Novosti's local operations.

The Swiss explanation for the action was that the Novosti staff had grossly interfered in Swiss affairs, notably the antinuclear movement.

However, two Swiss citizens were not charged although they were named in Federal Attorney's documents as having assisted Novosti.

EXCESSIVE REACTION CHARGED

The complaints in Switzerland, which is neutral, were the same as those in Denmark, which is a member of the Atlantic alliance. Critics said that the Government had overreacted, that its case was thin and that thousands of decent and loyal citizens had been tainted only because they were active in disarmament activity.

Beyond domestic political sensitivities, another problem acknowledged by counterespionage officials is the fuzziness of Soviet involvement in what the K.G.B. calls "active measures"—operations to create a political effect abroad, as opposed to collection of information on weapons, politics and technology.

Last year in Congressional testimony, the United States Central Intelligence Agency acknowledged its difficulties and echoed those of other Western intelligence services.

"Political influence operations are the most important but least understood of Soviet active measures," it said. "They are difficult to trace and to deal with because they fall into the gray areas between a legitimate exchange of ideas and an active measures operation."

Last March, the Federal Bureau of Investigation said in a report to a Congressional committee:

"We do not believe the Soviets have achieved a dominant role in the U.S. peace and nuclear freeze movements or that they directly control or manipulate the movement."

The F.B.I. added: "It is extremely difficult to determine the extent to which various peace organizations and coalitions are being influenced or manipulated by the Soviet Union."

KEY ROLE FOR LOCAL COMMUNISTS

In Western Europe, a number of counterintelligence officials say that the attempts to exert influence are handled for the most part by the local Communist Party.

Soviet influence on the movements does exist, they say, but it is often—in a juridical sense—entirely legal. There is no reason for K.G.B. agents to tread where local Communist Party agents can carry out instructions of the International Department of the Soviet Communist Party's Central Committee—the body in Moscow that also coordinates the K.G.B.'s tasks and priorities.

An internal briefing paper prepared in June by the West German Interior Ministry sought to evaluate Soviet intelligence involvement with the disarmament groups.

"In the Federal Republic," it said, "the Soviet Union has at its disposal for the advancement of its goals the German Communist Party (D.K.P.) and the linked organizations ready to serve it. The D.K.P. acts either in its own name, or in those of its related or influenced organizations, to bring the interests and directives of the Soviet Union into the planning and content of the actions of the peace movement in the Federal Republic."

The Bonn briefing paper went on:

"They have this opportunity because they have been allowed into the coordination and planning organizations of the 'peace movement' and have been able to create an audience and consideration. All experience shows that they are able to expressly hinder the acceptance or dissemination of positions that do not fit the political conception of the Soviet Union. As a result of the availability of the D.K.P. for the advancement of Soviet goals in relation to the 'peace movement,' there is no necessity for the direct intervention of the intelligence apparatus."

SENSITIVE TOPICS MANIPULATED

There are examples of the West German Interior Ministry's contention that the West German Communists are able to block discussion of matters uncomfortable to Soviet Union.

In April last year, members of the Green Party attending the final organizational meeting for a large demonstration against President Reagan and NATO during a summit meeting in Bonn, accused the West German Communist Party and its friends of dominating the proceedings.

United States policy around the world was condemned by the Germans and motions against Soviet interference in Poland and Afghanistan were rejected.

The positions—those to be officially supported at the demonstration—were so unbalanced that some members of the Green Party said they were considering staying away from the rally.

They did attend but with their own banners and orders of the day.

The security agency of the Netherlands, in a confidential paper prepared for a meeting of NATO security officials late in 1981, linked the International Department of the Soviet Communist Party and the Communist Party of the Netherlands in a coordinated effort to influence the nuclear attitudes of Dutch church groups.

'INSTRUCTIONS FROM MOSCOW'

Directly dealing with the K.G.B., it said, "It is known that K.G.B. officers in the Netherlands have received instructions from Moscow to promote protests against the neutron bomb, but it is difficult to ascertain how they have put these instructions into practice."

The Dutch security agency, however, documented a K.G.B. forgery, sent to activists, newspapers and politicians that purported to be a U.S. military paper revealing that the United States Pershing 2 and cruise missiles were part of a strategy aimed at

---

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

making a limited nuclear war in Europe possible.

According to an American intelligence specialist, the decisive point for the Soviet effort to block deployment will come in the fall, when West European countries expect violent confrontations with demonstrators.

"The question then," he said, "will be how hard the K.G.B. pushes. We know it has catalogues of shouters, marchers, street fighters, bomb throwers and killers it could turn loose. They can pick one from Column A, another from Column B. They could arrange a provocation, have a demonstrator shot with a stolen U.S. Army .45, or any number of things. Those are K.G.B. jobs and serious business. The only question for them is evaluating the margin of risk of a potential backfire and the possibility of satisfactory yield."

'AGENTS OF INFLUENCE' IN THE WEST

Stanislav Levchenko, a K.G.B officer who defected to the United States in 1979, goes along with the view that the Soviet Union does exert influence in the West through Western Communist parties. But he also offers the view that it would be totally out of character for the K.G.B. to fail to concentrate on running "agents of influence"—often people willing to defend Soviet positions without formal recruitment—who can guide public positions of groups opposed to nuclear weapons.

"I think that 99.9 percent of the people active in the peace organizations are honest," Mr. Levchenko said in an interview, adding in regard to aspirations of the Soviet officials: "But they want a leader or two. They want somebody who stays late to write out the platform when they go home to bed. Those people stay busy. Sometimes it's just a slogan. But the degree of Soviet success so far has been great. The buildup of criticism on nuclear weapons by these groups has gone basically in only one direction—against NATO."

Mr. Levchenko's emphasis on a single slogan relates to what a Soviet defector has told Western intelligence officers about the K.G.B.'s efforts to turn the phrase "Neutron Carter" into a refrain in Western editorials. This was during the Soviet campaign in the late 1970's as the United States discussed developing and deploying neutron weapons as a shield against Soviet tanks.

In the same manner, there is some speculation, based on circumstantial evidence, that the phrase "No New Missiles in Europe" has been pushed in the same kind of campaign. The slogan tacitly accepts the presence of Soviet SS-22 medium-range missiles while condemning United States Pershing 2 and cruise missiles counterweapons, still to be deployed.

Experts said the slogan was first seen in 1981 on placards distributed by Communist front organizations in West Germany. It has reappeared since then, most recently in May on a banner in the German language—presumably for West German television audiences—at a demonstration in Williamsburg, Va., during a summit meeting of industrial nations.

The slogan appeared in Paris in June when Charles Fiterman, a Communist who is Minister of State for Transportation, spoke at a pacifist rally of 100,000 people.

Mr. Levchenko used the figure $200 million in describing Soviet outlays in the campaign against the neutron weapon. That campaign was regarded by the K.G.B. as a remarkable success. The weapon was not deployed.

Questions are frequently posed in West European parliaments about the financing of the present antinuclear movements. But the clearest figure advanced, like the one offered by Mr. Levchenko, is short on documentation.

The C.I.A. has described the World Peace Council, a Soviet front, as receiving over half the $63 million it estimates Moscow provided in 1980 to "its 13 major international fronts."

EVIDENCE OF SOVIET INVOLVEMENT

There are detailed examples of the Soviet intelligence agency's direct involvement in trying to manipulate the antinuclear movement.

In 1981, Denmark expelled Vladimir Merkulov, a second secretary of the Soviet Embassy who was identified as a K.G.B. major and head of Line PR, or the field section conducting active measures in Copenhagen operation. The action centered on a Dane, Arne Herlov Petersen, described as an "agent of influence" for Moscow.

According to Danish counterintelligence sources, Mr. Petersen, a journalist and writer, was recruited by Mr. Merkulov's predecessors and turned into an informant. He reported on the Danish left-wing movement and what the Justice Ministry described as "so-called progressive journalists."

Mr. Petersen was told not to join the Communist Party. Over the years he kept a diary detailing clandestine meetings with Soviet contacts. He had at least 23 encounters with Mr. Merkulov, the sources said, and was photographed on several such occasions.

Among Mr. Petersen's undertakings, according to the Justice Ministry, were publication of a pamphlet—based on a Soviet text and printed by the Joe Hill Press at the embassy's expense—attacking Prime Minister Margaret Thatcher of Britain as a threat to peace.

Mr. Merkulov also offered to pay for publication in Danish newspapers of advertisements in which influential Danish writers and artists expressed backing for a Nordic nuclear-free zone, a proposal supported by Moscow.

DANE SERVED AS A GO-BETWEEN

Mr. Petersen served as go-between in collecting the signatures—the artists and writers were not told of Soviet participation—and kept Mr. Merkulov informed on the campaign. Mr. Petersen was also said to have served as a conduit for documents believed to have been forged by the K.G.B.

In return, Mr. Petersen was said to have received money, liquor, trips to the Soviet Union and also what the Justice Ministry reported as a promise that he would be evacuated to the Soviet Union "in the case of imminent war."

Mr. Merkulov, according to the counterespionage sources, maintained contact with members of the Cooperation Committee, an umbrella organization grouping more than 50 Danish antinuclear and disarmament associations.

The sources said there was a "certain coordination" between Mr. Petersen, Mr. Merkulov, and an unnamed member of the committee, which had its offices for nine years in a building housing a Denmark-Soviet friendship association. The committee is now in premises owned by the Danish Communist Party's student organization.

The Danish authorities did not prosecute Mr. Petersen, but the then Minister of Justice, Ole Espersen, said in a television statement last year that he was challenging Mr. Petersen to sue the Government for slander if he felt he was wrongfully accused. He even proposed to pay Mr. Petersen's legal fees so the case could be aired in public. The offer has not been accepted.

The case in Switzerland had the uncommon aspect that the Government ordered closure of the Bern bureau of Novosti, accusing it of functioning as a purveyor of disinformation and organizer of demonstrations, petitions and other activities.

The bureau chief, Aleksei Dumov, was expelled, Leonid Ovchinnikov, an embassy first secretary and press attaché, identified as a K.G.B. officer with responsibility for Novosti, left under Swiss pressure.

In a 25-page confidential document prepared for the Cabinet before the expulsions, the office of the Federal Attorney, which oversees counterespionage activities, listed a series of influence operations involving Novosti journalists, including the bureau's two Swiss employees.

There was an anti-American demonstration condemning policy in the Caribbean, a demonstration over El Salvador in which one of the Swiss staffers served as "responsible leader" and a demonstration inside the chambers of the Swiss Parliament in which the Novosti office, the report said, "went so far as to allow its employees to lead and watch over the operation."

Groups from the West German Communist Party, attending a peace demonstration in Bern in December 1981, "reported in to the Novosti bureau."

COORDINATOR OF PROTEST ACTIVITY

Last year, the report continued, the bureau advised people about transportation and costs for a peace demonstration in Bonn while President Reagan attended the Atlantic alliance meeting. After the Israeli invasion of Lebanon in June 1982 the Novosti office "operated as coordination point and starting area" for protest activities.

A declaration called the Swiss Peace Appeal, focusing on the United States and NATO as the causes of world tensions and initiated at meetings between Swiss groups and the World Peace Council in Moscow and Berlin, also had links to Novosti, the report stated.

"In the conclusive phase," it said, "Novosti-Bern journalists accomplished a large part of the development of the text of the appeal and coordination of the gathering of signatures."

The report concluded that the Swiss journalists working for Novosti had provided the agency with unusual access to Swiss life. "The Soviet secret services," it said, "could manage to remain in the background and slowly pull the strings."

SWISS JOURNALISTS NOT TRIED

As was the case with Mr. Petersen in Denmark, neither of the Swiss journalists was brought to trial. The Federal Attorney's confidential report, leaked to the Swiss press, was criticized as containing presumptions and blanket statements, but little proof.

Leftists saw the operation as an attempt by the Minister of Justice and Police Affairs, Rudolf Friedrich, to put the antinuclear movement in disrepute.

Mr. Friedrich said in Parliament that evidence in the case was enormous but that disclosure would not be in the interest of Switzerland's security.

He let it be understood that discretion about security "means and methods" was an overriding concern.

Mr. Friedrich, who ordered the expulsion of three Russians for espionage in January, was accused of seeing "Red under the bed."

The debate lasted through June.

The Minister of Justice and Police had the final word. On the last day of June, he sent another Soviet "diplomat" home, this time a vice consul in Geneva who was accused of spying over several years.●

RAYMOND ROEBUCK

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, August 1, 1983

● Mr. RODINO. Mr. Speaker, I commend the gentleman from California for arranging this special order so that those of us who have known Raymond Roebuck for two decades can pay special tribute to him.

If Ray simply provided warm nourishment at outrageous hours—through Vietnam, through Watergate, through the long grueling sessions of this past week—it would be reason enough to thank him.

If Ray were just one of the best storytellers and trivia experts in this town, it would be reason enough to thank him.

If Ray Roebuck were no more than caring and paternal toward the junior Members of this body, it would be reason enough to thank him.

If Ray were simply a decent employee of this House, if he were simply a faithful worshipper, if he were only an exemplary citizen and a man who loves his job, it would be reason for each of us to quietly thank him on our own.

But, Mr. Speaker, Raymond Roebuck is all these things—and more.

He is a rock of stability, and for 20 years, a joyous, inspiring presence for us all—and that is why Ray Roebuck deserves more than our private thanks. That is why he deserves our special order on this day.●

EDUCATION IN THE UNITED STATES

HON. PAUL SIMON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 3, 1983

● Mr. SIMON. Mr. Speaker, the other day I received a letter from a teacher enclosing a statement about education in the United States from her perspective.

Her name is Mary Ellen Dillard, and she lives in Carbondale, Ill.

Her statement is one that everyone will not agree with in every respect, but is something all of us ought to reflect upon as we talk about really striving to achieve quality and excellence in education.

I urge my colleagues in the House and Senate to read her statement.

The statement follows:

Education in the United States has evolved from a system whose goals were simply the teaching of reading and religion to a multi-faceted system that includes teaching the talented, providing for the special needs of the physcially and mentally handicapped, training today's youth for adult citizenship in the future, and preparing young people to live successfully in a rapidly changing world. American education has accepted its role of developing its youth intellectually, socially, and emotionally. Through many crises, schools have endured the onslaught of criticism and have turned out a product that has helped to create one of the greatest nations in the world. We can take a great deal of pride in those accomplishments, but we have much improving we must do if we are to resolve the social, environmental, and technological problems facing our country and the world.

If Americans truly place a high priority on education, schools would be aesthetically eye-pleasing, comfort-controlled, and equipped with modern technological equipment as televisions, tape players, video taping equipment, stereo sets, up-to-date audiovisual films, slides, film strips, and rooms should be modern with carpeting, adequate lighting, flexible furniture that can be arranged in many ways, and textbooks should be up to date, in good condition, and relevent to the student's ability and experiences.

If American education is to be able to build on the American ideals of the equality of man, its citizens must accept busing as the only recognized way to insure a quality education to each child regardless of his race, economic standing, or social position.

If our schools are to become the most effective force in a child's life, they will combine the expertise of experts in a given field, university personnel, and elementary and secondary teachers to provide the most interesting and worthwhile educational programs available. They will cooperate in using the most comprehensive teaching strategies in the field, and they will develop meaningful in-service training to acquaint teachers with the most innovative and up-to-date research in the field of education.

If American schools are to become what they should be, we must recruit the finest teachers our universities can produce; we must convince them that teaching is a noble profession; and we must be selective in the hiring process. We must be willing to remove the incompetents by using fair and objective evaluation administered by competent administrators trained in teacher supervision. We must be willing to pay for excellence in education by paying salaries comparable to engineers and scientists if we hope to attract and keep outstanding teachers. We must rededicate ourselves to the profession of our choice, and we must work toward the goals and objectives we set.

If education in the United States is to become what it should be, we must relate to the children being educated the relationship between their learning and the real world of their community, their country, and the world. We must move our classrooms out into the community by opening up new vistas to students and showing how the facts they are learning are applied to solve real problems in the community. We must involve people from the outside to be mentors to help give young people new insights into unknown fields of work. We must make young people a vital part of the place they live by involving them in service projects which develop pride and a sense of belonging in them. We must pay more attention to future needs because these young people are being trained and educated to live and adapt to a highly technological society. We must instill in them the problem-solving skills needed and the desire to use those skills to help to resolve the complex problems of today's society.

Lastly, if American education is to become the ultimate, then we all must work to that end, supporting the worthwhile, eliminating the known nonproductive, negative aspects, and actively opposing those whose special interest wish to destroy its aims. It is truly an awesome task, and to succeed it will require the best that is within us in human understanding, tolerance, intellectual talents, and sincere dedication to the democratic ideals on which America was founded.●

TRIBUTE TO JOHN MERCER LANGSTON

HON. DONALD J. PEASE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 3, 1983

● Mr. PEASE. Mr. Speaker, I would like to draw attention to the outstanding achievements of John Mercer Langston. John Mercer Langston was an outstanding American who managed to overcome racial discrimination during a difficult period in our Nation's history. In tribute to this great citizen, the newly renovated Middle School in Oberlin, Ohio, bears his name. It is my honor to reprint here the dedication speech of Oberlin School Board member, Mr. W. Dan Wolfe, given on July 3, 1983.

JOHN MERCER LANGSTON

(By W. Dean Wolfe)

Distinguished guests; alumni of the Oberlin Schools; citizens of the Oberlin School District; students, teachers, and staff; fellow members of the board of education—What a day! What a school building! What a community! What a man, John Mercer Langston!

History has recorded it, though society has largely ignored it, that John Mercer Langston was truly one of the most remarkable persos ever to make his home in Oberlin; he was in fact a man great in his time! It is both an honor and a privilege for me to have the task of sharing with you at this time some of the very impressive and challenging things that I have learned about John Langston. Before I do that, however, I must express my deep appreciation to Oberlin College archivist William Bigglestone and research associate Marlene Merrill for their able assistance and for their encouragement as I have researched and attempted to advance the Langston story. Many, many thanks to you both!

Sitting on this fine new stage today is a great mix of persons, many of whom are well known to each other and to many of you, but some of whom find themselves in the midst of total strangers. Nonetheless, there is a common bond which we all share. By virtue of positions now held or held in

the past, or by association with an institution or an organization, or by some action performed, we all connect in one way or another with the substance of John Langston's life. And I trust that those connections will become obvious to you over the next several minutes as I sketch a few glimpses of that life lived so long ago.

So, who was John Langston? And why do we give his name to this school? The youngest of four children born to a white plantation owner father and an emancipated black mother on a plantation in Virginia on December 14, 1829, John Langston demonstrated early on something of the character and intellect which were to power him to extraordinary achievements. Both of his parents, advanced in years, died when he was only four years old. Thus orphaned, he became the ward of his father's long-time friend Col. William Gooch of Chillicothe, Ohio. Young Langston's first schooling was provided by Gooch's daughters, who tutored him off and on for the better part of three years. At about age eight, he was enrolled in the Chillicothe public schools, where he was known as Johnny Gooch and apparently accepted as white. When the Gooch family decided to move to Missouri two years later, John stayed behind in order to be near his older brothers who had found homes in Chillicothe. So it was that he came to live his next six years in a series of foster homes, some black, some white, in Chillicothe and Cincinnati.

No longer accepted in the public schools because of his mixed race, his schooling was continued in private black schools in Chillicothe and Cincinnati. It was in such a school that he was taught by and came under the influence of George B. Vashon and William Cuthburt Whitehorn, both students at Oberlin College. (The long college recess in those days was during the winter months, and it was common for students to earn money for college expenses by teaching school during the vacation. Vashon later became the first black graduate of Oberlin College and Whitehorn was the second.) With substantial encouragement from Vashon and Whitehorn and supported by funds from his father's estate, Langston come north to Oberlin in 1844 and enrolled in the preparatory department of Oberlin College. Having done well at the end of the term, he was recruited to teach in a one-room black school in Hicks Settlement near Chillicothe in the winter of 1845. His salary for the three-month term was $30; he was barely sixteen years old. Encouraged to continue his education at Oberlin by Vashon and Whitehorn and by his brothers Charles and Gideon, Langston matriculated into the regular curriculum in 1846 and proceeded to excel in his studies. He was awarded the B.A. degree in 1849.

Wanting to be a lawyer, he applied to all the better law schools, but none would accept him because of his color. In an interview with Langston, one law dean did offer to admit him if he would claim that he was Cuban! Insensed by this, Langston refused and returned to Oberlin and commenced theological studies in the seminary. In doing so, he achieved the first of many firsts that were to be his in the years ahead—he thus became the first black American admitted to the formal study of theology. Still longing for a career in law, he discussed his plight with the well-known abolitionist Philamon Bliss, then a district judge in nearby Elyria, and Bliss offered to tutor him in law. So, for the better of the next three years he studied law and theology concurrently. He was awarded the M.A. degree in 1852 and was graduated from the Seminary in 1853. On September 13, 1854 Langston was admitted to the Ohio Bar thus becoming the first black lawyer not only in Ohio but in America!

Because his health had failed during the rigors of this dual professional studies, a doctor friend advised him to seek the health-producing benefits, of rural living and farming. So it was that Langston took his new wife, the former Carolina Wall, an Oberlin College student whom he had courted for several years, to a farm that he obtained in rural Brownhelm Township some eight miles north and west of Oberlin. And there it was that his health did return, and there it was that their first child was born, and there it was that his public life began in earnest.

While well accepted in Brownhelm, John Langston's law practice took him to many other Ohio communities and his reception was not always a cordial one. It was not uncommon in those days for him to be taunted with comments such as "here comes the nigger lawyer" and other racial epithets. Before long, however, his fierce pride in his blackness and in his citizenship, and his personal sense of worth combined with his effectiveness in the practice of law to make his a formidable presence—and many of his detractors were won over or at least quieted.

He had been active in the Anti-Slavery Society since 1849, was a leader of it in Ohio, and was prominent at several national conventions of the society in the years leading up to the Civil War. He became active in politics and ran for township clerk in Brownhelm, winning election in 1855. This was a remarkable feat. He could not vote, nor could any woman. Nonetheless, he was elected, and by an all white and male electorate at that! Moreover, in doing so he became the first black American elected to public office!

Because of his continuing interest in education and his growing interest in politics, and because of his thriving law practice, Langston decided that he should return to Oberlin and make his home here. In the Spring of 1856 he bought a fine new house on East College Street in what was then considered the posh neighborhood of Oberlin and proceeded to establish his home. He set up his law office on North Main Street near the site now occupied by Hall Auditorium. Barely settled in, he entered into the life of Oberlin with a fervor! In 1857 he was elected to the Russia Township Board of Trustees, subsequently serving as clerk, legal counsel, and school visitor. Russia Township at that time operated its own school system, and as school visitor Langston was in practice superintendent of schools. He served on the Oberlin City Council in 1857 and 1858. When it was chartered by the State of Ohio in 1860, he became a charter member of the Oberlin Board of Education, a position he held for eleven years, six of them as its clerk. During these years he was a member of First Church, as he had been during his student days here. Of these pre-Civil War years in Oberlin, Langston wrote these words in his autobiography:

"The treatment accorded colored people in Oberlin socially was most remarkable; in keeping, however, with the professions religiously, politically, and educationally made by the founders of the community. Every Sunday colored people could be seen seated in conspicuous places in the only church in town, worshipping after the manner of those in whose midst they lived, and no one molested or disturbed them. Such persons were made welcome as equals in the best families, as they were in every part of the College, and thus were given the best social, as they were the highest educational advantages. Such was the recognition and the consideration accorded the colored American, whether student or resident in Oberlin, in the early years of its history."

A relentless abolitionist, Langston was totally sympathetic to John Brown's agitations for an end to slavery; however, he declined John Brown's invitation to accompany him on the fateful Harper's Ferry Raid on the grounds that he believed that he could be most helpful to the cause by working within the law. He was out of town at the time of the famed Oberlin-Wellington Rescue, but his brother Charles was one of the rescuers, and both he and Charles were eloquent spokesmen on behalf of those incarcerated in the Cleveland jail in the aftermath of that celebrated event. Incidentally, his brother Charles later became the grandfather of poet Langston Hughes.

When the Civil War broke out Langston worked tirelessly as a recruiter of black soldiers for the Union Army, extending his efforts throughout Ohio, Indiana, and Illinois. Since Ohio's governor did not at once approve of black military units, Langston first recruited for the 54th Massachusetts Regiment and sent hundreds into its ranks, twenty-one of whom were from Oberlin! When finally authorized by the governor in 1863, Langston almost single-handedly put together the first black regiment from Ohio.

Following the war he served as Inspector General of the Freedmen's Bureau and travelled throughout the South visiting and helping to set up schools for recently freed slaves. In 1869 he was called by Howard University to set up its new law department. Accepting the appointment, but maintaining his home in Oberlin until 1871, Langston served continuously as professor of law at Howard and successively as dean of law, vice president, and acting president. (Records show that in the 1900 there were 728 black lawyers in America, practically all of them trained at Howard University. And it is fascinating to reflect on the extent to which Langston's hand was involved, either directly or indirectly, in their education.) During his more than seven years at Howard, Langston also served on the District of Columbia Board of Health, was a trustee of the Freedmen's Savings and Trust Bank, and became the first black lawyer admitted to practice in the United States Supreme Court. He left Howard in 1876 and joined the foreign service, for which he served until 1885 in the Caribbean, the bulk of the time as Ambassador to Haiti.

Upon his return to private life in 1885, he was called to the presidency of the Virginia Normal and Collegiate Institute, now known as Virginia State University. Disgusted and disheartened by the almost constant interference of white politicans in the running of Virginia State, a black institution, Langston resigned after just two years in office and became actively involved in Virginia and national politics. He played a prominent role in the 1888 Republican Convention and he made a presidential nominating speech for then Senator John Sherman of Ohio. Subsequent to that he was nominated to run for Congress on the Republican ticket in the 4th Congressional District of Virginia. Considerable forces, both Democratic and Republican, were arrayed against him, and the resulting campaign was as dirty as they

come. But Langston and his supporters prevailed and he was elected, and to this day he stands as the only black congressmen ever from Virginia.

He did not run for a second term, citing the best interest of the party as his reason. He retired to a limited law practice, to touring as a much sought after speaker, and to the task of writing his autobiography. He died quietly in Washington, D.C. on November 15, 1897.

While he rose to national and international acclaim in his post Oberlin years, John Langston never forgot his only true home town, and he often visited his many friends here. He was a loyal alumnus of the College and a ceaseless booster of the town and its people. In his memoris he wrote fondly of Oberlin:

"To the Oberlin community belongs the distinguishing honor of being the first one on the face of the earth to realize in its teachings, its practices and its manners towards every human being, the high Christian sentiment—That whatsoever ye would that men should do to you, do ye even so to them."

As we now salute this great Oberlinian some 85 years after his death, and as we give his name to this school, we not only celebrate his splendid life, but we also honor this town, his town, the Oberlin of the 1840s, the 1850s and the 1860s. The people of Oberlin cared for each other in extraordinary ways in those days, and they cared for those in the wider human community as well. Oberlin nurtured John Langston, and he responded with a life devoted to education and to public service. If one were to write a belated epitaph for him today, it could read simply, "John Mercer Langston, tireless public servant, but never in servitude."

The Langston name on this school should be a source of pride for all boys and girls who will attend here, and it should serve as a reminder to all of us in this community that a high standard was set for us by those early Oberlinians. May we begin anew this day, in all that we do and in all that we say, to be worthy of our citizenship here.●

IS CONSUMERISM ALIVE IN THE HEALTH CARE INDUSTRY?

HON. RICHARD A. GEPHARDT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 3, 1983

● Mr. GEPHARDT. Mr. Speaker, we all have become aware of the crisis in our health care system. Present mechanisms for health care delivery and financing inevitably will undergo drastic changes in the very near future as medical care costs continue to soar out of control.

Congress took an important first step toward controlling runaway health care costs with the inclusion in the recently passed social security reform package strict cost control measures for hospitals that serve medicare patients.

The problems of our health care system—which range from its lack of accountability to consumers to the Reagan administration's weakening of Government's role in assuring access for all Americans to affordable, high quality health care—were discussed by National Consumers League Executive Director Barbara Warden in a recent speech to the ABA's Forum Committee on Health Law. In her speech, Ms. Warden raised a number of key issues in the health care debate. It is a particularly thoughtful piece that I would like to share with my colleagues as we continue our efforts to reach an equitable resolution to this crisis.

Is Consumerism Alive in the Health Care Industry?

A resounding YES! Americans are buying billions of dollars worth of health care each year.

The health care system is the third largest industry in the United States. In 1982, the country spent $276 billion on health services, more than 10 percent of the gross national product.

Health care in the U.S. is not just men and women dressed in white coats carrying little black bags ministering to the sick in their community. Health care is big business, buying and selling commodities and services in the marketplace with the entrepreneurial provider cast in the role of medical shopkeeper responding to customers: there are 300,000 private doctors; 6,000 independent hospitals; 27,000 private nursing homes; and 6 million persons (about 6 percent of the labor force) employed in the health care business. In fiscal year 1978, there were 38 million hospital admissions; 162 million Americans visited a physician at least once (with the average person making 4.8 visits annually); more than a billion and a half prescriptions were filled; and 5 billion laboratory tests were ordered.

There is nothing inherently good or bad about this country directing billions of national dollars towards health care for its citizens if these dollars support better and more effective health measures. But by some standards, the U.S. does not get much good care for its dollars. There is duplication and waste. In 1978, there were 130,000 excess hospital beds going unused; there are duplicative CAT scanners and intensive care units; in neighboring hospitals there are too many health specialists and too few primary care physicians. In 1977, there were two million unnecessary operations costing $4 billion.

These are costly manifestations of a health system gone hayware.

IS CONSUMERISM ALIVE IN THE HEALTH CARE INDUSTRY?

If on another level, consumerism refers to rationalizing a health care system and controlling costs, we have a long way to go, and the answer is a resounding NO!

The American health care business is a system of monopolized medicine. This complex and peculiar service industry of diverse providers—private practititoners, hospital-based or free standing medical groups, hospital-based outpatient clinics and emergency rooms, community health centers, and health maintenance organizations, radiologists and other technicians and nursing homes—is a piecemeal system almost totally immune to the influence of the normal economic supply and demand forces. "Demand" is set largely by the suppliers.

The present suppliers of health care services are largely unrestrained by the traditional marketplace characteristics of quality comparisons, truth in labeling information, price competition, information disclosure and informed consumer consent. Normally, it is the buyer who decides what service or commodity to purchase, from a haircut to a motorcycle. In medicine, decisions are made mostly by the seller, which places the physician, for example, in a uniquely powerful role. Doctors not only supply the services, but actually create 80 percent of the demand for health services—including their own:

The doctor decides what laboratory tests need to be performed;

The doctor prescribes drugs;

The doctor leaves instructions with the house staff or nurse;

The doctor decides whether a patient goes to a hospital or receives much less expensive treatment on an outpatient basis;

The doctor decides when to transfer a patient to an extended care facility;

The doctor decides the frequency of follow-up office treatment and how many hospital visits the doctor needs to make.

Not many of us would have the nerve to challenge a doctor's orders; we lack the medical knowledge and the confidence. The time when a patient is in distress is not the most likely moment to bargain for treatment and cost of care. Unfortunately, the physician often makes decisions without regard to cost. In fact, it is in the doctor's financial interests to prescribe high cost rather than low cost treatment.

There is little incentive for consumers to be cost conscious either because the current fee-for-service reimbursement system relies on a third party to pay medical bills. In the case of Medicare and Medicaid, the Federal Government pays; for the rest of the population lucky enough to have private health protection, the insurance company pays. Federal, state, and local government—directly or indirectly—pay more than 40 percent of the national health bill and about 92 percent of all hospital charges are reimbursed by that unobtrusive third party payer.

When the government enacted Medicare health insurance for the elderly in 1965, 20 million senior citizens breathed a sigh of relief that affordable health care was available and accessible to them. It was a short-lived sense of security because once again, the supply/demand control rests with the doctors whose allies are both the hospitals which compete for patients and high tech health care and the insurance companies that have created a confusing array of profitable and wasteful supplemental insurance policies.

Medicare drives the inflationary aspects of the health care system because hospital costs exceed the annual rate of inflation and physicians are not required to accept "assignment." Under the assignment system, a doctor voluntarily accepts Medicare's customary, reasonable and prevailing charge as payment in full (minus the annual deductible and coinsurance payments paid by the Medicare patient). A doctor can refuse assignment, and instead of billing Medicare, can bill the Medicare patient directly. In that case, three problems arise. First, the burden of being reimbursed by Medicare falls on the patient. Second, the doctor is not constrained to limit charges to a "reasonable" rate. Third, the portion of the bill in excess of the reasonable charge not only comes out of the patient's pocket, but the reason that Medicare does not reimburse the full amount of the bill is left unexplained. The elderly are left in the dark as to whether they are paying unusually

high physician rates or for uncovered services.

"Medigap" exists because of the steadily declining ability of Medicare to meet the increasing high costs of health care for the elderly. But no single Medigap policy completely fills the gap. Almost 25 percent of policy holders have multiple policies which duplicate coverage to a greater or lesser extent.

In 1978, "Medigap" policies accounted for over a million dollars in private premium payments by older people. For most of them, Medigap is a "bad buy" because of the high incidence of fraud and abuse, but lack of coverage is a risk that most people cannot afford to take—bad buy or not.

In America, the health care system knows no boundaries when it comes to the price charged for a service rendered. With a complex and cumbersome system of fees, services, providers, service delivery mechanisms, and billing procedures, it is difficult to know where and how to wedge in a barrier that restrains costs and requires medical accountability.

Two obvious places to start are with doctors and the hospitals. According to a health subcommittee in the U.S. House of Representatives, while physicians' fees account for 20 percent of the nation's medical bills, and hospital costs account for another 40 percent of that health bill, physicians control 80 percent of the way health dollars get spent. Physicians are going to have to be held more accountable for the way they practice medicine.

Change is possible without compromising the quality of health care. In Worcester, Massachusetts, for example, the Fallon Community Health Plan offers health coverage to more than 40,000 persons, and includes a successful Medicare program that pays almost 100 percent of subscribers' health care costs. The Fallon senior plan has reduced hospitalization of the elderly by 60 percent. With the exception of a $2 charge for prescriptions, there are no out-of-pocket costs to the elderly patients. There are no deductibles. Everything is paid for including new eyeglasses every two years. The incentive is to lower health costs, reduce costly hospital care and not compromise the quality of care. In a recent survey of Fallon's elderly patients, 100 percent said they would re-enroll immediately if they had the opportunity.

The Fallon Clinic is one model of a health maintenance organization (HMO). The HMO model is a multi-disciplinary approach to provide health services in a single out-patient setting using health care doctors, nurse practitioners, and physician assistants. The emphasis is on health promotion and health maintenance.

Community-oriented primary care (COPC) is another model of medical care that is an amalgamation of primary clinical care for individuals and families, combined with an awareness and periodic assessment of the community's status and needs. There is heavy emphasis on community involvement in planning, implementation, and evaluation of community health programs. Outreach to the community and patient education are major components in COPC.

However, the current health care system in America does not encourage disease prevention and health promotion. For most American's encounters with the medical system are episodic and take place when treatment is needed for acute conditions. Planned efforts to reduce health risks are not undertaken because organized medicine does not support such efforts. There is little status, high tech drama, or money in health maintenance or health promotion. In the absence of planned care, according to Jack Geiger, community medicine professor at City College of New York, "salvage" inevitably takes the priority over health maintenance. Hospital-based salvage is favored over less expensive, simpler care of less advanced diseases. Nevertheless, HMO and COPC are models of change in delivering health services and they are building an impressive record in reducing health inflation.

In addition, the reimbursement structure of fee-for-service emphasizes that responsibility for health care should be left in the hands of individual physicians and not to a multi-disciplinary team of health care professionals and paraprofessionals. With the enactment of the 1982 tax amendments, HMO Medicare services are now reimbursable. The team approach will require, however, a reorientation of all health providers as well as of the patient or consumer of health services.

IS CONSUMERISM ALIVE IN THE HEALTH CARE INDUSTRY?

There is a dichotomy. On one level, as I mentioned earlier, the purchase of health care services costs billions of dollars annually and profits a powerful industry. On another level, the health care system is not sufficiently accountable to the consumers who purchase its services. That lack of accountability, combined with the Reagan administration's weakening of the role of government to assure health quality controls, standards of care, local planning efforts, and peer review means that the country has slipped backwards in providing access to decent, affordable health care. In addition, there must be a stronger, organized involvement of consumers who can challenge the current medical structure to respond and work cooperatively to alleviate a deepening health care crisis in America.●

PARLIAMENTARIANS FOR WORLD ORDER

HON. PAUL SIMON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 3, 1983

● Mr. SIMON. Mr. Speaker, there is a group that has been formed called Parliamentarians for World Order which our colleague, THOMAS J. DOWNEY of New York, is one of the leaders.

The Secretary General of this group, Nicholas Dunlop, recently reported on the efforts of the group to promote a freeze resolution in the various parliamentary bodies.

Because it represents a group that may have growing influence on an issue of concern to those of us in Congress, I thought my colleagues would like to see it. I am inserting it in the RECORD at this point:

LEGISLATORS FOR THE FREEZE

(By Nick Dunlop)

Efforts have begun to build global support for the freeze through national parliaments. This initiative has been undertaken by Parliamentarians for World Order, a new international network of legislators. What follows is a brief report on progress so far, and on plans for 1983.

Parliamentarians for World Order began three years ago by linking up members of Parliament in five countries who shared a commitment to the abolition of the war system. We have now built up a network spanning five continents, with more than 600 members in 30 countries. A year ago, we took up the proposal for an immediate nuclear-weapons freeze, coupled with a call for negotiations on a treaty for comprehensive disarmament under reliable security institutions.

As a first step, in May 1982, we organized a delegation of five prominent political figures, one from each continent, which travelled to Moscow and Washington to present our case to the two superpower governments. The members of the delegation were: John Silkin, MP, Defense and Disarmament Spokesman and Leader of the House for the British Labour party; Luis Echeverria-Alvarez, former President of Mexico; N.K.P. Salve, MP, Deputy Parliamentary Leader of the governing party in India; Idris Ibrahim, Deputy Speaker of the Nigerian House of Representatives; and Douglas Roche, MP, of Canada, PWO's International Chairman.

In the Soviet union, we met with Vasilii Kuznetsov—now acting President of the USSR—and a number of other senior officials. This was the first time that the freeze proposal had been presented at Politburo level in Moscow, and the first time that the Soviets gave official indications that they would be prepared to negotiate towards a comprehensive freeze (a position which they have more or less confirmed by voting for the Mexican-Swedish resolution at the UN). Of course, these statements from the Russian leadership need to be taken with a healthy dose of skepticism, but they do help the freeze movement by putting the ball squarely in the American court. Not surprisingly, our discussions with the Reagan administration yielded nothing new.

Following a meeting which we held at the UN on the eve of the Special Session on Disarmament, we have been introducing the freeze proposal and our proposals on comprehensive disarmament into a number of legislatures around the world in the form of a parliamentary resolution. On its first introduction, our resolution received the support of more than a third of the European Parliament, made up of directly-elected representatives of the whole European Community. It is now being debated in the Jamaican House of Representatives, where it is expected to pass unanimously. Within a few months, it will have been introduced in the parliaments of Australia, Canada, Iceland, India, Italy, Kenya, New Zealand, Nigeria, the United Kingdom and the United States.[1] This is the first time that legislators have stood up simultaneously around the globe to introduce concrete proposals for peace.

As a second way to demonstrate worldwide political support for the freeze, we are circulating a Call for Global Survival to every one of the world's 31,000 members of Parliament. The Call, containing the same proposals that we presented in Moscow and

[1] Introducing PWO's resolution in the US House in July, Congressman Tom Downey emphasized that it was in no way meant to duplicate the Kennedy-Hatfield resolution, of which he was an early co-sponsor. While reiterating the demand for a nuclear freeze, the PWO resolution went on to call for negotiations on a treaty for general disarmament under a reliable world security system.

Washington, is being signed by parliamentarians on behalf of their constitutents on the grounds that an individual legislator has a mandate to speak for his or her own constituency as strong as the mandate of any national government. It has already been signed by 850 politicians on behalf of more than 100 million constituents.

In addition, a great deal can be done through an informal network of parliamentary contacts. The absentions of two NATO countries, Iceland and Denmark, in the vote on the UN freeze resolution, was entirely the work of parliamentarians. In Iceland, the government's absention was triggered by the intervention of Ólafur Ragnar Grimsson, an influential member of Parliament and a key member of PWO. In the case of Denmark, the government strongly opposed the freeze resolution, but was prevented from casting a "no" vote when legislators made it very clear that such a vote would be rejected by a majority in Parliament. This happened only when Danish parliamentarians attending the UN General Assembly sidestepped official channels, picked up the phone and alerted their colleagues at home to the upcoming vote. This rejection by NATO countries of the Reagan line on the freeze has caused what one foreign minister privately describes as "a crisis in the alliance."

In Holland, too, the freeze became a national issue after Relus Ter Beek, Chairman of the Parliamentary Committee on Foreign Affairs, returned from a PWO meeting in New York brandishing a copy of the UN resolution. The question of how the government should vote was debated not only in Parliament, but in newspapers, radio and television.

For 1983, we are presently planning two initiatives which bear on the freeze. The first is a conference of key legislators to examine military-industrial opposition to disarmament, and to consider how that opposition can be reduced. The second is an attempt to persuade a handful of heads of government from middle-range powers to take a dramatic initiative for disarmament, perhaps coming forward with draft treaties for a nuclear freeze and for comprehensive disarmament, then taking on a high-level mediating role to try and break the deadlock between the superpowers. This latter project will hardly be easy. Yet Parliamentarians for World Order, with its ready access to the top levels of government, and with the ability to coordinate its efforts globally, is uniquely placed to act as the catalyst for such an initiative.

Stopping a global arms race isn't easy. Today there is a glimmer of hope because outraged citizens are linking up across whole continents.

Through Parliamentarians for World Order, a similar link-up is taking place between the handful of men and women in each national parliament—conservatives, centrists and socialists—who are willing to take a radical stand for human survival. If the movement for peace can keep growing, and keep strengthening the links between countries, between citizens and politicians, perhaps it is not inconceivable that in our lifetimes we can build an international system where peace is guaranteed, and where world war is a thing of the past.●

WOMEN AS ABORTION VICTIMS

HON. JACK FIELDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 3, 1983

● Mr. FIELDS. Mr. Speaker, we have heard much debate in the Congress and across the Nation in the last decade concerning abortion-on-demand. We have, on rare occasion, even heard a little bit of the reality that surrounds the deaths of more than 15 million unborn infants.

However, until most recently, we have heard little about the other victims of abortion—the women themselves.

Victims? Yes, Mr. Speaker, the women are victims. All along the radicals in the NOW leadership have been boastful of the "rights" and "benefits" of abortion which they have "won" for America's women. But suddenly we hear from the women themselves—those who have had abortions—that someone besides the children are being victimized and hurt. Many women who have had abortions have been hurt psychologically, physically, emotionally, and spiritually.

Mr. Speaker, it is time we hear from those who have partaken of the "right" of abortion-on-demand. I insert into the RECORD an interview with Nancyjo Mann, founder and president of Women Exploited By Abortion (WEBA). I urge every Member of this body to read it, and take some time to feel and think about what Mrs. Mann and hundreds of thousands of other women are trying to tell us.

Mr. Speaker, it never ceases to astound me that so many who openly boast of their liberalism, their caring and compassionate natures, are the same ones who inflict the suffering and inhumanity upon the children and women of America.

The interview from today's Washington Times follows:

[From the Washington Times, Aug. 3, 1983]

WOMEN FORM WEBA TO FIGHT ABORTION

(Every year for the past 10 years, 1.5 million women have had an abortion. For many, according to Nancyjo Mann, founder and president of Women Exploited By Abortion (WEBA), having an abortion only began their problem. Mann was interviewed by Washington Times staff writer and columnist Tom Diaz.)

Question. Tell us about your experience with abortion and its consequences.

Answer. My experience goes back to 1974, the month of October, 30th day—the day that I killed my baby girl. It was a second trimester abortion. I was 5½ months pregnant.

I went to the doctor because family members had pressured me, had encouraged me. There was no "Nancy maybe you should reconsider," because it was not my idea in the first place, it was theirs.

My husband had walked out the door and deserted us. The responsibility of three children was just to much for him. I went to my mother and my brother and asked, "What am I going to do?" And my mother said "It's obvious, Nancy, no man's going to want you with three children, let along the two you already have. You're probably not going to amount to a hill of beans and you're probably going to be on welfare the rest of your life."

And following those three positive, uplifting statements, she said "You're going to have to have an abortion." Then she called one of the leading ob/gyns in the Midwest, and he said, "Absolutely, no problem. Bring her on in."

Question. Did he know at the time how far you were along?

Answer. Absolutely. He does all kinds of second trimesters, no problem.

I went in and I asked, "What are you going to do to me?" All he did was look at my stomach and say, "I'm going to take a little fluid out, put a little fluid in, you'll have severe cramps and expel the fetus."

I said, "Is that all?" He said, "That's all."

It didn't sound too bad. But what that doctor described to me was not the truth.

I went to the hospital and 60 ccs of amniotic fluid were drawn out, and a saline solution injected. Immediately the needle went through the abdomen. I hated Nancyjo, I hated myself. With every ounce of my being I wanted to scream out "Please, stop, don't do this to me." But I couldn't get it out.

Once they put in the saline there's no way to reverse it. And for the next hour and a half I felt my daughter thrash around violently while she was being choked, poisoned, burned and suffocated to death. I didn't know any of that was going to happen. And I remember talking to her and I remember telling her I didn't want to do this, I wished she could live. And yet she was dying and I remember her very last kick on her left side. She had no strength left.

I've tried to imagine us dying that kind of death, a pillow put over us, suffocating. In four minutes we'd pass out. We'd have that gift of passing out and then dying. But it took her an hour and a half just to die.

Then I was given an intravenuous injection to help stimulate labor and I went into hard labor for 12 hours. And at 5:30 a.m. on the 31st of October I delivered my daughter whose name is now Charmine Marie. She was 14 inches long. She weighed over a pound and a half. She had a head of hair and her eyes were opening.

I got to hold her because the nurses didn't make it to the room in time. I delivered my girl myself. They grabbed her out of my hands and threw her, threw her, into a bedpan. After they finished and took her away in the bedpan, they brought a lady in to finish her last hour of labor lying next to me. She had a healthy baby boy.

That was tough.

I liked Nancyjo, I liked me, prior to the abortion. But shame and remorse and guilt set in—I mean, when you get a hold of your own daughter and you see what you did. She was not a "fetus." She was not a "product of conception." She was not a "tissue adhering to the uterine wall." She was my daughter and I got to hold her, at only 5½ months, 22 weeks. So those are cheap, inhuman words to use around me.

I chose to be sterilized because I couldn't cope with the idea that I could possibly kill again. It was too devastating. It was not something you go around telling people, that you just killed your baby, no problem. I was ashamed, totally ashamed.

Question. But some people would say that although this experience obviously had a great impact on you, it is not characteristic of most other women who have abortions. Is your case unusual?

Answer. No, my case is not unusual at all. People want to say "Oh, but Nancy, yourre the extreme." That's not true. In fact there are so many more of us than there are the other. The emotional hurt is so deep. You do not discuss your abortion, the suction machines and the needles and everything else, over a cup of tea and a cookie. Women just don't do this. The pain is just too deep and too great.

I'm sure there are women out there who are never fazed, never, by their abortion. But I would say that 98, 99 percent of them are fazed, whether it's for a small period of time or for the rest of their life, whether they suffer only a small degree or die from their abortions.

Question. How did WEBA—Women Exploited By Abortion—get started?

Answer. About one year ago I was talking to another recording artist who was pro-life. I asked what pro-life meant and he said he was antiabortion. I said "Hank, I had an abortion in 1974. I was 5½ months pregnant. It hurt so bad for so long."

He just about drove the car off the road. And he said, "Nancy, you've got to tell the story." So, a year ago I went public, founded WEBA.

Question. How many members do you have?

Answer. I'm a 10-month-old corporation and in 10 months I've gone from being two people, my vice president and myself, in two states, Virginia and Iowa, to now having 34 states with approximately 10,000 women in my group.

Question. What are some of the effects of abortion on women?

Answer. I have women who cannot vacuum their carpets. They have to have the neighbor or their husbands do it while they're at the grocery store, because of the suction sound. You see, the suction machine (used in many abortions) makes that sucking sound—it's 29 times more powerful than the vacuum we use in our home. The majority of the women aren't put to sleep. It's done without being put to sleep. It's heartbreaking to me that they can't run a vacuum cleaner—that's a deep wound.

One psychological effect we see almost all the time is guilt. Others are suicidal impulses, a sense of loss, of unfulfillment Mourning, regret and remorse. Withdrawal, loss of confidence in decision-making capabilities. They feel that maybe they've made a wrong decision, maybe they can't make another decision right in their life. Lowering of self esteem. Preoccupation with death. Hostilities, self-destructive behavior, anger and rage. You can lose your temper quickly. A despair, helplessness, desire to remember the death date which is really weird but you do that. You remember these dates very strongly. A preoccupation with the would-be due date or due month. My daughter was due in early March, so in early March it's there.

An intent interest in babies but a thwarted maternal instinct. Women really are interested in babies, but I have many members who can't hold children. A hatred for anyone connected with abortion. Lack of desire to enter into a relationship with a partner, loss of interest in sex, an inability to forgive self, feeling of dehumanization, nightmares, seizures and tremors, frustrations, feelings of being exploited. And child abuse. We see a lot of child abuse.

I want you to understand that I do not come from any right to life organization. We are connected with no one. We remain neutral. But we are the ones they are all arguing about and discussing and debating. We are the voice of experience.

I told Congressman (Henry A.) Waxman, D-Cal., at a recent hearing, "Have you ever had your cervix dilated and the womb ripped open? Have you ever had tubes stuck inside of you and everything sucked out? Have you ever had needles stuck through your abdomen? Have you ever felt your baby thrash around and die? Have you ever had hard labor, delivered and held your baby? Because if you haven't, sir, you can't intelligently talk to me about this. We are the voice of experience. We've all had this done to us."

And that's a fact. So we hold our own ground, our own turf, our own territory.

Question. What is it that your organization does as a voice of experience?

Answer. We are a support group for those women who hurt—physically, emotionally, mentally and spiritually—from their abortions. We are there when the phone rings at 3 in the morning and someone is suicidal because maybe it was four years ago on that day and they still can't cope with it. We cry with them and talk with them. We are a support group. We also are a political group. I am classified as that, and I guess the strongest thing of what I intend to do—I intend to shut the abortion industry down. I intend to shut the abortion-on-demand industry down.

We also have rape victims and incest victims among our members—the other 3 percent (not abortion-on-demand). And every one of them is getting ready to go public, to speak very publicly—their full names, ages, everything. They're not ashamed. They know what happened to their lives. They became victims of an industry that is making lots of money, that was supposed to be a quick answer.

And now they're under psychiatric care, psychological care. Because of the abortion, not the rape and incest. They overcame the rape and the incest. Sure they needed help, but they overcame that. But they have had a very difficult time overcoming killing that innocent baby.

They heard of WEBA and they contacted us. And two of them were so brutally beaten they couldn't make it to the hospital in time. Pure rapes, I'm not talking about just a strong sexual aggressiveness. I'm talking about women who were brutally beaten, true rape victims.

Question. You talked about political activity. What's been your experience here in the Congress?

Answer. I testified two weeks ago before Rep. Waxman, Barbara Mikulski and a few other congressmen. It was a stacked hearing—14 to 1 doesn't sound very balanced to me. But I went in very open and honest with them, they sat very intently and very amazed at the story I had to tell about my organization, myself and my constituency, WEBA.

Barbara Mikulski said "I've never heard this side." I said, "No, Pandora's box got opened up 10 years ago and now you're just starting to see it." I predict that in five years we will see an epidemic of mental and nervous breakdowns among the women of this country. People are not going to know why and I'm going to be able to tell you why: because they've had an abortion that's why.

It's a quick solution. Abortion is not an ending of problems, it's the down payment for a whole new set of problems. That's what it is. It doesn't get rid of them.

Question. Have congressmen been exposed to your view, the voice of experience?

Answer. No. I hear time and time again, "I've never heard this side before." "Are there many more like you?" they ask. And my answer is this. Take the 15 million of us who have, by legal abortion-on-demand, killed our babies. I will give 2 million or 3 million to Planned Parenthood, NOW or whoever they want. I will give another 2 million or 3 million who have two or three abortions without open remorse.

And justification to oneself is important here, by the way. I don't know how many women I told to go have abortions. Justification. It's like, if you can have a few more, go do what you did and kind of justify it, it makes it better. It makes it not quite so bad.

That still leaves 9 million of us who've been hurt in one way, shape or form or the other—psychlogically, physically, emotionally or spiritually.

Question. So you believe that there are—by conservative estimate—perhaps 10 million women who suffered as you did?

Answer. I believe by very conservative there's 8 million who have been hurt.

Question. Where can they write or call? Or what can they do if they need somebody, such as your organization?

Answer. They can call or they can write. The address is WEBA, 1553 24th St., Des Moines, Iowa 50311. Or they can reach me at 515-255-0552, my business phone. If they hurt, if they're at a certain State, I may have a State representative where a girl can be with them and talk with them. I get so many women who have written me to say, "Thank God, there is somebody that I can now finally pour the whole thing out to."

And I'm thankful that I am a Christian because I couldn't carry that load. If you could read my mail . . . It started off where I'd get two and three letters a day and now they're wrapping it in bundles to bring to me. And I get mail from all over the world.

Question. Within 10 months this has happened?

Answer. In 10 months. There is such a need. No one thought 10 years ago of the aftermath. We're the aftermath.●

INDEPENDENT WEAPONS TESTING H.R. 2969

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 3, 1983

● Mr. COURTER. Mr. Speaker, during debate on H.R. 2969, the Defense authoriztion bill, the gentleman from Arkansas (Mr. BETHUNE) submitted written remarks for the record which took issue with several aspects of my amendment creating an Office of Operational Test Review and Evaluation. I would like to comment on the concerns the gentleman from Arkansas raised.

The gentleman's first objection concerns the provision in my amendment making it possible for a military Deputy Director of this Office to serve in an acting capacity in the Director's absence. In my view, this does not

compromise the authority of the Office's civilian Director, and simply allows the Office to have leadership in the Director's absence, if the Deputy is indeed a military officer. The amendment does stipulate that the Director be a civilian. The only potential problem involved here would arise if a nomination were not made for a long period of time, and a military officer were to perform the duties of a Director intended to be a civilian. Failure to nominate an individual for Director would be, in my opinion, an act of bad faith by the Pentagon, because the amendment clearly indicates the congressional intent that the Office have civilian leadership.

The gentleman's second concern, that my amendment does not create an office whose Director performs "all duties" relating to operational testing, is similarly without substance. The central purpose of my amendment is not to have testing performed by different personnel in different parts of the Defense establishment; rather, it is to set high standards of realism for operational testing, and have all tests examined against that standard. If my intent had been to create an office to perform all testing, the "all duties" clause would have been necessary. The clause is clearly not needed, because it goes beyond the scope of my intent in creating an office to review operational tests.

The next objection, that the Courter amendment leaves the Director "out of the administrative oversight for military departments for planning and conducting operational testing and evaluation, and eliminates the requirements for the Director to monitor, review, and provide guidance for all operational testing and evaluation unless the Secretary of Defense and the service Secretaries request that guidance," is unfounded as well. This is demonstrated by the following provisions of my amendment which refute the gentleman's objection:

First, the Director would be required to approve all test plans in writing in advance—without his written approval, the tests could not proceed, and

Second, the Director may send whatever observers he deems necessary to test sites, and is guaranteed access to all information on all testing, and

Third, the Director has an affirmative obligation to issue reports on the adequacy and results of testing in each major weapons program—unless this report is issued, the decision to enter full-scale production may not be made.

My amendment does include language directing the Director to provide testing guidance "upon request." If this were the Director's sole obligation, his power would be weak indeed. In light of the Director's other powers and duties, however, this provision merely tells the Pentagon that in addition to being a reviewer of tests and test plans, the Director may be seen as a consultant and adviser who can assist in the planning and conduct of good, realistic operational tests.

Finally, the gentleman inquires in a cryptic fashion as to the "penalties for not reporting problems or failures that show up from these tests." If the gentleman would be willing to suggest exactly what he means by "penalties," against whom the penalties would be levied, by whom the violations and penalties would be assessed and enforced, I would be happy to comment on his suggestions. My amendment contains no criminal penalties.

Mr. Speaker, I welcome the opportunity to respond to the criticisms of my amendment as voiced by the gentleman from Arkansas. I am confident that once he understands the full amendment and all its parts in context, that he will agree that it is a strong legislative effort to make improvements in a critical area of the weapons development process.●

THE REAGAN ADMINISTRATION'S SUBVERSION OF THE NUCLEAR NON-PROLIFERATION ACT IN INDIA

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 3, 1983

● Mr. OTTINGER. Mr. Speaker, recently, Secretary of State George P. Shultz announced the Reagan administration's latest act of appeasement in its nuclear relations with India. In spite of growing evidence that India, a nation that has already detonated a peaceful nuclear device made from civil nuclear technology, is preparing for another nuclear test at the same Rajasthan desert site of its 1974 blast, Secretary Shultz assured Prime Minister Indira Gandhi that the United States would provide parts and components for India's two Tarapur nuclear reactors.

Such a promise is extraordinary because American nonproliferation law is clear where the misuse of nuclear technology is involved. The President must terminate all nuclear exports to any country found to be engaging in activities having direct significance for the manufacture or acquisition of nuclear explosive devices. But instead of terminating nuclear trade and demanding that India cease its nuclear weapons activities, the Shultz statement indicates the President will seek a waiver of the cutoff provision to provide India with parts, if the United States cannot find a third party such as Italy or West Germany to supply those parts instead—itself a deplorable end run around the Non-Proliferation Act.

This latest proposal is part of a clear Reagan administration pattern of subordinating U.S. nonproliferation policy without seeking even minimal nonproliferation assurances in return for concessions which are made.

Almost exactly a year ago the administration, by Executive decision, relieved India of an important requirement in our bilateral agreement regarding the supply of nuclear fuel. The administration allowed France to provide enriched uranium fuel for the Tarapur plants even though shipment of this fuel by the United States is currently prohibited because India will not agree to international safeguards inspections of all its civil nuclear facilities. In relieving the Indians of this requirement, the administration neither sought nor received any assurances from India concerning safeguards on the French-supplied fuel. Nor is it now seeking, as it should, India's agreement to continue safeguards on spent fuel from the Tarapur reactors, which contains enough plutonium to make over 100 nuclear weapons.

Unfortunately, another ominous development may be taking place. Since Mr. Shultz' June 30 announcement, India has taken another provocative step. On July 9, Mr. Homi N. Sethna, the chairman of India's Atomic Energy Commission stated that India may reprocess spent fuel from Tarapur to extract the plutonium and recycle it in the Tarapur reactors. Such actions by India would be in direct violation of the bilateral agreement and would also result in a termination of nuclear relations under U.S. law.

Mr. Speaker, the administration must stop making a mockery of U.S. nonproliferation law, and start setting a strong example for the world by enforcing the provisions of the Nuclear Non-Proliferation Act as the Congress intended. To continue to do otherwise will severely undermine our ability to deal seriously with our allies on nuclear proliferation matters. An early casualty could well be the President's own proposal that full scope safeguards should be reqired by all the world's nuclear supplier countries as a prerequisite for supply of nuclear materials or equipment.

Recently, India's actions were the subject of articles in two diverse and respected American newspapers. Commissioner Victor Gilinsky of the U.S. Nuclear Regulatory Commission, wrote with considerable insight in the Wall Street Journal on India's behavior and our self-deception about India's intentions.

A recent New York Times editorial also provides an excellent understanding of the effect of the administration's Indian proposal and advice on what should be done instead.

I commend both of these articles to my colleagues.

[From the Wall Street Journal, July 5, 1983]

WHY KEEP HELPING INDIA MAKE THE BOMB?

(By Victor Gilinsky)

Another American appeasement of India's appetite for nuclear-explosive plutonium is in the works. Secretary of State Shultz has promised Prime Minister Gandhi the replacement parts she wants to keep the old General Electric reactors at Tarapur running, despite India's dispute of our control over the plutonium that's generated.

The State Department, which last year arranged for France to replace us as India's enriched-uranium supplier to get around the Nuclear Nonproliferation Act, has up to now had cold feet about recommending the parts export to the Nuclear Regulatory Commission. State was worried about the Atomic Energy Act's ban on nuclear exports to countries that have engaged in activities directly related to bomb-making or that have violated safeguards agreements. The excitement of a trip to New Delhi seems to have resolved the secretary's doubts.

The announcement in New Delhi did not spell out how the parts would be supplied. It may be possible to get used parts by cannibalizing a couple of shutdown GE reactors in Europe, but this is unlikely to produce all the equipment the Indians want. Several proposals have been discussed for getting new parts, which are obtainable only from the U.S.

SHOULD LAW BE AMENDED

One is to have the president make a finding that, notwithstanding whatever difficulties the State Department may have, the exports would be in the interest of "the common defense and security of the United States." Another proposal, which has been tried out on various congressmen, is to amend the law to loosen the export controls for "safety-related" equipment on humanitarian grounds. This suggestion has been accompanied by claims that Indian workers at Tarapur are getting excessive radiation doses in trying to keep the wornout reactors operating.

The "safety-related" label is just dust in the eyes. Practically everything in a reactor is "safety-related" and the object of getting the parts is to keep the plants operating rather than to meet safety standards. No one seems to ask why the Indians prefer to operate the reactors in unsafe conditions instead of reaching agreement with the U.S. over control of the explosive byproducts. The real issue is: Should we help the Indians run the Tarapur reactors and make more nuclear explosive plutonium over which control is disputed? We are talking about a spent fuel stockpile currently containing a couple of hundred bombs' worth of plutonium with which the Indians have been blackmailing us for years.

Once the spent fuel is reprocessed, the extracted plutonium can be used either for fuel or explosives. The key point is that, once separted, the plutonium cannot be protected reliably from misuses by means of international inspection.

The Indians dispute the U.S. position that India cannot reprocess the fuel without our consent and that we have never given that consent. Even more disturbing is the Indian view of what happens after 1993, when the 30-year Tarapur Agreement runs out. India's foreign minister told his parliament in 1982, after Mrs. Gandhi's visit to the U.S., that ". . . after 1993 nothing remains . . . The whole agreement just lapses and, therefore, the obligations, the duties or whatever is envisaged in the agreement would lapse automatically."

He was saying, in effect, that after 1993, the Indians can do anything they want with the plutonium derived from fuel we supplied, including using it for bombs.

Nothing stands out so much in the history of U.S.-Indian nuclear relations as India's consistency of approach and purpose and America's short-term outlook and selfdeception about Indian intentions. From the start of its nuclear program, India has been obsessed with plutonium as the key to nuclear independence and nuclear explosives. From the first, India has been deeply hostile to international safeguards and the Nonproliferation Treaty.

India has lawyered the U.S.-Indian agreements to free itself of the restrictions it detests. The most striking instance involved the use of U.S.-supplied heavy water in a research reactor to produce plutominum for India's 1974 nuclear explosion in violation of a contract with the U.S. to limit the heavy water to "peacful uses." This revelation, more than anything else, led to the Nuclear Nonproliferation Act.

To bolster its demands for fuel and spare parts, the Indians have threatened to reprocess, or worse, if we do not abide by their interpretation of our agreement. At the same time, Indian has played the injured party, particularly with regard to the nonproliferation act's "full-scope" safe-guards requirement on the further supply of U.S. fuel, a role supported by some highly placed, naive U.S. officials.

The fact is that the 1971 U.S.-India fuel contract allows us to impose such changes. India agreed to comply with "all application laws, regulations and ordinances of the United States." Moreover, the Indians can hardly argue we have been unfair. We have, in fact, been enormously generous. The Tarapus loan terms were practically a steal: a 40-year loan, at 0.75% interest, and with an initial 10-year deferral of repayment of principal. India has so far paid only about $20 million for reactors whose replacement value is hundreds of millions. Most important for India—for it was never interested in pursuing technology that would tie it to the U.S.—was that the agreement gave it entry to the Atoms for Peace program. India was the second largest participant with over 1,000 scientists, the core of its nuclear staff, being trained in the U.S.

NO LEGAL OR MORAL OBLIGATION

What should we be doing? India is threatening to blame us for further leaks or accidents at Tarapur. Let us make it very clear to everyone that we are under no legal or moral obligation to keep an unsafe bomb factory going. If there is indeed a genuine health danger at Tarapur, let us help stop radiation leaks, but we should make our assistance for further plant operation contingent on resolving the plutonium control issues. We should have done this before agreeing to allow France to supply fuel to Tarapur, but the spare-parts issue provides another opportunity. The Reagan administration is letting this one go, too. Now it will be up to Congress, though its role is somewhat clouded by the recent Supreme Court ruling on legislative vetoes.

What if the Indians threaten to reprocess, or drop safeguards? The best way to avoid this is for the U.S. to be firm. Whatever we do, the right answer to blackmail cannot be to increase the amount of plutonium at risk.

[Mr. Gilinsky is a member of the Nuclear Regulatory Commission.]

[From the New York Times, July 15, 1983]

APPEASING INDIA'S NUCLEAR BLACKMAIL

On his recent visit to India, Secretary of State George Shultz brought a gift, a guarantee of parts to repair the radiation-leaking nuclear reactors at Tarapur. It was not only a gift but a giveaway: it undid the United States' main leverage over a country that has already exploded one atomic device by flouting nuclear safeguards and apparently intends to do it again.

India violated a contract governing American-supplied heavy water to produce the materials for its atomic explosion in 1974. The fruit of that folly was to precipitate a costly nuclear competition with Pakistan. Whether or not to maintain a lead over its rival, India seems headed for a second underground test, as judged by satellite photos that show a large shaft being dug in the Rajasthan desert.

India's two General Electric reactors at Tarapur are subject to inspection, but other of its facilities are not. A 1963 agreement stipulates that spent fuel from these reactors shall be repocessed—a step that lets the genie out of the bottle by yeilding weapon-usable plutonium—only with American consent. Nonetheless, the Indians now contend they can do what they like with the fuel after the agreement expires in 1993.

The 200 tons of spent fuel that have accumulated at Tarapur have proved wonderfully effective for blackmailing the United States. For fear of giving India a pretext for breaking the 1963 agreement, President Carter agreed in 1980 to supply more uranium. A second load was promised if India would agree to open all its facilities to inspection. The Indians ate the carrot and spurned the stick.

The Reagan Administration pursued the policy of nuclear appeasement with new intensity. When India needed a second load of uranium, the Administration arranged to have France be the supplier, rather than seek a waiver from Congress to have the United States provide it.

Spare parts to fix the leak in the Tarapur reactors should have been conditioned on India's agreeing to full-scope inspection. Instead, the Administration plans to provide the parts without strings, either from shutdown reactors in Europe or directly. That's triple folly.

First, the Tarapur reactors could not now be licensed to operate in the United States. On safety grounds alone the Indians should be helped to shut them down, not keep them running.

Second, running Tarapur allows India to accumulate more spent fuel and *increase* its leverage.

Third, for the United States so to reward a violator of contracts would puncture the hope of holding the line against other countries eager to acquire nuclear weaponry.

The Administration vows to prevent the proliferation of nuclear weapons, but its malleability only encourages the pressures to which it has just yielded. Mr. Shultz's appeasement has bought not gratitude but a new flurry of contemptuous threats. The chairman of India's Atomic Energy Commission last week announced he might have to start reprocessing the spent fuel because the reactors' storage pools are full.

Unswerving efforts to make India accept fullscope inspection would at least command respect. At best, they would help save

India and Pakistan from a mad pursuit, and the world from its perils.●

PROTECTION FOR THE THREE SISTERS WILDERNESS

HON. LES AuCOIN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 3, 1983

● Mr. AuCOIN. Mr. Speaker, I am pleased to report that the long controversy over pumice mining in Oregon's Three Sisters Wilderness Area has come to an end. For over 20 years, mining claims have been held in the Rock Mesa area of the magnificent Three Sisters Wilderness. Legislation was introduced 12 years ago to resolve this issue—unfortunately, without success.

In September of 1981, 670 acres of the existing 1,460 acres of claims were declared valid by an administrative law judge. This decision meant that pumice mining could take place in the heart of one of this Nation's most beautiful wilderness areas.

I have known this magnificent wild area since my boyhood in central Oregon and I love it as all Oregonians do who love our great wildlands. But Rock Mesa is special. Covering more than 2 square miles, it is a geologic rarity, a pile of barren molten rock in the midst of Oregon's Cascade Range. The area surrounding Rock Mesa is the home for deer, elk, cougar, bobcat, coyote, and other wildlife.

When the House Appropriations Subcommittee on Interior met to write the Interior appropriations bill for the current fiscal year, I proposed that $2 million be set aside for the acquisition of these mining claims that threatened the core of the Three Sisters Wilderness. Two earlier appraisals had found that the claims were worth between $4.5 million and $6.5 million. The subcommittee agreed with me that the Three Sisters Wilderness was too precious for any mining to be allowed. And they agreed with me that the cost, at least $2 million less than a previous appraisal, was well within acceptable spending limits. The committee agreed to my request, the bill was passed by Congress and now the final steps have been taken to preserve the sanctity of Rock Mesa.

To have allowed the mining of Rock Mesa to take place would have resulted in the degradation of the Three Sisters Wilderness and would have violated the spirit, if not the letter, of the 1964 Wilderness Act.

All parties involved in resolving this two decade-old conflict deserve credit for saving this remarkable and unique area, and I am pleased to have been able to assist.

Holly Jones, vice chairman of the Oregon chapter of the Sierra club, said it best when he remarked that the action taken "culminates 20 years of persistence and dedication by concerned conservationists to have final protection for the Three Sisters Wilderness."●

CENTRAL ORGAN DONOR CLEARINGHOUSE

HON. DAN MARRIOTT

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 3, 1983

● Mr. MARRIOTT. Mr. Speaker, during oversight hearings by the Energy and Commerce Committee on Friday, July 29, I testified on the need for the establishment of a central organ donor clearinghouse.

My recommendation is prompted by the increasing difficulty of thousand of persons needing, yet unable to find, organs to sustain their lives.

An effective system needs to be established to better facilitate people in need. I believe that a partnership must be formed between Government and hospitals to get a central organ donor center established. Once it is established, the responsibility of its operation should be transferred to the private sector.

As I know that many of my colleagues share my concern in this area, I would like to submit my testimony in the CONGRESSIONAL RECORD and recommend it to those who believe we must find a suitable organ donation referral system to keep pace with our advancing medical technologies and our ability now to save lives that would have, years ago, been lost.

TESTIMONY OF HON. DAN MARRIOTT

Mr. CHAIRMAN: Thank you for the opportunity to appear before the committee today to testify on behalf of the thousands of persons seeking organ donations in order that they may lead fruitful, productive lives. It is on their behalf that I thank you for holding these hearings today.

In particular, I wanted to appear on behalf of young Clayton Conger, of Rock Springs, Wyo., A 4-year-old hospitalized last week at the University of Utah Medical Center. Fortunately, Clayton is one of the lucky ones. He is the recipient of a liver donation and is now recovering from his operation performed just Wednesday, July 27. I know that everyone in this room today, those of us who really care, and the millions of Americans pulling for Clayton and the other liver transplant patients, wish them a speedy recovery.

But this week made it even more evident that it is still time that we focus our attention on the plight of those still waiting for organ donations.

The bottom line Mr. Chairman, is that our system of organ transplant is growing—growing every day. As medical technology advances, the remarkable organ transplant operations are becoming very successful and more numerous.

But while the medical and scientific communities have developed their techniques, it is apparent that the systematic organization of a "donor bank" is trailing far behind technologies.

Waiting for organ donations are thousands of individuals, who, without the access to media publicity, do not have easy access to available organs for donation.

There are several problems confronting these patients today, and I would like to touch upon each one briefly.

First, as I am sure you know, the donor awarness program is very poor. Even medical technicians working in hospital emergency rooms across the United States are not pushing the need for vital organ donations. I am pleased that Representative MORRISON of Washington has initiated "Organ Donor Awarness Week" and feel that this is a vital step toward the availability of organs for transplant. It is essential that the medical community make each and every American aware of the life he can save when he or one of his loved ones meets an untimely death. No one individual, in his period of grief, remembers that his relative may spare the death of another living being in a State geographically apart from his. I clearly remember seeing one television documentary of a mother whose daughter was killed in a motorcycle accident, and who agreed to have her daughter's kidney transplanted to save a critically ill individual. She visited that individual not too long after the death of her daughter, and felt a sense of relief knowing that in dying, her daughter was able to give something of herself to another life. This publicity must be fostered. It is not that people don't want to donate; they aren't aware of the need, nor are they tactfully reminded of the need at the time of an accident and/or death. This is the responsibility of the medical community. They must, perhaps with our assistance, get an "on-line" awareness program, not unlike the National Red Cross blood banks. In this regard, I look forward to the enactment of Organ Donor Awareness Week. Unless organs are available, successful medical technologies are worthless.

The second problem facing individuals in need of transplants are the costs of these operations. We have witnessed many heart-rendering stories of communities that have held rallies to raise the funds for upcoming operations. I applaud their efforts. But, as technologies advance and these transplants become more numerous, something has to be done. Otherwise, it will be those who can afford the organ transplant operations, who will be the ones who can afford to live. Mr. Chairman, this is not democracy.

The cost of a heart-lung transplant at Stanford University Medical Center is an estimated $150,000. I understand that $80,000 of that must be "paid in advance." This is a critical question, Mr. Chairman—"who pays?"

The third problem facing individuals in need of transplants is the lack of coordination between donors and recipients. It is basically a frightful mess. Management has certainly not kept up with technology.

What we have, Mr. Chairman, is a hit-or-miss program based on luck. Without media publicity, a transplant patient must wait for his local transplant center to notify him of an available donation. In turn, the transplant center must compete with other facilities throughout the United States to secure that necessary and vital organ donation.

This is indeed an inequitable situation—one that can be remedied.

There are some 30,000 Americans whose sight has been severely impaired by corneal disease or injury. That sight can be restored

by means of a corneal transplant operation—an operation that can only be done following the donation at death of a human cornea. In addition to these number of people who could have their sight restored by donor tissue, tremendous contribution can be made in the field of research.

There is an Eye Bank Association of America in Houston, Tex. It is in the process of setting up a computerized system for eye donation referrals at Emory University in Atlanta. I applaud their efforts. There are currently 23 eye banks in the country. There is one at the University of Utah in Salt Lake City. But these banks do not have the dollars to hook up to the system.

At the University of Utah, alone, there are now 50 people awaiting corneas, and the only way of securing one is to call the other 22 eye banks and hope for a hit-or-miss opportunity.

This is the closest central clearinghouse system that has been developed in the United States for donated organs. The rest of the story goes downhill.

There are many organ transplant centers. The University of Utah is the site of the Intermountain Transplant Center for Kidneys. While officials there hope to expand and can foresee transplants in the future of heart/lungs, livers, pancreas, etc., persons in this region must rely on one of the other transplant centers for these types of organs.

There is another organ transplant network started in Richmond, Va. This is called the United Network for Organ Sharing. But right now, they are established only for kidney referrals.

There are no other central clearinghouses for any other organs!

Yes, there are three liver transplant centers—in Pennsylvania, Nashville, and at the University of Minnesota. These centers are the ones that compete for organ donations. As more and more hospitals throughout the country become efficient in liver transplant operations, more and more institutions will be competing for the limited number of organ donations. As technology advances, the demand will only increase.

The solution?

Mr. Chairman, we must build a central referral center. We must have a professional system of evaluating how organs can best be utilized. It must be computerized and every transplant center and hospital in the United States must be able to plug into it. As the system will already have on file a list of organ needs, when a donation is made, the institute can immediately contact the system and non-bias referrals can be made, based on a qualified match between donor and recipient. This referral center, or clearinghouse, not the transplant centers, will become the means for determining the supply/demand question.

This is the solution, Mr. Chairman, and it should be a high priority for the U.S. Congress to address.

What I advocate is that there should be a partnership between Government and hospitals to get the central organ donor center established. Once it is established, the responsibility of its operation should be transferred to the private sector.

I will work with you, Mr. Chairman, and the members of your committee and the members of the Science and Technology Committee, Chairman Albert Gore, and the Surgeon General of the United States, Dr. Koop. We all realize the need for prompt action.

Today is a first step. But, Mr. Chairman, it is a great step and a vital one in meeting the needs of our expanding medical technology and a giant step in saving lives.

Thank you, Mr. Chairman.●

BELLEVUE CELEBRATES ITS SESQUICENTENNIAL

HON. HOWARD WOLPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 3, 1983

● Mr. WOLPE. Mr. Speaker, I rise to pay special tribute to the Bellevue area of Eaton County, Mich., at the time of the sesquicentennial of its settlement. The territory's name evolved from descriptions in early history of the area which consistently referred to the heavy timberland as a "beautiful view." The name, Bellevue, remains an apt description of this beautiful rural area.

Since 1833, when it was the first territory settled in Eaton County by Captain Reuben and Judith Fitzgerald, Bellevue has been honored with several important county firsts. The first Eaton County school was built in Bellevue in 1833; Bellevue was the first Eaton County seat; Bellevue was the site of the county's first organized church service; and it was in Bellevue that the first circuit court term was held.

Mr. Speaker, my colleagues would be inspired by the courage demonstrated repeatedly by the residents of Bellevue, in their response to disasters that have beset the town—whether it be the two cyclones that swept the area in the early 1880's or the numerous fires that destroyed large portions of the business district, in subsequent years. In every instance, Bellevue residents have come to the assistance of neighbors, family, and friends in time of need. Even today, Bellevue is a place whose residents have retained their sense of community and their concern for others. The people of Bellevue know that they live in a very special place. I am honored to represent the Bellevue area and to work with constituents who use the celebration of their history as a means of committing themselves to the future of their community.●

INTRODUCTION OF CANAL SAFETY BILL

HON. MANUEL LUJAN, JR.

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 3, 1983

● Mr. LUJAN. Mr. Speaker, the tragic drowning of 4-year-old Michael Chavez recently in an irrigation canal in Albuquerque has grimly highlighted for us once again the need for action. This is a federally built canal that is a menace to both children and adults; and there are federally built canals in each of the 17 reclamation States that are claiming an ever-increasing number of lives each year.

Since 1967 there have been about 950 drowning deaths in these canals. Every summer brings new tragedies, and virtually every Member from those 17 Western States is under pressure to "do something" to prevent further drownings.

The bill I am introducing today creates a long-needed mechanism for making safe the most hazardous stretches of these canals and for preventing other stretches from becoming hazardous.

The problem does not lie with the canals themselves. They are no more unsafe than they were when they were built. The problem lies with their location. When they were built, they were in farming country, and farm kids are taught to avoid the canals. But whole cities have grown up around the canals over the past few decades as urban sprawl moved from East to West. Former farm lands, annexed to municipal jurisdictions, have been zoned residential, developed with housing, and are now crowded with families whose kids see the canals as an attractive place to play, swim and fish. Through no fault of the Bureau of Reclamation or the farmers, the formerly harmless water channels become potential death traps for the urban unwary.

Obviously, the urbanized portions of the canals need to be: First, fenced; second, converted from open ditch to buried pipeline, or third abandoned and filled.

Well, one might ask, if the dangers are recognized and the solutions are known, what is the problem? Why do we need a bill? The answer to that question can best be made by explaining how the bill has developed over the past 10 or 12 years.

Shortly after I came to the House in 1969, a summer drowning in the Albuquerque Canal brought a call for some kind of action. I asked the Bureau of Reclamation for a full report and for their recommendations.

In August of 1970, Secretary of the Interior Walter Hickel presented me with an inch-thick document prepared by the Bureau of Reclamation which described the entire 1,000-mile network of canals, laterals, and drains in the Middle Rio Grande Conservancy District, the number of deaths that had occurred in each section of the district, the proposed safety features and their costs, and a number of recommendations and conclusions.

It was a very thorough, professionally done piece of work, and it had only one fatal flaw: The recommended construction work carried a 1969 price tag of $16.5 million and the Middle Rio Grande Conservancy District had already asked for a deferment of its reg-

ular payments to the Federal Government so it could correct a serious sediment problem. There was no way it could come up with $16.5 million.

Neither the city of Albuquerque nor Bernalillo County was willing at that time to assume financial responsibility for modifying or fencing canals which it did not own. The State of New Mexico said it was a local problem, and the Bureau of Reclamation, of course, could expend no funds without congressional authorization.

As time went by, I and other members of the New Mexico delegation met with city, county, and State officials and with officers of the conservancy district, trying to achieve a consensus as to how we could all cooperate to get something done.

We finally achieved an agreement between city, State, and county officials that they would support 50 percent payment of the costs by local entities if the Federal Government, which at that time operated the canals, would pay the other half.

Responding to this agreement, the New Mexico delegation decided on a 50-50 cost-sharing bill which was introduced in 1972 by the late Senator Clinton P. Anderson. That bill (S. 3472) called for the fencing or conversion to underground conduit of any hazardous open canal or drain where the local entities were willing to pay half the cost. The bill was opposed by the Nixon administration and went nowhere after a single hearing.

Shortly thereafter, in 1975, the Government turned the operation of the canal system over to the conservancy district, thus weakening the local argument that the Government, as builder-operator of the system, shared responsibility for its public safety.

Drownings continued, and by 1978 there was again strong local sentiment for action, but this time supported with money. The State board of finance authorized a grant of $100,000 to the city and county, provided the city and county match it with a like sum. The idea was to provide a sizable local matching fund as an inducement for Federal cost sharing.

With that demonstration of support from home, I introduced a bill in June of 1978 calling for a reduced (20 percent) Federal share of the cost. But when that bill was referred to the Interior Committee I was informed that the Carter administration strongly opposed it, and the bill was not reported.

The tragedy is that while public officials at all levels of government have argued over the share of costs, the drowning deaths have continued at a higher pace, year by year.

The bill I am introducing today takes the initiative for action by recognizing that the only entities who should pay for safety work on the canals are those who receive benefits from the canals, and that once those entities are identified they should pay the same proportion of the costs that they share in benefits. This includes the Federal Government, so there would be no Federal share of the cost unless there is a recognized, definable Federal benefit that justifies it.

Briefly, the bill authorizes the Secretary of the Interior to make studies, at the request of a local community, to determine how best to eliminate or reduce the safety hazards of canals. The study would identify the beneficiaries of the project and would assign benefit percentages to each beneficiary, including the Federal Government where applicable. The costs would be apportioned in the same percentages and the local beneficiaries would then decide if they want to proceed with the project.

If they decide to go ahead, the bill authorizes the Secretary to enter into contracts with the principle beneficiaries to repay their share of the construction charges, with interest, over a period not to exceed 30 years.

Another requirement on the local sponsors is that the city and county within which the canals are located must have enacted ordinances requiring fencing or undergrounding of the canals to have been accomplished as a condition precedent to the granting of residential zoning on adjacent land. They must also require new subdivisions in irrigated areas to place open ditches in pipe or install fencing.

I want to stress, Mr. Speaker, that this bill addresses a problem that is not unique to New Mexico. It is common to all Western States. In fact, of the 950 deaths over the past 16 years, California leads with more than 300, Arizona is next with about 150, followed by New Mexico, Texas, Washington and all other reclamation States except Kansas and North Dakota.

It is a problem we must take care of now, and this bill is the fair and proper way to get the job done. Thank you.

H.R. 3761

A bill to reduce public safety hazards on federally-built canals, laterals and drains, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. (a) At the request of an operating water-user entity, municipality, county or state, the Secretary of the Interior is authorized to perform studies of hazardous canals, laterals or drains to determine methods and costs of eliminating or significantly reducing the hazards: *Provided,* That the installation to be studied is a part of a federal reclamation project.

(b) Such studies shall identify the public and private beneficiaries of the installation and shall apportion to each beneficiary the percentage of benefits found by the Secretary to be appropriate.

SEC. 2. The Secretary is authorized to construct whatever modifications or additions are found to be needed and feasible to eliminate or significantly reduce the safety hazard. Such construction may include, but is not limited to, the conversion of open channels to closed conduits or the installation of safety fencing: *Provided,* That no federal funds shall be expended for construction until all of the following conditions shall have been met:

(a) The canal, lateral or drain must be a part of a federal reclamation project;

(b) The Secretary has negotiated a contract with the principle beneficiaries providing for payment of all reimburseable costs of construction. Such costs shall be allocated to the beneficiaries by the Secretary in reasonable conformity with the allocation of benefits. Costs allocated to the United States shall be nonreimburseable.

(c) Municipal and county governments within whose jurisdiction the hazardous canal, lateral or drain is located shall have enacted ordinances requiring:

(1) The conversion to underground conduit or the installation of safety fencing or abandonment of the canal, lateral or drain as a condition precedent to any form of residential zoning or residential rezoning of land adjacent to the channel; and

(2) In the case of such land that had been zoned residential prior to the passage of such ordinance, construction of safety fencing by subdividers on their property prior to the completion of the initial segment of their developments where that property abuts the channel.

SEC. 3. Repayment contracts negotiated under authority of the above Section 2(b) shall include interest accruing from the date of completion of construction and calculated as the rate equal to the annual yields on interst-bearing marketable securities of the longest term sold by the United States at the time the repayment contract is entered into. The term of such contracts shall be for a period not to exceed thirty years.

SEC. 4. There are hereby authorized to be appropriated not to exceed $1 million to carry out the purposes of Section 1 of this Act, and not to exceed $100 million to carry out the purposes of Section 2.●

U.S. FOREIGN POLICY

HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 3, 1983

● Mr. VENTO. Mr. Speaker, recently this body devoted considerable attention to a review of the administration's Central American policy. After lengthy debate, the House properly rejected covert aid against Nicaragua as shortsighted and contrary to long-term U.S. interests.

The administration's Central American policy underlines an intrinsic problem in our foreign policy. All too often, our government, whether Democratic or Republican, has followed a short-term policy without recognizing long-term implications. Our blind support for today's friendly dictatorships has often led to confrontation with successor governments. Whether it is the Shah in Iran or Somoza in Nicaragua, our policy deter-

minations have been blinded. We have looked at immediate gains while ignoring legitimate complaints and voices for change.

As we review our current Central American policy, it is important to look beyond today and to develop a policy that considers all relevant interests.

At this time I would like to bring to my colleagues' attention an article which appeared in the Christian Science Monitor. This article, written by the director of the University of Minnesota's Hubert H. Humphrey Institute of Public Affairs, Harlan Cleveland, provides an excellent analysis of our foreign policy shortcomings as well as positive steps which Congress and the administration can take.

[From the Christian Science Monitor, July 27, 1983]

GETTING ALONG WITH THE "NEXT GOVERNMENT"

(By Harlan Cleveland)

All peoples, however well or badly governed, are presently or potentially our friends. But no government can expect to be our overriding friend. It is as true now as when Talleyrand said it that nations do not have permanent friends, they just have permanent interests.

Our judgment, in each particular case, should be heavily weighted in favor of the long-run relationship between the American people and the peoples of the other country or countries involved. That purpose is seldom served by the effusive nonsense which so often characterizes the personalized diplomacy of summit meetings. This is not a partisan comment: It applies as well to President Carter's short-lived prediction of the Shah's longevity as to Vice-President Bush's euphoric toast to President Marcos: "We love your adherence to democratic principles and to the democratic process."

Everywhere, the status quo is on the way out. In a volatile and turbulent world, half a hundred governments are likely to change next year, and the year after that—sometimes by constitutional but more often by extraconstitutional process. Diplomacy is mostly the art of getting along with the sitting government. But in so dynamic a political environment, the American people have at least an equal interest in getting along with the next government, and the one after that.

What our government says and does, how and when we compromise our stated principles (human rights, free enterprise, basic human needs, opposition to communism or apartheid or trade barriers), should be said and done with an eye to the effect on those future relationships. If, to select an example not wholly at random, we encourage a sitting government to drag its feet on land reform, we can hardly expect cooperation on strategic issues from the land reformers who may take over next.

We have not been skillful at masterminding or even forecasting political transition in other societies. But the United States government can at least position itself so as not to make the unseating of each sitting government a defeat for the American people.

In reaching out to "next governments" around the world, the U.S. has the enormous advantage of its credible pluralism. With marginal exceptions U.S. business people, trade union leaders, farmers, scientists, engineers, professors, journalists, and especially students and other young people, can travel the world without being taken for agents of their government, whatever its political complexion.

By the same token, we welcome here each year many thousands of key people—leaders and leaders-to-be—from nearly every country on earth. Many of them spend some time most of their time getting to know Americans from every walk of life, every sector of society, every shade of opinion.

This "getting to know you" experience should be considered a major part of U.S. foreign policy. It does not guarantee political support by our visitors, or those we visit, of whatever a U.S. government may temporarily emit as "policy." But a healthy flow of Americans overseas, and a comparable flow to the U.S. of leaders and potential leaders from other countries, guarantees that "next governments" around the world will contain some people who understand that American governance may be messy but is not really messianic, and that democratic pluralism and nonviolent transitions of power are practical propositions even in a continental society.

It may be that the votes our senators and representatives cast each year on educational exchange programs are the most important—and the most cost-effective—policy they are privileged to make about international peace.●

THE FEMINIZATION OF POVERTY

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 3, 1983

● Mr. FLORIO. Mr. Speaker, the administration's economic policies continue to impose hardship on millions of Americans. Most of the road to full economic health still lies ahead. Unemployment has edged down only grudgingly, and still stands at a full 10 percent nationwide. Millions of Americans continue to want for work.

American working women confront additional adversity from discriminatory wage and employment policies. For every dollar a man earns, a woman earns only 59 cents, 5 cents less than a generation ago. "Women continue to face significant employment barriers, including occupational segregation, wage inequities, and discriminatory exclusion from high-wage jobs," says U.S. Civil Rights Commissioner Mary Frances Berry. The absence of an Equal Rights Amendment to the Constitution means that women will continue to face economic discrimination from many fronts left untouched by weak or nonexistent statutory laws.

Gender discrimination on the job, in pension rights, property settlements, and other areas is depriving an increasing number of women of any economic security. Straight-line projections of current trends suggest that, by the year 2000, almost all the U.S. poor will be female—primarily single mothers and elderly widows. Administration cutbacks in benefits going to poor women, including reductions in AFDC, child care support, and medicaid, further aggravates the poverty that characterizes the lives of so many women today.

An article in the RECORD, from Bergen, N.J., further examines the special burdens the administration's economic policies are imposing on New Jersey's low-income women. Mr. Speaker, I submit the following article for my colleagues' review.

The article follows:

[From the Record, July 26, 1983]

WOMEN IN NEED: THE FEMININE SIDE OF POVERTY

(By Elaine D'Aurizio)

Women have finally arrived. The headlines keep affirming it. Women are winning seats in the cabinet and on the Supreme Court, soaring into outer space, and bounding up the corporate ladder.

Or consider the image of today's woman in TV commercials. Instead of battling ring around the collar, she's showing off her new sports car or singing the praises of her new charge card. Impervious to aging, she looks terrific as she manages a challenging career and raises model children—all the while adored by a proud and supportive husband.

Try telling Louise Adler that's the way it is. The Garfield resident is struggling to raise a 13-year-old son and an 8-year-old daughter on $9,932 a year—her take home pay as a legal secretary.

"What hurts most is not being able to give my son a few dollars for a movie," says the 34-year-old divorced mother. "It's so hard to watch my daughter struggling to zip up pants she has outgrown, and to know I can't afford new ones."

Louise Adler (her name has been changed at her request) is not a role model who inspires other women to reach for the brass ring. She represents, perhaps, more of a reality—a female head of a household fighting for survival.

She is also one local example of a growing trend in America: what sociologist Diana Pearce calls "the feminization of poverty."

Between 1969 and 1978, the number of poor families has changed little, but their composition has shifted dramatically. According to the Bureau of Labor Statistics, today more than half—3.3 million—of all poor families in America are maintained by women, compared with 36 percent in 1969. Two of three poor adults in this country are women, says the National Advisory Council on Economic Opportunity.

What constitutes poor? U.S. Department of Labor criteria vary from locale to locale, but according to May 1983 figures, a typical ceiling was $9,900 for an urban family of four, exclusive of noncash benefits such as medical care and food stamps.

A swelling divorce rate, job and wage discrimination, and the lack of affordable child care and housing: All help perpetuate poverty among women who raise families alone, according to a recent study by the U.S. Commission on Civil Rights.

Eighty percent of divorced women get custody of children, and authorities say they shoulder most of the financial burdens. A national survey in 1975 showed that only 25 percent of women eligible for child support actually received it—and a majority of those received less than $1,500 a year.

LEFT WITH THE BILLS

Technically, Louise Adler may fall above the poverty line, but try convincing her of that. Her financial situation has been rough since 1977, when her husband told her he had found someone else, leaving her with bills totaling $2,400. Other than the children, all that remains of her eight-year marriage is a television, a sewing machine, a washing machine, a lamp, and a framed photo of her ex-husband in his Navy blues.

Mrs. Adler and her children live in a cramped, three-room, $275-a-month attic apartment. "This apartment was all I could afford, and no other landlord wanted my kids," explains Mrs. Adler, scooping rice onto dinner plates.

Watching her put dinner together on the tiniest of counters is like observing a juggler in a telephone booth. Everything in the apartment is fighting for space—small appliances, dishes, books, furniture, shoes. The frayed turquoise chair (a secondhand steal at $65) in the living room converts into a bed for Mrs. Adler. Her daughter and son share a tiny bedroom. Most of the furniture is family hand-me-downs.

Brand-name food is only possible when bought on sale. "Fruit and vegetables are out of the question," says Mrs. Adler. "My son loves salad but with the price of lettuce and tomatoes, I just can't afford it." Even the family favorite—pastina—has moved onto the treat list.

She has been nursing a recurring ear infection for five months because she can't afford a doctor's visit. She keeps her fingers crossed that her children stay healthy.

The last six years have toughened her. With no money coming in from her husband she was forced to enter the job market unprepared. "Society is very unfair to women. After a divorce, they're put through the mill," she says. "My husband was very macho and wouldn't hear of me working. I used to sneak baby-sitting jobs in for extra money."

Trying to restore the personal confidence destroyed when her husband left, Mrs. Adler was dealt another blow by potential employers. "At first, you feel lost. I was really down on myself. I felt the divorce was my fault, that I really wasn't qualified to do anything.

A homemaker since she was 18, Mrs. Adler says she felt condescended to at job interviews: "Especially men treat you like cattle, someone who can't do anything—even though you've balanced a budget, handled all the bills, kept the house running, and raised two children."

She says her one break came in October 1977, when Bergen County Legal Services hired her on a partial CETA program for on-the-job training as a legal secretary. Meanwhile, she hounded the probation department until it tracked down her husband in Indiana and ordered him to pay $40 a week for child care. "But I'd only get a check about every three weeks, sometimes months," she remembers. She adds that she hasn't received money in years, and out-of-state officials have turned a deaf ear, despite a New Jersey court order requiring him to provide support.

Mrs. Adler smiles as she reflects on her recent past. "I used to think if I'd remarry, I would want someone to lean on," she says. "Now I long to just have an adult to talk to when things go wrong, to let off steam with. The loneliness is worst at night after you've done a crossword puzzle, after you've read a book. You find yourself staring at the ceiling and you cry."

The poverty rate is even more startling for minority women and their families. More than half of all black families headed by women live below the poverty line. In the last decade, poor households headed by black makes decreased—from 630,000 to 410,000—while poor families headed by black women rose from 740,000 to 1.2 million.

That includes Jona Anderson of Teaneck and her five children.

"If I can work out a way to keep the house, I can handle anything else," Mrs. Anderson says, unruffled by the slamming of doors as youngsters parade in and out of her seven-room home. Somebody wants iced tea, another needs her shoelace tied. Mrs. Anderson obliges matter-of-factly, cooking and talking at the same time.

"My usual state is exhaustion," she says, having just finished a full day as an accounts receivable clerk.

Holding onto the house will take some doing. The mortgage is $713 a month. Mrs. Anderson earns $200 a week. Her estranged husband sends her $300 a month, but $100 of that goes for day care. The welfare board kicks in $142 a month in food stamps, but "my kids drink that much in milk."

If this doesn't seem hard enough, add $8,400 in mortgage arrears. Mrs. Anderson says she kept sending in whatever money she could after her husband left 1½ years ago, but it didn't satisfy the mortgage company, which started foreclosure proceedings last September.

"I've saved about $5,000 [toward the mortgage debt], but it isn't enough," Mrs. Anderson says.

Going back to school for a higher paying job is out of the question. "I need to work close to home for the kids, and I just don't have the time to learn a new job," she says.

Why not just sell the house? "I'm a black woman with five kids," she says. "Mostly white people live in places I see fit. I've looked for a decent place to live before—to a point where I wanted to put feathers on the kids and pass them off as birds.

"In Englewood, I had to put the roaches to bed with the kids," she recalls. That's why she and her husband pooled their salaries to buy the house. But their domestic problems were growing worse, including knockdown fights. Her husband a security guard, threatened her repeatedly with his revolver. After therapy failed, Mrs. Anderson finally told him to leave.

These days, she takes vacation days for emergencies, such as a recent chicken pox epidemic in her house. Clothes are secondhand donations. The worn linoleum floor and frayed furniture will have to wait. So will her dream of building a rock garden in the backyard.

She would like higher pay, though. "I've asked for a raise, knowing that a man would be making more money for the work I put in," she says.

Sometimes I get mad as hell [thinking about racial and sexual discrimination]. But I just don't have time to be angry. I have to keep things going from day to day."

Unmarried elderly women compose a third major segment of the poor. Nearly 2 million elderly widowed or divorced homemakers and single women (two thirds of them over 72) were below poverty level in 1981.

Marie Allers says she never planned on a day like this. But that day is here and here she is, 63 years old, living alone in a three-room flat in Clifton on $357 a month while she recuperates from open-heart surgery.

Mrs. Allers says she is grateful for the $26 a month she gets in food stamps and that her rent-controlled apartment is only $103 a month. What really concerns her, though, is more than $3,000 in medical bills—the ones Medicaid didn't cover. "I'll do my best to pay what I can," she says. "But I can't give what I don't have."

Timid and frail, her legs swollen and her body trembling, she smiles without resentment, speaking softly of the years that led her here.

If there is one word that best describes those years, it would be servitude. Yanked out of school in eighth grade, Mrs. Allers had to help raise her 12 siblings. "I was Mama's best helper," she says.

In spite of poor eyesight and the rheumatic heart disease that left permanent damage, she took a factory job at Botany Mills—and continued to help out at home.

At 28, she married. Six years later, in 1954, when she was temporarily laid off, her husband left. "I was collecting unemployment, anyway," says Mrs. Allers, "but he was always going from one job to another himself and I guess he couldn't take my not working, so he walked out."

Later that year Botany Mills closed down, and she began working a series of jobs as a waitress and cleaning woman in hospitals and stores. She was always paid minimum wage.

Through it all, a pattern of giving was there—helping out at the Salvation Army, making coffee for church groups, visiting her ailing mother in Philadelphia on weekends.

The, when she was 54, the last place she worked for closed down and she was placed on disability.

However small and basic her living quarters, the apartment is clean. And touches of a resilient spirit—potholders embroidered with smiling faces, a music box, post cards of places where other people have traveled—are part of the decor.

There is occasional loneliness, but "I like doing for myself," she says.

The only time Marie Allers got a little extra money was when she won $50 in a church bingo game. That day, she returned home to find her apartment burglarized and $50 worth of medication gone.

"I'm a positive person," she says. "God was watching over me, I figure. I could have been home when they broke in."●

STATEMENT ON H.R. 2697

HON. BARBARA A. MIKULSKI

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 3, 1983

● Ms. MIKULSKI. Mr. Speaker, yesterday I testified before the Senate Subcommittee on Taxation and Debt Management in support of S. 1579, a bill to provide relief to our volunteer labor force by reimbursing individuals 20 cents per mile when they use their private automobiles for a charitable purpose. We already provide this tax credit for businesses; we should provide the same financial relief to those who give their time and money so selflessly.

S. 1579 is identical to my volunteer mileage bill, H.R. 2697. I hope hearings will be held on that bill in the House this fall. Mr. Speaker, I insert

my testimony on behalf of S. 1579 in the RECORD and I urge my colleagues to join me in supporting this important legislation:

TESTIMONY BEFORE THE SUBCOMMITTEE ON TAXATION AND DEBT MANAGEMENT RE: S. 1579/H.R. 2697

Mr. Chairman, I appreciate being given the chance to testify in support of Senator ARMSTRONG'S bill, S. 1579, which is identical to my Volunteer Mileage bill, H.R. 2697.

Volunteers are a major labor force in the United States. Together they contribute some $11 billion to this Nation measured in time and services. They are the candy-stripers, the scout leaders, the civil rights activists, the veterans, the chamber of commerce members, the Kiwanis Club, the Blue-Chip-In participants, the meals on wheels bringers, the donaters and the telethoners.

But the volunteers' contribution cannot be measured, and should not be measured, in time and money alone. We must also measure it in terms of the value system it represents—a sense of caring, and a heartfelt motivation to make the world just a little bit better. Our volunteers are working at full capacity, selflessly and effectively. It is time that we return something to these tireless individuals.

With the tremendous losses in Federal social programs there is a new call to our volunteer community to step forward and fill the vacuum. Volunteers have been asked to substitute for the drug rehabilitation programs, the aid to the handicapped, the loss of CETA, and a host of other needed social programs. It is a tall order and the volunteers are going to need help.

We all seem to assume that volunteers are somehow immune to the societal pressures that affect businesses. There are tax credits for oil companies and expense accounts for executives, but volunteers are somehow expected to be an endless reservoir of resources, money and energy.

Inflation has affected the non-profit world in the same way that it has affected government and profit-making organizations. Those ladies who work the auxiliary at the hospital are under pressure to contribute additional income to the family. That boy scout troop leader may be looking for a second job, or may have been laid off from our steel, housing, or auto industry. That meals on wheels volunteer may have to help out grandma because her Medicare costs have increased. In fact, many volunteers are on fixed incomes themselves. Times are just as tough for the volunteer as for the mega-corporation, and yet we blithely expect the volunteers to give more and more.

Everyone has become more conscious of out-of-pocket expenses. Many volunteers have to travel miles and miles to do the good work they do—driving to meetings, to youth centers, to visit the housebound. Three million of our volunteers are giving their resources to the federal government, working in parks, for the Veterans Administration, the Coast Guard Auxiliary. In turn, the Federal Government says, "Do more."

I can honestly say that I am not asking for special treatment for a privileged few, or a new loophole for some would-be tax evaders. I submit this testimony on behalf of the "good guys" of our society—men and women—who are out there every day helping their neighbors and ours. They have never asked for a reward; but now they are asking for relief. If it costs 20 cents a mile to operate a car for government purposes, it costs just as much to use it as a volunteer. And it is time that we recognize that economic reality of life.

All over the United States right now, volunteers using their own cars are providing essential services to their fellow citizens. In my own community of Baltimore in 1980, Meals on Wheels of central Maryland served 2,050 meals every day—driving 150,000 miles a week. Life Support Project volunteers visit elderly nursing home patients who would otherwise have no visitors. In 1980, they made over 6,500 visits to people in nursing homes. I know of two patients in cancer clinics who were driven to treatment 40 times for a total of 2,894 miles.

These are just some of the examples of the work done every day by volunteers, without salary, without payment—and too often without recognition of any kind, but now these programs are in trouble. The cost of gasoline is a serious threat to the kind of neighbor-helping society we as Americans are so proud of. Every day, we learn of more programs which have had to cut back, to retrench, to deny services to needy clients—because they do not have enough drivers.

I do not want to lose the volunteer programs that are the bonding fabric in our society. I do not think we can afford to have this kind of work done by salaried employees. We cannot afford it financially—and we cannot afford it spiritually.

Finally, I am deepy concerned because the American people are now suffering under one of the largest cutbacks in government programs in our nation's history. Thousands of government programs providing essential services to millions of Americans have been eliminated. The need of charitable organizations and volunteers to fill this void is enormous. It is imperative that our government adjust its tax policy to encourage citizens to perform charitable works. I urge this Committee to take action to keep volunteers in the programs and on the roads—pass S. 1579. Thank you.●

WILLIAM R. ROBERTS ON THE AMERICAN POLITICAL PROCESS

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 3, 1983

● Mrs. SCHROEDER. Mr. Speaker, I would like to share with my colleagues the eloquent comments of Denver city council member William R. Roberts.

Mr. Roberts letter, from the July 29, 1983, Colorado Statesman, was in response to a statement made by a city council colleague lamenting the mayorality election results in Denver, Philadelphia, Chicago, and Los Angeles.

DEAR COUNCILMAN SWALM, Your comments about former Mayor McNichols in the July 8th issue of the Colorado Statesman were fascinating. They were also saddening and infuriating in part.

I refer to the frame of reference in which you remarked upon the end of the McNichols era. You were quoted as saying, "Apparently, there's sort of a trend. Chicago has their minority mayor, Philadelphia just elected one, and of course Detroit's had one for several years as had Los Angeles. Now Denver. I don't like the trend personally. We're doing away with some of the real valuable things that have made this country. This is just another symptom of our system going down the tubes."

I assume that you were quoted correctly and that I have repeated the quotation correctly.

It would be hard for anyone who deeply cherishes the American ideals of equality and democracy to react rationally and calmly to such statements, but I will try.

Each of the elections that you mentioned, including the Denver election, was freely conducted, and for the most part in cities where the majority of the population are anglos. Each of the minority mayors represented the true choice of the majority of those who voted.

It could be said that each of these elections became a celebration of the American ideals of fairness and color-blindness. In each instance, most of the people, whether black or hispanic or anglo, voted for the person they considered to be the best man, whether he was black, hispanic or anglo.

How could such advances beyond the bigotry of hopefully bygone days be considered a loss of values or a symptom of decline? If the ideals towards which Americans are trying to progress mean anything, then just the opposite is true.

Each of these minority mayors, including Mayor Peña, is an individual entrusted to protect and enhance a great heritage. Each, including Mayor Peña, must meet that responsibility in his own way, with varying degrees of success. Not one of these men can or should be judged by the actions of any or all of the others. Each must stand alone in the context of the history of his own city. The fact that each mayor may not share the ethnic or racial background of his constituents is interesting, but essentially irrelevant.

Somewhere among the predecessors in office of each of these mayors were other men who broke a local mold, because they were Irish or Italian or Catholic or Jewish or atheist, and their constituents were not. Were American values lost, or did our system go down the tubes when these forerunners broke through the intolerance of their times?

Must our country be restored to some sort of make-believe racial or ethnic purity in order to retain its values or to uphold the benefits of its system? Such a restoration itself could destroy the values and the system that you and I both look up to.

If anything can be said for your comments, they were honest and open. You cannot be accused of hidden bigotry or bashful backwardness.

Isn't it wonderful that we live in a country where men are free to say such things?

Very truly yours,

WILLIAM R. ROBERTS,
Councilman, District 11.●

ENVOY SAYS RUSSIA IS NATURAL FOE

HON. ELWOOD HILLIS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 3, 1983

● Mr. HILLIS. Mr. Speaker, Arthur Hartman, the U.S. Ambassador to the Soviet Union, was in my district last Friday, visiting Wabash, Ind., where he attended his wife's family reunion.

While there, he was interviewed by Alec Dobson, a reporter for the Wabash Plain Dealer, and I found his remarks very enlightening. I would like to take the opportunity to share this article with my colleagues. I believe we can all benefit from Mr. Hartman's insight.

The article follows:

[From the Wabash (Ind.) Plain Dealer]

RUSSIA NATURAL FOE: ENVOY

(By Alec Dobson)

Don't expect relations between Washington and Moscow to warm up soon—the two diametrically opposed political systems won't allow it, the U.S. ambassador to the Soviet Union said.

Arthur Hartman, the man who represents American interests to Soviet leaders in the Kremlin, was in Wabash Friday for a reunion of the family of his wife, Donna (Ford) Hartman.

"We're going to have a long period of time when relations are never going to be very good with the Soviets, because our systems are totally different," Hartman said at his room at the Best Western Wabash Inn. Dressed in jeans, tennis shoes and a T-shirt, he was reclining his long frame on the bed.

"They've been pretty cool, really, since Afghanistan." The Soviet Union invaded that bordering country in 1979 to install a friendly regime, and has since become bogged down in a war against Afghan guerrillas.

In response the Carter Administration imposed an embargo on U.S. grain exports to the Soviet Union and led a boycott of the 1980 Moscow Olympics.

Hartman said the Soviets cannot achieve a military victory in Afghanistan. "They insist on putting a regime in that the Afghans don't like.

"The thing that's been hardest for them to accept is that there could be a country on their border that would have a sysem different from their own."

At home, the Soviet Union is troubled by a poor economy. The state-controlled system has failed to provide a good standard of living, as scarce resources are spent developing military might, Hartman said.

"They can produce good missiles, but they don't produce very good civilian economies. I don't think it works well economically, because they try to run everything from the top."

To stimulate growth, Soviet leaders are experimenting with incentives for production. While that may help, Soviet leaders worry whether they can stop such a trend before it leads to a free-market economy, thereby limiting the control of the Communist Party.

"That the Soviets don't want," Hartman said. Such economic reforms were considered in the 1920s and 1950s, he said, but "each time they cut it short because it looked like it was cutting into the power of the Communist Party."

Hartman pointed out the greater efficiencies of the free-market system in an annual four-minute July 4 television address to the Soviet people. He said large U.S. agricultural harvests are produced by less than 4 percent of the working American population, while about 25 percent of working Soviets reap a much smaller crop.

That July 4 address is the only direct access the American ambassador has to the Soviet people. The Soviet press, like the economy, is strictly controlled by the state.

The ambassador must submit the text of his address for prior approval; he is not allowed to attack the regime. "I talk about the U.S. and let them draw their own conclusions," Hartman said.

Try as it might, the state cannot exercise absolute control over what its people read and hear. Radio broadcasts from nearby countries is one source of outside information.

Hartman said the official Soviet press is not accepted as gospel. "The average citizen has a way of sifting through their own propaganda to get something like the truth."

Propaganda is not confined within the nation's borders: The European peace movement is another big target of Soviet efforts toward persuasion, Hartman said.

That leads to problems in arms negotiations, as the Soviets tell one thing to the public and something else to their U.S. counterparts at the bargaining table, Hartman said.

"They try to operate on public opinion through propaganda at the same time they're negotiating at Geneva. Their proposals are designed to appeal to the public and not to the negotiators."

The Soviets have deployed a new generation of SS20 missiles, but argue that U.S. intermediate-range missiles planned for deployment in Europe constitute an aggressive escalation of the arms race.

"There's a big peace movement in Europe, but they're beginning to see the Soviet position is pretty outlandish," Hartman said.

Hartman sees a chance for agreement between the two superpowers on a U.S. recommendation to shift production away from large multiple-warhead missiles to more numerous and smaller singlewarhead weapons.

If each side had a large number of singlewarhead missiles, theoretically, neither country would be able to wipe out the other's arsenal in a pre-emptive first strike. As long as the other side can retaliate, nuclear thinkers say, no one will launch a nuclear attack.

Such a major change in weapons production and strategy could not occur overnight, but Hartman was optimistic about the long-term possibility of an agreement.

Agreement over events in Central America is another matter, though. The U.S. has called on the Soviet Union to refrain from shipping arms through Cuba to the Marxist Sandinista government and to leftist rebels in El Salvador.

The Soviets disclaim any responsibility for Cuban arms shipments, Hartman said. "They keep saying they're not really doing anything down there. We think that Cuba couldn't do anything in Central America if it didn't have Soviet backing to do it. They (the Soviets) have certainly shipped arms into the area.

Hartman said the U.S. has the right to involve itself in another country's internal problems, when asked to do so. "If we didn't do it, it just means leaving it to them to implement their system.

"They think that we're out to destroy their system. The fact is, we don't like their system and we don't want them to impose it on other people."

Hartman, a career Foreign Service diplomat, was appointed by President Reagan to his Moscow post in 1981. Former President Carter appointed him ambassador to France in 1977. He has also served in Vietnam, before American military involvement, and London.

Hartman's other positions include assistant secretary of state for European affairs, head of a State Department committee for interdepartmental planning and operations, representative to the European Common Market and administrator of the Marshall Plan.

Serving in Moscow, Hartman said, "I can have more influence on what the policy is in Washington, because people tend to listen to you when you're on the spot."

Mrs. Hartman is the former Donna Ford, daughter of the late Richard Ford of Wabash. They met while she was a student at Wheaton College, in Massachusetts, and he studied at Harvard University, in Cambridge.

A New York City native, Hartman became interested in diplomacy as he was exposed to foreign cultures while serving as a radio operator on air transport runs between India and China in the waning days of World War II.●

MANDATORY HONEY PRICE SUPPORT PROGRAM

HON. EDWARD R. MADIGAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 3, 1983

● Mr. MADIGAN. Mr. Speaker, I have this date introduced (by request) a bill to repeal the mandatory honey price support program. A similar bill (S. 1257) was introduced in the other body.

In a letter addressed to the Speaker accompanying this draft legislation, the Secretary of Agriculture commented as noted in pertinent part below:

The proposed bill would also provide a technical amendment to the 1949 Act to delete references to a mandatory price support program for tung nuts which was authorized only through the 1976 crop.

Section 201 of the Agricultural Act of 1949 requires that the price of honey be supported by means of loans, purchases, or other operations at not less than 60 percent nor more than 90 percent of the parity price therefor. While the level of support for honey has not been increased above the minimum level of 60 percent since 1973, the parity price has increased rapidly in recent years. This has resulted in the level of support for the 1981 and 1982 crops of honey being established above the market price for such crops and has increased the quantities of honey being purchased by the Commodity Credit Corporation (CCC).

In 1980, honey was acquired by CCC under the price support program for the first time since 1969. Six million pounds of 1980 crop honey were acquired by the Corporation compared with 3 million pounds of 1969 crop honey. In addition, CCC has acquired 38.7 million pounds of 1981 crop honey under the price support program. As of the end of calendar year 1982, CCC had 80 million pounds of 1982 crop honey under loan. It is anticipated that about 60 million pounds of 1982 crop honey will be acquired by CCC.

Furthermore, honey imports have increased substantially in recent years. Initially, the increase in imports of honey was due to a deficit in the domestic supply of honey as the result of declining domestic production. Now, however, because the minimum level of price support is above the market price and the domestic production is being acquired by CCC, honey imports are further

replacing the domestic production in the marketplace. This has resulted in increases in costs to the American taxpayer. Without a change in legislation, the continued escalation of the level of price support under the present formula will continue to increase costs to the American taxpayer. It will also further encourage the supplantation of imported honey for that which is domestically produced.

Enactment of this proposed legislation would permit the Secretary to support the price of honey by means of loans, purchases, or other operations using discretionary authority in accordance with section 301 of the Agricultural Act of 1949, as amended. This would allow the price of honey to be supported in a responsible manner, taking into consideration the needs of beekeepers as well as the potential cost to consumers.●

DIOXIN CAN CAUSE CANCER IN HUMANS

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 3, 1983

● Mr. FLORIO. Mr. Speaker, in recent months events such as the sale of Times Beach in Missouri have increased public awareness of the dangers associated with a chemical known as dioxin. In my own State of New Jersey, people have been forced to leave their homes because of dioxin contamination. Quite clearly, its presence is not isolated.

Research has proven that this chemical, considered to be one of the most toxic known to man, causes cancer in animals. Yet, the effects of dioxin on humans, and its link to cancer, have been a constant source of controversy among our Nation's medical professionals. A few days ago, Dr. Philip Landrigan, chief of surveillance for the National Institute for Occupational Safety and Health (NIOSH), announced that a rare form of cancer contracted by herbicide manufacturing workers strongly suggests that dioxin can cause cancer in humans.

I would like to take this opportunity to share with my colleagues the Washington Post article which further elaborates on Dr. Landrigan's remarks and the possible link between dioxin and cancer in humans.

The article follows:

[From the Washington Post, July 28, 1983]

EVIDENCE CALLED STRONG—DIOXIN TIED TO CHEMICAL WORKERS' CANCER

(By Victor Cohn and Felicity Barringer)

A rare form of cancer contracted by seven herbicide manufacturing workers "strongly suggests" that dioxin can cause cancer in humans, according to the chief of surveillance for the National Institute for Occupational Safety and Health (NIOSH).

If diagnoses by the victims' doctors are confirmed by the Armed Forces Institute of Pathology, the cases will become evidence that the controversial chemical—highly carcinogenic in animals—can cause cancer in humans.

The seven rare cancers, called soft tissue sarcomas because they attack muscle, fat, nerves or connective fibers, were discovered in studies of between 3,000 and 4,000 workers exposed to dioxin. Soft tissue sarcomas normally appears once in 50,000 persons in the general population, suggesting that the incidence in the chemical workers may be related to dioxin exposure.

Dioxin, an unwanted contaminant of the manufacture of herbicides and related chemicals, is one of the substances most toxic to animals.

Dioxin was contained in an oil compound that was sprayed on roads to keep down dust in dozens of Missouri communities, and has been recently discovered in other sites across the country. The Environmental Protection Agency evacuated and bought the entire town of Times Beach, Mo., after dioxin washed through the community during a flood this spring.

Chemical companies' officials, however, have said that there is no proof that dioxin causes anything more serious in human than a sometimes severe skin disease, called chloracne.

Dr. Philip Landrigan, chief of surveillance, evaluation and field studies for NIOSH, cautioned that samples of the suspected cancers are being studied at the Armed Forces lab for final confirmation of diagnoses.

"To be absolutely certain there's a cause-and-effect relationship" between dioxin exposure and cancer, "we want this confirmation" and "we need to investigate more cases," Landrigan said.

"But to me," he added, "the evidence is very strongly suggestive that occupational exposure to dioxin can cause cancer."

Although workers for other companies were included in the studies, the seven cancers were found in workers at the Dow Chemical Co. and the Monsanto Co.

Dow and Monsanto doctors have said the findings on dioxin's role as a long-time hazard are inconclusive. "If you force me to say is it or is it not, I'd have to say no. I want to see some further research," said Dr. Ralph Cook, director of epidemiology for Dow.

Dr. William Gaffey, who holds the same position at Monsanto, said, "I don't think we can say until we have an opportunity for a longer look."

Four of the workers, all now dead, were involved in the manufacture of 2,4,5-T and related herbicides or their chemical components, compounds commonly contaminated by dioxin, Landrigan said.

The other three, he said, may have been exposed because they worked in plants where such products were made. One of the three is still alive.

Officials at the Environmental Protection Agency's Health Effects Research Laboratory in Cincinnati are examining independently a set of EPA reports saying that this and other evidence show that dioxin "probably" can cause human cancers, an EPA spokesman said.

The Dow and Monsanto cases were disclosed in medical journals two years ago. But their significance was debated at the time, because of varying results in different studies.

It is unclear, too, whether these studies show major hazards from lower-level exposures, the kind that might be more applicable to the general population. Most of the chemical workers were either exposed for several years, had massive shorter-term exposures or both.

The Dow and Monsanto experiences "don't tell us whether or not" low-level exposure is harmful but do dictate caution, Landrigan said.

Chemical industry officials say that industrial exposure to dioxin has caused many cases of chloracne, a skin disorder that can sometimes escalate into serious liver, blood or nerve problems. But both industry and government officials have repeatedly said that there is no proof that dioxin has caused even worse effects, like cancer.

Swedish scientists first reported five years ago that lumberjacks and other laborers exposed to dioxin suffered five to six times the expected number of soft tissue sarcomas.

Dow and Monsanto independently studied four groups of their workers at plants in Midland, Mich., and Nitro, W.Va. None of these studies seemed to show a statistically abnormal number of the rare tumors.

But NIOSH epidemiologists added up these populations and added possible cases reported by other doctors. This produced the seven cases under investigation, two among Dow workers, five among Monsanto's.

Information on the length and intensity of the workers' exposures is incomplete. Dow's Cook said that one of the Dow workers was first exposed to suspect substances in 1964 and died in 1975. The other was first exposed in 1951 and died this year. Both were part of a group inadvertently over-exposed for three to nine months in 1963-64 when a manufacturing change released unexpectedly large quantities of chemicals.

At least two of the seven victims being studied by NIOSH were heavy smokers, Cook said. Scientists know cancer may sometimes be caused by smoking in combination with a chemical exposure.

Gaffey said three of the Monsanto victims worked at the Nitro plant where a 1949 explosion may have spread chemicals. He said two of the three might have been involved in the cleanup after the accident. The third, a clerk, had "minimal opportunity" for exposure, he said.

The final Monsanto cases involved a father and son who worked at an East St. Louis, Ill., plant. Gaffey said that the father was a maintenance worker exposed to unknown amounts of dioxin and that the son, a clerk, was diagnosed as having a soft tissue sarcoma two years after he went to work. The son is dead; the father is alive.●

BROTHERHOOD RAILWAY CARMEN 95TH ANNIVERSARY

HON. BRUCE A. MORRISON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 3, 1983

● Mr. MORRISON of Connecticut. I take great pleasure in congratulating the Brotherhood Railway Carmen upon reaching their 95th anniversary. For nearly a century, the Brotherhood has been an advocate of those Americans who toil at the construction, repair, and servicing of our Nation's railcar fleet.

I am a firm believer in railroads and a committed supporter of organized labor; both play a vital part in the life of the Third Congressional District of Connecticut, and this year I have been

involved in several areas of concern to the rail workers of our district.

Earlier this year a 42-day strike occurred on the Metro-North Commuter Railroad owing to a labor dispute with the United Transportation Union. While not on strike themselves, the other unionized Metro-North workers observed the picket lines of the UTU and were denied unemployment benefits under the Railroad Unemployment Insurance Act by the Railroad Retirement Board. I interceded on behalf of the idled workers and saw to it that the board paid them the benefits they were entitled to under RUIA.

At the time I took office, Amtrak, taking advantage of the vague wording of section 1165 of the NERSA law of 1981, eliminated the firemen from their locomotive-hauled passenger trains. I consider this action dangerous because it ignores safety measures solely to save money. I am considering the introduction of remedial legislation.

On August 1, the House passed H.R. 1646, a bill to save the foundering railroad retirement system. The final bill included an important amendment to cushion the impact of changes in the 60-30 provision. The bill as passed will prevent deep cuts in the tier II benefits scheduled for October 1. To allow the system to fail would have been an unforgiveable breach of trust.

This year Conrail announced plans to move an office facility out of the Third District, thus destroying 100 more area rail jobs. I am currently seeking from Conrail a detailed cost analysis of this ill-advised move in an attempt to embarrass them into reconsidering this matter.

In closing, I again applaud the Brotherhood for their long service to railway car workers. A free trade union movement is a vital element in a true democracy, and I look forward to working with unions such as the Brotherhood in preserving real democracy in America.●

RAOUL WALLENBERG

HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 3, 1983

● Mr. GREEN. Mr. Speaker, this morning the House Foreign Affairs Subcommittee on Human Rights held a well-attended hearing on Raoul Wallenberg. The purpose of this hearing was to continue to ask questions which have yet to be answered on the fate of Raoul Wallenberg. I would like to commend the subcommittee for undertaking this worthwhile and necessary task.

As I am sure my distinguished colleagues know, Raoul Wallenberg was a Swedish diplomat during World War II who went to Budapest and singlehandedly saved 100,000 Hungarian Jews from Nazi extermination. Unfortunately, Wallenberg's heroic deeds were barely done when the Russians advanced and captured this righteous gentile. His fate after that is unclear. The Soviets claim that he died in 1947 but many others—including today's hearing witnesses—insist that there is evidence that he is still alive.

Thursday, August 4, 1983 is the 71st anniversary of Wallenberg's birth. The Raoul Wallenberg Committee of the United States, which is headquartered in my district in Manhattan and which is affiliated with the Anti-Defamation League of B'nai B'rith, will be hosting a celebration in his honor.

The president of this committee, Mrs. Rachel Oestreicher Haspel, gave eloquent testimony at this morning's subcommittee hearing, which I would like to enter here into the RECORD.

The testimony follows:

RAOUL WALLENBERG

Gentleman, my name is Rachel Oestreicher Haspel. I am extremely pleased to be here today as the spokesperson for the Raoul Wallenberg Committee of the United States in affiliation with the Anti-Defamation League of B'nai B'rith. This is a committee of volunteer members who care deeply about both the heroic actions of Mr. Wallenberg in 1944 and 1945 in Hungary and about his subsequent incarceration in the Soviet Union. We join with all of those here in seeking his freedom. We who are involved in this work, feel that Mr. Wallenberg's imprisonment and present condition is a Human Rights Issue of the highest magnitude.

I am most appreciative that the Foreign Affairs Committee's Sub-Committee on Human rights and International Organizations is allowing me to appear before it on behalf of our committee. For all of us who care so deeply about the fate of Raoul Wallenberg, an Honorary Citizen of the United States since October 5, 1981, I should particularly like to thank the chairman, Congressman Gus Yatron, for convening this sub-committee. I should also like to single out a member of this sub-committee, Congressman Tom Lantos, for his selfless early efforts on behalf of Raoul Wallenberg and his continued vigilance on this issue.

The Raoul Wallenberg Committee of the United States has two goals:

(1) To free Raoul Wallenberg and allow him to return to his home and family in Sweden.

(2) To make his extraordinary deeds in Hungary known, so that the name Raoul Wallenberg will become synonymous with heroism and humanitarianism throughout the world.

As to freeing Raoul Wallenberg from prison in the Soviet Gulag, let me say here and now that I do absolutely believe that there is indeed a strong possibility that Raoul Wallenberg is still alive. Based on very concrete information, it is my opinion that Mr. Wallenberg has been given preferential treatment by his Soviet jailers. Never in all the thousands of pages of testimony released by the Swedish government has hard labor ever been mentioned. More significant, however, is the testimony of a now elderly Swedish doctor, Professor Nana Svartz.

Professor Svartz was told on January 27, 1961 by a Russian physician, Professor Aleksandr Miashnikov, that he had examined Raoul Wallenberg at a prison hospital in Moscow and even offered, at the time, to allow Dr. Svartz to see him.

This in itself is not the remarkable thing; what is staggering is that Professor Miashnikov was the personal physician of Nikita Khrushchev. How often, in any country, does the personal physician of a President or of a Prime Minister examine an ordinary prisoner? Unfortunately, Professor Miashnikov later denied having told Dr. Svartz about Raoul Wallenberg and then died rather suddenly in 1965, but I offer this testimony as a means of establishing a point-of-view about Mr. Wallenberg, as compared with the ordinary prisoner in the Soviet Gulag.

Because we believe he is alive, and to help ascertain his whereabouts in the Soviet Union, we have run ads in Russian language newspapers to see if recent Soviet immigrants might help shed new light on Raoul Wallenberg. As I need not explain, this is very expensive and almost impossible for a non-profit group to maintain, particularly on the day-to-day basis that might make it successful. To aid all of us in this effort, I would like to suggest that the following actions be considered:

(1) That the feasibility of a question pertaining to Raoul Wallenberg and his whereabouts be asked of all immigrants from the Soviet Union applying for residence.

(2) That the use of the enormous Russian language resources of both Radio Free Europe and the Voice of America be used on a daily basis to aid in locating Mr. Wallenberg.

(3) That all branches of the government, when communicating with the Soviets, on official matters, automatically bring up the fate and case of Raoul Wallenberg as a part of any dialogue.

We commend Secretary Shultz and the Department of State for what they have done thus far both on a bilateral basis and at international forums, such as the CSCE Review Conference in Madrid and the United Nations Human Rights Commission in Geneva. We ask only that the effort be more constant, as every day that passes is one day more of freedom lost to this extraordinary man.

It will perhaps be of interest to this panel to know that in April 1983, I wrote to the Prime Minister of Sweden, Mr. Olaf Palme, urging that Sweden take a stronger position on behalf of Mr. Wallenberg. I received a letter sometime after that from Ambassador Lennart Eckerberg, Under-Secretary for Political Affairs in the Swedish Ministry for Foreign Affairs. I am submitting a copy of that letter to the Sub-Committee. I would like to quote briefly from that letter:

". . . in addition to many previous contacts on high level, Raoul Wallenberg's case was taken up by Sweden's Minister for Foreign Affairs during his visit to Moscow in 1980, by Sweden's Minister of Justice also during a visit to Moscow in 1981 and also by the Under-Secretary of State at the Swedish Ministry for Foreign Affairs in September 1981 and January 1983."

It is particularly heartening to see that the last date given was as recent as January of this year, and does, in fact, indicate that the government of Sweden will also continue to pursue the case of this most heroic Swede under Mr. Olaf Palme's leadership.

As I mentioned before, the Raoul Wallenberg Committee of the United States has

two goals. In a very personal way, I feel strongly that the second goal: "To make Raoul Wallenberg's extraordinary deeds in Hungary known, so that his name becomes synonymous with heroism and humanitarianism throughout the world," is of equal importance with the first.

I ask your indulgence; I should like to be personal for a moment. I appear before you today as the President of a national organization, but I originally became interested in Raoul Wallenberg because I am the mother of two young children who are growing up in what today appears to be a very hostile world. When I first heard Raoul Wallenberg's story, I was staggered by the enormity of his deeds. Many persons in this century have takens far too many precious lives, but I can think of no other human being who has saved one hundred thousand lives by his directed action and intervention. Mr. Wallenberg is not a media hero (though he should be); he is flesh and blood like each of us here. Our children have few heroes not created by script writers; if they are going to survive, they must all know that they and others carry within themselves the same possibility for kindness, selflessness, and courage that Raoul Wallenberg showed. Only because he is a flesh and blood hero—and because of his flesh, vulnerable like all of us—will our children know they, too, are capable of facing evil and danger with courage. We all need Raoul Wallenberg as a role model for these trying times.

Let me illustrate this with another true story that I also consider extraordinary. About a year ago I spoke to eight hundred students at West Rowan High School in Mount Ulla, North Carolina. I had been asked to speak there by two gifted teachers, Miss Libby Edmondson and Mrs. Joyce Sloop. This is a public school located in a rural section of North Carolina and its students come from families whose incomes are earned primarily from farming or mill work in either the textile or furniture factories in the area. I can assure you that extra dollars are few and far between in the majority of homes that these wonderful students come from.

I was the first Jew that most of these eight hundred boys and girls had ever met, but the response to the story of this hero who risked his own life in order to save Jews, and as we know saved so many tens of thousands, was overwhelming. The students responded to this story with voluntary contributions to the Wallenberg effort. Quoting from a letter of Miss Edmondson and Mrs. Sloop, "They wanted to be a part of bringing recognition and perhaps freedom to this noble man and decided that the only worthy means was to donate money obtained from personal effort and sacrifice."

"Although most of the students sacrificed money from their allowances, there are two contributions of special merit. Two Advanced Placement English students, Tommy Steele and Tim Webb, attempted what amounted to a Herculean effort for them. With a total absence of experience, they located a tree deep within a forest, cut it down after many attempts, sawed it into firewood, transported it by armloads, because a truck was unable to reach the wood, and finally sold the load for forty dollars. Dee McDaniel, a student who sells firewood to supplement the family income, cut a special load for twenty dollars as his contribution. We are proud of their drive and ingenuity.

"The effect Mrs. Haspel had on our students cannot be measured by the four hundred dollars they contributed; there may be no tangible means to assess the impact made by this exposure to Wallenberg's idealistic concept of man and his courage to act upon it. They have perceived the good in man and have honored it. For this elevation of consciousness we shall always be indebted . . ."

I am submitting the full text of Mrs. Sloop and Miss Edmondson's letter along with an article about the students by Rose Post, a writer for the Salisbury Evening Post of Salisbury, North Carolina. The article, written on April 3, 1982, is entitled, "West Students Learn Valuable Lesson from World War II Hero," and it further elucidates the impact that Raoul Wallenberg's story has on these students.

In the face of this overwhelming response and commitment by our young people to the heroic ideal that Raoul Wallenberg represents, how can we not respond in turn? We are requesting that all State governments enact the following legislation:

(1) We urge the states to include Raoul Wallenberg's story in their school curriculum. He is, after all, our only living honorary citizen.

(2) We are also asking that all fifty (50) states designate October 5th as a day honoring Raoul Wallenberg as his honorary citizenship is a uniquely American Tribute.

On a national basis we suggest two actions:

(1) The issuance of a United States Stamp to honor our only living Honorary Citizen; a uniquely fitting tribute to Raoul Wallenberg. I have been told that stamps are issued only to honor persons no longer living. Perhaps for this exceptional hero an exception can be made.

(2) Finally, I would like to express the hope that the United States Holocaust Memorial Council will consider naming a wing of the new Holocaust Memorial Museum now being planned, in honor of Raoul Wallenberg, our only living Honorary American Citizen.

He was the one shining light in all that darkness. How different our world might have been today had there been a few more heroes like Raoul Wallenberg.

It has taken the world more than thirty-five years to truly recognize the greatness of Raoul Wallenberg—a man who acted while the rest of the world watched. The survivors of the Holocaust have a slogan "Never Again." Let us take these words and apply them further. Never again will we allow the name Raoul Wallenberg or the deeds that this name stands for to be overlooked. Never again will we allow the horrors of the Gulag to totally engulf him. Never again will we remain silent until the true reasons for his imprisonment and his actual whereabouts are made known to his family and to the world.●

THE ARTS IN GREATER BUFFALO

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 3, 1983

● Mr. LaFALCE. Mr. Speaker, Tolstoy said, "Art is a human activity, whose purpose is the transmission of the highest and best feelings to which men have attained." (What is Art? VIII.)

Tolstoy's definition of art is alive in western New York, as noted in detail by art critic William Glackin in a Sacramento, Calif., newspaper. Glackin pays particular note to Artpark, in Lewiston, N.Y. He shares Clive Barnes' views. Barnes, an eminent writer and dance critic for the New York Times, describes Artpark as "a festival of international significance unlike any other in the world—Artpark stands alone among festivals in its sheer plentitude of aspirations * * *. It works as a celebration of the arts and the people with an unaffected joyousness."

Joyousness is certainly a feeling one attains when participating in the activities of this publicly funded State park dedicated to all aspects of the arts. The location is dramatic—200 acres of parkland along the Niagara River Gorge. The performances are exemplary. Some of this season's highlights includes "Hello Dolly," " Carousel," "Rigoletto," "Elektra," the Hubbard Street Dance Company, the National Ballet of Canada, the Martha Graham Dance Company, the Ballet Hispanics, and the Preservation Hall Jazz Band. The workshops provide a creative educational experience for all ages and in a variety of art modes.

We in western New York are proud of our art offerings. I call my colleagues' attention to those events that cause us to celebrate, as described in "Art Offerings Help Buffalo Beat Bad Rap."

ART OFFERINGS HELP BUFFALO BEAT BAD RAP

NIAGARA-ON-THE-LAKE, Ontario.—There's a joke in "A Chorus Line" that never fails: "You can't commit suicide in Buffalo, because that would be redundant." Well, if you'll let me stretch the Buffalo area up to this town on the Canadian side of the Niagara River and almost as far up the American side, to Lewiston, I'd like to say a word for Buffalo.

In fact, thinking back over the journey just finished, which included some truly memorable experiences in New York City and at Canada's remarkable Shaw Festival, I realized that one day that particularly stands out was spent in neither place.

It began one Friday morning in a rented car driving down the Niagara Parkway along the Canadian side of the river, and right there you've got the first word in favor of the Buffalo area. A good two-lane road with green lawn to the right and green lawn to the left, neat houses with farmland behind them on one side, the great river sometimes only a few feet away on the other—it is an unusually pleasant place to drive a car.

And pretty soon you come to Niagara Falls, and that's the second reason for going to Buffalo.

I don't know what I can tell you about the falls. Or rather, I don't know how to tell you. All the glib vocabulary of the reviewer falls flat before them. Awesome? Grand? Magnificent? I'd be embarassed to use them. This fact of nature puts in proper perspective the vaunted human ability to use language. I'll just say that if you've heard that the Canadian side is the best place to view the falls, that's probably right. Drive past

and upstream a few hundred yards, and walk back along the bank. When you reach the falls and stand at the stone balustrade above them, the western end of the great horseshoe-shaped torrent pouring over the edge is only about 20 feet below. It is a sight to put you in your place.

On to Buffalo itself, which is about 50 miles south of Niagara-on-the-Lake, down the Parkway. The main reason I was driving to Buffalo was to visit the Albright-Knox Art Gallery, which I knew to have a great reputation for modern art.

Architecturally, it is a strange partnership—a grand Greek-revival temple built at the turn of the century alongside a recent one-story long box of black glass in the most severe modern manner. But it's the insides that count, and they're wonderful. The main modern collection is in the long box, a handsome interior broken up into corridors and rooms which surround a sculpture garden. The collection is particularly strong in modern Americans and has some notable contemporary work, including a marvelous "Mirrored Room" by Lucas Samaras, a box constructed entirely of mirror panels, about 10 by 8 feet by 8, with a table and a chair (also made of mirrors) inside. You take your shoes off to walk inside and it's better than the Fun House.

In the upstairs part of the Greek temple there were some huge paintings by the likes of De Kooning and Pollock, a room of Gainsborough, Hogarth, Romney and Reynolds; antiquities; great Americans like Eakins and Homer and the primitive "Peaceable Kingdom" of Edward Hicks (the museum is full of paintings you've seen in books) and most unusual of all, a big retrospective of the paintings of the late Milton Avery, a major American painter who died almost 20 years ago and whose reputation with the general public is not nearly so large as he deserves. The tremendous outpouring of his last years—paintings of a radical, stunning, beautiful simplicity of form and color, landscapes and seascapes and figures of seated women conversing—are a kind of lesson in how a form of art can be concentrated into its esentials.

Back in the car I headed north to another place I had heard about: Artpark, on the edge of Lewiston, which sits on a bluff overlooking the Niagara gorge where the falls used to be 12,000 years ago, seven miles downstream from where they are now. Artpark turned out to be the biggest surprise of all.

It may, in fact, be unique. Created by the New York legislature 10 years ago, it sits on 200 acres above the river. It is designed to be a place where art and the public may interact, and in the seven hours I spent there, I came to think it is succeeding remarkably at doing just that.

The lower part of the park contains a handsome theater and concert hall, solid brick with a rear wall that is pulled up for the benefit of people who sit on the lawn in back. There are 2,400 seats inside. It's a classy place, and the entertainment covers a remarkable range: professional shows produced by the park (this summer, "Hello, Dolly," "Carousel," "Rigoletto," "Elektra"); visiting dance companies, the Buffalo Philharmonic (I heard Julius Rudel conduct a program of Brahms and Wagner); stars of folk, rock, jazz and country music.

There is a charge for these shows ($8 top). The rest of the park is free. And it's the rest of the park that is probably unique in America.

Every summer Artpark pays a large number of artists $150 a week to come here and work. They have a free hand to create what they want and afterward it belongs to them, although some of the art, like the big steel flying platform that Owen Morrel put up over the edge of the gorge in 1980 and called "Omega"—I climbed the stairs and stood on its ultimate grid, but I hung onto the railing pretty tightly—are left in place in the park.

This year, 51 artists from across the United States and Canada have been invited to work here during the nine weeks the park is open. Opening week, the first group was busy with all sorts of projects—glass blowing and metal sculpture, fabric and ceramics, oil painting and, most interesting of all, a 91-foot-long wooden "house," with 14 modular rooms that Brooklyn artist Vito Acconci is building in a long trench on the upper plateau; its retractable Astroturf roof sections will be at ground level.

Artpark is for kids, too: mimes and jugglers and acrobats; the chance to make "line sculptures" from colorful pipe cleaners, to talk to the artists; I saw one boy with a brush, helping with a painting. There are storytelling sessions down in the green wood in little natural amphitheaters. There's even a place to fish.

Last summer, 500,000 people came.

"We're a blue-collar area," said Jeanne Gunby, the friendly, helpful staff member who took me in a golf cart to some of the farther places, this hot, windy day. "A lot of people who might not go to the Albright-Knox will come here. We have had some who thought it was a theme park—looking around for the rides, you know? But it's a place where everybody can have fun, ask questions, see art being made. We don't do any explaining; the artists have to handle the questions. Most of them do all right at that, even if it slows them down a little, compared to working in a studio."

I drove back to my hotel across the river feeling that Buffalo had been vindicated.●

HE LIKED PEOPLE, AND THEY LIKED HIM

HON. TONY COELHO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 3, 1983

● Mr. COELHO. Mr. Speaker, the people of the State of California, and particularly those in the San Joaquin Valley, have lost a great friend with the passing of John E. Thurman, Jr. Although John will probably be best remembered for his work on agricultural issues, there is no question that he will be remembered by people in all walks of life. Senior citizens will remember him for his unfaltering fight for them, and students will remember him for his work on educational issues. In fact, John Thurman had a positive impact on many people.

John Thurman loved life and lived it to the fullest. And, as the following article by Dick LeGrand of the Modesto Bee states, "He liked people, and they liked him". John will be missed, but I know that all who knew John, including his political foes, will have fond memories of him. I am pleased to be able to count myself among one of John's friends, and I offer my condolences to his wife, Julie, and their children.

HE LIKED PEOPLE AND THEY LIKED HIM

[Editor's note: As political writer for the Bee for 12 years before assuming his present position, Dick LeGrand dealt frequently with John Thurman.]

(By Dick LeGrand)

A lot of us are going to miss John Thurman.

He was somebody special and in one way or another he touched most of our lives.

He helped people and made them happy, not only as a school board member, supervisor and legislator, but in his private life as well.

Even if it is a time for tears, it's not a time to forget how he carried hope and laughter wherever he went.

He liked people and just about everybody who met him liked him too.

Even when he wasn't campaigning he tried to round up people out of habit.

"Whenever I'm driving along and see more than three cars parked in front of a place I go in and ask why I wasn't invited," he used to crack.

He seemed to know everybody, and once he met someone he seldom forgot the person's name.

In 1970, shortly after being elected to the Stanislaus County Board of Supervisors, he walked into a restaurant for a night meeting of a government association and said hello by name to all of the kitchen staff and waitresses, each of the four couples in the dining room and all of the people in the bar, including two truck drivers from Oregon who were in the cattle hauling business.

And he knew every city council representative from the towns around Modesto when he got into the meeting room.

After a couple of years in the Assembly, his reputation for knowing voters in his district grew into a legend.

When a Democratic campaign worker in 1978 warned that the Republicans had a chance of beating Thurman, another Democrat responded, "You know John, he'll slog through every barnyard and kick in every door to get to people."

Thurman never was an elegant speaker, but he never had any trouble communicating. The people knew what he was saying, even when reporters weren't so sure.

He knew how to get publicity as a politician, like the time he fought for Lupe Pulido's right to serve her home-canned hot peppers at the former Able and Lupe's restaurant on 9th Street.

The peppers were scorchers and the health department said her home canning didn't meet specifications. Thurman, who liked to eat at the restaurant, saw a chance to help a constituent and get a mention in the story. So he headed for the restaurant, TV crews trailing in his wake.

"You just wait for the little red light on the camera to come on, do whatever you're going to do and when the light goes off it's all over." Thurman said later. "The light went on, I popped a pepper in my mouth and started to chew. The damned light didn't go out and the inside of my mouth was frying. I had to keep smiling and when they finally turned the camera off I thought my teeth had melted."

Former Gov. Jerry Brown, no slouch at publicity himself, thought it was worth it. "John Thurman can get more publicity with hot peppers than I can get from tax reform," he said.

Thurman got more mileage out of a smile than most people, too, because his smile came from the heart.

It's a smile we're going to miss.●

JOB TRAINING

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 3, 1983

● Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington report for Wednesday, August 3, 1983 into the CONGRESSIONAL RECORD:

JOB TRAINING

What kind of job training does one give a fifty year old steel worker who has lost his job yet does not want to move his family out of the steel town? How about a twenty-one year old high school drop-out who has never held a job? As record unemployment rates continue, so does the debate about the best way to retrain workers.

Even after the economy has recovered from the recession, disadvantaged workers and dislocated workers are still likely to have trouble finding jobs. Disadvantaged workers include low-income individuals with little work experience. Dislocated workers are skilled workers who were previously employed but have been thrown out of work by structural economic change.

The Job Training and Partnership Act of 1982 (JTPA), scheduled to take effect October 1, 1983, sets up a major new employment and training system. The act provides for state and locally administered job training, and assistance for job search and job relocation for both disadvantaged and dislocated workers. The JTPA also authorizes federally administered aid for severely disadvantaged youth. In addition to the JTPA, the Targeted Jobs Tax Credit provides wage subsidies in the form of tax credits, to employers hiring disadvantaged workers.

Disadvantaged workers have usually relied on job search assistance, wage subsidies, and training.

Evidence from past programs suggests that job search assistance, while the least costly to provide, is only helpful to people with at least minimally marketable skills. The success of wage subsidies also depends on workers' being at least minimally attractive to employers. Training, though considerably more expensive, is necessary for most disadvantaged workers. The most successful federal training program is the Jobs Corps, an intensive residential program involving both remedial and vocational education. Because the participants are severely disadvantaged, however, the cost per participant of $30,000 is significantly more than the cost of other programs.

Built into the 1982 law was a completely new program directed at dislocated workers. Unlike disadvantaged workers, dislocated workers are on the unemployment rolls because their jobs have disappeared, not because they never had the qualifications to obtain employment. A recent study estimates that in January 1983, this group comprised about 20% of all the unemployed.

Assistance with relocation and job search are the cheapest forms of help for dislocated workers. Yet, many of the workers who receive this assistance have specific skills which are not readily transferrable, and they must receive training to acquire new skills that are in demand. As in the case of disadvantaged people, dislocated workers have found training programs to be the most helpful in getting them jobs.

A major problem in designing any training program is selecting the skills to be taught. It is hard to ensure that skills taught match skills needed in the labor market. Furthermore, there may simply be no jobs available in a particular town no matter what skills the job seeker has, and relocation is often undesirable for workers with families. The JTPA strictly limits the funds that can be used for non-training expenses. This addresses the major criticism of the previous job training program, that workers were simply receiving unemployment benefits, not genuine training. On the other hand, the JTPA limit has raised questions about how you put a person on a training program when he's out of work and has nothing to live on.

Job training is also difficult because projections of future trends in employment are still based on assumptions, not fact. One reason for this is that the United States is the last major industrial country in the world to have no compulsory reporting of job vacancies. We literally do not know how many jobs are now open and how many will be open in the next year or two. West Germany, Belgium, and France all have compulsory reporting systems, and so they know what jobs need filling and what training needs to be undertaken. These countries use federal funds to train and retrain about 2 percent of their labor force annually. In contrast, all the retraining programs in the United States have never helped more than 0.1 percent to 0.5 percent of our labor force in any single year.

There are a number of new ideas on ways to improve our job training programs. For dislocated workers in particular, state unemployment insurance laws should be modified to encourage training and education, while avoiding measures that penalize people who are unable to work. Another idea that is gaining in popularity is the Individual Training Account. This account would be similar to the Individual Retirement Account in concept, but it would take contributions from the worker and his employer together. Contributions would accumulate while the worker was on the job. The dislocated worker could then draw on his account, receiving a voucher to pay for education, retaining, or relocation. His account could be linked to the unemployment insurance system by a requirement that he draw on the funds after collecting unemployment benefits for a certain time.

The United States Employment Service serves as a labor exchange for people seeking work and for employers with job openings. The JTPA funded the Service, but concentrated greater resources upon the need of hard-to-place job seekers. This was a good first step, but greater effort should be made to expand use of the Service by job seekers and employers alike.

Unemployment remains a major challenge facing the country today. The recovery will be sustained only if productivity increases, and productivity will increase only if we are successful in expanding job training. Only by insuring that every person has the opportunity to work, will we maximize our country's great economic potential.●

FEDERAL ANNUITY AND INVESTMENT REFORM—THE FAIR PROGRAM

HON. JOHN N. ERLENBORN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 3, 1983

● Mr. ERLENBORN. Mr. Speaker, today I am introducing a comprehensive legislative package to provide the framework for a national debate on needed adjustments in the various Federal retirement-related entitlement and pension programs.

Over the past few years numerous reports dealing with post-retirement cost-of-living adjustments (COLA's) and Federal pensions generally have been issued by several Presidential commissions, the Congressional Budget Office, the General Accounting Office, the Congressional Research Service, and other study and research organizations outside Government. A repeated theme in these reports is the need to take a long-term comprehensive view—that is, the need for a rational and financially sound national retirement income policy. One of the key elements in bringing about such a policy is the extension of social security coverage to Federal workers. The cornerstone of this policy is now in place as a result of Congress having adopted via the omnibus social security legislation (H.R. 1900) the recommendations of the National Commission on Social Security Reform to place all new Federal workers under the protection of the Nation's basic retirement system.

In addition to universal social security coverage, the various studies have focused on retirement income goals and benefit adequacy, retirement ages, equity—as between high- and low-wage workers, long- and short-service workers, men and women, Federal and non-Federal workers, and different occupational classes, disparities in disability programs, inflation and cost-of-living adjustments, strengthening individual retirement savings efforts, and the adequacy and affordability of program financing, for example, the policies needed to avoid imposing insecurity on future retirees and impossible funding burdens on future working generations.

Those who have studied the Nation's retirement systems stress that new policies should be set not by taking narrow, shortsighted approaches to retirement issues but by fully recognizing the impact that retirement decisions have on the economy as a whole and the implications that today's retirement decisions will have for the decades ahead. Retirement policies should not create financial burdens which will become unacceptable and unsupportable by future workers, but

instead should encourage, savings, investment, and productivity in a fiscally sound manner. This is necessary if our Nation is to achieve noninflationary economic growth and stability with respect to the various segments of the economy and their related institutions.

My three-bill legislative package builds on the themes of the above-mentioned studies by taking a long-term and across-the-board approach in establishing a "FAIR" retirement income policy in connection with all Federal retirement programs. The FAIR acronym stands for my Federal annuity and investment reform program. The FAIR program sets forth the necessary blueprint for building on the strengths and correcting the weaknesses of the present system of providing retirement income.

The first bill (H.R. 3751) would bring about greater equity and defensibility in the level of Federal employee pensions by limiting future annual postretirement COLA's to 60 percent of the plan COLA increase for those benefits which exceed the maximum retirement benefits payable to new retirees under social security—about $10,000 per year in 1984—when an employee's benefits under all federally sponsored retirement and disability systems are combined.

The second bill (H.R. 3752) in the FAIR program, first, establishes a defined benefit and thrift plan arrangement comparable to those found in the private sector to provide supplementary benefits for those Federal employees newly covered under social security; second, conforms the provisions of the present civil service retirement system in a manner so as to minimize future contribution and benefit differences for present employees as compared with those employees newly covered under social security; third, extends the accrued benefit protection applicable to qualified private plans to the benefits under the civil service retirement system (CSRS) and conforms the provisions of the CSRS and the new Federal thrift plan to the standards required under the Employee Retirement Income Security Act of 1974 (ERISA); fourth, extends the full protections and standards of the Employee Retirement Income Security Act of 1974 (ERISA) to the pension plan or plans established by the U.S. Postal Service for those employees newly covered under social security and excluded from coverage under the civil service retirement system; and fifth, provides for social security coverage for current civil service employees who elect coverage under both social security and the revised provisions of the civil service retirement and disability system applicable to new employees.

The so-called windfall reduction under social security would be made inapplicable to employees electing such coverage in cases in which post-1983 service is 10 years or more.

The third bill (H.R. 3753) would bring greater long-term stability to the financing of all Federal retirement plans, including social security, by providing a mechanism for limiting future annual postretirement benefit increases (COLA's) to the lesser of the increase in national wages or the increase in the consumer price index (or other automatic COLA mechanism currently applicable in the plan.

EXPLANATION OF FAIR

H.R. 3751—COLA EQUITY

The patchwork structure of Federal pension programs has come under more intense scrutiny in the last decade as the growing costs of these programs have become amplified as a result of high and, at times, double-digit inflation. Both civilian and military pensions have been broadly criticized as being overgenerous and unaffordable. A recent Washington Post editorial, "Facts About Federal Pensions," summarizes that "Federal pensions cost so much because they have two features unmatched in the private sector—retirement at age 55 and full inflation protection."

This bill is intended to bring about greater equity and defensibility in the level of Federal employee pensions by limiting post-1983 retirement cost-of-living adjustments (COLA's) to 60 percent of the COLA increase for those benefits exceeding the level of the maximum retirement benefits payable to a new retiree under social security—about $10,000 per year in 1984—when an employee's benefits under all federally sponsored retirement and disability systems are combined.

The criticisms of Federal military and civilian pensions—and, therefore, of Federal employees generally—will continue until the faults in the basic design of the present system are corrected. The COLA equity bill takes a major step in making the necessary corrections at least with respect to retirement COLA's. Other provisions in my FAIR legislative package will help correct other inequities related to early retirement, and short-service penalties which at present particularly disadvantage low-paid workers and women.

The fact that retirees under present law can draw combined military and civilian retirement income of $25,000, $35,000, $45,000, $55,000—even in rare cases over $60,000—and still receive full COLA's equal to 100 percent of the Consumer Price Index (CPI) is as much an affront to just plain good sense as it is to the already overburdened Federal taxpayer. The uncapped COLA has created an embarrassment of riches to the minority of Federal retirees who have become well heeled as a result of the present inequity.

It is clear that the current structure is in need of change when retirees can ultimately draw more in retirement than their on-the-job replacements will earn while working. The present COLA formulation leading to this result has also dramatically increased the spread in the dollar amount of pensions which employees retiring at different pay levels initially receive. This built-in "rich get richer" principle can be illustrated—when considering past double-digit rates of inflation—by comparing first, the $100 per month increase accruing to the typical retiree with, second, the $6,000 per year increase—equal to one-half of the total pension of the average retiree—going to the fortunate few drawing $60,000 Federal pensions.

If the provisions of H.R. 3751 had been in effect in the past, the spread between high- and moderate-income retirees would have been kept more in check and the retirement income of Federal employees retiring with long service and above average wages would not have spurted ahead of the earned income of their counterparts in the active work force. The provisions of the bill are prospective in application, would reduce no retiree's pension, but would serve to moderate future benefit increases for those persons retiring at above average wage levels.

The Christian Science Monitor in its editorial "Rethink Federal Pensions" states that "retirement inequities between the public and private sectors should no longer be tolerated." The provisions of H.R. 3751 would bring the COLA's under the current Federal systems more in line with leading private pension fund practices. The present cost-of-living adjustments—equivalent to the 100-percent CPI adjustment found under social security—on combined pensions under the social security maximum retirement benefit level are maintained. To do otherwise would place Federal retirees in a less advantageous position than persons receiving social security alone. However, pensions above the social security maximum retirement benefit level would be adjusted at 60 percent of their former rate. This is only fair inasmuch as the average cost-of-living wage increase agreed upon in private sector collective bargaining has averaged about 60 percent of the increase in the CPI. Many private and State and local government retirement systems which do have automatic postretirement COLA's cap such increases at 3 to 60 percent is the percentage benefits would increase under such plans if a long-term inflation rate of 5 percent is assumed.

In addition to restoring a measure of equity in the pensions of Federal workers as compared with non-Federal workers, the 60 percent COLA provision would aid greatly in controlling

the rapidly escalating unfunded liabilities among the various Federal pension systems. As a result of legislation which I authored (Public Law 95-595) a more realistic actuarial assessment of all Federal retirement systems is now possible. The ERISA-like annual financial reports required of all Federal plans show that their combined unfunded liabilities (exclusive of social security) exceeds $1 trillion, a debt which will have to be paid but which is in addition to the already recorded trillion-dollar-plus national debt. Over $100 billion of this pension debt has been created in just the past few years under the civil service retirement system alone. Introducing the 60 percent COLA escalator factor will help in controlling the level of future unfunded liabilities and help restore the public support that is required if the taxes necessary to fund future benefits are to be supplied in sufficient quantity to meet full expectations.

The Christian Science Monitor summarizes the issue well:

> In calling for federal pension reform, we are not suggesting that federal (employees) be in any way disadvantaged or financially penalized. What is paramount, rather, is that public employment not be made the vehicle for special advantages denied Americans as a whole and thus be regarded as a source of easy income because the American taxpayer pays for it.

My proposal to limit future COLA increases on benefit levels above the social security retirement maximum takes a necessary step in removing the above mentioned unfair advantages of Federal versus non-Federal workers and would help restore a new measure of financial health to the major Federal civilian and military retirement systems.

H.R. 3752—THE FEDERAL ANNUITY AND INVESTMENT REFORM ACT (FAIR)

The reports of the Presidential commissions, and other groups that have studied pension and retirement issues over the past few years have suggested major changes in Federal retirement policies. With the inclusion of new Federal workers under social security beginning in 1984, it is now time to move forward with legislation to bring about a more rational and defensible retirement structure for all Federal workers, both new and old.

As a leading supporter of the private pension system and ERISA standards, I believe much can be learned from the private system in constructing a reasonable and financially sound Federal retirement structure. It is from this background that I have developed a comprehensive legislative program, the Federal Annuity and Investment Reform Act (or FAIR).

In brief the FAIR program, first, establishes a defined benefit and thrift plan arrangement comparable to those found in the private sector to provide supplementary benefits for those Federal employees newly covered under social security, second, conforms the provisions of the present civil service retirement and disability system to minimize future differences in contributions and benefits for present employees as compared with those newly covered under social security, third, extends the accrued benefit protection applicable to qualified private plans to the benefits under the civil service retirement system (CSRS), and conforms the provisions of the CSRS and the new Federal thrift plan to the standards required under ERISA (the Employee Retirement Income Security Act of 1974), and fourth, provides for the voluntary election by current Federal workers to be covered under social security and the provisions of the CSRS and Federal thrift plan applicable to new employees.

The objectives of the FAIR program are consistent with those set forth in the March 1980 report of the universal social security coverage study group (chaired by Joseph W. Bartlett) which also studied retirement options for Federal employees covered under social security. The following objectives are also fully compatible with the views expressed by the Speaker, THOMAS P. O'NEILL, JR., the chairman of the Committee on Post Office and Civil Service, WILLIAM D. FORD, and the chairman of the Committee on Ways and Means, DAN ROSTENKOWSKI, in their February 18, 1983 Dear Colleague letter dealing with social security coverage and the future changes to the civil service retirement system necessitated by social security coverage.

The purposes and objectives of FAIR are:

First, to provide Federal employees with a supplemental staff retirement program coordinated with social security which is comparable to good retirement programs operated by major employers in the private and State and local government sectors in order, first, that the Federal Government will remain competitive with other employers with which it must compete for qualified employees, and second, that retirement program and social security benefits combined will provide a reasonable level of benefit adequacy at all preretirement income levels;

Second, to provide Federal employees with enhanced portability of retirement benefits which will permit greater flexibility in retirement planning and which will instill in the system a greater measure of equity as between short-service and long-service employees;

Third, to strengthen the financing of the civil service retirement and disability system by maintaining the one system for both old and new employees, by requiring full dynamic normal costs to be contributed on behalf of new employees as well as current employees, by requiring full employer contributions to amortize the initial unfunded liability over 40 years as a level percentage of payroll, and by providing the opportunity for enhanced investment earnings of the system;

Fourth, to assure Federal employees that their accrued pension benefits will not be diminished by extending to the civil service retirement and disability system the requirement added by ERISA which prohibits private pension plans from reducing accured pension benefits;

Fifth, to encourage individual retirement savings and to promote flexibility in retirement planning by providing to all Federal employees access to individual thrift retirement accounts (TRA's) in which they have a free market choice of investment and in which there is 100 percent immediate vesting of employee contributions and for new employees employer matching contributions up to 3 percent of basic pay;

Sixth, to restore the defensibility of Federal employee retirement benefits and maintain the affordability of the civil service retirement and disability system by providing for a more rational benefit structure, particularly as it relates to early retirement and postretirement COLA's;

Seventh, to provide a revised retirement program structure which is not disruptive to the present system of providing benefits, which is relatively simple to administer, and which is easily understood by employees; and

Eighth, to provide for comparability between the retirement system features (taking into account social security, civil service retirement, and the new Federal thrift plan) for old and new employees with respect to; first, contributions made by and benefits received by such old and new employees, and second, the employer normal costs for all retirement and disability benefits computed on a dynamic basis for such old and new employees.

As a result of FAIR, an additional, direct benefit will accrue to the financial health of the social security old age, survivors, and disability trust funds. Since current employees may make an irrevocable election to come under both social security and the provisions of the CSRS and Federal thrift plan applicable to new employees, an additional employee and employer contribution of 5.7 percent of pay for each employee making the election will be made to the social security trust funds beginning in 1984. A high percentage of current employees can be expected to make the election on account of the following considerations—the combined contribution rate for employees earning in excess of the social security maximum taxable wage base would be somewhat less than their current 7 percent rate, so-

called windfall social security reductions would be restored for current employees covered under the new system for 10 years or more, in most cases disability benefit levels would be increased, portability under social security would be available, the 3 percent employer matching contribution under the Federal thrift plan would be available, the new social security leveling option would be available, and all benefits already accrued would be protected.

In general, enactment of the FAIR program will enhance the financial soundness of both the social security and civil service retirement trust funds and will instill into the system of Federal benefits new elements of equity, comparability, portability, and affordability.

TITLE I OF FAIR—FEDERAL THRIFT PLAN

In designing a new supplemental retirement program for Federal employees newly covered under social security, both defined contribution and defined benefit approaches were considered (the present CSRS is of the defined benefit type). Neither approach standing alone was considered adequate to simultaneously meet the many objectives outlined above. In addition a defined benefit plan (if it is to meet ERISA standards) cannot, because of the redistributional aspects of social security, be devised to totally replicate current CSRS benefit replacement levels in every individual circumstances. A combination of both approaches, however, was found to provide the necessary mix of benefit adequacy, equity, flexibility, portability, and affordability.

The Federal thrift plan acting as a defined contribution supplement to social security and the basic defined benefit civil service retirement arrangement provides:

First, flexibility in retirement planning—for example, funds for earlier retirement or COLA supplementation;

Second, individual incentive for savings and capital accumulation;

Third, a source of funds for auto, mortgage, and educational loans;

Fourth, individual employee choice in selecting investment and annuity programs offered by qualified financial institutions, and

Fifth, portability—through permitted rollover of employee contributions and employer distributions from the civil service and other pension plans, and the continued investment by the individual of thrift retirement account accumulations after the termination of Federal employment.

TITLE I—FEDERAL THRIFT PLAN

Title I of the FAIR Act adds new Subchapter IV, Sections 8361 through 8370—the provisions of the Federal Thrift Plan—to Title 5, U.S.C.

Section 8361—Coverage and definitions

The employees and officials in all branches and agencies of the Federal Government (including civilian, foreign, postal, judicial, congressional, and military service) are immediately eligible to participate on a voluntary basis in the Federal Thrift Plan (FTP). The one exception to the general coverage rule excludes employees already covered under similar defined contribution plans (for example, employees participating in the defined contribution plans maintained by the Federal Reserve Board and the Smithsonian Institution).

Under the rules establishing the Federal Thrift Plan, plan participants may establish one or more Thrift Retirement Accounts (TRAs) in a "qualified investment program" maintained by an "investment or financial institution".

Employees who participate in the Federal Thrift Plan by establishing and contributing to Thrift Retirement Accounts (TRAs) during their working years continue, even after termination of federal employment, to be considered plan "participants" who direct the investments in their TRAs. Upon the death of a participant who was maintaining one or more TRAs who was an active or separated employee, the designated beneficiary with respect to each TRA is given the same status as a "participant" who may elect to continue such TRAs and direct the investments in such accounts (or, in the alternative elect a lump-sum or survivor annuity).

The establishment of the Federal Thrift Plan is provided for under section 8362.

Section 8363—Contributions and transfers among TRA's

Annual employee contributions: Employee participants may contribute up to 10% of basic pay each year to Thrift Retirement Accounts of their choosing. Employing agencies would deduct from basic pay the amount or percentage of pay elected by the employee to be withheld and transmit such amounts to the TRA designated by the employee. Employees could change their TRA designation once a year (or more often if permitted by regulations).

"Catch-up contributions": As permitted under current law applicable to private plans, employees who do not make the full 10% contribution in a year may make the balance of such contributions in any later year.

Federal employer contributions: Each year the employing agency will match on a dollar for dollar basis the actual amount of employee contributions made in such year, up to a maximum amount equal to 3% of the basic pay of such employee. Employees newly covered under Social Security (termed post-83 employees) and current employees electing post-83 status are eligible for matching employer contributions. Employees newly hired or employed after a break-in-service become eligible for matching employer contributions after completing one year of service. Employing agencies transmit the matching contributions to the TRA then currently designated by the employee. The employee has an immediate and fully vested interest in the amount of employer contributions made to his or her account.

"Rollovers" among TRAs: A plan participant while designating only one TRA at any one time to receive employee and employer contributions, may establish one or more additional TRAs and transfer some or all of the amounts in any TRA to any other TRA. For example, a participant might initially designate a particular "money fund" as the TRA to receive employee and employer contributions and periodically transfer amounts in such an account to other TRA programs (e.g. involving stocks, bonds, certificate of deposits, mortgages, annuities or other forms of investment) offered by the same or another financial institution. From time to time the participant may wish to transfer funds for a TRA which allows the employee to make a home, automobile, or educational loan within the guidelines set forth under the Federal Thrift Plan. At retirement the participant may wish to rollover his or her thrift retirement accumulations into a TRA offering a fixed or variable annuity.

While the terms of the Federal Thrift Plan do not restrict the number of TRAs a participant may maintain or the timing or frequency of transfers among a participant's accounts, the financial institution offering a TRA program is not prohibited from establishing such restrictions or instituting penalties for early withdrawal or transfer.

"Rollovers" from other plans: Lump sum distributions to Federal Thrift Plan participants from other tax-qualified private or governmental pension, profit-sharing, thrift, etc., plans may be transferred and deposited to the credit of a TRA selected by the participant. If an employee who separates from Federal service elects to withdraw his or her accumulated employee contributions from the defined-benefit Civil Service Retirement and Disability System, the total amount of such accumulation is automatically transferred to a Thrift Retirement Account of the employee's own choosing. The availability of these rollover provisions afford employees with a new means of pension portability and a deferral of taxes on such accumulations until later distributed.

Section 8364—Information to participants

The Board of the Federal Thrift Plan is required to prescribe regulations under which participants would be allowed to receive information about the particulars of thrift retirement programs offered by the various financial institutions in order that such persons may make informed investment choices among such programs.

Section 8365—Qualified investment programs

In order for a TRA program offered by an "investment or financial institution" to be eligible as a "qualified investment program" under the Federal Thrift Plan, it must meet the following requirements. First, the program must be operated in accordance with the ERISA exclusive purpose rule of providing benefits to participants and beneficiaries and defraying reasonable administrative expenses.

Second, the program must meet any participant safeguards set forth in regulations, including the ERISA fiduciary standards requiring prudence and prohibiting self-dealing. The following fiduciary and enforcement provisions of ERISA are incorporated and made applicable to the Federal Thrift Plan by reference (sections 401(b), 404, 405, 406(b), 408, 409, 410, 413, 504, and 502(a)(1)(B), (a)(2), (a)(3), (a)(5), (e), (f), (h), (i), (k)).

Third, participating financial institutions must at least annually provide participants with information on the status of their TRAs (the Board also has authority to receive such information, generally in summary form for all TRAs maintained by each participating financial institution).

Fourth, participating financial institutions would be required to provide participants with ERISA-like "summary plan descriptions" which describe the general features of the Federal Thrift Plan and the

particular features of the TRA programs offered by such an institution.

Fifth, participating financial institutions are prohibited from distributing amounts to participants unless (1) the participant is eligible for disability or retirement benefits under another Federal Government pension plan or workers compensation program, (2) the participant has been separated from federal service for at least 31 days, or (3) the participant has attained age 59½. Upon the death of a participant, the designated beneficiary or beneficiaries are eligible to receive distributions from the participant's TRAs. Regulations of the Board would provide for procedures by which participants and beneficiaries would obtain written evidence of their eligibility for TRA distributions which in turn could be presented to and automatically accepted by the financial institution from which a distribution is requested.

Financial institutions offering qualified investment programs may (but are not required to) provide loans to participants from their thrift accounts for purposes of, (1) purchasing an automobile, (2) making a down payment on a home or a home improvement, (3) meeting the educational expenses of any member of the family, (4) meeting general expenses in the case of hardship, or for any other purpose if the participant is otherwise eligible for a cash distribution (e.g. in the event of retirement, disability, separation, or death). In order to encourage the maintenance of TRAs basically for retirement purposes, the amount of a loan is limited (1) to the amount of the employee's own contributions and (2) with respect to employer contributions and investment earnings, to the tax-qualified plan limits described in section 72(p)(2) of the Internal Revenue Code (i.e. $50,000 loan limit with the requirement of a 5 year repayment schedule, except in the case of home loans). The interest rate to be applied to such participant loans is equal to the revised interest rate used to determine the investment earnings on the assets of the Civil Service Retirement and Disability System.

Under the Federal Thrift Plan a participant has a 100% vested interest (i.e. a "nonforfeitable right" as that term is defined under ERISA section 3(19)) in the amount in each of the TRAs maintained for such person regardless of whether the source of the amount is from employee contributions, employer contributions, investment earnings, or rollover transfers from other plans.

In accordance with regulations of the FTP Board, the "investment or financial institutions" that may participate in the Federal Thrift Plan by offering "qualified investment programs" include (but are not limited to) banks, trust companies, savings and loan associations, credit unions, registered investment companies (mutual funds), securities broker-dealers, insurance companies, and real estate trusts.

The qualified investment programs offered by such institutions may include any investment generally permissible under a private tax-qualified pension plan (or more familiar to some would be the investments offered by such institutions with respect to individual retirement accounts—IRAs). By way of illustration such investments may include, but are not limited to stocks, corporate bonds, Treasury issues, certificates of deposit, time deposits, mutual funds, mortgage funds, real estate funds, annuities, etc.

Section 8366—Enforcement

In order to enforce the fiduciary and other standards applicable to investment programs, the Board of the Federal Thrift Plan may exercise the investigative and civil enforcement authority similar to that provided the Secretary of Labor under ERISA.

The Board may utilize the facilities and services of any Federal agency to carry out its functions.

Section 8367—Audits

The ERISA-like audit and annual report requirements under Chapter 95 of Title 31, U.S.C. (as originally enacted under PL. 95-595, the Federal Pension Plan Reporting and Disclosure Act) are applicable to the Federal Thrift Plan.

Section 8368—FTP Board

The Federal Thrift Plan Board is composed of the Director of the Office of Personnel Management (or the Director's delegate) who serves as Chairman, the Secretary of the Treasury (or the Secretary's delegate), and the Director of the Office of Management and Budget (or a delegate).

Under section 8369, the Board is authorized to prescribe any regulations necessary to carry out the provisions of the Federal Thrift Plan.

Section 8370—Tax qualification

Comparable to the situation for private plans, the Federal Thrift Plan is considered to be a tax qualified plan which meets the requirements of section 401(a) of the Internal Revenue Code and is considered to be a tax qualified trust which is exempt from tax under section 501(a) of such Code.

While employee contributions are made to the Federal Thrift Plan on an after tax basis (and are not again taxed when distributed), the remainder of a participants' interest in a TRA is taxable at the time of distribution in the same manner as a distribution from a private tax qualified plan (i.e. as ordinary income unless distributed as a lumpsum in which case a special 10-year income averaging method applies; special tax rules also apply in the case of annuities). Taxes on all investment income earned under a participant's TRA are, therefore, deferred until the time they are actually distributed.

Section 8371—Appropriation

This section provides that appropriations be made to each employing agency to meet the employer matching contributions.

Effective Date—Federal thrift plan

The provisions of Title I establishing the Federal Thrift Plan are effective on the date of enactment, and employee and employer matching contributions to Thrift Retirement Accounts (TRAs) would be allowed beginning January 1, 1984.

TITLE II—AMENDMENTS TO CIVIL SERVICE RETIREMENT AND DISABILITY SYSTEM

PART A—COVERAGE

Section 201—Definition of post-83 employee

Employees (including elected and appointed officials) currently covered under the Civil Service Retirement and Disability System (including those hired before mandatory Social Security coverage begins on January 1, 1984) continue to accrue pension benefits under their old CSRS formula (e.g. for general employees 1.5% per years of service for the first 5 years, 1.75% for the next five year, and 2% thereafter; special categories have varying accrual rates).

Except for the special categories, employees subject to CSRS hired in 1984 or later and who are covered under Social Security by reason of the 1983 Social Security Amendments are defined to be "post-83 employees' and for years of service after 1983, would accrue CSRS pension benefits (in addition to Social Security) at the rate of 1.15% for each such year of service.

Unless they make an irrevocable election to be treated under the new provisions for "post-83 employees", persons employed in the special category positions (whether first employed before or after 1983) would (1) continue to contribute to CSRS under present rules (i.e. their contributions would not be reduced to the 1.3% level as for post-83 employees) and (2) accrue CSRS pension benefits under the currently applicable formula. The special categories include law enforcement officers, firefighters, air traffic controllers, congressional employees, judges, all elected officials and those categories of employees hired before 1984 who are to be covered under Social Security as of January 1, 1984 (e.g. certain Executive Schedule and noncareer appointees in the Senior Executive Service).

Any current employee who is not automatically a "post-83" employee may make an irrevocable election to be treated as a post-83 employee. The election of such post-83 status would not affect any employee's past contributions or benefit accruals, but would change the level of future contributions (1.3%) and future CSRS benefit accruals (1.15%) with respect to any years of post-83 service performed after the election is made. Any employee making such an election would also be automatically covered under Social Security as of the time of the election (this is accomplished as a result of an amendment to the Social Security Act contained in Section 303). Positive results with respect to both employee benefits and the financing of the Social Security and Civil Service systems occur as the number of current employees electing post-83 status increases. Accordingly, a number of incentives (described earlier) are contained in the FAIR legislation in order to encourage current employees to elect post-83 status.

Section 202—Exclusion of new postal workers under CSRS

Officers and employees of the United States Postal Service hired after 1983 and who are covered under Social Security are excluded from the provisions of the Civil Service Retirement and Disability System (but are included in the Federal Thrift Plan, unless covered under a new defined contribution plan established by the Postal Service). The Postal Reorganization Act gives the Postal Service full power and authority to establishing a pension program through collective-bargaining for such new employees (as well as other employees). In the future all pension and disability costs would be borne fully by the Postal Service, without indirect government subsidy, as is consistent with the independent corporate status under which the Postal Service is expected to operate. On the request of the Postal Service the Office of Personnel Management could provide for the transfer to the new postal pension plan of some or all of the benefits and related plan assets for current postal employees.

Section 203—CSRS exclusion of new employees of the District of Columbia

General employees of the District of Columbia hired after 1983 and who are covered under Social Security are excluded from coverage under the Civil Service Retirement and Disability System. This is consistent with the charter given the District of Columbia under Home Rule and will allow the District to establish a plan for general employees just as it has for police, firefighters, teachers, and judges.

PART B—CONTRIBUTIONS TO AND FUNDING OF CSRS

Section 211—Contributions

The employee contribution rate under the CSRS for "post 83 employees" would be reduced to 1.3% of basic pay with respect to service after 1983. By definition "post-83 employees" are covered under Social Security and for such persons earning up to the Social Security maximum taxable wage base the combined 1983 OASDI contribution rate of 5.7% plus the CSRS contribution rate of 1.3% equals the 7% CSRS contribution rate applicable to current employees under present law. Thus, parity is achieved with respect to the initial contribution rates for current and post-83 employees.

As provided under the 1983 Social Security Amendments, the 1984 OASDI contribution of 5.7% applicable to post-83 employees is scheduled to rise in the future—to 6.06% in 1988 and to 6.2% in 1990. Therefore, in order to maintain parity between current and post-83 employees with respect to their future contribution rates, the bill provides for the 7% contribution rate applicable to current employees to be adjusted in the future by the same percentage increase applicable to post-83 employees under OASDI. Post-83 and current employee contribution rates would, as a result, total 7.36% in 1988-89 and 7.5% in 1990 and later years.

Agency contributions would, as under current law, continue to match the level of current employee contributions, but only until regulations are in place which would require full actuarial "normal costs" to be contributed (see section 212).

Section 212—Full actuarial funding required

Under FAIR the financing and solvency of the Civil Service Retirement System and Disability Fund is enhanced (1) by maintaining the one existing Fund to provide benefits for both current and post-83 employees, (2) by requiring that employer contributions (together with employee contributions) be sufficient to meet plan "normal costs" using "dynamic actuarial" assumptions, (3) by requiring 40 year amortization of initial unfunded liabilities, and (4) by providing the opportunity for enhanced investment earning (see section 221). As a result of requiring ERISA-like actuarial funding, agency budgets will on an ongoing basis reflect realistic costs of retirement and disability benefits and any chance that the Civil Service Fund would become technically insolvent would be eliminated.

During the Social Security debate some employee groups expressed their fears that a "new" system for employees covered under Social Security would lead to the "freezing" of the present CSRS and the operation of a wasting trust, thus putting present employee benefits in jeopardy. The continuance of the present CSR Trust Fund under FAIR and the full actuarial funding of benefits for both current and post-83 employees should eliminate such fears since they would have no basis in fact.

As soon as practicable after enactment, OPM is to issue regulations requiring each employing agency to contribute to the CSRS (1) for each post-83 employee, a percentage of basic pay based on the dynamic normal cost of benefits for post-83 employees less the employee contribution rate of 1.3%, and (2) for each employee, the percentage applicable to post-83 employees as in (1) plus the rate of employer contributions to OASID (5.7% in 1984). The above contribution rates will achieve parity with respect to employer contributions for both current and post-83 employees when both Social Security and CSRS contributions are considered.

In addition to the agency and employee contributions made equal to the plan's normal cost, a Federal Government contribution is to be made to the CSR Fund each fiscal year after regulations are in place in the amount required to amortize, in 40 annual installments as a level percentage of payroll, the unfunded liabilty of the CSRS computed as of the first such year.

Federal Government contributions are also to be made with respect to any subsequent net increase in unfunded liability arising from plan amendments, experience gains or losses, or changes in actuarial assumptions. Such contributions are determined annually on a "rolling" basis and are computed so as to be equivalent to the amount of the first installment, as if the cumulative net increase in unfunded liability were to be amortized in level installment over 15 years.

All actuarial determinations of normal cost and unfunded liability are to be made using "dynamic" actuarial assumptions which take into account future expected salary level (including general pay adjustments reflecting inflation) and post-retirement cost-of-living adjustments. This requirement differs from the present law funding basis under which "static" actuarial assumptions ignoring inflation and COLAs are used, thus resulting in the understatement of true actuarial cost levels. The "dynamic" basis is currently prescribed in connection with the actuarial valuation and disclosure of unfunded liabilities required under Public Law 95-595.

PART C—INVESTMENT OF CSR FUNDS

Section 221—Investment board

Consonant with private pension fund practice, the bill establishes a Fund Investment Board for CSRS consisting of the Director of the Office of Personnel Management (or the Director's delegate), the Secretary of the Treasury (or the Secretary's delegate), and the Director of the Office of Management and Budget (or the Director's delegate). It is the function of the Board to determine, in active consultation with the Advisory Panel on Fund Investments, the interest rate at which investments of the Fund are to be made. The membership of the Board is the same as that for the Federal Thrift Plan Board.

The Board is expected to obtain a rate of return on investments in line with private pension investment practices, as if the assets of the CSR Fund were actively managed. The rate of interest on the Treasury obligations in the Fund could not be less than the rate set under present law.

Section 222—Investment advisory panel

An Advisory Panel on Fund Investments is established to advise and assist the Fund Investment Board of the CSRS and the Federal Thrift Plan Board. The seven-member panel is drawn from among individuals generally recognized for their expertise in finance and investment generally and in private or governmental pension funds in particular.

Section 223—Tax qualification and protection of accrued benefits

Comparable to the situation for private plans, the Civil Service Retirement and Disability System is considered to be a tax qualified plan which meets the requirements of section 401(a) of the Internal Revenue Code and is considered to be a tax qualified trust which is exempt from tax under section 501(a) of such code.

Just as for private plans, the tax qualified CSR plan is prohibited from reducing the accrued pension benefits of any participant. This is accomplished by subjecting the CSR System to the provisions of section 411(d)(6) of the Internal Revenue Code.

PART D—CHANGES TO CSRS RETIREMENT BENEFITS

Unless otherwise indicated the provisions under present law relating to CSRS retirment benefits remain unchanged—for example, the immediate eligibility and five-year vesting rules continue to apply with respect to current employees as well as post-83 employees.

Section 231—Indexation of deferred vested benefits

The FAIR bill makes a number of changes with respect to the benefits for employees terminated before retirement in order to overcome the criticism often directed at the present provisions of the Civil Service Retirement System which tend to create benefit disparities favoring high-paid long-service employees while providing few, if any, benefits for shorter-service employees, lower paid employees, and employees experiencing greater job mobility because of occupational or family necessity (e.g. engineers and women). Generally, the following provisions (applicable to the CSRS benefit structure for both current and post-83 employees) instill a greater measure of pension equity and portability to the benefits of such persons: 1) Sec. 231 provides for partial indexing of the deferred benefits of terminated employees, 2) Sec. 236 provides for interest to be paid on accumulated employee contributions, 3) Sec. 235 provides for the tax-free rollover into the Federal Thrift Plan of accumulated contributions that may be withdrawn by a terminated employee, 4) Sec. 237 provides that vested benefits attributable to employer contributions are not forfeited when employee contributions are rolled over, 5) terminated employees may elect a survivor annuity at the time of termination, and 6) the availability of Social Security and the fully vested amounts in the Federal Thrift Plan provide additional elements of benefit equity and portability.

Specifically section 231 provides that the deferred annuity of an employee separating from service will be increased for each year elapsed between the year of separation and the annuity commencement date by the lesser of 1) one-half the increase in the CPI or the increase in average Social Security covered wages, whichever is lower, or 2) 2 percent. This provision does not apply in the event employee contributions are withdrawn (i.e. rolled over into an IRA).

Section 232—Reduction for early retirement

As stated in the May 14, 1983 Washington Post editorial, "Those Federal Pensions," Federal pensions are currently much better than even the most generous private worker plans together with Social Security (e.g. workers can retire at age 55 with 30 years of service on full unreduced pensions).

The FAIR bill takes a comprehensive approach to bringing about a more rational CSRS retirement structure both with respect to deferred retirement benefits (described in section 231) as well as early retirement benefits. The criticism of the Civil Service Retirement System will continue unless the present early retirement provisions are made more defensible and comparable to mainstream practices.

Therefore, section 232 provides that future retirement benefit accruals be reduced by 2% for each year actual age at retirement precedes age 65.

Current employees as well as post-83 employees would be able to retire under the same age-service provisions as under present law, but the amount of benefits based on service after 1983 would be subject to the 2% reduction factor. The 2% rule would not reduce the amount of any employee's benefit which is accured prior to 1984.

The application of the 2% early retirement factor can be illustrated as follows: (1) for a current employee retiring at age 55 with 30 years of service as of January 1, 1985 the 2% factor would only apply to the pension accrual in 1984, thus producing a benefit of 55.85% of high-3 pay (i.e. 1½% for first 5 years, 1¾% for 2nd five years, 2% for 19 years, and the 30th year accrual of 2% times the early retirement factor of 80% at age 55—100% less 2% times 65 less 55); this compares with the 56.25% benefit under present law, (2) for a current employee retiring in 1994 at age 55 with 30 years of service the 80% early retirement factor would apply to the 10 years of post-83 service, thus producing a benefit of 52.25% of high-3 pay compared with 56.25% under present law, (3) employees hired in 1983 as well as post-83 employees' retiring in the year 2014 or later at age 55 with 30 years of service would have their benefit computed as 56% times the 80% early retirement factor at age 55 or 44.8% (of course substantial employee and employer purchased benefits under Federal Thrift Plan accumulations would be available to such persons to supplement the defined-benefit CSRS pension), (4) the typical federal employee retiring at between age 61 and 62 would have post-83 accruals reduced by 6 to 8%; the benefit of such a person with 30 years of service would be 56.09% (versus the present 56.25% of high-3 pay) if retiring in 1985 and 54.65% if retiring in 1994, (5) the benefits of current and post-83 employees retiring at age 65 or later would be 100% of their accrued benefits, since the early retirement reduction factor would not apply.

It might be noted that the 2% early retirement adjustment factor is the same as the factor that currently applies to retirements under age 55. While the new 2% reduction under age 65 for early retirement is not equivalent to an "actuarial reduction," its application in combination with the post-83 benefit accrual formula (discussed in the next section) is designed to produce early retirement benefit levels comparable to the levels found in the better private sector pension plans. The effect of the early retirement reduction is also mitigated for post-83 employees choosing the so-called Social Security leveling option (see section 240) and also for those having Federal Thrift Plan accumulations which can be converted to early retirement annuities.

Section 233—Retirement accrual to be 1.15% for post-83 employee

Under the bill, post-83 employees as well as current employees electing post-83 status accrue CSRS retirement benefits at the rate of 1.15% for each year of service after 1983. The accumulated accrual percentage is applied to high-3 basic pay as is the case under present law. The retirement benefit so computed is then subject to the 2% early retirement adjustment discussed under Section 232. The accrual rates under present law continue to apply to current employees and employees in special occupational categories who do not elect post-83 status.

The following objectives were used to develop the accrual rate, the early retirement factor and other new retirement features of the CSRS as applicable to post-83 employees (who also accrue retirement benefits under Social Security):

(1) Combined retirement benefits from the revised CRS System and Social Security should, when coordinated, provide initial post-retirement income levels close to pre-retirement after tax income levels for "full-career" (30–40) years), moderate-income, employees who retire at age 65 or later. Such benefits should not be less than the benefits provided current employees retiring under similar circumstances.

(2) Post-retirement adjustments should be provided to CSR pensions in order that initial levels of retirement income provided from Social Security and the CSR System not be significantly diminished because of future increases in the cost-of-living. The adjustments should be affordable, and they should be capped for those with above average income in order to maintain the fiscal integrity of the retirement system (see explanation under section 401).

(3) The revised CSRS retirement benefit structure should provide benefits comparable to those found under good retirement programs operated by major employers in the private and state and local government sector.

(4) There should be no reductions in benefits already accrued and no unreasonable reductions in expected benefits for current employees (see section 223 for benefit accrual protection).

(5) The revised CSRS benefit structure should be more equitable than the current one with respect to long-service versus short-service employees, especially as it applies to employees with split-service and occupations requiring job mobility (also see section 231).

(6) The provisions of the revised CSRS should meet ERISA standards and not be inconsistent with Internal Revenue Service regulations concerning the "integration" (coordination) of pension benefits with Social Security.

(7) The modified CSRS should be as simple to administer as possible and not be disruptive to the present system of delivering benefits.

(8) The long-term costs to the Federal Government of the modified CSRS and the new Federal Thrift Plan plus the Government's contribution to Social Security should approximate the Government's cost (i.e. as measured by the dynamic actuarial normal cost) of the CSRS with respect to the retirement benefits for current employees (taking into account revisions with respect to COLAs, early retirement, disability, and deferred vested benefits).

The following replacement rates (after tax post-retirement CSRS and Social Security benefits as a percentage of pre-retirement after-tax income) based on the post-83 1.15% per year of service formula show that the standard-of-living target objectives in (1) above are met with respect to moderate-income full-career employees.

REPLACEMENT RATES AT AGE 65 FOR A SINGLE EMPLOYEE WITH 30 YEARS OF SERVICE

Final pay	$10,000	$20,000	$30,000
Revised system with no thrift plan participation (percent)	93.1	84.5	77.2
Revised system with thrift plan participation (percent)	121.5	111.1	105.1
Current CSRS (percent)	64.7	64.9	61.5

Replacement rates at all income levels under the revised CSRS formula exceed those under the current system for those retiring at age 65 as well as those retiring at 62 when Social Security first become available (see Tables in Appendix which also contains the assumptions used by the Congressional Research Service in developing the rates).

While the current CSRS formula is "back-loaded" (providing lower accruals for shorter-service employees), consistent with the objectives in (5) above the revised formula provides a constant 1.15 percent for each year of service. The simpler formula coupled with the continuation of other benefit computational rules as under present law (e.g. high-3 pay, aggregation and service repurchase rules, etc) meets the objectives in (7) for a simple non-disruptive revision.

The constant formula of 1.15 percent, taking into account Social Security benefits, was found to achieve the target replacement rates without having to resort to a more complex "integrated" formula. A 100 percent Social Security offset formula for determining retirement benefits (as advanced in other proposals) was considered but rejected since the approach would be contrary to current Internal Revenue Service regulations on plan integration (see goal (6) above), would be administratively complex (see goal (7) above), and would require a complicated and potentially inequitable attribution of Social Security benefits, especially with respect to shorter service employees (see goal (5) above). The 100 percent offset approach however, is utilized with respect to coordinating post-83 disability and survivor benefits with Social Security, since the offset approach with respect to such benefits does not violate the IRS integration rules, does not require inequitable attribution rules, and is the only approach guaranteeing the maintenance of current disability and survivor benefit levels (see Part F).

An integrated formula is usually utilized in order to maintain a relatively constant "target" replacement rate at all income levels, since Social Security alone provides higher replacement rates for the lower paid. However, the annuity benefits available from savings accumulations under the Federal Thrift Plan bring the total benefits for employees having above average federal earnings up to the target replacement rates for the lower paid (considering Social Security and CSRS benefits alone), thus allowing the simpler 1.15% formula to be used instead of a more complicated integrated one. For example, the replacement rates for the $40,000, $50,000 and $60,000 case comparable to those shown above at lower income levels amount to 100.7%, 92.7%, and 87.6%, respectively.

The 1.15% formula accompanied by the Federal Thrift Plan is an approach similar to one advanced by the Universal Social Security Coverage Study Group (chaired by Joseph W. Barlett) in its March 1980 report.

Section 234—No post-83 minimum annuity

The minimum retirement annuity under present law is necessitated since employees are not covered under Social Security. Since Post-83 employees are covered under Social Security, a minimum is no longer necessary; thus the minimum is eliminated as being redundant.

Section 235—Rollover of contributions of separated employees into TRA's

Under present law an employee, upon early separation, may withdraw his or her contributions (without interest) resulting in

the forfeiture of the employer purchased part of any deferred annuity. Section 235 provides that future withdrawals by either current or post-83 employees will automatically be rolled-over, tax free, into a TRA of the employee's own choosing. In addition, under section 237 the CSRS is conformed to ERISA so that the employer purchased part of the deferred vested benefit is not forfeited if employee contributions are withdrawn.

Section 236—Interest credited to employee contributions

After 1983 the accumulated value of both a post-83 and a current employee's contributions is to be credited with interest (at the overall earnings rate applicable to the Civil Service Trust Fund). As described in section 235, the accumulated value of employee contributions including interest may be rolled-over by a separated employee into a TRA.

Section 237—Deferred annuity not fully forfeited if employee withdraws contributions

See section 235 for a description of this provision as it applies to both current and post-83 employees.

Section 238—Conform COLA to social security COLA

Effective January 1, 1984 the cost-of-living adjustment under the CSRS is conformed in timing and amount to the COLA adjustment under Social Security. This is a technical amendment included as part of the initiative under FAIR to place all federal retirement and disability programs on the same COLA basis in order to ease the administration of the COLA limitation under section 401.

Section 239—COLA limitation

This is a cross-reference to section 401.

Section 240—Social security leveling option

A new retirement annuity option, termed a Social Security leveling option, is extended to post-83 employees retiring early in order that they may have a more level lifetime income rather than an income which jumps significantly when Social Security benefits become available. By means of the use of this option the effect of the early retirement reduction factor will be mitigated to some extent.

To illustrate the application of this option—a post-83 employee retiring at age 55 with 30 years service would be entitled to a CSRS pension of 34.5% of high-3 pay subject to the early retirement factor of 80% (2% per year reduction under age 65) equal to $5,198 (in the case in which final pay is $20,000 expressed in current dollars); 10 years later at 65 the employee may elect to begin receiving Social Security benefits, thus nearly doubling the employees' retirement income level at such time; in the alternative the employee may elect the Social Security leveling option thus raising the person's initial level of retirement income at age 55 from $5,198 to, say, about $9,000; at 65 when Social Security is elected and CSRS benefits are actuarially reduced under the leveling option, the person's total benefits would continue at the pre-65 level (subject to any applicable indexation).

An employee may elect that the increased CSRS benefit be paid under the leveling option up to any age selected between age 62 and 67 (when Social Security becomes available) at which time CSRS benefits are actuarially reduced to maintain a level income.

PART E—SURVIVOR BENEFITS

Section 241—Separated employees eligible for survivor annuity

Under the provisions of this section both current and post-83 employees who separate with vested benefits before reaching retirement age may elect to have a 50% survivor annuity paid to a spouse. The value of the survivor annuity and the reduced deferred annuity is to be equivalent to the value of the unreduced deferred annuity. This option is an alternative to the provision in present law under which a survivor is paid the lump-sum value of the employee's contributions in the event of the dealth of the separated employee before age 62.

Section 242—Offset of social security survivor benefits

Under FAIR the combined survivor benefits from Social Security and the CSRS are the same as under present law. In order to accomplish this, the CSRS benefits for survivors of post-83 employees are reduced by the amount of survivor benefits to which such persons are entitled under Social Security.

PART F—DISABILITY BENEFITS

Section 251—Disability eligibility

The conditions under which CSRS disability benefits are available for both current and post-83 employees is changed to include that such benefits would not be available as long as the employee is able to render useful and efficient service in a vacant civilian position in a Federal agency within a reasonable commuting distance from the last place of employment. The employee's pay could not be reduced even though the pay in the new position is rated as low as 80% of the pay level of the former position. This provision is consistent with recommendations to the Congress made by the General Accounting Office.

Section 252—Post-83 disability annuities

Generally, the amount of the disability annuity under CSRS to which a current employee may become entitled in the future is unchanged from that under current law.

The amount of the disability annuity to which a post-83 employee may become entitled under CSRS (including Social Security disability, if applicable) is in most cases improved over the disability levels under current law. This is to bring the level of CSRS disability more in line with private sector practices. The CSRS disability amount for payment years prior to the Social Security normal retirement age, presently age 65, is equal to the larger of (A) or (B) reduced by the amount of any disability benefits (including family benefits) the person actually receives under Social Security (see section 254 for Social Security disability offset), where (A) is the actual amount of the employee's accrued early retirement benefit taking into account the early retirement reduction factor (see section 232) and assuming the Social Security leveling option is elected (whether actually elected or not pursuant to section 240), and where (B) is the lesser of (1) 40% of the post-83 employee's high-3 pay, or 50% in the case in which the employee is receiving Social Security disability, or (2) the alternative formula under present law but increased by 10% in the event the employee is receiving Social Security disability.

Upon attaining the normal retirement age under Social Security (presently age 65) the disability benefits of a disabled employee are converted to normal retirement benefits and the individual would in addition be eligible to receive the full amount of Social Security benefits to which the person is entitled.

For situations described in (A) above, the amount of retirement benefits after normal retirement age would continue to be based on the computed amount of the person's benefits received before such age subject to any cost-of-living increases (i.e. the actual amount of the employee's accrued retirement benefit subject to any Social Security leveling option that may have been elected at the time of disability).

For situations described in (B) above, at normal retirement the disability amount is recomputed to be the greater of (1) the amount of the employee's accrued early retirement benefit computed at the time of disability, increased by the amount of any applicable cost-of-living adjustments between the time of disability and the attainment of the Social Security normal retirement age, or (2) the excess of (i) the amount computed under (B) above at the time of disability increased by the amount of any applicable cost-of-living adjustments between the time of disability and the attainment of the Social Security normal retirement age over (ii) a fixed amount of Social Security "offset" computed as the annual Social Security retirement benefit using only the service and basic pay of the employee under Civil Service employment.

Section 253—Employee must apply for social security disability

In order to maintain the integrity of the Civil Service Retirement and Disability System all employees applying for disability benefits under the CSRS must also apply for disability benefits under Social Security, unless exempted from such requirement under regulations prescribed by OPM.

Section 254—Social security disability offset

See explanation of this provision under section 252.

Section 255—Limitation of disability annuity based on excess earnings

In order to encourage the rehabilitation of disabled employees and their return to full time employment, the bill provides for the reduction in the amount of a disabled employee's annuity to keep the combined amount of the disability annuity and the amount of income earned by the disabled employee in other employment at a level not in excess of the final pay of the employee prior to disablement (adjusted for subsequent general pay increases).

This provision does not apply to a person receiving Social Security disability benefits or to a person enrolled in a rehabilitation program as described in section 256.

Section 256—Disability rehabilitation pilot program

Within 180 days after enactment the OPM is to establish a pilot program under which disabled employees (other than those receiving Social Security disability) would be provided vocational rehabilitation and job placement counseling evaluation for purposes of determining the person's suitability for returning to the same occupation or another occupation for which the person is qualified by reason of training or experience.

The OPM may contract with the Secretary of Labor or with any insurance or other experienced vocational rehabilitation organization to provide such a pilot program. Within 5 years OPM would report to the Congress on the effectiveness of such a program together with any recommendations

for legislation to establish a permanent program.

Section 257—Long-term disability coverage for new employees

As under present law, current as well as post-83, employees would not be eligible for CSRS disability benefits until they meet the 5-year service requirement. Under this section employees may purchase long-term disability coverage for the first 5 years of employment, from insurance carriers at group insurance rates, under a Federally sponsored program managed by OPM.

TITLE III—AMENDMENTS TO ERISA, FECA, THE SOCIAL SECURITY ACT, AND THE INTERNAL REVENUE CODE

Section 301—Conform FECA COLA to social security COLA

Beginning January 1, 1985 the cost-of-living adjustment applicable to benefits under the Federal Employee Compensation Act is conformed in timing and amount to the annual COLA adjustment under Social Security. As a matter of transition, no COLA adjustment would be made in 1984 but the January 1985 adjustment would provide a "catch-up" for the change in the CPI from December 1982 applicable to the last adjustment in 1983.

This is a technical amendment included as part of the initiative under FAIR to place all federal retirement and disability programs on the same COLA basis in order to ease the administration of the 60% COLA limitation as provided for under the second bill in the FAIR legislative package.

Section 302—ERISA coverage for new Postal Service pension plans

As stated under section 202, Postal Service employees newly covered under Social Security are excluded from coverage under the Civil Service Retirement and Disability System. Any new pension plan or plans established by the Postal Service for new or other employees would, under this section, be subject to the provisions of the Employee Retirement Income and Security Act of 1974 (ERISA) and the related provisions of the Internal Revenue Code.

Section 303—Social security amendments

This section provides for Social Security coverage for current civil service employees who elect coverage under both Social Security and the revised provisions of the Civil Service Retirement and Disability System applicable to new employees. The so-called "windfall" reduction under Social Security would be made inapplicable to employees electing such coverage in cases in which such employees have 10 or more years of post-83 service.

TITLE IV—COLA'S AND ADMINISTRATION

Section 401—60 percent COLA limitation

The "60% COLA limitation" provided in this section is the specific application to the CSRS of the COLA limitation applicable to all federal retirement programs as contained in the first bill of the FAIR legislative package.

In this instance the COLA increase applicable to CSRS annuities (other than survivor benefits) is limited to 60% of the COLA increase with respect to that portion of an employee's pension which, together with any primary retirement benefits to which the employee is entitled under Social Security or the Military Retirement System, exceeds $10,000. The $10,000 amount applicable in 1984 is increased annually to the same extent that benefits are increased in accordance with the cost-of-living provisions of the Social Security Act.

The 60% COLA limitation applies to the benefits of current as well as post-83 employees. The exclusion of the first $10,000 of retirement income from the 60% COLA limitation will continue to allow 100% COLA increases for that portion of CSRS pensions under $10,000—thus the CSRS pensions of employees who in the past were not covered under Social Security could be viewed as being composed of two parts, the first part up to $10,000 might be termed the "Social Security part" for which the COLA is 100% and the remainder above $10,000 (if any) might be termed the "supplemental pension part" for which the COLA is 60% of the applicable increase.

The application of the 60% limitation can be illustrated as follows: given a retired employee having $4,000 in Social Security benefits, $5,000 in retirement benefits based on military service, and $6,000 in CSRS benefits, the COLA with respect to the Social Security benefits, the military retirement benefits and the first $1,000 of CSRS benefits would be 100% of the applicable cost-of-living formula while the COLA applicable to the $5,000 remainder of CSRS benefits over $10,000 (i.e. $4,000+$5,000+$6,000−$10,000=$5,000) would be limited to 60% of the cost-of-living increase. Assuming a 5% increase in the cost-of-living formula with respect to a particular year, the COLA increase under current law would be 5% of $15,000 or $750 while the new formula would produce a COLA increase of $650 (i.e. 5% [$4,000+$5,000+$1,000]+5%×60×[$15,000−$10,000]). Therefore the average Federal retiree having $15,000 in combined Federal retirement benefits in 1984 would have an effective COLA increase equal to 86.7% of the current level.

The adoption of the 60% COLA limitation is intended to instill an increased measure of defensibility, comparability, and affordability to the system of benefits provided under the CSRS. The effective range of the revised CSRS COLA—from 100% for benefits under $10,000 to 66⅔% for benefits at the $60,000 level—still leaves the CSRS among the most generous of the nation's public and private pension plans in providing post-retirement COLAs. A recent study for the Department of Labor shows that for private pension retirees fortunate enough to actually have automatic and/or ad hoc post-retirement increases, the average increase amounted to only about ⅓ of the increase in the CPI for the period 1973 through 1979.

Section 402—Transfer of administration to OPM

This section brings within the Federal government (OPM) the administration of Federal retirement benefits now administered by the District of Columbia (e.g. in relation to benefits for the Secret Service, the Park Police and others).

SUMMARY OF TITLE I–IV

The second bill, the Federal Annuity and Investment Reform Act, is designed to meet the many objectives enumerated earlier and summarized below.

(1) The revised system will provide initial retirement benefit levels equal to or close to pre-retirement living standards for full-career "post-83" employees at moderate income levels (considering Social Security and CSRS defined benefits only); a similar retirement income target for higher-paid employees is achieved when the annuity income from Federal Thrift Plan accumulations is considered.

(2) The initial retirement income levels for full-career post-83 employees retiring at 62 or later (when Social Security becomes available) are enhanced over current levels and are then fully kept up with the cost-of-living for retirement income levels under $10,000 (indexed after 1984 to rise the same as Social Security benefits) and partially indexed at 60% of the CPI for retirement income levels above the $10,000 limit; the availability of Federal Thrift Plan accumulations would allow for additional COLA supplementation.

(3) The revised 1.15% CSRS formula and the new Federal Thrift Plan are designed to be coordinated with Social Security in order to bring about greater benefit comparability with the pension arrangements offered by major private sector employers; additional benefit comparability is accomplished through the introduction of the 2% early retirement adjustment factor applicable to post-83 service and the 60% COLA limitation above $10,000.

(4) The revised system is much more equitable in the manner in which it treats shorter service and mobile employees as a result of the portability offered by the fully and immediately vested benefits under both the Federal Thrift Plan and Social Security, the introduction of a constant accrual rate which is not "backloaded" as under present law, the payment of interest on employee contributions, the partial indexing of deferred annuities, the tax-free rollover of distribution into TRAs, the nonforfeiture of vested employer-paid benefits, and the availability of a survivor option for terminated employees.

(5) The revised system meets ERISA benefit and funding standards, prohibits reductions in accrued benefits, and extends the tax benefits attendant with tax-qualified plan status to employee distributions from the CSRS and the Federal Thrift Plan.

(6) The revised system provides for parity in the employee contribution percentage rate for current and post-83 employees and for parity with respect to benefits and future employer costs with respect to such employees; the 60% COLA limitation, the 2% early retirement adjustment applicable to post-83 service, the portability features in (4) above, and the provision for voluntary employee contributions to the Federal Thrift Plan apply in the same manner to current employees as well as post-83 employees.

(7) The health of the OASDI trust funds are enhanced by several billion dollars per year as a result of the employee and Federal employer contributions to Social Security on behalf of current employees who elect post-83 status (a large percentage is expected to elect such status due to a number of benefit incentives offered); the added balance to the OASDI trust funds will better enable such funds to restore the past amounts borrowed from the Medicare trust funds, and may also permit additional interfund borrowing to take place from OASDI to Medicare which current projections show may become necessary later in the decade.

H.R. 5753—COLA stabilizer

Over the past few years there has been an expanding debate over the impact that the uncontrolled automatic indexing of federal programs has had on the federal budget, interest rates, the economy, and the income distributions of the working and non-working population. Nearly 90 federal entitlement and non-entitlement programs have their benefits automatically adjusted to increase with inflation, generally as measured by the Consumer Price Index. According to

the Congressional Budget Office nearly one-third of total federal spending is accounted for under indexed entitlement programs. Over the past four years alone the COLAs under these programs have increased program spending by 50%. Retirement and disability programs account for over 99% of all COLA-related entitlement program spending.

In order to help assure long-term program solvency and to regain a measure of fiscal control, my legislation contains a COLA stabilizer which would limit automatic increases after 1983 to the lesser of the increase in national wages (the index used in adjusting the maximum taxable wage under Social Security) or the increase in the Consumer Price Index (or other automatic COLA mechanism that may be applicalbe under a particular program). The stabilizer would apply to all pension, annuity, retirement, disability, or similar programs operated by the federal government including but not limited to the Civil Service Retirement System, the Uniformed Services Retirement System, the Railroad Retirement System, and the Social Security system (retirement programs basing benefits on need would be exempted).

The legislative mechanism whereby the COLA stabilizer would be implemented requires: (1) that the President submit budgets for Fiscal Year 1985 and later which conform to the requirements of the COLA stabilizer; and (2) that the Congress expedite the required implementing legislation submitted by the President in accordance with a special highly privileged House and Senate rule. As a technical matter the Average Hourly Earnings Index published by the Department of Labor is used as the restraint in the COLA stabilizer for the first year of application. In subsequent years a corrective factor would be applied so that in the long run the wage index constraint would conform to the rise in national wages as defined in the Social Security Act for purposes of computing the increase in the maximum taxable wage base.

The refrain that I hear from federal employees concerning their Civil Service benefits and from other retirees concerning their Social Security benefits is that they are willing to accept some adjustments in their future COLAs, if that would help to better guarantee future program solvency, but that they do not want their benefits to be singled out unfairly. That is why under my FAIR legislation the COLA stabilizer would apply uniformly and across the board to civilian federal employees, military and other uniformed personnel, and Social Security recipients as well.

The proposal also introduces a greater measure of equity and fairness to entitlement COLAs when compared with COLAs working members of the population have received in connection with their wages. Analysts have pointed out that benefit recipients fare better than the workers whose taxes and contributions support each system, when wages do not keep pace with inflation. While basic benefits should be kept up with inflation on some basis, retired people should not receive greater cost-of-living protection than working people, yet that is what has happened. In recent years, the average cost-of-living wage increase agreed upon in private sector collective bargaining has been only 60 percent of the increase in the Consumer Price Index, and persons drawing retirement benefits have received fatter annual increases than wage earners in union agreements in 10 out of the past 12 years.

Besides restoring economic equity between the working and non-working generations, the proposed COLA changes will go a long way in helping stabilize the OASDI and other federal retirement system trust funds in the event we again experience irregular periods of economic activity in which prices rise more rapidly than wages. In fact a significant share of the Social Security actuarial imbalance and $150–$200 billion near-term shortfall which gave rise to the 1982 amendments can be directly traced to cost-of-living increases outpacing wage increases in just the past four years.

It should be noted that the actuarial and economic projections relied on by the Congress in shaping the Social Security rescue package do not anticipate a repeat of recent economic experience during which price increases exceeded wage increases. It is only prudent, therefore, that this Congress extend the COLA stabilizer concept so as to provide a meaningful financial safety mechanism for Social Security and all other federal retirement systems. As policymakers who will be held accountable, we should not abdicate our responsibilities by waiting until the next cycle of unfavorable economic conditions when uncontrolled overindexation again creates large unmanageable unfunded pension liabilities. Over $100 billion or about one-fifth of the half-trillion dollar-plus unfunded liability of the Civil Service Retirement Fund arose during just the first several years of the 1980s.

The COLA stabilizer is the true embodiment of the old adage that an ounce of prevention is worth a pound of cure. A triggering of the stabilizer mechanism will not result in a cut in any persons' benefits but would merely limit future benefit increases. For example, if for a particular year the consumer price index were to rise by, say, 11% while wages were to rise by 10%, the 1% difference in benefit increase for a person drawing $400 per month in benefits would amount to $4 per month (i.e., benefits would go up by $40 rather than $44 as would otherwise be provided by a full CPI increase). When viewed at the level of the individual, most would welcome the $40 increase and have little in the way of expectation as to whether the increase would be $40 or $44. However, at the macro level the 1% differential would translate in today's dollars into a $2 billion easing of the strain on all federal old age, disability, and retirement systems.

The COLA stabilizer would be triggered only during times of abnormal economic activity and distress, and as the economy reverts to periods of growth the Congress could always consider ad hoc benefit increases which could provide for some or all of a "catch up" in the $4 monthly difference resulting from the smaller rise in wages. The Congressional review process might also take into consideration the technical deficiencies in the CPI which have allowed benefit increases to overcompensate for inflation in the past.

The economic assumptions used in both the President's budget and the budgets the Congress is considering do not anticipate that wages will rise more slowly than prices as measured by the CPI. The COLA stabilizer would not, as a result, be projected to have an impact on expected future budget items or deficits (although in reality it might if projections prove faulty). Therefore, the COLA stabilizer provision can be discussed and adopted in an atmosphere absent from the shrill rhetoric that is currently associated with the budget process and the size of the federal deficit.

In summary, the FAIR legislation would extend the concept of a fail-safe COLA stabilizer across the board, not just to Social Security (in which the fail safe mechanism was only partially installed as part of the recent Social Security legislation) but to all other federal retirement programs as well. This nation can ill afford another round of unanticipated economic irregularities in which uncontrolled indexation unfairly redistributes income, creates large program deficits and added economic problems, and thereby leaves future Congresses and taxpayers with only much more difficult choices.

APPENDIX

[Provided by Congressional Research Service]

COMPARISON OF CIVIL SERVICE RETIREMENT BENEFITS WITH REVISED SYSTEM

INTRODUCTION

This report is in response to your request of February 4, 1983, for earnings replacement rates for a series of different social security and pension plan alternatives. The option selected for comparison with the present Civil Service Retirement System (CSRS) and the assumptions used were specified by Russell Mueller of your staff. The report provides no cost estimates.

DOCUMENTATION FOR EARNINGS REPLACEMENT ANALYSIS

The following fourteen tables show how much of a worker's earnings would be replaced by retirement income. Replacement rates—the ratio of retirement benefits to preretirement earnings—provide one measure of the adequacy of pension benefits. Because retirement also brings changes in consumption patterns, tax liabilities, work-related expenses and savings rates, most analysts agree that retirees can maintain their preretirement standard of living with pension benefits that replace less than 100 percent of their final year's gross earnings.

The following tables show the estimated retirement income that would be received by workers retiring in 1985: (a) under the present Civil Service Retirement System (CSRS) and (b) under the revised retirement system selected for study. The revised system would include coverage under social security, mandatory participation in a supplemental defined benefit plan, and optional participation in a thrift (savings) plan. Under the defined benefit plan selected a worker would earn a benefit of 1.15 percent of final average salary for each year of participation. Final average salary is defined as that received in the highest 3 consecutive years. Benefits are reduced by 2 percent for each year under age 65 (e.g. a worker retiring at age 62 would receive 94 percent of the benefit payable at age 65). Workers would be required to make contributions not only to social security, but also to contribute 3 percent of salary to the defined benefit plan. In addition, employees could elect to contribute up to 3 percent of salary into a thrift plan. The thrift plan payment would be fully matched by an employer contribution.

The Congressional Research Service calculated both gross and net earnings replacement rates for six hypothetical workers. Gross replacement rates are arrived at by dividing total retirement income by the final year's earnings. Net replacement rates are arrived at by dividing (a) retirement income received after payment of taxes by (b) preretirement earnings after payment of

taxes and contributions for social security, the pension plan, or the thrift plan.

Many assumptions must be made to calculate net earnings replacement rates. The following assumptions were made.

Federal taxes

Several assumptions have been made in order to determine hypothetical Federal tax liabilities as given in this report. For those individuals in their final work year and first year of retirement, a zero bracket amount [1] or, if larger, deductible expenses equal to 23 percent of adjusted gross income was used to compute the appropriate Federal tax liability.

For those persons eligible for the Tax Credit for the Elderly, the appropriate amount was computed based upon the Social Security Amendments of 1983.

The following tax rate schedules were used to compute the Federal tax liability. The tax calculations do not take ino account indexing of the tax rate schedules, the zero bracket amount, or the personal exemption amount, which will go into effect with respect to 1985 taxes.

Tax rate schedule for single individuals for taxable years beginning after 1983

If taxable income is:	The tax is:
Not over $2,300	No tax.
Over $2,300 but not over $3,400.	11% of the excess over $2,300.
Over $3,400 but not over $4,400.	$121, plus 12% of the excess over $3,400.
Over $4,400 but not over $6,500.	$241, plus 14% of the excess over $4,400.
Over $6,500 but not over $8,500.	$535, plus 15% of the excess over $6,500.
Over $8,500 but not over $10,800.	$835, plus 16% of the excess over $8,500.
Over $10,800 but not over $12,900.	$1,203, plus 18% of the excess over $10,800.
Over $12,900 but not over $15,000.	$1,581, plus 20% of the excess over $12,900.
Over $15,000 but not over $18,200.	$2,001, plus 23% of the excess over $15,000.
Over $18,200 but not over $23,500.	$2,737, plus 26% of the excess over $18,200.
Over $23,500 but not over $28,800.	$4,115, plus 30% of the excess over $23,500.
Over $28,800 but not over $34,100.	$5,705, plus 34% of the excess over $28,800.
Over $34,100 but not over $41,500.	$7,507, plus 38% of the excess over $34,100.
Over $41,500 but not over $55,300.	$10,319, plus 42% of the excess over $41,500.
Over $55,300 but not over $81,800.	$16,115, plus 48% of the excess over $55,300.
Over $81,800	$28,835, plus 50% of the excess over $81,800.

Tax rate schedule for married individuals filing joint return for taxable years beginning after 1983

If taxable income is:	The tax is:
Not over $3,400	No tax.
Over $3,400 but not over $5,500.	11% of the excess over $3,400.
Over $5,500 but not over $7,600.	$231, plus 12% of the excess over $5,500.
Over $7,600 but not over $11,900.	$483, plus 14% of the excess over $7,600.
Over $11,900 but not over $16,000.	$1,085, plus 16% of the excess over $11,900.
Over $16,000 but not over $20,200.	$1,741, plus 18% of the excess over $16,000.
Over $20,200 but not over $24,600.	$2,497, plus 22% of the excess over $20,200.
Over $24,600 but not over $29,900.	$3,465, plus 25% of the excess over $24,600.
Over $29,900 but not over $35,200.	$4,790, plus 28% of the excess over $29,900.
Over $35,200 but not over $45,800.	$6,274, plus 33% of the excess over $35,200.
Over $45,800 but not over $60,000.	$9,772, plus 38% of the excess over $45,800.
Over $60,000 but not over $85,600.	$15,168, plus 42% of the excess over $60,000.
Over $85,600 but not over $109,400.	$25,920, plus 45% of the excess over $85,600.
Over $109,400 but not over $162,400.	$36,630, plus 49% of the excess over $109,400.
Over $162,400	$62,600, plus 50% of the excess over $162,400.

Source: General explanation of ERTA prepared by Joint Committee of Taxation, Dec. 31, 1981.

State and local government income tax assumptions

There is great disparity in the tax structure of State and local governments. For purposes of computing net earnings replacement rates, a general assumption was made that State-local personal income tax liability was 21.5 percent of the Federal income tax liability for single taxpayers, and 22.6 percent for married taxpayers. These rates were derived from an analysis of the relationship of State individual income taxes on specified wages and salaries during calendar year 1975 contrasted to Federal income taxes prepared in 1976 by Lillian Rymarowicz of the Economics Division in the Congressional Research Service. This analysis showed that average State taxes as a percentage of the Federal income tax was 21.5 percent for single taxpayers and 22.6 percent for married taxpayers. This analysis, however, did not include individual income taxes levied by local governments or tax credits for such payments against State income tax liability. Therefore, the ratio would be understated. However, States are beginning to index their individual income tax rates for inflation. This has the effect of lowering tax rates for higher income individuals.

Social security taxes

Social security taxes are based on the Social Security Amendments of 1983. In computing net final year's earnings in 1984, employees are assumed to contribute 5.7 percent of their salaries up to $37,800 for the Old Age, Survivors and Disability Insurance (OASDI) component of social security. Social security benefits are included in taxable retirement income for higher income persons whose taxable income combined with 50 percent of their social security benefits exceed a base amount. The base amount is $25,000 for an individual and $32,000 for a married couple filing a joint return. The amount of benefits included in taxable income is the lesser of one-half of benefits or one-half of the excess of the taxpayer's combined income (i.e., adjusted gross income plus one-half of benefits) over the base amount.

Social security benefits

Benefits shown are for individuals retiring in 1985 at ages 62 and 65 who always had their wages increase in the same proportion as wages in the economy. The determination of benefits, although computed for 1985, assumes a fully mature system in which 35 years of earnings are used in the computation and all wages, including those at the maximum limit, are indexed to average wage growth in the economy. Also, benefits are computed under the provisions of the Social Security Amendments of 1983, which apply to benefit computations in the year 2022 and beyond, i.e. "full" retirement at age 67 with actuarial reductions for benefits taken at ages 62 and 65. Calculations are based on preliminary 1983 Trustees Report assumptions (February 18, 1983).

Defined benefit and thrift plan contributions

Employees contribute 3 percent of salaries as their share of the cost of the defined benefit plan. When employees participate in the thrift (or savings) plan, they are assumed to contribute 3 percent of their salaries. This is fully matched by an employer contribution of 3 percent. The combined 6 percent contribution is assumed to be invested with interest compounded annually in a tax-deferred account.

Interest rate assumptions (1945–84)

Interest on the accumulated thrift plan contributions was compounded annually during the period 1953–1984 according to the interest rate for 10-year constant maturing U.S. Treasury securities. For years 1945–1952, the interest rate was the average rate for new-issue, 3-month U.S. Treasury securities.

INTEREST RATE ASSUMPTIONS (1945–84)

Year	Interest rate	Year	Interest rate
1945	0.375	1965	4.28
1946	0.375	1966	4.92
1947	0.594	1967	5.07
1948	1.040	1968	5.65
1949	1.102	1969	6.67
1950	1.218	1970	7.35
1951	1.552	1971	6.16
1952	1.766	1972	6.21
1953	2.85	1973	6.84
1954	2.40	1974	7.56
1955	2.82	1975	7.99
1956	3.18	1976	7.61
1957	3.65	1977	7.42
1958	3.32	1978	8.41
1959	4.33	1979	9.44
1960	4.12	1980	11.46
1961	3.88	1981	13.91
1962	3.95	1982	13.00
1963	4.00	1984	[1] 13.00
1964	4.19	1985	[1] 13.00

[1] Estimate.

Source: Economic Report of the President, February 1983.

Wage histories

Hypothetical wage histories were constructed covering the period 1945–1984 in accordance with the wage indexing series used by the Social Security Administration, i.e., the difference in each year's wage levels was attributable to the growth of average wages in the economy.

FEDERAL CAREER WAGE HISTORIES (1945–84)

Final year's earnings	$10,000	$20,000	$30,000	$40,000	$50,000	$60,000
High-3	$9,416	$18,831	$28,247	$37,663	$47,078	$56,494
1984	10,000	20,000	30,000	40,000	50,000	60,000
1983	9,316	18,632	27,948	37,264	46,580	55,896
1982	8,931	17,862	26,793	35,724	44,655	53,586
1981	8,460	16,920	25,380	33,840	42,300	50,760
1980	7,686	15,372	23,058	30,744	38,430	46,116
1979	7,051	14,102	21,153	28,204	35,255	42,306
1978	6,484	12,968	19,452	25,936	32,420	38,904
1977	6,006	12,012	18,018	24,024	30,030	36,036
1976	5,667	11,334	17,001	22,668	28,335	34,002
1975	5,302	10,604	15,906	21,208	26,510	31,812
1974	4,933	9,866	14,799	19,732	24,665	29,598
1973	4,656	9,312	13,968	18,624	23,280	27,936
1972	4,382	8,764	13,146	17,528	21,910	26,292
1971	3,991	7,982	11,973	15,964	19,955	23,946
1970	3,800	7,600	11,400	15,200	19,000	22,800
1969	3,620	7,240	10,860	14,480	18,100	21,720
1968	3,423	6,846	10,269	13,692	17,115	20,538
1967	3,202	6,404	9,606	12,808	16,010	19,212
1966	3,033	6,066	9,099	12,132	15,165	18,198
1965	2,862	5,724	8,586	11,448	14,310	17,172
1964	2,811	5,622	8,433	11,244	14,055	16,866
1963	2,701	5,402	8,103	10,804	13,505	16,206
1962	2,636	5,272	7,908	10,544	13,180	15,816
1961	2,510	5,020	7,530	10,040	12,550	15,060
1960	2,461	4,922	7,383	9,844	12,305	14,766
1959	2,369	4,738	7,107	9,476	11,845	14,214
1958	2,257	4,514	6,771	9,028	11,285	13,542
1957	2,237	4,474	6,711	8,948	11,185	13,422
1956	2,170	4,340	6,510	8,680	10,850	13,022
1955	2,028	4,056	6,084	8,112	10,140	12,168
1954	1,939	3,878	5,817	7,756	9,695	11,634
1953	1,928	3,856	5,784	7,712	9,640	11,568
1952	1,826	3,652	5,478	7,304	9,130	10,956
1951	1,719	3,438	5,151	6,876	8,595	10,314
1950	1,563	3,126	4,689	6,252	7,815	9,378
1949	1,525	3,050	4,575	6,100	7,625	9,150

[1] The zero-bracket amount is commonly referred to as the standard deduction.

FEDERAL CAREER WAGE HISTORIES (1945–84)—Continued

Final year's earnings	$10,000	$20,000	$30,000	$40,000	$50,000	$60,000
1948	1,451	2,902	4,353	5,804	7,255	8,706
1947	1,336	2,672	4,008	5,344	6,680	8,016
1946	1,162	2,324	3,486	4,648	5,810	6,972
1945	1,241	2,482	3,773	4,964	6,205	
					D7,446	

Calculation of annuity purchased with thrift plan accumulations

In order to determine the amount of an annuity that can be purchased for a given amount of principal, information on life expectancy of the annuitant is needed. The mortality rates used for this analysis were determined by the Office of Personnel Management and are for male civil service workers.

The accumulated value of the thrift plan was converted to an indexed annuity at the time of retirement (i.e. age 62 or 65) assuming a 6 percent interest rate. The annuity is assumed to increase at 4 percent a year. Both the interest rate and the inflation rate are the same as the assumed long-term rates in the economy predicted in the 1982 Social Security Trustees' II-B assumptions.

The taxable portion of the annuity was determined in accordance with Internal Revenue Service regulations, section 1.72-9, using Table I, Ordinary Life Annuity—One Life—assuming no refund feature. The expected return multiples were based on males age 62 and 65.

TABLE 1.—SUMMARY 30-YEAR SERVICE: COMPARISON OF GROSS AND (NET) EARNINGS REPLACEMENT RATES FOR CURRENT CIVIL SERVICE RETIREMENT SYSTEM AND REVISED SYSTEM

Final year's earnings	$10,000	$20,000	$30,000	$40,000	$50,000	$60,000
Current CSRS:						
Single 62	53.0	53.0	53.0	53.0	53.0	53.0
	(61.3)	(59.9)	(59.7)	(59.6)	(59.7)	(59.8)
Married 62	53.0	53.0	53.0	53.0	53.0	53.0
	(61.3)	(60.3)	(59.8)	(60.1)	(60.3)	(60.4)
Single 65	53.0	53.0	53.0	53.0	53.0	53.0
	(64.7)	(64.9)	(61.5)	(60.7)	(60.8)	(60.8)
Married 65	53.0	53.0	53.0	53.0	53.0	53.0
	(61.3)	(65.0)	(65.0)	(62.7)	(61.8)	(61.8)
Revised system with thrift plan participation:						
Single 62	83.3	76.5	71.2	66.8	63.2	60.8
	(105.4)	(96.9)	(92.6)	(88.6)	(83.2)	(78.6)
Married 62	99.2	89.3	81.5	75.1	69.9	66.4
	(121.5)	(112.7)	(103.6)	(97.1)	(90.8)	(86.3)
Single 65	94.8	86.7	79.9	75.1	70.6	67.6
	(121.5)	(111.1)	(105.1)	(100.7)	(92.7)	(87.6)
Married 65	115.1	103.0	93.0	85.8	79.2	74.8
	(140.9)	(131.7)	(119.9)	(112.5)	(104.4)	(97.5)
Revised system without thrift plan participation:						
Single 62	65.0	58.2	52.9	48.5	44.9	42.5
	(81.0)	(73.1)	(67.6)	(63.3)	(59.2)	(56.8)
Married 62	80.9	71.0	63.2	56.8	51.6	48.1
	(95.6)	(88.5)	(79.6)	(72.4)	(65.9)	(62.0)
Single 65	74.6	66.4	59.7	54.9	50.4	47.4
	(93.1)	(84.5)	(77.2)	(72.6)	(67.3)	(64.1)
Married 65	94.9	82.8	72.8	65.6	59.0	54.6
	(112.0)	(103.8)	(92.8)	(84.7)	(76.6)	(71.5)

TABLE 2.—SUMMARY 40-YEAR SERVICE: COMPARISON OF GROSS AND (NET) EARNINGS REPLACEMENT RATES FOR CURRENT CIVIL SERVICE RETIREMENT SYSTEM AND REVISED SYSTEM

Final year's earnings	$10,000	$20,000	$30,000	$40,000	$50,000	$60,000
Current CSRS:						
Single 62	71.8	71.8	71.8	71.8	71.8	71.8
	(80.4)	(78.5)	(77.4)	(76.7)	(76.0)	(75.2)
Married 62	71.8	71.8	71.8	71.8	71.8	71.8
	(80.3)	(79.4)	(78.6)	(78.0)	(77.6)	(76.8)
Single 65	71.8	71.8	71.8	71.8	71.8	71.8
	(87.7)	(81.8)	(78.8)	(78.0)	(77.3)	(76.5)
Married 65	71.8	71.8	71.8	71.8	71.8	71.8
	(83.1)	(87.6)	(81.9)	(80.0)	(79.5)	(78.7)
Revised system with thrift plan participation:						
Single 62	98.7	91.9	86.6	82.2	78.6	76.2
	(122.2)	(115.3)	(110.3)	(104.1)	(97.7)	(95.2)
Married 62	114.8	104.7	96.9	90.5	85.3	81.8
	(139.1)	(129.4)	(121.2)	(114.8)	(106.3)	(99.6)
Single 65	111.4	103.3	96.5	91.7	87.2	84.2
	(139.9)	(130.3)	(124.3)	(115.8)	(108.5)	(105.1)
Married 65	131.7	119.6	109.6	102.4	95.8	91.4
	(161.2)	(149.9)	(139.0)	(131.1)	(131.1)	(112.0)
Revised system without thrift plan participation:						
Single 62	75.2	68.4	63.0	58.7	55.1	52.7
	(92.4)	(84.1)	(79.2)	(75.2)	(71.0)	(67.3)
Married 62	91.1	81.2	73.4	67.0	61.8	58.3
	(107.6)	(99.5)	(90.5)	(83.6)	(77.6)	(73.8)
Single 65	85.4	77.3	70.5	65.7	61.2	58.2
	(106.5)	(96.2)	(89.7)	(85.3)	(79.4)	(74.4)
Married 65	105.7	93.6	83.6	76.4	69.8	65.4
	(124.8)	(116.3)	(104.7)	(97.0)	(89.1)	(83.9)

TABLE 3.—CURRENT CIVIL SERVICE RETIREMENT SYSTEM: GROSS AND (NET) EARNINGS REPLACEMENT RATES FOR A SINGLE WORKER RETIRING IN 1985 AT AGE 62

Final year's salary	$10,000	$20,000	$30,000	$40,000	$50,000	$60,000
Less:						
Federal taxes	−915	−2,392	−4,385	−6,827	−9,673	−12,839
State and local taxes	−197	−514	−943	−1,468	−2,080	−2,760
Civil service contribution	−700	−1,400	−2,100	−2,800	−3,500	−4,200
Net final earnings	8,188	15,694	22,572	28,905	34,747	40,201
Retirement income (40 yr):						
Civil service pension	7,180	14,359	21,538	28,718	35,897	43,077
Less taxes:						
Federal	−490	1,673	−3,345	−5,380	−7,810	10,561
State and local	−105	−360	−719	−1,157	−1,679	−2,271
Net retirement income	6,585	12,326	17,474	22,181	26,408	30,245
Gross replacement rates	71.8	71.8	71.8	71.8	71.8	71.8
(Net) replacement rates	(80.4)	(78.5)	(77.4)	(76.7)	(76.0)	(75.2)
Retirement income (30 yr):						
Civil service pension	5,297	10,592	15,889	21,185	26,481	31,778

TABLE 3.—CURRENT CIVIL SERVICE RETIREMENT SYSTEM: GROSS AND (NET) EARNINGS REPLACEMENT RATES FOR A SINGLE WORKER RETIRING IN 1985 AT AGE 62—Continued

Less taxes:						
Federal	−229	−986	−1,979	−3,253	−4,709	−6,378
State and local	−49	−212	−425	−699	−1,012	−1,371
Net retirement income	5,019	9,394	13,485	17,233	20,760	24,029
Gross replacement income	52.0	53.0	53.0	53.0	53.0	53.0
(Net) replacement income	(61.3)	(59.9)	(59.7)	(59.6)	(59.7)	(59.8)

Note: See methodology section for assumptions used in determining replacement rates.

TABLE 4.—CURRENT CIVIL SERVICE RETIREMENT SYSTEM: GROSS AND (NET) EARNINGS REPLACEMENT RATES FOR A MARRIED WORKER RETIRING IN 1985 AT AGE 62

Final year's salary	$10,000	$20,000	$30,000	$40,000	$50,000	$60,000
Less:						
Federal taxes	−539	−1,885	−3,443	−5,434	−7,825	−10,456
States and local	−122	−426	−778	−1,228	−1,768	−2,363
Civil service contribution	−700	−1,400	−2,100	−2,800	−3,500	−4,200
Net final year's earnings	8,639	16,289	23,679	30,538	36,907	42,981
Retirement income (40 yrs):						
Civil service pension	7,180	14,359	21,538	28,718	35,897	43,077
Less taxes:						
Federal	−196	−1,158	−2,378	−3,995	−5,909	−8,213
State and local	−44	−262	−537	−903	−1,335	−1,856
Net retirement income	6,940	12,939	18,623	23,820	28,653	33,008
Gross replacement rates	71.8	71.8	71.8	71.8	71.8	71.8
(Net) replacement rates	(80.3)	(79.4)	(78.6)	(78.0)	(77.6)	(76.8)
Retirement income (30 yrs):						
Civil service pension	5,297	10,592	15,889	21,185	26,481	31,778
Less taxes:						
Federal	−0	−622	−1,403	−2,314	−3,439	−4,760
State and local	−0	−141	−317	−530	−777	−1,076
Net retirement income	5,297	9,829	14,169	18,341	22,265	25,942
Gross replacement rates	53.0	53.0	53.0	53.0	53.0	53.0
(Net) replacement rates	(61.3)	(60.3)	(59.8)	(60.1)	(60.3)	60.4)

Note: See methodology section for assumptions used in determining replacement rates.

TABLE 5.—CURRENT CIVIL SERVICE RETIREMENT SYSTEM: GROSS AND (NET) EARNINGS REPLACEMENT RATES FOR A SINGLE WORKER RETIRING IN 1985 AT AGE 65

Final year's salary	$10,000	$20,000	$30,000	$40,000	$50,000	$60,000
Less:						
Federal taxes	−915	−2,392	−4,385	−6,827	−9,673	−12,839
State and local taxes	−197	−514	−943	−1,468	−2,080	−2,760
Civil service contribution	−700	−1,400	−2,100	−2,800	−3,500	−4,200
Net final earnings	8,188	15,694	22,572	28,905	34,747	40,201
Retirement income (40 yr):						
Civil service pension	7,180	14,359	21,538	28,718	35,897	43,077
Less taxes:						
Federal	−0	−1,248	−3,085	−5,080	−7,438	−10,158
State and local	−0	−268	−663	−1,092	−1,599	−2,184
Net retirement income	7,180	12,843	17,790	22,546	26,860	30,735
Gross replacement rates	71.8	71.8	71.8	71.8	71.8	71.8
(Net) replacement rates	(87.7)	(81.8)	(78.8)	(78.0)	(77.3)	(76.5)
Retirement income (30 yr):						
Civil service pension	5,297	10,592	15,889	21,185	26,481	31,778
Less taxes:						
Federal	−0	−332	−1,658	−2,993	−4,409	−6,038
State and local	−0	−71	−356	−644	−948	−1,298
Net retirement income	5,297	10,189	13,875	17,548	21,124	24,442
Gross replacement rates	53.0	53.0	53.0	53.0	53.0	53.0
(Net) replacement rates	(64.7)	(64.9)	(61.5)	(60.7)	(60.8)	(60.8)

Note: See methodology section for assumptions used in determining replacement rates.

TABLE 6.—CURRENT CIVIL SERVICE RETIREMENT SYSTEM: GROSS AND (NET) EARNINGS REPLACEMENT RATES FOR A MARRIED WORKER RETIRING IN 1985 AT AGE 65

Final year's salary	$10,000	$20,000	$30,000	$40,000	$50,000	$60,000
Less:						
Federal taxes	−539	−1,885	−3,443	−5,434	−7,825	−10,456
State and local	−122	−426	−778	−1,228	−1,768	−2,363
Civil service contribution	−700	−1,400	−2,100	−2,800	−3,500	−4,200
Net final year's earnings	8,639	16,289	23,679	30,538	36,907	42,981
Retirement income (40 yr):						
Civil service pension	7,180	14,359	21,538	28,718	35,897	43,077
Less taxes:						
Federal	0	−71	−1,758	−3,495	−5,349	−7,553
State and local	0	−16	−397	−790	−1,209	−1,707
Net retirement income	7,180	14,272	19,383	24,433	29,339	33,817
Gross replacement rates	71.8	71.8	71.8	71.8	71.8	71.8
(Net) replacement rates	(83.1)	(87.6)	(81.9)	(80.0)	(79.5)	(78.7)
Retirement income (30 yr):						
Civil service pension	5,297	10,592	15,889	21,185	26,481	31,778
Less Taxes:						
Federal	0	0	−400	−1,668	−2,999	−4,260
State and local	0	0	−90	−377	−678	−963
Net retirement income	5,297	10,592	15,399	19,140	22,804	26,555
Gross replacement rates	53.0	53.0	53.0	53.0	53.0	53.0
(Net) replacement rates	(61.3)	(65.0)	(65.0)	(62.7)	(61.8)	(61.8)

Note: See methodology section for assumptions used in determining replacement rates.

TABLE 7.—REVISED RETIREMENT SYSTEM WITH 4 PERCENT INDEXED THRIFT PLAN: GROSS AND (NET) EARNINGS REPLACEMENT RATES FOR A SINGLE WORKER RETIRING IN 1985 AT AGE 62

Final year's earnings (1984)	$10,000	$20,000	$30,000	$40,000	$50,000	$60,000
Less:						
Federal taxes	−915	−2,392	−4,385	−6,827	−9,673	−12,839
State and local taxes	−197	−514	−943	−1,468	−2,080	−2,760
Social security—5.7 percent to $37,800	−570	−1,140	−1,710	−2,154	−2,154	−2,154
Defined benefit contribution	−300	−600	−900	−1,200	−1,500	−1,800
Thrift plan—3 percent	−300	−600	−900	−1,200	−1,500	−1,800
Net final earnings	7,718	14,754	21,151	27,151	33,093	38,647
Retirement income (40 yrs):						
Social security	3,444	5,532	6,696	7,188	7,188	7,188
Pension	4,071	8,143	12,214	16,285	20,357	24,428
Thrift plan	2,352	4,704	7,056	9,408	11,760	14,112
Total	9,867	18,379	25,966	32,881	39,305	45,728
Less taxes:						
Federal	−357	−1,122	−2,161	−3,792	−5,736	−7,368
State and local	−77	−241	−465	−815	−1,233	−1,584
Net retirement income	9,433	17,016	23,340	28,274	32,336	36,776
Gross replacement rate	98.7	91.9	86.6	82.2	78.6	76.2
(Net) replacement rate	(122.2)	(115.3)	(110.3)	(104.1)	(97.7)	(95.2)
Retirement income (30 yrs):						
Social security	3,444	5,532	6,696	7,188	7,188	7,188
Pension	3,054	6,107	9,161	12,214	15,267	18,321
Thrift plan	1,830	3,660	5,490	7,320	9,150	10,980
Total	8,328	15,299	21,347	26,722	31,605	36,489
Less taxes:						
Federal	−159	−824	−1,453	−2,189	−3,342	−5,019
State and local	−34	−177	−312	−471	−719	−1,079
Net retirement income	8,135	14,298	19,582	24,062	27,544	30,391
Gross replacement rate	83.3	76.5	71.2	66.8	63.2	60.8
(Net) replacement rate	(105.4)	(96.9)	(92.6)	(88.6)	(83.2)	(78.6)

Note: See methodology section for assumptions used in determining replacement rates.

TABLE 8.—REVISED RETIREMENT SYSTEM WITH 4 PERCENT INDEXED THRIFT PLAN: GROSS AND (NET) EARNINGS REPLACEMENT RATES FOR A MARRIED WORKER RETIRING IN 1985 AT AGE 62

Final year's earnings (1984)	$10,000	$20,000	$30,000	$40,000	$50,000	$60,000
Less:						
Federal taxes	−539	−1,885	−3,443	−5,434	−7,825	−10,456
State and local taxes	−122	−426	−778	−1,228	−1,768	−2,363
Social security—5.7 percent to $37,800	−570	−1,140	−1,710	−2,154	−2,154	−2,154
Defined benefit contribution—3 percent	−300	−600	−900	−1,200	−1,500	−1,800
Thrift plan—3 percent	−300	−600	−900	−1,200	−1,500	−1,800
Net final year's earnings	−8,169	−15,349	−22,269	−28,784	−35,253	−41,427
Retirement income (40 yr):						
Social security	5,054	8,100	9,804	10,524	10,524	10,524
Pension	4,071	8,143	12,214	16,285	20,357	24,428
Thrift plan	2,352	4,704	7,056	9,408	11,760	14,112
Total	11,477	20,947	29,074	36,217	42,641	49,064
Less taxes:						
Federal	−92	−884	−1,709	−2,584	−4,217	−6,359
State and local	−21	−200	−386	−584	−953	−1,437
Net retirement income	11,364	19,863	26,979	33,049	37,471	41,268
Gross replacement rate	114.8	104.7	96.9	90.5	85.3	81.8
(Net) replacement rate	(139.1)	(129.4)	(121.2)	(114.8)	(106.3)	(99.6)
Retirement income (30 yr):						
Social security	5,040	8,100	9,804	10,524	10,524	10,524
Pension	3,054	6,107	9,161	12,214	15,267	18,321
Thrift plan	1,830	3,660	5,490	7,320	9,150	10,980
Total	9,924	17,867	24,455	30,058	34,941	39,825
Less taxes:						
Federal	0	−462	−1,123	−1,728	−2,379	−3,321
State and local	0	−104	−254	−391	−538	−751
Net retirement income	9,924	17,301	23,078	27,939	32,024	35,753
Gross replacement rate	99.2	89.3	81.5	75.1	69.9	66.4
(Net) replacement rate	(121.5)	(112.7)	(103.6)	(97.1)	(90.8)	(86.3)

Note: See methodology section for assumptions used in determining replacement rates.

TABLE 9.—REVISED RETIREMENT SYSTEM WITH 4 PERCENT INDEXED THRIFT PLAN: GROSS AND (NET) EARNINGS REPLACEMENT RATES FOR SINGLE WORKER RETIRING IN 1985 AT AGE 65

Final year's earnings (1984)	$10,000	$20,000	$30,000	$40,000	$50,000	$60,000
Less:						
Federal taxes	−915	−2,392	−4,385	−6,827	−9,673	−12,839
State and local taxes	−197	−514	−943	−1,468	−2,080	−2,760
Social security tax—5.7 percent to $37,800	−570	−1,140	−1,710	−2,154	−2,154	−2,154
Defined benefit contribution—3 percent	−300	−600	−900	−1,200	−1,500	−1,800
Thrift plan—3 percent	−300	−600	−900	−1,200	−1,500	−1,800
Net final year's earnings	7,718	14,754	21,162	27,151	33,093	38,647
Retirement income (40 yr):						
Social security	4,212	6,792	8,160	8,952	8,952	8,952
Pension	4,331	8,662	12,994	17,325	21,656	25,987
Thrift plan	2,598	5,196	7,794	10,392	12,990	15,588
Total retirement income	11,141	20,650	28,948	36,669	43,598	50,527
Less taxes:						
Federal	−284	−1,176	−2,184	−4,300	−6,318	−8,141

TABLE 9.—REVISED RETIREMENT SYSTEM WITH 4 PERCENT INDEXED THRIFT PLAN: GROSS AND (NET) EARNINGS REPLACEMENT RATES FOR SINGLE WORKER RETIRING IN 1985 AT AGE 65—Continued

State and local	−61	−253	−470	−925	−1,358	−1,750
Net retirement income	10,796	19,221	26,294	31,444	35,922	40,636
Gross replacement rate	111.4	103.3	96.5	91.7	87.2	84.2
(Net) replacement rate	(139.9)	(103.3)	(124.3)	(115.8)	(108.5)	(105.1)
Retirement income (30 yr):						
Social security	4,212	6,792	8,160	8,952	8,952	8,952
Pension	3,249	6,497	9,745	12,994	16,242	19,490
Thrift plan	2,022	4,044	6,066	8,088	10,110	12,132
Total	9,483	17,333	23,971	30,034	35,304	40,574
Less taxes:						
Federal	−86	−778	−1,426	−2,218	−3,799	−5,536
State and local	−18	−167	−307	−477	−817	−1,190
Net retirement income	9,379	16,388	22,238	27,339	30,688	33,848
Gross replacement rate	94.8	86.7	79.9	75.1	70.6	67.6
(Net) replacement rate	(121.5)	(111.1)	(105.1)	(100.7)	(92.7)	(87.6)

Note: See methodology section for assumptions used in determining rates.

TABLE 10.—REVISED RETIREMENT SYSTEM WITH 4 PERCENT THRIFT PLAN: GROSS AND (NET) EARNINGS REPLACEMENT RATES FOR A MARRIED WORKER RETIRING IN 1985 AT AGE 65

Final year's earnings (1984)	$10,000	$20,000	$30,000	$40,000	$50,000	$60,000
Less:						
Federal taxes	−539	−1,885	−3,443	−5,434	−7,825	−10,456
State and local taxes	−122	−426	−778	−1,228	−1,768	−2,363
Social security—5.7 percent to $37,800	−570	−1,140	−1,710	−2,154	−2,154	−2,154
Defined benefit contribution—3 percent	−300	−600	−900	−1,200	−1,500	−1,800
Thrift plan—3 percent	−300	−600	−900	−1,200	−1,500	−1,800
Net final year's earnings	8,169	15,349	22,269	28,784	35,253	41,427
Retirement income (40 yr):						
Social security	6,240	10,056	12,084	13,248	13,248	13,248
Pension	4,331	8,662	12,994	17,325	21,656	25,987
Thrift plan	2,598	5,196	7,794	10,392	12,990	15,588
Total	13,169	23,914	32,872	40,965	47,894	54,823
Less taxes:						
Federal	0	−737	−1,565	−2,627	−4,643	−6,873
State and local	0	−167	−354	−594	−1,049	−1,553
Net retirement income	13,169	23,010	30,953	37,774	43,202	46,397
Gross replacement rate	131.7	119.6	109.6	102.4	95.8	91.4
(Net) replacement rate	(161.2)	(149.9)	(139.0)	(131.1)	(119.7)	(112.0)
Retirement income (30 yr):						
Social security	6,240	10,056	12,084	13,248	13,248	13,248
Pension	3,249	6,497	9,745	12,994	16,242	19,490
Thrift plan	2,022	4,044	6,066	8,088	10,110	12,132
Total	11,511	20,597	27,895	34,330	39,600	44,870
Less taxes:						
Federal	0	−310	−977	−1,588	−2,274	−3,667
State and local	0	−70	−221	−359	−514	−829
Net retirement income	11,511	20,217	26,697	32,383	36,812	40,374
Gross replacement rate	115.1	103.0	93.0	85.8	79.2	74.8
(Net) replacement rate	(140.9)	(131.7)	(119.9)	(112.5)	(104.4)	(97.5)

Note: See methodology section for assumptions used in determining replacement rates.

TABLE 11.—REVISED RETIREMENT SYSTEM WITHOUT PARTICIPATING IN THRIFT PLAN: GROSS AND (NET) EARNINGS REPLACEMENT RATES FOR A SINGLE WORKER RETIRING IN 1985 AT AGE 62

Final year's earnings (1984)	$10,000	$20,000	$30,000	$40,000	$50,000	$60,000
Less:						
Federal taxes	−915	−2,392	−4,385	−6,827	−9,673	−12,839
State and local taxes	−197	−514	−943	−1,468	−2,080	−2,760
Social security—5.7 percent to $37,800	−570	−1,140	−1,710	−2,154	−2,154	−2,154
Defined benefit contribution—3 percent	−300	−600	−900	−1,200	−1,500	−1,800
Net final earnings	8,018	15,354	22,062	28,351	34,593	40,447
Retirement income (40 yr):						
Social security	3,444	5,532	6,696	7,188	7,188	7,188
Pension	4,071	8,143	12,214	16,285	20,357	24,428
Total	7,515	13,675	18,910	23,473	27,545	31,616
Less taxes:						
Federal taxes	−85	−631	−1,188	−1,769	−2,455	−3,626
State and local	−18	−136	−255	−380	−528	−780
Net retirement income	7,412	12,908	17,467	21,324	24,562	27,210
Gross replacement rates	75.2	68.4	63.0	58.7	55.1	52.7
(Net) replacement rates	(92.4)	(84.1)	(79.2)	(75.2)	(71.0)	(67.3)
Retirement income (30 yr):						
Social security	3,444	5,532	6,696	7,188	7,188	7,188
Pension	3,054	6,107	9,161	12,214	15,267	18,321
Total	6,498	11,639	15,857	19,402	22,455	25,509
Less taxes:						
Federal	0	−340	−784	−1,188	−1,612	−2,095
State and local	0	−73	−169	−255	−347	−450
Net retirement income	6,498	11,226	14,904	17,959	20,496	22,964
Gross replacement rate	65.0	58.2	52.9	48.5	44.9	42.5
(Net) replacement rate	(81.0)	(73.1)	(67.6)	(63.3)	(59.2)	(56.8)

Note: See methodology section for assumptions used in determining replacement rates.

TABLE 12.—REVISED RETIREMENT SYSTEM WITHOUT PARTICIPATING IN THRIFT PLAN: GROSS AND (NET) EARNINGS REPLACEMENT RATES FOR A MARRIED WORKER RETIRING IN 1985 AT AGE 62

Final year's earnings	$10,000	$20,000	$30,000	$40,000	$50,000	$60,000
Less:						
Federal taxes	−539	−1,885	−3,443	−5,434	−7,825	−10,456
State and local taxes	−122	−426	−778	−1,228	−1,768	−2,363
Social security—5.7 percent to $37,800	−570	−1,140	−1,710	−2,154	−2,154	−2,154
Defined benefit contribution	−300	−600	−900	−1,200	−1,500	−1,800
Net final year's earnings	8,469	15,949	23,169	29,984	36,753	43,227
Retirement income (40 yr):						
Social security	5,040	8,100	9,804	10,524	10,524	10,524
Pension	4,071	8,143	12,214	16,285	20,357	24,428
Total	9,111	16,243	22,018	26,809	30,881	34,952
Less taxes:						
Federal	0	−308	−849	−1,411	−1,935	−2,497
State and local	0	−70	−192	−319	−437	−564
Net retirement income	9,111	15,865	20,977	25,079	28,509	31,891
Gross replacement rates	91.1	81.2	73.4	67.0	61.8	58.3
(Net) replacement rates	(107.6)	(99.5)	(90.5)	(83.6)	(77.6)	(73.8)
Retirement income (30 yr):						
Social security	5,040	8,100	9,804	10,524	10,524	10,524
Pension	3,054	6,107	9,161	12,214	15,267	18,321
Total	8,094	14,207	18,965	22,738	25,791	28,845
Less taxes:						
Federal	0	−78	−430	−849	−1,286	−1,662
State and local	0	−18	−97	−192	−291	−376
Net retirement income	8,094	14,111	18,438	21,697	24,214	26,807
Gross replacement rate	80.9	71.0	63.2	56.8	51.6	48.1
(Net) replacement rate	(95.6)	(88.5)	(79.6)	(72.4)	(65.9)	(62.0)

Note: See methodology section for assumptions used in determining replacement rates.

TABLE 13.—REVISED SYSTEM WITHOUT PARTICIPATING IN THE THRIFT PLAN: GROSS AND (NET) EARNINGS REPLACEMENT RATES FOR SINGLE WORKER RETIRING IN 1985 AT AGE 65

Final year's earnings	$10,000	$20,000	$30,000	$40,000	$50,000	$60,000
Less:						
Federal taxes	−915	−2,392	−4,385	−6,827	−9,673	−12,839
State and local taxes	−197	−514	−943	−1,468	−2,080	−2,760
Social security—5.7 percent to $37,800	−570	−1,140	−1,710	−2,154	−2,154	−2,154
Defined benefit contribution	−300	−600	−900	−1,200	−1,500	−1,800
Net final year's earnings	8,018	15,354	22,062	28,351	34,593	40,447
Retirement income (40 yr):						
Social security	4,212	6,792	8,160	8,952	8,952	8,952
Pension	4,331	8,662	12,994	17,325	21,656	25,987
Total	8,543	15,454	21,154	26,277	30,608	34,939
Less taxes:						
Federal	−3	−559	−1,124	−1,729	−2,585	−3,996
State and local	−1	−120	−242	−372	−556	−859
Net retirement income	8,539	14,775	19,788	24,176	27,467	30,084
Gross replacement rate	85.4	77.3	70.5	65.7	61.2	58.2
(Net) replacement rate	(106.5)	(96.2)	(89.7)	(85.3)	(79.4)	(74.4)
Retirement income (30 yr):						
Social security	4,212	6,792	8,160	8,952	8,952	8,952
Pension	3,249	6,497	9,745	12,994	16,242	19,490
Total	7,461	13,289	17,905	21,946	25,194	28,442
Less taxes:						
Federal	0	−255	−722	−1,124	−1,564	−2,072
State and local	0	−55	−155	−242	−336	−445
Net retirement income	7,461	12,979	17,028	20,580	23,294	25,925
Gross replacement rate	74.6	66.4	59.7	54.9	50.4	47.4
(Net) replacement rate	(93.1)	(84.5)	(77.2)	(72.6)	(67.3)	(64.1)

Note: See methodology section for assumptions used in determining replacement rates.

TABLE 14.—REVISED SYSTEM WITHOUT PARTICIPATING IN THRIFT PLAN: GROSS AND (NET) EARNINGS REPLACEMENT RATES FOR A MARRIED WORKER RETIRING IN 1985 AT AGE 65

Final year's earnings (1984)	$10,000	$20,000	$30,000	$40,000	$50,000	$60,000
Less:						
Federal taxes	−539	−1,885	−3,443	−5,434	−7,825	−10,456
State and local taxes	−122	−426	−778	−1,228	−1,768	−2,363
Social security—5.7 percent to $37,800	−570	−1,140	−1,710	−2,154	−2,154	−2,154
Defined benefit contribution—3 percent	−300	−600	−900	−1,200	−1,500	−1,800
Net final year's earnings	8,469	15,949	23,169	29,984	36,753	43,227
Retirement income (40 yrs):						
Social security	6,240	10,056	12,084	13,248	13,248	13,248
Pension	4,331	8,662	12,994	17,325	21,656	25,987
Total	10,571	18,718	25,078	30,573	34,904	39,235
Less taxes:						
Federal	0	−139	−678	−1,219	−1,755	−2,410
State and local	0	−31	−153	−275	−397	−545
Net retirement income	10,571	18,548	24,247	29,079	32,752	36,280
Gross replacement rates	105.7	93.6	83.6	76.4	69.8	65.4
(Net) replacement rates	(124.8)	(116.3)	(104.7)	(97.0)	(89.1)	(83.9)
Retirement income (30 yr):						
Social security	6,240	10,056	12,084	13,248	13,248	13,248
Pension	3,249	6,497	9,745	12,994	16,242	19,490
Total	9.489	16,553	21,829	26,242	29,490	32,738

TABLE 14.—REVISED SYSTEM WITHOUT PARTICIPATING IN THRIFT PLAN: GROSS AND (NET) EARNINGS REPLACEMENT RATES FOR A MARRIED WORKER RETIRING IN 1985 AT AGE 65—Continued

Less taxes:						
Federal	0	0	−260	−678	−1,086	−1,486
State and local	0	0	−59	−153	−245	−336
Net retirement income	9,489	16,553	21,510	25,411	28,159	30,916
Gross replacement rate	94.9	82.8	72.8	65.6	59.0	54.6
(Net) replacement rate	(112.0)	(103.8)	(92.8)	(84.7)	(76.6)	(71.5)

Note: See methodology section for assumptions used in determining replacement rates.●

DISCRIMINATION AT SHORT BROTHERS, BELFAST

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 3, 1983

● Mr. OTTINGER. Mr. Speaker, on May 18, I sent a letter to Verne Orr, Secretary of the Air Force, protesting the proposed purchase of transport aircraft—(SD330)—from Short Brothers, Ltd., in Belfast, Ireland. Short Brothers, a British Government-owned corporation, has a record of anti-Catholic discrimination. We outlined our protest in the letter, which 26 Members cosigned.

The response from the Air Force made no attempt to refute the statistics of discrimination. They made no reference to the problem of discrimination except to assure us that Short Brothers had received approval from the Fair Employment Agency, a British agency which enforces antidiscrimination laws in Northern Ireland.

The British Ambassador has also defended Short Brothers to Members of Congress, and defended their right to the Air Force contract. However, the Ambassador made no attempt to refute the figures we presented that show Short Brothers' discriminatory practices.

I would like to enter into the RECORD a critique of the British defense of Short Brothers by Rev. Brian Brady of St. Joseph's College in Belfast. Father Brady has provided some of the most cogent proof so far of the anti-Catholic discrimination in Northern Ireland. His arguments are well-substantiated and compelling:

A CRITIQUE OF THE "COVER-UP" OF ANTI-CATHOLIC DISCRIMINATION IN SHORT BROTHERS, BELFAST

(By Rev. Brian J. Brady, St. Joseph's College of Education, Belfast, Northern Ireland, May 26, 1983)

The case study gave facts and figures in support of the allegation that Short Brothers discriminates against Catholics in its employment practices. The allegation stands until the statistics on which it is based are rebutted by equally true facts and figures. So far no such rebuttal has been produced by the apologists for Shorts and I am confident that none can be produced.

On May 10 the British Ambassador assumed the role of apologist for the company. He wrote to Congressional leaders and enclosed briefing material from Shorts. Neither that material nor the Ambassador's covering letter constitute an adequate response to the case against the company. Both documents are really denials of my allegation, in the form of assertions unsupported by hard facts.

I should like to offer some detailed comments on the inadequacies of the package as a "case for the defense" of Shorts. The case has three parts to it:

1. That employment practices in the company satisfy fully the requirements of the Fair Employment Act (NI) 1976 and that the company co-operates completely with the Fair Employment Agency (FEA) in achieving the purposes of the agency.

The supporting "facts" offered are:

a. A photostat of the FEA Certificate that Shorts has signed the Declaration of Intent to promote and protect equality of opportunity in employment.

Response. May I point out that signing the FEA Declaration does not commit the signatory firm to any time scale in remedying its past discriminatory practices. In the case of Shorts the imbalance of Protestants (95%) and Catholics (5%) has not changed one iota in the 4 years since the certificate was granted by FEA.

b. It is pointed out that three unsuccessful complaints of discrimination by individuals employed by the firm made to the FEA are proof that there is no discrimination against employees of the firm.

Response. The allegation made by me was not that Catholics employed by the company were discriminated against. My complaint was that Catholics were excluded (apart from token 5%) from working for the firm at all.

c. Two remedial programs by the company are mentioned:

A program of action to ensure equality of opportunity in the company which is allegedly 15 years in place;

An affirmative action program to remedy the imbalance in the workforce.

Response. Programs must be judged by their results. If these are really serious efforts to remedy an injustice, whose existence is implied by the very existence of the programs, why has the Protestant/Catholic imbalance in the workforce not been ameliorated? It is unacceptable to say that polarisation over the past 14 years is responsible for the imbalance. What was happening during the 32 years between 1937 and 1968? In connection with these programs, may I suggest that the Chairman of FEA, Mr. Bob Cooper, be asked to explain the involvement of his agency in them and to give a statistical account of their success or failure in making Shorts an equal opportunity employer. It is facts and figures from FEA, not worthless certificates, which must be offered.

2. The second item of briefing material issues by Shorts in its defense is a letter to the Managing Director from the Confederation of Shipbuilding and Engineering Unions. The letter denies that the firm pursues a policy of religious discrimination.

Response. The Confederation has never done anything to redress the injustice of Catholics having only 4.8% of the jobs in the shipbuilding, marine engineering and aircraft industries serviced by its unions. The Confederation is not and never has been interested in the employment rights of Catholics. In this context, its letter is a cruel joke.

3. This third line of defense offered by Shorts is the purchase of one 330 aircraft by AVAIR, a subsidiary of the semi-state Irish Airlines (Aer Lingus). Apparently one is expected to infer that Shorts is a fair employer because of semi-state body in the Republic of Ireland purchases its products.

Response. Unfortunately the Government of the Republic of Ireland has not, up to the present, made the absence of anti-Catholic discrimination a condition of giving contracts to N. Ireland firms. Indeed it has caused much distress in the Catholic community in N. Ireland during the past week, by authorizing another of its semi-state bodies (Bord na Mona Peat Development Board) to purchase £¼M worth of goods from Sirocco Engineering of Belfast. Sirocco has 4 Catholic employees in a workforce of 850 to 900 (See copy of my letter to the media on this matter). The Government of the Republic of Ireland, as a defense witness for Shorts, collapses under cross-examination.

The Ambassador's letter is as short on hard data in support of Short's case as is the company's own briefing material. I submit that my original allegation against Short's supported by facts and figures, has not been disproved. The company still stands exposed as a firm which discriminates against Catholics.

Purchasers of Shorts' products must be left under no illusion about their complicity in that anti-Catholic discrimination. It would be most unfortunate if any agency of the U.S. Government should get involved in the purchase of aircraft from Shorts at this time.

Since this paper has been written, eighteen electricians have been hired by Shorts Brothers. Only one is Catholic.●

A TRIBUTE TO THE HIGH SCHOOL ARTISTS

HON. NICK JOE RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 3, 1983

● Mr. RAHALL. Mr. Speaker, I would like to take this opportunity to offer my congratulations to all of the high school artists from around the country whose works of art now grace the Cap-

itol tunnel. Their outstanding talent and dedication is reflected in these works of art and they are surely a welcome addition to the tunnel. I would especially like to offer my congratulations to the artist representing the Fourth District of West Virginia, Stephanie Midkiff of Lashmeet, W. Va., who was unable to attend the dedication ceremony and reception last night. Her acrylic "Butterfly Spirit" proudly hangs alongside of the other fine works of art and I am proud to have Stephanie's acrylic representing my congressional district. While I wish that Stephanie and her family could have made it to Washington for the reception, hopefully, she will be able to see her painting hanging in the Capitol tunnel. Once again, my congratulations to all of these fine young artists.●

THE DEDICATION OF A WORLD WAR I MEMORIAL MARKER

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 3, 1983

● Mr. CONTE. Mr. Speaker, I am submitting for the RECORD a speech made by Massachusetts State Senator John F. Parker at the dedication of a trail memorial marker in honor of World War I veterans. The dedication took place at Bourne National Cemetery at Otis Air Force Base on Cape Cod. More than 400 World War I veterans were on hand for this ceremonial unveiling of a granite World War I trail marker memorial. This monument is 5 feet high and has a bronze plaque with two verses of "Flanders Field" and sponsorship to all veterans of World War I. Mr. Parker's speech was very well received and many were even moved to tears as the senator told stories about the "war to end all wars."

ADDRESS OF STATE SENATOR JOHN F. PARKER AT DEDICATION OF WORLD WAR I MEMORIAL MARKER, NATIONAL CEMETERY, OTIS AIR BASE, BOURNE, MASS.

The year 1914 was a long time ago, almost 70 years and Europe was a long way from America, some 3,000 miles reached only by steamship for there were no swift airlines at that time and in 1914, American seemed safe and isolated from mounting troubles of the European nations and the rising military power of Imperial Germany, under Kaiser Wilhelm.

Even when a little known Serbian Archduke was assassinated, triggering World War I, it made little impression on the United States, for hadn't George Washington told us many decades before to stay out of foreign entanglements and that was good enough for us.

So, when Europe erupted into full-scale warfare in 1914, and German Army hordes decimated the smaller nations and pounded relentlessly at France and Great Britain, we watched and commisserated with Britain and France, but considered no action that might involve the United States in open conflict with Germany. In fact, we did little to prepare this nation for the eventuality of warfare. The terrible tragedy of the Civil War, fought only 50 years before and which killed almost 600,000 young soldiers of the north and south, had dimmed our view of armed conflict. We wanted no more of it and this was reflected in our military forces, both army and navy, far below the standards of the times.

Germany, with its manpower might, its vast submarine and surface fleets was awesome. Nothing in America could compare with this tremendous war machine. It was frightening and as the months rolled on from 1914 into 1915 and 1916, we read about this German jugernaut, that it was grinding down the flower of the armies of England, France, Belgium and other nations of Europe. We read about the submarine fleets that smashed to the bottom, millions of tons of shipping bringing starvation and panic to European nations. We read about the front lines of France, where brave soldiers were killed by the thousands just for a few yards of muddy turf and we heard the term "No Man's Land" which told us that neither side owned the territory, it was just a slaughterhouse.

It was a situation beyond belief. The blood of a whole generation of French, British and German soldiers was being poured out from Flanders to Verdun. The death toll was simply awful and nobody winning anything.

Slowly, America came to realize it had to help Britian and France with food and supplies, and we did. Shipping millions of tons of needed supplies to these nations, until Germany declared unrestricted submarine warfare against all shipping, no matter under which flag the ship was registered.

The great liner Lusitania went down, carrying with it many Americans. The American anguish was very great and continued so, as more ships were torpedoed and our rights to the high seas violated.

Slowly, the great American patriotic giant started to awaken. We were horrified at stories of German atrocities and it all came to a head on April 7, 1917, when President Woodrow Wilson and Congress declared war on Germany and its allies.

On that fateful night before Congress, President Wilson gravely stated: "It is a fearful thing to lead this great peaceful people into war, into the most terrible and disastrous of all wars, civilization itself seeming to be in the balance, but the right is more precious than peace . . ."

One sentence above all stood out, and people remembered from President Wilson's war message, "The world must be made safe for democracy."

President Wilson also summoned the youth of America into the most bloody of all wars in human history up to that time. Before the armistice was signed, millions of men and women entered the armed forces with nearly 2 million reaching France and the Western Front.

The patriotic fever that blanketed America completely baffled the Imperial German High Command. They had calculated that America would not, and could not mount a military presence and power in Europe.

When Congress voted its War Resoluiton in April of 1917, the nation had little idea what this momentous step involved. The general assumption was that the allies needed food and supplies and that there were enough men in France and Britain to do the fighting and it was further thought that most of the American involvement would be on the high seas with the navy doing most of the fighting.

A debate raged in Congress as to whether or not recruits should be drafted and all this time the Big Bertha guns and finely trained German soldiers were grinding down still further British and French divisions in the field and there was a question could Britain and France hold out until American aid arrived.

President Wilson proclaimed that all young men must register for the draft, and on June 5, 1917, nine million men registered.

Then came the burden of creating an army on short notice. National Guard units were mobilized. Training camps were constructed and America rushed into an all-out war effort.

The gigantic American mobilization in the Spring of 1917 would be to no avail if the sea lanes of the Atlantic were blocked. The Germans were sinking almost a million tons of shipping a month and the British Admiralty predicted that unless the losses were stopped, Germany would win the war, as the stepped-up German submarine attack destroyed allied shipping in every sea lane.

No one can ever imagine, unless he was there, in those American destroyers and submarine chasers out on Atlantic duty, how vicious were the elements, as they tracked down German subs in weather beyond description.

Anyone who was in the navy during those perilous days in the bitter cold and through a winter of the worst storms in decades would attest that these were the worst days of their lives. But they went after the enemy, no matter where. Securing sea lanes for shipping and guiding our troop convoys to European ports.

The miracle of all was the transport of more than 2 million soldiers in 1,142 sailings across 3,000 miles of dangerous waters, in what became known as a bridge of ships, as the two navies, Great Britain and the United States so effectively guarded them and brought them safely to their destination with a minimum of losses.

And what about the 2 million men who made it to the other side, the United States soldiers of World War I, the doughboys?

They had left the states to the cheers of the populace. The songs "Over There, Over there, The Yanks Are Coming," "Smile, Darn You Smile," "K-K-K-Katy," and the cry of "Lafayette, We are Here" echoed through Paris as the first contingent of American troops marched down the Champs Elysee on July 4, 1917.

Germany never imagined that America could do what it was doing. Put 2 million combat soldiers in the field, adequately supplied and ready for action.

The Germans had 250 divisions against less than 170 allied divisions and General Pershing was not certain he could handle those odds, but he was insistent that the American presence be on its own, that the war could never be won in the trenches. Someday, somebody had to move forward and break the stalemate, attack the Germans. Trench warfare was not for Black Jack, it was over the top and get it done.

When the fighting mounted, one million two hundred thousand American soldiers hurled themselves across the rugged terrain of the Meuse-Argonne region, against fiercely-defending Germans in what was to become a death struggle for Imperial Germany. For 47 days the Americans attacked through a vast network of barbed wire, deep ravines, dense woods, myriads of shellholes and what not. It was the brutality of war-

fare in all its total savagery. In Belleau Wood alone 8,000 marines were reduced to less than 2,000.

The names of Sedan, St. Mihiel, Chatteau Thierry, The Marne, The Anise River, The Meuse, Montfaucon, Verdun, Metz, Very, are only a few along the way of American Expeditionary involvement in the gigantic struggle to destroy the German armies and the price paid for those victories, and many other on land, sea and in the air, are recorded in blood and bravery on a thousand historical documents about World War I.

No one who was in it will ever forget. The angry seas for the navy, the desperate air battles for our fliers against the Red Baron and other German aces, and the mud, the filth, the stench, the cooties and lice, the desperation, the gas, the incessant shelling and terrible death at a thousand disputed barricades.

No one should ever forget the cost in treasure and manpower before Germany signed the armistice and war ended on November 11, 1918.

From 1914 until the armistice, more than 29 nations were involved in World War I, with a total of 65 million servicemen and women of all nations. An awesome 8 million were killed and other casualties reached 21 million. The devastation and cost were beyond calculation.

United States military losses alone reached 126,000 killed, 234,000 wounded and gassed, 4,500 prisoners and missing. It was the most terrible time of carnage and savagery and destruction ever known up to that time and it should never be forgotten what men and nations can do under the frightful stress of war and how brave and courageous men can be under fire.

It is also proper to take note of the sacrifices by the young men and women of America and Massachusetts who lie in this hallowed resting place and in the cemeteries of France and the world. To perpetuate their memory by the dedication of a suitable monument as an on-going reminder of the hard and difficult days of 65 years ago.

It is well that we remember also Massachusetts' contribution to the winning of World War I.

From this state alone, more than 200,000 men and women went into military service. Massachusetts contributions to the prosecution of the war was second to none among states of the Union.

The 26th Yankee Division, organized in Boston on August 22, 1917, was the first full America division to land in France. It received and effected tremendous casualties in the Meuse-Argonne offensive and elsewhere and spent an unbelievable 210 days on the front lines. Its casualty total reached more than 5,000 gassed, 1,500 wounded, nearly 2,000 killed and again and again its infantry regiments were cited for outstanding service against the enemy.

Massachusetts men were in many other divisions as well and their records in combat are indelibly emblazoned forever in the annals of the magnificent fighting units from every section of the nation. More than 5,000 gave their lives.

The State House in Boston is a repository for many of the memorable honors that came to Massachusetts servicemen during those hectic days of World War I. A memorial to four Massachusetts Chaplains who lost their lives in combat, the names of four men who received the Congressional Medal of Honor; Charles W. Whittlesley, who commanded the famous lost battallion, Michael J. Perkins, Charles Dilboy and Ralph Talbot. A plaque to the memory of Lieutenant Norman Prince, who founded the famed Lafayette Escardrille. The first shell fired against Germany by a Massachusetts National Guard Unit, World War I flags and banners, honor shields and tablets, and above all the magnificent mural of the decoration by France with the Croix De Guerre of the 104th Infantry Regiment of the 26th Divison, the first such distinction to come to an American infantry unit. All of these are now silent reminders of that terrible time so long ago when the flower of our youth went overseas to fight to make the world a safe place for democracy.

Time, in its inexorable march, has taken most of the braver men and women of World War I to the great camp site in the sky and we meet here today, in this month of June, so long after, to dedicate a monument in their honor and memory. It is a fitting thing to do, so noble, so satisfying and so right and just.

To the men and women of World War I, we owe so very much. They did make the world safe for democracy. By facing the enemies of freedom and liberty. They did not fail, and brought victory and peace in their time.

It is little enough to remember them in perpetuity. They knew the tragedy and pity of war. The senselessness of it, the madness, the grief, the tears and heartache that it brought to millions of families of whatever nation, friend or foe.

So, we pay tribute to them, Not as conquerors, but as soldiers, sailors, marines, airmen, nurses of America, who believed in a righteous cause, marched off and did their bit, or more than that, gave their lives in the holocaust of death and destruction of the Western Front or on the high seas.

Permit me to close out this high honor you have given me to be the principal speaker at this dedication by leaving you with an old World War I poem, written by an anonymous soldier-doughboy, who put it this way:

Our country called us to the colors, and we gladly went
With a smile on our lips, and on victory bent.
The Kaiser was our enemy; we all knew that
And we figured he would run when he saw our tin hats.
It didn't work that way, and it was tougher'n hell
Surviving the filth, the gas, the horror and the smell.
The war was no picnic and the casualties ran high
Wonderful young Americans, who were not eager to die.
It should not be forgotten what the doughboys did here
In this frightful world of explosions, agony and fear
Across no-man's land; that terrible blood-red strip
Where sharpnel tore at bodies and machine guns zipped.
Shell holes tell the story, half of them filled with blood,
The sky's afire, the bullets hail as we wallow through the mud
We checked the men still living and then we knew full well
That in those awful moments, more than half the regiment fell.
But we won it for democracy, beating the Germans all the way
And the price was white crosses from Sassions to Seiprechey
So remember us kindly, the doughboys who turned the tide
Ask God to love and keep us, forever at his side.●

CONSTRUCTION OF COAL SLURRY CLOSE TO REALITY

HON. JAMES F. McNULTY, JR.

OF ARIZONIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 3, 1983

● Mr. McNULTY. Mr. Speaker, the construction of coal slurry pipelines as a mode of delivering cheaper energy to American citizens and lessening our dependence on foreign suppliers is close to reaching reality. H.R. 1010, which provides eminent domain for the construction of coal slurry pipelines has passed both the House Public Works Committee and the Interior Committee, and will soon be scheduled for a vote on the floor.

In light of that fact, I would like to have the following articles reprinted in the RECORD.

[From the Phoenix (Ariz.) Republic, June 25, 1983]

AN OK FOR COAL SLURRY?

If Congress approves coal slurry pipelines—and it now seems closer than at any time in the past 20 years—this would cut the delivery price of Western low-sulfur coals.

More utilities across the country would buy cleaner Western coal, eventually generating greater income and jobs for the West.

Arizona produces 12.5 million tons a year, all on the Navajo Indian reservation.

Coal-fired plants produce more than half of all U.S. electricity.

Railroads, fighting to keep their high-volume coal traffic, have managed to defeat pipeline developers for two decades.

They are still attempting to block the pipelines—carrying a 50-50 mixture of coal and water through mostly underground lines—from crossing railroad rights-of-way.

Western coal and pipeline interests are trying to use the power of eminent domain.

One reason why the bill has a chance of passage is that much of Western agriculture's past fear of losing irrigation water to slurry has been calmed.

Reps. Richard Cheney, R-Wyo., and Morris Udall, D-Ariz., have written a measure that gives the states authority over water used in interstate coal slurry pipelines.

No firm may purchase water for slurry without state approval.

In some cases, moving coal by pipeline is half that of rail rates.

In all instances, the new delivery method offers savings to customers.

Coal slurry pipelines should make both the railroads and slurry lines more cost-efficient.

Such efficiency should help coal better compete with nuclear and oil energy.

The United States has hundreds of years of energy resources in its coal deposits.

Western coal is relatively clean-burning.

After two decades, the time for coal slurry pipelines has finally arrived.

[From the Tucson (Ariz.) Daily Citizen, June 29, 1983]

CONSUMER RELIEF

There's nothing like a little competition to bring down prices. That's why the railroads have fought for years to keep pipelines from being built that would carry coal slurry—a mixture of coal and water.

Such pipelines can't be built without federal eminent domain authority that would allow the pipelines to cross railroad property. A bill now being considered in Congress, the Coal Pipeline Act, would authorize the Secretary of the Interior to grant rights of way for coal slurry pipelines.

Arizona Reps. Morris Udall and James McNulty support the bill because it would give the railroads some competition and an incentive to hold down their coal-hauling rates, which have risen steadily over the past few years. Higher transportation costs are passed on to consumers by the electric companies that use coal to generate power.

In addition, Udall estimates that slurry pipeline projects could create up to 500,000 new private-sector jobs.

The railroads have succeeded for nearly 20 years in blocking coal slurry pipelines. But this year, with coal companies, utilities, consumer groups and labor all working for the bill, that opposition finally could be derailed.●

H.R. 2817, A BILL TO AMEND THE CLEAN WATER ACT

HON. ROY DYSON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 3, 1983

● Mr. DYSON. Mr. Speaker, I was asked to testify before the House Public Works Subcommittee on Water Resources on H.R. 2817, a bill I introduced earlier this year that would provide funds for the cleanup of the Chesapeake Bay.

The testimony follows:

TESTIMONY OF CONGRESSMAN ROY DYSON

Mr. Chairman and distinguished members of the Subcommittee, I am here today to testify on behalf of H.R. 2817, a bill I introduced earlier this year that would amend the Clean Water Act to provide for the enhanced water quality of the Chesapeake and Narragansett Bays.

The Chesapeake Bay in one of our nation's most cherished and valuable natural resources. It is the largest and most productive estuary in the contiguous United States, with a drainage area of nearly 64,000 square miles in size, that includes parts of 6 states and the District of Columbia. Its primary tributaries, the Susquehanna, the Potomac and the James River, are major river systems in their own right.

The Bay's significance extends beyond its size, to its importance for the seafood, waterborne commerce and water-oriented industries that are vital to the middle Atlantic states. I am particularly aware of this because of my responsibilities as the representative of Maryland's First Congressional District, which surrounds the largest portion of the Cheaspeake Bay.

These local interests are complemented by the impact that the Bay has on the nation as a whole. Its fishing production is surpassed only by that in the Atlantic and Pacific Oceans, with an annual dockside value in excess of $100 million. Commercial shipping interests carried nearly 239 million tons of cargo via the Chesapeake in 1981, estimated at nearly $27.5 billion.

One of the Bay's most valuable roles is its function as a wildlife and aquatic habitat. Its tributaries are important places of reproduction for a variety of species of anadromous fish, like the shad and striped bass. In fact, almost 90 percent of the striped bass along the Atlantic Coast spawn in the Chesapeake's waters.

These facts indicated why the environmental quality of the Bay is so important to the region and the nation. As you probably know, next month the Environmental Protection Agency completes its seven-year, $27 million study of the Chesapeake Bay's water quality. The study answers many of the most pressing questions about the condition of the Bay, but those answers only point to how much more remains to be done.

Research findings have identified three areas of serious concern: Toxics, nutrient enrichment and declining Bay grasses. These findings indicate that the main stem of this 195-mile long estuary is losing oxygen. In addition, the upper reaches of the main tributaries are considerably more stressed than scientists originally thought. All of these trends—the decline of the Bay grasses; the increased nutrient and attendant loss of oxygen; and the continued loading of toxic chemicals and heavy metals into Bay waters—portend serious problems by the end of the century.

The Bay grasses that once stretched from shore to shore are nearly gone. Commercial landings of striped bass plunged from five million pounds in 1973 to less than one million pounds in 1979. Shad, once harvested in huge numbers, and now so scarce that there is a rule against catching and keeping them in Maryland. In general, the fish that migrate each year to spawn in the Chesapeake Bay are disappearing.

This decline in water quality and subsequent loss of aquatic life has been principally the result of non-point source pollution; that is, agricultural and urban runoff, usually from heavy rainfall. Each year the Bay receives 400 million gallons of sewage and some 2,000 tons of metals and symbolic compounds, including sediments, fertilizers and herbicides.

Given the EPA findings, it is essential that we have a shared federal and state commitment to clean up the Chesapeake Bay. Management strategies for the Bay have been developed. A massive data base has been assembled to define trends in water quality variables and living resources over a 30 year time period for the Bay and its tributaries. There is only the need to establish a mechanism for implementing the Bay management strategies and to monitor their environmental results. I believe my legislation would provide that mechanism and the incentive for the states of Maryland, Pennsylvania and Virginia to develop and implement an interstate Bay Management Plan.

My legislation will provide a maximum of $10 million in federal funds in each of the next four fiscal years to help the states turn their water pollution reduction plan into action. The federal grant money, to be administered by the EPA, will cover up to 55 percent of the total cost of implementing the plan in each state. Therefore, each state would have to contribute at least 45 percent.

The federal commitment to a healthier Chesapeake Bay must not end merely because the states are now the first line of defense against this water pollution problem. As the country's largest and most productive estuary, the Chesapeake Bay is as much a federal concern as a local one.

My bill also includes a $3 million authorization to insure that the EPA continues to conduct research and monitor changing conditions in the Bay. Special attention would be paid to the effect of pollutant loadings on the dwindling striped bass population.

Mr. Chairman, I am pleaded to note today that my bill has received the support the entire Maryland and Virginia Congressional delegations and over half of the members from Pennsylvania, three of whom are members of this subcommittee. In addition, the governors of Pennsylvania, Maryland and Virginia have all publicly endorsed the bill.

This high level of interest from federal and state officials in the Chesapeake Bay region represents an unprecedented effort to deal with the Bay's problems. We have begun to recognize that there is a mutual interest among the needs of all parties in the region. Residents on the Bay worry about non-point source pollution harming the aquatic life. Farmers who live near the Bay or in the Susquehanna Valley are concerned with finding ways to save money on fertilizer and improving their productivity by preventing further soil erosion. Problems such as these have too often been seen as being mutually exclusive and therefore incapable of a comprehensive solution. My bill initiates the kind of coordinated approach that begins the process of dealing with runoff and its harmful effect not only on the Chesapeake Bay, but on our farmland.

Finally, my legislation would provide $1.5 million in each of five fiscal years for the EPA to conduct research assessing the principal factors having an adverse effect on the environmental quality of the Narragansett Bay in Rhode Island. My bill also requires the Administrator of EPA to establish a mechanism for improving the collection, storage, analysis and dissemination of water quality data on the Narragansett Bay.

Mr. Chairman and fellow Colleagues, the Clean Water Act is our nation's major legislative vehicle to improve water quality. The Chesapeake Bay, as our nation's largest and most productive estuary, warrants protection under its statutes. My legislation represents an important first step towards improving the Bay's water quality and assuring future generations that the Chesapeake Bay will continue to be a productive center for economic development and aquatic life. I urge its inclusion in this year's reauthorization of the Clean Water Act. Thank you, Mr. Chairman. I would gladly answer any questions you may have.●

A TRIBUTE TO RICHARD W. MacWHORTER

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 3, 1983

● Mr. COURTER. Mr. Speaker, I would like to take this opportunity to pay tribute to Richard W. MacWhorter, who has recently received the Silver Star for his meritorious service in the U.S. Army during the Second World War.

Mr. MacWhorter earned this honor for his unwavering courage and heroism during the Battle of the Bulge. While holding a line of defense in Echternach, Luxembourg, the Germans counter-attacked and surrounded his unit, Company E of the 12th Infantry Battalion. He was subsequently captured, and he spent the next few months as a prisoner of war.

As a first lieutenant and the commander of unit 1542, Mr. MacWhorter saw combat in the Rhineland, Ardennes, and Central Europe. He was supposed to receive the Silver Star in 1947, but until now it was never given to him.

Mr. MacWhorter has been decorated many times for his valor on the field of battle. Prior to this honor, he had been awarded the European-African-Middle Eastern Service Medal, the American Service Medal, the Distinguished Unit Badge, and the Victory Medal.

After so many years of waiting, it is gratifying to see Mr. MacWhorter receive what is rightfully his. As Americans, we owe him a deep debt of gratitude for his service to the United States. I know his family and friends would like to join us here today in extending to him our deepest thanks and appreciation and to wish him many years of health and happiness.●

ABORTION: ONE WOMAN'S ORDEAL

HON. ALAN B. MOLLOHAN

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 3, 1983

● Mr. MOLLOHAN. Mr. Speaker, I would like to submit for the consideration of my colleagues an article in the Washington Times outlining one woman's ordeal caused by her decision to abort her baby. It provides, I think, valuable insight on the abortion issue.

[From the Washington Times, Aug. 3, 1983]

WOMEN FORM WEBA TO FIGHT ABORTIONS

NANCYJO MANN ON THE HORROR OF HAVING AN ABORTION

(Every year for the past 10 years, 1.5 million women have had an abortion. For many, according to Nancyjo Mann, founder and president of Women Exploited By Abortion (WEBA), having an abortion only began their problem. Mann was interviewed by Washington Times staff writer and columnist Tom Diaz.)

Q: Tell us about your experience with abortion and its consequences.

A: My experience goes back to 1974, the month of October, 30th day—the day that I killed my baby girl. It was a second trimester abortion, I was 5½ months pregnant.

I went to the doctor because family members had pressured me, had encouraged me. There was no "Nancy maybe you should reconsider," because it was not my idea in the first place, it was theirs.

My husband had walked out the door and deserted us. The responsibility of three children was just too much for him. I went to my mother and my brother and asked, "What am I going to do?" And my mother said "It's obvious, Nancy, no man's going to want you with three children, let alone the two you already have. You're probably not going to amount to a hill of beans and you're probably going to be on welfare the rest of your life."

And following those three positive, uplifting statements, she said "You're going to have to have an abortion." Then she called one of the leading ob/gyns in the Midwest, and he said, "Absolutely, no problem. Bring her on in."

Q: Did he know at the time how far you were along?

A: Absolutely. He does all kinds of second trimesters, no problem.

I went in and I asked, "What are you going to do to me?" All he did was look at my stomach and say, "I'm going to take a little fluid out, put a little fluid in, you'll have severe cramps and expel the fetus."

I said, "Is that all?" He said, "That's all."

It didn't sound too bad. But what that doctor desscribed to me was not the truth.

I went to the hospital and 60 ccs of amniotic fluid were drawn out, and a saline solution injected. Immediately the needle went through the abdomen I hated Nancyjo, I hated myself. With every ounce of my being I wanted to scream out "Please, stop don't do this to me." But I couldn't get it out.

Once they put in the saline there's no way to reverse it. And for the next hour and a half I felt my daughter thrash around violently while she was being choked, poisoned, burned and suffocated to death. I didn't know any of that was going to happen. And I remember talking to her and I remember telling her I didn't want to do this, I wished she could live. And yet she was dying and I remember her very last kick on her left side. She had no strength left.

I've tried to imagine us dying that kind of death, a pillow put over us, suffocating. In four minutes we'd pass out. We'd have that gift of passing out and then dying. but it took her an hour and a half just to die.

Then I was given an intravenous injection to help stimulate labor and I went into hard labor for 12 hours. And at 5:30 a.m. on the 31st of October I delivered my daughter whose name is now Charmaine Marie. She was 14 inches long. She weighed over a pound and a half. She had a head of hair and her eyes were opening.

I got to hold her because the nurses didn't make it to the room in time. I delivered my girl myself. They grabbed her out of my hands and threw her, into a bedpan. After they finished and took her away in the bedpan, they brought a lady in to finish her last hours of labor lying next to me. She had a healthy baby boy.

That was tough.

I like Nancyjo, I liked me, prior to the abortion. But shame and remorse and guilt set in—I mean, when you get a hold of your own daughter and you see what you did. She was not a "fetus." She was not a "product of conception." She was not a "tissue adhering to the uterine wall." She was my daughter and I got to hold her, at only 5½ months, 22 weeks. So those are cheap, inhuman words to use around me.

I chose to be sterilized because I couldn't cope with the idea that I could possible kill again. It was too devastating. It was not something you go around telling people, that you just killed your baby, no problem. I was ashamed, totally ashamed.

Q: But some people would say that although this experience obviously had a great impact on you, it is not characteristic of most other women who have abortions. Is your case unusual?

A: No, my case is not unusual at all. People want to say "Oh, but Nancy, you're the extreme." That's not true. In fact there are so many more of us than there are the other. The emotional hurt is so deep. You do not discuss your abortion, the suction machines and the needles and everything else, over a cup of tea and a cookie. Women just don't do this. The pain is just too deep and too great.

I'm sure there are women out there who are never fazed, never, by their abortion. But I would say that 98, 99 percent of them are fazed, whether it's for a small period of time or for the rest of their life, whether they suffer only a small degree or die from their abortions.

Q: How did WEBA—Women Exploited By Abortion—get started?

A: About one year ago I was talking to another recording artist who was pro-life. I asked what pro-life meant and he said he was anti-abortion. I said "Hank, I had an abortion in 1974. I was 5½ months pregnant. It hurt so bad for so long."

He just about drove the car off the road. And he said, "Nancy, you've got to tell the story." So, a year ago I went public, founded WEBA.

Q: How many members do you have?

A: I'm a 10-month-old corporation and in 10 months I've gone from being two people, my vice president and myself, in two states, Virginia and Iowa, to now having 34 states with approximately 10,000 women in my group.

Q: What are some of the effects of abortion on women?

A: I have women who cannot vacuum their carpets. They have to have the neighbor or their husbands do it while they're at the grocery store, because of the suction sound. You see, the suction machine (used in many abortions) makes that sucking sound—it's 29 times more powerful than the vacuum we use in our home. The majority of the women aren't put to sleep. It's done without being put to sleep. It's heartbreaking to me that they can't run a vacuum cleaner—that's a deep wound.

One psychological effect we see almost all the time is guilt. Others are suicidal impulses, a sense of loss, of unfulfillment. Mourning, regret and remorse. Withdrawal, loss of confidence in decisionmaking capabilities. They feel that maybe they've made a wrong decision, maybe they can't make another decision right in their life. Lowering of self esteem. Pre-occupation with death. Hostilities, self-destructive behavior, anger and rage. You can lose your temper quickly. A despair, helplessness, desire to remember the death date which is really weird but you do that. You remember these dates very strongly. A preoccupation with the would-be due date or due month. My daughter was due in early March, so in early March it's there.

An intent interest in babies but a thwarted maternal instinct. Women really are interested in babies, but I have many members who can't hold children. A hatred for anyone connected with abortion. Lack of desire to enter into a relationship with a partner, loss of interest in sex, an inability to forgive self, feeling of dehumanization, nightmares, seizures and tremors, frustrations, feeling of being exploited. And child abuse. We see a lot of child abuse.

I want you to understand that I do not come from any right to life organization.

We are connected with no one. We remain neutral. But we are the ones they are all arguing about and discussing and debating. We are the voice of experience.

I told Congressman (Henry A.) Waxman, D-Calif., at a recent hearing, "Have you ever had your cervix dilated and the womb ripped open? Have you ever had tubes stuck inside of you and everything sucked out? Have you ever had needles stuck through your abdomen? Have you ever felt your baby thrash around and die? Have you ever had hard labor, delivered and held your baby? Because if you haven't, sir, you can't intelligently talk to me about this. We are the voice of experience. We've all had this done to us."

And that's a fact. So we held our own ground, our own turf, our own territory.

Q: What is it that your organization does as a voice of experience?

A. We are a support group for those women who hurt—physically, emotionally, mentally and spiritually—from their abortions. We are there when the phone rings at 3 in the morning and someone is suicidal because maybe it was four years ago on that day and they still can't cope with it. We cry with them and talk with them. We are a support group. We also are a political group. I am classified as that, and I guess the strongest thing of what I intend to do—I intend to shut the abortion industry down. I intend to shut the abortion-on-demand industry down.

We also have rape victims and incest victims among our members—the other 3 percent (not abortion-on-demand). And every one of them is getting ready to go public, to speak very publicly—their full names, ages, everything. They're not ashamed. They know what happened to their lives. They became victims of an industry that is making lots of money, that was supposed to be a quick answer.

And now they're under psychiatric care, psychological care. Because of the abortion, not the rape and incest. They overcame the rape and the incest. Sure they needed help, but they overcame that. But they have had a very difficult time overcoming killing that innocent baby.

They heard of WEBA and they contacted us. And two of them were so brutally beaten they couldn't make it to the hospital in time. Pure rapes, I'm not talking about just a strong sexual aggressiveness. I'm talking about women who were brutally beaten, true rape victims.

Q: You talked about political activity. What's been your experience here in the Congress?

A: I testified two weeks ago before Rep. Waxman, Barbara Mikulski and a few other members of Congress. It was a stacked hearing—14 to 1 doesn't sound very balanced to me. But I went in very open and honest with them, they sat very intently and very amazed at the story I had to tell about my organization, myself and my constituency, WEBA.

Barbara Mikulski said "I've never heard this side." I said, "No, Pandora's box got opened up 10 years ago and now you're just starting to see it." I predict that in five years we will see an epidemic of mental and nervous breakdowns among the women of this country. People are not going to know why and I'm going to be able to tell you why: because they've had an abortion, that's why.

It's a quick solution. Abortion is not an ending of problems, it's the down payment for a whole new set of problems. That's what it is. It doesn't get rid of them.

Q: Have congressmen been exposed to your view, the voice of experience?

A: No. I hear time and time again, "I've never heard this side before." "Are there many more like you?" they ask. And my answer is this. Take the 15 million of us who have, by legal abortion-on-demand, killed our babies. I will give 2 million or 3 million to Planned Parenthood, NOW or whoever they want. I will give another 2 million or 3 million who have two or three abortions without open remorse.

And justification to oneself is important here, by the way. I don't know how many women I told to go have abortions. Justification. It's like, if you can have a few more, go do what you did and kind of justify it, it makes it better. It makes it not quite so bad.

That still leaves 9 million of us who've been hurt in one way, shape or form or the other—psychologically, physically, emotionally or spiritually.

Q: So you believe that there are—by conservative estimate—perhaps 10 million women who suffered as you did?

A: I believe by very conservative there's 8 million who have been hurt.

Q: Where can they write or call? Or what can they do if they need somebody, such as your organization?

A: They can call or they can write. The address is WEBA, 1553 24th St., Des Moines, Iowa 50311. Or they can reach me at 515-255-0552, my business phone. If they hurt, if they're at a certain state, I may have a state representative where a girl can be with them and talk with them. I get so many women who have written me to say, "Thank God, there is somebody that I can now finally pour the whole thing out to."

And I'm thankful that I am a Christian because I couldn't carry that load. If you could read my mail . . . It started off where I'd get two and three letters a day and now they're wrapping it in bundles to bring to me. And I get mail from all over the world.

Q: Within 10 months this has happened?

A: In 10 months. There is such a need. No one thought 10 years ago of the aftermath. We're the aftermath.●

HAZLETON ALL-AMERICAN GIRLS SOFTBALL TEAM WINNER OF PENNSYLVANIA STATE CHAMPIONSHIP

HON. FRANK HARRISON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 3, 1983

● Mr. HARRISON. Mr. Speaker, for the first time in its history, the All-American girls softball team of Hazleton has won the Pennsylvania State Championship.

That, of course, is quite an achievement in itself. In addition, the State championship carries with it an invitation to participate in the National Championship Tournament to be held in Tulsa, Okla., from August 11 through August 14.

The All-American Girls Softball League started in 1978 with 8 teams and now consists of 18. There are currently 300 girls in the league, all members of the Amateur Softball Association. The girls are all from Hazleton and the surrounding area.

Throughout the years, they have participated in tournaments throughout Pennsylvania. In 1980, the All-American girls won first place trophy for best marching unit in the annual funfest parade. They actively participate in assisting charitable organizations, most recently be a benefit game for the cause of the United Rehabilitation Services.

The purpose of the league is to provide wholesome activity for girls between the ages of 8 and 15. The girls are sponsored by local businesses and organizations, who pay a yearly fee to help defray the cost of uniforms. The extraordinary expenses associated with the trip to Tulsa will be defrayed by contributions from the general public in the Hazleton community.

Because of their own efforts and the help of the community, these outstanding young women will represent the All-American Girls Softball Team at the National Championship in Tulsa: Melissa Butala, Janene Dagostino, Patti Seliga, Marine Sandrock, Tina Davis, Donna Yachera, Tanya Piehota, Janene Wallace, Kelly Ragan, Tammy Sukel, Francine Scarcella, Karen Ritz, Wendy McGarry, and Chris Seliga.

In acknowledging these outstanding young women, Mr. Speaker, we must also pay tribute to their coaches: Tom King, Janet Victor, Carol and John Sukel. It should also be noted that Mrs. Sukel is the chairman of the league and that Paul J. Paternoster is their public relations coordinator.

As these young women depart for Tulsa, they carry with them the best wishes and high hopes of the greater Hazleton community. It is my honor, Mr. Speaker, to join in this tribute to them and to share the story of this outstanding community endeavor with my friends and colleagues in the House.●

LEGISLATOR JOSEPH ADAMO

HON. BRUCE A. MORRISON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 3, 1983

● Mr. MORRISON of Connecticut. Mr. Speaker, I am pleased and honored to have this opportunity to join with the Connecticut Police Chiefs Association in congratulating Connecticut State Representative Joseph Adamo of West Haven, whom the CPCA has chosen as the 1983 "Outstanding Legislator of the Year."

As first-term Democrat from West Haven's 116th District, Representative Adamo spearheaded the efforts of

many State representatives and the CPCA in obtaining the passage of Public Act 83-212, "An Act Requiring Just Cause for Police Chiefs Dismissals." The requirement of proving "just cause" is designed to remove any possibility of politics entering into the decision to dismiss a police chief in Connecticut.

Representative Adamo is a member of the Labor and Public Employees Committee of the Connecticut General Assembly. In that capacity he has worked tirelessly and successfully for legislation to protect the rights of workers and to improve Connecticut's unemployment compensation benefits. Representative Adamo was also instrumental in the passage of tough new drunk driving legislation.

In a very short time, Representative Adamo has shown outstanding leadership capabilities and has impressed his constituents and colleagues with his dedication and hard work. The designation as "Outstanding Legislator of the Year" is one which Representative Adamo has earned by his work each and every day of his first term, and I know that I speak for his entire district when I say that he is truly deserving of this honor.●

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Thursday, August 4, 1982, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

AUGUST 5

9:30 a.m.
Joint Economic
To hold hearings on the employment/unemployment situation for the month of July.
SD-106

10:00 a.m.
Conferees
Closed, on S. 675, authorizing funds for fiscal year 1984 for the Department of Defense.
S-407, Capitol

2:00 p.m.
Conferees
Closed, on S. 675, authorizing funds for fiscal year 1984 for the Department of Defense.
S-407, Capitol

SEPTEMBER 8

10:00 a.m.
Labor and Human Resources
Family and Human Services Subcommittee
To resume oversight hearings on the breakdown of the traditional family unit, focusing on the historical perspective and societal implications.
SD-430

SEPTEMBER 13

10:00 a.m.
Select on Intelligence
Closed briefing on intelligence matters.
S-407, Capitol

SEPTEMBER 15

10:00 a.m.
Energy and Natural Resources
Water and Power Subcommittee
To hold hearings on S. 752, to provide for certain measures to reduce the salinity of the Colorado River, S. 1027, to provide that any construction costs undertaken by the State of Washington on the Yakima River basin water enhancement project made prior to congressional authorization of the project, may be credited toward any future cost-sharing requirements that Congress may impose at the time of authorization, and S. 483, to authorize the Bureau of Reclamation to provide compensation to certain landowners who are deprived of winter stock water supply for their livestock along Willow Creek in Idaho.
SD-366

Labor and Human Resources
Family and Human Services Subcommittee
To resume oversight hearings on the breakdown of the traditional family unit, focusing on causes and remedies.
SD-430

SEPTEMBER 20

10:00 a.m.
Foreign Relations
Business meeting, to resume consideration of Senate Joint Resolution 2, calling for a mutual and verifiable freeze and reduction in nuclear weapons, and related resolutions, including Senate Joint Resolution 12, Senate Joint Resolution 29, Senate Joint Resolution 74, Senate Resolution 57, Senate Resolution 83, Senate Resolution 107, Senate Resolution 142, Senate Resolution 159, and Senate Concurrent Resolution 46.
SD-419

Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To resume hearings on a Presidential commission report on excellence in education.
SD-430

11:00 a.m.
Veterans' Affairs
To hold hearing to receive legislative recommendations for fiscal year 1984 from the American Legion.
SR-325

SEPTEMBER 21

10:00 a.m.
Governmental Affairs
Business meeting, to mark up S. 121, to establish a U.S. Department of Trade as an executive department of the Federal Government.
SD-342

SEPTEMBER 22

10:00 a.m.
Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To resume hearings on a Presidential commission report on excellence in education.
SD-430

SEPTEMBER 23

9:30 a.m.
Finance
Economic Growth, Employment and Revenue Sharing Subcommittee
To hold hearings on the future of U.S. basic industries.
SD-215

SEPTEMBER 27

9:30 a.m.
Labor and Human Resources
Labor Subcommittee
To hold hearings on S. 19 and S. 918, bills to revise current Federal pension law with respect to the rights and benefits of working and nonworking women, and the substance of S. 372, to promote interstate commerce by prohibiting discrimination in the writing and selling of insurance contracts.
SD-430

SEPTEMBER 29

10:00 a.m.
Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To resume hearings on a Presidential commission report on excellence in education.
SD-430

OCTOBER 3

9:30 a.m.
Finance
Economic Growth, Employment and Revenue Sharing Subcommittee
To resume hearings on the future of U.S. basic industries.
SD-215

OCTOBER 18

10:00 a.m.
Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To resume oversight hearings on vocational education programs administered by the Department of Education.
SD-430

OCTOBER 25

10:00 a.m.
Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To resume oversight hearings on vocational educational programs administered by the Department of Education.
SD-430

CANCELLATIONS

AUGUST 4

10:30 a.m.
Foreign Relations
Arms Control, Oceans, International Operations, and Environment Subcommittee
Near Eastern and South Asian Affairs Subcommittee
To hold joint hearings on U.S. nuclear assistance to India.
SD-419